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Target's Statement

in relation to a RECOMMENDED OFFER by

INCA MINERALS LIMITED (ACN 128 512 907)

to acquire all of your ordinary shares in

STUNALARA METALS LIMITED (ACN 620 597 506)

for 6.448981 Inca Shares for every 1 Stunalara Share you hold.

The Independent Directors of Stunalara Metals Limited unanimously recommend you

ACCEPT

the Offer by Inca Minerals Limited (Inca) subject to there being no Superior Proposal and the Independent Expert concluding and continuing to conclude that the Offer is either fair and reasonable or not fair but reasonable[1].

The Independent Expert has determined that the Offer is **not fair but reasonable** to Stunalara Shareholders not associated with Inca as detailed in Annexure 1 of this Target's Statement.

The Offer is scheduled to close at **5.00pm (WST) on 4 April 2025** unless extended or otherwise withdrawn.

If you have any queries please contact Automic on the dedicated line for the Offer on 1300 124 934 (within Australia) or +61 2 8072 1449 (outside Australia) between 5:30am to 5:00pm (AWST) Monday to Friday or via email at corporate.actions@automicgroup.com.au.

[1] In respect of the recommendations of the Independent Directors, Stunalara Securityholders should have regard to the fact that if the Offer completes, the Independent Directors will each receive Inca Shares in consideration for their Stunalara Shares and Campbell Smyth is also an Inca securityholder as further detailed in Sections 5 and 12.3 of this Target's Statement.

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IMPORTANT NOTICES

Target's Statement

This document is a Target's Statement dated 10 March 2025 and is issued by Stunalara Metals Limited (ACN 620 597 506) (**Stunalara**) under Part 6.5 Division 3 of the Corporations Act. This Target's Statement sets out the Stunalara Independent Directors' formal response to the off-market takeover bid made by Inca Minerals Ltd (ACN 128 512 907) (**Inca** or **ICG**) for all of the Stunalara Shares in which Inca does not have a Relevant Interest (**Offer**).

ASIC disclaimer

A copy of this Target's Statement was lodged with ASIC on 10 March 2025. Neither ASIC nor its officers take any responsibility for the content of this Target's Statement.

Defined terms

Certain terms used in this Target's Statement have defined meanings, as set out in Section 14 of this Target's Statement.

No account of personal circumstances

Stunalara's Independent Directors recommend that you read this Target's Statement and the Bidder's Statement in full and seek independent advice if you have any queries in respect of the Offer. The information contained in this Target's Statement does not constitute personal advice. In preparing this Target's Statement, Stunalara has not taken into account the objectives, financial situation or needs of individual Stunalara Shareholders. It is important that you consider the information in this Target's Statement in light of your particular circumstances. You should seek advice from your financial, legal or other professional adviser before deciding whether to accept or reject the Offer.

Forward looking statements

Some statements in this Target's Statement may be in the nature of forward looking statements. You should be aware that these statements are not statements of known fact and that there is no certainty of outcome in relation to the matters to which the statements relate. Those statements reflect views held only as at the date of this document and are subject to inherent risks and uncertainties. Those risks and uncertainties include factors and risks specific to Stunalara, Inca, the market sector in which they operate, as well as general economic conditions and conditions in the financial markets, exchange rates, interest rates and the regulatory environment, many of which are outside the control of Stunalara, Inca or their respective directors. As a consequences, actual events or results may differ materially from the events or results expressed or implied in any forward looking statement.

None of Stunalara, any of its Directors, officers or employees or any person named in this Target's Statement with their consent or anyone involved in the preparation of this Target's Statement makes any representation or warranty (either express or implied) as to the accuracy or likelihood of fulfilment of any forward looking statement or any events or results expressed or implied in any forward looking statement, except the extent required by law. You are cautioned not to place undue reliance on those statements. The forward-looking statements in this Target's Statement reflect views held only as at the date of this Target's Statement.

Disclaimer as to information on Inca

The information on Inca contained in this Target's Statement has been compiled from and prepared by Stunalara using publicly available information and limited information provided by Inca (including under its Bidder's Statement) and has not been independently verified by Stunalara or its advisers. Accordingly, to the extent permitted by the Corporations Act, Stunalara makes no representations and warranties, express or implied, as to the accuracy or completeness of such information. If any information obtained from Inca or the public sources is inaccurate or incomplete, this may affect the information included in this Target's Statement.

Risks

There are a number of risks associated with the Offer, and with remaining a Stunalara Shareholder. Please refer to Section 10 of this Target's Statement for further information on those risks.

Foreign Jurisdictions

The release, publication or distribution of this Target's Statement may be restricted by law or regulation in some jurisdictions outside Australia. Accordingly, persons outside Australia who come into possession of this Target's Statement should seek advice and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable laws or regulations.

This Target's Statement has been prepared in accordance with Australian law and the information contained in this Target's Statement may not be the same as that which would have been disclosed if this Target's Statement had been prepared in accordance with laws and regulations outside Australia.

Statements of past performance

This Target's Statement includes information regarding the past performance of Stunalara and Inca. Investors should be aware that past performance should not be relied on as being indicative of future performance.

Website

Inca maintains a website at www.incaminerals.com.au.

Information contained in or otherwise accessible through this website is not part of this Target's Statement. All references to this website in this Target's Statement are for information purposes only.

Maps and diagrams

Any maps, diagrams, charts, graphs and tables contained in this Target's Statement are illustrative only and may not be drawn to scale. Unless stated

otherwise, all data contained in maps, diagrams, charts, graphs and tables is based on information available as at the date of this Target's Statement.

Currencies

In this Target's Statement, references to "Australian dollars", "AUD", "$", "A$" or "cents" are to the lawful currency of Australia.

Estimates and Assumptions

Unless otherwise indicated, all references to estimates, assumptions and derivations of the same in this Target's Statement are references to estimates, assumptions and derivations of the same by Stunalara's management. Management estimates reflect and are based on views as at the date of this Target's Statement, and actual facts or outcomes may materially differ from those estimates or assumptions.

Effect of Rounding

Figures, amounts, percentages, prices, estimates, calculations of value and fractions in this Target's Statement may be subject to the effect of rounding. Accordingly, the actual figures may vary from those included in this Target's Statement.

Privacy Statements

Stunalara has collected your information from the Stunalara register of members for the purpose of providing you with this Target's Statement. The type of information Stunalara has collected about you includes your name, contact details and information on your holding of Stunalara Securities.

Your information may be disclosed on a confidential basis to Stunalara and its Related Bodies Corporate, holders of Stunalara Shares and external service providers (such as Stunalara's share registry) and may be required to be disclosed to regulators (such as ASIC and the ASX).

If you would like to obtain details of the information held about you by Stunalara, please contact Stunalara's Company Secretary on 0419 945 471.

Enquiries

If you have any queries in relation to Inca's bidder's statement, please contact Automic on the dedicated line for the Offer on 1300 124 934 (within Australia) or +61 2 8072 1449 (outside Australia) between 5:30AM to 5:00PM (AWST) Monday to Friday or via email at corporate.actions@automicgroup.com.au.

If you have any enquiries in relation to your Stunalara shareholding or this Target's Statement please contact the Company Secretary on 0419 945 471.

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1. NON-EXECUTIVE DIRECTOR LETTER

10 March 2025

Dear Stunalara Securityholders,

RECOMMENDED OFF-MARKET TAKEOVER OFFER FOR STUNALARA

On behalf of Stunalara Metals Limited (**Stunalara**), I am pleased to present you with this Target's Statement and the opportunity to combine with Inca Minerals Limited (**Inca**) via Inca's takeover offer to acquire all of your Stunalara Shares (**Offer**) as detailed in Inca's Bidder's Statement dated 25 February 2025 as varied by a supplementary bidder's statement dated 6 March 2025 (together the **Bidder's Statement**)

Under the Offer, Stunalara Shareholders are being offered **6.448981 new Inca Shares for every 1 Stunalara Share they hold**.

The Offer values the Stunalara Shares at 3.8694 cents each, based on the last closing price of Inca Shares of $0.006 on 7 March 2025 (being the last trading day in Inca Shares before the finalisation of this Target's Statement). The implied value of the Offer will change with fluctuations in the Inca share price as traded on the ASX.

Should Inca acquire 100% of the Stunalara Shares, Stunalara Shareholders will together hold approximately 22.6% of the Combined Group[2], enabling you to obtain the benefits detailed below:

(a) Stunalara's and Inca's businesses are complementary, and their full combination will create an Australian established exploration and development company with a diversified asset base;

(b) you will have the opportunity to benefit from greater liquidity for your shareholding, increased market presence and enhanced funding capability of the Combined Group; and

(c) Stunalara Shareholders will gain full exposure to the Inca Board and management team that has a depth of technical experience and operational track record.

Independent Board Committee

As Stunalara Director Mr Andrew Haythorpe is a director of both Stunalara and Inca, Stunalara established an Independent Board Committee, comprising Non-Executive Directors Mark Lester and Campbell Smyth (**Independent Directors**)[3] to represent Stunalara in relation to matters associated with the consideration of, response to and management of the Offer.

Independent Expert Report

The Independent Directors appointed Moore Australia as the Independent Expert to provide an independent opinion as to whether the Offer is fair and reasonable to Stunalara Shareholders.

The Independent Expert has concluded that the Offer is **not fair but reasonable** to Stunalara Shareholders not associated with Inca.

A full copy of the Independent Expert's Report is set out in Annexure 1 to this Target's Statement.

[2] Assuming no convertible securities of Inca are converted or exercised and no other Inca Shares issued.

[3] While Mark Lester and Campbell Smyth are considered independent of Inca, they are Stunalara shareholders and will each receive Inca Shares if the Offer is successfully completed and Campbell Smyth is also an Inca securityholder as further detailed in Sections 5 and 12.3 of this Target's Statement.

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Independent Directors' Recommendation and Intentions

The Independent Directors have unanimously recommended that Stunalara Shareholders accept the Offer made to them subject to there being no Superior Proposal and the Independent Expert concluding and continuing to conclude that the Offer is either fair and reasonable, or not fair but reasonable[4].

Mr Haythorpe has not made a recommendation in relation to the Offer (due to being a director of both Stunalara and Inca with interests as set out in Sections 12.2, 12.3 and 12.4 of this Target's Statement.

Mr Andrew Haythorpe has confirmed his intention to accept the Offer subject to there being no Superior Proposal and the Independent Expert concluding and continuing to conclude that the Offer is either fair and reasonable, or not fair but reasonable. As at the Last Practicable Date, Mr Haythorpe holds approximately 18.74% of Stunalara Shares on an undiluted basis and 18.34% on a fully diluted basis.

As at the date of this Target's Statement, the Stunalara Directors have the following interests in Stunalara Securities. Refer to Sections 5 and 12.2 of this Target's Statement for disclosure of the interests of each of the Stunalara Directors in respect of the Offer.

Stunalara Director	Stunalara Shares held	% of Stunalara Shares (undiluted)	% of Stunalara Shares (fully diluted)
Andrew Haythorpe	8,530,001	18.74%	18.34%
Campbell Smyth	5,400,000	11.86%	11.61%
Mark Lester	5,390,000	11.84%	11.59%
Total	**19,320,001**	**42.44%**	**41.53%**

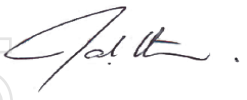
As at the date of this Target's Statement, Stunalara is not aware of any Superior Proposal.

After careful consideration of the Offer and the risks associated with Stunalara proceeding as a stand-alone entity, the Independent Directors consider the opportunity to combine with Inca to be compelling for Stunalara Shareholders.

A detailed explanation of the reasons why you should **ACCEPT** the Offer is set out in Section 2 of this Target's Statement. In addition, the Target's Statement sets out other matters that may be relevant to your decision whether to **ACCEPT** the Offer. I encourage you to read both the Bidder's Statement and the Target's Statement (including the Independent Expert's Report) and to seek independent financial and taxation advice if required.

The Offer is scheduled to close at 5:00pm (WST) on 4 April 2025, unless extended by Inca. To **ACCEPT** the Offer, follow the instructions set out in the Bidder's Statement and the accompanying personalised Acceptance Form.

Yours sincerely



Mark Lester
Non-Executive Director
Stunalara Metals Limited

[4] In respect of the recommendations of the Independent Directors, Stunalara Securityholders should have regard to the fact that if the Offer completes, the Independent Directors will each receive Inca Shares in consideration for their Stunalara Shares and Campbell Smyth is also an Inca securityholder as further detailed in Sections 5 and 12.3 of this Target's Statement.

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2. REASONS TO ACCEPT THE OFFER

2.1 Overview

The Independent Directors have considered the advantages and disadvantages of the Offer and unanimously recommend that you **ACCEPT** the Offer subject to there being no Superior Proposal and the Independent Expert concluding and continuing to conclude that the Offer is either fair and reasonable, or not fair but reasonable.

The Independent Expert has concluded that the Offer is **not fair but reasonable** to Stunalara Shareholders not associated with Inca (refer Annexure 1 of this Target's Statement).

The key reasons for the Independent Directors' recommendation are as follows.

In reaching a decision on whether to accept or reject the Offer, Stunalara Shareholders should carefully consider Section 10 of this Target's Statement and Section 10 of the Bidder's Statement which summarise relevant key risks.

- Opportunity to become a shareholder in an **enlarged company**
- Increased market presence, **greater liquidity** and enhanced funding capability
- Independent Expert has determined the Offer is **not fair but reasonable** to Stunalara Shareholders not associated with Inca
- Inca's Board and management team have a **depth of technical experience and operational track record**
- There are **material risks in Stunalara** continuing as a stand-alone entity
- The Offer is **subject to minimal conditions**
- **No Superior Proposal** has emerged to date

In considering whether to accept the Offer, the Directors encourage you to:

- read and carefully consider the whole of the Target's Statement (including the Independent Expert's Report) and the Bidder's Statement;
- have regard to your individual risk profile, portfolio strategy, tax position and financial circumstances; and
- obtain independent advice from your investment, financial, tax or other professional adviser on the effect of accepting the Offer.

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2.2 Shareholders in an enlarged company[5]

Upon successful completion of the Offer, Stunalara Shareholders will own approximately 22.6% of the Combined Group on an undiluted basis and approximately 17.2% of the Combined Group on a fully basis.[6]

Assuming 100% acceptance, Stunalara Shareholders who accept the Offer will become part of a larger, diversified exploration and development company, with key projects located in Western Australia, Tasmania, Northern Territory and Queensland.

Stunalara Shareholders will therefor continue to have exposure to the future upside associated with Stunalara's assets whilst mitigating and diversifying their risks by becoming part of a larger, and more diversified company that included Inca's significant prospective copper and gold, porphyry, porphyry-related and iron oxide copper-gold (**IOCG**) exploration tenure.

In the absence of a Superior Proposal and subject to the Independent Expert concluding and continuing to conclude that the Offer is either fair and reasonable, or not fair but reasonable, the proposed merger with Inca represents the best strategic fit for Stunalara and a superior proposition for Stunalara Shareholders rather than Stunalara on a stand-alone basis.

2.3 Increased greater liquidity, market presence and enhanced funding capability

If the Offer is completed, Inca Shares issued to Stunalara Shareholders who accept the Share Offer will be tradable on the ASX (subject to Inca remaining listed on the ASX at that time and Inca Shares being freely tradeable in general and not suspended from trading).

The value of Inca Shares issued under the Offer will reflect the market value of Inca Shares traded on the ASX, which may rise and fall over time based on market conditions and the Combined Group's financial and operational performance. If the Combined Group's share price falls, the value of the Inca Shares received by Stunalara Shareholders that accept the Offer will decline in value.

The following table sets out some examples of the consideration you will receive if you accept the Offer for all of your Stunalara Shares, assuming that the value of an Inca Share is 0.6 cents – being the same price it was at close of trading on 7 March 2025 (the Last Practicable Date), as well as if the value of an Inca Share increased or decreased by 20%.

Stunalara Shares held	Inca Shares issued	Value if Inca Share price is 0.48 cents	Value if Inca Share price is 0.6 cents	Value if Inca Share price is 0.72 cents
50,000	322,449	$1,548	$1,935	$2,322
100,000	644,898	$3,096	$3,869	$4,643

[5] Assuming Inca acquires 100% of Stunalara Shares under the Offer.

[6] Assuming no other Inca Shares or rights to Inca Shares are issued or granted. As announced on 5 February 2025, as amended on 6 February 2025, Inca intends to conduct a placement of up to a further 416,666,667 Inca Shares to professional and sophisticated investors at an issue price of approximately $0.006 per Inca Share, to raise up to approximately $2,500,000 (**Placement**). As at the Last Practicable Date, Inca can issue up to 227,211,874 Shares under its Listing Rule 7.1 and 7.1A placement capacity, with Inca requiring Inca Shareholder approval to issue any additional Shares as part of the Placement unless an exception applies under Listing Rule 7.2 (eg a rights issue). If Inca issues 416,666,667 Inca Shares under the Placement this will have the effect of increasing the number of Shares on issue from 1,026,722,533 to 1,443,389,200.

500,000	3,224,491	$15,478	$19,347	$23,216
1,000,000	6,448,981	$30,955	$38,694	$46,433
2,500,000	16,122,453	$77,388	$96,735	$116,082

By accepting the Offer, Stunalara Shareholders will have exposure to a company with a larger market capitalisation and considerably more share trading liquidity on ASX. In this respect, as at the Last Practicable Date, Inca had a market capitalisation of approximately $6.1 million.

The Combined Group will also have a significantly stronger balance sheet than Stunalara on a standalone basis which will enhance its ability to attract partners and funding for its current operations and future growth opportunities.

2.4 Independent Expert has determined the Offer is not fair but reasonable to Stunalara Shareholders not associated with Inca

The Independent Expert's Report, which is attached as Annexure 1 to this Target's Statement, has assessed (as set out below):

- the value of a Stunalara Share (prior to the Offer and on a controlling interest basis); and

- the value of 6.448981 Inca Shares offered for each 1 Stunalara Share, on a minority basis.

	Low	**Preferred**	**High**
Assessed fair value of a Stunalara Share, pre-takeover, on a controlling basis	$0.016	$0.029	$0.044
Assessed fair value of 6.448981 Inca Shares per Stunalara Share, on a minority basis	$0.010	$0.020	$0.031

The Independent Expert has opined that:

- the Offer is **not fair** to the Stunalara Shareholders not associated with Inca because the low, preferred and high values of a Stunalara Share are higher than the respective low, preferred and high values of the 6.448981 Inca Shares payable by Inca per Stunalara Share (**Consideration**); **but**

- the Offer **is reasonable** to the Stunalara Shareholders not associated with Inca because their position if the Offer is accepted is more advantageous than the position if it is not accepted.

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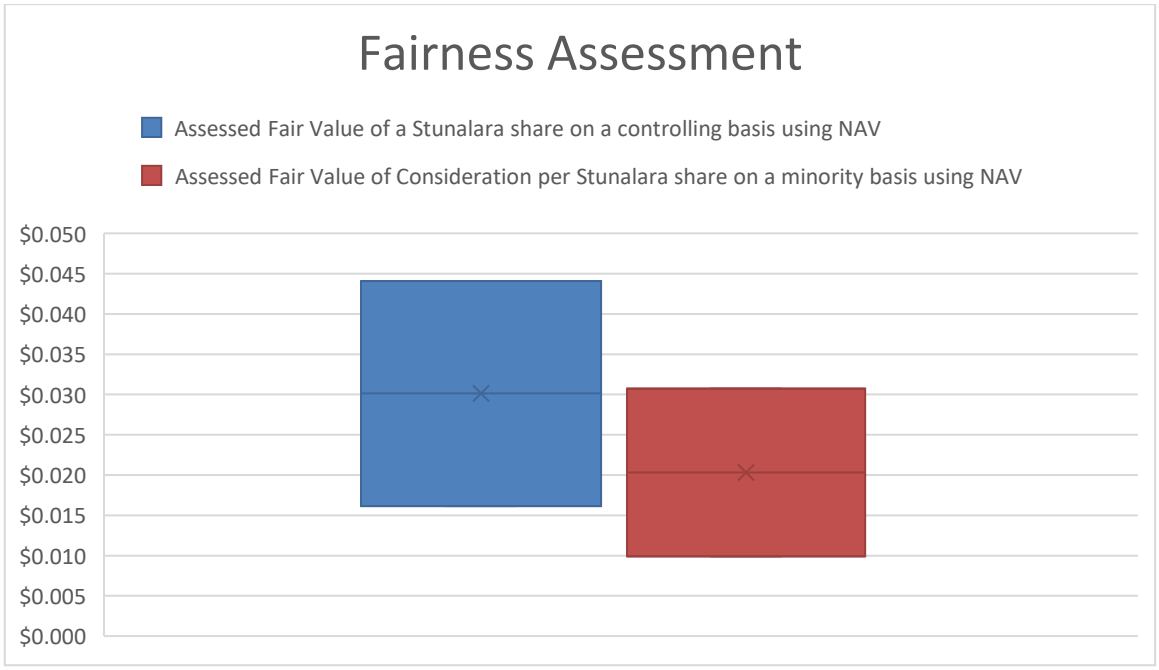

The Independent Expert's Report includes the following advantages of accepting the Offer:

- Stunalara Shareholders will continue to have exposure to the potential future upside of Stunalara's assets through their shareholdings in Inca;
- at present Stunalara has limited working capital. The takeover will give Stunalara an improved ability (by being part of an ASX listed group) to raise capital to fund its operations and to develop its exploration assets;
- assuming sufficient liquidity in Inca shares, Stunalara Shareholders may be able to sell their Inca shares on the ASX following completion of the Offer. There is however no guarantee that Stunalara shareholders will be able to liquidate their holdings on a timely basis, particularly in light of the historically low levels of trading liquidity in Inca shares. At present, Stunalara is an unlisted company with limited ability for shareholders to trade their shares; and
- the Inca Share price subsequent to the announcement of the Offer has been between $0.006 and $0.007 per Inca Share and is $0.006 at the date of the IER. It is arguable that this share price reflects the value of the combined group on completion of the Offer. Using the ratio of Inca Shares to a Stunalara Share, a, Inca Share price of $0.006 represents Consideration payable per Stunalara Share of $0.039 on a minority basis, which exceeds the preferred value of a Stunalara Share on a controlling basis.

The Independent Expert's Report includes the following disadvantages of accepting the Offer:

- the Offer is not fair;
- the Offer is subject to a number of conditions including a minimum acceptance conditional of 90%. As such there is a risk that the Offer does not complete;
- if Stunalara Shareholders accept the Offer they would become exposed to additional portfolio risk through their holding in Inca Shares;

- the Consideration is non-cash and therefore subject to quoted share price fluctuations making the value of the Consideration uncertain.
- potential tax consequences for Stunalara Shareholders of accepting the Offer; and
- no other potential competing bids for Stunalara will be able to be considered.

The Independent Directors recommend that you read the Independent Expert's Report in full.

2.5 Inca Board and management team that has a depth of technical experience and operational track record

Inca's Board, management and technical teams bring a proven track record for advancing exploration tenure, delivering on project milestones and the provision of excellent technical, commercial, managerial and administrative expertise. Refer to Section 4.4 of the Bidder's Statement for further information.

2.6 Material risks in Stunalara continuing as a stand-alone entity

Stunalara, as a stand-alone company, faces material risks including the following:

(a) **Future funding requirements**: Stunalara requires additional capital to fund its proposed exploration program for its Hurricane Project in Queensland. Such funding may not be obtained on reasonable terms or at all; and

(b) **Stunalara Shares may fall in value**: If the Offer is unsuccessful and no other offers emerge, and Stunalara is unable to access to capital, the value of Stunalara Shares may decrease and Stunalara Shareholders will be exposed to the ongoing risks associated with an investment in Stunalara. In particular, Stunalara Shareholders will have full exposure to the risk associated with Stunalara's existing projects.

Stunalara's annual report for the financial year ended 30 June 2024 includes a note on the financial condition of Stunalara that if the Directors are unable to raise sufficient funding in 2025 to meet their planned exploration, statutory and administrative costs (estimated to require a capital injection of $400,000 by April 2025) there is a material uncertainty relevant to events and conditions that may cast significant doubt on Stunalara's ability to continue as a going concern.

Given the risks associated with Stunalara proceeding as a stand-alone entity and the advantages presented by the Combined Group as set out in Sections 2.2 to 2.4 above, the Independent Directors consider that the combination of Stunalara and Inca under the Offer represents a superior proposition for Stunalara Shareholders than Stunalara proceeding on a stand-alone basis.

Section 10.5 provides additional details in relation to the risks relating to Stunalara as a stand-alone entity.

2.7 Offer is subject to minimal Conditions

The Offer is subject to minimal and market standard conditions, including (among other things) a 90% minimum acceptance condition, no regulatory action, no Stunalara Prescribed Occurrences and no Stunalara Material Adverse Change.

The conditions of the Offer are summarised in Section 9.6 of this Target's Statement and set out in full in Section 12.8 of the Bidder's Statement.

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2.8 No Superior Proposal has emerged

The Offer was first announced to the market on 5 February 2025. As at the Last Practicable Date of this Target's Statement, no Superior Proposal has emerged that would cause the Independent Directors to reconsider their current recommendation.

If a competing transaction for Stunalara emerges, the Independent Directors will carefully consider the proposal to determine whether it is a Superior Proposal and will inform you of any material developments which may affect the Independent Directors' views that the Offer is presently the most favourable proposal for all your Stunalara Shares.

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3. OTHER CONSIDERATIONS REGARDING THE OFFER

3.1 Possible Reasons to not accept the Offer

There are some reasons why Stunalara Shareholders may not choose to accept the Offer, including:

(a) **You may disagree with the recommendation of the Independent Directors**. You may have a different view on the merits of the Offer and believe that the consideration offered of 6.448981 Inca Shares per Stunalara Share is inadequate to acquire your Stunalara Shares;

(b) **You may wish to remain a Stunalara Shareholder**: Accepting the Offer will result in you no longer being a Stunalara Shareholder, and you will no longer be entitled to directly participate in the future growth of Stunalara or exercise your rights as a Stunalara Shareholder (including voting rights).

(c) **The tax consequences of the Offer may not be favourable to you given your financial position**. Acceptance of the Offer may have tax implications for Stunalara Shareholders. You should carefully read and consider the potential Australian taxation consequences of accepting the Offer as summarised in Section 11 of this Target's Statement and Section 9 of the Bidder's Statement.

Stunalara Shareholders should not rely on the taxation considerations set out in Section 11 of this Target's Statement and Section 9 of the Bidder's Statement as being advice on their own affairs and Stunalara Shareholders should consult with their own independent taxation advisers regarding the taxation implications of accepting the Offer given their particular circumstances.

(d) **You may consider there is a potential for a Superior Proposal to emerge for Stunalara Shares**. It is possible that a proposal that is superior to the Offer materialises in the future. Stunalara Shareholders who accept the Offer would not have an opportunity to consider such future potential offer. As at the date of this Target's Statement, no alternative proposal has been received by Stunalara.

3.2 Risks associated with accepting the Offer and being an Inca Shareholder

Details on the risks associated with accepting the Offer and being an Inca Shareholder are contained in Section 10.2 of this Target's Statement and Section 10 of the Bidder's Statement.

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4. YOUR CHOICES AS A STUNALARA SHAREHOLDER

ACCEPT the Offer	This is the course of action unanimously recommended by your Independent Directors subject to there being no Superior Proposal and the Independent Expert concluding and continuing to conclude that the Offer is either fair and reasonable, or not fair but reasonable. Section 12.4 of the Bidder's Statement contains details on how to accept the Offer made to you. If you decide to accept the Offer made to you, your acceptance must be received before the close of the Offer Period which is currently scheduled to occur at 5.00pm (WST) on 4 April 2025 unless the Offer Period is extended in accordance with the Corporations Act.
Sell your Stunalara Shares	Stunalara Shareholders can sell their Stunalara Shares (unless you have previously accepted the Offer made to you and you have not validly withdrawn your acceptance). However, given that Stunalara Shares are not listed on any public securities exchange, this may be difficult for you to do. Stunalara Shareholders who sell their Stunalara may be liable for capital gains tax. If you sell your Stunalara Shares, you will receive the consideration for the sale of your Stunalara Shares sooner than if you accept Inca's Offer. In addition, if you sell your Stunalara Shares you will lose your ability to accept: • Inca's Offer and receive the Inca Shares as consideration (and possible increases in the consideration); and • any offer from a competing bidder if one eventuates.
Do nothing	If you do not wish to accept the Offer made to you, you can choose to do nothing. By doing nothing you will continue to remain a Stunalara Shareholder. If the Offer is completed with Inca acquiring less than 90% of Stunalara Shares, Stunalara Shareholders who do not accept the Offer will become minority Stunalara Shareholders. If Inca acquires 90% or more of Stunalara Shares during or at the end of the Offer Period, Inca will be entitled to compulsorily acquire the Stunalara Shares it does not already own. Stunalara Shareholders should refer to Sections 7.4 and 7.5 of the Bidder's Statement for Inca's intentions in these situations, and Sections 10.4 and 10.5 for the risks of remaining a Stunalara Shareholder.

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5. FREQUENTLY ASKED QUESTIONS

This Section answers some questions you may have about the Offer. It is not intended to address all relevant issues for Stunalara Securityholders. This Section should be read together with all other parts of this Target's Statement and the Bidder's Statement.

Question	Answer
What is the Offer and who has made it?	Inca Minerals Ltd (ACN 128 512 907) (**Inca**) has made a conditional off-market takeover offer to acquire all of your Stunalara Shares (**Offer**). The Offer opened on 4 March 2025 and closes at 5.00pm (WST) on 4 April 2025 unless extended or withdrawn by Inca. The Offer is being made to all Stunalara Shareholders. Inca is listed on the ASX (ASX Code: ICG) and is mineral exploration and development company with assets in the Northern Territory, Western Australia and Queensland, with a focus on copper and gold, porphyry, porphyry-related and IOCG deposits. Information in relation to Inca is set out in Section 4 of the Bidder's Statement or can otherwise be obtained via the Inca website at https://www.incaminerals.com.au/.
What is Inca offering for your Stunalara Shares?	Inca is offering to issue you 6.448981 Inca Shares for every 1 Stunalara Share you hold, with any fractional entitlement rounded up to the nearest whole number. The market value of Inca Shares will fluctuate during the Offer Period. However, the Offer had an implied value of 3.8694 cents per Stunalara Share based on the closing price of Inca Shares of 0.6 cents on the Last Practicable Date. Inca may increase the Offer consideration during the Offer Period, in which case you will be entitled to that increased consideration if you have accepted, or choose to accept, the Offer.
Does Inca currently have a Relevant Interest in any Stunalara Shares?	As at the Last Practicable Date, Inca had announced a Relevant Interest in nil Stunalara Shares, being 0% of Stunalara, as a result of the Offer.
What is the Bidder's Statement?	The Bidder's Statement contains information on the Offer. The law requires Inca to send it to you.
What is this Target's Statement	This booklet comprises the Target's Statement and has been prepared by Stunalara. Stunalara is required by law to produce this Target's Statement in response to the Offer. The Target's Statement contains information to help you decide whether to accept or reject the Offer, including the recommendation by the Stunalara Independent Directors.

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Question	Answer
What is the Independent Expert's Report	Due to Andrew Haythorpe being a director of both Stunalara and Inca, the Target's Statement includes an Independent Expert Report (refer Annexure 1) as required by the Corporations Act. The Independent Expert has concluded that the Offer is **not fair but reasonable** to Stunalara Shareholders unassociated with Inca.
What do you need to do?	Read this Target's Statement and the Bidder's Statement. If you are unsure whether to accept the Offer, consult your legal, financial, tax or other professional advisers. If you wish to accept the Offer (and have not previously accepted the Offer or validly withdrawn your acceptance), follow the instructions in the Bidder's Statement, in particular Section 12.4. If you wish to reject the Offer, do nothing. There are implications for you in relation to each of these choices. An outline of these implications is set out in Section 4 of this Target's Statement.
What do Stunalara Independent Directors recommend and why?	As Stunalara Director Mr Andrew Haythorpe is director of both Stunalara and Inca, Stunalara established an Independent Board Committee, comprising Non-Executive Directors Mark Lester and Campbell Smyth (**Independent Directors**), to represent Stunalara in relation to matters associated with the consideration of, response to and management of the Offer. The Independent Directors unanimously recommend that you **ACCEPT** the Offer subject to there being no Superior Proposal and the Independent Expert concluding and continuing to conclude that the Offer is either fair and reasonable, or not fair but reasonable[7]. The reasons for the Independent Directors' recommendation are set out in Section 2 of this Target's Statement. Stunalara Director Andrew Haythorpe has advised the Independent Directors that: • he declines to make a recommendation in relation to the Offer due to his conflict of interest as a Director of both Stunalara and Inca, with interests in Inca as set out below and in sections 12.3 and 12.4; and • he intends to accept the Offer 21 days after the Offer becomes open for acceptance with respect to all Stunalara Shares owned or controlled by him (which comprise 18.74% of Stunalara on an undiluted basis as at the Last Practicable Date), subject to there being no Superior Proposal and the Independent Expert concluding and continuing to conclude that the Offer is either fair and reasonable, or not fair but reasonable.

[7] In respect of the recommendations of the Independent Directors, Stunalara Securityholders should have regard to the fact that if the Offer completes, the Independent Directors will each receive Inca Shares in consideration for their Stunalara Shares and Campbell Smyth is also an Inca securityholder as further detailed in Sections 5 and 12.3 of this Target's Statement.

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Question	Answer
What interests and conflicts of interests do the Stunalara Directors have in relation to the Offer?	The Stunalara Directors have notified Stunalara that they and their Associates hold the following interests in Stunalara Securities as at the Last Practicable Date and as such will receive the following Inca Shares (and Inca Shareholding on an undiluted basis) if Inca acquires 100% of Stunalara under the Offer.

Director	Stunalara Shares	Stunalara Shares % (undiluted)	Inca Shares under Offer	Inca Shares % (undiluted)[4]
Andrew Haythorpe[1]	8,530,001	18.74%	55,009,814	4.15%[2]
Campbell Smyth[3]	5,400,000	11.86%	34,824,497	2.62%[4]
Mark Lester[5]	5,390,000	11.84%	34,760,008	2.62%
Total	**19,320,001**	**42.44%[6]**	**124,594,319**	**9.39%**

Notes:

1. 4,650,000 Shares held by Tesha Pty Ltd as trustee for the Nimrod Trust and 3,880,001 Shares held by Ouro Pty Ltd, both of which are controlled by Mr Haythorpe. Mr Haythorpe is a beneficiary of the Nimrod Trust.
2. As at the Last Practicable Date, Mr Haythorpe indirectly holds 12,500,000 Inca Shares (being a 1.22% Inca Shareholding). Refer to Section 12.3 of this Target's Statement for details. Therefore, it is expected that Mr Haythorpe will hold 67,509,814 Inca Shares on successful completion of the Offer. being a 5.09% Inca Shareholding on an undiluted basis,
3. 2,000,000 Shares held directly. 2,400,000 Shares are held by Ann Hogarth and Campbell Smyth as trustee for the Smyth Super Fund (**Smyth Super Fund**), an entity of which Mr Smyth is a trustee and beneficiary. Mr Smyth also indirectly holds 1,000,000 Shares through Clariden Capital Pty Ltd (**Clariden**), an entity of which Mr Smyth is a director and a shareholder.
4. As at the Last Practicable Date, Campbell Smyth indirectly holds 16,500,000 Inca Shares (being a 1.61% Inca shareholding). Of these, Smyth Super Fund holds 12,500,000 Inca Shares and Clariden holds 4,000,000 Inca Shares. Refer to Section 12.3 of this Target's Statement for details. Therefore, it is expected that Mr Smyth will hold 51,324,497 Inca Shares on successful completion of the Offer. being a 3.87% Inca Shareholding on an undiluted basis.
5. 5,210,000 Shares are held by MAL Super Fund Pty Ltd as trustee for the MAL Superannuation Fund and 180,000 Shares are held by Sophies Holdings Pty Ltd as trustee for the Lester Family Trust No 3. Mr Lester is a director of MAL Super Fund Pty Ltd and a beneficiary of the MAL Superannuation Fund and the Lester Family Trust No 3.
6. On the assumption Inca has 1,326,722,533 Shares on issue upon successfully acquiring 100% of Stunalara under the Offer. As announced by Inca on 5 February 2025, as amended on 6 February 2025, Inca intends to conduct a placement of up to a further 416,666,667 Inca Shares to professional and sophisticated investors at an issue price of approximately $0.006 per Inca Share, to raise up to approximately $2,500,000 (**Placement**). If Inca issues the Placement Shares this will have the effect of increasing the number of Shares on issue on acquiring 100% of Stunalara Shares under the Offer from 1,326,722,533 to 1,743,389,200. As at the Last Practicable Date,

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Question	Answer
	Inca can issue up to 227,211,874 Shares under its Listing Rule 7.1 and 7.1A placement capacity, with Inca requiring Inca Shareholder approval to issue any additional Shares as part of the Placement unless an exception applies under Listing Rule 7.2 (eg a rights issue). 7. 41.53% on a fully diluted basis. As at the Last Practicable Date, the Stunalara Directors have notified Stunalara that they and their Associates do not have a Relevant Interest in any Inca Securities or other benefits or agreements in relation to Inca other than as summarised below and as detailed in Sections 12.3 and 12.4 of this Target's Statement). Andrew Haythorpe: • holds 12,500,000 Inca Shares, representing a 1.22% Inca shareholding (on an undiluted basis). Assuming the Offer is successfully completed, he will hold a total 5.09% Inca shareholding (on an undiluted basis and assuming no other Inca Shares are issued); • is entitled to be issued Inca Shares in lieu of 50% ($25,000) in Director fees owed for the 12 month period commencing 30 September 2024 as detailed in Section 5.2 of the Bidder's Statement. Assuming he is issued a maximum of 5.0 million Inca Shares in lieu of 50% ($25,000) in Inca Director fees, and the Offer is successfully completed, he will hold a total 5.44% Inca Shareholding (on an undiluted basis and assuming no other Inca Shares are issued); and • holds 11.25 million Inca Options (6.25 million unlisted Inca Options with 0.8 cents exercise price, expiring 30 April 2026 and 5.0 million unlisted Inca Options with 0.8 cents exercise price, expiring 17 September 2027). If all these Options are exercised, and he is issued a maximum of 5.0 million Inca Shares in lieu of 50% ($25,000) in Inca Director fees and the Offer is successfully completed, he will hold a total 6.24% Inca Shareholding (on an undiluted basis and assuming no other Inca Shares are issued). Andrew Haythorpe was appointed a non-executive director of Inca on 2 September 2024, with nil remuneration paid for the financial year ended 30 June 2024 and $50,000 in remuneration proposed to be paid for the financial year ending 30 June 2025 (less amounts paid in Inca Shares) as detailed in Section 11.8 of the Bidder's Statement. Campbell Smyth indirectly holds 16,500,000 Inca Shares (being a 1.61% Inca Shareholding on an undiluted basis) and 6,250,000 Inca Options ($0.008 exercise price, expiring 30 April 2026). 12,500,000 Inca Shares and 6,250,000 Inca Options are held by Ann Hogarth and Campbell Smyth ATF Smyth Super Fund (**Smyth Super Fund**) and 4,000,000 Inca Shares are held by Clariden Capital Pty Ltd (**Clariden**) an entity of which Mr Smyth is a director and a shareholder.
What are the conditions of the Offer?	The Offer is subject to a number of conditions (**Conditions**) being (in summary form):

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Question	Answer
	• at or before the end of the Offer Period, Inca obtaining a Relevant Interest in at least 90% of Stunalara Shares on a fully diluted basis (**Minimum Acceptance Condition**); • no regulatory action being taken by ASIC, ASX or other regulatory body which restrains, prohibit or impedes, or threatens to restrain, prohibit or impede, or materially impact on, the making of the Offer; • no "prescribed occurrences" occurring; • compliance with certain restrictions on Stunalara's conduct of business; • no material adverse change occurring in relation to Stunalara; and • the parties obtaining all necessary regulatory approvals or waivers pursuant to the relevant law or regulation. To receive your consideration, all of the Conditions must be satisfied or waived by Inca. As at the date of this Target's Statement, Stunalara is not aware of any act, omission, event or fact that would result in any of the Conditions of the Offer being triggered (or not being satisfied, as appropriate). The Conditions are set out in full in Section 12.8 of the Bidder's Statement.
How will I know when the Offer is unconditional?	Inca is required to inform Stunalara, ASX and Stunalara Shareholders as soon as any Conditions are satisfied or waived. Notices from Inca will be available on the ASX website at www.asx.com.au (ASX code: ICG). Inca has set 28 March 2025 as the date on which it will give Stunalara and ASX a notice required by law on the status of the Conditions. This date may be extended if the Offer Period is extended.
Can Inca waive the Conditions to the Offer?	Yes, Inca is free to decide to waive any of the Conditions, other than the 90% Minimum Acceptance Condition, which cannot be waived by Inca, where Inca has a Relevant Interest of less than 80% of Stunalara Shares, without the prior written consent of Stunalara. If the Offer closes and the Conditions are not satisfied or otherwise waived, the Offer will lapse, and your acceptance will be void. In other words, you will continue to hold your Stunalara Shares (unless you otherwise sell them).
If I accept the Offer, when will I be issued Inca Shares?	If the Offer becomes unconditional, you will receive the Inca Shares to which you are entitled under the Offer made to you on or before the earlier of: • one month after the later of receipt of your valid acceptance and the date on which the Offer becomes unconditional; and • 21 days after the end of the Offer Period.

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Question	Answer
	Full details of when consideration will be provided are set out in Section 12.7 of the Bidder's Statement.
Can Inca extend the closing date of its Offer?	Yes. Inca has stated that its Offer remains open until 5.00pm (WST) on 4 April 2025. It is possible that Inca may choose to extend the Offer Period in accordance with the Corporations Act (up to a maximum Offer Period of 12 months). In addition, there will be an automatic extension of the Offer Period if, within the last 7 days of the Offer Period: • Inca improves the consideration offered under the Offer; or • Inca's voting power in Stunalara increases to more than 50%. If either of these two events occurs, the Offer Period is automatically extended so that it ends 14 days after the relevant event occurs.
Can I accept the Offer for part of my shareholding	No. You cannot accept the Offer for part of your holding of Stunalara Shares. You may only accept the Offer made to you for all of the Stunalara Shares you hold.
Does the Offer extend to Stunalara Performance Rights?	No, the Offer does not extend to the Stunalara Performance Rights. However, the Offer extends to Shares that are issued on the exercise of Stunalara Performance Rights during the Offer Period. All Stunalara Performance Rights will automatically vest on the date Inca acquires a Relevant Interest in more than 50% of Stunalara Shares and the Offer is declared unconditional (**Change of Control Date**). Holders of Stunalara Shares issued on exercise of Stunalara Performance Rights may either: • accept the Offer in respect of those Stunalara Shares before the end of the Offer Period; • sell their Stunalara Shares; or • do nothing, in which case they will retain their Stunalara Shares unless Inca is able to compulsorily acquire them due to reaching a Relevant Interest in at least 90% of Stunalara Shares during, or at the end of, the Offer Period.
Are there any risks associated with the Offer?	Yes. Stunalara Shareholders who accept the Offer will be exposed to a number of risks. You should carefully consider the risk factors that could affect the performance of Inca and the Combined Group before deciding whether to accept the Offer. A summary of the key risk factors is set out in Section 10.2 of this Target's Statement and Section 10.2 of the Bidder's Statement.
Are there risks in not accepting the Offer?	There are risks in retaining your Stunalara Shares. If you do not accept the Offer, and Inca acquires: • more than 90% of Stunalara Shares during or at the end of the Offer Period, Inca may compulsorily acquire your Stunalara Shares for the same consideration as under the Offer;

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Question	Answer
	• more than 50% but less than 90% of Stunalara Shares, you will become a minority shareholder in Stunalara, which will be controlled by Inca. Inca may also waive the Offer condition that it must acquire at least 90% of Stunalara Shares (subject to Stunalara's consent being required if Inca has acquired less than 80% of Stunalara Shares) and, on completion of the Offer, hold less than 90% of Stunalara Shares. Further details about the risks associated with retaining Stunalara Shares are set out in Sections 10.4 and 10.5 of this Target's Statement.
If I accept the Offer now, can I withdraw my acceptance?	If you accept the Offer, you are only able to withdraw your acceptance if: • the Conditions of the Offer are not fulfilled or waived by the time specified in the Bidder's Statement; or • Inca extends its Offer so that it postpones for more than one month the time when you will receive your consideration, and the Offer remains subject to one or more of the conditions at that time. If you accept the Offer after all of the Conditions have been satisfied or waived, you will not be able to withdraw your acceptance. See Section 9.12 of this Target's Statement for further details.
What happens if I do nothing?	You will remain a Stunalara Shareholder. However, Inca may become entitled to compulsorily acquire your Stunalara Securities in certain circumstances. See Section 9.15 of this Target's Statement for more details. In addition, if Inca acquires more than 50% but is unable to acquire 100% of Stunalara Shares, you will remain a minority Stunalara Shareholder.
Can I be forced to sell my Stunalara Shares?	You cannot be forced to sell your Stunalara Shares unless Inca is legally entitled to proceed with compulsory acquisition of those securities. This requires Inca to have a Relevant Interest in 90% (by number) of all Stunalara Shares through acceptances of the Offer or otherwise, during or at the end of the Offer Period. If Inca does compulsorily acquire the outstanding Stunalara Shares in those circumstances, you will receive the same consideration for your Stunalara Shares that you would have received under the Offer, but it will take longer for you to receive the consideration from Inca. If Inca does not exercise a right to compulsorily acquire the outstanding Stunalara Shares within one month of the end of the Offer Period, it may do so at a later date if it (together with its Related Bodies Corporate) acquires the full beneficial interest in at least 90% of all Stunalara Shares. In that event, Inca will need to pay in cash a "fair value" for your Stunalara Shares (as assessed by an independent expert). See Section 9.15 of this Target's Statement for further information.

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Question	Answer
What are the tax implications of accepting the Offer?	A general outline of the tax implications for certain Australian resident Stunalara Shareholders of accepting the Offer is set out in Section 11 of this Target's Statement and Section 9 of the Bidder's Statement. As these outlines are general in nature and does not take into account your individual circumstances, you should not rely on those outlines as advice for your particular circumstances. You should seek your own independent taxation advice as to the taxation implications applicable to your specific circumstances.
Do I pay stamp duty if I accept?	Inca will pay the stamp duty (if any) payable in Australia on the transfers of Stunalara Shares under the Offer. See Sections 9.5, 9.6 and 12.15 of the Bidder's Statement.
Do I pay brokerage if I accept?	If your Stunalara Shares are registered in the name of a bank, custodian, broker or other nominee, you will not be obliged to pay stamp duty by accepting the Offer but you should ask your broker or nominee whether it will charge any transaction fees or service charges in connection with your acceptance of the Offer. If your Stunalara Shares are registered in an Issuer Sponsored Holding in your name and you deliver them directly to Inca, you will not incur any brokerage fees duty in connection with your acceptance of the Offer.
What if I have further questions?	You should contact your legal, financial, taxation or other professional adviser. Inca has established an Offer Information Line* which Stunalara Shareholders may call if they have any queries in relation to the Offer. The telephones numbers for the Offer Information lines are 1300 124 934 (within Australia) or +61 2 8072 1449 (outside Australia) between 5:30am to 5:00pm (AWST) Monday to Friday or via email at corporate.actions@automicgroup.com.au. For legal reasons, calls to this number will be recorded. If you have any enquiries in relation to your Stunalara Shareholding, please contact the Company Secretary on 0419 945 471.

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6. PROFILE OF STUNALARA

6.1 Overview of Stunalara

Stunalara is an unlisted Australian public company incorporated on 21 July 2017.

Stunalara is a junior mineral exploration and development company, with a focus on exploration for precious metals including gold, antimony, silver, platinum and palladium, and base metals comprising resources such as cobalt, copper, zinc and nickel.

6.2 Stunalara Projects

Stunalara holds an interest in the following tenements (Figure 1):

(a) three (3) exploration permits EPM19437, EPM25855 and EPM27518, and comprising 75.65km^2, considered prospective for gold and critical minerals (antimony) located in Queensland (together, known as the **Hurricane Project**);

(b) one (1) exploration tenements EL 4/2024 prospective for rare earths, copper, cobalt and gold located in Tasmania (together, known as the **Mt Read Project**); and

(c) one (1) exploration licence E 28/3451 prospective uranium and gold mineralisation located in Western Australia (the **Mulga Rocks Project**);

(d) one (1) exploration licence application E 29/1264 prospective uranium and gold mineralisation located in Western Australia (the **Boomerang Lakes Project**);

(e) one (1) exploration licence application E 31/1387 prospective uranium and gold mineralisation located in Western Australia (the **Ballard Central North Project**),

(together, the **Stunalara Projects**).

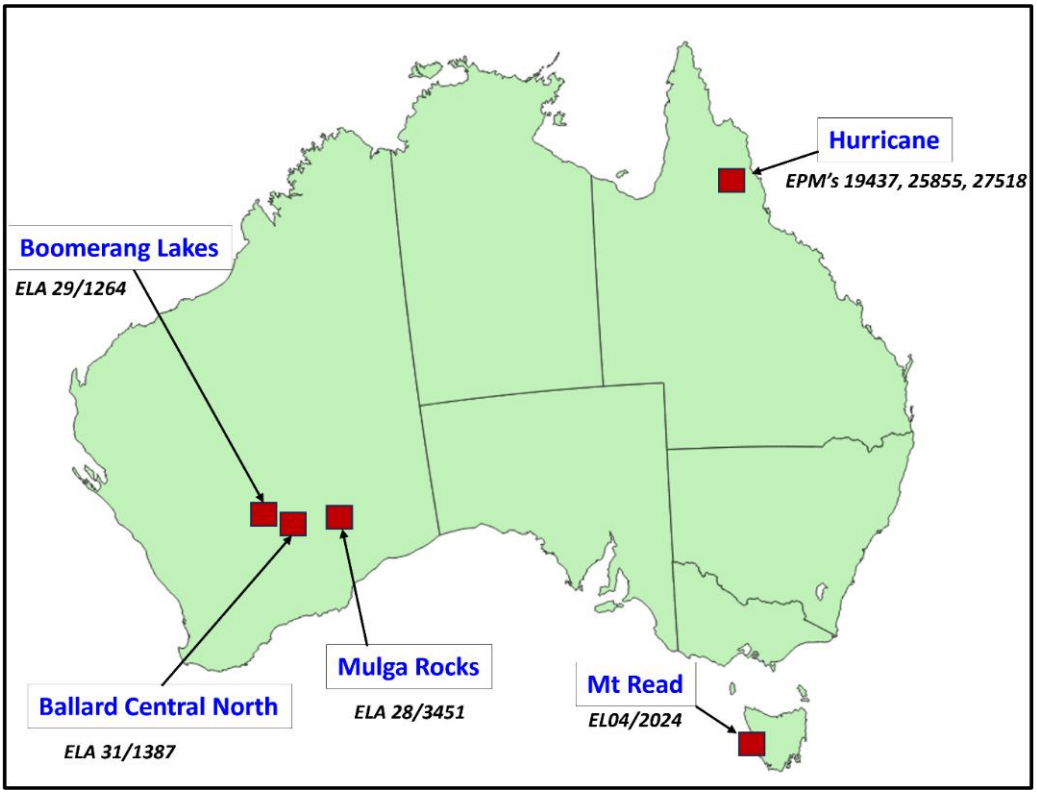

Figure 1: *Location of Stunalara Projects*

6.3 Hurricane Project

Stunalara's key asset is the high-grade gold & gold-antimony Hurricane Project located approximately 110km west-northwest of Cairns and 75km southwest of Port Douglas in North Queensland. Hurricane boasts multiple undrilled high-grade gold & gold-antimony prospects developed from rock chip and grab sampling.

The Hurricane Project comprises three tenements – EPM 19437, which hosts the Holmes, Porphyry, Monsoon and Cyclone prospects, EPM 25855 in which are located the Hurricane and Tornado Prospects, and EPM 27518, which hosts the Bouncer prospect, Figure 2.

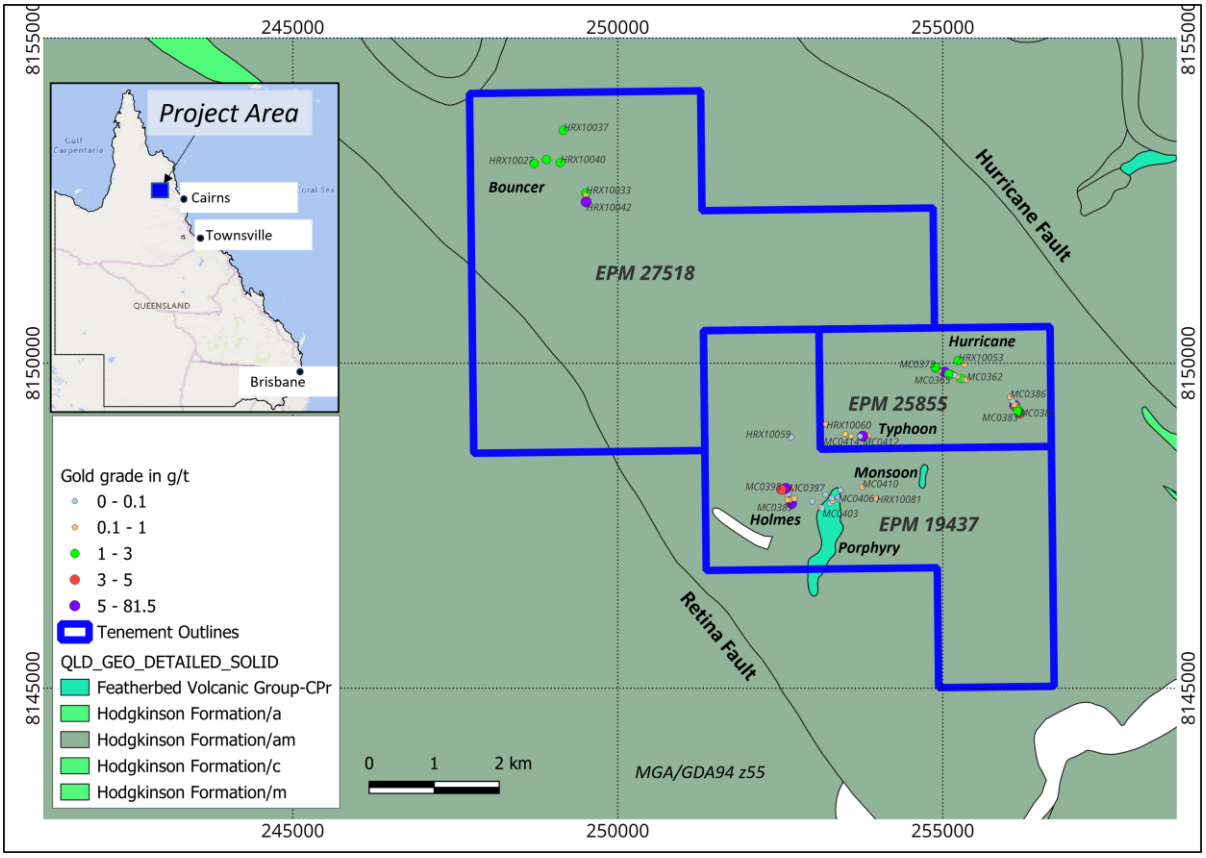

Figure 2: *Hurricane Project location map showing all three tenements, prospects and locations of samples taken by Inca. The samples have been thematically mapped by gold, demonstrating the widespread occurrence of high-grade gold across the project. The project is sandwiched by 2 major northwest-southeast trending faults being the Hurricane and the Retina Faults. Locally, the project area is dominated by the Hodgkinson Formation and 2 late-stage felsic intrusions located within EPM 19437. Shown in the inset is the location of the Hurricane Project in North Queensland relative to the major towns of Cairns, Townsville and Brisbane.*

Stunalara acquired the Hurricane Project via its acquisition of Placer Gold Pty Ltd (ACN 154 140 913) (**Placer Gold**) on 1 March 2024 from Bannister Group Pty Ltd (ACN 128 064 737) (**Bannister**) and Geoprospect Pty Ltd (ACN 139 704 993) (together the **Placer Gold Vendors**) in accordance with a binding terms sheet dated 24 February 2024 (**Terms Sheet**).

As consideration for the acquisition of Placer Gold, Stunalara issued the Placer Gold Vendors with a total of 6,600,000 Shares and a 2.0% net smelter return royalty on all minerals from the Hurricane tenements (EPM19437, EPM25855 and EPM27518) (**Hurricane Tenements**) on terms attached to the Terms Sheet (**Royalty**).

The Royalty is on standard terms which include:

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(a) a right for the Placer Gold Vendors to acquire all or part of a Hurricane Tenement for $1 that would otherwise be relinquished or surrendered (unless part of a Hurricane Tenement is required to be relinquished or surrendered by law and is not capable of being conveyed); and

(b) a right for Stunalara to buy back the Royalty for $270,000 in cash or shares prior to 1 March 2027.

Refer to Section 6.3 of the Bidder's Statement for further information in relation to the Hurricane Project.

6.4 Mt Read Project

The Mt Read Project is located on the west coast of Tasmania, south of Macquarie Harbour, and consists of one exploration licence (EL04/2024) for 224km^2 (Figure 3).

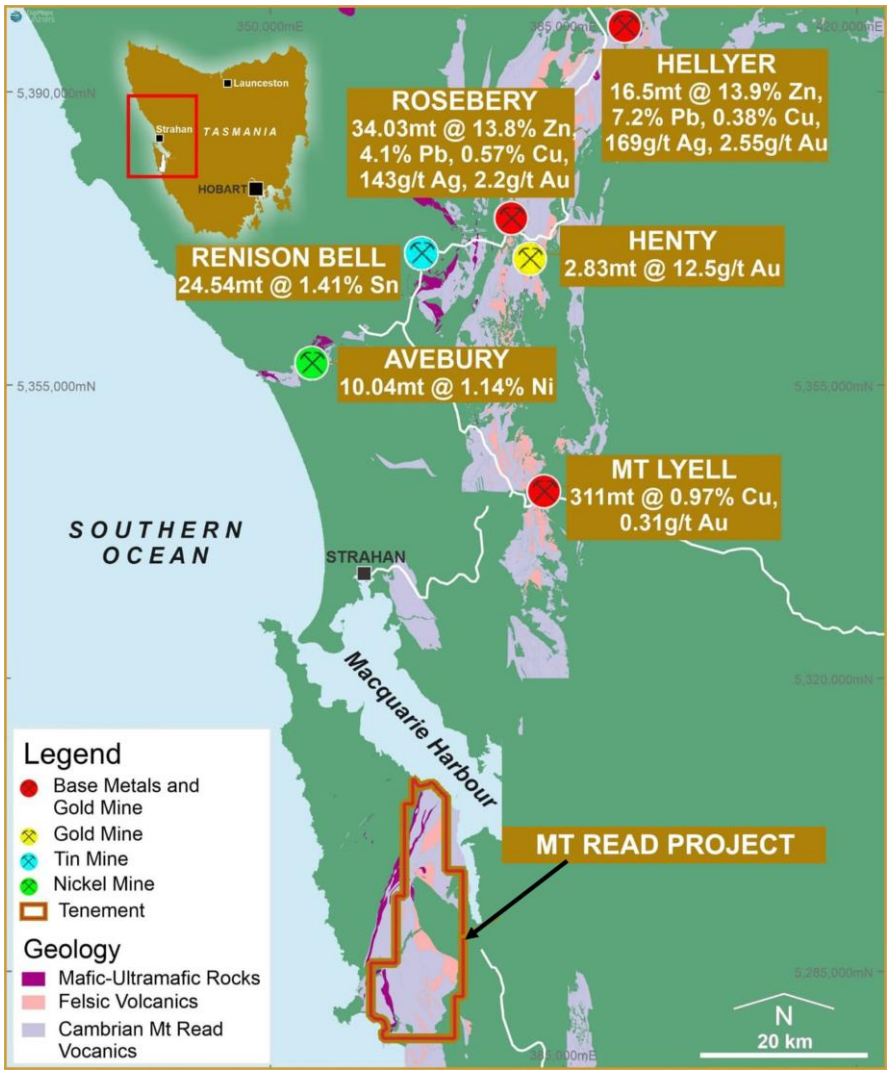

Figure 3: *Location of Mt Read project*

This area is prolific in terms of world class geology, hosting several significant mines and discoveries, including Hellyer, Mt Lyell, Henty, Renison Bell, Roseberry and Avebury.

Exploration efforts to date have largely focused on porphyry/intrusive-related copper-cobalt-gold mineralisation hosted within the Late Cambrian Mount Read Volcanics at the Thomas Creek Prospect, as well as Nickel-sulphide and platinum-group element mineralisation

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associated with middle Cambrian mafic and ultramafic rocks of the Hibbs Ultramafic Belt. Significant volcanic hosted massive sulphide (VHMS) and hybrid mineralisation potential also exists within Cambrian Mount Read Volcanic equivalent strata. The Mt Read project is hosted within the same geological package, which hosts major discoveries, including the world class Mt Lyell Cu-Au mine, the Avebury Nickle mine, the Henty gold mine, and the polymetallic (Cu-Pb-Zn-Ag-Au) Hellyer mine, amongst others.

6.5 Western Australian Exploration Licence Applications

Stunalara recently applied for three exploration licences north and north east of Kalgoorlie in Western Australia (see Figure 4) where data search suggests may be prospective for uranium and gold mineralisation.

(a) Project 1 - Mulga Rocks South East - E28/3451;

(b) Project 2 - Boomerang Lake - ELA29/1264; and

(c) Project 3 – Ballard – ELA31/1387.

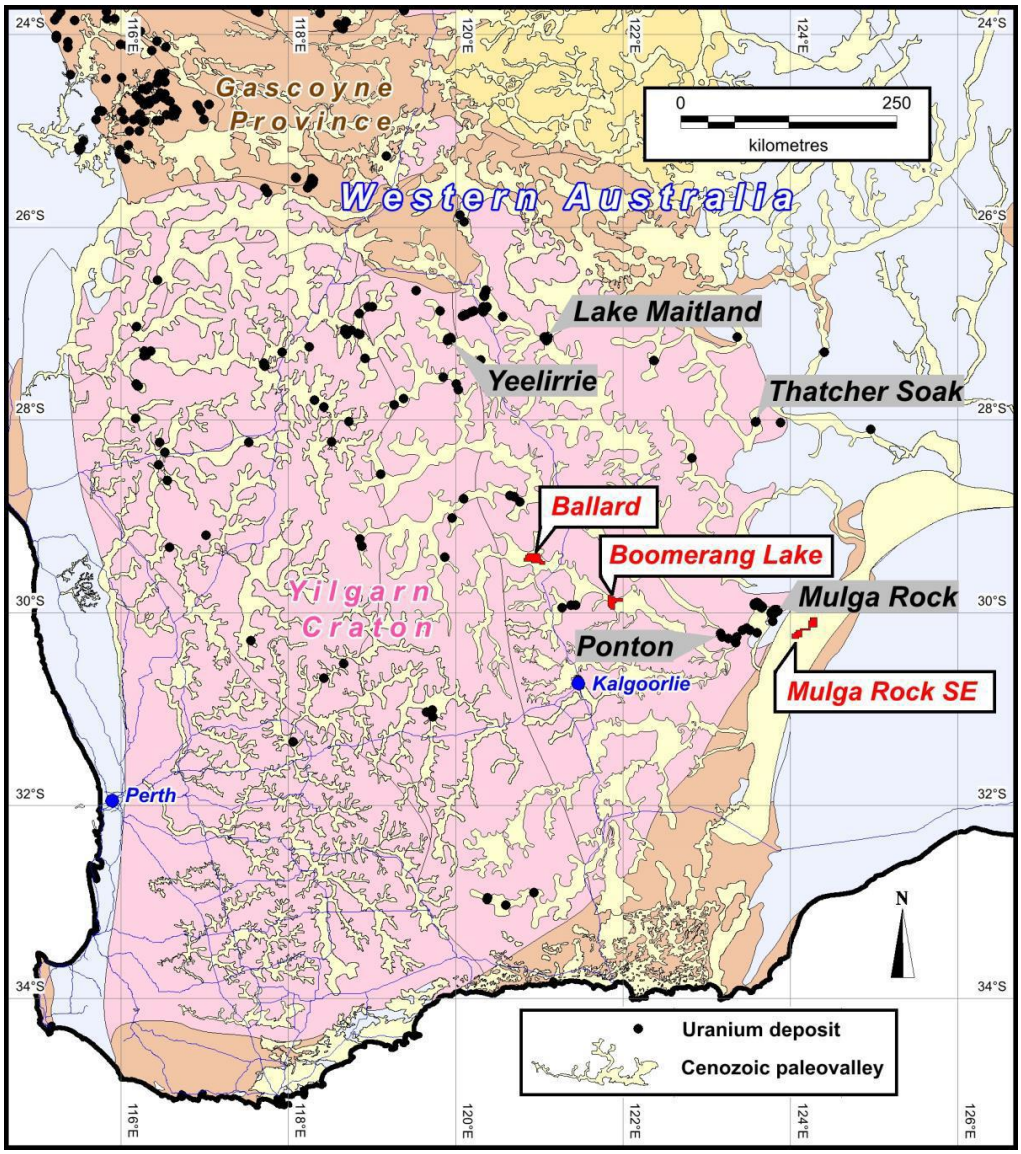

Figure 4: *Location of Stunalara tenements and uranium Exploration Licences in Western Australia.*

The Mulga Rocks (E28/3451) licence was recently granted and the other two remain under application.

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The tenement regional geology of Ballard and Boomerang Lake consist of Archean Granites and Greenstone of the Yilgarn Craton. The areas of prospectivity for uranium are where paleochannels drain granitoids. The Mulga Southeast channel drains gneisses of the Albany Fraser Province.

Mulga Rocks South East (E28/3451) covers southwest and northeast channels east of Mulga Rock and Ponton channels. The uranium deposit types are lignite and sandstone hosted within Tertiary channels. At Mulga Rocks South East, the Tertiary channel lies above Albany-Fraser Province gneisses and gabbros.

Ballard (E29/1264) and Boomerang Lake (E31/1387) cover Yilgarn granite between the Greenstone Terrane to the east and west. The overlying Lake Rebecca paleochannel at Boomerang and Lake Ballard passes through the tenements.

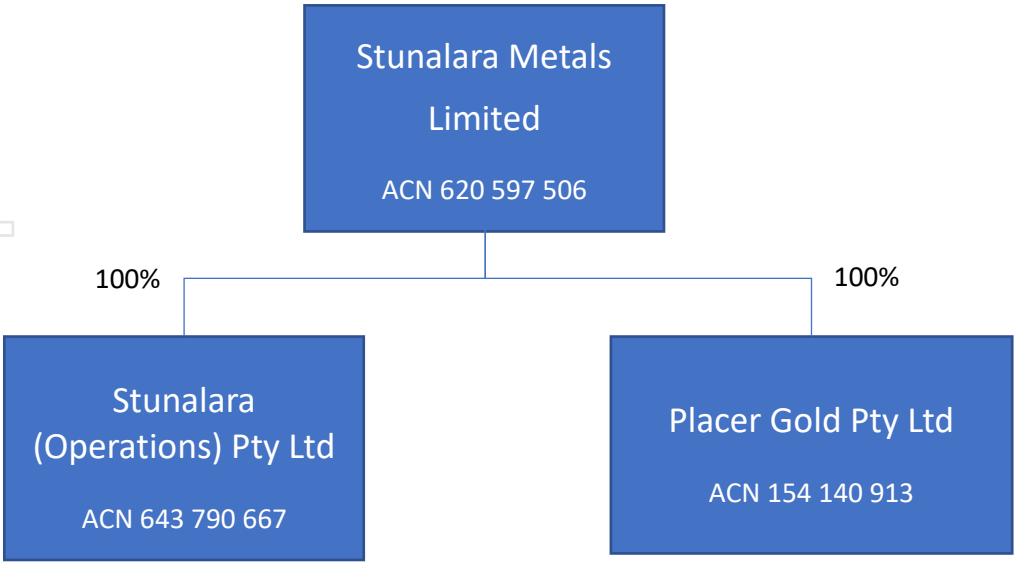
The three tenements have potential for low grade paleochannel sandstone hosted uranium mineralisation. There are several similar areas throughout the Yilgarn where paleochannels drain granite terrain which may allow the accumulation and deposition of uranium.

6.6 Corporate Structure

Stunalara has the following wholly owned subsidiaries.

Subsidiary	Place of Incorporation	Class of Shares	% Interest
Stunalara (Operations) Pty Ltd	Western Australia	Ordinary	100%
Placer Gold Pty Ltd	Queensland	Ordinary	100%

The corporate structure of Stunalara is shown in the diagram below:



6.7 Stunalara Board of Directors

The directors of Stunalara as at the Last Practicable Date are:

Mr Andrew Haythorpe – Non-Executive Director

Andrew has over 30 years of experience in the resources and investment industries - a geologist with CRA, a Mining Analyst with Suncorp, County Natwest and Hartleys and a fund Manager / Analyst with Bankers Trust, which grew to manage over $40 billion. Andrew was a top 12 rated Gold Analyst and considered a global leader in mineral sands analysis. Andrew has raised over $200m in junior companies, building Crescent Gold from an $8m explorer to a $250m gold producer and lead Michelago Resources to become a Chinese gold producer - creating the top performing ASX listed company that year.

Andrew is currently a Director of Inca Minerals Limited (2 September 2024 – current) and a Non-Executive Director of Tempest Minerals (11 October 2019 - current).

Mr Mark Lester – Non-Executive Director and Company Secretary

Mark is a member of the Chartered Accountants Australia and New Zealand and a former registered auditor and registered tax agent. He has extensive experience in the audit of corporations in Australia and USA and has been a Director and Company Secretary in ASX-listed companies in junior exploration and biotech.

Mr (John) Campbell Smyth – Non-Executive Director

Campbell Smyth has over 25 years of experience in the fund management, capital markets and corporate finance of the venture capital and resource sectors. He is a graduate of the University of Western Australia, (Bachelor of Commerce) and postgraduate of Pembroke College, Oxford. He is currently chairman of Fitzroy Minerals (TSXV) and Orange Minerals Ltd (ASX) and non-executive director of Carlton Precious Inc (TSXV), and Goldstone Resources (AIM).

6.8 Issued Capital of Stunalara

As at the Last Practicable Date, the issued capital of Stunalara consists of:

(a) 45,518,980 Stunalara Shares; and

(b) 1,000,000 Stunalara Performance Rights with various performance conditions and expiry dates[1].

Note:

1. All Stunalara Performance Rights will automatically vest on the date Inca acquires a Relevant Interest in more than 50% of Stunalara Shares and the Offer is declared unconditional (**Change of Control Date**).

6.9 Disclosure of interests of Stunalara Directors

As at the Last Practicable Date, the Stunalara Directors have the following interests in Stunalara Securities.

Director	Stunalara Shares	Stunalara Shares % (undiluted)	Stunalara Shares % (fully diluted)
Andrew Haythorpe[1]	8,530,001	18.74%	18.34%
Campbell Smyth[2]	5,400,000	11.86%	11.61%
Mark Lester[3]	5,390,000	11.84%	11.59%
Total	**19,320,001**	**42.44%**	**41.53%**

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Notes:

1. 4,650,000 Shares held by Tesha Pty Ltd as trustee for the Nimrod Trust and 3,880,001 Shares held by Ouro Pty Ltd, both of which are controlled by Mr Haythorpe. Mr Haythorpe is a beneficiary of the Nimrod Trust.
2. 2,000,000 Shares are held directly. 2,400,000 Shares are held by Ann Hogarth and Campbell Smyth as trustee for the Smyth Super Fund, an entity of which Mr Smyth is a trustee and beneficiary. Mr Smyth also indirectly holds 1,000,000 Shares through Clariden Capital Pty Ltd, an entity of which Mr Smyth is a director and a shareholder.
3. 5,210,000 Shares are held by MAL Super Fund Pty Ltd as trustee for the MAL Superannuation Fund and 180,000 Shares are held by Sophies Holdings Pty Ltd as trustee for the Lester Family Trust No 3. Mr Lester is a director of MAL Super Fund Pty Ltd and a beneficiary of the MAL Superannuation Fund and the Lester Family Trust No 3.

6.10 Substantial holders

As at the Last Practicable Date prior to the date of this Target's Statement, the Stunalara Shareholders with Voting Power of at least 5% in Stunalara were as follows, based on 45,518,980 Stunalara Shares being on issue on the Last Practicable Date.

Name	Number of Shares	% Shares (undiluted)	% Shares (fully diluted)
Andrew Haythorpe[1]	8,530,001	18.74%	18.34%
Bannister Group Pty Ltd ATF Bannister Family Trust	5,500,000	12.08%	11.82%
Campbell Smyth[2]	5,400,000	11.86%	11.61%
Mark Lester[3]	5,390,000	11.84%	11.59%
Vorian Investment Holdings Pty Ltd	2,800,000	6.15%	6.02%
Total	**27,620,001**	**60.68%**	**59.37%**

Notes:

1. See note 1 in Section 6.9 above.
2. See note 2 in Section 6.9 above.
3. See note 3 in Section 6.9 above.

6.11 Financial information on Stunalara

Historical Financial Information

The historical financial information in this section has been extracted from the audited consolidated financial statements of Stunalara and its controlled entities (**Stunalara Group**) for the financial years ended 30 June 2023 and 30 June 2024 and the unaudited management prepared financial statements for the half year ended 31 December 2024. The full consolidated financial statements for the financial periods ended 30 June 2023 and 30 June 2024, including the notes to those financial statements have been issued to shareholders.

This historical financial information should not be relied on as being indicative of the future performance of Stunalara.

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Historical consolidated statement of financial position

The historical consolidated statement of financial position of the Stunalara Group set out below has been derived from Stunalara's audited consolidated statement of financial position for the financial years ending 30 June 2023 and 30 June 2024 and from the unaudited management prepared consolidated statement of financial position for the half year ended 31 December 2024. The consolidated statement of financial position set out below should be read in conjunction with the accompanying notes to Stunalara's FY23 Annual Report and FY24 Annual Report.

$'000	As at 31 December 2024	As at 30 June 2024	As at 30 June 2023
Current assets			
Cash and cash equivalents	229	129	269
Trade and other receivables	13	33	-
Other current assets	33	55	2
Total current assets	275	217	271
Non-current assets			
Mineral exploration and evaluation expenditure	120	47	15
Trade and other receivables	22	22	30
Total non-current assets	**142**	**69**	**45**
Total assets	**417**	**286**	**316**
Current liabilities			
Trade and other payables	14	16	20
Total current liabilities	**14**	**16**	**20**
Non-current liabilities			
Total non-current liabilities	**-**	**-**	**-**
Total liabilities	**14**	**16**	**20**
Net assets	**403**	**270**	**296**
Equity			
Issued capital	1,746	1,729	1,671
Reserve	172	97	31
Accumulated losses	(1,515)	(1,556)	(1,406)
Total equity	**403**	**270**	**296**

Between 31 December 2024 and the Last Practicable Date, there have been no material changes to the financial position of the Company other than incurring cash costs in relation to the Offer of up to approximately $100,000.

Historical consolidated statement of profit and loss and other comprehensive income

The historical consolidated statements of profit or loss and other comprehensive income of the Stunalara Group set out below have been derived from the audited consolidated statements of profit or loss and other comprehensive income for the financial years ending 30 June 2023 and 30 June 2024 and from the unaudited management prepared consolidated statements of profit or loss and other comprehensive income for the half year ended 31 December 2024. The consolidated statement of profit or loss and other

comprehensive income set out below should be read in conjunction with the accompanying notes to Stunalara's FY23 Annual Report and Stunalara's FY24 Annual Report.

$'000	Half year ended 31 December 2024	Year ended 30 June 2024	Year ended 30 June 2023
Exclusivity fee	150	-	-
Total revenue	**150**	**-**	**-**
Accounting, tax and audit	(11)	(19)	(15)
Marketing and shareholder communications	(12)	(6)	(3)
Exploration and evaluation costs capitalised, written off	(1)	(17)	(214)
Exploration and evaluation costs written off	-	(25)	-
Share based payments	(74)	(66)	-
Administrative expenses	(11)	(16)	(9)
Total expenses	**(109)**	**(149)**	**(241)**
Profit (Loss) for the year	**41**	**(149)**	**(241)**
Other comprehensive income	**-**	**-**	**-**
Total comprehensive profit (loss) for the year	**41**	**(149)**	**(241)**
Profit (Loss) for the year attributable to owners of the Company	**41**	**(149)**	**(241)**
Total comprehensive Profit (loss) attributable to owners of the Company	**41**	**(149)**	**(241)**

Historical consolidated statement of cash flows

The historical consolidated statement of cash flows of the Stunalara Group set out below has been derived from Stunalara's audited consolidated statement of cash flows for the financial years ending 30 June 2023 and 30 June 2024 and from the unaudited management prepared consolidated statements of cash flows for the half year ended 31 December 2024. The consolidated statement of cash flows set out below should be read in conjunction with the accompanying notes to Stunalara's FY23 Annual Report and Stunalara's FY24 Annual Report.

$'000	Half year ended 31 December 2024	Year ended 30 June 2024	Year ended 30 June 2023
Cash flows from operating activities			

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$'000	Half year ended 31 December 2024	Year ended 30 June 2024	Year ended 30 June 2023
Exclusivity fee	150	-	-
Other receipts	30	-	1
Payments to suppliers and employees	(23)	(121)	-
Net cash from / (used in) operating activities	**157**	**(121)**	**1**
Cash flows from investing activities			
Payments for tenement and exploration costs	(74)	(26)	(31)
Net cash (used in) investing activities	**(74)**	**(26)**	**(30)**
Cash flows from financing activities			
Proceeds from issue of share capital	17	7	-
Net cash from / (used in) financing activities	**17**	**7**	**-**
Net increase / (decrease) in cash and cash equivalents	100	(140)	(30)
Cash and cash equivalents at beginning of period	129	269	299
Cash and cash equivalents at end of period	**229**	**129**	**269**

Pro forma historical financial information for the Combined Group

Section 8.6 of the Bidder's Statement sets out historical statements of financial position of Inca and Stunalara as of 30 June 2024 and the pro forma historical statement of financial position in relation to the Combined Group as of 30 June 2024. The historical financial information contained in that section has been extracted from Inca's FY24 Annual Report, lodged with ASX on 24 October 2024 and Stunalara's audited consolidated statement of financial position for the financial year ending 30 June 2024.

Copies of the financial reports can be found on their respective websites, being www.incaminerals.com.au and www.stunalara.com.

The pro forma historical statement of financial position in relation to the Combined Group has been prepared assuming two scenarios, being that Inca Minerals acquires 100% of Stunalara and that Inca Minerals acquires 50.1% of Stunalara.

The pro forma historical statement of financial position in relation to the Combined Group is provided for illustrative purposes only and is prepared on the assumption that Stunalara became a wholly-owned subsidiary of Inca on 30 June 2024. It does not illustrate the financial position that may be contained in future financial statements of inca and does not contain all disclosures required for a financial report under the Corporations Act. The pro

forma historical statement of financial position in relation to the Combined Group should be read in conjunction with the risk factors and other information contained in the Bidder's Statement, the accounting policies of Inca and Stunalara as disclosed in their most recent respective annual reports and information disclosed by the Inca on ASX.

6.12 Financial Forecasts

The Directors have considered the matters set out in ASIC Regulatory Guide 170 and believe they do not have a reasonable basis to forecast future earnings. 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.

6.13 Stunalara's dividend history

No dividends were declared or paid during the financial year ending 30 June 2024 and no dividends are expected to be declared or paid for the financial year ending 30 June 2025.

6.14 Further information on Stunalara

Stunalara is required to lodge various documents with ASIC. Copies of documents lodged with ASIC by Stunalara may be obtained from, or inspected at, an ASIC office.

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7. PROFILE OF INCA

7.1 Disclaimer

This overview of Inca and all financial information concerning Inca contained in this Target's Statement has been prepared by Stunalara using publicly available information and documents provided by Inca.

The information in this Target's Statement concerning Inca has not been independently verified by Stunalara. Accordingly, Stunalara does not, subject to any applicable laws, to the extent appropriate make any representation or warranty, express or implied, as to the accuracy or completeness of this information. The information on Inca set out in this Target's Statement is a summary only and not considered to be comprehensive.

7.2 Overview of Inca

Inca was incorporated on 11 January 2008 as a public company with its registered office based in Perth, Western Australia.

Inca is listed on the ASX and operates as a mineral exploration and development company with assets in the Northern Territory, Western Australia and Queensland, with a focus on copper and gold, porphyry, porphyry-related and IOCG deposits.

Inca holds an interest in the following projects located in Australia:

(a) two (2) granted exploration permits EPM27124 and EPM27163, prospective for Cu-Au porphyry mineralisation located in Queensland (together, known as the **Macauley Creek Project**);

(b) nine (9) granted exploration licences EL31974, EL32287, EL33258, EL32857, EL32795, EL33282, EL32688, EL32689 and EL32690 considered highly prospective for IOCG and also SEDEX style (lead, zinc, copper, silver) mineralisation located in the Northern Territory (together, known as the **Frewena Project**);

(c) two (2) exploration licence applications EL32107 and ELA33151 considered prospective to host IOCG style mineralisation located in the Northern Territory (together, known as the **Lorna May Project**);

(d) three (3) granted exploration licences EL32485, EL32486 and EL33214 considered highly prospective to host IOCG and/or orogenic Au style mineralisation located in the Northern Territory (together, known as the **Jean Elson Project**);

(e) one (1) exploration licence application EL32579 located in the Northern Territory and one (1) granted exploration permit EPM27747 located in Queensland considered prospective to host IOCG style mineralisation within the prospective, but highly under explored, East Arunta Block (together, known as the **Hay River Project**);

(f) one (1) exploration licence application EL33604 located in the Northern Territory considered prospective for lithium (known as the **Collia South Project**); and

(g) three (3) exploration licence applications E80/5904, E80/5967 and E80/5968 located in Western Australia considered prospective for lithium (known as the **Brammall Hills Project**),

(together, the **Existing Projects**).

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Inca's principal activities are conducting exploration at the greater Frewena Project and the Jean Elson Project, both located in the Northern Territory, and at the MaCauley Creek Project, located in Queensland, with the purpose of these activities being to generate targets for drill-testing for economic forms of mineralisation.

7.3 Existing Projects

Section 4.3 of the Bidder's Statement provides further information in relation to Inca's Existing Projects.

7.4 Directors

The Directors of Inca are:

(a) Mr Adam Taylor (Non-Executive Chairman);

(b) Mr Brad Marwood (Non-Executive Director); and

(c) Mr Andrew Haythorpe (Non-Executive Director)

Biographical details of each of the directors are set out in Section 4.4 of the Bidder's Statement.

7.5 Inca financial information

Inca released its full year financial accounts for the financial year ending 30 June 2024 lodged with ASX on 24 October 2024.

Electronic copies of this report can be obtained from Inca's website https://www.incaminerals.com.au/ or from ASX.

Section 4.5 of the Bidder's Statement includes consolidated financial statements of Inca's:

(a) financial position; and

(b) profit and loss and other comprehensive income,

extracted from the audited financial statements of Inca for the full year financial accounts ending 30 June 2024, being the last audited financial statements prior to the date of this Target's Statement.

Section 4.5 of the Bidder's Statement also provides detailed commentary on Inca's historical financial results.

7.6 Corporate structure of Inca

Section 5 of the Bidder's Statement sets out detailed information relating to the capital structure of Inca, including its substantial shareholders, and rights and liabilities attaching to Inca Shares.

7.7 Further information on Inca

Inca is a listed disclosing entity for the purposes of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, as a listed company, Inca is subject to the ASX Listing Rules which require continuous disclosure of any information Inca has concerning it that a reasonable person would expect to have a material effect on the price or value of its securities.

In addition, Inca is required to lodge various documents with ASIC. Copies of documents lodged with ASIC by Inca may be obtained from, or inspected at, an ASIC office.

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A substantial amount of information about Inca, including its ASX announcements, is available in electronic form from its website at https://www.incaminerals.com.au/.

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8. PROFILE OF COMBINED GROUP

8.1 Introduction

Inca has prepared a profile of the Combined Group which appears at Section 8 of the Bidder's Statement. Your Directors have reviewed the Combined Group profile and recommend that you read and carefully consider the information in Section 8 of the Bidder's Statement.

8.2 Board of Combined Group

If Inca obtains a Relevant Interest in more than 50% of the Stunalara Shares on issue and the Offer becomes or is declared unconditional, Stunalara has agreed in the BIA that it must:

(a) procure the appointment to the Stunalara Board and the board of each subsidiary of Stunalara such persons nominated by Inca (subject to those persons having provided a consent to act as directors) (**Nominee Directors**); and

(b) unless otherwise requested by Inca in writing, procure that each member of the Stunalara Board and the board of each subsidiary of Stunalara, other than the Nominee Directors, resigns as a director of Stunalara or the relevant subsidiary of Stunalara, provided that Inca agrees that a minimum of two existing directors on each of the Stunalara board and the board of each subsidiary of Stunalara (each such director being independent of Inca) will remain on the Stunalara Board and the board of each subsidiary of Stunalara until at least the end of the Offer Period.

On and from the date that Inca acquires a Relevant Interest in 90% or more of the Stunalara Shares, and the Offer becomes or is declared unconditional, Stunalara must procure that each member of the Stunalara Board and the board of each subsidiary of Stunalara, other than Nominee Directors, resigns as a director of Stunalara or the relevant subsidiary of Stunalara.

As at the Last Practicable Date, Inca has not advised who will be Nominee Directors.

8.3 Capital structure of Combined Group

A description of the capital structure of the Combined Group, and the assumptions on which that description is based is set out at Section 8.4 of the Bidder's Statement.

8.4 Pro forma financial information for the Combined Group

Section 8.6 of the Bidder's Statement sets out a Combined Group pro-forma unaudited consolidated statement of financial position as at 30 June 2024, together with:

(a) a description of the pro forma adjustments made; and

(b) the assumptions underlying the preparation of that financial statement.

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9. INFORMATION REGARDING THE OFFER

9.1 Overview

This Section contains a summary of the terms and conditions of Inca's Offer.

The full terms and conditions of the Offer are set out in Section 12 of Inca's Bidder's Statement.

9.2 The Offer

Inca is offering to acquire all of the Stunalara Shares from Stunalara Shareholders. The Offer relates to Stunalara Shares that exist as at the Register Date.

You may only accept the Offer in respect of all (and not a part) of your Stunalara Shares.

The Offer does not extend to Stunalara Performance Rights. The Offer does, however, extend to all Stunalara Shares that are issued during the Offer Period due to the exercise of Stunalara Performance Rights on issue at the Register Date.

9.3 Foreign Shareholders

The Offer is being extended to Australia, Germany and Paraguay which represents all the jurisdictions of addresses as shown in the register of members of Stunalara. As such no Stunalara Shareholder will be ineligible to accept the Offer.

9.4 Consideration under the Offer

The consideration being offered by Inca under the Offer is 6.448981 new Inca Shares for every 1 Stunalara Share accepted into the Offer (subject to the rounding discussed below). Each new Inca Share will rank equally with the Inca Shares currently on issue.

If the number of Inca Shares to which you are entitled is not a whole number, then any fractional entitlement will be rounded up to the nearest whole number.

If you accept the Offer made to you, the value of the consideration you will receive will depend on the price of Inca Shares at the time that the Inca Shares are issued to you under the Offer.

As at the Last Practicable Date, the implied value of the Offer consideration was equivalent to 3.8694 cents per Stunalara Share, based on the closing price of Inca Shares on the ASX of 0.6 cents on the Last Practicable Date.

You should be aware that the implied value of the Offer will fluctuate with changes in the market price of Inca Shares.

9.5 Offer Period

The Offer is open for acceptances until 5.00pm (WST) on 4 April 2025, unless otherwise extended or withdrawn.

Inca may extend the Offer at any time before giving the Notice of Status of Conditions (see Section 9.7 of this Target's Statement) while the Offer remains subject to Conditions. However, if the Offer is unconditional (that is, all the Conditions in respect of the Offer are satisfied or waived), Inca may extend the period of the Offer at any time before the end of the Offer Period.

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In addition, there will be an automatic extension of the Offer Period if, within the last 7 days of the Offer Period:

(a) Inca improves the consideration offered under the Offer; or

(b) Inca's voting power in Stunalara increases to more than 50%.

If either of these two events occurs, the Offer Period is automatically extended so that it ends 14 days after the relevant event occurs.

9.6 Conditions of the Offer

The Offer is subject to a limited number of Conditions which are set out in full in Section 12.8 of the Bidder's Statement.

Unless all of these Conditions are satisfied or waived before the end of the Offer Period[8], Inca's Offer will lapse and no consideration will be received by Stunalara Shareholders who have accepted the Offer.

As at the date of this Target's Statement, Stunalara is not aware of any act, omission, event or fact that would result in any of the Conditions to the Offer being triggered (or not being satisfied, as appropriate).

9.7 Notice of Status of Conditions

Section 12.11 of the Bidder's Statement states that Inca will give a Notice of Status of Conditions to ASX and Stunalara on 28 March 2025 (subject to extension in accordance with Section 630(2) of the Corporations Act if the Offer Period is extended).

Inca is required to set out in its Notice of Status of Conditions:

(a) whether the Offer is free of any or all of the Conditions;

(b) whether, so far as Inca knows, any of the Conditions have been fulfilled; and

(c) Inca's voting power in Stunalara.

If the Offer Period is extended before the time by which the Notice of Status of Conditions is to be given, the date for giving the Notice of Status of Conditions will be taken to be postponed for the same period. In the event of such an extension, Inca is required, as soon as practicable after the extension, to give a notice to ASX and Stunalara that states the new date for giving the Notice of Status of Conditions.

If a Condition is fulfilled (so that the Offer becomes free of that Condition) during the Offer Period but before the date for giving the Notice of Status of Conditions is required to be given, Inca must, as soon as practicable, give the ASX and Stunalara a notice that states that the particular Condition has been fulfilled.

As at the Last Practicable Date, Inca has not given notice that any of the Conditions have been fulfilled.

9.8 Inca's ability to waive Conditions

Under the Corporations Act, Inca may waive (in its absolute discretion) any of the Conditions prior to giving the Notice of Status of Conditions. However, Inca has agreed that it will not

[8] Or in the case of the "No prescribed Occurrences" Condition, by the end of the third Business Days after the end of the Offer Period.

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waive the 90% minimum acceptance Condition, where Inca has a Relevant Interest of less than 80% of the issued shares in Stunalara, without the prior written consent of Stunalara.

9.9 Withdrawal of the Offer

Inca may not withdraw the Offer made to you if you have already accepted it. Before you accept the Offer made to you in respect of each of your Stunalara Shares, Inca may withdraw that Offer with the written consent of ASIC and subject to the conditions (if any) specified in such consent.

9.10 Lapse of Offer

The Offer made to you will lapse if the Conditions are not satisfied or waived by the end of the Offer Period. If the Offer lapses, all contracts resulting from acceptances of the Offer and all acceptances that have not resulted in binding contracts are void. In those circumstances, you will be free to deal with your Stunalara Shares as you see fit.

9.11 Effect of acceptance

The effect of acceptance of the Offer is set out in Section 12.6 of the Bidder's Statement. Stunalara Shareholders should read these provisions in full to understand the effect that acceptance will have on the rights attaching to their Stunalara Shares, and the representations and warranties that they give by accepting the Offer made to them.

Importantly, the Conditions are conditions to performance of Inca's obligations. Accordingly, Stunalara Shareholders that accept the Offer while they are still subject to the Conditions will give up their right to sell their Stunalara Shares, or otherwise deal with their Stunalara Shares, and the rights attaching to those securities.

9.12 Your ability to withdraw your acceptance

If you accept the Offer made to you, you will have limited rights to withdraw that acceptance.

You may withdraw your acceptance of the Offer only if:

(a) the Conditions of the Offer are not fulfilled or waived by the time specified in the Bidder's Statement; or

(b) Inca varies the Offer in a way that postpones for more than one month the time when Inca needs to issue the Inca Shares under the Offer. This will occur if Inca extends the Offer Period by more than one month and the Offer is still subject to one or more of the Conditions at the time of your purported withdrawal.

9.13 When you receive your consideration

If you accept the Offer you will be issued your Inca Shares on or before the later of:

(a) one month after the date the Offer becomes or is declared unconditional or one month after the date you accept the Offer (whichever is later); and

(b) 21 days after the end of the Offer Period.

Full details of when consideration will be provided are set out in Section 12.7 of the Bidder's Statement.

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9.14 Effect of an improvement in consideration on Stunalara Shareholders who have already accepted the Offer

If Inca improves the consideration offered under the Offer, all Stunalara Shareholders to whom the Offer is made, whether or not they have accepted the Offer before that improvement in consideration, will be entitled to the benefit of that improved consideration should they accept the Offer and the Offer becomes or is declared unconditional.

9.15 Compulsory acquisition

(a) Compulsory acquisition following the Offer

Inca has stated in Section 7.4 of its Bidder's Statement that it intends to proceed with compulsory acquisition of any Stunalara Shares not acquired under the Offer if it is entitled to do so in accordance with the Corporations Act.

Inca will be entitled, under Section 661A of the Corporations Act, to compulsorily acquire any Stunalara Shares in respect of which it has not received an acceptance of the Offer on the same terms as the Offer if, during or at the end of the Offer Period:

(i) Inca and its Associates have a Relevant Interest in at least 90% (by number) of Stunalara Shares; and

(ii) Inca and its Associates have acquired at least 75% (by number) of the Stunalara Shares that Inca has offered to acquire under the Offer.

If this threshold is met, Inca will have one month after the end of the Offer Period within which to give compulsory acquisition notices to Stunalara Shareholders that have not accepted the Offer.

If compulsory acquisition occurs under Section 661A of the Corporations Act, Stunalara Shareholders that have their Stunalara Shares compulsorily acquired will be issued their consideration later than Stunalara Shareholders that accept the Offer.

Stunalara Shareholders have statutory rights to challenge any compulsory acquisition. However, a successful challenge will require the relevant Stunalara Shareholder to establish to the satisfaction of a court that the terms of the Offer does not represent fair value for the Stunalara Shares.

(b) General compulsory acquisition

Under Part 6A.2 of the Corporations Act, Inca will be entitled to compulsorily acquire any outstanding Stunalara Shares and Stunalara Convertible Securities, if Inca (either alone or with a related body corporate) holds full beneficial interests in at least 90% of Stunalara Shares and Stunalara Convertible Securities (by number).

If this threshold is met, Inca will have six months after Inca becomes a 90% holder within which to give compulsory acquisition notices to Stunalara Securityholders. The compulsory acquisition notices sent to Stunalara Securityholders must be accompanied by an independent expert's report and an objection form.

The independent expert's report must set out whether the terms of the compulsory acquisition give a "fair value" for the Stunalara Shares and the independent expert's reasons for forming that opinion.

If Stunalara Shareholders with at least 10% of Stunalara Shares or Stunalara Convertible Securities covered by the compulsory acquisition notice object to the acquisition before the end of the objection period (which must be at least one month), Inca may apply to the Court for approval of the acquisition of the securities covered by the notice.

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10. RISK FACTORS

10.1 Introduction

In considering the Offer, Stunalara Shareholders should be aware that there are a number of risk factors associated with either accepting the Offer or rejecting the Offer and continuing to hold Stunalara Shares.

In deciding whether to accept the Offer, Stunalara Shareholders should read this Target's Statement (including the Independent Expert's Report) and the Bidder's Statement carefully and consider these risks. While some of these risks can be mitigated, some are outside the control of Stunalara and the Stunalara Board and cannot be mitigated.

The risks set out in this Section do not take into account the individual investment objectives, financial situation, position or particular needs of Stunalara Shareholders. The risk factors set out in this Section are not an exhaustive list of all risks. In addition, these risks are general in nature only and do not cover every risk that may be associated with an investment in Stunalara now or in the future. The mining, exploration and development of natural resources are activities which are speculative in nature and are subject to significant risks.

There may also be additional risks and uncertainties not currently known to Stunalara, or which are currently known to Stunalara but which Stunalara currently considers to be individually immaterial, which may adversely affect Stunalara's business, operations and future prospects and the price or value of Stunalara Shares in the future.

Risks relating to accepting the Offer and being a holder of Inca Shares as part of a Combined Group are set out in Section 10 of the Bidder's Statement. Some additional risks are summarised in Sections 10.2 and 10.3 below.

Risks associated with rejecting the Offer and continuing as a Stunalara Shareholder, are set out in Section 10.4 below.

The risks of Stunalara continuing as a stand-alone entity in the event the Offer is not successful are summarised in Section 10.5.

If you are unclear in relation to any matter you should consult your legal, investment, taxation or other professional adviser.

10.2 Risks associated with accepting the Offer

(a) Possibility of a Superior Proposal emerging

If you accept the Offer, you will forego the opportunity to benefit from any Superior Proposal by another party for your Stunalara Shares should such a proposal eventuate. As at the date of this Target's Statement, the Stunalara Board is not aware of a proposal by anyone to make a Superior Proposal.

(b) Possibility of future Stunalara Share price appreciation

You may be able to sell your Stunalara Shares in the future for more valuable consideration than that offered under the Offer (although Stunalara can give no assurances and makes no forecast of whether this will occur).

(c) Limited withdrawal rights

As described in Sections 12.6 and 12.13 of the Bidder's Statement, you may only withdraw your acceptance of the Offer in limited circumstances (see also Section 9.12 of this Target's Statement). Otherwise, you will be unable to withdraw your

acceptances even if the value of the Inca Shares to be issued to you as consideration varies from the date of your acceptance.

10.3 Risks associated with holding Inca Shares in a Combined Group

If you accept the Offer (and the Offer becomes unconditional) you will become a shareholder in Inca. The Combined Group will, moving forward, be subject to a range of risks. Many of these risks are risks that are common to most resource exploration companies looking to explore, develop and operate projects and, to a large extent comprise of risks that Stunalara Shareholders already face.

Section 10 of the Bidder's Statement set out the risks that Stunalara Shareholders may face when investing in Inca Shares. You should read those Sections of the Bidder's Statement carefully and in full.

You should also read Section 10.5 of this Target's Statement which sets out risks that Stunalara Shareholders face if the Offer is unsuccessful, as a number of these risks will also apply to the Combined Group if the Offer is successful.

10.4 Risks associated with not accepting the Offer if the Offer is successful

If you decide not to accept the Offer and remain a Stunalara Shareholder (and assuming the Offer is completed but your Stunalara Shares are not compulsorily acquired) the outcome of the Offer may be that Inca controls or is a major Shareholder of Stunalara and you are a minority Stunalara Shareholder.

If this occurs, the liquidity of your Stunalara Shares may be reduced.

You should consider carefully Inca's current intentions depending on the extent to which Inca acquires Stunalara Shares as a result of the Offer, which are set out in Sections 7.4, 7.5 and 7.6 of the Bidder's Statement.

If Inca acquires more than 50% but less than 90% of Stunalara Shares, it will be able to cast the majority of votes at a general meeting of Stunalara, which will enable it to control the Board and senior management, determine Stunalara's dividend policy and control the strategic direction of Stunalara.

Subject to the Corporations Act and Stunalara's constitution, Inca may appoint nominees to the Stunalara Board.

If Inca acquires 75% or more of Stunalara Shares, it will be able to pass special resolutions of Stunalara. This will enable Inca to amend Stunalara's constitution.

10.5 Risks associated with being a Stunalara Shareholder if the Offer is unsuccessful

There are various risks associated with continuing to hold Stunalara Shares if the Offer is unsuccessful. Some of these risks are of a more general nature that apply to any investment in an unlisted company, while others are specific to the industry in which Stunalara operates or are specific to Stunalara.

Specific risks associated with being a Stunalara Shareholder are summarised below.

(a) **Future Funding Requirements**

Stunalara requires additional capital to fund the proposed exploration program for its Hurricane Project. Such funding may not be obtained on reasonable terms or at all.

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Stunalara also requires additional capital for corporate costs, and additional costs required to advance one or more projects, which would involve associated funding obligations or dilution impacts on Stunalara Shareholders. Failure to obtain additional funding on a timely basis could result forfeiture of the Company's tenements, in delay or indefinite postponement of further exploration and development or force Stunalara to pursue transactions which it would not pursue had sufficient funding been available.

If Stunalara is unable to raise sufficient funds by way of the issue of securities, it may consider other funding alternatives. These alternatives could include additional debt funding, joint venture or farm-in arrangements, streaming finance, convertible loans or asset sales. None of these alternatives have been determined at present, and any need to implement a funding alternative would be considered if the need arises having regard to the circumstances at that time. There is no assurance that Stunalara will be able to implement any specific alternative. Any additional equity funding may have a dilutionary impact on a shareholder's holding in Stunalara, or a negative impact on Stunalara's share price.

(b) **Stunalara Shares may fall in value**

If the Offer is unsuccessful and no other offers emerge, the value of Stunalara Shares may decrease and Stunalara Shareholders will be exposed to the ongoing risks associated with an investment in Stunalara. In particular, Stunalara Shareholders will have full exposure to the risk associated with Stunalara's existing projects and will not benefit from Inca's development expertise or financial strength.

Industry specific risks associated with being a Stunalara Shareholder include the following.

(c) **Exploration**

While the Board is of the view that Stunalara's projects have the potential to provide significant mineralisation capable of supporting future large-scale mining operations, there is no guarantee that further significant mineralisation will be identified and even if identified, that such mineralisation can be successfully developed and economically mined. Exploration and drilling programs are designed to discover new exploration targets for development, as well as improve confidence in existing targets throughout the development stages of exploration projects to feasibility study level.

(d) **Development**

In the event significant mineralisation is identified, and Stunalara proceeds to mineral development, Stunalara's financial performance will substantially depend on the accuracy of the cost estimates for the proposed development, development and infrastructure plans, working capital requirements, the duration of relevant works program, government approvals, heritage approvals and clearances and personnel and equipment availability. The cost and time forecasts estimates are based on assumptions including those in relation to study costs, scope and duration, the approvals process and timeline estimated, and operational issues, which are subject to uncertainty.

Any increase in capital/operating costs, study or development timelines, delays in obtaining any necessary approvals, supply chain disruptions, sourcing of equipment and personnel could have an adverse impact on the performance of Stunalara. Escalating costs and other factors such as technical difficulties, geological conditions, adverse changes in government policy or legislation, or lack

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of access to sufficient funding may mean that identified resources are not economically recoverable or may otherwise preclude Stunalara from successfully exploiting the resources.

(e) **Mineral Resources and Ore Reserve estimates**

The estimation of Mineral Resources and Ore Reserves are expressions of judgement based on knowledge, experience and industry practice. The reported estimates, which were valid when originally estimated, may alter significantly when new information or techniques become available. As Stunalara obtains new information through additional drilling and analysis, and potentially other factors such as expectations of obtaining government authorisations, Mineral Resources and Ore Reserve estimates are likely to change. This may result in alterations to Stunalara's exploration, development and production plans which may, in turn, positively or negatively affect Stunalara's operations and financial position.

In addition, by their very nature, Mineral Resources and Ore Reserves estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate. Resource and Reserve estimates may also be impacted by material changes in gold and base metal prices, in costs and changes to operations. This risks restatement or withdrawal of Reserves and/or Resources. As further information becomes available through additional fieldwork and analysis, and as circumstances change the estimates are likely to change. This may result in alterations to development and mining plans which may, in turn, adversely affect the Combined Groups operations.

Whilst Stunalara intends, as at the date of this Target's Statement, to undertake exploration activities with the aim of defining new Mineral Resources, no assurances can be given that exploration will result in the determination of a new resource. Even if a resource is identified, no assurance can be provided that this can be economically extracted.

(f) **Commodity price risk and exchange rate risk**

Stunalara will be vulnerable to fluctuations in the price of gold and base metals. Falls in the price of gold and base metals can render economic resources sub-economic. Stunalara's performance may also be affected by fluctuations in exchange rates, including the AUD denominated prices, input prices and the AUD/USD exchange rate. These prices can fluctuate rapidly and widely and are affected by numerous factors beyond the control of Stunalara. These factors include world demand for precious and other metals, forward selling by producers, and production cost levels in major metal-producing regions. Other factors include expectations regarding inflation, the financial impact of movements in interest rates, price forward curves, global economic trends, confidence and conditions, and domestic and international fiscal, monetary and regulatory policy settings.

If the price of gold and base metals should fall below or remain below Stunalara's estimated or actual costs of production for any sustained period due to these or other factors and events, Stunalara's exploration, development or mining could be delayed or even abandoned. A delay in exploration or development or mining or the abandonment of one or more of Stunalara's projects may require Stunalara to write-down any mineral resources or reserves and may have a material adverse effect on Stunalara's production, earnings and financial position.

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If Stunalara achieves exploration/development success which leads to viable mining production, its financial performance will be highly dependent on the prevailing commodity prices and exchange rates.

These factors can affect the value of Stunalara's assets and the supply and demand characteristics of gold and base metals may have an adverse effect on the viability of Stunalara's exploration, development and production activities, its ability to fund those activities and the value of its assets.

(g) **Reliance on key personnel**

Stunalara's prospects depend in part on the ability of its executive officers, senior management and key consultants to operate effectively, both independently and as a group. The loss of the services of one or more of such key management personnel could have an adverse effect on Stunalara. Stunalara's ability to manage its exploration and development activities, and hence its success, will depend in large part on the efforts of these individuals.

Stunalara will need to employ and retain appropriately motivated, skilled and experienced staff. Difficulties in attracting and retaining such staff may have an adverse effect on the performance of Stunalara.

(h) **Native Title**

In areas where native title exists or may exist, the ability of Stunalara to acquire a valid mining lease may also be subject to compliance with the 'right to negotiate' process under the Native Title Act. Compliance with this process can cause delays in obtaining the grant of a mining lease and does not ultimately guarantee that a mining lease will be granted. Attaining a negotiated agreement with native title claimants or holders to facilitate the grant of a valid mining can add significantly to the costs of any development or mining operation.

(i) **Aboriginal Heritage**

The ability of Stunalara to conduct activities on exploration or mining tenements is subject to compliance with laws protecting Aboriginal heritage. Conduct of site surveys to ensure compliance can be expensive and subject to delays. If any Aboriginal sites are located within areas of proposed exploration, mining or other activities, the ability of Stunalara to conduct those activities may be dependent on Stunalara obtaining further regulatory consents or approvals.

(j) **Tenement obligations**

Tenements in Australia are governed by various legislation in relation to mining. Each licence or lease is for a specific term and carries with it annual expenditure and reporting commitments, as well as other conditions requiring compliance. Failure to meet these expenditure, work and reporting commitments may render the tenements subject to forfeiture or result in the tenement holders being liable for penalties or fees. Further, if any contractual obligations are not complied with when due, in addition to any other remedies that may be available to other parties, this could result in dilution or forfeiture of Stunalara's interest in the projects.

(k) **Climate change and social risks**

There are a number of climate-related factors that may affect the operations and proposed activities of Stunalara, including:

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- the emergence of new or expanded regulations associated with the transitioning to a lower-carbon economy and market changes related to climate change mitigation. Stunalara 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 Stunalara and its profitability. While Stunalara will endeavour to manage these risks and limit any consequential impacts, there can be no guarantee that Stunalara will not be impacted by these occurrences; and

- climate change may cause certain physical and environmental risks that cannot be predicted by Stunalara, 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 Stunalara operates.

Establishment of strong relationships with the community and other stakeholders is fundamental to the long term success of Stunalara's business. Although Stunalara endeavours to conduct its business in a manner which respects those communities and ensures mutually beneficial outcomes, Stunalara's activities may have or be perceived to have an adverse impact on local communities, cultural heritage, the environment, or other matters which may result in community concern, adverse publicity, activism, litigation or other adverse actions taken by community, environmental or other action groups. Failure to maintain and build strong relationships and such adverse actions could affect Stunalara's social licence to operate, its reputation and lead to delays and increase costs which may adversely impact on Stunalara's operations, financial position and/or performance and the market price of its Shares.

(l) **Access and third-party interests**

Stunalara may be required to obtain the consent from the holders of third-party interests which overlay areas within its tenements, prior to accessing or commencing any exploration or mining activities on the affected areas. No assurance can be given that necessary access will be obtained when required or on acceptable terms.

(m) **Joint venture parties, agents and contractors**

The Stunalara Directors are unable to predict the risk of financial failure or default by a participant in any joint venture to which Stunalara is or may become party to, or the insolvency or managerial failure by any of the contractors or other service providers used by Stunalara, which may adversely affect Stunalara's activities.

(n) **Environmental liabilities and Occupational Health and Safety risk**

Stunalara's activities are subject to potential risks and liabilities associated with the potential pollution of the environment and the necessary disposal of mining waste products resulting from mineral exploration. Insurance against environmental risk (including potential liability for pollution or other hazards as a result of the disposal of waste products occurring from exploration) is not generally available to Stunalara (or to other companies in the minerals industry) at a reasonable price. To the extent that Stunalara becomes subject to environmental liabilities, the satisfaction of any such liabilities would reduce funds otherwise available to

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Stunalara and could have a material adverse effect on Stunalara. Laws and regulations intended to ensure the protection of the environment are constantly changing and are generally becoming more restrictive.

The mining industry has become subject to increasing occupational health and safety responsibility and liability. The potential for liability is a constant risk. If Stunalara fails to comply with necessary OH&S legislative requirements, it could result in fines, penalties and compensation for damages as well as reputational damage. Safety legislation may also change in a manner that may include requirements, in addition to those now in effect, and a heightened degree of responsibility for companies and their Directors and employees.

(o) **Land rehabilitation requirements**

Although variable, depending on location and the governing authority, land rehabilitation requirements are generally imposed on resource companies, in order to minimise long term effects of land disturbance. Rehabilitation may include requirements to control dispersion of potentially deleterious effluents and to reasonably re-establish pre-disturbance land forms and vegetation. In order to carry out rehabilitation obligations imposed on Stunalara in connection with its activities, Stunalara will need to allocate financial resources that might otherwise be spent on further exploration and/or development programs.

(p) **Laws, regulations, rules, approvals, licences and permits**

Stunalara's operations are subject to various Federal, State and local laws and plans, including those relating to mining, prospecting, development permit and licence requirements, industrial relations, environment, land use, royalties, water, native title and cultural heritage, mine safety and occupational health. No assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail exploration, production or development.

Approvals, licences and permits required to comply with such rules and regulations are subject to the discretion of the applicable government officials. No assurance can be given that Stunalara will be successful in obtaining any or all of the various approvals, licences and permits or maintaining such authorisations in full force and effect without modification or revocation.

(q) **Litigation risk**

Stunalara will be exposed to possible litigation risks including Native Title claims, tenure disputes, disputes in relation to the interpretation of royalty agreements or other contractual entitlements, environmental claims, occupational health and safety claims and employee claims. Further, Stunalara may be involved in disputes with other parties now or in the future which may result in litigation or other forms of dispute resolution procedure. Any such claim or dispute if proven, may impact adversely on Stunalara's operations, financial performance and financial position.

(r) **Insurance**

The future viability of and profitability of Stunalara is also dependent on a number of other factors which affect the performance of all industries, and not just mineral exploration and mining, such as COVID-19 and pandemic risks, cyber security risks, industrial disputation, litigation, natural disasters and extreme weather conditions and acts of war and terrorism or the outbreak or escalation of

international hostilities and tensions. No assurance can be given that Stunalara will be able to obtain insurance cover for all risks faced by Stunalara at reasonable rates or that the insurance cover it arranges will be adequate and available to cover all possible claims. 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 Stunalara.

(s) **Royalties**

Stunalara's mining projects will be subject to the Placer Gold Royalty and State imposed royalties. If State royalties rise, the profitability and commercial viability of Stunalara's projects may be negatively impacted.

(t) **Change in Law and Regulation**

Stunalara's activities may be impacted by regulatory or other changes implemented by the Commonwealth or Western Australian Governments. A change in laws that impact on Stunalara's operations, such as land access, Native Title, environmental protection, carbon emissions, labour, mining, taxation and royalties, could have an adverse impact on Stunalara's operations. Mining industry activities are subject to discretionary regulations and approvals, the exercise of which cannot always be predicted.

General risk associated with being a Stunalara Shareholder include the following.

(u) **Pandemics**

The global COVID-19 (Novel Coronavirus) pandemic demonstrated that pandemics can have a significant impact on global capital markets, commodity prices and foreign exchange rates. Should a pandemic arise, and any Stunalara personnel or contractors are infected, it could result in Stunalara's operations being suspended or otherwise disrupted for an unknown period of time, which may have an adverse impact on Stunalara's operations as well as an adverse impact on the financial condition of Stunalara. Supply chain disruptions resulting from a pandemic and measures implemented by governmental authorities around the world to limit the transmission of the virus (such as travel bans and quarantining) may, in addition to the general level of economic uncertainty caused by a pandemic, continue to adversely impact Stunalara's operations, financial position and prospects

(v) **Economic risks**

The operating and financial performance of Stunalara will be influenced by a variety of general economic and business conditions, including levels of consumer spending, commodity prices, inflation, interest rates and exchange rates, supply and demand, industrial disruption, access to debt and capital markets and government fiscal, monetary and regulatory policies.

More generally, changes in general economic conditions may result from many factors including government policy, international economic conditions, significant acts of terrorism, hostilities, war, pandemics or natural disasters. A prolonged deterioration in general economic conditions, including an increase in interest rates or a decrease in consumer and business demand, could be expected to have an adverse impact on Stunalara's operating and financial performance and financial position.

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(w) **Unforeseen expenses**

Stunalara may be subject to significant unforeseen expenses or actions. This may include unplanned operating expenses, future legal actions or expenses in relation to future unforeseen events.

(x) **Share market conditions**

There are risks associated with any investment in securities.

There can be no guarantee that there will be an active market in Stunalara Shares, or that the market price of Stunalara Shares will increase. It may be difficult for investors to sell their Stunalara Shares, as there may be relatively few, if any, potential buyers or sellers at any time. Volatility in the market price may result in Stunalara Shareholders receiving a price for their Stunalara Shares that is less than price paid to acquire them.

The price of Stunalara Shares may increase or decrease due to a number of factors. Some of the factors which may affect the price of Stunalara Shares include economic conditions in both Australia and internationally, investor sentiment and local and international share market conditions, changes in interest rates and the rate of inflation, variations in commodity prices, the global security situation and the possibility of terrorist disturbances, changes to government regulation, policy or legislation, changes which may occur to the taxation of companies as a result of changes in Australian and foreign taxation laws, changes to the system of dividend imputation in Australia, and changes in exchange rates.

(y) **Cyber risks**

Stunalara, as with all organisations, is reliant on information technology for the effective operation of its business. Any failure, unauthorised or erroneous use of Stunalara's information and/or information systems may result in financial loss, disruption or damage to the reputation of Stunalara.

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11. TAXATION CONSIDERATIONS

11.1 Overview

The following is a general summary of the Australian income tax, GST and duty considerations for Stunalara Shareholders who accept the Offer.

This summary does not provide an exhaustive consideration of all possible Australian income tax, GST and duty implications that could apply to Stunalara Shareholders who accept the Offer. Furthermore, this summary does not consider any tax implications in jurisdictions outside of Australia.

Only Stunalara Shareholders who are individuals, trusts, complying superannuation funds and corporate shareholders that hold their Stunalara Shares on capital account for Australian income tax purposes have been considered in this summary. This summary is not intended to cover Stunalara Shareholders who:

(a) are exempt from Australian income tax;

(b) hold their Stunalara Shares on revenue account or as trading stock;

(c) acquired their Stunalara Shares for the purpose of resale at a profit;

(d) are partnerships or persons that are partners of such partnerships;

(e) acquired their Stunalara Shares under an employee share scheme or similar employee incentive plan;

(f) are subject to the taxation of financial arrangements rules in Division 230 of the Income Tax Assessment Act 1997 in relation to gains and losses on their Stunalara Shares; or

(g) are subject to the 'Investment Manager Regime' under Subdivision 842-I of the Income Tax Assessment Act 1997 in respect of their Stunalara Shares.

This summary does not constitute tax advice and is intended only as a general guide to the Australian tax implications of accepting the Offer based upon Australian taxation law and administrative practice in effect as at the date of this Target's Statement. It does not consider any specific facts or circumstances that may apply to Stunalara Shareholders. As the tax consequences of accepting the Offer depend on each Stunalara Shareholder's individual circumstances, all Stunalara Shareholders are advised to seek independent professional advice regarding the Australian and foreign tax consequences of accepting the Offer according to their own particular circumstances.

11.2 Australian Tax Resident Shareholders

This Section 11 is limited to Stunalara Shareholders who accept the Offer, are residents of Australia for Australian income tax purposes and hold their Stunalara Shares on capital account.

(a) **Capital Gains Tax Event**

By accepting the Offer, Stunalara Shareholders will dispose of their Stunalara Shares to Inca in exchange for the Consideration Shares, comprising Inca Shares. The disposal of the Stunalara Shares to Inca will give rise to a CGT event. The time of the CGT event should be the date the Stunalara Shares are disposed of, which will be the date that the Stunalara Shareholders enter into a contract with Inca.

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If a Stunalara Shareholder does not accept the Offer and their Stunalara Shares are compulsorily acquired in accordance with Part 6A.1 of the Corporations Act, the date of disposal for CGT purposes will be the date when Inca becomes the beneficial owner of the Stunalara Shares.

In the absence of CGT roll-over relief, the following tax consequences are expected to arise for Stunalara Shareholders accepting the Offer:

(i) a capital gain will be made to the extent the capital proceeds received by the Stunalara Shareholder from the disposal of their Stunalara Shares (being the market value of the Inca Shares) exceeds the cost base of those Stunalara Shares; or

(ii) a capital loss will be made to the extent the capital proceeds received by the Stunalara Shareholder from the disposal of their Stunalara Shares are less than the reduced cost base of those shares.

(b) **CGT Scrip for Scrip Roll-over Relief**

Stunalara Shareholders who make a capital gain from the disposal of their Stunalara Shares may be eligible to choose CGT scrip for scrip roll-over relief (provided certain conditions are met). CGT scrip for scrip roll-over relief enables Stunalara Shareholders to disregard any capital gain they make from the disposal of their Stunalara Shares under the Offer.

Broadly, for roll-over relief to be available, Inca must become the owner of 80% or more of the Stunalara Shares under the Offer and Stunalara Shareholders must make a capital gain on the disposal of their Stunalara Shares. If a capital loss arises, no CGT scrip for scrip roll-over relief is available.

Stunalara Shareholders do not need to inform the ATO, or document their choice to claim CGT scrip for scrip roll-over relief in any particular way, other than to complete their income tax return in a manner consistent with their choice.

(c) **Consequences of Choosing CGT Scrip for Scrip Roll-over Relief**

If a Stunalara Shareholder chooses to obtain CGT scrip for scrip roll-over relief, the capital gain arising on the disposal of their Stunalara Shares under the Offer should be disregarded.

Further, the first element of the cost base for the Inca Shares received is determined by attributing to them, on a reasonable basis, the existing cost base of the Stunalara Shares exchanged under the Offer. The first element of the reduced cost base is determined similarly.

Finally, for the purposes of determining future eligibility for the CGT Discount, the acquisition date of the Inca Shares is taken to be the date when the Stunalara Shareholder originally acquired their Stunalara Shares.

(d) **Consequences if CGT Scrip for Scrip Roll-over Relief is not available or is not chosen**

If a Stunalara Shareholder does not qualify for CGT scrip for scrip roll-over relief or does not choose to obtain CGT scrip for scrip roll-over relief, the general CGT treatment outlined above at Section 11.2(a) will apply.

(e) **Capital Proceeds**

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The capital proceeds on the disposal of the Stunalara Shares should be equal to the market value of the Consideration Shares received by Stunalara Shareholders, at the time of the CGT event.

(f) **Cost Base and Reduced Cost Base of a Stunalara Share**

The cost base of a Stunalara Share will generally be equal to the cost of acquiring the Stunalara Share, plus any incidental costs of acquisition and disposal (such as brokerage fees and legal costs). The reduced cost base of a Stunalara Share is determined in a manner similar to the cost base although some differences in the calculation of the reduced cost base may exist depending on the Stunalara Shareholder's particular individual circumstances. The cost base and reduced cost base of each Stunalara Share will depend on the individual circumstances of each Stunalara Shareholder.

(g) **CGT Discount**

The CGT Discount may apply to Stunalara Shareholders that are individuals, complying superannuation funds or trusts, who have held, or are taken to have held, their Stunalara Shares for at least 12 months (not including the date of acquisition or the date of disposal) at the time of the disposal of their Stunalara Shares.

The CGT Discount is:

(i) one-half if the Stunalara Shareholder is an individual or trust; meaning only 50% of the capital gain will be included in assessable income of the shareholder; and

(ii) one-third if the Stunalara Shareholder is a trustee of a complying superannuation entity; meaning only two-thirds of the capital gain will be included in assessable income of the shareholder.

The CGT Discount is not available to Stunalara Shareholders that are companies.

If a Stunalara Shareholder makes a discounted capital gain, any carried forward capital losses will be applied to reduce the undiscounted capital gain before either the one-half or one-third discount is applied. The resulting amount is then included in the Stunalara Shareholder's net capital gain for the income year and included in assessable income.

The CGT Discount rules relating to trusts are complex. Accordingly, we recommend trustees seek their own independent advice on how the CGT Discount applies to them and the trust's beneficiaries.

11.3 Foreign tax resident Stunalara Shareholders

This Section applies to Stunalara Shareholders that are not residents of Australia for Australian income tax purposes (that is, foreign tax residents). It does not apply to foreign tax resident Stunalara Shareholders who have held their Stunalara Shares at any time in carrying on a business at or through a permanent establishment in Australia.

Foreign tax resident Stunalara Shareholders who hold their Stunalara Shares on capital account should generally not be subject to the CGT rules in Australia on the disposal of their Stunalara Shares, provided their Stunalara Shares are not an "indirect Australian real property interest".

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Broadly, a foreign tax resident Stunalara Shareholder's Stunalara Shares will not be an indirect Australian real property interest unless both of the following conditions are satisfied:

(a) that Stunalara Shareholder, together with its associates (as defined under Australian taxation law, and broadly discussed below), held 10% or more of the issued shares in Stunalara at the time of disposal or for at least 12 months during the 24 months prior to the disposal of their Stunalara Shares; and

(b) the aggregate market value of Stunalara's assets which are taxable Australian property (being direct and indirect interests in Australian real property, including land, leases of land mining tenements and property affixed to land) exceeds the aggregated market value of Stunalara's assets which are not taxable Australian property.

The term "associate" for these purposes is very broad. It includes:

(a) entities that have majority ownership (50% or more of the voting shares) of, or otherwise control, the foreign tax resident Stunalara Shareholder;

(b) entities which are majority owned or controlled by the foreign tax resident Stunalara Shareholder;

(c) a trustee of a trust where the foreign tax resident Stunalara Shareholder is capable of benefiting (whether directly or indirectly) under the trust; and

(d) (generally) an associate of an associate.

Stunalara expects that the aggregate market value of Stunalara's assets, which are taxable Australian property, exceeds the aggregate market value of Stunalara's assets which are not taxable Australian property. Accordingly, any foreign tax resident Stunalara Shareholder that holds, together with their associates, a 10% or more interest in Stunalara Shares (at the time of disposal or for at least 12 months during the 24 months prior to disposal of their Stunalara Shares) should be subject to Australian CGT.

A foreign tax resident Stunalara Shareholder who is subject to tax on disposal of their Stunalara Shares may be eligible to apply a CGT discount to part of their gain, if they acquired, or are taken to have acquired, their Stunalara Shares on or before 8 May 2012.

Otherwise, the CGT discount is not available to foreign tax resident Stunalara Shareholders.

Importantly, foreign tax resident Stunalara Shareholders who, together with their associates, hold an interest of 10% or more in Stunalara Shares (at the time of disposal or for at least 12 months during the 24 months prior to disposal of their Stunalara Shares) may be able to access CGT scrip for scrip roll-over relief in respect of any capital gain realised on their Stunalara Shares as a result of the Offer (assuming all the other conditions for scrip for scrip roll-over are satisfied – refer to Section 11.2(b) above) but only to the extent the foreign tax resident Stunalara Shareholder (together with their associates), also hold a 10% or more interest in Inca Shares just after the Offer is implemented, and the aggregate market value of Inca's assets, after the Offer is implemented which are taxable Australia property exceeds the aggregated market value of Inca's assets which are not taxable Australian property.

Stunalara does not expect any Stunalara Shareholder, on its own, to hold a 10% or more interest in Inca Shares just after the Offer is implemented.

Even if CGT scrip for scrip rollover relief is obtained by these Stunalara Shareholders, the Foreign Resident CGT Withholding Tax Rules will continue to operate as outlined below at Section 11.4.

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Foreign tax resident Stunalara Shareholders who, together with their associates, do not hold a 10% or more interest in Stunalara Shares (at the time of disposal or for at least 12 months during the 24 months prior to disposal of their Stunalara Shares), should not be subject to CGT on the disposal of their Stunalara Shares.

11.4 Foreign resident capital gains withholding ('FRCGW')

The FRCGW provisions place obligations on the purchaser of inter alia, non-portfolio (10% or greater) shareholdings in a company whose principal assets are taxable Australian property (which includes Australian mining assets). Whilst referred to as applying to acquisitions from 'foreign residents' the obligations need to be considered for both resident and foreign resident shareholders in Stunalara.

The obligation to withhold 15% of the purchase price and remit that amount to the ATO is obviated where the shareholder provides either a Clearance Certificate from the Commissioner of Taxation (which attests to their Australian tax residency) or a Vendor Declaration.

Stunalara Shareholders who have an amount withheld should generally be entitled to a credit for the amount withheld upon lodging an Australian income tax return.

Where Inca considers it may have obligations under the FRCGW regime it has advised in the Bidder's Statement that it will contact the Stunalara Shareholder to provide them with an opportunity to seek a Clearance Certificate or make a Vendor Declaration if they are entitled to do so.

11.5 GST

No GST will be payable by Stunalara Shareholders on the acquisition of their Stunalara Shares by Inca under the Offer, or on the receipt of Inca Shares as consideration for acceptance of the Offer.

11.6 Duty

No Australian duty should be payable by Stunalara Shareholders on the acquisition of their Stunalara Shares by Inca under the Offer, or on the receipt of Inca Shares as consideration for acceptance of the Offer.

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12. ADDITIONAL INFORMATION

12.1 Bid Implementation Agreement

On 4 February 2025, Inca and Stunalara entered into the Bid Implementation Agreement pursuant to which Inca made a conditional off-market offer to acquire all the Stunalara Share on issue. The conditions of the Offer are set out in Section 12.8 of the Bidder's Statement.

Otherwise, a summary of the material terms of the Bid Implementation Agreement is set out below.

RECOMMENDATION OF STUNALARA DIRECTORS	Stunalara represents and warrants that it has been informed: (a) by the Stunalara Independent Directors that they intend to recommend that all Stunalara Shareholders accept the Offer, subject to there being no Superior Proposal and the Independent Expert concluding and continuing to conclude in its Independent Expert's Report that the Offer is either fair and reasonable, or not fair but reasonable; (b) by Stunalara Director Andrew Haythorpe that he intends to accept the Offer 21 days after the Offer becoming open for acceptance with respect to all Stunalara Shares owned or controlled by him, subject to there being no Superior Proposal and the Independent Expert concluding and continuing to conclude in its Independent Expert's Report that the Offer is either fair and reasonable, or not fair but reasonable; and (a) by each of the Stunalara Directors that they will not withdraw, revise, revoke or qualify, or make any public statement inconsistent with the recommendation above, unless a Superior Proposal emerges or the Independent Expert does not conclude in its Independent Expert's Report that the Offer is either fair and reasonable, or not fair but reasonable.
TERMINATION	(a) <u>Termination by either party</u> The Bid Implementation Agreement may be terminated by a party by notice to the other party: (i) if the other party is in material breach of the Bid Implementation Agreement and that breach is not remedied by that other party within 5 Business Days of it receiving notice from the first party of the details of the breach and the first party's intention to terminate; (ii) if Inca withdraws the Takeover Bid as permitted by the Corporations Act for any reason including non-satisfaction of a Condition or if the Takeover Bid lapses; (iii) if there is a material breach of a representation or warranty by the other party and that breach is not remedied by that other party within 5 Business Days of it receiving notice from the first party of the details of the breach and the first party's intention to terminate; (iv) if a Court or other regulatory authority has issued a final and non-appealable order, decree or ruling or taken other action which permanently restrains or prohibits the Takeover Bid; or

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	(v) if the other party or any of their subsidiaries becomes insolvent. (b) <u>Termination by Inca</u> The Bid Implementation Agreement may be terminated by Inca by notice in writing to Stunalara if: (i) a Superior Proposal is made or publicly announced for Stunalara by a third party; (ii) the Stunalara Independent Directors, having recommended the Takeover Bid, withdraw their recommendation of the Takeover Bid; (iii) a Stunalara Independent Director does not recommend the Takeover Bid be accepted by Stunalara Shareholders or having recommended the Takeover Bid, withdraws or adversely modifies his or her recommendation of the Takeover Bid; (iv) a person (other than Inca or its Associates) has a Relevant Interest in more than 20% of the Stunalara Shares on issue (other than existing Stunalara Shareholders who at the date of the Bid Implementation Agreement hold a Relevant Interest in more than 20% of the Stunalara Shares on issue); or (v) a Stunalara Material Adverse Change or a Stunalara Prescribed Occurrence occurs. (c) <u>Termination by Stunalara</u> The Bid Implementation Agreement may be terminated by Stunalara by notice in writing to Inca if: (i) an Inca Material Adverse Change or an Inca Prescribed Occurrence has occurred; (ii) the Independent Expert concludes in its Independent Expert's Report that the Offer is not fair and not reasonable; or (iii) a majority of the Stunalara Directors recommend a Superior Proposal, provided always that clause 6 (Exclusivity) of the Bid Implementation Agreement has been complied with.
Reimbursement Fee	Stunalara must pay a $100,000 Reimbursement Fee to Inca if: (a) during the period 4 February 2025 to 4 May 2025 (**Exclusivity Period**) any one or more members of the Stunalara Independent Directors withdraws, adversely revises or adversely qualifies his or her support of the Takeover Bid or his or her recommendation that Stunalara Shareholders accept the Offer or fails to recommend that Stunalara Shareholders accept the Takeover Bid, or, having made such a recommendation, withdraws, adversely revises or adversely qualifies that recommendation for any reason other than because the Independent Expert concludes in its Independent Expert's Report that the Offer is not fair and not reasonable; (b) during the Exclusivity Period, any one or more members of the Stunalara Board recommends that Stunalara Shareholders accept or vote in favour of, or otherwise supports or endorses (including support by way of accepting or voting, or by way of stating an intention to accept or vote, in respect of any Stunalara Shares held or

		controlled by them or held on their behalf), a Competing Proposal of any kind that is announced (whether or not such proposal is stated to be subject to any pre-conditions) during the Exclusivity Period; or
	(c)	Inca has terminated the Bid Implementation Agreement pursuant to clauses 9.1(a) (Stunalara's material breach of the agreement), 9.1(c) (Stunalara material breach of warranties in the agreement) or 9.2(b) (a majority of Stunalara Directors withdraw their recommendation of the Takeover Bid).

A full copy of the Bid Implementation Agreement was lodged with the ASX on 5 February 2025, as amended on 6 February 2025, and can be obtained from Inca's website (www.incaminerals.com.au) or on Inca's profile on the ASX's website at (www.asx.com.au).

12.2 Interest and dealings in Stunalara Securities

(a) Interests in Stunalara Securities

As at the Last Practicable Date, the Directors of Stunalara have advised the Company that they have the following Relevant Interests in Stunalara Securities:

Name	Position	Stunalara Shares	Stunalara Performance Rights
Andrew Haythorpe[1]	Non-Executive Director	8,530,001	0
Campbell Smyth[2]	Non-Executive Director	5,400,000	0
Mark Lester[3]	Non-Executive Director	5,390,000	0

Notes:

1. 4,650,000 Shares held by Tesha Pty Ltd as trustee for the Nimrod Trust and 3,880,001 Shares held by Ouro Pty Ltd, both of which are controlled by Mr Haythorpe. Mr Haythorpe is a beneficiary of the Nimrod Trust.
2. 2,000,000 Shares held directly. 2,400,000 Shares are held by Ann Hogarth and Campbell Smyth as trustee for the Smyth Super Fund, an entity of which Mr Smyth is a trustee and beneficiary. Mr Smyth also indirectly holds 1,000,000 Shares through Clariden Capital Pty Ltd, an entity of which Mr Smyth is a director and a shareholder.
3. 5,210,000 Shares are held by MAL Super Fund Pty Ltd as trustee for the MAL Superannuation Fund and 180,000 Shares are held by Sophies Holdings Pty Ltd as trustee for the Lester Family Trust No 3. Mr Lester is a director of MAL Super Fund Pty Ltd and a beneficiary of the MAL Superannuation Fund and the Lester Family Trust No 3.

The Stunalara Directors will receive the following Inca Shares (and Inca Shareholding on an undiluted basis) if Inca acquires 100% of Stunalara under the Offer.

Director	Stunalara Shares	Stunalara Shares % (undiluted)	Inca Shares under Offer	Inca Shares % (undiluted)[4]
Andrew Haythorpe[1]	8,530,001	18.74%	55,009,814	4.15%[2]
Campbell Smyth[3]	5,400,000	11.86%	34,824,497	2.62%[4]

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Mark Lester[5]	5,390,000	11.84%	34,760,008	2.62%
Total	**19,320,001**	**42.44%[6]**	**124,594,319**	**9.39%**

Notes:

1. 4,650,000 Shares held by Tesha Pty Ltd as trustee for the Nimrod Trust and 3,880,001 Shares held by Ouro Pty Ltd, both of which are controlled by Mr Haythorpe. Mr Haythorpe is a beneficiary of the Nimrod Trust.
2. As at the Last Practicable Date, Mr Haythorpe indirectly holds 12,500,000 Inca Shares (being a 1.22% Inca Shareholding). Refer to Section 12.3 of this Target's Statement for details. Therefore, it is expected that Mr Haythorpe will hold 67,509,814 Inca Shares on successful completion of the Offer. being a 5.09% Inca Shareholding on an undiluted basis,
3. 2,000,000 Shares held directly. 2,400,000 Shares are held by Ann Hogarth and Campbell Smyth as trustee for the Smyth Super Fund (**Smyth Super Fund**), an entity of which Mr Smyth is a trustee and beneficiary. Mr Smyth also indirectly holds 1,000,000 Shares through Clariden Capital Pty Ltd (**Clariden**), an entity of which Mr Smyth is a director and a shareholder.
4. As at the Last Practicable Date, Campbell Smyth indirectly holds 16,500,000 Inca Shares (being a 1.61% Inca shareholding). Of these, Smyth Super Fund holds 12,500,000 Inca Shares and Clariden holds 4,000,000 Inca Shares. Refer to Section 12.3 of this Target's Statement for details. Therefore, it is expected that Mr Smyth will hold 51,324,497 Inca Shares on successful completion of the Offer. being a 3.87% Inca Shareholding on an undiluted basis.
5. 5,210,000 Shares are held by MAL Super Fund Pty Ltd as trustee for the MAL Superannuation Fund and 180,000 Shares are held by Sophies Holdings Pty Ltd as trustee for the Lester Family Trust No 3. Mr Lester is a director of MAL Super Fund Pty Ltd and a beneficiary of the MAL Superannuation Fund and the Lester Family Trust No 3.
6. On the assumption Inca has 1,326,722,533 Shares on issue upon successfully acquiring 100% of Stunalara under the Offer. As announced by Inca on 5 February 2025, as amended on 6 February 2025, Inca intends to conduct a placement of up to a further 416,666,667 Inca Shares to professional and sophisticated investors at an issue price of approximately $0.006 per Inca Share, to raise up to approximately $2,500,000 (**Placement**). If Inca issues the Placement Shares this will have the effect of increasing the number of Shares on issue on acquiring 100% of Stunalara Shares under the Offer from 1,326,722,533 to 1,743,389,200. As at the Last Practicable Date, Inca can issue up to 227,211,874 Shares under its Listing Rule 7.1 and 7.1A placement capacity, with Inca requiring Inca Shareholder approval to issue any additional Shares as part of the Placement unless an exception applies under Listing Rule 7.2 (eg a rights issue).
7. 41.53% on a fully diluted basis.

(b) Dealings in Stunalara Securities

Except as set out below, no Director has acquired or disposed of a Relevant Interest in any Stunalara Securities in the four-month period ending on the date immediately before the Last Practicable Date.

The Directors were issued the following Shares on 28 November 2024 at an issue price of 0.5 cents per Share following Shareholder approval at the FY24 AGM.

Director	Shares issued	Total cash subscription
Andrew Haythorpe	1,250,000	$6,250
Mark Lester	1,250,000	$6,250
(John) Campbell Smyth	1,000,000	$5,000
Total	**3,500,000**	**$17,500**

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(c) Intentions of the Directors in relation to the Offer

Stunalara Director Andrew Haythorpe has confirmed his intention to accept the Offer subject to there being no Superior Proposal and the Independent Expert concluding and continuing to conclude that the Offer is either fair and reasonable, or not fair but reasonable. As at the Last Practicable Date, Mr Haythorpe holds approximately 18.74% of Stunalara Shares on an undiluted basis and 18.34% on a fully diluted basis.

12.3 Interest and dealings in Inca Securities

(a) Interests in Inca Securities

As at the Last Practicable Date, no Director has a Relevant Interest in any Inca Securities except as set out below.

Director Andrew Haythorpe:

(i) indirectly holds 12,500,000 Inca Shares (which are held by Tesha Pty Ltd (**Tesha**) ATF Nimrod Trust) being a 1.22% Inca Shareholding on an undiluted basis;

(ii) is entitled to be issued Inca Shares in lieu of 50% ($25,000) in Director fees owed for the 12 month period commencing 30 September 2024 as detailed in Section 5.2 of the Bidder's Statement; and

(iii) indirectly (via Tesha ATF Nimrod Trust) holds 11.25 million Inca Options (6.25 million unlisted Inca Options with 0.8 cents exercise price, expiring 30 April 2026 and 5.0 million unlisted Inca Options with 0.8 cents exercise price, expiring 17 September 2027).

Campbell Smyth indirectly holds 16,500,000 Inca Shares (being a 1.61% Inca Shareholding on an undiluted basis) and 6,250,000 Inca Options ($0.008 exercise price, expiring 30 April 2026). 12,500,000 Inca Shares and 6,250,000 Inca Options are held by Ann Hogarth and Campbell Smyth ATF Smyth Super Fund (**Smyth Super Fund**) and 4,000,000 Inca Shares are held by Clariden Capital Pty Ltd (**Clariden**) an entity of which Mr Smyth is a director and a shareholder.

(b) Dealings in Inca Securities

As at the Last Practicable Date, no Stunalara Director has acquired or disposed of a Relevant Interest in any Inca Securities in the four-month period ending on the Last Practicable Date except as set out below.

On 20 December 2024, Stunalara Director Andrew Haythorpe was issued (via Tesha his controlled entity) 5.0 million unlisted Inca Options (0.8 cents exercise price, expiring 17 September 2027) as approved by Inca Shareholders on 29 November 2024 in accordance with an Inca notice of AGM dated 24 October 2024. The Inca Options were stated to be issued as part of Mr Haythorpe's incentive remuneration as an Inca director in lieu of cash. The two other Inca directors were also issued 5.0 million Inca Options each on the same terms with Inca Shareholder approval.

Stunalara Director Campbell Smyth (via Clariden) acquired 4,000,000 Inca Shares on market on 5 February 2025 at an issue price of 0.7 cents per Inca Share

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(**Acquisition**) following Inca's ASX announcement of the execution of the Bid Implementation Agreement.

In respect of the recommendation by Mr Campbell Smyth of the Offer (in the absence of a Superior Offer and the Independent Expert concluding and continuing to conclude that the Offer is either fair and reasonable, or not fair but reasonable), Stunalara Shareholders should have regard to the Acquisition.

Stunalara's Independent Directors, following consideration of the insider trading provisions of the *Corporations Act 2001* (**Act**), advises Stunalara Shareholders that they are of the view that:

(i) Mr Campbell Smyth did not have, in his knowledge or possession at the time of the Acquisition, any confidential information in respect of the Offer which was not disclosed in Inca's announcement of the Bid Implementation Agreement; and

(ii) the Acquisition complied with the insider trading provisions of the Act including but not limited to Division 3 of Part 7.10 of the Act.

Neither Stunalara nor any Associate of Stunalara has acquired or disposed of a Relevant Interest in any Inca Securities in the four months period ending on the date immediately before the date of this Target's Statement.

12.4 Benefits and Agreements

(a) Directorships

As at the date of this Target's Statement, Director Andrew Haythorpe is also director of Inca.

(b) Benefits in connection with retirement from office

Except as otherwise set out in this Target's Statement, no person has been or will be given any benefit (other than a benefit which can be given without member approval under the Corporations Act) in connection with the retirement of that person, or someone else, from a board or managerial office of Stunalara or a Related Body Corporate of Stunalara.

(c) Agreements connected with or conditional on the Offer

Except as otherwise set out in this Target's Statement, there are no agreements made between any Director and any other person in connection with, or conditional upon, the outcome of the Offer other than in their capacity as a holder of Stunalara Shares.

(d) Benefits from Inca

Except as otherwise set out in this Target's Statement, none of the Directors has agreed to receive, or is entitled to receive any benefit from Inca which is conditional on, or is related to, the Offer, other than in their capacity as a holder of Stunalara Shares.

(e) Interests of Directors in contracts with Inca

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Except as set out below or otherwise disclosed in this Target's Statement, none of the Directors have any interest in any contract entered into by Inca.

Director Andrew Haythorpe is engaged as a non-executive director of Inca under an appointment letter dated 9 September 2024, under which he is entitled to an annual director fee of $50,000 per annum plus statutory superannuation. He is entitled to be issued Inca Shares in lieu of 50% ($25,000) in Director fees owed for the 12 month period commencing 30 September 2024 as detailed in Section 5.2 of the Bidder's Statement.

(f) Effect of Offer on material contracts

Except as otherwise disclosed in this Target's Statement, the Offer will not have any effect on the material contracts of the Stunalara Group.

(g) Interests of Directors in contracts with Stunalara Group

Except as set out below or otherwise disclosed in this Target's Statement, none of the Directors have any interest in any contract entered into by the Stunalara Group.

12.5 Consents to be named

EMK Lawyers has consented to being named in this Target's Statement as the legal adviser to Stunalara in the form and context in which it is named and has not withdrawn that consent at the date of this Target's Statement.

Moore Australia Corporate Finance (WA) Pty Ltd has consented to being named in this Target's Statement as the Independent Expert in the form and context in which it is named and consents to the inclusion of the Independent Expert Report (**IER**) in Annexure 1 and information drawn from the IER contained in this Target's Statement in the form and context in which it is included and has not withdrawn that consent at the date of this Target's Statement.

Each person named above:

(a) has not authorised or caused the issue of this Target's Statement;

(b) does not make, or purport to make, any statement in this Target's Statement or any statement on which a statement in this Target's Statement is based; and

(c) to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Target's Statement, other than a reference to its name.

12.6 Reliance on ASIC modifications

This Target's Statement contains statements which are made, or based on statements made, in documents lodged with ASIC or given to the ASX including the Bidder's Statement. Under the terms of ASIC Corporations (Takeover Bids) Instrument 2023/683, the parties making those statements are not required to consent to, and have not consented to, inclusion of those statements in this Target's Statement.

Any Stunalara Shareholder who would like to receive a copy of any of those documents (or relevant parts of these documents) may obtain a copy (free of charge) during the Offer Period by contacting Stunalara's Company Secretary on 0419 945 471 which document(s) will be provided within 2 business days of the request.

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As permitted by ASIC Corporations (Consents to Statements) Instrument 2016/72, this Target's Statement contains:

(a) security price trading data sourced from IRESS without its consent;

(b) publicly available historical geological data; and

(c) certain statements fairly representing a statement by an official person, or from a public official document or published book, journal or comparable publication.

12.7 Further information

The most recent financial information regarding Stunalara is Stunalara's full year report for the financial year ending 30 June 2024. A copy of this document is available free of charge from Stunalara on request and is also available on Stunalara's website at http www.stunalara.com.

12.8 Material litigation

Stunalara is not involved in any litigation or dispute which is material in the context of Stunalara.

12.9 No other material information

This Target's Statement is required to include all the information that Stunalara Shareholders and their professional advisers would reasonably require to make an informed assessment whether or not to accept the Offer but:

(a) only to the extent to which it is reasonable for investors and their professional advisers to expect to find this information in the Target's Statement; and

(b) only if the information is known to any Director.

The Independent Directors are of the opinion that the only information that Stunalara Shareholders and their professional advisers would reasonably require to make an informed assessment whether to accept the Offer are:

(a) the information contained in the Bidder's Statement (to the extent that the information is not inconsistent or superseded by information in this Target's Statement);

(b) the information contained in releases by Inca to ASX before the date of this Target's Statement; and

(c) the information contained in this Target's Statement.

The Independent Directors have assumed, for the purposes of preparing this Target's Statement, that the information in the Bidder's Statement is accurate, unless expressly indicated otherwise in this Target's Statement and subject to the following qualification.

The Independent Directors do not take any responsibility for the contents of the Bidder's Statement and are not to be taken as endorsing, in any way, any or all statements contained in it.

In deciding what information should be included in this Target's Statement, the Independent Directors have had regard to:

(a) the nature of the Stunalara Shares;

(b) the matters Stunalara Shareholders may reasonably be expected to know;

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(c) the fact that certain matters may reasonably be expected to be known to the professional advisers to Stunalara Shareholders;

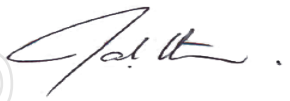
(d) the nature of the Offer; and

(e) the time available to Stunalara to prepare this Target's Statement.

13. APPROVAL OF TARGET'S STATEMENT

This Target's Statement has been approved by a circular resolution passed by the Independent Directors.

Signed for and on behalf of Stunalara by:



Mark Lester
Non-Executive Director
Date: 10 March 2025

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14. GLOSSARY AND INTERPRETATION

14.1 Glossary

In this Target's Statement (including its annexures), unless the context otherwise requires:

$, $A or **AUD** means Australian dollars.

Acceptance Form means the form of acceptance form for the Offer enclosed with the Bidder's Statement or alternatively an acceptance form sent to a Stunalara Shareholder by Inca's share registry in relation to the Offer.

Announcement Date means the date the Takeover Bid was announced, being 5 February 2025.

ASIC means the Australian Securities and Investments Commission.

Associate has the same meaning as given to that term for the purposes of Chapter 6 of the Corporations Act (as modified by ASIC from time to time).

ASX means ASX Limited ABN 98 008 624 691 or, where the context requires, a financial market operated by it.

ASX Listing Rules means the listing rules of ASX, as amended or replaced.

ASX Settlement means ASX Settlement Pty Limited ACN 008 504 532.

ASX Settlement Operating Rules means the operating rules of the settlement facility provided by ASX Settlement.

ATO means the Australian Tax Office.

Bid Implementation Agreement means the agreement between Inca and Stunalara pursuant to which Inca agreed to make the Offer, a copy of which was announced by Inca on 5 February 2025 as varied.

Bidder's Statement means the bidder's statement by Inca dated 25 February 2025 setting out the terms, Conditions and other information in relation to the Offer as varied by a supplementary bidder's statement dated 6 March 2025.

Business Day means a day on which trading takes place on the stock market of ASX.

CGT means Capital gains tax.

Change of Control Date means the date that Inca acquires a Relevant Interest in more than 50% of Stunalara Shares and the Offer is declared unconditional.

Combined Group means Inca and its Subsidiaries following Inca acquiring control of Stunalara.

Competing Transaction means any expression of interest, proposal, offer or transaction notified to the Stunalara Board which, if completed substantially in accordance with its terms, would mean a person (other than Inca or its Related Bodies Corporate) would:

(a) directly or indirectly, acquire an interest or Relevant Interest in or become the holder of:

(i) 20% or more of all Stunalara Share;

(ii) voting power of more than 20% in Stunalara; or

(iii) all or a substantial part of the business conducted by the Stunalara Group;

(b) acquire control of Stunalara, within the meaning of section 50AA of the Corporations Act; or

(c) otherwise directly or indirectly acquire or merge with Stunalara or acquire an economic interest in the whole or a substantial part of Stunalara or its businesses or assets (including by takeover offer, scheme of arrangement, capital reduction, sale of assets, strategic alliance, joint venture, partnership or reverse takeover bid).

Conditions means the conditions of the Offer set out in Section 12.8 of the Bidder's Statement.

Control means the meaning given to that term in the Corporations Act.

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

GST means goods and services tax.

Inca or **ICG** means Inca Minerals Limited (ACN 128 512 907).

Inca Option means an option, issued by Inca, to acquire an Inca Share

Inca Performance Rights means a right, granted by Inca, to acquire an Inca Share.

Inca Shares means fully paid ordinary shares in the capital of Inca.

Independent Directors means Mr Mark Lester and Mr Campbell Smyth**.**

Independent Expert means Moore Australia Corporate Finance (WA) Pty Ltd.

Independent Expert's Report or **IER** means the report from the Independent Expert provided in Annexure 1.

Last Practicable Date means 7 March 2025, the last practicable date before the date of this Target's Statement.

Minimum Acceptance Condition means the condition of the Offer set out in Section 12.8(a) of the Bidder's Statement.

Notice of Status of Conditions means a notice required to be given under Section 630(3) of the Corporations Act.

Offer means the takeover offer for Stunalara Shares on the terms and conditions contained in Section 12 of the Bidder's Statement.

Offer Period means the period during which the Offer will remain open for acceptance in accordance with the Bidder's Statement.

Placement means the issue of up to 416,666.667 Inca Shares at an issue price of approximately $0.006 per Inca Share, to raise approximately up to $2,500,000.

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Register Date means the date set by Inca under Section 633(2) of the Corporations Act, being 5.00pm (WST) on 26 February 2025.

Related Body Corporate has the meaning given to that term in the Corporations Act.

Relevant Interest has the meaning given in Sections 608 and 609 of the Corporations Act.

Stunalara means Stunalara Metals Limited ACN 620 597 506.

Stunalara Board means the board of directors of Stunalara.

Stunalara Director means a director of Stunalara.

Stunalara Performance Right means a right, granted by Stunalara, to acquire a Stunalara Share.

Stunalara Securities means Stunalara Shares and/or Stunalara Performance Rights (as the context requires).

Stunalara Securityholder means a registered holder of Stunalara Shares or Stunalara Performance Rights.

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

Stunalara Shareholder means a holder of Stunalara Shares.

Superior Proposal means a Competing Transaction which is, in the determination of the Stunalara Board acting in good faith and in order to satisfy what the Stunalara Board consider to be their fiduciary and statutory duties:

(a) reasonably capable of being completed taking into account all aspects of the Competing Transaction; and

(b) more favourable to Stunalara Shareholders than the Takeover Bid, taking into account all terms and conditions of the Competing Transaction**.**

Takeover Bid means the off-market takeover bid constituted by the dispatch of the Offer.

Target's Statement means this document.

Tax Law means the *Income Tax Assessment Act 1936* (Cth), the *Income Tax Assessment Act 1997* (Cth) and the *Taxation Administration Act 1953* (Cth), whether individually or collectively.

Voting Power has the meaning given in the Corporations Act.

VWAP means the daily volume weighted average price of all shares sold on ASX's trading platform.

WST means Western Standard Time.

14.2 Interpretation

In this Target's Statement, unless the context otherwise requires:

(a) the singular includes the plural and vice versa and words importing one gender include other genders;

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(b) terms defined in the Corporations Act as at the date of this Target's Statement have the meanings given to them in the Corporations Act at that date;

(c) a reference to dollars, A$, AUD, $ and cents is a reference to Australian currency;

(d) a reference to a statute of any parliament or any section, provision or schedule of a statute of any parliament includes a reference to any statutory amendment, variation or consolidation of the statute, section, provision or schedule and includes all statutory instruments issued under the statute, section, provision or schedule;

(e) a reference to a person includes any company, partnership, joint venture, association, corporation or other body corporate and vice versa;

(f) a reference to a section is a reference to a section of this Target's Statement and a reference to this Target's Statement includes any annexure or schedule to this Target's Statement;

(g) a reference to time is a reference to Perth time; and

(h) headings and bold type are used for reference only.

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15. CORPORATE DIRECTORY

Directors

Andrew Haythorpe (Non-Executive Director)

(John) Campbell Smyth (Non-Executive Director)

Mark Lester (Non-Executive Director)

Company Secretary

Mark Lester

Registered Office

Unit A8, 435 Roberts Road
Subiaco WA 6008
Phone: +61 407 737 973

Share Registry*

Automic Group
Level 5
191 St Georges Terrace
PERTH WA 6000

Telephone:
1300 228 664 (within Australia)
+61 2 9698 5414 (outside Australia)
Available between 5:30am (WST) to 5:00pm (WST) Monday to Friday.
Email: corporate.actions@automicgroup.com.au

Solicitors

EMK Lawyers
Suite 1, 519 Stirling Highway
Cottesloe WA 6011

Auditors*

SW Audit (WA) Pty Ltd
Level 18, 197 St Georges Terrace
Perth WA 6000

* These entities are included for information purposes only. They have not been involved in the preparation of this Target's Statement but have consented to being named in this Target's Statement.

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ANNEXURE 1 – INDEPENDENT EXPERT'S REPORT

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Independent Expert's Report

Stunalara Metals Limited

6 March 2025

The Offer is not fair but reasonable to the Non-Associated Shareholders of Stunalara Metals Limited

Prepared by Moore Australia Corporate Finance (WA) Pty Ltd

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FINANCIAL SERVICES GUIDE

This Financial Services Guide provides financial information about the supply of financial services to the shareholders of Stunalara Metals Limited ("Stunalara", or "the Company"). We have been engaged by Stunalara to prepare an Independent Expert's Report in connection with the off-market takeover offer received from Inca Minerals Limited ("Inca"). Our report has been prepared at the request of the Directors of Stunalara for inclusion in the Target Statement to be dated on or around 10 March 2025.

Moore Australia Corporate Finance (WA) Pty Ltd

Moore Australia Corporate Finance (WA) Pty Ltd ("MACF") has been engaged by the directors of Stunalara to prepare an independent expert's report expressing our opinion as to whether or not the Offer is "fair and reasonable" to the Non-Associated Shareholders of Stunalara. MACF holds an Australian Financial Services Licence – Licence No 240773.

Financial Services Guide

As a result of our report being provided to you, we are required to issue to you, as a retail client, a Financial Services Guide ("FSG"). The FSG includes information on the use of general financial product advice and is issued to comply with our obligations as holder of an Australian Financial Services Licence.

Financial Services we are licensed to provide.

We hold an Australian Financial Services Licence which authorises us to provide reports for the purposes of acting for and on behalf of clients in relation to proposed or actual mergers, acquisitions, takeovers, corporate restructures or share issues, and to carry on a financial services business to provide general financial product advice for securities to retail and wholesale clients.

We provide financial product advice by virtue of an engagement to issue a report in connection with the issue of securities of a company or other entities.

Our report includes a description of the circumstances of our engagement and identifies the party who has engaged us. You have not engaged us directly but will be provided with a copy of our report as a retail client because of your connection with the matters on which our report has been issued. We do not accept instructions from retail clients and do not receive remuneration from retail clients for financial services.

Our report is provided on our own behalf as an Australian Financial Services Licensee authorised to provide the financial product advice contained in this report.

General Financial Product Advice

Our report provides general financial product advice only, and does not provide personal financial product advice, because it has been prepared without considering your particular personal circumstances or objectives either financial or otherwise, your financial position or your needs. Some individuals may place a different emphasis on various aspects of potential investments.

An individual's decision in relation to the Offer may be influenced by their particular circumstances and, therefore, individuals should seek independent advice.

Benefits that we may receive.

We will charge fees for providing our report. The basis on which our fees will be determined has been agreed with, and will be paid by, the person who engaged us to provide the report. Our fees have been agreed on either a fixed fee or time cost basis. We estimate that our fees for the preparation of this report will be approximately $25,000 plus GST.

Remuneration or other benefits received by our employees.

All our employees receive a salary. Employees may be eligible for bonuses based on overall productivity and contribution to the operation of MSPCS or related entities, but any bonuses are not directly in connection with any assignment and in particular are not directly related to the engagement for which our report was provided.

Referrals

We do not pay commissions or provide any other benefits to any parties or person for referring customers to us in connection with the reports that we are licensed to provide.

Associations and relationships

MACF is the licensed corporate advisory arm of Moore Australia Perth, Chartered Accountants. The directors of MACF may also be partners in Moore Australia Perth Chartered, Accountants.

Moore Australia Perth, Chartered Accountants is comprised of a few related entities that provide audit, accounting, tax, and financial advisory services to a wide range of clients.

MACF's contact details are set out on our letterhead.

Previously MACF has provided minor accounting related professional services to Stunalara with a total fee of $4,000.

Complaints resolution

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, Moore Australia Corporate Finance (WA) Pty Ltd, PO Box 5785, St George's Terrace, Perth WA 6831.

On receipt of a written complaint, we will record the complaint, acknowledge receipt of the complaint and seek to resolve the complaint as soon as practical.

If we cannot reach a satisfactory resolution, you can raise your concerns with the Australian Financial Complaints Authority Limited ("AFCA"). AFCA is an independent body established to provide advice and assistance in helping resolve complaints relating to the financial services industry. MACF is a member of AFCA. AFCA may be contacted directly via the details set out below.

Australian Financial Complaints Authority Limited
GPO Box 3
Melbourne VIC 3001
Toll free: 1800 931 678
Facsimile: 03 9613 6399
Email: info@afca.org.au

MOORE

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6 March 2025

The Directors
Stunalara Metals Limited
Suite 90, 102 Railway Street
West Perth, WA 6005

Dear Directors

Independent Expert's Report

1. Introduction

1.1. On 25 February 2025, Inca Minerals Limited ("Inca" or "the Bidder") lodged a Bidders Statement in relation to the offer to acquire all the ordinary shares in Stunalara Metals Limited ("Stunalara", or "the Company"). The Consideration offered by Inca is approximately 300,000,000 newly issued fully paid ordinary Inca shares, which equates to 6.448981 Inca shares for each Stunalara share held on a fully diluted basis (the "Offer").

1.2. Further details of the Offer are set out in Section 3.

2. Summary and opinion

Purpose of the Report

2.1. Section 640 of the Corporation's Act requires the Target Statement to include an Independent Expert Report to shareholders if:

- The bidder's voting power in the target is 30% or more; or
- The bidder and the target have directors in common.

2.2. At the date of the Bidders Statement, Inca had a director in common with Stunalara, being Mr Andrew Haythorpe. Mr Haythorpe has a relevant interest in Stunalara of approximately 18.7%.

2.3. As such, the directors of Stunalara have engaged Moore Australia Corporate Finance (WA) Pty Ltd ("MACF") being independent and qualified for the purpose, to prepare an Independent Expert's Report to express an opinion as to whether the Offer is fair and reasonable to the shareholders of Stunalara not associated with the Offer (the "Non-Associated Shareholders"), pursuant to section 640 of the Corporations Act.

2.4. Our assessment of the Offer relies on financial information and instructions provided by the Company and the Directors. We have critically analysed the information provided to us, but we have not completed any audit or due diligence of the information which has been provided for the entities which have been valued. This report does not contain any accounting or taxation advice.

Approach

2.5. Our report has been prepared having regard to Australian Securities & Investments Commission ("ASIC") Regulatory Guide 111 *Content of Expert's Reports* ("RG 111") and Regulatory Guide 112 *Independence of Expert's* ("RG 112").

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2.6. In arriving at our opinion, we have assessed the terms of the Offer, as outlined in the body of our report, by considering the following.

- How the value of a Stunalara share compares to the value of the consideration being provided;
- Advantages and disadvantages of accepting the Offer;
- The likelihood of a superior alternative Offer being available to Stunalara;
- Other factors which we consider to be relevant to the shareholders of Stunalara in their assessment of the Offer; and
- The position of the shareholders of Stunalara should the Offer not be successful.

2.7. Further information on the approach we have employed in assessing whether the Offer is "fair and reasonable" is set out at Section 4 of this Report.

Opinion

2.8. We have considered the terms of the Offer as outlined in the body of our report and have concluded that the Offer is not fair but reasonable to the Non-Associated Shareholders of Stunalara, as set out in Sections 11 and 12 of this Report.

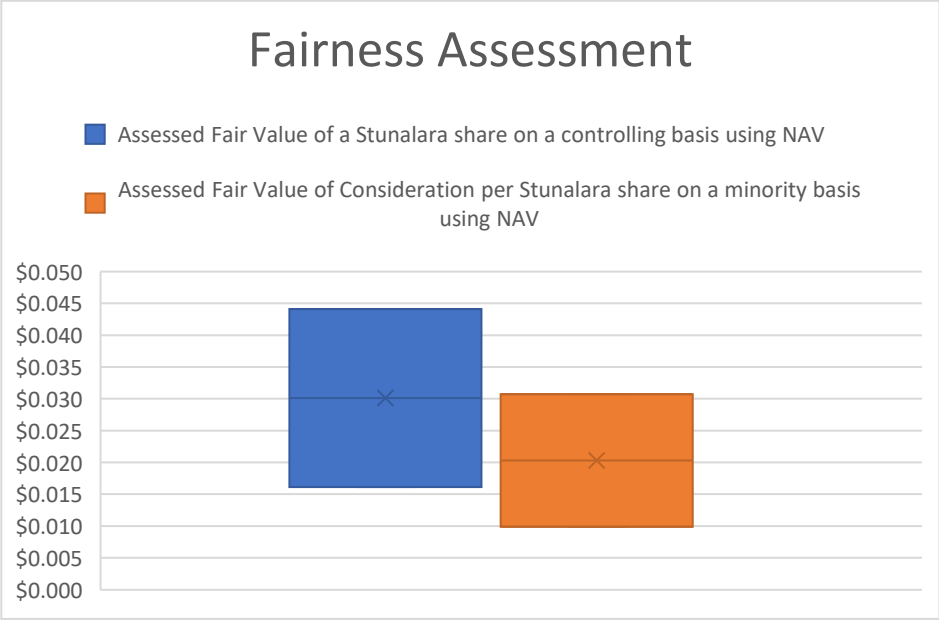
2.9. When considering reasonableness, key to our opinion is the share price of Inca subsequent to the announcement of the Offer. In our opinion, the Offer is reasonable in so much as it allows Non-Associated Shareholders, subject to liquidity, to dispose or their illiquid shares at a price in excess of the preferred value of a Stunalara share.

Fairness

2.10. Our assessed values are summarised in the table below.

	Section	Low Value $	Preferred $	High Value $
Assessed Fair Value of a Stunalara share on a controlling basis	9	0.016	0.029	0.044
Assessed Fair Value of the Consideration payable by Inca per Stunalara share (minority basis)	10	0.010	0.020	0.031

Source: MACF analysis



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2.11. In the absence of any other relevant information, in our opinion, this indicates that the Offer is not fair to the Non-Associated Shareholders of Stunalara because the low, preferred and high values of a Stunalara share are higher than the respective low, preferred and high values of the Consideration payable by Inca per Stunalara share. We have based our assessment of fairness on the NAV methodology for both a Stunalara share and the Consideration payable per Stunalara share.

Reasonableness

2.12. RG 111 establishes that an offer is reasonable if it is fair. It may also be reasonable if, despite not being fair, there are sufficient reasons for security holders to accept the Offer in the absence of a higher bid before the Offer closes. We have considered the analysis in Section 12 of this report, in terms of both:

- Advantages and disadvantages of the Offer; and
- Other considerations if the Offer is successful and the position of shareholders of Stunalara if they are not successful.

2.13. In our opinion, the position of the Non-Associated Shareholders if the Offer is accepted is more advantageous than if they are not accepted. We are of this opinion because Stunalara has highly illiquid shares and being part of a listed group will provide Stunalara shareholders with the opportunity to dispose of their shares at a value higher than the preferred value of a Stunalara share using the NAV methodology (subject to liquidity). In addition, Stunalara will need access to capital in the short term, and this may not be able to be obtained on terms suitable to Stunalara.

2.14. The advantages and disadvantages considered are summarised below. A detailed explanation can be found in Section 12.

Advantages of accepting the Offer

- Stunalara shareholders will continue to have exposure to the potential future upside of Stunalara's assets through their shareholdings in Inca.
- At present Stunalara has limited working capital. The takeover will give Stunalara an improved ability (by being part of an ASX listed group) to raise capital to fund its operations and to develop its exploration assets.
- Assuming sufficient liquidity in Inca shares, Stunalara Shareholders may be able to sell their Inca shares on the ASX following completion of the Offer. There is however no guarantee that Stunalara shareholders will be able to liquidate their holdings on a timely basis, particularly in light of the historically low levels of trading liquidity in Inca shares. At present, Stunalara is an unlisted company with limited ability for shareholders to trade their shares.
- The Inca share price subsequent to the announcement of the Offer has been between $0.006 and $0.007 per share and is $0.006 at the date of this Report. It is arguable that this share price reflects the value of the combined group on completion of the Offer. Using the ratio of Inca shares to a Stunalara share, a share price of $0.006 represents Consideration payable per Stunalara share of $0.039 on a minority basis, which exceeds the preferred value of a Stunalara share on a controlling basis.

Disadvantages of accepting the Offer

- The Offer is not fair
- The Offer is subject to a number of conditions including a minimum acceptance conditional of 90%. As such there is a risk that the Offer does not complete.
- If Stunalara shareholders accept the Offer they would become exposed to additional portfolio risk through their holding in Inca shares.
- The Consideration is non-cash and therefore subject to quoted share price fluctuations making the value of the Consideration uncertain.

- Potential tax consequences for shareholders of accepting the Offer.
- No other potential competing bids for Stunalara will be able to be considered.

2.15. Other key matters we have considered include:

- We are not aware of any alternative offers.
- Stunalara has not undertaken a formal sale process for other potential buyers.

2.16. Other Considerations include:

- The Offer is subject to a minimum acceptance condition of 90%. If Inca acquires at least 90% there are implications for the remaining Stunalara shareholders. We understand that Inca intends to compulsorily acquire the remaining Stunalara shares under general compulsory acquisition rules. If Inca acquires less than 90% of Stunalara shares, but not less than 80%, Inca reserves the right to declare the Offer free from the minimum acceptance condition. If Inca acquires less than 80% of Stunalara shares, then Inca will need written consent from Stunalara to waive the minimum acceptance condition.
- If Inca acquires a relevant interest of more than 50.1% of Stunalara but does not achieve the threshold for compulsory acquisition, Inca will hold a controlling interest in Stunalara and will be able to control the outcome of ordinary resolutions. In this scenario there is a risk of the remaining Stunalara shareholders will be left as minority shareholders in Stunalara which may lead to lower liquidity and greater risks and uncertainties in the future. Further, Stunalara shareholders interests may not be aligned with Inca. We note that this scenario would require a waiver of the minimum acceptance condition and therefore approval from Stunalara.
- If the Offer does not proceed, then Stunalara shareholders will continue to hold shares in Stunalara. As at 31 December 2024 Stunalara had a cash balance of approximately $229k. It is likely that Stunalara will need access to additional capital in the short term (either in the form of equity or debt) to fund the ongoing operating costs of the business and to advance Stunalara's flagship project. There is no guarantee that this capital will be available as required and at terms beneficial to Stunalara. In the scenario where funding is not available on acceptable terms to Stunalara, shareholders may be left worse off than if they accepted the Offer.

3. Summary of the Offer

3.1. On 5 February 2025, Inca announced an off-market takeover offer for up to 100% of the ordinary shares in Stunalara for a consideration of 6.448981 ordinary Inca Shares per Stunalara Share (the "Consideration").

3.2. The takeover offer extends to Stunalara shares issued on exercise of Stunalara performance rights, which automatically vest on a change of control event.

Minimum Acceptance Condition

3.3. The Offer is subject to a minimum acceptance condition of 90%. If Inca obtains a relevant interest in Stunalara of 90% or greater, Inca will be entitled to exercise general compulsory acquisition rights to acquire the remaining shares in Stunalara to obtain a 100% holding. We note that Inca reserves the right to waive this condition if it obtains a minimum relevant interest of 80% and is able to waive the condition with Stunalara's approval if Inca's relevant interest is less than 80%.

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Rationale for the Offer

3.4. The Offer allows Stunalara to become a subsidiary of Inca and benefit from synergies associated with combining their exploration projects and increasing their market presence.

Impact of Offer on Stunalara's Capital Structure

3.5. The table below summarises the total number of ordinary shares that Stunalara will have on issue on full acceptance of the Offer.

	No of Ordinary Shares
Shares on issue at the date of the Offer announcement	45,518,980
Conversion of Performance Rights on change of control event	1,000,000
Total number of shares on issue on acceptance of the Offer	**46,518,980**

3.6. At the date of this report, Stunalara has 1,000,000 Performance Rights on issue. These Performance Rights automatically vest on a change of control event. If the Offer is successful, the change of control will occur and the number of ordinary shares in Stunalara will be diluted by the number of Performance Rights on issue that are exercised by the holders. For further information on the terms and conditions associated with the Performance Rights refer to Section 6 of this report.

3.7. The table below summarises the impact of full acceptance of the Offer for Stunalara shareholders:

Prior to the Offer			On full acceptance of the Offer		
Shareholder	**No of Ordinary Shares Held**	**%**	**Shareholder**	**No of Ordinary Shares Held**	**%**
Non-Associated Shareholders	36,988,979	81.3	Non-Associated Shareholders	-	-
Andrew Haythorpe	8,530,001	18.7	Andrew Haythorpe	-	-
Inca	-	-	Inca*	46,518,980	100
Total Ordinary Shares on Issue	**45,518,980**	**100**	**Total Ordinary Shares on Issue**	**46,518,980**	**100**

*Includes 1,000,000 Performance Rights that vest on change of control

3.8. As there is a 90% minimum acceptance condition under the Offer. If Inca obtains a relevant interest in Stunalara of 90% or greater, Inca will be entitled to exercise general compulsory acquisition rights to acquire the remaining shares in Stunalara to obtain a 100% holding. Based on this minimum acceptance condition and associated compulsory acquisition rights, in the table above we have assumed that the Offer is accepted in full.

Impact of Offer on Inca's Capital Structure

3.9. The table below summarises the total number of ordinary shares that Inca will have on issue on full acceptance of the Offer.

	No of Ordinary Shares
Shares on issue at the date of the Offer announcement	1,026,722,533
Consideration shares	300,000,000
Total number of shares on issue on acceptance of the Offer	**1,326,722,533**

3.10. The table below summarises the impact of full acceptance of the Offer for Stunalara shareholders and their eventual holding in Inca shares:

Prior to the Offer			On full acceptance of the Offer			Diluted for "in the money" options		
Shareholder	**No of Ordinary Shares Held**	**%**	**Shareholder**	**No of Ordinary Shares Held**	**%**	**Shareholder**	**No of Ordinary Shares Held**	**%**
Existing Inca shareholders	1,026,722,533	100	Existing Inca shareholders	1,026,722,533	77%	Existing Inca shareholders**	1,056,722,533	78%
Non-Associated Shareholders	-	-	Non-Associated Shareholders*	300,000,000	23%	Non-Associated Shareholders*	300,000,000	22%
Total Ordinary Shares on Issue	**1,026,722,533**	**100**	**Total Ordinary Shares on Issue**	**1,326,722,533**	**100%**	**Total Ordinary Shares on Issue**	**1,356,722,533**	**100%**

* Includes Performance Rights holders that vest on change of control

** Includes the exercise of 30,000,000 existing Inca options with an exercise price of $0.006

3.11. On full acceptance of the Offer Stunalara shareholders will hold a 22.6% interest in Inca.

3.12. The table above has been prepared on the following assumptions:

- The number of existing Inca shares exclude any shares that may be issued under a potential placement as approved by Inca shareholders at the 2024 AGM. We understand that Inca does not intend to proceed with the placement prior to completion of the Offer.
- We have assumed that none of the existing Inca options (both listed and unlisted) are exercised except for 30,000,000 options that are in the money.

4. Scope of the report

Regulatory guidance

4.1. The Listing Rules do not define the meaning of 'fair and reasonable'. In determining whether the Offer is fair and reasonable; we have had regard to the views expressed by ASIC in RG 111. This regulatory guide provides guidance as to what matters an independent expert should consider assisting security holders to make informed decisions about transactions.

Adopted basis of evaluation

4.2. RG 111 states that a transaction is fair if the value of the offer price or consideration is greater than the value of the value of the asset being acquired (in this case if the value of the consideration being given by Inca is greater than the value of a Stunalara share). This comparison should be made assuming a knowledgeable and willing, but not anxious, buyer and a knowledgeable and willing, but not anxious, seller acting at arm's length.

4.3. Further to this, RG 111 states that a transaction is reasonable if it is fair. It might also be reasonable if despite being 'not fair' the expert believes that there are sufficient reasons for Non-Associated Shareholders to accept the Offer in the absence of any higher bid.

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4.4. Having regard to the above, MACF has completed this comparison as follows:

- A comparison between the value of a Stunalara share and the value of the Consideration (fairness – see Section 11 – Assessment of Fairness);
- An investigation into other significant factors to which Non-Associated Shareholders might give consideration, prior to accepting the Offer, after reference to the values derived above (reasonableness – see Section 12 - Assessment of Reasonableness).

5. Industry Analysis

Overview – Mineral exploration in Australia

5.1. Stunalara and Inca both operate in in the mineral exploration industry in Australia. Mineral explorers locate ore bodies that can be mined and provide data so that companies can evaluate the viability of deposits. Historically, global prices for different mineral commodities, the strength of the Australian Dollar and sentiment in the mining industry influences expenditure of exploration activities. The connection between industry activity and commodity prices also underpins high revenue volatility.

5.2. Both Stunalara and Inca have a key focus on gold exploration, which accounts for the largest share of exploration expenditure within Australia. It is typically more expensive than other forms of mineral exploration as more drilling is required to locate a deposit.

5.3. Rising commodity prices and demand for critical minerals has driven exploration activity higher. Demand for commodities like nickel, copper, and lithium, which are key inputs used in batteries, are rising, albeit the prices are volatile. High prices for commodities like gold, coal and iron have given growth in brownfield exploration expenditure.

5.4. Rising commodity prices have driven mineral exploration expenditure higher. However, there has been significant volatility within different commodity segments, especially in commodities that have less mature markets like nickel and lithium. Government support for exploration targeting critical minerals is on the rise with explorers looking for battery materials like lithium, cobalt and nickel are set to benefit.

Competition

5.5. The mineral exploration industry comprises largely of small businesses conducting brownfield exploration projects near existing sites. Over 95% of mineral exploration companies in Australia have fewer than 20 employees and only 5% of businesses generate more than $2 million annual revenue[1].

5.6. Tight labour market conditions in Australia have created competition to attract employees. Labour shortages in Western Australia, where most exploration activity occurs, have had a significant effect on mining companies.

Geography

5.7. Approximately 61.8% of exploration companies in Australia are in Western Australia as the state is home to most of Australia's iron ore, gold, bauxite, and lithium production[1]. Participation on Australia's east coast is on the rise, with exploration rising in Queensland and New South Wales as these states are home to some silver, gold, copper and most of Australia's coal production.

Outlook

5.8. Key drivers for mineral exploration include capital expenditure on mining, the strength of the Australian Dollar and commodity prices.

[1] IbisWorld Mining exploration in Australia June 2024 B1012

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5.9. Mineral exploration expenditure is expected to rise at an annualised 9.6% for the five years ending 2023-2024 reaching $4.4 billion[1]. This includes an expected 3.4% rise in 2023-2024[1]. This increase is attributed to rising commodity prices, particularly the gold price, and the growing demand for base metals. Faltering global demand for copper, nickel, and lithium has seen steep declines in price, which is set to partially weigh on expenditure on exploration in 2024.

5.10. Mineral exploration services are set to decline over the next five years. Mineral exploration expenditure is forecast to fall at an annualised 2.3% over the five years through to 2028-2029 to $3.9 billion[1]. These factors reflect short term impediments that will weigh on the scope of both junior and established miners to invest in exploration expenditure.

5.11. Recent commodity price surges are easing, which is limiting the financial incentive to progress mineral exploration activities. Given the industry's highly speculative nature, higher interest rates are making the financing of exploration expenditure more costly. Nevertheless, the importance of greenfield exploration for the global energy transition is expected to drive industry growth as interest rates start to ease.

Gold Exploration in Australia

5.12. Gold mining is a mature industry in Australia, with production volumes rising steadily over the past decade, leading to an annualised 2.9% growth in revenue over the 5 years to 2024-25, reaching $33.1 billion[2]. Known as a counter-cyclical commodity, gold often serves as a hedge during periods of economic uncertainty. Recent geopolitical and economic challenges, including the US-China trade disputes, the COVID-19 pandemic, and the Russia-Ukraine conflict, have increased investors' appetite for gold. Additionally, gold-backed exchange-traded funds (ETFs) have gained popularity as inflation remains high. These price increases have reduced demand from the jewelry and electronics sectors.

5.13. Gold prices are set to ease over the next few years, constraining revenue growth. Geopolitical tensions and the easing of monetary policies will continue to support gold demand. Looking ahead, domestic production is expected to expand with new mine developments and feasibility-stage projects counterbalancing reduced output at some sites. Elevated interest rates may apply downward pressure on gold prices, with industry revenue forecast to decline by 0.7% annually over the 5 years to 2029-30, reaching $31.9 billion[2]. An anticipated appreciation of the Australian Dollar could further reduce prices for local producers.

Antimony Exploration in Australia

5.14. Antimony, a critical mineral and byproduct of gold mining, has gained prominence due to its application in solar panels, flame retardants, batteries, and industrial alloys and is a key input in the defense and tech industries. Historically, China has dominated production at 48% of global output[3], with the USA being one of the world's largest buyers. In late 2024, on the back of depleting reserves and trade tensions with the USA, China announced restrictions on the export of antimony products to the USA which limited supply and sent prices soaring.

5.15. Antimony prices have experienced significant growth, with the price per tonne, rising from approximately $17,240 at the end of 2023 to around $33,367 in early October 2024 . This surge in prices has spurred increased exploration and production activities.

5.16. As a result, countries such as Australia are experiencing heightened interest in their antimony resources, further incentivising exploration and development efforts. Looking ahead, Australia's antimony production is expected to grow. The global antimony market is projected to reach 105.76 kilotons by 2030, growing at an annualised rate of 1.5% from 2024[4]. This growth is influenced by ongoing demand for critical minerals in battery technology and flame retardants. However, domestic producers may face challenges from a stronger Australian Dollar, which could reduce export competitiveness.

[2] IbisWorld Gold Ore Mining in Australia November 2024 B0804
[3] Digging deep for antimony - Australian Mining Australian Mining 12 November 2024 Staff Writer
[4] Antimony Market Outlook: Global Market Trends and Price Forecast Mordor Intelligence: Antimony Market Size & Share Analysis – Growth Trends & Forecasts (2025-2030)

5.17. Industry revenue is projected to grow at an annualised rate of 5.9% over the 5 years to 2030, reaching nearly US$447.04m, up from US$299.3m in 2023[5]. Despite potential headwinds, such as geopolitical uncertainty and energy costs, Australia's position as a reliable supplier of critical minerals underpins a positive long-term outlook for its antimony mining sector.

Copper Exploration in Australia

5.18. Copper is a critical metal used in renewable energy systems, electric vehicles and modern infrastructure. Most Australian mined copper is exported (with three quarters of industry revenue generated from exports in a typical year[7]) and therefore domestic producers are heavily exposed to risks associated with export markets, exchange rate fluctuations and global commodity prices. During 2023, a significant exploration initiative in Western Australia highlighted the nation's potential as a key supplier of copper.

5.19. Copper prices have shown moderate volatility, increasing from approximately US$8,200 per tonne in January 2024 to approximately US$9,000 in January 2025, with a forecast increase to approximately US$9,500 by December 2025[6]. The commodity price increase has spurred increased exploration and drilling programs. Although this domestic growth has been constrained by cost pressures, the labour market and adverse weather conditions. Industry revenue increased at an annualised rate of 5.4% between 2019 and 2024, and it projected to increase at an annualised rate of 2.5% for the five years to 2029[7].

6. Profile of Stunalara

Background

6.1. Stunalara is a public unlisted company registered in Western Australia in 2017. Its principal activities involve mineral exploration and evaluation.

Projects

6.2. Stunalara's mineral projects are all early stage exploration tenements 100% owned by Stunalara. All of Stunalara's projects are located within Australia. The Company's flagship project, the Hurricane Gold and Antimony Project, is based in far north Queensland in the Queensland Government's New Economy Mineral Initiative Corridor, approximately 100km west of Cairns and was acquired as part of Stunalara's acquisition of Placer Gold Pty Ltd in April 2024.

6.3. Stunalara also has a copper nickel project in Tasmania and a gold and uranium project in Western Australia. Whilst uranium mining remains prohibited in WA, Stunalara anticipates that given the desire to eliminate fossil fuels and with increasing support for nuclear power, political change in the future is likely.

6.4. Further information on Stunalara's projects can be found in Appendix E.

Corporate Structure

6.5. As at the date of this report, Stunalara had the following wholly owned subsidiaries:

- Stunalara (Operations) Pty Ltd
- Placer Gold Pty Ltd

[5] Antimony Market- Global Overview and Forecast Maximize Market Research: Antimony Market – Global Overview and Forecast (2024-2030)
[6] Energy, Metals & Agriculture Consensus Forecasts , 20 January 2025
[7] IbisWorld Copper Ore Mining in Australia January 2025 B0803

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Board of Directors

6.6. The current Board of Directors are:

Name	Title	Experience
Andrew Haythorpe	Chairman and Non-Executive Director	Andrew has been an exploration geologist, global energy and resources analyst, a fund manager and more recently has gained over 20 years' experience in managing listed companies in Australia and abroad. He has held a number of Chair and Board positions, as well as serving as CEO of several successful listed resources companies.
Mark Lester	Non-Executive Director	Mark is a member of the Chartered Accountants Australia and New Zealand and a former registered auditor and registered tax agent. He has extensive experience in the audit of corporations in Australia and USA and has been a Director and Company Secretary of ASX-listed companies in the junior exploration and biotech sectors. Mark also serves as the Company's Company Secretary.
John Smyth	Non-Executive Director	Campbell's professional career has been in the provision of advice to fund management, capital markets and the corporate finance sector. This experience has been with most major markets, primarily the ASX, and listed and unlisted companies in North America and Europe.

Historical Financial Information

6.7. The historical financial information for Stunalara has been extracted from the audited financial statements of the Company for the years ended 30 June 2023 and 30 June 2024. The financial information for the six months to 31 December 2024 has been extracted from the unaudited management accounts for the six months then ended.

6.8. The auditors included an emphasis of matter paragraph regarding the going concern position of the Company in the financial statements for the year ended 30 June 2024.

Historical Statement of Financial Performance

6.9. The information below provides a summary of the financial performance of Stunalara for the years ended 30 June 2023 and 30 June 2024 and the six months to 31 December 2024.

Consolidated Statement of Financial Performance	FY23	FY24	31 Dec 2024
	Audited	Audited	Unaudited
	$	$	$
Income			
Other income	-	-	150,000
Expenses			
Accounting, tax and audit	(15,092)	(18,951)	(11,456)
Administrative expenses	(9,059)	(16,151)	(9,506)
Marketing and conferences	(2,596)	(6,053)	(12,211)
Exploration and evaluation expenses and impairment	(214,045)	(42,249)	(1,248)
Share based payments	-	(65,850)	-
Loss from continuing operations before tax	**(240,792)**	**(149,254)**	**115,579**
Tax expense	-	-	-
Loss from continuing operations after tax	**(240,792)**	**(149,254)**	**115,579**

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6.10. We note the following in relation to the financial performance of Stunalara:

i. As an exploration company, Stunalara does not yet generate revenue. The other income generated during the six months ended 31 December 2024 relates to the exclusivity fee received from Inca in accordance with the BIA.

ii. The Company's accounting policy is to capitalise exploration expenses as incurred. Previously capitalised exploration expenses incurred on now abandoned projects were expensed to the P&L in order to focus on better prospects.

iii. During the year ended 30 June 2024, Stunalara incurred a share based payment expense relating to the issue of performance rights and shares.

Historical Statement of Financial Position

6.11. The information below provides a summary of the financial position of Stunalara as at 30 June 2023, 30 June 2024 and 31 December 2024.

Consolidated Statement of Financial Position	Ref	30 June 2023	30 June 2024	31 Dec 2024
		Audited	Audited	Unaudited
Assets		$	$	$
Current Assets				
Cash	i	269,170	128,974	228,977
Other receivables and prepayments		1,893	2,718	13,683
Security deposits		-	30,000	-
Other current assets	ii	-	55,552	32,676
Total Current Assets		**271,063**	**217,244**	**275,336**
Non-Current Assets				
Tenement security deposits		30,000	22,000	22,000
Exploration and evaluation assets	iii	15,165	46,798	119,618
Total Non-Current Assets		**45,165**	**68,798**	**141,618**
Total Assets		**316,228**	**286,042**	**416,954**
Current Liabilities				
Trade & other creditors		20,297	15,717	13,550
Total Current Liabilities		**20,297**	**15,717**	**13,550**
Non-Current Liabilities				
Total Non-Current Liabilities		**-**	**-**	**-**
Total Liabilities		**20,297**	**15,717**	**13,550**
Net Assets		**295,931**	**270,325**	**403,404**
Equity				
Contributed equity		1,671,079	1,728,877	1,746,377
Accumulated losses		(1,406,640)	(1,555,894)	(1,440,315)
Share based payment reserve		31,492	97,342	97,342
Total Equity		**295,931**	**270,325**	**403,404**

6.12. We note the following in relation to Stunalara's financial position:

i. Cash as at 31 December 2024 includes the exclusivity fee of $150,000 received from Inca.

ii. Other current assets included application fees for mineral exploration tenements not yet granted.

iii. Stunalara's accounting policy is to capitalise exploration and evaluation expenditure as incurred.

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Ownership Structure

6.13. As at the date of the Bidders Statement, Stunalara had 45,518,980 ordinary shares on issue. Details of the top 10 shareholders as at 19 December 2024 are as follows:

#	Name	# of Ordinary Shares Held	%
1	Bannister Group	5,500,000	12.08
2	MAL Super Fund Pty Ltd	5,210,000	11.45
3	Tesha Pty Ltd*	4,650,000	10.22
4	Ouro Pty Ltd*	3,880,001	8.52
5	Vorian Investment (Holdings) Pty Ltd	2,800,000	6.15
6	Ann Novello Hogarth	2,400,000	5.27
7	John Campbell Smyth	2,000,000	4.39
8	Cityscape Asset Pty Ltd	1,300,000	2.86
9	Pindari Road Pty Ltd	1,120,000	2.46
10	Simon Peter Wardman	1,100,000	2.42
	Total	**29,960,001**	**65.82**

Source: Stunalara Share Register as at 19 December 2024

*Associated with Andrew Haythorpe

Performance Rights

6.14. At the date of this report the Stunalara has 1,000,000 Performance Rights on issue to third parties with the following terms:

Performance Rights		
	Project 2	**Project 3**
Number Issued	500,000	500,000
Issue date	29 April 2024	29 April 2024
Vesting date	29 April 2027	29 April 2027
Expiry date	29 April 2029	29 April 2029
Performance hurdles	Vesting of Project 2 Performance Rights occurs on any of the following: (a) Takeover bid for the Company or Change of Control; or (b) Sale of Project 2 to a third party for more than A$500,000; or (c) IPO of the Company on ASX.	Vesting of Project 3 Performance Rights occurs on any of the following: (a) Takeover bid for the Company or Change of Control; or (b) Sale of Project 3 to a third party for more than A$500,000; or (c) IPO of the Company on ASX.

6.15. The Performance Rights vest automatically on a change of control. If the Offer is successful, the change of control will occur and as such 100% of the Performance Rights will vest. The number of ordinary shares in Stunalara will be diluted by the number of Performance Rights on issue.

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7. Profile of Inca

7.1. Inca is a public listed company incorporated in Western Australia in 2008. Inca officially listed on the ASX in June 2008 with the ticker code ASX:ICG and is based in Perth, Western Australia.

7.2. Inca is a junior explorer with exploration projects in the Norther Territory, Western Australia and Queensland.

Projects

7.3. All of Inca's projects are in the early stages of exploration and located in Australia. Inca has a 90% interest in the Jean Elson Gold Copper Project and the Frewena Gold Copper Phosphate Project in the Northern Territory. In addition, Inca operates the Macauley Creek Copper project (90%) and Hay River project (100%) in Queensland and the Brammall Hills lithium project in Western Australia (100%).

7.4. Further information on Inca's projects can be found in Appendix E.

Corporate Structure

7.5. As at the date of this report, Inca had the following subsidiaries:

	Country	Ownership
Urcaguary Pty Ltd	Australia	100%
Dingo Minerals Ltd	Australia	100%

Source: FY24 Inca financial statements

Board of Directors

7.6. The current Board of Directors are:

Name	Title	Experience
Adam Taylor	Chairman	Adam was appointed as a director on 1 March 2022 and was appointed Non-Executive Chairman, in July 2022. He is an experienced CEO heading up a family-owned group of businesses with a history in the civil construction and mining sectors of over 20 years. Adam currently oversees businesses within the Mining, Construction, Waste Management, Dewatering and Infrastructure Maintenance sectors, all currently within Western Australia and with a history of operations in New Zealand and the East Coast of Australia. His core skills include business management, strategy development, contract negotiation and the implementation of innovation across a business.
Brad Marwood	Non-Executive Director	Brad is an experienced mining and exploration executive, with over 40 years' experience, and has held the roles of CEO, managing director and company director in a number of companies, including Middle Island Resources, Yari Minerals, and Tiger Resources. An engineer by training, he has been responsible for over 50 feasibility studies and has secured $500,000,000 in debt and equity funding for project development. Brad brings a history of successful exploration, business planning, project implementation and strategy, operational management, and funding to Inca.
Andrew Haythorpe	Non-Executive Director	Andrew has over 30 years of experience in the resources and investment industries - a geologist with CRA, a Mining Analyst with Suncorp, County Natwest and Hartleys; and a fund Manager / Analyst with Bankers Trust, which grew to manage over $40billion. Andrew was a top 12 rated Gold Analyst and considered a leader in mineral sands analysis. Andrew has raised over $200m in junior companies, building Crescent Gold from an $8m explorer to a $250m gold producer and lead Michelago Resources to become a Chinese gold producer.

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Historical Financial Information

7.7. The historical financial information for Inca has been extracted from the audited financial statements of the company for the years ended 30 June 2023 and 30 June 2024. The financial information for the six months to 31 December 2024 has been extracted from the unaudited management accounts for the five months then ended.

7.8. The auditors of the financial statements for the year ended 30 June 2024 included an emphasis of matter regarding the going concern position of the company.

Historical Statement of Financial Performance

7.9. The information below provides a summary of the financial performance of Inca for the years ended 30 June 2023 and 30 June 2024 and the six months to 31 December 2024.

Consolidated Statement of Financial Performance	Ref	FY23	FY24	31 Dec 2024
		Audited	Audited	Unaudited
		$	$	$
Income				
Government grants	i	90,909	-	-
Interest received		22,401	9,627	6,014
Sale of assets	ii	(6,676)	131,525	-
Expenses				
Management and directors' fees		(150,000)	(126,075)	(87,576)
Wages and salaries		(113,616)	(92,073)	(274,060)
Administrative expenses		(189,494)	(130,798)	(83,326)
Advertising and promotional costs		(46,112)	(22,327)	-
Professional fees	iii	(295,255)	(236,285)	(257,889)
Depreciation		(63,822)	(126,446)	(63,203)
Foreign exchange		1,622	1,167	1,071
Exploration and evaluation impairment	iv	(27,701)	(1,149,061)	(22,959)
Share based payments	v	-	(7,780)	(299,456)
Loss from continuing operations before tax		**(777,744)**	**(1,748,526)**	**(1,081,384)**
Tax expense		-	-	-
Loss from continuing operations after tax		**(777,744)**	**(1,748,526)**	**(1,081,384)**
Loss from discontinued operations	v	(671,082)	(4,350,824)	-
Net loss for the period		**(1,448,826)**	**(6,099,350)**	**(1,081,384)**
Other comprehensive income, net of tax				
Exchange differences on translation of foreign operations	vi	303,878	463,350	-
Total comprehensive loss		**(1,144,948)**	**(5,636,000)**	**(1,081,384)**

7.10. We note the following in relation to the financial performance of Inca:

i. Inca received grants during FY24 of $146,326. These were credited against exploration expenditure in FY24.

ii. During FY24 Inca sold land and buildings in Mt Isa recognising a gain on the sale of the property.

iii. Professional fees during the six months ended 31 December 2024 includes the $150,000 exclusivity fee paid to Stunalara.

iv. Inca's accounting policy is to capitalise exploration costs as they are incurred.

v. During the six months ended 31 December 2024, Inca incurred a share based payment expense relating to the issue of options to employees.

vi. The loss from discontinued operations and the exchange differences arising from the translation of foreign operations in FY23 and FY24 relate to Inca's Peruvian operations that were disposed of during FY24.

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Historical Statement of Financial Position

7.11. The information below provides a summary of the consolidated financial position of Inca as at 30 June 2023 and 30 June 2024 and 31 December 2024.

Consolidated Statement of Financial Position	Ref	30 June 2023	30 June 2024	31 Dec 2024
		Audited	Audited	Unaudited
Assets		$	$	$
Current Assets				
Cash	i	795,186	897,929	669,708
Other receivables and prepayments		84,476	64,314	41,788
Assets held for sale	ii	520,136	-	-
Total Current Assets		**1,399,798**	**962,243**	**711,496**
Non-Current Assets				
Plant & equipment		316,030	104,881	85,091
Right of use assets	iii	31,857	145,104	103,912
Exploration and valuation assets	iv	11,851,809	9,382,570	9,783,550
Total Non-Current Assets		**12,199,696**	**9,632,555**	**9,972,553**
Total Assets		**13,599,494**	**10,594,798**	**10,684,049**
Current Liabilities				
Trade & other creditors		16,274	135,203	188,322
Provisions	vi	17,580	17,545	31,465
Lease liabilities	iii	116,412	80,860	33,776
Related party loan	v	500,000	-	-
Total Current Liabilities		**650,266**	**233,608**	**253,563**
Non-Current Liabilities				
Lease liabilities	iii	15,648	70,255	73,362
Provisions	vi	3,122	7,635	11,151
Total Non-Current Liabilities		**18,770**	**77,890**	**84,513**
Total Liabilities		**669,036**	**311,498**	**338,076**
Net Assets		**12,930,458**	**10,283,300**	**10,345,973**
Equity				
Contributed equity		59,675,531	62,656,693	63,556,176
Accumulated losses		(46,462,111)	(52,381,173)	(53,517,439)
Foreign currency translation reserve		(463,250)	-	-
Share based payment reserve	vii	180,288	7,780	307,236
Total Equity		**12,930,458**	**10,283,300**	**10,345,973**

7.12. We note the following in relation to Inca's financial position:

i. Inca raised $2.5 million before costs during FY24 in order to advance exploration activities. The cash balance as at 31 December 2024 is after the payment of the $150,000 exclusivity fee to Stunalara.

ii. During August 2023 Inca sold land and buildings in Mt Isa. These assets were classified as held for sale as at 30 June 2023.

iii. Right of use assets relate to a Perth office lease.

iv. During FY24 Inca exited its projects in Peru due to their high costs and complexities. It retained a 2% NSR in the projects.

v. As at 30 June 2023 Inca had a loan payable to a director. During FY24 this loan was converted into equity.

vi. Provisions relate to employee leave provisions.

vii. During the six months ended 31 December 2024, Inca incurred a share based payment expense relating to the issue of options to employees.

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Ownership Structure

7.13. As at the date of the Bidders Statement, Inca had 1,026,722,533 ordinary shares on issue. Details of the top 10 shareholders as at 6 February 2025 are as follows:

#	Name	No of Ordinary Shares Held	%
1	ADAM CHARLES TAYLOR & SHAAN KATHRYN TAYLOR	94,646,344	9.22
2	ROOKHARP CAPITAL PTY LIMITED	88,571,429	8.63
3	ROVIRA PTY LTD <ROVIRA FAMILY A/C>	50,000,000	4.87
4	MR BRETT DOUGLAS DICKSON & MRS GEORGINA FITZROY DICKSON <DICKSON SUPER FUND A/C>	25,000,000	2.43
4	ALBION BAY PTY LTD <DESIGN CO-ORDINATING S/F A/C>	25,000,000	2.43
5	MR ALLEN JAMES WILSON	22,021,958	2.14
6	MS GIOVANNA LINA GAN	21,980,000	2.14
7	BNP PARIBAS	18,163,904	1.77
8	MR CRAIG MICHAEL LAKE & MRS JUDITH MAY LAKE	15,000,000	1.46
9	CITICORP NOMINEES PTY LTD	14,549,264	1.42
10	TESHA PTY LTD	12,500,000	1.22
10	B MARWOOD CO PTY LTD <BM SUPER A/C>	12,500,000	1.22
10	CLARIDEN CAPITAL LIMITED	12,500,000	1.22
10	MR TREVOR BRUCE BENSON	12,500,000	1.22
	TOTAL	**424,932,899**	**41.39**

Source: Inca Share Register as at 6 February 2025

7.14. On 5 November 2024 Inca issued 211,100,000 ordinary shares at $0.004 per share to raise $844,400 with 1 free attaching option for every 2 shares subscribed for. The options have an expiry date of 30 April 2026 and an exercise price of $0.008 per share.

7.15. At the date of this Report, Inca had the following options and performance rights on issue:

OPTIONS	
Listed options	
Exercisable at $0.08 each on or before 31 December 2026	72,775,945
Exercisable at $0.035 each on or before 31 December 2025	149,442,617
Total	**222,218,562**
Unlisted options	
Exercisable at $0.008 each on or before 30 April 2026	105,550,000
Exercisable at $0.006 each on or before 17 September 2027	30,000,000
Exercisable at $0.008 each on or before 17 September 2027	45,000,000
Total	**180,550,000**
Performance rights	
Performance rights	15,000,000

7.16. The performance rights have vesting criteria linked to a share price equal to or greater than between $0.014 and $0.056 over a three year term.

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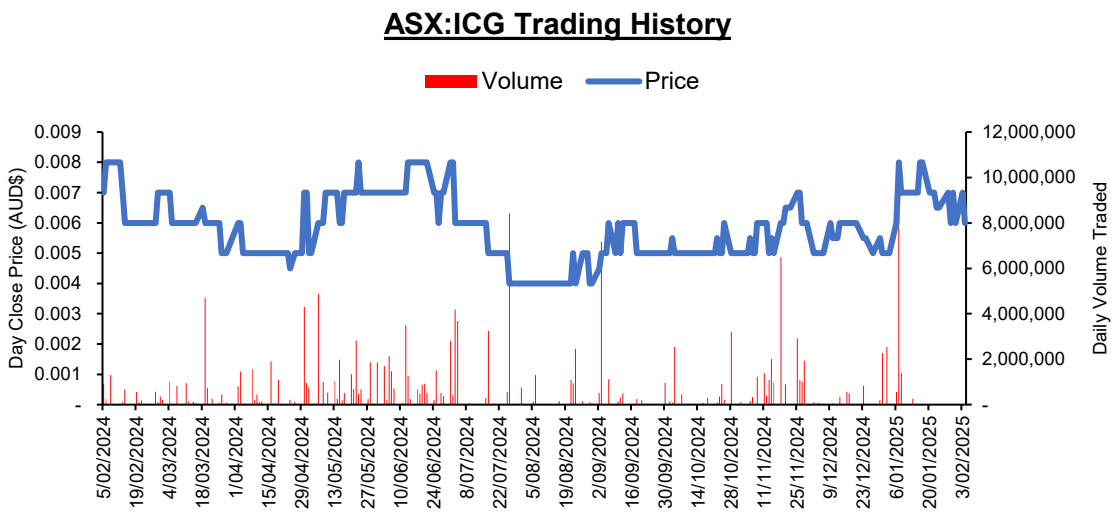
Share Price Performance

7.17. The figure below sets out a summary of the closing share price and volume of Inca shares traded for the 12 months ending 5 February 2025. The share price of Inca has been moderately volatile over the period.



Source: S&P Capital IQ

7.18. Over the 12 months ending 5 February 2025, Inca's share price ranged from a minimum of $0.004 in July 2024 to a maximum of $0.008 at various points throughout the period. In the month leading up to 5 February 2025, the price fluctuated between a low of $0.005 and a high of $0.008. The significant spike in trading volume observed on 7 January 2025, increasing from 500k to 10m, occurred despite the absence of any formal announcements, suggesting the influence of other market dynamics or undisclosed factors.

7.19. On 5 November 2024 Inca issued 211,100,000 ordinary shares at $0.004 per share to raise $844,400 with 1 free attaching option for every 2 shares subscribed for. The options have an expiry date of 30 April 2026 and an exercise price of $0.008 per share.

Traded Volumes of Inca Shares up to 5 February 2025

7.20. We have considered the last traded price of an Inca share over a range of periods ending 5 February 2025, the last trading day before the Offer announcement by Inca. An analysis of the trading volume and VWAP of Inca's shares for 1, 5, 10, 30, 60 and 90 trading day periods prior to the announcement date is set out in the table below:

Trading Volumes of Inca Shares						
	1 Day	**5 Day**	**10 Day**	**30 Day**	**60 Day**	**90 Day**
VWAP $	0.006	0.007	0.007	0.007	0.007	0.006
Total Volume (M)	0.395	7.296	12.163	32.837	55.899	65.909
Total Outstanding Shares (M)	1,027	1,027	1,027	1,027	1,027	958
% of Total Shares	0.04	0.71	1.18	3.20	5.44	6.88
Low Price $	0.006	0.006	0.006	0.005	0.005	0.005
High Price $	0.006	0.007	0.007	0.008	0.008	0.008

Source: CapIQ

The table above shows that 3.2% of Inca's shares were traded in the 30 trading days prior to the announcement of the Offer. This is indicative of an illiquid stock.

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8. Valuation approach

Definition of Value

8.1. RG 111 states that a transaction is fair if the value of the consideration is greater than the value of the asset being acquired. This comparison should be made assuming a knowledgeable and willing, but not anxious, buyer and a knowledgeable and willing, but not anxious, seller acting at arm's length. Further to this, RG 111 states that a transaction is reasonable if it is fair. It might also be reasonable if despite being 'not fair' the expert believes that there are sufficient reasons for security holders to accept the offer in the absence of any higher bid.

Valuation Approach Adopted

8.2. There are a number of methodologies which can be used to value a company. The principal methodologies which can be used are as follows:

- Capitalisation of future maintainable earnings ('FME')
- Discounted cash flow ('DCF')
- Quoted market price basis ('QMP')
- Net asset value ('NAV')
- Market approach method (Comparable market transactions)

8.3. A summary of each of these methodologies is outlined in Appendix B.

Value of a Stunalara Share

8.4. In assessing the value of a Stunalara share, we have chosen to apply the NAV method as our primary methodology. This was selected on the following basis:

- Due to the nature of Stunalara as an exploration company, it has not yet generated revenue through the sale of commodities and as such does not have a history of profitable earnings.
- We do not consider that a DCF basis of valuation (which would require a forecast cash flow for a period of up to 5 years) is appropriate as the directors of Stunalara are not able to forecast the cash flows of the Company reliably and accurately, particularly in light of the early stage of exploration.
- We have obtained an Independent Technical Assessment Report ("ITAR") from the geological expert, Valuation and Resource Management Pty Ltd ("VRM") for the valuation of Stunalara's exploration assets. VRM has valued Stunalara's mineral assets using the combination of a Geoscientific, or Kilburn, Method (as detailed in VRM's report in Appendix E) we consider that this provides a reliable basis for determining the NAV of the Company.
- We have considered the QMP methodology as our secondary valuation approach. The QMP methodology is relevant as whilst Stunalara is not listed on a regulated exchange where its shares can be traded, there have been some recent capital transactions. We have considered these factors further in Section 9 of this report.

8.5. We have valued a Stunalara share on a controlling basis.

Value of Consideration payable per Stunalara Share

8.6. The Consideration payable under the Offer is approximately 300,000,000 Inca shares. In assessing the value of an Inca share post the Offer, we have chosen to apply the NAV method as our primary methodology. This was selected on the following basis:

- Due to the nature of Inca as an exploration company, it has not yet generated revenue through the sale of commodities and as such does not have a history of profitable earnings.

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- We do not consider that a DCF basis of valuation (which would require a forecast cash flow for a period of up to 5 years) is appropriate as the directors of Inca are not able to forecast the cash flows of the Company reliably and accurately, particularly in light of the early stage of exploration.

- We have obtained an ITAR from VRM for the valuation of Inca's exploration assets. VRM has valued Inca's mineral assets using the combination of the Geoscientific Factor Method and the Prospectivity Enhancement Multiplier method (as detailed in VRM's report in Appendix E) we consider that this provides a reliable basis for determining the NAV of Inca.

- We have considered the QMP methodology as our secondary valuation approach. The QMP methodology is relevant as Inca is listed on the ASX and therefore there is a regulated and observable market where its shares can be traded. For this method to be appropriate, Inca's shares should be liquid and the market fully informed. We have considered these factors further in Section 10 of this report.

8.7. We have valued the Consideration payable per Stunalara share on a minority basis.

9. Valuation of a Stunalara Share

9.1. As stated at Section 8 we have primarily assessed the value of a Stunalara share using the NAV on a going concern basis. The NAV method (assuming an orderly realisation of tangible assets) estimates fair market value by determining the amount that would be distributed to shareholders, after payment of all liabilities including realisation costs that arise, assuming assets are realised in an orderly manner.

Primary valuation method: NAV

9.2. The financial information of Stunalara as at 31 December 2024 has been extracted from the unaudited management accounts of Stunalara for the period then ended.

	Ref	Low $	Preferred $	High $
Net Assets 31 December 2024	6.11	403,404	403,404	403,404
Less carrying value of exploration projects	6.11 9.5	(119,618)	(119,618)	(119,618)
Less carrying value of mineral applications not yet granted	6.11 9.5	(32,676)	(32,676)	(32,676)
Add value of Stunalara's mineral projects	9.5	500,000	1,100,000	1,800,000
NAV on a controlling basis		**751,110**	**1,351,110**	**2,051,110**
Ordinary Shares on Issue	9.4	46,518,980	46,518,980	46,518,980
Value per Stunalara share on a controlling basis		**0.016**	**0.029**	**0.044**

Source: MACF Analysis

9.3. Based on our assessment above, the NAV of a Stunalara share on a controlling basis is between $0.016 and $0.044, with a preferred value of $0.029.

9.4. We have diluted the number of shares on issue in Stunalara by the number of Performance Rights that will vest and automatically exercise on a change of control event.

9.5. The net assets of Stunalara as at 31 December 2024 include a carrying value for the Company's exploration and evaluation assets. Therefore, we have removed the carrying value of exploration assets and the carrying value of mineral tenements not yet granted and instead incorporated the fair value of the Company's exploration projects as assessed by VRM's ITAR included in Appendix E of this Report. We make the following comments on review of the ITAR:

- VRM's opinion on the value of Stunalara's exploration assets have been formed primarily using the Geoscientific, or Kilburn, method i.e. based on analysis of technical factors, considering the tenements as early stage. As a cross check, VRM have considered the potential value of the tenements by employing the Prospectivity Enhancement Multiplier method based on exploration expenditure, or minimum expenditure conditions.

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- The value range for Stunalara's exploration assets reflect VRMs assessment of the uncertainty associated with early-stage exploration projects.
- The preferred value for Stunalara's exploration assets has been determined by VRM.

9.6. Other than as noted below, we have determined based on discussions with Stunalara management that the fair value of the assets and liabilities of Stunalara as at 31 December 2024 are equivalent to the carrying values noted in the consolidated statement of financial position above.

Control Premium

9.7. The NAV implies a premium for control has already been factored into the value. Therefore, our valuation of a Stunalara share above has been prepared on a control basis.

Secondary valuation method: Recent Share Placements

9.8. In order to provide a cross check and comparison to our valuation of a Stunalara share using the NAV methodology, we have also assessed the value of a Stunalara share by assessing recent share placements prior to the announcement of the Offer.

9.9. On review of shares issued during the 12 months prior to the Bidders Statement, we note that the shares were either issued as share based payments (for no cash) or they were issued to related parties for cash.

9.10. The only share issue subsequent to the acquisition of Placer Gold Pty Ltd in March 2024 (Stunalara's flagship project) was to related parties to raise $17,500 at $0.005 per share. We do not consider that this relatively minor related party transaction is a fair or reasonable reflection of the fair value of a Stunalara share.

9.11. As such, due to the illiquid nature of Stunalara stock, and the lack of recent reliable transactions we have relied upon the NAV methodology in isolation.

Valuation conclusion for a Stunalara share

Our assessed values for a Stunalara share on a controlling basis are summarised below:

	Ref	Low $	Preferred $	High $
Assessed fair value of a Stunalara share on a controlling basis using the NAV methodology	9.2	0.016	0.029	0.044

9.12. Due to the illiquid nature of Stunalara's shares, our assessed value of a Stunalara share on a controlling basis, is based on the NAV methodology as shown above and is between $0.016. and $0.044, with a preferred value of $0.029.

10. Valuation of Consideration Payable per Stunalara Share

10.1. The Consideration payable under the Offer is approximately 300,000,000 newly issued ordinary Inca shares. As stated at Section 8 we have primarily assessed the value of an Inca share using the NAV on a going concern basis.

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Primary valuation method: NAV

10.2. The table below shows our assessed value of an Inca share post the Proposed Transaction on a minority basis, using the NAV methodology.

	Ref	Low $	Preferred $	High $
NAV of Inca as at 31 December 2024 on a controlling basis	10.5	1,773,420	3,667,922	5,562,423
Cash proceeds from the exercise of in the money options	10.4	180,000	180,000	180,000
NAV of Stunalara as at 31 December 2024 on a controlling basis	9.2	751,110	1,351,110	2,051,110
Consolidated NAV on a controlling basis		**2,704,530**	**5,199,032**	**7,793,533**
Minority discount	10.13	23%	20%	17%
NAV on a minority basis		**2,082,488**	**4,159,225**	**6,468,632**
Ordinary Shares on Issue	10.4	1,356,722,533	1,356,722,533	1,356,722,533
Value per Inca share post the Proposed Transaction on a minority basis		**0.0015**	**0.0031**	**0.0048**

Source: MACF Analysis

10.3. Based on our assessment above, the NAV of an Inca share post the Proposed Transaction, on a minority basis, is between $0.0015 and $0.0048, with a preferred value of $0.0031.

10.4. We have diluted the number of shares on issue in Inca by the number of Consideration Shares and shares to be issued relating to Stunalara Performance Rights that will vest on a change of control event. We have also assumed that all Inca options that are in the money at the date of this report are exercised (being 30,000,000 options exercisable at $0.006 each to raise $180,000).

10.5. We have assessed the fair value of Inca's net assets as:

Consolidated Statement of Financial Position	Ref	31 Dec 2024 Unaudited	Low Unaudited	Preferred Unaudited	High Unaudited
Assets		**$**	**$**	**$**	**$**
Current Assets					
Cash	7.11	669,708	669,708	669,708	669,708
Other receivables and prepayments	7.11	41,788	41,788	41,788	41,788
Total Current Assets		**711,496**	**711,496**	**711,496**	**711,496**
Non-Current Assets					
Plant & equipment	10.6	85,091	-	42,546	85,091
Right of use assets	10.7	103,912	-	51,956	103,912
Exploration and valuation assets	10.8	9,783,550	1,400,00	3,200,000	5,000,000
Total Non-Current Assets		**9,972,553**	**1,400,000**	**3,294,502**	**5,189,003**
Total Assets		**10,684,049**	**2,111,496**	**4,005,998**	**5,900,499**
Current Liabilities					
Trade & other creditors	7.11	188,322	188,322	188,322	188,322
Provisions	7.11	31,465	31,465	31,465	31,465
Lease liabilities		33,776	33,776	33,776	33,776
Total Current Liabilities		**253,563**	**253,563**	**253,563**	**253,563**
Non-Current Liabilities					
Lease liabilities	7.11	73,362	73,362	73,362	73,362
Provisions	7.11	11,151	11,151	11,151	11,151
Total Non-Current Liabilities		**84,513**	**84,513**	**84,513**	**84,513**
Total Liabilities		**338,076**	**338,076**	**338,076**	**338,076**
Net Assets		**10,345,973**	**1,773,420**	**3,667,922**	**5,562,423**

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10.6. Plant and equipment comprise of equipment and some motor vehicles. We have adjusted the property, plant and equipment value to include a nil value in our low assessment. Due to the nature of these assets, they are likely to have very little value. Our preferred value is the mid-range of the low and high value assessments.

10.7. We have adjusted the value of the right of use assets to include a nil value in our low assessment. Due to the nature of these assets, they are likely to have very little value. Our preferred value is the mid-range of the low and high value assessments.

10.8. The net assets of Inca as at 31 December 2024 include a value for the Company's exploration and evaluation assets. Therefore, we have adjusted the NAV to remove the carrying value of these exploration assets and incorporate the fair value of the Inca's exploration projects as assessed by VRM's ITAR included in Appendix E of this Report. We make the following comments on review of the ITAR:

- VRM's opinion on the value of Inca's exploration assets have been formed primarily using the Geoscientific, or Kilburn, method i.e. based on analysis of technical factors, considering the tenements as early stage. As a cross check, VRM have considered the potential value of the tenements by employing the Prospectivity Enhancement Multiplier method based on exploration expenditure, or minimum expenditure conditions.
- The value range for Inca's exploration assets reflect VRMs assessment of the uncertainty associated with early-stage exploration projects.
- The preferred value for Inca's exploration assets has been determined by VRM.

10.9. Other than as noted below, we have determined based on discussions with Inca management that the fair value of the assets and liabilities of Inca as at 31 December 2024 are equivalent to the carrying values noted in the consolidated statement of financial position at that date.

Minority Discount

10.10. The NAV method implies a premium for control has already been factored into the value. Therefore, our calculation of the fair value of an Inca share post the Proposed Transactions needs to include an adjustment to reflect a minority interest.

10.11. We have reviewed the control premiums paid in recent years by companies listed on the ASX. There is significant variability in control premiums paid which are affected by such factors as: Nature and magnitude of non-operating assets;

- Quality of management;
- Nature and magnitude of business opportunities/assets not currently being exploited;
- Degree and confidence in future synergies;
- Level of pre-announcement speculation of the transaction;
- Level of liquidity in the trade of the acquiree's securities; and
- The stage in the economic cycle.

10.12. A review of control premiums paid by acquirers of companies listed on the ASX in recent years indicates a range of premiums between 20% and 30% is reasonable.

10.13. A minority interest discount is the inverse of a premium for control and is calculated using the formula 1 – [1 / (1+control premium)]. Therefore, the minority interest discount is between 17% and 23%.

Control Premium

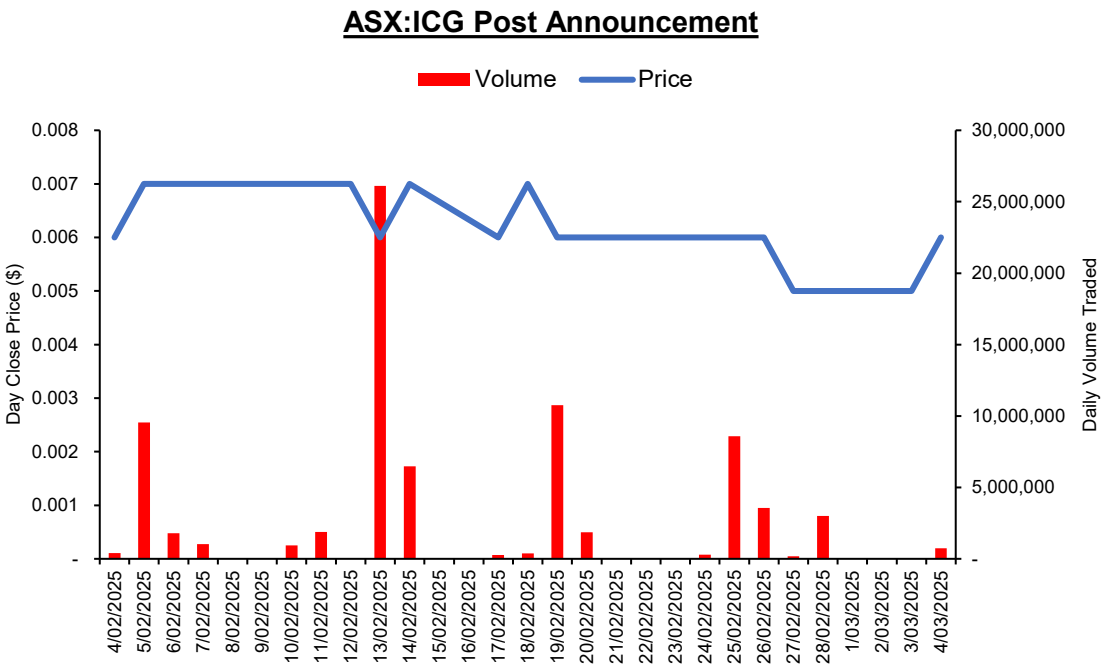
10.14. The NAV implies a premium for control has already been factored into the value. Therefore, our valuation of a Stunalara share above has been prepared on a control basis.

Secondary valuation method: QMP

10.15. In order to provide a cross check and comparison to our valuation of an Inca share using the NAV methodology, we have also assessed the value of an Inca share using the QMP valuation methodology prior to the announcement of the Offer. The QMP of a company's shares is reflective of a minority interest. A minority interest is an interest in a company that is not significant enough for the holder to have an individual influence in the operations and value of that company.

Share Price Performance Post Announcement of the Offer

10.16. The figure below sets out a summary of the closing share price and volume of Inca shares traded for the period from the announcement of the Offer on 5 February 2025 to 4 March 2025.



Source: S&P Capital IQ

10.17. Immediately following the announcement, Inca's share price increased from $0.006 to $0.007 before falling back down to $0.006 on 13 February 2025 following an announcement regarding significant gold and antimony grades at Stunalara's Hurricane project. Whilst the announcement led to a surge in trading volume, the share price dropped to preannouncement levels and after some fluctuation remains at $0.006 at the date of this Report.

10.18. It is arguable that the share price of Inca following the announcement best reflects the market value of the combined group on completion of the Offer.

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Traded Volumes of Inca Shares up to 4 March 2025

10.19. We have considered the last traded price of an Inca share over a range of periods from 5 February 2025 (being the day of the announcement) and ending 4 March 2025. An analysis of the trading volume and VWAP of Inca's shares for 1, 5, 10 and 20 trading day periods is set out in the table below:

VWAP Summary to 4 March 2025				
	1 Day	5 Day	10 Day	20 Day
VWAP $	0.0060	0.0056	0.0059	0.0062
Total Volume (M)	0.731	7.475	28.979	77.394
Total Outstanding Shares (M)	1,027	1,027	1,027	1,027
% of Total Shares	0.07	0.73	2.82	7.54
Low Price $	0.006	0.005	0.005	0.005
High Price $	0.006	0.006	0.006	0.007

Source: Cap IQ

10.20. The table above shows that 7.54% of Inca's shares were traded in the 20 trading days post the announcement of the Offer. This is indicative of a liquid stock. 2.5% of Inca stock was traded on the day of the announcement regarding the Hurricane Project on 13 February 2025.

10.21. We note that to rely on the QMP valuation methodology there is a requirement for the security to trade in a 'deep' market. RG111.69 indicates that a 'deep' market should reflect a liquid and active market. Characteristics of a deep market are:

Deep Market - Characteristics	
Regular trading in a company's securities	Partially met as trading is somewhat irregular and lumpy
An average of 1% of a company's securities traded on a weekly basis	Met post announcement
Non-significant spread of the stock	Met post announcement
A significant spread of ownership of the securities	Partially Met – top 10 shareholders own approx. 41% of total capital
There are not regular unexplained movements in the share price.	Partially Met post announcement

Source: MACF Analysis

10.22. For a security to be considered 'deep' it should fit with all the above characteristics. Although if it does fail to meet all the above characteristics it does not automatically characterise the share price trading as irrelevant for valuation purposes, rather it means that it should not purely be relied upon and should be considered within this context.

10.23. The BIA between Inca and Stunalara refers to a potential placement of up to 416,666,667 new Inca shares at approximately $0.006 per share to raise approximately $2.5m. This placement is not a condition of the Offer but a warranty from Inca that a placement of that size and price can occur without creating a material adverse change to Inca under the BIA. At the date of this Report, no announcement regarding a proposed placement has been made.

10.24. We note that the analysis above supports a range of values of an Inca share subsequent to the Offer of between $0.0056 to $0.0062 (being the VWAP range in the table above) on a minority basis. This analysis is secondary to our primary assessment of the value of an Inca share using the NAV methodology.

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Valuation Conclusion for an Inca Share

Our assessed values for an Inca share post the Proposed Transaction on a minority basis is summarised in the table below:

	Ref	Low $	Preferred $	High $
Assessed fair value of an Inca share post the Proposed Transaction on a minority basis using the NAV methodology	10.3	0.0015	0.0031	0.0048
Assessed fair value of an Inca share post the Proposed Transaction on a minority basis using the QMP methodology	10.24	0.0056	0.0059	0.0062

10.25. Our assessed value of an Inca share post the Proposed Transaction on a minority basis, as shown above is between $0.0015 and $0.0062. We acknowledge that the valuation range between the two valuation methodologies is broad. The QMP valuation methodology is secondary to our NAV methodology, and we have relied on our NAV methodology for our assessment of the fair value of an Inca share. We have considered the QMP of an Inca share further in our assessment of reasonableness.

Valuation Conclusion for Consideration to be Paid (Inca Shares)

10.26. The Consideration payable is 6.448981 Inca shares for each Stunalara share held. Our assessed values for the Consideration payable per Stunalara share on a minority basis has been calculated by multiplying the value of an Inca share post the Offer using the NAV methodology by the consideration ratio and is therefore:

	Low $	Preferred $	High $
Assessed fair value of Consideration per Stunalara share on a minority basis using the NAV methodology	0.010	0.020	0.031

10.27. Our assessed value of the Consideration payable per Stunalara Share, on a minority basis, is between $0.010 and $0.031, with a preferred value of $0.020.

11. Is the Offer fair to Stunalara shareholders?

11.1. When assessing fairness, we have compared the estimated value of a Stunalara share to the value of the Consideration payable by Inca.

11.2. Our assessed value of a Stunalara share and the Consideration payable is as follows:

	Section	Low $	Preferred $	High $
Assessed fair value of a Stunalara share, pre-takeover, on a controlling basis	9	0.016	0.029	0.044
Assessed fair value of the Consideration payable per Stunalara share, on a minority basis	10	0.010	0.020	0.031

Source: MACF analysis

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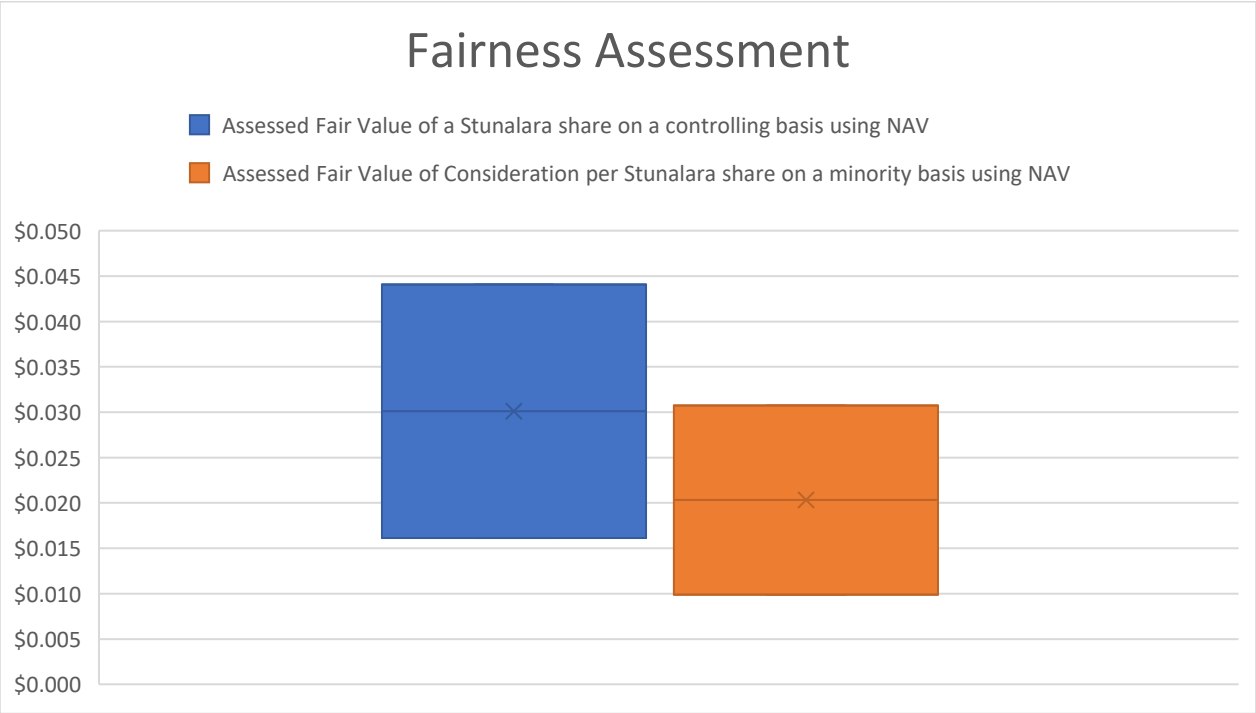

11.3. Based on the range of values above, in the absence of any other relevant information, in our opinion, this indicates that the Offer is not fair to the Non-Associated Shareholders of Stunalara because the low, preferred and high values of a Stunalara share are higher than the respective low, preferred and high values of the Consideration payable by Inca per Stunalara share. We have based our assessment of fairness on the NAV methodology for both a Stunalara share and the Consideration payable per Stunalara share.

12. Is the Offer Reasonable?

12.1. RG111 establishes that a transaction is reasonable if it is fair. If a transaction is not fair, it may still be reasonable after considering the specific circumstances applicable to it. In our assessment of the reasonableness of the Offer we have considered:

- The prospects of Stunalara if the Offer does not proceed; and
- Other commercial advantages and disadvantages to the Non-Associated Shareholders because of the Offer proceeding.

Advantages and Disadvantages

12.2. In assessing whether the Non-Associated Shareholders are likely to be better off if the Offer proceeds than if it does not, we have considered various advantages and disadvantages that are likely to accrue to the Non-Associated Shareholders.

Advantages of accepting the Offer

Advantage 1 – Retain exposure to potential value upside from future performance

Stunalara shareholders will still be exposed to the potential future upside of Stunalara through their holdings in Inca shares.

Advantage 2 – Improved Ability to Raise Capital

At present Stunalara has limited working capital. The Offer will give Stunalara an improved ability (by being part of an ASX listed group) to raise capital to fund its operations and to develop its exploration assets.

Advantage 3 – Liquidity

Assuming sufficient liquidity, the Offer provides Stunalara shareholders with an opportunity to be able to sell their Inca shares on the ASX following completion of the Offer. There is however no guarantee that Stunalara shareholders will be able to liquidate their holdings on a timely basis, particularly in light of the historically low levels of trading liquidity in Inca shares prior to the announcement of the Offer. At present, Stunalara is an unlisted company with limited ability for shareholders to trade their shares.

Advantage 4 – Inca Share Price

The Inca share price subsequent to the announcement of the Offer increased to $0.007 per share before falling back down to preannouncement levels at $0.006 per share. It is arguable that this share price reflects the value of the combined group on completion of the Offer. Using the ratio of Inca shares to a Stunalara share, a share price of $0.006 represents consideration payable per Stunalara share of $0.039 on a minority basis, which exceeds the preferred value of a Stunalara share on a controlling basis.

Disadvantages of accepting the Offer

Disadvantage 1 – Not Fair

The Offer is not fair to the shareholders of Stunalara.

Disadvantage 2 – Conditional

The Offer is subject to a number of conditions, including a minimum acceptance condition of 90%. As such, there is a risk that the Offer is accepted but does not complete.

Disadvantage 3 – Risk

Stunalara shareholders would become exposed to additional portfolio risks through their holdings in Inca shares to which they are not currently exposed, including increased exposure to exploration activities and copper commodity prices.

Disadvantage 4 – Non-cash consideration

The Offer Consideration is payable in Inca shares. Due to the daily fluctuation in quoted share prices, there is a risk that the Inca share price may fall following completion of the Offer. As such, the value of the Offer Consideration is not certain as the Stunalara shareholders will be exposed to the ongoing risks associated with holding shares in Inca.

Disadvantage 5 – Tax consequences

There may be tax consequences for Stunalara shareholders if they accept the Offer. These consequences will differ depending on the shareholders individual circumstances.

Disadvantage 6 – Other Bids

The Company will not be able to realise any other potential competing bid for Stunalara in the event such an offer was to arise following the completion of the Offer.

Alternative Proposal

12.3. The Directors are not aware of any alternative proposal at the current time which might provide the Non-Associated Shareholders of Stunalara a greater benefit than the Offer. However, we note that Stunalara has not undertaken any formal process in identifying a higher or better offer.

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Other Considerations

12.4. The Offer is subject to a minimum acceptance condition of 90%. If Inca acquires at least 90% there are implications for the remaining Stunalara shareholders. We understand that Inca intends to compulsorily acquire the remaining Stunalara shares under general compulsory acquisition rules. If Inca acquires less than 90% of Stunalara shares, but not less than 80%, Inca reserves the right to declare the Offer free from the minimum acceptance condition. If Inca acquires less than 80% of Stunalara shares, then Inca will need written consent from Stunalara to waive the minimum acceptance condition.

12.5. If Inca acquires a relevant interest of more than 50.1% of Stunalara but does not achieve the threshold for compulsory acquisition, Inca will hold a controlling interest in Stunalara and will be able to control the outcome of ordinary resolutions. In this scenario there is a risk of the remaining Stunalara shareholders will be left as minority shareholders in Stunalara which may lead to lower liquidity and greater risks and uncertainties in the future. Further, Stunalara shareholders interests may not be aligned with Inca.

Future Prospects if the Offer does not Proceed

12.6. If the Offer does not proceed, then Stunalara shareholders will continue to hold shares in Stunalara. As at 31 December 2024 Stunalara had a cash balance of approximately $229k. It is likely that Stunalara will need access to additional capital in the short term (either in the form of equity or debt) to fund the ongoing operating costs of the business and to advance Stunalara's flagship project. There is no guarantee that this capital will be available as required and at terms beneficial to Stunalara. In the scenario where funding is not available on acceptable terms to Stunalara, shareholders may be left worse off than if they accepted the Offer.

Conclusion on Reasonableness

12.7. In our opinion, the position of the Non-Associated Shareholders if the Offer is accepted is more advantageous than the position if it is not accepted. Therefore, we consider it reasonable to accept the Offer.

12.8. We are of this opinion because Stunalara is unlisted and has highly illiquid shares and by holding Inca shares Stunalara shareholders will have an opportunity to sell their Inca shares on the ASX following completion of the Offer. In addition, Stunalara will need access to capital in the short term, and this may not be able to be obtained on terms suitable to Stunalara.

13. Independence

13.1. Moore Australia Corporate Finance (WA) Pty Ltd ("MACF") is entitled to receive a fee of approximately $25,000, excluding GST and reimbursement of out-of-pocket expenses. Except for this fee, MACF has not received and will not receive any pecuniary or other benefit whether direct or indirect in connection with the preparation of this report.

13.2. Prior to accepting this engagement MACF has considered its independence with respect to Stunalara and the associated shareholders of Stunalara, and their respective associates with reference to RG 112, Independence of Expert's Reports. It is the opinion of MACF that it is independent of Stunalara and the associated shareholders of Stunalara, and their respective associates.

13.3. MACF and Moore Australia (WA) have not had at the date of this report any relationship which may impair their independence.

We have held discussions with management of Stunalara regarding the information contained in this report. We did not change the methodology used in our assessment because of discussions and our independence has not been impaired in any way.

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14. Qualifications

14.1. MACF is a professional practice company, wholly owned by the Perth practice of Moore Australia, Chartered Accountants. The firm is part of the National and International network of Moore Australia independent firms and provides a wide range of professional accounting and business advisory services.

14.2. MACF holds an Australian Financial Services License to provide financial product advice on securities to retail clients (by way of experts reports pursuant to the listing rules of the ASX and the Corporations Act) and its principals and owners are suitably professionally qualified, with substantial experience in professional practice.

14.3. The director responsible for the preparation and signing of this report is Mr Neil Pace who is a director of MACF. Mr Pace has over 35 years' experience as a Chartered Accountant and has significant experience in the preparation of independent expert's reports, valuations and related advice.

14.4. At the date of this report neither Mr Pace nor any member or Director of MACF has any interest in the outcome of the Offer.

15. Disclaimers and consents

15.1. MACF has been requested to prepare this report, to be included in the Target Statement which will be sent to Stunalara shareholders.

15.2. MACF consents to this report being included in the Target statement to be sent to shareholders of Stunalara. This report or any reference thereto is not to be included in or attached to any other document, statement or letter without prior consent from MACF.

15.3. MACF has not conducted any form of audit, or any verification of information provided to us and which we have relied upon in regard to Stunalara, however we have no reason to believe that any of the information provided, is false or materially incorrect. The statements and opinions provided in this report are given in good faith and in the belief that they are not false, misleading, or incomplete.

15.4. Neither MACF nor Mr Pace take any responsibility for nor have they authorised or caused the issue of any part of this report for any third party other than the shareholders of Stunalara in the context of the scope and purpose defined in Section 3 of this report.

15.5. With respect to taxation implications, it is recommended that individual shareholders obtain their own taxation advice, in respect of the Offer, tailored to their own specific circumstances. The advice provided in this report does not constitute legal or taxation advice to shareholders of Stunalara or any other party.

15.6. The statements and opinions expressed in this report are given in good faith and with reliance upon information generated both independently and internally and regarding all of the circumstances pertaining to the Offer.

15.7. Regarding any projected financial information noted in this report, no member or director of MACF has had any involvement in the preparation of the projected financial information.

15.8. Furthermore, we do not provide any opinion whatsoever as to any projected financial or other results prepared for Stunalara and do not provide any opinion as to whether or not any projected financial results referred to in the report will or will not be achieved.

Yours faithfully



Neil Pace
Director
Moore Australia Corporate Finance (WA) Pty Ltd

Appendix A – Sources of Information

In preparing this report we have had access to the following principal sources of information:

- Bid Implementation Agreement between Inca and Stunalara dated 4 February 2025;
- Bidders Statement dated 25 February 2025;
- Draft Target's Statement;
- Audited financial statements for Stunalara for the years ended 30 June 2023 and 2024;
- Unaudited management accounts of Stunalara as at 31 December 2024;
- Audited financial statements for Inca for the years ended 30 June 2023 and 2024;
- Unaudited management accounts of Inca as at 31 December 2024;
- ITAR prepared by VRM dated 5 March 2025;
- Publicly available information in relation to Stunalara and Inca, including ASX announcements;
- Information in the public domain;
- Share registry information for Stunalara as at 19 December 2024;
- Share registry information for Inca as at 6 February 2025;
- IBISWorld;
- S&P Capital IQ database; and
- Discussions with directors and management of Stunalara.

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Appendix B – Valuation Methodologies

We have considered which valuation methodology is the most appropriate in light of all the circumstances and information available. We have considered the following valuation methodologies and approaches:

- Discounted cash flow methodology ('DCF');
- Capitalisation of future maintainable earnings methodology ('FME');
- Net assets value method ('NAV');
- Quoted market price methodology ('QMP'); and
- Market approach method (Comparable market transactions)

Valuation Methodologies and Approaches
Discounted Cash Flow Method Discounted cash flow methods estimate fair market value by discounting a company's future cash flows to their net present value. These methods are appropriate where a forecast of future cash flows can be made with a reasonable degree of confidence. Discounted cash flow methods are commonly used to value early stage companies or projects with a finite life.
Capitalisation of Maintainable Earnings Method The capitalisation of maintainable earnings method estimates "fair market value" or "enterprise value", by estimating a company's future maintainable earnings and dividing this by a market capitalisation rate. The capitalisation rate represents the return an investor would expect to earn from investing in the company which is commensurate with the individual risks associated with the business. It is appropriate to apply the capitalisation of maintainable earnings method where there is an established and relatively stable level of earnings which is likely to be sustained into the foreseeable future. The measure of earnings will need to be assessed and can include, net profit after taxes (NPAT), earnings before interest and taxes (EBIT) and earnings before interest, taxes, depreciation and amortisation (EBITDA). The capitalisation of maintainable earnings method can also be considered a market based methodology as the appropriate capitalisation rate or 'earnings multiple' is based on evidence of market transactions involving comparable companies. An extension of the capitalisation of maintainable earnings method involves the calculation of share value of an entity. This process involves the calculation of the enterprise value, which is then adjusted for the net tangible assets of the entity.
Net Assets Value Method (Orderly Realisation of Assets) The net assets value method (assuming an orderly realisation of assets) estimates fair market value by determining the amount that would be distributed to shareholders, after payment of all liabilities including realisation costs and taxation charges that arise, assuming the company is wound up in an orderly manner. **Liquidation of assets** - The Liquidation method is similar to the orderly realisation of asset method except the liquidation method assumes the assets are sold in a shorter time frame. **Net assets** – The net assets method is based on the value of the assets of a business less certain liabilities at book values, adjusted to a market value. The asset based approach, as a general rule, ignores the possibility that a company's value could exceed the realisable value of its assets as they ignore the value of intangible assets such as customer lists, management, supply arrangements, and goodwill. The asset based approach is most appropriate when companies are not profitable, a significant proportion of assets are liquid, or for asset holding companies. **Cost Based Approach -** The cost based approach involves determining the fair market value of an asset by deducting the accumulated depreciation from the asset's replacement cost at current prices. Like the asset based approach, the cost based approach has a number of disadvantages, primarily that the cost of an asset does not necessarily reflect the assets ability to generate income. Accordingly, this approach is only useful in limited circumstances, usually associated with intangible asset valuation.

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Appendix B – Valuation Methodologies

Valuation Methodologies and Approaches
Quoted Market Price Methodology The method relies on the pricing benchmarks set by sale and purchase transactions in a fully informed market the ASX which is subject to continuous disclosure rules aimed at providing that market with the necessary information to make informed decisions to buy or to sell. Consequently, this approach provides a "fair price", independently determined by a real market. However, the question of a fair price for a particular transaction requires an assessment in the context of that transaction taken as a whole. In taking a quoted market price based assessment of the consideration to both parties to the Offer, the overall reasonableness and benefits to the non-participating shareholders must be carefully evaluated.
Market Approach Method The market based approach estimates a company's fair market value by considering the market prices of transactions in its shares or the market value of comparable assets. This includes, consideration of any recent genuine offers received by the target for an entire entity's business, or any business units or asset as a basis for the valuation of those business units or assets, or prices for recent sales of similar assets

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Appendix C – Glossary

In this report, unless the context requires otherwise:

Term	Meaning
$	Australian Dollar
APES 225	APES 225 Valuation Services sets out mandatory requirements and guidance for members who provide valuation services
BIA	Bid Implementation Agreement between Inca and Stunalara dated 4 February 2025
Business	The business of Stunalara
Act	Corporations Act 2001
ASIC	Australian Securities and Investments Commission
ASX	Australian Securities Exchange or ASX Limited ACN 008 624 691
Bidder	Purchaser – Inca Minerals Limited
Bidders Statement	Purchaser's statement to be issued by Purchaser in respect of the Takeover Bid.
Board	The Board of Directors of Stunalara
Company	Stunalara Metals Limited
Consideration	300,000,000 newly issued ordinary Inca shares
Directors	The Directors of Stunalara
FME	Future Maintainable Earnings
FY	Financial Year
HY	Half Year
IER	This Independent Experts Report
Inca	Inca Minerals Limited
Income Tax Assessment Act	the Income Tax Assessment Act 1936 and the Income Tax Assessment Act 1997
ITAR	Independent Technical Assessment Report
Listing Rules	The official listing rules of ASX and includes the business rules of ASX
LTM	Last Twelve Months
Moore Australia or MACF	Moore Australia Corporate Finance (WA) Pty Ltd
Non-Associated Shareholders	Shareholders who are not a party to, or associated with a party to, the Offer
NTM	Next Twelve Months
Offer	Offer of 300,000,000 newly issued ordinary shares to Stunalara shareholders
Register	The register of members of Stunalara Group Limited shareholders or option holders, as the case requires
RG111	ASIC Regulatory Guide 111 *Content of Experts Reports*

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Appendix C – Glossary

Term	Meaning
S&P Capital IQ	Third party provider of company and other financial information
Shareholders	Stunalara Shareholders
Target	Entity being purchased – Stunalara
Target Statement	The statement issued or to be issued by the Target under Part 6 of the Corporations Act in response to the Takeover Bid
VRM	Valuation and Resource Management Pty Ltd
VWAP	Volume weighted average price

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Appendix D – ITAR

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INDEPENDENT TECHNICAL ASSESSMENT AND VALUATION REPORT

Presented To: Stunalara Metals Limited

STUNALARA



Date Issued: 05/03/2025

Revision: 3

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Document Reference	Scheme ITAR Inca Stunalara Resources Rev3
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VRM Approval	Paul Dunbar BSc Hons (Geol) MSc MINEX F AusIMM M AIG M SEG Date: 5 March 2025
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Executive Summary

Valuation and Resource Management Pty Ltd (**VRM**) was engaged by Stunalara Metals Ltd (**Stunalara** or the **Company**) but instructed by Moore Australia Corporate Finance (WA) Pty Ltd (**Moore**) to prepare an Independent Technical Assessment Report (**Report** or **ITAR**), including valuation for the Mineral Assets of Stunalara and Inca Minerals Ltd (ASX: ICG) (**Inca)**. The ITAR is prepared to assist Moore in completing its Independent Expert Report (**IER**) in relation to the proposed acquisition of 100% of the issued capital in Stunalara (**Proposed Transaction**).

This Report has been prepared as a public document, in the format of an independent specialist's report and in accordance with the guidelines of the Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets – the 2015 VALMIN Code (**VALMIN**) and the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves – the 2012 JORC Code (**JORC**). The Report documents the technical aspects of the tenements along with explaining valuations for the properties applying the principles and guidelines of the VALMIN and JORC Codes.

VRM understands that Moore will include the Report within its IER relating to the Proposed Transaction.

This Report is a technical review and valuation opinion of the mineral assets of Inca and Stunalara. Applying the principles of the VALMIN Code, VRM has used several valuation methods to determine the value for the mineral assets. Importantly, as neither the principal author nor VRM hold an Australian Financial Securities Licence, this valuation is not a valuation of Inca or Stunalara but rather an asset valuation of the mineral properties of the respective companies.

The Valuation Date is 5 February 2025 and remains current / considers commodity prices as at 5 February 2025. VRM provided a redacted draft report on 5 February 2025 to Moore for factual accuracy checking by the companies. The final report includes any updated technical information associated with the factual accuracy checking conducted by the Company.

As commodity prices, exchange rates and cost inputs fluctuate this valuation is subject to change over time. The valuation derived by VRM is based on information provided by Inca and Stunalara along with publicly available data including ASX releases and published technical information. VRM has made reasonable endeavours to confirm the accuracy, validity and completeness of the technical data which forms the basis of this Report. The opinions and statements in this Report are given in good faith and under the belief that they are accurate and not false nor misleading.

The default currency is Australian dollars (unless otherwise stated). As with all technical valuations the valuation included in this Report is the likely value of the mineral projects and not an absolute value. A range of likely values for the various mineral assets is provided with that range indicating the accuracy of the valuation.

Inca Projects

Inca's main projects consist of the Jean Elson Gold and Copper, the Frewena Gold Copper and Phosphate Projects in Northern Territory (**NT**), the Macauley Creek Copper and Gold Project in Queensland (**QLD**) and the Brammall Hills Lithium Project Applications in northern Western Australia (**WA**). A number of regional tenements are not granted and are considered to have negligible value. The primary projects valued are shown in Figure 1.

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Figure 1: Location of Inca's Projects in WA, NT and Qld

Currently Inca owns between 90% to 100% of the projects.

VRM has estimated the value of the projects on an equity ownership basis considering the technical information supporting its prospectivity. As at the valuation date the Projects contain no declared Mineral Resource Estimates prepared applying the guidelines of JORC.

The valuation has been prepared as a sum of the parts with the value attributed to each exploration Project group. The primary valuation of the exploration tenements was via the Geoscientific / Kilburn method. Secondary valuations were determined based on the Prospectivity Enhancement Multiplier (**PEM**) method.

Stunalara Projects

Stunalara's projects consist of the Hurricane Gold and Antimony Project in Queensland, the Mt Read Copper Nickel Cobalt Project in Tasmania (**Tas**) and the Eastern Goldfields Paleochannel Uranium Projects in Western Australia (Figure 2). Stunalara holds 100% equity in its Projects.

VRM has estimated the value of the projects on an equity ownership basis considering the technical information supporting its prospectivity. As at the valuation date the Projects contain no declared Mineral Resource Estimates prepared applying the guidelines of JORC.

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Figure 2: Location of Stunalara's Projects in WA, Qld and Tas

The valuation has been prepared as a sum of the parts with the value attributed to each exploration Project group. The primary valuation of the exploration tenements was via the Geoscientific / Kilburn method. Secondary valuations were determined based on the Prospectivity Enhancement Multiplier (**PEM**) method.

Valuation Opinion

VRM has estimated the value of the Projects considering the technical information available as at the valuation date as described further in the body of the Report.

There are declared no Mineral Resource estimates within the Projects owned by Inca or Stunalara according to the guidelines of JORC. It is uncertain whether future exploration will result in the definition of any further Mineral Resource estimates on any of the Inca or Stunalara tenements.

Conclusions

Considering the exploration potential of the Projects, in VRM's opinion, the Mineral Assets owned by Inca and Stunalara have a combined market value of between **A$1.9 million** and **A$6.8 million** with a preferred value of **A$4.3 million**. These valuations and the value of the combined assets is summarised in the table below.

The likely market value of the Inca Projects is between **A$1.4 million** and **A$5 million** with a preferred valuation of **A$3.2 million**.

The likely market value of the Stunalara Projects is between **A$0.5 million** and **A$1.8 million** with a preferred valuation of **A$1.1 million**.

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Company		Method		Lower Valuation (A$ M)	Preferred Valuation (A$ M)	Upper Valuation (A$ M)
Stunalara		Geoscientific	Primary	0.5	1.1	1.8
		PEM	Supporting	0.4	0.6	0.8
Stunalara	Preferred			0.5	1.1	1.8
Inca		Geoscientific	Primary	1.4	3.2	5.0
		PEM	Supporting	3.7	5.5	7.3
Inca	Preferred			1.4	3.2	5.0
Combined	Preferred			1.9	4.3	6.8

Note appropriate rounding has been applied and the valuation totals may not add due to rounding

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1. Introduction

Valuation and Resource Management Pty Ltd (**VRM**) was engaged by Stunalara Metals Limited (Stunalara or the **Company**) but instructed by Moore Australia Corporate Finance (WA) Pty Ltd (**Moore**) to prepare an Independent Technical Assessment Report (**Report** or **ITAR**), including valuation for the Mineral Assets of Stunalara and Inca Minerals Ltd (ASX: ICG) (**Inca)**. The ITAR is prepared to assist Moore in completing its Independent Expert Report (**IER**) in relation to the proposed acquisition of 100% of the issued capital in Stunalara (**Proposed Transaction**).

The Mineral Assets of Inca comprises Exploration Tenements in Queensland, Northern Territory and Western Australia (Figure 1).

The Minerals assets of Stunalara comprise Exploration Tenements in Queensland, Western Australia and Tasmania (Figure 2).

1.1 Compliance with the JORC and VALMIN Codes and ASIC Regulatory Guides

In preparing the ITAR, VRM has applied the guidelines and principles of the Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets – 2015 VALMIN Code (**VALMIN**) and the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves – the 2012 JORC Code (**JORC**). Both industry codes are mandatory for all members of the Australasian Institute of Mining and Metallurgy (**AusIMM**) and the Australian Institute of Geoscientists (**AIG**). These codes are also requirements under Australian Securities and Investments Commission (**ASIC**) rules and guidelines and the listing rules of the Australian Securities Exchange (**ASX**).

This ITAR is a Public Report as described in the VALMIN Code (Clause 5) and the JORC Code (Clause 9). It is based on, and fairly reflects, the information and supporting documentation provided by Inca Resources and previous owners and associated Competent Persons as referenced in this ITAR and additional publicly available information.

1.2 Scope of Work

VRM's primary obligation in preparing this ITAR is to independently describe and value the Mineral Assets of Inca Resources applying the guidelines of the JORC and VALMIN Codes. These require that the Report contains all the relevant information at the date of disclosure, which investors and their professional advisors would reasonably require in making a reasoned and balanced judgement regarding the Projects.

VRM has compiled the Report based on the principle of reviewing and interrogating both the documentation of the companies involved and their consultants, and other previous exploration within the area. This Report is a summary of the work conducted, completed, and reported by the companies from pegging or acquisition of the Projects to 5 February 2025, based on information supplied to VRM by both companies, and other information sourced in the public domain, to the extent required by the VALMIN and JORC Codes.

VRM understands that its review and report will be appended to an Independent Experts Report prepared by Moore which will be included in a Notice of Meeting to the shareholders of Stunalara and as such, it is understood that VRM's review will be a public document. Accordingly, this report has been prepared in accordance with the requirements of the 2015 VALMIN Code.

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1.3 Statement of Independence

VRM was engaged to undertake an ITAR of the assets of Inca and Stunalara. This work was conducted applying the principles of the JORC and VALMIN Codes, which in turn reference ASIC Regulatory Guide 111 Content of expert reports (**RG111**) and ASIC Regulatory Guide 112 Independence of Experts (**RG112**).

Lynda Burnett and Paul Dunbar of VRM have not, within the past two years had any association with Inca or Stunalara, its individual employees, or any interest in the securities of Inca or Stunalara or potential interest, nor are they expected to be employed by either company after the proposed transaction, which could be regarded as affecting their ability to give an independent, objective, and unbiased opinion. VRM will be paid a fee for this work based on standard commercial rates for professional services. The fee is not contingent on the results of this review and is estimated to be approximately $38,000 (ex GST).

1.4 Competent Persons Declaration and Qualifications

This Report was prepared by Ms Lynda Burnett as the primary author. Mr Paul Dunbar reviewed the report and also reviewed the valuation.

The Report and information that relates to geology, exploration results, exploration potential and mineral asset valuation is based on information compiled by Ms Lynda Burnett, BSc (Hons), a Competent Person who is a member of the AUSIMM. Ms Burnett is an associate of VRM and has sufficient experience, which is relevant to the style of mineralisation, geology, and type of deposits under consideration and to the activity being undertaken to qualify as a Competent Person under the 2012 JORC Code. Ms Burnett consents to the inclusion in the Report of the matters based on her information in the form and context in which it appears.

The information that relates to mineral asset valuation was reviewed by Mr Paul Dunbar, BSc (Hons), MSc (Minex), a VALMIN Specialist who is a fellow of the AusIMM and a member of the AIG. Mr Dunbar is a Principal of VRM and has sufficient experience, which is relevant to the style of mineralisation, geology, and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person under the 2012 JORC Code and a Specialist under the 2015 VALMIN Code. Mr Dunbar consents to the inclusion in the Report of the matters based on his information in the form and context in which it appears.

1.5 Reliance on Experts

The authors of this Report are not qualified to provide extensive commentary on the legal aspects of the tenure of the mineral properties or the compliance with the legislative environment and permitting in Queensland, Northern Territory, Western Australia or Tasmania. In relation to the tenement standing, VRM has relied on the information publicly available on the databases of the relevant state bodies. On this basis VRM has confirmed the tenements which constitute the Project held by Inca and Stunalara are in good standing. The company has confirmed the tenement status of its Project.

In respect of the information contained in this Report, VRM has relied on information and technical reports obtained from Inca and Stunalara or the public domain including but not limited to:

- Presentation materials including several cross sections and plans.
- Information provided by Inca and Stunalara including Mineral Resource reports.
- Annual Technical Reports for the tenements.

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- Various Inca ASX releases including but not limited to,
- Annual Reports
- Quarterly Reports
- ASX releases detailing exploration activities.
- Various ASX releases from previous owners and neighbouring companies.
- Publicly available information including several publications on the regional geology and tectonic evolution of the Region; and
- Government Regional datasets, including geological mapping and explanatory notes.

All information and conclusions within this Report are based on information that VRM requested from Inca to assist with this Report and other relevant publicly available data to 5 February 2025. Reference has been made to other sources of information, published and unpublished, including government reports where it has been considered necessary. VRM has, as far as possible and making all reasonable enquiries, attempted to confirm the authenticity and completeness of the technical data used in the preparation of this Report and to ensure that it had access to all relevant technical information. VRM has assessed the content of these reports and information and confirm that the contents are reasonable and that they meet the Reasonable Grounds Requirements. VRM has relied on the information contained within the reports, articles and databases provided by Inca and Stunalara as detailed in the reference list. A draft of this Report was provided to Moore for provision to the companies, for the purpose of identifying and addressing any factual errors or omissions prior to finalisation of the Report. The valuation sections of the Report were not provided to the companies until the technical aspects were validated and the Report was declared final.

This ITAR contains statements attributable to third parties. These statements are made or based upon statements made in previous technical reports that are publicly available from either government departments or the ASX. The authors of these previous reports have not consented to the statements' use in the Report, and these statements are included in accordance with ASIC Corporations (Consent to Statements) Instrument 2016/72.

1.6 Site visit

A site visit to the Projects was not undertaken for this ITAR.

VRM does not believe that undertaking a site visit would provide any additional information that would materially change the opinions, conclusions or valuation contained within the Report.

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2. Mineral Tenure

2.1 Inca's Projects

Inca has projects in three states in Australia, Northern Territory, Queensland and Western Australia.

The Northern Territory Projects are the Jean Elson Project in the northeastern Aileron Province and the Frewena Project group in the South Nicholson Basin/East Tennant Creek district. The Lorna May tenement Applications and Collia South Application are also located in the Northern Territory.

In Queensland, the Maccauley Creek Project is 150km located west of Townsville. The Hay River project straddles the Queensland Northern Territory Border.

In Western Australia, the Brammall Hills Project Applications are located in the Western Tanami. Table 1 lists the Inca tenements.

Table 1: Inca Tenements

State	Project	Tenement	Holder	Grant Date	Expiry Date	Total Area	Interest	Status
NT	Frewena Fable	EL31974	Inca	7/03/2019	6/03/2025	552.4	90%	Live
	Frewena Fable	EL32287	Inca	28/01/2021	27/01/2027	142.2	90%	Live
	Frewena East	EL33258	Inca	28/01/2021	27/01/2027	142.2	90%	Live
	Frewena East	EL32857	Inca	11/05/2022	10/05/2028	585.2	90%	Live
	Frewena East	EL32795	Inca	15/09/2021	14/09/2027	90.5	90%	Live
	Frewena Far East	EL33282	Inca	13/09/2022	12/09/2027	802.7	90%	Live
	Frewena Frontier	EL32688	Inca	14/10/2021	13/10/2027	404.4	90%	Live
	Frewena Frontier	EL32689	Inca	14/10/2021	13/10/2027	807.7	90%	Live
	Frewena Frontier	EL32690	Inca	14/10/2021	13/10/2027	403.4	90%	Live
	Lorna May	EL32107	Inca				90%	Appl
	Lorna May	EL33151	Inca				90%	Appl
	Jean Elson	EL32485	Inca	16/04/2021	15/04/2027	678.5	90%	Live
	Jean Elson	EL32486	Inca	16/04/2021	15/04/2027	790.6	90%	Live
	Jean Elson	EL33214	Inca	30/12/2022	29/12/2028	678.1	90%	Live
WA	Brammall Hills	E80/5904	NWIPL				100%	Appl
		E80/5968	Inca				100%	Appl
		E80/5967	Inca				100%	Appl
Qld	MacCauley Creek	EPM27124	Inca	19/06/2019	18/06/2029	78SB	90%	Live
	MacCauley Creek	EPM27163	Inca	18/09/2019	17/09/2029	33SB	90%	Live
	Hay River	EPM27747	Inca	6/11/2020	19/07/2023	5SB	90%	Live
NT	Hay River	EL32579	Inca				90%	Appl
NT	Collia South	EL33604	Inca				100%	Appl

Note Inca – Inca Minerals Ltd, NWIPL - North West Iron Pty Ltd

The Inca tenements have been validated by VRM reviewing the tenement information provided by the various Australian State Government Agencies. The area and anniversary dates for each tenement were validated by VRM during the search.

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VRM is not qualified or a specialist in the mining tenure or mining act of Northern Territory, Queensland and Western Australia and as no warranty, actual or implied is made regarding the validity or security of the tenure listed in Table 1.

2.2 Stunalara's Projects

Stunalara has projects in three states in Australia, Queensland, Western Australia and Tasmania.

The Queensland tenements comprise the Hurricane Gold and Antimony Project covering 49.5 km^2, 100km west of Cairns. The Tasmanian project comprises one Exploration Licence in the Mt Read base metals and gold district south of Strahan in Western Tasmania. The Western Australian tenements are prospective for uranium and comprise three separate project tenements, one granted at Mulga Rocks Southeast 250km east of Kalgoorlie and two applications, Boomerang and Lake Ballard, 100km north and northeast of Kalgoorlie. Table 2 contains a list of the tenements.

Table 2: Stunalara Tenements

State	Project	Tenement	Holder	Grant Date	Expiry Date	Total Area	Interest	Status
Queensland	Hurricane	EPM27518	PGPL	22/06/2020	21/06/2025	27.0	100%	Live
	Hurricane	EPM19437	PGPL	14/04/2013	14/04/2028	16.0	100%	Live
	Hurricane	EPM25855	PGPL	8/07/2015	7/07/2027	6.5	100%	Live
Tasmania	Mt Read	E4/2024	SOPL	14/08/2024	13/08/2029	224.0	100%	Live
WA	Mulga Rocks South East	E28/3451	SOPL	26/09/2024	25/09/2029	241.0	100%	Live
	Boomerang	E31/1387	SOPL			241.0	100%	Appl
	Lake Ballard	E29/1264	SOPL			186.0	100%	Appl

Note PGPL - Placer Gold Pty Ltd, SOPL - Stunalara (Operations) Pty Ltd

The Stunalara tenements have been validated by VRM reviewing the tenement information provided by the various Australian State Government Agencies. The area and anniversary dates for each tenement were validated by VRM during the search.

VRM is not qualified or a specialist in the mining tenure or mining act of Queensland, Tasmania and Western Australia and as no warranty, actual or implied is made regarding the validity or security of the tenure listed in Table 2.

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3. Stunalara's Projects

3.1 Queensland – Hurricane Gold and Antimony

The Hurricane Project is located around 100km west of Cairns and comprises three tenements EPM27518, EPM19437 and EPM25855 for 49.5km^2. By road, the project is accessed via Mareeba and Dimbulah to Hurricane Station. There are alternate routes, but access can be cut by seasonal rains during summer usually from January to April. Exploration is generally restricted to the months of May to December. The overlapping land tenure includes Hurricane Station (1DA802415), Nychum Station (254WRM9) and Kondaparinga Station (5112HG843453). The Djungan People#3 Native Title Claim is on Kondaparinga Station (QCD2012/005). The project is within the Mareeba Shire and shown in Figure 3.



Figure 3: Location of Stunalara's Hurricane Gold and Antimony project

Source: Stunalara

3.1.1 Regional Geological Setting

The Project is located south east of the historic Atric/Retina/Tregoora mines. This area was reviewed by Davis *et al* (2002) who compiled a regional geological context for the area (Figure 4).

The Hodgkinson Province is mostly made up of Early Paleozoic turbiditic graywacke-siltstone and shales which have been intruded by Early Permian granitoids (Bultitude and Champion, 1992). Various orogenic events have deformed the rocks from Middle Ordovician, Late Devonian-Early Carboniferous (D_2) and Permian-Early Triassic (Hunter -Bowen) (D_3 and D_4) with its synchronous granite intrusion and associated gold mineralisation.

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Davis *et al* (2002), described the geology and structural setting of the Hodgkinson Goldfield as Late Devonian early Carboniferous (D_2) with quartz-stibnite veins forming late in the vein paragenesis (D_3 and D_4). The dominant structure is north trending and steeply dipping with progressive reactivation. The authors state that steeply dipping D_2 foliations, faults, and shear zones have been utilized by D_4 deformation to produce composite structures. Orogenic gold-bearing quartz veins in the Hodgkinson province are commonly associated with shears and faults and show complex emplacement histories and crosscutting relationships. Vein emplacement associated with these structures spans a period from at least D_2 to D_4.

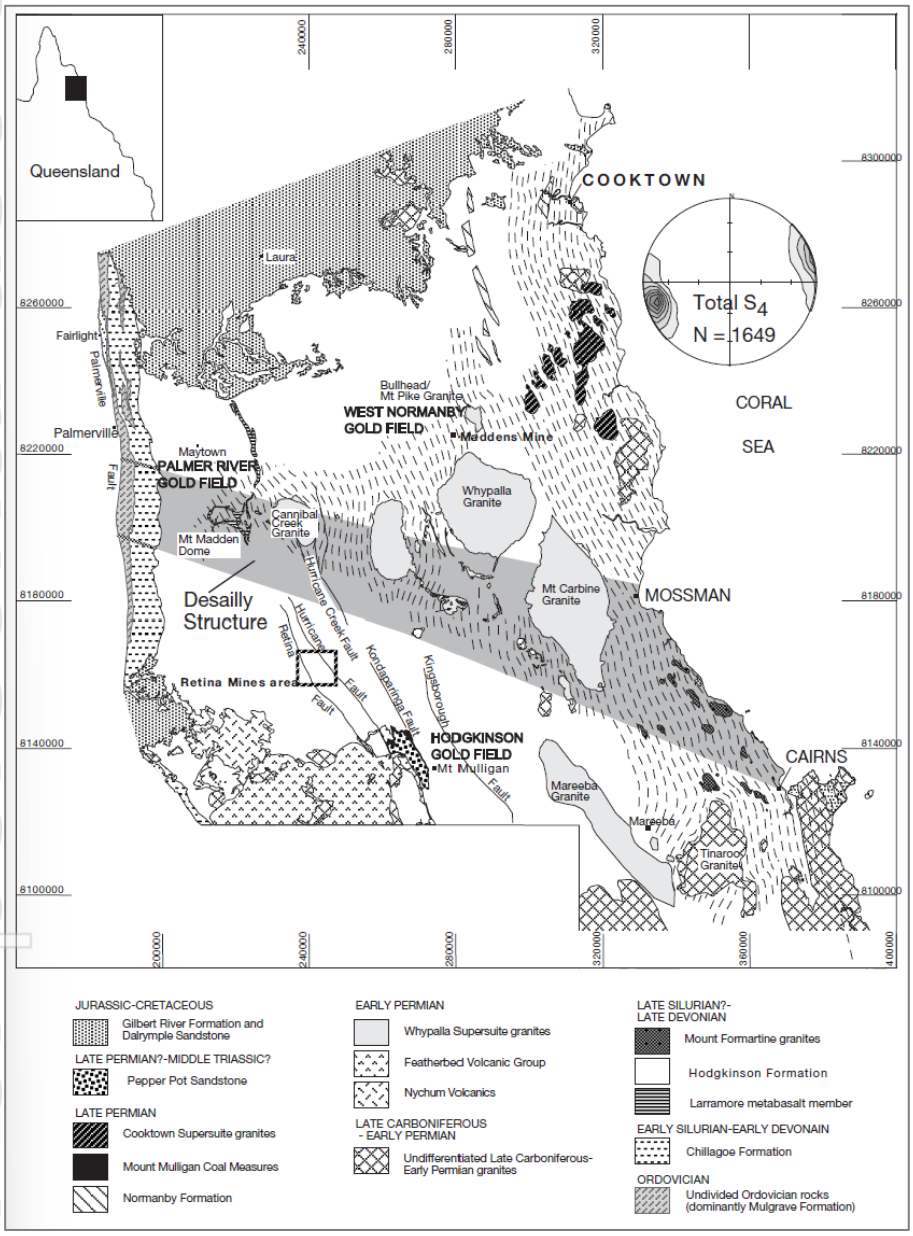

Figure 4: Geology of the Hodgkinson Province goldfields

Source: Davis *et al* 2002

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3.1.2 Local Geology and Mineralisation

Figure 5 below shows the detailed geology of the project area with the through going regional Retina and Hurricane Faults sub-parallel to bedding and regional fold axes. The geology is from the Geological Survey of Queensland mapping.

According to Wilmhelmij 2021, bedding traces in the vicinity of the vein systems within EPM 25855 and EPM 19437 (Figure 6) outline a fold structure which is cut by a northeast-trending structure. It is likely that extensional vein geometry is controlled by both the fold structure (saddle reefs) and the northeast-trending fault which appears to off-set some of the veins (Holmes, Cyclone and Tornado).

A structural model that could explain the gold-bearing breccia veins is that they represent extensional dilational features related to a connecting fault between the Hurricane and Retina faults which are assumed to have significant strike slip components. Extensional structure between the two major northwest trending would have been preferred pathways for the emplacement of high level felsic intrusives which could be related to the gold mineralised breccia veins.

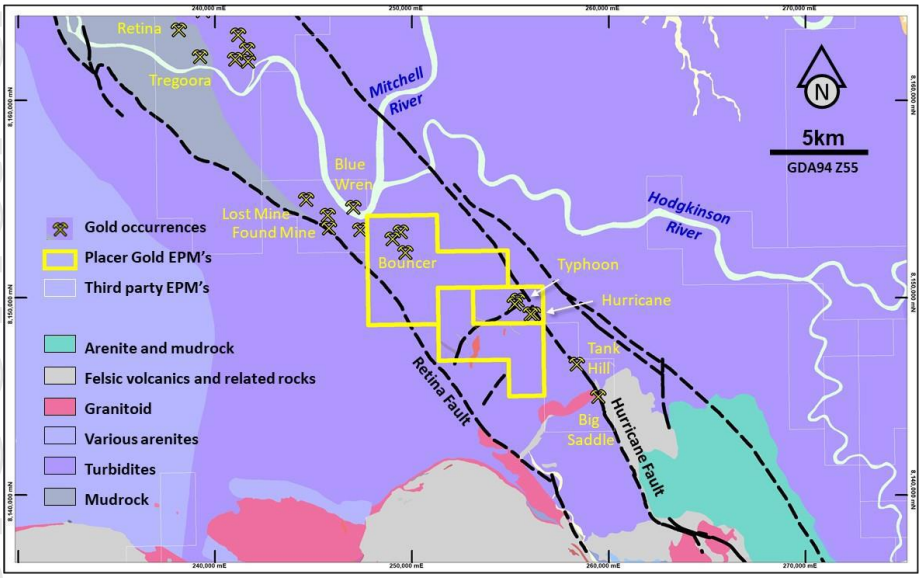

Figure 5: Local Geology and GSQ mineral occurrence database.

Source: Wilhelmij 2021

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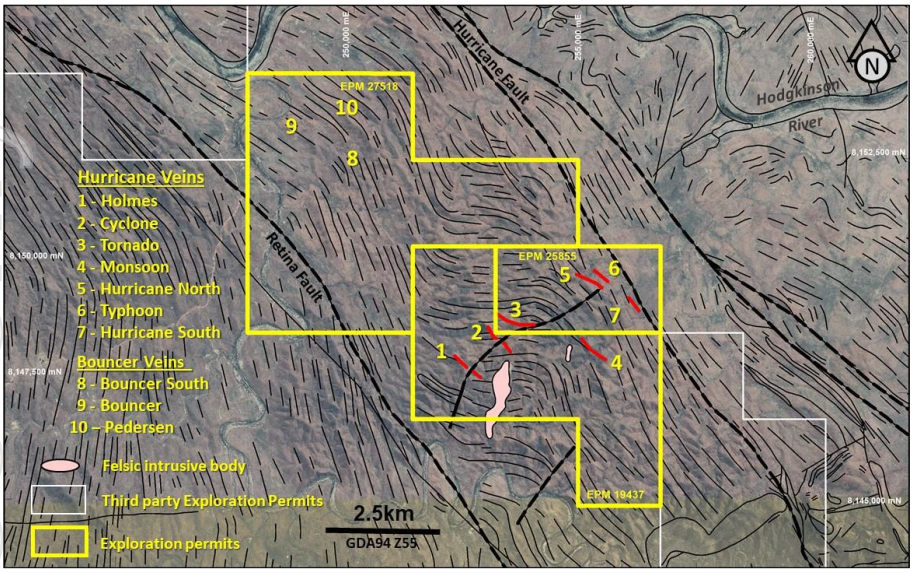

Figure 6: Gold-Antimony Vein locations and orientations with form surfaces shown.

Source: Wilhelmij 2021

Historically the Retina and Tregoora veins (the closest old workings to the tenements) were mined as hard rock sources from the 1880s for both gold and antimony as part of the Mitchell River Antimony deposits. Reisgys (1986) reports approximately 100 tonnes of antimony was mined principally during the period 1905 to 1914 and 1937 to 1944. Production also occurred in the 1980s and 1990s with processing at Northcote 60km to the southeast. The Mitchell River/Retina Mine also produced 196 tonnes of 60% antimony concentrate from ore grading 2.7% during the early 1970-1971 (Wallis 1990).

3.1.3 Previous and Current Exploration

No previous drilling below surface has been conducted on the Stunalara tenements and regionally is not below 60m as the previous explorers targeted oxide material. Historical exploration has been conducted by BHP, Placer, Western Mining Corporation, Homestake and Republic Gold Limited mainly collecting rock chips and conducting metallurgy on surface samples. Placer Gold Pty Ltd acquired the current three tenements between 2013 and 2020 and has conducted further extensive rock chip sampling of vein material with results summarised in Figure 7 and Figure 8. The detailed results and sample locations are summarised in (ASX: ICG 5/02/2025).

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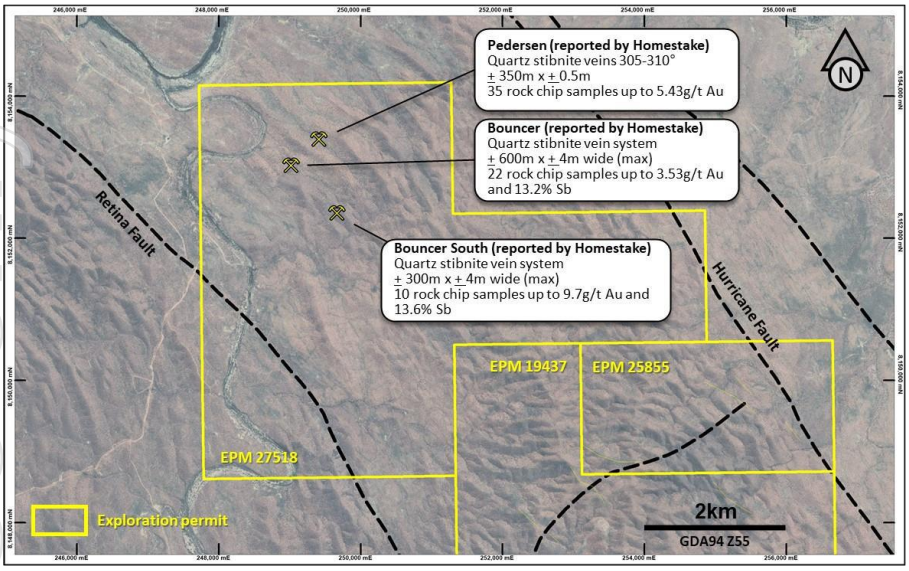

Figure 7: Northern Exploration Permits prospect summaries

Source: Wilhelmij 2021

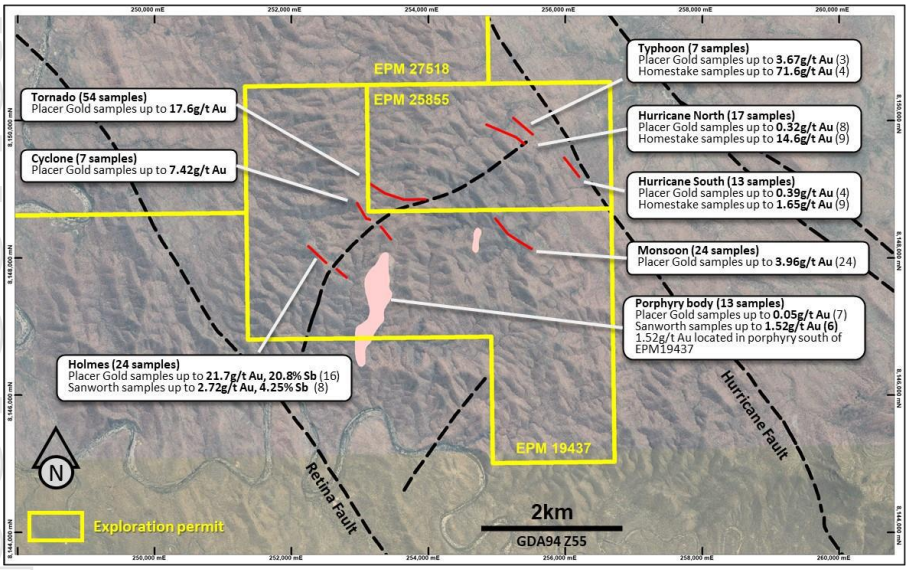

Figure 8: Southern Exploration Permits prospect summaries

Source: Wilhelmij 2021

3.1.4 Exploration Potential

No drilling has been conducted on these outcropping veins. Drill testing further north at Tregoora and Atric has defined low tonnage (less than 5000t per vein) low grade gold and antimony, which is likely to be a scale of interest to artisanal and small scale miners. Without drill testing the outcropping veins it is difficult to determine the size of the target. The lack of drilling is partly due to rugged terrain creating difficult access conditions, which in turn results in costly exploration if drilling to a resource stage.

3.2 Western Australia – Paleochannel Uranium Projects

Stunalara hold three exploration licence applications north and east of Kalgoorlie covering paleochannels at Ballard ELA31/1387, Boomerang Lakes ELA29/1264 and Mulga Rock South East

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E28/3451. Deep Yellow has the only permitted uranium project in WA at Mulga Rock with a Mineral Resource of 115Mt at 410ppm U_3O_8 (46,593t U_3O_8), (ASX: DYL 28 Feb 2024). A Definitive Feasibility Study (**DFS**) is underway to develop this mine. A large part of the nearby Ponton Uranium Deposits held by Manhattan Corp. are within the Queen Victoria Rocks Nature Reserve (Figure 9).

3.2.1 Regional Geological Setting

The tenement regional geology of Ballard and Boomerang Lake consist of Archean Granites and Greenstone of the Yilgarn Craton. The areas of prospectivity for uranium are where paleochannels drain granitoids. The Mulga Southeast channel drains gneisses of the Albany Fraser Province (Figure 9).

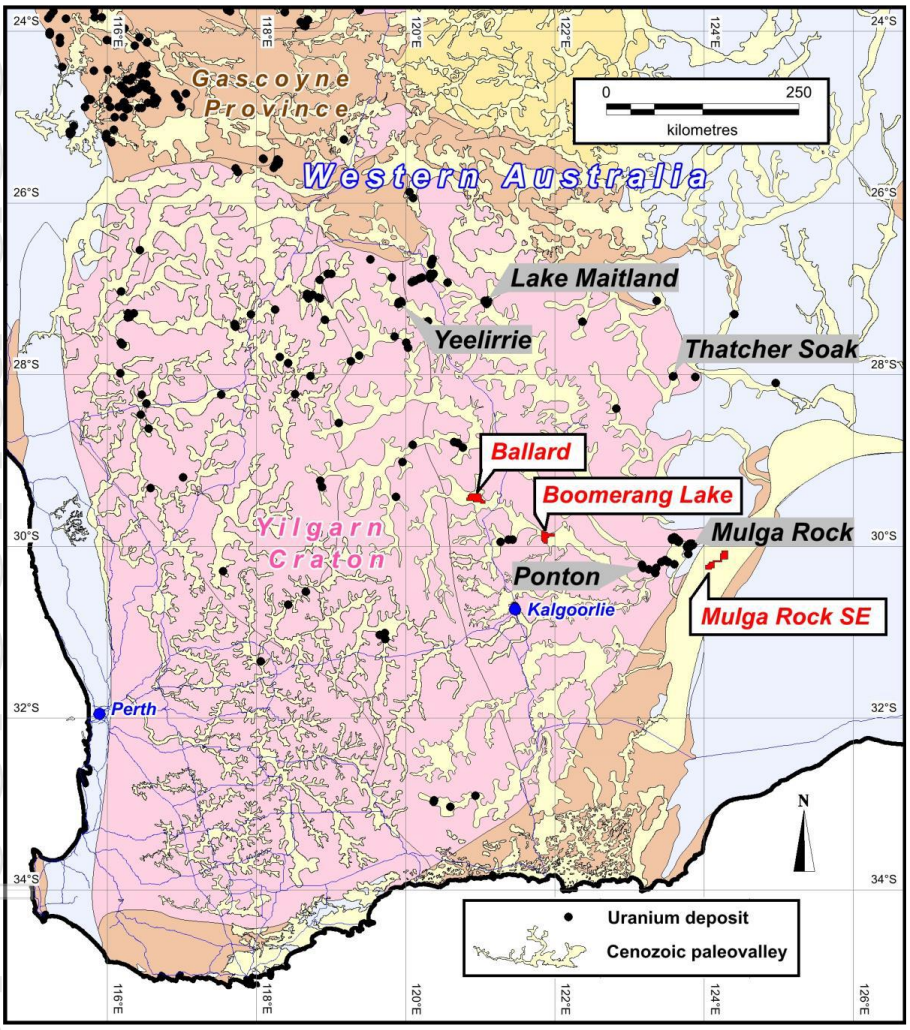

Figure 9: Location of Uranium Exploration Licences Western Australia

Source: GSWA Geology

3.2.2 Local Geology and Mineralisation

Mulga Rocks South East

Tenement E28/3451 covers southwest and northeast channels east of Mulga Rock and Ponton channels. The uranium deposit types are lignite and sandstone hosted within Tertiary channels. At Mulga Rocks South East, the Tertiary channel lies above Albany-Fraser Province gneisses and gabbros

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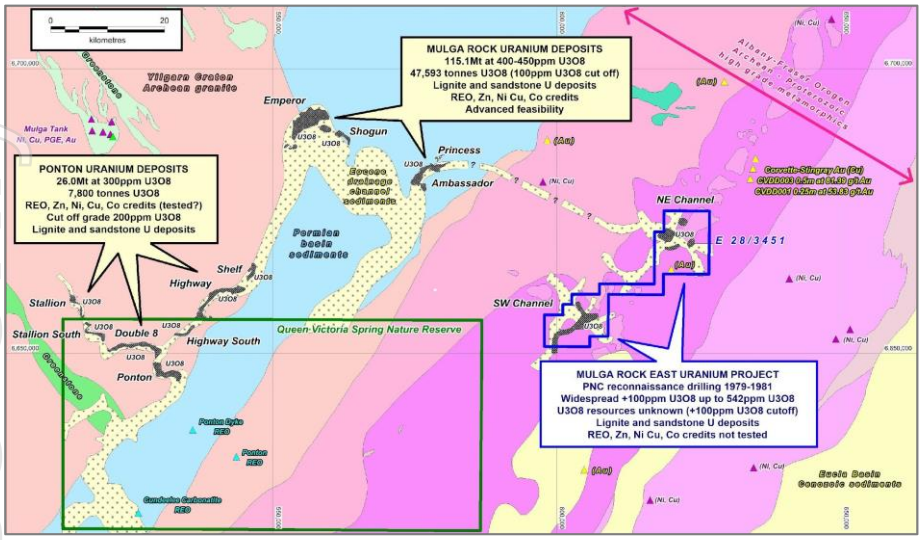

Figure 10: Regional Geology of Mulga Rocks area showing local Uranium Deposits.

Boomerang and Ballard

Tenements E29/1264 Ballard, and E31/1387 Boomerang Lakes cover Yilgarn granite between the Greenstone Terrane to the east and west. The overlying Lake Rebecca paleochannel at Boomerang and Lake Ballard passes through the tenements.

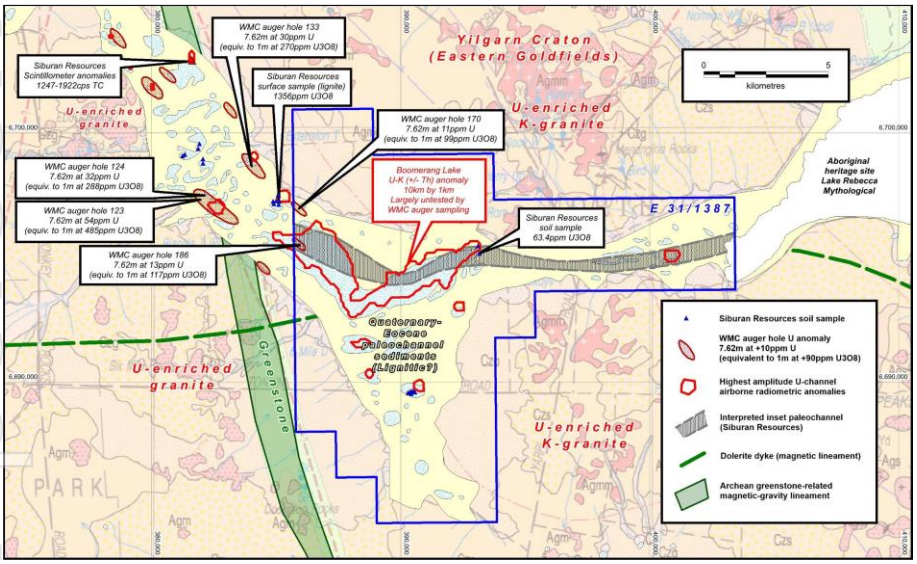

Figure 11: Location and geology of Lake Rebecca paleochannel and previous uranium exploration

Source: Stunalara Metals

3.2.3 Previous and Current Exploration

Mulga Rocks South East

From 1979 to 1981 PNC conducted extensive regional drilling for uranium in the Mulga Rocks area including the project.

Reconnaissance aircore drilling has also been conducted by Corvette, Dominion, Ni Plats and AngloGold Ashanti (WAMEX 85978, 77138, 74438 and 88092) for gold, and base metals. Figure 12 and Figure 13

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below shows the location of the highest radioactivity in the Tertiary channels as measured in PNC drilling as down hole radioactivity.

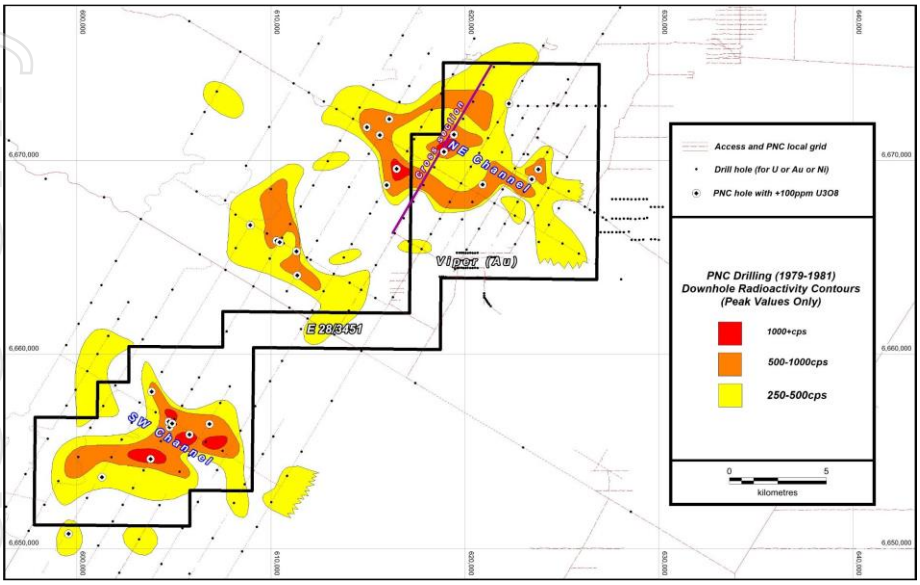

Figure 12: Mulga Rocks Southeast PNC drilling radioactivity contours

Source: Stunalara Metals

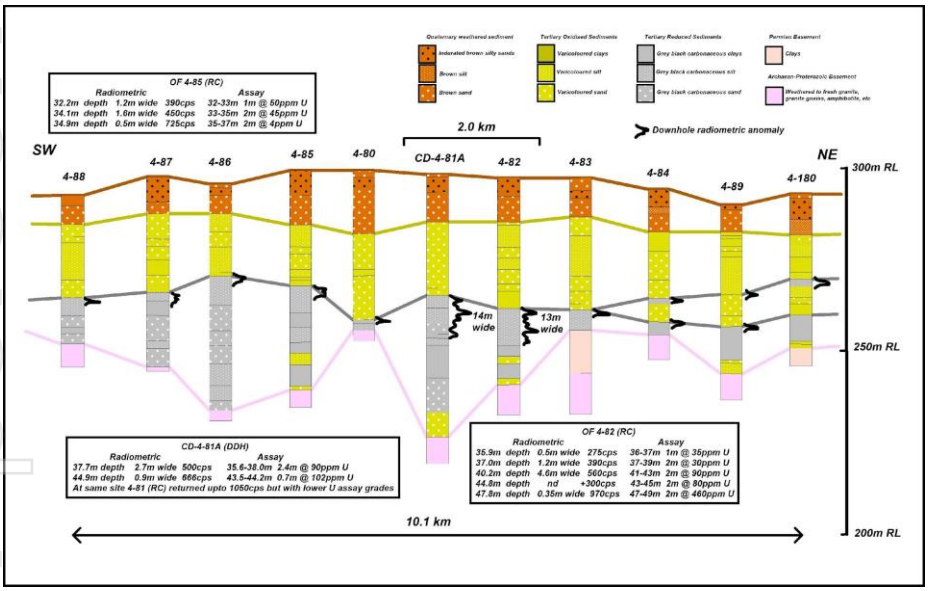

Figure 13: Mulga Rocks SE Drilling Section NE Channel

Source: Stunalara Metals

Ballard and Boomerang

No previous drilling is recorded in the WAMEX open file report data base. Figure 14 below shows previous work on Ballard using auger drilling by Uranerz in the 1970s. At Ballard, drilling did not penetrate many parts of the channel, and the channel remains untested for uranium. In addition, at Boomerang the most radioactive U-Th part of the channel have not been tested.

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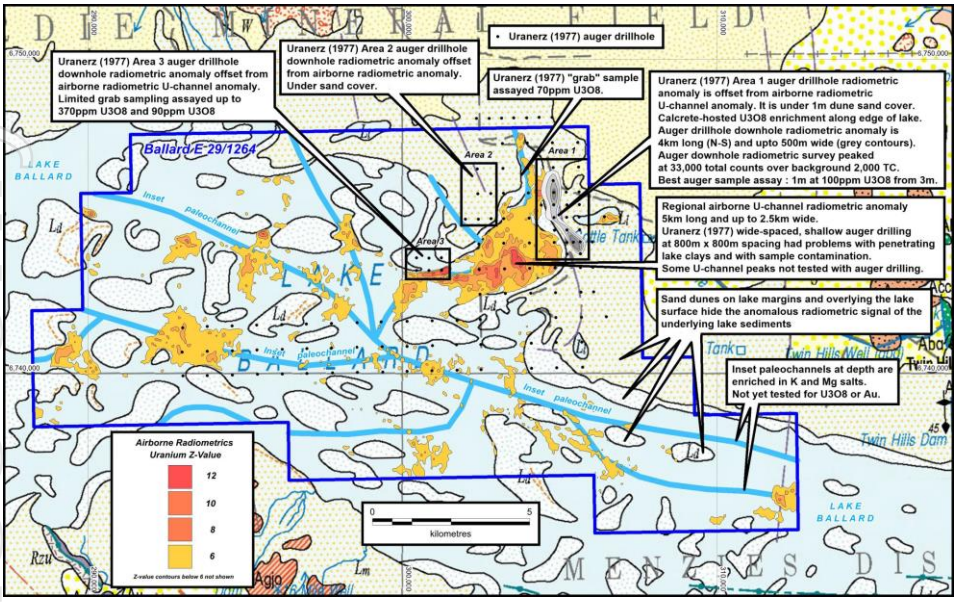

Figure 14: Ballard Tertiary Channel with U radiometrics superimposed.

Source: Stunalara Metals

3.2.4 Exploration Potential

The three tenements have potential for low grade paleochannel sandstone hosted uranium mineralisation. There are several similar areas throughout the Yilgarn where paleochannels drain granite terrain which may allow the accumulation and deposition of uranium. For such potential deposits to be economic, the WA government would need to approve more development of uranium in the State (currently approvals are restricted) and the uranium price would need to be consistently sustainably higher to mine small low grade deposits in the lows 100s of ppm.

3.3 Tasmania – Mt Read Copper Nickel Cobalt Project

The project consists of one Exploration Licence EL4/2024 for 224km^2 in the southern Mt Read Volcanic Belt. The tenement is located on the Cape Sorell Peninsula south of Macquarie Harbour in Western Tasmania.

The tenement lies within the Southwest Conservation Area and is part of the Cape Sorell, Strategic Prospectivity Zone, which is protected by the Mining (strategic Prospectivity Zones) Act 1993 – An Act to ensure continuing access for mining purposes to areas of the State having high potential for mineral exploration. The tenements are abutted to the east by the Franklin Gordon Wild Rivers National Park, and to the northeast by the Macquarie Harbour Historical Site.

Access to the project area is from Strahan via helicopter or boat. Within the project area, access is by foot via historical exploration tracks and cut lines. The licence contains many road tracks cut by previous mineral explorers. However, since the 1990's these roads have not been maintained, and now are generally unsuitable for vehicle access. In order to gain exploration access, key access roads could be re-established with modest re-grading works. Vehicles would be transported to the field area via barge from Strahan. Diamond core drilling has most recently (2018) been conducted using an LF70 helicopter portable rig.

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There have been no determinations of native title in Tasmania and there are no registered claims that affect the Mount Read Tenements.

The tenement was part of the Accelerate Resources Ltd.'s (**AX8**) IPO in 2018. AX8 sold the project via an option arrangement to Stunalara in 2021 (ASX: AX8 4 June 2021). The deal did not complete, as Stunalara failed to list on the Australian Stock Exchange during the timeframe of the agreement and the tenements (EL6/2013 and EL7/2013) were relinquished. Stunalara applied for the ground in January 2024 and exploration licence EL4/2024 was granted on the 14th of August 2024.

3.3.1 Regional Geological Setting

The geology south of Macquarie Harbour is interpreted to be a continuation of the Mount Read Volcanic Belt to the north. This belt hosts long life profitable gold, coper gold, base metal and tin mines (Figure 15).

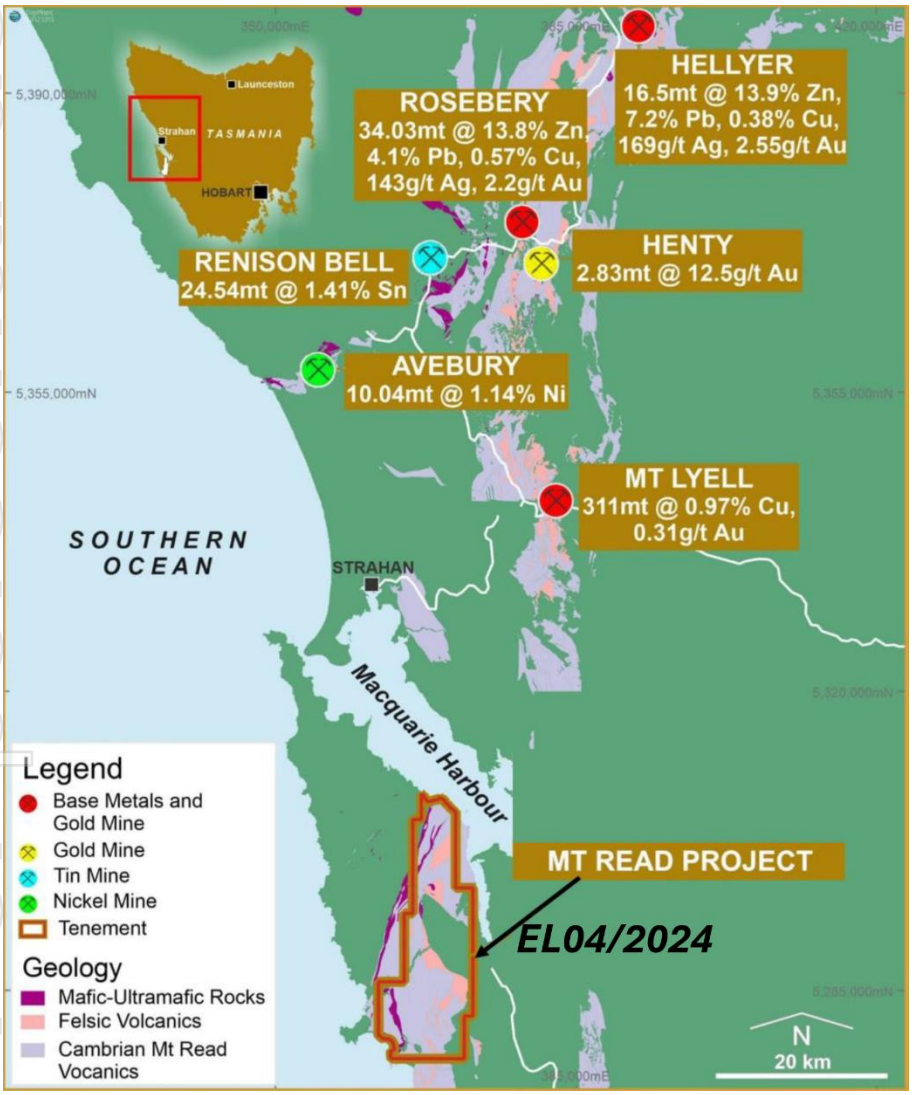

Figure 15: Tenement location in southern Mt Read Volcanic Belt with Major Deposits shown.

Source: Stunalara 5 February 2025

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3.3.2 Local Geology and Mineralisation

Brown *et al.* (1991) recognised two Precambrian rock successions and six Eocambrian-Cambrian volcano-sedimentary associations in the region. Four of the volcanic associations are relevant to the tenement area.

These associations are: -

- Andesite-rhyolite association (Noddy Creek Volcanics) considered to be equivalent to Mt Read Volcanics.
- Boninitic association (Timbertops Volcanics).
- Picritic basalt- basalt association (Birch's Inlet-Mainwaring River Volcanics).
- Serpentinised ultramafic rock-gabbro association incorporating sheared blocks of 1. and 2. (Point Hibbs Melange Belt).

These multiple-deformed associations are bounded by a series of northeast to north-northeast trending faults and the distribution of these associations is interpreted by Brown *et al* (1991) to result from thrust sheet stacking.

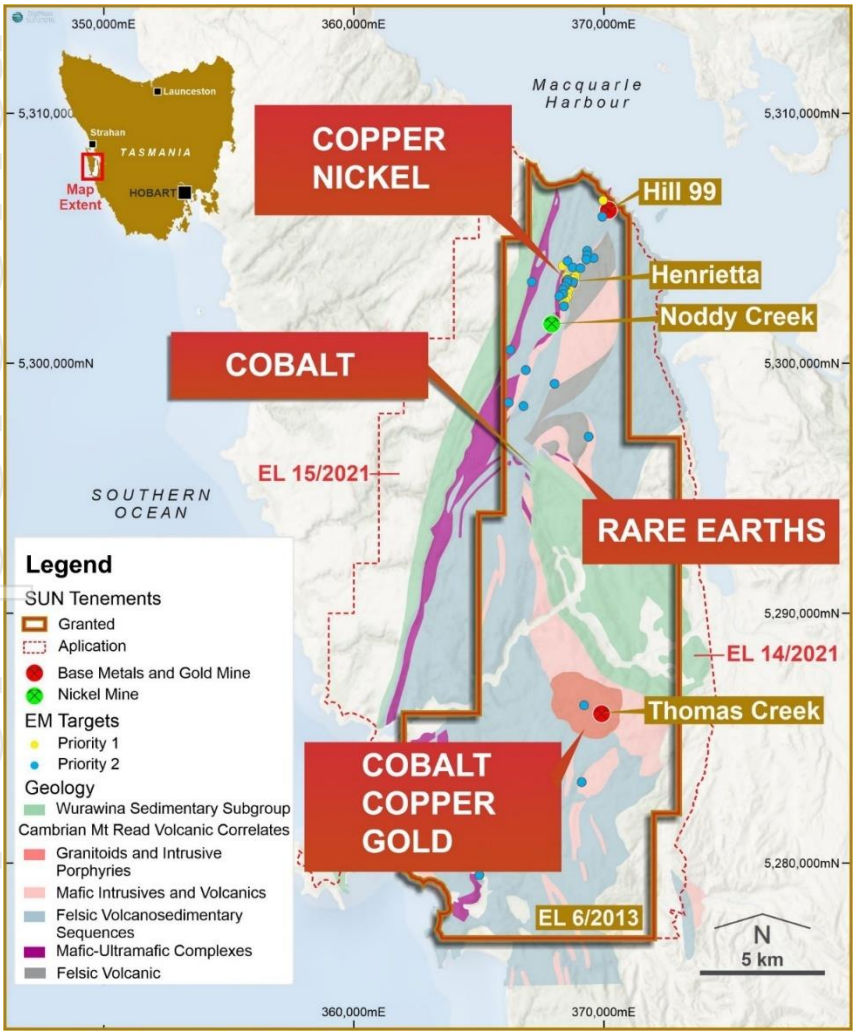

Figure 16: Local Geology showing key Prospects (note old tenement numbers).

Source: Reid 2021

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Exploration is being undertaken for volcanic hosted massive sulphide at Hill 99 and hybrid mineralisation hosted within the Cambrian Mount Read Volcanic equivalent strata, including porphyry / intrusive-related copper-cobalt-gold mineralisation at the Thomas Creek Prospect, as well as nickel-sulphide and platinum-group element mineralisation associated with middle Cambrian mafic and ultramafic rocks of the Hibbs Ultramafic Belt, including the Henrietta and Young Henry Prospects.

The combination of volcanic and intrusive rock stratigraphic association, geochemical signature, alteration assemblages, sulphide assemblages, and geophysical expression has been used by previous explorers to draw analogies between the potential for Thomas Creek and the Mount Lyell Cu-Au deposit of western Tasmania.

The Thomas Creek (Cu-Co-Au) Prospect is recognised as a significant occurrence of poorly outcropping low-grade copper, cobalt and gold mineralisation associated with hydrothermal alteration of an andesitic to dioritic intrusive-volcanic complex. Sulphide mineralisation occurs over a large area and is associated with micromonzodiorite intrusions, brecciation, veining and 'porphyry'-style K-feldspar-silica and magnetite-chlorite alteration.

The Thomas Creek prospect has a distinct geophysical signature with a donut shaped magnetic anomaly high with a central low (which is a resistivity high). Radiometrics highlight a potassium high anomaly co-incident with the magnetics.

3.3.3 Previous and Current Exploration

Prior to modern exploration Sporadic small-scale mining/prospecting was carried out around the beginning of the 20th century in areas where coastal access facilitated work. Commodities mined include:

- Asbestos at Asbestos Point.
- Copper at Birthday Bay (where a few tonnes of chalcopyrite, bornite and copper carbonates were produced from near-shore workings); and
- Alluvial osmiridium, gold, and chrome along the Spero River south of Point Hibbs and on creeks along the north coast near Gravelly Beach and parts of Birch's Inlet.

The difficulty of access to early explorers, without the benefit of helicopter support, has served to inhibit exploration of the area until the last five decades. At this point, several regional mineral exploration programs by large companies and regional mapping surveys by Mineral Resources Tasmania were carried out, leading to a greater understanding of the geology and mineral potential of the region.

Thomas Creek

Eight shallow holes were drilled in 1996 by Plutonic Operations Ltd into a copper in soil anomaly and confirmed anomalous copper cobalt and gold associated with chalcopyrite bearing sulphides in alteration assemblages resulting from dioritic intrusion into volcanic host rocks.

Subsequently to the drilling in 2014 Sherlock Minerals conducted dipole-dipole IP surveys in the same area, which detected a 300m wide 500m long and 100-200m deep chargeability anomaly. An analysis of the drilling showed that Plutonic's earlier drilling did not intersect the anomaly. Alteration in the Plutonic holes was strong silica-kspar-sericite-chlorite-magnetite with a best result of 48m at 0.09% Cu from 50m in hole TCD02.

During 2018, AX8 collected additional soils and IP and Magneto Tellurics (**MT**) to assist further drill targeting.

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Accelerate drilled four deep drillholes for 1,488.7m between 2018 and 2019 into the Thomas Creek intrusive target to test the IP anomaly and outer magnetic anomaly and detected low grade copper mineralisation and small 10-20cm veins of massive sulphide and breccias. This drilling has, most likely, tested the main geophysical IP target zone defined between 100m and 200m depth below the peak soil geochemical Co-Cu-Au anomaly with low level results such as TCDD002 from 114m, 46m at 0.11% Cu, which was around 100m from TCD02.

The first three holes intersected propylitic alteration similar to that associated with porphyry style mineralisation. Zones of weak to moderate potassic alteration were also seen, in some cases associated with brecciated fault zones and veinlets containing pyrite and chalcopyrite. Best results include: 3m at 2323ppm Co and 0.09% Cu; 46m at 0.11% Cu from 114m in TCDD002; 22m at 193ppm Co and 0.01% Cu from TCDD003.

A fourth hole TCDD004 co-funded by the Tasmanian Government, targeted the magnetic rim of the circular anomaly, soils and IP resistivity /chargeability features. The hole intersected a sequence of altered andesitic lavas and volcanic breccias, crosscut by several potassium feldspar altered monzodiorites, with zones of magnetite – chalcopyrite - pyrite – potassium feldspar veining intersected in the upper 300m of the hole. Several zones of anomalous copper and gold were identified, including 4m at 0.19% Cu from 292m, 2m at 1.65g/t Au from 424m, 2m at 0.41% Cu from 458m and 4.3m at 0.11% Cu from 605.7m. At 519m a VHMS horizon was observed.

Following data analysis and integration a new copper gold prospective zone near Thomas Creek's northern magnetic rim was defined with elevated (~0.1ppm) gold zone coincident with copper (400 to 1400ppm) in soils and P > 10000ppm with >15% Fe, 470ppm Cu and 134ppm Zn rock chips (Reid, 2021).

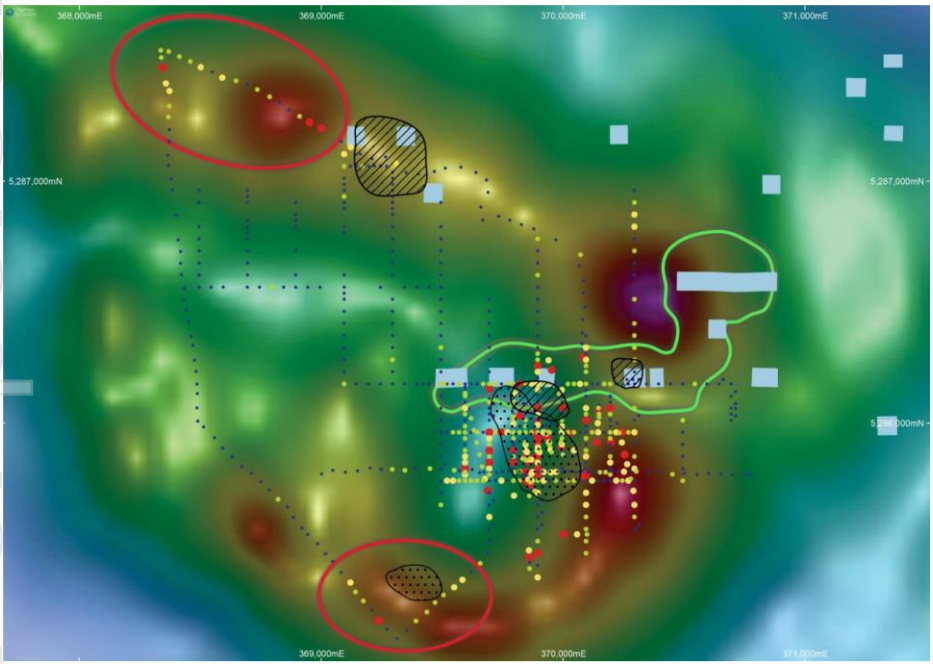

Figure 17: Thomas Creek magnetic annular feature with IP anomaly (green), soils sampling other IP resistivity and chargeability targets shown (see Figure 39 for legend)

Source: Stunalara Metals

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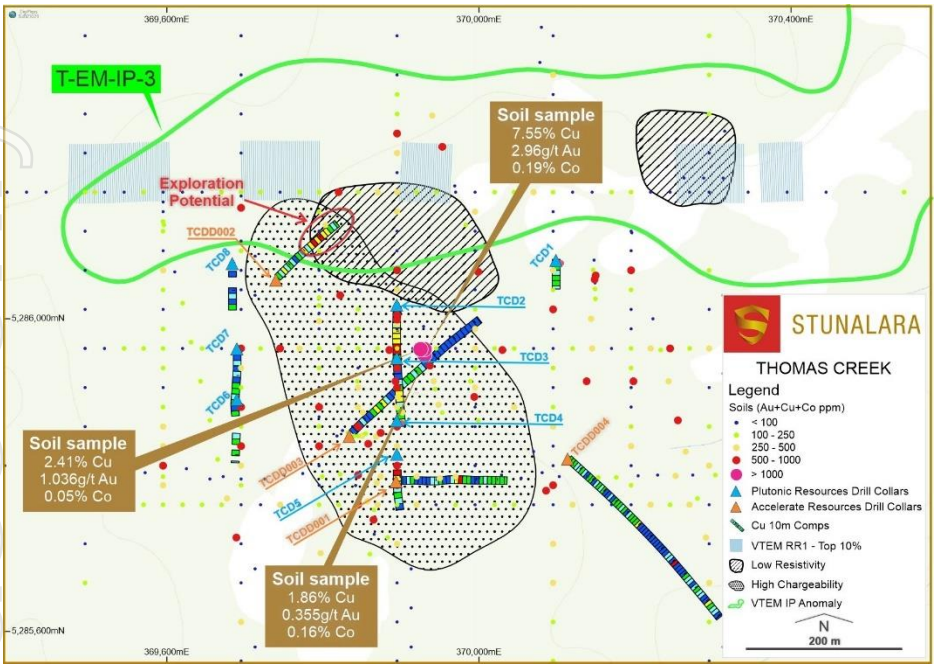

Figure 18: Detail from Figure 37 showing soils, previous drilling and IP target to the north

Source: Stunalara Metals

Hill 99

The Hill 99 Project was identified after an outcrop of massive pyrite-quartz mineralisation was located. A subsequent soil sample campaign identified an anomalous zone, extending inland along strike from the coastal outcropping pyrite-quartz mineralisation. The zone trends north-east and is broadly coincident with a topographic high. Following EM and IP surveying in 1999 which identified a co-incident conductivity high, Pacific Nevada Mining Ltd drilled three diamond holes for 669m with first two holes intersecting chlorite-carbonate-fuchsite alteration of volcanics with anomalous copper, zinc and gold. The third hole intersected narrow pyrite with minor chalcopyrite zones and minor quartz carbonate with minor sphalerite and galena in veins associated with fuchsite alteration, but did not drill deep enough to test the IP target.

Follow up drilling of two holes by MHM metals returned similar results with a best result from a 30cm quartz chalcopyrite vein assaying 10.5% Cu and 0.24% Zn.

Young Henry-Henrietta

Co-incident gossan and anomalous nickel, cobalt, copper, and zinc in soils occur up plunge from a ground fixed Loop EM conductor. Previous drilling was conducted in 1971 by BHP who were exploring for chrysotile and asbestos and drilled nine diamond holes for 1460m, with one hole reported to have tested an EM anomaly. Accelerate drilled one hole YHDD001 for 156m (Figure 19) which returned 38.3m at 0.23% Ni and a further 17.7m at 0.19% Ni at the base of serpentinised ultramafics with pentlandite reported in petrology.

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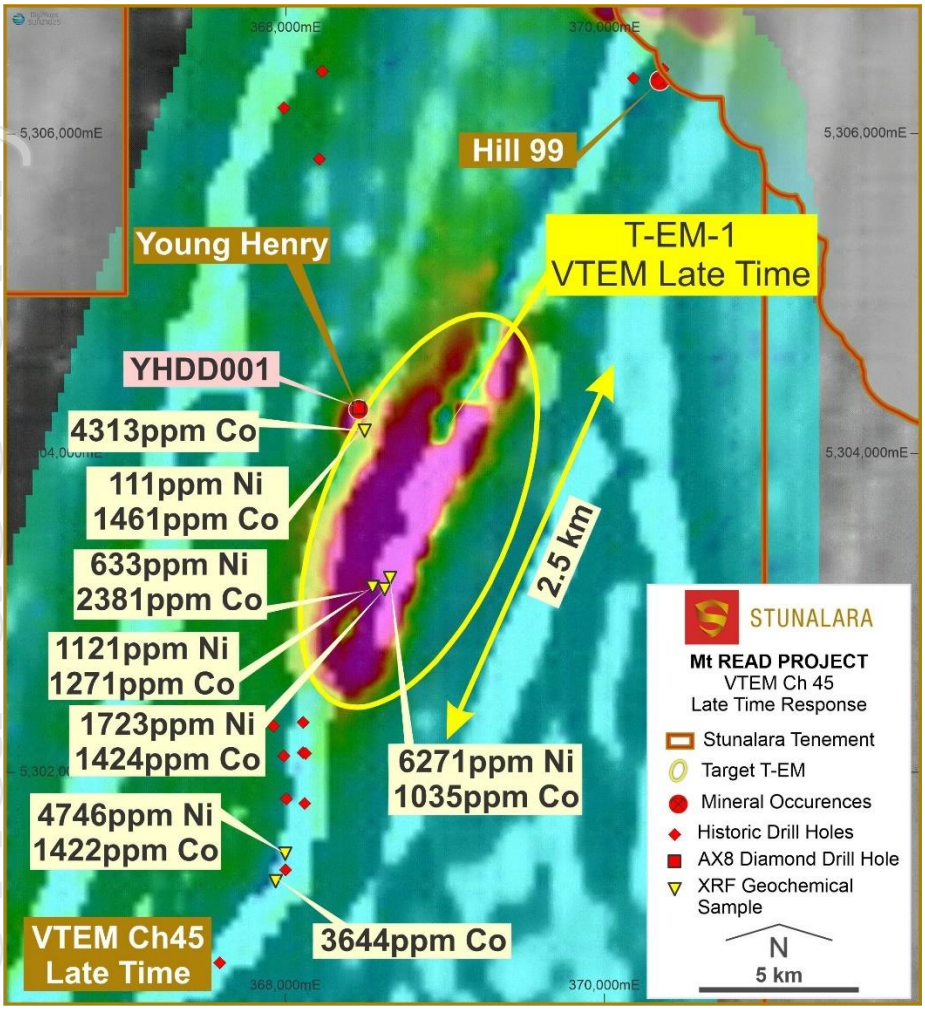

Figure 19: Henrietta VTEM chargeability image, rock chips, BHP and AX8 historic drilling shown

Source: Stunalara Metals

3.3.4 Exploration Potential

Sporadic exploration over many decades has detected a copper (cobalt and gold anomalous) porphyry related mineral system at Thomas Creek. Drilling of the main geophysical targets to date has not intersected shallow or deep mineralisation of economic interest. Further drilling is likely to be deep and results to date do not justify the drilling of a low grade porphyry target at depth.

A new copper gold prospective zone near Thomas Creek's northern magnetic rim was defined with elevated (~0.1ppm) Au zone coincident with Cu (400 to 1400ppm) in soils and P > 10000ppm with >15% Fe, 470ppm Cu and 134ppm Zn rock chips (Reid 2021).

Potential for Hill 99 is for VMS hosted mineralisation, but the IP target appears to have been tested close to surface. The potential for Henrietta is for structurally controlled base metals particularly nickel and cobalt. The main EM anomaly remains to be drill tested (Figure 19).

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4. Inca's Projects

4.1 Northern Territory - Jean Elson Gold, Copper, and Base metals

The three granted Jean Elson tenements comprise EL32485, EL32486 and EL33214 for 2147.2km$^{2.}$ 50km further to the southeast are the Lorna May tenement applications. A further 100km to the south east straddling the NT/Qld border are the Hay River tenements with EPM 27747 granted with 5 sub-blocks on the Qld side and EL32579 under application on the NT side.

4.1.1 Regional Geological Setting

The regional geology is taken from Scrimgeour (2013) and Weisheit *et al* (2019). The project is located on the north eastern boundary of the Aileron Province with the unconformably overlying Neoproterozoic Georgina Basin sediments further to the north east (Figure 20).

The Aileron Province is defined by Scrimgeour (2013) as Paleoproterozoic crust of age 1860-1700Ma in the Arunta Region which formed as part of the North Australian Craton. The sedimentary deposition occurred between 1860 and 1740 Ma with magmatic events dated between 1820-1700Ma. The Province contains units which are interpreted as correlatives of Tanami units and also units in the Tennant Creek Region.

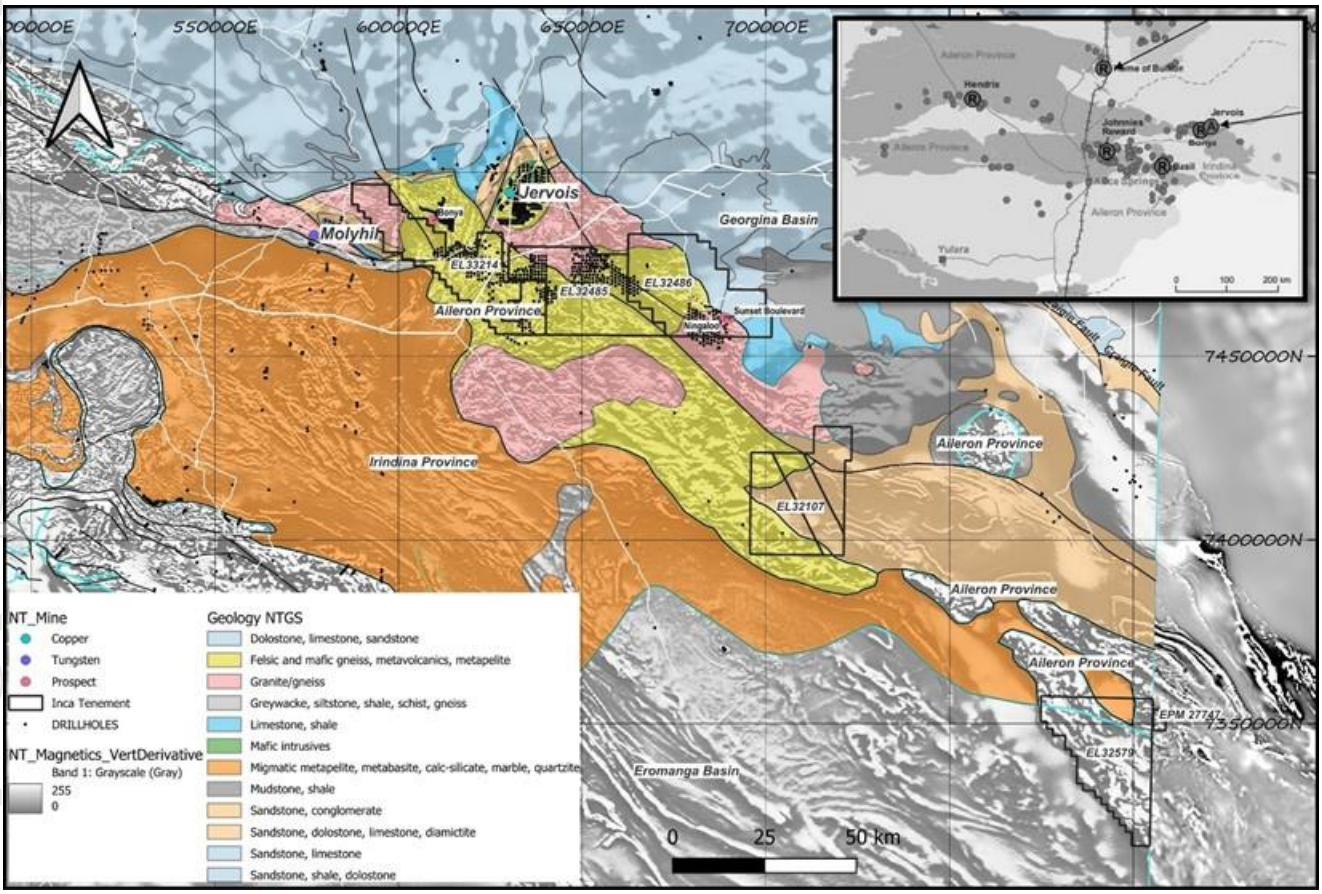

Figure 20: Regional Geology northeast Aileron Province Jean Elson, Lorna May and Hay River projects, on NT/QLD Aeromagnetics 1VD, NTGS datasets

Figure 21 presents a time space plot of the region from Scrimgeour (2013) with the Northeast column representing the regional geology around Jean Elson.

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The oldest units in the Jervois Region are the Bonya Metamorphics dated older than and up to 1790Ma (Weisheit *et al* 2019). These are intruded by numerous suites of granite and granodiorite.

The earliest intrusive event in the Northeast Aileron Province represents a period of extension with the bimodal Baikal Supersuite intruding between 1790 and 1770Ma with stratabound base metal deposits such as at Jervois occurring around this time. Further igneous activity continued with other granites and pegmatites intruding until 1750Ma. Weisheit *et al* (2019), also describes the main fabric of the area developed during 1750 and 1730Ma as asymmetric drag folding and tectonic movement continued.

The undeformed Jinka Granite and Samarkland Pegmatites are dated at 1710 Ma and 1700 Ma marking the end of the Paleoproterozoic tectonic cycle. The epigenetic copper and tungsten such as at Molyhil, Bonya Hills and around Jervois Mineral Field are also considered to have formed during this time.

Post the Paleoproterozoic and Neoproterozoic, the Centralian Superbasin unconformably lie and are faulted against the Aileron Province rocks. Cenozoic unconsolidated sheet wash occurs widely and is also covered by alluvial plains and aeolian sand plans and dunes.

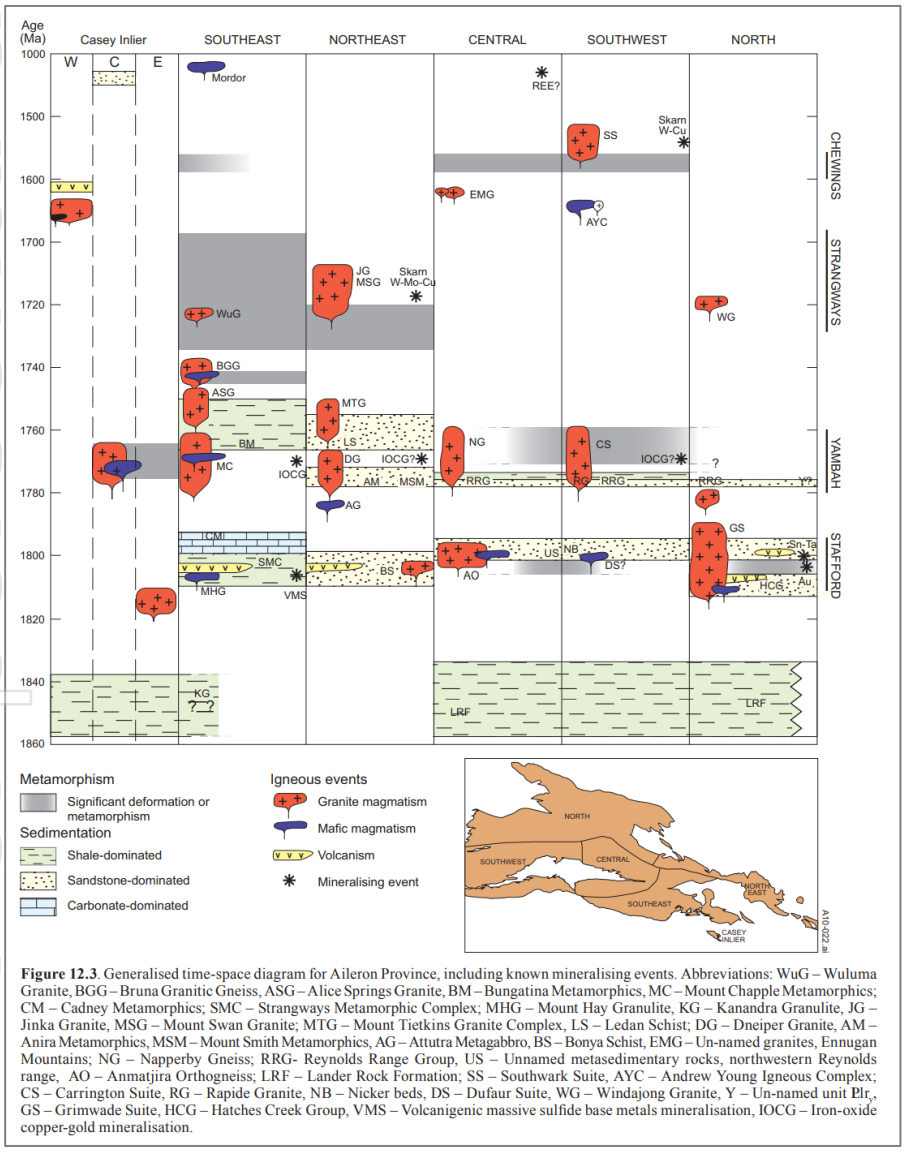

Figure 12.3. Generalised time-space diagram for Aileron Province, including known mineralising events. Abbreviations: WuG – Wuluma Granite, BGG – Bruna Granitic Gneiss, ASG – Alice Springs Granite, BM – Bungatina Metamorphics, MC – Mount Chapple Metamorphics; CM – Cadney Metamorphics; SMC – Strangways Metamorphic Complex; MHG – Mount Hay Granulite, KG – Kanandra Granulite, JG – Jinka Granite, MSG – Mount Swan Granite; MTG – Mount Tietkins Granite Complex, LS – Ledan Schist; DG – Dneiper Granite, AM – Anira Metamorphics, MSM – Mount Smith Metamorphics, AG – Attutra Metagabbro, BS – Bonya Schist, EMG – Un-named granites, Ennugan Mountains; NG – Napperby Gneiss; RRG- Reynolds Range Group, US – Unnamed metasedimentary rocks, northwestern Reynolds range, AO – Anmatjira Orthogneiss; LRF – Lander Rock Formation; SS – Southwark Suite, AYC – Andrew Young Igneous Complex; CS – Carrington Suite, RG – Rapide Granite, NB – Nicker beds, DS – Dufaur Suite, WG – Windajong Granite, Y – Un-named unit Plr, GS – Grimwade Suite, HCG – Hatches Creek Group, VMS – Volcanigenic massive sulfide base metals mineralisation, IOCG – Iron-oxide copper-gold mineralisation.

Figure 21: Aileron Province Time Space Plot

Source: Scrimgeour 2013 (Special Publication 5 NTGS)

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Mineralisation

Historical exploration and investigation commenced in 1895 by Brown (1897) for gold. Copper was discovered in the Jervois Range to the north west of the tenement package in 1929 and tungsten in the late 1930s, with mining commencing on a small scale in the 1940s. Since then, numerous studies and remote geophysical surveys conducted mainly by Australia's Government Geoscience Agency (**GA**) and Northern Territory Geological Survey (**NTGS**) have been completed to understand and characterise the geology, tectonic framework and mineralisation controls. This work is partly outlined in publications such as Scrimgeour (2013), Weisheit *et al* (2019), Reno *et al* (2021) and McGloin and Weisheit (2021, 2022).

Jervois Copper

The Jervois copper deposit 20km to the north of the Project is estimated at 24Mt at 2% copper, 0.25g/t gold and 25.4g/t silver, comprising the Reward, Marshall, Rockface and Bellbird Deposits (ASX:KGL 14 September 2022) (Figure 22).

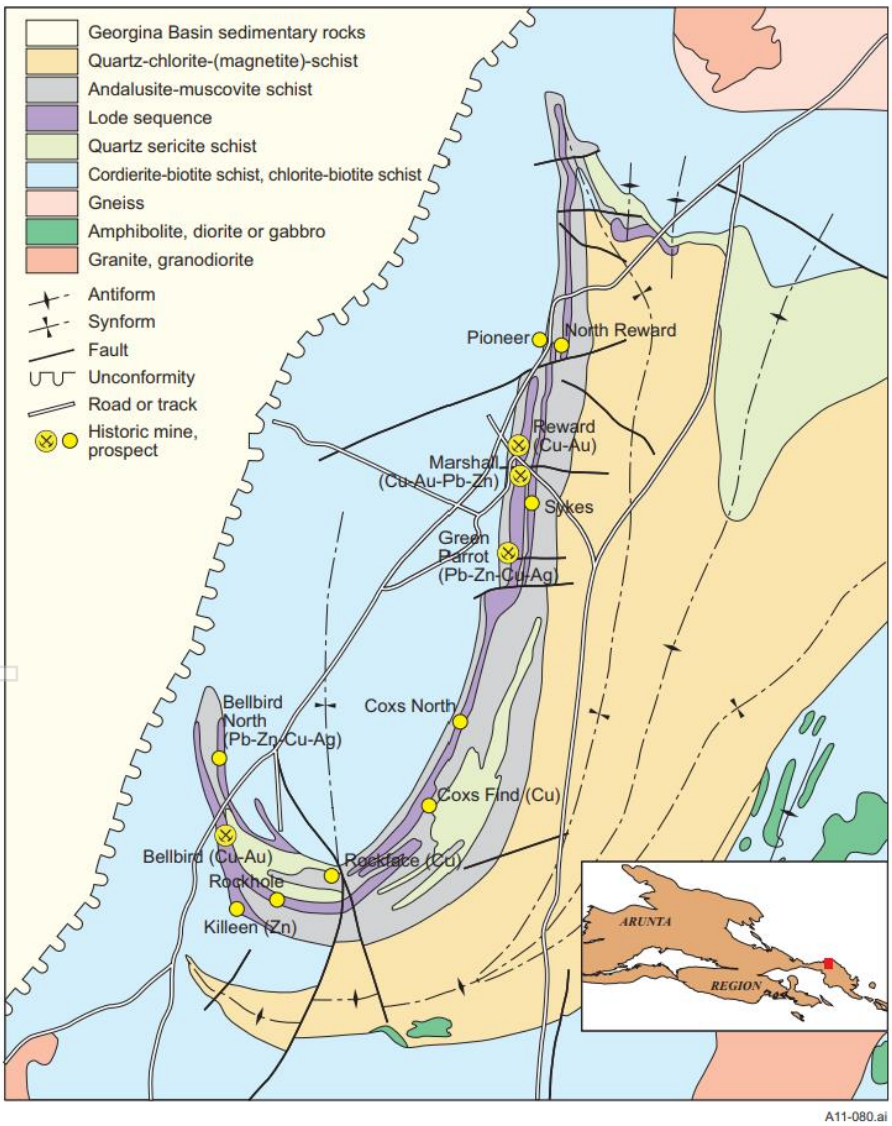

Figure 22: Geology and location of Jervois copper deposit

Source: Scrimgeour (2013) NTGS Special Publication 5

The Jervois deposit camp is located within metamorphosed and folded Bonya Metamorphics. Figure 22 shows a prominent "J" fold in the stratigraphy with steeply dipping calc-silicate garnet-chlorite-magnetite rock and garnet-magnetite-quartzites representing the lode sequences with the metals hosted in massive to semi-massive sulphide shoots. Sulphides are also hosted in quartz veins and as thin stratabound layers. The J fold is described by KGL as being a drag fold related to the regional Jervois Fault to the west.

Weisheit *et al* (2019) describe the mineralisation as being associated with iron, manganese boron and phosphorous rich assemblages which are interpreted by others (Ypma 1984 and McGloin *et al* 2019) as originally exhalites.

A feasibility study was released late in 2022 which contemplates annual production of a copper concentrate of 80 to 100Kt hauled 488km to Mt Isa for processing with silver and gold credits. The ore reserve component of the deposit is estimated at 11.7Mt at 2.1 % Cu, 0.29g/t Au and 29.8g/t Ag (ASX: KGL 10 November 2022).

Molyhil tungsten-molybdenum

The molybdenum and tungsten deposit at Molyhil is held by Thor Mining plc (**Thor**) under an earn-in Joint Venture with Investigator Resources Ltd (ASX: IVR) 10km to the west of the Project. The Molyhil Mineral Resource Estimate (**MRE**) is stated to be 4.28Mt at 0.27% WO_3 and 0.1% Mo for 11,800t WO_3 and 4400t Mo (ASX: THR 8 April 2021) of which 77% is Measured and Indicated.

The Molyhil deposit was discovered in 1973 and was mined by Petrocarb Exploration NL from 1978 to 1982 in an open pit 300m by 200m and 50m deep and an underground operation comprising three vertical shafts. The deposit comprises two north-south trending magnetite bearing lodes dipping 65 degrees east and plunging 70 degrees to the south.

The deposits are interpreted to have formed by contact metamorphism of Deep Bore metasediments related to the intrusion of the Marshall Granite at approximately 1720Ma, (ASX: IVR 24 November 2022). Deposit minerals include magnetite, chalcopyrite, scheelite and molybdenite. In the Jervois area, the interpreted Molyhil age vein-style copper and tungsten mineralisation overprints the sedimentary stratabound copper-silver-lead and zinc mineralisation (Scrimgeour 2013). Figure 23 from McGloin and Weisheit (2021) shows three schematic cross sections at 1700Ma for the Molyhil area, Bonya Hills and Jervois Mineral Fields, and the genetic model for the genesis of copper and tungsten mineralisation.

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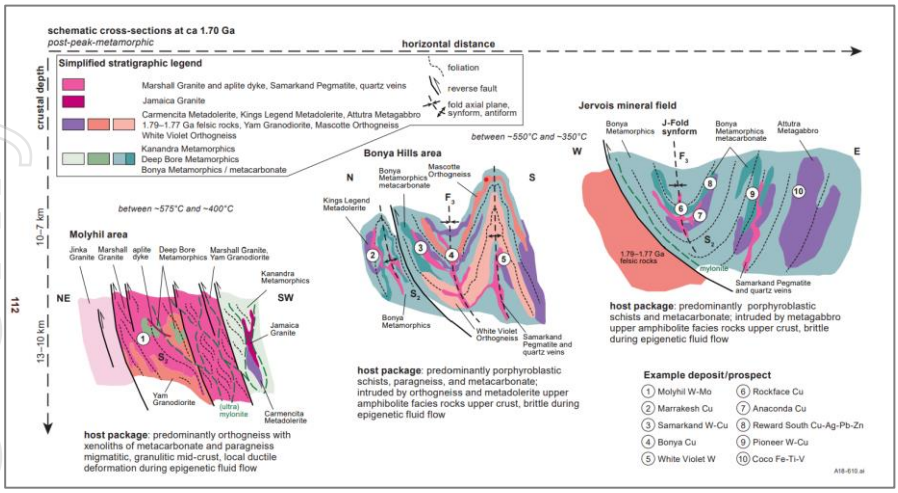

Figure 23: Schematic cross sections for Molyhil, Bonya Hills and Jervois – copper and tungsten

Source: McGloin and Weisheit 2021

4.1.2 Local Geology and Mineralisation

The highest priority targets at Jean Elson are the Kestrel and Ningaloo-Sunset Boulevarde Prospects at Camel Creek. The Camel Creek and Kestrel prospects are described in (ASX: ICG 11 June 2024) as being located on a regional gravity high ridge with numerous tightly folded and sheared units located within and along the gravity feature. A strong magnetic anomaly peak at Kestrel surrounds a demagnetised area and according to Inca, may indicate hydrothermal alteration of magnetite to haematite, indicative of an Iron Oxide Copper Gold (**IOCG**) mineralised system.

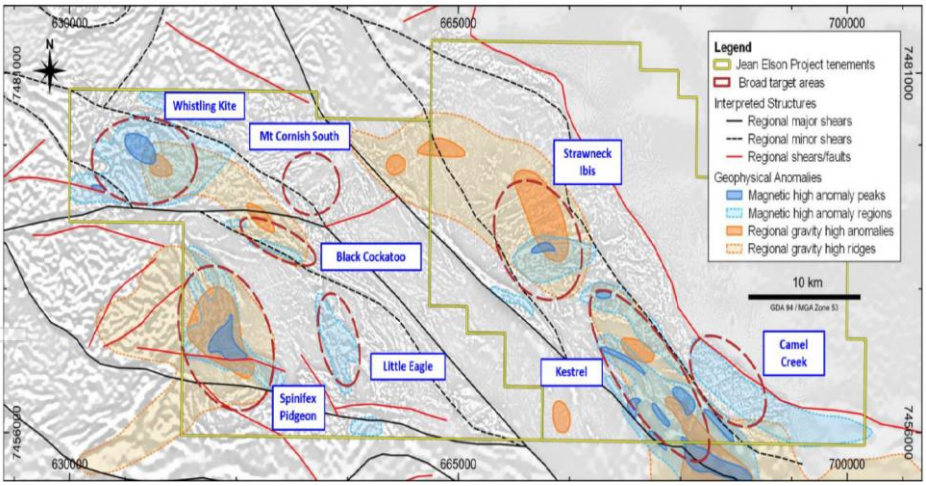

Figure 24: Jean Elson Project showing Target areas based on magnetics and gravity.

Source: ASX: ICG 11 June 2024

At Camel Creek and Kestrel, Inca describes north west trending "mineralised corridors, defined by quartz-haematite bearing vein swarms with anomalous copper, gold, silver and uranium" (ASX:ICG 6 September 2022, 23 November 2020) (Figure 24) within altered granite.

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4.1.3 Previous and Current Exploration

Following years of field reconnaissance mapping and collecting anomalous rock chips (Figure 25), Inca conducted a drilling program of seven RC holes for 462m over two targets at Ningaloo and Sunset Boulevarde, part of Camel Creek (Figure 26). Drilling returned low grade near surface copper oxide mineralisation with individual 2m assays up to 1.2% copper in iron rich veins and siliceous veins. Some of the anomalism is located in altered granite. The veins generally trend in a northwest orientation which is sub-parallel to the regional trends derived from geophysics.

Drilling results included.

- JE240001 - 28m at 0.21% Cu from 0m
- JE240002 - 30m at 0.28% Cu from 0m
- JE240004 - 8m at 0.74% Cu from 2m
- JE240005 - 14m at 0.3% Cu from 0m
- JE240006 - 20m at 0.31% Cu from 2m

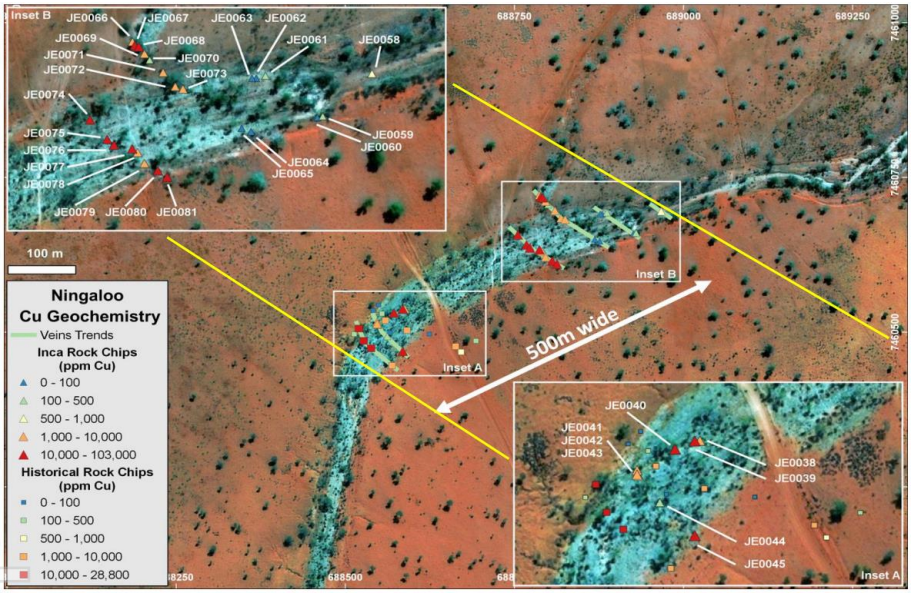

Figure 25: Ningaloo copper prospect, copper bearing rock chips, trends of the mineralised vein

Source: ASX: ICG 23 November 2020

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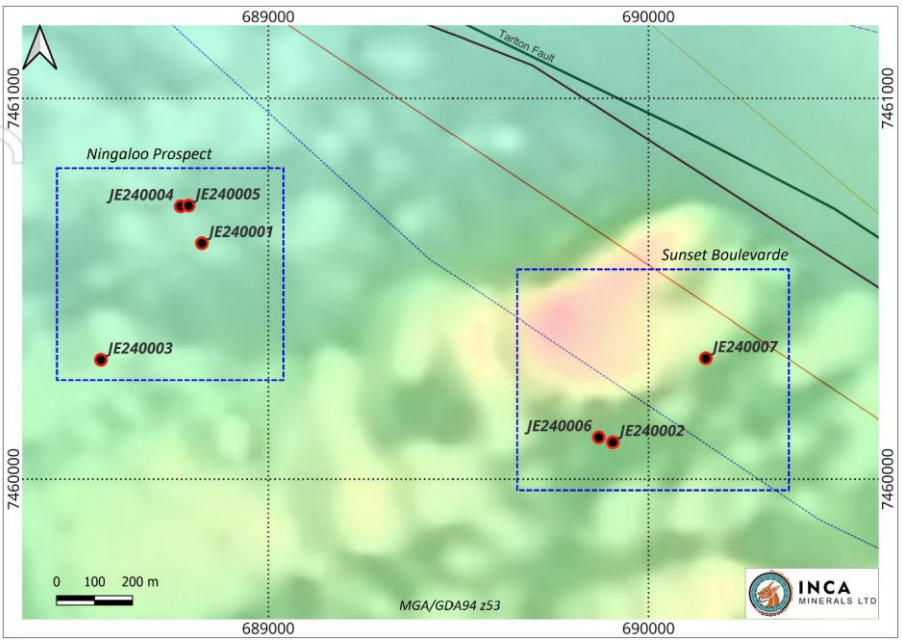

Figure 26: Location of drilling at Ningaloo and Sunset Boulevarde

Source: ASX: ICG 3 July 2024

The Kestrel geophysical target 4km to the west of the drilled area was the recipient of a co-funded drilling grant made in July 2024 (Figure 24) but no drilling has occurred to date.

4.1.4 Exploration Potential

The Jean Elson project has potential for intrusion related and structurally controlled copper and possibly gold mineralisation. It is unknown what potential exists for the veins at Ningaloo and Sunset Boulevard as drilling has not extended beneath the oxide profile. Supergene enrichment is common in such environments and a risk is that the anomalism is significantly lower in fresh rock.

Inca's announcement of the 11 June 2024 regarding a co-funded drilling grant for Kestrel, describes gravity and magnetic and co-incident IP features which may represent IOCG mineralisation. Previous RAB drilling was not effective in penetrating the sand cover, so that many targets remain untested with no supporting geochemistry.

VRM Comment

The Jean Elson project, the Lorna May project and the Hay River projects are very early stage, remote and conceptual. The co-funded drilling grants available periodically from the NT Government may help offset the extra costs of drilling in a remote area, but the risk remains high. The Lorna May tenements are under application and given a high degree of uncertainly of grant and access, they are given no value. Further to the southeast the Hay River tenements on the NT side are under application and on the Qld side one very small tenement EPM27747 is granted with a low minimum expenditure commitment.

4.2 Northern Territory – Frewena Gold Copper Phosphate

The project location is centred around 120km to 250km east of Tennant Creek and consists of nine exploration licences for 5362km^2. MRG Resources Pty Ltd (**MRG**) and Dr Jonathon West together retain a 10% free carried interest. The tenements straddle the Barkly Highway which runs between Tennant Creek to the west and Mt Isa which is around 320km to the east (Figure 27).

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The East Tennant Province has been the focus since 2018 for several comprehensive completed and ongoing pre-competitive studies by GA and the NTGS and has recently been identified as prospective for IOCG mineralisation.

In the last ten years, the world's largest airborne electromagnetic (**AEM**) survey was commissioned by GA covering much of the western parts of Queensland and the eastern parts of the Northern Territory (including the East Tennant area). The study also comprised seismic, geochemical, and stratigraphic drilling programs specific to East Tennant area. While these exploration initiatives were underway, the Northern Territory Government placed a moratorium on exploration licence applications pending survey results.

Preliminary findings were released at an industry update in September 2019 with notable conclusions highlighting IOCG prospectivity of the East Tennant region.

Inca submitted three applications in October 2019 that were lodged as part of a competitive process, following the lifting of a moratorium over the East Tennant area in early October 2019.

The Company received notice from the Northern Territory Department of Primary Industry and Resources (**DPIR**), on 11 February 2020, that Inca had been allocated tenements.

4.2.1 Regional Geological Setting

The East Tennant area is interpreted to be the covered extension of the outcropping Paleoproterozoic Warramunga Province in the Tennant Creek area.

The Paleoproterozoic basement is considered prospective for Tennant Creek style IOCG, sedimentary base metals and orogenic or structurally controlled mineral systems hosted within the East Tennant region. The area also hosts phosphate deposits within the overlying Georgina Basin cover.

Kositcin *et al* (2022) and Clark *et al* (2022) have reported research from the precompetitive geophysics and data from GA drilling which includes the Inca tenements and have compiled a geological framework of the concealed bedrock of the East Tennant Area which is interpreted to be affiliated with the Tennant Region to the west (Figure 28).

Figure 29 shows the location of extensive NTGS and GA regional surveys and drilling during 2019 to 2024 with deep drillholes NDIBK01 and 04 now located within Inca's tenements.

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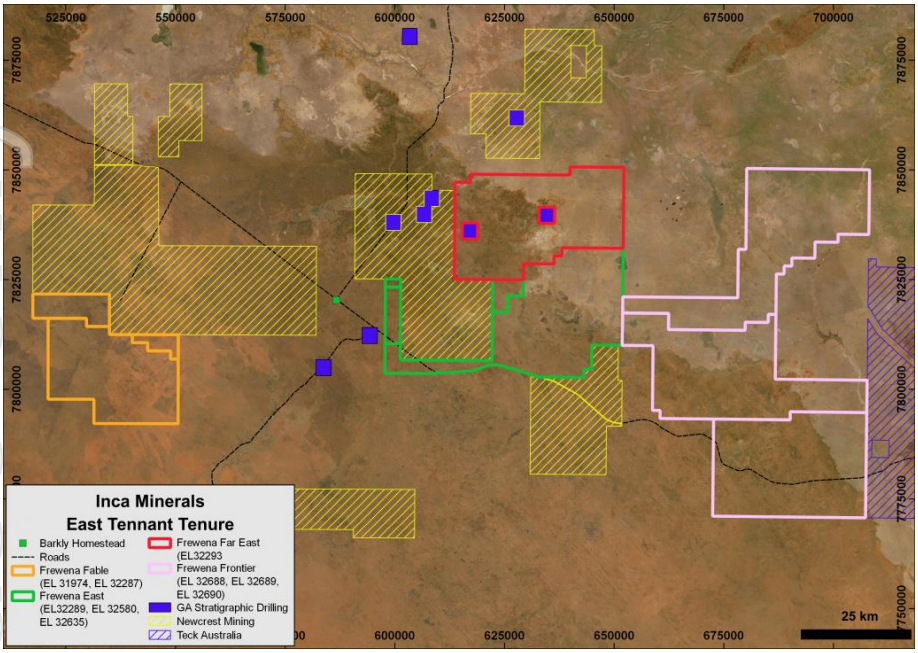

Figure 27: Frewena Tenements

Note: EL32293 has been replaced by EL33282, EL32580 has been replaced by EL33258, EL 32636 has been replaced by EL32795

Source: Frewena Projects - Inca Minerals Limited

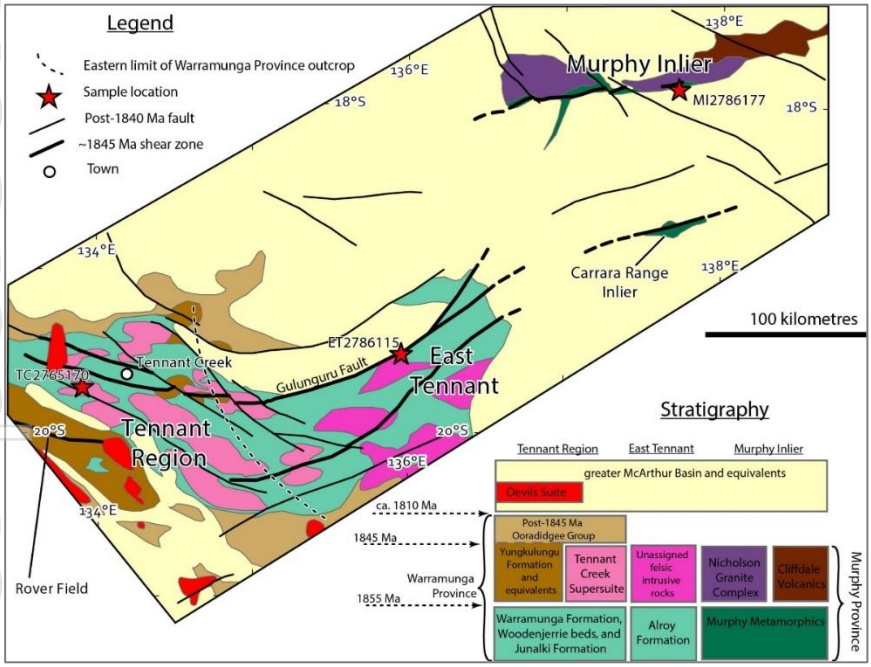

Figure 28: Interpreted Paleoproterozoic Geology of the East Tennant Region

Source: Clark *et al* 2022

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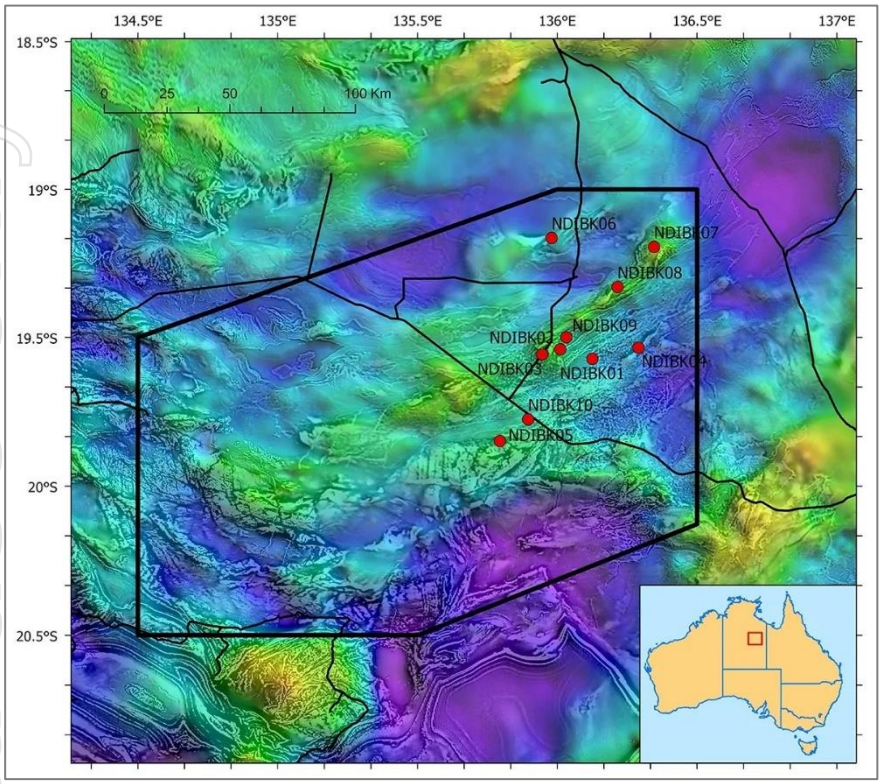

Figure 29: East Tennant survey area showing magnetics 1vd (grey scale) over gravity (colour) and drilling by NTGS/GA (red dots)

Source: East Tennant National Drilling Initiative | EFTF

Paleozoic Georgina Basin shales and limestones are interpreted by the NTGS to overlie the Proterozoic basement to around 150m below surface. Phosphate mineralisation is flat lying and hosted in mudstone phosphorite and chert breccia phosphorite of Cambrian age with several deposits known to exist within common prospective horizons. These Cambrian horizons within the Georgina Basin accounts for 95% of Australia's economically demonstrated rock phosphate deposits (Figure 30 and Figure 31)

Wonarah is one of several phosphate deposits hosted by late Proterozoic to early Paleozoic sedimentary rocks of the Georgina Basin in the Northern Territory and western Queensland. Wonarah is located in the area of a basin high between the Barkly and Undilla Sub-basins (Figure 30) and is immediately southwest of Inca's tenements.

4.2.2 Local Geology and Mineralisation

According to Kositcin (2022) and based on dating from the deep drilling, the oldest rocks identified in the East Tennant area are two metasedimentary units with maximum depositional ages of ca. 1970 Ma and ca. 1895 Ma respectively, plus ca. 1870 Ma metagranitic gneiss. These units, which are unknown in the nearby Murphy Province and outcropping Warramunga Province, underlie widespread metasedimentary rocks of the Alroy Formation, which yield maximum depositional ages of 1873–1864 Ma.

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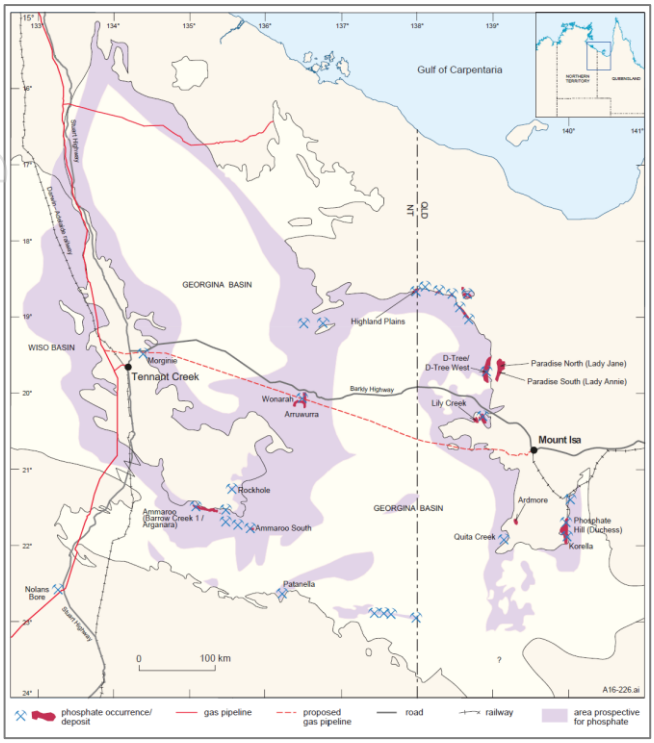

Figure 30: Phosphate deposits and prospectivity of NT/NW Qld

Source: Dunster and Munson 2017 Monograph 32

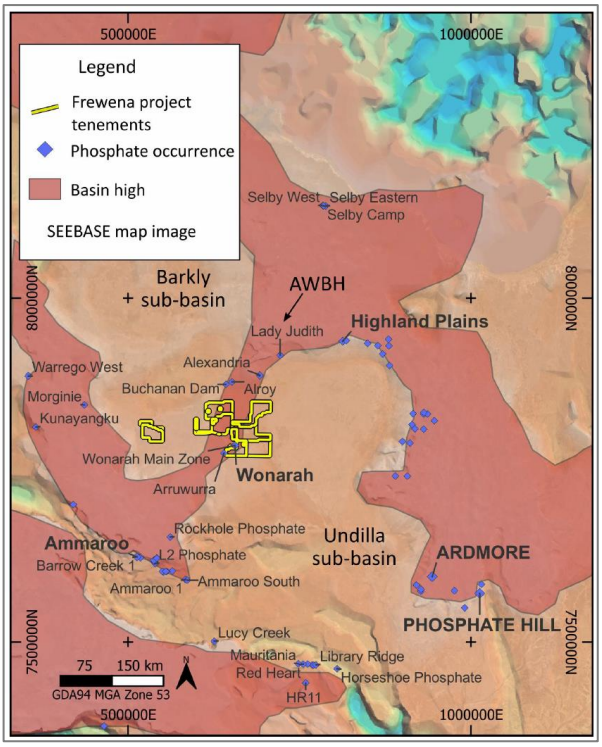

Figure 31: NT / QLD Phosphate deposits and Inca's tenements

Source: ASX: ICG 23 January 2023

While parts of this unit appear to be correlative with the ca. 1860 Ma Warramunga Formation of the Warramunga Province, the data suggest that the bulk of the Alroy Formation in the East Tennant area is slightly older, reflecting widespread sedimentation at ca. 1870 Ma. Throughout the East Tennant area, the Alroy Formation was intruded by voluminous 1854–1845 Ma granites, contemporaneous with similar felsic magmatism in the outcropping Warramunga Province (Figure 28 and Figure 32).

Kositcin (2022) also states that the mineralisation intersected in drillhole NDIBK04 (within the Inca Project) constitutes direct evidence for mineral systems in the East Tennant area. Syn-deformational quartz-sulphide veins are common in NDIBK04, with sulphide minerals dominated by pyrrhotite at depth and pyrite at shallower levels, accompanied by minor sphalerite and chalcopyrite. Gold–arsenic–copper–zinc–silver–bismuth mineralisation is hosted by discrete intervals within variably graphitic metasedimentary schists and shares some geological and geochemical features with iron-sulphide copper–gold (**ISCG**) or base metal-rich orogenic gold deposits as defined by Skirrow (2022).

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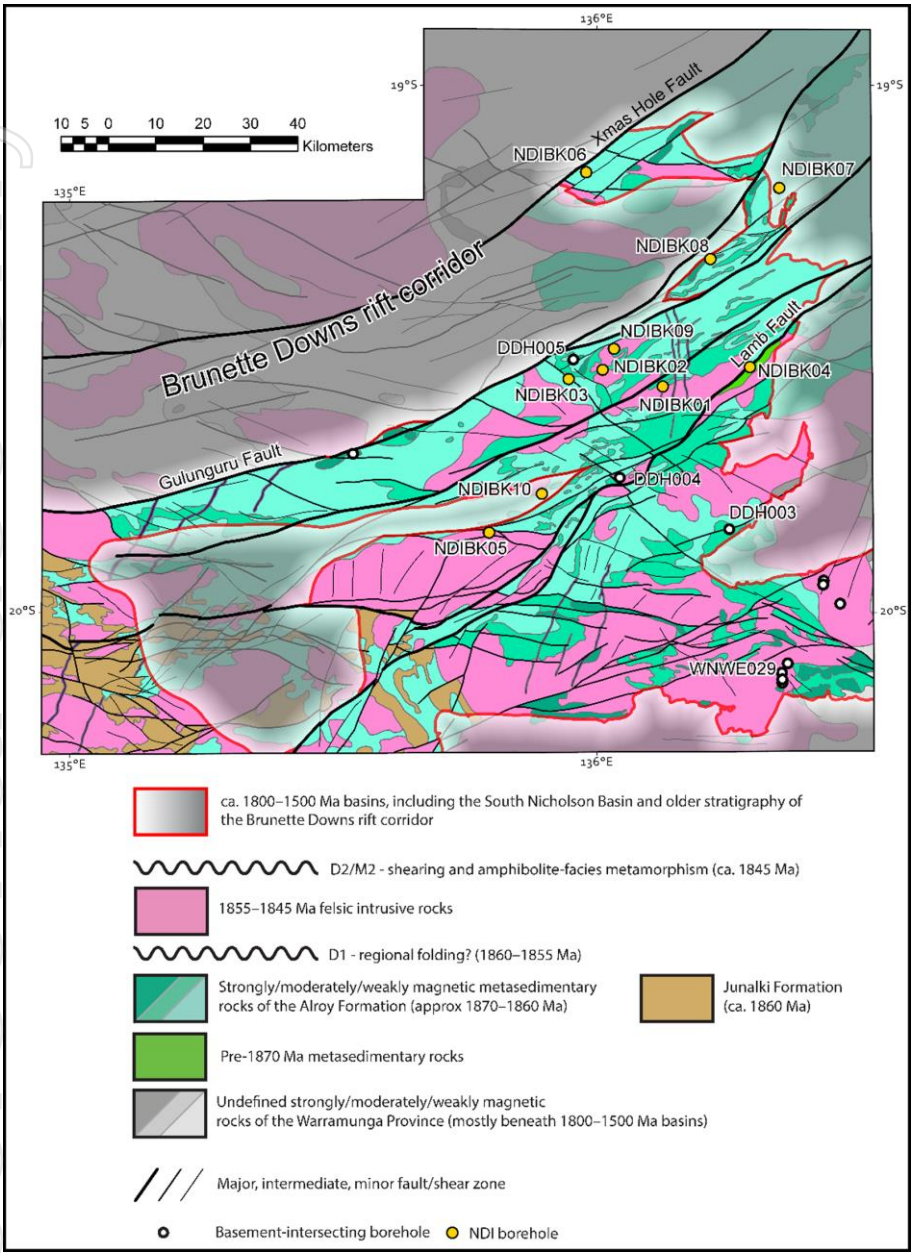

Figure 32: East Tennant Interpreted Geology under <200m Georgina Basin

Source: Kositcin (2022)

Georgina Basin

The geology described is taken from Minemakers (2014) who divide the overlying Middle Cambrian sediments into two basin-wide sequences.

- Sequence One - deposited clastics, carbonates, organic shales and minor phosphorites during gradual transgression which was abruptly terminated by rapid regression. In the Wonarah region, basement highs are flanked by on lapping dolomitic rocks equivalent to the Thorntonia Limestone. An erosional unconformity is represented by the development of a karst surface.

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- Sequence Two - deposited shallow clastics, carbonates, grainstones, peritidal phosphorites and phosphatic limestones in a transgressive tract system. At Wonarah, dolostone, mudstone and phosphorite of the lower Middle Cambrian Upper Gum Ridge Formation overlie Sequence One rocks and basement highs. This formation contains major phosphorite mineralisation and is equivalent to the Beetle Creek Formation on the eastern margin of the basin which hosts Phosphate Hill and Lady Annie-D-Tree phosphate deposits. The overlying Wonarah Beds are Middle Cambrian mudstone, siltstone and dolostones.

Silcrete, ferricrete and calcrete regolith are extensively developed, and large areas are covered by stabilised aeolian sand (Abbott, 2012, Minemakers 2014).

The Wonarah Phosphate Deposit now held by Avenira Limited (ASX: AEV), with a most recently reported MRE of 66mt at 30% P_2O_5 (>27% cut off) (ASX:27 September 2023), is reported to be one of the largest known high-grade rock phosphate deposits in Australia. Avenira has plans to direct ship the material at a rate of 1.3mtpa of ore greater than 30% P_2O_5 and also is pursuing a number of downstream activities to value add the product. The project is at the study and permitting stage with an updated Mining Management Plan (**MMP**) submitted to the Northern Territory Government in December 2024, operations are targeted to commence in Quarter 4 2025 (ASX: AEV 9 January 2025).

4.2.3 Previous and Current Exploration

Copper, Gold and Base metals

Following the technical success of the NTGS/GA drilling initiative in detecting IOCG style copper and gold mineralisation (ASX: ICG 8 March 2021), Inca collected further detailed geophysics, conducted targeting and drilled eight deep diamond holes (excluding RC pre-collar metres) for 8473m over a range of concealed targets including Roadhouse, Jumping Spider and Mt Lamb gravity ridge (Figure 33). The holes detected elevated metals geochemistry and hydrothermal alteration but no economic intervals of significance. Final assays were reported on 21 February 2023.

The company considered that follow up work was warranted, especially at Mount Lamb northeast, where FW220008 intersected shale and siltstone-hosted Pb-Zn-Cu-Ag-Au mineralisation (ASX: ICG 26 October 2022) and remains the strongest indication of a potential SEDEX system in the Mount Lamb Project area. Multiple assay intervals of elevated zinc, such as 16m at 0.23% Zn from 315m, 8m at 0.15% Zn from 431m, and 24m at 0.16% Zn from 501m with subtle elevation of Cu, Au, Ag, Pb, As, Bi, Fe, Co, and Mo were returned.

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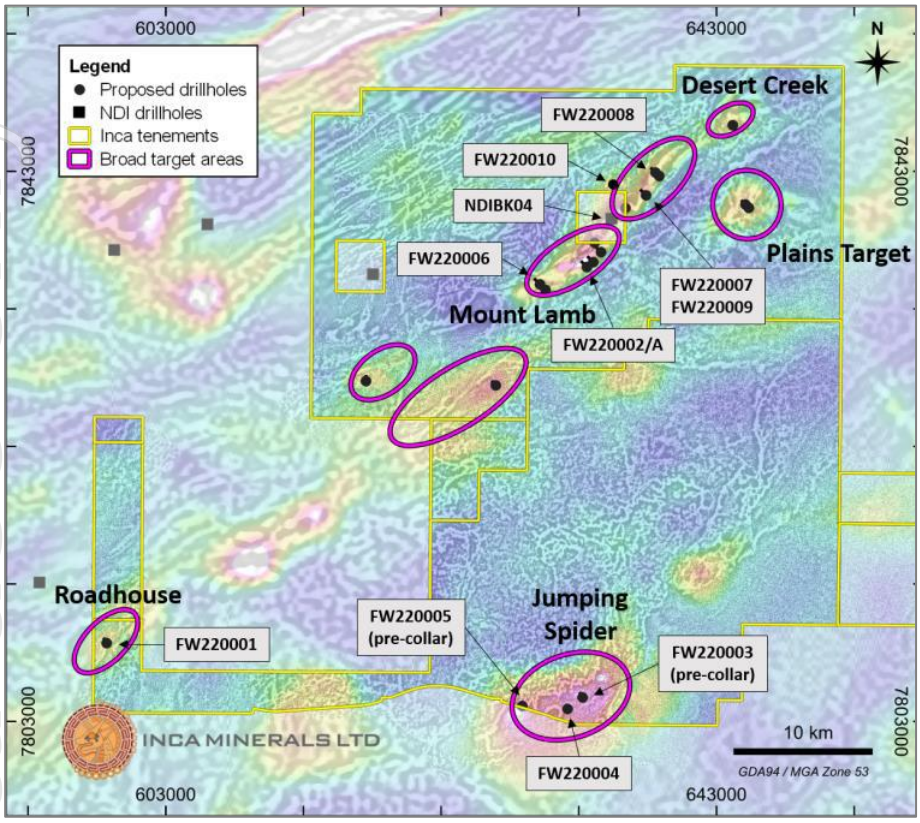

Figure 33: Frewena drillhole locations and target areas, gravity with grey scale 1VD magnetics

Source: ASX ICG 21 February 2023

In December 2023 assay results from the drilling FW230011 at Alpaca Hill at EL31974 Frewena Fable were received with low levels of base metals despite the observed strong hematite alteration and iron content.

Phosphate

Exploration for phosphate dates from the late 1960s to early 1980s by IMC Development (who published the first resources in 1970), then ICI Australia Ltd which became Australian Fertilizers Ltd in 1978 (**ICI/AFL**) and CRA Exploration Pty Ltd in JV with Australian Kimberley Diamonds 2000-2001 (**RTX/AKD**). In 2006, Minemakers acquired equity in the project and announced an MRE in 2009. The drilling was mainly by RC methods with some diamond drilling.

Historic drilling on the tenements has highlighted three areas within EL32827 (Figure 34) where wide spaced drilling has returned intersections containing phosphate intersections including.

Wonarah South WON029 - 5m at 24.8% P_2O_5 from 53, CRA Exploration

Wonarah North WNRC1567 - 15m at 23% P_2O_5 from 46m, Minemakers

WNRC1564 - 19m at 20.3% P_2O_5 from 43m, Minemakers

WNRC1617 - 6m at 17.5% P_2O_5 from 56m, Minemakers

The analysis of previous work resulted in Inca publishing an Exploration Target (shallower than 70m) for of 452.9mt to 761mt at 15-18% P_2O_5 (Figure 34) using 31 previous drillholes (ASX: ICG 23 January 2023).

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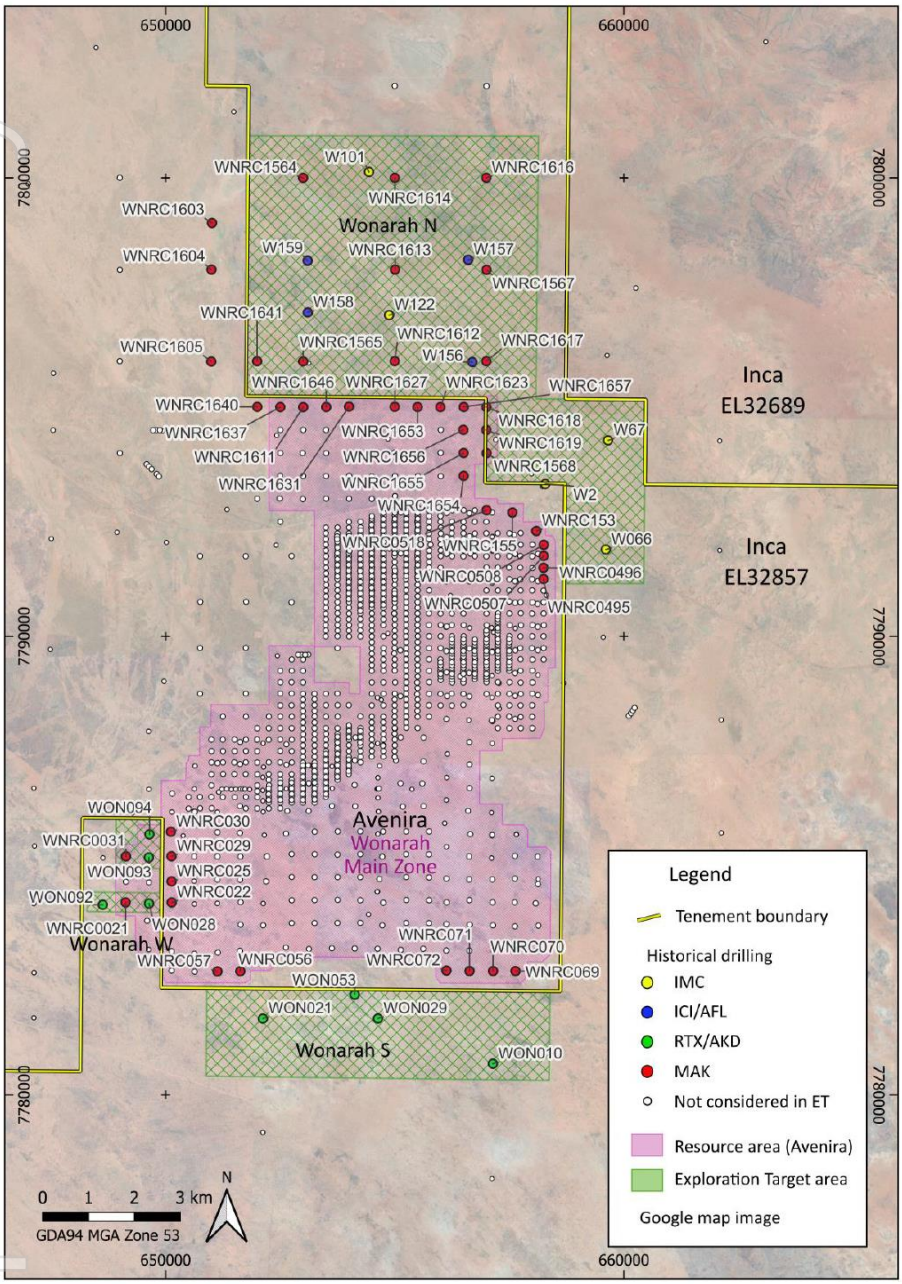

Figure 34: Wonarah North and South Exploration Target Drillholes

Source: ASX: ICG 23 January 2023

Frewena Frontier EL32689

An ironstone outcrop called Candy Colette was discovered 2023 whilst exploring for phosphate, via an area of ripped ground exposed by the station owner. The ironstone outcrop is interpreted as a massively altered limestone/sediment (Figure 35). The tenement is also considered prospective for phosphate mineralisation based on pXRF readings of greater than 500ppm in surface sediments.

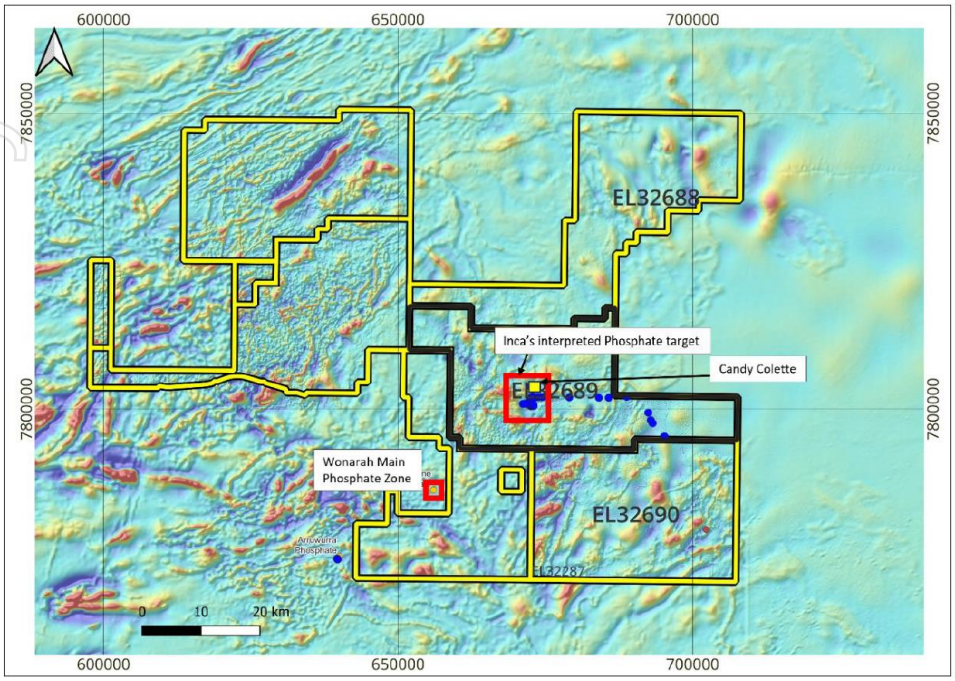

Figure 35: Frewena Frontier Candy Collette target

Source: ASX: ICG 20 November 2023

4.2.4 Exploration Potential

Copper, gold and base metal targets are of high-grade Tennant Creek style. These deposits have geophysical signatures but are generally small. Given the amount of cover (up to 200m), exploration for these deposits in the East Tennant area is expensive and would continue to require funding assistance such as the various government co-funded drilling initiatives that are periodically available.

The phosphate potential is high. Currently Avenira is contemplating direct shipping ore at grades of 30% and above at Wonarah. The economics of any mineralisation drilled by Inca will depend on various standard mining considerations and any new downstream beneficiation improvements. Much of the lower grade mineralisation is likely to be precluded from being mined due to cost considerations. Detailed drilling would be required to discover high grade (>30%) material in the Inca tenements.

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4.3 Queensland – Macauley Creek Copper Base metals

The Macauley Creek project is located around 150km west of Townsville and consists of two exploration licences EPM 27163 and EPM27124 covering 359km^2 (Figure 36).

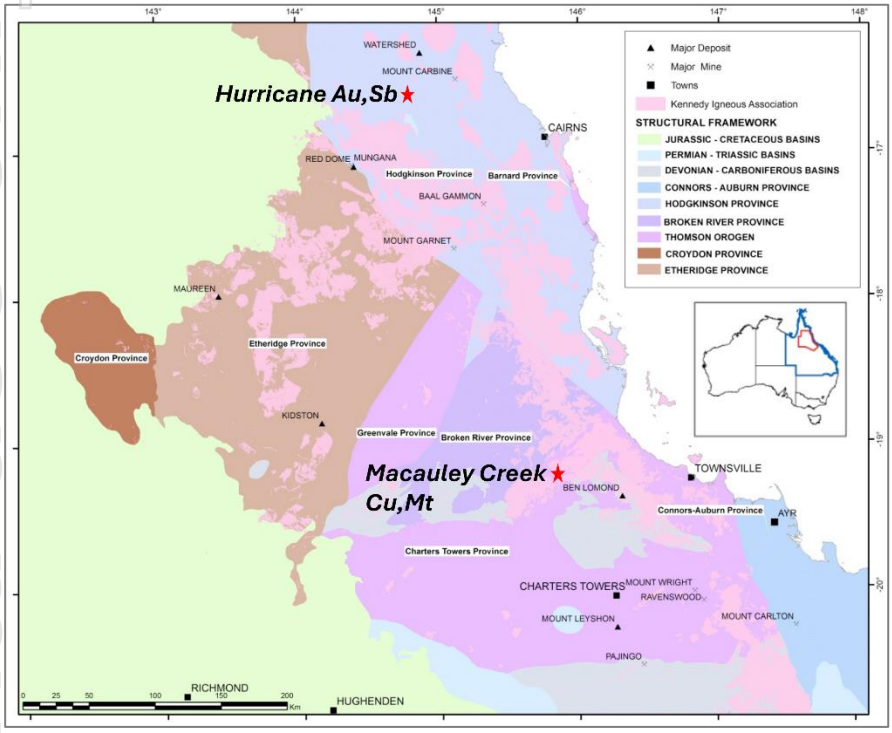

Figure 36: Macauley Creek also showing (Hurricane Project) and regional geology

Source: after Withnall *et al* (2013), Dhnaram and Lisitsin (2015) Mineral Exploration in the Tasmanides Mines and Wines

4.3.1 Regional Geological Setting

The northern part of the project is located within a northeast trending belt of Neoproterozoic (Thomson Orogen) to early Palaeozoic metamorphic rocks including the Running River Metamorphics, Falls Creek Tonalite and Ewan Formation.

The Running River Metamorphics and Ewan Formation host the Mount Moss iron (magnetite)-copper-zinc skarn Mine and project on care and maintenance 1.5km to the north.

The Mt Moss Mine is held by Axis Green Steel. The Mt Moss Mine historically had production capacity of approximately 500,000tpa magnetite prior to operations being placed on care & maintenance. The mine operated intermittently from 1996 to 2014. Axis is current under voluntary administration.

According to Axis and as reported by Vox Royalty who own a 1.5% NSR royalty (TSXV: VOX 15 April 2021), Mt Moss Mining Pty Ltd is the holder of a range of approved Mining Leases and freehold land parcels which contains a JORC compliant resource of 15.1Mt at 43.1% Fe and a non-JORC compliant resource estimate of greater than 20Mt of potential base metal ore;

The Mt Moss site has a beneficiation plant, including crushing, screening, dry magnetic separation, milling, wet gravity and wet magnetic separation circuits. The site also has infrastructure and supporting ancillary assets in situ, including workshops, laboratory, offices, a 100 person mining camp, diesel storage, weighbridge, power generation, and all bitumen access road (Australian Financial Review March 6, 2024).

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The mine is situated in the old Ewan mining field, where copper and tin were mined from 1890 until the 1930's. Since 1958, various international mining companies including BHP and MIM have explored the area for copper, lead, zinc and tin mineralisation.

In the centre and south of the Project group two Carboniferous granites, the Macauley Creek and Spinifex Creek Granites dominate, with the contact between the two intrusions, a known area of prospectivity.

The intrusions are interpreted to be part of the early Kennedy Igneous Association felsic (mostly intrusive) magmatism in northern Queensland which host a variety of mineralisation styles, including Sn-W, intrusion-related gold (± Mo, Bi, W), epithermal Au ± Ag, intrusion-related U-F-Mo and possibly porphyry Cu-Au mineralisation (Kositcin *et al*, 2009).

4.3.2 Local Geology and Mineralisation

The local geology is dominated by the Carboniferous Macauley Creek and Spinifex Creek Granites intruding into the early Paleozoic metamorphics to the north. Late Carboniferous to Permian sediments and volcanics occur in the western corner of the project (Figure 37).

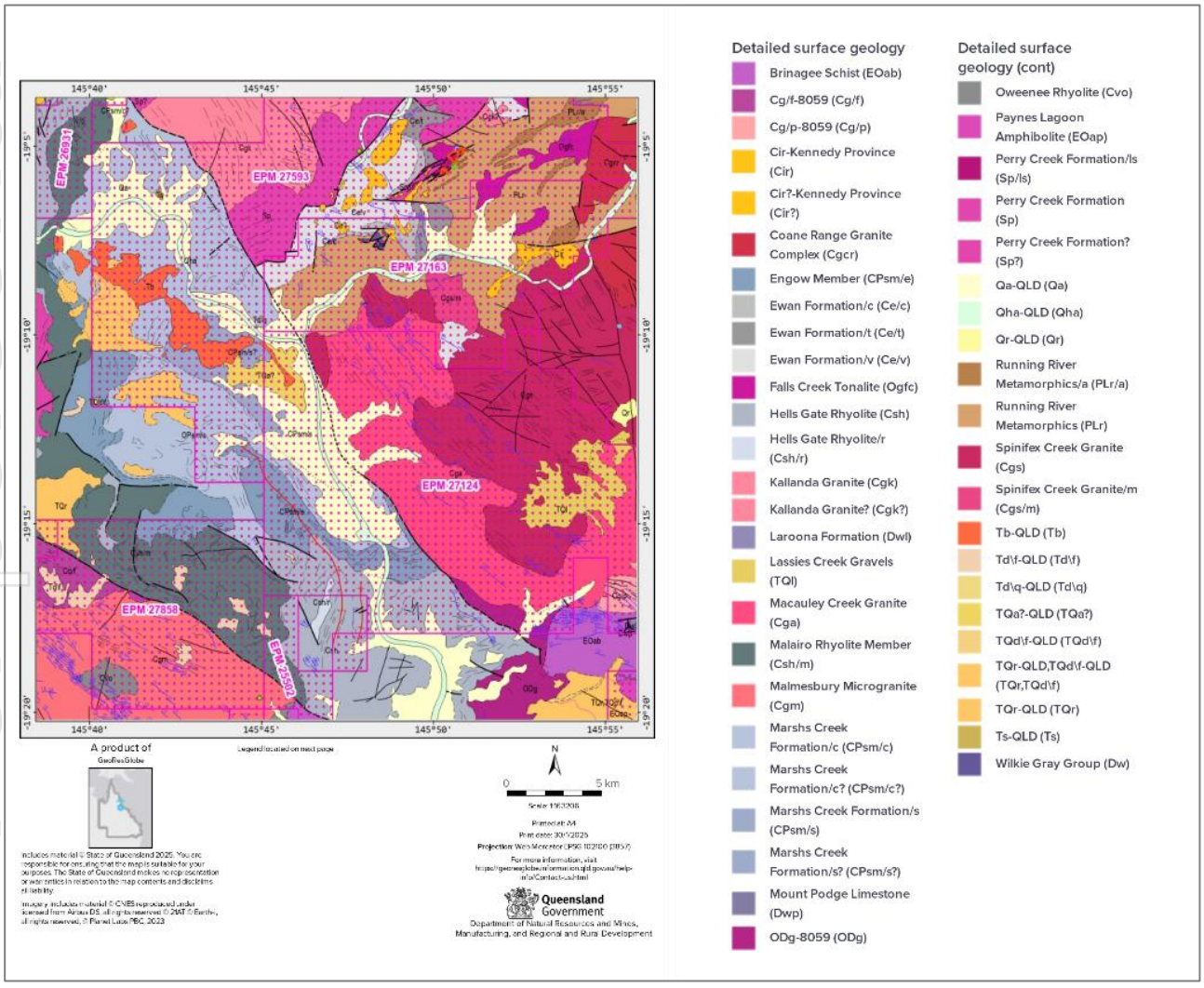

Figure 37: Macauley Creek local geology

Source: Qld GSQ 1:100,000 geology

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4.3.3 Previous and Current Exploration

The Project covers the old Macauley Creek copper and silver mine operating in the early 1900s. Exploration in 1990 to 1996 by North Queensland Mines who targeted extensions to the mineralisation with shallow drilling of semi-massive to massive sulphides and disseminated sulphides. From 2006 to 2015 RMA Energy drilled RAB and RC holes to test high grade base metals sulphides.

In 2023 Inca drilled ten RC holes for 1044m at the Wallaroo Prospect, around 5km southeast of the Mount Moss mine (Figure 38). Results were considered low by the company despite high grade rock chips at surface and a magnetic anomaly which turned out to be a chlorite epidote altered mafic intrusion. The drilling was considered by Inca to downgrade the prospect.

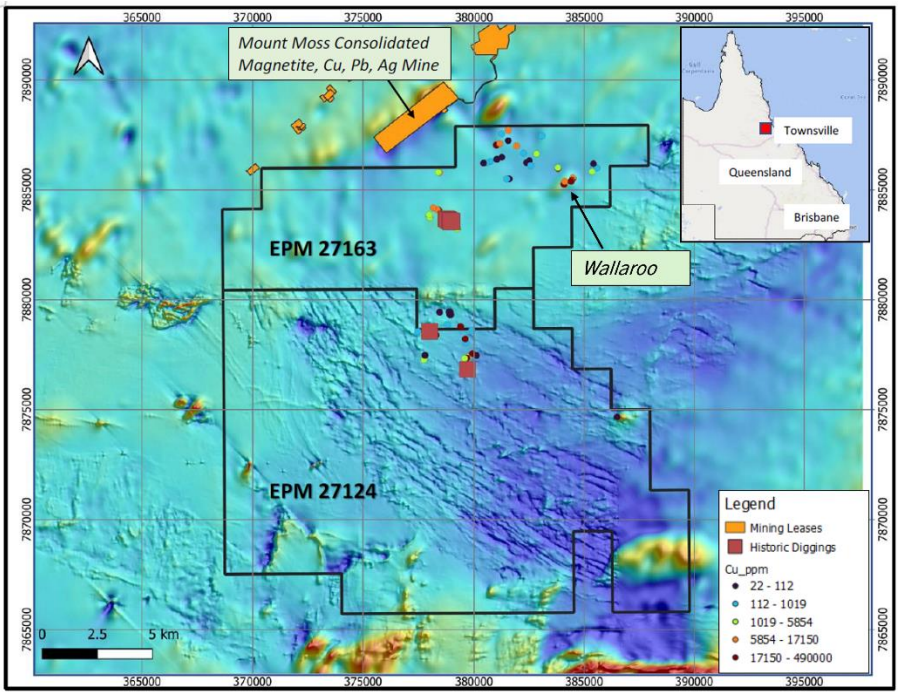

Figure 38: Macauley Creek magnetics, rock chips and location of drilling at Wallaroo

Source: ASX: ICG 23 February 2023

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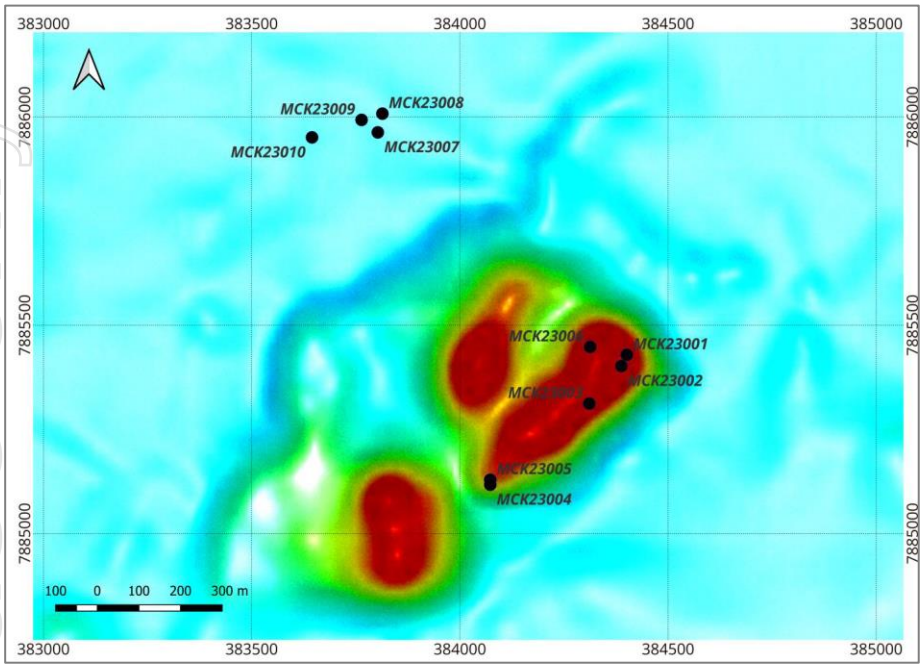

Figure 39: Detailed Magnetics at Wallaroo showing drillhole locations

Source: ASX: ICG 11 August 2023

4.3.4 Exploration Potential

The project has potential for contact (between granites and granite/sediment) skarn copper and base metal mineralisation as previously drilled at Mt Moss (to the north of the tenement) and quartz vein lode deposits. These are typically small. The magnetite skarns such as Mt Moss have strong magnetic signatures.

4.4 Western Australia – Brammall Hills Lithium

4.4.1 Regional Geological Setting

Exploration Licence Applications 80/5904, 80/5967 and 80/5968 are located in the west of the Tanami Desert in Western Australia. The GSWA Geology shows the geology comprises the Slatey Creek Granite which is part of the Tanami Orogen. On the Western side of the tenement the Lewis Range Sandstone, the lowest member of the Redcliffe Pound Group unconformably lies over the granite dipping shallowly to the west.

4.4.2 Local Geology and Mineralisation

Figure 40 shows the bedrock geology of the tenement. Approximately 60% of the tenements are covered by shallow Tertiary alluvium (not shown).

The unconformity between the Paleoproterozoic and the Lewis Range Sandstone is regionally considered prospective for unconformity hosted uranium mineralisation.

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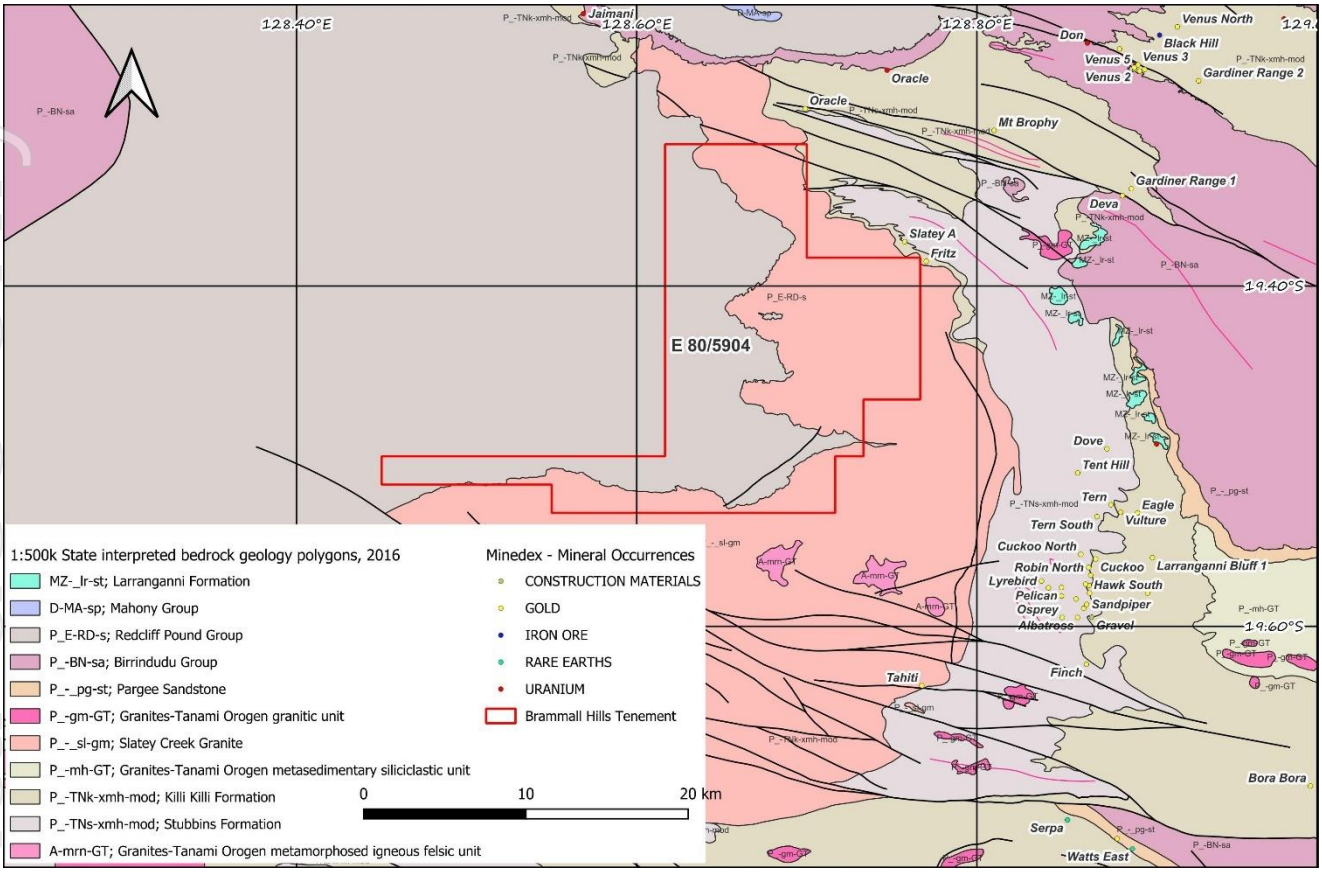

Figure 40: Brammall Hills Geology West Tanami

Source: GSWA 1:500,000 geology, Minedex

4.4.3 Previous and Current Exploration

Previous explorers in the 1970s intersected pegmatites within the Slatey Creek granite while drilling for uranium and observed in outcrop. A total of 15 diamond drillholes were completed by Uranex in the 1970s, totalling 1,774m and assayed for U, Th, Cu, Pb, Zn and Ag (WAMEX A8295) with no significant assays.

4.4.4 Exploration Potential

Inca has reported that some of the pegmatites intersected in the Uranex drilling may be lithium bearing. There is little evidence in the public domain to support lithium prospectivity in the Slatey Creek Granite.

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5. Valuation Methodology

The VALMIN Code outlines various valuation approaches that are applicable for Properties at various stages of the development pipeline. These include valuations based on market-based transactions, income or costs as shown in Table 3 and provides a guide as to the most applicable valuation techniques for different assets.

Table 3: VALMIN Code 2015 valuation approaches suitable for mineral Properties

Valuation Approaches suitable for mineral properties				
Valuation Approach	**Exploration Projects**	**Pre-development Projects**	**Development Projects**	**Production Projects**
Market	Yes	Yes	Yes	Yes
Income	No	In some cases	Yes	Yes
Cost	Yes	In some cases	No	No

In accordance with the definitions used in the VALMIN Code the Projects are best described as an Early Stage Exploration projects. There are no MRE's within the Projects which are reported under JORC (2012).

In VRM's opinion, the Projects should be valued using a Geoscientific or Kilburn approach and a prospectivity enhancement multiplier (**PEM**) as a secondary technique.

5.1 Previous Valuations

VRM is not aware of any previous valuations for the Mineral Assets owned by Inca or Stunalara.

5.2 Valuation Subject to Change

The valuation of any mineral Property is subject to several critical inputs most of these change over time and this valuation is using information available as of 5 February 2025 being the valuation date of this Report and considering information up to 5 February 2025. This valuation is subject to change due to updates in the geological understanding, variable assumptions and mining conditions, climatic variability that may impact on the development assumptions, the ability and timing of available funding to advance the properties, the current and future metal prices, exchange rates, political, social, environmental aspects of a possible development, a multitude of input costs including but not limited to fuel and energy prices, steel prices, labour rates and supply and demand dynamics for critical aspects of the potential development like mining equipment. While VRM has undertaken a review of several key technical aspects that could impact the valuation there are numerous factors that are beyond the control of VRM.

As at the date of this Report in VRM's opinion there have been no significant changes in the underlying inputs or circumstances that would make a material impact on the outcomes or findings of this Report.

5.3 General Assumptions

The Mineral Assets of Inca and Stunalara are valued using appropriate methodologies as outlined in Table 3 and in detailed in the following sections. The valuation is based on several specific assumptions detailed above, including the following general assumptions:

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- That all information provided to VRM is accurate and can be relied upon.
- The valuations only relate to the Mineral Assets located within the tenements controlled by the respective Companies, and not the Companies, their shares or market value.
- That the mineral rights, tenement security and statutory obligations were fairly stated to VRM and that the mineral licenses will remain active.
- That all other regulatory approvals for exploration and mining are either active or will be obtained in the required and expected timeframe.
- That the owners of the mineral assets can obtain the required funding to continue exploration activities.
- All currency in this report is in Australian Dollars or A$, unless otherwise noted, if a particular value is in United States Dollars, it is prefixed with US$.

5.4 Commodity Market Analysis

The tenements are primarily prospective for copper, gold, antimony, uranium, nickel, cobalt and phosphate. The outlook for each of these is variable and in recent years highly volatile.

Of note is the antimony price which has experienced a significant price surge from around US$13,000 per tonne to over US$35,000 per tonne in 2024 which was influenced by several factors, primarily China's decision to restrict antimony exports which commenced in September 2024.

Antimony is a semi-metal. In its metallic form it is silvery, hard and brittle. Uses. Antimony is used in the electronics industry to make some semiconductor devices, such as infrared detectors and diodes. It is alloyed with lead or other metals to improve their hardness and strength.

China, Russia & Tajikistan currently supply 90% of the world's antimony. Due to the concentration of supply in countries that have the potential to disrupt supply chains, western countries are looking to secure their critical mineral supplies domestically.

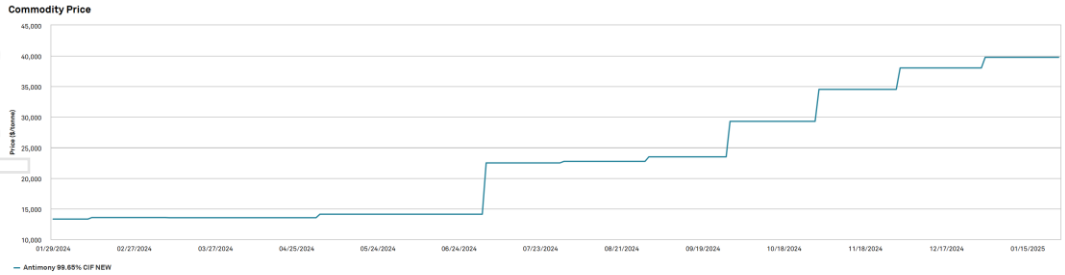

Figure 41: US$ Antimony Price one year

Source: S and P Capital IQ

Other commodity prices of note are Gold, Copper, and Uranium see Figure 42 and Figure 43 and Figure 44.

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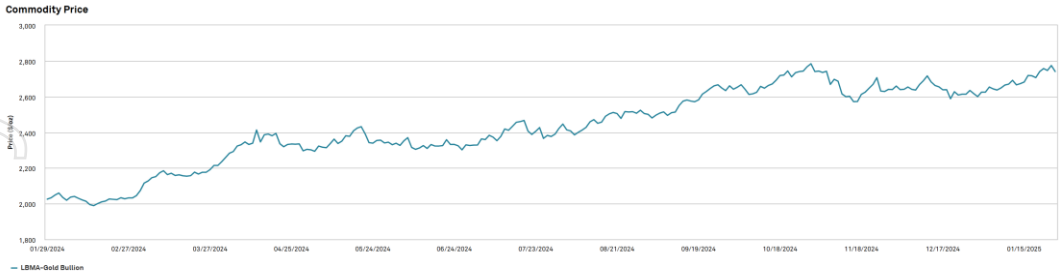

Figure 42: US$ Gold Price one year

Source: S and P Capital IQ

Gold steadily upwards from just over US$2000 in the beginning of 2024 to just under US$2800 in early 2025. The A$ gold price has appreciated even further due to a declining A/US$ exchange

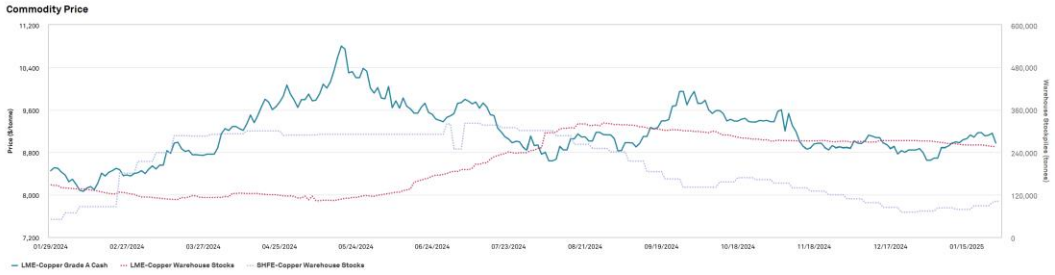

Figure 43: US$ Copper Price 1 year plus LME and Shanghai warehouse stocks

Source: S and P Capital IQ

Copper has been volatile over 2024 with higher prices in early 2025 compared to early 2024 but well below the peak achieved at $10,8000 in May 2024.

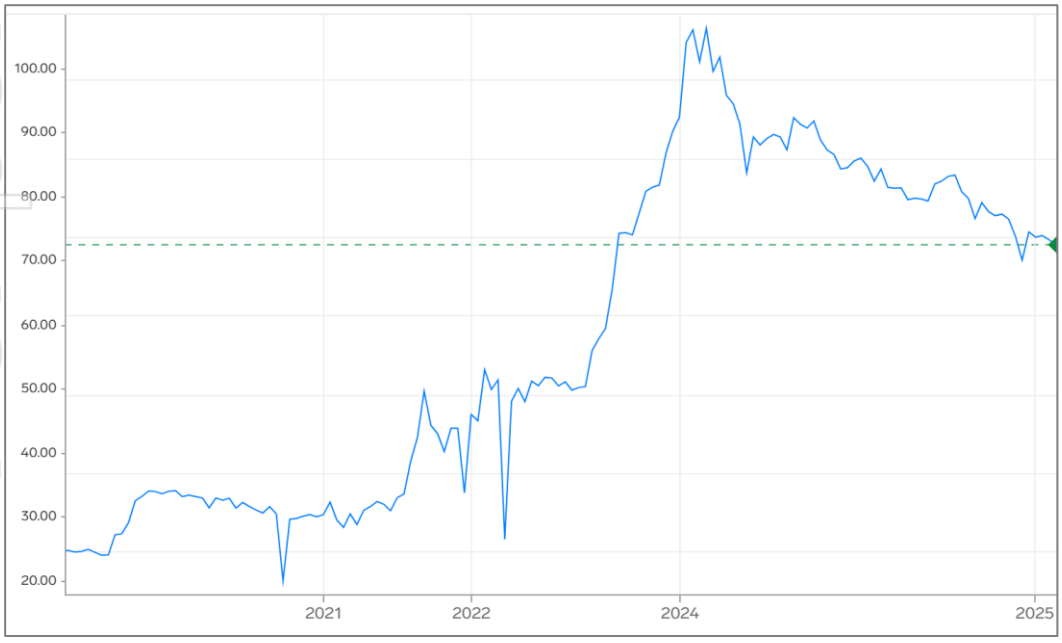

Figure 44: US$ Uranium Price US$ per pound

Source: Uranium PRICE Today | Uranium Spot Price Chart | Live Price of Uranium per Ounce | Markets Insider

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According to Uranium - Price - Chart - Historical Data - News Uranium - Price - Chart - Historical Data - News, Uranium futures fell below $69 per pound for the first time in 16 months in January as markets recalibrated demand expectations against a backdrop of ample supply. Restrictions on imports of enriched nuclear fuel from Russia, which is responsible for around half of global enrichment capacity according to some estimates, shrunk the pool of yellowcake consumers in the market for mined uranium. The relatively ample availability of yellowcake is expected to remain as import wavers for nuclear fuel in the US are due to expire by 2027. In the meantime, markets reconsidered their speculative positions on nuclear power demand for US datacentres following the emergence of more efficient large language models. China's open-source DeepSeek AI claimed to consume 95% less power than established US counterparts, erasing the race to develop alternative power sources. Such deals included nuclear power plants coming online to service data centres for Microsoft, Alphabet, and Amazon Web Services.

5.5 Valuation of Advanced Properties

There are several valuation methods that are suitable for advanced Properties including the following:

- Financial modelling including discounted cash flow (**DCF**) valuations (generally limited to Properties with published Ore Reserves),
- Comparable Market Based transactions including Resource and Reserve Multiples
- Joint Venture Transactions
- Yardstick valuations

At the Valuation Date there are no Mineral Resources estimated for the Projects, so no income-based methods have been used.

5.5.1 Comparable Market Based Transactions – Resource Based

A comparable transactional valuation is a simple and easily understood valuation method which is broadly based on the real estate approach to valuation. It can be applied to a transaction based on the contained metal for projects with Mineral Resource Estimates reported. Advantages of this type of valuation method include that it is easily understood and applied, especially where the resources or tenement area is comparable, and the resource or exploration work is reported according to an industry standard (like the JORC Code or NI43-101).

However, it is not as robust for projects where the resources are either historic in nature, reported according to a more relaxed standard, or are using a cut-off grade that reflects a commodity price that is not justified by the current market fundamentals. If the projects being valued are in the same or a comparable jurisdiction, then it removes the requirement for a geopolitical adjustment. Finally, if the transactions being used are recent then they should reflect the current market conditions.

Difficulties arise when there are a limited number of transactions, where the projects have subtle but identifiable differences that impact the economic viability of one of the projects. For example, the requirement for a very fine grind required to liberate gold from a sulphide rich ore or where the ore is refractory in nature and requires a non-standard processing method.

The information for the comparable transactions has been derived from various sources including the ASX and other securities exchange releases associated with these transactions, a database compiled by VRM for exploration stage projects (with resources estimated) and development ready projects.

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This valuation method is the primary valuation method for exploration or advanced (pre-development) projects where Mineral Resources have been estimated. More advanced projects would typically be valued using an income approach due to the Modifying Factors for a mining operation being better defined or having less uncertainty.

The preference is to limit the transactions and resource multiples to completed transactions from the past two to five years in either the same geopolitical region or same geological terrain.

5.5.2 Yardstick Valuation

A yardstick valuation can be undertaken as a check of the comparable transactions. The yardstick valuation is based on a rule of thumb as supported by a large database of transactions where resources and reserves at various degrees of confidence are multiplied by a percentage of the spot commodity price. The yardstick valuation factors are based on other yardstick valuation factors commonly used by other independent specialists and used in other VALMIN reports.

Table 4: Typical Yardstick Multiples used for Gold Projects

Resource or Reserve Classification	Lower Yardstick Multiple (% of Spot Price)	Upper Yardstick Multiple (% of Spot Price)
Ore Reserves	5%	10%
Measured Resources	2%	5%
Indicated Resources	1%	2%
Inferred Resources	0.5%	1%

5.6 Exploration Asset Valuation

To generate a value of an early-stage exploration property or the exploration potential away from a mineral deposit it is important to value all the separate parts of the mineral assets under consideration. In the case of the advanced Properties the most significant value drivers for the overall property are the declared Mineral Resources or Ore Reserves, while for earlier stage properties a significant contributor to the Property's value is the exploration potential. There are several ways to determine the potential of pre-resource Properties, these being:

- A Geoscientific (Kilburn) Valuation.
- Comparable transactions (purchase) based on the Properties' area or Mineral Resource estimates (both current and historic).
- Joint Venture terms based on the Properties' area; and
- A prospectivity enhancement multiplier (**PEM**).

The methodology to determine the Comparable transactions based on a projects area is undertaken using the same methodology as that described for the Comparable transactions' valuation for advanced projects section; however transactional value is applied to the project's area rather than the Mineral Resources or Ore Reserves. The Joint Venture terms valuation is similar to the comparable transactions based on the project area, other than a discount to the Joint Venture terms is applied to account for the time value of money (an appropriate discount rate is applied) and a discount to the earn-in expenditure to account for the chance that the Joint Venture earn-in expenditure is not completed in the agreed timeframe.

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VRM considers a Geoscientific or Kilburn valuation as a robust valuation method. The area based comparable transaction multiples can also be useful in valuations but are strongly related to the projects tenement area so can be conservative for small areas and overstated for large areas. It is the view of VRM that the least transparent and most variable valuation method is a PEM valuation as this depends on an assessment of the effectiveness of the expenditure.

5.6.1 Geoscientific (Kilburn) Valuation

One valuation technique that is widely used to determine the value of a project that is at an early exploration stage without any Mineral Resources or Ore Reserve estimates was developed and is described in an article published in the CIM bulletin by Kilburn (1990). This method is widely termed the geoscientific method where a series of factors within a project are assessed for their potential.

While this technique is somewhat subjective and open to interpretation it is a method that when applied correctly by a suitably experienced specialist enables an accurate estimate of the value of the project. There are five critical aspects that need to be considered when using a Kilburn or Geoscientific valuation, these are the base acquisition cost, which put simply is the cost to acquire and continue to retain the tenements being valued. The other aspects are the proximity to both adjacent to and along strike of a major deposit (Off Property Factors), the occurrence of a mineral system on the tenement (On Property Factors), the success of previous exploration within the tenement (Anomaly Factors) and the geological prospectivity of the geological terrain covered by the mineral claims or tenements (Geological Factors). In early-stage projects often the anomaly factors and geological factors have limited information.

While this valuation method is robust and transparent it can generate a very wide range in valuations, especially when the ranking criteria are assigned to a large tenement. This method was initially developed in Canada where the mineral claims are generally small therefore reducing the potential errors associated with spreading both favourable and unfavourable ranking criteria to be spread over a large tenement. Therefore, VRM either values each tenement or breaks down a larger tenement into areas of higher and lower prospectivity.

Table 5 documents the ranking criteria that were used in conjunction with the base acquisition cost (**BAC**) for the project tenements to determine the technical valuation of the project.

VRM determines the BAC based on the holding cost of maintaining the tenement for the next year. That cost is determined by the minimum exploration commitment required on the tenement. For the Inca Resources tenements, the BAC has been determined using WA prospecting license expenditure conditions as a proxy.

The technical valuation derived from the Kilburn ranking factors are frequently adjusted to reflect the geopolitical risks associated with the location of the project and the current market conditions toward a specific commodity or geological terrain. These adjustments can either increase or decrease the technical value to derive the fair market valuation.

Using the ranking criteria from Table 5 along with the base acquisition costs tabulated in the appendices an overall technical valuation is determined.

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Table 5: Ranking Criteria used to determine the geoscientific technical valuation

Geoscientific Ranking Criteria				
Rating	**Off-property factor**	**On-property factor**	**Anomaly factor**	**Geological factor**
0.1				Generally unfavourable geological setting
0.5			Extensive previous exploration with poor results	Poor geological setting
0.9			Poor results to date	Generally unfavourable geological setting, under cover
1.0	No known mineralisation in district	No known mineralisation within	No targets defined	Generally favourable geological setting
1.5	Mineralisation identified	Mineralisation identified	Target identified; initial indications positive	
2.0	Resource targets identified	Exploration targets identified		Favourable geological setting
2.5			Significant intersections – not correlated on section	
3.0	Along strike or adjacent to known mineralisation	Mine or abundant workings with significant previous production		Mineralised zones exposed in prospective host rocks
3.5			Several significant ore grade intersections that can be correlated	
4.0	Along strike from a major mine(s)	Major mine with significant historical production		
5.0	Along strike from world class mine			

The total technical valuation was adjusted to derive a market valuation by making a market factor adjustment and a locational adjustment.

For early-stage Projects (where there are no Mineral Resources estimated), VRM considers the Geoscientific (Kilburn) Valuation method to be the most robust and is commonly the primary valuation method used for the surrounding exploration potential.

5.6.2 Prospectivity Enhancement Multiplier (PEM) Valuation

As outlined in Table 3 and in the VALMIN Code, a cost – based or appraised value method is an appropriate valuation technique for early-stage exploration Properties. Under this method, the previous exploration expenditure is assessed as either improving or decreasing the potential of the Property. The prospectivity enhancement multiplier (**PEM**) involves a factor which is directly related to the success of the exploration expenditure to advance the Property. There are several alternate PEM factors that can be used depending on the specific Property and commodity being evaluated. Onley, (1994) included several guidelines for the use and selection of appropriate PEM criteria. The PEM ranking criteria used in this report are outlined in Table 6 below. VRM considers the PEM valuation method as a secondary valuation method. In the opinion of the author, it is preferable to use resource multiples for comparable transactions once a JORC 2012 resource has been estimated however if there are no comparable transactions then a PEM is a viable valuation method.

Table 6: Prospectivity Enhancement Multiplier (PEM) ranking criteria

PEM Ranking Criteria	
Range	Criteria
0.2 – 0.5	Exploration downgrades the potential
0.5 – 1	Exploration has maintained the potential
1.0 – 1.3	Exploration has slightly increased the potential
1.3 – 1.5	Exploration has considerably increased the potential
1.5 – 2.0	Limited Preliminary Drilling intersected interesting, mineralised intersections
2.0 – 2.5	Detailed Drilling has defined targets with potential economic interest
2.5 – 3.0	A Mineral Resource has been estimated at an Inferred category

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6. Valuation of the Mineral Assets

The mineral assets valued as a part of this ITAR cover early stage exploration tenements owned 90-100% by Inca and early stage projects by 100% owned by Stunalara. The projects are within the Australian states of Queensland, Western Australia, Tasmania and the Northern Territory.

Whilst there are no Ore Reserves or Mineral Resources within the projects Moore has requested VRM to undertake a valuation of the project in accordance with the VALMIN Code using valuation methods that VRM considers to be reasonable. An income valuation is not considered a viable valuation method due to lack of financial modelling. VRM has completed two alternate valuations of the project with the preferred valuation being based on the Geoscientific approach.

VRM has undertaken a valuation based on two techniques, these being a Kilburn or Geoscientific valuation method and a PEM method as detailed further below.

6.1 Geoscientific Valuation

There are several specific inputs that are critical in determining a valid geoscientific or Kilburn valuation, these are ensuring that the specialist undertaking the valuation has a good understanding of the mineralisation styles within the overall region, the tenements and has access to all the exploration and geological information to ensure that the rankings are based on a thorough knowledge of the project. In addition to ensuring the rankings are correct deriving the BAC is critical as that is the primary driver of the final value. In this case the BAC is derived by the exploration commitment to maintain the tenement in good standing made either by company to the Government or, according to State and Territory policies or regulations.

Where the tenements are under application, the valuation attributed to the tenement is considered negligible due to uncertainty in the granting process and also that no BAC has been incurred or is liable.

The Geoscientific rankings were derived for each of the ranking criteria with the Off-Property Criteria considered to be between 1 and 3.5, the On-Property Criteria between 1 and 2.5, the Anomaly Factor between 1 and 2 while the Geology Criteria are between 0.9 and 1.5. When these ranking criteria are combined with the base acquisition cost, as detailed in Appendix A, this has determined the technical value. A range of locational discounts were made from a low of 80% for Mt Read in Tasmania to between 90 and 95% for the other tenements reflecting remoteness and accessibility and potential access issues and delays related to native title. A 20% premium was applied to the Hurricane gold/antimony Project due to high commodity prices (See Section 5.4). Market discounts of 20% were applied to Mt Read in Tasmania due to the depressed nickel and cobalt market. Similarly, the uranium projects are discounted 20% due to the lack of a clear path to market for WA uranium projects under the current Labor Government. The remainder of the projects have a 10% discount due to currently depressed conditions in the equity markets for greenfield explorers.

The Technical and Market Values are shown in Table 7. The technical valuation is the base acquisition cost multiplied by the ranking factors outlined in Appendix A while the Market Value is the Technical Value multiplied by the geopolitical risk and market adjustment.

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Table 7: Geoscientific valuation of the Stunalara Projects

Project	Technical Valuation Low	Technical Valuation Mid	Technical Valuation high	Locational Discount / Premium	Market Discount / Premium	Market Low	Market Mid	Market High
Hurricane	0.17	0.44	0.70	95%	120%	0.20	0.50	0.80
Mt Read	0.15	0.37	0.59	80%	80%	0.09	0.23	0.37
WA - Uranium	0.21	0.50	0.79	95%	80%	0.16	0.38	0.60

Appropriate rounding to the total valuation has been undertaken.

Table 8: Geoscientific Valuation of the Inca Projects

Project	Technical Valuation Low	Technical Valuation Mid	Technical Valuation high	Locational Discount / Premium	Market Discount / Premium	Market Low	Market Mid	Market High
Frewena	0.95	2.17	3.39	90%	90%	0.77	1.76	2.74
Jean Elson	0.56	1.34	2.12	90%	90%	0.46	1.09	1.71
MacCauley Creek	0.20	0.40	0.60	95%	90%	0.17	0.34	0.51

Appropriate rounding to the total valuation has been undertaken.

Table 9: Summary of Geoscientific Valuations

Company	Market Low	Market Mid	Market High
Inca	1.4	3.2	5.0
Stunalara	0.5	1.1	1.8

Appropriate rounding to the total valuation has been undertaken.

The Inca projects are considered by VRM to have a market value using the Geoscientific method of between **$1.4 million** and **$5 million** with a preferred value of **$3.2 million**.

The Stunalara projects are considered by VRM to have a market value using the Geoscientific method of between **$0.5 million** and **$1.8 million** with a preferred value of **$1.1 million**.

6.2 Prospectivity Enhancement Multiplier (PEM) Valuation

VRM has undertaken a PEM valuation of the projects based on the exploration expenditure provided by the company and where not provided by the company a proxy was used based on the minimum expenditure conditions.

In the case of Mt Read, a significant amount of expenditure was made in 2018 to 2020 by the previous explorer Accelerate Resources Ltd. outside the 5 year window normally used in this method. An amount of $1 million was used to acknowledge this expenditure even though an amount of $2.8 million is claimed to have been spent over the life of the previous tenement EL6/2013. Including an amount outside the 5 year window also allows for exploration disruptions due the access restrictions associated with the Covid-19 pandemic between 2020 and 2021.

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The Frewena Project has benefitted from extensive drilling and geophysical data acquisition and targeting by Federal and Territorian Governments, in addition to co-funded drilling by Inca. Much of the perceived prospectivity hinges on observations made from one deep diamond drill hole (within the Inca Frewena East tenement) which contained evidence of potential Tennant Creek and IOCG style mineral systems (Kositcin 2022). Based on a new paradigm a large amount of deep drilling (8 holes) was conducted by Inca, an activity more suited to a major minor with more sustainable funding. Hence, a large amount of expenditure via deep drilling undercover has been undertaken with limited results in terms of increasing the prospectivity or derisking discovery due to deep post mineral cover.

The previous five years of expenditure has been multiplied by the PEM as detailed in Table 6 to generate a range of PEM values. VRM has assessed the effectiveness of the exploration expenditure and used an upper and lower PEM multiple to generate a range of likely values with the preferred valuation being the average. Table 10 details the expenditure, the PEM multiples, and the valuations for the tenure. The individual tenement expenditures and assigned PEM multiples are detailed in Appendix A.

Table 10: PEM Valuation by Project

Project	Total Exploration Expenditure	PEM Valuation Low	PEM Mid-Point	PEM Valuation High
Hurricane	$377,500	$0.19	$0.28	$0.38
Mt Read	$1,030,240	$0.21	$0.26	$0.31
Mulga Rock South East	$70,000	$0.04	$0.05	$0.07
Stunalara Total		$0.43	$0.59	$0.76
Frewena	$5,586,949	$2.62	$3.86	$5.10
Jean Elson	$1,577,435	$0.71	$1.06	$1.42
Macauley Creek	$820,809	$0.37	$0.55	$0.74
Inca Total		$3.70	$5.48	$7.26
Total Combined	$9,462,933	$4.13	$6.07	$8.01

Note Appropriate rounding has been undertaken.

Table 11: Summary of PEM Values by Company

Company	Valuation Low (A$ M)	Mid-Point (A$ M)	Valuation High (A$ M)
Inca	$3.70	$5.48	$7.26
Stunalara	$0.43	$0.59	$0.76

Note Appropriate rounding has been undertaken.

For the Inca Exploration Projects, the market valuation estimated by the PEM valuation method is between **$3.7 million** and **$7.26 million** with a preferred valuation of **$5.8 million**.

For the Stunalara Exploration Projects, the market valuation estimated by the PEM valuation method is between **$0.43 million** and **$0.76 million** with a preferred valuation of **$0.59 million**.

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7. Risks and Opportunities

7.1 General Risks and Opportunities

Mineral exploration, by its very nature has significant risks, particularly for early-stage projects, of which all of these Exploration Projects are considered. Based on the industry-wide exploration success rates it is possible that no additional significant economic mineralisation will be located within any of the Projects. Even in the event significant additional mineralisation does exist within the Project, factors both in and out of the control of the Company may prevent the identification or development of such mineralisation.

There are often environmental, safety and regulatory risks associated with exploration. This may include, but is not limited to, factors such as community consultation and agreements, as well as environmental considerations. Once more advanced, Projects are assessed for risks associated with mining, metallurgical and processing facilities requirements and services, ability to develop infrastructure appropriately, and mine closure processes. Assessment of these risks would be addressed in successive technical-economic studies, which generally commence once a Project has initiated Mineral Resource definition drilling and estimation activities. A risk exists that fatal flaws may be identified during these studies, that impede project development.

The data included in this Report and the basis of the interpretations herein have been derived from a compilation of data included in annual and quarterly technical reports and ASX releases sourced from the companies and other public data. In addition, company presentations and academic literature has been utilised to evaluate the historic exploration data, and to ascertain the prospectivity potential and possible mineralisation systems present within the tenement holdings. There is a risk that material information may not have been identified in the data compilation, but this is mitigated by the Company conducting a review for factual accuracy.

Global economics such as changes to commodity prices and access to capital to fund exploration can be considered as both risks and opportunities. These are factors that are outside of the control of the Company, as are broader societal issues. For example, at the time of drafting this Report, globally significant unrest in Ukraine and the Middle East is being felt globally and inflationary pressures are leading to uncertainty in the investment environment coupled with uncertain fiscal settings emanating from the US following the recent Presidential election. There has also been a recent increase in the recognition of the need for a rapid transition of the global energy requirements and a significant push toward lower carbon intensity power generation. This shift has dramatically changed the demand profile for several “green” or “future facing” commodities including antimony, lithium, nickel, copper in the electrification of vehicles and uranium in power generation. Where China controls the supply of a metal price swings have been the most volatile.

7.2 Project Specific Risks and Opportunities

For all the projects there are the typical risks associated with early-stage exploration properties.

Many of the projects such as Mt Read, Macauley Creek, Hurricane have steep topography which provides challenging access for drilling rigs. In addition, the remoteness of projects such as Frewena and Jean Elson often result in added costs due to mobilisation costs which are borne by the company and cannot easily be shared with others.

The risk that uranium continues to have restricted legal path forward in WA continues to be high.

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Opportunity in the antimony price and associated market interest in antimony as applied to the Hurricane Project is high. The area is along strike from well understood historic (albeit small scale) mines. The Hurricane Project has had limited modern exploration for antimony (and gold) so opportunity to find additional high grade vein hosted gold and antimony under the outcropping veins by drilling is high.

The large landholding at Frewena is of the scale that is highly attractive to a major mining companies. The amount of new government and company data generated from drilling and geophysics provides an opportunity for data analysis and integration to identify new targets.

Finally, the recognition of phosphate potential on the eastern Frewena tenements is significant with adjacent neighbour Avenira Ltd planning to direct ship material greater than 30% P_2O_5 in 2025. There is opportunity to drill high grade lenses of P_2O_5 on these tenements.

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8. Preferred Valuations

Based on the valuation techniques detailed above, Table 12 provides a summary of the valuation of exploration potential within the Projects by the various techniques. Figure 45 graphically shows the valuation range and preferred valuation for the Projects.

VRM's preferred valuation is based on the comparable transaction approach recognising that most of the value in the Projects are attributed to the Mineral Resources estimates. The comparable transaction valuation is supported by the yardstick approach, but this has a broader range.

The Geoscientific method is considered the preferable method to value the exploration potential adjacent to the Mineral Resources. The geoscientific method is supported by the PEM method where the expenditures are based on the last five years expenditure and the proportion of the minimum exploration expenditure since the last tenement anniversary.

Based on the rationale outlined in the body of this Report, VRM is of the view that the Mineral Resource estimates are most appropriately valued considering a comparable transaction approach. A secondary approach has been to use the Yardstick method supplemented with the Geoscientific or Kilburn valuation method.

On this basis in VRM's opinion, as detailed in Table 12 the likely market value of the Inca Projects is between **A$1.4 million** and **A$5 million** with a preferred valuation of **A$3.2 million**.

The likely market value of the Stunalara Projects is between **A$0.5 million** and **A$1.8 million** with a preferred valuation of **A$1.1 million**.

The primary difference between the PEM method to the Geoscientific reflects the large amount of expenditure on very early stage projects which is reflected in a higher PEM particularly for the Frewena Project.

Table 12: Valuation Summary Project by method

Company		Method		Lower Valuation	Preferred Valuation	Upper Valuation
Stunalara		Geoscientific	Primary	0.5	1.1	1.8
		PEM	Supporting	0.4	0.6	0.8
Stunalara	Preferred			0.5	1.1	1.8
Inca		Geoscientific	Primary	1.4	3.2	5.0
		PEM	Supporting	3.7	5.5	7.3
Inca	Preferred			1.4	3.2	5.0
Combined	Preferred			1.9	4.3	6.8

Note the totals may not add due to rounding in the valuations.

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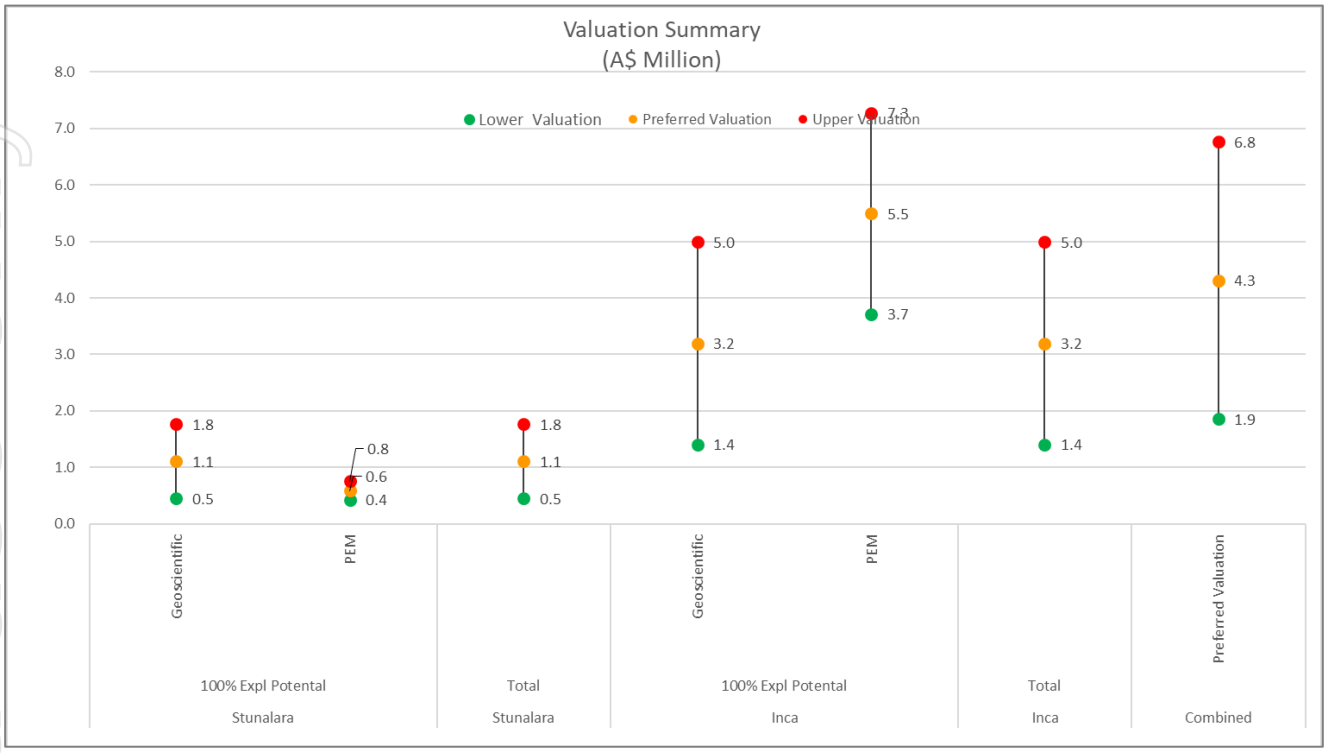

Figure 45: Valuation Summary Stunalara and Inca Projects

Source: VRM

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9. References

The reference list below includes public domain and unpublished company reports obtained either directly from the Company or ASX releases of previous Joint Venture holders or previous holders of the tenements.

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Appendix A Geoscientific Ranking Criteria and Valuation

Geoscientific Ranking Criteria

Company	Location	Project	Tenement	Company Equity	Status	Off Property Low	Off Property High	On Property Low	On Property High	Anomaly Low	Anomaly High	Geology Low	Geology High	BAC (A$)
Stunalara	Qld	Hurricane	EPM27518	100%	Live	1.5	2.0	1.5	2.0	1.0	1.5	1.0	1.5	$10,000
Stunalara	Qld	Hurricane	EPM19437	100%	Live	1.5	2.0	1.5	2.0	1.0	1.5	1.0	1.5	$52,500
Stunalara	Qld	Hurricane	EPM25855	100%	Live	1.5	2.0	1.5	2.0	1.0	1.5	1.0	1.5	$15,000
Stunalara	Tas	Mt Read	E4/2024	100%	Live	1.5	2.0	1.5	2.0	1.0	1.5	1.0	1.5	$65,000
Stunalara	WA	Mulga Rock South East	E28/3451	100%	Live	2.0	2.5	1.5	2.0	1.0	1.5	1.0	1.5	$70,000
Stunalara	WA	Boomerang	E31/1387	1	Pending	1	1.5	1	1.5	1	1.5	1	1.5	
Stunalara	WA	Lake Ballard	E29/1264	1	Pending	1	1.5	1	1.5	1	1.5	1	1.5	
Stunalara Total														
Inca	NT	Frewena Fable	EL31974	90%	Live	1.0	1.5	1.0	1.5	0.9	1.0	0.9	1.0	$56,033
Inca	NT	Frewena Fable	EL32287	90%	Live	1.0	1.5	1.0	1.5	0.9	1.0	0.9	1.5	$21,851
Inca	NT	Frewena East	EL33258 & EL32580	90%	Live	1.0	1.5	1.0	1.5	0.9	1.0	0.9	1.5	$21,851
Inca	NT	Frewena East (p2o5)	EL32857	90%	Live	3.0	3.5	2.0	2.5	1.5	2.0	1.0	1.5	$58,767
Inca	NT	Frewena East	EL32795 & EL32635	90%	Live	1.0	1.5	1.0	1.5	0.9	1.0	0.9	1.0	$17,544
Inca	NT	Frewena Far East	EL33282 & EL32293	90%	Live	1.00	1.5	1.0	1.5	1.5	2.0	0.9	1.5	$76,889
Inca	NT	Frewena Frontier	EL32688	90%	Live	2.0	2.5	1.0	1.5	1.0	1.5	1.0	1.5	$43,699
Inca	NT	Frewena Frontier	EL32689	90%	Live	2.0	2.5	1.0	1.5	1.0	1.5	1.0	1.5	$77,304
Inca	NT	Frewena Frontier	EL32690	90%	Live	2.0	2.5	1.0	1.5	1.0	1.5	1.0	1.5	$43,615

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Company	Location	Project	Tenement	Company Equity	Status	Off Property Low	Off Property High	On Property Low	On Property High	Anomaly Low	Anomaly High	Geology Low	Geology High	BAC (A$)
Inca	NT	Lorna May	EL32107	90%	Pending	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	
Inca	NT	Lorna May	EL33151	90%	Pending	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	
Inca	NT	Jean Elson	EL32485	90%	Live	1.0	1.5	2.0	2.5	1.5	2.0	1.0	1.5	$66,541
Inca	NT	Jean Elson	EL32486	90%	Live	1.0	1.5	2.0	2.5	1.5	2.0	1.0	1.5	$75,883
Inca	NT	Jean Elson	EL33214	90%	Live	1.0	1.5	2.0	2.5	1.5	2.0	1.0	1.5	$66,507
Inca	WA	Brammall Hills	E80/5904	100%	Pending	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	
Inca	WA		E80/5968	100%	Pending	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	
Inca	WA		E80/5967	100%	Pending	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	
Inca	Qld	MacCauley Creek	EPM27124	90%	Live	1.5	2.0	1.5	2.0	0.9	1.0	1.0	1.5	$78,000
Inca	Qld	MacCauley Creek	EPM27163	90%	Live	1.5	2.0	1.5	2.0	0.9	1.0	1.0	1.5	$33,000
Inca	Qld	Hay River	EPM27747	100%	Live	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	$5,000
Inca	NT	Hay River	EL32579	100%	Pending									
Inca	NT	Collia South	EL33604	100%	Pending									
Inca Total														
Combined														

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Geoscientific Valuation

Company	Location	Project	Tenement	Company Equity	Status	Technical Valuation Low	Technical Valuation Mid	Technical Valuation High	Locational Discount / Premium	Market Discount / Premium	Market Low	Market Mid	Market High
Stunalara	Qld	Hurricane	EPM27518	100%	Live	0.02	0.06	0.09	95%	120%	0.03	0.06	0.10
Stunalara	Qld	Hurricane	EPM19437	100%	Live	0.12	0.30	0.47	95%	120%	0.13	0.34	0.54
Stunalara	Qld	Hurricane	EPM25855	100%	Live	0.03	0.08	0.14	95%	120%	0.04	0.10	0.15
Stunalara	Tas	Mt Read	E4/2024	100%	Live	0.15	0.37	0.59	80%	80%	0.09	0.23	0.37
Stunalara	WA	Mulga Rock South East	E28/3451	100%	Live	0.21	0.50	0.79	95%	80%	0.16	0.38	0.60
Stunalara	WA	Boomerang	E31/1387	1	Pending	0	0	0	0.95	0.8	0	0	0
Stunalara	WA	Lake Ballard	E29/1264	1	Pending	0	0	0	0.95	0.8	0	0	0
Stunalara Total											**0.5**	**1.1**	**1.8**
Inca	NT	Frewena Fable	EL31974	90%	Live	0.04	0.08	0.11	90%	90%	0.03	0.06	0.09
Inca	NT	Frewena Fable	EL32287	90%	Live	0.02	0.04	0.07	90%	90%	0.01	0.03	0.05
Inca	NT	Frewena East	EL33258 & EL32580	90%	Live	0.02	0.04	0.07	90%	90%	0.01	0.03	0.05
Inca	NT	Frewena East (p2o5)	EL32857	90%	Live	0.48	0.93	1.39	90%	90%	0.39	0.76	1.12
Inca	NT	Frewena East	EL32795 & EL32635	90%	Live	0.01	0.02	0.04	90%	90%	0.01	0.02	0.03
Inca	NT	Frewena Far East	EL33282 & EL32293	90%	Live	0.09	0.28	0.47	90%	90%	0.08	0.23	0.38
Inca	NT	Frewena Frontier	EL32688	90%	Live	0.08	0.21	0.33	90%	90%	0.06	0.17	0.27
Inca	NT	Frewena Frontier	EL32689	90%	Live	0.14	0.36	0.59	90%	90%	0.11	0.29	0.48
Inca	NT	Frewena Frontier	EL32690	90%	Live	0.08	0.20	0.33	90%	90%	0.06	0.17	0.27
Inca	NT	Lorna May	EL32107	90%	Pending	0.00	0.00	0.00	95%	80%	0.00	0.00	0.00
Inca	NT	Lorna May	EL33151	90%	Pending	0.00	0.00	0.00	95%	80%	0.00	0.00	0.00
Inca	NT	Jean Elson	EL32485	90%	Live	0.18	0.43	0.67	90%	90%	0.15	0.35	0.55

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Company	Location	Project	Tenement	Company Equity	Status	Technical Valuation Low	Technical Valuation Mid	Technical Valuation High	Locational Discount / Premium	Market Discount / Premium	Market Low	Market Mid	Market High
Inca	NT	Jean Elson	EL32486	90%	Live	0.20	0.49	0.77	90%	90%	0.17	0.39	0.62
Inca	NT	Jean Elson	EL33214	90%	Live	0.18	0.43	0.67	90%	90%	0.15	0.35	0.55
Inca	WA	Brammall Hills	E80/5904	100%	Pending	0.00	0.00	0.00	95%	80%	0.00	0.00	0.00
Inca	WA		E80/5968	100%	Pending	0.00	0.00	0.00	95%	80%	0.00	0.00	0.00
Inca	WA		E80/5967	100%	Pending	0.00	0.00	0.00	95%	80%	0.00	0.00	0.00
Inca	Qld	MacCauley Creek	EPM27124	90%	Live	0.14	0.28	0.42	95%	90%	0.12	0.24	0.36
Inca	Qld	MacCauley Creek	EPM27163	90%	Live	0.06	0.12	0.18	95%	90%	0.05	0.10	0.15
Inca	Qld	Hay River	EPM27747	100%	Live	0.01	0.02	0.03	90%	90%	0.00	0.01	0.02
Inca	NT	Hay River	EL32579	100%	Pending								
Inca	NT	Collia South	EL33604	100%	Pending								
Inca Total											**1.4**	**3.2**	**5.0**
Combined											**1.9**	**4.3**	**6.8**

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Appendix B PEM Valuation

Company	Location	Project	Tenement	Company Equity	Status	PEM Low	PEM High	PEM Valuation Low	PEM Mid-Point	PEM Valuation High
Stunalara	Qld	Hurricane	EPM27518	100%	Live	0.5	1.0	0.02	0.03	0.04
Stunalara	Qld	Hurricane	EPM19437	100%	Live	0.5	1.0	0.13	0.20	0.26
Stunalara	Qld	Hurricane	EPM25855	100%	Live	0.5	1.0	0.04	0.06	0.08
Stunalara	Tas	Mt Read	E4/2024	100%	Live	0.2	0.3	0.21	0.26	0.31
Stunalara	WA	Mulga	E28/3451	100%	Live	0.5	1.0	0.04	0.05	0.07
Stunalara	WA	Boomerang	E31/1387	1	Pending	1	1.3	0	0	0
Stunalara	WA	Lake	E29/1264	1	Pending	1	1.3	0	0	0
Stunalara Total								**0.4**	**0.59**	**0.76**
Inca	NT	Frewena	EL31974	90%	Live	0.5	1.0	0.28	0.42	0.56
Inca	NT	Frewena	EL32287	90%	Live	0.5	1.0	0.06	0.08	0.11
Inca	NT	Frewena	EL33258 &	90%	Live	0.5	1.0	0.51	0.76	1.01
Inca	NT	Frewena	EL32857	90%	Live	1.3	1.5	0.18	0.19	0.21
Inca	NT	Frewena	EL32795 &	90%	Live	0.5	1.0	0.01	0.02	0.03
Inca	NT	Frewena	EL33282 &	90%	Live	0.5	1.0	1.31	1.97	2.63
Inca	NT	Frewena	EL32688	90%	Live	0.5	1.0	0.07	0.11	0.15
Inca	NT	Frewena	EL32689	90%	Live	0.5	1.0	0.11	0.17	0.23
Inca	NT	Frewena	EL32690	90%	Live	0.5	1.0	0.09	0.13	0.17
Inca	NT	Lorna May	EL32107	90%	Pending	1.0	1.3	0.00	0.00	0.00
Inca	NT	Lorna May	EL33151	90%	Pending	1.0	1.3	0.00	0.00	0.00
Inca	NT	Jean Elson	EL32485	90%	Live	0.5	1.0	0.31	0.46	0.62
Inca	NT	Jean Elson	EL32486	90%	Live	0.5	1.0	0.34	0.51	0.69
Inca	NT	Jean Elson	EL33214	90%	Live	0.5	1.0	0.06	0.09	0.12
Inca	WA	Brammall	E80/5904	100%	Pending	1.0	1.3	0.00	0.00	0.00
Inca	WA		E80/5968	100%	Pending	1.0	1.3	0.00	0.00	0.00

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Company	Location	Project	Tenement	Company Equity	Status	PEM Low	PEM High	PEM Valuation Low	PEM Mid-Point	PEM Valuation High
Inca	WA		E80/5967	100%	Pending	1.0	1.3	0.00	0.00	0.00
Inca	Qld	MacCauley	EPM27124	90%	Live	0.5	1.0	0.18	0.28	0.37
Inca	Qld	MacCauley	EPM27163	90%	Live	0.5	1.0	0.19	0.28	0.37
Inca	Qld	Hay River	EPM27747	100%	Live	0.5	1.0	0.01	0.02	0.02
Inca	NT	Hay River	EL32579	100%	Pending					
Inca	NT	Collia South	EL33604	100%	Pending					
Inca Total								**3.7**	**5.50**	**7.28**
Combined								**4.1**	**6.09**	**8.03**

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Glossary

Below are brief descriptions of some terms used in this report. For further information or for terms that are not described here, please refer to internet sources such as Webmineral [Mineralogy Database (webmineral.com)] and Wikipedia (Wikipedia).

The terms listed below are taken from the 2015 VALMIN Code (The VALMIN Code - 2015 Edition).

Annual Report means a document published by public corporations on a yearly basis to provide shareholders, the public and the government with financial data, a summary of ownership and the accounting practices used to prepare the report.

Australasian means Australia, New Zealand, Papua New Guinea and their offshore territories.

Code of Ethics means the Code of Ethics of the relevant Professional Organisation or Recognised Professional Organisations.

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

Experts are persons defined in the Corporations Act whose profession or reputation gives authority to a statement made by him or her in relation to a matter. A Practitioner may be an Expert. Also see Clause 2.1 of the VALMIN Code.

Exploration Results is defined in the current version of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code). Refer to https://www.jorc.org/ for further information.

Feasibility Study means a comprehensive technical and economic study of the selected development option for a mineral project that includes appropriately detailed assessments of applicable Modifying Factors together with any other relevant operational factors and detailed financial analysis that are necessary to demonstrate at the time of reporting that extraction is reasonably justified (economically mineable). The results of the study may reasonably serve as the basis for a final decision by a proponent or financial institution to proceed with, or finance, the development of the project. The confidence level of the study will be higher than that of a Pre-feasibility Study.

Financial Reporting Standards means Australian statements of generally accepted accounting practice in the relevant jurisdiction in accordance with the Australian Accounting Standards Board (AASB) and the *Corporations Act*.

Independent Expert Report means a Public Report as may be required by the *Corporations Act*, the Listing Rules of the ASX or other security exchanges prepared by a Practitioner who is acknowledged as being independent of the Commissioning Entity. Also see ASIC Regulatory Guides RG 111 and RG 112 as well as Clause 5.5 of the VALMIN Code for guidance on Independent Expert Reports.

Information Memoranda means documents used in financing of projects detailing the project and financing arrangements.

Investment Value means the benefit of an asset to the owner or prospective owner for individual investment or operational objectives.

Life-of-Mine Plan means a design and costing study of an existing or proposed mining operation where all Modifying Factors have been considered in sufficient detail to demonstrate at the time of reporting that extraction is reasonably justified. Such a study should be inclusive of all development and mining activities proposed through to the effective closure of the existing or proposed mining operation.

Market Value means the estimated amount of money (or the cash equivalent of some other consideration) for which the Mineral Asset should exchange on the date of Valuation between a willing buyer and a willing seller in an arm's length transaction after appropriate marketing wherein the parties each acted knowledgeably, prudently and without compulsion. Also see Clause 8.1 of the VALMIN Code for guidance on Market Value.

Materiality or being **Material** requires that a Public Report contains all the relevant information that investors and their professional advisors would reasonably require, and reasonably expect to find in the report, for the purpose of making a reasoned and balanced judgement regarding the Technical Assessment or Mineral Asset Valuation being reported. Where relevant information is not supplied, an explanation must be provided to justify its exclusion. Also see Clause 3.2 of the VALMIN Code for guidance on what is Material.

Member means a person who has been accepted and entitled to the post-nominals associated with the AIG or the AusIMM or both. Alternatively, it may be a person who is a member of a Recognised Professional Organisation included in a list promulgated from time to time.

Mineable means those parts of the mineralised body, both economic and uneconomic, that are extracted or to be extracted during the normal course of mining.

Mineral Asset means all property including (but not limited to) tangible property, intellectual property, mining and exploration Tenure and other rights held or acquired in connection with the exploration, development of and production from those Tenures. This may include the plant, equipment and infrastructure owned or acquired for the development, extraction and processing of Minerals in connection with that Tenure.

Most Mineral Assets can be classified as:

(a) **Early-stage Exploration Projects** – Tenure holdings where mineralisation may or may not have been identified, but where Mineral Resources have not been identified.

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(b) **Advanced Exploration Projects** – Tenure holdings where considerable exploration has been undertaken and specific targets identified that warrant further detailed evaluation, usually by drill testing, trenching or some other form of detailed geological sampling. A Mineral Resource estimate may or may not have been made, but sufficient work will have been undertaken on at least one prospect to provide both a good understanding of the type of mineralisation present and encouragement that further work will elevate one or more of the prospects to the Mineral Resources category.

(c) **Pre-Development Projects** – Tenure holdings where Mineral Resources have been identified and their extent estimated (possibly incompletely), but where a decision to proceed with development has not been made. Properties at the early assessment stage, properties for which a decision has been made not to proceed with development, properties on care and maintenance and properties held on retention titles are included in this category if Mineral Resources have been identified, even if no further work is being undertaken.

(d) **Development Projects** – Tenure holdings for which a decision has been made to proceed with construction or production or both, but which are not yet commissioned or operating at design levels. Economic viability of Development Projects will be proven by at least a Pre-Feasibility Study.

(e) **Production Projects** – Tenure holdings – particularly mines, wellfields and processing plants – that have been commissioned and are in production.

Mine Design means a framework of mining components and processes taking into account mining methods, access to the Mineralisation, personnel, material handling, ventilation, water, power and other technical requirements spanning commissioning, operation and closure so that mine planning can be undertaken.

Mine Planning includes production planning, scheduling and economic studies within the Mine Design taking into account geological structures and mineralisation, associated infrastructure and constraints, and other relevant aspects that span commissioning, operation and closure.

Mineral means any naturally occurring material found in or on the Earth's crust that is either useful to or has a value placed on it by humankind, or both. This excludes hydrocarbons, which are classified as Petroleum.

Mineralisation means any single mineral or combination of minerals occurring in a mass, or deposit, of economic interest. The term is intended to cover all forms in which mineralisation might occur, whether by class of deposit, mode of occurrence, genesis or composition.

Mineral Project means any exploration, development or production activity, including a royalty or similar interest in these activities, in respect of Minerals.

Mineral Securities means those Securities issued by a body corporate or an unincorporated body whose business includes exploration, development or extraction and processing of Minerals.

Mineral Resource is defined in the current version of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code). Refer to http://www.jorc.org for further information.

Mining means all activities related to extraction of Minerals by any method (e.g. quarries, open cast, open cut, solution mining, dredging, etc.).

Mining Industry means the business of exploring for, extracting, processing and marketing Minerals.

Modifying Factors is defined in the current version of the *Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves* (the JORC Code). Refer to https://www.jorc.org/ for further information.

Ore Reserve is defined in the current version of the *Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves* (the JORC Code). Refer to https://www.jorc.org/ for further information.

Petroleum means any naturally occurring hydrocarbon in a gaseous or liquid state, including coal-based methane, tar sands and oil-shale.

Petroleum Resources and **Petroleum Reserves** are defined in the current version of the Petroleum Resources Management System (PRMS) published by the Society of Petroleum Engineers, the American Association of Petroleum Geologists, the World Petroleum Council and the Society of Petroleum Evaluation Engineers. Refer to Society of Petroleum Engineers (SPE) | Oil & Gas Membership Association for further information.

Practitioner is an Expert as defined in the *Corporations Act,* who prepares a Public Report on a Technical Assessment or Valuation Report for Mineral Assets. This collective term includes Specialists and Securities Experts.

Preliminary Feasibility Study (Pre-Feasibility Study) means a comprehensive study of a range of options for the technical and economic viability of a mineral project that has advanced to a stage where a preferred mining method, in the case of underground mining, or the pit configuration, in the case of an open pit, is established and an effective method of mineral processing is determined. It includes a financial analysis based on reasonable assumptions on the Modifying Factors and the evaluation of any other relevant factors that are sufficient for a Competent Person, acting reasonably, to determine if all or part of the Mineral Resources may be converted to an Ore Reserve at the time of reporting. A Pre-Feasibility Study is at a lower confidence level than a Feasibility Study.

Professional Organisation means a self-regulating body, such as one of engineers or geoscientists or of both, that:

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(a) admits members primarily on the basis of their academic qualifications and professional experience.

(b) requires compliance with professional standards of expertise and behaviour according to a Code of Ethics established by the organisation; and

(c) has enforceable disciplinary powers, including that of suspension or expulsion of a member, should its Code of Ethics be breached.

Public Presentation means the process of presenting a topic or project to a public audience. It may include, but not be limited to, a demonstration, lecture or speech meant to inform, persuade or build goodwill.

Public Report means a report prepared for the purpose of informing investors or potential investors and their advisers when making investment decisions, or to satisfy regulatory requirements. It includes, but is not limited to, Annual Reports, Quarterly Reports, press releases, Information Memoranda, Technical Assessment Reports, Valuation Reports, Independent Expert Reports, website postings and Public Presentations. Also see Clause 5 of the VALMIN Code for guidance on Public Reports.

Quarterly Report means a document published by public corporations on a quarterly basis to provide shareholders, the public and the government with financial data, a summary of ownership and the accounting practices used to prepare the report.

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

Royalty or **Royalty Interest** means the amount of benefit accruing to the royalty owner from the royalty share of production.

Securities has the meaning as defined in the *Corporations Act*.

Securities Experts are persons whose profession, reputation or experience provides them with the authority to assess or value Securities in compliance with the requirements of the *Corporations Act*, ASIC Regulatory Guides and ASX Listing Rules.

Scoping Study means an order of magnitude technical and economic study of the potential viability of Mineral Resources. It includes appropriate assessments of realistically assumed Modifying Factors together with any other relevant operational factors that are necessary to demonstrate at the time of reporting that progress to a Pre-Feasibility Study can be reasonably justified.

Specialists are persons whose profession, reputation or relevant industry experience in a technical discipline (such as geology, mine engineering or metallurgy) provides them with the authority to assess or value Mineral Assets.

Status in relation to Tenure means an assessment of the security of title to the Tenure.

Technical Assessment is an evaluation prepared by a Specialist of the technical aspects of a Mineral Asset. Depending on the development status of the Mineral Asset, a Technical Assessment may include the review of geology, mining methods, metallurgical processes and recoveries, provision of infrastructure and environmental aspects.

Technical Assessment Report involves the Technical Assessment of elements that may affect the economic benefit of a Mineral Asset.

Technical Value is an assessment of a Mineral Asset's future net economic benefit at the Valuation Date under a set of assumptions deemed most appropriate by a Practitioner, excluding any premium or discount to account for market considerations.

Tenure is any form of title, right, licence, permit or lease granted by the responsible government in accordance with its mining legislation that confers on the holder certain rights to explore for and/or extract agreed minerals that may be (or is known to be) contained. Tenure can include third-party ownership of the Minerals (for example, a royalty stream). Tenure and Title have the same connotation as Tenement.

Transparency or being **Transparent** requires that the reader of a Public Report is provided with sufficient information, the presentation of which is clear and unambiguous, to understand the report and not be misled by this information or by omission of Material information that is known to the Practitioner.

Valuation is the process of determining the monetary Value of a Mineral Asset at a set Valuation Date.

Valuation Approach means a grouping of valuation methods for which there is a common underlying rationale or basis.

Valuation Date means the reference date on which the monetary amount of a Valuation in real (dollars of the day) terms is current. This date could be different from the dates of finalisation of the Public Report or the cut-off date of available data. The Valuation Date and date of finalisation of the Public Report must not be more than 12 months apart.

Valuation Methods means a subset of Valuation Approaches and may represent variations on a common rationale or basis.

Valuation Report expresses an opinion as to monetary Value of a Mineral Asset but specifically excludes commentary on the value of any related Securities.

Value means the Market Value of a Mineral Asset.

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