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30 April 2025

DeGrussa Processing Plant Acquired for use at Sorby Hills

HIGHLIGHTS

- **Binding Sale & Purchase Agreement ("SPA") executed with Sandfire Resources Limited ("Sandfire, ASX: SFR") to acquire the DeGrussa Processing Plant for use at the Sorby Hills Project.**
- **The acquisition significantly enhances project execution by derisking equipment procurement and reducing upfront capital costs for the Sorby Hills Project.**
- **Total acquisition price of A$10.0M comprising:**
  - **A$1.5M deposit of which A$0.5M is payable in cash and A$1.0M to be paid in cash or shares (at Boab's election) at a price of A$0.12/sh;**
  - **A$6.0M payable in cash upon Completion; and**
  - **A$2.5M payable in cash on or before the date that is 12 months from the sale of first concentrate from the Sorby Hills Project.**
- **The Sorby Hills Project FEED Study estimated a capital cost of A$136M for a new processing plant installed.**
- **Completion (and the associated payment due at Completion) is conditional upon Boab reaching a final investment decision ("FID") on the Sorby Hills Project which is anticipated in H2 2025.**
- **Any shares issued to Sandfire will be subject to a voluntary 12-month escrow period.**
- **Due Diligence completed by Boab, in conjunction with GR Engineering Services ("GRES"), has determined that the DeGrussa Processing Plant is ideally suited for the proposed flowsheet design and production rate for the Sorby Hills Project.**

Boab Metals Limited (ASX: **BML**) ("**Boab**" or "**Company**") is pleased to announce that it has executed a binding SPA with Sandfire to acquire the DeGrussa Processing Plant for use at Boab's Sorby Hills Project ("**Sorby Hills**", the "**Project**").

Boab Managing Director and CEO, Simon Noon, stated:

"We are delighted to have secured the DeGrussa Processing Plant for use at Sorby Hills. The DeGrussa Mine was a world-class asset, and since its cessation in 2024, Sandfire has kept the plant in excellent condition. Based on our detailed due diligence and the plant's applicability to the Sorby Hills Project, the acquisition of the DeGrussa Processing Plant was a clear value adding opportunity that we are delighted to have obtained. We look forward to completing the transaction and commencing the relocation of the plant to Sorby Hills".

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Background

Sorby Hills Project

Sorby Hills is located 50km from the regional centre of Kununurra in the East Kimberley of Western Australia and has access to existing sealed roads to transport concentrate 150km from the mine site to the facilities at Wyndham Port.

On 6 June 2024, Boab released the results of a Front-End Engineering & Design Study ("**FEED Study**")[1] on the Project showing strong pre-tax economics including C1 operating costs of US$0.36/lb payable Pb (incl. a net Silver credit of US$0.37/lb payable Pb), NPV_8 of A$411M, IRR of 37%, A$778M free cash flow, and an average annualised EBITDA of A$126M. Pre-production capital costs were estimated to be A$264M including A$136M for a new Processing Plant.

With operating costs covered by revenue generated by a historically non-volatile lead price, the Project free cash flow is exposed to movements in the price of silver.

DeGrussa Processing Plant

Located in the Meekatharra region of Western Australia, the world-class DeGrussa Copper Mine was built and operated by Sandfire as their flagship project between 2011-2024. The DeGrussa Processing Plant includes a primary crusher, ore storage bin, ball mill, SAG mill, flotation circuit, concentrate and tailings thickeners and an extensive list of new spares - all fit-for-purpose for the proposed Sorby Hills process plant flowsheet and sized to achieve the targeted 100ktpa concentrate production rate.

Project Execution

The acquisition of the DeGrussa Processing Plant is a significant project execution milestone and follows a number of critical Project milestones achieved by the Company over the past 6 months including:

- execution of an option to acquire the remaining 25% of the Sorby Hills Project from joint venture partner Henan Yuguang[2];
- execution of a Binding Offtake Agreement and US$30M Prepayment Terms Sheet from global commodities trader Trafigura[3]; and
- receipt of formal confirmation from the WA Government that the Project's existing EPA Approval has been amended to allow Sorby Hills to be developed in a manner consistent with the FEED study[4].

The acquisition represents a key derisking event from both an equipment procurement and capital cost perspective that will enhance ongoing discussions with financiers as key a risk mitigation for project execution and a tangible asset to support credit considerations.

[1] ASX Release 6 June 2024
[2] ASX Release 23 September 2024
[3] ASX Release 10 December 2024
[4] ASX Release 23 December 2024

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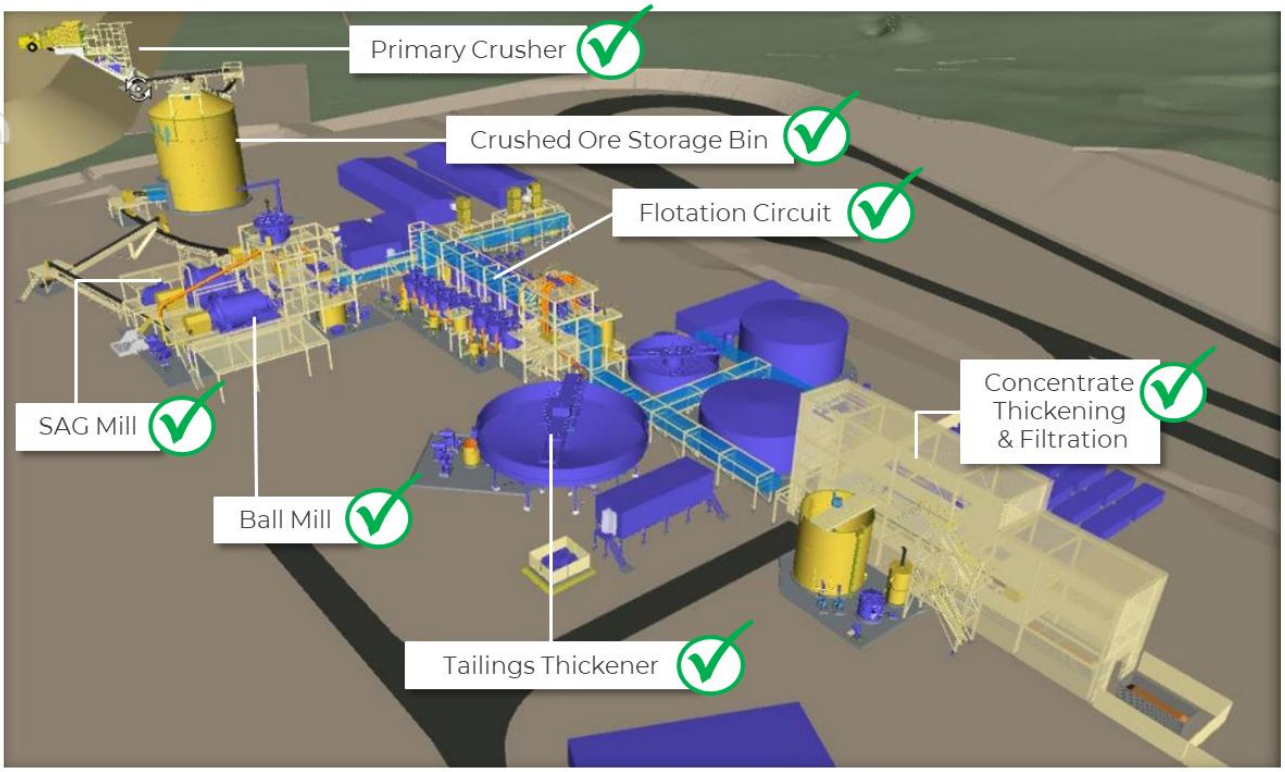


Figure 1: 3D Model of the Sorby Hills Processing Plant showing key components of the design that have been secured via the acquisition of the DeGrussa Processing Plant.



Figure 2: Image of the DeGrussa Processing Plant

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Key Terms

Term	Details
Price	Purchase Price of A$10.0M for the Assets comprising: • A$1.5M deposit with A$0.5M payable in cash and A$1.0M payable in cash or shares at Boab's election. If in shares, then the share price shall be the 5-day VWAP calculated as of the date of execution of the SPA (i.e. A$0.12/sh); • A$6.0M in cash on Completion; and • A$2.5M in cash on or before the date that is 12 months from the date of first sale or other disposal of Concentrate produced from the Sorby Hills Tenements.
Conditions Precedent to Completion	• the parties agreeing an appropriate work schedule for the dismantling and removal of the Assets from the DeGrussa Mine Site (by 15 December 2025 or as otherwise agreed); • the Buyer obtaining relevant regulatory approvals (no later than 12 months after the execution date of the SPA or as otherwise agreed); and • the Buyer confirming to Seller that its Board has approved FID in respect of the Project.
Post Completion	• From Completion and until the commencement of Dismantling Works, Boab will pay the cost of any ongoing care & maintenance programs (managed by Sandfire in accordance with the SPA) and applicable insurances.

Next Steps

Pursuant to the SPA, Boab intends to issue 8,333,333 new shares to Sandfire at an issue price of A$0.12/sh being the 5-day VWAP. The shares will be issued under the Company placement capacity under ASX Listing Rule 7.1 and will not require shareholder approval.

GRES will complete design documentation for the integration of the DeGrussa Processing Plant into Sorby Hills after which the Company intends to undertake a competitive tender process for its dismantling, relocation, rebuild and refurbishment at Sorby Hills.

The Company is targeting FID in H2 2025.

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The Board of Directors have authorised this announcement for release to the market.

FOR FURTHER INFORMATION, PLEASE CONTACT:

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About Boab Metals Limited

Boab Metals Limited ("**Boab**", ASX: **BML**) is a Western Australian-based exploration and development company with interests in Australia and South America. In Australia, the Company is currently focused on developing the Sorby Hills Project in WA. Sorby Hills is located 50km from the regional centre of Kununurra in the East Kimberley and has access to existing sealed roads to transport concentrate the 150km from site to the facilities at Wyndham Port.

Established infrastructure and existing permitting allows for fast-track development and production. Boab owns a 75% interest in the Project with the remaining 25% interest held by Henan Yuguang Gold & Lead Co. Ltd. Boab holds an option to acquire Yuguang's interest in the Project upon reaching a Final Investment Decision.

Table 1: Sorby Hills Mineral Resource Estimate – Pb Domains only.

Resource Classification	Tonnes (Mt)	Grade			Contained Metal		
		Pb	Zn	Ag	Pb	Zn	Ag
		%	%	g/t	kt	kt	koz
Measured	12.6	3.5%	0.4%	43	444	45	17,521
Indicated	11.0	3.4%	0.4%	34	377	46	12,114
Inferred	23.6	2.7%	0.5%	31	645	117	23,406
Total Resource	**47.3**	**3.1%**	**0.4%**	**35**	**1,465**	**207**	**53,042**

Note: Tonnes and Grade are rounded. Reported at a 1.0% Pb Cut-Off. Discrepancies in calculated Contained Metal is due to rounding.

Table 2: Sorby Hills Ore Reserve Statement.

Ore Reserve Category	Ore (Mt)	Grade		Contained Metal	
		Pb (%)	Ag (g/t)	Pb (kt)	Ag (Moz)
Proved	10.4	3.5%	42	358	14.1
Probable	4.9	3.5%	32	172	5.0
Total Ore Reserve	**15.2**	**3.5%**	**39**	**531**	**19.1**

Note: Tonnes and Grade are rounded. Reported at a 1.0% Pb cut-off. The above data has been rounded to the nearest 10,000 tonnes ore, 0.1% lead grade and 1,000 lead tonnes, 1g/t silver grade and 100,000 silver ounces. Discrepancies in calculated Contained Metal is due to rounding. Ore Reserves have been calculated using metal prices of A$3,313.91/t Pb and A$37.89/oz Ag and royalties of 4.3% of gross revenue including allowable deductions.

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Compliance Statements

The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the 'JORC Code') sets out minimum standards, recommendations and guidelines for Public Reporting in Australasia of Exploration Results, Mineral Resources and Ore Reserves.

Information included in these activities report relating to Mineral Resources has been extracted from the Mineral Resource Estimate dated 17 December 2021, available to view at www.boabmetals.com.au. The Company confirms that it is not aware of any new information or data that materially affects the information included in the Mineral Resource Estimate and that all material assumptions and technical parameters underpinning the estimates, continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the Mineral Resource Estimate.

Information included in this announcement relating to Ore Reserves, has been extracted from the Sorby Hills Definitive Feasibility Study and dated 19 January 2023, Information included in in this announcement report relating to Production Targets and Financial Forecasts has been extracted from the Sorby Hills FEED Study and dated 6 June 2024. Announcements are available to view at www.boabmetals.com.au. The Company confirms that it is not aware of any new information or data that materially affects the information included in the Ore Reserve Statement and that all material assumptions and technical parameters underpinning the estimates, production targets and financial forecasts continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the Ore Reserves Statement.