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Desert Minerals Limited (ACN 680 419 345)

Prospectus

For an offer of 25,000,000 Shares at an issue price of $0.20 each to raise $5,000,000 (before costs).

This Prospectus has been issued to provide information on an initial public offering of 25,000,000 Shares at an issue price of $0.20 each to raise $5,000,000 (before costs) (**Public Offer**).

This Prospectus also includes a priority offer as part of the Public Offer of up to 5,000,000 Shares to be issued at a price of $0.20 per Share to raise up to $1,000,000 to Eligible LLM Shareholders (**Priority Offer**).

This Prospectus also includes the Secondary Offers detailed in Section 2.1(c).

The Offers are conditional upon certain events occurring. Please refer to Section 2.2 for further information. The Offers are not underwritten.

It is proposed that the Priority Offer will close at 5:00pm (AWST) on 11 September 2025 (**Priority Offer Closing Date**) and the Public Offer and Secondary Offers will close at 5:00pm (AWST) on 25 September 2025. The Directors reserve the right to close the Offers earlier or to extend these dates without notice. Applications must be received before that time.

IMPORTANT NOTICES

This is an important document and requires your immediate attention. It should be read in its entirety. Please consult your professional adviser(s) if you have any questions about this Prospectus.

The Securities offered pursuant to this Prospectus should be regarded as **highly speculative** in nature, and investors should be aware that they may lose some or all of their investment. Refer to Section 4 for a summary of the key risks associated with an investment in the Shares.

Canaccord Genuity

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Important Information

The Offers

This Prospectus is issued by Desert Minerals Limited (ACN 680 419 345) (**Company**) for the purpose of Chapter 6D of the *Corporations Act 2001* (Cth) (**Corporations Act**). The Offers in this Prospectus are the Public Offer, Priority Offer, Lead Manager Offer, Board Offer and the Employee Offer (collectively, the **Offers**).

Prospectus

This Prospectus is dated, and was lodged with ASIC on, 21 August 2025 (**Prospectus Date**). Neither ASIC nor ASX (or their respective officers) take any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates. The expiry date of this Prospectus is 5.00pm AWST on that date which is 13 months after the Prospectus Date. No Securities will be issued on the basis of this Prospectus after that expiry date.

Application will be made to ASX within seven days of the date of this Prospectus for Official Quotation of the Shares the subject of the Offers.

No person is authorised to give any information or to make any representation in connection with the Offers, other than as is contained in this Prospectus. Any information or representation not contained in this Prospectus should not be relied on as having been made or authorised by the Company or the Directors in connection with the Offers.

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

Canaccord Genuity (Australia) Limited (**Lead Manager** or **Canaccord**) has acted as lead manager to the Public Offer. To the maximum extent permitted by law, the Lead Manager and each of its affiliates, officers, employees and advisers expressly disclaim all liabilities in respect of, make no representations regarding, and take no responsibility for, any part of this Prospectus other than references to their name and make no representation or warranty as to the currency, accuracy, reliability or completeness of this Prospectus.

The Company, the Share Registry and the Lead Manager disclaim all liability, whether in negligence or otherwise, to persons who trade Securities before receiving their holding statement.

Exposure Period

The Corporations Act prohibits the Company from processing Applications in the seven day period after the date of this Prospectus (**Exposure Period**). The Exposure Period may be extended by ASIC by up to a further seven days. The purpose of the Exposure Period is to enable this Prospectus to be examined by market participants prior to the raising of funds. You should be aware that this examination may result in the identification of deficiencies in this Prospectus. In such circumstances, any Application that has been received may need to be dealt with in accordance with section 724 of the Corporations Act. Applications under this Prospectus will not be processed by the Company until after the Exposure Period. No preference will be conferred upon Applications received during the Exposure Period.

No cooling-off rights

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

Conditional Offers

The Offers contained in this Prospectus are conditional on certain events occurring. If these events do not occur, the Offers will not proceed and investors will be refunded their Application Monies without interest. Please refer to Section 2.2 for further details on the conditions attaching to the Offers.

Target Market Determination

In accordance with the design and distribution obligations under the Corporations Act, the Company has determined the target market for the offer of Securities under this Prospectus. The Company and the Lead Manager will only make available the Lead Manager Offer, Broker Offer, Board Offer and Employee Offer to invited participants who fall within the target market determination (**TMD**) as set out on the Company's website (desertminerals.com.au). A copy of the TMD will be distributed to invited participants who fall within the target market.

Electronic Prospectus and Application Forms

During the Exposure Period, an electronic version of this Prospectus (without an Application Form) will be available from desertminerals.com.au only to persons in Australia. Application Forms will not be made available until after the Exposure Period has expired.

The Offers constituted by this Prospectus in electronic form are only available to persons receiving an electronic version of this Prospectus and relevant Application Form within Australia.

The Prospectus is not available to persons in other jurisdictions in which it may not be lawful to make

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such an invitation or offer to apply for Securities. If you access the electronic version of this Prospectus, you should ensure that you download and read the Prospectus in its entirety.

Persons having received a copy of this Prospectus in its electronic form may obtain an additional paper copy of this Prospectus and the relevant Application Form (free of charge) from the Company's registered office during the Offer Period by contacting the Company as detailed in the Corporate Directory.

Prospective investors wishing to subscribe for Shares under the Public Offer should complete the Application Form. If you do not provide the information required on the Application Form, the Company may not be able to accept or process your Application.

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

Offers outside Australia

No action has been taken to register or qualify the Securities the subject of this Prospectus, or the Offers, or otherwise to permit the offering of the Securities, in any jurisdiction outside Australia other than in the limited circumstances set out below. The distribution of this Prospectus in jurisdictions outside of Australia may be restricted by law and persons who come into possession of this Prospectus outside of Australia should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. This Prospectus does not constitute an offer of Securities in any jurisdiction where, or to any person to whom, it would be unlawful to issue this Prospectus, except to the extent permitted below.

New Zealand

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the **FMC Act**).

The Securities are not being offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) other than to a person who:

(a) is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;

(b) meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;

(c) is large within the meaning of clause 39 of Schedule 1 of the FMC Act;

(d) is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or

(e) is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

Speculative Investment

The Securities offered pursuant to this Prospectus should be considered highly speculative. There is no guarantee that the Securities offered pursuant to this Prospectus will make a return on the capital invested, that dividends will be paid on the Securities or that there will be an increase in the value of the Securities in the future.

Prospective investors should carefully consider whether the Securities offered pursuant to this Prospectus are an appropriate investment for them in light of their personal circumstances, including their financial and taxation position. Refer to Section 4 for details relating to the key risks applicable to an investment in the Securities.

Using this Prospectus

Persons wishing to subscribe for Securities offered by this Prospectus should read this Prospectus in its entirety in order to make an informed assessment of the assets and liabilities, financial position and performance, profits and losses, and prospects of the Company and the rights and liabilities attaching to the Securities offered pursuant to this Prospectus. If persons considering subscribing for Securities offered pursuant to this Prospectus have any questions, they should consult their stockbroker, solicitor, accountant or other professional adviser for advice.

Forward-Looking Statements

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

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

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and management of the Company. Key risk factors associated with an investment in the Company are detailed in Section 4. These and other factors could cause actual results to differ materially from those expressed in any forward-looking statements.

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

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

Photographs and Diagrams

Photographs used in this Prospectus which do not have descriptions are for illustration only and should not be interpreted to mean that any person shown endorses this Prospectus or its contents or that the assets shown in them are owned by the Company. Diagrams used in this Prospectus are illustrative only and may not be drawn to scale. Unless otherwise stated, all data contained in charts, graphs and tables is based on information available at the date of this Prospectus.

Competent Persons Statements

The information in this Prospectus and the Scotty Lithium Independent Geologist's Report in Annexure A that relates to exploration results and the exploration target for the Scotty Lithium Project is based on, and fairly represents, information and supporting documentation prepared by Mr Jacob Anderson, a Competent Person who is a member of the Australasian Institute of Mining and Metallurgy (**AusIMM**) and the American Institute of Professional Geologists. Mr Anderson is an employee of Dahrouge Geological Consulting USA Ltd and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration, and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (**JORC Code**). Mr Jacob Anderson consents to the inclusion of the matters based on his information in the form and context in which it appears in this Prospectus and the Scotty Lithium Independent Geologist's Report and has not withdrawn his consent before lodgement of this Prospectus with ASIC.

The information in this Prospectus and the Mt Monger Independent Geologist's Report in Annexure B that relates to exploration results and mineral resource estimates for the Mt Monger Projects is based on, and fairly represents, information and supporting documentation compiled by Mr Benjamin Nicolson, a Competent Person who is a member of the Australian Institute of Geoscientists. Mr Nicolson is an independent consultant to the Company and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration, and to the activity being undertaken to qualify as a Competent Person as defined in the JORC Code. Mr Benjamin Nicolson consents to the inclusion of the matters based on his information in the form and context in which it appears in this Prospectus and in the Mt Monger Independent Geologist's Report and has not withdrawn his consent before lodgement of this Prospectus with ASIC.

Exploration results, exploration targets and estimates of mineral resources contained in this Prospectus have been reported in accordance with the JORC Code.

As at the date of this Prospectus, none of the Competent Persons have a relevant interest in any Securities in the Company.

Miscellaneous

All financial amounts contained in this Prospectus are expressed as Australian currency unless otherwise stated. Conversions may not reconcile due to rounding. All references to '$' are references to Australian dollars.

All references to time in this Prospectus are references to AWST, being the time in Perth, Western Australia, unless otherwise stated.

Defined terms and abbreviations used in this Prospectus are detailed in the glossary in Section 10.

Consents to Statements Instrument

As permitted by *ASIC Corporations (Consents to Statements) Instrument 2016/72*, this Prospectus may include or be accompanied by certain statements fairly representing statements by an official person or from a public official document or published book, journal or comparable publication, including but not limited to where the statement was not made, or published, in connection with the Offers. Pursuant to *ASIC Corporations (Consents to Statements) Instrument 2016/72* the consent of persons to which such statements are attributable is not required for the inclusion of those statements in this Prospectus.

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Corporate directory

Directors, Key Management Personnel and Company Secretary	
Peretz Schapiro	Executive Chairman
Adam Ritchie	Non-Executive Director
Daniel Campbell	Non-Executive Director
Patric Ho	Non-Executive Director
Joel Ives	Company Secretary

Registered and Principal Office	Stock Exchange Listing
Desert Minerals Limited Level 1, 1 Alvan Street Subiaco WA 6008 Phone: +61 8 6245 2490 Email: info@desertminerals.com.au Website: desertminerals.com.au	Australian Securities Exchange (**ASX**) Proposed ASX Code: DSM

Australian Solicitors	United States Lawyers
Hamilton Locke Pty Ltd Level 39, 152-158 St Georges Terrace Perth WA 6000	Marvel & Marvel, Ltd 275 Hill Street #250 Reno, NV 89501 United States of America

Lead Manager	Share Registry*
Canaccord Genuity (Australia) Limited Level 23, Exchange Tower 2 The Esplanade Perth WA 6000	Automic Pty Ltd Level 5, 191 St Georges Terrace Perth WA 6000 Phone: 1300 288 664

Auditor*	Investigating Accountant
BDO Audit Pty Ltd Level 9, Mia Yellagonga Tower 2 5 Spring Street Perth WA 6000	BDO Corporate Finance Australia Pty Ltd Level 9, Mia Yellagonga Tower 2 5 Spring Street Perth WA 6000

Independent Geologist (Scotty Lithium Project)	Independent Geologist (Mt Monger Projects)
Dahrouge Geological Consulting USA Ltd. 7000 S. Yosemite St., Suite 115 Centennial, CO 80112	Benjamin Nicolson Jl. Jelambar Barat 2G. Setia Warga 8 No.31A Kota Jakarta Barat, 11460 Indonesia

* These entities are included for information purposes only. They have not been involved in the preparation of this Prospectus.

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Letter from the Chair

Dear Investor

On behalf of the board of Desert Minerals Limited (**Company** or **Desert Minerals**), I am pleased to present this Prospectus and to invite you to become a Shareholder in the Company.

The Company is a wholly owned subsidiary of Loyal Metals Limited (**LLM**) and was incorporated on 2 September 2024 for the purpose of spinning out certain assets of LLM, comprising:

(a) the entirety of LLM's 80% interest in the Mt Monger North Gold Project and Mt Monger South Gold Project in Western Australia (together, the **Mt Monger Projects**); and

(b) 51% of LLM's interest in the Scotty Lithium Project,

(together, the **Projects**).

LLM announced on 2 July 2025 they had secured a binding option to acquire the Highway Reward Copper Gold Mine. After securing the binding option, LLM will be focusing on the exploration and development of that project, along with its hard rock lithium assets including the Triste Lithium Project and the Hidden Lake Lithium Project. Ongoing development milestones will require substantial management time and resources.

Given these circumstances, LLM's board and management strategically chose to demerge the Projects into a separate entity. This will allow for sharper focus on the Mt Monger Projects and Scotty Lithium Project, beyond what LLM can currently provide, with the goal of maximising their strategic value.

The demerger will deliver an exciting standalone exploration company in Desert Minerals, which will be focused on the advancement of the Scotty Lithium Project and Mt Monger Projects. The Board of Desert Minerals believes that, following the demerger and the completion of the Offers, it will have sufficient resources to further advance exploration at the Projects and optimise their potential value. The Company is noteworthy for its dedicated Board and management team, which collectively have many years of experience in the resources and finance industries, with a proven track record of creating shareholder value through the discovery and financing of valuable mineral resources.

The purpose of the Public Offer (which includes the Priority Offer) is to raise $5,000,000 (before costs) to enable the Company to:

- undertake a drilling campaign at the Mt Monger Projects, aiming to find extensions to the existing resource and follow up on additional promising gold targets;
- undertake significant work at the Scotty Lithium Project, including:
    - commencing a drilling campaign to prove up a JORC compliant resource (subject to results); and
    - undertaking various test works to incorporate into an economic study;
- have sufficient working capital for additional marketing, exploration and future acquisitions; and
- pay for the costs of the Offers.

This Prospectus contains detailed information about the Offers and the current and proposed operations of the Company, as well as the risks pertaining to an investment in the Company, including but not limited to future capital requirements to develop the Projects, the Company being able to satisfy the conditions precedent of the Demerger Implementation Deed, Scotty Lithium Agreement and Mt Monger Agreement, as well as the risks associated with the exploration and development of mineral exploration projects. The Company's audited financial report for the period from incorporation

to 30 June 2025 includes a material uncertainty relating to going concern. The Board believes that on completion of the Offers, the Company will have sufficient funds to adequately meet the Company's current commitments and working capital requirements. However, there remains a risk that further funding will be required by the Company in the medium to long term. An inability to obtain additional funding would have a materially adverse effect on the Company's business and may give rise to significant uncertainty as to the Company's ability to continue as a going concern. Potential investors in the Company should carefully consider the risks detailed in Section 4.

Before deciding on whether to invest in the Company, you should read this Prospectus carefully and consult with your accountant, financial adviser, stockbroker, lawyer or other professional adviser.

We look forward to welcoming you as a Shareholder should you decide to take up Shares pursuant to the Offers.

Yours faithfully



Peretz Schapiro
Executive Chairman
Desert Minerals Limited

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Key Offer Information

Key details of the Offers[1]	Shares	Options[2]
Existing Securities[3]	60	-
Public Offer and Priority Offer Shares[4]	25,000,000	
Consideration Securities[5]	1,000,000	1,000,000
Lead Manager Options[6]	-	3,000,000
Broker Options[6]	-	3,000,000
Board Options[6]	-	1,500,000
Employee Options[6]	-	1,000,000
Total on Admission[7]	**26,000,060**	**9,500,000**
Indicative Market Capitalisation[8]	~$5.2 million	

Notes:

1. Refer to Section 2.5 for further details relating to the capital structure of the Company.
2. Refer to Section 8.3 for the terms and conditions of the Options.
3. Existing Shares held by LLM.
4. Refer to Section 2.1 for further details relating to the Public Offer and Priority Offer.
5. Refer to Sections 7.1 and 7.7 for further details about the Consideration Securities.
6. Refer to Section 2.1(c) for further details relating to the Secondary Offers.
7. The total number of Securities to be on issue upon Admission assumes no further Shares are issued and none of the Options are exercised.
8. Based on the Offer Price multiplied by the number of Shares on issue on Admission. There is no guarantee that the Shares will trade at the Offer Price on or after Admission.

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Indicative timetable

Event	Date
Lodgement of Prospectus with ASIC	21 August 2025
Priority Offer Record Date	26 August 2025
Opening Date of the Offers (including the Priority Offer)	29 August 2025
Priority Offer Closing Date	11 September 2025
Closing Date of the Offers (other than the Priority Offer)	25 September 2025
Issue Date	2 October 2025
Despatch of holding statements for Securities issued under the Offers	3 October 2025
Expected date for Official Quotation on ASX	11 October 2025

Note: The dates shown in the table above are indicative only and may vary subject to the Corporations Act, the Listing Rules and other applicable laws. The Company, in consultation with the Lead Manager, reserves the right to vary the dates and times of the Offers (including, to vary the Opening Date and Closing Date, to accept late Applications, either generally or in particular cases, or to cancel or withdraw the Offers before Completion) in each case without notifying any recipient of this Prospectus or any Applicants, which may have a consequential effect on other dates. If the Offers are cancelled or withdrawn before the allotment of Shares, then all Application Monies will be refunded in full (without interest) as soon as possible in accordance with the requirements of the Corporations Act. Applicants are therefore encouraged to lodge their Application Form and deposit the Application Monies as soon as possible after the Opening Date if they wish to invest in the Company. The admission of the Company to the Official List of the ASX and the commencement of quotation of the Shares are subject to confirmation from the ASX.

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1. Investment overview

This investment overview is not intended to provide full information for investors intending to apply for Securities offered pursuant to this Prospectus. This Prospectus should be read and considered in its entirety. The Securities offered pursuant to this Prospectus carry no guarantee in respect of return of capital, return on investment, payment of dividends or the future value of the Securities.

Topic	Summary	More information
Introduction		
Who is the Company and what does it do?	Desert Minerals Limited (**Company** or **Desert Minerals**) was incorporated as a wholly owned subsidiary of Loyal Metals Limited (**LLM**) on 2 September 2024 in the state of Western Australia for the purpose of demerging the Projects. The companies entered into the Demerger Implementation Deed, Scotty Lithium Agreement and Mt Monger Agreement (summarised in Sections 7.1, 7.2 and 7.5 respectively) whereby Desert Minerals will acquire a 51% interest in the Scotty Lithium Project and the entirety of LLM's 80% interest in the Mt Monger Projects. Following Admission, the Company will be an exploration and development company with a focus on developing the Scotty Lithium Project located in Nevada, United States, and the Mt Monger Projects located in Western Australia.	Section 3.1
What are the Company's projects?	The Projects comprise the Scotty Lithium Project and the Mt Monger Projects. The Scotty Lithium Project covers 15.8 km^2 and is located 189 km northwest of Las Vegas and 38 km northwest of Beatty, Nevada. The Scotty Lithium Project is prospective for lithium sediments and is adjacent to the existing Nevada Lithium Ltd (TSXV: NVLH) Bonnie Claire Project, with similar geology. The Mt Monger Projects are located 40-55 km south-east of Kalgoorlie-Boulder in the Goldfields-Esperance region of Western Australia. The Mt Monger Projects lie within the Gindalbie Terrane of the Eastern Goldfields Granite–Greenstone Terrane, a subdivision of the Norseman–Wiluna Greenstone Belt which is part of the Archaean Yilgarn Craton.	Sections 3.1 and 3.4, the Scotty Lithium Independent Geologist's Report in Annexure A, the Mt Monger Independent Geologist's Report in Annexure B, the US Title Report in Annexure C and the Australian Solicitor's Report in Annexure D
How was the value of the consideration under the Acquisition determined?	The Board considers that the quantum of the consideration payable for the Acquisitions reflects reasonable fair value of the interest in the Projects to be acquired by the Company. The Company's view is that the consideration payable is reasonable in the circumstances and in any event is no less favourable to the Company than if the parties were dealing at arm's length. In determining the consideration, the Company also took the following considerations into account:	Section 3.9

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<table>
<tr><th>Topic</th><th>Summary</th><th>More information</th></tr>
<tr><td></td><td>(a) recent-third party acquisitions and initial public offering transactions involving acquisitions of mining assets of a similar size and stage of development;
(b) an assessment of the quality and future prospects of the Projects based on:
(i) a geological review and exploration undertaken to date;
(ii) level of development of the Projects; and
(iii) the ability of the Company to commercially exploit the Projects; and
(c) the Company's ability to raise funds at an issue price of $0.20 per Share to raise $5,000,000 (before costs) in contemplation of the Company's current capital structure.</td><td></td></tr>
<tr><td>What is the Company's financial position?</td><td>Investors should be aware that the Company is currently making a loss. A summary of the financial history of the Company is set out in the financial information section and Independent Limited Assurance Report in Section 5.</td><td>Section 5</td></tr>
<tr><td>What is the proposed capital structure of the Company?</td><td>The proposed capital structure of the Company on Admission is set out below:
<table>
<tr><th>Pro forma capital structure</th><th>Shares</th><th>%</th><th>Options</th></tr>
<tr><td>Securities currently on issue</td><td>60</td><td>0.0</td><td>-</td></tr>
<tr><td>Public Offer and Priority Offer Shares</td><td>25,000,000</td><td>96.2</td><td>-</td></tr>
<tr><td>Consideration Securities</td><td>1,000,000</td><td>3.9</td><td>1,000,000</td></tr>
<tr><td>Lead Manager Options</td><td>-</td><td>-</td><td>3,000,000</td></tr>
<tr><td>Broker Options</td><td>-</td><td>-</td><td>3,000,000</td></tr>
<tr><td>Board Options</td><td>-</td><td>-</td><td>1,500,000</td></tr>
<tr><td>Employee Options</td><td>-</td><td>-</td><td>1,000,000</td></tr>
<tr><td>Total Securities</td><td>26,000,060</td><td>100.0</td><td>9,500,000</td></tr>
</table></td><td>Section 2.5</td></tr>
<tr><td>What is the proposed use of funds raised under the Public Offer?</td><td>The Company intends to apply funds raised under the Public Offer, together with any existing cash reserves post Admission, to advance the Company's main objectives and strategy upon Admission (as set out in the proposed use of funds in Section 2.4). The Company believes its available cash and the net proceeds of the Public Offer should be adequate to fund its business objectives in the short term as</td><td>Section 2.4</td></tr>
</table>

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Topic	Summary	More information
	stated in this Prospectus, however, the Company may require further financing in the future.	
What is the Company's strategy?	Following Admission, the Company's primary focus will be to provide a return to Shareholders through the exploration and development of the Projects by undertaking the following exploration activities: (a) ground surveys; (b) geophysics; (c) drilling; and (d) subject to drilling results, revising and updating the Inferred Mineral Resource estimate at the Mt Monger North Project and, subject to results, declaring a maiden Mineral Resource estimate at Scotty Lithium Project.	Sections 3.5 and 3.6
Summary of key risks		
Prospective investors should be aware that subscribing for Securities in the Company involves a number of risks. The risk factors set out in Section 4, and other general risks applicable to all investments in listed securities, may affect the value of the Securities in the future. Accordingly, an investment in the Company should be considered highly speculative. This Section summarises the key risks which apply to an investment in the Company and investors should refer to Section 4 for a more detailed summary of the risks.		
Limited history	The Company was incorporated on 2 September 2024 and therefore has limited operational and financial history on which to evaluate its business and prospects. The prospects of the Company must be considered in light of the risks, expenses and difficulties frequently encountered by companies in the early stages of their development, particularly in the mineral exploration sector, which has a high level of inherent risk and uncertainty. No assurance can be given that the Company will achieve commercial viability through the successful exploration on, or mining development of, the Projects. Until the Company is able to realise value from the Projects, it is likely to incur operational losses.	Section 4.1(a)
Future capital requirements	Although the Directors consider that the Company will, on Admission, have sufficient working capital to carry out its stated objectives and to satisfy the anticipated current working capital and other capital requirements set out in this Prospectus, there can be no assurance that such objectives can continue to be met in the future without securing further funding. The future capital requirements of the Company will depend on many factors, including the continuation of its current business and sales, and the Company may need to raise additional funds from time to time to finance its ongoing operations. Should the Company require additional funding, there can be no assurance that additional financing will be available on acceptable terms or at all. An inability to obtain additional	Section 4.1(b)

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Topic	Summary	More information
	financing, if required, would have a material adverse effect on the Company's business, financial condition and results of operations. In the event the Company is required to raise additional funding through equity raisings, it is likely that Shareholders' interests will be diluted. In the event that further funding is obtained through debt financing, it is likely to be accompanied by restrictive debt covenants and the granting of a security interest over the assets of the Company.	
Going concern risk	The Company's audited financial report for the period ended 30 June 2025 includes the following material uncertainty relating to going concern: '*We draw attention to Note 1 in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the entity's ability to continue as a going concern and therefore the entity may be unable to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.*' The Company's consolidated financial statements for the period from incorporation to 30 June 2025 were prepared on a going concern basis which contemplates the continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business. The Board believes that on completion of the Offers, the Company will have sufficient funds to adequately meet the Company's current commitments and working capital requirements. However, there remains a risk that further funding will be required by the Company in the medium to long term. An inability to obtain additional funding would have a materially adverse effect on the Company's business, and may give rise to significant uncertainty on the Company's ability to continue as a going concern.	Section 4.1(c)
Exploration and development risks	The Projects must be considered in light of the considerable risks, expenses and difficulties frequently encountered by companies in the early stage of exploration and development activities and, accordingly, carries significant exploration risk. Potential investors should understand that mineral exploration and development is a high-risk undertaking. There can be no assurance that exploration and development will result in the discovery of further mineral deposits. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited. Major expenses may be required to establish ore reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site. Investors are cautioned that the Claims or Tenements being in proximity to other occurrences of mineralisation is no guarantee that the Claims or Tenements will be prospective for an economic reserve.	Section 4.1(e)

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Topic	Summary	More information
Exploration Target and resource estimation risks	An Exploration Target has been reported at the Scotty Lithium Project. Investors should be aware that the Exploration Target is subject to significant risks and uncertainties. While the Company has identified potential lithium deposits based on preliminary geological data and exploration activities, there is no guarantee that these targets will result in economically viable mineral resources or reserves. There is a risk that the Exploration Target may not yield commercially viable quantities of lithium, which could adversely affect the Company's business, financial condition and prospects. Investors are advised to consider these risks carefully before making an investment decision. The Exploration Target and its potential quantity and grade is conceptual in nature, there is insufficient exploration to estimate a Mineral Resource and there is no certainty that further exploration will result in an estimation of a Mineral Resource or Mineral Reserves. An Inferred Mineral Resource estimate has been reported at the Mt Monger Projects. Resource estimates are expressions of judgement based on knowledge, experience and industry practice. Estimates of Mineral Resources that were valid when originally made may alter significantly when new information or techniques become available or when commodity prices change. By their very nature, Mineral Resource estimates are imprecise and depend on interpretations which may prove to be inaccurate. Whilst the Company intends to undertake exploration activities with the aim of expanding and improving the classification of the existing Mt Monger MRE, no assurances can be given that this will be successfully achieved. Even if this is achieved, no assurance can be provided that the Mineral Resource can be economically extracted.	Sections 4.1(f) and 4.1(h)
Title and grant risk (United States)	The Claims in which the Company will, or may, acquire an interest in the future are subject to the applicable local laws and regulations. Claims in which the Company has an interest are subject to the relevant conditions applying in each jurisdiction. Failure to comply with these conditions may render the Claims liable for forfeiture. The Scotty Lithium Project consists of unpatented placer mining claims located on public domain land of the United States. The US Title Report provides that the most prudent and conservative method of protecting the placer claim locations would be to stake and locate lode mining claims over the placer claim locations in order to prevent a third party claim jumper from attempting to locate lode claims over the existing placer locations on the basis that the lithium mineralisation was in fact a lode deposit and not a placer deposit. However, the Company has elected to maintain the	Section 4.1(l) and the US Title Report in Annexure C

Topic	Summary	More information
	placer claims and not incur the expense of locating additional claims as lode claims with the belief that the lithium mineralisation is a placer deposit based on the following: (a) the lithium mineralisation within the Scotty Lithium Project is found in a loose dispersed state which is categorised as lithium evaporitic salts and the lithium can be extracted from the clay materials and dissolved by leaching; (b) the lithium deposit within the Scotty Lithium Project is an extension of the mineralisation of the neighbouring lithium deposit held by a third party who has also located placer claims over that deposit; and (c) there is no indication of hanging walls, well-defined boundaries or bedded material which are characteristic of lode deposits. References to a 'deposit' are not a reference to a Mineral Resource. No Mineral Resources have been reported for the Scotty Lithium Project as at the Prospectus Date. Section E of the US Title Report summarises potential defects in title to the Claims. It notes that the Claims were located on lands shown on official Bureau of Land Management (**BLM**) master title plats with protraction diagrams, thus the Claims were required to be described by aliquot parts or legal subdivisions, which they were not. However, the current BLM policy is to accept the Claim maps provided that the corresponding certificates of location set forth each of the 20-acre aliquot parts constituting the Claims. If challenged by a competing claimant, an argument may be made by such third party claimant that the notices of location and the claim maps filed with Nye County and the BLM have defective legal descriptions. Notwithstanding the foregoing, the Company considers any challenge to the validity of the Claims to be low risk based upon BLM policy and practice; that exploration activities have been conducted on the Claims since June of 2022 without third party interference or adverse action; and, that no challenges to the validity of the Claims have been asserted from and after the location of the Claims. While the Company has investigated the title to the Claims and believes they are in good standing, there can be no assurance that the Company's rights with respect to the Claims will not be challenged or impugned by other parties in the future. Refer to the US Title Report in Annexure C for further information in relation to the Claims.	
Title and grant risk (Australia)	Interests in all tenements in Australia are governed by state legislation and are evidenced by the granting of licences or leases. Each licence or lease is for a specific term and carries with it work program, annual expenditure and reporting commitments, as well as other conditions requiring compliance. Consequently, the Company could be exposed to	Section 4.1(m)

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Topic	Summary	More information
	additional costs, have its ability to explore or mine the Australian Projects reduced or lose title to or its interest in the Tenements if licence conditions are not met or if sufficient funds are unavailable to meet expenditure commitments. Tenements P25/2349, P26/4086, P26/4101, P26/4103, P26/4101 and P26/4139 are due to expire in September/October 2025 (**Expiring Licences**). As these Tenements have already been renewed and are in their second period of grant, they cannot be further renewed unless an application for retention status is made and approved by the Minister responsible for the Mining Act. Alternatively, in order to retain the ground covered by the Expiring Licences, it will be necessary for the Company to apply to convert the Expiring Licences to mining leases. In order to obtain a mining lease, it will be necessary for the Company to demonstrate that there is sufficient mineralisation within the area of the Expiring Licences to support the grant of a mining lease. The Company has applied to convert all or part of P26/4089 and P26/4101 to a mining lease (M26/875). See Section 3.6(b) for the Company's proposed exploration programs in the event the application to convert M26/875 is or is not successful. There is a risk that if retention status is not granted or, alternatively, the Company is unable to convert the Expiring Licences to mining leases, that these Tenements will expire and the Company will lose access to that ground. M26/867 and M26/875 are each applications for mining leases (each a **Pending Tenement** and together, the **Pending Tenements**). Accordingly, there is a risk that these applications may not be granted in their entirety or only granted on conditions unacceptable to the Company or that such grant will be delayed. In particular, the Pending Tenements are still progressing through the right to negotiate process under the Native Title Act, requiring an agreement to be reached with the relevant Native Title Claimants prior to grant. As at the Prospectus Date, these agreements are yet to be finalised. If the Pending Tenements are not granted, the land covered by the Pending Tenements will fall out of the package as the prospecting licences underlying the mining lease applications, being P26/4142, P26/4089 and P26/4101, expired on 5 September 2024 and 19 April 2025 respectively and only remain live pending the determination of the mining lease applications. Refer to the Australian Solicitor's Report in Annexure D for further information.	
Land access risk	Land access is critical for exploration and/or exploitation to succeed. It requires both access to the mineral rights and access to the surface rights. Mineral rights may be negotiated and acquired. In all cases the acquisition of prospective exploration and mining tenures is a competitive business, in	Section 4.1(q) and the US Title Report in Annexure C

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Topic	Summary	More information
	which proprietary knowledge or information is critical and the ability to negotiate satisfactory commercial arrangements with other parties is often essential. The Company may not be successful in acquiring or obtaining the necessary tenures or permits to conduct exploration or evaluation activities outside of the mineral properties that it already owns. The Company has sufficient access to the Projects to undertake its proposed exploration program and satisfy the commitments test under Listing Rule 1.3.2(b).	
Royalties	The Company's subsidiary Nevlith LLC is required to pay the Scotty Royalty. There is a risk that the Scotty Royalty and any additional royalties will have an impact on the economics of progressing any proposed mining operations. However, the Company has no control over the incurrence of these costs and is unable to predict the magnitude of such costs. Refer to Section 7.4 for details of the Scotty Royalty.	Sections 4.1(t) and 7.4 and the US Title Report in Annexure C
General Risks	The Company is subject to various general risks, including but not limited to: (a) Discretion in use of capital; (b) Market conditions; (c) Securities investment; (d) General economic conditions; (e) Changes in government policies and legislation; (f) Unforeseen expenditure risk; (g) Climate change risk; (h) Insurance risk; (i) Taxation; (j) Litigation risk; (k) Cyber risk; and (l) Speculative investment.	Sections 4.2 and 4.3
Directors, Related Party Interests and Substantial Holders		
Who are the Directors and key management personnel?	The Board consists of: (a) Peretz Schapiro – Executive Chair; (b) Adam Ritchie – Non-Executive Director; (c) Daniel Campbell – Non-Executive Director; and (d) Patric Ho – Non-Executive Director. Darren Allingham is the Exploration Manager. Information regarding the experience, background and independence of the Directors and key management personnel is set out in Sections 6.2 and 6.3.	"Corporate Directory" and Sections 6.1, 6.2 and 6.3

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<table>
<tr><th>Topic</th><th>Summary</th><th>More information</th></tr>
<tr><td>What are the remuneration arrangements and benefits of the Directors?</td><td>The Directors have not received any remuneration prior to the date of this Prospectus. Details of the Directors' remuneration payable from Admission are set out in the table below:
<table>
<tr><th>Directors</th><th>Annual remuneration from Admission[1]</th></tr>
<tr><td>Peretz Schapiro</td><td>$96,000</td></tr>
<tr><td>Adam Ritchie</td><td>$42,000</td></tr>
<tr><td>Daniel Campbell</td><td>$42,000</td></tr>
<tr><td>Patric Ho</td><td>$42,000</td></tr>
</table>
Notes:
1. Excluding statutory superannuation.</td><td>Sections 6.7 and 7.9</td></tr>
<tr><td>What interests do Directors have in the Securities of the Company at the Prospectus Date and on Admission?</td><td>The Directors (and their respective related entities) do not have any interest in Securities as at the Prospectus Date.
The anticipated relevant interests of the Directors (and their respective related entities) in Securities on Admission are set out in the table below:
<table>
<tr><th>Directors</th><th>Shares[1]</th><th>%</th><th>Options</th></tr>
<tr><td>Peretz Schapiro</td><td>-</td><td>-</td><td>600,000</td></tr>
<tr><td>Adam Ritchie</td><td>-</td><td>-</td><td>450,000</td></tr>
<tr><td>Daniel Campbell</td><td>-</td><td>-</td><td>450,000</td></tr>
<tr><td>Patric Ho</td><td>-</td><td>-</td><td>-</td></tr>
</table>
Notes:
1. Assumes that the Directors do not participate in the Public Offer.</td><td>Section 6.5</td></tr>
<tr><td>What important contracts with related parties is the Company a party to?</td><td>The Company has entered into the following related party arrangements:
(a) the Demerger Implementation Deed with LLM (see Section 7.1 for details);
(b) the Scotty Lithium Agreement with LLM (see Section 7.2 for details);
(c) the Scotty JVA with LLM (see Section 7.3 for details);
(d) the Mt Monger Agreement with LLM (see Section 7.5 for details);
(e) the LLM Loan Agreement with LLM (see Section 7.7 for details);
(f) letters of appointment with each of its Directors on standard terms (see Section 7.9 for details); and
(g) deeds of indemnity, insurance and access with each of its Directors on standard terms (see Section 7.10 for details).</td><td>Section 6.8</td></tr>
</table>

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Topic	Summary	More information
	At the date of this Prospectus, no other material transactions with related parties and Directors' interests exist that the Directors are aware of, other than those disclosed in the Prospectus.	
Who will be the substantial holders of the Company?	As at the Prospectus Date, LLM holds 100% of the Shares of the Company. Based on the information known as at the Prospectus Date, on Admission, no person will have an interest in 5% or more of the Shares on issue.	Section 8.4
What fees are payable to the Lead Manager?	The Company has appointed Canaccord Genuity (Australia) Limited as Lead Manager to the Public Offer. The Company will pay the following fees to the Lead Manager (or its nominee) pursuant to the Lead Manager Mandate, subject to the successful completion of the Offers: (a) cash fees comprising: (i) a management fee of 2% of the gross proceeds of the Public Offer; and (ii) a selling fee of 4% of the gross proceeds of the Public Offer; and (b) the issue of 3,000,000 Options with an exercise price of $0.30 each and an expiry date of 3 years from the date of Admission (**Lead Manager Options**). Refer to Section 7.8 for a summary of the Lead Manager Mandate. In addition to the Lead Manager Options, the Company may offer up to 3,000,000 Broker Options to brokers (or their nominees) who, in the opinion and at the discretion of the Company, have assisted in procuring successful applications under the Public Offer. The recipients of the Broker Options have not been identified as at the date of this Prospectus.	Sections 2.17 and 7.8
What are the Lead Manager's interests in the Securities of the Company?	As at the Prospectus Date, the Lead Manager and its associates do not hold a relevant interest in Securities. Based on the information available to the Company as at the Prospectus Date regarding the intentions of the Lead Manager and its associates in relation to the Public Offer, on Admission, the Lead Manager and its associates will hold a relevant interest in 3,000,000 Lead Manager Options.	Section 2.17
What are the Offers?		
What are the Offers?	The Offers comprise: (a) the Public Offer to raise $5,000,000 (before costs) through the issue of 25,000,000 Shares; and (b) the Secondary Offers detailed in Section 2.1(c).	Section 2.1
What is the Offer Price?	$0.20 per Share.	Section 2.1

Topic	Summary	More information
What is the minimum subscription amount under the Public Offer?	The minimum subscription under the Public Offer is $5,000,000 (before costs) (being the issue of 25,000,000 Shares) (**Minimum Subscription**). None of the Securities offered under this Prospectus will be issued if Applications are not received for the Minimum Subscription. If the Minimum Subscription is not raised within four months of the Prospectus Date (or such period as varied by ASIC), the Company will not proceed with the Offers and will either repay the Application Monies (without interest) to Applicants or issue a supplementary prospectus or replacement prospectus and allow Applicants one month to withdraw their Applications and have their Application Monies refunded to them (without interest).	Section 2.3
Will the Securities be quoted?	Within seven days after the Prospectus Date, the Company will apply to ASX for Admission and Official Quotation of its Shares (apart from any Shares that may be designated by ASX as restricted securities). Options offered under the Offers will be unquoted.	Section 2.9
What is the purpose of the Offers?	The primary purpose of the Offers is to: (a) provide funding for the purposes outlined in Section 2.4; (b) assist the Company to meet the requirements of ASX and satisfy Chapters 1 and 2 of the Listing Rules, as part of the Company's application for Admission and thereby provide the Company with access to public capital markets to improve financial flexibility and the benefits of an increased profile that arises from being a listed entity; (c) pay the costs of the Offers; and (d) meet the ongoing administrative costs and liabilities of the Company and provide working capital.	Section 2.4
What are the conditions of the Offers?	The Offers under this Prospectus are conditional upon the following events occurring: (a) the conditions precedent to the Demerger Implementation Deed being satisfied or waived, other than the condition relating to the completion of the Public Offer (refer to Section 7.1); (b) the conditions precedent to the Scotty Lithium Agreement being satisfied or waived, other than the condition relating to the completion of the Public Offer (refer to Section 7.2); (c) the conditions precedent to the Mt Monger Agreement being satisfied or waived, other than the condition relating to the completion of the Public Offer (refer to Section 7.5); (d) the Company raising the Minimum Subscription, being $5,000,000 (before costs), under the Public Offer (refer to Section 2.3); (e) to the extent required by ASX or the Listing Rules, each person entering into a restriction deed or being issued a	Section 2.2

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<table>
<tr><th>Topic</th><th>Summary</th><th>More information</th></tr>
<tr><td></td><td>restriction notice imposing restrictions on Securities as mandated by the Listing Rules; and
(f) ASX providing the Company with a list of conditions on terms acceptable to the Company, which, when satisfied, will result in Admission.
If any of these conditions are not satisfied the Company will not proceed with the Offers and the Company will repay all Application Monies received under the Public Offer to the Applicants (without interest) in accordance with the Corporations Act.</td><td></td></tr>
<tr><td>Are there any escrow arrangements?</td><td>The Company anticipates that upon Admission:
(a) approximately 1,000,060 Shares and 8,500,000 Options (9,500,060 Securities in aggregate) will be classified as restricted securities by ASX for a period of 24 months from the date of Admission; and
(b) no Securities will be classified as restricted securities by ASX for a period of 12 months from the date of issue.
Prior to the Company's Shares being admitted to quotation on the ASX, the Company will issue restriction notices or enter into escrow agreements with the recipients (if required by ASX) of the restricted securities in accordance with Chapter 9 of the Listing Rules, and the Company will announce to ASX full details (quantity and duration) of the Securities required to be held in escrow.</td><td>Section 2.15</td></tr>
<tr><td>Are the Offers underwritten?</td><td>The Offers are not underwritten.</td><td>Section 2.16</td></tr>
<tr><td colspan="3">Additional information</td></tr>
<tr><td>Will the Company be adequately funded after completion of the Offers?</td><td>The Company believes its available cash and the net proceeds of the Public Offer should be adequate to fund its business objectives in the short term as stated in this Prospectus, however, the Company may require further financing in the future.</td><td>Section 2.4</td></tr>
<tr><td>What rights and liabilities attach to the Securities on issue?</td><td>All Shares issued under the Public Offer will rank equally in all respects with existing Shares on issue. The rights and liabilities attaching to the Shares are described in Section 8.1.
Refer to Section 8.3 for a summary of the terms and conditions of the Options.</td><td>Sections 8.1 and 8.3</td></tr>
<tr><td>Who is eligible to participate in the Offers?</td><td>The Public Offer is open to all investors with a registered address in Australia and certain investors in New Zealand. The Priority Offer is open to Eligible LLM Shareholders.
The Secondary Offers are open to the persons set out below:
<table>
<tr><th>Secondary Offers</th><th>Can be accepted by:</th></tr>
<tr><td>Lead Manager Offer</td><td>Only the Lead Manager (or its nominee/s)</td></tr>
</table></td><td>Sections 2.7, 2.13 and 2.14</td></tr>
</table>

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<table>
<tr><th>Topic</th><th colspan="2">Summary</th><th>More information</th></tr>
<tr><td></td><td colspan="2"><table>
<tr><td>Broker Offer</td><td>Only the brokers (or their nominees) who, in the opinion and at the discretion of the Company, have assisted in procuring successful applications under the Public Offer (or their respective nominee/s)</td></tr>
<tr><td>Board Offer</td><td>Only members of the Board (or their respective nominee/s)</td></tr>
<tr><td>Employee Offer</td><td>Only employees and consultants of the Company (or their respective nominee/s)</td></tr>
</table>
No action has been taken to register or qualify the Securities the subject of the Prospectus, or the Offers, or otherwise to permit the offering of the Securities in any jurisdiction outside Australia other than in the limited circumstances set out in Section 2.14.</td><td></td></tr>
<tr><td>How do I apply for Securities under the Offers?</td><td colspan="2">The process for applying for Securities in the Company under the Offers is set out in Section 2.7. Applications for Shares under the Public Offer (including the Priority Offer) must be made by completing the relevant Application Form attached to, or accompanying, this Prospectus in accordance with the instructions set out in Section 2.7 and the relevant Application Form.</td><td>Section 2.7</td></tr>
<tr><td>What is the allocation policy?</td><td colspan="2">The Directors, in consultation with the Lead Manager, will allocate Shares in the Public Offer at their sole discretion with a view to ensuring an appropriate Shareholder base for the Company going forward.
The allocation policy will be influenced, but not constrained by the following factors:
(a) the amount of applications received under the Priority Offer;
(b) the desire for a spread of investors, including institutional investors;
(c) the number of Shares applied for;
(d) the overall level of demand for the Public Offer;
(e) the timeliness of the bid made by particular Applicants;
(f) the likelihood that particular Applicants will be long-term Shareholders;
(g) the desire for an informed and active market for trading Shares following completion of the Public Offer;
(h) ensuring an appropriate Shareholder base for the Company going forward; and</td><td>Section 2.11</td></tr>
</table>

Topic	Summary	More information
	(i) any other factors that the Company and the Lead Manager consider appropriate. The Company will not be liable to any person not allocated Shares or not allocated the full amount applied for. The Company and the Lead Manager will not allocate Shares under the Public Offer in circumstances where to do so would contravene section 606 of the Corporations Act. There is no assurance that any Applicant will be allocated any Shares under the Public Offer, or the number of Shares for which it has applied. The Company reserves the right to reject any Application or to issue a lesser number of Shares than those applied for under the Public Offer. Where the number of Shares issued is less than the number applied for, surplus Application Monies will be refunded (without interest) as soon as reasonably practicable after the Closing Date. Subject to the matters in Section 2.9, Shares offered under the Public Offer are expected to be allotted on the Issue Date. It is the responsibility of Applicants to determine their allocation prior to trading in the Shares issued under the Public Offer. Applicants who sell Shares before they receive their holding statements do so at their own risk.	
When will I receive confirmation that my Application has been successful?	Holding statements confirming allocations under the Public Offer will be sent to successful applicants on or about 3 October 2025.	"Indicative Timetable"
What is the Company's dividend policy?	The Company does not expect to pay dividends in the near term as its focus will primarily be on conducting further exploration and development at the Projects. Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend upon matters such as the availability of distributable earnings, the operating results and financial condition of the Company, future capital requirements, general business and other factors considered relevant by the Directors. No assurances are given in relation to the payment of dividends, or that any dividends may attach franking credits.	Section 3.8
How can I find out more about the Prospectus or the Offers?	Questions relating to the Offers and the completion of an Application Form can be directed to contact Automic Registry Services on 1300 288 664 (within Australia); +61 (2) 9698 5414 (outside Australia); or email corporate.actions@automicgroup.com.au 8.30am to 7:00pm (AEST) Monday to Friday during the Offer Period.	Section 2.24

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2. Details of the Offers

2.1 Offers

(a) **Public Offer**

Pursuant to the Public Offer, the Company is seeking to raise $5,000,000 (before costs) (**Minimum Subscription**) through an offer of 25,000,000 Shares at an issue price of $0.20 (**Offer Price**) per Share (**Public Offer**).

The Shares to be issued by the Company pursuant to the Public Offer, are of the same class and will rank equally with the Company's existing Shares on issue. The rights and liabilities attaching to the Shares are further described in Section 8.1.

(b) **Priority Offer**

Eligible shareholders of Loyal Metals Limited (**Eligible LLM Shareholders**) will be given priority access to the Public Offer Shares, up to a total of 5,000,000 Shares.

To be eligible to participate in the Priority Offer, an applicant must be recorded as holding a minimum of 1 LLM Share on LLM's share register and have a registered address in Australia or New Zealand on 26 August 2025 (**Priority Offer Record Date**).

Eligible LLM Shareholders who apply for Shares under the Priority Offer are expected to receive at least a minimum allocation of 10,000 Shares (A$2,000) under the Priority Offer (subject to the Company not receiving Applications under the Priority Offer exceeding 5,000,000 Shares), and thereafter will be allocated Shares under the Priority Offer in accordance with the allocation policy set out in Section 2.11.

Applications for Shares under the Priority Offer must be made using the Priority Offer Application Form. Eligible LLM Shareholders are encouraged to submit their Priority Offer Application Forms as soon as possible after the Opening Date and in any event prior to the Priority Offer Closing Date of the Offers. Eligible LLM Shareholders intending to participate in the Priority Offer must submit the Priority Offer Application Form prior to the Closing Date. As at the date of this Prospectus, the Board intends to close the Priority Offer before the Public Offer Closing Date, as per the timetable.

(c) **Secondary Offers**

This Prospectus also includes the following secondary offers:

(i) an offer of 3,000,000 Lead Manager Options to the Lead Manager (or its nominees) (**Lead Manager Offer**);

(ii) an offer of up to 3,000,000 Broker Options to brokers who, in the opinion and at the discretion of the Company, have assisted in procuring successful applications under the Public Offer (or their nominees) (**Broker Offer**);

(iii) an offer of 1,500,000 Board Options to the Directors of the Company (or their respective nominees) (**Board Offer**); and

(iv) an offer of 1,000,000 Employee Options (**Employee Offer**), comprising:

(A) 600,000 Employee Options to the Company's Financial Controller, Mr Kevin Berry (or his nominees); and

(B) 400,000 Employee Options to the Company Secretary, Mr Joel Ives (or his nominees),

(together, the **Secondary Offers**).

The Lead Manager Options, Broker Options, Board Options and Employee Options will be exercisable at $0.30 each and expire 3 years from the date of Admission and will otherwise be on the terms and conditions in Section 8.3.

The Shares to be issued upon exercise of the Lead Manager Options, Broker Options, Board Options and Employee Options will be of the same class and will rank equally in all respect with the existing Shares. Refer to Section 8.1 for the rights attaching to Shares.

No funds will be raised from the Lead Manager Offer, Broker Offer, Board Offer or Employee Offer.

Only the Lead Manager (or its nominees) may accept the Lead Manager Offer. A personalised application form in relation to the Lead Manager Offer will be issued to the Lead Manager together with a copy of this Prospectus.

Only the brokers (or their nominees) who, in the opinion and at the discretion of the Company, have assisted in procuring successful applications under the Public Offer, may accept the Broker Offer. A personalised application form in relation to the Broker Offer will be issued to the brokers together with a copy of this Prospectus.

Only the Directors of the Company (or their respective nominees) may accept the Board Offer. A personalised application form in relation to the Board Offer will be issued to the Directors of the Company together with a copy of this Prospectus.

Only the relevant employees and consultants of the Company (or their respective nominees) may accept the Employee Offer. A personalised application form in relation to the Employee Offer will be issued to the employees and consultants of the Company together with a copy of this Prospectus.

Persons wishing to apply for Shares under the Offers should refer to Section 2.7 for further details and instructions.

2.2 Conditions to the Offers

The Offers under this Prospectus are conditional upon the following events occurring:

(a) the conditions precedent to the Demerger Implementation Deed being satisfied or waived, other than the condition relating to the completion of the Public Offer (refer to Section 7.1);

(b) the conditions precedent to the Scotty Lithium Agreement being satisfied or waived, other than the condition relating to the completion of the Public Offer (refer to Section 7.2);

(c) the conditions precedent to the Mt Monger Agreement being satisfied or waived, other than the condition relating to the completion of the Public Offer (refer to Section 7.5);

(d) the Company raising the Minimum Subscription, being $5,000,000 (before costs), under the Public Offer (refer to Section 2.3);

(e) to the extent required by ASX or the Listing Rules, each person entering into a restriction deed or being issued a restriction notice imposing restrictions on Securities as mandated by the Listing Rules; and

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(f) ASX providing the Company with a list of conditions on terms acceptable to the Company, which, when satisfied, will result in Admission.

If any of these conditions are not satisfied the Company will not proceed with the Offers and the Company will repay all Application Monies received under the Public Offer to the Applicants (without interest) in accordance with the Corporations Act.

2.3 Minimum Subscription

The minimum subscription under the Public Offer is $5,000,000 (before costs) (being the issue of 25,000,000 Shares).

None of the Securities offered under this Prospectus will be issued if Applications are not received for the Minimum Subscription. If the Minimum Subscription is not raised within four months of the Prospectus Date (or such period as varied by ASIC), the Company will not proceed with the Offers and will either repay the Application Monies (without interest) to Applicants or issue a supplementary prospectus or replacement prospectus and allow Applicants one month to withdraw their Applications and have their Application Monies refunded to them (without interest).

2.4 Purpose of the Offers and proposed use of funds

The purpose of the Public Offer is to:

(a) provide funding for the purposes outlined in this Section 2.4;

(b) assist the Company to meet the requirements of ASX and satisfy Chapters 1 and 2 of the Listing Rules, as part of the Company's application for Admission and thereby provide the Company with access to public capital markets to improve financial flexibility and the benefits of an increased profile that arises from being a listed entity;

(c) pay the costs of the Offers; and

(d) meet the ongoing administrative costs and liabilities of the Company and provide working capital.

Upon Admission, it is anticipated that the following funds will be available to the Company:

Funds available	**$**
Funds raised under Public Offer	5,000,000
Total funds available	**5,000,000**

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The Company intends to use the funds raised under the Public Offer in the 24-month period after Admission as follows:

Use of funds	$	%
Exploration activities(1)	2,850,000	57.00
Repayment of LLM Loan(2)	200,000	4.00
Costs of the Offers(3)	540,000	10.80
Directors' and management fees(4)	450,000	9.00
Working capital(5)	960,000	19.20
Total	**5,000,000**	**100.00**

Notes:

1. Refer to Section 3.6 for details about the proposed exploration plan and budget.
2. Refer to Section 7.7 for details about the LLM Loan Agreement.
3. Excludes $200,000 in costs that have already been paid using funds drawn under the LLM Loan as at the date of the Prospectus. The total costs of the Offers paid or payable by the Company are set out in Section 8.7.
4. Refer to Sections 6.7 and 7.9 for further details of the Directors' remuneration.
5. Working capital includes the general costs associated with the management and operation of the business including administration expenses, rent and other associated costs. Working capital also includes surplus funds, including funds that may be used for development studies and potential future acquisition costs which include costs required for the identification of new projects and opportunistic acquisitions. The Company notes that:
   (a) it is not currently considering other acquisitions;
   (b) that any future acquisitions are likely to be in the mineral exploration sector or in the technology sector, complimentary to mineral exploration and/or processing operations;
   (c) that the timing of any such transactions is not yet known; and
   (d) if no suitable acquisition opportunity arises, and subject to the outcomes of exploration activities, the Company may elect to allocate some or all of these funds to exploration on the Company's existing Projects.

The above table is a statement of the Board's current intentions as at the date of this Prospectus. Shareholders should note that, as with any budget, the allocation of funds set out in the above table may change depending on a number of factors including:

(a) the risk factors outlined in Section 4; and

(b) the outcome of operational activities, regulatory developments and market and general economic conditions.

In light of this, the Board reserves the right to alter the way the funds are applied. The Board is satisfied that upon completion of the Offers, the Company will have adequate working capital to meet its stated objectives.

Although the Company's immediate focus will be on the Projects, it will pursue and assess other new business opportunities in the resource sector over time which complement its

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business. These new business opportunities may take the form of direct project acquisitions, joint ventures, farm-ins, acquisition of tenements/permits, and/or direct equity participation.

Based on the intended use of funds detailed above, the amounts raised pursuant to the Public Offer will provide the Company with sufficient funding for approximately the 24-month period following Admission.

The use of further equity funding may be considered by the Company where it is appropriate to accelerate a specific project or strategy.

The future capital requirements of the Company will depend on many factors including the timing and success of the Company's activities and whether any of the risks in Section 4 materialise. The Company believes its available cash and the net proceeds of the Public Offer should be adequate to fund its business objectives in the short term as stated in this Prospectus, however, the Company may require further financing in the future. See Section 4.1(b) for discussion of the risks associated with the Company's future capital requirements.

2.5 Capital structure on Admission

The proposed capital structure of the Company on Admission is set out below:

Pro forma capital structure	Shares	%	Options[1]
Securities currently on issue[2]	60	0.00	-
Public Offer and Priority Offer Shares[3]	25,000,000	96.15	-
Consideration Securities[4]	1,000,000	3.85	1,000,000
Lead Manager Options[5]	-	-	3,000,000
Broker Options[5]	-	-	3,000,000
Board Options[5]	-	-	1,500,000
Employee Options[5]	-	-	1,000,000
Total Securities[6]	**26,000,060**	**100.0**	**9,500,000**
Indicative market capitalisation[7]	**$5.2 million**		

Notes:

1. Refer to Section 8.3 for the terms and conditions of the Options.
2. Existing Shares are held by LLM.
3. Refer to Section 2.1 for further details relating to the Public Offer and Priority Offer.
4. Refer to Sections 7.1 and 7.7 for further details about the Consideration Securities.
5. Refer to Section 2.1(c) for further details relating to the Secondary Offers.
6. The total number of Securities to be on issue upon Admission assumes no further Shares are issued and none of the Options are exercised.

7. Based on the Offer Price multiplied by the number of Shares on issue on Admission. There is no guarantee that the Shares will trade at the Offer Price on or after Admission.

The Company's free float at the time of Admission will be not less than 20%.

2.6 Forecasts

The Directors have considered the matters detailed in ASIC Regulatory Guide 170 and believe that they do not have a reasonable basis to forecast future earnings on the basis that the operations of the Company are inherently uncertain. Accordingly, any forecast or projection of 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.

The Directors consequently believe that, given these inherent uncertainties, it is not possible to include reliable forecasts in this Prospectus.

Refer to Section 3 for further information in respect of the Company's proposed activities.

2.7 Applications

(a) Public Offer

Applications for Shares under the Public Offer can be made using the Application Form at https://apply.automic.com.au/DesertMinerals and making payment of the Application Monies.

(i) Option 1: Submit an online Application Form and pay with BPAY®

For online applications, investors can apply online with payment made electronically via BPAY®. Investors applying online will be directed to use an online Application Form and make payment by BPAY®. Applicants will be given a BPAY® biller code and a customer reference number (**CRN**) unique to the online Application once the online Application Form has been completed.

BPAY® payments must be made from an Australian dollar account of an Australian institution. Using the BPAY® details, Applicants must:

(A) access their participating BPAY® Australian financial institution either via telephone or internet banking;

(B) select to use BPAY® and follow the prompts; enter the biller code and unique CRN that corresponds to the online Application;

(C) enter the amount to be paid which corresponds to the value of Shares under the online Application Form;

(D) select which account payment is to be made from;

(E) schedule the payment to occur on the same day that the online Application Form is completed. Applications without payment will not be accepted; and

(F) record and retain the BPAY® receipt number and date paid.

Investors should confirm with their Australian financial institution whether there are any limits on the Investor's account that may limit the amount of any BPAY® payment and the cut off time for the BPAY® payment.

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Investors can apply online by following the instructions at https://apply.automic.com.au/DesertMinerals and completing a BPAY® payment. If payment is not made via BPAY®, the Application will be incomplete and will not be accepted. The online Application Form and BPAY® payment must be completed and received by no later than the Closing Date.

(ii) **Option 2: Submit an Application Form and pay via Electronic Funds Transfer "EFT"**

Investors can apply online with payment made electronically via EFT. Investors applying online will be directed to use an online Application Form and will be given a payment reference number unique to the online Application once the online Application Form has been completed.

EFT payments must be received in Australian dollars ($AUD). Using EFT payment details, Applicants must:

(A) use the unique payment reference number that corresponds to the online Application Form;

(B) enter the amount to be paid which corresponds to the value of Shares under the online Application Form;

(C) select which account payment is to be made from;

(D) schedule the payment to occur on the same day that the online Application Form is completed. Applications without payment will not be accepted; and

(E) record and retain the EFT receipt number and date paid.

Applicants should confirm with their Australian financial institution whether there are any limits on the Applicant's account that may limit the amount of any EFT payment and the cut off time for the funds transfer.

An original, completed and lodged Application Form together with confirmation of BPAY® or EFT payment for the Application Monies, constitutes a binding and irrevocable offer to subscribe for the number of Shares specified in the Application Form. The Application Form does not need to be signed to be valid. If the Application Form is not completed correctly or if the accompanying payment is for the wrong amount, it may be treated by the Company as valid. The Directors' decision as to whether to treat such an Application as valid and how to construe amend or complete the Application Form is final; however an applicant will not be treated as having applied for more Shares than is indicated by the amount of the BPAY® or EFT for the Application Monies.

It is the responsibility of Applicants to obtain all necessary approvals for the allotment and issue of Shares pursuant to this Prospectus. The return of a completed Application Form with the requisite Application Monies (if applicable) will be taken by the Company to constitute a representation and warranty by the Applicant that all relevant approvals have been obtained and that the Applicant:

(i) agrees to be bound by the terms of the Public Offer;

(ii) agrees to be bound by the terms of the Constitution and recorded in the Company's register of members as the registered holder of the Shares;

(iii) declares that all details and statements in the Application Form are complete and accurate;

(iv) declares that, if they are an individual, they are over 18 years of age and have full legal capacity and power to perform all its rights and obligations under the Application Form;

(v) authorises the Company and its respective officers or agents, to do anything on their behalf necessary for the Shares to be issued to them, including to act on instructions of the Company's Share Registry upon using the contact details set out in the Application Form;

(vi) acknowledges that the information contained in, or accompanying, the Prospectus is not investment or financial product advice or a recommendation that Shares are suitable for them given their investment objectives, financial situation or particular needs; and

(vii) acknowledges that the Shares have not, and will not be, registered under the securities laws in any other jurisdictions outside Australia and accordingly, the Shares may not be offered, sold or otherwise transferred except in accordance with an available exemption from, or in a transaction not subject to, the registration requirements of applicable securities laws.

The Public Offer may be closed at an earlier date and time at the discretion of the Directors, without prior notice. Applicants are therefore encouraged to submit their Application Forms as early as possible. However, the Company reserves the right to extend the Public Offer or accept late Applications.

(b) **Minimum and maximum Application size under the Public Offer**

Applications for Shares must be for a minimum of 10,000 Shares (i.e. $2,000) and thereafter in multiples of 2,500 Shares and payment for the Shares must be paid in full at the issue price of $0.20 per Share.

Applications for Shares under the Public Offer must be made in accordance with the Application Form accompanying this Prospectus and received by the Company on or before the Closing Date. Persons wishing to apply for Shares should refer to Section 2.7(a) (in respect of the Public Offer) and 2.7(c) (in respect of the Priority Offer) and the relevant Application Form for further details and instructions.

The Company and the Lead Manager reserve the right to aggregate any Applications that they believe may be multiple Applications from the same person or reject or scale back any Applications in the Public Offer. The Company and the Lead Manager may determine a person to be eligible to participate in the Public Offer, and may amend or waive the Offer Application procedures or requirements, in their absolute discretion in compliance with applicable laws.

(c) **Priority Offer**

Eligible LLM Shareholders can download their personalised Application Form containing their unique Priority Code via https://apply.automic.com.au/DesertMineralsPriority by following the steps below:

(i) using an online Application Form at https://apply.automic.com.au/DesertMineralsPriority and pay the Application Monies electronically; or

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(ii) completing a paper-based application using the relevant Application Form attached to, or accompanying, this Prospectus or a printed copy of the relevant Application Form attached to the electronic version of this Prospectus.

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

Applications for Shares under the Priority Offer may be for a minimum of $2,000 worth of Shares (10,000 Shares) and payment for the Shares must be made in full at the issue price of $0.20 per Share.

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

The Company reserves the right to close the Priority Offer early.

(d) **Lead Manager Offer**

Only the Lead Manager (or its nominee/s) may accept the Lead Manager Offer. A personalised application form in relation to the Lead Manager Offer will be issued to the Lead Manager together with a copy of this Prospectus.

No monies are payable for the Lead Manager Options to be issued pursuant to the Lead Manager Offer.

(e) **Broker Offer**

Only the brokers (or their nominees) who, in the opinion and at the discretion of the Company, have assisted in procuring successful applications under the Public Offer, may accept the Broker Offer. A personalised application form in relation to the Broker Offer will be issued to the brokers together with a copy of this Prospectus.

No monies are payable for the Broker Options to be issued pursuant to the Broker Offer.

(f) **Board Offer**

Only members of the Board (or their respective nominee/s) may accept the Board Offer. A personalised application form in relation to the Board Offer will be issued to the Directors together with a copy of this Prospectus.

No monies are payable for the Board Options to be issued pursuant to the Board Offer.

(g) **Employee Offer**

Only employees and consultants of the Company (or their respective nominee/s) may accept the Employee Offer. A personalised application form in relation to the Employee Offer will be issued to certain employees together with a copy of this Prospectus.

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No monies are payable for the Employee Options to be issued pursuant to the Employee Offer.

2.8 CHESS and issuer sponsorship

The Company will apply to participate in CHESS. All trading on the ASX will be settled through CHESS. ASX Settlement, a wholly owned subsidiary of the ASX, operates CHESS in accordance with the Listing Rules and the ASX Settlement Operating Rules. On behalf of the Company, the Share Registry will operate an electronic issuer sponsored sub-register and an electronic CHESS sub-register. The two sub-registers together make up the Company's principal register of securities.

Under CHESS, the Company will not issue certificates to Shareholders. Rather, holding statements (similar to bank statements) will be sent to Shareholders as soon as practicable after allotment. Holding statements will be sent either by CHESS (for Shareholders who elect to hold Shares on the CHESS sub-register) or by the Share Registry (for Shareholders who elect to hold their Securities on the issuer sponsored sub-register). The statements will set out the number of existing Securities (where applicable) and the number of new Securities allotted under this Prospectus and provide details of a Shareholder's holder identification number (for Shareholders who elect to hold Shares on the CHESS sub-register) or Shareholder reference number (for Shareholders who elect to hold their Shares on the issuer sponsored sub-register). Updated holding statements will also be sent to each Shareholder at the end of each month in which there is a transaction on their holding, as required by the Listing Rules.

2.9 Admission and Official Quotation

Within seven days after the Prospectus Date, the Company will apply to ASX for Admission and Official Quotation of its Shares (apart from any Shares that may be designated by ASX as restricted securities).

Completion is conditional on ASX approving this application on conditions acceptable to the Company. If ASX does not grant permission within three months after the Prospectus Date (or any longer period permitted by law), the Offers will be withdrawn and all Application Monies will be refunded to Applicants (without interest) as soon as practicable in accordance with the requirements of the Corporations Act.

ASX takes no responsibility for the contents of this Prospectus. The fact that ASX may admit the Company to the Official List is not to be taken in any way as an indication of the merits of the Company or the Securities offered pursuant to this Prospectus.

2.10 Application Monies to be held in trust

To the extent required by the Corporations Act, until the Securities are issued under the Prospectus, the Application Monies for Securities will be held by the Company on trust on behalf of Applicants in a separate bank account maintained solely for the purpose of depositing Application Monies received pursuant to this Prospectus. However, the Company will be entitled to retain all interest that accrues on the bank account and each Applicant waives the right to claim interest.

2.11 Allocation policy

The Public Offer Shares are proposed to be issued to participants in the Public Offer who will be determined by the Board in consultation with the Lead Manager and in accordance with the allocation policy set out in this Prospectus. No applicant under the Public Offer has any assurance of being allocated all or any Shares applied for.

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The allocation of Shares will be influenced by the following factors:

(a) the amount of applications received under the Priority Offer;

(b) the desire for a spread of investors, including institutional investors;

(c) the number of Shares applied for;

(d) the overall level of demand for the Public Offer;

(e) the timeliness of the bid made by particular Applicants;

(f) the likelihood that particular Applicants will be long-term Shareholders;

(g) the desire for an informed and active market for trading Shares following completion of the Public Offer;

(h) ensuring an appropriate Shareholder base for the Company going forward; and

(i) any other factors that the Company and the Lead Manager consider appropriate. The Company will not be liable to any person not allocated Shares or not allocated the full amount applied for.

The Company and the Lead Manager will not allocate Shares under the Public Offer in circumstances where to do so would contravene section 606 of the Corporations Act.

There is no assurance that any Applicant will be allocated any Shares under the Public Offer, or the number of Shares for which it has applied. The Company reserves the right to reject any Application or to issue a lesser number of Shares than those applied for under the Public Offer. Where the number of Shares issued is less than the number applied for, surplus Application Monies will be refunded (without interest) as soon as reasonably practicable after the Closing Date.

Subject to the matters in Section 2.9, Shares under the Public Offer are expected to be allotted on the Issue Date. It is the responsibility of Applicants to determine their allocation prior to trading in the Shares issued under the Public Offer. Applicants who sell Shares before they receive their holding statements do so at their own risk.

2.12 Commencement of trading

It is the responsibility of each person who trades in Securities to confirm their holding before trading in Securities. If you sell Securities before receiving a holding statement, you do so at your own risk. The Company, the Share Registry and the Lead Manager disclaim all liability, whether in negligence or otherwise, to persons who sell Securities before receiving their holding statement, whether on the basis of a confirmation of allocation provided by any of them, by a broker or otherwise.

2.13 Overseas applicants

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

No action has been taken to register or qualify the Securities or otherwise permit an offering of the Securities the subject of this Prospectus in any jurisdiction outside Australia other than in the limited circumstances set out below. Applicants who are residents in countries other

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than Australia, should consult their professional advisers as to whether any governmental or other consents are required or whether any other formalities need to be considered and followed.

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

2.14 Notice to investors in New Zealand

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the **FMC Act**).

The Securities are not being offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) other than to a person who:

(a) is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;

(b) meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;

(c) is large within the meaning of clause 39 of Schedule 1 of the FMC Act;

(d) is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or

(e) is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

2.15 Escrow arrangements

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

The Securities likely to be subject to escrow are the Consideration Securities, Lead Manager Options, Broker Options and Board Options. Shares offered under the Public Offer or Priority Offer will not be subject to any escrow restrictions.

The Company expects that upon Admission approximately 1,000,060 Shares will be classified as restricted securities by ASX which will comprise approximately 3.85% of the issued share capital on an undiluted basis, and approximately 2.82% on a fully diluted basis (assuming all Options are issued and exercised and that no other Securities are issued).

The Company anticipates that upon Admission:

(a) approximately 1,000,060 Shares and 8,500,000 Options (9,500,060 Securities in aggregate) will be classified as restricted securities by ASX for a period of 24 months from the date of Admission; and

(b) no Securities will be classified as restricted securities by ASX for a period of 12 months from the date of issue.

Prior to the Company's Shares being admitted to quotation on the ASX, the Company will issue restriction notices or enter into escrow agreements with the recipients (if required by

ASX) of the restricted securities in accordance with Chapter 9 of the Listing Rules, and the Company will announce to ASX full details (quantity and duration) of the Securities required to be held in escrow.

2.16 Underwriting

The Offers are not underwritten.

2.17 Lead Manager's interests in the Offers

Canaccord has been appointed as lead manager to the Public Offer. A summary of the key terms of Canaccord's appointment as Lead Manager is set out in Section 7.8.

The Company will pay a cash fee equal to 6% of the funds raised under the Public Offer and issue the Lead Manager Options to the Lead Manager (or its nominee/s) pursuant to the Lead Manager Mandate, subject to the successful completion of the Public Offer. The Lead Manager Options are exercisable at $0.30 each and expire on the date that is 3 years after the date of Admission and are otherwise subject to the terms and conditions in Section 8.3.

As at the Prospectus Date, the Lead Manager and its associates do not hold a relevant interest in Securities, nor have they participated in any placement of securities by the Company in the 2 years preceding lodgement of this Prospectus.

Based on the information available to the Company as at the Prospectus Date regarding the intentions of the Lead Manager and its associates in relation to the Public Offer, on Admission, the Lead Manager and its associates will hold a relevant interest in 3,000,000 Lead Manager Options.

In addition to the Lead Manager Options, the Company may offer up to 3,000,000 Broker Options to brokers (or their nominees) who, in the opinion and at the discretion of the Company, have assisted in procuring successful applications under the Public Offer. The recipients of the Broker Options have not been identified as at the date of this Prospectus. The Broker Options are exercisable at $0.30 each and expire on the date that is 3 years after the date of Admission and are otherwise subject to the terms and conditions in Section 8.3.

2.18 Brokerage, Commission and Stamp Duty

No brokerage, commission or stamp duty is payable by Applicants on the acquisition of Shares pursuant to the Public Offer.

2.19 Discretion regarding the Offers

The Company may withdraw the Offers at any time before the issue of Securities to successful Applicants under the Offers. If the Offers, or any part of them, do not proceed, all relevant Application Monies will be refunded (without interest).

The Company also reserves the right to, subject to the Corporations Act, extend the Offers or any part of them, accept late Applications either generally or in particular cases, reject any Application or allocate to any Applicant fewer Securities than the amount applied for.

2.20 Taxation

It is the responsibility of all persons to satisfy themselves of the particular taxation treatment that applies to them in relation to the Offers, by consulting their own professional tax advisers. To the maximum extent permitted by law, neither the Company nor any of its Directors, officers nor any of their respective advisers accepts any liability or responsibility in respect of the taxation consequences of the matters referred to above.

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2.21 Privacy disclosure

Persons who apply for Securities pursuant to this Prospectus are asked to provide personal information to the Company, either directly or through the Share Registry. The Company and the Share Registry collect, hold and use that personal information to assess Applications for Securities, to provide facilities and services to security holders, and to carry out various administrative functions. Access to the information collected may be provided to the Company's agents and service providers and to ASX, ASIC and other regulatory bodies on the basis that they deal with such information in accordance with the relevant privacy laws. If you do not provide the information required on the Application Form, the Company may not be able to accept or process your Application.

An Applicant has a right to gain access to the information that the Company holds about that person subject to certain exemptions under law. A fee may be charged for access. Access requests must be made in writing to the Company's registered office.

2.22 Electronic Prospectus

Pursuant to Regulatory Guide 107, ASIC has exempted compliance with certain provisions of the Corporations Act to allow distribution of an electronic Prospectus on the basis of a paper Prospectus lodged with ASIC and the issue of Securities in response to an electronic application form, subject to compliance with certain provisions. If you have received this Prospectus as an electronic Prospectus please ensure that you have received the entire Prospectus accompanied by the Application Form. If you have not, please email the Company and the Company will send to you, for free, either a hard copy or a further electronic copy of this Prospectus or both. The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered. In such a case, the Application Monies received will be dealt with in accordance with section 722 of the Corporations Act.

2.23 Paper copies of Prospectus

The Company will provide paper copies of this Prospectus (including any supplementary or replacement document) and the Application Form to investors upon request and free of charge. Requests for a paper copy Prospectus and Application Form should be directed to the Company Secretary at info@desertminerals.com.au.

2.24 Enquiries

This Prospectus provides information for potential investors in the Company and should be read in its entirety. If, after reading this Prospectus, you have any questions about any aspect of an investment in the Company, please contact your stockbroker, accountant or independent financial adviser.

Questions relating to the Offers and the completion of an Application Form can be directed to contact Automic Registry Services on 1300 288 664 (within Australia); +61 (2) 9698 5414 (outside Australia); or email corporate.actions@automicgroup.com.au 8.30am to 7:00pm (AEST) Monday to Friday during the Offer Period.

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3. Company and Projects overview

3.1 Background

Desert Minerals Limited (**Company** or **Desert Minerals**) was incorporated as a wholly owned subsidiary of Loyal Metals Limited (**LLM**) on 2 September 2024 in the state of Western Australia for the purpose of spinning out a 51% interest in the Scotty Lithium Project and an 80% interest in the Mt Monger Projects (**Demerger**). The Company will undertake the Offers and apply for Admission to the Official List to complete the Demerger.

On Admission, the Company will hold:

(a) a 51% interest in American Consolidated Lithium Pty Ltd (**ACL Interest**) which, in turn, holds 100% of the Scotty Lithium Project through its wholly owned subsidiaries, Olsom Inc. and Nevlith LLC; and

(b) an 80% interest in the Mt Monger Projects (**Mt Monger Projects Interest**),

(together, the **Acquisitions**).

The Company and LLM have entered into the Demerger Implementation Deed, Scotty Lithium Agreement and Mt Monger Agreement (summarised in Sections 7.1, 7.2 and 7.5 respectively) to give effect to the Demerger.

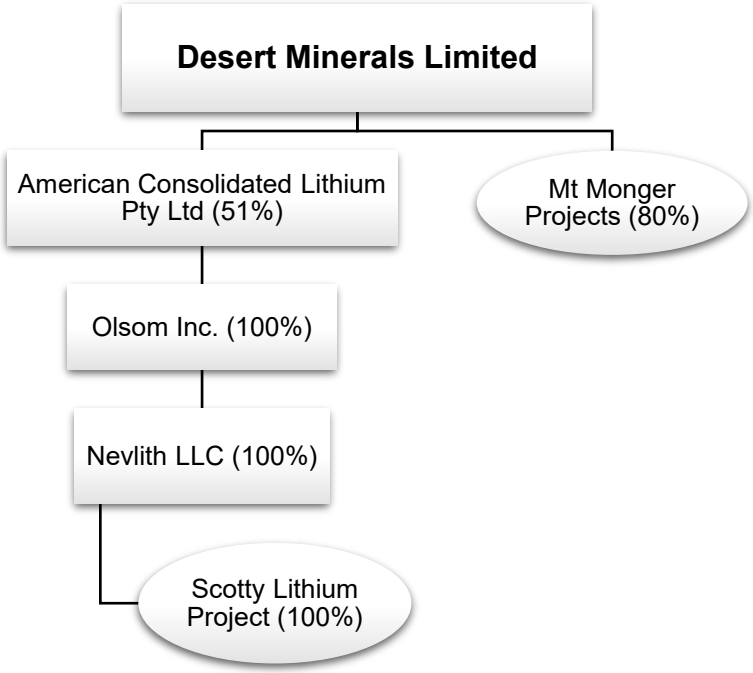
3.2 Company Structure

(a) **Capital structure of the Company**

As at the Prospectus Date, LLM holds 60 Shares, being 100% of the issued capital of the Company.

(b) **Corporate structure**

On Admission, the Company's corporate structure will be as set out in the following diagram:



Details of the Company's material subsidiaries are as follows:

Subsidiary	Incorporation details	Purpose
American Consolidated Lithium Pty Ltd	Incorporated in Western Australia on 28 October 2021.	Holds a 100% interest in Olsom Inc.
Olsom Inc.	Incorporated in Delaware on 12 November 2021.	Holds a 100% interest in Nevlith LLC.
Nevlith LLC	Incorporated in Nevada on 23 November 2021.	Holds a 100% interest in the Scotty Lithium Project.

3.3 Board and management

On Admission, the Board will comprise:

(a) Peretz Schapiro – Executive Chair;

(b) Adam Ritchie – Non-Executive Director;

(c) Daniel Campbell – Non-Executive Director; and

(d) Patric Ho – Non-Executive Director.

The profiles of each of the Directors are set out in Section 6.2.

Darren Allingham will be Exploration Manager and Joel Ives will be Company Secretary (refer to Section 6.3 for details).

3.4 Overview of the Projects

The Projects comprise the Scotty Lithium Project and the Mt Monger Projects.

(a) **Scotty Lithium Project**

(i) **Background**

The Scotty Lithium Project consists of 195 unpatented mining claims, covering 15.8 km^2 in Nye County, Nevada, USA (**Scotty Lithium Claims**), approximately 189 km northwest of Las Vegas and 38 km northwest of Beatty, Nevada.

The Scotty Lithium Project is prospective for lithium sediments and is located within the same basin and neighbour's one of North America's largest lithium resources, Nevada Lithium's (TSXV: NVLH) Bonnie Claire Lithium-Boron Project (NI 43-101 Indicated and Inferred Mineral Resource estimate of 34.5 Mt Lithium Carbonate Equivalent).[1]

[1] See Nevada Lithium Resources Inc November 12, 2024 news release: *'Nevada Lithium Significantly Increases the Size and Grade of Lower Zone Inferred Mineral Resources at Bonnie Claire to 25.634 Mt LCE at 3,085 ppm Li. Reports Maiden Indicated Resources of 5.167 Mt LCE at 3,519 ppm Li and 2.318 Mt B at 8,404 ppm Boron*.'

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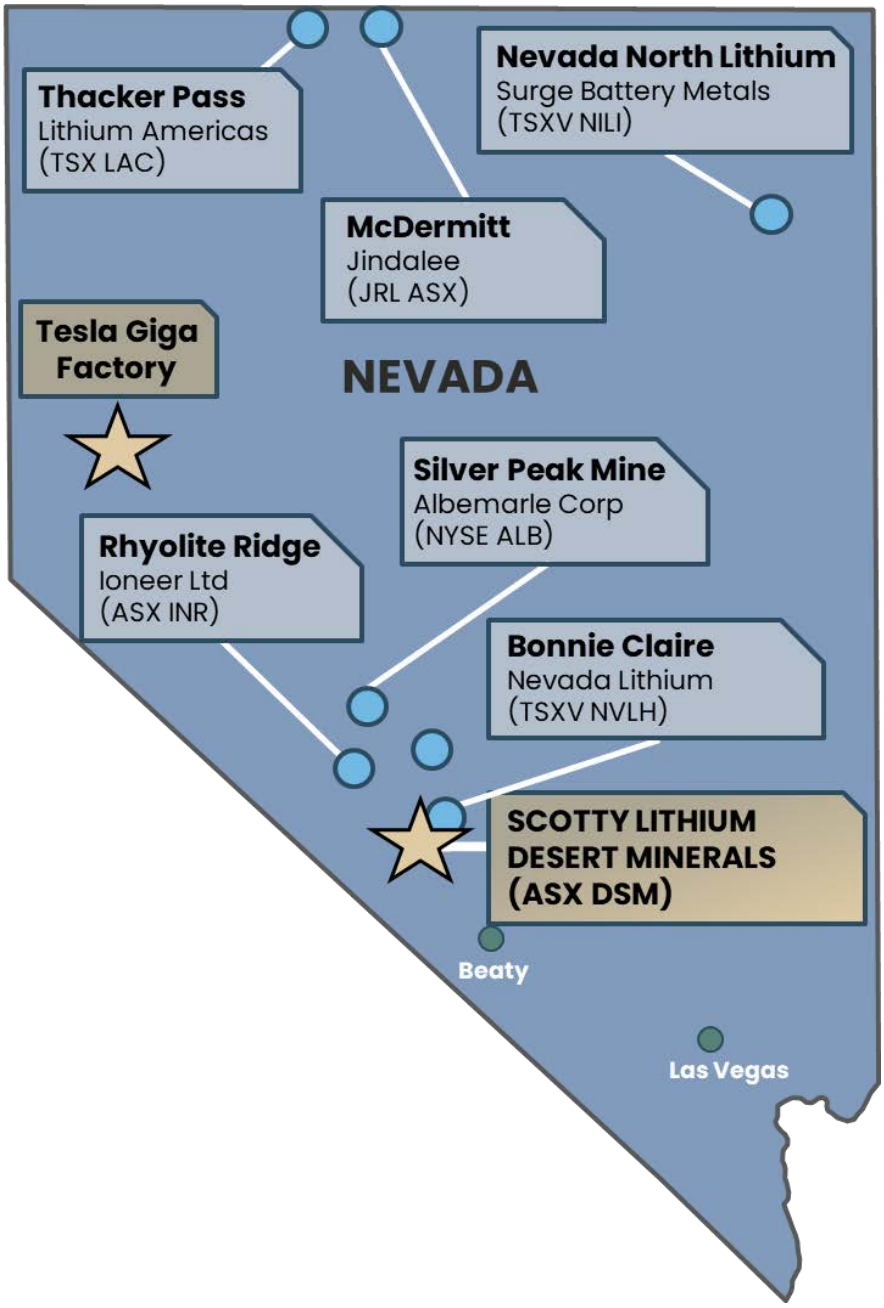

***Figure 1**: Map of Nevada, U.S.A and the relative location of Scotty Lithium Project in comparison to other Lithium Projects (refer to section 2 of the Scotty Lithium Independent Geologist's Report for further details).*

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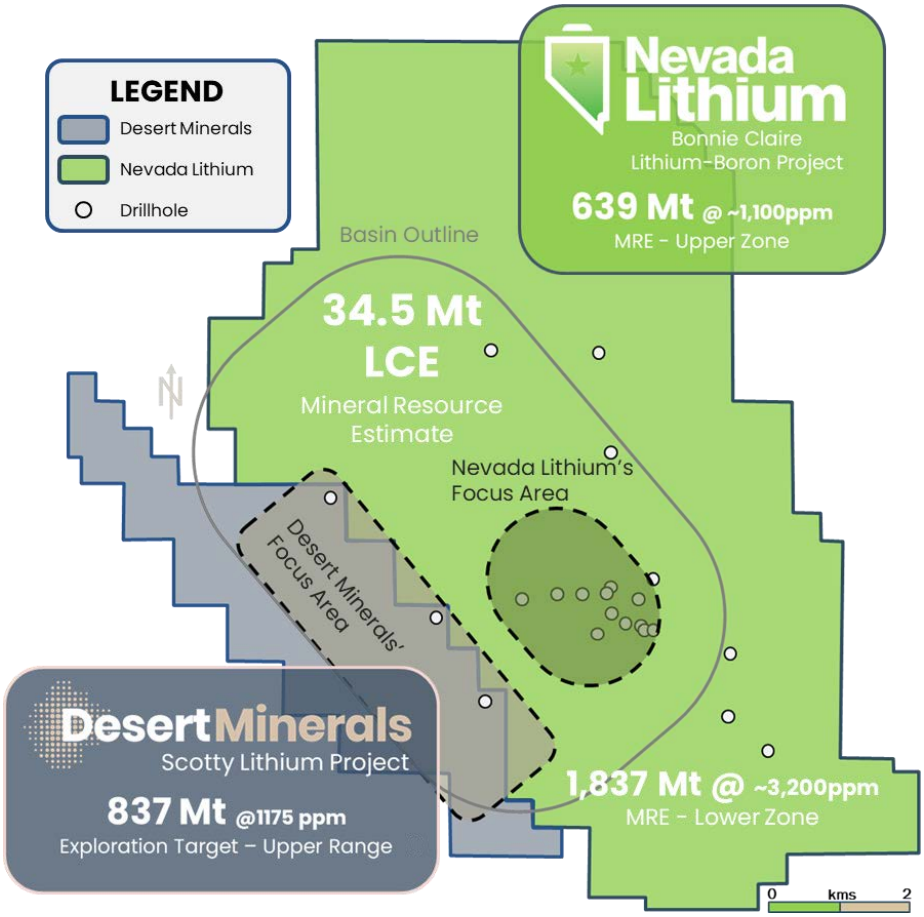

***Figure 2**: Map of Scotty Lithium Project and Nevada Lithium's Bonnie Claire Lithium-Boron Project claim block (refer to section 2 of the Scotty Lithium Independent Geologist's Report for further details)*

The Exploration Target and its potential quantity and grade is conceptual in nature, there is insufficient exploration to estimate a Mineral Resource and there is no certainty that further exploration will result in an estimation of a Mineral Resource or Mineral Reserves.

Desert Minerals Scotty Lithium Project	Nevada Lithium Bonnie Claire Project
Exploration Drilling	Advanced Exploration (PEA)
Exploration Target Complete	Resource Estimate Complete
Surface Targets (<180m)	Mostly Deep Targets
Potential World Class Resource	World Class Resource

Project Status Comparison - Scotty Lithium Project and Nevada Lithium's Bonnie Claire Lithium-Boron Project (refer to section 2 of the Scotty Lithium Independent Geologist's Report for further details).

The Company's exploration plans for the Scotty Lithium Project within the 24 months following Admission are detailed in Section 3.6(a).

(ii) **Geology**

The Scotty Lithium Project lies within the western and southwestern margins of the Bonnie Claire Basin, which is within the southwestern margin of the Basin and Range geologic province of Nevada.

The Bonnie Claire Basin is the lowest topographic elevation in a series of floodplains, where the basin receives surface drainage from approximately 1,200 km^2. The plain and alluvial fans around it are bounded by faults on all sides, which are delineated by the Coba Mountains and Obsidian Butte to the east, Stonewall Mountains to the north, the Bullfrog and Sawtooth Mountains to the south, Grapevine Mountains to the southwest, and Mount Dunfee to the northwest. The basin lies within an extensional graben system between two northwest-southeast faults that are severed by another northeast-southwest fault structure, which in combination are a key component to controlling the playa extents.

The lithium mineralisation, both as a brine and a clay component, develops slowly over time through the effect of evaporite concentration of surface waters and upwelling groundwater within a closed basin. Consequently, the magnitude of lithium enrichment is affected by the age and size of the catchment basin, evaporation rates, mass flux of dissolved lithium within groundwater and surface water entering the playa basin, and the availability of source rocks containing lithium that can be dissolved by groundwater.

The proposed deposit model and type for the Scotty Lithium Project are lithium-bearing sediments as lithium carbonates and salts deposited and bound within fine-grained clays, silts, and sand pores.

(iii) **Tenure**

The Scotty Lithium Claims are located in Nevada, approximately 189 km northwest of Las Vegas, 38 km northwest of Beatty, and to the west of Highway 95. From Beatty, the Project can be accessed by travelling north on Highway 95 for approximately 57 km to Scotty's Junction. From there, turn west on Nevada State Highway 267 towards Bonnie Claire for approximately 10 km. Following that, a pre-existing overland trail trends southeast towards the Sarcobatus Flat, which crosses portions of the Scotty Lithium Project.

The Scotty Lithium Project consists of 195 contiguous placer mining claims, totalling 15.8 km^2, further details of which are set out in Appendix 2 of the Scotty Lithium Independent Geologist's Report in Annexure A.

The Scotty Lithium Claims lay within Bureau of Land Management federally managed lands in the Battle Mountain District and are locally managed by the Tonopah Field office located in Tonopah.

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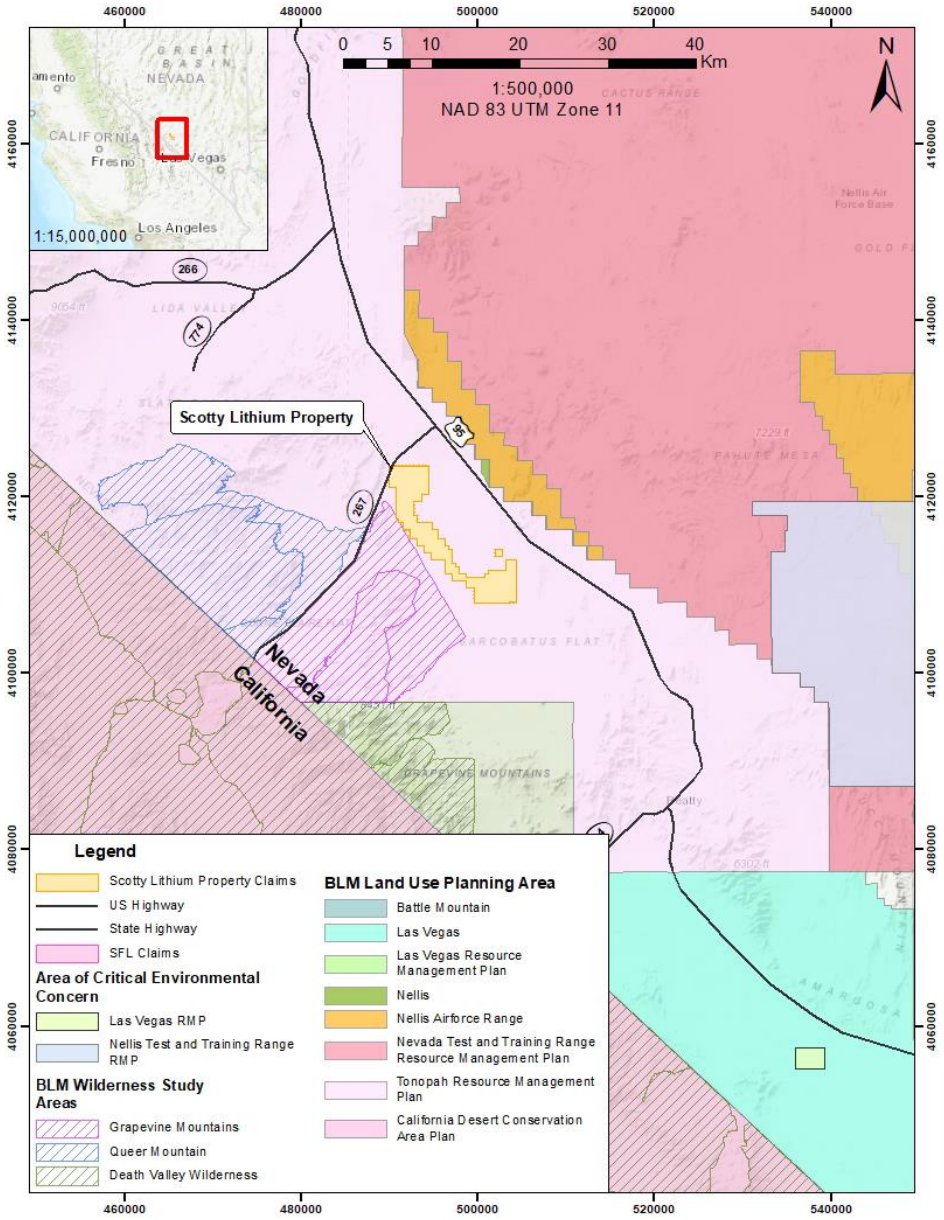

***Figure 3**: Location of Scotty Lithium Project (refer to section 2 of the Scotty Lithium Independent Geologist's Report for further details)*

(iv) **Previous Exploration**

LLM commenced a property-wide auger soil sampling campaign in June and July of 2022 that consisted of 643 total samples collected. Samples were collected on 400m spaced traverses, with individual samples collected at both 400m and 200m spacing along each traverse. This effort resulted in the identification of five target areas based on basin characteristics, geological potential, and number of anomalous samples within each target area.

A Magnetotelluric Survey (MT) in December 2022 has implied a 3.6 km^2 sedimentary basin (highly conductive <3 ohm.m) at Target 2. The Target 2 sedimentary basin is beneath strong lithium-boron soil assay results (maximum of 448ppm lithium and 3,360ppm boron) and is just 1 km west of Nevada Lithium's (CSE: NVHL) 2022 drilling that confirmed two layers of lithium mineralisation. The MT interpretation implies the Target 2 sediment

basin starts at surface and extends to a depth of ~150m in the north and deepens to ~500m in the south – a substantial sedimentary target for the Company.

In mid-March 2023, LLM initiated a sonic drilling program targeting mineralisation at Target 2. Preliminary site evaluation and access construction commenced at that time. Following that work a drill program consisting of three sonic drillholes totalling over 500m was completed. Drilling results included a peak lithium value of 4,007ppm with an average grade of 1,120ppm lithium at a 700ppm lithium cut off. See section 4.4.2 of the Scotty Lithium Independent Geologist's Report in Annexure A for further details. True width of assays is unknown.

(v) **Exploration Target**

Dahrouge Geological Consulting created an Exploration Target model and LLM announced an Exploration Target on 29 September 2023. The Exploration Target is outlined in the table below, designated by an approximate lower and upper range of million tonnes (Mt) and grade (ppm Lithium).

Range	Tonnes (Mt)	Lithium (PPM)
High	837	1,175
Low	460	1,145

The Exploration Target and its potential quantity and grade is conceptual in nature, there is insufficient exploration to estimate a Mineral Resource and there is no certainty that further exploration will result in an estimation of a Mineral Resource or Ore Reserves.

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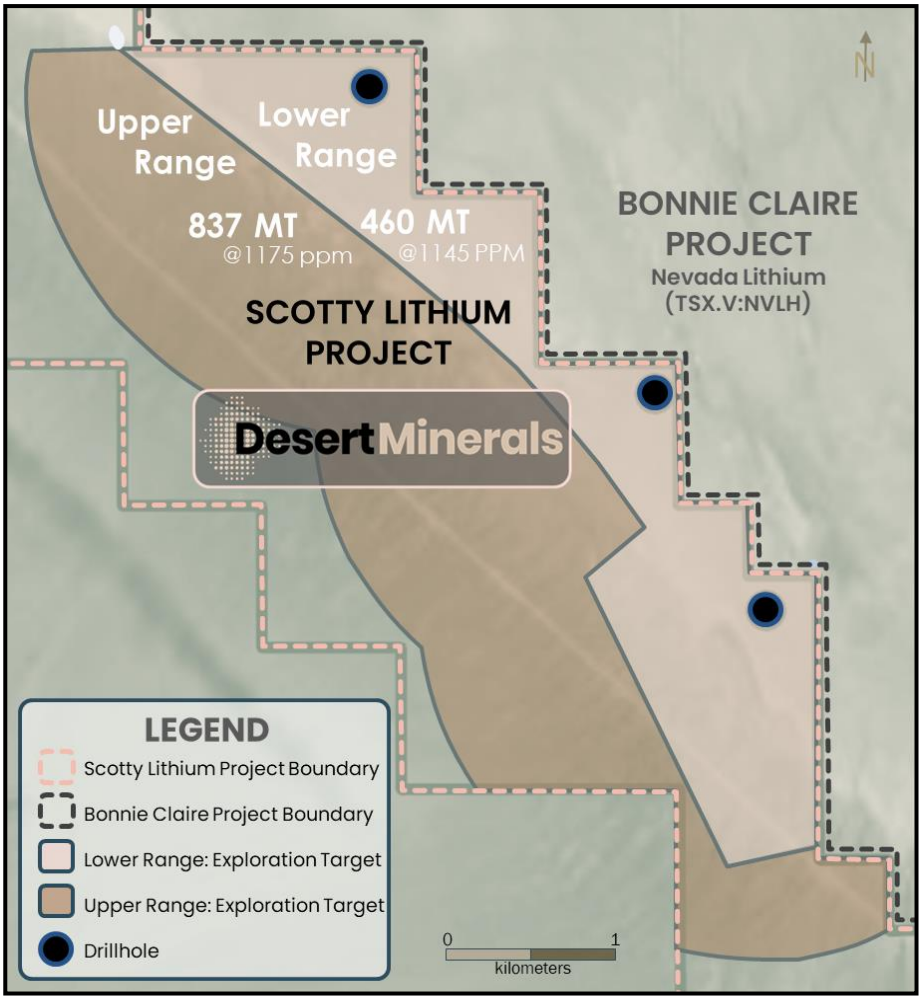

***Figure 4**: Map of Scotty Lithium Project and related Exploration Target ranges (refer to section 2 of the Scotty Lithium Independent Geologist's Report for further details).*

The Exploration Target is based on information collected from soil sampling, geophysical surveys and drilling completed on the property to date and was developed by compositing drilling data and testing of different composite intervals of 1.5 metres and 10 metres. Both compositing intervals showed a high level of variability in the Li ppm assay and warrants further exploration to establish continuity. The high level of variability in the sample data resulted into not having a proper variogram to exhibit continuity in the data. The upper and lower limits of the Exploration Target and grade were estimated using the composite interval of 10 metres and using inverse distance squared (ID2) as well as a nearest neighbour estimate for validation of the estimate. Statistical analysis of the estimate was used to calculate the ranges for the Exploration Target.

Drill hole information for material drill holes is set out in section 4.4 of the Scotty Lithium Independent Geologist's Report in Annexure A. The information material to understanding the exploration results is set out in Appendix 1 of the Scotty Lithium Independent Geologist's Report.

The exploration program outlined in Section 3.6(a) will be undertaken over the 24 months post-Admission and is designed to test the validity of the Exploration Target.

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(b) Mt Monger Projects

(i) Background

The Mt Monger Projects are located 40-55 km south-east of Kalgoorlie-Boulder in the Eastern Goldfields Province of Western Australia, on the boundary between the Kanowa and Widgiemooltha.

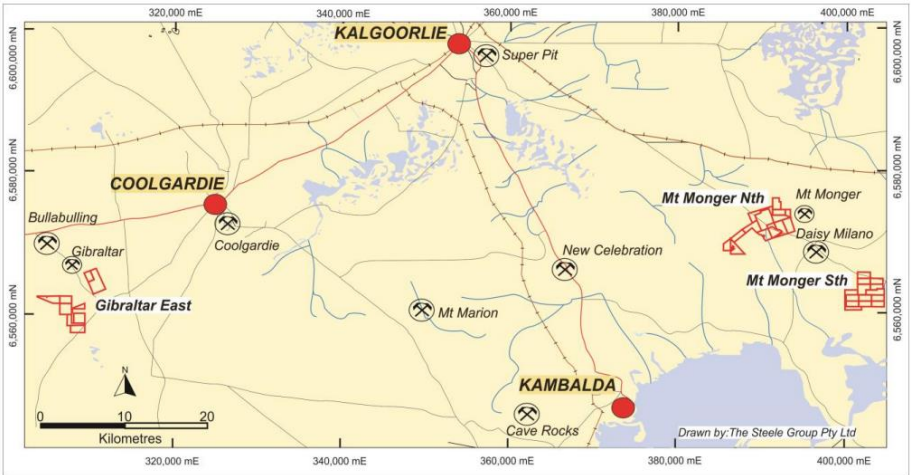

***Figure 5**: Location of Mt Monger Projects*

In 2022, LLM completed 20 holes for 2,016m of RC drilling and three diamond drill holes at the Mt Monger North Project. Over the life of the Mt Monger North Project 715 drill holes have been completed for 37,351m total drilling. The Mt Monger South Project has been subject to various rock chip sampling and soil sampling campaigns, as well as a geophysics survey.

The Mt Monger Gold Project has declared an Inferred Mineral Resource estimate (**Mt Monger MRE**) of approximately 204,700t at 2.5g/t gold for 16.4koz of gold, comprising two highly prospective areas totalling 21.4 km² in the Mt Monger region of the Western Australian Goldfields.

In the north, the Mt Monger MRE, is located adjacent and on trend to Black Cat Syndicate's (ASX:BC8) Wombola Mine. In the South, the claims are adjacent to Vault Minerals (ASX:VAU) Daisy Mining Complex where there is potential for gold extensions, as well as VMS-style copper, zinc and silver mineralisation analogous to the polymetallic Nimbus Project of Horizon Minerals (ASX:HRZ).

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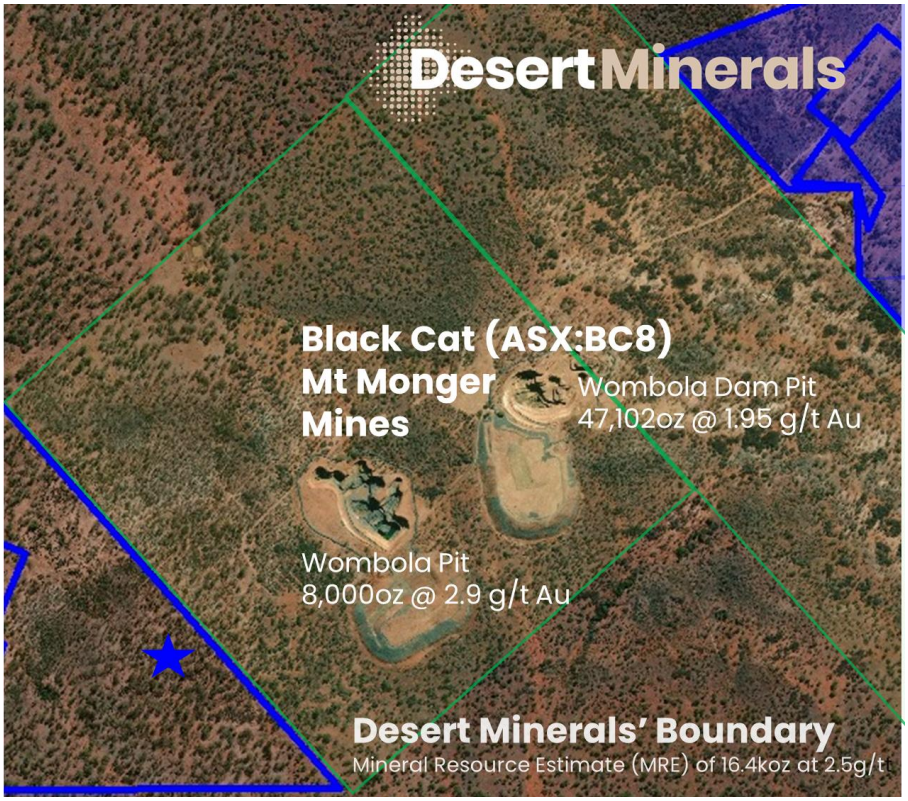

***Figure 6**: Desert Minerals Mt Monger MRE in comparison to Black Cat's Wombola Pit and Wombola Dam Pit.*

The Project is 45 km southeast of Kalgoorlie on an all-weather bitumen and gravel road.

Following exploration work conducted on the Mt Monger Projects, LLM announced on 26 August 2022 and 10 November 2022 that the Mt Monger Projects would be maintained in good standing, but no further exploration expenditure would be incurred by LLM.

The Company's exploration plans for the Mt Monger Projects within the 24 months following Admission are detailed in Section 3.6(b).

(ii) **Geology**

(A) **Mt Monger North Project**

The Mt Monger North Project Tenements are positioned within the Eastern Goldfields Province of the Achaean Norseman-Wiluna Greenstone Belt. The greenstone belt has been subdivided into a number of geological terrains including the Gindalbie Terrain, the Kurnalpi Terrain, and the Edjudina/Linden Terrains, which are separated by regional faults. The NNW trending Mt Monger Fault, in the southeastern portion of the holding, transects the Mt Monger North Project area separating the Gindalbie Terrain in the northeast from the Kalgoorlie Terrain in the southwest.

The Mt Monger North Project lithological trends on the eastern side of the fault are typical of the Eastern Goldfields, with large north-northwest trending folds and shears, visible on the aeromagnetic images, of which the large shear structures may have acted as fluid conduits during vein formation. Gold mineralisation is commonly

observed along similar structures elsewhere in the Eastern Goldfields (i.e. Junction, Kanowna Belle).

On the western side of the Mt Monger Fault, lithological and structural trends show a marked change to predominantly east-west orientations.

A range of lithologies have been identified in the Mt Monger North Project including dolerite, leucodolerite, basalt, basaltic volcaniclastic units, talc rich ultramafic, chloritic ultramafic, ultramafic with relic cumulate textures and sedimentary rocks including sandstone, chert, shale, siltstone, and silicified shale. Felsic volcanic rocks including dacite and rhyodacite were observed in the northern tenements on the eastern side of the Mt Monger Fault and isolated outcrops/drill cuttings of volcaniclastic sandstone and minor feldspar porphyry have also been observed in the central Wombola area. Locally, the project geology can be divided into a Western Zone and an Eastern Zone separated by a NNW striking regional shear, sub parallel to the Mt Monger Fault. This structure hosts the Daisy Milano mineralisation 5 km to the southeast. The Western Zone is characterised by a package of mafic, ultramafic, and sedimentary rocks underlain by interbedded mafic and sedimentary rocks to the south and overlain by a thick sequence of sedimentary rocks to the north. The area is dominated by a series of oblique sinistral faults that splay off the Mt Monger Fault. The mineralised host rocks include the dolerites at Wombola Dam, Wombola Pit & Hammer and Tap.

(B) **Mt Monger South Project**

The Mt Monger South Tenements are across the southwestern margin of the southeast plunging Bulong Anticline. The Bulong Anticline comprises a granitic core with the granite intruding into a sequence of felsic – intermediate volcanics and volcaniclastics, mafic volcanics and intrusive, and minor ultramafics. Quartz feldspar porphyries and mafic granites intrude the sequence. A small parasitic southeast plunging anticline referred to as the Mt Monger Anticline is situated on the western limb of the Bulong Anticline. This parasitic anticline is of importance as it hosts the Mt Monger and Mt Monger North Mining Centre.

Structurally, the area is dominated by the regional scale Mt Monger, Randalls and Railways Faults. In addition to these regional scale structures, the area is traversed by a series of prospect scale NNW, NE, NS and WNW trending structures. It is the interplay between the regional scale and prospect scale structures that control the location of the mineralisation (A82659).

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(iii) **Tenure**

A summary of the Tenements comprising the Mt Monger Projects is set out below.

Tenement	Area	Project	Status	Interest on Admission (%)	Nature of interest
P26/4089	9.7 HA	Mt Monger North	Granted[3]	80[1]	Direct
P26/4101	164 HA	Mt Monger North	Granted	80[1]	Direct
P26/4102	186.4 HA	Mt Monger North	Granted	80[1]	Direct
P26/4103	197.7 HA	Mt Monger North	Granted	80[1]	Direct
P26/4104	192.4 HA	Mt Monger North	Granted	80[1]	Direct
P26/4139	147 HA	Mt Monger North	Granted	80[1]	Direct
P26/4142	171 HA	Mt Monger North	Granted[4]	80[1]	Direct
P26/4275	108 HA	Mt Monger North	Granted	80[2]	Direct
P26/4276	141 HA	Mt Monger North	Granted	80[2]	Direct
P26/4292	16.99 HA	Mt Monger North	Granted	80[1]	Direct
P26/4507	8.65 HA	Mt Monger North	Granted	80[1]	Direct
M26/867	155 HA	Mt Monger North	Pending	N/A	Direct
M26/875	163.7 HA	Mt Monger North	Pending	N/A	Direct
P25/2349	122 HA	Mt Monger South	Granted	80[1]	Direct
P25/2493	187 HA	Mt Monger South	Granted	80[1]	Direct
P26/4086	122 HA	Mt Monger South	Granted	80[1]	Direct
P26/4310	173 HA	Mt Monger South	Granted	80[1]	Direct
P26/4409	197 HA	Mt Monger South	Granted	80[2]	Direct

Notes:

1. Cascade Resources Pty Ltd, a wholly owned subsidiary of Asra Minerals Limited, holds a 20% interest in these Tenements.
2. Asra Minerals Limited holds a 20% interest in these Tenements.
3. P26/4089 expired on 19 April 2025, however an application to convert all or part of P26/4089 and P26/4101 to M26/875 was lodged on 31 March 2025.

P26/4089 remains live pending the outcome of the mining lease conversion application.

4. P26/4142 expired on 5 September 2025, however an application to convert all or part of P26/4142 to M26/867 was lodged on 19 March 2024. P26/4142 remains live pending the outcome of the mining lease conversion application.

(iv) **Mineral Resource**

An Inferred Mineral Resource of approximately 204,700t at 2.5g/t gold for 16.4koz of gold has been reported at the Providence Prospect within the Mt Monger North Project as outlined in the table below.

Oxidation	JORC Classification	Tonnage (t)	Density	Au Grade (ppm)	Metal Au (oz)
Oxide	Inferred	31,403	2.11	2.06	2,084
Transition	Inferred	31,688	2.27	1.56	1,587
Fresh	Inferred	141,595	2.82	2.80	12,734
Total	**Inferred**	**204,687**	**2.59**	**2.49**	**16,405**

Notes:

1. The Mt Monger MRE is reported at a cut-off grade of 0.41ppm Au.

The Mt Monger MRE is located within typical open pit extractable depths, occurring over a relatively short strike length of approximately 200 metres. There is scope to materially expand the resource through additional drilling with the mineralisation remaining open along strike with 500 metres of untested strike to the southwest. Gold mineralisation remains open down dip to the northwest and down plunge to the southwest.

The Mt Monger Gold Project is targeting early success with relatively low exploration capital. The gold resource is open towards both the northwest and southwest at relatively shallow depths. Additionally, the project is adjacent to operational open pit mines, including Wombola (8,000oz) and Wombola Dam (47,102oz), with current resources of 27,000oz.

Four drilling targets exist within the package - Providence, Divine, Hoffmann and Samocynda Prospects – with significant historical trenching results at the Samocynda Prospect in a potential southeastern repetition of mineralisation.

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Historical Drill Intercepts	Depth From
8m @ 31.84 g/t Au *Including 1m @ 190.06 g/t from 70m*	66m
8m @ 16.15 g/t Au *Including 1m @ 111.4 g/t from 61m*	60m
3m @ 17.00 g/t Au	97m
3m @ 7.07 g/t Au	14m
7m @ 1.92 g/t Au	52m
1m @ 18.4 g/t Au	24m
1m @ 9.5 g/t Au	41m

Mt Monger historical intercepts (see the Mt Monger Independent Geologist's Report for further details).

Drill intercepts included in the Mt Monger MRE that are open towards the north west and south west are:

- 8m @ 4.34g/t Au from 123m;
- 3m @ 11.19 g/t from 106m; and
- 10m @ 2.69g/t from 89m.

Further details regarding the estimation of the Mt Monger MRE are set out below.

(A) **Geological interpretation**

There is a high level of confidence in the geological interpretation of mineralisation zones that are traceable over numerous drill holes, drill sections and in surface mapping. Surface mapping of mineralised outcrop, surface workings, drill hole logging and assay results have formed basis for the geological interpretation.

The precise limits and geometry of the Mt Monger MRE cannot be absolutely defined due to the limitations of the current drill coverage. Further work is required to better define the geometry and limits of the mineralised zones, but no significant changes to the currently interpreted mineralised volumes are anticipated.

The grade and geological interpretation form the basis for the model. Geological envelopes defined the mineralised zones within which the grade estimation has been completed.

Structures with boudinage and lenticular quartz veins and shears cut across a strong sub-horizontal S1 cleavage affect continuity of the grade and geology of the Mt Monger MRE. Gold is found within and proximal to these structures and appears to be introduced early in the tectonic stage of D2 and can be found within the S1 cleavage when NE-SW shortening occurred jacking open this cleavage providing open pore space for gold deposition. Continuity can be proved. Coarse gold found in thin section and panned concentrates demonstrate cause for the high variability in gold grades.

For further information see Appendix 1 of the Mt Monger Independent Geologist's Report contained in Annexure B.

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(B) **Drilling techniques and hole spacing**

Two stages of RC drilling and three diamond holes were drilled at the prospect with a total of 20 holes for 2,016m RC and 3 holes for 247.4m of recovered diamond core on five traverses. Traverses were over a 110m strike on four traverses approximately 25m spaced, with one further step-out traverse of 40m on a final traverse to the southwest. Two holes were drilled a farther 50m NE to test oxide and transitional gold mineralisation found in historical drill holes. The first RC drilling completed at Providence was by AngloGold Limited with three RC holes for 280m following up on results from a regional rotary air blast (RAB) drill program. Silver Lake Resources Limited (ASX:SLR) in 2011 drilled a total of 49 RC drill holes, all around 54m deep, for 2,740m into the oxide and transitional zones, with an additional two diamond core holes in the very northeast for 332.5m. These SLR drill holes were on seven traverses at 25m spacing between traverses. LLM drilled deeper holes beneath the historical shallow drilling, both in the mid-section of the SLR historical drill traverses, but more importantly further southwest, where better fresh rock gold mineralisation was discovered and extended over a >90m strike zone.

Only small shallow prospector pits (<1m, with one 4m deep pit in the central part of all drill traverses) occur on surface around outcropping and sub-cropping milky white quartz veins that all have a southwest strike and steep northwest dip. There is no known artisanal underground development beyond the shallow prospector pits and no LLM drill holes nor logs from historical drill holes recorded any voids while drilling. Drilling completed at Providence with results used to support the MRE includes 5 diamond core (DDH) holes and 74 RC drill holes. All RC and diamond holes are drilled from surface with most holes drilled towards the southeast at dips of -55°, -60° or -65°. Earlier holes were drilled in the same orientations with the majority at a dip of -55° but the first three holes into the resource were drilled southwest and LLM drilled one scissor hole towards the northwest. RC drilling used a 5.5-inch (13.97cm) face sampling hammer and core drilling used a NQ2 (50.6mm diameter) core size. RC drill samples were collected every metre in consecutive numbered large plastic bags. Samples with significant intercepts were removed for storage in a locked shed at the Company property in Kalgoorlie. Drill core was oriented and marked on polymer blocks with hole name, depths of core runs, depth down hole and estimated core loss, in polymer core trays with lids. Orientation marks were routinely placed on the core. When core was logged it was measured for core loss with core photography taken of all core in moderate and high resolution and geological and geotechnical logging completed. Only minor (<3%) core loss occurred in mineralised intervals. Half cut and full core (uncut) of all diamond core drill hole is stored in a secure locked yard at the company property in Kalgoorlie. Gold mineralisation within historical drill holes was categorised as JORC Inferred as no QA/QC data has been found for the sample assay data. LLM drilling has QA/QC data (standards, blanks, duplicates that found no mishandling or sampling errors and no significant bias or conditional bias for JORC Inferred category. The deposit is drilled at a sufficient spacing to imply geological continuity, with a kriged estimation completed on a number of domains due to sample

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spacings being close enough to produce stable semi-variography, therefore has the potential for conversion to JORC Indicated.

A total of 36 separate domain wireframes were formed. There were 11 oxide domains, 11 transitional domains, and 14 fresh rock domains. The number of domains illustrate the narrow nature of the resource contained in a typical form distinctive of the Mt Monger area. These narrow structures pinch and swell with very high-grades of gold contained within a series of lenticular pods connected by thinner and lower-grade parts to structures. Structural readings in diamond drill core confirmed the steep dip of gold mineralisation that generally cross-cuts geological contacts at a high angle. In fresh rock, steeply northwest dip gold mineralised structures cut across at a high angle and occur in all lithologies; mafic schists, volcanoclastic schists and mafic dolerite (massive and schist). Oxide gold mineralisation occurs in a highly weathered hematite rich saprolite with remnant quartz veining as both flat and steep dips that mirror basement mineralisation. Geological contacts are sub-horizontal, with dips gently to the southeast, parallel with a strong pervasive S1 cleavage and early thrust faulting. The stratigraphic sequence from surface to the deepest drill holes is a mafic schist, clastic sedimentary schist and a basal core of dolerite variably altered to chlorite and amphibole. Gold mineralisation is associated with chalcopyrite and pyrrhotite which increase with depth into the basal dolerite. Although there is an erratic strike discontinuity to the gold distribution within quartz veins and breccias, continuity of structure was found with a steep northwest dip and southwest plunge. Gold mineralisation is to open along strike to the northwest and southwest at depth.

Downhole geophysical density measurements were completed on five RC drill holes and the water method was used for calculating SGs for transitional and fresh rock from diamond drill core. More drill core density measurements are required to have an equal spacing across the deposit to enable interpolation of the results into a density block model.

For further information see Appendix 1 of the Mt Monger Independent Geologist's Report contained in Annexure B.

(C) **Sampling and sub-sampling techniques**

Core was cut in half longitudinally with an electric core saw. Core was cut such that the orientation line remained in the core tray for future reference with half core sampled in consecutively numbered calico bags to produce around 2.75kg samples. Sample lengths were all one metre.

Certified Reference Materials (CRM) submitted into sample stream at a rate of 1 in 30, and analytical blanks also at 1 in 30 were used as part of the QA/QC procedure. CRM Blank standards were also submitted at 1:30.

For further information see Appendix 1 of the Mt Monger Independent Geologist's Report contained in Annexure B.

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(D) **Sample analysis method**

All samples were dispatched to Min Analytical Laboratories Ltd (ALS) Kalgoorlie for sample preparation and analysis using the Photon two cycle 500g technique. This method is considered a total analysis. Some mineralised intervals were compared with fire assay 30g AAS. Multielement assays illustrate that gold mineralisation is associated with above background trace elements of copper, zinc, bismuth, nickel/cobalt and tellurium with very low arsenic/antimony and tungsten.

The paucity of arsenic in an Eastern Goldfields gold deposit is relatively rare. Litho-geochemistry and thin sections confirmed rock types logged (mafic schist, intermediate and felsic volcanoclastic schist) with protoliths extremely altered. Portions of the felsic volcanoclastic has high sodium in paragonite with gold.

For further information see Appendix 1 of the Mt Monger Independent Geologist's Report contained in Annexure B.

(E) **Mineral Resource classification**

The Mt Monger MRE is based on variability of the assay data using QAQC data analysis, twinned drill holes and historical drill holes with non QAQC data but some LLM confirmation RC drilling. The laboratory-analytical QAQC results at this stage of Mineral Resource estimation were sufficient for a JORC Inferred Resource category level.

For further information see Appendix 1 of the Mt Monger Independent Geologist's Report contained in Annexure B.

(F) **Estimation methodology**

Three-dimensional (**3D**) modelling of the geology was undertaken to generate domains for analysis and resource estimation. Statistical analysis was based on these 3D fault domains, to determine the data truncation (top cuts) to be applied to the gold assay data prior to resource estimation. A top cut of 46.51 ppm gold was used, calculated from log-probability plots for all domains to assess the occurrence of grade outliers.

Analysis of density data was undertaken to determine parameters for density estimation. Variography was undertaken on gold and density to generate the parameters required for estimation. Geostatistical analysis based on all available assay data which showed the presence of anisotropy in the distribution of gold mineralisation, so some of the wireframe models with the sufficient degree of knowledge (the number intersections of drillholes and the number of composites) were interpolated using the ordinary kriging (**OK**) method, and for the rest of the wireframe models gold grades into a block model used inverse distance weighted (**IDW**). The pre-requisites for the spatial continuity of gold grades have been identified.

Estimation of gold grade into the block model used both an IDW and OK gold grade interpolation, constrained by wireframes. The block model was constrained by a surface DRM, weathering domains and

wireframed mineralised structures in oxide, fresh and transitional rock. A second pass of OK/IDW then used these sub-domains within the weathering domains of oxide, transitional, fresh rock and further subdivided into fault domains, to produce final estimates of density and gold grade.

For further information see Appendix 1 of the Mt Monger Independent Geologist's Report contained in Annexure B.

(G) **Cut-off grade**

Mineralised material that has an economic cut-off grade above 0.41ppm is reported for the JORC Resources.

An economic assessment was undertaken to verify if the selected reporting cut-off of 0.41ppm of gold is appropriate for the Mt Monger MRE. A formula was used to derive the reporting cut-off grade for the Mt Monger MRE based on the assumptions set out on page 30 of the Mt Monger Independent Geologist's Report.

For further information see Appendix 1 of the Mt Monger Independent Geologist's Report contained in Annexure B.

(H) **Mining, metallurgical and environmental factors or assumptions**

The Mt Monger MRE assumes open pit mining with conventional hydraulic excavator and dump trucks with a minimum 2.5m benches and one metre minimum mining width. As the mineralisation has a steep dip, it may be possible to slot mineralisation out of a bench from the bench surface, which is seen as a method undertaken at the adjacent open pit mines not just in goodbye cuts.

No environmental study has been completed but because of the proximity of recent mining there is no known environmental consideration that would restrict open pit mining.

For further information see Appendix 1 of the Mt Monger Independent Geologist's Report contained in Annexure B.

(I) **Reasonable Prospects for Eventual Economic Extraction**

The mineralised material is understood to have 'reasonable prospects of eventual economic extraction' by open pit mining methods as the mineralisation is relatively shallow and there have been two adjacent open pit mines within the last 10 years on mineralisation with similar characteristics.

The proposed mining method is a shallow open pit and is a well understood process, utilising free dig in oxide ore and waste, and blasting in transitional and fresh rock utilising conventional drill and blast methods, excavator, dump truck and ancillary equipment of appropriate size and capacity that will be determined during the feasibility stage.

For further information see Appendix 1 of the Mt Monger Independent Geologist's Report contained in Annexure B.

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3.5 Business strategy and objectives

Following Admission, the Company's primary focus will be to provide a return to Shareholders through the exploration and development of the Projects by undertaking the following exploration activities:

(a) ground surveys;

(b) geophysics;

(c) drilling; and

(d) subject to drilling results, revising and updating the Inferred Mineral Resource estimate at the Mt Monger North Project and, subject to results, declaring a maiden Mineral Resource estimate at the Scotty Lithium Project.

As with most exploration entities, the Company will also consider complementary additions to its exploration portfolio over time, as well as disposals when appropriate.

3.6 Proposed exploration program

The Company's exploration budget for the 24 months following Admission is set out in the table below:

Exploration expenditure	Year 1 ($)	Year 2 ($)	Total ($)	%
Heritage and tenure	67,500	67,500	135,000	4.74
Geophysical surveys (including aeromagnetic, IP, DTEM & VTEM)	120,000	30,000	150,000	5.26
Management and logistics	252,500	207,500	460,000	16.14
Drilling	460,000	1,100,000	1,560,000	54.74
Preparation of geological report; including JORC mineral resource estimate and preparation of geological images	-	100,000	100,000	3.51
Assays and metallurgical testwork	200,000	245,000	445,000	15.61
Total	**1,100,000**	**1,750,000**	**2,850,000**	**100.00**

Notes:

1. All of the above exploration expenditure is allocated to the Scotty Lithium Project except for $400,000 which is allocated to drilling at the Mt Monger Projects.

The Company has sufficient access to the Projects to satisfy the commitments test under Listing Rule 1.3.2(b) in respect of its proposed exploration and development program and budget.

The Company intends to undertake the following activities in the 24 months following Admission:

(a) **Scotty Lithium Project**

(i) Ground Survey

Complete a survey of the project boundaries inclusive of the surface features, targeting the edge of the playa lake sediment evaporite contact with the coarser alluvial fan sediments on surface and the elevated playa sediments and rim boundary of the lake surface. A LiDAR survey may be completed if found to be more suitable for surface contacts/features.

(ii) Geophysics

Complete a 3,000-line km survey using Drone MobileMT. Traverse spacing will target 200m over an area of 15.7 km^2. The geophysics survey will be focused over the current Claim boundary (195 20-acre claims). The results will be used to interpret the subsurface geology of the playa basin and the depth of playa lake sediments and respective contact depths with the basement material. The survey would also further delineate the types of sediments including sandstone and clay, the depth of water table within both the sediments and basement will also be interpreted from the geophysical data.

(iii) Drilling

Complete a property wide drilling campaign on 1 km by 1 km spacing. All drillholes will be vertical to a maximum depth of approximately 155m for drillholes located in the east and potentially <150m depths to the west.

Maximum drillhole depths will be dependent on the depth at which basin is encountered. Dependent on the geology encountered, it is expected that the basin may shallow rapidly towards the west due to the horst and graben type faulting (with eastern blocks that have down dropped) as defined by the geophysical MT surveys completed in 2022 by KML Geoscience.

Drilling will explore for the extension of the lithium mineralisation discovered near the easternmost Claims boundary defined by the drilling completed in 2023 that encountered intervals of >700ppm lithium over an average interval length of 108m.

Drilling is expected to be a combination of both sonic and core. To ensure sufficient sample recovery is achieved, diamond core will be required. During the drilling campaign completed in 2023, SC23-002 had 7.62m of no sample recovery between 99.06m to 106.68m. This type of sample loss will be minimised by using traditional diamond core methods as opposed to sonic.

New drilling further to the west of the 2023 drillholes, that were located closer to the edge of the playa basin, may be easier to recover all sample intervals due to the potential of less groundwater at the basin edge. Core drilling will be required between the completed drillholes SC23-001 and SC23-003 (two drillholes) to ensure full sample recovery.

(iv) Exploration Target

Dependent on drilling results, interpretation of the basins subsurface geology, a 3D geological model will be built and the subsequent Exploration Target model may be revised and updated.

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(b) **Mt Monger Projects**

The Company intends to undertake a drilling program at the Mt Monger Projects with the following programs to be prioritised:

(i) the Mt Monger MRE is open with drill hole intercepts at relatively shallow depths and requires more drilling towards the northwest down dip and secondly towards the southwest along strike and down plunge, where RC drilling on the last traverse is open. Copper sulphides found in one hole in the dolerite require further drill testing. Also, shallow historical RAB gold anomalism suggests a continuation of gold mineralisation not only at depth as shown in LLM RC drill holes, but also potentially near surface. The area between the Divine Prospect gold mineralisation to the west of the Mt Monger MRE and Providence requires RC drill testing to determine if Divine and Providence gold mineralisation are connected;

(ii) repetitions of Providence gold mineralisation may be found 500m to the northwest of the Mt Monger MRE, with a historical RAB drill gold anomaly and an LLM drill hole that, although found no significant gold intercepts, did find volcanoclastic sediments/shales in contact with dolerite at the Prophesy Prospect. In the opposite direction 500m southeast there is a recent surface trench gold anomaly at Samocynda Prospect that requires RAB drill testing;

(iii) at the Hoffmann Prospect, RC drill testing is required to test over 400m of strike between the main northeast striking Hoffmann Prospect gold mineralisation and directly north on a trend found in LLM RC drilling, as well as between the Hoffmann and Ludlow Prospects in this more north trending zone;

(iv) at the Mt Monger South Project, the east-west striking creek area of the Daisy Milano line and the Tommies Dam Prospect will be targeted, especially adjacent and towards the northeast of historical drilling, which has been recognised as prospective for gold and requires further investigation with RAB drilling; and

(v) the Zn-Cu-Ag polymetallic UFF+ soils and mapping anomaly near mapped felsic volcanics, within shale and volcanoclastic sediments around mapped gossans, in the mid to eastern section of the tenements requires RAB drill testing.

In the event that M26/867 and M26/875 (each of which are pending applications for mining leases) are not granted or are delayed, the Company proposes alternate drilling programs at the Mt Monger Projects with the following programs to be prioritised:

(i) the Divine Prospect gold mineralisation to the west of P26/4142 requires RC drill testing to determine the extensions to gold mineralisation at Divine Prospect on P26/4292;

(ii) at the Mt Monger South Project, the east-west striking creek area of the Daisy Milano line and the Tommies Dam Prospect, especially adjacent and towards the northeast of historical drilling, which has been recognised as prospective for gold and requires further investigation with RAB and RC drilling;

(iii) the Zn-Cu-Ag polymetallic UFF+ soils and mapping anomaly near mapped felsic volcanics, within shale and volcanoclastic sediments around mapped

gossans, in the mid to eastern section of the tenements requires RAB drill testing;

(iv) RC and diamond core drilling will be completed on RAB and geophysics anomalies generated at the Zn-Cu-Ag polymetallic anomaly in fresh rock; and

(v) at the Mt Monger South Project, gold in shallow historical drilling at Tommies Dam and Three Emus Prospects, and Prospect extensions, will be further drill tested with RC drilling.

3.7 Business model and key dependencies

From Admission, the Company's main objective will be to provide a return to Shareholders through exploration and development of the Projects.

In seeking to achieve its objective, the Company's business model will be to:

(a) undertake the exploration activities outlined in Section 3.5; and

(b) delineate economically viable mineral resources.

The key dependencies influencing the Company's business model include:

(a) completion of the acquisition of the Projects;

(b) the Company's ability to raise the Minimum Subscription amount under the Public Offer;

(c) commodity price volatility and exchange rate risk;

(d) operational and cost risk;

(e) exploration success; and

(f) the range of risks outlined in Section 4.

3.8 Dividend policy

The Company does not expect to pay dividends in the near term as its focus will primarily be on conducting further exploration and development at the Projects.

Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend upon matters such as the availability of distributable earnings, the operating results and financial condition of the Company, future capital requirements, general business and other factors considered relevant by the Directors. No assurances are given in relation to the payment of dividends, or that any dividends may attach franking credits.

3.9 Valuation of Acquisitions

The Board considers that the quantum of the consideration payable for the Acquisitions reflects reasonable fair value of the interest in the Projects to be acquired by the Company. The Company's view is that the consideration payable is reasonable in the circumstances and in any event is no less favourable to the Company than if the parties were dealing at arm's length.

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In determining the consideration, the Company also took the following considerations into account:

(a) recent-third party acquisitions and initial public offering transactions involving acquisitions of mining assets of a similar size and stage of development;

(b) an assessment of the quality and future prospects of the Projects based on:

  (i) a geological review and exploration undertaken to date;

  (ii) level of development of the Projects, including the work undertaken by LLM at the Scotty Lithium Project and the declaration of an Exploration Target; and

  (iii) the ability of the Company to commercially exploit the Projects; and

(c) the Company's ability to raise funds at an issue price of $0.20 per Share to raise $5,000,000 (before costs) in contemplation of the Company's current capital structure.

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4. Risk factors

The Securities offered under this Prospectus are considered speculative. Before applying for Securities, any prospective investor should be satisfied that they have a sufficient understanding of the risks involved in making an investment in the Company and whether it is a suitable investment, having regard to their own investment objectives, financial circumstances and taxation position.

There can be no guarantee that the Company will deliver on its business strategy, or that any forward-looking statement contained in this Prospectus will be achieved or realised. Investors should note that past performance is not a reliable indicator of future performance.

The Directors strongly recommend investors examine the contents of this Prospectus and consult their professional advisers before deciding whether to apply for the Securities pursuant to this Prospectus.

In addition, investors should be aware there are risks associated with investment in the Company. There are certain general risks and certain specific risks which relate directly to the Company's business and are largely beyond the control of the Company and the Directors because of the nature of the business of the Company. Those risks, along with other specific and general risks involved in investing in the Company, are set out in more detail in this Section 4.

This Section identifies the key dependencies and areas of risk associated with the Company, but should not be taken as an exhaustive list of the risk factors to which the Company and its Shareholders are exposed. Where relevant, the risks below assume completion of the Offers have occurred. The specific risks considered below and other risks and uncertainties not currently known to the Company, or that are currently considered immaterial, may materially and adversely affect the Company's business operations, the financial performance of the Company and the value and market price of the Securities.

4.1 Risks specific to the Company

(a) **Limited history**

The Company was incorporated on 2 September 2024 and therefore has limited operational and financial history on which to evaluate its business and prospects. The prospects of the Company must be considered in light of the risks, expenses and difficulties frequently encountered by companies in the early stages of their development, particularly in the mineral exploration sector, which has a high level of inherent risk and uncertainty. No assurance can be given that the Company will achieve commercial viability through the successful exploration on, or mining development of, the Projects. Until the Company is able to realise value from the Projects, it is likely to incur operational losses.

(b) **Future capital requirements**

Although the Directors consider that the Company will, on Admission, have sufficient working capital to carry out its stated objectives and to satisfy the anticipated current working capital and other capital requirements set out in this Prospectus, there can be no assurance that such objectives can continue to be met in the future without securing further funding.

The future capital requirements of the Company will depend on many factors, including the continuation of its current business and sales, and the Company may need to raise additional funds from time to time to finance its ongoing operations.

Should the Company require additional funding, there can be no assurance that additional financing will be available on acceptable terms or at all. An inability to obtain additional financing, if required, would have a material adverse effect on the Company's business, financial condition and results of operations. In the event the Company is required to raise additional funding through equity raisings, it is likely that Shareholders' interests will be diluted. In the event that further funding is obtained through debt financing, it is likely to be accompanied by restrictive debt covenants and the granting of a security interest over the assets of the Company.

The Company will have 9,500,000 Options on issue upon Admission that could convert into up to 9,500,000 Shares. This would mean that the Shares offered under the Public Offer would represent only 70.4% of the fully diluted Shares upon Admission rather than 96.2% on an undiluted basis.

Investors should be aware of this dilution risk before deciding whether to invest in the Company.

(c) **Going concern risk**

The Company's audited financial report for the period ended 30 June 2025 includes the following material uncertainty relating to going concern:

> *'We draw attention to Note 1 in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the entity's ability to continue as a going concern and therefore the entity may be unable to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.'*

The Company's consolidated financial statements for the period from incorporation to 30 June 2025 were prepared on a going concern basis which contemplates the continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business. The Board believes that on completion of the Offers, the Company will have sufficient funds to adequately meet the Company's current commitments and working capital requirements. However, there remains a risk that further funding will be required by the Company in the medium to long term. An inability to obtain additional funding would have a materially adverse effect on the Company's business, and may give rise to significant uncertainty on the Company's ability to continue as a going concern.

(d) **Operating risk**

In the event that the Company makes a decision to mine, there are significant risks in operating a mine and there is no guarantee that the Company will be able to achieve profitable production. In addition, the operations of the Company may be affected by various factors, including failure to achieve predicted grades in exploration and mining, operational and technical difficulties encountered in mining, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, adverse weather conditions, industrial and environmental accidents, industrial disputes and unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment.

(e) **Exploration and development risks**

The Projects must be considered in light of the considerable risks, expenses and difficulties frequently encountered by companies in the early stage of exploration and development activities and, accordingly, carries significant exploration risk. Potential investors should understand that mineral exploration and development is a high-risk undertaking. There can be no assurance that exploration and development will result in the discovery of further mineral deposits. Even if an apparently viable deposit is

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identified, there is no guarantee that it can be economically exploited. Major expenses may be required to establish ore reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site.

The future exploration activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns, unanticipated operational and technical difficulties, industrial and environmental accidents, native title process, changing government regulations and many other factors beyond the control of the Company.

The success of the Company's exploration activities will also depend upon the Company having access to sufficient development capital, being able to maintain title to its Claims and Tenements and obtaining all required approvals for its activities. In the event that exploration programs are unsuccessful this could lead to a diminution in the value of its Claims and Tenements, a reduction in the cash reserves of the Company and possible relinquishment of part or all of its Claims and Tenements.

Investors are cautioned that the Claims and Tenements being in proximity to other occurrences of mineralisation is no guarantee that the Claims and/or Tenements will be prospective for an economic reserve. Whilst the Company intends to undertake exploration activities with the aim of defining additional resources, no assurances can be given that the exploration will be successful. Even if a resource is identified, no assurance can be provided that this can be economically extracted. Mineral exploration and development involve substantial expenses related to locating and establishing mineral reserves, developing metallurgical processes, and constructing mining and processing facilities at a particular site. Until a deposit is actually mined and processed, the quantity of mineral resources and grades must be considered as estimates only, and are expressions of judgment based on knowledge, mining experience, analysis of drilling results and industry best practices.

In the event that the Company seeks to produce lithium at the Scotty Lithium Project, investors are cautioned that the extraction methods and elemental liberation methods from clays are continually being engineered and developed, whereas brines and pegmatites have been successfully extracted lithium for several decades.

(f) **Resource estimation risk**

An Inferred Mineral Resource estimate has been reported at the Mt Monger Projects. Resource estimates are expressions of judgement based on knowledge, experience and industry practice. Estimates of Mineral Resources that were valid when originally made may alter significantly when new information or techniques become available or when commodity prices change.

In addition, by their very nature, Mineral Resource estimates are imprecise and depend on interpretations which may prove to be inaccurate, and whilst the Company employs industry-standard techniques including compliance with the JORC Code 2012 to reduce the resource estimation risk, there is no assurance that this approach will alter the risk.

As further information becomes available through additional fieldwork and analysis, Mineral Resource estimates may change. This may result in alterations to mining and development plans which may in turn adversely affect the Company.

Whilst the Company intends to undertake exploration activities with the aim of expanding and improving the classification of the existing Mineral Resource, no assurances can be given that this will be successfully achieved. Even if this is achieved, no assurance can be provided that the Mineral Resource can be economically extracted.

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(g) **Lithium markets**

In the event that the Company becomes a producer of lithium, the Company's performance will be significantly influenced by the global lithium market, which is subject to fluctuations in demand and supply. Factors such as changes in electric vehicle adoption rates, advancements in battery technology, and government policies on renewable energy can impact lithium demand. Conversely, supply disruptions can also occur as a result of geopolitical tensions, mining regulations, or production challenges. These dynamics can lead to price volatility, which may adversely affect the Company's revenue and profitability.

(h) **Exploration Target risk**

An Exploration Target has been reported at the Scotty Lithium Project. Investors should be aware that the Exploration Target is subject to significant risks and uncertainties. While the Company has identified potential lithium deposits based on preliminary geological data and exploration activities, there is no guarantee that these targets will result in economically viable mineral resources or reserves.

The success of the Company's exploration efforts depends on various factors, including the accuracy of geological models, the availability of funding, regulatory approvals, and the inherent uncertainties of mineral exploration. As such, there is a risk that the Exploration Target may not yield commercially viable quantities of lithium, which could adversely affect the Company's business, financial condition and prospects. Investors are advised to consider these risks carefully before making an investment decision.

The Exploration Target and its potential quantity and grade is conceptual in nature, there is insufficient exploration to estimate a Mineral Resource and there is no certainty that further exploration will result in an estimation of a Mineral Resource or Mineral Reserves.

(i) **Metallurgy**

Metal and/or mineral recoveries are dependent upon the metallurgical process, and by its nature contain elements of significant risk such as:

(i) identifying a metallurgical process through test work to produce a saleable metal and/or concentrate;

(ii) developing an economic process route to produce a metal and/or concentrate; and

(iii) changes in mineralogy in the ore deposit, such as areas of increased oxidation, can result in inconsistent metal recovery, affecting the economic viability of the project.

(j) **Regulatory and environmental risks**

The operations and proposed activities of the Company are subject to laws and regulations concerning the environment. As with most exploration projects and mining operations, the Company's activities are expected to have an impact on the environment.

Mining operations have inherent risks and liabilities associated with safety and damage to the environment and the disposal of waste products occurring as a result of mineral exploration and production. The occurrence of any such safety or environmental incident could delay production or increase production costs. Events, such as unpredictable rainfall or bushfires may impact on the Company's ongoing compliance with environmental legislation, regulations and licences. Significant liabilities could be imposed on the Company for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage

caused by previous operations or noncompliance with environmental laws or regulations.

The exploration process is under constant legislative scrutiny and regulation. There is a risk that environmental laws and regulations become more onerous making the Company's operations more expensive.

Approvals are required for land clearing and for ground disturbing activities. Delays in obtaining or renewing such approvals can result in the delay to anticipated exploration programs or mining activities. Failure to obtain such approvals will prevent the Company from undertaking its desired activities. The Company is unable to predict the effect of additional environmental laws and regulations, which may be adopted in the future, including whether any such laws or regulations would materially increase the Company's cost of doing business or affect its operations in any area.

There can be no assurances that new environmental laws, regulations or stricter enforcement policies, once implemented, will not oblige the Company to incur significant expenses and undertake significant investments in such respect which could have a material adverse effect on the Company's business, financial condition and results of operations.

(k) **Product sales and commodity price risk**

The Company's ability to proceed with the development of its mineral projects and benefit from any future mining operations will depend on market factors, some of which may be beyond its control. It is anticipated that any revenues derived from mining will primarily be derived from the sale of lithium and/or gold. Consequently, any future earnings are likely to be closely related to the price of these commodities and the terms of any offtake agreements that the Company enters into.

The world market for minerals is subject to many variables and may fluctuate markedly. These variables include world demand for lithium and gold that may be mined commercially in the future from the Company's project areas, forward selling by producers and production cost levels in major mineral-producing regions. Prices are also affected by macroeconomic factors such as general global economic conditions and expectations regarding inflation and interest rates. These factors may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities. Metals are principally sold throughout the world in US dollars. The Company's cost base will be payable in various currencies including Australian dollars and US dollars. As a result, any significant and/or sustained fluctuations in the exchange rate between the Australian dollar and the US dollar could have a materially adverse effect on the Company's operations, financial position (including revenue and profitability) and performance. The Company may undertake measures, where deemed necessary by the Board to mitigate such risks.

(l) **Title and grant risk (United States)**

The Claims in which the Company will, or may, acquire an interest in the future are subject to the applicable local laws and regulations.

Claims in which the Company has an interest are subject to the relevant conditions applying in each jurisdiction. Failure to comply with these conditions may render the Claims liable for forfeiture.

The Scotty Lithium Project consists of unpatented placer mining claims located on public domain land of the United States. United States law and Nevada state law govern the ownership of mineral rights and of unpatented mining claims, and they also govern the procedures for the location and maintenance of unpatented mining claims.

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Real property rights in most of the western United States are premised upon the status of land as being either (i) in the "public domain" (in which case the management of the land is vested in a federal land management agency, such as in the present case, the United States Bureau of Land Management of the Department of the Interior or, in other cases, the United States Forest Service of the Department of Agriculture), or may have been (ii) patented (that is, deeded by the United States) to private entities under various statutes including the homestead laws, exchange laws and the mining laws, (iii) granted to the individual States as a part of the process of being admitted into the Union, or (iv) subject to special "reservations" for particular purposes (for example, military and Indian reservations).

As noted on page 2 of the US Title Report contained in Annexure C, lithium is mined either as a placer deposit and located by placer claims or as a hard rock mineral, depending on the nature of the deposit, in which case the deposit must be located by lode claims. The Scotty Lithium Project was initially discovered and located to mine liquid brine beneath the surface of the Claims and thus the Claims would properly be located as placer claims. After further geologic review and investigation, LLM determined that liquid brine would not be mined, but that the geology of the Claims, as well as the nature of the claim locations made by third parties on lands adjacent to and just outside the boundaries of the Claims, indicated the presence of dispersed lithium mineralisation without defined limits, which in the opinion of the Company would still be subject to placer claim locations and similar in mineralisation to the third party locations of adjacent lithium placer claims. The US Title Report provides that the most prudent and conservative method of protecting the placer claim locations would be to stake and locate lode mining claims over the placer claim locations in order to prevent a third party claim jumper from attempting to locate lode claims over the existing placer locations on the basis that the lithium mineralisation was in fact a lode deposit and not a placer deposit. However, the Company has elected to maintain the placer claims and not incur the expense of locating additional claims as lode claims with the belief that the lithium mineralisation is a placer deposit based on the following:

(i) the lithium mineralisation within the Scotty Lithium Project is found in a loose dispersed state which is categorised as lithium evaporitic salts within non-lithified immature sediments composed of fine-grained clays, silts and sand pores;

(ii) the lithium deposit within the Scotty Lithium Project is an extension of the mineralisation of the neighbouring lithium deposit held by a third party who has also located placer claims over that deposit; and

(iii) there is no indication of hanging walls, well-defined boundaries or bedded material which are characteristic of lode deposits.

References to a ‘deposit’ in this Section are not a reference to a Mineral Resource. No Mineral Resources have been reported for the Scotty Lithium Project as at the Prospectus Date.

The Company's operations are subject to the Claims being maintained in accordance with applicable law, including timely payment to the United States of annual claim maintenance fees and the timely filing of certain documents each year with the United States and with the county recorder of Nye County, Nevada, evidencing the intent of the owner to continue to hold the mining claims.

Any change in the federal mining laws could include the imposition of a federal production royalty on unpatented mining claims, which could have an adverse effect on the Company’s economic performance. It is possible that, because of future changes in the federal mining laws, the Claims might have to be converted to some other form of legal tenue with more restrictions or greater obligations than are presently in effect with respect to unpatented mining claims.

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Section E of the US Title Report summarises potential defects in title to the Claims. It notes that the Claims were located on lands shown on official Bureau of Land Management (**BLM**) master title plats with protraction diagrams, thus the Claims were required to be described by aliquot parts or legal subdivisions, which they were not. However, the current BLM policy is to accept the Claim maps provided that the corresponding certificates of location set forth each of the 20-acre aliquot parts constituting the Claims. If challenged by a competing claimant, an argument may be made by such third party claimant that the notices of location and the claim maps filed with Nye County and the BLM have defective legal descriptions. Notwithstanding the foregoing, the Company considers any challenge to the validity of the Claims to be low risk based upon BLM policy and practice; that exploration activities have been conducted on the Claims since June of 2022 without third party interference or adverse action; and, that no challenges to the validity of the Claims have been asserted from and after the location of the Claims.

While the Company has investigated the title to the Claims and believes they are in good standing, there can be no assurance that the Company's rights with respect to the Claims will not be challenged or impugned by other parties in the future.

Refer to the US Title Report in Annexure C for further information in relation to the Claims.

(m) **Title and grant risk (Australia)**

Interests in all tenements in Australia are governed by state legislation and are evidenced by the granting of licences or leases. Each licence or lease is for a specific term and carries with it work program, annual expenditure and reporting commitments, as well as other conditions requiring compliance. Consequently, the Company could be exposed to additional costs, have its ability to explore or mine the Australian Projects reduced or lose title to or its interest in the Tenements if licence conditions are not met or if sufficient funds are unavailable to meet expenditure commitments.

Tenements P25/2349, P26/4086, P26/4101, P26/4103, P26/4101 and P26/4139 are due to expire in September/October 2025 (**Expiring Licences**). As these Tenements have already been renewed and are in their second period of grant, they cannot be further renewed unless an application for retention status is made and approved by the Minister responsible for the Mining Act. Alternatively, in order to retain the ground covered by the Expiring Licences, it will be necessary for the Company to apply to convert the Expiring Licences to mining leases. In order to obtain a mining lease, it will be necessary for the Company to demonstrate that there is sufficient mineralisation within the area of the Expiring Licences to support the grant of a mining lease.

The Company has applied to convert all or part of P26/4089 and P26/4101 to a mining lease (M26/875). See Section 3.6(b) for the Company's proposed exploration programs in the event the application to convert M26/875 is or is not successful.

There is a risk that if retention status is not granted or, alternatively, the Company is unable to convert the Expiring Licences to mining leases, that these Tenements will expire and the Company will lose access to that ground.

M26/867 and M26/875 are each applications for mining leases (each a **Pending Tenement** and together, the **Pending Tenements**). Accordingly, there is a risk that these applications may not be granted in their entirety or only granted on conditions unacceptable to the Company or that such grant will be delayed. In particular, the Pending Tenements are still progressing through the right to negotiate process under the Native Title Act, requiring an agreement to be reached with the relevant Native

Title Claimants prior to grant. As at the Prospectus Date, these agreements are yet to be finalised.

If the Pending Tenements are not granted, the land covered by the Pending Tenements will fall out of the package as the prospecting licences underlying the mining lease applications, being P26/4142, P26/4089 and P26/4101, expired on 5 September 2024 and 19 April 2025 respectively and only remain live pending the determination of the mining lease applications.

Refer to the Australian Solicitor's Report in Annexure D for further information.

(n) **Minimum expenditure requirements (Australia)**

In order to maintain an interest in the Tenements in which the Company is the holder, the Company is committed to meet the conditions under which the Tenements were granted and the obligations of the Company are subject to minimum expenditure commitments required by Australian mining legislation. The extent of work performed on each Tenement may vary depending upon the results of the exploration program which will determine the prospectivity of the relevant area of interest. As at the Prospectus Date, the Company is not in breach of its minimum expenditure commitments. There is a risk that if the Company fails to satisfy these minimum expenditure commitments in future, the Tenements may be subject to forfeiture proceedings by the Western Australian Department of Energy, Mines, Industry Regulation and Safety.

(o) **Native title risk (Australia)**

Tenements P25/2349, P25/2493, P26/4086, P26/4310 and P26/4409 fall wholly (100%) within the Kakarra Part A native title claim (NNTT file number WC2020/005, Federal Court file number WAD297/2020), and Tenements M26/875, M26/867, P26/4089, P26/4101, P26/4102, P26/4103, P26/4104, P26/4139, P26/4142, P26/4275, P26/4276, P26/4292 and P26/4507 fall wholly (100%) within the Marlinyu Ghoorlie native title claim (NNTT file number WC2017/007, Federal Court file number WAD647/2017).

The existence of native title claims over the area covered by the Tenements, or a subsequent determination of native title over the area, will not impact the rights or interests of the holder under the Tenements provided the Tenements have been validly granted in accordance with the *Native Title Act 1993* (Cth) (**Native Title Act**).

However, the grant of any future tenure over areas that are covered by a registered claim, or a positive determination of native title will require engagement with the relevant claimants or native title holders (as relevant) in accordance with the Native Title Act.

The Native Title considerations relevant to the Tenements are discussed in detail in section 7.10 of the Australian Solicitor's Report at Annexure D.

(p) **Aboriginal Cultural Heritage Risk (Australia)**

The Company is aware of 1 Aboriginal Cultural Heritage site 'Lodged' under the *Aboriginal Heritage Act 1972* (WA) (**AHA**) impacting P26/4103.

Accordingly, there is a risk that the existence of such sites may preclude or limit the Company's exploration activities in certain areas of the Tenement affected by the Aboriginal Heritage site. However, the location of this site is not expected to interfere with the Company's proposed activities. There remains a risk that future heritage surveys may locate additional Aboriginal sites and/or places on the land the subject of

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the Tenements which may further preclude or limit exploration activities in certain areas of the Tenements.

For more information, please refer to section 8 of the Australian Solicitor's Report at Annexure D.

(q) **Land access risk (Australia)**

Land access is critical for exploration and/or exploitation to succeed. It requires both access to the mineral rights and access to the surface rights. Mineral rights may be negotiated and acquired. In all cases the acquisition of prospective exploration and mining tenures is a competitive business, in which proprietary knowledge or information is critical and the ability to negotiate satisfactory commercial arrangements with other parties is often essential. The Company may not be successful in acquiring or obtaining the necessary tenures or permits to conduct exploration or evaluation activities outside of the mineral properties that it already owns.

Tenements P25/2349, P26/4086, P26/4089, P26/4101, P26/4102, P26/4103, P26/4104, P26/4139, P26/4507 and M26/875 overlap with certain underlying land interests, including pastoral leases and third party mining and/or petroleum titles, that may limit or impose conditions on the Company's ability to access the Tenements to conduct exploration activities or that may cause delays in the Company' activities.

Under State legislation, the Company may be required to obtain the consent of and/or pay compensation to the holders of third party interests which overlay areas within the Tenements.

For further information, please refer to section 9 of the Australian Solicitor's Report at Annexure D.

The Company has sufficient access to the Projects to undertake its proposed exploration program and satisfy the commitments test under Listing Rule 1.3.2(b).

(r) **Third party rights (United States)**

Under Nevada and United Stated law, the Company may be required, in respect of exploration or mining activities on the Claims, to recognise the rights of third-parties whose interests overlay areas within the Claims.

Except for the reserved Scotty Royalty in favour of Playa Minerals Company, there are no instruments recorded in the Office of the Nye County Recorder by which a third party asserts an encumbrance against or interest in the Claims comprising the Scotty Lithium Project. To the extent that any third parties' interests overlay the Claims in the future, any delays or costs in respect of conflicting third party rights may adversely impact the Company's ability to carry out exploration or mining activities within the affected areas.

(s) **Studies Risk**

The Company will rely on various technical, environmental, and feasibility studies to guide its exploration and development activities. These studies are based on numerous assumptions and estimates, including geological data, market conditions, and technological capabilities. Inaccuracies or changes in these assumptions can lead to significant deviations from projected outcomes, potentially affecting project viability and financial performance. Additionally, delays or failures in completing necessary studies could hinder the Company's ability to progress its projects as planned. The Company is committed to conducting thorough and accurate studies, regularly reviewing assumptions, and updating plans to mitigate these risks.

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(t) **Royalties**

The Company's subsidiary, Nevlith LLC, is required to pay the Scotty Royalty.

There is a risk that the Scotty Royalty and any additional royalties will have an impact on the economics of progressing any proposed mining operations. However, the Company has no control over the incurrence of these costs and is unable to predict the magnitude of such costs.

Refer to Section 7.4 for details of the Scotty Royalty.

(u) **Reliance on key personnel**

The Company is reliant on a number of key personnel and consultants, including members of the Board and its management team. The loss of one or more of these key contributors could have an adverse impact on the business of the Company.

It may be particularly difficult for the Company to attract and retain suitably qualified and experienced people given the current high demand in the industry and relatively small size of the Company, compared with other industry participants.

(v) **Reliance on contractors and experts**

In various aspects of its operations, the Company relies on the services, expertise and recommendations of service providers and their employees and contractors, whom often are engaged at significant expense to the Company. The Company cannot exercise complete control over third parties providing services to the Company.

(w) **Occupational health and safety risk**

Exploration and mining activities have inherent risks and hazards. The Company is committed to providing a safe and healthy workplace and environment for its personnel, contractors and visitors. The Company will provide appropriate instructions, equipment, preventative measures, first aid information, medical facilities and training to all stakeholders through its occupational health and safety management systems. A serious site safety incident may expose the Company to significant penalties and the Company may be liable for compensation to the injured personnel. These liabilities may not be covered by the Company's insurance policies or, if they are covered, may exceed the Company's policy limits or be subject to significant deductibles. Also, any claim under the Company's insurance policies could increase the Company's future costs of insurance. Accordingly, any liabilities for workplace accidents could have a material adverse impact on the Company's liquidity and financial results.

It is not possible to anticipate the effect on the Company's business from any changes to workplace occupational health and safety legislation. Changes to this legislation may have an adverse impact on the financial performance and/or financial position of the Company.

(x) **Sovereign risk**

On Admission, the Company will hold claims located in United States of America and will be subject to the risks associated in operating in a foreign country. These risks may include economic, social or political instability or change, hyperinflation, currency non-convertibility or instability and changes of law affecting foreign ownership, government participation, taxation, working conditions, rates of exchange, exchange control, exploration licensing, export duties, repatriation of income or return of capital, environmental protection, labour relations as well as government control over natural resources or government regulations that require the employment of local staff or contractors or require other benefits to be provided to local residents.

Any future material adverse changes in government policies or legislation in foreign jurisdictions in which the Company has projects that affect foreign ownership, exploration, development or activities of companies involved in exploration and production, may affect the viability and profitability of the Company.

(y) **New projects and acquisitions**

The Company's strategy includes pursuing new projects and acquisitions to expand its operations and resource base. However, these initiatives come with inherent risks, including the potential for overestimation of resource potential, integration challenges, and unforeseen liabilities. Any new projects may face delays, cost overruns, or regulatory hurdles, which may impact the Company's overall financial performance. Acquisitions may not achieve the anticipated synergies or returns. The Company conducts thorough due diligence and employs project management practices to mitigate these risks, but there can be no assurance of success.

4.2 General risks

(a) **Discretion in use of capital**

The Board and the Company's management have discretion concerning the use of the Company's capital resources as well as the timing of expenditures. Capital resources may be used in ways not previously anticipated or disclosed. The results and the effectiveness of the application of capital resources are uncertain. If they are not applied effectively, the Company's financial and/or operational performance may suffer.

(b) **Market conditions**

The market price of the Securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resource exploration stocks in particular.

Further, share market conditions may affect the value of the Company's quoted Securities regardless of the Company's performance. Conditions are affected by many factors such as:

(i) general economic outlook;

(ii) interest rates and inflation rates;

(iii) currency fluctuations;

(iv) changes in investor sentiment;

(v) the demand for, and supply of, capital; and

(vi) terrorism or other hostilities.

Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

(c) **Securities investment**

Investors should be aware that there are risks associated with any securities investment. The prices at which the Company's Shares trade may be above or below the issue price of the Public Offer and may fluctuate in response to a number of factors. Further, the stock market is prone to price and volume fluctuations. There can be no guarantee that trading prices will be sustained. These factors may materially affect the market price of the Shares, regardless of the Company's operational performance.

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(d) **General economic conditions**

The operating and financial performance of the Company is 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. Changes in general economic conditions may result from many factors including government policy, international economic conditions, significant acts of terrorism, hostilities or war 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 the Company's operating and financial performance and financial position. The Company's future possible revenues and Share prices may be affected by these factors, which are beyond the control of the Company.

(e) **Changes in government policies and legislation**

Any material adverse changes in government policies or legislation of Australia or United States of America or any other country that the Company may acquire economic interests in may affect the viability and profitability of the Company.

(f) **Unforeseen expenditure risk**

Expenditure may need to be incurred that has not been taken into account in the preparation of this Prospectus. Although the Company is not aware of any such additional expenditure requirements, if such expenditure is subsequently incurred, this may adversely affect the expenditure proposals of the Company.

(g) **Climate change risk**

The climate change risks particularly attributable to the Company include:

(i) the emergence of new or expanded regulations associated with the transitioning to a lower-carbon economy and market changes related to climate change mitigation. The Company may be impacted by changes to local or international compliance regulations related to climate change mitigation efforts, or by specific taxation or penalties for carbon emissions or environmental damage. These examples sit amongst an array of possible restraints on industry that may further impact the Company and its profitability. While the Company will endeavour to manage these risks and limit any consequential impacts, there can be no guarantee that the Company will not be impacted by these occurrences; and

(ii) climate change may cause certain physical and environmental risks that cannot be predicted by the Company, including events such as increased severity of weather patterns and incidence of extreme weather events and longer term physical risks such as shifting climate patterns. All these risks associated with climate change may significantly change the industry in which the Company operates.

(h) **Insurance risk**

The Company's business is subject to a number of risks and hazards generally, including without limitation, adverse environmental conditions, industrial accidents, labour disputes, civil unrest and political instability, unusual or unexpected geological conditions, changes in the regulatory environment and natural phenomena such as inclement weather conditions, floods and earthquakes. Such occurrences could result in damage to mineral properties or facilities, personal injury or death, environmental damage to the Company's properties or the properties of others, delays in development, monetary losses and possible legal liability.

The Company will maintain insurance coverage that is substantially consistent with mining industry practice. However, there is no guarantee that such insurance or any future necessary coverage will be available to the Company at economically viable premiums (if at all) or that, in the event of a claim, the level of insurance carried by the Company now or in the future will be adequate, or that a liability or other claim would not materially and adversely affect the Company's business.

(i) **Taxation**

The acquisition and disposal of Securities will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Securities from a taxation point of view and generally.

To the maximum extent permitted by law, the Company, its officers and each of their respective advisers accept no liability and responsibility with respect to the taxation consequences of applying for Securities.

(j) **Litigation risk**

The Company is exposed to possible litigation risks including native title claims, tenure disputes, environmental claims, occupational health and safety claims and employee claims. Further, the Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Company's operations, financial performance and financial position. The Company is not currently engaged in any active litigation and is not aware of any threatened litigation. However, the Company is exposed to possible litigation risks including native title claims, tenure disputes, environmental claims, occupational health and safety claims and employee claims.

(k) **Cyber risk**

The Company stores data in its own systems and networks and also with a variety of third party service providers. A malicious attack on the Company's systems, processes or people, from external or internal sources, could put the integrity and privacy of customers' data and business systems at risk. It could prevent customers from using the products for a period of time, put its users' premises at risk and could also lead to unauthorised disclosure of data.

4.3 Speculative investment

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Securities offered under this Prospectus. Therefore, the Securities to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Securities.

Potential investors should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for Securities pursuant to this Prospectus.

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5. Financial Information

The Independent Limited Assurance Report contained in this Section 5 sets out the Company's:

(a) audited historical Statement of Financial Position as at 30 June 2025;

(b) audited historical Statement of Profit or Loss and Other Comprehensive Income and Statement of Cash Flows for the period from incorporation (2 September 2024) to 30 June 2025; and

(c) pro forma historical Statement of Financial Position as at 30 June 2025,

(collectively referred to as the **Financial Information**).

The Directors are responsible for the preparation and inclusion of the Financial Information in the Prospectus.

BDO Corporate Finance Australia Pty Ltd has prepared an Independent Limited Assurance Report and a copy of this report, which includes an explanation of the scope and limitations of the Investigating Accountant's work, is set out in this Section 5. Investors are urged to read the Independent Limited Assurance Report in full.

Forecast financial information

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

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DESERT MINERALS LIMITED

Independent Limited Assurance Report

20 August 2025

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20 August 2025

The Directors
Desert Minerals Limited
Level 1, 50 Kings Park Road
West Perth WA 6005

Dear Directors

INDEPENDENT LIMITED ASSURANCE REPORT

1. Introduction

BDO Corporate Finance Australia Pty Ltd ('BDO') has been engaged by Desert Minerals Limited ('Desert Minerals' or 'the Company') to prepare this Independent Limited Assurance Report ('Report') in relation to certain financial information of Desert Minerals, for the Initial Public Offering ('IPO') of shares in Desert Minerals, for inclusion in the Prospectus.

Broadly, the Prospectus will offer 25,000,000 shares at an issue price of $0.20 each, to raise $5.0 million before costs ('the Offer'). The Offer will also include a priority offer to eligible shareholders of Loyal Metals Limited ('LLM') of up to 5,000,000 shares at an issue price of $0.20 each, to raise up to $1.0 million ('Priority Offer').

Desert Minerals was incorporated on 2 September 2024 for the purpose of acquiring the following assets of LLM ('Spin-out'):

- A 51% interest in the Scotty Lithium Project ('Scotty Lithium Project') located in Nevada, USA, which is held via LLM's wholly-owned subsidiary, American Consolidated Lithium Pty Ltd ('ACL').
- A 80% interest in the Mt Monger North and Mt Monger South Projects ('Mt Monger Projects'), located in Western Australia, which is held directly by LLM.

In connection with the Spin-out, Desert Minerals is undertaking an IPO of its shares on the Australian Securities Exchange ('ASX').

Expressions defined in the Prospectus have the same meaning in this Report. BDO holds an Australian Financial Services Licence (AFS Licence Number 247 420) and our Financial Services Guide ('FSG') has been included in this report in the event you are a retail investor. Our FSG

BDO Corporate Finance Australia Pty Ltd ABN 70 050 038 170 AFS Licence No. 247420 is a member of a national association of independent entities which are all members of A.C.N. 050 110 275 Ltd ABN 77 050 110 275, an Australian company limited by guarantee. BDO Corporate Finance Australia Pty Ltd and A.C.N. 050 110 275 Ltd are members of BDO International Ltd, a UK company limited by guarantee, and form part of the international BDO network of independent member firms. Liability limited by a scheme approved under Professional Standards Legislation.

provides you with information on how to contact us, our services, remuneration, associations, and relationships.

This Report has been prepared for inclusion in the Prospectus. We disclaim any assumption of responsibility for any reliance on this Report or on the Financial Information to which it relates for any purpose other than that for which it was prepared.

2. Scope

You have requested BDO to perform a limited assurance engagement in relation to the historical and pro forma historical financial information described below and disclosed in the Prospectus.

The historical and pro forma historical financial information is presented in the Prospectus in an abbreviated form, insofar as it does not include all of the presentation and disclosures required by Australian Accounting Standards and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the Corporations Act 2001 (Cth) ('Corporations Act').

You have requested BDO to review the following historical financial information (together the 'Historical Financial Information') of Desert Minerals included in the Prospectus:

- The audited historical Statement of Financial Position as at 30 June 2025.
- The audited historical Statement of Profit or Loss and Other Comprehensive Income and Statement of Cash Flows for the period from incorporation (2 September 2024) to 30 June 2025.

The Historical Financial Information has been prepared in accordance with the stated basis of preparation, being the recognition and measurement principles contained in Australian Accounting Standards and the company's adopted accounting policies.

The Historical Financial Information has been extracted from the financial report of Desert Minerals for the period from incorporation (2 September 2024) to 30 June 2025, which was audited by BDO Audit Pty Ltd ('BDO Audit') in accordance with the Australian Auditing Standards. In the audit opinion of Desert Minerals for the period from incorporation (2 September 2024) to 30 June 2025, BDO Audit noted that a material uncertainty exists that may cast significant doubt on Desert Minerals' ability to continue as a going concern, however the audit opinion was not modified for this matter.

Pro Forma Historical Financial Information

You have requested BDO to review the following pro forma historical financial information (the 'Pro Forma Historical Financial Information') of Desert Minerals included in the Prospectus:

- The pro forma historical Statement of Financial Position as at 30 June 2025.

The Pro Forma Historical Financial Information has been derived from the Historical Financial Information of Desert Minerals, after adjusting for the effects of the subsequent events described in Section 6 of this Report and the pro forma adjustments described in Section 7 of this Report. The stated basis of preparation is the recognition and measurement principles contained in Australian Accounting Standards applied to the Historical Financial Information and the events or transactions to which the pro forma adjustments relate, as described in Section 7 of this Report, as if those events or transactions had occurred as at the date of the Historical Financial Information. Due to its nature, the Pro Forma Historical Financial Information does not represent the Company's actual or prospective financial position or financial performance.

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The Pro Forma Historical Financial Information has been compiled by Desert Minerals to illustrate the impact of the events or transactions described in Section 6 and Section 7 of the Report on Desert Minerals' financial position as at 30 June 2025. As part of this process, information about Desert Minerals' financial position has been extracted from the financial statements of Desert Minerals for the period from incorporation (2 September 2024) to 30 June 2025.

3. Directors' responsibility

The directors of Desert Minerals are responsible for the preparation and presentation of the Historical Financial Information and Pro Forma Historical Financial Information, including the selection and determination of pro forma adjustments made to the Historical Financial Information and included in the Pro Forma Historical Financial Information. This includes responsibility for such internal controls as the directors determine are necessary to enable the preparation of Historical Financial Information and Pro Forma Historical Financial Information are free from material misstatement, whether due to fraud or error.

4. Our responsibility

Our responsibility is to express limited assurance conclusions on the Historical Financial Information and the Pro Forma Historical Financial Information. We have conducted our engagement in accordance with the Standard on Assurance Engagement ASAE 3450 *Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information*.

Our limited assurance procedures consisted of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A limited assurance engagement is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain reasonable assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express an audit opinion.

Our engagement did not involve updating or re-issuing any previously issued audit or limited assurance reports on any financial information used as a source of the financial information.

5. Conclusion

Historical Financial Information

Based on our limited assurance engagement, which is not an audit, nothing has come to our attention that causes us to believe that the Historical Financial Information, as described in the Appendices to this Report, and comprising Desert Minerals' audited Statement of Financial Position as at 30 June 2025 and Statement of Profit or Loss and Other Comprehensive Income, and Statement of Cash Flows for the period from incorporation (2 September 2024) to 30 June 2025, is not presented fairly, in all material respects, in accordance with the stated basis of preparation, as described in Section 2 of this Report.

Pro Forma Historical Financial information

Based on our limited assurance engagement, which is not an audit, nothing has come to our attention that causes us to believe that the Pro Forma Historical Financial Information as described in the Appendices to this Report, and comprising the pro forma historical Statement of Financial Position of Desert Minerals as at 30 June 2025, is not presented fairly, in all material respects, in accordance with the stated basis of preparation, as described in Section 2 of this Report.

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6. Subsequent Events

The pro-forma statement of financial position reflects the following events that have occurred subsequent to 30 June 2025:

- On 15 August 2025, the Company and LLM entered into a demerger implementation deed ('DID') in relation to the Spin-out and for the sale and purchase of LLM's 51% interest in the Scotty Lithium Project and 80% interest in the Mt Monger Projects. The consideration paid by the Company to LLM under the DID is 1,000,000 shares ('Consideration Shares'). The issue of the Consideration Shares is subject to the completion of the Offer.
- On 18 August 2025, the Company entered into a share sale agreement with LLM under which it agreed to purchase 8,160,000 ordinary shares in ACL (representing 51% of the issued capital of ACL), which holds a 100% interest in the Scotty Lithium Project ('Scotty Lithium Agreement'). The consideration payable to LLM under the Scotty Lithium Agreement is comprised of the Consideration Shares. The Scotty Lithium Agreement is subject to the completion of the Offer. *The Scotty Lithium Agreement has been accounted for as an asset acquisition, the details of which are disclosed in Appendix 4, Note 6.*
- On 18 August 2025, the Company entered into a tenement sale agreement with LLM for the sale and purchase of LLM's rights and interests in the Mt Monger Projects ('Mt Monger Agreement'). The consideration payable to LLM under the Mt Monger Agreement is comprised of the Consideration Shares. The Mt Monger Agreement is subject to the completion of the Offer. *The Mt Monger Agreement has been accounted for as an asset acquisition, the details of which are disclosed in Appendix 4, Note 6.*

Apart from the matters dealt with in this Report, and having regard to the scope of this Report and the information provided by the Directors, to the best of our knowledge and belief no other material transaction or event outside of the ordinary business of Desert Minerals not described above, has come to our attention that would require comment on, or adjustment to, the information referred to in our Report or that would cause such information to be misleading or deceptive.

7. Assumptions Adopted in Compiling the Pro-forma Statement of Financial Position

The pro forma historical Statement of Financial Position is shown in Appendix 1. This has been prepared based on the financial statements of Desert Minerals as at 30 June 2025, the subsequent events set out in Section 6, and the following transactions and events relating to the issue of shares under this Prospectus:

- The issue of 25,000,000 shares at an offer price of $0.20 per share to raise $5.0 million before costs pursuant to the Offer;
- The payment of cash costs of the Offer, which are estimated to be $740,000. The Company has incurred and expensed approximately $324,153 during the period ended 30 June 2025. Therefore, the remaining cash costs of the Offer are offset against issued capital;
- The issue of 3,000,000 options to Canaccord Genuity (Australia) Limited for lead manager advisory services, exercisable at $0.30 each, with an expiry date of three years from the date of issue ('Lead Manager Options'). The Lead Manager Options have been valued using the Black-Scholes option pricing model at $333,000. The issue of the Lead Manager Options

is considered to be a cost directly attributable to the capital raising and as such, the cost is offset against issued capital, with a corresponding increase in reserves;

- The issue of up to 3,000,000 options to brokers, who at the discretion of the Company, have assisted in procuring successful applications under the Offer ('Broker Options'). The Broker Options are exercisable at $0.30 each, with an expiry date of three years from the date of issue. The Broker Options have been valued using the Black-Scholes option pricing model at $333,000. The issue of the Broker Options is considered to be a cost directly attributable to the capital raising and as such, the cost is offset against issued capital, with a corresponding increase in reserves;
- The issue of 1,500,000 options to the Board, exercisable at $0.30 each, with an expiry date of three years from the date of issue ('Board Options'). The Board Options have been valued at $166,500 using the Black-Scholes option pricing model. The issue of the Board Options is not considered to be a cost directly attributable to the capital raising and as such, the cost is expensed through accumulated losses, with a corresponding increase in reserves;
- The issue of 1,000,000 options to the company secretary and financial controller, exercisable at $0.30 each, with an expiry date of three years from the date of issue ('Employee Options'). The Employee Options have been valued at $111,000 using the Black-Scholes option pricing model. The issue of the Employee Options is not considered to be a cost directly attributable to the capital raising and as such, the cost is expensed through accumulated losses, with a corresponding increase in reserves;
- The issue of 1,000,000 Consideration Shares to LLM, valued at $0.20 each based on the Offer. *See further details in Appendix 3, Note 6*;
- The issue of 1,000,000 options to LLM, exercisable at $0.30 each, with an expiry date of three years from the date of issue ('Loan Options'). The Loan Options are valued at $111,000 using the Black-Scholes option pricing model, and have been expensed through accumulated losses, with a corresponding increase in reserves; and
- The repayment of the $190,000 drawn down amount of a loan provided by LLM, in addition to $6,649 in capitalised accrued interest and accrued interest of $3,531. Therefore, the loan repayment has been reflected by a reduction in cash and a reduction of borrowings.

8. Independence

BDO is a member of BDO International Ltd. BDO does not have any interest in the outcome of the Offer, other than in connection with the preparation of this Report and participation in due diligence procedures, for which professional fees will be received. BDO is the auditor of Desert Minerals and receives normal professional fees.

9. Disclosures

This Report has been prepared, and included in the Prospectus, to provide investors with general information only and does not take into account the objectives, financial situation or needs of any specific investor. It is not intended to be a substitute for professional advice and potential investors should not make specific investment decisions in reliance on the information contained in this Report. Before acting or relying on any information, potential investors should consider whether it is appropriate for their objectives, financial situation or needs.

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Without modifying our conclusions, we draw attention to Section 2 of this Report, which describes the purpose of the financial information, being for inclusion in the Prospectus. As a result, the financial information may not be suitable for use for another purpose.

BDO has consented to the inclusion of this Report in the Prospectus in the form and context in which it is included. At the date of this Report this consent has not been withdrawn. However, BDO has not authorised the issue of the Prospectus. Accordingly, BDO makes no representation regarding, and takes no responsibility for, any other statements or material in or omissions from the Prospectus.

Yours faithfully

BDO Corporate Finance Australia Pty Ltd



Peter Toll
Director

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APPENDIX 1

DESERT MINERALS LIMITED

PRO FORMA HISTORICAL STATEMENT OF FINANCIAL POSITION

Statement of Financial Position	Notes	Audited as at 30-Jun-25 $	Pro-forma adjustments $	Pro-forma after Offer $
CURRENT ASSETS				
Cash and cash equivalents	4	4,602	4,377,453	4,382,055
Trade and other receivables		12,646	-	12,646
TOTAL CURRENT ASSETS		17,248	4,377,453	4,394,701
NON-CURRENT ASSETS				
Exploration and evaluation assets	5,6	-	392,157	392,157
TOTAL NON-CURRENT ASSETS		-	392,157	392,157
TOTAL ASSETS		17,248	4,769,610	4,786,858
CURRENT LIABILITIES				
Trade and other payables		160,853	-	160,853
Borrowings	7	196,649	(196,649)	-
TOTAL CURRENT LIABILITIES		357,502	(196,649)	160,853
TOTAL LIABILITIES		357,502	(196,649)	160,853
NET ASSETS/(LIABILITIES)		(340,254)	4,966,259	4,626,005
EQUITY				
Issued capital	8	60	4,108,102	4,108,162
Reserves	9	-	1,054,500	1,054,500
Non-controlling interest	10	-	192,157	192,157
Accumulated losses	11	(340,314)	(388,500)	(728,814)
TOTAL EQUITY		(340,254)	4,966,259	4,626,005

The cash and cash equivalents balance above does not account for working capital movements of approximately $80,000 over the period from 30 June 2025 until completion, other than the subsequent events and pro forma adjustments detailed in Section 6 and Section 7 of our report.

The pro-forma historical Statement of Financial Position after the Offer is as per the Statement of Financial Position before the Offer, adjusted for any subsequent events and the transactions relating to the issue of shares and options pursuant to this Prospectus. The Statement of Financial Position is to be read in conjunction with the notes to and forming part of the Historical Financial Information set out in Appendix 4 and the financial information of Desert Minerals set out in Appendices 2 and 3.

APPENDIX 2

DESERT MINERALS LIMITED

HISTORICAL STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Statement of Profit or Loss and Other Comprehensive Income	For the period from incorporation to 30-Jun-25 $
Other income	441
Expenses	
Advertising	(9,000)
Professional services	(316,132)
Finance	(6,879)
Other	(8,725)
Profit/(loss) before income tax expense	(340,295)
Income tax benefit/(expense)	(20)
Net profit/(loss) for the period	(340,315)
Other Comprehensive Income, Net of Tax	
Other comprehensive income	-
Total comprehensive profit/(loss) for the period	(340,315)

The above historical Statement of Profit or Loss and Other Comprehensive Income shows the historical financial performance of Desert Minerals and is to be read in conjunction with the notes to and forming part of the Historical Financial Information set out in Appendix 4. Past performance is not a guide to future performance.

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APPENDIX 3

DESERT MINERALS LIMITED

HISTORICAL STATEMENT OF CASH FLOWS

Statement of Cash Flows	For the period from incorporation to 30-Jun-25 $
Cash flows from operating activities	
Other income received	441
Payments made to suppliers	(185,649)
Finance costs paid	(6,879)
Income taxes paid	(20)
Net cash flows used in operating activities	(192,107)
Cash flows from investing activities	
Net cash flows (used in) investing activities	-
Cash flows from financing activities	
Proceeds from issue of ordinary capital	60
Related party loans received	196,649
Net cash flows (used in)/from financing activities	196,709
Net increase/(decrease) in cash and cash equivalents	4,602
Cash and cash equivalents at the beginning of the financial period	-
Cash and cash equivalents at the end of the financial period	4,602

The above historical Statement of Cash Flows shows the historical cash flows of Desert Minerals and is to be read in conjunction with the notes to and forming part of the Historical Financial Information set out in Appendix 4. Past performance is not a guide to future performance.

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APPENDIX 4

DESERT MINERALS LIMITED

NOTES TO AND FORMING PART OF THE HISTORICAL FINANCIAL INFORMATION

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted in the preparation of the historical financial information included in this Report have been set out below.

a) Basis of preparation of historical financial information

The historical financial information has been prepared in accordance with the recognition and measurement, but not all the disclosure requirements of the Australian Accounting Standards Board and the Corporations Act 2001.

The financial information has also been prepared on a historical cost basis, except for derivatives and available-for-sale financial assets that have been measured at fair value. The carrying values of recognised assets and liabilities that are hedged are adjusted to record changes in the fair value attributable to the risks that are being hedged. Non-current assets and disposal groups held-for-sale are measured at the lower of carrying amounts and fair value less costs to sell.

b) Going Concern

As at 30 June 2025, the Company is dormant and has no cash inflows from normal operating activities. As such the Directors have prepared the financial information on a going concern basis under the circumstances that the Company is economically dependent on LLM to provide the necessary funding for the Company discharge its liabilities in the normal course of business as and when they arise.

The ability of the Company to continue as a going concern is dependent on the success of the fundraising under the Prospectus. The Directors believe that the Company will continue as a going concern. As a result the financial information has been prepared on a going concern basis. However should the fundraising under the Prospectus be unsuccessful, the entity may not be able to continue as a going concern. No adjustments have been made relating to the recoverability and classification of liabilities that might be necessary should the Company not continue as a going concern.

c) Reporting Basis and Conventions

The financial information is also prepared on an accrual basis and is based on historic costs and does not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

The following is a summary of the material accounting policies adopted by the company in the preparation of the financial information. The accounting policies have been consistently applied, unless otherwise stated.

d) Principles of consolidation

The financial information incorporates the assets, liabilities and results of entities controlled by Desert Minerals at the end of the reporting period. A controlled entity is any entity over which Desert Minerals has the power to govern the financial and operating policies so as to obtain benefits from the entity's activities. Control will generally exist when the parent owns, directly or indirectly through subsidiaries, more than half of the voting power of an entity. In assessing the power to

govern, the existence and effect of holdings of actual and potential voting rights are also considered.

Where controlled entities have entered or left the group during the year, the financial performance of those entities are included only for the period of the year that they were controlled.

In preparing the financial information, all inter-group balances and transactions between entities in the consolidated group have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with those adopted by the parent entity.

Non-controlling interests, being the equity in a subsidiary not attributable, directly or indirectly, to a parent, are shown separately within the Equity section of the pro forma statement of financial position. The non-controlling interests in the net assets comprise their interests at the date of the original business combination and their share of changes in equity since that date.

e) Income Tax

The income tax expense or benefit (revenue) for the period is the tax payable on the current period's taxable income based on the national income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax base of assets and liabilities and their carrying amounts in the financial information, and to unused tax losses.

The charge for current income tax expenses is based on the profit for the year adjusted for any non-assessable or disallowed items. It is calculated using tax rates that have been enacted or are substantively enacted by the balance sheet date.

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial information. No deferred income tax will be recognized from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the economic entity will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

f) Cash and Cash Equivalents

Cash and cash equivalents includes cash at bank and in hand, deposits held at call with financial institutions, other short-term highly liquid deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

g) Trade and other receivables

Trade receivables are recognised as the amount receivable and are due for settlement no more than 90 days from the date of recognition. Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off against the receivable directly unless a provision for impairment has previously been recognised.

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A provision for impairment of receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate.

Loans granted are recognised at the amount of consideration given or the cost of services provided to be reimbursed.

h) Revenue Recognition

Revenues are recognised at fair value of the consideration received net of the amount of GST.

Interest

Revenue is recognised as interest accrues using the effective interest method. The effective interest method uses the effective interest rate which is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial asset.

i) Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

j) Trade and Other Payables

Liabilities are recognised for amounts to be paid in the future for goods or services received, whether or not billed to the Company. Trade accounts payable are normally settled within 30 days of recognition.

k) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between proceeds (net of transaction costs) and the redemption amount is recognised in the statement of financial performance over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the statement of financial position date.

l) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of GST except where GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

Cash flows are included in the statement of cash flow on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authorities are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

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m) Exploration and Evaluation Expenditure

Exploration and evaluation expenditure, including costs of acquiring the licences, are capitalised as exploration and evaluation assets on an area of interest basis. Costs incurred before the Company has obtained the legal rights to explore the area are recognised in the statement of financial performance.

Exploration and evaluation assets are only recognised if the rights of the area of interest are current and either:

I. The expenditures are expected to be recouped through successful development and exploitation or from sale of the area of interest; or

II. Activities in the area of interest have not at the reporting date, reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the areas of interest are continuing.

Exploration and evaluation assets are assessed for impairment if (i) sufficient date exists to determine technical feasibility and commercial viability, and (ii) facts and circumstances suggest that the carrying amount exceeds the recoverable amount. For the purpose of impairment testing, exploration and evaluation assets are allocated to cash-generating units to which the exploration activity relates. The cash generating unit shall not be larger than the area of interest.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified to mining property and development assets within property, plant and equipment.

When an area of interest is abandoned or the directors decide that it is not commercial, and accumulated costs in respect of that area are written off in the financial period the decision is made.

n) Impairment of assets

At each reporting date, the Company reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Financial Assets

A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

Non-Financial Assets

The carrying amounts of the non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite lives or that are not yet available for use, recoverable amount is estimated at each reporting date.

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An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups. Impairment losses are recognised in the statement of financial performance. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (group of units) on a pro rata basis.

Contributed Equity

Ordinary shares are classified as equity.

Costs directly attributable to the issue of new shares or options are shown as a deduction from the equity proceeds, net of any income tax benefit. Costs directly attributable to the issue of new shares or options associated with the acquisition of a business are included as part of the purchase consideration.

o) Financial Instruments

Recognition

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

Financial liabilities

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

p) Employee Benefits

Wages and Salaries, Annual Leave and Sick Leave

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months of the statement of financial position date are recognised in respect of employees' services rendered up to statement of financial position date and measured at amounts expected to be paid when the liabilities are settled.

Liabilities for non-accumulating sick leave are recognised when leave is taken and measured at the actual rates paid or payable. Liabilities for wages and salaries are included as part of Other Payables and liabilities for annual and sick leave are included as part of Employee Benefit Provisions.

Long Service Leave

Liabilities for long service leave are recognised as part of the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees to the statement of financial position date using the projected unit credit method. Consideration is given to expect future salaries and wages levels, experience of employee departures and periods of service. Expected future payments are discounted using national

government bond rates at the statement of financial position date with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Share-based payments transactions

The Company provides benefits to employees (including directors) of the Company in the form of share options. The fair value of options granted is recognised as an employee expense with a corresponding increase in equity. The fair value is measured at grant date and spread over the period during which the employee becomes unconditionally entitled to the options. The fair value of the options granted is measured using Black-Scholes valuation model, taking into account the terms and conditions upon which the options were granted.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, on a straight line basis over the period from grant date to the date on which the relevant employees become fully entitled to the award ("vesting date"). The amount recognised as an expense is adjusted to reflect the actual number that vest.

The dilutive effect, if any, of outstanding options is reflected as additional share dilution in the computation of earnings per share.

q) Accounting estimates and judgements

In the process of applying the accounting policies, management has made certain judgements or estimations which have an effect on the amounts recognised in the financial information.

The carrying amounts of certain assets and liabilities are often determined based on estimates and assumptions of future events. The key estimates and assumptions that have a significant risk causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period are:

Valuation of share based payment transactions

The valuation of share-based payment transactions is measured by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined using the Black Scholes model taking into account the terms and conditions upon which the instruments were granted.

Options

The fair value of options issued is determined using the Black-Scholes model, taking into account the terms and conditions upon which the options were granted.

Determination of fair values on exploration and evaluation assets acquired in business combinations

On initial recognition, the assets and liabilities of the acquired business are included in the statement of financial position at their fair values. In measuring fair value of exploration projects, management considers generally accepted technical valuation methodologies and comparable transactions in determining the fair value. Due to the subjective nature of valuation with respect to exploration projects with limited exploration results, management have determined the price paid to be indicative of its fair value.

Recoverability of capitalised exploration and evaluation expenditure

The future recoverability of capitalised exploration and evaluation expenditure is dependent on a number of factors, including whether the company decides to exploit the related lease itself, or, if not, whether it successfully recovers the related exploration and evaluation asset through sale.

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Factors that could impact the future recoverability include the level of reserves and resources, future technological changes, costs of drilling and production, production rates, future legal changes (including changes to environmental restoration obligations) and changes to commodity prices.

Taxation

The Company is subject to income taxes in Australia. Significant judgement is required when determining the Company's provision for income taxes. The Company estimates its tax liabilities based on the Company's understanding of the tax law.

NOTE 2: RELATED PARTY DISCLOSURES

Transactions with Related Parties and Directors Interests are disclosed in Section 6.4 to 6.8 (inclusive) of the Prospectus.

NOTE 3: COMMITMENTS AND CONTINGENCIES

The Company will acquire a portfolio of tenements under the Scotty Lithium Agreement and Mt Monger Agreement, which all have a requirement for a certain amount of expenditure each year in addition to annual rental payments for the tenements.

Nevlith LLC, a subsidiary of ACL (of which the Company will acquire a 51% interest in under the Scotty Lithium Agreement), is required to pay a 1% net smelter royalty on future production of all mineral and mineral materials from the Scotty Lithium Project to Playa Minerals Company. Nevlith LLC has the right to buy back 50% of the royalty for a total purchase price of US$500,000.

NOTE 4. CASH AND CASH EQUIVALENTS	Audited as at 30-Jun-25 $	Pro-forma after Offer $
Cash and cash equivalents	4,602	4,382,055
Adjustments to arise at the pro-forma balance:		
Audited balance of Desert Minerals as at 30-Jun-25		4,602
Pro-forma adjustments:		
Proceeds from Shares issued under the Offer		5,000,000
Capital raising costs		(422,547)
Repayment of the loan provided under the LLM Loan Agreement, including accrued interest		(200,000)
		4,377,453
Pro-forma balance		4,382,055

NOTE 5. EXPLORATION AND EVALUATION ASSETS	Audited as at 30-Jun-25 $	Pro-forma after Offer $
Exploration and evaluation assets	-	392,157
Adjustments to arise at the pro-forma balance:		
Audited balance of Desert Minerals as at 30-Jun-25		-
Pro-forma adjustments:		
Acquisition of a 51% interest in the Scotty Lithium Project		392,157
Acquisition of an 80% interest in the Mt Monger Projects		-
		392,157
Pro-forma balance		392,157

**Note: Exploration and evaluation assets of ACL is consolidated within the financial information of Desert Minerals on a 100% interest basis (see Note 6 below) with the 49% non-controlling interest accounted for within equity of Desert Minerals (see Note 10 below).*

NOTE 6: PROVISIONAL ACQUISITION ACCOUNTING

Scotty Lithium Project

The acquisition of a 51% interest in the exploration and evaluation assets of ACL under the Scott Lithium Agreement was deemed an asset acquisition under AASB 6: Exploration for and Evaluation of Mineral Resources, on the basis that ACL does not pass the "process" and "output" test and therefore does not constitute a business under AASB 3: Business Combination.

As the consideration for the assets was made through the issue of Consideration Shares to LLM, this requires the provision of AASB 2: Share-Based Payments.

After applying the provisions set out in AASB 2: Share-Based Payments, the total fair value of consideration was determined to be $200,000, being one million shares at a fair value of $0.20 per share. We note that the consideration paid was for a 51% interest in ACL which holds a 100% interest in the Scotty Lithium Project, therefore the value of the consideration has been grossed up to reflect a 100% interest.

As at 30 June 2025, ACL was a wholly owned subsidiary of LLM. Under the terms of the Scotty Lithium Agreement, all parent entity loans (being loans between LLM and ACL) were to be extinguished prior to completion. As at 30 June 2025, after extinguishment of all parent entity loans, ACL had net assets with nil value. Therefore, the fair value a 100% interest in the exploration and evaluation assets acquired was $391,157, with the remaining 49% non-controlling interest held by LLM recognised in the Company's equity (see Note 10).

Mt Monger Projects

The acquisition of an 80% interest in the Mt Monger Projects under the Mt Monger Agreement was deemed an asset acquisition under AASB 6: Exploration for and Evaluation of Mineral Resources, on the basis that the Mt Monger Projects do not pass the "process" and "output" test and therefore does not constitute a business under AASB 3: Business Combinations.

Based on discussions with management and as disclosed in this Prospectus, the Mt Monger Projects have been carried at nil value under LLM's ownership after a historical impairment, exploration activities comprise of highly prospective untested drilling and are not considered to be core assets

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to the Company, therefore no value has been attributed to the acquisition of the Mt Monger Projects.

The table below sets out the value of exploration and evaluation assets acquired:

PROVISIONAL ACQUISITION ACCOUNTING	Fair value $
Acquisition consideration comprises:	
Consideration Shares	200,000
Total consideration	200,000
Fair value attributable to a 51% interest in ACL	200,000
Gross up to present a 100% interest in ACL	392,157
Pro-forma adjustment to exploration assets	392,157

**Note: Upon completion of the acquisition of a 51% interest in ACL under the Scotty Lithium Agreement, the Company will undertake a purchase price allocation, which may result in deferred tax implications relating to the fair value uplift on exploration and evaluation assets from the current balance in ACL. We note that based on the current fair value uplift on the provisional acquisition accounting above, any deferred tax implications would be immaterial.*

On 18 February 2025, the Company entered into a loan agreement with LLM ('LLM Loan Agreement') pursuant to which LLM agreed to provide an unsecured loan of up to $200,000 to the Company for costs associated with the DID, IPO, maintaining the Scotty Lithium Project tenements and other costs as agreed by LLM. Drawn down amounts pursuant to the LLM Loan Agreement accrue interest at 12% per annum. As at the date of this Prospectus, the Company has drawn down $190,000 and incurred $10,000 in capitalised accrued interest.

NOTE 7. BORROWINGS	Audited as at 30-Jun-25 $	Pro-forma after Offer $
Borrowings	196,649	-
Adjustments to arise at the pro-forma balance:		
Audited balance of Desert Minerals as at 30-Jun-25		196,649
Pro-forma adjustments:		
Repayment of the loan provided under the LLM Loan Agreement, including accrued interest		(196,649)
		(196,649)
Pro-forma balance		-

NOTE 8. ISSUED CAPITAL	Audited as at 30-Jun-25 $	Pro-forma after Offer $
Issued capital	60	4,108,162
	Number of shares (Max)	$
Adjustments to arise at the pro-forma balance:		

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NOTE 8. ISSUED CAPITAL	Audited as at 30-Jun-25 $	Pro-forma after Offer $
Audited balance of Desert Minerals as at 30-Jun-25	60	60
Pro-forma adjustments:		
Consideration Shares issued to LLM	1,000,000	200,000
Shares issued under this Prospectus	25,000,000	5,000,000
Costs of the Offer	-	(425,898)
Issue of Lead Manager Options	-	(333,000)
Issue of Broker Options	-	(333,000)
	26,000,000	4,108,102
Pro-forma Balance	26,000,060	4,108,162

NOTE 9. RESERVES	Audited as at 30-Jun-25 $	Pro-forma after Offer $
Reserves	-	1,054,500
Adjustments to arise at the pro-forma balance:		
Audited balance of Desert Minerals as at 30-Jun-25		-
Pro-forma adjustments:		
Issue of Loan Options		111,000
Issue of Lead Manager Options		333,000
Issue of Broker Options		333,000
Issue of Board Options		166,500
Issue of Employee Options		111,000
		1,054,500
Pro-forma Balance		1,054,500

The Loan Options, Lead Manager Options, Broker Options, Board Options and Employee Options have non-market vesting conditions attached, therefore the fair value has been calculated using the Black-Scholes Option Pricing Model, with the key inputs and fair values set out below:

Options	Loan Options	Lead Manager Options	Broker Options	Board Options	Employee Options
Number of Options	1,000,000	3,000,000	3,000,000	1,500,000	1,000,000
Underlying share price	$0.20	$0.20	$0.20	$0.20	$0.20
Exercise price	$0.30	$0.30	$0.30	$0.30	$0.30
Volatility	100%	100%	100%	100%	100%
Life of the Options (years)	3.00	3.00	3.00	3.00	3.00
Dividend yield	nil	nil	nil	nil	nil
Risk-free rate	3.365%	3.365%	3.365%	3.365%	3.365%
Value per Option	$0.111	$0.111	$0.111	$0.111	$0.111
Total Fair Value	$111,000	$333,000	$333,000	$166,500	$111,000

NOTE 10. NON-CONTROLLING INTEREST	Audited as at 30-Jun-25 $	Pro-forma after Offer $
Non-controlling interest	-	192,157
Adjustments to arise at the pro-forma balance:		
Audited balance of Desert Minerals as at 30-Jun-25		-
Pro-forma adjustments:		
Recognition of a 49% non-controlling interest in ACL		192,157
		192,157
Pro-forma Balance		192,157

NOTE 11. ACCUMULATED LOSSES	Audited as at 30-Jun-25 $	Pro-forma after Offer $
Accumulated losses	(340,314)	(728,814)
Adjustments to arise at the pro-forma balance:		
Audited balance of Desert Minerals as at 30-Jun-25		(340,314)
Pro-forma adjustments:		
Issue of Loan Options		(111,000)
Issue of Board Options		(166,500)
Issue of Employee Options		(111,000)
		(388,500)
Pro-forma Balance		(728,814)

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APPENDIX 6

FINANCIAL SERVICES GUIDE

20 August 2025

BDO Corporate Finance Australia Pty Ltd ABN 70 050 038 170 ('we' or 'us' or 'ours' as appropriate) has been engaged by Desert Minerals Pty Ltd ('the Company') to provide an Independent Limited Assurance Report ('ILAR' 'our Report') for inclusion in this Prospectus.

Financial Services Guide

In the above circumstances we are required to issue to you, as a retail client, a Financial Services Guide ('FSG'). This FSG is designed to help retail clients make a decision as to their use of the general financial product advice and to ensure that we comply with our obligations as financial services licensee.

This FSG includes information about:

- who we are and how we can be contacted;
- the services we are authorised to provide under our Australian Financial Services Licence, Licence No. 247 420;
- remuneration that we and/or our staff and any associates receive in connection with the general financial product advice;
- any relevant associations or relationships we have; and
- our internal and external complaints handling procedures and how you may access them.

Information about us

BDO Corporate Finance Australia Pty Ltd is a member firm of the BDO network in Australia, a national association of separate entities (each of which has appointed BDO (Australia) Limited ACN 050 110 275 to represent it in BDO International). The financial product advice in our Report is provided by BDO Corporate Finance Australia Pty Ltd and not by BDO or its related entities. BDO and its related entities provide services primarily in the areas of audit, tax, consulting and financial advisory services.

We do not have any formal associations or relationships with any entities that are issuers of financial products. However, you should note that we and BDO (and its related entities) might from time to time provide professional services to financial product issuers in the ordinary course of business.

Financial services we are licensed to provide

We hold an Australian Financial Services Licence that authorises us to provide general financial product advice for securities to retail and wholesale clients.

When we provide the authorised financial services we are engaged to provide an ILAR in connection with the financial product of another entity. Our Report indicates who has engaged us and the nature of the report we have been engaged to provide. When we provide the authorised services we are not acting for you.

General Financial Product Advice

We only provide general financial product advice, not personal financial product advice. Our Report does not take into account your personal objectives, financial situation or needs. You should consider the appropriateness of this general advice having regard to your own objectives, financial situation and needs before you act on the advice.

Fees, commissions and other benefits that we may receive

We charge fees for providing reports, including this Report. These fees are negotiated and agreed with the client who engages us to provide the report. Fees are agreed on an hourly basis or as a fixed amount depending on the terms of the agreement. The fee payable to BDO Corporate Finance Australia Pty Ltd for this engagement is approximately $27,000 (exclusive of GST).

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As noted in Section 8 of our Report, BDO Audit Pty Ltd are the auditors of Desert Minerals and received professional fees relating to audit work performed.

Except for the fees referred to above, neither BDO, nor any of its directors, employees or related entities, receive any pecuniary benefit or other benefit, directly or indirectly, for or in connection with the provision of the Report.

Remuneration or other benefits received by our employees

All our employees receive a salary. Our employees are eligible for bonuses based on overall productivity but not directly in connection with any engagement for the provision of a report. We have received a fee from Desert Minerals for our professional services in providing this Report. That fee is not linked in any way with our opinion as expressed in this Report.

Referrals

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

Complaints resolution

Internal complaints resolution process

As the holder of an Australian Financial Services Licence, we are required to have a system for handling complaints from persons to whom we provide financial product advice. We are also committed to meeting your needs and maintaining a high level of client satisfaction. If you are unsatisfied with a service we have provided you, we have avenues available to you for the investigation and resolution of any complaint you may have.

To make a formal complaint, please use the Complaints Form. For more on this, including the Complaints Form and contact details, see the BDO Complaints Policy available on our website.

When we receive a complaint we will record the complaint, acknowledge receipt of the complaint in writing within one business day or, if the timeline cannot be met, then as soon as practicable and investigate the issues raised. As soon as practical, and not more than 30 days after receiving the complaint, we will advise the complainant in writing of our determination.

Compensation arrangements

BDO Corporate Finance and its related entities hold Professional Indemnity insurance for the purpose of compensating retail clients for loss or damage suffered because of breaches of relevant obligations by BDO Corporate Finance or its representatives under Chapter 7 of the Corporations Act 2001. These arrangements and the level of cover held by BDO Corporate Finance satisfy the requirements of section 912B of the Corporations Act 2001.

Referral to External Dispute Resolution Scheme

We are a member of the Australian Financial Complaints Authority (AFCA) which is an External Dispute Resolution Scheme. Our AFCA Membership Number is 12561. Where you are unsatisfied with the resolution reached through our Internal Dispute Resolution process, you may escalate this complaint to AFCA using the below contact details:

Mail:	GPO Box 3, Melbourne, VIC 3001
Free call:	1800 931 678
Website:	www.afca.org.au
Email:	info@afca.org.au
Interpreter Service:	131 450

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6. Board, management and corporate governance

6.1 Board of Directors

On completion of the Demerger, at Admission, the Board will comprise:

(a) Peretz Schapiro – Executive Chair;

(b) Adam Ritchie – Non-Executive Director;

(c) Daniel Campbell – Non-Executive Director; and

(d) Patric Ho – Non-Executive Director.

6.2 Directors' profiles

The names and details of the proposed Board members as at Admission are as follows:

(a) **Peretz Schapiro – Executive Chair**

Mr Schapiro is the founding chairman of Loyal Metals and a successful business entrepreneur with a diverse professional background. He has deep experience in resource exploration, corporate finance, management consulting, marketing, fundraising and business development.

Mr Schapiro is the non-executive chairman of Loyal Metals Ltd (ASX:LLM) since July 2021, an executive director of Breakthrough Minerals Ltd (Formally Intra Energy Corp) (ASX:BTM) since October 2024 and a director of Snow Lake Resources (NASDAQ:LITM) since January 2023.

Mr Schapiro was previously a non-executive chairman of Summit Minerals from August 2022 until December 2024, non-executive director of Okapi Resources Limited (ASX:OKR) from April 2021 until February 2022, and a non-executive director of Asra Minerals Limited (formerly Torian Resources Limited) (ASX:ASR) from March 2020 until November 2022.

Mr Schapiro has a master's degree in applied finance.

Mr Schapiro is not considered to be an independent Director by virtue of his position as an Executive Director and director of LLM.

(b) **Adam Ritchie – Non-Executive Director**

Mr Ritchie has over 20 years' experience in the resources sector having worked for multiple global leaders in the metals and mining space. He is a highly motivated leader with extensive knowledge of the lithium sector together with a thorough understanding of how to successfully develop mining assets.

Mr Ritchie is the former project director of Pilbara Minerals' (ASX:PLS) flagship Pilgangoora Lithium Project. During his tenure at Pilbara Minerals, he was responsible for the execution of various key aspects integral to the execution, operation and optimisation of the world-class Pilgangoora Lithium Project. He is currently the managing director of Loyal Metals Limited (ASX:LLM) and a non-executive director of Commerce Resources (TSXV:CCE) since January 2024.

Mr Ritchie has a master's degree in utility engineering.

Mr Ritchie is not considered to be an independent Director by virtue of his position as a director of LLM.

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(c) **Daniel Campbell – Non-Executive Director**

Mr Campbell has over 15 years in the mining and exploration industry and brings a wide range of experience across various commodities, including gold, coking coal, lithium, and uranium. As a University of Manitoba graduate with a bachelor's degree in science (Geology), he has honed his expertise in project development and capital efficiency throughout the exploration and early development phases.

Mr Campbell has successfully managed various exploration, mining, and infrastructure studies, demonstrating his ability to drive projects forward efficiently and effectively.

Mr Campbell is considered to be an independent Director.

(d) **Patric Ho – Non-Executive Director**

Mr Ho brings over 30 years of distinguished experience in financial services across South Africa and Australia, with a specialised focus on investment strategy and asset management. He served as Chief Investment Officer for one of South Africa's largest pension funds, where he was instrumental in shaping investment decisions and driving portfolio performance. Additionally, Mr Ho led the multi-asset team at an independent asset management firm, gaining extensive expertise in managing diverse investment portfolios with absolute return objectives.

His governance credentials include serving as a director and chair of the investment committee for one of South Africa's largest retail property companies, where he played a key role in overseeing strategic investment decisions. A qualified Chartered Accountant, Mr Ho combines deep financial acumen with a comprehensive understanding of investment management principles.

Mr Ho is considered to be an independent Director.

6.3 Management and Company Secretary

(a) **Exploration Manager – Darren Allingham**

Mr Allingham has over 25 years of technical and operational management of exploration, resource and mining geology in Australia and worldwide. In his previous position as Chief Resource Geologist with NMMC JSC, Mr Allingham managed a 105-million-ounce gold resource inventory.

Mr Allingham is a Fellow of the Australian Institute of Geoscientists and has Bachelor of Science from the Australian National University and a Bachelor of Science (HONS) from The University of Queensland.

(b) **Company Secretary – Joel Ives**

Mr Ives is a Chartered Accountant who has held numerous roles as Chief Financial Officer and Company Secretary of private and public start-up technology and resource exploration companies. He is a founding director of LCP Corporate which specialises in corporate accounting and IPO management and provides CFO and company secretary services to a range of ASX listed entities. He has assisted a number of ASX listings, via both IPOs and RTOs and has ensured ongoing regulatory compliance post-listing. Mr Ives is currently a Company Secretary of Green Technology Metals Limited (ASX:GT1) and Recharge Metals Limited (ASX:REC), and Joint Company Secretary of OD6 Metals Limited (ASX:OD6) and Kuniko Limited (ASX: KNI).

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6.4 Interests of Directors

Except as disclosed in this Prospectus, no Director (or entity in which they are a partner or director) has, or has had in the two years before the Prospectus Date, any interests in:

(a) the formation or promotion of the Company;

(b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion of the Offers; and

(c) the Offers,

No amounts have been paid or agreed to be paid and no value or other benefit has been given or agreed to be given to:

(a) any Director to induce to become, or to qualify as, a Director; and

(b) any Director for services which he (or an entity in which his is a partner or director) has provided in connection with the formation or promotion of the Company or the Offers,

except as disclosed in this Prospectus.

6.5 Security holdings of Directors

The Directors (and their respective related entities) do not have any interest in Securities as at the Prospectus Date.

The table below sets out the anticipated relevant interests of the Directors (and their respective related entities) in Securities on Admission:

Director	Shares[1]	Options[2]	%[3]
Peretz Schapiro	-	600,000	1.69
Adam Ritchie	-	450,000	1.27
Daniel Campbell	-	450,000	1.27
Patric Ho	-	-	-

Notes:

1. Assumes that the Directors do not participate in the Public Offer.
2. Board Options are exercisable at $0.30 and expire 3 years from the date of Admission, and are otherwise on the terms and conditions in Section 8.3.
3. On a fully diluted basis (assuming all Options are issued and exercised and that no other Securities are issued).

6.6 Disclosure of Directors and key management personnel

No Director or key management personnel have been the subject of any disciplinary action, criminal conviction, personal bankruptcy or disqualification in Australia or elsewhere in the last 10 years which is relevant or material to the performance of their duties as a Director or which is relevant to an investor's decision as to whether to subscribe for Securities. No Director or key management personnel have been an officer of a company that has entered into any form of external administration as a result of insolvency during the time that they were an officer, or within a 12-month period after they ceased to be an officer.

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6.7 Remuneration of Directors and key management personnel

The Constitution provides that the Company may remunerate the Directors. The remuneration shall, subject to any resolution of a general meeting, be fixed by the Directors. The maximum aggregate amount of fees that can be paid to Non-Executive Directors is currently set at $500,000 per annum. The remuneration of the Executive Directors will be determined by the Board.

Details of the Directors' and key management personnel remuneration since incorporation and payable from Admission are set out in the table below:

Directors	Remuneration since incorporation[(1)]	Annual remuneration from Admission[(2)]
Peretz Schapiro	$0	$96,000
Adam Ritchie	$0	$42,000
Daniel Campbell	$0	$42,000
Patric Ho	$0	$42,000

Notes:

1. The Company was incorporated on 2 September 2024.
2. Excluding statutory superannuation.

6.8 Related party transactions

The Company has entered into the following related party transactions:

(a) the Demerger Implementation Deed with LLM (see Section 7.1 for details);

(b) the Scotty Lithium Agreement with LLM (see Section 7.2 for details);

(c) the Scotty JVA with LLM (see Section 7.3 for details);

(d) the Mt Monger Agreement with LLM (see Section 7.5 for details);

(e) the LLM Loan Agreement with LLM (see Section 7.7 for details);

(f) letters of appointment with each of its Directors on standard terms (see Section 7.9 for details); and

(g) deeds of indemnity, insurance and access with each of its Directors on standard terms (see Section 7.10 for details).

In accordance with Chapter 2E of the Corporations Act, in order to give a financial benefit to a related party, the Company must:

(a) obtain Shareholder approval in the manner set out in section 217 to 227 of the Corporations Act; and

(b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The Demerger Implementation Deed, Scotty Lithium Agreement, Scotty JVA, Mt Monger Agreement and LLM Loan Agreement are considered to be on terms no less favourable to the

Company than if the parties were dealing at arm's length, and therefore fall within the exception in section 210 of the Corporations Act. The factors considered when determining the value of the consideration are summarised in Section 3.9.

The letters of appointment and deeds of indemnity, insurance and access entered with each of the Directors are considered to be on comparable terms with those entered by other companies of similar size and stage of development, and are considered by the non-interested Directors to be reasonable remuneration for the purpose of Chapter 2E of the Corporations Act.

At the Prospectus Date, no other material transactions with related parties and Directors' interests exist that the Directors are aware of, other than those disclosed in the Prospectus.

6.9 ASX Corporate Governance Council Principles and Recommendations

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

To the extent applicable, the Company has adopted the 4th edition of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (**Recommendations**).

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

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

(a) **Board of Directors**

The Board is responsible for the corporate governance of the Company. The Board develops strategies for the Company, reviews strategic objectives and monitors performance against those objectives. Clearly articulating the division of responsibilities between the Board and management will help manage expectations and avoid misunderstandings about their respective roles and accountabilities.

In general, the Board assumes (amongst others) the following responsibilities:

(i) providing leadership and setting the strategic objectives of the Company;

(ii) appointing and when necessary replacing the Chair;

(iii) approving the appointment and when necessary replacement, of other senior executives;

(iv) undertaking appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a Director;

(v) overseeing management's implementation of the Company's strategic objectives and its performance generally;

(vi) approving operating budgets and major capital expenditure;

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(vii) overseeing the integrity of the Company's accounting and corporate reporting systems including the external audit;

(viii) overseeing the Company's process for making timely and balanced disclosure of all material information concerning the Company that a reasonable person would expect to have a material effect on the price or value of the Company's securities;

(ix) ensuring that the Company has in place an appropriate risk management framework and setting the risk appetite within which the Board expects management to operate; and

(x) monitoring the effectiveness of the Company's governance practices.

The Company is committed to ensuring that appropriate checks are undertaken before the appointment of a Director and has in place written agreements with each Director which detail the terms of their appointment.

(b) **Composition of the Board**

Election of Board members is substantially the province of the Shareholders in a general meeting. On Admission, the Board will consist of one Executive Director and three Non-Executive Directors. The Company considers that Mr Campbell and Mr Ho will be independent. Mr Schapiro will not be considered to be an independent director by virtue of being the Executive Chair and a director of LLM. Mr Ritchie will not be considered to be an independent by virtue of being a director of LLM.

As the Company's activities develop in size, nature and scope, the composition of the Board and the implementation of additional corporate governance policies and structures will be reviewed.

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

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

(d) **Ethical standards**

The Board is committed to the establishment and maintenance of appropriate ethical standards.

(e) **Independent professional advice**

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

(f) **Remuneration arrangements**

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

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

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Directors are also entitled to be paid reasonable travel and other expenses incurred by them in the course of the performance of their duties as Directors.

The Board reviews and approves the Company's remuneration policy in order to ensure that the Company is able to attract and retain executives and Directors who will create value for Shareholders, having regard to the amount considered to be commensurate for an entity of the Company's size and level of activity as well as the relevant Directors' time, commitment and responsibility.

The Board is also responsible for reviewing any employee incentive and equity-based plans including the appropriateness of performance hurdles and total payments proposed.

(g) **Securities trading policy**

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

(h) **Diversity policy**

The Board values diversity and recognises the benefits it can bring to the organisation's ability to achieve its goals. Accordingly, the Company has set in place a diversity policy. This policy outlines the Company's diversity objectives including in relation to gender identity, age, cultural background and ethnicity. It includes requirements for the Board to develop measurable objectives for achieving diversity, and for the Board to assess annually both the objectives, and the Company's progress in achieving them.

(i) **Audit and risk**

The Company will not have a separate audit or risk committee until such time as the Board is of a sufficient size and structure, and the Company's operations are of a sufficient magnitude for a separate committee to be of benefit to the Company. In the meantime, the full Board will carry out the duties that would ordinarily be assigned to that committee under the written terms of reference for that committee, including but not limited to, monitoring and reviewing any matters of significance affecting financial reporting and compliance, the integrity of the financial reporting of the Company, the Company's internal financial control system and risk management systems and the external audit function.

(j) **External audit**

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

(k) **Social media policy**

The Board has adopted a social media policy to regulate the use of social media by people associated with the Company or its subsidiaries to preserve the Company's reputation and integrity. The policy outlines requirements for compliance with confidentiality, governance, legal, privacy and regulatory parameters when using social media to conduct Company business.

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(l) **Whistleblower policy**

The Board has adopted a whistleblower protection policy to ensure concerns regarding unacceptable conduct including breaches of the Company's code of conduct can be raised on a confidential basis, without fear of reprisal, dismissal or discriminatory treatment. The purpose of this policy is to promote responsible whistle blowing about issues where the interests of others, including the public, or of the organisation itself are at risk.

(m) **Anti-bribery and anti-corruption policy**

The Board has a zero-tolerance approach to bribery and corruption and is committed to acting professionally, fairly and with integrity in all business dealings. The Board has adopted an anti-bribery and anti-corruption policy for the purpose of setting out the responsibilities in observing and upholding the Company's position on bribery and corruption provide information and guidance to those working for the Company on how to recognise and deal with bribery and corruption issues.

6.10 Departures from Recommendations

Following Admission, the Company will be required to report any departure from the Recommendations in its annual financial report.

The Company's compliance with and departures from the Recommendations as at the Prospectus Date are detailed in the table below:

Principle and Recommendations	Compliance (Yes / No / Partially)	Explanation for Departures
PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT		
Recommendation 1.5 A listed entity should: (a) have and disclose a diversity policy; (b) through its board or a committee of the board, set measurable objectives for achieving gender diversity in the composition of its board, senior executives and workforce generally; and (c) disclose in relation to each reporting period: (i) the measurable objectives set for that period to achieve gender diversity; (ii) the entity's progress towards achieving those objectives; and (iii) either: (A) the respective proportions of men and women on the board, in senior executive positions and across the whole workforce	**Partially**	The Company has adopted a Diversity Policy which can be viewed on the Company Website. Diversity includes, but is not limited to, gender, age, ethnicity and cultural background. The Company is committed to diversity and recognises the benefits arising from employee and board diversity. The Diversity Policy allows the Board to set measurable gender diversity objectives, if considered appropriate, and to continually monitor both the objectives if any have been set and the Company's progress in achieving them. The Company has not set and disclosed measurable objectives for achieving gender diversity and therefore has not complied with the recommendation to this extent. The Board will review this position on an annual basis and will implement measurable objectives for increasing diversity as and when the Directors find them to be in the Company's best interests.

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(including how the entity has defined "senior executive" for these purposes); or (B) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.		
Recommendation 1.7 A listed entity should: (a) have and disclose a process for evaluating the performance of its senior executives at least once every reporting period; and (b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.	**Partially**	The Company's Nomination Committee (or, in its absence, the Board) is responsible for evaluating the performance of the Company's senior executives on an annual basis. The Company's Remuneration Committee (or, in its absence, the Board) is responsible for evaluating the remuneration of the Company's senior executives on an annual basis. A senior executive, for these purposes, means key management personnel (as defined in the Corporations Act) other than a non-executive Director. The applicable processes for these evaluations can be found in the Company's Board Performance Evaluation Policy, which is available on the Company's website. The Company has not completed performance evaluations in respect of the senior executives (if any) for the past financial year in accordance with the applicable processes.
PRINCIPLE 2 – STRUCTURE OF THE BOARD TO BE EFFECTIVE AND ADD VALUE		
Recommendation 2.1 The board of a listed entity should: (a) have a nomination committee which: (i) has at least three members, a majority of whom are independent directors; and (ii) is chaired by an independent director, and disclose: (iii) the charter of the committee;	**Partially**	The Company has not formed a nomination committee given the size of the Board and the nature and scale of the Company's activities. The Board as a whole reviews the size, structure and composition of the Board including competencies and diversity, in addition to reviewing Board succession plans and continuing development. The Board considers that no efficiencies or other benefits would be gained by establishing a

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(iv) the members of the committee; and (v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.		separate nomination committee. When the Board meets as a Nomination Committee it will carry out those functions which are delegated to it in the Company's Remuneration and Nomination Committee Charter. Items that are usually required to be discussed by a nomination committee will be marked as separate agenda items at Board meetings when required. The Board has adopted a Remuneration and Nomination Committee Charter which describes the role, composition, functions and responsibilities of a nomination committee.
Recommendation 2.2 A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.	**Partially**	The Board Charter provides that the Board is responsible for developing and implementing a skills matrix setting out the mix of skills and diversity that the Board has or is looking to achieve in its membership. The Board considers the current mix of skills and experience of members of the Board and its senior management is sufficient to meet the requirements of the Company. Although the skills, experience and expertise of each Director is set out in the Directors' Report section of the Company's Annual Report, the Company does not have a formal board skills matrix.
Recommendation 2.4 A majority of the board of a listed entity should be independent directors.	**No**	The Board is not comprised of a majority of independent directors. Mr Schapiro will not be considered to be an independent director by virtue of being the Executive Chair and a director of LLM. Mr Ritchie will not be considered to be an independent by virtue of being a director of LLM. The Board Charter provides that the majority of directors shall be independent at a time when the size of the Company and its activities warrants such a structure. As the Company's activities develop in size, nature and scope, the composition of the Board and the implementation of additional corporate governance policies and structures will be reviewed.

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Recommendation 2.5 The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	**No**	Mr Schapiro will not be considered to be an independent director by virtue of being the Executive Chair and a director of LLM.
PRINCIPLE 4: SAFEGUARD THE INTEGRITY OF CORPORATE REPORTS		
Recommendation 4.1 The board of a listed entity should: (a) have an audit committee which: (i) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and (ii) is chaired by an independent director, who is not the chair of the board, and disclose: (iii) the charter of the committee; (iv) the relevant qualifications and experience of the members of the committee; and (v) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.	**Partially**	As a consequence of the size and composition of the Board, the Board does not have a stand-alone audit committee. The Company will not have a separate audit or risk committee until such time as the Board is of a sufficient size and structure and the Company's operations are of a sufficient magnitude for a separate committee to be of benefit to the Company. In the meantime, the full Board will carry out the duties that would ordinarily be assigned to that committee under the written terms of reference for that committee, including but not limited to, monitoring and reviewing any matters of significance affecting financial reporting and compliance, the integrity of the financial reporting of the Company, the Company's internal financial control system and risk management systems and the external audit function. Matters typically dealt with by an audit committee are dealt with by the full Board.
PRINCIPLE 7 – RECOGNISE AND MANAGE RISK		
Recommendation 7.2 The Board or a committee of the Board should: (a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound and that the entity is operating with due regard to the risk appetite set by the Board; and (b) disclose in relation to each reporting period, whether such a review has taken place.	**No**	The Risk Management Policy requires that the Audit and Risk Committee (or, in its absence, the Board) should, at least annually, satisfy itself that the Company's risk management framework continues to be sound and that the Company is operating with due regard to the risk appetite set by the Board. The Company's Board has not completed a formal review of the Company's risk management framework in the past financial year

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		but continuously monitors the keys risks impacting the Company at a Board level.
Recommendation 7.4 A listed entity should disclose whether it has any material exposure to environmental or social risks and, if it does, how it manages or intends to manage those risks.	**Partially**	The Risk Management Policy requires the Audit and Risk Committee (or, in its absence, the Board) to assist management to determine whether the Company has any potential or apparent exposure to environmental or social risks and, if it does, put in place management systems, practices and procedures to manage those risks. The Risk Management Policy requires the Company to disclose whether it has any potential or apparent exposure to environmental or social risks and, if it does, put in place management systems, practices and procedures to manage those risk. Where the Company does not have material exposure to environmental or social risks, report the basis for that determination to the Board, and where appropriate benchmark the Company's environmental or social risk profile against its peers.
Principle 8 – REMUNERATE FAIRLY AND RESPONSIBLY		
Recommendation 8.1 The board of a listed entity should: (a) have a remuneration committee which: (i) has at least three members, a majority of whom are independent directors; and (ii) is chaired by an independent director, and disclose: (iii) the charter of the committee; (iv) the members of the committee; and (v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior	**Partially**	The Company has not formed a remuneration committee given the size of the Board and the nature and scale of the Company's activities. The Board as a whole has responsibilities typically assumed by a remuneration committee, including but not limited to: (a) reviewing the remuneration (including short and long-term incentive schemes and equity-based remuneration, where applicable) and performance of Directors; (b) setting policies for senior executive remuneration, setting the terms and conditions of employment for senior executives, undertaking reviews of senior executive performance, including setting goals and reviewing progress in

executives and ensuring that such remuneration is appropriate and not excessive.		achieving those goals; and (c) reviewing the Company's senior executive and employee incentive schemes (including equity-based remuneration) (where applicable) and making recommendations to the Non-Executive Chair on proposed changes. The Board has adopted a Remuneration and Nomination Committee Charter which describes the role, composition, functions and responsibilities of a remuneration committee.

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7. Material contracts

The Directors consider that certain contracts entered into by the Company are material to the Company or are of such a nature that an investor may wish to have particulars of them when assessing whether to apply for Securities under the Offers. The provisions of such material contracts are summarised in this Section 7.

7.1 Demerger Implementation Deed

On 15 August 2025, the Company and LLM entered into a demerger implementation deed (**Demerger Implementation Deed**). The effect of the Demerger Implementation Deed is that the ACL Interest and the Mt Monger Projects Interest will be transferred to the Company and the Company will undertake the Offers and apply for Admission to the Official List.

Completion of the Demerger is subject to and conditional upon, the satisfaction or waiver of the following conditions precedent (together, **Conditions Precedent**) before 30 November 2025 (or such other date agreed to by LLM and the Company) (**Cut-Off Date**):

(a) each condition precedent in the Scotty Lithium Agreement and the Mt Monger Agreement having been satisfied or waived (other than the conditions precedent relating to the Demerger Implementation Deed);

(b) the Company having received valid applications for an amount not less than the Minimum Subscription under the Public Offer; and

(c) the Company having received a Conditional Admission Letter from ASX.

On completion of the Demerger, LLM will be issued 1,000,000 Shares in the Company (**Consideration Shares**) as consideration for the sale of the ACL Interest and Mt Monger Project Interest.

The Demerger Implementation Deed can be terminated at any time prior to the Demerger being affected:

(a) by mutual written agreement;

(b) if the Demerger is not effected by the date which is 30 business days from the Cut-Off Date; or

(c) if one party commits a material breach of the terms of the Demerger Implementation Deed and fails to remedy that breach within 20 business days after the giving of notice by any other party to remedy the breach, that other party may terminate the Implementation Deed by giving no less than 10 business days' notice to the other party.

The Demerger Implementation Deed is otherwise considered to be on standard terms for an agreement of this nature.

7.2 Scotty Lithium Agreement

On 18 August 2025, the Company entered into a share sale agreement (**Scotty Lithium Agreement**) with LLM pursuant to which it agreed to purchase the ACL Interest, being 8,160,000 fully paid ordinary shares in ACL (**ACL Shares**), with LLM to retain the other 49% interest in ACL.

The consideration payable to LLM under the Scotty Lithium Agreement is the Consideration Shares.

Completion under the Scotty Lithium Agreement is subject to the satisfaction or waiver of the following conditions:

(a) certain conditions in the Demerger Implementation Deed being satisfied or waived; and

(b) LLM obtaining any shareholder or regulatory approvals it considers necessary in connection with the sale of the ACL Interest, including any approvals for the sale and transfer of the ACL Interest to the Company that may be required by the constitution of ACL; and

(c) the Company obtaining any required waiver or other regulatory approval from ASIC or ASX that the Company deems necessary in connection with the purchase of the ACL Shares.

Either party may terminate the Scotty Lithium Agreement by written notice if the conditions above are not satisfied or waived within 120 days after the date of the Scotty Lithium Agreement (or such other date as agreed in writing).

The Scotty Lithium Agreement is otherwise considered to be on standard terms for an agreement of this nature.

7.3 Scotty JVA

On 15 August 2025, the Company entered into a joint venture and shareholders agreement with LLM and ACL pursuant to which LLM and the Company will operate the Scotty Lithium Project as an incorporated joint venture (**Scotty JVA**).

The key terms of the Scotty JVA are:

(a) (**Working Interest**): Initially, LLM will hold a 49% working interest in ACL and the Company will hold a 51% working interest in ACL (each a **Working Interest**). ACL holds 100% of the Scotty Lithium Project through its subsidiaries, Olsom Inc. and Nevlith LLC.

(b) (**Funding**): The Company will solely fund operations (**Operations**) until a preliminary feasibility study is completed in respect of the Scotty Lithium Project (**Sole Funding Period**). Following the Sole Funding Period, LLM and the Company will fund Operations in proportion to their respective Working Interest or be diluted in accordance with standard dilution principles.

(c) (**Dilution to 10%**): If either party is diluted to a 10% Working Interest or less, the diluted party will be deemed to have made a binding election to convert its remaining ACL Shares into a 1% gross revenue royalty.

(d) (**Manager**): The Company will be the manager of ACL (**Manager**) with overall responsibility to manage and carry out the Operations.

The Manager's appointment will continue unless and until:

(i) the Scotty JVA is terminated for any reason;

(ii) the Manager resigns, having given at least 60 days' notice of its intention to resign as Manager;

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(iii) if the Manager does not hold a majority interest in the Scotty JVA and the Board resolves to appoint a new Manager, which Board decision shall be voted on by only the Directors that are not an affiliates of, or the nominee of, the shareholder (or its affiliate) that is the current Manager;

(iv) the Manager becomes insolvent or commits a material breach or default in the performance of a material obligation under the Scotty JVA and fails to remedy the default within 45 days of receipt of a written notice of default served by another shareholder; or

(v) the Board resolves to terminate the Manager by way of a majority resolution.

The Scotty JVA is otherwise considered to be on standard terms for an agreement of this nature.

7.4 Scotty Royalty

Nevlith LLC (which the Company will ultimately hold 51% of at Admission) is required to pay a 1% NSR royalty on future production of all minerals and mineral materials from the Scotty Lithium Project (**Scotty Royalty**) to Playa Minerals Company (**Playa**). Nevlith LLC has the right to buy back 50% of the Scotty Royalty for a total purchase price of $US500,000.

7.5 Mt Monger Agreement

On 18 August 2025, the Company entered into a tenement sale agreement with LLM for the sale and purchase of the Mt Monger Project Interest and associated mining information, and related agreements (**Mt Monger Agreement**).

The tenements comprising the Mt Monger Project are P25/2349, P25/2493, P26/4086, P26/4310, P26/4409, P26/4089, P26/4101, P26/4102, P26/4103, P26/4104, P26/4139, P26/4142, P26/4275, P26/4276, P26/4292, P26/4507, M26/867 and M26/875 (**Mt Monger Tenements**).

The consideration payable to LLM under the Mt Monger Agreement is the Consideration Shares.

Completion under the Mt Monger Agreement is subject to the satisfaction or waiver of certain conditions in the Demerger Implementation Deed being satisfied or waived.

Either party may terminate this agreement by written notice if the conditions above are not satisfied or waived within 120 days after the date of the Mt Monger Agreement (or such other date as agreed in writing).

The Mt Monger Agreement is otherwise considered to be on standard terms for an agreement of this nature.

7.6 Mt Monger JVA

On 30 June 2021, LLM entered into a joint venture agreement in respect of the Mt Monger Project with Asra pursuant to which LLM and Asra agreed to operate an unincorporated joint venture (**Mt Monger JVA**). It is a condition precedent of the Mt Monger Agreement (refer to Section 7.5) that the rights and obligations of LLM under the Mt Monger JVA be assigned to and assumed by the Company (**Monger Assignment**).

Whilst the Company considers the Mt Monger Projects to be non-core assets of the Company with minimal funding from the Public Offer being applied, for completeness, the Company notes that, following the Monger Assignment, the material terms of the Mt Monger JVA will be as follows:

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(a) (**Joint venture interest**): The respective interests of the participants are:

(i) Asra: 20%; and

(ii) Company: 80%.

(b) (**Development and mining**): If the participants, following the completion of a bankable feasibility study, make a decision to mine in respect of an area the subject of the Mt Monger JV, the participants will negotiate and enter into a mining joint venture agreement to replace the Mt Monger JVA. The new mining joint venture agreement will only apply to the area the subject of the decision to mine, and the Mt Monger JVA will continue to apply in respect to all remaining areas.

(c) (**Joint Venture Committee**): The joint venture is governed by a joint venture committee, which is made up of representatives previously appointed by LLM and to be appointed by the Company. Asra may appoint an observer to attend meetings of the joint venture committee.

(d) (**Manager**): The manager of the joint venture is the Company.

(e) (**Funding by Asra**): Asra is not required to fund any joint venture expenditure.

(f) (**Withdrawal by Asra**): Asra may withdraw from the Mt Monger JVA with 30 days' written notice (provided it is not a defaulting participant). In the event of such withdrawal, Asra will be granted a 2% gross revenue royalty in respect to any minerals produced from the Mt Monger Tenements.

(g) (**Area of Interest**): If a participant acquires (directly or indirectly) an interest in a mining tenement, property or other interest relating to minerals in respect to land that falls inside a 5 km radius of the external boundaries of the Mt Monger Tenements, the other participant has a right of first refusal to have that interest be acquired as part of the property of the Mt Monger JV.

(h) (**Termination**): the agreement can be terminated at any time by mutual agreement.

The Mt Monger JVA is otherwise considered to be on standard terms for an agreement of this nature.

7.7 LLM Loan Agreement

On 18 February 2025, the Company entered into a loan agreement with LLM (**LLM Loan Agreement**) pursuant to which LLM agreed to provide an unsecured loan of up to $200,000 to the Company (or such other amount as agreed to by LLM and the Company) (**Loan**). The Loan must be used by the Company for costs associated with the Demerger and application for Admission to the Official List, maintaining the Scotty Lithium Claims in good standing and such other costs as agreed by LLM. Amounts drawn down pursuant to the Loan accrue interest at 12% per annum.

Repayment of the Loan will occur as soon as practicable following receipt of a Conditional Admission Letter from ASX. The Company will use the proceeds from the Public Offer to repay the Loan.

As consideration for the Loan, the Company agreed to issue 1,000,000 Options to LLM exercisable at $0.30 each and expiring 3 years from the date of Admission (**Loan Options**). See Section 8.3 for the terms and conditions of the Loan Options.

The LLM Loan Agreement is otherwise considered to be on standard terms for an agreement of this nature.

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7.8 Lead Manager Mandate

The Company entered into a lead manager mandate dated 15 April 2025 appointing Canaccord Genuity (Australia) Limited to act as the lead manager of the Public Offer (**Lead Manager Mandate**).

The Lead Manager will provide services and assistance customarily provided in connection with marketing and execution of an initial public offer.

The Company will pay the following fees to the Lead Manager (or its nominee) pursuant to the Lead Manager Mandate, subject to the successful completion of the Offers:

(a) cash fees comprising:

(i) a management fee of 2% of the gross proceeds of the Public Offer; and

(ii) a selling fee of 4% of the gross proceeds of the Public Offer; and

(b) the issue of 3,000,000 Options with an exercise price of $0.30 each and an expiry date of 3 years from the date of Admission.

See Section 2.17 for further information regarding the Lead Manager's interests in the Offers.

The Lead Manager Mandate contains additional provisions considered standard for agreements of this nature.

7.9 Letters of Appointment

(a) **Peretz Schapiro**

The Company has entered into an executive chair letter of appointment with Peretz Schapiro for his appointment as the Executive Chair. The Company will pay Mr Schapiro $96,000 (excluding GST and statutory superannuation) from the date of the Company's Admission for services provided to the Company as Executive Chair.

On resignation or retirement as a Director, Mr Schapiro will be entitled to payment equal to three months' salary.

The agreement contains additional provisions considered standard for an agreement of this nature.

(b) **Daniel Campbell**

The Company has entered into a non-executive director letter of appointment with Mr Campbell for his appointment as a Non-Executive Director. The Company will pay Mr Campbell $42,000 (excluding GST and statutory superannuation) from the date of the Company's Admission for services provided to the Company as Non-Executive Director.

On resignation or retirement as a Director, Mr Campbell will be entitled to payment equal to three months' salary.

The agreement contains additional provisions considered standard for an agreement of this nature.

(c) **Adam Ritchie**

The Company has entered into a non-executive director letter of appointment with Mr Ritchie for his appointment as a Non-Executive Director. The Company will pay Mr Ritchie $42,000 per annum (excluding GST and statutory superannuation) from the

date of the Company's Admission for services provided to the Company as Non-Executive Director.

On resignation or retirement as a Director, Mr Ritchie will be entitled to payment equal to three months' salary.

The agreement contains additional provisions considered standard for an agreement of this nature.

(d) **Patric Ho**

The Company has entered into a non-executive director letter of appointment with Mr Ho for his appointment as a Non-Executive Director. The Company will pay Mr Ho $42,000 per annum (excluding GST and statutory superannuation) from the date of the Company's Admission for services provided to the Company as Non-Executive Director.

On resignation or retirement as a Director, Mr Ho will be entitled to payment equal to three months' salary.

The agreement contains additional provisions considered standard for an agreement of this nature.

7.10 Deeds of indemnity, insurance and access

The Company is party to a deed of indemnity, insurance and access with each of the Directors (**Indemnified Parties**). Under these deeds, the Company indemnifies each Indemnified Party to the extent permitted by law against any liability arising as a result of the Indemnified Party acting as a director or officer of the Company. The Company is also required to maintain insurance policies for the benefit of the relevant Indemnified Party and must allow the Indemnified Parties to inspect board papers in certain circumstances. The deeds are considered standard for documents of this nature.

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8. Additional information

8.1 Rights attaching to Shares

A summary of the rights attaching to the Shares is detailed below. This summary is qualified by the full terms of the Constitution (a full copy of the Constitution is available from the Company on request free of charge) and does not purport to be exhaustive or to constitute a definitive statement of the rights and liabilities of Shareholders. These rights and liabilities can involve complex questions of law arising from an interaction of the Constitution with statutory and common law requirements. For a Shareholder to obtain a definitive assessment of the rights and liabilities which attach to the Shares in any specific circumstances, the Shareholder should seek legal advice.

(a) (**Ranking of Shares**): At the Prospectus Date, all Shares are of the same class and rank equally in all respects. Specifically, the Shares issued pursuant to this Prospectus will rank equally with existing Shares.

(b) (**Voting rights**): Subject to any rights or restrictions, at general meetings:

(i) every Shareholder present and entitled to vote may vote in person or by attorney, proxy or representative;

(ii) has one vote on a show of hands; and

(iii) has one vote for every Share held, upon a poll.

(c) (**Dividend rights**): Shareholders will be entitled to dividends, distributed among members in proportion to the capital paid up, from the date of payment. No dividend carries interest against the Company and the declaration of Directors as to the amount to be distributed is conclusive.

Shareholders may be paid interim dividends or bonuses at the discretion of the Directors. The Company must not pay a dividend unless the Company's assets exceed its liabilities immediately before the dividend is declared and the excess is sufficient for the payment of the dividend.

(d) (**Variation of rights**): The rights attaching to the Shares may only be varied by the consent in writing of the holders of three-quarters of the Shares, or with the sanction of a special resolution passed at a general meeting.

(e) (**Transfer of Shares**): Shares can be transferred upon delivery of a proper instrument of transfer to the Company or by a transfer in accordance with the ASX Settlement Operating Rules. The instrument of transfer must be in writing, in the approved form, and signed by the transferor and the transferee. Until the transferee has been registered, the transferor is deemed to remain the holder, even after signing the instrument of transfer.

In some circumstances, the Directors may refuse to register a transfer if upon registration the transferee will hold less than a marketable parcel. The Board may refuse to register a transfer of Shares upon which the Company has a lien.

(f) (**General meetings**): Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

The Directors may convene a general meeting at their discretion. General meetings shall also be convened on requisition as provided for by the Corporations Act.

(g) (**Unmarketable parcels**): The Company's Constitution provides for the sale of unmarketable parcels subject to any applicable laws and provided a notice is given to the minority Shareholders stating that the Company intends to sell their relevant Shares unless an exemption notice is received by a specified date.

(h) (**Rights on winding up**): If the Company is wound up, the liquidator may with the sanction of special resolution, divide the assets of the Company amongst members as the liquidator sees fit. If the assets are insufficient to repay the whole of the paid up capital of members, they will be distributed in such a way that the losses borne by members are in proportion to the capital paid up.

(i) (**Restricted Securities**): A holder of Restricted Securities (as defined in the Listing Rules) must comply with the requirements imposed by the Listing Rules in respect of Restricted Securities.

8.2 Summary of the Company's Employee Securities Incentive Plan

The approval of Shareholders will be sought at the General Meeting to adopt a new employee securities incentive plan (**Plan**). The full terms of the Plan may be inspected at the registered office of the Company during normal business hours. A summary of the terms of the Plan is set out below. Executive and Non-Executive Directors are expected to participate in the Plan.

(a) (**Eligible Participant**): Eligible Participant means a person that has been determined by the Board to be eligible to participate in the Plan from time to time and is an "ESS participant" (as that term is defined in Division 1A) in relation to the Company or an associated entity of the Company. This relevantly includes, amongst others:

(i) an employee or director of the Company or an individual who provides services to the Company;

(ii) an employee or director of an associated entity of the Company or an individual who provides services to such an associated entity;

(iii) a prospective person to whom paragraphs (i) or (ii) apply;

(iv) a person prescribed by the relevant regulations for such purposes; or

(v) certain related persons on behalf of the participants described in paragraphs (i) to (iv) (inclusive).

(b) (**Maximum allocation**)

(i) The Company must not make an offer of Securities under the Plan in respect of which monetary consideration is payable (either upfront, or on exercise of convertible securities) where the total number of Plan Shares (as defined in paragraph (m) below) that may be issued, or acquired upon exercise of Plan Convertible Securities offered, when aggregated with the number of Shares issued or that may be issued as a result of offers made under the Plan at any time during the previous 3 year period would exceed 5% of the total number of Shares on issue at the date of the offer or such other limit as may be specified by the relevant regulations or the Company's Constitution from time to time.

(ii) The maximum number of equity securities proposed to be issued under the Plan for the purposes of Listing Rule 7.2, Exception 13 is 4,000,000 (**ASX Limit**). This means that, subject to the following paragraph, the Company may issue up to the ASX Limit under the Plan, without seeking Shareholder approval and without reducing its placement capacity under Listing Rule 7.1.

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(iii) The Company will require prior Shareholder approval for the issue of Securities under the Plan to Directors, their associates, and any other person whose relationship with the Company or a Director or a Director's associate is such that, in ASX's opinion, the acquisition should be approved by Shareholders. The issue of Securities with Shareholder approval will not count towards the ASX Limit.

(c) (**Purpose**): The purpose of the Plan is to:

(i) assist in the reward, retention and motivation of Eligible Participants;

(ii) link the reward of Eligible Participants to Shareholder value creation; and

(iii) align the interests of Eligible Participants with shareholders of the Group (being the Company and each of its Associated Bodies Corporate), by providing an opportunity to Eligible Participants to receive an equity interest in the Company in the form of Securities.

(d) (**Plan administration**): The Plan will be administered by the Board. The Board may exercise any power or discretion conferred on it by the Plan rules in its sole and absolute discretion, subject to compliance with applicable laws and the Listing Rules. The Board may delegate its powers and discretion.

(e) (**Eligibility, invitation and application**): The Board may from time to time determine that an Eligible Participant may participate in the Plan and make an invitation to that Eligible Participant to apply for Securities on such terms and conditions as the Board decides. An invitation issued under the Plan will comply with the disclosure obligations pursuant to Division 1A.

On receipt of an invitation, an Eligible Participant may apply for the Securities the subject of the invitation by sending a completed application form to the Company. The Board may accept an application from an Eligible Participant in whole or in part. If an Eligible Participant is permitted in the invitation, the Eligible Participant may, by notice in writing to the Board, nominate a party in whose favour the Eligible Participant wishes to renounce the invitation.

A waiting period of at least 14 days will apply to acquisitions of Securities for monetary consideration as required by the provisions of Division 1A.

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

(g) (**Terms of Convertible Securities**): Each 'Convertible Security' represents a right to acquire one or more Shares (for example, under an option or performance right), subject to the terms and conditions of the Plan.

Prior to a Convertible Security being exercised a Participant does not have any interest (legal, equitable or otherwise) in any Share the subject of the Convertible Security by virtue of holding the Convertible Security. A Participant may not sell, assign, transfer, grant a security interest over or otherwise deal with a Convertible Security that has been granted to them. A Participant must not enter into any arrangement for the purpose of hedging their economic exposure to a Convertible Security that has been granted to them.

(h) (**Vesting of Convertible Securities**): Any vesting conditions applicable to the grant of Convertible Securities will be described in the invitation. If all the vesting conditions

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

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

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

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

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

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

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

Where the Board determines that a Participant has acted fraudulently or dishonestly, or wilfully breached his or her duties to the Group, the Board may in its discretion deem all unvested Convertible Securities held by that Participant to have been forfeited.

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

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

(ii) any Convertible Securities which have not yet vested will be automatically forfeited on the expiry date specified in the invitation.

(l) (**Change of control**): If a change of control event occurs in relation to the Company, or the Board determines that such an event is likely to occur, the Board may in its

discretion determine the manner in which any or all of the Participant's Convertible Securities will be dealt with, including, without limitation, in a manner that allows the Participant to participate in and/or benefit from any transaction arising from or in connection with the change of control event.

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

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

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

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

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

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

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

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

(r) (**Plan duration**): The Plan continues in operation until the Board decides to end it. The Board may from time to time suspend the operation of the Plan for a fixed period or indefinitely, and may end any suspension. If the Plan is terminated or suspended

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for any reason, that termination or suspension must not prejudice the accrued rights of the Participants.

(s) (**Employee Share Trust**): The Board may in its sole and absolute discretion use an employee share trust or other mechanism for the purposes of holding securities for holders under the Plan and delivering Shares on behalf of holders upon exercise of Options or Performance Rights.

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

8.3 Terms and Conditions of Options

The terms and conditions of the Lead Manager Options, Broker Options, Board Options, Employee Options and Loan Options (collectively referred to as 'Options' in this Section unless specified) are as follows:

(a) (**Entitlement**): Each Option gives the holder the right to subscribe for one Share.

(b) (**Expiry Date**): The Options will expire at 5:00pm (AWST) on the date that is 3 years from the date of quotation of the Company's shares on the ASX (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(c) (**Exercise Price**): The amount payable upon exercise of each Option is $0.30 per Option (**Exercise Price**).

(d) (**Exercise**): The holder may exercise their Options by lodging with the Company, before the Expiry Date:

(i) a written notice of exercise of Options specifying the number of Options being exercised (**Exercise Notice**); and

(ii) an electronic funds transfer for the Exercise Price for the number of Options being exercised.

(e) (**Exercise Notice**): An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds. The Options held by the holder may be exercised in whole or in part, and if exercised in part, at least 50,000 must be exercised on each occasion.

(f) (**Issue of Shares**): As soon as practicable after the valid exercise of an Option, the Company will:

(i) issue, allocate or cause to be transferred to the holder the number of Shares to which the holder is entitled;

(ii) issue a substitute Certificate for any remaining unexercised Options held by the holder;

(iii) if required, and subject to clause (g), give ASX a notice that complies with section 708A(5)(e) of the Corporations Act; and

(iv) do all such acts, matters and things to obtain the grant of quotation of the Shares by ASX in accordance with the Listing Rules.

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(g) (**Restrictions on transfer of Shares**): If the Company is unable to give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or such a notice for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, then the Company must, no later than 20 business days after the Exercise Date, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares forming part of the Shares issued on exercise of the Options by the holder after the Exercise Date does not require disclosure to investors.

(h) (**Transferability**): The Options are not transferable without prior written consent from the Company.

(i) (**Ranking of Shares**): All Shares allotted upon the exercise of Options will upon allotment be fully paid and rank pari passu in all respects with other Shares.

(j) (**Quotation**): The Company will not apply for quotation of the Options on ASX.

(k) (**Adjustments for reorganisation**): If there is any reorganisation of the issued share capital of the Company, the rights of the holders of Options will be varied in accordance with the Listing Rules.

(l) (**Dividend rights**): An Option does not entitle the holder to any dividends.

(m) (**Voting rights**): An Option does not entitle the holder to vote on any resolutions proposed at a general meeting of the Company, subject to any voting rights provided under the Corporations Act or the Listing Rules where such rights cannot be excluded by these terms.

(n) (**Entitlements and bonus issues**): Holders of Options will not be entitled to participate in new issues of capital offered to shareholders such as bonus issues and entitlement issues.

(o) (**Adjustment for bonus issues of Shares**): If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):

(i) the number of Shares which must be issued on the exercise of an Option will be increased by the number of Shares which the holder of Options would have received if the holder had exercised the Option before the record date for the bonus issue; and

(ii) no change will be made to the Exercise Price.

(p) (**Return of capital rights**): The Options do not confer any right to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.

(q) (**Rights on winding up**): The Options have no right to participate in the surplus profits or assets of the Company upon a winding up of the Company.

(r) (**Takeovers prohibition**):

(i) the issue of Shares on exercise of the Options is subject to and conditional upon the issue of the relevant Shares not resulting in any person being in breach of section 606(1) of the Corporations Act; and

(ii) the Company will not be required to seek the approval of its members for the purposes of item 7 of section 611 of the Corporations Act to permit the issue of any Shares on exercise of the Options.

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(s) (**Cashless exercise of Options**): The holders of Board Options and Employee Options may elect not to be required to provide payment of the Exercise Price for the number of Board Options or Employee Options (as applicable) specified in a Notice of Exercise but that on exercise of those Options the Company will transfer or allot to the holder that number of Shares equal in value to the positive difference between the then Market Value of the Shares at the time of exercise and the Exercise Price that would otherwise be payable to exercise those Options (with the number of Shares rounded down to the nearest whole Share).

Market Value means, at any given date, the VWAP per share traded on the ASX over the five (5) trading days immediately preceding that given date.

(t) (**No other rights**): An Option does not give a holder any rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.

8.4 Effect of the Offers on control and substantial Shareholders

As at the Prospectus Date, LLM holds 100% of the Shares of the Company.

Based on the information known as at the Prospectus Date, on Admission, no person will have an interest in 5% or more of the Shares on issue.

8.5 Interests of Promoters, Experts and Advisers

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

(a) persons or entity named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus; or

(b) promoter of the Company;

holds at the Prospectus Date, or has held at any time during the last 2 years, any interest in:

(c) the formation or promotion of the Company;

(d) property acquired or proposed to be acquired by the Company in connection with its formation or promotion, or the Offers; or

(e) the Offers,

and the Company has not paid any amount or provided any benefit, or agreed to do so, to any of those persons for services rendered by them in connection with the formation or promotion of the Company or the Offers.

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Name	Approximate fees paid during the last 2 years for other services provided (excluding GST) ($)	Estimated fees of the Offers (excluding GST) ($)
Canaccord	-	300,000
BDO Audit	-	25,000
BDO Corporate Finance	-	25,000
Dahrouge Geological Consulting	-	22,500
Benjamin Nicolson	-	22,500
Marvel & Marvel	-	40,000
Hamilton Locke	-	210,000(1)
Automic	-	3,250

Notes:

1. Estimated fees payable to Hamilton Locke cover legal services provided in connection with the Offers, the preparation of the Australian Solicitor's Report and documentation required to implement the Demerger.

8.6 Consents

(a) Each of the parties referred to below:

(i) do not make the Offers and has not authorised or caused the issue of this Prospectus or the making of the Offers;

(ii) does not make, or purport to make, any statement that is included in this Prospectus, or a statement on which a statement made in this Prospectus is based, other than as specified below or elsewhere in this Prospectus;

(iii) to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Prospectus other than a reference to its name and a statement contained in this Prospectus with the consent of that party as specified below; and

(iv) has given and has not, prior to the lodgement of this Prospectus with ASIC, withdrawn its consent to the inclusion of the statements in this Prospectus that are specified below in the form and context in which the statements appear.

(b) **Share Registry**

Automic has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to being named in this Prospectus as Share Registry of the Company in the form and context in which it is named.

(c) **Auditor**

BDO Audit has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to being named in this Prospectus as Auditor of the Company in the form and context in which it is named.

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(d) **Investigating Accountant**

BDO Corporate Finance has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to being named in this Prospectus as Investigating Accountant of the Company in the form and context in which it is named and to the inclusion of the Investigating Accountant's Report set out in Section 5 in the form and context in which it is included.

(e) **Australian Legal Advisor**

Hamilton Locke Pty Ltd has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to being named in this Prospectus as the Australian legal advisor to the Company (and in respect of the Australian Solicitor's Report) in the form and context in which it is named and to the inclusion of the Australian Solicitor's Report set out in Annexure D in the form and context in which it is included.

(f) **US Legal Advisor**

Marvel & Marvel has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to being named in this Prospectus as the US legal advisor to the Company (and in respect of the US Title Report) in the form and context in which it is named and to the inclusion of the US Title Report set out in Annexure C in the form and context in which it is included.

Deborah Goetz has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, her written consent to being named in the US Title Report in the manner in which she is named in Annexure C of this Prospectus.

(g) **Independent Geologist (Scotty Lithium Project)**

Dahrouge Geological Consulting has given, and not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to being named in this Prospectus as the Independent Geologist (Scotty Lithium Project) to the Company in the form and context in which it is named and to the inclusion of the Scotty Lithium Independent Geologist's Report set out in Annexure A in the form and context in which it is included.

(h) **Independent Geologist (Mt Monger Projects)**

Mr Benjamin Nicolson has given, and not withdrawn prior to the lodgement of this Prospectus with ASIC, his written consent to being named in this Prospectus as the Independent Geologist (Mt Monger Projects) to the Company in the form and context in which he is named and to the inclusion of the Mt Monger Independent Geologist's Report set out in Annexure B in the form and context in which it is included.

(i) **Lead Manager**

Canaccord has given, and not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to being named in this Prospectus as the Lead Manager to the Public Offer in the form and context in which it is named.

8.7 Expenses of the Offers

The total approximate expenses of the Offers payable by the Company are:

Expenses of Offers	$	%
ASIC lodgement fee	3,000	0.41

Expenses of Offers	$	%
ASX quotation fee	64,000	8.65
Investigating Accountant fees	25,000	3.38
Auditor	25,000	3.38
Independent Geologist Reports	45,000	6.08
Lead Managers' fee[(1)]	300,000	40.54
Legal fees	250,000	33.78
Share Registry	3,250	0.44
Printing, postage, administration and contingency fees	24,750	3.34
Total	**740,000**	**100.00**

Notes:

1. See Section 7.8 for a summary of the Lead Manager Mandate.

8.8 Continuous Disclosure Obligations

As the Company will be admitted to the Official List, the Company will be a 'disclosing entity' (as defined in section 111AC of the Corporations Act) and, as such, will be subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company will be required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Shares (unless a relevant exception to disclosure applies). Price sensitive information is publicly released through ASX before it is otherwise disclosed to Shareholders and market participants. Distribution of other information to Shareholders and market participants is also managed through disclosure to ASX. In addition, the Company posts information on its website after ASX confirms that an announcement has been made, with the aim of making the information readily accessible to the widest audience.

8.9 Litigation

So far as the Directors are aware, there is no current or threatened civil litigation, arbitration proceedings or administrative appeals, or criminal or governmental prosecutions of a material nature in which the Company (or any other member of the Group) is directly or indirectly concerned which is likely to have a material adverse effect on the business or financial position of the Company or the Group.

8.10 Documents available for inspection

Copies of the following documents are available for inspection during normal business hours at the registered office of the Company:

(a) this Prospectus;

(b) the Constitution; and

(c) the consents referred to in Section 8.6 of this Prospectus.

8.11 Statement of Directors

The Directors report that after due enquiries by them, in their opinion, since the date of the financial statements in the Independent Limited Assurance Report in Section 5, there have

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not been any circumstances that have arisen or that have materially affected or will materially affect the assets and liabilities, financial position, profits or losses or prospects of the Company, other than as disclosed in this Prospectus.

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9. Authorisation

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

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with ASIC and has not withdrawn that consent.

This Prospectus is signed for and on behalf of the Company by:



Peretz Schapiro
Executive Chairman

Dated: 21 August 2025

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10. Glossary of terms

These definitions are provided to assist persons in understanding some of the expressions used in this Prospectus.

$ means Australian dollars.

AASB means the Australian Accounting Standards Board.

ACL means American Consolidated Lithium Pty Ltd (ACN 654 897 275).

ACL Interest means a 51% interest in ACL, being 8,160,000 fully paid ordinary shares in ACL.

Acquisitions means the acquisition of ACL Interest and an 80% interest in the Mt Monger Projects.

Admission means admission of the Company to the Official List.

Applicant means a person who submits an Application Form.

Application Form means any or all of the application form attached to or accompanying this Prospectus in respect of the Offers (including any electronic form application form provided by an online application facility).

Application means a valid application for Securities pursuant to this Prospectus.

Application Monies means the amount of money submitted or made available by an Applicant in connection with an Application.

ASIC means the Australian Securities and Investments Commission.

Asra means Asra Minerals Limited (formerly Torian Resources Limited) (ACN 002 261 565) (ASX:ASR).

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

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

ASX Settlement Rules means ASX Settlement Operating Rules of ASX Settlement.

Auditor or **BDO Audit** means BDO Audit Pty Ltd (ACN 134 022 870).

Australian Legal Advisor or **Hamilton Locke** means Hamilton Locke Pty Ltd (ACN 621 047 247).

Australian Solicitor's Report means the solicitor's report in respect of the Mt Monger Projects contained in Annexure D.

AWST means Australian Western Standard Time being the time in Perth, Western Australia.

BLM means the United States Bureau of Land Management.

Board means the board of Directors of the Company from time to time.

Board Offer means the offer of the Board Options to the Directors (or their respective nominees).

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Board Options means the 1,500,000 Options to be issued to the Directors that are exercisable at $0.30 each and expire on the date that is 3 years after the date of Admission and are otherwise on the terms and conditions in Section 8.3.

Broker Offer means the offer of up to 3,000,000 Broker Options to brokers (or their nominees) who, in the opinion and at the discretion of the Company, have assisted in procuring successful applications under the Public Offer.

Broker Options means up to 3,000,000 Options that are exercisable at $0.30 each and expire on the date that is 3 years after the date of Admission and are otherwise subject to the terms and conditions in Section 8.3.

Business Day means a weekday on which trading banks are open for business in Perth, Western Australia.

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

Claims means the mining claims that comprise the Scotty Lithium Project and, where the context requires, the Tenements that comprise the Scotty Lithium Project.

Closing Date means the date specified as the closing date of the Offers (other than the Priority Offer) in the Indicative Timetable, or such other time and date as the Board determines.

Company means Desert Minerals Limited (ACN 680 419 345).

Completion means completion of the Demerger.

Conditional Admission Letter means a letter from ASX setting out the terms and conditions on which the Company will be admitted to the official list of the ASX, on terms acceptable to the Board.

Consideration Securities means the Consideration Shares and Loan Options.

Consideration Shares means 1,000,000 Shares to be issued to LLM pursuant to the Demerger Implementation Deed.

Constitution means the constitution of the Company.

Corporations Act means the *Corporations Act 2001* (Cth), as amended from time to time.

Demerger has the meaning given in Section 7.1.

Demerger Implementation Deed means the demerger implementation deed entered into between LLM and the Company dated 15 August 2025.

Directors means the directors of the Company from time to time.

Electronic Prospectus means the electronic copy of this Prospectus located at the Company's website: desertminerals.com.au.

Eligible LLM Shareholder means a person who is recorded on LLM's share register of members at the Priority Offer Record Date as a holder of LLM Shares and having a registered address in Australia or New Zealand.

Employee Offer means the offer of the Employee Options to the employees of the Company (or their respective nominees).

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Employee Options means the 1,000,000 Options to be issued to the employees and consultants of the Company (or their respective nominees) that are exercisable at $0.30 each and expire on the date that is 3 years after the date of Admission and are otherwise on the terms and conditions in Section 8.3.

Expiry Date means the date that is 13 months after the Prospectus Date.

Exploration Results has the meaning given in the JORC Code.

Exploration Target has the meaning given in the JORC Code.

Financial Information has the meaning given in Section 5.

FMC Act means Financial Markets Conduct Act 2013.

Group means the Company and each of its subsidiaries.

Independent Geologist (Scotty Lithium Project) or **Dahrouge Geological Consulting** means Dahrouge Geological Consulting USA Ltd.

Independent Geologist (Mt Monger Projects) means Mr Benjamin Nicolson.

Indicative Timetable means the indicative timetable for the Offer on page 23 of this Prospectus.

Investigating Accountant or **BDO Corporate Finance** means BDO Corporate Finance Australia Pty Ltd (ACN 050 038 170).

Investigating Accountant's Report means the report contained in Section 5.

Issue Date has the meaning given in the Timetable.

JORC Code means the 2012 Edition of the Joint Ore Reserves Committee Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.

KMP means key management personnel.

Lead Manager or **Canaccord** means Canaccord Genuity (Australia) Limited (ACN 075 071 466).

Lead Manager Mandate means the mandate entered between the Company and the Lead Manager dated 15 April 2025, pursuant to which the Lead Manager has agreed to provide lead manager services and bookrunner services in respect of the Public Offer.

Lead Manager Offer means the offer of 3,000,000 Lead Manager Options to the Lead Manager (or its nominees) in accordance with the Lead Manager Mandate under the Lead Manager Offer.

Lead Manager Options means 3,000,000 Options to be issued to the Lead Manager (or its nominees) in accordance with the Lead Manager Mandate that are exercisable at $0.30 each and expire on the date that is 3 years after the date of Admission and are otherwise subject to the terms and conditions in Section 8.3.

Listing Rules means the listing rules of ASX.

LLM or **Loyal Metals** means Loyal Metals Limited (ACN 644 564 241) (ASX: LLM).

LLM Loan Agreement has the meaning given in Section 7.7.

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

LLM Shareholder means a holder of one or more LLM Shares.

Loan Options means 1,000,000 Options to be issued to LLM pursuant to the LLM Loan Agreement that are exercisable at $0.30 each and expire on the date that is 3 years after the date of Admission and are otherwise on the terms and conditions in Section 8.3.

Mineral Resource has the meaning given in the JORC Code.

Minimum Subscription means the issue of 25,000,000 Shares under the Public Offer, to raise $5,000,000 (before costs).

Mt Monger Agreement has the meaning given in Section 7.5.

Mt Monger Independent Geologist's Report means the independent geologist's report for the Mt Monger Projects contained in Annexure B.

Mt Monger JVA has the meaning given in Section 7.6.

Mt Monger MRE has the meaning given in Section 3.4(b)(iv).

Mt Monger North Project means the Mt Monger North Project located in Western Australia.

Mt Monger Projects Interest means an 80% interest in the Mt Monger Tenements.

Mt Monger Projects means the Mt Monger North Project and the Mt Monger South Project.

Mt Monger South Project means the Mt Monger South Project located in Western Australia.

Mt Monger Tenements has the meaning given in Section 7.5.

Native Title Act means the *Native Title Act 1993* (Cth).

Offer Price means $0.20 per Share.

Offers means, collectively, the:

(a) Public Offer;

(b) Priority Offer; and

(c) Secondary Offers.

Official List means the official list of ASX.

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

Opening Date means the date specified as the opening date in the Indicative Timetable.

Option means an option, giving the holder the right, but not an obligation, to acquire a Share at a predetermined price and at a specified time in the future.

Performance Rights means a right to acquire a Share.

Plan means the Company's Employee Securities Incentive Plan.

Priority Offer means the offer of up to 5,000,000 Shares to Eligible LLM Shareholders, which forms part of the Public Offer.

Priority Offer Closing Date means the date specified as the priority offer record date in the Indicative Timetable.

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Priority Offer Record Date means the date specified as the priority offer record date in the Indicative Timetable.

Projects means the Scotty Lithium Project and the Mt Monger Projects.

Prospectus means this prospectus dated 21 August 2025.

Prospectus Date means the date on which a copy of this Prospectus was lodged with ASIC, being 21 August 2025.

Public Offer means the offer of 25,000,000 Shares at the Offer Price to raise $5,000,000 (before costs).

Recommendations means the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (4th Edition).

Scotty JVA has the meaning given in Section 7.3.

Scotty Lithium Agreement has the meaning given in Section 7.2.

Scotty Lithium Independent Geologist's Report means the independent geologist's report for the Scotty Lithium Project contained in Annexure A.

Scotty Lithium Project means the Scotty Lithium Project located in Nevada, USA.

Scotty Royalty has the meaning given in Section 7.4.

Secondary Offers means:

(a) the Lead Manager Offer;

(b) the Broker Offer;

(c) the Board Offer; and

(d) the Employee Offer.

Section means a section of this Prospectus.

Securities means any securities, including Shares, Options or Performance Rights, issued or granted by the Company.

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

Share Registry or **Automic** means Automic Pty Ltd (ACN 152 260 814).

Shareholder means a holder of one or more Shares in the Company.

Tenements means the tenements that comprise the Mt Monger Projects.

US Legal Advisor or **Marvel & Marvel** means Marvel & Marvel, Ltd.

US Title Report means the report contained in Annexure C.

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Annexure A – Scotty Lithium Independent Geologist's Report

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GEOLOGIST REPORT ON THE SCOTTY LITHIUM PROJECT NEVADA, USA

Prepared for Desert Minerals Limited

Authors: Jacob Anderson, CPG; Phillip Goernert, B.Sc.

REPORT DATE: August 8TH, 2025

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APPENDIX 2: MINERAL CLAIM COMPILATION OF THE SCOTTY LITHIUM PROJECT

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Disclaimer

This Geologist's Report ("IGR") has been prepared in accordance with the rules and guidelines issued by the Australian Securities Exchange (ASX) and with the Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets (the VALMIN Code 2015). Where exploration results, mineral resources or ore reserves have been referred to in this IGR, the classifications are consistent with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code), effective December 2012.

The information in this Report that relates to exploration results and the exploration target for the Scotty Lithium Project ("the Property") and is based on information supplied to the Competent Person, Mr. Jacob Anderson ("the Author"), by Loyal Metals Ltd. ("Loyal") and Limited ("the Company").

Mineral tenure, legal, historical, and geological documents pertaining to the Property were reviewed by the Author, who does not claim expertise with respect to environmental, legal, socioeconomic, land title, First Nations, or political issues which may affect tenure. No specific concerns regarding topics outside the Author's area of expertise were identified and no outside opinions were sought with respect to any aspects of the Report.

This report is based on information provided by the Company, as well as reports prepared by researchers, government agencies and independent consultants. The Author has no reason to believe that the information used in the preparation of this report is false or purposefully misleading and has relied on the accuracy and integrity of the data referenced in Section 7 of this report.

The Author has not conducted a site visit due to current winter conditions; however, the Author is of the opinion that a site visit is not required in order to form a view on the mineral potential of this exploration stage project.

An exploration target model was created using all information collected from soil sampling, geophysical surveys and drilling completed on the property to date. This Exploration Target contains a range of tonnage and grade of which the details pertaining to the Exploration Target are explained in this document.

The competent person is not an employee of the mining entity or a related party and is employed by Dahrouge Geological Consulting USA Ltd.

This Report has an effective date of August 8th, 2025

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1 SUMMARY & INTRODUCTION

This Geologist Report ("IGR") on the Scotty Lithium Project (the "Project" or "Property") has been completed at the request of Desert Minerals Limited ("the Company") by the Independent Competent Person (the "Author") to serve as a compilation of publicly disclosed exploration results and historical exploration on the Property. The primary commodity of interest on the Property is lithium.

This report will be included in a prospectus to be published by the Company ("Prospectus") in connection with the proposed listing of the Company's shares on the Australian Securities Exchange ("ASX"). A JORC Code (2012) Table 1 is presented in Appendix 1.

This IGR has been prepared as a public document and in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC 2012), and the Australasian Code for Public Reporting of Technical Assessments and Evaluations of Mineral Assets (VALMIN 2015).

This IGR dated August 8th, 2025, presents an assessment of the geology, exploration data, and exploration potential of the Property. The Author was granted access to all relevant data from historical exploration on the Property including available reports prepared by previous operators and their consultants, news releases from previous operators, scientific research reports.

This report was completed based on information provided by Loyal and the Company along with historical technical and assessment reports prepared by independent consultants. The Author did not carry out a site visit; however, it is the opinion of the Author that a site visit is not required in order to provide an opinion on the geological potential of the Project.

2 MINERAL TENURE, LOCATION, AND ACCESS

The Property is located approximately 189 km northwest of Las Vegas, NV, and 38 km northwest of Beatty, NV. The Property is located west of Highway 95 (Figure 2-1). From Beatty, NV, the Property can be accessed by traveling north on Highway 95 for approximately 57 km to Scotty's Junction. From there, turn west on Nevada State Highway 267 towards Bonnie Claire for approximately 10 km. Following that, a pre-existing overland trail trends southeast towards the Sarcobatus Flat, which crosses portions of the Property (Figure 2-2).

The Scotty Lithium Project consists of 195 contiguous placer mining claims, totalling 1578.3 ha (Figure 2-2, Appendix 2). The claims cover portions of Nevada Townships (T) and Ranges (R) T8S R43E & R44E, T9S R44E & R45E, and T10S R44E & R45E; all of which lie within Nye County, Nevada. Nevada Mining Claim (NMC) numbers, filing dates, and other claim data are listed in Appendix 2.

The SFL claims were located between January 3, 2022 and January 18, 2022, with a filing date of March 29, 2022, and a disposition date between April 26, 2022, and May 5, 2022. These claims were acquired by an Option Agreement between Loyal Lithium Ltd. and American Consolidated Limited (dba Playa Minerals Company) dated February 22, 2022. The NEVLITH Claims which were re-staked in January 2023 were dropped by Loyal in 2024.

Placer claims require an annual payment of $200USD per claim. Requirements for maintaining the claims in good standing include timely filing of initial location certificates with the BLM and county,

along with payment of recording feeds. Payment of annual Maintenance fee to the BLM of $200 USD per claim by September 1 of each year, and the filing of an annual "Notice of Intent to Hold", and payment of $37.00 per claim to Nye County by November 1 of each year. All these actions and payments have been completed by Loyal to date.

The Project's mineral tenure lies within Bureau of Land Management (BLM) federally managed lands lying within the Battle Mountain District and is locally managed by the Tonopah Field office located in Tonopah, NV. The Grapevine Mountain Wilderness Test Area is directly adjacent to the west of the Project. Additionally, the United States Department of Defense holds protective land on the eastern side of the basin which is approximately 8.8 km to the east-northeast of the Project (Figure 2-3). Furthermore, mineral tenures are present directly adjacent to the east side of the Property and are held by a different company.

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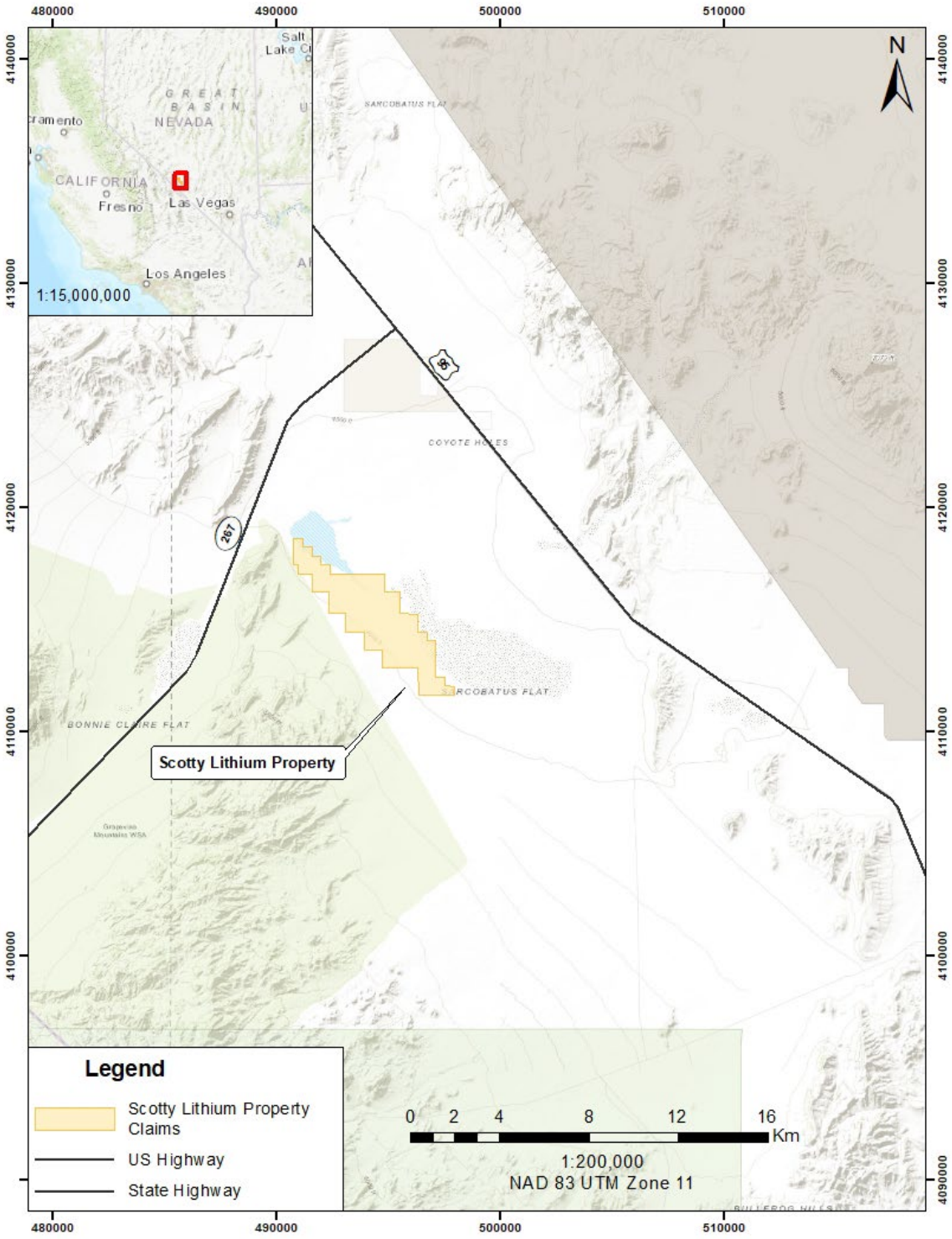

Figure 2-1 Property Location and Access Map

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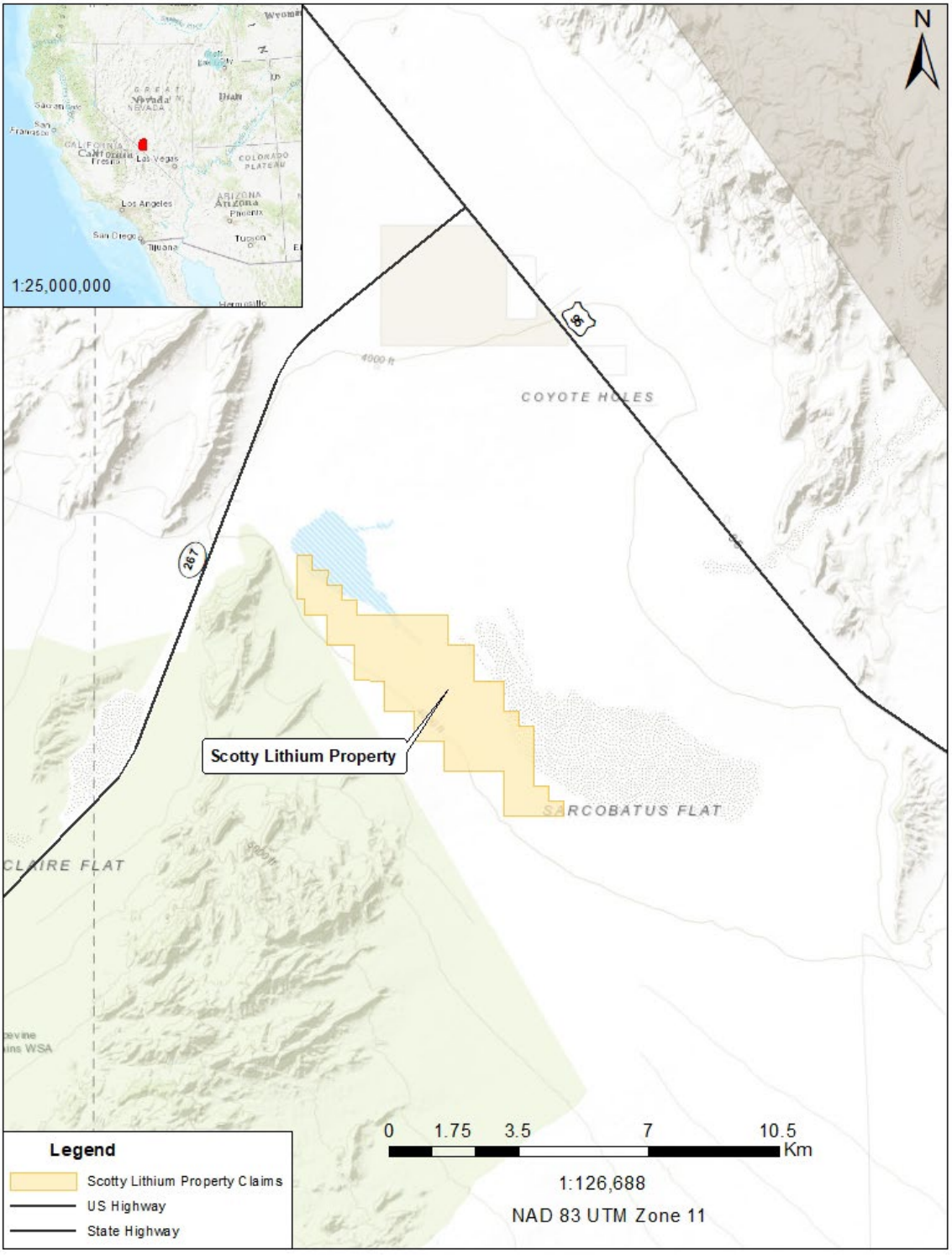

Figure 2-2 Property Location and Access Map

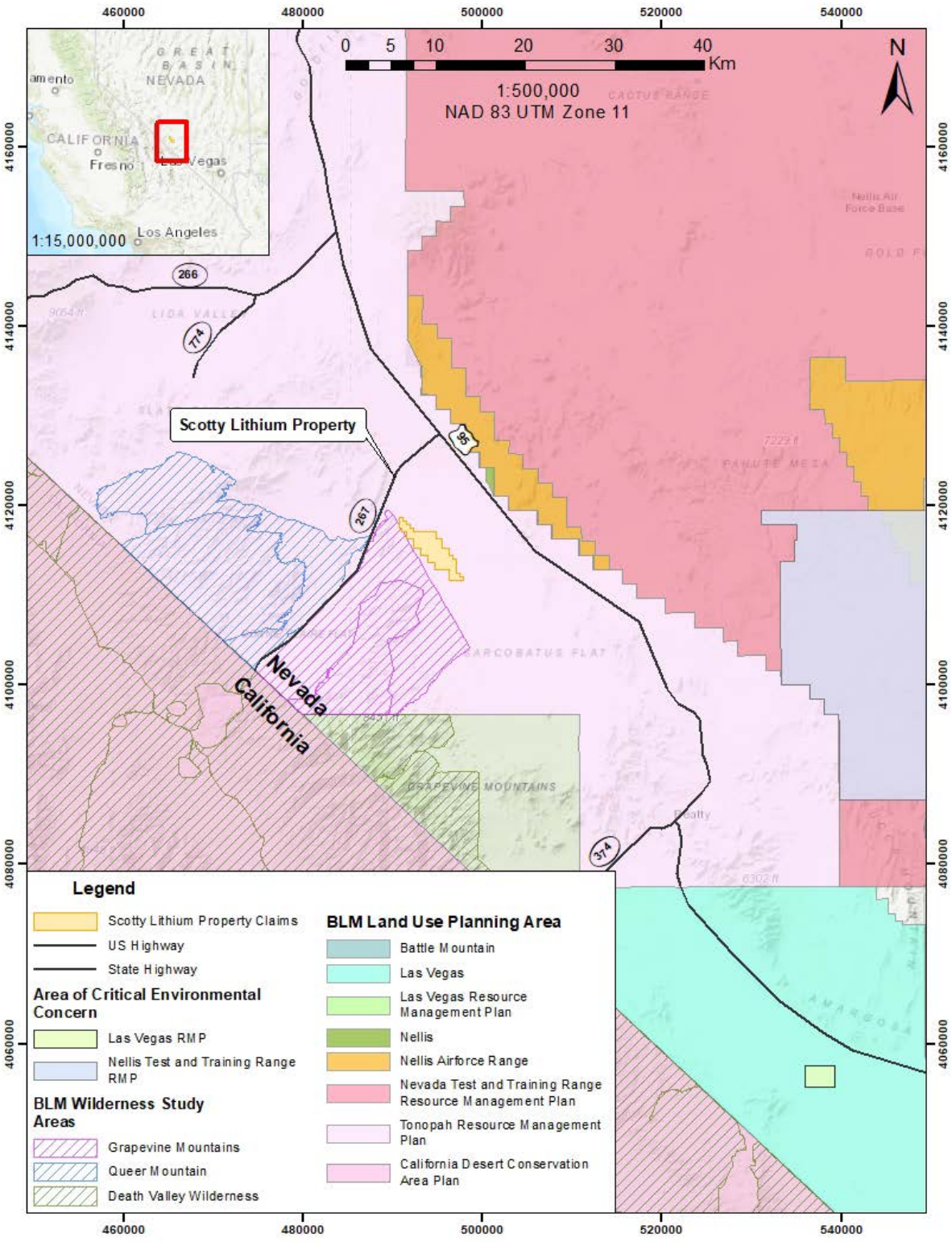

Figure 2-3 Mineral Tenure and Regional Land Restrictions

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3 REGIONAL AND PROPERTY GEOLOGY

The regional and local geology described below relies heavily upon Iconic Minerals Ltd. and Nevada Lithium Resources Inc. NI 43-101 Technical Report dated February 25, 2022, whose Bonnie Claire Property is located to the east and north of Scotty Lithium.

The Scotty Lithium Project lies within the western and southwestern margins of the Bonnie Claire Basin, which is within the southwestern margin of the Basin and Range geologic province of Nevada. The Property lies within a closed basin, where horst and graben style normal faulting is the dominant structural component (Figure 3-1). The normal faulting structural components occur in conjunction with lateral shear stress deformation (Samari, et al., 2021). To the west of the Property, the Death Valley – Furnace Creek fault zone is a right-lateral fault that possibly terminates against the Walker Lane District northwest of the valley. Approximately 50 km northwest of the Property, the arcuate form of the Palmetto Mountains is proposed to represent a tectonic bending event, which is responsible for accommodating the shear zone's movement at the end of significant right lateral faults (Albers, 1967).

Within the Basin and Range in general, faults and Cenozoic rocks have a regional magnetic northerly trend ranging between 20° and 40°., where the alluvial gravels of the Bonnie Claire Basin exhibit the same trends and suggest the most recent faults present in the region occurred less than 10,000 years ago. The last observable deformation in the area, trending at 65°, occurred closer to 20,000 years ago (Davis & Vine, 1979). "*North, east and west of the Bonnie Claire Basin, greater than 400 square kilometres (km^2) of Cenozoic ash-flow tuff is deposited and is the likely source of lithium within the basin. More locally, these tuffs include thin units of air-fall tuff and sedimentary rocks that are exposed at the Grapevine Mountains and Stonewall Mountains. These predominantly flat-lying, pumaceous rocks are interbedded with tuffaceous sediments between the Grapevine and Stonewall Mountains. Southwest of the basin, greater than 140 km^2 of Cenozoic rhyolitic-flows and shallow intrusives are exposed, whereas southeast of the basin Miocene and Quaternary basalt-flow is present as a single mound*" (Samari, et al., 2021).

More locally (Figure 3-2) to the Project area, the Bonnie Claire Basin is the lowest topographic elevation in a series of floodplains, where the basin receives surface drainage from approximately 1,200 km^2. The plain and alluvial fans around it are bounded by faults on all sides, which are delineated by the Coba Mountains and Obsidian Butte to the east, Stonewall Mountains to the north, the Bullfrog and Sawtooth Mountains to the south, Grapevine Mountains to the southwest, and Mount Dunfee to the northwest. The basin lies within an extensional graben system between two northwest-southeast faults that are severed by another northeast-southwest fault structure, which in combination are a key component to controlling the playa extents (Samari, et al., 2021)

The basin structure is known due to geophysical surveys completed by Iconic Minerals Ltd, Nevada Lithium Resources Inc. and Loyal Lithium property surveys, that show the down-dropped graben structure is the most dominant in the east-northeast side of the basin in conjunction with extensional normal faults. The significant wetting and drying of the Pleistocene resulted in the formation of lacustrine deposits, salt beds, and lithium-bearing sediments within the basin (Samari, et al., 2021).

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The lithium mineralization, both as a brine and a clay component, develops slowly over time through the effect of evaporite concentration of surface waters and upwelling groundwater within a closed basin. Consequently, the magnitude of lithium enrichment is affected by the age and size of the catchment basin, evaporation rates, mass flux of dissolved lithium within groundwater and surface water entering the playa basin, and the availability of source rocks containing lithium that can be dissolved by groundwater. Geothermal systems may also play a role in enhancing the ability of groundwater to leach lithium from surrounding (Gorham & Mills, 2021; Houston, et al., 2011; Munk, et al., 2015).

The proposed deposit model and type for the Project are lithium-bearing sediments as lithium carbonates and salts deposited and bound within fine-grained clays, silts, and sand pores. The deposition likely occurred due to the groundwater evaporation and cycling of the sediments such that mineralization is continually enriched by the processes described above preferential to oxidational zones where groundwater migrates up to a less permeable lithologic facies (aquitard) (Samari, et al., 2021).

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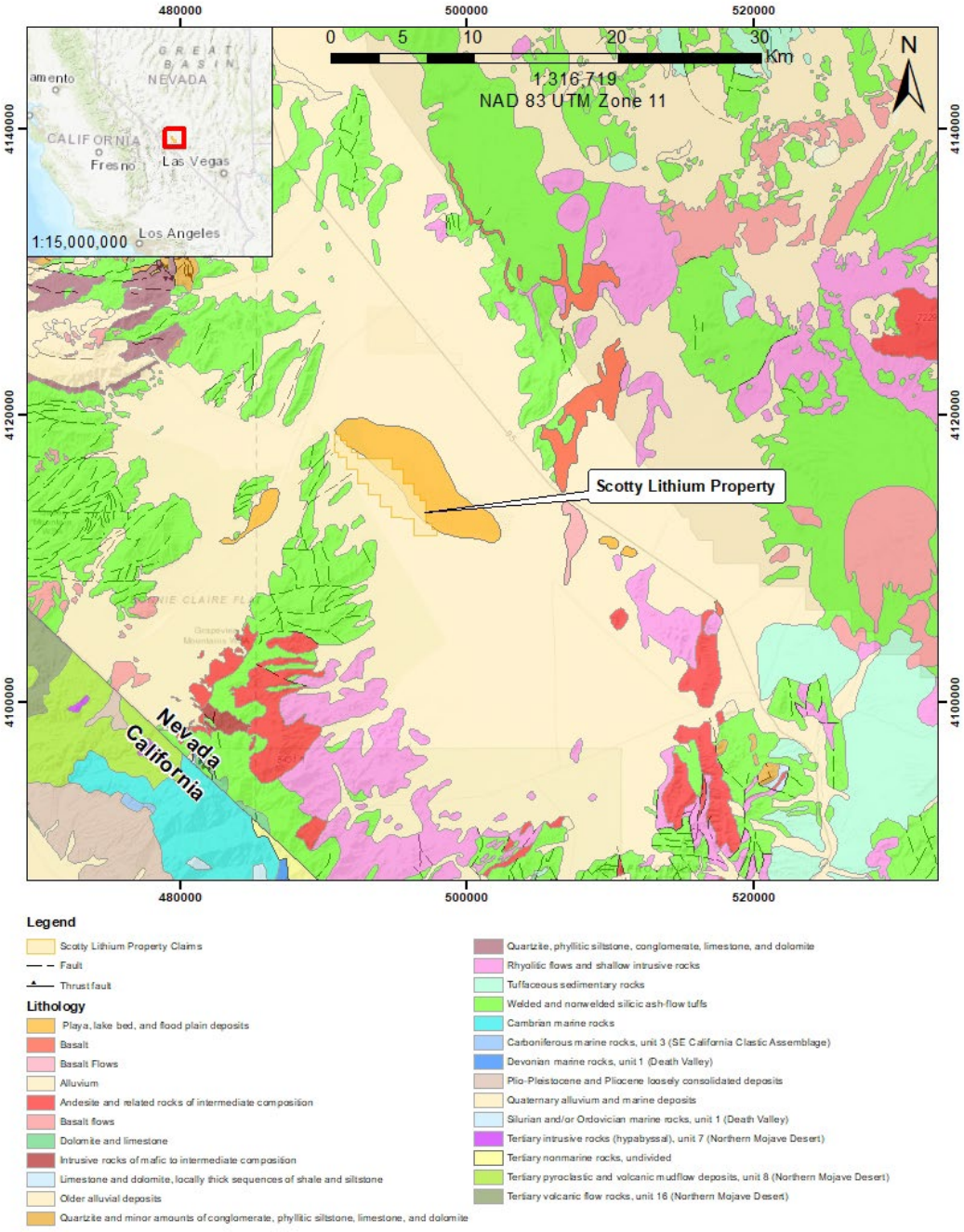

Figure 3-1 Regional Geology Map

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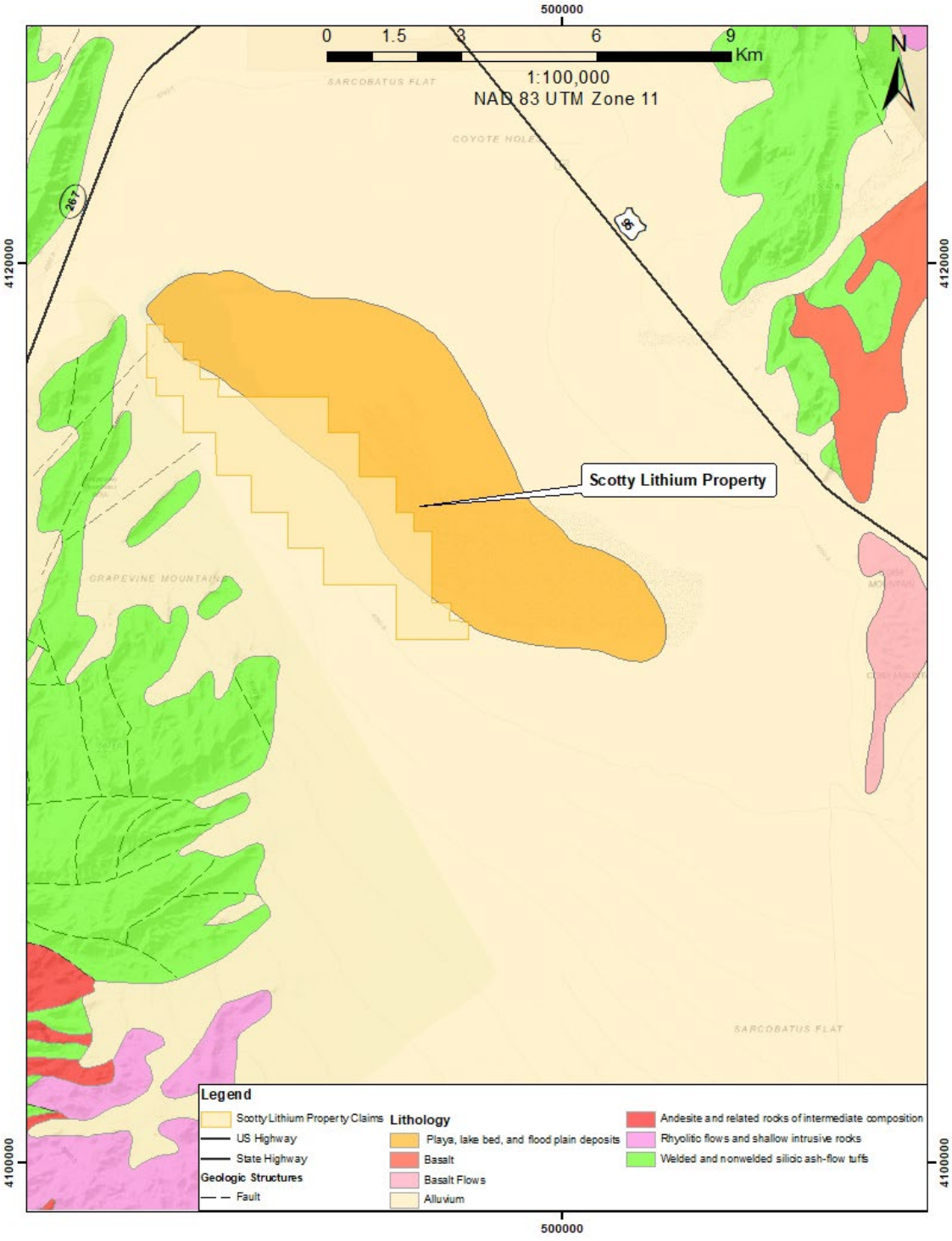

Figure 3-2 Property Geology

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4 EXPLORATION HISTORY

Initial exploration on the Property was conducted in 2016 and 2018 by Caeneus Minerals Ltd. ("Caeneus"), which evaluated the potential for both lithium brines and lithium-bearing sediments. Caeneus acquired the property on July 18, 2016, which lies almost entirely within the current Scotty Lithium Project boundary (Figure 4-1). The most significant exploration that has occurred within the Bonnie Claire Basin was completed by Iconic Minerals Ltd ("Iconic"), who has conducted various stages of exploration within their own mineral tenure to the east and north of the Project. During Iconic's initial exploration activities their efforts were successful in discovering lithium-bearing brines at low lithium concentration levels and the discovery of lithium-bearing sediments, which was reported in Iconic's Preliminary Economic Assessment Technical Report (Samari, et al., 2021). The exploration strategy of Desert's mineral tenure will be based on applying the same systematic exploration to evaluate the potential of the Property for lithium-bearing sediments.

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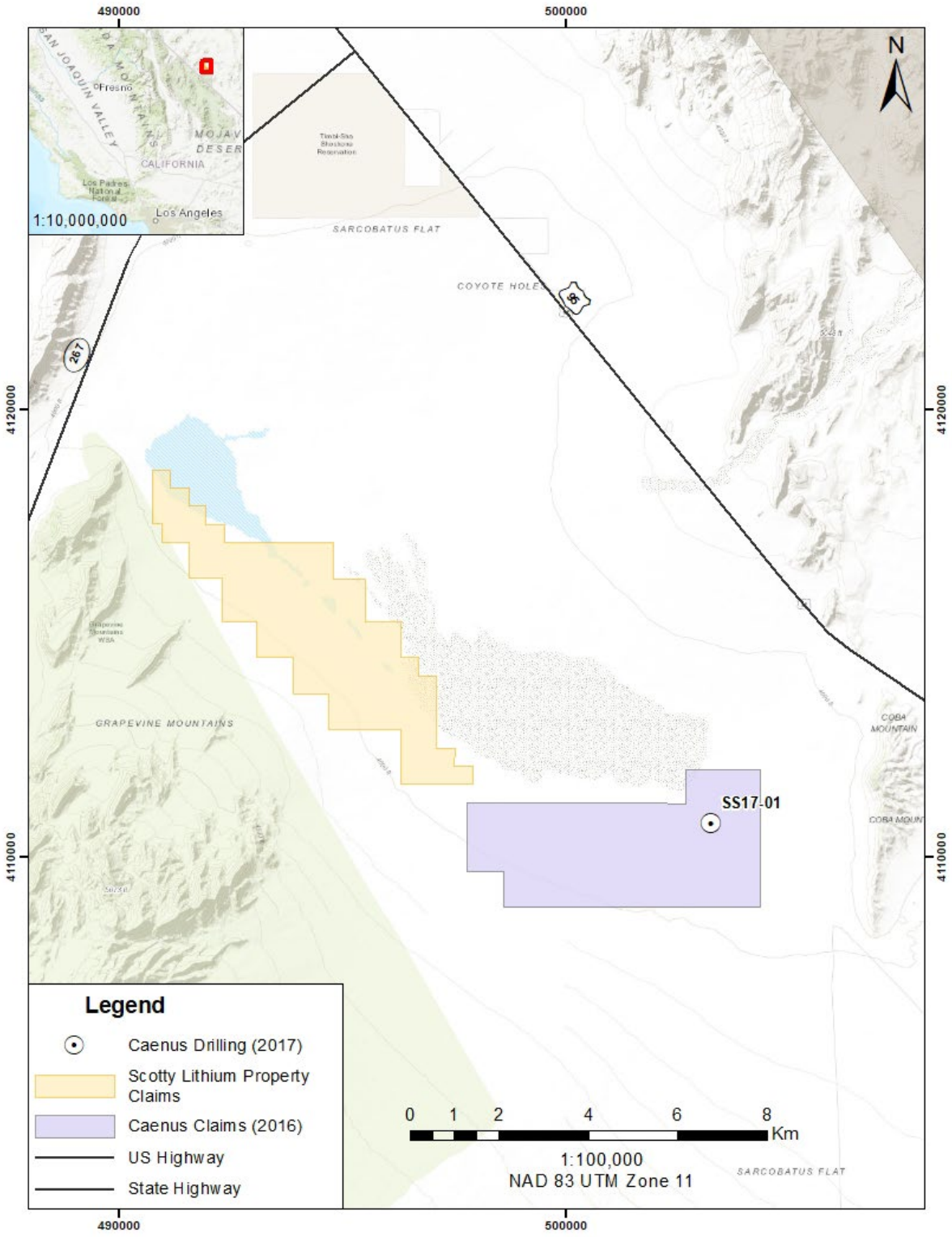

Figure 4-1 2016 Caeneus Claim Boundary

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4.1 2016 EXPLORATION

The 2016 Exploration described below relied heavily upon Zonge International's ("Zonge") internal report to Caeneus Minerals (Zonge International, 2016).

Caeneus Minerals conducted a Magnetotelluric (MT) survey on the Property from October 18, 2016 through October 22, 2016. The survey consisted of 33 MT soundings that were recorded at 17 receiver stations on a line with 200 m station spacing (Figure 4-2). The data acquired by the MT survey used Zonge High Resolution ZEN receivers, each having six channels equipped with 32-bit analog-to-digital converters. Horizontal magnetic fields were measured with Zonge ANT/4 magnetometers. The collected MT data was processed with an integrated set of Zonge programs (MTMERGER, MTFT24, MTEDIT, ASTATIC and NSSKEW) to provide an inverted two-dimensional resistivity structure using PW2D to calculate a least-squares fit of the model response to the data and is damped against an a-priori model. The two-dimensional inversions are used to evaluate the resistivity structure information contained in the MT data obtained.

The results of the two-dimensional model and projections into PW2D inversion mesh project a "best guess" geologic section with the lack of subsurface geological information (drilling) but do assume the two-dimensional models are accurate. The two-dimensional results of the survey are presented in Figure 4-3.

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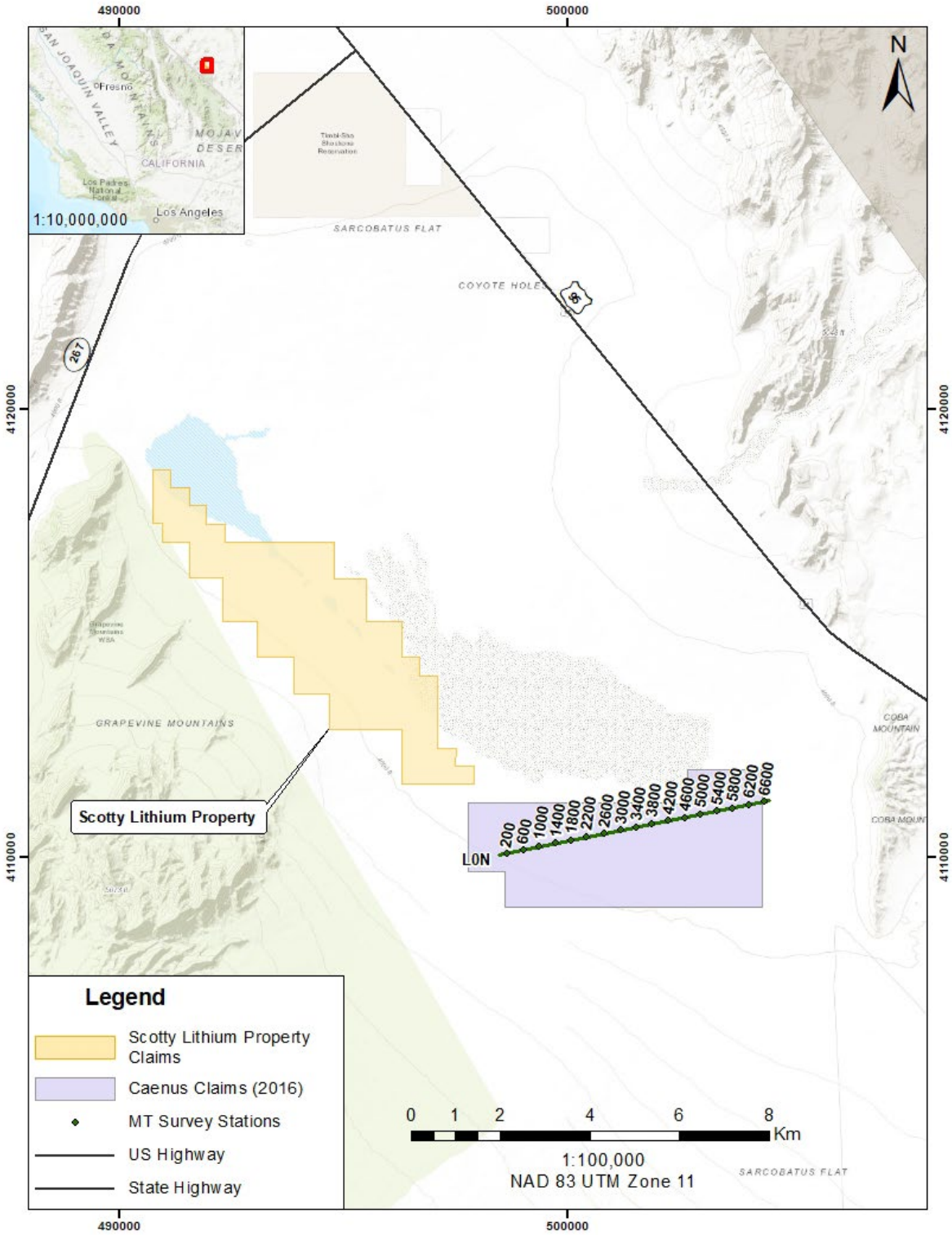

Figure 4-2 2016 Caeneus MT Survey Line

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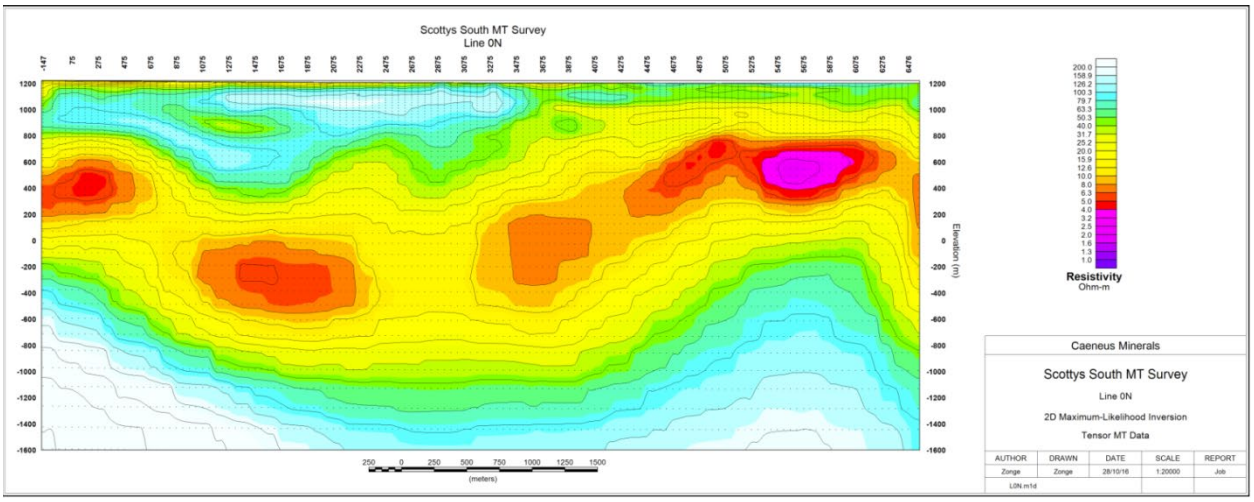

Figure 4-3 Zonge 2D Inversion Results

4.2 2017 EXPLORATION

Caeneus commenced a gravity survey on the project, which Dahrouge Geological Consulting carried out from February 5, 2017 through February 14, 2017. The data was then interpreted by Ed Cunion of Red Rocks Geophysical Consulting. The following information is a summarization of results outlined in Mr. Cunion's final report dated February 18, 2017 (Cunion, 2017).

The data collected in the field consisted of 529 gravity stations. Station information was corrected internally for earth tides within the gravity meter, then a secondary correction to the data was made for external drift correction that uses base station loop repeat readings to correct for external meter drift. Following these corrections, absolute gravity was calculated, followed by a latitude, free air, Bouguer, terrain and Complete Bouguer corrections made. Mr. Cunion's conclusions were that a significant gravity low signature was identified on both the Complete Bouguer (Figure 4-4) and Residual Bouguer Gravity (Figure 4-5) plots. Three-dimensional modelling of the gravity returned a voxel model with density range of 2.05 to 3.2 g/cc (Figure 4-6). The lower density zone on the northern survey area models as a broad and deep zone that may extend up to 3 km. It is possible that the low-density zone reflects lower density basin fill alluvium.

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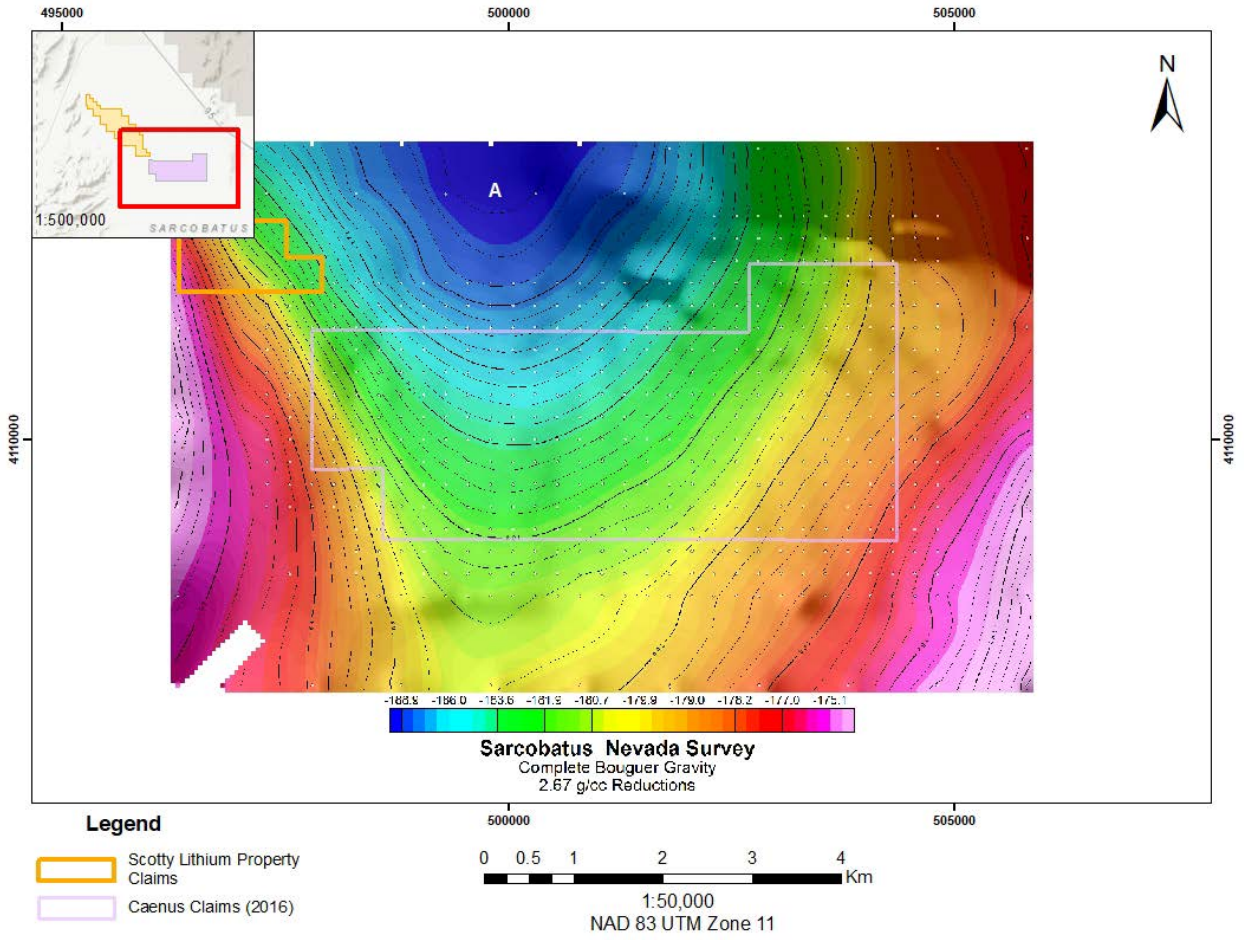

Figure 4-4 Complete Bouguer Gravity

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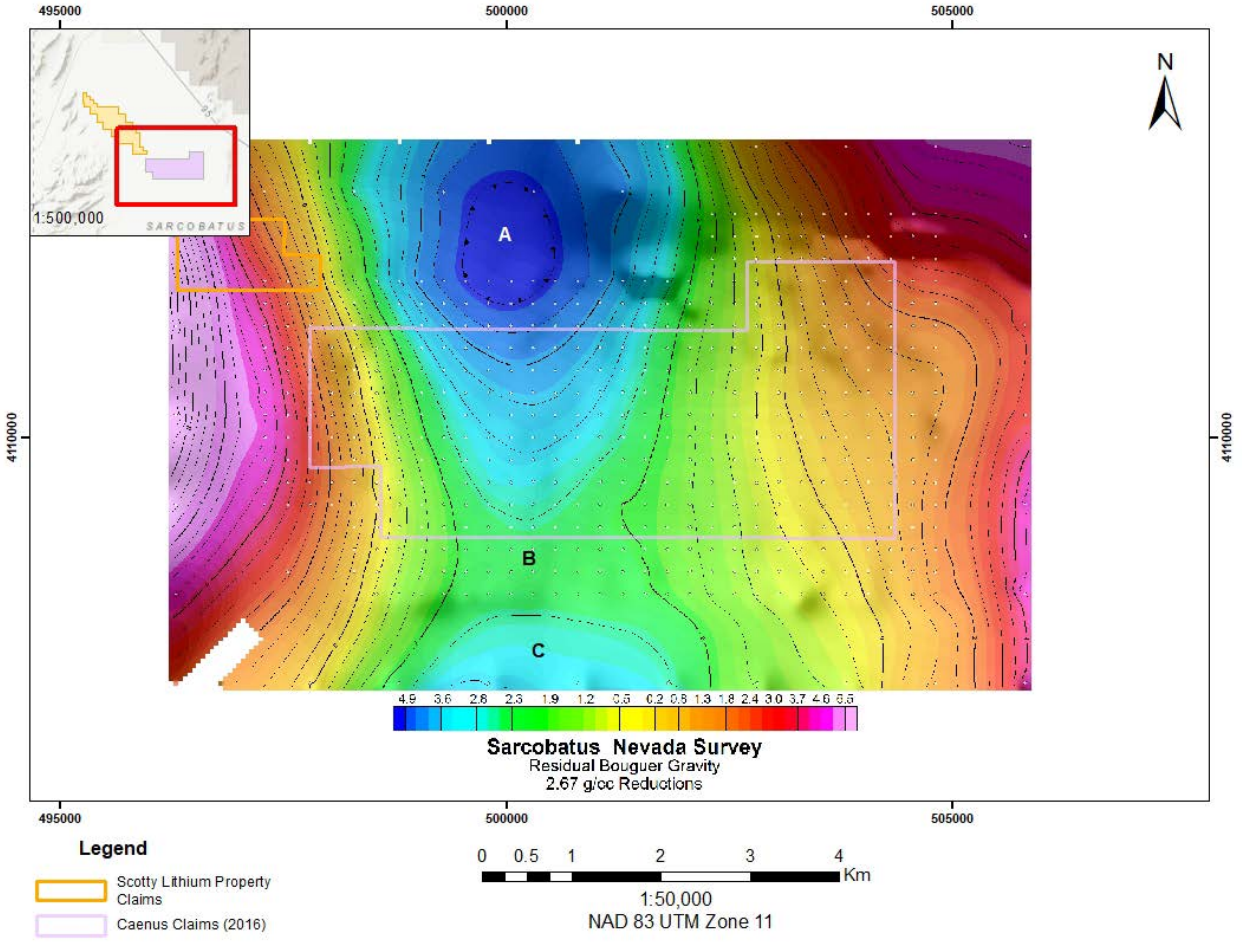

Figure 4-5 Residual Bouguer Gravity

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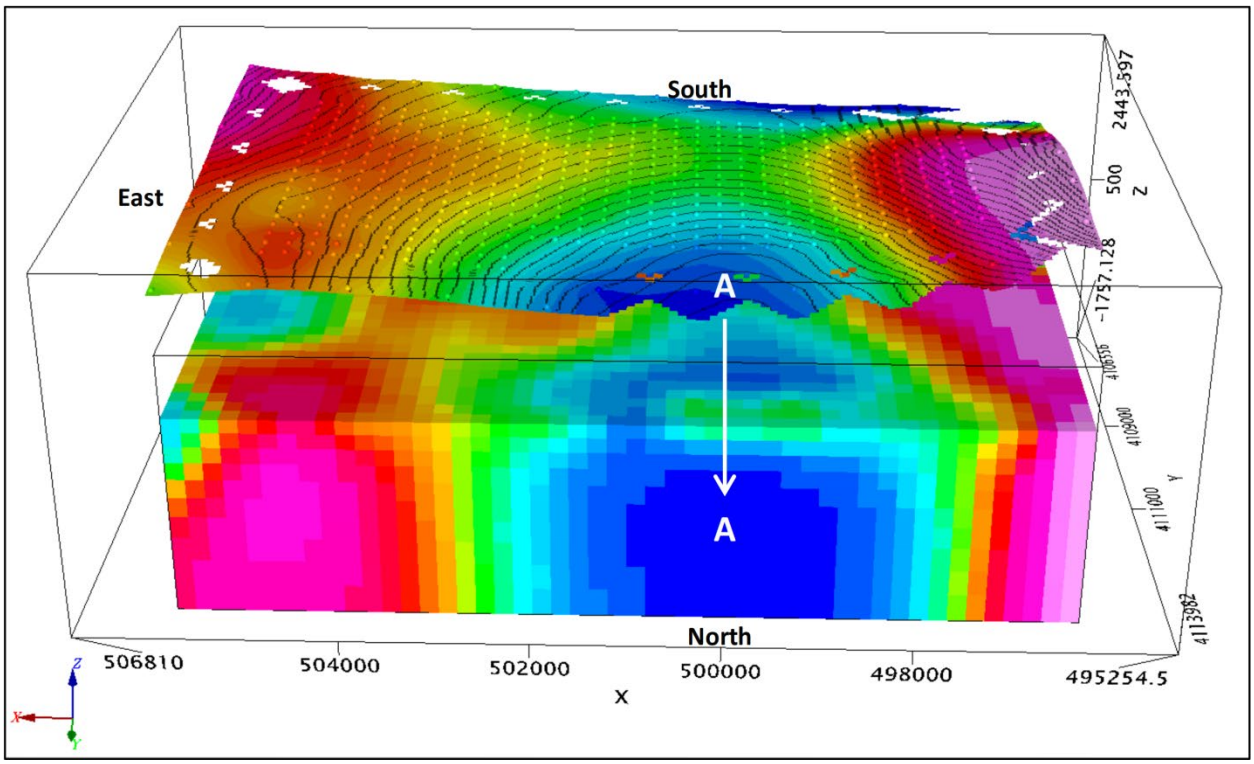

Figure 4-6 3D Density Model

Caeneus commenced a single hole (Table 4-1) reverse circulation (RC) drilling program on the southern end of the Property on June 23, 2017, specifically targeting lithium brine potential (Table 4-2Table 4-1&

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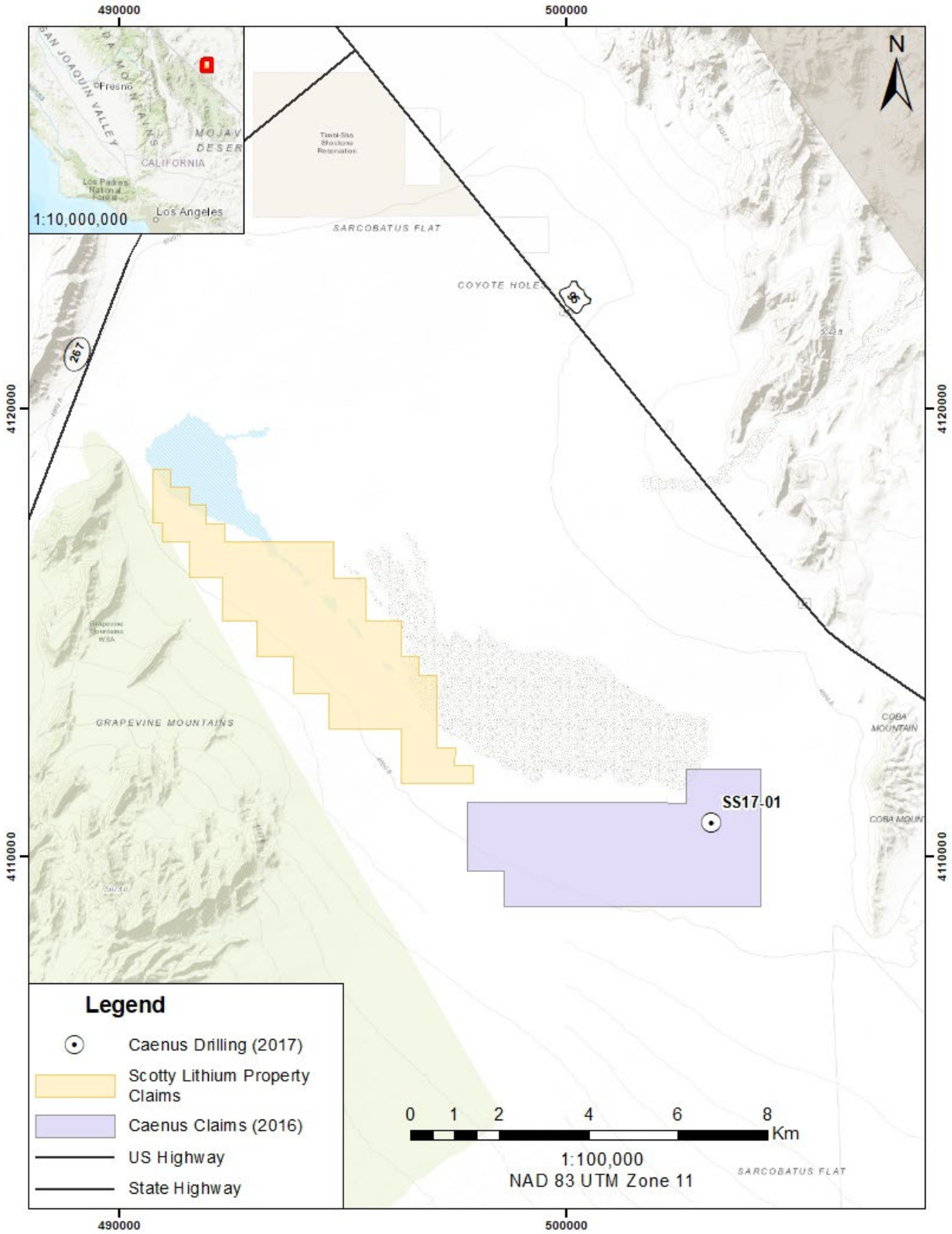

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Figure 4-7). Drilling was contracted to O'Keefe Drilling of Butte, MT, who used a truck-mounted RC drill and 5 ¾" tricone bit. SS17-01 was classified and logged as unconsolidated sand and pebble gravel throughout and 40 ft of 4 ½" RC steel, along with 5 ¾" tricone bit and bit sub was lost in the hole. The program was then terminated early due to difficulties drilling and poor ground conditions.

Table 4-1 2017 RC Drillhole Attributes

Hole ID	Easting (m)	Northing (m)	Elevation (m)	Azimuth (°)	Dip (°)	DDH Depth (m)	Hole Diameter
SS17-01	503253	4110775	1206.7	-	90	115.82	5 ¾ "

The program's objective was to evaluate the potential of lithium brine on the Property. A total of four water samples were collected and delivered to Western Environmental laboratory (WETLAB) in Las Vegas, NV on June 27, 2017. Analytical results from the collected brine samples are presented in Table 4-2. The brine samples were prepared by method EPA 200.2 (Trace Metals Digestion (Brine)) and analyzed by method EPA 200.7 (Trace Metals ICP-OES).

Table 4-2 2017 Brine Sample Attributes

Sample ID	Date Collected	Collection Time (hrs)	Li (mg/L)	B (mg/L)	Na (mg/L)	Ca (mg/L)	Mg (mg/L)	K (mg/L)
SS17-01-01	6/24/2017	13:00	<2.0	14.3	4980.0	16.8	<10	87.0
SS17-01-02	6/23/2017	13:30	<2.0	<2.0	95.3	150.0	36.4	67.6
SS17-01-03	6/25/2017	13:10	<2.0	<2.0	130.0	340.0	99.5	112.0
SS17-01-04	6/25/2017	15:44	<2.0	<2.0	96.1	55.0	27.9	40.6

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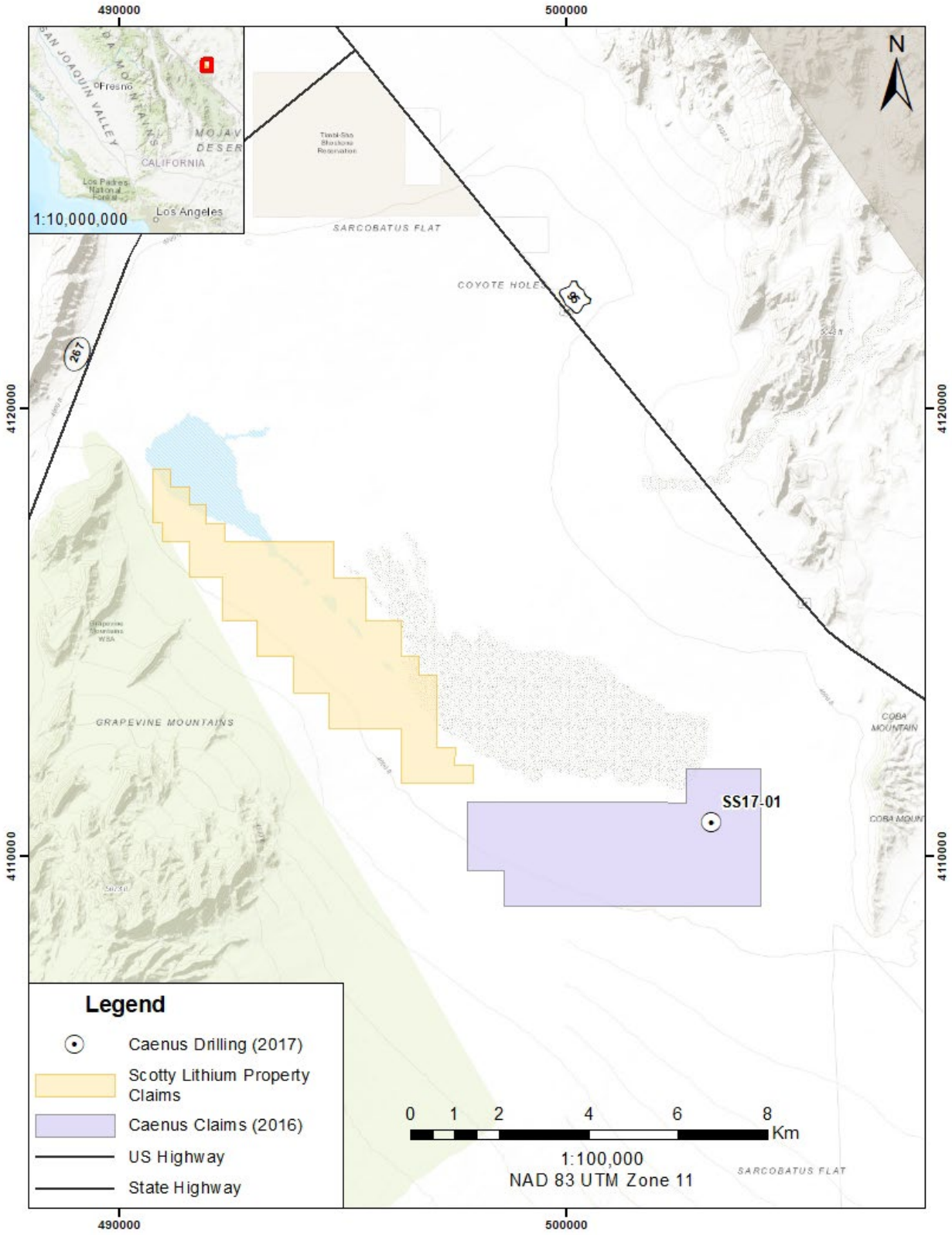

Figure 4-7 2017 Drilling Location

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4.3 2022 EXPLORATION

Loyal commenced a property-wide auger soil sampling campaign in June and July of 2022 that consisted of 643 total samples collected. Samples were collected on 400 m spaced traverses, with individual samples collected at both 400 m and 200 m spacing along each traverse. All samples were submitted to ALS Labs in Reno, NV. Once ALS received the samples, they were logged into their internal system using prep code LOG-22, followed by sample weight received (WEI-21), then underwent drying (DRY-22) to a max temperature of 60° C, followed by screening to a -180µm. Once all the prep was complete, the samples were analyzed using an ultra trace aqua regia ICP-MS (ME-MS41).

The analytical results received were then input into a self-organizing map (SOM-Matlab), which is an unsupervised training algorithm using neural networks to produce rapid classification of groups within a dataset. These clusters compared closest to the natural-break algorithm classification in MapInfo software (Loyal Metals, 2022). This effort resulted in the classification of five (5) Target Areas based on basin characteristics, geological potential, and number of anomalous samples within each target area.

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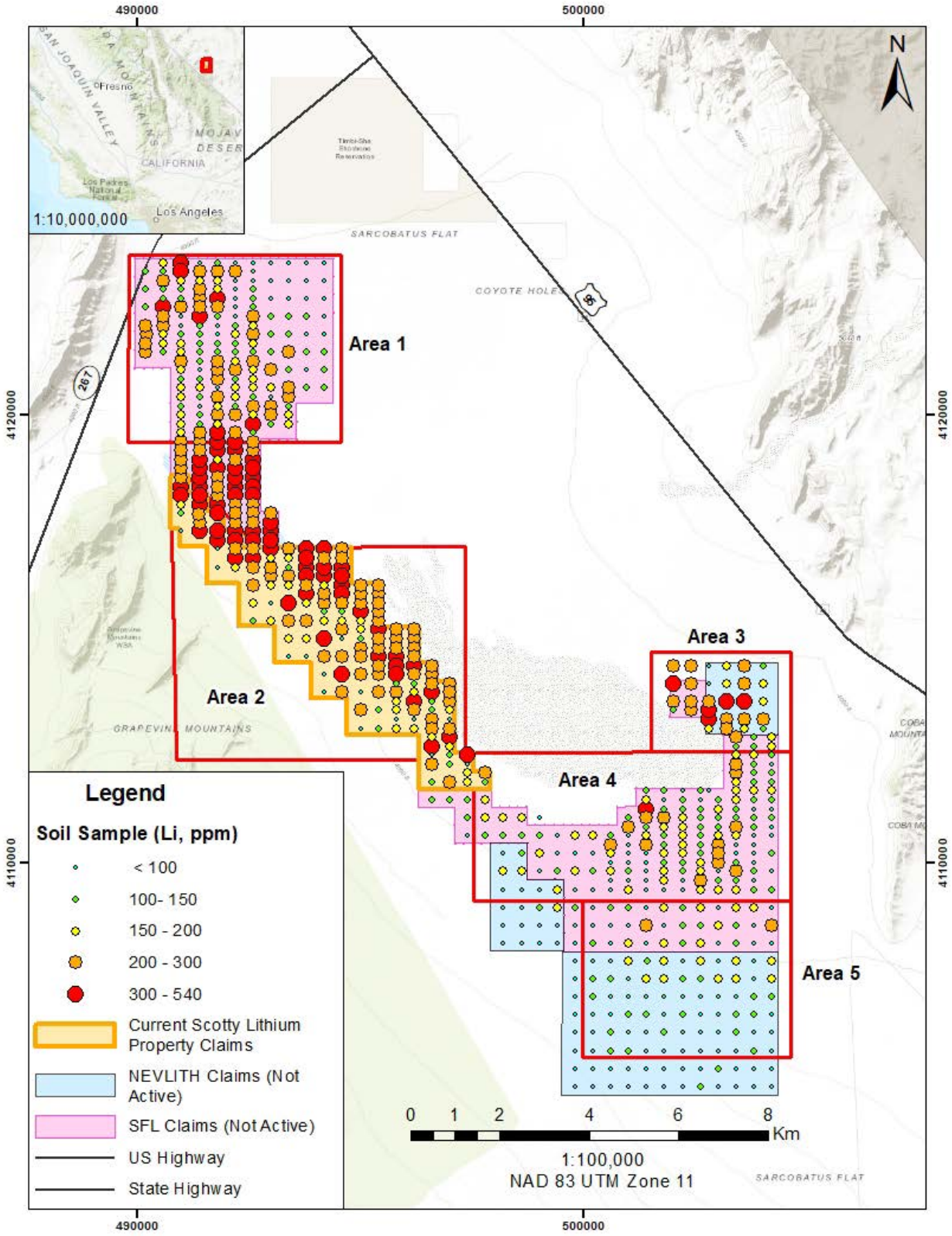

Figure 4-8**Table 4-3 to**

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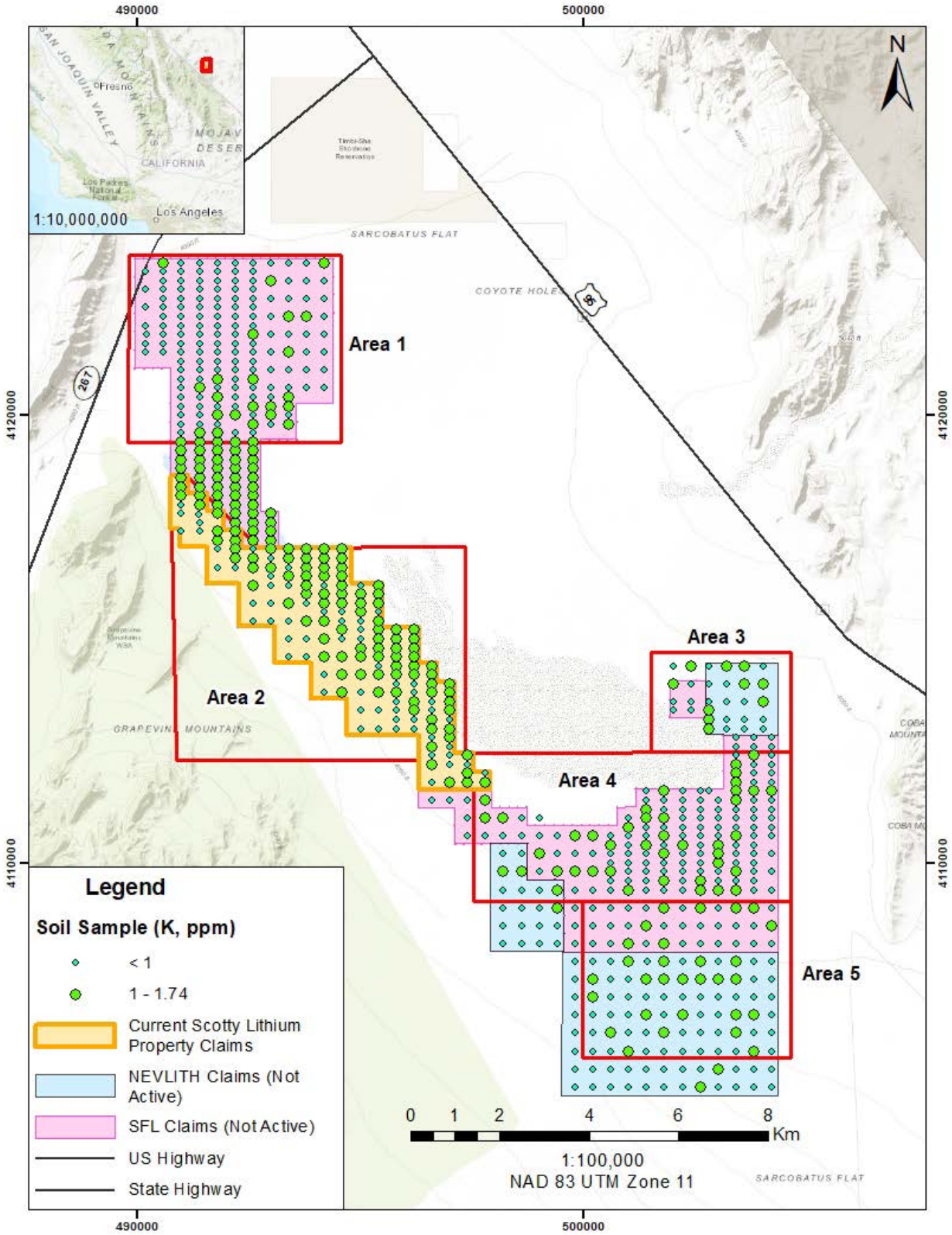

Figure 4-11).

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Table 4-3 Target Area Classification and Attributes

Zone	Characteristics	Target Geology	Samples >200 ppm	Samples >264 ppm	Max Li ppm	>165 ppm km²
Target 1	Northern Zone shallowing basin, combination of clays and alluvial fan with historical MT data suggesting potential for deeper sediments with basin	Sediment	39	13	540	5.4
Target 2	Western Zone along the flanks of basin with lake sediments exposed in the west and late alluvial fan material in the east	Sediment	99	61	448	10.0
Target 3	Easter zone long strike of Bonnie Claire. Alluvial Fan, lake clays and evaporites	Sediment	17	9	421	2.3
Target 4	Southern extension of Bonnie Claire deep sediments and brine targets suggested from historical MT Data	Sediment & Brine	15	5	364	7.0
Target 5	Southern margin extension of long axis of basin with historical gravity data suggesting clays and evaporites below alluvial fan material. Potential brines.	Sediment & Brine	2	nil	214	4.0

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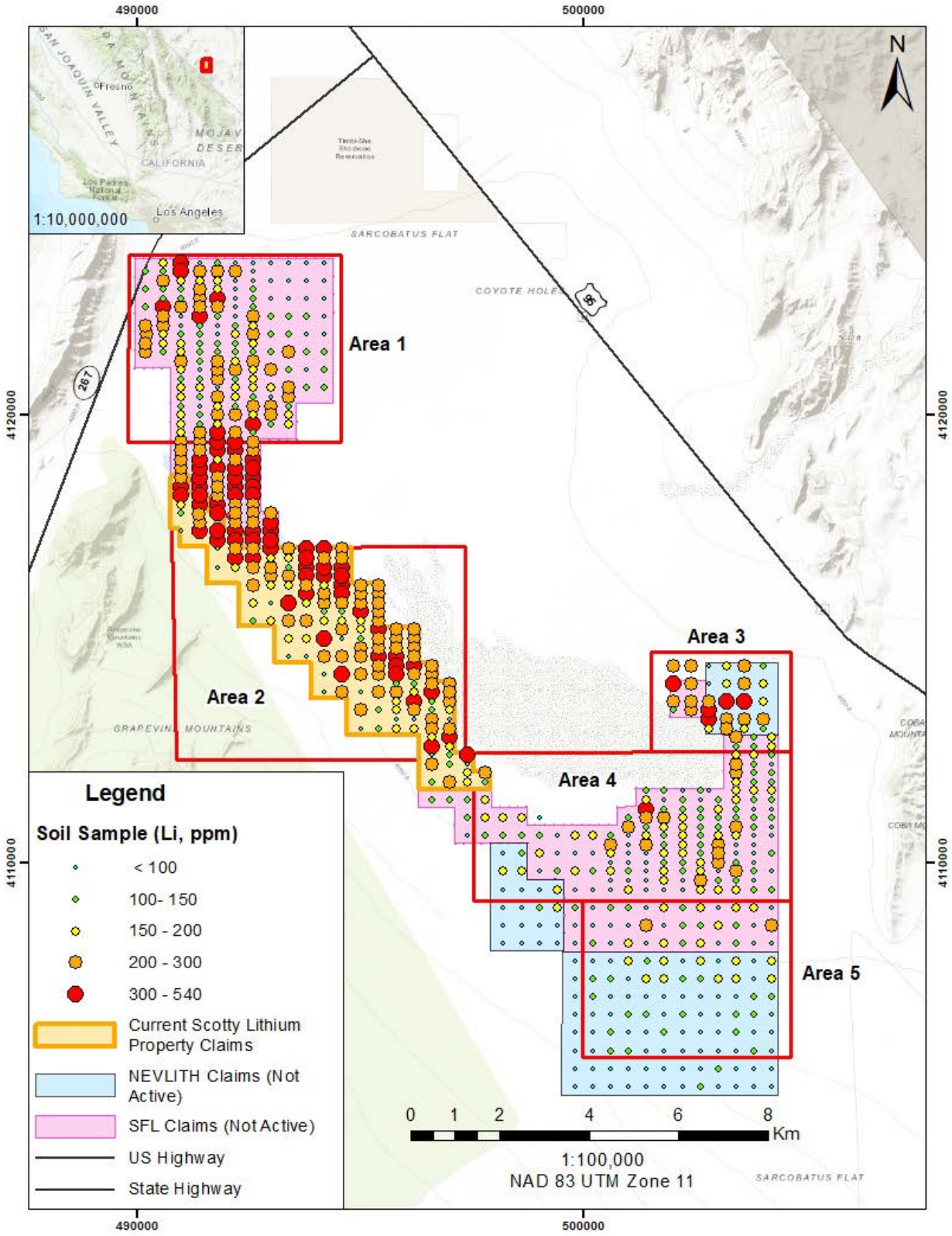

Figure 4-8 2022 Lithium Soil Sample Results

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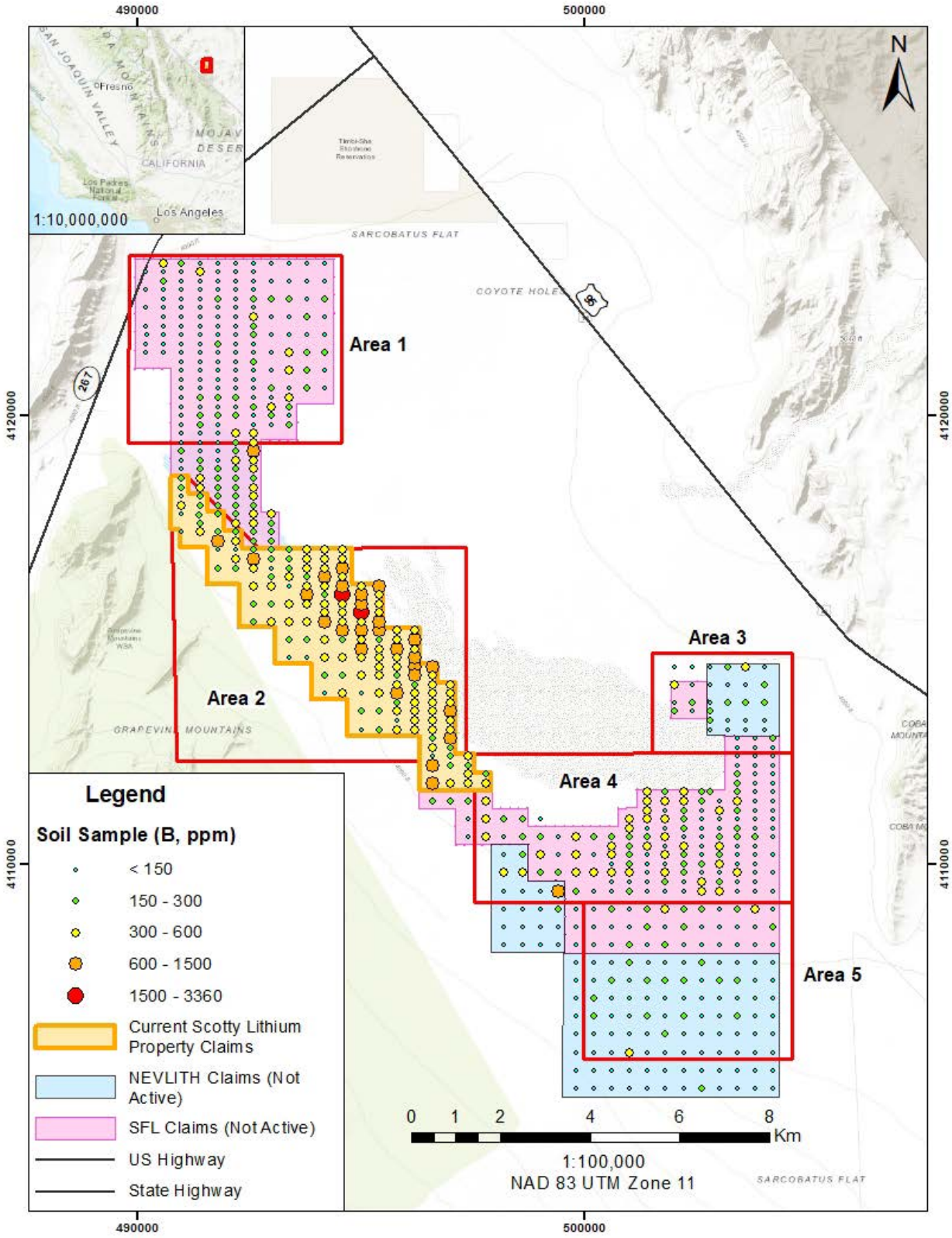

Figure 4-9 2022 Boron Soil Sample Results

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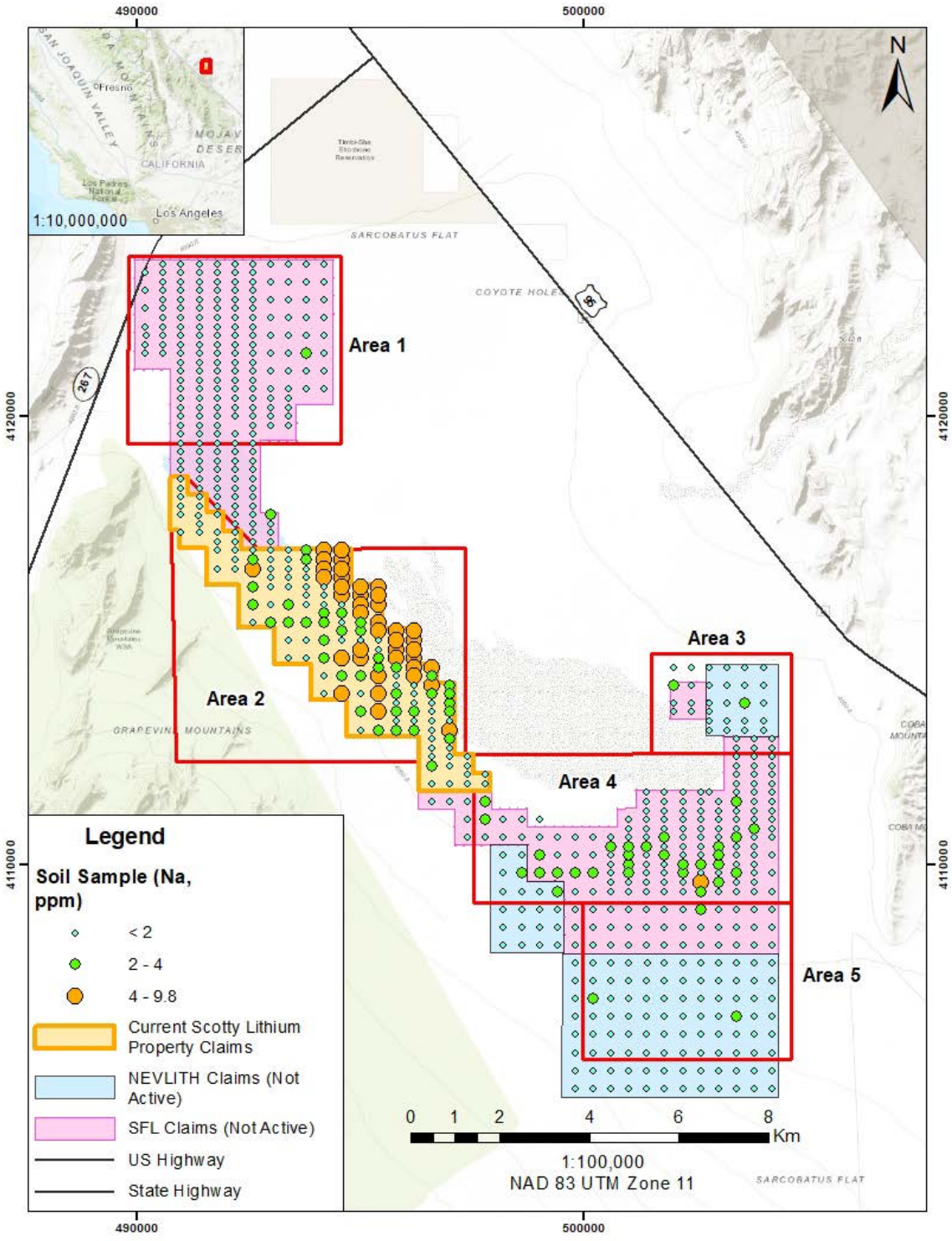

Figure 4-10 2022 Sodium Soil Sample Results

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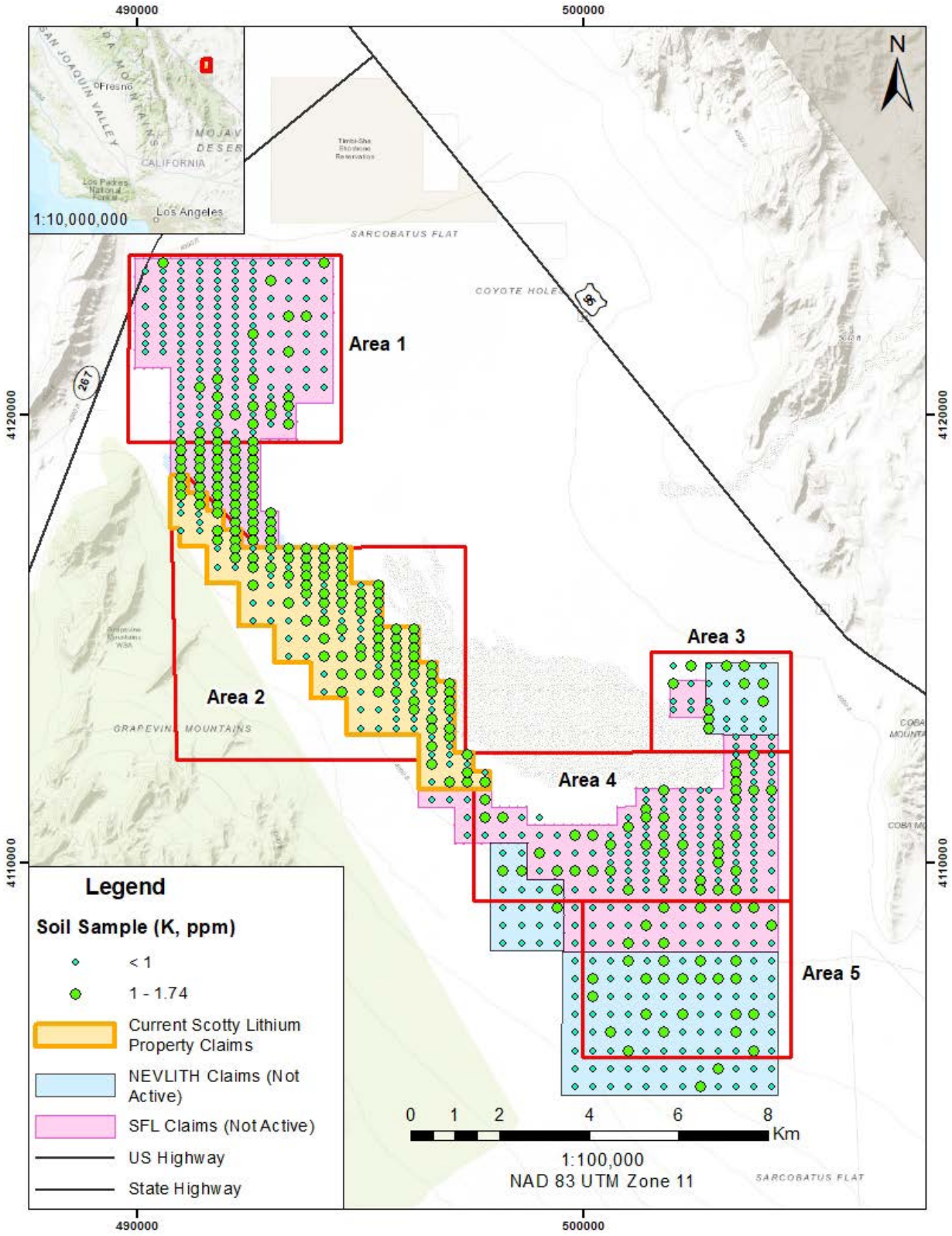

Figure 4-11 2022 Potassium Soil Sample Results

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Loyal also undertook an updated Magnetotelluric (MT) survey on the Property from December 2, 2022, through December 19, 2022. KML Geoscience conducted the field aspect and data acquisition which was then interpreted by Terra Resources. The MT survey consisted of 5 northeast-southwest survey lines trending 55°,84 total stations with each station at 200 m spacing. Line 1 through Line 5 were 5,200 m, 2,800 m, 3,200 m, 3,200 m, and 4,800 m, respectively, totalling a 19.2-line km survey.

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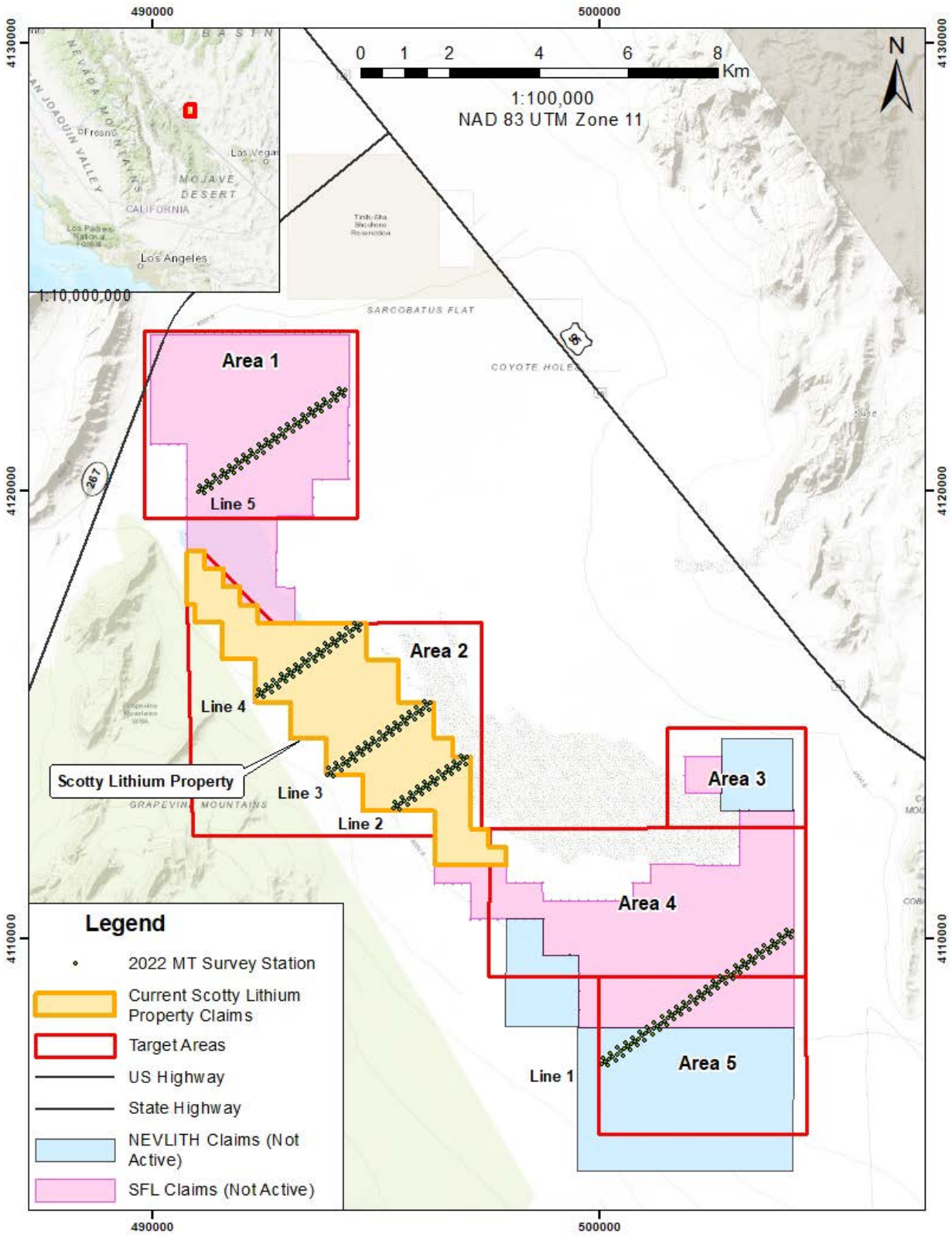

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Figure 4-12). The survey used Phoenix MTU-5C receivers and Phoenix MTC-155 (X,Y) magnetic coils, and frequency domains between 0.001 to 10,000 hertz. The collected data then underwent inversions completed by Phoenix using 2D RLM code and Geotools. The results of the MT survey defined strong conductors in basin-marginal positions which are consistent with existing MT data in the area (Hunt, 2022).

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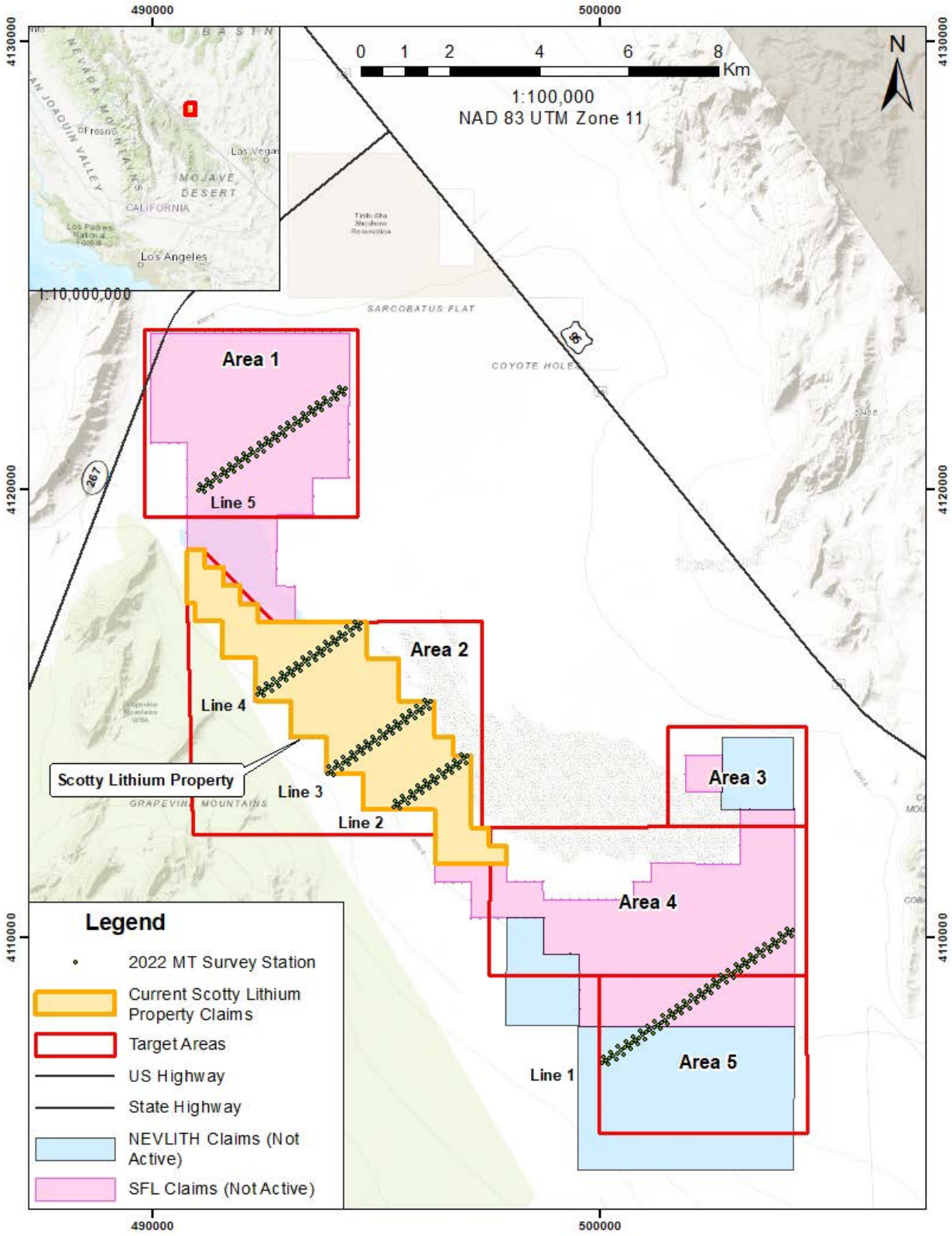

Figure 4-12 2022 MT Survey Line Locations

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MT survey Line 1 (Figure 4-13) resulted in a single conductive horizon situated on the southern edge of the basin where the sediment appears to be thinner, and no significant structural breaks are evident on the inversion section (Hunt, 2022).

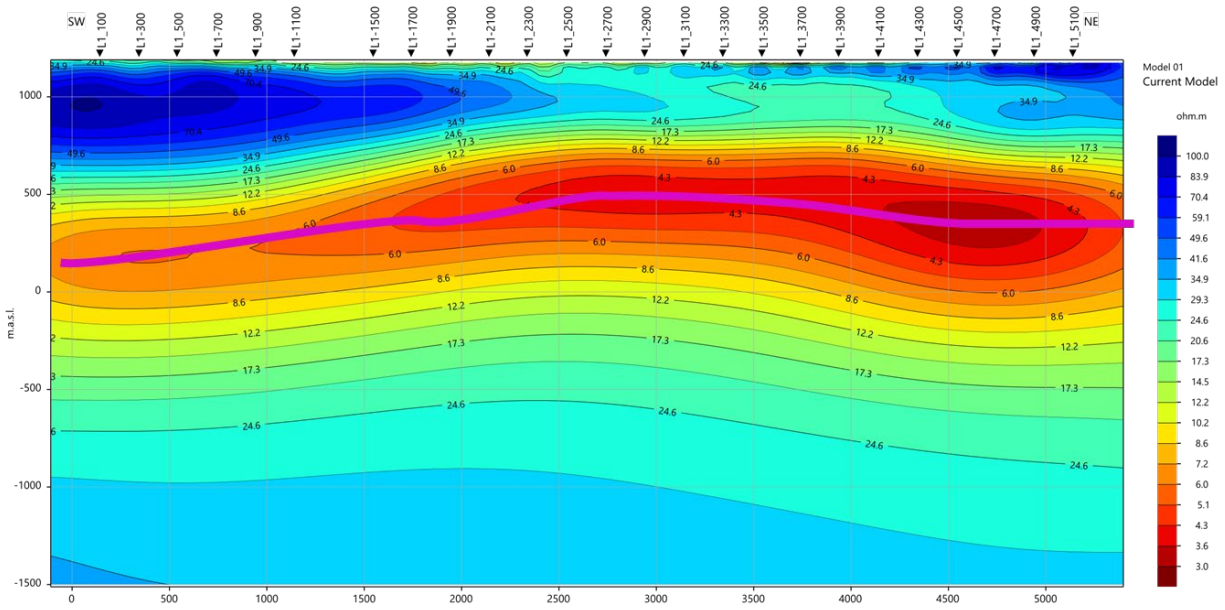

Figure 4-13 Line 1 Inversion Section

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MT survey Line 2 (Figure 4-14) illustrates a significant basin bounding a northwest-trending normal fault that is well defined in the center of the section, with an extensive conductive zone dipping northeast towards the basin center. Despite slightly higher resistivity (~3Ωm), this is the thickest section of conductive material within the middle of the section. The inversion suggests there are possibly two stacked conductive layers (Hunt, 2022).

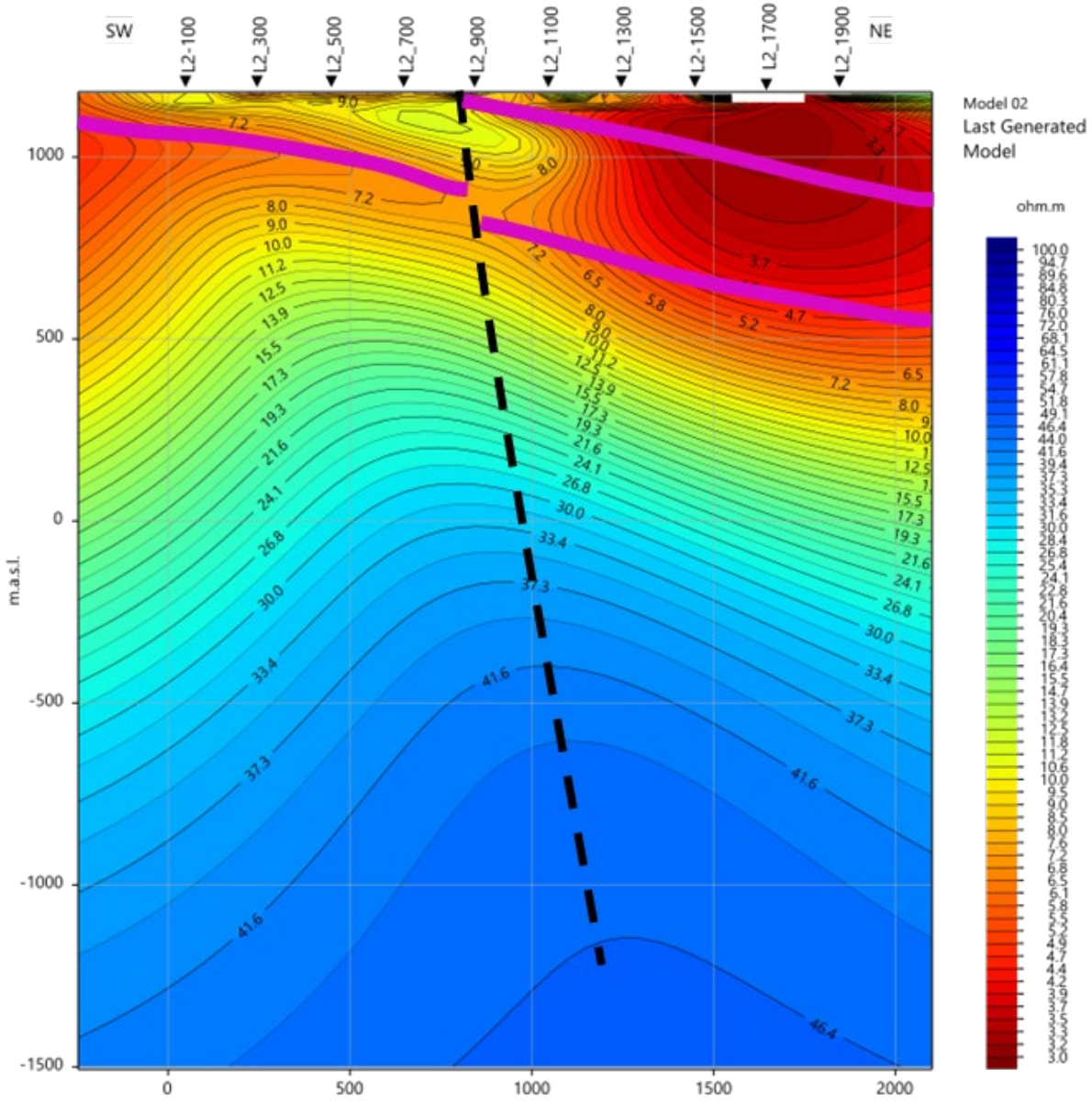

Figure 4-14 Line 2 Inversion Section

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MT survey Line 3 (Figure 4-15) resulted in the interpretation of horst geometry along the section with less confidence in the southwestern portion of the line. The northeast section shows thickening into the sub-basin with strong conductance defined at shallow depths (Hunt, 2022).

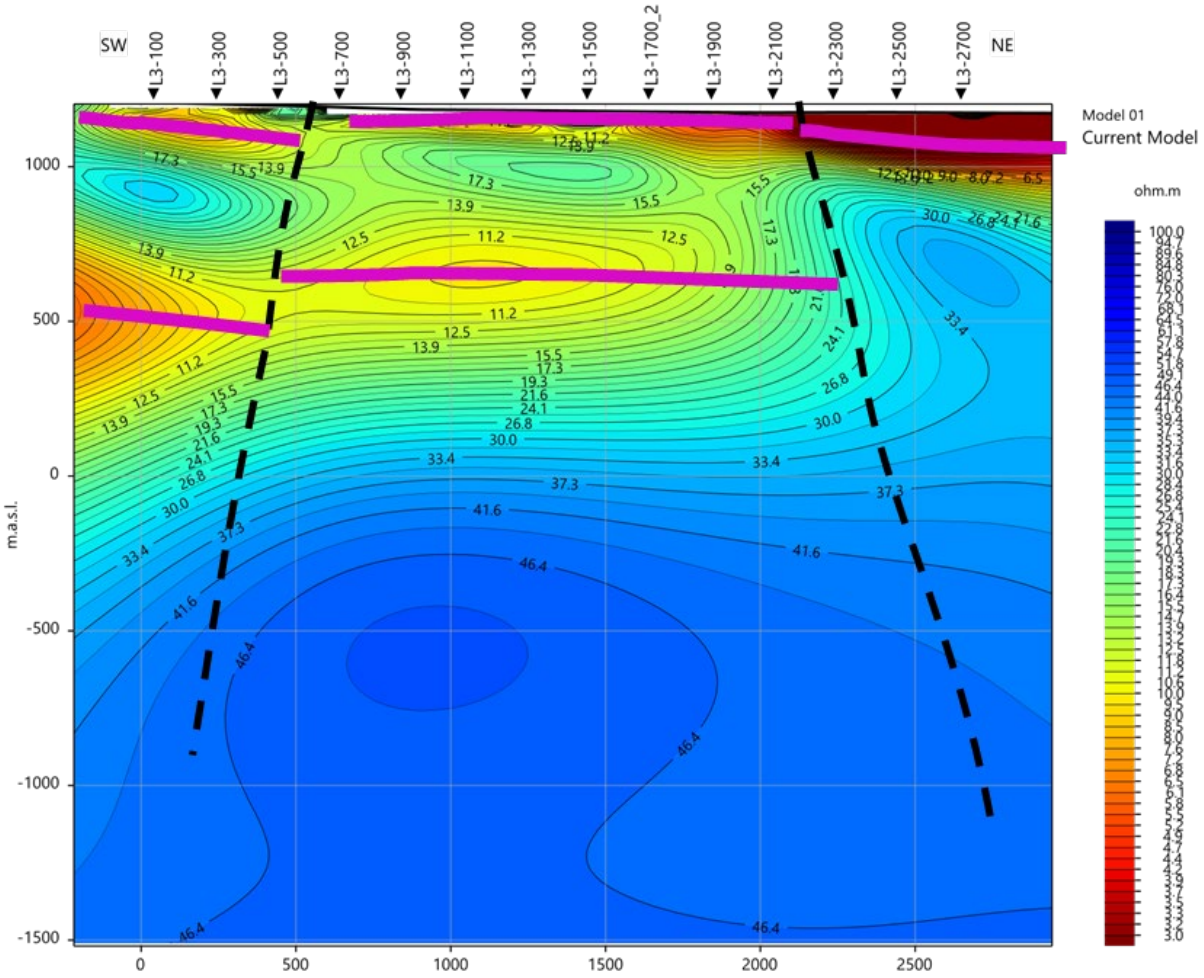

Figure 4-15 Line 3 Inversion Section

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MT survey Line 4 (Figure 4-16) shows the interpretation of a basin-bounding fault with a shallow conductor strengthening to the northeast and is the strongest conductor defined (< 1Ωm) during the 2022 survey. A secondary unknown conductor on the western edge of the survey line is present at depth, suggesting a possible correlation between the regional gravity and a basement feature (Hunt, 2022).

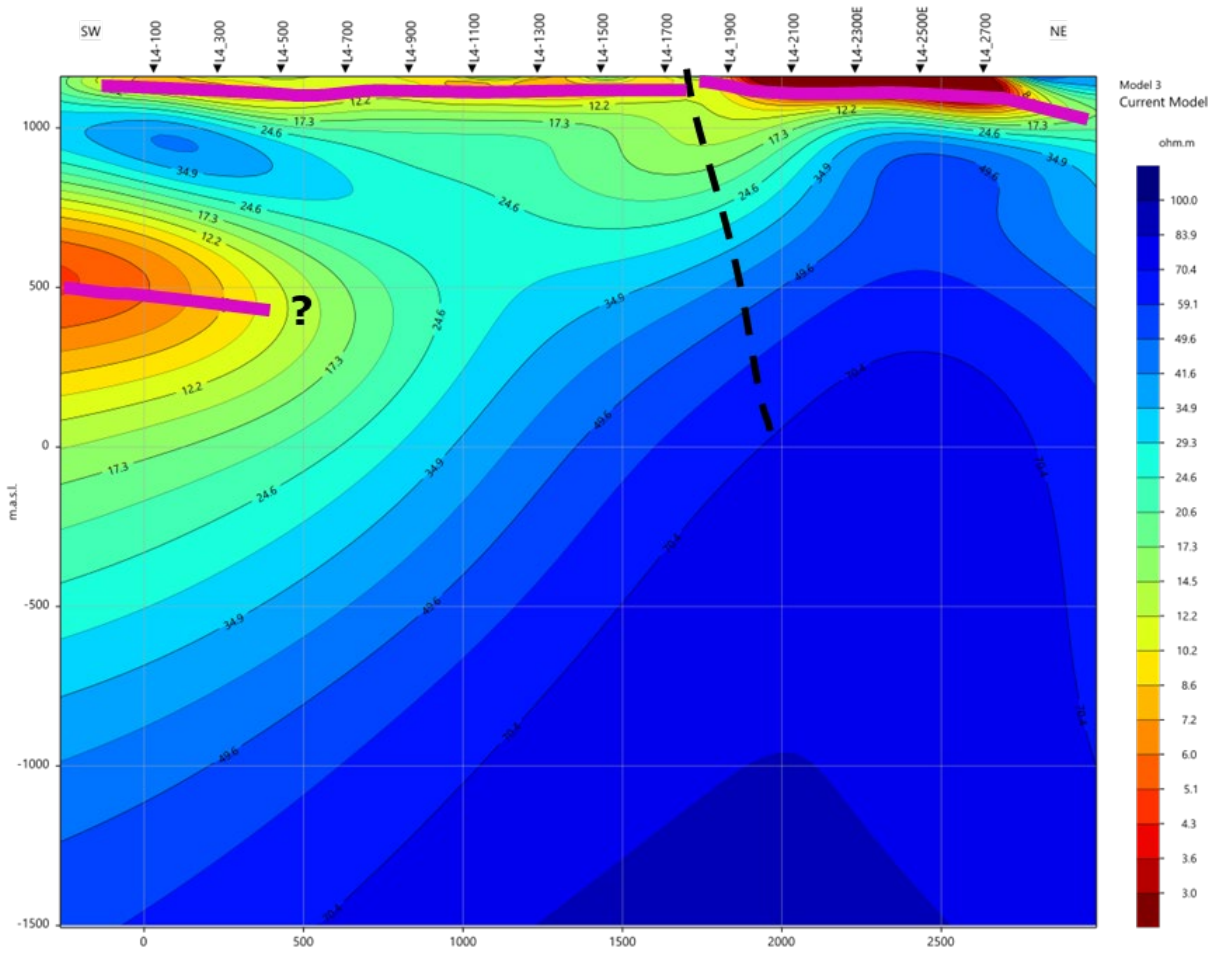

Figure 4-16 Line 4 Inversion Section

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MT survey Line 5 (Figure 4-17) resulted in the interpretation of a well-defined but weakly conductive unit compared to the other 2022 survey lines. The unit is represented as a tilted horst block and interpreted as a shelf position on the basin margin, suggesting it is less prospective for lithium targeting (Hunt, 2022).

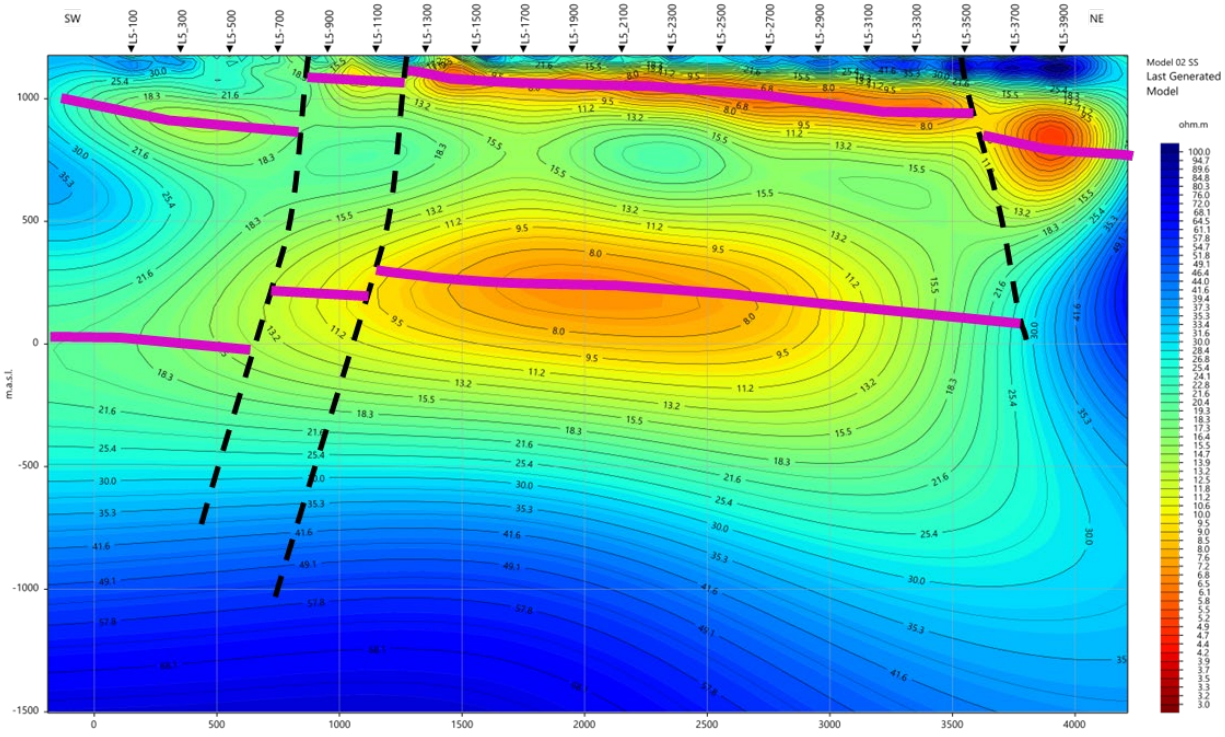

Figure 4-17 Line 5 Inversion Section

4.4 2023 EXPLORATION

In March 2023, Loyal Lithium conducted a sonic drilling program at the Scotty Lithium Project. This program was designed to test Areas of interest found during the 2022 Magnetotellluric surveys (MT). Each hole was planned to test areas with conductive sediments <1 to 5 ohm.m (Figure 4-13 to Figure 4-17). The program consisted of three (3) sonic drill holes with a planned total of 687.32 m. All holes intercepted bedrock at shallower depths than anticipated from MT geophysics interpretation. The drill program was conducted from April 28th, 2023, and ended on May 17th, 2023with a total meterage for the program of 512.06m. Each drill hole took an average of 5 days to complete. A LS™600 Sonic Drill Rig, operated by Boart Longyear was chosen for this phase of drilling due to its efficiency for shallow targets and to ensure sample quality and accurate internal representation of the lithologies, alteration, mineral assemblages, and potential visual lithium carbonate and salt mineralization (see Figure 4-18). Drillhole locations are presented in Table 4-4 and

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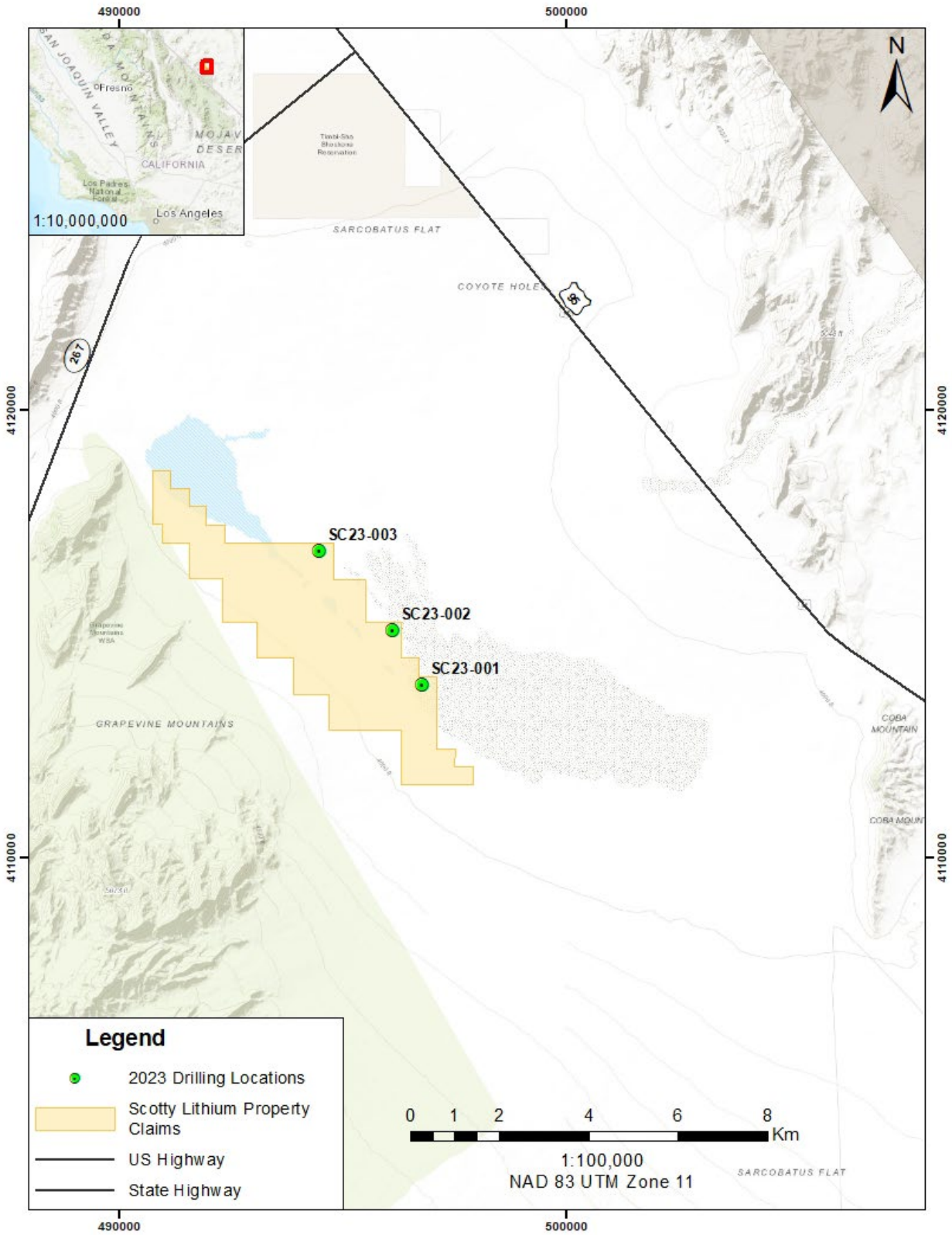

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Figure 4-19.

Table 4-4 Drill Hole Information

Hole ID	Easting (UTM NAD83)	Northing (UTM NAD83)	Elevation (RL)	Total Depth (M)	Dip
SC23-001	496790	4113870	1200	170.69	-90
SC23-002	496150	4115100	1200	169.16	-90
SC23-003	494488	4116845	1200	172.21	-90



Figure 4-18 Drillers Setting up LS™600 Sonic Drill Rig on Drill Pad.

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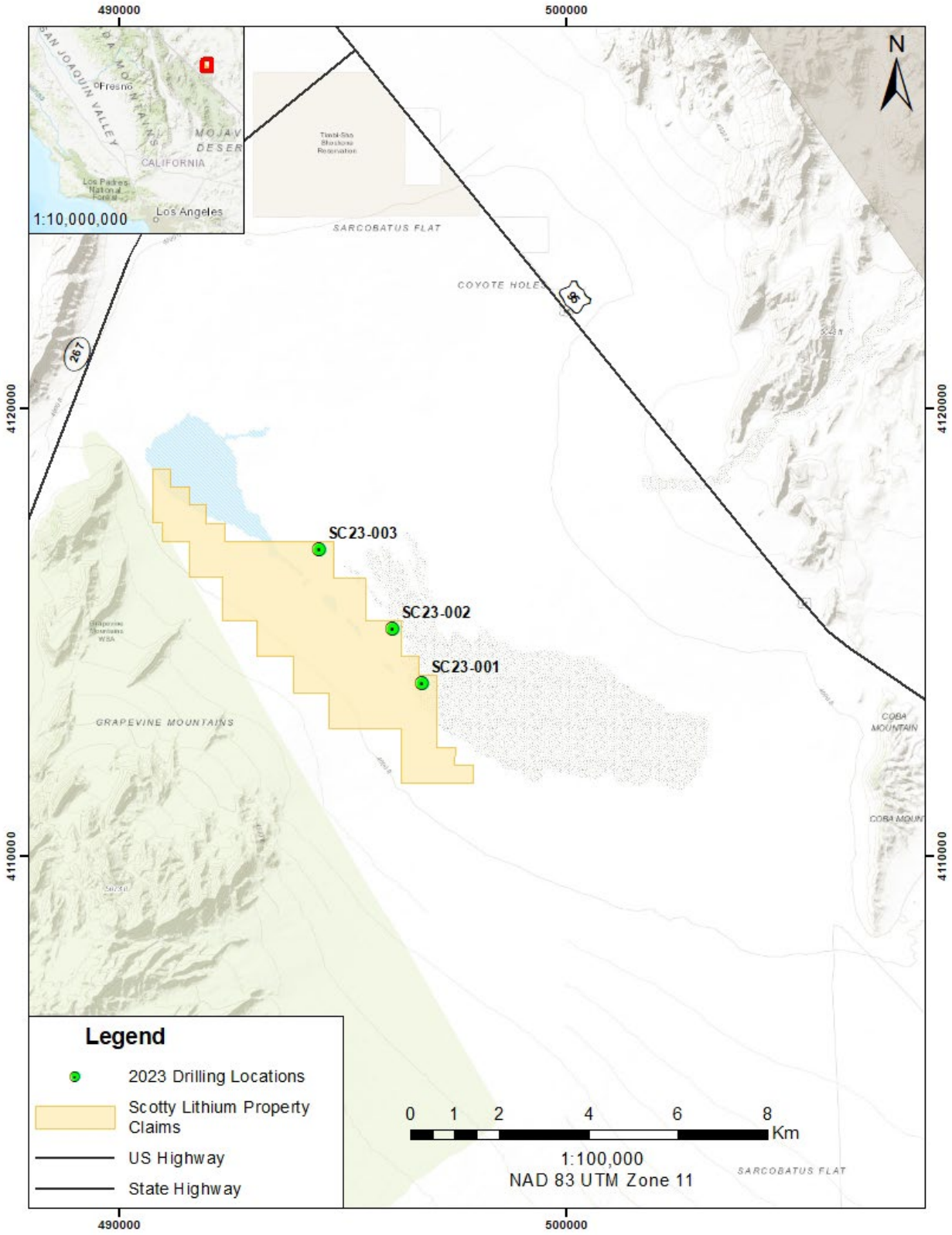

Figure 4-19 2023 Drill Hole Locations

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4.4.1 Geology

All holes encountered 4.75m of overburden consisting of unconsolidated sands and gravels at the top of each hole (See Figure 4-24,Figure 4-25). As seen in cross-sections from Figure 4-21 through Figure 4-20 through Figure 4-23, 5 main lithologies were found during drilling that will be discussed below. Once Lithium-bearing clays were reached, two horizons of oxidized clays were named OX01 and OX02. These are characterized by blackish green color (see Figure 4-24, Figure 4-27). Following the oxide intervals, the remaining material consisted of reduced olive-green colored clays designated as the Significant Upper (SU) layer and the Significant Lower (SL) Layer. These intervals are where the lithium is most prominent (Figure 4-25, Figure 4-26). Interbedded with the clays throughout all holes are small yet abundant silt, sand, and volcanic beds (Figure 4-28, Figure 4-29). It is important to note that not all lithium is present in these layers. However, these layers contain both significant and consistent lithium assay values. Silt and sand become considerably more abundant near the bottom of holes. This material is labeled as hard clay and clay-siltstone. This material becomes partially lithified near the bedrock interface. Bedrock identification was based on occasional euhedral feldspars, lower clay content than overlying clays, reduced moisture content, and lithification (see Figure 4-30). All three drilled holes in this program intersected bedrock ahead of expected. The most obvious example would be SC23-001, planned to be at 950 ft; however, bedrock was reached at 555 ft. The other two holes reached bedrock at similar depths, indicating a uniform basin depth across the property. Bedrock is likely higher than anticipated from MT results due to the volcanic bedrock's high degradation and clay formation. This degradation is due to bedrock erosion due caused by the movement of groundwater and lithium brines.

Water was encountered at 29 m, 100m, and 120m for drill holes SC23-001 to SC23-003, respectively, indicating a higher water table towards the south. In addition, the cross-sections displayed from Figure 4-20Figure 4-21 through Figure 4-23, the geological units also pinch out towards the south. This means there is likely an increase in porosity and less clay material towards the south to account

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for the pinching out. Heavy water content was encountered in hole SC23-002 from 99m to 120m, making recovery difficult, and only partial recovery was possible from 103 m—111 m in that zone.

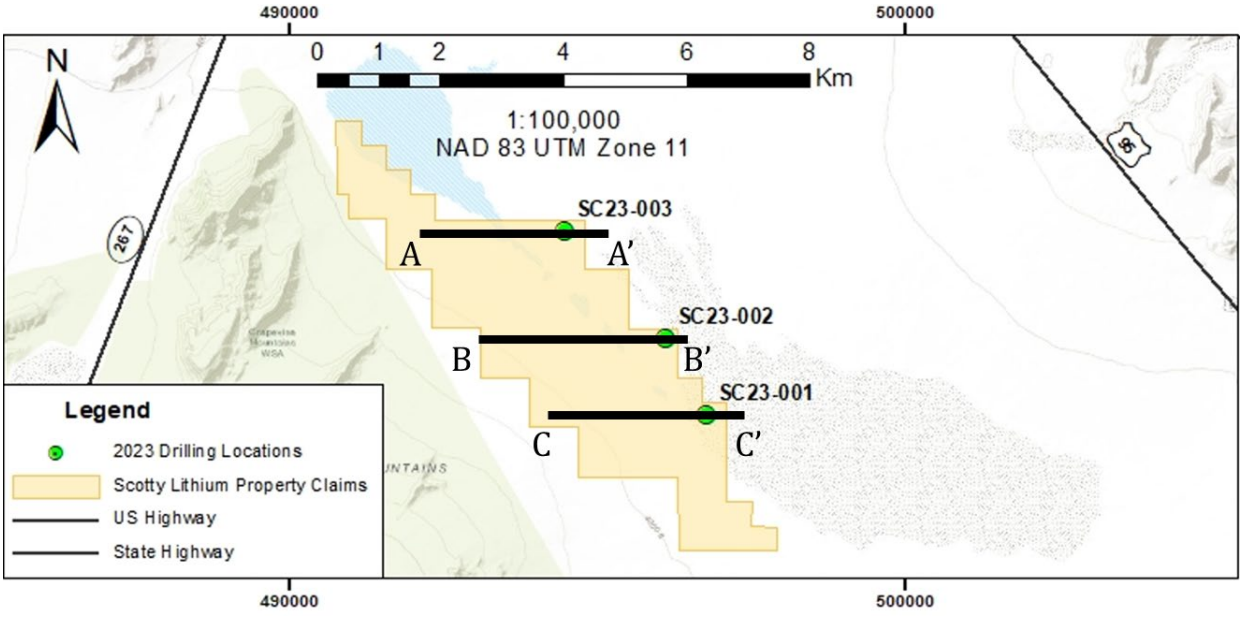

Figure 4-20 Scotty Lithium Project with Cross Section Traces.

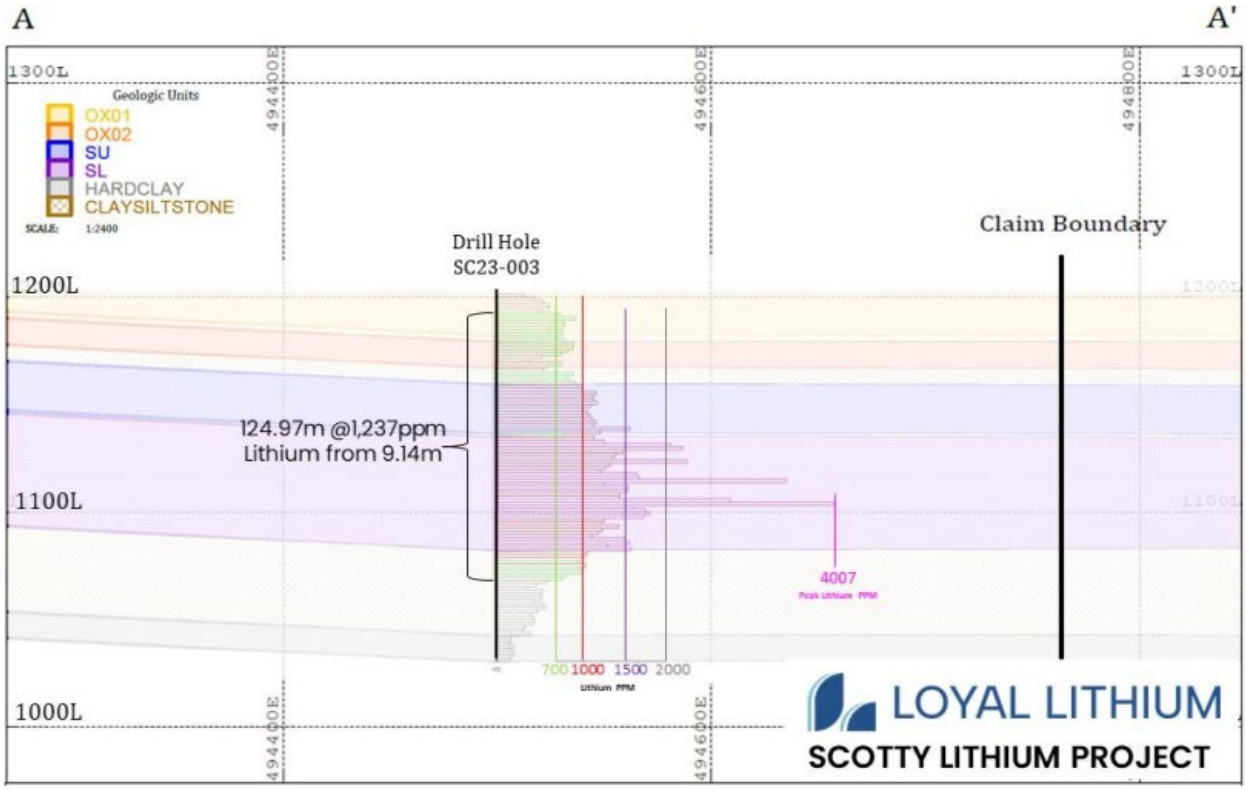

Figure 4-21 Geologic Model Cross Section of Drill Hole SC23-003

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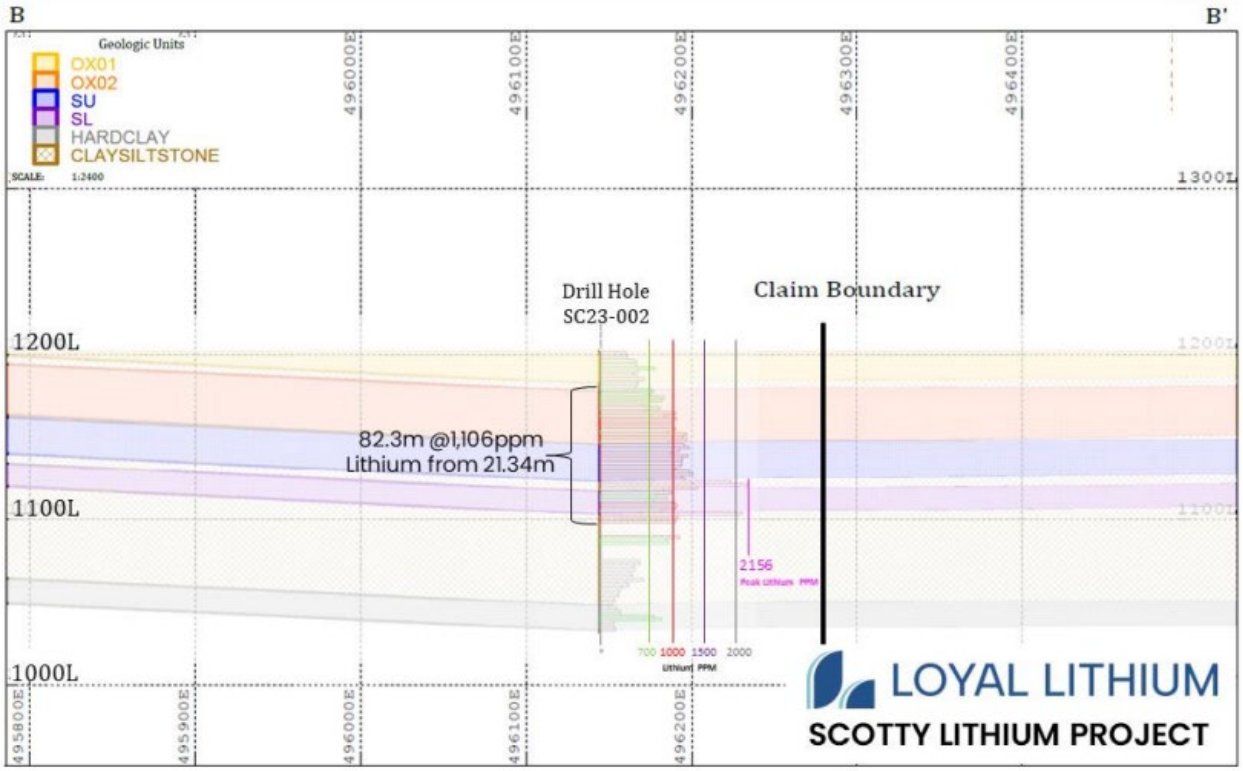

Figure 4-22 Geologic Model Cross Section of Drill Hole SC23-002

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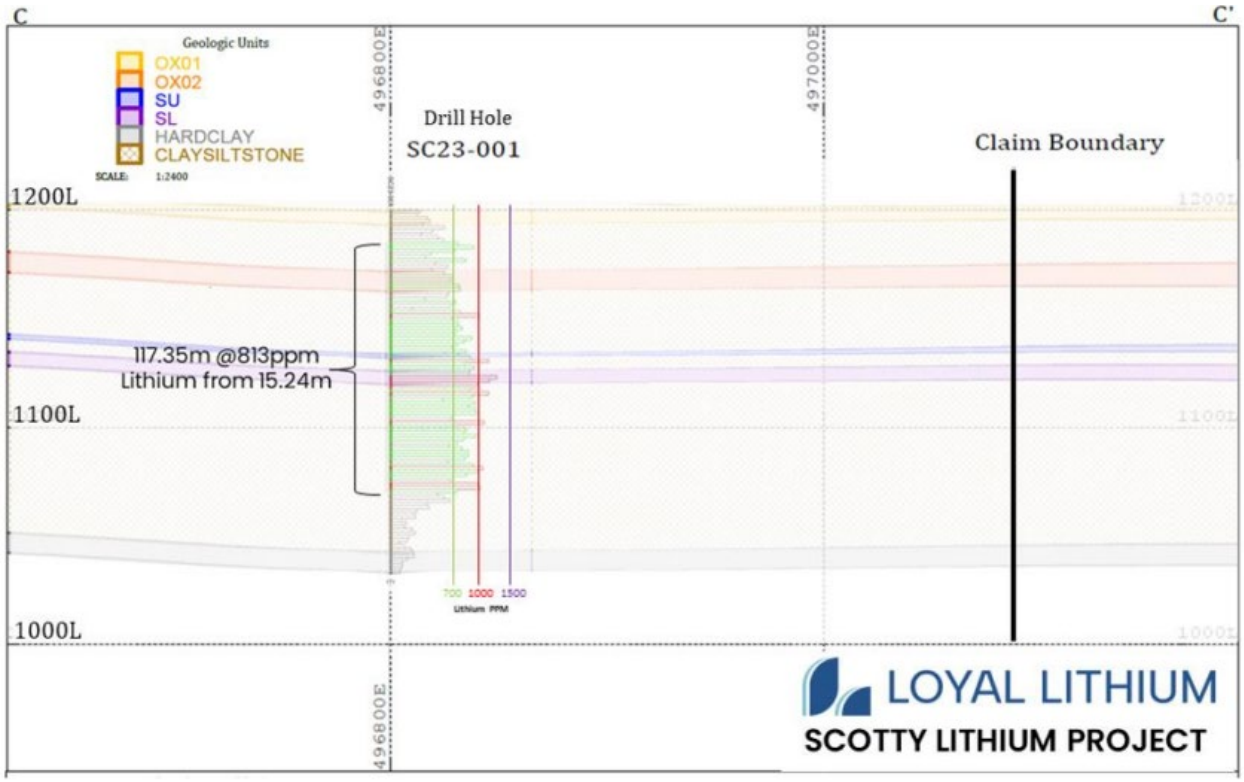

Figure 4-23 Geologic Model Cross Section of Drill Hole SC23-001



Figure 4-24 Example of Overburdening Sand and Clay at 0.0 – 1.52 m of Hole SC23-001

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Figure 4-25 Chip Tray from 0.0 - 30.5 M of hole SC23-003 showing brownish red overburdening sediments (0 – 4.75 m), olive green reducing clays (4.75 – 7.62 m, 9.14 – 19.81 m) and blueish green oxidized clays (7.62 – 9.14 m, 19.81 – 30.5 m).



Figure 4-26 Reduced Olive-Green Clay From 89.92 - 91.44 M in Hole SC23-003.

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Figure 4-27 Oxidized Blackish-green Clay From 22.86 m - 24.38 m in Hole SC23-003.



Figure 4-28 Example of Sandy Bed With Large Clasts of Sandstone From 45.72m - 47.24m in Hole SC23-001

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Figure 4-29 Example of Ash Layers From 73.15 m – 74.68 m in Hole SC23-002.



Figure 4-30 An example of Bed Rock is Where Larger Rock Clasts are Present at the end of the Interval With Hard, Partially Lithified Brownish Green Silt Above.

4.4.2 Mineralization

Mineralization results from the long-term erosion of the nearby abundant rhyolitic ash flow units in the surrounding mountains. Water transports the lithium from these units down from the mountains onto the Playa basin and evaporates on the surface to form lithium-bearing salts. What water that doesn't evaporate accumulates as brines near the water table and mixes with lithium-bearing

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groundwater. Lithium is typically found in the pore spaces of fine-grained sediments within the basin. As lithium-rich groundwater moves through the closed basin, the solution creates salts and calcium carbonate nodules rich in lithium within the pore spaces of the material. Areas with trace disseminated pyrite are also common and indicate higher lithium values. The assay results showed several significant intervals of lithium, shown in Table 4-5 and Figure 4-32 through Figure 4-34. The table and cross sections in Figure 4-20Figure 4-21 through Figure 4-23 show that mineralized intercepts thicken, and grades increase as you travel north. The thickest, highest-grade intercepts are in SC23-003, the hole farthest to the north. Figure 4-31, Figure 4-32,Figure 4-33 and Figure 4-34, show that the grade is highest in areas where the clays are reduced with minimal oxidation. As discussed in 4.4.1 Geology, the water table occurrence shallows towards the southern end of the property, indicating a fluid flow change, which could account for the drop in lithium grade and interval thickness.

Brine samples collected during the program show a similar north-south gradient. However, the fluids become rich in Lithium towards the south. As seen in Table 4-6, the average grade for Lithium in brines is nearly double, 2.81 ppm, in Hole SC23-001 than in Hole SC23-003, 1.50 ppm.

Table 4-5 Significant Intervals From 2023 Drilling.

Drillhole ID	Intercept meters	Lithium Grade PPM	Depth From (m)	Lithium Max Assay ppm over 1.52m
SC23-001	117.35	813	15.24	1,228
SC23-002	82.3	1,106	21.34	2,156
SC23-003	124.97	1,237	9.14	4,007

Table 4-6 Brine Intervals From 2023 Drilling

Drillhole ID	Intercept meters	Average Lithium Brine Grade PPM	Depth From (m)	Lithium Brine Max Assay ppm over 1.52m
SC23-001	141.73	2.81	28.96	6.86
SC23-002	48.76	0.94	120.4	1.64
SC23-003	60.96	1.50	111.25	6.14

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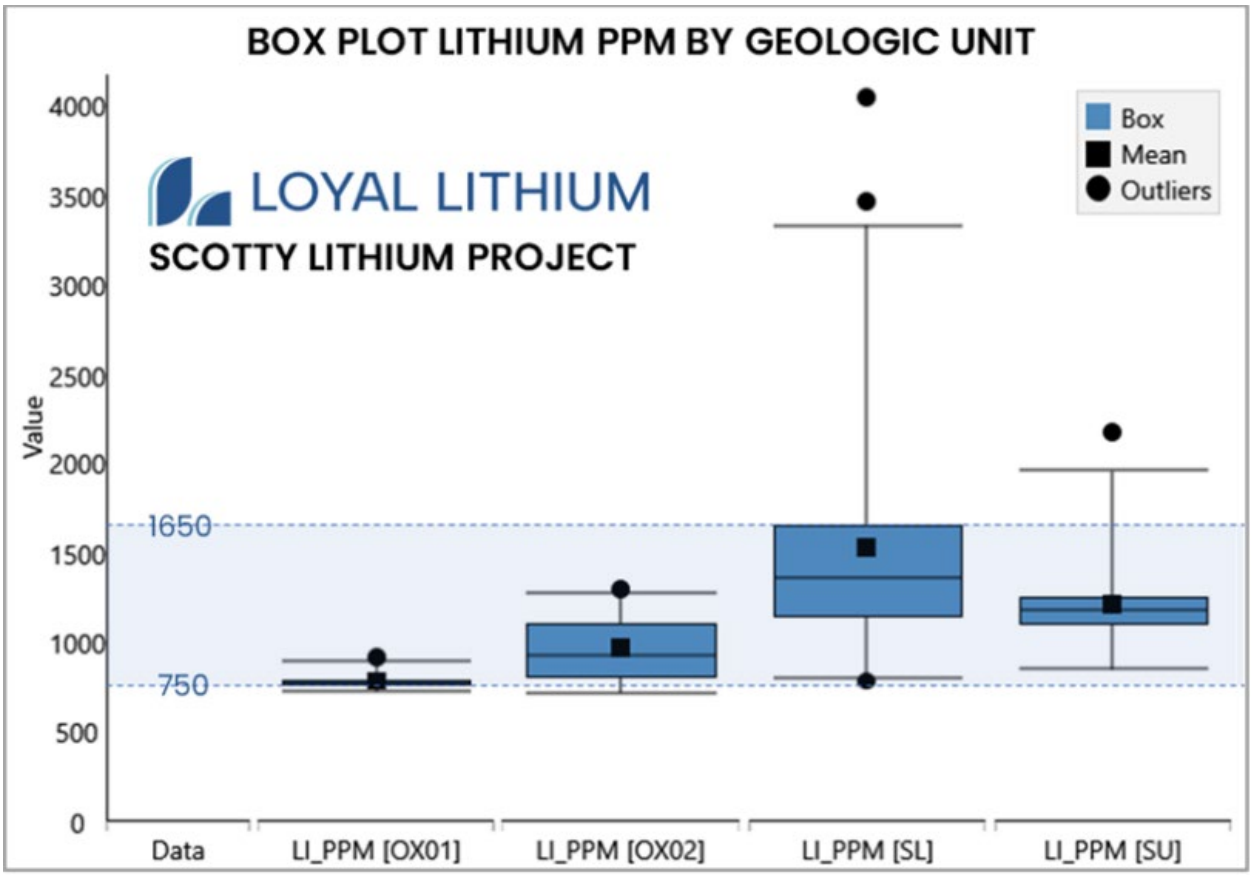

Figure 4-31 box plot showing lithium content for each of the 5 mineralized beds shown in cross sections.



Figure 4-32 Interval 97.5m to 99m From SC23-003 Containing 4,007 ppm Lithium.

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Figure 4-33 Interval 76.2m to 77.72m From SC23-002 Containing 2516 ppm Lithium.



Figure 4-34 Interval 77.72m - 79.25m From SC23-001 Containing 1228 ppm Lithium

4.4.3 Sample preparation

Samples were double-bagged by the drillers in 2.5-foot intervals. Logging and sample preparation occurred on 5-foot intervals at the rig once the geologists received the samples from the drillers (see

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Figure 4-35). The geologists logged the samples on a folding collapsible table. Core was staged in sequential order on the ground near the logging area. Once moved to the logging table, the outer bag was removed from each sample, and the inner bag was split with scissors to access the sample. Each sample interval was identified on a whiteboard and photographed. Logging was done by noting clay, silt, sand content, gypsum, calcium carbonate (Via HCl), NaCl (taste) content, and color using Munsell color charts. Following this, a representative sample was taken to fill a chip tray (see Figure 4-25).



Figure 4-35 2023 Sonic Drill Pad Logging Set Up.

Following the logging procedure, 325 core samples were collected in the same 1.52m increments. To do this, the geologists would split the core in half lengthwise and again in a quarter. This was done with either a steel knife, a 3-inch-wide chisel and hammer if the sample was partially lithified. One-quarter of the sample would be placed in a cloth sample bag denoted with the individual sample number. The other 3 quarters of the material were replaced in the outer bag, and the outer bag was zip-tied shut to eliminate contamination. Both the sample bag and the remainder of the sample were placed in the truck on-site for transportation to a storage facility at the end of each day, as seen in Figure 4-35. Each sample bag had a tag with a tear-away portion showing the sample number and barcode. The tear-away portion was removed and placed inside the bag to form triple redundancy to ensure the sample's integrity.

In addition, 41 Brine samples were collected at the end of every run (every 6m) once water was encountered. The water was collected after all core samples were removed, and all additional material and sediment-laden water were vibrated from the core tube. Once the water draining from

the tube cleared, a geologist would place a plastic dipper under the core tube and collect a water sample. After collecting the sample, the sampling geologist would allow it to rest for approximately 5 minutes to allow any sediment particles to settle out. Once all particles were settled, the solution would be placed into a 40-dram plastic vial. The plastic lid was placed on the dram and secured with electrical tape around the contact with the lid and the vial to ensure security and reduce contamination. Finally, a waterproof label was placed on the vial, and the brine sample ID was written on it. brine samples were to be stored in the hotel rooms of the geologists within the provided refrigerator until a sample run was made.

4.4.4 Quality Control & Quality Assurance

Sample lists were pre-prepared by Dahrouge geologists ahead of each hole being commenced. Quality control samples were placed into the sample stream at this time. These samples included blanks (OREAS-22H) every 60.96m, duplicates every 45.72m, control samples, and certified reference material (CRM's, OREAS-174, and OREAS-700) every 30.5m. 18 CRM's, 12 field duplicates, and 15 blanks were inserted during the program. It was requested that the laboratory take a replicate sample for every 20 samples. At least 3 QA/QC samples were inserted for every 20 samples, with each hole having six CRMs, four field duplicates, four blanks, and six requested lab replicates. Geologists also prepared sample submittal lists according to the American Assay Submittal form. This list included the full list of sample numbers submitted and the full amount of control samples, including blanks, CRMs, field duplicates, and requested lab replicates.

4.4.5 Laboratory Sample Preparation & Analysis

All samples and additional material were stored securely at the Florence mine site in Goldfield, Nevada. At the end of each day, geologists would travel to Goldfield and stack all unsampled material and samples on pallets. All unsampled materials were stacked two wide and 5 to 6 rows tall, depending on the diameter of the material. Samples were stored stalked in sequential order on separate pallets.

Samples were to be delivered by truck to 1500 Glendale Ave, Sparks, NV 89431. Hard and electronic sample lists were created and provided to the lab. All sample deliveries were overseen by a geologist.

Core sample Preparation (prep code P-C7J3) consists of sample drying followed by crushing with >70% passing 2mm, followed by a 300g split using a Jones Riffle splitter, and then is pulverized to >85% passing 75 µm. The analysis method (analysis code IO-NF27) is a 27-element package utilizing Inductively Coupled Plasma-Optical Emission Spectrometry (ICP-OES) with sodium peroxide fusion (considered a total digestion). Brine samples solution analysis (solution assay code IO-LiBRI) was conducted using ICP-OES for lithium. Multiple intervals in hole SC23-002, from 99.06m to 106.68m, had recovery issues due to the heavy water content in the water table. Samples in these intervals were either completely unrecovered or only partially recovered.

4.4.6 Data Verification

A comparison of the assayed values and the inserted QA/QC samples indicated no concerns and suggested a strong correlation with the collected field and lab controls as shown in Figure 4-36 through Figure 4-39. One outlier occurred in drill hole SC23-002, sample ID PN0001770364, which was supposed to be an OREAS 174 CRM. A thorough investigation of all data associated with the assay suggests that an OREAS 700 CRM was inserted instead of an OREAS 174 CRM, as the corrected Li value for this standard would make the outlier fit in with the rest of the data set. Two additional discrepancies occurred with inserted blank CRMs as the verified values for Lithium, which suggests possible cross-contamination, the source of which is not known.

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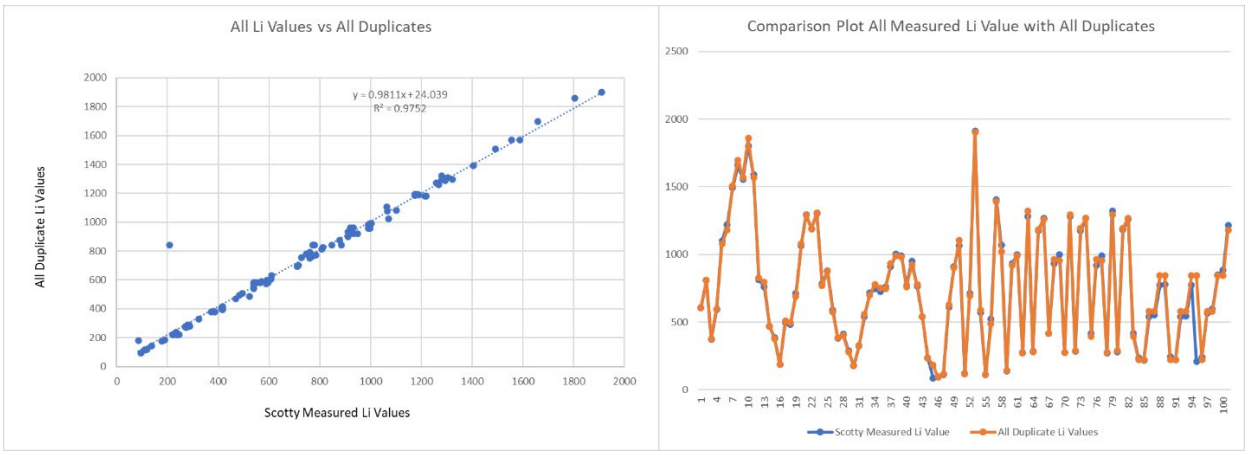

Figure 4-36 QA/QC Duplicate Insertion Sample Comparison.

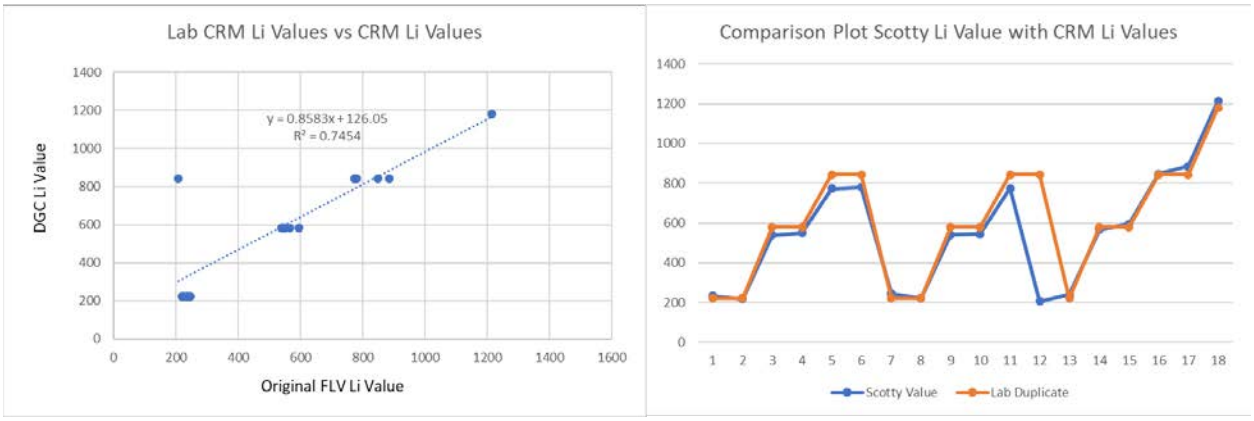

Figure 4-37 Comparison of Laboratory Measured and Certified CRM Values

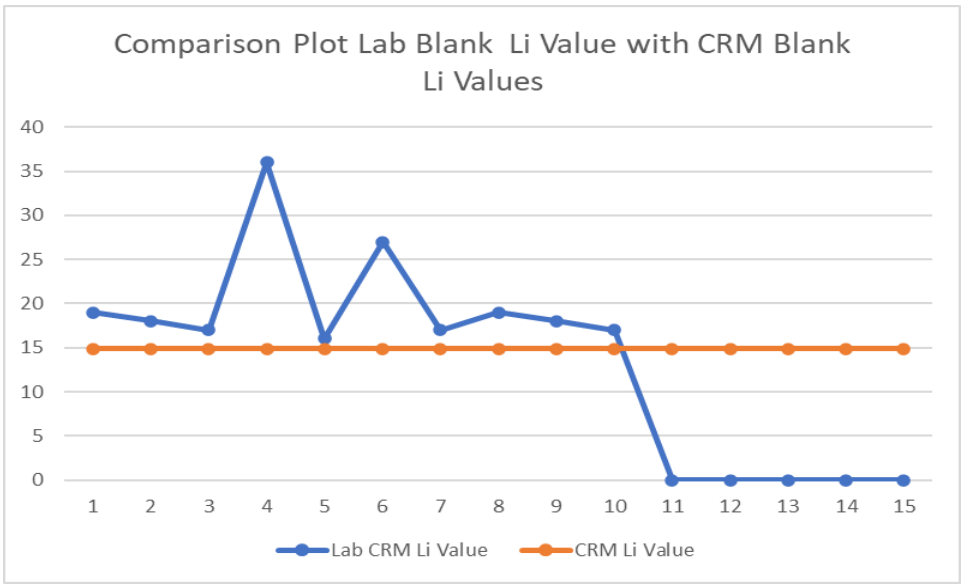

Figure 4-38 Comparison of Laboratory Measured and Certified Blank Sample Values.

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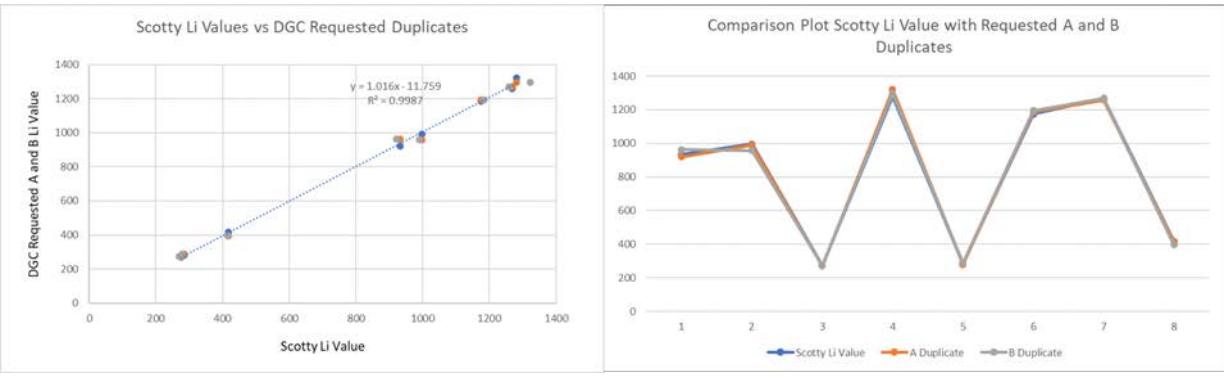

Figure 4-39 Comparison of Laboratory-Requested Replicate and Parent Values.

5 EXPLORATION TARGET MODEL

Dahrouge Geological Consulting created an Exploration Target model consisting of all data collected in the sections mentioned above. The Exploration Target and its potential quantity and grade is conceptual in nature for there is insufficient exploration to estimate a Mineral Resource. In addition, there is no guarantees that further exploration will result in an estimation of a Mineral Resource or Mineral Reserves.

Results of the Exploration Target are outlined in the table below (Table 5-1) designated by a lower and upper range of million tonnes (Mt) and grade (ppm Lithium). The results are based on data collected from all previous exploration activities, which entail data such as geophysical surveys, soil samples and exploration drill holes.

Table 5-1 Scotty Lithium Exploration Target

Exploration Target		
Range	Tonnes (Mt)	Lithium (PPM)
High	837	1,175
Low	460	1,145

Drill hole data identified from logging was incorporated into a 3Dimensional geologic model This model showed the relationships between oxidizing and reducing clays within interbedded sands. As discussed in sections 4.4.1 Geology and 4.4.2 Mineralization, the stratigraphic units identified through the modeling process appear to pinch out toward the south. In addition, the water table shallows toward the south, and assay results showing lithium intervals and grades lowering show that although the units appear to be continuous across all drilling, there is a change in fluid flow in the area toward the south, and lithium concentration farther north. This data will help to guide future exploration of the Scotty Lithium Project.

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Three holes drilled in 2023 were all part of the same fault block, calling into question the continuity of mineralization in other fault blocks. The fault blocks were created using mapped structures and geophysical data to trace structures through the deposit. This was done using Maptek Vulcan.

Exploratory Data Analysis of the drilling data resulting in testing of different composite intervals of 1.5 meters and 10 meters. Both compositing intervals showed a high level of variability in the Li ppm assay and warrants further exploration to establish continuity. The high level of variability in the sample data resulted into not having a proper variogram to exhibit continuity in the data.

Using the composite interval of 10 meters the model was estimated using inverse distance squared (ID2) as well as a nearest neighbor estimate for validation of the estimate. Statistical analysis of the estimate was used to calculate the ranges for the Exploration Target.

Due to limited number of drill holes as well as variance in the assays, additional drill holes are advised. These drill holes are recommended to step out away from the previous holes and are suggested to be drilled outside of the fault block previously drilled in the 2023 Sonic Drilling program. Further exploration should test the continuity and test the location of potential faulting which could have a heavy influence on the Exploration Target.

6 INTERPRETATIONS AND CONCLUSIONS

Lithium from the surrounding rhyolitic tuff mountains surrounding the basin formed both lithium clay and brine deposits in the Scotty Lithium Project. This Lithium is typically found in salts and calcium carbonate nodules in pore spaces between fine-grained silts, sands, and clays. These clays are typically reduced with a olive green colour. Stratigraphically speaking, these units are relatively continuous over the basin's length. However, reduced, oxidized, and mineralized horizons throughout the Scotty Lithium Project appear to pinch towards the south. Assay results for both sonic and brine samples also show a similar trend, with intervals in Table 4-5 and Table 4-6 showing Lithium assays being higher towards the north and brine assays being higher towards the south. This along with the water table occurrence indicates increasing porosity and decreasing clays and increasing porosity towards the south end of the deposit.

In addition, a JORC-compliant Exploration Target model has been created using the current data from drilling, MT surveys, and surface soil sampling. The drilling done to date on the Scotty Lithium Project has not delineated any structures identified by Mt surveys conducted on the property. This creates uncertainty for the continuity of the lithium bearing sediments within the basin. Future drilling is recommended stepping out from the three completed drill holes to test if mineralization extends beyond these faults. This future drilling would prove the continuity of the lithium mineralization in different fault blocks and provide sufficient data to help establish an Inferred resource for the deposit.

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7 RISKS

The Author wants to make clear that while the SFL claims have been independently verified using the United States Bureau of Land Management (BLM) LR2000 database and are in good standing, the 264 NEVLITH claims were staked in January of 2023, these claims were dropped by Loyal in 2024. The Author has verified the SFL Claim Certificates with assigned serial numbers,

An additional risk associated with the Project is related to the extraction methods and economics of lithium carbonates and salts. Known extraction methods and elemental liberation methods from clays are continually being engineered and developed, whereas brines and pegmatites have successfully extracted lithium for several decades.

Future exploration activities have the potential to decrease or negatively effect the Exploration Target.

The Author is unaware of any additional significant factors or risks that may affect access or the right to perform work on the Scotty Lithium Project.

8 PROPOSED EXPLORATION PROGRAM AND BUDGET

Based on the success of the 2023 sonic drilling program undertaken by Loyal, additional work is recommended to evaluate the mineralization potential of the Project. The work program should consist of the following and be carried out in a phased approach based on each objective's success.

- Ground Survey:
    - Complete a survey of the claim's boundaries inclusive of the surface features present targeting the edge of the playa lake sediment evaporite contact with the coarser alluvial fan sediments on surface and the elevated playa sediments and rim boundary of the lake surface. A LiDAR survey may be completed if found to be more suitable for surface contacts/features.
- Geophysics:
    - Complete a 3,000-line km survey using Drone MobileMT. Traverse spacing will target 200 m over an area of 15.7 km^2. A geophysics survey is planned that will be focused over the current claim boundary (195 20-acre claims). The results will be used to interpret the subsurface geology of the playa basin and the depth of playa lake sediments and respective contact depths with the basement material. The survey would also further delineate the types of sediments including sandstone and clay, the depth of water table within both the sediments and basement will also be interpreted from the geophysical data.
- Drilling:
    - Complete a Property wide drilling campaign on 1km by 1km spacing. All drillholes will be vertical to a maximum depth of approximately 155 m for drillholes located in the east and potentially <150 m depths to the west.
        - Maximum drillhole depths will be dependent on the depth in which basin is encountered. Dependent on the geology encountered, it is expected that the basin may shallow rapidly towards the west due to the horst and graben type

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faulting (with eastern blocks that have down dropped) as defined by the geophysical MT surveys completed in 2022 by KML Geoscience.

- Drilling will explore for the extension of the lithium mineralization discovered near the easternmost claim's boundary defined by the drilling completed in 2023 that encountered intervals of >700ppm lithium over an average interval length of 108 m.
- Drilling will likely be a combination of both sonic and core. To ensure sufficient sample recovery is achieved, diamond core will be required.
  - During the drilling campaign completed in 2023, SC23-002 had 7.62m of no sample recovery between 99.06 m to 106.68 m. This type of sample loss will be minimized by using traditional diamond core methods as opposed to sonic.
  - New drilling that will be located further to the west of the 2023 drillholes that is located closer to the edge of the playa basin, may be easier to recover all sample intervals due to the potential of less groundwater at the basin edge. Core drilling will be required between the completed drillholes SC23-001 and SC23-003 (two drillholes) to ensure full sample recover.

- Exploration Target

Dependent on drilling results, interpretation of the basins subsurface geology, a 3D geological model will be built and the subsequent JORC Exploration Target model will be revised and updated. Estimated costs for the exploration efforts noted above are presented in Table 8-1Table 8-1.

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Table 8-1 Scotty Proposed Exploration Budget

The Company's proposed exploration and development budget is set out in the table below:

Exploration expenditure	Year 1 ($)	Year 2 ($)	Total ($)	%
Heritage and tenure	67,500	67,500	135,000	4.74%
Geophysical surveys (including aeromagnetic, IP, DTEM & VTEM)	120,000	30,000	150,000	5.26%
Management & Logistics	252,500	207,500	460,000	16.14%
Drilling	460,000	1,100,000	1,560,000	54.74%
Preparation of Geological Report; including JORC MRE Reports and preparation of Geological Images	-	100,000	100,000	3.51%
Assays & Metallurgical testwork	200,000	245,000	445,000	15.61%
Total	**1,100,000**	**1,750,000**	**2,850,000**	**100.0%**

Notes:

1. All of the above exploration expenditure is allocated to the Scotty Lithium Project except for $400,000 which is allocated to the Mt Monger Projects.

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10 CONSENT OF COMPETENT PERSON

The information in this Geologist Report, dated July 21, 2025, that relates to exploration results and the exploration target for the Scotty Lithium Project is based on and fairly represents information compiled by Mr. Jacob Anderson., CPG, MAusIMM, who is a member in good standing with the American Institute of Professional Geologists (license number 12160) and Australasian Institute of Mining and Metallurgy (license number 3089445).

Mr. Anderson is a Professional Geoscientist and independent geological consultant with over 11 years of continuous experience and is an employee of Dahrouge Geological Consulting Ltd. [Mr. Anderson does not hold any interest in any securities in the Company.]

Mr. Anderson has sufficient experience, which is relevant to the style of mineralisation, type of deposit under consideration, and to the activities being undertaken to qualify as a Competent Person as described by the JORC Code, 2012. Mr. Anderson consents to the inclusion in this Report and the Prospectus of the matters based on his information in the form and context in which it appears.

On the effective date of the report, August 8th 2025, to the best of the Competent Person's knowledge, information, and belief, this Report contains all scientific and technical information that is required to be disclosed to make the technical report not misleading.

Jacob L. Anderson, CPG, MAusIMM



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Appendix 1: JORC (2012) Table 1

JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (e.g. cut channels, random chips, or specific specialized industry standard measurement tools appropriate to the minerals under investigation, such as downhole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• In 2017, one RC drill hole (SS17-01: 115.8 m) with 4 water samples collected and analyzed. • In 2022, property-wide soil auger program collected 643 samples. • Lines were 400 m apart, with samples collected at 200 and 400 m spacing • In 2023, three Sonic drill holes (SC23-001: 170.8 m, SC23-002: 169.3 m, SC23-003: 172.3 m) with 360 1.52m core samples and 41 brine samples being collected • Brine samples (2017) were sent to Western Environmental laboratory (WETLAB) in Las Vegas, NV. The brine samples were prepared by method EPA 200.2 (Trace Metals Digestion (Brine)) and analyzed by method EPA 200.7 (Trace Metals ICP-OES). • Soil auger samples (2022) were submitted to ALS Labs in Reno, NV. • Once the samples were received by ALS, they were logged into their internal system using prep code LOG-22, followed by sample weight received (WEI-21), then underwent drying (DRY-22) to a max temperature of 60° C, followed by screening to a -180µm. Once all the prep was complete, the samples were analyzed using an ultra trace aqua regia ICP-MS (ME-MS41). • 325 Core Samples (2023) were submitted to American Assay Labs in Sparks, NV. Core sample Preparation (prep code P-C7J3) consists of sample drying followed by crushing with >70% passing 2mm, followed by a 300g split using a Jones Riffle splitter, and then is pulverized to >85% passing 75 µm. The analysis method (analysis code IO-NF27) is a 27-element package utilizing Inductively Coupled Plasma-Optical Emission Spectrometry (ICP-OES) with sodium peroxide fusion (considered a total digestion). • Brine Samples (2023) were sent to American Assay labs in Sparks, NV and underwent solution analysis (solution assay code IO-LiBRI) using ICP-OES for lithium.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• Drill hole SS17-01 was reverse circulation (RC) with nominal diameter of 5 ¾". • 2023 exploration program utilized a LS™600 sonic drill rig from Boart Longyear with diameters ranging in size from 15.24cm in the top 60.96

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Criteria	JORC Code explanation	Commentary
		m, 10.16 cm from 60.96m to 152.4 m, and finally 7.62 cm for anything drilled over 152.4 m.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• Chips were logged as unconsolidated sand and gravel. • Brine samples were collected over 3 hr time period to allow formation water to stabilize. • the sonic core samples were split in half lengthwise, quartered using a putty knife or chisel, and logged based on mineralogy and color. • In SC23-002, there was a zone of lost recovery with some areas of partial recovery from 99.06m to 106.68m due to the heavy water content in the water table. • Brine samples collected during sonic drilling were taken every 20 feet, and the sediments were given time to settle out before being placed in a plastic vial.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• Chips were geologically logged in the field qualitatively with pen and paper as they were collected. • Samples collected utilizing a 2-inch (50.8 mm) diameter stainless steel AMS auger (powered by an Echo EDR-260 gas-powered drill). Samples collected from a depth up to 54 inches (1.37 m) with a sample size of approximately 6.61 to 8.82 pounds (3 – 4 kg). Samples collected from surface to end-of-hole or approximately bottom ¾ of hole. Samples split in the field utilizing a Jones-type riffle splitter in order to achieve desired sample weight. Samples collected utilizing an AMS Compacted Soil Sampler Bucket system in order to eliminate, or greatly reduce, the risk of surface contamination (system cleaned between samples). Samples were placed into heavy duty 8 mil (0.2 mm) poly bags. • The drillers double bagged each sample in .076 metre intervals and logged by geologists in 1.52 m intervals. Each sonic core sample was identified on a whiteboard and photographed. Then, the samples were geologically logged, noting clay, silt, and sand content; gypsum, calcium carbonate (via HCl), NaCl (taste) content; and color description using Munsell color charts. A representative sample was taken for a chip tray.

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Criteria	JORC Code explanation	Commentary
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• Chips (SS17-01) were not sampled or analyzed. • Soil samples split in the field utilizing a Jones-type riffle splitter in order to achieve desired sample weight. • Sonic core samples were split in half lengthwise and quartered using a putty knife or a chisel if the sample was partially lithified. One-half of the quartered sample was placed into a bar-coded cloth sample bag and tied shut for transport to the secure storage location at the end of each day. Each cloth sample bag had the barcode number written on the outside of the bag and the tear-off portion of the barcode tag was placed inside the sample bag to provide triple redundancy of labelling on each sample to ensure integrity. The remaining sample was then placed back into the outer bag, zip-tied shut and placed on the truck for transport to the secure storage location at the end of the day. The processing table was cleaned after each sample was processed. • Sample size is considered appropriate for the material being sampled.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• Brine samples (2017) were sent to Western Environmental laboratory (WETLAB) in Las Vegas, NV. The brine samples were prepared by method EPA 200.2 (Trace Metals Digestion (Brine)) and analyzed by method EPA 200.7 (Trace Metals ICP-OES). • Soil auger samples (2022) were submitted to ALS Labs in Reno, NV. • Soil samples were logged into their internal system using prep code LOG-22, followed by sample weight received (WEI-21), then underwent drying (DRY-22) to a max temperature of 60° C, followed by screening to a -180µm. Once all the prep was complete, the samples were analyzed using an ultra trace aqua regia ICP-MS (ME-MS41). • No certified reference materials were submitted with samples for analysis due to the preliminary nature of the fieldwork, with the operator relying on the laboratory's internal QA/QC. • Core Samples (2023) were submitted to American Assay Labs in Sparks, NV.Core sample Preparation (prep code P-C7J3) consists of sample drying followed by crushing with >70% passing 2mm, followed by a 300g split using a Jones Riffle splitter, and then is pulverized to >85% passing 75 µm. The analysis method (analysis code IO-NF27) is a 27-element package utilizing Inductively Coupled Plasma-Optical Emission Spectrometry (ICP-OES) with sodium peroxide fusion (considered a total digestion). • Brine Samples (2023) were sent to American Assay labs in Sparks, NV and underwent solution analysis (solution assay code IO-LiBRI)

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Criteria	JORC Code explanation	Commentary
		using ICP-OES for lithium. • Quality control samples were placed into the sample stream, including blanks (OREAS-22H) every 60.96m, duplicates every 45.72m, control samples, and certified reference material (CRM's, OREAS-174, and OREAS-700) every 30.5m. 18 CRM's, 12 field duplicates, and 15 blanks were inserted during the program. The laboratory also inputs its internal QA/QC protocols. • QA/QC was not inserted for the 2023 brine samples, and they relied on the laboratory's internal QA/QC protocols. • Analytical procedures are considered adequate for the early-stage nature of the programs. The Competent Person considers the sample and analytical procedures acceptable for an early-stage project.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• No external verification or testing was completed during this evaluation. • No holes have been twinned. • All original assay data is stored in a csv database in an as-received basis with no adjustment to the returned data.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Data is stored in UTM NAD 83 Zone 11N projection format. • 2017 drill location, 2022 soil auger data and 2023 Sonic drilling holes were obtained using handheld GPS. • Data points were generally well-constrained for X-Y coordinates but less reliable for Z coordinates. • Gravity survey points (2017) were surveyed using a Topcon RTK differential GPS system, and are well-constrained in the X, Y and Z directions. • MT sites (2016) were surveyed using handheld Garmin 600 GPS units. • Topographic control is from ESRI base map: Source: Esri, HERE, Garmin, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri China (Hong Kong),©.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.*	• No resource estimation has been made on the Property. • Data spacing for surveys: gravity (529 stations on nominal 50 m grid), MT (17 sites at 200 m spacing on one line), and soils surveys (643 samples collected on 400 m traverse spacing with individual samples collected at both 400 m and 200 m spacing along each traverse).

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Criteria	JORC Code explanation	Commentary
	• *Whether sample compositing has been applied.*	• Data point spacing considered sufficient for early-stage exploration. • No sample compositing has been applied.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• Gravity and soil grids were approximately rectilinear grids, with N-S, EW orientation for uniform coverage. MT was one transect to provide depth cross-section of basin. • No oriented drilling has been conducted on the Property.
Sample security	• *The measures taken to ensure sample security.*	• Site employees were the only personnel handling soil samples, Sonic core samples and water samples. • Samples were given a unique sample number that was provided for analysis. • Laboratory services were in secure compounds.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No independent audit of work on the Property has been conducted.

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• The Scotty Lithium Property is located approximately 189 km northwest of Las Vegas, NV and 38 km northwest of Beatty, NV. The Property is located west Highway 95. From Beatty, NV, the Property can be accessed by travelling north on Highway 95 for approximately 57 km to Scotty's Junction. From there, turn west on Nevada State Highway 267 towards Bonnie Claire for approximately 10 km. Following that, a pre-existing overland trail trends southeast towards the Sarcobatus Flat which crosses portions of the Property. • The Scotty Lithium Property consists of 195 contiguous placer mining claims, totalling 1578.3 ha (Figure 2-3, Appendix 2). The claims cover portions of Nevada Townships (T) and Ranges (R) T8S R43E & R44E, T9S R44E & R45E, and T10S R44E & R45E; all of which lie within Nye County, Nevada. Nevada Mining Claim (NMC) numbers, filing dates and other claim data are listed in Appendix 2 • The SFL claims were located between January 3, 2022, through January 18, 2022, with a filing date of March 29, 2022, and a disposition date between April 26, 2022, and May 5, 2022. These claims were acquired by an option agreement between Loyal Metals Ltd and American Consolidated Limited (dba Playa Minerals Company) dated February 22, 2022. The Nevlith Claims were re-staked in January of 2023. These claims were dropped in 2024.

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Criteria	JORC Code explanation	Commentary
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Lithium exploration in the Bonnie Claire basin is quite recent • Iconic Minerals Ltd has conducted work on their adjacent property including drilling and testing of lithium brines and clays (PEA NI 43-101 technical report 2022-11-11) • Caeneus Minerals Ltd.(“Caeneus”) acquired claims covering the southern part of the Property and conducted a magnetotelluric survey (MT) in 2016 on one line to characterize an inverted two-dimensional resistivity structure cross-section of the basin (Figure 4.3).A distinct modeled layer with several resistivity lows presents a potential target brine aquifer. • In 2017 Caeneus contracted a Bouger gravity survey of its property to map the basin subsurface. Three-dimensional modeling of the gravity returned a voxel model with density range of 2.05 to 3.2 g/cc (Figure 4.6). The lower density zone on the northern survey area models as a broad and deep zone that may extend up to 3 km. It is possible that the low-density zone reflects lower density basin fill alluvium. • In 2017 Caeneus also drilled one RC hole to 115.8 m. The hole was abandoned early due to poor ground conditions.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The Scotty Lithium Property lies within the western and southwestern margins of the Bonnie Claire Basin, which is within the southwestern margin of the Basin and Range geologic province of Nevada. The property lies within a closed basin, where horst and graben style normal faulting is the dominant structural component. • The closed basins that host lithium brines around the world have been divided into two types by Houston et al. (2011); mature basins and immature basins. The Clayton Valley, Nevada is considered an immature basin (Spanjers, 2015). The Bonnie Claire basin is of similar age and structural history to Clayton Valley, about 75 km to the NW and is assumed to be an immature, closed basin. The hydrogeological setting of a closed basin bears on its lithium brine potential. Lithium brines develop slowly over time through the effects of evaporative concentration of surface waters and upwelling groundwater in closed basins. Consequently, the magnitude of lithium enrichment is affected by the age of the catchment basin, size of the catchment basin, evaporation rates, mass flux of dissolved lithium in groundwater and surface water entering the playa basin, and the availability of source rocks containing lithium that can be dissolved by groundwater. • Local to the project area, the Bonnie Claire Basin is the lowest topographic elevation in a series of floodplains, where the basin receives surface drainage from approximately 1,200 km^2. The plain and alluvial fans around it are bounded by faults on all sides, which are delineated by the Coba Mountains and Obsidian Butte to the east, Stonewall Mountains to the north, the Bullfrog and Sawtooth Mountains to the south, Grapevine Mountains to the southwest, and Mount Dunfee to the northwest The basin lies within an extensional graben system between two northwest-southeast faults that are severed by another northeast-southwest fault structure, which in combination are a key component to controlling the playa extents. (Samari et al., 2021). • Soil auger survey results demonstrate clays with up to 540 ppm Li on the Property. • Drilling on the adjacent Iconic Minerals Bonnie Claire property indicates the lithium profile with depth is consistent from hole to hole. The unweighted lithium content averages 778 ppm for all 435 samples

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<table>
<tr><th>Criteria</th><th>JORC Code explanation</th><th>Commentary</th></tr>
<tr><td></td><td></td><td>assayed, with an overall range of 18 to 2,250 ppm. The average sample interval length is 6.09 m (20 ft) (Samari et al., 2021).</td></tr>
<tr><td>Drill hole Information</td><td>• A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:
○ easting and northing of the drill hole collar
○ elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar
○ dip and azimuth of the hole
○ down hole length and interception depth
○ hole length.
• If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</td><td>• One RC drill hole on the Property
2017 Drillhole Summary
<table>
<tr><th>Hole ID</th><th>Easting (m)</th><th>Northing (m)</th><th>Elevation (m)</th><th>Azimuth (°)</th><th>Dip (°)</th><th>DDH Depth (m)</th><th>Hole Diameter</th></tr>
<tr><td>SS17-01</td><td>503253</td><td>4110775</td><td>1206.7</td><td>-</td><td>90</td><td>115.82</td><td>5 ¾ “</td></tr>
</table>
Drillhole Brine Sample Summary
<table>
<tr><th>Sample ID</th><th>Date Collected</th><th>Collection Time (hrs)</th><th>Li (mg/L)</th><th>B (mg/L)</th><th>Na (mg/L)</th><th>Ca (mg/L)</th><th>Mg (mg/L)</th><th>K (mg/L)</th></tr>
<tr><td>SS17-01-01</td><td>6/24/2017</td><td>13:00</td><td><2.0</td><td>14.3</td><td>4980.0</td><td>16.8</td><td><10</td><td>87.0</td></tr>
<tr><td>SS17-01-02</td><td>6/23/2017</td><td>13:30</td><td><2.0</td><td><2.0</td><td>95.3</td><td>150.0</td><td>36.4</td><td>67.6</td></tr>
<tr><td>SS17-01-03</td><td>6/25/2017</td><td>13:10</td><td><2.0</td><td><2.0</td><td>130.0</td><td>340.0</td><td>99.5</td><td>112.0</td></tr>
<tr><td>SS17-01-04</td><td>6/25/2017</td><td>15:44</td><td><2.0</td><td><2.0</td><td>96.1</td><td>55.0</td><td>27.9</td><td>40.6</td></tr>
</table>
• An additional three (3) sonic drillholes were completed in 2023.
2023 Drillhole summary
<table>
<tr><th>Hole ID</th><th>Easting (UTM NAD83)</th><th>Northing (UTM NAD83)</th><th>Elevation (RL)</th><th>Total Depth (M)</th><th>Dip</th></tr>
<tr><td>SC23-001</td><td>496790</td><td>4113870</td><td>1200</td><td>170.69</td><td>-90</td></tr>
<tr><td>SC23-002</td><td>496150</td><td>4115100</td><td>1200</td><td>169.16</td><td>-90</td></tr>
<tr><td>SC23-003</td><td>494488</td><td>4116845</td><td>1200</td><td>172.21</td><td>-90</td></tr>
</table>
Significant Intervals Summary From 2023 Sonic Drilling Program</td></tr>
</table>

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<table>
<tr><th>Criteria</th><th>JORC Code explanation</th><th>Commentary</th></tr>
<tr><td></td><td></td><td>
<table>
<tr><th>Drillhole ID</th><th>Intercept metres</th><th>Lithium Grade PPM</th><th>Depth From (m)</th><th>Lithium Max Assay ppm over 1.52m</th></tr>
<tr><td>SC23-001</td><td>117.35</td><td>813</td><td>15.24</td><td>1,228</td></tr>
<tr><td>SC23-002</td><td>82.3</td><td>1,106</td><td>21.34</td><td>2,156</td></tr>
<tr><td>SC23-003</td><td>124.97</td><td>1,237</td><td>9.14</td><td>4,007</td></tr>
</table>
Significant brine intervals From 2023 Sonic Drill Program
<table>
<tr><th>Drillhole ID</th><th>Intercept metres</th><th>Average Lithium Brine Grade PPM</th><th>Depth From (m)</th><th>Lithium Brine Max Assay ppm over 1.52m</th></tr>
<tr><td>SC23-001</td><td>141.73</td><td>2.81</td><td>28.96</td><td>6.86</td></tr>
<tr><td>SC23-002</td><td>48.76</td><td>0.94</td><td>120.4</td><td>1.64</td></tr>
<tr><td>SC23-003</td><td>60.96</td><td>1.5</td><td>111.25</td><td>6.14</td></tr>
</table>
</td></tr>
<tr><td>Data aggregation methods</td><td>• In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.
• Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.
• The assumptions used for any reporting of metal equivalent values should be clearly stated.</td><td>• A cut-off grade of 700 ppm was used for consistency with other properties.
• No aggregate intercepts were used as samples comprised of hole run lengths of 1.52 m.</td></tr>
<tr><td>Relationship between mineralisation widths and</td><td>• These relationships are particularly important in the reporting of Exploration Results.
• If the geometry of the mineralisation with respect to the drill hole angle is known, its</td><td>• Sediments are unconsolidated alluvium. Drill hole and soil auger samples were nominally vertical, as sedimentation assumed to be horizontal.
• True width is not known</td></tr>
</table>

<table>
<tr><th>Criteria</th><th>JORC Code explanation</th><th>Commentary</th></tr>
<tr><td>intercept lengths</td><td>nature should be reported.
• If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</td><td></td></tr>
<tr><td>Diagrams</td><td>• Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</td><td>• See Figure 2-1 through Figure 4-39 in Geologists Report.</td></tr>
<tr><td>Balanced reporting</td><td>• Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</td><td>• There is no preferential reporting of results. Five target areas were determined from soil sampling and range, maximum and average Li determined.</td></tr>
<tr><td>Other substantive exploration data</td><td>• Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</td><td>• Magnetotelluric and gravity studies by Caeneus indicate basin depth up to 3 km and low resistivity layer which is potential brine aquifer.
• 2022 soil sampling results identified five target areas:
Soil Target Area Classification and Attributes
<table>
<tr><th>Zone</th><th>Characteristics</th><th>Target Geology</th><th>Samples >200 ppm</th><th>Samples >264 ppm</th><th>Max Li ppm</th><th>>165 ppm km²</th></tr>
<tr><td>Target 1</td><td>Northern Zone shallowing basin, combination of clays and alluvial fan with historical MT data suggesting potential for deeper sediments with basin</td><td>Sediment</td><td>39</td><td>13</td><td>540</td><td>5.4</td></tr>
</table></td></tr>
</table>

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Criteria	JORC Code explanation	Commentary						
		Target 2	Western Zone along the flanks of basin with lake sediments exposed in the west and late alluvial fan material in the east	Sediment	99	61	448	10.0
		Target 3	Easter zone long strike of Bonnie Claire. Alluvial Fan, lake clays and evaporites	Sediment	17	9	421	2.3
		Target 4	Southern extension of Bonnie Claire deep sediments and brine targets suggested from historical MT Data	Sediment & Brine	15	5	364	7.0
		Target 5	Southern margin extension of long axis of basin with historical gravity data suggesting clays and evaporites below alluvial fan material. Potential brines.	Sediment & Brine	2	nil	214	4.0
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Recommended follow-up work: Based on the success of the analytical results from the 2023 sonic drilling program, additional work is recommended to evaluate the mineralization potential of the Project. The work program should consist of the following and be carried out in a phased approach based on each objectives success. • Ground Survey: ○ Complete a survey of the claim's boundaries inclusive of the surface features present targeting the edge of the playa lake sediment evaporite contact with the coarser alluvial fan sediments on surface and the elevated playa sediments and rim boundary of the lake surface. A LiDAR survey may be completed if found to be more suitable for surface contacts/features. • Geophysics: ○ Complete a 3,000-line km survey using Drone MobileMT. Traverse spacing will target 200 m over an area of 15.7 km2. A geophysics survey is planned that will be focused over the current claim boundary (195 20-acre claims). The results will be used to interpret the subsurface geology of the playa basin and the depth of playa lake sediments and respective contact depths with the basement material. The survey would also further delineate the types of sediments including sandstone and clay, the depth of water table within both the sediments and basement will also be interpreted from the geophysical data. • Drilling:						

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Criteria	JORC Code explanation	Commentary
		○ Complete a Property wide drilling campaign on 1km by 1km spacing. All drillholes will be vertical to a maximum depth of approximately 155 m for drillholes located in the east and potentially <150 m depths to the west. ▪ Maximum drillhole depths will be dependent on the depth in which basin is encountered. Dependent on the geology encountered, it is expected that the basin may shallow rapidly towards the west due to the horst and graben type faulting (with eastern blocks that have down dropped) as defined by the geophysical MT surveys completed in 2022 by KML Geoscience. ○ Drilling will explore for the extension of the lithium mineralization discovered near the easternmost claims boundary defined by the drilling completed in 2023 that encountered intervals of >700ppm lithium over an average interval length of 108 m. ○ Drilling will likely be a combination of both sonic and core. To ensure sufficient sample recovery is achieved, diamond core will be required. ▪ During the drilling campaign completed in 2023, SC23-002 had 7.62m of no sample recovery between 99.06 m to 106.68 m. This type of sample loss will be minimized by using traditional diamond core methods as opposed to sonic. ▪ New drilling that will be located further to the west of the 2023 drillholes that is located closer to the edge of the playa basin, may be easier to recover all sample intervals due to the potential of less groundwater at the basin edge. Core drilling will be required between the completed drillholes SC23-001 and SC23-003 (two drillholes) to ensure full sample recover. • Exploration Target ○ Dependent on drilling results, interpretation of the basins subsurface geology, a 3D geological model will be built and the subsequent JORC Exploration Target model will be revised and updated. Estimated costs for the exploration efforts noted above are presented in the following table.

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Criteria	JORC Code explanation	Commentary

The Company's proposed exploration and development budget is set out in the table below:

Exploration expenditure	Year 1 ($)	Year 2 ($)	Total ($)	%
Heritage and tenure	67,500	67,500	135,000	4.74%
Geophysical surveys (including aeromagnetic, IP, DTEM & VTEM)	120,000	30,000	150,000	5.26%
Management & Logistics	252,500	207,500	460,000	16.14%
Drilling	460,000	1,100,000	1,560,000	54.74%
Preparation of Geological Report; including JORC MRE Reports and preparation of Geological Images	-	100,000	100,000	3.51%
Assays & Metallurgical testwork	200,000	245,000	445,000	15.61%
Total	**1,100,000**	**1,750,000**	**2,850,000**	**100.0%**

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Appendix 2: Mineral Claim Compilation of the Scotty Lithium Project

Claim	Area (ha)	Registered holder	Company % interest on Admission	Nature of interest Loyal Lithium %
NV105753191	8.09371	NEVLITH LLC	51	100
NV105753192	8.09371	NEVLITH LLC	51	100
NV105753201	8.09371	NEVLITH LLC	51	100
NV105753202	8.09371	NEVLITH LLC	51	100
NV105753203	8.09371	NEVLITH LLC	51	100
NV105753204	8.09371	NEVLITH LLC	51	100
NV105753211	8.09371	NEVLITH LLC	51	100
NV105753212	8.09371	NEVLITH LLC	51	100
NV105753213	8.09371	NEVLITH LLC	51	100
NV105753214	8.09371	NEVLITH LLC	51	100
NV105753215	8.09371	NEVLITH LLC	51	100
NV105753216	8.09371	NEVLITH LLC	51	100
NV105753223	8.09371	NEVLITH LLC	51	100
NV105753224	8.09371	NEVLITH LLC	51	100
NV105753225	8.09371	NEVLITH LLC	51	100
NV105753226	8.09371	NEVLITH LLC	51	100
NV105753227	8.09371	NEVLITH LLC	51	100
NV105753228	8.09371	NEVLITH LLC	51	100
NV105753229	8.09371	NEVLITH LLC	51	100
NV105753234	8.09371	NEVLITH LLC	51	100
NV105753235	8.09371	NEVLITH LLC	51	100
NV105753236	8.09371	NEVLITH LLC	51	100
NV105753237	8.09371	NEVLITH LLC	51	100
NV105753238	8.09371	NEVLITH LLC	51	100
NV105753239	8.09371	NEVLITH LLC	51	100
NV105753240	8.09371	NEVLITH LLC	51	100
NV105753241	8.09371	NEVLITH LLC	51	100
NV105753242	8.09371	NEVLITH LLC	51	100
NV105753243	8.09371	NEVLITH LLC	51	100
NV105753244	8.09371	NEVLITH LLC	51	100
NV105753245	8.09371	NEVLITH LLC	51	100
NV105753246	8.09371	NEVLITH LLC	51	100
NV105753247	8.09371	NEVLITH LLC	51	100
NV105753248	8.09371	NEVLITH LLC	51	100
NV105753249	8.09371	NEVLITH LLC	51	100
NV105753250	8.09371	NEVLITH LLC	51	100
NV105753251	8.09371	NEVLITH LLC	51	100
NV105753252	8.09371	NEVLITH LLC	51	100

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Claim	Area (ha)	Registered holder	Company % interest on Admission	Nature of interest Loyal Lithium %
NV105753253	8.09371	NEVLITH LLC	51	100
NV105753254	8.09371	NEVLITH LLC	51	100
NV105753255	8.09371	NEVLITH LLC	51	100
NV105753256	8.09371	NEVLITH LLC	51	100
NV105753257	8.09371	NEVLITH LLC	51	100
NV105753258	8.09371	NEVLITH LLC	51	100
NV105753259	8.09371	NEVLITH LLC	51	100
NV105753260	8.09371	NEVLITH LLC	51	100
NV105753261	8.09371	NEVLITH LLC	51	100
NV105753262	8.09371	NEVLITH LLC	51	100
NV105753263	8.09371	NEVLITH LLC	51	100
NV105753264	8.09371	NEVLITH LLC	51	100
NV105753265	8.09371	NEVLITH LLC	51	100
NV105753266	8.09371	NEVLITH LLC	51	100
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NV105753274	8.09371	NEVLITH LLC	51	100
NV105753275	8.09371	NEVLITH LLC	51	100
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NV105753278	8.09371	NEVLITH LLC	51	100
NV105753279	8.09371	NEVLITH LLC	51	100
NV105753280	8.09371	NEVLITH LLC	51	100
NV105753281	8.09371	NEVLITH LLC	51	100
NV105753282	8.09371	NEVLITH LLC	51	100
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NV105753285	8.09371	NEVLITH LLC	51	100
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NV105753287	8.09371	NEVLITH LLC	51	100
NV105753288	8.09371	NEVLITH LLC	51	100
NV105753289	8.09371	NEVLITH LLC	51	100
NV105753290	8.09371	NEVLITH LLC	51	100

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Claim	Area (ha)	Registered holder	Company % interest on Admission	Nature of interest Loyal Lithium %
NV105753291	8.09371	NEVLITH LLC	51	100
NV105753292	8.09371	NEVLITH LLC	51	100
NV105753293	8.09371	NEVLITH LLC	51	100
NV105753294	8.09371	NEVLITH LLC	51	100
NV105753295	8.09371	NEVLITH LLC	51	100
NV105753296	8.09371	NEVLITH LLC	51	100
NV105753297	8.09371	NEVLITH LLC	51	100
NV105753298	8.09371	NEVLITH LLC	51	100
NV105753299	8.09371	NEVLITH LLC	51	100
NV105753300	8.09371	NEVLITH LLC	51	100
NV105753301	8.09371	NEVLITH LLC	51	100
NV105753302	8.09371	NEVLITH LLC	51	100
NV105753303	8.09371	NEVLITH LLC	51	100
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NV105753309	8.09371	NEVLITH LLC	51	100
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NV105753311	8.09371	NEVLITH LLC	51	100
NV105753312	8.09371	NEVLITH LLC	51	100
NV105753313	8.09371	NEVLITH LLC	51	100
NV105753314	8.09371	NEVLITH LLC	51	100
NV105753315	8.09371	NEVLITH LLC	51	100
NV105753316	8.09371	NEVLITH LLC	51	100
NV105753317	8.09371	NEVLITH LLC	51	100
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NV105753320	8.09371	NEVLITH LLC	51	100
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NV105753323	8.09371	NEVLITH LLC	51	100
NV105753324	8.09371	NEVLITH LLC	51	100
NV105753325	8.09371	NEVLITH LLC	51	100
NV105753326	8.09371	NEVLITH LLC	51	100
NV105753327	8.09371	NEVLITH LLC	51	100
NV105753328	8.09371	NEVLITH LLC	51	100

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Claim	Area (ha)	Registered holder	Company % interest on Admission	Nature of interest Loyal Lithium %
NV105753329	8.09371	NEVLITH LLC	51	100
NV105753330	8.09371	NEVLITH LLC	51	100
NV105753331	8.09371	NEVLITH LLC	51	100
NV105753332	8.09371	NEVLITH LLC	51	100
NV105753333	8.09371	NEVLITH LLC	51	100
NV105753334	8.09371	NEVLITH LLC	51	100
NV105753335	8.09371	NEVLITH LLC	51	100
NV105753336	8.09371	NEVLITH LLC	51	100
NV105753337	8.09371	NEVLITH LLC	51	100
NV105753338	8.09371	NEVLITH LLC	51	100
NV105753339	8.09371	NEVLITH LLC	51	100
NV105753340	8.09371	NEVLITH LLC	51	100
NV105753341	8.09371	NEVLITH LLC	51	100
NV105753342	8.09371	NEVLITH LLC	51	100
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NV105753347	8.09371	NEVLITH LLC	51	100
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NV105753354	8.09371	NEVLITH LLC	51	100
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NV105753362	8.09371	NEVLITH LLC	51	100
NV105753363	8.09371	NEVLITH LLC	51	100
NV105753364	8.09371	NEVLITH LLC	51	100
NV105753365	8.09371	NEVLITH LLC	51	100
NV105753366	8.09371	NEVLITH LLC	51	100

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Claim	Area (ha)	Registered holder	Company % interest on Admission	Nature of interest Loyal Lithium %
NV105753367	8.09371	NEVLITH LLC	51	100
NV105753368	8.09371	NEVLITH LLC	51	100
NV105753369	8.09371	NEVLITH LLC	51	100
NV105753370	8.09371	NEVLITH LLC	51	100
NV105753371	8.09371	NEVLITH LLC	51	100
NV105753372	8.09371	NEVLITH LLC	51	100
NV105753373	8.09371	NEVLITH LLC	51	100
NV105753374	8.09371	NEVLITH LLC	51	100
NV105753375	8.09371	NEVLITH LLC	51	100
NV105753376	8.09371	NEVLITH LLC	51	100
NV105753377	8.09371	NEVLITH LLC	51	100
NV105753378	8.09371	NEVLITH LLC	51	100
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NV105753380	8.09371	NEVLITH LLC	51	100
NV105753381	8.09371	NEVLITH LLC	51	100
NV105753382	8.09371	NEVLITH LLC	51	100
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NV105753386	8.09371	NEVLITH LLC	51	100
NV105753387	8.09371	NEVLITH LLC	51	100
NV105753388	8.09371	NEVLITH LLC	51	100
NV105753389	8.09371	NEVLITH LLC	51	100
NV105753390	8.09371	NEVLITH LLC	51	100
NV105753391	8.09371	NEVLITH LLC	51	100
NV105753392	8.09371	NEVLITH LLC	51	100
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NV105753398	8.09371	NEVLITH LLC	51	100
NV105753399	8.09371	NEVLITH LLC	51	100
NV105753400	8.09371	NEVLITH LLC	51	100
NV105753401	8.09371	NEVLITH LLC	51	100
NV105753402	8.09371	NEVLITH LLC	51	100
NV105753403	8.09371	NEVLITH LLC	51	100
NV105753404	8.09371	NEVLITH LLC	51	100

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Claim	Area (ha)	Registered holder	Company % interest on Admission	Nature of interest Loyal Lithium %
NV105753405	8.09371	NEVLITH LLC	51	100
NV105753406	8.09371	NEVLITH LLC	51	100
NV105753407	8.09371	NEVLITH LLC	51	100
NV105753408	8.09371	NEVLITH LLC	51	100
NV105753409	8.09371	NEVLITH LLC	51	100

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Annexure B – Mt Monger Independent Geologist's Report

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INDEPENDENT GEOLOGIST'S REPORT

Date: 20th July 2025

DESERT MINERALS LTD

Mt Monger Gold Project

(MMGP)

Eastern Goldfields

Western Australia

author

Benjamin Nicolson

BSc, MAIG

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20th July 2025

The Directors

Desert Minerals Ltd

Re: Desert Minerals Ltd (“DSM”) Independent Geologist Report

The author was engaged to prepare an Independent Geologist’s Report (the "Report") on mineral leases that comprise the Mt Monger Gold Project (MMGP), located in the Eastern Goldfields of Western Australia, with Loyal Metals Ltd (“Loyal” or “LLM”) as the Principal Holder of, and for Desert Minerals Ltd ("DSM" or the "Company").

This Report is based upon information provided by the Company, including technical reports by LLM, consultants, and published data for the leases. The author has performed an onsite visit of all of the tenements described in this Report. The author has made all reasonable enquiries to confirm the authenticity, accuracy, and completeness of the technical data upon which this Report is based. This Report has been prepared in accordance with the Australasian Code for Reporting of Exploration Results and Mineral Resources ("JORC Code") December 2012 edition, and the rules and guidelines issued by such bodies as ASIC and Australian Securities Exchange ("ASX").

In consideration of the definition provided by the ASX and in the JORC Code, these leases are classified as early-stage exploration projects, which are inherently speculative in nature. The properties are considered to be sufficiently prospective, subject to varying degrees of risk, to warrant further exploration and development of their economic potential, especially due to a recent LLM JORC Inferred Mineral Resource Estimate reported from the Providence Prospect in accordance with JORC (2012) guidelines, which is attributable to the Company. This Report has been compiled based on, and fairly represents, information and supporting documentation available up to the date of this Report. The information in this Report that relates to Exploration Results and Mineral Resources is based on, and fairly represent, information and supporting documentation prepared by the author, Mr Benjamin Nicolson.

The author is a Member of the Australian Institute of Geoscientists and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which the author is undertaking to qualify as a *Competent Person* (CP) for the reporting of Exploration Results and Mineral Resources as defined in the JORC Code. The author, does not, nor intends to be a, Director, officer, or other direct employee of the Company. The relationship with the Company is one of professional association between client and independent consultant. This Report is prepared in return for professional fees based upon agreed commercial rates and the payment of these fees is in no way contingent on the results of this Report.

Signed,



_____

Benjamin Nicolson

Date: 20th July, 2025

Australian Institute of Geoscientists Membership Number: 5056

Executive Summary

The author of this Report was requested by DSM to prepare an Independent Geologist's Report (IGR) for the Mt Monger Gold Project (MMGP), located approximately 45km southeast of Kalgoorlie, Western Australian. The MMGP covers 2,143.84 hectares of live tenure, with north and south tenement groups. The Mt Monger area has a history dating back to 1896, with extensive modern exploration delineating multiple mineral resources, ore reserves and mining operations along the Mt Monger trend, of which the DSM MMGP covers the northern and southern extent of this local trend. Exploration has been undertaken by a range of explorers including large companies including, Inco, WMC and AngloGold, and many smaller exploration companies, including most recently by Silver Lake Resources Ltd, Torian Resources Ltd and Loyal Metals Ltd, due to the proximity of the Daisy Milano Gold Mine, currently owned by Vault Resources Limited (ASX: VAU, formerly Silver Lake Resources Ltd).

MMGP north comprises two highly prospective areas. In the southwest a Mineral Resource Estimate (MRE) of **204,700 tonnes @ 2.5g/t for 16,400 ounces gold** for the Providence Prospect is located adjacent and on a southwest trend with Black Cat's (ASX: BC8) two Wombola Open Pit Gold Mines that are 900m and 1700m, respectively, from the Providence Prospect. Recent exploration activities by LLI have largely focused on systematic regolith geochemistry (low impact regolith vacuum drilling), geological mapping, rock chip sampling, geological interpretation and drilling (RC and diamond core), culminating in the Providence MRE. Recent exploration has identified the Providence, Divine, Samocynda and Hoffmann gold Prospects as priorities in the west and the second area is on a splay trend from the Daisy Milano mine. In the east. DSM believes it has identified multiple prospective targets which will be ranked in order of prioritisation for drill testing.

MMGP south is directly southeast and adjacent to Vault Minerals (ASX:VAU) Daisy Mining Complex where there is potential for gold extensions, as well as VMS-style copper, zinc, and silver mineralisation, analogous to the Nimbus polymetallic deposit (ASX:HRZ). The MMGP has limited shallow drilling, with most historical exploration activities comprising rock chip sampling, soils sampling and shallow drilling. LLI completed extensive field mapping and sampling, produced both a 1:5,000 scale geological fact and interpretation map, additional Multielement rockchip sample assaying and a systematic Ultrafine+ geochemical soil sampling survey, with detailed CSIRO analysis (LLI sponsored Ultrafine research program).

DSM has identified prospective areas, including both saprolite regolith supergene mineralisation, and primary gold and base metal mineralisation. The author concurs with the DSM technical team view on the potential high likelihood of further exploration success and agrees with the funding required to conduct a review and prioritisation of drilling targets.

The Independent Geologist's Report has been prepared on information available up to and including 20th July 2025.

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Highlights from **MMGP – north** include:

The **Providence Mineral Resource Estimate** (MRE) completed by an independent consultant after LLI Reverse Circulation (RC) and diamond drilling have best intercepts including:

- 8m @ 16.15 g/t Au from 60m; including 1m @ 111.4 g/t from 61m.
- 8m @ 31.84 g/t Au from 66m; including 1m @ 190.06 g/t from 70m.

Drill intercepts that are included in the MRE that are open towards both the NW and SW are:

- 8m @ 4.34g/t Au from 123m.
- 3m @ 11.19 g/t from 106m.
- 10m @ 2.69g/t from 89m.

The **Divine Prospect**, 400m west of Providence has a LLI RC drill hole intercept of:

- 3m @ 7.07 g/t Au from 14m; including 1m @ 15.99 g/t Au from 14m

Historical drilling results from the Divine Prospect include:

- 3m @ 17.00 g/t Au from 97 m including 1 m @ 20.30 g/t Au from 97 m and 1 m @ 23.60 g/t Au from 98 m (NMC013),
- 3m @ 1.41 g/t Au from 86 m including 1 m @ 3.89 g/t Au from 86 m (NMC020),
- 12m @ 1.42 g/t Au from 82m including 1m @ 2.47 g/t Au from 82mincluding 2m @ 4.58 g/t Au from 85m and including 1m @ 2.46 g/t Au from 87m (NMC022),
- 1m @ 2.68 g/t Au from 14m (NMC023), and
- 15m @ 0.69 g/t Au from 39 m including 2m @ 4.91 g/t Au from 41m (11NMRC045).

At the **Hoffmann Prospect**, a LLI RC drill hole discovered a new extension direction in the northwest, with the first RC drill hole into this area discovering 7m at 1.92 g/t Au from 52m, in oxide that is open and requires follow-up drill testing in fresh rock at depth to the south towards the centre of Hoffman and further south to the Ludlow (Hoffmann South) Prospect. The best historical drilling intercepts are:

- 1m @ 18.4g/t from 24m (12NMRC087)
- 3m @ 2.65g/t from 44m (12NMRC182)

The **Prophecy Prospect**, 500m north of the Providence MRE a historical RAB drill intercept of 1m @ 9.5g/t from 41m depth at end of hole. LLI RC drilling beneath the RAB drill intercept found a highly encouraging sediment-mafic contact similar to the Providence MRE geological setting, so there is the potential for a Providence repetition here.

At the **Samocynda Prospect**, 500m southeast, there is a greater depth of weathering and transported cover, with the potential for another Providence repetition under a large LLI trench channel sample geochemical anomaly of 52 metres @ 106ppb gold.

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Introduction

Scope and Terms of Reference

Mr Benjamin Nicolson (the "author") has been appointed by DSM to complete an Independent Geologist's Report (IGR) on the Mt Monger Gold Project (MMGP). The objective of this IGR is to present a geological description of the projects, and outline previously completed exploration works, and present an opinion on the exploration potential of the project.

This Report may be included in a Prospectus to be lodged with the Australian Securities and Investments Commission ("ASIC"), for capital raising to be undertaken by the Company and has been prepared in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves ("JORC Code") December 2012 edition.

The legal status of the tenure of the mineral assets have not been independently verified by the author, other than to ascertain that the tenements are recorded on the latest spatial datasets of the Western Australian Department of Energy, Mines, Industry Regulation and Safety (DMIRS). The Report has been prepared on the assumption that the tenements will prove lawfully accessible for evaluation and development.

This report has been compiled by Mr Benjamin Nicolson BSc MAIG, a professional geologist with 26 years' experience in the exploration and evaluation of mineral properties within Australia. Mr Nicolson is a Member of the Australian Institute of Geoscientists (AIG).

Statement of Independence

The author of this report has no current or has previously held, any material interest in DSM or the mineral properties in which DSM has an interest in. The author's relationship with DSM is solely one of professional association between client and independent consultant.

The author has not been requested to provide an Independent Valuation or detailed risk assessment for the DSM assets. This IGR does not express an opinion regarding the value of mineral assets or project tenements held by the DSM.

Tenement Status Verification

Whilst the author has referred to tenement land holdings of LLM/DSM in this IGR, such reference is for convenience only and may not be complete nor accurate. The author is not an expert in tenement management and has therefore not undertaken an independent verification process of DSM's tenement holdings. The reader should not rely on information in this IGR relating to the current ownership and legal standing of the tenements or any encumbrances whatsoever impacting on those tenements. These matters should be dealt with in a separate report on the tenements by a specialist.

Compliance Statement and Competent Person's Consent

The information in this IGR that relates to JORC Exploration Results is based on information compiled by Mr Benjamin Nicolson, a Competent Person according to the JORC Code, who holds membership of the AIG and is an Independent Consultant. Mr. Nicolson possesses sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results and Mineral Resources. Mr Nicolson consents to the inclusion of the IGR in public reports or the matters based on his information in the form and context in which it appears.

The ASX release 4 July 2022 Providence Gold Deposit Maiden Mineral Resource Estimate, that relates to Providence JORC Mineral Resource was prepared from information compiled by Mr Sergey Volcov MAIG RPGeo who is an independent consultant and is a Member of The Australian Institute of Geoscientists and a Registered Professional Geologist. Mr Volcov has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration, and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Volcov consented to inclusion in the Announcement the matters based on his information in the form and context in which it appears.

Consent has been received from DSM's representatives to include technical information and opinions expressed by them.

Principal Sources of Information

The geology and exploration history of the Mt Monger region has been publicly reported. The author has worked extensively on exploration and mining operations in the Kalgoorlie region.

This review is based on the information provided by LLM/DSM, the current tenement holders, technical reports of consultants and previous explorers, as well as other published and unpublished data relevant to the area, including public domain data. The author has endeavoured, by making all reasonable enquiries, to confirm the authenticity and completeness of the technical data upon which this report is based. LLM/DSM was provided a final draft of this report and requested to identify any material errors or omissions prior to its lodgment.

Limitations

DSM has agreed to indemnify Mr Benjamin Nicolson, the author of this IGR, for any liability arising because of or in connection with the information provided by or on behalf of it being incomplete, incorrect, or misleading in any material respect. DSM has confirmed in writing to the author that, to its knowledge, the information provided by it (when provided) was complete and not incorrect or misleading in any material respect. The author has no reason to believe that any material facts have been withheld and DSM has confirmed in writing to the author that it believes it has provided all material information available to it.

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Tenure

The MMGP portfolio comprises three (3) distinct groups of licences, which within each group are contiguous or in close proximity (Table 1 & Figure 1). The MMGP portfolio comprises a mining lease application (MLA) and 16 prospecting licences. The MMGP has a combined total area of 21.43km^2, and a current year expenditure commitment of $90,400.

The author has not undertaken an assessment regarding tenure or associated legal agreements. Information provided by DSM has not been validated and has advised that any investors interested in the licences, should contact DSM for a detailed explanation and current status including independent consultant tenement reports.

Tenement	Status	Principal Holder	Other Holders	Expiry	Expenditure	Prospect/s
M25/875	Pending	LLI (80%)	CASCADE (20%)			Hoffmann
M 26/867	Pending	LLI (80%)	CASCADE (20%)			Providence
P 26/4142	Live	LLI (80%)	CASCADE (20%)	05-Sep-2024	$6,840	Providence
P 26/4089	Live	LLI (80%)	CASCADE (20%)	19-Apr-2025	$2,000	Hoffmann
P 26/4101	Live	LLI (80%)	CASCADE (20%)	27-Sep-2025	$6,560	Hoffmann
P 26/4102	Live	LLI (80%)	CASCADE (20%)	25-Mar-2026	$7,480	Hammer & Tap
P 26/4103	Live	LLI (80%)	CASCADE (20%)	18-Oct-2025	$7,920	Andromeda
P 26/4104	Live	LLI (80%)	CASCADE (20%)	18-Oct-2025	$7,720	Andromeda
P 26/4507	Live	LLI (80%)	CASCADE (20%)	01-Sep-2028	$2,000	Andromeda
P 26/4139	Live	LLI (80%)	CASCADE (20%)	19-Oct-2025	$5,880	Black Hills
P 26/4275	Live	LLI (80%)	ASRA (20%)	04-Jan-2026	$4,320	Black Hills
P 26/4276	Live	LLI (80%)	ASRA (20%)	04-Feb-2026	$5,640	Black Hills
P 26/4292	Live	LLI (80%)	CASCADE (20%)	24-May-2026	$2,000	Divine
P 26/4310	Live	LLI (80%)	CASCADE (20%)	04-Feb-2027	$6,920	Tommies Dam NE Au
P 26/4409	Live	LLI (80%)	ASRA (20%)	09-Jul-2027	$7,880	Tommies Dam
P 25/2349	Live	LLI (80%)	CASCADE (20%)	18-Oct-2025	$4,880	Rhyolite
P 25/2493	Live	LLI (80%)	CASCADE (20%)	31-Jan-2027	$7,480	Goddards Au and Ni, Co, Cu, Zn, Ag
P 26/4086	Live	LLI (80%)	CASCADE (20%)	18-Oct-2025	$4,880	Rhyolite

Table 1 – Desert Minerals Ltd Tenement Summary

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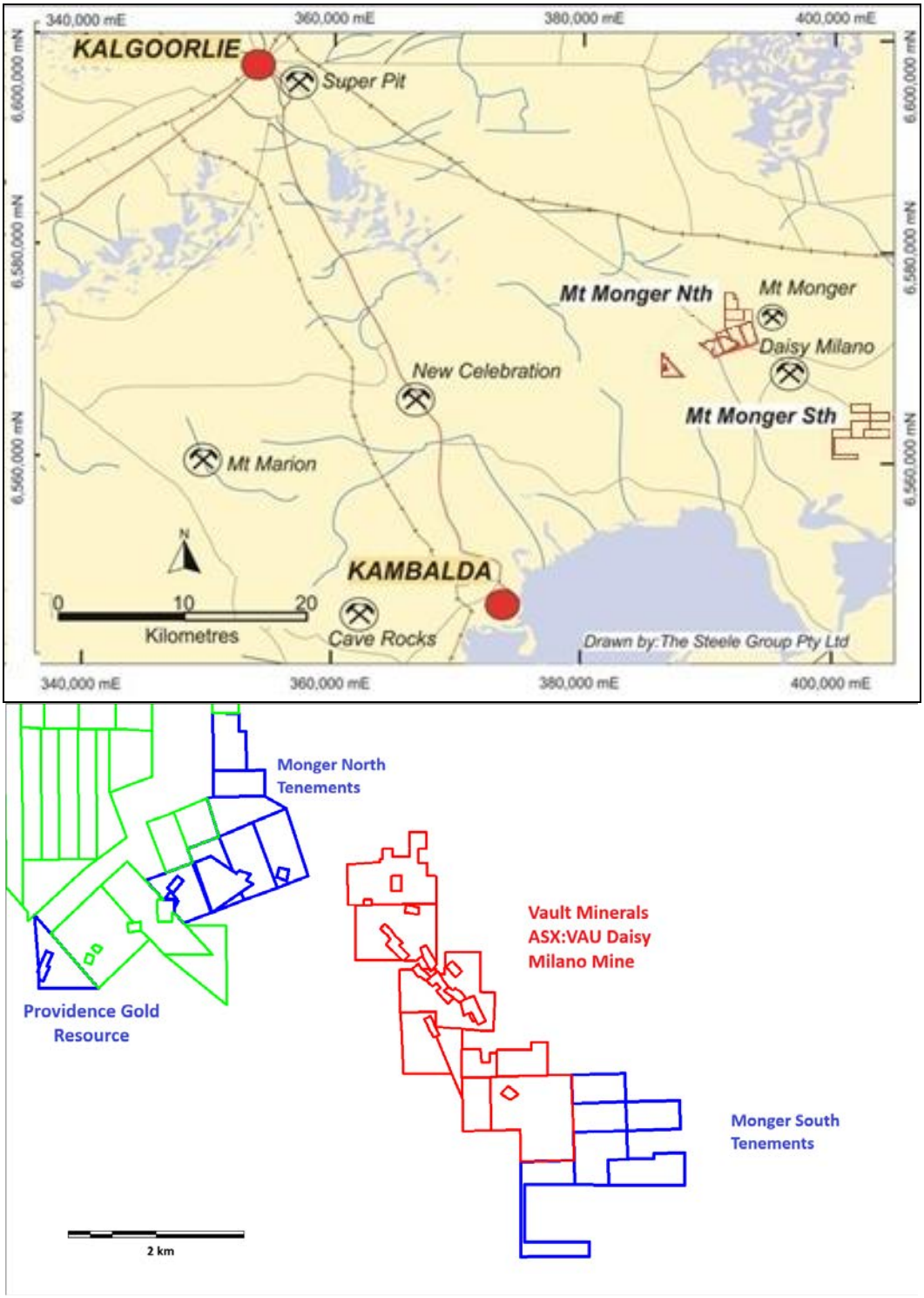

Figure 1: Mount Monger Gold Project (MMGP) – Two areas in the North one in the South shown.

Project Location

The MMGP is located in the Eastern Goldfields Province of Western Australia (Figure 1). The project straddles the boundary between the Kanowna and Widgiemooltha 1:250,000 map sheets. Access to the area is via the all-weather Mt Monger road from Kalgoorlie via numerous fence line, station and exploration tracks that branch from the Mt Monger road, with tenements a maximum of 5km from the main Mt Monger road.

Regional Geology

The MMGP - North tenements are positioned within the Eastern Goldfields Province of the Achaean Norseman-Wiluna Greenstone Belt. The greenstone belt has been subdivided into a number of geological terrains including the Gindalbie Terrain, the Kurnalpi Terrain, and the Edjudina/Linden Terrains, which are separated by regional faults (Swager, 1995). The NNW trending Mt Monger Fault, in the south eastern portion of the holding, transects the project area separating the Gindalbie Terrain in the northeast from the Kalgoorlie Terrain in the southwest (figure 2).

Multiple deformation events in the Eastern Goldfields, with early north-south directed thrusting overprinted by east-northeast shortening, has resulted in dominant north/northwest trending greenstone belts and granites separated by major north-northwest trending shears.

The Mt Monger Fault represents one of these large domain shear boundaries, D2-3, that separate the Boorara and Bulong Domains. The Gindalbie Terrain, east of the Mt Monger Fault, consists of a lower mafic to felsic volcanic sequence overlain by a thick ultramafic to mafic succession known as the Bulong Complex. The low angle Hampton Fault is regarded as the contact between the two sequences (Swager, 1995). Both sequences have been folded into a broad, north-south plunging anticline (D2) known as the Bulong Anticline. The Mt Monger Project - North tenement holding overlies a segment of the western limb of the anticline and covers a greenstone succession comprising a komatiite-dominated ultramafic association containing thin interlayered felsic tuffs, underlain by younger calc-alkaline volcanic rocks with minor lenses of finer grained sedimentary rocks.

Lithological trends in the Wombola area are predominantly east-northeast to east-southeast trending and sub-parallel to an interpreted east-northeast shallow south dipping thrust fault that extends through the area. This structural feature may be analogous to the Fitzroy Shear Zone, 60km to the north-northwest, which controls the Kanowna Belle mineralisation. The geometry at Kanowna Belle reflects a large east-northeast trending D1 trending structure, the Fitzroy Shear, which is overprinted by northwest orientated D2-3 faulting. The Wombola geometry not only reflects early north-south D1 thrusting and recumbent folding but also reflects the late D2 sinistral transpression along the Mt Monger Fault with numerous north and northwest trending faults that crosscut the dominantly east-west trending sequence.

The MMGP - North lithological trends on the eastern side of the fault are typical of the Eastern Goldfields, with large north-northwest trending folds and shears, visible on the aeromagnetic images, of which the large shear structures may have acted as fluid conduits during vein formation. Gold mineralisation is commonly observed along similar structures elsewhere in the Eastern Goldfields (i.e. Junction, Kanowna Belle).

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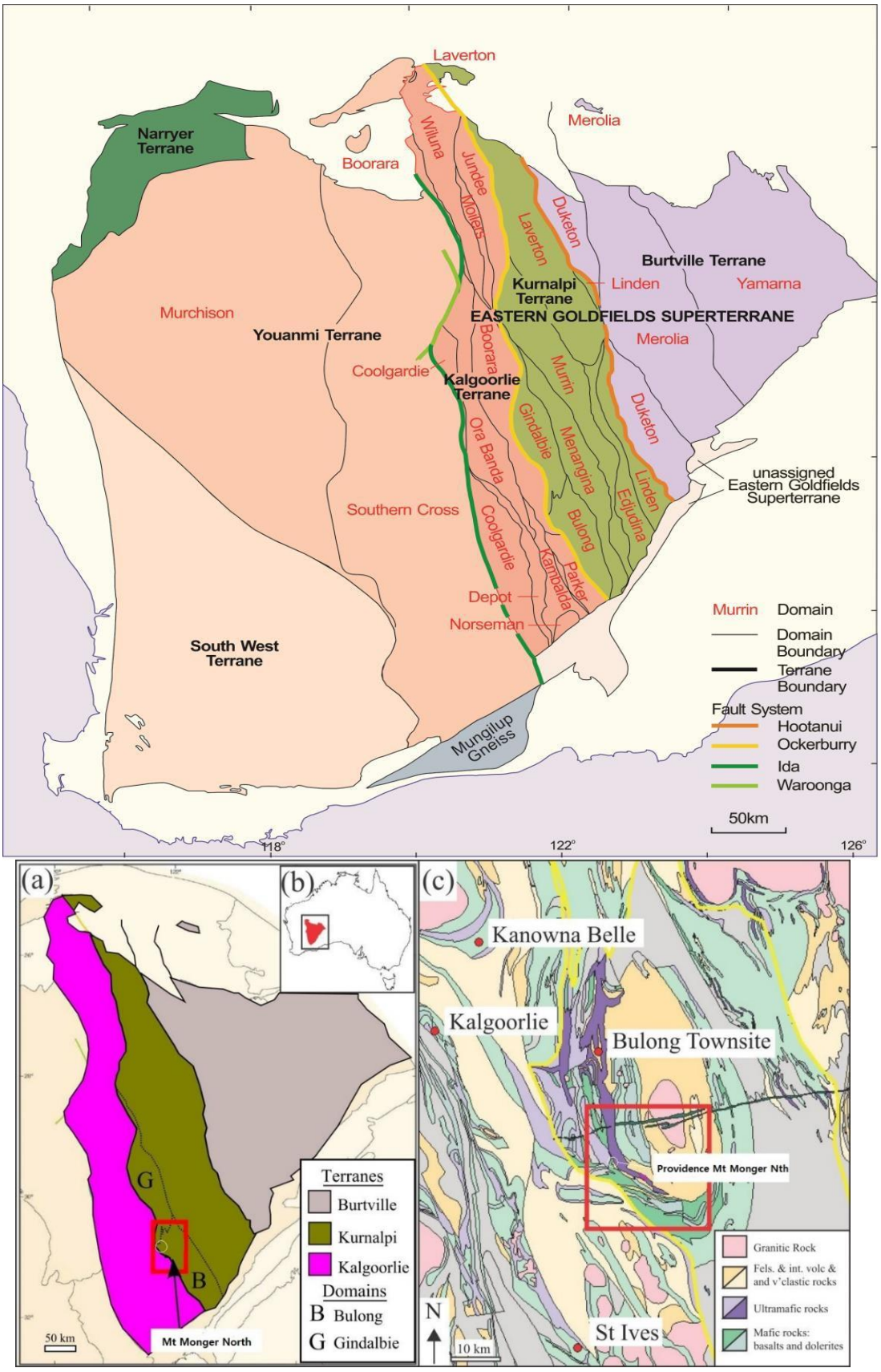

Figure 2: Map outlining the tectonic units of the Yilgarn Craton and surrounding provinces with location of the MMGP in the Bulong Domain south of the Gindalbie Domain (Geological Survey of Western Australia)

On the western side of the Mt Monger Fault lithological and structural trends show a marked change to predominantly east-west orientations.

A range of lithologies have been identified in the MMGP - North including dolerite, leucodolerite, basalt, basaltic volcaniclastic units, talc rich ultramafic, chloritic ultramafic, ultramafic with relic cumulate textures and sedimentary rocks including sandstone, chert, shale, siltstone, and silicified shale. Felsic volcanic rocks including dacite and rhyodacite were observed in the northern tenements on the eastern side of the Mt Monger fault and isolated outcrops/drill cuttings of volcaniclastic sandstone and minor feldspar porphyry have also been observed in the central Wombola area. Locally, the project geology can be divided into a Western Zone and an Eastern Zone separated by a NNW striking regional shear, sub parallel to the Mt Monger Fault. This structure hosts the Daisy Milano mineralisation 5km to the southeast. The Western Zone is characterised by a package of mafic, ultramafic, and sedimentary rocks underlain by interbedded mafic and sedimentary rocks to the south and overlain by a thick sequence of sedimentary rocks to the north. The area is dominated by a series of oblique sinistral faults that splay off the Mt Monger Fault. The mineralised host rocks include the dolerites at Wombola Dam, Wombola Pit & Hammer and Tap.

The rocks of the Eastern Zone are dominated by a thick sequence of chlorite rich ultramafic and mafic rocks that correspond to the western limb of the Bulong Anticline.

This sequence hosts the Black Hills lateritic nickel resource to the north. In the eastern area, a band of sedimentary rocks including chert, siltstone and shale extend along the western edge of the ultramafic sequence, which is interlayered with fine grained feldspar rich andesite and gabbro. The ultramafic is intruded by rhyolite and rhyodacite. Gold anomalies identified in the northern area appear to be associated with these felsic intrusions.

In the Wombola area, a dolerite sill (up to 150m thick) intrudes a thick sedimentary sequence dominated by siltstone, fine grained quartzo-feldspathic sandstone, shale, and interbedded chert. This sediment-dolerite sequence is in fault contact with the eastern ultramafics. The notable feature in the North Monger area is the marked change from the north-northwest lithological trend along the Mt Monger Fault, typical Eastern Goldfields, to the dominantly east-northeast to east-southeast trend in the Wombola area.

Regolith

As outlined by Ramsgate Resources (A450782), the terrain within the project area is of subdued relief with local rises mantled with degraded lateritic iron products. Local low outcrops of more resistant rock units rise to a maximum of 25 metres above plain level. Creek systems are small and ephemeral with little incision into soil and colluvium. The area is covered with open eucalypt forest with a shrubby understory of saltbush and Eremophila species. Drainages in The Mt Monger area will either go north to Lake Yindarlgooda system or south to Lake Lefroy.

Bedrock is generally concealed by a mantle of transported to residual red loam up to 2m thick, but generally less than 1m. Reworked lateritic iron oxide pisoliths commonly lie immediately above bedrock in a stiff brown clay in areas with thicker cover. A stone-line of angular quartz and ironstone mottles may mark the interface between soil and rock. It is noted by DSM geologist that localised residual loam can exceed 2m.

Bedrock is generally deeply weathered and kaolinised to around 40 metres depth. The interface with the soil profile is generally indurated to depth of a metre or so by secondary silicification but at greater depths below the induration, the rocks breakdown to many vari- coloured kaolins and remobilised limonitic products in the zone of oxidisation.

Certain areas are lateralized and typically occurs as low to moderate rises mantled with limonitic indurated mottles or with cemented pisolitic ironstone depending on the degree of degradation. There is usually significant chemical leaching on the saprolite reflected by pallid clays immediately beneath the soil or clay-mottled zone. Recognisable bedrock maybe tens of metres deep in such areas. Lateritic effects tend to be localised, and deep chemical weathering may occur just as a few metres away from the weakly leached settings.

Tertiary drainage channels have been observed incised into the weathered bedrock and have a moderate subsurface relief perhaps up to 15 metres depth. They are infilled to plain level with transported pisolite bearing clays and waxy pug layers of white, pale green to ochre colouration.

MMGP - North Historic Production from the General Area

Local prospectors found gold near Mt Monger in 1896, with the main production dating from 1916 when mines were developed close to the Mt Monger Homestead. From Department of Mines records, Hickman (1986) summarised gold production from the Mt Monger area which at the end of December 1984 totaled about 4,760 kg of gold from 170,000 tons of ore (170,000 tons at 28 g per ton gold for 153,038 ounces). Most of the gold was mined by underground methods from what were known as the Capital Haoma leases which corresponds to Christmas Flats and includes the Dinnie-Riggio, Haoma and Daisy Milano loads not located on the MMGP.

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Previous Exploration

Initial systematic exploration at the MMGP commenced in the early 1980's, however it was AMX Resources NL (A48788) in 1995 that commenced an aggressive approach to areas currently held by DSM. AngloGold commenced exploring in the DSM areas of interest in 1999.

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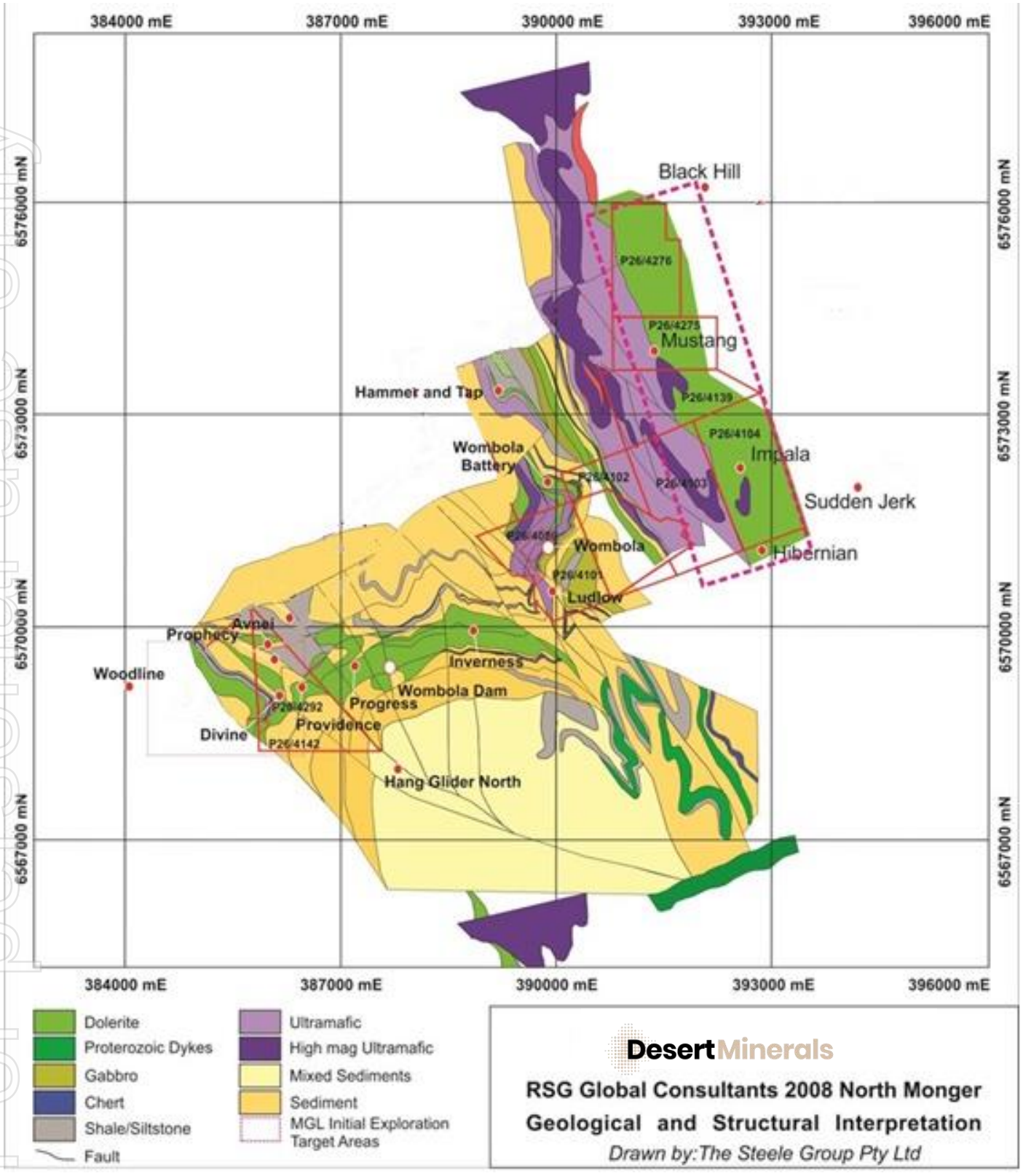

Figure 3: MMGP - North - RSG Global Consultants - Geological and Structural Mapping Interpretation

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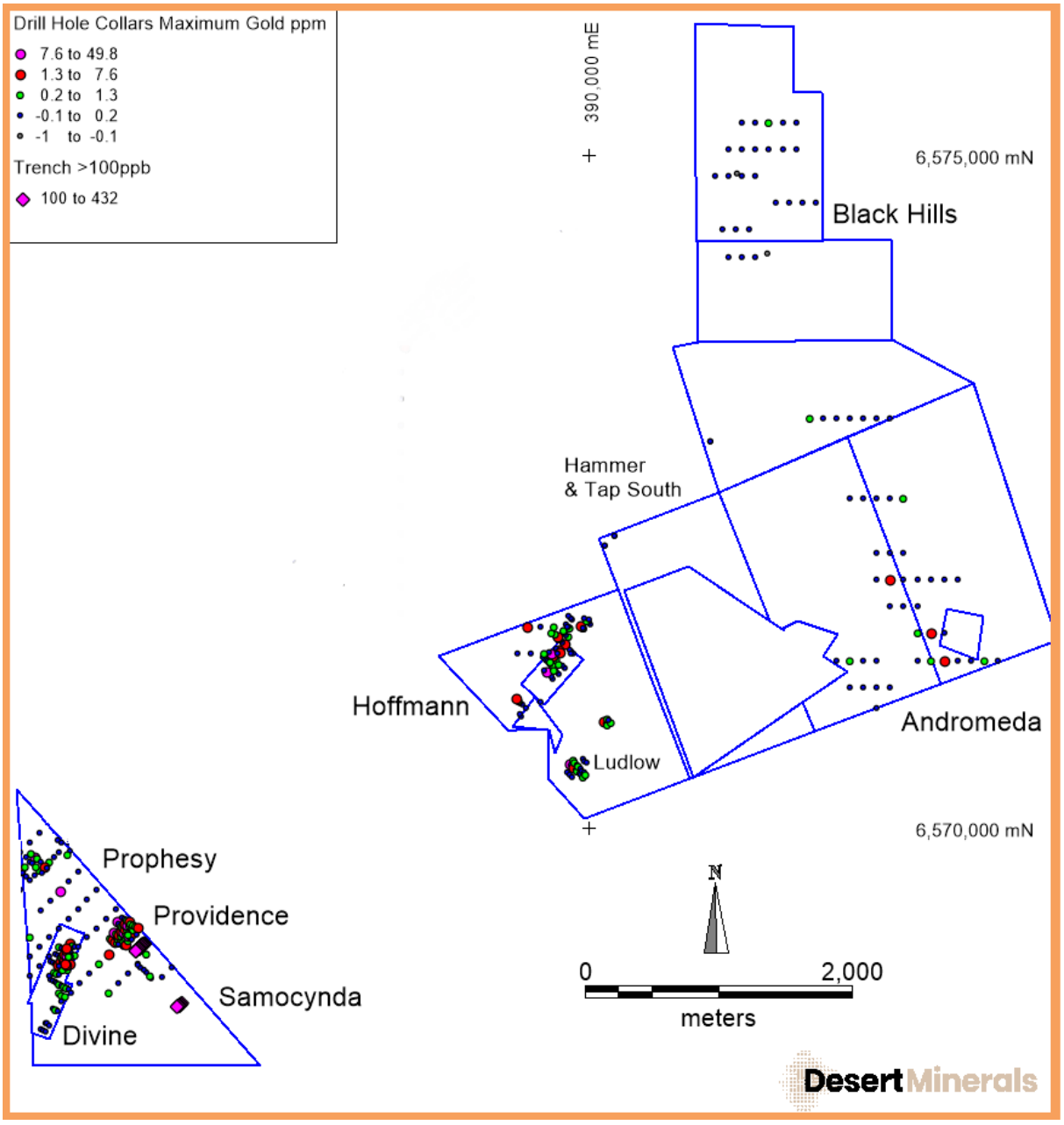

Figure 4: MMGP – North tenements with all drill collars and prospects.

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Table 2 - Mt Monger North - Historical Exploration Table Preceding Loyal Metals Ltd

PROSPECT NAME	SUMMARY
PROVIDENCE	**Geology** The Providence Gold Prospect is located within an east-west striking dolerite package and intersected by major northwest to southeast faults and associated splays. It appears from the information provided and where higher-grade intersections have been encountered, that the highest- grade intersections correlate with these major northwest faults intersecting the dolerite and an early east-west general fabric, created by an early north-south D1 thrusting and associated recumbent folding episode. **Geological Mapping/Structural Interpretation** In 2007, Cortona Resources Limited (A77804), engaged RSG Global Consulting Pty Ltd to conduct a geological/structural interpretation (Figure 3). **Rock Chip Sampling** As detailed in Silver Lake Resources (A108656), rock chip sampling during 2011 to 2012 achieved the following significant results: 5.71 g/t (WW001), 1.02 g/t Au (W016), 7.68g/t Au (WW002), 14.1 g/t Au (WW004), 1.48 g/t Au (WW005), 1.58 g/t Au (WW009), 1.39 g/t Au (WW012), 1.0g/t Au (WW018), 29.4 g/t Au (WW027), 4.6 g/t Au (WW028), 1.21 g/t Au (WW030). These rock chip samples have been used to assist in a detailed exploration program. These results are used as gold mineralisation indications only. **Drilling** Between July 2011 to June 2012, Silver Lake Resources drilled a total of 43 RC drill holes for a total of 2,298 metres at the Providence Prospect, located on the eastern licence boundary within Silver Lake Resources tenement (A108656).. One diamond drillhole (A10656) was completed to a depth of 180.1m. One intersection was identified and reported 11NMDD004 - 3.2m @ 1.30 g/t Au from 90.65m. **The Company will be actively assessing the Providence Gold Prospect MRE.**

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DIVINE	**Geology** The Divine Gold Prospect is located within the dolerite package and intersected by major north-northwest to southeast faults and associated splays. It appears from the information provided and where higher-grade intersections have been encountered, that the highest-grade intersections correlate with these major northwest faults intersecting the dolerite and an early east-west general fabric, created by an early north-south D1 thrusting and associated recumbent folding episode. **Rock Chip Sampling** Silver Lake Resources (A 95757) identified areas of dolerite outcrop and conducted a rock chip sampling program in late 2011. Significant rock sample results reported include: WW153 – 1.77g/t Au, WW147 – 1.69g/t Au, WW146 – 2.05g/t Au, WW139 – 1.27g/t Au, WW144 – 11.40g/t Au, WW143 – 8.92g/t Au. These results are used as indications of mineralisation only. **Drilling** In 2000, AngloGold (A63747) conducted a 10-hole RAB drill program (NMR287-294 and NMR098-99). The 10-hole drill program achieved a total of 375m. A follow up program by VAU Resources (A108656) in 2011 comprised a 57 drillhole RC program for 3,078m. Reported significant intersections are located in Table 3. **DSM is planning to evaluate and investigate between Divine and the Providence MRE 500m towards the east.**
PROPHECY	The Prophecy Gold Prospect appears to be based on one RAB hole drill intersection NMR 273 - 1m at 9.5g/t from 41 m depth. This intersection is located at the base of the hole and it does not appear that the Prophecy Gold Prospect has received any attention since. The closest drill collar is approximately 400 m northeast. Cortona Resources engaged RSG Global in 2008 (A77804) to conduct a structural analysis of the Mt Monger North area, to assist in understanding structural complexity and provide an enhanced targeting tool. From this analysis it appears that the Prophecy Prospect is located upon a major northwest/southeast trending fault and along the geological contact of a shale and undifferentiated sediments.

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LUDLOW (south of Hoffmann)	Silver Lake Resources completed a 28 RC drillhole program (12NMRC084 – 103) in 2011 for 1512m. Four significant rock chip assays were recorded at the Ludlow Prospect (A95757); LUD033 – 1.01g/t, LUD032 – 1.20g/t Au, LUD023 – 3.20g/t Au, LUD005 – 3.23g/t Au and LUD010 – 5.30g/t Au. The results are being treated as mineralisation indications only. Additional rock chip samples identified high grade samples at the Tunnel Prospect location, which is coincident to Ludlow. Significant rock chip samples include: NMEX011 – 1.48g/t Au, NMEX016 - 4.38 g/t Au, NMEX012 – 5.80g/t, NMEX014 – 7.32g/t Au, and NMEX018 – 12.50g/t Au. Best drilling results found was 1m @ 18.4g/t from 24m. The results are being treated as mineralisation indications only.
HOFFMANN	The Wombola/Hoffman and Kalgoorlie and Boulder Firewood gold prospects received 65 RC drillholes for a total of 3,498m. This program was conducted by Silver Lake Resources Pty Ltd in 2012 (A95757). Two significant intersections were reported 12NMRC148 3m @ 3.62g/t Au from 1m and 12NMRC182 3m @ 2.64g/t Au from 44m. The results are being treated as mineralisation indications only.

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Table 3: Mt Monger Project – North to 2021 Significant Drill Intercepts prior to Loyal Metals Ltd

Prospect	Hole ID	Easting	Northing	Azimuth	Dip	EOH	Significant Intersection
PROVIDENCE PROSPECT	11NMDD004	386490.60	6569317.85	120	55	180.1	3.2m @ 1.30 g/t Au from 90.65m
	11NMRC060	386475.79	6569167.38	120	55	54	2m @ 1.92g/t Au from 33m
	11NMRC070	386470.53	6569238.436	120	55	54	1m @ 20.7g/t Au from 54m
	11NMRC072	386504.26	6569219.15	120	55	54	7m @ 1.04g/t Au from 24m
	11NMRC077	386519.46	6569246.04	120	55	54	2m @ 4.21 g/t Au (from 33m)
	11NMRC078	386536.65	6569234.65	120	55	54	2m @ 7.93g/t Au from 8m (including 1m @14.3g/t Au) and 1m @ 1.86g/t Au from 22m
	11NMRC080	386572.13	6569211.78	120	55	54	1m @ 13.7 g/t Au from 8m
	11NMRC085	386549.99	6569261.56	120	55	54	2m @ 2.5g/t Au from 11m
	11NMRC088	386601.98	6569227.37	120	55	54	2m @ 2.88g/t Au from 47m
	11NMRC090	386566.773	6569286.62	120	55	54	5m @ 7.17g/t Au from 9m
	11NMRC097	386583.8921	6569313.382	120	55	54	1m @ 2.78g/t Au from 10m and 1m @ 1.64g/t Au from 13m
DIVINE PROSPECT	NMC013	386115.51	6569004.31	360	56	100	3m @ 17 g/t Au (from 97m) ends in mineralisation
	NMC020	386113.74	6569113.80	182	56	120	1m @ 3.89 g/t Au (from 86m)
	NMC022	386114.65	6568995.64	360	56	136	7m @ 2.35 g/t Au (from 82m) & 4m @3.07 g/t Au (from 131m)
	11NMRC028	386053.46	6568993.46	120	55	54	1m @ 1.93 g/t Au (from 41m)

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DIVINE PROSPECT	11NMRC033	386069.29	6569017.67	120	55	54	1m @ 3.26g/t Au from 41m
	11NMRC040	386101.18	6569035.81	120	55	54	1m @ 1.92 g/t Au (from 14m)
	11NMRC044	386098.99	6569071.82	120	55	54	2m @ 1.05g/t Au from 25m
	11NMRC045	386117.57	6569061.36	120	55	54	2m @ 4.91g/t Au from 41m
	11NMRC055	386144.96	6569150.78	120	55	54	1m @ 1.96 g/t Au (from 48m)
LUDLOW (HOFFMANN STH)	12NMRC087	389856.71	6570490.22	135	60	54	1m @ 18.4g/t from 24m
	12NMRC089	389884.415	6570460.83	135	60	89	1m @ 2.13g/t from 38m
	12NMRC091	389911.53	6570432.04	135	60	54	1m @ 0.92g/t from 9m
HOFFMANN	12NMRC148	389680.667	6571171.526	315	60	54	3m @ 3.62g/t from 1m
	12NMRC165	389816.737	6571376.73	315	60	54	1m @ 3.22g/t from 33m
	12NMRC182	389731.375	6571286.822	315	60	54	3m @ 2.64g/t from 44m
	12NMRC183	389718.512	6571303.967	315	60	54	1m @ 7.66g/t from 31m
	NMR550	392536.96	6571457.28	090	60	66	2m @ 3.9 g/t Au (from 49m)
	NMR521	392636.96	6571257.27	090	60	55	2m @ 2.3 g/t Au (from 35m)

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Mt Monger Gold Project - north - Providence JORC (2012) Resource

A JORC (2012) Inferred Mineral Resource for the Providence Gold Deposit was estimated at 204,700 tonnes @ 2.5g/t for 16,400 ounces gold. The resource is located within typical open pit extractable depths, occurring over a relatively short strike length of circa 200m. There is scope to materially expand the resource through additional drilling with the mineralisation remaining open along strike with 500 metres of untested strike to the southwest. Gold mineralisation remains open down dip to the northwest and down plunge to the southwest. The Mt Monger Project – North is located only 5 kilometres northwest from VAU's Daisy Milano mining complex. The maiden resource illustrated that Loyal Metals's decision to drill deeper below historic lower- grade oxide/transitional drill intercepts were beneficial, with average resource gold grades 35% higher in fresh rock.

Resource Classification

Resource classification is based on variability of the assay data using QAQC data analysis, twinned drill holes and historical drill holes with no QA/QC data but some LLI confirmation RC drilling. The laboratory-analytical QAQC results at this stage of mineral resource estimation were sufficient for a JORC (2012) Inferred Resource category level.

Mineral Resource Statement

The mineralised material is understood to have "reasonable prospects of eventual economic extraction" by open pit mining methods as the mineralisation is relative shallow and there have been two adjacent open pit mines within the last ten years on mineralisation with similar characteristics. Mineralised material that has an economic cut-off grade above 0.41 g/t is reported for the JORC Resources.

JORC (2012) Mineral Resource Estimate Summary

Oxidation	JORC classification	Tonnage (t)	Density	Au Grade (ppm)	Metal Au (ounces)
Gold mineralisation (Cut-off grade Au 0.41 ppm)					
Oxide	Measured	-	-	-	-
	Indicated	-	-	-	-
	Inferred	31 403	2.11	2.06	2 084
	Total	**31 403**	**2.11**	**2.06**	**2 084**
Transition	Measured	-	-	-	-
	Indicated	-	-	-	-
	Inferred	31 688	2.27	1.56	1 587
	Total	**31 688**	**2.27**	**1.56**	**1 587**
Fresh	Measured	-	-	-	-
	Indicated	-	-	-	-
	Inferred	141 595	2.82	2.80	12 734
	Total	**141 595**	**2.82**	**2.80**	**12 734**
TOTAL	Measured	-	-	-	-
	Indicated	-	-	-	-
	Inferred	204 687	2.59	2.49	16 405
	Total	**204 687**	**2.59**	**2.49**	**16 405**

The following is a summary of material information used to estimate the Mineral Resource, as required by Listing Rule 5.8.1 and JORC 2012 Reporting Guidelines with further information provided in JORC Table 1. Details of historic drill results and LLI's exploration drilling at Providence including all collar tables and all significant intersections that have been released on the ASX are listed in the announcements presented in the References.

Drilling Techniques and Hole Spacing

LLI drilled two stages of RC drilling and three diamond drill holes at the prospect with a total of 20 holes for 2,016m RC and 3 holes for 247.4m of recovered diamond core on five traverses. Traverses were over a 110m strike on four traverses approximately 25m spaced, with one further step-out traverse of 40m on a final traverse to the southwest. Two holes were drilled a farther 50m NE to test oxide and transitional gold mineralisation found in

historical drill holes. The first RC drilling completed at Providence was by AngloGold Limited with three RC holes for 280m following up on results from a regional rotary air blast (RAB) drill program. Silver Lake Resources Limited (ASX: SLR) in 2011 drilled a total of 49 RC drill holes, all around 54m deep, for 2,740m into the oxide and transitional zones, with an additional two diamond core holes in the very northeast for 332.5m. These SLR drill holes were on seven traverses at 25m spacing between traverses. LLI drilled deeper holes beneath the historical shallow drilling, both in the mid-section of the SLR historical drill traverses, but more importantly further southwest, where better fresh rock gold mineralisation was discovered and extended over a >90m strike zone.

Only small shallow prospector pits (<1m, with one 4m deep pit in the central part of all drill traverses) occur on surface around outcropping and sub-cropping milky white quartz veins that all have a southwest strike and steep northwest dip. There is no known artisanal underground development beyond the shallow prospector pits and no LLI drill holes nor logs from historical drill holes recorded any voids while drilling. Drilling completed at Providence with results used to support the MRE includes 5 diamond core (DDH) holes and 74 RC drill holes. All RC and diamond holes are drilled from surface with most holes drilled towards the southeast at dips of -55°, -60° or -65°. Earlier holes were drilled in the same orientations with the majority at a dip of -55° but the first three holes into the resource were drilled southwest and LLI drilled one scissor hole towards the northwest. RC drilling used a 5.5-inch (13.97cm) face sampling hammer and core drilling used a NQ2 (50.6mm diameter) core size. RC drill samples were collected every metre in consecutive numbered large plastic bags. Samples with significant intercepts were removed for storage in a locked shed at the Company property in Kalgoorlie. Drill core was oriented and marked on polymer blocks with hole name, depths of core runs, depth down hole and estimated core loss, in polymer core trays with lids. Orientation marks were routinely placed on the core. When core was logged it was measured for core loss with core photography taken of all core in moderate and high resolution and geological and geotechnical logging completed. Only minor (<3%) core loss occurred in mineralised intervals. Half cut and full core (uncut) of all diamond core drill hole is stored in a secure locked yard at the company property in Kalgoorlie. Gold mineralisation within historical drill holes was categorised as JORC Inferred as no QA/QC data has been found for the sample assay data. LLI drilling has QA/QC data (standards, blanks, duplicates that found no mishandling or sampling errors and no significant bias or conditional bias for JORC Inferred category. The deposit is drilled at a sufficient spacing to imply geological continuity, with a kriged estimation completed on a number of domains due to sample spacings being close enough to produce stable semi-variography, therefore has the potential for conversion to JORC Indicated.

A natural cut-off-grade was observed in the assay data of 0.20g/t which was wireframed (note different than reported resource cut-off-grade). A total of 36 separate domain wireframes were formed. There were 11 oxide domains, 11 transitional domains, and 14 fresh rock domains (Figure 6). The number of domains illustrate the narrow nature of the resource contained in a typical form distinctive of the Mt Monger area. These narrow structures pinch and swell with very high-grades of gold contained within a series of lenticular pods connected by thinner and lower-grade parts to structures. Structural readings in diamond drill core confirmed the steep dip of gold mineralisation that generally cross-cuts geological contacts at a high angle. In fresh rock, steeply northwest dip gold mineralised structures cut across at a high angle and occur in all lithologies; mafic schists, volcanoclastic schists and mafic dolerite (massive and schist). Oxide gold mineralisation occurs in a highly weathered hematite rich saprolite with remnant quartz veining as both flat and steep dips that mirror basement mineralisation. Geological contacts are sub-horizontal, with dips gently to the southeast, parallel with a strong pervasive S1 cleavage and early thrust faulting. The stratigraphic sequence from surface to the deepest drill holes is a mafic schist, clastic sedimentary schist and a basal core of dolerite variably altered to chlorite and amphibole. Gold mineralisation is associated with chalcopyrite and pyrrhotite which increase with depth into the basal dolerite. Although there is an erratic strike discontinuity to the gold distribution within quartz veins and breccias, continuity of structure was found with a steep northwest dip and southwest plunge. Gold mineralisation is to open along strike to the northwest and southwest at depth. Results from hyperspectral scanning by Corescan (Geoscan) Ltd, Perth, determined mineral assemblages with low and high wavelength chlorites (Mg/Fe rich) and white micas and the destruction of biotite/pyroxenes were found to be important parameters for both exploration vectoring and use in the resource estimation geological model with verification of geological and grade continuity. This pattern is assumed to occur because of different fluid types with the gold deposit forming on redox boundaries of contrasting fluid types.

Downhole geophysical density measurements were completed on five LLI RC drill holes and the water method was used for calculating SGs for transitional and fresh rock from diamond drill core. More drill core density measurements are required to have an equal spacing across the deposit to enable interpolation of the results into a density block model.

Sampling and Sample Analysis

Core was cut in half longitudinally with an electric core saw. Core was cut such that the orientation line remained in the core tray for future reference with half core sampled in consecutively numbered calico bags to produce around 2.75kg samples. Sample lengths were all one metre.

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Certified Reference Materials (CRM) submitted into sample stream at a rate of 1 in 30, and analytical blanks also at 1 in 30 were used as part of the QA/QC procedure. CRM Blank standards were also submitted at 1:30.

All samples were dispatched to Min Analytical Laboratories Ltd (ALS) Kalgoorlie for sample preparation and analysis using the Photon two cycle 500g technique. This method is considered a total analysis. Some mineralised intervals were compared with fire assay 30g AAS. Multielement assays illustrate that gold mineralisation is associated with above background trace elements of copper, zinc, bismuth, nickel/cobalt and tellurium with very low arsenic/antimony and tungsten. The paucity of arsenic in an Eastern Goldfields gold deposit is relatively rare. Litho-geochemistry and thin sections confirmed rock types logged (mafic schist, intermediate and felsic volcanoclastic schist) with protoliths extremely altered. Portions of the felsic volcanoclastic has high sodium in paragonite with gold.

Estimation Methodology

Three-dimensional (3D) modelling of the geology was undertaken to generate domains for analysis and resource estimation. Statistical analysis was based on these 3D fault domains, to determine the data truncation (top cuts) to be applied to the gold assay data prior to resource estimation. A top cut of 46.51 ppm gold was used, calculated from log-probability plots for all domains to assess the occurrence of grade outliers. Analysis of density data was undertaken to determine parameters for density estimation. Variography was undertaken on gold and density to generate the parameters required for estimation. Geostatistical analysis based on all available assay data which showed the presence of anisotropy in the distribution of gold mineralisation, so some of the wireframe models with the sufficient degree of knowledge (the number intersections of drillholes and the number of composites) were interpolated using the ordinary kriging (OK) method, and for the rest of the wireframe models interpolation of gold grades into a block model used inverse distance weighted (IDW). It can be concluded that prerequisites for the spatial continuity of gold grades have been identified at Providence. Estimation of gold grade into the block model used both an IDW and OK gold grade interpolation, constrained by wireframes. The block model was constrained by a surface DTM, weathering domains and wireframed mineralised structures in oxide, fresh and transitional rock. A second pass of OK/IDW then used these sub-domains within the weathering domains of oxide, transitional, fresh rock and further subdivided into fault domains, to produce final estimates of density and gold grade. A total of nine domains used the OK interpolator.

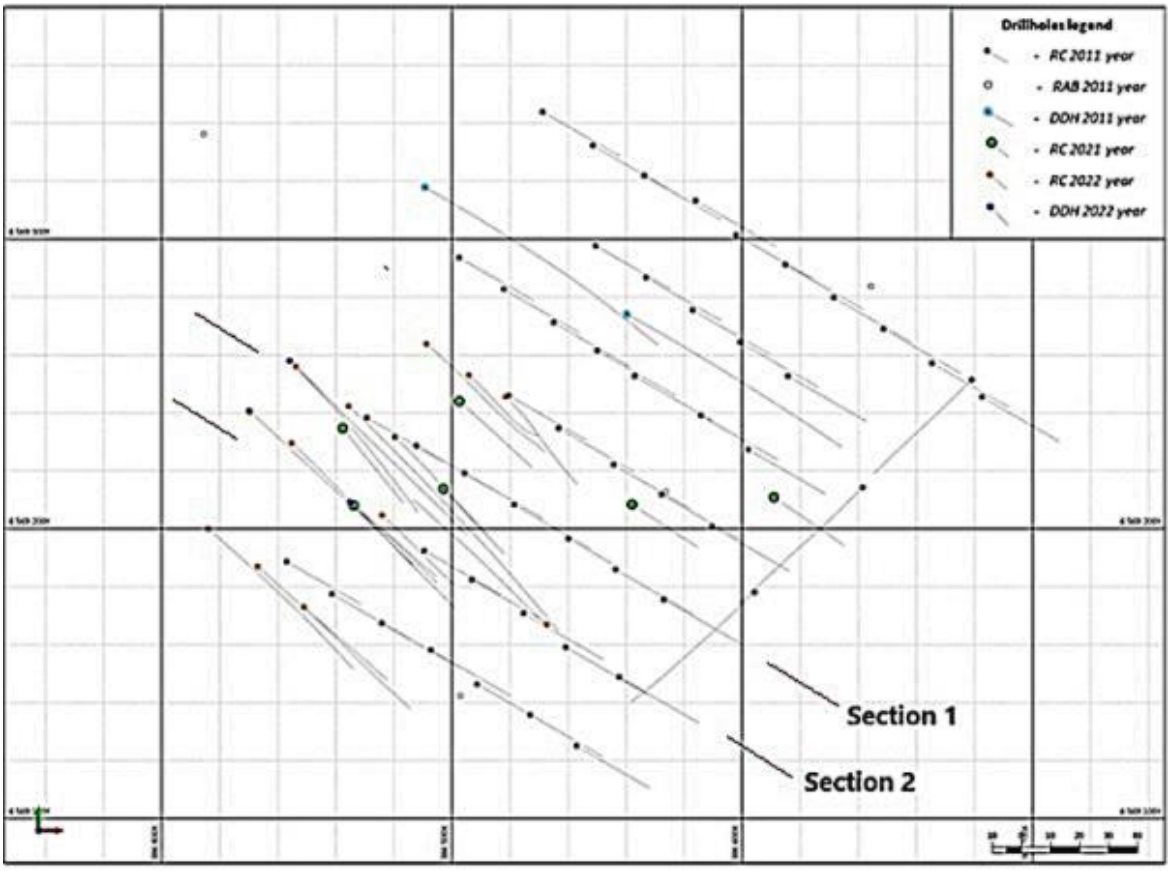

Figure 5: Plan of Providence drill holes projected to surface. Note most drilling from 2021 is located in the southwest (bottom right).

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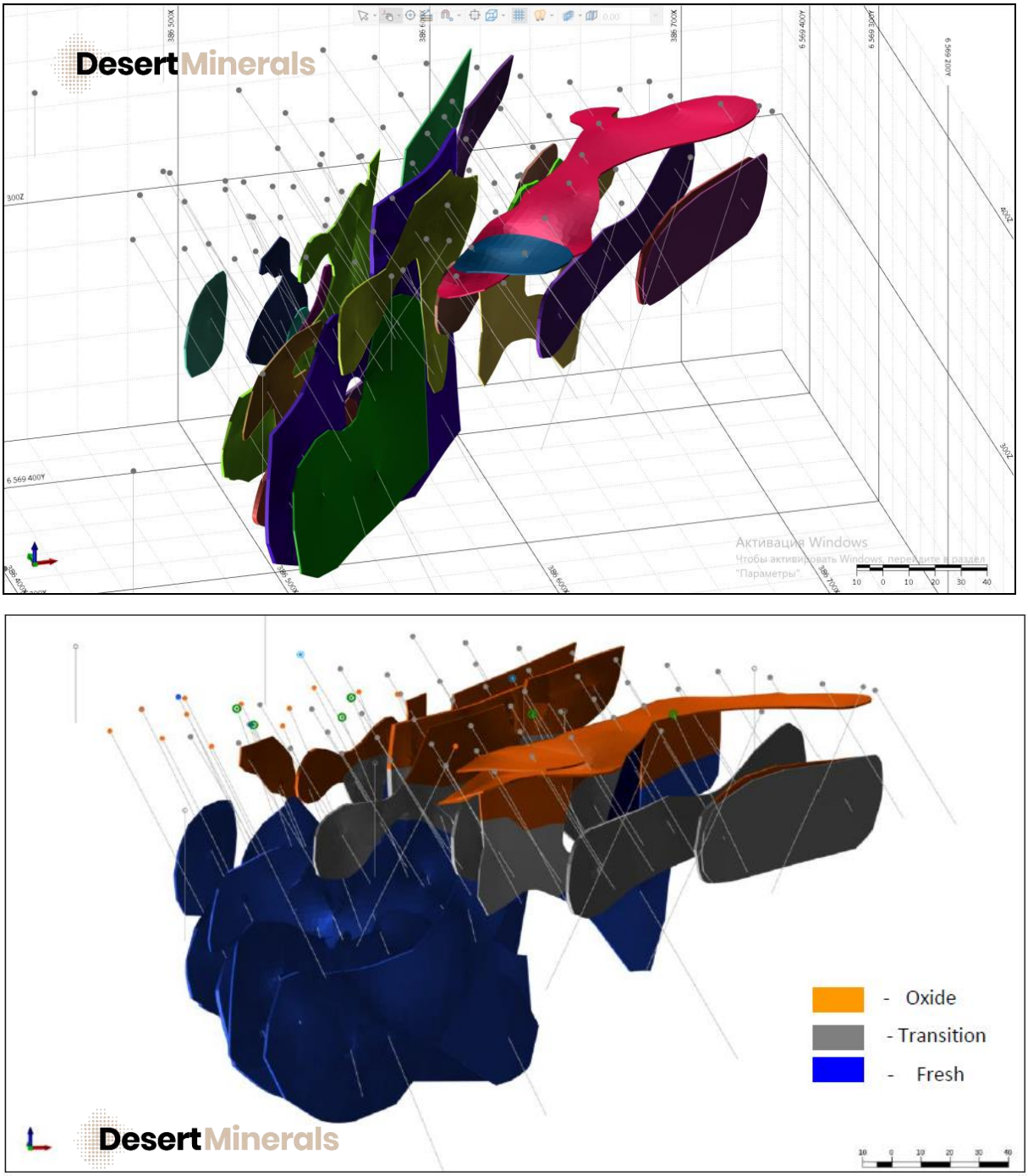

Figure 6 a & b: Wireframe domains with RC and diamond drill hole traces. View above and towards the north-northeast. Better gold grades and increased widths of mineralisation were found to in the middle to southwest of the deposit (bottom left), with more consistent inferred continuity. Note transitional and fresh-rock mineralisation has a steep dip to the northwest and a southwestern plunge to high gold grades. Horizontal oxide is located in red and blue wireframes in upper right of diagram (east-northeast). Note extrapolation of gold grades towards the southwest 10 metres past the last drill intercepts and 10 metres down dip (at depth which is approximately 1/3 of the distance between drill holes and within the variography range of the assay data).

Diamond Core Drilling

Three NQ2 core size diamond holes were drilled for 247.4m were drilled by LLI. The first hole 22MNDD001 twinned LLI RC hole 22MNRC017. The second hole twinned LLI hole 21MNRC007 and the third hole 22MNDD003, was a diamond tail off of LLI RC hole 22MNRC020, into a previously untested area. 22MNDD001 received a single metre gold assay grade of 19.19g/t, a higher maximum grade compared to the adjacent RC hole (10.69g/t), with the assay interval >0.5g/t narrower and lower in average gold grade and more discontinuous (figs. 1 & 2). But there were similar quartz vein volumes encountered in both RC and diamond drill holes, with low pyrite-arsenopyrite sulphide content quartz veins associated with chlorite-carbonate alteration containing gold,

between the high-grade assay value of 19.19g/t and an intercept 8m deeper downhole of 5m @ 2.11g/t. If the entire quartz vein logged interval assays are averaged, the total intercept bulks out to 14m @ 2.17g/t from 99m (8m of below 0.5g/t assays included) which compares favourably with the twinned 22MNRC017 RC intercept of 17m @ 2.04g/t from 89m (4m of internal waste <0.5g/t). The gold intercept dips steeply towards the NW as recognised from the structural logging of quartz vein orientations and is open towards this direction.

The second hole 22MNDD002 twinned the highest-grade RC interval found to date in 22MNRC007 of 8m @ 31.84g/t (from 66m). A lower grade intercept in quartz-carbonate-chlorite (+/- pyrite) veining hosted by a sericite-biotite-chlorite altered leucogabbro intrusive on the contact with feldspathic wacke was found with 7m @ 2.15g/t (65m) in core. This illustrates that over short distances high variability in assays exists due to coarse gold, with a strong nugget effect on gold grade distribution. So, if the type of quartz veining associated with gold is found to be present in a drill hole, this is a more important indicator of the presence of significant gold mineralisation, with the prediction of local gold grade values challenging, bulk samples may be required to find the local gold grade estimate.

The third drill hole 22MNDD003 re-entered 22MNRC020 and drilled to 141m to test 25m SW along strike of the mineralised interval in 22MNDD001/22MNRC017. Large quartz-carbonate veins with massive pyrrhotite and chalcopyrite were discovered within dolerite (photo 1). This is the first time such large quantities of these types of sulphides have been found to be associated with gold mineralisation at Providence. The intercept is interpreted to be the down dip extension of 21MNRC007 that has opened up, due to the boudinage form of mineralisation. Because the veining up dip is within a highly deformed leucogabbro dyke on a sediment contact and this deeper intercept is on the same structure entirely within dolerite, the character of the gold mineralisation has changed. It may be that either disseminated pyrrhotite found within the dolerite has been scavenged by the gold-bearing fluid or this significant amount of sulphide indicates that a major mantle tapping structure is proximal and has preferentially crystallised within mafic host rocks and not in the clastic sediments. The three diamond drill holes that were scanned by Corescan HCI-3 mineral mapping hyperspectral core imaging in order to determine mineral assemblages and parameters that are important as exploration vectors and for use in the resource estimation geological model i.e. verification of geological and grade continuity. Data including drill core photos are stored in CoreShed software.

Table: LLI Providence diamond drilling drill intercepts >1g/t. Note downhole lengths not true widths which are represented in the mineral resource estimate.

Hole_Id	Interval metres	Au ppm	Depth From m	Depth To m
22MNDD001	1	0.84	93	94
22MNDD001	1	19.19	99	100
22MNDD001	5	2.11	108	113
22MNDD002	7	2.15	65	72
22MNDD003	1	1.90	100	101
22MNDD003	2	2.23	104	106
22MNDD003	8	4.34	123	131
including	1	21.30	130	131



Photo 1: Results from one diamond drill hole at the Providence Prospect returned significant results of 2m @ 0.46% Copper from 130m including 1m at 0.56% copper. This drill hole also returned high-grade gold results of 8m @ 4.34 g/t Au including 1m @ 21.30 g/t Au from 123m depth. Note downhole lengths not true widths which are represented in the JORC

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mineral resource estimate. Massive bronze coloured pyrrhotite, chalcopyrite and pyrite in quartz-carbonate vein breccia hosted by moderately foliated dolerite.



Photo 2*:* From a 360g sample split of drill hole 21MNRC007: 70 to 71 metres @ 190.06 g/t (Photon 500g assay), panned concentrates displaying coarse visible gold and metal sulphides in the tails. The metal scribe tip shown is 8mm long for approximate scale. These samples were panned by the author, validating the high-grade assays and verifying the presence of hackly, angular gold (and sulphide particles) indicative of primary unweathered gold mineralisation.

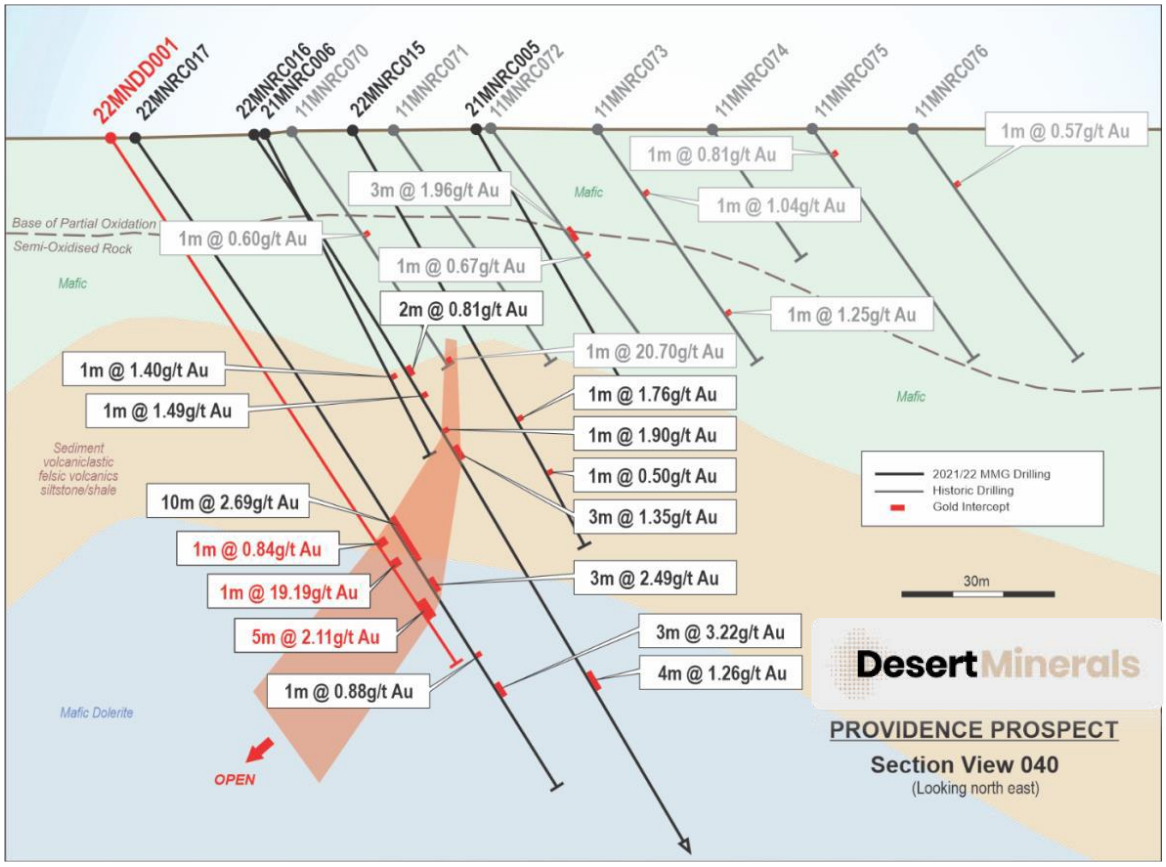

Figure 7: Providence Section 1. Intercepts open to the northwest (to the right). Note downhole lengths not true widths which are represented in the mineral resource estimate.

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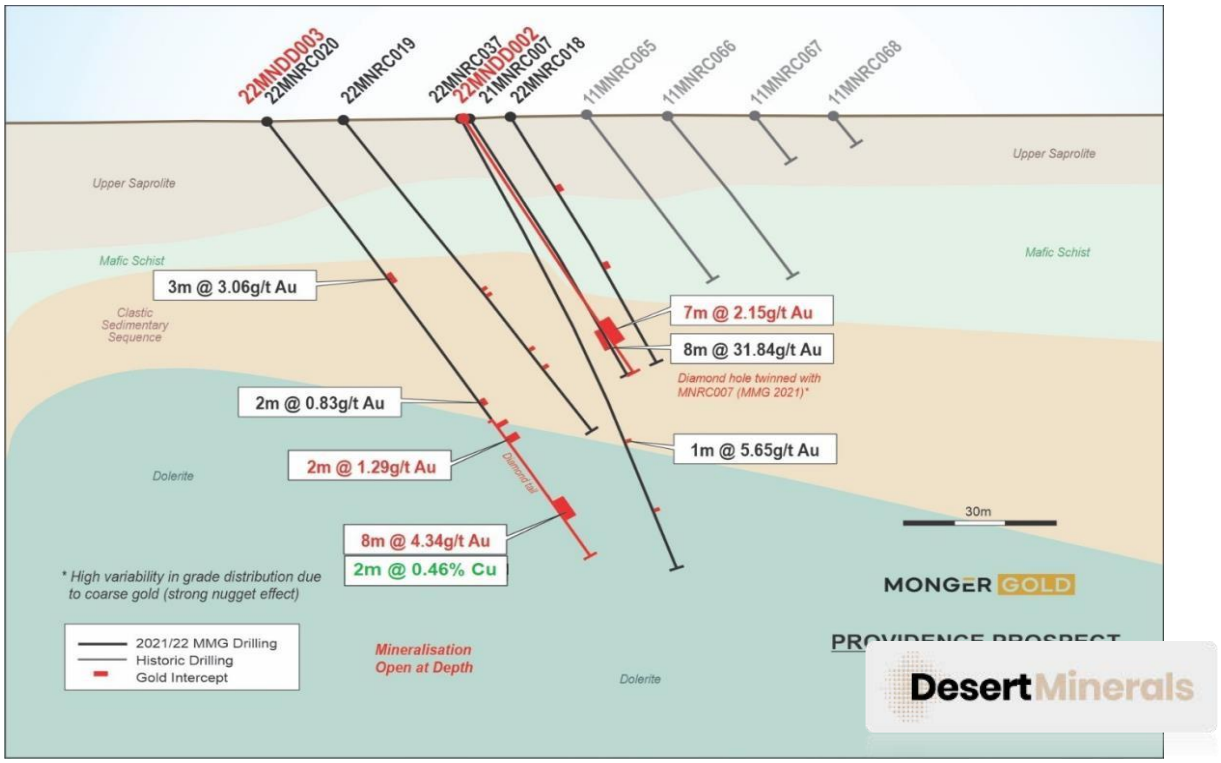

Figure 8: Providence Section 2 SW section with drill intercepts open towards the northwest at depth. Note downhole lengths not true widths represented in the JORC mineral resource estimate.

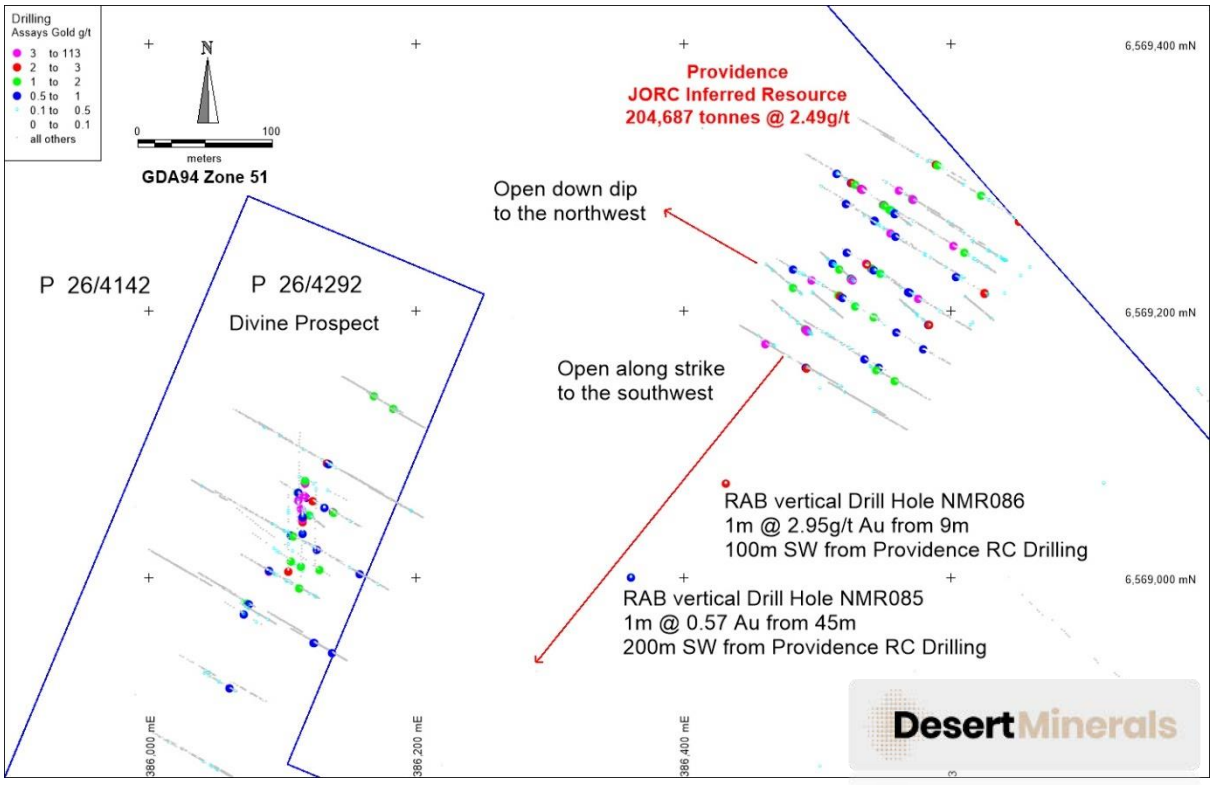

Figure 9: Providence Plan with potential extensions to the resource to the northwest & southwest. Near surface RAB drilling gold anomalism in upper saprolite occurs 200m towards the southwest.

Technical and Economic Support for the Cut-Off-Grade

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The Independent Consultant undertook an economic assessment to verify if the selected reporting cut-off of 0.41 ppm of Au is appropriate for the MRE. A cut-off grade is an industry accepted standard expression used to determine the part of a mineral deposit to include in a mineral resource estimate. The following formula has been used to derive the reporting cut-off grade for the MRE.

Cut-off grade = Ore operating cost ($/t)/Grade denominated revenue($/ppm).

LLI supplied the economic parameters for the calculation:
• Mining Operating cost ORE – AUD$ ***9.00*** per tonne
• Transportation ORE cost – AUD$ ***2.50*** per tonne
• Processing cost - AUD$ ***17.00*** per tonne
• 10% Contingency (5% Ore lost and 5% Dilution) - AUD$ ***2.85*** per tonne
• Metal price - AUD$ ***2,628*** per ounce (AUD$ ***84.49*** per gram)
• Processing recovery – 92%
• Cut-off grade calculation of 0.37 g/t.

Based on this assessment a reporting cut-off of 0.41 g/tonne is considered appropriate.

Reasonable Prospects for Eventual Economic Extraction of the Mineral Resource

The proposed mining method is a shallow open pit and is a well understood process, utilising free dig in oxide ore and waste, and blasting in transitional and fresh rock utilising conventional drill and blast methods, excavator, dump truck and ancillary equipment of appropriate size and capacity that will be determined during the feasibility stage.

Processing

Toll milling metallurgical recoveries are to be determined in the company's planned feasibility study. Preliminary work will be undertaken to illustrate that oxide, transitional and fresh rock bulk samples are amenable to CIP/CIL processing. The ore will be processed by CIP/CIL at toll treatment facilities, reducing the operational and environmental disturbance footprint. With five gold mills located within a short hauling distance of Providence, there are options for either toll treatment or sale of the ore to one of several gold producers in the region (e.g. Vault Minerals Ltd) that have surplus mining capacity and where LLI ore may offset lower grade stockpile mill feed, negating changing milling parameters which may increase the total gold recovery and reduce the need for operational changes in the mill. The Vault Randalls processing facility utilises a comminution circuit comprising 3-stage crushing, with primary and secondary ball mills leading to conventional gravity and carbon-in-leach (CIL) circuits. It has established throughput capacity of approximately 1.3 Mtpa. Lower CAPEX is anticipated to bring a small gold resource at Providence into production by using surrounding milling facilities. There is a gold toll treatment plant at Lakewood near Kalgoorlie 45km northwest that has been stated as being available for toll treatment (Black Cat Syndicate Limited ASX ANNOUNCEMENT 25 February 2025 Lakewood Acquisition Drives Gold Acceleration Strategy), so there are these and other ore processing options for the gold deposit without having to build a new processing plant if a resource cannot support a standalone milling operation in conjunction with LLI's Providence Mineral Resource.

Site and Infrastructure

The location of the Providence Resource is adjacent to previous gold mining activity located to the west of the Wombola (700m east-northeast) and Wombola Dam (1500m east-northeast) Open Pits, currently owned by Black Cat Syndicate (ASX: BC8). Infrastructure required for a future mining operation includes a small open pit, waste dump, site management offices, ROM Pad with and machinery park up/mechanical yard and haul roads. The proposed infrastructure is shown in the figure below. The final design of an open pit will be subject to final Mineral Resource/Ore Reserve estimates and Feasibility Studies. Final locations, areas and geometries may change subject to environmental, heritage and economic assessments.

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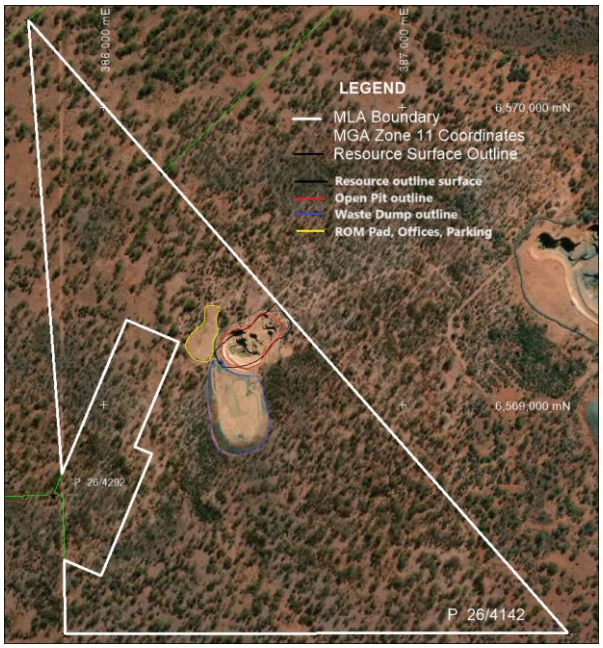

Figure 10: Typical open pit mine layout on P 26/4142 showing the surface expression of an open pit around the mineral resource, ROM pad (plus site offices) and the potential waste dump area. Note this is schematic only and aims to illustrate the potential location of an open pit mining operation. Note also Wombola Open pit 700m towards the east of Providence owned by BC8.

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Hole_Id	Interval metres	Au ppm	Depth From m	Depth To m
22MNRC012	NSR			
22MNRC013	1	1.76	114	115
22MNRC014	NSR			
22MNRC015	1	1.75	64	65
22MNRC015	1	0.50	76	77
22MNRC016	2	0.81	54	56
22MNRC016	1	1.49	60	61
22MNRC016	1	1.90	68	69
22MNRC016	3	1.35	72	75
22MNRC016	4	1.26	123	127
22MNRC017	12	2.13	88	100
22MNRC017	3	2.49	103	106
22MNRC017	3	3.22	127	130
22MNRC018	2	1.63	22	24
22MNRC018	2	1.71	46	48
22MNRC019	1	1.04	57	58
22MNRC019	1	0.67	59	60
22MNRC019	1	1.35	77	78
22MNRC019	1	2.89	83	84
22MNRC020	3	3.06	51	54
22MNRC021	NSR			
22MNRC022	2	4.83	62	64
22MNRC022	2	1.13	88	90
22MNRC022	3	11.19	106	109
including	1	31.76	106	107
22MNRC023	1	6.49	104	105
22MNRC023	4	2.06	114	118
22MNRC037	1	5.65	97	98
22MNRC037	1	0.92	117	118
22MNRC038	2	2.07	107	109
22MNRC038	3	1.05	115	118
22MNRC038	2	4.90	121	123
NSR = no significant results				
All 1 metre samples except 22MNRC017 12m @ 2.13 g/t which is from 4 metre composites				

Table: LLI RC Drill hole intercepts from 2021 to 2022 February 2022 (ASX LLI 28 February 2022 Providence Drilling Uncovers Further Significant Gold Results). Note downhole lengths not true widths which are represented in the mineral resource estimate.

The Providence Resource has potential extensions towards the southwest and northwest and gold mineralisation at the Divine Prospect may be associated with the orebody, especially at depth. At the Divine Prospect LLI had a drill intercept in drill hole 21MNRC001 of 3m @ 7.07 g/t Au from 14-17m including 1m @ 15.99 g/t Au from 14-15m.

Hole ID	Prospect	Max Depth m	Northing GDA94_51	Easting GDA94_51	RL	Dip	Azimuth
21MNRC001	Divine	60	6569067.0	386110.0	400.00	-60	130

HOLEID	North_GDA94_51	East_GDA94_51	RL_AHD	MAXDEPTH	Dip	Orig Azimuth	Orig Grid
22MNDD001	6569258.00	386444.00	396.18	122.7	-55.0	135.0	MGA94_51
22MNDD002	6569209.00	386465.00	396.87	80.9	-60.9	129.7	MGA94_51
22MNDD003	6569240.74	386430.01	395.83	142.2	-56.0	130.6	MGA94_51
21MNRC002	6569210.90	386610.90	397.62	60	-60.6	124.5	MGA94_51
21MNRC003	6569208.40	386562.00	399.1	60	-63.4	123.1	MGA94_51
21MNRC004	6569244.00	386502.50	398.04	70	-59.8	131.1	MGA94_51
21MNRC005	6569213.80	386497.00	397.85	60	-59.2	137.0	MGA94_51
21MNRC006	6569234.70	386462.30	396.88	70	-61.7	141.0	MGA94_51
21MNRC007	6569208.10	386466.10	396.87	80	-60.9	129.7	MGA94_51
22MNRC012	6569245.53	386518.44	398.66	90	-60.4	133.7	MGA94_51
22MNRC013	6569263.83	386491.15	397.4	120	-54.9	131.1	MGA94_51
22MNRC014	6569253.03	386505.77	398.04	102	-65.1	131.6	MGA94_51
22MNRC015	6569231.67	386480.25	397.32	92	-60.3	133.0	MGA94_51
22MNRC016	6569242.29	386464.40	396.79	200	-55.4	133.7	MGA94_51
22MNRC017	6569256.06	386446.08	396.18	150	-55.5	134.6	MGA94_51
22MNRC018	6569204.70	386475.89	397.12	76	-60.5	131.9	MGA94_51
22MNRC019	6569229.61	386444.70	396.27	104	-54.9	133.0	MGA94_51
22MNRC020	6569240.74	386430.01	395.83	98	-56.0	130.6	MGA94_51
22MNRC021	6569173.00	386449.00	397.33	90	-55.5	133.1	MGA94_51
22MNRC022	6569187.00	386433.00	397.33	110	-55.7	131.4	MGA94_51
22MNRC023	6569200.00	386416.00	397.33	120	-55.0	131.1	MGA94_51
22MNRC037	6569209.40	386464.60	396.87	134	-65.0	133.6	MGA94_51
22MNRC038	6569167.00	386532.60	397.33	130	-60.9	312.4	MGA94_51

Table: LLM Drill hole details used in JORC Providence Mineral Resource Estimate.

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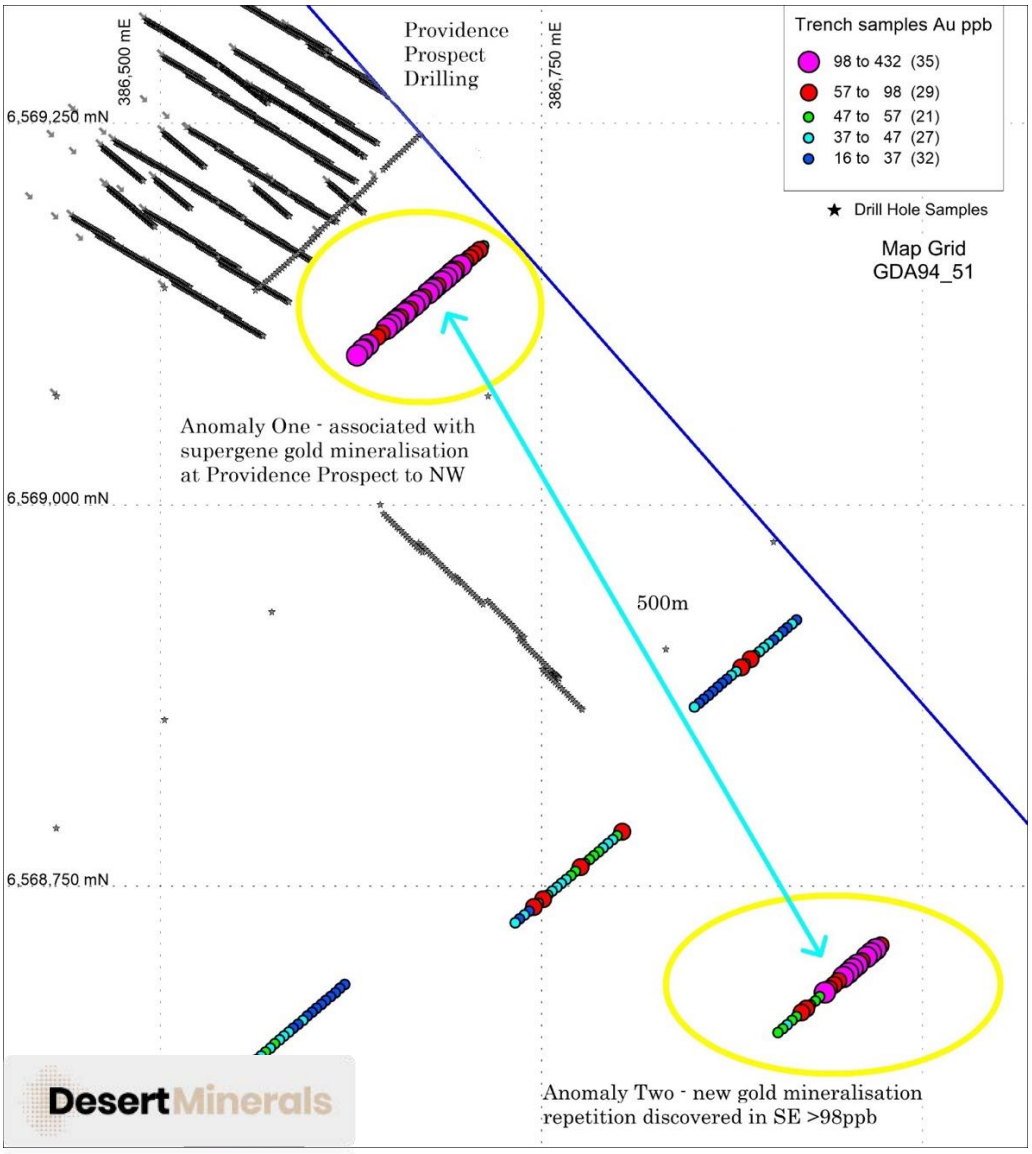

Figure 10: Plan trench and drill samples. Five trenches were sampled, one immediately southeast of Providence (concentrated drill area at top left), then three central trenches and a single trench with anomalous gold >100ppb, 500m SE of Providence. The southeast area has not been drilling tested.

A total of 144 channel samples were collected from surface trenches as four metre channel composites in walls, near the intersection between the wall and floor, at around 1.5 metres depth from surface for 576 linear horizontal metres (figure 10). With the exception of the northwestern-most trench, which was sampled from the floor, as the trench could only be excavated to <1 metre depth due to solid calcrete, all samples south of the trench closest to the Providence MRE were composed of calcrete rich mottled clays beneath lateritic nodular and pisolite alluvium and hematite clays. Calcrete decreases towards the SE in the three middle trenches and nodular and pisolite alluvium with clay increases in depth. Calcrete increases again in the anomalous trench which coincides with the gold anomaly. The depth of transported alluvium increases towards the south, parallel with existing southerly drainage from the topographic highs associated with the silicified and quartz veined Wombola Dolerite Sill gold mineralisation trend of the Providence Prospect, Wombola Dam and Wombola gold mines. It is not known if the mottled clays in trenches are saprolite or transported clays.

Mt Monger Gold Project – South

Highlights

The project has had recent geological fact mapping and interpretation at a 1:5,000 scale by Model Earth Pty Ltd.

LLI Ultrafine+© (UFF+) soils survey was completed with CSIRO Analysis (LLI sponsored research program) of deposit types, showing potential for Gold, Zinc, Copper, Silver, Nickel and Cobalt.

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UFF+ Tommies Dam Prospect Soil Anomaly is a 1.2 kilometre long by 320m wide 150ppb Gold.

There is potential for gold as shown in UFF+ soils and drill holes with up to 1m @ 4.84 g/t at Tommies Dam South. Drilling target to be tested across this supergene anomaly with rock chips outside (downhill) of the anomaly of up to 8.69 g/t gold. The mafic basement has been targeted in drilling previously but a gold rock chip is in felsic volcanics, similar to the Daisy Milano Mine Sequence.

Gold in UFF+ soils and rock chip anomaly is located along the ESE striking creek which correlate with the Daisy Milano Underground Mine geology stratigraphy.

Tenement P25/2493 contains a significant rockchip and soils anomaly for VMS style Copper, Silver, Gold, Zinc and Antimony (+ lead, tin, sulphur). There are ex-sulphide gossans on this anomaly. Also, the felsic volcanic sequence in the very north has the potential for VMS base metals and gold.

A Nickel-Cobalt Anomaly found peaks at 888ppm Nickel and 150ppm Cobalt and there were cobalt rich gossans found outcropping within the soil anomaly.

Geology

The Mt Monger South tenements are across the south western margin of the southeast plunging Bulong Anticline (Figure 5). The Bulong Anticline comprises a granitic core with the granite intruding into a sequence of felsic – intermediate volcanics and volcaniclastics, mafic volcanics and intrusive, and minor ultramafic. Quartz feldspar porphyries and mafic granites intrude the sequence. A small parasitic southeast plunging anticline referred to as the Mt Monger Anticline is situated on the western limb of the Bulong Anticline. This parasitic anticline is of importance as it hosts the Mt Monger and Mt Monger North Mining Centre.

Structurally, the area is dominated by the regional scale Mt Monger, Randalls and Railways Faults. In addition to these regional scale structures, the area is traversed by a series of prospect scale NNW, NE, NS and WNW trending structures. It is the interplay between the regional scale and prospect scale structures that control the location of the mineralisation (A82659).

Individual Prospects and Previous Exploration

There was minimal exploration activity on the MMGP - South from 2018 until 2021. Recent work by LLI included geological mapping, including stratigraphic and structural interpretation at a 1:5,000 scale and extensive outcrop/sub-crop rockchip sampling and systematic Ultrafine soil sampling with CSIRO analysis (568 samples). Significant results were reported from these activities including the recognition of the potential for polymetallic base metal type mineralisation where felsic volcanics dominate in the northern section of tenements, north of the Mt Monger mafic sill. These results are historical in nature and have not been reported in accordance with the JORC 2012 Code so are to be treated with appropriate caution. The author has referenced the source of these historic exploration results in the JORC Code Table 1. The CP considers that these results have been gathered in accordance with appropriate practice at the time and provide a reasonable but not absolute indication of the prospectivity of the MMGP - South.

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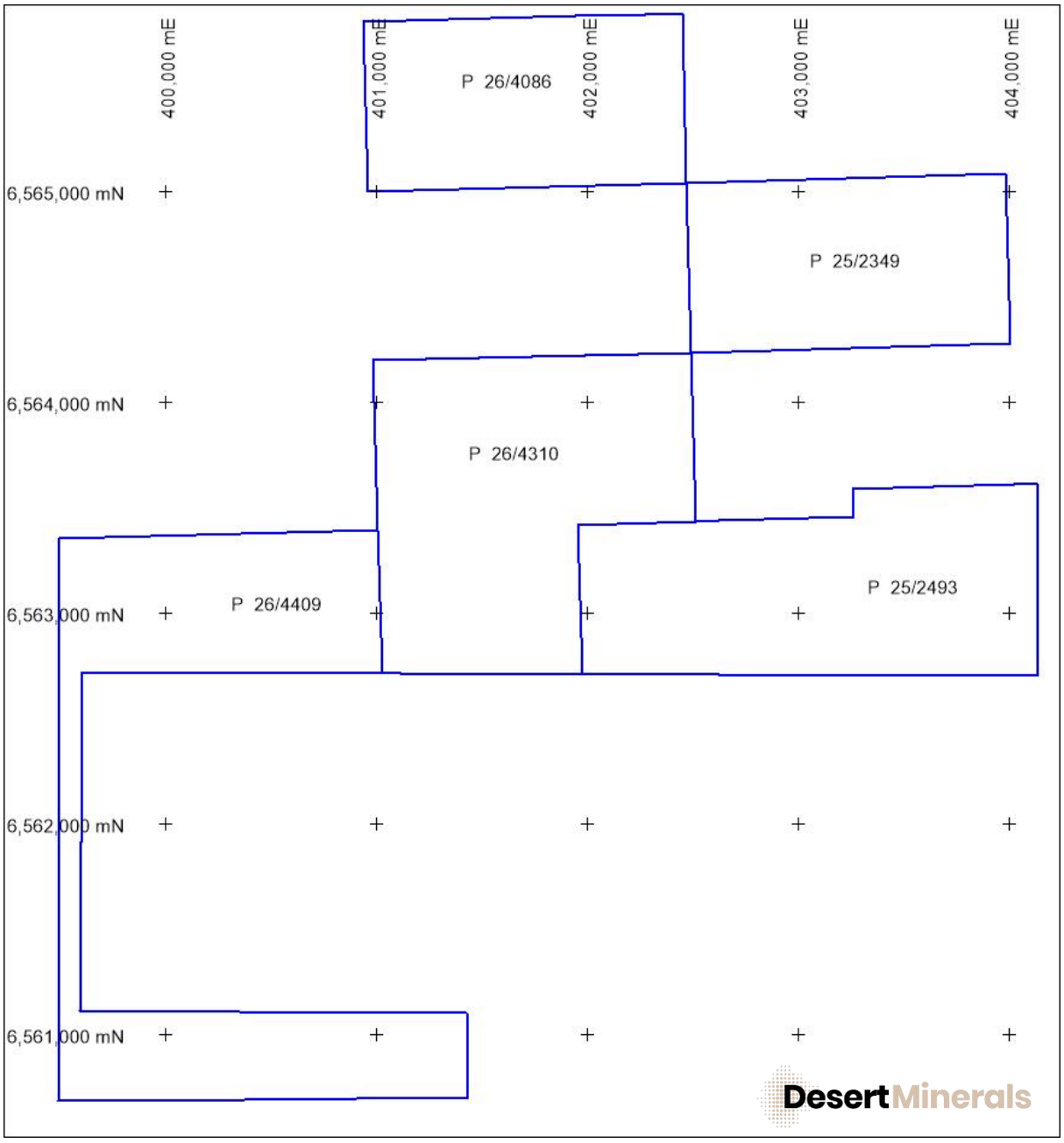

Figure 11: Five MMGP South Tenements MGA zone 51, north to the top of figure.

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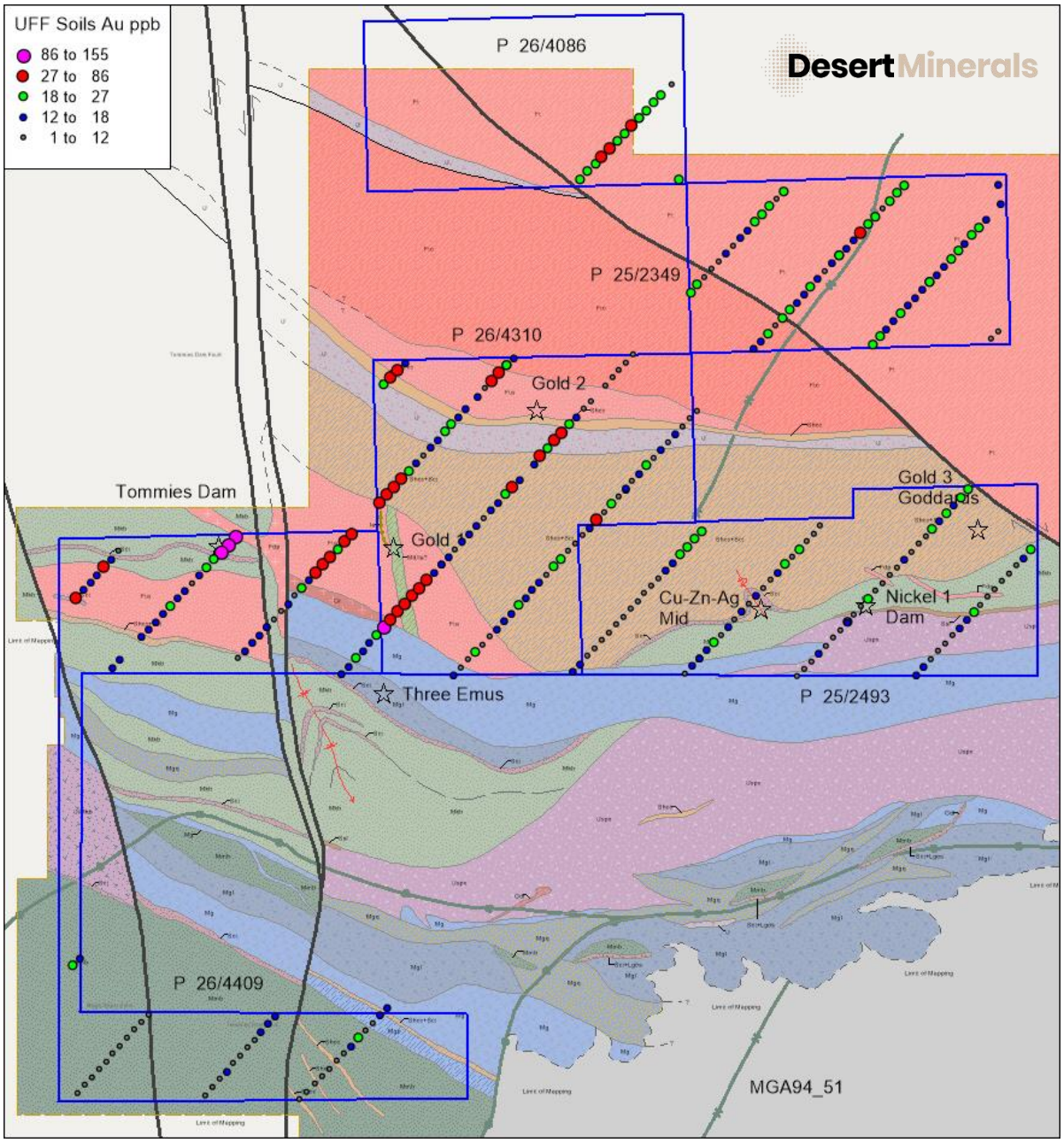

Figure 12*:* MMGP - South Geological Interpretation at a 1 : 5,000 scale with UFF+ gold in soils sample sites coloured by gold grade (ppb). Geological legend is shown in Appendix 2.

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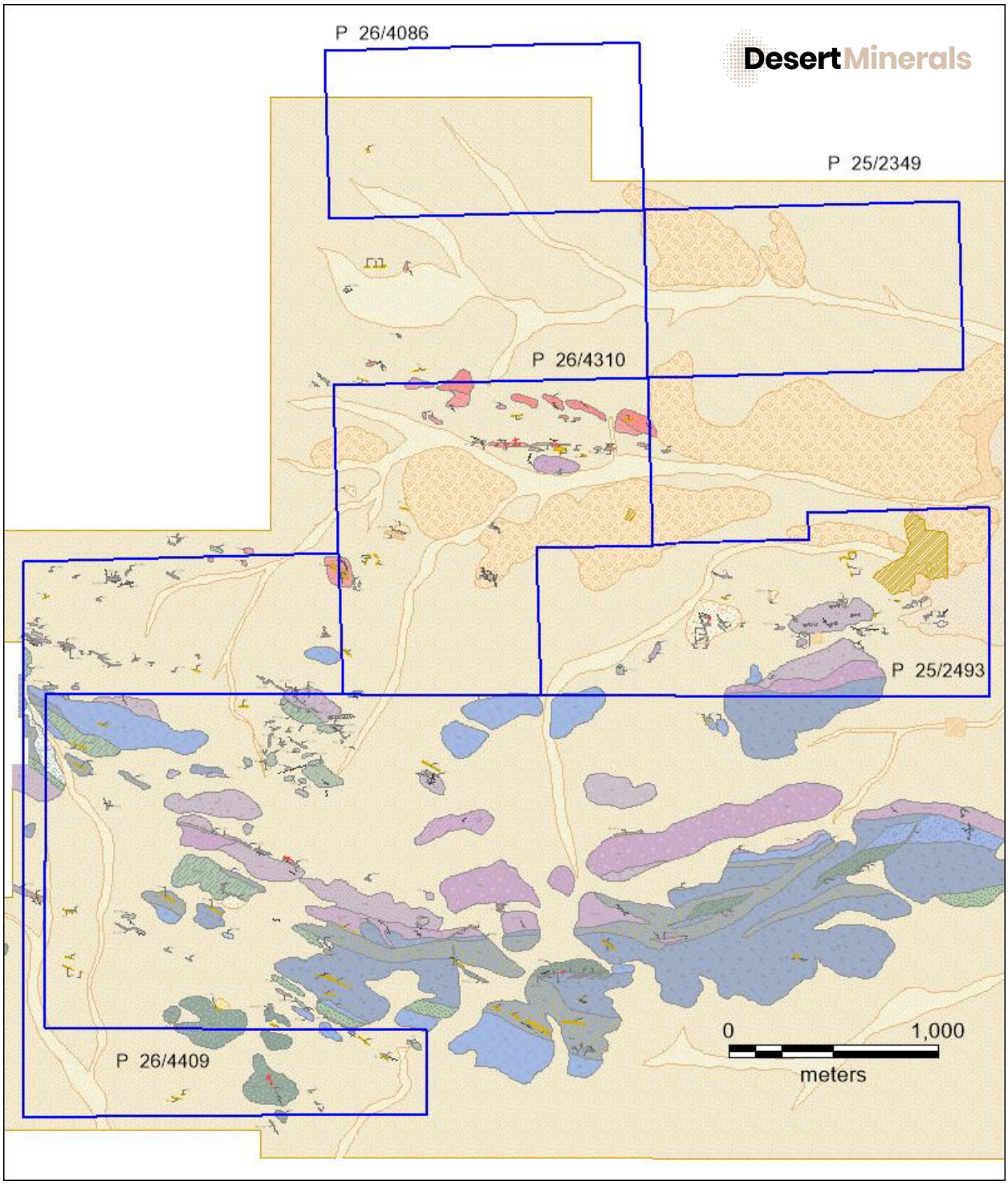

Figure 13: Geological fact map 1:5,000. Recent high quality fact mapping. >150oz Gold nugget patch (anecdotal) is shown in the northest of P25/2493 with similar laterite mounds on P26/4310. The drainage is towards the east. Geological legend is shown in Appendix 2.

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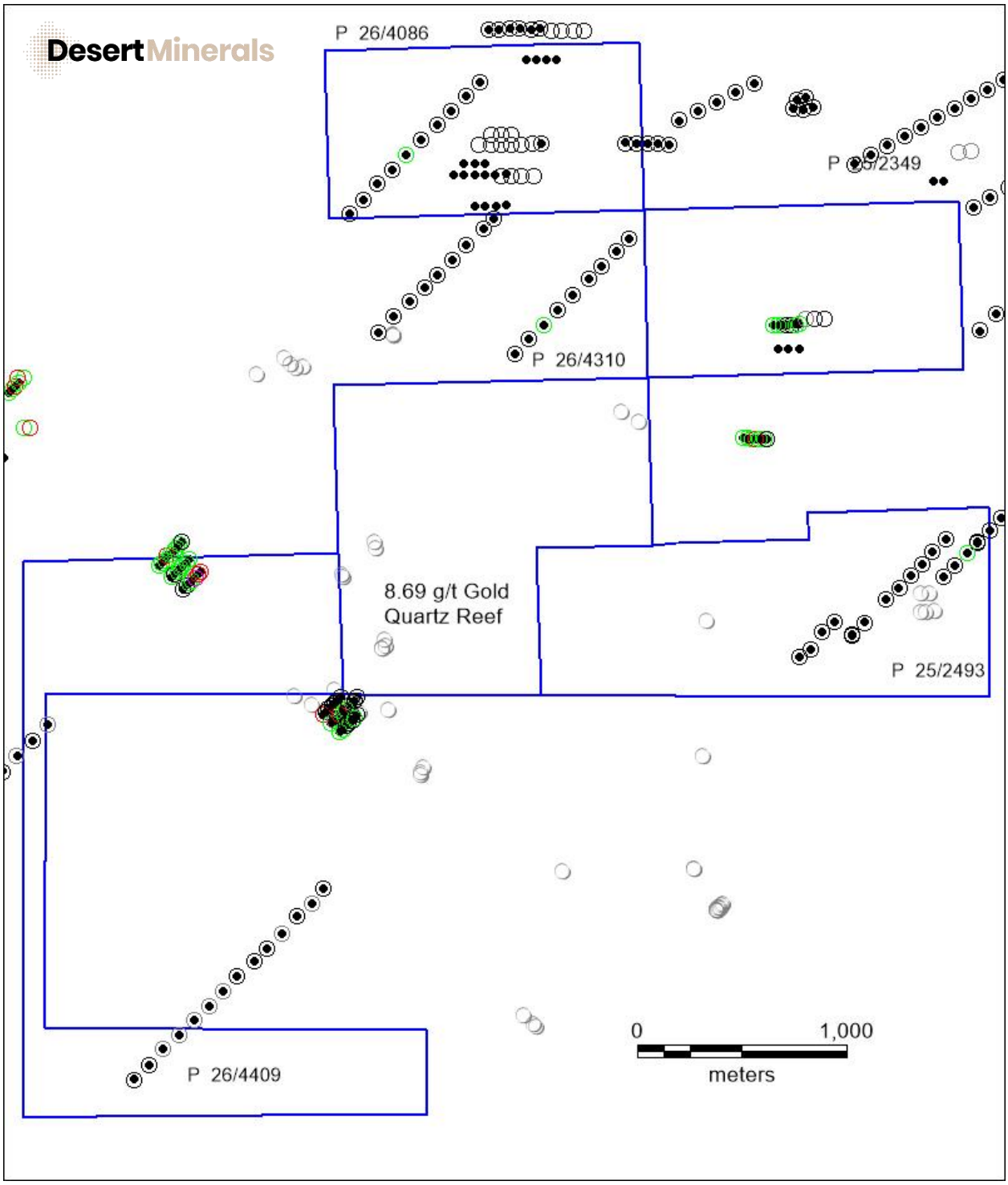

Figure 14: Historical drilling collars. Tommies Dam (TD) in the midwest (left) continues >1km along strike to Three Emus Prospect. There is a rockchip sample to the northeast of the TD trend on P 26/4310 that contains 8.69gf/t gold and requies further follow-up.

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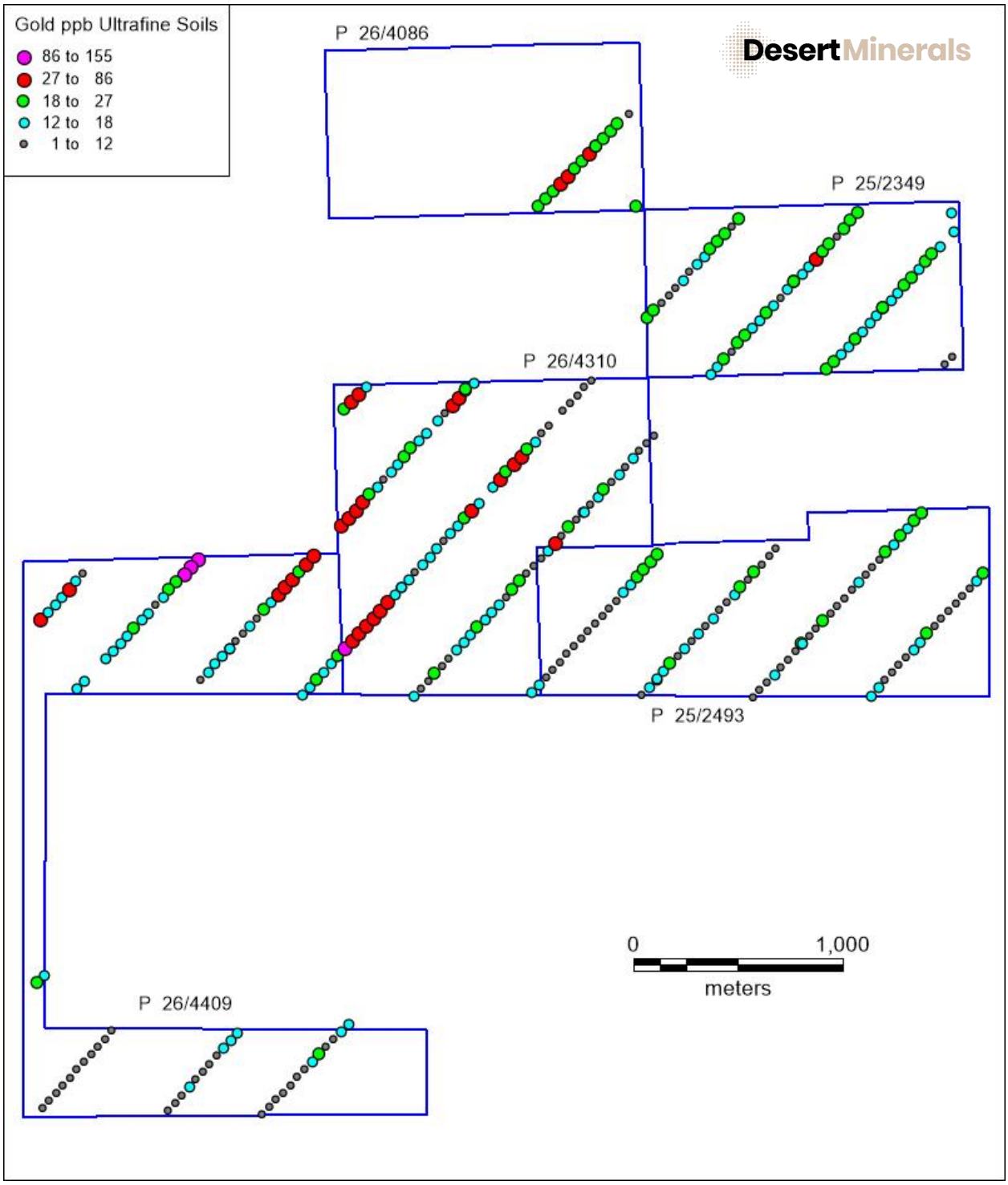

Figure 15: Gold in ultrafine soils shows that a large gold anomaly is around the Tommies Dam Three Emus line and the basement is prospective for gold more to the northeast. The Daisy Milano Mine Sequence gold anomaly is furtehr north of Tommies Dam on P26/4310 striking northwest.

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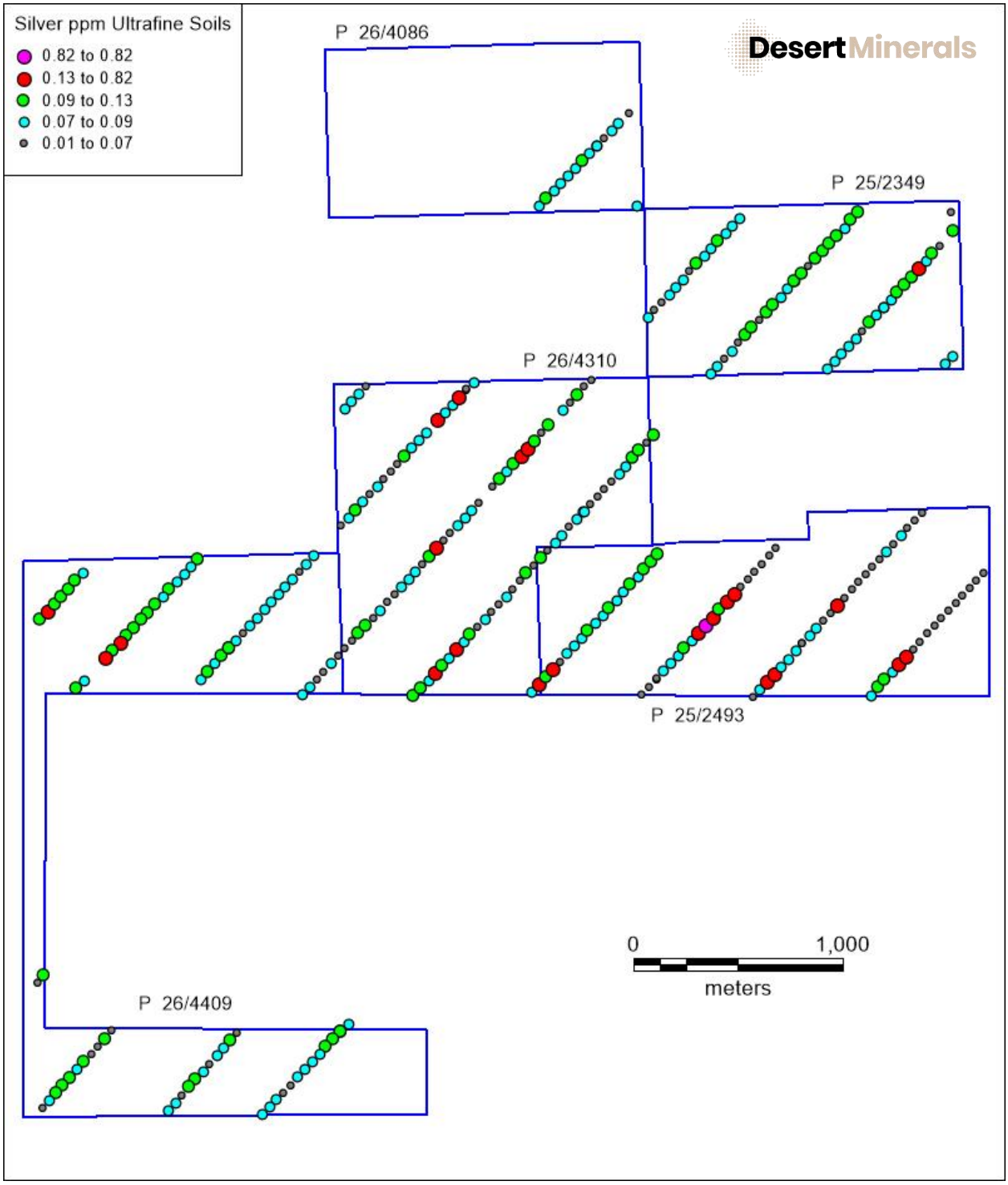

Figure 16: Silver anomaly in southeast with identified gossanous outcrop. Best silver anomaly is shown on P 25/2493.

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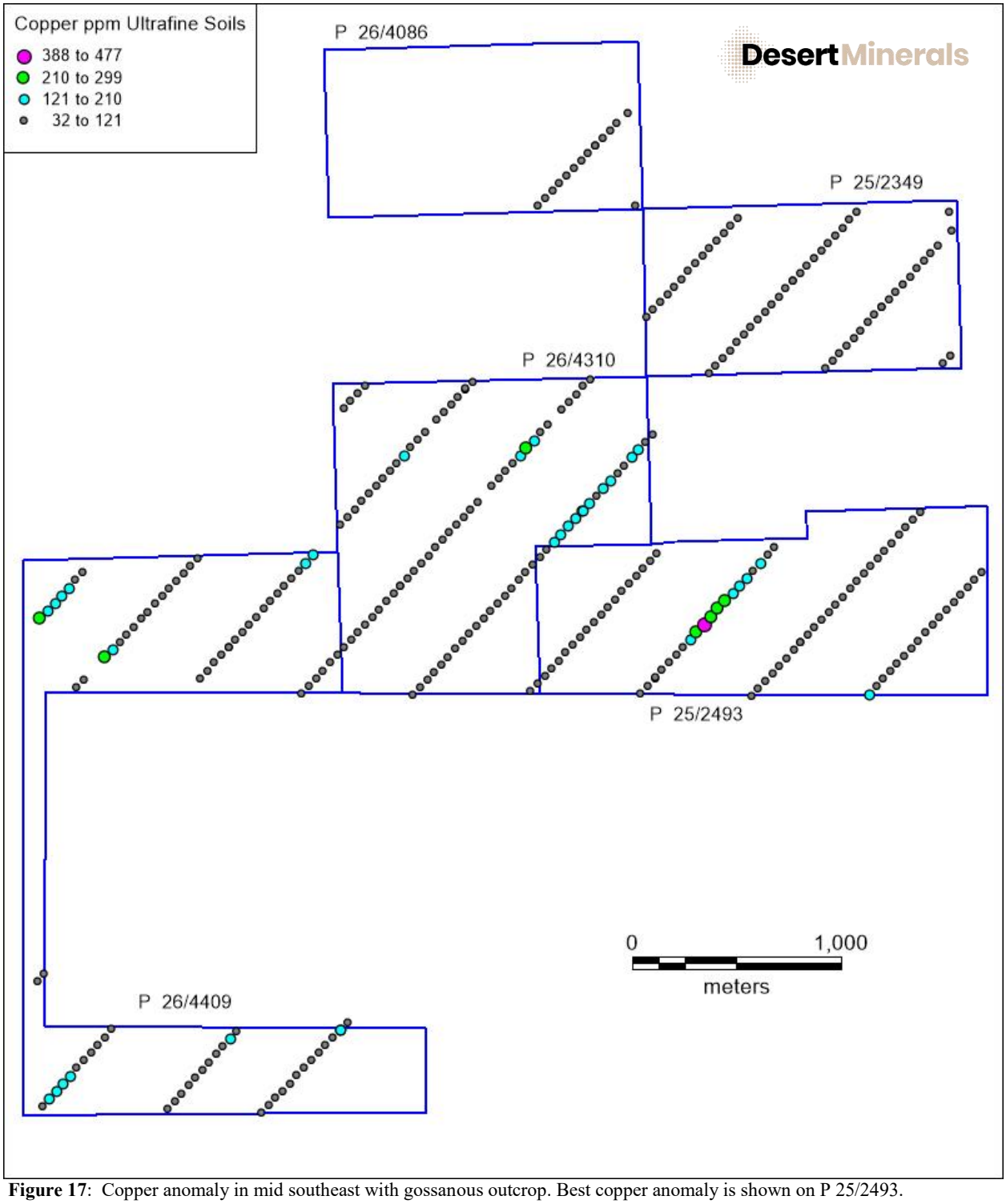

Figure 17: Copper anomaly in mid southeast with gossanous outcrop. Best copper anomaly is shown on P 25/2493.

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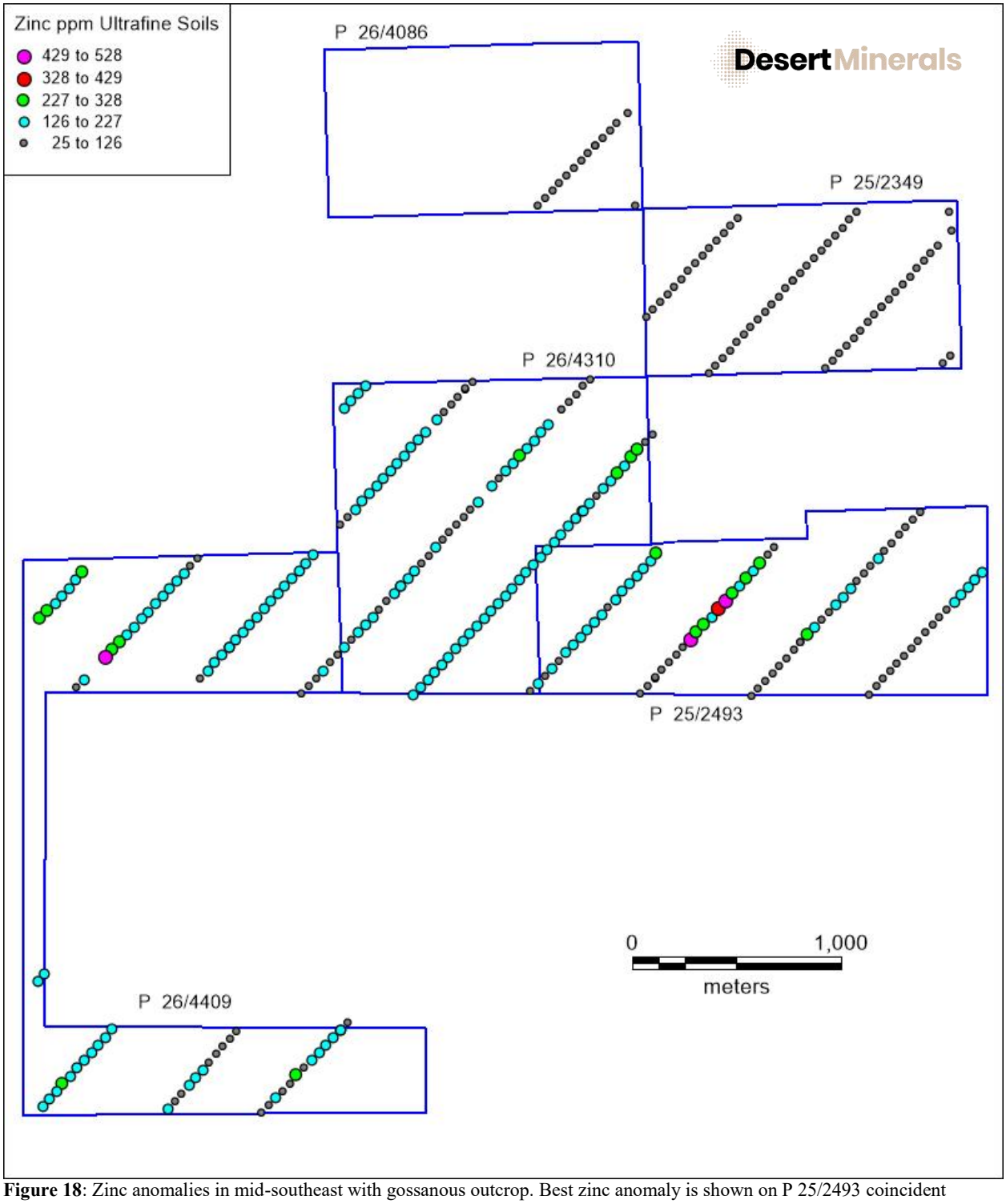

Figure 18: Zinc anomalies in mid-southeast with gossanous outcrop. Best zinc anomaly is shown on P 25/2493 coincident with copper and silver anomaly, suggeting a polymetallic basement source e.g. VHMS or SEDEX style.

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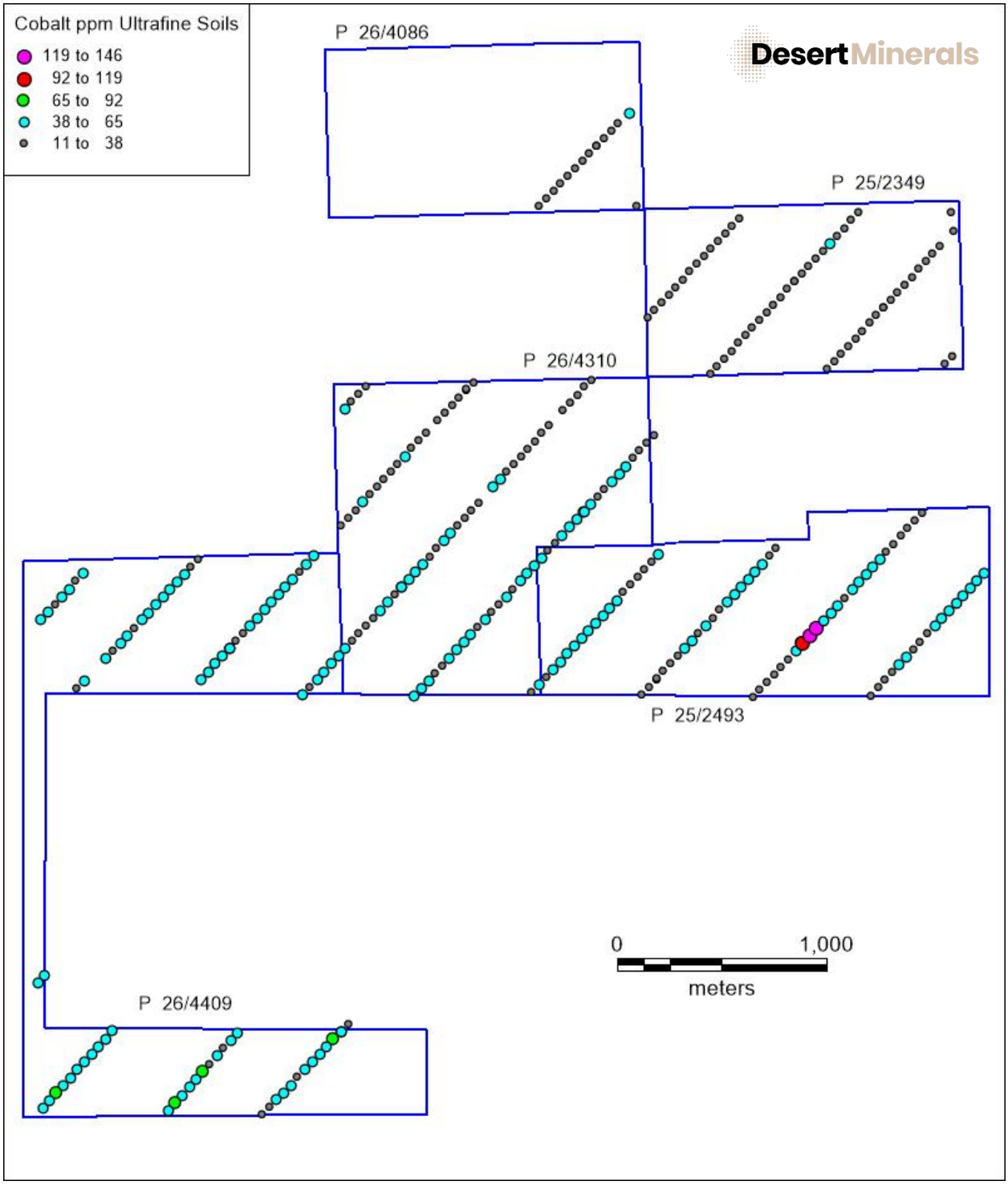

Figure 19: Cobalt anomaly in the southeast on UFF+ soils traverse coinciding with nickel-cobalt gossanous outcrop found on P 25/2493.

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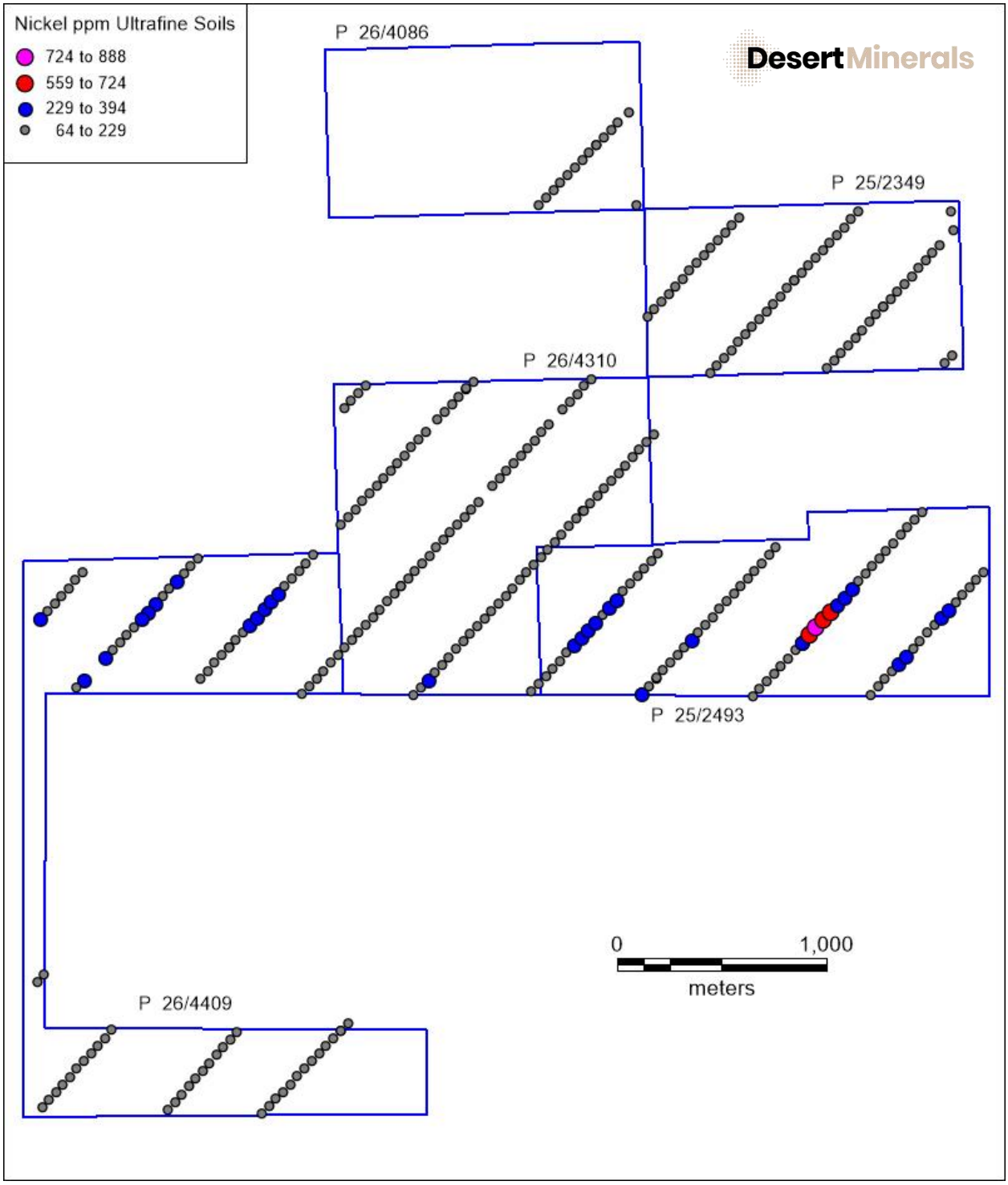

Figure 20: Plan of tenements and Nickel anomaly in the southeast on soils traverse co-inciding with surface nickel-cobalt gossanous outcrop. Best Nickel anomaly is shown on P 25/2493.

Table 4 - Mt Monger Project – South, Individual Prospects and Historical Exploration Activities

PROSPECT NAME	SUMMARY
TOMMIES DAM	Silver Lake Resources Limited (A108656) conducted a 23 RC drilling program over the Tommies Dam Gold Prospect (11MMRC141-161, 11MMRC198-199) for a total of 759m. A review of available information indicates the presence of anomalous gold mineralisation. Information available is not complete and requires further consolidation, however Silver Lake Resources carried out a program of surface geochemistry (rock chip, soil sampling) geophysical reprocessing, reviews, and database validation. An important statement in Silver Lake Resources' 2018 Surrender Report is the following: "During the 2016 – 2017 reporting period, SLR conducted a drill proposal / review into the 'Magic South' Project area, which includes P26/3963. This area represents a substantial area of unexplored ground south of the Mirror/Magic deposits. The review concluded that all magnetic, gravity, structural analysis and surface mapping suggest the potential for Mirror and Magic shear zones and mineralised structures to continue into the Tommies Dam prospect area. The review concluded that detailed exploration activities (i.e., drilling) should focus on adjacent tenements to the north of P26/3963. SLR concluded that rock-chip / soil sampling was warranted in the tenement." The reason given for the surrender, states that the request for a licence extension was not granted and Silver Lake relinquished the Tommies Dam Prospect licence.

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PROSPECT NAME	SUMMARY
GODDARD PROSPECT	A major regional geochemical sampling program was conducted by Ramsgate Resources NL in 1994 (A45072) over the Goddard and Three Emus Gold Prospects. Raw data on the Mt Monger South area held by DSM was not located but an analysis of the report's information demonstrated a distinct arsenic anomaly over the Goddard Gold Prospect area and less significant over the Three Emus area. The report detailing the Ramsgate soil sampling program is being used by DSM as a guide only. In 2009, Integra Mining Limited engaged Jigsaw Geoscience to undertake a regional bedrock geological interpretation project. This interpretation covered the extent of all Integra Mining's licences within the Bulong Complex and included coverage of the Goddard Prospect. Integra Mining Ltd (A93542) conducted a variety of exploration programs over the Goddard Prospect, a review of historical drilling, geochemical, geological, and geophysical data, RAB drilling, and multi-element sampling. Integra Mining conducted a multi-element sampling program across the Goddard Gold Prospect (A93542). The regional multi-element sampling program collected a total of 43 samples (YT136, 233-274, 325-330) from bottom-of-hole historic drill holes and rock chip samples across P26/3421. The samples were submitted to Genalysis Laboratories in Perth and analysed for 59 elements. A four-acid digest with mass spectrometry (MS) finish analytical technique was used for the analysis. Gold was not analysed. The company did not discuss the outcome of the results however, a smaller arsenic anomaly is observable. Integra Mining subsequently decided to relinquish the tenement covering the Goddard Gold Prospect. In September 2011, a drill program was designed by Integra Mining (A94343) to test the interpreted Goddard Shear. The program included a total of 26 holes (IGF06-13 and IGF016-019) and 5 RAB holes (IGF01-04). A conclusion based on the results of the drilling program located along the Goddard Shear was a peak result of IGF017 – 4m @ 0.134 g/t Au from 12m. The prospectivity of the target was low and prompted a corporate decision to relinquish the licence in 2012. Integra Mining have detailed the approximate location of the NE trending Goddard Shear. The DSM technical team has reviewed the data and believe that the Goddard Gold Prospect has not been fully investigated in a systematic manner, and plan to conduct further follow up programs.

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PROSPECT NAME	SUMMARY
THREE EMUS	Between 1998 and 2003, Gutnick Resources NL (A67277) conducted a soil auger program across the Three Emus and southern extent of Tommies Dam Gold Prospects. While there was a coherent gold anomaly at Tommies Dam Gold Prospect and weaker gold anomaly delineated at the Three Emus Gold Prospect, contouring of the entire data set outlined these anonymous areas (Tommies Dam Gold Prospect) to be trending outside of the tenement area and a decision was made to relinquish the licence. Synergy Exploration NL (A77347) conducted a soil sampling program in 2007 adjacent to the Three Emus Gold Prospect. A soil sampling program was undertaken to test for anomalous concentrations of a suite of elements. Soil sampling was undertaken on a nominal 400m x 200m spacing. Surface mapping of outcrop was also undertaken to increase the accuracy of the surface geology. An observation made in the report was, *"Significant transported material encountered covering the northern and eastern edges of the lease had the effect of minimizing the regolith exposure, reducing the effectiveness of the soil sampling undertaken. Notwithstanding this issue, the program failed to detect any anomalous trends."* The conclusion provided stated that due to significant areas of recent alluvial and colluvium cover only a small portion of the lease was effectively sampled with soil sampling over true regolith. The work failed to highlight any areas of highly anomalous gold or any other elements with the exception of some elevated chromium values in soil. A 24 aircore drillhole program (11MMAC027 – 050) was completed in 2011 by Silver Lake Resources for a total of 380m (A95757). Two significant intercepts were reported; 11MMAC027 -1m @ 1.32 g/t Au from 7m depth and 11MMAC037- 1m @ 1.54g/t Au from 14m depth. A rock chip sampling program in 2011 by Silver Lake Resource (A91552), collected 8 samples. No significant results were reported from this program.

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Exploration Potential and Recommendations

Upon review of the historical exploration, the author agrees with DSM that the MMGP has highly prospective untested RAB/Aircore and RC/Core drilling targets.

On the MMGP – north, the Providence MRE is open with drill hole intercepts at relatively shallow depths and requires more drilling towards the northwest down dip and secondly towards the southwest along strike and down plunge, where RC drilling on the last traverse is open. Also, shallow historical RAB gold anomalism suggests a continuation of gold mineralisation not only at depth as shown in LLM RC drill holes, but also potentially near surface. The area between the Divine Prospect gold mineralisation to the west of the resource and Providence requires drill testing to determine if Divine and Providence gold mineralisation are connected.

Repetitions of Providence gold mineralisation may be found 500m to the northwest of the resource, with a historical RAB drill gold anomaly and an LLI drill hole, that although found no significant gold intercepts the drill hole did find volcanoclastic sediments/shales in contact with dolerite at the Prophesy Prospect. In the opposite direction 500m southeast there is a recent surface trench gold anomaly at Samocynda Prospect that requires drill testing.

At the Hoffmann Prospect drill testing is required over 400m of strike between the main northeast striking Hoffmann Prospect gold mineralisation and directly north on a trend found in LLI RC drilling, as well as between Hoffmann and Ludlow (Hoffmann South) Prospect now that this new more north trending zone has been discovered.

On the MMGP - south. the east-west striking creek area of the Daisy Milano line and The Tommies Dam Prospect, especially adjacent and towards the northeast of historical drilling, has been recognised as prospective and requires further investigation with suggested RAB drilling.

The Zn-Cu-Ag polymetallic UFF+ soils and mapping anomaly near mapped felsic volcanics, within shale and volcanoclastic sediments around mapped gossans, in the mid to eastern section of the tenements requires testing in the first instance by RAB drilling. Also, a nickel-cobalt soils anomaly with gossans occurs further 100m towards the east of the Zn-Cu-Ag anomaly.

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Exploration Strategy

An exploration budget of $400,000 for the two years following the Company's ASX listing, which includes exploration expenditure, tenement rents and rates, and native title payments. The primary exploration method will be RAB, RC and Core drilling due to the number of relatively advanced drill targets identified, which are to be ranked, prioritised and drilled. Company preliminary studies may be completed to advance the Providence Mineral Resource.

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6. Results of 1:5000 Scale Geological Mapping in the Monger South Project, Mount Monger, W.A. August 2022, Jon Standing, Model Earth Pty Ltd
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8. A95757 Silver Lake Resources Combined Annual Report for the Mt Monger Project September 2012
9. ASX: LLI 01 October 2021 Update on Exploration Program of Work
10. ASX: LLI 11 October 2021 Drilling Commenced at Providence Prospect
11. ASX: LLI 09 November 2021 Drilling Uncovers Significant High-Grade Gold at Providence
12. ASX: LLI 20 December 2021 Providence Stage 2 Drill Program Approved
13. ASX LLI 18 January 2022 Mt Monger South Geological Mapping Program Completed
14. ASX LLI 27 January 2022 Providence Stage Two RC Drill Program Commences
15. ASX LLI 28 February 2022 Providence Drilling Uncovers Further Significant Gold
16. ASX LLI 21 March 2022 Gold results uncover new Prospect at Mt Monger North
17. ASX LLI 25 March 2022 Providence Diamond Drilling Underway and Final RC Drill Results
18. ASX LLI 5 May 2022 Diamond Drilling at Providence Uncovers Further Significant Gold
19. ASX LLI 24 May 2022 Providence Prospect now a copper-gold system
20. ASX LLI 4 July 2022 Providence Gold Deposit Maiden Mineral Resource Estimate
21. ASX LLI 11 July 2022 Extensive Gold Anomaly Discovered at Providence
22. ASX LLI 26 August 2022 Operations Update
23. DMIRS WA ANNUAL REPORT For the Period 1 October 2019 to 30 September 2020 Mt Monger South Project C 134/2020 Annual Report 2020.
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28. DMIRS WA ANNUAL REPORT For the Period 1 October 2021 to 30 September 2022 Mt Monger South Project C 134/2020 Annual Report 2021-2022 period ending 30/09/2022.
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31. DMIRS WA ANNUAL REPORT MT MONGER NORTH PROJECT For the Period 1 October 2023 to 30 September 2024 Mt Monger North Project C 135/2020 Annual Report.
32. DMIRS WA ANNUAL REPORT MT MONGER NORTH PROJECT For the Period 1 October 2023 to 30 September 2024 Mt Monger North Project C 135/2020 Annual Report.
33. Black Cat Syndicate Limited ASX ANNOUNCEMENT 25 February 2025 Lakewood Acquisition Drives Gold Acceleration Strategy.

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Table: Relevant Historical WAMEX Reports

A-No	Year	Operator	Project	Comment
A48788	1996	AMX Resources A48788	North Monger Project	Rock dhip, auger and RC drilling
A59705	1998	AMX Resources	North Monger Project	RC drilling
A61575	2000	AngloGold Australia Ltd	North Monger Project	Gravity, RAB drilling
A62330	2000	AngloGold Australia Ltd	Chopping Block (now Mustang Prospect)	Auger, mapping and RAB drilling
A63279	2000	AngloGold Australia Ltd	Chopping Block (Now Mustang Prospect	Surrender Report – Summary of Activities
A63747	2001	AngloGold Australia Ltd	North Monger Project	Annual Report, summary auger, RAB, RC and diamond drilling
A64578	2002	AngloGold Australia Ltd	Duplex Hill Option	Tenement adjacent to Mt Monger North, soil samples and RAB drilling
A65725	2002	AngloGold Australia Ltd	North Monger Project - Canasta and Meld	RC drilling
A69075	2003	AngloGold Australia Ltd	North Monger Project - Canasta and Meld	TFMMR survey, drilling
A67277	2003	Gutnick Resources NL	Wombola Project	Chip samples and soils
A70671	2005	Newcrest Mining Limited	Mt Monger South Area	Mt Monger South Project Area – RAB drilling
A74677	2006	Cortona Resources Limited	North Monger Project	Rock chip samples
A74210	2006	Inco	Chopping Block (now Mustang Prospect)	Review of Heron Resources Ltd, compilation of open file, aeromagnetic and soil samples
A77804	2007	Cortona Resources Limited	North Monger Project	RSG structural mapping, regional ASD Hyperspectral program, rock chip sampling, RAB, RC, diamond drilling
A77347	2007	Synergy Exploration NL	Three Emus Prospect	Soil sampling
A81113	2008	Cortona Resources Limited	Mustang Prospect	Rock chip samples
A86147	2009	Cortona Resources Limited	North Monger - Providence, Divine	Annual Technical Report, Mustang licence acquisition. Rock chip samples, geological Interpretation, mapping target generation
A88343	2010	Integra Mining	Angus West Prospect	Soil sampling
A94343	2012	Integra Mining	Goddard Prospect	Aircore and RAB drilling program
A95757	2012	Silver Lake Resources Limited	Three Emus Prospect	Aircore drillholes
A93542	2012	Integra Mining	Goddard Prospect	Summary and discussion on geophysics
A99783	2013	Silver Lake Resources Limited	Tommies Dam	Rock chip samples
A106922	2015	Silver Lake Resources Limited	Divine	Rock chip samples
A108656	2016	Silver Lake Resources Limited	Three Emus Prospect	Rock chip samples, RSG detailed mapping program

Appendix 1: JORC Table 1's

1. Historical Results before Loyal Metals Ltd
2. UFF+ Soils Sampling
3. Providence Mineral Resource Estimate

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JORC Code, 2012 Edition – Table 1 - Historical Results before Loyal Metals Ltd

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (e.g., cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (e.g., 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases, more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g., submarine nodules) may warrant disclosure of detailed information.*	• Historical rock chip sampling program: historical rock chip sampling has been identified in this report (A48788, A69913, A74677, A77804, A81113, A86147, A99783) and having been collected as a potential indication of gold mineralisation for further exploration targeting programs. That is the extent, to which the information was utilised within this independent geologist report. **Geophysical** • *Ground Gravity* (A61575)– Mt Monger North - Carrier phase GPS data has been collected using Trimble 4000 series geodetic receivers. Gravity measurements have been made using Scintrex CG5 Autograv instruments. Measurements to existing control have been made using Static techniques. All static baselines have been processed to double difference fixed solutions resulting in horizontal and vertical precision of approximately 2 cm. Measurements for detail gravity observations were made using Real Time Kinematic (RTK) techniques giving horizontal and vertical precision of at least 5 cm. Static baseline processing has been done using Trimble GPSurvey Version 2.35 software and RTK processing using Trimble Geomatics Office Version 1.01 software. The GPS horizontal coordinates were set on the MGA94 datum from which WGS84 Latitude and Longitude is derived and is set on the MGA94 Zone 51.

Criteria	JORC Code explanation	Commentary

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Drilling techniques	• *Drill type (e.g., core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g., core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• Aircore and RAB drilling: Historical air core and RAB drilling is noted in this report (A45072, A4594, A61575, A62330, A63747, A64578, A70671, A77804, A94343, A95757) and used as subsurface Geo logical and geochemical mapping tools, to refine drill targeting. • Historical RC drilling (A48788, A59705, A63279, A63747, A65725, A77804). • Diamond and percussion drilling referred to in this report has been collated mostly from analog datasets, for the purpose of understanding established gold prospects. Contemporary RC aimed to determine geology and identify gold mineralisation in a discovery, strike extension, or infill situation. • Two diamond holes drilled at the Providence Gold Prospect (Mt Monger Nth) (A77804).
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential* *loss/gain of fine/coarse material.*	• The recovery of any RC and Diamond drilling before LLI/Monger Gold/Torian has not been observed or provided and therefore not discussed in the production of this report.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• Lithological logging codes are available for most of the historical RC and diamond drilling programs. This information was provided as part of the WAMEX information packages for review.
Sub-sampling techniques	• *If core, whether cut or sawn and whether quarter, half or all cores taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.*	• Aircore and RAB: drilling sampling techniques have been not detailed in historical documentation, across most of the prospects (where utilised). Integra Mining (A94343) detailed the 26 aircore drill program (IGF06-30) and 5 RAB holes (IGF01-05), with four metre composites.

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Criteria	JORC Code explanation	Commentary

and sample preparation	• *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in-situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	composite samples dispatched to Genalysis Laboratories Perth. • Historical RC drilling has been conducted in a higher density within the Providence and divine prospects, located Mount Monger North. Most of the other prospects have been largely untested by RC or to a minimal level. RC and RAB drilling outlined by Cortona Resources (A77804) at their Mt Monger Nth area and including the Providence Prospect stated: ○ RAB drillholes were drilled to blade refusal, individual metre samples were collected via the cyclone and placed on the ground. Four metre (4m) composite samples were then collected by combining representative samples of each individual metre. Assaying of samples from drill holes NMB093- 110 was conducted by SGS Laboratory in Boulder. All the samples were dried, crushed and pulverised to >95% sub 75 micron. The samples were assayed for gold determined by aqua regia digest utilising the labs ARE133 technique (0.01 ppm Au detection) with a standard atomic absorption spectrometer (AAS) finish. ○ RC Drilling - The one metre (1m) drill samples were 17 collected through the cyclone and riffle split on the rig, the sample was then stored in plastic bags and an accompanying calico bag. Four metre (4m) composite samples were collected by combining representative spear samples of the 1m drill spoils from the plastic bags. All RC drilled composite samples, except for holes WDC095-124, were assayed by SGS Laboratory in Boulder. Samples were dried, crushed and pulverised to >95% sub 75 micron. Gold was determined by aqua regia digest (code ARE133, 0.01ppm, Au detection limit) with a standard atomic absorption spectrometer (AAS) finish. • Where detailed explanations have been provided, the sampling and quality control techniques were industry standard for the time. • Where historical information does not contain all sub sampling information to adequately answer, the information is used as indicators of mineralisation.
Quality of assay data and	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*	• Where historical information has provided the adequate details, the quality and appropriateness has been deemed adequate. • QA/QC information has not been detailed in earlier reports but where

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Criteria	JORC Code explanation	Commentary
laboratory tests	• *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (e.g., standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e., lack of bias) and precision have been established.*	specified, are of industry standard for the time. An example of the QA/QC for the Cortona Resources (A77804) Mt Monger Nth Providence Prospect includes: ○ RAB and RC standard samples were purchased from Geostats (Perth) were used throughout the drilling program. Four (4) different gold standards were used during the assaying process. Standards were included at a rate of 1 in 25 in sample batches for the 4m composite samples analysed by aqua regia digest and at a rate of 1 in 20 for the 1m sample intervals analysed by fire assay.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• No verification of historical essays has been attempted. No adjustments of any historical and analysis has been made. Evidence of data verification programs has not been provided or easily sourced.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• All coordinate information has been obtained from statutory digital reporting to the DMIRS. The grid system used is GDA94.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing, and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• Based upon a review of the drilling information provided, the data spacing would not be suitable for any resource estimation. Any possible modelling exercise, would be used for further exploration drill targeting.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a* *sampling bias, this should be assessed and reported if material.*	• There are no true thicknesses quoted in this report. Where RC drilling has been conducted, the author can see attempts by the company to ensure that drilling has been orthogonal to the strike of the mineralised layer or general geology. Drillhole inclination is of 60° generally give intersections at highest possible angle.

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Sample security	• *The measures taken to ensure sample security.*	• Most historical records provided do not detail any sampling security procedures. • It is noted that Silverlake Resources have stated previously in multiple reports that analysis, pulp packets, pulp residues and course rejects are held in a secure warehouse where they are documented
Criteria	**JORC Code explanation**	**Commentary**
		for long-term storage and retrieval. The author is not aware of Loyal Metals approaching Silverlake Resources to retrieve any of the possible samples that are related to areas within this independent geologist report.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• Audit of sampling techniques of previous drilling is not possible.

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SECTION 2 REPORTING OF EXPLORATION RESULTS

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• All tenements subject to this independent geologist's report are shown on the DMIRS public spatial datasets. Refer to the Solicitor's report of this prospectus for the full tenement schedule and related tenure information.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• All relevant WAMEX open files relating to the Mt Monger Gold Project Project areas have been assessed in those directly relevant are summarised in this report
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The Project is located within the Eastern goldfield's greenstone belts. Mesothermal shear zone hosted gold deposits are the exploration and development targets.
Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* ○ *easting and northing of the drill hole collar* ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* ○ *dip and azimuth of the hole* ○ *down hole length and interception depth* ○ *hole length.* • *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from* *the understanding of the report, the Competent Person should clearly*	• The details (including easting, northing, total depth, azimuth, dip and significant intersections) of material drilling data at the North Monger projects are given in this report. Significant intersections are downhole intersections. Aircore and RAB drilling is used only as geological and geochemical indicators. Any early open hole percussion holes are treated similarly. They are not considered to be material and are excluded from detailed tabulations in this independent geologist report.
Criteria	**JORC Code explanation**	**Commentary**
	explain why this is the case.	

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Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g., cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high-grade results and longer lengths of low-grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• Significant intercepts tabulated in this report are arithmetic averages of uncut interval values that exceed 0.5 g/t and allow for a maximum of 2 m of internal dilution.
Relationship *mineralisation* *intercept*	*These relationships are particularly important in the reporting of between Exploration Results.* *If the geometry of the mineralisation with respect to the drill hole widths and angle is known, its nature should be reported.* *If it is not known and only the down hole lengths are reported, there lengths should be a clear statement to this effect (e.g., 'down hole length, true width not known').*	• All drill intercepts quoted in this report are downhole widths and are not true widths.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• Appropriate maps and cross sections are included in this independent geologist report.
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced avoiding misleading reporting of Exploration Results.*	• Only intercepts that are significant and relevant to gold are included in this independent geologist report. Some of the early drilling lacks adequate documentation and was not reported. Where there was any doubt or ability to substantiate historical information, it was either not used or treated as an indication of potential mineralisation only.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• All available expression data, including aeromagnetic imagery, soil geochemical surveys and rock chip sampling, field reconnaissance survey, structural mapping (A77804), airborne and ground geophysical surveys, and drilling have been considered in the production of this independent geologist report.
Further work	• *The nature and scale of planned further work (e.g., tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Further work will be keeping the tenements in good standing and re-assessment of all drill targets.

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JORC Code, 2012 Edition – Table 1 – UFF+ Soils Sampling

Section 1 Sampling Techniques and Data (Criteria in this table apply to all preceding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	*Nature and quality of sampling (e.g., cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* *Aspects of the determination of mineralisation that are Material to the Public Report.* *In cases where 'industry standard' work has been done this would be relatively simple (e.g., 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases, more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g., submarine nodules) may warrant disclosure of detailed information.*	Main sample media - Each site collected a 200g shallow soil sample with sample collection routine; clear space in the landscape selected, photographed and documented. Field notes - date, time. The top 1-3 cm was scraped away using a plastic trowel over a 1m2 area to remove surface crust, surface lag and vegetation. In the centre of the 1m2 cleared surface area another area of approximately 20cm2 was selected as the sample, with 30cm dug using a plastic scoop. Depth varied with a lower soil horizon as the target, a consistent soil sampling protocol. Dug hole ensuring no surface contamination and then mixed very well (homogenization) of the sample. Any coarse material from the soil >2mm was sieved out of the sample using a polymer sieve producing a 200g sample. The UFF+ soil was collected from this material and placed in prenumbered paper Geotech sample bags. Important to have air dry samples, and breathable paper are better than plastic for drying purposes. Following collection of materials the small hole was back-filled and returned to a flat surface. A total of 563 individual soil samples were collected (including duplicates). The samples were submitted to LabWest Minerals Analysis Pty Ltd. Laboratory, Perth. Job ID: ALW006878. The UFF+ soil samples from Gibraltar Project are part of the CSIRO research program. UFF+ is designed to analyse the clay sized fraction (<2µm) for gold exploration, and multi-element analysis for major and trace elements, salinity (EC) and pH, and clay mineralogy.
Logging	*Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* *The total length and percentage of the relevant intersections logged.*	The basic 'nature of soil and site' information were registered. All sample sites were described and each site photographed. Samples were VIS-NIR analysed to determine mineralogy. Sizing data was determined
Sub-sampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all cores taken.* *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* *Measures taken to ensure that the sampling is representative of the in-situ material collected, including for instance results for field duplicate/second-half sampling.* *Whether sample sizes are appropriate to the grain size of the material being sampled.*	Benefits of UFF+ soil morphological changes tend to be compensated for and the mass of soil required is less than other methods and requires little preparation. 200g Sample sizes were considered to be appropriate for the analytical process being used.
Quality of	*The nature, quality and appropriateness of the assaying*	Full UFF+ package: collection of <2 micron fraction,

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Criteria	JORC Code explanation	Commentary
assay data and laboratory tests	*and laboratory procedures used and whether the technique is considered partial or total.* *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* *Nature of quality control procedures adopted (e.g., standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e., lack of bias) and precision have been established.*	microwave Digest in Aqua Regia, Au + 51 multi-elements Ultrafine Codes: UFF_MAR_OES, UFF_MAR_MS including, pH, EC, PSD, mineralogy by VIS/NIR. Certified Reference Standards (UFF+) were inserted into the sample stream every 33 samples (two CRS's used, OREAS 20a and OREAS 45f). Field duplicate drill samples were completed at every 30 sample sites by taking an additional sample within 2 metres of the primary sample. These samples were used to determine short-scale variability. LabWest laboratory QA/QC for each rack of 40 samples were analysed with: • 1x Reagent blank • 2x In-rack duplicate analysis • 2x Certified Reference Standards • Unsupported anomalous results were retested to ensure they are "real" (at the lab's discretion).
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.* *The use of twinned holes.* *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* *Discuss any adjustment to assay data.*	Samples were documented on hard copy and digitally in the field. Data entered into the LLI MaxGeo independently managed database. Both AR1030 49 Elements ICP-OES/ICP-MS Package and 13 Elements ICP-MS Pathfinder Package was completed on a number of samples with zinc, copper and silver values comparing favourably. Duplicate samples were taken of samples and compared favourably.
Location of data points	*Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* *Specification of the grid system used.* *Quality and adequacy of topographic control.*	All coordinate information was logged by handheld Garmin GPS +/- 5m on air photo maps. The grid system used was MGA94_51. Topographic control was provided via GPS observations. This was considered satisfactory for early-stage geochemical sampling type of work with soil locations easily identified in the field for a period of time sufficient as a reference for further work.
Data spacing and distribution	*Data spacing for reporting of Exploration Results.* *Whether the data spacing, and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* *Whether sample compositing has been applied.*	Single samples on 400m spaced traverses with 100m spaced samples along traverses A series of coherent geochemical gold in soil anomalies have been identified, in known and unknown areas of gold mineralisation. The program has identified three undrilled targets on known prospective stratigraphic contacts
Orientation of data in relation to geological structure	*Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	Appropriate for reconnaissance style first-stage geochemical sampling, targeting significant gold anomaly signatures. UFF+ soils traverses were angled perpendicular to stratigraphic contacts.
Sample security	*The measures taken to ensure sample security.*	Samples were individually extracted by polymer trowel, then bagged, tagged, with unique consecutive sample numbers recorded. Sample were stored in a locked shed on LLI property before submission.

Criteria	JORC Code explanation	Commentary
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	No audits or reviews were undertaken.

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Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	*Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* *The security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area.*	See Tenement Schedule in IGR.
Exploration done by other parties	*Acknowledgment and appraisal of exploration by other parties.*	Historical work has not been assessed nor appraised as this is a new prospect generated by LLI with no known historical work completed.
Geology	*Deposit type, geological setting and style of mineralisation.*	Orogenic gold in mafic and felsic volcanics and intrusives, and metasediments. Neoarchean aged VHMS base metal deposit hosted by bimodal felsic and mafic volcanics and volcanoclastic with albitite and granitic dykes interrupted by a large mafic layered sill.
Data aggregation methods	*In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g., cutting of high grades) and cut-off grades are usually Material and should be stated.* *Where aggregate intercepts incorporate short lengths of high-grade results and longer lengths of low-grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	No data aggregation methods performed.
Relationship between mineralisation widths and intercept lengths	*These relationships are particularly important in the reporting of Exploration Results.* *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g., 'down hole length, true width not known').*	Geochemical near surface samples in transported colluvium and calcrete from single hole surface samples are unreliable for any calculation of metal accumulations. So, no inference is made to the size nor tenor of any resources from individual or composited sample assay results. Anomalous samples represent an indication only that significant metal anomalism is present.
Diagrams	*Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	Appropriate location figures shown in body of report.
Balanced reporting	*Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced avoiding misleading reporting of Exploration Results.*	All exploration results are reported.
Other substantive exploration data	*Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	No other substantive exploration data.
Further work	*The nature and scale of planned further work (e.g., tests for lateral extensions or depth extensions or step-out drilling).* *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	Given the encouraging results from the UFF+ geochemical soil sampling program, RAB drilling program is the next step to test the targets generated.

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JORC Code Table 1: Providence Mineral Resource Estimate

Section 1: Sampling Techniques and Data

(Criteria in this table apply to all preceding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	*Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as downhole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.*	Reverse Circulation (RC) drilling using 685 Schramm, with onboard air (350PSI/ 900CFM), with rod handler mounted on 8x8 Actros Mercedes truck. 8x8 Actros Mercedes Support truck, with diesel/water tanks, with rods on board. A 1977 Kenworth, 6-wheel Air truck, included 350PSI/900CFM compressor with 1800CFM booster coupled to the 685 Schramm. Cyclone and Cone Splitter - rig mounted was used to obtain samples at both 1 metre and 4 metre composite intervals from the collar to the end-of- hole (EOH). Each cone splitter has two points for collection of sub-samples in calico bags. Duplicate samples were initially taken from the second sample point but the procedure was changed and were then split by portable splitter from the sample lot. The sub-sample collection points have controls to adjust the flow of sample into the sample bags. An approximately 3-kilogram sub-sample was collected from each one (1) within a 4-metre sample interval down the hole. Drill staff clean the rod string, cyclone, and splitter at the end of each 6m rod. The calico sample bags were placed into plastic weave bags and labelled with company, sample numbers, sequence of the bags, prior to dispatch to the laboratory. Some 1m samples were dispatched directly for analysis, otherwise 4m composite samples were dispatched first and if assays were above 0.1ppm the corresponding 1m samples were then sent for analysis. Oriented diamond NQ^2 50.6mm diameter diamond drill core was extracted using Blue Spec Drilling Ltd's Drill Rig 8 Kwl 1600. Drillers marked depth of the hole at the end of each core run, actual length of the core recovered, rod length downhole and estimated core losses writing on core blocks in core trays. Drill core was selected for cutting based on geological characteristics. Core was sawn in half using a Corewise automated core cutting machine at Dynamic G-ex, Kalgoorlie. The half core selected for assay was generally sub-perpendicular to both the S1 cleavage and quartz veins that host gold mineralisation. One half of the core was placed in downhole sequence back into the core trays and the other half of the core placed into prenumbered increasing sequenced calico sample bags that were then put in groups of 5 metres/samples into plastic weave bags and labelled with the company name, sample numbers/bag sequence, prior to Laboratory dispatch.
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.	
	Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases, more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.	
Drilling techniques	*Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by* *what method, etc.).*	Diamond drill rig with NQ^2 core size 22MNDD003 was a diamond core tail from 93m depth down LLI RC drill hole 22MNRC020. RC Drilling was with a 5.5 inch face sampling hammer. No wet RC samples were found at Providence due to groundwater and no voids were encountered.
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed.*	Drill core sample recoveries (and RQDs) were recorded. RQDs are available from high resolution images taken during hyperspectral logging of core. RC drill

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Criteria	JORC Code explanation	Commentary
	Measures taken to maximise sample recovery and ensure representative nature of the samples.	recoveries were excellent due to the large Schramm RC rig compressors power and no voids or loss of air downhole. No wet samples were found due to ground water. No relationship between drill chip and core recovery and gold grade was found, with high recoveries from all mineralised intercepts.
	Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	
Logging	*Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.*	Drill chips from the RC drilling were collected into plastic sample trays and logged qualitatively using the Company's logging codes. These codes were digitally recorded in Excel spreadsheets that contained data validation in each field entered. Each drill hole was logged from the collar to the end-of-hole. The drill chip samples were photographed at the completion of each drill hole. All drill core was measured and metre marked from both the top and the bottom of the drill hole, as two different reference points, to ensure correct location of depths of the core downhole. Drill core was oriented using an AXIS device and oriented at the end of each drill core run. All successful orientation lines were extended on along the core. During core processing the orientation lines were drawn in crayon on the core preferably from two successful orients. Where no orients were successful a dashed line was drawn on the core, one orient a long and short dash and two orients a solid line. Structural measurements were taken using a Geological Compass from features selected by the Geologist using a rocket launcher, located away from metal structures, oriented from downhole surveys. Logging using codes and descriptions was undertaken for lithology, minerals, textures, alteration and veining. There was also a paper hardcopy of geological logs. These codes were digitally recorded in MS Excel spreadsheets that contained data validation in each field entered and Loyal Metals Ltd uses MaxGeo Ltd to manage the database. Holes were geologically logged from the collar to the end-of-hole. The drill core was photographed and labelled before sampling. Very detailed photos and hyperspectral logging of drill core was completed by Corescan, Perth.
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.	
	The total length and percentage of the relevant intersections logged.	
Subsampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.*	RC drilling with face sampling hammer of dry sample return produced unbiased samples. Approximately 3 to 4 kg of sample was split from the sample lot for each 4 metre and 1 metre interval. The samples were bagged and labelled for dispatch to the laboratory or storage in the company's locked sea container in Kalgoorlie, WA. Full QA/QC and chain of custody procedures were undertaken from the sample site to MinAnalytical Laboratory. All RC samples were sent directly to the laboratory on the same day when collected, recorded and dispatched from Loyal Metals. One metre samples were stored in a locked container at a company property. MinAnalytical Laboratory has chain of custody procedures.
	If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.	
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	
	Quality control procedures adopted for all subsampling stages to maximise representivity of samples.	Samples were dried, crushed to - 2mm and split to form a 500g sample for analysis at the laboratory. Samples were assayed by Min Analytical Laboratory Services

Criteria	JORC Code explanation	Commentary
	Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.	Australia Pty Ltd via 2 cycle Photon assays. Sample sizes were considered to be appropriate for the analytical process used (2 cycle Photon assay). NQ2 drill core was sawn in half by Dynamic G-ex Kalgoorlie under supervision of the LLI Exploration Manager. The samples were bagged and labelled for dispatch to the laboratory on the same day as processing. Full QA/QC and chain of custody procedures were undertaken from the sample site to MinAnalytical Laboratory. MinAnalytical Laboratory has chain of custody procedures. Sample sizes were considered to be appropriate for the analytical process used.
	Whether sample sizes are appropriate to the grain size of the material being sampled.	
Quality of assay data and laboratory tests	*The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*	The drill chip samples were submitted to MinAnalytical Laboratory Services Australia Pty Ltd ("MinAnalytical") Analytical Quotation No; Q2022-01-11 for determination of gold (au) [PAP3502R RC PA Prep, <3kg, 3mm crush LSD 500g split, store XS, PAP6502R RC PA Prep, >3kg <6kg, 3mm crush LSD 500g split, store XS: PAAU02~500g Jar for Photon] All QA/QC and chain of custody information was provided by MinAnalytical including a description of the sample preparation methodologies. All sample runs were accompanied by blind Standard Samples, Blanks and Duplicates to ensure the analytical process was both precise and accurate. No evidence of mistakes was found in the drill holes. Blanks and standards passed at the 95% confidence interval. There were outliers in duplicates due to the high-grade visible gold nature of the mineralisation so this is to be expected. RC drilling obtained a large sample and photon assay used a much larger sample of 500g, compared to fire assay 50g. The half core samples were submitted to MinAnalytical Laboratory Services Australia Pty Ltd ("MinAnalytical") Analytical Quotation No; Q2022-03-15 Q2022-01-11 for determination of gold (Au) by Photon 500g technique. Samples were dried, crushed and split at the laboratory; code SP3010 - Sample Preparation Package <4.5kg. Sort, dry, crush 10mm, pulverize. Samples were also assayed by AR25_PATH (MA4030): 13 Elements by 25g Aqua Regia Digest with ICP-MS Finish and
	For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.	

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Criteria	JORC Code explanation	Commentary
	Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.	Gold Fire Assay 25g Aqua Regia finish (FA25AAS). All QA/QC and chain of custody information was provided by MinAnalytical including a description of the sample preparation methodologies. Sample runs were accompanied by blind OREAS Standard Samples, Blanks and Duplicates to ensure the analytical process was both precise and accurate. There was no evidence of mistakes in these drill hole sample assays. Blanks and standards passed at the 95% confidence interval. Fire assays for gold were completed on the mineralised intervals and obtained the same gold grade (+/-95%) as the Photon technique for the interval reported in a previous announcement. Relative deviation was 10% for grades between 0.70-1.25ppm, 6% for 1.25-5ppm grade range and -2% for >5ppm. But according to research it is not accurate to compare fire assay versus Photon Assays using linear methods and photon assaying has performed more accurately in resource to mine to mill reconciliations.
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.*	RC Drilling competed four metre composites and one metre samples. Four metre composites compared within +/- 95% to weighted average of one metre samples except for one intercept where higher values were found in the one metre samples. Fire assays were completed on samples that were assayed by Photon 500g technique with fire assays comping favourably +/- 95% with differences due to the sample size i.e., 30g charge versus 500g sample assayed. Drill hole number 22MNRC017 was twinned by 22MNDD001 and 21MNRC007 twinned with 22MNDD002. 22MNDD017 compared favourably with the drill intercept in 22MNRC017. 22MNDD002 had the same mineralised interval length but the extreme high gold grades were not found in the core hole due to the coarse-grained nature of gold. Both drill holes were used in the resource estimation within a domain that was kriged. Verification of assay data in RC drill samples occurred by collection of two samples, a 4-metre composite sample and 1m samples within each 4-metre interval. Significant assays found in the 4 metre composites always found gold present in the 1 metre samples. Some one metre sample logged as significant, were directly submitted to the laboratory for analysis and four metre composites were stored. The sample lot was collected in large bags with hole Id and depth to/from written on each bag. Assays were written onto paper hardcopy sheets and entered digitally in the field and at the office. A geologist verified sample sheets that were entered in the field.
	The use of twinned holes.	
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	
	Discuss any adjustment to assay data.	
Location of data points	*Accuracy and quality of surveys used to locate drillholes (collar and downhole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*	All coordinate information for the collar locations of each RC drill hole were obtained via RTKGPS, for LLI drill holes, SLR holes used DGPS and AngloGold, GPS. The grid system used is MGA94_51. Topographic control was provided via RTKGPS survey readings by Spectrum Surveys Kalgoorlie. Drill holes were downhole surveyed (inclination/azimuth) by camera every 30m and Gyro survey was completed at completion of the holes. Historical drill holes were downhole surveyed by Eastman camera every 30m.
	Specification of the grid system used.	
	Quality and adequacy of topographic control.	

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Criteria	JORC Code explanation	Commentary
Data spacing and distribution	*Data spacing for reporting of Exploration Results.*	The drill data spacing of LLI RC/core holes around historical drill traverses were planned to be suitable for resource estimation, with diamond drill holes on two 25m spaced traverses which was a historic grid for shallow RC holes completed by previous explorers (Silverlake and Anglo)
	Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.	One metre (1m) intervals were the minimum sample support interval used and all intervals were given the same weighting when composited. LLI RC drill holes were of sufficient spacing with diamond drilling, and the structural readings from these holes, to prove geological continuity exists. The data spacing and distribution is sufficient to demonstrate spatial and grade continuity of the mineralised horizon to support the definition of Inferred Mineral Resources under the JORC Code (2012).
	Whether sample compositing has been applied.	All samples were composited to 1m intervals.
Orientation of data in relation to geological structure	*Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*	Drill holes were drilled at an inclination of -55°, -60° and -65° generally towards azimuths 120-135 true north. One LLI drill hole was completed in a scissor towards 215°. The diamond drill holes were downhole surveyed while drilling at 30m intervals with gyro surveying at the completion of the hole. The first two RC drill holes (22MNRC012 and 22MNRC013) dived so a rod stabiliser was placed behind the hammer which reduced deviation.
	If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	The drill holes were inclined to intersect the main mineralised structures as close to perpendicular as possible to ensure optimal cross section sampling of sub-vertical to steeply dipping gold mineralisation.
Sample security	*The measures taken to ensure sample security.*	Drill core and RC samples were never left in the field overnight. All RC samples and core were transported by light vehicle to a secure location at a Kalgoorlie company house on the day of production. Core on pallets were locked in a shed with only two keys to the container with senior company personnel. QA/QC and chain of custody procedures were established with MinAnalytical Laboratory as part of their service agreement.
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	BMGS Limited completed a first pass audit on the drill hole database and produced a database with no errors. MaxGeo Ltd completed entry into an SQL database with DataShed front end. Sampling techniques are consistent with industry standards. Consistency of data was validated by the Independent Consultant (CP) while loading into the database (Depth from < Depth to; interval is within hole depth, check for overlapping samples or intervals, etc.). Any data which failed the database constraints was not loaded and was returned to Loyal Metals Ltd for validation and resubmission to the CP). Global consistency was also checked later on by plotting sections using the database and reconciling assays. Sections were also checked from diagrams drawn Geologists using mining software and in ASX

Criteria	JORC Code explanation	Commentary
		announcements.

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Section 2: Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	*Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.*	Tenement P26/4142 contains the Providence Prospect. It is listed in the DMIRS public spatial datasets, in the Company's Independent Geologist Report, the ASX Prospectus listing document and audited in the March 2022 ASX Quarterly announcement. The tenement is in good standing with POW's, work programs and expenditure commitments fully met.
	The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	The prospecting licence contains no reserves, national parks, historical or archaeologically significant sites. There are no known impediments to converting this prospecting licence into a mining licence, being adjacent to recent open pit mines (700m) native title claimants will be required to approve conversion to a mining lease, as is protocol for all licences in Western Australia.
Exploration done by other parties	*Acknowledgment and appraisal of exploration by other parties.*	Historical work from public reports with DMIRS has been assessed in the MRE report. Mineralisation in historic shallow drill results were targeted by the LLI Stage One RC drill program of six drill holes. The Stage Two LLI RC drill program targeted the Stage One RC results. Three LLI core drill holes targeted the Stage one and two RC results. All historic work has been outlined in the Company's Independent Geologists Report and the MRE report. Exploration at Providence has been conducted in the past by companies: • Silver Lake Resources Ltd (RC and diamond drilling) • Cortona Res Ltd (rock chip sampling, mapping and structural report) • AngloGold Australia Limited (RAB and RC Drilling) All historical data is available in the relevant WAMEX (DMIRS) open file.
Geology	*Deposit type, geological setting and style of mineralisation.*	Located within the Eastern Goldfields Archean greenstone belt. Orogenic mesothermal structurally controlled narrow-vein and shear hosted gold mineralisation is within steeply dipping veins cross cutting the sub-horizontal contacts and parallel S0/S1 to the Wombola Dolerite, clastic sedimentary schists and mafic schist with minor porphyry intrusions within the Wombola Structural Domain of the Bulong Domain in the Kurnalpi Terrane. The Mount Monger Shear, a terrane bounding structure, is west of Providence and separates the Kalgoorlie Terrane from the Kurnalpi Terrane. The Mount Monger Fault separates the eastern Daisy Milano Structural Domain from the Wombola Structural Domain.
Drillhole information	*A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drillholes:* • *easting and northing of the drillhole collar* • *elevation or RL (Reduced Level – elevation above sea level in metres) of the drillhole*	The Northing, Easting, RL, Dip and Azimuth details are described in the MRE report. Grid used is MGA94_51 and elevation AHD. Drill hole collars were pegged and then picked up after drilling on surface using RTKGPS by contractor Spectrum Surveys Ltd. Silver Lake RC holes used DGPS and AngloGold used GPS.

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Criteria	JORC Code explanation	Commentary
	collar • *dip and azimuth of the hole* • *downhole length and interception depth* • *hole length.*	
	If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	Downhole surveying of the entire length of holes was completed during drilling using a down hole camera and after drilling using Gyro in each drill hole. Drill hole depths and intercepts are described as down hole intercept lengths in multiples of one metre. All hole locations are shown in plan and drill holes are shown with wireframe domains in a three-dimensional orthographic projection from the MRE report. In the Independent Consultant's (CP's) opinion, existing material has been adequately reported for this work for reporting of Mineral Resources.
Data aggregation methods	*In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.*	All one metre RC and half core drill sample assays were given the same weighting where average grades are presented over multiple one metre interval lengths. Any samples over different lengths were composited to 1m. Minimum average grade of 0.20g/t gold for wireframes, with varying internal dilution in intervals and gold grades were truncated.
	Where aggregate intercepts incorporate short lengths of high-grade results and longer lengths of low-grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.	
	The assumptions used for any reporting of metal equivalent values should be clearly stated.	
Relationship between mineralisation widths and intercept lengths	*These relationships are particularly important in the reporting of Exploration Results.*	All intercepts quoted in this report are quoted as down holes lengths. The RC and diamond drill hole were inclined at -55°, -60°and -65° drilled from a relatively flat surface towards approximately magnetic azimuth 120-135°. Holes were designed to optimally intersect sub-perpendicular to the interpreted steeply dipping northwest mineralised structures.
	If the geometry of the mineralisation with respect to the drillhole angle is known, its nature should be reported.	
	If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'downhole length, true width not known').	
Diagrams	*Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drillhole collar locations and appropriate sectional views.*	Refer to diagrams in body of text.
Balanced reporting	*Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	All summary information in this table and report is from the MRE report.

Criteria	JORC Code explanation	Commentary
Other substantive exploration data	*Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	Down hole geophysics was competed on four drill holes which included density measurements, gamma and magnetic susceptibility. Hyperspectral logging of drill core was completed by Corescan. Results were compared to the qualitative geological logs and revisions to the geological model included confirmation of steeply dipping alteration systems with biotite and pyroxene destruction proximal to mineralised zones. Gold mineralisation on the boundary between high and low wavelength chlorites and white micas.
Further work	*The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).*	Due to the significant gold assay results, geology model and resource estimate from historical drilling two LLI RC drill programs and three diamond drill holes the resource is large enough to warrant more work.
	Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	Geological structures were initially interpreted from historical surface geological mapping, rock-chip surface sampling of proximal shallow dumps of in-situ samples and RC drill chip logs. The geological model is supported by a robust set of quantitative and qualitative geological data. Diamond drill holes have provided confidence in the model in order to target more drill holes and extend mineralisation both along strike and at depth. Drill hole 22MNDD003 is open at depth (NW) and along strike (SW) with highly significant copper-gold mineralisation found to date. 22MNDD001/22MNRC017 is open down dip to the northwest and 22MNRC022 and 22MNRC023 are open to the southwest More Corescan hyperspectral scanning of rock chips is planned. MLEM geophysics survey orientation survey found that carbonaceous shales overwhelmed the conductivity response so that downhole EM would be more useful in the future to define sulphides to determine if the high-grade copper-gold massive sulphides found in 22MNDD003 have a signature that will assist in drill targeting.

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Section 3: Estimation and Reporting of Mineral Resources

(Criteria listed in section 1, and where relevant in section 2, also apply to this section.)

Criteria	JORC Code explanation	Commentary
Database integrity	*Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.*	The LLI drill hole database is managed and validated by MaxGeo Ltd, Perth. Drill RC and core is logged with digital templates and logging codes are automatically validated during entry. Assay data is provided digitally by the laboratory and these files are uploaded to the database. The data is stored in an SQL database system and exported to an MS Excel database when required. Drill hole data was provided to the CP in Excel format files and exported to Excel spreadsheet format prior to import into Leapfrog and Micromine software. All drill hole data was validated in Micromine after import, including checks for, but not limited to: • Duplicate collars • Missing and overlapping samples • Down hole from-to interval consistency • Samples beyond hole depth • Drill hole survey accuracy
	Data validation procedures used.	
Site visits	*Comment on any site visits undertaken by the Competent Person and the outcome of those visits.*	Due to Covid-19 and related travel restrictions, the Competent Person has not visited the site; however, communications with LLI technical personnel have been completed. Photos were available of the landscape and drilling taken by LLI, and photos of drill chips and high-resolution photos of drill core were available.
	If no site visits have been undertaken indicate why this is the case.	
Geological interpretation	*Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.*	There is a high level of confidence in the geological interpretation of mineralisation zones that are traceable over numerous drill holes and drill sections and in surface mapping. Additional work is required to better define exact geometry and the extents of the interpreted mineralised zones in the areas away from the second half of the SW region where LLI drilled.
	Nature of the data used and of any assumptions made.	Surface mapping of mineralised outcrop, surface workings, drill hole logging and assay results have formed basis for the geological interpretation.
	The effect, if any, of alternative interpretations on Mineral Resource estimation.	The precise limits and geometry cannot be absolutely defined due to the limitations of the current drill coverage. Further work is required to better define the geometry and limits of the mineralised zones, but no significant changes to the currently interpreted mineralised volumes are anticipated.
	The use of geology in guiding and controlling Mineral Resource estimation.	The grade and geological interpretation form the basis for the model. Geological envelopes defined the mineralised zones within which the grade estimation has been completed.

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Criteria	JORC Code explanation	Commentary
	The factors affecting continuity both of grade and geology.	Structures with boudinage and lenticular quartz veins and shears cut across a strong sub-horizontal S1 cleavage. Gold is found within and proximal to these structures and appears to be introduced early in the tectonic stage of D2 and can be found within the S1 cleavage when NE-SW shortening occurred jacking open this cleavage providing open pore space for gold deposition. Continuity can be proved. Coarse gold found in thin section and panned concentrates demonstrate cause for the high variability in gold grades.

Criteria	JORC Code explanation	Commentary
Dimensions	*The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.*	The currently interpreted mineralisation zones extend for approximately 220m southwest by 200m northwest.
Estimation and modelling techniques	*The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.*	Leapfrog Geo 2021.2.5. was used by the consultant to form and constrain gold grades and Micromine software (version 2022.5 (22.5.336.0)) was used to form a block model and interpolate gold grades by inverse distance (IDW) and ordinary kriging (OK). The interpretation was extended perpendicular to the corresponding first and last interpreted cross section to the distance equal to a half distance between the adjacent exploration lines. If a mineralised envelope did not extend to the adjacent drillhole section, it was projected half way to the next section and terminated. The general direction and dip of the envelopes was maintained.
	The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.	The OK estimate was completed concurrently with check Inverse Distance Weighting (IDW) estimates. The OK estimate used the parameters obtained from the modelled variograms. The results of the check estimates correlate well.
	The assumptions made regarding recovery of by-products.	No assumptions were made regarding the recovery of by-products.
	Estimation of deleterious elements or other non-grade variables of economic significance (e.g. sulphur for acid mine drainage characterisation).	No account for these variables. If Inferred Resources are converted to Indicated resources and then ore reserves are estimated then acid mine drainage samples will be taken.

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	In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.	The block model was constructed using a 5mE x 2.5mN x 1mRL parent block size, with sub-cells 5mE x 5mN x 5mRL for domain volume resolution. The parent cell size was chosen based on the general morphology of mineralised bodies and in order to avoid the generation of too large block models. The sub-cell size was chosen to maintain the resolution of mineralised bodies. Sub-cells were optimised in the models where possible to form larger cells. The search radii were determined by means of the evaluation of the semi-variogram parameters, which determined the kriging weights to be applied to samples at specified distances. The first search radii for all lodes were selected to be equal to two-thirds of the semi-variogram long ranges in all directions. Model cells that did not receive a grade estimate from the first interpolation run were used in the next interpolation with greater search radii equal to full long semi- variogram ranges in all directions. The model cells that did not receive grades from the first two runs were then estimated using radii incremented by the full long semi-variogram ranges. When model cells were estimated using radii not exceeding the full semi-variogram ranges, a restriction of at least three samples from at least two drill holes was applied to increase the reliability of the estimates.
	Any assumptions behind modelling of selective mining units.	No selective mining units were assumed in this estimate.
	Any assumptions about correlation between variables.	No correlation between variables were used. The initial stages of analysis of partial data available only for diamond drill core illustrate that mineralisation is on the boundary between magnesium and iron rich chlorites and an increase in iron carbonate/carbonate occurs proximal to mineralised zones. Copper has an association with gold in the NW lodes but due to limited data has not been modelled.
	Description of how the geological interpretation was used to control the resource estimates.	There are clear geological controls to mineralisation by geological structures. The description is given in the text of the report.
	Discussion of basis for using or not using grade cutting or capping.	All outlier values were capped to 46.51 ppm gold. As a result, two samples were capped: RC drill hole 21MNRC007, from 70.0m to 71.0m - 190.06 ppm Au and RC drillhole 21MNRC004, from 61.0m to 62.0m - 111.40 ppm Au.
	The process of validation, the checking process used, the comparison of model data to drillhole data, and use of reconciliation data if available.	ASX announcements, LLI reports, sections and plans were used to verify the database. Validation of the block model consisted of comparison of the block model volume to the wireframe volume. Grade estimates were validated by statistical comparison with the drill data, visual comparison of grade trends in the model with the drill data trends. No reconciliation data is available at this early stage of the project.
Moisture	*Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.*	Tonnages are estimated on a dry basis and no account of moisture has been undertaken.

Cut-off parameters	*The basis of the adopted cut-off grade(s) or quality parameters applied.*	The Independent Consultant (CP) has undertaken an economic assessment to verify if the selected reporting cut-off of 0.41 ppm of gold is appropriate for the MRE. A cut-off grade is an industry accepted standard expression used to determine what part of a mineral deposit to include in a mineral resource estimate. A formula was used to derive the reporting cut-off grade for the MRE.
Mining factors or assumptions	*Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous.* *Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.*	Open pit mining with conventional hydraulic excavator and dump trucks with a minimum 2.5 metre benches and one metre minimum mining width. As the mineralisation has a steep dip, it may be possible to slot mineralisation out of a bench from the bench surface, which is seen as a method undertaken at the adjacent open pit mines not just in goodbye cuts. Visual control should be available with a steep dip to structures and quartz vein boundaries within an overall sub-horizontal strongly foliated pervasive fabric, as observed in adjacent open pit mines and Providence drill core. Strip off hanging wall waste and excavate ore. The ore will strip away differently as it is perpendicular to the pervasive laminar foliation. This is observed in adjacent open pit mines.
Metallurgical factors or assumptions	*The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.*	LLI has no reason to believe that the mineralisation is significantly different to the adjacent orebodies 700m to 1.5km along strike that have very similar geological characteristics. There is oxide, transitional and fresh rock mineralisation that is similar to ore that has been open pit mined and processed. Visible gold is observed so some recovery by gravity is envisaged with typical processing by CIP/CIL. There is a toll-treating CIP/CIL Processing plant around 45km towards the northwest and there are other mining companies with processing plants in the immediate area

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Criteria	JORC Code explanation	Commentary
Environmental factors or assumptions	*Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a Greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.*	The Providence site is relatively flat with no creeks running through the area. Drainage is towards the south- southeast. This is an area with recent historical mining. As open pit mining has occurred proximal to the Providence deposit the area has infrastructure. Area requires sterilisation drilling for potential waste dumps and infrastructure, with drilling shown to date that there are areas with no gold mineralisation. The area has considerable dry-blowing and small prospector pits on quartz veins that were disturbed during early 2oth century. No environmental study has been completed but because of the proximity of recent mining there is no known environmental consideration that would restrict open pit mining.
Bulk density	*Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.*	Bulk density determined from Down hole geophysical specific gravity measurements were in-situ and were continuous downhole but averaged every 1cm. Drill core SG measurements were taken by water method only on transitional and fresh core.
	The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc.), moisture and differences between rock and alteration zones within the deposit.	Rock alteration zones are pervasive and this is a narrow vein gold deposit with relatively small structures in amphibolite facies hard rock with no voids found in drilling and no water in aquifers thus far in drilling. Down geophysics measured in-situ densities and accounts for moisture. Bulk densities were averages for oxide, transitional and fresh rock.
	Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.	Oxide, transitional and fresh rock bulk density in the northeastern half of the resource had no bulk density measurement taken and is assumed to be the same as the adjacent central to southwestern area where all bulk density measurements were taken.
Classification	*The basis for the classification of the Mineral Resources into varying confidence categories.*	The Inferred Mineral Resource classification is based on the evidence from the available drill sampling and surface mapping. This evidence is sufficient to imply, but not verify, geological and grade continuity. However, areas with denser drilling and sustained continuation of mineralized zones can be classified as Indicated Mineral Resources after the next stage of exploration and verification drilling has been completed. Subject to the improvement of the completeness of quality control procedures and the study of the results obtained by the Photon method for comparison with the assay method of sampling.

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Criteria	JORC Code explanation	Commentary
	Whether appropriate account has been taken of all relevant factors (i.e. relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).	The classification has taken into account all available geological and sampling information and the classification level is considered appropriate for the current stage of this project.
	Whether the result appropriately reflects the Competent Person's view of the deposit.	The MRE appropriately reflects the view of the MRE's Independent Consultant (Competent Person).
Audits or reviews	*The results of any audits or reviews of Mineral Resource estimates.*	No audits of the MRE have been undertaken except database integrity by BMGS and MaxGeo.
Discussion of relative accuracy/ confidence	*Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.*	The relative accuracy of the MRE is reflected in the reporting of the Mineral Resource to an Inferred classification as per the guidelines of the JORC Code (2012).
	The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. *Documentation should include assumptions made and the procedures used.*	The statement refers to global estimation of tonnes and grade.
	These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.	No production data is available.

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Appendix 2

Regolith Lithology Legend

Regolith

- Tcly - Transported Clay
- Otpr - Playa lake deposits (recent)
- Otpc - Consolidated pisolitic gravel
- Ota - Alluvium
- Or - Residual overburden
- Oo - lag of nodular lateritic gravels
- Ol+Shcc - lag of lithic fragments (Black Shales)
- Ol+Sct - lag of lithic fragments (Chert)
- Ol+qz - lag of lithic fragments (quartz)
- Ol+Mkb+Sct - lag of lithic fragments (Komatiitic Basalt + Chert)
- Occ - Calcrete

Sedimentary

- Ssl+Sst+Sct - Siltstone + Sandstone + Chert
- Ssl+Shcc - Siltstone + Black Shale
- Ssl+Sct - Siltstone + Chert
- Ssl - Siltstone
- Shcc+Ssl - Black Shale-Siltstone
- Shcc+Sct - Black Shale + Chert
- Shcc+Rslu - Black Shale + Silica cap ex-Ultramafic
- Shcc - Black Shale
- Sct+Vqz - Chert + Quartz
- Sct+Ssl - Chert + Siltstone
- Sct+Shcc - Chert + Black Shale
- Sct+Lgos - Chert + Gossan
- Sct+Ssl+Lgos+Sst - Chert + Siltstone+Gossan+Sandstone
- Sct+Fb (HPC)- Chert + Albitite (HPC = calc-silicate)
- Sct - Chert
- Mottles
- Lslu - Silica Cap ex-Ultramafic
- Lgos - Gossan
- Hrm - Marl

Quartz

- Xvqc - Quartz Vein, breccia-type
- Vqz (py) - Quartz Vein (pyritic)
- Vqz - Quartz Vein
- Lvqto - Laminated quartz-tourmaline vein
- Lvq - Laminated quartz vein

Schists

- Zu+Utcb - Ultramafic Schist + Ultramafic talc-carbonate
- Zu+Utc - Ultramafic Schist + Ultramafic talc-chlorite
- Zss+Shcc - Sedimentary Schist + Black Shale
- Zmg+Vq - Gabbro Schist-Quartz Vein
- Zm - Mafic Schist
- Zf - Felsic Schist

Ultramafics

- Uto - Ultramafic talc
- Utc+Zu - Ultramafic talc-chlorite + Ultramafic schist
- Utc+Upx - Ultramafic talc-chlorite + Pyroxenite
- Utcb - Ultramafic talc-carbonate
- Utc - Ultramafic talc-chlorite
- Uta+Us - Ultramafic talc-amphibole + Serpentinite
- Uta - Ultramafic talc-amphibole
- Uspx - Serpenitinised Pyroxenite
- Us - Serpentinite
- Upx+Utc - Pyroxenite + Ultramafic talc-chlorite
- Upx_Utac - Pyroxenite + Ultramafic talc-amphibole-chlorite
- Upx+Uac - Pyroxenite + Ultramafic amphibole-chlorite
- Upx - Pyroxenite
- U+Mmb - Ultramafic + High-Mg Basalt
- Uac - Ultramafic amphibole-chlorite

Mafics

- Mmb(Var) - High Magnesium Basalt (variolitic)
- Mmb(Spx) - High Magnesium Basalt (spinifex)
- Mmb - High Magnesium Basalt
- Mkb(Var) - Komatiitic Basalt (variolitic)
- Mkb+Utcb - Komatiitic Basalt + Ultramafic talc-carbonate
- Mkb(Spx) - Komatiitic Basalt (spinifex)
- Mkb - Komatiitic Basalt
- Mg(Sap) - Gabbro (saprolite)
- Mgq+Uac (Scree) - Quartz Gabbro-Ultramafic amphibole-chlorite (Scree)
- Mgq - Quartz Gabbro
- Mgp - Gabbro megacrystic/porphyritic
- Mg+Mgl - Gabbro + Leucogabbro
- Mgm - Gabbro melanocratic
- Mgl - Leucogabbro
- Mg - Gabbro
- Md (Sap) - Dolerite-(saprolite)
- Md - Dolerite

Granitoids

- Gto - Tonalite
- Gra - Aplite
- Gr - Granite
- Gp - Pegmatite
- Gdi - Granodiorite

Felsic Volcanics

- Ftc - Felsic Tuff / Volcaniclastic- crystal-rich
- Fta - Felsic Tuff / Volcaniclastic- lapilli-rich
- Fdp - Dacite Porphyry

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Annexure C – US Title Report

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August 19, 2025

VIA Email: pschapiro@loyalmetals.com

Peretz Schapiro, Chairman
Desert Minerals Limited
5/10 Johnston Street
Peppermint Grove
WA 6011 Australia

***Re*: Title Report - Scotty Lithium Project**
Nye County, Nevada

Dear Mr. Schapiro:

Pursuant to your request on behalf of Desert Minerals Limited, an Australian corporation (the "Company" herein), this office has undertaken an examination of the status and the vestment of record title to those certain 195 SFL unpatented placer mining claims (collectively and interchangeably the "SFL Claims" or "Claims") situated in Nye County, Nevada, and other related rights. The SFL Claims constitute what is known as the "Scotty Lithium Project" and are described in Exhibit A attached to this Title Report and made a part hereof. The Claims are situated in Sections 25 and 36, located in Township 8 South, Range 43 East, Sections 31 and 32, located in Township 8 South, Range 44 East and Sections 4, 5, 6, 8, 9, 10 and 15, located in Township 9 South, Range 44 East, MDB&M. This Title Report has been requested in relation to the proposed spin out of 51% of Loyal Metals Limited's (formerly known as Loyal Lithium Limited) ownership interest in American Consolidated Lithium Pty Ltd ("ACL") (which in turn is the parent company that owns Olsom Inc ("Olsom"), Nevlith LLC ("Nevlith") and the Scotty Lithium Project. In summary, Nevlith is a Nevada limited liability company and is the record owner of the SFL Claims known as the Scotty Lithium Project; Olsom is a Delaware corporation and is the Manager of Nevlith; and, ACL is an Australian corporation who is the parent company of both Nevlith and Olsom and is wholly owned by Loyal Metals Limited, an Australian corporation ("Loyal")). The Company, a recently incorporated Australian company, will receive a transfer of this 51% of Loyal's interest in ACL and thus a 51% in the Scotty Lithium Project and will then apply for a separate listing on the ASX. Accordingly, this Title Report has been prepared for inclusion in a prospectus to be dated on or about August 20, 2025 ("Prospectus") by the Company with respect to the matters set out in this Title Report to be included in the Prospectus to be lodged with the Australian Securities and Investments Commission on or about August 20, 2025. There are no downstream regulatory approvals required by agencies of the United States or the State of Nevada for the transfer of this 51% interest at the Australian regulatory level.

We confirm that neither the writer nor, to his knowledge, after reasonable inquiry, any employee or partner of this law firm, nor any member of the writer's immediate family or of any such employee or partner of this law firm, has any beneficial interest, direct or indirect, in the SFL Claims, any securities of the Company, Loyal, ACL, Olsom, Nevlith or any holding company or subsidiary thereof. The author of this Title Report is a member of the State Bar of Nevada and has provided legal representation for mineral exploration and mining clients since 1978.

For the purposes of your understanding the nature of the Claims to potentially be acquired by the Company, it may be appropriate to provide a short statement of the nature of real property rights in the "public domain" states of the United States.

Real property rights in most of the western United States are premised upon the status of land as being either (i) in the "public domain" (in which case the management of the land is vested in a federal land management agency, such as in the present case, the United States Bureau of Land Management of the Department of the Interior or, in other cases, the United States Forest Service of the Department of Agriculture), or may have been (ii) patented (that is, deeded by the United States) to private entities under various statutes including the homestead laws, exchange laws and the mining laws, (iii) granted to the individual States as a part of the process of being admitted into the Union, or (iv) subject to special "reservations" for particular purposes (for example, military and Indian reservations).

The mining law of the United States governs the disposition of all "valuable" minerals which includes the traditional base and metallic minerals as well as some industrial minerals. The Claims reflect the traditional category of "valuable" minerals (the applicable statute specifically recites "gold, silver, cinnabar, lead, tin, copper, or other valuable deposits"). Lithium is also classified as a “valuable” mineral. Mining rights are initiated and maintained as "unpatented" mining claims, which includes a right to mine, but subject to the issuance of certain additional permits governing surface use and the payment of an annual claim maintenance fee (currently $200.00 per claim).

It is important to note, however, that lithium is mined either as a placer deposit and located by placer claims or as a hard rock mineral, depending on the nature of the deposit, in which case the deposit must be located by lode claims. The Scotty Lithium Project was initially discovered and located to mine liquid brine beneath the surface of the Claims and thus the Claims would properly be located as placer claims. After further geologic review and investigation, the owner of the Claims, Nevlith/Loyal, determined that liquid brine would not be mined, but that the geology of the Claims, as well as the nature of the claim locations made by third parties on lands adjacent to and just outside the boundaries of the Claims, indicated dispersed lithium mineralization without defined limits was present, which in the opinion of Nevlith/Loyal would still be subject to placer claim locations and similar in mineralization to the third party locations of adjacent lithium placer claims. As a matter of utmost caution, the author of this Title Report advised Nevlith and Loyal that the most prudent and conservative method of protecting the placer claim locations would be to stake and locate lode mining claims over the placer claim locations in order to prevent a third party claim jumper from attempting to locate lode claims over the existing placer locations on the basis that the lithium mineralization was in fact a lode deposit and not a placer deposit. However, both Nevlith and Loyal elected to maintain the placer claims and not incur the expense of locating

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additional claims as lode claims with the belief that the lithium mineralization was in fact a placer deposit. The position of Nevlith and Loyal regarding the propriety of the location solely of the placer claims has not changed as of the date hereof.

A. RECORDS EXAMINED.

For purposes of this report, the examinations of the public records were conducted in large part by Deborah L. S. Goetz, Ph.D., CPL, professional landman for LANDRES Management Consultants LLC, who prepared a Preliminary Title Review dated July 21, 2025. Dr. Goetz previously prepared a Preliminary Title Review on the Claims on December 17, 2024 and a Preliminary Title Review on the previously held 700 SFL Claims (of which 2 claims were abandoned) on May 6, 2022, as updated and amended and included in the final Title Report issued by this firm dated May 23, 2023. Additional examinations of the public records were conducted by this firm. The current Preliminary Title Review as well as the previous Preliminary Title Reviews prepared by Dr. Goetz have all referred to an attachment which included underlying documents reviewed for the preparation of each Title Review. Those documents, which are extensive, were placed in Proton Drive and were previously placed in Dropbox, and will be made available for review as requested. The current Preliminary Title Review is attached hereto as Exhibit B (the "Goetz Report"). Dr. Goetz will expressly consent by separate document to the inclusion of the Goetz Report in this Title Report. The examinations of the public records made are as follows:

1. The United States Bureau of Land Management ("BLM") MLRS mining claim records database for mining claim and owner indexes for the Claims and the public land records for the federal lands on which the unpatented mining claims described in this report are located. The examination by Dr. Goetz of the BLM records is effective to July 18, 2025, 5:00 p.m. Our office has also previously examined the physical mining claim records in the BLM State Offices in Reno, Nevada, effective as of 5:00 p.m. on January 22, 2025, and updated as of 5:00 p.m. on March 7, 2025, to confirm and/or update the findings as of December 17, 2024.

2. The online records of the Office of the Recorder of Nye County, Nevada. Our examinations are effective as of 5:00 p.m. on July 18, 2025.

3. The online business entity database of the Nevada Secretary of State effective as of 5:00 p.m. on July 18, 2025.

4. We made inquiry with the Clerk of the District Court of Nye County, Nevada, regarding the pendency of any actions against Nevlith; Olsom; ACL; and, Loyal. Our inquiry is effective for records filed as of 5:00 p.m. on July 18, 2025.

5. We have not examined public records concerning the status of federal public lands, mining claims, mineral rights, water rights or other property interests, except those expressly described in this report. The Goetz Report included discussions of environmental observations, including a wetlands area and significant playa inside the SFL Claim block; the proximity of the SFL Claim block to Nellis Air Force Base, the Timbi Sha Shoshone Reservation and the Grapevine Mountains Wilderness Study Area; easements and rights of way across or adjacent to the SFL Claim block; and, drilling permits adjacent to the SFL Claim block.

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B. TITLE.

Record title to the Claims is vested in Nevlith, who acquired title to the SFL Claims from Playa Minerals Company, a Utah DBA, the locator of the Claims, by Mineral Deed with Reservation of Royalty dated March 25, 2024 and recorded in the Office of the Recorder of Nye County, Nevada, on May 13, 2024 as Document No. 1029979, subject to the obligation pursuant to the reserved royalty to pay a mineral production royalty of one percent (1.0%) of the Net Smelter Returns, but with Nevlith's option and right to purchase one-half (1/2) of the Royalty representing one-half of one percent (0.5%) of the Net Smelter Returns for the price of Five Hundred Thousand Dollars (US$500,000.00).

The BLM claims adjudicator, in the course of reviewing the certificates of location and claim maps for the original filing of the Claims, identified a group of Claims, SFL 533-556, which required amended certificates of location as they were all located within unsurveyed lands, without protraction diagram, and were therefore mandated by federal regulation to be described by metes and bounds descriptions and not by 20-acre aliquot parcels. Playa Minerals Company, the locator of all of the Claims, complied with this BLM request and amended the SFL Claims 533-556. Upon compliance by Playa Minerals Company with BLM's requirements for making the foregoing amendments to the certificates of location of the affected Claims, all of the remaining 698 SFL Claims became classified by BLM as being active. Nevlith and Loyal ultimately elected to drop and not pay the required annual maintenance fee on all but the subject 195 placer claims subject to this Title Report. The choice not to pay the required BLM annual maintenance fee on the remaining claims as required by federal law had the effect of voiding those additional claims.

Except for the reserved royalty in favor of Playa Minerals as set forth above, there are no instruments recorded in the Office of the Nye County Recorder by which a third party asserts an encumbrance against or interest in the Claims or the interests of Nevlith; Olsom; ACL; and, Loyal.

C. FEDERAL LAND STATUS.

The Claims were located on federal public lands which were open for mineral entry on the dates of location of the Claims and filed with the Bureau of Land Management as required by the Federal Land Policy and Management Act of 1976, except as set forth in Subsection E. below.

D. MAINTENANCE OF THE CLAIMS.

1. The Claims are in good standing and are in an "active" status, according to the records in the BLM MLRS database. The BLM mining claim maintenance fees must be paid in advance of the annual assessment year on or before September 2, 2025 (since September 1st falls on the Labor Day Holiday in 2025), and September 1 of each succeeding year, unless the September 1st date falls on a weekend or holiday. The failure of the owner of the Claims to properly and timely pay the BLM annual mining claim maintenance fees will cause the Claims to be forfeited and void.

2. Under Nevada law, the owner of an unpatented mining claim must record in the office of the recorder an affidavit of notice of intent to hold the unpatented mining claim for each annual assessment year. The filing of the affidavit of notice of intent to hold mining claims under

Nevada law is filed retrospectively for the prior assessment year. The Claims are in good standing according to the records of the Nye County Recorder which show that all annual notices of intent to hold the Claims for each prior assessment year have been timely and properly filed and recorded. The next deadline for recording the affidavit for the Claims with the Nye County Recorder is November 1, 2025.

E. TITLE ISSUES OF CONCERN.

The Goetz Report referenced above identified several title items of concern which must be addressed. The title items are broken down into the following categories: (1) Location Notice Issues; (2) Potential Claim Overlap on Existing Claims; and, (3) No Legal Description on Maps.

1. Errors on Notices of Location and Certificates of Location.

The Goetz Report documents how legal descriptions on certain location notices of the SFL Claims differs from the legal description on the certificates of location for those claims. Additionally, the legal descriptions on the location notices are only a partial legal description and are only a partial legal description of the actual legal descriptions utilized on the certificates of location. For example, the location notices only reference the quarter section in which the claims are located, whereas the certificates of location provide the full aliquot 20-acre legal descriptions. Although most of the MT Plats evidenced that the townships on which the claims are located were unsurveyed, those plats also stated that they contained a protraction diagram.

Federal law, 43 CFR 3812.12(a)(1) and 3812.12(c)(2)(i), provides that if the placer claims are on unsurveyed lands, you **must** describe the lands by protracted survey if the BLM has a protracted survey of record. If the claims were on unsurveyed lands or lands without a protracted survey of record, then the claims would need to have been described by metes and bounds and tied to a natural or artificial monument or survey monument if one exists in the area. *See,* Earl M. Hill, *The Nevada Law of Mining* (Rocky Mt. Min. L. Fdn. 2015), Sec. 3.07[2]. Most of the SFL Claims located on unsurveyed townships with protraction diagrams did not clearly show that they were tied to any natural or artificial monument or survey monument, other than as depicted by the protracted survey of record.

Thus, most portions of the townships in which the SFL Claims are located have BLM protracted surveys of record, and the claim descriptions on the notices of location, the certificates of location and maps should have described the claims by 20-acre aliquot parts based upon the protracted survey of record, except where the protraction diagrams depict sections which are not projected to be 640 acres in size, which is applicable to the SFL Claims 533-556 located within Sections 4, 5 and 6 of Township 9 South, Range 44 East.

Prior to making the field inspection, Dr. Goetz was able to ascertain from documents my office provided to her that both the notice of location and the certificate of location for SFL Claim 580 (together with other claims no longer kept active) set forth a different location than the location depicted on the claim maps recorded in Nye County and filed with the BLM. Then, upon making her field inspection, Dr. Goetz inspected the location notices of SFL Claims 457 and 481. She noted that all of these location notices were only partial descriptions and, in relation to the claim map, placed the claims approximately a mile to the west of the location on the claim map where

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the actual location monument for each of these claims is situated. Although not all SFL Claim locations were inspected, this situation raises doubt about the legal descriptions on the location notices for all or part of the other claims. Accordingly, further site inspection may be needed to determine which Claims, or all, have incorrect and insufficient legal descriptions on the location notices.

With respect to SFL Claim 580, Playa Minerals, filed an amended certificate of location for this claim in an attempt to cure the errors in the description of the Claim. Under Nevada law, NRS 517.200, defects or errors in certificates of location may be cured by filing amendments to the certificates, if the amendments do not interfere with existing rights of others at the time of the amendments. Further, these amendments to the certificates of location may be satisfactory to cure the defects, provided that work on the ground was properly performed and that the notices of location and claim maps were otherwise legally sufficient.

There are, however, issues with the location of the SFL Claims on the ground. In most cases, the most legally secure way to cure material defects with claim locations and/or filings is to abandon the original claims and relocate those claims in full compliance with applicable state and federal laws, provided that no intervening third party claim locations have been made. However, concerns remain that there are also defects with the location notices posted on the claim monuments. Furthermore, none of the claim maps describe each of the claim locations by aliquot parts on the protracted surveys of record. Even though it is possible to analyze each claim depicted on the maps to ascertain the 20-acre aliquot part within the quarter section, there is not technical compliance with the requirements of state and federal laws. That being said, the current BLM policy is to accept the Claim maps even though no specific legal description of the 20-acre aliquot part is set forth within each Claim depicted on the map, provided that the related certificates of location set forth and describe each of the 20-acre aliquot parts constituting the Claims.

If challenged by a competing claimant, an argument may be made by such third-party claimant that the notices of location and the claim maps filed with Nye County and the BLM have defective legal descriptions. The safest way to cure this potentially alleged defect would be to abandon and relocate all of the claims which have defective descriptions. Such action would be extremely expensive and, in light of the current BLM policy mentioned above, the claims maps are acceptable provided that the related certificates of location set forth and describe each of the 20-acre aliquot parts constituting the Claims.

Moreover, as discussed in 2 Rocky Mountain Mineral Law Foundation, *American Law of Mining*, 2d Ed. at Section 33.03[6] with respect to location notices, courts tend to sustain the sufficiency of posted location notices whenever possible, requiring only substantial compliance with posting statutes. It is a generally accepted rule that notices are to be liberally construed, and that when a locator has made an honest attempt to comply with applicable statutes, the locator's location will not be invalidated because of a technical deficiency or an error in an otherwise good description. Since the object of a location notice is to give notice to subsequent locators of the existence and extent of the locator's claim, any notice that does this fairly and reasonably should be held sufficient. However, if it is deemed that a posted notice is insufficient, the ground remains open to location by a subsequent locator who enters peaceably. *Id*. Notwithstanding any defects in the legal descriptions on the location notices of the SFL Claims, the claim monuments appear to

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have been erected properly on the north boundary (northwest corner) of each of the Claims and thus, in that respect, provide notice to subsequent locators. Additionally, the Claims were located on the ground with all corner monuments erected, as well as the location monument, which provides notice to third parties that the ground has been claimed and the boundaries of the Claims have been delineated.

It should also be noted that placer claims located on surveyed lands or lands with a protracted survey of record, which are described by 20-acre legal subdivisions or aliquot parts in the location notice, are not required to have corner posts placed at each corner. The only requirement is that the location monument must be placed along the northern boundary of the placer claim. NRS 517.090.

2. Location monuments for SFL Claims which border other third-party claim groups may overlap onto said third-party claims.

The Goetz Report identified a general concern regarding the confirmation of the SFL Claim location monuments as not overlapping other bordering claim groups. Without a survey, there is no certainty that overlaps do not exist between the SFL Claims and bordering third party claims. If all the claims of both Playa Minerals and third parties are located by legal subdivision, then no overlap should exist. However, the only way to ensure there are no overlaps would be through a survey of the outside boundaries of the SFL Claims where other claim groups exist adjacent thereto. If any overlaps exist and the location monuments of the SFL Claims were placed upon preexisting claims, then those SFL Claims would be void.

The field inspection by Dr. Goetz did not uncover any direct overlap between SFL Claims and adjacent claims, but the Goetz Report suggested that given the north-south orientation of the SFL Claims next to the east-west orientation of other third-party claims, particularly those that lie in Township 9 South, Range 44 East, a comprehensive land status map for the SFL Claims and all surrounding valid claims be prepared and/or a survey by a registered surveyor be performed regarding SFL Claims adjoining third party claims, together with preparation of a land status map showing these boundaries. Such action would be prudent if any realistic risk is present based upon a review of claims filed in the proximity of the SFL Claims and the existence of any third-party claim monuments erected on the ground.

3. No legal description for each SFL Claim on the maps recorded/filed.

Similar to the discussion in subsection 1. above, most of the SFL Claims were located on lands shown on official BLM master title plats with protraction diagrams, thus the Claims were required to be described by aliquot parts or legal subdivisions. However, none of the SFL Claim maps provided such information, although the current BLM policy is to accept the Claim maps provided that the corresponding certificates of location set forth each of the 20-acre aliquot parts constituting the Claims.

Federal law provides that you must show on the map the boundaries and position of the claims by aliquot part within the quarter section accurately enough for BLM to identify the mining claims on the ground. 43 CFR 3832.12(a)(2)(ii). Additionally, for placer claims that are on

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unsurveyed Federal lands you must describe the lands by protracted survey if the BLM has a protracted survey of record. 43 CFR 3832.12(c)(2)(i). Similarly, Nevada law provides that the claims may be taken and described on the map by legal subdivisions on surveyed lands (or lands with protraction diagram). NRS 517.100(1).

If a claimant cannot describe the land by aliquot part (*e.g.,* the land is unsurveyed or there is no protracted survey), the claimant must provide a metes and bounds description that fixes the position of the claim corners with respect to a specified claim corner, discovery monument, or official survey monument. 43 CFR 3832.12(a)(1).

Since there is a protracted survey of record on most of the townships in which the SFL Claims are located, the best practice for the preparation of the notices of location and the preparation and filing of the claim maps would have been to set forth and describe the aliquot part 20-acre legal description. Further, there are no ties on the SFL Claims' notices of location or the maps to a natural landmark or a readily identifiable artificial landmark which would have otherwise been required if there were no protracted surveys available. *See,* 43 CFR 3832.12(a)(1), 3832.12(a)(2)(i)(b), 3832.12(c)(2)(ii); NRS 517.100.

The best practice for the proper location of the SFL Claims was to have inserted the 20-acre aliquot part legal description on each claim shown on the map and to include such legal description on the notice of location and the certificate of location. None of the SFL Claims have descriptions setting forth the 20-acre aliquot part on the notices of location or the claim maps. It does appear that the certificates of location for all of the SFL Claims do have the required aliquot part legal description. The current BLM policy, however, is to accept the claim maps without the written legal description set forth on each claim depicted, provided that the certificate of location for each claim provides the legal description of the 20-acre aliquot part.

4. Summary of Title Concerns.

Item 1: All location notices for the SFL Claims appear to be defective and show the location of the Claims approximately one (1) mile west of their actual location. Absent abandoning and relocating all 195 SFL Claims, it is possible to cure this problem by substituting the location notices on each of the location monuments with the correct legal description. Otherwise, it is possible that no competing claimants will be aware of this issue and such third parties will rely on the recorded/filed documents with Nye County and the BLM, assuming those documents are accurate. Further, the fact that the SFL Claims were located on the ground with corner monuments, as well as the location monument, would give sufficient notice to other prospective claimants.

The amendment to the certificate of location filed by Mr. Gatten with Nye County and the BLM regarding SFL Claim 580 to correct the legal description for that claim should be adequate to cure that particular defect. Further, the amendments to the certificates of location for SFL Claims 533-556 which lie within unsurveyed sections 4, 5 and 6, which sections contain, by protraction diagram, acreages different than the standard 640-acre sections, have cured the defect of describing the Claims by aliquot parts when the amended certificates of location set forth the metes and bounds description of each claim.

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Failure to comply with location, discovery or monumentation requirements of state law which are not inconsistent with federal law, within the time prescribed by state law, works a forfeiture of the claim and subjects the ground to relocation by any qualified locator. An attempted mining location fails absent substantial compliance with statutory requirements. *See,* Earl M. Hill, *The Nevada Law of Mining* (Rocky Mt. Min. L. Fdn. 2015), Sec. 3.06.

Item 2: As an abundance of caution, detailed mapping of third party claims adjacent to the SFL Claims, together with a survey by a registered surveyor, could be performed to ensure that there is no overlap by the SFL Claims onto preexisting third party claims. The key focus of this process would be to ensure that the location monuments for the SFL Claims are not within the boundaries of any previously located third party claims.

Item 3: As discussed above, both Nevada law and federal law require that claim maps for placer claims must describe by aliquot part the legal description of the 20-acre SFL Claims on the applicable partially surveyed and the protracted BLM surveys of record on all four townships in which the SFL Claims are located. That is not the case here, so the question is whether the depiction of the Claims on the claim maps is sufficient to legally describe the boundaries of the Claims. It is a straight-forward process to identify the 20-acre parcels within the quarter sections of the mapped townships, which appears sufficient under BLM standards to constitute substantial compliance with the applicable laws. However, an alternative practice, in light of various defects with the location and recording of the SFL Claims, would be to abandon and relocate all 195 Claims in full compliance with state and federal law. Another alternative to address only the issue of the failure to properly describe the Claims on the claim maps would be to amend all the claim maps to specifically describe the 20-acre aliquot part to the quarter section of each of the Claims on the protracted survey of record of the four relevant townships. This alternative would not be necessary under the BLM policy of accepting the claim maps without the written legal description set forth on each claim depicted, provided that the certificate of location for each claim provides the legal description of the 20-acre aliquot part.

Generally, as to all of the foregoing items, is the potential risk of a third-party claimant challenging the validity of the Claims and, if successful, the third party would thereupon have the right to locate new claims on the lands over the voided SFL Claims, as the ground would then be considered open to location. Each case involving the issue of whether a senior locator has substantially complied with the statutes governing acts of location must be decided on its own facts, and any attempted mining location fails absent such substantial compliance. *Lombardo Turquoise Mining & Milling Co. v. Hemanes*, 430 F. Supp. 429, 440 (D. Nev. 1977), aff'd, 605 F. 2d. 562 (9th Cir. 1979); *see also,* Earl M. Hill, *The Nevada Law of Mining* (Rocky Mt. Min. L. Fdn. 2015), Sec. 3.06. It should also be understood that if a mining claim is deemed to be void ab initio, then an attempted amendment relating to that claim would not cure a defect in the claim location, notice of location, certificate of location or claim map. In other words, an amendment of claim location documents will not be effective to make a void claim valid. The void claim must be abandoned and relocated, provided that no intervening locators have located claims on that ground. Notwithstanding the foregoing, Nevlith and Loyal both consider any challenge to the validity of the Claims to be low risk based upon BLM policy and practice; that exploration activities have been conducted on the Claims since June of 2022 without third party interference or adverse action; and, that no challenges to the validity of the Claims have been asserted from and after the location of the Claims to the date hereof.

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F. THIRD PARTY MINING CLAIMS.

As discussed above, the BLM mining claim geographic mining claim indexes do not show any circumstance where third-party unpatented mining claims conflict with the Claims.

G. LITIGATION.

The Office of the Clerk of the District Court of Nye County, Nevada, informed our firm that as of July 18, 2025, there are no actions pending in the Nye County District Court in which any of Nevlith; Olsom; ACL or, Loyal is named as a party.

We examined the plaintiff-defendant index of the United States District Court and the party index of the United States Bankruptcy Courts effective to July 18, 2025. There are no actions pending in the United States District Courts against any of Nevlith; Olsom; ACL; Loyal; or, the Company. There are no bankruptcy proceedings pending in the United States Bankruptcy Courts in which any of the above-mentioned parties is named as a debtor. Our examination was conducted through the PACER on-line service.

H. MANAGEMENT AUTHORITY OF THE UNITED STATES:

Title to the Claims is subject to the paramount title of the United States which, prior to the issuance of a mineral patent, retains management authority in any of the following matters:

a. Pursuant to the Act of July 23, 1955, 30 United States Code ["U.S.C."] § 612, the United States retains a right to manage the lands and dispose of the surface vegetative resources (i.e., timber and forage). Since none of the Claims were located prior to the effective date of this Act, they are subject to the rights of the United States thereunder.

b. Pursuant to the Act of October 21, 1976, 30 U.S.C. § 1701, et seq., the United States retains the right to grant licensees or permittees rights of use of the surface resources and the right to issue rights-of-way.

c. Pursuant to 43 C.F.R., Part 3809, the United States Department of Interior has promulgated regulations governing the surface mining and mineral exploration activities on the Claims outside of a national forest. These regulations likewise require varying degrees of input to obtain the requisite approval for mineral exploration development and mining operations. The approval may, under certain circumstances, require preparation of an environmental impact statement.

d. Pursuant to 43 C.F.R., Part 3715, the United States Department of the Interior has promulgated regulations governing the surface occupancy of the public domain. Specifically, 43 C.F.R. § 3715.2 establishes a permitting requirement for any occupancy of the public lands for more than 14 calendar days within any 90-day period within a 25-mile radius of the initially occupied site. In order to obtain a permit for such occupancy it must be shown that the occupancy (a) is reasonably incident to the mining operations; (b) constitutes substantially regular work; (c) is reasonably calculated to lead to the extraction and beneficiation of minerals; (d) involves

observable and verifiable "on the ground" activity; and (e) uses appropriate equipment that is presently operable, subject to the need for reasonable assembly, maintenance, repair or fabrication of replacement parts.

e. Under current law, there is no royalty payable to the United States for production of minerals from the Claims. We note that proposals to impose a royalty have been frequently made during the last 20 years, but in our view, there are no pending serious proposals to do so.

I. COMMENTS AND RECOMMENDATIONS.

1. The Claims are unpatented mining claims located on public lands owned and administered by the United States government. A valid unpatented mining claim is an interest in real property that can be bought, sold, mortgaged, devised, leased and taxed, but it is always subject to the paramount title of the United States and, is subject to BLM's management authority and the rights of third parties to use the surface of the claim in a manner that does not unreasonably interfere with the claimant's activities. An unpatented mining claim can be located without application to or invitation from the federal government, however, the claim must be located on public lands which have not been withdrawn from the location of mining claims by legislation, regulation or executive order and which have not been appropriated by a third party's location of senior mining claims.

The location of an unpatented mining claim is initiated by the locator. The location process requires the locator to construct a monument of location on the claim and to post on the monument a notice of location which describes the claim.

A valid unpatented mining claim must include a discovery of valuable minerals. Before discovery, however, a mining claimant has a possessory right to conduct mineral exploration and development activities on the claim. The locator of a valid unpatented mining claim has the right to explore for, develop and mine minerals discovered on the claim, subject to compliance with the annual mining claim maintenance requirements under the United States Federal Land Policy and Management Act of 1976 and other applicable federal statutes and regulations.

Under current law, the claim owner must pay an annual mining claim maintenance fee of $200.00 to maintain an unpatented mining claim. A claim owner's failure to pay the fee by the statutory deadline will cause automatic forfeiture of the mining claim. There is no curative or grace period. Under current law, the applicable payment deadline for the Claims is September 1, 2025 (for the year 2025, the payment is due on or before September 2, 2025 due to the Labor Day Holiday falling on September 1st).

2. The records of the Nevada Secretary of State show that Nevlith is classified as an "active" Nevada limited liability company in good standing as of July 18, 2025. Nevlith is qualified to locate and own unpatented mining claims under the Mining Law of 1872.

3. The records of the Delaware Secretary of State show that Olsom is classified as an "active" Delaware corporation in good standing as of July 18, 2025.

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4. It is the understanding of the author that the Company, Loyal and ACL are currently active corporations in good standing with the Australian Securities and Investments Commission or other applicable Australian agencies and that Australian counsel will conduct applicable searches to confirm the same just prior to lodging the Prospectus.

J. CONDITIONS, EXCEPTIONS AND LIMITATIONS.

An unpatented mining claim must be located and maintained in accordance with the mining laws of the United States and the laws of the state in which the Claims are located. Because county and federal records do not necessarily indicate that the locator or owner of an unpatented mining claim has complied with federal and State laws and regulations concerning the location and maintenance of an unpatented mining claim, an unpatented mining claim that appears regular from the record may, in fact, later be shown to be invalid. Our report is based solely on the public records examined as described above and is necessarily subject to any matters which are not disclosed by those materials.

Our report concerning the vestment of record title to the Claims and our examinations of the public records described in this report are subject to the following:

1. The completeness and accuracy of the indexes and records of the Offices of the Clerk and Recorder of Nye County, Nevada.

2. The completeness and accuracy of the indexes, mining claim records and land status records of the BLM.

3. The actual performance of location work prescribed by law on the date of location of each of the Claims.

4. The paramount title of the United States in respect of the Claims.

5. The discovery of a valuable mineral deposit within the boundaries of each of the Claims.

6. The subject lands not having been appropriated by a third party's location of senior mining claims on the dates of location of the Claims.

7. The proper and timely payment of the federal annual mining claim maintenance fees.

8. Any facts which would be disclosed by an on-site inspection and correct survey of the Claims.

9. The status or existence of permits for development or occupation of the Claims.

10. Any fact not of record affecting the validity of any of the Claims and the terms of any agreement entered by the owner of the Claims which is not of record.

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11. Any easement or right-of-way which is not of record or any road which may be proven to be a public road under the Act of July 26, 1866, 12 Stat. 253, 43 USC 932, repealed by the Federal Land Policy Management Act of 1976, P.L. No. 94-579, 90 Stat. 2793, or under NRS 405.191 et seq.

12. Adverse rights unknown to us of which the owner of any interest in the Claims has actual knowledge.

13. Rights of all parties in actual possession of the Claims, including, easements, rights-of-way, and tenancies.

14. Inchoate mechanic's and materialmen's liens under the laws of the State of Nevada, the priority of which may relate back to the date on which the first materials or services were provided by any lien claimant for the improvement of the Claims.

15. Voluntary or involuntary petitions in bankruptcy of the present owner or its predecessors in interest.

16. Federal tax liens not recorded in the Office of the Nye County Recorder.

17. The adjudicated rights and the validity or current status of any water rights or water rights permits which may be appurtenant to the Claims and the reservation of water resources by the United States pursuant to Executive Order Public Water Reserve No. 107.

18. Any zoning or land use regulation or restrictions imposed by the State or any political subdivision which has jurisdiction of the Claims.

19. Matters disclosed by the Nevada Secretary of State's UCC, federal tax lien and entity records.

20. This report is effective as of the dates of examination of the title records and does not address or report matters which were filed or recorded in the public records after the dates of our examination. We assume no obligation for materials inconsistent with our express assumptions, or for any time period not included within the periods for which the public records were searched.

21. The law in effect on the date hereof, and we disclaim and assume no obligation to update, revise or supplement this opinion should such law be changed in any respect by legislative action, judicial decision or otherwise.

22. The facts which exist on the date hereof, and we disclaim and assume no obligation to update, revise or supplement this opinion should such facts change in any respect.

23. This report is effective only for the Claims and does not report the status of title to any other property interests of any nature.

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We have not been requested to examine or inspect and we have not examined or inspected the property on site, except for the abbreviated inspection made by Dr. Goetz, nor have we investigated ways and rights of ingress and egress to or from the Claims. We render no opinion or advice regarding the physical or environmental condition of the Claims, and we render no opinion as to any fact or circumstance which might be determined or inferred from an on-site inspection or investigation except as expressly provided herein.

In the event of litigation or any proceeding in respect of the exceptions and qualifications disclosed in this report, we do not guaranty or warrant any particular result in respect of the matters addressed in this report. We do not insure for or against, nor do we indemnify for or against, any particular consequence or result in any such litigation or proceeding.

Marvel & Marvel, Ltd. consents to being named in the Prospectus as legal advisors to Desert Minerals Pty Ltd with respect to the matters set out in this Title Report and to the inclusion of this Title Report in the Prospectus to be lodged with the Australian Securities and Investments Commission on or about August 20, 2025.

Very truly yours,

MARVEL & MARVEL, LTD.

By: _____
JOHN E. MARVEL

cc: Simon Barcham via email: simon.barcham@hamiltonlocke.com.au

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EXHIBIT "A"

Description of Mining Claims
Scotty Lithium Project

Number of Claims: **195**

BLM Serial No.	Claim Name
NV105753191	SFL 457
NV105753192	SFL 458
NV105753201	SFL 467
NV105753202	SFL 468
NV105753203	SFL 469
NV105753204	SFL 470
NV105753211	SFL 477
NV105753212	SFL 478
NV105753213	SFL 479
NV105753214	SFL 480
NV105753215	SFL 481
NV105753216	SFL 482
NV105753223	SFL 490
NV105753224	SFL 491
NV105753225	SFL 492
NV105753226	SFL 493
NV105753227	SFL 494
NV105753228	SFL 495
NV105753229	SFL 496
NV105753234	SFL 501
NV105753235	SFL 502
NV105753236	SFL 503
NV105753237	SFL 504
NV105753238	SFL 505
NV105753239	SFL 506
NV105753240	SFL 507
NV105753241	SFL 508
NV105753242	SFL 509
NV105753243	SFL 510
NV105753244	SFL 511
NV105753245	SFL 512
NV105753246	SFL 513
NV105753247	SFL 514

BLM Serial No.	Claim Name
NV105753248	SFL 515
NV105753249	SFL 516
NV105753250	SFL 517
NV105753251	SFL 518
NV105753252	SFL 519
NV105753253	SFL 520
NV105753254	SFL 521
NV105753255	SFL 522
NV105753256	SFL 523
NV105753257	SFL 524
NV105753258	SFL 525
NV105753259	SFL 526
NV105753260	SFL 527
NV105753261	SFL 528
NV105753262	SFL 529
NV105753263	SFL 530
NV105753264	SFL 531
NV105753265	SFL 532
NV105753266	SFL 533
NV105753267	SFL 534
NV105753268	SFL 535
NV105753269	SFL 536
NV105753270	SFL 537
NV105753271	SFL 538
NV105753272	SFL 539
NV105753273	SFL 540
NV105753274	SFL 541
NV105753275	SFL 542
NV105753276	SFL 543
NV105753277	SFL 544
NV105753278	SFL 545
NV105753279	SFL 546
NV105753280	SFL 547
NV105753281	SFL 548
NV105753282	SFL 549
NV105753283	SFL 550
NV105753284	SFL 551
NV105753285	SFL 552
NV105753286	SFL 553

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BLM Serial No.	Claim Name
NV105753287	SFL 554
NV105753288	SFL 555
NV105753289	SFL 556
NV105753290	SFL 557
NV105753291	SFL 558
NV105753292	SFL 559
NV105753293	SFL 560
NV105753294	SFL 561
NV105753295	SFL 562
NV105753296	SFL 563
NV105753297	SFL 564
NV105753298	SFL 565
NV105753299	SFL 566
NV105753300	SFL 567
NV105753301	SFL 568
NV105753302	SFL 569
NV105753303	SFL 570
NV105753304	SFL 571
NV105753305	SFL 572
NV105753306	SFL 573
NV105753307	SFL 574
NV105753308	SFL 575
NV105753309	SFL 576
NV105753310	SFL 577
NV105753311	SFL 578
NV105753312	SFL 579
NV105753313	SFL 580
NV105753314	SFL 581
NV105753315	SFL 582
NV105753316	SFL 583
NV105753317	SFL 584
NV105753318	SFL 585
NV105753319	SFL 586
NV105753320	SFL 587
NV105753321	SFL 588
NV105753322	SFL 589
NV105753323	SFL 590
NV105753324	SFL 591
NV105753325	SFL 592

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BLM Serial No.	Claim Name
NV105753326	SFL 593
NV105753327	SFL 594
NV105753328	SFL 595
NV105753329	SFL 596
NV105753330	SFL 597
NV105753331	SFL 598
NV105753332	SFL 599
NV105753333	SFL 600
NV105753334	SFL 601
NV105753335	SFL 602
NV105753336	SFL 603
NV105753337	SFL 604
NV105753338	SFL 605
NV105753339	SFL 606
NV105753340	SFL 607
NV105753341	SFL 608
NV105753342	SFL 609
NV105753343	SFL 610
NV105753344	SFL 611
NV105753345	SFL 612
NV105753346	SFL 613
NV105753347	SFL 614
NV105753348	SFL 615
NV105753349	SFL 616
NV105753350	SFL 617
NV105753351	SFL 618
NV105753352	SFL 619
NV105753353	SFL 620
NV105753354	SFL 621
NV105753355	SFL 622
NV105753356	SFL 623
NV105753357	SFL 624
NV105753358	SFL 625
NV105753359	SFL 626
NV105753360	SFL 627
NV105753361	SFL 628
NV105753362	SFL 629
NV105753363	SFL 630
NV105753364	SFL 631

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BLM Serial No.	Claim Name
NV105753365	SFL 632
NV105753366	SFL 633
NV105753367	SFL 634
NV105753368	SFL 635
NV105753369	SFL 636
NV105753370	SFL 637
NV105753371	SFL 638
NV105753372	SFL 639
NV105753373	SFL 640
NV105753374	SFL 641
NV105753375	SFL 642
NV105753376	SFL 643
NV105753377	SFL 644
NV105753378	SFL 645
NV105753379	SFL 646
NV105753380	SFL 647
NV105753381	SFL 648
NV105753382	SFL 649
NV105753383	SFL 650
NV105753384	SFL 651
NV105753385	SFL 652
NV105753386	SFL 653
NV105753387	SFL 654
NV105753388	SFL 655
NV105753389	SFL 656
NV105753390	SFL 657
NV105753391	SFL 658
NV105753392	SFL 663
NV105753393	SFL 664
NV105753394	SFL 665
NV105753395	SFL 666
NV105753396	SFL 671
NV105753397	SFL 672
NV105753398	SFL 673
NV105753399	SFL 674
NV105753400	SFL 675
NV105753401	SFL 676
NV105753402	SFL 677
NV105753403	SFL 678

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BLM Serial No.	Claim Name
NV105753404	SFL 679
NV105753405	SFL 680
NV105753406	SFL 681
NV105753407	SFL 682
NV105753408	SFL 683
NV105753409	SFL 684

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EXHIBIT "B"

Deborah L. S. Goetz, Ph.D., CPL,
Preliminary Title Review

[*TO FOLLOW ON NEXT PAGES*]

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LANDRES Management Consultants LLC

PRELIMINARY TITLE REVIEW

SFL Placer Claims, Nye County, NV

Townships 8 and 9 South, Range 43 and 44 East.

Prepared For:

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Marvel & Marvel Ltd.
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Prepared By:

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July 21, 2025

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SFL PLACER CLAIMS
PRELIMINARY TITLE REVIEW - JULY 21, 2025

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APPENDICES
CHAINS OF TITLE
DOCUMENT INVENTORY-ABBREVIATED
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1.0 EXECUTIVE SUMMARY

Request:

In July 2025, Mr. John Marvel contacted me to do a Preliminary Title Review on the SFL placer claims located in Nye County, Nevada. These claims had previously been reviewed in December 2024.

Purpose:

The Preliminary Title Review for the Property is required by Mr. Marvel in order to provide a title opinion to his client who is acquiring the Property. This Review is effective through July 18, 2025.

Property Description:

The Property consists of 195 unpatented placer claims located in Townships 8 and 9 South, Range 43 and 44 East.

Ownership of Record:

Nevlith LLC

Items of Concern in Brief:

Overall, the Claims appear to be active and acceptable to the BLM. Two Items of Concern were noted, which should be reviewed by Mr. Marvel:

- The legal description for each claim is not shown on the claim map recorded in Nye County Recorder's office.
- The Property is located significantly close to Nellis AFB, a Shoshone Reservation and a wilderness study area.

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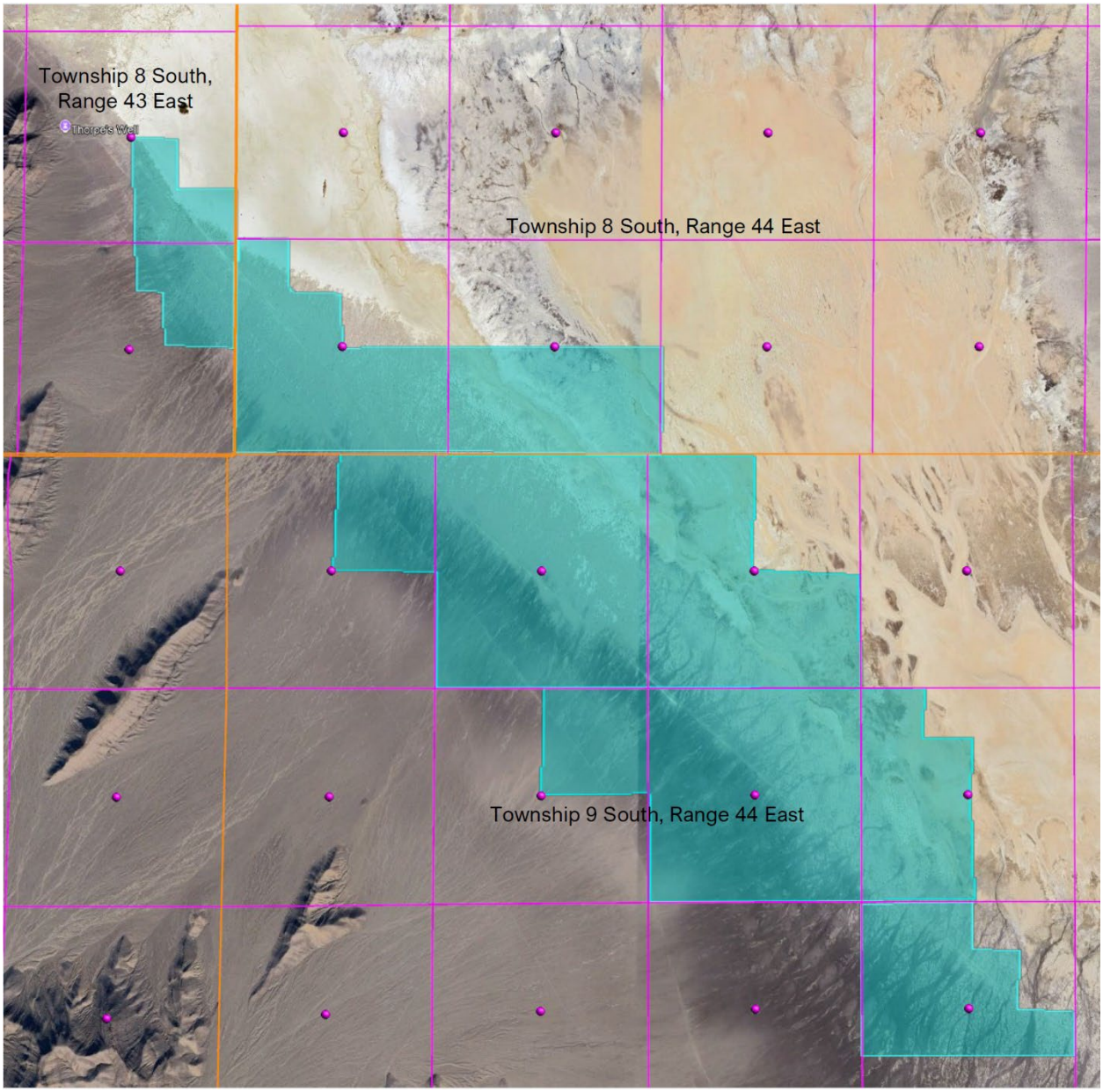
2.0 PROPERTY MAP SKETCH :

The following is a brief sketch of the SFL claim block as it exists today. This is derived from the map and 2024 and 2025 Annual Filing filed in the BLM and in Nye County Recorder's office. Please note that this is merely an approximate representation of the claims boundaries.



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2.1 Claims Description: The Property consists of the following unpatented placer mining claims: (For a complete listing of the Claims with all information, please see Appendix)

NO.	CLAIM NAME	CLAIM NO	MLRS SERIAL NUMBER	MLRS LEADFILE NUMBER
1	SFL	457	NV105753191	NV105752975
2	SFL	458	NV105753192	NV105752975
3	SFL	467	NV105753201	NV105752975
4	SFL	468	NV105753202	NV105752975
5	SFL	469	NV105753203	NV105752975
6	SFL	470	NV105753204	NV105752975
7	SFL	477	NV105753211	NV105752975
8	SFL	478	NV105753212	NV105752975
9	SFL	479	NV105753213	NV105752975
10	SFL	480	NV105753214	NV105752975
11	SFL	481	NV105753215	NV105752975
12	SFL	482	NV105753216	NV105752975
13	SFL	490	NV105753223	NV105752975
14	SFL	491	NV105753224	NV105752975
15	SFL	492	NV105753225	NV105752975
16	SFL	493	NV105753226	NV105752975
17	SFL	494	NV105753227	NV105752975
18	SFL	495	NV105753228	NV105752975
19	SFL	496	NV105753229	NV105752975
20	SFL	501	NV105753234	NV105752975
21	SFL	502	NV105753235	NV105752975
22	SFL	503	NV105753236	NV105752975
23	SFL	504	NV105753237	NV105752975
24	SFL	505	NV105753238	NV105752975
25	SFL	506	NV105753239	NV105752975
26	SFL	507	NV105753240	NV105752975
27	SFL	508	NV105753241	NV105752975
28	SFL	509	NV105753242	NV105752975
29	SFL	510	NV105753243	NV105752975
30	SFL	511	NV105753244	NV105752975
31	SFL	512	NV105753245	NV105752975
32	SFL	513	NV105753246	NV105752975
33	SFL	514	NV105753247	NV105752975
34	SFL	515	NV105753248	NV105752975
35	SFL	516	NV105753249	NV105752975
36	SFL	517	NV105753250	NV105752975
37	SFL	518	NV105753251	NV105752975
38	SFL	519	NV105753252	NV105752975
39	SFL	520	NV105753253	NV105752975
40	SFL	521	NV105753254	NV105752975
41	SFL	522	NV105753255	NV105752975
42	SFL	523	NV105753256	NV105752975
43	SFL	524	NV105753257	NV105752975

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NO.	CLAIM NAME	CLAIM NO	MLRS SERIAL NUMBER	MLRS LEADFILE NUMBER
44	SFL	525	NV105753258	NV105752975
45	SFL	526	NV105753259	NV105752975
46	SFL	527	NV105753260	NV105752975
47	SFL	528	NV105753261	NV105752975
48	SFL	529	NV105753262	NV105752975
49	SFL	530	NV105753263	NV105752975
50	SFL	531	NV105753264	NV105752975
51	SFL	532	NV105753265	NV105752975
52	SFL	533 AMD	NV105753266	NV105752975
53	SFL	534 AMD	NV105753267	NV105752975
54	SFL	535 AMD	NV105753268	NV105752975
55	SFL	536 AMD	NV105753269	NV105752975
56	SFL	537 AMD	NV105753270	NV105752975
57	SFL	538 AMD	NV105753271	NV105752975
58	SFL	539 AMD	NV105753272	NV105752975
59	SFL	540 AMD	NV105753273	NV105752975
60	SFL	541 AMD	NV105753274	NV105752975
61	SFL	542 AMD	NV105753275	NV105752975
62	SFL	543 AMD	NV105753276	NV105752975
63	SFL	544 AMD	NV105753277	NV105752975
64	SFL	545 AMD	NV105753278	NV105752975
65	SFL	546 AMD	NV105753279	NV105752975
66	SFL	547 AMD	NV105753280	NV105752975
67	SFL	548 AMD	NV105753281	NV105752975
68	SFL	549 AMD	NV105753282	NV105752975
69	SFL	550 AMD	NV105753283	NV105752975
70	SFL	551 AMD	NV105753284	NV105752975
71	SFL	552 AMD	NV105753285	NV105752975

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NO.	CLAIM NAME	CLAIM NO	MLRS SERIAL NUMBER	MLRS LEADFILE NUMBER
72	SFL	553 AMD	NV105753286	NV105752975
73	SFL	554 AMD	NV105753287	NV105752975
74	SFL	555 AMD	NV105753288	NV105752975
75	SFL	556 AMD	NV105753289	NV105752975
76	SFL	557	NV105753290	NV105752975
77	SFL	558	NV105753291	NV105752975
78	SFL	559	NV105753292	NV105752975
79	SFL	560	NV105753293	NV105752975
80	SFL	561	NV105753294	NV105752975
81	SFL	562	NV105753295	NV105752975
82	SFL	563	NV105753296	NV105752975
83	SFL	564	NV105753297	NV105752975
84	SFL	565	NV105753298	NV105752975
85	SFL	566	NV105753299	NV105752975
86	SFL	567	NV105753300	NV105752975
87	SFL	568	NV105753301	NV105752975
88	SFL	569	NV105753302	NV105752975
89	SFL	570	NV105753303	NV105752975
90	SFL	571	NV105753304	NV105752975
91	SFL	572	NV105753305	NV105752975
92	SFL	573	NV105753306	NV105752975
93	SFL	574	NV105753307	NV105752975
94	SFL	575	NV105753308	NV105752975
95	SFL	576	NV105753309	NV105752975
96	SFL	577	NV105753310	NV105752975
97	SFL	578	NV105753311	NV105752975
98	SFL	579	NV105753312	NV105752975
99	SFL	580	NV105753313	NV105752975
100	SFL	581	NV105753314	NV105752975
101	SFL	582	NV105753315	NV105752975
102	SFL	583	NV105753316	NV105752975
103	SFL	584	NV105753317	NV105752975
104	SFL	585	NV105753318	NV105752975
105	SFL	586	NV105753319	NV105752975
106	SFL	587	NV105753320	NV105752975
107	SFL	588	NV105753321	NV105752975
108	SFL	589	NV105753322	NV105752975
109	SFL	590	NV105753323	NV105752975
110	SFL	591	NV105753324	NV105752975
111	SFL	592	NV105753325	NV105752975

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NO.	CLAIM NAME	CLAIM NO	MLRS SERIAL NUMBER	MLRS LEADFILE NUMBER
112	SFL	593	NV105753326	NV105752975
113	SFL	594	NV105753327	NV105752975
114	SFL	595	NV105753328	NV105752975
115	SFL	596	NV105753329	NV105752975
116	SFL	597	NV105753330	NV105752975
117	SFL	598	NV105753331	NV105752975
118	SFL	599	NV105753332	NV105752975
119	SFL	600	NV105753333	NV105752975
120	SFL	601	NV105753334	NV105752975
121	SFL	602	NV105753335	NV105752975
122	SFL	603	NV105753336	NV105752975
123	SFL	604	NV105753337	NV105752975
124	SFL	605	NV105753338	NV105752975
125	SFL	606	NV105753339	NV105752975
126	SFL	607	NV105753340	NV105752975
127	SFL	608	NV105753341	NV105752975
128	SFL	609	NV105753342	NV105752975
129	SFL	610	NV105753343	NV105752975
130	SFL	611	NV105753344	NV105752975
131	SFL	612	NV105753345	NV105752975
132	SFL	613	NV105753346	NV105752975
133	SFL	614	NV105753347	NV105752975
134	SFL	615	NV105753348	NV105752975
135	SFL	616	NV105753349	NV105752975
136	SFL	617	NV105753350	NV105752975
137	SFL	618	NV105753351	NV105752975
138	SFL	619	NV105753352	NV105752975
139	SFL	620	NV105753353	NV105752975
140	SFL	621	NV105753354	NV105752975
141	SFL	622	NV105753355	NV105752975
142	SFL	623	NV105753356	NV105752975
143	SFL	624	NV105753357	NV105752975
144	SFL	625	NV105753358	NV105752975
145	SFL	626	NV105753359	NV105752975
146	SFL	627	NV105753360	NV105752975
147	SFL	628	NV105753361	NV105752975
148	SFL	629	NV105753362	NV105752975
149	SFL	630	NV105753363	NV105752975
150	SFL	631	NV105753364	NV105752975
151	SFL	632	NV105753365	NV105752975
152	SFL	633	NV105753366	NV105752975
153	SFL	634	NV105753367	NV105752975
154	SFL	635	NV105753368	NV105752975

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NO.	CLAIM NAME	CLAIM NO	MLRS SERIAL NUMBER	MLRS LEADFILE NUMBER
155	SFL	636	NV105753369	NV105752975
156	SFL	637	NV105753370	NV105752975
157	SFL	638	NV105753371	NV105752975
158	SFL	639	NV105753372	NV105752975
159	SFL	640	NV105753373	NV105752975
160	SFL	641	NV105753374	NV105752975
161	SFL	642	NV105753375	NV105752975
162	SFL	643	NV105753376	NV105752975
163	SFL	644	NV105753377	NV105752975
164	SFL	645	NV105753378	NV105752975
165	SFL	646	NV105753379	NV105752975
166	SFL	647	NV105753380	NV105752975
167	SFL	648	NV105753381	NV105752975
168	SFL	649	NV105753382	NV105752975
169	SFL	650	NV105753383	NV105752975
170	SFL	651	NV105753384	NV105752975
171	SFL	652	NV105753385	NV105752975
172	SFL	653	NV105753386	NV105752975
173	SFL	654	NV105753387	NV105752975
174	SFL	655	NV105753388	NV105752975
175	SFL	656	NV105753389	NV105752975
176	SFL	657	NV105753390	NV105752975
177	SFL	658	NV105753391	NV105752975
178	SFL	663	NV105753392	NV105752975
179	SFL	664	NV105753393	NV105752975
180	SFL	665	NV105753394	NV105752975
181	SFL	666	NV105753395	NV105752975
182	SFL	671	NV105753396	NV105752975
183	SFL	672	NV105753397	NV105752975
184	SFL	673	NV105753398	NV105752975
185	SFL	674	NV105753399	NV105752975
186	SFL	675	NV105753400	NV105752975
187	SFL	676	NV105753401	NV105752975
188	SFL	677	NV105753402	NV105752975
189	SFL	678	NV105753403	NV105752975
190	SFL	679	NV105753404	NV105752975
191	SFL	680	NV105753405	NV105752975
192	SFL	681	NV105753406	NV105752975
193	SFL	682	NV105753407	NV105752975
194	SFL	683	NV105753408	NV105752975
195	SFL	684	NV105753409	NV105752975

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3.0 INTRODUCTION

3.1 PROPERTY LOCATION

The SFL claims ("Property") are located in Nye County in southwestern Nevada, approximately 165 miles northwest of the Las Vegas McCarran International Airport. Beatty is the nearest community, located 35 miles to the southwest of the Property. The Nellis Air Force Base and Bombing Range is located between 5 and 7 miles to the north and east of the property on the east side of U. S. Highway 95. To the west, lie the Grapevine Mountains and approximately 20 miles to the west lies Death Valley National Park.



Access to most of the Property is reasonably good from U.S. Highway 95. Access to the southern portion is more difficult and requires four-wheel drive vehicle due to washed out road conditions. In addition, access is subject to road conditions and weather.

3.2 SCOPE OF WORK

In July 2025, Mr. John Marvel contacted me about performing a basic title review on unpatented placer claims in Nye County. These claims had previously been reviewed in December 2024. The purpose for this Title Review is to provide a review of the Property with accompanying documentation for a Title Opinion to be prepared by Marvel & Marvel Ltd. This Review is effective through July 18, 2025.

3.3 Structure of this Review

- Reference to "owner" or "ownership" means the current owner or holder of record found in this research.
- "Property" , "Claims" refers to the Property described in Section 2.
- Measurements in this Review will be shown in Imperial units hereafter rather than Metric Units. While metric units may be more convenient, the Bureau of Land Management and Nye County documents continue to show measurements in the standard Imperial system used in the United States.
- "BLM" refers to the United States Department of Interior, Bureau of Land Management.
- "County" refers to Nye County.

Section 5: Results gives an overview of the ownership of the Claims. Please note that "Ownership" only relates to what the BLM refers to as "Claimant". Following this, a brief History of Ownership from date of location of the Claims to present, effective through December 16, 2024.

This Review is organized around the unpatented placer claims located on federal land in accordance with the 1872 Mining Law and Nevada State Statutes.

Following the Results, the Items of Concern are set out - issues which, in my opinion, may be of particular interest, may not require any action, may require curative action, or may require legal review and/or action.

All of the documents examined as part of this Review are included in a separate file entitled "Documents" and include County recorded documents as well as documents obtained from the BLM Leadfiles. Each Claim has been inventoried including BLM Serial Number, date of location, County recordation information and annual filings required by federal and state statutes.

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4.0 METHODS AND MATERIALS

In July 2025, Mr. John Marvel, requested a title review of the SFL claims to present. The title review to the SFL claims had been done previously in December 2024, so this Review is a re-evaluation and update to that previous Review. The background research necessary for this Review, including obtaining initial information available on the internet from the BLM, from the BLM State Office and later from the Nye County Recorder's website, was conducted on July 17 through July 19, 2025. I reviewed the BLM leadfiles in the BLM State Office to obtain any recent documentation for the Claims and continued obtaining information regarding underlying and surrounding claims. Because all of the relevant records were available online, a physical visit to Nye County Recorder's office was not necessary.

With this information, I added these documents to the Claims Inventory together with the previously acquired documents. As with the previous December 2024 Review, after the relevant documentation was gathered, sorted, and organized, it was evaluated and analyzed. The Claims Inventory was completed; further analysis was necessary to determine any potential underlying claims conflicts. A sketch map of these conflicts was prepared and is included under Items of Concern.

4.1. Sources of Information

A. General information provided by John Marvel on location.

B. Online Sources of Information:

1). Bureau of Land Management - General Land Office Records: Historical Surveys, Patents and patent information, related information; Case recordation information.

2). Bureau of Land Management – MLRS: Geographical Index, Customer Index, Serial Number Index, Serial Register Pages

3). Nye County Recorder Document Search – Central Index, Nye County Unpatented Claim Plats (also available online).

C. Bureau of Land Management – Nevada State Office:

Copies of all leadfile documents.

4.2 Methods

Title to the Property was first researched online through the BLM websites. Following this, scans of the leadfiles were requested and obtained from the BLM records. Further documentation was then researched and obtained from the Nye County records that are available online. These were compiled into the Claims Inventory.

Following the accumulation of information, the documentation was sorted and organized, scanned, entered into the Claims Inventory, and analyzed. Further review for any potential claims conflicts was done. From this analysis, the Review was prepared.

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5. 0 RESULTS:

SFL CLAIMS:

5.1 Ownership:

Nevlith LLC
527 Stout Street
Fort Collins, CO 80524

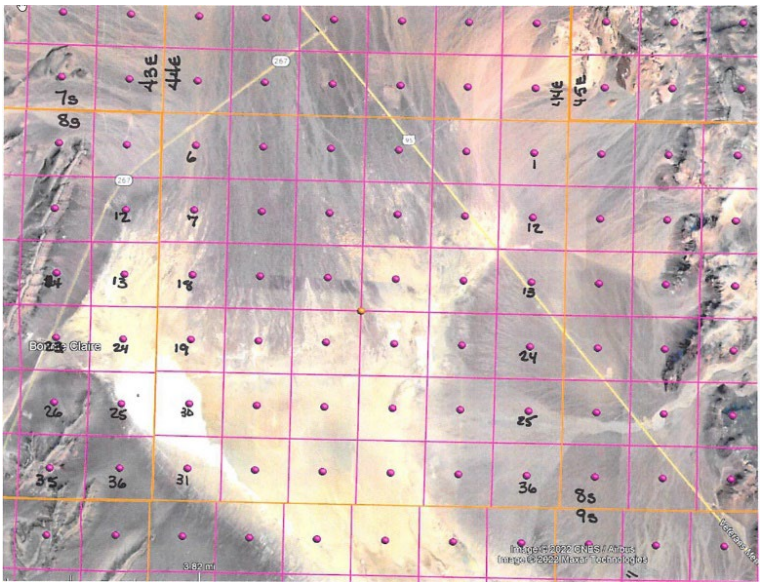
5.2 History of Ownership:

The Claims were staked by Playa Minerals Company from January 7-11, 2022. The Certificates of Location (COLs) were recorded in Nye County, together with claim maps, with some exceptions, on March 28, 2022. See Items of Concern. Then in November 2022, the SFL 533-556, 580 were amended due to a curable error in the legal description.

The COLs and claim maps were then filed in the BLM. The recorded COLs appear to be the same documents that were filed in the BLM. The claim maps, however, were similar but not the same. See Items of Concern.

5.2.1 Field Observation:

Previously, at the request of Mr. Marvel, I visited the Property to briefly look at the SFL claims. I had previously informed Mr. Marvel, and he informed his client that I am not a surveyor and would only function as an independent observer. As such, I did not utilize any location equipment, other than a compass and what is readily available online (i.e., Google Earth with Earthpoint add-on showing township, range, section, and quarter section as derived from BLM GIS shapefiles), as well as Google Maps with my location pinpointed. Prior to arriving on to the property, I prepared several "field maps" of the SFL claims and the BONNIE claims owned by a third party, as well as satellite images provided by Google Earth. These simple tools allowed me to generally locate my positions.



The weather conditions ranged from overcast with poor to moderate visibility to bright and clear conditions to high winds.



Under any conditions, most claim posts were poorly visible with the naked eye. Due to high winds and poor visibility, use of the drone for higher altitude video and photos was not possible. In order to spot the claim posts, binoculars were used.

Once spotted, I hiked to their location, in most cases. In a few cases where the playa was hard packed, I was able to drive to the location. Photographs were taken of claim monuments found, and of the location notices that were easily accessible without compromising the monument. For those that were inaccessible, photographs were taken only of the location monument.

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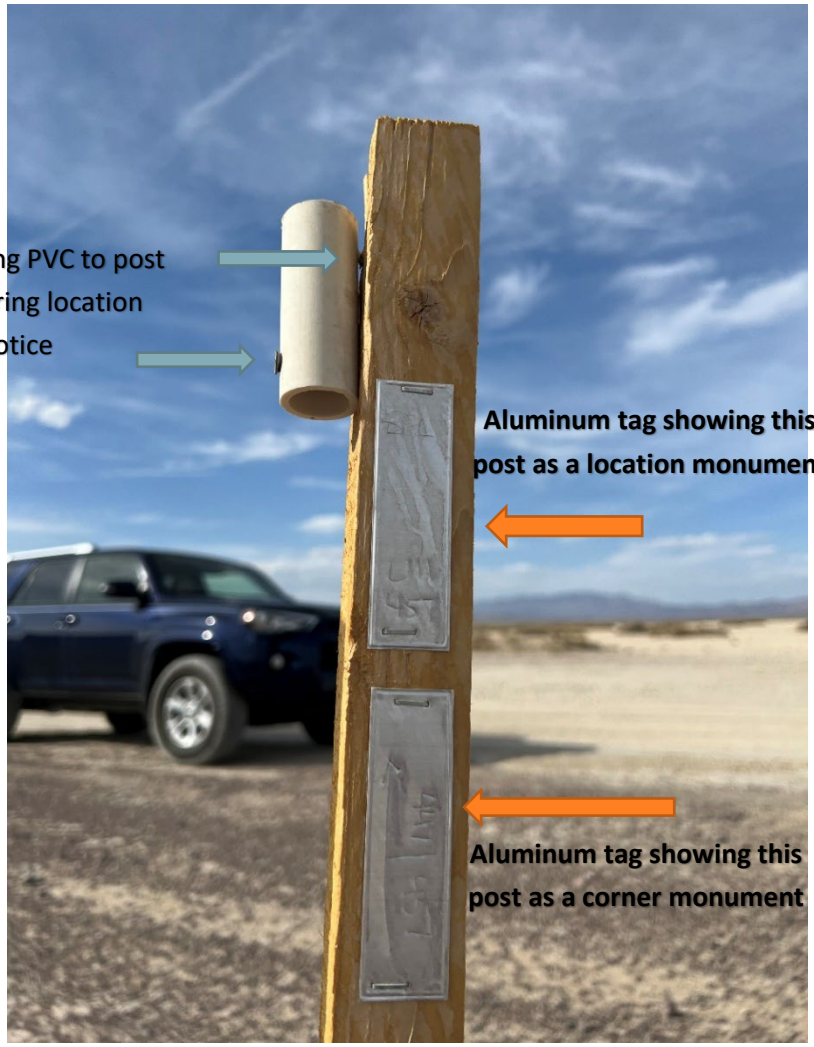
Specific observations include the following:

1. 12 SFL location monuments were observed. The location notices are enclosed in PVC pipe and secured to the post with a screw. In order to preserve the integrity of the pipe, post, and screw, only 4 location notices were retrieved from the PVC pipe, and each was photographed, replaced, and secured again with the screw. Only location monuments were found. No secondary corner monuments were found. Corner markings were, however, found on the location monuments.



2. The Claims are located adjacent to the previously located Bonnie claims owned by a third party.



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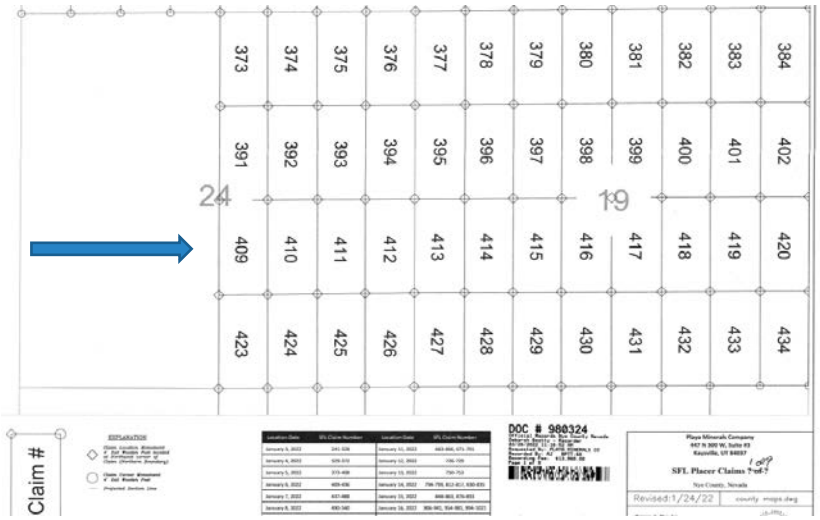
5.3 ITEMS OF CONCERN:

5.3.1. No legal description for each claim on the maps recorded/filed.

The recorded/filed maps for the SFL claims do not include the legal description of each individual claim.

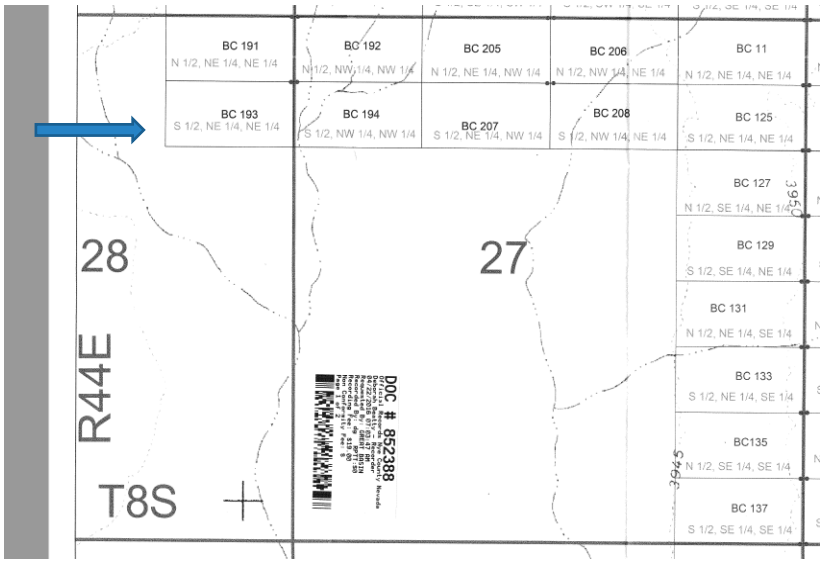
Representative SFL claim map:



Note: there is no legal description on the claim

Representative third-party claim map

Note the legal description below the claim name.



Action to be taken:

Mr. John Marvel should be consulted regarding this issue. Nevada Revised Statutes 517.100 indicates that "If the United States survey has been extended over the land embraced in the location, the claim may be taken and *described on the map* by legal subdivisions as provided in NRS 517.090", and following paragraphs discuss insufficiency. It appears that federal regulations do not include this requirement. Case law, however, may have defined this further.

5.3.2. General location of claim block is less than ½ mile from the Timbi Sha Shoshone Reservation, less than 1-2 miles from Grapevine Mountains WSA and less than 7 miles from the Nellis Air Force Base and Test Range.

Discussion:

This information is provided for information only. It may affect permit and notice requirements. In addition, Nellis Air Force Base is under expansion and is continuing the NEPA process at present.

Action to be taken:

None. This is advisory only.

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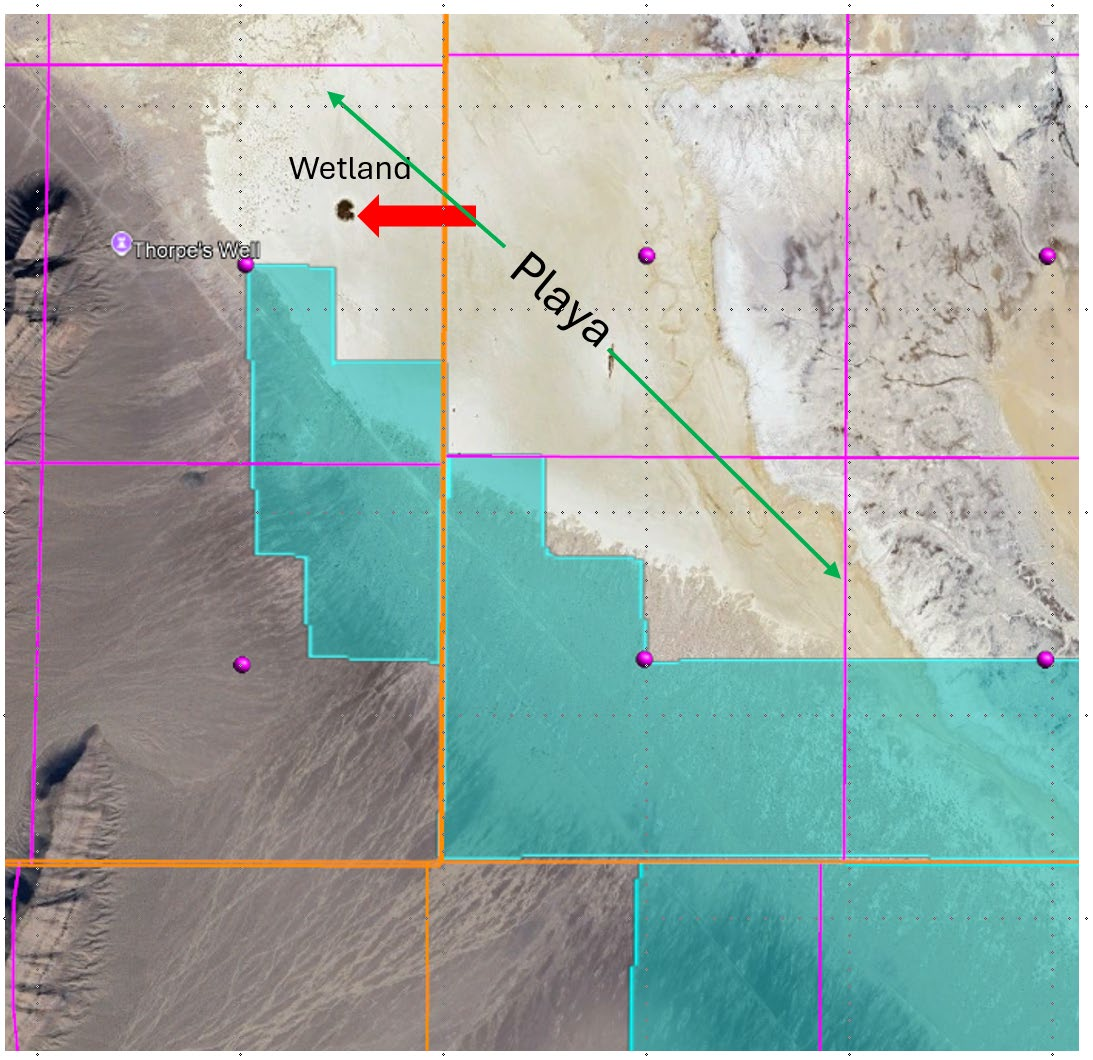
5.3.3. Environmental Observations: Significant playa area and wetland area are located adjacent to or near the Claims:

Discussion: There are several environmental issues which were observed during the site visit. Obviously, one of the principal areas of interest is the significant playa over which Playa Minerals staked the SFL claims, and which Searchlight Exploration staked the BONNIE claims and are now under contract to American Lithium Minerals Inc. Playas have characteristically been fairly protected by the BLM, and particularly if the playa also has a wetland area, which this Property does as shown on the following photos:



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At the time of my visit, this wetland was green with vegetation and a bit soggy in places around the edge, a clear indication of active water infiltration. I did not venture into the middle of the wetland area. The area was active, however, with local fauna including reptiles.



Action to be taken:

None. This is advisory only.

While the wetland is ***not*** located on the Claims, it is nearby. The Claims are covering a portion of the playa, particularly in the northwest portion of the Claim group. In my recent experiences on lands with playas with active wetlands, the Bureau of Land Management and the Nevada Department of Environmental Quality have required much greater compliance under NEPA (National Environmental Protection Act) including environmental auditing of the wetland area and restricted access to motorized vehicles.

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6.0. EASEMENTS, BLM CASE RECORDS

No specific easements were found in the Nye County Recorder related to the claims. The following BLM Case Records:

Date	Serial Number	Legacy Serial Number	BLM Product Name	Total Acres	Case Disposition	Customer Name	Interest Relationship	TWP RNG	SEC.	Legal Description
3/28/2002	NVNV106140525	NVN 075629	WATER FACILITY FEDERAL	0.46	AUTHORIZED	NPS	HOLDER	8S 43E	26	SWNW
12/21/1950	NVNV106256911	NVN 0004470	MATERIAL SITES (SEC 17)	40	AUTHORIZED	NV DEPT OF TRANS	HOLDER	8S 43E	26	N2SWSW,S2NWSW
12/11/2018	NVNV106271009	NVN 095840	POWER TRANSMISSION FLPMA	178.4	AUTHORIZED	VALLEY ELECTRIC ASSO INC	HOLDER/BILLEE	8S 43E	26	N2NW,SWNW,NWSW
11/21/2022	NVNV105851812	NVN 100376	SURFACE MANAGEMENT PLAN - EXPLORATION	100	AUTHORIZED	BONAVENTURE NEVADA INC.	CLAIMANT	8S 44E	32	ENTIRE SECTION
1/25/2022	NVNV105857508	NVN 101091	SURFACE MANAGEMENT PLAN - MINING	100	PENDING	BONAVENTURE NV INC	CLAIMANT/OPERATOR	8S 44E	32	ENTIRE SECTION
9/6/2023	NVNV105862221	NVN 101433	SURFACE MANAGEMENT-NOTICE	4.98	AUTHORIZED	NEVLITH LLC	OPERATOR/PARTNERSHIP	8S 44E	32	ENTIRE SECTION
						PLAYA MINERALS CO	OPERATOR	8S 44E	32	ENTIRE SECTION
11/21/2022	NVNV105851812	NVN 100376	SURFACE MANAGEMENT PLAN - EXPLORATION	100	AUTHORIZED	BONAVENTURE NEVADA INC.	CLAIMANT/OPERATOR	9S 44E	4	ENTIRE SECTION
								9S 44E	10	ENTIRE SECTION
								9S 44E	15	ENTIRE SECTION
1/25/2022	NVNV105857508	NVN 101091	SURFACE MANAGEMENT PLAN - MINING	100	PENDING	BONAVENTURE NV INC	CLAIMANT/OPERATOR	9S 44E	10	ENTIRE SECTION
9/6/2023	NVNV105862221	NVN 101433	SURFACE MANAGEMENT-NOTICE	4.98	AUTHORIZED	NEVLITH LLC	OPERATOR/PARTNERSHIP	9S 44E	4	ENTIRE SECTION
								9S 44E	10	ENTIRE SECTION
						PLAYA MINERALS CO	OPERATOR/PARTNERSHIP	9S 44E	4	ENTIRE SECTION
								9S 44E	10	ENTIRE SECTION

Note that some of the easements, particularly those in Section 26, T8S R43E are not located directly on the claims, but close enough to be of notice.

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7.0 LIMITATIONS OF THIS TITLE REVIEW

It is not within the scope of this Review to give a legal opinion as to the title of the Property, merely to present evidence based upon the records reviewed as discussed above. While the author has taken great care to review county, state, and federal records thoroughly, the author assumes no liability for errors, omissions or inconsistencies to any county, state or federal records or information provided by Marvel ("Client") relating to the Property, or any information available on the internet. The author assumes no responsibility for any fact that is not of record which affects the validity or ownership of the Property including marital status, death, and community property interest, as well as any easements, rights of way, water rights or agreement whether of record or not.

A brief site inspection was made on the Property in the capacity of an independent observer, not as a surveyor, engineer, or geologist. The author claims no knowledge of and makes no representation regarding the status of the Property including location of claims, squatting, adverse possession or other issue or any physical condition such as accretion or decrement from riverine sources which may affect the Property. Moreover, the author claims no knowledge of a survey of the Property which would tie the physical location to a specific map. As a result, the author makes no representation regarding the physical location of the Property discussed in this review, the accuracy of surveys, or their relationship to maps recorded in Nye County, the State of Nevada, the BLM, any person, or company or as represented on the internet. The author makes no representation regarding the physical location of the Property in relation to any easements or rights of way, water rights, leases, permits or related agreements. The author assumes no responsibility for any fact that might be disclosed as the result of an on-site examination or survey of the Property.

No examination was made of the administration of any related or underlying contract, lease, or agreement for the purpose of determining compliance. As a result, the author gives neither opinion nor representation of the status of any contract, lease or agreement affecting the Property.

Some information has been difficult to obtain or review. In some cases, references to a certain document were all that is available currently. As a result, the author was not able to complete this Review in the time frame expected. In addition, the author has had to rely upon references and documentation that may or may not be correct or complete. In view of these obstacles, the author makes no representation and takes no responsibility for the accuracy of the documentation used to prepare this Review, the conclusions drawn from this documentation, or any reliance by Client on the results of this Review.

The purview of this Review is the reasonable investigation and review of documents affecting the Property. This Review does not make any representation regarding environmental conditions or issues, easements, water rights, or issues related to flora and fauna of the area. The author does not give any opinion of the geology or adequacy of the Property for Client's intended use, or local, state, and federal laws affecting mineral rights.

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As a convenience, the author may or may not have provided suggestions to curative title actions or acquisition strategies based upon the title researched. These should always be reviewed by Marvel for advisability. The author makes no representations that these are legally correct and assumes no responsibility for any action taken by Marvel, its assigns, or any other party because of these suggestions.

This is a Preliminary Title Review performed by a certified land professional. This is not a Title Opinion that would be prepared by a title attorney licensed in the State of Nevada and is not legally defensible. The Review may be used to prepare a further legal title opinions or title actions but is not an opinion in and of itself.

The author assumes no responsibility for any decision made or action taken by Marvel, its assigns or any other party because of this Review or advice given because of this Review. The author's liability for any errors or omissions shall be limited to the fees paid by Marvel for the author's work on the Property, or Five thousand dollars ($5,000.00), whichever is less.

It has been my pleasure to prepare this Review for you. Thank you for allowing me to participate with you in this Project.

Best Regards,

Deborah L. S. Goetz

Deborah L. S. Goetz, Ph.D., CPL

AAPL MEMBER CPL#4745

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Desert Minerals Limited
ACN 680 419 345

Landman Consent

Pursuant to section 716 of the *Corporations Act 2001* (Cth) and in relation to the prospectus dated on or about 20 August 2025 (**Prospectus**) in relation to the Offers, Dr Deborah Goetz (**Dr Goetz**) consents to being named in the US Title Report as the author of the Preliminary Title Review and to the distribution of paper and electronic versions of the Prospectus.

This consent is given on the basis that a statement appears in the Prospectus to the effect that Dr Goetz:

1. has given and not withdrawn her consent to being named in the US Title Report, in the form and context in which she is named in the US Title Report at Annexure C of the Prospectus, as at the date of lodgement of the Prospectus with the Australian Securities and Investments Commission;

2. has not authorised or caused the issue of the Prospectus or the making of the Offers; and

3. makes no representation regarding, and to the maximum extent permitted by law excludes any responsibility for, any statements in, or omissions from, any part of the Prospectus.

Defined terms in this consent have the same meaning as in the Prospectus.

Date: August 18, 2025

Signed by Dr Deborah Goetz



Annexure D – Australian Solicitor's Report

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Our Ref: 47156

20 August 2025

The Directors
Desert Minerals Ltd
Level 1, 1 Alvan Street, Subiaco
Perth, Western Australia 6008

Dear Directors

Desert Minerals Ltd Solicitor's Report – Mining Tenements

This Report has been prepared for Desert Minerals Ltd, referred to as the '**Company**', for inclusion in a Prospectus to be issued in connection with the Company's initial public offering of shares and application for admission to the official list of the ASX.

The Tenements (further defined below) are held by Loyal Metals and will be transferred to the Company from Loyal Metals pursuant to the Tenement Sale Agreement.

1. Scope

(a) We have been requested to report on 16 granted prospecting licences (prefixed '**P**') and two pending mining leases (prefixed '**M**'), collectively referred to as the '**Tenements**', which are all located in Western Australia.

(b) Key details of the Tenements are set out in Schedule 1 (and the conditions imposed thereon are set out in Schedule 2) of this Report and must be read in conjunction with this Report.

2. Searches

For the purposes of this Report, we have conducted searches and made enquiries in respect of the Tenements as follows:

(a) searches of the tenements on the register maintained by the Department pursuant to the Mining Act on 19 August 2025 (**DMPE Searches**);

(b) quick appraisal user searches of the Tengraph system maintained by the Department on 19 August 2025 (**Tengraph Searches**);

(c) searches of the schedule of native title applications, register of native title claims, national native title register, register of indigenous land use agreement and national land use agreements as maintained by the NNTT for any native title claims (registered or unregistered), native title determinations and ILUAs that overlap or apply to the Tenements on 19 August 2025 (**NNTT Searches**); and

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(d) searches from the online Aboriginal Cultural Heritage Inquiry System (**ACHIS Searches**) maintained by the Department of Aboriginal Affairs for any Aboriginal sites registered on the Register of Aboriginal Sites and other heritage places over the Tenements on 19 August 2025.

3. Purpose

(a) The purpose of this Report is to determine and identify, as at the date of this Report:

(i) the interests held by the Company in the Tenements;

(ii) any third party interests, including encumbrances, in relation to the Tenements;

(iii) any material issues existing in respect of the Tenements;

(iv) the good standing, or otherwise, of the Tenements; and

(v) any concurrent interests in the land the subject of the Tenements, including other mining tenements, private land, pastoral leases, native title, and Aboriginal heritage.

(b) This Report is limited to the matters contained within and, for example, does not consider risks and issues (such as any additional approvals) that may arise in relation to the development of a mining project on the Tenements and any subsequent mining and processing of ore.

4. Summary of key items

4.1 Tenements and Title

(a) As at the date of this Report:

(i) Loyal Metals has an 80% registered legal and beneficial interest in Tenements P25/2349, P25/2493, P26/4086, P26/4310, P26/4409, P26/4089, P26/4101, P26/4102, P26/4103, P26/4104, P26/4139, P26/4142, P26/4275, P26/4276, P26/4292 and P26/4507; and

(ii) Loyal Metals is the 80% registered applicant for M26/867 and M26/875 (the **Pending Tenements**),

all of which are located in Western Australia.

Pursuant to the Tenement Sale Agreement, the Company has agreed to acquire Loyal Metals' 80% interest in the Tenements from Loyal Metals, subject to the satisfaction or waiver of certain conditions precedent. Please refer to section 10.1 of this Report for further information.

The Tenements are all subject to a joint venture arrangement with Asra Minerals, being the holder of the remaining 20% interest in the Tenements. The Joint Venture Agreement between Asra Minerals and Loyal Metals is described in detail in section 10.3 of this Report.

Pursuant to the Joint Venture Agreement, the transfer of Loyal Metals' interest in the Tenements to the Company is subject to a pre-emptive right granted in favour of Asra Minerals.

Asra Minerals has indicated its willingness to consent to the proposed transfer, and that it does not wish to exercise its pre-emptive right. However, as at the date of this Report, Asra Minerals has not expressly agreed to waive any right of pre-emption it may have by virtue of

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the Joint Venture Agreement. If Loyal Metals is not able to obtain this waiver and Asra Minerals elects to exercise its pre-emptive right, the sale of the Tenements to the Company will not proceed.

4.2 **Upcoming Expiries**

Tenement P26/4089 was due to expire on 19 April 2025 and Tenements P25/2349, P26/4086, P26/4101, P26/4103, P26/4104 and P26/4139 are due to expire in September/October 2025 (**Expiring Licences**).

Given that these Tenements have already been renewed and are in their second period of grant, under the Mining Act, they cannot be further renewed unless an application for retention status is made and approved by the Minister. Retention status will only be approved by the Minister where the tenement holder is able to demonstrate that there is an identified mineral resource within the prospecting licence, but it is impracticable to mine the resource for prescribed reasons, including:

(a) the resource is uneconomic or subject to marketing problems but may reasonably be expected to become economic in future;

(b) the resource is required to sustain the future operations of an existing or proposed mining operation; or

(c) there are existing political, environmental or other difficulties in obtaining requisite approvals.

If retention status is approved, the prospecting licence may then be renewed by one or more additional 4-year periods.

Alternatively, in order to retain the ground covered by the Expiring Licences, it will be necessary for the Company to apply to convert the Expiring Licences to mining leases. In order to obtain a mining lease, it will be necessary for the Company to demonstrate that there is sufficient mineralisation within the area of the Expiring Licences to support the grant of a mining lease.

An application to convert P26/4089 and P26/4101 to M26/875 pursuant to s.49 of the Mining Act was lodged on 31 March 2025. P26/4089 and P26/4101 will remain live pending the outcome of the mining lease conversion application.

4.3 **Grant**

The Pending Tenements are not yet granted. There is a risk that:

(a) the Pending Tenements may not be granted or there may be a delay to grant the Pending Tenements; and/or

(b) the Pending Tenements may be granted over a lesser area than applied for or the Pending Tenements may be granted subject to non-standard conditions.

If the Pending Tenements are not granted, the land covered by the Pending Tenements will fall out of the package as the prospecting licences underlying the mining lease applications, being P26/4142, P26/4089 and P26/4101 expired on 5 September 2024 and 19 April 2025 respectively and only remain live pending the determination of the mining lease applications.

4.4 **Overlapping Tenure**

(a) Our Searches indicate that some of the Tenements overlap with land that is the subject of other rights, including:

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(i) pastoral leases (see section 9.1 for further details);

(ii) other mining tenements held by third parties (including miscellaneous licences) (see section 9.2 for further details);

(iii) regional roads (see section 9.3 for further details); and

(iv) petroleum/geothermal titles (see section 9.4 for further details).

(b) Any delays or costs in respect of conflicting third-party rights, obtaining necessary consents, or compensation obligations may adversely impact the Company's ability to carry out exploration or mining activities within the affected areas. In particular, under the Mining Act, the Company will be required to pay compensation to certain affected land owners/occupiers for all loss and damage suffered or likely to be suffered by the owner and occupier resulting or arising from the mining activities of the Company.

4.5 Native Title

(a) The existence of native title determinations or claims over the area covered by the Tenements, or a subsequent determination of native title over the area, will not impact the rights or interests of the holder under the Tenements provided the Tenements have been validly granted in accordance with the Native Title Act.

(b) The grant of any future tenure to the Company over areas that are covered by registered claims or determinations will likely require engagement with the relevant claimants or native title holders (as relevant) in accordance with the Native Title Act.

(c) For information on native title affecting the Tenements, please see section 7.10 for details.

4.6 Aboriginal Heritage

(a) The ACHIS Searches of the Tenements did not identify any registered Aboriginal heritage sites in respect to the Tenements. The ACHIS Searches did identify one 'other' heritage places in relation to P26/4103. For further information, please refer to section 8.4 of this Report.

(b) The existence of such sites may preclude or limit mining activities in certain areas of the Tenements or cause delays in the progression of the development of a mine.

5. Tenements

The following provides a description of the nature and key terms of the Tenements (including potential successor tenements that may be granted under the Mining Act) the subject of this Report.

5.1 Prospecting Licences

(a) Licence area and authority

The holder of a prospecting licence is entitled to enter the land and undertake operations for the purposes of prospecting for minerals.

(b) Term and extension

A prospecting licence has a term of 4 years. Where the prospecting licence was applied for and granted, the Minister may extend the term by one period of 4 years and if retention status is granted (see below) by further term or terms of 4 years.

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Where a prospecting licence is transferred before a renewal application has been determined, the transferee is deemed to be the applicant.

(c) Other conditions

Prospecting licences are granted subject to various standard conditions, including conditions relating to minimum expenditure, the payment of prescribed rent and observance of Aboriginal heritage, environmental protection and reporting requirements. A failure to comply with these conditions or to obtain an exemption from compliance may lead to financial penalties and/or forfeiture of the exploration licence.

(d) Relinquishment

There is no requirement to relinquish any portion of the prospecting licence.

(e) Retention status

The holder of a prospecting licence may apply to the Minister for approval of retention status for the prospecting licence. The Minister may approve retention status for the whole or any part of the land subject of a prospecting licence where there is an identified mineral resource within the prospecting licence, but it is impracticable to mine the resource for prescribed reasons. On the approval of retention status the Minister may impose a condition requiring the holder to comply with specific programme of works or require the holder to apply for a mining lease.

(f) Transfer during first year

There is no restriction on transfer or other dealing in a prospecting licence.

(g) Right to apply for mining lease

The holder of a prospecting licence has priority to apply for a mining lease over any land subject to the prospecting licence. Any application for a mining lease must be made prior to the expiry of the prospecting licence. The prospecting licence remains in force until the application for the mining lease is determined.

(h) Rent and expenditure requirements

Annual rent for a prospecting licence is $4.20 per hectare with a minimum rent of $38.80 (based on rental rates current as at the date of this Report).

Prospecting licences are subject to minimum annual expenditure requirements of not less than $40 for each hectare, with a minimum of $2,000 per year during each year of the term (based on expenditure requirements current as at the date of this Report).

5.2 **Mining Leases**

(a) Application

(i) Any person may lodge an application for a mining lease on land which is open for mining. Where land is covered by a prospecting licence, exploration licence or retention licence, the holder has priority. The Minister decides whether to grant an application for a mining lease.

(ii) The application, where made after 10 February 2006, must be accompanied by either a mining proposal or a supporting statement outlining mining intentions and a “mineralisation report” indicating there is significant mineralisation in the area over which a mining lease is sought. A mining

Hamilton Locke

lease accompanied by a "mineralisation report" will only be approved where the Director considers that there is a reasonable prospect that the mineralisation identified will result in a mining operation.

(b) Rights

The holder of a mining lease is entitled to mine for and dispose of any minerals on the land in respect of which the lease was granted. A mining lease entitles the holder to do all acts and things necessary to effectively carry out mining operations.

(c) Term and transfer

A mining lease has a term of 21 years and may be renewed for successive periods of 21 years. Where a mining lease is transferred before a renewal application has been determined, the transferee is deemed to be the applicant. The consent of the Minister is required to transfer a mining lease.

(d) Conditions

Mining leases are granted subject to various standard conditions, including conditions relating to expenditure, the payment of prescribed rent and royalties and observance of environmental protection and reporting requirements. A security is required along with an application for a mining lease to secure the performance of these obligations. A failure to comply with these conditions may lead to forfeiture of the mining lease. For the purpose of this Report, we have only summarised key conditions and endorsements relating to the Tenements in Schedule 2 that are not the standard conditions included in most or all tenements.

(e) Royalty

A royalty is payable to the State of Western Australia in relation to minerals obtained from the land that is the subject of a mining lease granted under the Mining Act. In Western Australia, there are two systems used to collect mineral royalties:

(i) *specific rate* - calculated as a flat rate per tonne produced and generally applies under legislation to low value construction and industrial minerals. The rates on production between 1 July 2015 and 30 June 2025 are 73 cents per tonne and 117 cents per tonne; and

(ii) *ad valorem* - calculated as a percentage of the 'royalty value' of the mineral, which applies under the Mining Regulations. The royalty value is broadly calculated as the quantity of the mineral in the form in which it is first sold, multiplied by the price in that form, minus any allowable deductions. The ad valorem royalty rate takes into account price fluctuations and material grades as follows:

(A) bulk material (subject to limited treatment) - 7.5% of the royalty value;

(B) concentrate material (subject to substantial enrichment through a concentration plant) - 5% of the royalty value; and

(C) metal - 2.5% of the royalty value.

(f) Mining Rehabilitation Fund

The holders of all mining tenements, except those tenements covered by special agreements with the State of Western Australia not listed in the *Mining Rehabilitation Fund Regulations 2013* (WA), are required to participate in the Mining Rehabilitation Fund. This is a pooled fund to which Western Australian mining operators contribute and the money is used to rehabilitate abandoned mine sites in Western Australia.

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Tenement holders with an annual rehabilitation liability of $50,000 or less are not required to contribute.

(g) Risk to Mining Leases (*Forrest & Forrest*)

In 2017, the High Court of Australia handed down a decision, *Forrest & Forrest Pty Ltd v Wilson* [2017] HCA 30, that called into question the validity of a number of mining leases in Western Australia. In overturning the WA Court of Appeal decision, the High Court held that strict compliance with section 74 of the Mining Act was a pre-condition to the grant of a mining lease. Specifically, it was held that the failure to lodge a mining proposal or a mineralisation report at the same time as the Mining Lease application meant that the application was invalid. The fact that a mineralisation report was subsequently lodged, prior to the Warden's consideration of the application, made no difference to the validity of the original application.

The Mining Amendment Bill 2024 was prepared by the WA Department and proposed certain amendments to the Mining Act, including to:

(i) expand the currently limited indefeasibility of title conferred by section 116(2) of the Mining Act to protect granted tenements from invalidity arguments arising from any failure to comply with the requirements of the Mining Act in relation to the application process; and

(ii) includes a validation process for pending applications for mining tenements, lodged prior to the commencement of the Bill, which may not have strictly complied with the requirements of the Mining Act (including those impacted by the Forrest & Forrest decision).

The Mining Amendment Bill was introduced into parliament in late 2024 and progressed to a second reading. However, the Bill lapsed when parliament finished sitting for 2024. It is expected to be reintroduced in May 2025.

The Mining Amendment Bill 2024 purports to resolve some of the security of tenure issues caused by the decision of *Forrest & Forrest Pty Ltd v Wilson*.

(h) Risk to Mining Leases (*Wyloo Metals Pty Ltd v Quarry Park Pty Ltd*)

On 17 April 2024, the Supreme Court of Western Australia handed down a decision (*Wyloo Metals Pty Ltd v Quarry Park Pty Ltd* [2024] WASCA 38) which has created further uncertainty over the validity of mining tenements in Western Australia.

The case related to an existing dispute over the validity of a mining lease to be acquired by Cauldron Energy Limited (**Cauldron**) from Quarry Park Pty Ltd (**Quarry Park**) under a sale agreement dated December 2020. In early 2021, Wyloo Metals Pty Ltd (**Wyloo Metals**) applied for a number of exploration licences over the land affecting Cauldron's mining lease. Wyloo Metals contended that Cauldron's mining lease had been granted invalidly, by virtue of the original tenement acquisition by Quarry Park, and, therefore, the land affected by the mining lease was open for mining by other parties.

At first instance, the Supreme Court dismissed Wyloo Metals' argument that it was entitled to mine the land subject of Cauldron's mining lease. Wyloo Metals' appeal was subsequently dismissed. A key issue considered on appeal was whether section 116(2) of the Mining Act validates the granting of a mining lease that was granted without jurisdiction. In relation to that issue, the majority of the court held:

(i) a third party dealing with a registered holder is protected from any subsequent attack on the validity of a mining lease granted;

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(ii) that protection applies with effect from when a third party person obtains an interest in a mining lease; and

(iii) that protection applies irrespective of whether the mining lease was validly granted.

Whilst this decision clarifies that existing tenement holders will not incur any penalties for errors caused by previous holders, it remains uncertain what comprises 'dealing' by a third party. The Court stated that a third party's equitable interest would be protected but did not consider whether something less than an equitable interest would also be protected.

We note that Wyloo Metals' application for special leave to appeal to the High Court was refused in September 2024 so the decision of the Court of Appeal remains the current authority on this issue.

The Mining Amendment Bill 2024 purports to resolve some of these security of tenure issues. Further discussion on the Mining Amendment Bill 2024 can be found at paragraph 5.2(g), above.

6. Combined Reporting, Expenditure and Rent Compliance

The holder of a group of granted tenements may apply for Ministerial approval to submit one combined annual mineral exploration report on a common date for a group of contiguous tenements that are being worked as one exploration project.

An application for combined reporting may be approved if:

(a) there is a common geological target;

(b) the tenements are contiguous (or nearly contiguous) and do not extend over large areas;

(c) all tenements have the same holder; or the holder/operator has the legal ability to acquire at least a controlling interest in all tenements in the group; and

(d) all overdue reports on individual tenements have been submitted.

Our Searches indicate that P25/2349, P25/2493, P26/4086, P26/4409 and P26/4310 fall into combined reporting group number 134/2020 (Mount Monger South Project) and P26/4089, P26/4101, P26/4102, P26/4103, P26/4104, P26/4139, P26/4142, P26/4275, P26/4276, P26/4292 and P26/4507 fall into combined reporting group number 135/2020 (Mount Monger North Project).

Under the Mining Act, an exemption to the minimum expenditure commitment may be granted where:

(a) the mining tenement is one of 2 or more mining tenements (combined reporting tenements) the subject of a combined reporting group; and

(b) the aggregate exploration expenditure for the combined reporting tenements would have been such as to satisfy the expenditure requirements for the mining tenement concerned had that aggregate exploration expenditure been apportioned between the combined reporting tenements.

Given all of the Tenements are the subject of consolidated reporting groups, where the minimum expenditure across those groups has been met or exceeded, then it is very likely that an exemption will be granted (provided there have been no other breaches of the tenement conditions).

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Otherwise, a failure to comply with the minimum expenditure and rent conditions imposed on the grant of a tenement may result in a penalty or forfeiture being enforced in respect to the tenement.

Our Searches indicate that:

(a) the rent has been paid in full in respect of all of the Tenements for the current reporting year; and

(b) Tenements P25/2349, P26/4086, P26/4103, P26/4104 were under-expended for the 2024-25 tenement years with exemptions sought and obtained for each; and

(c) the Form 5 for P26/4409 is yet to be lodged for the most recent tenement reporting period. In accordance with the Mining Regulations, the Form 5 report must be lodged within 60 days of the anniversary of the date on which the tenement was granted. The upcoming due dates for the outstanding Form 5 report is set out in Schedule 1.

For further information, please refer to Schedule 1.

7. Native Title

7.1 General

On 3 June 1992, the High Court of Australia held in *Mabo v. Queensland (No. 2)* (1992) 175 CLR 1 that the common law of Australia recognises a form of native title. The Native Title Act came into effect on 1 January 1994, largely in response to the decision in *Mabo v. Queensland (No. 2)* (1992) 175 CLR 1.

The law in Australia recognises that Aboriginal people may hold native title rights and interests in respect of their land. Native title exists where Aboriginal people have maintained a traditional connection to their land and waters, provided it has not been extinguished.

The grant of a mining tenement also creates rights in respect of land. Those mining tenement rights may affect (i.e. be inconsistent with) certain native title rights and interests. As a general statement, those mining tenement rights will be invalid as against any native title rights, unless made valid by certain procedures in the Native Title Act.

7.2 Native Title Claims

The Native Title Act sets out a process by which Aboriginal people may seek a determination by the Federal Court that they hold native title rights and interests. Whilst the Federal Court is assessing the claimed native title rights and interests, a Registrar of the NNTT will assess whether the native title claim meets certain registration requirements set out in the Native Title Act, and if so, the native title claim will be entered on the RNTC. If the Federal Court determines that the claimed native rights and interests exist, details of the determined native title claim (and the determined native title rights held) are then entered on the NNTR.

If a claim for native title is entered on the RNTC, or a determined claim is entered on the NNTR, the Native Title Act provides the claimants/holders with certain rights, including procedural rights where a ‘future act’ is proposed. An example of a ‘future act’ is the grant of a mining tenement.

The Native Title Act sets out when ‘acts’ will be ‘valid’ in the event they affect (i.e. are inconsistent with) native title, however, this process need only apply where native title exists (a determined native title claim entered on the NNTR) or is claimed to exist (a native title claim entered on the RNTC). The ‘acts’ can be a proposed activity or development on land and waters. A common example in Western Australia is the proposed grants of mining tenements by the Department.

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7.3 **'Past Acts' (i.e. grants of mining tenements): Prior to 1 January 1994**

The Native Title Act permits, and all States and Territories of Australia have passed, legislation validating certain 'acts' which were done before 1 January 1994. In Western Australia, that legislation is the *Titles (Validation) and Native Title (Effect of Past Acts) Act 1995* (WA). It provides that all 'acts' (e.g. grants of mining tenements) prior to 1 January 1994 are valid to the extent they affect native title.

7.4 **'Future Acts' (i.e. proposed grants of mining tenements): After 1 January 1994**

Generally, a 'future act' is an 'act' (e.g. grant of mining tenement) occurring after 1 January 1994 which affects native title.

The Native Title Act sets out the circumstances in which, and procedures by which, 'future acts' will be valid should that 'act' affect native title.

Such circumstances include if the 'act' was done in certain circumstances between 1 January 1994 and 23 December 1996 (called 'Intermediate Period Acts'), or if the 'act' is permitted by an ILUA, or if certain procedures are to be followed where a claim for native title is entered on the RNTC, or a determined claim is entered on the NNTR. Such procedures include the 'Right to Negotiate Procedure' and the 'Expedited Procedure'. The key elements of these processes are outlined below.

7.5 **Intermediate Period Acts Between 1 January 1994 and 23 December 1996**

Similarly to Past Acts, the Native Title Act permits, and all States and Territories of Australia have passed, legislation validating certain Intermediate Period Acts (e.g. grants of mining tenements) done between 1 January 1994 and to 23 December 1996 over land or water where a freehold estate or lease (including a pastoral lease but not a mining lease) had been validly granted.

7.6 **Right to Negotiate Procedure**

Under the Right to Negotiate Procedure, the native title party whose details are registered on the RNTC or NNTR, the applicant for the mining tenement and the relevant State or Territory (collectively, the **Negotiation Parties**) are required to negotiate in good faith with a view to the native title party agreeing to the proposed future act.

The scope of the negotiations includes any matters relating to the effect of the grant of the future act on the claimed or determined native title rights and interest. Where the future act is the proposed grant of an exploration or prospecting licence, usually an agreement is reached which aims to protect Aboriginal heritage. This is because exploration licences confer only limited rights to the registered holder of the licence, conferring rights to conduct exploration and disturb the land for that purpose.

Where the future act is the proposed grant of a mining lease, the negotiations and resulting agreement are usually more complex, as the nature of rights granted under a mining lease includes substantial ground disturbance. Such an agreement may address employment and training, environmental rehabilitation, Aboriginal heritage protection, cultural awareness and the payment of compensation.

If the Negotiation Parties negotiate in good faith but cannot reach agreement in respect of the future act, then provided at least 6 months have elapsed since the S29 Notice, any party (in most cases the applicant for the mining tenement) may apply to the NNTT for a determination as to whether the future act may be done, and if so, on what conditions.

The Company has advised that it is in the process of negotiating an agreement with the affected native title parties (being the Marlinyu Ghoorlie native title claim) in respect of the grant of the Pending Tenements.

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7.7 **Expedited Procedure**

If the proposed future act (i.e. grant of the tenement) is not likely to interfere with the activities or sites of significance of the registered native title party or involved major disturbances to land or waters, a simplified process may apply (known as the Expedited Procedure). A registered native title party may object to this process and, if it does, the NNTT must determine the validity of the objection (which may result in the Expedited Procedure not being able to be utilised).

Previously, Department policy on the inclusion of the Expedited Procedure statement in notices issued under section 29 of the Native Title Act applied a 'blanket approach' to the application of the Expedited Procedure to prospecting licences, exploration licences, and retention leases.

However, as at 1 June 2022, the current Department policy is that it undertakes a 'considered' application/case management approach of the Expedited Procedure process. This is done as follows:

- promoting early engagement between tenement applicants and native title parties (including by providing a statement of expectations in respect to engagement with the native title parties, and engagement protocols);

- in terms of engagement, the Department expects that tenement applicants will actively engage with native title parties and provide details of early proposed works to native title parties (i.e. as required under section 58 of the Mining Act when lodging an application); and

- in the event that the State determines that a tenement applicant has not actively engaged with the native title parties, it may consider withdrawing the Expedited Procedure statement and move the tenement application to the Right to Negotiate Procedure, or, in extreme circumstances, seek consideration from the Minister as to whether it is in the public interest under section 111A of the Mining Act for the tenement application to be refused.

The Department will also conduct a risk assessment in respect to tenement applications (such risks include:

- prior adverse decisions as to whether the expedited procedure was found to not apply to the area of the tenement application;

- known sites of significance over the area of the tenement; and

- impact to communities and water bodies.

This assessment runs parallel to the Mining Act objections process and does not delay the grant of a tenement application.

The purpose of the new process is to encourage early engagement and facilitate agreement between tenement applicants and native title parties and reduce delays to the grant of exploration licences.

7.8 **ILUA**

An ILUA is an agreement which has been authorised by the native title claimant group and has been registered with the NNTT. An ILUA binds the parties to the ILUA and also all persons holding native title rights in respect of the relevant area that may not be a party. If an ILUA provides that any particular mining tenement(s) may be granted, then the relevant mining tenement(s) may be granted as provided for by the ILUA, generally without following other procedures, including the Right to Negotiate Procedure or the Expedited Procedure.

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Our Searches indicate that none of the Tenements are subject to an ILUA.

7.9 **Compensation**

In certain circumstances holders of native title (a determined native title claim that is registered on the NNTR) may be entitled to apply under the Native Title Act to the Federal Court for compensation for any effect on their native title. The Mining Act provides that holders of mining tenements are liable for such compensation where awarded by reason of their mining tenements having affected native title. Consequently, if it has been, or is in the future, determined that native title exists over any of the land the subject of a mining tenement (or granted future act) and the holders of the native title apply to the Federal Court for compensation, the holder of the tenement may be liable to pay the determined compensation.

7.10 **Native Title Claims Affecting the Tenements**

The NNTT Searches in respect of the Tenements indicate that:

(a) Tenements P25/2349, P25/2493, P26/4086, P26/4310 and P26/4409 fall wholly (100%) within the Kakarra Part A (Part A) native title determination (NNTT file number WCD2025/003, Federal Court file number WAD297/2020), which was determined on 30 April 2025 that native title exists in parts of the determination area; and

(b) Tenements M26/875, M26/867, P26/4089, P26/4101, P26/4102, P26/4103, P26/4104, P26/4139, P26/4142, P26/4275, P26/4276, P26/4292 and P26/4507 fall wholly (100%) within the Marlinyu Ghoorlie native title claim (NNTT file number WC2017/007, Federal Court file number WAD647/2017), which was filed on 22 December 2017 and accepted for registration on 28 March 2019.

The existence of any native title claims over the area covered by the Tenements, or a subsequent determination of native title over the area, will not impact the rights and interests of the holder under the Tenements provided they have been validly granted.

However, the grant of any future tenure over areas that are covered by a registered claim, or a positive determination of native title will require engagement with the relevant claimants or native title holders (as relevant) in accordance with the Native Title Act.

7.11 **Compliance with the Validity of Tenements**

With respect to the granted Tenements, we have assumed that, prior to grant, the Department was satisfied that the Native Title Act had been complied with. Provided that the Tenements are validly granted in accordance with the Native Title Act, they will be valid as against native title rights and interests.

7.12 **Validity of Tenements**

The Tenements were all granted after 23 December 1996 and were therefore granted subject to the Native Title Act. Provided that the Tenements are validly granted in accordance with the Native Title Act, they will be valid as against native title rights and interests.

7.13 **Native Title status of Pending Tenements**

M26/867 was referred for Native Title processing on 24 April 2024. The section 29 notification period closed on 22 September 2024 and this application remains in the right to negotiate process with the relevant Native Title Party, being the Marlinyu Ghoorlie. M26/875 was referred for Native Title processing on 2 July 2025. The section 29 notification period closes

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on 16 November 2025 and this application remains in the right to negotiate process with the relevant Native Title Party, being the Marlinyu Ghoorlie.

8. Aboriginal heritage

8.1 General

Aboriginal heritage is protected by both Commonwealth legislation as well as legislation in each State and Territory of Australia.

8.2 Commonwealth Legislation

The Commonwealth Heritage Act is aimed at the preservation and protection of any Aboriginal objects that may be located on the Tenements.

Under the Commonwealth Heritage Act, the Minister for Aboriginal Affairs may make interim or permanent declarations of preservation in relation to significant Aboriginal areas or objects, which have the potential to halt exploration activities. Compensation is payable by the Minister for Aboriginal Affairs to a person who is, or is likely to be, affected by a permanent declaration of preservation.

We have not undertaken any searches in respect of the Commonwealth Heritage Act for the purposes of this Report.

8.3 Western Australian Legislation

On 15 November 2023, the ACH Act was repealed and an amended version of the previous AHA was re-enacted.

The provisions of the AHA are endorsed on all tenements in Western Australia. The AHA:

- provides for the establishment of a Register of Aboriginal sites in Western Australia and the assessment and registration of Aboriginal sites on that Register; and
- protects all Aboriginal sites in Western Australia which meet the criteria under the AHA whether the Aboriginal Site is entered on the Register or not.

It is an offence under the AHA to excavate, destroy, damage, conceal or in any way alter an Aboriginal site or any object on or under an Aboriginal site, unless the person or company is acting with the authority of the Registrar or the consent of the relevant Minister. The offence applies regardless of whether the Aboriginal site has been entered on the Register of Aboriginal sites.

The AHA accordingly applies to activities on a mining tenement and all mining tenements in Western Australia are granted subject to an endorsement reminding the tenement holder of its obligation to comply with the requirements of the AHA.

The amended AHA contains the following key provisions:

- (**new information affecting section 18 consents**) in relation to section 18 consents (which, if granted, authorise impacts to Aboriginal sites), all current and future consents will be subject to a 'new information' condition, which requires the holder to notify the Minister for Aboriginal Affairs of any new information (such as newly identified Aboriginal sites or objects) affecting a section 18 consent.
- (**response from Minister**) where the Minister for Aboriginal Affairs receives a notification from the holder of any new information, it must respond, and may either

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amend the conditions of the section 18 consent, impose new conditions, grant a new section 18 consent or revoke the existing section 18 consent.

- (**appeal rights and call in power**) landowners (i.e. holders of section 18 consents) and native title parties will now have the same right of review for section 18 decisions via the State Administrative Tribunal. The Premier may also intervene in the section 18 decision making process and may step in when a section 18 application is determined to be of regional or State importance.

- (**section 18 consent transfers**) granted section 18 consents are able to be transferred where the underlying land (i.e. a mining tenement) is transferred.

8.4 **Aboriginal sites and other heritage places on the Tenements**

The ACHIS provides locations and information about Aboriginal cultural heritage in Western Australia. Searching the ACHIS will show both pending and registered/lodged Aboriginal cultural heritage places or sites, as follows:

- *'ACH Directory'* – being Aboriginal cultural heritage places or cultural landscape. Aboriginal places previously assessed as 'Registered' or 'Lodged' under the original AHA will appear in the Directory; and

- *'ACH Pending'* – being those Aboriginal cultural heritage places or cultural landscape with information in a verification process.

The results of the ACHIS Searches in respect to Aboriginal Cultural Heritage within the Tenements are summarised in the table below.

The ACHIS Searches of the Tenements indicate that only P26/4103 is subject to Aboriginal Heritage under the ACH Directory and none of the Tenements are subject to Aboriginal cultural heritage under ACH Pending.

Tenements affected	Site ID	Site Name	Legacy Place Status	Status	Type
P26/4103	30611	Mt Monger Artefact Scatter	Lodged	ACH Directory	Artefacts / Scatter

The ACHIS Search results do not mean that there are no other Aboriginal sites or Aboriginal heritage places within the area of the Tenements. It is only an indication that no other Aboriginal sites or Aboriginal heritage places have been registered in the area to date.

8.5 **Aboriginal heritage agreements affecting the Tenements**

The Company has advised that there no other Aboriginal heritage agreements (current or historical) existing in respect of the Tenements that are granted tenement.

In relation to the Pending Tenements, as discussed at paragraph 7.13 of this Report, this tenement application is currently in the right to negotiate process with the relevant Native Title Party for the grant of the application.

The Company has advised that Loyal Metals is in the process of negotiating an agreement with the Marlinyu Ghoorli Native Title party in relation to the Pending Tenements (including a term sheet and draft agreement), but that no such agreements have been executed as at the date of this Report. In the usual course, we would expect an agreement of this nature to include a protocol for the protection of Aboriginal heritage on the Pending Tenements.

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The entry into Aboriginal Heritage agreements is not a requirement of the AHA but is an industry standard means of managing the risk of contravention of the AHA where there is a NTC or other claim group with a recognised connection to the relevant land.

9. Land access

9.1 Pastoral Leases

The Tengraph Searches indicate that tenements P26/4507 (100%), P26/4292 (99.15%), P26/4276 (100%), P26/4275 (100%), P26/4142 (95.18%), P26/4139 (100%), P26/4104 (99.97%), P26/4103 (98.09%), P26/4102 (96.87%), P26/4101 (99.09%), P26/4089 (91.22%), P26/4409 (100%), P26/4310 (98.8%), P26/4086 (100%) and P25/2493 (100%) either predominantly or wholly overlap the Mt Monger Pastoral Lease (PL N050166).

Approximately 95.18% of the area of Pending Tenement M26/867 and 98.65% of the area of Pending Tenement M26/875 sits on the Mt Monger Pastoral Lease (PL N050166).

The Mining Act:

(a) generally prohibits the carrying out of mining activities on or near certain improvements and other features (such as livestock and crops) on Crown land (which includes a pastoral lease) without the consent of the lessee;

(b) imposes certain restrictions on a mining tenement holder passing through Crown land, including requiring that all necessary steps are taken to notify the occupier of any intention to pass over the Crown land and that all necessary steps are taken to prevent damage to improvements and livestock; and

(c) provides that a holder of a mining tenement must pay compensation to an occupier of Crown land (i.e. the pastoral lease holder) in certain circumstances, in particular to make good any damage to improvements, and for any loss suffered by the occupier from that damage or for any substantial loss of earnings suffered by the lessee as a result of, or arising from, any exploration or mining activities.

Compensation payable to a pastoral lease holder can be, and usually is, determined by agreement with the pastoral lease holder or by the Warden's Court if no agreement can be reached. In addition to the above, standard conditions are imposed on mining tenements which affect pastoral leases at grant which set out notification requirements to the affected pastoral lease holders.

The Company has advised that there are no current agreements in place with the owner of the Mt Monger pastoral lease but the Company has confirmed it complies with the relevant entry notice requirements and has a good working relationship with the manager of the pastoral lease.

9.2 Overlapping mining tenements

Our searches indicate that several of the Tenements overlap several miscellaneous licences held by third parties, as follows:

Tenement	Miscellaneous Licence (Holder)	Percentage Encroachment
P25/2349	L25/41 (Silver Lake (Integra) Pty Ltd)	1.74%
P26/4086	L25/41 (Silver Lake (Integra) Pty Ltd)	3.45%
P26/4089	L26/262 (Black Cat (Kal East) Pty Ltd)	9.11%

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P26/4101	L26/262 (Black Cat (Kal East) Pty Ltd)	0.91%
P26/4102	L26/262 (Black Cat (Kal East) Pty Ltd)	2.87%
P26/4103	L26/262 (Black Cat (Kal East) Pty Ltd)	1.67%
P26/4104	L26/162 (Black Cat (Kal East) Pty Ltd)	0.8%
	L26/262 (Black Cat (Kal East) Pty Ltd)	0.55%
P26/4139	L26/162 (Black Cat (Kal East) Pty Ltd)	1.19%
P26/4507	L26/262 (Black Cat (Kal East) Pty Ltd)	0.02%
M26/875	P26/4573 (Black Cat (Kal East) Pty Ltd)	2.98%
	L26/262 (Black Cat (Kal East) Pty Ltd)	1.37%
	P26/4829 (Benjamin Wayne Smart)	5.92%

The Company had advised that there are no access agreements currently in place between Loyal Metals and Silver Lake (Integra) Pty Ltd or Black Cat (Kal East) Pty Ltd in respect of the above overlaps. However, we are instructed that Loyal Metals is in early stage discussions with Black Cat seeking to formalise an access arrangement in respect of the two roads. We note that Black Cat (Kal East) Pty Ltd has lodged objection 731771 to application for M26/875 on 24 April 2025. We are instructed that the Company intends to resolve this objection by way of entry into an Access Deed in the usual course and that the draft Access Deed for the resolution of the objection is well advanced.

9.3 Regional Roads

Our Searches indicate that the land the subject to tenements partially overlap several regional roads. As shown in the below table all overlaps are minimal.

Tenement	ID	(% overlap)
P26/4104	Mount Monger Road	0.03%
P26/4103	Mount Monger Road	1.91%
P26/4102	Mount Monger Road	2.42%
	Road	0.71%
P26/4101	Road	0.91%
P26/4089	Road	8.78%

These regional roads are managed by a different government agency to DMPE.

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9.4 Petroleum Interests

Our Searches indicate that the land the subject to Tenements P25/2349, P25/2493, P26/4086, P26/4310, P26/4409, P26/4142 and P26/4292 wholly (100%) encroach on petroleum interests, as shown in the below table.

ID and Title Type	Holder/Applicant	Tenements affected and overlap (%)
STP-SPA-0101 PGERA67 Petroleum Special Prospecting Authority Application With AO	Buru Energy Limited	P26/4142 and P26/4292 (100%)
STP-SPA-0107 PGERA67 Petroleum Special Prospecting Authority Application With AO	H2EX Ltd	P25/2349, P25/2493, P26/4086, P26/4310, P26/4409, P26/4142 and P26/4292 (100%)

There are no express mechanisms in the PGERA or Mining Act in respect to the co-existence of priority of rights between mining tenement holders or applicants and petroleum permit holders or applicants. However, overlapping titles can be granted to petroleum and mining tenement holders. The Mining Act provides that, in respect to any dispute arising between the holder of a petroleum permit or mining tenement, either holder, or both holders may refer the matter to the Warden for inquiry and report. The Warden will then provide its report to the Minister, who may make such orders or give such directions as are in the public interest and he considers to be just and equitable.

The Minister may cancel the petroleum permit or the mining tenement if the relevant holder (as the case may be) fails or neglects to comply with such order or direction. The Company may consider seeking an access agreement (or similar) with the holders of the petroleum permits/petroleum pipelines in relation to the interaction of rights in the encroachment area to effectively manage the access and interests of both parties, although, this is not a legislative requirement.

10. Material Agreements

10.1 Tenement Sale Agreement

On 18 August 2025, Loyal Metals and the Company entered into the Tenement Sale Agreement, pursuant to which, the Company will, subject to the satisfaction of various conditions precedent, acquire Loyal Metals' 80% interest in each of the Tenements.

Completion of the Tenement Sale Agreement is conditional on the satisfaction (or waiver) of certain key conditions precedent, including:

- the parties obtaining the relevant corporate and third party approvals necessary to complete the transaction;
- Asra Minerals, the Company and Loyal Metals entering into a deed of assignment and assumption in relation to the Asra Tenement Sale Agreement; and
- Asra Minerals agreeing to waive any right of pre-emption it may have under the Joint Venture Agreement in relation to the sale of Loyal Metals' 80% interest in the

Tenements, and Asra Minerals, Loyal Metals' and the Company entering into the necessary deed of assignment and assumption in relation to the Joint Venture Agreement.

Asra Minerals, the Company and Loyal Metals entered into deeds of assignment and assumption in respect of the Asra Tenement Sale Agreement and the Joint Venture Agreement on 20 August 2025, pursuant to which Asra Minerals has agreed to waive any right of pre-emption it may have under the Joint Venture Agreement, in satisfaction of the above condition precedent.

10.2 **Asra Tenement Sale Agreement**

On 19 March 2021, Loyal Metals (then known as Monger Gold Ltd) and Asra Minerals (then known as Torian Resources Limited) entered into a Tenement Sale Agreement, pursuant to which Loyal Metals acquired an 80% interest in the Tenements (among others) from Asra Minerals.

The Asra Tenement Sale Agreement imposed an obligation on Cascade Resources, being a wholly owned subsidiary of Asra Minerals, to transfer its remaining 20% interest in the Tenements which were still held by Cascade Resources as at the date of the Asra Tenement Sale Agreement, to Asra Minerals. As is evident from the Tenement summaries contained in Schedule 1, this transfer has not yet occurred.

Loyal Metals' right to assign its interest in the Tenements to the Company is subject to a requirement that the parties execute a deed of assignment under which, relevantly:

(a) Loyal Metals agrees to assign all of its rights and interests under the Asra Tenement Sale Agreement; and

(b) the Company agrees to assume all of the obligations and liabilities of Loyal Metals under the Asra Tenement Sale Agreement.

10.3 **Joint Venture Agreement**

On 30 June 2021, Loyal Metals and Asra Minerals entered into a joint venture agreement, pursuant to which the parties agreed to establish an unincorporated joint venture to carry out exploration activities on the Tenements.

Under the Joint Venture Agreement, Loyal Metals holds an 80% interest in the Tenements and Asra Minerals 20%. Loyal Metals is the Manager of the joint venture with Asra Minerals' interest being free carried to a decision to mine.

There is a 5km area of interest extending from the external boundary of the Tenements, within which any new tenement applications or acquisitions by either participant must first be offered to the joint venture on the same terms as the proposed acquisition.

The Joint Venture Agreement is otherwise on standard terms for a document of its nature. It contains a right of pre-emption which is being dealt with as a condition precedent to the sale of Loyal Metals' interest in the Tenements to the Company (see discussion at paragraph 10.1 of this Report).

11. Definitions

In this Report:

ACH Act means the *Aboriginal Cultural Heritage Act 2021* (WA).

AHA means the *Aboriginal Heritage Act 1972* (WA).

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ACHIS Searches has the meaning given in section 2(d).

Asra Minerals means Asra Minerals Limited (ACN 002 261 565).

Asra Tenement Sale Agreement means the tenement sale agreement dated 19 March 2021 between Loyal Metals (then known as Monger Gold Limited) and Asra Minerals (then known as Torian Resources Limited).

ASX means the ASX Limited (ABN 98 008 624 691).

Cascade Resources means Cascade Resources Pty Ltd (ACN 128 744 178).

Commonwealth Heritage Act means the *Aboriginal and Torres Strait Islander Heritage Protection Act 1984* (Cth).

Company means Desert Minerals Ltd (ACN 680 419 345).

Department or **DMPE** means the Western Australian Department of Mines, Petroleum and Exploration.

DMPE Searches has the meaning given in section 2(a).

Federal Court means the Federal Court of Australia.

Form 5 means the Form 5 Operations Report – Expenditure on mining tenement, as contained in Schedule 1 to the Mining Regulations.

ILUA means an Indigenous Land Use Agreement.

Joint Venture Agreement means the joint venture agreement dated 30 June 2021 between Loyal Metals (then known as Monger Gold Limited) and Asra Minerals (then known as Torian Resources Limited).

Loyal Metals means Loyal Metals Ltd (ACN 644 564 241).

Mining Act means the *Mining Act 1978* (WA).

Mining Regulations means the *Mining Regulations 1981* (WA).

Minister means the Minister responsible for the Mining Act.

Native Title Act means the *Native Title Act 1993* (Cth).

Negotiation Parties has the meaning given in section 7.6.

NNTR means the National Native Title Register.

NNTT means the Australian National Native Title Tribunal.

NNTT Searches has the meaning given in section 2(c).

NTC means a Native Title Claimant.

PGERA means the *Petroleum and Geothermal Energy Resources Act 1967* (WA).

Pending Tenements means the mining tenements M26/867 and M26/875.

Report means this document, including any schedule or annexure to this document.

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RNTC means the Register of Native Title Claims.

Searches means the searches referred to in section 2.

Tenement Sale Agreement means the tenement sale agreement dated 18 August 2025 between Loyal Metals and the Company in respect of the Tenements.

Tenements means the mining tenements set out in Schedule 1, including the Pending Tenements, and Tenement means any one of them.

Tengraph Searches has the meaning given in section 2(b).

12. Qualifications and assumptions

12.1 General

This is a high level report covering material legal issues affecting the Tenements and does not purport to cover all possible issues which may affect the Tenements. This Report is given only as to, and based on, circumstances and matters of fact existing and known to us on the date of this Report.

12.2 Assumptions

This Report is based on, and subject to, the following assumptions (in addition to any assumptions expressed elsewhere in this Report):

(a) any instructions, documents and information given by the Company or any of its officers, agents or representatives are accurate and complete;

(b) that the registered holder of a Tenement has valid legal title to the Tenement;

(c) unless apparent from the Searches or the information provided to us, we have assumed compliance with the requirements necessary to maintain each Tenement in good standing;

(d) where a Tenement has been granted, the future act provisions of the Native Title Act have been complied with;

(e) all information obtained from the Department, the NNTT and any other governmental or regulatory department referred to in this Report is accurate and complete;

(f) the Company has complied with the terms and conditions of the relevant legislation and any applicable agreements;

(g) this Report does not cover any third party interests, including encumbrances, in relation to the Tenements that are not apparent from the Searches and the information provided to us;

(h) all facts stated in documents, and responses to requests for further information, and other material on which we have relied in this Report are and continue to be correct, and no relevant matter has been misstated or withheld from us (whether deliberately or inadvertently);

(i) that there are no other documents or materials other than those which were disclosed to us and which we were instructed to review, which related to the matters examined; and

(j) the Tenement Sale Agreement, the Joint Venture Agreement and any other agreements referred to in this Report have been duly executed and the copies of the

Tenement Sale Agreement, Joint Venture Agreement and any other agreements referred to in this Report made available to us are accurate, complete and conform to the originals of the Tenement Sale Agreement, Joint Venture Agreement or any other agreements referred to in this Report and there have been no material breaches of the Tenement Sale Agreement, Joint Venture Agreement or any other agreements referred to in this Report.

12.3 **Qualifications**

This Report is subject to the following qualifications:

(a) there may be native title, Aboriginal heritage or other third party agreements of which we are not aware;

(b) the information in Schedule 1 and Schedule 2 is accurate as at the date of the relevant Searches. We do not comment on whether any changes have occurred in respect of the Tenements between the date of the Searches and the date of this Report;

(c) this Report is based only upon the information and materials which are described in this Report. There may be additional information and materials (of which we are unaware) which contradict or qualify that which we have described;

(d) a recording in the mining tenement register of a person's holding in a mining tenement is not absolute proof of that person's entitlement to the tenement. The mining tenement system is not based on a system of indefeasibility by registration;

(e) a registered mining tenement holder's entitlement to a tenement can be defective if there were procedural defects in the original grant of a tenement or if there are any subsequent dealings with a tenement. We have not confirmed whether there are any such defects in the Tenements disclosed in this Report;

(f) this Report relates only to the laws of Western Australia and the Commonwealth of Australia in force at the date of this Report and we do not express or imply any opinion as to the laws at any other time or of any other jurisdiction;

(g) in the performance of our enquiries for this Report, we have acted on the Company's written and oral instructions as to the manner and extent of enquiries to be conducted;

(h) this Report is strictly limited to the matters it deals with and does not extend by implication or otherwise to any other matter;

(i) we have relied upon information provided by third parties, including various departments, in response to searches made, or caused to be made, and enquiries by us and have relied upon that information, including the results of Searches, being accurate, current and complete as at the date of its receipt by us;

(j) references in the Schedules are taken from details shown on the Searches we have obtained from the relevant departments referred to in section 2 above. We have not undertaken independent surveys of the land the subject of the Tenements to verify the accuracy of the Tenement areas or the areas of the relevant native title claims;

(k) where compliance with the terms and conditions of the Tenements and all applicable provisions of the mining legislation and regulations in Western Australia and all other relevant legislation and regulations, or a possible claim in relation to the Tenements is not disclosed on the face of the searches referred to above, we express no opinion as to such compliance or claim;

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(l) where Ministerial consent is required, we express no opinion as to whether such consent will be granted, or the consequences of consent being refused, although we are not aware of any matters which would cause consent to be refused (unless otherwise stated in this Report);

(m) we have not conduced searches of the Database of Contaminated Sites maintained by the Department of Environment and Conservation;

(n) native title may exist in the areas covered by the Tenements. Whilst we have conducted searches to ascertain what native title claims, if any, have been lodged in the Federal Court in relation to the areas covered by the Tenements, we have not conducted any research on the likely existence or non-existence of native title rights and interests in respect of those areas. Further the Native Title Act contains no sunset provisions and it is possible that additional native title claims could be made in the future; and

(o) Aboriginal heritage sites, sacred sites or objects (as defined in the AHA or under the Commonwealth Heritage Act) may exist in the areas covered by the Tenements regardless of whether or not that site has been entered on the relevant Register or is the subject of a declaration under the Commonwealth Heritage Act. We have not conducted any legal, historical, anthropological or ethnographic research regarding the existence or likely existence of any such Aboriginal heritage sites, sacred sites or objects within the area of the Tenements.

12.4 **Conclusion**

(a) Hamilton Locke Lawyers has prepared this Report for the purposes of the Prospectus only, and for the benefit of the Company and the directors of the Company in connection with the issue of the Prospectus and is not to be disclosed to any other person or used for any other purpose or quoted or referred to in any public document or filed with any government body or other person without our prior consent. This Report is issued subject to the qualifications and assumptions in section 12.

(b) Hamilton Locke will be paid its usual professional fees for the preparation of this Report.

Yours sincerely



Hamilton Locke

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Schedule 1 – Tenements

Tenement	Registered Holder (%)	Status	Area	Grant Date	Expiry Date	Minimum expenditure commitment (actual expenditure)	Annual Rent	Dealings
P25/2349	Loyal Metals Ltd (80%) Cascade Resources Pty Ltd (20%)	Live	122 HA	19 October 2017	18 October 2025	Reporting date per Combined Reporting Group is 30 November. 2024: $4,880 ($3,082.73)[1]. 2025: $4,880. (Combined Reporting Group 134/2020, Mount Monger South Project).	2025: $512.40 (Paid in full) 2026: $524.60	Nil.
P25/2493	Loyal Metals Ltd (80%) Cascade Resources Pty Ltd (20%)	Live	187 HA	1 February 2019	31 January 2027	Reporting date per Combined Reporting Group is 30 November 2025: $7,480 ($12,231.79) 2026: $7,480 (Combined Reporting Group 134/2020, Mount Monger South Project).	2026: $785.40 (Paid in full) 2027: $804.10	Nil.
P26/4086	Loyal Metals Ltd (80%)	Live	122 HA	19 October 2017	18 October 2025	Reporting date per Combined Reporting Group is 30 November 2024: $4,880 ($2,082.73).[2]	2025: $512.40 (Paid in full) 2026: $524.60	Nil.

[1] Exemption application 722075 for $4,880 for the tenement year ending 17 October 2025 granted 20 February 2025.
[2] Exemption application 722075 for $4,880 for the tenement year ending 17 October 2025 granted 20 February 2025.

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Tenement	Registered Holder (%)	Status	Area	Grant Date	Expiry Date	Minimum expenditure commitment (actual expenditure)	Annual Rent	Dealings
	Cascade Resources Pty Ltd (20%)					2025: $4,880. (Combined Reporting Group 134/2020, Mount Monger South Project).		
P26/4310	Loyal Metals Ltd (80%) Cascade Resources Pty Ltd (20%)	Live	173 HA	5 February 2019	4 February 2027	Reporting date per Combined Reporting Group is 30 November 2025: $6,920 ($12,371.14) 2026: $6,920 (Combined Reporting Group 134/2020, Mount Monger South Project)	2026: $726.60 (Paid in full) 2027: $743.90	Nil.
P26/4409	Loyal Metals Ltd (80%) Asra Minerals Limited (20%)	Live	197 HA	10 July 2019	9 July 2027	Reporting date per Combined Reporting Group is 30 November 2025: $7,880 (No expenditure lodged)[3] 2026: $7,880 (Combined Reporting Group 134/2020, Mount Monger South Project)	2026: $847.10 (Paid in full) 2027: $847.10	Nil.

[3] The Form 5 Operations Report for the tenement year ending 9 July 2025 has not yet been lodged. The Form 5 Report is due within 60 days of the end of the tenement year (i.e. by 7 September).

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Tenement	Registered Holder (%)	Status	Area	Grant Date	Expiry Date	Minimum expenditure commitment (actual expenditure)	Annual Rent	Dealings
P26/4089	Loyal Metals Ltd (80%) Cascade Resources Pty Ltd (20%)	Live	9.7 HA	20 April 2017	19 April 2025[4]	Reporting date per Combined Reporting Group is 30 November 2025: $2,000 ($2,054.88) 2025: $2,000 (Combined Reporting Group 135/2020, Mount Monger North Project)	2026: $42 (Paid in full) 2027: $43	Nil.
P26/4101	Loyal Metals Ltd (80%) Cascade Resources Pty Ltd (20%)	Live	164 HA	28 September 2017	27 September 2025	Reporting date per Combined Reporting Group is 30 November 2024: $6,560 ($6,769.44) 2025: $6,560 (Combined Reporting Group 135/2020, Mount Monger North Project)	2025: $688.80 (Paid in full) 2026: $705.20	Nil.
P26/4102	Loyal Metals Ltd (80%) Cascade Resources Pty Ltd (20%)	Live	186.4 HA	26 March 2018	25 March 2026	Reporting date per Combined Reporting Group is 30 November 2025: $7,480 ($10,074.25) 2026: $7,480	2026: $785.40 (Paid in full) 2027: $804.10	Nil.

[4] An application to convert P26/4089 and P26/4101 to M26/875 pursuant to s.49 of the Mining Act was lodged on 31 March 2025. P26/4089 remains live pending the outcome of the mining lease conversion application.

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Tenement	Registered Holder (%)	Status	Area	Grant Date	Expiry Date	Minimum expenditure commitment (actual expenditure)	Annual Rent	Dealings
						(Combined Reporting Group 135/2020, Mount Monger North Project)		
P26/4103	Loyal Metals Ltd (80%) Cascade Resources Pty Ltd (20%)	Live	197.7 HA	19 October 2017	18 October 2025	Reporting date per Combined Reporting Group is 30 November 2024: $7,920 ($6,659.57)[5] 2025: $7,920 (Combined Reporting Group 135/2020, Mount Monger North Project)	2025: $831.60 (Paid in full) 2026: $851.40	Nil.
P26/4104	Loyal Metals Ltd (80%) Cascade Resources Pty Ltd (20%)	Live	192.4 HA	19 October 2017	18 October 2025	Reporting date per Combined Reporting Group is 30 November 2024: $7,720 ($6,583.57)[6] 2025: $7,720 (Combined Reporting Group 135/2020, Mount Monger North Project)	2025: $810.60 (Paid in full) 2026: $829.90	Nil.
P26/4139	Loyal Metals Ltd (80%)	Live	147 HA	20 October 2017	19 October 2025	Reporting date per Combined Reporting Group is 30 November 2024: $5,880 ($6,537.37)	2025: $617.40 (Paid in full) 2026: $632.40	Nil.

[5] Exemption application 722076 for $7,920 for the tenement year ending 18 October 2025 lodged 17 December 2024 and granted 23 April 2025.
[6] Exemption application 722076 for $7,720 for the tenement year ending 18 October 2025 lodged 17 December 2024 and granted 23 April 2025.

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Tenement	Registered Holder (%)	Status	Area	Grant Date	Expiry Date	Minimum expenditure commitment (actual expenditure)	Annual Rent	Dealings
	Cascade Resources Pty Ltd (20%)					2025: $5,880 (Combined Reporting Group 135/2020, Mount Monger North Project)		
P26/4142	Loyal Metals Ltd (80%) Cascade Resources Pty Ltd (20%)	Live	171 HA	6 September 2016	5 September 2024[7]	Reporting date per Combined Reporting Group is 30 November 2024: $6,840 ($6,881.08) 2025: $6,840 (Combined Reporting Group 135/2020, Mount Monger North Project)	2025: $718.20 (Paid in full) 2026: $735.30	Nil.
P26/4275	Loyal Metals Ltd (80%) Asra Minerals Limited (20%)	Live	108 HA	5 January 2018	4 January 2026	Reporting date per Combined Reporting Group is 30 November 2025: $4,320 ($4,340.67). 2026: $5,640 (Combined Reporting Group 135/2020, Mount Monger North Project)	2026: $453.60 (Paid in full) 2027: $464.40	Nil.
P26/4276	Loyal Metals Ltd (80%)	Live	141 HA	5 February 2018	4 February 2026	Reporting date per Combined Reporting Group is 30 November	2026: $592.20 (Paid in full)	Nil.

[7] An application to convert all or part of P26/4142 to M26/867 pursuant to s.49 of the Mining Act was lodged on 19 March 2024. P26/4142 remains live pending the outcome of the mining lease conversion application.

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Tenement	Registered Holder (%)	Status	Area	Grant Date	Expiry Date	Minimum expenditure commitment (actual expenditure)	Annual Rent	Dealings
	Asra Minerals Limited (20%)					2025: $5,640 ($9,789.68) 2026: $5,640 (Combined Reporting Group 135/2020, Mount Monger North Project)	2027: $606.30	
P26/4292	Loyal Metals Ltd (80%) Cascade Resources Pty Ltd (20%)	Live	16.99 HA	25 May 2018	24 May 2026	Reporting date per Combined Reporting Group is 30 November 2025: $2,000 ($2,154.51) 2026: $2,000 (Combined Reporting Group 135/2020, Mount Monger North Project)	2026: $71.40 (Paid in full) 2026: $73.10	Nil.
P26/4507	Loyal Metals Ltd (80%) Cascade Resources Pty Ltd (20%)	Live	8.65 HA	2 September 2020	1 September 2028	Reporting date per Combined Reporting Group is 30 November 2024: $2,000 ($2,809.81) 2025: $2,000 (Combined Reporting Group 135/2020, Mount Monger North Project)	2025: $38.80 (Paid in full) 2026: $39.70	Nil.
M26/867	Loyal Metals Ltd (80%)	Pending	155 HA	N/A	N/A	N/A	2024: $4,030.00	N/A

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Tenement	Registered Holder (%)	Status	Area	Grant Date	Expiry Date	Minimum expenditure commitment (actual expenditure)	Annual Rent	Dealings
	Cascade Resources Pty Ltd (20%)							
M26/875	Loyal Metals Ltd (80%) Cascade Resources Pty Ltd (20%)	Pending	163.7 HA	N/A	N/A	N/A	2025: $4,690.40	N/A

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Schedule 2 – Tenement Conditions and Endorsements

The notes below refer to particular non-standard conditions and endorsements attached to the Tenements and other findings from the DMPE Searches and Tengraph Searches. It is not an exhaustive list. For all conditions and endorsements attached to the Tenements, a search of the Department register should be consulted. For details of overlapping tenure and other interests, the Tengraph system should be consulted.

1. **Pastoral Leases – P25/2349, P25/2493, P26/4086, P26/4310, P26/4089, P26/4101, P26/4102, P26/4103, P26/4139, P26/4142, P26/4275, P26/2476, P26/4292 and P26/4507**

    a) The Licensee notifying the holder of any underlying pastoral or grazing lease by telephone or in person, or by registered post if contact cannot be made, prior to undertaking airborne geophysical surveys or any ground disturbing activities utilising equipment such as scrapers, graders, bulldozers, backhoes, drilling rigs; water carting equipment or other mechanised equipment.

    b) The Licensee or transferee, as the case may be, shall within thirty (30) days of receiving written notification of the grant of the Licence or registration of a transfer introducing a new Licensee, advise, by registered post, the holder of any underlying pastoral or grazing lease details of the grant or transfer.

2. **Rights of Ingress and Egress:**

    a) **P26/4086**: The rights of ingress to and egress from Miscellaneous Licence 25/41 being at all times preserved to the licensee and no interference with the purpose or installations connected to the licence.

    b) **P26/4409, P26/4089, P26/4101 and P26/4102**: The rights of ingress to and egress from Miscellaneous Licence 26/262 being at all times preserved to the licensee and no interference with the purpose or installations connected to the licence.

    c) **P26/4104 and P26/4139**: The rights of ingress to and egress from Miscellaneous Licence 26/162 being at all times preserved to the licensee and no interference with the purpose or installations connected to the licence.

3. **Water Resource Endorsements:**

    a) **P25/2349, P25/2493, P26/4086, P26/4310, P26/4089, P26/4101, P26/4102, P26/4103, P26/4139, P26/4142, P26/4275, P26/2476, P26/4292 and P26/4507**: The tenement is subject to certain endorsements in respect of water resource management areas and proclaimed ground water areas (Goldfields).

    b) **P25/2493, P26/4310, P26/4089, P26/4142, P26/4292 and P26/4507**: The tenement is subject to certain endorsements in respect of water resource management areas and proclaimed ground water areas (GWA 21)

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