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Peter Wall
Non-Executive Chair
Black Horse Mining Limited
2 October 2025

Black Horse Mining Limited

ACN 683 066 613

Prospectus

Initial public offering of 40,000,000 Shares at an offer price of $0.20 per Share to raise $8,000,000 (**Offer**).

The Offer includes a priority offer to eligible shareholders of Province Resources Limited of up to $1,000,000 worth of Shares under the Offer (**PRL Offer**).

Proposed ASX Code: BHL

IMPORTANT NOTICE

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

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







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Important Notice

This Prospectus is dated 2 October 2025 and was lodged with the ASIC on that date. The ASIC, the ASX and their respective officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

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

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

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

Exposure Period

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

No offering where offering would be illegal

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

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

No action or formality has been taken to register or qualify the Securities or the offer, or to otherwise permit a public offering of the Securities in any jurisdiction outside Australia.

This Prospectus has been prepared for publication in Australia and may not be distributed outside Australia except to institutional and professional investors in transactions exempt from local prospectus or registration requirements.

US securities law matters

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

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

(a) it understands that the Securities have not been, and will not be, registered under the US Securities Act and may not be offered, sold or resold in the US, except in a transaction exempt from, or not subject to, registration under the US Securities Act and any other applicable securities laws;

(b) it is not in the US;

(c) it has not and will not send this Prospectus or any other material relating to the Offer to any person in the US; and

(d) it will not offer or resell the Securities in the US or in any other jurisdiction outside Australia except in transactions exempt from, or not subject to, registration under the US Securities Act

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and in compliance with all applicable laws in the jurisdiction in which the Securities are offered and sold.

Electronic Prospectus

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

The Corporations Act prohibits any person passing onto another person an Application Form unless it is attached to or accompanied by the complete and unaltered version of this Prospectus. You may obtain a hard copy of this Prospectus free of charge by contacting the Company by phone on +61 8 9388 8290 during office hours or by emailing the Company at info@blackhorsemining.com.

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

Company Website

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

No cooling-off rights

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

No Investment Advice

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

Risks

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

Forward-looking statements

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

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

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

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

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

These forward looking statements are subject to various risk factors that could cause the

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Company's performance and actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 7.

Financial Forecasts

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

Competent Person's statement

The information in the Investment Overview Section of this Prospectus, included at Section 3, the Company and Project Overview, included at Section 5, and the Independent Geologist's Report, included at Annexure A of the Prospectus, which relates to exploration results is based on, and fairly represents, information and supporting documentation prepared by William Oliver. William Oliver is a director of Billandbry Consulting Pty Ltd and is a Member of the Australasian Institute of Geoscientists and the Australian Institute of Mining and Metallurgy with over 25 years of experience. William Oliver has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (the **JORC Code**). William Oliver consents to the inclusion of the information in these Sections of this Prospectus in the form and context in which it appears.

Continuous disclosure obligations

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

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

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

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

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

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

Photographs and Diagrams

Photographs used in this Prospectus which do not have descriptions are for illustration only and should not be interpreted to mean that any person shown endorses 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.

Definitions and Time

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

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

Privacy statement

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

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

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

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

Enquiries

If you are unclear in relation to the matters raised in this Prospectus or are in doubt as to how to deal with it, you should seek professional advice from your accountant, financial adviser, stockbroker, lawyer or other professional adviser without delay. Should you have any questions in relation to the Offer or how to accept the Offer please contact the Company Secretary on +61 8 9388 8290.

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Corporate directory

Directors, Management and Company Secretary	
Peter Wall	Non-Executive Chair
David Frances	Managing Director and CEO
Charles McHugh	Non-Executive Director
Ian Hobson	Company Secretary

Registered and Principal Office	Proposed Stock Exchange Listing
Suite 8, 110 Hay Street Subiaco WA 6008 Phone: +61 8 9388 8290 Email: info@blackhorsemining.com Website: www.blackhorsemining.com	Australian Securities Exchange (ASX) Proposed ASX Code: BHL

Share Registry*	Joint Lead Managers	
Automic Pty Ltd Level 5, 191 St Georges Terrace Perth WA 6000 Phone (within Australia): 1300 288 664 Phone (outside Australia): +61 2 9698 5414	Inyati Capital 326 Rokeby Road Subiaco WA 6008	Veritas Securities Level 4/175, Macquarie Street Sydney NSW 2000

Independent Expert	Independent Geologist
BDO Corporate Finance Australia Pty Ltd Level 9, Mia Yellagonga Tower 2 5 Spring Street Perth, WA 6000 Phone: +61 8 6382 4600	William Oliver Billandbry Consulting Pty Ltd PO Box 790 West Perth, WA 6872

Investigating Accountant	Auditor*
William Buck Consulting (WA) Pty Ltd Level 3, 15 Labouchere Road South Perth WA 6151	William Buck Audit (WA) Pty Ltd Level 3, 15 Labouchere Road South Perth WA 6151

Legal Adviser
Hamilton Locke Pty Ltd Level 39, 152-158 St Georges Terrace Perth WA 6000

Offer Information Line
Telephone: 1300 124 934 Email: hello@automicgroup.com.au

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

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1. Letter from the Chairman

Dear Investor,

On behalf of the Board of Black Horse Mining Limited (**Black Horse** or the **Company**), I am pleased to present this Prospectus and to invite your participation in our Initial Public Offering (**IPO**). This IPO represents a significant milestone as we advance our strategy of developing a gold-focused company with scale, quality, and growth potential.

Our flagship project, the Mt Egerton Project, is located within a world-class gold-bearing province in the southwest region of the Bendigo-Ballarat Zone in Central Victoria, Australia. This zone has produced over 80 million ounces of gold historically and is regarded as one of the most prolific gold-producing regions in the world. Historical mining records indicate that mines within the Project area have produced between approximately 868,000 ounces and 1,290,000 ounces of gold (note that a mineral resource estimate has not been reported within the Project area as at the date of the Prospectus).

Historical mining records at the Mt Egerton Project confirm extensive production at robust grades, providing confidence in the geological endowment and validating the district's capacity to sustain long-life operations.

Historical exploration undertaken at the Mt Egerton Project has built upon this legacy, delivering material results across multiple prospects, including:

- high-grade intercepts confirming the existence of remnant mineralisation within 100m of surface, and historical mining showing mineralisation continuing at depth; and
- multiple targets across our tenement package, underscoring the district-scale opportunity.

These results underpin the potential for a significant, high-grade resource base that the Board has aspirations will position the Mt Egerton Project as a significant gold asset capable of supporting both near-term development and long-term expansion.

As outlined in Section 5 of this Prospectus, Black Horse offers a strong investment case:

- **De-risked foundation**: Extensive historical mining data combined with recent drilling programs provide strong geological confidence.
- **Large, contiguous landholding**: Offering exploration upside with multiple untested targets across a proven gold belt.
- **Robust market fundamentals**: Structural support for gold prices from global macroeconomic conditions, with gold remaining a core institutional hedge against volatility.
- **Scalable development pathway**: A staged approach enabling capital discipline while retaining optionality for large-scale production.
- **Experienced leadership team**: A proven track record in developing, financing, and operating significant gold projects globally.

Proceeds from this IPO will enable Black Horse to accelerate resource definition drilling, undertake geophysics and geochemistry programs, advance land access and environmental initiatives, while also positioning the Company to engage with potential strategic partners to support future development. Our focus remains on disciplined capital allocation, risk management, and building a gold business capable of generating sustainable returns across commodity cycles.

This Prospectus is seeking to raise $8,000,000 via the issue of Shares at an offer price of $0.20 per Share under the Offer. The purpose of the Offer is to provide funds to implement the Company's business strategies (explained in Section 5).

This Prospectus is issued for the purpose of supporting an application to list the Company on the ASX. This Prospectus contains detailed information about the Company, its business and the Offer, as well as the risks of investing in the Company, and I encourage you to read it carefully.

The Shares offered by this Prospectus should be considered highly speculative and subject to certain risks, a non-exhaustive list of which is highlighted in Section 7. These include, but are not limited to, the Company having no operating revenue and requiring additional funding in the future to develop the Mt Egerton Project, the Company being able to satisfy the conditions precedent of the Acquisition Agreement, the major Shareholding of Province Resources Limited, and risks associated with exploration and development of mineral assets. Please see Sections 7.2 to 7.4 for further details of the risks specific to the Company, industry specific risks and general risks. If you are in any doubt as to the contents of this Prospectus, you should consult your stockbroker, lawyer, accountant or other professional adviser.

We look forward to welcoming you as a shareholder as we execute on our vision.

Yours sincerely

Peter Wall
Non-Executive Chair

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2. Key offer information

2.1 Indicative Timetable

Event	Date
Lodgement of Prospectus with ASIC	2 October 2025
Exposure Period begins	2 October 2025
Record Date for the PRL Offer	3 October 2025
Opening Date of the Offer (including the PRL Offer)	10 October 2025
Closing Date of the PRL Offer	24 October 2025
Closing Date of the Offer	5pm (WST) on 7 November 2025
Issue of Shares under the Offer	12 November 2025
Despatch of holding statements	17 November 2025
Expected date for quotation on ASX	21 November 2025

Dates may change

The above dates are indicative only and may change without notice. Unless otherwise indicated, all times given are in WST. The Exposure Period may be extended by the ASIC by not more than 7 days pursuant to section 727(3) of the Corporations Act. The Company reserves the right to extend the Closing Date or close the Offer early without prior notice. The Company also reserves the right not to proceed with the Offer at any time before the issue of Shares to applicants.

If the Offer is cancelled or withdrawn before completion of the Offer, then all application monies will be refunded in full (without interest) as soon as possible in accordance with the requirements of the Corporations Act. Investors are encouraged to submit their applications as soon as possible after the Offer opens.

2.2 Key Statistics of the Offer

	Offer
Offer Price per Share	$0.20
Total gross proceeds under the Offer[1]	$8,000,000
Total Shares on issue as at the date of this Prospectus	15,000,000
Total Options on issue as at the date of this Prospectus	30,000,000
Shares to be issued under the Offer[1]	40,000,000
Shares to be issued to the Vendors[2]	9,500,000
Options to be issued to the Vendors[2]	5,000,000

	Offer
Options to be issued to the Joint Lead Managers	7,000,000
Total Shares on issue on completion of the Offer[3,5]	**64,500,000**
Total Options on issue on completion of the Offer[3]	**42,000,000**
Indicative market capitalisation on completion of the Offer[4]	**$12,900,000**

Notes:

1. Includes 15,000,000 Shares to be acquired by Province Resources Limited under the Offer as the cornerstone investor. Refer to Section 4.3 for further details.
2. The Company has entered into the Acquisition Agreement in order to acquire 80% of the issued share capital of SMS, which holds 100% of the Project. Pursuant to the Acquisition Agreement, the Company has agreed to issue 9,500,000 Shares and 5,000,000 Options to the Vendors (and/or their nominees) in consideration for the Acquisition. To the extent that the Cash Consideration (or any part thereof) is not permitted by ASX, up to 500,000 Additional Consideration Shares may be issued at a deemed issue price of $0.20 per Share. Refer to Section 9.1 for a summary of the material terms and conditions of the Acquisition Agreement.
3. Certain Securities on issue post-listing will be subject to ASX-imposed escrow. Refer to Section 5.9 for further details.
4. Based on the Offer Price of $0.20 per Share and on an undiluted basis. The indicative market capitalisation on completion of the Offer, based on the Offer Price of $0.20 per Share and on a fully diluted basis is $21,300,000. Prospective investors should note that the Shares may trade above or below the Offer Price.

How to Invest

Applications for Shares can only be made by completing and lodging an Application Form. Instructions on how to apply for Shares are set out in Section 4.10 and on the Application Form.

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3. Investment Overview

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

ITEM	SUMMARY	FURTHER INFORMATION
A. COMPANY		
Who is the issuer of this Prospectus?	Black Horse Mining Limited (ACN 683 066 613) (**Company** or **Black Horse**).	Section 5.1
Who is the Company?	The Company is an Australian unlisted public company, incorporated on 12 December 2024, as a wholly owned subsidiary of Province Resources Limited (NSX: PRL), an entity listed on the National Stock Exchange of Australia (**NSX**). Following Black Horse's entry into the Acquisition Agreement, Province Resources Limited announced to the NSX its intention to spin-out its interest in the Mt Egerton Project via Black Horse undertaking an initial public offering and pursuing a listing on the ASX.	Section 5.1
What is the Company's interest in the Mt Egerton Project?	The Company has entered into the Acquisition Agreement to acquire 80% of the Shares in Steadfast Mining Services Pty Ltd (**SMS**). SMS is the legal and beneficial owner of the following tenements forming the Mt Egerton Project: (a) one Retention Licence (RL 2018); (b) one granted Exploration Licence (EL 6417); and (c) one Exploration Licence application (EL 8628), (together, the **Tenements**). For further details relating to the Acquisition Agreement, refer to Section 9.1.	Section 5.2, Section 9.1 and Annexure A
B. BUSINESS MODEL		
What is the Company's business model?	Following completion of the Offer, the Company's proposed business model will be to further explore and develop the Project, as per the Company's proposed exploration programs. The Company proposes to fund its exploration activities over the first two years following listing as outlined in the table at Section 5.6. A detailed explanation of the Company's business model and strategy post-Admission is provided at Section 5.3 and a summary of the Company's proposed exploration programs is set out at Section 5.4.	Section 5.3, Section 5.4 and Section 5.6
What are the key business objectives of the Company?	The Company's main objectives upon Admission will be to: (a) systematically explore and seek to develop the Project; (b) assess new strategic acquisitions and investment opportunities that may present; (c) implement a growth strategy and actively canvas other mineral exploration and resource	Section 5.3

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ITEM	SUMMARY	FURTHER INFORMATION
	opportunities which have the potential to generate growth and value for Shareholders; and (d) provide working capital.	
What are the key dependencies of the Company's business model?	The key dependencies influencing the viability of the Company's business model are: (a) completion of the Offer and settlement pursuant to the Acquisition Agreement occurring; (b) maintaining title to the Tenements; (c) obtaining and retaining all requisite approvals, authorisations, licences and permits required to undertake mineral exploration and development activities, notwithstanding that the Company has sufficient access to the Tenements to apply the funds raised under the Offer towards its proposed exploration programs and satisfy its commitments for the purposes of ASX Listing Rule 1.3.2(b); (d) access to adequate capital throughout the exploration, discovery and project development phases, notwithstanding that the funds raised under the Offer will be sufficient for the proposed exploration programs in the first two years following the Company's Admission to the Official List of the ASX; (e) successfully discovering and proving-up, or acquiring, an economic deposit that can be developed beyond the exploration stage; (f) retaining and recruiting key personnel skilled in the mining and resources sector; (g) sufficient worldwide demand for gold; (h) the market price of gold remaining higher than the Company's costs of any future production (assuming successful exploration and development of the Project by the Company); and (i) minimising environmental impacts and complying with environmental and health and safety requirements.	Section 5.5
C. KEY ADVANTAGES		
What are the key advantages of an investment in the Company?	The Directors are of the view that an investment in the Company provides the following non-exhaustive list of advantages: (a) subject to raising the Minimum Subscription, the Company will have sufficient funds to implement its exploration strategy; (b) subject to settlement under the Acquisition Agreement, the Company will hold an 80% interest in the Mt Egerton Project located within a world-class gold-bearing province in the southwest region of the Bendigo-Ballarat Zone in Central Victoria, Australia; and (c) a highly credible and experienced team to progress exploration and accelerate potential development of the Project.	Section 5
D. KEY RISKS		

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ITEM	SUMMARY	FURTHER INFORMATION
Key risks	**Limited history** The prospects of the Company must be considered in light of the risks, expenses and difficulties frequently encountered by companies in their early stage of development, particularly in the mineral exploration sector, which has a high level of inherent uncertainty. No assurances can be given that the Company will achieve commercial viability through the successful exploration and/or mining of its Tenements. Until the Company is able to realise value from its Project, it is likely to incur ongoing operating losses. **Acquisition Agreement and completion risk** As identified in the Solicitor's Report on Tenements and Acquisition Agreement, the Company is not the registered owner of any of the Tenements as at the date of this Prospectus. The Company's right to acquire an interest in the Tenements is subject to the Acquisition Agreement. In order for the Company to be able to achieve its stated objectives the Company is reliant on the Vendors to complete settlement of the Acquisition Agreement and otherwise comply with their respective contractual obligations under the Acquisition Agreement, including certain expenditure obligations on the Tenements which must occur post-settlement. **Exploration and operations** The mineral exploration licences comprising the Project are at various stages of exploration, and prospective investors should understand that mineral exploration and development are high-risk undertakings that may be affected by a range of factors beyond the control of the Company. There can be no assurance that future exploration of these exploration licences, or any other mineral licences that may be acquired in the future, will result in the discovery of an economic resource. Even if an apparently viable resource is identified, there is no guarantee that it can be economically exploited. The Company confirms that the key areas of prospectivity on the Tenements are located on Crown Land and, as such, the Company will not require any private landowner consents or need to enter into any access and compensation agreements with private landowners or occupiers to apply the funds raised under the Offer towards its proposed exploration program and satisfy its commitments for the purposes of ASX Listing Rule 1.3.2(b). The Company may expand its proposed exploration programme into private land areas if targets are identified that warrant further investigation. **Applications and renewals** The Tenements are at various stages of application and grant. Specifically, one Tenement forming part of the Project is currently under application. There can be no assurance that the Tenement in application status that is currently pending will be granted. There also can be no assurance that if the Tenement is granted, it will be granted in its entirety. Additionally, some of the Tenement areas applied for may be excluded. The Company is unaware of any circumstances that would prevent the Tenement in application status from	Section 7.2

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ITEM	SUMMARY	FURTHER INFORMATION
	being granted. If the Tenement in application status is not granted or is only granted for part of the area applied for, the Company will lose the benefit of certain areas of that Tenement for its exploration activities. Mining and exploration tenements are subject to periodic renewal. The renewal of the term of granted tenements is subject to compliance with the applicable mining legislation and regulations and the discretion of the relevant mining authority. Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the Tenements. The imposition of new conditions or the inability to meet those conditions may adversely affect the operations, financial position and/or performance of the Company. The Company considers the likelihood of tenure forfeiture to be low given the laws and regulations governing exploration in Victoria and the ongoing expenditure budgeted for by the Company. However, the consequence of forfeiture or involuntary surrender of a granted Tenement for reasons beyond the control of the Company could be significant. **Control** Following completion of the Offer, Terrence Delahunty's voting power could be as high as 7.91% and Milan Josic (and his associates) could be as high as 6.82%. Accordingly, Mr Delahunty and Mr Josic's significant interest in the capital of the Company mean that they will be in a position to potentially influence the election of directors and the financial decisions of the Company, and their interests may not align with those of all other Shareholders. Province Resources Limited holds a relevant interest in more than 25% of the Company which means that it has the potential to prevent a special resolution from being passed by the Company (such resolution requiring at least 75% of the votes cast by members entitled to vote on the resolution).	
Other risks	For additional specific risks please refer to Section 7.2. For other risks with respect to the industry in which the Company operates and general investment risks, many of which are largely beyond the control of the Company and its Directors, please refer to Sections 7.3 and 7.4.	Sections 7.2, 7.3 and 7.4
E. BOARD AND KEY MANAGEMENT		
Who are the Directors and key management personnel?	The Board consists of: (a) Peter Wall – Non-Executive Chair; (b) David Frances – Managing Director and Chief Executive Officer; and (c) Charles McHugh – Non-Executive Director. Key management personnel consist of: (a) Ian Hobson – Company Secretary. Further information about the experience, background and independence of each Director and the Company Secretary, is set out in Section 8.1 and Section 8.2.	Section 8.1

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<table>
<tr><th>ITEM</th><th>SUMMARY</th><th>FURTHER INFORMATION</th></tr>
<tr><td colspan="3">F. SIGNIFICANT INTERESTS OF KEY PEOPLE AND RELATED PARTY TRANSACTIONS</td></tr>
<tr><td>What interests do the Directors have in the securities of the Company?</td><td>The table below sets out the direct and indirect interests of the Directors in the Securities of the Company both as at the date of this Prospectus and following completion of the Offer.
<table>
<tr><th></th><th colspan="3">Date of Prospectus</th><th colspan="3">Completion of Offer</th></tr>
<tr><th>Director</th><th>Shares</th><th>Options</th><th>% of Shares (undiluted)</th><th>Shares</th><th>Options</th><th>% of Shares (undiluted)</th></tr>
<tr><td>Peter Wall</td><td>nil</td><td>7,000,000</td><td>nil</td><td>nil</td><td>7,000,000</td><td>nil</td></tr>
<tr><td>David Frances</td><td>nil</td><td>16,000,000</td><td>nil</td><td>nil</td><td>16,000,000</td><td>nil</td></tr>
<tr><td>Charles McHugh</td><td>nil</td><td>7,000,000</td><td>nil</td><td>nil</td><td>7,000,000</td><td>nil</td></tr>
</table>
Please refer to Section 8.5 for notes relating to the above table.
In addition, the Directors (and their spouses and associates) may apply for Shares under the Offer. If one or more of the Directors (or their associates) do apply for, and are allocated, Shares under the Offer, their relevant interest in the Company (as illustrated in the above table) will increase.</td><td>Section 8.5.</td></tr>
<tr><td>What significant benefits are payable to the Directors in connection with the Company or the Offer?</td><td>The Directors are entitled to the remuneration as disclosed in Section 8.5.
<table>
<tr><th>Director</th><th>Remuneration (including superannuation) for the year ending 30 June 2026</th><th>Proposed Annual Remuneration (including superannuation)</th></tr>
<tr><td>Peter Wall</td><td>$41,250</td><td>$45,000</td></tr>
<tr><td>David Frances</td><td>$229,999</td><td>$250,908</td></tr>
<tr><td>Charles McHugh</td><td>$27,500</td><td>$30,000</td></tr>
</table></td><td>Section 8.5.</td></tr>
<tr><td>Who are the Company's substantial Shareholders, what interest will they have after completion of the Offer and who will the Company's substantial Shareholders be on completion of the Offer?</td><td>Those Shareholders holding 5% or more of the Shares on issue both as at the date of this Prospectus and on completion of the Offer is set out in the respective tables below.
The following person has a relevant interest in 5% or more of the Shares on issue as at the date of this Prospectus:
<table>
<tr><th rowspan="2">Shareholder</th><th rowspan="2">Shares</th><th colspan="2">%</th></tr>
<tr><th>Undiluted</th><th>Fully Diluted</th></tr>
<tr><td>Province Resources Limited</td><td>15,000,000</td><td>100%</td><td>33.33%</td></tr>
</table>
Based on information known to the Company as at the date of this Prospectus, on completion of the issue of Shares under the Offer (assuming no existing substantial Shareholder subscribes and receives additional Shares pursuant to the Offer), the following persons (together with their associates) will have a relevant interest in 5% or more of the Shares on issue:</td><td>Section 5.8</td></tr>
</table>

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<table>
<tr><th>ITEM</th><th>SUMMARY</th><th>FURTHER INFORMATION</th></tr>
<tr><td></td><td>
<table>
<tr><th rowspan="2">Shareholder</th><th rowspan="2">Shares</th><th rowspan="2">Options</th><th colspan="2">Percentage (%)</th></tr>
<tr><th>Undiluted</th><th>Fully Diluted</th></tr>
<tr><td>Province Resources Limited</td><td>30,000,000</td><td>-</td><td>46.51 %</td><td>28.17%</td></tr>
<tr><td>Terrance Delahunty</td><td>5,100,000</td><td>2,550,000</td><td>7.91%</td><td>7.18%</td></tr>
<tr><td>Milan Josic (and his associates)</td><td>4,400,000</td><td>2,450,000</td><td>6.82%</td><td>6.43%</td></tr>
</table>
</td><td></td></tr>
<tr><td>Who are the Joint Lead Managers to the Offer?</td><td>The Company has appointed Inyati Capital and Veritas Securities as Joint Lead Managers to the Offer.
The Joint Lead Managers will receive the following fees:
(a) a management fee of 1% (excluding GST) of all funds raised under the Offer (excluding funds contributed by Province Resources Limited under the Cornerstone Offer);
(b) a capital raising fee of 5% (excluding GST) of all funds raised under the Offer (excluding funds contributed by Province Resources Limited under the Cornerstone Offer); and
(c) 7,000,000 Options exercisable at $0.30 each on or before the date that is four (4) years from the date of Admission of the Company to the Official List of the ASX.</td><td>Section 4.8</td></tr>
<tr><td>What other allocations will be made under the Offer?</td><td>PRL Offer
The Offer includes a priority offer of up to 5,000,000 Shares to Eligible PRL Shareholders (PRL Offer), representing $1,000,000 of the total amount to be raised under the Offer.
Cornerstone Investor
PRL has committed to the Company to a subscription of 15,000,000 Shares at the Offer Price under the Offer pursuant to the Cornerstone Subscription Agreement, representing 37.50% of the Shares available for subscription under the Offer.
As at the date of this Prospectus, PRL holds 15,000,000 Shares, which were acquired on incorporation of the Company as the founding shareholder.
Upon completion of the Offer and the Company’s Admission, PRL will have a substantial shareholding in the Company of approximately 46.51%.</td><td>Section 4.2 and 4.3.</td></tr>
<tr><td>Employee Securities Incentive Plan</td><td>For further details regarding the Company’s Employee Securities Incentive Plan, refer to Section 10.7 of the Prospectus.</td><td>Section 10.7.</td></tr>
<tr><td>Are there any related party transactions?</td><td>For further details regarding the agreements between the Company and related parties, refer to Section 9.4.</td><td>Section 9.4</td></tr>
<tr><td colspan="3">G. FINANCIAL INFORMATION AND DIVIDEND POLICY</td></tr>
</table>

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ITEM	SUMMARY	FURTHER INFORMATION
How has the Company been performing?	As the Company was only recently incorporated on 12 December 2024, it has limited financial performance and has no operating history. As a mineral exploration and development company, the Company is not in a position to disclose any key financial ratios other than its statement of profit and loss, statement of cash flows and pro-forma statement of financial position which is included in the Investigating Accountant's Report set out in Annexure C.	Section 6 and Annexure C
What is the financial outlook for the Company?	Given the current status of the Project and the speculative nature of the Company's business, the Directors do not consider it appropriate to forecast future earnings. Any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection on a reasonable basis.	Sections 5, 6 and Annexure C
What is the Company's dividend policy?	Payment of dividends by the Company is at the discretion of the Board. Given the stage of development of the Company, the Board anticipates that significant expenditure will be incurred in the evaluation and development of the Project. These activities, together with the possible acquisition of interests in other projects, are expected to dominate at least the first two-year period following the Company's Admission. Accordingly, the Directors have no current intention to declare and pay a dividend and no dividends are expected to be paid during the foreseeable future following the Company's Admission. In determining whether to declare future dividends, the Directors will consider the level of earnings of the Company, the operating results and overall financial condition of the Company, future capital requirements, capital management initiatives, general business outlook and other factors the Directors may consider relevant at the time of their decision. The Directors cannot and do not provide any assurances in relation to the future payment of dividends or the level of franking credits attaching to dividends.	Section 5.10
H. CAPITAL STRUCTURE		
Who are the existing Shareholders of the Company?	The existing Shareholder of the Company is the Company's founding shareholder and parent company of Black Horse, Province Resources Limited. The current capital structure of the Company is detailed in Section 5.7.	Section 5.7
What will the Company's capital structure be on completion of the Offer and listing on ASX?	On completion of the Offer and the Company's listing on ASX, the Company will have 64,500,000 Shares and 42,000,000 Options on issue. The capital structure of the Company on completion of the Offer is detailed in Section 5.7.	Section 5.7
J. OVERVIEW OF THE OFFER		
What is the Offer?	The Offer is an offer of 40,000,000 Shares at an issue price of $0.20 per Share to raise $8,000,000 (before costs).	Section 4.1, Section 4.2 and Section 4.3

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ITEM	SUMMARY	FURTHER INFORMATION
	The Shares issued under this Prospectus are new shares which will rank equally with the Shares already on issue.	
Is there a minimum subscription under the Offer?	Yes. The minimum amount to be raised under the Offer is $8,000,000 (before costs) by the issue of 40,000,000 Shares at an issue price of $0.20 (being, the Minimum Subscription). No oversubscriptions above the Minimum Subscription will be accepted.	Section 4.5 and Section 4.6
Why is the Offer being conducted?	The Offer is being conducted primarily to: (a) assist the Company to meet the admission requirements of ASX under Chapters 1 and 2 of the ASX Listing Rules; (b) provide the Company with funding for: (i) the proposed exploration programs at the Project (as further detailed in Section 5; (ii) evaluating acquisition opportunities that may be presented to the Board from time to time; and (iii) the Company's working capital requirements while it is implementing its business strategies; (c) provide the Company with access to capital markets to improve capital management flexibility; (d) provide the Company with the benefits of an increased profile that arises from being a listed entity; (e) broaden the Company's shareholder base and provide a liquid market for the Shares; and (f) pay transaction costs associated with the Offer.	Section 4.4
What is the proposed use of funds raised under the Offer?	The Company intends to apply funds raised under the Offer, together with existing cash reserves post-Admission, as set out in Section 5.6 to advance the Company's main objectives upon Admission. The Board is satisfied that following completion of the Offer, the Company will have sufficient working capital to carry out its stated objectives as detailed in this Prospectus.	Section 5.6
What is the Offer Price?	The price payable under the Offer is $0.20 per Share.	Section 4.1
What rights and liabilities attach to the Shares being offered?	A summary of the material rights and liabilities attaching to the Shares offered under the Offer are set out in Section 10.3. The terms and conditions of the Options offered under the Consideration Offer and Lead Manager Offer are set out in Section 10.4.	Sections 10.3 and 10.4
Is the Offer underwritten?	No, the Offer is not underwritten.	Section 4.7
Are there any conditions to the Offer?	The Offer is conditional upon the following conditions being satisfied: (a) the Minimum Subscription to the Offer being reached (being $8,000,000); (b) ASX granting conditional approval for the Company to be admitted to the Official List; and	Section 4.9 and Section 9.1

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ITEM	SUMMARY	FURTHER INFORMATION
	(c) the Acquisition Agreement (the terms of which are summarised at Section 9.1) becoming unconditional, (together, the **Conditions**). The Offer will only proceed if all Conditions are satisfied. Further details are set out in Section 4.9.	
Who is eligible to participate in the Offer?	This Prospectus does not, and is not intended to, constitute an offer or invitation in any place or jurisdiction, or to any person to whom, it would not be lawful to make such an offer or invitation 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 observe any of these restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.	Section 4.15
How can I apply for Shares?	The process for applying for Shares in the Company is set out in Section 4.10. Applications for Shares under the PRL Offer and the Offer must be made by completing the relevant online Application Form in accordance with the instructions set out in Section 4.10 and the relevant Application Form.	Section 4.10
What is the allocation policy?	Other than 15,000,000 Shares being allocated to Province Resources Limited under the Offer and 5,000,000 Shares being offered in priority to Eligible PRL Shareholders under the PRL Offer and the intended minimum allocation of 10,000 Shares ($2,000) to Eligible PRL Shareholders who validly apply for Shares under the PRL Offer, the Company retains an absolute discretion to determine the basis of allocation of Shares under the Offer. The allocation of Shares under the Offer will be determined by the Company in consultation with the Joint Lead Managers, having regard to the allocation policy set out in Section 4.11. No assurance can be given that any applicant will be allocated all or any Shares applied for.	Section 4.11
Will any Shares be subject to escrow?	None of the Shares issued under the Offer will be subject to escrow. However, subject to the Company complying with Chapters 1 and 2 of the ASX Listing Rules and completing the Offer, it is anticipated that the following Securities will be classified by ASX as restricted securities and subject to escrow: (a) 15,000,000 Shares held by Province Resources Limited, which were acquired on incorporation of Black Horse; (b) 9,500,000 Shares and 5,000,000 Options (plus any Additional Consideration Shares if applicable) to be issued to the Vendors (and/or their respective nominees) pursuant to the Acquisition Agreement; (c) 30,000,000 Options held by the Directors (and/or their respective nominees); and (d) 7,000,000 Options to be issued to the Joint Lead Managers (and/or its nominees). During the period in which restricted Shares are prohibited from being transferred, trading in Shares may be less liquid	Section 5.9

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ITEM	SUMMARY	FURTHER INFORMATION
	which may impact on the ability of a Shareholder to dispose of his or her Shares in a timely manner. The Company will announce to ASX full details (quantity and duration) of the Shares required to be held in escrow prior to the Shares commencing trading on ASX. The Company confirms its 'free float' (the percentage of the Shares that are not restricted and are held by shareholders who are not related parties (or their associates) of the Company at the time of Admission) will be not less than 20% in compliance with ASX Listing Rule 1.1 Condition 7.	
Will the Shares be quoted on ASX?	Application for quotation of all Shares to be issued under the Offer will be made to ASX no later than 7 days after the date of this Prospectus.	Section 4.13
What are the key dates of the Offer?	The key dates of the Offer are set out in the indicative timetable in Section 2.	Section 2
What is the minimum application size under the Offer?	Applications for Shares under the Offer must be for a minimum of $2,000 worth of Shares (10,000 Shares) and thereafter, in multiples of 2,500 Shares and payment for the Shares must be made in full at the Offer Price of $0.20 per Share.	Section 4.10
K. ADDITIONAL INFORMATION		
Is there any brokerage, commission or duty payable by applicants?	No brokerage, commission or duty is payable by applicants on the acquisition of Shares under the Offer. However, the Company will pay to the Joint Lead Managers 6% (excluding GST) of the total amount raised under the Offer (a capital raising fee of 5% and management fee of 1%) (excluding funds contributed by Province Resources Limited under the Cornerstone Offer).	Sections 4.8, 4.17 and 9.2
Can the Offer be withdrawn?	Yes. The Company reserves the right not to proceed with the Offer at any time before the issue of Shares to successful applicants. If the Offer does not proceed, application monies will be refunded (without interest).	Section 4.18
What are the tax implications of investing in Shares?	The acquisition and disposal of Shares will have consequences, which will differ depending on the individual financial affairs of each investor. Holders of Shares may be subject to Australian tax on dividends and possibly capital gains tax on a future disposal of Shares subscribed for under this Prospectus. It is not possible to provide a comprehensive summary of the possible taxation positions of all potential applicants. As such, all potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Shares from a taxation viewpoint and generally.	Section 4.17
What are the corporate governance principles and policies of the Company?	To the extent applicable, in light of the Company's size and nature, the Company has adopted *The Corporate Governance Principles and Recommendations (4th Edition)* as published by ASX Corporate Governance Council (**Recommendations**). In addition, the Company's full Corporate Governance Plan (including the Company's main corporate governance policies and practices as at the date of this Prospectus) is	Section 8.6

ITEM	SUMMARY	FURTHER INFORMATION
	available from the Company's website (www.blackhorsemining.com). Prior to listing on the ASX, the Company will announce its main corporate governance policies and practices and the Company's compliance and departures from the Recommendations.	
Where can I find more information about this Prospectus or the Offer?	(a) By speaking to your accountant, financial adviser, stockbroker, lawyer or other professional adviser; (b) By contacting the Company Secretary, on +61 8 9388 8290; or (c) By contacting the Share Registry on 1300 124 934 (within Australia) or +61 2 8072 1449 (outside Australia).	Corporate directory
Can general meetings of shareholders be held using technology?	The Company's constitution permits the use of technology at general meetings of shareholders (including wholly virtual meetings) to the extent permitted under the Corporations Act, Listing Rules and applicable law.	Section 10.3

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

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4. Details of the Offer

4.1 The Offer

This Prospectus provides an invitation to apply for Shares in the capital of the Company.

The Offer is an initial public offering of 40,000,000 Shares at an issue price of $0.20 per Share to raise $8,000,000 (before costs) (the **Offer**).

The Shares issued under the Offer will be fully paid and will rank equally with the existing Shares currently on issue. Please refer to Section 10.3 for a summary of the material rights and liabilities attaching to the Shares.

The Offer is made on the terms, and is subject to the conditions, set out in this Prospectus.

4.2 PRL Offer

The Offer includes a priority offer of up to 5,000,000 Shares to Eligible PRL Shareholders (**PRL Offer**), representing $1,000,000 of the total amount to be raised under the Offer.

If no Shares are subscribed for under the PRL Offer by the Closing Date of the PRL Offer, then 25,000,000 Shares will be available under the Offer generally. If the PRL Offer is fully subscribed, then only 20,000,000 Shares will be available under the Offer generally (taking into account the subscription of cornerstone investor, Province Resources Limited, as set out below in Section 4.3).

In addition to the purposes set out in Section 4.4, a further purpose of the PRL Offer is to allow Eligible PRL Shareholders the opportunity to gain upside exposure to the Project, through a shareholding in the Company.

The Eligible PRL Shareholders who validly apply for Shares under the PRL Offer will receive at least a minimum allocation of 10,000 Shares ($2,000) under the PRL Offer (subject to the Company not receiving in excess of 500 applications under the PRL Offer) and thereafter will be allocated Shares under the PRL Offer in accordance with the allocation policy set out in Section 4.11 below.

While it is intended that as many Eligible PRL Shareholders as possible receive an allocation under the PRL Offer, there is no guarantee and the Company gives no assurance that all Eligible PRL Shareholders will be allocated the number of Shares applied for.

Eligible PRL Shareholders are encouraged to submit an Application Form under the PRL Offer as soon as possible after the Opening Date of the Offer and in any event prior to the Closing Date of the PRL Offer.

It is intended that the PRL Offer will close at least 7 days before the Offer closes. This will allow the Company to accept applications under the Offer for Shares not applied for (or for applications not accepted by the Company) under the PRL Offer.

4.3 Cornerstone Investor

Province Resources Limited has committed to the Company to a subscription of 15,000,000 Shares at the Offer Price under the Offer pursuant to the Cornerstone Subscription Agreement, representing 37.50% of the Shares available for subscription under the Offer.

As at the date of this Prospectus, Province Resources Limited holds 15,000,000 Shares, which were acquired on incorporation of the Company as the founding shareholder.

Upon completion of the Offer and the Company's Admission, Province Resources Limited will have a substantial shareholding in the Company of approximately 46.51%.

Please refer to Section 9.3 for a summary of the material terms and conditions of the Cornerstone Subscription Agreement.

4.4 Purpose of the Offer

The primary purposes of the Offer are to:

(a) assist the Company to meet the admission requirements of ASX under Chapters 1 and 2 of the ASX Listing Rules to facilitate the Company's application for Admission;

(b) provide the Company with funding for:

(i) the proposed exploration programs at the Project (as further detailed in Section 5);

(ii) evaluating acquisition and/or investment opportunities that may be presented to the Board from time to time; and

(iii) the Company's working capital requirements while it is implementing its business strategies;

(c) provide the Company with access to capital markets to improve capital management flexibility;

(d) provide the Company with the benefits of an increased profile that arises from being a listed entity;

(e) broaden the Company's shareholder base and provide a liquid market for the Shares; and

(f) pay transaction costs associated with the Offer.

The Company intends to apply the funds raised under the Offer together with its existing cash reserves in the manner detailed in Section 5.6.

4.5 Minimum Subscription

The minimum subscription to the Offer is $8,000,000 (40,000,000 Shares) (**Minimum Subscription**).

If the Minimum Subscription has not been raised within four (4) months after the date of this Prospectus or such period as varied by the ASIC, no Shares will be issued under the Offer and the Company will repay all application monies for the Shares within the time prescribed under the Corporations Act, without interest.

4.6 Oversubscriptions

No oversubscriptions above the Minimum Subscription will be accepted by the Company under the Offer.

4.7 Underwriting

The Offer is not underwritten.

4.8 Joint Lead Managers

The Company has appointed:

(a) Inyati Capital Pty Ltd (ACN 642 351 193), an Authorised Representative (No. 1287573) of ShareX Pty Ltd (AFSL 519872) (**Inyati Capital**); and

(b) Veritas Securities Limited (ACN 117 124 535) (AFSL 297 043) (**Veritas Securities**)

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as Joint Lead Managers to the Offer pursuant to the Joint Lead Manager Mandate.

In consideration for services provided under the Joint Lead Manager Mandate, the Company has agreed to pay the Joint Lead Managers:

(c) a management fee of 1% (excluding GST) of the total gross proceeds raised under the Offer (excluding funds contributed by Province Resources Limited under the Cornerstone Offer);

(d) and capital raising fee of 5% of the total gross proceeds raised under the Offer (excluding funds contributed by Province Resources Limited under the Cornerstone Offer); and

(e) 7,000,000 Options exercisable at $0.30 each on or before the date that is four (4) years from the date of Admission of the Company to the Official List of the ASX.

The total value of the fees to be received by the Joint Lead Managers (including the total value of the 7,000,000 Options to be issued to the Joint Lead Managers) are equal to 14.92% of the total funds to be raised under the Offer. For the purposes of determining the total value of the fees to be received by the Joint Lead Managers, a total value of $893,996 has been attributed to the 7,000,000 Options to be issued to the Joint Lead Managers (based on the valuation detailed in the Investigating Accountant's Report set out in Annexure C).

Please refer to Section 9.2 for a summary of the material terms and conditions of the Joint Lead Manager Mandate.

The fees payable to the Joint Lead Managers were negotiated on an arm's length basis.

Based on the information available to the Company as at the date of the Prospectus regarding the intentions of the Joint Lead Managers and their respective associates in relation to the Offer and assuming that neither the Joint Lead Managers or their respective associates take up any Shares under the Offer, the Joint Lead Managers and their associates will, on completion of the Offer, have an interest in 7,000,000 Options.

The Joint Lead Managers and their respective associates have not participated in any other placement of Securities by the Company in the two years preceding lodgement of this Prospectus.

4.9 Conditions of the Offer

The Offer is conditional upon the following conditions being satisfied:

(a) the Minimum Subscription to the Offer being reached (being $8,000,000);

(b) ASX granting conditional approval for the Company to be admitted to the Official List; and

(c) the Acquisition Agreement (the terms of which are summarised at Section 9.1) becoming unconditional,

(together, the **Conditions**).

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

4.10 Applications

Applicants should note that there are two separate Application Forms:

(a) a PRL Offer Application Form for Eligible PRL Shareholders; and

(b) an Offer Application Form for all other applicants.

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Applications for Shares under the Offer must be made by using the relevant online Application Form as follows:

PRL Offer:

https://apply.automic.com.au/BlackHorseMiningPriority

Offer:

https://apply.automic.com.au/BlackHorseMining

and paying the application monies electronically;

The Application Form attached to, or accompanying, this Prospectus is not to be completed or submitted. It is to be used as a guide to access the relevant Application Form online.

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

Applications for Shares under the Offer must be for a minimum of $2,000 worth of Shares (10,000 Shares) and thereafter in multiples of 2,500 Shares and payment for the Shares must be made in full at the Offer Price of $0.20 per Share.

Completed Application Forms must be submitted electronically and payment must be received by no later than 5:00pm (WST) on the Closing Date of the PRL Offer or the Offer, as applicable.

If paying by BPAY® or EFT (Electronic Funds Transfer), please follow the instructions on the Application Form. A unique reference number will be quoted upon completion of the online application. Your BPAY® or EFT 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® or EFT should be aware of their financial institution's cut-off time (the time payment must be made to be processed overnight) and ensure payment is processed by their financial institution on or before the day prior to the Closing Date of the PRL Offer or the Offer, as applicable. You do not need to return any documents if you have made payment by BPAY® or EFT.

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

PRL Offer applications

Eligible PRL Shareholders can apply under the PRL Offer. Eligible PRL Shareholders are registered shareholders of Province Resources Limited at 5.00pm (WST) on the Record Date for the PRL Offer who are resident in Australia.

Applications under the PRL Offer must be made by applying online at:

https://apply.automic.com.au/BlackHorseMiningPriority

using the unique priority code which will be provided to Eligible PRL Shareholders to log-in and submit an application and pay the application monies by BPAY® or EFT.

The Closing Date of the PRL Offer is 5:00pm (WST) on 24 October 2025, or such earlier or later date as the Directors, in their absolute discretion, may determine.

The Company reserves the right to extend the Closing Date of the PRL Offer or close the PRL Offer early without notice.

General Offer applications

Applications under the Offer must be made by applying online at:

https://apply.automic.com.au/BlackHorseMining

to log-in and submit an application and pay the application monies by BPAY® or EFT.

The Closing Date of the Offer is 5:00pm (WST) on 7 November 2025, or such earlier or later date as the Directors, in their absolute discretion, may determine.

The Company reserves the right to extend the Closing Date of the Offer or close the Offer early without notice.

4.11 Allocation policy under the Offer

Other than 15,000,000 Shares being allocated to Province Resources Limited under the Offer and 5,000,000 Shares being offered in priority to Eligible PRL Shareholders under the PRL Offer and the intended minimum allocation of 10,000 Shares ($2,000) to Eligible PRL Shareholders who validly apply for Shares under the PRL Offer, the Company retains an absolute discretion to determine the basis of allocation of Shares under the Offer.

The Company, in consultation with the Joint Lead Managers, reserves the right, in its absolute discretion, to allot to any applicant a lesser number of Shares than the number for which the applicant applies for or to reject any application. If the number of Shares allotted is fewer than the number applied for, surplus application money will be refunded without interest as soon as practicable.

No applicant under the Offer has any assurance of being allocated all or any Shares applied for.

The allocation of Shares by the Directors, in consultation with the Joint Lead Managers, will be influenced by the following factors:

(a) the number of Shares applied for by particular applicants;

(b) the timeliness of the bid by particular applicants;

(c) the overall level of demand under the Offer;

(d) the Company's desire for an informed and active trading market following its listing on ASX;

(e) the Company's desire to establish a wide spread of investors, including institutional investors;

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

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

(h) any other factors that the Company and the Joint Lead Managers consider appropriate.

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

4.12 Secondary Offers

This Prospectus also contains the following secondary offers:

(a) the offer of 9,500,000 Shares and 5,000,000 Options to the Vendors (the **Consideration Offer**) (plus any Additional Consideration Shares if applicable); and

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(b) the offer of 7,000,000 Options to the Joint Lead Managers (the **Lead Manager Offer**),

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

The terms and conditions of each of the Secondary Offers are respectively detailed below.

(c) **Consideration Offer**

The purpose of the Consideration Offer is to remove any trading restrictions attaching to Shares issued under the Consideration Offer and any Shares issued on exercise of the Options issued under the Consideration Offer, given that the Securities offered under the Consideration Offer are being issued with disclosure under this Prospectus.

Prospective investors should note that the number of Shares to be issued pursuant to the Acquisition Agreement may increase to the extent that any Additional Consideration Shares are required to be issued (up to a maximum of 500,000 Shares).

The Consideration Offer will open on the opening date of the Offer and remain open until the Company's admission to the Official List, unless closed earlier by the Company, in its sole discretion.

The Consideration Offer is only available for application by the Vendors (and/or their respective nominees) in accordance with the allocations set out in the Acquisition Agreement. An application form and instructions on how to apply in relation to the Consideration Offer will only be provided to the Vendors (and/or their respective nominees) by the Company. Applications for Securities under the Consideration Offer must only be made using the application form to be provided by the Company and attached to, or accompanying this, Prospectus.

The Shares issued under the Consideration Offer and any Shares issued upon future exercise of the Options issued under the Consideration Offer will be fully paid and will rank equally with the existing Shares currently on issue. Please refer to Section 10.3 for a summary of the material rights and liabilities attaching to the Shares.

The Options issued under the Consideration Offer will be issued on the terms and conditions set out in Section 10.4.

No payment is required to subscribe for Securities under the Consideration Offer. Accordingly, no funds will be raised pursuant to the Consideration Offer.

The Company reserves all discretions in relation to applications under the Consideration Offer.

(d) **Lead Manager Offer**

The purpose of the Lead Manager Offer is to remove any trading restrictions attaching to Shares issued on exercise of the Options to be issued under the Lead Manager Offer, given that the Options offered under the Lead Manager Offer are being issued with disclosure under this Prospectus.

The Lead Manager Offer will open on the opening date of the Offer and remain open until the Company's admission to the Official List, unless closed earlier by the Company, in its sole discretion.

The Lead Manager Offer is only available for application by the Joint Lead Managers (and/or its nominees). An application form and instructions on how to apply in relation to the Lead Manager Offer will only be provided to the Joint Lead Managers (and/or its nominees) by the Company. Applications for Options under the Lead Manager Offer must only be made using the application form to be provided by the Company and attached to, or accompanying this, Prospectus.

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The Options issued under the Lead Manager Offer will be issued on the terms and conditions set out in Section 10.4 and any Shares issued upon the future exercise of Options will be fully paid and will rank equally with the existing Shares currently on issue. Please refer to Section 10.3 for a summary of the material rights and liabilities attaching to the Shares.

No payment is required to subscribe for Options under the Lead Manager Offer. Accordingly, no funds will be raised pursuant to the Lead Manager Offer.

The Company reserves all discretions in relation to applications under the Lead Manager Offer.

4.13 ASX listing

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

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

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

4.14 Issue

Subject to the Conditions set out in Section 4.9 being satisfied, the issue of Shares offered by this Prospectus will take place as soon as practicable after the Closing Date.

Pending the issue of the Shares or payment of refunds pursuant to this Prospectus, all application monies will be held by the Company in trust for the applicants in a separate bank account as required by the Corporations Act. 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.

The Directors, in consultation with the Joint Lead Managers, will determine the recipients of the Shares in their sole discretion in accordance with the allocation policy detailed in Section 4.11.

Holding statements for Shares allocated to the Company's sponsored subregister and confirmation of allocation for Clearing House Electronic Subregister System (CHESS) holders will be mailed to applicants being allocated Shares under the Offer as soon as practicable after their issue.

4.15 Applicants outside Australia

This Prospectus does not, and is not intended to, constitute an offer in any place or jurisdiction, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus.

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should observe any of these restrictions, including those outlined below. In particular, this Prospectus may not be distributed in the United States or elsewhere outside Australia, except to institutional and professional investors in transactions exempt from local prospectus or registration requirements. Any failure to comply with such restrictions may constitute a violation of

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applicable securities laws. The return of a completed Application Form will be taken by the Company to constitute a representation and warranty by you that you have complied with these restrictions.

Further details in respect of participation by investors are set out in the Important Notice Section.

4.16 Commissions payable

The Company reserves the right to pay commissions of up to 6% (exclusive of goods and services tax) of amounts subscribed through any licensed securities dealers or Australian financial services licensees in respect of any valid applications lodged and accepted by the Company and bearing the stamp of the licensed securities dealer or Australian financial services licensee. Payments will be subject to the receipt of a proper tax invoice from the licensed securities dealer or Australian financial services licensee.

The Joint Lead Managers will be responsible for paying all commissions that the Joint Lead Managers and the Company agree with any other licensed securities dealers or Australian financial services licensees out of the fees paid by the Company to the Joint Lead Managers pursuant to the Joint Lead Manager Mandate.

4.17 Taxation

The acquisition and disposal of Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor. Holders of Shares may be subject to Australian tax on dividends and possibly capital gains tax on a future disposal of Shares subscribed for under this Prospectus.

It is not possible to provide a comprehensive summary of the possible taxation positions of all prospective applicants. As such, all prospective investors in the Company are urged to obtain independent taxation and financial advice about the consequences of acquiring Shares from a taxation viewpoint 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 subscribing for Shares under this Prospectus or the reliance of any applicant on any part of the summary contained in this Section.

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

4.18 Discretion regarding the Offer

The Offer may be withdrawn at any time. If the Offer does not proceed, all relevant application monies will be refunded (without interest) in accordance with applicable laws.

The Company and the Joint Lead Managers also reserve the right to close the Offer (or any part of it) early, extend the Offer (or any part of it), accept late applications either generally or in particular cases, reject any application or bid, or allocate to any applicant fewer Shares than applied for.

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5. Company and Project Overview

5.1 Background

Black Horse is an Australian unlisted public company incorporated in Western Australia on 12 December 2024, as a wholly owned subsidiary of Province Resources Limited (NSX: PRL), an entity listed on the National Stock Exchange of Australia (**NSX**).

As at the date of this Prospectus, the Company remains a wholly owned subsidiary of Province Resources Limited.

The Company was established for the purpose of acquiring, exploring and developing mineral resource projects in Australia and specifically, to acquire an interest in the Mt Egerton Project (**Mt Egerton Project** or **Project**) by acquiring an interest in Steadfast Mining Services Pty Ltd (**SMS**) pursuant to the Acquisition Agreement.

Following Black Horse's entry into the Acquisition Agreement, Province Resources Limited announced to the NSX its intention to spin-out its interest in the Mt Egerton Project via Black Horse undertaking an initial public offering and pursuing a listing on the ASX.

The Mt Egerton Project is situated in the southwest region of the Bendigo-Ballarat Zone in Central Victoria, Australia. This zone is considered one of the most prolific for gold producers in the world with over 80 million ounces produced, and Mt Egerton is one of only eight deposits in the zone to produce over 1 million ounces from primary hard rock.

The general location of the Project is shown in Figure 1 and Section 5.2 below provides an overview of the Project.

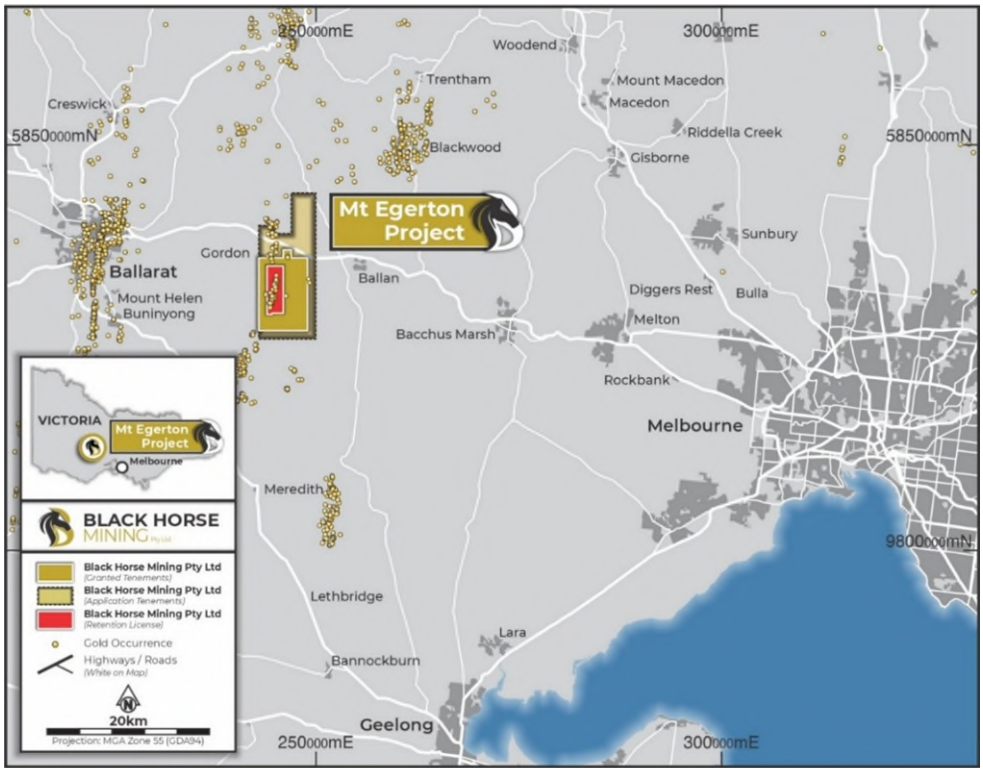


Figure 1: Location of the Mt Egerton Project in Victoria, Australia

Please refer to Section 9.1 for a summary of the Acquisition Agreement and the Solicitor's Report on Tenements set out in Annexure B for further details in relation to the Tenements forming the Mt Egerton Project.

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5.2 Overview of the Mt Egerton Project

(a) Location and Background

The Mt Egerton Project is located approximately 95km west of Melbourne, 35km east of Ballarat and approximately 15km south of the Western Freeway connecting Ballarat to Melbourne. The Project surrounds the township of Mt Egerton and is primarily accessed by sealed roads from the Western Freeway (refer Figure 1). Access within the Project is via a mix of sealed and unsealed roads.

(b) Tenure

The Mt Egerton Project comprises one Retention Licence, one granted Exploration Licence and one Exploration Licence application as detailed in Table 1 and shown on Figure 2.

Table 1: Mt Egerton Tenure

Tenement	Status	Grant Date (Application Date)	Expiry Date	Area (ha)	Registered Holder
RL 2018	Current	25 October 2016	24 October 2030	1174.4 hectares	Steadfast Mining Services Pty Ltd
EL 6417	Current	17 November 2017	16 November 2027	45 graticular sections	Steadfast Mining Services Pty Ltd
EL 8628	Application	16 December 2024	-	53 graticular sections	Steadfast Mining Services Pty Ltd

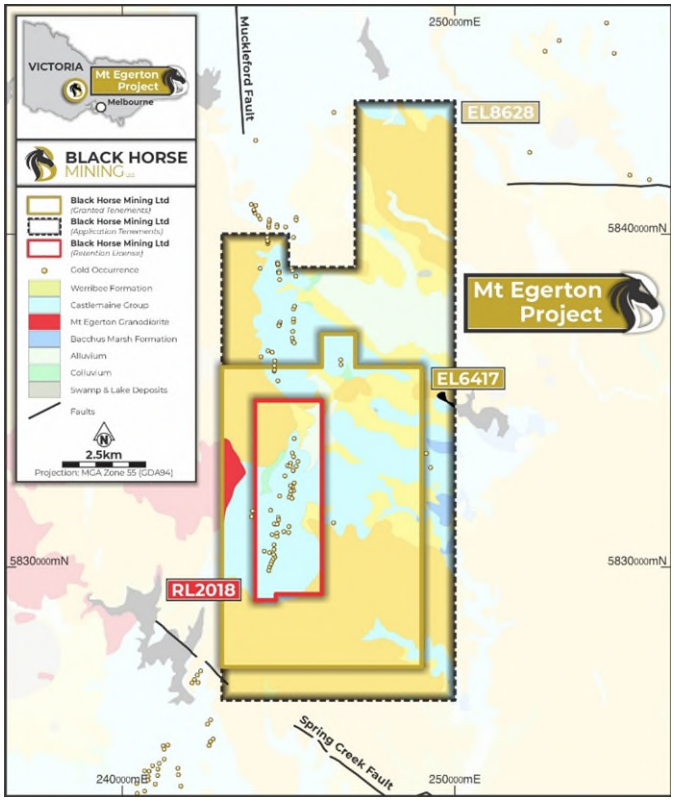


Figure 2: Tenement Map

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(c) Regional Geology

The Mt Egerton Gold Project is located in the south western portion of the Bendigo Zone within the Lachlan Fold Belt (**LFB**). Figure 3 shows the location of Mt Egerton in relation to the major structural zones within the Greater LFB in the central Victorian area.

The Bendigo Zone is bounded by major crustal-scale faults (Avoca Fault and Heathcote Fault) with deep-seated listric faults such as the Muckleford Fault acting as major mineralising fluid conduits.

The geological architecture is similar to other prolific Victorian goldfields such as Bendigo, Ballarat and Fosterville. Refer to Figures 3 and 4.

Refer to Section 2.1 of the Independent Geologist's Report for further details.

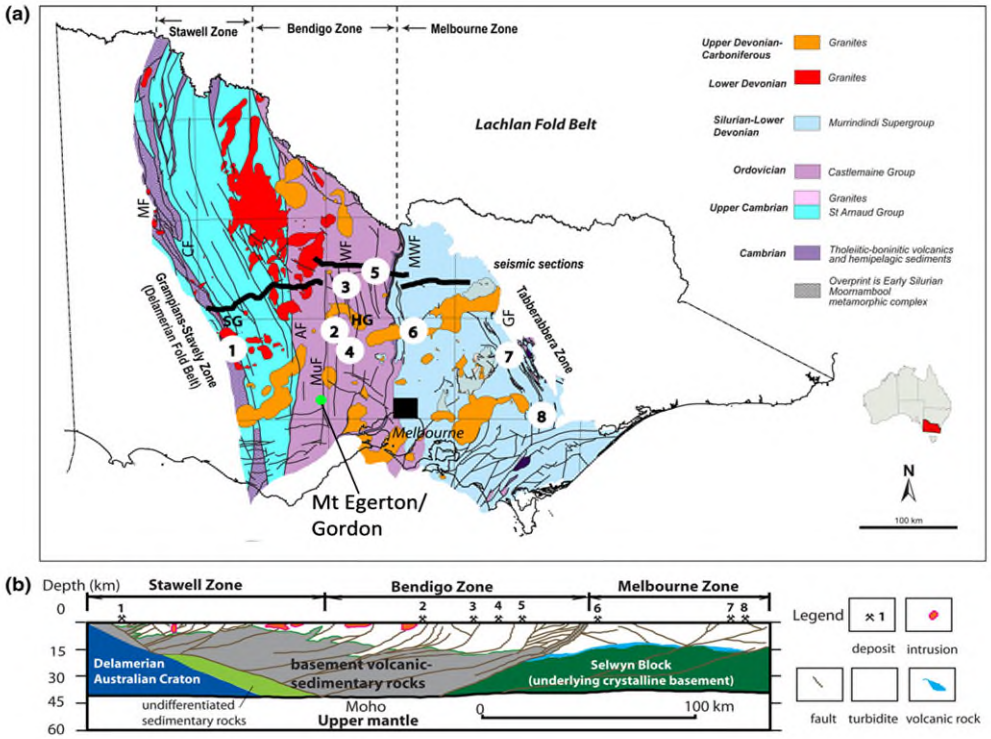


Figure 3:

(a) Geology and subdivisions of the Lachlan Fold Belt (LFB) showing location of Mt Egerton, major faults, structural zones and seismic sections.

(b) Simplified crustal cross section of the LFB in central Victoria based on seismic data illustrating fluid pathways.

Abbreviations used in Figure 3:

Structures / Intrusions: MF, Moyston Fault; CF, Coogee Fault; AF, Avoca Fault; MuF, Muckleford Fault; WF, Whitelaw Fault; MWF, Mt William Fault (in the Heathcote Fault Zone); GF, Governor Fault (in the Mt Wellington Fault Zone). SG, Stawell Granite; HG, Harcourt Granite.

Gold deposits: 1. Stawell-Magdala; 2. Maldon; 3. Bendigo; 4. Wattle Gully; 5. Fosterville; 6. Mt Piper; 7. Woods Point; 8. Walhalla.

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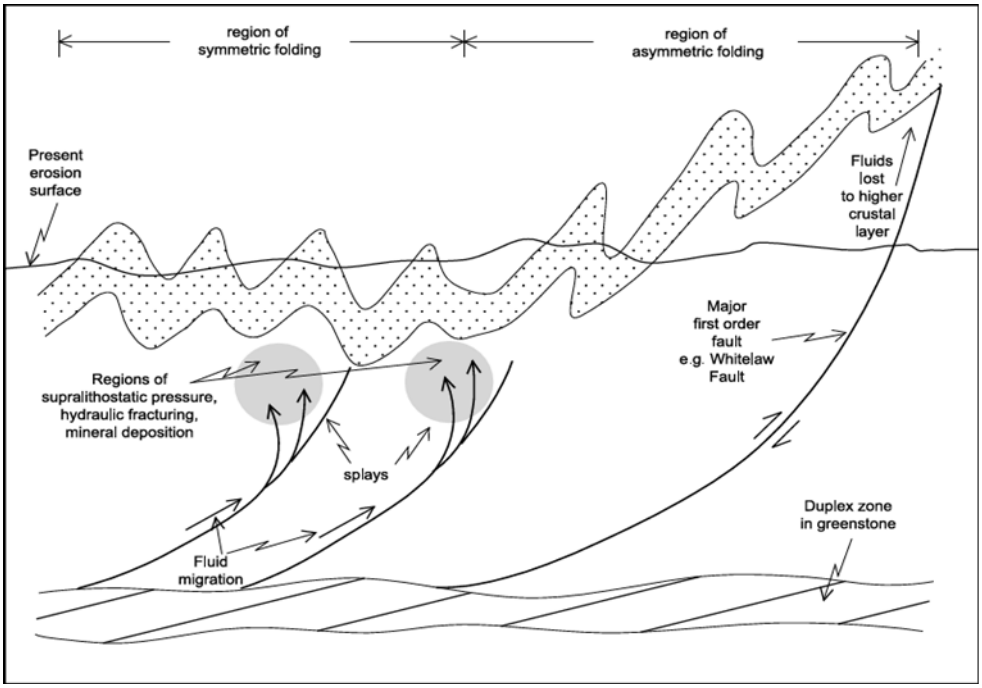


Figure 4: Central Victorian listric fault model

(d) **Local Geology**

(i) Host rocks: Ordovician Castlemaine Supergroup turbidites (siltstone, shale, sandstone) tightly folded into north–south upright anticlines and synclines.

(ii) West of the field: Mt Egerton Granodiorite intrusive body and contact aureole.

(iii) Overlain in parts by Permian glaciomarine sediments, Eocene fluvial sediments, and Newer Volcanics basalt flows. Refer to Figure 5 of the Independent Geologist's Report for further details.

Refer to Section 2.2 of the Independent Geologist's Report for further details.

(e) **Mineralisation Style**

(i) Gold occurs in north–south quartz reefs, with high grades localised in:

(A) "Wing makes" – large-scale tension veins branching from main reefs (type 4 in Figure 5).

(B) Intersections of east-dipping bedding-parallel structures and west-dipping faults (type 3 in Figure 5).

(C) "Bulge makes" - dilation jogs or "fissure reefs" along reverse faults (type 1 in Figure 5).

(ii) Structural complexity and late faulting have created multiple stacked lodes and displaced ore shoots.

Refer to Sections 2.3 and 2.6 of the Independent Geologist's Report for further details.

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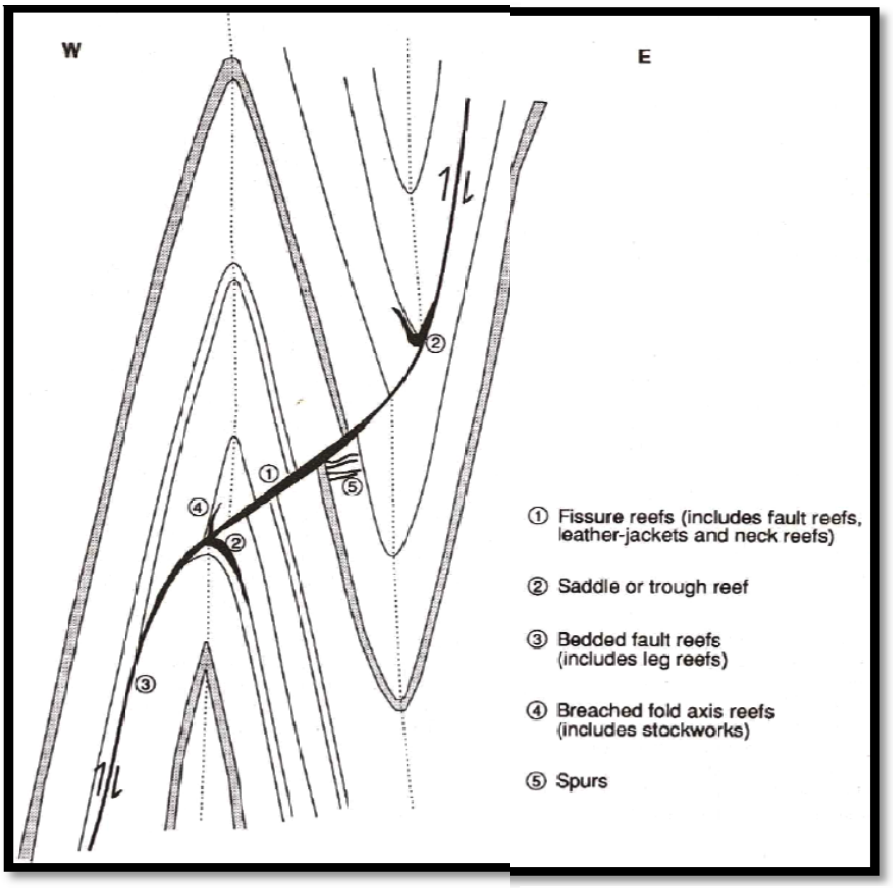


Figure 5: Diagram of quartz reef - reverse fault relationships in the Ballarat Goldfields.

(f) **Historical Mining**

Gold was first discovered at Mt Egerton in 1853, and the Project area was continuously mined to 1906.

Official reported gold production has been recorded from the principle Mt Egerton mine shafts including Egerton, Quarry, Black Horse, Black Horse United, Rose, Sister Rose and nearby Gordon goldfield. Refer to Figure 6.

A precise record of total gold production is difficult to compile, however various sources estimate that from mines within the Mt Egerton Project, there was production of between 27 tonnes and 40 tonnes of gold (approximately 868,000oz to 1,290,000oz) at reported grades of between 5.5g/t and 19.3g/t.

By the end of 1869 mining at the Mt Egerton shafts had progressed beyond a depth of 500 feet, with the Egerton Company also producing from the Rose shaft, south of the main Mt Egerton shaft. All of the Egerton workings were inter-connected at various levels depending on the general levels of operations.

Mining at Mt Egerton ceased due to water ingress, dewatering/mining costs, and inability to locate new economically exploitable high-grade shoots at depth using early 1900s exploration techniques and mining costs.

Refer to Section 2.4 of the Independent Geologist's Report for further details.

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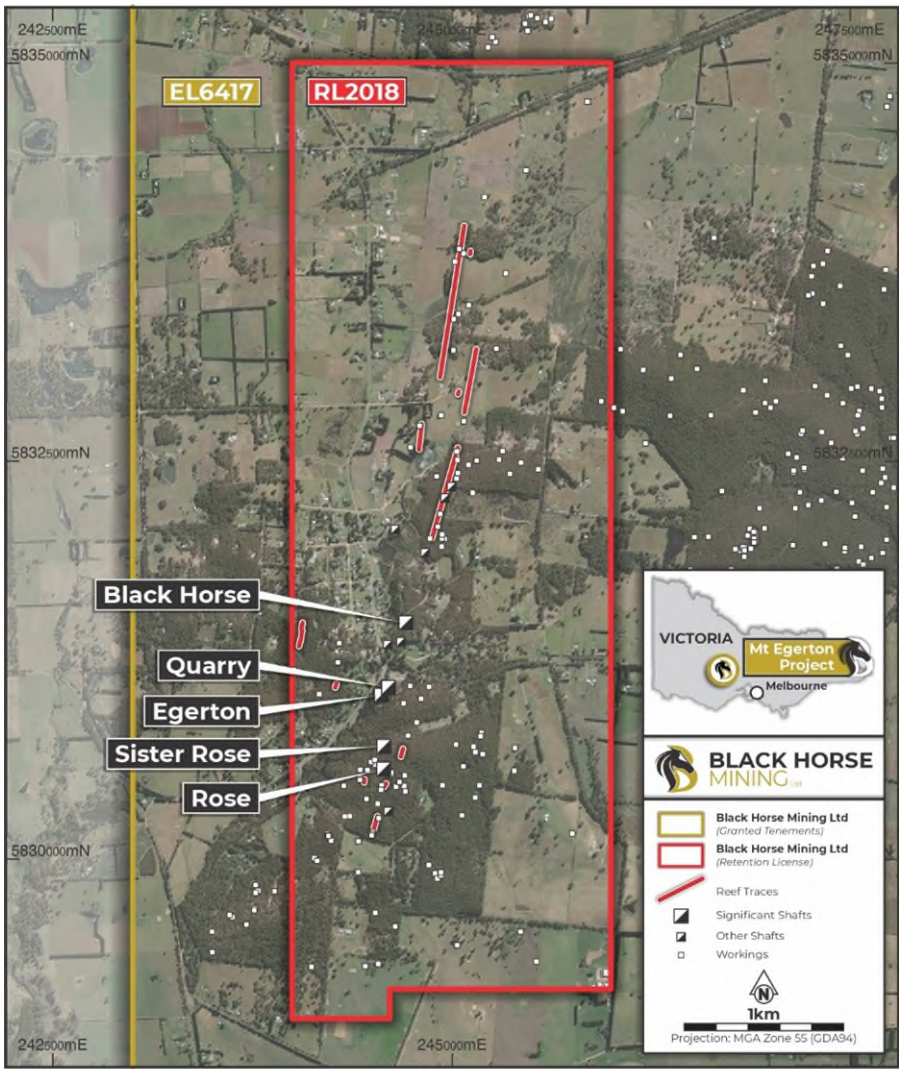


Figure 6: Historical shafts at the Mount Egerton Project

(g) **Previous Exploration (modern era)**

More recent (post-1970) exploration at Mt Egerton has been sporadic and predominantly comprised of shallow RC drilling targeting near-surface remnants, with less that 10% of all holes completed to date being drilled below 150 vertical metres.

Table 2: Summary of Modern Exploration at Mt Egerton Programs

Year	Company	Work Undertaken
1975 – 1978	Western Mining Corporation	Geophysical traverses
1980 – 1982	Carpentaria Exploration	Geological Mapping, Soil Sampling, Historical Research, 3 Diamond drill holes
1985 – 1989	Western Mining Corporation	Geological Mapping, Soil Sampling, 61 Reverse Circulation Holes, 4 Diamond Drill Holes
1993 – 2001	Minico Pty Ltd - JV with St Barbara Mines Ltd	122 Reverse Circulation Drill holes

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Year	Company	Work Undertaken
1998 – 2001	Golden Hills Limited - JV with Minico and St Barbara	Data Validation and 1996 Resource Estimate
2001 - 2013	Tech-Sol Resources Pty Ltd, JV with Cluff Resources (Torian Resources NL)	Historical Tailings Retreatment, 3 diamond drill holes

Black Horse has acquired an extensive digitised 3D model of historical underground workings, reefs, stopes, and controlling structures, compiled from:

(i) historic hardcopy mine plans and cross-sections;

(ii) government geological records; and

(iii) partial modern surveys of accessible workings.

This model underpins the target generation for future exploration.

Refer to Section 2.5 and 2.6 of the Independent Geologist's Report for further details.

(h) **Targets – near mine**

Proposed exploration by Black Horse will primarily target extensions to mineralisation within the historical mining area, including:

(i) eastern areas (Devlin's Paddock, Whipstick State Forest) with historic shallow shafts and recorded high-grade samples (refer to Figure 12);

(ii) southern areas under basalt cover where old records note auriferous reefs and drift deposits (refer to Figure 13); and

(iii) undocumented shallow workings visible in LiDAR, with minimal or no modern testing.

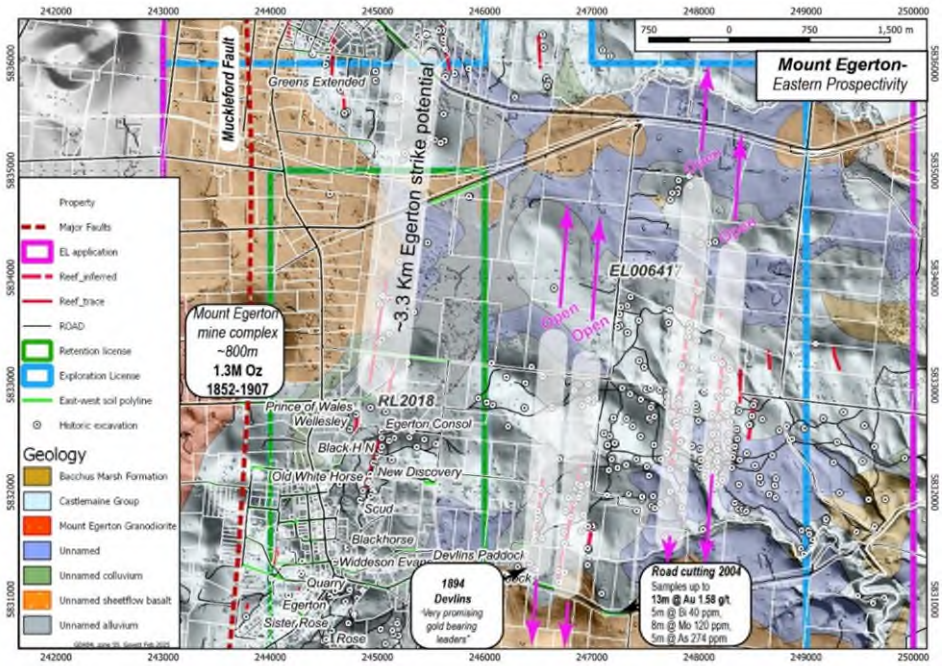


Figure 12: Mt Egerton Eastern Prospectivity. Surface geology and property boundaries draped over LiDAR. Shallow historic workings inferred from LiDAR and historic records.

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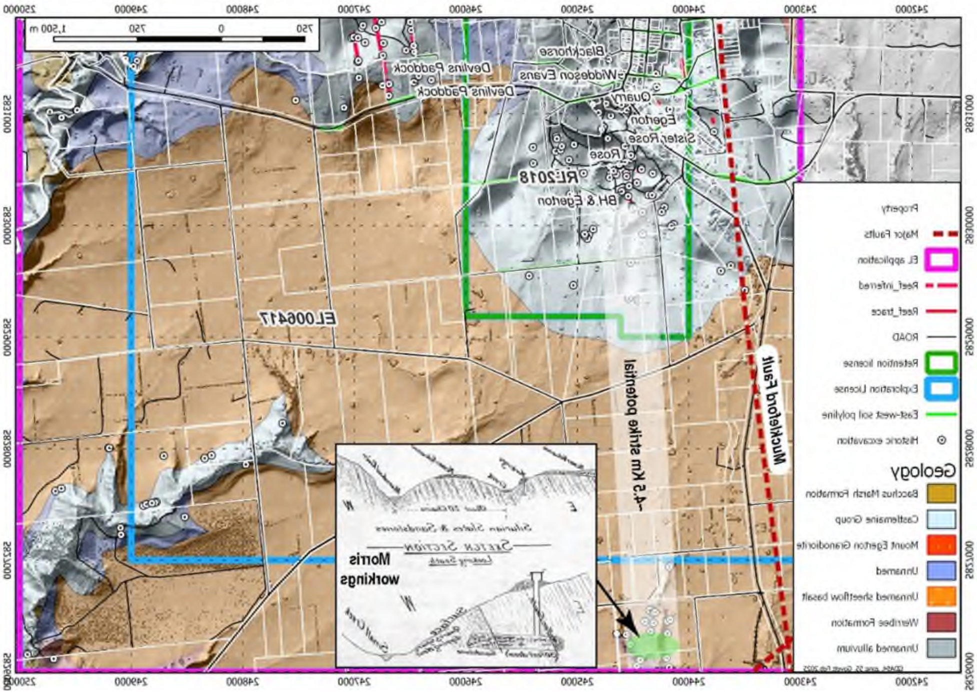


Figure13: Mt Egerton Southern Prospectivity. Surface geology and property boundaries draped over LiDAR. Shallow historic workings inferred from LiDAR and historic records.

5.3 Business model and strategy post-listing on the ASX

Black Horse's proposed business model following completion of the Offer will be primarily focused on undertaking exploration and development activities on the Project.

The Company's main objectives upon listing on the ASX will be to:

(a) systematically explore and seek to develop the Project;

(b) assess new strategic acquisitions and investment opportunities that may present;

(c) implement a growth strategy and actively canvas other mineral exploration and resource opportunities which have the potential to generate growth and value for Shareholders; and

(d) provide working capital.

In order to progress exploration and development of the Project, the Company proposes to undertake the exploration programs detailed at Section 5.4.

These exploration programs are designed to test the economic viability of the Project and the results will determine the potential timing for the commencement of further exploration and development activities, if warranted.

In order to manage its exploration and development activities, and subject to the results of each stage of work, the Company expects to supplement its existing personnel with additional technical expertise as and when needed with a mixture of both permanent and contractor positions.

In addition to progressing the Project, the Company intends to assess new strategic acquisitions and investment opportunities that may present and will actively canvas other mineral exploration and resource opportunities which have the potential to generate growth and value for Shareholders. The Board will consider and evaluate the merits of any acquisition and investment opportunities that arise depending on current market sentiments

and the Company's current finances and appetite for additional assets. The Company has not identified any acquisition or investment opportunities for evaluation as at the date of this Prospectus. In considering future acquisitions and investment opportunities, the Company's current intention is to consider mineral exploration projects, in particular those prospective for gold, primarily within Australia.

The funds raised from the Offer, together with existing cash reserves post-Admission, will allow the Company to progress its business model.

5.4 Proposed Exploration Programs and Development Plan

The Company has developed a staged exploration program for the Project proposed to be undertaken over the first two years following its listing on the ASX. Each step in the proposed exploration program will be conducted contingent upon the success of the preceding activity. The focus of the proposed exploration program for the Project requires a multi-faceted approach, with several simultaneous activities planned:

(a) landholder engagement;

(b) geophysics:

  (i) ground penetrating radar (GPR) survey to accurately locate historical shafts, concentrating on the Rose, Sister Rose, Quarry, Egerton and Blackhorse shafts, with the aim to locate and open at least one shaft to assess access to existing workings and water level and quality;

  (ii) 3D drone Lidar mapping of the workings once access is established;

  (iii) detailed magnetics – drone magnetic survey over the Egerton trend and parallel trends to the east.

(c) geochemistry:

  (i) soil sampling and mapping of the extensions of the Egerton "line" and other "lines" to the east of the Egerton "line" where mineralisation has been identified in historical workings; and

  (ii) investigating the historical underground workings for sampling and mapping, some of which have already been identified;

(d) drilling:

  (i) diamond drilling of shallow lode targets identified by previous RC drilling and extensions of unmined lodes identified from underground workings;

  (ii) diamond drilling of deep lode targets, both already identified by underground workings and postulated positions from the latest 3D modelling; and

  (iii) roadside AC drilling of extensions of the Egerton "line" and other "lines" to the east of the Egerton "line" where mineralisation has been identified in historical workings.

Refer to Section 2.8 of the Independent Geologist's Report for further details.

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The proposed exploration program accounts for total expenditure of $4,000,000 budgeted for the first two years following the Company's admission to the Official List of ASX. A summary of the proposed exploration budget by activity for the Project is outlined below:

	Exploration Budget ($8,000,000)		
	Year 1	Year 2	Total
Drilling	1,100,000	1,100,000	2,200,000
Geophysics	75,000	75,000	150,000
Geochemistry	300,000	200,000	500,000
Field Support (logistics, contractors wages)	400,000	400,000	800,000
Landholder engagement and environment	100,000	250,000	350,000
Project Total	**1,975,000**	**2,025,000**	**4,000,000**

Billandbry Consulting Pty Ltd, the Independent Geologist that prepared the Independent Geologist Report, concludes (on page 39 of the Independent Geologist Report) that "Billandbry has reviewed the proposed exploration activities and is of the opinion that the funds raised under the IPO will be sufficient for the proposed programs and that the programs are appropriate for the mineral potential and status of the Project."

It should be noted that the proposed exploration budget outlined above will be subject to modification on an ongoing basis depending on the success of exploration within the broader area of the Project, the results obtained from exploration and development activities undertaken, new circumstances and other opportunities.

Prospective investors should refer to the Independent Geologist's Report set out in Annexure A for further details of the Company's proposed work programs for the Project.

5.5 Key dependencies

The key dependencies influencing the viability of the Company's business model are:

(a) completion of the Offer and settlement pursuant to the Acquisition Agreement occurring;

(b) maintaining title to the Tenements forming the Mt Egerton Project;

(c) continuing to engage with landholders in order to undertake mineral exploration and development activities, notwithstanding that the Company has sufficient access to the Tenements to apply the funds raised under the Offer towards its proposed exploration programs and satisfy its commitments for the purposes of ASX Listing Rule 1.3.2(b);

(d) obtaining and retaining all requisite approvals, authorisations, licences and permits required to undertake mineral exploration and development activities;

(e) access to adequate capital throughout the exploration, discovery and project development phases, notwithstanding that the funds raised under the Offer will be sufficient for the proposed exploration programs in the first two years following the Company's Admission to the Official List of the ASX;

(f) successfully discovering and proving-up, or acquiring, an economic deposit that can be developed beyond the exploration stage;

(g) retaining and recruiting key personnel and operational staff (including contractors and consultants) skilled in the mining and resources sector;

(h) sufficient worldwide demand for gold;

(i) the market price of gold remaining higher than the Company's costs of any future production (assuming successful exploration and development of the Mt Egerton Project by the Company);

(j) minimising environmental impacts and complying with environmental and health and safety requirements;

(k) the Company's ability to obtain and retain all necessary approvals (including any regulatory or third-party approvals) required to undertake its proposed exploration programs, notwithstanding that the Company has sufficient access to the Tenements to apply the funds raised under the Offer towards its proposed exploration programs and satisfy its commitments for the purposes of ASX Listing Rule 1.3.2(b); and

(l) exploration success on the Project, resulting in increased confidence in the commercial viability of the Project.

5.6 Use of funds

The Company intends to apply funds raised from the Offer, together with existing cash reserves, over the first two years following Admission as follows:

Use of funds raised under the Offer	Subscription amount ($8,000,000)	
	$	%
Funds raised from the Offer	$8,000,000	100%
Total	**$8,000,000**	**100.00**
Allocation of funds		
Exploration at the Project[1]	4,000,000	50.00%
Acquisition Agreement	100,000	1.25%
Expenses of the Offer[2]	610,000	7.63%
Corporate and administration costs[3]	600,000	7.50%
Working capital[4]	2,690,000	33.63%
Total	**$8,000,000**	**100.00**

Notes:

1. Refer to Section 5.4 and the Independent Geologist's Report in Annexure A for further details with respect to the Company's proposed exploration programs at the Project.
2. Refer to Section 10.11 for further details.
3. Corporate and administration costs include the general costs associated with the management and operation of the Company's business including administration expenses, management salaries, directors' fees, rent and other associated costs.
4. To the extent that:
   (a) the Company's exploration activities warrant further exploration activities; or
   (b) the Company identifies or is presented with additional acquisition or investment opportunities, the Company's working capital will also be utilised to fund such further exploration activities

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and/or acquisition or investment costs (including due diligence investigations and expert's fees in relation to such acquisitions or investments) as applicable. Any amounts not so expended will be applied toward corporate and administration costs for the period subsequent to the initial two-year period following Admission.

The above table is a statement of current intentions as of the date of this Prospectus. Prospective investors should note that, as with any budget, the allocation of the funds may change depending on various intervening events and new circumstances, including the outcome of exploration and development activities (including, exploration success or failure), regulatory developments and market and general economic conditions. Accordingly, the Board reserves the right to alter the way funds are applied on this basis.

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

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

5.7 Capital structure

The capital structure of the Company as at the date of this Prospectus and following completion of the Offer is set out in the table below:

	($8,000,000)	
	Shares	**Options**
Shares currently on issue[1]	15,000,000	-
Shares to be issued pursuant to the Offer[2]	40,000,000	-
Securities to be issued to the Vendors under the Acquisition Agreement[3,6]	9,500,000	5,000,000
Options currently on issue[4]	-	30,000,000
Options to be issued to the Joint Lead Managers[5]	-	7,000,000
Total Securities on issue on completion on the Offer[6,7]	**64,500,000**	**42,000,000**

Notes:

1. The Shares currently on issue were acquired by Province Resources Limited on incorporation of Black Horse, the founding shareholder and parent company of Black Horse.
2. As set out in Section 4.3, Province Resources Limited has committed to the Company to a subscription of 15,000,000 Shares at the Offer Price under the Offer pursuant to the Cornerstone Subscription Agreement.
3. Pursuant to the Acquisition Agreement, the Company has agreed to issue 9,500,000 Shares and 5,000,000 Options to the Vendors (and/or their respective nominees) in consideration for the Acquisition. Refer to Section 9.1 for a summary of the material terms and conditions of the Acquisition Agreement.

4. The Directors (and/or their respective nominees) hold an aggregate of 30,000,000 Options. These Options were issued to the Directors as part of their respective remuneration packages as an equity-based incentive.
5. The Company has agreed to issue the Joint Lead Managers 7,000,000 Options pursuant to the Joint Lead Manager Mandate.
6. Prospective investors should note that the number of Shares to be issued pursuant to the Acquisition Agreement may increase to the extent that any Additional Consideration Shares are required to be issued (up to a maximum of 500,000 Shares).
7. The Company has agreed to issue the Vendors up to a maximum 20,000,000 Deferred Consideration Shares on the achievement of certain Milestones linked to the Project (which are not included in the table above). Refer to Section 9.1 for a summary of the material terms and conditions of the Acquisition Agreement.

The material rights and liabilities attaching to the Shares are summarised in Section 10.3.

The terms and conditions of the Options to be issued are summarised in Section 10.4.

5.8 Substantial Shareholders

Based on information known to the Company as at the date of this Prospectus, those Shareholders (together with their associates) holding 5% or more of the Shares on issue both as at the date of this Prospectus and on completion of the Offer are set out in the respective tables below.

As at the date of this Prospectus

Shareholder	Shares	%	
		Undiluted	Fully Diluted
Province Resources Limited	15,000,000	100%	33.33%

Notes:

1. Province Resources Limited is the founding shareholder and parent company of Black Horse.
2. For the purposes of the fully diluted figure, the Company notes that the Directors hold an aggregate of 30,000,000 Options as at the date of this Prospectus.

On completion of the issue of Shares under the Offer (assuming no existing substantial Shareholder subscribes and receives additional Shares pursuant to the Offer)

Shareholder	Shares	Options	Percentage (%)	
			Undiluted	Fully Diluted
Province Resources Limited[1]	30,000,000	-	46.51%	28.17%
Terrance Delahunty[2]	5,100,000	2,550,000	7.91%	7.18%
Milan Josic (and his associates)[3]	4,400,000	2,450,000	6.82%	6.43%

Notes:

1. Province Resources Limited is the founding shareholder and parent company of Black Horse. Province Resources Limited has committed to the Company to a subscription of 15,000,000 Shares at the Offer Price under the Offer pursuant to the Cornerstone Subscription Agreement.
2. Terrance Delahunty is one of the Vendors who will be issued Shares and Options as consideration for the acquisition pursuant to the Acquisition Agreement, as summarised in Section 9.1.

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3. Milan Josic is one of the Vendors who will be issued Shares and Options as consideration for the acquisition pursuant to the Acquisition Agreement, as summarised in Section 9.1.

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

On Admission, the Vendors will hold an aggregate of 14.73% of the issued Share capital on an undiluted basis. In the event that all of the Options issued to the Vendors are exercised and convert into Shares, all of the Milestones are satisfied, the maximum amount of Deferred Consideration Shares are issued and the maximum amount of Additional Consideration Shares are issued, the Vendors will hold an aggregate of 35,000,000 Shares, representing 54.26% of the Company's issued Share capital (assuming no Options are exercised other than the Options to be issued to the Vendors) and 32.86% on a fully diluted basis (assuming all Options are exercised). The Company will not issue Shares, Deferred Consideration Shares, Additional Consideration Shares or any Shares upon exercise of Options issued to the Vendors in contravention of section 606(1) of the Corporations Act.

5.9 Restricted Securities

As a condition of admitting the Company to the Official List, certain Securities will be classified by ASX as restricted securities in accordance with the ASX Listing Rules and will be required to be held in escrow for up to 24 months from the date of Official Quotation. Any such classification will restrict the transfer of effective ownership or control of any such restricted Securities without the written consent of the ASX and for such period as the ASX may determine.

The number of Securities that are subject to ASX mandatory escrow is at ASX's discretion in accordance with the ASX Listing Rules and underlying policy. While the ASX has not yet confirmed the final escrow position applicable to the Securities, the Company anticipates that the following Securities will be classified by ASX as restricted securities and subject to escrow:

(a) 15,000,000 Shares held by Province Resources Limited, which were acquired on incorporation of Black Horse;

(b) 9,500,000 Shares and 5,000,000 Options (plus any Additional Consideration Shares if applicable) to be issued to the Vendors (and/or their respective nominees) pursuant to the Acquisition Agreement;

(c) 30,000,000 Options held by the Directors (and/or their respective nominees); and

(d) 7,000,000 Options to be issued to the Joint Lead Managers (and/or its nominees).

None of the Shares issued under the Offer will be subject to escrow.

The Company will announce to the ASX full details (quantity and duration) of the Securities required to be held in escrow prior to commencement of Official Quotation of the Shares.

During the period in which escrow arrangements apply, trading in Shares may be less liquid which may impact on the ability of a Shareholder to dispose of Shares in a timely manner.

The Company confirms its 'free float' (being the percentage of the Shares that are not restricted securities and are held by non-affiliated Shareholders) at the time of Admission will not be less than 20%, in compliance with ASX Listing Rule 1.1 Condition 7.

5.10 Dividend policy

Payment of dividends by the Company is at the discretion of the Board. Given the stage of development of the Company, the Board anticipates that significant expenditure will be incurred in the evaluation and development of the Company's Project. These activities, together with the possible acquisition of interests in other Project, are expected to dominate at least the first two-year period following the Company's Admission. Accordingly, the Directors

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have no current intention to declare and pay a dividend and no dividends are expected to be paid during the foreseeable future following the Company's listing on the ASX.

In determining whether to declare future dividends, the Directors and will consider the level of earnings of the Company, the operating results and overall financial condition of the Company, future capital requirements, capital management initiatives, general business outlook and other factors the Directors may consider relevant at the time of their decision.

The Directors cannot and do not provide any assurances in relation to the future payment of dividends or the level of franking credits attaching to dividends.

5.11 Additional Information

Prospective investors are referred to and encouraged to read in their entirety:

(a) the Independent Geologist's Report set out in Annexure A for further details about the geology, location and mineral potential of the Project;

(b) the Solicitor's Report on Tenements set out in Annexure B for further details in relation to the Company's interests in the Tenements;

(c) the Investigating Accountant's Report set out in Annexure C for further details on the Company's financials; and

(d) the Independent Expert's Report set out in Annexure D for further details in relation to the fairness and reasonableness of the potential issue of the Deferred Consideration Shares (assuming the Milestones are achieved) for the Company's non-associated Shareholders.

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6. Financial Information

6.1 Introduction

The financial information in this Section 6 consists of the historical financial information relating to Black Horse Mining Limited (the **Company**) and its controlled entity A.C.N 683 084 353 Pty Ltd (collectively, the **Group**) which comprises the:

(a) historical statement of financial position as at 30 June 2025 (Section 6.5), historical statement of profit and loss and other comprehensive income for the period since incorporation on 12 December 2024 to 30 June 2025 (Section 6.6), and historical statement of cashflows for the period then ended (Section 6.7) of the Group (the **Historical Financial Information**); and

(b) the pro forma Statement of Financial Position of the Group as at 30 June 2025 and supporting notes which include the pro forma adjustments (**Pro Forma Financial Information**)

This Section 6 also includes the historical financial information relating to Steadfast Mining Services Pty Ltd (**SMS**) (being the entity which the Group has agreed to acquire an 80% interest in) which comprises the historical statements of financial position as at 30 June 2024 and 30 June 2025 (Section 6.8), historical statements of profit or loss and other comprehensive income for the years ended 30 June 2024 and 30 June 2025 (Section 6.9) and historical statements of cashflows for the years ended 30 June 2024 and 30 June 2025 (Section 6.10).

(collectively, the **Financial Information**).

The pro forma Historical Financial Information has been prepared based on the statutory Historical Financial Information as at 30 June 2025 and the period from incorporation on 12 December 2024 to 30 June 2025.

The Directors are responsible for the inclusion of the Financial Information in the Prospectus. The purpose of the inclusion of the Financial Information is to illustrate the effects of the Offer.

William Buck Consulting (WA) Pty Ltd has prepared an Independent Limited Assurance Report in respect of the Financial Information. A copy of this report, which includes an explanation of the scope and limitations of the Independent Limited Assurance Report is set out in Annexure C. Investors should note the scope and limitations of the Independent Limited Assurance Report.

The information presented in this Section 6 should be read in conjunction with the Investigating Accountant's Report, the risk factors as detailed in Section 7, and other information included in this Prospectus

All amounts disclosed in this Section 6 are presented in Australian dollars.

6.2 Forecast financial information

There are significant uncertainties associated with forecasting future revenues and expenses of the Company. In light of uncertainty as to timing and outcome of the Group's growth strategies and the general nature of the industry in which the Group will operate, as well as uncertain macro market and economic conditions relevant to the Group, the Group'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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6.3 Basis of preparation of the Historical Financial Information

The Historical Financial Information included in this Section 6 has been prepared in accordance with the recognition and measurement principles of Australian Accounting Standards (including the Australian Accounting Interpretations) adopted by the Australian Accounting Standards Board, the Corporations Act and the accounting policies adopted by the Group.

The pro forma Historical Financial Information has been prepared based on the statutory Historical Financial Information as at 30 June 2025 and the period then ended, and should be read in conjunction with the material accounting policy information applied to the Historical Financial Information from incorporation on 12 December 2024 to 30 June 2025 as set out in Section 6.13.

The Historical Financial Information is presented in an abbreviated form and does not contain all the presentation, disclosures, statements or comparative information as required by Australian Accounting Standards applicable to annual financial reports prepared in accordance with the Corporations Act.

The Historical Financial Information as at and for the financial period ended 30 June 2025 has been audited by William Buck Audit (WA) Pty Ltd and has been prepared for the purpose of the Offer and other pro forma transactions.

6.4 Basis of preparation of the Pro Forma Financial Information

The Pro Forma Financial Information included in this Section 6 has been prepared for the purposes of inclusion in this Prospectus. The Pro Forma Financial Information is based on the audited Statement of Financial Position of the Group as at 30 June 2025 and adjusted for the impacts of the Offer and other pro forma adjustments.

The Pro Forma Financial Information does not reflect the actual financial results of the Group. The Directors believe that it provides useful information as it illustrates to investors the financial position of the Group immediately after completion of the Offer.

The information set out in this Section 6 and the Group's selected Financial Information should be read together with:

(a) the risk factors described in Section 7;

(b) the use of funds described in Section 5.6;

(c) the indicative capital structure described in Section 5.7;

(d) the Independent Limited Assurance Report on the Historical Financial Information set out in Annexure C; and

(e) the other information contained in this Prospectus.

Investors should also note that historical results are not a guarantee of future performance.

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6.5 Black Horse Mining Limited - Historical Statement of Financial Position

The table below sets out the Historical Statement of Financial Position for the financial period as at 30 June 2025.

	30 June 2025 Audited $
Assets	
Current assets	
Cash and cash equivalents	4,545
Trade and other receivables	11,816
Total current assets	**16,361**
Total assets	**16,361**
Current liabilities	
Trade and other payables	53,374
Borrowings	106,500
Total current liabilities	**159,874**
Total liabilities	**159,874**
Net liabilities	**(143,513)**
Equity	
Issued capital	100
Accumulated losses	(143,613)
Total deficiency in equity	**(143,513)**

6.6 Black Horse Mining Limited - Historical Statement of Profit or Loss and Other Comprehensive Income

The table below sets out the Historical Statement of Profit or Loss and Other Comprehensive Income for the financial period from 12 December 2024 to 30 June 2025.

	12 Dec 2024 to 30 June 2025 Audited $
Administrative expenses	(128,591)
Exploration and evaluation expenditure	(15,022)
Loss before income tax	**(143,613)**
Income tax expense	-
Loss after income tax	**(143,613)**
Other comprehensive income	-
Total other comprehensive loss	**(143,613)**

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6.7 Black Horse Mining Limited - Historical Statement of Cash Flows

The table below sets out the Historical Statement of Cash Flows for the financial period from 12 December 2024 to 30 June 2025.

	12 Dec 2024 to 30 June 2025 Audited $
Cash flows from operating activities	
Payments to suppliers for administrative activities	(89,508)
Payments for exploration and evaluation expenditure	(12,547)
Net cash flows used in operating activities	**(102,055)**
Cash flows from financing activities	
Proceeds from share issues	100
Proceeds from borrowings	106,500
Net cash flows provided by financing activities	**106,600**
Net increase in cash and cash equivalents	4,545
Cash and cash equivalents at the beginning of the period	-
Cash and cash equivalents at the end of the period	**4,545**

6.8 Steadfast Mining Services Pty Ltd - Historical Statements of Financial Position

The table below sets out the Historical Statements of Financial Position for the financial year as at 30 June 2024 and 30 June 2025.

	30 June 2024 Audited $	30 June 2025 Audited $
Assets		
Current assets		
Cash and cash equivalents	104	106
Trade and other receivables	6,074	-
Total current assets	**6,178**	**106**
Non-current assets		
Property, plant and equipment	895	-
Loans	20,605	-
Other	10,000	10,000
Total non-current assets	**31,500**	**10,000**
Total assets	**37,678**	**10,106**
Current liabilities		
Trade and other payables	76,176	58,592

	30 June 2024 Audited $	30 June 2025 Audited $
Borrowings	-	20,194
Total current liabilities	**76,176**	**78,786**
Non-current liabilities		
Borrowings	422,152	-
Total non-current liabilities	**422,152**	**-**
Total liabilities	**498,328**	**78,786**
Net liabilities	**(460,650)**	**(68,680)**
Equity		
Issued capital	100	100
Accumulated losses	(460,750)	(68,780)
Total deficiency in equity	**(460,650)**	**(68,680)**

6.9 Steadfast Mining Services Pty Ltd - Historical Statements of Profit or Loss and Other Comprehensive Income

The table below sets out the Historical Statements of Profit or Loss and Other Comprehensive Income for the financial years ended 30 June 2024 and 30 June 2025.

	30 June 2024 Audited $	30 June 2025 Audited $
Revenue		
Exclusivity fee received	-	50,000
Loans forgiven	-	347,352
Other income	-	10,444
Expenses		
Depreciation and amortisation expense	(298)	(895)
Legal fees	-	(4,501)
Accounting fees	(3,895)	(280)
Exploration and evaluation expenditure	-	(9,829)
Other expenses	(27)	(321)
Profit/(loss) before income tax	**(4,220)**	**391,970**
Income tax expense	-	-
Profit/(loss) after income tax	**(4,220)**	**391,970**
Other comprehensive income	-	-
Total other comprehensive income/(loss)	**(4,220)**	**391,970**

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6.10 Steadfast Mining Services Pty Ltd - Historical Statements of Cash Flows

The table below sets out the Historical Statements of Cash Flows for the financial years ended 30 June 2024 and 30 June 2025.

	30 June 2024 Audited $	30 June 2025 Audited $
Cash flows from operating activities		
Payments to suppliers and employees	(30)	(22,411)
GST refunds received	2,123	6,414
Exclusivity payment received	-	50,000
Net cash flows from operating activities	**2,093**	**34,003**
Cash flows from investing activities		
Loans to related parties – (payments made)/repayments received	4,130	(34,201)
Net cash flows (used in)/from investing activities	**4,130**	**(34,201)**
Cash flows from financing activities		
Borrowings received/(repaid)	(6,257)	200
Net cash from/(used in) financing activities	**(6,257)**	**200**
Net increase in cash and cash equivalents	(34)	2
Cash and cash equivalents at the beginning of the financial year	138	104
Cash and cash equivalents at the end of the financial year	**104**	**106**

6.11 Pro Forma Statement of Financial Position

The historical statement of financial position and the pro forma historical statement of financial position have been reviewed by William Buck Consulting (WA) Pty Ltd. Please refer to the Independent Limited Assurance Report in Annexure C.

	Notes	Historical 30 June 2025 Audited $	Pro forma 30 June 2025 $
ASSETS			
Current assets			
Cash and cash equivalents	6.14	4,545	6,812,965
Trade and other receivables		11,816	11,816
Total current assets		**16,361**	**6,824,781**
Non-current assets			
Exploration and evaluation asset	6.15	-	3,241,891
Other assets	6.16	-	10,000

	Notes	Historical 30 June 2025 Audited $	Pro forma 30 June 2025 $
Total non-current assets		**-**	**3,251,891**
TOTAL ASSETS		**16,361**	**10,076,672**
Current liabilities			
Trade and other payables	6.17	53,374	-
Borrowings	6.18	106,500	-
Total current liabilities		**159,874**	**-**
TOTAL LIABILITIES		**159,874**	**-**
NET ASSETS/(LIABILITIES)		**(143,513)**	**10,076,672**
EQUITY			
Issued capital	6.19	100	8,565,866
Reserves	6.20	-	5,363,976
Accumulated losses	6.21	(143,613)	(4,487,812)
TOTAL (DEFICIENCY IN) EQUITY ATTRIBUTABLE TO OWNERS		**(143,513)**	**9,442,030**
Non-controlling interest	6.22	-	634,642
TOTAL (DEFICIENCY IN) EQUITY		**(143,513)**	**10,076,672**

6.12 Pro forma adjustments

The Pro forma Historical Statement of Financial Position of the Group as at 30 June 2025 is presented to provide potential investors with an indication of the Group's financial position as if the pro forma adjustments appearing below had been implemented as at 30 June 2025. The pro forma adjustments are:

a) Issue of Shares under Initial Public Offer

The issue by the Company pursuant to the Offer of:

- 40,000,000 Shares issued at a price of $0.20 each, raising $8,000,000 before costs associated with the Offer, which includes 15,000,000 Shares to be acquired by Province Resources Limited under the Offer.

b) Costs of the Initial Public Offer

Total costs associated with the Offer are estimated to be:

- $610,000 of this total amount, $440,238 has been deducted from equity as these costs are attributable to the Offer. The balance of $169,762 has been expensed and reflected as an increase in accumulated losses in the Statement of Financial Position.

c) Issue of Options to Joint Lead Managers

The Company will issue pursuant to the Secondary Offer, 7,000,000 Options exercisable at $0.30 each on or before 4 years from the date of admission of the

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Company to the Official List of the ASX, to Inyati Capital and Veritas Securities as Joint Lead Managers to the Offer.

The Options have been valued using the Black Scholes Option Pricing Model using the following assumptions:

Assumption	
Expected volatility	100%
Risk free interest rate (%)	3.39%
Expected life of Options	4 years
Exercise price	$0.30
Grant date Share price (assumed IPO price)	$0.20
Value per Option	**$0.1277**

The resultant value of $893,996 for the 7,000,000 Options to be issued to the Joint Lead Managers has been recorded as a cost of issuing Shares and has been applied against the share capital to be raised through the Offer.

d) Issue of Options to Directors

The Company issued 30,000,000 Options to its Directors on 18 July 2025, exercisable at $0.30 each on or before the date that is four years from the date of the Company's admission to the Official List, as follows:

Name	Number
Peter Wall	7,000,000
David Frances	16,000,000
Charles McHugh	7,000,000
	30,000,000

The Options issued to the Directors have been valued using the Black Scholes Option Pricing Model using the following assumptions:

Assumption	
Expected volatility	100%
Risk free interest rate (%)	3.39%
Expected life of Options	4 years
Exercise price	$0.30
Grant date Share price (assumed IPO price)	$0.20
Value per Option	**$0.1277**

The resultant value of $3,831,411 for the 30,000,000 Options issued to the Directors has been recognised as an expense.

e) Acquisition of 80% of Steadfast Mining Services Pty Ltd

- 9,500,000 of Consideration Shares to be issued to the Vendors has been recorded as an Exploration and evaluation expenditure asset and included in share capital, at a deemed issue price of $0.20 each, $1,900,000 has been recognised.

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- 5,000,000 Consideration Options to be issued to the Vendors, exercisable at $0.30 each on or before the date that is four years from the date of the Company's admission to the Official List. This has been recorded as an exploration and evaluation expenditure asset and included in share-based payments reserve, $638,569 has been recognised.

The Consideration Options have been valued using the Black Scholes Option Pricing Model using the following assumptions:

Assumption	
Expected volatility	100%
Risk free interest rate (%)	3.39%
Expected life of Options	4 years
Exercise price	$0.30
Grant date Share price (assumed IPO price)	$0.20
Value per Option	**$0.1277**

Net liabilities acquired of Steadfast Mining Services Pty Ltd comprise:

Cash at bank	106
Security deposit	10,000
Trade and other payables	(58,592)
Borrowings	(20,194)
Net liabilities before non-controlling interest	**(68,680)**
Non-controlling interest	13,736
Net liabilities	**(54,944)**

The acquisition of an 80% interest in Steadfast Mining Services Pty Ltd (**SMS** or **Steadfast Mining Services**) has been assessed in accordance with AASB 3 *Business Combinations*. Following a detailed review of the assets, liabilities, and operations of SMS, management has determined that SMS does not constitute a business as defined under AASB 3. Accordingly, the transaction has been accounted for as an asset acquisition, not a business combination. The identifiable assets and liabilities acquired have been recognised at their relative fair values.

For pro forma purposes, the consideration has been grossed up to reflect the implied 100% enterprise value of Steadfast Mining Services of $3,241,891, with the residual 20% interest ($648,378) recognised as a non-controlling interest in equity.

The basis for the acquisition price was conducted at arm's length negotiations with the Vendors to arrive at the commercial terms of the acquisition, the Board considers that the quantum of the Consideration payable reflects a reasonable fair value of the SMS shares which once acquired, will result in the Company holding an 80% interest in the Tenements. The Company also took the following factors into account in determining what constitutes reasonable fair value for the Acquisition:

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

(b) assessment of the quality and future prospects of the Mt Egerton Project based on exploration conducted to date; and

(c) the Company's ability to raise funds at an issue price of $0.20 per Share to raise a minimum of $8,000,000 (before costs) in contemplation of the Company's current capital structure.

f) Cash paid for prior exploration expenditure

Under the Acquisition Agreement, the Company is to pay the Vendors $100,000 for prior exploration expenditure. This has been recognised as an expense.

g) Subsequent creditor transactions – Black Horse Mining Limited

Trade creditors of $53,374 at 30 June 2025 were paid subsequent to the reporting period and trade creditors of $243,026 were recognised subsequent to the period end and paid.

h) Loan repayment to Province Resources Limited

The amount owing to PRL of $106,500 at 30 June 2025 will be repaid.

i) Subsequent creditor transactions and loans repaid – Steadfast Mining Services Pty Ltd

Trade creditors of $58,592 at 30 June 2025 will be repaid paid and loans of $20,194 will be repaid.

6.13 Summary of Material Accounting Policy Information

This Prospectus does not include all the notes of the type normally included in an annual financial report. The material accounting policy information which have been adopted in the preparation of the historical and pro forma historical financial information are set out below. These policies have been consistently applied to all periods presented unless otherwise stated.

a) Reporting framework

The historical and pro forma historical financial information has been prepared in accordance with the recognition and measurement, but not all the disclosure requirements specified by all the Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board (**AASB**) and the Corporations Act 2001.

The historical and pro forma historical financial information has been prepared on an accruals basis and is based on historical costs, modified, where applicable by the measurement at fair value of selected non-current assets, financial assets and financial labilities based on Directors' estimates. The pro forma historical financial information is presented in Australian dollars.

b) New and amended standards adopted

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

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c) Exploration and evaluation assets

Expenditure on exploration and evaluation is accounted for in accordance with the 'area of interest' method.

Exploration and evaluation expenditure encompass expenditures incurred by the Group in connection with the exploration for and evaluation of mineral resources before the technical feasibility and commercial viability of extracting a mineral resource are demonstrable. Exploration and evaluation expenditure includes expenditure in relation to drilling, metallurgy, technical oversight, environmental work, maintenance of tenure and the approval of work programmes on the Group's licences including landholder access costs, legal fees and community and public relations costs.

For each area of interest, expenditure incurred in the acquisition of rights to explore is capitalised, classified as tangible or intangible, and recognised as an exploration and evaluation asset. Exploration and evaluation assets are measured at cost at recognition and are recorded as an asset if:

- the rights to tenure of the area of interest are current; and
- at least one of the following conditions is also met:
  - the exploration and evaluation expenditures are expected to be recouped through successful development and exploitation of the area of interest, or alternatively, by its sale; and
  - exploration and evaluation activities in 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 area of interest are continuing.

Exploration and evaluation expenditure incurred by the Group subsequent to the acquisition of the rights to explore is expensed as incurred, up until the technical feasibility and commercial viability of the project has been demonstrated with a bankable feasibility study.

Capitalised exploration costs are reviewed at each reporting date to establish whether an indication of impairment exists. If any such indication exists, the recoverable amount of the capitalised exploration costs is estimated to determine the extent of the impairment loss (if any). Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years.

Where a decision is made to proceed with development, accumulated expenditure is tested for impairment and transferred to development properties and then amortised over the life of the reserves associated with the area of interest once mining operations have commenced.

Recoverability of the carrying amount of the exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

d) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial period and which are unpaid. Due to their short-term nature, they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

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Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

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

e) Share-based payment transactions

The grant-date fair value of share-based payment awards granted is recognised as an expense if they do not qualify recognition as an asset or cost of equity funding with a corresponding increase in the option premium reserve. For share-based payment to employees, the amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that meet the related service and non-market performance conditions at the vesting date.

For share based-payment awards with market-based conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

The total expense is recognised over the vesting period, which is the period over which all the specified vesting conditions are to be satisfied.

f) Issued Capital

Ordinary Shares are classified as equity. Issued and paid-up capital is recognised at the fair value of the consideration received by the Company. Incremental costs directly attributable to the issue of Shares or Options are shown in equity as a deduction, net of tax, from the proceeds.

Costs incurred prior to the issue of Shares or Options are classified as a prepayment and re-classified to equity upon the issue of the Shares or Options.

g) Going concern

The Historical financial information as at 30 June 2025 have been prepared on a going concern basis which contemplates the realisation of assets and settlement of liabilities in the ordinary course of business whereby the Group incurred a loss after tax in the period of $143,613 and used $102,055 of net cash in operations including payments for exploration activities. The Group has current assets of $16,361 of which cash at bank balance was $4,545 and current liabilities amounting to $159,874. At balance date, the Group had net current liabilities of $143,513.

Included in the current liabilities at 30 June 2025 was $106,500 relating to an interest free loan from the ultimate parent entity Province Resources Limited (**PRL**). The Directors of the Company has received a letter of financial support from PRL to confirm that PRL will continue to provide further funding to the Company when required for working capital purposes to ensure that the Company has sufficient funds to continue trading and to pay its debts as and when they fall due for a period of at least 12 months from the date of the approved historical financial statements.

Subsequent to 30 June 2025, it was announced that the Company will be spun-out from PRL to become a dedicated ASX-listed mineral exploration and development company. The Company intends to undertake an initial public offering (**IPO**) to raise up to $8,000,000 via the issue of 40,000,000 fully paid ordinary shares at an offer price of $0.20 per share. PRL proposes to cornerstone the IPO and subscribe for a $3,000,000 (15,000,000 shares) investment in the Company.

The Group's ability to meet its operational obligations are principally dependent on financial support from PRL, and the proposed IPO. If the IPO is not successful, the proposed acquisition will not proceed.

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After considering the above factors, the Directors consider it appropriate to prepare the financial report on the going concern basis.

h) Deferred consideration

Where part of the consideration for a business combination is payable in the form of the Company's own equity instruments contingent upon future events, the arrangement is recognised as contingent consideration under *AASB 3 Business Combinations*.

Contingent consideration is measured at fair value at the acquisition date and included as part of the total consideration transferred. The classification of the contingent consideration as either a financial liability or equity instrument is determined in accordance with *AASB 132 Financial Instruments*.

Where the issuance of shares is subject to future performance conditions or milestones, and no present obligation exists at the reporting date, the fair value may be assessed as $nil, reflecting the uncertainty and conditional nature of the arrangement. See Section 6.18 for details on the deferred consideration.

6.14 Cash and cash equivalents

The reviewed pro forma cash and cash equivalents are set out below:

	Notes	Historical balance 30 June 2025 Audited $	Pro forma 30 June 2025 $
Audited balance at 30 June 2025		4,545	4,545
Pro forma adjustments:			
Proceeds from the Offer	6.12(a)	-	8,000,000
Transaction costs of the Offer	6.12(b)	-	(610,000)
Cash acquired on acquisition of Steadfast Mining Services	6.12(e)	-	106
Payment to Vendors for prior exploration expenditure	6.12(f)	-	(100,000)
Subsequent creditor payments	6.12(g)	-	(296,400)
Subsequent borrowings repaid	6.12(h)	-	(106,500)
Subsequent borrowings and creditors repaid	6.12(i)	-	(78,786)
Pro forma balance		**4,545**	**6,812,965**

6.15 Exploration and evaluation

The reviewed pro forma exploration and evaluation are set out below:

	Notes	Historical balance 30 June 2025 Audited $	Pro forma 30 June 2025 $
Audited balance at 30 June 2025		-	-
Pro forma adjustments:			
Acquisition of Gold project – 80%		-	2,593,513
Non-controlling interest	6.12(e)	-	648,378

	Notes	Historical balance 30 June 2025 Audited $	Pro forma 30 June 2025 $
Pro forma balance		**-**	**3,241,891**
The exploration and evaluation expenditure asset that is to be recognised on the acquisition of the Gold project has been calculated as an asset acquisition as follows:			
Consideration Shares issued for Acquisition	6.12(e)	-	1,900,000
Consideration Options issued for Acquisition	6.12(e)	-	638,569
Net liabilities acquired	6.12(e)	-	54,944
Pro forma balance		**-**	**2,593,513**

6.16 Other assets

The reviewed pro forma other assets are set out below:

	Notes	Historical balance 30 June 2025 Audited $	Pro forma 30 June 2025 $
Audited balance at 30 June 2025		-	-
Pro forma adjustments:			
Other assets acquired on acquisition of Steadfast Mining Services	6.12(e)	-	10,000
Pro forma balance		**-**	**10,000**

6.17 Trade and other payables

The reviewed pro forma trade and other payables are set out below:

	Notes	Historical balance 30 June 2025 Audited $	Pro forma 30 June 2025 $
Audited balance at 30 June 2025		53,374	53,374
Pro forma adjustments:			
Trade and other payables acquired on acquisition of Steadfast Mining Services	6.12(e)	-	58,592
Subsequent creditor recognised	6.12(g)	-	243,026
Subsequent creditor payments	6.12(g)	-	(296,400)
Subsequent creditors repaid	6.12(i)	-	(58,592)
Pro forma balance		**53,374**	**-**

6.18 Borrowings

The reviewed pro forma borrowings are set out below:

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	Notes	Historical balance 30 June 2025 Audited $	Pro forma 30 June 2025 $
Audited balance at 30 June 2025		106,500	106,500
Pro forma adjustments:			
Loans acquired on acquisition of Steadfast Mining Services	6.12(e)	-	20,194
Subsequent payment of borrowings to Province Resources Limited	6.12(h)	-	(106,500)
Subsequent payment of borrowings	6.12(i)	-	(20,194)
Pro forma balance		**106,500**	**-**

6.19 Issued capital

The reviewed pro forma issued capital is set out below:

	Notes	Historical balance 30 June 2025 Audited $	Pro forma 30 June 2025 $
Audited balance at 30 June 2025		100	100
Pro forma adjustments			
Proceeds from the Offer	6.12(a)	-	8,000,000
Consideration Shares issued for Acquisition	6.12(e)	-	1,900,000
Transaction costs of the Offer	6.12(b)	-	(440,238)
Options issued to Joint Lead Managers	6.12(c)	-	(893,996)
Pro forma balance		**100**	**8,565,866**

	Notes	Historical balance 30 June 2025 Audited $	Pro forma 30 June 2025 $
Audited balance at 30 June 2025		100	100
Pro forma adjustments			
Proceeds from the Offer	6.12(a)	-	8,000,000
Consideration Shares issued for Acquisition	6.12(e)	-	1,900,000
Transaction costs of the Offer	6.12(b)	-	(440,238)
Options issued to Joint Lead Managers	6.12(c)	-	(893,996)
Pro forma balance		**100**	**8,565,866**

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	Notes	Historical balance 30 June 2025 Audited $	Pro forma 30 June 2025 $
Audited balance at 30 June 2025		15,000,000	15,000,000
Pro forma adjustments			
Shares to be issued under the Offer	5.7	-	40,000,000
Securities to be issued to the Vendors under the Acquisition Agreement	5.7	-	9,500,000
Audited balance at 30 June 2025		15,000,000	15,000,000
Pro forma balance		**15,000,000**	**64,500,000**

6.20 Reserves

The reviewed pro forma reserves are set out below:

	Notes	Historical balance 30 June 2025 Audited $	Pro forma 30 June 2025 $
Audited balance at 30 June 2025		-	-
Pro forma adjustments			
Consideration Options issued for Acquisition	6.12e)	-	638,569
Options issued to Joint Lead Managers	6.12(c)	-	893,996
Options issued to Directors	6.12(d)	-	3,831,411
Pro forma balance		**-**	**5,363,976**

The number of Options as at 30 June 2025 are as follows:

	Notes	Historical balance 30 June 2025 Audited Number	Pro forma 30 June 2025 Number
Audited balance at 30 June 2025		-	-
Pro forma adjustments			
Options currently on issue	5.7	-	30,000,000
Securities to be issued to the Vendors under the Acquisition Agreement	5.7	-	5,000,000
Options to be issued to the Joint Lead Managers	5.7	-	7,000,000
Pro forma balance		**-**	**42,000,000**

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For the Options granted pursuant to this Prospectus, a Black Scholes Option Pricing Model has been used with the valuation model inputs used to determine the fair value at the grant date are disclosed in Section 6.12.

6.21 Accumulated losses

The reviewed pro forma accumulated losses is set out below:

	Notes	Historical balance 30 June 2025 Audited $	Pro forma 30 June 2025 $
Audited balance at 30 June 2025		(143,613)	(143,613)
Pro forma adjustments			
Transaction costs of the Offer – expensed	6.12(b)	-	(169,762)
Options issued to Directors	6.12(d)	-	(3,831,411)
Payment to Vendors for prior exploration expenditure	6.12(f)	-	(100,000)
Subsequent creditors recognised	6.12(g)	-	(243,026)
Pro forma balance		**(143,613)**	**(4,487,812)**

6.22 Non-controlling interest

The reviewed pro forma non-controlling interest are set out below:

	Notes	Historical balance 30 June 2025 Audited $	Pro forma 30 June 2025 $
Audited balance at 30 June 2025		-	-
Pro forma adjustments:			
Net liabilities acquired	6.12(e)	-	(13,736)
Acquisition of Steadfast Mining Services	6.12(e)	-	648,378
Pro forma balance		**-**	**634,642**

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6.23 Commitments and Contingencies

At the date of the Pro Forma Historical Financial Position no material commitments, contingent assets or contingent liabilities exist that we are aware of, other than as follows:

The acquisition has the following exploration and evaluation expenditure commitments:

	Proforma 30 June 2025 $
Committed at the reporting date but not recognised as liabilities, payable:	
Within one year	237,500
One to five years	1,175,000
More than five years	300,000
	1,712,500

The acquisition includes a deferred consideration which is contingent on the following milestones, which may also be payable:

Tranche	**Milestone**	**Expiry date**
1	That number of Shares to the value of $1,000,000 calculated using a deemed issue price equal to the 10-day volume weighted average price of the Shares (**VWAP**) for the period immediately preceding the date of the announcement of the Mineral Resource Estimate, subject to: (A) the Company defining and delineating a JORC Code or National Instrument 43-101 (as applicable) compliant Mineral Resource Estimate of 500,000 ounces of gold or greater at a minimum grade of 8 g/t (the **Mineral Resource Estimate**) and announcing that Mineral Resource Estimate to the ASX; and (B) after achieving the milestone in (A), the VWAP of Shares as traded on the ASX over 20 consecutive trading days on which the Shares have actually traded is equal to or greater than $0.20,	5 years from date of quotation of the Shares on the ASX.
2	That number of Shares to the value of $3,000,000 calculated using a deemed issue price equal to the 10-day VWAP for the period immediately preceding the date of the announcement of the Increased Mineral Resource Estimate, subject to: (A) the Company defining and delineating a JORC Code or National Instrument 43-101 (as applicable) compliant Mineral Resource Estimate of 1,000,000 ounces of gold or greater at a minimum grade of 8 g/t (the **Increased Mineral Resource Estimate**) and announcing that Increased Mineral Resource Estimate to the ASX; and (B) after achieving the milestone in (A), the VWAP of Shares as traded on the ASX over 20 consecutive trading days on which the Shares have actually traded is equal to or greater than $0.20.	5 years from date of quotation of the Shares on the ASX.

The issue price of the Deferred Consideration Shares will have a floor of, and not be less than, $0.20 per Deferred Consideration Share (in the event the 10-day VWAP for Shares is less than $0.20).

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7. Risk Factors

7.1 Introduction

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

The future performance of the Company and the value of the Securities may be influenced by a range of factors, many of which are largely beyond the control of the Company and the Directors. The key risks that have a direct influence on the Company, and its Project and activities are set out in Section 7.2. Those key risks as well as other risks associated with the Company's business, the industry in which it operates and general risks applicable to all investments in listed securities and financial markets generally are described below.

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

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

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

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

7.2 Company specific risks

(a) Limited history

The prospects of the Company must be considered in light of the risks, expenses and difficulties frequently encountered by companies in their early stage of development, particularly in the mineral exploration sector, which has a high level of inherent uncertainty.

The Company was only recently incorporated on 12 December 2024 and has only limited operating history and limited historical financial performance, although it should be noted that the Directors have between them significant operational experience.

Exploration has previously been conducted on the area of land the subject of the Tenements, however, the Company is yet to conduct its own exploration activities and under the terms of the Acquisition Agreement will not commence these activities until the Company has been admitted to the Official List.

No assurances can be given that the Company will achieve commercial viability through the successful exploration and/or mining of its Tenements. Until the Company is able to realise value from its Project, it is likely to incur ongoing operating losses.

(b) Acquisition Agreement and completion risk

As identified in the Solicitor's Report on Tenements and Acquisition Agreement, the Company is not the registered owner of any of the Tenements as at the date of this Prospectus. The Company's right to acquire an interest in the Tenements is subject to the Acquisition Agreement.

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In order for the Company to be able to achieve its stated objectives the Company is reliant on the Vendors to complete settlement of the Acquisition Agreement and otherwise comply with their respective contractual obligations under the Acquisition Agreement, including certain expenditure obligations on the Tenements which must occur post-settlement.

If any party defaults in the performance of their respective obligations under the Acquisition Agreement, it may be necessary for the Company to approach a court to seek a legal remedy, which can be costly.

The Board has no reason to believe that any of the Vendors would fail to comply with their respective obligations under the Acquisition Agreement, including to complete settlement under the Acquisition Agreement.

Notwithstanding the above, there remains a risk that completion of settlement of the Acquisition Agreement may not occur.

(c) **Exploration and operations**

The mineral exploration licences comprising the Project are at various stages of exploration, and prospective investors should understand that mineral exploration and development are high-risk undertakings.

There can be no assurance that future exploration of these exploration licences, or any other mineral licences that may be acquired in the future, will result in the discovery of an economic resource. Even if an apparently viable resource is identified, there is no guarantee that it can be economically exploited.

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 or adverse weather conditions, unanticipated operational and technical difficulties, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, industrial and environmental accidents, industrial disputes, unexpected shortages and increases in the costs of consumables, spare parts, plant, equipment and staff, native title process and Aboriginal heritage factors, changing government regulations and many other factors beyond the control of the Company.

The Company confirms that the key areas of prospectivity on the Tenements are located on Crown Land and, as such, the Company will not require any private landowner consents or need to enter into any access and compensation agreements with private landowners or occupiers to apply the funds raised under the Offer towards its proposed exploration program and satisfy its commitments for the purposes of ASX Listing Rule 1.3.2(b). The Company may expand its proposed exploration programme into private land areas if targets are identified that warrant further investigation.

The success of the Company will also depend upon the Company being able to maintain title to the mineral exploration licences forming the Project and obtaining all required approvals for their contemplated activities. In the event that exploration programs prove to be unsuccessful this could lead to a diminution in the value of the Project, a reduction in the cash reserves of the Company and possible relinquishment of one or more of the mineral exploration licences forming the Project.

(d) **Applications and renewals**

(i) **Applications**

The Tenements are at various stages of application and grant. Specifically, one Tenement forming part of the Project is currently under application. There can be no assurance that the Tenement in application status that is currently pending will be granted. There also can be no assurance that if the Tenement is granted, it will be granted in its entirety. Additionally, some of the

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Tenement areas applied for may be excluded. The Company is unaware of any circumstances that would prevent the Tenement in application status from being granted. If the Tenement in application status is not granted or is only granted for part of the area applied for, the Company will lose the benefit of certain areas of that Tenement for its exploration activities.

Please refer to the Solicitor's Report on Tenements in Annexure B for further information on the Company's Tenement applications.

(ii) **Renewal**

Mining and exploration tenements are subject to periodic renewal. The renewal of the term of granted tenements is subject to compliance with the applicable mining legislation and regulations and the discretion of the relevant mining authority. Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the Tenements. The imposition of new conditions or the inability to meet those conditions may adversely affect the operations, financial position and/or performance of the Company.

The Company considers the likelihood of tenure forfeiture to be low given the laws and regulations governing exploration in Victoria and the ongoing expenditure budgeted for by the Company. However, the consequence of forfeiture or involuntary surrender of a granted Tenement for reasons beyond the control of the Company could be significant.

Please refer to the Solicitor's Report on Tenements in Annexure B for further details.

(e) **Climate**

There are a number of climate-related factors that may affect the operations and proposed activities of the Company. The climate change risks particularly attributable to the Company include:

(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 business viability. 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.

(f) **Liquidity risk**

On Admission, the Company will have 106,500,000 Securities on issue.

The Company anticipates that upon Admission, approximately 24,500,000 Shares and 42,000,000 Options (being 66,500,000 Securities in aggregate) will be classified as restricted securities by ASX and subject to escrow for a period of 24 months from the date of Admission.

This would in aggregate, be equal to approximately 62.44% of the Company's issued share capital on a fully diluted basis (assuming all Options are issued and exercised and that no other Securities are issued). This creates a liquidity risk as a large portion of issued capital may not be able to be freely tradable for a period of time. The ability of an investor in the Company to sell their Shares on the ASX will depend on the turnover or liquidity of the Shares at the time of sale. Therefore, investors may not be able to sell their Shares at the time, in the volumes or at the price they desire.

Other factors may impact the price of the Shares and may adversely affect an investor's ability to liquidate their investment, including a drop in trading volume and general market conditions.

(g) **Control**

Following completion of the Offer, Terrence Delahunty's voting power could be as high as 7.91% and Milan Josic (and his associates) could be as high as 6.82%. Accordingly, Mr Delahunty and Mr Josic's significant interest in the capital of the Company mean that they will be in a position to potentially influence the election of directors and the financial decisions of the Company, and their interests may not align with those of all other Shareholders. Further details in respect of substantial shareholder interests is set out in Section 5.8.

Province Resources Limited will have a relevant interest in 30,000,000 Shares on Admission (comprising 46.5% of the issued share capital of the Company on an undiluted basis and 28.2% of the issued share capital of the Company on a diluted basis). Accordingly, on Admission, Province Resources Limited will hold a relevant interest in more than 25% of the Company which means that it has the potential to prevent a special resolution from being passed by the Company (such resolution requiring at least 75% of the votes cast by members entitled to vote on the resolution). Special resolutions are required in relation to approve certain Company matters including potentially seeking the delisting of the Company, amending the Constitution, approving the voluntary winding up of the Company and, if at any time the share capital of the Company is divided into different classes of Shares, approving the variation of the rights attached to any such class. Province Resources Limited will also have significant voting power in respect of ordinary resolutions and will be in a position to potentially influence the election of directors and the financial decisions of the Company, and its interests may not align with those of all other Shareholders.

(h) **Related party**

The Company has a number of key contractual relationships with related parties. If these relationships breakdown and the related party agreements are terminated, there is a risk that the Company may not be able to find a satisfactory replacement.

Further, the operations of the Company may require involvement of related parties and other third parties including contractors. With respect to these persons and despite applying best practice in terms of pre-contracting due diligence, the Company is unable to completely avoid the risk of:

(i) financial failure or default by a participant in any agreement to which the Company may become a party; and/or

(ii) insolvency, default on performance or delivery by any operators, contractors or service providers.

There is also a risk that where the Company has engaged a contractor who is a related party, the contract between the contractor and the Company may terminate for reasons outside of the control of the Company. This may then result in the termination of the contract between the Company and the contractor and the impact the Company's position, performance and reputation.

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7.3 Industry specific risks

(a) **Native title and Aboriginal Heritage**

All of the Company's Tenements fall within the Wadawurrung native title claim (NNTT file number VC2022/002, Federal Court number VID693/2022), which was filed on 26 October 2022 and accepted for registration on 24 July 2023. There are also several registered Aboriginal heritage places located on the Tenements. There remains a risk that additional Aboriginal sites or places may exist on the land the subject of the Tenements. The existence of such places and areas of cultural heritage sensitivity may preclude or limit mining activities in certain areas of the Tenements or cause delays in the progression of the development of a mine.

As native title rights do exist over the Tenements, the ability of the Company to gain access to the Tenements (through obtaining consent of any relevant landowner), or to progress from the exploration phase to the development and mining phases of operations may be adversely affected.

The Directors will closely monitor the potential effect of native title claims or Aboriginal heritage matters involving tenements in which the Company has or may have an interest.

Please refer to the Solicitor's Report on Tenements in Annexure B of this Prospectus for further details.

(b) **Exploration costs**

The exploration costs of the Company as summarised in Section 5.4 are based on certain assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainty, and accordingly, the actual costs may materially differ from the estimates and assumptions. Accordingly, no assurance can be given that the cost estimates and the underlying assumptions will be realised in practice, which may materially and adversely impact the Company's viability.

(c) **Resources and reserves**

The Company does not presently have any JORC Code compliant resources on the Tenements in which it is earning an interest. The Company has identified a number of targets for exploration based on geological interpretations and limited geophysical data, geochemical sampling and historical drilling. Insufficient data however, exists to provide certainty over the extent of the mineralisation. Whilst the Company intends to undertake additional exploration works with the aim of defining a resource, no assurances can be given that additional exploration will result in the determination of a resource on any of the target areas identified. Even if a resource is identified no assurance can be provided that this can be economically extracted.

Reserve and resource estimates are expressions of judgement based on knowledge, experience and industry practice. Estimates which were valid when initially calculated may alter significantly when new information or techniques become available. In addition, by their very nature resource and reserve estimates are imprecise and depend to some extent on interpretations which may prove to be inaccurate.

(d) **Grant of future authorisations to explore and mine**

If the Company discovers an economically viable mineral deposit that it then intends to develop, it will, among other things, require various approvals, licences and permits before it will be able to mine the deposit. There is no guarantee that the Company will be able to obtain all required approvals, licenses and permits. To the extent that required authorisations are not obtained or are delayed, the Company's operational and financial performance may be materially adversely affected.

(e) **Mine development**

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Possible future development of mining operations at the Project is dependent on a number of factors including, but not limited to, the acquisition and/or delineation of economically recoverable mineralisation, favourable geological conditions, receiving the necessary approvals from all relevant authorities and parties, seasonal weather patterns, unanticipated technical and operational difficulties encountered in extraction and production activities, mechanical failure of operating plant and equipment, shortages or increases in the price of consumables, spare parts and plant and equipment, cost overruns, access to the required level of funding and contracting risk from third parties providing essential services.

If the Company commences production on one of the Project, its operations may be disrupted by a variety of risks and hazards which are beyond the control of the Company. No assurance can be given that the Company will achieve commercial viability through the development of the Project.

The risks associated with the development of a mine will be considered in full should the Project reach that stage and will be managed with ongoing consideration of stakeholder interests.

(f) **Environmental**

The operations and proposed activities of the Company are subject to State and Federal laws and regulations concerning the environment. As with most exploration Project and mining operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds.

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 non-compliance with environmental laws or regulations.

The disposal of mining and process waste and mine water discharge are under constant legislative scrutiny and regulation. There is a risk that environmental laws and regulations become more onerous making the Company's operations more expensive.

Approvals are required for land clearing and for ground disturbing activities. Delays in obtaining such approvals can result in the delay to anticipated exploration programs or mining activities.

(g) **Regulatory compliance**

(i) **Regulatory risks**

The Company's operating activities are subject to extensive laws and regulations relating to numerous matters including resource licence consent, environmental compliance and rehabilitation, taxation, employee relations, health and worker safety, waste disposal, protection of the environment, native title and Aboriginal heritage matters, protection of endangered and protected species and other matters. The Company requires permits from regulatory authorities to authorise the Company's operations. These permits relate to exploration, development, production and rehabilitation activities.

While the Company believes that it will operate in substantial compliance with all material current laws and regulations, agreements or changes in their

enforcement or regulatory interpretation could result in changes in legal requirements or in the terms of existing permits and agreements applicable to the Company or its properties, which could have a material adverse impact on the Company's current operations or planned activities.

Obtaining necessary permits can be a time-consuming process and there is a risk that Company will not obtain these permits on acceptable terms, in a timely manner or at all. The costs and delays associated with obtaining necessary permits and complying with these permits and applicable laws and regulations could materially delay or restrict the Company from proceeding with the development of a project or the operation or development of a mine. Any failure to comply with applicable laws and regulations or permits, even if inadvertent, could result in material fines, penalties or other liabilities. In extreme cases, failure could result in suspension of the Company's activities or forfeiture of one or more of Tenements comprising the Project.

(ii) **Failure to satisfy expenditure commitments**

Interests in tenements in Victoria are governed by the mining acts and regulations that are current in Victoria and are evidenced by the granting of licences or leases. Each licence or lease is for a specific term and carries with it annual expenditure and reporting commitments, as well as other conditions requiring compliance. Consequently, the Company could lose title to or its interest in the Tenements if licence conditions are not met or if insufficient funds are available to meet expenditure commitments.

7.4 General risks

(a) **Future funding requirements and the ability to access debt and equity markets**

The funds raised under the Offer are considered sufficient to meet the exploration and evaluation objectives of the Company. Additional funding may be required in the event exploration costs exceed the Company's estimates and to effectively implement its business and operations plans in the future, to take advantage of opportunities for acquisitions, joint ventures or other business opportunities, and to meet any unanticipated liabilities or expenses which the Company may incur, additional financing will be required.

In addition, should the Company consider that its exploration results justify commencement of production on any of its Tenements, additional funding will be required to implement the Company's development plans, the quantum of which remain unknown at the date of this Prospectus.

The Company may seek to raise further funds through equity or debt financing, joint ventures, production sharing arrangements or other means.

Failure to obtain sufficient financing for the Company's activities and future projects may result in delay and indefinite postponement of exploration, development or production on the Company's properties or even loss of a property interest. There can be no assurance that additional finance will be available when needed or, if available, the terms of the financing might not be favourable to the Company and might involve substantial dilution to Shareholders.

(b) **Reliance on key personnel**

The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment.

The Company's future depends, in part, on its ability to attract and retain key personnel. It may not be able to hire and retain such personnel at compensation

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levels consistent with its existing compensation and salary structure. Its future also depends on the continued contributions of its executive management team and other key management and technical personnel, the loss of whose services would be difficult to replace. In addition, the inability to continue to attract appropriately qualified personnel could have a material adverse effect on the Company's business.

(c) **Economic conditions and other global or national issues**

General economic conditions, laws relating to taxation, new legislation, trade barriers, movements in interest and inflation rates, currency exchange controls and rates, national and international political circumstances (including wars, terrorist acts, sabotage, subversive activities, security operations, labour unrest, civil disorder, and states of emergency), natural disasters (including fires, earthquakes and floods), and quarantine restrictions, epidemics and pandemics, may have an adverse effect on the Company's operations and financial performance, including the Company's exploration, development and production activities, as well as on its ability to fund those activities. General economic conditions may also affect the value of the Company and its market valuation regardless of its actual performance.

(d) **Competition**

The industry in which the Company will be involved is subject to domestic and global competition. Although the Company will undertake all reasonable due diligence in its business decisions and operations, the Company will have no influence or control over the activities or actions of its competitors, which activities or actions may, positively or negatively, affect the operating and financial performance of the Company's Project and business.

(e) **Currently no market**

There is currently no public market for the Company's Shares, the price of its Shares is subject to uncertainty and there can be no assurance that an active market for the Company's Shares will develop or continue after the Offer.

The price at which the Company's Shares trade on ASX after listing may be higher or lower than the issue price of Shares offered under this Prospectus and could be subject to fluctuations in response to variations in operating performance and general operations and business risk, as well as external operating factors over which the Directors and the Company have no control, such as movements in mineral prices and exchange rates, changes to government policy, legislation or regulation and other events or factors.

There can be no guarantee that an active market in the Company's Shares will develop or that the price of the Shares will increase. There may be relatively few or many potential buyers or sellers of the Shares on ASX at any given time. This may increase the volatility of the market price of the Shares. It may also affect the prevailing market price at which Shareholders are able to sell their Shares. This may result in Shareholders receiving a market price for their Shares that is above or below the price that Shareholders paid.

(f) **Fluctuations in market price of Shares**

The price at which the Shares trade on ASX following the Company's listing may be higher or lower than the Offer Price. There is no guarantee that the Shares will appreciate in value or maintain the same level as the Offer Price.

The price at which the Shares trade following the Company's listing on ASX could be subject to fluctuations and will be affected by a number of factors relevant to the Company's business and its overall performance and other external factors. Some of the factors which may affect the price at which the Shares trade on ASX include fluctuations in the domestic and international market for listed stocks, general economic conditions, including interest rates, inflation rates, exchange rates, changes

to government fiscal, monetary or regulatory policies, legislation or regulation, the nature of the markets in which the Company operates (including movements in mineral prices) and general operational and business risks.

(g) **Market conditions**

Share market conditions may affect the value of the Company's Shares regardless of the Company's operating performance. Share market conditions are affected by many factors such as:

(i) general economic outlook;

(ii) introduction of tax reform or other new legislation;

(iii) interest rates and inflation rates;

(iv) global health epidemics or pandemics;

(v) currency fluctuations;

(vi) changes in investor sentiment toward particular market sectors;

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

(viii) political tensions; and

(ix) terrorism or other hostilities.

The market price of Shares can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resource exploration stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

Potential investors should be aware that there are risks associated with any securities investment. Securities listed on the stock market, and in particular securities of exploration companies experience extreme price and volume fluctuations that have often been unrelated to the operating performance of such companies. These factors may materially affect the market price of the shares regardless of the Company's performance.

In addition, after the end of the relevant escrow periods affecting Shares in the Company, a significant sale of then tradeable Shares (or the market perception that such a sale might occur) could have an adverse effect on the Company's Share price. Please refer to Section 5.9 for further details on the Shares likely to be classified by the ASX as restricted securities.

(h) **Commodity price volatility and exchange rate**

If the Company achieves success leading to mineral production, the revenue it will derive through the sale of product exposes the potential income of the Company to commodity price and exchange rate risks. Commodity prices fluctuate and are affected by many factors beyond the control of the Company. Such factors include supply and demand fluctuations for precious and base metals, technological advancements, forward selling activities and other macro-economic factors.

Furthermore, international prices of various commodities are denominated in United States dollars, whereas the income and expenditure of the Company will be taken into account in Australian currency, exposing the Company to the fluctuations and volatility of the rate of exchange between the United States dollar and the Australian dollar as determined in international markets.

(i) **Government policy changes**

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Adverse changes in government policies or legislation may affect ownership of mineral interests, taxation, royalties, land access, labour relations, and mining and exploration activities of the Company. It is possible that the current system of exploration and mine permitting in Victoria may change, resulting in impairment of rights and possibly expropriation of the Company's properties without adequate compensation.

(j) **Insurance**

The Company intends to insure its operations in accordance with industry practice. However, in certain circumstances the Company's insurance may not be of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company.

Insurance of all risks associated with mineral exploration and production is not always available and where available the costs can be prohibitive.

(k) **Force majeure**

The Company's Project or projects acquired in the future may be adversely affected by risks outside the control of the Company including labour unrest, civil disorder, war, subversive activities or sabotage, fires, floods, explosions or other catastrophes, epidemics or quarantine restrictions.

(l) **Dilution**

In the future, the Company may elect to issue Shares or engage in capital raisings to fund operations and growth, for investments or acquisitions that the Company may decide to undertake, to repay debt or for any other reason the Board may determine at the relevant time.

While the Company will be subject to the constraints of the ASX Listing Rules regarding the percentage of its capital that it is able to issue within a 12 month period (other than where exceptions apply), Shareholder interests may be diluted as a result of such issues of Shares or other securities.

(m) **Taxation**

The acquisition and disposal of Shares 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 Shares from a taxation viewpoint 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 subscribing for Shares under this Prospectus.

(n) **Litigation**

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

(o) **Global conflicts**

The current evolving conflict between Ukraine and Russia and Israel and Palestine (**Ukraine and Gaza Conflicts**) is impacting global economic markets. The nature and

extent of the effect of the Ukraine and Gaza Conflicts on the performance of the Company remains unknown. The Company's Share price may be adversely affected in the short to medium term by the economic uncertainty caused by the Ukraine and Gaza Conflicts.

The Directors are continuing to closely monitor the potential secondary and tertiary macroeconomic impacts of the unfolding events, including the changing pricing of commodity and energy markets and the potential of cyber activity impacting governments and businesses. Further, any governmental or industry measures taken in response to the Ukraine and Gaza Conflicts, including limitations on travel and changes to import/export restrictions and arrangements involving the relevant countries may adversely impact the Company's operations and are likely to be beyond the control of the Company.

The Company is monitoring the situation closely and considers the impact of the Ukraine and Gaza Conflicts on the Company's business and financial performance to, at this stage, be limited. However, the situation is continually evolving, and the consequences are therefore inevitably uncertain.

7.5 Investment speculative

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

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

The Securities offered under this Prospectus carry no guarantee in respect of profitability, dividends, return of capital or the price at which they may trade on the ASX.

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

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8. Board and Key Management, Corporate Governance and ESG

8.1 Board of Directors

The Board of the Company consists of:

(a) **Peter Wall – Non-Executive Chair**

(*Bachelor of Laws, Bachelor of Commerce (Finance) and Masters of Applied Finance and Investment*)

Mr Wall is a corporate lawyer and has been a Partner at Steinepreis Paganin (Perth based corporate law firm) since July 2005. Mr Wall graduated from the University of Western Australia in 1998 with a Bachelor of Laws and Bachelor of Commerce (Finance). Mr Wall has also completed a Masters of Applied Finance and Investment with the Financial Services Institute of Australasia (FINSIA).

Mr Wall has a wide range of experience in all forms of commercial and corporate law, with a particular focus on resources (hard rock and oil/gas), equity capital markets and mergers and acquisitions. He has been a director of multiple ASX listed companies. He is currently the Non-Executive Chair of Province Resources Limited and was previously Non-Executive Chair of Pursuit Minerals Ltd.

The Board considers that Mr Wall is an independent Director.

(b) **David Frances – Managing Director and Chief Executive Officer**

(*Bachelor of Science (Hons.)*)

Mr Frances is an international executive of nearly 30 years and has served as Chairman – both Executive and Non-Executive, President, Managing Director and Non-Executive Director for a variety of ASX and TSX listed and private companies across a diverse range of business. He has dealt with multiple governments at all levels and specialises in the delivery of tough projects in complex jurisdictions.

His deep knowledge of global equity capital markets and debt markets and been instrumental in the transformation of several companies, including Mawson West (TSX:MWE) which he led from a micro-cap Western Australian based ASX company involving delisting the company from the ASX and then relisting on the Toronto Stock Exchange after completing the world's largest base metals capital raise and initial public offer for 2010.

Mr Frances is currently Managing Director and CEO of Province Resources Limited, Non-Executive Director of Southern Hemisphere Mining Limited and Non-Executive Chairman of Lanthanein Resources Ltd.

The Board considers that Mr Frances is not an independent Director.

(c) **Charles McHugh – Non-Executive Director**

(Bachelor of Science and Bachelor of Engineering (Hons.))

Mr McHugh is a highly credentialed mining professional. He brings over 30 years of extensive experience in production, strategic planning, project evaluation, and mining technology development.

Holding a WA First Class Mine Manager's certificate, he is a Fellow of the AusIMM and a member of the Institute of Engineers Australia. His career spans leadership roles at major mining companies, including Rio Tinto, WMC Resources, and Rex Minerals. He has played a key role in advancing mining automation and innovative mining methods, contributing to numerous industry research initiatives.

He has expertise across gold, nickel, copper, iron ore, and coal.

The Board considers that Mr McHugh is an independent director.

The Board has considered the Company's immediate requirements as it transitions to an ASX-listed company and is satisfied that the composition of the Board represents an appropriate range of experience, qualifications and skills at this time.

8.2 Key management

The Company's key management team includes Ian Hobson, whose profile is set out below:

Ian Hobson – Company Secretary

(Bachelor of Business (B.Bus), Fellow Chartered Accountant – CA ANZ (FCA), Chartered Secretary – Chartered Governance Institute (AGIA) and Member of the Institute of Company Directors (MAICD))

The Company is aware of the need to have sufficient management to properly supervise its operations and the Board will continually monitor the management roles in the Company. As the Company's exploration and development activities and overall operations require an increased level of involvement the Board will look to appoint additional management and/or consultants when and where appropriate. The Company intends to utilise the services of experts and consultants for technical input, including to assist formulate overall exploration strategy and direction, and reporting in compliance with ASX and JORC standards.

8.3 Directors' disclosures

No Director has been the subject of (or was a director of a company that has been subject to) any legal or disciplinary action in Australia or elsewhere in the last ten years which is relevant or material to the performance of their role with the Company or which is relevant to an investor's decision as to whether to subscribe for Shares under the Offer.

No Director has 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.

8.4 Agreements with Directors and related parties

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

(a) a Director with a material personal interest in a matter is required to give notice to the other Directors before such a matter is considered by the Board; and

(b) for the Board to consider such a matter, the Director who has a material personal interest is not present while the matter is being considered at the meeting and does not vote on the matter.

The agreements between the Company and related parties are summarised in Section 9.4.

8.5 Directors' remuneration and interests in Securities

Given that the Company was incorporated on 12 December 2024, the Directors did not receive any remuneration for the financial period ended 30 June 2025. The Directors will receive remuneration for the current financial year from 1 August 2025 as set out in the table below.

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Director	Remuneration (including superannuation) for the year ending 30 June 2026[2]	Proposed Annual Remuneration (including superannuation)
Peter Wall	$41,250	$45,000
David Frances	$229,999	$250,908
Charles McHugh	$27,500	$30,000

Notes:

1. The Company was incorporated on 12 December 2024.
2. Includes per annum base salary or directors' fees (as applicable), pro-rated for 11 months.

Interests in Securities

As at the date of this Prospectus

Directors are not required under the Company's Constitution to hold any Shares to be eligible to act as a director. As at the date of this Prospectus, the Directors have relevant interests in securities as follows:

Director	Shares	Options	Percentage (%)	
			Undiluted	Fully Diluted
Peter Wall	nil	7,000,000	nil	15.56%
David Frances	nil	16,000,000	nil	35.56%
Charles McHugh	nil	7,000,000	nil	15.56%

Notes:

1. The Company currently has 15,000,000 Shares on issue.
2. The Company issued the Directors (and/or their respective nominees) an aggregate of 30,000,000 Options as part of their respective remuneration packages as an equity-based incentive. The Options are unlisted options exercisable at $0.30 each on or before the date that is four (4) years from the date of admission of Black Horse to the official list of the ASX. The terms of the Options are summaries in Section 10.4.

Post-completion of the Offer

Director	Shares	Options[1]	Percentage (%)	
			Undiluted	Fully Diluted
Peter Wall	nil	7,000,000	nil	6.57%
David Frances	nil	16,000,000	nil	15.02%
Charles McHugh	nil	7,000,000	nil	6.57%

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Notes:

1. The Company issued the Directors (and/or their respective nominees) an aggregate of 30,000,000 Options as part of their respective remuneration packages as an equity-based incentive. The Options are unlisted options exercisable at $0.30 each on or before the date that is four (4) years from the date of admission of Black Horse to the official list of the ASX. The terms of the Options are summaries in Section 10.4.

The Constitution provides that the remuneration of non-executive Directors will be not more than the aggregate fixed sum determined by a general meeting. The aggregate remuneration for non-executive Directors is $500,000 per annum although may be varied by ordinary resolution of the Shareholders in general meeting.

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

In addition, the Directors (and their associates) may apply for Shares under the Offer. If one or more of the Directors (or their spouses or associates) do apply for, and are allocated, Shares under the Offer, the figures in the above table will be affected.

The Company will notify ASX of the Directors' interests in the Securities of the Company at the time of Admission in accordance with the ASX Listing Rules.

8.6 Corporate governance

(a) ASX Corporate Governance Council Principles and Recommendations

The Company has adopted comprehensive systems of control and accountability as the basis for the administration of corporate governance.

The Board is committed to administering the policies and procedures with openness and integrity, pursuing the true spirit of corporate governance commensurate with the Company's needs.

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

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

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

(b) Board of Directors

The Board is responsible for corporate governance of the Company.

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

(i) maintain and increase Shareholder value;

(ii) ensure a prudential and ethical basis for the Company's conduct and activities consistent with the Company's stated values; and

(iii) ensure compliance with the Company's legal and regulatory objectives.

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

(iv) leading and setting the strategic direction, values and objectives of the Company;

(v) appointing the Chair of the Board, Managing Director or Chief Executive Officer and approving the appointment of senior executives and the Company Secretary;

(vi) overseeing the implementation of the Company's strategic objectives, values, code of conduct and performance generally;

(vii) approving and monitoring the progress of major capital expenditure, capital management and significant acquisitions and divestitures;

(viii) overseeing the integrity of the Company's accounting and corporate reporting systems, including any external audit (satisfying itself financial statements released to the market fairly and accurately reflect the Company's financial position and performance);

(ix) establishing procedures for verifying the integrity of those periodic reports which are not audited or reviewed by an external auditor, to ensure that each periodic report is materially accurate, balanced and provides investors with appropriate information to make informed investment decisions;

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

(xi) reviewing and ratifying systems of audit, risk management and internal compliance and control, codes of conduct and legal compliance to minimise the possibility of the Company operating beyond acceptable risk parameters; and

(xii) approving the Company's remuneration framework and ensuring it is aligned with the Company's purpose, values, strategic objectives and risk appetite.

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

(c) **Composition of the Board**

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

(i) membership of the Board of Directors will be reviewed regularly to ensure the mix of skills and expertise is appropriate; and

(ii) the composition of the Board has been structured so as to provide the Company with an adequate mix of directors with industry knowledge, technical, commercial and financial skills together with integrity and judgment considered necessary to represent Shareholders and fulfil the business objectives and values of the Company as well as to deal with new and emerging business and governance issues.

The Board currently consists of three Directors (two non-executive Directors and one executive Director) of whom Mr Wall and Mr McHugh are considered independent. The Board considers the current balance of skills and expertise to be appropriate given the Company's size and its currently planned level of activity.

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

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

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

The Company shall develop and implement a formal induction program for Directors, which is tailored to their existing skills, knowledge and experience.

The purpose of this program is to allow new directors to participate fully and actively in Board decision-making at the earliest opportunity, and to enable new directors to gain an understanding of the Company's policies and procedures.

The Board maintains oversight and responsibility for the Company's continual monitoring of its diversity practices.

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

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

The Board's collective experience will enable accurate identification of the principal risks that may affect the Company's business.

Key operational risks and their management will be recurring items for deliberation at Board meetings.

(e) **Ethical standards**

The Board is committed to the establishment and maintenance of appropriate ethical standards and to conducting all of the Company's business activities fairly, honestly with integrity, and in compliance with all applicable laws, rules and regulations.

In particular, the Company and the Board are committed to preventing any form of bribery or corruption and to upholding all laws relevant to these issues as set out in the Company's Anti-Bribery and Anti-Corruption Policy.

In addition, the Company encourages reporting of actual and suspected violations of the Company's Code of Conduct or other instances of illegal, unethical or improper conduct.

The Company and the Board provide effective protection from victimisation or dismissal to those reporting such conduct as set out in its Whistleblower Protection Policy.

(f) **Independent professional advice**

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

(g) **Remuneration arrangements**

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

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In accordance with the Constitution, the total maximum remuneration of non-executive Directors is initially set by the Board and subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable.

The determination of non-executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director. The current amount has been set at an amount not to exceed $500,000 per annum.

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

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

The Board reviews and approves the remuneration policy to enable the Company to attract and retain executives and Directors who will create value for Shareholders having regard to the amount considered to be commensurate for a company of its size and level of activity as well as the relevant Directors' time, commitment and responsibility.

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

(h) **Trading policy**

The Board has adopted a policy that sets out the guidelines on the sale and purchase of securities in the Company by its key management personnel (i.e., Directors and, if applicable, any employees reporting directly to the managing director).

The policy generally provides that, the written acknowledgement of the Chair (or the Board in the case of the Chair) must be obtained prior to trading.

(i) **External audit**

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

(j) **Audit committee**

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

(i) monitoring and reviewing any matters of significance affecting financial reporting and compliance;

(ii) verifying the integrity of those periodic reports which are not audited or reviewed by an external auditor;

(iii) monitoring and reviewing the Company's internal audit and financial control system, risk management systems; and

(iv) management of the Company's relationships with external auditors.

(k) **Diversity policy**

The Company is committed to workplace diversity.

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

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

(l) **Departures from Recommendations**

Under the ASX Listing Rules the Company will be required to provide a statement in its annual financial report or on its website disclosing the extent to which it has followed the Recommendations during each reporting period.

Where the Company has not followed a Recommendation, it must identify the Recommendation that has not been followed and give reasons for not following it.

The Company's compliance with and departures from the Recommendations will also be announced prior to Admission.

8.7 Environmental, Social and Governance (ESG)

The Company is aware of its obligations under relevant law in respect of Environmental, Social and Governance (**ESG**) principles. Whilst the Company has adopted an ESG Policy, at this stage of the Company's Project, the Company has not adopted any formal strategies on ESG but will continue to monitor its ESG obligations and manage its activities to the extent appropriate.

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9. Material Contracts

The Directors consider that the material contracts described below are those which an investor would reasonably regard as material and which investors and their professional advisers would reasonably expect to find described in this Prospectus for the purpose of making an informed assessment of an investment in the Company under the Offer.

This Section contains a summary of the material contracts and their substantive terms which are not otherwise disclosed elsewhere in this Prospectus.

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

9.1 Acquisition Agreement

The Company has entered into a share sale agreement dated 8 July 2025, as amended on 8 September 2025, with SMS, ACN Subsidiary and the Vendors, the material terms and conditions of which are summarised below:

Item	Terms
Parties	(a) SMS; (b) ACN Subsidiary; (c) the Company; and (d) the Vendors, together, the **Parties**.
Date of Acquisition Agreement	8 July 2025, as amended on 8 September 2025.
Acquisition	Subject to the satisfaction or waiver of the Conditions Precedent, ACN Subsidiary (as nominee of the Company) agrees to acquire and the Vendors agree to sell 80% of the shares in SMS (**SMS Shares**), free from encumbrances, for the Consideration as set out below (the **Acquisition**). SMS is the 100% legal and beneficial owner of tenements RL 2018, EL 6417 and EL 8628 (application) located in Victoria which comprise the Project (**Tenements**).
Consideration	In consideration for the Acquisition, the Company agrees to issue/pay to the Vendors (or their nominees): (a) 9,500,000 Shares (**Consideration Shares**); (b) 5,000,000 Options, exercisable at $0.30 each on or before the date that is four (4) years from the date of the Company's Admission to the ASX (**Consideration Options**); (c) subject to satisfaction of the Cash Condition (defined below), up to the amount of $100,000 in cash as a reimbursement for expenditure incurred by the Vendors on the Tenements up to Completion (**Cash Consideration**); and (d) the following number of Shares as deferred consideration (**Deferred Consideration Shares**) upon satisfaction of the following milestones (each, a **Milestone**): (i) that number of Shares to the value of $1,000,000 calculated using a deemed issue price equal to the 10-day volume weighted average price of the Shares (**VWAP**) for the period immediately

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Item	Terms
	preceding the date of the announcement of the Mineral Resource Estimate, subject to: A. the Company defining and delineating a JORC Code or National Instrument 43-101 (as applicable) compliant Mineral Resource Estimate of 500,000 ounces of gold or greater at a minimum grade of 8 g/t (the **Mineral Resource Estimate**) and announcing that Mineral Resource Estimate to the ASX; and B. after achieving the milestone in (A), the VWAP of Shares as traded on the ASX over 20 consecutive trading days on which the Shares have actually traded is equal to or greater than $0.20, within five (5) years of the date of quotation of the Shares on the ASX, (ii) that number of Shares to the value of $3,000,000 calculated using a deemed issue price equal to the 10-day VWAP for the period immediately preceding the date of the announcement of the Increased Mineral Resource Estimate, subject to: A. the Company defining and delineating a JORC Code or National Instrument 43-101 (as applicable) compliant Mineral Resource Estimate of 1,000,000 ounces of gold or greater at a minimum grade of 8 g/t (the **Increased Mineral Resource Estimate**) and announcing that Increased Mineral Resource Estimate to the ASX; and B. after achieving the milestone in (A), the VWAP of Shares as traded on the ASX over 20 consecutive trading days on which the Shares have actually traded is equal to or greater than $0.20, within five (5) years of the date of quotation of the Shares on the ASX, (together, the **Consideration**). The issue price of the Deferred Consideration Shares will have a floor of, and not be less than, $0.20 per Deferred Consideration Share (in the event the 10-day VWAP for Shares is less than $0.20).
Cash Condition	(a) The Cash Consideration payable to the Vendors is subject to ASX confirming payment of the Cash Consideration (or any part thereof) is acceptable to ASX for the purposes of the Listing Rules (as applicable) (the **Cash Condition**). (b) To the extent the Cash Consideration (or any part thereof) is not permitted by ASX, the Cash Consideration (or any balance thereof) shall be satisfied by the issue of Shares calculated using a deemed issue price of $0.20 per Share (**Additional Consideration Shares**).
Conditions Precedent	Completion of the Acquisition (**Completion**) is conditional upon the satisfaction (or waiver) of the following conditions precedent: (a) **Due Diligence:** completion of financial, legal and technical due diligence by the Company on SMS and the Tenements, to the Company's absolute satisfaction;

Item	Terms
	(b) **Capital Raising:** preparation of the Prospectus and lodging it with ASIC and ASX to complete the Offer to support an application for Admission to the Official List and receiving valid applications for at least $5,000,000 worth of Shares pursuant to the Prospectus (**Capital Raising**); (c) **Shareholder Approvals:** each of the Company and SMS obtaining all required shareholder approvals to lawfully complete the matters set out in the Acquisition Agreement; (d) **Conditional Approval**: the Company receiving conditional approval for the Official Quotation of the Shares on the ASX and the Company being satisfied it can satisfy all material conditions under the conditional approval letter; (e) **Regulatory Approvals:** the Parties obtaining all necessary statutory, government and regulatory approvals, consents and waivers; (f) **Third Party Approvals**: the Parties obtaining all necessary third party approvals, consents and waivers; (g) **Capitalisation:** Province Resources Limited (or its nominee) subscribing for, and the Company issuing to Province Resources Limited (or its nominee), at least $3,000,000 worth of Shares on or before the date that all of the other Conditions Precedent (other than the Material Adverse Change Condition Precedent) are satisfied (or waived); and (h) **Material Adverse Change**: between 8 July 2025 and the date that all of the other Conditions Precedent are satisfied (or waived), no event, matter or circumstance occurs which, in the reasonable opinion of the Company, has, or is reasonably expected to have, a material adverse effect on or change to SMS, the Vendors Shareholders or the Tenements, including a breach of warranty, to be determined at the discretion of the Company, acting reasonably, (together, the **Conditions Precedent**). The Conditions Precedent, other than the Capital Raising, Shareholder Approvals and Capitalisation Conditions Precedent, are for the benefit of the Company and may only be waived by the Company by notice in writing to the Shareholders. The Capital Raising, Shareholder Approvals and Capitalisation Conditions Precedent are for the benefit of the Company and the Vendors and may only be waived by written agreement between them. If the Conditions Precedent are not satisfied (or waived) on or before 5.00pm (WST) on 8 January 2026 (or such other date agreed by the Parties in writing) (**End Date**), then any Party may terminate the Acquisition Agreement by notice in writing to the other Parties, in which case, the Acquisition Agreement will be at an end and the Parties will be released from their obligations under the Acquisition Agreement (other than in respect of any breaches that occurred prior to termination). The Parties must use their best endeavours to ensure that the Conditions Precedent (within its control) are satisfied on or before the End Date. Each Party must provide all reasonable assistance to the other Parties as is necessary to satisfy the Conditions Precedent, keep the other Parties informed as to the status of satisfaction of the Conditions Precedent and notify the other Parties as soon as a Condition Precedent has been satisfied or becomes incapable of being satisfied.

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Item	Terms
Completion	Completion will occur on that date which is five (5) business days after the satisfaction (or waiver) of the last of the Conditions Precedent (or such other date as agreed between the Parties) (**Completion Date**). Upon Completion occurring, the interests of ACN Subsidiary and the Vendors in SMS will be as follows: (a) ACN Subsidiary: 80%; (b) Terence Delahunty: 10.2%; and (c) Milan Josic and associates: 9.8%.
Title and risk	Title to and risk in the SMS Shares passes to ACN Subsidiary on (and subject to) Completion.
Acquisition Expenditure post-Completion	(a) From the Completion Date, ACN Subsidiary agrees to expend not less than $4,000,000 on the Tenements (**Acquisition Expenditure**) during the period of 5 years commencing on the Completion Date (**Expenditure Period**) in order to maintain its total shareholding in SMS of 80%. (b) ACN Subsidiary is required to spend the first $1,000,000 within 12 months after receiving approved work permits from the Department of Energy, Environment and Climate Action (Victoria) for this amount. If ACN Subsidiary fails to complete this expenditure, the amount of any shortfall must be paid to the Vendors in cash. (c) If ACN Subsidiary satisfies the Acquisition Expenditure during the Expenditure Period, ACN Subsidiary will retain its total shareholding in SMS of 80%. (d) If ACN Subsidiary fails to spend the Acquisition Expenditure during the Expenditure Period, then ACN Subsidiary's total shareholding in SMS is to be diluted to 51% and the Vendors will increase to 49%. (e) ACN Subsidiary may give written notice to SMS to cease funding the Acquisition Expenditure, at any time after clause (a) above is satisfied, and withdraw from the Expenditure Period, in which clause (d) above shall apply upon the date of the written notice.
Free Carried Period	(a) ACN Subsidiary agrees to free carry the Vendors on and from Completion in relation to their (aggregate) 20% interest or 49% interest in SMS (as determined above) until a Decision to Mine (**Free Carried Period**). (b) During the Free Carried Period, ACN Subsidiary will: (i) solely fund all activities of SMS (including, on the Tenements); (ii) have the sole right to determine the nature, location, timing and content of all work programs, activities and budgets of SMS (including, on the Tenements); and (iii) have the sole right to determine the nature, location, timing and conduct of all activities of SMS (including, on the Tenements). (c) Upon a Decision to Mine being made, the Vendors will no longer be entitled to be free carried and the Free Carried Period will be at an end.

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Item	Terms	
	(d)	For the purposes of the Acquisition Agreement, **Decision to Mine** means a decision made by ACN Subsidiary to commence development and mining of one or more mineral deposits located within the area of one or more of the Tenements with the intention for mining to be ongoing. For the avoidance of doubt, any form of bulk sampling or trial mining of any discovered high-grade ore will not be taken to constitute a Decision to Mine.
	(e)	If a Decision to Mine does not proceed and is withdrawn, then the Free Carried Period shall be reinstated, provided that the Vendors still own SMS Shares.
Formation of Joint Venture	(a)	If a Decision to Mine is made by ACN Subsidiary, each Vendor must elect, by notice in writing to ACN Subsidiary within 120 days of receipt of notice that a Decision to Mine has been approved (**Election Period**), to participate and contribute its full proportionate share of costs and expenditure to implement the Decision to Mine based on its proportionate shareholding interest in SMS at the relevant time (**Mine Costs**).
	(b)	If a Vendor elects not to contribute its share of the Mine Costs (**Exiting Vendor**), it shall, in consideration for the Royalty (in proportion to its Modified Participating Interest), be deemed to have assigned and transferred all of its rights, title and interests in SMS (and the Tenements) to ACN Subsidiary provided that ACN Subsidiary elects to increase its contribution to the extent of the Exiting Vendor's interest in SMS at the relevant time.
	(c)	If elections have been made so that the projected Mine Costs are fully committed, ACN Subsidiary and each Vendor which elected to contribute its share of the Mine Costs (**Participating Vendor**) are to form a mining joint venture and each Participating Vendor and ACN Subsidiary will hold an interest in the mining joint venture equivalent to its committed percentage contribution of the Mine Costs. The mining joint venture will be subject to a separate full form mining joint venture agreement to be negotiated and entered into within 40 business days of the end of the Election Period.
	(d)	Each Participating Vendor must provide ACN Subsidiary assurance that it has funding in place and reasonably available to satisfy its committed percentage contribution of the Mine Costs.
	(e)	If elections have not been made so that the Mine Costs are fully committed, the Decision to Mine will be withdrawn.
	(f)	For the purposes of the Acquisition Agreement, a Vendor's **Modified Participating Interest** shall be calculated as its pro rata shareholding in SMS excluding any shareholding in SMS of ACN Subsidiary (and its related entities).
Buy-out of Royalty	(a)	An Exiting Vendor will be deemed to have automatically assigned all of its rights, title and interest in SMS to ACN Subsidiary in consideration for a royalty of 1.5% of the net smelter return on the sale of all products extracted from the area of the Tenements (proportionate to that Exiting Vendor's Modified Participating Interest) (**Royalty**), payable on customary terms and conditions acceptable to ACN Subsidiary and the Exiting Vendor, acting reasonably, to be documented by a royalty deed.

Item	Terms
	(b) At any time on and from the date upon which an Exiting Vendor becomes entitled to the Royalty, ACN Subsidiary will have the right to buy out 100% of the Royalty payable to that Exiting Vendor (**Buy-out Option**) for $5,000,000 (pro-rata to that Exiting Vendor's Modified Participating Interest) (**Buy-out Payment**) by giving notice in writing to the Vendors to that effect. (c) The Buy-out Option may be exercised at the election of ACN Subsidiary, at its absolute discretion. (d) For the avoidance of doubt, an Exiting Vendor is only entitled to the Royalty and the Buy-out Payment in proportion to its Modified Participating Interest. The total Royalty payable to the Shareholders in aggregate will not exceed 1.5% and the total Buy-out Payment payable to the Vendors in aggregate will not exceed $5,000,000.
Tailings arrangement	(a) On and from the Completion Date, the Vendors (or their nominee) will have the right to enter into a joint venture agreement or development arrangement with SMS pursuant to which the Vendors (or their nominee) will have a right, at their cost, to process any Tailings, sell any products derived from processing the Tailings and retain any profits generated from that endeavour. (b) The Company agrees, at the Vendors' cost and expense, to do everything reasonably necessary to facilitate the Tailings work being undertaken by the Vendors (or their nominee), including applying for any required mining licences for the tailing extraction and processing, in a timely manner. (c) In this regard, the Parties agree to negotiate in good faith the commercial terms of an arrangement whereby the Company will have a first right to provide funding for processing of the Tailings in return for a profit share arrangement with the Vendors. (d) For the purposes of the Acquisition Agreement, **Tailings** includes tailings, residues, waste rock, spoiled leach materials and other materials resulting from the exploration and mining operations and activities conducted on the Tenements prior to 8 July 2025.
Governing Law	The Acquisition Agreement is governed by and construed in accordance with the laws of Victoria.
Assignment	No Party may assign, novate or otherwise transfer any of its rights or obligations under this Agreement without the written consent of the other parties.

In view of the Company having conducted arm's length negotiations with the Vendors to arrive at the commercial terms of the Acquisition, the Board considers that the quantum of the Consideration payable reflects reasonable fair value of the SMS Shares which, once acquired, will result in the Company holding an 80% interest in the Tenements.

The Company also took the following factors into account in determining what constitutes reasonable fair value for the Acquisition:

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

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(b) assessment of the quality and future prospects of the Mt Egerton Project based on exploration conducted to date; and

(c) the Company's ability to raise funds at an issue price of $0.20 per Share to raise a minimum of $8,000,000 (before costs) in contemplation of the Company's current capital structure.

The Acquisition Agreement otherwise contains terms which are standard for an agreement of its nature.

9.2 Joint Lead Manager Mandate

The Company has signed a mandate letter dated 22 August 2025, as amended on 25 August 2025, to engage Inyati Capital and Veritas Securities to act as joint lead managers of the Offer (**Joint Lead Manager Mandate**). The material terms and conditions of the Joint Lead Manager Mandate are summarised below:

Item	Terms
Parties	(a) The Company; and (b) Inyati Capital and Veritas Securities (being, the **Joint Lead Managers**).
Fees	As consideration for their services, the Company agreed to pay the Joint Lead Managers: (a) a management fee of 1% of total funds raised under the Offer (plus GST) (excluding funds raised by Province Resources Limited under the PRL Offer); and (b) a capital raising fee of 5% of total funds raised under the Offer (plus GST) (excluding funds raised by Province Resources Limited under the PRL Offer), to be split equally between the Joint Lead Managers. In addition, the Joint Lead Managers will, subject to the successful completion of the Offer, receive 7,000,000 Options to be split equally between the Joint Lead Managers. The Options to be issued to the Joint Lead Managers will be issued for cash consideration of $0.000001 per Option and be exercisable at $0.30 each (a 50% premium to the issue price of Shares under the Offer) on or before the date that it four (4) years from the date of the Company's admission to the Official List of the ASX. The Joint Lead Managers will determine the amount of, and be responsible for paying (at their own cost), any fees to be paid to other participating brokers. The appointment or inclusion of other participating brokers will be made in consultation with the Company and with its prior consent in writing which is not to be unreasonably withheld.
Expenses	The Company will reimburse the Joint Lead Managers periodically, upon request and subject to satisfactory evidence of such expenditure being provided, for all reasonable out-of-pocket and travel expenses (including any applicable GST) incurred by the Joint Lead Manager in connection with the Offer and the performance of their role. The Joint Lead Managers will seek the Company's approval for any one-off out of pocket or travel expenses that exceeds $2,000, with such approval not to be unreasonably withheld. The Company will be responsible for the reasonable fees and disbursements of the Joint Lead Managers' legal advisers and any other professional adviser retained by the Joint Lead Managers in connection with the Joint Lead Manager Mandate, with such costs (including any

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Item	Terms
	applicable GST) not to exceed $10,000 unless otherwise approved in advance by the Company in writing.
Termination	The Joint Lead Managers or the Company may terminate the Joint Lead Manager Mandate at any time without cause upon seven (7) days' written notice to the other party. If the Joint Lead Manager Mandate is terminated prior to completion of the Offer, the Joint Lead Managers will only be entitled to reimbursement of their reasonable costs and expenses incurred up to the date of termination and will not be entitled to any success-based fees or to the issue of any Options to them.

The Joint Lead Manager Mandate otherwise contains provisions considered standard for an agreement of its nature (including representations and warranties, indemnities and confidentiality provisions).

9.3 Cornerstone Subscription Agreement

The Company has entered into a subscription agreement dated 15 July 2025, as amended on 2 September 2025, with Province Resources Limited whereby Province Resources Limited (the founding shareholder and parent company of Black Horse) has committed to the Company to subscribe for 15,000,000 Shares in the Company (at $0.20 per Share) under the Offer (**Cornerstone Subscription Agreement**). The subscription is subject to the following conditions:

(a) Province Resources Limited submitting an application for 15,000,000 Shares and satisfying payment of $3,000,000 to the Company's nominated bank account on or before the Closing Date of the Offer;

(b) the Company allotting Province Resources Limited 15,000,000 Shares under the Offer; and

(c) the Company receiving applications of at least $5,000,000 worth of Shares pursuant to this Prospectus (excluding the subscription by Province Resources Limited under the Cornerstone Subscription Agreement).

The Cornerstone Subscription Agreement may be terminated:

(a) by Province Resources Limited without notice if the Company withdraws the Offer; or

(b) by mutual agreement between the Company and Province Resources Limited.

The subscription is to otherwise be completed in accordance with, and subject to the terms and conditions of, the Offer as made under the Prospectus.

9.4 Agreements with Directors and management

(a) **Managing Director and CEO appointment**

The Company has entered into a consultancy services agreement with Puissance Holdings Pty Ltd (ACN 121 504 836) (**Puissance**) and Mr Frances with respect to Mr Frances' engagement as the Managing Director and Chief Executive Officer of the Company (**Consultancy Agreement**).

A summary of the Consultancy Agreement is set out below:

(i) **Term**: Mr Frances' commenced on 18 July 2025 and will continue unless terminated earlier in accordance with the Consultancy Agreement.

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(ii) **Remuneration**: From 1 August 2025, Puissance will be paid a consulting fee of $20,909 (inclusive of superannuation and exclusive of GST) per month with respect to the provision of executive services on the basis of a minimum average of 30 hours per week. The Company will reimburse Puissance for all reasonable expenses incurred in the performance of duties.

(iii) **Options**: The Company has issued Mr Frances (or his nominee) 16,000,000 Options as part of his remuneration package as an equity-based incentive.

(iv) **Termination by the Company**: The Company may terminate the Consultancy Agreement at any time if Puissance or Mr Frances are convicted of major criminal offences commit any serious breach of the Consultancy Agreement, are absent or incompetent in their duties, guilty of grave misconduct or of unsound mind. The Company may terminate the Consultancy Agreement for any reason by giving six months' written notice to Puissance or payment in lieu of notice.

(v) **Termination by Puissance**: Puissance may terminate the Consultancy Agreement at any time and for any reason by giving six months' written notice to the Company.

The Consultancy Agreement otherwise contains terms and conditions considered standard for an agreement of its nature.

(b) **Non-Executive Director appointments**

Mr Wall and Mr McHugh have each entered into appointment letters with the Company to act in the capacity of Non-Executive Chair and Non-Executive Director respectively.

These Directors have received and will receive the remuneration set out in Section 8.5.

The Company has issued Mr Wall and Mr McHugh 7,000,000 Options each as part of their respective remuneration packages as an equity-based incentive.

(c) **Deeds of indemnity, insurance and access**

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

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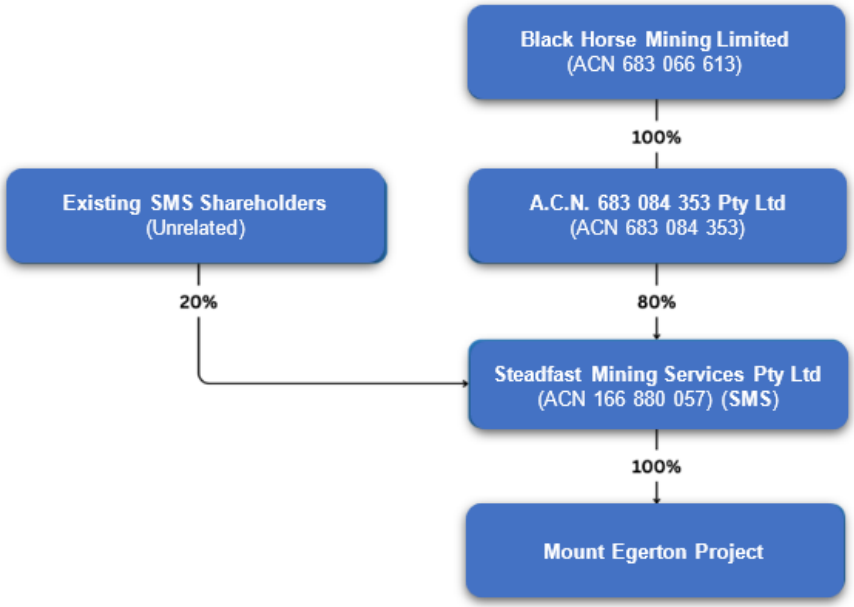
10. Additional Information

10.1 Litigation

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

10.2 Corporate structure

The corporate structure of the Company as at listing on the ASX is set out below:



A.C.N. 683 084 353 Pty Ltd, is a wholly owned subsidiary of Black Horse, which was incorporated in Western Australia on 13 December 2024.

This entity will hold 100% of Black Horse's interest in SMS upon completion pursuant to the Acquisition Agreement.

10.3 Rights and liabilities attaching to Shares

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

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

(a) General meetings

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

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

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(b) **Voting rights**

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

(i) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;

(ii) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and

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

(c) **Dividend rights**

Subject to the rights of any preference Shareholders and to the rights of the holders of any shares created or raised under any special arrangement as to dividend, the Directors may from time to time declare a dividend to be paid to the Shareholders entitled to the dividend which shall be payable on all Shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such Shares.

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

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

(d) **Winding-up**

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

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

(e) **Shareholder liability**

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

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(f) **Transfer of Shares**

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

(g) **Future increase in capital**

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

(h) **Variation of rights**

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

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

(i) **Alteration of constitution**

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

10.4 Terms and conditions of Options

The terms and conditions of the Options to be issued as detailed in this Prospectus are set out below:

(a) **Entitlement**

Each Option entitles the holder to subscribe for one (1) Share upon exercise of the Option.

(b) **Exercise Price**

Subject to Section 10.4(j) the amount payable upon exercise of each Option will be $0.30 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on the date that is four (4) years from the date of the Company's Admission to the Official List of the ASX (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

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

(e) **Notice of Exercise**

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

(f) **Exercise Date**

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

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

Within 5 Business Days after the latter of the following:

(i) Exercise Date; and

(ii) when excluded information in respect to, the Company (as defined in section 708A(7) of the Corporations Act) (if any) ceases to be excluded information,

but in any case, not later than 20 Business Days after the Exercise Date, the Company will:

(iii) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;

(iv) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and

(v) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under Section 10.4(g)(iv) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

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

(i) **Quotation of Shares issued on exercise**

If admitted to the Official List of ASX at the time, application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Options.

(j) **Reconstruction of capital**

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

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(k) **Participation in new issues**

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

(l) **Change in Exercise Price**

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

(m) **Transferability**

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

10.5 Terms and Conditions of the Deferred Consideration Shares

The terms and conditions of the Deferred Consideration Shares are set out below:

(a) (**General Meetings**): Deferred Consideration Shares shall confer on the holder (**Holder**) the right to receive notices of general meetings and financial reports and accounts of the Company that are circulated to the Company's Shareholders. Holders have the right to attend general meetings of the Company's Shareholders.

(b) (**No Voting Rights**): Deferred Consideration Shares do not entitle the Holder to vote on any resolutions proposed at a general meeting of the Company's Shareholders, subject to any voting rights under the Corporations Act or the ASX Listing Rules where such rights cannot be excluded by these terms.

(c) (**No Dividend Rights**): Deferred Consideration Shares do not entitle the Holder to any dividends.

(d) (**No Return of Capital Rights**): Deferred Consideration Shares do not entitle the Holder to any right to a return of capital, whether on a winding up, upon a capital reduction or otherwise.

(e) (**No Rights on Winding Up**): Upon winding up of the Company, Deferred Consideration Shares may not participate in the surplus profits or assets of the Company.

(f) (**Transfer of Deferred Consideration Shares**): Deferred Consideration Shares are not transferable.

(g) (**Reorganisation of Capital**): In the event that the issued capital of the Company is reorganised, all rights of a Holder will be changed to the extent necessary to comply with the ASX Listing Rules at the time of reorganisation.

(h) (**Application to ASX**): The Deferred Consideration Shares will not be quoted on ASX. However, the Company must apply for Official Quotation of a fully paid ordinary share

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in the capital of the Company (**Share**) issued on conversion of a Deferred Consideration Share on ASX within the time period required by the ASX Listing Rules.

(i) (**Participation in Entitlements and Bonus Issues**): Holders will not be entitled to participate in new issues of capital offered to holders of Shares such as bonus issues and entitlement issues.

(j) (**Amendments required by ASX**): The terms of the Deferred Consideration Shares may be amended as necessary by the board of directors of the Company in order to comply with the ASX Listing Rules, or any directions of ASX regarding the terms.

(k) (**No Other Right**): A Deferred Consideration Share gives the Holder no rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.

(l) (**Milestone**): The following number of Shares will be issued (subject to paragraph (g)) upon the satisfaction of the following milestones (each, a **Milestone**):

(i) that number of Shares to the value of $1,000,000 calculated using a deemed issue price equal to the 10-day volume weighted average price of the Shares as traded on the ASX (**VWAP**) for the period immediately preceding the date of the announcement of the Mineral Resource Estimate, subject to:

(A) the Company defining and delineating a JORC Code or National Instrument 43-101 (as applicable) compliant Mineral Resource Estimate of 500,000 ounces of gold or greater at a minimum grade of 8 g/t (the **Mineral Resource Estimate**) and announcing that Mineral Resource Estimate to the ASX; and

(B) after achieving the milestone in (A), the VWAP of Shares as traded on the ASX over 20 consecutive trading days on which the Shares have actually traded is equal to or greater than $0.20,

within five (5) years of the date of quotation of the Shares on the ASX; and

(ii) that number of Shares to the value of $3,000,000 calculated using a deemed issue price equal to the 10-day VWAP for the period immediately preceding the date of the announcement of the Increased Mineral Resource Estimate, subject to:

(A) the Company defining and delineating a JORC Code or National Instrument 43-101 (as applicable) compliant Mineral Resource Estimate of 1,000,000 ounces of gold or greater at a minimum grade of 8 g/t (the **Increased Mineral Resource Estimate**) and announcing that Increased Mineral Resource Estimate to the ASX; and

(B) after achieving the milestone in (A), the VWAP of Shares as traded on the ASX over 20 consecutive trading days on which the Shares have actually traded is equal to or greater than $0.20,

within five (5) years of the date of quotation of the Shares on the ASX.

The issue price of the Shares upon conversion of the Deferred Consideration Shares will have a floor price of $0.20 (**Floor Price**) (in the event the 10-day VWAP for Shares is less than $0.20).

(m) (**Conversion of the Deferred Consideration Shares**): Subject to paragraphs (g) and (p), each Deferred Consideration Share, that has not lapsed in accordance with paragraph (n), will convert into such number of Shares specified in paragraph (l) upon the relevant Milestone being achieved and, on conversion, the Company will make an

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announcement to ASX. The Holder is not required to pay a fee in order to convert the Deferred Consideration Share.

(n) (**Cancellation on expiry**): If a Milestone is not achieved within 5 years from the date of Official Quotation of the Shares on the ASX (**Expiry Date**) the relevant Deferred Consideration Shares (as applicable) held by the Holder will automatically be cancelled. For the avoidance of doubt, a Deferred Consideration Share will not automatically be cancelled in the event the relevant Milestone is met before the Expiry Date and the Shares the subject of a conversion are deferred in accordance with paragraph (p).

(o) (**Change in Control**): Upon:

(i) a takeover bid under Chapter 6 of the Corporations Act having been made in respect of the Company and:

(A) the Company having received acceptances for not less than 50.1% of the Company's shares on issue; and

(B) having been declared unconditional by the bidder (except any condition in relation to the cancellation or conversion of the Deferred Consideration Shares); or

(ii) a Court granting orders approving a compromise or arrangement for the purposes of or in connection with a scheme of arrangement for the reconstruction of the Company or its amalgamation with any other company or companies,

then, to the extent Deferred Consideration Shares have not converted into Shares due to satisfaction of the Milestones, subject to paragraph (g), Deferred Consideration Shares automatically convert to such number of Shares specified in paragraph (l) based on the higher of the Floor Price or the 10-day VWAP for Shares for the period ending on the trading day immediately preceding the date of the announcement of the takeover bid or scheme of arrangement (as applicable).

(p) (**Deferral of conversion if resulting in a prohibited acquisition of the Company's Shares**): If the conversion of a Deferred Consideration Share under paragraphs (m) or (o) would result in any person being in contravention of section 606(1) of the Corporations Act (**General Prohibition**) then the conversion of that Deferred Consideration Share shall be deferred until such later time or times that the conversion would not result in a contravention of the General Prohibition. In assessing whether a conversion of a Deferred Consideration Share would result in a contravention of the General Prohibition:

(i) Holders will give written notification to the Company if they consider that the conversion of a Deferred Consideration Share may result in the contravention of the General Prohibition. The absence of such written notification from the Holder will entitle the Company to assume the conversion of a Deferred Consideration Share will not result in any person being in contravention of the General Prohibition; and

(ii) the Company may (but is not obliged to) by written notice to a Holder request a Holder to provide the written notice referred to in paragraph (p)(i) within seven days if the Company considers that the conversion of a Deferred Consideration Share may result in a contravention of the General Prohibition. The absence of such written notification from the Holder will entitle the Company to assume the conversion of a Deferred Consideration Share will not result in any person being in contravention of the General Prohibition.

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(q) (**After Conversion**): As soon as practicable after the conversion of the Deferred Consideration Shares, the Company will issue to the Holder the number of Shares into which the relevant Deferred Consideration Shares convert, credited as fully paid.

Shares issued on conversion of Deferred Consideration Shares will, upon and from their issue, rank equally with and confer rights identical with all other Shares then on issue and application will be made by the Company to ASX for Official Quotation of Shares issued upon conversion (subject to complying with any restriction periods required by the ASX).

(r) (**Conversion Procedure**): The Company will issue the Holder with a new holding statement for Shares as soon as practicable following the conversion of Deferred Consideration Shares into Shares.

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10.6 Guidance Note 19 Disclosure – Deferred Consideration Shares

The following additional information is provided in relation to the Deferred Consideration Shares proposed to be issued to the Vendors on satisfaction of the Milestones under the Acquisition Agreement:

(a) a summary of the Acquisition Agreement is set out in Section 9.1;

(b) in the event that the Milestones are satisfied, Deferred Consideration Shares will be issued to the Vendors (or their nominee/s) in the proportions set out below:

Vendor	Maximum number of Deferred Consideration Shares to be issued
Terence Delahunty	10,200,000
Milan Josic	1,000,000
Milan Josic ATF Steadfast Trust	8,800,000

(c) the Vendors and their associates do not have any relationship with the Company;

(d) the Deferred Consideration Shares are being issued as part consideration in connection with the acquisition of the Mt Egerton Project pursuant to the Acquisition Agreement. The Company has agreed to issue Deferred Consideration Shares so that a portion of the consideration payable to the Vendors is contingent on the performance of the Mt Egerton Project and the Company's share price. The Company is doing this to mitigate the dilution to other Shareholders of the Company in the event that the Mt Egerton Project does not perform as well as expected;

(e) details of the Project and the Tenements are set out in Section 5.2, the Independent Geologist's Report and Solicitor's Report on Tenements;

(f) the Vendors are the three shareholders of SMS, being Terence Delahunty (holding a 51% interest in SMS), Milan Josic (holding a 5% interest in SMS) and Milan Josic ATF Steadfast Trust (holding a 44% interest in SMS). Pursuant to the Acquisition Agreement, the Company will acquire an 80% interest in SMS, with the Shareholders retaining an aggregate 20% interest in SMS;

(g) the Company determined the number of Deferred Consideration Shares to be issued upon satisfaction of the Milestones based upon:

(i) current market standards and/or practice of other ASX listed companies of a similar size and stage of development as the Company; and

(ii) the strategic objectives that will be achieved upon satisfaction of the Milestones and the value to the Company and its Shareholders that will result from the achievement of the Milestones,

accordingly, the Board considers the number of Deferred Consideration Shares proposed to be issued as being appropriate and equitable;

(h) subject to satisfaction of the Milestones, the Vendors will be issued Deferred Consideration Shares in proportion to their ownership interest in SMS;

(i) all Deferred Consideration Shares are to be issued (if issued following satisfaction of a Milestone) as fully paid ordinary Shares in the capital of the Company, ranking pari-passu with all other Shares on issue at the time of issue;

(j) the terms of the Deferred Consideration Shares are set out in Section 10.5 and are consistent with the base requirements for performance securities set out in section 9 of the ASX Guidance Note 19 (no securities will be issuable until the Milestones are achieved);

(k) the Deferred Consideration Shares are compliant with sections 10 and 11 of ASX Guidance Note 19 for the following reasons:

(i) the maximum number of Deferred Consideration Shares that will be issued upon satisfaction of the Milestones is fixed, being 20,000,000 Shares (based on the floor price of $0.20 per Deferred Consideration Share), which represents 23.67% of the Company's capital structure on an undiluted basis on completion of the Offer (and assuming the maximum number of Deferred Consideration Shares are issued);

(ii) the number of Deferred Consideration Shares that will be issued if the Milestones are satisfied, will not be greater than the number of Shares the Company will have on issue at Admission and on that basis is reasonably proportionate to the additional value the Company will generate upon satisfaction of the Milestones;

(iii) the number of Deferred Consideration Shares that will be issued based on a reasonable low, mid and high case for the 10-day VWAP at the time the Milestones are satisfied is set out in the table below:

Case	10-day VWAP	Number of Shares to be issued
Low	$0.20	20,000,000
Mid	$0.25	16,000,000
High	$0.50	8,000,000

(l) there is an appropriate and demonstrable nexus between the Milestones and the acquisition of the Project, as the Mineral Resource Estimate and the Increased Mineral Resource Estimate are each capable of being satisfied at the Project;

(m) the Milestones are clearly articulated by reference to objective criteria and investors and analysts have reasonable certainty as to the circumstances in which the Milestones will be taken to have been met;

(n) the Milestones must be satisfied within 5 years of the date of quotation of the Shares on the ASX, which is within the guidance that an expiry date for performance securities should be no more than five years from the date of issue; and

(o) as the Company will apply to be listed on the ASX and the Deferred Consideration Shares (if/when issued) equate to greater than 10% of the proposed number of Shares on issue at the date of Admission, section 13 of ASX Guidance Note 19 requires the Independent Expert's Report on the Deferred Consideration Shares to be included in the Prospectus (please refer to Annexure D). The Independent Expert has concluded that the issue of the Deferred Consideration Shares under each Milestone is **not fair but reasonable** to non-associated Shareholders.

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10.7 Employee Securities Incentive Plan

Eligible Participant	**Eligible Participant** means a person that is a 'primary participant' (as that term is defined in Division 1A of Part 7.12 of the Corporations Act) in relation to the Company or an Associated Body Corporate (as defined in the Corporations Act) and has been determined by the Board to be eligible to participate in the Plan from time to time.
Purpose	The purpose of the Plan is to: (a) assist in the reward, retention and motivation of Eligible Participants; (b) link the reward of Eligible Participants to Shareholder value creation; and (c) 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 Shares issued under the Plan rules (**Plan Shares**), Options, Performance Rights and/or Convertible Securities (as defined below for the purposes of the Plan) (**Securities**).
Maximum number of Convertible Securities	The Company will not make an invitation under the Plan which involves monetary consideration if the number of Shares that may be issued, or acquired upon exercise of Convertible Securities offered under an invitation, when aggregated with the number of Shares issued or that may be issued as a result of all invitations under the Plan during the 3 year period ending on the day of the invitation, will exceed 5% of the total number of issued Shares at the date of the invitation (unless the Constitution specifies a different percentage and subject to any limits approved by Shareholders under Listing Rule 7.2 Exception 13(b). The Constitution specifies a threshold of 20% of the issue cap. The maximum number of equity securities proposed to be issued under the Plan in reliance on Listing Rule 7.2 (Exemption 13(a)) is 15,000,000 Securities. It is not envisaged that the maximum number of Securities will be issued immediately.
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 (except to the extent that it prevents the Participant relying on the deferred tax concessions under Subdivision 83A-C of the *Income Tax Assessment Act 1997* (Cth)). The Board may delegate its powers and discretion.
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 any (or any combination of) the Securities provided under the Plan on such terms and conditions as the Board decides. On receipt of an invitation, an Eligible Participant may apply for the Securities the subject of the invitation by sending a completed application form to the Company. The Board may accept an application from an Eligible Participant in whole or in part.

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	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.
Grant of Securities	The Company will, to the extent that it has accepted a duly completed application, grant the Eligible Participant that has participated in the Plan (**Participant**) the relevant number and type of Securities, subject to the terms and conditions set out in the invitation, the Plan rules and any ancillary documentation required.
Rights attaching to Convertible Securities	A **Convertible Security** represents a right to acquire one or more Plan Shares in accordance with the Plan (for example, an Option or a Performance Right). Prior to a Convertible Security being exercised, the holder: (a) does not have any interest (legal, equitable or otherwise) in any Share the subject of the Convertible Security other than as expressly set out in the Plan; (a) is not entitled to receive notice of, vote at or attend a meeting of the shareholders of the Company; (b) is not entitled to receive any dividends declared by the Company; and (c) is not entitled to participate in any new issue of Shares (see 'Participation in entitlements and bonus issues' section below).
Restrictions on dealing with Convertible Securities	Convertible Securities issued under the Plan cannot be sold, assigned, transferred, have a security interest granted over or otherwise dealt with unless in special circumstances as defined under the Plan (including in the case of death or total or permanent disability of the holder) with the consent of the Board in which case the Convertible Securities may be exercisable on terms determined by the Board. A holder must not enter into any arrangement for the purpose of hedging their economic exposure to a Convertible Security that has been granted to them.
Vesting of Convertible Securities	Any vesting conditions applicable to the Convertible Securities will be described in the invitation. If all the vesting conditions are satisfied and/or otherwise waived by the Board, a vesting notice will be sent to the Participant by the Company informing them that the relevant 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 security will lapse.
Forfeiture of Convertible Securities	Convertible Securities will be forfeited in the following circumstances: (a) in the case of unvested Convertible Securities only, where a Participant acts fraudulently, dishonestly, negligently, in contravention of any Group policy or wilfully breaches their duties to the Group; (b) where there is a failure to satisfy the vesting conditions in accordance with the Plan; (c) on the date the Participant becomes insolvent; or

	(d) on the expiry date, subject to the discretion of the Board.
Listing of Convertible Securities	Convertible Securities granted under the Plan will not be quoted on the ASX or any other recognised exchange. The Board reserves the right in its absolute discretion to apply for quotation of Convertible Securities granted under the Plan on the ASX or any other recognised exchange.
Exercise of Convertible Securities and cashless exercise	To exercise a Convertible Security, the Participant must deliver a signed notice of exercise (**Exercise Notice**) and, subject to a cashless exercise (see next paragraph below), pay the exercise price (if any) to or as directed by the Company, at any time following vesting of the Convertible Securities (if subject to vesting conditions) and prior to the expiry date as set out in the invitation or vesting notice. At the time of exercise of the Convertible Securities, subject to Board approval at that time, the Participant may elect not to be required to provide payment of the exercise price for the number of Convertible Securities specified in an Exercise Notice but that on exercise of those Convertible Securities the Company will transfer or allot to the Participant 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 Convertible Securities (with the number of Shares rounded down to the nearest whole Share). The Board may, by inclusion of a term in the invitation, allow for a cash payment facility whereby in lieu of issuing or transferring a Share to the Participant on exercise of the Performance Right, the Company shall pay the Participant or his or her personal representative (as the case may be) a cash payment.
Timing of issue of Shares and quotation of Shares on exercise	Within five business days after the issue of a valid Exercise Notice by a Participant, the Company will issue, allocate 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.
Restriction periods and restrictions on transfer of Shares on exercise	If the invitation provides that any Shares issued upon the valid exercise of a Convertible Security 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. Additionally, Shares issued on exercise of the Convertible Securities are subject to the following restrictions: (a) if the Company is required but is unable to give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, Shares issued on exercise of the Convertible Securities may not be traded until 12 months after their issue unless the Company, at its sole discretion, elects to issue a prospectus pursuant to section 708A(11) of the Corporations Act;

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	(b) all Shares issued on exercise of the Convertible Securities are subject to restrictions imposed by applicable law on dealing in Shares by persons who possess material information likely to affect the value of the Shares and which is not generally available; and (c) all Shares issued on exercise of the Convertible Securities are subject to the terms of the Company's Securities Trading Policy.
Rights attaching to Shares on exercise	All Shares issued upon exercise of Convertible Securities will rank equally in all respects with the then Shares of the Company.
Change of control	If a change of control event occurs (being an event which results in any person (either alone or together with associates) owning more than 50% of the Company's issued capital), the Board may in its discretion determine the manner in which any or all of the holder's Convertible Securities will be dealt with, including, without limitation, in a manner that allows the holder to participate in and/or benefit from any transaction arising from or in connection with the change of control event. The Board may specify in the invitation how the Convertible Securities will be treated on a change of control event occurring, or the Board determining that such event is likely to occur, which may vary depending upon circumstances in which the Participant becomes a leaver and preserve some or all of the Board's discretion under this rule.
Participation in entitlements and bonus issues	Subject always to the rights under the following two paragraphs, holders of Convertible Securities will not be entitled to participate in new issues of capital offered to holders of Shares such as bonus issues and entitlement issues.
Adjustment for bonus issue	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 issue 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.
Reorganisation	If there is a reorganisation of the issued share capital of the Company (including any subdivision, consolidation, reduction, return or cancellation of such issued capital of the Company), the rights of each Participant holding Convertible Securities will be changed to the extent necessary to comply with the ASX Listing Rules applicable to a reorganisation of capital at the time of the reorganisation.
Buy-Back	Subject to applicable law, the Company may at any time buy-back Securities in accordance with the terms of the Plan.
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 Shares before or after the exercise of a Convertible Securities for holders under the Plan or delivering Shares on behalf of holders upon exercise of Convertible Securities.

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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.
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 for any reason, that termination or suspension must not prejudice the accrued rights of the Participants. 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.
Income Tax Assessment Act	The Plan is a plan to which Subdivision 83A-C of the *Income Tax Assessment Act 1997* (Cth) applies (subject to the conditions in that Act) except to the extent an invitation provides otherwise.
Withholding	Notwithstanding any other provision of these Rules, and without limiting the amounts which may be deducted or withheld under applicable laws, if a member of the Group, a trustee or the Plan administrator is obliged, or reasonably believes that it may have an obligation to account for any tax, or any superannuation amounts (or equivalent social security contributions, if applicable) in respect of a Participant (**Withholding Amount**), then that Group company, trustee or Plan administrator (as applicable) is entitled to withhold or be reimbursed by the Participant for the Withholding Amount payable or paid. To give effect to the above, the relevant Group company, trustee or Plan administrator may take any actions as it sees fit to ensure payment of, or recover (as applicable), the Withholding Amounts including (without limitation): (a) selling on behalf of the Participant the number of Shares granted under this Plan required to provide the Withholding Amount; (b) obtaining the Withholding Amount from the Participant (by salary deduction or otherwise); (c) forfeiting a sufficient number of Securities to satisfy the Withholding Amount; or (d) making any other arrangements with the Participant for payment or reimbursement of the Withholding Amount.

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10.8 Interests of Directors

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

(a) the formation or promotion of the Company;

(b) any property acquired or proposed to be acquired by the Company in connection with:

  (i) its formation or promotion; or

  (ii) the Offer; or

(c) the Offer,

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

(d) as an inducement to become, or to qualify as, a Director; or

(e) for services provided in connection with:

  (i) the formation or promotion of the Company; or

  (ii) the Offer.

10.9 Interests of Experts and Advisers

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

(a) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;

(b) promoter of the Company; or

(c) underwriter (but not a sub-underwriter) to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue,

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

(d) the formation or promotion of the Company;

(e) any property acquired or proposed to be acquired by the Company in connection with:

  (i) its formation or promotion; or

  (ii) the Offer; or

(f) the Offer,

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

(g) the formation or promotion of the Company; or

(h) the Offer.

Billandbry Consulting Pty Ltd has acted as Independent Geologist and has prepared the Independent Geologist's Report which is included in Annexure A. The Company estimates it will pay Billandbry Consulting Pty Ltd a total of $18,000 (excluding GST) for these services.

During the 24 months preceding lodgement of this Prospectus with the ASIC, Billandbry Consulting Pty Ltd has not received fees from the Company for any other services.

William Buck Consulting (WA) Pty Ltd has acted as Investigating Accountant and has prepared the Investigating Accountant's Report which is included in Annexure C. The Company estimates it will pay William Buck Consulting (WA) Pty Ltd a total of $20,000 (excluding GST) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, William Buck Consulting (WA) Pty Ltd has not received fees from the Company for any other services other than for audit services provided to the Company as set out below.

William Buck Audit (WA) Pty Ltd has also been appointed as the Company's auditor and has completed the audit of the Company's financial statements for the period of the Company's date of incorporation to 30 June 2025. The Company estimates it will pay William Buck Audit (WA) Pty Ltd a total of $15,000 (excluding GST) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, William Buck Audit (WA) Pty Ltd has not received fees from the Company for any other services other than for the provision of services associated with its engagement as Investigating Accountant as noted above.

BDO Corporate Finance Australia Pty Ltd has acted as Independent Expert and has prepared the Independent Expert's Report on the Deferred Consideration Shares which is included in Annexure D. The Company estimates it will pay BDO a total of up to $34,000 (excluding GST) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, BDO has not received fees from the Company for any other services.

Inyati Capital and Veritas Securities have acted as the Joint Lead Managers to the Offer. The Company will pay the Joint Lead Managers a fee of 6.0% (exclusive of GST) of the gross proceeds raised under the Offer (excluding funds contributed by Province Resources Limited under the Cornerstone Offer) in addition to issuing 7,000,000 Options to the Joint Lead Managers (and/or its nominees) pursuant to the Lead Manager Mandate as detailed in Section 9.2. During the 24 months preceding lodgement of this Prospectus with the ASIC, the Joint Lead Managers have not received fees from the Company for any other services.

Hamilton Locke has acted as the Australian legal adviser to the Company in relation to the Offer and has prepared the Solicitor's Report on Tenements which is included in Annexure B. The Company estimates it will pay Hamilton Locke $50,000 (excluding GST) for these services. Subsequently, fees will be charged in accordance with normal charge out rates. During the 24 months preceding lodgement of this Prospectus with the ASIC, Hamilton Locke has not received any fees from the Company for the provision of legal services, including services associated with pre-listing activities and the acquisition of the Project and services associated with the Offer.

10.10 Consents

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

Each of the parties referred to in this Section:

(a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this Section;

(b) in light of the above, only to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section; and

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(c) has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

Billandbry Consulting Pty Ltd has given its written consent to being named as Independent Geologist in this Prospectus and to the inclusion of the Independent Geologist's Report in Annexure A in the form and context in which the report is included.

William Buck Consulting (WA) Pty Ltd has given its written consent to being named as Investigating Accountant in this Prospectus and to the inclusion of the Investigating Accountant's Report in Annexure C in the form and context in which the information and report is included.

William Buck Audit (WA) Pty Ltd has given its written consent to being named as auditor of the Company in this Prospectus and to the inclusion of the audited financial information of the Company contained in Section 6 and the Investigating Accountant's Report included in Annexure C to this Prospectus in the form and context in which the information is included.

BDO Corporate Finance Australia Pty Ltd has given its written consent to being named as Independent Expert and the inclusion of the Independent Expert's Report on the Deferred Consideration Shares in Annexure D in the form and context in which the report is included.

Inyati Capital has given its written consent to being named as Joint Lead Manager to the Offer in this Prospectus.

Veritas Securities has given its written consent to being named as Joint Lead Manager to the Offer in this Prospectus

Hamilton Locke has given its written consent to being named as the Australian legal adviser to the Company in relation to the Offer in this Prospectus and to the inclusion of the Solicitor's Report on Tenements in Annexure B in the form and context in which the report is included.

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

10.11 Expenses of the Offer

The total expenses of the Offer (excluding GST and disbursements) are estimated to be approximately $610,000 and are expected to be applied towards the items set out in the table below:

Item of Expenditure	($)
ASIC Fees	3,206
ASX Fees	98,967
Lead Manager Fees[1]	300,000
Legal Fees[2]	100,000
Independent Geologist's Fees	18,000
Investigating Accountant's Fees	20,000
Independent Expert's Fees	34,000
Auditor's Fees	15,000
Miscellaneous (including printing and distribution)	20,827

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TOTAL	**610,000**

Notes:

1. Refer to Section 9.2 for a summary of the terms of the Joint Lead Manager Mandate.
2. Includes fees payable to the Company's Australian legal adviser, including in relation to the Offer, preparation of the Solicitor's Report on Tenements, and fees paid to other legal advisers assisting with pre-IPO matters.

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11. Directors' Authorisation

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

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

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12. Glossary

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

$ means an Australian dollar.

ACN Subsidiary means A.C.N. 683 084 353 Pty Ltd (ACN 683 084 353).

Acquisition Agreement means the agreement entered into between the Company, ACN Subsidiary, SMS and the Vendors as summarised in Section 9.1**.**

Admission means the admission of the Company to the Official List.

Application Form means the application form attached to or accompanying this Prospectus (including an online application form) relating to the Offer and/or the PRL Offer, as the context requires.

ASIC means Australian Securities and Investments Commission.

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

ASX Listing Rules means the official listing rules of ASX.

Australian Accounting Standards Board or **AASB** means an Australian Government agency under the *Australian Securities and Investments Commission Act 2001* (Cth).

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

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

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

Closing Date means the closing date of the Offer and/or the PRL Offer, as the context requires, as set out in the indicative timetable in Section 2 (subject to the Company reserving the right to extend the Closing Date or close the Offer and/or the PRL Offer early).

Company or Black Horse means Black Horse Mining Limited (ACN 683 066 613).

Conditions has the meaning set out in Section 4.9.

Constitution means the constitution of the Company.

Convertible Security means a Security exercisable for Shares including an Option or Performance Right.

Cornerstone Subscription Agreement means the agreement entered into between the Company and Province Resources Limited as summarised in Section 9.3**.**

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

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

Eligible Participant means an eligible participant of the Company's Employee Incentive Securities Plan.

Eligible PRL Shareholder means a registered shareholder of Province Resources Limited at 5.00pm (WST) on the Record Date for the PRL Offer who is resident in Australia.

Employee Securities Incentive Plan or **Plan** means the employee securities incentive plan summarised at Section 10.7.

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

ILUA means indigenous land use agreement.

Inyati Capital means Inyati Capital Pty Ltd (ACN 642 351 193).

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

Joint Lead Managers means together, Inyati Capital and Veritas Securities.

Lead Manager Mandate means the agreement entered into between the Company and the Lead Manager as summarised in Section 9.2.

Milestones have the meaning given in in Section 9.1.

Minimum Subscription means the minimum amount to be raised under the Offer, being $8,000,000.

Offer means the offer of Shares pursuant to this Prospectus as set out in Section 4.1, and includes the PRL Offer.

Offer Price means $0.20 per Share.

Official List means the official list of ASX.

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

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Performance Rights means a right granted to acquire one or more Shares in the Company.

Performance Securities means performance shares, performance options and performance rights.

PRL Offer has the meaning given in Section 4.2.

Project or **Mt Egerton Project** means the Mt Egerton Project as described in Section 5.2.

Prospectus means this prospectus.

Province Resources Limited means Province Resources Limited (ACN 061 375 442) (NSX: PRL).

Recommendations has the meaning set out in Section 8.6.

Record Date means the record date for the PRL Offer, as set out in the indicative timetable in Section 2.

Section means a section of this Prospectus.

Securities means Shares, Options and/or Performance Securities as applicable.

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

Shareholder means a holder of Shares.

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SMS means Steadfast Mining Services Pty Ltd (ACN 166 880 057).

Tenements means the mining tenements (including applications) in which the Company has an interest as set out in Section 5.2 and further described in the Independent Geologist's Report at Annexure A and the Solicitor's Report on Tenements at Annexure B or any one of them as the context requires.

US means the United States of America.

Vendors means Terrence Delahunty and Milan Josic in his own right and as trustee for the Steadfast Trust, being the shareholders of SMS as at the date of this Prospectus, or any one of them as the context requires.

Veritas Securities means Veritas Securities Limited (ACN 117 124 535).

WST means Western Standard Time as observed in Perth, Western Australia.

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Annexure A – Independent Geologist's Report

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Billandbry CONSULTING

Independent Geologist's Report

Black Horse Mining Limited

Mt Egerton Gold Project, Victoria

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The Directors
Black Horse Mining Limited
Suite 8, 110 Hay Street
Subiaco WA 6008

Dear Sir/Madam,

INDEPENDENT GEOLOGIST'S REPORT

Billandbry Consulting (ACN 129 249 289) ("Billandbry") has been requested by Black Horse Mining Limited ("Black Horse" or the "Company") to prepare an Independent Geologist's Report ("IGR" or the "Report") on the Mt Egerton Gold Project (the "Project") in Victoria, Australia.

This Report is to be included in a Prospectus to be lodged by Black Horse with the Australian Securities and Investments Commission ("ASIC") on or about 26 September 2025, for the purposes of an Initial Public Offering ("IPO"). The funds raised will be used primarily for exploration, evaluation, and development of the Project.

This IGR has been prepared in accordance with the rules and guidelines issued by such bodies as ASIC and the Australian Securities Exchange ("ASX"). 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 2012 Edition (the "JORC Code"), prepared by the Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, the Australian Institute of Geoscientists and the Minerals Council of Australia. This IGR has also been prepared in accordance with the VALMIN Code (2015 Edition), which is binding on members of the Australasian Institute of Mining and Metallurgy.

The information in this Report that relates to Exploration Results for the Project is based on, and fairly represents, information and supporting documentation compiled by William Oliver; BSc (Hons) in Geology, GDipAppFin. Mr Oliver is a director of Billandbry Consulting Pty Ltd and is a Member of the Australasian Institute of Geoscientists and the Australian Institute of Mining and Metallurgy with over 25 years of experience. Mr Oliver has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the JORC Code. Mr Oliver consents to the inclusion in this Report of the matters based on his information in the form and context in which it appears.

The legal status of the tenements is subject to a separate Solicitor's Report which is set out in Annexure B of the Prospectus and these matters have not been independently verified by Billandbry. The present status of tenements listed in this Report is based on information provided by Black Horse and the Report has been prepared on the assumption that the tenements will prove lawfully accessible for evaluation and development.

In addition, Billandbry has not been requested to provide an Independent Valuation, nor has it been asked to comment on the Fairness or Reasonableness of any vendor or promoter considerations and, therefore, it has not offered any opinion on these matters.

In the course of the preparation of this Report, access has been provided to all relevant data held by Black Horse and various other technical reports and information quoted in Section 3 of this Report (References). The information used to prepare this Report is drawn from:

- discussions with consultants, directors and management;
- publicly available reports prepared by previous tenement holders and their consultants; and
- scientific and technical research reports and papers publicly available.

All publicly available reports are available from government departments or a prescribed financial market in accordance with ASIC Regulatory Guide 55. None of those reports were prepared in connection with an offer of shares.

Billandbry does not doubt the authenticity or substance of previous investigating reports. Billandbry has not, however, carried out a complete audit of the information but has relied on previous reporting and documentation where applicable and has used this for research purposes with qualifications applied, where necessary.

This Report has been prepared by Billandbry strictly in the role of an independent expert. Professional fees payable for the preparation of this Report constitutes Billandbry's only commercial interest in Black Horse. Payment of fees is in no way contingent upon the conclusions of this Report.

The Project is considered to be sufficiently prospective, subject to varying degrees of risk, to warrant further exploration and development of its economic potential, consistent with the programs proposed by Black Horse.

Billandbry is of the opinion that Black Horse has satisfactorily and clearly defined exploration and expenditure programs which are reasonable having regard to the nature of the mineralisation and the stated objectives of the Company. Black Horse's exploration programs are included in the Report. It is noted that they may be altered in view of results gained which could revise the emphasis of current priorities.

This Report has an effective date of 26 September 2025.

Yours faithfully



Bill Oliver
BSc (Hons) Geology
GradDipAppFin
MAIG, MAusIMM

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EXECUTIVE SUMMARY

This Independent Geologists Report ("IGR", or the "Report") has been prepared by Billandbry Consulting Pty Ltd ("Billandbry") at the request of Black Horse Mining Limited ("Black Horse"). Black Horse is acquiring a group of tenements near Ballarat in central Victoria, collectively known as the Mt Egerton Gold Project ("Mt Egerton" or the "Project").

The Mt Egerton Gold Project contains the historic Mt Egerton goldfield which was discovered in 1853, when mining also commenced, and mined continuously up to 1906 with principal operations / shafts including Egerton, Quarry, Blackhorse, the Blackhorse United, Rose and Sister Rose. All of the Egerton workings were inter-connected at various levels depending on the general levels of operations. These operations produced approximately 1,290,000oz at between 5.5g/t and 19.3g/t and is one of only eight goldfields in Victoria to produce over 1 million ounces of gold from primary sources (i.e. not from alluvial mining). The last mining operation at Mt Egerton was closed in 1906 due to water ingress. The Project area also includes the Gordons goldfield at which the Parker's and Parker's United shafts were significant producers.

Modern exploration at Mt Egerton has been relatively limited, with two major phases of drilling primarily targeting near surface mineralisation or remnant mineralisation surrounding historical mining. While drilling successfully intersected gold mineralisation of sufficient width and grade to warrant further work, the Project has been largely dormant in recent years at a time when the prevailing price of gold has changed dramatically. Importantly, previous drilling has not systematically tested extensions to mineralised structures at depth. In comparison, other projects in Victoria have embarked on phases of deeper drilling and successfully discovered mineralisation below known orebodies, such as the Swan orebody at Fosterville.

Along with the Project, Black Horse is acquiring the results of an extensive data compilation exercise where hardcopy plans and sections drawn during historical mining have been digitised and converted into a 3D model of historical workings, stopes, quartz reefs and controlling structures. Based on this model the Company will look to interpret settings where mineralisation may occur and, following target generation and ranking, carry out systematic drilling to test the most prospective targets.

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1.0 INTRODUCTION

1.1. Location and Access

The Mt Egerton Gold Project is located approximately 95km west of Melbourne, 35km east of Ballarat and approximately 15km south of the Western Freeway connecting Ballarat to Melbourne. The Project surrounds the township of Mt Egerton and is primarily accessed by sealed roads from the Western Freeway (refer Figure 1).

Access within the Project is via a mix of sealed and unsealed roads.

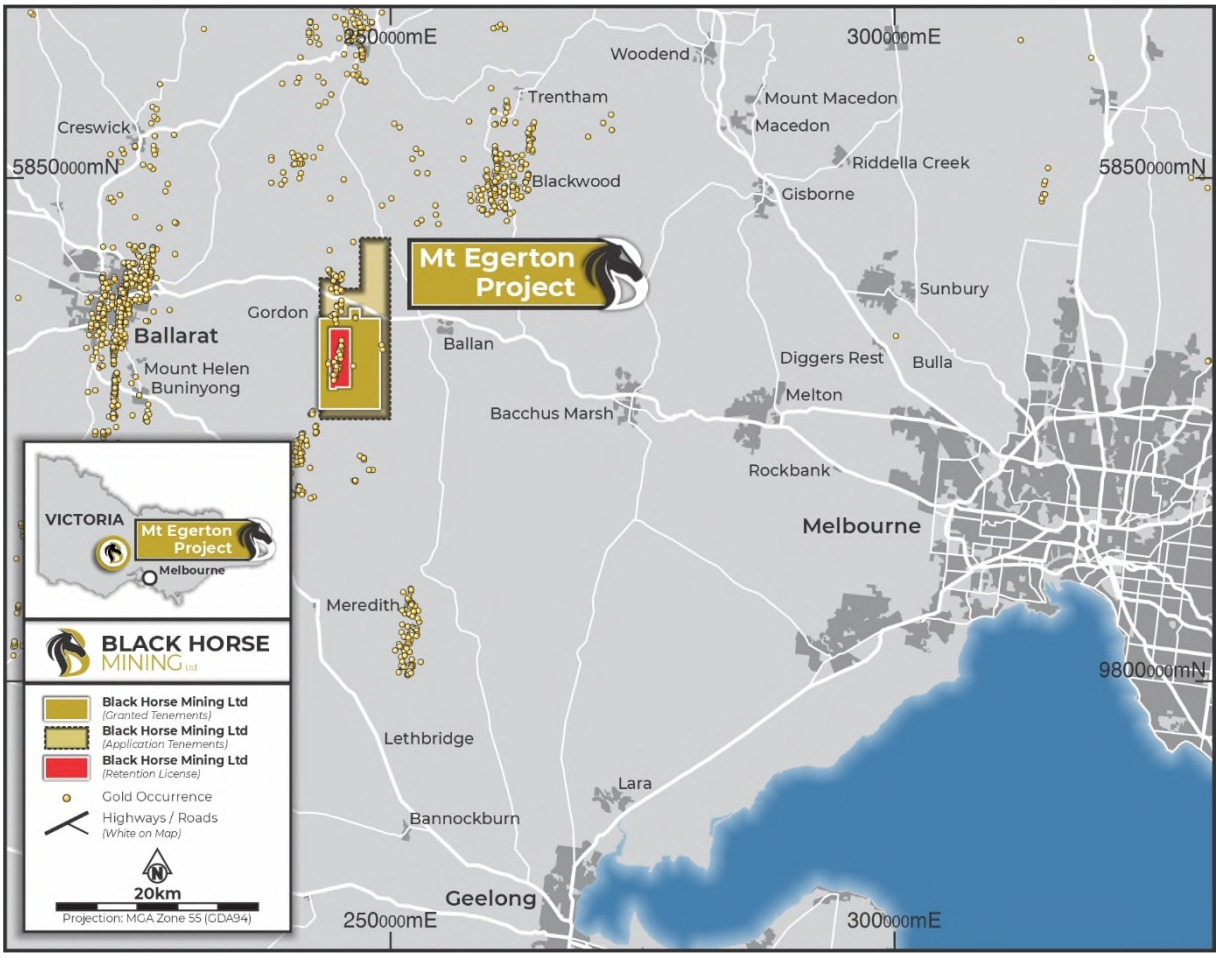


Figure 1: Location of Mt Egerton Gold Project

1.2. Tenure

The Mt Egerton Gold Project comprises one Retention Licence, one granted Exploration Licence and one Exploration Licence application as detailed in Table 1 and shown on Figure 2.

Table 1: Mt Egerton Tenure

Tenement	Status	Grant Date (Application Date)	Expiry Date	Area (ha)	Registered Holder
RL 2018	Current	25 October 2016	24 October 2030	1174.4 hectares	Steadfast Mining Services Pty Ltd
EL 6417	Current	17 November 2017	16 November 2027	45 graticular sections	Steadfast Mining Services Pty Ltd
EL 8628	Application	(16 December 2024)	-	53 graticular sections	Steadfast Mining Services Pty Ltd

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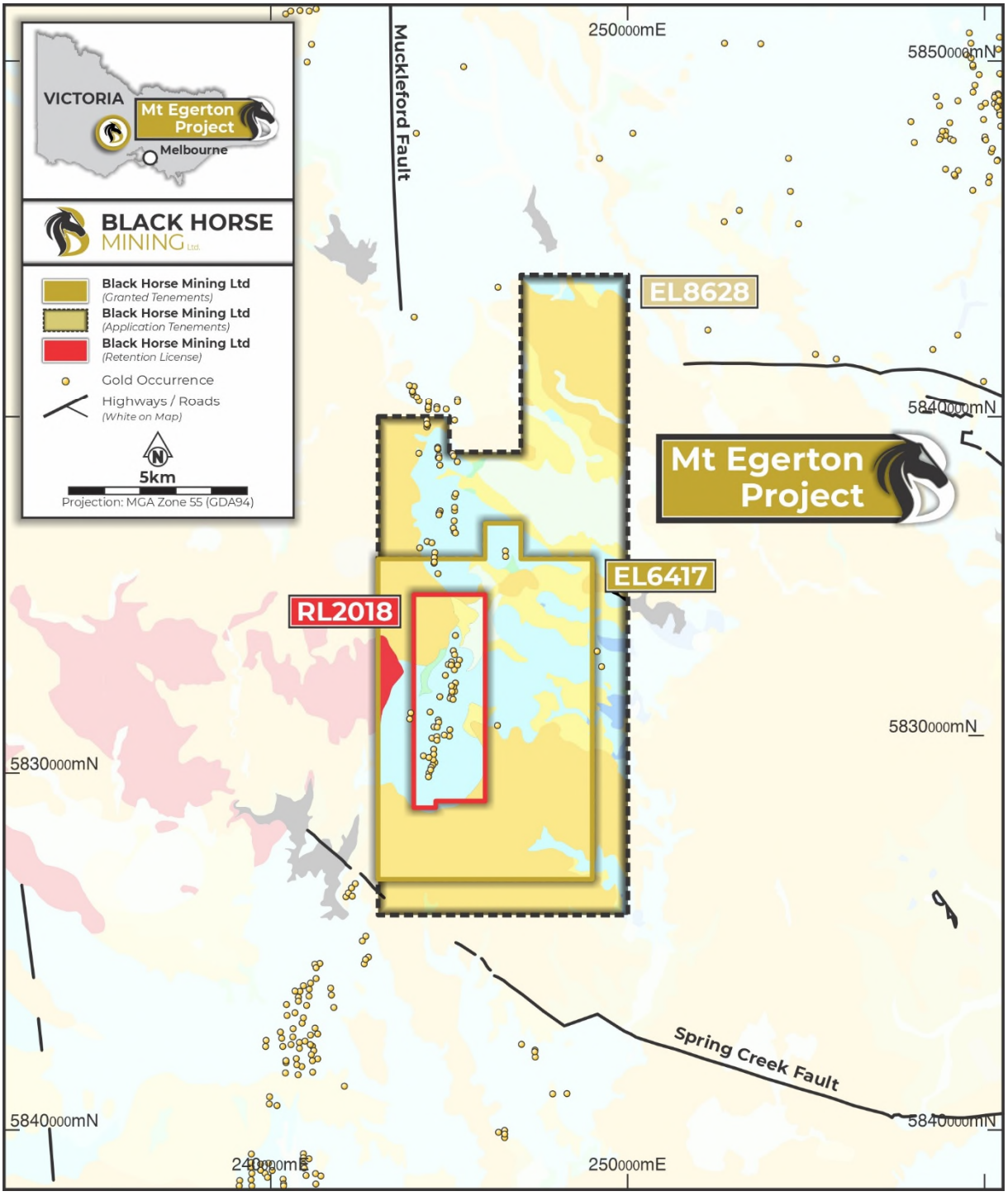


Figure 2: Tenement Map

1.3. Data Sources

Billandbry has relied on data sources received from Black Horse. In addition, technical reports prepared by previous explorers, government agencies and other consultants have been used in preparing this Report. All maps included in this Report are current as of the date of this Report and have been prepared and/or verified by the Competent Person.

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The Independent Geologist did not visit the Project as part of the preparation of this Report. It was considered that a site visit would not materially contribute to the geological understanding or knowledge of the Project given the substantial exploration history and data available for review. There is only limited data available to view in the field since historical mining was underground and access is limited, and surface mineralisation was previously mined.

Black Horse was supplied with a draft of this Report to check for any material errors or omissions.

2.0 MT EGERTON GOLD PROJECT

2.1. Regional Geology

The following description of the regional geology is sourced from Oates and Govett (2014).

The Mt Egerton Gold Project is located in the south western portion of the Bendigo Zone within the Lachlan Fold Belt ("LFB"). Figure 3 shows the location of Mt Egerton in relation to the major structural zones within the Greater LFB in the central Victorian area.

The Bendigo Zone is bounded by the Avoca Fault and the west-dipping Heathcote Fault. In the eastern portion of the Bendigo Zone the hanging wall of the Heathcote Fault Zone consists of Cambrian mafic volcanic crust that is exposed at the surface in the immediate hanging wall, overlain by turbidites of the Ordovician Castlemaine Group. In the western portion, where the Mt Egerton goldfield is located, the Ordovician turbidites overlie interlayered mafic volcanics and sediments that form the basement of the Stawell Zone (Van der Berg, 1997; Leader and Wilson, 2010).

Figure 3 (b) shows a cross section through the central portion of the LFB derived from seismic data which illustrates the regional structural features (Fu Bin et al, 2012). Deformation during the Benambran Orogeny resulted in tight isoclinal north-trending upright folds that are transacted by predominately west dipping listric intrazone faults such as the Campbelltown, Muckleford and Whitelaw Faults (Leader and Wilson, 2010).

The current model for the development of the Bendigo Zone is illustrated in Figure 4 which shows how a first order fault system originating in the duplex zone within the sedimentary-volcanic sequence (similar to the Whitelaw or Muckleford Fault) can act as a fluid pathway (Wilman et. al., 2010).

The Muckleford Fault has been described as a fault within a set of west dipping listric faults that are interpreted as a major fluid conduit that fed the upper crustal levels of the western Bendigo Zone. The seismic interpretation shown in Figure 3(b) indicates that most of these faults are either terminated by or link to the Moyston Fault, also a major fluid conduct. It is proposed that fluids move from the shallow-dipping segments of these faults to higher levels within the crust via a vertical network of bedding-parallel faults and associated low displacement faults formed during folding and subsequent brittle deformation of the turbidites. Research work indicates that changes in the strike of the intrazone faults, such as the Muckleford Fault, cause variations in the extent of strain and consequently the potential for mineralisation to form within the hanging wall folds of the faults (Wilman and Wilkinson, 1992; Leader and Wilson, 2010).

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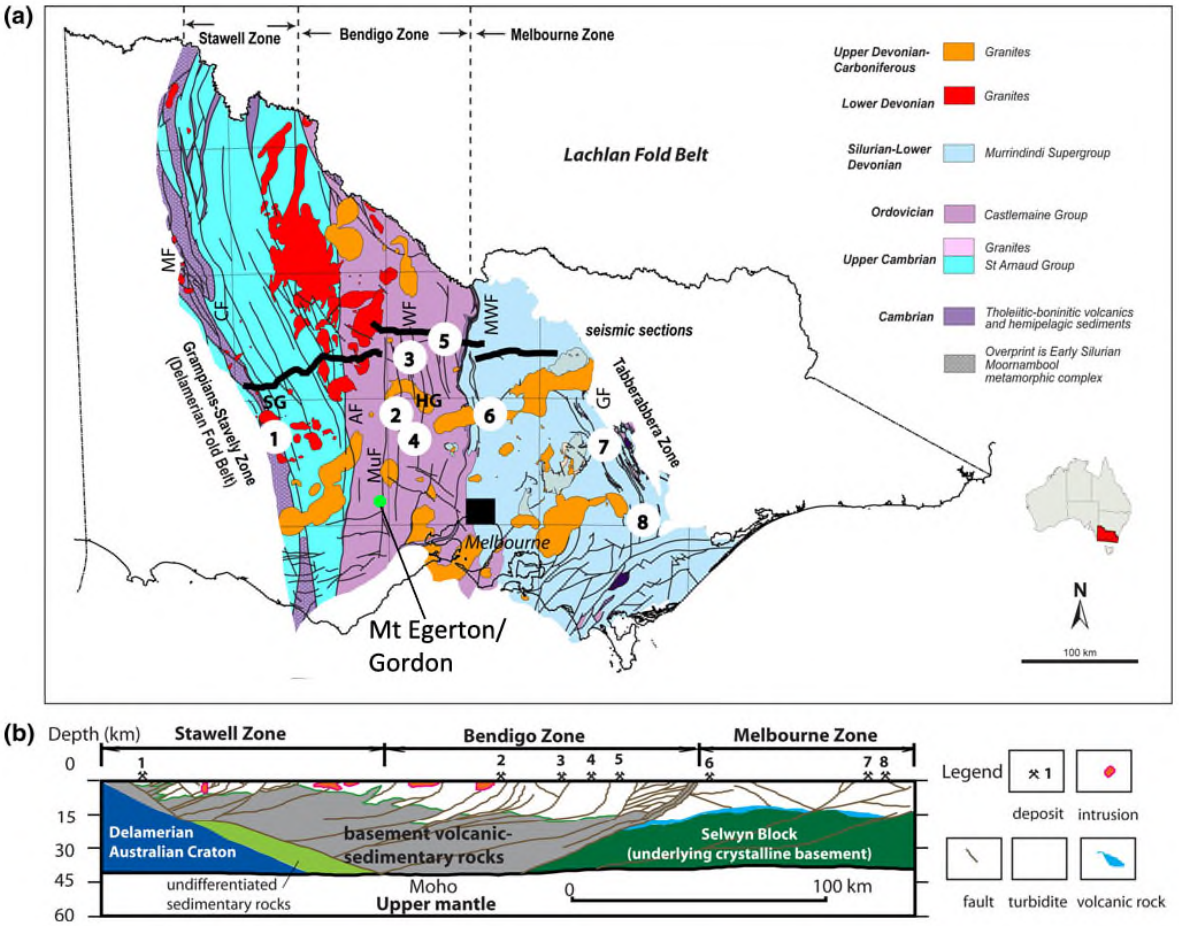


Figure 3(a): Geology and subdivisions of the Lachlan Fold Belt (LFB) showing location of Mt Egerton major faults, structural zones and seismic sections (after Fu Bin et al. (2012))

Figure 3(b): Simplified crustal cross section of the LFB in central Victoria based on seismic data illustrating fluid pathways

Abbreviations used in Figure 3:

Structures / Intrusions:

MF, Moyston Fault; CF, Coogee Fault; AF, Avoca Fault; MuF, Muckleford Fault; WF, Whitelaw Fault; MWF, Mt William Fault (in the Heathcote Fault Zone); GF, Governor Fault (in the Mt Wellington Fault Zone). SG, Stawell Granite; HG, Harcourt Granite.

Gold deposits:

1. Stawell– Magdala; 2. Maldon; 3. Bendigo; 4. Wattle Gully; 5. Fosterville; 6. Mt Piper; 7. Woods Point; 8. Walhalla.

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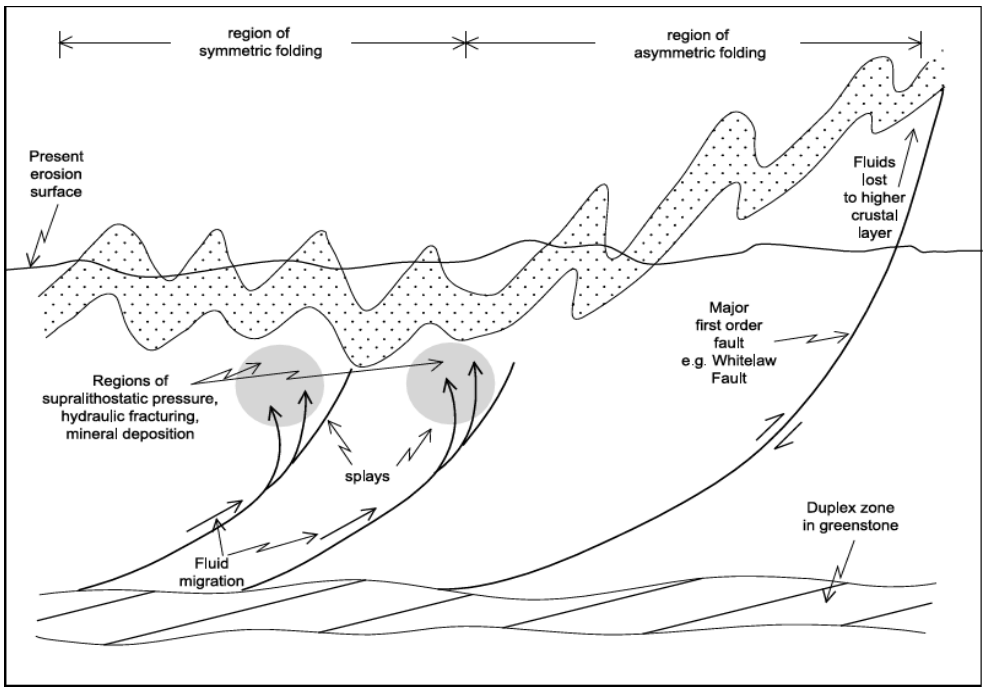


Figure 4: Central Victorian listric fault model (Willman et al 2010)

2.2. Local Geology

The Mt Egerton Project is hosted in the Lancefieldian - early Ordovician age turbidite rocks of the Castlemaine Supergroup, comprising deep marine siltstone, shale, and sandstone, which has been isoclinally folded along north-south bearing, steep westerly dipping, axes. Part of the Late Devonian aged Mt Egerton Granodiorite outcrops to the west of the Project area, with some of the aureole likely to overlap with the historically worked areas to an unknown extent.

A minor part of the basement rocks in the eastern part of the Project area are covered by a Permian fluvioglacial, glaciomarine sequence of tillite, diamictite, sandstone, mudstone, and conglomerate known as the Bacchus Marsh Formation. Eocene aged fluvial sediments of sand, sandy and silty clay, which are in part carbonaceous and pyritic, also cover basement, as well as unnamed Cainozoic-aged colluvium, alluvium, and swamp deposits.

The most significant cover sequences within the Project area are unnamed Neogene-Pleistocene aged sheet flow alkali basalts, which are members of the prolific Newer Volcanic Group (Figure 5).

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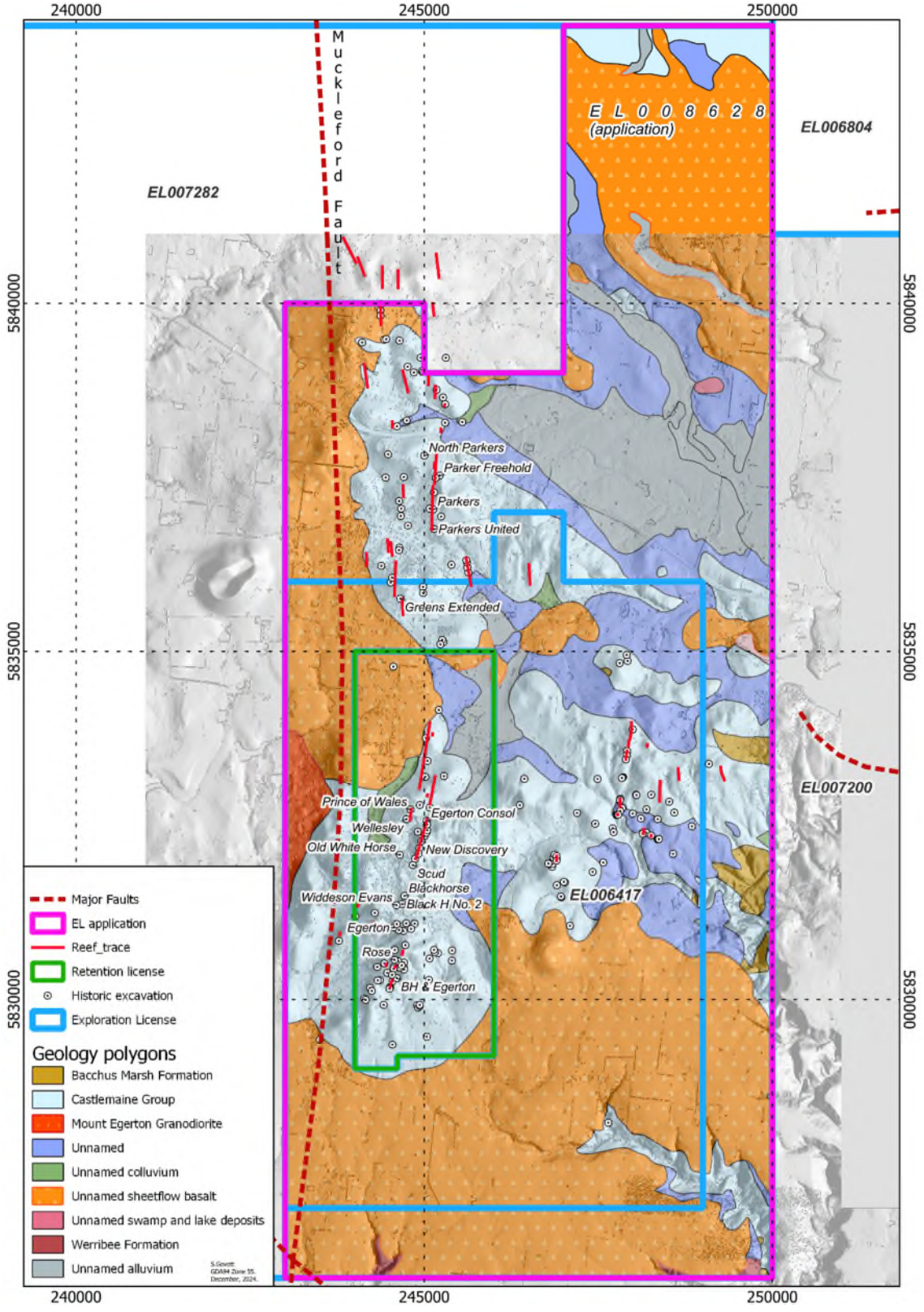


Figure 5: Surface geology of the Mt Egerton Project showing tenement boundaries, interpreted surface traces of quartz reefs and historic excavations. Image draped on LiDAR.

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2.3. Structural Setting and Mineralisation

The best accounts for the structural geology of the field are covered in the accounts of W.M. Bradford (Bradford, 1903). Bradford expressed that the structures observed in the Mt Egerton goldfield were similar to those found elsewhere in the Central Victorian Goldfields (illustrated in Figure 6).

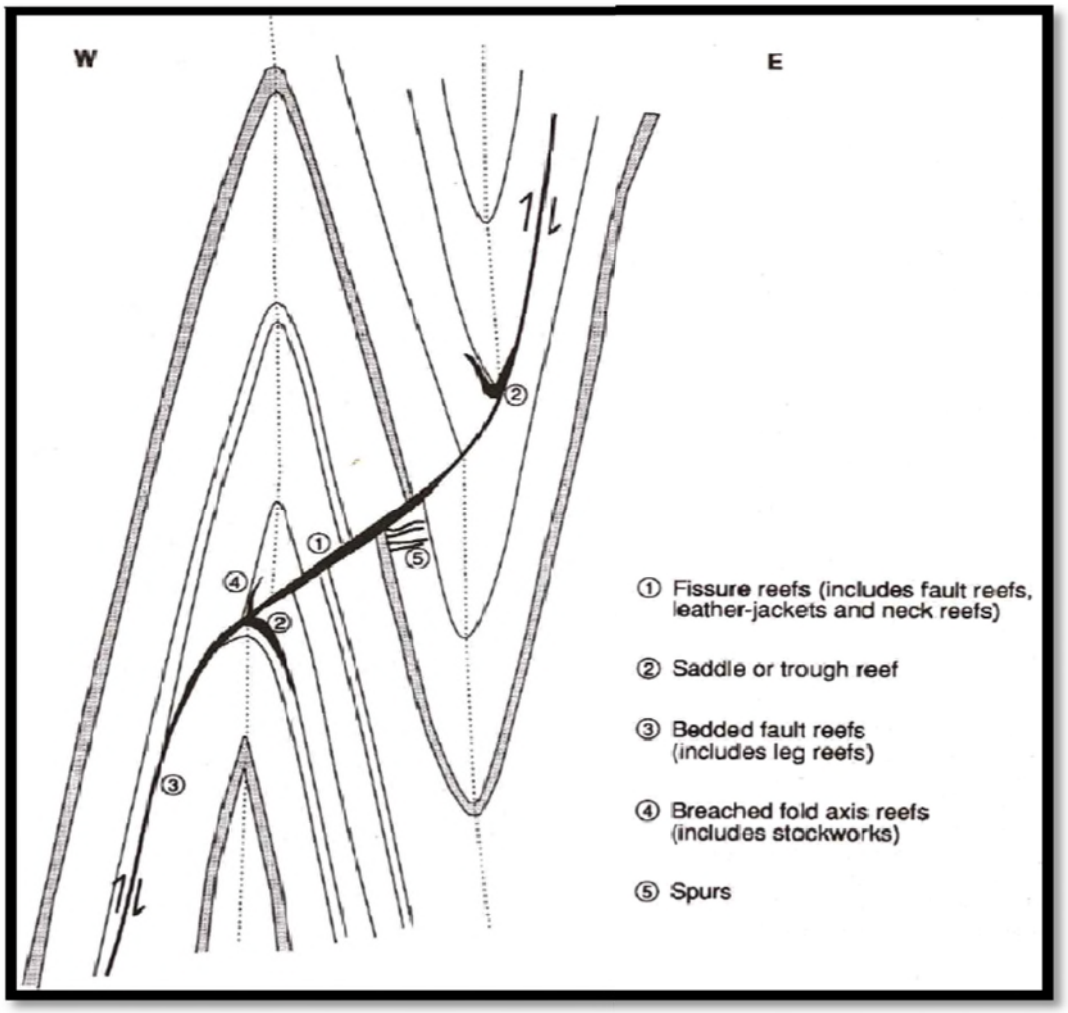


Figure 6: Diagram of quartz reef - reverse fault relationships in the Ballarat Goldfields. (Finlay, et al., 1992)

According to Bradford historical production from mines in the Mt Egerton goldfield was primarily focused on two different mineralised settings:

1) the 'wing make' - large-scale tension veins which are extensions or branches that split off from a main gold-bearing reef or lode, often following a fault or fracture line (Figure 7). They can also be thought of as secondary mineralised veins of that run alongside or branch off from the main reef; and

2) the intersection of east-dipping bedded structures and west dipping faults (type 3 in Figure 6).

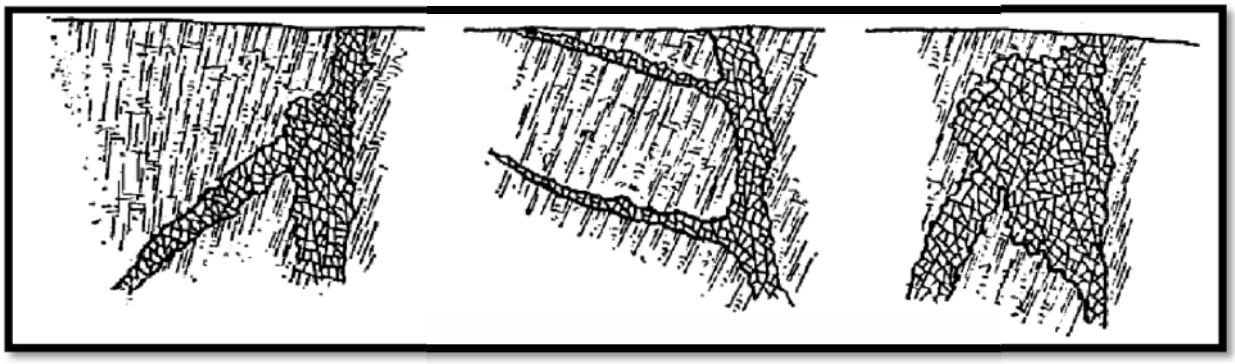


Figure 7: Schematic sections of quartz reefs at Mt Egerton showing "wing makes" (Bradford, 1903)

The use of the term 'lode' in this Report is for descriptive geological purposes only and should not be interpreted as an implication that any part of the mineralisation has reasonable prospects for eventual economic extraction.

The third area of production referred to by Bradford came from a type of veining described as "bulge make", which has been interpreted as a dilation 'jog'; a hinge offset or a 'fissure reef' (type 1 in Figure 6). A mine plan and section of the Blackhorse Company reproduced by Baragwanarth (1906) shows a large intersection of quartz, in the order of 10m wide, in the upper levels of the mine above a wide reef zone which was interpreted as a syncline (Figure 8). To the north of the Egerton Mine, a local mines inspector reported that an anticline may be present to the west of the Quarry shaft, where Bradford mentions that an area worked was at a "bulge load". This suggests that the Quarry 'bulge load' may be a result of a reverse fault intersection with an anticline, as depicted in Figure 9.

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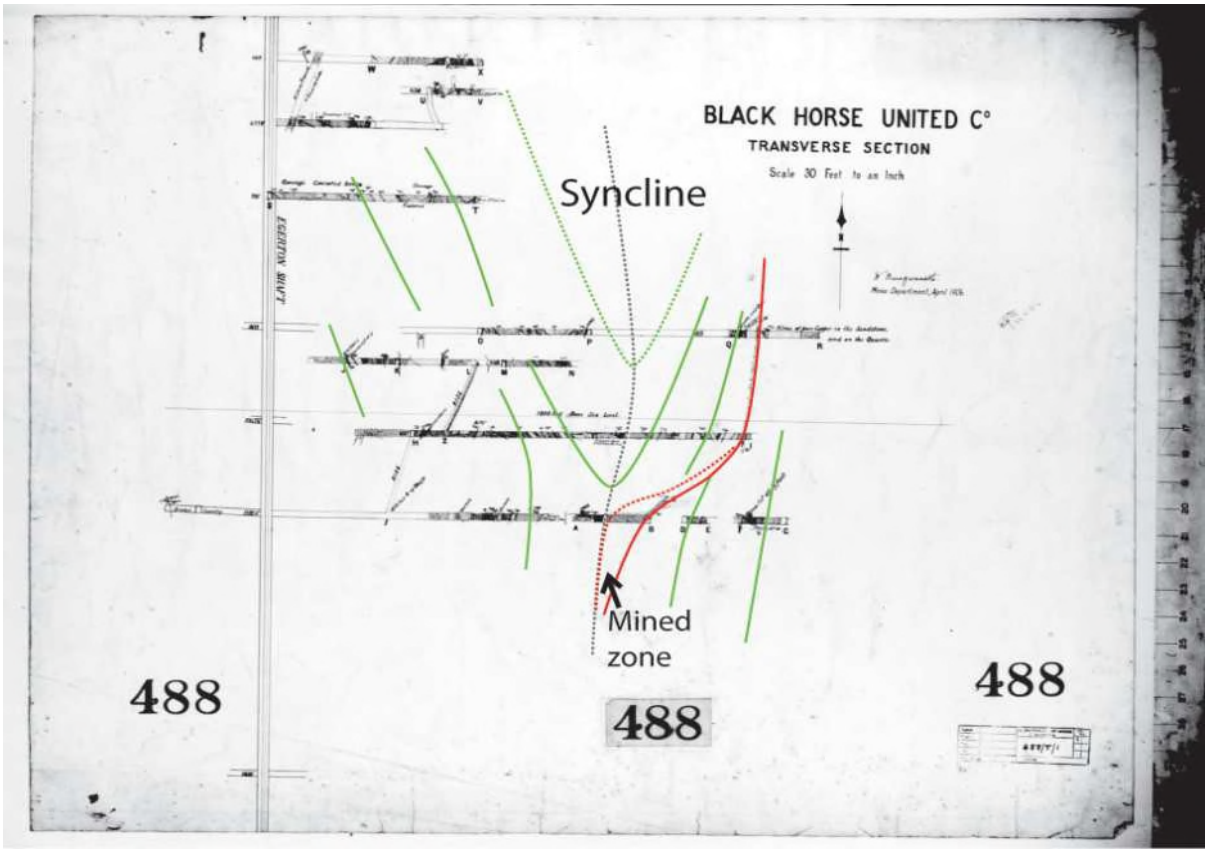


Figure 8: Black Horse United Company Transverse Section (Baragwanarth, 1906)

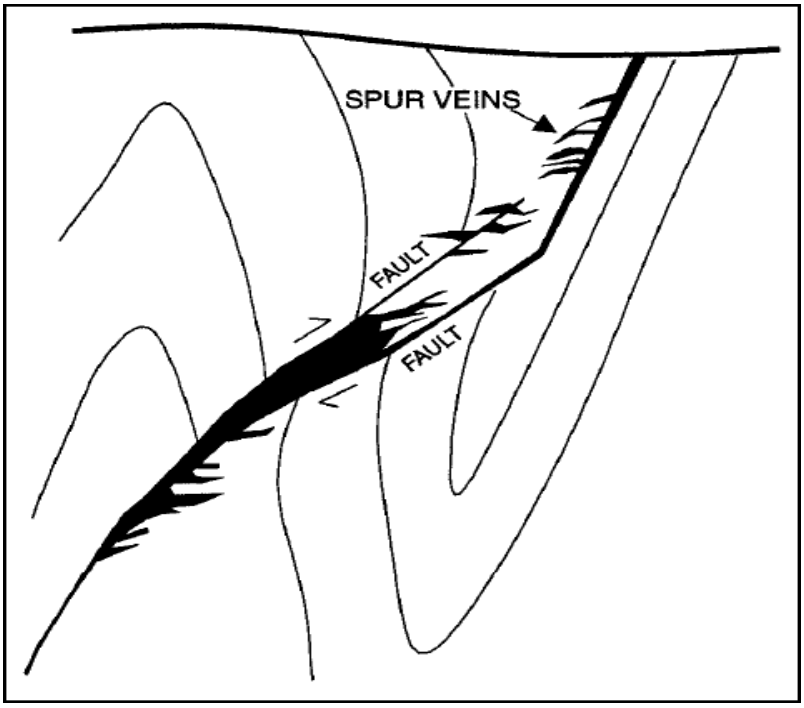


Figure 9: Reef and dilational jog on reverse fault, with extensional vein arrays typical of the Bendigo-Ballarat Goldfields (Willman and Wilkinson, 1992)

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Bradford's observations were focussed on the high grade production areas at Mt Egerton, likely as a result of public reports of mining at the time (both newspaper and anecdotal). While some of the reporting is of similar tone, other observations provide insight into the nature of the mineralisation at the Mt Egerton gold mines, for example:

In the Black Horse mine, at about the 650 foot level (~200m below surface): "*perhaps the richest patch of golden quartz ever met with in the State was found. In a mass of stone associated with decomposed dyke material, on the eastern side of the vertical [indicator]. a layer, or floor, of golden stone was found having a length of about 60 feet, a width of 6 or 7 feet, and a thickness of about 2 feet, the whole of which, it is said, was hung together with gold*"

It is also likely that the presence of spectacular grades in settings such as the "wing make" led him to attribute more importance to these secondary structures rather than the primary reef lode structures which would comprise the bulk of the mineralisation, at least with respect to tonnage.

Bradford also clearly expresses that many zones surrounding the worked areas contained low grade and high tonnage ore. These are thought to be the stock-works zones immediately in the wall rock and distal to these 'junctions' focused on in mining.

2.4. Historical Mining

Gold was first discovered at Mt Egerton in 1853 with the first recorded gold being mined in that same year. The field was "rushed" in 1854 with miners concentrating on one line of quartz reefs. Some shallow alluvial mining also took place along the gullies which drained west and east from the reefs. The Gordon goldfield, 6km to the north of Mt Egerton and also within the Project area, was discovered and first mined in 1858. Prospecting and mining activities came to show that these two discoveries were hosted by the same reef system but each new discovery along the line of auriferous reefs had a tendency to be given a new name.

As gold was mostly being extracted from quartz reefs it was not long before machinery to crush the quartz was introduced and within two years of discovery there was reported to be 25 crushing machines operating at Mt Egerton. These would have been a mixture of hand-, horse- and steam-powered devices. Mining on both fields during the latter part of the 1850s was quite basic, with miners removing surface material from small 12ft square claims or using small scale, hand-dug shafts. The bulk of the early workings were abandoned by 1858-59 when the surface material was exhausted and the shafts dropped onto water.

In 1859 changes were made to the mining regulations by the Victorian Colonial Government aimed at resolving grievances by miners as well as creating more efficient and profitable mines. One consequence was to remove the size limit of mining leases from 12 square feet per license to a more flexible approach of staking. At Mt Egerton this resulted in the goldfield being secured by larger mining companies who were then able to raise the capital required to sink larger and deeper shafts as well as invest in key equipment such as steam powered engines to pump water and small mills and batteries to process the ore.

The main operation through the 1860's was the Mt Egerton shaft (also referred to as the Main or Quarry shaft) with other active operations including the Black Horse and Flying Scud (immediately north of the

main Mt Egerton shaft, Figure 10) and at the Parkers shaft on the Gordon field. By the end of 1869 mining at the Egerton shafts had progressed beyond the 500 foot level, with the Egerton Company also producing from the Rose shaft, south of the main Mt Egerton shaft. All of the Egerton workings were inter-connected at various levels depending on the general levels of operations.

During the 1870's the Black Horse / Black Horse United (Figure 10) and Parkers / Parker's United operations became more successful following the discovery of high grade zones in these mines. Along with the Egerton mine these mines were the dominant producers from the goldfield during the 1870's and 1880's. Alluvial mining was carried out from time to time but was relatively minor and small scale in comparison to the underground operations.

A report by the Government Surveyor after a site visit in 1890 (Dunn, 1890) was quoted to state:

The Quarry reef was discovered in 1854, and has been worked continuously since. Judged by the gold output this reef ranks among the most productive. The Egerton Company was formed in 1874, and since then their yield amounts to £703,000 worth of gold. The Black Horse tribute yielded £230,000, with a total of £933,000, during a period of sixteen years. Large returns were obtained before this by the Cooperative Companies, and the Rose and Sister Rose Companies have also yielded heavily. As the reefs have been worked very little below the 1,000 feet level, it is fair to expect that a long and prosperous career is still before these companies, and also that extensions of these very strong reefs could be found by systematic search."

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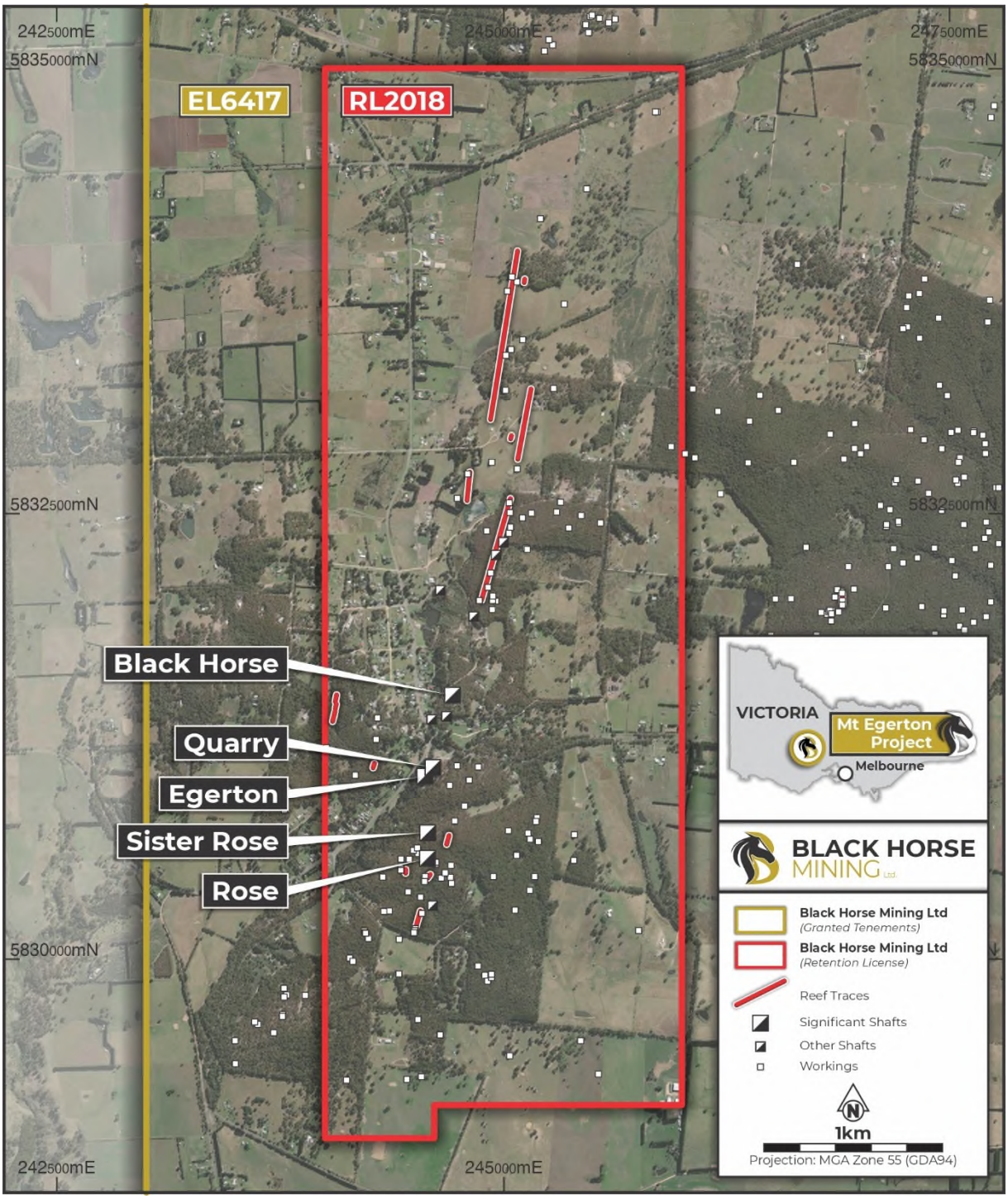


Figure 10: Historical shafts at the Mt Egerton Project

Unfortunately, this prediction did not come true and one by one the mines in the Mt Egerton goldfield suspended or cut back their operations. None of the operating companies was able to find new orebodies to continue operations and with mining having reached the 2,000ft level the cost and effort associated with dewatering the workings was also considerable. It should be remembered that mining companies at

that time did not retain capital to sustain operations or fund development, but instead paid out the majority of their profits as dividends.

A key record of the historical mining was completed by the government geologist W.M. Bradford in 1903, while mining was still active and before the workings were flooded. Multiple references in Bradford's Bulletin are made to particularly rich zones within the areas worked, indicating that historical production was focused on high-grade zones of mineralisation, which is typical of historical mining in nuggety quartz environments. Low-grade areas (by historical standards) referred to by Bradford have been interpreted as narrow zones of stockwork on or in proximity to west-dipping thrust zones, yet distal from any major hinge off-set or 'wing' structure. Bradford also makes many references to bulk low-grade areas that could have been mined at a profit but were left because the miners were chasing the very high-grade zones. These low-grade zones were of the order of about 6 pennyweights (dwt) to the tonne (which corresponds to approximately 9.3 g/t). It could be interpreted that the historical operations in the Mt Egerton goldfield had an effective economic cut-off grade of around 9-10 g/t Au.

Official gold production from the shafts at Mt Egerton was not recorded until company production began to be collected periodically in 1861. Recorded production from the principal Mt Egerton mines (the Rose, the Sister Rose, the Egerton, the Quarry shaft, the Blackhorse and the Blackhorse United) from 1861 to 1893 is estimated at approximately 12.7 tonnes (t) of gold from 1.063 million tonnes (Mt) of ore, for a recovered grade of approximately 10 grams per tonne (g/t) Au (Younger, 2004). The principal mines were consistent producers of high grades, with quartz vein hosted gold worked to a depth of 550m. Stopes are estimated to average 3.5m in width, with widths of >10m recorded (Younger 2004).

A precise record of total gold production is difficult to compile; however, various sources estimate that production from mines within the Mt Egerton field was between 27 and 40 tonnes of gold (approximately 868,000 oz to 1,290,000 oz) at reported grades of between 5.5 g/t and 19.3 g/t Au (Hughes and Phillips, 1998; Younger, 2004). Approximately 11 tonnes were reported to be won from placer sources, while the nearby Gordon Goldfield to the north was reported to have produced in excess of 4 tonnes of gold (129,000 oz). The production history of the Black Horse and Egerton Company, the predominant mining companies in the area, was compiled by Younger (2004) from quarterly reports by Mining Registrars as a means to verify the reported production from the field (refer Appendix 1). It should be noted that the tonnages and grades above are estimates of historical production only and are presented solely to illustrate the known mineralisation at Mt Egerton and the previous mining activity. They do not represent estimates of Mineral Resources, Ore Reserves or Production Targets as defined in the JORC Code.

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2.5. Previous Exploration

More recent exploration at Mt Egerton has included geophysical traverses, reverse circulation drilling, diamond drilling, soil sampling, rock chip sampling, surface mapping, and historical research. Operators include Western Mining Corporation, Carpentaria Exploration, Minico Pty Ltd in joint venture with St Barbara Mines Limited, and Golden Hills the joint venture manager with Minico and St Barbara, Tech-Sol Resources, and more recently Steadfast Mining Services.

Exploration activities are summarised in Table 2. In general only partial data is available from previous explorers, largely in hardcopy form. Due to the Company's strategy the most relevant historical activities relate to the drilling carried out by each operator. In particular the surface sampling within the mining area will not be detailed in this Report as it has been shown to have been affected by material from historical mining activities and accordingly is of limited value for exploration targeting. Surface sampling outside the mining area has been documented in the sections below.

Table 2: Summary of Modern Exploration at Mt Egerton Programs

Year	Company	Work Undertaken
1975 – 1978	Western Mining Corporation	Geophysical traverses
1980 – 1982	Carpentaria Exploration	Geological Mapping, Soil Sampling, Historical Research, 3 Diamond drill holes
1985 – 1989	Western Mining Corporation	Geological Mapping, Soil Sampling, 61 Reverse Circulation Holes, 4 Diamond Drill Holes
1993 – 2001	Minico Pty Ltd - JV with St Barbara Mines Ltd	122 Reverse Circulation Drill holes
1998 – 2001	Golden Hills Limited - JV with Minico and St Barbara	Data Validation and 1996 Resource Estimate
2001 - 2013	Tech-Sol Resources Pty Ltd, JV with Cluff Resources (Torian Resources NL)	Historical Tailings Retreatment, 3 diamond drill holes

Drilling at Mt Egerton is summarised in Table 3 and has predominantly comprised shallow RC drilling, with an average depth of 117 metres. The majority of the recent drilling was completed by WMC and St Barbara in the 1980's and 1990's, aiming to delineate near-surface mineralisation.

Significant intersections are detailed in Table 4 with drillhole details contained in Appendix 2. A number of wide, high-grade gold intersections were returned at varying depths which supports the potential for viable quantities of remnant gold mineralisation to be hosted within the Mt Egerton Gold Project.

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Table 3: Summary of Drilling Programs at Mt Egerton

		RC			DD			TOTAL	
Company	Year	Holes	Meters	Avge. Depth	Holes	Meters	Avge. Depth	Holes	Meters
Carpentaria	1980 – 1982	0	0		3	586.2	195	3	**586.2**
WMC	1985 – 1989	57	6,132	108	4	945.2	236	61	**7,082.2**
Minico JV	1993 – 2001	122	14,960	123	0	0		122	**14,960**
Tech-Sol JV	2001 – 2013	0	0		3	513	171	3	**513**
TOTAL		**179**	**21,092**	**117**	**10**	**2,044.4**	**204**	**189**	**23,141.4**

Table 4: Significant Intersections (>1m at >1g/t Au) in drilling at Mt Egerton

Hole	Company	Hole Type	From (m)	To (m)	Length (m)	Au (g/t)
MTEC015	WMC	RC	63	64	1	7.30
MTEC017	WMC	RC	8	9	1	4.64
MTEC017	WMC	RC	18	19	1	3.07
MTEC017	WMC	RC	77	78	1	21.50
MTEC020	WMC	RC	76	77	1	5.01
MTEC021	WMC	RC	53	54	1	3.27
MTEC021	WMC	RC	55	56	1	4.42
MTEC031	WMC	RC	62	70	8	3.80
MTEC034	WMC	RC	70	79	8	2.44
MTEC038	WMC	RC	84	91	7	18.03
MTEC039	WMC	RC	8	14	6	1.77
MTEC051	WMC	RC	0	2	2	3.32
MTEC053	WMC	RC	7	11	4	3.36
MTEC053	WMC	RC	16	17	1	2.24
MTEC054	WMC	RC	7	8	1	2.02
MTEC054	WMC	RC	10	11	1	5.20
MTEC054	WMC	RC	12	13	1	1.38
MTEC055	WMC	RC	34	35	1	4.16
MTEC055	WMC	RC	63	64	1	70.00
MTEC057	WMC	RC	0	8	7	1.47
MTEC057	WMC	RC	34	38	4	26.06
ERC001	Minico	RC	1	3	2	1.36
ERC003	Minico	RC	24	26	2	3.16
ERC005	Minico	RC	26	27	1	4.00
ERC008	Minico	RC	93	110	17	0.79
ERC014	Minico	RC	6	10	4	2.62

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Hole	Company	Hole Type	From (m)	To (m)	Length (m)	Au (g/t)
ERC015	Minico	RC	10	24	14	0.61
ERC016	Minico	RC	1	5	4	1.41
ERC016	Minico	RC	11	18	7	1.56
ERC016	Minico	RC	26	28	2	2.14
ERC016	Minico	RC	39	40	1	2.63
ERC016	Minico	RC	41	44	3	2.04
ERC017	Minico	RC	10	16	6	1.30
ERC017	Minico	RC	16	22	6	3.20
ERC018	Minico	RC	24	26	2	1.14
ERC018	Minico	RC	27	33	6	1.16
ERC019	Minico	RC	30	34	4	2.03
ERC019	Minico	RC	55	56	1	2.12
ERC021	Minico	RC	45	46	1	6.39
ERC021	Minico	RC	46	53	7	0.88
ERC021	Minico	RC	58	59	1	1.32
ERC021	Minico	RC	86	87	1	1.20
ERC021	Minico	RC	99	103	4	2.21
ERC022	Minico	RC	58	59	1	3.10
ERC022	Minico	RC	67	68	1	2.78
ERC022	Minico	RC	84	85	1	1.50
ERC023	Minico	RC	125	130	5	1.69
ERC023	Minico	RC	133	136	3	2.45
ERC024	Minico	RC	56	57	1	1.18
ERC024	Minico	RC	61	62	1	2.41
ERC025	Minico	RC	65	80	15	3.65
ERC028	Minico	RC	1	4	3	2.01
ERC028	Minico	RC	10	12	2	2.83
ERC030	Minico	RC	68	69	1	2.60
ERC031	Minico	RC	34	36	2	1.93
ERC031	Minico	RC	44	47	3	1.44
ERC032	Minico	RC	23	27	4	7.50
ERC032	Minico	RC	40	42	2	4.58
ERC032	Minico	RC	81	87	6	3.02
ERC032	Minico	RC	135	136	1	5.77
ERC038	Minico	RC	100	101	1	13.50
ERC038	Minico	RC	109	111	2	3.14
ERC039	Minico	RC	127	130	3	5.37
ERC039	Minico	RC	133	136	3	1.98
ERC040	Minico	RC	137	142	5	2.33
ERC040	Minico	RC	147	148	1	34.60
ERC042	Minico	RC	4	11	7	1.35
ERC042	Minico	RC	16	26	10	4.30
ERC044	Minico	RC	123	125	2	3.65

Hole	Company	Hole Type	From (m)	To (m)	Length (m)	Au (g/t)
ERC047	Minico	RC	81	87	6	3.52
ERC049	Minico	RC	97	99	2	2.13
ERC049	Minico	RC	133	135	2	17.40
ERC053	Minico	RC	26	27	1	8.00
ERC054	Minico	RC	20	24	4	2.01
ERC054	Minico	RC	102	105	3	3.68
ERC054	Minico	RC	107	109	2	6.95
ERC054	Minico	RC	142	143	1	10.36
ERC054	Minico	RC	148	152	4	4.39
ERC054	Minico	RC	154	157	3	5.59
ERC054	Minico	RC	158	159	1	3.04
ERC055	Minico	RC	95	96	1	3.38
ERC055	Minico	RC	99	100	1	8.39
ERC055	Minico	RC	109	110	1	4.42
ERC063	Minico	RC	44	46	2	2.94
ERC063	Minico	RC	54	55	1	3.52
ERC064	Minico	RC	75	78	3	9.63
ERC064	Minico	RC	123	127	4	5.28
ERC065	Minico	RC	74	75	1	13.30
ERC066	Minico	RC	56	57	1	43.60
ERC066	Minico	RC	57	60	3	2.43
ERC066	Minico	RC	92	94	2	3.62
ERC066	Minico	RC	97	107	10	10.39
ERC066	Minico	RC	110	111	1	6.12
ERC067	Minico	RC	10	11	1	4.20
ERC067	Minico	RC	27	33	6	3.76
ERC067	Minico	RC	37	42	5	3.45
ERC067	Minico	RC	88	93	5	6.05
ERC067	Minico	RC	94	112	18	3.62
ERC068	Minico	RC	42	44	2	2.28
ERC068	Minico	RC	57	71	14	5.13
ERC071	Minico	RC	6	8	2	2.84
ERC073	Minico	RC	2	3	1	3.02
ERC073	Minico	RC	22	24	2	3.48
ERC073	Minico	RC	52	56	4	2.06
ERC073	Minico	RC	73	79	6	3.12
ERC073	Minico	RC	129	130	1	4.52
ERC073	Minico	RC	141	142	1	4.81
ERC077	Minico	RC	59	61	2	5.33
RSE003	Minico	RC	24	26	2	5.13
RSE013	Minico	RC	37	40	3	2.06

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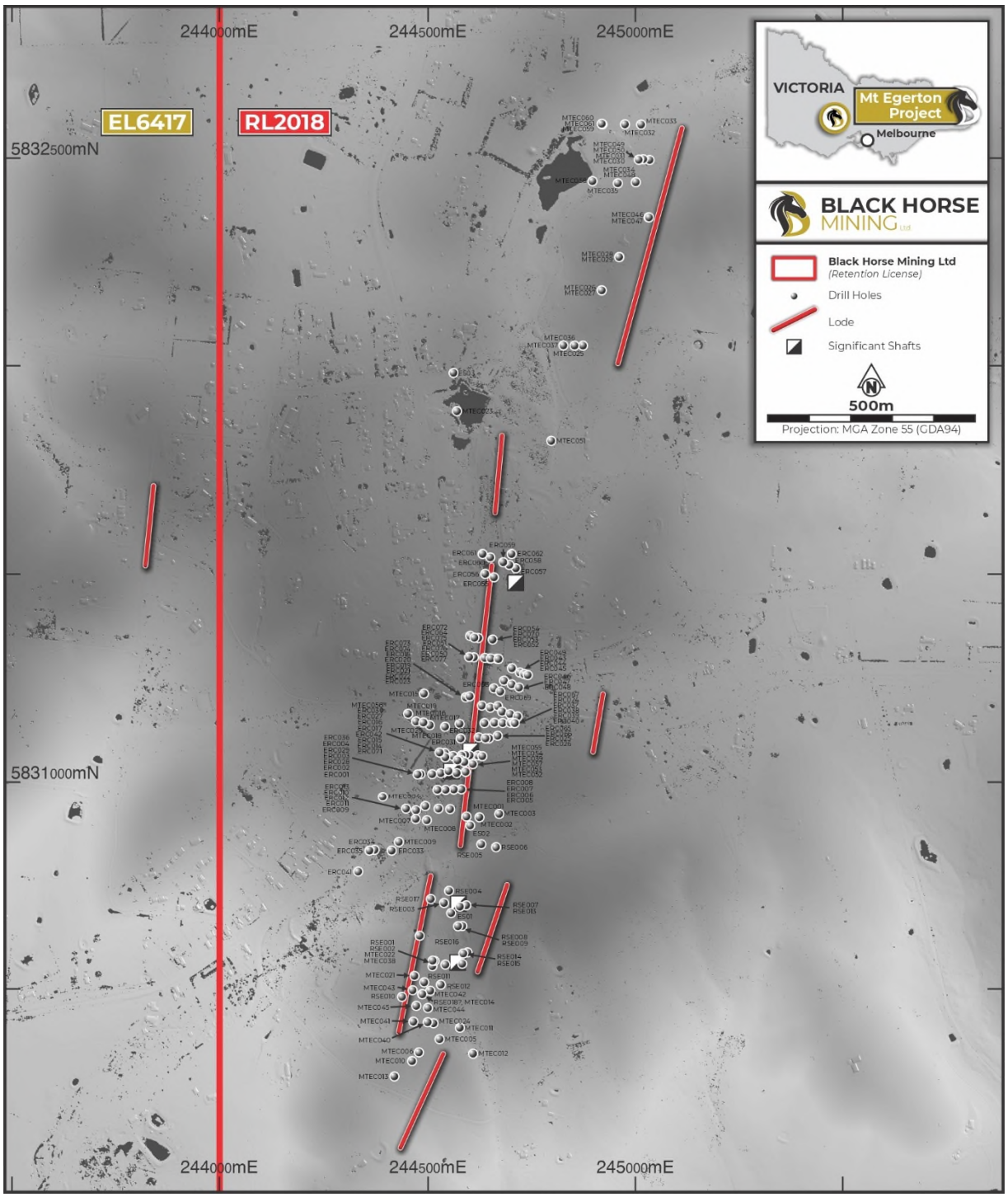


Figure 11: Historical drilling at the Mt Egerton Project

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Carpenteria Exploration (CEC) completed three diamond drill holes which were stated to have been designed primarily as stratigraphic holes:

- ES01 targeted quartz reefs associated with a "copper lode" reported in historical records;
- ES02 was located between the Egerton shaft and Sister Rose shafts and targeted postulated spur reefs between the Rose and Sister Rose systems; and
- ES03 targeted the northern continuance of the Black Horse lode, and possible development of spur formations in this area.

Only ES02 intersected significant quartz veins (described as fragmented) and no significant assays were reported from any of these holes.

WMC carried out an extensive drilling programme in and around the main Mt Egerton mining area primarily targeting near surface mineralisation. Drilling was carried out in three phases:

1) testing the main reef system in the Rose / Sister Rose and "Egerton Extension";
2) testing for remnant, unmined mineralisation near the surface / outcrop positions of the Quarry and Rose workings; and
3) testing the up-plunge continuation of the Rose mineralised system and possible northern strike extensions of the Egerton mineralised system (also referred to as the "Yellands area" after the leaseholder at the time.

Drilling successfully intersected a number of high grade zones with best results including:

- 1m at 7.30g/t gold, from 63m (MTEC015)
- 1m at 4.64g/t gold, from 8m
  1m at 3.07g/t gold, from 18m
  1m at 21.5 g/t gold, from 77m (MTEC017)
- 8m at 3.80 g/t gold, from 62m (MTEC031)
  incl. 1m at 10.60 g/t gold
- 8m at 2.44 g/t gold, from 70m (MTEC034)
- 7m at 18.03 g/t gold, from 84m (MTEC038)
  incl. 1m at 31.00 g/t gold
  incl. 1m at 62.00 g/t gold
  incl. 1m at 11.40 g/t gold
  incl. 1m at 12.50 g/t gold
- 4m at 3.36 g/t gold, from 7m (MTEC053)
- 1m at 70.00 g/t gold, from 63m (MTEC055)

The intersections above were from drilling phases 2 and 3. Intersections and veining in MTEC015 and MTEC017 were interpreted to represent the sub-surface extensions of material previously mined in the Quarry / main surface workings above the Egerton shaft. The results in MTEC031 and MTEC034 were from phase 3 and interpreted to represent a significant new mineralised quartz reef, however surrounding RC drilling was not successful in intersecting this reef or related structures.

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Following the completion of the RC programme diamond drilling was carried out to test the position of this new reef at depth. Drilling was targeted based on the assumption that the shallow RC intersections in MTEC01 and 034 represented the top of a sub-vertical zone. Two holes were completed (two others being abandoned due to excessive hole steepening) with no significant veining or gold mineralisation intersected.

The next major phase of drilling was carried out by Minico in joint venture with St Barbara Mines Limited. 122 reverse circulation drillholes were drilled at four prospects:

1) Egerton Quarry (the main area of historical mining) – holes ERC001 – 077;
2) Rose / Sister Rose – RSE01 to 25;
3) Mundic – MUN01 – 16; and
4) Black Horse Extended – BHE01 – 04.

Many notable results were recorded in the Egerton-Quarry drilling such as:

- 17m at 0.79 g/t, from 93m (ERC008)
- 15m at 3.65 g/t, from 65m ERC025)
- 3m at 5.35 g/t, from 127m (ERC039)
- 1m at 34.60 g/t, from 147m (ERC040)
- 10m at 4.30 g/t, from 16m (ERC042)
- 6m at 3.52 g/t, from 81m (ERC047)
- 2m at 17.4 g/t, from 133m (ERC049)
- 4m at 4.39 g/t, from 148m (ERC054)
- 3m at 5.59 g/t, from 154m (ERC054)
- 4m at 5.28 g/t, from 123m (ERC064)
- 10m at 10.39 g/t, from 97m (ERC066)
- 1m at 43.6 g/t, from 56m (ERC066)
- 6m at 3.76 g/t, from 27m (ERC067)
- 5m at 3.45 g/t, from 37m (ERC067)
- 5m at 6.05 g/t, from 88m (ERC067)
- 18m at 3.62 g/t, from 94m (ERC067)
- 14m at 5.13 g/t, from 57m (ERC068)

Drilling at Rose and Sister Rose (RSE- prefixed holes) was reported to have commonly intersected mineralisation of between 1 to 3 metres at 1 to 3g/t gold. Best results were 2m at 5.13g/t (RSE003) and 3m at 2.06g/t (RSE013).

Drilling at Mundic did not intersect significant gold mineralisation. Detailed location information was not reported for these holes with co-ordinates approximated from historical plans and needing to be verified.

Drilling at Black Horse Extended was confined to a single fence of drilling. Narrow intercepts of low grade mineralisation were reported (1m at 2.09g/t and 3m at 1.21g/t) and again detailed collar information was not recorded.

Following completion of the drilling and based on the results Golden Hills joint ventured into the property (in partnership with Minico and St Barbara) with the intent of listing on the ASX. Attempts to base a Mineral Resource Estimate on the drilling data highlighted a number of issues with the entry and management of the data. These issues necessitated verification of drillhole locations and sampling / assay data. Resolution of these issues took significant time to resolve since all information and interpretation was being carried out in hardcopy and between offices in Victoria and Western Australia. Verified drillhole locations are still not resolved for drillholes prefixed BHE, MUN and certain RSE prefixed holes. It is likely this is due to the relatively poor results from these holes.

Ownership of the Mt Egerton Project reverted to Minico and St Barbara in December 1997 due to Golden Hills failing to make its final payment under the sale agreement between the parties, as a consequence of being unable to complete its listing on the ASX. The Minico-St Barbara JV attempted to retain tenure over the core of the mineralisation as defined by drilling by relinquishing the surrounding area but ultimately was unable to attract further investment either internally or externally due to the prevailing gold price and market sentiment at that time.

For the three holes drilled by Tech-Sol, the first two holes were abandoned at approximately 100m depth when circulation was lost after encountering an unanticipated void. Only minor quartz veining was intersected however the drilling was not a definitive test of the area. The third hole was planned to reach 650m to test both the Blackhorse and Egerton / Quarry lodes below shallow RC drilling, but the hole only reached 313m before drilling was shut down by WorkSafe due to OH&S concerns.

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2.6. Exploration Potential – Near Mine

Proposed exploration by Black Horse will primarily focus on testing interpreted extensions to mineralisation within the historical mining area. As detailed in section 2.4 a substantial proportion of the historical production from the Mt Egerton goldfield was sourced from "wing makes" (large-scale tension veins that split off from a main gold-bearing reef or lode), intersections of east-dipping bedded structures and west dipping faults, and dilation 'jogs' or 'fissure reefs' formed on reverse faults. Figure 11 shows a schematic cross section illustrating these mineralisation settings.

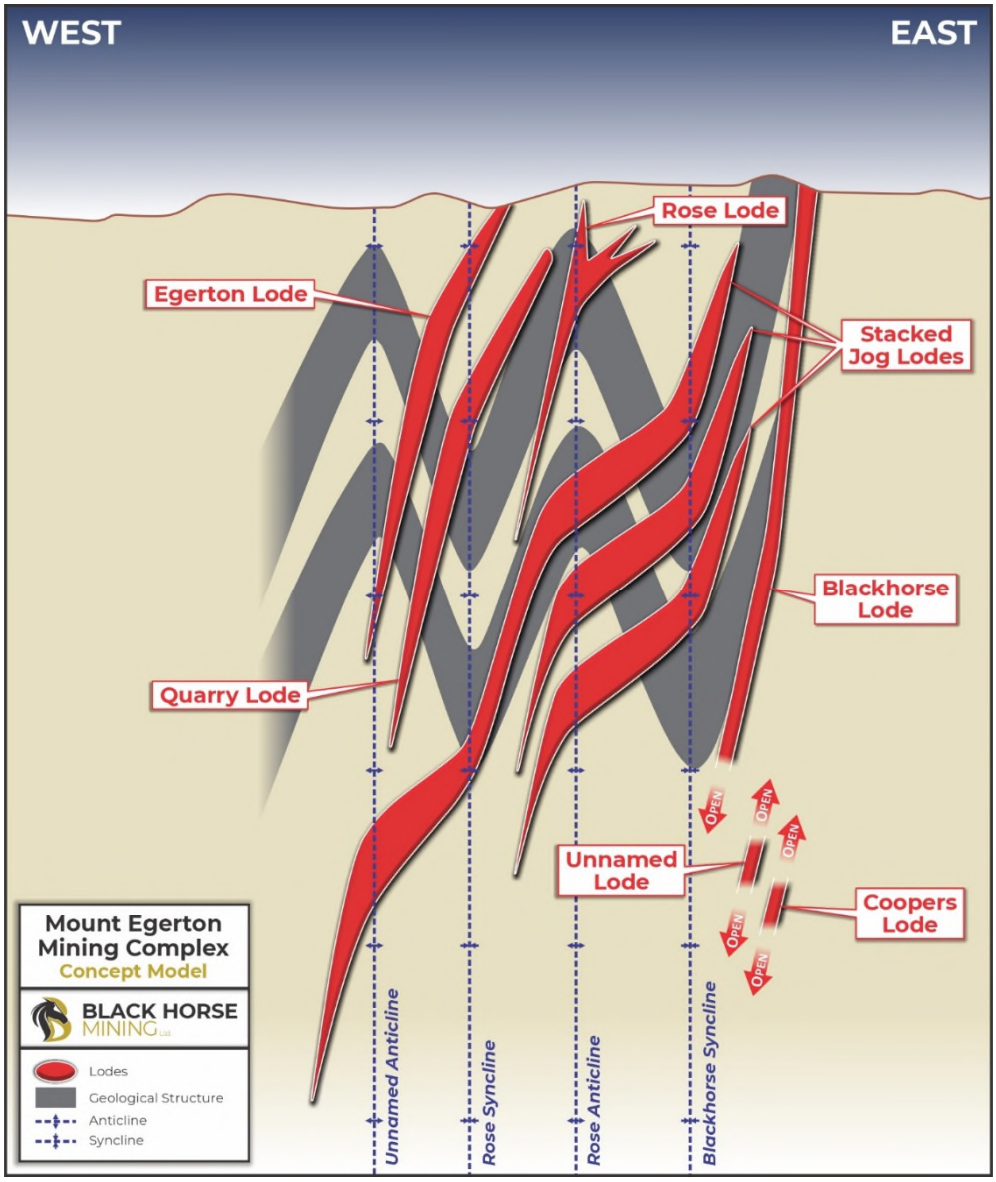


Figure 12: Section showing conceptual model for mineralisation at Mt Egerton

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The complexity of the mineral system at Mt Egerton with late-stage faulting, stacked lodes, plunge geometries, and the focus on very high-grade material provide a set of parameters likely too difficult to be interpreted as historical mining activities progressed. A significant amount of effort has been expended by previous explorers in transforming the historical maps and sections comprising part-surveying of accessible workings, composite long-section reproduction of mine manager long-sections and some retained company level surveys of existing mine workings, and other information on historical plans and sections from sources such as Bradford (1903) and Baragwanath (1906) into a 3-dimensional model of the Mt Egerton goldfield. Figure 12 shows a plan view with the surface projection of the modelled workings and lodes.

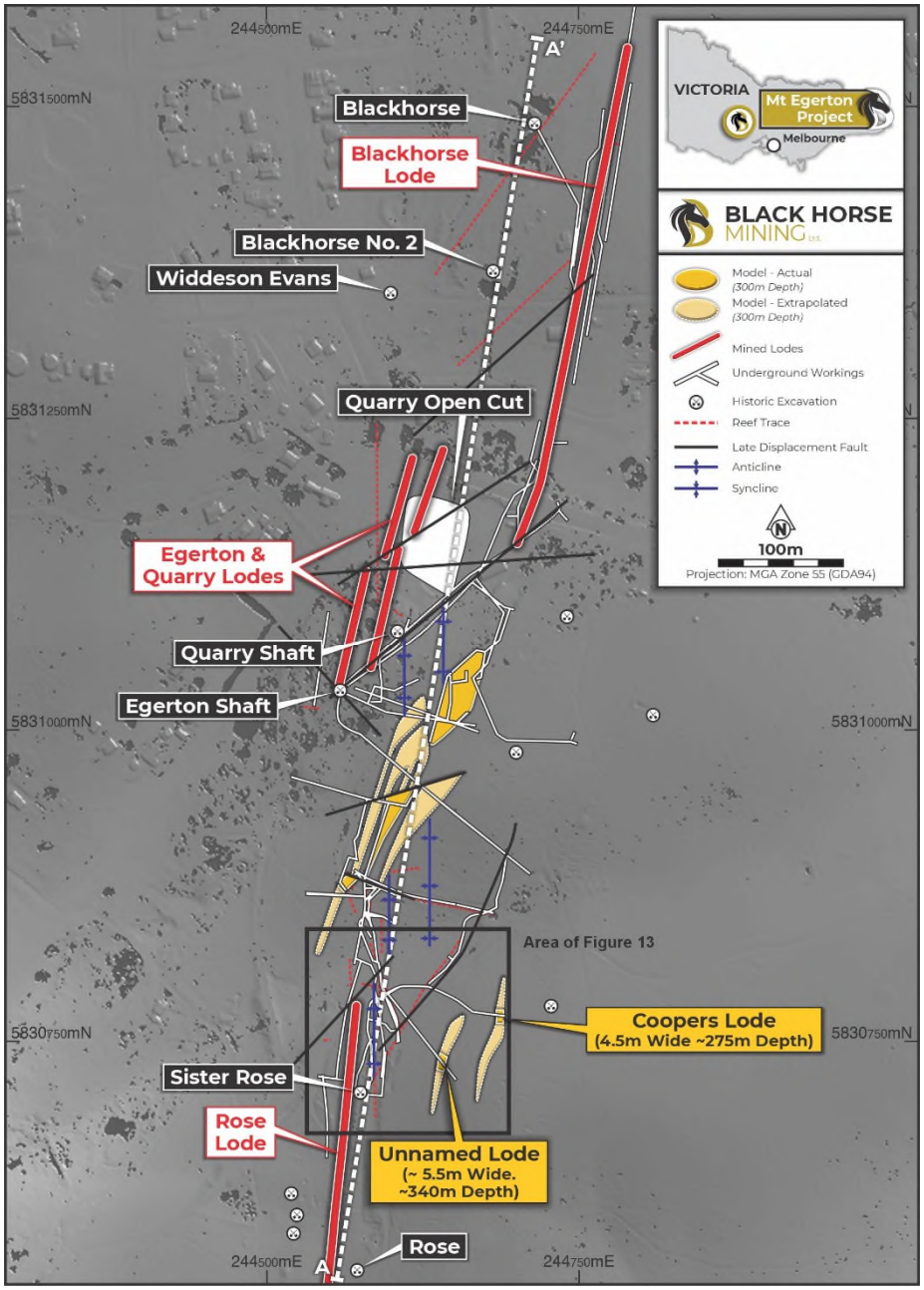


Figure 13: Surface projection of underground workings and lodes mined in the Mt Egerton goldfield as modelled in 3D.

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Based on this model, the Company will look to interpret settings where mineralisation may occur, through identification of intersections of structures, or likely locations where tension veins and dilation jogs may have formed. Following target generation and ranking systematic drilling will be required to test the most prospective targets.

Initial work will focus on identifying remnant lodes intersected in the historical workings from around 200m to beyond 500m from surface which have not adequately been tested by mining or drilling. There is also potential for previously unidentified lodes along the existing "Egerton line" of workings (the Rose, the Sister Rose, the Egerton, the Quarry shaft, the Blackhorse and the Blackhorse United) to have formed within the Rose syncline, Rose anticline, and the Blackhorse syncline. Other lodes in parallel lines of quartz reefs may also exist, supported by other 'lines' of named and unnamed workings within the Project area.

Examples of areas to be investigated based on historical mapping are shown in Figure 13 and 14 below (location shown on Figure 12). Down plunge of the Rose lode there appears to be further stacked lodes in the same anticline (Figure 13). These lower-level lodes have been mapped to 'blow-out' to widths of 10m and over. They also appear to continue to the east in a syncline setting which may be the same as the 'Blackhorse Syncline'. Mapping by Baragwanath (1906) on the 1017ft level indicates another parallel lode is present in what would be a jog lode from a potential syncline setting to the west (Figure 14).

Observations that have arisen from interrogation of the model to date include an apparent change in dip direction of the sediments at places where the quartz lodes widen. In addition, the Rose Anticline is interpreted to extend further northward based on mapping of development drives at the 1110ft level.

In addition to the above settings, potential exists to discover extensions to mineralised reefs where they have been displaced by late stage faulting and "lost" to historical mining. Such late stage faults were documented during mining at Mt Egerton starting from the earliest days of production but the potential for these to displace the mineralised lodes was not well understood during the active mining period. When faulting was intersected during mining new development was driven along the faults to intersect the lode, which is evident in the level plans at the Black Horse Mine and indicated by some of the level plans included in Baragwanath's report (1906). These actions were reactive rather than proactive and with better structural understanding the Company will be able to better predict in what direction lodes have been displaced and test for continuations.

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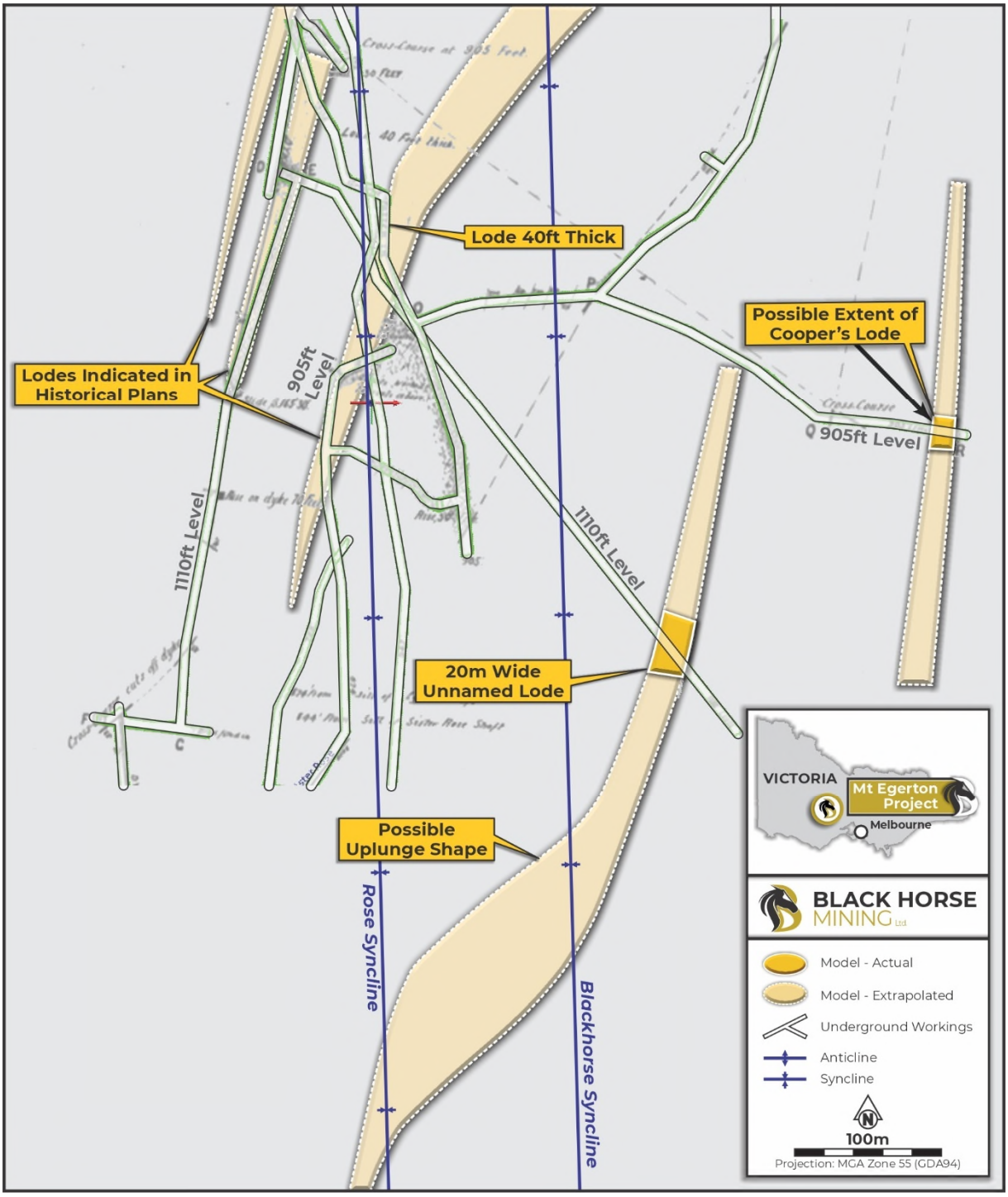


Figure 14: Composite level plan of the 905 – 1110 foot level drafted from historical mapping showing underground workings, mined lodes and interpreted extensions.

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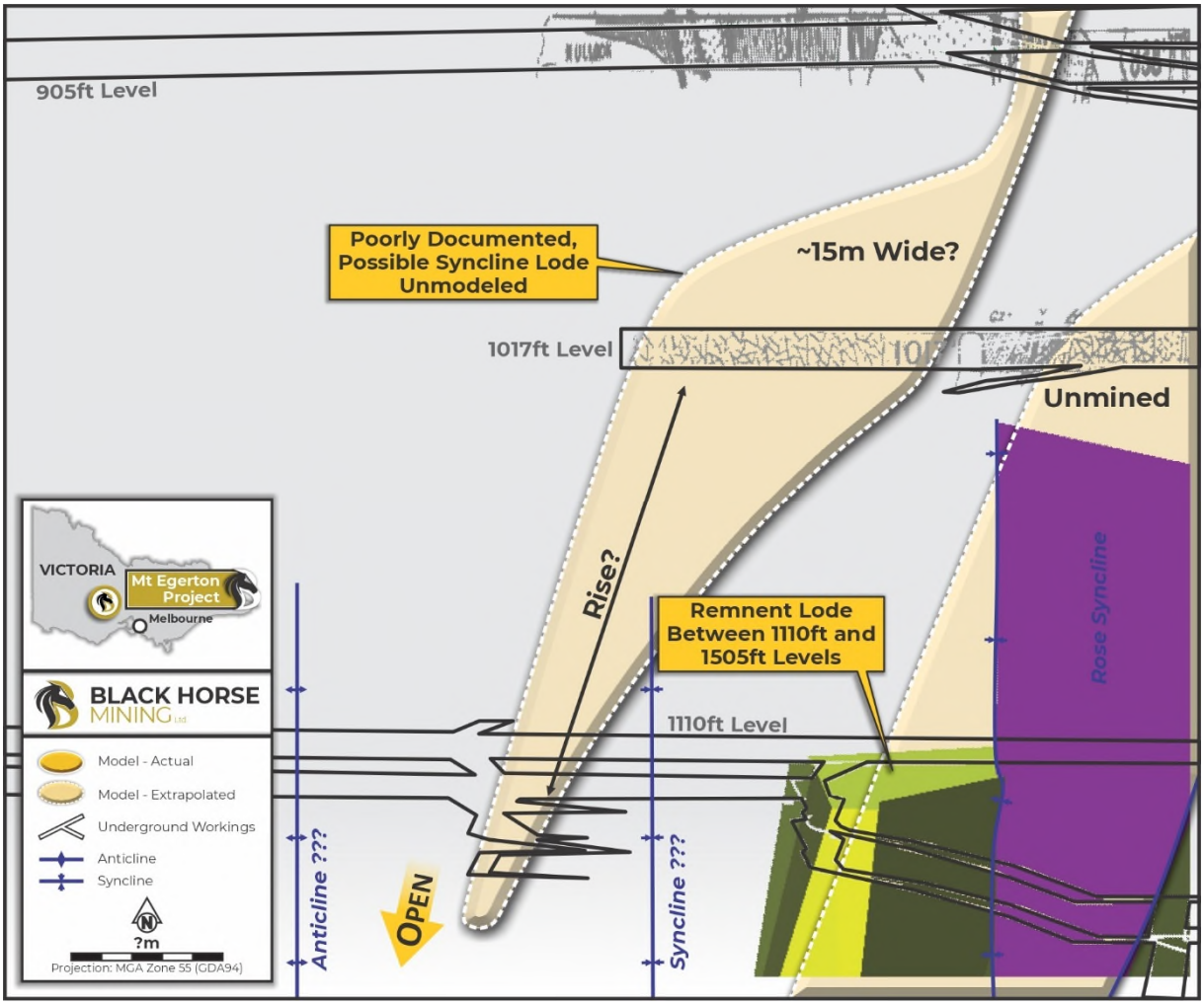


Figure 15: Oblique view of underground mapping (Baragwanath, 1906), workings and lodes wireframed from historical data showing potential hanging-wall syncline target. Looking NNE.

Previous drilling at Mt Egerton was focussed on shallow mineralisation, with less than 10% of all holes completed to date being drilled below 150 vertical meters (Figure 15). In contrast, elsewhere in the Victorian Goldfields, numerous orebodies have been delineated at depths below 500m by systematic exploration (Figures 16 and 17). Given the well-defined systems at Mt Egerton and the apparent southerly plunge, testing for extensions to mineralisation at depth is warranted and will likely require sustained drilling to provide an adequate test.

Most drilling to date was carried out using RC percussion methods which would not have allowed the detail of vein orientations and structural interpretation to be collected. This drilling was also focussed on defining economic mineralisation and therefore would have missed thin intersections of quartz veins or other structures which may represent up-dip extents of mineralised systems. The nature of the reef system to pinch and swell is documented by Bradford (1903) and Baragwanath (1906) and is also well known across the Victorian Goldfields. The use of oriented diamond core will enable structural observations to be collected to guide future drilling campaigns.

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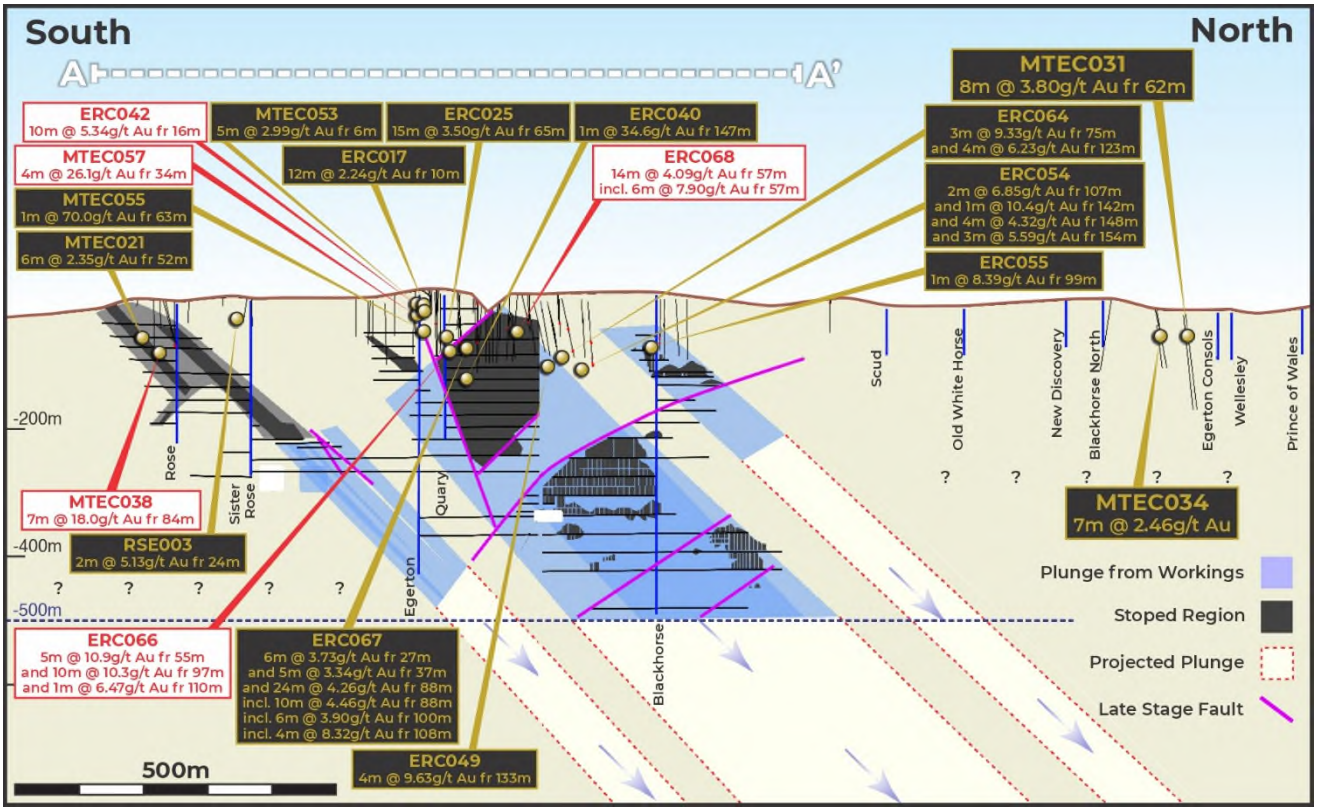


Figure 16: Long section of Mt Egerton showing potential depth extensions to mineralisation

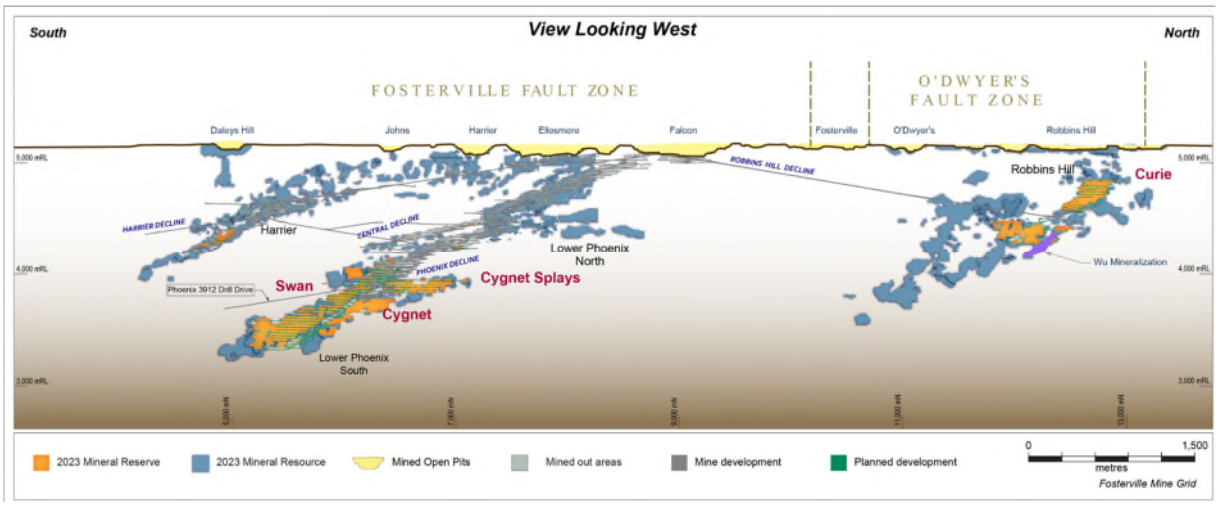


Figure 17: Long section of the Fosterville mining complex (looking west) showing depth of workings and defined mineralisation. Blue dotted line approx. 500m below surface. Modified from Agnico Eagle presentation

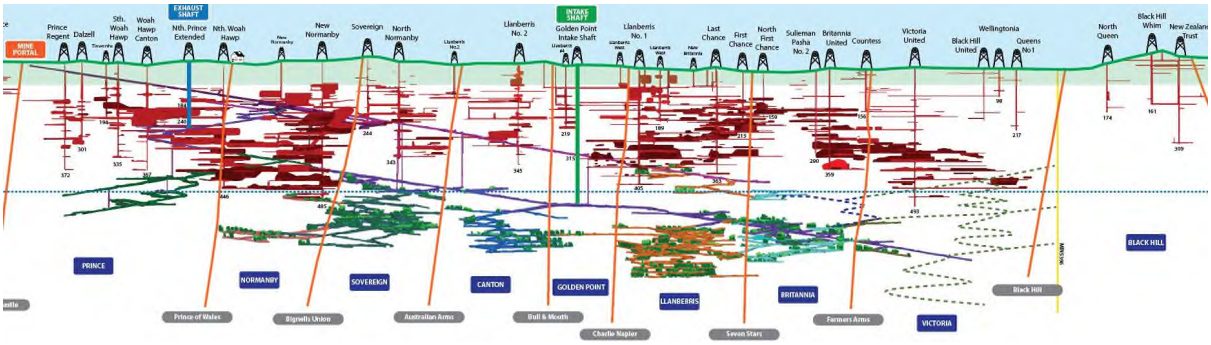


Figure 18: Long section of the Ballarat Mining Complex (looking west) showing depth of workings and defined mineralisation. Blue dotted line approx. 500m below surface. Modified from Victory Metals presentation.

2.7. Exploration Potential - Regional

In addition to the potential for mineralisation extending from, or adjacent to, the known quartz reefs at Mt Egerton, there is potential for new reefs to be identified within the broader Project area in the north, east and south of the historical mining area. Unsurprisingly, given the success of historical mining there are hundreds of shallow, largely undocumented, excavations in the area which are evident in LiDAR surveys. However, previous explorers have not seriously investigated new mineralised horizons outside of the main Egerton mine corridor ("line").

To the east of the Mt Egerton Project (Figure 18) a number of shallow excavations at Devlins produced some gold and formed the basis for an attempted company float in 1894 (Golden Dyke Company). These workings at Devlins Paddock lie within a north-south trend of surface workings visible in LiDAR data. Reports in 1884 from a shaft at Devlin's state that at a depth of 100 ft "one piece of stone I saw contained a large amount of precious metal".

Several other trends of apparent workings are also observed to the east of Devlins, in the Whipstick State Forest. Roadside sampling in 2004 along the Ballarat Road returned gold mineralisation in a quartz veined sandstone, adjacent to an interpreted shear zone (significant quartz veining and degraded material) and a weathered porphyry (refer Figure 18 and Appendix 3). Petrographic inspection of heavy minerals extracted from a sample of this porphyry yielded an abundant suite of cream-brown zircon euhedra, similar to those which characterise the Mt Egerton Granite to the west. It was inferred that there could be a relationship between the granite and the porphyry dyke which would further enhance the prospectivity of this area.

There is also potential for mineralisation to be present underneath the basalt cover in the southern part of the project (Figure 18). Published reports by government geologist E.J. Dunn described that three veins were being tested 1.6km south of the Egerton workings. One reef had a shaft sunk upon it to a depth of 30m with up to 1.5 g/t gold being found, however the other two reefs had only returned traces of gold (Dunn, 1890).

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Historical excavations were also dug in areas where the Permian basalt is eroded by surface drainage. Dunn reported that in Morris's paddock, approximately 4.8 km south of Egerton, a small underground exploration shaft had been made in the presence of auriferous drift and gravel found on the margins of the Moorabool river, below the "Newer Volcanics". This area had previously been documented by Herman (1897). Shallow surface excavations in Ordovician basement are also exposed in the eastern branch of the Moorabool River in the east of the Project area (Figure 19).

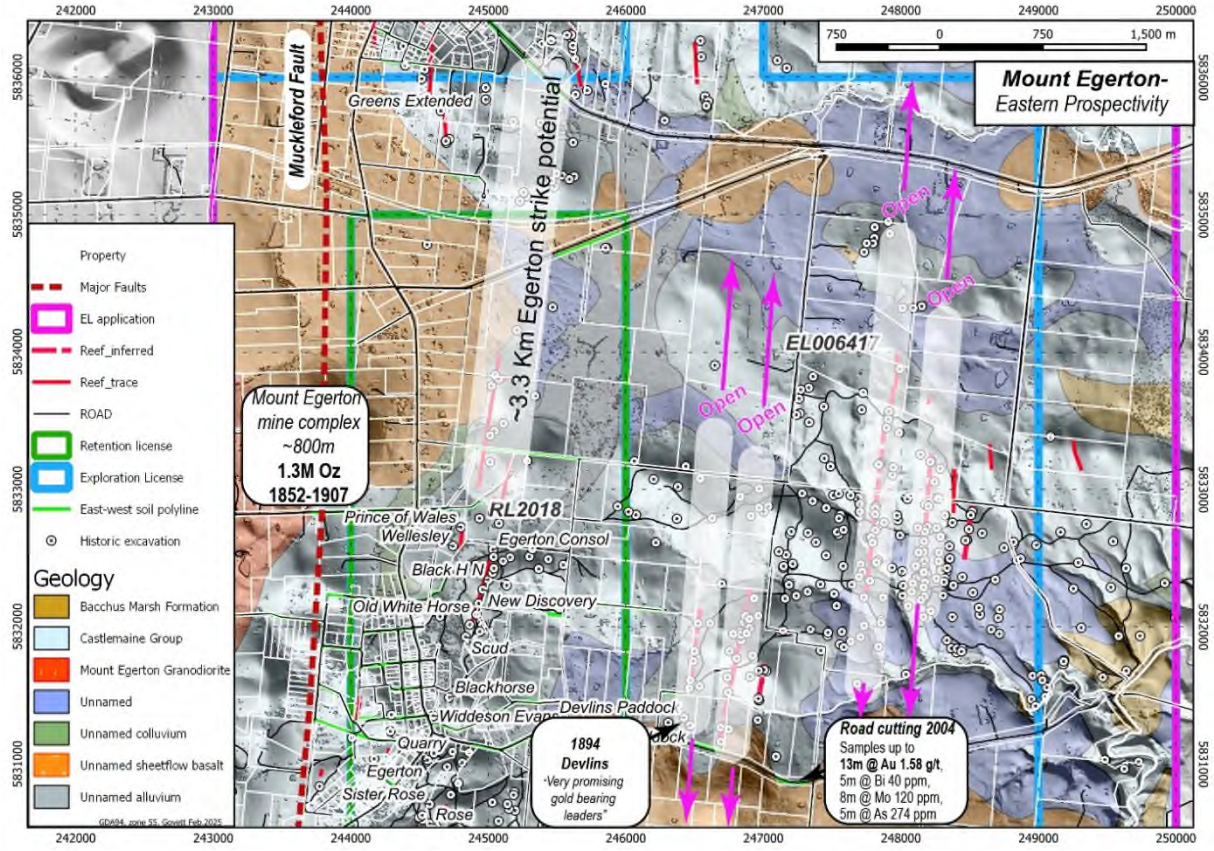


Figure 19: ***Mt Egerton Eastern Prospectivity.***
Surface geology and property boundaries draped over LiDAR. Shallow historic workings inferred from LiDAR and historic records.

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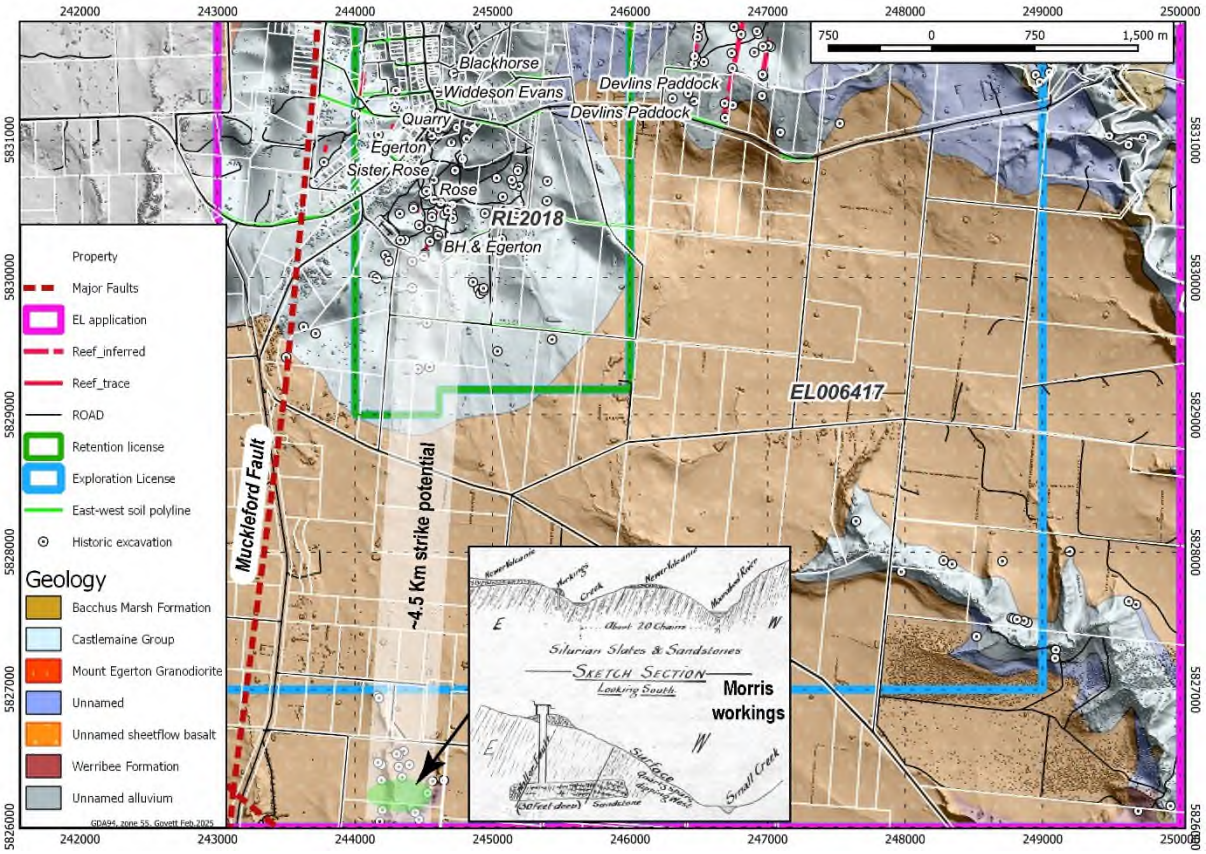


Figure 20: ***Mt Egerton Southern Prospectivity.***
Surface geology and property boundaries draped over LiDAR. Shallow historic workings inferred from LiDAR and historic records.

2.8. Exploration Strategy

Exploration of the Mt Egerton Project requires a multi-faceted approach, with several simultaneous activities planned:

1) diamond drilling of shallow lode targets identified by previous RC drilling and extensions of unmined lodes identified from underground workings;
2) diamond drilling of deep lode targets, both already identified by underground workings and postulated positions from the latest 3D modelling;
3) roadside AC drilling of extensions of the Egerton “line” and other “lines” to the east of the Egerton “line” where mineralisation has been identified in historical workings;
4) soil sampling and mapping of the extensions of the Egerton “line” and other “lines” to the east of the Egerton “line” where mineralisation has been identified in historical workings; and
5) investigating access to the historical underground workings for sampling and mapping, some of which have already been identified (Figure 20).

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Figure 21: Accessible underground workings at Mt Egerton.

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2.9. Proposed Exploration Budget

Black Horse has provided Billandbry with a copy of its proposed exploration expenditure for the Mt Egerton Project for an initial two-year period following the Company's listing on the ASX. Table 3 provides a summary of expenditure by activity for the Project for the minimum and maximum subscription under the IPO. Black Horse is intending to focus its expenditure on drilling and associated activities including access agreements.

The Company's initial exploration of the Mt Egerton Project has been designed around access to, and utilisation of, Crown Land. This will allow key areas to be tested following notification of relevant authorities as set out in established processes for low impact exploration. Further exploration may require more detailed permitting depending on the amount of clearing required. In addition, an early priority of the Company will be to engage with local landholders to confirm whether access will be available for future exploration in other areas, should this turn out to be required.. More detailed discussion relating to access to Crown and freehold land, including relevant regulations and processes, are set out in the Solicitor's Report on Tenements in Annexure B of the Prospectus.

All costs are shown as an all-in inclusive cost, which includes the cost of drilling, sampling, assaying, personnel and other relevant costs. The proposed exploration budget and work programs are broadly in-line with the current exploration costs in Victoria. Billandbry notes that the exploration budget is sufficient to exceed the minimum statutory expenditure obligations for the Project.

Black Horse has indicated to Billandbry that they will undertake a systematic, staged approach with respect to its exploration program on the Mt Egerton Project with prudent monitoring, assessing and refocusing of the exploration programs as necessary. Billandbry considers that the exploration strategy proposed by Black Horse is consistent with the mineral potential and status of the Project.

Billandbry has reviewed the proposed exploration activities and is of the opinion that the funds raised under the IPO will be sufficient for the proposed programs and that the programs are appropriate for the mineral potential and status of the Project. The exploration budget will be subject to modification on an ongoing basis depending on the results obtained from exploration activities as they progress.

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Table 5: Summary of Proposed Expenditure at Mt Egerton

Project Exploration Activity	Exploration Budget ($8,000,000)		
	Year 1	Year 2	Total
Drilling	1,100,000	1,100,000	2,200,000
Geophysics	75,000	75,000	150,000
Geochemistry	300,000	200,000	500,000
Field Support (logistics, contractors wages)	400,000	400,000	800,000
Land access and environment	100,000	250,000	350,000
Project Total	**1,975,000**	**2,025,000**	**4,000,000**

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Appendix 1: Historical Reported Production at Mt Egerton

Sourced from Mining Registrar Reports (after Younger, 2004)

Period		Black Horse			Egerton		
From	To	Tonnes	Ounces Gold	Grade (g/t Au)	Tonnes	Ounces Gold	Grade (g/t Au)
May-61	Jun-61				400	100	7.65
Jun-61	Jul-61				510	127.5	7.65
Jul-61	Aug-61				560	140	7.65
Aug-61	Sep-61	16	10.4	19.9	500	100	6.12
Sep-61	Oct-61	30	30	30.61	550	137.5	7.65
Oct-61	Nov-61	25	27.5	33.67	700	140	6.12
Nov-61	Dec-61	30	30.5	31.12	750	187.5	8.2
Jan-64	Mar-64		No Report		4440	550	3.79
Apr-64	Jun-64		No Report		3918	440.775	3.44
Jul-64	Sep-64		No Report		5570	567.05	3.12
Oct-64	Dec-64		No Report				
Jan-64	Mar-65		No Report		4028	453.15	3.44
Apr-65	Jun-65		No Report		2800	455	4.97
Jul-65	Sep-65		No Report		2600	715	8.42
Oct-65	Dec-65		No Report		2817	548.4	5.96
Jan-65	Jun-66		No Report		3492	491.65	4.31
Jul-66	Sep-66		No Report		2470	487.25	6.04
Oct-66	Dec-66		No Report		2277	401.1	5.39
Jan-66	Mar-67		No Report		2585	405	4.88
Apr-67	Jun-67		No Report		1435	247.15	5.27
Jul-67	Sep-67		No Report		2225	902.5	12.42
Oct-67	Dec-67		No Report		2560	2352.1	28.18
Jan-67	Mar-68		No Report		2825	1756.25	19.03
Apr-68	Jun-68		No Report		3116	1231.35	12.16
Jul-68	Sep-68		No Report		2592	1826.75	21.57
Oct-68	Dec-68	360	41.5	35.29	2666	1526	17.55
Jan-68	Mar-69	530	710	41.01	1950	1376.14	21.6
Apr-69	Jun-69	2755	1949.85	21.67	3765	1949.65	15.85
Jul-69	Sep-69	2608	1858.6	21.82	3178	2491.2	24.0
Oct-69	Dec-69	1460	509.4	10.68	2777	1816.65	20.03
Jan-69	Mar-70	722	233.3	9.89	2961	1941.85	20.08
Apr-70	Jun-70				3174	1573.15	15.17
Jul-70	Sep-70				3330	1432.4	13.16
Oct-70	Dec-70	950	259.75	8.37	3235	1648.3	15.6
Jan-70	Mar-71	360	170	14.46	2702	1536.9	27.41
Apr-71	Jun-71	708	263.9	11.41	3480	2072.65	18.28
Jul-71	Sep-71	732	389	16.27	3610	1333.8	11.32
Oct-71	Dec-71	804	255.05	9.71	3395	924.35	8.53
Jan-72	Mar72	452	67	4.53	2747	684.3	7.63

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Period		Black Horse			Egerton		
From	To	Tonnes	Ounces Gold	Grade (g/t Au)	Tonnes	Ounces Gold	Grade (g/t Au)
Apr72	Jun-72	726	105.75	4.46	2859	706.55	7.57
Jul-72	Sep-72				2250	665.15	9.05
Oct-72	Dec-72				3186	937.8	9.01
Jan-72	Mar-73	448	95.3	6.51	3582	968.8	8.43
Apr-73	Jun-73	932	294.45	9.67	3300	857.3	7.95
Jul-73	Sep-73	954	189.85	6.09	3651	1140.05	9.56
Oct-73	Dec-73	1000	193.45	5.92	4341		
Jan-73	Mar-74				4266		
Apr-74	Jun-74	405	50.6	3.82	4704	7415.85	48.26
Jul-74	Sep-74				4272	7821.55	56.05
Oct-74	Dec-74	200	20	3.06	4857	4818.05	30.37
Jan-74	Mar-75	111	18.15	5.01	6093	10218.15	51.34
Apr-75	Jun-75				5409	5929.15	33.56
Jul-75	Sep-75				5367	5990.475	34.17
Oct-75	Dec-75				5358	4824.473	27.56
Jan-75	Mar-76				4655	2964.05	19.49
Apr-76	Sep-76				5559	4678.6	25.76
Oct-76	Dec-76				4653	1662.154	10.94
Jan-76	Mar-77	1059	441.388	12.75	4791	1628.819	10.41
Apr-77	Jun-77	2032	535.25	8.06	9843	5274.74	26.40
Jul-77	Sep-77	2121	2930.2	42.29	8469	3112.473	11.25
Oct-77	Dec-77	4232	1998.85	14.46	10116	3375.725	10.21
Jan-77	Mar-78	3818	2237.65	17.94	9336	3691.594	12.1
Apr-78	Jun-78	4250	3170.513	22.84	9198	4385.02	14.60
Jul-78	Sep-78	3590	2843	24.24	9297	4265.308	14.04
Oct-78	Dec-78	3600	2900	24.68	8718	3658.45	12.85
Jan-78	Mar-79	3390	1380.25	12.46	9870	2951.492	9.15
Apr-79	Jun-79	4660	1817.875	11.94	10733	3147.608	8.98
Jul-79	Sep-79	7356	1469.8	6.12	10104	3238.179	9.81
Oct-79	Dec-79	3531	1360.825	11.80	9900	3014.952	9.32
Jan-79	Mar-80	4124	2060	15.29	7502	2813.725	11.48
Apr-80	Jun-80	5695	2666.5	14.33	8540	2731.76	8.77
Jul-80	Sep-80	6189	2851.163	14.10	8871	3433	11.85
Oct-80	Dec-80	5498	1716.438	9.56	11114	4562.035	32.57
Jan-80	Mar-81	4687	980.138	6.44	9240	3580.966	11.86
Apr-81	Jun-81	5065	1546.85	9.35	12042	5265	13.38
Jul-81	Sep-81	6302	1638.65	7.95	10753	6937	19.75
Oct-81	Dec-81	8116	1221.35	4.61	9451	3846.896	12.46
Jan-81	Mar-82	4562	957.225	6.42	8967	4799.225	16.38
Apr-82	Jun-82	6555	1525.85	7.13	9037	5223.7	17.69
Jul-82	Sep-82	8896	1280.1	4.40	9208	4496.85	14.95
Oct-82	Dec-82	8465	1521.425	5.50	16702	4708	8.63
Jan-82	Mar-83	7602	837.425	3.37	8818	2883.375	10.01
Apr-83	Jun-83	6069	1067.05	5.38	7736	1572.775	6.22
Jul-83	Sep-83	8004	987.175	3.78	8866	1748.035	6.04
Oct-83	Dec-83	5877	612.625	3.19	7638	1854.325	7.43

Period		Black Horse			Egerton		
From	To	Tonnes	Ounces Gold	Grade (g/t Au)	Tonnes	Ounces Gold	Grade (g/t Au)
Jan-83	Mar-84	6634	791.21	3.65	8092	1938.725	7.33
Apr-84	Jun-84	4807	521.825	3.32	8757	1980.225	6.92
Jul-84	Sep-84	5224	602	3.53	8102	1905.35	7.20
Oct-84	Dec-84	2241	495.45	6.77	7409	1740.175	6.74
Jan-84	Mar-85	2575	695.85	8.27	6012	1460.375	7.44
Apr-85	Jun-85	4626	1172.125	7.76	4073	1206.475	9.09
Jul-85	Sep-85	4488	1028.55	7.02	7161	1862.7	8.09
Oct-85	Dec-85	3688	1006.625	8.35	8199	2633.45	9.54
Jan-85	Mar-86	4195	1056.175	7.71	6827	2568.375	11.52
Apr-86	Jun-86	3005	34.65	6.47	6727	1533.6	6.98
Jul-86	Sep-86	3253	622.3	5.86	7916	1994.15	7.71
Oct-86	Dec-86	2627	635.2	7.40	5266	1195.325	6.97
Jan-86	Mar-87	1783	587.575	10.09	6177	1783.175	8.84
Apr-87	Jun-87	3582	1040.025	8.89	6144	2092.004	10.42
Jul-87	Sep-87	5274	1280.2	7.43	7546	2174.3	8.82
Oct-87	Dec-87	4430	873.15	6.03	7104	1480.825	6.38
Jan-87	Mar-88	2962	920.175	9.51	6146	950.071	4.73
Apr-88	Jun-88	2702	836.55	9.48	4225	791.85	5.88
Jul-88	Sep-88	2924	1469.15	11.19	5056	975.75	5.91
Oct-88	Dec-88	3565	277.3	8.39	3253	913.15	8.59
Jan-88	Mar-89	2551	911.55	11.11	2849	699.625	7.52
Apr-89	Jun-89	5280	2090.6	12.12	3348	985.6	9.02
Jul-89	Sep-89	4765	2397.05	15.4	1980	1033.75	15.98
Oct-89	Dec-89	6465	3480.375	16.52	1911	533	8.54
Jan-89	Mar-90	5753	2602.008	13.85	1381	367.85	8.15
Apr-90	Jun-90	6959	2792.9	12.29	1371	304.9	6.81
Jul-90	Sep-90	5830	2129.4	31.18	3450	255.075	5.39
Oct-90	Dec-90	5965	1931.9	9.91	240	47.325	7.25
Jan-90	Mar-91	6130	2443.5	12.2			
Apr-91	Jun-91	5850	2627.6	13.75	487	121.85	7.66
Jul-91	Sep-91	5295	3683.2	21.31	900	409.3	13.92
Jul-93	Sep-93	5597	1285.4	7.14			
	TOTAL	**303,687**	**98,650**	**10.10**	**590,021**	**238,808**	**12.59**

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Appendix 2: Mt Egerton Project Drillhole Details

Please refer to Appendix 4 for information prescribed by the JORC Code.

Hole	Hole Type	East	North	RL	Dip	Azimuth	Depth (m)	Year	Company
ERC001	RC	244592	5831027	602	-60	90	99	1995	Minico
ERC002	RC	244571	5831024	602	-60	90	99	1995	Minico
ERC003	RC	244532	5831024	597	-60	90	102	1995	Minico
ERC004	RC	244484	5831021	586	-60	90	99	1995	Minico
ERC005	RC	244582	5830985	596	-60	90	99	1995	Minico
ERC006	RC	244564	5830984	593	-60	90	99	1995	Minico
ERC007	RC	244544	5830984	593	-60	90	87	1995	Minico
ERC008	RC	244524	5830984	592	-60	90	110	1995	Minico
ERC009	RC	244555	5830935	590	-60	90	105	1995	Minico
ERC010	RC	244473	5830933	583	-60	90	99	1995	Minico
ERC011	RC	244527	5830937	585	-60	90	99	1995	Minico
ERC012	RC	244495	5830943	584	-60	90	99	1995	Minico
ERC013	RC	244449	5830937	581	-60	90	72	1995	Minico
ERC014	RC	244621	5831066	602	-60	90	93	1995	Minico
ERC015	RC	244602	5831067	603	-60	90	98	1995	Minico
ERC016	RC	244583	5831067	604	-60	90	68	1995	Minico
ERC017	RC	244591	5831067	604	-60	90	99	1995	Minico
ERC018	RC	244631	5831186	592	-60	270	93	1995	Minico
ERC019	RC	244651	5831180	592	-60	270	146	1995	Minico
ERC020	RC	244670	5831184	591	-60	270	51	1995	Minico
ERC021	RC	244680	5831171	589	-60	270	146	1995	Minico
ERC022	RC	244699	5831165	590	-60	270	146	1995	Minico
ERC023	RC	244717	5831160	588	-60	270	146	1995	Minico
ERC024	RC	244661	5831144	590	-60	270	141	1995	Minico
ERC025	RC	244648	5831107	591	-60	270	147	1995	Minico
ERC026	RC	244669	5831113	590	-60	270	146	1995	Minico
ERC027	RC	244562	5831065	602	-60	90	146	1995	Minico
ERC028	RC	244551	5831029	601	-60	90	98	1995	Minico
ERC029	RC	244511	5831021	593	-60	90	147	1995	Minico
ERC030	RC	244542	5831072	598	-60	90	146	1995	Minico
ERC031	RC	244580	5831107	600	-60	90	146	1995	Minico
ERC032	RC	244578	5831142	598	-60	90	146	1995	Minico
ERC033	RC	244415	5830836	568	-60	91	110	1995	Minico
ERC034	RC	244373	5830838	565	-60	90	117	1995	Minico
ERC035	RC	244361	5830836	565	-60	270	105	1995	Minico
ERC036	RC	244477	5831020	584	-60	270	120	1995	Minico
ERC037	RC	244681	5831144	589	-60	270	120	1995	Minico
ERC038	RC	244701	5831144	589	-60	270	140	1995	Minico
ERC039	RC	244710	5831144	588	-66	270	138	1995	Minico
ERC040	RC	244710	5831144	588	-75	270	148	1995	Minico
ERC041	RC	244334	5830786	555	-60	270	120	1995	Minico
ERC042	RC	244582	5831066	604	-90	0	130	1995	Minico
ERC043	RC	244722	5831265	585	-60	288	101	1995	Minico

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Hole	Hole Type	East	North	RL	Dip	Azimuth	Depth (m)	Year	Company
ERC044	RC	244733	5831261	584	-60	289	127	1995	Minico
ERC045	RC	244742	5831259	584	-60	285	153	1995	Minico
ERC046	RC	244684	5831246	586	-60	298	123	1995	Minico
ERC047	RC	244703	5831237	585	-60	288	135	1995	Minico
ERC048	RC	244721	5831229	584	-60	287	126	1995	Minico
ERC049	RC	244703	5831275	586	-60	290	141	1995	Minico
ERC050	RC	244667	5831298	589	-60	77	141	1995	Minico
ERC051	RC	244650	5831299	590	-60	73	141	1995	Minico
ERC052	RC	244657	5831344	597	-60	85	142	1995	Minico
ERC053	RC	244623	5831348	594	-60	87	140	1995	Minico
ERC054	RC	244603	5831353	593	-60	82	165	1995	Minico
ERC055	RC	244660	5831493	594	-60	90	141	1995	Minico
ERC056	RC	244639	5831501	591	-60	90	141	1995	Minico
ERC057	RC	244713	5831514	596	-60	79	141	1995	Minico
ERC058	RC	244697	5831523	594	-60	85	141	1995	Minico
ERC059	RC	244683	5831529	593	-60	84	141	1995	Minico
ERC060	RC	244652	5831541	590	-60	86	141	1995	Minico
ERC061	RC	244633	5831549	589	-60	89	146	1995	Minico
ERC062	RC	244703	5831549	592	-60	276	135	1995	Minico
ERC063	RC	245066	5836989	593	-60	90	141	1995	Minico
ERC064	RC	244612	5831301	593	-60	67	147	1995	Minico
ERC065	RC	244624	5831110	593	-60	260	106	1995	Minico
ERC066	RC	244640	5831107	591	-60	275	135	1995	Minico
ERC067	RC	244637	5831144	592	-68	270	117	1995	Minico
ERC068	RC	244660	5831227	591	-60	298	87	1995	Minico
ERC069	RC	244676	5831219	590	-60	97	147	1995	Minico
ERC070	RC	244613	5831348	594	-60	270	123	1995	Minico
ERC071	RC	244632	5831065	602	-60	270	147	1995	Minico
ERC072	RC	244601	5831302	594	-60	266	141	1995	Minico
ERC073	RC	244593	5831205	596	-60	95	147	1995	Minico
ERC074	RC	244602	5831208	596	-60	275	141	1995	Minico
ERC075	RC	244638	5831300	591	-60	275	63	1995	Minico
ERC076	RC	244653	5831299	589	-60	275	99	1995	Minico
ERC077	RC	244671	5831298	588	-60	275	123	1995	Minico
ES01	DDH	244557	5830686	587	-55	85	178.6	1981	CEC
ES02	DDH	244603	5830896	601	-55	270	210	1981	CEC
ES03	DDH	244563	5831986	576	-55	85	197.65	1981	CEC
MTEC001	RC	244594	5830918	599	-60	87.25	99	1986	WMC
MTEC002	RC	244625	5830916	608	-60	87.25	106	1986	WMC
MTEC003	RC	244673	5830924	616	-60	87.25	99	1986	WMC
MTEC004	RC	244393	5830966	581	-60	87.25	140	1986	WMC
MTEC005	RC	244529	5830383	571	-60	87.25	111	1986	WMC
MTEC006	RC	244480	5830351	566	-60	87.25	99	1986	WMC
MTEC007	RC	244472	5830912	581	-60	87.25	99	1986	WMC
MTEC008	RC	244499	5830909	579	-60	87.25	99	1986	WMC
MTEC009	RC	244432	5830857	573	-60	87.25	123	1986	WMC
MTEC010	RC	244463	5830330	565	-60	87.25	99	1986	WMC
MTEC011	RC	244578	5830410	573	-60	87.25	98	1986	WMC

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Hole	Hole Type	East	North	RL	Dip	Azimuth	Depth (m)	Year	Company
MTEC012	RC	244610	5830348	563	-60	87.25	99	1986	WMC
MTEC013	RC	244421	5830293	566	-60	87.25	99	1986	WMC
MTEC014	RC	244487	5830491	579	-60	265.25	100	1987	WMC
MTEC015	RC	244492	5831214	600	-75	89.25	149	1987	WMC
MTEC016	RC	244473	5831148	593	-75	88.25	119	1987	WMC
MTEC017	RC	244506	5831139	593	-75	88.25	152	1987	WMC
MTEC018	RC	244543	5831135	597	-75	88.25	177	1987	WMC
MTEC019	RC	244454	5831166	596	-70	89.25	152	1987	WMC
MTEC020	RC	244491	5831145	594	-70	89.25	134	1987	WMC
MTEC021	RC	244469	5830535	575	-60	87.25	113	1987	WMC
MTEC022	RC	244512	5830558	576	-60	86.75	123	1987	WMC
MTEC023	RC	244571	5831892	574	-60	86.25	152	1987	WMC
MTEC024	RC	244515	5830421	574	-60	96.25	70	1988	WMC
MTEC025	RC	244874	5832051	573	-60	76.75	70	1988	WMC
MTEC026	RC	244919	5832184	584	-75	87.25	80	1988	WMC
MTEC027	RC	244919	5832184	584	-60	87.25	80	1988	WMC
MTEC028	RC	244962	5832264	590	-80	256.25	80	1988	WMC
MTEC029	RC	244961	5832264	589	-60	256.25	80	1988	WMC
MTEC030	RC	245034	5832497	567	-60	79.25	70	1988	WMC
MTEC031	RC	245019	5832499	566	-60	74.75	85	1988	WMC
MTEC032	RC	244975	5832583	558	-60	76.25	168	1988	WMC
MTEC033	RC	245014	5832582	558	-60	75.25	150	1988	WMC
MTEC034	RC	245001	5832444	573	-60	73.25	102	1988	WMC
MTEC035	RC	244958	5832441	571	-60	71.25	150	1988	WMC
MTEC036	RC	244854	5832051	572	-60	76.25	103	1988	WMC
MTEC037	RC	244827	5832052	568	-60	76.25	150	1988	WMC
MTEC038	RC	244543	5830562	579	-75	86.25	96	1988	WMC
MTEC039	RC	244581	5831055	604	-75	88.25	96	1988	WMC
MTEC040	RC	244501	5830423	574	-60	87.25	120	1988	WMC
MTEC041	RC	244467	5830425	572	-60	88.25	150	1988	WMC
MTEC042	RC	244507	5830499	581	-60	88.25	30	1988	WMC
MTEC043	RC	244465	5830500	579	-60	87.25	150	1988	WMC
MTEC044	RC	244501	5830458	578	-60	87.25	43	1988	WMC
MTEC045	RC	244474	5830463	578	-60	87.25	146	1988	WMC
MTEC046	RC	245032	5832359	586	-60	255.25	57	1988	WMC
MTEC047	RC	245033	5832359	586	-80	255.25	150	1988	WMC
MTEC048	RC	245001	5832444	573	-70	75.25	150	1988	WMC
MTEC049	RC	245009	5832498	565	-62	75.25	138	1988	WMC
MTEC050	RC	245008	5832498	565	-73	75.25	156	1988	WMC
MTEC051	RC	244798	5831820	576	-60	87.25	150	1988	WMC
MTEC052	RC	244609	5831045	604	-75	87.75	42	1988	WMC
MTEC053	RC	244589	5831050	604	-75	87.25	42	1988	WMC
MTEC054	RC	244573	5831056	604	-90	87.25	18	1988	WMC
MTEC055	RC	244543	5831062	601	-70	86.75	92	1988	WMC
MTEC056	RC	244529	5831073	597	-69	87.25	82	1988	WMC
MTEC057	RC	244573	5831054	604	-75	87.25	50	1988	WMC
MTED058	DDH	244897	5832446	566	-60	83.25	370.1	1989	WMC
MTED059	DDH	244921	5832583	560	-60	78.25	124.2	1989	WMC

Hole	Hole Type	East	North	RL	Dip	Azimuth	Depth (m)	Year	Company
MTED060	DDH	244920	5832583	560	-60	78.25	92.4	1989	WMC
MTED061	DDH	244919	5832584	560	-55	79.25	358.5	1989	WMC
MUN1	RC	Location data not recorded					141	1995	Minico
MUN2	RC	Location data not recorded					141	1995	Minico
MUN3	RC	Location data not recorded					141	1995	Minico
MUN4	RC	Location data not recorded					141	1995	Minico
MUN5	RC	Location data not recorded					141	1995	Minico
MUN6	RC	Location data not recorded					141	1995	Minico
MUN7	RC	Location data not recorded					141	1995	Minico
MUN8	RC	Location data not recorded					50	1995	Minico
MUN9	RC	Location data not recorded					141	1995	Minico
MUN10	RC	Location data not recorded					141	1995	Minico
MUN11	RC	Location data not recorded					141	1995	Minico
MUN12	RC	Location data not recorded					141	1995	Minico
MUN13	RC	Location data not recorded					141	1995	Minico
MUN14	RC	Location data not recorded					141	1995	Minico
MUN15	RC	Location data not recorded					141	1995	Minico
MUN16	RC	Location data not recorded					123	1995	Minico
RSE001	RC	244517	5830571	574	-60	99	50	1995	Minico
RSE002	RC	244513	5830572	573	-60	99	135	1995	Minico
RSE003	RC	244540	5830710	581	-60	89	147	1995	Minico
RSE004	RC	244552	5830739	580	-60	92	136	1995	Minico
RSE005	RC	244630	5830851	592	-60	276	110	1995	Minico
RSE006	RC	244665	5830844	594	-60	277	105	1995	Minico
RSE007	RC	244593	5830704	594	-60	90	129	1995	Minico
RSE008	RC	244584	5830655	593	-60	99	135	1995	Minico
RSE009	RC	244574	5830654	592	-60	274	147	1995	Minico
RSE010	RC	244440	5830484	578	-60	82	105	1995	Minico
RSE011	RC	244493	5830519	578	-60	86	116	1995	Minico
RSE012	RC	244533	5830514	583	-60	95	141	1995	Minico
RSE013	RC	244579	5830701	592	-60	255	116	1995	Minico
RSE014	RC	244597	5830591	594	-60	70	141	1995	Minico
RSE015	RC	244587	5830588	592	-60	270	135	1995	Minico
RSE016	RC	244482	5830631	571	-60	97	123	1995	Minico
RSE017	RC	244509	5830719	574	-60	97	135	1995	Minico
RSE18	RC	244488	5830491	579	-60	92.25	135	1995	Minico
RSE19	RC	Location data not recorded					120	1995	Minico
RSE20	RC	Location data not recorded					99	1995	Minico
RSE21	RC	Location data not recorded					74	1995	Minico
RSE22	RC	Location data not recorded					55	1995	Minico
RSE23	RC	Location data not recorded					83	1995	Minico
RSE24	RC	Location data not recorded					99	1995	Minico
RSE25	RC	Location data not recorded					120	1995	Minico
EG_T_1	DDH	244635	5831383	596	-60	90	100	2008	Tech-Sol
EG_T_2	DDH	244639	5831396	596	-60	90	100	2008	Tech-Sol
EG_T1_1	DDH	244825	5831019	614	-60	295	313	2008	Tech-Sol

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Appendix 3: Mt Egerton Project Rockchip Sampling

Please refer to Appendix 4 for information prescribed by the JORC Code.

Sample ID	Sample Type	East	North	RL	Au (g/t)	As (ppm)	Description
PAR001	Rockchip	245163	5837321	627	0.02		Mullock heap.
PAR002	Rockchip	245156	5837274	650	0.9		Mullock heap beside trench, top end.
PAR003	Rockchip	245136	5837251	616	2.61		Mullock heap beside shaft.
PAR004	Rockchip	245127	5837242	613	0.02		Mullock heap.
PAR005	Rockchip	245119	5837227	607	0.05		Mullock heap.
PAR006	Rockchip	245123	5837209	606	0.03		Mullock heap.
PAR007	Rockchip	245120	5837195	606	0.05		Mullock heap.
PAR008	Rockchip	245118	5837165	614	0.03		Mullock heap.
PAR009	Rockchip	245113	5837147	601	1.38		Mullock heap.
PAR010	Rockchip	245106	5837132	606	<0.01		Large mullock heap. North side of noxious weed area.
PAR011	Rockchip	245105	5837112	606	0.09		Adjacent PAR010.
PAR012	Rockchip	245119	5837086	606	<0.01		East side of road.
PAR013	Rockchip	245123	5837071	607	<0.01		East side of road.
PAR014A	Rockchip	245126	5837058	603	0.05		Ferruginous sheared quartz from mullock heap next to shaft.
PAR014B	Rockchip	245126	5837058	603	0.01		Sample from same site as (A). Mullock heap, east side of road.
PAR015	Rockchip	245125	5837039	597	<0.01		Mulloch heap, East side of road.
PAR016	Rockchip	245124	5837018	595	0.16		Trench, East side of road.
PAR017	Rockchip	245110	5837002	589	1.29		Mullock heap, West side of road.
PAR018	Rockchip	245100	5837000	590	1.15		Large mullock heap.
PAR019	Rockchip	245099	5836996	602	2.15		Mullock heap.
PAR020	Rockchip	245096	5836990	616	3.03		Mullock heap.
PAR021	Rockchip	245094	5836983	611	3.19		Mullock heap beside trench.
PAR022	Rockchip	245093	5836978	587	7.48		Mullock heap beside trench.
PAR023	Rockchip	245095	5836973	588	0.11		Mullock heap.
PAR024	Rockchip	245092	5836963	585	1.58		Mullock heap.
PAR025	Rockchip	245092	5836949	596	0.07		Mullock heap.
NDL001	Rockchip	244935	5832181	597	<0.01	<1	Sandstone of mullock heap.
NDL002	Rockchip	244946	5832245	596	<0.01	32	Sandstone of mullock heap.
NDL003	Rockchip	244952	5832260	600	<0.01	23	Sandstone of mullock heap, South end of Pit.
NDL004	Rockchip	244960	5832277	598	<0.01	64	Sandstone of mullock heap, Notth end of Pit.
NDL005	Rockchip	244962	5832284	604	0.08	7	Quartz stockpile.
NDL006	Rockchip	244967	5832295	607	0.49	15	Quartz stockpile 5 m. North of NDL005.
NDL007	Rockchip	244971	5832301	602	0.25	4	Mullock, South Side of major shaft. (New discovery Shaft).
NDL008	Rockchip	244971	5832301	602	0.06	10	Mullock, South North of major shaft. (New discovery Shaft).
NDL009	Rockchip	244983	5832333	598	0.07	25	Mullock, West Side of major shaft. (New discovery Shaft).
NDL010	Rockchip	245005	5832361	591	1.41	18	Slope, North-West of major shaft (New discovery shaft), Shallow excavation.
NDL011	Rockchip	245067	5832377	603	<0.01	66	Mundic line outcrop North of New discovery, beyond surface quartz zone.
EJV0001	Rockchip	244629	5831068	600	1.24	43	Ferruginous sandstone (Iron zones trending North), South dozed scarp of transfer station.
EJV0002	Rockchip	244629	5831068	600	1.94	78	Ferruginous sandstone (Iron zones trending North), South dozed scarp of transfer station.
SSEOO1	Rockchip	244450	5830491	592	0.02	60	Grey quartz veins in disturbed siltstone. (Pits - possibly east-west).

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Sample ID	Sample Type	East	North	RL	Au (g/t)	As (ppm)	Description
TS-0R0 0409 01	Channel	247171	5830872	600	0.28	115	5m sample. Weathered clays (some relict bedrock textures and quartz veining evident). 41ppm Mo.
TS-0R0 0409 02	Channel	247166	5830873	600	0.23	173	8m sample. Sandstone and quartz veining. 54ppm Mo.
TS-0R0 0409 03	Channel	247158	5830876	600	0.02	205	8m sample. Silts/slates (with S0/S1 bedding cleavage as noted above) followed by sandstone. 120ppm Mo.
TS-0R0 0409 04	Channel	247151	5830879	600	0.52	76	8.2m sample. Strong quartz veining at both ends with very weathered material in between. (Shear zone?). 82ppm Mo
TS-0R0 0409 05	Channel	247143	5830881	600	1.58	148	13m sample. Sandstone with quartz veining. 102ppm Mo
TS-0R0 0409 06	Channel	247131	5830885	600	0.27	274	5m sample. Appears to be weathered dyke rock of some kind with minor quartz veining. (Porphyry Dyke). 28ppm Mo.
B35	Sediment	246210	5841235	600	N/A	N/A	Stream detrital
B44	Sediment	246622	5831384	600	N/A	N/A	Stream detrital
B87	Sediment	246970	5830960	600	N/A	N/A	Basalt colluvium
B159	Sediment	247021	5832336	600	N/A	N/A	Stream detrital
H10	Sediment	243112	5833736	600	N/A	N/A	Stream detrital
H11	Sediment	244601	5840237	600	N/A	N/A	Stream detrital
H16	Sediment	244061	5837841	600	N/A	N/A	Basalt soil
DYKE	Sediment	247128	5830886	600	N/A	N/A	Weathered dyke (clay-like channel sample)

N/A denotes not assayed.

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Appendix 4: JORC Tables

The following tables are provided in accordance with the JORC Code (2012) for the reporting of Exploration Results for the Mt Egerton Project.

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 (eg 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 (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.*	Exploration activities at Mt Egerton have comprised surface mapping, soil sampling, rock chip sampling, geophysical traverses, reverse circulation (RC) drilling, and diamond drilling (DD). Exploration results discussed in this Report related to drilling and rock chip sampling. Other activities are not believed to be material to the Company's proposed exploration programme or the mineralisation targets to be investigated. Drilling activities have been undertaken by: • Carpenteria (CEC) (1981, 3 DD holes) • WMC (1988-89, 61 RC holes and 4 DD holes) • Minico (1995, 122 RC holes) • Tech-Sol (3 DD holes) Drilling and sampling is believed to have been carried out using industry standard methods as detailed below however records are not complete or comprehensive and accordingly some information is not recorded or not available. Rock chip sampling was carried out along roads within the project area as reported in Appendix 3. Surface sampling within the mining area has been disregarded due to the contamination by historical mining activity.
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).*	Diamond core drilling RC drilling methods are assumed to be industry best practise using face sampling hammers and standard sampling equipment. Minico: Face sampling down hole hammer used with 112mm diameter bit.
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.*	CEC: Sample recoveries were recorded in hardcopy. WMC: Recoveries were not recorded, however no reference is made to poor recoveries in RC / DD drilling. Minico: No records or comments on sample recovery. Tech-Sol: Recoveries were adequate except for when voids were encountered (likely underground workings). Records were kept in all programmes where drilling intersected stopes and underground workings, which also caused poor or no sample recovery.
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.*	CEC: Descriptive logging of lithology, quartz veining and other features was completed for all drillholes. WMC: All drilling was logged with lithology, quartz veining and pyrite recorded. Hardcopy logs will be converted into digital format. Minico: Annual reporting states that logging was carried out for all drillholes. These logs will be in hardcopy and are yet to be located.

	The total length and percentage of the relevant intersections logged.	Tech Sol: No detailed logging was completed as the holes were abandoned before reaching their targets. Basic geological observations were recorded. Rockchip samples had geological descriptions recorded, as detailed in Appendix 3.
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.*	CEC: No record if these holes were sampled as full core, half core, or quarter core. Sample lengths ranged from 0.3m to 1.0m with 100% recovery, and up to 1.7m if recovery reduced the sample length to 1m WMC: For the RC holes 1m / 2m samples were bagged, sampled and geologically logged; however the method for splitting the sample or any sample preparation is unknown. Diamond core was sampled by collecting half core cut in non-consecutive intervals with lengths from 0.10m up to 1.0m. It is unknown what method was used to cut the core, nor how the axis to cut the core was determined. Minico: One metre samples from RC drilling were collected in plastic bags via a cyclone and passed through a triple riffle splitter giving a 12.5% split of approximately 2kg which was placed in calico bags marked with the drill hole number and interval sampled. The 87.5% was returned to the similarly numbered, large plastic bags and laid in rows. Composite samples were made from the first three samples then of every six metres thereafter. A spear system was used to collect the composite samples. If the composite samples returned a value >0.1g/t Au or for geological reasons the single metre riffle split samples were submitted for assay. Tech-Sol: No sampling was completed as the holes did not reach their designated target.
Quality of assay data and laboratory tests	*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.* *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*	There are no detailed accounts of analytical methods used in the drilling campaigns. Four laboratories were used by the previous explorers, Comlabs Pty Ltd, Aminya Laboratories of Ballarat, Australian Laboratory Services of Bendigo, and Amdel Laboratories in Adelaide. All of these laboratories are independent, internationally accredited laboratories which would have followed industry best practise in processing and analysis of samples, including insertion of laboratory QA/QC samples. It is unknown what QA/QC systems were used in the drilling campaigns. A resampling exercised was performed by Golden Hills in 1997 which did provide some support for the historical results. Rockchip samples were analysed at Aminya Laboratories of Ballarat. Rockchip sampling was taken to characterise specific features and accordingly may not be representative. No QA/QC samples aside from those inserted by the laboratory are believed to have been used. Samples denoted as "Sediment" in Appendix 3 were collected for petrographic analysis. After collection these were subsampled to yield a heavy mineral concentrate which was then examined by Dr. J. Hollis.
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.* *The use of twinned holes* *The verification of significant intersections by either independent or alternative company personnel.* *Discuss any adjustment to assay data*	Significant intersections have been generated by Steadfast and verified by the Company and consultants to the Company. No twinned holes have been completed to date. No adjustments to assay data have been made.

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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*	CEC: Located using AMG co-ordinates. No information as method used to site or survey collars. Downhole surveys using Eastman single shot camera. WMC: Local grid used for MTEC01-014, AMG for all other collars. Combination of survey control and "compass and tape" method used to site collars. Collar locations verified by subsequent explorers in field and using hardcopy plans. No downhole surveys believed to be carried out for RC drilling. For DD drilling, while no records of down hole surveying exist reports reference holes being abandoned due to excessive steepening which would only be known if a downhole survey method was used. Minico: Located using AMG-coordinates, no information as to method used to site or survey collars. Collar locations verified by subsequent explorers in field and using hardcopy plans. 27 holes do not have verified collar locations as yet. Tech-Sol: No downhole surveys are recorded. For all drill programmes open file topographic data was used but inconsistencies exist between the recorded/surveyed drillhole elevations and this data.
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*	Data has not been drilled on a consistent spacing to date and it has not been determined what spacing / distribution would be required to achieve sufficient grade continuity for a Mineral Resource. Rockchip sampling was taken on an ad hoc basis, mostly along roads and tracks. 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.*	All drilling was carried out orthogonal/ perpendicular to the orientation of the mineralised trend. No orientation-based sampling bias has been identified in the data at this point.
Sample security	*The measures taken to ensure sample security*	Chain of custody was managed by each historical company. No reports of specific sample security measures were detailed.
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	As detailed historical data is primarily present as hardcopy files and certain information is known to be missing or incomplete. Data has been compiled and verified by previous explorers, most notably Golden Hills NL in 1996-1997. The vendor has also completed a review of the available data. The Company intends to complete its own data compilation and review.

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Section 2. Reporting of Exploration Results

<table>
<tr><th>Criteria</th><th>JORC Code Explanation</th><th>Commentary</th></tr>
<tr><td>Mineral tenement and land tenure status</td><td>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.</td><td>The tenements which comprise the Mt Egerton Gold Project are:
<table>
<tr><th>ID</th><th>Status</th><th>Grant Date (App. Date)</th><th>Expiry Date</th><th>Area</th><th>Holder</th></tr>
<tr><td>RL 2018</td><td>Current</td><td>25/10/2016</td><td>24/10/2030</td><td>1174.4 hectares</td><td>Steadfast Mining Services Pty Ltd</td></tr>
<tr><td>EL 6417</td><td>Current</td><td>17/11/2017</td><td>16/11/2027</td><td>45 graticular sections</td><td>Steadfast Mining Services Pty Ltd</td></tr>
<tr><td>EL 8628</td><td>Application</td><td>(16/12/2024)</td><td>-</td><td>53 graticular sections</td><td>Steadfast Mining Services Pty Ltd</td></tr>
</table>
The tenements are located within and surrounding the town of Mt Egerton, however access to complete required exploration programmes can be obtained through use of public areas such as Crown Reserves.</td></tr>
<tr><td>Exploration done by other parties</td><td>Acknowledgment and appraisal of exploration by other parties.</td><td>Exploration by other parties is described in section 2.5.
Operators include Western Mining Corporation, Carpentaria Exploration, Minico Pty Ltd in joint venture with St Barbara Mines Limited, and Golden Hills the joint venture manager with Minico and St Barbara, Tech-Sol Resources, and more recently the vendor (Steadfast Mining Services).
The Mt Egerton Project also has an extensive history of mining activity as described in the text.</td></tr>
<tr><td>Geology</td><td>Deposit type, geological setting and style of mineralisation.</td><td>The Mt Egerton Gold Project is located in the south western portion of the Bendigo Zone within the Lachlan Fold Belt (LFB). The project is hosted in the Lancefieldian - early Ordovician age turbidite rocks of the Castlemaine Supergroup, comprising deep marine siltstone, shale, and sandstone, which has been isoclinally folded along north-south bearing, steep westerly dipping, axes. Part of the Late Devonian aged Mt Egerton Granodiorite outcrops to the west of the Project area, with some of the aureole likely to overlap with the historically worked areas to an unknown extent. The most significant cover across the project are sheet flow alkali basalts of Neogene-Pleistocene age, members of the prolific Newer Volcanic Group.
Mineralisation at Mt Egerton is hosted in north-south trending quartz reefs with higher grades found in distinct structural settings, similar to major Victorian gold deposits such as Ballarat, Bendigo and Forsterville.</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</td><td>Refer to Appendix 1 for drill hole information.</td></tr>
</table>

	understanding of the Report, the Competent Person should clearly explain why this is the case.	
Data aggregation methods	*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.*	Mineralised intervals are reported on a weighted average basis. All intersections above 1g/t gold over a length of at least 1m are reported in Table 4. No top cuts have been applied to exploration results. No metal equivalent values have been reported.
Relationship between mineralisation widths and intercept lengths	*These relationships are particularly important in the reporting of Exploration Results* *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	The orientation of the mineralised zone has been established and the majority of the drilling was planned in such a way as to intersect mineralisation in a perpendicular manner. However, due to topographic limitations some holes were drilled from less than ideal orientations.
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 diagrams have been included in this 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 to avoid misleading reporting of Exploration Results.*	All drilling data available has been 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.*	All available exploration data has been reviewed, and all material data is included in this Report. As noted above, generally only partial data is available from previous explorers, largely in hardcopy form, meaning that further data may be discovered by the Company following the release of this Report.
Further work	*The nature and scale of planned further work (eg tests for lateral 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 is dependent on the success of the capital raising outlined in the Prospectus.

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Annexure B – Solicitor's Report on Tenements

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Our Ref: 50174

2 October 2025

The Directors
Black Horse Mining Pty Ltd
Suite 8, 110 Hay Street
Subiaco WA 6008

Dear Directors

Black Horse Mining Pty Ltd
Solicitor's Report – Mining Tenements

This Report has been prepared for the Company for inclusion in its Prospectus to be issued in connection with the Company's application for the admission of the ordinary shares of the Company to the official list of the ASX.

1. Scope

We have been requested to report on:

(a) one retention licence (prefixed '**RL**');

(b) one granted exploration licence (prefixed '**EL**'); and

(c) one exploration licence application,

which are all located in Victoria (**Tenements**) and held by Steadfast Mining Services Pty Ltd (**Steadfast**). Together, the Tenements constitute the Company's Mt Egerton Project.

The Company's wholly owned subsidiary, ACN 683 084 353 (**ACN**) has entered into an agreement to purchase an 80% interest in Steadfast.

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 through the online GeoVic system maintained by the Resources branch of the Victorian Department of Energy, Environment and Climate Action on 25 September 2025 (**GeoVic Searches**);

(b) a Certificate of Advice from the Aboriginal Cultural Heritage Register and Information System (**ACHRIS**) maintained by the Victorian Aboriginal Heritage Council under the Aboriginal Heritage Act on 29 September 2025; and

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(c) searches of the schedule of native title applications, register of native title claims, national native title register, register of indigenous land use agreements 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 25 September 2025 (**NNTT Searches**).

3. Scope

(a) The purpose of this Report is to determine and identify, as at the dates of the searches and enquiries specified in 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. It does not, for example, consider risks and issues (such as any additional approvals) that may arise in relation to the development of a mining project on the area of the Tenements and any subsequent mining and processing of ore.

4. Summary of key items and overview of risk factors

4.1 Overlapping Tenure

(a) Our Searches indicate that the Tenement overlaps land that is the subject of other rights, including:

(i) parcels of private land (see section 9.1 for details);

(ii) crown land, including restricted crown land (see section 9.2 for details);

(iii) State forests (see section 9.4 for details);

(iv) plantations (see section 9.5 for details); and

(v) several non-Aboriginal heritage sites (see section 9.7 for details).

(b) In particular, we note that the Tenements predominantly overlie parcels of private land. Under the Mining Act, prior to commencing any work on private land the tenement holder will need to either:

(i) obtain the written consent of the owners and occupiers of the land; or

(ii) enter into and register compensation agreements with the owners and occupiers; or

(iii) have compensation determined under the Mining Act,

unless the exploration work being carried out is “Reconnaissance Exploration” only (see definition in paragraph 6.2(a) of this Report), in which case the licensee can obtain either the written consent or the informed verbal consent of the owners and occupiers of the affected land.

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(c) 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.

(d) The Company has instructed us that the key areas of prospectivity on the Tenements are located on Crown Land and, as such, the Company will not require any private land consents or to enter into any access and access and compensation agreements with private landowners or occupiers for the purposes of its exploration programme, as described in section 5.4 of the Prospectus.

4.2 Native title

(a) The Tenements fall within a registered native title claim. 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 or will be validly granted in accordance with the Native Title Act.

(b) The grant of any future tenure to the Company, including application for EL008628, over areas that are covered by registered claims or determinations will 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 7.12.

4.3 Aboriginal Heritage

(a) The Searches indicate that there are several registered Aboriginal heritage places, objects and areas of cultural heritage sensitivity located on the Tenements. For further information, please refer to section 8 of this Report.

(b) There remains a risk that additional Aboriginal sites or places may exist on the land the subject of the Tenements. The existence of such places and areas of cultural heritage sensitivity 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 which are relevant to the Tenements.

5.1 Exploration Licences

(a) Rights

An exploration licence authorises the holder to carry out exploration on the land covered by the licence. It entitles the holder to conduct geological, geochemical and geophysical surveys, conduct drilling, take samples for chemical and other analysis, extract minerals from the land (other than to produce them commercially) and do all other things that are specified in the licence.

(b) Term

An exploration licence is current for the time specified in the licence unless surrendered, cancelled earlier or as otherwise provided in the Mining Act.

An exploration licence may be granted for a period of up to five years from the date on which it is registered. An exploration licence can be renewed twice, each

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for a period of up to five years (which takes effect on the anniversary of the registration of the licence). The renewal or, if the renewal is refused, the refusal to renew, has no effect until the instrument of renewal or refusal to renew is registered.

The Minister may renew an exploration licence for a further term of up to five years if the Minister is satisfied that the licensee has identified minerals in the land and that additional time is required to assess the economic viability of a resources, or the resources is not presently economically viable but may become so in the future, or for any other reason.

The Minister may only renew the licence for a second term if the Minister considers there are exceptional circumstances to warrant the second renewal, and is satisfied that there is a likelihood of the licensee identifying minerals in the land covered by the licence during the period for which the licence may be renewed.

The Minister may renew an exploration licence subject to any conditions specified in the renewal, and grant a renewal for a smaller area than as stipulated in the application for renewal.

(c) Area and relinquishment

The area of an exploration licence must not be less than one or exceed 500 graticular sections specified in the licence, unless the Minister decides otherwise.

On the second, fourth, seventh and tenth anniversary of the initial registration of the exploration licence, the Minister must reduce the licensed area by 25%, 35%, 20% and 10% respectively. The reduced areas can be identified by the licensee if enough notice is provided to the Minister, but is otherwise chosen by the Minister. In some circumstances, the Minister may decide that there is no requirement to relinquish part of the licensed area.

In calculating the area to be cancelled, if the licensee holds two or more exploration licences, the combined areas covered by the licences may be treated as a single area (at the Minister's discretion).

(d) Conditions

A standard condition of an exploration licence is the requirement to expend in connection with the exploration of land a minimum amount in every year of the term of the licence. An exploration licence may also be granted subject to other conditions, including matters such as:

(i) rehabilitation of the land;

(ii) elimination and minimisation of the risks that the work may pose to the environment, to any member of the public, or to land, property or infrastructure in the vicinity of the work;

(iii) protection of groundwater;

(iv) providing and implementing environmental offsets on the land or any other land;

(v) work undertaken under a licence;

(vi) reporting the discovery of minerals;

(vii) entering into a rehabilitation bond;

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(viii) payment of fees;

(ix) payment of an environmental levy;

(x) access to and use of the land by the holder of another licence that is limited to a particular stratum; and

(xi) protection of community facilities.

A failure to comply with these conditions or any other conditions associated with an exploration licence may lead to forfeiture of the exploration licence. Schedule 2 of this Report describes specific conditions attached to the Tenements

(e) Rent

It is a condition of an exploration licence that the licensee pays rent from the date of registration of the grant of the licence, in accordance with the rate or method of assessment and at the times prescribed.

Rent is required to be paid every six months from the date of registration of the licence, for periods ended 30 June and 31 December each year and is payable within 28 days of the specified date. A failure to pay rent may result in licence cancellation processes being implemented.

(f) Priority for mining lease

The holder of an exploration licence has priority to apply for a mining lease over any of the land the subject of the exploration licence.

(g) Transfer

An exploration licence must not be transferred during the first year of the term. After the first year, an exploration licence may be transferred by an instrument approved by the Minister.

The Minister must only approve an application to transfer an exploration licence if the transferee and licensee meet certain criteria.

An application for an exploration licence is not transferrable.

5.2 Retention Licences

(a) Rights

A retention licence authorises the holder to retain rights to a mineral resource in the land covered by the licence that is not economically viable to mine but may become economically viable to mine in the future or for the purpose of sustaining the operations of an existing mine. It entitles the holder to explore and carry out other work to establish the economic viability of mining a mineral resource on the land covered by the licence.

The holder of a retention licence is entitled to apply for a mining licence in respect of the land covered by the licence or give consent to another person to apply for a mining licence in respect of the land covered by the licence.

(b) Term and renewal

A retention licence is current for the time specific in the licence, not exceeding 10 years from the date on which it is registered and may be renewed in accordance with the Mining Act. A retention licence may only be renewed twice.

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A retention licence may be renewed by the Minister if:

(i) in the case of either the first or second renewal, the Minister is satisfied that the mining of a mineral resource would be economically viable in the future; and

(ii) in addition, in the case of the second renewal, the licensee has demonstrated to the Minister that there are exceptional circumstances to warrant that second renewal.

(c) Rent

The holder of a retention licence is required to pay rent annually for the period ended 30 June, which is payable by 28 July annually. A failure to pay rent may result in licence cancellation processes being implemented.

(d) Transfer

A retention licence may be transferred by an instrument approved by the Minister. The Minister must only approve an application to transfer a retention licence if the transferee and licensee meet certain criteria.

An application for a retention licence is not transferable.

5.3 Mining Licence

(a) Application

Prior to the application (or renewal) for a mining licence, a mineral resource will need to be identified over the land. The applicant must describe the mineral resource in accordance with guidelines issued by the Minister.

Along with the application, the applicant is required to submit a mineralisation report, which demonstrates a mineral resource and a program of work.

(b) Rights

A mining licence authorises the holder to carry out mining on the land covered by the licence and:

(i) to explore for minerals;

(ii) to construct any facilities specified in the licence, including drives, roads, water races, tailing dumps, tailing dams, drains, dams, reservoirs and pipe-lines; and

(iii) to do anything else that is incidental to that mining.

The work undertaken on a mining licence must reflect the work program that was submitted with the licence application, and may be subject to conditions relating to the type of work, its timing and/or expenditure on the licence. Failure to comply with these requirements may result in licence cancellation or non-renewal.

(c) Term and renewal

A mining licence is current for the time specified in the licence, not exceeding 20 years from the date on which it is registered unless the Minister decides otherwise.

A mining licence may be renewed by the Minister if:

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(i) mining is taking place under the licence at the time of the application and the Minister is satisfied that there is a reasonable prospect that mining will continue after the mining licence is renewed; or

(ii) mining had taken place under the licence before the date of the application and the Minister is satisfied that there is a reasonable prospect that mining will recommence within 2 years after renewal of the licence.

(d) Area

The area of the land described in a mining licence must not exceed 260 hectares, unless the Minister decides a greater area may be required to mine a mineral resource.

(e) Transfer

An application for a mining licence is not transferrable.

A mining licence may be transferred by an instrument approved by the Minister. The Minister must only approve an application to transfer a mining licence if the transferee and licensee meet certain criteria.

(f) Rent

The holder of a mining licence is required to pay rent annually for the period ended 30 June, which is payable by 28 July annually. A failure to pay rent may result in licence cancellation processes being implemented.

(g) Royalties and royalty return

The holder of a mining licence must pay royalties in accordance with the rate or method of assessment and at the times specified in the licence, after consultation by the Minister with the licensee.

For all minerals (other than gold), the royalty return must be submitted once a year (ending 30 June).

The failure of a licence holder to pay royalties and / or submit royalty returns may result in cancellation processes in respect to the mining licence being commenced. The information provided in respect to the royalty returns is used to monitor compliance obligations, including expenditure and the status of the site.

6. Approvals and Rehabilitation Bond

The holder of an exploration or retention licence is allowed to undertake exploration activities within the licence area subject to all necessary consents and approvals being obtained. However, there are different requirements depending on the level of disturbance which will be caused by the exploration work.

6.1 General Requirements

The holder of an exploration licence or retention licence must not carry out work on the land covered by the licence unless:

(a) the licensee has an approved work plan;

(b) the licensee has provided a rehabilitation bond;

(c) the licensee has obtained all the necessary consents and other authorities required by or under the Mining Act or any other act; and

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(d) the licensee has given 7 days' notice to the Chief Inspector and 7 days' notice to the owners and occupiers of the land affected; and

(e) the licensee has insurance under a public liability insurance policy for an amount not less than $10 million.

6.2 Low Impact Exploration

Under the Mining Act, 'low impact exploration' does not require an approved work plan. Low impact exploration includes two levels, 'reconnaissance exploration' and 'other low impact exploration'.

(a) Reconnaissance Exploration

Reconnaissance exploration does not require the lodgement of a rehabilitation bond or the giving of notice of intention to commence work.

A licence holder may undertake reconnaissance exploration immediately, provided that it does not involve:

(i) the use of equipment (other than non-mechanical hand tools) to excavate on the land; or

(ii) the use of explosives on the land; or

(iii) removing or damaging of any tree or shrub on the land,

and the licence holder has obtained the required public liability insurance and appropriate consents.

(b) Other Low Impact Exploration

Other low impact exploration on an exploration or retention licence requires the lodgement of a rehabilitation bond, giving notice of intention to commence work, obtaining either written consent of or reaching a compensation agreement with owners and occupiers of any private land and obtaining consent to work on any restricted Crown land.

Low impact exploration means exploration that does not involve any of the following:

(i) the use of explosives;

(ii) the taking of flora and/or fauna listed in the Flora and Fauna Guarantee Act 1988;

(iii) the removal or damaging of more than 1 hectare of native vegetation if that area does not contain any native trees;

(iv) the removal or damaging of more than 15 native trees that have a trunk diameter of less than 40cm at a height of 1.3 metres above ground level;

(v) the removal or damaging of more than 5 native trees that have a trunk diameter of 40cm or more at a height of 1.3 metres above ground level;

(vi) the creation of any road, structure or hardstand area without consent;

(vii) the use of any closed road without consent; and

(viii) ground intrusive work that:

(A) is within 200 metres of a waterway;

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(B) is on a slope steeper than 1 vertical : 3 horizontal;

(C) is of greater than 2 hectares in an area of cultural heritage sensitivity; or

(D) involves taking water from an aquifer, hydraulic fracturing, or excavation using heavy earth moving equipment.

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 (**Mabo**) 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.

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 Register of Native Title Claims (**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 National Native Title Register (**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.

7.3 'Past Acts' (ie 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 Victoria, that legislation is the *Land Titles Validation Act 1994* (Vic). This legislation provides that all 'acts' (eg grants of mining tenements) prior to 1 January 1994 are valid to the extent they affect native title.

7.4 'Future Acts' (ie 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.

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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.

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 Process not being able to be utilised).

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

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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.

Our Searches indicate that the Tenements are currently not subject to any ILUAs.

7.9 Future Act Assessment - Victoria

In Victoria, the Department will carry out a 'future act assessment' to determine what native title requirements under the Native Title Act need to be addressed prior to the grant of a licence for all mineral tenement applications containing Crown land (**Future Act Assessment**).

To ensure Native Title Act compliance, current Department policy requires mineral tenement applicants to indicate in their application which of the following procedures they intend to follow:

(a) undertake the Right to Negotiate Procedure with the native title party;

(b) reach an agreement by an ILUA with the native title party; or

(c) excise all Crown land from their application except those areas where native title has been extinguished (such as roads and road reserves).

The Searches indicate that both RL2018 and EL006417 went through the Right to Negotiate prior to grant but that this was prior to the registration of the Wadawurrung native title claim and that there was no Native Title Claim lodged in respect of the relevant land at the time.

We have reviewed correspondence from the Department to Steadfast with regards to the application for EL008628 and understand that the Future Act Assessment has been completed. Steadfast has opted to undertake the Right to Negotiate Procedure to ensure compliance with the Native Title Act.

7.10 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. 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.

7.11 Victorian Traditional Owner Settlement legislation

In 2010, the Victorian Government introduced an alternative settlement framework to the claims system under the Native Title Act with the enactment of the *Traditional Owner Settlement Act 2010* (Vic) (**TOS Act**).

The TOS Act is intended to provide for an out-of-court settlement of native title, and sets out a framework for agreements between Victorian traditional owners and the State of Victoria to:

(a) recognise traditional owners' relationship to land;

(b) provide traditional owners' with certain rights on Crown land; and

(c) resolve issues which may otherwise be dealt with through native title claims.

Under the TOS Act a 'settlement' may include:

(d) an overarching Recognition and Settlement Agreement – that recognises the named traditional owner group and their traditional owner rights over certain public land;

(e) a Land Agreement – that provides for land transfers for economic or cultural purposes and grants of Aboriginal title to parks and reserves;

(f) a Land Use Activity Agreement – that provides procedures for future use of public land that take account of traditional owner rights and interests;

(g) a Natural Resource Agreement – that enables access and use of natural resources and traditional owner group participation in natural resource management

(h) a Funding Agreement, regarding a payment into the 'Victorian Traditional Owners Trust' and payments for economic development and other purposes

(i) an ILUA which binds all native title holders and validates future acts, which must be registered under the Native Title Act;

(j) a Traditional Owner Land Management Agreement that facilitates joint management of certain parks and reserves.

In return for entering into a settlement, traditional owners must agree to withdraw any native title and compensation applications under the Native Title Act.

The TOS Act also establishes a land use activity regime which is an alternative to the future acts regime of the Native Title Act. It provides procedural rights for recognised traditional owner groups over certain activities that occur on public land.

7.12 Native title claims and determinations affecting the Tenements

The NNTT Searches in respect of the Tenements indicate that all the Tenements fall wholly (100%) within the Wadawurrung native title claim (NNTT file number VC2022/002, Federal Court number VID693/2022), which was filed on 26 October 2022 and accepted for registration on 24 July 2023.

The existence of any native title claims over the area covered by the Tenements, or a subsequent determination of native title over the area, affords the native title claimant or holder of native title (if determined) certain procedural rights concerning the doing of 'future acts' (defined above). As the Tenements have both already been granted, these procedural rights are no longer applicable.

However, the grant of any future tenure over areas that are covered by a registered claim or a positive determination of native title will be subject to the procedural rights of the native title claimants under the Native Title Act.

7.13 Compliance with the Validity of Tenements

RL2018 and EL006417 were granted after 23 December 1996, and were therefore granted subject to the Native Title Act. Provided that the Tenements were validly granted in accordance with the Native Title Act, they will be valid as against native title rights and interests.

The Searches indicate that both RL2018 and EL006417 went through the Right to Negotiate, in accordance with the requirements of the Native Title Act, prior to grant but this was before the registration of the Wadawurrung native title claim and there were no Native Title Claims lodged in respect of the relevant land at the time of grant.

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8. Aboriginal Heritage

8.1 Victorian Legislation

In Victoria, the legislation governing Aboriginal heritage is the Aboriginal Heritage Act.

The Aboriginal Heritage Act makes it an offence to do an act which harms Aboriginal places, Aboriginal objects and Aboriginal ancestral remains and provides protection and management for Aboriginal cultural heritage.

Certain activities, such as large developments and other high impact activities in culturally sensitive landscapes may require that a Cultural Heritage Management Plan be prepared (which in some areas, is required by law) or that the person or company undertaking the activity obtains a cultural heritage permit.

A Cultural Heritage Management Plan is usually in the form of a written report prepared by a Heritage Advisor. It includes results of an assessment of the potential impact of the proposed activity on Aboriginal cultural heritage and outlines measures to be taken before, during and after an activity in order to manage and protect Aboriginal cultural heritage in the activity area.

A cultural heritage permit is required for the following activities:

(a) disturbing or excavating land to uncover or discover Aboriginal cultural heritage;

(b) rehabilitating land at an Aboriginal place;

(c) carrying out research on an Aboriginal place; and

(d) carrying out activities that will, or are likely to, harm Aboriginal cultural heritage.

The ACHRIS records details of all known Aboriginal places, Aboriginal objects, private collections of Aboriginal objects in Victoria, and Aboriginal ancestral remains reported or delivered to the Victorian Aboriginal Heritage Council.

8.2 Aboriginal heritage places and objects on the Tenements

The Certificate of Advice from ACHRIS in respect of the Tenements identified several registered Aboriginal heritage places located on the Tenements, as set out in the below table.

Place Number	Name	Component Number	Type
7722-0257	GORDON ST	7722-0257-1	Scarred Tree
7722-0789	BALLAN COMPLEX 3	7722-0789-1	Artefact Scatter
7722-0789	BALLAN COMPLEX 3	7722-0789-2	Object Collection
7722-0790	BALLAN COMPLEX 4	7722-0790-1	Artefact Scatter
7722-0790	BALLAN COMPLEX 4	7722-0790-2	Object Collection
7722-0956	Cartons Rd 1	7722-0956-1	Artefact Scatter
7722-0957	Cartons Rd 2	7722-0957-1	Artefact Scatter
7722-1271	Moorabool River West Branch LDAD 1	7722-1271-1 to 7722-1271-12	Low Density Artefact Distribution
7722-1272	Moorabool River West Branch LDAD 2	7722-1272-1 to 7722-1272-40	Low Density Artefact Distribution

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Under the Aboriginal Heritage Act, a registered cultural heritage place is also an area of cultural heritage sensitivity. Areas of cultural heritage sensitivity relate to landforms and soil types where Aboriginal places are more likely to be located. These include land within 200 metres of named waterways and land within 50 metres of registered Aboriginal cultural heritage places.

As such, the land within 50 metres of these registered Aboriginal heritage places on the Tenements are areas of cultural heritage sensitivity. The GeoVic Searches in relation to the Tenements also consistently indicated that the Tenements contain several areas of cultural heritage sensitivity.

The Search results summarised above do not mean that there are no other sites, objects or places of Aboriginal cultural heritage or other culturally sensitive landscapes within the area of the Tenements. It is only an indication that Aboriginal heritage places have been registered or recorded in the area.

8.3 Aboriginal cultural heritage agreements affecting the Tenements

As discussed above at section 7.9, Department policy provides that applications for mineral tenement licences will generally not be processed for grant unless the applicant for the licence has met 'future act' requirements under the Native Title Act.

Aboriginal heritage agreements will generally include a process of engagement between the parties to protect Aboriginal heritage. This process includes the undertaking of heritage surveys to identify Aboriginal sites. A procedure is usually included for the parties to consider the proposed works on the tenements, and decide on the best course of action given any potential impacts the proposed works may have on Aboriginal sites.

The Company has advised that the Tenements are not subject to any Aboriginal heritage agreements. Furthermore, we understand that the Certificate of Advice from ACHRIS indicates that no cultural heritage agreements or Aboriginal cultural heritage land management agreements currently exist in relation to the Tenement area.

9. Land access

9.1 Private Land

Our Searches indicate that all of the Tenements encroach predominantly on parcels of private land. Portions of RL2018 and EL006417 overlap the Mount Egerton township and Gordon township respectively, and, as such, encroach on numerous small portions of private land.

Prior to commencing any work on the area of an exploration licence which affects private land, under the Mining Act, the holder will need to either:

(a) obtain the written consent of the owners and occupiers of the affected land; or

(b) enter into and register compensation agreements with the owners and occupiers; or

(c) have been advised in writing of the determination made in respect to the compensation payable, where the amount of compensation payable to the owner and occupier has been determined under the Mining Act.

If the exploration work being carried out is "Reconnaissance Exploration" only (see definition in paragraph 6.2(a) of this Report), the licensee can obtain either the written consent or the informed verbal consent of the owners and occupiers of the affected land.

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The Mining Act provides that where a mining tenement overlaps private land, the tenement holder and the owner or occupier of the land may enter into a written agreement as to the amount or kind of compensation payable to the owner or occupier for any loss or damage that has been or will be sustained as a direct, natural and reasonable consequence of the approval of the work plan or the doing of work under the mining tenement.

If an agreement is entered in to, the tenement holder must lodge any agreement entered in with the mining registrar for registration. The Company has advised that no such agreements have been entered into.

The Company has instructed us that the key areas of interest on the Tenements are located on Crown Land and the Company does not consider any private land consents will be required for its exploration programme as described in section 5.4 of the Prospectus.

9.2 Crown Land

There are multiple parcels of Crown Land underlying the Tenements, including some small pockets of restricted Crown land.

Under the Mining Act, a licensee who proposes to do work under the licence on restricted Crown land must obtain the consent of the Crown land Minister. It is however, not necessary to obtain any such consent or other authority before carrying out exploration or mining on unrestricted Crown land.

As noted above, the Company has instructed us that the areas it considers most prospective are located on Crown Land, such that no land access consents are required in respect of its exploration programme as described in section 5.4 of the Prospectus.

9.3 Road reserves

Our Searches indicate the Tenements overlaps with roads and road reserves, and EL008628 overlaps with the Western Freeway.

Under the Mining Act, to the extent a tenement overlaps a public highway, road or street, consent must be sought from the person or body having the care or management of the public highway, road or street prior to the holder of the tenement undertaking work on the part of the tenement that overlaps the public highway, road or street.

The consent may granted subject to certain conditions. We have not undertaken searches to determine the nature and extent of the overlap by the Tenements over the road and road reserves.

9.4 State Forest

Our Searches indicate the Tenements overlap with State forests.

Under the Forests Act, despite the Mining Act or any licence, right or authority under the Mining Act:

(a) no person shall cut or remove any timber or forest product in any State forest except in accordance with the regulations under Forest Act; and

(b) the exercise of any rights to do work as defined in the Mining Act within a State forest shall be subject to such conditions for the protection of the ecological condition of native forests as are prescribed or as the land manager considers appropriate to impose in any particular case.

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9.5 Plantation

Our Searches indicate EL006417 and EL008628 overlap with Bungal Plantation.

Under the Victorian Plantations Corporation Act, exploration activities that involve the taking of forest produce are not to be carried out on vested land or managed land except with the Victorian Plantations Corporation's consent and on any terms or conditions that it imposes.

9.6 Licensed Pipelines

We also note that EL006417 and EL008628 currently intersects with pipeline licences PL78 and PL134 held by APA VTS Australia (Operations) Pty Ltd.

A pipeline licence authorises the licensee to enter land and to commence or continue the construction of a pipeline, to alter or reconstruct a pipeline, to operate a pipeline and to inspect and maintain a pipeline.

There are no express mechanisms in the Mining Act or the Pipelines Act in respect to the co-existence of priority of rights between overlapping mining tenement holders and pipeline licence holders under the Pipelines Act.

9.7 Non-Aboriginal Cultural Heritage

Places and objects considered to be of non-Aboriginal cultural heritage to the State of Victoria are protected under the Heritage Act. The Heritage Council of Victoria maintains a statutory register and inventory, the Victorian Heritage Register and the Victorian Heritage Inventory, of the sites and administers the Heritage Act.

Under the Heritage Act, consent of the Executive Director must be received to excavate on sites of cultural heritage significance.

It is an offence under the Heritage Act to:

(a) remove, relocate or demolish, damage or despoil, develop or alter, or excavate, all or any part of a registered place; and

(b) without a consent issued, knowingly or negligently deface, damage or otherwise interfere with, or carry out an act, likely to endanger a site recorded in the Victorian Heritage Inventory.

The GeoVic Searches of the Tenements identified several heritage sites located on the Tenements as set out in the below table.

Tenement	Site	Place ID	Heritage Listing	Number
RL2018	Victorian Tile Company	11664	Victorian Heritage Inventory	H7722-0043
	New Black Horse Mine	11665	Victorian Heritage Inventory	H7722-0044
	Mount Egerton Government Battery	11666	Victorian Heritage Inventory	H7722-0045
EL006417	Victorian Tile Company	11664	Victorian Heritage Inventory	H7722-0043
	Gordon Railway Station	555	Victorian Heritage Register	H1564
	Portland Flat Road Bridge	12879	Victorian Heritage Register	H2054

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10. Material Agreements

10.1 Binding Heads of Agreement

On 8 July 2025, the Company, Steadfast, ACN and the shareholders of Steadfast (**Shareholders**) signed a binding heads of agreement, pursuant to which ACN has agreed to acquire an 80% of the issued capital in Steadfast (**Binding Heads of Agreement**). ACN is a fully owned subsidiary of the Company.

Completion of the acquisition under the Binding Heads of Agreement is subject to the satisfaction or waiver of certain conditions precedent, including:

(a) completion of financial, legal and technical due diligence by the Company on Steadfast and the Tenements;

(b) the Company undertaking a capital raising and receiving valid applications for at least $2,500,000 worth of shares;

(c) the parties obtaining all necessary shareholder, regulatory and third party approvals; and

(d) Province Resources Limited subscribing for at least $3,000,000 worth of shares in the Company on or before the date that the other conditions precedent are satisfied or waived.

Under the Binding Heads of Agreement, ACN is required to:

(a) expend not less than $4,000,000 on the Tenements (**Acquisition Expenditure**) during the period of 5 years commencing on the Completion Date (**Expenditure Period**) in order to maintain its total shareholding in Steadfast of 80%; and

(b) spend the first $1,000,000 within 12 months after receiving approved work permits from the Department for this amount, with the amount of any shortfall being paid to the Shareholders in cash.

In the event that ACN elects to cease funding the Acquisition Expenditure during the Expenditure Period or fails to do so, ACN's shareholding in Steadfast will be diluted to 51% and the shareholdings of the Shareholders will increase to 49%, with ACN agreeing to transfer back such number of shares to give effect to this arrangement for no consideration.

ACN is required to sole fund all activities of Steadfast on the Tenements to a decision to mine.

If ACN makes a decision to commence development and mining of one or more mineral deposits located within the area of one or more of the Tenements with the intention for mining to be ongoing (**Decision to Mine**), each Shareholder must notify ACN whether it has elected to participate and contribute its full proportionate share of costs and expenditure to implement the Decision to Mine based on its participating interest (**Mine Costs**). If a Shareholder elects to participate, the parties are required to negotiate and execute a full form mining joint venture agreement.

If a Shareholder elects not to contribute its share of the Mine Costs (**Exiting Shareholder**), it will be deemed to have automatically assigned all of its rights, title and interest in Steadfast to ACN in consideration for a royalty of 1.5% of the net smelter return on the sale of all products extracted from the area of the Tenements, proportionate to that Existing Shareholder's

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Modified Participating Interest[1] (**Royalty**).

At any time on and from the date upon which an Exiting Shareholder becomes entitled to the Royalty, ACN will have the right to buy out 100% of the Royalty payable to that Exiting Shareholder for $5,000,000 (pro-rata to that Exiting Shareholder's Modified Participating Interest) (**Buy-out Payment**), to be documented by a royalty deed. The total Royalty payable to the Shareholders in aggregate will not exceed 1.5% and the total Buy-out Payment payable to the Shareholders in aggregate will not exceed $5,000,000.

11. Definitions

In this Report:

Aboriginal Heritage Act means the *Aboriginal Heritage Act 2006* (Vic).

ACHRIS has the meaning given in section 2(b).

ASX means the ASX Limited (ABN 98 008 624 691).

Commonwealth Heritage Act means the *Aboriginal and Torres Strait Islander Heritage Protection Act 1984* (Cth).

Company means Black Horse Mining Pty Ltd (ACN 683 066 613).

Cultural Heritage Management Plan has the meaning given in the Aboriginal Heritage Act.

Department means the Victorian Department of Energy, Environment and Climate Action.

EL means an exploration licence.

Expedited Procedure has the meaning given in section 7.7.

Federal Court means the Federal Court of Australia.

Forests Act means the *Forests Act 1958* (Vic).

Future Act Assessment has the meaning given in section 7.9.

GeoVic Searches has the meaning given in section 2(a).

Heritage Act means the *Heritage Act 2017* (Vic).

ILUA has the meaning given in section 7.8.

Material Agreements means any agreements referred to in section 10.

Mining Act means the *Mineral Resources (Sustainable Development) Act 1990* (Vic).

Minister means the Victorian Minister for Energy and Resources.

Native Title Act means the *Native Title Act 1993* (Cth).

Negotiation Parties has the meaning given in section 7.6.

NNTR has the meaning given in section 7.2.

[1] A Shareholder's Modified Participating Interest is calculated as its pro rata shareholding in Steadfast excluding any shareholding in Steadfast of ACN (and its related entities).

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NNTT means the Australian National Native Title Tribunal.

NNTT Searches has the meaning given in section 2(c).

Pipelines Act means the *Pipelines Act 2005* (Vic).

Prospectus has the meaning given in the opening section of this Report.

Report means this document, including any schedule or annexure to this document.

Right to Negotiate Procedure has the meaning given in section 7.6.

RL means a retention licence.

RNTC has the meaning given in section 7.2.

Searches means the searches referred to in section 2.

Steadfast means Steadfast Mining Services Pty Ltd (ACN 166 880 057).

Tenements means the tenements set out in Schedule 1 and **Tenement** means any one of them.

TOS Act means the *Traditional Owner Settlement Act 2010* (Vic).

Victorian Plantations Corporation Act means the *Victorian Plantations Corporation Act 1993* (Vic).

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;

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(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 agreements referred to in this Report have been duly executed and the copies of those agreements made available to us are accurate, complete and conform to the originals of those agreements and there have been no material breaches of the 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 Victoria 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;

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(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 Victoria 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;

(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 Victoria Unearthed maintained by the Department of Energy, Environment and Climate Action;

(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 Aboriginal Heritage Act 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

Hamilton Locke

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Schedule 1 – Tenements

Tenement	Registered Holder (100%)	Status	Area Applied for	Current Area	Grant Date (Application Date)	Expiry Date	Annual Reporting Date	Annual Rent (2025/26)[2]	Minimum expenditure commitment	Bond	Dealings (Mortgages, Caveats and Registered Agreements)	Land Encroachments
RL2018 (Gold)	Steadfast Mining Services Pty Ltd	Live	1,174.40ha	1,174.40ha	25 October 2016 The tenement is in its second 7-year term, having been renewed following the end of the initial term on 25 October 2023.	24 October 2030	31 December	$4,738.00[3]	2025: $200,000 2026: $250,000 2027: $300,000 2028: $300,000 2029: $300,000 2030: $300,000	Section 80 Rehabilitation Bond of $10,000 registered on 23 July 2018.	Nil.	• Crown Land (including Restricted Crown Land), Private Land, Road and Road Reserves • Heritage Inventory – Victorian Tile Company (H7722-0043), New Black Horse Mine (H7722-0044) and Mount Egerton Government Battery (H7722-0045) • Areas of Cultural Heritage Sensitivity • Unavailable Section 7 Exempt Area – EX100 (minor encroachment)[4] • Mount Egerton township[5] • Crown Land (Forest Reserve)
EL006417 (Gold, diamonds, platinum, silver, sapphire)	Steadfast Mining Services Pty Ltd	Live	115 graticular sections	45 graticular sections	17 November 2017 The tenement is in its second 5-year term, having been renewed following the end of the initial term on 16 November 2022.	16 November 2027	31 December	$521.96[6]	$37,500 per year (unless varied)	Nil.	Nil.	• Crown Land (including Restricted Crown Land), Private Land, Road and Road Reserves • Heritage Inventory – Victorian Tile Company (H7722-0043) • Heritage Register – Gordon Railway Station (H1564) and Portland Flat Road Bridge (H2054) • Geothermal tenure: Pipeline Licence PL78 and PL134 held by APA VTS Australia (Operations) Pty Ltd • Areas of Cultural Heritage Sensitivity • Bungal State Forest • Bungal Plantation • Moorabool Wind Farm (5 wind turbines)
EL008628 (Gold, diamonds, platinum, silver, sapphire)	Steadfast Mining Services Pty Ltd	Application	53 graticular sections	Nil.	(9 January 2025)	N/A	N/A	N/A	N/A	N/A	N/A	• Crown Land (including Restricted Crown Land), Private Land, Road and Road Reserves • Geothermal tenure: Pipeline Licence PL78 and PL134 held by APA VTS Australia (Operations) Pty Ltd • Areas of Cultural Heritage Sensitivity • Western Freeway • Gordon township[7] • Bungal State Forest • Bungal Plantation • Moorabool West Gravel Reserve • Moorabool Wind Farm (7 wind turbines)

[2] In accordance with the *Monetary Units Act 2004* (Vic), the value of a fee unit for the financial year commencing 1 July 2025 is $16.81.
[3] The prescribed rate of rent for a retention licence held at 30 June in a year is 2.4 fee units per 10 hectares or part thereof of the land covered by the licence as at 30 June of that year.
[4] Under section 7 of the Mining Act, the Minister may exempt any land from being subject to an exploration or mining licence for any reason he or she decides to be appropriate.
[5] A portion of RL2018 sits over the Mount Egerton township, which contains multiple parcels of private land and crown land, local roads, water licences, grazing licences, pipelines and power lines.
[6] The prescribed rate of rent for an exploration licence held at 30 June in a year is 6.9 fee units per 10 graticules or part thereof of the land covered by the licence as at 30 June of that year.
[7] A portion of EL008628 sits over the Gordon township, which contains multiple parcels of private land, local roads and power lines.

Schedule 2 – Tenement Conditions

The conditions below refer to particular conditions attached to the Tenements, as shown on the latest Tenement renewal documents. It is not an exhaustive list, and the grant and renewal documents should be reviewed in detail for a list of all conditions attached to the Tenements. For details of overlapping tenure and other interests, the GeoVic system should be consulted.

1. **Box Ironbark Region – RL2018 and EL006417:** Where activities are proposed to be undertaken in a Box-Ironbark Region, the licensee must undertake a preliminary assessment of vegetation and faunal habitats of areas of interest in that Box-Ironbark region to identify and mark areas or sites to be avoided in the project area.

2. **Aboriginal Cultural Heritage – RL2018 and EL006417:**

   (a) The licensee must ensure Aboriginal cultural heritage is not harmed as a result of works undertaken within the licence area.

   (b) Within areas where ground intrusive exploration works or the removal of native vegetation are proposed on Crown land in the Box Ironbark Region, an assessment of Aboriginal cultural heritage values must be undertaken.

3. **Heritage (Non-Indigenous) – RL2018 and EL006417:**

   (a) The licensee must ensure non-indigenous cultural heritage is not harmed as a result of works undertaken within the licence area.

   (b) Within areas where ground intrusive exploration works or the removal of native vegetation are proposed on Crown land in the Box Ironbark Region, an assessment of non-indigenous cultural heritage values must be undertaken.

4. **Rehabilitation – RL2018 and EL006417:**

   (a) The licensee must ensure that disturbed areas are rehabilitated as soon as possible after the completion of exploration works.

   (b) The licensee must ensure that indigenous species used in rehabilitation are sourced from the local area, of local provenance and appropriate to the site's Ecological Vegetation Class (EVC).

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Annexure C – Investigating Accountant's Report

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William Buck
ACCOUNTANTS & ADVISORS

30 September 2025

The Board of Directors
Black Horse Mining Limited
Suite 8, 110 Hay Street
Subiaco WA 6008

Dear Directors,

INDEPENDENT LIMITED ASSURANCE REPORT ON BLACK HORSE MINING LIMITED HISTORICAL FINANCIAL INFORMATION AND PRO FORMA HISTORICAL FINANCIAL POSITION

Introduction

William Buck Consulting (WA) Pty Ltd has been engaged by Black Horse Mining Limited ("the Company" or "Black Horse") and its controlled entity A.C.N 683 084 353 Pty Ltd (collectively, "the Group") to report on the Historical Financial Information and Pro Forma Historical Financial Position of the Group as at 30 June 2025 for inclusion in the prospectus ("Prospectus") dated on or about 30 September 2025. The Prospectus is in connection with the Company's proposed capital raising and listing on the Australian Securities Exchange ("ASX") pursuant to which the Company is offering to the general public ("Public Offer") up to 40,000,000 shares at an issue price of $0.20 each, to raise up to a maximum of A$8,000,000 (before costs).

Expressions and terms defined in the Prospectus have the same meaning in this Report.

Background

Black Horse Mining Limited is an unlisted public company incorporated on 12 December 2024 and is a wholly owned subsidiary of Province Resources Limited (NSX: PRL), which is listed on the National Stock Exchange of Australia (NSX). Following Black Horse's entry into the acquisition agreement to acquire 80% of the shares in Steadfast Mining Services Pty Ltd, thereby securing an 80% interest in the Mt Egerton Project, PRL announced to the NSX its intention to spin-out its interest in the Mt Egerton Project through Black Horse undertaking an initial public offering and listing on the ASX.

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Scope

Historical Financial Information

You have requested William Buck Consulting (WA) Pty Ltd to review the following historical financial information of the Group and Steadfast Mining Services Pty Ltd included in Section 6 of the Prospectus comprising:

Black Horse Mining Limited:

- The Historical Statement of Profit or Loss and Other Comprehensive Income for the period from incorporation of the Company (12 December 2024) to 30 June 2025;
- The Historical Statement of Cash Flows of the Group for the period of incorporation of the Company (12 December 2024) to 30 June 2025; and

The Historical Statement of Financial Position as at 30 June 2025.

Steadfast Mining Services Pty Ltd:

- The Historical Statements of Profit or Loss and Other Comprehensive Income for the years ended 30 June 2024 and 30 June 2025;
- The Historical Statements of Cash Flows for the years ended 30 June 2024 and 30 June 2025; and
- The Historical Statements of Financial Position as at 30 June 2024 and 30 June 2025.

Together referred to as the "Historical Financial Information".

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 in Sections 6.5, 6.6 and 6.7 of the Prospectus has been extracted from the financial report of Black Horse Mining Limited for the period 12 December 2024 to 30 June 2025, which was audited by William Buck Audit (WA) Pty Ltd in accordance with applicable Australian Auditing Standards. The audit report issued for this financial report included an unmodified audit opinion.

The Historical Financial Information in Sections 6.8, 6.9 and 6.10 of the Prospectus has been extracted from the financial reports of Steadfast Mining Services Pty Ltd for the years ended 30 June 2024 and 30 June 2025. The 30 June 2024 financial report was audited by Kidmans Partners Pty Ltd and the 30 June 2025 financial report was audited by William Buck Audit (WA) Pty Ltd, both in accordance with applicable Australian Auditing Standards. The audit report for the 30 June 2024 financial report included an unmodified audit opinion with a material uncertainty related to going concern, and the audit report for the 30 June 2025 financial report included an unmodified audit opinion.

The Historical Financial Information detailed in this Section 6 is presented in an abbreviated form and does not include all the presentation and disclosures, statements or comparative information required by Australian Accounting Standards and other mandatory reporting requirements applicable to general purpose financial reports prepared in accordance with the *Corporations Act 2001*.

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Pro Forma Statement of Financial Position

You have requested William Buck Consulting (WA) Pty Ltd to review the Pro Forma Statement of Financial Position as at 30 June 2025 referred to as "the Pro Forma Statement of Financial Position" as set out in Section 6.11 of the Prospectus.

The Pro Forma Statement of Financial Position has been derived from the Historical Statement of Financial Position of the Company as at 30 June 2025, after adjusting for the effects of the pro forma transactions and subsequent events described in Section 6.12 of the Prospectus.

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 transactions relate, as described in Section 6.12 of the Prospectus, as if those events or transactions had occurred as at the date of the Historical Statement of Financial Position. Due to its nature, the Pro Forma Statement of Financial Position does not represent the Company's actual or prospective financial position.

Directors' Responsibility

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

Our Responsibility

Our responsibility is to express a limited assurance conclusion on the Historical Financial Information and the Pro Forma Statement of Financial Position based on the procedures performed and the evidence we have obtained. 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*.

A review consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review 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 an audit. Accordingly, we do not express an audit opinion.

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

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Conclusions

Historical Financial Information

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the Historical Financial Information, as set out in Section 6 of the Prospectus, and comprising:

- The Historical Statement of Profit or Loss and Other Comprehensive Income for the period from incorporation of the Company (12 December 2024) to 30 June 2025, the Historical Statement of Cash Flows of the Group for the period from incorporation of the Company (12 December 2024) to 30 June 2025, and the Historical Statement of Financial Position of the Group as at 30 June 2025 of Black Horse Mining Limited;
- The Historical Statements of Profit or Loss and Other Comprehensive Income for the years ended 30 June 2024 and 30 June 2025, the Historical Statements of Cash Flows for the years ended 30 June 2024 and 30 June 2025, and the Historical Statements of Financial Position as at 30 June 2024 and 30 June 2025 of Steadfast Mining Services Pty Ltd.

are not presented fairly, in all material respects, in accordance with the stated basis of preparation as described in Section 6 of the Prospectus.

Pro Forma Statement of Financial Position

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the Pro Forma Statement of Financial Position as set out in Section 6.11 of the Prospectus 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 6 of the Prospectus.

Restriction on Use

Without modifying our conclusions, we draw attention to Section 6 of the Prospectus which describes the purpose of the Historical Financial Information and Pro Forma Statement of Financial Position, being for inclusion in the Prospectus. As a result, the Historical Financial Information and Pro Forma Statement of Financial Position, may not be suitable for use for another purpose. We disclaim any assumptions of responsibility for any reliance on this Report or on the financial information to which this report relates for any purpose other than the purpose for which it was prepared. This Report should be read in conjunction with the Prospectus.

Consent

William Buck Consulting (WA) Pty Ltd has consented to the inclusion of this Investigating Accountant's Report in the Prospectus in the form and context in which it is so included. At the date of this Report our consent has not been withdrawn. William Buck Consulting (WA) Pty Ltd makes no representation regarding, and takes no responsibility for any other statements, or material in, or omissions from, the Prospectus.

William Buck Consulting (WA) Pty Ltd has not authorised the issue of the Prospectus and our report should not be taken as an endorsement of the Company or a recommendation by William Buck Consulting (WA) Pty Ltd of any participation in the share issue by any intending investors.

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General Advice Limitation

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 take the place of professional advice and investors should not make specific investment decisions in reliance on this information contained in this report. Before acting or relying on information, an investor should consider whether it is appropriate for their circumstances having regard to their objectives, financial situation or needs.

Disclosure of Interest

William Buck Consulting (WA) Pty Ltd does not have any interest in the outcome of the issue of shares other than in connection with the preparation of this report for which normal professional fees will be received.

William Buck Audit (WA) Pty Ltd is the auditor of the Company and Steadfast Mining Services Pty Ltd.

Yours faithfully

William Buck

William Buck Consulting (WA) Pty Ltd
ABN 74 125 178 734

Deborah Chin

Deborah Chin
Director
Dated this 30th day of September 2025

Annexure D – Independent Expert's Report

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Black Horse Mining Limited

Independent Expert's Report

Opinion: Fair and reasonable

26 September 2025

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FINANCIAL SERVICES GUIDE

Dated: 26 September 2025

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This Financial Services Guide (**FSG**) helps you decide whether to use any of the financial services offered by BDO Corporate Finance Australia Pty Ltd (**BDO Corporate Finance, we, us, our**).

The 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: 247420
- Remuneration that we and/or our staff and any associates receive in connection with the financial services
- Any relevant associations or relationships we have
- Our complaints handling procedures and how you may access them.

FINANCIAL SERVICES WE ARE LICENSED TO PROVIDE

We hold an Australian Financial Services Licence which authorises us to provide financial product advice to retail and wholesale clients about securities and certain derivatives (limited to old law securities, options contracts, and warrants). We can also arrange for customers to deal in securities, in some circumstances. Whilst we are authorised to provide personal and general advice to retail and wholesale clients, we only provide *general* advice to retail clients.

Any general advice we provide is provided on our own behalf, as a financial services licensee.

GENERAL FINANCIAL PRODUCT ADVICE

Our general advice is typically included in written reports. In those reports, we provide general financial product advice that is prepared without taking into account your personal objectives, financial situation or needs. You should consider the appropriateness of the general advice having regard to your own objectives, financial situation and needs before you act on the advice. Where the advice relates to the acquisition or possible acquisition of a financial product, you should also obtain a product disclosure statement relating to the product and consider that statement before making any decision about whether to acquire the product.

FEES, COMMISSIONS AND OTHER BENEFITS THAT WE MAY RECEIVE

We charge fees for providing reports. These fees are negotiated and agreed to with the person who engages us to provide the report. Fees will be agreed on an hourly basis or as a fixed amount depending on the terms of the agreement. In this instance, the Company has agreed to pay us $34,000 for preparing the Report.

Except for the fees referred to above, neither BDO Corporate Finance, 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 general advice.

All our employees receive a salary. Our employees are eligible for bonuses based on overall company performance but not directly in connection with any engagement for the provision of a 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.

ASSOCIATIONS AND RELATIONSHIPS

BDO Corporate Finance 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 general financial product advice in our report is provided by BDO Corporate Finance 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.

COMPLAINTS RESOLUTION

We are 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.

BDO Corporate Finance is a member of AFCA (Member Number 11843). Where you are unsatisfied with the resolution reached through our Internal Dispute Resolution process, you may escalate this complaint to the Australian Financial Complaints Authority (**AFCA**) using the below contact details:

Australian Financial Complaints Authority
GPO Box 3, Melbourne VIC 3001
Email: info@afca.org.au
Phone: 1800 931 678
Fax: (03) 9613 6399
Interpreter service: 131 450
Website: http://www.afca.org.au

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.

CONTACT DETAILS

You may provide us with instructions using the details set out at the top of this FSG or by emailing - cf.ecp@bdo.com.au

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Appendix 1 – Glossary and copyright notice

Appendix 2 – Valuation Methodologies

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26 September 2025

The Directors
Black Horse Mining Limited
8/110 Hay Street
Subiaco WA 6008

Dear Directors

INDEPENDENT EXPERT'S REPORT

1. Introduction

Black Horse Mining Limited ('**BHM**' or '**the Company**') is a 100% owned subsidiary of Province Resources Limited ('**PRL**'), a company listed on the National Stock Exchange of Australia ('**NSX**'). On 11 July 2025, PRL announced that BHM had finalised a share sale agreement ('**Acquisition Agreement**'), pursuant to which, BHM (through a wholly owned subsidiary) will acquire 80% of the issued shares in Steadfast Mining Services Pty Ltd ('**SMS**') ('**Acquisition**'). SMS is the legal and beneficial owner of certain tenements forming the Mt Egerton Gold Project ('**Mt Egerton Project**') located in Victoria. It is proposed that BHM will undertake an initial public offering ('**IPO**') of its shares and pursue a listing on the Australian Securities Exchange ('**ASX**').

The directors of the Company have requested that BDO Corporate Finance Australia Pty Ltd ('**BDO**') prepare an independent expert's report ('**IER**' or '**our Report**') to express an opinion on whether the proposed two-tranche issue of deferred consideration shares (the '**Performance Securities**') to the SMS shareholders ('**SMS Vendors**'), is fair and reasonable to non-associated existing and prospective security holders of BHM ('**Security Holders**) ('**Proposed Issue**').

The Performance Securities vest subject to the achievement of the following performance milestones ('**Performance Milestones**'):

- Tranche 1 Performance Securities: Shares to the value of $1 million ('**Tranche 1 Performance Securities**') will be issued based on a deemed issue price equal to the 10-day volume weighted average price ('**VWAP**') of BHM shares for the period immediately preceding the date of the announcement of a delineated Joint Ore Reserves Committee Code ('**JORC Code**') or National Instrument 43-101 ('**NI 43-101**') compliant Mineral Resource Estimate ('**MRE**') of 500,000 ounces ('**oz**') of gold or greater, at a minimum grade of 8 grams per tonne ('**g/t**') ('**Tranche 1 MRE Milestone**'). Following achievement of the Tranche 1 MRE milestone, BHM shares must trade greater than or equal to a 20-consecutive-trading-day VWAP of $0.20 per share ('**VWAP Hurdle**') (collectively '**Tranche 1 Milestones**').
- Tranche 2 Performance Securities: Shares to the value of $3 million ('**Tranche 2 Performance Securities**') will be issued based on a deemed issue price equal to the 10-day VWAP of BHM shares for the period immediately preceding the date of the announcement of a delineated JORC or NI 43-101 compliant MRE of 1,000,000 oz of gold or greater, at a minimum grade of 8 g/t ('**Tranche 2**

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MRE Milestone'). Following achievement of the Tranche 2 MRE Milestone, BHM shares must trade greater than or equal to a 20-consecutive-trading-day VWAP of $0.20 per share (collectively '**Tranche 2 Milestones**').

The Performance Milestones for each tranche must be achieved within five years ('**Performance Period**') of the date of quotation of BHM shares on the ASX ('**Admission Date**'). In the event the Performance Milestones are met, the Performance Securities will convert to ordinary shares in BHM to the value of $1 million for Tranche 1 and $3 million for Tranche 2. The number of shares to be issued on conversion of the Performance Securities is based on the 10-day VWAP of BHM prior to the announcement of the mineral resource. The number of shares to be issued is capped at 5 million for the Tranche 1 Performance Securities and 15 million for the Tranche 2 Performance Securities as the Performance Securities are subject to a floor price of $0.20 per share ('**Floor Price**').

Our Report has been prepared for inclusion in the Company's Prospectus for its IPO. The Company intends to raise $8 million before costs through the issue of 40 million shares at $0.20 per share ('**IPO Subscription**'). The IPO Subscription is the minimum subscription available under the IPO and no oversubscriptions above the minimum subscription will be accepted.

Our Report provides an opinion on whether the Proposed Issue of Performance Securities is fair and reasonable to Security Holders. According to ASX Guidance Note 19 *Performance Securities* ('**GN 19**'), a performance security is a security that converts, or may convert, into a given number of ordinary shares with all the usual rights attached if and when a nominated performance milestone is achieved but otherwise has limited rights until then.

All figures in our Report are quoted in Australian dollars ('**AUD**' or '**$**') unless otherwise stated.

2. Summary and opinion

2.1 Requirement for the report

The directors of BHM have requested that BDO prepare an independent expert's report to express an opinion as to whether or not the Proposed Issue of the Performance Securities is fair and reasonable to Security Holders.

Our Report is prepared pursuant to ASX GN 19 because the Company proposes to have Performance Securities at the Admission Date which, in aggregate if the Performance Milestones are achieved, will convert to a number of ordinary shares which is greater than 10% of the number of ordinary shares that the Company proposes to have on issue at the Admission Date.

2.2 Approach

Our Report has been prepared having regard to ASX GN 19 and Australian Securities and Investments Commission ('**ASIC**') Regulatory Guides Regulatory Guide 111 'Content of expert reports' ('**RG 111**'), Regulatory Guide 112 'Independence of experts' ('**RG 112**'), Regulatory Guide 170 'Prospective financial information' ('**RG 170**') and Information Sheet 214: *Mining and Resources: Forward-looking Statements* ('**IS 214**').

In arriving at our opinion, we have assessed the terms of the Performance Securities as outlined in the body of our Report and have considered:

- the value of a BHM share at the Admission Date (prior to the vesting of the Performance Securities) compared to the value of a BHM share following the achievement of the Performance

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Milestones and the and the resulting issue of the ordinary shares on conversion of the Performance Securities.

- whether the achievement of the Performance Milestones are likely to be value accretive in the future in our assessment of whether the Performance Securities are reasonable for Security Holders.
- other factors which we consider to be relevant to Security Holders in their assessment of the Proposed Issue of the Performance Securities.

2.3 Opinion

We have considered the terms of the Performance Securities as outlined in the body of this Report and have concluded that the Proposed Issue of the Performance Securities is fair and reasonable to Security Holders.

In our opinion, the Proposed Issue of the Performance Securities is fair because we have assumed that the $0.20 VWAP Hurdle following achievement of the Tranche 1 MRE Milestone and Tranche 2 MRE Milestone is reflective of the underlying value of a BHM share. This means that in order for the Performance Securities to vest, the value of a BHM share following the achievement of the Performance Milestones must be at least equivalent to the value of a BHM share at the Admission Date (prior to the vesting of the Performance Securities), being the IPO price of $0.20 per share.

We consider the Proposed Issue of the Performance Securities to be reasonable because they are fair and because the advantages are greater than the disadvantages. In particular, based on our analysis in Section 11 of our Report, we consider it likely that the achievement of the Performance Milestones will be value accretive to Security Holders.

2.4 Fairness

In our opinion, as detailed in Section 10 and having regard to the guidance set out in ASX GN 19, RG 111, RG 170 and IS 214, we consider the Proposed Issue of the Performance Securities to be fair to Security Holders.

In our opinion, the Proposed Issue of the Performance Securities is fair because we have assumed that the $0.20 VWAP Hurdle following achievement of the Tranche 1 MRE Milestone and Tranche 2 MRE Milestone is reflective of the underlying value of a BHM share. This means that in order for the Performance Securities to vest, the value of a BHM share following the achievement of the Performance Milestones must be at least equivalent to the value of a BHM share at the Admission Date (prior to the vesting of the Performance Securities), being the IPO price of $0.20 per share.

A summary of our fairness assessment is outlined below:

Performance Securities Tranche	Performance Milestone	Fairness test	Description	Conclusion
Tranche 1 Performance Securities	Shares to the value of $1 million will be issued based on a deemed issue price equal to the 10-day VWAP of BHM shares for the period immediately preceding the date of the announcement of a delineated JORC Code or NI 43-101 compliant MRE of 500,000 oz of gold or greater, at a minimum grade of 8 g/t, subject to a Floor	Value of a BHM share at the Admission Date compared to the value of a BHM Share following the achievement of	The IPO price represents the value of a BHM share at the Admission Date (prior to vesting of the Performance Securities). The $0.20 VWAP Hurdle is reflective of the underlying value of a BHM share following achievement of the	Fair

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Performance Securities Tranche	Performance Milestone	Fairness test	Description	Conclusion
	Price of $0.20 per share. Following the achievement of the Tranche 1 MRE Milestone, the BHM shares must trade greater than or equal to the $0.20 per share VWAP Hurdle.	the Tranche 1 Milestones.	Tranche 1 Milestones. Therefore, the value of a BHM share at Admission Date and following the achievement of the Tranche 2 Milestones are equivalent.	
Tranche 2 Performance Securities	Shares to the value of $3 million will be issued based on a deemed issue price equal to the 10-day VWAP of BHM shares for the period immediately preceding the date of the announcement of a delineated JORC Code or NI 43-101 compliant MRE of 1,000,000 oz of gold or greater, at a minimum grade of 8 g/t, subject to a Floor Price of $0.20 per share. Following achievement of the Tranche 2 MRE Milestone, the BHM shares must trade greater than or equal to the $0.20 per share VWAP Hurdle.	Value of a BHM share at the Admission Date compared to the value of a BHM Share following the achievement of the Tranche 2 Milestones.	The IPO price represents the value of a BHM share at the Admission Date (prior to vesting of the Performance Securities). The $0.20 VWAP Hurdle is reflective of the underlying value of a BHM share following achievement of the Tranche 2 Milestones. Therefore, the value of a BHM share at Admission Date and following the achievement of the Tranche 2 Milestones are equivalent.	Fair

Source: BDO analysis

2.5 Reasonableness

In Section 11 of our Report, we have considered the advantages and disadvantages of the Performance Securities as well as the consequences of the Performance Securities being on issue and other considerations for Security Holders.

Following these considerations, it is our opinion that on balance, the advantages of issuing the Performance Securities and the achievement of meeting the Performance Milestones are greater to Security Holders than the disadvantages. In particular, we consider it likely that the achievement of the Performance Milestones will be value accretive to Security Holders.

Accordingly, in the absence of any other relevant information, we believe that the Performance Securities are reasonable for Security Holders.

The respective advantages and disadvantages considered are summarised below:

ADVANTAGES AND DISADVANTAGES			
Section	Advantages	Section	Disadvantages
11.1.1	The Proposed Issue of Performance Securities is fair	11.2.1	Potential dilution of Security Holders' interests if the Performance Milestones are achieved and the Performance Securities vest and convert into ordinary shares
11.1.2	The achievement of the Performance Milestones will likely be value accretive		

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ADVANTAGES AND DISADVANTAGES			
Section	Advantages	Section	Disadvantages
11.1.3	The Performance Milestones are subject to a minimum Floor Price, which limits the maximum potential dilution of equity for Security Holders if the Performance Securities vest		
11.1.4	The Performance Securities allow the Company to fund the Acquisition of SMS whilst preserving cash raised under the IPO to progress the Mt Egerton Project		

Other key matters we have considered include:

Section	Description
11.3	Consequences of the Performance Securities not being issued
11.4	Other considerations

3. Scope of the Report

3.1 Purpose of the Report

ASX Listing Rule 6.1 requires that the terms that apply to each class of equity securities must, in ASX's opinion, be appropriate and equitable. ASX GN 19 requires an expert to be commissioned to prepare an independent expert's report that complies with RG 111, to express an opinion on whether the Performance Securities are fair and reasonable to Security Holders.

Relevantly, under ASX GN 19, the requirement for an independent expert's report arises if:

1. the entity is applying for quotation on the ASX, and
2. it has or proposes to have performance securities on issue at the date of its admission to quotation; and
3. the number of ordinary shares into which those performance securities will convert in aggregate if the applicable milestone is achieved, is greater than 10% of the number of ordinary shares the entity proposes to have on issue at the date of its admission to quotation (taking into account any ordinary shares that the entity may be issuing in connection with its listing).

The directors of BHM have engaged BDO as an independent expert, as the Performance Securities the Company proposes to have on issue at the date of its admission to quotation on the ASX will represent in excess of 10% of the issued capital of BHM (see Section 4).

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3.2 Regulatory guidance

Neither the Listing Rules nor the Corporations Act defines the meaning of 'fair and reasonable'. In determining whether the Performance Securities are fair and reasonable, we have had regard to the views expressed by ASIC in RG 111 which provides guidance as to what matters an independent expert should consider to assist Security Holders to make informed decisions about transactions.

One of the matters to be considered under RG 111 is whether a proposed issue constitutes a control transaction. In circumstances where a transaction is considered a control transaction, RG 111 requires the expert to consider the value inclusive of a control premium. We do not consider the issue of the Performance Securities to be a control transaction.

We are also required to have regard to ASX GN 19 which states:

"in determining their opinion on fairness and reasonableness, ASX would expect the independent expert to assume that the relevant performance milestone(s) have been met, assess the impact that would have on the value of the entity compared to the situation if the relevant performance milestone(s) were not met, and then determine whether the resulting number of ordinary shares to be issued by the entity to the holder of the performance shares is fair and reasonable in the circumstances.

ASX would have no objection to an independent expert expressing a broader view on an issue of performance securities, for example, a statement that while the expert is not able to conclude that the issue is fair or reasonable (as applicable), they regard it as being in the interests of the entity and non-participating security holders to proceed with the issue."

3.3 Adopted basis of evaluation

RG 111 states that a transaction is fair if the value of the offer price or consideration is equal to or greater than the value of the securities subject of the offer.

In order to conduct this assessment for the requirements under ASX GN 19, we are required to compare the value of a BHM share prior to the achievement of the Performance Milestones, to the value of a BHM share following the achievement of the Performance Milestones. This comparison should be made assuming a knowledgeable and willing, but not anxious buyer, and a knowledgeable and willing, but not anxious seller, acting at arm's length. Following this, ASX GN 19 states that we must consider, based on the results of the above comparison, whether the resulting number of shares to be issued to the holder of the Performance Securities is fair and reasonable.

However, in the instance of BHM, the Company is not seeking shareholder approval for the issue of the Performance Securities, rather, the Company is required to commission an IER because the Company proposes to have Performance Securities on issue at its Admission Date, which, in aggregate if the Performance Milestones are achieved (assuming the Floor Price), will convert into a number of ordinary shares which is greater than 10% of the number of ordinary shares that the Company proposes to have on issue at the Admission Date.

Therefore, in order to provide an opinion on whether the Performance Securities are fair, we have sought to assess how the value of a BHM share as at the date of the Prospectus compares to the value of a BHM share following the achievement of each respective Performance Milestone.

Further to this, RG 111 states that a transaction is reasonable if it is fair. It might also be reasonable if despite being 'not fair' the expert believes that there are sufficient reasons for Security Holders to accept the offer in the absence of any alternate options. Using this principle, we have considered other qualitative factors in assessing whether the Performance Securities are reasonable to Security Holders.

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Having regard to the above, BDO has completed this comparison in two parts:

- A comparison between the value of a BHM share as at the Admission Date (prior to the vesting of the Performance Securities), and the value of a BHM share following the achievement of the Performance Milestones including the dilution resulting from the issue of the ordinary shares on conversion of the vested Performance Securities (fairness – see Section 10 'Are the Performance Securities fair?')
- A consideration of other significant factors which may be relevant for Security Holders, after reference to the assessment derived above (reasonableness – see Section 11 'Are the Performance Securities reasonable?').

This assignment is a Valuation Engagement as defined by Accounting Professional & Ethical Standards Board professional standard APES 225 'Valuation Services' ('**APES 225**').

A Valuation Engagement is defined by APES 225 as follows:

'an Engagement or Assignment to perform a Valuation and provide a Valuation Report where the Valuer is free to employ the Valuation Approaches, Valuation Methods, and Valuation Procedures that a reasonable and informed third party would perform taking into consideration all the specific facts and circumstances of the Engagement or Assignment available to the Valuer at that time.'

This Valuation Engagement has been undertaken in accordance with the requirements set out in APES 225.

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4. Outline of the Performance Securities and the Acquisition

On 11 July 2025, BHM and its wholly owned subsidiary A.C.N. 683 084 353 Pty Ltd ('**ACN**'), entered into an Acquisition Agreement to acquire 80% of the issued capital of SMS. SMS owns a 100% legal and beneficial interest in the tenements forming the Mt Egerton Project ('**Tenements**').

Under the terms of the Acquisition Agreement, the consideration for the Acquisition of SMS consists of the following:

- 9.5 million shares in BHM ('**Consideration Shares**');
- 5 million options, exercisable at $0.30 that expire four years from the date of issue ('**Consideration Options**');
- up to $100,000 in cash as a reimbursement for expenditure incurred by the SMS Vendors on the Tenements up to completion of the Acquisition ('**Cash Consideration**'); and
- Performance Securities, which vest subject to certain criteria which is detailed in the table below:

Performance Securities Tranche	Performance Milestone	To the value of	Performance Period	Floor Price
Tranche 1 Performance Securities	Shares will be issued based on a deemed issue price equal to the 10-day VWAP of BHM shares for the period immediately preceding the date of the announcement of a delineated JORC Code or NI 43-101 compliant MRE of 500,000 oz of gold or greater, at a minimum grade of 8 g/t, subject to a Floor Price of $0.20 per share. Following the achievement of the Tranche 1 MRE Milestone, the BHM shares must trade greater than or equal to the $0.20 per share VWAP Hurdle.	$1 million	5 years from Admission Date	$0.20
Tranche 2 Performance Securities	Shares will be issued based on a deemed issue price equal to the 10-day VWAP of BHM shares for the period immediately preceding the date of the announcement of a delineated JORC Code or NI 43-101 compliant MRE of 1,000,000 oz of gold or greater, at a minimum grade of 8 g/t, subject to a Floor Price of $0.20 per share. Following achievement of the Tranche 2 MRE Milestone, the BHM shares must trade greater than or equal to the $0.20 per share VWAP Hurdle.	$3 million	5 years from Admission Date	$0.20

Collectively the Consideration Shares, Consideration Options, Cash Consideration and Performance Securities are referred to as **'the Consideration'**.

BHM is a wholly owned subsidiary of PRL. As part of the Acquisition, PRL is to spin-out BHM and undertake an IPO, by issuing 40 million shares at $0.20 per share to raise up to $8 million before costs. The IPO Subscription is the minimum subscription available under the IPO and no oversubscriptions above the minimum subscription will be accepted. PRL plans to cornerstone the IPO by subscribing for 15 million shares, in addition to the 15 million PRL will hold pre-IPO, resulting in a post-IPO equity interest in BHM of 46.5%.

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Capital structure dilution

Each Performance Security represents the right to acquire one fully paid ordinary share in the Company, subject to the achievement of the relevant Performance Milestones within the Performance Period.

As detailed in Section 3.1, ASX GN 19 requires an expert to be commissioned to prepare an independent expert's report that complies with RG 111, and to express an opinion on whether the Performance Securities are fair and reasonable to Security Holders.

Relevantly, under ASX GN 19 the requirement for an independent expert's report arises if:

1. the entity is applying for quotation on the ASX, and
2. it has or proposes to have performance securities on issue at the date of its admission to quotation; and
3. the number of ordinary shares into which those performance securities will convert in aggregate if the applicable milestone is achieved, is greater than 10% of the number of ordinary shares the entity proposes to have on issue at the date of its admission to quotation (taking into account any ordinary shares that the entity may be issuing in connection with its listing).

For illustrative purposes, we have presented below the maximum number of ordinary shares into which the Performance Securities will convert (based on the Floor Price), as a proportion of the number of shares that are proposed to be on issue at the Admission Date under the IPO. We have also presented the change in Security Holders', PRL's and the SMS Vendor's interest in BHM as at Admission Date and following the vesting and conversion of the Performance Securities.

Description	Number of ordinary shares
Shares in BHM held by PRL pre-IPO	15,000,000
Consideration Shares to be issued to SMS Vendors under the Acquisition	9,500,000
Shares in BHM to be issued to PRL under IPO*	15,000,000
Shares to be issued to Security Holders under the IPO	25,000,000
Total shares BHM proposes to have on issue at the Admission Date	64,500,000
% of BHM shares proposed to be held by Security Holders at the Admission Date	*38.8%*
% of BHM shares proposed to be held by PRL at the Admission Date	*46.5%*
% of BHM shares proposed to be held by SMS Vendors at the Admission Date	*14.7%*
Maximum number of BHM shares into which the Tranche 1 Performance Securities will convert based on the Floor Price	5,000,000
Maximum number of BHM shares into which the Tranche 2 Performance Securities will convert based on the Floor Price	15,000,000
Maximum number of BHM shares issued on conversion of the Performance Securities	20,000,000
Number of shares into which the Performance Securities will convert as a % of the number of shares that are proposed to be on issue at Admission Date	31.0%
Total shares BHM proposes to have outstanding at Admission Date plus maximum number of shares to be issued on conversion of the Performance Securities	84,500,000
% of BHM shares to be held by Security Holders following conversion of all Performance Securities into shares	29.6%
% of BHM shares to be held by PRL following conversion of all Performance Securities into shares	35.5%
% of BHM shares to be held by SMS Vendors following conversion of all Performance Securities into shares	34.9%

Source: BDO analysis

*We note that the IPO includes a priority offer of up to 5,000,000 BHM shares to eligible PRL shareholders, representing $1,000,000 of the total amount to be raised under the IPO.

We note that our assessment BHM's capital structure above does not consider potential further dilution from the conversion of the Consideration Options into shares, other convertible securities on issue, or any future equity raises by BHM required to achieve the Performance Milestones.

We understand the SMS Vendors are not associated with each other, and the Proposed Issue is not a control transaction pursuant to Section 611 of the Corporations Act 2001. Further, the conversion of the Performance Securities will be deferred to the extent that it results in a contravention of section 606 (1) of the Corporations Act.

5. Profiles of PRL and BHM

5.1 Overview of PRL

PRL is a public Australian company focused on the development of its HyEnergy Green Hydrogen Project ('**HyEnergy Project**') in Western Australia ('**WA**'). PRL was incorporated in 1993 and is currently headquartered in Subiaco, WA. PRL originally listed on the ASX in February 1994. PRL subsequently delisted from the ASX and relisted on the NSX in March 2025.

PRL's current Board of Directors comprise:

- Mr Peter Wall – Non-executive Chairman
- Mr David Frances – Managing Director and Chief Executive Officer
- Mr Charles McHugh – Non-Executive Director.

HyEnergy Project

PRL's flagship HyEnergy Project, located near Carnarvon in WA's Gascoyne region, is a proposed zero-carbon hydrogen project aiming to be powered by up to 8 gigawatts of wind and solar energy. It is intended to support electrolysers capable of producing approximately 600,000 tonnes of green hydrogen annually.

Between 2022 and 2024, PRL advanced the project through scoping, pre-feasibility, environmental and port development studies, as well as initial construction of necessary equipment. However, in August 2024, PRL announced that the opportunity to progress the HyEnergy Project had been lost due to prolonged delays by the WA Government in granting tenure over Crown Land for the projects first stage.

On 2 July 2025, PRL announced a potential opportunity to develop a high voltage direct current transmission link between the Gascoyne and the East Coast power grid. Whilst development of the HyEnergy remains on hold, PRL continues to engage with government stakeholders and considers the project its primary focus.

5.2 Overview of BHM

BHM is an Australian unlisted public company that was incorporated on 12 December 2024 as a wholly owned subsidiary of PRL, for the purpose of the Acquisition of SMS. PRL intends to spin-out BHM as a new ASX-listed entity focused on the exploration and development of the Mt Egerton Project.

BHM's proposed Board of Directors following the Acquisition will comprise:

- Mr Peter Wall – Non-Executive Chair
- Mr David Frances – Managing Director and Chief Executive Officer
- Mr Charles McHugh – Non-Executive Director.

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ACN

ACN is a wholly owned subsidiary of BHM that was incorporated on 13 December 2024 for the purpose of the Acquisition. ACN will acquire 80% of the issued shares in SMS at completion of the Acquisition. Under the terms of the Acquisition, ACN must fulfill the following minimum spending requirements:

- a minimum of $4 million on the Tenements at the Mt Egerton Project over the period of five-years commencing after the date of completion of the Acquisition. ACN must fulfill this expenditure requirement to maintain its 80% shareholding in SMS. If ACN fails to meet the $4 million expenditure requirement over the five-year period, ACN's ownership in SMS will reduce from 80% to 51%. It is noted that ACN may give notice that it wishes to cease funding this expenditure requirement at any time during the five-year period, in which case this same dilution clause will apply.
- ACN must spend $1 million within 12 months after obtaining work permits from the Department of Energy, Environment and Climate Action Victoria. If ACN fails to meet this commitment, the amount of shortfall must be paid to the SMS Vendors in cash.

Pursuant to the Acquisition Agreement, ACN has agreed to free carry the SMS Vendors on and from completion of the Acquisition until a decision to mine ('**Free Carried Period**'). During the Free Carried Period, ACN will solely fund all activities of SMS (including, on the Tenements) and have the sole right to determine the nature, location, timing and content of all work programs, activities and budgets of SMS (including, on the Tenements).

6. Profile of SMS

6.1 Overview

SMS is a private Australian company focused on its wholly owned Mt Egerton Project in Victoria. SMS was incorporated in 2011 and is led by Terry Delahunty, its Chief Executive Officer. Other than the tenements relating to the Mt Egerton Project, SMS has no other material assets, operations, or agreements.

Upon successful completion of BHM's Acquisition of SMS, the SMS Vendors will retain a 20% interest in SMS.

Mt Egerton Project

The Mt Egerton Project is a gold project situated 35 kilometres east of Ballarat and 95 kilometres west of Melbourne in Central Victoria, Australia. Between 1853 and 1906, the Mt Egerton Project produced over 1 million oz of gold. Since the closure of the mine in 1906 due to water ingress, minimal exploration has occurred at the project, with the exception of sporadic reverse circulation and diamond drilling programs that were carried out in the 1980s and 1990s.

The Mt Egerton Project comprises one Retention License ('**RL**'), covering 1,174 hectares, one granted Exploration License ('**EL**') covering 45 graticular sections and one EL application covering 53 graticular sections. Historical exploration includes 189 drillholes for a total of 23,141 metres.

Tenement	Grant/(application date)	Expiry date	Area	Registered Holder
RL 2018	25 October 2016	24 October 2030	1174.4 hectares	SMS
EL 6417	17 November 2017	16 November 2027	45 graticular sections	SMS
EL 8628	16 December 2024	Application pending	53 graticular sections	SMS

Source: Prospectus

In recent years, SMS has focused on the rehabilitation and conservation of the Mt Egerton Project as full scale mining is not permitted under the RL. Through its management of legacy tailings from the Mt Egerton area, SMS has removed over 200,000 tonnes of historic waste, improving local water quality.

Subject to a successful ASX listing, BHM intends to allocate between $2.5 million and $4 million towards further exploration, targeting both near-surface and deeper untested mineralisation.

7. Economic analysis

BHM will primarily be exposed to the risks and opportunities of the Australian market through its operations and its anticipated listing on the ASX. As such, we have presented an analysis on the Australian economy.

Overview

At its August 2025 Monetary Policy Decision meeting, the Reserve Bank of Australia (**'RBA'**) reduced the cash rate target by 25 basis points to 3.60%, marking a cumulative easing of 75 basis points since the beginning of the year. The decision reflects the RBA's assessment that inflationary pressures have continued to moderate from their 2022 peak, with, with tighter policy settings over recent years helping to bring demand and supply conditions closer into balance.

In the June 2025 quarter, the annualised trimmed mean inflation fell to 2.7%, down from 2.9% in the March 2025 quarter, while annualised headline inflation decreased from 2.4% in May 2025 to 2.1%, assisted by temporary cost-of-living relief measures. The RBA's updated forecasts indicate that underlying inflation is expected to move gradually towards the midpoint of the 2–3% target range, supported by an assumption of a further, gradual path of monetary easing.

Labour market conditions have softened modestly but remain relatively tight. The unemployment rate rose to 4.3% in June 2025, up from 4.1% in May 2025, averaging 4.2% over the June quarter. Broader measures of labour underutilisation remain low, with business surveys reporting that labour availability constrains activity in some sectors. Wage growth has eased from its peak, but persistently weak productivity growth has contributed to elevated unit labour cost growth.

Domestic demand is showing signs of recovery. Real household incomes have improved, and some indicators of financial conditions have eased. However, many businesses report that subdued demand continues to limit their capacity to pass through cost increases to consumers. Gross Domestic Product (**'GDP'**) expanded by 1.3% in the year to March 2025, remaining unchanged from the year to December 2024, underscoring the modest pace of overall growth.

Financial markets have been volatile throughout 2025. Australian equities performed strongly at the start of the year, supported by resilient corporate earnings, favourable economic data, and firm commodity prices, mirroring movements in the United States (**'US'**) market. However, on 2 April 2025, the announcement of significant US tariffs on major trading partners, including Australia, China, and Europe, triggered sharp global equity market declines. While both US and Australian equity markets subsequently

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rebounded and surpassed February highs following progress in trade negotiations, volatility and investor uncertainty remain elevated.

Outlook

The RBA notes that global economic uncertainty remains high, although recent clarification around the scope of US tariffs and policy responses has reduced the likelihood of the most adverse outcomes. Nonetheless, trade policy developments are expected to weigh on global activity, with the risk that households and firms defer spending and investment decisions until the international outlook stabilises.

Other key uncertainties include the lagged impact of recent monetary policy easing, the responsiveness of firms' pricing and wage decisions to evolving demand and supply conditions, and the ongoing implications of weak productivity growth for unit labour costs.

The RBA has reiterated that its policy priorities remain price stability and full employment. With underlying inflation continuing to moderate towards the target and labour market conditions softening in line with expectations, further monetary easing has been deemed appropriate. The RBA has emphasised that it remains cautious and stands prepared to respond decisively should international developments materially affect the outlook for the Australian economy.

Source: www.rba.gov.au Statement by the Monetary Policy Board: Monetary Policy Decision dated 12 August 2025 and prior periods, the Australian Bureau of Statistics "Labour Force Australia June 2025", Australian Financial Review "Trump mocks world leaders as huge new tariffs take effect".

8. Industry analysis

BHM intends to become an ASX listed company focused on gold exploration and development. As such, we have presented an overview of the Australian exploration sector and gold mining industry, to the extent that it relates to considerations for our assessment.

8.1 Exploration Sector

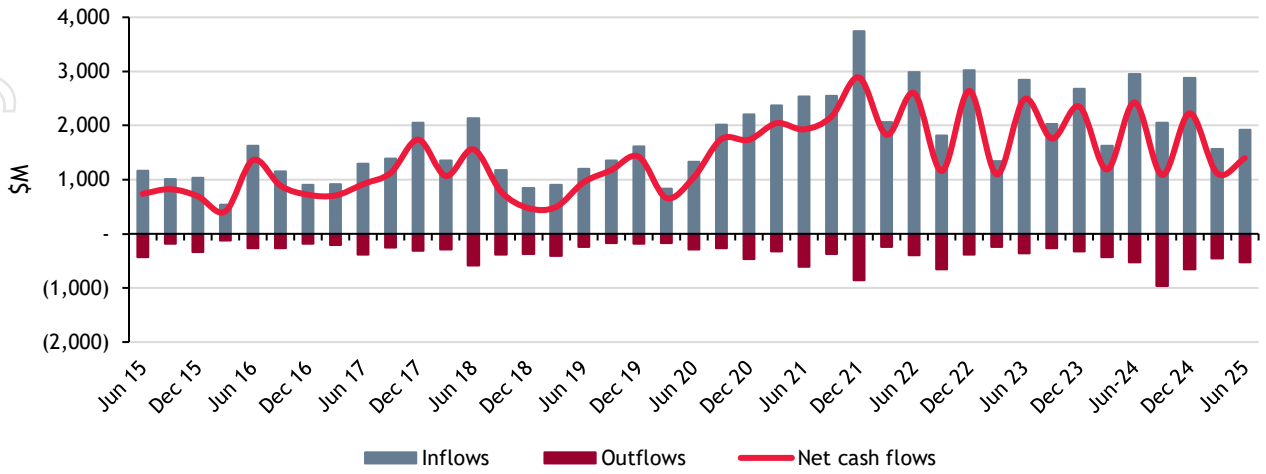
BDO reports on the financial health and cash positions of ASX-listed exploration companies based on the quarterly Appendix 5B reports lodged with the ASX. ASX-listed mining and oil and gas exploration companies are required to lodge an Appendix 5B report each quarter, outlining the company's cash flows, their financing facilities available and management's expectation of future funding requirements. BDO's report for the June quarter of 2025 reveals a rebound in activity across the sector after a subdued start to the year marked by cautious capital allocation and declining cash reserves. This quarter delivered a broad-based rebound in financing, exploration activity, and investor engagement, suggesting that explorers are beginning to re-engage in growth strategies as macroeconomic conditions stabilise.

In the June 2025 quarter financing cash inflows rose to $1.93 billion, a 22% increase from the $1.57 billion of funds raised in the previous quarter. Financing inflows averaged $2.58 million per explorer, which is 13% lower than the two-year average of $2.95 million (since June 2023). This increase in financing inflows was partially offset by a 16% increase in financing cash outflows. As a result, net financing cashflows increased by 25% from the March 2025 quarter, up to $1.40 billion. However, we acknowledge the influence of seasonality on this trend, with the June quarter often being a stronger net financing inflow quarter.

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ASX explorers' financing cash flows ($M)



Source: BDO analysis

The number of companies which raised capital exceeding $10 million (which we have termed '**Fund Finders**') increased in the June 2025 quarter with 42 companies raising $1.31 billion compared to the 26 companies who raised $1.07 billion in the March 2025 quarter. On average, the Fund Finders in the June 2025 quarter raised $31.97 million each and contributed to 69% of the total financing inflows in the quarter. This quarter's Fund Finder cohort was again dominated by gold companies, with the remaining 28 companies spread across ten commodities, comprised mostly of copper-gold, oil and gas, and lithium. Equity remained the main source of investment, accounting for 83% of total funds raised.

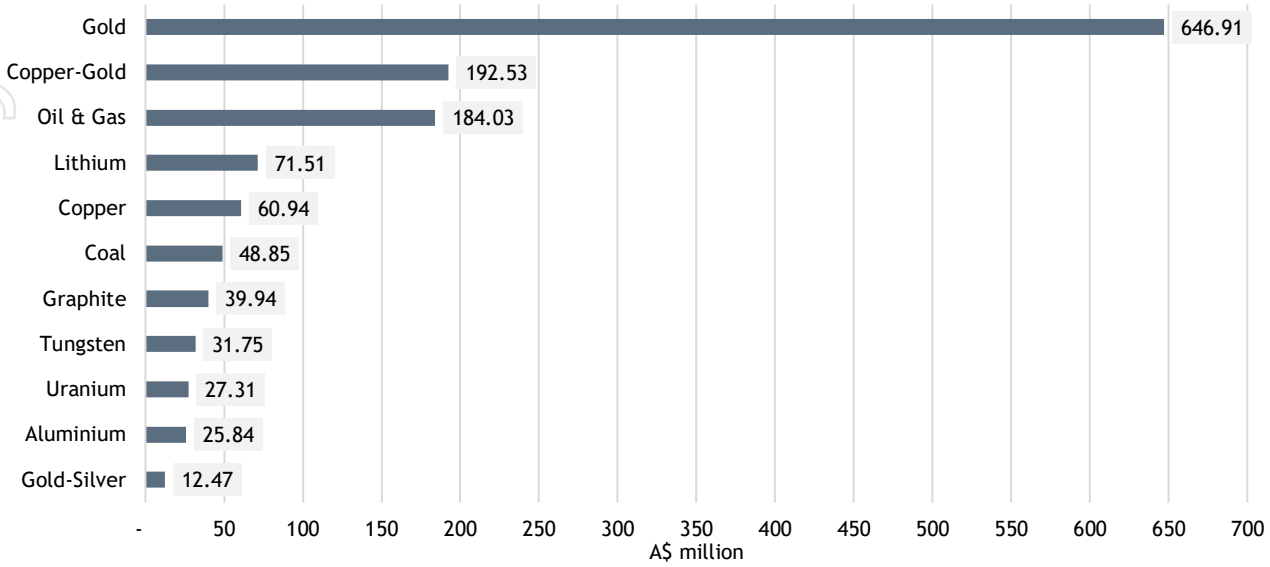
Gold maintained its position as the leading commodity in the quarter, raising $646.91 million, and contributing 48% of the total funds raised by the Fund Finders. The persistence of gold in recent quarters underscores gold's enduring appeal as a safe haven asset, particularly amid heightened macroeconomic uncertainty. Copper-gold and oil and gas explorers followed, benefiting from themes of electrification and energy security.

Meanwhile, lithium explorers continued to show reduced activity this quarter, extending the pullback from last year's fund raisings for the commodity. However, as global lithium pricing remains soft due to oversupply and subdued demand, signs of a full recovery have yet to materialise. On the other hand, uranium financing rebounded after dropping to nil in the March 2025 quarter, after building up momentum since the December 2023 quarter due to renewed interest in nuclear energy.

Interestingly, despite the global energy transition narrative, coal companies have consistently appeared among Fund Finders for the past eight quarters. This suggests investors are selectively backing coal projects that meet short-term market needs, particularly for steelmaking and energy security concerns. Meanwhile, niche critical minerals are regaining attention, with two tungsten companies securing significant funding this quarter, the first since March 2024. This reappearance likely reflects nascent investor interest in diversified critical minerals.

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Financing inflow by commodity - Top 42 explorers - June quarter 2025

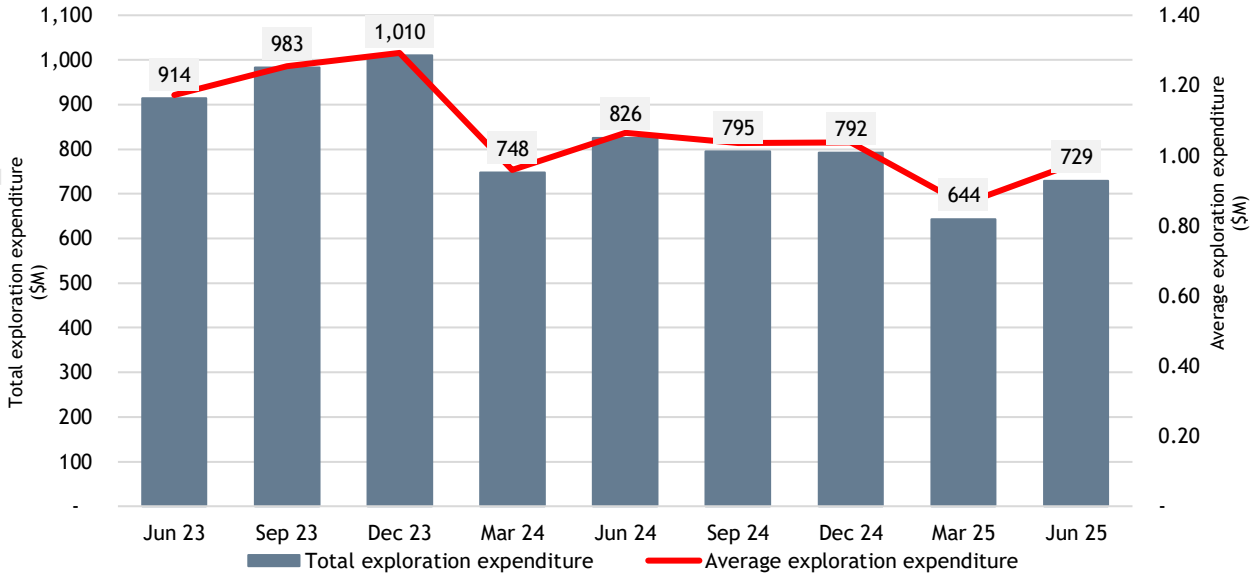


Source: BDO analysis

After a significant slowdown in exploration activities across the board in the March 2025 quarter, we observed a rebound in exploration expenditure in the June 2025 quarter. Exploration expenditure of $728.97 million represents a 13% increase from the preceding March quarter, breaking a four-quarter downtrend, with the average exploration spend per explorer of $0.98 million also breaking the multi-year low. This reversal signals a cautious recovery as financing improves, especially with expected rate relief likely to support an upward trend in exploration budgets.

Our analysis indicates that spending for the June 2025 quarter was spread with more companies committing over $2 million. The $1 million to $2 million cohort grew, and those spending above $5 million also increased.

Total exploration expenditure - Last two years ($M)



Source: BDO analysis

Over the quarter we observed a continued reduction in the cash balances of explorers, with total cash reserves declining by 7% from the previous quarter. This is below the peak of over $10 million we observed in the year prior, as spending slightly outpaced fundraising. Our analysis indicates that most companies have enough cash for the near term. However, inflation has reduced the real value of cash, prompting management to continue to prioritise treasury top-ups when feasible, even if it means issuing equity.

Overall, activity in the June 2025 quarter suggests cautious optimism, marked by heightened investor engagement, rebounds across key metrics, and gold maintaining its dominance due to high prices and investor support. This quarter illustrates signs of resurgence amongst the explorer cohort, with fundraising and in-ground activity lifted from March 2025 lows, led again by gold and a handful of advanced energy transition adjacent companies.

Source: BDO Explorer Quarterly Cash Update: June 2025 and prior releases.

8.2 Gold

Gold is a soft malleable metal which is highly desirable due to its rarity, permanence, and unique mineral properties. Gold has been used in jewellery and as a form of currency for thousands of years. More recently, there has been increasing demand for its use in the manufacture of electronics, dentistry, medicine, and aerospace technology.

In addition to its practical applications, gold also serves as an international store of monetary value. Gold is widely regarded as a monetary asset as it is considered less volatile than world currencies, and therefore, provides a safe haven investment during periods of economic uncertainty.

The mining and mineral processing techniques applied to gold is determined by the nature of the ore deposit. Gold contained in oxide ore deposits are typically of low grade and are simple to extract and readily amenable by cyanidation. Consequently, highly disseminated gold can be contained within sulphide minerals which require mining, crushing, grinding and to be followed by gravity separation to recover the gold, subject to flotation to concentrate the sulphide mineral fraction containing the gold. Inherently, the costs associated with the treatment of oxide ore are significantly less than of sulphide ores.

Once mined, gold continues to exist indefinitely and is often melted down and recycled to produce alternative or replacement products. Consequently, demand for gold is supported by both gold ore mining and gold recycling. A summary of the recent historical supply of gold is provided in the table below.

Gold supply (tonnes)	2018	2019	2020	2021	2022	2023	2024
Mine production	3,656	3,596	3,482	3,589	3,625	3,644	3,661
Net producer hedging	(12)	6	(39)	(7)	(13)	17	(57)
Recycled gold	1,132	1,276	1,293	1,136	1,140	1,237	1,370
Total supply	**4,776**	**4,878**	**4,736**	**4,718**	**4,752**	**4,899**	**4,975**

Source: World Gold Council Statistics, 5 February 2025

The World Gold Council anticipates that gold will achieve its strongest annual performance in over a decade in 2025. Heightened geopolitical tension during a key election year for many major economies and ongoing financial uncertainty from weakening global economic conditions should see gold experience persisting strong demand. Continued purchases by major central banks and concerns about a global recession is anticipated to offer further backing for the commodity. However, the risk of tighter monetary policy or an economic soft landing, particularly concerning the US economy, could result in gold divestment.

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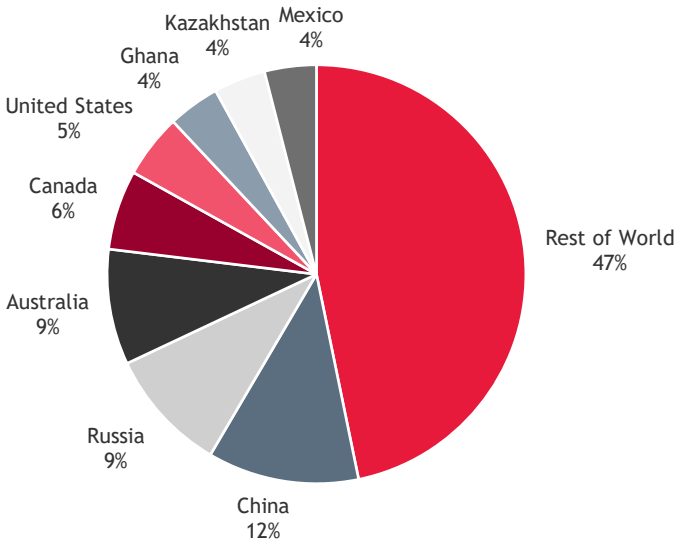
Gold ore mining is a capital intensive and high-cost process, which becomes increasingly difficult and more expensive as the quality of ore reserves diminish. The industry also incurs many indirect costs related to exploration, royalties, overheads, marketing, and native title law. Typically, many of these costs are fixed in the short term as a result of industry operators' inability to significantly alter cost structures once a mine commences production.

The gold industry is geographically diverse as China, Australia and Russia lead global gold production. According to the USGS ('**US Geological Survey**'), total estimated global gold ore mined for 2024 was approximately 3,250 metric tonnes ('**t**'). The following charts illustrate the estimated global gold production and reserves by country for 2024.

Gold production and reserves

The USGS estimates that overall global gold production in 2024 remained relatively unchanged from 2023 as production decreases in the US, Kazakhstan and South Africa were offset slightly by production increases in countries such as Ghana, Tanzania and Mali.

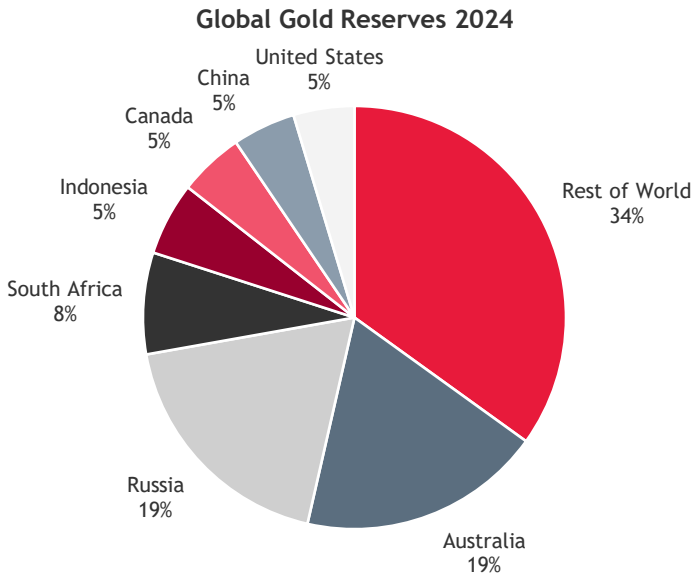
Global Gold Mine Production 2024



Source: U.S. Geological Survey January 2025 (revised March 2025), and BDO Analysis

Despite China leading global gold production in 2024, Australia, Russia and South Africa hold the largest known gold reserves globally. As depicted below, the USGS estimates that collectively, these three countries account for approximately 46% of global gold reserves.

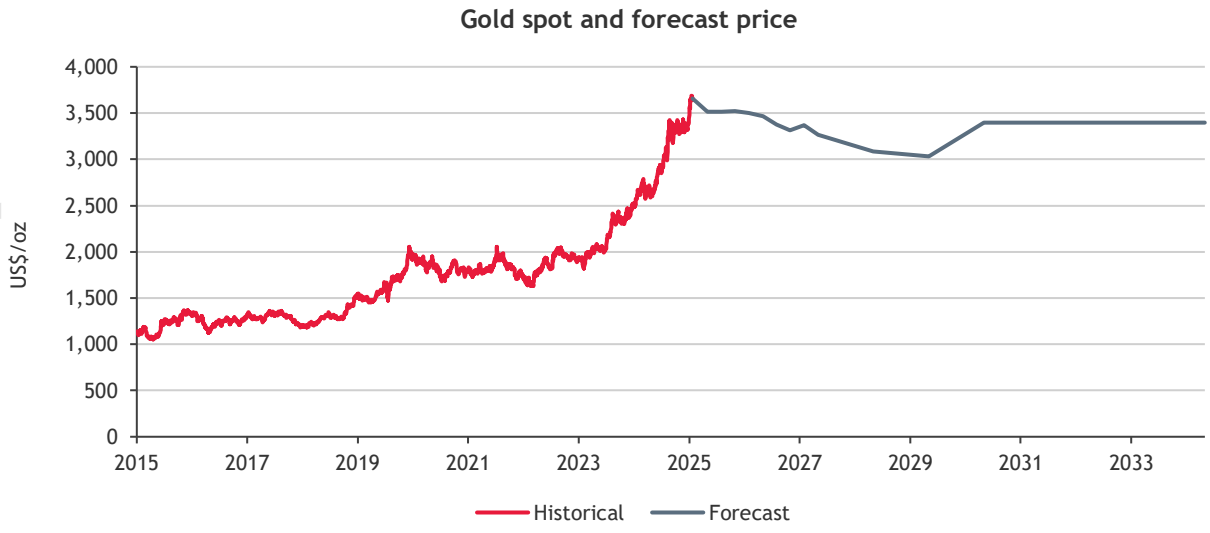
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Source: U.S. Geological Survey January 2025 (revised March 2025), and BDO Analysis

According to USGS, Australia's gold reserves amount to 12,000t, representing approximately 19% of global reserves.

Gold prices



Source: CapIQ, Consensus Economics Survey dated 22 August 2025, and BDO Analysis

The figure above illustrates the historical fluctuations in the gold spot prices quoted on the Commodity Exchange ('**COMEX**') from January 2015 to August 2025 as well as forecasts for gold prices from the remainder of 2025 to 2034 based on forecast data from Consensus Economics and BDO analysis.

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Over the period from 2015 through to 2019, the gold price fluctuated primarily between US$1,100/oz and US$1,400/oz. Throughout 2020, gold prices fluctuated significantly. Demand for gold increased in response to the uncertainty created by the pandemic, as investors prioritised safe haven assets. In late March 2020, the increasing demand for gold was interrupted by a panic selloff as investors began to realise their profits amidst growing uncertainty. Gold spot prices fell to a yearly low of US$1,471/oz, before rallying in late July and early August to exceed US$2,000/oz. COVID-19 was the primary driver of the increase in gold price, as central banks injected billions of dollars into financial markets and investors flocked to safe assets. Additionally, the prevailing low-interest rate environment at the time increased access to capital, which further spurred investment in gold.

Through to early January 2021, the price of gold increased due to further fallout from the US Election, climbing back over US$1,900/oz after remaining in the US$1,800s/oz through most of December 2020. For the rest of 2021, the price of gold traded between US$1,600/oz and US$1,900/oz as demand fluctuated throughout the year. Rising US treasury yields initially threatened gold's appeal as an inflation hedge by increasing the opportunity cost of holding the precious metal. However, concerns regarding the spread of the Delta Variant of COVID-19 increased gold's appeal as a safe-haven asset. The price of gold exceeded US$1,800/oz in early July 2021. However, this was quickly reversed in the following months as the US Federal Reserve signalled policy tightening, which coming sooner than anticipated, drove US treasury yields and a stronger US dollar. Towards the end of the year, gold prices strengthened following the US Federal Reserve's announcement to reduce purchases of Government bonds, as well as the release of US inflation data which revealed an annualised inflation rate of 6.2%, its highest level since 1990.

The invasion of Ukraine by Russia in February 2022 saw gold prices climb above US$1,900/oz and peak at US$2,039/oz during March, in response to several economic sanctions on Russia and the release of US inflation data which indicated an annualised inflation rate of 8.5%. In May 2022, the price of gold weakened to US$1,800/oz following the US Federal Reserve's aggressive monetary tightening to control rising inflation. The gold price continued to decline until September 2022, before it staged a recovery driven by a combination of slowing US inflation, depreciation of the US dollar, and increased gold demand by central banks for reserve diversification.

In the first quarter of 2023, several financial institutions, such as the Credit Suisse Group AG and the Silicon Valley Bank, faced liquidity and investor confidence issues. A lack of confidence in some parts of the banking sector supported the gold price. Early April 2023 saw gold prices surpass US$2,000/oz as investors speculated a nearing of the end of interest rate tightening in the US.

During January and February of 2024, gold continued to largely trade above US$2,000/oz. However, in March, the gold price rapidly increased to over US$2,400/oz. The rise in the gold price was attributed to several factors including geopolitical instability from conflicts in Ukraine and the Middle East, global inflation, and an increased holding in gold by central banks in developing countries. In late October 2024, gold prices increased to a 10-year high, rising above US$2,700/oz, driven by continuing uncertainty in the Middle East, the US presidential election and US economic data supporting interest rate cuts.

In early 2025, gold prices continued their upward trend, surpassing US$3,000/oz in March and ending the month of June at approximately US$3,400/oz. The increase was primarily driven by safe haven demand amid concerns over US trade policies. Additionally, central banks increasing their gold holdings, which along with a weakening US dollar, further contributed to the movement.

In September 2025, the gold price extended its rally, climbing nearly 40% year-to-date to reach a record of almost US$3,700/oz. This was driven by continued central bank buying, particularly from China, as part of broader efforts to diversify reserves away from the US dollar, and by persistent geopolitical tensions driving safe-haven demand. The US Federal Reserve's rate cut in mid-September, along with expectations

of further easing, has added further support. With ongoing macroeconomic and political uncertainty, gold is expected to remain well-supported.

According to Consensus Economics and BDO analysis, the gold price is expected to trade around current levels from the remainder of 2025 through to 2026, before weakening up to 2029. From the remainder of 2025 to 2029, the gold price is expected to range between around US$3,000/oz and US$3,500/oz. Despite weakening over the medium-term, the longer-term nominal forecast from 2030 onwards, is expected to be closer to the middle of this range at approximately US$3,400/oz.

Source: CapIQ, Consensus Economics, IBISWorld, US Geological Survey, World Gold Council, Reuters, and BDO Analysis

9. Valuation approach adopted

As detailed in Sections 2 and 3 of our Report, in assessing whether the Performance Securities are fair and reasonable, we have assessed the value of a BHM share at the Admission Date (prior to vesting of the Performance Securities) and compared it to the value of a BHM share following achievement of the Performance Milestones, and the resulting issue of ordinary shares on conversion of the Performance Securities.

9.1 Value of a BHM share as at the Admission Date

In our assessment of a BHM share at the Admission Date, we have chosen to employ a market-based assessment as our valuation methodology. The market approach involves determining the value of a BHM share by considering recent or prospective market sales and precedent transactions involving the sale of the Company's shares, commonly in the form of a placement or other capital raising.

A key factor in determining the appropriateness of using this methodology is whether the acquirer of the company's shares is an unrelated third party and whether the level of interest subscribed for in the company's equity is substantial enough to reflect the underlying value of the company. These factors need to fulfil the definition of an arm's length transaction between a willing buyer and willing seller for the shares in that company.

We consider that the offer of BHM's shares under the Prospectus will represent an arm's length transaction between a large number of willing buyers and a willing seller, in which the price subscribed for under the IPO is a strong indicator of market value. On an undiluted basis, the number of shares subscribed for under the IPO equates to an interest of approximately 62%, which we consider to be substantial enough for it to reflect the fair value of the Company's shares. Therefore, we have determined that the IPO offer price $0.20 per share is the best indicator of the fair value of a BHM share at the Admission Date.

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9.2 Valuation of a BHM share following the achievement of the Performance Milestones

As detailed in Section 4, the Performance Securities issued to SMS Vendors vest subject to certain criteria which is summarised below:

Performance Securities Tranche	Performance Milestone	To the value of	Performance Period	Floor Price
Tranche 1 Performance Securities	Shares will be issued based on a deemed issue price equal to the 10-day VWAP of BHM shares for the period immediately preceding the date of the announcement of a delineated JORC Code or NI 43-101 compliant MRE of 500,000 oz of gold or greater, at a minimum grade of 8 g/t, subject to a Floor Price of $0.20 per share. Following the achievement of the Tranche 1 MRE Milestone, the BHM shares must trade greater than or equal to the $0.20 per share VWAP Hurdle.	$1 million	5 years from Admission Date	$0.20
Tranche 2 Performance Securities	Shares will be issued based on a deemed issue price equal to the 10-day VWAP of BHM shares for the period immediately preceding the date of the announcement of a delineated JORC Code or NI 43-101 compliant MRE of 1,000,000 oz of gold or greater, at a minimum grade of 8 g/t, subject to a Floor Price of $0.20 per share. Following achievement of the Tranche 2 MRE Milestone, the BHM shares must trade greater than or equal to the $0.20 per share VWAP Hurdle.	$3 million	5 years from Admission Date	$0.20

ASX GN 19 states:

"in determining their opinion on fairness and reasonableness, ASX would expect the independent expert to assume that the relevant performance milestone(s) have been met, assess the impact that would have on the value of the entity compared to the situation if the relevant performance milestone(s) were not met, and then determine whether the resulting number of ordinary shares to be issued by the entity to the holder of the performance shares is fair and reasonable in the circumstances."

Under RG 111.91, an expert's opinion should be based on reasonable grounds, with the grounds being set out in the report. Similarly, RG 111.112 states that an expert should not include forward-looking information unless there are reasonable grounds for the forward-looking information.

We note that RG 170 ordinarily relates to prospective financial information, however RG 111.114 states that RG 170 provides useful guidance for the inclusion of forward-looking information that does not fall within the definition of 'prospective financial information'. RG 170.17 states that the making of a forward-looking statement must have reasonable grounds or it will be taken to be misleading. This is further supported by IS 214, which applies the principles of RG 170 to forward-looking information in the mining and resources sector.

In order to compare the value of a BHM share prior to and following the achievement of the respective Performance Milestones, we must consider whether there are reasonable grounds to make forward-looking assumptions around the future value of the Company. If there are sufficient reasonable grounds to do so, an assessment as to how the change in value of a BHM share following the achievement of the respective

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Performance Milestones compares to the value of a BHM share at the Admission Date can be undertaken and hence an assessment of fairness can be derived.

We have considered the terms of the Performance Securities and have determined that we have sufficient reasonable grounds, in accordance with RG 170, to conclude that the $0.20 per share VWAP Hurdle is reflective of the underlying value of a BHM share following the achievement of the Performance Milestones.

10. Are the Performance Securities fair?

Having regard to the guidance set out in ASX GN 19, RG 111 and RG 170, our opinion in relation to whether the Performance Securities are fair to Security Holders is set out below.

As stated in Section 9, we have considered the terms of the Performance Securities and have determined that we have sufficient reasonable grounds, in accordance with RG 170, to conclude that the $0.20 per share VWAP Hurdle is reflective of the underlying value of a BHM share following the achievement of the Performance Milestones.

In our opinion, the Proposed Issue of the Performance Securities is fair because we have assumed that the $0.20 VWAP Hurdle following achievement of the Tranche 1 MRE Milestone and Tranche 2 MRE Milestone is reflective of the underlying value of a BHM share. This means that in order for the Performance Securities to vest, the value of a BHM share following the achievement of the Performance Milestones must be at least equivalent to the value of a BHM share at the Admission Date (prior to the vesting of the Performance Securities), being the IPO price of $0.20 per share.

A summary of our fairness assessment is outlined below:

Performance Securities Tranche	Performance Milestone	Fairness test	Description	Conclusion
Tranche 1 Performance Securities	Shares to the value of $1 million will be issued based on a deemed issue price equal to the 10-day VWAP of BHM shares for the period immediately preceding the date of the announcement of a delineated JORC Code or NI 43-101 compliant MRE of 500,000 oz of gold or greater, at a minimum grade of 8 g/t, subject to a Floor Price of $0.20 per share. Following the achievement of the Tranche 1 MRE Milestone, the BHM shares must trade greater than or equal to the $0.20 per share VWAP Hurdle.	Value of a BHM share at the Admission Date compared to the value of a BHM Share following the achievement of the Tranche 1 Milestones.	The IPO price represents the value of a BHM share at the Admission Date (prior to vesting of the Performance Securities). The $0.20 VWAP Hurdle is reflective of the underlying value of a BHM share following achievement of the Tranche 1 Milestones. Therefore, the value of a BHM share at Admission Date and following the achievement of the Tranche 2 Milestones are equivalent.	Fair
Tranche 2 Performance Securities	Shares to the value of $3 million will be issued based on a deemed issue price equal to the 10-day VWAP of BHM shares for the period immediately preceding the date of the announcement of a delineated JORC Code or NI 43-101 compliant MRE of 1,000,000 oz of gold or greater, at a minimum grade of 8 g/t, subject to a Floor Price of $0.20	Value of a BHM share at the Admission Date compared to the value of a BHM Share following the achievement of the Tranche 2 Milestones.	The IPO price represents the value of a BHM share at the Admission Date (prior to vesting of the Performance Securities). The $0.20 VWAP Hurdle is reflective of the underlying value of a BHM share following achievement of the	Fair

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Performance Securities Tranche	Performance Milestone	Fairness test	Description	Conclusion
	per share. Following achievement of the Tranche 2 MRE Milestone, the BHM shares must trade greater than or equal to the $0.20 per share VWAP Hurdle.		Tranche 2 Milestones. Therefore, the value of a BHM share at Admission Date and following the achievement of the Tranche 2 Milestones are equivalent.	

Source: BDO analysis

11. Are the Performance Securities reasonable?

In assessing whether the Performance Securities are reasonable for Security Holders, we have considered the advantages and disadvantages associated with the Performance Securities, the consequences of the Performance Securities not being on issue, the consequences of the Performance Milestones being achieved, and the position of Security Holders should be Performance Milestones not be achieved.

Giving consideration to each of the points set out below, we consider the Performance Securities to be reasonable to Security Holders.

11.1 Advantages of the Performance Securities

We have considered the following advantages when assessing whether the terms of the Performance Securities are reasonable.

11.1.1. The Proposed Issue of the Performance Securities are fair

As set out in Section 12, the Proposed Issue of the Performance Securities are fair. RG 111.12 states that an offer is reasonable if it is fair.

11.1.2. The achievement of the Performance Milestones will likely be value accretive

The Tranche 1 Performance Securities vest subject to BHM announcing an MRE of at least 500,000 oz of gold and the achievement of a $0.20 per share VWAP Hurdle, at which point shares to the value of $1 million will be issued. The Tranche 2 Performance Securities vest subject to BHM announcing an MRE of at least 1,000,000 oz of gold and the achievement of a $0.20 per share VWAP Hurdle, at which point shares to the value of $3 million will be issued.

These vesting conditions imply resource multiples of $2/oz and $3/oz, for the Tranche 1 Performance Securities and Tranche 2 Performance Securities respectively.

We consider that the delineation of a JORC-compliant MRE of either 500,000 or 1,000,000 oz of gold at a minimum grade of 8 g/t would constitute a material discovery and is likely to derive value for Security Holders.

To estimate whether the achievement of the Performance Milestones is likely to be value accretive, we have conducted an analysis of the average resource multiples implied by companies we consider comparable to BHM, in comparison to the implied resource multiples of the Tranche 1 Milestone and Tranche 2 Milestone.

We identified six comparable publicly listed companies based on the following search criteria:

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- ASX-listed
- Australian operations
- Early-stage explorer or developer with a primary focus on a single gold project
- JORC-compliant MRE with contained gold in excess of 500,000 oz.

The following table sets out the resource multiples of comparable listed companies, which have been assessed at 24 September 2025, using each company's contained oz of gold sourced from their most recently disclosed JORC-compliant MRE. Enterprise value ('**EV**') was derived from the comparable company's most recent market capitalisation, adjusting for net debt (excluding lease liabilities).

Company name	Primary project	Enterprise value ($000's)	Contained gold oz (000's)	Gold grade (g/t)	Resource multiple (EV/ contained gold oz)
Antipa Minerals Limited (ASX:AZY)[1]	Minyari Project	398,537	2,520	1.48	158.1
Ausgold Limited (ASX:AUC)	Katanning Gold Project	386,521	2,443	1.11	158.2
Horizon Gold Limited (ASX:HRN)	Gum Creek Project	99,587	2,137	1.50	46.6
Minerals 260 Limited (ASX:MI6) [2]	Bullabulling Gold Project	418,765	2,300	1.20	182.1
Rox Resources Limited (ASX:RXL)	Youanmi Project	293,590	2,200	5.60	133.5
Saturn Metals Limited (ASX:STN) [3]	Apollo Hill	271,860	2,239	0.51	121.4
			Mean	**1.90**	**133.3**
			Median	**1.34**	**145.8**

Source: S&P Capital IQ and BDO analysis

1. We note that Antipa Minerals Limited's Minyari Project is prospective for copper, silver and cobalt. Given this, we have used the gold equivalent total as provided in the ASX announcement released on 21 May 2025.
2. We note Minerals 260 Limited also owns the Moora Project, an early-stage copper exploration project, which does not have a reported mineral resource estimate. However, it is unlikely that the market would be attributing material value to this project.
3. We note Saturn Metals Limited also has a joint venture interest in gold exploration project, West Wyalong, which does not have a reported mineral resource estimate. However, it is unlikely that the market would be attributing material value to this project.

As set out in the table above, the observed resource multiples range from a low of $46.6/oz to a high of $182.1/oz, with a mean and median of $133.3/oz and $145.8/oz, respectively. This is significantly higher than the $2/oz and $3/oz implied by the Tranche 1 Performance Milestone and Tranche 2 Performance Milestone, respectively.

In considering the above resource multiples and their relevance to the Performance Milestones, we note the following:

- This analysis does not account for any dilution resulting from future capital raisings that may be required to fund the exploration and development activities necessary to achieve the Performance Milestones.

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- Trading resource multiples are typically not a reliable method for valuing resource companies because the market can often attribute value to assets outside of the resource, for example exploration potential.
- The market may be attributing value to other assets (or detracting value for liabilities) outside of the companies' mineral resource.

Whilst the above analysis shows that the market can value comparable companies at between $46.6/oz and $182.1/oz, for the above reasons, this does not guarantee that the achievement of the Performance Milestones will result in an increase in the value per BHM share after factoring in the dilution of the Performance Securities.

Based on the above analysis, we consider the achievement of the Performance Milestones are likely to be value accretive. We note that as a result of the VWAP Hurdles, the value of BHM following vesting of the Performance Milestones would at least be equivalent to the value of a BHM share at the Admission Date (prior to vesting of the Performance Securities).

11.1.3. The Performance Milestones are subject to a minimum Floor Price, which limits the maximum potential dilution of equity for Security Holders if the Performance Securities vest

The Performance Securities are subject to a Floor Price of $0.20 per share, which establishes a minimum issue price upon conversion following the achievement of the Performance Milestones. This Floor Price caps the maximum number of Performance Securities that may convert into ordinary shares at 20 million, thereby limiting potential equity dilution to existing Security Holders.

As detailed in Section 4 of our Report, the Performance Securities would dilute Security Holders' interest in BHM from a maximum of 38.8% as at the Admission Date to a maximum of 29.6% if fully vested and converted, assuming no other share issues.

11.1.4. The Performance Securities allow the Company to fund the Acquisition of SMS whilst preserving cash raised under the IPO to progress the Mt Egerton Project

The Performance Securities form a significant component of the Consideration for the Acquisition of SMS. As the Consideration is non-cash, it enables BHM to preserve the funds raised under the IPO for exploration and development of the Mt Egerton Project.

The deferred and contingent nature of the Performance Securities also allows BHM to progress its gold project, while limiting dilution to value-accretive milestones, aligning dilution with project success.

11.2 Disadvantages of the Performance Securities

We have considered the following disadvantages in our assessment of whether the Performance Securities are reasonable.

11.2.1. Potential dilution of Security Holders' interests if the Performance Milestones are achieved and the Performance Securities vest and convert into ordinary shares

The impact of issuing the Performance Securities is that if the Performance Milestones are met, Security Holders' interest in the Company will be diluted. The Performance Securities (if vested) will represent 31% of the total number of shares that are proposed to be on issue at the Admission Date. Therefore, if all

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Performance Securities are converted to shares, existing Security Holders interests will be diluted from 38.8% to 29.6% of the Company's issued capital under the IPO Subscription.

However, we note that despite Security Holders' interests decreasing following the vesting of the Performance Securities, it is likely that the value of their interest will increase as a result of the Performance Milestones being met.

11.3 Consequences of the Performance Securities not being issued

In the event that the Performance Securities are not issued, BHM will not be able to proceed with the Acquisition of SMS on the current terms. The Company would instead be required to renegotiate the Acquisition to amend the consideration structure, which may delay or jeopardise the completion of the Acquisition.

11.4 Other considerations

Consequences of the Performance Securities not vesting

Should the Performance Milestones not be met during the Performance Period, the Performance Securities will not vest and there will be no dilution of Security Holders' interest in the Company, meaning that Security Holders would be no better or worse off.

Security Holders interest in BHM will dilute further if equity is raised to fund the Mt Egerton Project

The Company will be required to fund exploration and development activities at the Mt Egerton Project following completion of the Acquisition. Should BHM choose to raise capital through equity to fund these activities, existing Security Holders may experience further dilution, particularly if they do not participate in future capital raisings.

Vesting on change of control event

As detailed in Section 10.5 of the Prospectus, the Performance Securities vest on a change of control event. We consider this to be a customary clause for these types of securities and we would not have sufficient reasonable grounds to assume a change of control event would occur and whether the value of BHM would be above or below the value of BHM at the Admission Date. Further, Shareholders will be given the opportunity to vote against the change of control transaction (if effected via a scheme of arrangement) or reject the offer (if effected via a takeover). For these reasons, we do not consider it appropriate to factor this clause into our assessment of whether the Proposed Issue of the Performance Securities are fair.

Further, we note that the vesting of performance securities on a change of control event would only impact Shareholders if the consideration for the change of control transaction is in the form of scrip. A change of control transaction for cash consideration would not impact Shareholders as they would receive cash for their shares and will not have their interest in the acquirer diluted.

11.5 Alternative proposal

We are unaware of any alternative proposal that might offer the Security Holders of BHM a premium over the value resulting from the Acquisition and the issue of the Performance Securities.

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12. Conclusion

We have considered the terms of the Performance Securities as outlined in the body of this Report and have concluded that the Proposed Issue of the Performance Securities is fair and reasonable to Security Holders.

In our opinion, the Proposed Issue of the Performance Securities is fair because we have assumed that the $0.20 VWAP Hurdle following achievement of the Tranche 1 MRE Milestone and Tranche 2 MRE Milestone is reflective of the underlying value of a BHM share. This means that in order for the Performance Securities to vest, the value of a BHM share following the achievement of the Performance Milestones must be at least equivalent to the value of a BHM share at the Admission Date (prior to the vesting of the Performance Securities), being the IPO price of $0.20 per share.

We consider the Proposed Issue of the Performance Securities to be reasonable because they are fair and because the advantages are greater than the disadvantages. In particular, based on our analysis in Section 11 of our Report, we consider it likely that the achievement of the Performance Milestones will be value accretive to Security Holders.

13. Sources of information

This report has been based on the following information:

- Prospectus dated on or about the date of this report
- BHM's application for in-principle advice
- Acquisition Agreement between BHM, ACN and SMS
- BDO Explorer Quarterly Cash Update (March 2025 and prior editions)
- Reserve Bank of Australia
- IBISWorld
- S&P Capital IQ
- Consensus Economics
- Announcements made by PRL available through the NSX
- Information available in the public domain
- Discussions with Directors and Management of BHM.

14. Independence

BDO Corporate Finance Australia Pty Ltd is entitled to receive a fee of $34,000 (excluding GST and reimbursement of out of pocket expenses). The fee is not contingent on the conclusion, content or future use of this Report. Except for this fee, BDO Corporate Finance Australia Pty Ltd has not received and will not receive any pecuniary or other benefit whether direct or indirect in connection with the preparation of this report.

BDO Corporate Finance Australia Pty Ltd has been indemnified by BHM in respect of any claim arising from BDO Corporate Finance Australia Pty Ltd's reliance on information provided by BHM, including the non-provision of material information, in relation to the preparation of this report.

Prior to accepting this engagement BDO Corporate Finance Australia Pty Ltd has considered its independence with respect to BHM, SMS, ACN, and any of their respective associates with reference to ASIC Regulatory Guide 112 'Independence of Experts'. In BDO Corporate Finance Australia Pty Ltd's opinion it is independent of BHM, SMS, ACN, and their respective associates.

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Neither the two signatories to this report nor BDO Corporate Finance Australia Pty Ltd, have had within the past two years any professional relationship with BHM, or their associates, other than in connection with the preparation of this report.

The provision of our services is not considered a threat to our independence as auditors under Professional Statement APES 110 – Professional Independence. The services provided have no material impact on the financial report of BHM.

A draft of this report was provided to BHM and its advisors for confirmation of the factual accuracy of its contents. No significant changes were made to this report as a result of this review.

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BDO (Australia) Ltd, an Australian company limited by guarantee, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of Independent Member Firms. BDO in Australia, is a national association of separate entities (each of which has appointed BDO (Australia) Limited ACN 050 110 275 to represent it in BDO International).

15. Qualifications

BDO Corporate Finance Australia Pty Ltd has extensive experience in the provision of corporate finance advice, particularly in respect of takeovers, mergers and acquisitions.

BDO Corporate Finance Australia Pty Ltd holds an Australian Financial Services Licence issued by the Australian Securities and Investments Commission for giving expert reports pursuant to the Listing rules of the ASX and the Corporations Act.

The persons specifically involved in preparing and reviewing this report were Ashton Lombardo and Adam Myers of BDO Corporate Finance Australia Pty Ltd. They have significant experience in the preparation of independent expert reports, valuations and mergers and acquisitions advice across a wide range of industries in Australia and were supported by other BDO staff.

Ashton Lombardo is a member of the Australian Institute of Chartered Accountants, is a CA BV Specialist and is member of the committee established to develop and maintain the VALMIN Code. Ashton has over 14 years of experience in Corporate Finance and has facilitated the preparation of numerous independent expert's reports and valuations. Ashton has a Bachelor of Economics and a Bachelor of Commerce from the University of Western Australia and has completed a Graduate Diploma of Applied Corporate Governance with the Governance Institute of Australia.

Adam Myers is a Fellow of Chartered Accountants Australia & New Zealand and a member of the Joint Ore Reserves Committee. Adam's career spans over 25 years in the audit and corporate finance areas. Adam is a CA BV Specialist and has considerable experience in the preparation of independent expert reports and valuations in general for companies in a wide number of industry sectors.

16. Disclaimers and consents

This report has been prepared at the request of BHM for inclusion in the Prospectus. BHM engaged BDO Corporate Finance Australia Pty Ltd to prepare an independent expert's report to consider whether the proposed issue of the Performance Securities is fair and reasonable to non-associated existing and prospective Security Holders of BHM.

BDO Corporate Finance Australia Pty Ltd hereby consents to this report accompanying the above Prospectus. Apart from such use, neither the whole nor any part of this report, nor any reference thereto

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may be included in or with, or attached to any document, circular resolution, statement, or letter without the prior written consent of BDO Corporate Finance Australia Pty Ltd.

BDO Corporate Finance Australia Pty Ltd takes no responsibility for the contents of the Prospectus other than this report.

We have no reason to believe that any of the information or explanations supplied to us are false or that material information has been withheld. It is not the role of BDO Corporate Finance Australia Pty Ltd acting as an independent expert to perform any due diligence procedures on behalf of the Company. The Directors of the Company are responsible for conducting appropriate due diligence. BDO Corporate Finance Australia Pty Ltd provides no warranty as to the adequacy, effectiveness, or completeness of the due diligence process.

The opinion of BDO Corporate Finance Australia Pty Ltd is based on the market, economic and other conditions prevailing at the date of this report. Such conditions can change significantly over short periods of time.

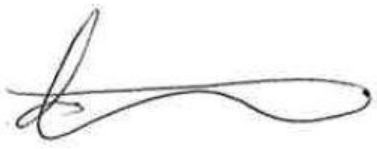
With respect to taxation implications it is recommended that individual Security Holders obtain their own taxation advice, tailored to their own particular circumstances. Furthermore, the advice provided in this report does not constitute legal or taxation advice to the shareholders of BHM, or any other party.

The statements and opinions included in this report are given in good faith and in the belief that they are not false, misleading or incomplete.

The terms of this engagement are such that BDO Corporate Finance Australia Pty Ltd is required to provide a supplementary report if we become aware of a significant change affecting the information in this report arising between the date of this report and the end of the offer period.

Yours faithfully

BDO CORPORATE FINANCE AUSTRALIA PTY LTD



Ashton Lombardo
Director



Adam Myers
Director

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Appendix 1 – Glossary of Terms

Reference	Definition
$	Australian Dollars
ACN	A.C.N. 683 084 353
Acquisition	The acquisition by ACN of 80% of the issued shares in SMS
Acquisition Agreement	Share sale agreement between PRL and BHM
Admission Date	The date of quotation of BHM shares on the ASX
AFCA	Australian Financial Complaints Authority
APES 225	Accounting Professional & Ethical Standards Board professional standard APES 225 'Valuation Services'
ASIC	Australian Securities and Investments Commission
ASX	Australian Securities Exchange
AUD	Australian Dollars
BDO	BDO Corporate Finance Australia Pty Ltd
BHM	Black Horse Mining Limited
Cash Consideration	Up to $100,000 in cash reimbursed to the SMS Vendors for Tenement related expenditure incurred up to completion of the acquisition
the Company	Black Horse Mining Limited
Consideration	The consideration for the Acquisition, consisting of the Consideration Shares, Consideration Options, Cash Consideration and Performance Securities
Consideration Shares	9.5 million shares in BHM to be issued to SMS Vendors under the Acquisition Agreement
Considerations Options	5 million options to be issued to SMS Vendors under the Acquisition Agreement, exercisable at $0.30 that expire four years from the date of issue
DCF	Discounted Cash Flow
EL	Exploration License
EV	Enterprise Value
Floor Price	Minimum price of $0.20 at which each performance security can convert to ordinary shares in BHM
FME	Future Maintainable Earnings
Free Carried Period	The period from completion of the Acquisition until a decision to mine, over which time the SMS Vendors are free carried
FSG	Financial Services Guide
g/t	grams per tonne
GDP	Gross Domestic Product
GN 19	ASX Guidance Note 19 *Performance Securities*

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Reference	Definition
Hyenergy Project	PRL's HyEnergy Green Hydrogen Project
IER	Independent Expert's Report
IPO	Initial Public Offering
IS 214	Information Sheet 214: Mining and Resources: Forward-looking Statements
JORC Code	Joint Ore Reserves Committee Code
IPO Subscription	Maximum issue of 40 million BHM shares at $0.20 per share to raise $8 million
MRE	Mineral Resource Estimate
Mt Egerton Project	The Mt Egerton Gold Project located in Victoria
NI 43-101	National Instrument 43-101
NSX	National Stock Exchange of Australia
oz	Ounces
Performance Milestones	The Tranche 1 Milestone and the Tranche 2 Milestone that must be achieved for the Performance Securities to vest
Performance Period	Five years from the Admission Date
Performance Securities	The proposed two-tranche issue of deferred consideration shares to the SMS Vendors
PRL	Province Resources Limited
Proposed Issue	Proposed issue of the Performance Securities to the SMS Vendors as part of the consideration for the Acquisition
RBA	Reserve Bank of Australia
our Report	This Independent Expert's Report prepared by BDO
RG 111	Content of expert reports (March 2011)
RG 112	Independence of experts (March 2011)
RG 170	Prospective financial information
RL	Retention License
Security Holders	Non-associated existing and prospective security holders of BHM
SMS	Steadfast Mining Services Pty Ltd
SMS Vendors	The shareholders of SMS
Tenements	Tenements forming the Mt Egerton Project
Tranche 1 Milestones	BHM announcing a JORC Code or NI 43-101 compliant MRE of 500,000 oz of gold or greater, at a minimum grade of 8 g/t and following achievement of this, BHM shares must trade greater than or equal to a 20-consecutive-trading-day VWAP of $0.20 per share
Tranche 1 MRE Milestone	BHM announcing a JORC Code or NI 43-101 compliant MRE of 500,000 oz of gold or greater, at a minimum grade of 8 g/t
Tranche 1 Performance Securities	Performance securities in BHM to the value of $1 million

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Reference	Definition
Tranche 2 Milestones	BHM announcing a JORC Code or NI 43-101 compliant MRE of 1,000,000 oz of gold or greater, at a minimum grade of 8 g/t and following achievement of this, BHM shares must trade greater than or equal to a 20-consecutive-trading-day VWAP of $0.20 per share
Tranche 2 MRE Milestone	BHM announcing a JORC Code or NI 43-101 compliant MRE of 1,000,000 oz of gold or greater, at a minimum grade of 8 g/t
Tranche 2 Performance Securities	Performance securities in BHM to the value of $3 million
USGS	U.S Geological Survey
VWAP	Volume weighted average price
VWAP Hurdle	Following achievement of the respective Tranche 1 MRE Milestone and Tranche 2 MRE Milestone, BHM shares must trade greater than or equal to a 20-consecutive-trading-day VWAP of $0.20 per share.
WA	Western Australia

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Appendix 2 – Valuation Methodologies

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Methodologies commonly used for valuing assets and businesses are as follows:

1 *Net asset value*

Asset based methods estimate the market value of an entity's securities based on the realisable value of its identifiable net assets. Asset based methods include:

- Orderly realisation of assets method
- Liquidation of assets method
- Net assets on a going concern method

The orderly realisation of assets method estimates fair market value by determining the amount that would be distributed to entity holders, after payment of all liabilities including realisation costs and taxation charges that arise, assuming the entity is wound up in an orderly manner.

The liquidation method is similar to the orderly realisation of assets method except the liquidation method assumes the assets are sold in a shorter time frame. Since wind up or liquidation of the entity may not be contemplated, these methods in their strictest form may not be appropriate. The net assets on a going concern method estimates the market values of the net assets of an entity but does not take into account any realisation costs.

Net assets on a going concern basis are usually appropriate where the majority of assets consist of cash, passive investments or projects with a limited life. All assets and liabilities of the entity are valued at market value under this alternative and this combined market value forms the basis for the entity's valuation.

Often the Future Maintainable Earnings ('**FME**') and Discounted Cash Flow ('**DCF**') methodologies are used in valuing assets forming part of the overall Net assets on a going concern basis. This is particularly so for exploration and mining companies where investments are in finite life producing assets or prospective exploration areas.

These asset based methods ignore the possibility that the entity's value could exceed the realisable value of its assets as they do not recognise the value of intangible assets such as management, intellectual property and goodwill. Asset based methods are appropriate when an entity is not making an adequate return on its assets, a significant proportion of the entity's assets are liquid or for asset holding companies.

2 *Quoted market price basis*

A valuation approach that can be used in conjunction with (or as a replacement for) other valuation methods is the quoted market price of listed securities. Where there is a ready market for securities such as the ASX, through which shares are traded, recent prices at which shares are bought and sold can be taken as the market value per share. Such market value includes all factors and influences that impact upon the ASX. The use of ASX pricing is more relevant where a security displays regular high volume trading, creating a liquid and active market in that security.

3 *Capitalisation of future maintainable earnings*

This method places a value on the business by estimating the likely FME, capitalised at an appropriate rate which reflects business outlook, business risk, investor expectations, future growth prospects and other entity specific factors. This approach relies on the availability and analysis of comparable market data.

The FME approach is the most commonly applied valuation technique and is particularly applicable to profitable businesses with relatively steady growth histories and forecasts, regular capital expenditure requirements and non-finite lives.

The FME used in the valuation can be based on net profit after tax or alternatives to this such as earnings before interest and tax or earnings before interest, tax, depreciation and amortisation. The capitalisation rate or 'earnings multiple' is adjusted to reflect which base is being used for FME.

4 *Discounted future cash flows*

The DCF methodology is based on the generally accepted theory that the value of an asset or business depends on its future net cash flows, discounted to their present value at an appropriate discount rate (often called the weighted average cost of capital). This discount rate represents an opportunity cost of capital reflecting the expected rate of return which investors can obtain from investments having equivalent risks.

Considerable judgement is required to estimate the future cash flows which must be able to be reliably estimated for a sufficiently long period to make this valuation methodology appropriate.

A terminal value for the asset or business is calculated at the end of the future cash flow period and this is also discounted to its present value using the appropriate discount rate.

DCF valuations are particularly applicable to businesses with limited lives, experiencing growth, that are in a start-up phase, or experience irregular cash flows.

5 *Market-based assessment*

The market based approach seeks to arrive at a value for a business by reference to comparable transactions involving the sale of similar businesses. This is based on the premise that companies with similar characteristics, such as operating in similar industries, command similar values. In performing this analysis it is important to acknowledge the differences between the comparable companies being analysed and the company that is being valued and then to reflect these differences in the valuation.

The resource multiple is a market based approach which seeks to arrive at a value for a company by reference to its total reported resources and to the enterprise value per tonne/lb/oz of the reported resources of comparable listed companies. The resource multiple represents the value placed on the resources of comparable companies by a liquid market.

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