ASX: YAR

Yari Resources to acquire Arcadia Coal Project

Expanding Rolleston district position & doubling resource base

- **Yari Resources to acquire 100% interest in Northern Comet Resources Company, holder of the Arcadia Coal Project (EPC 1054, EPC 1772 and EPC 1042) in Central Queensland's Bowen Basin**
- **EPC 1772 hosts a reported JORC 2012 Mineral Resource Estimate of 282Mt (164Mt Indicated, 118Mt Inferred)***
- **Arcadia Coal Project is located within the broader Rolleston coal district, regionally proximate to and separate from Yari's existing Rolleston South Coal Project (EPC 2318 and EPC 2327)**
- **Low upfront consideration with majority of value linked to project milestones, initial commercial production and gross revenue royalty**
- **Acquisition supports Yari's district-scale consolidation strategy in the Rolleston coal district, effectively doubling Yari's coal resource in world-class Bowen Basin**
- **The Company is well supported raising $2,200,000 at $0.0045 per share as part of a placement of 488,888,889 new fully paid ordinary shares to new and existing sophisticated and institutional investors**

Yari Resources Limited (ASX: **YAR) ("Yari", "YAR"** or "**the Company**") is significantly expanding its coal resource base in the world-class Bowen Basin, entering into a binding conditional Share Sale and Purchase Agreement (SPA) to acquire a 100% interest in the Arcadia Coal Project (Arcadia or the Project) in Central Queensland's Bowen Basin, via the acquisition of 100% of the issued capital of Northern Comet Resources Company. Completion is subject to satisfaction of conditions precedent, including Yari shareholder approval.

The acquisition will effectively double Yari's JORC Mineral Resource Estimate to more than 500 million tonnes, advancing the Company's strategic district-scale consolidation in the Rolleston coal district amid rising competition for resources within the tier-one Basin.

Yari's Managing Director, Courtney Taylor commented:

"This is about turning Rolleston South from a standalone project into the foundation of a much larger regional opportunity. Arcadia gives Yari additional scale, more geological data and a broader platform to assess long-term development options across the Rolleston coal district. Importantly, the transaction is structured so that the major consideration is linked to project success.

"Yari is maximising shareholder value by structuring the transaction with low upfront consideration and most of the value linked to project milestones, including initial coal production and a gross royalty. Recent M&A activity in the Bowen Basin highlights the value of these assets and we are delighted to be expanding our resource base in this world-class coal district, supporting Yari's district-scale consolidation strategy."

**In the report 'Estimate of Coal Resources within EPC1772 Arcadia, Arcadia Valley QLD by Greg Jones of JB Mining Services Pty Ltd on 21 February 2017*

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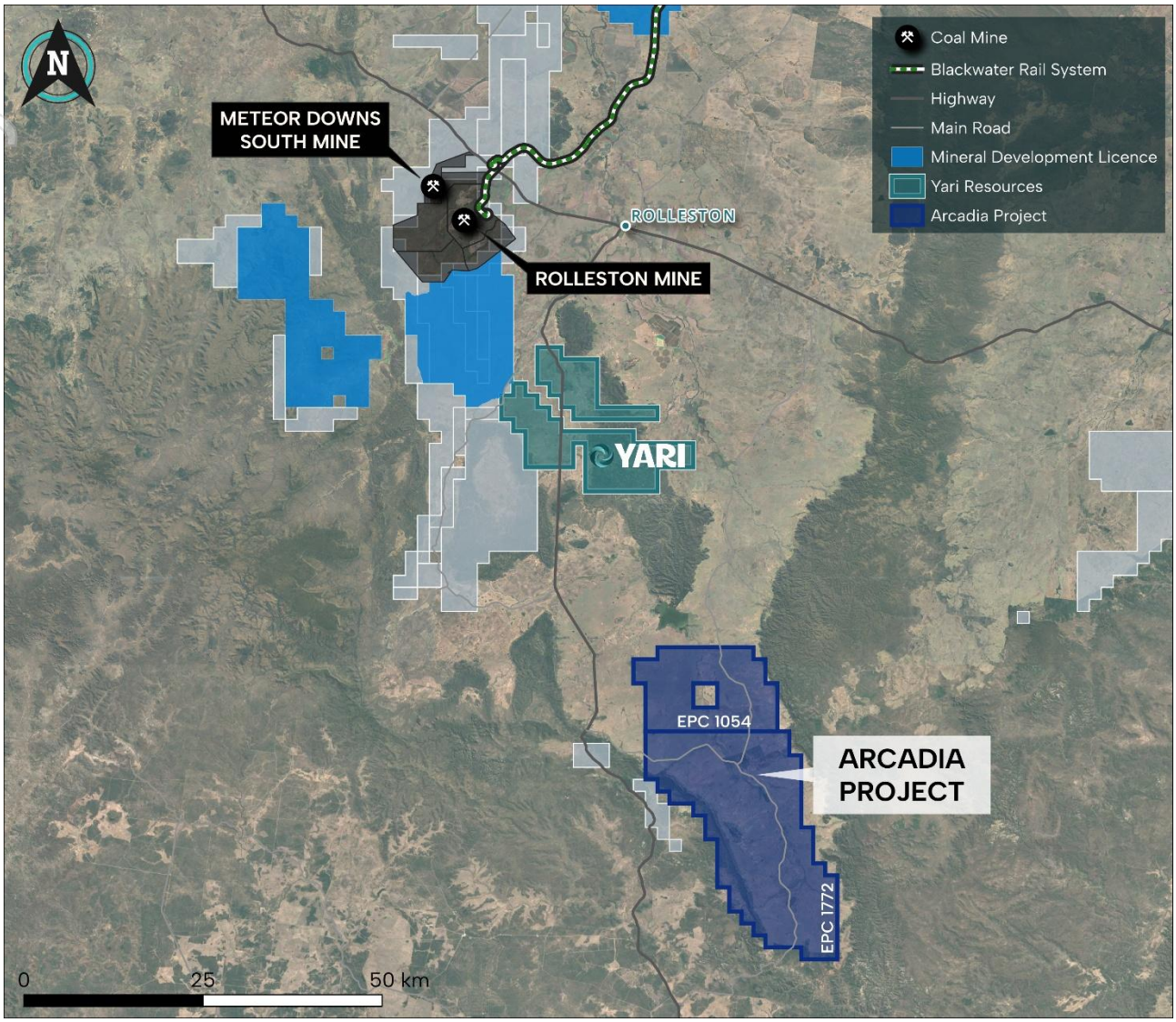


Figure: Arcadia Project (EPC 1054 & 1772) location and surrounding tenure.

Transaction Summary

The proposed transaction, via a Share Sale and Purchase Agreement (SPA), will see Yari Resources Limited acquire 100% of the issued capital of Northern Comet Resources Company, a Texas-incorporated company registered in Australia as a foreign company, and the holder of the Arcadia Coal Project tenements.

The SPA has now been executed, and the transaction is binding, subject to the satisfaction of certain conditions precedent described below. Upon completion, Northern Comet Resources Company will become a wholly owned subsidiary of Yari.

Simultaneous and as a part of completion of the transaction, Northern Comet Resources Company will enter into a Royalty Deed in favour of Utopia Resources Pty Ltd (a related entity of the Vendor), providing for a 1.5% gross revenue royalty on coal produced and sold from the Arcadia tenements. The Royalty Deed and SPA is supported by a first-ranking registered mortgage over the Arcadia tenements (Tenement Mortgage Deed). Yari, as future parent company of Northern Comet Resources Company, has provided

an unconditional and irrevocable guarantee of the obligations of Northern Comet Resources Company under the Royalty Deed and Tenement Mortgage Deed.

Project Location and Tenure

The Arcadia Coal Project is situated in Central Queensland's Bowen Basin, within the broader Rolleston coal district. The project area encompasses the Arcadia Valley, situated approximately 60km north of Injune and approximately 85km south of Rolleston, Queensland.

The Arcadia Coal Project comprises:

- EPC 1772 — the primary exploration permit, approximately 54,537ha in area, covering the Arcadia Valley coal resource area
- EPC 1054 and EPC 1042 — additional exploration permits comprising the remainder of the project tenure
- All associated exploration data, geological records, technical reports, samples and regulatory correspondence relating to the tenements

Relationship to Rolleston South Coal Project

Yari's existing Rolleston South Coal Project comprises EPC 2318 and EPC 2327, located approximately 15–20km south of Rolleston, Queensland. The Arcadia Coal Project is located approximately 24km from Rolleston South and is a separate tenure area and does not overlap with Rolleston South. The two projects are regionally proximate and form a complementary district-scale position within the Rolleston coal district.

Arcadia Project — Geology, Resources and Coal Quality

Geological Setting

EPC 1772 lies within the southern part of the Bowen Basin. The target coal seams occur within the Permian-age Bandanna Formation, which are overlain by the Rewan Formation (Triassic) across the resource area. The stratigraphy is relatively simple and gently dipping, with no major faulting identified within the reported resource area and no igneous intrusions detected.

The principal target seams in the resource area are:

- B Seam (modelled as Aries Seam) — averaging approximately 5.2m thick, with low raw ash of approximately 7% (air dried basis)
- C Seam (modelled as Castor Seam) — comprising upper (Castor 1) and lower (Castor 2) intervals, totalling approximately 2.4m thick
- D Seam (modelled as Pollux Seam) — averaging approximately 4.5m thick, with low raw ash of approximately 8% (air dried basis)

Coal resources are reported at depths of approximately 120m to 250m and are amenable, based on preliminary assessment, to open cut mining methods, with resources limited to a waste-to-coal strip ratio of 15:1 (bcm/t in situ).

Mineral Resource Estimate

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A Mineral Resource Estimate for EPC 1772 was reported in February 2017 by JB Mining Services Pty Ltd in accordance with the JORC Code (2012 Edition). The estimate (Jones 2017) is summarised in the table below.

Table 1: EPC 1772 Arcadia — JORC 2012 Mineral Resource Estimate (million tonnes, 11% in situ moisture basis)

Seam	Bandanna Formation Seam	Indicated (Mt)	Inferred (Mt)	Total (Mt)
Rider	A	-	-	-
Aries 1	BU	47.5	32	80
Aries 2	BL	26.1	19	45
Castor 1	CU	8.9	7	16
Castor 2	CL	23.1	17	40
Pollux 1	DU	17.1	13	30
Pollux 2	DL	41.4	30	71
TOTAL		**164.0**	**118.0**	**282.0**

Note: Figures may not sum exactly due to rounding. Resources reported at an in-situ moisture of 11% (Preston & Sanders formula). Resources are limited by a maximum cumulative waste-to-coal ratio of 15:1 bcm/t in situ within the mask area. Seam names used by JB Mining are those for the Rangal Coal Measures, rather than the Bandanna Formation nomenclature commonly used in mining operations at Rolleston and Meteor Downs Coal Mines, and Rolleston South deposit. Rider seam generally <0.5m and no resources reported by JB Mining.

A review of the JB Mining Resource Report by ROM Resources found generally no major issues and similar tonnages with some minor variation (<15%) possibly due to the different modelling packages used (Datamine Minescape versus MapTek Vulcan). A fuller assessment will be undertaken once all the geological, geotechnical, and coal quality data has been transferred and examined.

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Coal Quality

The Arcadia coal has previously been assessed as having the potential to produce export product coal, subject to further technical review and future studies. Favourable quality attributes identified in historical assessments include:

- High energy content, low inherent ash, low sulphur and low phosphorus
- Washability yields of approximately 85–90% referenced in preliminary assessments
- Potential product positioning as between high-volatile semi-soft coking coal and export thermal coal, subject to further work
- Historical analysis describing the coal as High-Volatile Bituminous A, with weak coking properties that may improve with increasing rank at depth

Cautionary Statement:

Yari notes that these quality observations are based on historical assessments and have not been independently verified or updated. Further technical studies, including updated washability testing and product specification work, will be required to confirm the coal quality characteristics and potential product types.

Strategic Rationale

The proposed Arcadia acquisition is consistent with Yari's strategy to consolidate a district-scale coal position within the Rolleston coal district:

- Yari's existing Rolleston South Coal Project (EPC 2318 and EPC 2327) represents the Company's foundation asset in the region, with a reported total coal resource of approximately 222.9Mt, including a maiden Indicated Resource of 33.7Mt
- The Arcadia acquisition adds a reported 282Mt resources to the standard of the 2012 JORC Code materially expanding Yari's regional footprint
- The two projects are separate tenure areas within the broader Rolleston coal district and are regionally proximate; together they form a complementary district-scale coal position
- The acquisition is expected to expand Yari's regional position and provide additional opportunity to assess shallow coal occurrences across the broader project area as part of future exploration and development studies
- The transaction is structured with low upfront consideration and deferred, success-based payments, aligning the consideration profile with project advancement milestones and production outcomes

Other than a minimum expenditure commitment of A$400,000 over the 3-year Earn-in Period and its obligations to maintain the tenements in good standing under the Mining Act, Yari retains sole discretion over the nature, timing and extent of exploration and development activities at Arcadia and is not obliged to commence or continue mining or production operations. If the minimum expenditure is not met, the Vendor may exercise the Right of Return described below.

Consideration and Key Commercial Terms

The Purchase Consideration is structured as follows:

Component	Terms
Upfront Cash Payment	A$50,000, payable within 3 business days of execution of the SPA
Completion Shares	147,594,744 ordinary shares in Yari, representing 10% of Yari's total issued capital immediately following the issue of Completion Shares and Placement Shares (see below for discussion on Placement), calculated on an undiluted basis, subject to a 12-month mandatory escrow period
Milestone Payments	A$250,000 on announcement of a 100Mt increase or conversion of the JORC 2012 Mineral Resource Estimate A$500,000 on grant of a Mineral Development Licence A$500,000 on grant of a Mining Lease Note: Milestone Payments are payable in cash or Yari shares (at a 20% discount to the 10-day VWAP), at Yari's election
Success Payments	A$5,000,000 on First Commercial Production A$5,000,000 on the 1st anniversary of First Commercial Production A$5,000,000 on the 2nd anniversary of First Commercial Production A$5,000,000 on the 3rd anniversary of First Commercial Production Total A$20,000,000 in cash
Gross Revenue Royalty	1.5% of Revenue (as defined) from the production and sale of coal from the Tenements — a gross royalty with no deductions
Minimum Expenditure	A$400,000 in Qualifying Expenditure within the 3-year Earn-in Period

The key commercial terms are as follows:

Right of Return: If Yari fails to incur A$400,000 in Qualifying Expenditure within the 3-year Earn-in Period and does not remedy the shortfall within 60 days of written notice, the Vendor has the right (but not the obligation) to reacquire the tenements (or any of them) for no consideration. The Right of Return is structured as a right to acquire the underlying tenements directly, not the shares in Northern Comet Resources Company.

Proceeds of Sale Entitlement: Utopia is entitled to receive from Yari an amount equal to 10% of the total consideration received or receivable in connection with any future sale or transfer of the shares in Northern Comet Resources Company, or a transfer of its interest in the Tenements, to a third party.

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Security: The 1.5% gross revenue royalty and Yari's payment obligations under the SPA (including Milestone Payments, Success Payments and the Proceeds of Sale Entitlement) is secured by a first-ranking registered mortgage over the Arcadia tenements (Tenement Mortgage Deed). Yari provides an unconditional and irrevocable parent guarantee of all obligations of Northern Comet Resources Company under the Royalty Deed and Tenement Mortgage Deed.

Conditions Precedent and Next Steps

Completion of the proposed acquisition is subject to satisfaction (or waiver) of the following conditions precedent:

- Yari obtaining all required shareholder approvals, including any approval required under the ASX Listing Rules in respect of the issuance of Completion Shares
- Yari obtaining all required regulatory approvals, including any approval required in respect of a change of control of Northern Comet Resources Company or its interest in the Arcadia tenements under the Mineral Resources Act 1989 (Qld) or any other applicable law
- Yari completing its capital raising and receiving valid applications for at least $1,500,000

If the conditions precedent are not satisfied or waived by the Sunset Date (six months from the execution date of the SPA), either party may terminate the agreement by written notice.

Capital raise

Yari has received firm commitments from new and existing sophisticated and institutional investors to raise up to $2,200,000 (gross) through the issuance of 488,888,889 fully paid ordinary Shares at an issue price of $0.0045 per Share (**New Shares**), together with 488,888,889 free attaching unlisted Options (exercisable at $0.0075 each on or before the date that is 2 years from the date of issue) ("**Placement Options**") ("**Placement**").

The Placement will be carried out in two tranches:

- Tranche One, comprising the issue of 209,865,951 New Shares to raise approximately $944,397 (before costs) and will fall within the Company's available placement capacity under ASX Listing Rules 7.1 and 7.1A ("**Tranche One**"); and
- Tranche Two, comprising the issue of up to 279,022,938 New Shares to raise approximately $1,255,603 (before costs), together with the 488,888,889 free-attaching Placement Options ("**Tranche Two**").

Yari will seek Shareholder approval for the issue of the New Shares proposed to be issued under Tranche Two of the Placement and all of the Placement Options at an Extraordinary General Meeting of Yari's Shareholders, which is intended to be held on or around 11 September 2026 ("**EGM**").

Funds raised from the Placement will be used to advance both the Rolleston South and Arcadia Coal Projects along with general working capital requirements.

Lead Manager

The Company has also agreed to issue 44,000,000 unlisted Options on the same terms as the Placement Options to CPS Capital Group Pty Ltd ("**CPS Capital**"), who acted as Lead Manager and Bookrunner to the Placement ("**Broker Options**").

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The Broker Options will be issued subject to shareholder approval to be obtained at the EGM. Refer to Appendix 3B dated 3 August 2026 for further details of the fees paid to CPS Capital.

Proposed Timetable

Event	Date
Trading halt lifted and announcement of completion of the Placement	3 August 2026
Settlement of New Shares under Tranche One Placement	10 August 2026
Issue, quotation and trading of New Shares under Tranche One Placement	11 August 2026
EGM to approve issue of Completion Shares, New Shares under Tranche Two Placement and Placement Options and Broker Options	11 September 2026
Settlement of Completion Shares, New Shares under the Tranche Two Placement and Placement Options and Broker Options	17 September 2026
Issue, quotation and trading of Completion Shares, New Shares under the Tranche Two Placement	18 September 2026
Issue of and Placement Options and Broker Options	18 September 2026

Next Steps

- Yari will convene an EGM to seek the required shareholder approval under the ASX Listing Rules and the SPA
- Notice of meeting and explanatory memorandum to be dispatched in August 2026
- Subject to approval and conditions precedent, Yari will proceed to complete the acquisition
- Following completion, Courtney Taylor will advance the technical review of Arcadia as part of the Rolleston district strategy

This announcement was approved for release by the Board of Yari Resources Limited.

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JORC Code and Competent Person Statement

The information in this announcement that relates to Mineral Resources for the Arcadia Coal Project (EPC 1772) is extracted from the report titled "Coal Resources at Arcadia — A Review of EPC1772 Arcadia Coal Resources Estimate Report" prepared by JB Mining Services Pty Ltd and dated February 2017.

This report and estimation of coal resources was compiled by Greg Jones BSc (Hons) MAusIMM, MAIG, a Principal Consultant of JB Mining Services Pty Ltd based on geological data. Greg Jones is a qualified geologist with over 20 years' experience in coal geology and over 15 years' experience in resource evaluation. Greg is a Member of the Australian Institute of Geoscientists (member number 1898) and as such qualifies as a Competent Person under the JORC code, 2012 Edition. Greg Jones confirms prior written consent to the inclusion of Mineral Resource information in this announcement in the form and context in which it appears and JORC Table 1 is appended (Appendix 2) in accordance with ASX Listing Rules and the JORC Code.

Yari is not aware of any new information or data that materially affects the information included in the 2017 report and confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original report.

Competent Person Statement

The information in this report that relates to exploration results, data collection and geological interpretation is based on information compiled by Mr Mark Biggs. Mr Biggs is the Principal Geologist for ROM Resources and is a Member of the Australasian Institute of Mining and Metallurgy (#107188). Mr Biggs is a director of ROM Resources, a company which is a shareholder of Yari Resources Limited. ROM Resources provides ad-hoc geological consultancy services to Yari Resources Limited.

Mr Biggs has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that is being undertaken to qualify as Competent Person as defined in the 2012 edition of the Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves' (JORC Code). They have also been carried out in accordance with the principles and guidelines of the "Australian Guidelines for the Estimation and Classification of Coal Resources 2014 Edition", prepared by the Guidelines Review Committee on behalf of the Coalfields Geology Council of New South Wales and the Queensland Resources Council. Mr Biggs has approved the Statement as a whole and consents to its inclusion in this report in the form and context in which it appears.

No production target and no forecast financial information derived from a production target is included in this announcement.

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About Yari Resources

Yari Resources Limited (ASX: YAR) is the 100% owner of the Rolleston South Coal Project, located 20km south of Rolleston, Queensland. The Rolleston South Coal Project is in the Bowen Basin and contains a JORC (2012) Inferred Mineral Resource of 222.9 Mt (33.7 Mt Indicated, 189.2 Mt Inferred) of high-quality thermal coal, with potential for upgrade to semi-soft coking coal and significant exploration upside.

Rolleston South is well serviced by high quality infrastructure, with the state highway transiting the project location and within 40km to the Blackwater Rail system, which provides access to high quality rail and port infrastructure for export.

Yari also owns a 100% interest in its Pilbara Projects, which comprise two granted exploration licences located in the Pilbara, Western Australia.

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Appendix 1: Borehole Collars used for 2017 JORC Resource Estimate – Arcadia Coal Project

Table A1-1, listed below, shows collar and survey details for those boreholes used in the 2017 coal resource estimate (Jones 2017).

Table A1-1: Borehole Collars used for 2017 JORC Resource Estimate

Hole	Tenement	Site	Easting	Northing	CRL	Datum	H datum	TD	Incl	Azi	Survey
ABR02	ATP526P	ARCADIA BRANCH 2	694142	7201339	417.65	GDA	AHD	858	-90		
ABRR1	ATP526P	ARCADIA BRANCH R1	695119.3	7201624	420.51	GDA	AHD	927.51	-90		
ACV01	ATP653P	ARCADIA VALLEY 1	687480.6	7190853	341.42	GDA	AHD	1300	-90		
ACV02	ATP653P	ARCADIA VALLEY 2	686027.2	7189010	369.15	GDA	AHD	347	-90		
AD0001C	EPC1772	AD_001	679068.3	7202831	351	GDA	AHD	213.9	-90		
AD0002C	EPC1772	AD_002	678740.4	7203755	341.49	GDA	AHD	213	-90		
AD0003	EPC1772	AD_003	679284	7201913	373	GDA	AHD	68.3	-90		
AD0003C	EPC1772	AD_003A	679284	7201913	373	GDA	AHD	237.34	-90		
AD0004C	EPC1772	AD_004	679605	7200976	386.93	GDA	AHD	198.45	-90		
AD0005C	EPC1772	AD_005	678109.3	7202551	375	GDA	AHD	183.18	-90		
AD0006C	EPC1772	AD_006	680007.4	7203084	341.41	GDA	AHD	222.08	-90		
AD0007C	EPC1772	AD_007	680248.9	7202159	355.2	GDA	AHD	228.72	-90		
AD0008	EPC1772	AD_008	678492.9	7202016	374	GDA	AHD	96.53	-90		
AD0008C	EPC1772	AD_008A	678492.9	7202016	374	GDA	AHD	183.07	-90		
AD0034	EPC1772	AD_034R	677829	7203510	360.1	GDA	AHD	17	-90		
AD0034C	EPC1772	AD_034	677829	7203510	360.1	GDA	AHD	186.12	-90		
AD0035C	EPC1772	AD_035	680588.1	7201190	361.9	GDA	AHD	213.06	-90		
AD0036C	EPC1772	AD_036	680868	7200230	365	GDA	AHD	231.45	-90		
AD0037C	EPC1772	AD_037	679925.7	7200031	413.2	GDA	AHD	183.39	-90		
AD0037L	EPC1772	AD_037	679920	7200036	416	GDA	APX	185	-90		G
AD0038C	EPC1772	AD_038	678308.9	7203650	352.3	GDA	AHD	224.88	-90		
AD0039	EPC1772	AD_039	678448.1	7203170	363.7	GDA	AHD	123.65	-90		
AD0039C	EPC1772	AD_039R	678448.1	7203170	363.7	GDA	AHD	182.7	-90		

Hole	Tenement	Site	Easting	Northing	CRL	Datum	H datum	TD	Incl	Azi	Survey
AD0040	EPC1772	AD_040	678588.1	7202690	356.7	GDA	AHD	90	-90		
AD0040C	EPC1772	AD_040R	678588.1	7202690	356.7	GDA	AHD	176.75	-90		
AD0041C	EPC1772	AD_041	678856.5	7202199	368	GDA	AHD	186.18	-90		
AD0042	EPC1772	AD_042	680415	7201612	0	GDA	AHD	129	-90		
AD0043	EPC1772	AD_043	678926.5	7203293	0	GDA	AHD	105	-90		
AD0044C	EPC1772	AD_044	679208.7	7202350	363.7	GDA	AHD	193.17	-90		
AD0045C	EPC1772	AD_045	679488.1	7201390	385.9	GDA	AHD	207.32	-90		
AD0046C	EPC1772	AD_046	679767.5	7200430	401.5	GDA	AHD	186.25	-90		
AD0047C	EPC1772	AD_047	679408.5	7203450	345.3	GDA	AHD	213.75	-90		
AD0048	EPC1772	AD_048	679548.7	7202970	355.1	GDA	AHD	127.32	-90		
AD0048C	EPC1772	AD_048R	679548.7	7202970	355.1	GDA	AHD	216.54	-90		
AD0049C	EPC1772	AD_049	679688.2	7202490	358.1	GDA	AHD	204.68	-90		
AD0049L	EPC1772	AD_049	679686	7202491	358	GDA	APX	208	-90		G
AD0050C	EPC1772	AD_050	679827.7	7202010	363.2	GDA	AHD	210.21	-90		
AD0051C	EPC1772	AD_051	680096.9	7201499	364.4	GDA	AHD	214.48	-90		
AD0052C	EPC1772	AD_052	680107.9	7201050	373	GDA	AHD	198.28	-90		
AD0052L	EPC1772	AD_052	680115	7201047	372	GDA	APX	202.74	-90		G
AD0053C	EPC1772	AD_053	680247.5	7200569	380.5	GDA	AHD	195.28	-90		
AD1001P	EPC1772	AD_1001	680855	7199426	370	GDA	APX	213.06	-90		G
AD1002	EPC1772	AD_1002	685071	7190093	366	GDA	APX	298.5	-90		G
AD1002L	EPC1772	AD_1002	685080	7190093	366	GDA	APX	316	-90		G
BCK01		BASIN CREEK 1	682623.6	7189118	385	GDA	AHD	902.7	-90		
BOT01	ATP653P	BOTTLE TREE 1	685322.4	7211086	333.16	GDA	AHD	474	-90		
CHL01	ATP653P	CASTLE HILL 1	689036	7195819	353.74	GDA	AHD	559.4	-90		
CHL02	ATP653P	CASTLE HILL 2	689038.9	7196307	354.35	GDA	AHD	592.5	-90		
CHL03	ATP653P	CASTLE HILL 3	690260.9	7192350	361.52	GDA	AHD	570.42	-90		
CHL04	PL234	CASTLE HILL 4	692401.5	7192936	398.17	GDA	AHD	685.81	-90		
ENS01	PL234	EMU NEST 1	693045.5	7179449	408.56	GDA	AHD	661	-90		
FVW33	ATP526P	FAIRVIEW 33	692865	7180222	420.74	GDA	AHD	681.8	-90		

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Hole	Tenement	Site	Easting	Northing	CRL	Datum	H datum	TD	Incl	Azi	Survey
FVW54	ATP526P	FAIRVIEW 54	692623	7186689	391.57	GDA	AHD	624.2	-90		
HDY01	ATP653P	HARDENLEY 1	688897.8	7210264	395.71	GDA	AHD	916	-90		
HDY02	ATP653P	HARDENLEY 2	686389.6	7205432	323.23	GDA	AHD	576	-90		
HDY03	ATP653P	HARDENLEY 3	686779	7205319	325.91	GDA	AHD	621	-90		
HTP01	ATP653P	HILLTOP 1	685171.7	7216953	353.73	GDA	AHD	596	-90		
HVL01	PL234	HILLYVALE 1	687056.4	7184306	383.17	GDA	AHD	1468	-90		
HVL02	PL234	HILLYVALE 2	687286.8	7184621	381.38	GDA	AHD	450	-90		
HVL03	PL234	HILLYVALE 3	686691.6	7184519	376.83	GDA	AHD	460	-90		
LLG01	ATP653P	LINGA LONGA 1	685844.4	7193511	342.42	GDA	AHD	455	-90		
LSM01	PL234	LONESOME 1	695067.4	7188911	413.23	GDA	AHD	723	-90		
LSS01	PL234	LONESOME SOUTH 1	689400.8	7180945	422.33	GDA	AHD	525	-90		
SHT01	EPC1772	SUNNYHOLT 1	686368	7201532	328.18	GDA	AHD	557	-90		
SHT02	ATP653P	SUNNYHOLT 2	685947.9	7201414	324.28	GDA	AHD	563	-90		
SHT03	ATP653P	SUNNYHOLT 3	686573.7	7202011	327.69	GDA	AHD	580	-90		
SHT04	ATP653P	SUNNYHOLT 4	686713.3	7201097	331.88	GDA	AHD	565	-90		
SHT05	ATP653P	SUNNYHOLT 5	691221.8	7201022	373.99	GDA	AHD	798.86	-90		
TST01	PL234	TARCOOLA STATION 1	691208.4	7184276	394.15	GDA	AHD	542.9	-90		
WCK01	PL220	WALLAROO CREEK 1	676204	7194367	514.2	GDA	AHD	1280	-90		

Notes for Table A1-1:

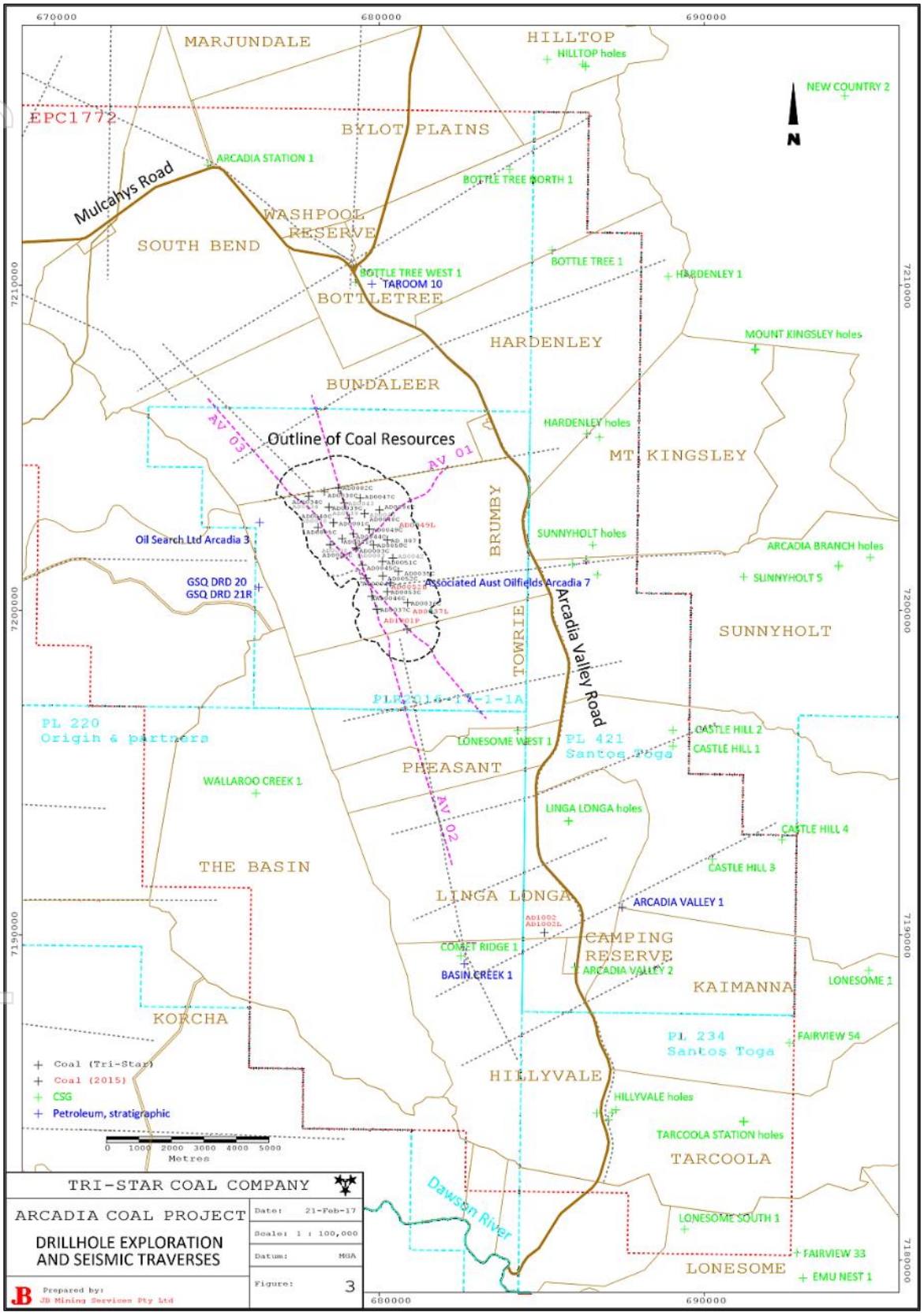
1. Coordinate system is GDA1994-Zone 55S.

Figure A1-1 shows the location of exploration within EPC 1772, additionally with an outline of the general coal resource area Coal resources have been estimated for Indicated and Inferred categories based on the criteria outlined in Jones (2017) and using the Reasonable Prospects criteria outlined in the same report.

Table A1-2 contains the estimate of coal resources for each seam within each coal resource category, with details being provided in Appendix 2 (JORC Table 1).

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Figure A1-1: EPC 1772 -Arcadia -Location of Coal Resources



Source: Jones (2017)

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Table A1-2 Coal Resources within EPC1772 Arcadia *million tonnes at in situ moisture of 11%*

Seam	Bandanna Formation	Category	Mm2	m	Mm3	In situ			Air Dried Basis			
	Seam		Area	Thk	Vol	MTonnes	RD	IM%	Ash%	VM%	TS%	CSN
ARS1	BU	INDICATED	10.42	3.38	35.22	47.5	1.35	7.3	7.1	32.6	0.26	1
ARS2	BL	INDICATED	10.42	1.87	19.49	26.1	1.34	7.8	7.2	33.5	0.29	2
CAS1	CU	INDICATED	9.42	0.68	6.43	8.9	1.38	7.9	12.2	34.2	0.34	2
CAS2	CL	INDICATED	9.98	1.67	16.61	23.1	1.39	7.7	12.6	31.7	0.30	1
POL1	DU	INDICATED	9.98	1.27	12.62	17.1	1.35	7.6	8.1	31.2	0.29	1
POL2	DL	INDICATED	9.98	3.11	31.06	41.4	1.33	8.2	6.4	33.1	0.32	2
SUB-TOTAL		**INDICATED**			**121**	**164**	**1.35**	**7.7**	**8.1**	**32.7**	**0.29**	**2**
ARS1	BU	INFERRED	7.57	3.17	24.03	32	1.35	7.3	7.2	32.6	0.27	1
ARS2	BL	INFERRED	7.57	1.86	14.12	19	1.34	7.9	7.1	33.6	0.29	2
CAS1	CU	INFERRED	7.57	0.67	5.06	7	1.38	8.0	11.9	34.3	0.34	2
CAS2	CL	INFERRED	7.55	1.61	12.18	17	1.39	7.7	12.7	31.8	0.30	1
POL1	DU	INFERRED	7.55	1.27	9.61	13	1.36	7.6	8.4	31.4	0.29	1
POL2	DL	INFERRED	7.55	2.98	22.52	30	1.34	8.1	6.8	33.3	0.31	2
SUB-TOTAL		**INFERRED**			**88**	**118**	**1.35**	**7.7**	**8.3**	**32.8**	**0.29**	**2**
GRAND TOTAL					**209**	**282**	**1.35**	**7.7**	**8.2**	**32.7**	**0.29**	**2**

Source: Jones (2017) and Rolley (2017).

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Appendix 2: JORC Table 1 - Checklist of Assessment and Reporting Criteria (The JORC Code, 2012 Edition)

Section 1	Sampling Techniques and Data
Criteria	**Explanation**
Sampling Techniques	Open hole rotary drilling for pilot holes and non-cored intervals to provide chip samples. Chip samples were collected at one metre intervals and for selected holes representative subsamples from the 2015 programme were stored on site.
	Coal samples obtained were from 61mm, 81mm, 100mm or 200mm core. The 200mm cores have been taken at selected sites to provide samples for washability testing.
Drilling techniques	Rotary air drilling completed by using blade, hammer or PCD bit for non-cored intervals. PVC or steel casing was used and generally seated below the base of weathering. All holes drilled vertical and verticality logs were run wherever possible dependant on hole conditions.
	Coring was through nominated coal intervals plus roof and floor material using either tungsten or PCD core bits. Table and top-head drive rigs recovered core by tripping out the core barrel. PVC or steel casing was used and generally seated below the base of weathering. All holes drilled vertically and verticality logs were run wherever possible dependant on hole conditions.
Drill sample recovery	Core lengths were measured by the supervising geologist. Samples were taken on the basis of lithological similarity. For the 2010-11 programmes, sample intervals were generally 0.20m thick. For the 2015 200mm coring programme, the coal sample size was nominated as full seam. Sample weights calculated by laboratory to confirm sample recovery. Seam intervals with less than 95% linear recovery were not used as data points for coal quality purposes.
Logging	Core and chip samples were logged by geologists experienced in coal resource investigation and evaluation. Representative samples were retained in chip trays for chip holes and some core holes for 2015 programme. All core and chip samples have been photographed. Where possible, wireline logging of all drill holes has been routinely undertaken for the industry standard suite of logs (calliper, gamma and density). Resistivity, sonic and verticality tools are now also part of the routine suite.
Sub-sampling techniques and preparation	Full cores were used for sample testing. Samples have been crushed and sub-sampled by using NATA registered laboratory (ASL Global at Richlands, Queensland) following appropriate Australian Standards for coal testing - AS 4264.1, AS2617.
Quality of assay data and laboratory tests	ASL Global (NATA registered laboratories) laboratory at Ipswich and Richlands has been used for all coal quality testing.
Verification of sampling and assaying	Coal assay results have been compared with coal lithological logs and detailed predictions from downhole geophysical logs and results from the NATA registered laboratory.
Location of data points	Drillhole collars from the 2015 programme were surveyed by Wilson Survey Group (Qld) Pty Ltd, a registered surveyor, in AGD84 and MGA coordinates system and Zone 56 grid.
Data spacing and distribution	Data spacing varies dependent on classification of coal resources. Drillhole spacing is sufficient to confirm coal seam continuity and identify the location of faults with greater than 10m vertical throw.

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Section 1 *Continued*	Sampling Techniques and Data
Criteria	**Explanation**
Orientation of data in relation to geological structure	Industry standard vertical drilling has been used to sample stratiform coal seams. Geological structures such as faults (if present) are interpreted to be moderately to steeply dipping. Verticality logs were run wherever possible and holes deviating more than 5 degrees were not accepted (2 holes – AD0043 and AD0044).
Sample security	All samples from the 2015 programme were sealed in 200l steel drums and delivered to NATA registered laboratory by Queensland Transport or delivered each week by the Zeewood geologist. Results checked against geologist description, core photographs and geophysical logs.
Audits or reviews	Resource modelling techniques were reviewed by Carol Rolley (Rolley 2017). The report has also been audited by Carol Rolley.

Section 2	Reporting of Exploration Results
Mineral tenement and land tenure status	Northern Comet Resources holds title to EPC1772 Arcadia, EPC 1042 and EPC 1054.
Exploration done by other parties	All coal exploration undertaken by Northern Comet Resources. Regional exploration for petroleum undertaken by a number of companies.
Geology	The coal is contained within the Rangal Coal Measures within the Bowen Basin. In the Arcadia coal resources area, the Aries, Castor and Pollux seams dip gently to the east at about 2 degrees. Some small displacement faults (less than 5m throw) are postulated. The deposit is overlain by the Rewan Formation. No Rangal coal seams are affected by weathering at Arcadia.
Drill hole information	All drillhole information used in the evaluation of the coal resources at Arcadia is stored by Northern Comet Resources. Due to the size of the database, it cannot be included in this report in hard copy, however summary seam intercept data and raw assay data is reported. A copy of drillhole and assay data is included in digital form with the report.
Data aggregation methods	Several contiguous coal seam samples may have been composited on an industry standard length by density basis. Reported coal quality is for the full seam including non-coal intervals.
Relationship between mineralisation widths and intercept depths	Coal thickness quoted is for downhole vertical thickness. Coal resource modelling and estimation adjusts for seam thickness versus the apparent thickness modelled. Thicknesses for each seam/ply were contoured, and any bullseyes were investigated and resolved.
Diagrams	Seam by seam plans produced as part of this coal Resource Report are not included in JORC Table 1 due to the number of diagrams required.
Balanced reporting	All data and geological information is reported on. Where data is not used, an explanation is provided as to why that data has been excluded from the modelling and resource estimation process.
Other substantive exploration data	Seismic surveys and field mapping have been completed at Arcadia.
Further Work	Additional drilling and coal analysis is required to upgrade coal resources to Measured status. Seismic surveys and open hole drilling is planned to provide further definition of faulting. Closely spaced open hole drilling will be required to better define the potential boxcut site.

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Section 3	Estimation and Reporting of Mineral Resources
Database integrity	Lithological logs, wireline geophysical logs, assay results and coal intersection depths were reconciled before modelling and resource estimation. Coal quality data checked against NATA laboratory reports where available prior to resource estimation.
Site visits	Rees Thomas (Zeewood) was based on site as exploration manager for the 2015 programme (refer Drilling Report, Appendix C), while the author (Competent Person) made a trip to the site to assist in the drilling programme and field mapping exercise.
Geological interpretation	The geological interpretation is based on the integration of all drillhole and assay data and compared with previous interpretations for structure and coal rank. This is the first coal resource estimate for the Arcadia area.
Dimensions	The extent of the Arcadia coal resource area (EPC1772 Arcadia) is approximately 7 km in a northwest-southeast direction and 3 km in an east-west direction. Potential opencut resources are reported from 120m to a maximum depth of 245m.
Estimation and modelling techniques	The geological model has been developed using standard coal seam modelling techniques using Vulcan Version 10. Resources have been estimated using standard Vulcan estimation tools.
Moisture	In situ moisture has been estimated at 11%. Coal density used for resource estimation has been adjusted accordingly using the Preston & Sanders methodology. Air dried moisture averages about 7.5% for coal seams in the Arcadia area.
Cut-off parameters	A limit for waste/coal ratio of <15:1 m^3/t is used to outline potential opencut coal resources. No weathered coal is included.
Mining factors or assumptions	Two preliminary mining studies have been conducted on Arcadia coal. Both studies indicated that the coal seams are amenable to opencut mining. No mining factors or assumptions have been applied to the resource estimate other than the ratio limit.
Metallurgical factors or assumptions	It is assumed that all coal can be mined and beneficiated at Arcadia to a product acceptable to the export market as a low ash PCI or coking coal blend.
Environmental factors or assumptions	No environmental factors or assumptions have been considered.
Bulk density	In situ density estimated using the Preston & Sanders formula and estimated in situ moisture of 8 to 9% dependant on the coal seam.
Classification	The classification of resources into Indicated and Inferred categories is based on the 2014 Coal Guidelines using raw ash as a minimum Coal Quality Point of Observation.
Audits or reviews	Data review, modelling methods and resource estimation procedures have been critically reviewed.
Discussion of relative accuracy/confidence	The geology of the Arcadia deposit and the distribution of Points of Observation support the classification of Indicated and Inferred coal resources. The structure over the resource area is relatively consistent and simple, and there is no indication of igneous intrusions. Minor faults with small throws may exist throughout the deposit. Further exploration drilling would be required to raise the status of coal resources.