

Ore Supply Agreement Executed with SMT

Highlights

- ✓ Binding ore supply agreement entered into with Société des Mines de la Tontouta (“SMT”), a significant New Caledonian mining company, for up to 600,000 wmt per annum.
- ✓ Targeting a typical limonite ore specification of 1.6% Ni and 0.18% Co.
- ✓ Ten year ore supply term.
- ✓ Agreement between QPM and SMT to explore further opportunities for mutual investment and commercial arrangements.
- ✓ In combination with the Société Le Nickel ore supply agreement, QPM has now secured up to 1,600,000 wmt nickel ore per annum under binding contracts.

Queensland Pacific Metals Ltd (ASX:QPM) (“QPM” or “the **Company**”) is pleased to announce that it has entered into a binding ore supply agreement (“**Agreement**”) with Société des Mines de la Tontouta (“SMT”).

SMT was one of the original supporters of QPM and the TECH Project and QPM is delighted to have formalised this agreement with SMT. In combination with the ore supply agreement executed with Société Le Nickel (“SLN”), QPM has now contracted its ore supply requirements for the TECH Project (refer to ASX announcement 1 March 2022).

Key Terms

The key terms of the Agreement are detailed in the table below:

Area	Terms
Term	10 year ore supply agreement, expected to commence in 2023 (6 month notice period required by QPM ahead of first cargo)
Tonnage	Up to 600,000 wmt per annum
Specification	Limonite ore 1.4 – 1.7% Ni (typical 1.6%) 0.1 – 0.25% Co (typical 0.18%) 30.0 – 47.5% Fe (typical 42%) 1.5 – 7.0% MgO (typical 5%)

	2.0 – 6.0% Al ₂ O ₃ (typical 3%) 28.0 – 40.0% moisture (typical 35%)
Pricing	Commercial in confidence, linked to underlying price of Ni (LME exchange) and Co (Metal Bulletin) on an FOB basis
Source	Multiple mining operations
Termination	Typical termination clauses including Force Majeure, material breach and insolvency.
Conditions	QPM making a final investment decision to build the TECH Project. Exports from SMT to QPM will be subject to prior authorization by the New Caledonian government.

As part of the Agreement, SMT and QPM have also agreed to explore further opportunities that are mutually beneficial including investment and other commercial arrangements.

QPM Managing Director Dr Stephen Grocott commented,

"I am delighted to enter into this agreement with SMT who have impressive mining operations in New Caledonia that meet the requirements of western automobile manufacturers who are concerned with sustainability and responsible mining.

SMT has been a strong supporter of the TECH Project for a long time and we look forward to having a long term partnership that delivers value to both companies."

SMT General Manager Arnaud Bondoux commented,

"Signing a nickel ore supply contract with QPM means renewing relations with Australia, which has always been a historical partner of SMT and New Caledonia. Indeed, exports between SMT and Australia have taken place over a period of more than 25 years, from 1989 until recently in 2015.

SMT was involved in QPM's innovative project from the outset by actively participating in the pilot tests. In fact, QPM and SMT have been in contact for four years now and have formed a partnership that led to the signing of a first MOU in 2017.

SMT would like to make a long-term commitment to QPM, beyond its role as a supplier, in order to propose a new model for the valorization of New Caledonian ore."

About SMT

SMT (Société des Mines de la Tontouta) is a subsidiary of the Ballande Group. A "small miner" and historic mining company, it has been present in New Caledonia since the end of the 19th century. SMT is also committed to sustainable development and exporting ore to this project (which is aimed for the battery market), so close to New Caledonia, is an opportunity for our company.

This announcement has been authorised for release by the Board.



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