NGX Limited

ACN 649 545 068

REPLACEMENT PROSPECTUS

For the offer of up to 47,805,920 Shares at an issue price of A$0.20 each to raise up to A$9,561,184 (before associated costs), comprising:

- a priority offer to Eligible Shareholders on the basis of one (1) new Share for every one (1) Share held to issue up to 42,805,920 Shares to raise up to A$8,561,184 (before costs) (**Priority Offer**); and
- an offer to the general public of up to 5,000,000 Shares to raise up to A$1,000,000 (before costs) (**General Offer**).

This is a replacement prospectus dated 12 April 2023. It replaces a prospectus dated 27 March 2023 relating to offers by NGX Limited.

This Prospectus also contains offers of:

- Incentive Options to the Directors and KMP (**Incentive Option Offer**); and
- Broker Options to the Lead Manager (**Broker Option Offer**).

Opening and Closing Dates of the Offers

The Priority Offer and General Offer are scheduled to close at 5:00pm (AWST) on 3 May 2023 unless extended or withdrawn. The Directors reserve the right to close the Offers earlier or to extend their respective closing dates without notice. Applications must be received before these times.

Proposed ASX Code NGX

IMPORTANT INFORMATION

This is an important document that should be read in its entirety. If you do not understand it you should consult your professional advisers without delay. The Securities offered by this Prospectus should be considered speculative. Refer to Section 6 for a summary of the key risks associated with an investment in the Company.

Not for release to US wire services or distribution in the United States except by the Company to Eligible Shareholders

THOMSON GEER LAWYERS

Australian Legal Adviser

TAYLOR COLLISON

Lead Manager

CONTENTS

CORPORATE DIRECTORY

Directors
Mr Ian Middlemas – Non-Executive Chairman
Mr Matthew Syme – Executive Director
Mr Matthew Bungey – Non-Executive Director
Mr Mark Pearce – Non-Executive Director

Company Secretary
Ms Elizabeth (Lib) Matthews

Registered Office
Level 9, 28 The Esplanade
Perth WA 6000

Phone: +61 8 9322 6322
Email: info@ngxlimited.com
Website: www.ngxlimited.com

Share Registry*
Automic Pty Ltd
Level 5, 191 St Georges Terrace
Perth WA 6000

Proposed Stock Exchange Listing
Australian Securities Exchange (**ASX**)
Proposed ASX Code: **NGX**

Australian Legal Adviser
Thomson Geer
Level 27, Exchange Tower
2 The Esplanade
Perth WA 6000

Lead Manager*
Taylor Collison Limited
Level 4, 151 Macquarie Street
Sydney, New South Wales 2000

Investigating Accountant
William Buck Consulting (WA) Pty Ltd
3/15 Labouchere Road
South Perth WA 6151

Independent Technical Experts
ERM Australia Consultants Pty Ltd trading as CSA Global
Level 2/3 Ord Street
West Perth WA 6005

DRA Pacific Pty Ltd
Level 8/256 Adelaide Terrace
Perth WA 6000

Malawian Legal Adviser
William Faulkner
William Faulkner House
Area 15/175, Ntcheu Street
PO Box 30636
Lilongwe 3 Malawi

Auditor*
William Buck Audit (WA) Pty Ltd
3/15 Labouchere Road
South Perth WA 6151

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

IMPORTANT NOTICE

General

This replacement prospectus issued by NGX Limited (**Prospectus**) is dated, and was lodged with ASIC on, 12 April 2023. Neither ASIC nor ASX (or their respective officers) take any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates. The expiry date of this Prospectus is 5.00pm AWST on that date which is thirteen (13) months after the date this Prospectus was lodged with ASIC. No Securities will be issued on the basis of this Prospectus after that expiry date.

Application will be made to ASX within seven (7) days of the date of this Prospectus for Official Quotation of the Shares the subject of the Priority Offer and General Offer.

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

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

Exposure Period

This Prospectus is not subject to an exposure period by operation of ASIC Corporations (Exposure Period) Instrument 2016/74.

Electronic Prospectus and Application Forms

This Prospectus will generally be made available in electronic form by being posted on the Company's website at www.ngxlimited.com. Persons having received a copy of this Prospectus in its electronic form may obtain an additional paper copy of this Prospectus and the relevant Application Form (free of charge) from the Company's registered office during the Offer Period by contacting the Company. Contact details for the Company and details of the Company's registered office are detailed in the Corporate Directory. The Offers constituted by this Prospectus in electronic form is only available to Persons receiving an electronic version of this Prospectus and relevant Application Form within Australia.

The electronic copy of this Prospectus available from the Company's website will not include the Application Forms. The Company (or the Lead Manager) will invite certain members of the public to participate in the General Offer and will provide those Persons with the relevant Application Form together with a copy of this Prospectus.

Applications will only be accepted on the relevant Application Form attached to, or accompanying, this Prospectus or in its paper copy form. The Corporations Act prohibits any Person from passing on to another Person the Application Form unless it is accompanied by or attached to a complete and unaltered copy of this Prospectus.

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

Website

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

Foreign Investors

This Prospectus does not constitute an offer of Securities in any jurisdiction in which it would be unlawful. In particular, this Prospectus may not be distributed to any person, and the Securities may not be offered or sold, in any country outside Australia, except to the extent permitted below.

Canada (British Columbia, Ontario and Quebec provinces)

This Prospectus constitutes an offering of Securities only in the Provinces of British Columbia, Ontario and Quebec (the **Provinces**), only to persons to whom Securities may be lawfully distributed in the Provinces, and only by persons permitted to sell such securities. This Prospectus is not a prospectus, an advertisement or a public offering of securities in the Provinces. This Prospectus may only be distributed in the Provinces to persons who are "accredited investors" within the meaning of National Instrument 45-106 – Prospectus Exemptions, of the Canadian Securities Administrators.

No securities commission or authority in the Provinces has reviewed or in any way passed upon this Prospectus, the merits of the Securities or the offering of the Securities and any representation to the contrary is an offence.

No prospectus has been, or will be, filed in the Provinces with respect to the offering of Securities or the resale of such securities. Any person in the Provinces lawfully participating in the offer will not receive the information, legal rights or protections that would be afforded had a prospectus been filed and receipted by the securities regulator in the applicable Province. Furthermore, any resale of the Securities in the Provinces must be made in accordance with applicable Canadian securities laws. While such resale restrictions generally do not apply to a first trade in a security of a foreign, non-Canadian reporting issuer that is made through an exchange or market outside Canada, Canadian purchasers should seek legal advice prior to any resale of the Securities.

The Company as well as its Directors and officers may be located outside Canada and, as a result, it may not be possible for purchasers to effect service of process within Canada upon the Company or its Directors or officers. All or a substantial portion of the assets of the Company and such persons may be located outside Canada and, as a result, it may not be possible to satisfy a judgment against the Company or such persons in Canada or to enforce a judgment obtained in Canadian courts against the Company or such persons outside Canada.

Any financial information contained in this Prospectus has been prepared in accordance with Australian Accounting Standards and also complies with International Financial Reporting Standards and interpretations issued by the International Accounting Standards Board. Unless stated otherwise, all dollar amounts contained in this Prospectus are in Australian dollars.

Statutory rights of action for damages and rescission. Securities legislation in certain Provinces may provide a purchaser with remedies for rescission or damages if an offering memorandum contains a misrepresentation, provided the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's Province. A purchaser may refer to any applicable provision of the securities legislation of the purchaser's Province for particulars of these rights or consult with a legal adviser.

Certain Canadian income tax considerations. Prospective purchasers of the Securities should consult their own tax adviser with respect to any taxes payable in connection with the acquisition, holding or disposition of the Securities as there are Canadian tax implications for investors in the Provinces.

Language of documents in Canada. Upon receipt of this Prospectus, each investor in Canada hereby confirms that it has expressly requested that all documents evidencing or relating in any way to the sale of the Securities (including for greater certainty any purchase confirmation or any notice) be drawn up in the English language only. *Par la réception de ce document, chaque investisseur canadien confirme par les présentes qu'il a expressément exigé que tous les documents faisant foi ou se rapportant de quelque manière que ce soit à la vente des valeurs mobilières décrites aux présentes (incluant, pour plus de certitude, toute confirmation d'achat ou tout avis) soient rédigés en anglais seulement.*

European Union

This Prospectus has not been, and will not be, registered with or approved by any securities regulator in the European Union. Accordingly, this Prospectus may not be made available, nor may the Securities be offered

for sale, in the European Union except in circumstances that do not require a prospectus under Article 1(4) of Regulation (EU) 2017/1129 of the European Parliament and the Council of the European Union (the **Prospectus Regulation**).

In accordance with Article 1(4)(a) of the Prospectus Regulation, an offer of Securities in the European Union is limited to persons who are "qualified investors" (as defined in Article 2(e) of the Prospectus Regulation).

Hong Kong

WARNING: This Prospectus has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the **SFO**). Accordingly, this Prospectus may not be distributed, and the Securities may not be offered or sold, in Hong Kong other than to "professional investors" (as defined in the SFO and any rules made under that ordinance).

No advertisement, invitation or document relating to the Securities has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Securities that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors. No person allotted Securities may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of this Prospectus have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this Prospectus, you should obtain independent professional advice.

New Zealand

This Prospectus has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the "**FMC Act**"). The Shares are not being offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) other than to a person who:

- is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
- meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
- is large within the meaning of clause 39 of Schedule 1 of the FMC Act;
- is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or
- is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

Singapore

This Prospectus, and any other materials relating to the Securities has not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this Prospectus and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of Securities, may not be issued, circulated or distributed, nor may the Securities be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part 13 of the Securities and Futures Act 2001 of Singapore (the **SFA**) or another exemption under the SFA.

This Prospectus has been given to you on the basis that you are an "institutional investor" or an "accredited investor" (as such terms are defined in the SFA). If you are not such an investor, please return this Prospectus immediately. You may not forward or circulate this Prospectus to any other person in Singapore.

Any offer is not made to you with a view to the Securities being subsequently offered for sale to any other party in Singapore. On-sale restrictions in Singapore may be applicable to investors who acquire Securities. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

United Kingdom

Neither this Prospectus nor any other document relating to the offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended (**FSMA**)) has been published or is intended to be published in respect of the Securities.

The Securities may not be offered or sold in the United Kingdom by means of this Prospectus or any other document, except in circumstances that do not require the publication of a prospectus under section 86(1) of the FSMA. This Prospectus is issued on a confidential basis in the United Kingdom to "qualified investors" within the meaning of Article 2(e) of the UK Prospectus Regulation. This Prospectus may not be distributed or reproduced, in whole or in part, nor may its contents be disclosed by recipients, to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of the Securities has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to the Company.

In the United Kingdom, this Prospectus is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 (**FPO**), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated (together "relevant persons"). The investment to which this Prospectus relates is available only to relevant persons. Any person who is not a relevant person should not act or rely on this Prospectus.

United States

This Prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. The Securities have not been, and will not be, registered under the US Securities Act of 1933 or the securities laws of any state or other jurisdiction of the United States. Accordingly, the Securities may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws.

The Offers are being made in the United States only to a limited number of shareholders of the Company who are “accredited investors” (within the meaning of Rule 501(a) under the US Securities Act). In order to participate in the Offer, a US investor must sign and return a US investor certificate that is available from the Company Secretary to confirm, amongst other things, that the US investor is an “accredited investor”.

Speculative Investment

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

Prospective investors should carefully consider whether the Securities offered pursuant to this Prospectus are an appropriate investment for them in light of their personal circumstances, including their financial and taxation position. Refer to Section 6 for details relating to the key risks applicable to an investment in the Securities.

Target market determination

In accordance with the design and distribution obligations under the Corporations Act, a target market determination (**TMD**) has been prepared by the Company in respect of the offers of Options made under this Prospectus and is available at the Company's website at: www.ngxlimited.com. In respect of the offers of Options, the Company will only distribute this Prospectus to those investors who fall within the TMD. By making an application for Options, you warrant that you have read and understood the TMD and that you fall within the target market set out in the TMD.

Using this Prospectus

Persons wishing to subscribe for Securities offered by this Prospectus should read this Prospectus in its entirety in order to make an informed assessment of the assets and liabilities, financial position and

performance, profits and losses, and prospects of the Company and the rights and liabilities attaching to the Securities offered pursuant to this Prospectus. If Persons considering subscribing for Securities offered pursuant to this Prospectus have any questions, they should consult their stockbroker, solicitor, accountant or other professional adviser for advice.

Privacy Statement

To apply for Securities, you will be required to provide certain personal information to the Company and the Share Registry. The Company and the Share Registry will collect, hold and use your personal information in order to assess your Application, service your needs as an investor, provide facilities and services that you request and carry out appropriate administration. The Corporations Act and taxation law requires some of this personal information to be collected. If you do not provide the information requested, your Application may not be able to be processed efficiently, or at all.

By submitting the relevant Application Form, each Applicant agrees that the Company may use the information provided by an Applicant on the relevant Application Form for the purposes detailed in this Privacy Statement and may disclose it for those purposes to the Share Registry, the Company's related bodies corporate, agents, contractors and third-party service providers, including mailing houses and professional advisers, and to ASX and regulatory authorities.

If an Applicant becomes a Shareholder, the Corporations Act requires the Company to include information about the Shareholder (including name, address and details of the securities held) in its public register. The information contained in the Company's public register must remain there even if that person ceases to be a Shareholder. Information contained in the Company's register is also used to facilitate distribution payments and corporate communications (including the Company's financial results, annual reports and other information that the Company may wish to communicate to its Shareholders) and compliance by the Company with its legal and regulatory requirements.

Not Investment Advice

The information contained in this Prospectus is not financial product advice and does not take into account the investment objectives, financial situation or particular needs (including financial and tax issues) of any prospective investor. This Prospectus should not be construed as financial, taxation, legal or other advice. The Company is not licensed to provide financial product advice in respect of its securities or any other financial products.

Consider risks of investment

It is important that you read this Prospectus carefully and in full before deciding whether to invest in the Company. In particular, in considering the prospects of the Company, you should consider the risk factors that could affect the Company's financial performance. Some of the key risk factors that should be considered by prospective investors are set out in the Investment Overview in Section 1 and in Section 6 of this Prospectus. However, there may be risk factors in addition to these that should be considered in light of your personal circumstances. You should carefully consider these factors in light of your investment objectives, financial situation and particular needs (including financial and taxation issues) and seek professional advice from your accountant, financial adviser, stockbroker, lawyer or other professional adviser before deciding whether to invest.

Taxation

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

The Company does not propose to give any taxation advice and, to the maximum extent permitted by law, the Company, its Directors and other officers and each of their respect advisers accept no responsibility or liability for any taxation consequences of subscribing for Securities under this Prospectus. You should consult your own professional tax advisers in regard to tax implications of the Offers.

Statements of past performance

This Prospectus includes information regarding the past performance of the Company. Investors should be aware that past performance should not be relied upon as being indicative of future performance.

Disclaimer

Except as required by law, and only to the extent so required, none of the Company, the Directors, the Company's management, the Lead Manager or any other person warrants or guarantees the future performance of the Company, or any return on any investment made pursuant to this Prospectus.

No cooling off rights

Cooling off rights do not apply to an investment in Securities offered under this Prospectus. This means that, in most circumstances, you cannot withdraw your Application.

Forward-Looking Statements

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

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

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and management of the Company. Key risk factors associated with an investment in the Company are detailed in Section 6. These and other factors could cause actual results to differ materially from those expressed in any 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.

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

Competent Persons Statement

The Mineral Resources and Ore Reserves in this Prospectus have been prepared and reported in accordance with the JORC Code and the VALMIN Code (as applicable).

(a) Nanzeka Project

The information in this Prospectus that relates to Technical Assessment of the Mineral Assets, Exploration Targets, or Exploration Results is based on information compiled and conclusions derived by Ms Sonia Konopa, a Competent Person who is a Fellow of the AusIMM (membership number 101561). Ms Konopa has sufficient experience that is relevant to the technical assessment of the Mineral Assets under consideration, the style of mineralisation and types of deposit under consideration and to the activity being undertaken to qualify as a Practitioner as defined in the 2015 Edition of the “Australasian Code for the public reporting of technical assessments and Valuations of Mineral Assets”, and as a Competent Person as defined in the 2012 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Ms Konopa consents to the inclusion in the Prospectus of the matters based on his information in the form and context in which it appears.

(b) Duwi Project

The information in this Prospectus that relates to Mineral Resource estimates is based on the information compiled by Mr David Williams, who is a Member of The Australian Institute of Geoscientists. Mr Williams is not an employee of the Company, and is employed by CSA Global, an independent consulting company. Mr Williams does not have, nor expect to receive, directly or indirectly, any securities of the Company or any associate or affiliate of such company. Mr Williams has sufficient experience that is relevant to the style of mineralisation and type of deposit to qualify as a Competent Person as that term is defined in the JORC Code. Mr Williams has sufficient experience relevant to the Technical Assessment of the Mineral Assets under consideration, the style of mineralisation and types of deposit and to the activity being undertaken to qualify as a Practitioner as defined in the VALMIN Code, in accordance with the VALMIN Clause 2.2(a), (b) and (c). Mr Williams consents to the inclusion in this Prospectus of the matters based on his information in the form and context in which it appears.

(c) Malingunde Project

The information in this Prospectus that relates to Mineral Resource estimates is based on the information compiled by Mr David Williams, who is a Member of The Australian Institute of Geoscientists. Mr Williams is not an employee of the Company, and is employed by CSA Global, an independent consulting company. Mr Williams does not have, nor expect to receive, directly or indirectly, any securities of the Company or any associate or affiliate of such company. Mr Williams has sufficient experience that is relevant to the style of mineralisation and type of deposit to qualify as a Competent Person as that term is defined in the JORC Code. Mr Williams has sufficient experience relevant to the Technical Assessment of the Mineral Assets under consideration, the style of mineralisation and types of deposit and to the activity being undertaken to qualify as a Practitioner as defined in the VALMIN Code, in accordance with the VALMIN Clause 2.2(a), (b) and (c). Mr Williams consents to the inclusion in this Prospectus of the matters based on his information in the form and context in which it appears.

The information in this Prospectus that relates to production targets and Ore Reserves is based on the information compiled by Mr Ryan Locke, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Locke is not an employee of the Company, and is employed by Orelogy Group Pty Ltd, an independent consulting company. Mr Locke does not have, nor expect to receive, directly or indirectly, any securities of the Company or any associate or affiliate of such company. Mr Locke has sufficient experience, which is relevant to the style of mineralisation and type of deposit to qualify as a Competent Person as defined in the JORC Code. Mr Locke has sufficient experience relevant to the Technical Assessment of the Mineral Assets under consideration, the style of mineralisation and types of deposit and to the activity being undertaken to qualify as a Practitioner as defined in the VALMIN Code, in accordance with the VALMIN Clause 2.2(a), (b) and (c). Mr Locke consents to the inclusion in this Prospectus of the matters based on his information in the form and context in which it appears.

Photographs and Diagrams

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

Currency

All financial amounts contained in this Prospectus are expressed as Australian currency unless otherwise stated. All references to “A$” or “$” are references to Australian dollars.

Time

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

Glossary

Defined terms and abbreviations used in this Prospectus are detailed in the Glossary of Terms in Section 9.

Proximate Statements

The Investment Overview in Section 1 and the Company Overview in Section 3 contain references to other parties either nearby or proximate to the Graphite Projects and includes references to topographical or geological similarities to that of the Graphite Projects. It is important to note that such discoveries or geological similarities do not in any way guarantee that the Company will have any success at all or similar successes in delineating a Mineral Resource on the Graphite Projects.

Replacement Prospectus

This Prospectus is a replacement prospectus and makes changes to the original prospectus dated 27 March 2023. The material changes made to the original prospectus are as follows:

- the inclusion of the additional sections titled "What are the implications if the Duwi Project or Malingunde Project are not transferred to NGX?" and "What are the implications if the Duwi Project or Malingunde Project are transferred to NGX?" in the Investment Overview and Section 3.3 containing further details of the implications of the transfer of the Duwi Project and/or the Malingunde Project to the Company;
- Section 4.1 to include additional disclosures relating to the independence of the Directors, some Directors being directors of Salt Lake Potash Limited (Administrators Appointed) (Receivers and Managers Appointed) and Mr Matt Syme being a director of Greenpharmtech Pty Ltd (Deregistered);
- Section 7.1 to include additional disclosures relating to the Directors who negotiated the Demerger Deed and the effect of the Company's termination rights; and
- an updated Nanzeka, Duwi and Mabuwa Projects Report in Annexure B and the Malingunde Project Report provided in Annexure C to the date of this Prospectus.

Indicative Timetable

Event	Date[1]
Lodgement of original prospectus with ASIC	27 March 2023
Lodgement of Prospectus with ASIC	12 April 2023
Opening Date for the Offers	12 April 2023
Closing Date for the Offers	3 May 2023
Expected date of issue of Securities under the Offers	15 May 2023
Despatch of holding statements	17 May 2023
Admission to the Official List of ASX	24 May 2023

Notes:

1. The above dates are indicative only and may change. The Company reserves the right to amend any and all of the above dates without notice (including, subject to the Listing Rules and the Corporations Act, to close the Offers early, to extend the Closing Date, to accept late Applications (either generally or in particular cases) or to withdraw the Offers before Securities are issued by the Company). If the Offers are withdrawn before the issue of Securities, then all Application Monies will be refunded in full (without interest) as soon as practicable in accordance with the requirements of the Corporations Act. Investors are encouraged to submit their Applications as soon as possible after the Offers open.

Key Details of the Offers

The below key information is a summary only and is not intended to provide complete information about NGX and the Offers. This Section should be read in conjunction with the information contained in the balance of this Prospectus.

Key Offer Details[1]	
Securities offered under the Priority Offer and General Offer	**Shares**
Issue price per Share under the Priority Offer and General Offer	**A$0.20**
Total number of Shares offered under the Priority Offer	*42,805,920*
Total number of Shares offered under the General Offer	*5,000,000*
Total number of Shares offered under the Offers	**47,805,920**
Securities offered under the Incentive Option Offer and Broker Option Offer	**Options**
Total number of Options offered under the Incentive Option Offer	*3,000,000*
Total number of Options offered under the Broker Option Offer	*1,000,000*
Total number of Options offered under the Offers	**4,000,000**
Gross proceeds of the Offers on a Maximum Subscription basis (before costs)	**A$9,561,184**

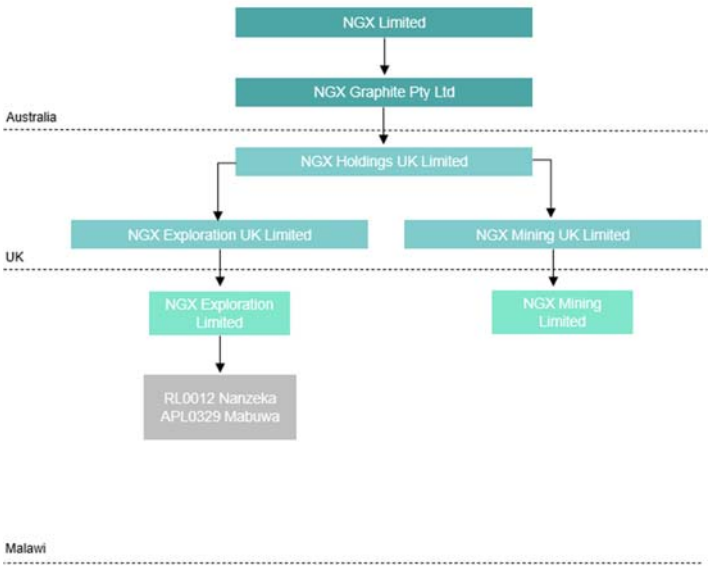
Capital Structure	Maximum Subscription
Securities on issue as at the date of this Prospectus	
Shares[1]	**42,805,920**
Options	**-**
Securities on issue immediately upon admission to the Official List	
Shares[1]	**90,611,840**
Options[2]	**4,000,000**
Market capitalisation of the Company at the issue price[3]	**A$18,122,368**
Enterprise value	**A$8,561,184**

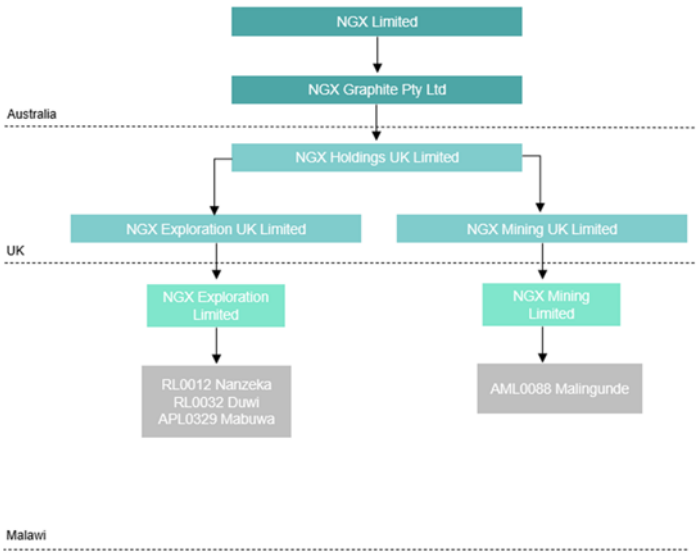
Notes:

1. Refer to Section 2 for details of the Offers. The rights attaching to Shares are summarised in Section 8.1.
2. Refer to Section 8.2 for further information regarding the Incentive Options issued to the Directors and KMP (and/or their respective nominees) under the Incentive Option Offer and Section 8.3 for further information regarding the Broker Options issued to the Lead Manager (and/or its nominee) under the Broker Option Offer.
3. At the issue price of A$0.20 per Share under the Priority Offer and General Offer. The price at which Shares trade on ASX may be above or below this amount and would fluctuate over time. Indicative market capitalisation is shown on an undiluted basis.

1. INVESTMENT OVERVIEW

The information below is a selective overview only. Prospective investors should read this Prospectus in full before deciding whether to invest in the Securities the subject of the Offers.

Topic	Summary	More Information
A. Prospectus		
Who is issuing this Prospectus?	NGX Limited (**NGX** or **Company**) is a public company incorporated in Australia with Australian Company Number 649 545 068. The Company was incorporated on 19 April 2021 and was previously a wholly owned subsidiary of Sovereign Metals Limited (**Sovereign**), an ASX and AIM listed company. NGX demerged from Sovereign, effective 24 March 2023. NGX is a company with a focus on certain graphite assets in Malawi, being the Nanzeka Project, the Duwi Project, the Malingunde Project and the Mabuwa Project, (together the **Graphite Projects**).	Section 3.1
B. Overview of NGX and the Graphite Projects		
How is NGX structured?	At the date of this Prospectus, the Company's corporate structure is as follows:  On completion of the transfer of the Duwi Project and Malingunde Project pursuant to the Demerger Deed, the Company's corporate structure will be as follows:	Section 3.1

Topic	Summary	More Information
		
What are the Graphite Projects?	The Graphite Projects comprise the Nanzeka Project (Granted), the Duwi Project, the Malingunde Project and the Mabuwa Project. Following completion of the Offers, the Company plans to immediately undertake further exploration and development activities (where possible) on the Graphite Projects, with a primary focus on the Nanzeka Project. Please refer to the Nanzeka, Duwi and Mabuwa Projects Report in Annexure B and the Malingunde Project Report provided in Annexure C for further information. **The Nanzeka Project - Granted** The Nanzeka Project is located approximately 50km north-east of Malawi's capital Lilongwe, with initial drilling and trenching having been undertaken at the project site in 2013 and mapping and rock-chip sampling delineating two high-grade flake graphite mineralisation zones over a combined strike length of 3km, with individual zones ranging between 10m and 150m in surface width. NGX Exploration Limited (a wholly owned subsidiary of NGX) is the holder of retention licence RL 0012/21, granted on 27 July 2021, which comprises the Nanzeka Project. **The Duwi Project – Subject to transfer to NGX** The Duwi Project is located approximately 15km east of Malawi's capital Lilongwe, which has a Mineral Resource estimate of 85.9Mt at 7.1% total graphitic carbon (**TGC**) for contained graphite of 6.13Mt (refer to the Nanzeka, Duwi and Mabuwa Projects Report provided in Annexure B for further information). Sovereign Services Limited (**SSL**), a wholly owned subsidiary of Sovereign, is the holder of the retention licence RTL 0032/22 which was granted on 4 October 2022. On 18 October 2022, SSL applied for the transfer of the Duwi Project to NGX. The transfer is pending approval.	Sections 3.2 and 7.1

Topic	Summary	More Information
	The transfer of the Duwi Project from the Company to NGX is subject to the satisfaction (or waiver) of various conditions precedent pursuant to the Demerger Deed, which includes Malawi ministerial approval for the transfer of the Duwi Project (refer to Section 7.1 for further information). **The Malingunde Project – Subject to grant of a mining licence and transfer to NGX** The Malingunde Project is located in the Central Region of the Lilongwe District of Malawi. The Malingunde Project site is located approximately 20km southwest of Malawi's capital, Lilongwe. The Malingunde Project has a Mineral Resource estimate of 65Mt at 7.2% TGC for contained graphite of 4.68Mt. In February 2022, Sovereign applied for the grant of a mining licence at the Malingunde Project which covers 5.7km^2. Conditional approval for the mining licence was provided in April 2022 with conditions to be addressed including receipt of an environmental and social impact assessment approval certificate under the Malawian environmental regulations. The transfer of the Malingunde Project from Sovereign to NGX is subject to the satisfaction (or waiver) of various conditions precedent pursuant to the Demerger Deed (refer to Section 7.1 for further information). **The Mabuwa Project – Subject to grant of an exploration licence** The Mabuwa Project is located approximately 60km south of Malawi's major commercial city of Blantyre. The Mabuwa Project covers a mafic-ultramafic intrusive body potentially favourable for nickel and platinum group element (**PGE**) sulphide mineralisation. No previous exploration work is known. However, historical reconnaissance drilling has been undertaken on nearby targets hosted in similar rock types with low grade nickel and PGE sulphide mineralisation having been discovered. An application for an exclusive exploration licence over 9km^2 was lodged by NGX Exploration Limited in March 2022.	
What are the implications if the Duwi Project or Malingunde Project are not transferred to NGX?	As described in the above question "What are the Graphite Projects?", the transfers of the Duwi Project and the Malingunde Project from Sovereign to NGX are subject to the satisfaction (or waiver) of various conditions precedent pursuant to the Demerger Deed, which include the grant of the Mining Licence for the Malingunde Project and Malawi ministerial approval for the transfer of the Duwi Project and the Malingunde Project, as applicable. There can be no guarantee that the conditions precedent under the Demerger Deed will be met and/or waived and the transfer of these projects will occur. Refer to Sections 6.1(b) and 7.1 for further information. The Demerger Deed provides that at any time after 10 February 2025, NGX has the option, in its absolute discretion, to terminate its obligations to acquire the Duwi Project and/or the Malingunde Project if the projects have not been transferred to NGX. On admission to the Official List, NGX's objective is the development of the Nanzeka Project and this right under the Demerger Deed provides NGX with flexibility to focus on the Nanzeka Project and Mabuwa Project if it	Sections 3.3(a), 3.7, 3.9, 6.1(b) and 7.1.

Topic	Summary	More Information
	determines that the advancement of these projects is preferrable and no longer wish to pursue the transfer of the Duwi Project and/or the Malingunde Project to the NGX Group at the relevant time. Refer to Section 3.3(a) for further information.	
What are the implications if the Duwi Project or Malingunde Project are transferred to NGX?	As described in the above question "What are the Graphite Projects?", the transfers of the Duwi Project and the Malingunde Project from Sovereign to NGX are subject to the satisfaction (or waiver) of various conditions precedent pursuant to the Demerger Deed, which include the grant of the Mining Licence for the Malingunde Project and Malawi ministerial approval for the transfer of the Duwi Project and the Malingunde Project, as applicable. There can be no guarantee that the conditions precedent under the Demerger Deed will be met and/or waived and the transfer of these projects will occur. Refer to Sections 6.1(b) and 7.1 for further information. If the Duwi Project and/or the Malingunde Project are transferred from Sovereign to NGX, the Company and its Shareholders will have the benefit of the relevant projects. The Company will then need to reassess its business model and strategy and objectives regarding the transferred Duwi Project and/or the Malingunde Project (as applicable), including planning for any exploration, studies and whether additional funding is required for these activities at the time. Refer to Section 3.3(b) for further information.	Sections 3.3(b), 3.7, 3.9, 6.1(b) and 7.1.
What is the Company's business model?	Upon completion of the Offers and admission of the Company to the Official List, the Company will be an Australian publicly listed company, conducting exploration and development on the Graphite Projects (subject to the transfer of the Duwi Project and Malingunde Project from Sovereign to NGX pursuant to the Demerger Deed). The Company's primary focus will be the systematic exploration of the Nanzeka Project. Subject to the results of exploration activities, technical studies and the availability of suitable funding, further activities include: • following discovery of a suitable mineral deposit, delineating a Mineral Resource estimate on the Nanzeka Project; • subject to the transfer of the Malingunde Project and Duwi Project into NGX, conducting further exploration activities at these projects; • conducting exploration activities at the Mabuwa Project; • undertaking economic and technical assessments of the Company's projects in line with standard industry practice (for example completion of a scoping study, then a prefeasibility study followed by a definitive feasibility study); • subject to the results of studies referred to above, undertaking project development and construction activities;	Section 3.7

Topic	Summary	More Information
	• ultimately exploitation of the Graphite Projects through mining operations; and • reviewing other business development opportunities including joint venture arrangements and other new mineral projects.	
What are the key business model dependencies of the Company?	The key dependencies for NGX to meet its objectives are: • ongoing access to capital for project exploration and development; • maintaining title to the Graphite Projects; • the transfer of title to NGX for the Malingunde Project and Duwi Project (including obtaining Malawian ministerial approval for the transfer); • sufficient worldwide demand for graphite; • the market price of graphite products remaining higher than the Company's costs of any future production (assuming successful development by the Company); • maintaining existing (and securing additional) necessary consents and approval required to carry out exploration and development activities; and • retaining competent operational management and prudent financial administration, including the availability and reliability of appropriately skilled and experienced employees, contractors and consultants.	Section 3.8
How does the Company generate revenue?	Following completion of the Offers, the Company will look to explore and develop the Graphite Projects. At the date of this Prospectus, the Company has no operating revenue and is unlikely to generate any operating revenue unless and until the Graphite Projects are successfully developed.	Section 3.7
What are the key business objectives of the Company?	Following completion of the Offers, the Company's objectives are: • conducting systematic exploration activities at the Nanzeka Project; • subject to the transfer of the Malingunde Project and Duwi Project to NGX, conducting further exploration and development activities at these projects; • conducting exploration activities at the Mabuwa Project, subject to the grant of the exploration licence; • subject to the results of exploration activities, progress economic and technical studies on the Company's projects; and • reviewing other business development opportunities including joint venture arrangements and other new mineral projects.	Section 3.9
C. Key Strengths and Key Risks		

Topic	Summary	More Information
What are the key strengths of the Company?	The Directors are of the view that the key strengths of the Company are as follows: • **Experienced Project Development Team** – The Board has extensive experience in mineral exploration, project development, mining and financing in the resources industry; • **Mining friendly jurisdiction with excellent existing infrastructure –** Subject to grant and/or transfer of the Duwi and Malingunde Projects, the Graphite Projects are located approximately 50km north-east, 15km east and 20km southwest of Lilongwe respectively, Malawi's capital city. Lilongwe offers significant infrastructure and other advantages including the access to an existing operating rail/port logistics solution for potential product export; • **Company has sufficient funding to achieve its objectives** – On completion of the Offers, the Board believes the Company will have sufficient working capital to achieve its stated objectives set out in Section 3.9; • **High quality graphite** – Previous results have demonstrated that the Graphite Projects (including the Duwi and Malingunde Projects, which are subject to grant and/or transfer) can produce a high quality flake graphite concentrate suitable for industry applications like the rapidly growing lithium-ion battery markets and other traditional uses; and • **High grade, soft free dig saprolite deposit** – Part of the graphite mineralisation at the Graphite Projects (including the Duwi and Malingunde Projects, which are subject to grant and/or transfer) is hosted in soft and friable, free-dig saprolite potentially leading to considerably lower carbon footprint and cost advantages in the mining and beneficiation stages compared to hard-rock mines.	Sections 3.9 and 3.10
What are the key risks of investing in the Company?	Some of the key risks of investing in the Company are detailed below. The list of risks is not exhaustive and further details of these risks and other risks associated with an investment in the Company are described in Section 6. • **Tenure and title to properties**: There can be no assurances that NGX's interest in its properties are free from defects. NGX has investigated its rights and title interests as described in this application and believes that these rights and title interests are in good standing. There is no assurance, however, that such rights and title interests will not be revoked or significantly altered to the detriment of NGX. There can be no assurances that NGX's rights and title interests will not be challenged or impugned by third parties. Furthermore, there is no guarantee that current or future tenements and/or applications for tenements will be approved. The mining licence application for the Malingunde Project is still under application and there can be no assurance that this application, which is currently pending, will be granted. There can be no assurance that,	Section 6

Topic	Summary	More Information
	if the tenements are granted, it will be granted in its entirety or without unfavourable conditions or encumbrances. All of the tenements and licences in which NGX has, or may earn an interest in, will be subject to applications and periodic renewal in Malawi in accordance with the Malawi Mines and Minerals Act (2018). The renewal or grant of the term of each licence is usually within the legal framework for Malawi and may involve some level of discretion of the relevant Malawian government authority. If a licence is not renewed or granted, NGX may suffer significant damage through loss of the opportunity to develop and/or discover further Mineral Resources on that area. NGX cannot give any assurance that title to its Graphite Projects will not be challenged, cancelled or impugned for various reasons, including that they may be subject to prior unregistered agreements or transfers or title may be affected by undetected defects. • **Transfer of the Duwi Project and Malingunde Project to NGX**: The transfer of the Duwi Project (including the Retention Licence) to NGX is subject to the outstanding condition of Sovereign obtaining all necessary regulatory approvals, including Malawi ministerial approval for the transfer of the Duwi Project to NGX, which must be met or waived (if possible). The transfer of the Malingunde Project (including the Mining Licence) to NGX is subject to the following outstanding conditions that must be met and/or waived (if possible): ○ Sovereign being granted the Mining Licence for the Malingunde Project; and ○ Sovereign obtaining all necessary regulatory approvals, including Malawi ministerial approval for the transfer of the Malingunde Project to NGX. Further, although conditional approval for the Mining Licence was granted in April 2022, the approval remains subject to a number of conditions to be addressed, including the receipt of an environmental and social impact assessment (**ESIA**) approval certificate under the applicable Malawian environmental regulations. Sovereign is engaging with relevant stakeholders and authorities in respect to the ESIA approval process. There can be no guarantees that a certificate will be received based on the current ESIA. If this occurs, and a modified ESIA and/or mine plan is not accepted, the Mining Licence may not be granted. There can be no guarantee that the conditions precedent under the Demerger Deed (including those conditions in connection with the grant of the Mining Licence for the Malingunde Project) will be met and/or waived and the transfer of the Duwi Project and/or the Malingunde Project will occur. If the approval of the Mining Licence for Malingunde and/or the transfer of either project to NGX does not occur, then this may impact the Company's approach and timing to establishing commercial viability as a graphite mining business in Malawi.	

Topic	Summary	More Information
	• **Risks Associated with operating in Malawi**: NGX's principal assets are located in Malawi and NGX is subject to various political, regulatory, economic and other risks and uncertainties with operating in Malawi. NGX's operations in Malawi are exposed to exploration and mining operations in a developing country which are not necessarily present in a developed country. These risks and uncertainties vary from country to country and include, but are not limited to, economic, social or political instability or change, hyperinflation, currency non-convertibility or instability and changes of law affecting government participation, taxation, working conditions, rates of exchange, exchange control, exploration licensing, export duties, environmental protection, mine safety, labour relations as well as government control over mineral properties or government regulations that require the employment of local staff or contractors or necessitate other benefits to be provided to the local community. • **Contractual risk:** As noted above, NGX has entered into the Demerger Deed with Sovereign for the acquisition and transfer of the Duwi Project and the Malingunde Project to NGX. Under the terms of the Demerger Deed, NGX has contractual rights which require Sovereign to, amongst other things, provide reasonable assistance to NGX to ensure the transfer of the Duwi Project and the Malingunde Project occur. The nature of the contractual relationship may change, including, the ownership structure and voting rights, resulting in NGX being unable to influence the decisions of Sovereign for the benefit of NGX. The ability of NGX to move forward with either the Duwi Project and/or the Malingunde Project will depend on the performance by Sovereign and NGX of their obligations under the Demerger Deed. If any party defaults in the performance of its obligations under the Demerger Deed, it may be necessary for either party to approach a court to seek a legal remedy, which could be costly for NGX. • **The Company has no history of earnings and no production revenues:** The Company is a mineral exploration company, has no history of earnings, and does not have any producing mining operations. The Company has experienced losses from exploration activities and until such time as the Company carries on mining production activities, it expects to continue to incur losses. No assurance can be given that the Company will ever identify a mineral deposit which is capable of being exploited economically or which is capable of supporting production activities. • **Future capital requirements:** The Company may require further financing in addition to amounts raised under the Offers. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and scale back its exploration programs as the case may be. There is no guarantee that the Company will	

Topic	Summary	More Information
	be able to secure any additional funding or be able to secure funding on terms favourable to the Company.	
D. Directors and Related Party Interests and Arrangements		
Who are the Directors?	The Directors are: • Mr Ian Middlemas – Non-Executive Chairman • Mr Matthew Syme – Executive Director • Mr Matthew Bungey – Non-Executive Director • Mr Mark Pearce – Non-Executive Director	Section 4.1
Who are the other key management personnel?	Other key management personnel (**KMP**) include: • Ms Elizabeth (Lib) Matthews - Company Secretary	Section 4.2
What benefits are being paid to Directors?	The Directors are entitled to the following remuneration and fees: • Mr Ian Middlemas – from the Listing Date, receives Director fees of A$36,000 per annum plus statutory superannuation (currently at 10.5%); • NGX has entered into an executive services agreement with Hopetoun Consulting Pty Ltd (**Hopetoun**), a company associated with Director, Mr Matthew Syme (**Hopetoun Agreement**) to provide services to NGX as an Executive Director. NGX will remunerate Hopetoun for its services with a remuneration package comprising: ○ a daily fee of A$1,200; and ○ reimbursement for reasonable expenses necessarily incurred by Mr Syme (or Hopetoun). In addition, Mr Syme (or Hopetoun) may be entitled to participate in NGX bonus and/or other incentive schemes that may be implemented in the future (if any). The Hopetoun Agreement is for an indefinite term and will continue until terminated by either NGX or Hopetoun by the giving of one month's written notice of termination or payment in lieu; and • Mr Matthew Bungey – from the Listing Date, receives Director fees of A$20,000 per annum plus statutory superannuation (currently at 10.5%); and • Mr Mark Pearce – from the Listing Date, receives Director fees of A$20,000 per annum plus statutory superannuation (currently at 10.5%). Apollo Group Pty Ltd (**Apollo Group**), a company controlled by Mr Pearce also receives certain fees from the provision of administration and company secretarial services. Refer to Section 7.6 for further information.	Sections 7.3, 7.6 and 8.7

<table>
<tr><th>Topic</th><th>Summary</th><th>More Information</th></tr>
<tr><td>What material contracts is the Company a party to?</td><td>The material contracts of the Company are detailed in Section 7. These material contracts include:
Demerger Deed;
Novation of Royalty;
Hopetoun Agreement;
Director appointment letters;
Director and officer deeds of indemnity;
Apollo Group Services Agreement;
Consultancy Agreement; and
Lead Manager Mandate.</td><td>Section 7</td></tr>
<tr><td>What interests do Directors have in the securities of the Company?</td><td>At the date of this Prospectus, the Directors, and their associated entities have the following interests in the securities of the Company:<table><tr><th>Director</th><th>Shares</th><th>%</th></tr><tr><td>Mr Ian Middlemas</td><td>1,463,636</td><td>3.42</td></tr><tr><td>Mr Matthew Syme</td><td>20,000</td><td>0.05</td></tr><tr><td>Mr Matthew Bungey</td><td>45,454</td><td>0.11</td></tr><tr><td>Mr Mark Pearce</td><td>390,531</td><td>0.91</td></tr></table>The expected interests of the Directors following completion of the Offers are detailed in Section 8.6.</td><td>Section 8.6</td></tr>
<tr><td>Are the Directors participating in the Offers?</td><td>The Directors and their associated entities intend to participate in the Priority Offer by applying to take up their full Entitlement under this Prospectus on the following basis:
Mr Ian Middlemas – 1,463,636 Shares;
Mr Matthew Syme – 20,000 Shares;
Mr Matthew Bungey – 45,454 Shares; and
Mr Mark Pearce – 390,531 Shares.
In addition, Mr Matthew Syme and Mr Matthew Bungey intend to participate in the Shortfall Offer by subscribing for up to 1,750,000 Shares, subject to the allocation policy set out in Section 2.15.
The following Directors will also participate in the Incentive Option Offer by applying to take up the following Incentive Options:
Mr Matthew Syme – 1,500,000 Incentive Options;
Mr Matthew Bungey – 500,000 Incentive Options; and
Mr Mark Pearce – 500,000 Incentive Options.</td><td>Sections 8.6, 2.15 and 2.19</td></tr>
</table>

Topic	Summary	More Information
	The expected interests of the Directors, following completion of the Offers, are detailed in Section 8.6.	
Who are the significant Eligible Shareholders of the Company and what will their interests be after completion of the Offers?	At the date of this Prospectus, there is no registered Shareholder with a registered holding of 5% of more of the Shares on issue and no person has advised the Company that they hold an interest in 5% of more of Shares on issue. However, prior to the Company being demerged from Sovereign, the last filed substantial shareholder notice from Sprott Inc. (**Sprott**) and each of its controlled bodies corporate listed in the notice indicated that it held 54,839,880 Sovereign Shares held through various custodians. Based on the demerger ratio, for these 54,839,880 Sovereign Shares, Sprott was entitled to received 4,985,443 NGX Shares, equating to 11.65% of Shares on issue as at the date of this Prospectus. Based on this approximated holding of Sprott, if it participated in the Priority Offer for its full entitlement, Sprott could hold 9,970,886 Shares, equating to 11.00% of Shares on issue at the time of admission of the Company to the Official List.	Section 8.11
E. Financial Information		
What are the Company's financial prospects and position?	As at the date of this Prospectus, the Company has cash of A$134,936. The cash balance is the result of loans advanced to it by Sovereign. The Company's pro forma statement of financial position as at 31 December 2022 has net assets of A$15,428,233 including net tangible assets of A$8,867,160. This takes into account a range of subsequent events and transactions, as detailed in Section 5, and is made up of total assets of A$15,522,275 (including cash of A$8,961,202) and total liabilities of A$94,042. Relevant financial information in respect of the Company, including a pro forma statement of financial position detailing the effect of the Offers, is in Section 5. Section 5 also contains statements of financial position, statements of profit or loss and other comprehensive income and statements of cash flows for the Company.	Section 5
What is the Company's dividend policy?	The extent, timing and payment of any dividends in the future will be determined by the Directors based on a number of factors, including future earnings and the financial performance and position of the Company. While it is the aim of the Company that, in the longer term, its financial performance and position will enable the payment of dividends, at the date of this Prospectus, the Company does not intend, or expect, to declare or pay any dividends in the immediately foreseeable future, given that its focus will be on long term growth.	Section 3.11

Topic	Summary	More Information
F. Summary of the Offers		
What is the purpose of the Offers?	The purpose of the Offers is to: • raise A$9,561,184 (before associated costs); • assist the Company to meet the requirements of ASX and satisfy Chapters 1 and 2 of the Listing Rules, as part of the Company's application for admission to the Official List; • position the Company to seek to achieve the objectives detailed in Section 3.9; • provide the Company with access to equity capital markets for future funding needs; • provide the Company with general working capital; and • ensure that the on-sale of the Shares do not breach section 707(3) of the Corporations Act.	Section 2.3
How will the Offers affect the capital structure of NGX?	If the Offers close successfully: • the number of Shares on issue will increase from 42,805,920 Shares to a maximum of 90,611,840 Shares; and • the number of Options on issue will be 4,000,000 Options issued pursuant to the Incentive Option Offer and Broker Option Offer.	Sections 2.6, 8.2 and 8.3
Who is the Lead Manager and what fees are payable to the Lead Manager?	Taylor Collison Limited (**Taylor Collison**) is the Lead Manager. The Lead Manager will receive the following fees as consideration for services provided as lead manager to the Priority Offer and the General Offer: • a management fee of 0.5% of the funds raised under the Offers; • a capital raising fee of 5.0% of the Broker Allocation and any shortfall placed by the Lead Manager; and • 1 million Broker Options within 10 business days following the allotment of the Shares under the Offers.	Sections 7.8 and 8.3
What is the cost of the Offers?	The expenses of the Offers are estimated to be approximately A$448,277.	Section 8.10
What securities are being offered?	The Priority Offer and General Offer are for the issue of fully paid ordinary Shares in NGX. The Incentive Option Offer and Broker Option Offer are for the issue of Options in NGX.	Section 2
What are the conditions to the Offers?	The Offers are conditional upon the following: • within three months after the date of this Prospectus (or within such longer period as may be permitted by ASIC): ○ ASX approving NGX's application for admission to the Official List; and	Section 2.4

Topic	Summary	More Information
	○ ASX granting NGX permission for Official Quotation of its Shares; and • within four months after the date of this Prospectus (or within such longer period as may be permitted by ASIC), the Minimum Subscription being raised through the Offers. The completion of the Incentive Option Offer and Broker Option Offer is conditional on the completion of the Priority Offer and General Offer. If the Priority Offer and General Offer does not proceed, the Company will not proceed with the issue of the Securities under the Incentive Option Offer and Broker Option Offer. If the above conditions to the Offers are not satisfied, NGX will issue a supplementary or replacement prospectus to Applicants allowing them one month to withdraw their Applications and obtain a refund of their Application Money. Alternatively, NGX may determine not to proceed with the Offers and will repay all Application Money received, without interest, in accordance with the Corporations Act.	
Is there any brokerage, commission or stamp duty payable by Applicants?	No brokerage, commission or stamp duty should be payable by Applicants on acquisition of the Securities under the Offers.	Sections 2.11, 2.12, 2.19 and 2.20
What are the tax implications of investing in the Securities?	The issue of Securities will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Securities, pursuant to the Offers, from a taxation viewpoint and generally.	Section 2.18
Will any Securities be subject to restrictions on disposal?	None of the Shares issued under the Priority Offer and General Offer will be subject to escrow. It is expected that the Incentive Options issued to the Directors and KMP (and/or their respective nominees) under the Incentive Option Offer and the Broker Options issued to the Lead Manager (and/or its nominees) under the Broker Option Offer will be escrowed from the date of Official Quotation for a period of 24 months. The Company will announce to ASX full details (quantity and duration) of the Securities to be held in escrow prior to the Shares commencing trading on ASX.	Section 2.21
How do I apply for Securities?	Applications under the Offers can be made by completing the Application Form, in accordance with the instructions accompanying the Application Form.	Sections 2.11 and 2.12

Topic	Summary	More Information
Can the Offers be withdrawn?	Yes. The Company may withdraw the Offers at any time before the issue of Securities to successful Applicants under the Offers. If the Offers, or any part of them, does not proceed, all relevant Application Monies will be refunded (without interest).	Section 2.22
G. Priority Offer, General Offer and Shortfall Offer		
What is the Priority Offer and General Offer?	This Prospectus invites investors to participate in an initial public offering of up to 47,805,920 Shares at an issue price of A$0.20 to raise up to A$9,561,184 (before associated costs, comprising: • the 'Priority Offer' to Eligible Shareholders on the basis of one (1) new Share for every one (1) Share held to issue up to 42,805,920 Shares to raise up to A$8,561,184 (before associated costs) (**Priority Offer**); and • the 'General Offer' of up to 5,000,000 Shares to raise up to A$1,000,000 (before associated costs) (**General Offer**).	Sections 2.1 and 2.2
Who is eligible to participate in the Priority Offer?	The Priority Offer is open to all Eligible Shareholders.	Section 2.1(a)
Who is eligible to participate in the General Offer?	The General Offer is open to the general public in Australia and those people from other jurisdictions who are invited by the Company to participate in the General Offer.	Section 2.2
What is the Shortfall Offer?	A separate offer under this Prospectus will be made for Shortfall Shares at the issue price of A$0.20 per Shortfall Share (**Shortfall Offer**) to: • Eligible Shareholders who have applied for Shares in excess of their Entitlement under the Priority Offer; and • investors who are invited by the Company to participate in the Shortfall Offer by completing a Shortfall Offer Application Form. Each of the Shortfall Shares to be granted under the Shortfall Offer shall be granted on the same terms and conditions as the Shares being offered under the Priority Offer (including the issue price). Shortfall Shares will be allocated in accordance with the allocation policy set out in Section 2.15.	Section 2.1(b)
What is the Minimum Subscription under the Priority Offer, General Offer and Shortfall Offer?	The Minimum Subscription under the Priority Offer, General Offer and Shortfall Offer is A$9,561,184.	Section 2.8
What if the Minimum Subscription under the Priority Offer,	If the Minimum Subscription of A$9,561,184 is not met, Shares under the Priority Offer, General Offer and Shortfall Offer will not be issued.	Section 2.8

Topic	Summary	More Information
General Offer and Shortfall Offer is not met?		
Is the Priority Offer and General Offer underwritten?	The Offers are not underwritten.	Section 2.10
Will the Shares be quoted on the ASX?	The Company will apply to ASX within seven days of the date of this Prospectus for admission to the Official List and Quotation of Shares on ASX (which is expected to be under the code "NGX").	Section 2.14
What is the allocation policy under the Shortfall Offer?	Shortfall Shares will be allocated at the discretion of the Board in consultation with the Lead Manager. Preference will be given to any existing long term large Sovereign shareholders who apply for Shortfall Shares as well as Directors (who are not related parties of Sovereign) who intend to commit to subscribe for Shortfall Shares up to an aggregate amount of approximately A$350,000. No Shortfall Shares will be issued to any Directors who are related parties of Sovereign unless there are no applications from other investors or Shareholders for Shortfall Shares. There is no guarantee that subscribers will be found for the Shortfall Shares. The Company reserves the right, in its absolute discretion, to allot to an Applicant, a lesser number of Shortfall Shares than the number for which the Applicant applies or to reject the relevant Application Form. No Shortfall Shares will be allocated or issued to any person to the extent that the Company is aware that to do so would result in a breach of the Corporations Act, the Listing Rules or any other relevant legislation or law, including without limitation, a breach of section 606 of the Corporations Act.	Section 2.15
What rights and liabilities are attached to the Shares are being offered?	All new Shares issued under the Offers will rank equally in all respects with existing Shares on issue.	Section 8.1

Topic	Summary	More Information
When will I receive confirmation that my Application has been successful?	It is expected that holding statements will be sent to successful applicants on or about 17 May 2023 (subject to any extension of the Offers).	Indicative Timetable
When can I sell my Shares on the ASX?	It is expected that trading of Shares on the ASX will commence on or about 24 May 2023. It is the responsibility of each Applicant to confirm their holding before trading their Shares. Applicants who sell Shares before they receive an initial holding statement do so at their own risk.	Indicative Timetable
H. Incentive Option Offer and Broker Option Offer		
What is the purpose of the Incentive Option Offer and the Broker Option Offer?	The Company is also offering pursuant to the Prospectus: (a) **Incentive Option Offer:** an offer to the Directors and KMP (and/or their respective nominees) of 3,000,000 Incentive Options in relation to their remuneration packages with the Company; and (b) **Broker Option Offer:** an offer to the Lead Manager (and/or its nominees) of 1,000,000 Broker Options in relation to lead manager services provided to the Company. The offer of the Incentive Option Offer and the Broker Option Offer pursuant to this Prospectus will remove the need for any additional disclosure document upon the same of any Shares issued upon the conversion of the Options that are issued under the Incentive Option Offer and Broker Option Offer. Applications for Securities under the Incentive Option Offer and Broker Option Offer will only be made to the relevant individual and/or entities to which those offers relate.	Sections 2.19 and 2.20
What rights and liabilities attached to the Incentive Options and Broker Options being offered?	The terms and conditions of the Incentive Options and Broker Options are set out in Sections 8.2 and 8.3.	Sections 8.2 and 8.3.
I. Use of Proceeds and Capital Structure		
How will the proceeds of the Offers be used?	The Company intends to utilise the proceeds from the Offers towards: • funding initial exploration and development activities at the Graphite Projects, with an initial focus on confirming and expanding on previous Exploration Results; • commencing of a definitive feasibility study at the Malingunde Project (subject to the award and transfer of the mining licence to NGX); • reviewing other business development activities including preliminary assessment of EV markets and downstream processing options;	Section 2.5

<table>
<tr><th>Topic</th><th>Summary</th><th>More Information</th></tr>
<tr><td></td><td>

paying for administration and corporate costs;
paying for the costs of the Offers; and
general working capital.

Refer to Section 2.5 for a table detailing the expected use of funds in the two-year period following the Listing Date.
</td><td></td></tr>
<tr><td>What will be the Company's capital structure on completion of the Offers?</td><td>
The Company's capital structure on completion of the Offers will be as follows:
<table>
<tr><th></th><th>Shares</th><th>Options</th></tr>
<tr><td>On issue as at the date of this Prospectus</td><td>42,805,920</td><td>-</td></tr>
<tr><td>Shares issued under the Priority Offer[1]</td><td>42,805,920</td><td>-</td></tr>
<tr><td>Shares issued under the General Offer[1]</td><td>5,000,000</td><td>-</td></tr>
<tr><td>Incentive Options issued under the Incentive Option Offer[2]</td><td>-</td><td>3,000,000</td></tr>
<tr><td>Broker Options issued under the Broker Option Offer[3]</td><td>-</td><td>1,000,000</td></tr>
<tr><td>Total following completion of the Offers</td><td>90,611,840</td><td>4,000,000</td></tr>
</table>
Notes:
1. On a Maximum Subscription Basis. Refer to Section 2 for details of the Offers. The rights attaching to Shares are summarised in Section 8.1.
2. Refer to Section 8.2 for further information regarding the Incentive Options issued to the Directors and KMP (and/or their respective nominees) under the Incentive Option Offer.
3. Refer to Section 8.3 for further information regarding the Broker Options issued to the Lead Manager (and/or its nominee) under the Broker Option Offer.
</td><td>Sections 2.6, 8.1, 8.2 and 8.3.</td></tr>
<tr><td colspan="3">J. Other Information</td></tr>
<tr><td>How will the Company report to Securityholders on the performance of its activities?</td><td>
The Company will send to its Shareholders an annual report (unless a Shareholder has elected not to receive an annual report) and will also release information to Securityholders in accordance with the continuous and periodic disclosure requirements of the Listing Rules.

Further information regarding the Company will be available on the ASX announcements platform at www.asx.com.au and will also be available on the Company's website at www.ngxlimited.com.

Securityholders can update their communication preferences at https://investor.automic.com.au.
</td><td>Section 8.12</td></tr>
<tr><td>How can I obtain further information?</td><td>Further information can be obtained by reading this Prospectus and consulting your professional advisors. You can also contact the Company on +61 8 9322 6322.</td><td>Corporate Directory</td></tr>
</table>

2. DETAILS OF THE OFFERS

2.1 The Priority Offer

(a) **Priority Offer**

This Prospectus invites Eligible Shareholders to participate in a pro-rata priority offer of up to 42,805,920 Shares on the basis of one (1) new Share for every one (1) Share held at the date of this Prospectus (**Entitlement**) at an issue price of A$0.20 each to raise up to A$8,561,184 (before associated costs) (**Priority Offer**).

The Priority Offer is made to all Eligible Shareholders.

The Priority Offer will operate as follows:

(i) Each Eligible Shareholder's maximum entitlement under the Priority Offer is calculated pro-rata to their shareholding in NGX as at the date of this Prospectus. Eligible Shareholders may apply for all or part of their Entitlement.

(ii) Eligible Shareholders may apply for Shares in excess of their Entitlement but the excess Shares applied for will be considered as an Application for the Shortfall Shares under the Shortfall Offer and subject to the terms of the same outlined in Section 2.1(b)(ii). There is no guarantee that Eligible Shareholders applying for Shares in excess of their Entitlement will be issued such excess Shares applied for.

Where the determination of the Entitlement of any Eligible Shareholder results in a fraction of a Share, such fraction will be rounded down to the nearest whole Share.

Refer to Section 8.1 for details of the rights attaching to the Shares under the Priority Offer.

Refer to Section 2.11 for details on how to apply for Shares under the Priority Offer.

By participating in the Priority Offer, each person represents and warrants that:

(i) they are an Eligible Shareholder;

(ii) they understand that the Shares have not been, and will not be, registered under the US Securities Act or the securities laws of any state or other jurisdictions in the United States, and accordingly, the Shares may not be offered or sold in the United States except in a transaction exempt, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws;

(iii) if in the future they decide to sell or otherwise transfer the Shares acquired under the Priority Offer, they will only do so in "regular way" transactions on ASX where neither it nor any person acting on their behalf knows, or has reason to know, that the sale has been pre-arranged with, or that the purchaser is, in the United States; and

(iv) if in the United States, they have signed and returned to the Company a US investor certificate representing their status as an "accredited investor" (as defined in Rule 501(a) under the US Securities Act).

(b) **Shortfall Offer**

A separate offer under this Prospectus will be made for Shortfall Shares at an issue price of A$0.20 per Shortfall Share (**Shortfall Offer**) to:

(i) Eligible Shareholders who have applied for Shares in excess of their Entitlement under the Priority Offer; and

(ii) investors who are invited by the Company or the Lead Manager to participate in the Shortfall Offer by completing a Shortfall Offer Application Form.

Each of the Shortfall Shares to be issued under the Shortfall Offer shall be issued on the same terms and conditions as the Shares being offered under the Priority Offer (including the issue price).

Unless otherwise determined by the Company in consultation with the Lead Manager, the Shortfall Shares will be allocated in accordance with the allocation policy set out in Section 2.15.

Where the number of Shortfall Shares issued to Applicants is less than the number applied for, surplus Application Monies will be refunded (without interest) as soon as reasonably practicable after the Closing Date. There is no guarantee that applications by Eligible Shareholders in excess of their Entitlement will be satisfied.

No Shortfall Shares will be allocated or issued to any person to the extent that the Company is aware that to do so would result in a breach of the Corporations Act, the Listing Rules or any other relevant legislation or law, including without limitation, a breach of section 606 of the Corporations Act.

Refer to Section 8.1 for details of the rights attaching to the Shares under the Shortfall Offer.

Refer to Section 2.11(b) for details on how to apply for Shares under the Shortfall Offer.

2.2 The General Offer

The General Offer is an offer of up to 5,000,000 Shares at an issue price of A$0.20 per Share to raise $1,000,000 (before associated costs) (**General Offer**).

The General Offer is open to the general public in Australia and those investors who are invited by the Company to participate in the General Offer.

Applications under the General Offer must be made using the General Offer Application Form accompanying this Prospectus.

Refer to Section 8.1 for details of the rights attaching to the Shares under the General Offer.

Refer to Section 2.11(c) for details on how to apply for Shares under the General Offer.

2.3 Purpose of the Offers

The purpose of the Offers is to:

(a) raise A$9,561,184 (before associated costs) pursuant to the Offers;

(b) assist the Company to meet the requirements of ASX and satisfy Chapters 1 and 2 of the Listing Rules, as part of the Company's application for admission to the Official List;

(c) position the Company to seek to achieve the objectives detailed in Section 3.9;

(d) provide the Company with access to equity capital markets for future funding needs; and

(e) provide the Company with general working capital.

2.4 Conditions of the Offers

The Offers are conditional upon the following:

(a) within three months after the date of this Prospectus (or within such longer period as may be permitted by ASIC):

(i) ASX approving NGX's application for admission to the Official List; and

(ii) ASX granting NGX permission for Official Quotation of its Shares; and

(b) within four months after the date of this Prospectus (or within such longer period as may be permitted by ASIC), the Minimum Subscription being raised through the Offers.

Please refer to Sections 2.8 and 2.14 for further details.

The completion of the Incentive Option Offer and Broker Option Offer is conditional on the completion of the Priority Offer and General Offer.

If the Priority Offer and General Offer do not proceed, the Company will not proceed with the Incentive Option Offer and Broker Option Offer.

If the above conditions to the Offers are not satisfied, NGX will issue a supplementary or replacement prospectus to Applicants allowing them one month to withdraw their Applications and obtain a refund of their Application Money. Alternatively, NGX may determine not to proceed with the Offers and will repay all Application Money received, without interest, in accordance with the Corporations Act.

2.5 Use of Proceeds

The Company intends to utilise the proceeds from the Offers towards:

(a) funding initial exploration and development activities at the Graphite Projects, with an initial focus on confirming and expanding on previous Exploration Results;

(b) commencing of a definitive feasibility study at the Malingunde Project (subject to the award and transfer of the mining licence to NGX);

(c) reviewing other business opportunities including continuing downstream technology studies to produce purified spherical graphite for LiOH batteries and the EV market, and downstream processing options;

(d) paying administration and corporate costs;

(e) paying the costs of the Offers; and

(f) general working capital.

The following table details the expected use of funds in the two-year period following the Listing Date:

Item	A$ Raised	% of Funds
Funds raised from the Offers	**9,561,184**	**100.0**
Allocation of Funds		
Exploration expenditure on granted tenements[1,2]	4,697,250	49.1
Expenditure on other projects[3]	1,070,000	11.2
Business development activities[4]	550,500	5.7
General and administration costs for two years[5]	1,277,085	13.4
Working capital facility for operating expenses[6]	483,873	5.1
Cash Reserves and Working Capital[7]	1,034,199	10.8
Expenses of the Offers[8]	448,277	4.7
Total Funds Allocated	**9,561,184**	**100.0**

Notes:

1. This item only includes expenditure on granted tenements and does not include any expenditure in relation to tenements which are currently under application.
2. Refer to 3.6 for further details of the proposed exploration program and budget.
3. This item relates to expenditure on the application tenements which will be incurred irrespective of whether each tenement is granted and transferred to NGX.
4. Business Development activities includes preliminary assessment of EV markets and downstream processing options.
5. General and administration costs include Directors' fees, company secretarial fees, serviced office fees, insurance, accounting, audit, legal and listing fees, and other items of a general administrative nature.
6. This has been incurred by the Company's former parent entity, Sovereign. NGX is to repay the amount to Sovereign.
7. Cash Reserves and Working Capital may be used in connection with any project such as investments and acquisitions, or in connection with any other item in the table above, as determined by the Board at the relevant time.
8. Refer to Section 8.10 for further details.

The above table is a statement of current intentions as of the date of this Prospectus. Due to market conditions and/or any number of other factors (including the risk factors outlined in Section 6), actual expenditure levels may differ significantly to the above estimates. As with any budget, intervening events (including exploration success or failure) and new circumstances have the potential to affect the way funds are ultimately applied. The Board reserves the right to alter the way funds are applied on this basis.

Exploration expenditures will be reviewed on an on-going basis, depending upon the nature of results from the respective exploration and development activities. The results obtained from exploration and evaluation programs may lead to increased or decreased levels of expenditure on certain projects reflecting a change in emphasis.

Should the Maximum Subscription not be raised then exploration activities on granted tenements will be scaled back proportionally to the funds raised under the Offers. In addition, market studies and overhead costs will also be scaled back proportionally.

The Directors consider that, following completion of the Offers, the Company will have sufficient working capital to meet its stated objectives and satisfy its working capital requirements for a period of at least two years following the Listing Date. Refer to Section 3.6 for further details on the Company's proposed exploration programs.

NGX has no operating revenue and is unlikely to generate any operating revenue unless and until the Graphite Projects are successfully developed. NGX will experience losses from exploration activities and until such time as NGX carries on mining production activities, it expects to continue to incur losses. Even if exploration activities are successful on the Graphite Projects, it is likely that NGX will require additional funding in the future, and as such the intention is to add Shareholder value and also progressively reduce risks associated with its current or any new mineral projects that may be acquired.

2.6 Capital Structure

On the basis that the Company completes the Offers on the terms in this Prospectus, the Company's capital structure will be as follows:

	Shares	Options
On issue as at the date of this Prospectus	42,805,920	-
Shares issued under the Priority Offer[1]	42,805,920	-
Shares issued under the General Offer[1]	5,000,000	-
Incentive Options issued under the Incentive Option Offer[2]	-	3,000,000
Broker Options issued under the Broker Option Offer[3]	-	1,000,000
Total following completion of the Offers	**90,611,840**	**4,000,000**

Notes:

1. Assumes that the Priority Offer and General Offer are fully subscribed. Refer to Section 2 for details of the Offers. The rights attaching to Shares are summarised in Section 8.1.
2. Refer to Section 8.2 for further information regarding the Incentive Options issued to the Directors and KMP (and/or their respective nominees) under the Incentive Option Offer.
3. Refer to Section 8.3 for further information regarding the Broker Options issued to the Lead Manager (and/or its nominee) under the Broker Option Offer.

2.7 Forecasts

Mineral exploration and development is inherently uncertain. Consequently, there are significant uncertainties associated with forecasting future revenues (if any) and expenses associated with the Company's proposed activities.

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

potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection.

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

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

2.8 Minimum Subscription

The Minimum Subscription under the Priority Offer, General Offer and Shortfall Offer is 47,805,920 Shares to raise A$9,561,184 (before associated costs) (**Minimum Subscription**). However, the Company reserves the right cancel or suspend the Offers at any time.

None of the Securities offered under this Prospectus will be issued if Applications are not received for the Minimum Subscription. Should Applications for the Minimum Subscription not be received within four months from the date of this Prospectus, the Company will either repay the Application Monies (without interest) to Applicants or issue a supplementary prospectus or replacement prospectus and allow Applicants one month to withdraw their Applications and have their Application Monies refunded to them (without interest) in accordance with the requirements of the Corporations Act.

2.9 Maximum Subscription

NGX will accept applications for up to 47,805,920 Shares under the Priority Offer, General Offer and Shortfall Offer to raise A$9,561,184 (before associated costs) (**Maximum Subscription**). No subscriptions above the Maximum Subscription will be accepted by the Company under the Priority Offer and General Offer.

2.10 Underwriting

The Offers are not underwritten.

2.11 How to apply for the Offers

Applications for Securities under the Offers must be made using the relevant Application Form attached to or accompanying this Prospectus in accordance with the instructions detailed in the Application Form.

Applicants should note there are the following separate Application Forms:

(a) a Priority Offer Application Form for Eligible Shareholders;

(b) a Shortfall Offer Application Form for those investors who are invited by the Company or the Lead Manager to participate in the Shortfall Offer by completing a Shortfall Offer Application Form;

(c) a General Offer Application Form for the general public in Australia and those investors who are invited by the Company to participate in the General Offer;

(d) an Incentive Option Offer Application Form for the Directors and KMP (and/or their respective nominees) to participate in the Incentive Option Offer; and

(e) a Broker Option Offer Application Form for the Lead Manager (and/or its nominee) to participate in the Broker Option Offer.

By completing an Application Form with the requisite Application Monies, you will be taken to have declared all details and statements made by you are complete and accurate and that you have personally received the Application Form together with a complete and unaltered copy of the Prospectus. The Application Form does not have to be signed to be a valid Application.

Completed Application Forms must be returned to the address detailed on the Application Form, with sufficient time to be received by or on behalf of the Company by no later than 5.00pm (AWST) on the Closing Date. Applications under the Offers must be accompanied by payment in full in Australian currency by cheque or BPAY® (as applicable) in accordance with the instructions detailed in the Application Form. Payment for the

Shares must be made in full at the issue price of $0.20 per Share multiplied by the number of Shares applied for.

No brokerage, commission or stamp duty is payable by Applicants on subscription or issue of Securities pursuant to the Offers.

The Directors reserve the right to close the Offers early without prior notice. Applicants are therefore encouraged to submit their Application Forms as early as possible. However, the Company reserves the right to extend the Offers or accept late applications.

An application will be deemed to have been accepted by the Company upon allotment of the Shares.

If you require assistance in completing any of the Applications, please contact the Company on 08 9322 6322 or the Share Registry on 1300 288 664.

(a) **Priority Offer Applications**

To be eligible to participate in the Priority Offer, an Applicant must be an Eligible Shareholder.

Applications for Shares under the Priority Offer must be made using the Priority Offer Application Form.

Eligible Shareholders may apply for as many Shares as they wish up to their Entitlement. In addition, if you are an Eligible Shareholder and you wish to apply for Shares in excess of your Entitlement by applying for Shortfall Shares, complete the relevant section online or of the personalised Priority Offer Application Form in accordance with the instructions in this Section 2.11, including the number of Shortfall Shares you wish to apply for.

Completed Priority Offer Application Forms, together with the Application Monies in full, must reach the Share Registry at the address indicated on the form prior to 5.00pm (AWST) on the Closing Date.

(b) **Shortfall Offer Applications**

Applications for Shares under the Shortfall Offer by Applicants who are not Eligible Shareholders must be made using the Shortfall Offer Application Form.

Applications for Shares under the Shortfall Offer must be for a minimum of 10,000 Shortfall Shares (A$2,000) and thereafter in multiples of A$500 (2,500 Shortfall Shares) and payment for the Shares must be made in full at the issue price of $0.20 per Share, including Applications from Eligible Shareholders who apply for Shares in excess of their Entitlement.

Completed Shortfall Offer Application Forms, together with the Application Monies in full, must reach the Share Registry at the address indicated on the form prior to 5.00pm (AWST) on the Closing Date.

There is no guarantee that your Application will be accepted. Refer to Section 2.15 for further information.

(c) **General Offer Applications**

Applications for Shares under the General Offer must be made using the General Offer Application Form.

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

Completed General Offer Application Forms, together with the Application Monies in full, must reach the Share Registry at the address indicated on the form prior to 5.00pm (AWST) on the Closing Date.

There is no guarantee that your Application will be accepted. Refer to Section 2.15 for further information.

(d) **Incentive Option Applications**

Applicants under the Incentive Option Offer should refer to Section 2.19 for details of how to apply under the Incentive Option Offer.

(e) **Broker Option Applications**

Applicants under the Broker Option Offer should refer to Section 2.20 for details of how to apply under the Broker Option Offer.

2.12 Applications

(a) **Paper Applications**

A person who wishes to apply for Shares under the Priority Offer, General Offer or Shortfall Offer may apply for Shares by competing the relevant Application Form attached to or accompanying this Prospectus.

Applications must be for a minimum of 10,000 Shares (A$2,000) and thereafter in multiples of A$500 (2,500 Shares). The Company reserves the right to issue to an Applicant a lesser number of Shares than the number applied for or reject an Application. Refer to Section 2.15 for further information. Any Application Monies received for more than your final allocation of Shares will be refunded (without interest) in accordance with the requirements of the Corporations Act.

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.

To the extent permitted by law, an Application by an Applicant under the Offers is irrevocable. The Company reserves the right to close the Offers early. If you require assistance in completing an Application Form, please contact the Share Registry. Completed Application Forms should be received by the Company, together with the Application Monies in full, prior to 5.00pm (AWST) on the Closing Date at the relevant address as follows:

By Post To:	Or Delivered To:
NGX Limited C/- Automic Pty Ltd Level 5, 191 St Georges Terrace PERTH WA 6000	NGX Limited C/- Automic Pty Ltd Level 5, 191 St Georges Terrace PERTH WA 6000

Applicants should make their cheques payable in A$, based on an issue price of A$0.20 per Share. All cheques should be made payable to "NGX Limited – Subscription Account" and be crossed "Not Negotiable".

(b) **Online Applications and Payment by BPAY®**

A person who wishes to apply for Shares under the Priority Offer, General Offer or Shortfall Offer may apply for Shares online using the URL link included in the Priority Offer Application Form, Shortfall Offer Application Form and General Offer Application Form.

An Applicant must comply with the instructions on the website. An Applicant paying the Application Monies by BPAY® must use the unique BPAY® customer reference number provided.

If you require assistance in completing any of the Applications, please contact the Company on 08 9322 6322 or the Share Registry on 1300 288 664.

An original completed and lodged Application Form (or a paper copy of the General Offer Application Form from the Electronic Prospectus), together with a cheque for the Application Monies (if applicable), in the case of a paper Application, or BPAY® payment in the case of any Application

completed by BPAY® payment of Application Monies, constitutes a binding and irrevocable offer to subscribe for the number of Shares specified in the Application Form or the number of Shares represented by the BPAY® payment. The Application Form does not have to be signed to be a valid Application. An Application will be deemed to have been accepted by the Company upon allotment of the Shares.

2.13 CHESS

The Company will apply to participate in the Clearing House Electronic Subregister System (**CHESS**), which is the ASX electronic transfer and settlement system in Australia, in accordance with the Listing Rules and ASX Operating Rules. Settlement of trading of quoted securities on the ASX market takes place on CHESS. CHESS allows for and requires the settlement of transactions in securities quoted on ASX to be effected electronically. On admission to CHESS, the Company will operate an electronic issuer-sponsored sub-register and an electronic CHESS sub-register. The two sub-registers together will make up the Company's register of Shareholders.

The Company will not issue certificates of title to Securityholders. Instead, as soon as is practicable after allotment, successful Applicants will receive a holding statement which details the number of securities issued to them. A holding statement will also provide details of a Securityholder's Holder Identification Number (**HIN**) (in the case of a holding on the CHESS sub-register) or Security Holder Reference (**SRN**) (in the case of a holding on the issuer sponsored sub-register).

Following distribution of these initial holding statements, an updated holding statement will only be provided at the end of any month during which changes occur to the number of securities held by Securityholders. Securityholders may also request statements at any other time (although the Company may charge an administration fee).

2.14 ASX Listing and Official Quotation

Within seven days after the date of this Prospectus, the Company will apply to ASX for admission to the Official List and for the Shares, including those offered by this Prospectus, to be granted Official Quotation (apart from any securities that may be designated by ASX as restricted securities).

If ASX does not grant permission for Official Quotation within three months after the date of this Prospectus (or within such longer period as may be permitted by ASIC) none of the Securities offered by this Prospectus will be allotted and issued. If no allotment and issue is made, all Application Monies will be refunded to Applicants (without interest) in accordance with the requirements of the Corporations Act.

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

2.15 Issue and Allocation of Shares

As discussed above, Eligible Shareholders who apply for their full Entitlement under the Priority Offer will receive their full Entitlement of Shares.

Shortfall Shares will be allocated at the discretion of the Board in consultation with the Lead Manager. Preference will be given to any existing long term large Sovereign shareholders who apply for Shortfall Shares as well as Directors (who are not related parties of Sovereign) who intend to commit to subscribe for Shortfall Shares up to an aggregate amount of approximately A$350,000. No Shortfall Shares will be issued to any Directors who are related parties of Sovereign unless there are no applications from other investors or Shareholders for Shortfall Shares. Sovereign has confirmed that the resolution was validly approved and there were no material changes impacting on the validity of the resolution. The demerger and distribution of Shares to Sovereign shareholders was effected on 24 March 2023.

This shortfall allocation policy has been structured to allow each Eligible Shareholder to apply for Shortfall Shares in priority to third parties and seeks to disperse the Shortfall Shares across a potentially broad number of Eligible Shareholders. The shortfall allocation policy also allows for the Directors to further align their long-term interests with those of the Shareholders and the Company. The Company reserves the right, in its absolute discretion, to allot to an applicant a lesser number of Shortfall Shares than the number for which the Applicant applies or to reject an Application Form.

The Directors will, if required, allocate Shares under the General Offer at their sole discretion (in consultation with the Lead Manager) with a view to ensuring an appropriate Shareholder base for the Company going forward. The Company reserves the right to reject any Application or to issue a lesser number of Securities than those applied for under the General Offer.

No Shares will be issued to any Applicant pursuant to this Prospectus if, in the view of the Directors, to do so would increase that Applicant's voting power in the Company above 20% or otherwise result in a breach of the Listing Rules, the Corporations Act or any other applicable law.

There is no assurance that any Applicant under the Shortfall Offer or the General Offer will be allocated any Shares, or the number of Shares for which the Applicant applied.

There is no guaranteed allocation of Shares under the Shortfall Offer or the General Offer. The Company's decision on the number of Shares to be allocated to an Applicant will be final.

Application Monies will be held in trust for Applicants until the allotment of the Shares. Any interest that accrues will be retained by the Company. No allotment of Shares under this Prospectus will occur unless ASX grants conditional approval for admission of the Shares to the Official List (refer to Section 2.4) and the Minimum Subscription is achieved (refer to Section 2.8).

Where the number of Shares issued is less than the number applied for, surplus Application Monies will be refunded (without interest) as soon as reasonably practicable after the Closing Date.

It is the responsibility of Applicants to determine their allocation prior to trading in the Shares issued under the Offers. Applicants who sell Shares before they receive their holding statements do so at their own risk.

2.16 Risk Factors of an Investment in the Company

Prospective investors should be aware that an investment in the Company should be considered highly speculative and involves a number of risks inherent in the business activities of the Company. Section 6 details the key risk factors which prospective investors should be aware of. Prospective investors should consider these risks carefully before deciding whether to invest in the Company.

This Prospectus should be read in its entirety as it provides information for prospective investors to decide whether to invest in the Company. If you have any questions about the desirability of, or procedure for, investing in the Company please contact your stockbroker, accountant or other independent adviser.

2.17 Overseas Applicants

Unless the Directors determine otherwise, Securities will not be issued to Applicants with a registered address which is outside Australia, except where permissible under the applicable law. No action has been taken to register or qualify the Securities, or the Offers, or otherwise to permit the offering of Securities, in any jurisdiction outside of Australia.

The distribution of this Prospectus within jurisdictions outside of Australia may be restricted by law and persons into whose possession this Prospectus comes observe, any such restrictions, including those in the section captioned "Important Notice". Any failure to comply with these restrictions may constitute a violation of those laws.

This Prospectus does not constitute an offer of Securities in any jurisdiction where, or to any person to whom, it would be unlawful to issue this Prospectus.

It is the responsibility of any overseas Applicant to ensure compliance with all laws of any country relevant to his or her Application. The return of a duly completed Application Form will be taken by the Company to constitute a representation and warranty that there has been no breach of such law and that all necessary approvals and consents have been obtained. Applicants should refer to the Important Notice section of this Prospectus for further details.

2.18 Taxation

The issue of Securities will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in the Company are urged to obtain independent financial advice

about the consequences of acquiring Securities, pursuant to the Offers, 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 or responsibility with respect to the taxation consequences of subscribing for Securities under this Prospectus.

2.19 Incentive Option Offer

This Prospectus includes an offer to the Directors and KMP (and/or their respective nominees) of the Company for 3,000,000 Options (**Incentive Options**) (**Incentive Option Offer**), consisting of:

Directors and KMP	Incentive Options with an exercise price of $0.30, vesting immediately and expiring 3 years from grant	Incentive Options with an exercise price of $0.40, vesting immediately and expiring 4 years from grant	Total
Mr Matthew Syme	750,000	750,000	1,500,000
Mr Matthew Bungey	250,000	250,000	500,000
Mr Mark Pearce	250,000	250,000	500,000
Ms Elizabeth (Lib) Matthews	250,000	250,000	500,000

Refer to Section 8.2 for details of the rights and liabilities attaching to the Incentive Options.

The Incentive Option Offer is an offer to the Directors and KMP (and/or their respective nominees) only.

Only the Directors and KMP (and/or their respective nominees) can accept an offer under the Incentive Option Offer. A personalised Application Form will be issued to the Directors and KMP (and/or their respective nominees), together with a copy of this Prospectus.

No brokerage, commission or stamp duty is payable by the Directors and KMP (and/or their respective nominees) on subscription or issue of the Incentive Options pursuant to the Incentive Option Offer.

Completed Incentive Option Offer Application Forms should be received by the Company at its registered office prior to 5:00pm (AWST) on the Closing Date.

2.20 Broker Option Offer

The Prospectus includes an offer to the Lead Manager (and/or its nominee) pursuant to the Lead Manager Mandate Letter for 1,000,000 Broker Options within 10 business days following the allotment of the Shares under the Offers (**Broker Option Offer**), consisting of:

Number of Broker Options	Exercise Price	Expiry Date
1,000,000	$0.40	3 years from grant

Refer to Section 8.3 for details of the rights and liabilities attaching to the Broker Options.

Only the Lead Manager can accept an offer under the Broker Option Offer. A personalised Application Form will be issued to the Lead Manager (and/or its nominee), together with a copy of this Prospectus.

No brokerage, commission or stamp duty is payable by the Lead Manager (and/or its nominee) on subscription or issue of the Broker Options pursuant to the Broker Option Offer, with the exception of the applicable GST.

Completed Broker Option Offer Application Forms should be received by the Company at its registered office prior to 5:00pm (AWST) on the Closing Date.

2.21 Restricted Securities

(a) **Shares issued under the Offers**

NGX does not anticipate that the Shares issued under the Offers will be subject to ASX imposed escrow restrictions and will therefore will be freely transferable from the date of their issue.

(b) **Free float**

On completion of the Offers, NGX expects that it will have "free float" (within the meaning of the Listing Rules) in excess of 90% to satisfy a condition for admission of NGX to the Official List of ASX. The "free float" comprises those Shares which are:

(i) not subject to escrow restrictions; or

(ii) held by persons who are related parties or Associates of related parties of NGX (this includes Shares held by Directors and their Associates – refer to Section 8.6 for details of Directors' interests).

(c) **Incentive Options and Broker Options**

It is expected that the Incentive Options issued to the Directors and KMP (and/or their respective nominees) under the Incentive Option Offer and the Broker Options issued to the Lead Manager (and/or its nominee) under the Broker Option Offer will be escrowed from the date of Official Quotation for a period of 24 months.

The Company will announce to ASX full details (quantity and duration) of the Securities to be held in escrow prior to the Shares commencing trading on ASX.

2.22 Discretion regarding the Offers

The Company may withdraw the Offers at any time before the issue of Securities to successful Applicants. If the Offers, or any part of it, does not proceed, the relevant Application Monies will be refunded (without interest) in accordance with the requirements of the Corporations Act.

The Company, in consultation with the Lead Manager, also reserves the right to close the Offers, or any part of it, early, or extend the date the Offers, or any part of it, accept late applications either generally or in particular cases, reject any Application, or allocate to any Applicant fewer Securities than applied for by an Applicant.

2.23 Paper Copies of Prospectus

The Company will provide paper copies of this Prospectus (including any supplementary or replacement document) and the applicable Application Form to investors upon request and free of charge. Requests for a paper copy from Australian resident investors should be directed to the Company on +61 8 9322 6322 for further details.

2.24 Application Monies

The Company will hold Application Monies received in trust until Securities are issued to successful Applicants pursuant to the Offers. Applicants whose Applications are not accepted, or who are allocated a lesser number of Securities than the amount applied for, will be mailed a refund of all or part of their Application Monies, as applicable. No refunds pursuant solely to rounding will be provided. Interest will not be paid on any monies refunded and any interest earned on Application Monies pending the allocation or refund will be retained by the Company.

2.25 Enquiries

This Prospectus provides information for potential investors in the Company and should be read in its entirety. If, after reading this Prospectus, you have any questions about any aspect of an investment in the Company, please contact your stockbroker, accountant or independent financial adviser. Enquiries from Australian resident investors relating to this Prospectus, or requests for additional copies of this Prospectus, should be directed to the Company Secretary on +61 8 9322 6322.

3. COMPANY OVERVIEW

3.1 Background

NGX was incorporated on 19 April 2021 and was previously a wholly owned subsidiary of Sovereign, an ASX and AIM listed company. NGX demerged from Sovereign, effective 24 March 2023.

NGX is a company with a focus on the Graphite Projects, comprising:

(a) Nanzeka Project (the Nanzeka retention licence (RL0012/21));

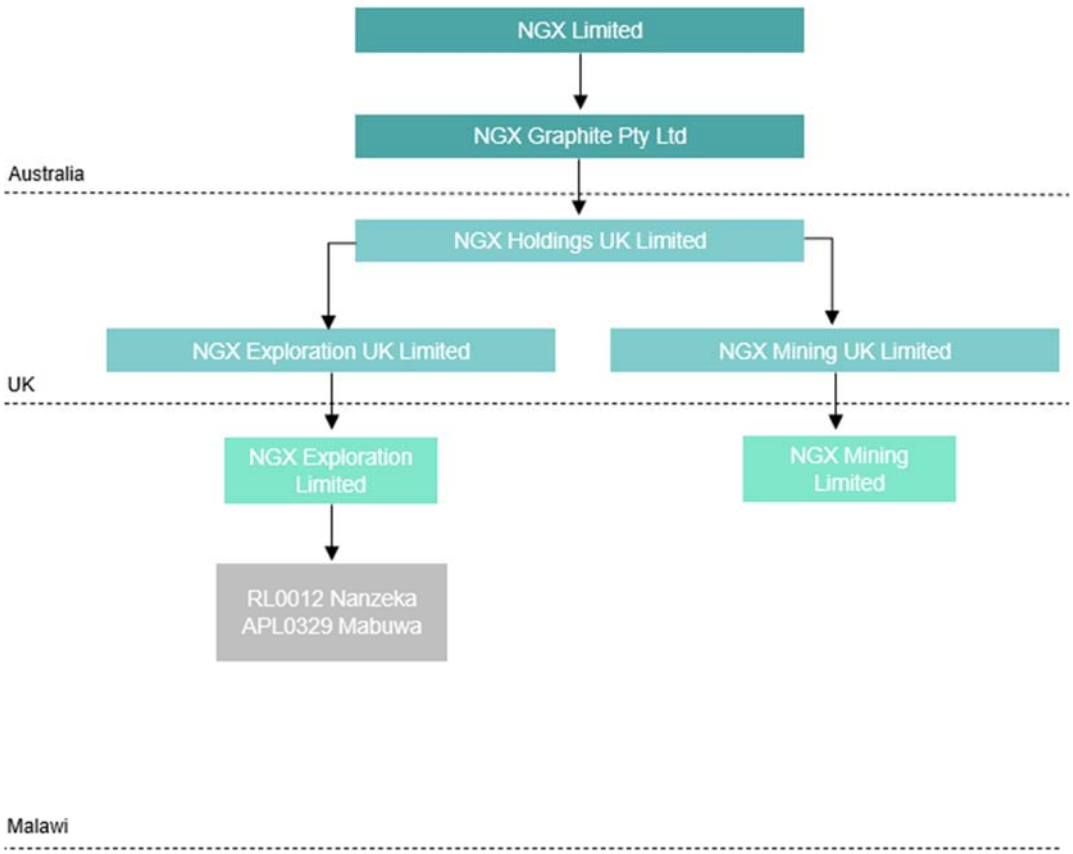
(b) Duwi Project (retention licence (RL0032/22));

(c) Malingunde Project (the application for a mining licence (application AML0088)); and

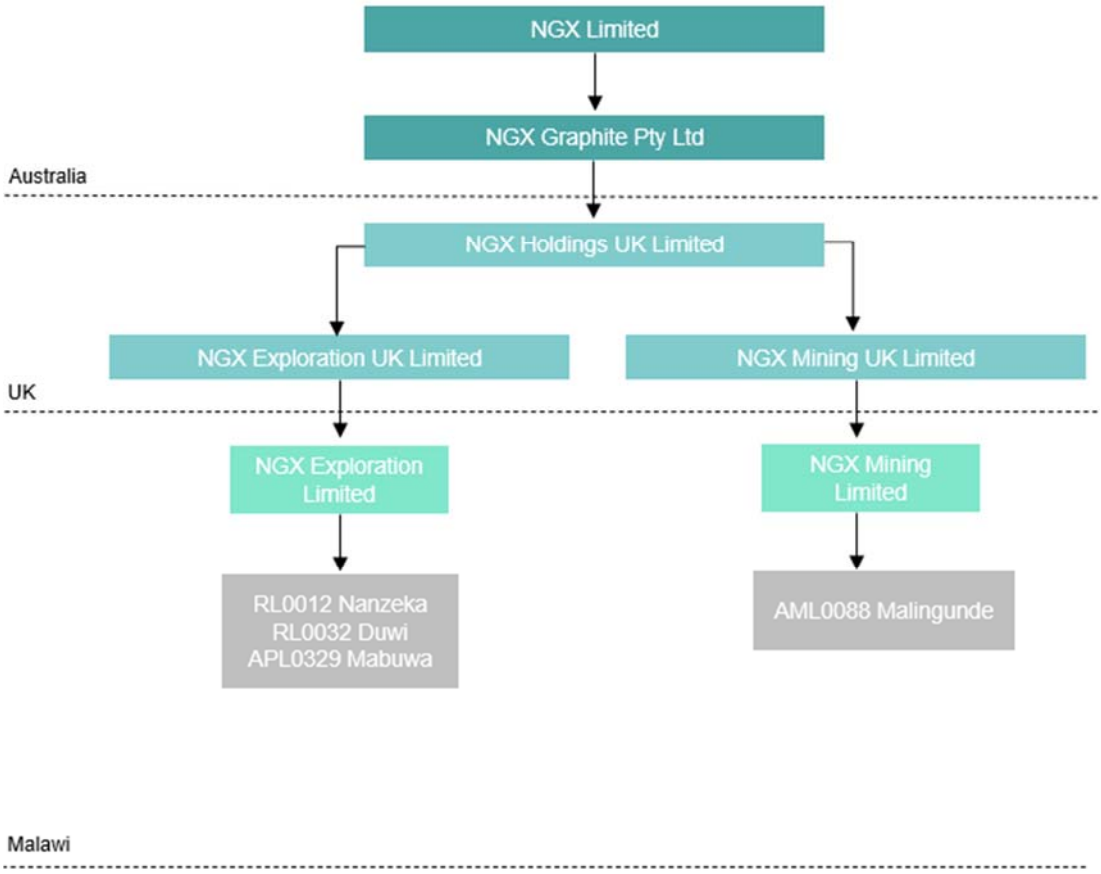
(d) Mabuwa Project (an application for the Mabuwa exploration licence (APL0329)),

together, the **Graphite Projects**.

At the date of this Prospectus, the Company's corporate structure is as follows:

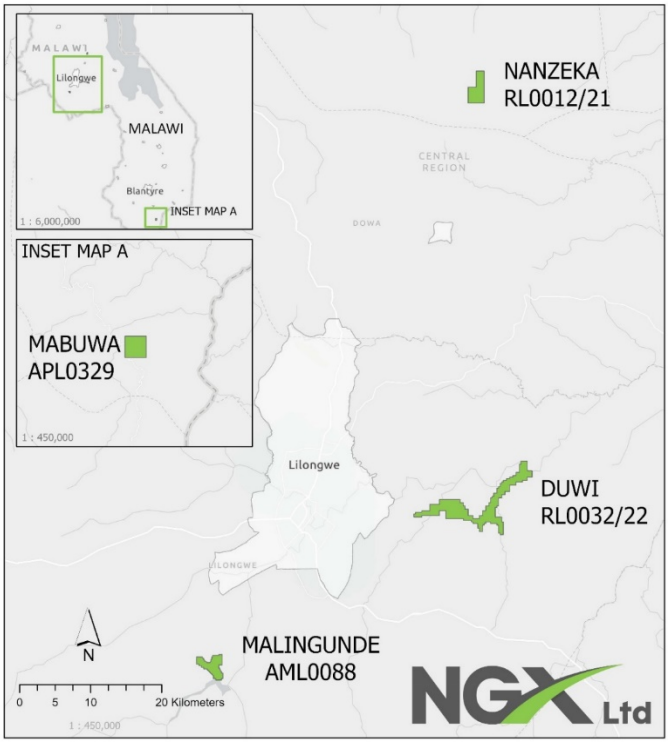


On completion of the transfer of the Duwi Project and Malingunde Project pursuant to the Demerger Deed, the Company's corporate structure will be as follows:



3.2 Graphite Projects Overview

The Graphite Projects comprise the Nanzeka Project, the Duwi Project, the Malingunde Project and the Mabuwa Project.



(a) **Nanzeka Project – Granted**

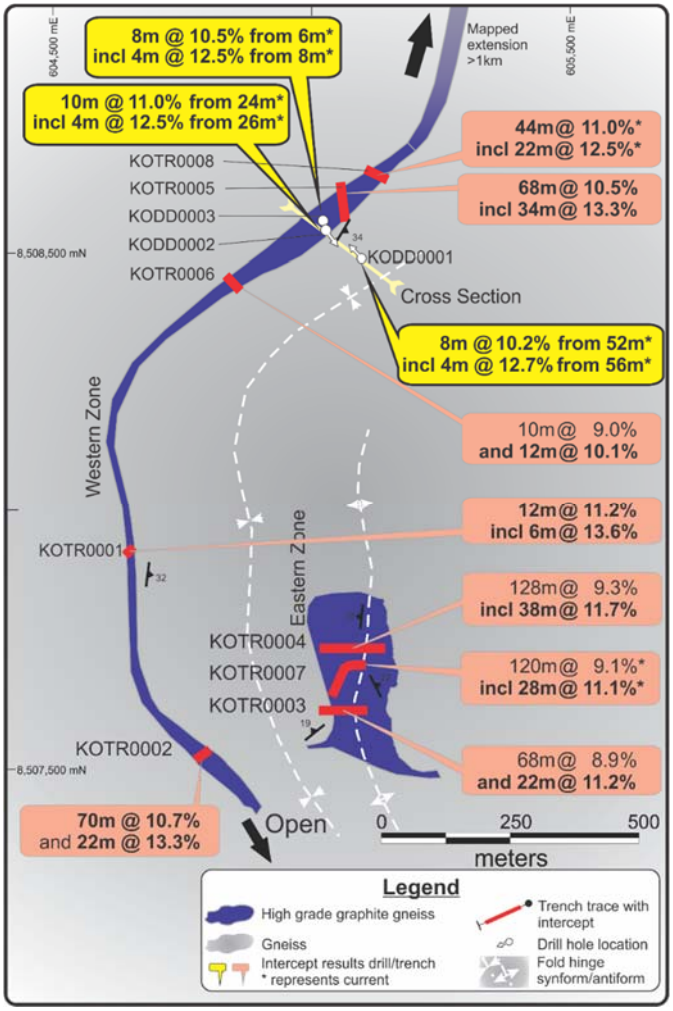
The Nanzeka Project is located approximately 60km north of Malawi's capital Lilongwe. The project comprises Retention Licence RL 0012/21, granted on 27 July 2021.

NGX Exploration Limited (a wholly owned Malawian subsidiary of NGX) is the holder of the Nanzeka Project.

Previous exploration activities at the Nanzeka Project include geological mapping, rock chip sampling, trenching (8 trenches for 654m) and 3 diamond drill holes (237m), which have identified high-grade flake graphite mineralisation over a strike length of approximately 3km and with a true width of about 10m. Some surface exposures show up to 150m of graphite mineralisation widths.

Mapping, geochemical sampling and results from a Versatile Time Domain Electromagnetic (VTEM) geophysical survey show potential for a strike extension to the mineralised zone to the north, and other potential zones to the west and east that require follow-up.

Encouraging results are shown in the figure below.



Proposed exploration activities will assist in defining additional mineralisation which, if determined to be economically prospective, may lead to defining a Mineral Resource.

Please refer to the Nanzeka, Duwi and Mabuwa Projects Report provided in Annexure B and the Independent Solicitor's Report provided in Annexure D for further information regarding the Nanzeka Project.

(b) **Duwi Project – Subject to transfer to NGX**

The Duwi Project is located approximately 15km east of Malawi's capital, Lilongwe. Duwi has a Mineral Resource estimate of 85.9Mt at 7.1% total graphitic carbon (**TGC**) for contained graphite of 6.13Mt.

SSL, a wholly owned subsidiary of Sovereign, is the holder under the retention licence RTL 0032/22 which was granted on 4 October 2022. On 18 October 2022, SSL applied for the transfer of the Duwi Project to NGX Exploration. The transfer is pending approval.

The transfer of the Duwi Project from the Company to NGX is subject to the satisfaction (or waiver) of one condition precedent pursuant to the Demerger Deed, being Malawi ministerial approval for the transfer of the Duwi Project (refer to Section 7.1 for further information).

Please refer to the Nanzeka, Duwi and Mabuwa Projects Report provided in Annexure B and the Independent Solicitor's Report provided in Annexure D for further information regarding the Duwi Project.

(c) **Malingunde Project – Subject to grant of a mining licence and transfer to NGX**

The Malingunde Project is located in the Central Region of the Lilongwe District of Malawi, approximately 20km southwest of Malawi's capital, Lilongwe.

The Malingunde Project has a Mineral Resource estimate of 65Mt at 7.2% TGC for contained graphite of 4.68Mt. In November 2018, the Company completed a pre-feasibility study (**PFS**) for the Malingunde Project which was updated in November 2021 as part of Sovereign's listing on AIM. The PFS has confirmed the low operating costs, low technical risk, high-quality concentrates and substantial upside of the Malingunde Project.

In February 2022, Sovereign applied for the grant of a mining licence at the Malingunde Project which covers 5.7km^2. Conditional approval for the mining licence was provided in April 2022 with conditions to be addressed including receipt of an environmental and social impact assessment approval certificate under the Malawian environmental regulation.

The transfer of the Malingunde Project from Sovereign to NGX is subject to the satisfaction (or waiver) of various conditions precedent pursuant to the Demerger Deed (refer to Section 7.1 for further information).

Please refer to the Malingunde Project Report provided in Annexure C and the Independent Solicitor's Report provided in Annexure D for further information regarding the Malingunde Project.

(d) **Mabuwa Project – Subject to grant of an exploration licence**

The Mabuwa Project is located approximately 60km south of Malawi’s major commercial city of Blantyre. The Mabuwa Project covers a mafic-ultramafic intrusive body potentially favourable for nickel and PGE sulphide mineralisation. No previous exploration work is known. However, historical reconnaissance drilling has been undertaken on nearby targets hosted in similar rock types with low grade nickel and platinum group element (**PGE**) sulphide mineralisation having been discovered. An application for an exclusive exploration licence over 9km^2 was lodged by NGX Exploration in March 2022.

Please refer to the Nanzeka, Duwi and Mabuwa Projects Report provided in Annexure B and the Independent Solicitor's Report provided in Annexure D for further information regarding the Mabuwa Project.

3.3 Transfer of the Duwi Project and the Malingunde Project

The transfers of the Duwi Project and the Malingunde Project from Sovereign to NGX are subject to the satisfaction (or waiver) of various conditions precedent pursuant to the Demerger Deed, including the grant of the Mining Licence for the Malingunde Project and Malawi ministerial approval for the transfer of the Duwi Project and the Malingunde Project, as applicable (refer to Section 7.1 for further information). There can be no guarantee that the conditions precedent under the Demerger Deed will be met and/or waived and the transfer of the Duwi Project and/or the Malingunde Project will occur. The following sections describe the

Company's plans depending upon whether the transfer of the Duwi Project and/or the Malingunde Project occurs.

(a) **Implications if the Duwi Project and/or the Malingunde Project <u>are not</u> transferred to the Company**

If the grant of the Mining Licence for the Malingunde Project or Malawi ministerial approval for the transfer of the Duwi Project and/or the Malingunde Project does not occur, the Company will not be able to exploit or develop the relevant project and this may ultimately impact the Company's approach and timing to establishing commercial viability as a graphite mining business in Malawi. Refer to the information detailed in this Prospectus regarding the Company's business model (Section 3.7) and the Company's strategy and objectives (Section 3.9) for further information.

The Demerger Deed (described in Section 7.1) provides that at any time after 10 February 2025, NGX has the option, in its absolute discretion, to terminate its obligations to acquire the Duwi Project and/or the Malingunde Project if the projects have not been not transferred to NGX. In this circumstance, NGX will have no further obligations or liabilities under the Demerger Deed in respect of the Duwi Project and/or the Malingunde Project (as applicable) from the date of termination. The termination right being at NGX's election provides NGX with the flexibility to not acquire the Duwi Project and/or the Malingunde Project if NGX determines at that time that the advancement of its existing Nanzeka Project and Mabuwa Project is preferrable and no longer wish to pursue the transfer of the Duwi Project and/or the Malingunde Project to the NGX Group. If NGX exercises its right under the Demerger Deed not to complete the transfer of the Duwi Project and/or the Malingunde Project, any expenditure incurred in relation to those projects, including expenditure incurred to fund exploration operations on those projects will be forgone and not recoverable, and Shareholders will not have the benefit of exposure to the relevant project.

(b) **Implications if the Duwi Project and/or the Malingunde Project <u>are</u> transferred to the Company**

If the grant of the Mining Licence for the Malingunde Project or Malawi ministerial approval for the transfer of the Duwi Project and/or the Malingunde Project does occur, the Company and its Shareholders will have the benefit of the relevant project. The Company will consider exploration or development of the relevant projects as outlined in the Company's business model (Section 3.7) and the Company's strategy and objectives (Section 3.9). Upon the transfer of the Duwi Project or Malingunde Project, the Company may conduct further exploration, economic and technical studies on the relevant projects, subject to the availability of funding to conduct these activities and the status of the Company's other projects, such as the Nanzeka Project and Mabuwa Project. The Company may need to reconsider its planned program and budget expenditures described in Section 3.6 and also whether additional funding is required for any proposed activities on the Duwi Project or Malingunde Project. The Board reserves the right to alter its proposed plans and funding requirements or allocations for the Duwi Project or Malingunde Project once a relevant project is transferred based on the facts and circumstances at that time.

3.4 Graphite Projects Exploration Licences

Details of the licences comprising the Graphite Projects are set out in the table below:

Licence No. (Name)	Area (km^2)	Percentage Interest	Status
RL0012/21 (**Nanzeka Project**)	6.0	100%	Granted
RL0032/22 (**Duwi Project**)	24.6	100%	Granted (Transfer to NGX pending)

Licence No. (Name)	Area (km^2)	Percentage Interest	Status
AML0088 (**Malingunde Project**)	5.7	100%	Mining licence application (Transfer to NGX pending)
APL 0329 (**Mabuwa Project**)	9.0	100%	Exploration licence application

The Mineral Resource estimates for the Duwi Project are reported in accordance with the JORC Code as follows:

Deposit[1]	Mineral Resource Category	Tonnes (Mt)	Grade (% TGC)	Contained Graphite (MT)
Duwi Main	Indicated	35.2	7.2%	2.52
	Inferred	34.3	7.3%	2.49
	TOTAL[2]	**69.5**	**7.2%**	**5.01**
Duwi Bend	Inferred	7.8	7.2%	0.56
Nyama	Inferred	8.6	6.5%	0.56
Duwi Project	**Indicated[2]**	**35.2**	**7.2%**	**2.52**
	Inferred[2]	**50.7**	**7.1%**	**3.61**
	TOTAL[2]	**85.9**	**7.1%**	**6.13**

Notes:
1. Duwi Project Mineral Resource estimate is reported at a 5% TGC lower cut-off grade.
2. Any minor summation inconsistencies are due to rounding.

The Ore Reserve estimates for the Malingunde Project are reported in accordance with the JORC Code as follows:

Deposit[1]	Ore Reserve Category	Tonnes (Mt)	Grade (% TGC)	Contained Graphite (MT)
Malingunde Project	Proved	3.1	9.5%	0.30
	Probable	6.4	9.5%	0.60
	TOTAL[2]	**9.5**	**9.5%**	**0.90**

Notes:
1. Malingunde Project Ore Reserve estimate is reported at a 6.75% TGC lower cut-off grade for saprolite and between 9.5% and 11.0% for saprock.
2. Any minor summation inconsistencies are due to rounding.

The Mineral Resource estimates for the Malingunde Project are reported in accordance with the JORC Code as follows:

Deposit[1]	Mineral Resource Category	Tonnes (Mt)	Grade (% TGC)	Contained Graphite (MT)
Malingunde Project	Measured	4.8	8.5%	0.41
	Indicated	32.3	7.2%	2.32
	Inferred	27.9	7.0%	1.95
	TOTAL[2]	**65.0**	**7.2%**	**4.68**

Notes:
1. Malingunde Project Mineral Resource estimate is reported at a 6.75% TGC lower cut-off grade for saprolite and between 9.5% and 11.0% for saprock.
2. Any minor summation inconsistencies are due to rounding.

3.5 Malingunde Updated PFS

The results of the Malingunde PFS which were announced on 7 November 2018 (updated in November 2021 as part of Sovereign's AIM Listing) have been updated for the purposes of this Prospectus. The results of the updated PFS demonstrate the potential for the Graphite Projects to support a very low capital and operating cost operation with annual graphite concentrate production of approximately 52,000 tonnes over an initial mine life of 16 years.

Key Project Metrics for the updated PFS include the following:

MALINGUNDE PROJECT PARAMETERS	*Unit*	Estimated Value
ECONOMIC		
Development Capital	$USm	50.1
Indirect & contingency	$USm	20.3
Total Capital	**$USm**	**70.4**
Sustaining Capital	**$USm**	**31.6**
Mine Gate Operating	$US/t conc.	319
Transport & Logistics	$US/t conc.	77
Total Operating Costs (Average LoM)	**$US/t conc.**	**396**
PHYSICAL		
Average annual plant throughput	tpa	600,000
Average annual concentrate production	tpa	52,000
LoM average feed grade	% TGC	9.5%
Mine life	Years	16
Average annual plant throughput	tpa	600,000
Average annual concentrate production	tpa	52,000
LoM average feed grade	% TGC	9.5%
FINANCIAL		

MALINGUNDE PROJECT PARAMETERS	*Unit*	Estimated Value
Graphite Basket Price	$US per tonne	1,296
NPV 10% (post-tax)	$USm	119
IRR (post-tax)	%	31%
EBITDA (average LoM)	$USm	40

The updated PFS estimates operating costs of approximately US$396 per tonne concentrate free on board (**FOB**), or US$319 at mine gate (**MG**), for its high-quality graphite concentrates at a production rate averaging 52,000 tonnes per annum over the life of mine. Additionally, estimated long term average costs move to just US$344 FOB or US$267 MG after year 7.

The updated PFS continues to demonstrate a low overall capital requirement and intensity which allows for a rapid payback of development capital. This is a significant advantage in terms of seeking potential offtake partners and financing for development. The estimated development capital costs including pre-production requirements is US$50M with contingencies amounting to a further US$20M. Further capital requirements over life-of-mine amounts to US$32M.

Positive financial metrics are generated at the Malingunde Project with a payback period of 3 years (using conservative graphite assumptions) and a project NPV_{10} (after tax) of US$119M.

The details of the PFS and all the underlying key assumptions and technical inputs are contained in the Malingunde Project Report prepared by DRA Pacific Pty Ltd (wholly owned by DRA Global) which is contained in Annexure C.

3.6 Proposed Project Program and Budget

The table below outlines the current proposed expenditures in relation to the Graphite Projects activities for the next two years. Further details on the programs and budgeted expenditures are also outlined in section 8 of the Nanzeka, Duwi and Mabuwa Project Report included in Annexure B and section 14.3 of the Malingunde Project Report included in Annexure C.

The aim for the next two years at the Graphite Projects is to:

(a) conduct systematic exploration activities to confirm and expand previous Exploration Results for the Graphite Projects, with the initial primary focus on the Nanzeka Project;

(b) undertake and review economic and technical assessments in line with standard industry practice (for example completion of a scoping study at the Nanzeka Project, Mabuwa Project and Duwi Project and commencement of a definitive feasibility study at the Malingunde Project, subject to the transfer of the Duwi Project and Malingunde Project to NGX);

(c) undertake project development and construction activities at the Malingunde Project;

(d) ultimately exploitation of the Graphite Projects through mining operations; and

(e) review other business development opportunities at the Graphite Projects including continuing downstream technology studies to produce purified spherical graphite for LiOH batteries and the EV market, and to commence site selection for potential downstream options.

The Company's proposed budget for its project program is detailed below:

Item	Expenditure (A$)		
Activity	**Year 1**	**Year 2**	**Total**
Exploration (granted tenements)			

Staff, contractors and consultants	740,500	1,080,500	**1,821,000**
Geological mapping and geochemical surveys	83,750	105,000	**188,750**
Drilling	286,250	373,750	**660,000**
Field support costs	383,125	529,375	**912,500**
Heritage Surveys	10,000	20,000	**30,000**
Tenement management (rents, rates)	20,000	40,000	**60,000**
Total – Exploration (granted tenements)	**1,523,625**	**2,148,625**	**3,672,250**
Project Feasibility (granted tenements)			
Metallurgical testwork	125,000	300,000	**425,000**
Project Studies	150,000	450,000	**600,000**
Total – Project Feasibility (granted tenements)	**275,000**	**750,000**	**1,025,000**
Other projects	365,000	705,000	**1,070,000**
TOTAL PROJECT FUNDS ALLOCATED	**2,163,625**	**3,603,625**	**5,767,250**

The above table is a statement of current intentions as of the date of this Prospectus. Due to market conditions and/or any number of other factors (including the risk factors outlined in Section 6), actual expenditure levels may differ significantly to the above estimates. As with any budget, intervening events (including the results of feasibility studies and development and exploration success or failure) and new circumstances (including the transfer of the Duwi Project and Malingunde Project to NGX) have the potential to affect the way funds are ultimately applied. The Board reserves the right to alter the way funds are applied on this basis.

Project expenditures will be reviewed on an on-going basis, depending upon the nature of results from the respective feasibility, development and exploration activities. The results obtained from these programs may lead to increased or decreased levels of expenditure on certain projects reflecting a change in emphasis.

3.7 Business Model

The Company is a speculative mineral exploration and development company. Upon completion of the Offers and admission of the Company to the Official List, the Company will be an Australian publicly listed company, holding an interest in the speculative mineral exploration projects, being the Graphite Projects.

Although the Company will be well funded to conduct its stated objectives for the next two years, the Company has no history of earnings, and does not have any producing mining operations. The Company will experience losses from exploration activities and until such time as the Company carries on mining production activities, it expects to continue to incur losses. It is likely that the Company will require additional funding in the future, and as such the intention is to add Shareholder value and also progressively reduce risks associated with its current or any new mineral projects that may be acquired.

The Company's primary focus will be the systematic exploration of the Nanzeka Project. Subject to the results of exploration activities, technical studies and the availability of suitable funding, further activities include:

(a) following discovery of a suitable mineral deposit, delineating a Mineral Resource estimate on the Nanzeka Project;

(b) subject to the transfer of the Malingunde Project and Duwi Project into NGX, conducting further exploration activities at these projects;

(c) conducting exploration activities at the Mabuwa Project, subject to the grant of the exploration licence;

(d) undertaking economic and technical assessments of the Company's projects in line with standard industry practice (for example completion of a scoping study, then a prefeasibility study followed by a definitive feasibility study);

(e) subject to the results of the studies referred to above, undertaking project development and construction activities;

(f) ultimately exploitation of the Graphite Projects through mining operations; and

(g) reviewing other business development opportunities including joint venture arrangements and other new mineral projects.

3.8 Key Business Model Dependencies

The key dependencies for NGX to meet its objectives are:

(a) ongoing access to capital for project exploration and development;

(b) maintaining title to the Graphite Projects;

(c) sufficient worldwide demand for graphite;

(d) the market price of graphite products remaining higher than the Company's costs of any future production (assuming successful development by the Company);

(e) maintaining existing (and securing additional) necessary consents and approval required to carry out exploration and development activities; and

(f) retaining competent operational management and prudent financial administration, including the availability and reliability of appropriately skilled and experienced employees, contractors and consultants.

3.9 Strategy and Objectives

As discussed above, the primary objective of the Company is to create value for Shareholders through the exploration, and development of the Nanzeka Project.

Following admission of the Company to the Official List, the Company proposes to undertake the exploration programs at the Nanzeka Project as discussed in Section 3.6 and the other Graphite Projects as explained in the Nanzeka, Duwi and Mabuwa Projects Report in Annexure B and in the Malingunde Project Report in Annexure C. The results of the exploration programs will determine the economic viability and potential timing for the commencement of additional technical studies, including further studies that assess the economic viability of the Graphite Projects, and ultimately the commencement of mining operations.

In summary, the Company's objectives are:

(a) conducting systematic exploration activities at the Nanzeka Project;

(b) subject to the transfer of the Malingunde Project and Duwi Project to NGX, conducting further exploration and development activities at these projects;

(c) conducting exploration activities at the Mabuwa Project, subject to the grant of the exploration licence;

(d) subject to the results of exploration activities, progress economic and technical studies on the Company's projects; and

(e) reviewing other business development opportunities including joint venture arrangements and other new mineral projects.

On completion of the Offers, the Board believes the Company will have sufficient working capital to achieve these objectives.

3.10 Key Strengths

The Directors are of the view that the key strengths of the Company are as follows:

(a) **Experienced Project Development Team** – The Board has extensive experience in mineral exploration, project development, mining and financing in the resources industry;

(b) **Mining friendly jurisdiction with excellent existing infrastructure –** Subject to grant and/or transfer of the Duwi and Malingunde Projects, the Graphite Projects are located approximately 50km north-east, 15km east and 20km southwest of Lilongwe respectively, Malawi's capital city. Lilongwe offers significant infrastructure and other advantages including the access to an existing operating rail/port logistics solution for potential product export;

(c) **Company has sufficient funding to achieve its objectives** – On completion of the Offers, the Board believes the Company will have sufficient working capital to achieve its stated objectives set out in Section 3.9;

(d) **High quality graphite** – Previous results have demonstrated that the Graphite Projects (including the Duwi and Malingunde Projects, which are subject to grant and/or transfer) can produce a high quality flake graphite concentrate suitable for industry applications like the rapidly growing lithium-ion battery markets and other traditional uses; and

(e) **High grade, soft free dig saprolite deposit** – Part of the graphite mineralisation at the Graphite Projects (including the Duwi and Malingunde Projects, which are subject to grant and/or transfer) is hosted in soft and friable, free-dig saprolite potentially leading to considerably lower carbon footprint and cost advantages in the mining and beneficiation stages compared to hard-rock mines.

3.11 Financial Information

The Company was incorporated on 19 April 2021 and has no operating history independent of Sovereign Metals Limited. Accordingly, the Company is not in a position to disclose key financial ratios or other financial information, other than its statement of financial position, statement of profit or loss and other comprehensive income, statement of cash flows and pro-forma statement of financial position which are included in Section 5.

The Company's pro forma statement of financial position as at 31 December 2022 has net assets of A$15,428,233 including net tangible assets of A$8,867,160. This takes into account a range of subsequent events and transactions, as detailed in Section 5, and is made up of total assets of A$15,522,275 (including cash of A$8,961,202) and total liabilities of A$94,042.

Relevant financial information in respect of the Company, including a pro forma statement of financial position detailing the effect of the Offers, is in Section 5.

Section 5 also contains statements of financial position, statements of profit or loss and other comprehensive income and statements of cash flows for NGX Limited.

3.12 Dividend Policy

The extent, timing and payment of any dividends in the future will be determined by the Directors based on a number of factors, including future earnings and the financial performance and position of the Company.

At the date of issue of this Prospectus, the Company does not intend to declare or pay any dividends in the immediately foreseeable future. However, it is the aim of the Company that, in the longer term, its financial performance and position will enable the payment of dividends.

Any future determination as to the payment of dividends by the Company will be at the sole discretion of the Directors and will depend on the availability of distributable earnings, operating results, the financial condition of the Company, future capital requirements, general business and other factors considered relevant by the Directors. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.

4. BOARD, MANAGEMENT AND CORPORATE GOVERNANCE

4.1 Directors' Profiles

The names and details of the Directors in office at the date of this Prospectus are:

(a) **Mr Ian Middlemas – Non-Executive Chairman**
B.Com, CA

Mr Middlemas is a Chartered Accountant and holds a Bachelor of Commerce degree. He worked for a large international Chartered Accounting firm before joining the Normandy Mining Group where he was a senior group executive for approximately 10 years. He has had extensive corporate and management experience, and is currently a director of a number of publicly listed companies in the resources sector.

Mr Middlemas was appointed a Director of NGX on 19 April 2021. During the three year period to the end of the financial year, Mr Middlemas has held directorships in Constellation Resources Limited (November 2017 – present), Apollo Minerals Limited (July 2016 – present), GCX Metals Limited (October 2013 – present), Berkeley Energia Limited (April 2012 – present), GreenX Metals Limited (August 2011 – present), Salt Lake Potash Limited (Administrators Appointed) (Receivers and Managers Appointed) (January 2010 – present), Equatorial Resources Limited (November 2009 – present), Odyssey Gold Limited (September 2005 – present), Piedmont Lithium Limited (September 2009 – December 2020), Peregrine Gold Limited (September 2020 – February 2022) and Sovereign (July 2006 – present).

(b) **Mr Matthew Syme – Executive Director**
B.Com, CA

Mr Syme is a Chartered Accountant and an accomplished mining executive with over 27 years experience in senior management roles in Australia and overseas. He was a Manager in a major international Chartered Accounting firm before spending three years as an equities analyst in a large stockbroking firm. Mr Syme then continued a successful career as CFO, CEO or a director of a number of listed mining and exploration companies operating in a wide range of commodities and jurisdictions.

Mr Syme was a previous Director of Sovereign (2014-2016) and is familiar with the Graphite Projects.

Mr Syme was appointed a Director of NGX on 19 January 2023. During the three year period to the date of the Notice, Mr Syme has held a directorship in Odyssey Gold Limited (August 2020 – present) and Greenpharmtech Pty Ltd (Deregistered).

(c) **Mr Matthew Bungey – Non-Executive Director**
B.Chem Eng (Hons), B. Sci, MBA

Mr Bungey is a Chemical Engineer with over 20 years' experience in natural resources. He commenced his career as a Process Engineer with BHP at Centre for Minerals Technology in the United States where he was responsible for process design and research into bacterial leaching of copper-sulphide ore. He then spent several years in the Marketing Division of BHP Billiton based in The Hague. Mr Bungey has an MBA with Distinction from INSEAD and was a Managing Director and Head of Mining and Metals with Barclays Investment Bank in London. Most recently, he has been involved in the start up of numerous smaller businesses focused on the decarbonisation and carbon sequestration space.

Mr Bungey was appointed a Director of NGX on 24 January 2023. During the three year period to the date of the Notice, Mr Bungey has held a directorship in Salt Lake Potash Limited (Administrators Appointed) (Receivers and Managers Appointed) (May 2020 – present).

(d) **Mr Mark Pearce – Non-Executive Director**
B.Bus, CA, FCIS, FFin

Mr Pearce is a Chartered Accountant and is currently a director of several listed companies that operate in the resources sector. He has had considerable experience in the formation and

development of listed resource companies. Mr Pearce is also a Fellow of the Institute of Chartered Secretaries and a member of the Financial Services Institute of Australasia.

Mr Pearce was appointed a Director of NGX on 19 April 2021. During the three year period to the end of the financial year, Mr Pearce has held directorships in Constellation Resources Limited (July 2016 – present), GreenX Metals Limited (August 2011 – present), Equatorial Resources Limited (November 2009 – present), GCX Metals Limited (June 2022 – present), Peregrine Gold Limited (September 2020 – February 2022), Odyssey Gold Limited (September 2005 – August 2020), Apollo Minerals Limited (July 2016 – February 2021), Salt Lake Potash Limited (Administrators Appointed) (Receivers and Managers Appointed) (August 2014 – October 2020) and Sovereign (July 2006 – present).

Mr Ian Middlemas and Mr Matthew Bungey were previously directors of Salt Lake Potash Limited (ASX:SO4) (**SO4**) which entered into voluntary administration pursuant to section 436A of the Corporations Act on 20 October 2021. Receivers and managers were also appointed to SO4 by secured creditors on 20 October 2021. Mr Middlemas was the non-executive chairperson and Mr Bungey was a non-executive director of SO4 at the time administrators were appointed. At a meeting of creditors held on 2 December 2022, unsecured creditors of SO4 resolved to accept a deed of company arrangement (**DOCA**) as proposed by Arredo Pty Ltd (a company controlled by Mr Middlemas). The DOCA was executed on 22 December 2022. The Company understands that discussions between Arredo Pty Ltd and the secured creditors of SO4 to reach an agreement are ongoing.

Mr Bungey has received a prosecution notice in relation to his role at SO4 in an alleged failure to attend a meeting to assist Mr Dermott McVeigh. If found guilty, this offence carries a maximum penalty of $26,640. Mr Bungey at all times including at the time of the alleged failure to attend has been legally represented. This matter with Mr Bungey is ongoing and he has not yet been required to plead to the allegation.

Mr Mark Pearce was also previously a non-executive director of SO4 but resigned as a director on 19 October 2020. Mr Pearce was not a director of SO4 at the time the company as placed into voluntary administration.

Mr Matt Syme was previously a director of Greenpharmtech Pty Ltd (Deregistered) a small proprietary limited company that was wound up by a liquidator owing approximately $16,604 to unsecured creditors.

Although some of the Directors have previously served as directors of various public listed companies at the same time, each of the Directors act independently and considers themselves independent of each other Director. Messrs Matthew Syme and Matthew Bungey also consider themselves to be independent of Sovereign as they are not directors of Sovereign.

4.2 Other KMP Profiles

The names and details of other KMP at the date of this Prospectus are:

(a) **Ms Elizabeth (Lib) Matthews – Company Secretary**
B.Com, CA, ACG, GAICD

Ms Matthews is a Chartered Accountant, Chartered Secretary of the Governance Institute of Australia and graduate of the Australian Institute of Company Directors Course who commenced her career at a large international accounting firm and has since been involved with exploration and development companies operating in the resources sector. Ms Matthews was appointed Company Secretary of NGX on 9 December 2022.

4.3 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 policies and procedures with openness and integrity, pursuing a system of corporate governance which is commensurate with the Company's needs and resources.

To the extent practicable, the Company had adopted ASX Corporate Governance Council's Principles of Good Corporate Governance and Best Practice Recommendations (ASX Principles and Recommendations 4th

edition) (**Recommendations**) where considered appropriate for the Company's size and nature. Following admission to the Official List, the Company will be required to report any departures from the Recommendations in (or at the time of lodging) its annual financial report. The Company's departures from the Recommendations as at the date of this Prospectus are detailed below.

The Company's corporate governance policies and procedures are available from the Company's website at www.ngxlimited.com.

The Company has adopted the following policies, each of which has been prepared having regard to the Recommendations, and is available on the Company's website at www.ngxlimited.com.

(a) **Code of Conduct -** This policy details the standards of ethical behaviour that the Company expects from its Directors, officers and employees.

(b) **Securities Trading Policy -** The Board has adopted a policy that details the guidelines on the sale and purchase of securities in the Company by its officers and key management personnel (i.e. Directors and, if applicable, any employees reporting directly to the Executive Directors). The policy generally provides that the written acknowledgement of the Approving Officer must be obtained prior to trading in Company securities.

(c) **Continuous Disclosure Policy -** The Company will comply with the continuous disclosure requirements of the Listing Rules and the Corporations Act to ensure the Company discloses to the ASX any information concerning the Company which is not generally available and which a reasonable person would expect to have a material effect on the price or value of the Shares. As such, this policy details certain procedures and measures which are designed to ensure that the Company complies with its continuous disclosure obligations.

(d) **Risk Management Policy -** This policy is designed to assist the Company to identify, assess, monitor and manage risks affecting the Company's business. The Board's collective experience will assist in the identification of the principal risks that may affect the Company's business. Key operational risks and their management will be recurring items for deliberation at Board meetings.

(e) **Social Media Policy -** This policy details the practices which the Company will implement to ensure effective communication with its shareholders and the use of social media platforms.

(f) **Anti-Bribery and Corruption Policy -** The Company is committed to maintaining a high standard of integrity and operating fairly, honestly and legally to comply with anti-corruption and bribery requirements. The purpose of the anti-bribery and corruption policy is to educate and inform personnel and the Company's representative about the Company's commitment to anti-bribery and corruption requirements.

(g) **Whistleblower Policy -** This policy details the practices which the Company will implement to ensure any malpractice, impropriety, statutory non-compliance or wrongdoing is appropriately reported without fear of adverse consequences.

Principle 1: Lay solid foundations for management and oversight
Recommendation 1.2 A listed entity should: (a) undertake appropriate checks before appointing a director or senior executive or putting someone forward for election as a director; and (b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.
Recommendation not complied with. The Company carefully considers the character, experience, education and skillset of potential candidates for appointment to the Board and conducts appropriate background checks to verify the sustainability of the candidate, prior to their election. Based on the Company's level of knowledge of the potential candidate, these may include checks as to the person's character, experience, education, and bankruptcy history, but may not include criminal record checks for potential candidates that are well known to the Board. The Company has appropriate procedures in place to ensure that material

information relevant to a decision to elect or re-elect a Director, is disclosed in the relevant notice of meeting provided to shareholders. Director profiles will be included in the Directors' Report of the Company's Annual Report.

Recommendation 1.5
A listed entity should:
(a) have and disclose a diversity policy;
(b) through its board or a committee of the board set measurable objectives for achieving gender diversity in the composition of its board, senior executives and workforce generally; and
(c) disclose in relation to each reporting period:
(1) the measurable objectives set for that period to achieve gender diversity;
(2) the entity's progress towards achieving those objectives; and
(3) either:
(A) the respective proportions of men and women on the board, in senior executive positions and across the whole workforce (including how the entity has defined "senior executive" for these purposes); or
(B) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.

Recommendation not complied with. The Company has not adopted a Diversity Policy, nor has it established measurable objectives for achieving gender diversity. The Company recognises that a diverse and talented workforce is a competitive advantage and encourages a culture that embraces diversity. However, the Board considers that the Company is not currently of a size to warrant the time and cost of adopting a Diversity Policy and setting measurable objectives for achieving gender diversity. The Board will review its position and may adopt a Diversity Policy and develop measurable objectives when the Company's operations increase. At the date of this Prospectus, the Company has one female senior executive, being the Company Secretary, Ms Elizabeth (Lib) Matthews.

Recommendation 1.6
A listed entity should:
(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and
(b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.

Recommendation not complied with. The Board has not conducted a formal performance evaluation. The Company is a junior resources company and the Board believes that a formal performance evaluation is not required at this point in time and that no efficiencies or other benefits would be gained from a formal performance evaluation. The Chairman is responsible for evaluating the Board and informal discussions are undertaken during the course of the year. As the Company grows and develops, it will continue to consider the efficiencies and merits of a more formal performance evaluation of the Board, its committees and individual Directors.

Principle 2: Structure the board to be effective and add value

Recommendation 2.6
A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.

Recommendation not complied with. The Board does not have a formal program for inducting new Directors and providing appropriate professional development opportunities. The Board has been structured such that its composition and size will enable it to effectively discharge its responsibilities and duties. Each Director has been appointed because they already possess the relevant industry experience and specific expertise relevant to the Company's business and level of operations and given the activities of the Company and their own experience do not require the Company, given its size, to provide professional development opportunities. However, each new Director receives and commits to a letter of appointment which includes details of the Company's key policies and processes and continuing professional development is expected of all Directors. Directors are also entitled to seek independent professional advice at the expense of the Company (subject to approval) as may be reasonably required to assist them to carry out their duties as a Director.

Principle 4: Safeguard Integrity in Corporate Reporting

Recommendation 4.2

The board should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.
Recommendation not complied with. In respect to full year and half year financial reports, the Board will obtain a written declaration from the CEO (or equivalent) and CFO (or equivalent) that, in their opinion, the financial records of the Company have been properly maintained and the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion is formed on the basis of a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting and material business risks. However, the Board will not receive declarations from the CEO (or equivalent) and CFO (or equivalent) in respect to the quarterly cash flow reports prepared and lodged in compliance with Appendix 5B of the Listing Rules, as these quarterly cash flow reports are considered by the Board: • not to be a financial report or interim financial report as defined under Australian Accounting Standards; and/or • not to be capable, as a standalone report, of giving a true and fair view of the financial position and performance of the Company, only its cash flows for the relevant reporting period.

5. FINANCIAL INFORMATION

5.1 Introduction

The financial information in this Section 5 consists of the historical financial information relating to NGX which comprises the:

(a) the historical financial information for NGX Limited, comprising the:

(i) historical statements of financial position as at 30 June 2021, 30 June 2022 and 31 December 2022; and

(ii) historical statements of profit or loss and other comprehensive income for the period 19 April 2021 to 30 June 2021, the period 1 July 2021 to 30 June 2022, and the half year 1 July 2022 to 31 December 2022; and

(iii) historical statement of cashflows for the period 19 April 2021 to 30 June 2021, the period 1 July 2021 to 30 June 2022, and the half year 1 July 2022 to 31 December 2022

together referred to as the **Historical Financial Information**; and

(b) the pro forma historical financial information, comprising the pro forma historical statement of financial position as at 31 December 2022 (the **Pro Forma Historical Financial Position**),

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

The Pro Forma Historical Financial Position has been prepared based on the statutory Historical Financial Information as at 31 December 2022, adjusted for the pro forma transactions as detailed in Section 5.3, as if they had occurred as at 31 December 2022.

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 Offers.

William Buck Consulting (WA) Pty Ltd has prepared an Investigating Accountant's Report in respect to the Financial Information. A copy of this report, which includes an explanation of the scope and limitations of the Investigating Accountant's Report, is contained in Annexure A.

The information presented in this Section 5 should be read in conjunction with the Investigating Accountant's Report, the risk factors as detailed in Section 6, and other information included in this Prospectus.

5.2 Basis of preparation

The Historical Financial Information has been prepared in accordance with the recognition and measurement requirements of Australian Accounting Standards (including Australian Accounting Interpretations) and the accounting policies adopted by the Company.

The Pro Forma Historical Financial Position has been derived from the Historical Financial Information, and assumes the completion of the pro forma adjustments, as detailed in Section 5.3 as if those adjustments had occurred as at 31 December 2022. The Pro Forma Historical Financial Position has been prepared in accordance with and should be read in conjunction with the accounting policies detailed in Section 5.8.

The Financial Information contained in this Section is presented in an abbreviated form and does not contain all the disclosures that are provided in a financial report prepared in accordance with the Corporations Act and Australian Accounting Standards and Interpretations.

The Historical Financial Information as at and for the half year ended 31 December 2022 has been reviewed by William Buck Audit (WA) Pty Ltd. The Pro Forma Historical Financial Position as at and for the period ended 31 December 2022 has been reviewed as part of the procedures performed by the Investigating Accountant.

5.3 Pro Forma Historical Financial Position adjustments

The Company has entered into the Demerger Deed whereby it has the contractual right to develop and explore the tenements collectively known as the Graphite Projects located in Malawi.

The Pro Forma Historical Financial Position of NGX has been compiled by adjusting the Statement of Financial Position of the Company as at 31 December 2022 and reflecting the impact of the following items and pro forma transactions which are yet to occur, but are proposed to occur immediately before or following completion of the IPO.

The following adjustments have been made:

(a) the issue of 47,805,920 Shares at A$0.20 each to raise A$9,561,184 (before costs) pursuant to the Offers and the payment of cash costs related to the Offers estimated to be approximately A$448,277 (A$221,561 has been recognised in equity as share issue costs);

(b) the issue of 42,805,918 Demerger Shares and recognition of exploration and evaluation assets of A$6,561,073 pursuant to the Demerger Deed detailed in Section 7.1;

(c) the repayment of loan from the Company's former parent entity, Sovereign of A$932,150 and recognition of a A$549,720 loan forgiveness, pursuant to the Demerger Deed detailed in Section 7.1; and

(d) the issue of 4,000,000 Options.

5.4 Historical Statements of Profit or Loss and Other Comprehensive Income

NGX Limited	Reviewed 6 months to 31 December 2022	Audited 12 months to 30 June 2022	Audited 19 April 2021 to 30 June 2021
	A$	A$	A$
Exploration and evaluation expenses	(102,136)	(405,150)	(55,157)
Corporate and administrative costs	(136,883)	(44,025)	(54,251)
Impairment expense	-	(135,923)	-
LOSS BEFORE INCOME TAX	**(239,019)**	**(585,098)**	**(109,408)**
Income tax expense	-	-	-
LOSS FOR THE YEAR	**(239,019)**	**(585,098)**	**(109,408)**
Other comprehensive income, net of income tax	2,034	-	-
TOTAL COMPREHENSIVE LOSS FOR THE YEAR	**(236,985)**	**(585,098)**	**(109,408)**

The above historical statements of profit or loss and other comprehensive income are to be read in conjunction with Sections 5.2 and 5.8.

5.5 Historical Statements of Cash Flows

	Reviewed 31 December 2022	Audited 30 June 2022	Audited 19 April 2021 to 30 June 2021
	A$	A$	A$
Operating activities			
Payments to suppliers and employees	(12,433)	-	-
Net cash outflows from operating activities	**(12,433)**	**-**	-
Investing activities			
Cash acquired on acquisition	144,194	-	-
Net cash flows from investing activities	**144,194**	**-**	**-**
Financing activities			
Proceeds from issue of shares	**-**	-	2
Net cash flows from financing activities	**-**	**-**	**2**
Net increase in cash and cash equivalents	131,761	-	2
Net foreign exchange differences	405	-	-
Cash and cash equivalents at beginning of period	2	2	-
Cash and cash equivalents at end of year	**132,168**	**2**	**2**

The above historical statements of cash flows are to be read in conjunction with Sections 5.2 and 5.8.

5.6 Historical Statements of Financial Position

NGX Limited	Reviewed as at 31 December 2022	Audited as at 30 June 2022	Audited as at 30 June 2021
	A$	A$	A$
Current assets			
Cash and cash equivalents	132,168	2	2
Other assets	-	38	-
Total assets	**132,168**	**40**	**2**
Current liabilities			
Trade and other payables	94,042	144,824	3,000
Total current liabilities	**94,042**	**144,824**	**3,000**
Non-current liabilities			
Loan from Sovereign Metals Limited	833,593	549,720	106,408
Total non-current liabilities	**833,593**	**549,720**	**106,408**
Total liabilities	**927,635**	**694,544**	**109,408**
Net liabilities	**(795,467)**	**(690,504)**	**(109,406)**
Equity			
Share Capital	2	2	2
Reserves	138,056	-	-
Accumulated losses	(933,525)	(694,506)	(109,408)
Total equity	**(795,467)**	**(694,504)**	**(109,406)**

The above historical statements of financial position are to be read in conjunction with Sections 5.2 and 5.8.

5.7 Pro Forma Historical Financial Position

NGX Limited	Notes	Reviewed as at 31 December 2022	Pro forma adjustments	Pro forma
		Reviewed $	Reviewed $	Reviewed $
Current assets				
Cash and cash equivalents	2	132,168	8,829,034	8,961,202
Total current assets		**132,168**	**8,829,034**	**8,961,202**
Non-current assets				
Exploration & evaluation assets	3	-	6,561,073	6,561,073
Total non-current assets		**-**	**6,561,073**	**6,561,073**
Total assets		**132,168**	**15,390,107**	**15,522,275**
Current liabilities				
Trade and other payables		94,042	-	94,042
Total current liabilities		**94,042**	**-**	**94,042**
Non-current liabilities				
Loan from Sovereign Metals Limited	7	833,593	(833,593)	**-**
Total non-current liabilities		833,593	(833,593)	**-**
Total liabilities		**927,635**	**(833,593)**	**94,042**
Net assets / (liabilities)		**(795,467)**	**16,223,700**	**15,428,233**
Equity				
Share Capital	4	2	17,801,807	17,801,809
Reserves	6	138,056	989,220	1,127,276
Accumulated losses	5	(933,525)	(2,567,327)	(3,500,852)
Total equity		**(795,467)**	**16,223,700**	**15,428,233**

The above pro forma historical financial position is derived from the historical statement of financial position adjusted for the pro forma transactions noted in Section 5.3 and is to be read in conjunction with Sections 5.2 and 5.8.

5.8 Notes to and forming part of the Historical Financial Information and Pro Forma Historical Financial Position

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This Prospectus does not include all the notes of the type normally included in an annual financial report. The significant accounting policies 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 liabilities based on Directors' estimates of Net Realisable Value. The pro forma historical financial information is presented in Australian dollars.

(b) New and amended standards adopted by the Company

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective have not been adopted by the Group for the reporting period ended 31 December 2022. Those which may be relevant to the Group are set out in the table below, but these are not expected to have any significant impact on the Group's financial statements:

Standard/Interpretation	Application Date of Standard	Application Date for Group
AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-Current	January 1, 2024	July 1, 2024
AASB 2022-6 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-Current – Deferral of Effective Date	January 1, 2024	July 1, 2024
AASB 2021-2 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates	January 1, 2023	July 1, 2023

(c) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of 3 months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

(d) Exploration and Evaluation Expenditure

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

Exploration and evaluation expenditure encompasses expenditures incurred by the Company 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.

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

Exploration and evaluation expenditure incurred by the Company subsequent to the acquisition of the rights to explore will be expensed as incurred, up until the technical feasibility and commercial viability of the Graphite Projects 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.

(e) Use and Revision of Accounting Estimates

The preparation of the financial report requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may

differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are described above.

(f) Fair Value Estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes. Loans are measured at amortised cost using the effective interest method less impairment.

The nominal value less estimated credit adjustments of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Company for similar financial instruments.

(g) 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.

(h) Significant judgements and key assumptions

The Directors evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Company.

Key judgements

Exploration and evaluation

The Company capitalises expenditure incurred in the acquisition of rights to explore and records this as an asset where it is considered likely to be recoverable or where the activities have not reached a stage which permits a reasonable assessment of the existence of reserves. There are areas of interest from which no reserves have been extracted, but the Directors are of the continued belief that such expenditure should not be written off since the activities have not reached a stage which permits a reasonable assessment of the existence of reserves.

(i) Share-Based Payments

Equity-settled share-based payments are provided to Directors, KMP and the Lead Manager. These share-based payments are measured at the fair value of the equity instrument at the grant date. Fair value is determined using the Black-Scholes option pricing model. Further details on how the fair value of equity-settled share-based payments has been determined can be found in Note 6.

The fair value determined at the grant date is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest. At each reporting date, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss over the remaining vesting period, with a corresponding adjustment to the share-based payments reserve.

Equity-settled share-based payments may also be provided as consideration for the acquisition of assets. Where Ordinary Shares are issued, the transaction is recorded at fair value based on the quoted price of the Ordinary Shares at the date of issue. The acquisition is then recorded as an asset or expensed in accordance with accounting standards.

NOTE 2. CASH AND CASH EQUIVALENTS	Reviewed as at 31 December 2022 $	Pro forma $
Reviewed as at 31 December 2022	132,168	8,961,202
Reviewed balance of NGX Limited as at 31 December 2022		132,168
Pro forma adjustments:		
Loan received from Sovereign[1]		200,000
Proceeds from Shares issued under the Offers[2]		9,561,184
Repayment of loan from Sovereign[1]		(932,150)
Pro forma balance		**8,961,202**

Notes:
[1] Refer to Note 7 and Section 7.1 for details.
[2] Refer to Note 4 and Section 2 for details.

NOTE 3. EXPLORATION & EVALUATION ASSETS	Reviewed as at 31 December 2022 $	Pro forma $
Reviewed as at 31 December 2022	-	6,561,073
Reviewed balance of NGX Limited at 31 December 2022		-
Pro forma adjustments:		
Acquisition of Graphite Projects		6,561,073[1]
Pro forma balance		**6,561,073**

[1] The mineral exploration and evaluation expenditure asset that is to be recognised on the acquisition of the Graphite Projects has been calculated as an asset acquisition as follows:

In-Specie Distribution (42,805,918 Shares at A$0.20 each)	8,561,184
Expense recognised for projects in Application	(2,000,111)
Pro forma balance – Graphite Projects	**6,561,073**

NOTE 4. SHARE CAPITAL	Reviewed as at 31 December 2022 $	Pro forma $
Share Capital	2	17,801,809
Reviewed balance of NGX Limited at 31 December 2022		2
Pro forma adjustments:		
In-Specie Distribution (as consideration for the Graphite Projects)		8,561,184
Shares issued under the Offers		9,561,184
Issue of Broker Options to Lead Manager (recognised in equity)		(99,000)
Costs of the Offers (recognised in equity)		(221,561)
Pro forma balance		**17,801,809**

	Number	Number
Number of Ordinary Shares on issue	2	90,611,840
Reviewed balance of NGX Limited at 31 December 2022		2
Pro forma adjustments:		
In-Specie Distribution (as consideration for the Graphite Projects)		42,805,918
Shares issued under the Offers		47,805,920
Pro forma number of ordinary shares		**90,611,840**

NOTE 5. ACCUMULATED LOSSES	Reviewed as at 31 December 2022 $	Pro forma $
Accumulated Losses	(933,525)	(3,500,852)
Reviewed balance of NGX Limited at 31 December 2022		(933,525)
Pro forma adjustments:		
Expense recognised for projects in Application		(2,000,111)
Costs of the Offers (recognised in the statement of profit or loss and other comprehensive income)		(226,716)
Issue of Incentive Options to Directors and KMP		(340,500)
Pro forma balance		**(3,500,852)**

NOTE 6. RESERVES	Reviewed as at 31 December 2022 $	Pro forma $
Reserves	138,056	1,127,276
Reviewed balance of NGX Limited at 31 December 2022		138,056
Pro forma adjustments:		
Forgiveness of Loan from Sovereign		549,720
Issue of Incentive Options to Directors, KMP and Broker Options to Lead Manager		439,500
Pro forma balance		**1,127,276**

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 as follows:

Valuation Assumptions	Incentive Option Offer (Tranche 1)	Incentive Option Offer (Tranche 2)	Broker Option Offer
Number to be issued	1,500,000	1,500,000	1,000,000
Volatility	100%	100%	100%
Risk free interest rate (%)	2.95	3.04	3.46
Expected life of Options	3	4	3
Exercise price	$0.30	$0.40	$0.40
Grant date Share Price	$0.20	$0.20	$0.20
Value per Option	**$0.110**	**$0.117**	**$0.099**
Total	**$165,000**	**$175,500**	**$99,000**

NOTE 7. LOAN FROM SOVEREIGN METALS LIMITED	Reviewed as at 31 December 2022 $	Pro forma $
Loan from Sovereign Metals Limited	(833,593)	-
Reviewed balance of NGX Limited at 31 December 2022		(833,593)
Pro forma adjustments:		
Loan provided pursuant to the Demerger Deed		(200,000)
Loan provided for the costs of the Offers		(448,277)
Forgiveness of Loan from Sovereign		549,720
Repayment of Loan		932,150
Pro forma balance		**-**

NOTE 8: 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:

Exploration Expenditure - Malawi

The Company has certain obligations with respect to tenements and minimum expenditure requirements in Malawi relating to the Graphite Projects Acquisition as follows:

	Reviewed 31 December 2022 $	Pro forma $
Within 1 year	42,917	42,917
1 to 5 years	107,293	107,293
Total	**150,210**	**150,210**

6. RISK FACTORS

The Securities offered under this Prospectus are considered highly speculative. An investment in the Company is not risk free. The proposed future activities of the Company are subject to a number of risks and other factors which may impact its future performance. Some of these risks can be mitigated by the use of safeguards and appropriate controls. However, many of the risks are outside the control of the Directors and management of the Company and cannot be mitigated.

The risks described in this Section 6 are not an exhaustive list of the risks faced by the Company or by investors in the Company. It should be considered in conjunction with other information in this Prospectus. The risk described, and others not specifically referred to, in this Section 6 may in the future materially affect the financial performance and position of the Company and the value of the Securities offered under this Prospectus. The Securities to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, return of capital or the market value of those Securities. The risks described in this Section 6 also necessarily include forward looking statements. Actual events may be materially different to those described and may therefore affect the Company in a different way.

Investors should be aware that the performance of the Company may be affected and the value of its Securities may rise or fall over any given period. None of the Directors or any person associated with the Company guarantee the Company's performance, the performance of the Securities the subject of the Offers or the market price at which the Securities will trade. The Directors strongly recommend that potential investors consider the risks detailed in this Section 6, together with information contained elsewhere in this Prospectus, and consult their professional advisers, before they decide whether or not to apply for Securities.

6.1 Company Specific Risks

(a) **Tenure and title to properties**

There can be no assurances that NGX's interest in its properties are free from defects. NGX has investigated its rights and title interests as described in this application and believes that these rights and title interests are in good standing. There is no assurance, however, that such rights and title interests will not be revoked or significantly altered to the detriment of NGX. There can be no assurances that NGX's rights and title interests will not be challenged or impugned by third parties.

All of the tenements and licences in which NGX has, or may earn an interest in, will be subject to applications and periodic renewal in Malawi in accordance with the Malawi Mines and Minerals Act (2018). The renewal or grant of the term of each licence is usually within the legal framework for Malawi and may involve some level of discretion of the relevant Malawian government authority. If a licence is not renewed or granted, NGX may suffer significant damage through loss of the opportunity to develop and/or discover further Mineral Resources on that area.

There is also no assurance that, if the licences are granted, they will be granted in their entirety, or with unfavourable conditions that the Company may not be able to meet, including compliance with conditions may also include increased expenditure and work commitments or compulsory relinquishment of important areas of the tenements comprising the relevant Graphite Project. 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. There is no guarantee that future licences and/or applications for tenements and licences will be approved.

Pursuant to section 63 of the Malawi Mines and Minerals Act (2018), if the holder of a medium and large-scale mining licence, retention licence or exploration licence is a company, it must notify the Commissioner of Mines if there is a change in the control of the company by sale of a majority ownership interest of its shares. The holder of the licence has 14 days to notify the Commissioner of Mines of this change. Please refer to the Independent Solicitor's Report in Annexure D for further information regarding the regulatory regime in Malawi.

NGX cannot give any assurance that title to its Graphite Projects will not be challenged, cancelled or impugned for various reasons, including that they may be subject to prior unregistered agreements or transfers or title may be affected by undetected defects.

(b) **Transfer of the Duwi Project and Malingunde Project to NGX**

The demerger of the Graphite Projects from Sovereign to NGX involved NGX entering into the Demerger Deed with Sovereign for the acquisition and transfer of the Duwi Project and the Malingunde Project to NGX. The Demerger Deed is subject to a number of conditions precedent that must be met and/or waived (if possible) prior to completion and transfer of the Duwi Project and the Malingunde Project to NGX.

The transfer of the Duwi Project (including the Retention Licence) to NGX is subject to the outstanding condition of Sovereign obtaining all necessary regulatory approvals, including Malawi ministerial approval for the transfer of the Duwi Project to NGX, which must be met or waived (if possible).

The transfer of the Malingunde Project (including the Mining Licence) to NGX is subject to the following outstanding conditions that must be met and/or waived (if possible):

(i) Sovereign being granted the Mining Licence for the Malingunde Project; and

(ii) Sovereign obtaining all necessary regulatory approvals, including Malawi ministerial approval for the transfer of the Malingunde Project to NGX.

Further, although conditional approval for the Mining Licence was granted in April 2022, the approval remains subject to a number of conditions to be addressed, including the receipt of an environmental and social impact assessment (**ESIA**) approval certificate under the applicable Malawian environmental regulations. Sovereign is engaging with relevant stakeholders and authorities in respect to the ESIA approval process. There can be no guarantees that a certificate will be received based on the current ESIA. If this occurs, and a modified ESIA and/or mine plan is not accepted, the Mining Licence may not be granted.

There can be no guarantee that the conditions precedent under the Demerger Deed (including those conditions in connection with the grant of the Mining Licence for the Malingunde Project) will be met and/or waived and the transfer of the Duwi Project and/or the Malingunde Project will occur. If the approval of the Mining Licence for Malingunde and/or the transfer of either project to NGX does not occur, then this may impact the Company's approach and timing to establishing commercial viability as a graphite mining business in Malawi.

(c) **Risks associated with operating in Malawi**

The Company's principal assets are located in Malawi and the Company is subject to various political, regulatory, economic and other risks and uncertainties associated with operating in Malawi. The Company's operations in Malawi are exposed to exploration and mining operations in a developing country which are not necessarily present in a developed country. These risks and uncertainties vary from country to country and include, but are not limited to, economic, social or political instability or change, hyperinflation, currency non-convertibility or instability and changes of law affecting government participation, taxation, working conditions, rates of exchange, exchange control, exploration licensing, export duties, environmental protection, mine safety, labour relations as well as government control over mineral properties or government regulations that require the employment of local staff or contractors or require other benefits to be provided to local residents.

The Company may also be hindered or prevented from enforcing its rights with respect to a governmental instrumentality because of the doctrine of sovereign immunity.

Any future material adverse changes in government policies or legislation in Malawi that affect foreign ownership, mineral exploration, development or mining activities, may affect the viability and profitability of the Company. Operations may be affected in varying degrees by government regulations with respect to, but not limited to, restrictions on exploration, development, mining production, price controls, export controls, secondary processing requirements in country, currency remittance, income taxes, foreign investment, maintenance of claims, environmental legislation, land use, land claims of local people, water use, local economic empowerment or similar policies, employment, contractor selection and mine safety. Failure to comply strictly with applicable laws, regulations and local practices relating to mineral right applications and tenure, could result in loss, reduction or expropriation of entitlements. The occurrence of these various factors adds

uncertainties that cannot be accurately predicted and could have an adverse effect on the Company's operations or profitability.

The legal systems operating in Malawi may be less developed than in more established countries, which may result in risk such as political difficulties in obtaining effective legal redress in the courts whether in respect of a breach of law or regulation, or in an ownership dispute, a higher degree of discretion on the part of governmental agencies, the lack of political or administrative guidance on implementing applicable rules and regulations including, in particular, as regards local taxation and property rights, inconsistencies or conflicts between and within various laws, regulations, decrees, orders and resolutions, or relative inexperience of the judiciary and courts in such matters.

It should also be noted that the existing mining laws of Malawi provide that the Malawi Government shall have the right, but not the obligation, to acquire, directly or through a Malawi Government nominee, without cost, a free equity ownership interest of up to ten percent (10%) in any mining project that will be subject to a large-scale mining licence. This limited-time right commences at the time that a large-scale mining licence application is submitted and terminating on the date that a mining application is granted or denied. In accordance with the Mines Act, Sovereign has applied for a medium-scale Mining Licence for Malingunde and therefore the free equity ownership interest is currently not applicable. However, should a change occur to the scale of the Company's operations or the applicable legislation, then these provisions may apply in the future. Further details of the Malawi Government's right is contained in the Independent Solicitor's Report provided in Annexure D.

The commitment by local business people, government officials and agencies and the judicial system to abide by legal requirements and negotiated agreements may be more uncertain, creating particular concerns with respect to licences and agreements for business. These may be susceptible to revision or cancellation and legal redress may be uncertain or delayed. There can be no assurance that joint ventures, licences, licence applications or other legal arrangements will not be adversely affected by the actions of the government authorities or others and the effectiveness and enforcement of such arrangements cannot be assured.

A rent resource tax of 15% after tax profit is currently legislated in the taxation act in Malawi. However, in practice it is not currently being applied to mining projects in Malawi and it is uncertain if it would apply to NGX's projects in Malawi in the future. If it were to be applied, this could have a material effect on the economics of NGX's projects in the future.

Any of these factors could materially and adversely affect the Company's business, results of operations and financial condition.

(d) **Contractual risk**

As noted above, NGX has entered into the Demerger Deed with Sovereign for the acquisition and transfer of the Duwi Project and the Malingunde Project to NGX. Under the terms of the Demerger Deed, NGX has contractual rights which require Sovereign to, amongst other things, provide reasonable assistance to NGX to ensure the transfer of the Duwi Project and the Malingunde Project occur. The nature of the contractual relationship may change, including, the ownership structure and voting rights, resulting in NGX being unable to influence the decisions of Sovereign for the benefit of NGX. The ability of NGX to move forward with either the Duwi Project and/or the Malingunde Project will depend on the performance by Sovereign and NGX of their obligations under the Demerger Deed. If any party defaults in the performance of its obligations under the Demerger Deed, it may be necessary for either party to approach a court to seek a legal remedy, which could be costly for NGX.

(e) **The Company has no history of earnings and no production revenues**

The Company is a mineral exploration and development company, has no history of earnings, and does not have any producing mining operations. The Company will experience losses from exploration activities and until such time as the Company commences mining production activities, it expects to continue to incur losses. There can be no guarantee that the business will operate in line with assumed cost structures.

Should the level of costs required to operate the business be higher than anticipated then it may have a materially adverse effect on the future performance and prospects of the Company.

There can be no assurance that the Graphite Projects will be profitable in the future. Should production commence, the operating expenses and capital expenditures of the Graphite Projects may increase in future years as targeted resources are more difficult to extract.

The amounts and timing of expenditures will depend on the progress of ongoing exploration and development, the results of consultants' analyses and recommendations, the rate at which operating losses are incurred, the execution of any joint venture agreements with strategic partners, and other factors, many of which are beyond the Company's control.

The development of one or more of its Graphite Projects will require the commitment of substantial resources. There can be no assurance that the Company will generate any revenues or achieve profitability.

The Company expects to continue to incur losses from exploration and development activities in the foreseeable future.

(f) **Future capital requirements**

The Company's capital requirements depend on numerous factors. The Company will require further financing in addition to amounts raised under the Offers. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and scale back its exploration and development programmes (as the case may be). There is no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company.

(g) **Previous Exploration**

Historical and current activities on the Graphite Project licences could in the future give rise to costs for environmental rehabilitation, damage, control and losses. The Company has received no indication or instruction that rehabilitation of these areas is required. The enforcement of any environmental regulation could lead to increased costs for the Graphite Projects which in turn could adversely affect one or more of the Graphite Project's financial performance and available cash reserves.

(h) **Reliance on key personnel**

The Company is reliant on a number of key personnel. The loss of one or more of its key personnel could have an adverse impact on the business of the Company.

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

(i) **Foreign Exchange Risks**

The Graphite Projects' operating and capital expenditures are typically to be incurred in currencies other than Australian dollars (including Malawian kwacha (**MWK**) and United States dollars (**USD**)) and any future revenues from the sale of graphite are also likely to be in currencies other than Australian dollars. Any fluctuations in the exchange rates between these currencies and the Australian dollar could have a material adverse effect on the Company's business, financial position and operating results.

6.2 Industry Specific Risks

(a) **Nature of mineral exploration and mining**

The business of mineral exploration, development and production is subject to risk by its nature. The Graphite Projects are at a relatively early stage of exploration and potential investors should

understand that mineral exploration, development and mining are high-risk enterprises, only occasionally providing high rewards.

The success of the Company depends, among other things, on successful exploration and/or acquisition of reserves, securing and maintaining title to tenements and consents, successful design, construction, commissioning and operating of mining and processing facilities, successful development and production in accordance with forecasts and successful management of the operations. Exploration and mining activities may also be hampered by force majeure circumstances, land claims and unforeseen mining problems.

There is no assurance that exploration and development of the mineral interests owned by the Company, or any other projects that may be acquired in the future, will result in the discovery of mineral deposits which are capable of being exploited economically. Even if an apparently viable deposit is identified, there is no guarantee that it can be profitably exploited. If such commercial viability is never attained, the Company may seek to transfer its property interests or otherwise realise value, or the Company may even be required to abandon its business and fail as a "going concern".

Whether a mineral deposit will be commercially viable depends on a number of factors, which include, without limitation, the particular attributes of the deposit, such as size, grade and proximity to infrastructure, metal prices, which fluctuate widely, and government regulations, including, without limitation, regulations relating to prices, taxes, royalties, land tenure, land use, exporting of minerals and environmental protection. The combination of these factors may result in the Company expending significant resources (financial and otherwise) on tenements without receiving a return. There is no certainty that expenditures made by the Company towards the search and evaluation of mineral deposits will result in discoveries of an economically viable mineral deposit.

The Company has relied on and may continue to rely on consultants and others for mineral exploration and exploitation expertise. The Company believes that those consultants and others are competent and that they have carried out their work in accordance with internationally recognised industry standards. However, if the work conducted by those consultants or others is ultimately found to be incorrect or inadequate in any material respect, the Company may experience delays or increased costs in exploring or developing its tenements.

(b) **Results of studies**

The Company may undertake technical and economic studies on its Graphite Projects including but not limited to commencing a definitive feasibility study (**DFS**) for the Malingunde Project. These studies have been or will be completed within certain parameters designed to determine the technical and economic feasibility of the relevant Graphite Project within certain limits. There can be no guarantee that the studies will confirm the technical and economic viability of the Graphite Project or confirm the results of previous studies undertaken (e.g. the results of a DFS for the Malingunde Project may materially differ to the results of a PFS).

Further, even if a study determines the economics of the Graphite Project, there can be no guarantee that the relevant Graphite Project will be successfully brought into production as assumed or within the estimated parameters in the feasibility study, once production commences including but not limited to operating costs, mineral recoveries and commodity prices. In addition, the ability of the Company to complete a study may be dependent on the Company's ability to raise further funds to complete the study if required.

Any proposed development of the Graphite Project may also exceed the currently envisaged timeframe or cost for a variety of reasons out of the control of the Company. These reasons may include delays in obtaining land use and mining activity approvals or in construction of mine infrastructure or the handling and preparation plant. In addition, the contractual terms for the procurement and delivery of the various components of construction are unknown. These could also have an impact on the cost of construction. There are many milestones which need to be met first for production to commence in accordance with any proposed mine plan and there is a risk that circumstances (including unforeseen circumstances) may cause a delay, resulting in the receipt of revenue at a later date than expected or not at all.

(c) **Resource and Reserve estimates**

Ore Reserve and Mineral Resource estimates are expressions of judgment based on drilling results, past experience with mining properties, knowledge, industry practice and many other factors. Estimates which are valid when made may change substantially when new information becomes available. Ore estimation is an interpretive process based on available data and interpretations and thus estimations may prove to be inaccurate.

The actual quality and characteristics of ore deposits cannot be known until mining takes place and will almost always differ from the assumptions used to develop resources. Further, Ore Reserves are valued based on future costs and future prices and, consequently, the actual Ore Reserves and Mineral Resources may differ from those estimated, which may result in either a positive or negative effect on operations.

Should the Company encounter mineralisation or formations different from those predicted by past drilling, sampling and similar examinations, resource estimates may have to be adjusted and mining plans may have to be altered in a way which could adversely affect the Company's operations.

(d) **Metallurgy**

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

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

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

(iii) changes in mineralogy in the ore deposit can result in inconsistent metal recovery, affecting the economic viability of the Graphite Projects; and

(iv) no assurance can be given that any particular level of recovery from Mineral Resources or reserves will in fact be realised or that an identified Mineral Resource will ever qualify as commercially viable which can be legally and economically exploited.

(e) **Operational risks**

The operations of the Company may be affected by various factors which are beyond the control of the Company, including failure to locate or identify mineral deposits, failure to achieve predicted grades in exploration or mining, operational and technical difficulties encountered in mining, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, adverse weather conditions, industrial and environmental accidents, industrial disputes and unexpected shortages, delays in procuring, or increases in the costs of consumables, spare parts, plant and equipment, fire, explosions and other incidents beyond the control of the Company.

These risks and hazards could also result in damage to, or destruction of, production facilities, personal injury, environmental damage, business interruption, monetary losses and possible legal liability. While the Company currently intends to maintain insurance within ranges of coverage consistent with industry practice, no assurance can be given that the Company will be able to obtain such insurance coverage at reasonable rates (or at all), or that any coverage it obtains will be adequate and available to cover any such claims.

(f) **Mine development**

Possible future development of mining operations at a Graphite Project are 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 any existing or future projects, 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 existing or future projects.

(g) **Environmental risk**

The Graphite Projects are subject to regulations regarding environmental matters. The Governments and other authorities that administer and enforce environmental laws and regulations determine these requirements. As with all exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly, if the Company's activities result in mine development. The Company intends to conduct its activities in an environmentally responsible manner and in accordance with applicable laws.

The cost and complexity of complying with the applicable environmental laws and regulations may prevent the Company from being able to develop potentially economically viable mineral deposits.

Further, the Company may require additional approvals from the relevant authorities before it can undertake activities that are likely to impact the environment. Failure to obtain such approvals will prevent the Company from undertaking its desired activities. The Company is unable to predict the effect of additional environmental laws and regulations which may be adopted in the future, including whether any such laws or regulations would materially increase the Company's cost of doing business or affect its operations in any area.

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

(h) **Insurances**

Insurance of all risks associated with exploration and production is not always available and, where it is available, the cost may be high. The Company will have insurance in place considered appropriate for the Company's needs.

The business of the Company is subject to a number of risks and hazards generally, including adverse environmental conditions, industrial accidents, labour disputes, unusual or unexpected geological conditions, ground or slope failures, cave-ins, changes in the regulatory environment and natural phenomena such as inclement weather conditions, floods and earthquakes. Such occurrences could result in damage to mineral properties or production facilities, personal injury or death, environmental damage to properties of the Company or others, delays in mining, monetary losses and possible legal liability.

Although the Company maintains insurance to protect against certain risks in such amounts as it considers to be reasonable, its insurance will not cover all the potential risks associated with its operations and insurance coverage may not continue to be available or may not be adequate to cover any resulting liability, particularly as the Company is seeking to acquire new projects which are located in other jurisdictions or involve a new commodity.

It is not always possible to obtain insurance against all such risks and the Company may decide not to insure against certain risks because of high premiums or other reasons. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration and production is not generally available to the Company or to other companies in the mining industry on acceptable terms. Losses from these events may cause the Company to incur significant costs that could have a material adverse effect upon its financial performance and results of operations.

(i) **Occupational Health and Safety Risk**

The Company is committed to providing a healthy and safe environment for its personnel, contractors and visitors. However, mining activities have inherent risks and hazards. While the Company provides appropriate instructions, equipment, preventative measures, first aid information and training to all stakeholders through its occupational, health and safety management systems, health and safety incidents may nevertheless occur. Any illness, personal injury, death or damage to property resulting from the Company's activities may lead to a claim against the Company.

6.3 General Risks

(a) **Securities investments**

Applicants should be aware that there are risks associated with any securities investment.

Prior to the Offers, there was no public market for the Securities. There is no guarantee that an active trading market in the Securities will develop or that the price of the Securities will increase. The prices at which the Securities trade may be above or below the Offers price and may fluctuate in response to a number of factors.

Further, the stock market is prone to price and volume fluctuations. There can be no guarantee that trading prices will be sustained. These factors may materially affect the market price of the Securities, regardless of the Company's operational performance.

(b) **Economic risk and share market conditions**

Changes in the general economic climate in which the Company operates may adversely affect the financial performance of the Company. Similarly, share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Factors that may contribute to that general economic climate and the market price of the Securities include, but are not limited to:

(i) changes in Government policies, taxation and other laws;

(ii) the strength of the equity and share markets in Australia and throughout the world;

(iii) movement in, or outlook on, exchange rates, interest rates and inflation rates;

(iv) industrial disputes in Australia and overseas;

(v) changes in investor sentiment toward particular market sectors or commodities;

(vi) financial failure or default by an entity with which the Company may become involved in a contractual relationship; and

(vii) natural disasters, social upheaval, war or acts of terrorism.

(c) **Graphite price risks and market volatility**

The price of graphite fluctuates widely and is affected by numerous factors beyond the control of the Company, such as product specifications, industrial and retail supply and demand, exchange rates, inflation rates, changes in global economies, confidence in the global monetary system, forward sales by producers and speculators as well as other global or regional political, social or economic events.

The price that the Company receives for future graphite produced from its projects, if any, will be dependent on the quality of the concentrate. This is determined by the flake size and purity. The prices vary significantly with higher prices paid for large flake graphite. Bench-scale metallurgical testwork conducted by independent laboratories have confirmed the large flake characteristics of fresh rock and saprolite graphite samples tested to date only at the Malingunde Project, and not at the Nanzeka Project, Duwi Project or Mabuwa Project. Further work is required to test variability and

optimise process flow sheets at the Malingunde Project before these results can be verified on a pilot plant or commercial scale.

In addition to adversely affecting future reserve estimates, if any, of any of the Company's projects, declining commodity prices can impact operations by requiring a reassessment of the feasibility of the Graphite Projects. Such a reassessment may be the result of a management decision or may be required under financing arrangements related to the relevant project. Even if the relevant project is ultimately determined to be economically viable, the need to conduct such a reassessment may cause substantial delays or may interrupt operations until the reassessment can be completed.

Future production, if any, from any of the Company's current or future projects will be dependent upon the price of graphite being adequate to make the relevant project economic. Future price declines in the market value of graphite could cause continued development of, and eventually commercial production from, the Graphite Projects to be rendered uneconomic. Depending on the price of graphite, the Company could be forced to discontinue production or development and may lose its interest in, or may be forced to sell, the Graphite Projects. There is no assurance that, even if commercial quantities of graphite are produced, a profitable market will exist for them.

The graphite sector has been subject to extensive recent capital market interest driven at least in part by the potential for new industrial applications, including use in lithium-ion batteries. The future requirements for the ongoing and anticipated use of natural graphite in these new industrial applications is highly dependent on a variety of factors, including international supply and demand, the level of consumer product demand, the price and availability of alternative products, actions taken by the governments and international cartels and global economic and political developments.

(d) **Dilution**

In certain circumstances, the Directors may issue equity securities without any vote or action by Shareholders. If the Company were to issue any equity securities the percentage ownership of Shareholders may be reduced and diluted.

(e) **Competition**

Like many industries, the resources industry is subject to domestic and global competition. While the Company undertakes all reasonable due diligence in its business decisions and operations, the Company has no influence or control over the activities or actions of its competitors and these activities or actions may positively or negatively affect the operating and financial performance of the Company's projects and business.

Some of these companies have greater financial and other resources than the Company and, as a result, may be in a better position to compete for future business opportunities. Many of the Company's competitors not only explore for and produce minerals, but also carry out refining operations and produce other products on a worldwide basis. There can be no assurance that the Company can compete effectively with these companies.

(f) **Litigation risk**

Legal proceedings may arise from time to time in the course of the Company's activities. Legal proceedings brought by third parties including but not limited to joint venture partners or employees could negatively impact the Company in the case where the impact of such litigation is greater than or outside the scope of the Company's insurance. As at the date of this Prospectus, there are no material legal proceedings affecting the Company and the Directors are not aware of any legal proceedings pending or threatened against or affecting the Company.

(g) **Unforeseen expenses**

While the Company is not aware of any expenses that may need to be incurred that have not been taken into account, if such expenses were subsequently incurred, the expenditure proposals of the Company may be adversely affected.

(h) **Force Majeure**

The Company's projects now or 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.

(i) **Taxation risk**

The acquisition and disposal of Securities will have tax consequences, which will differ for each investor depending on their individual financial circumstances. All potential investors in the Company are urged to obtain independent financial advice regarding the tax and other consequences of acquiring Securities. To the maximum extent permitted by law, the Company, its officers and each of their respective advisers accept no liability or responsibility with respect to any tax consequences of applying for Securities under this Prospectus.

(j) **Accounting standards**

Changes to any applicable accounting standards or to any assumptions, estimates or judgments applied by management in connection with complex accounting matters may adversely impact the Company's financial statements, results or condition.

(k) **COVID-19**

The ongoing COVID-19 pandemic affecting Australia, Malawi and the rest of the world has the potential to adversely impact the Company's operations. The Company's operations are in Malawi. In the short term, restrictions on overseas travel and challenges associated with maintaining government recommended social distancing practices may impact the Company's ability travel to Malawi and to manage and undertake fieldwork safely and cost effectively. If employees are unable to work or travel due to illness or government restrictions, the Company may be forced to reduce or suspend any exploration and development activities. In addition, as the COVID-19 pandemic and mitigation measures have also negatively impacted global economic conditions, this, in turn, could adversely affect the Company's business in the future. Due to the continually evolving nature of COVID-19 the Company cannot reasonably estimate the effects that the COVID-19 pandemic could have on the Company in future periods, and believe that any disturbance may be temporary. However, there is uncertainty about the length and potential impact of any resultant disturbance. Because of the highly uncertain and dynamic nature of events relating to the COVID-19 pandemic, it is not currently possible to estimate the impact of the pandemic on the Company's business. However, these effects could have a material impact on its operations, and the Company will continue to monitor the COVID-19 situation closely.

7. MATERIAL CONTRACTS

7.1 Demerger Deed

On 10 February 2023 (**Commencement Date**), Sovereign, SSL (an entity owned by Sovereign), NGX and NGX Mining Limited (**NGX Mining**) and NGX Exploration Limited (**NGX Exploration**) (entities owned by NGX) entered into a demerger deed (**Demerger Deed**), which provides the terms of the demerger of NGX from Sovereign. The Demerger Deed was negotiated by on behalf of the Company by Mr Matthew Syme (Executive Director) and on behalf of Sovereign by Dr Julian Stephens (Managing Director), each of who is independent of Sovereign and NGX respectively, and, consistent with the conflict of interest and corporate governance arrangements adopted by the Company.

The effect of the Demerger Deed is that NGX acquired the Graphite Projects from the Sovereign Group and in return NGX issued 42,805,918 Shares at a deemed issue price of A$0.20 per Share to Sovereign, for the In-Specie Distribution to Shareholders. In determining the consideration paid under the Demerger Deed, the independent NGX director had regard to the fact that two of the Graphite Projects (being the Duwi Project and the Malingunde Project) were subject to Malawian ministerial consents, with the timing for these projects being uncertain and that a higher consideration may have been negotiated if the Duwi Project and the Malingunde Project were immediately transferrable to NGX under the Demerger Deed.

The material terms of the Demerger Deed are as follows:

(a) **Duwi Project conditions**

The conditions precedent for completion of the transfer of the Duwi Project (**Duwi Completion**) includes (unless otherwise agreed to be waived):

(i) (**In-Specie Distribution completion**) the In-Specie Distribution having completed;

(ii) (**no breach**) no breach of any provision of the Demerger Deed by Sovereign or SSL occurring; and

(iii) (**Sovereign regulatory approvals**) Sovereign Group or a member of Sovereign Group (as applicable) obtaining all necessary regulatory approvals, including Malawi ministerial approval, for the transfer of the Duwi Project from Sovereign Group to NGX (or its nominee).

(b) **Malingunde Project conditions**

The conditions precedent for completion of the transfer of the Malingunde Project (**Malingunde Completion**) includes (unless otherwise agreed to be waived):

(i) (**In-Specie Distribution completion**) the In-Specie Distribution having completed;

(ii) (**Grant of mining licence**) a Sovereign Group member being issued a mining licence in connection with the Malingunde Project under the Mining Act, subject only to conditions which are reasonable and capable of satisfaction as determined by NGX (acting reasonably);

(iii) (**no breach**) no breach of any provision of the Demerger Deed by Sovereign or SSL occurring; and

(iv) (**Sovereign regulatory approvals**): Sovereign Group or a member of Sovereign Group (as applicable) obtaining all necessary regulatory approvals, including Malawi ministerial approval, for the transfer of the Malingunde Project from Sovereign Group to NGX (or its nominee).

(c) **Timing**

The Demerger Deed acknowledges that the transfer of the Duwi Project and Malingunde Project will occur after NGX is demerged from Sovereign. Accordingly, NGX may be seeking admission to ASX with only the Nanzeka Project and Mabuwa Project. The transfer of the Duwi Project and Malingunde

Project will occur following satisfaction of the applicable conditions, being primarily Malawian ministerial approval for the transfer. The timing for the satisfaction of the applicable conditions is unknown and this is outlined in the risk in Section 6.1(b).

(d) **Termination**

If any of the conditions precedent to Duwi Completion or Malingunde Completion are not satisfied or waived by 10 February 2025, then at any time after 10 February 2025 the NGX Group may, in its absolute discretion by written notice to Sovereign and SSL, terminate its obligations to acquire the Duwi Project and/or the Malingunde Project under the Demerger Deed. In this circumstance, the NGX Group will have no further obligations or liabilities under the Demerger Deed in respect of the Duwi Project and/or the Malingunde Project (as applicable) from the date of termination. NGX sought to include this termination right, at its election, in the Demerger Deed to provide NGX with flexibility if the transfer of the Duwi Project and/or the Malingunde Project to the NGX Group had not occurred within two years and the ability at that time to assess whether it wanted to focus on those projects or its existing Nanzeka Project and Mabuwa Project.

(e) **Exploration operations**

Until Duwi Completion and Malingunde Completion have occurred in relation to the Duwi Project and Malingunde Project respectively, NGX may conduct exploration operations on the tenements relating to the applicable Graphite Project with the consent of SSL (which may not be unreasonably withheld or delayed).

NGX has provided Sovereign with indemnities regarding all claims and liabilities against Sovereign relating to all claims concerning exploration at the tenements relating to the Duwi Project or Malingunde Project prior to completion for the applicable Graphite Project occurring.

Prior to Duwi Completion or Malingunde Completion occurring, any property in any minerals extracted or otherwise recovered pursuant to explorations conducted on Duwi Project or Malingunde Project, respectively, will be the property of SSL.

(f) **Transitional services**

Sovereign will provide to NGX various transitional and corporate services for up to six months from Demerger Completion at cost plus 10% during the period that the services are performed.

(g) **Wrong pockets**

The demerger principles of the Demerger Deed are that:

(i) NGX has the entire economic benefit and risk of the Graphite Business as if it owned and had carried on the business at all times;

(ii) Sovereign has the entire economic benefit and risk of the Sovereign Business; and

(iii) NGX and Sovereign each release each other from all claims and liabilities relating the others business.

If either Sovereign or NGX becomes aware of the existence of an asset or liability within the Sovereign Group that was not transferred to or assumed by NGX relating to the Graphite Business or an asset or liability within the NGX Group that was not transferred to or assumed by Sovereign relating to the Sovereign Business, the Demerger Deed contains provisions to ensure that the parties discuss in good faith how to deal with the relevant asset or liability in accordance with the demerger principles.

(h) **Releases and indemnities**

NGX has provided Sovereign with releases and indemnities regarding all claims and liabilities against Sovereign relating to all claims concerning the Graphite Business.

Sovereign has provided similar releases and indemnities regarding all claims and liabilities against NGX relating to all claims concerning the Sovereign Business.

(i) **Responsibility**

NGX accepts responsibility for any liabilities associated with the Graphite Business, irrespective of whether such liabilities relate to the period before or after Demerger Completion occurs.

Sovereign accepts responsibility for any liabilities associated with the Sovereign Business, irrespective of whether such liabilities relate to the period before or after Demerger Completion occurs.

(j) **Related party debt**

Any intra company loans from the NGX Group to the Sovereign Group, together with all accrued and unpaid interest, incurred:

(i) prior to 31 August 2022, will be forgiven and will not be repaid by NGX;

(ii) between 1 September 2022 and the Commencement Date, must be repaid by NGX as agreed to by the parties pursuant to the Demerger Deed; and

(iii) following the Commencement Date, must be repaid by NGX to the Sovereign Group within 20 business days of the date that Shares are admitted to Official Quotation on ASX.

As at the date of this Prospectus, the repayable debts accrued by NGX to Sovereign total A$461,130.

(k) **Future funding**

From the date of Demerger Completion until the earlier of the date that Shares are admitted to Official Quotation on ASX and NGX obtaining alternative funding from a third party, Sovereign will provide an unsecured loan facility to NGX on terms to be agreed between the parties. Sovereign will provide an interest free loan to NGX to fund the costs associated with it seeking Official Quotation on ASX. Any future loans provided to NGX if it is not able to obtain Official Quotation on ASX may be interest bearing on terms to be agreed between the parties.

7.2 Novation of Royalty

Pursuant to the terms of the Demerger Deed, the existing 2% net mine gate royalty payable by Sovereign over the Nanzeka Project, Duwi Project and Malingunde Project (**Royalty**) pursuant to the terms of a Royalty Agreement dated 8 October 2021 (**Royalty Agreement**) must be novated to the Company as part of the Company assuming all liabilities relating to the Graphite Business.

The Royalty is payable to a consortium of project vendors which includes Sovereign's Managing Director, Dr Julian Stephens (**Vendors**).

The terms of the Royalty Agreement are summarised as follows:

(a) a 2% net mine gate royalty (being revenues minus mining and processing cash operating costs) to the Vendors from all products removed from all or any part of the Nanzeka Project, Duwi Project or Malingunde Project (as applicable) (**Relevant Areas**), whether or not subsequently beneficiated, processed or otherwise upgraded (**Product**);

(b) accruing from and payable quarterly from the date of commercial production, and at all times thereafter for so long as the Product is produced;

(c) the Royalty will be paid net of any deductions for any tax, duty, impost, charge or other withholding, subject to meeting certain administrative obligations;

(d) should the grantor relinquish, abandon or be obliged by law to surrender, the whole or any part of the Relevant Areas (**Dropped Area**) then the Royalty will cease to apply to the Dropped Area for long as the grantor ceases to have an interest in the Dropped Area but will apply to any area which

is subsequently re-applied for or otherwise acquired within the Relevant Area. Additionally, should the grantor intend on surrendering any of the Relevant Areas it must, as soon as practicable, provide 30 days' notice to the Vendors unless it intends on nominating another party to apply for the surrendered area; and

(e) customary provisions regarding assignment applies in respect of the novation of Royalty.

It is proposed that the Company, through its wholly owned subsidiaries NGX Mining and NGX Exploration, will assume the obligations relating to the Royalty pursuant to two separate deeds of novation whereby:

(a) NGX Exploration assumes the obligation to pay the Royalty in respect of the Nanzeka Project and Duwi Project; and

(b) NGX Mining assumes the obligation to pay the Royalty in respect of the Malingunde Project,

on and from the date each project is transferred to NGX Mining or NGX Exploration (as applicable) in accordance with the Demerger Deed. As at the date of this Prospectus, the Nanzeka Project and the Mabuwa Project are the only projects held by the Company.

7.3 Hopetoun Agreement

NGX has entered into an executive services agreement with Hopetoun, a company associated with Director, Mr Matthew Syme (**Hopetoun Agreement**) to provide services to NGX as an Executive Director. NGX will remunerate Hopetoun for its services with a remuneration package comprising:

(a) a daily fee of A$1,200; and

(b) reimbursement for reasonable expenses necessarily incurred by Mr Syme (or Hopetoun).

In addition, Mr Syme (or Hopetoun) may be entitled to participate in NGX bonus and/or other incentive schemes that may be implemented in the future (if any).

The Hopetoun Agreement is for an indefinite term and will continue until terminated by either NGX or Hopetoun by the giving of one month's written notice of termination or payment in lieu.

7.4 Director Appointment Letters

The Company has entered into Non-Executive Director appointment letters with Mr Ian Middlemas, Mr Matthew Bungey and Mr Mark Pearce.

Pursuant to these letter agreements, the Company has agreed to pay:

(a) Mr Middlemas - an annual remuneration of A$36,000 (plus statutory superannuation currently at the rate of 10.5%);

(b) Mr Bungey - an annual remuneration of A$20,000 (plus statutory superannuation currently at the rate of 10.5%); and

(c) Mr Pearce - an annual remuneration of A$20,000 (plus statutory superannuation currently at the rate of 10.5%).

Pursuant to the terms of the Constitution and as at the date of this Prospectus, the total amount of directors fees which may be paid to Non-Executive Directors is A$400,000 per annum. This amount may be varied by Shareholders at a general meeting.

The Company has also entered into an Executive Director appointment letter with Mr Matthew Syme under which the Company has agreed to pay Hopetoun in accordance with the Hopetoun Agreement. Please refer to Section 7.3 for further details.

7.5 Deeds of Indemnity, Insurance and Access

The Company has entered into deeds of indemnity, insurance and access with each of its Directors and its company secretary. Under these deeds, NGX agrees to indemnify each officer to the extent permitted by the Corporations Act against any liability arising as a result of the officer acting as an officer of the Company or a related body corporate (subject to customary exceptions).

The Company is also required to maintain insurance policies for the benefit of the relevant officer and must also allow the officers to inspect board papers and other documents provided to the NGX Board in certain circumstances.

7.6 Services Agreement with Apollo Group

Apollo Group Pty Ltd (**Apollo Group**), a company controlled by Mr Mark Pearce, Director of NGX, will provide corporate administration and company secretarial services, and serviced office facilities, to NGX under a services agreement (**Apollo Group Services Agreement**). Either party can terminate the Apollo Group Services Agreement at any time for any reason by giving one month's written notice.

Effective from the Listing Date, Apollo Group will receive a monthly retainer of A$24,000 (plus GST) for the provision of corporate administration, company secretarial services, and serviced office facilities, to NGX. The monthly retainer will be reviewed every six months and is based on Apollo Group's budgeted cost of providing the services to NGX (and other companies utilising same or similar services from Apollo Group) for the next six-month period, with minimal or no mark-up. From time to time, Apollo Group may also receive additional fees (as agreed with NGX) in respect of services provided by Apollo Group to NGX that are not included in the agreed administration and company secretarial services covered by the monthly retainer. NGX considers that the services provided by Apollo Group are provided on arm's length or better terms and Mr Pearce receives minimal to no financial benefit from the Apollo Group Services Agreement.

Upon admission of the Company to the Official List, Apollo Group will be paid a one-off fee of A$30,000 (plus GST) for services provided in relation to this Prospectus and the listing process (refer to Section 8.10 for further details).

7.7 Consultancy Agreement

NGX has entered into a consulting agreement with Mr Peter Fox, as a consultant for Quantified Strategies Pty Ltd (**Consultant**), to provide certain strategic planning and management services to NGX (**Consultancy Agreement**).

In accordance with the terms of the Consultancy Agreement, the Company has agreed to:

(a) pay the Consultant a fee of A$1,500 per day (exclusive of GST); and

(b) reimburse all travel and accommodation expenses incurred by the Consultant, at cost, in performance of the services.

The Consultancy Agreement may be terminated by the Company at any time by giving the Consultant one month's written notice. In the event the Company terminates the Consultancy Agreement, the Company must pay the Consultant all fees and reimbursements detailed under this Section 7.7 that remain owing up to the effective date of termination.

Unless otherwise terminated in accordance with its terms, the Consultancy Agreement will expire on 30 June 2023.

The Consultancy Agreement contains other standard indemnities and terms and conditions in relation to intellectual property, insurance and confidentiality which are expected to be included in an agreement of this nature.

7.8 Lead Manager Mandate

On 21 March 2023, the Company entered into a mandate letter with Taylor Collison to act on an exclusive basis as Lead Manager to the Priority Offer and General Offer (**Lead Manager Mandate**).

Pursuant to the Lead Manager Mandate, the Lead Manager will be allocated up to A$1 million of the Shares under the Offers to assist the Company in satisfying the ASX spread requirements (**Broker Allocation**).

In consideration for providing lead manager and corporate advisory services, the Company has agreed to:

(a) pay the Lead Manager the following fees (exclusive of GST) within 5 business days following the allotment of Shares under the Offers:

  (i) a management fee of 0.5% of the funds raised under the Offers; and

  (ii) a capital raising fee of 5.0% of the Broker Allocation and any shortfall placed by the Lead Manager; and

(b) issue the Lead Manager (or its nominees) 1 million unlisted broker options exercisable at $0.40 with an exercise period of 3 years from the date of the Company's admission on the ASX (**Broker Options**) within 10 business days following the allotment of the Shares under the Offers.

The terms and conditions of the Broker Options are set out in Section 8.3.

In addition to the fees described above, the Company has agreed to reimburse the Lead Manager for all reasonable expenses and travel costs, including legal and other professional adviser costs incurred by the Lead Manager in connection with the Offers and the Company's proposed listing on ASX.

The Lead Manager Mandate may be terminated by the Lead Manager or the Company by 7 days' written notice to the other party. Unless otherwise terminated by the Lead Manager or the Company, the Lead Manager Mandate will terminate on 31 December 2023 (unless otherwise extended by the parties). Notwithstanding any termination of the Lead Manager Mandate by the Company or the Lead Manager, the Company must pay the Lead Manager the fees and reimbursements detailed in this Section.

The Lead Manager Mandate contains other standard indemnities, terms and conditions expected to be included in a mandate of this nature.

8. ADDITIONAL INFORMATION

8.1 Rights attaching to Shares

A summary of the rights attaching to the Shares is detailed below. This summary is qualified by the full terms of the Constitution (a full copy of the Constitution is available from the Company on request free of charge) and does not purport to be exhaustive or to constitute a definitive statement of the rights and liabilities of Shareholders. These rights and liabilities can involve complex questions of law arising from an interaction of the Constitution with statutory and common law requirements. For a Shareholder to obtain a definitive assessment of the rights and liabilities which attach to the Shares in any specific circumstances, the Shareholder should seek legal advice.

(a) **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.

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

(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 Share held by them, or in respect of which they are appointed a proxy, attorney or representative, have one vote for each Share held, but in respect of partly paid shares shall such number of votes as bears the same proportion to the total of such shares registered in the shareholder's name as the amount (not credited) bears to the total issue amounts paid and payable (excluding amounts credited).

(c) **Direct Voting**

The Directors may determine that Shareholders may cast votes to which they are entitled on any or all of the resolutions (including any special resolution) proposed to be considered at, and specified in the notice convening, a meeting of Shareholders, by direct vote. Direct voting is a mechanism by which Shareholders can vote directly on resolutions by post, fax or other electronic means approved by Directors. Votes cast by direct vote by a Shareholder are taken to have been cast as if the Shareholder had cast the votes at the meeting. In order for direct voting to be available, Directors must elect that votes can be cast via direct vote for all or any resolutions and determine the manner appropriate for the casting of direct votes. If such a determination is made by the Directors, the notice of meeting will include information on the application of direct voting.

(d) **Dividend rights**

The Directors alone may declare a dividend to be paid to Shareholders. The dividend is payable at a time determined at the Directors' discretion. No dividend may be declared or paid except as allowed by the Corporations Act. No interest is payable in respect of dividends. The Directors may set aside from the Company's profit any amount that they consider appropriate. This amount may be used in any way that profits can be used and can be invested or used in the Company's business in the interim.

(e) **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 they consider 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 of the Company, 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.

(f) **Shareholder liability**

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

(g) **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/or the Listing Rules.

(h) **Variation of rights**

Pursuant to 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) **Restricted Securities**

The Constitution complies with Listing Rule 15.12. Certain more significant holders of restricted securities and their controllers (such as related parties, promoters, substantial holders, service providers and their associates) are required to execute a formal escrow agreement in the form of Appendix 9A to the Listing Rules. For those with less significant holdings (such as non-related parties and non-promoters) the Company will issue restriction notices to holders of restricted securities in the form of Appendix 9C to the Listing Rules advising them of the restriction rather than requiring signed restriction agreements. None of the Shares offered pursuant to the Offers will be subject to any ASX escrow restrictions.

(j) **Alteration of Constitution**

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.

8.2 Rights attaching to Incentive Options

The terms and conditions of the Incentive Options issued to Directors and KMP (and/or their respective nominees) under the Incentive Option Offer are as follows:

(a) **Entitlement**

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

(b) **Exercise Price and Expiry Date**

Number of Incentive Options	Exercise Price	Expiry Date	Vesting condition(s)
1,500,000	$0.30	3 years from grant	Immediate
1,500,000	$0.40	4 years from grant	Immediate

(c) **Exercise Period**

(i) Each Incentive Option may be exercised at any time prior to the Expiry Date. After this time, any unexercised Incentive Options will automatically lapse**.**

(ii) If the Holder is prohibited from exercising Incentive Options under applicable law on or in the ten (10) business days before the Expiry Date, the Expiry Date for the Incentive Options is automatically extended to the date that is five (5) business days after the Holder is no longer prohibited under applicable law from exercising the Incentive Option.

(d) **Notice of Exercise**

(i) The Incentive Options may be exercised by notice in writing to NGX in the manner specified by NGX and, subject to the cashless exercise option, payment of the Exercise Price for each Incentive Option being exercised in Australian currency by cheque or electronic funds transfer or other means of payment acceptable to NGX.

(ii) The Incentive Options may be exercised by the Holder in whole or in part. The notice of exercise must state the number of Incentive Options exercised, the consequent number of Shares to be issued and the identity of the proposed allottee.

(e) **Exercise date**

A notice of exercise is only effective on and from the latter of the date of receipt of the notice of exercise and, subject to the cashless exercise option, the date of receipt of the payment of the Exercise Price for each Incentive Option being exercised in cleared funds.

(f) **Minimum Exercise**

Incentive Options must be exercised in multiples of one thousand (1,000) unless fewer than one thousand (1,000) Incentive Options are held by a Holder.

(g) **Shares Issued on Exercise**

Shares issued on the exercise of the Incentive Options rank equally with the then Shares of NGX and are free of all encumbrances, liens and third party interests.

(h) **Quotation of the Shares Issued on Exercise**

If admitted to the official list of ASX at the time, NGX will apply to ASX for quotation of the Shares issued upon the exercise of the Incentive Options.

(i) **Timing of the Issue of Shares on Exercise and Quotation**

(i) Within twenty (20) business days after the later of the following:

(A) receipt of a notice of exercise given in accordance with these terms and conditions and payment of the Exercise Price for each Incentive Option being exercised; and

(B) when excluded information in respect of NGX (as defined in section 708A(7) of the Corporations Act) (if any) ceases to be excluded information. If there is no such information, the relevant date will be the date of receipt of a notice of exercise as detailed in clause 8.2(i)(i)(A) above,

NGX will:

(C) issue the Shares pursuant to the exercise of the Incentive Options;

(D) as soon as reasonably practicable and if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if NGX 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

(E) apply for Official Quotation on ASX of Shares issued pursuant to the exercise of the Incentive Options.

(ii) NGX's obligation to issue such Shares shall be postponed if such Holder at any time after the delivery of a notice of exercise and payment of the Exercise Price for each Incentive Option being exercised (if applicable) elects for the Shares to be issued to be subject to a holding lock for a period of twelve (12) months. Following any such election:

(A) the Shares to be issued or transferred will be held by such Holder on NGX's issuer sponsored sub-register (and not in a CHESS sponsored holding); and

(B) NGX will apply a holding lock on the Shares to be issued or transferred and such Holder is taken to have agreed to that application of that holding lock.

(iii) NGX shall release the holding lock on the Shares on the earlier to occur of:

(A) the date that is twelve (12) months from the date of issue of the Share; or

(B) the date NGX issues a disclosure document that qualifies the Shares for trading in accordance with section 708A(11) of the Corporations Act; or

(C) the date a transfer of the Shares occurs pursuant to clause 8.2(h) of these terms and conditions.

(iv) Shares shall be transferable by such Holder and the holding lock will be lifted provided that the transfer of the Share complies with section 707(3) of the Corporations Act and, if requested by NGX, the transferee of the Shares agrees by way of a deed poll in favour of NGX to the holding lock applying to the Shares following its transfer for the balance of the period in clause 8.2(i)(iii)(A).

(j) **Cashless Exercise of Incentive Options**

(i) Subject to clause 8.2(f), a Holder may elect to pay the Exercise Price for each option by setting off the total Exercise Price against the number of Shares which they are entitled to receive upon exercise (**Cashless Exercise Facility**). By using the Cashless Exercise Facility, the Holder will receive Shares to the value of the surplus after the Exercise Price has been set off.

(ii) If the Holder elects to use the Cashless Exercise Facility, the Holder will only be issued a number of Shares (rounded down to the nearest whole number) equal in value to the difference between the total Exercise Price otherwise payable for the Incentive Options on the Incentive Options being exercised and the then market value of the Shares at the time of exercise calculated in accordance with the following formula:

$$S = \frac{O \times (MSP - EP)}{MSP}$$

Where:

S = Number of Shares to be issued on exercise of the Incentive Options

O = Number of Incentive Options being exercised

MSP = Market value of the Shares calculated using the volume weighted average of the Shares on ASX for the 5 trading days immediately prior to (and excluding) the date of the notice of exercise

EP = Exercise Price

If the difference between the total Exercise Price otherwise payable for the Incentive Options on the Incentive Options being exercised and the then market value of the Shares at the time of exercise (calculated in accordance with clause 8.2(f)) is zero or negative, then a Holder will not be entitled to use the Cashless Exercise Facility.

(k) **Participation in new issues**

A Holder who holds Incentive Options is not entitled to:

(i) notice of, or to vote or attend at, a meeting of the shareholders;

(ii) receive any dividends declared by NGX; or

(iii) participate in any new issues of securities offered to shareholders during the term of the Incentive Options,

unless and until the Incentive Options are exercised and the Holder holds Shares.

(l) **Adjustment for Bonus Issue of Shares**

If NGX makes a bonus issue of Shares or other securities to Eligible Shareholders (other than an issue in lieu of or in satisfaction, of dividends or by way of dividend reinvestment):

(i) the number of Shares which must be issued on the exercise of an Incentive Option will be increased by the number of Shares which the Holder would have received if the Holder had exercised the Incentive Option before the record date for the bonus issue; and

(ii) no change will be made to the Exercise Price.

(m) **Adjustment for Rights Issue**

If NGX makes an issue of Shares pro rata to Eligible Shareholders (other than an issue in lieu of or in satisfaction of dividends or by way of dividend reinvestment) the Exercise Price of an Incentive Option will be reduced according to the following formula:

$$\text{New exercise price} = O - \frac{E\,[P - (S + D)]}{N + 1}$$

O = the old Exercise Price of the Incentive Option.

E = the number of underlying Shares into which one Incentive Option is exercisable.

P = average market price per Share weighted by reference to volume of the underlying Shares during the five (5) trading days ending on the day before the ex rights date or ex entitlements date.

S = the subscription price of a Share under the pro rata issue.

D = the dividend due but not yet paid on the existing underlying Shares (except those to be issued under the pro rata issue).

N = the number of Shares with rights or entitlements that must be held to receive a right to one new Share.

(n) **Adjustment for reorganisation**

(i) Subject to any applicable laws, the number of Incentive Options held by a Holder may, in the sole and absolute discretion of the Board, be determined to be such number as is appropriate and so that the Holder does not suffer any material detriment following any variation in the share capital of NGX arising from:

(A) a reduction, subdivision or consolidation of share capital;

(B) a reorganisation of share capital;

(C) a distribution of assets in specie;

(D) the payment of a dividend, otherwise than in the ordinary course, of an amount substantially in excess of NGX's normal distribution policy; or

(E) any issue of ordinary shares or other equity securities or instruments which convert into ordinary shares by way of capitalisation of profits or reserves.

(ii) Upon any adjustment being made, the Board will notify each Holder (or his or her legal personal representative where applicable) in writing, informing them of the number of Incentive Options held by the relevant Holder.

(iii) If there is any reorganisation of the issued share capital of NGX, the terms of Incentive Options and the rights of the Holder who holds such Incentive Options will be varied, including an adjustment to the number of Incentive Options and/or the Exercise Price (if any) applicable to Incentive Options, in accordance with the Listing Rules that apply to the reorganisation at the time of the reorganisation.

(o) **Change of Control**

(i) For the purposes of these terms and conditions, a "**Change of Control Event**" occurs if:

(A) NGX announces that its shareholders have at a Court convened meeting of shareholders voted in favour, by the necessary majority, of a proposed scheme of arrangement (excluding a merger by way of scheme of arrangement for the purposes of a corporate restructure (including change of domicile, or any reconstruction, consolidation, sub-division, reduction or return) of the issued capital of NGX) and the Court, by order, approves the scheme of arrangement;

(B) a Takeover Bid:

(1) is announced;

(2) has become unconditional; and

(3) the person making the Takeover Bid has a Relevant Interest in fifty percent (50%) or more of the issued Shares;

(C) any person acquires a Relevant Interest in fifty and one-tenth percent (50.1%) or more of the issued Shares by any other means; or

(D) the announcement by NGX that a sale or transfer (in one transaction or a series of related transactions) of the whole or substantially the whole of the undertaking and business of NGX has been completed.

(ii) Where a Change of Control Event has (i) occurred or (ii) been announced by NGX and, in the opinion of the Board, will or is likely to occur:

(A) a Holder may exercise any or all of their Incentive Options, regardless of whether any vesting conditions (if any) have been satisfied, provided that no Incentive Option will be capable of exercise later than the Expiry Date; and

(B) if the Board has procured an offer for all holders of Incentive Options on like terms (having regard to the nature and value of the Incentive Options) to the terms proposed under the Change in Control Event and the Board has specified (in its absolute discretion) a period during which the holders of Incentive Options may elect to accept the offer and, if the holder has not so elected at the end of that offer period, the Incentive Options, if not exercised within 10 days of the end of that offer period, shall expire.

(p) **Quotation**

NGX will not seek Official Quotation of any Incentive Options.

(q) **Incentive Options not transferrable**

Incentive Options may not be assigned, transferred, encumbered with a Security Interest in or over them, or otherwise disposed of by a Holder, unless:

(i) the prior consent of the Board is obtained, which consent may impose such terms and conditions on such assignment, transfer, encumbrance with a Security Interest or disposal as the Board sees fit; or

(ii) such assignment or transfer occurs by force of law upon the death or total and permanent disablement of a Holder to the Holder's legal personal representative.

(r) **Lodgement Instructions**

Cheques shall be in Australian currency made payable to NGX and crossed "Not Negotiable" for the application for Shares on exercise of the Incentive Options.

8.3 Rights attaching to Broker Options

The terms and conditions of the Broker Options issued to Lead Manager (and/or its nominees) under the Broker Option Offer are as follows:

(a) **Entitlement**

Each Broker Option entitles the holder holding the Broker Option (**Broker Option Holder**) to subscribe for one (1) Share upon exercise.

(b) **Exercise Price and Expiry Date**

Number of Broker Options	Exercise Price	Expiry Date
1,000,000	$0.40	3 years from grant

(c) **Exercise Period**

(i) Each Broker Option may be exercised at any time prior to the Expiry Date. After this time, any unexercised Broker Options will automatically lapse**.**

(ii) If the Broker Option Holder is prohibited from exercising Broker Options under applicable law on or in the ten (10) business days before the Expiry Date, the Expiry Date for the Broker Options is automatically extended to the date that is five (5) business days after the Broker Option Holder is no longer prohibited under applicable law from exercising the Broker Option.

(d) **Notice of Exercise**

(i) The Broker Options may be exercised by notice in writing to NGX in the manner specified by NGX and payment of the Exercise Price for each Broker Option being exercised in Australian currency by cheque or electronic funds transfer or other means of payment acceptable to NGX.

(ii) The Broker Options may be exercised by the Broker Option Holder in whole or in part. The notice of exercise must state the number of Broker Options exercised, the consequent number of Shares to be issued and the identity of the proposed allottee.

(e) **Exercise date**

A notice of exercise is only effective on and from the latter of the date of receipt of the notice of exercise and the date of receipt of the payment of the Exercise Price for each Broker Option being exercised in cleared funds.

(f) **Minimum Exercise**

Broker Options must be exercised in multiples of one thousand (1,000) unless fewer than one thousand (1,000) Broker Options are held by a Broker Option Holder.

(g) **Shares Issued on Exercise**

Shares issued on the exercise of the Broker Options rank equally with the then Shares of NGX and are free of all encumbrances, liens and third party interests.

(h) **Quotation of the Shares Issued on Exercise**

If admitted to the official list of ASX at the time, NGX will apply to ASX for quotation of the Shares issued upon the exercise of the Broker Options.

(i) **Timing of the Issue of Shares on Exercise and Quotation**

(i) Within five (5) business days after the later of the following:

(A) receipt of a notice of exercise given in accordance with these terms and conditions and payment of the Exercise Price for each Broker Option being exercised; and

(B) when excluded information in respect of NGX (as defined in section 708A(7) of the Corporations Act) (if any) ceases to be excluded information. If there is no such information, the relevant date will be the date of receipt of a notice of exercise as detailed in clause 8.3(i)(i)(A) above,

NGX will:

(C) issue the Shares pursuant to the exercise of the Broker Options;

(D) as soon as reasonably practicable and if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if NGX 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

(E) apply for Official Quotation on ASX of Shares issued pursuant to the exercise of the Broker Options.

(j) **Participation in new issues**

A Broker Option Holder who holds Broker Options is not entitled to:

(i) notice of, or to vote or attend at, a meeting of the shareholders;

(ii) receive any dividends declared by NGX; or

(iii) participate in any new issues of securities offered to shareholders during the term of the Broker Options,

unless and until the Broker Options are exercised and the Broker Option Holder holds Shares.

(k) **Adjustment for Bonus Issue of Shares**

If NGX makes a bonus issue of Shares or other securities to Eligible Shareholders (other than an issue in lieu of or in satisfaction, of dividends or by way of dividend reinvestment):

(i) the number of Shares which must be issued on the exercise of a Broker Option will be increased by the number of Shares which the Broker Option Holder would have received if the Broker Option Holder had exercised the Broker Option before the record date for the bonus issue; and

(ii) no change will be made to the Exercise Price.

(l) **Adjustment for Rights Issue**

If NGX makes an issue of Shares pro rata to existing Shareholders (other than an issue in lieu of or in satisfaction of dividends or by way of dividend reinvestment) there will be no adjustment to the Exercise Price of a Broker Option.

(m) **Adjustment for reorganisation**

(i) Subject to any applicable laws, the number of Broker Options held by a Broker Option Holder may, in the sole and absolute discretion of the Board, be determined to be such number as is appropriate and so that the Broker Option Holder does not suffer any material detriment following any variation in the share capital of NGX arising from:

(A) a reduction, subdivision or consolidation of share capital;

(B) a reorganisation of share capital;

(C) a distribution of assets in specie;

(D) the payment of a dividend, otherwise than in the ordinary course, of an amount substantially in excess of NGX's normal distribution policy; or

(E) any issue of ordinary shares or other equity securities or instruments which convert into ordinary shares by way of capitalisation of profits or reserves.

(ii) Upon any adjustment being made, the Board will notify each Broker Option Holder (or his or her legal personal representative where applicable) in writing, informing them of the number of Broker Options held by the relevant Broker Option Holder.

(iii) If there is any reorganisation of the issued share capital of NGX, the terms of Broker Options and the rights of the Broker Option Holder who holds such Broker Options will be varied, including an adjustment to the number of Broker Options and/or the Exercise Price (if any) applicable to Broker Options, in accordance with the Listing Rules that apply to the reorganisation at the time of the reorganisation.

(n) **Quotation**

NGX will not seek Official Quotation of any Broker Options.

(o) **No transfer of Broker Options**

The Broker Options are not transferrable.

(p) **Lodgement Instructions**

Cheques shall be in Australian currency made payable to NGX and crossed "Not Negotiable" for the application for Shares on exercise of the Broker Options.

8.4 Summary of the Employee Incentive Plan

The Company has adopted an employee incentive plan (**Employee Incentive Plan**) to advance the interests of the Company by incentivising its Directors, employees and consultants to align their interests with that of the Company. A copy of the Employee Incentive Plan can be obtained by contacting the Company.

The material terms and conditions of the Employee Incentive Plan are as follows:

(a) **Eligible Employee**: The eligible employees under the Employee Incentive Plan are:

(i) an 'ESS participant' (as that term is as that term is defined in section 1100L(2) of the Corporations Act) in relation to the Company or an Associated Entity; or

(ii) any other person who is declared by the Board in its sole and absolute discretion to be eligible to receive grants of Options or Performance Rights under the Employee Incentive Plan,

(together, **Eligible Employees**).

In accordance with the Listing Rules, prior Shareholder approval will be required before any Director or related party of the Company can participate in the Employee Incentive Plan and be granted Options or Performance Rights.

(b) **Limits on Entitlement:** An Offer for Monetary Consideration may only be made under the Employee Incentive Plan if the Company has reasonable grounds to believe that:

(i) the total number of Shares that may be acquired on exercise of the Options or conversion of the Performance Rights under an offer under the Employee Incentive Plan; and

(ii) the total number of Shares issuable (if each outstanding Option and Performance Right were exercised or converted (as applicable)) pursuant to the Employee Incentive Plan or any other Group employee incentive scheme during the previous three years,

when aggregated, does not exceed 5% (or such other maximum permitted under any applicable law) of the total number of Shares on issue at the time of the proposed issue.

When making an Offer for No Monetary Consideration, there is no limit on the number of Shares that may be acquired upon exercise of the Employee Incentives offered. However, the Board has determined that the maximum number of Employee Incentives that may be issued under the Employee Incentive Plan is 9,461,364 Employee Incentives.

The maximum allocation and allocated pool provided for may be increased by Board resolution, provided such an increase complies with the applicable laws.

(c) **Offer and Conditions**: An offer under the Employee Incentive Plan must be set out in an offer letter delivered to an Eligible Employee. The offer letter may specify (as determined by the Board):

(i) the number of Options or Performance Rights;

(ii) the conditions on the offer;

(iii) the grant date;

(iv) the fee (if any);

(v) the performance criteria (if any);

(vi) the vesting conditions (if any);

(vii) the exercise price (if any);

(viii) the exercise period (if applicable);

(ix) the performance period (if applicable); and

(x) the expiry date and term (if applicable).

(d) **Cashless Exercise**: Under the Employee Incentive Plan, a Participant may elect to pay the exercise price for each Option by setting off the total exercise price against the number of Shares which they are entitled to receive upon exercise (**Cashless Exercise Facility**). By using the Cashless Exercise Facility, the holder will receive Shares to the value of the surplus after the exercise price has been set off.

(e) **Lapse of Options and Performance Rights**: Subject to the Board's discretion, Options and Performance Rights shall automatically be cancelled for no consideration where:

(i) the Participant ceases to hold employment or office with the Company or Group member (except where the Participant is a Good Leaver);

(ii) the Participant is determined to have engaged in fraudulent or dishonest conduct (described below);

(iii) the applicable performance criteria and/or vesting conditions are not achieved by the relevant time;

(iv) the Board determines, in its reasonable opinion, that the applicable performance criteria and/or vesting conditions have not been met or cannot be met within the relevant time;

(v) the expiry date has passed;

(vi) the Board determines that the Participant has brought the Group into disrepute or acted contrary to the interest of the Company or Group;

(vii) the Participant has elected to surrender the Options or Performance Rights; or

(viii) the offer letter provides for the cancellation of the Options or Performance Rights in any other circumstances.

(f) **Good Leaver**: A Good Leaver is a Participant who ceases employment or office with the Company or a Group member and is determined by the Board to be a Good Leaver. Where a Participant who holds Employee Incentives becomes a Good Leaver:

(i) all vested Options which have not been exercised will continue in force and remain exercisable for 90 days after the date the Participant becomes a Good Leaver, unless the Board determines otherwise in its sole and absolute discretion, after which the Employee Incentives will lapse; and

(ii) the Board may in its discretion permit unvested Employee Incentive held by the Good Leaver to vest, amend the vesting criteria applicable to the Employee Incentives (including performance criteria and/or vesting conditions or determine that the unvested Employee Incentives lapse.

(g) **Bad Leaver**: Where a Participant who holds Employee Incentives becomes a Bad Leaver all vested and unvested Employee Incentives will lapse. Where a Participant who holds Employee Incentives becomes a Bad Leaver the Board may determine to exercise the right to buy back any Shares issued upon exercise of an Option or conversion of a Performance Rights.

A Bad Leaver is a Participant who, unless the Board determines otherwise, ceases employment or office with the Company or a Group member (which includes for any of the circumstances amount to fraudulent or dishonest conduct (described below).

(h) **Fraudulent or Dishonest Conduct**: Where, in the opinion of the Board, a Participant or former Participant (which may include a Good Leaver) has engaged in Fraudulent or Dishonest Conduct the Board may deem all Employee Incentives held by the Participant or former Participant to be automatically be forfeited. Fraudulent or Dishonest Conduct means a Participant or former Participant:

(i) acts fraudulently or dishonestly;

(ii) wilfully breaches his or her duties to the Company or any member of the Group; or

(iii) has, by any act or omission, in the opinion of the Board (determined in its absolute discretion):

(A) brought the Company, the Group, its business or reputation into disrepute; or

(B) is contrary to the interest of the Company or the Group.

(iv) commits any material breach of the provisions of any employment contract entered into by the Participant with any member of the Group;

(v) commits any material breach of any of the policies of the Group or procedures or any laws, rules or regulations applicable to the Company or Group;

(vi) is subject to allegations, has been accused of, charged with or convicted of fraudulent or dishonest conduct in the performance of the Participant's (or former Participant's) duties, which in the reasonable opinion of the relevant directors of the Group effects the Participant's suitability for employment with that member of the Group, or brings the Participant or the relevant member of the Group into disrepute or is contrary to the interests of the Company or the Group;

(vii) is subject to allegations, has been accused of, charged with or convicted of any criminal offence which involves fraud or dishonesty or any other criminal offence which Board determines (in its absolute discretion) is of a serious nature;

(viii) has committed any wrongful or negligent act or omission which has caused any member of the Group substantial liability;

(ix) has become disqualified from managing corporations in accordance with Part 2D.6 of the Corporations Act or has committed any act that, pursuant to the Corporations Act, may result in the Participant being banned from managing a corporation; or

(x) has committed serious or gross misconduct, wilful disobedience or any other conduct justifying termination of employment without notice.

(xi) has wilfully or negligently failed to perform their duties under any employment contract entered into by the Participant with any member of the Group;

(xii) has engaged in a transaction which involves a conflict of interest to their employment with the Company resulting in the Participant or former Participant obtaining a personal benefit;

(xiii) accepts a position to work with a competitor of the Company or Group;

(xiv) acting in such a manner that could be seen as being inconsistent with the culture and values of the Company or the Group; or

(xv) any other act that the Board determines in its absolute discretion to constitute fraudulent or dishonest by the Participant or former Participant,

(each, **Fraudulent or Dishonest Conduct**).

(i) **Change of Control**: All granted Performance Rights which have not yet vested or lapsed shall automatically and immediately vest (regardless of whether any performance criteria or vesting conditions have been satisfied) and a Participant may exercise any or all of their Options (regardless of whether the vesting conditions have been satisfied) provided that no Option will be capable of exercise later than the expiry date, if any of the following change of control events occur:

(i) the Company announces that its Shareholders have at a Court convened meeting of Shareholders voted in favour, by the necessary majority, of a proposed scheme of arrangement (excluding a merger by way of scheme of arrangement for the purposes of a corporate restructure (including change of domicile, or any reconstruction, consolidation, sub-division, reduction or return) of the issued capital of the Company) and the Court, by order, approves the scheme of arrangement;

(ii) a Takeover Bid:

(A) is announced;

(B) has become unconditional; and

(C) the person making the Takeover Bid has a Relevant Interest in 50% or more of the issued Shares;

(iii) any person acquires a Relevant Interest in 50.1% or more of the issued Shares by any other means; or

(iv) the Company announces that a sale or transfer (in one transaction or a series of transaction) of the whole (or substantially the whole) of the undertaking and business of the Company has been completed.

(j) **Holding Lock**: The Board may at any time request that the Company's share registry to impose a holding lock on any Employee Incentives issued pursuant to the Employee Incentive Plan where the Board determines or reasonably believes (in its absolute discretion) that a Participant (or a former Participant) has or may breach the Employee Incentive Plan.

(k) **Contravention of the Employee Incentive Plan**: The Board may at any time, in its sole and absolute discretion, take any action it deems reasonably necessary in relation to any Employee Incentives if it determines or reasonably believes a Participant has breached the Employee Incentive Plan or the terms of issue of any Employee Incentives, including but not limited to, signing transfer forms in relation to Employee Incentives, placing a holding lock on Employee Incentives, signing any and all documents and doing all acts necessary to effect a buy-back, accounting for the proceeds of the sale of forfeited Employee Incentives, refusing to transfer any Employee Incentives and/or refusing to issue any Shares.

(l) **Amendment of the Employee Incentive Plan**: Subject to the following paragraph, the Board may at any time amend any provisions of the Employee Incentive Plan, including (without limitation) the terms and conditions upon which any Employee Incentives have been granted under the Employee Incentive Plan.

No amendment to any provision of the Employee Incentive Plan may be made if the amendment materially reduces the rights of any Participant in respect of Employee Incentives granted to them prior to the date of the amendment, other than an amendment introduced primarily for the purpose of complying with legislation, applicable laws or to correct manifest error or mistake, amongst other things, or is agreed to in writing by all Participants.

(m) **Duration of the Employee Incentive Plan**: The Board may from time to time suspend or terminate the operation of the Employee Incentive Plan and in doing so, the Board must consider and endeavour to ensure that there is fair and equitable treatment of all Participants.

8.5 Interests of Directors

No Director (or entity in which they are a Director and/or a shareholder) has, or has had in the two years before the date of this Prospectus, any interests in:

(a) the formation or promotion of the Company; or

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

(c) the Offers, and

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

(d) any Director to induce him or her to become, or to qualify as, a Director; or

(e) any Director for services which he or she (or an entity in which they are a partner or Director) has provided in connection with the formation or promotion of the Company or the Offers,

except as disclosed in this Prospectus.

8.6 Director Holdings

As at the date of this Prospectus, the Directors hold the following securities in the Company:

Director	Shares[1]	%
Mr Ian Middlemas	1,463,636	3.42
Mr Matthew Syme	20,000	0.05
Mr Matthew Bungey	45,454	0.11
Mr Mark Pearce	390,531	0.91

Notes:

1. These Shares represent the Shares issued pursuant to the In-Specie Distribution as at the date of this Prospectus.

The Directors or their related entities intend to subscribe for Securities under the Offers according to the below table. Based on the intentions of the Directors at the date of this Prospectus in relation to the Offers, the Directors and their related entities will have the following interests in securities on admission of the Company to the Official List:

Director	Shares Held	Priority Offer Allocation	Shortfall Offer Maximum Allocation (if available)	Incentive Options issued under the Incentive Option Offer[1]	Total Shares	Total Options
Mr Ian Middlemas	1,463,636	1,463,636	-	-	2,927,272	-
Mr Matthew Syme	20,000	20,000	1,500,000	1,500,000	1,540,000	1,500,000
Mr Matthew Bungey	45,454	45,454	250,000	500,000	340,908	500,000
Mr Mark Pearce	390,531	390,531	-	500,000	781,062	500,000

Notes

1. The terms and conditions of the Incentive Options issued to Directors and KMP (and/or their respective nominees) under the Incentive Option Offer are set out in Section 8.2.

8.7 Remuneration of Directors

With the exception of Executive Director Mr Matthew Syme, no other Director has received any remuneration from the Company in the last two years. From the Listing Date, Messrs Ian Middlemas, Matthew Bungey and Mark Pearce will receive the following annual remuneration:

	Annual Remuneration A$
Mr Ian Middlemas	A$36,000 (plus statutory superannuation)
Mr Matthew Syme	-[1]
Mr Matthew Bungey	A$20,000 (plus statutory superannuation)
Mr Mark Pearce	A$20,000 (plus statutory superannuation)

Notes:

1. NGX has entered into an executive services agreement with Hopetoun, a company associated with Director, Mr Matthew Syme to provide services to NGX as an Executive Director. NGX will remunerate Hopetoun for its services with a remuneration package. Refer to Section 7.3 for further details.

8.8 Interests of Promoters, Experts and Advisers

No promoter or other person named in this Prospectus as having performed a function in a professional, advisory or other capacity in connection with the preparation or distribution of the Prospectus (or entity in which they are a partner or Director) holds, has, or has had in the two years before the date of this Prospectus, any interest in:

(a) the formation or promotion of the Company;

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

(c) the Offers,

and no amounts have been paid or agreed to be paid and no value or other benefit has been given or agreed to be given to a promoter or any person named in this Prospectus as having performed a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus (or entity in which they are a partner or Director), provided in connection with the formation or promotion of the Company or the Offers, except as follows and as disclosed in this Prospectus.

Taylor Collison is the Lead Manager to the Priority Offer and General Offer and will receive A$105,142 (under the Maximum Subscription) from the Company following the successful completion of the Offers for its services as Lead Manager to the Priority Offer and General Offer. During the two years preceding lodgement of this Prospectus with ASIC, Taylor Collison has not received any fees from the Company for any other services.

Automic is the Company's share registry. The Company estimates that it will pay Automic approximately A$3,750 (exclusive of GST) for registry services in connection with the Prospectus. During the two years preceding lodgement of this Prospectus with ASIC, Automic has not received any fees from the Company.

CSA Global has acted as the Independent Technical Expert and has prepared the Nanzeka, Duwi and Mabuwa Projects Report which is included in Annexure B. The Company estimates that it will pay CSA Global approximately A$2,500 (exclusive of GST) for these services. During the two years preceding lodgement of this Prospectus with ASIC, CSA Global has not received any fees from the Company for any other services.

DRA Pacific has acted as the Independent Technical Expert and has prepared the Malingunde Project Report which is included in Annexure C. The Company estimates that it will pay DRA Pacific approximately A$10,000 (exclusive of GST) for these services. During the two years preceding lodgement of this Prospectus with ASIC, DRA Pacific has not received any fees from the Company for any other services.

Thomson Geer has acted as Australian legal adviser to the Company. The Company estimates that it will pay Thomson Geer approximately A$30,000 (exclusive of GST) for these services. During the two years preceding lodgement of this Prospectus with ASIC, Thomson Geer has received fees from the Company totalling A$12,933 (exclusive of GST).

William Buck Audit has acted as auditor to the Company. During the two years preceding lodgement of this Prospectus with ASIC, William Buck Audit has received fees from the Company totalling A$18,000 (exclusive of GST).

William Buck Consulting has acted as the Company's investigating accountant and prepared the Investigating Accountant's Report which is included in Annexure A. The Company estimates that it will pay William Buck Consulting approximately A$6,000 (exclusive of GST) for these services. During the two years preceding lodgement of this Prospectus with ASIC, William Buck Consulting has not received any fees from the Company for any other services.

William Faulkner has prepared the Independent Solicitor’s Report which has been included in Annexure D. The Company estimates that it will pay William Faulkner approximately US$3,000 for these services. During the two years preceding lodgement of this Prospectus with ASIC, William Faulkner has not received any fees from the Company.

8.9 Related Party Transactions

Other than as disclosed elsewhere in this Prospectus, there are no existing agreements or arrangements and there are currently no proposed transactions in which the Company was, or is to be, a participant, and in which any related party of the Company has or will have a direct or indirect material interest.

All future related party arrangements (if any) will be determined by the Board, having regard to their duties as Directors, and, where required, all requisite approvals, including but not limited to Shareholder approval, will be obtained if required. The Board monitors compliance with the law in relation to related party transactions via internal controls and obtaining legal advice, where required.

8.10 Expenses of the Offers

The total expenses of the Offers payable by the Company (inclusive of GST) are set out in the table below.

Item	A$ (inclusive of GST)
Legal fees	33,000
Independent Solicitor's Report	4,290
Investigating Accountant's Report	6,600
Independent Geologist Report - Nanzeka, Duwi and Mabuwa Projects Report	22,000
Independent Geologist Report - Malingunde Project Report	44,000
Other Geologist Reporting Costs	39,837
Broker Commission[1]	105,142
ASX Listing fees – shares	102,971
ASIC fees	7,040
Printing and postage	8,800
Share Registry fees	3,750
Prospectus preparation and expenses of the Offers[2]	49,500
General and contingency	21,347
TOTAL	**448,277**

Notes:

1. Refer to Section 7.8.
2. This includes A$33,000 (inclusive of GST) to be paid to Apollo Group for services provided in connection with the Offers and the Company's admission to the Official List (refer to Section 7.6 for further information)

8.11 Effect of the Offers on control and substantial Shareholders

At the date of this Prospectus, there is no registered Shareholder with a registered holding of 5% of more of the Shares on issue and no person has advised the Company that they hold an interest in 5% of more of Shares on issue.

However, prior to the Company being demerged from Sovereign, the last filed substantial shareholder notice from Sprott Inc. (Sprott) and each of its controlled bodies corporate listed in the notice indicated that it held 54,839,880 Sovereign Shares held through various custodians. Based on the demerger ratio, for these 54,839,880 Sovereign Shares, Sprott was entitled to received 4,985,443 NGX Shares, equating to 11.65% of Shares on issue as at the date of this Prospectus.

Based on this approximated holding of Sprott, if it participated in the Priority Offer for its full entitlement, Sprott could hold 9,970,886 Shares, equating to 11.00% of Shares on issue at the time of admission of the Company to the Official List.

8.12 Continuous Disclosure Obligations

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

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

8.13 Litigation and Claims

So far as the Directors are aware, there is no current or threatened civil litigation, arbitration proceedings or administrative appeals, or criminal or governmental prosecutions of a material nature in which the Company is directly or indirectly concerned or which is likely to have a material adverse effect on the business or financial position of the Company.

8.14 Consents

Each of the parties referred to in this Section:

(a) has given the following consents in accordance with the Corporations Act which have not been withdrawn as at the date of lodgement of this Prospectus with ASIC; and

(b) to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section.

None of the parties referred to in this Section authorised or caused the issue of this Prospectus or the making of the Offers.

Taylor Collison has given its written consent to being named as the Lead Manager to the Priority Offer and General Offer in the form and context in which it is named in this Prospectus. Taylor Collison has not withdrawn its consent prior to the lodgement of this Prospectus with ASIC.

Automic has given its written consent to being named as the Company's share registry. Automic has not withdrawn its consent prior to the lodgement of this Prospectus with ASIC.

Thomson Geer has given its written consent to being named as the Company's Australian legal adviser. Thomson Geer has not withdrawn its consent prior to the lodgement of this Prospectus with ASIC.

William Buck Audit has given its written consent to be named as the Company's auditor. William Buck Audit has not withdrawn its consent prior to the lodgement of this Prospectus with ASIC.

William Buck Consulting has given its written consent to be named as the Company's investigating accountant and to the inclusion of the Investigating Accountant's Report in Annexure A of the Prospectus in the form and context in which the report is included. William Buck Consulting has not withdrawn its consent prior to lodgement of this Prospectus with ASIC.

Mr Ryan Locke has given his consent to be named as a competent person to the Company in the Prospectus in the form and content in which he is named and to the inclusion of the production and Ore Reserve estimates in relation to the Company's Malingunde Project extracted in Section 3.5 (and each reference to it) in the Prospectus in the form and context in which it is included and to all references in the Prospectus to those production targets and Ore Reserve estimates and Mr Locke in the form and context in which they appear, and has not withdrawn such consent prior to the issue of the Prospectus.

Mr David Williams has given his consent to be named as a competent person to the Company in the Prospectus in the form and context in which he is named and to the inclusion of the Mineral Resource estimates in relation to the Company's Duwi Project extracted in Section 3.4 (and each reference to it) in the Prospectus in the form and context in which it is included and to all references in the Prospectus to those Mineral Resource estimates and Mr Williams in the form and context in which they appear, and has not withdrawn such consent prior to the issue of the Prospectus.

CSA Global has given its written consent to being named as the Company's independent technical expert and to the inclusion of the Nanzeka, Duwi and Mabuwa Projects Report in Annexure B of the Prospectus in the

form and context in which the report is included. CSA Global has not withdrawn its consent prior to the lodgement of this Prospectus with ASIC.

DRA Pacific has given its written consent to being named as the Company's independent technical expert to the Company and to the inclusion of the Malingunde Project Report in Annexure C of the Prospectus in the form and context in which the report is included. DRA Pacific has not withdrawn its consent prior to the lodgement of this Prospectus with ASIC.

William Faulkner has given its written consent to be named as the Company's independent solicitor and to the inclusion of the Independent Solicitor's Report in Annexure D of the Prospectus in the form and context in which the report is included. William Faulkner has not withdrawn its consent prior to the lodgement of this Prospectus with ASIC.

Sovereign has given its written consent to be named in this Prospectus in the form and context in which it is named and to the inclusion in this Prospectus of all information and statements relating to, made by, or said to be based on statements by Sovereign, in each case in the form and context as they appear in this Prospectus (as applicable) and has not withdrawn such consent prior to the issue of the Prospectus.

Each of the Directors has given their written consent to being named in this Prospectus in the context in which they are named and have not withdrawn their consent prior to lodgement of this Prospectus with ASIC.

8.15 ASX Confirmations

The completion of the Offers and the Company's admission to the Official List is subject to the receipt of a number of approvals, waivers and confirmations.

As at the date of this Prospectus, ASX has provided following confirmations in respect of:

(a) Listing Rule 1.1 condition 7: confirmation that ASX will not exclude Sovereign shareholders who received Shares pursuant to the In-Specie Distribution for the purposes of satisfying the free float requirement for NGX's listing;

(b) Listing Rule 1.1 condition 8: confirmation that ASX will not exclude Sovereign Shareholders who received Shares pursuant to the In-Specie Distribution, for the purposes of NGX satisfying the spread requirement in Listing Rule 1.1 condition 8 and confirmation that ASX will use the issue price of A$0.20 per Share to determine the value of Shares on issue in NGX (including those distributed to Sovereign Shareholders via the In-Specie Distribution) for the purpose of Listing Rule 1.1 condition 8; and

(c) Listing Rule 1.1 condition 10 and Chapter 9 of the Listing Rules: confirmation that ASX will not treat any of the Shares received by Sovereign Shareholders pursuant to the In-Specie Distribution as restricted securities.

8.16 Electronic Prospectus

Pursuant to Regulatory Guide 107 ASIC has exempted compliance with certain provisions of the Corporations Act to allow distribution of an Electronic Prospectus on the basis of a paper Prospectus lodged with ASIC and the issue of Securities in response to an electronic application form, subject to compliance with certain provisions. If you have received this Prospectus as an Electronic Prospectus please ensure that you have received the entire Prospectus accompanied by the relevant Application Form. If you have not, please email the Company and the Company will send to you, for free, either a hard copy or a further electronic copy of this Prospectus or both.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the Electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered. In such a case, the Application monies received will be dealt with in accordance with section 722 of the Corporations Act.

8.17 Documents Available for Inspection

Copies of the following documents are available for inspection during normal business hours at the registered office of the Company at Level 9, 28 The Esplanade, Perth 6000, Western Australia:

(a) this Prospectus;

(b) the Constitution; and

(c) the consents referred to in Section 8.14.

8.18 Governing law

This Prospectus and the contracts that arise from the acceptance of the Applications under this Prospectus are governed by the law applicable in Western Australia and each Applicant under this Prospectus submits to the exclusive jurisdiction of the courts of Western Australia and the Commonwealth of Australia.

8.19 Statement of Directors

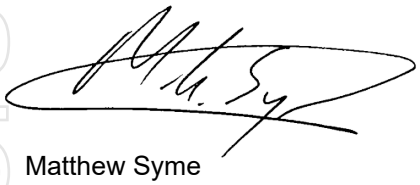
The Directors report that after due enquiries by them, in their opinion, since the date of the financial statements in Section 5 there have not been any circumstances that have arisen that have materially affected or will materially affect the assets and liabilities, financial position, profits or losses or prospects of the Company, other than as disclosed in this Prospectus.

8.20 Authorisation

This Prospectus is authorised by the Company and lodged with ASIC pursuant to section 718 of the Corporations Act.

Each of the Directors has consented to the lodgement of this Prospectus with ASIC, in accordance with section 720 of the Corporations Act and has not withdrawn that consent.

This Prospectus is signed for and on behalf of the Company by:



Matthew Syme
Executive Director

Dated: 12 April 2023

9. GLOSSARY OF TERMS

These definitions are provided to assist persons in understanding some of the expressions used in this Prospectus.

A$	Australian dollars.
ACN	Australian Company Number.
AIM	the Alternative Investment Market of the London Stock Exchange plc.
Apollo Group	Apollo Group Pty Ltd (ACN 091 844 692).
Apollo Group Services Agreement	has the meaning given in Section 7.6.
Applicant	a person who submits an Application Form.
Application	a valid application for Securities under the Offers made pursuant to an Application Form (including via the payment of Application Monies).
Application Form	a Priority Offer Application Form, Shortfall Offer Application Form, General Offer Application Form, Incentive Option Offer Application Form or Broker Option Application Form (as applicable).
Application Monies	monies received from persons applying for Securities pursuant to the Offers under this Prospectus.
ASIC	Australian Securities and Investments Commission.
Associated Entity	has the meaning given in the Corporations Act.
ASX	Australian Securities Exchange Limited (ACN 008 624 691) or, where the context requires, the financial market operated by it.
AWST	Australian Western Standard Time, as observed in Perth Western Australia.
Bad Leaver	unless otherwise determined by the Board in its sole and absolute discretion, a Participant who ceases employment or office with the Company or a member of the Group, including (but not limited to) for any Fraudulent or Dishonest Conduct.
Board	the board of Directors of the Company.
Broker Allocation	has the meaning given in Section 7.8.
Broker Options	has the meaning given in Section 7.8(b).
Broker Option Holder	has the meaning given in Section 8.3(a).
Broker Option Offer	has the meaning given in Section 2.20.
Broker Option Offer Application Form	the application form attached to or accompanying this Prospectus, in connection with the Broker Option Offer.
CHESS	Clearing House Electronic Subregister System.

Closing Date	the date the Offers close, as referred to in the Indicative Timetable.
Commencement Date	has the meaning given in Section 7.1.
Company or **NGX**	NGX Limited (ACN 649 545 068).
Constitution	the constitution of the Company from time to time.
Consultancy Agreement	has the meaning given in Section 7.7.
Consultant	has the meaning given in Section 7.7.
Corporations Act	the *Corporations Act 2001 (Cth)*.
CSA Global	ERM Australia Consultants Pty Ltd (ACN 003 687 581) trading as CSA Global.
Demerger Completion	the completion of the demerger of NGX from Sovereign.
Demerger Deed	has the meaning given in Section 7.1.
Directors	the Directors of the Company.
DOCA	has the meaning given in Section 4.1.
DRA Pacific	DRA Pacific Pty Ltd (ACN 078 037 019).
Dropped Area	has the meaning given in Section 7.2.
Duwi Completion	has the meaning given in Section 7.1(a).
Duwi Project	the Graphite Project known as the "Duwi Project" as detailed in Section 3.4.
Electronic Prospectus	the electronic copy of this Prospectus located at the Company's website at www.ngxlimited.com.
Eligible Employee	has the meaning given in Section 8.4(a).
Eligible Shareholders	a Shareholder as at the date of this Prospectus that is in Australia or is an institutional or professional investor in New Zealand, the United States of America, United Kingdom, Canada (British Columbia, Ontario and Quebec provinces only), Hong Kong, Germany, Luxembourg and Singapore, and in particular: • if in **Canada (British Columbia, Ontario and Quebec provinces only)**, is an "accredited investor" as defined in National Instrument 45-106 – Prospectus Exemptions ("NI 45-106"); • if in **Germany or Luxembourg**, is a "qualified investor" (as defined in Article 2(e) of the Regulation (EU) 2017/1129 of the European Parliament and the Council of the European Union); • if in **Hong Kong**, is a "professional investor" (as defined in the Securities and Futures Ordinance of Hong Kong, Chapter 571 of the Laws of Hong Kong); • if in **New Zealand**, is a person who (i) is an investment business within the meaning of clause 37 of Schedule 1 of the Financial Markets Conduct Act 2013 (New Zealand) (the "FMC Act"), (ii) meets the investment

activity criteria specified in clause 38 of Schedule 1 of the FMC Act, (iii) is large within the meaning of clause 39 of Schedule 1 of the FMC Act, (iv) is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act or (v) is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act (and, if an eligible investor, have provided the necessary certification);

- if in **Singapore**, is an "institutional investor" or an "accredited investor" (as such terms are defined in the Securities and Futures Act 2001 of Singapore ("SFA"));
- if in **United Kingdom**, is (i) a "qualified investor" within the meaning of Article 2(e) of the UK Prospectus Regulation, and (ii) within the categories of persons referred to in Article 19(5) (investment professionals) or Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the UK Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended; and
- if in **United States of America**, is an "accredited investor" (as defined in Rule 501(a) under the US Securities Act) that has signed and returned to the Company a US investor certificate in a form that is available from the Company.

Employee	an employee, consultant or contractor of the Company, or any other member of the Group.
Employee Incentive	any: (a) Option or Performance Right granted; or (b) Share(s) issued pursuant to the exercise of an Option or conversion of a Performance Rights, under the Employee Incentive Plan.
Employee Incentive Plan	has the meaning given in Section 8.4.
Entitlement	has the meaning given in Section 2.1(a).
EV	electric vehicle.
Exploration Results	has the meaning given in the JORC Code.
Exposure Period	in accordance with section 727(3) of the Corporations Act, the period of 7 days (which may be extended by ASIC to up to 14 days) after lodgement of this Prospectus with ASIC during which the Company must not process Applications.
Financial Information	has the meaning given in Section 5.1.
FPO	has the meaning given in the Important Notice section.
Fraudulent or Dishonest Conduct	has the meaning given in Section 8.4(h).
FSMA	has the meaning given in the Important Notice section.
General Offer	has the meaning given in Section 2.2.
General Offer Application Form	the application form attached to or accompanying this Prospectus, in connection with the General Offer.

Good Leaver	a Participant who ceases employment or office with the Company or a member of the Group and is determined by the Board to be a Good Leaver.
Graphite Business	the business relating to exploration for minerals at the Graphite Projects.
Graphite Projects	has the meaning given in the Section 3.1.
Group	the Company and its Subsidiaries.
GST	Goods and Services Tax.
HIN	Holder Identification Number.
Historical Financial Information	has the meaning given in Section 5.1.
Holder	has the meaning given in Section 8.2(a).
Hopetoun	Hopetoun Consulting Pty Ltd (ACN 099 239 568).
Hopetoun Agreement	has the meaning given in Section 7.3.
Incentive Option	has the meaning given in Section 2.19.
Incentive Option Offer	has the meaning given in Section 2.19.
Incentive Option Offer Application Form	the application form attached to or accompanying this Prospectus, in connection with the Incentive Option Offer.
Independent Solicitor's Report	the report contained in Annexure D.
Indicative Timetable	the Indicative Timetable for the Offers on page 10 of this Prospectus.
Investigating Accountant's Report	the report contained in Annexure A.
In-Specie Distribution	the in-specie distribution of 42,805,918 Shares at a deemed issue price of A$0.20 per Share to eligible Sovereign shareholders (on a one (1) for eleven (11) basis) pro-rata to each shareholder's Sovereign shareholding in accordance with the Demerger Deed.
JORC Code	the Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves, 2012 edition.
KMP	key management personnel of the Company.
Lead Manager	Taylor Collison Limited (ACN 008 172 450).
Lead Manager Mandate	has the meaning given in Section 7.8.
Listing Date	the date on which the Company is admitted to the Official List.
Listing Rules	the listing rules of ASX.
Mabuwa Project	the Graphite Project known as the "Mabuwa Project" as detailed in Section 3.4.
Malawi Government	the Government of Malawi.

Malingunde Completion	has the meaning given in Section 7.1(b).
Malingunde Project	the Graphite Project known as the "Malingunde Project" as detailed in Section 3.4.
Malingunde Project Report	the report contained in Annexure C.
Maximum Subscription	has the meaning given in Section 2.9.
Mineral Resource	has the meaning given to that term in the JORC Code.
Mines Act	the Malawian *Mines and Minerals Act 2018*
Minimum Subscription	has the meaning given in Section 2.8.
Nanzeka Project	the Graphite Project known as the "Nanzeka Project' as detailed in Section 3.4.
Nanzeka, Duwi and Mabuwa Projects Report	the report contained in Annexure B.
NGX Exploration	NGX Exploration Limited (Company Registration No:1013573).
NGX Mining	NGX Mining Limited (Company Registration No:1013529).
Non-Executive Director	a non-executive Director of the Company.
Offers	the Priority Offer, the Shortfall Offer, the General Offer, the Incentive Option Offer and the Broker Option Offer.
Offer for Monetary Consideration	an offer under the Employee Incentive Plan where payment is either required upfront, or at any future stage, for the issue or transfer of Employee Incentives or the exercise or conversion of Options or Performance Rights.
Offer for No Monetary Consideration	an offer under the Employee Incentive Plan where there is no payment required upfront, nor at any future stage, for the issue or transfer of Employee Incentive or the exercise or conversion of Options or Performance Rights.
Offer Period	the period commencing on the Opening Date and ending on the Closing Date.
Official List	the official list of ASX.
Official Quotation or **Quotation**	Official quotation by ASX in accordance with the Listing Rules.
Opening Date	the date the Offers open.
Option	an option to acquire a Share.
Ore Reserve	has the meaning given to that term in the JORC Code.
Participant	an Eligible Employee who has been offered Employee Incentives and who has returned a corresponding application to the Company that has been accepted by the Company pursuant to the Plan, or, as applicable, that Eligible Employee's related party.

Performance Right	the right, subject to satisfaction (or waiver) of any vesting conditions, to acquire a Share.
PFS	has the meaning given in Section 3.2.
PGE	platinum group element.
Priority Offer	has the meaning given in Section 2.1(a).
Priority Offer Application Form	the application form attached to or accompanying this Prospectus, in connection with the Priority Offer.
Product	has the meaning given in Section 7.2.
Pro Forma Historical Financial Position	has the meaning given in Section 5.1.
Prospectus	this replacement prospectus dated 12 April 2023.
Prospectus Regulation	has the meaning given in the Important Notice section.
Provinces	has the meaning given in the Important Notice section.
Recommendations	has the meaning given in Section 4.3.
Relevant Areas	has the meaning given in Section 7.2.
Relevant Interest	has the meaning given in the Corporations Act.
Royalty	has the meaning given in Section 7.2.
Section	a section of this Prospectus.
Security	a Share or Option as the context requires.
Securityholder	a person holding Shares and/or Options.
SFA	has the meaning given in the Important Notice section.
SFO	has the meaning given in the Important Notice section.
Share	a fully paid ordinary Share in the capital of the Company.
Share Registry or **Automic**	Automic Pty Ltd (ACN 152 260 814).
Shareholder	a person holding a Share.
Shortfall Offer	has the meaning given in Section 2.1(b).
Shortfall Offer Application Form	the application form attached to or accompanying this Prospectus, in connection with the Shortfall Offer.
Shortfall Shares	the new Shares not applied for under the Priority Offer before the Closing Date.
SO4	has the meaning given in Section 4.1.
Sovereign	Sovereign Metals Limited (ACN 120 833 427).
Sovereign Business	the business conducted by Sovereign excluding the Graphite Business.

Sovereign Group	Sovereign and its Subsidiaries.
SSL	Sovereign Services Limited (Companies Registration No: 12615 of Plot number 204) (an entity owned by Sovereign).
SRN	Security holder reference number.
Subsidiary	has the meaning given in the Corporations Act.
Takeover Bid	has the meaning given in the Corporations Act.
TGC	total graphitic carbon.
VALMIN Code	the Australian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets, 2015 edition.
Vendors	has the meaning given in Section 7.2.
William Buck Audit	William Buck Audit (WA) Pty Ltd (ACN 125 012 124).
William Buck Consulting or **Investigating Accountant**	William Buck Consulting (WA) Pty Ltd (ACN 125 178 734).
William Faulkner	William Faulkner Attorney at Law.

Annexure A Investigating Accountant's Report

William Buck
ACCOUNTANTS & ADVISORS

24 March 2023

The Board of Directors
NGX Limited
Level 9, BGC Centre, 28 The Esplanade,
Perth WA 6000

Dear Sirs

INDEPENDENT LIMITED ASSURANCE REPORT ON NGX LIMITED HISTORICAL FINANCIAL INFORMATION AND PRO FORMA HISTORICAL FINANCIAL POSITION

Introduction

William Buck Consulting (WA) Pty Ltd have been engaged by NGX Limited ("NGX" or the "Company") to report on the Historical Financial Information and Pro Forma Historical Financial Position of the Company as at 31 December 2022 for inclusion in the prospectus ("Prospectus") dated on or about 27 March 2023. 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 42,805,920 shares at an issue price of $0.20 each, to raise A$8,561,184 (before costs) in priority and on a pro-rata basis of one (1) new NGX Share for every one (1) NGX Share held, to existing Eligible NGX Shareholders ("Priority Offer") and 5,000,000 shares at an issue price of $0.20 each, to raise A$1,000,000 (before costs) to the general public ("General Offer").

Expressions and terms defined in the Prospectus have the same meaning in this Report.

Background

NGX Limited is an unlisted public company which was incorporated on 19 April 2021 and was previously a wholly owned subsidiary of Sovereign Metals Limited ACN 120 833 427 ("Sovereign"). Following approval by Sovereign's Shareholders on 17 March 2023, NGX demerged from Sovereign by way of an In-Specie Distribution. The principal activity of the Company is identifying new business opportunities in the resource section, with a focus on Malawi.

Level 3, 15 Labouchere Road, South Perth WA 6151
PO Box 748, South Perth WA 6951
+61 8 6436 2888
wa.info@williambuck.com
williambuck.com

Scope

Historical Financial Information

You have requested William Buck Consulting (WA) Pty Ltd to review the following historical financial information of the Company included in Section 5 of the Prospectus comprising:

- The historical consolidated statements of profit or loss and other comprehensive income for the six months to 31 December 2022 and the financial years ended 30 June 2022 and 30 June 2021;
- The historical consolidated statements of cashflows for the six months to 31 December 2022 and the financial years ended 30 June 2022 and 30 June 2021; and
- The historical consolidated statements of financial position as at 31 December 2022, 30 June 2022 and 30 June 2021;

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 has been extracted from the interim financial report of the Company for the six months ended 31 December 2022 and the annual financial reports for the years ended 30 June 2022 and 30 June 2021. The interim financial report was reviewed, and the annual financial reports audited, by William Buck Audit (WA) Pty Ltd in accordance with Australian Auditing Standards. The review report issued for the interim financial report included an unmodified review conclusion. The audit reports issued for the years ended 30 June 2022 and 30 June 2021 included unmodified audit opinions.

The Historical Financial Information is presented in the Prospectus in an abbreviated form, insofar as it does not include all of the presentation and disclosures required by Australian Accounting Standards and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the *Corporations Act 2001*.

Pro Forma Historical Financial Position

You have requested William Buck Consulting (WA) Pty Ltd to review the pro forma historical statement of financial position as at 31 December 2022 referred to as "the Pro Forma Historical Financial Position" as set out in section 5.7 of the Prospectus.

The Pro Forma Historical Financial Position has been derived from the historical financial information of the Company, after adjusting for the effects of the pro forma transactions and subsequent events described in section 5.3 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 5.8 of the Prospectus, as if those events or transactions had occurred as at the date of the Historical Financial Information. Due to its nature, the Pro Forma Historical Financial 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 Historical Financial Position, including the selection and determination of pro forma adjustments made to the Historical Financial Information and included in the Pro Forma Historical 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 Historical 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 Historical 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.

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 5 of the Prospectus, and comprising:

- The historical consolidated statements of profit or loss and other comprehensive income for the six months to 31 December 2022 and the financial years ended 30 June 2022 and 30 June 2021;
- The historical consolidated statements of cashflows for the six months to 31 December 2022 and the financial years ended 30 June 2022 and 30 June 2021; and
- The historical consolidated statements of financial position as at 31 December 2022, 30 June 2022 and 30 June 2021;

are not presented fairly, in all material respects, in accordance with the stated basis of preparation as described in section 5.2 of the Prospectus.

Pro Forma Historical 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 Historical Financial Position as set out in section 5.7 of the Prospectus being the Statement of Financial Position as at 31 December 2022 is not presented fairly in all material respects, in accordance with the stated basis of preparation as described in section 5.2 of the Prospectus.

Restriction on Use

Without modifying our conclusions, we draw attention to section 5.1 of the Prospectus which describes the purpose of the Historical Financial Information and Pro Forma Historical Position, being for inclusion in the Prospectus. As a result, the Historical Financial Information and Pro Forma 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.

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.

William Buck
ACCOUNTANTS & ADVISORS

Yours faithfully

William Buck

William Buck Consulting (WA) Pty Ltd
ABN 74 125 178 734

Amar Nathwani

Amar Nathwani
Director
Dated this 24th day of March 2023

Annexure B Nanzeka, Duwi and Mabuwa Projects Report

CSA Global
Mining Industry Consultants
an ERM Group company

Nanzeka, Duwi, and Mabuwa Project, Malawi

Independent Technical Assessment Report

REPORT № R153.2023
22 March 2023

Report prepared for

Client Name	NGX Limited
Project Name/Job Code	SVMITA02
Contact Name	Matthew Syme
Contact Title	ED
Office Address	Level 9, 28 The Esplanade, Perth, WA, 6000

Report issued by

CSA Global Office	ERM Australia Consultants Pty Ltd trading as CSA Global Level 9, 260 Queen Street Brisbane, QLD 4000 AUSTRALIA T +61 7 3106 1200 F +61 7 3106 1201 E info@csaglobal.com
Division	Corporate

Report information

Filename	R153.2023 SVMITA02 NGX Malawi Graphite Projects ITAR FINAL.docxFINAL
Last Edited	4/04/2023 4:41:00 PM
Report Status	Final

Author and Reviewer Signatures

Coordinating Author	Sonia Konopa MSc (Economic Geology),BSc (Hons) Applied Geology, FAusIMM, MAIG	Electronic signature not for duplication. Electronic signature not for duplication.
Contributing Author	David Williams BSc (Hons), MAIG, MAusIMM	Electronic signature not for duplication. Electronic signature not for duplication.
Peer Reviewer	Aaron Meakin BSc (Hons), MAppFin, MAusIMM (CP Geo)	Electronic signature not for duplication. Electronic signature not for duplication.
CSA Global Authorisation	Graham Jeffress BSc (Hons) Applied Geology, RPGeo (Mineral Exploration), FAIG, FAusIMM, FSEG, MGSA	Electronic signature not for duplication. Electronic signature not for duplication.

Executive Summary

ERM Australia Consultants Pty Ltd trading as CSA Global (CSA Global), was requested by NGX Limited (NGX) to prepare an Independent Technical Assessment Report (ITAR) for use in a prospectus to be provided to ASX and ASIC, to support an initial public offering and admission of NGX to the Official List of the ASX. NGX is Australian incorporated with full ownership of several subsidiaries, including NGX Exploration Limited (NEL) and NGX Mining Limited (NML), Malawi incorporated companies. NGX was demerged from its former parent entity, ASX and AIM listed Sovereign Metals Limited (Sovereign), effective 24 March 2023.

The Project, comprising the Nanzeka prospect and Duwi deposit, are the main focus of this ITAR. The Project is located within Malawi, with the Nanzeka prospect located approximately 60 km northeast of the capital city of Lilongwe, and the Duwi deposit located within 25 km of Lilongwe, as illustrated in Figure 1. The Mabuwa prospect is located approximately 60 km south of Malawi's major commercial city of Blantyre. The Project comprises two Retention Licences ("RLs") (Nanzeka and Duwi) and one Exploration License Application ("APL") (Mabuwa) covering 39.0 km^2, as shown in Table 1. The primary NGX mineral asset, the Nanzeka Prospect, lies within RL0012/21, which expires in July 2026 and is at an early stage of exploration. The Duwi deposit (which is to be transferred to NGX, subject to various conditions precedent pursuant to the Demerger Deed) is located within licence RL0032/22, expiring in October 2027. The Mabuwa licence application is pending.

Table 1: Mineral tenements summary

Licence no. (name)	Area (km^2)	Holder	Primary commodity	Commenced	Expiry	Annual rent (MWK$)
RL0012/21 (Nanzeka)	6.0	NEL	Graphite	27 Jul 2021	27 Jul 2026	60,000
RL0032/22 (Duwi)	24.6	SSL	Graphite	4 Oct 2022	4 Oct 2027	246,400
APL0329 (Mabuwa)	9.0	NEL	Nickel, PGE	Pending	Pending	Pending

Source: Sovereign Metals

The Nanzeka prospect (RL0012/21) has had exploration activities completed including geological mapping, rock chip sampling, trenching (8 trenches for 654 m) and 3 diamond drill holes (237 m), which have identified high-grade flake graphite mineralisation over a strike length of approximately 3 km with a true width of about 10 m. Mapping, geochemical sampling and results from a Versatile Time Domain Electromagnetic (VTEM) geophysical survey show potential for a strike extension to the mineralised zone to the north, and other potential zones to the west and east that require follow-up.

The Duwi deposit is at an advanced stage of exploration with Mineral Resources defined and classified as Indicated and Inferred. The Mineral Resources have been reported in accordance with the JORC (2012) Code[1] and are presented in Table 2.

Table 2: Mineral Resource statement for Duwi graphite deposit

Deposit	Classification	Tonnes (Mt)*	TGC (%)
Duwi (TGC >5%) (Reported October 2014)	Measured	-	-
	Indicated	35.2	7.2
	Inferred	50.7	7.1
	Subtotal	**85.9**	**7.1**

[1] Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. The JORC Code, 2012 Edition. Prepared by: The Joint Ore Reserves Committee of The Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia (JORC).

Note: Mineral Resources are reported at cut-off grades as mentioned in the table. Rounding of tonnage and grade has occurred, and totals may not reflect the rounding. Tonnages have been rounded to the nearest 100,000 tonnes, and TGC grades rounded to 1 decimal point.

Duwi comprises five prospects known collectively as the Duwi Trend, including Duwi Main, Duwi Bend, and Nyama.

The Duwi deposit occurs as multiple, high-grade bands of flake graphite, hosted within Proterozoic gneissic rocks of felsic to intermediate composition. The host rocks were subject to intense weathering under tropical climatic conditions, resulting the in development of substantial thicknesses of weathered zones, each of which exhibit varying intensities of graphitic mineralisation and graphite flake size.

The deposit has been drilled by diamond core, aircore holes and hand-auger holes, with all holes used to support the Mineral Resource estimates. Diamond and aircore samples were used for metallurgical testwork, which supports the classification of the deposits as Industrial Mineral Resources in terms of JORC Code, Clause 49. CSA Global has reviewed the drilling methods, recovery, logging, surveying, sampling, sample analysis, quality assurance/quality control (QA/QC) and other data issues associated with the drilling data for the deposits and has deemed the data to be suitable to support reporting Mineral Resources in accordance with the JORC Code. A conventional industry-standard methodology has been used in developing the Mineral Resource estimates for Duwi, which is documented in supporting Mineral Resource reports and summarised in this ITAR. Detailed commentary on each of the criteria outlined in Table 1 of the JORC Code has been developed by CSA Global and is provided as an appendix to this ITAR.

The Mabuwa prospect covers a mafic-ultramafic intrusive body potentially favourable for nickel and platinum group element (PGE) sulphide mineralisation. The application licence area is considered prospective for mineralisation styles similar to that hosted at the Mpemba and Ngala Ni- Cu-PGE projects located near Blantyre. No previous exploration work is known. However, historical reconnaissance drilling completed on nearby targets hosted in similar rock types, have returned low grade nickel and PGE sulphide mineralisation.

Sovereign, as previous owner, has previously undertaken a range of characterisation and mineralogical examinations and metallurgical test-work programs on fresh ore and surface saprolite material from the Duwi deposit. The work, completed in 2015, focussed on flotation programs to optimise graphite recovery whilst also maximising flake size and integrity. A preliminary process flowsheet developed from this work aimed to maximise recovery of jumbo (+300 µm) flakes and minimise production of amorphous powder (-75 µm). Further test-work is currently in progress to optimise other areas of the flowsheet and early results show that concentrate size fractions can be upgraded to >95% total graphitic carbon (TGC).

Sovereign has, and NGX will proactively engage in good practice environmental, social and governance (ESG) at the Project. They recognise that the ongoing integration of ESG criteria into future exploration activities and project development is a critical element in moving the project forward and ensuring all key stakeholders are engaged in the process. NGX is aware of the Equator Principles and how these serve to establish a common baseline and risk management framework to identify, assess and manage environmental and social risks.

A number of technical opportunities associated with the Project have been identified as follows:

- Nanzeka – the geometry of the zone of mineralisation delineated to date suggests that a substantial proportion of mineralisation may be available relatively close to surface. Proposed exploration activities will assist in defining additional mineralisation which, if determined to be economically prospective, may lead to defining a potential Mineral Resource.
- Duwi – a number of opportunities for improvement in the current Duwi Mineral Resource were identified. These are items that can easily be incorporated in a future update to the Mineral Resource and may allow for increased confidence in resource classification and delineation of additional Mineral Resources.
- Mabuwa – potential for nickel and PGE mineralisation at Mabuwa is noted. The proposed exploration activities may lead to identification of prospective mineralisation.

A number of technical risks associated with the Project have been identified as follows:

- Expected mineralisation may not be present or may be too small to warrant commercial exploitation. The projects comprise a range of stages of advancement from early exploration through to advanced prospect. Risk is reduced at each stage as the project progresses and the understanding of the deposit increases.
- Duwi – Mineral Resources are not Ore Reserves and do not have any demonstrated economic viability. The application of modifying factors is required to convert Mineral Resources to Ore Reserves. Modifying Factors include mining, processing, metallurgical, infrastructure, economic, marketing, legal, environmental, social and governmental factors. The Duwi Mineral Resource is not supported by a mining study at this stage.
- The absence of density data for the Nyama deposit (part of the Duwi Mineral Resource) means there is a lower confidence associated with the tonnage estimates for this Mineral Resource.
- Further metallurgical testwork (including flake size distribution and product purity after processing) may demonstrate parts, or all the deposits, will not be able to produce a marketable graphite product.

CSA Global Opinion

CSA Global is of the opinion that the exploration activities, drill techniques, survey methods, sampling, assaying and QA/QC have been completed in line with good industry practice at the time when the work was completed. The geological modelling strategy, data treatment, application of estimation parameters, and estimation methodologies are appropriate for the style of mineralisation.

CSA Global is of the opinion that exploration activities conducted to date on the Nanzeka prospect have been completed in line with good industry practice at the time when the work was completed.

CSA Global has reviewed the available data inputs into the Mineral Resource as well as the model outputs. CSA Global conducted a site visit to Duwi in 2014 for the purpose of verifying various aspects of data inputs associated with the Mineral Resource. CSA Global is of the opinion that the data being relied upon is reasonable and appropriate to be used for input to the Mineral Resource modelling, and as a basis for future Exploration Target definition.

CSA Global is of the opinion that the Duwi Mineral Resources have been reported in accordance with the 2012 JORC Code and prepared using accepted industry practice. Mineral Resources have been signed off by an appropriate Competent Person as defined by the JORC Code. The Mineral Resources appear to be a reasonable assessment of global grade and tonnage based on the data available and geological understanding at the time. Mineral Resource classification is appropriate for the quality and quantity of data informing the resource estimate and appropriately considers uncertainty associated with some aspects of historical data.

CSA Global is of the opinion that the exploration potential for the Nanzeka and Duwi and Mabuwa Project is high. The combination of a favourable regional geological location, prospective local geology and structural framework, and successful drill results to date, confirm the prospectivity of the area for discovery of additional graphite mineralisation at Nanzeka and Duwi. The successful study progression of the nearby Malingunde graphite deposit supports the potential for prospectivity in the area.

Potential for nickel and PGE mineralisation at Mabuwa is noted. The proposed NGX exploration activities may lead to identification of prospective mineralisation.

CSA Global is of the opinion that the proposed exploration work program is reasonable and appropriate for the scale of the project at the time of compiling this report.

Contents

Figures

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Appendices

1 Introduction

1.1 Compliance with the VALMIN and JORC Codes

This Independent Technical Assessment Report (ITAR) has been prepared in accordance with the Code for the Technical Assessment and Valuation of Mineral and Petroleum Assets and Securities for Independent Expert Reports 2015 ("VALMIN[2] Code"), which is binding upon Members of the Australian Institute of Geoscientists (AIG) and the Australasian Institute of Mining and Metallurgy (AusIMM), the JORC[3] Code and the rules and guidelines issued by such bodies as the Australian Securities and Investments Commission (ASIC) and Australian Securities Exchange (ASX) that pertain to Independent Expert Reports.

The authors have taken due note of the rules and guidelines issued by such bodies as ASIC and ASX, including ASIC Regulatory Guide 111 – Content of Expert Reports, and ASIC Regulatory Guide 112 – Independence of Experts.

1.2 Principal Sources of Information and Reliance on Other Experts

ERM Australia Consultants Pty Ltd trading as CSA Global (CSA Global), has based its review of the Nanzeka, Duwi and Mabuwa Project (the "Project") on information made available to the principal authors by NGX Limited (NGX), along with technical reports prepared by consultants, government agencies and previous tenement holders, and other relevant published and unpublished data. CSA Global has also relied upon discussions with NGX management for information contained within this assessment. This ITAR has been based upon information available up to including 22 March 2023.

CSA Global has endeavoured, by making reasonable enquiries, to confirm the authenticity, accuracy, and completeness of the technical data upon which this ITAR is based. Unless otherwise stated, information and data contained in this technical report, or used in its preparation, has been provided by NGX in the form of documentation and digital data.

NGX was provided a final draft of this ITAR and requested to identify any material errors or omissions prior to its lodgement.

NGX has warranted to CSA Global that the information provided for preparation of this ITAR correctly represents all material information relevant to the Project. Full details on the tenements are provided in the Independent Solicitor's Report elsewhere in the prospectus.

CSA Global has not independently verified the legal status or ownership of the property or any of the underlying agreements. This information is discussed in the Independent Solicitor's Report and described therein under Summary of Material Agreements, elsewhere in the prospectus.

This ITAR contains statements attributable to third parties. These statements are made or based upon statements made in previous technical reports that are publicly available from either government sources or the ASX. The authors of these reports have not consented to their statements used in this ITAR, and these statements are included in accordance with ASIC Corporations (Consent and Statements) Instrument 2016/72.

Figures, maps and illustrations in this report have been prepared by CSA Global unless otherwise stated.

[2] Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets (The VALMIN Code), 2015 Edition, prepared by the VALMIN Committee of the Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. <http://www.valmin.org>

[3] Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. The JORC Code, 2012 Edition. Prepared by: The Joint Ore Reserves Committee of The Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia (JORC). <http://www.jorc.org>

1.3 Authors of the Report

The ITAR has been prepared by CSA Global, a part of the ERM Group, which is a privately owned sustainability consultancy. ERM was established in 1971 and now has more than 160 offices in over 40 countries and territories and employs more than 5,000 people around the world. For over 40 years, ERM has been helping its clients to understand and manage their environmental, sustainability, health, safety, risk, and social impacts. With the mining industry facing increasingly complex sustainability challenges, ERM is committed to providing a consistent, professional, and high-quality service to create value for clients.

On 1st April 2023, CSA Global Pty Ltd will transition all of its contracts to ERM Australia Consultants Pty Ltd. This is a change of legal entity for all CSA Global's contracts, work and people. There are no material changes to personnel of CSA Global. CSA Global will continue to operate as usual providing services under the CSA Global brand.

This ITAR has been prepared by a team of consultants sourced from CSA Global's Perth and Brisbane offices. The individuals who have provided input to the ITAR have extensive experience in the mining industry and are members in good standing of appropriate professional institutions. The consultants preparing this ITAR are specialists in the field of geology, exploration and mineral resources.

The following individuals, by virtue of their education, experience, and professional association, are considered Competent Persons, as defined in the JORC Code (2012), for this ITAR. The Competent Persons' individual areas of responsibility are presented below:

- Coordinating author – Ms Sonia Konopa (Manager and Principal Geologist, Corporate – CSA Global, Brisbane, Queensland) is responsible for all sections of the ITAR
- Contributing author – Mr David Williams (Principal Consultant Geologist – CSA Global, Brisbane, Queensland) is responsible for sections of the ITAR relating to the technical aspects of the Duwi Mineral Resource and is the Competent Person responsible for the Duwi Mineral Resource
- Peer reviewer – Mr Aaron Meakin (Manager – Resources and Partner – CSA Global, Brisbane, Queensland) is responsible for peer reviewing technical content of this ITAR

Sonia Konopa is a resource geologist, with over 30 years' international experience in the mining industry. She has previously worked in various operational and leadership roles across Australia, Papua New Guinea, Indonesia, Laos and Europe, and has extensive international expertise in consulting services, technical advice and guidance across a range of commodities and geological settings. Most recently she has held resource management roles at the Martabe Gold Mine and Toka Tindung Gold Mine in Indonesia. Her broad practical experience extends to Mineral Resource estimation, exploration, project management and business development projects.

David Williams is a resource geologist with over 25 years' experience in mine geology and Mineral Resource estimation and is a specialist in graphite deposits. He is a competent person for the JORC reporting of Mineral Resource estimates and is similarly a qualified person for Canadian NI 43-101 Mineral Resource estimate reports. David's commodity expertise is extensive, and it has been developed from working on mining and resource estimation projects in Australia, Africa, Asia, and Europe. David is also a specialist on due diligence studies, and he has provided professional opinion for Independent Geologist Reports.

Peer review was completed by Aaron Meakin, a resource geologist, with over 25 years' experience in exploration, mine geology and Mineral Resource estimation. He is a competent person for the JORC reporting of Mineral Resource estimates and is similarly a qualified person for Canadian NI 43-101 Mineral Resource estimate reports. Aaron has significant resource estimation and mine production experience, having worked at numerous underground and open pit operations in Australia. His resource estimation experience spans a range of styles of mineralisation.

1.4 Independence

Neither CSA Global, nor the authors of this ITAR, has or has had previously, any material interest in NGX or the mineral properties in which NGX has an interest. CSA Global's relationship with NGX is solely one of professional association between client and independent consultant.

CSA Global is an independent geological consultancy. Fees are being charged to NGX at a commercial rate for the preparation of this ITAR, the payment of which is not contingent upon the conclusions of the ITAR. The fee for the preparation of this ITAR is approximately A$2,500.

No member or employee of CSA Global is, or is intended to be, a director, officer or other direct employee of NGX. No member or employee of CSA Global has, or has had, any shareholding in NGX.

There is no formal agreement between CSA Global and NGX as to NGX providing further work for CSA Global.

1.5 Declarations

1.5.1 Context, Scope and Terms of Reference

CSA Global was requested by NGX to prepare an ITAR for use in a prospectus to support an initial public offering and admission of NGX to the Official List of the ASX.

1.5.2 Purpose of this Document

This ITAR has been prepared by CSA Global at the request of, and for the sole benefit of NGX. Its purpose is to provide an independent technical assessment of NGX's mineral assets in Malawi.

The ITAR is to be included in its entirety or in summary form within a prospectus to be prepared by NGX, which is to be provided to ASX and ASIC, to support an initial public offering and admission of NGX to the Official List of the ASX. It is not intended to serve any purpose beyond that stated and should not be relied upon for any other purpose.

The statements and opinions contained in this ITAR are given in good faith and in the belief, that they are not false or misleading. The conclusions are based on the reference date of 22 March 2023 and could alter over time depending on exploration results, mineral prices, and other relevant market factors.

1.5.3 Practitioner/Competent Person's Statements

The information in this ITAR that relates to Technical Assessment of the Mineral Assets, Exploration Targets, or Exploration Results is based on information compiled and conclusions derived by Ms Sonia Konopa, a Competent Person who is a Fellow of the AusIMM (membership number 101561). Ms Konopa has sufficient experience that is relevant to the technical assessment of the Mineral Assets under consideration, the style of mineralisation and types of deposit under consideration and to the activity being undertaken to qualify as a Practitioner as defined in the 2015 Edition of the "Australasian Code for the public reporting of technical assessments and Valuations of Mineral Assets", and as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Ms Konopa consents to the inclusion in the ITAR of the matters based on his information in the form and context in which it appears.

1.5.4 Site Inspection

A CSA Global employee visited the Duwi deposit in 2014 on behalf of the Competent Person. A reverse circulation (RC) drilling program was in operation and CSA Global was able to review drilling and sampling procedures. Outcrop containing mineralisation was examined and geologically assessed. Planned drill sites were examined and assessed with respect to strike and dip of the interpreted geological model. Trenches were examined and a re-enactment of sampling procedures was presented previously by Sovereign geological and field staff. Sample storage facilities were inspected. The analytical laboratory in Johannesburg was also inspected. There were no negative outcomes from any of the above inspections, and all samples and geological data were deemed fit for use in the Mineral Resource estimate.

1.6 About this Report

NGX is proposing an IPO and admission to the Official List of ASX. This ITAR was prepared to support the IPO. The geology and mineralisation for the Project is discussed, as well as past exploration work undertaken, and the results obtained there from. Every effort was made to summarise results to constrain the size and readability of the ITAR. Maps of the areas are presented.

2 Overview of NGX Limited and its Assets

2.1 Introduction to NGX Limited

NGX, via its Malawi incorporated wholly owned subsidiary, NGX Exploration Limited ("NEL") is currently the registered holder of Malawi exploration RL RL0012/21 ("Nanzeka") and one Exploration Licence Application APL0329 ("Mabuwa"), which is pending. Sovereign's Malawi incorporated wholly owned subsidiary, Sovereign Services Limited (SSL), is the registered holder of RL RL0032/22 ("Duwi") which is anticipated to be transferred to NGX as part of the demerger conditions and in due course. The licences, referred to as the tenements ("Tenements",) are summarised in Table 3, which are collectively known as the Nanzeka, Duwi and Mabuwa Project (the "Project").

NGX is Australian incorporated with full ownership of several subsidiaries, including NEL and NML, Malawi incorporated companies. NGX was demerged from its former parent entity, ASX and AIM listed Sovereign, effective 24 March 2023.

2.2 Company Strategy

Following admission of NGX to the Official List of ASX, NGX's focus will be the Nanzeka Project where it will undertake systematic exploration programs. If exploration activities lead to discovery of an economically prospective deposit at Nanzeka then additional work will be required to define potential Mineral Resources. If Mineral Resource estimates are delineated and reported at Nanzeka, then it is anticipated that more advanced economic and technical project study assessments will be conducted as confidence in the project increases.

In summary, the Company's objectives include:

- conducting systematic exploration activities at the Nanzeka Project;
- subject to the transfer of the Duwi Project to NGX, conducting further exploration activities at this project;
- subject to the grant of the Mabuwa Project, conduct exploration activities at the project; and
- subject to the results of exploration activities, progress economic and technical studies on the Company's projects.

2.3 Tenure

The Project comprises three tenements, two RLs which are considered to be in good standing in accordance with the *Malawi Mines and Minerals Act (No. 8 of 2019)*, and one APL. The total tenement area is 39.0 km^2. The RLs grant NEL and SSL exclusive rights to carry out exploration for graphite, titanium minerals, zircon, gold, and base metals. The APL status is pending.

Els may be granted for up to three years. Thereafter two successive periods of renewal may be granted, but each must not exceed two years. An EL provides the holder the exclusive right in the licence area to explore for all mineral deposits and an exclusive priority right to apply for a mining licence. Further, mineral deposits contained within Els that have come to the end of their term, as discussed above, can be converted by the EL holder to a Retention Licence for a term of up to five years subject to certain criteria.

Mineral deposits or prospects within an EL that have come to the end of their term can be converted into a RL for a term of up to five (5) years.

An application for a Mining Licence (AML0088) is pending that includes the Malingunde Graphite Project (Malingunde), which is not included in this ITAR but is reported in a separate report elsewhere in the prospectus. Malingunde is anticipated to be transferred to NGX as part of the demerger conditions.

Further details on the tenements are provided in the Independent Solicitor's Report elsewhere in the prospectus. CSA Global makes no other assessment or assertion as the legal title of the tenements and is not qualified to do so.

The locations of the licences are shown in Figure 1. Table 3 provides a summary of the Project licences.

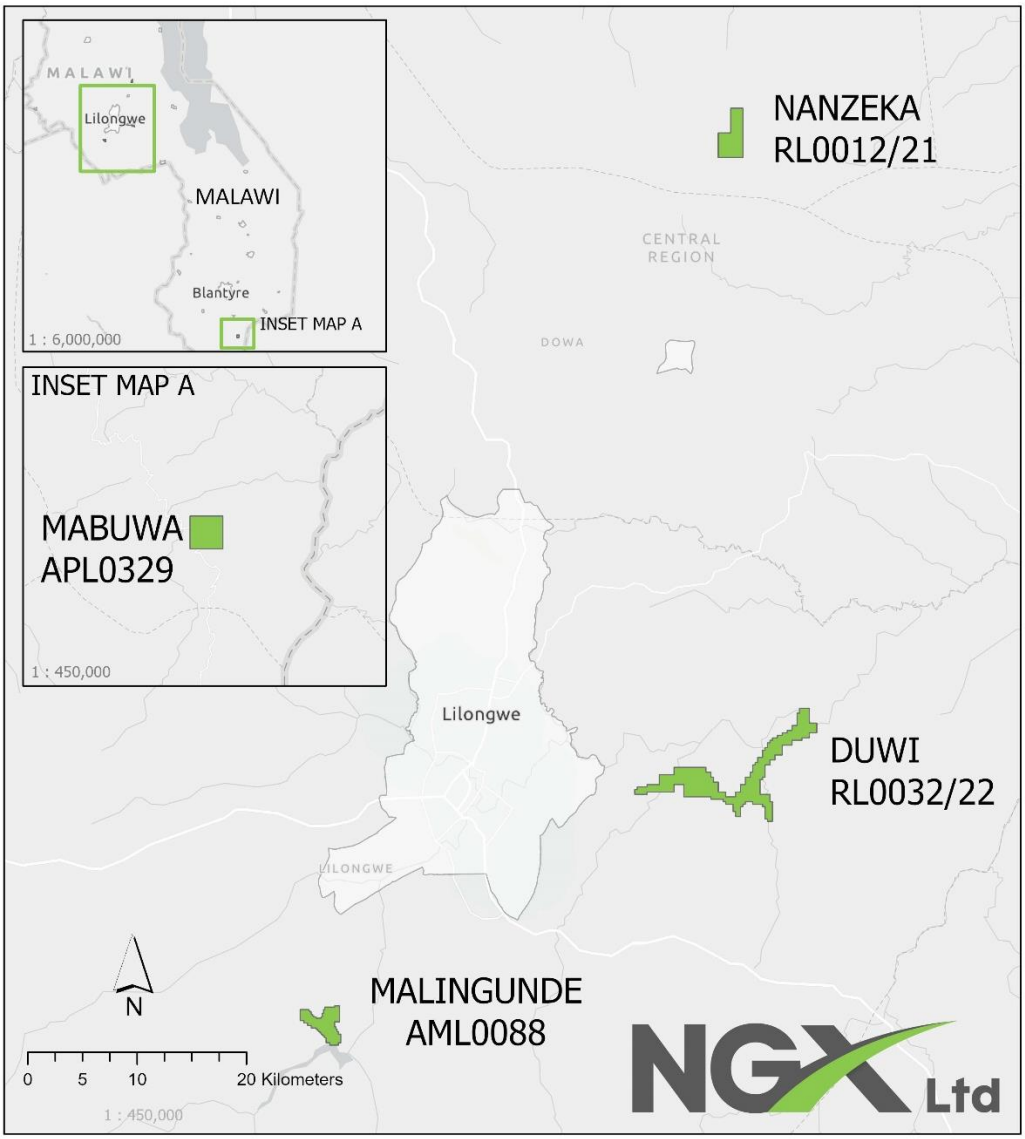

Figure 1: Tenement location map –Nanzeka, Duwi and Mabuwa Project

Source: NGX

Table 3: Mineral tenements summary

Licence no. (name)	Area (km²)	Holder	Primary commodity	Commenced	Expiry	Annual rent (MWK$)
RL0012/21 (Nanzeka)	6.0	NEL	Graphite	27 Jul 2021	27 Jul 2026	60,000
RL0032/22 (Duwi)	24.6	SSL	Graphite	4 Oct 2022	4 Oct 2027	246,400
APL0329 (Mabuwa)	9.0	NEL	Nickel, PGE	Pending	Pending	Pending

Source: Sovereign Metals

2.4 Climate and Land Usage

The Project is located in a sub-equatorial region of Malawi and is subject to heavy seasonal rainfall, with rapid growth of vegetation in season. The climate of the South Lilongwe Plain can be described as tropical continental, with a mean annual temperature of 18–23°C, and an average rainfall of 860 mm. Some 85% of rainfall occurs during the rainy season between December and March, and the hottest periods occur in the lead up to the rainy season, occasionally peaking towards 40°C.

The moderate rainfall coupled with the generally fertile soils of the plains has resulted in the natural savannah vegetation having been almost entirely modified or removed, and the land being extensively cultivated for subsistence farming dominated by maize crops and secondary cash crops of groundnuts and tobacco. The dambo (swamplands) grasslands are often utilised for grazing and small-scale sugar cane crops.

3 Project Description

3.1 Regional Geology

Malawi's geology (Figure 2) is dominated by rocks formed as a result of the Nyasa Rift, the southern extension of the Cenozoic East African Rift, which extends 800 km from southern Tanzania south to the Middle Shire rivers, with some structures extending further south into Mozambique. The seismically active rift system is principally made up of a series of half grabens with complex fault geometries. The Nyasa Rift is occupied by Lake Malawi.

The majority of the country is dominated by crystalline metamorphic and igneous basement rocks which have been subjected to several periods of deformation. In the Permo-Triassic, the continental extension splitting the supercontinent Gondwana apart led to extensive faulting, resulting in the formation of long narrow northeast to southwest trending troughs in which sandstones, limestones and mudstones of the Karoo Supergroup were deposited. These sediments were subjected to repeated periods of uplift, erosion and faulting from the Jurassic to the present, producing graben structures in which Palaeogene and younger sediments were deposited. Quaternary lacustrine sands and gravels are common in the Lake Malawi area, indicating the retreat of the lake to its present position.

There are some Jurassic-aged basalts in the far north and south of the country and several carbonatite intrusions in southern and south-central Malawi. Unlike the older rift system, there is little evidence of magmatic activity and volcanism associated with rift formation, with the exception of some Pleistocene volcanics found near the northern end of Lake Malawi. There are also hot springs in the western and southern lake area.

Lowermost in the South Lilongwe Plains geological units is the Precambrian Basement Complex, made up of biotite-rich gneisses, granulites, and schists. Paragneisses and semi-pelitic schists dominate the rock units, metamorphosed under extreme temperature and pressure conditions to granulite facies. Interspersed within the paragneisses are lesser orthogneisses, with associated psammitic, pelitic, and calcareous horizons, as well as concordant and discordant amphibolites and felsic pegmatites, and minor basic to ultrabasic intrusions.

The rock types of the Basement Complex include biotite gneisses, with subordinate hornblende gneisses, calc-silicate granulites and gneisses. The area from Dedza Boma extending northwest to Namitete and north to Ntchisi Boma includes a distinct group of kyanite-graphite-pyrite-pyrrhotite paragneisses, kyanite-muscovite gneisses, kyanite quartzites and graphitic quartzo-feldspathic schists and granulites.

The kyanite-mica gneisses observed around the Project area have protoliths interpreted as a thinly bedded sequence of arkosic sandstones with interspersed bands of carbonaceous shales deposited in a nearshore deltaic environment.

The entire rock package of the Project area has been deformed by the Mozambique Orogeny imparting a strong north-south to northwest-southeast shear foliation and schistosity. The complex structural history of the area is not fully understood, though gneissic foliation is often compositional layer parallel around Malingunde, with north plunging folds observed in outcrop along the Lilongwe River.

The rocks of the South Lilongwe Plains are obscured by thick weathering profiles and residual soils. Deep residual weathering profiles averaging about 25 m but as deep as 45 m have been observed in water and mineral exploration drilling.

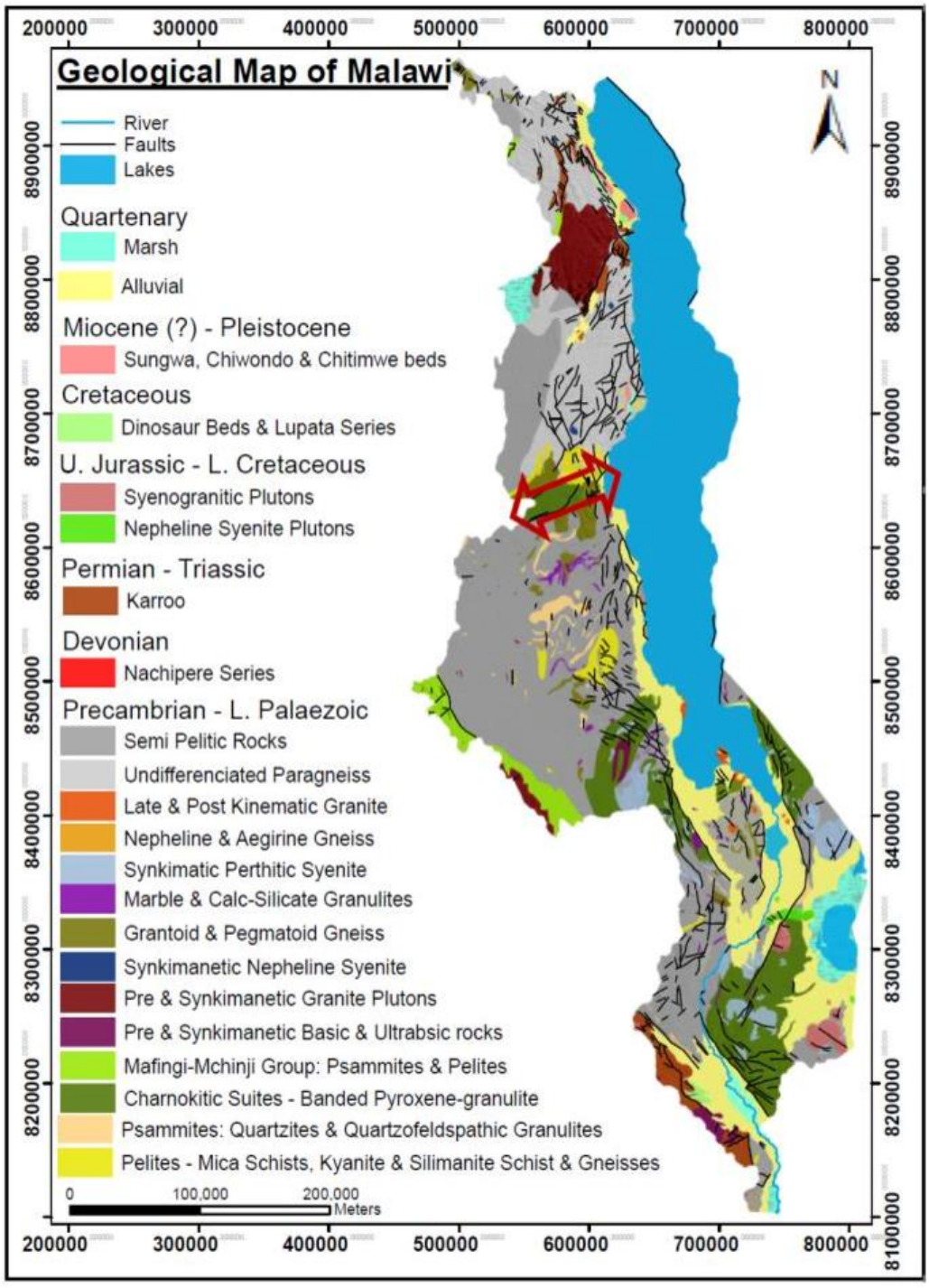

Figure 2: *Malawi regional geology*
Source: Mdala, 2015

3.2 Physiography

The dominant feature of the Project area is the South Lilongwe Plain, a gently undulating plain interrupted by occasional low inselbergs such as Malingunde Hill (1,250 m in elevation) and cut by three major northeast flowing rivers. The plain varies between 1,140 m and 1,300 m in elevation.

The major rivers of the South Lilongwe Plain all drain to the northeast, eventually arriving at Lake Malawi. Sinuous, tributary streams feed the major rivers of the plains, with seasonal swamps a feature of the low gradient, lower energy regime of the plains.

The Lilongwe River is the principal river of the Project area, flowing to the south of the Malingunde deposit and cutting it off at the Kamuzu Dam. The Lilongwe River is deeply incised with rock bars and exposures common along its length. Immediately south of the Malingunde deposit, the Lilongwe River has been dammed, forming the twin walled Kamuzu Dam, which provides potable water to Lilongwe.

The geomorphology of the Lilongwe Plains comprises three erosion features:

- A post-Gondwana surface, formed in the early and mid-Cretaceous, presently displayed as the occasional inselbergs dotted throughout the plain
- The late Cretaceous – early Miocene African cycle, which formed extensive plains, including South Lilongwe Plain
- Late-Miocene post-African features, often merging with the African cycle erosional surface.

3.3 Nanzeka Prospect

The Nanzeka Prospect (RL0012/21) is located approximately 60 km north of Malawi's capital Lilongwe. Mapping, rock chip sampling, trenching (8 trenches for 654 m) and limited drilling in 2013 (3 diamond drill holes for 237 m) identified high-grade flake graphite mineralisation over a strike length of approximately 3 km with a true width of about 10 m. Some surface exposures show up to 150 m of graphite mineralisation widths. Previous drill results at Nanzeka included:

- ***KODD0002:*** ***10m @ 11.0% TGC incl. 4m @ 12.5%*** *(from 24m)*
- ***KODD0003:*** ***8m @ 10.5% TGC incl. 4m @ 12.5%*** *(from 8m)*

Mapping, rock-chip sampling in 2012 and results from a Versatile Time Domain Electromagnetic (VTEM) geophysical survey show potential for a strike extension to the mineralised zone to the north, and other potential zones to the west and east that require follow-up. Trench and drilling results are shown in Figure 3.

The current understanding of the geology shows high-grade graphite gneiss bands that define a broad, open synform/antiform fold pair that plunges gently to the north and north-east. High-grade mineralisation representing the western limb of the synform (Western Zone) daylights along a small ridge whilst an area of graphite mineralisation exposed in a gentle valley (Eastern Zone) represents the daylighting of the antiformal fold hinge.

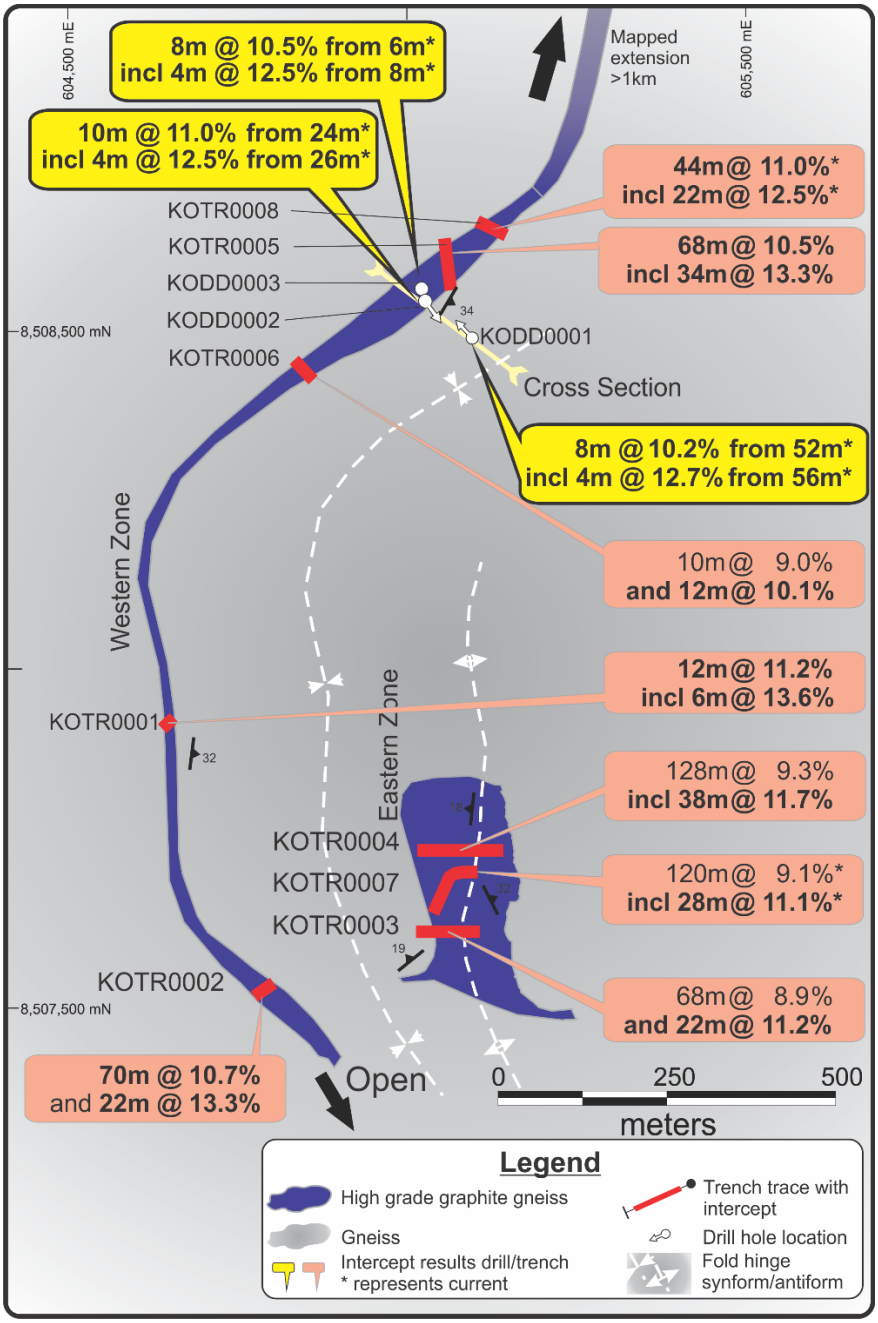

Figure 3: Nanzeka trench and drilling results

Source: Sovereign ASX release 30 October 2013

Insufficient testwork has been carried out to date to allow a Mineral Resource estimate to be reported, however following the completion of the demerger of NGX, NGX plans to conduct exploration and drilling activities with the objective of delineating a potential Mineral Resource at Nanzeka. Refer to section 7.1 and 8.2 for further details.

3.4 Duwi Deposit

The Duwi deposit comprises the Duwi Main, Duwi Bend and Nyama graphite deposits, collectively known as the Duwi Trend.

Duwi and Nyama mineralisation occurs as multiple, high-grade bands of flake graphite, hosted within Proterozoic gneissic rocks of felsic to intermediate composition. Mineralisation is open along strike and down dip in both Duwi and Nyama. Sovereign conducted field mapping and trenching of the deposits in 2013 and 2014, which demonstrated geological continuity of the host gneisses.

Duwi Main has an east-west strike, dipping 45° to the north. It is currently modelled as two lenses of mineralisation, with a depth extent of 280 m, a strike-length of 1,300 m and a plan width varying between 25 m and 180 m. Duwi Bend has a strike of 125°, with a vertical dip. It is currently modelled as two parallel lenses, with a combined strike extent of 420 m, down dip extent of 175 m and plan width of 20 m. Nyama, located approximately 2 km west-south-west of Duwi Main, has an approximate east-west strike, and dips 40° to the north. It is currently modelled as three parallel lenses, striking approximately 400 m, with a down dip extent of 230 m and plan width of 40 m.

Three weathering profiles are interpreted at Duwi, being a thin veneer of saprolite, a thicker zone of saprock, and the primary rock zone.

3.5 Mabuwa Prospect

The Mabuwa Prospect is located within APL0329 and will be investigated for nickel and PGE potential. The application licence area is considered prospective for mineralisation styles similar to that hosted at the Mpemba and Ngala Ni- Cu-PGE projects located near Blantyre.

The Mabuwa Prospect covers a mafic-ultramafic intrusive body potentially favourable for nickel and PGE sulphide mineralisation. No previous exploration work is known. However, historical reconnaissance drilling has been undertaken on nearby targets hosted in similar rock types, with low grade nickel and PGE sulphide mineralisation having been discovered.

3.6 Exploration History

Sovereign has previously conducted a significant amount of exploration for graphite mineralisation, within the licences discussed in Section 2.3**.** Exploration activities include geological mapping, rock chip geochemistry, geophysical surveys and drilling.

4 Mineral Resource Estimate

4.1 Duwi Mineral Resource Estimate

The Mineral Resources for the Duwi graphite deposit is presented by weathering profile in Table 4. The Mineral Resources have been reported in accordance with the JORC Code.

Table 4: Mineral Resource statement, Duwi (reported October 2014)

Profile	Classification	Tonnes (Mt)*	TGC (%)
Saprolite	Measured		
	Indicated	4.2	7.0
	Inferred	2.3	7.6
	Subtotal	**6.5**	**7.2**
Fresh	Measured		
	Indicated	31.0	7.2
	Inferred	48.4	7.1
	Subtotal	**79.4**	**7.1**
Total	Measured		
	Indicated	35.2	7.2
	Inferred	50.7	7.1
	TOTAL	**85.9**	**7.1**

Note: Reported by weathering profile (and TGC cut-off >5%). Saprolite is defined as a combination of the SOIL, FERP, MOTT, PSAP and SAPL weathering domains.

The Duwi deposit is composed of five prospects known collectively as the Duwi Trend, including Duwi Main, Duwi Bend and Nyama, which are the focus of this ITAR. Duwi is located 20 km east of the city of Lilongwe.

A location map is presented in Figure 4. A Mineral Resource was estimated for the deposit by CSA Global in 2014. A discussion of the geological setting and mineralisation is presented in Section 3.4.

The Mineral Resource is based upon data obtained from 11 diamond (DD) drillholes (1,251 m) and 42 Reverse Circulation (RC) drill holes (4,822 m). In addition, Sovereign excavated eight trenches (1,758 m cumulative length) across the strike of the deposits. Four pairs of DD and RC twinned holes are included in the drilling totals. The DD core results confirmed the depth and tenor of graphite mineralisation in the RC hole intersections, and therefore CSA Global was given assurance that the RC drilling data was of sufficient quality to use in the Mineral Resource estimate. The trenches were sampled to an adequate standard of quality to be also included in the Mineral Resource estimate. The drilling database was closed on 29 September 2014.

Drillholes are located on a nominal 100 m x 50 m, in places 200 m x 50 m, grid with drilling oriented approximately north-south across the strike of strata and mineralisation. The dip of the drillholes was designed to intersect the mineralisation at the most optimal angle to minimise sampling bias.

Mineralisation domains were modelled using a lower cut-off grade of 5% total graphitic carbon (TGC). Wireframes were created by joining mineralisation polygons based upon geological knowledge of the deposit, derived from drill core logs and geological observations on surface. A weathering profile representing the top of fresh rock was modelled based upon drillhole geological logging. A topographic digital terrain model was generated from a series of transects, with spot heights recorded by differential global positioning system at intervals of 100 m(E) x 50 m(N).

The geological interpretation of the Duwi deposit is illustrated in plan view in Figure 4, and in cross sectional view in Figure 5.

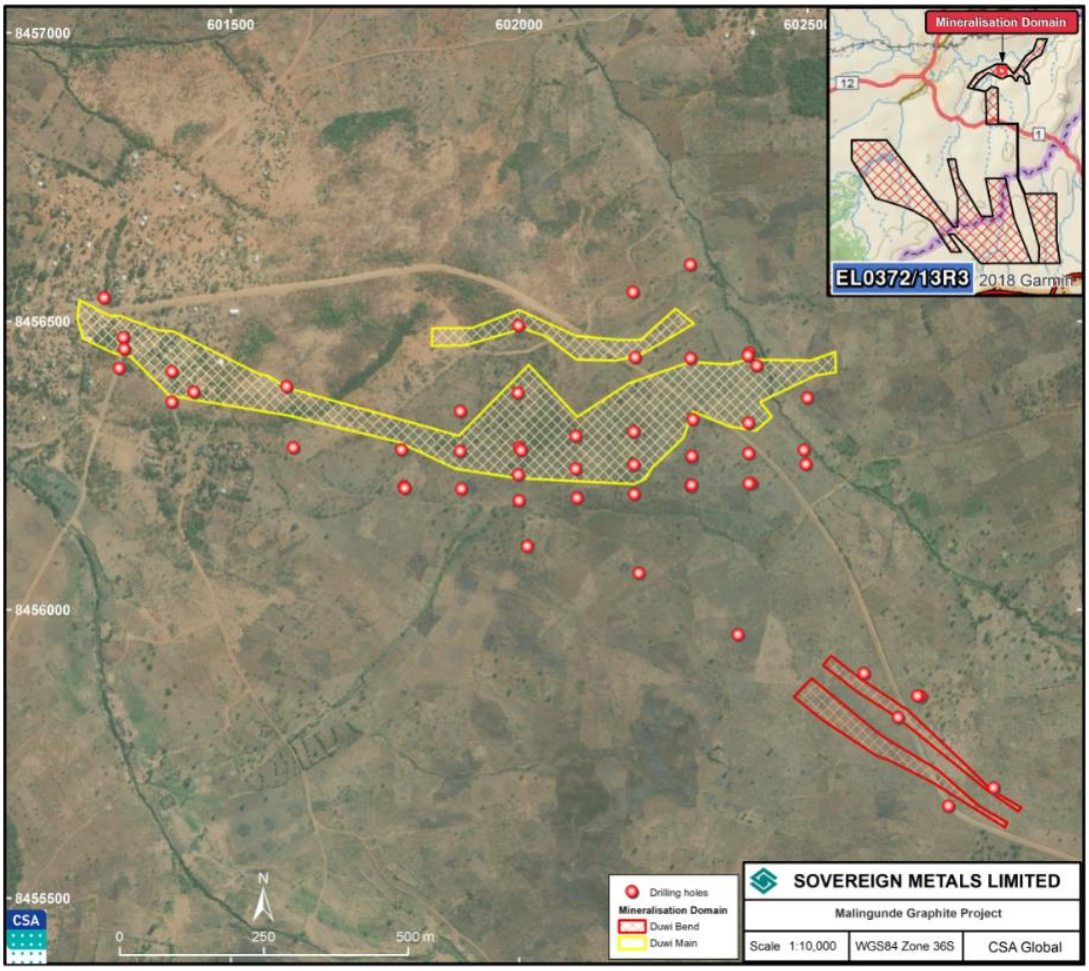

Figure 4: Collar plot, Duwi Main and Duwi Bend, with TGC domain outlines and drillhole collars

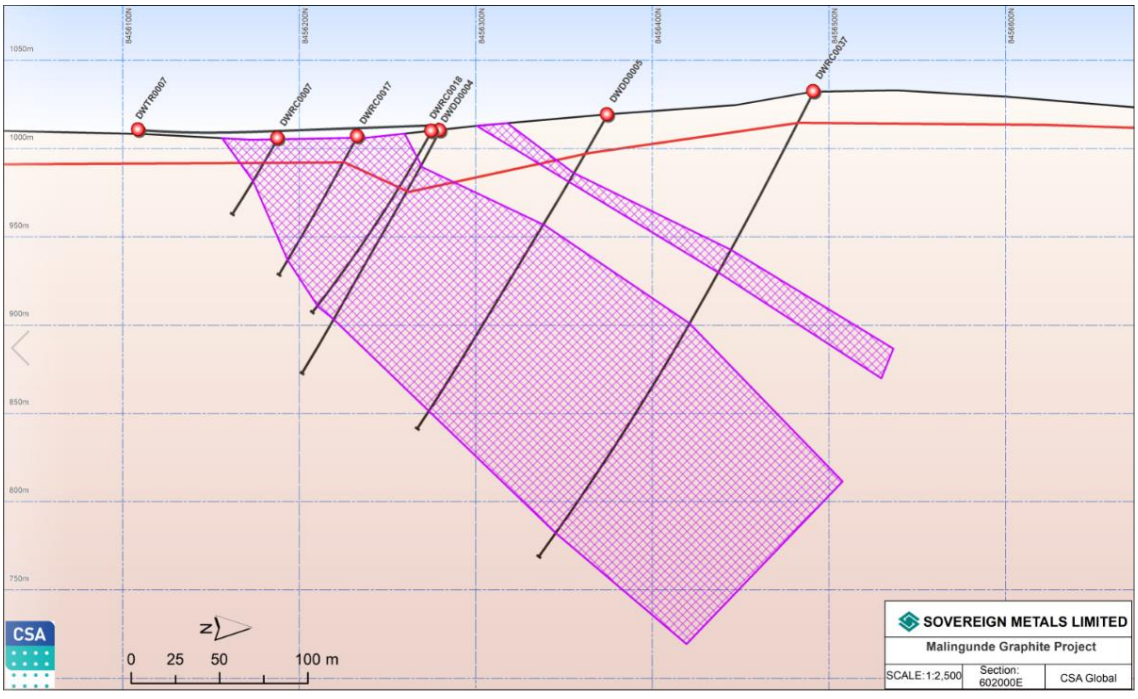

Figure 5: Cross section through Duwi Main, section 602,000 mE (mineralisation interpretation and drillhole traces shown)

Note: Depth of weathering (top of fresh rock) shown as red surface.

Two block models were constructed – one for Duwi Main and Duwi Bend (parent cell sizes 50m(E) x 20 m(N) x 20 m(Z)), and one for Nyama (parent cell size of 25 m(E) x 20 m(N) x 20 m(Z)).

The block size dimensions were determined from approximately half the drillhole spacing. Drill samples were flagged by mineralisation and weathering domains, and the drill samples composited to 2 m length intervals. Composited sample data were statistically reviewed, with no top cutting of data subsequently carried out. A variogram model was developed for TGC from composited sample data belonging to one of the mineralisation domains. A moderately low relative nugget effect was modelled with a primary direction plunging in the approximate strike and dip of the graphitic gneiss. A range of approximately 150 m for TGC was modelled.

Grade interpolation for TGC used Ordinary Kriging (OK). All sub-blocks were assigned the grade of their parent block. A sample search ellipse of 150 m (along strike) x 150 m (down dip) x 25 m (across strike) was used, with a minimum of four samples and maximum of 18 samples used to interpolate grade into any one block. A minimum of five samples per drillhole was used for grade interpolation. Search radii were increased, and the minimum number of minimum samples reduced in subsequent sample searches if cells were not interpolated in the first pass. Octant searches were not used. The interpolated grades were validated by way of review of cross sections (block model and drill samples presented with same colour legend); swath plots, and comparison of mean grades from drillhole data with block model grades.

A total of 53 samples from the weathered (saprolitic) domain were tested for density, whilst 398 samples were tested from the fresh rock domain. The majority of the samples (65%) were derived from Duwi Main mineralised domains, whilst 10% were sourced from Duwi Bend domains. No density measurements were recorded from Nyama mineralised domains. One-quarter of the density measurements were taken from samples located outside the mineralisation domains. No significant differences were noted in the mean density values, when comparing mineralisation domains within the same weathering profiles.

Density values of 2.1 t/m^3 and 2.75 t/m^3 were applied to the block model for the weathered and fresh rock domains, respectively.

The Duwi and Nyama Mineral Resource is classified as a combination of Indicated and Inferred, in accordance with the JORC Code, with geological evidence sufficient to assume geological and grade continuity in the Indicated volumes. Classification of the Mineral Resource estimate was carried out taking into account the geological understanding of the deposit, quality of the samples, density data and drillhole spacing. Metallurgical results related to flake size and sample purity, and petrographic analyses of thin sections from selected drill core, were considered as per Clause 49 of the JORC Code.

All available data was assessed and the Competent Person's relative confidence in the data was used to assist in the classification of the Mineral Resource. The current classification assignment appropriately reflects the Competent Person's view of the deposit.

The Mineral Resource estimate was reported from blocks above a nominated cut-off grade of 5% TGC, as presented in Table 4.

4.2 Marketing and Mineralogical Considerations

Metallurgical data previously reported to the market by Sovereign support the Mineral Resource classification. Flake size distribution and product purity have been assessed from samples derived from DD core within the fresh rock profile, whilst petrographic analyses of thin sections were undertaken on samples from the saprolitic zone. Results from these indicate the potential of the Duwi Prospect to deliver a high-quality marketable flake graphite concentrate using simple conventional flotation technology.

Metallurgical testwork has not been reported for the Duwi Bend or the Nyama prospects, as reflected in part by their Inferred classification.

A 2015 Scoping Study prepared for the Duwi deposit was not reviewed as it had previously been revoked by Sovereign due to the elapsed time as it was considered that the parameters used were no longer relevant. NGX is planning on preparing an updated Scoping Study for Duwi as part of its future work plan, subject to

the transfer of Duwi to NGX and further exploration results. "Table 1" commentary on the criteria specified by the JORC Code for the Duwi Mineral Resource is provided in Appendix A.

5 Metallurgy

Sovereign has undertaken a range of characterisation and mineralogical examinations and test-work programs on fresh ore and surface saprolite material from the Duwi deposit. Table 5 summarises the results to date.

Table 5: Duwi–Deposit - Examples of Concentrate Flake Size and Carbon Content (from Mintek and SGS Testwork Programs)

Particle size		MINTEK 2013		SGS 2014		Flake Category
Tyler Mesh	(µm)	Distribution (wt. %)	C[1] (%)	Distribution (wt. %)	C[2] (%)	
+35	**+425**	**19.7**	**96.3**	**17.5**	**95.8**	**Extra Large (Jumbo)**
-35 + 48	**- 425 + 300**	**17.1**	**93.3**	**16.0**	**93.8**	
-50 + 100	- 300 + 150	27.4	90.3	29.3	91.0	**Large-Medium**
-100 + 200	- 150 + 75	15.7	90.8	19.1	88.8	Small
-200	- 75	20.1	88.7	18.0	87.7	Amorphous
Total		**100.0**	**91.8**	**100.0**	**91.3**	

[1] The graphitic carbon content of the samples was determined using a thermo gravimetric analyser. The graphitic carbon equivalent content shown in the table is the difference between the loss on ignition at 375°C and 1,000°C.

[2] The chemical analysis used to determine the total carbon content employs combustion of a sample followed by infrared detection on a LECO SC-632 instrument. All reported analytical results have an associated measurement uncertainty based on the expected precision and accuracy relating to the method and sample concentration. Values at 100% should not be treated as pure products without additional impurity testing. The estimated measurement uncertainty for total carbon values greater than 90% C is 1.7% (relative) with a resolution of 1 significant figure.

Source: Sovereign, 2015

A key element of the work has been the flotation programs designed to optimise graphite recovery whilst also maximising flake size and integrity. Work to date has prioritised development of an optimal flotation flowsheet, which has been used as the basis for the 2015 Scoping Study. The objective of the process flowsheet is to maximise recovery of jumbo (+300 µm) flakes and minimise production of amorphous powder (-75 µm). Further test-work is currently in progress to optimise other areas of the flowsheet and early results show that concentrate size fractions can be upgraded to >95% TGC.

It is anticipated that all processing will take place in a dedicated, purpose-built processing plant located close to the deposit. The flake graphite product will be packed and containerised on site and transported via road/rail and ship to the end-users.

Figure 6 shows the proposed process flow sheet, based on a flotation test-work carried out at SGS Canada (Lakefield). The work constitutes a conventional flotation concentrator plant incorporating crushing, screening, flash flotation, milling, de-sanding and graphite flotation/polishing to recover commercial grade graphite flake.

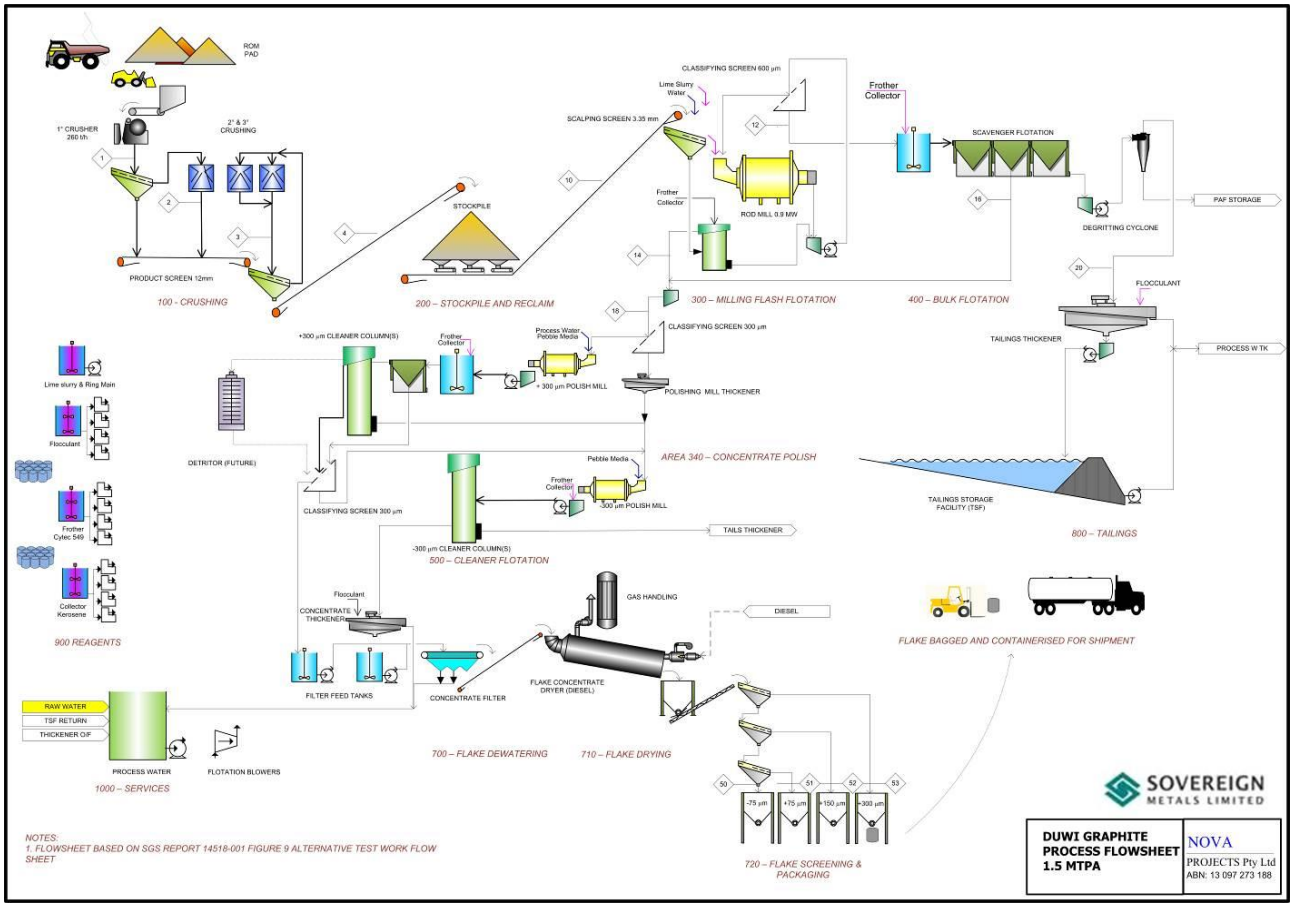

Figure 6: Preliminary processing flowsheet
Source: Sovereign Metals, 2015

6 Environmental, Social and Governance

Sovereign has, and NGX will proactively engage in good practice environmental, social and governance (ESG) activities since acquiring the Project. They recognise that the ongoing integration of ESG criteria into future exploration activities and project development is a critical element in moving the project forward and ensuring all key stakeholders are engaged in the process. NGX is aware of the Equator Principles and how these serve to establish a common baseline and risk management framework to identify, assess and manage environmental and social risks.

Areas that Sovereign has, and NGX will demonstrate their commitment to sustainable ESG practice include:

Stakeholder engagement: regular engagement with regulatory, government, local authority representatives and local communities. Future work activities will expand the areas of community engagement.

Local business support: Sovereign has employed up to 45 full time employees and is an equal opportunities employer with a gender diverse workforce. Currently, 60% of Sovereign's professional Malawian staff and at least 50% of the regular interns are female. Sovereign has structured training and skills transfer programs covering on-the-job training for full-time employees, as well as programs for local graduates and interns. The programs focus on building skills capacity in the surrounding community. Recent examples of this include defensive driving and first aid for senior staff in Malawi. Future activities will pursue the ongoing development of ethical and sustainable supply chains.

Corporate Social Responsibility (CSR) projects: Sovereign has completed the construction of a new Community Centre in Malingunde. The Community Centre is designed to establish a central point for the Malingunde community to gather and host events. Sovereign has also commissioned four water bores across its licences area to save the local communities transit times and provide a clean source of water. Future work activities will expand CSR initiatives.

Environmental: baseline water and soil studies; and weather monitoring. Future work activities include continuing and expanding these baseline studies.

Inclusion and Diversity: NGX will promote and engage in employment practices that support inclusion and diversity in its workforce.

7 Opportunities and Risks

7.1 Opportunities

7.1.1 Exploration and Geology Opportunities

At the Nanzeka Prospect, the gently dipping nature and interpreted synformal/antiformal geometry of the high-grade graphite zones suggests a substantial proportion of mineralisation should be available relatively close to surface.

At the Duwi deposit, there is potential opportunity to increase saprolite-hosted Mineral Resource tonnages with further exploration drilling.

The potential for nickel and PGE mineralisation at Mabuwa is noted, however exploration is at an early stage and additional work is required once the licence is granted.

7.1.2 Mineral Resource Opportunities

NGX intends conducting systematic exploration activities at the Nanzeka Prospect and Mabuwa Prospect with the aim of discovering a mineral deposit which has potential for economic extraction.

If the outcomes from these exploration activities lead to the discovery of an economically prospective deposit, further exploration activities including drill targeting and resource delineation are planned to define a potential Mineral Resource at the Nanzeka Prospect.

A number of opportunities for improvement were identified with the current Duwi Mineral Resources by CSA Global's review, which can all be readily incorporated in future model updates:

- Infill drilling at appropriate spacing to increase confidence in the Mineral Resources. This should enable classification upgrades in some parts of the Mineral Resources, including Indicated material to a higher confidence of Measured, and of Inferred material to a higher confidence of Indicated. Increased confidence in TGC grade variability and geological continuity will also be needed to allow for upgrades to local block classifications.
- Additional DD drilling to provide additional sample material for metallurgical testwork and to assist with geological interpretations.
- Continue with variability testwork for flotation to investigate different geological and weathering domains across the deposits. This program should also investigate comminution properties and metallurgical response as a function of depth through the weathering profile.
- Continue with the existing quality assurance and quality control (QAQC) methodologies, monitoring the results in real time, to provide greater support for the reliability of the Mineral Resource estimates.
- Continue with the collection of density measurements from DD, which will allow greater confidence in the estimation of Mineral Resource tonnages.
- The Mineral Resource models were created in 2014 and the mineralisation domains are based upon lower cut-off grades for TGC supported by economic considerations at that time. The resource models should be reviewed and revised if alternative lower cut-off grades for the domains are warranted.

7.2 Technical Risks

7.2.1 Exploration and Geology Risks

A key risk, common to many exploration companies, is that expected mineralisation may not be present or that it may be too small to warrant commercial exploitation. The projects comprise a range of stages of advancement from early exploration through to advanced prospect. Risk is reduced at each stage as the project progresses and the understanding of the deposit increases.

The interpretations and conclusions reached in this ITAR are based on current scientific understanding and the best evidence available at the time of writing.

7.2.2 Mineral Resource Risks

Technical risks identified with the current Mineral Resources by CSA Global, warrant further studies and test-work to reduce or eliminate the following risks:

- Mineral Resources are not Ore Reserves and do not have any demonstrated economic viability. The application of modifying factors is required to convert Mineral Resources to Ore Reserves. Modifying Factors include mining, processing, metallurgical, infrastructure, economic, marketing, legal, environmental, social and governmental factors. The Duwi Mineral Resource is not supported by a mining study at this stage.
- The absence of density data for the Nyama deposit means there is a lower confidence associated with the tonnage estimates for this Mineral Resource.
- Further metallurgical testwork (including flake size distribution and product purity after processing) may demonstrate parts, or all the deposits, will not be able to produce a marketable graphite product.

8 Use of Funds

The Company provided CSA Global with a copy of its planned expenditure for the Projects for an initial two year period following listing on the ASX.

Table 6 provides a summary of expenditure by activity for the planned capital raising of A$9.6 million exploration expenditure over the first two years. All costs included are in Australian dollars (A$).

Table 6: NGX proposed use of funds for Years 1 and 2 post IPO

Expenditure Area	Activity	Year 1 (A$)	Year 2 (A$)	Total budget (A$)
Exploration on granted tenements	Staff, contractors and consultants	740,500	1,080,500	1,821,000
	Geological mapping and geochemical surveys	83,750	105,000	188,750
	Drilling (RC, DD)	286,250	373,750	660,000
	Field Support Costs	383,125	529,375	912,500
	Subtotal (A$)	**1,493,625**	**2,088,625**	**3,582,250**
Studies on granted tenements	Metallurgical testwork	125,000	300,000	425,000
	Project studies	150,000	450,000	600,000
	Subtotal (A$)	**275,000**	**750,000**	**1,025,000**
Project Maintenance on granted tenements	Tenement management (rents/rates)	20,000	40,000	60,000
	Heritage surveys	10,000	20,000	30,000
	Subtotal (A$)	**30,000**	**60,000**	**90,000**
Total Exploration Funds on granted tenements		**1,798,625**	**2,898,625**	**4,697,250**
Funds on application tenements		365,000	705,000	1,070,000
TOTAL (BUDGET) (A$)		**2,163,625**	**3,603,625**	**5,767,250**

NGX has planned a systematic exploration program focusing on expanding the exploration work already completed on the Nanzeka exploration licence area and the Duwi Prospect. The planned programs are discussed in more detail below.

9 Exploration Strategy

9.1 Strategy and Objectives

The primary objective of NGX will be to create value for shareholders through the exploration, and development of the Project.

Following admission to the Official List, NGX proposes to undertake the exploration programs discussed in Section 9.2. The results of the exploration programs will assist with determining the potential timing for the commencement of additional technical studies, including assessment of the economic viability of the Project.

9.2 Exploration Program

NGX's primary focus will be the development of the Nanzeka Prospect, subject to the results of exploration activities, technical studies and the availability of suitable funding, by undertaking project development in stages leading into more advanced project study levels through:

- conducting systematic exploration activities at the Nanzeka Prospect and Mabuwa Prospect with the aim of discovering an economically prospective mineral deposit;
- if outcomes from exploration activities lead to the discovery of an economically prospective deposit, further exploration activities including drill targeting and resource delineation are planned to define potential Mineral Resources at the Nanzeka Prospect;
- subject to the transfer of the Duwi Prospect into NEL, further exploration activities at the Duwi project are planned.

If exploration activities lead to discovery of an economically prospective deposit at Nanzeka then additional work will be required to define potential Mineral Resources. If Mineral Resource estimates are delineated and reported at Nanzeka, then it is anticipated that more advanced economic and technical project study assessments will be conducted as confidence in the project increases. Typically, this would commence with a Scoping Study and progress through to a Pre-Feasibility and eventually a Definitive Feasibility Study if the results support doing so. However, it should be noted that Nanzeka is defined as an early-stage exploration project and significant work is still required to progress it to a Mineral Resource stage.

9.3 Conclusions

Exploration activities at the Nanzeka prospect have identified high-grade flake graphite mineralisation over a strike length of approximately 3 km with a true width of about 10 m. Some surface exposures show up to 150 m of graphite mineralisation widths. Mapping, rock-chip sampling and results from a VTEM geophysical survey show potential for a strike extension to the mineralised zone to the north, and other potential zones to the west and east that require follow-up.

Duwi represents a significant deposit of coarse-flake, soft, friable saprolite-hosted graphite mineralisation. The soft and friable nature of the orebody means that it has intrinsic capital and operational cost savings over similar deposits hosted in hard rock.

Potential for nickel and PGE mineralisation at Mabuwa is noted. The proposed NGX exploration activities may lead to identification of prospective mineralisation.

10 CSA Global Opinion

CSA Global is of the opinion that the exploration activities, drill techniques, survey methods, sampling, assaying and QA/QC have been completed in line with good industry practice at the time when the work was completed. The geological modelling strategy, data treatment, application of estimation parameters, and estimation methodologies are appropriate for the style of mineralisation.

CSA Global is of the opinion that exploration activities conducted to date on the Nanzeka prospect have been completed in line with good industry practice at the time when the work was completed.

CSA Global has reviewed the available data inputs into the Mineral Resource as well as the model outputs. CSA Global conducted a site visit to Duwi in 2014 for the purpose of verifying various aspects of data inputs associated with the Mineral Resource. CSA Global is of the opinion that the data being relied upon is reasonable and appropriate to be used for input to the Mineral Resource modelling, and as a basis for future exploration target definition.

CSA Global is of the opinion that the Duwi Mineral Resources have been reported in accordance with the 2012 JORC Code and prepared using accepted industry practice. Mineral Resources have been signed off by an appropriate Competent Person as defined by the JORC Code. The Mineral Resources appear to be a reasonable assessment of global grade and tonnage based on the data available and geological understanding at the time. Mineral Resource classification is appropriate for the quality and quantity of data informing the resource estimate and appropriately considers uncertainty associated with some aspects of historical data.

CSA Global is of the opinion that the exploration potential for the Nanzeka, Duwi and Mabuwa Project is high. The combination of a favourable regional geological location, prospective local geology and structural framework, and successful drill results to date, confirm the prospectivity of the area for discovery of additional graphite mineralisation at Nanzeka and Duwi. The successful study progression of the nearby Malingunde Graphite Deposit supports the potential for prospectivity in the area.

Potential for nickel and PGE mineralisation at Mabuwa is noted. The proposed NGX exploration activities may lead to identification of prospective mineralisation.

CSA Global is of the opinion that the proposed exploration work program is reasonable and appropriate for the work proposed and scale of the project at the time of compiling this report.

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12 Glossary

Below are brief descriptions of some terms used in this report. For further information or for terms that are not described here, please refer to internet sources such as Wikipedia (www.wikipedia.org).

aeromagnetic	A survey undertaken by helicopter or fixed-wing aircraft for the purpose of recording magnetic characteristics of rocks by measuring deviations of the Earth's magnetic field.
aircore drilling	A percussion drilling method in which the fragmented sample is brought to the surface inside the drill rods, thereby reducing contamination.
anomaly	An area where exploration has revealed results higher than the local background level.
assay	The testing and quantification metals of interest within a sample.
carbonate	Rock or mineral dominated by the carbonate ion (CO_3^{2-}), of sedimentary or hydrothermal origin, composed primarily of calcium, magnesium or iron and carbon and oxygen. Essential component of limestones and marbles.
craton	An old and stable part of the continental lithosphere.
diamond drilling	A drilling method employing a (industrial) diamond encrusted drill bit for retrieving a cylindrical core of rock.
domain	Geological zone of rock with similar geostatistical properties; typically a zone of mineralisation.
dyke	A tabular body of intrusive igneous rock, crosscutting the host strata at a high angle.
fault	A wide zone of structural dislocation and faulting.
geochemical survey	Exploration methods involving sampling regolith materials and analysing for trace element concentrations of metals and pathfinder elements.
geophysical survey	Exploration methods involving the remote detection of geological structures and mineral deposits by physical measurements of forces or fields (e.g. magnetic, gravity, electrical).
Gneiss	A coarsely crystalline metamorphic rock, exhibiting a banded texture characterised by alternating darker and lighter coloured bands.
graphite	A crystalline form of the element carbon, found naturally in metamorphic rocks such as gneiss and schists.
granite	A coarse-grained igneous rock containing mainly quartz, feldspars and micas.
ground magnetic	Geophysical survey method using a handheld magnetometer to record the strength of the earth's magnetic field usually along a grid.
intrusive	Any igneous rock formed by intrusion and cooling of hot liquid rock below the earth's surface.
lithology	The description of a rock unit's physical characteristics visible in hand or core samples, such as colour texture grain-size and composition.
lode	A deposit of metalliferous ore formed in a fissure or vein.
mafic	Igneous rock composed dominantly of dark coloured minerals such as amphibole pyroxene and olivine, generally rich in magnesium and iron.
magnetic anomaly	Zone where the magnitude and orientation of the Earth's magnetic field differs from adjacent areas, typically caused by magnetic properties of basement rocks.
metallurgy	The science of extracting metals from their ores and modifying the metals for use in modern applications such as engineering or medical applications.
metamorphic	A rock that has been altered by metamorphism from a pre-existing igneous or sedimentary rock type.

outcrop	A visible exposure of bedrock or ancient superficial deposits on the surface of the Earth.
porphyritic	Igneous rock texture in which large crystals (phenocrysts) are set in finer ground mass.
Proterozoic	The second oldest Eon (geologic time period), pertaining to rocks older than 541 Ma (million years) and younger than about 2,500 Ma.
Reverse circulation	A percussion drilling method in which the fragmented sample is brought to the surface inside the drill rods, thereby reducing contamination.
Saprolite	A weathered rock, formed in the lower zones of soil profiles and representing deep weathering of the bedrock surface.
schist	A metamorphic rock dominated by fibrous or platey minerals, with a strongly foliated fabric (schistose cleavage).
sedimentary	A term describing a rock formed from sediment.
shear	A deformation resulting from stresses that cause rock bodies to slide relatively to each other in a direction parallel to their plane of contact.
strata	Sedimentary rock layers.
stratigraphic	Pertaining to the composition, sequence and correlation of stratified rocks.
strike	Horizontal direction or trend of a geological strata or structure.
structural	Pertaining to rock deformation or to features that result from it.
trenching	A sampling method where a narrow trench is excavated to a maximum depth of approximately 3 metres, and of sufficient width to allow personnel to enter the trench and sample or map the trench floor or walls.
volcanics	Rocks formed or derived from volcanic activity.

13 Abbreviations and Units of Measurement

°C	degrees Celsius
A$	Australian dollars
AC	aircore (drilling)
AIG	Australian Institute of Geoscientists
ASX	Australian Securities Exchange
ASIC	Australian Securities and Investments Commission
AusIMM	Australasian Institute of Mining and Metallurgy
CSA Global	ERM Australia Consultants Pty Ltd
DD	diamond core (drilling)
DFS	definitive feasibility study
EL	exploration licence
ERM	Environmental Resources Management
ESIA	environmental and social impact assessment
ha	hectare(s)
HA	hand auger (drilling)
IPO	initial public offering
ITAR	Independent Technical Assessment Report
JORC	Joint Ore Reserves Committee
JORC Code	2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves
km, km^2	kilometre(s), square kilometre(s)
M	million(s)
MAIG	Member of the Australian Institute of Geoscientists
MAusIMM	Member of the Australasian Institute of Mining and Metallurgy
mm	millimetres
Mt	million tonnes
NEL	NGX Exploration Limited
NGX	NGX Limited
OK	ordinary kriging
PFS	prefeasibility study
QAQC	quality assurance and quality control
RC	reverse circulation (drillhole)
Sovereign	Sovereign Metals Limited
SSL	Sovereign Services Limited
t	tonne(s)
t/m^3	tonnes per metres cubed
TGC	total graphitic carbon, expressed as a percentage
VALMIN Code	Code for the Technical Assessment and Valuation of Mineral and Petroleum Assets and Securities for Independent Expert Reports 2015
WA	Western Australia

Appendix A JORC Code Table 1 – Duwi Mineral Resource Estimate

Section 1: Sampling Techniques and Data

Criteria	JORC Code explanation	RC drilling commentary	Diamond drilling commentary
Sampling techniques	*Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as downhole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.*	5.5-inch reverse circulation (RC) percussion drilling was employed to generate 1 m samples, riffle split 1:8 by hand, then riffle split 1:2 through a 50/50 splitter and combined to form 2 m composite samples in mineralised zones and 4 m composite samples in unmineralised zones.	HQ and HQ-3 diamond core (DD) drilling was employed to generate drill core, which was quarter cut and sampled on generally 2 m intervals in mineralised zones and 4 m intervals in unmineralised zones.
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.	Duplicate samples were taken on average every 20th sample (both split and composites) to provide checks on sample representivity.	Duplicate quarter-core samples were taken every 20th sample, to provide checks on sample representivity. Diamond drill twins of four RC holes (9%) were completed to test the representivity and accuracy of the RC drilling method for sampling graphite.
	Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done, this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.	A nominal lower cut-off of 5% total graphitic carbon (TGC) has been applied to define mineralisation. From the RC bulk sample a 1–2 kg sample is generated for analysis. DD core is quarter cut for analysis sampling. Samples were shipped to an Intertek- Genalysis sample preparation laboratory in Johannesburg or Perth. Upon receipt of sample, the laboratory prepares ~100 g pulp samples for shipment (if required) to and analysis by Intertek-Genalysis Perth. A 0.2 g charge is analysed for TGC using an Eltra carbon analyser resistance furnace. The Competent Person is satisfied that the sampling techniques are appropriate for this style of deposit, and for use in Mineral Resource estimation.	
Drilling techniques	*Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.).*	Both DD and RC drilling was completed on a nominal grid pattern of 50 m x 100 m or 50 m x 200 m spacing across the prospect. Drillholes were generally drilled at -60° dip on azimuths deemed appropriate to perpendicularly crosscut the strike of mineralised zones. 5.5-inch RC was drilled from surface. DD, HQ-3 triple tube sized giving 61.1 mm core was drilled from surface through oxide material to provide greatest recovery, and where fresh rock was encountered HQ core (63.5 mm diameter core) was drilled. The Competent Person is satisfied that the drilling techniques are appropriate for this style of deposit, and for use in Mineral Resource estimation.	
Drill sample Recovery	*Method of recording and assessing core and chip sample recoveries and results assessed.*	The RC bulk sample recovery was systematically weighed and examined for overall recovery and representivity.	DD core was measured by Sovereign Metals Limited (Sovereign) employees for recovery and recorded. For the overall program, an overall recovery of 95.5% was achieved during the 2014 program.
	Measures taken to maximise sample recovery and ensure	The analysis laboratory records received sample weights, and the company retrieved this data for	Core recovery is monitored during the drilling process, and core depths are checked against drilling data and

Criteria	JORC Code explanation	RC drilling commentary	Diamond drilling commentary
	representative nature of the samples.	analysis. It is not believed that any bias has occurred due to loss or gain of sample.	rod counts to ensure correctness. Representivity of the core is assessed using duplicate sampling of every 20th sample.
	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.	No relationship exists between sample recovery and grade, hence no bias is demonstrated. The Competent Person is satisfied that the sample recoveries are appropriate for this style of deposit, and for use in Mineral Resource estimation.	
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.*	All RC and DD drill samples were geologically logged, recording relevant data to a set template on 1 m intervals. In the case of DD, core is also geotechnically logged, and the core is photographed for future record. All logged data was codified to a set company codes system. This offers sufficient detail for the purposes of interpretation, further studies, and resource estimation. The Competent Person is satisfied that the geological logging techniques are appropriate for this style of deposit, and for use in Mineral Resource estimation.	
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.	All logging included lithological features and estimates of mineralisation percentages and flake characteristics. All core is photographed	
	The total length and percentage of the relevant intersection logged	100% of drillhole samples have been geologically logged.	
Subsampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.*	Not applicable RC drilling.	Quarter drill core was cut using a motorised diamond blade core saw and sampled for laboratory analysis.
	If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.	1 m samples were riffle split 1:8 by hand then riffle split 1:2 through a 50/50 splitter and combined to form 2 m composite samples in mineralised zones and 4 m composite samples in unmineralised zones. Only three wet samples were encountered in the program, these samples were dried, broken up using a mortar and pestle, and split per the above procedure.	Not applicable for DD drilling.
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	Each entire sample was crushed to nominal 100% -3 mm in a Boyd crusher then pulverised to 85% -75 µm. Approximately 100 g pulp is collected for analysis at Intertek-Genalysis Perth. The Competent Person is satisfied that the subsampling techniques and sample preparation are appropriate for this style of deposit, and for use in Mineral Resource estimation.	
	Quality control procedures adopted for all subsampling stages to maximise representivity of samples.	Field quality control (QC_ procedures involve the use of certified reference material (CRM) assay standards, blanks, duplicates, replicates for Sovereign QC measures, and laboratory standards, replicate assaying and barren washes for laboratory QC measures. The insertion rate of each of these averaged better than 1:20.	
	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.	1:20 field duplicate samples (a second sample split from the same interval) were taken to attempt to quantify the equality. Review of these samples against the original samples showed consistency.	Quarter-core duplicate samples were collected every 20th sample. Review of these samples against the original samples showed consistency.
	Whether sample sizes are appropriate to the grain size of the material being sampled.	The sample size is considered appropriate for the material sampled. It is believed that grain size has no bearing on the grade of the sampled material.	

Criteria	JORC Code explanation	RC drilling commentary	Diamond drilling commentary
Quality of assay data and laboratory tests	*The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*	The assaying and laboratory procedures are considered to be appropriate for reporting graphite mineralisation, according to industry best practice. A sample of 0.2 g is removed from the 100 g pulp, first digested in HCl to remove carbon attributed to carbonate and is then heated to 450°C to remove any organic carbon. An Eltra CS-2000 induction furnace infra-red CS analyser is then used to determine the remaining carbon which is reported as TGC as a percentage. The Competent Person is satisfied that the quality assurance and quality control (QA/QC) measures put in place are appropriate for this style of deposit, and for use in Mineral Resource estimation.	
	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.	No non-laboratory devices were used for analysis.	
	Nature of quality control procedures adopted (e.g. standards, blanks, duplicate, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.	The Eltra CS analyser is calibrated by the laboratory using a combination of certified carbon and graphite standards. Calibration is achieved by using a blank followed by a three-point calibration of the expected TGC range of the samples. One reading is made per analysis. Certified reference standards produced from material sourced from Sovereign's tenements are inserted 1:20 samples. Blank material (1:20) and crushed material duplicates (1:20) are analysed. Laboratory check samples (blanks, standards, and duplicates) are also analysed as per normal laboratory practice. No assay results were obtained outside of the laboratory.	
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.*	Significant mineralisation intersections were verified by alternative company personnel.	
	The use of twinned holes.	A total of four twin diamond/RC holes have been completed over the Duwi Main prospect. Results for all holes have been returned and all are well within geological tolerance.	
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	All data was collected initially on paper logging sheets and codified to Sovereign's templates. This data was hand entered to spreadsheets and validated by Sovereign geologists. This data was then imported to a Microsoft Access database then validated automatically and manually.	
	Discuss any adjustment to assay data.	No adjustments have been made to assay data.	
Location of data points	*Accuracy and quality of surveys used to locate drillholes (collar and downhole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*	Sovereign's consulting surveyor used a Leica global positioning system (GPS) 1200 in RTK mode to define the drillhole collar coordinates to centimetre accuracy. All down-hole surveying was carried out using a Reflex Ez-Trak multi-shot survey tool at 30 m intervals downhole. The Competent Person is satisfied that the surveying techniques and accuracy of data are appropriate for this style of deposit, and for use in Mineral Resource estimation.	
	Specification of the grid system used.	WGS84 UTM Zone 36 South	
	Quality and adequacy of topographic control.	Sovereign's consulting surveyor used a Leica GPS 1200 in RTK mode to collect a grid mesh of points to create topographic control over the drilling prospects. On average, 100 m lines were sampled, with 50m spaced points along the line, with infill at toe/crest of inclines. Given the low topographic relief of the area it is believed that this represents high QC.	
Data spacing and distribution	*Data spacing for reporting of Exploration Results.*	Combined RC and DD drilling has been completed over the greater part of the Duwi Main prospect at an east-west line spacing of 100 m (just two lines were undrilled, leaving a two 200 m spaced gaps), with drillholes separated at nominal 50 m north-south spacing on the lines. At the Duwi Bend and Nyama prospects completed drillhole spacing is less regular representing the lesser developed nature of the prospects; however, the	

Criteria	JORC Code explanation	RC drilling commentary	Diamond drilling commentary
		drill planning has maintained the spacing at notional 100 m lines with 50 m hole spacing on lines.	
	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.	The data spacing is sufficient for the estimation of a Mineral Resource (see also Section 3 of JORC table).	
	Whether sample compositing has been applied.	Sample compositing at sampling stage occurred on 2 m intervals, i.e. 2 x 1 m samples were composited to form a single 2 m composite sample in mineralised zones and 4 m in non-mineralised zones.	
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*	No bias attributable to orientation of sampling upgrading of results has been identified.	
	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.	No bias attributable to orientation of sampling upgrading of results has been identified.	
Sample security	*The measures taken to ensure sample security*	Samples were stored in secure storage from the time of drilling, through gathering and splitting. The samples were sealed as soon as splitting was completed, and again securely stored awaiting shipment. Sample tracking was achieved using dispatch tracking during shipment to Johannesburg or Perth. Laboratory best practice methods were employed by the laboratory from Johannesburg to Perth.	
Audits or reviews	*The results of any audits or reviews of sampling techniques and data*	An audit of the sampling techniques was carried out by an independent, qualified, third party geologist in advance of a resource estimate. No material issues were identified. It is considered by Sovereign that industry best practice methods have been employed at all stages of the exploration.	

Section 2: Reporting of Exploration Results

Criteria	JORC Code explanation	RC drilling commentary
Mineral tenement and land tenure status	*Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environment settings.*	The NGX primary mineral asset, the Nanzeka Prospect, lies within RL0012/21, which expires in July 2026 and is considered to be at an early stage of exploration. The Duwi Deposit is located within licence RL0032/22, expiring in October 2027. The Mabuwa licence application is pending
	The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	The tenements are in good standing and no known impediments to exploration or mining exist.
Exploration done by other parties	*Acknowledgement and appraisal of exploration by other parties.*	No other parties were involved in exploration.
Geology	*Deposit type, geological setting and style of mineralisation*	Duwi Main Zone, Duwi Bend and Nyama mineralisation occurs as multiple, high-grade bands of flake graphite, hosted within Proterozoic gneissic rocks of felsic to intermediate composition.
Drillhole information	*A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drillholes: easting and northings of the drillhole collar; elevation or RL (Reduced Level-elevation above sea level in metres of the drillhole collar); dip and azimuth of the hole; downhole length and interception depth; and hole length*	Drill hole information for holes material to the prospects are presented in Appendix B.
	If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case	Not Applicable, no information has been excluded.
Data aggregation methods	*In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.*	No top cuts have been applied. A nominal 5% TGC lower cut-off has been applied for modelling of mineralised bodies.
	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.	High-grade intercepts within broader low-grade intervals have been separated as “including” results and were previously reported to the ASX on 3 October 2013. No material changes have occurred to this information since it was originally reported.
	The assumptions used for any reporting of metal equivalent values should be clearly stated.	No metal equivalent values are used in this report.
Relationship between mineralisation widths and intercept lengths	*These relationships are particularly important in the reporting of Exploration Results.*	The Duwi Main mineral prospect exhibits a reasonably consistent dip of 50° to 20° to the north.
	If the geometry of the mineralisation with respect to the drillhole angle is known, its nature should be reported.	All intercepts reported are considered true width or near true width, except those from the Duwi Bend deposit, where intercept widths are considered to be approximately 55% of true widths.
	If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'downhole length, true width not known'.)	Not applicable – refer to explanation directly above.
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*	See Figures 5 and 6 within the main text of this report.

Criteria	JORC Code explanation	RC drilling commentary
	limited to a plan view of the drill collar locations and appropriate sectional views.	
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.*	Representative reporting of low and high grades has been effected within this report.
Other substantive exploration data	*Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples - size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	No additional meaningful and material exploration data has been excluded from this report that has not previously been reported to the ASX.
Further work	*The nature and scale of planned further work (e.g. test for lateral extensions or depth extensions or large-scale step-out drilling).*	The next phase is to conduct further exploration activities at the Project and to initiate and complete a scoping study on the Nanzeka prospect.
	Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	See Figures 5 and 6 in text.

Section 3: Estimation and Reporting of Mineral Resources

Criteria	JORC Code explanation	Commentary
Database integrity	*Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.*	Data used in the Mineral Resource estimate (MRE) is sourced from a database export. Relevant tables from the database are exported to Microsoft Excel format and converted to csv format for import into Datamine Studio 3 software for use in the MRE.
	Data validation procedures used.	Validation of the data import include checks for overlapping intervals, missing survey data, missing assay data, missing lithological data, and missing collars.
Site visits	*Comment on any site visits undertaken by the Competent Person and the outcome of those visits.*	A representative of the Competent Person (Mineral Resources) visited the project in July 2014.
	If no site visits have been undertaken indicate why this is the case.	The RC drilling rig was in operation and the Competent Person's representative was able to review drilling and sampling procedures. Outcrop containing mineralisation was examined and geologically assessed. Planned drill sites were examined and assessed with respect to strike and dip of the interpreted geological model. Trenches were examined and a re-enactment of sampling procedures was presented by Sovereign geological and field staff. Sample storage facilities were inspected. The analytical laboratory in Johannesburg was also inspected. There were no negative outcomes from any of the above inspections, and all samples and geological data were deemed fit for use in the MRE.
Geological interpretation	*Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.*	There is a reasonably high level of confidence in the geological interpretation, based upon lithological logging of diamond drill core, and RC chips. Trenches cut orthogonal to the strike of the geology demonstrated the geometry of the deposit, and clearly showed graphitic mineralisation. Deposit-scale geological mapping provides a geological framework for the interpretation.
	Nature of the data used and of any assumptions made.	Drillhole intercept logging and assay results (RC and DD core), structural interpretations from drill core and geological logs of trenches have formed the basis for the geological interpretation. Assumptions were made on depth and strike extension of the gneiss, using drillhole and trench sample assays as anchor points at depth and at intervals along strike. Geological mapping also supports the geological model.
	The effect, if any, of alternative interpretations on Mineral Resource estimation.	No alternative interpretations were considered because the exposed geology in outcrop supports the current interpretation.
	The use of geology in guiding and controlling Mineral Resource estimation.	Graphitic mineralisation is hosted within graphitic gneiss, which is mapped along its strike length within the project area and within the licence area. Grade (TGC %) is assumed to be likewise continuous with the host rock unit.
	The factors affecting continuity both of grade and geology.	The graphitic gneiss is open along strike and down dip. The interpretation of the mineralisation domains is based upon a pre-determined lower cut-off grade for TGC. A variation to the cut-off grade will affect the volume and average grade of the domains.
Dimensions	*The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.*	Duwi Main has an east-west strike, dipping 45° to the north. It is currently modelled as two lenses of mineralisation, with a depth extent of 280 m, a strike length of 1,300 m and a plan width varying between 25 m and 180 m. Duwi Bend has a strike of 125°, with a vertical dip. It is currently modelled as two parallel lenses, with strike extent of 420 m, down dip extent of 175 m and plan width of 20 m. Nyama, located approximately 2 km to the west-south-west of Duwi Main, has an approximate east-west strike, and dips 40° to the north. It is currently modelled as three parallel lenses, striking 400 m, with a down dip extent of 230 m and plan width of 40 m.

Criteria	JORC Code explanation	Commentary
Estimation and modelling techniques	*The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.*	Datamine Studio 3 software was used for all geological modelling, block modelling, grade interpolation, Mineral Resource classification and reporting. GeoAccess Professional and Snowden Supervisor were used for geostatistical analyses. TGC interpretations were based upon a lower cut-off of 5% TGC, geological interpretations of mineralised outcrop and trenches, and logging of DD core and RC chips. The Mineral Resource block model consists of seven zones of TGC mineralisation, with two zones in the Duwi Main, two zones in Duwi Bend and three zones in Nyama. Mineralisation domains were encapsulated by means of 3D wireframed envelopes. Domains were extrapolated along strike or down plunge to half-a-section spacing. Top cuts were not used to constrain extreme grade values because the TGC grade distribution did not warrant their use. All samples were composited to 2 m intervals because most samples were collected at 2 m intervals. All drillhole data (RC and DD) and trench assays were utilised in the grade interpolation. A quality assurance study of the RC drilling coupled with a set of four pairs of twin drilling confirmed that the RC drillholes could be used with the DD core samples as part of the grade interpolation. A study of the trench assay data similarly demonstrated a similar population to the conventional drilling sample assay results. Grade estimation was by ordinary kriging (OK) with inverse distance squared (IDS) estimation run as a check estimate. A minimum of four and maximum of 18 composited samples were used in any one block estimate for all domains. A maximum of five composited samples per drillhole were used in any one block estimate. Cell discretisation of 5 x 5 x 5 was used. Grade interpolation was run within the individual mineralisation domains, acting as hard boundaries. No depletion of the Mineral Resource due to mining activity was required due to no mining having occurred historically. No selective mining units were assumed in this model.
	The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.	This is the maiden MRE for Duwi and as such, no previous results are available to reconcile current results against. No mining has occurred to date at Duwi. An IDS grade interpolation was run in parallel with the ordinary kriged interpolation, with similar results obtained.
	The assumptions made regarding recovery of by-products.	No by products were modelled.
	Estimation of deleterious elements or other non-grade variables of economic significance (e.g. sulphur for acid mine drainage characterisation).	No deleterious elements have been estimated; however, this is recommended in light of the presence of iron sulphides.
	In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.	A block model with parent cell sizes 50 m(E) x 20 m(N) x 20 m(RL) was constructed for Duwi Main and Duwi Bend, compared to typical drill spacing of 100 m x 50 m. Nyama was constructed with a block parent size of 25 m x 20 m x 20 m.
	Any assumptions behind modelling of selective mining units.	No selective mining units were assumed in this model.
	Any assumptions about correlation between variables.	Only TGC was modelled, therefore no correlation with other variables was required.
	Description of how the geological interpretation was used to control the resource estimates.	A lower cut-off of 5 % TGC was used to constrain the mineralisation domains. These domains are located within gneisses, observed in drill samples and trenches.
	Discussion of basis for using or not using grade cutting or capping.	A statistical assessment of the TGC populations within the model domains showed there were no very high TGC assayed grades. The locations of the highest TGC sample grades were viewed in 3D space in Datamine to determine if they would potentially have a biased impact upon local grade estimation, and results determined that top cutting would not be necessary.

Criteria	JORC Code explanation	Commentary
	The process of validation, the checking process used, the comparison of model data to drillhole data, and use of reconciliation data if available.	The grade model was validated by: (1) creating slices of the model and comparing to drillhole samples on the same slice; (2) swath plots comparing average block grades with average sample grades on nominated easting, northing and RL slices; (3) mean grades per domain for estimated blocks and flagged drillhole samples; and (4) cross sections with block model and drillhole data colour coded in like manner. No reconciliation data exists to test the model.
Moisture	*Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.*	Tonnages are estimated on a dry basis.
Cut-off parameters	*The basis of the adopted cut-off grade(s) or quality parameters applied.*	A reporting cut-off grade of 5% TGC was adopted to report the Mineral Resource. An "in ground value" per tonne of $60 to be the break-even grade was assumed. A basket price of $1,250 per tonne of concentrate was applied giving a value at 5% of $62.50. A 5% reporting cut-off grade has been used to report graphite Mineral Resources by other companies.
Mining factors or assumptions	*Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.*	It is assumed the deposit, if mined, will be developed using open pit mining methods. No assumptions have been made to date regarding minimum mining widths or dilution. The largest mineralisation domains in plan view have an apparent width of up to 180 m which may result in less selective mining methods, as opposed to (for example) mining equipment that would need to be used to mine narrow veins in a gold mine.
Metallurgical factors or assumptions	*The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.*	Sovereign has announced two sets of metallurgical results to the market (22 January 2014 and 12 June 2014), relating to flake size distribution and purity of graphite concentrate. Samples from diamond drillhole DWD0004 were tested for flake distribution. >35% of concentrate is +48 mesh (+300 um – extra-large) with a purity of 95% TGC. Overall recoveries of 87.5% grading 92.0% TGC were recorded. These results were reported on 22 January 2014. Petrographic analyses were also conducted on thins section of diamond core samples. Product purity testwork from the same samples were reported 12 June, with upgrade of flotation concentrates to between 99.97% and 99.98% C ultra-pure graphite achieved across all flake size fractions.

Criteria	JORC Code explanation	Commentary
Environmental factors or assumptions	*Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.*	Due to the presence of iron sulphide minerals in the mineralised and waste rocks, it is assumed that tailings and waste dumps will be acid generating. The Duwi Main deposit is located within a farming area and has a village located at the extreme western end of it. Sovereign holds regular discussions with local landholders and community groups to keep them well informed of the status and future planned directions of the project. Duwi is located in a sub-equatorial region of Malawi and is subject to heavy seasonal rainfall, with rapid growth of vegetation in season. No major waterways are located within the immediate deposit area.
Bulk density	*Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.*	Density was calculated from 437 billets of core taken from across the Duwi Main and Bend prospects, with density measured by conventional Archimedes wet and dry weighing at the project's exploration camp. Density data was loaded into a Datamine drillhole file, which was flagged against weathering horizons and mineralisation domains. An average density value of 2.1 t/m^3 was determined for the saprolitic profile, and 2.75 t/m^3 for the fresh rock profile. There were no discernible differences in density between the waste and mineralisation zones.
	The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vughs, porosity, etc.), moisture and differences between rock and alteration zones within the deposit.	The density measurement techniques employed at the project site accounted for potentially porous material.
	Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.	The bulk density values were based upon measurements from 437 samples. The impact of weathering required a sufficient number of density samples to be tested from saprolitic and fresh rock domains.
Classification	*The basis for the classification of the Mineral Resources into varying confidence categories.*	Classification of the MREs was carried out taking into account the geological understanding of the deposit, quality of the samples, density data and drillhole spacing. Metallurgical results related to flake size and sample purity, and petrographic analyses of thin sections from selected drill core, as per Clause 49 (JORC 2012). The Mineral Resource is classified as a combination of Indicated and Inferred, with geological evidence sufficient to assume geological and grade continuity in the Indicated volumes.
	Whether appropriate account has been taken of all relevant factors (i.e. relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).	All available data was assessed and the Competent Person's relative confidence in the data was used to assist in the classification of the Mineral Resource.
	Whether the result appropriately reflects the Competent Person's view of the deposit	The current classification assignment appropriately reflects the Competent Person's view of the deposit.
Audits or reviews	*The results of any audits or reviews of Mineral Resource estimates.*	No audits or reviews of the current MRE have been undertaken.
Discussion of relative accuracy/ confidence	*Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed*	An inverse distance estimation algorithm was used in parallel with the ordinary kriged interpolation, with results very similar. No other estimation method or geostatistical analysis has been performed.

Criteria	JORC Code explanation	Commentary
	appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.	The Mineral Resource is a local estimate, whereby the drillhole data was geologically domained above nominated TGC cut-off grades, resulting in fewer drillhole samples to interpolate the block model than the complete drillhole dataset, which would comprise a global estimate. Relevant tonnages and grade above nominated cut-off grades for TGC are provided in the introduction and body of this report. Tonnages were calculated by filtering all blocks above the cut-off grade and sub-setting the resultant data into bins by mineralisation domain. The volumes of all the collated blocks were multiplied by the dry density value to derive the tonnages. The graphite metal values (g) for each block were calculated by multiplying the TGC grades (%) by the block tonnage. The total sum of all metal for the deposit for the filtered blocks was divided by 100 to derive the reportable tonnages of graphite metal.
	The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.	The statement relates to global estimates of tonnes and grade.
	These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.	No production data is available to reconcile model results.

Appendix B Drill Hole Collars

Table 7 Drill hole details for material holes for Nanzeka and Duwi

Prospect	HoleID	EAST	NORTH	RL (m)	Depth	Azimuth	Dip
Nanzeka	KODD0001	605113.0	8508503.2	1312.6	83.3	315	-60
Nanzeka	KODD0002	605047.4	8508554.6	1304.5	103.9	145	-50
Nanzeka	KODD0003	605046.0	8508556.0	1304.7	50.2	360	-90
Duwi	DWDD0001	602399.8	8456444.0	1016.3	170.02	180	-60
Duwi	DWDD0002	601398.9	8456411.8	996.8	131	180	-60
Duwi	DWDD0004	602001.5	8456279.7	1010.1	158	180	-60
Duwi	DWDD0005	601998.8	8456374.7	1019.1	207.89	180	-60
Duwi	DWDD0006	601801.5	8456212.6	1009.4	119.29	180	-60
Duwi	DWDD0007	601398.6	8456065.9	986.6	119.29	180	-60
Duwi	DWDD0008	602299.5	8456212.2	1020.4	59.72	180	-90
Duwi	DWDD0009	602657.9	8455812.0	1047.5	149.42	225	-55
Duwi	DWDD0010	602298.4	8456214.6	1020.3	29.37	180	-60
Duwi	DWDD0011	602300.2	8456262.5	1021.7	83.32	180	-60
Duwi	DWDD0012	602403.9	8456217.5	1024.3	29.27	180	-60
Duwi	DWRD0009	602200.1	8456250.2	1018.2	113.47	180	-70
Duwi	DWRC0001	602099.0	8456242.8	1014.4	81	180	-60
Duwi	DWRC0002	602300.2	8456265.0	1021.6	84	180	-60
Duwi	DWRC0003	602497.9	8456250.9	1024.9	40	180	-60
Duwi	DWRC0004	601609.3	8456279.8	1002.4	45	180	-60
Duwi	DWRC0005	601314.8	8456470.8	996.3	90	180	-60
Duwi	DWRC0006	601398.7	8456358.9	993.1	60	180	-60
Duwi	DWRC0007	602000.9	8456187.9	1005.7	50	180	-60
Duwi	DWRC0008	601901.0	8456208.2	1006.2	57	180	-60
Duwi	DWRC0010	602399.4	8456217.5	1024.2	45	180	-60
Duwi	DWRC0011	602398.8	8456269.5	1023.7	66	180	-60
Duwi	DWRC0012	601797.0	8456276.0	1011.7	80	180	-60
Duwi	DWRC0013	602302.0	8456328.7	1022.9	120	180	-60
Duwi	DWRC0014	602697.6	8455848.0	1045.6	47	180	-60
Duwi	DWRC0015	602691.5	8455849.2	1045.6	150	225	-55
Duwi	DWRC0016	602398.5	8456322.8	1022.8	96	180	-60
Duwi	DWRC0017	601999.2	8456233.0	1006.7	90	180	-60
Duwi	DWRC0018	602004.2	8456275.0	1009.7	123	180	-60
Duwi	DWRC0019	602099.4	8456299.6	1015.6	144	180	-60
Duwi	DWRC0020	602101.2	8456192.3	1012.6	48	180	-60
Duwi	DWRC0021	601898.3	8456273.5	1011.1	108	180	-60
Duwi	DWRC0022	601307.3	8456417.2	991.7	48	180	-60
Duwi	DWRC0023	601281.6	8456539.3	997.7	147	180	-60
Duwi	DWRC0024	602200.3	8456199.6	1016.0	66	180	-60
Duwi	DWRC0025	602299.7	8456214.8	1020.1	60	180	-60
Duwi	DWRC0026	601597.5	8456385.6	1004.0	132	180	-60
Duwi	DWRC0027	602500.4	8456365.8	1020.6	111	180	-60
Duwi	DWRC0028	602199.5	8456307.1	1020.4	169	180	-60
Duwi	DWRC0029	602397.7	8456439.6	1016.4	199	180	-60
Duwi	DWRC0030	601898.9	8456343.1	1016.1	157	180	-60
Duwi	DWRC0031	602823.7	8455689.9	1055.8	163	225	-55

Duwi	DWRC0032	602598.7	8455888.7	1041.1	157	225	-55
Duwi	DWRC0033	598795.1	8455767.8	991.8	166	180	-60
Duwi	DWRC0034	598700.7	8455737.9	996.3	169	180	-60
Duwi	DWRC0035	598996.5	8455747.0	986.4	73	180	-60
Duwi	DWRC0036	602201.9	8456436.3	1023.5	232	180	-65
Duwi	DWRC0037	601999.6	8456491.4	1032.1	308	180	-60
Duwi	DWRC0038	602380.4	8455955.5	1032.5	46	180	-60
Duwi	DWRC0039	602208.3	8456062.2	1021.6	81	180	-60
Duwi	DWRC0040	602298.3	8456434.6	1021.1	121	180	-65
Duwi	DWRC0041	598802.2	8455867.6	991.7	187	180	-60
Duwi	DWRC0042	602198.2	8456549.5	1020.1	187	180	-70
Duwi	DWRC0043	602297.8	8456597.1	1012.1	217	180	-70

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Annexure C Malingunde Project Report

COMPETENT PERSONS REPORT

MALINGUNDE GRAPHITE PROJECT

NGX Limited / Malawi

Project Number: CMWPPR7147

C7147-REP-PR-002

Revision: 1

REVISION HISTORY

Rev	Date	Description of Revision	Prepared	Reviewed	Approved	Client Approved
A	6/3/2023	Issued for Client Review	JR	JR	JR	DB/ SM
0	20/3/2023	Issued for Use	JR	JR	JR	DB / SM
1	4/4/2023	Drill Collar Data Added	JR	JR	JR	DB / SM

IMPORTANT NOTICE

This Competent Persons Report (the **Report**) has been prepared by the DRA Pacific Pty Limited ("**DRA**") for the exclusive benefit of NGX Limited and exclusively in relation to the Malingunde Graphite Project (**Malingunde** or **Project**) and is subject to a separate agreement entered into between DRA, Sovereign Metals Limited (**SVM or Sovereign**) and NGX dated 7 November 2022 (the **Agreement**). The Report is based on a pre-feasibility study, prepared for assessing the technical and commercial viability of constructing a graphite processing facility for the Project. Neither this Report (nor any of its contents) are intended for nor may they be relied upon by any other person or used for any other purpose without the written consent of DRA.

In undertaking the preparation of the Report, DRA has been provided with and has relied upon records, documents and other data and information supplied by NGX and others and for which DRA bears no responsibility. Save as expressly stated in the Report, DRA has assumed and did not attempt to verify the accuracy of such data, records or documents. DRA does not represent, warrant or guarantee the correctness of the findings or conclusions made by it in the Report, nor does it accept any responsibility or liability (howsoever arising in contract, tort (including negligence) or otherwise at law) for the accuracy, sufficiency, reasonableness or validity of such findings, conclusions, and assumptions or for any errors, omissions or misstatements (negligent or otherwise) relating thereto to the extent they are based on such records, documents, data and information.

Neither DRA nor its affiliates, principals, sub-contractors, officers, directors or employees accept any liability (howsoever arising in contract, tort (including negligence) or otherwise at law) whatsoever in respect of this Report other than in accordance with the Agreement, and in particular DRA shall not accept any liability (howsoever arising in contract, tort (including negligence) or otherwise at law) to any third party to whom this Report may be presented for any direct, indirect or consequential loss or damage howsoever arising from: the conclusions, findings and statements made by DRA in the Report or omitted from the Report, or the use or reliance upon, or the interpretation of the Report or any information contained in the Report for any purpose (including without limitation valuation purposes) or for any design, engineering or other work performed using the Study or for any changes, alterations or additions to the Report not made and approved by DRA. To the extent permissible under any applicable law, DRA disclaims any warranties or warranties imposed by law, including but not limited to compliance, merchantability, fitness for a particular purpose and custom and usage.

Apart from specific rights of usage granted to Sovereign under the Agreement, DRA retains all rights to intellectual property in the Report and all documents produced by it.

1 EXECUTIVE SUMMARY

NGX Limited, (**NGX**) has commissioned DRA Pacific Ltd (**DRA**) to compile a Competent Persons Report (**CPR**) on the Project. A copy of this CPR will be made available on NGX's website in connection with the proposed initial public offering (**IPO**) of NGX and for use in a Prospectus in relation to the IPO.

This CPR was prepared in accordance with the standards set out in the "Joint Ore Reserves Committee" Code 2012 (**JORC 2012**) and the "Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets" (**VALMIN 2015**).

1.1 Malingunde Graphite Project

The Project is located in Malawi, southeast Africa and is at Pre-Feasibility Study (**PFS**) level of development. Following the demerger of NGX from SVM, Malingunde is anticipated to be transferred to NGX as part of the demerger conditions. Malingunde represents a high quality potential future mining operation producing premium quality natural graphite products. The PFS demonstrates low operating and low capital costs providing excellent margins. The compelling economic estimates can be attributed to the deposit being hosted entirely by soft saprolite material, its high grade at 9.5% Total Graphitic Content (**TGC**) and the excellent infrastructure availability.

Malingunde comprises a planned open cut mining and a beneficiation processing plant operation, treating run of mine ore to produce on average 52,000 tonnes per year of graphite concentrate at a purity of 97% TGC. The graphite concentrate will be bagged and trucked to the railhead at Kanengo, from where it will be packed into shipping containers for direct rail to the port of Nacala for export.

Soft-saprolite hosted graphite deposits are sought after as they have distinct operating and capital cost advantages over hard-rock deposits. Currently operating saprolite-hosted flake graphite mines are located in Madagascar; however, these are mostly small and low grade (typically 4-6% TGC).

1.2 Resource & Ore Reserves

The Malingunde saprolite-hosted graphite deposit is the result of millions of years of tropical weathering of primary graphitic gneisses. Most of the silicate minerals other than quartz have been altered to clay, resulting in a soft, friable saprolite horizon averaging about 25m vertical thickness from surface. Graphite is also unreactive in this weathering environment, with the large graphite flakes preserved in the clay dominant matrix.

Sovereign has defined the largest & high grade saprolite hosted deposit in the world with Resources of 45.7Mt at 7.2% TGC which includes Ore Reserves of 9.5Mt at 9.5% TGC (each estimated under the JORC Code (2012)).

1.3 Metallurgy

The Malingunde process flowsheet enables the ability to produce very high-grade flotation concentrates from a simple flowsheet, not requiring primary crushing or grinding and employing only well-established mineral processing technologies. This provides significant capital and operating cost benefits over hard-rock processing.

1.4 Infrastructure

Operating rail allows low transport costs, below or comparable to regional peers utilising trucks. Operated by a joint venture wholly owned by Vale, the rail delivers product directly to the deep-water port at Nacala.

Additionally, Malingunde is located just 20km from Lilongwe, the capital of Malawi, providing enviable access to labour, water, power and other mine site services.

1.5 Graphite Market

The primary end-market for natural flake graphite is the refractory, foundries and crucible sectors which consumed approximately 77% (900,000 tonnes) of flake graphite production in 2020. The refractory industry is the volume driver for flake graphite, with foundries and crucibles offering smaller markets for higher purity graphite products. The major product flake graphite is consumed in is magnesia-carbon bricks, a mainstream, global refractory brick which is used in the steel industry.

The lithium-ion battery sector is the main emerging market for flake graphite. Greater capacity batteries, such as those required for electric vehicles, are expected to drive significant demand for graphite over the coming years. It is forecast the battery sector will become the largest segment by 2028.

China continues to be the world's leading producer of natural flake graphite, supplying approximately 62% of the market in 2020. Brazil, India, Canada, Mozambique, Madagascar and North Korea were major contributors of the remaining 38% of global production.

The supply-demand balance in the graphite market is forecast to remain in balance for an extended period. However, a significant supply deficit is anticipated by 2024 as demand is forecast to strengthen putting the market into deficit.

1.6 Key Project Metrics

ECONOMIC		
Development Capital	$USm	50.1
Indirect & contingency	$USm	20.3
Total Capital	$USm	**70.4**
Sustaining Capital	$USm	**31.6**
Mine Gate Operating	$US/t conc.	319
Transport & Logistics	$US/t conc.	77
Total Operating Costs (Average LoM)	$US/t conc.	**396**
PHYSICAL		
Average annual plant throughput	tpa	600,000
Average annual concentrate production	tpa	52,000
LoM average feed grade	% TGC	9.5%
Mine life	Years	16
FINANCIAL		
NPV 10% (post-tax)	$USm	119
IRR (post-tax)	%	31%
EBITDA (average LoM)	$USm	40

1.7 Conclusion

Malingunde offers a technically and economically robust, low risk pathway to production of premium quality, coarse flake graphite concentrates. The significant cost savings, compared to hard-rock peers, are realised by the soft, free dig nature of the mineralisation and low strip ratios, with no requirement for primary crushing or grinding in the processing plant.

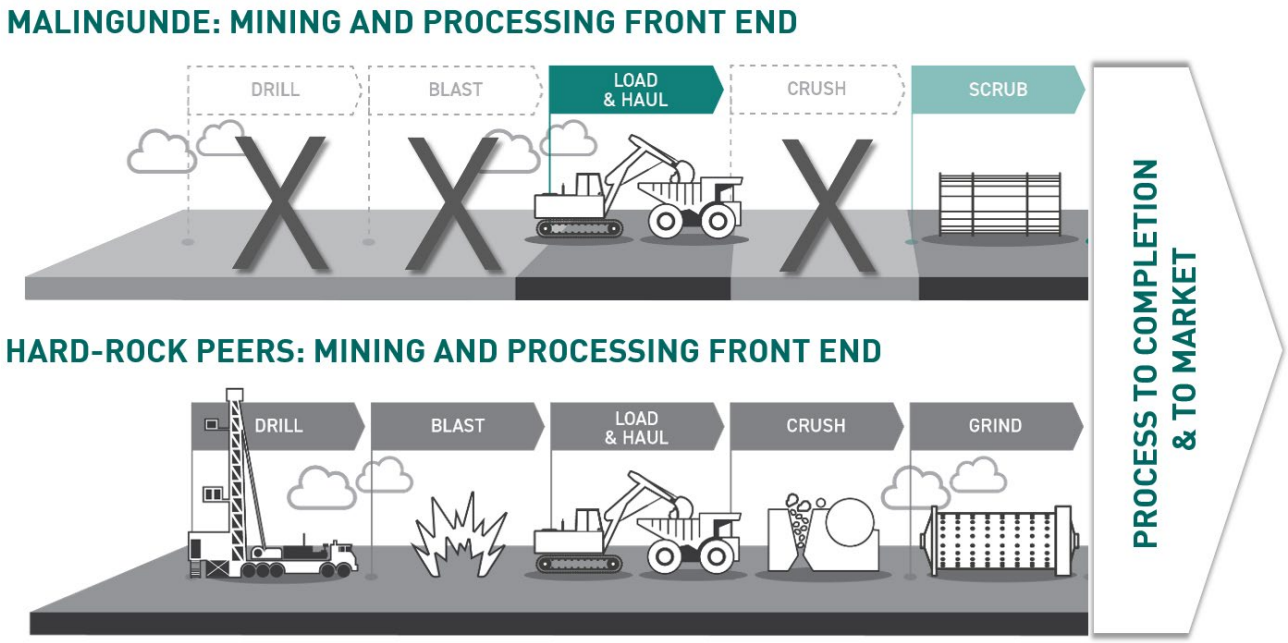

Figure 1.1 Malingunde's Front End Advantage

Malingunde is not reliant on an unrealistically large scale or overly optimistic basket pricing assumptions to be economically viable. The very low operating cost nature of the Project provides protection, and ensures profitability for the project, even in extreme downside global graphite pricing scenarios.

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APPENDIX

2 INTRODUCTION

NGX Limited**,** (**NGX** or **the Company**) has recently demerged from Sovereign Metals Limited (**Sovereign, SVM**) and has commissioned DRA Pacific Ltd (**DRA**) to compile a Competent Persons Report (**CPR**) on the Project. A copy of this CPR will be made available on NGX's website in connection the proposed IPO of NGX and for use in a Prospectus in relation to the IPO.

This CPR was prepared in accordance with the standards set out in the "Joint Ore Reserves Committee" Code 2012 (**JORC 2012**) and the "Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets" (**VALMIN 2015**).

2.1 Summary of sources

Sovereign completed a PFS at Malingunde in Malawi in 2018. The PFS was conducted by Minnovo who was subsequently acquired by DRA Global.

In April 2021, DRA Pacific Ltd (**DRA**) was requested by SVM to update the PFS capital and operating costs for the Project to be used in developing a CPR for disclosure support for the AIM listing on the London Stock Exchange. During this process, no additional engineering or testwork was considered, and thus the technical development of the Project was the same as it was in the PFS completed in 2018. However, the tailings storage facility (**TSF**) construction assumptions were adjusted in reaction to new Global Industry Standards on Tailings Management (**GISTM**). As a result, the height and area required for the TSF starter wall is larger than originally calculated in the PFS, and the costs of construction were also increased.

In November 2022, Sovereign requested DRA to update the PFS capital and operating costs for the Project to be used in developing a CPR in connection to the demerger of NGX which was being conducted pursuant to a tenement sale and demerger implementation deed entered into between the SVM and NGX. Similar to the previous update, during this process, no additional engineering or testwork was considered, and thus the technical development of the Project remains the same as was assumed in the PFS completed in 2018 with the exception of the changes to the TSF mentioned above. In February 2023, DRA was requested by NGX to escalate the PFS capital and operating costs to a base date of Q1, 2023 to be used in the Prospectus following NGX's demerger from SVM.

This report draws significantly upon the detail in the PFS and updates the major assumptions for both capital and operating cost estimates, considering increases in costs due to inflation, and reasserts the overall context of the project by re-stating the highlights of the 2018 PFS that remain unchanged.

Resource delineation is principally underpinned by drill programs from 2016-2018 while significant processing testwork has been completed since 2016 by SGS Lakefield in Canada and ALS in Australia.

The list of contributing consultants who have provided updated cost estimates are:

- Mineral Resource Estimate – CSA Global.
- Ore Reserves and Mining – Orelogy.
- Process plant and Non-Process Infrastructure – DRA Pacific Ltd.
- Environmental Impact Assessment (**EIA**) including social impact – Dhamana Consulting with others.
- TSF design and water management – SLR Consulting.
- Shipping and logistics study – Morgan Sterling.
- Graphite Market – Fastmarkets (previously named Metals Bulletin).

Further, full details on the title to Malingunde has been provided in the Independent Solicitor's Report elsewhere in the Prospectus.

2.1.1 Site Visits

Site visits have previously been carried out by the following personnel:

- Mr David Williams, the Competent Person for the JORC Resource Estimate, and a representative of CSA Global has conducted a site visit in 2016; and
- Mr Ryan Locke, the Competent Person for the JORC Reserve estimate and a representative of Orelogy Pty Ltd has conducted a site visit in 2018.

2.2 Mineral Assets of Sovereign Metals

2.2.1 Summary

For purposes of this CPR, Sovereign still holds Malingunde through an Exploration Licence (**EL**) (EL0372) and the application for a Mining Licence (**ML**) (AML0088). Prior to the expiry of EL0372, SVM applied for the grant of a ML over part of EL0372. Under the Malawi Mines Act (no 8. of 2019) (**Mines Act**), an EL term automatically extends until the ML application has been processed and/or granted. This is summarised in Table 2.1. The EL and ML application are held and has been made through SVM's wholly owned Malawian subsidiary, Sovereign Services Limited (**SSL**). A transfer from SVM to NGX of the ML will be requested following the grant of the ML.

Table 2-1 Summary of Malingunde Licence

Licence	Holding Entity	Percentage Interest	Status	EL Expiry	Licence Area (km^2)
EL 0372 / AML0088 (Malawi)	SSL	100%	Mining licence application pending grant	13/03/2022	729.24 / 5.7

SSL: Sovereign Services Limited

ELs are generally granted for up to three years, with the licence renewable for two additional periods of two years each upon expiry. Mineral deposits contained within ELs that have come to the end of their term, can be converted to a RLs for a term of up to five years, subject to certain criteria.

An ML can be granted for an initial period of up to twenty-five (25) years or for the life of the mine, whichever is shorter. A holder of a ML may apply for an extension of up to fifteen (15) years.

Exploitation of the Malingunde Project is planned to be by open cut mining and a beneficiation processing plant operation producing a graphite concentrate for export.

Further details on the Malingunde title are provided in the Independent Solicitor's Report elsewhere in the notice of meeting. DRA makes no other assessment or assertion as the legal title of the tenements and is not qualified to do so.

2.2.2 Review of NGX's Interests

No Director of NGX or its subsidiaries, Competent Person, or promoter has any interest, current or past, in any of the assets presented in Table 2.1, other than by virtue of equity ownership in NGX or Sovereign.

In addition to the royalty due to the government of Malawi (see Section 3.8.2) a 2.0% gross profit royalty (gross sales revenue minus cash operating costs of mining and processing) payable to the original Project vendor for ore extracted from the licence area in the initial acquisition which includes the Malingunde Graphite Project to the original Project vendor.

Sovereign's Managing Director, Dr Julian Stephens, holds a 25% share of the gross profit royalty (0.50% gross profit royalty).

2.3 Table of Reserves and Resources

2.3.1 Mineral Resources

Malingunde's Mineral Resources (inclusive of Ore Reserves) are reported in accordance with JORC 2012 as follows:

Table 2-2 Mineral Resource Table

Resource Category	Tonnes (Mt)	Grade (% TGC)	Contained Graphite (Mt)	Operator
Measured	4.8	8.5	0.41	SSL
Indicated	32.3	7.2	2.32	SSL
Inferred	27.9	7.0	1.95	SSL
Total	**65.0**	**7.2**	**4.68**	**SSL**

Sovereign currently has a 100% interest in the Resources
Source: David Williams (Competent Person for the Mineral Resources)
SSL: Sovereign Services Limited

2.3.2 Ore Reserves

Malingunde's Ore Reserves are reported in accordance with JORC 2012 as follows:

Table 2-3 Ore Reserve Table

Reserve Category	Tonnes (Mt)	Grade (% TGC)	Contained Graphite (Mt)	Operator
Proved	3.1	9.5	0.30	SSL
Probable	6.4	9.5	0.60	SSL
Total	**9.5**	**9.5**	**0.90**	**SSL**

Sovereign currently has a 100% interest in the Reserves
Source: Ryan Locke (Competent Person for Reserves)
SSL: Sovereign Services Limited

Note: Malingunde mineral reserve is reported at a 6.75% TGC lower cut-off grade for saprolite and between 9.5% and 11.0% for saprock.

3 OVERVIEW

3.1 Project Location

The Project is located in the Lilongwe District of the Central Region of Malawi. The project site is located approximately 20km southwest of Lilongwe, with the northern border to Mozambique being 30km to the west. The nearest port is Nacala on the east coast of Mozambique which is connected by a railway line from Lilongwe. Figure 3.1 displays a map of the project location.

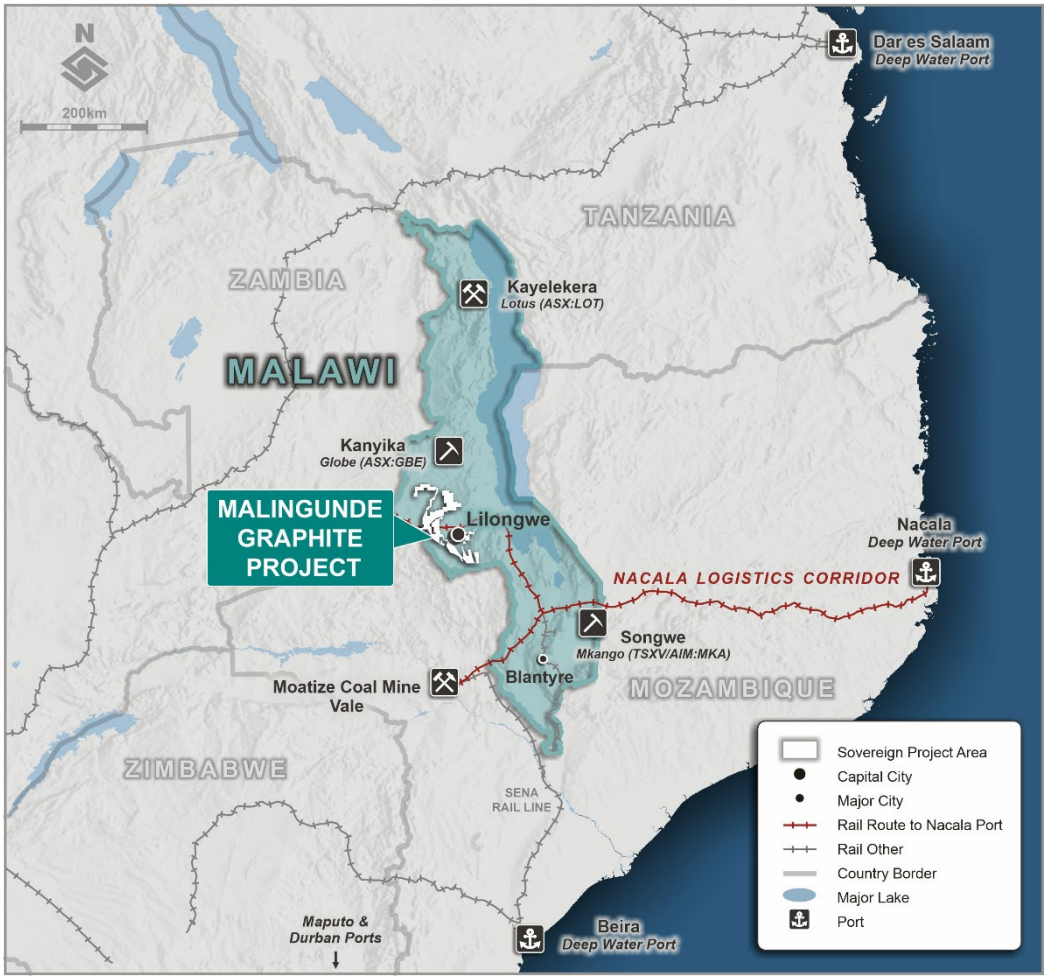


Figure 3.1 Malingunde Graphite Project Location Map

3.2 Project Description

The Project is described in detail in the respective sections of this report. In summary, the Project comprises a planned open cut mining and a beneficiation processing plant operation, treating run of mine ore to produce on average 52,000 tonnes per year of graphite concentrate at a purity of 97% TGC. The graphite concentrate will be bagged and trucked to the railhead at Kanengo, from where it will be packed into shipping containers for direct rail to the port of Nacala for export.

The resource is a soft, saprolite-hosted graphite deposit which has specific benefits for the process, most specifically no drill or blast is required for mining as the material is free-dig and the upfront comminution circuit is limited to a sizer and a low energy scrubber.

The Project is a greenfields site and therefore the PFS includes all non-process infrastructure required to support the mining and processing operations.

3.3 Project History

Exploration at the Project has been conducted in country since 2012. In 2015, new and significant discoveries in an area where there is no outcrop called the Lilongwe Plain was made. Following the discovery, extensive drilling was carried out over 3.4 km of strike length (see Figure 3.2 below) which led to the maiden Mineral Resource Estimate (**MRE**) being released in April 2017 (**April 2017 MRE**).

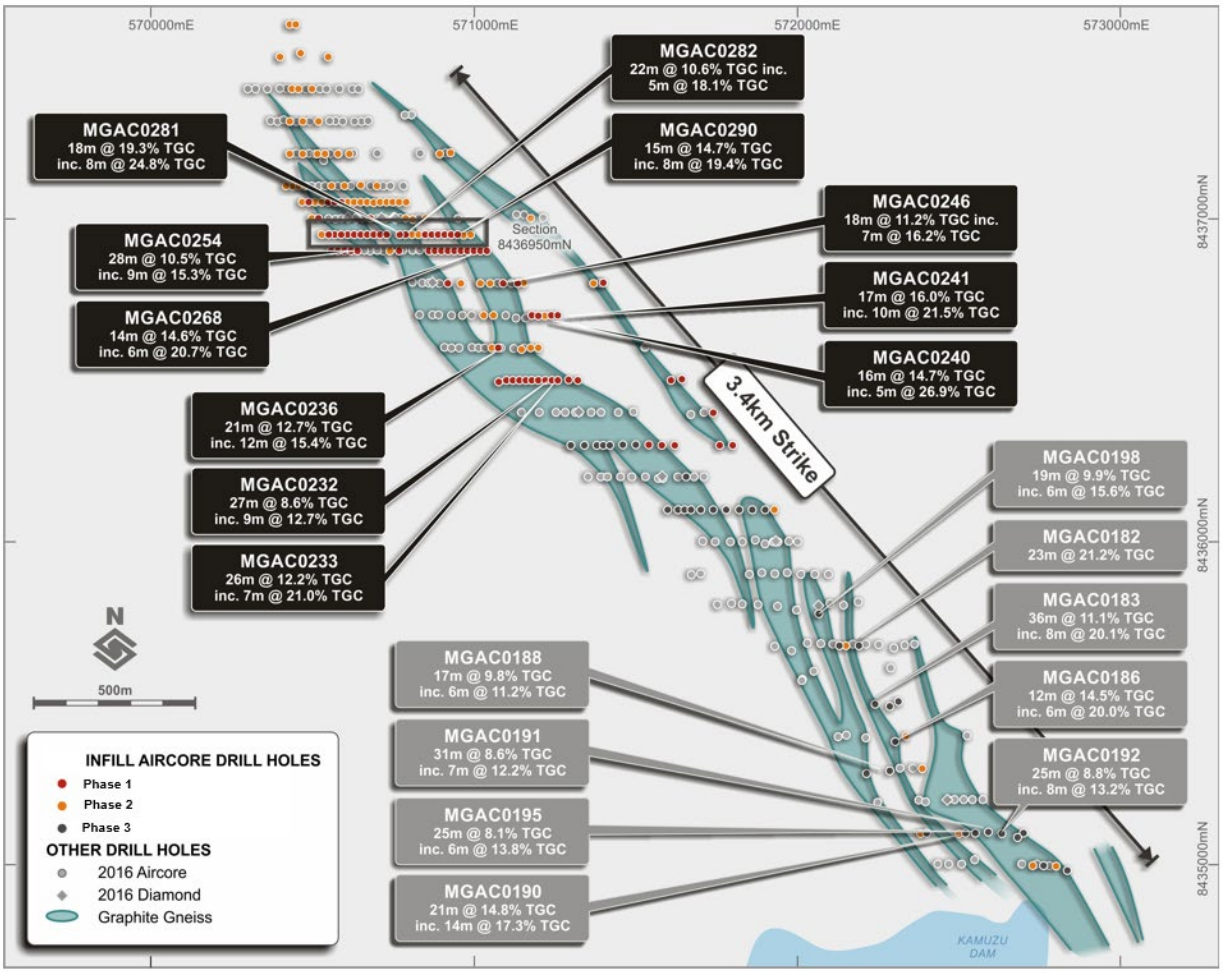


Figure 3.2 Malingunde Graphite Project – Mineralisation drillholes

The MRE, which was conducted by CSA Global, identified 65.1 Mt at 7.1% TGC for 4.6 Mt of contained graphite. In summary, at a 4% TGC cut- off grade, Indicated and Inferred resources are as follows:

- 28.8 Mt of saprolite @ 7.1% TGC.
- 17.0 Mt of saprock @ 7.0% TGC.
- 19.3 Mt of fresh rock @ 7.0% TGC.

AMEC Foster Wheeler was subsequently engaged to conduct a Scoping Study which was completed in June 2017.

The PFS commenced in November 2017 and used this same resource (April 17 MRE) as the basis for the mine design, scheduling and plant and infrastructure design work.

During the PFS period, the results from the 2018 in-fill drill program were used to produce an updated Mineral Resource announced in June 2018 (June 2018 MRE). Again, the work was carried out by CSA

Global and identified 65.0 Mt at 7.2% total graphite content for 4.7 Mt of contained graphite. In summary, at a 4% TGC cut-off grade, Measured, Indicated and Inferred resources are as follows:

- 28.8 Mt of saprolite @ 7.2% TGC (Measured and Indicated - 23.5 Mt @ 7.4% TGC).
- 16.9 Mt of saprock @ 7.2% TGC (Indicated - 13.6 Mt @ 7.4% TGC).
- 19.3 Mt of fresh rock @ 7.3% TGC (all Inferred).

This updated resource (June 2018 MRE), along with the PFS engineering and design work was subsequently used for the Ore Reserve determination for the Project.

An update on cost assumptions made in to 2018 PFS to Q4 2022 for the basis of compiling this report and confirm there has been no material changes, with the exception of cost increases due to inflation. In February 2023, DRA was requested by NGX to escalate the PFS capital and operating costs to a base date of Q1, 2023 to be used in the Prospectus following NGX's demerger from SVM.

3.4 Geological Setting

3.4.1 Physiography

The dominant feature of the Malingunde project area is the South Lilongwe Plain, a gently undulating plain interrupted by occasional low inselbergs such as Malingunde Hill (1,250m above sea level) and cut by three major flowing rivers. The plain varies between 1,140m and 1,300m in height above sea level.

The major rivers of the South Lilongwe Plain all drain to the north-east, eventually arriving at Lake Malawi. Sinuous, tributary streams feed the major rivers of the plains, with seasonal swamps (dambo) a feature of the low gradient, lower energy regime of the plains.

The Lilongwe River is the principal river of the project area, flowing to the south of the Malingunde Deposit and cutting it off at the Kamuzu Dam. The Lilongwe River is deeply incised with rock bars and exposures common along its length. Immediately south of the Malingunde Deposit the Lilongwe River has been dammed, forming the twin walled Kamuzu Dam, which provides potable water to Lilongwe.

The geomorphology of the Lilongwe Plains comprises three erosion features:

- A Post-Gondwana surface, formed in the early and mid-Cretaceous, presently displayed as the occasional inselbergs dotted throughout the plain;
- The late Cretaceous – early Miocene African cycle, which formed extensive plains, including South Lilongwe Plain;
- Late-Miocene Post-African features, often merging with the African cycle erosional surface.

The climate of the South Lilongwe Plain can be described as tropical continental, with a mean annual temperature of 18-23 degrees Celsius, and an average rainfall of 860mm. Some 85% of rainfall occurs during the rainy season between December and March, and the hottest periods occur in the lead up to the rainy season, occasionally peaking around 35 degrees Celsius.

The moderate rainfall coupled with the generally fertile soils of the plains has resulted in the natural savannah vegetation having been almost entirely modified or removed and the land being extensively cultivated as subsistence farming dominated by maize crops and secondary cash crops of groundnuts and tobacco. The dambo grasslands are often utilised for grazing and small-scale sugar cane crops.

3.4.2 Regional Geology

The geological descriptions below rely on the systematic historic exploration work conducted by the Malawi Geological Survey Department during the mid-1900s, dominantly Bulletin 23 (Thatcher, 1968).

Malawi's geology is dominated by the Nyasa Rift, the southern extension of the Cenozoic East African Rift (EAR), which extends some 800km from southern Tanzania south to the Middle Shire Rivers, with some structures extending further south into Mozambique. The seismically active rift system is principally made up of a series of half grabens with complex fault geometries, and the Nyasa Rift is occupied by Lake Malawi.

The majority of the country is dominated by crystalline metamorphic and igneous basement rocks which have been subjected to several periods of deformation, primarily during the Precambrian. In the Permo-Triassic, the continental extension splitting the supercontinent Gondwana apart led to extensive faulting, resulting in the formation of long narrow north-east to south-west trending troughs in which sandstones, limestones and mudstones of the Karoo Supergroup were deposited. These sediments were subjected to repeated periods of uplift, erosion and faulting from the Jurassic to the present, producing graben structures in which Tertiary and younger sediments were deposited. Quaternary lacustrine sands and gravels are common in the Lake Malawi area, indicating the retreat of the lake to its present position.

There are some Jurassic-aged basalts in the far north and south of the country and several carbonatite intrusions in southern and south-central Malawi. Unlike the older rift system, however, there is little evidence of magmatic activity and volcanism associated with rift formation, with the exception of some Pleistocene volcanics found near the northern end of Lake Malawi. There are also hot springs in the western and southern lake area.

Lowermost in the South Lilongwe Plains recognised geological units is the Precambrian Basement Complex, made up of biotite rich gneisses, granulites and schists. Paragneisses and semi-pelitic schists dominate the rock units, metamorphosed under extreme temperature and pressure conditions to granulite facies. Interspersed within the paragneisses are lesser orthogneisses, with associated psammitic, pelitic, and calcareous horizons, as well as concordant and discordant amphibolites and felsic pegmatites and minor basic to ultrabasic intrusions.

The rock types of the Basement Complex include biotite gneisses, with subordinate hornblende gneisses, calc-silicate granulites and gneisses. The area from Dedza Boma extending northwest to Namitete and north to Ntchisi Boma includes a distinct group of kyanite-graphite-pyrite-pyrrhotite paragneisses, kyanite-muscovite gneisses, kyanite quartzites and graphitic quartzo-feldspathic schists and granulites.

The kyanite-mica gneisses observed around the Malingunde area have protoliths including thinly bedded sequence of arkosic sandstones with interspersed bands of carbonaceous shales deposited in a nearshore deltaic environment.

The entire rock package of the Malingunde area has been deformed by the Mozambique Orogeny imparting a strong north-south to northwest-southeast shear foliation and schistosity. The complex structural history of the area is not fully understood, though gneissic foliation is often compositional layer parallel around Malingunde, with north plunging folds observed in outcrop along the Lilongwe River.

The rocks of the South Lilongwe Plains are obscured by thick weathering profiles and residual soils. Deep residual weathering profiles to 45m have been observed in water exploration drilling. A red-brown sandy clay soil has been observed to be associated with ferruginous graphite-bearing rocks.

The localised presence of lateritic duricrust layer has proven to be beneficial, due to the cessation of physical weathering and hence protection of the highly weathered graphite-rich rocks.

Hydromorphic dark grey, black and mottled soils, composed of clay minerals and thin humus of A-horizon are found around dambos. A combination of very slow permeability and poor site drainage produces waterlogged soil and seasonal flooding. Pale coloured angular, sandy colluvium is washed into heads of dambos.

3.4.3 Project Geology

The Precambrian Basement Complex rich in graphite and pyrrhotite paragneisses occurs across RL0012 and the western parts of EL0372. This same package, though highly weathered, underlies the Lilongwe Plain and is covered by the western parts of EL0372 and the majority of EL0609 and EL0492.

The Malingunde Deposit comprises 4.5km strike length of shallowly north-east dipping, north-west striking graphitic gneisses. The mineralised package has up to six separate sub-parallel zones of graphite gneiss with cumulative across strike widths averaging 120m and locally exceeding 200m. The newly discovered Msinja Deposit, located 1.5km along strike to the south-east has a strike length of approximately 1.0km with about five parallel zones of mineralisation. Across strike cumulative widths of mineralisation range between 40 and 100m.

Lithologies described in historic geological survey work (Regional Geology, above) are commonly recognised in drilling samples. At surface, scattered areas of coarse kyanite float are reasonably common and occasional outcrops of iron rich, pisolitic duricrust are to be observed.

The host rocks at Malingunde have been subject to intense weathering under tropical climatic conditions. This has resulted in development of substantial thicknesses of saprolite and other weathered facies. A typical profile from surface is soil (“SOIL”, 0-1m), ferruginous pedolith (“FERP”, 1-4m), mottled zone (“MOTT”, 4-7m), pallid saprolite (“PSAP”, 7-9m), saprolite (“SAPL”, 9-25m), saprock (“SAPR”, 25-35m) and fresh rock (“FRESH” >35m). In some areas, a thin lateritic duricrust is present within the FERP, though this rarely exceeds 1m in thickness. A typical graphic summary of the weathering profile observed at the Malingunde Deposit can be seen in Figure 3.3.

		Depth (m)	WEATH Code	Geological Description
		0		
Pedolith		1	SOIL	**Top soil/colluvium:** Colluvial soils included cultivated/cropped soil. Predominantly sandy clay, may contain grits and angular pebbles?
		4	FERP	**Ferruginous Pedolith:** Ferruginous (iron stained) sandy? clay. Some physical reworking of weathered material resulting in reworking of graphite flakes. Graphite appears to show a different grade distribution to MOTT/PSAP/SAPL. May locally contain variably cemented layers that tend towards a duricust.
"REDOX boundary"		6	MOTT	**Mottled Zone:** Ferruginous rich and less ferruginous clay+quartz rich (mottled colouring). Mottles typically range in size from 10-20mm? In-situ chemical weathering of clay gangue minerals with graphite remaining inert. Iron (produced predominantly from weathering of Fe-sulphide oxidation and surrounding clays) mobile during weathering producing secondary goethite [FeO(OH)] and jarosite [KFe3(SO4)2(OH)6]. Appears to have the same same graphite grade distribution as PSAP & SAPL but the primary fabric (ie foliation) may be partialy destroyed.
Saprolith	Local Water Table	8	PSAP	**Pallid Saprolite:** Pale (lacking colour) saprolite dominated by clay and quartz gangue mineralogy (i.e. same as Saprolite). Has same graphite grade distribution as MOTT/SAPL.
	Regional Water Table (May Seasoaly fluctuate)	25	SAPL	**Saprolite:** In-situ, strongly chemically weathered bedrock, with a clay-quartz quartz gangue mineralogy. More than 20% of weatherable minerals (= feldspar/mica/sulphides) altered. Primary fabric of bedrock (i.e. foliation) retained. Has same grade distribution as MOTT/PSAP
	Weathering front / top of fresh rock	35	SAPR	**Saprock:** More compact, slightly weathered rock with a lower porosity and higher density than saprolite. Less than 20% of weatherable minerals (= feldspar/mica/sulphides) altered. Generally requires a hammer blow to break. Sulphides are oxidised. Weathering predominantly occurs along meso/micro fractures with the groundmass largely unweathered
Bedrock			FRESH	**Fresh Rock:** Foliated graphitic gneiss: Primary mineralogy of feldspar-quartz-graphite+/-biotite+/-pyrite+/-pyhrotite

Figure 3.3 Typical weathering profile observed at the Malingunde Deposit

3.4.4 Mineralisation

Flake graphite mineralisation occurs within graphitic gneiss units that are interlayered and separated locally by barren or low-grade biotite-kyanite +/- graphite gneisses. Mineralisation is broadly conformable with the host paragneiss sequence, striking north-west and dipping at 10-40° to the north-east. The graphitic gneisses of central Malawi are very coarse-grained resulting in a graphite flake distribution in concentrates of generally >60% +150um. This is likely because of the very high metamorphic grade (granulite facies) and long cooling period experienced by the host rock package allowing large flakes time to crystallise.

Graphite is generally chemically inert during the weathering process and in most of the weathering zones the flakes remain pristine. However, in the SOIL and FERP zones graphite grades are highly depleted, with very little material above 4% TGC occurring. Grades may also be slightly depleted in the MOTT zone. Recovered flake sizes are decreased significantly in the FERP zone and somewhat in the MOTT zones as opposed to the bulk SAPL zone. This is thought to be a result of physical reworking and some volume reduction in the upper levels with associated dilution and natural flake comminution.

3.5 Regional Population and Infrastructure

The Project is located within the Lilongwe District of Malawi. The Lilongwe District is 6,159 km^2 in size with an estimated population of 1.35 million persons. The village of Ndumila is located within the proposed mining areas where the village of Kumalindi is located on the northern edge of the project area straddling the S124 secondary road. The access road to the plant area will run from the S124 road along the eastern edge of this village to the plant site security gate.

In areas away from the villages, land use is limited to small scale seasonal farming and grazing of livestock.

The natural environment of the project area has been extensively transformed by agricultural activity with only a few small patches of remnant woodland remaining.

Local infrastructure is good with the S124 road connecting the project site to Lilongwe. A mobile communications tower with voice/data capability is located nearby at Malingunde Hill.

3.6 Communities

It is anticipated that NGX will hold regular discussions with local landholders and community groups to keep them well informed of the status and future planned work programs for the project.

An Environmental Impact Assessment (**ESIA**) is currently planned with reference to applicable Malawian and international environmental and social permitting and baseline requirements for the Project.

NGX is committed to conduct its activities in full compliance to the requirements of national regulations, its obligations under international conventions and treaties and giving due consideration to international best practices and policies. NGX plans to appoint an experienced environmental consultant to manage the ESIA process, and environmental and social baseline studies have commenced with appropriately qualified independent experts. A high-level risk assessment to identify major environmental and social risks which could affect the development of the Project has also previously been completed, along with mitigating strategies to allow identified risks to be addressed early in the project design phase.

NGX will embark on several exercises with the communities in the area and there is a general positive acceptance of the Project.

Based on the current assessments and commenced ESIA, NGX believes there are no environmental issues currently identified that cannot be appropriately mitigated in accordance with standard practices adopted for the development of mining projects.

As the Project continues to develop, NGX expects to enter into a Community Development Agreement (**CDA**) with the surrounding communities. Significant engagement with these communities has occurred is ongoing ahead of negotiation of the CDA which is expected to be concluded during a DFS stage.

3.7 Topography and Climate

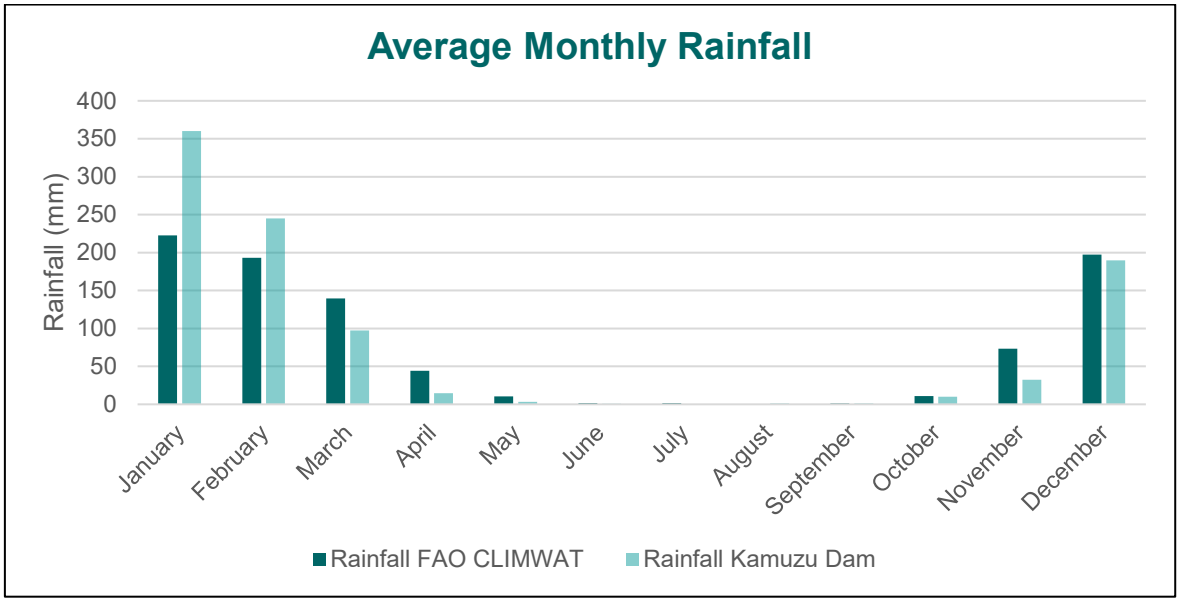
The topography on the site is generally flat with variation in elevation across the project area between 1050m and 1100m above sea level.

This region features a humid sub-tropical climate. Winters are generally dry and mild with the majority of rainfall occurring during the summer months between November and April.

The average temperature is moderated by elevation and averages 20.3°C with annual precipitation averaging 860 mm per year. Monthly average temperature and rainfall measurements for Lilongwe, some 20 km from the site (Source: climate-data.org).

Monthly rainfall peaks in January at 225 mm with the minimum rainfall generally being encountered in months of June to September where monthly rainfall averages between 0 and 2 mm/month.

Maximum temperatures are highest on average in October at around 30°C with July being the coldest month of the year with an average maximum temperature of 23.2°C.



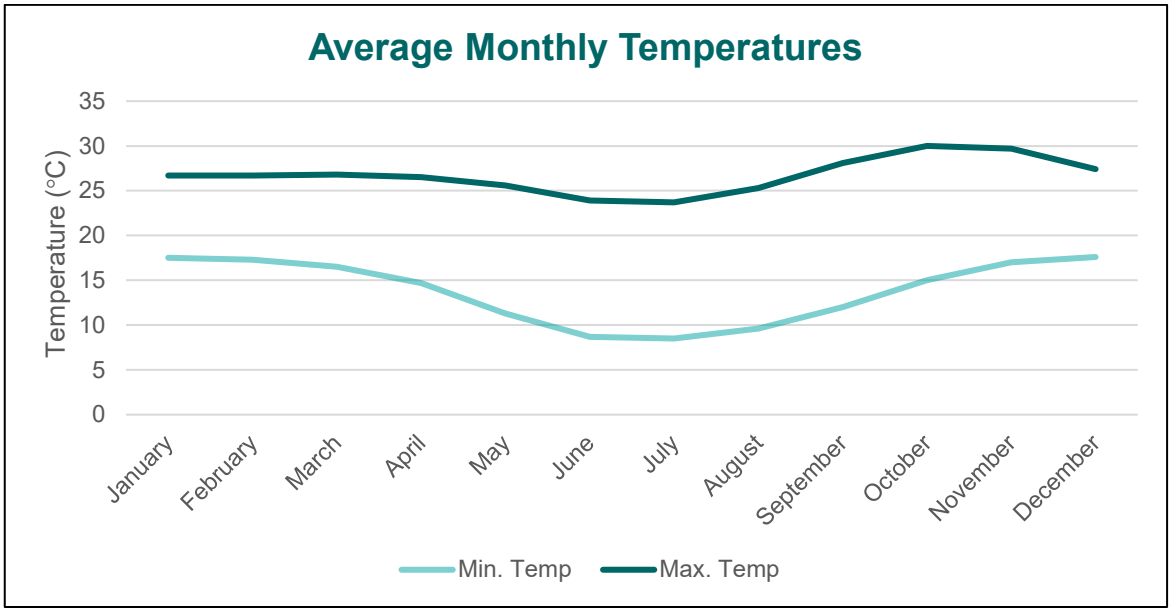


Figure 3.4 Lilongwe Monthly Rainfall and Temperature Data

3.8 Regulatory and Fiscal Setting

3.8.1 Regulatory

Exploration and Mining activities in Malawi are regulated by the Mines Act. The current Act replaced the previous legislation, the Mines and Minerals Act (1981).

The Ministry of Mining (**MMINES**) is the Government entity responsible for the administration of the minerals sector, including granting of exploration and mining licences. It has statutory oversight of the energy, minerals, and forestry sectors.

The following table outlines the various types of licences and the key terms for each type:

Table 3-1 Summary of Licence Types

Type	Term	Permitted Activity	Size
Reconnaissance (Rec)	12 months (12 month extension)	Not land disturbing exploration and supporting activities (non-exclusive)	No more than 100,000km^2
Exploration (EL)	3 years (+ 2x 2 year extensions	Exploration activities	No more than 2,500km^2
Retention (RL)	5 years	Feasibility studies	No more than 25km^2
Mining (ML) *	Up to 25 year or LoM + extensions of 15 years (unlimited)	Mining	As per PFS mine plan

*Following the successful exploration and achievement of positive technical and economic studies (such as the PFS), SVM has applied for a ML for Malingunde which is currently pending. A transfer of the ML from SVM to NGX will be made following the grant of the ML.

3.8.2 Fiscal Setting

The main taxes and fees imposed on companies operating in the mining sector include Corporate Tax, Dividends Tax, Royalties and Fees. The Malawi Revenue Authority (**MRA**) is the main body responsible for collecting and managing taxes paid to the central government. The taxation regime for mining companies in Malawi is a corporate income tax at 30%. A Rent Resource Tax (**RRT**) of 15% after tax profit is currently legislated in the Taxation Act of 2018. However, it is understood that it is not currently being applied to any mining projects in Malawi and it is uncertain if it would apply to NGX's projects in the future.

The following table outlines other fiscal rates applicable to a mining operation:

Table 3-2 Summary of Other Fiscal Rates

Instrument	Rate	Fixed/Negotiable	Comments
Royalty	Generally 5%	Negotiable	Depending on level of processing (Royalties can be up to 10%).
Dividend Withholding	Rate varies	-	-
Import duty	Variable	Based on tariff book	Zero for all capital equipment (subject to pre-approval).
VAT	16.5%	Fixed	Zero input for exports.
VAT – Fuel	-	Negotiable	Application for 0% for fuel used to generate power.
State Equity	Up to 10%	Fixed (based on size of project)	The Government shall have the right, but not the obligation, to acquire, directly or through a Government nominee, without cost, a free equity ownership interest of up to ten percent (10%) in any mining project that will be subject to a large-scale mining licence (>5Mt mined per annum or >US$250m Capex).
Annual Rents	Fixed rate per km^2	Fixed	Calculated based on a fixed fee times area

4 GEOLOGY AND RESOURCE

4.1 Overview

The Malingunde Deposit lies 20 km to the south-west of the city of Lilongwe, Malawi, and was initially defined by SVM's geologists during regional auger exploration works following up on airborne VTEM and ground FLTEM geophysics.

The Project is located within the Lilongwe District of Malawi. The Lilongwe District is 6,159 km^2 in size with an estimated population of 1.35 million persons. The village of Ndumila is located within the proposed mining areas where the village of Kumalindi is located on the northern edge of the project area straddling the S124 secondary road.

The flake graphite mineralisation occurs within graphitic gneiss units that are interlayered and separated locally by barren or low-grade biotite-kyanite-graphite gneisses. Mineralisation is broadly conformable with the host paragneiss sequence, striking north-west and dipping at 10-40° to the north-east.

In order to conduct a Mineral Resource Estimation (MRE) on the Malingunde mineralisation a program of diamond drilling (13 holes for 487.75 m) followed by a resource definition air core drilling program (180 holes for 5,516.8 m) were conducted during late 2016. Additionally, 569 hand auger holes (6,042 m) were also included to complete the MRE drill hole database.

In April 2017, CSA Global finalised the Malingunde Graphite Deposit MRE, resulting in a JORC 2012 Inferred and Indicated Mineral Resource of 28.8 Mt @ 7.1% TGC within saprolitic material types. Following a successful Scoping Study, a second resource drill campaign was undertaken in 2018 comprising 176 holes for 5,295 m air core drilling. This data was used to provide additional data for the updated MRE announced in June 2018 that forms the basis for the Ore Reserve declaration and will be used in a future Feasibility Study (**FS**).

The combined exploration programs have created an effective grid over the Malingunde Graphite project of approximately 3,500m x 750m.

Figure 4.1 shows the location of the drill holes at the Malingunde Graphite Deposit. The drill-hole information provided in Appendix 1 resulted from exploration drilling performed by Sovereign, which were subsequently announced on the ASX. These values were used to prepare the MRE.

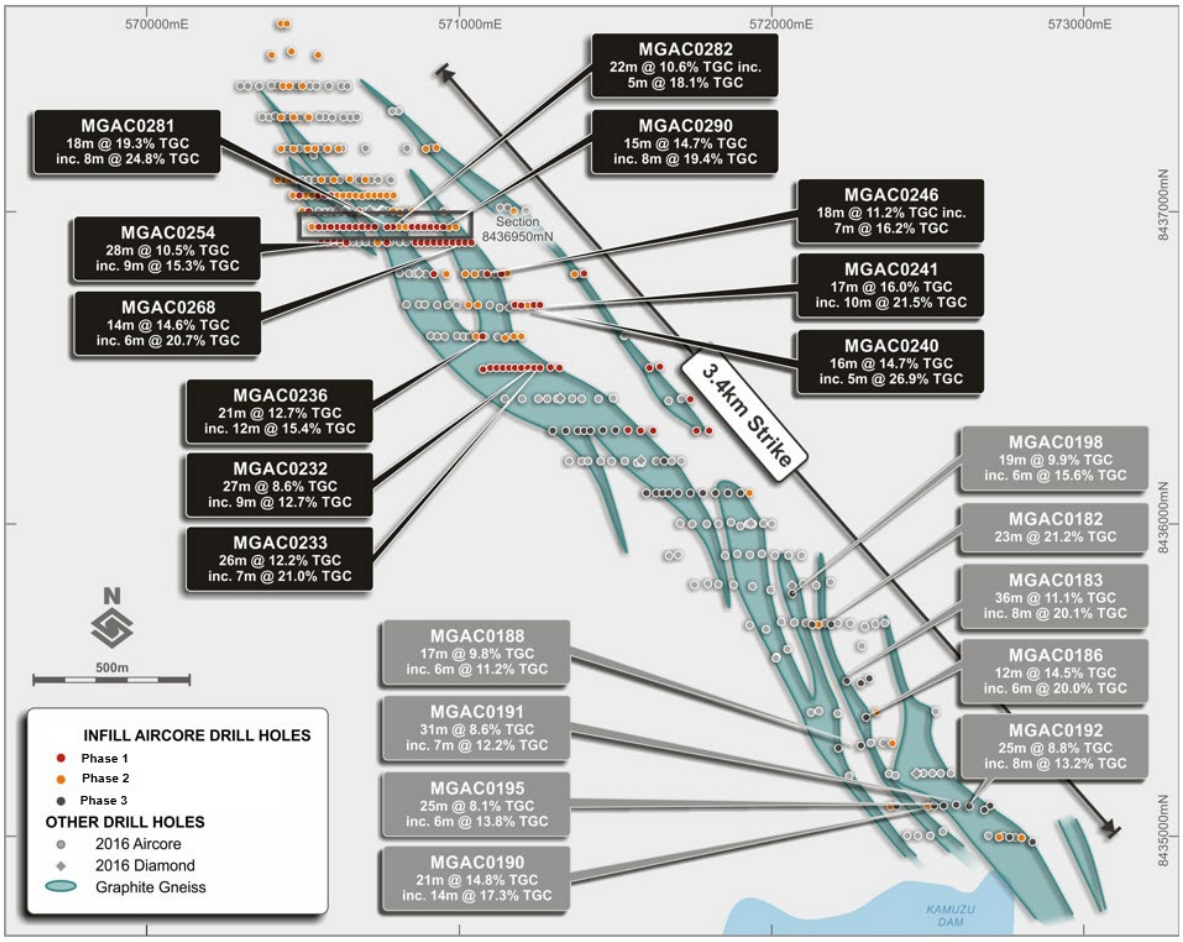


Figure 4.1 Malingunde Graphite Project – Mineralisation Drillholes

4.2 Assaying

Hand-auger (**HA**), Air-core (**AC**) and Diamond core (**DD**) drilling form the basis of the MRE and are described below:

HA drilling was employed to obtain samples vertically from surface at nominal 1-metre depth intervals, with samples composited on geologically determined intervals. Composite samples were riffle split on site.

A total of 1,053 HA holes (10,686 m) support the MRE.

AC drilling was employed to obtain bulk drill cuttings at nominal 1-metre (downhole) intervals from surface. All 1-metre samples were collected in plastic bags directly beneath the drilling rig cyclone underflow. The entire 1-metre sample was manually split using either a 3-tier (87.5:12.5 split) or single tier (50:50 split) riffle splitter or a combination thereof to facilitate the mass reduction of a laboratory assay split. Compositing of the laboratory sample split was performed on a geological basis. Mineralised (>=3% v/v visual) laboratory splits of 1-metre intervals from surface to the top of the saprolite zone were not composited whereas mineralised splits of the underlying saprolite and saprock intervals were composited nominally at 2-metres. Unmineralised (=<3% v/v visual), laboratory splits of 4-metre intervals from top of hole to bottom of hole were composited.

A total of 384 AC holes (11,595.8 m) support the MRE.

DD drilling (angled and vertical) was designed to obtain representative large diameter (PQ3) core for geological, geotechnical and metallurgical testwork purposes. Subsequent to completion of all geological and geotechnical logging and sampling (whole core samples removed laboratory bulk density and strength testing) drill core was either manually hand split or sawn using a circular saw and sampled as ¼ PQ3 core. Upon completion of laboratory bulk density and strength testing of the whole core intervals the entire core was submitted to the laboratory. A total of 13 DD holes (487.75 m) support the MRE. Laboratory splits were submitted Intertek Perth for assay sample preparation. Total Graphitic Carbon (TGC) analysis of all assay pulps samples was undertaken by Intertek Perth**.**

4.3 Resource Estimation

The MRE is based upon data obtained from 13 DD drill holes (487.75 m), 384 AC holes (11,595.8 m) and 1,053 HA holes (10,686 m) drilled across the Malingunde and Msinja deposits. Five (5) pairs of AC/DD and eight (8) pairs of AC/HA twinned holes are included in the drilling totals. Drilling occurred during 2016 and 2017.

HA and AC holes are located on east-west transects across the entire strike of the modelled deposit spaced nominally at 100 m x 20 m with infill of 50 m (N) x 20 m (E) over a section of the northern area of the Malingunde deposit. DD holes were drilled on existing drill sections and spaced between 200 m and 400 m north-south along the strike extent of the deposit. All HA holes were drilled vertically whilst the majority of the AC and DD holes were angled, designed to intersect broadly orthogonal to the shallow-moderate east dipping mineralisation.

The drill hole collars were surveyed using a differential global positioning system (DGPS) to centimetre accuracy. All DD holes were down-hole surveyed using a Reflex Ez-Trak multi-shot survey tool at 30m intervals down hole. Owing to their shallow depths (maximum 12 m), HA holes were not downhole surveyed. AC holes were not routinely down-hole surveyed, however 23 holes (5%) were surveyed to verify the amount of downhole deviation.

HA and AC drill samples were geologically logged, recording relevant data to a set template at 1 m intervals. DD core was geologically logged based on geological intervals. DD core was also geotechnically logged and digitally photographed.

DD core (PQ3) was quarter cut and sampled according to geological intervals. HA samples were composited on geological intervals of between 2-3 m during the 2016 field season, and 1 m intervals in

2017 and submitted for Total Graphitic Carbon (TGC) analysis. AC samples were sampled at 1 m and 2 m intervals. Field quality assurance procedures were employed, including the use of analytical standards, coarse blanks and duplicates.

TGC wireframe interpretations were based upon a lower cut-off of 4% TGC, which is equivalent to the graphitic gneiss domain boundary, from geological logging of HA/AC/DD drill holes.

The MRE block model consists of 6 zones of TGC mineralisation in the Malingunde deposit, and 5 in the Msinja deposit. Mineralisation domains were encapsulated by means of 3D wireframed envelopes based upon a lower cut-off grade of 4% TGC. Weathering domains were interpreted based upon geological logs of drill samples. Domains were extrapolated along strike or down plunge to half a section spacing. Internal waste units were modelled within the graphitic gneiss mineralisation envelopes to define barren domains.

All drill hole assay samples were composited to 2m intervals. All assayed HA/AC/DD drill hole intervals were utilised in the grade interpolation.

The MRE for Malingunde, reported in accordance with JORC 2012 is presented in Table 4-1:

Table 4-1 Mineral Resource Estimate

Resource Category	Tonnes (Mt)	Grade (% TGC)	Contained Graphite (Mt)	Operator
Measured	*4.8*	*8.5*	*0.41*	*SSL*
Indicated	*32.3*	*7.2*	*2.32*	*SSL*
Inferred	*27.9*	*7.0*	*1.95*	*SSL*
Total	***65.0***	***7.2***	***4.68***	***SSL***

The MRE includes both the Malingunde and Msinja deposits.
Source: David Williams (Competent Person for the Resources)
SSL: Sovereign Services Limited

MALINGUNDE MINERAL RESOURCE ESTIMATE *4.0% cut-off grade*								
	Measured		Indicated		Inferred		Total	
	Tonnes (Mt)	Grade (% C)	Tonnes (Mt)	Grade (% C)	Tonnes (Mt)	Grade (% C)	Tonnes (Mt)	Grade (% C)
Saprolite	4.8	8.5%	18.7	7.1%	5.4	6.3%	28.8	7.2%
Saprock	-	-	13.6	7.4%	3.3	6.3%	16.9	7.2%
Total	**4.8**	**8.5%**	**32.3**	**7.2%**	**8.6**	**6.3%**	**45.7**	**7.2%**
Fresh rock	-	-	-	-	19.3	7.3%	19.3	7.3%
Total resource	**4.8**	**8.5%**	**32.3**	**7.2%**	**27.9**	**7.0%**	**65.0**	**7.2%**

MALINGUNDE MINERAL RESOURCE ESTIMATE *7.5% cut-off grade*								
	Measured		Indicated		Inferred		Total	
	Tonnes (Mt)	Grade (% C)	Tonnes (Mt)	Grade (% C)	Tonnes (Mt)	Grade (% C)	Tonnes (Mt)	Grade (% C)
Saprolite	2.7	10.0%	5.4	9.6%	1.1	9.0%	9.2	9.7%
Saprock	-	-	4.7	10.0%	0.6	9.1%	5.3	9.9%
Total	**2.7**	**10.0%**	**10.1**	**9.8%**	**1.7**	**9.0%**	**14.5**	**9.7%**
Fresh rock	-	-	-	-	6.5	9.9%	6.5	9.9%
Total resource	**2.7**	**10.0%**	**10.1**	**9.8%**	**8.3**	**9.7%**	**21.0**	**9.8%**

Note: The MRE includes both the Malingunde and Msinja deposits.

5 ORE RESERVES

Pit optimisation, mine design and mine scheduling were completed by Orelogy Mining Consultants Pty Ltd (Orelogy) and is based on an average of 52,000 tonnes of concentrate produced per annum over 16 years LOM. This equates to an average throughput of 600,000 tonnes per year, with declared Ore Reserves, reported in accordance with JORC 2012, shown in Table 5.1.

Table 5-1 Ore Reserve Estimate

Reserve Category	Tonnes (Mt)	Grade (% TGC)	Contained Graphite (Mt)	Operator
Proved	3.1	9.5	0.30	SSL
Probable	6.4	9.5	0.60	SSL
	9.5	**9.5**	**0.90**	**SSL**

Source: Ryan Locke (Competent Person for Reserves)
SSL: Sovereign Services Limited

Note: Malingunde Mineral Reserve is reported at a 6.75% TGC lower cut-off grade for saprolite and between 9.5% and 11.0% for saprock

Reserves were defined by using a lower cut-off grade of 6.75% TGC for saprolite and between 9.5% and 11.0 % TGC for saprock.

To determine the reserves, a standard open pit optimisation techniques have been used to determine the location of the optimal three-dimensional geometry of the potential open pit. This is based on a range of modifying factors (e.g. costs, process recoveries, prices, overall wall slopes etc.). A range of optimisation runs were completed which showed the resource was effectively insensitive to mining costs, processing costs, selling costs and overall slopes. The work indicated the overall project value is most sensitive to changes in price and process recovery.

A more complete description of the proposed mining operations is set out in Section 6.

Orelogy was requested to review the 2018 PFS mining assumptions to validate or modify the ore reserves statement as required. The process of validation included a sensitivity analysis using the following primary factors which have been demonstrated to influence the Malingunde Ore reserve:

- Market Price.
- Mining Costs.

- Process recovery and costs.

In summary, the sensitivity analysis demonstrated that the typical variances of the influencing factors did impact the projected cash flow of the project, however they had no material change on the reported mining ore inventory. As such the ore reserves reported in the 2018 PFS remain valid.

The 2018 PFS ore reserve was based on the June 2018 MRE and the cost information generated from the second stage of the PFS work. This is based on an average of 52,000 tonnes of concentrate produced per annum over 16 years LOM. This equates to an average throughput of 600,000 tonnes per year, with declared Ore Reserves shown above in Table 5.1.

6 MINING

Independent consultants Orelogy were engaged to carry out the pit optimisations, mine design, scheduling, mining cost estimation and Ore Reserve generation for the Malingunde PFS. The proposed mining method is a conventional truck and shovel mining operation. Free dig mining is considered appropriate for this style of shallow, saprolite-hosted graphite mineralisation. This methodology is used throughout the region for open pit mining operations and is a robust, easily implementable approach.

The proposed mining method requires conventional mining infrastructure including but not limited to mining equipment workshop, fuel & oil storage facilities, wash bay, offices, lunch and ablution facilities and a first aid room. These are to be supplied by the mining contractor. A mining infrastructure area has been designed and will supply water and power to this location. As there is no anticipated requirement for blasting, no infrastructure is required for explosives storage. An initial contract mining strategy was selected for the first 7 years, transitioning to owner-operator model after this.

A schedule was developed that progressively mines material from the northern-west zones 1 and 2, then the central zones 3 and 4 and finally the south-east zone 5 (Figure 6.1). A three month pre-strip of 190kt of waste is required in order to provide sufficient material to construct the initial TSF. The life of mine strip ratio is 1:1 waste:ore including the capitalised pre-strip.

The mine schedule is based on achievable production rates for the specified size of mining fleet with only a single shift per day required. No assumptions have been made to date regarding minimum mining widths or dilution.

Mine designs have been undertaken using the geotechnical recommendation provided by Peter O'Bryan and Associates (POBA), the independent geotechnical consultant to undertake the geotechnical assessment. POBA provided specific berm, batter and inter-ramp angle design criteria for the deposit. The risk around any geotechnical uncertainty is mitigated by:

- The pits are relatively shallow, being a maximum of ~30m below surface.
- Sensitivity to slope angles was assessed during the optimisation phase and showed the deposit discounted value was insensitive (less than -4%) to changes in slope parameters.
- The nature of the deposit and the small scale and low strip ratio of the mining stages will enable access to other areas of the deposit in the event a mining area is inaccessible.

There is significant opportunity to increase the mine life beyond 16 years by processing lower grade material from the large resource base, or by discovering additional high-grade resources within reasonable trucking distance to the proposed processing plant.

The total Production Target of 9.5Mt run-of-mine (to produce approximately 830kt of concentrate) is underpinned by Proved Ore Reserves of 3.1Mt (32%) and Probable Ore Reserves of 6.4Mt (68%).

The Ore Reserve was derived by conversion of a portion of the Measured and Indicated Resource categories to Proved and Probable Ore Reserve categories respectively. No Inferred Resource material has been used in the PFS as discussed in Section 4.

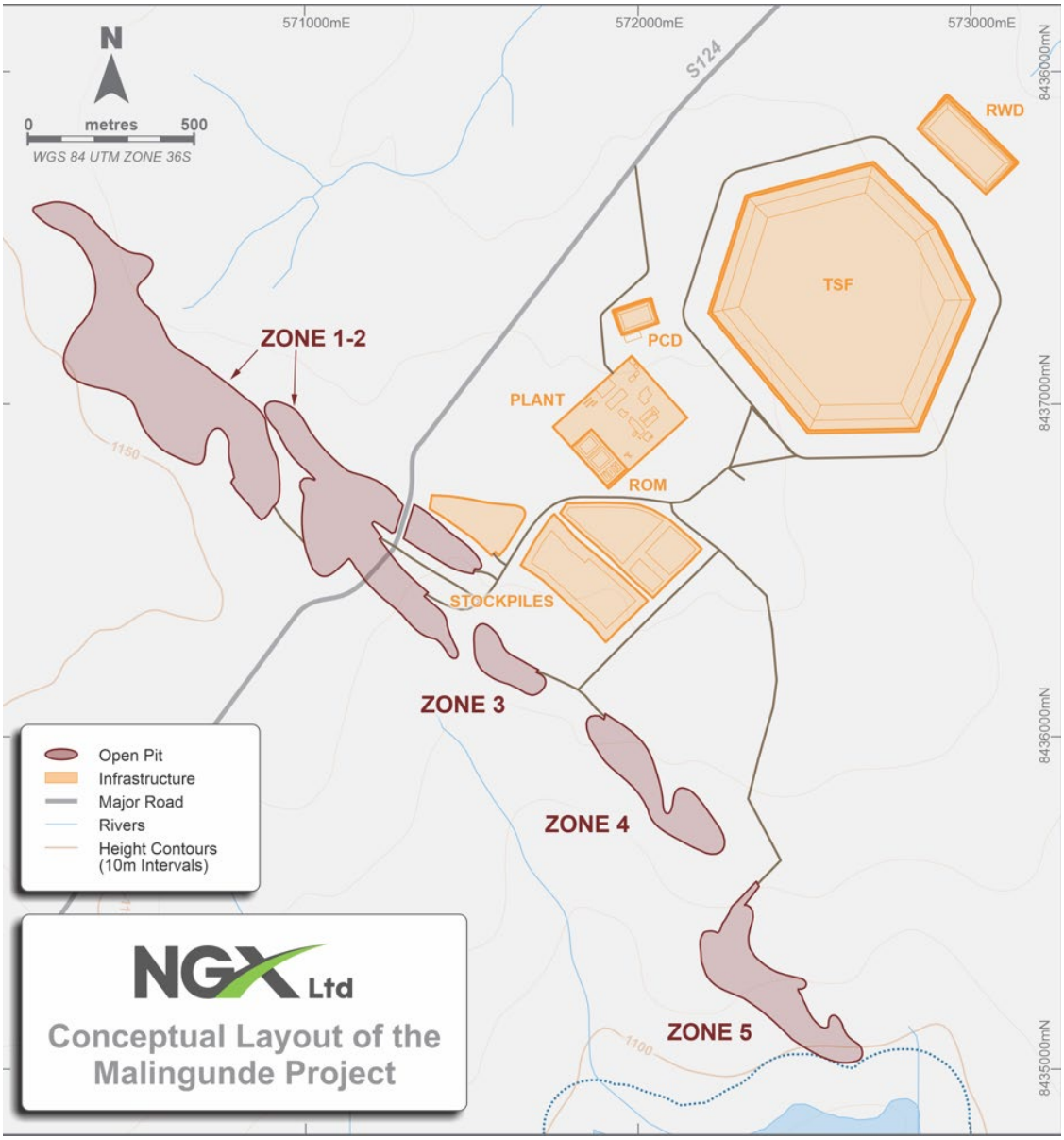


Figure 6.1 Mine Design and Infrastructure

The production schedules for the Ore Reserve determination showing the material type by period and grade profile are shown in Figure 6.2.

There is significant opportunity to increase the mine life beyond 16 years by processing lower grade material from the large resource base, or by discovering additional high-grade resources within reasonable trucking distance to the proposed processing plant. This mine life extension was not assessed in this CPR.

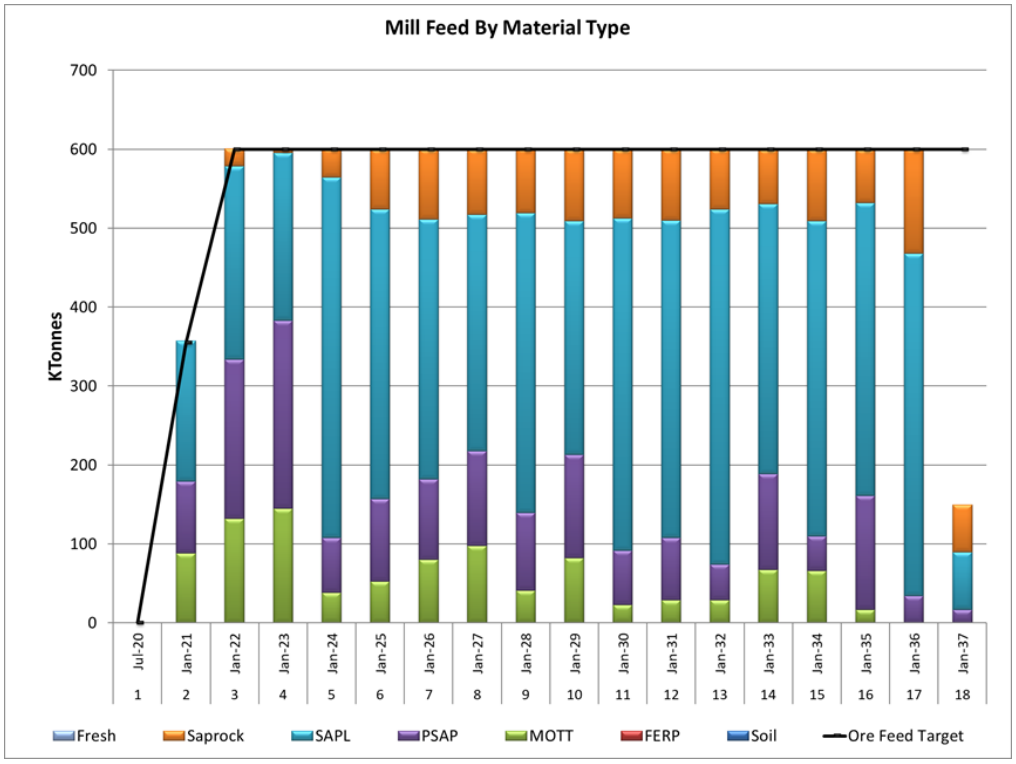


Figure 6.2 Process Plant Feed Material Types and Grade

7 METALLURGY AND PROCESSING

Significant metallurgical test-work programs have been conducted on the Malingunde saprolite hosted graphite deposit since 2016.

An optimised flowsheet was developed by SGS at Lakefield in Canada, and numerous variability tests were carried out on samples from varied lateral and vertical locations within the deposit. Overall, the test-work showed relatively consistent results across the deposit with 48%-78% of the concentrate in the coarser size fractions >149µm (>100 mesh). Combined concentrate grades consistently range between 95% and 98% TGC. Open circuit and locked cycle flotation tests (LCT) produced recoveries between 76% and 94%.

A substantial upscaled metallurgical program was undertaken as part of the PFS. This consisted of comminution and scrubber test-work undertaken at ALS in Perth and flotation and solid / liquid separation and tailings geochemical / geotechnical test-work undertaken at SGS in Canada. The test-work identified the ability to process the more competent saprock, located vertically beneath the very soft saprolite, as up to 15% of the overall feed blend. This enables access to substantial additional high-grade mineralised material previously not considered in the 2017 Scoping Study production target.

Overall, all metallurgical test-work undertaken to date shows a robust flowsheet capable of repeatable metallurgy for a wide range of feed samples has been developed for Malingunde.

Results from two locked cycle tests (LCTs) have been used to as part of the PFS metallurgical program to estimate product grade, flake size distribution and recoveries.

An assumption of 97% C has been applied and an overall recovery of 90% for modelling production over the life of mine (LoM). These metallurgical results were the weighted average of two LCTs on a master composite ore sample that aimed to represent the LoM feed.

Table 7-1 Malingunde Flake Distribution – weighted average LCT results.

MALINGUNDE FLOTATION RESULTS – PFS INPUTS				
PARTICLE SIZE		C (%)	Distribution (wt. %)	Flake Category
Tyler Mesh	(µm)			
+32	+500	98%	5%	Super Jumbo
-32 +48	-500 +297	97%	19%	Jumbo
-48 +80	-297 +177	97%	26%	Large
-80 +100	-177 +149	97%	9%	Medium
-100 +200	-149 +74	97%	25%	Small
-200	-74	94%	16%	Amorphous
TOTAL		97%	100%	

The design of the processing plant is based on the SGS testwork and best practise in similar operations. Importantly, the process requires no primary crushing or grinding of the ore, a material advantage over hard-rock graphite deposits. The basic flowsheet is summarised below and also shown in Figure 7.1:

- The plant feed will be delivered from the run-of-mine (ROM) stockpile by front-end-loader (FEL) to the grizzly and ROM bin.
- Material is passed through a mineral sizer for primary size reduction.
- Plant feed at 100% -20 mm is processed through a scrubber charged with steel media.
- The scrubber discharge slurry is passed through a 10 mm screen with a small quantity (0-15%) oversize being directed to a small pebble crusher.

- The scrubber undersize is pumped to the rougher flotation section for processing. Rougher tailings are pumped to the tailing's thickener.
- Rougher concentrate undergoes a polishing regrind.
- The ground concentrate undergoes cleaner flotation stages with the cleaner concentrate split into coarse and fine fractions at 180 µm.
- Attritioning on the coarse and fine fractions followed by three stages of recleaner flotation.
- The final concentrate fractions +180 µm and -180 µm streams are combined and thickened.
- The concentrate is dewatered using a plate and frame filter with air blow and membrane squeeze steps.
- The filtered concentrate is dried using a flash dryer.
- Dried product is screened and bagged for despatch and sale.

The simple process design uses proven technology and is operational across a number of graphite mines today. The high-grade feed stock of 9.5% TGC over the life of the project assists in achieving the very low processing costs.

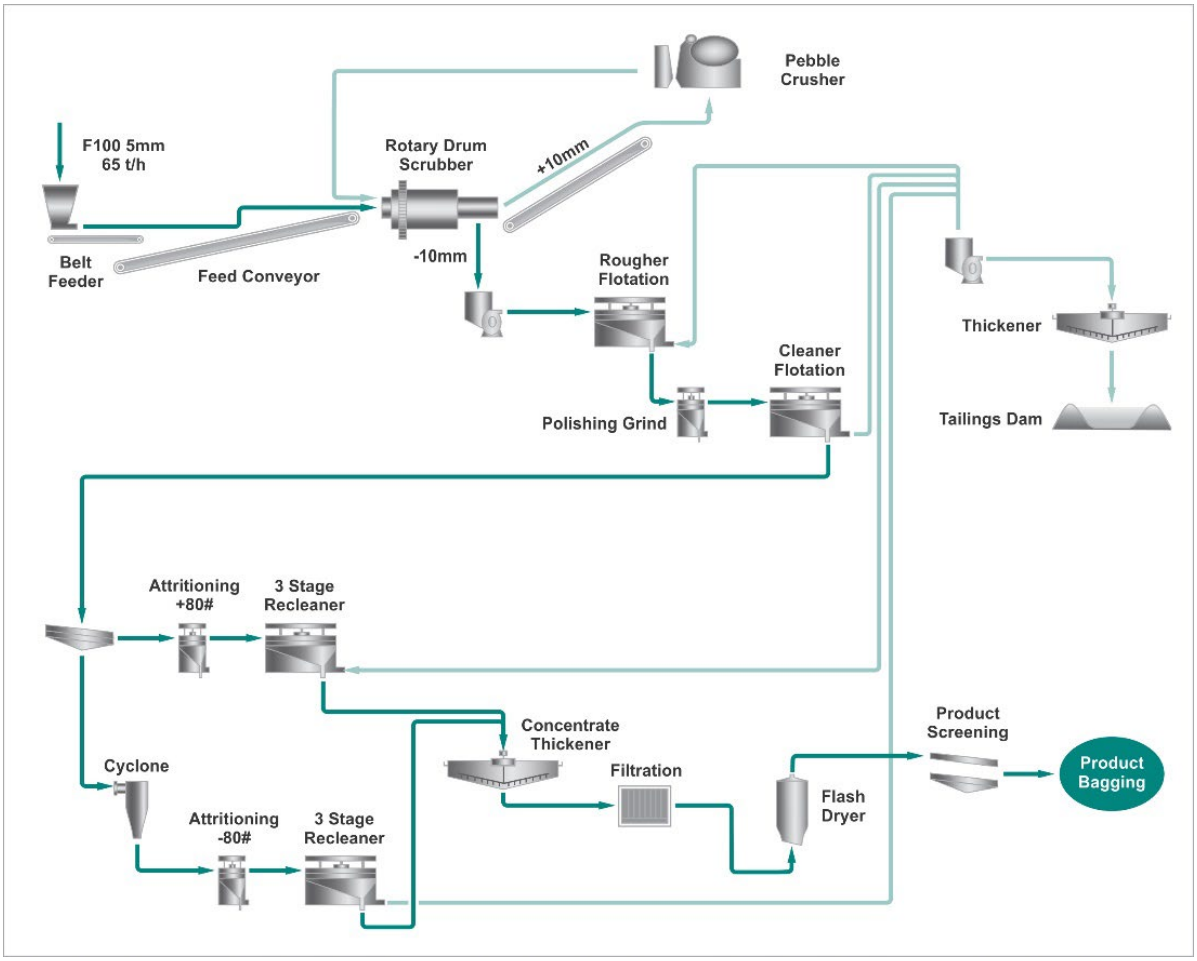


Figure 7.1 Process Flowsheet Schematic

8 INFRASTRUCTURE AND SERVICES

Malingunde is located approximately 20 km southwest of Lilongwe, Malawi's capital, and is serviced by a bitumen road from the main M1 highway to within 10 km of site where it becomes an all-weather gravel road. Final product is therefore only required to be hauled a short distance by road to the existing and underutilised operational intermodal rail siding at Kanengo before being railed to the port of Nacala.

The Malawi Electrical Supply Corporation ("ESCOM") plans to construct a 132/11kV substation near Bunda, just 10 km to the east of Malingunde which will be linked to the national grid (Figure 8.1). The 2018 PFS assumed that a new Bunda substation would be operational by 2027 and providing grid power as the primary source from this time. Although the Bunda substation may come online earlier, this cost update retains a conservative position that grid power will be available from Year 4 onwards and that diesel generators will supply all power for the first three years of operation. The Project economic model therefore assumes on site diesel power generation to the end of Year 3, with grid power availability from this point.

Water is relatively plentiful in the immediate area and the project will be able to source sufficient water from within the project area, predominantly as part of the pit dewatering requirements.

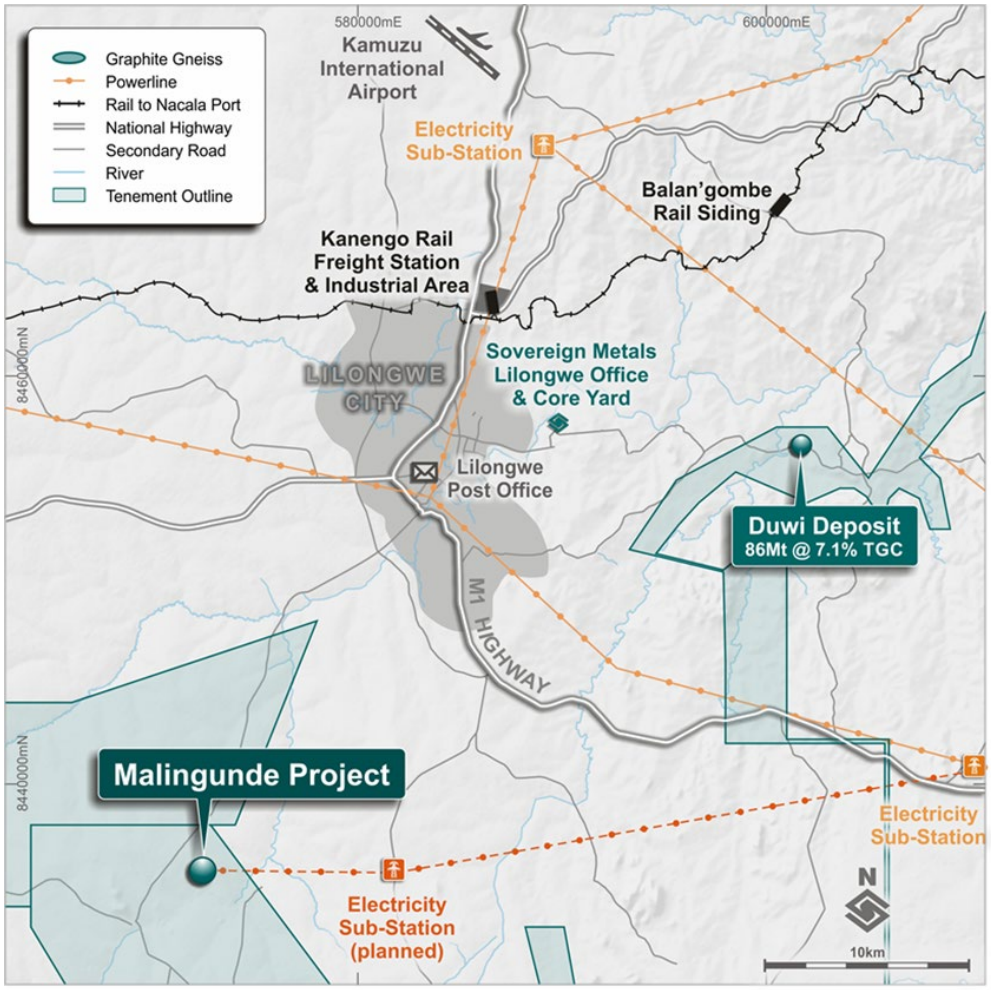


Figure 8.1 Map of Regional Infrastructure

9 HYDROLOGY, HYDROGEOLOGY AND TAILINGS STORAGE

The TSF for the Project was designed to safely contain the life of mine estimated tailings of 5.8 Mt. As per the outcome of sub-studies undertaken during the 2018 PFS the selected TSF option is unchanged as follows:

- A conventional slurry TSF was the most effective deposition method.
- TSF located to the northeast of the plant location was selected as the preferred site.
- Compacted earth walls and cyclone walls were options for the Project.
- In pit disposal should be evaluated during the next stage of study to suit the pit development mining schedule.

For the updated PFS costing, SLR Consulting (Africa) Pty Ltd (**SLR**) was requested to update design assumptions to align with the new Global Industry Standards on Tailings Management (**GISTM**). SLR provided a report documenting the design and cost implications of GISTM and updated the PFS level cost estimate to reflect the modified design and escalation to 2021. SLR completed a high-level Dam Break Assessment (DBA) and concluded that the TSF will likely be classified as a TSF with a “very high” consequence thereby requiring a more conservative engineering design than was originally included in the 2018 PFS.

Compared to the PFS design SLR recommends to only utilise downstream construction to increase the stability of the TSF. Also, the TSF starter wall (constructed from pit waste) will need to increase in height to ensure sufficient underflow during the life of the TSF and additional freeboard required by the GISTM. The increased initial starter wall height (from 4m to 8m) has resulted in the following variations compared to the 2018 PFS TSF starter wall assumptions:

- Larger starter wall footprint area.
- Larger requirement for pit waste for construction of the TSF starter wall.
- A requirement for borrow from the TSF basin to make up for the shortfall in pit waste material available at start up.
- Larger clearing and grubbing areas.
- Larger topsoil removal area.
- Larger box cut volume.
- Larger base compaction area.

Hydrology, hydrogeology and geochemical assessments are unchanged since the 2018 PFS. SLR undertook these assessments at a PFS level. The baseline hydrology assessment indicates that the majority of samples collected within the Project area are within the three standards identified for the project (MS drinking water specifications, WHO Guidelines and IFC Mining Effluent Guidelines water quality specifications).

The baseline work for the hydrogeological studies indicates an approximately uniform hydrogeological environment, with boreholes producing between 1-2 m^3/h. However, two of the boreholes, have sustainable yields in excess of 5 m^3/h. The numerical modelling work has shown that for the pits, the cone of drawdown is at a maximum extent at the end of mining period (16 years) and recovers rapidly thereafter. After year 16, the residual drawdown is below 1m, with an aerial extent which decreases with time, indicating full recovery.

The maximum plume extent from the downstream toe of the TSF is predicted to reach 1,053 m, at the end of year 100 with the geochemical testwork indicating that the TSF pool and seepage water is of

relatively good quality. This needs to be included in the hydrogeological model during the next phase of design, but indications are that effects on groundwater will be negligible (or within acceptable limits).

In terms of water balance, it is expected the project will require an additional ~20,000m^3 per month during each nine-month dry season for the first two years of operation.

The geochemical testwork on tailings indicates highly weathered lithologies with low acid potential and low neutralising potential. The low acid potential (<0.3% S) shows that the materials are unlikely to be capable of sustained acid generation and this is confirmed by the NAG tests, which indicate a near-neutral pH even after intense oxidation of the samples. Organic analytes were generally below detection limit. Only the total carbon fraction C10-C16 was indicated above detection limit (17 mg/kg), which is indicative of the diesel added to the process. The soil screening value for industrial sites given by the Oklahoma Department of Environmental (2012) is 2500 mg/kg. The concentration in the waste value is therefore not expected to be a concern.

10 OPERATIONS

The assumptions made with regard to the operating strategy for the Project at start-up are:

- Contractor mining covering load and haul, ore rehandling, haul road development and maintenance, stockpile management and associated fleet maintenance.
- Contractor covering the transport and logistics management for the concentrate product from mine gate to Nacala Port.
- Owner mineral resource management with grade control and contractor drilling for any exploration.
- Owner operated processing facility including process maintenance.
- Owner site management including financial management, procurement and materials management, human resources, stakeholder engagement / community affairs, health and safety and environment.
- Outsourced services which will be managed by designated owner contract managers include:
  - Security including access control and perimeter patrols.
  - Operational catering and cleaning services.
  - Employee transport.
  - Resource, grade control, process and environmental sample analysis (Laboratory).
  - Fuel Supply and management.
  - Power supply from on-site generation.

11 HEALTH AND SAFETY

The principal legislation that regulates occupational health and safety in Malawi is the Occupational Safety, Health and Welfare Act, 1997. The Act regulates conditions of employment in workplaces with regard to safety, health and welfare of employees. The Act imposes duties on employers, persons in control of premises, manufacturers and suppliers.

It is the duty of every employer to ensure the safety, health and welfare at work of all employees.

The Act also places on employers a duty to provide information, instruction, training and supervision to ensure the safety and health at work of their employees. Every worker in a workplace is required to be adequately and suitably instructed and trained in the measures available for prevention and control and protection against health hazards at the workplace.

In addition to the Occupational Safety, Health and Welfare Act, NGX will also adhere to the relevant provisions of:

- Employment Act, 2002 as amended in 2010
- Gender Equality Act, 2013
- Disability Act, 2012

The above legislation largely deals with the health and safety of employees. However, NGX will also consider health and safety impacts on surrounding communities and put in place appropriate safeguards.

12 ENVIRONMENTAL & SOCIAL

The Project location in relation to the environmental and social setting is important and will inform project alternatives. These are important in evaluating project trade-offs and developing the appropriate management and mitigation measures to be implemented for the project. Consequently, they will also influence the feasibility of the Project in terms of cost related to environmental and social drivers.

The ESIA process in Malawi is undertaken in three distinct phases, namely the Project Brief, Environmental Scoping and ESIA Phases.

A Project Brief was submitted to the Environmental Affairs Department (**EAD**) on 12 June 2017 to initiate the ESIA process for the Project. The EAD indicated that, based on the nature and scale of the activities, an ESIA is required to be undertaken and an ESIA Report is to be submitted. The ESIA must be compliant with the Malawi Guidelines of Environmental Impact Assessment (1997).

Collection of environmental data and a number of baseline studies have been undertaken since April 2017 and were completed in December 2018. This included surface and groundwater sampling, aquatic biomonitoring, fish and mollusc sampling, air quality monitoring, terrestrial ecological surveys, wetland surveys, noise and vibration baseline surveys, soil sampling, socio-economic data collection and household surveys.

Information from initial surveys, baseline data collection and consultation as part of the environmental scoping phase were collated and documented in the form of an environmental scoping report (**ESR**). The draft ESR was made available from 5 March to 13 April 2018 for review and comments by stakeholders. Comments and queries were incorporated in the comments and response report, and the draft ESR was amended as needed. The revised ESR was submitted to the EAD for review and was approved on 20 June 2018.

The ESIA process will ultimately culminate in the compilation of an ESIA report that will be prepared in accordance with the requirements of the EIA Guidelines (1997). The detailed ESIA phase and all specialist studies are near completion.

Acquisition of land for the Project will physically and economically displace a number of households and land users. The Company will adequately and satisfactorily mitigate and offset these impacts, should the proposed project be implemented, by providing the affected parties with the necessary resettlement measures.

A resettlement action plan (**RAP**) for the Project is being prepared which will conform to both Malawian legislation and international best practice standards, specifically the IFC Performance Standards (2012) that deals with land acquisition and resettlement. At the current time the Company is unable to reliably estimate resettlement costs and has not included a provision in the estimated development costs.

An environmental and social management plan (**ESMP**) is being developed as part of the ESIA process. The ESMP will contain specific measures to minimise and manage potential environmental and social impacts of project activities, as well as monitoring programs to evaluate compliance with environmental targets and standards.

The ESMP will address project aspects such as land clearing, management of topsoil, protection of cultural heritage, management of waste materials, prevention of surface and groundwater contamination, management of storm water, management measures for dust and noise, rehabilitation and revegetation, and management of community impacts.

13 PRODUCT LOGISTICS

Malingunde is located approximately 20km southwest of Lilongwe, Malawi's capital, and boasts excellent access to services and infrastructure. The site is serviced by a bitumen road from the main M1 highway to within 10km where it becomes an all-weather gravel road.

The logistics strategy is unchanged and the basis and cost build-up for product export logistics comprises the following:

- Road transport of bagged product on flat-bed trucks from the mine site to the Kanengo rail head in Lilongwe.
- Packing bags into shipping containers at Kanengo and periodic loading onto lightweight rail wagons.
- Rail transport to Nacala port in Mozambique.
- Storage and loading onto seaborne container carriers.

The proposed route is shown in Figure 13.1. Rail freight cost estimates were provided by Central East African Railways (**CEAR**), the existing rail concessionaire and rail operator. The rail concession is operated as a joint venture between Mitsui & Co., Ltd, Vale SA and the Malawi and Mozambique Governments. CEAR have advised that there is available capacity to accommodate Malingunde concentrates. Export out of the port of Beira may become an increasingly viable logistics option given recent announcements of upgrades of the Sena rail line which connects Beira and the Tete province (Moatize Coal Mine).

The Company engaged Morgan Sterling Consultants who updated the original logistics study for the 2018 PFS to provide an update to the costs and validation of the original strategy for the Q4, 2022 update. The outcome of the review was no material change to the reported strategy in the 2018 PFS, other than an increase in transportation costs as disclosed in Section 14.2.

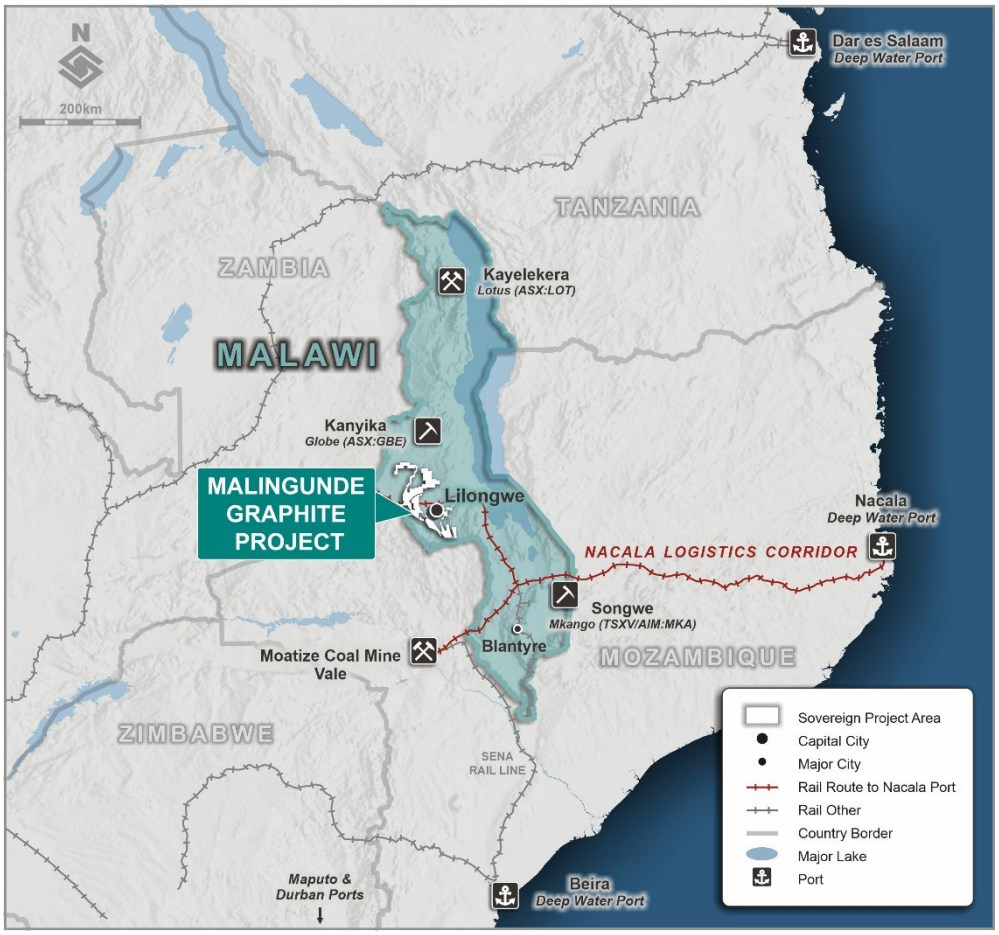


Figure 13.1 Nacala Rail Corridor

14 COST ESTIMATES

14.1 Capital Cost Estimates

As with the 2018 PFS, the base case that has been costed was described as the 600,000 t/y operation with TSF wall lifts using cyclone tailings.

For all areas of the project except for the TSF, engineered quantities, equipment and facility specifications and execution strategies are the same as per the 2018 PFS as no additional engineering has been completed. However, the labour and commodity rates (inclusive of installation) and equipment costs have been assessed and escalated to reflect a first quarter 2023 United States dollar (USD) estimate. As discussed in Section 9, the compliance with the new GISTM has resulted in a more conservative TSF design and resulted in increased cost in this area of the project.

The estimate has been divided into direct and indirect cost.

Processing and infrastructure capital costs are based on the cost of mechanical equipment provided primarily by Tier 1 and Tier 2 Chinese equipment vendors who have recently validated the costs originally provided in the 2018 PFS estimate.

Costs related to processing, processing infrastructure and associated costs were developed by DRA. Mining and TSF / Water Management costs were developed by Orelogy and SLR Consulting (**SLR**), respectively. Owners team costs were provided by NGX. The accuracy of the infrastructure capital costs is estimated to be +/-25%. Consideration due to increases in cost due to inflation have also been taken

into account. The total capital cost estimate has increased by approximately 43% compared to the 2018 PFS.

Table 14-1 Capital Cost Estimate Breakdown (Q1,2023)

Cost Category	Cost (US$M) 600,000 t/y
DIRECT COSTS	
Processing	28.2
Site Preparation	2.5
Processing Infrastructure	2.9
Mining	2.4
Tailings & Water	14.1
TOTAL DIRECT COSTS	**50.1**
INDIRECT COSTS	
Indirect Costs	10.0
Owner's Costs	12.3
TOTAL INDIRECT COSTS	**20.3**
TOTAL COST ESTIMATE	**70.4**

Note: Rounding errors may be present in the table above

Sustaining capital amounts have been estimated for the Project as US$32m. Majority of costs are associated with the TSF wall lifts, removal of overburden and capitalised waste mining as well as some plant equipment replacement (pumps only) and mobile equipment replacement.

14.2 Operating Cost Estimates

Graphite operations which process saprolite-hosted material have historically been the world's lowest cost producers of natural flake graphite concentrates. The Project estimates operating costs of approximately US$396 per tonne concentrate free on board (**FOB**), or US$319 at mine gate (**MG**), for its high-quality graphite concentrates at a production rate of 52,000 tonnes per annum over the life of mine. Additionally, estimated long term average costs move to just US$344 FOB or US$267 MG after year 7. The project is amongst the very lowest for unit operating costs amongst the current and future graphite development pipeline. The Project aims to produce at a reasonable scale that can easily be placed into existing traditional markets and the growing battery supply chain.

The extremely low operating cost is driven primarily by the saprolite advantage and low logistics costs compared to most East African peers. As the ore is hosted in soft saprolite, it offers a huge cost advantage for mining with its low strip ratios and free-dig nature. In terms of processing, no primary crush or grind is required, resulting in lower processing costs compared to hard-rock operations.

The proximity of the Project to Malawi's capital city Lilongwe offers significant infrastructure and other advantages. Access to an already established labour pool and other industrial services provides operating efficiencies. The largest advantages are the access to high voltage grid power after year 3, and the existing, operating rail/port logistics solution for product export.

Operating costs include all costs to be incurred by NGX in mining and processing ore to produce graphite concentrate and to transport the graphite concentrate to point of delivery being Free on Board (FOB) port of Nacala. The operating costs begin to be incurred from the date of introduction of first ore into the processing plant. The operating costs include general expenses and on-site administration costs.

The estimate has generally been developed from first principles. Exceptions are the plant maintenance materials cost which is a factored estimate based on the plant direct capital cost and parts of the General & Administration (G&A) cost which are allowances based on experience from other projects.

All currency amounts quoted are in United States Dollars (US$) unless nominated otherwise. The base date of the estimate is first quarter 2023. The accuracy of the operating cost estimate is estimated to be +25 -15%.

The operating strategy for the project considers three separate phases through the life-of-mine as the project matures (such as replacing contract mining with owner operation) and new infrastructure (most notably grid power) becomes available. The key assumptions for each phase are described below and the estimated annual cash operating costs for this base case is summarised in Table 14.2.

Phase 1. Years 1 - 3

Labour – Full complement of expatriate employees.

Mining – By mining contractor.

Power – Contractor power generation with heat recovery.

Phase 2. Years 4 - 7

Labour – Reduction in expatriate labour.

Mining – By mining contractor.

Power – Grid with owner operated diesel back up power.

Phase 3. Year 8 onwards

Labour – Reduced expatriate labour as for Years 4 – 7.

Mining – by owner.

Power – Grid with owner operated diesel back up power.

Table 14-2 Operating Cost Summary by Phase

	Description	Phase 1 Unit Cost US$/t product	Phase 2 Unit Cost US$/t product	Phase 3 Unit Cost US$/t product
MINING	Mining contractor	57.18	57.18	23.82
PROCESS	Labour (incl G&A)	78.37	56.51	56.51
	ROM ore rehandle	3.39	3.39	3.39
	Power	132.07	33.75	33.75
	Reagents and consumables	33.55	48.94	48.94
	Maintenance materials	15.08	15.08	15.08
GENERAL & ADMIN.	Overall (excl Labour)	56.13	56.13	56.13
Concentrate Transport		76.68	76.68	76.68
TOTAL		**452.46**	**347.67**	**314.31**

14.3 Planned Exploration Expenditure

As the ML for Malingunde has not yet been granted and transferred to NGX, there is no planned exploration expenditure for the Project until this has occurred. NGX, in conjunction with SVM, will ensure that all expenditure required under the Mines Act for the grant and transfer of the ML to NGX will be made.

15 PROJECT IMPLEMENTATION

The 2018 PFS generated a preliminary implementation schedule for the subsequent project phases, being the Definitive Feasibility Study (DFS), engineering design, construction and commissioning of the facilities, infrastructure and services for the Malingunde Graphite Project.

As the start dates for the commencement of the DFS are not defined, the milestones are presented as months from initiation of the DFS in Table 15.1.

NGX has recently completed an update on the 2018 PFS cost estimates to develop a representative study based on 2023 costing and revenue factors.

Table 15-1 Project Milestones

Item	Milestone	Month
1	DFS Phase Kick-Off	date not defined
2	Commence Early Engineering Phase	12
3	Final Investment Decision	15
4	EPC Contract Award	15
5	Commence Construction	20
6	Commence Production	35

From the commencement of the DFS, the project is estimated to take 35 months until first production.

16 MARKETING

The primary end-market for natural flake graphite is the refractory, foundries and crucible sectors which consumed approximately 77% (900,000 tonnes) of flake graphite production in 2020. The refractory industry is the volume driver for flake graphite, with foundries and crucibles offering smaller markets for higher purity graphite products. The major product flake graphite is consumed in is magnesia-carbon bricks, a mainstream, global refractory brick which is used in the steel industry.

The lithium-ion battery sector is the main emerging market for flake graphite. Greater capacity batteries, such as those required for electric vehicles, are expected to drive significant demand for graphite over the coming years. It is forecast the battery sector will become the largest segment by 2028.

China continues to be the world's leading producer of natural flake graphite, supplying approximately 62% of the market in 2020. Brazil, India, Canada, Mozambique, Madagascar and North Korea were major contributors of the remaining 38% of global production.

The supply-demand balance in the graphite market is forecast to remain in balance for an extended period. However, a significant supply deficit is anticipated by 2024 as demand is forecast to strengthen putting the market into deficit.

NGX will target a very simple mining and processing operation, selling reasonable volumes of very high-quality, dominantly coarse flake graphite products into existing markets.

NGX will focus on initial entry into existing primary end-markets, including the refractory, foundry and expandable graphite sectors. The Project's very low production costs are expected to allow NGX to compete on price point with China, the world's largest supplier of natural flake graphite.

Test-work on Malingunde flake graphite for suitability in lithium-ion battery and other high-tech applications is also being conducted. This will allow NGX to expand its market reach to capitalise on future growth in the lithium-ion battery demand.

NGX has engaged with a diverse range of potential off-takers across a number of industrial sectors and global locations. To date, concentrate samples have been provided to a significant number of potential partners for assessment. Larger quantities of sample are now being requested by a number of these groups in order to validate and qualify the Project's flake graphite concentrates for their particular requirements.

Industry participants confirm that the highest value graphite concentrates remain the large, jumbo and super-jumbo flake fractions, primarily used in industrial applications such as refractories, foundries and expandable products. These sectors currently make up the significant majority of total global natural flake graphite market by value.

NGX engaged Fastmarkets, a specialist international publisher and information provider for the global steel, non-ferrous and industrial minerals markets, to assess the marketability of Malingunde graphite product.

Fastmarket's PFS level assessment has confirmed that, based upon their high-level view on global demand and supply forecasts for natural flake graphite, and with reference to the specific attributes of the Malingunde Project, there is a reasonable expectation that the product will be able to be sold into existing and future graphite markets. Given the extremely low-cost profile and high-quality product, it is expected that output from Malingunde will be able to fill new demand or displace existing lower quality / higher cost supply.

NGX has taken a deliberately conservative view for its base-case PFS scenario on graphite pricing. Using these assumptions, the PFS shows high operating margins and significant cash generation.

Table 16-1 Graphite Basket Price

	µm	%	Discounted Fastmarket Pricing (US$)	Contribution (US$)
Super jumbo +32 mesh	+500	5%	$2,955	$158
Jumbo +48 mesh	+300	19%	$2,391	$448
Large +80 mesh	+180	26%	$1,334	$353
Medium +100 mesh	+150	9%	$1,029	$88
Small +200 mesh	+75	25%	$818	$206
Amorphous -200 mesh	-75	16%	$277	$44
Basket Price				**$1,296**

The basket price used for the PFS was based on current pricing sourced from independent consultant, Fastmarkets. Prices are forecast to increase in the medium to long-term. The prices reported are in line with reported prices being received by other graphite producers with the prices discounted to incorporate market establishment and agent fees.

17 PROJECT ECONOMICS

The Company modelled numerous scenarios analysing the impact of several key inputs, including sales price, operating cost and capital cost, settling on a base case scenario using the following key parameters.

- Capital cost as set out in Section 14.1
- Operating cost as set out in Section 14.2
- Production assumptions as summarised in Sections 5, 6 and 7
- Life of Mine: 16 years
- Discount rate: 10%
- Tax rate: 30% (no RRT has been incorporated)
- Royalty rate: 5% royalty (Government) and 2% of gross profit (Original Project Vendor)
- Foreign exchanges (source: Oanda.com, 31 January 2023):
  - USD1 = AUD1.42
  - USD1 = MWK1027.0
  - USD1 = ZAR17.4
  - USD1 = CNY6.75991
  - USD1 = EUR0.91972
- Pricing: A flat basket price of US$1,296 per tonne as discussed in Section 16

The financial model has been prepared internally by the Company using inputs from the various expert consultants and has been reviewed by an international accounting firm to validate the functionality and accuracy of the model.

The key metrics for the Project are shown below in Table 17.1.

Table 17-1 Key Project Metrics

ECONOMIC		
Development Capital	US$M	50.1
Indirect Costs	US$M	10.0
Owner's Costs (Inc. Contingency)	US$M	12.3
Total Development Costs	**US$M**	**70.4**
Sustaining Capital (over Life-of-mine)	US$M	**31.6**
Mine Gate Opex (exc. Royalties)	US$/t conc	319
Product Transport & Logistics	US$/t conc.	77
Average LOM Opex (FOB Nacala)	**US$/t conc.**	**396**

PHYSICAL		
Average Annual Plant Throughput	t/y	600,000
Average Annual Concentrate production	t/y	52,000
Average LOM Feed Grade	% TGC	9.5%
Average LOM Product Grade	% TGC	97.0%
Average LOM Plant Recovery	%	90%
Life-of-Mine (LOM)	Years	16
Average LOM Strip Ratio	Waste : Ore	1.0

FINANCIAL		
NPV (10%) Pre-tax	US$M	171
NPV (10%) Post-tax	US$M	119
IRR Pre-tax	%	40
IRR Post-tax	%	31
Product basket Price applied	US$/t conc.	1,296
Average Annual EBITDA LOM	US$M	40
Average Annual Revenue (post ramp-up)	US$M	64

17.1 Sensitivity Analysis

The Project economics presented were prepared at a ±25% level of accuracy to investigate the technical and economic parameters of a natural flake graphite operation at the Malingunde Project. The Company also modelled a number of different scenarios to evaluate the impact of key inputs to the Project's economics.

In the early stages of the Project, the major power source will be diesel generators prior to the availability of grid power. Changes in the diesel price have been modelled to analyse the impact it has on the operating costs of the project over its life. Based on the modelling a 10% increase in diesel price results in an increase in the operating costs of less than 2%.

The Company has applied a concentrate grade assumption of 97% TGC and an overall processing recovery of 90% for modelling production over the life of mine based on a conservative basket price. Large flake sizes and higher purity concentrates attract a premium price. If, at an operational level, a better flake distribution is able to be achieved margins maybe be improved.

Table 17-2 NPV Sensitivity based on discount rate

	Sensitivity *Weighted Average Cost of Capital (WACC)*			
	6%	8%	**Base (10%)**	12%
NPV (US$m) – post tax	199	154	**119**	92

A sensitivity analysis has been performed on the financial model to understand the impact of variations to estimates on the Project's economics. The purpose of this assessment is to indicate a possible range of project outcomes. The Table below shows the impact on the Project's NPV (10%) (post tax) for the variations to the following parameters:

- Sales price
- Operating Cost
- Capital Cost

Table 17-3 Project variables sensitivity analysis (NPV)

	Sensitivity **NPV (10%) (US$m) – post tax**				
	-20%	**-10%**	**Base**	**+10%**	**+20%**
Price	64	91	**119**	147	174
Operating Cost	145	132	**119**	106	93
Capital Cost	133	126	**119**	112	105

Table 17-4 Project variables sensitivity analysis (IRR)

	Sensitivity **Internal Rate of Return (IRR) – post tax**				
	-20%	**-10%**	**Base**	**+10%**	**+20%**
Price	22%	27%	**31%**	36%	40%
Operating Cost	36%	34%	**31%**	29%	27%
Capital Cost	38%	35%	**31%**	29%	27%

18 CONCLUSIONS AND RECOMMENDATIONS

Malingunde Project's strong commercial potential, centred on very low operating and capital costs, with product revenues generated from a very high-quality product. The PFS validates NGX's strategy of exploring for soft, saprolite-hosted graphite mineralisation, with the aim of delivering:

- Very low operating costs.
- Low capital costs.
- Very simple mining & processing.
- Targeting entry to existing refractory, foundry and expandable graphite markets, with Li-ion battery markets as future upside.

The PFS shows that the Project is not reliant on an unrealistically large scale or overly optimistic basket pricing assumptions to be economically viable. The very low operating cost nature of the Project provides protection, and ensures profitability for the project, even in extreme downside global graphite pricing scenarios.

19 COMPETENT PERSONS STATEMENTS AND CONSENTS

19.1 Processing and Infrastructure Capital Costs

The information in this CPR that relates to Processing and Infrastructure Capital Costs are based on and fairly represent information compiled or reviewed by Mr Matthew Langridge, a Competent Person, who is a Fellow Member of The Australasian Institute of Mining and Metallurgy. Mr Langridge is a consultant employed by DRA Pacific Pty Ltd, an independent consulting company. Mr Langridge has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activities undertaken. Mr Langridge, consents to the inclusion in the Announcement of the matters based on his information in the form and context in which it appears.

19.2 Operating Costs

The information in this CPR that relates to Operating Costs are based on and fairly represent information compiled or reviewed by Mr John Riordan, a Competent Person, who is a Fellow Member of The Australasian Institute of Mining and Metallurgy. Mr Riordan is employed by DRA Pacific Pty Ltd, an independent consulting company. Mr Riordan has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activities undertaken. Mr Riordan, consents to the inclusion in the Announcement of the matters based on his information in the form and context in which it appears.

19.3 Geology Exploration Results and Mineral Resource

The information in this CPR that relates to the Malingunde Geology, Exploration Results and Mineral Resource is based on and fairly represents information compiled or reviewed by Mr David Williams, who is a Member of The Australian Institute of Geoscientists (RPGeo). Mr Williams is employed by CSA Global Pty Ltd, an independent consulting company. Mr Williams has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration, and to the activity 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’. Mr Williams, consents to the inclusion in the CPR of the matters based on his information in the form and context in which it appears.

19.4 Ore Reserves and Mining

The information in this CPR that relates to Production Targets and Ore Reserves is based on and fairly represent information provided by Mr Ryan Locke, a Competent Person, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Locke is employed by Orelogy Group Pty Ltd, an independent consulting company. Mr Locke has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration, and to the activity 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’. Mr Locke consents to the inclusion in the CPR of the matters based on his information in the form and context in which it appears.

19.5 Metallurgy and Processing

The information in this CPR that relates to Metallurgy is based on, and fairly represents, information provided by Mr Oliver Peters, M.Sc., P.Eng., MBA, who is a Member of the Professional Engineers of Ontario (PEO), a ‘Recognised Professional Organisation’ (RPO) included in a list promulgated by the ASX from time to time. Mr Peters is the President of Metpro Management Inc and a consultant to SGS Canada Inc. (“SGS”). SGS is engaged as a consultant by Sovereign Metals Limited. Mr Peters 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'. Mr Oliver consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

19.6 Consents

DRA has given and has not withdrawn, its written consent to consent for the CPR to be used in a prospectus to support NGX's IPO, including publication on NGX's website and to the inclusion of statements made by DRA and to the references to its CPR and its name in other documents pertaining to the IPO of NGX, in the form and context in which the report and those statements appear. DRA has authorised the contents of its report and context in which they are respectively included.

Section	Name Of Competent Person	Signature	Company Name
CPR	John Riordan	John Riordan (Apr 1, 2023 17:43 GMT+8)	DRA
Geology & Resource	David Williams	David Williams (Apr 4, 2023 18:39 GMT+10)	CSA Global
Ore Reserves	Ryan Locke	R Locke (Apr 4, 2023 07:11 GMT+8)	Orelogy
Mining	Ryan Locke		
Metallurgy & Processing	Oliver Peters	Oliver Peters (Apr 2, 2023 09:20 EDT)	Metpro Management
Cost Estimate - Capital	Matthew Langridge	Matt Langridge (Apr 4, 2023 07:47 GMT+8)	DRA
Cost Estimate - Operating	John Riordan	John Riordan (Apr 1, 2023 17:43 GMT+8)	DRA

20 DECLARATIONS

CPs are not, nor intend to be, directors, officers or employees of NGX and have no material interest, past or current, in any of the projects or NGX. The relationship with NGX is solely one of professional association between client and independent consultant. The review work and this report are prepared in return for professional fees based upon agreed commercial rates and the payment of these fees is in no way contingent on the results of this Report.

This report was prepared by DRA and accompanying CPs (qualifications set out in Section 19) in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code 2012 Edition) and the "Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets" (VALMIN 2015). The report has also been prepared in accordance with ASIC Regulatory Guides 111 (Contents of Expert Reports) and 112 (Independence of Experts).

DRA is not aware of any material change in any of the data used in this evaluation that would cause us to materially alter the estimates set forth herein.

21 REFERENCES

Minnovo Pty Ltd. (2018). *Malingunde Graphite Project Prefeasibility Study Report. S091-REP-PR-001 A.* Perth: Minnovo Pty Ltd.

22 GLOSSARY

Abbreviation	Description
°C	Degrees Celsius
µm	Micrometre or Micron
AC	Air-core
ALS	ALS Metallurgical Laboratory
amsl	Above Mean Sea Level
ARD	Acid Rock Drainage
AS	Australian Standard
ASX	Australian Stock Exchange
AUD	Australian Dollar
ave	Average
BCM	Bulk Cubic Meter
BOO	Build Own Operate
Capex	Capital Expenditure
CFR	Cost and Freight
CEAR	Central East African Railways
cm	Centimetre
CPR	Competent Persons Report
CSR	Corporate Social Responsibility
d	Day
D	Discharge
d/y	Days Per Year
DD	Diamond-core Drilling
DEM	Digital Elevation Model
DFS	Definitive Feasibility Study
DL	Detection Limit
dmt	Dry Metric Tonne
DRA	DRA Pacific
EAD	Environmental Affairs Department (of Malawi)
EAP	Employee Assistance Program
EBITDA	Earnings Before Interest, Taxes, Depreciation And Amortisation
EHS	Environment, Health, And Safety
EIA	Environmental Impact Assessment
EL	Exploration Licence
EMP	Environmental Management Plan

Abbreviation	Description
EPC	Engineering, Procurement, Construction
EPCM	Engineering, Procurement & Construction Management
ERP	Emergency Response Plan
ESIA	Environmental And Social Impact Assessment
ESR	Environmental Scoping Report
FEED	Front End Engineering And Design
FEL	Front End Loader
FOB	Free on Board
FS	Feasibility Study
G&A	General & Administration
GHG	Greenhouse Gas(es)
GISTM	Global Industry Standards on Tailings Management
h	Hour
H'	Diversity Index
h/d	Hours Per Day
h/y	Hours Per Year
HA	Hand Auger
ha	Hectare
HR	Human Resources
HRMP	Human Resources Management Plan
HSE	Health, Safety and Environment
HSEMS	Health Safety and Environmental Management System
HSMP	Health and Safety Management Plan
IBC	Intermediate Bulk Container
ICP-MS	Inductively Coupled Plasma Mass Spectrometer
ICP-OES	Inductively Coupled Plasma Optical Emission Spectrometry
IFC	International Finance Corporation
IRR	Internal Rate of Return
IT	Information Technology
JORC	Australasian Joint Ore Reserves Committee
JPY	Japanese Yen
k	Kilo or Thousand
kg	Kilogram
km	Kilometre
KPI	Key Performance Indicator
kt	Kilo Tonne (Thousand Metric Tonne)
kW	Kilowatt (Power)
kWh	Kilowatt Hour
L	Litre
LCT	Locked Cycle Testwork

Abbreviation	Description
LME	London Metals Exchange
LoM	Life of Mine
LSE	London Stock Exchange
m	Metre
M	Million
m2	Square Metre
m3	Cubic Metre
Ma	Mega annum (million years)
MG	Mine Gate
mm	Millimetre
MMINES	Ministry of Mining
MRA	Malawi Revenue Authority
MRE	Mineral Resource Estimate
mRL	Metre Reduced Level
Msal	Meters Above Sea Level
MSDS	Material Safety Data Sheet
Mt	Million Tonnes (Metric)
Mt/y	Million Tonnes Per Year
MW	Megawatt
N/A	Not Applicable
NA	Not Available
ND	Not Detected
NPI	Non Process Infrastructure
NPV	Net Present Value
OHS&E	Occupational Health, Safety & Environment
OK	Ordinary Kriging
PEA	Preliminary Economic Assessment
PFD	Process Flow Diagram
PFS	Pre-Feasibility Study
PPE	Personal Protective Equipment
QA/QC	Quality Assurance And Quality Control
RAP	Resettlement Action Plan
ROM	Run-Of-Mine
RRT	Resource Rent Tax
s	Second
SG	Specific Gravity
SGS	SGS Metallurgical Laboratory
SOP	Standard Operating Procedure
SVM	Sovereign Metals Limited
t	Tonne (Metric)

Abbreviation	Description
t/h	Tonnes Per Hour
t/m3	Tonnes Per Cubic Metre
t/y	Tonnes Per Year
TBC	To Be Confirmed
TC	Total Carbon
TC	Treatment Charge
TDS	Total Dissolved Solids
TGC	Total Graphitic Carbon
TSF	Tailings Storage Facility
UOM	Unit of Measure
US$	United States Dollar
USD	United States Dollar
V	Volt
VAT	Value Added Tax
VTEM	Versatile Time Domain Electromagnetic
w/v	Weight/Volume
w/w	Weight/Weight
WBG	World Bank Group
WHO	World Health Organization
XRD	X-Ray Diffraction
XRF	X-Ray Fluorescence

23 JORC CODE TABLE 1

SECTION 1 - SAMPLING TECHNIQUES AND DATA

Criteria	Explanation	Commentary
Sampling Techniques	*Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.*	Hand Auger (HA), Air-core (AC) and Diamond core (DD) drilling form the basis of the Mineral Resource Estimate (MRE) and are described below: **HA** drilling was employed to obtain samples vertically from surface at nominal 1-metre depth intervals, with samples composited on geologically determined intervals. Composite samples were riffle split on site. A total of 1,053 HA holes (10,686 m) support the MRE. **AC** drilling was employed to obtain bulk drill cuttings at nominal 1-metre (downhole) intervals from surface. All 1-metre samples were collected in plastic bags directly beneath the drilling rig cyclone underflow. The entire 1-metre sample was manually split using either a 3-tier (87.5:12.5 split) or single tier (50:50 split) riffle splitter or a combination thereof to facilitate the mass reduction of a laboratory assay split. Compositing of the laboratory sample split was performed on a geological basis. Mineralised (>=3% v/v visual) laboratory splits of 1-metre intervals from surface to the top of the saprolite zone were not composited whereas mineralised splits of the underlying saprolite and saprock intervals were composited nominally at 2-metres. Unmineralised (=<3% v/v visual), laboratory splits of 4-metre intervals from top of hole to bottom of hole were composited. A total of 384 AC holes (11,595.8 m) support the MRE. **DD** drilling (angled and vertical) was designed to obtain representative large diameter (PQ3) core for geological, geotechnical and metallurgical testwork purposes. Subsequent to completion of all geological and geotechnical logging and sampling (whole core samples removed laboratory bulk density and strength testing) drill core was either manually hand split or sawn using a circular saw and sampled as ¼ PQ3 core. Upon completion of laboratory bulk density and strength testing of the whole core intervals the entire core was submitted to the laboratory. A total of 13 DD holes (487.75 m) support the MRE. Laboratory splits were submitted Intertek Perth for assay sample preparation. Total Graphitic Carbon (TGC) analysis of all assay pulps samples was undertaken by Intertek Perth. Metallurgy samples were collected from PQ drill-core and comprise whole, three-quarter and half core. Metallurgical samples were composited into a Master Composite which is approximately weighted on weathering types within the Ore Reserve model.
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.	Drilling and sampling activities were supervised by a suitably qualified Company geologist who was present at the drill rig at all times. All bulk 1-metre drill samples were geologically logged by the geologist at the drill site. All 1-metre downhole drill samples collected in plastic bags from directly beneath the cyclone underflow were individually weighed and moisture content was qualitatively logged prior to further splitting and sampling. All mass reduction (field and laboratory splitting) of samples were performed within Gy's Sampling Nomogram limits relevant to this style of mineralisation. Field duplicate splits were undertaken nominally every 20th sample to quantify sampling and analytical error. A program of field replicate splitting of selected (~5%) mineralised intervals was completed at the conclusion of the drill program. **HA:** The auger spiral and rods are cleaned between each metre of sampling to avoid contamination. **AC:** The sampling cyclone was routinely cleaned out between each drill hole. Sample recovery was quantitatively assessed throughout the duration of the drilling program. A program of field replicate splitting of selected (~5%) mineralised intervals was completed at the conclusion of the drill program to assess the sampling repeatability **DD:** core recovery was closely monitored during drilling particularly through the mineralised zones. Standard industry drilling mud mixtures were employed to improve core recovery especially through the softer upper clay rich pedolith and saprolith horizons.

Criteria	Explanation	Commentary
	Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.	Flake graphite content is visually estimated as volume % (% v/v) of each 1-metre bulk drill samples during geological logging by Company geologist. A nominal lower cut-off of 5% TGC assay has been applied to define zones of 'mineralisation'.
Drilling Techniques	*Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.).*	**HA:** drilling was performed manually by Sovereign employees using a conventional hand auger employing a combination of 62mm and 50mm diameter spiral auger flight and 1-metre long steel rods. Each 1m of drill advance is withdrawn and the contents of the auger flight removed. An additional 1-metre steel rod is attached and the open hole is re-entered to drill the next metre. This is repeated until the drill holes is terminated or reaches a maximum depth of 12m. The auger spiral and rods are cleaned between each metre of sampling to avoid contamination. **AC:** conventional blade bit aircore drilling was employed to obtain all drill cuttings from surface. Drilling was completed using a P900 truck mounted rig with and separate truck mounted air compressor. Drilling was completed using standard 3-inch or 4-inch diameter/3m length drill rods equipped with inner tubes. Drilling was performed with standard face discharge aircore blade bits. The nominal drill hole diameter for 3-inch and 4-inch holes is 85mm and 114mm respectively. The nominal inner tube inside diameter for 3-inch and 4-inch holes is 37mm and 45mm respectively. Drilling of all 3-inch holes employed a 2-stage compressor rated at 300CFM:200PSI run continuously on high stage. All 4-inch holes were drilled employing a 2-stage compressor rated at 900CFM:350PSI with high-stage generally run below about 15m downhole. **DD:** conventional wireline PQ triple tube (PQ_3) diamond drilling (DD) was employed to obtain all drill core. Drilling was undertaken with an Atlas Copco Christensen CT14 truck mounted drilling rig. The nominal core diameter is 83mm and the nominal hole diameter is 122mm. Coring was completed with appropriate diamond impregnated tungsten carbide drilling bits. Drill runs were completed employing either a 1.5m or 3.0m length PQ_3 core barrel. Core from all drilling runs was orientated using a Reflex ACTIII Electronic Orientation device. The orientation and marking of the bottom of hole (BOH) orientation line along the core was completed whilst the core was still within the drilling split. Core was transferred from the drilling split into PVC splits which were then wrapped with plastic layflat material, securely sealed and placed into core trays.
Drill Sample Recovery	*Method of recording and assessing core and chip sample recoveries and results assessed.*	**HA:** sample recovery was monitored visually during removal of the sample from the auger flights. **AC:** sample recovery was recorded for all holes. The 1-metre drill samples collected in plastic bags from directly beneath the cyclone underflow were individually weighed and moisture content (dry/damp/moist /wet/saturated) recorded prior to further splitting and sampling. The outside diameter of the drill bit cutting face was measured and recorded by the driller prior to the commencement of each drill hole. Each 1-metre sample interval was separately geologically logged using standard Company project specific logging codes. Logging of weathering and lithology along with drill hole diameter, recovered sample weight, moisture content and dry bulk density measurements of PQ diamond core allow the theoretical sample recovery to be assessed. Analysis of the calculated sample recoveries indicate an average recovery of greater than 75% for all mineralised (>=4% TGC) intervals. **DD:** drilling core recovery was recorded for each drill run by measuring the total length whilst still in the drilling splits prior to being transferred into core trays. Downhole depths were validated against core blocks and drill plods during each shift. Holes MGDD0001, MGDD0004 and MGDD0005 were re-drilled due to core loss within a number of mineralised zones. An overall core recovery of 92% was achieved for all sampled core.

Criteria	Explanation	Commentary
	Measures taken to maximise sample recovery and ensure representative nature of the samples.	**HA:** drill holes were terminated where they intersected the upper (perched) water table (approx.. 7-8m) **AC:** drill bit type (face discharge) used were appropriate for the type of formation to maximise amount of drill cutting recovered. Drill bits were replaced where excessive wearing of the tungsten cutting teeth had occurred. Adequate CFM/PSI of compressed air was used to maximise the drying of sample prior to recovering up the drill string. A number of the 2016 PQ diamond core holes were twinned by aircore holes to assess the representivity of AC drill samples. Where the ingress of water in deeper sections of holes resulted in wet samples (usually at the Saprolite/Saprock interface) the drill hole was terminated. **DD:** core recovery was closely monitored during drilling particularly through the mineralised zones. Standard industry drilling mud mixtures were employed to improve core recovery especially through the softer upper clay rich material of the Pedolith and Saprolith zones. Other measures such quantity of water, amount of rotation and drill bit types that are appropriate to soft formation drilling were considered and employed during drilling when required. At the completion of each drill run the steel splits containing the core were pumped out of the retrieved core tube. Core was then carefully transferred from the drill split into plastic sleeves (layflat) which were secured in rigid PVC splits. The layflat was securely bound and sealed (to preserve moisture) with tape prior to transferring PVC splits into plastic core trays.
	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.	Twin hole comparison of aircore vs hand auger and diamond core drill hole visually estimated grades indicates that no sample bias exists. There does not appear to be any relationship between aircore sample recovery and TGC % v/v grade.
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.*	All drill holes were geologically logged by a suitably trained Company geologist using standard Company code system. Relevant data for each individual 1-metre sample for aircore or for each geological interval for diamond was initially recorded using a standard A4 paper template and later digitally entered into customised Company MS Excel spreadsheets designed with fully functional validation. Excel files are checked and loaded to MS Access by the Database Administrator. Upon loading into the Access database further validation is performed. In addition, all core is photographed wet and dry for future reference. This information is of a sufficient level of detail to support appropriate Mineral Resource estimation.
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.	Logging is both qualitative and quantitative. Geological logging includes but is not limited to lithological features, volumetric visual estimates of graphite content and flake characteristics.
	The total length and percentage of the relevant intersection logged	100% of drill hole sample intervals have been geologically logged.
Sub-sampling	*If core, whether cut or sawn and whether quarter, half or all core taken.*	Quarter PQ3 DD core is manually split and/or cut using a motorised diamond blade core saw and sampled for laboratory analysis.

Criteria	Explanation	Commentary
techniques and sample preparation	*If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.*	**HA:** 1-metre samples are composited on geological intervals and then riffle split at 50:50 using a standard Jones riffle splitter. Wet samples are first air dried and then manually broken up prior to compositing or splitting. **AC:** The entire 1-metre sample was manually split using either a 3-tier (87.5:12.5 split) or single tier (50:50 split) riffle splitter or a combination thereof to facilitate the mass reduction of a laboratory assay split. Compositing of the laboratory sample split was performed on a geological basis. Mineralised (>=3% v/v visual) laboratory splits of 1-metre intervals from surface to the top of the saprolite zone were not composited whereas mineralised splits of the underlying saprolite and saprock intervals were composited nominally at 2-metres. Unmineralised (=<3% v/v visual), laboratory splits of 4-metre intervals from top of hole to bottom of hole were composited. All wet samples were removed from the drill site without splitting and relocated to the Company's premises in Lilongwe. The wet samples were transferred into large metal trays and sun dried. Samples were subsequently hand pulverised and thoroughly homogenised prior to splitting 50:50 with a single tier riffle splitter. One of the off-splits was submitted to the laboratory for assay. All reject splits (i.e. the material not sent for assaying) of each individual 1-metre interval were returned to original sample bag, cable tied and placed in storage for future reference.
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	**HA samples:** sample preparation is conducted at Intertek's laboratory in Johannesburg. Each entire sample is crushed to nominal 100% -3mm in a Boyd crusher then pulverised to 85% -75µm in a LM5. Approximately 100g pulp is collected and sent to Intertek Perth for TGC analysis. **AC samples:** sample preparation was conducted at either Intertek in Perth or Johannesburg. The entire submitted sample (=< ~3kg) is pulverised to 85% -75µm in a LM5. Approximately 100g pulp is collected and sent to Intertek-Genalysis Perth for chemical analysis. **DD samples:** all sample preparation was conducted at Intertek Perth. Each entire sample is crushed to nominal 100% -3mm in a Boyd crusher then pulverised to 85% -75µm in a LM5.The entire submitted sample (=< ~3kg) is pulverised to 85% -75µm in a LM5. Approximately 100g pulp is collected and sent to Intertek-Genalysis Perth for chemical analysis.
	Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.	All sampling was carefully supervised. Ticket books were used with pre-numbered tickets placed in the laboratory sample bag and double checked against the sample register. Subsequent to splitting an aluminium tag inscribed with hole id/sample interval was placed inside the bulk 1-metre sample bag. Field QC procedures involve the use of certified reference material assay standards, blanks, duplicates, replicates for company QC measures, and laboratory standards, replicate assaying and barren washes for laboratory QC measures. The insertion rate of each of these averaged better than 1 in 20.
	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.	All mass reduction (field and laboratory splitting) of samples were performed within Gy's Sampling Nomogram limits relevant to this style of mineralisation. Field duplicate splits of HA/AC samples and quarter DD core were undertaken nominally every 20th sample to assess sampling errors. A program of field replicate splitting of selected (~10%) "mineralised" AC intervals was completed at the conclusion of the drill program. In addition, a number of air core holes were drilled to "twin" existing HA and DD holes, to assess the representivity of the AC drill samples. The results of these programs indicate there are no significant sampling errors.
	Whether sample sizes are appropriate to the grain size of the material being sampled.	All mass reduction of aircore drill samples undertaken during field sampling and laboratory sample preparation were guided by standard sampling nomograms and fall within Gy's safety limits for the type of mineralisation sampled.

Criteria	Explanation	Commentary
Quality of assay data and laboratory tests	*The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*	**HA, AC and DD** assaying and laboratory procedures are considered to be appropriate for reporting graphite mineralisation, according to industry best practice. Each entire sample was pulverised to 85% -75µm. Approximately 100g pulp is collected for analysis at Intertek-Genalysis Perth. A sample of 0.2g is removed from the 100-gram pulp, first digested in HCl to remove carbon attributed to carbonate, and is then heated to 450°C to remove any organic carbon. An Eltra CS-2000 induction furnace infra-red CS analyser is then used to determine the remaining carbon which is reported as Total Graphitic Carbon (TGC) as a percentage. **Metallurgy**: Two Locked Cycle Tests (LCT) were conducted using the Scrubbed Master Composite. Each of the tests consisted of 6 cycles with the recycle tails from each cycle utilised in each subsequent cycle. The test used the conditions from optimisation program completed prior to the start of LCT. In the second LCT a marginal higher reagent dosage in the rougher circuit was trialled (120g/t vs 80g/t), all other conditions were the same. The LCTs involved the following; - Polishing grind (20 min, pebble mill, 1/2" ceramic) - +65 mesh Polishing Grind (10 min, SMM, steel) - -65 mesh Polishing Grind (20 min, SMM, steel)
	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.	No non-laboratory devices were used for chemical analysis.
	Nature of quality control procedures adopted (e.g. standards, blanks, duplicate, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.	Field QC procedures involve the use of certified reference material assay standards, blanks, duplicates and replicates for company QC measures, and laboratory standards, replicate assaying and barren washes for laboratory QC measures. The insertion rate of each of these averaged better than 1 in 20.
Verification of sampling & assaying	*The verification of significant intersections by either independent or alternative company personnel.*	Significant mineralisation intersections were verified by alternative company personnel. An independent resource consultant (Competent Person, Mineral Resources) conducted a site visit during December 2016 during the aircore drilling program. All drilling and sampling procedures were observed by the CP during the site visit. These procedures remained in use for the 2017 drilling program.
	The use of twinned holes.	Several of the 2016 PQ diamond core holes were twinned by aircore holes to assess sampling representivity.
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	All data is initially collected on paper logging sheets and codified to the Company's templates. This data was hand entered to spreadsheets and validated by Company geologists. This data was then imported to a Microsoft Access Database then validated automatically and manually. Assay data is provided as .csv files from the laboratory and loaded into the project specific drill hole database. Spot checks are made against the laboratory certificates.
	Discuss any adjustment to assay data.	No adjustments have been made to assay data.
Location of data points	*Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*	Collar points were set out using the Company's R2 Rover DGPS (accuracy 0.04m x/y), and upon completion of drilling all collars were picked-up again using the same survey tool. The accuracy of R2 Rover unit is quoted to be 0.04m x/y and 0.09m z. Down-hole surveying was undertaken on selected holes to determine drill hole deviation. Surveys were carried out using a Reflex Ez-Trak multi-shot survey tool at nominal 30m intervals down hole on selected holes was used to show that significant deviation does not occur over the relatively short length of the aircore holes. As such drill hole deviation is not considered material throughout the program.
	Specification of the grid system used.	WGS84 (GRS80) UTM Zone 36 South

Criteria	Explanation	Commentary
	Quality and adequacy of topographic control.	The Company's DGPS survey tool has sub 0.1m accuracy in the X, Y and Z planes. This is considered sufficiently accurate for the purposes of topographic control. In addition, the Company has installed several independently surveyed control pegs and undertakes QC surveys on these points before every survey program. Given the low topographic relief of the area it is believed that this represents high quality control. Previous checking of Hand Auger holes with the Shuttle Radar Topographic Mission (SRTM) 1-arc second digital elevation data has shown that the Leica GPS System produces consistently accurate results.
Data spacing & distribution	*Data spacing for reporting of Exploration Results.*	Drill holes occur along east-west sections spaced at between 100-400m north-south between 8,434,400mN to 8,437,800mN. Spacing along drill lines generally ranges between 15m and 40m. Between sections 8,436850 and 8,437,150 drill lines are spaced at 50 m intervals with holes along section lines at 20 m spacing.
	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.	The Company's independent resource consultants completed a Mineral Resource Estimate (MRE) for Malingunde in 2017 following the completion of the 2016 drilling program. The drill hole sample data sourced in 2017 has allowed an update to the MRE (this document).
	Whether sample compositing has been applied.	No sample compositing has occurred.
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*	No bias attributable to orientation of sampling upgrading of results has been identified.
	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.	No bias attributable to orientation of sampling upgrading of results has been identified. Flake graphite mineralisation is conformable with the main primary layering of the gneissic and schistose host lithologies. Drill hole inclination of -60 degrees are generally near orthogonal to the interpreted regional dip of the host units and dominant foliation.
Sample security	*The measures taken to ensure sample security*	Samples are securely stored at the Company's compound in Lilongwe. Chain of custody is maintained from time of sampling in the field until sample is dispatched to the laboratory.
Audits or reviews	*The results of any audits or reviews of sampling techniques and data*	The Competent Person (Mineral Resources) reviewed sampling techniques and data during the December 2016 site visit. The field crew were following company sampling procedures and the CP did not note any issues of significance during the inspection. It is considered by the Company that industry best practice methods have been employed at all stages of the exploration.

SECTION 2 - REPORTING OF EXPLORATION RESULTS

Criteria	Explanation	Commentary
Mineral tenement & land tenure status	*Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environment settings.*	The Malingunde Project was previously situated on EL0372 and is now subject to a Mining License application AML0088 which is currently pending.
	The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	The tenements are in good standing and no known impediments to exploration or mining exist.
Exploration done by other parties	*Acknowledgement and appraisal of exploration by other parties.*	No other parties were involved in exploration.
Geology	*Deposit type, geological setting and style of mineralisation*	The graphite mineralisation occurs as multiple bands of graphite gneisses, hosted within a broader Proterozoic paragneiss package. In the Malingunde and Lifidzi areas specifically, a deep

Criteria	Explanation	Commentary
		tropical weathering profile is preserved, resulting in significant vertical thicknesses from near surface of saprolite-hosted graphite mineralisation. Malingunde occurs in a topographically flat area west of Malawi's capital known as the Lilongwe Plain and a deep tropical weathering profile is preserved. A typical profile from top to base is generally soil ("SOIL" 0-1m) ferruginous pedolith ("FERP", 1-4m), mottled zone ("MOTT", 4-7m), pallid saprolite ("PSAP", 7-9m), saprolite ("SAPL", 9-25m), saprock ("SAPR", 25-35m) and fresh rock ("FRESH" >35m).
Drill hole information	*A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: easting and northings 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; and hole length*	See Appendix 1
	If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case	No drill hole information is excluded.
Data aggregation methods	*In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high-grades) and cut-off grades are usually Material and should be stated.*	No new exploration results are included in this release. All drill holes within the resource area have previously been reported.
	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.	No new exploration results are included in this release. All drill holes within the resource area have previously been reported.
	The assumptions used for any reporting of metal equivalent values should be clearly stated.	No metal equivalent values are used in this report.
Relationship between mineralisation widths & intercept lengths	*These relationships are particularly important in the reporting of Exploration Results.*	Interpretation of mineralised zones in aircore holes supported by DD (2016) orientated core measurements indicate that mineralised zones are shallow-moderate north-east dipping.
	If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.	Flake graphite mineralisation is conformable with the main primary layering of the gneissic and schistose host lithologies. Drill hole inclination of -60 degrees are generally near orthogonal to the regional dip of the host units and dominant foliation and hence specific drill hole intercepts for -60 degree holes may only approximate true width. The averaged strike of mineralised zones is approximately 160° grid whereas all -60 inclined aircore holes were orientated at grid east.
	If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known'.	Refer to the statement above.
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 the drill collar locations and appropriate sectional views.*	Refer to figures in the body of 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*	Exploration results are not reported here. All drill hole sample data were used to support the Mineral Resource estimate.

Criteria	Explanation	Commentary
	practiced to avoid misleading reporting of exploration results.	
Other substantive exploration data	*Other exploration data, if meaningful and material, should be reported including (but not limited to: geological observations; geophysical survey results; geochemical survey results; bulk samples - size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	No additional meaningful and material exploration data has been excluded from this report that has not previously been reported to the ASX.
Further work	*The nature and scale of planned further work (e.g. test for lateral extensions or depth extensions or large-scale step-out drilling).*	The next phase of exploration is to complete aircore drilling on regional saprolite targets identified through hand auger 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.	Refer to diagrams in the body of this report.

SECTION 3 - ESTIMATION AND REPORTING OF MINERAL RESOURCES

Criteria	Explanation	Commentary
Database integrity	*Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.*	Data used in the Mineral Resource estimate is was sourced from an MS Access database. The database is maintained by Sovereign. Relevant tables from the database were exported to csv format, and then imported into Datamine Studio RM software for use in the Mineral Resource estimate.
	Data validation procedures used.	Validation of the data import include checks for overlapping intervals, missing survey data, missing assay data, missing lithological data, and missing collars.
Site visits	*Comment on any site visits undertaken by the Competent Person and the outcome of those visits.*	The Competent Person (Mineral Resources) visited the project in December 2016. The aircore drilling rig was in operation and the Competent Person reviewed drilling and sampling procedures. Planned drill sites were examined and assessed with respect to strike and dip of the interpreted geological model. Sample storage facilities were inspected. Discussions were held with the Sovereign geological staff regarding all drilling and sampling procedures and outcomes. Selected diamond drill core was inspected, with all weathering types pertinent to the Mineral Resource reviewed. There were no negative outcomes from any of the above inspections, and all samples and geological data were deemed fit for use in the Mineral Resource estimate.
	If no site visits have been undertaken indicate why this is the case.	Not applicable, site visit was undertaken.
Geological interpretation	*Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.*	There is a high level of confidence in the geological interpretation in the Measured Mineral Resource volumes, based upon lithological logging of diamond drill core, aircore chip samples and hand auger samples. Multi-spectral satellite imagery and airborne geophysical data provided guidance for the initial geological interpretation of the strike continuity of the deposit. Drill hole intercept logging and assay results (aircore, hand auger and diamond core), structural interpretations from drill core and geological logs of aircore and hand auger drill data have formed the basis for the geological interpretation.
	Nature of the data used and of any assumptions made.	Assumptions were made on depth and strike extension of the gneiss, using drill hole assays as anchor points at depth and at intervals along strike. Geological mapping also supports the geological model.

Criteria	Explanation	Commentary
		Seven weathering domains were modelled and support the grade interpolation and Mineral Resource classification.
	The effect, if any, of alternative interpretations on Mineral Resource estimation.	No alternative interpretations were considered because the geophysical models and diamond core support the current interpretation.
	The use of geology in guiding and controlling Mineral Resource estimation.	Graphitic Graphite mineralisation is hosted within a graphitic gneiss, which is mapped along its strike length within the project area and within the license area. Grade (total graphitic carbon, TGC%) is assumed to be likewise continuous with the host rock unit. Mineralised waste and non-mineralised waste zones were modelled within the graphitic gneiss.
	The factors affecting continuity both of grade and geology.	The graphitic gneiss is open along strike and down dip. The interpretation of the mineralisation domains is based upon a pre-determined lower cut-off grade for TGC, which is equivalent to the graphitic gneiss domain boundary. A variation to the cut-off grade will affect the volume and average grade of the domains, however there are no geological reasons identified to date to support higher grade TGC domains within the graphitic gneiss.
Dimensions	*The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.*	The Malingunde Deposit comprises 4,500 m strike length of shallowly north-east dipping, north-west striking graphitic gneisses. The mineralised package has up to six separate sub-parallel zones of graphite gneiss with cumulative across strike widths averaging 120 m and locally exceeding 200 m. The Msinja Deposit has a strike length of approximately 1.0 km with about five parallel zones of mineralisation. Across strike cumulative widths range between 40 and 100 m. The depth extent of the MRE is approximately 50 m although the mineralisation is believed to extend considerably deeper, but is not considered as an exploration target at this stage.
Estimation and modelling techniques	*The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.*	Datamine Studio RM software was used for all geological modelling, block modelling, grade interpolation, Mineral Resource classification and reporting. GeoAccess Professional and Snowden Supervisor (V8.7) were used for geostatistical analyses. All samples were composited to 2 m intervals. All drill hole assay data (diamond, aircore and hand auger) were utilised in the grade interpolation. A block model with parent cell sizes 10 m (E) x 25 m (N) x 5 m (RL) was constructed for Malingunde, compared to typical drill spacing of 20 m (E) x 50 m (N) within the Measured volumes.
	The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.	Inverse distance squared (IDS) estimation was run as a check estimate of the ordinary kriging (OK) grade estimation. No depletion of the Mineral Resource due to mining activity was required due to no mining having occurred historically. The Malingunde MRE was previously reported in 2017 and the current MRE has not presented an adjustment of any significance to tonnes or grade, but has improved the confidence levels as demonstrated in the classification of the MRE.
	The assumptions made regarding recovery of by-products.	No by-products were modelled.
	Estimation of deleterious elements or other non-grade variables of economic significance (e.g. sulphur for acid mine drainage characterisation).	No estimation of deleterious elements or non-grade variables of economic significance were modelled.
	In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.	Grade estimation was by ordinary kriging (OK) with inverse distance squared (IDS) estimation run as a check estimate. A minimum of 12 and maximum of 28 composited samples were used in any one block estimate for all domains. A maximum of 6 composited samples per drill hole were used in any one block estimate. Cell discretisation of 3 x 3 x 3 was used. No hard estimation domain boundaries at weathering domain interfaces were used, although each mineralisation domain was a separate domain for grade interpolation.

Criteria	Explanation	Commentary
	Any assumptions behind modelling of selective mining units.	No selective mining units were assumed in this model.
	Any assumptions about correlation between variables.	TGC grade was the only variable estimated.
	Description of how the geological interpretation was used to control the resource estimates.	Drill hole intercept logging and assay results (aircore, hand auger and diamond core), structural interpretations from drill core and geological logs of aircore and hand auger drill data have formed the basis for the geological interpretation. The drilling mostly targeted the SAPL and SAPR weathering horizons, with limited sampling below the upper level of the fresh rock (FRESH) domain. The MRE block model consists of 6 zones of TGC mineralisation in the Malingunde deposit, and 5 in the Msinja deposit. Mineralisation domains were encapsulated by means of 3D wireframed envelopes based upon a lower cut-off grade of 4% TGC. Weathering domains were interpreted based upon geological logs of drill samples.
	Discussion of basis for using or not using grade cutting or capping.	Top cutting of composited sample assays was applied to constrain extreme grade values when warranted. Top cuts were determined by reviewing histograms and log probability plots of domained assays, and iterative calculations of mean domain TGC grades, testing a range of top cuts. All top cuts were applied to data in the 99th percentile of data.
	The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.	The grade model was validated by 1) creating slices of the model and comparing to drill hole samples on the same slice; 2) swath plots comparing average block grades with average sample grades on nominated easting, northing and RL slices; 3) mean grades per domain for estimated blocks and flagged drill hole samples; and 4) cross sections with block model and drill hole data colour coded in like manner. No reconciliation data exists to test the model. The estimated tonnes and grade compare favourably with the previous MR model.
Moisture	*Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.*	Tonnages are estimated on a dry basis.
Cut-off parameters	*The basis of the adopted cut-off grade(s) or quality parameters applied.*	Visual analysis of the drill analytical results demonstrated that the lower cut-off interpretation of 4% TGC corresponds to a natural break in the grade population distribution. The lower cut-off of 4% TGC is approximately equivalent to the graphitic gneiss domain boundary, from logging of diamond drill core, aircore and hand auger chips.
Mining factors or assumptions	*Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.*	It is assumed the deposit, if mined, will be developed using open pit mining methods. No assumptions have been made to date regarding minimum mining widths or dilution. The largest mineralisation domains in plan view have an apparent width of up to 250 m which may result in less selective mining methods, as opposed to (for example) mining equipment that would need to be used to mine narrow veins in a gold mine. The insitu rock mass within the saprolite weathering zones are relatively friable and present an attractive mining scenario where drill and blast is generally not required for excavation of ore.
Metallurgical factors or assumptions	*The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources*	Sovereign announced metallurgical results to the ASX on a number of occasions during 2016 and 2017, relating to flake size distribution and purity of graphite concentrate. Metallurgical testwork is ongoing as part of the Prefeasibility Study. Metallurgical data previously reported in 2017, plus new data generated in 2018, support the Mineral Resource classification. The flotation testwork on auger and diamond drill core samples demonstrated that approximately 50-80% of the liberated flakes are larger than 150 µm (100 mesh), and that final overall concentrate grades are in the range of approximately 97-99% Carbon for all

Criteria	Explanation	Commentary
	may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.	weathering domains. The conventional flotation process produced flake graphite concentrates of acceptable quality, potentially for markets such as spherical graphite, expandable graphite, graphite foil, brake lining pads, lubrication and refractories. Performance tests verified that Malingunde graphite concentrates should meet or exceed the specifications for expandable graphite. The available process testwork in conjunction with drill sample observations from the remainder of the deposit supports the classification of the Malingunde deposit as an Industrial Mineral Resource in terms of the JORC Code Clause 49. The Competent Person recommends continued variability flotation testing to verify product quality across the deposit.
Environmental factors or assumptions	*Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.*	A large portion of the Mineral Resource is confined to the saprolitic weathering domains, and any sulphide minerals have been oxidised in the geological past. Therefore acid mine-drainage is not anticipated to be a significant risk when mining from the oxidised domain. Acid-mine drainage would be considered if mining of the fresh-rock domain was to be undertaken in the future. No major water courses run through the resource area, although a fresh water dam is located at the southern end of the Malingunde deposit, with the deposit believed to have strike continuity below the dam and extends to the Msinja deposit to the south-east. No Mineral Resources are reported within the dam limits. The Malingunde and Msinja deposits are located within a farming area and has villages located along the strike of the deposit. Sovereign holds regular discussions with local landholders and community groups to keep them well informed of the status and future planned directions of the project. Malingunde is in a sub-equatorial region of Malawi and is subject to heavy seasonal rainfall, with rapid growth of vegetation in season.
Bulk density	*Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.*	Density was calculated from 213 billets of core taken from across the deposit, with density measured using wax coated immersion method performed by Intertek Perth. Density data was loaded into a Datamine drill hole file, which was flagged against weathering horizons and mineralisation domains.
	The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vughs, porosity, etc.), moisture and differences between rock and alteration zones within the deposit.	All bulk density determinations were completed by the waxed immersion method.
	Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.	An average density value of 1.7 t/m3 was determined for the soil domain, 1.8 t/m3 for the ferruginous pedolith (FERP) domain, 1.8 t/m3 for the mottled zone (MOTT) domain, 2.0 t/m3 for the pallid saprolite (PSAP) domain, 2.0 t/m3 for the saprolite (SAPL) domain, and 2.2 t/m3 or 2.3 t/m3 for the saprock (SAPR) rock profile, dependent upon the depth of the profile. A value of 2.4 t/m3 was assigned to the upper 10 m of the fresh rock profile, which is reported as an Inferred Mineral Resource. A small data population did not allow for discernible differences in density between the waste and mineralisation zones to be determined.
Classification	*The basis for the classification of the Mineral Resources into varying confidence categories.*	Classification of the Mineral Resource estimates was carried out taking into account the geological understanding of the deposit, quality of the samples, density data and drill hole spacing, supported by metallurgical test results that indicate general product marketability. The Mineral Resource is classified as a combination of Measured, Indicated and Inferred, with geological evidence sufficient to confirm geological and grade continuity in the Measured volumes. The Malingunde MRE is classified as Measured where drill spacing of 50 m (N) by 20 m (E) supports the geological interpretation and grade interpolation. Eight DD holes were drilled within the Measured footprint and provided detailed geological information as well as samples for metallurgical testwork. Drill spacing of 100 m (N) by 20 m (E) supports the Indicated classification, whilst drill spacing of 200 m (N) by 20 m (E) to 200 m (N) by 50 m (E) supports the Inferred classification.

Criteria	Explanation	Commentary
		Drill spacing at Msinja supporting the Inferred classification ranges from 100 m (N) by 20 m (E) to 200 m (N) by 20 m (E).
	Whether appropriate account has been taken of all relevant factors (i.e. relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).	All available data was assessed and the competent person's relative confidence in the data was used to assist in the classification of the Mineral Resource.
	Whether the result appropriately reflects the Competent Person's view of the deposit	The current classification assignment appropriately reflects the Competent Person's view of the deposit.
Audits or reviews	*The results of any audits or reviews of Mineral Resource estimates.*	No audits or reviews of the current Mineral Resource estimate have been undertaken, apart from internal reviews carried out by CSA Global and Sovereign.
Discussion of relative accuracy/ confidence	*Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.*	An inverse distance estimation algorithm was used in parallel with the ordinary kriged interpolation, with results very similar. No other estimation method or geostatistical analysis has been performed. Relevant tonnages and grade above nominated cut-off grades for TGC are provided in the introduction and body of this report. Tonnages were calculated by filtering all blocks above the cut-off grade and sub-setting the resultant data into bins by mineralisation domain. The volumes of all the collated blocks were multiplied by the dry density value to derive the tonnages. The graphite metal values (g) for each block were calculated by multiplying the TGC grades (%) by the block tonnage. The total sum of all metal for the deposit for the filtered blocks was divided by 100 to derive the reportable tonnages of graphite metal.
	The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.	The Mineral Resource is a local estimate, whereby the drill hole data was geologically domained above nominated TGC cut-off grades, resulting in fewer drill hole samples to interpolate the block model than the complete drill hole dataset, which would comprise a global estimate.
	These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.	No mining has taken place to date therefore no production data is available to reconcile model results.

SECTION 4 – ESTIMATION AND REPORTING OF ORE RESERVES

Criteria	Explanation	Commentary
Mineral Resource estimate for conversion to Ore Reserves	*Description of the Mineral Resource estimate used as a basis for the conversion to an Ore Reserve.* *Clear statement as to whether the Mineral Resources are reported additional to, or inclusive of, the Ore Reserves.*	The Minerals Resource Estimate ("MRE") declared on 12th June 2018 underpins the Ore Reserve. The Company engaged independent geological and mining consultants CSA Global Pty Ltd ("CSA") to complete the MRE for the Malingunde deposit. The principal resource geologist Mr David Williams is highly experienced with more than 25 years in resource estimation and mine geology. David Williams is a Competent Person for the purposes of the MRE as defined and in accordance with the JORC Code 2012. The MRE as reported in this document is inclusive of the Ore Reserve declared in this document. The Ore Reserve does not include Inferred Mineral Resources.
Site visits	*Comment on any site visits undertaken by the Competent Person and the outcome of those visits.*	Site visits have been carried out by the following personnel: • Dr Julian Stephens, the Competent Person for Exploration Results and Managing Director of Sovereign Metals Ltd has conducted multiple site visits since the discovery of the Malingunde deposit; • Mr David Williams, the Competent Person for the JORC Resource Estimate, and a representative of CSA Global has conducted one site visit; and

Criteria	Explanation	Commentary
		• Mr Ryan Locke, the Competent Person for the JORC Reserve estimate and a representative of Orelogy Pty Ltd has conducted one site visit.
Study status	*The type and level of study undertaken to enable Mineral Resources to be converted to Ore Reserves.* *The Code requires that a study to at least Pre-Feasibility Study level has been undertaken to convert Mineral Resources to Ore Reserves. Such studies will have been carried out and will have determined a mine plan that is technically achievable and economically viable, and that material Modifying Factors have been considered.*	The technical and financial information in this release are at PFS-level enabling the declaration of Ore Reserves. The studies carried out have determined a mine plan that is technically achievable and economically viable with all material Modifying Factors having been considered. The Ore Reserve was underpinned by a mine plan detailing mining locations, ore and waste quantities; mill feed quantities and mill head grades. Scheduling was undertaken in monthly and quarterly periods. Mine planning activities included an updated pit optimisation, mine design, scheduling, mining cost estimation and financial analysis in order to confirm the ability to economically mine the Malingunde Ore Reserve. Modifying factors considered during the mine planning process included pit slope design criteria, mining costs, mining dilution and ore loss, processing recoveries, processing costs, selling costs, general and administration costs and product price.
Cut-off parameters	*The basis of the adopted cut-off grade(s) or quality parameters applied.*	A cut-off of 4% Total Graphitic Carbon (TGC) was applied to the global JORC resource. Ore Reserve cut-off grades were determined as follows: • The break-even cut-off grade (i.e. material is treated as ore if the net revenue exceeds the total cost of processing) was determined based on the economic inputs. The break-even cut-off grade was calculated to be 2.1% TGC. • In order to reduce the global operating costs on a per tonne of concentrate basis, an elevated cut-off grade was assessed during the optimisation phase where multiple cut-off grades sensitivities were applied. • The final TGC cut-off grades applied to determine the Ore Reserve estimate are: - 6.75% TGC to the saprolite material, - 9.5% TGC to the Saprock material located in the northern zone, and 11.0% TGC to the Southern Saprock material. (Saprock material incurred a higher cut-off grade over the saprolite material to reduce the proportion of Saprock material within the processing stream. The Southern proportion of the Saprock material incurred a higher COG than the Northern zone to ensure the processing blend could be achieved in the later years of the mine life) Material mined above the 4% TGC break-even cut-off grade and below the Ore Reserve cut-off grade defined above is planned to be stockpiled for potential future processing. However, this material does not contribute to the Ore Reserve or project value estimation.
Mining factors or assumptions	*The method and assumptions used as reported in the Pre-Feasibility or Feasibility Study to convert the Mineral Resource to an Ore Reserve (i.e. either by application of appropriate factors by optimisation or by preliminary or detailed design).* *The choice, nature and appropriateness of the selected mining method(s) and other mining parameters including associated design issues such as pre-strip, access, etc.* *The assumptions made regarding geotechnical parameters (e.g. pit slopes, stope sizes, etc.), grade control and pre-production drilling.* *The major assumptions made and Mineral Resource model used for pit and stope optimisation (if appropriate).* *The mining dilution factors used.* *The mining recovery factors used.* *Any minimum mining widths used.*	The Company engaged independent consultants Orelogy Mining Consultants Pty Ltd to carry out the pit optimisations, mine design, scheduling, mining cost estimation and Ore Reserve generation for the Malingunde PFS. The proposed mining method is a conventional truck and shovel mining operation. Free dig mining is considered appropriate for this style of shallow, saprolite-hosted graphite mineralisation. This methodology is used throughout the region for open pit mining operations and is a robust, easily implementable approach. No alternative mining methods were considered in this study. Zero dilution factor was assumed and is warranted because the majority of the high-grade production target mineralisation is bounded by lower grade mineralisation, and, the free digging, non-blocky nature of the material would result in no displacement by blasting. An allowance of 2% ore loss was applied to account for mining inaccuracies. A contract mining strategy was selected for the initial eight years to mitigate project risk, although operational management will be retained by Sovereign personnel. An owner-operator model is adopted from Year 9 onwards. The deposit is planned to be mined on 2.5m high benches to maximise mining selectivity and therefore minimise dilution. A minimum mining width of 20m was used for all pit designs. Mine designs have been undertaken using the geotechnical recommendation provided by Peter O'Bryan and Associates (POBA), the independent geotechnical consultant appointed by Sovereign Metals Ltd to undertake the geotechnical assessment. POBA provided specific berm, batter and inter-ramp angle design criteria for the deposit. The risk around any geotechnical uncertainty is mitigated by: • The pits are relatively shallow, being a maximum of ~30m below surface.

<table>
<tr><th>Criteria</th><th>Explanation</th><th>Commentary</th></tr>
<tr><td></td><td>The manner in which Inferred Mineral Resources are utilised in mining studies and the sensitivity of the outcome to their inclusion.

The infrastructure requirements of the selected mining methods.</td><td>• Sensitivity to slope angles was assessed during the optimisation phase and showed the deposit discounted value was insensitive (less than -4%) to changes in slope parameters.

• The nature of the deposit and the small scale and low strip ratio of the mining stages will enable access to other areas of the deposit in the event a mining area is inaccessible.

The mine schedule is based on achievable production rates for the specified size of mining fleet with only a single shift per day required.

No inferred mineral resources have been used in the determination of the Malingunde Ore Reserve.

The proposed mining method requires conventional mining infrastructure including but not limited to mining equipment workshop, fuel & oil storage facilities, wash bay, offices, lunch and ablution facilities and a first aid room. These are to be supplied by the mining contractor. Sovereign Metals have defined a mining infrastructure area and will supply water and power to this location.

As there is no anticipated requirement for blasting, no infrastructure is required for explosives storage.</td></tr>
<tr><td>Metallurgical factors or assumptions</td><td>The metallurgical process proposed and the appropriateness of that process to the style of mineralisation.

Whether the metallurgical process is well-tested technology or novel in nature.

The nature, amount and representativeness of metallurgical test work undertaken, the nature of the metallurgical domaining applied and the corresponding metallurgical recovery factors applied.

Any assumptions or allowances made for deleterious elements.

The existence of any bulk sample or pilot scale test work and the degree to which such samples are considered representative of the orebody as a whole

For minerals that are defined by a specification, has the ore reserve estimation been based on the appropriate mineralogy to meet specifications?</td><td>The Company engaged graphite-industry veteran metallurgist Oliver Peters, MSc, P.Eng., MBA (Consulting Metallurgist for SGS and Principal Metallurgist of Metpro Management Inc.) to complete initial variability comminution and flotation bench-scale test-work on mineralised sample material from Malingunde. This was followed by completion of a number of locked-cycle tests (LCTs) which were used as the basis for the processing design in the PFS. Mr Peters has over 25 years' experience in metallurgy on graphite and other commodities. He has operated numerous graphite pilot plants and commissioned a number of full-scale processing facilities. Mr Peters has developed the process flowsheet employed for the PFS.

The flowsheet involves washing and disaggregation by high-energy scrubber with steel media, followed by rougher flotation, polishing grind and final attritioning and cleaner flotation stages.

Processing engineering was completed by DRA (recently acquired by DRA Global) who developed the process plant design and associated cost estimate for the PFS.

Overall average flotation recovery of 90% has been used. Overall concentrate grades average 97% C(t). These figures were derived from averaging 2 recent, optimised and representative LCTs.

<table>
<tr><th>Particle size</th><th>C (%)</th><th>Distribution (wt. %)</th></tr>
<tr><td>Tyler mesh</td><td></td><td></td></tr>
<tr><td>+ 32</td><td>98</td><td>5</td></tr>
<tr><td>+ 48 - 32</td><td>97</td><td>19</td></tr>
<tr><td>- 48 + 80</td><td>97</td><td>26</td></tr>
<tr><td>-80+100</td><td>97</td><td>9</td></tr>
<tr><td>- 100 + 200</td><td>97</td><td>25</td></tr>
<tr><td>- 200</td><td>94</td><td>16</td></tr>
<tr><td>TOTAL</td><td>97</td><td>100</td></tr>
</table>

It is acknowledged that laboratory scale test-work will not always represent actual results achieved from a production plant in terms of grade, flake size and recovery. Further upscaled test-work will be required to gain additional confidence of specifications and recoveries that will be achieved at full-scale production.</td></tr>
<tr><td>Environmental</td><td>The status of studies of potential environmental impacts of the mining and processing operation. Details of waste rock characterisation and the consideration of potential sites, status of design options considered and, where applicable, the status of approvals for process residue storage and waste dumps should be reported.</td><td>An Environmental Impact Assessment (ESIA) is currently underway with reference to applicable Malawian and international environmental and social permitting and baseline requirements for the Malingunde Project.

Sovereign is committed to conduct its activities in full compliance to the requirements of national regulations, its obligations under international conventions and treaties and giving due consideration to international best practices and policies. The Company has appointed an experienced environmental consultant to manage the ESIA process, and environmental and social baseline studies have commenced with appropriately qualified independent experts. The Company has also completed a high-level risk assessment to identify major environmental and social risks which could affect the development of the Project, along with mitigating strategies to allow identified risks to be addressed early in the project design phase.

The Company has embarked on several exercises with the communities in the area and there is a general positive acceptance of the Project. No social responsibility costs have been factored into this Study, however they will be assessed as part of the overall ESIA for the Project in the future.</td></tr>
</table>

Criteria	Explanation	Commentary
		Based on the current assessments and commenced ESIA, the Company believes there are no environmental issues currently identified that cannot be appropriately mitigated in accordance with standard practices adopted for the development of mining projects.
Infrastructure	*The existence of appropriate infrastructure: availability of land for plant development, power, water, transportation (particularly for bulk commodities), labour, accommodation; or the ease with which the infrastructure can be provided, or accessed.*	Malingunde's proximity to the major city of Lilongwe means relatively minor area infrastructure upgrades and modifications are required outside of the immediate proposed mine-site area. DRA is a recognised global leader in mining and processing with capabilities extending to detailed engineering, procurement and construction management. All infrastructure related capital and operating costs were estimated by DRA. Power at site will be sourced from the local grid system with additional power provided via diesel generator located onsite as required.
Costs	*The derivation of, or assumptions made, regarding projected capital costs in the study.* *The methodology used to estimate operating costs.* *Allowances made for the content of deleterious elements.* *The derivation of assumptions made of metal or commodity price(s), for the principal minerals and co- products.* *Derivation of transportation charges.* *The basis for forecasting or source of treatment and refining charges, penalties for failure to meet specification, etc.* *The allowances made for royalties payable, both Government and private.*	**Operating Costs** • All cost information has been estimated to a PFS level of accuracy (±25%). Costs are presented in real 2018 terms and are exclusive of escalation. • Mining costs have been calculated based on the submissions received for a Request for Budget Pricing (RFPB) sent to a range of African based mining contractors. The submission prices used have been adjusted to allow for the differences in the mine plan from the one presented in the RFBP. This includes: o Overhaul rates for longer haulage distances o Updated diesel fuel price received. • The in-country diesel fuel price was supplied by Puma Energy. • Processing costs have been estimated by DRA, a global expert in minerals processing. Processing costs are based upon a combination of first principle cost build-up, direct supplier quotes and similar projects in the region. Labour costs have been developed from similar projects in the region adjusted for Malawian labour rates. • General & administrative costs have been estimated by DRA. • The PFS power supply model assumes provision of grid power to the project by 2024 based on written advice received from ESCOM, the Malawi power utility. • A Government royalty of 5% (applied to revenue) and a vendor profit share of 2% (applied to earnings) has been included in all project economics. Royalties are not included in the headline life of mine unit operating cost of US$323/t concentrate. • Operating costs do not make provision for the following; o Corporate head office costs o Mine closure and environmental costs o Social responsibility costs **Capital Costs** • Capital estimates have been developed by DRA, using a combination of quotations and cost estimates from suppliers, historical data and reference to recent comparable projects. Costs are presented in real 2018 terms and are exclusive of escalation. The overall accuracy is determined to be ±25/-15%. • Capital costs include the cost of all services, infrastructure and facilities used for the operation of the mine and processing plant. Capital costs do not make provision for the following: o Mine closure and environmental costs; and o Social responsibility costs. • Working capital requirements prior to plant commissioning and full ramp up have been excluded from the capital estimate, and are captured in project operating costs.
Revenue factors	*The derivation of, or assumptions made regarding revenue factors including head grade, metal or commodity price(s) exchange rates, transportation and treatment charges, penalties, net smelter returns, etc.*	Sales pricing is based on current market analysis by an independent party (see below) The Company has provided samples to multiple end-users which has generated substantive interest in the supply of high-quality natural flake from the Project.

Criteria	Explanation	Commentary
	The derivation of assumptions made of metal or commodity price(s), for the principal metals, minerals and co-products.	The Company has applied a conservative flake distribution and assumed pricing for the concentrate as shown in the economic model presented. No co-product revenue is considered.
Market assessment	*The demand, supply and stock situation for the particular commodity, consumption trends and factors likely to affect supply and demand into the future.* *A customer and competitor analysis along with the identification of likely market windows for the product.* *Price and volume forecasts and the basis for these forecasts.*	Sovereign Metals engaged Metal Bulletin Research ("Metal Bulletin"), a specialist international publisher and information provider for the global steel, non-ferrous and industrial minerals markets, to prepare a marketing report as a key input into the Malingunde Graphite Project PFS in August 2018. Metal Bulletin's assessment has confirmed that based upon their high level view on global demand and supply forecasts for natural flake graphite, and with reference to the specific attributes of the Malingunde project, there is a reasonable expectation that the product from the Malingunde project will be able to be sold into existing and future graphite markets. Given the extremely low cost profile and high quality product, it is expected that output from Malingunde will be able to fill new demand or substitute existing lower quality / higher cost supply. Project considerations taken into account by Metal Bulletin in forming an opinion about the marketability of product include Malingunde's: • Ore Reserves • Capital costs • Operating costs • Concentrate specifications Sovereign has undertaken extensive market discussions with international graphite industry participants, which have indicated substantive interest in the supply of high quality natural flake from a Malawian natural flake graphite project. Metal Bulletin have confirmed that based on a high level view of the market, there is a reasonable expectation the Company will be able to execute off-take agreements with customers. Metal Bulletin have formed their opinion based solely upon project information provided by Sovereign Metals to Metal Bulletin, and have not conducted any independent analysis or due diligence upon the information provided.
Economic	*The inputs to the economic analysis to produce the net present value (NPV) in the study, the source and confidence of these economic inputs including estimated inflation, discount rate, etc* *NPV ranges and sensitivity to variations in the significant assumptions and inputs.*	Key parameters are disclosed in the body of the announcement, and include: • Discount rate: 10% • Tax rate: 30% (Super tax of 10% has not been applied) • Royalty rate: 5% (Revenue) Government, 2% (Earnings) Vendor • Pricing: Sensitivity analysis only The financial model has been prepared internally by the Company using inputs from the various expert consultants, and has been reviewed by an international accounting firm to validate the functionality and accuracy of the model. In 2018, the Company engaged the services of advisory firm, Argonaut, with regards to project economics. Argonaut is a financial advisory firm which specialises in multiple sectors, including metals and oil & gas. Argonaut is well regarded as a specialist capital markets service provider and has raised project development funding for companies across a range of commodities including the industrial and speciality minerals sector. Following the assessment of a number of key criteria, Argonaut has confirmed that, on the basis that a DFS arrives at a result that is not materially negatively different than the PFS as noted above, Sovereign should be able to raise sufficient funding to develop the Project, particularly given the current climate of capital markets. An assessment of various funding alternatives available to Sovereign has been made based on precedent transactions that have occurred in the mining industry, including an assessment of alternatives available to companies that operate in industrial and specialty minerals sector. The assessment and advice from Argonaut Capital (referred to above) indicates that financing for industrial mineral companies often involves a broader mix of funding sources than just traditional debt and equity. Argonaut Capital considers that given the nature of the Project, funding is likely to involve specialist funds, with potential funding sources including, but not limited to, traditional equity and debt, royalty financing and off-take agreements, at either the corporate or project level. It is important to note that no funding arrangements have yet been put in place as these discussions continue to take place. The composition of the funding arrangements ultimately put in place may also vary, so it is not possible at this stage to provide any further information about the composition of potential funding arrangement. Since initial exploration of the Malingunde Project in December 2014, the Company has completed extensive drilling, sampling and geophysical surveys to understand

Criteria	Explanation	Commentary
		the geological setting and define graphite resources within the Malingunde Project area. The Company's market capitalisation currently stands at approximately A$193m. Upfront capital cost to develop Malingunde amounts to US$68m (A$98m) which represents ~50% of the Company's market capitalisation. Taking the market capitalisation into account, management are confident that it that it could secure funding for the Project in the form of equity, but in any event the Company would consider various funding alternatives based on precedent transactions that have occurred worldwide in the resources sector including equity style convertible notes, project finance, royalty financing and mezzanine finance. Further, Sovereign has a high-quality Board and management team comprising highly respected resource executives with extensive finance, commercial and capital markets experience. The Directors have previously raised more than A$1.75bn from capital markets for a number of exploration and development companies. As a result, the Board has a high level of confidence that the Project will be able to secure funding in due course, having particular regard to: 1. Required capital expenditure; 2. Sovereign's market capitalisation; 3. Recent funding activities by Directors in respect of other resource projects; 4. Recently completed funding arrangements for similar or larger scale development projects; 5. The range of potential funding options available; 6. The favourable key metrics generated by the Malingunde Project; 7. Ongoing discussions for potential offtake agreements; and 8. Investor interest to date.
Social	*The status of agreements with key stakeholders and matters leading to social license to operate.*	The Company expects to enter into a Community Development Agreement ("CDA") with the surrounding communities. Significant engagement with these communities has occurred is ongoing ahead of negotiation of the CDA which is expected to be concluded during the DFS stage.
Other	*To the extent relevant, the impact of the following on the project and/or on the estimation and classification of the Ore Reserves:* *Any identified material naturally occurring risks.* *The status of material legal agreements and marketing arrangements.* *The status of government agreements and approvals critical to the viability of the project, such as mineral tenement status and government and statutory approvals. There must be reasonable grounds to expect that all necessary Government approvals will be received within the timeframes anticipated in the Pre-Feasibility or Feasibility study. Highlight and discuss the materiality of any unresolved matter that is dependent on a third party on which extraction of the reserve is contingent.*	No identifiable naturally occurring risks have been identified to impact the Malingunde Ore Reserve. The Company has no existing offtake agreement in place. The Company applied for a Mining Licence ("ML") covering the footprint of the project and it is not anticipated for there to be any objections in obtaining the necessary government approvals.
Classification	The basis for the classification of the Ore Reserves into varying confidence categories. Whether the result appropriately reflects the Competent Person's view of the deposit. The proportion of Probable Ore Reserves that have been derived from Measured Mineral Resources (if any).	The Malingunde PFS Ore Reserves comprise Measured Mineral Resource material converted to "Proved" reserves and Indicated Mineral Resource material converted to "Probable" reserves. In line with JORC 2012 guidelines, Inferred Mineral Resource material has not been included. Approx. 32% of the Malingunde PFS Ore Reserve is Proved Reserves, with the remainder being in the Probable Reserve category.
Audit or reviews	The results of any audits or reviews of Ore Reserve estimates.	No external audits or reviews have been carried out to date.

Appendix 1 – Malingunde Drill Hole Data

Hole ID	Easting	Northing	RL	DEPTH	Hole AZI	Hole DIP	TGC (ave) %
MGAC0001	570450.55	8437200.17	1131.44	17	270	-60	0.0
MGAC0002	570447.13	8437200.39	1131.53	32	270	-60	7.7
MGAC0003	570490.02	8437200.02	1130.61	35	270	-60	10.1
MGAC0004	570508.88	8437199.53	1130.33	14	270	-60	5.6
MGAC0005	570535.09	8437178.89	1130.38	38	270	-60	8.9
MGAC0006	570526.08	8437201.28	1130.13	23	270	-60	11.2
MGAC0007	570554.19	8437199.79	1129.67	38	270	-60	9.1
MGAC0008	570583.24	8437199.82	1129.41	21	360	-90	5.5
MGAC0009	570625.44	8437200.09	1128.96	26	270	-60	3.8
MGAC0010	570700.60	8437199.97	1128.22	29	270	-60	5.3
MGAC0011	570832.50	8437199.89	1127.05	19	360	-90	0.0
MGAC0012	570911.17	8437202.98	1126.44	30	270	-60	6.7
MGAC0013	570549.76	8436999.82	1134.14	35	270	-60	7.1
MGAC0014	570571.29	8436998.41	1133.92	35	270	-60	7.5
MGAC0015	570590.11	8436999.78	1133.72	33	270	-60	8.3
MGAC0016	570655.28	8437000.14	1132.96	35	270	-60	9.0
MGAC0017	570611.77	8436999.97	1133.44	36	270	-60	11.8
MGAC0018	570699.65	8436999.93	1132.63	35	270	-60	9.7
MGAC0019	570724.75	8436999.83	1132.42	35	270	-60	12.8
MGAC0020	570772.84	8437001.06	1132.22	38	270	-60	13.5
MGAC0021	570828.43	8436998.80	1131.76	32	270	-60	10.7
MGAC0022	570450.47	8437200.12	1131.44	25	270	-60	12.4
MGAC0023	570949.99	8437000.27	1131.10	33	270	-60	3.8
MGAC0024	571131.62	8437011.81	1130.39	29	270	-60	6.7
MGAC0025	571154.22	8437010.95	1130.39	34	270	-60	7.4
MGAC0026	571212.71	8437001.99	1130.21	34	270	-60	5.0
MGAC0027	570810.07	8436801.01	1135.41	25	270	-60	5.4
MGAC0028	570838.91	8436800.37	1135.02	33	270	-60	7.3
MGAC0029	570893.79	8436799.07	1134.58	35	270	-60	7.5
MGAC0030	571072.78	8436799.80	1133.13	38	270	-60	14.7
MGAC0031	571114.25	8436798.68	1132.77	34	270	-60	6.6
MGAC0032	571388.85	8436799.91	1132.22	24	270	-60	6.2
MGAC0033	570300.25	8437400.08	1132.72	19	270	-60	0.0
MGAC0034	570323.12	8437399.99	1131.69	23	270	-60	0.0
MGAC0035	570418.73	8437400.82	1129.92	26	270	-60	6.9
MGAC0036	570399.92	8437401.24	1130.19	30	270	-60	6.4
MGAC0037	570479.62	8437400.31	1128.72	27	270	-60	6.3
MGAC0038	570523.53	8437400.01	1128.02	24	270	-60	7.5
MGAC0039	570582.61	8437400.04	1126.81	33	270	-60	5.9
MGAC0040	570542.56	8437400.06	1127.53	24	270	-60	5.5
MGAC0041	570622.90	8437400.18	1126.63	34	270	-60	5.2
MGAC0042	570642.72	8437399.85	1126.25	25	270	-60	5.3

Hole ID	Easting	Northing	RL	DEPTH	Hole AZI	Hole DIP	TGC (ave) %
MGAC0043	570360.10	8437399.99	1130.78	20	270	-60	0.0
MGAC0044	570371.11	8437300.13	1131.94	22	270	-60	0.0
MGAC0045	570391.70	8437299.83	1131.53	29	270	-60	13.2
MGAC0046	570411.17	8437304.30	1130.91	30	270	-60	6.5
MGAC0047	570449.75	8437299.99	1130.10	24	270	-60	13.0
MGAC0048	570490.68	8437300.02	1129.31	33	270	-60	7.2
MGAC0049	570571.69	8437300.47	1127.92	26	270	-60	4.5
MGAC0050	570652.07	8437299.93	1127.08	32	270	-60	6.7
MGAC0051	570630.41	8437300.12	1127.60	30	270	-60	6.3
MGAC0052	570672.88	8437301.67	1126.92	30	270	-60	3.6
MGAC0053	570553.39	8437300.20	1128.21	22	270	-60	4.9
MGAC0054	570592.95	8437299.77	1127.69	28	270	-60	4.6
MGAC0055	570498.28	8437099.97	1132.52	38	270	-60	8.5
MGAC0056	570520.06	8437100.02	1132.27	39	270	-60	9.0
MGAC0057	570538.72	8437099.78	1132.00	33	270	-60	8.2
MGAC0058	570578.21	8437100.03	1131.61	33	270	-60	9.9
MGAC0059	570618.84	8437100.04	1131.36	27	270	-60	8.2
MGAC0060	570678.23	8437100.13	1130.66	30	270	-60	6.3
MGAC0061	570719.19	8437100.18	1130.36	33	270	-60	4.9
MGAC0062	570740.06	8437100.07	1130.16	35	270	-60	7.2
MGAC0063	570781.50	8437099.55	1129.99	28	270	-60	4.9
MGAC0064	570678.93	8436899.81	1134.83	37	270	-60	8.3
MGAC0065	570660.13	8436900.17	1134.97	33	270	-60	12.7
MGAC0066	570719.10	8436899.77	1134.39	30	270	-60	6.3
MGAC0067	570700.02	8436899.96	1134.60	35	270	-60	6.4
MGAC0068	570780.07	8436900.06	1133.81	27	360	-90	7.2
MGAC0069	570809.89	8436900.02	1133.69	36	270	-60	8.4
MGAC0070	570831.99	8436900.17	1133.47	33	270	-60	8.5
MGAC0071	570871.07	8436700.87	1136.16	33	270	-60	7.2
MGAC0072	570889.64	8436701.06	1135.88	33	270	-60	5.2
MGAC0073	570830.75	8436701.60	1136.38	36	270	-60	3.6
MGAC0074	570930.57	8436700.47	1135.39	27	270	-60	5.6
MGAC0075	570962.99	8436700.36	1134.97	33	270	-60	5.6
MGAC0076	570992.55	8436699.93	1134.71	30	270	-60	5.8
MGAC0077	571098.07	8436698.98	1133.52	30	270	-60	4.2
MGAC0078	571129.15	8436690.94	1133.15	33	270	-60	5.5
MGAC0079	571159.86	8436690.52	1133.06	30	270	-60	8.0
MGAC0080	570860.02	8436799.85	1134.89	25	360	-90	8.9
MGAC0081	570908.91	8436600.28	1136.28	30	270	-60	4.4
MGAC0082	570929.77	8436599.89	1136.10	33	270	-60	7.4
MGAC0083	570952.75	8436599.98	1135.94	30	270	-60	7.4
MGAC0084	570993.91	8436600.68	1135.23	28	270	-60	5.3
MGAC0085	571014.42	8436599.82	1134.94	31.5	270	-60	7.0

Hole ID	Easting	Northing	RL	DEPTH	Hole AZI	Hole DIP	TGC (ave) %
MGAC0086	571033.10	8436599.39	1134.60	34.5	270	-60	6.3
MGAC0087	571083.21	8436599.88	1133.94	28	360	-90	8.7
MGAC0088	571154.37	8436599.88	1133.02	36	270	-60	7.9
MGAC0089	571145.58	8436400.16	1132.19	35	270	-60	3.5
MGAC0090	571201.58	8436399.98	1131.06	29	360	-90	6.0
MGAC0091	571253.10	8436400.10	1130.13	30	270	-60	5.8
MGAC0092	571281.78	8436400.55	1129.60	29	270	-60	5.6
MGAC0093	571314.25	8436400.14	1129.28	35	270	-60	8.4
MGAC0094	571325.98	8436399.94	1129.27	30	270	-80	8.6
MGAC0095	571362.45	8436399.86	1129.10	35	270	-60	8.1
MGAC0096	571392.74	8436400.08	1129.05	35	270	-60	6.2
MGAC0097	571493.52	8436401.07	1129.50	35	270	-60	5.2
MGAC0098	571446.19	8436399.79	1129.29	35	270	-60	5.9
MGAC0099	571710.02	8436400.60	1130.53	38	270	-60	8.3
MGAC0100	571670.93	8436393.02	1130.08	33	270	-60	5.8
MGAC0101	571528.23	8436600.78	1132.22	27	270	-60	3.6
MGAC0102	571392.28	8436199.94	1124.61	39	270	-60	4.5
MGAC0103	571351.96	8436200.19	1125.08	35	270	-60	0.0
MGAC0104	571413.05	8436199.82	1124.56	35	270	-60	5.6
MGAC0105	571487.06	8436200.10	1124.64	34	270	-60	6.3
MGAC0106	571452.10	8436200.03	1124.53	33	270	-60	6.7
MGAC0107	571530.02	8436200.02	1124.87	36	270	-60	5.4
MGAC0108	571569.66	8436195.78	1124.91	36	270	-60	10.6
MGAC0109	571583.64	8436195.21	1124.94	34	270	-80	6.8
MGAC0110	571629.80	8436199.91	1125.28	35	270	-60	5.9
MGAC0111	571680.16	8436200.53	1125.61	35	270	-60	6.3
MGAC0112	571709.93	8436199.84	1125.61	39	270	-60	5.8
MGAC0113	571707.31	8436000.66	1118.77	31	270	-60	5.8
MGAC0114	571745.99	8436000.34	1119.39	30	270	-60	5.8
MGAC0115	571793.07	8436000.21	1120.19	30	270	-60	6.6
MGAC0116	571829.76	8436000.20	1120.74	22	270	-60	4.6
MGAC0117	571869.59	8436004.02	1121.47	37	270	-60	5.6
MGAC0118	571899.59	8435992.60	1121.28	39	270	-60	8.9
MGAC0119	571924.83	8436000.04	1121.96	39	270	-60	9.4
MGAC0120	571939.98	8436000.17	1122.19	35	360	-90	6.8
MGAC0121	571973.88	8436000.76	1122.78	35	270	-60	6.1
MGAC0122	571999.70	8435999.25	1122.94	36	270	-60	6.8
MGAC0123	571700.41	8435900.81	1114.69	31	270	-60	6.6
MGAC0124	571671.66	8435896.99	1114.11	27	270	-60	5.6
MGAC0125	571850.51	8435899.89	1117.55	33	270	-60	5.7
MGAC0126	571890.04	8435903.71	1118.31	30	270	-60	5.7
MGAC0127	571929.44	8435900.22	1118.71	35	270	-60	5.6
MGAC0128	571969.21	8435904.67	1119.60	35	270	-60	7.9

Hole ID	Easting	Northing	RL	DEPTH	Hole AZI	Hole DIP	TGC (ave) %
MGAC0129	572010.95	8435899.03	1119.94	39	278.13	-58.6	7.5
MGAC0130	572054.73	8435898.25	1120.46	30	270	-60	6.0
MGAC0131	572095.41	8435898.27	1121.00	35	270	-60	5.9
MGAC0132	571752.12	8435805.85	1110.92	32	270	-60	4.2
MGAC0133	571796.88	8435808.64	1112.05	29	270	-60	5.1
MGAC0134	571829.39	8435807.20	1112.92	28	270	-60	0.0
MGAC0135	571878.46	8435804.72	1114.66	30	270	-60	6.4
MGAC0136	571937.96	8435799.88	1115.64	30	270	-60	5.6
MGAC0137	571996.50	8435788.33	1116.38	30	270	-90	5.9
MGAC0138	572101.71	8435809.28	1118.47	30	270	-60	6.9
MGAC0139	572142.80	8435804.36	1118.66	30	270	-60	9.9
MGAC0140	572187.97	8435814.34	1119.78	33	270	-60	5.1
MGAC0141	572030.95	8435686.99	1113.89	30	270	-60	6.3
MGAC0142	572072.96	8435685.23	1114.56	33	270	-60	4.5
MGAC0143	572109.64	8435683.07	1115.13	35	270	-60	9.4
MGAC0144	572171.36	8435683.28	1116.03	39	270	-60	11.5
MGAC0145	572211.42	8435683.70	1116.47	39	270	-60	12.9
MGAC0146	572251.62	8435681.67	1116.77	38.8	270	-60	5.4
MGAC0147	572298.96	8435671.57	1116.63	44	270	-60	5.1
MGAC0148	572361.35	8435683.07	1117.08	35	270	-60	5.4
MGAC0149	572331.98	8435679.86	1117.02	35	267.53	-58.3	0.0
MGAC0150	572126.39	8435395.86	1105.60	30	270	-60	5.7
MGAC0151	572151.93	8435401.38	1107.36	33	272.13	-60	5.2
MGAC0152	572211.54	8435393.65	1107.50	30	270	-60	10.0
MGAC0153	572247.77	8435194.10	1101.08	30	270	-60	6.1
MGAC0154	572375.58	8435200.62	1099.24	27	270	-60	9.5
MGAC0155	572395.32	8435196.31	1098.66	30	270	-60	9.3
MGAC0156	572465.94	8435202.17	1099.31	24	360	-90	15.6
MGAC0157	572485.92	8435202.00	1099.66	27	270	-60	12.3
MGAC0158	572514.24	8435202.82	1100.17	25	270	-60	6.7
MGAC0159	572541.56	8435202.29	1100.72	25	270	-60	6.3
MGAC0160	572574.02	8435202.05	1101.03	25	270	-60	4.8
MGAC0161	572435.00	8435003.33	1088.17	21	270	-60	6.8
MGAC0162	572467.21	8435002.18	1088.28	18	270	-60	6.1
MGAC0163	572507.57	8435002.82	1089.33	21	270	-60	6.3
MGAC0164	572548.72	8435015.84	1090.81	25	270	-60	5.4
MGAC0165	572693.46	8435003.07	1091.36	27	270	-60	8.3
MGAC0166	572741.38	8435002.55	1089.86	27	270	-60	8.8
MGAC0167	572779.22	8434998.76	1087.85	25	270	-60	14.7
MGAC0168	572525.54	8435401.48	1107.67	30	270	-60	4.6
MGAC0169	572355.65	8435303.50	1103.85	30	270	-60	16.2
MGAC0170	572318.67	8435303.09	1103.88	30	270	-60	7.8
MGAC0171	572050.56	8435599.61	1111.49	29	270	-60	5.9

Hole ID	Easting	Northing	RL	DEPTH	Hole AZI	Hole DIP	TGC (ave) %
MGAC0172	572016.29	8435574.28	1108.50	11	270	-60	0.0
MGAC0173	571981.74	8435663.00	1111.30	25	270	-60	5.1
MGAC0174	571930.00	8435676.00	1110.08	24	270	-60	4.4
MGAC0175	572013.00	8435570.00	1108.19	27	270	-60	5.8
MGAC0176	572288.00	8435610.00	1114.89	33	270	-60	5.6
MGAC0177	571122.00	8436598.00	1133.44	25	270	-60	6.7
MGAC0178	570609.70	8437000.00	1133.49	25	90	-80	12.4
MGAC0179	570806.00	8437320.00	1124.94	26	270	-60	4.1
MGAC0180	570786.00	8437320.00	1125.38	26	270	-60	4.6
MGAC0181	572129.87	8435680.33	1115.42	30	270	-60	5.8
MGAC0182	572190.46	8435679.98	1116.22	36	270	-60	18.0
MGAC0183	572239.92	8435499.82	1111.53	36	270	-60	11.7
MGAC0184	572285.65	8435492.18	1111.19	25	270	-60	0.0
MGAC0185	572312.57	8435507.55	1111.85	33	270	-60	7.8
MGAC0186	572301.85	8435384.52	1107.60	29	270	-60	13.7
MGAC0187	572213.19	8435284.54	1103.97	26	270	-60	6.5
MGAC0188	572284.26	8435292.95	1103.81	36	270	-60	8.1
MGAC0189	572399.63	8435100.06	1092.50	20	270	-60	8.6
MGAC0190	572519.72	8435100.07	1094.64	35	270	-60	14.6
MGAC0191	572590.26	8435103.88	1096.74	32	270	-60	9.1
MGAC0192	572631.77	8435099.87	1096.64	26	270	-60	8.7
MGAC0193	572680.56	8435088.32	1095.56	24	270	-60	6.2
MGAC0194	572698.31	8435100.49	1095.66	24	270	-60	4.7
MGAC0195	572549.09	8435100.25	1095.35	25	270	-60	8.8
MGAC0196	572759.54	8434999.80	1088.85	27	270	-60	5.8
MGAC0197	572833.54	8434985.24	1085.83	18	270	-60	0.0
MGAC0198	572065.64	8435778.77	1117.22	36	270	-60	8.9
MGAC0199	571599.17	8436100.04	1121.94	34	270	-60	7.1
MGAC0200	571630.09	8436100.00	1122.02	33	270	-60	5.7
MGAC0201	571650.06	8436099.82	1122.17	31	270	-60	5.9
MGAC0202	571670.15	8436099.89	1122.35	29	270	-60	4.3
MGAC0203	571700.52	8436099.74	1122.53	33	270	-60	4.6
MGAC0204	571739.75	8436099.84	1122.92	32	270	-60	5.6
MGAC0205	571779.74	8436100.39	1123.50	36	270	-60	7.2
MGAC0206	571820.21	8436099.87	1123.88	36	270	-60	6.1
MGAC0207	571860.52	8436100.30	1124.41	42	270	-60	5.3
MGAC0208	571900.03	8436100.03	1124.89	41	270	-60	6.3
MGAC0209	571656.53	8436202.53	1125.67	33	270	-60	6.2
MGAC0210	571300.03	8436300.00	1127.88	36	270	-60	4.5
MGAC0211	571340.69	8436299.92	1127.30	31	270	-60	5.8
MGAC0212	571379.77	8436300.01	1127.03	23	270	-60	6.0
MGAC0213	571400.12	8436299.69	1126.99	27	270	-60	6.1
MGAC0214	571419.93	8436299.99	1126.91	30	270	-60	8.6

Hole ID	Easting	Northing	RL	DEPTH	Hole AZI	Hole DIP	TGC (ave) %
MGAC0215	571459.43	8436300.14	1127.10	32	270	-60	5.6
MGAC0216	571499.54	8436300.08	1127.31	33	270	-60	4.6
MGAC0217	571540.07	8436300.06	1127.35	33	270	-60	6.8
MGAC0218	571579.85	8436299.83	1127.72	33	270	-60	6.7
MGAC0219	571620.33	8436299.89	1128.06	35	270	-60	6.4
MGAC0220	571759.45	8436299.95	1128.60	39	270	-60	4.3
MGAC0221	571799.90	8436299.94	1128.74	36	270	-60	4.8
MGAC0222	571740.19	8436400.20	1130.63	33	270	-60	7.5
MGAC0223	571641.79	8436503.21	1132.00	27	270	-60	0.0
MGAC0224	571609.70	8436500.23	1131.60	31	270	-60	3.6
MGAC0225	571099.42	8436500.10	1133.61	28	270	-60	6.3
MGAC0226	571119.52	8436500.39	1133.30	25	270	-60	6.2
MGAC0227	571139.48	8436500.10	1132.85	28	270	-60	6.3
MGAC0228	571159.68	8436499.97	1132.52	30	270	-60	5.1
MGAC0229	571179.35	8436500.25	1132.14	30	270	-60	5.9
MGAC0230	571199.60	8436500.01	1131.78	27	270	-60	6.2
MGAC0231	571220.06	8436499.94	1131.49	30	270	-60	7.4
MGAC0232	571239.89	8436499.99	1131.22	30	270	-60	7.9
MGAC0233	571259.51	8436500.12	1131.06	30	270	-60	12.6
MGAC0234	571292.19	8436501.72	1130.72	31	270	-60	5.0
MGAC0235	571320.48	8436500.55	1130.60	33	270	-60	6.2
MGAC0236	571074.79	8436599.91	1133.99	35	270	-60	10.1
MGAC0237	571175.16	8436599.72	1132.63	30	270	-60	0.0
MGAC0238	571146.57	8436596.11	1133.21	28	270	-60	0.0
MGAC0239	571219.61	8436699.96	1132.56	33	270	-60	0.0
MGAC0240	571239.38	8436700.23	1132.41	33	270	-60	11.9
MGAC0241	571259.42	8436700.07	1132.41	34	270	-60	11.2
MGAC0242	570920.02	8436799.93	1134.50	32	270	-60	5.9
MGAC0243	570960.03	8436800.00	1133.89	36	270	-60	0.0
MGAC0244	571019.85	8436800.06	1133.47	35	270	-60	0.0
MGAC0245	571049.88	8436799.69	1133.31	37	270	-60	0.0
MGAC0246	571090.38	8436800.08	1133.10	36	270	-60	8.5
MGAC0247	571134.85	8436800.05	1132.55	33	270	-60	7.5
MGAC0248	571400.55	8436801.13	1132.27	27	270	-60	5.3
MGAC0249	571076.96	8436494.34	1134.00	26	270	-60	6.2
MGAC0250	570559.83	8436900.04	1135.97	29	270	-60	7.6
MGAC0251	570579.82	8436900.02	1135.72	32	270	-60	6.8
MGAC0252	570599.84	8436899.99	1135.60	31	270	-60	6.7
MGAC0253	570619.89	8436899.89	1135.41	32	270	-60	9.2
MGAC0254	570640.01	8436900.08	1135.21	33	270	-60	10.7
MGAC0255	570739.82	8436900.01	1134.22	32	270	-60	6.0
MGAC0256	571029.51	8436700.24	1134.24	32	270	-60	6.7
MGAC0257	571059.62	8436700.20	1133.93	30	270	-60	7.0

Hole ID	Easting	Northing	RL	DEPTH	Hole AZI	Hole DIP	TGC (ave) %
MGAC0258	571179.48	8436700.24	1132.81	28	270	-60	6.5
MGAC0259	571199.54	8436699.93	1132.72	33	270	-60	9.8
MGAC0260	570769.48	8436900.22	1133.83	31	270	-60	7.5
MGAC0261	570860.55	8436900.52	1133.36	34	270	-60	4.8
MGAC0262	570880.00	8436899.91	1133.22	30	270	-60	4.3
MGAC0263	570899.65	8436900.00	1133.06	29	270	-60	4.6
MGAC0264	570919.52	8436899.72	1132.81	27	270	-60	4.4
MGAC0265	570940.03	8436900.05	1132.74	28	270	-60	4.7
MGAC0266	570959.43	8436900.04	1132.69	27	270	-60	6.7
MGAC0267	570979.53	8436899.98	1132.64	28	270	-60	11.3
MGAC0268	570999.39	8436899.89	1132.49	27	270	-60	10.0
MGAC0269	571019.46	8436900.07	1132.36	26	270	-60	5.0
MGAC0270	571039.47	8436900.37	1132.36	29	270	-60	4.4
MGAC0271	570550.69	8436949.78	1135.19	37	270	-60	10.6
MGAC0272	570569.99	8436949.97	1134.91	37	270	-60	7.9
MGAC0273	570589.95	8436950.00	1134.63	36	270	-60	8.6
MGAC0274	570609.62	8436950.02	1134.52	33	270	-60	10.1
MGAC0275	570629.92	8436949.92	1134.28	30	270	-60	9.6
MGAC0276	570650.15	8436950.00	1134.10	30	270	-60	5.4
MGAC0277	570669.51	8436950.05	1133.92	27	270	-60	6.7
MGAC0278	570689.39	8436949.99	1133.77	28	270	-60	9.4
MGAC0279	570709.52	8436949.73	1133.60	30	270	-60	7.2
MGAC0280	570729.75	8436950.01	1133.33	30	270	-60	5.7
MGAC0281	570769.72	8436950.00	1132.99	33	270	-60	17.9
MGAC0282	570789.61	8436950.02	1132.92	30	270	-60	13.0
MGAC0283	570809.67	8436950.07	1132.74	33	270	-60	0.0
MGAC0284	570829.39	8436949.67	1132.56	33	270	-60	0.0
MGAC0285	570849.37	8436950.21	1132.48	33	270	-60	10.3
MGAC0286	570869.68	8436949.85	1132.38	33	270	-60	11.6
MGAC0287	570889.39	8436949.92	1132.33	30	270	-60	4.3
MGAC0288	570909.54	8436950.07	1132.16	30	270	-60	4.6
MGAC0289	570929.07	8436949.95	1132.00	27	270	-60	10.5
MGAC0290	570949.43	8436949.76	1131.91	28	270	-60	13.4
MGAC0291	570968.51	8436948.68	1131.81	30	270	-60	12.7
MGAC0292	570519.43	8436999.97	1134.66	28	270	-60	9.5
MGAC0293	570679.90	8437000.01	1132.77	33	270	-60	9.5
MGAC0294	570489.82	8437050.05	1133.97	30	270	-60	8.8
MGAC0295	570509.75	8437050.00	1133.69	33	270	-60	6.9
MGAC0296	570789.57	8437000.20	1132.14	37	270	-60	12.3
MGAC0297	570810.84	8436997.11	1132.02	36	270	-60	7.1
MGAC0298	570849.94	8437000.28	1131.55	29	270	-60	5.3
MGAC0299	570529.84	8437050.00	1133.35	31	270	-60	8.0
MGAC0300	570550.06	8437049.92	1133.16	34	270	-60	10.1

Hole ID	Easting	Northing	RL	DEPTH	Hole AZI	Hole DIP	TGC (ave) %
MGAC0301	570569.84	8437049.96	1132.96	32	270	-60	10.2
MGAC0302	570590.00	8437049.85	1132.71	30	270	-60	9.2
MGAC0303	570609.93	8437050.12	1132.41	34	270	-60	8.9
MGAC0304	570629.58	8437050.06	1132.21	32	270	-60	7.4
MGAC0305	570649.52	8437049.90	1132.05	31	270	-60	7.3
MGAC0306	570669.42	8437050.05	1131.85	33	270	-60	9.1
MGAC0307	570689.41	8437049.80	1131.74	30	270	-60	12.6
MGAC0308	570709.74	8437050.43	1131.50	33	270	-60	18.1
MGAC0309	570729.84	8437050.18	1131.34	31	270	-60	12.3
MGAC0310	570749.46	8437050.09	1131.17	33	270	-60	9.6
MGAC0311	570769.46	8437050.09	1131.08	26	270	-60	7.4
MGAC0312	570789.76	8437049.91	1131.02	30	270	-60	12.6
MGAC0313	570439.74	8437099.87	1133.97	29	270	-60	0.0
MGAC0314	570459.97	8437100.41	1133.25	25	270	-60	0.0
MGAC0315	570479.65	8437100.31	1132.80	27	270	-60	0.0
MGAC0316	570559.06	8437100.11	1131.81	26	270	-60	0.0
MGAC0317	570600.10	8437100.39	1131.44	24	270	-60	0.0
MGAC0318	570649.34	8437101.70	1131.30	27	270	-60	0.0
MGAC0319	570699.90	8437100.10	1130.58	30	270	-60	0.0
MGAC0320	570430.04	8437200.05	1131.99	34	270	-60	0.0
MGAC0321	570470.13	8437199.92	1131.03	31	270	-60	0.0
MGAC0322	570515.36	8437200.00	1130.24	37	270	-60	0.0
MGAC0323	570540.00	8437199.98	1129.81	36	270	-60	0.0
MGAC0324	570580.09	8437200.22	1129.41	35	270	-60	0.0
MGAC0325	570614.82	8437200.08	1129.10	32	270	-60	0.0
MGAC0326	570430.90	8437300.00	1130.52	25	270	-60	0.0
MGAC0327	570470.30	8437300.54	1129.85	21	270	-60	0.0
MGAC0328	570520.03	8437300.04	1128.83	12	270	-60	0.0
MGAC0329	570430.18	8437599.74	1128.03	21	270	-60	0.0
MGAC0330	570437.93	8437399.75	1129.52	29	270	-60	0.0
MGAC0331	570457.98	8437399.95	1129.08	28	270	-60	0.0
MGAC0333	570449.66	8437599.94	1127.72	18	270	-60	0.0
MGAC0334	570399.90	8437499.84	1128.92	18	270	-60	0.0
MGAC0335	570464.66	8437511.09	1127.86	21	270	-60	0.0
MGAC0336	570549.93	8437499.72	1127.00	21	270	-60	0.0
MGAC0337	570500.05	8437399.99	1128.61	26	270	-60	0.0
MGAC0338	570894.72	8437199.96	1126.57	29	270	-60	0.0
MGAC0339	570927.16	8437202.96	1126.36	28	270	-60	0.0
MGAC0340	571174.85	8437000.01	1130.53	31	270	-60	0.0
MGAC0341	573804.68	8433099.97	1090.20	24	275	-60	0.0
MGAC0342	573904.97	8433099.90	1089.05	30	275	-60	0.0
MGAC0343	573925.02	8433099.94	1088.69	30	275	-60	9.2
MGAC0344	573864.79	8432999.98	1092.61	30	275	-60	5.3

Hole ID	Easting	Northing	RL	DEPTH	Hole AZI	Hole DIP	TGC (ave) %
MGAC0345	573885.09	8433000.01	1092.33	28	275	-60	5.7
MGAC0346	573955.08	8433000.01	1091.51	21	275	-60	5.2
MGAC0347	573930.00	8432899.99	1095.14	30	275	-60	6.1
MGAC0348	574024.90	8432900.01	1095.00	30	275	-60	6.7
MGAC0349	574064.40	8432900.85	1095.13	30	275	-60	9.7
MGAC0350	573994.62	8432800.16	1098.49	30	275	-60	5.7
MGAC0351	574015.03	8432800.22	1098.44	30	275	-60	4.8
MGAC0352	574089.52	8432800.26	1098.72	30	275	-60	10.2
MGAC0353	574124.93	8432800.08	1098.97	25	275	-60	7.7
MGAC0354	574144.36	8432800.25	1099.19	33	275	-60	7.1
MGAC0355	574075.07	8432600.04	1103.92	30	275	-60	5.5
MGAC0356	574140.11	8432599.92	1103.96	30	275	-60	4.6
MGAC0357	574154.65	8432400.02	1108.16	27	275	-60	4.2
MGAC0358	574179.97	8432400.06	1108.24	28	275	-60	6.1
MGAC0359	574255.05	8432399.98	1107.97	29	275	-60	5.5
MGAC0360	574295.02	8432200.19	1111.22	32	275	-60	5.9
MGAC0361	574325.08	8432200.02	1111.13	30	275	-60	4.5
MGAC0362	573889.93	8433100.14	1089.25	30	275	-60	0.0
MGAC0363	573844.54	8433000.25	1092.85	20	275	-60	0.0
MGAC0364	573910.04	8432899.48	1095.25	30	275	-60	0.0
MGAC0365	573974.99	8432799.66	1098.41	24	275	-60	0.0
MGAC0366	574074.82	8432800.41	1098.66	28	275	-60	0.0
MGAC0367	574054.53	8432800.61	1098.41	21	275	-60	0.0
MGAC0368	574134.45	8432400.05	1108.13	24	275	-60	0.0
MGAC0369	572149.78	8435680.23	1115.52	29	275	-60	0.0
MGAC0370	572334.79	8435400.18	1107.92	28	275	-60	0.0
MGAC0371	572798.63	8434998.91	1086.89	26	275	-60	0.0
MGAC0372	572726.38	8435000.78	1090.24	24	275	-60	0.0
MGAC0373	572384.98	8435299.40	1103.71	30	275	-60	0.0
MGAC0374	572380.35	8435099.98	1092.91	19	275	-60	0.0
MGAC0375	572499.93	8435099.79	1094.44	27	275	-60	0.0
MGAC0376	571054.79	8436600.07	1134.33	28	275	-60	0.0
MGAC0377	571199.54	8436600.20	1132.38	30	275	-60	0.0
MGAC0378	571154.36	8436800.90	1132.56	30	275	-60	0.0
MGAC0379	571369.63	8436799.91	1132.23	29	275	-60	0.0
MGAC0380	570499.03	8437000.64	1134.89	24	275	-60	0.0
MGAC0381	570529.47	8436950.58	1135.50	29	275	-60	0.0
MGAC0382	570469.96	8437049.99	1134.41	26	275	-60	0.0
MGAC0383	570419.20	8437100.32	1134.42	29	275	-60	0.0
MGAC0384	571929.21	8436100.22	1124.94	33	275	-60	0.0
MGAC0385	570989.27	8436950.60	1131.79	27	275	-60	0.0
MGDD0001	570749.72	8437001.72	1132.28	11.64	270	-45	0.0
MGDD0002	572465.78	8435202.99	1099.36	35.73	360	-90	15.3

Hole ID	Easting	Northing	RL	DEPTH	Hole AZI	Hole DIP	TGC (ave) %
MGDD0003	571929.32	8436001.90	1122.06	47.61	360	-90	9.5
MGDD0004	570754.14	8437000.68	1132.24	53.79	264	-45	8.0
MGDD0005	570638.56	8437003.30	1133.10	47.52	270	-45	12.2
MGDD0006	570633.04	8437002.55	1133.19	29.4	270	-45	10.8
MGDD0007	570771.49	8437000.46	1132.25	29.42	266	-45	14.9
MGDD0008	570716.80	8437001.13	1132.47	59.42	90	-45	11.2
MGDD0009	570611.78	8437000.09	1133.44	29.57	81	-80	0.0
MGDD0010	572067.69	8435806.34	1118.02	35.89	263	-80	6.6
MGDD0011	571581.56	8436202.73	1125.08	35.92	270	-80	8.4
MGDD0012	571325.42	8436401.67	1129.27	35.89	270	-80	9.2
MGDD0013	570870.58	8436802.41	1134.73	35.95	270	-80	10.5
MGHA0006	571151.00	8435999.00	1127.55	3	360	-90	0.0
MGHA0007	571131.00	8435998.00	1128.08	3	360	-90	0.0
MGHA0008	571170.22	8435999.97	1126.83	5	360	-90	0.0
MGHA0009	571189.75	8436000.35	1126.27	5	360	-90	0.0
MGHA0010	571109.99	8436000.03	1128.86	3	360	-90	0.0
MGHA0079	570875.24	8436000.02	1133.00	6	360	-90	0.0
MGHA0080	570855.17	8435999.74	1133.22	10	360	-90	4.4
MGHA0081	570894.67	8435999.63	1132.88	7	360	-90	0.0
MGHA0082	570915.29	8436000.46	1132.67	9	360	-90	0.0
MGHA0083	570834.88	8436000.47	1133.53	10	360	-90	0.0
MGHA0089	571526.31	8436001.78	1118.08	10	360	-90	0.0
MGHA0090	571544.78	8436003.27	1118.22	10	360	-90	0.0
MGHA0091	571565.82	8436007.42	1118.24	8	360	-90	4.0
MGHA0092	571504.88	8435999.99	1118.16	10	360	-90	4.8
MGHA0093	571485.39	8436002.99	1118.33	9	360	-90	0.0
MGHA0094	571802.03	8436003.11	1120.35	10	360	-90	6.1
MGHA0095	571821.86	8436005.70	1120.85	9	360	-90	3.8
MGHA0096	571842.88	8436003.68	1121.11	10	360	-90	4.4
MGHA0097	571781.32	8436000.00	1120.11	8	360	-90	6.4
MGHA0098	571762.29	8435999.87	1119.74	10	360	-90	6.8
MGHA0099	571858.15	8436004.51	1121.27	10	360	-90	6.3
MGHA0100	571913.13	8436001.88	1121.85	10	360	-90	5.5
MGHA0101	571958.35	8436000.88	1122.49	9	360	-90	4.9
MGHA0102	571741.76	8435999.90	1119.52	10	360	-90	4.0
MGHA0103	572007.64	8436001.97	1123.05	10	360	-90	0.0
MGHA0104	571979.38	8436001.79	1122.86	10	360	-90	4.6
MGHA0105	571581.90	8436006.68	1118.35	4	360	-90	0.0
MGHA0106	571598.28	8436006.71	1118.38	5	360	-90	0.0
MGHA0123	571602.97	8436402.77	1130.10	10	360	-90	0.0
MGHA0124	571640.08	8436403.37	1130.21	9	360	-90	5.8
MGHA0125	571683.50	8436403.44	1130.52	12	360	-90	9.0
MGHA0126	571720.19	8436403.78	1130.60	12	360	-90	0.0

Hole ID	Easting	Northing	RL	DEPTH	Hole AZI	Hole DIP	TGC (ave) %
MGHA0127	571700.67	8436403.56	1130.56	12	360	-90	15.3
MGHA0128	571662.33	8436400.22	1130.23	12	360	-90	6.1
MGHA0129	571743.13	8436403.01	1130.64	12	360	-90	0.0
MGHA0130	571758.00	8436402.00	1130.60	11	360	-90	0.0
MGHA0131	571798.00	8436400.00	1130.77	9	360	-90	0.0
MGHA0132	571842.00	8436402.00	1131.13	12	360	-90	0.0
MGHA0133	571885.00	8436400.00	1131.10	12	360	-90	0.0
MGHA0134	571923.00	8436399.00	1131.16	10	360	-90	0.0
MGHA0135	571964.00	8436399.00	1131.03	10	360	-90	0.0
MGHA0136	572001.00	8436399.00	1131.22	10	360	-90	0.0
MGHA0137	572039.97	8436400.99	1131.22	12	360	-90	0.0
MGHA0138	572079.04	8436399.99	1131.14	12	360	-90	0.0
MGHA0139	571888.62	8436006.15	1121.60	12	360	-90	8.3
MGHA0140	571938.01	8436001.86	1122.22	12	360	-90	5.3
MGHA0141	572120.38	8436399.87	1131.31	10	360	-90	0.0
MGHA0142	571500.75	8435599.98	1111.28	2	360	-90	0.0
MGHA0143	571541.01	8435600.42	1109.51	10	360	-90	0.0
MGHA0144	571579.97	8435600.42	1107.60	10	360	-90	0.0
MGHA0145	571620.23	8435599.53	1105.86	10	360	-90	0.0
MGHA0146	571660.92	8435601.62	1104.13	8	360	-90	0.0
MGHA0147	571699.66	8435600.30	1103.35	9	360	-90	0.0
MGHA0148	571739.81	8435600.07	1102.96	7	360	-90	0.0
MGHA0149	571780.18	8435600.51	1103.14	10	360	-90	0.0
MGHA0150	571819.90	8435602.44	1103.39	10	360	-90	0.0
MGHA0151	571859.68	8435602.96	1104.75	7	360	-90	0.0
MGHA0152	571902.04	8435602.05	1106.02	10	360	-90	0.0
MGHA0153	572787.66	8435002.81	1087.61	10	360	-90	26.3
MGHA0154	571943.41	8435603.15	1107.17	10	360	-90	0.0
MGHA0155	571977.30	8435607.37	1108.66	10	360	-90	0.0
MGHA0156	572001.12	8435602.12	1109.85	12	360	-90	5.7
MGHA0157	572022.84	8435604.55	1110.81	10	360	-90	7.1
MGHA0158	572039.20	8435603.76	1111.33	10	360	-90	7.3
MGHA0159	572057.64	8435603.50	1111.88	11	360	-90	4.6
MGHA0160	572079.88	8435603.53	1112.35	12	360	-90	0.0
MGHA0161	572244.00	8435597.00	1114.41	12	360	-90	0.0
MGHA0162	572258.91	8435602.25	1114.52	10	360	-90	0.0
MGHA0163	572279.64	8435601.33	1114.61	12	360	-90	3.8
MGHA0164	572300.17	8435606.13	1114.99	12	360	-90	5.7
MGHA0165	572317.43	8435603.94	1115.02	12	360	-90	0.0
MGHA0166	572342.00	8435598.00	1114.85	12	360	-90	0.0
MGHA0167	572356.65	8435598.98	1114.71	12	360	-90	0.0
MGHA0168	572381.02	8435599.97	1114.88	12	360	-90	4.7
MGHA0169	572398.00	8435599.80	1114.86	12	360	-90	3.5

Hole ID	Easting	Northing	RL	DEPTH	Hole AZI	Hole DIP	TGC (ave) %
MGHA0170	572420.96	8435599.20	1114.64	12	360	-90	0.0
MGHA0171	572440.15	8435597.30	1114.46	12	360	-90	0.0
MGHA0172	572480.19	8435598.63	1113.80	10	360	-90	0.0
MGHA0173	572517.75	8435597.30	1113.58	10	360	-90	0.0
MGHA0174	572809.16	8435002.77	1086.71	7	360	-90	5.5
MGHA0175	572769.59	8435001.47	1088.44	6	360	-90	13.5
MGHA0176	572749.21	8435000.91	1089.72	4	360	-90	5.2
MGHA0177	572730.30	8435002.48	1090.22	9	360	-90	7.5
MGHA0178	572711.89	8435002.09	1090.81	10	360	-90	8.9
MGHA0179	572670.59	8435002.29	1091.63	8	360	-90	6.2
MGHA0180	572648.99	8435001.62	1091.41	11	360	-90	14.6
MGHA0181	572628.83	8435002.19	1091.52	10	360	-90	12.5
MGHA0182	572609.40	8435001.60	1091.03	8	360	-90	0.0
MGHA0183	572588.03	8435000.91	1090.64	10	360	-90	0.0
MGHA0184	572548.79	8435002.69	1090.31	7	360	-90	5.0
MGHA0185	572508.57	8434999.95	1089.28	5	360	-90	6.6
MGHA0186	572470.80	8435001.69	1088.31	6	360	-90	5.7
MGHA0187	572826.92	8435004.22	1086.39	10	360	-90	0.0
MGHA0188	572846.56	8435001.60	1086.35	10	360	-90	3.5
MGHA0189	572866.39	8435003.75	1086.64	12	360	-90	0.0
MGHA0190	572888.75	8434999.10	1087.28	10	360	-90	0.0
MGHA0191	572907.01	8434999.44	1088.24	10	360	-90	3.5
MGHA0192	572949.75	8435000.30	1091.38	10	360	-90	8.3
MGHA0193	572929.73	8435007.04	1090.19	10	360	-90	3.0
MGHA0194	572967.24	8435001.22	1092.42	12	360	-90	0.0
MGHA0195	572988.32	8435000.68	1093.53	12	360	-90	6.0
MGHA0196	573008.06	8435001.26	1094.49	10	360	-90	0.0
MGHA0197	572490.55	8435001.16	1088.83	7	360	-90	5.2
MGHA0198	572450.86	8435001.80	1087.91	4	360	-90	6.6
MGHA0199	572431.26	8435001.36	1088.31	10	360	-90	6.5
MGHA0200	572409.64	8435000.70	1089.28	11	360	-90	6.4
MGHA0201	572392.69	8435000.00	1090.25	12	360	-90	4.7
MGHA0202	572099.47	8435682.65	1114.96	8	360	-90	8.4
MGHA0203	572120.95	8435681.55	1115.31	10	360	-90	4.2
MGHA0204	572139.60	8435681.74	1115.61	10	360	-90	4.4
MGHA0205	572159.46	8435682.10	1115.91	12	360	-90	12.1
MGHA0206	572180.26	8435682.68	1116.13	10	360	-90	0.0
MGHA0207	572199.44	8435681.40	1116.13	12	360	-90	6.3
MGHA0208	572688.00	8435002.37	1091.49	8	360	-90	5.2
MGHA0209	572570.86	8435001.14	1090.53	10	360	-90	5.7
MGHA0210	572529.62	8435002.23	1090.02	5	360	-90	4.5
MGHA0211	572369.00	8435000.16	1091.08	12	360	-90	0.0
MGHA0212	572349.83	8434999.99	1091.81	12	360	-90	0.0

Hole ID	Easting	Northing	RL	DEPTH	Hole AZI	Hole DIP	TGC (ave) %
MGHA0213	572329.68	8434997.16	1092.22	10	360	-90	0.0
MGHA0214	572312.00	8434999.00	1093.36	9	360	-90	0.0
MGHA0215	572030.00	8436001.00	1123.13	12	360	-90	0.0
MGHA0216	572052.00	8435999.00	1123.28	12	360	-90	0.0
MGHA0217	572091.00	8435997.00	1123.48	12	360	-90	0.0
MGHA0218	572133.00	8435999.00	1123.74	12	360	-90	0.0
MGHA0219	572172.00	8435999.00	1124.24	12	360	-90	0.0
MGHA0220	572213.00	8435999.00	1124.22	12	360	-90	0.0
MGHA0221	572249.00	8436002.00	1124.64	12	360	-90	0.0
MGHA0222	572284.00	8435998.00	1124.40	9	360	-90	0.0
MGHA0223	572330.00	8436002.00	1124.39	9	360	-90	0.0
MGHA0224	571559.46	8436399.25	1129.81	11	360	-90	0.0
MGHA0225	571519.20	8436400.56	1129.64	12	360	-90	0.0
MGHA0226	571480.22	8436400.56	1129.41	12	360	-90	4.8
MGHA0227	571439.61	8436402.14	1129.28	12	360	-90	5.3
MGHA0228	571459.89	8436401.44	1129.16	12	360	-90	4.9
MGHA0229	571423.13	8436400.71	1129.17	12	360	-90	5.3
MGHA0230	571403.26	8436400.79	1129.03	12	360	-90	3.2
MGHA0231	571381.75	8436401.55	1129.05	12	360	-90	7.2
MGHA0232	571361.77	8436402.41	1129.11	12	360	-90	6.6
MGHA0233	571341.19	8436402.48	1129.24	12	360	-90	7.6
MGHA0234	571322.09	8436402.04	1129.25	12	360	-90	6.6
MGHA0235	571302.16	8436399.60	1129.41	12	360	-90	14.2
MGHA0236	571282.49	8436399.73	1129.56	12	360	-90	11.3
MGHA0237	571259.39	8436401.86	1129.96	11	360	-90	5.3
MGHA0238	571241.56	8436400.07	1130.28	12	360	-90	6.5
MGHA0239	571219.74	8436400.41	1130.67	12	360	-90	6.0
MGHA0240	571201.01	8436401.25	1131.10	12	360	-90	5.5
MGHA0241	571181.69	8436401.45	1131.50	10	360	-90	6.0
MGHA0242	571160.74	8436401.13	1131.91	12	360	-90	6.9
MGHA0243	571121.08	8436400.33	1132.62	12	360	-90	3.3
MGHA0244	571082.60	8436401.06	1133.41	12	360	-90	0.0
MGHA0245	571042.03	8436402.12	1134.05	12	360	-90	0.0
MGHA0246	571002.45	8436390.80	1134.80	12	360	-90	0.0
MGHA0247	570961.74	8436403.11	1135.52	12	360	-90	0.0
MGHA0248	571140.18	8436402.21	1132.30	12	360	-90	4.3
MGHA0249	571099.74	8436401.14	1133.00	12	360	-90	6.3
MGHA0250	571061.52	8436401.93	1133.71	12	360	-90	0.0
MGHA0251	570979.76	8436400.11	1135.15	12	360	-90	0.0
MGHA0252	570941.10	8436400.63	1135.78	12	360	-90	7.5
MGHA0253	570921.73	8436400.82	1136.19	12	360	-90	0.0
MGHA0254	570900.15	8436401.83	1136.60	12	360	-90	0.0
MGHA0255	570882.31	8436400.77	1136.94	12	360	-90	0.0

Hole ID	Easting	Northing	RL	DEPTH	Hole AZI	Hole DIP	TGC (ave) %
MGHA0256	570860.00	8436400.00	1137.31	10	360	-90	0.0
MGHA0257	570839.00	8436399.00	1137.68	10	360	-90	0.0
MGHA0258	570818.00	8436401.00	1138.25	12	360	-90	0.0
MGHA0259	570798.00	8436399.00	1138.60	12	360	-90	0.0
MGHA0260	570759.00	8436399.00	1139.50	12	360	-90	0.0
MGHA0261	572558.00	8435600.00	1113.11	12	360	-90	0.0
MGHA0262	572599.00	8435602.00	1112.35	10	360	-90	0.0
MGHA0263	572640.00	8435600.00	1111.89	12	360	-90	0.0
MGHA0264	571699.27	8436000.87	1118.74	12	360	-90	6.6
MGHA0265	571679.91	8436001.69	1118.72	12	360	-90	0.0
MGHA0266	571659.99	8436002.11	1118.66	12	360	-90	0.0
MGHA0267	571640.39	8436001.92	1118.42	12	360	-90	0.0
MGHA0268	571151.00	8436053.00	1127.94	12	360	-90	0.0
MGHA0269	571109.00	8436052.00	1128.91	12	360	-90	0.0
MGHA0270	571073.00	8436052.00	1130.06	12	360	-90	0.0
MGHA0271	571192.00	8436047.00	1126.67	12	360	-90	0.0
MGHA0272	571210.00	8436049.00	1126.24	8	360	-90	0.0
MGHA0273	571230.00	8436050.00	1125.35	8	360	-90	0.0
MGHA0274	572602.56	8435201.73	1100.86	12	360	-90	3.9
MGHA0275	572561.35	8435202.20	1100.91	12	360	-90	4.3
MGHA0276	572640.12	8435201.75	1100.42	12	360	-90	0.0
MGHA0277	572679.32	8435203.29	1099.31	12	360	-90	0.0
MGHA0278	572720.91	8435200.31	1096.77	12	360	-90	0.0
MGHA0279	572520.89	8435202.71	1100.38	12	360	-90	4.9
MGHA0280	572481.55	8435205.33	1099.75	12	360	-90	6.7
MGHA0281	572440.38	8435201.89	1099.33	12	360	-90	4.8
MGHA0282	572401.91	8435200.43	1098.66	12	360	-90	5.2
MGHA0283	572363.42	8435201.25	1099.28	12	360	-90	10.7
MGHA0284	572322.41	8435202.12	1099.55	12	360	-90	0.0
MGHA0285	572283.42	8435205.89	1100.88	12	360	-90	0.0
MGHA0286	572242.11	8435200.09	1101.30	12	360	-90	5.8
MGHA0287	572622.27	8435204.23	1100.92	12	360	-90	0.0
MGHA0288	572580.38	8435202.37	1101.06	12	360	-90	4.5
MGHA0289	572500.43	8435203.11	1100.03	12	360	-90	7.3
MGHA0290	572460.91	8435201.77	1099.11	12	360	-90	14.8
MGHA0291	572420.95	8435202.60	1099.05	11	360	-90	5.4
MGHA0292	572382.72	8435200.15	1099.17	12	360	-90	10.0
MGHA0293	572339.25	8435200.79	1099.13	12	360	-90	0.0
MGHA0294	572261.78	8435203.50	1100.96	12	360	-90	3.9
MGHA0295	572221.26	8435202.85	1101.52	12	360	-90	4.9
MGHA0296	572201.61	8435200.64	1101.55	12	360	-90	0.0
MGHA0297	572182.33	8435199.99	1101.58	12	360	-90	0.0
MGHA0298	572162.25	8435197.50	1101.11	12	360	-90	0.0

Hole ID	Easting	Northing	RL	DEPTH	Hole AZI	Hole DIP	TGC (ave) %
MGHA0299	572142.60	8435200.04	1100.63	12	360	-90	0.0
MGHA0300	572540.94	8435201.39	1100.69	5	360	-90	6.0
MGHA0301	572305.26	8435399.12	1108.14	12	360	-90	7.1
MGHA0302	572283.29	8435401.08	1108.33	12	360	-90	5.2
MGHA0303	572262.13	8435407.00	1108.85	12	360	-90	11.5
MGHA0304	572222.15	8435400.20	1107.86	12	360	-90	0.0
MGHA0305	572180.53	8435401.24	1107.77	12	360	-90	5.9
MGHA0306	572323.29	8435400.21	1108.00	12	360	-90	0.0
MGHA0307	572345.00	8435396.00	1107.75	12	360	-90	0.0
MGHA0308	572362.00	8435397.00	1107.78	12	360	-90	0.0
MGHA0309	572384.00	8435396.00	1107.75	12	360	-90	0.0
MGHA0310	572421.53	8435394.30	1108.24	12	360	-90	0.0
MGHA0311	572460.34	8435402.28	1108.06	12	360	-90	0.0
MGHA0312	572240.25	8435402.56	1108.16	12	360	-90	0.0
MGHA0313	572198.17	8435403.86	1108.02	12	360	-90	6.4
MGHA0314	572158.93	8435403.44	1107.53	12	360	-90	5.2
MGHA0315	572144.34	8435399.79	1106.96	12	360	-90	6.3
MGHA0316	572122.14	8435401.12	1105.88	10	360	-90	5.1
MGHA0317	572100.61	8435396.31	1104.88	12	360	-90	7.2
MGHA0318	572082.20	8435401.25	1104.30	10	360	-90	0.0
MGHA0319	572062.60	8435400.81	1103.75	12	360	-90	0.0
MGHA0320	572041.80	8435400.36	1103.13	12	360	-90	0.0
MGHA0321	572023.01	8435401.40	1102.58	12	360	-90	0.0
MGHA0322	571980.52	8435400.62	1100.38	8	360	-90	0.0
MGHA0323	571963.06	8435399.51	1099.85	12	360	-90	0.0
MGHA0324	571940.80	8435397.42	1098.87	12	360	-90	0.0
MGHA0325	571921.46	8435401.44	1098.61	12	360	-90	3.8
MGHA0326	571901.08	8435401.13	1097.91	12	360	-90	0.0
MGHA0327	571880.71	8435392.18	1097.22	12	360	-90	0.0
MGHA0328	571839.94	8435398.27	1096.94	12	360	-90	0.0
MGHA0329	571802.26	8435395.17	1097.20	12	360	-90	0.0
MGHA0330	572498.70	8435403.50	1108.06	12	360	-90	7.1
MGHA0331	572540.08	8435403.54	1107.50	12	360	-90	0.0
MGHA0332	572579.13	8435398.59	1106.08	12	360	-90	0.0
MGHA0333	572619.17	8435397.15	1104.49	12	360	-90	0.0
MGHA0334	572519.93	8435402.55	1107.75	12	360	-90	0.0
MGHA0335	572481.73	8435399.98	1108.03	12	360	-90	4.7
MGHA0336	572442.69	8435401.59	1108.19	12	360	-90	5.2
MGHA0337	572659.64	8435398.25	1102.54	12	360	-90	0.0
MGHA0338	572682.31	8435399.51	1101.60	12	360	-90	0.0
MGHA0339	572701.21	8435404.32	1101.88	12	360	-90	0.0
MGHA0340	572022.65	8435802.30	1117.33	12	360	-90	5.0
MGHA0341	572059.66	8435802.57	1117.99	12	360	-90	4.5

Hole ID	Easting	Northing	RL	DEPTH	Hole AZI	Hole DIP	TGC (ave) %
MGHA0342	572100.39	8435804.06	1118.38	12	360	-90	0.0
MGHA0343	572138.05	8435803.07	1118.64	12	360	-90	5.2
MGHA0344	572180.28	8435802.57	1119.41	12	360	-90	0.0
MGHA0345	572219.04	8435800.01	1119.69	12	360	-90	0.0
MGHA0346	571981.78	8435804.57	1116.46	12	360	-90	5.5
MGHA0347	571940.17	8435801.90	1115.69	12	360	-90	6.4
MGHA0348	571898.44	8435801.97	1115.00	12	360	-90	5.4
MGHA0349	571860.85	8435799.79	1114.08	12	360	-90	5.5
MGHA0350	571821.49	8435794.40	1112.27	12	360	-90	0.0
MGHA0351	571783.15	8435800.00	1111.49	12	360	-90	0.0
MGHA0352	572160.21	8435802.44	1119.08	12	360	-90	4.5
MGHA0353	572116.62	8435803.41	1118.28	12	360	-90	3.6
MGHA0354	572080.67	8435803.95	1118.24	12	360	-90	6.3
MGHA0355	572039.49	8435802.79	1117.58	12	360	-90	11.6
MGHA0356	571997.83	8435802.36	1116.77	12	360	-90	4.4
MGHA0357	571958.85	8435802.72	1115.88	12	360	-90	4.9
MGHA0358	571923.39	8435801.78	1115.52	12	360	-90	5.8
MGHA0359	571882.03	8435800.50	1114.53	12	360	-90	3.9
MGHA0360	571840.30	8435801.19	1113.21	12	360	-90	4.4
MGHA0361	571742.11	8435801.34	1110.67	12	360	-90	5.7
MGHA0362	571703.75	8435801.23	1110.31	12	360	-90	0.0
MGHA0363	571658.89	8435800.27	1110.13	12	360	-90	0.0
MGHA0364	571619.50	8435800.83	1110.10	12	360	-90	0.0
MGHA0365	571699.84	8436199.50	1125.52	12	360	-90	0.0
MGHA0366	571741.98	8436199.94	1125.91	12	360	-90	0.0
MGHA0367	571779.72	8436199.99	1126.56	12	360	-90	0.0
MGHA0368	571819.87	8436200.20	1126.64	12	360	-90	0.0
MGHA0369	571860.45	8436199.65	1126.97	12	360	-90	0.0
MGHA0370	571899.85	8436200.42	1127.17	12	360	-90	0.0
MGHA0371	571659.66	8436198.88	1125.52	12	360	-90	4.1
MGHA0372	571620.92	8436199.09	1125.22	10	360	-90	5.9
MGHA0373	571600.15	8436200.13	1125.08	12	360	-90	0.0
MGHA0374	571579.15	8436202.28	1125.06	12	360	-90	6.2
MGHA0375	571559.34	8436202.95	1125.00	11	360	-90	11.3
MGHA0376	571540.97	8436201.68	1124.88	12	360	-90	4.6
MGHA0377	571501.92	8436200.37	1124.67	12	360	-90	0.0
MGHA0378	571463.08	8436198.74	1124.50	11	360	-90	3.8
MGHA0379	571421.41	8436199.14	1124.58	12	360	-90	6.3
MGHA0380	571380.74	8436198.20	1124.67	12	360	-90	0.0
MGHA0381	571519.68	8436202.54	1124.81	12	360	-90	5.8
MGHA0382	571481.95	8436201.84	1124.69	12	360	-90	0.0
MGHA0383	571440.70	8436202.40	1124.64	12	360	-90	0.0
MGHA0384	571400.27	8436200.62	1124.52	12	360	-90	0.0

Hole ID	Easting	Northing	RL	DEPTH	Hole AZI	Hole DIP	TGC (ave) %
MGHA0385	571361.49	8436200.81	1124.94	12	360	-90	0.0
MGHA0386	571342.34	8436200.80	1125.21	10	360	-90	0.0
MGHA0387	571295.98	8436200.25	1125.77	12	360	-90	0.0
MGHA0388	571258.96	8436201.13	1126.91	12	360	-90	0.0
MGHA0389	571216.87	8436203.12	1127.62	12	360	-90	0.0
MGHA0390	571182.01	8436202.01	1128.39	12	360	-90	0.0
MGHA0391	571143.04	8436200.01	1129.47	12	360	-90	0.0
MGHA0392	571100.00	8436203.00	1130.66	12	360	-90	0.0
MGHA0393	571640.72	8436201.67	1125.47	12	360	-90	0.0
MGHA0394	571677.67	8436201.36	1125.71	12	360	-90	6.1
MGHA0395	571042.02	8436802.85	1133.33	12	360	-90	5.7
MGHA0396	571080.47	8436799.51	1133.10	12	360	-90	4.2
MGHA0397	571122.12	8436800.35	1132.88	12	360	-90	5.1
MGHA0398	571161.49	8436799.75	1132.50	14	360	-90	0.0
MGHA0399	571200.42	8436798.66	1132.39	14	360	-90	0.0
MGHA0400	571240.24	8436798.99	1132.38	12	360	-90	0.0
MGHA0401	571280.06	8436793.68	1132.06	12	360	-90	0.0
MGHA0402	571319.14	8436800.89	1132.08	12	360	-90	3.2
MGHA0403	571359.30	8436802.24	1132.21	12	360	-90	3.8
MGHA0404	571399.55	8436802.88	1132.25	12	360	-90	0.0
MGHA0405	571439.82	8436800.86	1132.27	12	360	-90	0.0
MGHA0406	570998.63	8436802.83	1133.53	12	360	-90	5.0
MGHA0407	570959.96	8436801.53	1133.86	12	360	-90	4.5
MGHA0408	570919.33	8436802.21	1134.46	12	360	-90	3.5
MGHA0409	570883.64	8436798.10	1134.74	12	360	-90	5.0
MGHA0410	570843.58	8436799.03	1135.03	12	360	-90	7.5
MGHA0411	570800.66	8436799.25	1135.41	12	360	-90	9.1
MGHA0412	570762.01	8436802.36	1135.75	12	360	-90	4.8
MGHA0413	570721.54	8436803.62	1136.08	12	360	-90	5.1
MGHA0414	570683.71	8436802.45	1136.33	12	360	-90	0.0
MGHA0415	571378.98	8436803.24	1132.21	12	360	-90	6.7
MGHA0416	571340.89	8436801.39	1131.99	12	360	-90	0.0
MGHA0417	571303.55	8436801.05	1132.19	12	360	-90	0.0
MGHA0418	571061.33	8436801.49	1133.21	12	360	-90	17.0
MGHA0419	571022.11	8436802.46	1133.46	12	360	-90	4.8
MGHA0420	570982.61	8436801.11	1133.72	12	360	-90	0.0
MGHA0421	570941.70	8436802.77	1134.06	12	360	-90	4.0
MGHA0422	570902.87	8436800.86	1134.56	12	360	-90	5.5
MGHA0423	570862.24	8436801.34	1134.86	12	360	-90	15.3
MGHA0424	570819.27	8436802.87	1135.19	12	360	-90	4.4
MGHA0425	570783.06	8436800.45	1135.54	12	360	-90	0.0
MGHA0426	570742.13	8436801.95	1135.91	12	360	-90	0.0
MGHA0427	570640.25	8436798.79	1136.63	12	360	-90	0.0

Hole ID	Easting	Northing	RL	DEPTH	Hole AZI	Hole DIP	TGC (ave) %
MGHA0428	570838.44	8437205.70	1126.80	12	360	-90	3.7
MGHA0429	570800.19	8437204.55	1127.35	12	360	-90	0.0
MGHA0430	570757.75	8437204.91	1127.56	12	360	-90	0.0
MGHA0431	570721.30	8437203.62	1128.05	12	360	-90	0.0
MGHA0432	570681.36	8437204.94	1128.19	12	360	-90	5.2
MGHA0433	570639.52	8437202.57	1128.72	12	360	-90	0.0
MGHA0434	570597.24	8437202.19	1129.22	12	360	-90	0.0
MGHA0435	570560.73	8437201.53	1129.54	12	360	-90	0.0
MGHA0436	570521.38	8437202.38	1130.13	12	360	-90	11.1
MGHA0437	570502.33	8437199.11	1130.39	12	360	-90	6.9
MGHA0438	570483.01	8437199.58	1130.67	12	360	-90	11.9
MGHA0439	570456.94	8437203.03	1131.17	12	360	-90	0.0
MGHA0440	570440.16	8437202.34	1131.58	12	360	-90	0.0
MGHA0441	570422.53	8437202.65	1132.08	12	360	-90	0.0
MGHA0443	570859.86	8437201.68	1126.63	9	360	-90	4.5
MGHA0444	570880.52	8437200.71	1126.61	12	360	-90	0.0
MGHA0445	570901.44	8437200.91	1126.52	12	360	-90	8.6
MGHA0446	570920.72	8437201.97	1126.28	12	360	-90	7.8
MGHA0447	570941.47	8437200.69	1126.33	12	360	-90	0.0
MGHA0448	570958.58	8437197.07	1126.41	12	360	-90	0.0
MGHA0449	570979.41	8437197.12	1126.33	12	360	-90	0.0
MGHA0450	570996.80	8437201.72	1126.24	12	360	-90	0.0
MGHA0451	571039.64	8437199.39	1126.46	12	360	-90	0.0
MGHA0452	571079.15	8437199.39	1126.58	12	360	-90	0.0
MGHA0453	570959.95	8437202.66	1126.28	12	360	-90	0.0
MGHA0454	570820.67	8437203.56	1127.11	12	360	-90	0.0
MGHA0455	570780.73	8437202.05	1127.66	12	360	-90	0.0
MGHA0456	570739.57	8437200.78	1127.81	10	360	-90	4.0
MGHA0457	570698.73	8437200.00	1128.22	9	360	-90	0.0
MGHA0458	570661.08	8437200.50	1128.47	12	360	-90	0.0
MGHA0459	570619.83	8437201.60	1129.02	12	360	-90	0.0
MGHA0460	570581.36	8437201.00	1129.39	12	360	-90	5.5
MGHA0461	570541.96	8437201.57	1129.80	9	360	-90	0.0
MGHA0462	571119.19	8437200.71	1126.85	10	360	-90	0.0
MGHA0464	571201.37	8436600.46	1132.33	12	360	-90	0.0
MGHA0465	571180.98	8436602.29	1132.55	12	360	-90	0.0
MGHA0466	571161.71	8436601.15	1132.80	12	360	-90	0.0
MGHA0467	571122.26	8436598.62	1133.42	10	360	-90	9.5
MGHA0468	571102.14	8436600.54	1133.57	12	360	-90	0.0
MGHA0469	571081.41	8436598.97	1133.94	12	360	-90	6.7
MGHA0470	571064.58	8436600.99	1134.15	12	360	-90	0.0
MGHA0471	571041.06	8436602.30	1134.44	12	360	-90	0.0
MGHA0472	571001.09	8436601.67	1135.11	12	360	-90	8.5

Hole ID	Easting	Northing	RL	DEPTH	Hole AZI	Hole DIP	TGC (ave) %
MGHA0473	570961.81	8436602.21	1135.72	12	360	-90	3.9
MGHA0474	571145.71	8436602.44	1133.14	12	360	-90	10.7
MGHA0475	571238.14	8436602.18	1132.08	12	360	-90	0.0
MGHA0476	571280.22	8436600.19	1131.69	12	360	-90	0.0
MGHA0477	571318.93	8436602.03	1131.63	12	360	-90	0.0
MGHA0478	571358.31	8436603.75	1131.64	12	360	-90	0.0
MGHA0479	571399.64	8436601.00	1131.92	12	360	-90	0.0
MGHA0480	571440.57	8436601.23	1131.92	12	360	-90	0.0
MGHA0481	571482.56	8436603.18	1132.28	12	360	-90	3.8
MGHA0482	571521.36	8436601.40	1132.14	12	360	-90	4.0
MGHA0483	571560.46	8436600.33	1132.42	12	360	-90	0.0
MGHA0484	571599.85	8436600.22	1132.63	12	360	-90	0.0
MGHA0485	571579.89	8436600.72	1132.47	12	360	-90	0.0
MGHA0486	571539.66	8436602.44	1132.28	12	360	-90	0.0
MGHA0487	571500.12	8436602.58	1132.21	12	360	-90	0.0
MGHA0488	571461.63	8436601.53	1132.08	12	360	-90	0.0
MGHA0489	571261.07	8436600.38	1131.99	12	360	-90	0.0
MGHA0490	571219.37	8436601.40	1132.19	12	360	-90	0.0
MGHA0491	571020.33	8436602.33	1134.88	12	360	-90	6.7
MGHA0492	570982.17	8436600.15	1135.44	12	360	-90	10.8
MGHA0493	570941.88	8436600.28	1136.11	12	360	-90	5.7
MGHA0494	570922.90	8436599.88	1136.14	12	360	-90	6.3
MGHA0495	570903.61	8436598.96	1136.35	12	360	-90	4.4
MGHA0496	570882.96	8436598.42	1136.58	12	360	-90	4.5
MGHA0497	570862.94	8436598.11	1136.85	13	360	-90	0.0
MGHA0498	570843.20	8436597.55	1137.14	12	360	-90	0.0
MGHA0499	570799.03	8436598.65	1137.64	12	360	-90	0.0
MGHA0500	570760.25	8436599.26	1138.03	12	360	-90	0.0
MGHA0501	571141.57	8436801.88	1132.64	12	360	-90	3.0
MGHA0502	571102.34	8436799.31	1132.78	12	360	-90	5.3
MGHA0503	571201.77	8436996.93	1130.49	12	360	-90	4.8
MGHA0504	571242.00	8436998.00	1130.39	12	360	-90	0.0
MGHA0505	571282.00	8436998.00	1130.35	12	360	-90	0.0
MGHA0506	571318.00	8436998.00	1130.35	12	360	-90	0.0
MGHA0507	571361.00	8436997.00	1129.99	12	360	-90	0.0
MGHA0508	571401.00	8436999.00	1129.97	12	360	-90	0.0
MGHA0509	571441.00	8436999.00	1130.14	12	360	-90	0.0
MGHA0510	571460.00	8436996.00	1130.33	12	360	-90	0.0
MGHA0511	571480.00	8437003.00	1130.01	12	360	-90	0.0
MGHA0512	571503.00	8436996.00	1130.24	12	360	-90	0.0
MGHA0513	571519.00	8436996.00	1130.31	12	360	-90	0.0
MGHA0514	571542.00	8436996.00	1130.42	12	360	-90	0.0
MGHA0515	571559.00	8436998.00	1130.25	12	360	-90	0.0

Hole ID	Easting	Northing	RL	DEPTH	Hole AZI	Hole DIP	TGC (ave) %
MGHA0516	571580.00	8436998.00	1130.27	12	360	-90	0.0
MGHA0517	571181.87	8437001.12	1130.55	12	360	-90	0.0
MGHA0518	571161.31	8437002.10	1130.55	12	360	-90	7.4
MGHA0519	571121.24	8437001.96	1130.36	12	360	-90	5.5
MGHA0520	571101.56	8437001.08	1130.55	12	360	-90	0.0
MGHA0521	571141.57	8437001.43	1130.50	12	360	-90	5.0
MGHA0522	571081.61	8437001.64	1130.55	12	360	-90	0.0
MGHA0523	571060.34	8436999.69	1130.78	12	360	-90	0.0
MGHA0524	571040.48	8436998.75	1130.91	12	360	-90	0.0
MGHA0525	571019.76	8436999.69	1130.97	12	360	-90	0.0
MGHA0526	570977.35	8437000.54	1131.08	12	360	-90	0.0
MGHA0527	570959.43	8436999.79	1131.05	12	360	-90	3.6
MGHA0528	570939.47	8437000.26	1131.19	12	360	-90	5.6
MGHA0529	570919.22	8437000.62	1131.16	11	360	-90	4.9
MGHA0530	570899.36	8437001.28	1131.30	12	360	-90	4.2
MGHA0531	570878.91	8437001.49	1131.46	12	360	-90	0.0
MGHA0532	570858.93	8437001.61	1131.49	12	360	-90	4.5
MGHA0533	570820.10	8437003.09	1131.78	12	360	-90	0.0
MGHA0534	570780.73	8436996.75	1132.24	12	360	-90	6.0
MGHA0535	570702.07	8437002.57	1132.58	12	360	-90	13.0
MGHA0536	570661.80	8437000.85	1132.89	12	360	-90	0.0
MGHA0537	570622.20	8437000.95	1133.19	12	360	-90	9.7
MGHA0538	570581.70	8437000.51	1133.78	12	360	-90	7.3
MGHA0539	570539.52	8437001.30	1134.36	12	360	-90	7.2
MGHA0540	570461.99	8436999.89	1135.63	12	360	-90	0.0
MGHA0541	570419.87	8437000.26	1136.22	12	360	-90	0.0
MGHA0542	570841.16	8437001.32	1131.56	12	360	-90	4.3
MGHA0543	570739.16	8437001.40	1132.39	12	360	-90	8.7
MGHA0544	570760.70	8437001.75	1132.15	12	360	-90	11.2
MGHA0545	570721.29	8436997.53	1132.50	12	360	-90	15.7
MGHA0546	570681.18	8437001.92	1132.77	12	360	-90	0.0
MGHA0547	570642.54	8437001.80	1133.03	12	360	-90	16.5
MGHA0548	570601.45	8436999.31	1133.61	12	360	-90	19.6
MGHA0549	570562.23	8436998.34	1134.06	11	360	-90	7.2
MGHA0550	571221.80	8436997.39	1130.44	12	360	-90	0.0
MGHA0551	571470.94	8436003.08	1118.41	11	360	-90	0.0
MGHA0552	571452.00	8435998.00	1118.19	12	360	-90	0.0
MGHA0553	571429.00	8435998.00	1118.89	12	360	-90	0.0
MGHA0554	571409.00	8435997.00	1119.19	12	360	-90	0.0
MGHA0555	571390.00	8436003.00	1119.77	12	360	-90	0.0
MGHA0556	571357.00	8436003.00	1120.69	12	360	-90	0.0
MGHA0557	571306.00	8436002.00	1122.13	12	360	-90	0.0
MGHA0558	571265.00	8436001.00	1123.77	12	360	-90	0.0

Hole ID	Easting	Northing	RL	DEPTH	Hole AZI	Hole DIP	TGC (ave) %
MGHA0559	571229.00	8435996.00	1124.95	12	360	-90	0.0
MGHA0560	574001.00	8433000.00	1091.38	12	360	-90	0.0
MGHA0561	573962.00	8432997.00	1091.52	12	360	-90	0.0
MGHA0562	573922.00	8432996.00	1092.05	12	360	-90	0.0
MGHA0563	573880.00	8432998.00	1092.49	12	360	-90	5.6
MGHA0564	573840.00	8432997.00	1092.97	12	360	-90	20.4
MGHA0565	573800.00	8432997.00	1093.00	12	360	-90	0.0
MGHA0566	573761.00	8432996.00	1092.73	12	360	-90	4.4
MGHA0567	573719.00	8432996.00	1092.31	12	360	-90	0.0
MGHA0568	573679.00	8432996.00	1091.10	12	360	-90	0.0
MGHA0569	573642.00	8432997.00	1090.30	12	360	-90	0.0
MGHA0570	573600.00	8432997.00	1088.86	12	360	-90	0.0
MGHA0571	574039.00	8432998.00	1091.61	12	360	-90	5.2
MGHA0572	574086.00	8432995.00	1093.08	12	360	-90	0.0
MGHA0573	574125.00	8432996.00	1094.05	12	360	-90	0.0
MGHA0574	574162.00	8432998.00	1094.96	12	360	-90	0.0
MGHA0575	574204.00	8432998.00	1095.85	12	360	-90	0.0
MGHA0576	574242.00	8432996.00	1096.69	12	360	-90	0.0
MGHA0577	574285.00	8432997.00	1096.88	9	360	-90	0.0
MGHA0578	574323.00	8432997.00	1097.24	12	360	-90	0.0
MGHA0579	573897.89	8433000.30	1092.27	9	360	-90	0.0
MGHA0580	573857.96	8432999.53	1092.71	11	360	-90	4.5
MGHA0581	573817.17	8433000.20	1092.91	12	360	-90	4.8
MGHA0582	573779.93	8432998.87	1092.87	10	360	-90	0.0
MGHA0583	573739.68	8432998.44	1092.53	12	360	-90	0.0
MGHA0584	573700.07	8432997.78	1091.63	12	360	-90	3.5
MGHA0585	573661.34	8433000.10	1090.64	12	360	-90	5.1
MGHA0586	573619.57	8433000.34	1089.52	10	360	-90	4.1
MGHA0587	573939.66	8433000.06	1091.64	12	360	-90	4.9
MGHA0588	573980.23	8433000.06	1091.49	12	360	-90	6.3
MGHA0589	574019.95	8433000.49	1091.20	9	360	-90	0.0
MGHA0590	574059.55	8432999.38	1092.13	8	360	-90	4.3
MGHA0591	574300.32	8433000.33	1096.89	12	360	-90	0.0
MGHA0592	574356.65	8432999.72	1097.27	9	360	-90	0.0
MGHA0593	573481.41	8434400.33	1093.52	7	360	-90	0.0
MGHA0594	573439.86	8434400.00	1092.41	8	360	-90	0.0
MGHA0595	573400.25	8434400.34	1092.13	7	360	-90	0.0
MGHA0596	573360.11	8434401.23	1091.10	7	360	-90	0.0
MGHA0597	573320.39	8434400.46	1090.44	7	360	-90	0.0
MGHA0598	573278.95	8434399.59	1090.33	8	360	-90	0.0
MGHA0599	573239.55	8434399.70	1089.74	6	360	-90	0.0
MGHA0600	573197.57	8434400.04	1088.81	7	360	-90	0.0
MGHA0601	573179.98	8434399.65	1088.22	9	360	-90	0.0

Hole ID	Easting	Northing	RL	DEPTH	Hole AZI	Hole DIP	TGC (ave) %
MGHA0602	573140.37	8434399.88	1086.97	9	360	-90	7.4
MGHA0603	573100.98	8434399.99	1084.44	8	360	-90	0.0
MGHA0604	573059.97	8434400.00	1082.75	8	360	-90	0.0
MGHA0605	573159.90	8434398.05	1087.31	10	360	-90	6.5
MGHA0606	573518.76	8434401.66	1093.52	8	360	-90	0.0
MGHA0607	573559.22	8434399.44	1093.42	7	360	-90	0.0
MGHA0608	573602.07	8434399.75	1093.02	8	360	-90	0.0
MGHA0609	573639.41	8434398.98	1093.42	8	360	-90	0.0
MGHA0610	573679.02	8434400.41	1093.03	5	360	-90	0.0
MGHA0611	573720.79	8434401.73	1091.91	3	360	-90	0.0
MGHA0612	573209.74	8434800.06	1098.35	3	360	-90	0.0
MGHA0613	573168.94	8434797.97	1097.17	7	360	-90	0.0
MGHA0614	573129.33	8434799.30	1096.21	8	360	-90	0.0
MGHA0615	573092.53	8434799.85	1094.99	8	360	-90	3.5
MGHA0616	573048.29	8434801.64	1093.36	8	360	-90	7.0
MGHA0617	573011.06	8434802.96	1091.47	8	360	-90	0.0
MGHA0618	572968.75	8434800.21	1089.50	8	360	-90	0.0
MGHA0619	572930.31	8434796.78	1087.64	8	360	-90	6.0
MGHA0620	572890.38	8434795.46	1085.47	7	360	-90	5.1
MGHA0621	572850.78	8434798.45	1082.83	8	360	-90	5.3
MGHA0622	572832.86	8434797.28	1082.10	8	360	-90	4.8
MGHA0623	572812.89	8434797.45	1082.10	7	360	-90	5.2
MGHA0624	572768.11	8434799.79	1082.10	5	360	-90	0.0
MGHA0625	572686.84	8434796.71	1082.10	8	360	-90	0.0
MGHA0626	572652.63	8434799.79	1082.10	4	360	-90	0.0
MGHA0627	572630.31	8434806.60	1082.10	4	360	-90	0.0
MGHA0628	572609.38	8434807.99	1082.10	6	360	-90	0.0
MGHA0629	572588.55	8434807.05	1082.10	6	360	-90	0.0
MGHA0630	572569.99	8434808.32	1082.10	8	360	-90	0.0
MGHA0631	572529.08	8434808.44	1082.10	8	360	-90	0.0
MGHA0632	572908.29	8434794.74	1086.50	8	360	-90	0.0
MGHA0633	572951.46	8434794.17	1088.71	8	360	-90	0.0
MGHA0634	570499.90	8437600.62	1126.81	8	360	-90	0.0
MGHA0635	570539.94	8437598.07	1126.49	8	360	-90	0.0
MGHA0636	570580.20	8437599.62	1125.75	8	360	-90	0.0
MGHA0637	570619.38	8437600.06	1125.06	4	360	-90	0.0
MGHA0638	570459.85	8437599.62	1127.47	6	360	-90	5.0
MGHA0639	570421.43	8437599.84	1128.16	8	360	-90	3.8
MGHA0640	570383.32	8437597.40	1128.91	7	360	-90	0.0
MGHA0641	570341.13	8437601.72	1129.50	5	360	-90	0.0
MGHA0642	570301.18	8437596.41	1130.52	2	360	-90	0.0
MGHA0643	570262.65	8437597.74	1131.42	6	360	-90	0.0
MGHA0644	570222.39	8437598.73	1132.31	7	360	-90	0.0

Hole ID	Easting	Northing	RL	DEPTH	Hole AZI	Hole DIP	TGC (ave) %
MGHA0645	570180.08	8437598.52	1134.08	8	360	-90	4.4
MGHA0646	570141.33	8437597.30	1135.41	8	360	-90	0.0
MGHA0647	570101.49	8437594.76	1136.78	3	360	-90	0.0
MGHA0648	570058.76	8437598.97	1138.02	3	360	-90	0.0
MGHA0649	570020.13	8437601.51	1139.00	8	360	-90	0.0
MGHA0650	570001.12	8437599.13	1139.47	8	360	-90	0.0
MGHA0651	570480.90	8437601.33	1127.14	8	360	-90	3.0
MGHA0652	570441.72	8437600.01	1127.81	7	360	-90	8.2
MGHA0653	570160.22	8437598.57	1134.78	7	360	-90	0.0
MGHA0654	569983.42	8437597.74	1140.00	8	360	-90	0.0
MGHA0655	569960.10	8437595.37	1140.44	7	360	-90	0.0
MGHA0656	569941.87	8437598.85	1140.80	6	360	-90	0.0
MGHA0657	569918.77	8437599.35	1141.06	8	360	-90	0.0
MGHA0658	569879.80	8437599.68	1142.19	8	360	-90	0.0
MGHA0659	569839.44	8437599.79	1143.19	3	360	-90	0.0
MGHA0795	570700.23	8437600.50	1124.19	6	360	-90	0.0
MGHA0796	570739.95	8437600.28	1123.74	8	360	-90	0.0
MGHA0797	570779.56	8437600.28	1123.38	8	360	-90	0.0
MGHA0798	570820.04	8437602.82	1123.14	8	360	-90	0.0
MGHA0869	570751.12	8437001.34	1132.25	10	360	-90	11.8
MGHA0870	570731.47	8437000.14	1132.41	10	360	-90	15.4
MGHA0871	570711.06	8436999.36	1132.62	12	360	-90	16.8
MGHA0872	570690.13	8437001.62	1132.71	10	360	-90	5.7
MGHA0873	570671.33	8437001.10	1132.77	10	360	-90	0.0
MGHA0874	570651.64	8437000.73	1132.96	4	360	-90	0.0
MGHA0875	570632.34	8437001.45	1133.20	10	360	-90	6.7
MGHA0876	570611.27	8437000.63	1133.44	12	360	-90	12.0
MGHA0877	570590.97	8436999.02	1133.74	11	360	-90	4.9
MGHA0878	570571.46	8436999.52	1133.89	10	360	-90	6.0
MGHA0879	570610.11	8437099.72	1131.35	10	360	-90	7.6
MGHA0880	570629.86	8437100.22	1131.47	10	360	-90	0.0
MGHA0881	570650.37	8437100.05	1131.30	4	360	-90	0.0
MGHA0882	570669.15	8437100.22	1130.64	10	360	-90	5.6
MGHA0883	570589.93	8437099.89	1131.56	10	360	-90	3.2
MGHA0884	570569.63	8437098.95	1131.77	6	360	-90	9.7
MGHA0885	570549.77	8437099.44	1131.88	8	360	-90	0.0
MGHA0886	570529.70	8437098.84	1132.21	8	360	-90	4.8
MGHA0887	570510.38	8437098.89	1132.42	10	360	-90	10.6
MGHA0888	570488.78	8437097.18	1132.71	8	360	-90	4.6
MGHA0889	570799.62	8436899.77	1133.88	12	360	-90	11.3
MGHA0890	570819.81	8436899.94	1133.61	12	360	-90	6.3
MGHA0891	570840.10	8436899.55	1133.49	12	360	-90	3.6
MGHA0892	570779.87	8436899.72	1133.83	12	360	-90	10.3

Hole ID	Easting	Northing	RL	DEPTH	Hole AZI	Hole DIP	TGC (ave) %
MGHA0893	570759.58	8436899.66	1134.02	12	360	-90	4.3
MGHA0894	572450.89	8435202.31	1099.24	12	360	-90	15.1
MGHA0895	572470.97	8435203.24	1099.49	10	360	-90	14.4
MGHA0896	572489.96	8435203.30	1099.78	10	360	-90	6.8
MGHA0897	572509.71	8435202.25	1100.05	10	360	-90	5.8
MGHA0898	572531.29	8435201.74	1100.58	10	360	-90	5.5
MGHA0899	570520.00	8437000.00	1134.65	11	360	-90	7.6
MGHA0900	570500.00	8437000.00	1134.89	12	360	-90	6.5
MGHA0901	570480.00	8437000.00	1135.39	10	360	-90	0.0
MGHA0902	571558.07	8436999.13	1130.25	12	360	-90	0.0
MGHA0903	571542.05	8436997.55	1130.33	12	360	-90	0.0
MGHA0904	570997.00	8437203.00	1126.21	6	360	-90	0.0
MGHA0905	570921.00	8437200.00	1126.24	8	360	-90	0.0
MGHA0906	570799.00	8437206.00	1127.35	11	360	-90	3.0
MGHA0907	570752.00	8437206.00	1127.58	11	360	-90	3.0
MGHA0908	570440.00	8437202.00	1131.58	8	360	-90	12.6
MGHA0909	570422.00	8437202.00	1132.10	8	360	-90	8.6
MGHA0910	570783.00	8436801.00	1135.53	12	360	-90	6.3
MGHA0911	570742.00	8436801.00	1135.92	12	360	-90	5.4
MGHA0912	572076.00	8436403.00	1131.19	12	360	-90	0.0
MGHA0913	572037.00	8436400.00	1131.17	12	360	-90	0.0
MGHA0914	571999.00	8436397.00	1131.17	12	360	-90	0.0
MGHA0915	571579.00	8435594.00	1107.74	9	360	-90	5.8
MGHA0916	571658.00	8435603.00	1104.17	12	360	-90	0.0
MGHA0917	571704.00	8435600.00	1103.27	9	360	-90	3.1
MGHA0918	571740.00	8435599.00	1102.94	12	360	-90	0.0
MGHA0919	571858.00	8435605.00	1104.83	11	360	-90	4.6
MGHA0920	571903.00	8435601.00	1105.94	10	360	-90	4.1
MGHA0921	571881.00	8435393.00	1097.25	9	360	-90	4.2
MGHA0922	571903.00	8435401.00	1097.96	8	360	-90	4.0
MGHA0923	571546.00	8436003.00	1118.22	10	360	-90	3.3
MGHA0924	570161.00	8437600.00	1134.78	12	360	-90	3.5
MGHA0925	572580.66	8435999.48	1123.96	9	360	-90	4.3
MGHA0926	572600.10	8435999.51	1123.86	11	360	-90	0.0
MGHA0927	572620.50	8435998.70	1123.69	11	360	-90	0.0
MGHA0928	572640.43	8435999.94	1123.67	12	360	-90	4.5
MGHA0929	572660.58	8435998.42	1123.47	10	360	-90	0.0
MGHA0930	572560.79	8435999.23	1124.00	10	360	-90	0.0
MGHA0931	572540.94	8435999.81	1124.03	12	360	-90	3.4
MGHA0932	572521.08	8435999.87	1124.22	11	360	-90	3.4
MGHA0933	572501.14	8436000.06	1124.27	12	360	-90	3.5
MGHA0934	572481.12	8436000.29	1124.25	12	360	-90	0.0
MGHA0935	572461.14	8436000.42	1124.25	11	360	-90	0.0

Hole ID	Easting	Northing	RL	DEPTH	Hole AZI	Hole DIP	TGC (ave) %
MGHA0936	572440.92	8436000.45	1124.33	10	360	-90	0.0
MGHA0937	572420.99	8436000.55	1124.44	5	360	-90	0.0
MGHA0938	572400.88	8436000.49	1124.47	11	360	-90	0.0
MGHA0939	572381.02	8436000.59	1124.49	12	360	-90	0.0
MGHA0940	572360.57	8436000.91	1124.50	7	360	-90	0.0
MGHA0941	572680.54	8435998.42	1123.61	12	360	-90	0.0
MGHA0942	572700.71	8435998.17	1123.28	10	360	-90	3.3
MGHA0943	572720.39	8435998.47	1123.05	10	360	-90	0.0
MGHA0944	572740.90	8435998.39	1122.81	12	360	-90	0.0
MGHA0945	572761.02	8435997.65	1122.61	10	360	-90	0.0
MGHA0946	572781.21	8435997.58	1122.36	12	360	-90	3.0
MGHA0947	572801.34	8435997.58	1122.31	12	360	-90	3.2
MGHA0948	572820.50	8435999.19	1122.11	9	360	-90	0.0
MGHA0949	572841.12	8435997.74	1121.88	5	360	-90	0.0
MGHA0950	572860.98	8435997.86	1121.53	5	360	-90	0.0
MGHA0951	572881.27	8435998.17	1121.38	7	360	-90	0.0
MGHA0952	572957.21	8435400.74	1106.31	10	360	-90	0.0
MGHA0953	572977.28	8435400.72	1106.91	10	360	-90	0.0
MGHA0954	572997.53	8435401.15	1107.26	10	360	-90	0.0
MGHA0955	573017.58	8435401.28	1107.63	10	360	-90	0.0
MGHA0956	573037.71	8435401.27	1107.96	10	360	-90	0.0
MGHA0957	573057.53	8435401.28	1108.31	10	360	-90	0.0
MGHA0958	573077.64	8435401.21	1108.50	10	360	-90	3.3
MGHA0959	573098.10	8435400.89	1108.76	6	360	-90	3.7
MGHA0960	573117.68	8435401.09	1108.69	9	360	-90	0.0
MGHA0961	573137.46	8435400.42	1108.80	10	360	-90	0.0
MGHA0962	573157.19	8435400.90	1108.80	10	360	-90	0.0
MGHA0963	573177.58	8435399.74	1108.38	10	360	-90	0.0
MGHA0964	573198.34	8435400.68	1107.69	8	360	-90	0.0
MGHA0965	572279.25	8436400.69	1131.05	12	360	-90	0.0
MGHA0966	572299.11	8436400.85	1130.97	12	360	-90	0.0
MGHA0967	572318.97	8436400.63	1130.85	12	360	-90	0.0
MGHA0968	572339.06	8436400.33	1130.75	11	360	-90	0.0
MGHA0969	572359.05	8436400.11	1130.47	12	360	-90	0.0
MGHA0970	572379.04	8436400.05	1130.35	12	360	-90	0.0
MGHA0971	572399.10	8436400.10	1130.35	10	360	-90	3.4
MGHA0972	572259.06	8436401.52	1131.11	12	360	-90	0.0
MGHA0973	572238.78	8436401.51	1131.14	12	360	-90	4.2
MGHA0974	572219.35	8436399.71	1131.14	12	360	-90	0.0
MGHA0975	572199.31	8436400.64	1131.24	10	360	-90	0.0
MGHA0976	572180.41	8436400.63	1131.25	6	360	-90	0.0
MGHA0977	572418.92	8436400.19	1130.11	12	360	-90	3.6
MGHA0978	572440.47	8436399.98	1129.94	12	360	-90	3.5

Hole ID	Easting	Northing	RL	DEPTH	Hole AZI	Hole DIP	TGC (ave) %
MGHA0979	572460.89	8436399.28	1129.75	9	360	-90	0.0
MGHA0980	572937.48	8435401.01	1105.63	10	360	-90	3.4
MGHA0981	572917.52	8435401.07	1105.11	4	360	-90	0.0
MGHA0982	572897.40	8435401.36	1104.63	4	360	-90	0.0
MGHA0983	572877.40	8435401.25	1104.19	4	360	-90	0.0
MGHA0984	572857.58	8435399.97	1103.64	6	360	-90	0.0
MGHA0985	572837.51	8435401.37	1103.11	8	360	-90	0.0
MGHA0986	572817.52	8435401.52	1102.52	9	360	-90	3.3
MGHA0987	572797.51	8435401.31	1101.92	6	360	-90	4.3
MGHA0988	572777.49	8435401.04	1101.64	5	360	-90	3.0
MGHA0989	572757.42	8435401.32	1101.19	7	360	-90	0.0
MGHA0990	572737.96	8435400.96	1101.22	6	360	-90	0.0
MGHA0991	572717.75	8435400.06	1101.17	6	360	-90	0.0
MGHA0992	571801.81	8436997.70	1130.83	5	360	-90	0.0
MGHA0993	571822.17	8436997.83	1130.85	5	360	-90	0.0
MGHA0994	571841.99	8436997.43	1131.03	5	360	-90	0.0
MGHA0995	571862.13	8436997.38	1131.02	10	360	-90	0.0
MGHA0996	571882.32	8436997.12	1131.21	5	360	-90	0.0
MGHA0997	571902.47	8436997.35	1131.13	5	360	-90	0.0
MGHA0998	571922.46	8436996.96	1131.36	10	360	-90	0.0
MGHA0999	571942.73	8436996.97	1131.46	10	360	-90	0.0
MGHA1000	571962.95	8436996.48	1131.52	10	360	-90	0.0
MGHA1001	571982.97	8436996.42	1131.66	10	360	-90	0.0
MGHA1002	572002.86	8436996.33	1131.66	10	360	-90	0.0
MGHA1003	571781.98	8436997.66	1130.77	9	360	-90	0.0
MGHA1004	571761.90	8436997.65	1130.71	12	360	-90	0.0
MGHA1005	571740.95	8436998.44	1130.63	12	360	-90	0.0
MGHA1006	571721.51	8436997.78	1130.56	6	360	-90	0.0
MGHA1007	571701.43	8436997.77	1130.42	12	360	-90	4.7
MGHA1008	571681.33	8436997.46	1130.25	11	360	-90	3.8
MGHA1009	571661.23	8436997.04	1130.19	11	360	-90	3.9
MGHA1010	571641.44	8436997.07	1130.21	12	360	-90	4.9
MGHA1011	571621.21	8436996.95	1130.13	12	360	-90	0.0
MGHA1012	571602.47	8436999.64	1130.31	4	360	-90	0.0
MGHA1013	571378.23	8437501.23	1120.74	7	360	-90	0.0
MGHA1014	571358.86	8437500.59	1120.64	10	360	-90	3.1
MGHA1015	571339.08	8437500.34	1120.71	10	360	-90	0.0
MGHA1016	571318.38	8437500.67	1120.85	10	360	-90	3.4
MGHA1017	571299.05	8437500.26	1120.74	9	360	-90	3.2
MGHA1018	571279.03	8437500.63	1120.59	10	360	-90	0.0
MGHA1019	571260.01	8437500.72	1120.69	9	360	-90	0.0
MGHA1020	571240.64	8437502.88	1120.67	10	360	-90	3.1
MGHA1021	571220.08	8437502.54	1120.85	9	360	-90	0.0

Hole ID	Easting	Northing	RL	DEPTH	Hole AZI	Hole DIP	TGC (ave) %
MGHA1022	571199.77	8437501.17	1120.88	8	360	-90	0.0
MGHA1023	571179.72	8437500.91	1121.05	9	360	-90	0.0
MGHA1024	571160.61	8437500.26	1121.30	6	360	-90	0.0
MGHA1025	571139.17	8437499.41	1121.27	3	360	-90	0.0
MGHA1026	571119.89	8437501.21	1121.08	2	360	-90	0.0
MGHA1027	571103.34	8437500.92	1121.22	6	360	-90	0.0
MGHA1028	571080.36	8437500.35	1121.25	6	360	-90	0.0
MGHA1029	571059.53	8437501.12	1121.33	10	360	-90	0.0
MGHA1030	571037.39	8437500.91	1121.38	8	360	-90	0.0
MGHA1031	570459.89	8436401.61	1141.88	12	360	-90	0.0
MGHA1032	570480.02	8436401.18	1141.80	12	360	-90	0.0
MGHA1033	570499.93	8436401.45	1141.78	12	360	-90	0.0
MGHA1034	570519.93	8436401.02	1141.61	11	360	-90	0.0
MGHA1035	570439.77	8436401.42	1141.99	12	360	-90	0.0
MGHA1036	570419.71	8436401.47	1141.94	12	360	-90	0.0
MGHA1037	570399.87	8436400.63	1142.02	12	360	-90	0.0
MGHA1038	571017.32	8437500.35	1121.39	7	360	-90	0.0
MGHA1039	570995.99	8437501.83	1121.52	8	360	-90	0.0
MGHA1040	570975.35	8437501.57	1121.71	4	360	-90	0.0
MGHA1041	570955.23	8437502.00	1122.08	8	360	-90	0.0
MGHA1042	570940.00	8437500.00	1122.14	3	360	-90	0.0
MGHA1043	571399.06	8437500.55	1120.50	5	360	-90	0.0
MGHA1044	571420.60	8437481.17	1121.13	10	360	-90	0.0
MGHA1045	571441.14	8437481.08	1121.21	10	360	-90	3.3
MGHA1046	571461.02	8437481.08	1120.74	9	360	-90	0.0
MGHA1047	571481.66	8437479.40	1120.67	1	360	-90	0.0
MGHA1048	571501.64	8437480.30	1120.75	8	360	-90	0.0
MGHA1049	571521.48	8437480.13	1120.43	8	360	-90	0.0
MGHA1050	571542.64	8437480.12	1120.36	5	360	-90	0.0
MGHA1051	571562.89	8437480.37	1120.24	9	360	-90	0.0
MGHA1052	572901.55	8435997.98	1121.03	7	360	-90	0.0
MGHA1053	572921.27	8435997.89	1120.80	11	360	-90	0.0
MGHA1054	570907.55	8436100.45	1134.08	8	360	-90	0.0
MGHA1055	570927.91	8436098.99	1133.64	7	360	-90	3.7
MGHA1056	570947.93	8436099.70	1133.21	11	360	-90	0.0
MGHA1057	570887.76	8436099.30	1134.47	12	360	-90	6.7
MGHA1058	570867.80	8436098.90	1134.58	10	360	-90	3.4
MGHA1059	570847.78	8436098.67	1135.03	9	360	-90	0.0
MGHA1060	570827.78	8436099.25	1135.11	9	360	-90	0.0
MGHA1061	570807.79	8436099.26	1135.06	9	360	-90	0.0
MGHA1062	570968.00	8436099.70	1133.06	8	360	-90	0.0
MGHA1063	570379.64	8436401.49	1142.11	12	360	-90	0.0
MGHA1064	570359.54	8436401.27	1142.36	12	360	-90	0.0

Hole ID	Easting	Northing	RL	DEPTH	Hole AZI	Hole DIP	TGC (ave) %
MGHA1065	570899.80	8435897.58	1131.80	6	360	-90	3.7
MGHA1066	570918.58	8435900.19	1132.06	5	360	-90	5.5
MGHA1067	570939.76	8435897.20	1132.03	5	360	-90	0.0
MGHA1068	570959.73	8435896.98	1131.97	6	360	-90	7.2
MGHA1069	570878.59	8435899.47	1131.85	3	360	-90	0.0
MGHA1070	570859.62	8435897.44	1131.53	7	360	-90	0.0
MGHA1071	570839.57	8435897.19	1132.22	12	360	-90	0.0
MGHA1072	570767.67	8436099.57	1135.50	12	360	-90	4.5
MGHA1073	570747.49	8436099.41	1135.63	12	360	-90	0.0
MGHA1074	570980.20	8435896.72	1131.89	7	360	-90	6.5
MGHA1075	570999.81	8435896.57	1131.62	7	360	-90	3.5
MGHA1076	571018.97	8435798.93	1132.46	1	360	-90	0.0
MGHA1077	571038.19	8435800.34	1131.74	3	360	-90	4.1
MGHA1078	571057.65	8435801.72	1130.69	1	360	-90	0.0
MGHA1079	571078.43	8435801.23	1129.39	3	360	-90	0.0
MGHA1080	570998.61	8435799.36	1132.83	1	360	-90	0.0
MGHA1081	570978.57	8435799.01	1132.56	1	360	-90	0.0
MGHA1082	570938.43	8435798.57	1131.03	2	360	-90	0.0
MGHA1083	571019.96	8435896.45	1131.03	8	360	-90	0.0
MGHA1084	571039.89	8435896.39	1130.50	7	360	-90	0.0
MGHA1085	570727.50	8436099.46	1135.63	12	360	-90	0.0
MGHA1086	570707.49	8436099.33	1135.89	12	360	-90	0.0
MGHA1087	573939.82	8432799.65	1098.67	12	360	-90	0.0
MGHA1088	573919.97	8432799.54	1098.44	9	360	-90	0.0
MGHA1089	573899.68	8432799.65	1098.42	11	360	-90	0.0
MGHA1090	573879.71	8432799.71	1098.42	12	360	-90	0.0
MGHA1091	573860.40	8432800.32	1098.50	12	360	-90	5.9
MGHA1092	573839.90	8432800.16	1098.39	12	360	-90	0.0
MGHA1093	573820.04	8432800.33	1098.28	6	360	-90	0.0
MGHA1094	573799.97	8432800.05	1098.21	12	360	-90	4.1
MGHA1095	573780.33	8432800.11	1098.08	10	360	-90	0.0
MGHA1096	573759.60	8432799.95	1097.72	11	360	-90	5.4
MGHA1097	573739.86	8432800.12	1097.61	12	360	-90	0.0
MGHA1098	573719.57	8432799.85	1097.35	11	360	-90	0.0
MGHA1099	573700.04	8432800.02	1096.96	12	360	-90	0.0
MGHA1100	573679.75	8432799.52	1096.66	6	360	-90	0.0
MGHA1101	573960.01	8432800.03	1098.38	12	360	-90	4.5
MGHA1102	573980.29	8432797.65	1098.47	12	360	-90	5.5
MGHA1103	574000.26	8432800.36	1098.56	12	360	-90	5.6
MGHA1104	574019.90	8432800.08	1098.35	12	360	-90	0.0
MGHA1105	574039.76	8432800.46	1098.31	12	360	-90	0.0
MGHA1106	574060.15	8432800.29	1098.55	12	360	-90	3.6
MGHA1107	574079.90	8432800.12	1098.69	12	360	-90	6.6

Hole ID	Easting	Northing	RL	DEPTH	Hole AZI	Hole DIP	TGC (ave) %
MGHA1108	574100.11	8432799.95	1098.71	12	360	-90	8.2
MGHA1109	574120.05	8432800.00	1098.86	12	360	-90	7.5
MGHA1110	574139.79	8432800.06	1099.10	12	360	-90	0.0
MGHA1111	574160.08	8432799.78	1099.41	12	360	-90	4.2
MGHA1112	574179.72	8432799.61	1099.58	12	360	-90	3.5
MGHA1113	574200.01	8432799.99	1099.86	11	360	-90	0.0
MGHA1114	574220.08	8432799.60	1100.02	9	360	-90	0.0
MGHA1115	574240.05	8432799.98	1100.26	12	360	-90	0.0
MGHA1116	574119.84	8432400.39	1108.14	12	360	-90	7.8
MGHA1117	574099.99	8432400.01	1108.06	12	360	-90	0.0
MGHA1118	574080.13	8432400.06	1108.05	12	360	-90	0.0
MGHA1119	574059.95	8432400.01	1108.05	12	360	-90	0.0
MGHA1120	574040.20	8432400.73	1108.10	12	360	-90	4.2
MGHA1121	574019.91	8432400.24	1108.06	12	360	-90	0.0
MGHA1122	574000.27	8432399.86	1107.97	12	360	-90	3.8
MGHA1123	573979.98	8432400.03	1107.97	12	360	-90	0.0
MGHA1124	573959.91	8432399.64	1107.96	12	360	-90	4.4
MGHA1125	573939.84	8432400.70	1107.91	12	360	-90	0.0
MGHA1126	573919.98	8432399.87	1107.78	7	360	-90	0.0
MGHA1127	573900.56	8432400.15	1107.75	12	360	-90	3.6
MGHA1128	573880.27	8432400.43	1107.72	12	360	-90	3.3
MGHA1129	573860.31	8432400.27	1107.60	12	360	-90	3.6
MGHA1130	573840.02	8432399.99	1107.46	12	360	-90	3.6
MGHA1131	573819.95	8432400.05	1107.41	12	360	-90	0.0
MGHA1132	573800.31	8432401.22	1107.22	12	360	-90	0.0
MGHA1133	573779.59	8432399.84	1107.14	10	360	-90	0.0
MGHA1134	574140.02	8432400.00	1108.13	12	360	-90	4.9
MGHA1135	574159.45	8432400.16	1108.16	12	360	-90	6.3
MGHA1136	574179.95	8432399.99	1108.24	12	360	-90	4.6
MGHA1137	574200.13	8432399.82	1108.19	12	360	-90	0.0
MGHA1138	574219.66	8432399.76	1107.97	12	360	-90	5.7
MGHA1139	574239.84	8432399.71	1107.89	12	360	-90	4.9
MGHA1140	574259.81	8432399.20	1107.99	9	360	-90	0.0
MGHA1141	574279.99	8432400.03	1107.63	9	360	-90	0.0
MGHA1142	574299.95	8432400.08	1107.50	12	360	-90	4.5
MGHA1143	574320.02	8432400.02	1107.71	12	360	-90	0.0
MGHA1144	574359.95	8432400.02	1107.74	12	360	-90	0.0
MGHA1145	574079.65	8432199.98	1111.64	12	360	-90	0.0
MGHA1146	574060.13	8432204.24	1111.42	12	360	-90	0.0
MGHA1147	574040.05	8432199.99	1111.56	12	360	-90	0.0
MGHA1148	574020.19	8432199.82	1111.64	12	360	-90	0.0
MGHA1149	574000.01	8432199.99	1111.69	12	360	-90	4.9
MGHA1150	573980.05	8432200.05	1111.56	12	360	-90	3.2

Hole ID	Easting	Northing	RL	DEPTH	Hole AZI	Hole DIP	TGC (ave) %
MGHA1151	573960.19	8432200.00	1111.49	12	360	-90	3.3
MGHA1152	573940.01	8432200.28	1111.44	12	360	-90	3.4
MGHA1153	573919.62	8432200.67	1111.39	12	360	-90	0.0
MGHA1154	573900.30	8432200.18	1111.19	12	360	-90	3.0
MGHA1155	573880.01	8432200.01	1111.14	12	360	-90	3.8
MGHA1156	573860.26	8432200.18	1111.10	8	360	-90	0.0
MGHA1157	573839.65	8432201.46	1110.94	12	360	-90	0.0
MGHA1158	573819.47	8432199.75	1110.92	7	360	-90	0.0
MGHA1159	573799.94	8432200.25	1110.81	6	360	-90	0.0
MGHA1160	573779.97	8432199.97	1110.63	5	360	-90	0.0
MGHA1161	574100.05	8432199.70	1111.61	12	360	-90	0.0
MGHA1162	574120.44	8432199.75	1111.55	12	360	-90	0.0
MGHA1163	574140.30	8432200.25	1111.64	12	360	-90	0.0
MGHA1164	574161.01	8432198.08	1111.69	12	360	-90	3.3
MGHA1165	574179.69	8432199.69	1111.44	12	360	-90	0.0
MGHA1166	574199.87	8432200.40	1111.42	12	360	-90	0.0
MGHA1167	574219.72	8432200.12	1111.39	12	360	-90	3.6
MGHA1168	574240.01	8432200.06	1111.46	8	360	-90	0.0
MGHA1169	574259.97	8432200.00	1111.37	12	360	-90	0.0
MGHA1170	574280.05	8432200.06	1111.30	12	360	-90	6.8
MGHA1171	574300.01	8432200.00	1111.21	12	360	-90	5.8
MGHA1172	574319.97	8432200.05	1111.28	10	360	-90	4.8
MGHA1173	574340.15	8432198.66	1111.03	12	360	-90	0.0
MGHA1174	574360.01	8432200.04	1110.89	12	360	-90	0.0
MGHA1175	574379.97	8432199.98	1110.61	12	360	-90	4.3
MGHA1176	574400.05	8432200.03	1110.46	8	360	-90	3.9
MGHA1177	574420.01	8432199.98	1110.49	12	360	-90	0.0
MGHA1178	574000.00	8432599.94	1103.74	12	360	-90	0.0
MGHA1179	574020.39	8432599.77	1103.75	12	360	-90	0.0
MGHA1180	574040.36	8432600.26	1103.91	12	360	-90	0.0
MGHA1181	574060.00	8432600.32	1103.92	12	360	-90	5.5
MGHA1182	574079.96	8432600.03	1103.92	12	360	-90	4.0
MGHA1183	574100.03	8432599.98	1103.96	12	360	-90	0.0
MGHA1184	574120.00	8432600.03	1104.02	12	360	-90	5.8
MGHA1185	574139.96	8432599.97	1103.96	10	360	-90	0.0
MGHA1186	574160.03	8432600.02	1104.00	12	360	-90	0.0
MGHA1187	574180.00	8432600.08	1104.05	12	360	-90	3.5
MGHA1188	574199.62	8432600.13	1104.06	12	360	-90	3.2
MGHA1189	574220.36	8432599.74	1104.10	12	360	-90	5.7
MGHA1190	574240.00	8432599.68	1104.24	12	360	-90	3.6
MGHA1191	574259.96	8432600.06	1104.46	12	360	-90	0.0
MGHA1192	574279.60	8432599.67	1104.49	12	360	-90	0.0
MGHA1193	574300.32	8432599.83	1104.53	12	360	-90	0.0

Hole ID	Easting	Northing	RL	DEPTH	Hole AZI	Hole DIP	TGC (ave) %
MGHA1194	574320.40	8432599.55	1104.60	12	360	-90	0.0
MGHA1195	574339.93	8432600.05	1104.53	12	360	-90	0.0
MGHA1196	574360.00	8432599.99	1104.50	10	360	-90	0.0
MGHA1197	574380.29	8432599.93	1104.61	12	360	-90	0.0
MGHA1198	573980.46	8432600.11	1103.61	12	360	-90	0.0
MGHA1199	573959.63	8432599.84	1103.66	12	360	-90	0.0
MGHA1200	573939.67	8432599.90	1103.56	12	360	-90	0.0
MGHA1201	573920.03	8432600.40	1103.60	12	360	-90	0.0
MGHA1202	573899.96	8432600.01	1103.89	5	360	-90	0.0
MGHA1203	573880.21	8432599.63	1103.42	12	360	-90	0.0
MGHA1204	573859.81	8432599.69	1103.31	12	360	-90	3.1
MGHA1205	573839.85	8432599.64	1103.41	12	360	-90	6.6
MGHA1206	573820.21	8432600.36	1103.03	12	360	-90	0.0
MGHA1207	573800.03	8432600.08	1102.83	12	360	-90	0.0
MGHA1208	573779.96	8432600.03	1102.71	12	360	-90	0.0
MGHA1209	573759.85	8432600.31	1102.44	12	360	-90	3.3
MGHA1210	573740.03	8432599.82	1101.97	9	360	-90	0.0
MGHA1211	573719.85	8432599.88	1101.89	8	360	-90	0.0
MGHA1212	573700.21	8432599.71	1101.24	10	360	-90	0.0
MGHA1213	573679.59	8432599.88	1100.56	12	360	-90	0.0
MGHA1336	570359.84	8437700.64	1128.47	12	360	-90	0.0
MGHA1337	570399.69	8437701.57	1127.91	2	360	-90	0.0
MGHA1338	570439.62	8437701.25	1127.17	7	360	-90	0.0
MGHA1339	570480.12	8437699.39	1126.85	2	360	-90	0.0
MGHA1340	570520.05	8437699.30	1126.47	7	360	-90	0.0
MGHA1341	570399.87	8437600.02	1128.55	1	360	-90	0.0
MGHA1342	570379.66	8437498.64	1129.58	9	360	-90	0.0
MGHA1343	570419.88	8437498.40	1128.67	7	360	-90	0.0
MGHA1344	570460.08	8437498.09	1128.16	9	360	-90	0.0
MGHA1345	570500.26	8437496.49	1127.41	10	360	-90	0.0
MGHA1346	570539.92	8437497.43	1127.28	8	360	-90	0.0
MGHA1347	570580.36	8437497.13	1126.33	8	360	-90	0.0
MGHA1348	570620.65	8437496.51	1125.56	6	360	-90	0.0
MGHA1349	570381.28	8437397.21	1130.64	7	360	-90	0.0
MGHA1350	570657.21	8437398.38	1125.99	11	360	-90	0.0
MGHA1351	570697.12	8437398.01	1125.63	11	360	-90	0.0
MGHA1352	570737.41	8437397.77	1125.22	5	360	-90	0.0
MGHA1353	570762.66	8437295.10	1126.11	6	360	-90	0.0
MGHA1354	570822.63	8437298.26	1125.49	11	360	-90	0.0
MGHA1355	570399.78	8437199.22	1132.74	6	360	-90	0.0
MGHA1356	570456.72	8437197.38	1131.35	6	360	-90	0.0
MGHA1357	570540.86	8437197.48	1129.85	4	360	-90	0.0
MGHA1358	570560.12	8437197.85	1129.61	8	360	-90	0.0

Hole ID	Easting	Northing	RL	DEPTH	Hole AZI	Hole DIP	TGC (ave) %
MGHA1359	570597.29	8437197.78	1129.22	9	360	-90	0.0
MGHA1360	570662.44	8437196.72	1128.50	10	360	-90	0.0
MGHA1361	570881.09	8437196.02	1126.74	6	360	-90	0.0
MGHA1362	570628.03	8437100.94	1131.44	5	360	-90	0.0
MGHA1363	570647.14	8437100.74	1131.38	4	360	-90	0.0
MGHA1364	570758.20	8437101.04	1130.03	9	360	-90	0.0
MGHA1365	570660.80	8436998.18	1133.00	9	360	-90	0.0
MGHA1366	570671.12	8436999.19	1132.80	4	360	-90	0.0
MGHA1367	570877.76	8436998.47	1131.49	12	360	-90	0.0
MGHA1368	571100.71	8436999.61	1130.58	3	360	-90	0.0
MGHA1369	571180.13	8436997.91	1130.56	10	360	-90	0.0
MGHA1370	570981.95	8436795.52	1133.75	9	360	-90	0.0
MGHA1371	571159.81	8436796.40	1132.53	12	360	-90	0.0
MGHA1372	571020.30	8436598.27	1134.86	12	360	-90	0.0
MGHA1373	571100.26	8436599.80	1133.61	12	360	-90	0.0
MGHA1374	571237.25	8436597.72	1132.03	12	360	-90	0.0
MGHA1375	571279.72	8436597.13	1131.67	12	360	-90	0.0
MGHA1376	571318.72	8436596.78	1131.58	12	360	-90	0.0
MGHA1377	571518.15	8436398.18	1129.60	12	360	-90	0.0
MGHA1378	571362.02	8436196.90	1124.88	3	360	-90	0.0
MGHA1379	571381.59	8436198.13	1124.67	3	360	-90	0.0
MGHA1380	571401.11	8436196.68	1124.42	8	360	-90	0.0
MGHA1381	571442.11	8436196.36	1124.46	12	360	-90	0.0
MGHA1382	571501.84	8436198.54	1124.63	12	360	-90	0.0
MGHA1383	571600.82	8436196.73	1125.00	12	360	-90	0.0
MGHA1384	571681.13	8435995.83	1118.44	8	360	-90	0.0
MGHA1385	572008.24	8435997.14	1122.88	12	360	-90	0.0
MGHA1386	571782.32	8435798.00	1111.41	10	360	-90	0.0
MGHA1387	572177.95	8435676.58	1115.99	12	360	-90	0.0
MGHA1388	571974.56	8435595.08	1108.64	12	360	-90	0.0
MGHA1389	572079.64	8435596.79	1112.14	2	360	-90	0.0
MGHA1390	572242.89	8435596.32	1114.38	12	360	-90	0.0
MGHA1391	572256.80	8435596.20	1114.41	12	360	-90	0.0
MGHA1392	572315.34	8435598.89	1114.86	12	360	-90	0.0
MGHA1393	572086.31	8435399.25	1104.44	12	360	-90	0.0
MGHA1394	572223.28	8435396.56	1107.74	10	360	-90	0.0
MGHA1395	572263.67	8435199.31	1100.78	12	360	-90	0.0
MGHA1396	572282.87	8435197.04	1100.58	12	360	-90	0.0
MGHA1397	572587.92	8434996.67	1090.42	10	360	-90	0.0
MGHA1398	572608.93	8434997.42	1090.88	6	360	-90	0.0
MGHA1399	572323.19	8435398.46	1107.97	10	360	-90	0.0
MGHA1400	572959.97	8434600.04	1086.14	8	360	-90	0.0
MGHA1401	572980.04	8434599.98	1087.05	9	360	-90	0.0

Hole ID	Easting	Northing	RL	DEPTH	Hole AZI	Hole DIP	TGC (ave) %
MGHA1402	573020.62	8434599.97	1088.53	9	360	-90	0.0
MGHA1403	573060.01	8434600.08	1090.03	7	360	-90	0.0
MGHA1404	573119.98	8434400.05	1085.47	9	360	-90	0.0
MGHA1405	573181.38	8434399.65	1088.27	11	360	-90	0.0
MGHA1406	573198.65	8434400.37	1088.85	12	360	-90	0.0
MGHA1407	573240.96	8434400.03	1089.78	6	360	-90	0.0
MGHA1408	573280.35	8434399.80	1090.30	8	360	-90	0.0
MGHA1462	573900.02	8433100.06	1089.10	7	360	-90	0.0
MGHA1463	573919.98	8433100.00	1088.78	11	360	-90	0.0
MGHA1464	573939.95	8433100.05	1088.39	10	360	-90	0.0
MGHA1465	573960.02	8433099.99	1088.33	6	360	-90	0.0
MGHA1466	573979.99	8433100.04	1088.08	12	360	-90	0.0
MGHA1467	573999.95	8433099.98	1088.53	8	360	-90	0.0
MGHA1468	574020.02	8433100.04	1088.89	6	360	-90	0.0
MGHA1469	574039.99	8433099.98	1089.42	6	360	-90	0.0
MGHA1470	573879.95	8433100.00	1089.39	9	360	-90	0.0
MGHA1471	573860.41	8433099.73	1089.88	6	360	-90	0.0
MGHA1472	573840.34	8433099.90	1090.02	8	360	-90	0.0
MGHA1473	573819.94	8433099.85	1090.22	10	360	-90	0.0
MGHA1474	573800.30	8433100.24	1090.19	11	360	-90	0.0
MGHA1475	573780.01	8433099.74	1090.19	11	360	-90	0.0
MGHA1476	573759.94	8433101.02	1090.21	8	360	-90	0.0
MGHA1477	573800.27	8433199.78	1087.66	10	360	-90	0.0
MGHA1478	573780.09	8433199.73	1088.11	10	360	-90	0.0
MGHA1479	573760.02	8433200.01	1087.99	7	360	-90	0.0
MGHA1480	573739.95	8433200.07	1087.53	10	360	-90	0.0
MGHA1481	573719.98	8433200.02	1086.67	6	360	-90	0.0
MGHA1482	573819.48	8433199.84	1087.39	10	360	-90	0.0
MGHA1483	573839.77	8433199.56	1087.24	6	360	-90	0.0
MGHA1484	573859.95	8433200.05	1086.83	8	360	-90	0.0
MGHA1485	573880.02	8433199.99	1086.49	7	360	-90	0.0
MGHA1486	573899.99	8433201.04	1086.14	10	360	-90	0.0
MGHA1487	573960.08	8432900.46	1095.11	6	360	-90	0.0
MGHA1488	573940.12	8432901.29	1095.03	2	360	-90	0.0
MGHA1489	573920.04	8432899.69	1095.28	11	360	-90	0.0
MGHA1490	573899.97	8432900.19	1095.33	9	360	-90	0.0
MGHA1491	573880.12	8432900.25	1095.61	10	360	-90	0.0
MGHA1492	573860.04	8432899.98	1095.60	10	360	-90	0.0
MGHA1493	573980.16	8432900.51	1094.96	6	360	-90	0.0
MGHA1494	574000.23	8432899.90	1094.88	11	360	-90	0.0
MGHA1495	574019.98	8432900.06	1094.94	11	360	-90	0.0
MGHA1496	574040.05	8432900.00	1095.28	8	360	-90	0.0
MGHA1497	574060.23	8432899.61	1095.17	8	360	-90	0.0

Hole ID	Easting	Northing	RL	DEPTH	Hole AZI	Hole DIP	TGC (ave) %
MGHA1498	574079.65	8432899.67	1095.41	8	360	-90	0.0
MGHA1499	570400.00	8437100.00	1134.92	12	360	-90	0.0
MGHA1500	570380.00	8437100.00	1135.58	2	360	-90	0.0
MGHA1501	570360.00	8437100.00	1135.94	2	360	-90	0.0
MGHA1502	570340.00	8437100.00	1136.49	4	360	-90	0.0
MGHA1503	570300.00	8437100.00	1137.60	12	360	-90	0.0
MGHA1504	570260.00	8437100.00	1138.49	4	360	-90	0.0
MGHA1505	570220.00	8437100.00	1139.55	12	360	-90	0.0
MGHA1506	570280.00	8437100.00	1137.99	5	360	-90	0.0
MGHA1507	570180.00	8437100.00	1140.46	12	360	-90	0.0
MGHA1508	570360.00	8437200.00	1134.11	11	360	-90	0.0
MGHA1509	570320.00	8437200.00	1135.36	12	360	-90	0.0
MGHA1510	570280.00	8437200.00	1136.53	12	360	-90	0.0
MGHA1511	570240.00	8437200.00	1137.55	12	360	-90	0.0
MGHA1512	570200.00	8437200.00	1138.66	12	360	-90	0.0
MGHA1513	570160.00	8437200.00	1139.61	12	360	-90	0.0
MGHA1514	570379.63	8437201.67	1133.38	11	360	-90	0.0
MGHA1515	570401.87	8437203.33	1132.69	9	360	-90	0.0
MGHA1516	570222.00	8437000.00	1140.74	4	360	-90	0.0
MGHA1517	570265.00	8437000.00	1139.74	11	360	-90	0.0
MGHA1518	570309.00	8437000.00	1138.64	12	360	-90	0.0
MGHA1519	570353.00	8437000.00	1137.56	12	360	-90	0.0
MGHA1520	570396.00	8437000.00	1136.75	12	360	-90	0.0
MGHA1521	570440.00	8437000.00	1135.99	12	360	-90	0.0
MGHA1542	570200.00	8437600.00	1133.00	9	360	-90	0.0
MGHA1543	570240.00	8437600.00	1132.00	8	360	-90	0.0
MGHA1544	570280.00	8437600.00	1131.00	8	360	-90	0.0
MGHA1545	570320.00	8437600.00	1130.00	8	360	-90	0.0
MGHA1546	570360.00	8437600.00	1129.00	6	360	-90	0.0
MGHA1547	570240.00	8437550.00	1133.00	8	360	-90	0.0
MGHA1548	570280.00	8437550.00	1132.00	8	360	-90	0.0
MGHA1550	570360.00	8437550.00	1130.00	5	360	-90	0.0

Annexure D Independent Solicitor's Report

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E-mail: achinula@williamfaulknermw.com

Our Ref. WF/CONS/810.22

20th March, 2023.

The Directors
NGX Metals Limited
Level 9, 29 The Esplanade
PERTH WA 6000
Australia

Dear Sirs,

RE: Local Counsel's Report – Mineral Rights in Malawi

We are a firm of Legal Practitioners and are qualified to advise on matters of Malawian law.

We have been asked as local Counsel by NGX Limited ("**NGX**") to issue a Legal Opinion for NGX's wholly owned Malawian subsidiaries, NGX Exploration Limited ("**NGXE**") and NGX Mining Limited ("**NGXM**") (together the "**Malawian Entities**") in order to confirm that:

1. The Malawian Entities have been duly incorporated and remain in good standing;

2. The Malawian Entities have good and valid title to all of their assets and that such assets are enforceable in Malawi;

3. The Nanzeka Retention Licence ("**Nanzeka RL**") held by NGXE is valid and remains in good standing as is set out in Schedule 1 to this Report, which, together with the Notes thereto form part of this Report;

4. The Malingunde Mining Licence Application ("**Malingunde ML**") has been conditionally approved for Sovereign Services Limited ("**SSL**"), Sovereign Metal Limited's ("**Sovereign**") wholly owned Malawian subsidiary, subject to SSL's submission of an Environmental and Social Impact Assessment ("**ESIA**") approval certificate under the Malawian Environmental Management Act (No.19 of 2017) ("**Enviro Act**") in respect of section 150(1)(f) of the Malawian Mines and Minerals Act (No.8 of 2019) ("**Mines Act**");

5. The Duwi Retention Licence ("**Duwi RL**") held by SSL is valid and remains in good standing as is set out in Schedule 1 to this Report, which, together with the Notes thereto form part of this Report. The Transfer of the Duwi RL from SSL to NGXE is currently pending;

6. The Mabuwa Exploration Licence application ("**Mabuwa EL**") has been conditionally approved for grant to NGXE subject to an approved environmental clearance certificate under the Enviro Act; and

7. We are a Firm of Lawyers, duly qualified to practice in Malawi and we provide this Report on matters concerning Malawian law alone.

This report ("**Report**") has been prepared for NGX's due diligence requirements and covers:

- details of documents reviewed and searches made in respect of the Nanzeka RL, Malingunde ML, Duwi RL and Mabuwa EL;
- our qualifications and assumptions;
- general information about mineral rights and the operation of mining legislation in Malawi;
- the corporate status of the Malawian Entities; and
- details of the Nanzeka RL, Malingunde ML, Duwi RL and Mabuwa EL set out in Schedule 1.

As used in this opinion letter, the following term shall have the following meaning:

(i) "*Applicable Laws*" means those laws, rules and regulations which, in our experience, are normally applicable to companies in Malawi, without our having made any special investigation as to the applicability of any specific law, rule or regulation, and which are not the subject of a specific opinion herein referring expressly to a particular law or laws;

Malawian Law

This opinion is limited to the law of Malawi as applied by the Courts of Malawi in effect on the date of this opinion. It is given on the basis that all matters relating to it will be governed by, and that it (including all terms used in it) will be construed in accordance with the law of Malawi. We express no opinion as to the laws of any jurisdiction other than Malawi.

Scope of Enquiry

In rendering the opinions set forth herein, we have examined originals or copies of the following:

(a) Memorandum and Articles of Association of the Malawian Entities;

(b) Share Transfer Forms in respect of the Malawian Entities;

(c) Certificate of Incorporation of the Malawian Entities;

(d) Trust Deed (refer paragraph 2 below);

(e) Results of title searches on the Nanzeka RL and Duwi RL as described in paragraph 6.10 and documentation, including Licence Certificates, Licence Area and Minerals, Terms and Conditions and Map, as applicable for Nanzeka RL set out in Schedule 1;

(f) The Malingunde ML and Mabuwa EL applications and the letters of conditional approval provided by the Malawi Department of Mines;

(g) Documentation from the Malawi Revenue Authority showing that the Malawian Entities are in good standing in payment of Fringe Benefit Tax, Pay As You Earn (PAYE), Withholding Tax and TEVET Levy; and

(h) Civil Registry of the High Court of Malawi, Commercial Division, Lilongwe District Registry shows that there is no litigation or bankruptcy proceedings against the Malawian Entities.

Our opinions are subject to the following assumptions and qualifications:

(a) the authenticity of all documents submitted to us as originals;

(b) all documents submitted to us as facsimile, electronic, certified or photo static copies conform to the original of such documents;

(c) the genuineness of all signatures (including endorsements); and

(d) our opinion that the Malawian Entities are corporate entities validly existing and in good standing as stated below is based on our examination of documents relating to the incorporation of the Malawian Entities existing at the Company Registry in the Office of the Registrar General and the tax-related searches noted at (g) above.

LEGAL OPINION

1. CORPORATE STATUS

- NGXE is a private limited company duly incorporated in Malawi under the Companies Act (No. 15 of 2013) ("**Companies Act**") with a registered company number of 1013573. NGXE's registered office is Plot No 204, Area 9, P. O. Box 30523, Lilongwe, Malawi.

- NGXE is a company duly incorporated, validly existing and in good standing, under the Applicable Laws.

- NGXM is a private limited company duly incorporated in Malawi under the Companies Act with a registered company number of 1013529. NGXM's registered office is Plot No 204, Area 9, P. O. Box 30523, Lilongwe, Malawi.

- NGXM, is a company duly incorporated, validly existing and in good standing, under the Applicable Laws.

2. SHARE CAPITAL

- NGX Exploration UK Limited, a wholly owned subsidiary of NGX, is the legal owner of all of the fully paid ordinary shares ("**Shares**") in NGXE.

- SSL is currently the legal owner of all Shares in NGXM.

- SSL and NGXM have lodged the share transfer forms for the transfer of NGXM Shares from SSL to NGX Mining UK Limited, with the administrative registration of the Share transfers by the relevant Malawian authorities outstanding.

- In the interim, SSL has entered into a Bare Trust Deed with NGX Mining UK Limited which confers all legal rights over the NGXM Shares to NGX until the relevant share transfers have been registered ("**Trust Deed**").

- The share capital of NGXE and NGXM is in conformity with the Applicable Laws and has received all necessary authorisations.

There is the requirement to have one shareholder of a private limited company in Malawi.

3. MEMORANDUM AND ARTICLES OF ASSOCIATION

The Memorandum and Articles of Association of the Malawian Entities are in conformity with the Applicable Laws.

4. MATERIAL LITIGATION

So far as we are aware, there is no litigation or arbitration, prosecution or other civil or criminal legal proceedings pending or threatened, in which Malawian Entities are involved which may have, or have had, a significant impact on the Malawian Entities financial position. Furthermore, so far as we have been informed by the Malawian Entities, the Malawian Entities have not been served with any demand letters and/or summons to enter appearance to date.

5. BANKRUPTCY/RECEIVERSHIP PROCEEDINGS

To the best of our knowledge, information, and belief and after due enquiry, we can confirm that no bankruptcy, receivership, or similar proceedings have been brought against the Malawian Entities or any of its Directors in Malawi to date.

6. LICENCE, DOCUMENTS AND SEARCHES:

6.1 General

Rights for prospecting or mining for minerals in Malawi are licensed under the Mines Act.

Pursuant to section 33 of the Mines Act, the following mineral tenements may be granted under the Mines Act:

(a) non-exclusive prospecting licence, that grants the holder the non-exclusive right in the licence area, which area is defined by district boundaries, to do prospecting for all minerals;

(b) reconnaissance licence, that grants the holder the non-exclusive right in the licence area to do reconnaissance;

(c) Exploration Licence ("**EL**"), that grants the holder the exclusive right in the licence area to explore for all mineral deposits and an exclusive priority right to apply for a Mining Licence ("**ML**");

(d) Retention Licence ("**RL**"), that grants the holder the right to maintain the exclusive right to apply for a ML in the licence area when exploration has been completed but other specified conditions preclude mining at the present time;

(e) small-scale ML, that grants the exclusive right to mine minerals in the licence area using only small-scale mining methods;

(f) medium-scale ML, that grants the exclusive right to mine all minerals in the licence area; and

(g) large-scale ML, that grants the exclusive right to mine all minerals in the licence area.

Pursuant to section 19 of the Mines Act, the Commissioner of Mines has power to approve applications:

(a) for the grant of non-exclusive prospecting licences, reconnaissance licences and small-scale MLs, pursuant to section 49 of the Mines Act;

(b) to expand the area of a small-scale ML, pursuant to section 49 of the Mines Act;

(c) to extend the term of mineral tenements, as provided under section 49 of the Mines Act;

(d) to consolidate mineral tenements, pursuant to section 67 of the Mines Act;

(e) for the grant of reserved mineral tenements, pursuant to section 213 of the Mines Act;

(f) for the grant of export permits, pursuant to section 306 of the Mines Act.

Pursuant to section 6 of the Mines Act, the Mineral Resources Committee ("**MRC**") shall have the power to, amongst other items:

(a) recommend for granting to the Minister, applications for ELs, RLs, medium-scale MLs and large-scale MLs; and

(b) recommend to the Minister, upon mandatory referral by the Commissioner, whether an EL, RL or large scale ML be cancelled.

NGXE is the registered holder of the Nanzeka RL as per Schedule 1.

NGXE is applicant for the Mabuwa EL as per Schedule 1.

SSL is applicant for the Malingunde ML as per Schedule 1.

SSL is currently registered holder of the Duwi RL as per Schedule 1. We have cited the transfer application of the Duwi RL from SSL to NGXE which remains pending.

We are satisfied after such enquiry as we deemed necessary for the purposes of this opinion that NGXE and SSL, where applicable, has good and valid title as per Schedule 1.

6.2 Types of Mineral Tenements and other clauses in the Mines Act

Licences that may be granted under the Mines Act include a non-exclusive prospecting licence, reconnaissance licence, EL, RL, and a ML (small, medium and large) as per section 6.1 above. The licence types most applicable to the Malawian Entities are included below.

6.3 Retention Licences

6.3.1 As already confirmed above, NGXE is the legal and beneficial owner of the Nanzeka RL as per Schedule 1.

6.3.2 As already confirmed above, SSL the legal and beneficial owner of the Duwi RL as

per Schedule 1. A transfer application for the Duwi RL from SSL to NGXE has been submitted and is pending approval from the Department of Mines.

6.3.3 In accordance with section 134 and 139 of the Mines Act, mineral deposits contained within an EL that have come to the end of their term, as per point 6.5.1 below, can be converted into a RL for a term of up to but does not exceed five (5) years. Justification to grant a RL includes the following:

(a) it has been demonstrated that the applicant has located a mineral deposit which is of commercial significance;

(b) the mineral deposit cannot justifiably be mined at the present time utilizing proven technology for one of the following reasons:

(i) adverse current mineral conditions, which are, or may be, of a temporary nature;

(ii) adverse current financing conditions, which are, or may be, of a temporary nature;

(iii) adverse current infrastructure conditions, which are, or may be of a temporary nature;

(iv) a feasibility study (but not a pre-feasibility study) has been commissioned which has a firm delivery date but which has not yet been completed;

(v) difficulties in obtaining requisite Government approvals are involved before mining can commence or that prevent mining or restrict it in a manner that is, or subject it to conditions that are, for the time being impracticable; or

(vi) agreement or resettlement or compensation arrangements with lawful occupiers or owners of land have not successfully progressed; and

(c) exploration work has progressed as far as is practicable at the time and therefore a RL is necessary.

6.4 Mining Licences:

6.4.1 A company duly incorporated under the Companies Act may apply for a medium or large-scale ML pursuant to sections 149 and 150 of the Mines Act. Determination of the need for a medium or large-scale ML is pursuant to section 148 of the Mines Act.

6.4.2 Pursuant to section 155 of the Mines Act, medium and large-scale MLs shall be

granted for an initial period of up to twenty-five (25) years or for the life of the mine, whichever is shorter. A holder of a ML may apply for an extension of up to fifteen (15) years.

6.4.3 Pursuant to section 151 of the Mines Act, medium and large-scale MLs cannot be granted over land which constitutes any part of a RL or exploration licence ("**EL**"), unless the applicant is the holder of the RL or EL, or the holder of such licence has given its written consent to allow the application to be granted.

6.4.4 Pursuant to section 150 of the Mines Act, an application for the grant of a medium-scale ML or large-scale ML shall be submitted to the MRC in the prescribed form and manner and shall have attached to it:

(a) proof of the company's incorporation or registration under the Companies Act;

(b) the names and nationalities of the directors or equivalent officers and, if the company has share capital, the name of any person who is the beneficial owner of more than five percent (5%) of the issued share capital;

(c) evidence that the applicant has the technical competence to fulfil the licence obligations;

(d) evidence that the applicant has the financial ability or a credible plan to obtain adequate financing to fulfil the licence obligations;

(e) an attestation that the applicant is not barred from being granted a ML;

(f) documentation proving that the project has received approval by the Environment Management Act and a copy of the environmental and social impact assessment report that supported such approval;

(g) a schedule, in the prescribed form, describing the corners of the proposed ML area as prescribed under section 295 of the Mines Act;

(h) a sketch map, in a prescribed form, showing the boundary of the proposed ML area;

(i) a boundary survey, as required under section 159 of the Mines Act, or a waiver as provided by the Commissioner under section 159 of the Mines Act;

(j) an attestation that the area applied for has been marked out as required under section 160;

(k) a justification for the period for which the licence is sought;

(l) where the area applied for is subject to an RL or EL that is held by the applicant, a copy of the applicant's RL or EL;

(m) a report, which may be part of a prefeasibility or feasibility study, prepared by a geologist giving details of the mineral deposits in the area of land over which the licence is sought

(i) including details of all known mineral resources, minerals proved, estimated or inferred, and ore reserves in accordance with section 298 of the Mines Act; or

(ii) where the nature of the operation, because of the mineral to be mined, the scale of operation or other circumstance, does not warrant the estimation of mineral resources and reserves (such as a quarry for aggregate), a statement justifying why the applicant should not be required to submit mineral resource and reserve estimates;

(n) a detailed justification for the requested licence area and the requirement that such area shall be justified, in the case of a medium-scale ML, by the required pre-feasibility study or in the case of a large-scale ML, by the required feasibility study, and shall not include any area where mineral potential has not been proved or inferred other than land essential for mining plant and operations;

(o) a report providing the name of each lawful occupier and landowner of lands located in, or partly in, the licence area applied for and, in the case of more than one such holding, the boundaries of each holding within the area of the proposed ML;

(p) a description of plans and initiatives for planned, sustained economic and social development in the region and local communities affected by the mining operation, and in the case of a large-scale ML, any community development agreements that have already been approved;

(q) in the case of an application for a medium-scale ML:

(i) a community engagement plan pursuant to section 300 of the Mines Act;

(ii) a prefeasibility study pursuant to section 161 of the Mines Act;

(iii) a mining operations plan pursuant to section 162 of the Mines Act;

(iv) a mine site plan pursuant to section 166 of the Mines Act;

(v) a mine waste management plan pursuant to section 167 of the Mines Act;

(vi) a rehabilitation and closure plan pursuant to section 272 of the Mines Act;

(vii) a resettlement management plan pursuant to section 168 of the Mines Act;

(viii)an employment and training plan pursuant to section163 of the Mines Act; and

(ix) a goods and services procurement plan pursuant to section 164 of the Mines Act;

(r) in the case of an application for a large-scale ML:

(i) an attestation that the company has been legally constituted;

(ii) a community engagement plan pursuant to section 300 of the Mines Act;

(iii) a feasibility study (not a pre-feasibility study) pursuant to section 161 of the Mines

Act;

(iv) a mining operations plan pursuant to section 162 of the Mines Act;

(v) an employment and training plan pursuant to section163 of the Mines Act;

(vi) a goods and services procurement plan pursuant to section 164 of the Mines Act;

(vii) a mine site plan pursuant to section 166 of the Mines Act;

(viii)a mine waste management plan pursuant to section 167 of the Mines Act;

(ix) a rehabilitation and closure plan pursuant to section 272 of the Mines Act;

(x) a resettlement management plan meeting the requirements of section 168 of the Mines Act; and

(xi) a business development assistance plan pursuant to section 165 of the Mines Act;

(s) any other materials required to be included in the application by the Mines Act or as prescribed;

(t) a description of any circumstances that may require the ML to be granted subject to particular conditions;

(u) any other material addressing matters that the applicant wants to have considered; and

(v) a prescribed application fee or proof that the fee has been paid.

6.4.5 It is proposed that following the grant of the Malingunde ML to SSL, a transfer application will be made for the Malingunde ML from SSL to NGXM.

6.5 Exploration Licences:

6.5.1 An EL covering a preliminary period in accordance with section 118 of the Mines Act is granted for a period not exceeding three (3) years. Thereafter two successive periods of renewal may be granted, but each must not exceed two years. This means that an exploration has a potential life span of seven (7) years.

6.5.2 Pursuant to Section 33 of the Mines Act and as noted above, an EL provides the holder the exclusive right in the licence area to explore for all mineral deposits and an exclusive priority right to apply for a ML.

6.5.3 Pursuant to section 119 of the Mines Act, the holder of an EL shall not later than ninety (90) days prior to the expiry of the licence, apply for an extension of the term of the licence (in accordance with the renewal periods noted in the paragraph above). Where the Commissioner has determined that all required conditions of renewal are met, the Commissioner shall inform the Registrar to endorse the licence with the extended term.

6.5.4 NGXE has made an application for the Mabuwa EL which remains pending but has been conditionally approved subject to an approved environmental clearance certificate under the Enviro Act.

6.6 Government Ownership Interest:

6.6.1 The Government of Malawi ("**Government**") shall have the right, but not the obligation, to acquire, directly or through a Government nominee, without cost, a free equity ownership interest of up to ten percent (10%) in any mining project that will be subject to a large-scale ML.

6.6.2 The Government shall have a limited-time option to exercise its right to a free equity ownership interest in a mining project commencing at the time that a large-scale ML application is submitted and terminating on the date that the ML application is granted or denied.

6.6.3 At the time that the MRC considers a large-scale ML application, but before it decides the application, it shall recommend in a notice to the Government whether the Government should elect to require a ten percent (10%) free equity ownership interest in the associated mining project.

6.6.4 The Government shall, within twenty-eight (28) days of a notice to decide, in consultation with the minister responsible for finance, and notify the MRC whether the Government shall exercise its right for up to a ten percent (10%) free equity ownership interest in the mining project, and if so, the percentage.

6.6.5 Where the Minister has failed to notify the MRC of his decision within the time period stipulated in point 6.6.4 above, it is deemed that the Government has elected to not exercise its right to a free equity ownership interest in the mining project.

6.6.6 Within fourteen (14) days of receipt of a notice discussed in 6.6.4 above the MRC shall notify the ML applicant of the Government's decision or if the Government is deemed to not have elected to exercise its rights as discussed in 6.6.5 above.

6.6.7 A large-scale ML applicant receiving a notice pursuant to 6.6.6 may withdraw its application but its application fee shall not be refunded.

6.7 Royalty Rates:

6.7.1 In accordance with the Taxation (Amendment) Bill, 2016, a royalty for all minerals exported

in an unmanufactured state shall be 5% (five-percent) of their royalty base.

6.8 Transfer of a Mineral Tenement

6.8.1 A holder of a mineral tenement (i.e. a EL, RL and ML) my apply to transfer a mineral tenement to another party pursuant to Part III, Division 4 of the Mines Act.

6.8.2 Pursuant to Section 59 of the Mines Act, the holder of an EL, RL and ML may apply to transfer a licence to another party via application to the Mines Department which shall include:

(a) an instrument of transfer in the prescribed form;

(b) a detailed statement describing the reasons for the requested transfer;

(c) an attestation by the transferee that the transferee:

(i) has the financial and technical capability to perform all obligations under the tenement and documentation to support the attestation;
(ii) meets all the eligibility requirements of this Act to hold the type of mineral tenement to be transferred;
(iii) shall assume all liability for acts or omissions that arose out of the obligations of the mineral tenement before the transfer of such title to the transferee; and
(iv) upon transfer of the mineral tenement, shall assume all obligations imposed on the mineral tenement by this Act, the regulations and the conditions set out in the licence; and

(d) the prescribed application fee or proof that such fee has been paid.

6.8.3 Upon receipt of an application to transfer a mineral tenement, the Mines Department shall determine whether the application meets all the requirements set out paragraph 6.8.2 above and if not, shall reject the application.

6.8.4 Where the Mines Department determines that an application submitted meets all the requirements under paragraph 6.8.2, the Mines Department shall, within fourteen (14) calendar days, refer the application to the MRC.

6.8.5 Subject to paragraph 6.8.6 below, an application to transfer an EL, EL or ML, the MRC may approve or refuse to approve the application, and an approval may be subject to such conditions as the MRC considers necessary in the circumstances.

6.8.6 The MRC shall give its approval to the transfer of an EL, RL or ML where the transferee:

(a) is a person controlling, controlled by, or under common control with, the transferor;

(b) is a person eligible under this Act to hold that type of mineral tenement;

(c) has provided the attestations required under paragraph 6.8.2 (c) above; and

(d) has demonstrated to the satisfaction of the MRC that transferee has the financial and technical capability to perform all obligations under the tenement.

6.8.7 Where an application to transfer a mineral tenement is approved by the MRC, the Mines Department shall, within fourteen (14) calendar days, notify the applicant of the approval and shall reissue to the transferee, with no change in its term, the mineral tenement licence with the new holder's name and any changed conditions specified by the MRC in the licence being transferred and enter the details of the instrument of transfer in the register.

6.8.8 An instrument of transfer of a mineral tenement shall not convey a legal or equitable interest in a mineral tenement unless and until it has been registered by the Mines Department.

6.8.9 Where an application to transfer a mineral tenement is refused, the Mines Department shall, within fourteen (14) calendar days, notify the applicant that his application is refused and the reasons for the refusal.

6.9 Change in Control

6.9.1 Pursuant to Section 63 of the Mines Act, if the holder of a medium and large scale ML, and RL or a EL is a company, it must notify the Commissioner if there is a change in the control of the company by sale of a majority ownership interest of its shares. The holder of the license has 14 days to notify the Commissioner of this change.

6.10 Title Search Finding and Confirmation

6.10.1 Our search at the registry of Mineral Tenements confirmed the status of the Nanzeka RL of which NGXE is the registered holder and the Duwi RL which SSL is the registered holder, as per Schedule 1. We confirm that the Nanzeka RL and Duwi RL are validly issued with exclusive rights to undertake mineral exploration and if viable deposits are found, to develop mines at the licensed areas. The Nanzeka RL and Duwi RL have been validly granted by the Minister for Mining pursuant to the Mines Act and is valid and in good standing and has not been cancelled, suspended or expired as of the date of this Report. The Nanzeka RL and Duwi RL are also free and clear of liens and encumbrances.

6.10.2 We have cited the SSL Malingunde ML application and the conditional letter of approval from the Department of Mines for the grant of the Malingunde ML.

6.10.3 We have cited the NGXE Mabuwa EL application and the conditional letter of approval from the Department of Mines for the grant of the Mabuwa EL.

6.10.4 We confirm further that:

- There are no disputes that we are aware of relating to the Nanzeka RL, Malingunde ML, Duwi RL and Mabuwa EL with any governmental or regional authority or any unrelated third party;
- There are no other current licenses (ML, EL or RL) granted over the area the subject of the Nanzeka RL, Malingunde ML, Duwi RL and Mabuwa EL; and
- There are no provisions under Malawian law or regulation in relation to the Nanzeka RL, Malingunde ML, Duwi RL and Mabuwa EL, which would permit it to be forfeited, denied or otherwise withdrawn in the event of change of ownership.

6.10.5 For the purposes of this Report we have searched the mineral titles registry, reviewed the register of Mineral Tenements maintained by the Ministry of Mining and spoken with the Commissioner of Mines and Minerals to confirm the status of the Nanzeka RL, Malingunde ML, Duwi RL and Mabuwa EL.

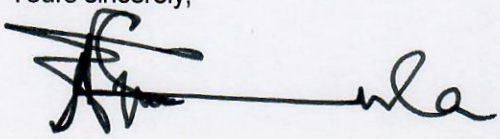
6.10.6 In accordance with the Terms and Conditions issued as part of the Nanzeka RL, the annual expenditure shall not be less than MWK30,000,000.

6.10.7 In accordance with the Terms and Conditions issued as part of the Duwi RL, the annual expenditure shall not be less than MWK30,000,000.

7. CONCLUSION

William Faulkner has given, and has not withdrawn, its consent to use this Report in the form and context in which it is included for NGX, including in respect of the prospectus prepared by NGX in connection with the initial public offering of NGX.

Yours sincerely,



William Faulkner

SCHEDULE 1

MINERAL TENEMENT SUMMARY

No.	License No. (Name)	Area (sq. km)	Registered Holder	Primary Commodity	Original Date Issued	Expiry Date	Annual Rent (MWK)	Remarks
1	RTL0012/21 (Nanzeka)	6.0	NGX Exploration Limited	Graphite, Titanium Minerals, Base Metals and Gold	27.07.21	26.07.26	60,000	Current, in good standing, valid and subsisting
2	RTL0032/22 (Duwi)	24.6	Sovereign Services Limited	Graphite, Titanium Minerals, Base Metals and Gold	4.10.22	3.10.27	246,400	Current, in good standing, valid and subsisting. Transfer to NGXE pending.
3	AML0088 (ML application)	5.7	Sovereign Services Limited	Graphite, Titanium Minerals and Base Metals	Not applicable	Not applicable	Not applicable	Conditional approval for grant of the ML received from the Department of Mines. Transfer to NGXM pending
4	APL0329 (EL application)	9.0	NGX Exploration Limited	Nickel, Copper, PGE's, Silver, Gold, Zinc and Lead	Not applicable	Not applicable	Not applicable	Conditional approval for grant of the EL received from the Department of Mines.

NGX Ltd