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ASX Code: DOR



ASX / Media Announcement

2 January 2024

## DORIEMUS PLC TO ACQUIRE NICKEL, LITHIUM AND GRAPHITE EXPLORATION PROJECTS IN MONGOLIA

### HIGHLIGHTS

- **Doriemus to acquire 100% of the issued capital of Asian Battery Minerals Limited (ABM), the parent company of Innova Mineral LLC (Innova), which holds exploration licences in Mongolia.**
  - **Yambat Ni-Cu-PGE project – Exploration Licence XV-020515 held by Innova’s 100% subsidiary Ragnarok Investment LLC**
  - **Khukh Tag graphite project – JORC-compliant graphite resource – Mineral Exploration Licence XV-019603**
  - **Tsagaan Ders lithium project – Exploration Licences XV-021740 and XV-019341**
- **Doriemus to re-comply with Chapters 1 and 2 of ASX Listing Rules.**
- **ABM completed the BHP Xplor 2023 cohort program for the Yambat Ni-Cu-PGE project and discovered a new magmatic nickel sulfide system in the western part of Mongolia.**
- **The Khukh Tag graphite project (Mineral Exploration Licence XV-019603) has a JORC Code (2012) compliant resource estimate of 12.2M tonnes at 12.3% TGC (total graphitic carbon) (Indicated category: 1.4M tonnes at 13.9% TGC; Inferred category: 10.8M tonnes at 12.1% TGC).**
- **Mr Gan-Ochir Zunduisuren, founder of Innova and managing director of ABM, to be appointed Managing Director of Doriemus.**
- **Mr David Paull, Ms Kirsten Livermore, and Mr Neil Young to be appointed as non-executive directors.**
- **Doriemus is undertaking a capital raising under a Prospectus of A\$6m at an issue price of A\$0.05 per share.**
- **Doriemus proposes to consolidate its ordinary shares and options on a 43 for 50 basis prior to the Prospectus capital raising.**

Doriemus plc (ASX: **DOR**) (**Doriemus** or the **Company**) is pleased to announce it has entered into a binding heads of agreement to acquire 100% of the issued capital of Asian Battery Minerals Limited (ACN 656 811 442) (**ABM**) (**Acquisition**) (**Acquisition Agreement** or **Agreement**). ABM holds 100% of the issued capital of Innova Mineral LLC (**Innova**), which holds mineral exploration licences granted by the Mongolian government.

- **Yambat Ni-Cu-PGE project – Exploration Licence XV-020515, held by Innova’s 100% subsidiary Ragnarok Investment LLC (**Ragnarok**)**
- **Khukh Tag graphite project – Mineral Exploration Licence XV-019603**
- **Tsagaan Ders lithium project – Exploration Licences XV-021740 and XV-019341**

Both Innova and Ragnarok are incorporated in Mongolia. Further details and definitions for the Acquisition Agreement are outlined in Sections 4 and 7.

If successful, the Acquisition will result in the Company increasing the scale of its operations and changing the focus of its activities from its current minority interests in onshore oil exploration fields in the UK to mineral exploration in Mongolia. To effect the Acquisition, the Company will be required to re-comply with the requirements of Chapters 1 and 2 of the ASX Listing Rules.

This will include a Capital Raising which is outlined in Section 5. Further details of the Capital Raising and Consolidation are set out in Section 7 and Section 12.

NB: The Company is incorporated in England and Wales, and its shares are quoted and settled on ASX in the form of CHESS Depository Interests (**CDIs**), with one (1) CDI representing one (1) ordinary share of £0.004 par value. Ordinary shares of the Company to be issued which are referred to in this Announcement will be issued to their holders in the form of CDIs unless otherwise noted.

## 1. Licences

ABM holds four mineral exploration licences in Mongolia, issued by Mineral Resources and Petroleum Authority of Mongolia, to explore minerals such as graphite, lithium and nickel-copper (**Licences**) through its wholly-owned subsidiaries Innova and Ragnarok.

- a) the **Yambat Ni-Cu-PGE** project (100% owned by Ragnarok), which comprises one tenement (Mineral Exploration Licence XV-020515) prospective for nickel and is located in Yeso'nbulag and Taishir soums, Gobi-Altai Province;
- b) the **Khukh Tag** graphite project (100% owned by Innova), a graphite project (comprising one tenement, Mineral Exploration Licence XV-019603) which is located in Ondorshil soum, Dundgobi Province; and
- c) the **Tsagaan Ders** lithium project (100% owned by Innova), which comprises two tenements (Mineral Exploration Licences XV-021740 and XV-019341) that are located in Khuld soum, Dundgobi Province and are prospective for lithium (lepidolite), (together the **Projects**.)

Project name	Yambat Ni-Cu-PGE	Khukh Tag Graphite	Tsagaan Ders Lithium	Tsagaan Ders Lithium
Licence No	XV-020515	XV-019603	XV-021740	XV-019341
Licence holder	Ragnarok Investment LLC	Innova Mineral LLC	Innova Mineral LLC	Innova Mineral LLC
Interest	100%	100%	100%	100%
Location	Yeso'nbulag and Taishir soums, Gobi-Altai Province, Mongolia	Ondorshil soum, Dundgobi Province, Mongolia	Khuld soum, Dundgobi Province, Mongolia	Khuld soum, Dundgobi Province, Mongolia
Licence area	10,606 ha	954 ha	428 ha	314 ha
Valid to	25 Apr 2025	22 Apr 2025	23 Nov 2024	23 Nov 2024
Extension	Can be extended for three years until 25 Apr 2028	Can be extended for three years until 22 Apr 2028	Can be extended for three years until 23 Nov 2027	Can be extended for three years until 23 Nov 2027
Issued date	25 Apr 2016	22 Apr 2016	23 Nov 2015	23 Nov 2015

Table 1. Licence details

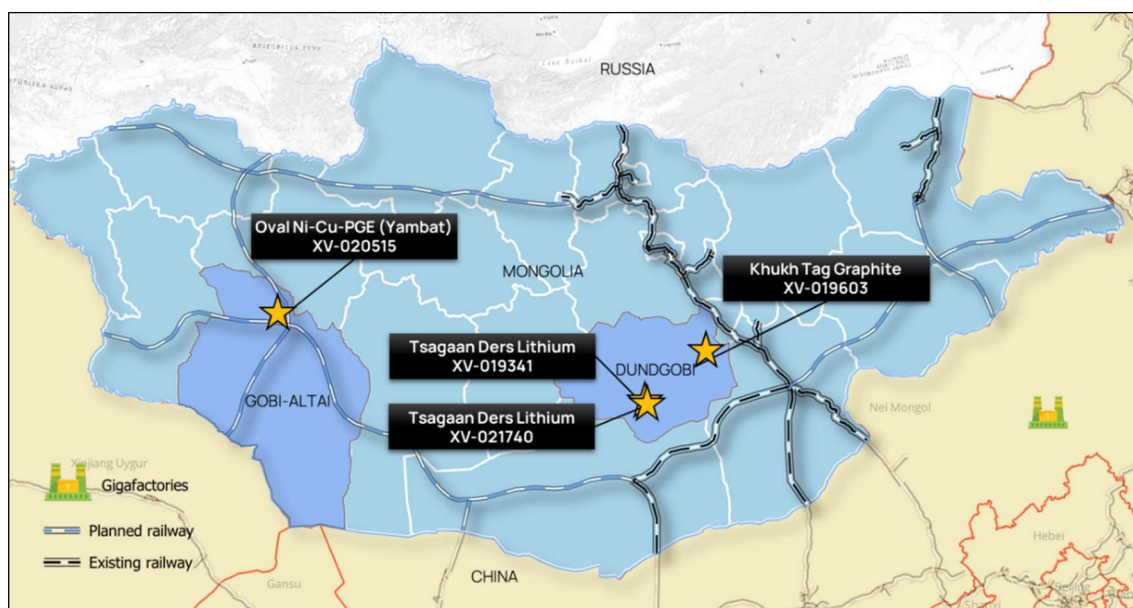


Figure 1: Locations of Licences

## 2. ABM, Innova and Ragnarok

ABM was incorporated in Australia in 2022 to acquire the entire issued share capital of Innova, a registered mineral exploration company in Mongolia.

Innova and Ragnarok are both incorporated in Mongolia. Innova holds the tenements that make up the Khukh Tag and Tsagaan Ders projects directly, and the Yambat Project indirectly through its wholly-owned subsidiary Ragnarok.

Mr Gan-Ochir Zunduisuren, the current managing director of ABM, will be appointed as Managing Director of the Company upon the completion of the Acquisition. Mr Phil Rundell will be appointed as Chief Financial Officer. Further biographical details of ABM management, and non-executive directors to be appointed to the Board of the Company at completion of the Acquisition, are set out in Section 14 below.

## 3. Exploration activities

### *Historical exploration*

Exploration of the Khukh Tag project began in 2018, followed by the Yambat project in 2021 and the Tsagaan Ders project in 2022. Property-wide data sets include geological mapping at various scales on all properties, magnetic and other geophysical surveys on Khukh Tag and Yambat, stream sediment and soil sampling surveys on Yambat, and rock chip sampling on all properties. Target-specific work at Khukh Tag includes detailed geological mapping, rock chip sampling, Induced polarisation (Pole-dipole) and magnetic surveys, trenching, petrographic studies, drilling, and metallurgical test work. Exploration has mostly focused on the Khukh Tag graphite and Yambat Ni-Cu-PGE projects.

### Yambat Project

At the **Yambat Ni-Cu-PGE** project, geological mapping, geochemical and soil sampling, comprehensive geophysical studies and approximately 1113 m scout drilling works have been carried out with nickel-copper sulphide mineralisation being discovered.

#### *Location*

The Yambat project is located in north-central Gobi Altai Aimag in south-western Mongolia (Figure 2). ABM holds the Yambat exploration licence, which hosts an early-stage exploration project with evidence of a magmatic Ni-Cu sulphide system. The Yambat project is located about 25 km west of the capital of Gobi Altai Aimag, Altai, and is immediately north of the asphalt highway linking Altai and Khovd.

The Yambat project consists of a single Exploration Licence (XV-020515) covering an area of 10,606.77 hectares.

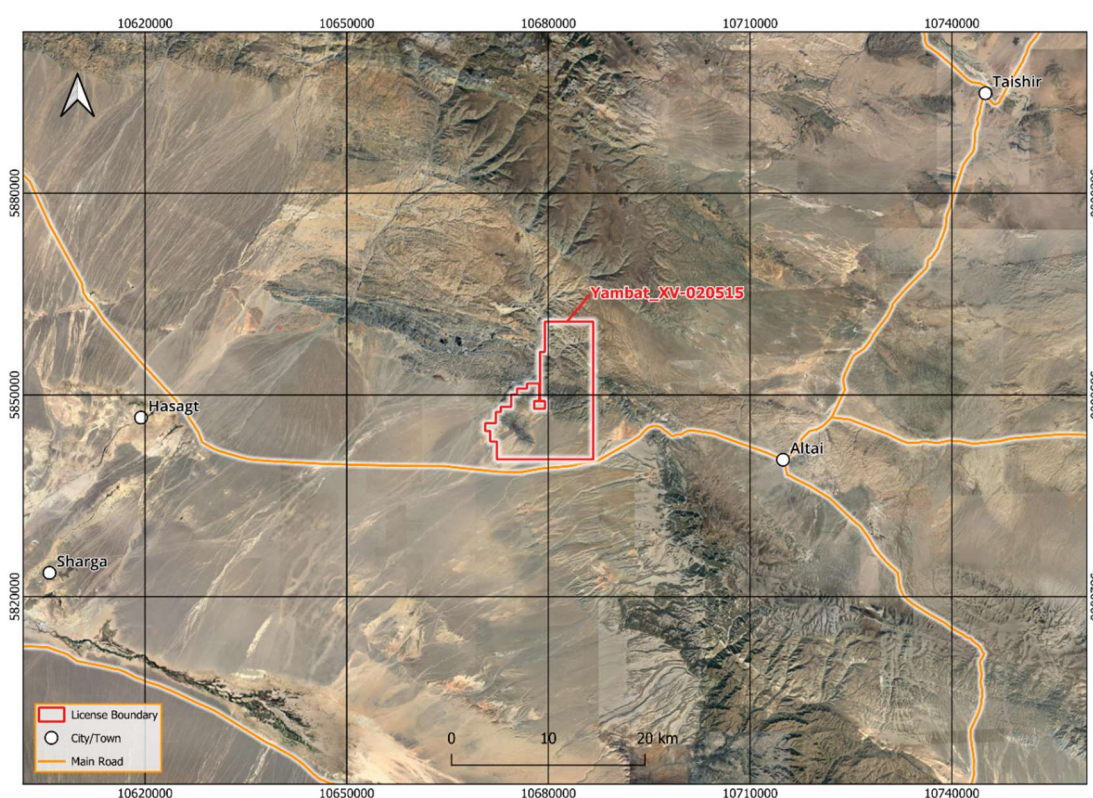


Figure 2. The Yambat project location map (WGS84 / Pseudo-Mercator)

#### *Project History*

The licence was originally issued in 2016, but from 2016 to 2020 the only activity was collection of 46 grab samples. Following the acquisition of the licence in 2021, Innova carried out stream sediment sampling (263 samples), soil sampling over the central portion of the licence (660 samples), ground magnetic surveying over the southern half of the licence and several phases of detailed magnetic surveying over the area called the “Oval Target” and other nearby target areas, a test program of different geophysical methods on four lines over the Oval Target (IP, fixed-loop EM, audio magnetotelluric), an initial scout drilling program of 1100 m in eight holes in the Oval Target, and 1:5000 scale geologic mapping over the Oval Target and surrounding area. Innova received consultant reports on consolidated geophysical interpretations and a regional geotectonic synthesis.



## *Geology*

The landmass of Mongolia is a mosaic of tectonic terranes recording the complex development of this portion of the Central Asian Orogenic Belt (“CAOB”) from Archaean through Palaeozoic time. The Yambat project lies within the Dariv Terrane, an east-west trending uplifted block of metamorphic rock of uncertain tectonic affinity situated between the Zavkhan cratonal terrane to the north and the Lake island arc terrane to the south. The Yambat project lies at the contact between the Archean to Late Proterozoic Tuva-Mongol superterrane to the north and the Late Proterozoic to Devonian Yenisey-Transbaikal tectonic collage to the south. While the Yambat project does not lie within a defined belt of magmatic copper-nickel-PGE deposits, it is considered to be prospective for this style of mineralisation as the geology and age of intrusion are consistent with known analogues throughout the CAOB.

The understanding of the geology is at an early stage but is consistent with the regional framework. It is based on a compilation of government maps covering the entire licence area plus geological mapping of the Oval Target undertaken at 1:5,000 scale in 2022 by ABM geologists and interpretations of the remote sensing imagery, geochemistry and geophysical data sets, plus a nine hole scout drilling program, which provided proof-of-concept demonstration of a fertile magmatic sulphide system containing copper, nickel, platinum group elements and gold based on characteristic textures and laboratory analysis of drill core (see Table 2 and Appendix B). The geology of the Yambat region consists of greenschist to amphibolite facies metamorphic rocks of Archean to Late Proterozoic age cut by Paleozoic intrusions, exposed in mountain ranges adjacent to Mesozoic-Cenozoic sedimentary basins along the Valley of Lakes.

The main feature of exploration interest on the Yambat project is a mafic intrusion in quartz-feldspar schist in the south-western part of the lower-grade metamorphic section of the area. This intrusion, referred to as the “Oval Target”, is characterized by a distinct spotted hornfels metamorphic contact aureole, a strong coincident magnetic anomaly, a small gossan with highly elevated copper-nickel-gold-platinum group element values, sporadic but widespread copper-stained float adjacent to the inner perimeter of the spotted hornfels, and distinct and strong geochemical anomalies in both stream sediment and soil samples.

Laboratory analysis of gossan grab samples showed nickel contents ranging from about 0.2% to 1.9%, copper from about 0.3% to over 2.0%, and combined gold-platinum-palladium contents up to 3.1 g/t.

Initial ground magnetic surveying was carried out in September 2021 over most of the Yambat project from the Dariv–Bayan Ulaan Fault south to the project boundary. The magnetic patterns generally mimic the west-northwest structural grain of the main lithologic units and dike swarms, with a distinct magnetic high precisely coinciding with the Oval Target. A more detailed magnetic survey was carried out over that feature and the surrounding area (Figure 3).

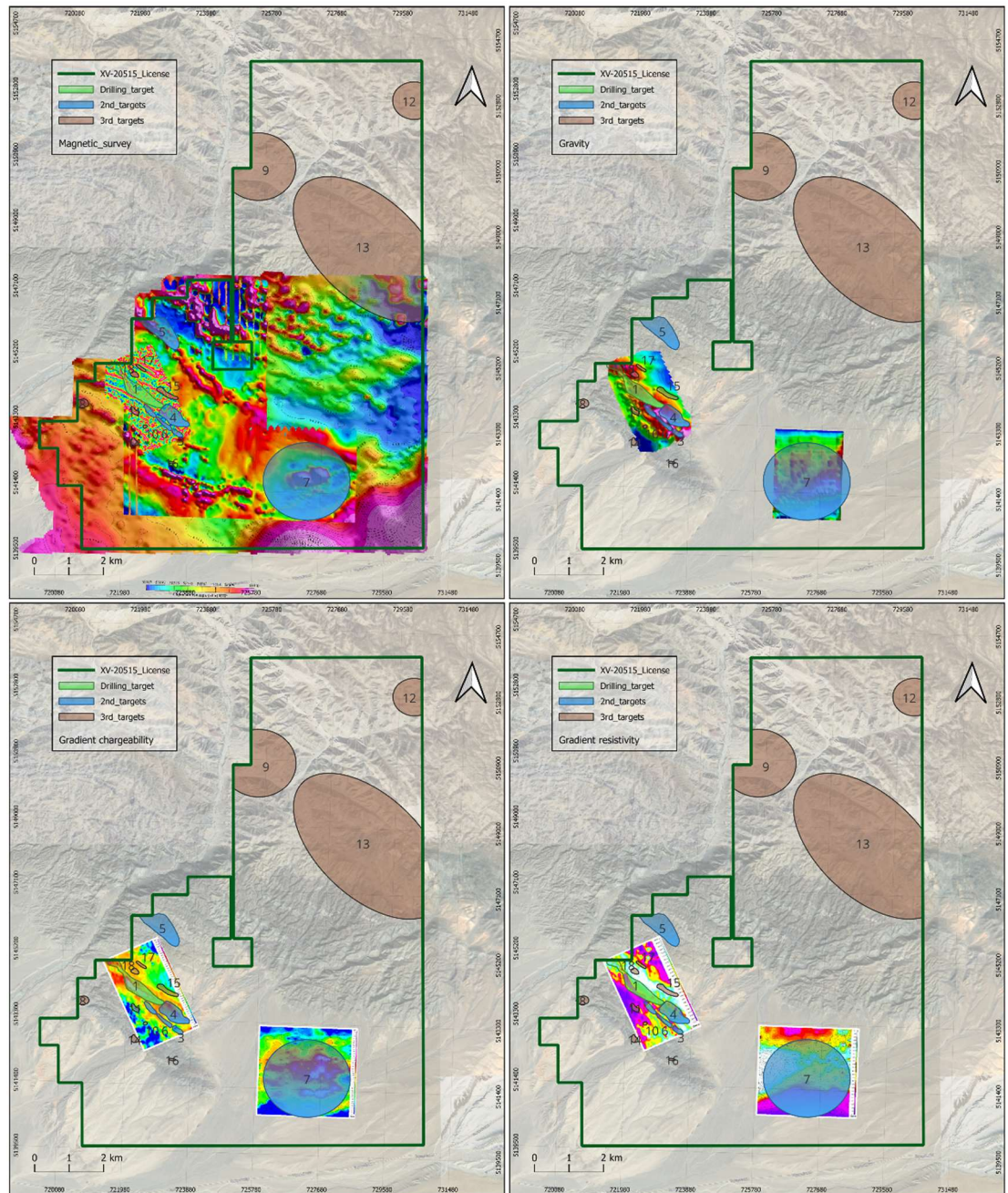


Figure 3. Geophysical Coverage and Exploration Targets (WGS84) – Yambat project

The surface expression of the Oval Target consists of a 500 m X 100 m northwest-elongated oval outlined by a topographically positive spotted hornfels enclosing a recessive-weathering, topographically low centre filled with aeolian sand cover. The hornfels is up to a few tens of meters wide and is developed in sandstone/siltstone country rock at an angle to sedimentary bedding. There is no contact exposure on the interior of the hornfels, however shallow auger holes have demonstrated the presence of what has been termed for mapping purposes gabbro-diorite at shallow depth beneath sand cover.

In aggregate, the total length of exposures of gabbro-diorite and spotted hornfels is around 1100-1600 m, with an apparent maximum width of about 100 m. The geology of this feature was assumed to be similar to other examples of magmatic sulphide systems in the region and globally, i.e. essentially dike-like but potentially containing a trough-shaped zone of sulphide accumulation. This interpretation was tested by a scout drilling program in 2023 consisting of nine holes (1113.6 m) at irregular spacing along the surface expression of the Oval Target (Figure 4). Details of the scout drilling are listed in Appendix B.

Drilling confirmed the presence of gabbroic rock over the strike length of the Oval Target and provided fresh rock for petrologic investigations. Drilling also provided evidence supporting the interpretation of the feature having a trough shape, with intersections into the hornfelsed country rock occurring at progressively deeper levels southeastward. Most importantly, drilling provided confirmation of a fertile magmatic sulphide system through observation of characteristic textures combined with laboratory analysis of drill core samples.

### *Exploration Potential*

RPMGlobal (**RPM**), an independent technical consultant, has assessed the Yambat project for exploration potential and notes that the project is at an early stage of exploration with insufficient drilling to support a resource estimation. RPM considers that the results of the scout drilling demonstrate the presence of a fertile magmatic sulphide system with appreciable evidence of disseminated sulphide within the mafic-ultramafic intrusive host, evidence that sulphide bleb size generally increases downward within the intrusive host, local evidence the sulphide bleb percentages increase toward the contact with the hornfelsed countryrock, local evidence of development of net-textured mineralisation, and local evidence of massive sulphide accumulations at the contact between the intrusive host and the hornfelsed country rock. RPM also notes that geophysical modelling suggests the mafic-ultramafic intrusion persists to great depth and possibly broadens southward, suggesting better potential in this area which has not yet been drill tested and which has not yet been satisfactorily tested by EM surveying. In a broader sense, RPM considers the target to be highly prospective given the geologic characteristics, namely:

- a discrete mafic-ultramafic intrusion emplaced near transcrustal-scale faults at a cratonal margin;
- a provisional/preliminary radiometric age date equivalent to that of defined deposits in the CAOB; and
- dimensions similar in scale to known mineralized mafic/ultramafic intrusions in the CAOB.

### *Area, Depth, and Grade of Mineralisation*

The dimensions of the Oval Target are determined from geologic mapping as being about 500 m X 100 m. Drilling has been carried out over the strike length of the exposure, generally with single holes spaced 80-125 m apart. Most holes crossed the entire width of the mafic-ultramafic intrusion, with interpreted apparent true widths of around 40-70 m. Mineralisation of potentially economic interest was generally restricted to intervals within the intrusion approaching the hornfelsed country rock contact. Assuming mineralisation continuity is parallel to the contact, apparent true widths of mineralisation range from around 5-10 m to as much as 40-50 m. Drilling generally intersected mineralisation to depths of about 100 m in the northwestern half of the drill pattern, and to about 200 m in the southeastern half of the drill pattern. (Figure 5).

Mineralisation appears to be similar to reported grades for analogous deposits within the CAOB, with heavily disseminated to net-textured mineralisation ranging from 0.3% to 0.6% Cu and 0.3% to 0.8% Ni with 0.1-0.4ppm combined Au and PGE, and with massive sulphide mineralisation grade ranges of 0.6% to 1.0% Cu, 0.8% to 2.0% Ni, and 0.2-0.8ppm combined Au and PGE. Significant intersection grade results from scout drilling on the Oval Target are listed in Table 2. Further details of the drilling data are set out in Appendix B.

Hole	From	To	Length	Ni %	Cu %	E3 g/t
OVD001	2.5	34.2	31.7	0.48	1.40	0.29
	57.0	68.4	11.4	0.30	0.32	0.20
OVD002	9.2	45.3	36.1	0.22	0.27	0.11
OVD003	129.0	133.0	4.0	0.16	0.17	0.04
	147.0	173.0	26.0	0.18	0.22	0.08
	181.0	197.5	16.5	0.26	0.29	0.13
OVD004	1.0	34.0	33.0	0.44	1.85	0.64
OVD005	16.8	62.8	46.0	0.27	0.25	0.07
OVD006	19.0	38.0	19.0	0.20	0.15	0.08
OVD007	30.9	54.9	24.0	0.16	0.14	0.05
	58.9	72.9	14.0	0.18	0.14	0.05
OVD008	80.0	90.8	10.8	0.42	0.52	0.10
OVD009	127.0	200.0	73.0	0.42	0.59	0.20

Table 2. Significant intersection grades – Oval Target

The sulphide blebs, consisting predominantly of pyrrhotite, pentlandite, and chalcopyrite, showed increases in size and percentage downward in most intersections, network-textured mineralisation was observed approaching the countryrock contact in one hole (OVD001), and there were localized thin accumulations of massive sulphide at the contact between gabbroic rock and hornfelsed countryrock in one hole (OVD001) plus wormy injections of sulphide in hornfelsed countryrock in two holes (OVD001 and OVD008). Logging and petrography further suggest that there may be large-scale lithologic layering in the mafic rock, with holes OVD008 and OVD009 showing abrupt changes from unmineralized gabbrodiorite downward to olivine-bearing gabbronorite with ubiquitous sulphide blebs. An interpreted longitudinal section along the axis of the Oval Target shows continuity over a distance of more than 500 m of mineralized, generally olivine-bearing amphibole gabbro (to peridotite) from outcrop to the southernmost limit of drilling, transitioning upward into unmineralized gabbro lacking olivine over a distance of more than 300 m (Figure 5).



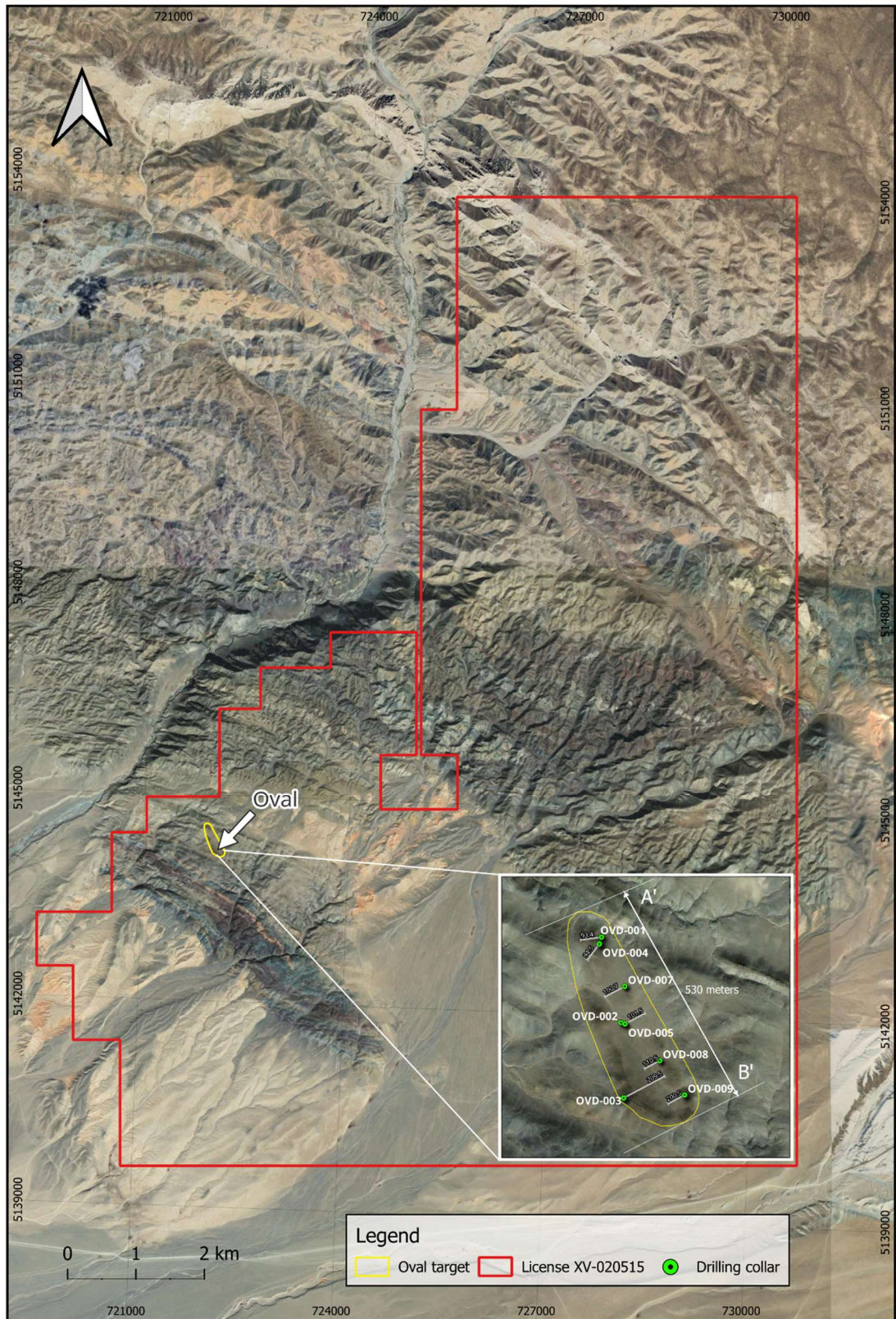


Figure 4. Drill hole location map (WGS84) – Yambat project

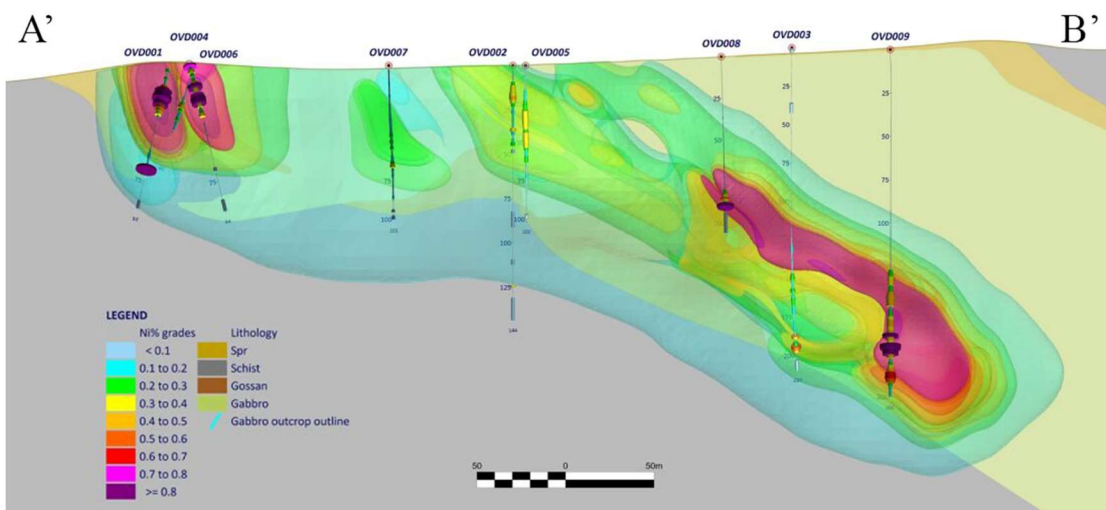


Figure 5. Long section (looking east) – Yambat project

**Exploration Target**

An Exploration Target was estimated for the Oval Target (Table 3). Tonnage range was estimated assuming a bulk density of 2.9t/m<sup>3</sup> for all material within the calculated volumes. Grade ranges were estimated using published values from deposits in the CAOB and results from the scout drilling program. The Exploration Target is 1.3Mt to 6.5Mt for a 10-50 m thick, 450 m long, and 100 m tall zone of disseminated, net-textured, and localized massive sulphide mineralisation, at average grades of 0.2% to 1.2% Cu, 0.2% to 0.6% Ni, and 0.1 to 0.6ppm combined Au+Pt+Pd. The potential quantity and grade of the Exploration Target is conceptual in nature. There has been insufficient exploration to estimate a Mineral Resource. It is uncertain if further exploration will result in the estimation of a Mineral Resource.

Target	Strike Length	Vertical Extent	Apparent Thickness		Volume		SG	Tonnage	
			Min (m)	Max (m)	Min (m <sup>3</sup> )	Max (m <sup>3</sup> )		Min (Mt)	Max (Mt)
Oval	450	100	10	50	450,000	2,250,000	2.9	1.31	6.53

Table 3. Yambat Project Exploration Target summary

**Future Exploration**

ABM identified 30 targets within the Yambat project, classifying them with a matrix combining geology, geochemistry, geophysics, and remote sensing to arrive at a list of 18 formal targets.

The exploration is anticipated to run from April 2024 through April 2025 and will consist of trenching, geophysical surveying, and drilling. The geophysical components of ground magnetic surveying (36 sq km), GRIP (27 km), and AMT (10 km) will cover the area north of the tenement and other targets. Additional geophysical works of dipole-dipole IP (1 km), moving loop EM (2 km), and downhole EM (4 km) are planned in the Oval Target. Drilling will focus on the Oval Target, with 4000 m in twelve holes and approximately 1320 samples to be submitted for analysis.

**Tsagaan Ders Project**

The Tsagaan Ders lithium project has been covered by systematic exploration and trenching work.

**Location**

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The Tsagaan Ders project is located in central Dundgobi Aimag in south-central Mongolia (Figure 6). Innova holds two adjoining exploration licences (XV-021740 and XV-019341) covering an area of 428.94 and 314.37 hectares respectively which display evidence of widespread lithium mineralisation.

The Tsagaan Ders project is located about 40 km south of the town of Mandalgovi which lies on the asphalt highway linking the capital city Ulaanbaatar with Dalanzadgad, capital of Omnogobi Aimag and the regional centre serving the Oyu Tolgoi copper-gold mine and the Tavan Tolgoi coal mines.

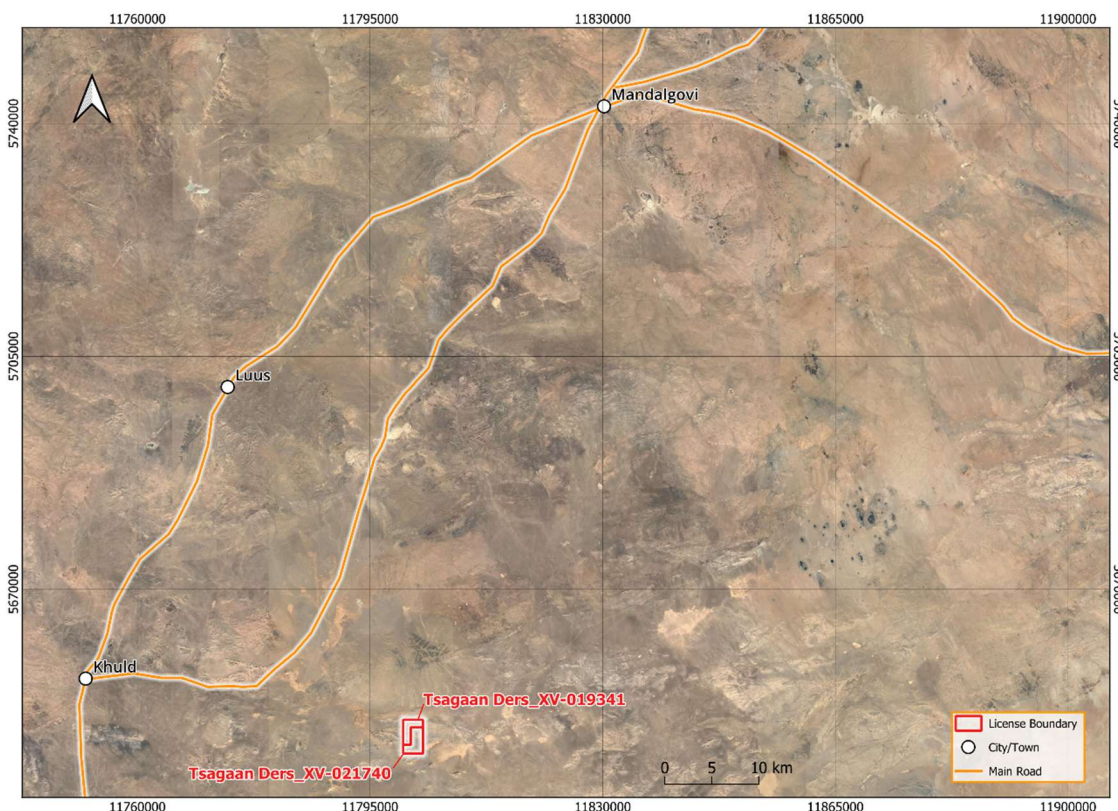


Figure 6. Tsagaan Ders project location map (WGS84 / Pseudo-Mercator)

### Project History

The Tsagaan Ders project has not had any prior mineral exploration. The only previous geologic work was general geological mapping and supportive grab sampling for petrography by the Mongolian government at various scales. There are no known mineral occurrences or deposits in the project, and the only nearby mineral occurrences are scattered fluorite outcrops and sedimentary barite outcrops. ABM acquired its interest in the licences after observing lepidolite and other lithium minerals in outcropping greisen and pegmatites. Exploration to date has been restricted to geological mapping, collection of grab samples, and limited trenching.

### Geology

The Tsagaan Ders project lies within the Idermeg Terrane, a Neo-Proterozoic to Cambrian passive margin drape on the crystalline basement of the Central Mongolian Microcontinent. The Tsagaan Ders project lies within the Argun-Idermeg Superterrane, a Proterozoic to Cambrian passive margin sequence built on a crystalline basement block.

The geology of the region consists of localized exposures of Proterozoic metasedimentary sequences cut by small Devonian felsic intrusions and large Permian volcanic and intrusive complexes, and

extensive Cretaceous and younger sedimentary cover sequences. There are relatively few reliable radiometric age dates on intrusive bodies in the region; age assignments made during government mapping programs have historically been based on appearance and colour and should be considered provisional at best. The Tsagaan Ders project is at a very early stage of exploration. Licence XV-021740 was acquired in mid-December 2021 and licence XV-019341 in November 2022, and neither has evidently been subject to mineral exploration in the past.

Bedrock exposure on the Tsagaan Ders project is mainly restricted to licence XV-019341 and the northern third of licence XV-021740. The southern part of licence XV-021740 is covered by Quaternary to Recent alluvium and aeolian sand. Exposure in the north consists of variably metamorphosed supracrustal rocks cut by two mica granite. The Neoproterozoic Oortsog formation comprises limestone/marble, sandstone/siltstone/shale, and semi-conformable gabbro. Bedding strikes northwest-southeast in the west and roughly east-west in the east. The northernmost part of licence XV-021740 and adjacent portions of licence XV-019341 immediately to the north is occupied by an oval exposure of two-mica granite measuring roughly 1250 m east-west by 600 m north-south, flanked almost entirely by sand cover. South of the sand cover an east-southeast trending fault bounds a second two-mica granite cut by a swarm of northeast-trending pegmatite dikes, with a well-developed pegmatitic border zone to the west and south. The pegmatitic border zone is generally subparallel to bedding in Oortsog formation metasediments, but shows locally irregular intrusive contacts. The border phase is about 100-300 m wide over an arcuate distance of about 900 m in the east where it grades into two-mica granite but narrows to 50-100 m wide over a distance of about 800 m in the west where it is fault-bounded against sand cover. The total surface area of the exposed pegmatitic border zone is about 20 ha. (Figure 7).

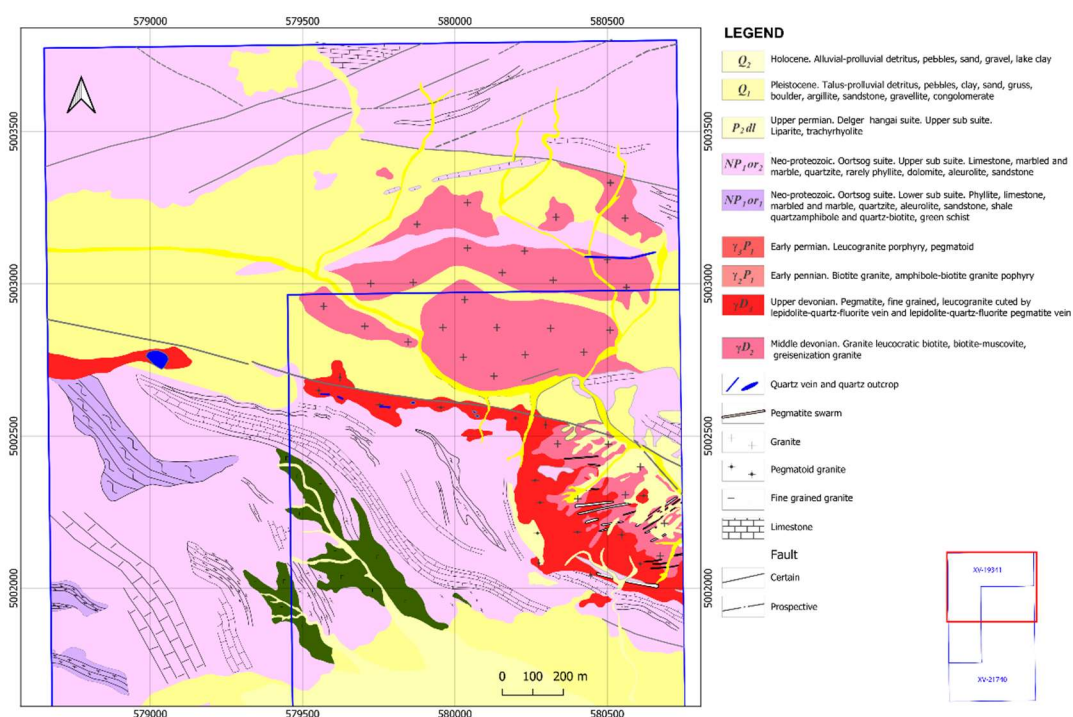


Figure 7. Tsagaan Ders Geology Map

The granite is commonly greisenized, with up to 20-50% mica (often lepidolite -  $K(LiAl)_3(Al,Rb,Si)_4O_{10}(OH,F)_2$ ; zinnwaldite -  $KLiFeAl(AlSi_3)O_{10}(OH,F)_2$ ), up to 2% cassiterite, up to 3% topaz, and up to a few percent fluorite.

Pegmatitic rocks are composed of orthoclase, quartz, muscovite and tourmaline. The pegmatites often contain high proportions of lithium micas, up to 30-50%. Spodumene has been recognized in the field



and was described in one petrographic sample (#2122, GPS\_UTM\_X: 580210 GPS\_UTM\_Y: 5002577) as comprising 10-15% of the rock.

A total of 429 rock chip samples have been collected on an irregular pattern across the exposures of both the two-mica granite and the pegmatitic border zone, and more sporadically in other rock units. Samples were generally highly to very highly anomalous in lithium, caesium, rubidium, and tin. For 108 samples collected from the two-mica granite, lithium ranged from 12 to 7050 ppm (average 371 ppm), caesium ranged from 1 to 1830 ppm (average 176 ppm), rubidium ranged from 7 to 2180 ppm (average 585 ppm), and tin ranged from 1 to 4644 ppm (average 233 ppm). For 274 samples collected from the pegmatitic granite border zone, lithium ranged from 19 to 13,996 ppm (average 1277 ppm), caesium ranged from <1 to 3550 ppm (average 234 ppm), rubidium ranged from <1 to 4120 ppm (average 930 ppm), and tin ranged from <1 to 3248 ppm (average 253 ppm).

As the Tsagaan Ders project is at an extremely early exploration stage there is limited continuous channel sampling and no drilling. An Exploration Target has been estimated relying on grab sample analyses, trench sampling, and surface mapping.

ABM carried out a preliminary trenching program in 2023 consisting of 1194.5m of excavation in sixteen trenches. Trench identification numbers were assigned during planning of a two-phase program, only the first phase of which has been completed. Four hundred and thirty-six samples were submitted for analysis, including ten blanks and eight standards (Table 4).

Trench ID	From (m)	To (m)	Length m	Li ppm	Rb ppm	Cs ppm
<b>TR-01</b>	18.5	73	54.5	1137	993	100
Including	<b>20.3</b>	<b>26</b>	<b>5.7</b>	<b>1300</b>	<b>198</b>	<b>104</b>
	<b>59</b>	<b>63</b>	<b>4</b>	<b>4943</b>	<b>1983</b>	<b>238</b>
<b>TR-04</b>	1	81	80	758	897	106
Including	<b>5</b>	<b>12.2</b>	<b>7.2</b>	<b>3443</b>	<b>2428</b>	<b>374</b>
	<b>13.5</b>	<b>18</b>	<b>4.5</b>	<b>2837</b>	<b>1772</b>	<b>436</b>
<b>TR-07</b>	40	68	28	2031	1586	191
Including	<b>40</b>	<b>55</b>	<b>15</b>	<b>2368</b>	<b>1355</b>	<b>168</b>
<b>TR-16</b>	10.5	45	34.5	1083	632	328
Including	<b>26</b>	<b>29.2</b>	<b>3.2</b>	<b>3268</b>	<b>1489</b>	<b>803</b>
	<b>30</b>	<b>33</b>	<b>3</b>	<b>1463</b>	<b>804</b>	<b>553</b>
<b>TR-18</b>	34	50	16	975	1013	397
Including	<b>35</b>	<b>40</b>	<b>5</b>	<b>1654</b>	<b>1670</b>	<b>685</b>

*Table 4. Lithium-bearing pegmatite intercepts  
(Weighted averages for visually continuous zones at grades >500 Li ppm)*

### Exploration Potential

The area of potential mineralisation is assumed to be restricted to portions of the mapped pegmatitic border zone (microgranite plus pegmatite), which exhibits strong greisen development with abundant lithium micas and localized occurrence of spodumene and other lithium-bearing minerals. Grab samples within the pegmatitic border zone show highly to very highly elevated values for lithium, rubidium, caesium, and tin. Preliminary wide-spaced and sporadic trenching showed continuous zones averaging above about 1000ppm Li in two main target areas, the Central Zone and Southern Zone (see tan coloured outlines in Figure 8 and trench analytical results in Table 4). Lithium is considered to be the main element of interest. Other elements showing highly to very highly elevated values may have value as possible by-products but are not specifically considered in this exercise.

As no drilling has been completed at the Tsagaan Ders project the depth of mineralisation is unknown. For the purpose of the exercise, it was assumed probable that mineralisation persists to a depth of 50 m for the Central Zone and 100 m for the South Zone. Indicative tonnage amounts were calculated to depths of 20 m, 50 m, and 100 m. No bulk density determinations have been made for the project. RPM has assumed an average density of 2.6 t/m<sup>3</sup>.

## Exploration Target

An Exploration Target was estimated for the Central and Southern Zones. Tonnage range was estimated assuming a bulk density of 2.6t/m<sup>3</sup>, to depths of 20 m and 50 m over strike lengths of 750 m for the Central Zone and 500 m for the South Zone, using the measured widths of elevated lithium content for each to define the lower and upper tonnage ranges. Grade ranges are taken as the weighted averages for visually continuous intervals at over about 1000 ppm Li (lower grade range) and the averages of peak Li values (higher grade range) from the trenches falling within the respective zones. Only lithium was considered, although other elements (caesium, rubidium, tin) may have value. The Tsagaan Ders project exploration target is shown in Table 5 and ranges between 1.3 Mt to 2.8 Mt to a depth of 20 m, or 3.3 Mt to 6.9 Mt to a depth of 50 m, or 5.1 Mt to 10.5 Mt to a depth of 100 m at a grade of 0.2% to 1.0% Li<sub>2</sub>O.

The potential quantity and grade of the Exploration Target is conceptual in nature. There has been insufficient exploration to estimate a Mineral Resource. It is uncertain if further exploration will result in the estimation of a Mineral Resource.

Target	Trench Interval Width		Length	Area		SG	Tonnage to 20m depth		Tonnage to 50m depth		Tonnage to 100m depth		Trench Interval Li ppm	
	Min (m)	Max (m)		Min (sqm)	Max (sqm)		Min (Mt)	Max (Mt)	Min (Mt)	Max (Mt)	Min (Mt)	Max (Mt)	Min	Max
Central Zone	15	34.5	750	11250	25875	2.6	0.59	1.35	1.46	3.36	-	-	1018	4910
South Zone	28	54.5	500	14000	27250	2.6	0.73	1.42	1.82	3.54	3.64	7.09	1308	4809
<b>Totals</b>							<b>1.32</b>	<b>2.77</b>	<b>3.28</b>	<b>6.90</b>	<b>5.1</b>	<b>10.45</b>	<b>1163</b>	<b>4860</b>

Table 5. Tsagaan Ders project Exploration Target summary

The total mapped area of the pegmatitic border zone is roughly 20 ha, however large portions have had only sparse sampling. Two areas with reasonably close-spaced grab sampling and preliminary trenching showing reasonably consistent elevated lithium values were defined: (Figure 8)

1. a 750 m long X 50 m wide rectangular block along the fault-bounded pegmatitic border zone in licence XV-021740 (Central Zone)
2. a 500 m long and 50 m wide rectangular block along the southern contact of the two-mica granite (South Zone)

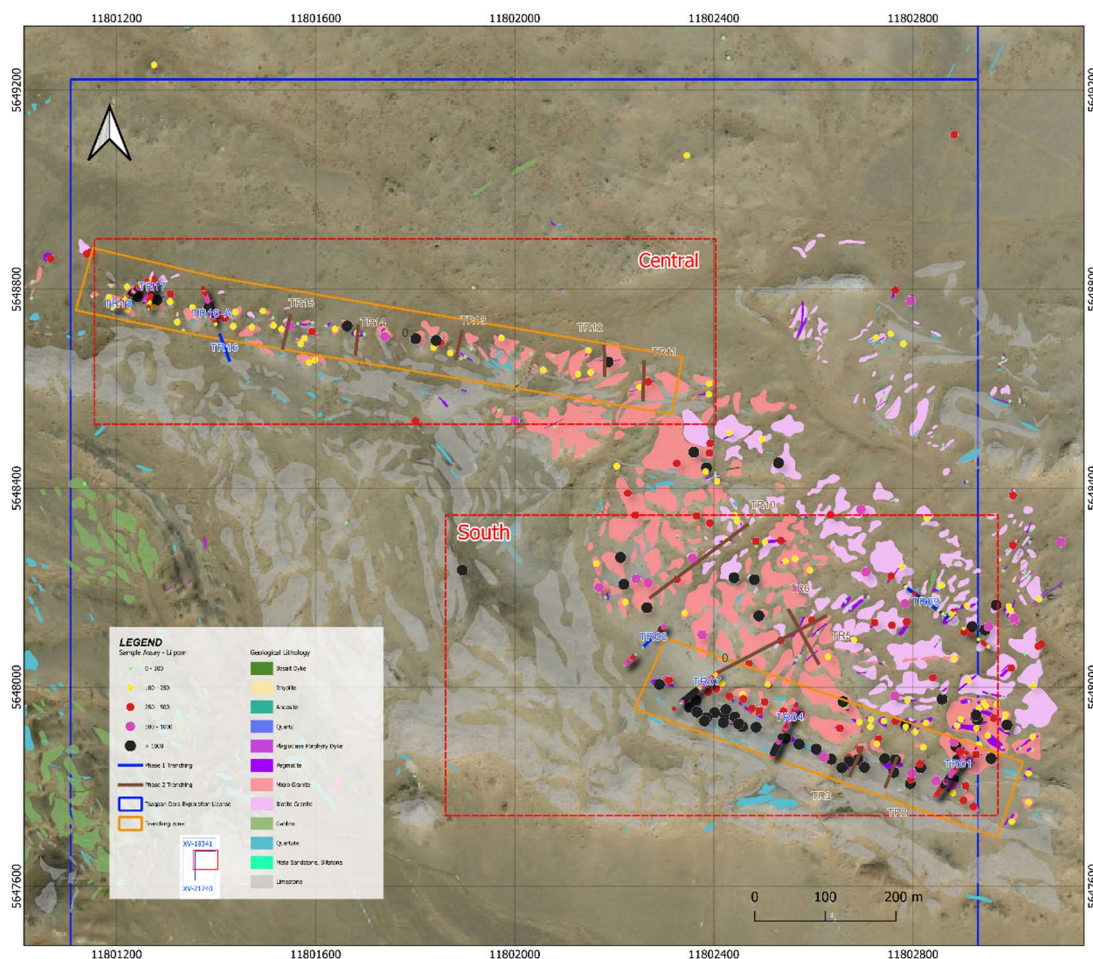


Figure 8. Exploration Target blocks (WGS84 / Pseudo-Mercator)

### Future Exploration

A general plan has been developed to investigate the exploration potential of the Tsagaan Ders project. The program is focused on delineating areas with consistently elevated lithium through next-phase trenching and channel sampling, followed by scout drilling if warranted. A trenching program consisting of 12 trenches (~900 m) to fill gaps in Central and South targets on the pegmatitic border zone and portions of the two-mica granite in the second quarter of 2024. Inclined core holes of 100 m depth for a total of 1,000 m of drilling program are planned in areas of interest identified by trenching. Also, a metallurgical test work is designed as appropriate.

### Khukh Tag Project

The **Khukh Tag** graphite project has a JORC Code (2012) compliant mineral resource estimate of **12.2M tonnes at 12.3% TGC** (comprising an Indicated mineral resource estimate of **1.4M tonnes at 13.9% TGC** and an Inferred mineral resource estimate of **10.8M tonnes @ 12.1% TGC**). Exploration to date completed on the Khukh Tag graphite project includes geological mapping, geochemical sampling, geophysical studies (magnetics and gradient IP), 3348 m of diamond drilling, and initial metallurgical test works.

### Location

The Khukh Tag project consists of a single Exploration Licence (XV-019603) covering an area of 954.05 hectares located in eastern Dundgobi Aimag in south-central Mongolia (Figure 9). Innova holds the Khukh Tag exploration licence which hosts a mid-stage exploration project. There is evidence of



widespread graphite mineralisation within the project. The Khukh Tag project is located about 70 km south of the town of Choir which lies on the asphalt highway and railway linking the capital city Ulaanbaatar with the major border crossing into China at Erenhot.

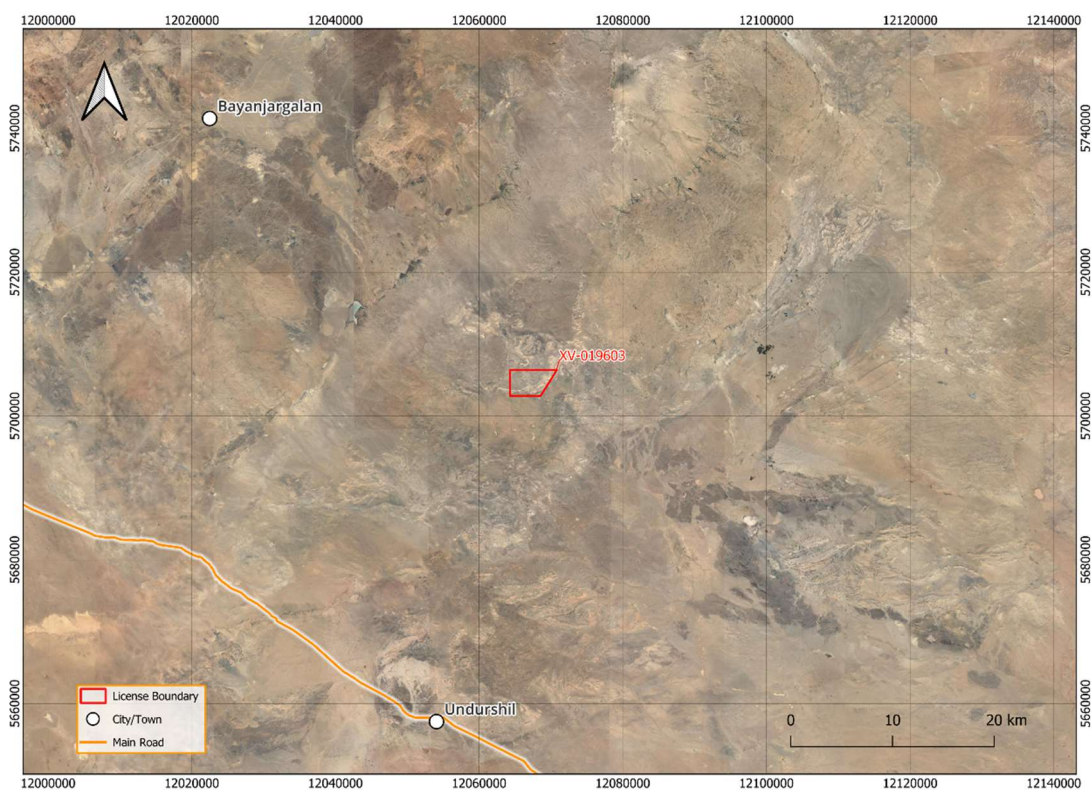


Figure 9. Khukh Tag project location map

### Project History

The Khukh Tag project had not had any prior mineral exploration. The only previous geologic work was general mapping and prospecting by the Mongolian government at various scales.

Innova acquired the Khukh Tag licence after observing graphite mineralisation in outcrops at numerous locations throughout the area. Exploration to date has included geologic mapping, trenching, drilling in several campaigns, geophysical surveying, and other work.

### Geology

The Khukh Tag project lies within the Idermeg Terrane, a Neo-Proterozoic to Cambrian passive margin drape on the crystalline basement of the Central Mongolian Microcontinent. The Khukh Tag project lies within the Argun-Idermeg Superterrane, a Proterozoic to Cambrian passive margin sequence built on a crystalline basement block.

The geology of the region consists of an uplifted block of Mesozoic and older bedrock flanked to the northwest and southeast by Cretaceous and younger basins. The bedrock exposures consist of Proterozoic metasedimentary sequences cut by Proterozoic and Devonian felsic intrusions, Permian volcanic and intrusive complexes, and a large Triassic-Jurassic felsic batholith.



Graphite may be related to felsic intrusions of Cambrian age into Proterozoic sedimentary units including abundant limestones, or graphite may simply be related to regional metamorphism of these units to about lower amphibolite facies.

Deposit geology is well understood based on geological mapping of the area undertaken at various scales by the government and by Innova, and interpretations of the remote sensing imagery, geochemistry and geophysical data sets, and drilling.

The geology of the Khukh Tag project consists of Proterozoic metamorphic units cut by Cambrian, Carboniferous, and Permian intrusions, minor Permian volcanic/volcaniclastic units, and valley-filling Quaternary to Recent alluvium. The majority of the project is occupied by Middle to Upper Neoproterozoic meta-limestone and phyllite-schist containing massive graphite and quartz-graphite schist horizons with interbedded limestone. Cambrian granite generally occurs as small dikes, generally emplaced along schistosity and commonly closely associated with massive graphite. Carboniferous monzodiorite and Permian monzonite intrusions are generally in the form of small stocks and dikes, with the former occurring mainly in the west and the latter in the east and south of the project.

Outcropping massive graphite and banded graphite schist occurs as lenses up to about 800 m in length and up to about 50 m in width, generally along schistosity. Graphite appears to be preferentially developed in the limestone-dominated Upper Neoproterozoic unit. Graphite in the phyllite- and schist-dominated Middle Neoproterozoic unit is associated mainly with thin limestone horizons. Dips are variable but generally steep. The main focus of exploration is massive to banded graphite in target areas where thick and laterally persistent lenses are evident in outcrop, particularly where subparallel lenses provide substantial aggregate widths of graphite mineralisation.

Massive to banded graphite schist occurs throughout the Khukh Tag project in lenses ranging from a few meters of length and a few centimeters of width to hundreds of meters length and tens of meters width. Most of the mapped graphitic lenses have had little exploration. ABM has defined five main target zones (Central, Discovery, West, North, and East) and has focused exploration on the Central, Discovery, and West Zones.

Three major zones of mineralisation have been defined at the Khukh Tag project. Mineralisation is hosted in the 570 m long Central zone, the 500 m long Discovery zone, and the 400 m long West Zone. Mineralisation comprises a series of parallel zones trending 047° to 145° and dipping 60° to 90° to various directions. The mineralisation sub-crops in all three zones, with cover limited by a surficial veneer of unconsolidated desert sands typically 0.1 to 4 m thick.

In very general terms, the Central Zone consists of three subparallel graphitic units with a gently arcuate shape, a roughly east-west strike length of about 700 m, and an aggregate width of about 200 m; the Discovery Zone is a single north-northeast trending unit about 700 m long and 40-140 m wide; and the West Zone consists of three subparallel massive graphitic units with a strike extent of 400 m, one of which is highly folded with a circular geometry.

Mineralisation is open in all directions and there is excellent potential to define additional resource through follow up exploration programs. An Exploration Target has been estimated in the immediate Mineral Resource area, where drilling exists but the spacing is too wide/sparse to allow for classification of Inferred Mineral Resources. In addition, mineralisation remains open in all directions beyond the drill indicated exploration target, as identified through detailed geological mapping, surface chip sampling data and gradient array IP survey results.

## *Drilling*

The drillhole database used to inform the Mineral Resource estimation described below comprises both diamond drill holes and surface trenches. The diamond drill data totalled 57 holes for 3348 m. Seven trenches totalling 361m were excavated, however due to difficulty in trenching bedrock beneath recent cover overburden no samples were taken and therefore trenches were excluded from the estimate. Details of the drilling and significant graphitic intersections are listed in Appendix B.

The drill program was executed with a track-mounted wireline CS1000 drill rig. All drilling has been completed in HQ equivalent core sizes completed by surface wireline rigs. Holes have been completed on an oblique grid with variable drill spacing. A section spacing of approximately 40-60 m along strike and down dip was used in the Central Zone. Drilling patterns generally included scissored holes to ensure correct interpretation of the attitude of the graphite units and were oriented so as to be approximately perpendicular to the overall strike of the graphite units at a given location (Figure 10).

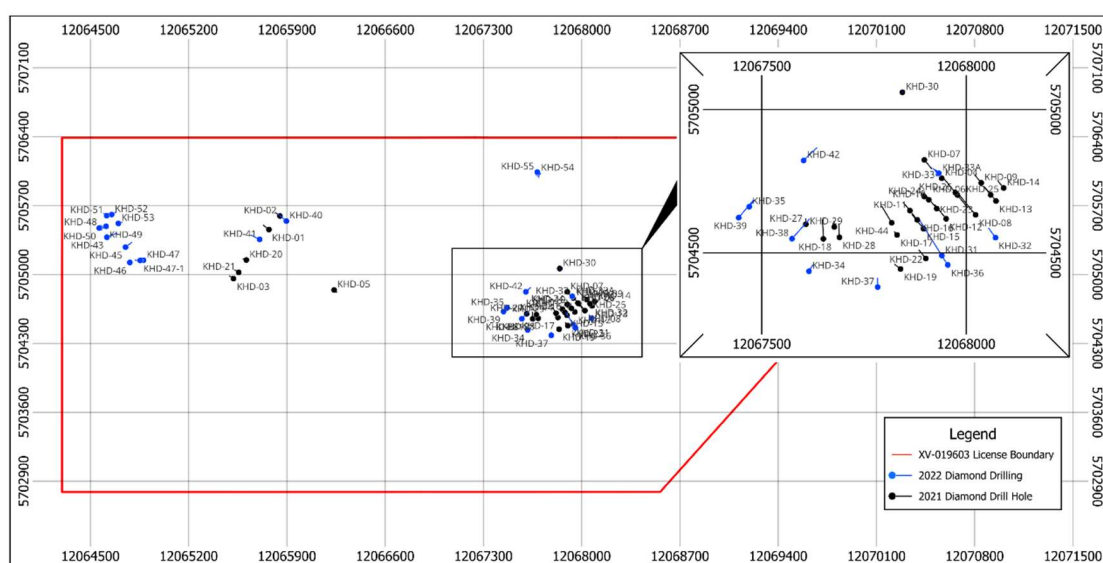


Figure 10. Drillhole location map

#### Mineral Resource estimate – Khukh Tag Project

Drilling at the Khukh Tag project extends to a vertical depth of approximately 125 m and mineralisation was modelled from surface to 170 m depth. The Mineral Resource estimate is defined by a surface diamond drilling completed between 2019 and 2022.

- Geology and geological interpretation / Sampling and sub-sampling techniques: Geological interpretation is based on lithology logging, drill hole assays, surface mapping and surface chip sampling. Drill spacing at Central zone ranges between 40-60 m along strike and down dip. Other areas have variable, generally broader spacing. RPM utilised the Leapfrog GeoTM vein modelling tool to generate a number of parallel discrete estimation domains, where discrete mineralized structures could be traced across multiple cross sections of drilling. The mineralisation modelling was based on the total graphitic carbon (TGC) data, lithology and the trend surfaces. Base of oxidation and base of overburden surface were also modelled as part of the Resource estimate.
- Drilling techniques: Only HQ size diamond drilling technique was used in the estimate. Drilling commenced in 2019 and by the end of 2022 totalled 57 diamond drill holes for total of 3348 m. Drilling was completed with HQ size rods. Triple tube was used in some recent holes to increase core recovery in friable mineralisation.
- Criteria used for classification, including drill and data spacing and distribution, including identifying drill spacing used to classify each category of mineral resource: Mineral Resources have been classified on the basis of confidence in geological and grade continuity using the drilling density, geological model, model grade continuity and conditional bias measures (slope of regression and

kriging efficiency) as criteria. The Indicated Mineral Resource was confined within areas which were defined by at least four drill hole intersections and data spacing of 50 m by 50 m or less, and where the continuity and predictability of the pod positions was good. The Inferred Mineral Resource was assigned to areas of the deposit where drill hole spacing was greater than 50 m by 50 m, where the continuity of the mineralised zones was confirmed with extensional drilling or to small pods of mineralisation outside of the main lenses. A number of mineralisation zones were based on single drill hole intersections but were guided by surface geology maps as well as surface sampling and likely have better continuity than currently interpreted. They have been retained in the model but classified as Exploration Target. Additional Exploration Targets were based on mapped zones with no drill intersections.

- Sample analysis method: TTRC (MAK) and BV (Bureau Veritas) laboratories were used for assays. Holes KHD6, KHD9 to KHD16, KHD20 and KHD24 to KHD28 (232 samples) were analysed at BV while the remaining 710 samples were analysed at the MAK/TTRC laboratory. TTRC and BV used: Method C-IR07 Total Carbon (MNS ASTM D5373 2009), Method C-IR18 Total Graphitic Carbon (MNS ASTM D5373 2009); Total sulfur ASTM D 4239 (MNS ISO 157:2001); Method Ash-01 Ash Content (MNS 0652:79), Method MEGRA05g Loss on Ignition (MNS 975:2002). SGS used Method JC/T 1021.5-2007 Determination of Fixed Carbon (SGS Tianjin). Not all samples were analysed by all methods. Limited S, Ash, LOI and total carbon assays are available. TTRC is ISO 17025 accredited while BV is an internationally recognised independent laboratory.
- Estimation methodology: The resource was modelled using Leapfrog Seequent modelling software while the estimation was carried out in Surpac 2023. Maximum extrapolation of wireframes from drilling was 75 m along strike or half the drill spacing, guided by mapped geology to some extent. Samples were composited to 2 m downhole length with best fit technique. Contact analysis was used to investigate boundary transition between HG and LG domains and in all cases hard boundary approach was used. Not enough samples fall within oxide domain to separate the estimate into oxide and fresh domains. All combined as one in the estimate. Variograms were interpreted for massive graphite schist and banded graphite schist domains. The parent block dimensions were 5m NS by 20m EW by 10m vertical with sub-cells of 1.25m by 1.25m by 1.25m. The parent block size was selected on the basis of kriging neighbourhood analysis. Only total graphitic carbon (TGC%) estimated by Ordinary Kriging (OK) with three estimation passes. Validation of the model included detailed comparison of composite grades and block grades by strike panel due to variable strike orientation and elevation. Validation plots showed good correlation between the composite grades and the block model grades.
- Cut-off grades, including the basis for the selected cut-off grade(s): Cut-off parameters were selected based on an RPM internal cut-off calculator, which indicated a break-even cut-off grade of 4.3% TGC, assuming USD 600 per tonne graphite price (medium term consensus graphite price), a mining cost of USD 3.3 per tonne, a processing cost of USD 19.03 per tonne milled, mining dilution of 5% and ore loss of 5% and processing recovery of 95% TGC assuming flotation operation.
- Mining and metallurgical methods and parameters, and other material modifying factors considered to date: Considering the outcropping and near surface location, and the thick and high-grade nature of the mineralisation, it is assumed that open pit mining will be used. 5% ore loss and 5% dilution were applied. The Khukh Tag project has had petrographic and SEM analysis completed to determine flake size distribution. High proportions of fine flake size material at surface give way to coarser flake size in drill core. This, in combination with the high-grade nature of the mineralisation suggests reasonable prospects for eventual economic extraction. Metallurgical testing has been initiated confirming reasonable concentrate grades (95%) are likely to be produced (Table 6).

Domain	Type	Indicated Mineral Resources		
		Tonnes Mt	TGC %	Cont. Graphite Kt
Massive Graphite schist	Weathered	0.1	14.4	10.7
	Primary	1.1	15.9	167.1
	Sub-Total	1.1	15.8	177.8

Banded Graphite schist	Weathered	0	6.1	1.6
	Primary	0.3	6.7	18.3
Sub-Total		0.3	6.7	19.9
<b>Total</b>		<b>1.4</b>	<b>13.9</b>	<b>197.7</b>

Domain	Type	Inferred Mineral Resources		
		Tonnes Mt	TGC %	Cont. Graphite Kt
Massive Graphite schist	Weathered	1.2	13.9	163.9
	Primary	6.7	14.6	969.1
	Sub-Total	7.8	14.5	1133
Banded Graphite schist	Weathered	0.4	5.8	20.4
	Primary	2.6	5.7	147.7
	Sub-Total	2.9	5.7	168.1
<b>Total</b>		<b>10.8</b>	<b>12.1</b>	<b>1301.1</b>

Domain	Type	Total Mineral Resources		
		Tonnes Mt	TGC %	Cont. Graphite Kt
Massive Graphite schist	Weathered	1.3	13.9	174.5
	Primary	7.7	14.7	1136.3
	Sub-Total	9	14.6	1310.8
Banded Graphite schist	Weathered	0.4	5.8	22
	Primary	2.9	5.8	166
	Sub-Total	3.2	5.8	188
<b>Total</b>		<b>12.2</b>	<b>12.3</b>	<b>1498.8</b>

Table 6. Khukh Tag Mineral Resources – November 2023 (4.3% TGC cut-off)

#### Exploration Potential

Two separate Exploration Targets have been estimated at the Khukh Tag Project in;

- The immediate Mineral Resource area, where the drilling is too sparse to allow for classification of Inferred Mineral Resources (lower risk – drill supported) and in addition,
- Where mineralisation occurs, as indicated by detailed geological mapping and surface chip sampling data but has not been drilled (higher risk – no drill support).

In the immediate Mineral Resource area, a number of wireframes were based on single drill hole intersections but were guided by surface geology maps as well as surface sampling. They are likely to have better continuity than currently interpreted. They have been retained in the model but are classified as Exploration Targets because of the limited drill information (Figure 11). The Exploration Target for this category ranges from 3.5 Mt to 4.0 Mt @ 6% TGC to 12 % TGC for 210 Kt to 480 Kt contained graphite.



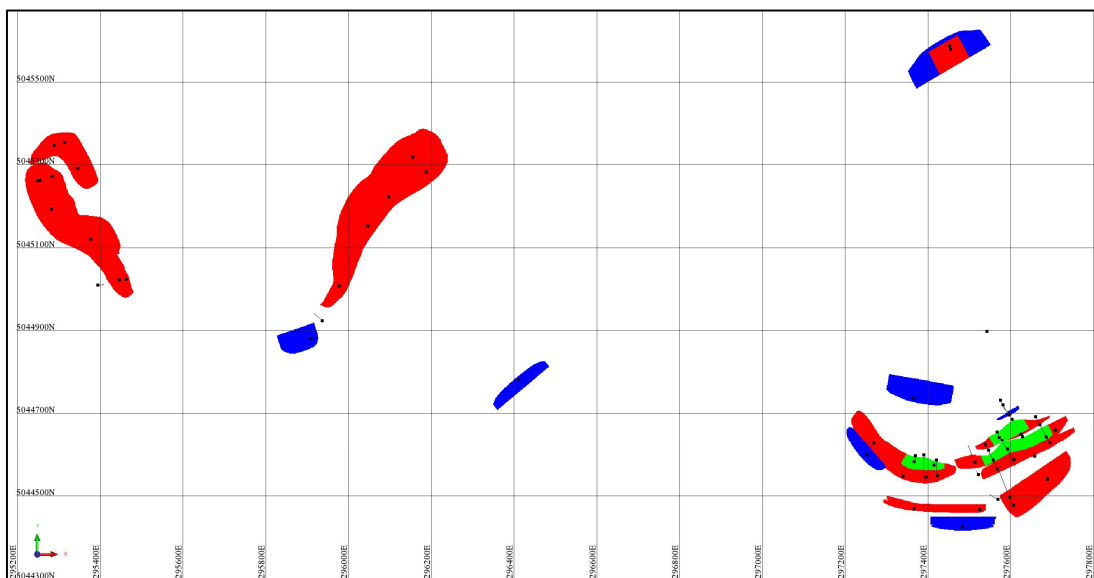


Figure 11. Khukh Tag Resource and Exploration Target outlines (Green – Indicated, Red – Inferred and Blue – Exploration Target)

Graphite mineralisation at Khukh Tag occurs as massive and banded forms, which are intercalated with schist and limestone units. Detailed mapping and chip sampling carried out by ABM identified graphite mineralisation at the surface. These zones tend to match with current defined Mineral Resource boundaries reasonably well, suggesting the geologic map which was produced is of high quality, however these zones have not been drill tested and are higher risk than the Unclassified Mineralisation targets above, which have at least one drill intersection. Using the boundaries of mapped graphite mineralisation and chip sample results, 33 target/zones have been modelled (Table 7 and Figure 12). The Exploration Target estimate for these zones is 13.6 Mt to 84.3 Mt @ 5.2% to 9.1 % TGC for potential contained graphite of 0.71 Mt to 7.6 Mt with flake size estimated to be in the range of 10% -15% Jumbo, 15% - 20 % Coarse, 10% - 15% Medium, 25% - 30% Small and 20% - 25% Fine.

Zones	Area (m2)		Volume (million m3)		bd (t/m3)	Million tonnes (Mt)		TGC %		Contained Graphite (kt)	
	Min	Max	Min	Max		Min	Max	Min	Max	Min	Max
1	3,200	12,800	0.26	1.66	2.3	0.59	3.83	5.4	9.7	31.5	369.3
2	700	2,800	0.06	0.36	2.3	0.13	0.84	10.0	14.2	12.9	119.2
3	1,900	7,600	0.10	0.38	2.3	0.22	0.87	7.7	5.8	16.8	50.9
4	6,200	24,800	0.31	1.24	2.3	0.71	2.85	18.2	24.3	129.8	693.6
5	700	2,800	0.06	0.36	2.3	0.13	0.84	6.0	9.2	7.7	76.9
6	7,200	28,800	0.58	3.74	2.3	1.32	8.61	4.9	6.0	64.9	515.8
7	600	2,400	0.05	0.31	2.3	0.11	0.72	6.0	6.9	6.6	49.3
8	1,600	6,400	0.13	0.83	2.3	0.29	1.91	9.5	10.5	27.9	200.2
9	1,500	6,000	0.12	0.78	2.3	0.28	1.79	4.4	6.0	12.1	107.6
10	1,400	5,600	0.11	0.73	2.3	0.26	1.67	5.9	6.0	15.2	100.5
11	2,200	8,800	0.18	1.14	2.3	0.40	2.63	5.3	6.8	21.6	179.7
12	1,300	5,200	0.10	0.68	2.3	0.24	1.55	6.0	9.1	14.4	141.0
13	1,400	5,600	0.11	0.73	2.3	0.26	1.67	4.2	5.8	10.9	97.3
14	1,100	4,400	0.09	0.57	2.3	0.20	1.32	3.7	21.9	7.6	288.1
15	3,800	15,200	0.30	1.98	2.3	0.70	4.54	1.8	10.6	12.2	481.7
16	2,000	8,000	0.16	1.04	2.3	0.37	2.39	8.8	19.4	32.5	463.6
17	500	2,000	0.04	0.26	2.3	0.09	0.60	6.0	7.2	5.5	42.9
18	4,900	19,600	0.39	2.55	2.3	0.90	5.86	3.0	15.7	27.0	921.8
19	2,100	8,400	0.17	1.09	2.3	0.39	2.51	3.9	4.4	15.0	110.0
20	1,800	7,200	0.14	0.94	2.3	0.33	2.15	5.1	8.3	16.8	177.6
21	600	2,400	0.05	0.31	2.3	0.11	0.72	6.0	10.8	6.6	77.4
22	2,700	10,800	0.22	1.40	2.3	0.50	3.23	3.7	6.0	18.5	193.8
23	3,200	12,800	0.26	1.66	2.3	0.59	3.83	2.9	6.5	17.2	247.2
24	1,200	4,800	0.10	0.62	2.3	0.22	1.44	4.0	6.0	8.8	86.1
25	2,600	10,400	0.21	1.35	2.3	0.48	3.11	5.0	7.9	23.8	245.7
26	3,100	12,400	0.25	1.61	2.3	0.57	3.71	3.9	5.0	22.5	184.3
27	2,800	11,200	0.22	1.46	2.3	0.52	3.35	3.0	6.6	15.5	221.4

28	6,500	26,000	0.52	3.38	2.3	1.20	7.77	2.0	5.3	23.9	408.9
29	2,500	10,000	0.20	1.30	2.3	0.46	2.99	2.4	6.1	11.0	182.1
30	2,800	11,200	0.14	0.56	2.3	0.32	1.29	6.0	18.7	19.3	240.3
31	1,100	4,400	0.09	0.57	2.3	0.20	1.32	18.7	19.7	37.9	258.6
32	900	3,600	0.07	0.47	2.3	0.17	1.08	3.0	4.0	5.0	43.2
33	1,100	4,400	0.09	0.57	2.3	0.20	1.32	3.0	5.0	6.1	65.3
<b>Total</b>	<b>77,200</b>	<b>308,800</b>	<b>5.85</b>	<b>36.66</b>	<b>2.3</b>	<b>13.45</b>	<b>84.31</b>	<b>5.2</b>	<b>9.1</b>	<b>705.01</b>	<b>7,641.25</b>

Table 7. Khukh Tag Exploration Targets with no drilling.

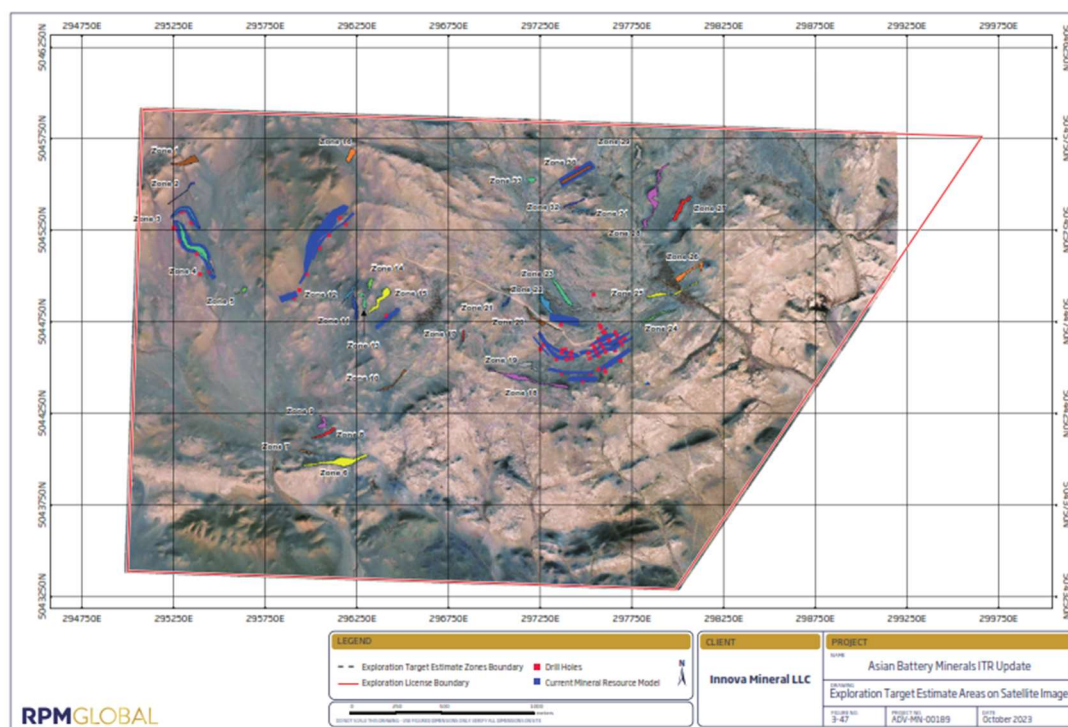


Figure 12. Khukh Tag Exploration Target Estimate Areas on Satellite Imagery.

The potential quantities and grades of the Exploration Targets above are conceptual in nature. There has been insufficient exploration to estimate a Mineral Resource. It is uncertain if further exploration will result in the estimation of a Mineral Resource.

#### Future exploration works

The proposed exploration program is focused on additional drilling to target higher-grade zones to increase the average grade of the Khukh Tag project mineral resource estimate, additional infill drilling to improve confidence in the Inferred resource, and advancing mineral processing work to develop an optimal flow sheet.

RPM recommends an exploration program as follows:

- a total of 17 holes with 80 m depth for a total of 2550 m of drilling is planned to improve confidence in the current model to Inferred classification resource;
- a total of 30 holes for 3,000 m are planned to test the Target identified by surface mapping and chip sampling; and
- a more systematic approach is required for any further test work studies. Prior to initiating this test work, the nature and number of ore types needs to be resolved as well as the probable target market and thus preferred product.

#### 4. Acquisition Agreement

A binding heads of agreement dated 29 December 2023 (**Acquisition Agreement** or **Agreement**) has been entered into between the Company ABM, and certain major shareholders of ABM (who collectively hold approximately 68.7% of the issued shares of ABM) (together, the **Major Shareholders**), pursuant

to which the Company has agreed to acquire 100% of the shares in ABM held by the Major Shareholders, and to make offers to acquire 100% of the shares in ABM held by every other shareholder (the **Remaining Shareholders**) (the Major Shareholders and Remaining Shareholders together being referred to as the **Vendors**).

Upon completion of the Acquisition, the Company will be the indirect 100% owner of Innova and Ragnarok, which hold Mineral Exploration Licences XV-020515 (the Yambat Nickel-Copper-PGE project), XV-019603 (the Khukh-Tag graphite project) and XV-021740 and XV-019341 (the Tsagaan Ders lithium project) (the **Licences**).

A summary of the Acquisition Agreement is set out at Section 7 below.

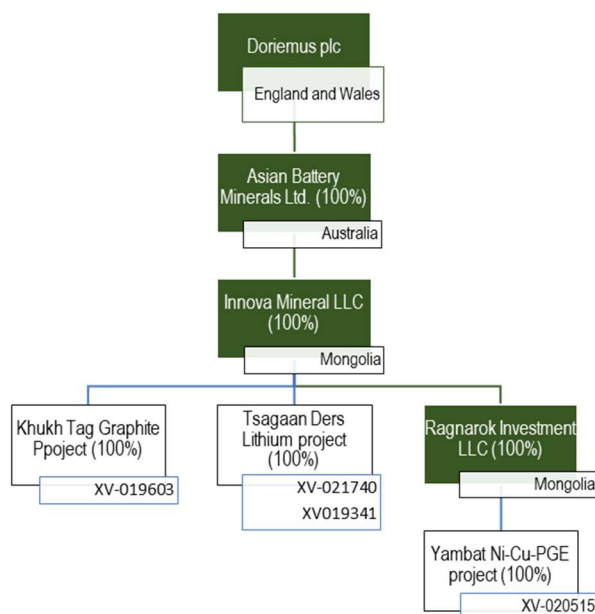
## 5. Consolidation and Capital Raising

In order to satisfy the requirements of Chapters 1 and 2 of the ASX Listing Rules, the Company proposes to undertake a consolidation of its issued capital on a 43 for 50 basis by consolidating every 50 Shares into 43 Shares (**Consolidation**). Unless otherwise stated, figures in this announcement are stated on a post-Consolidation basis.

In connection with the Acquisition, the Company is proposing to undertake a capital raising to raise a \$6,000,000, consisting of the issue of 120,000,000 Shares (post-Consolidation) at an issue price of \$0.05 per Share (**Capital Raising**). The Capital Raising will be conducted pursuant to a prospectus to be lodged by the Company with the Australian Securities and Investments Commission (**ASIC**) (**Prospectus**).

## 6. Group structure

A group structure diagram upon settlement of the Acquisition (**Settlement**) is set out below, which assumes completion of the Acquisition.



## 7. Summary of the terms of the Acquisition Agreement

A summary of the material terms of the Acquisition Agreement is as follows:

- (a) Each of the Major Shareholders agrees to sell all of their respective shares held in ABM, and DOR agrees to acquire those securities, on the terms and conditions set out in the Acquisition Agreement.
- (b) DOR agrees to make offers to acquire all of the shares in the capital of ABM held by the Remaining Shareholders for the consideration apportioned between the respective



Remaining Shareholders as set out in the Acquisition Agreement. Each of ABM and the Major Shareholders agrees to use their best endeavours to procure the Remaining Shareholders to accept these offers.

- (c) **(Conditions Precedent):** Completion of the Acquisition remains subject to and conditional on the following conditions precedent:
- (i) Completion of due diligence by DOR on ABM's business and operations, including its subsidiaries and the Licences, to the satisfaction of DOR;
  - (ii) Completion of due diligence by ABM on DOR's business and operations, to the satisfaction of ABM;
  - (iii) ASX granting a waiver from ASX Listing Rule 2.1 condition 2 to allow the issue of CDIs pursuant to the Capital Raising at an issue price of less than 20 cents and a waiver from ASX Listing Rule 1.1 condition 12, to allow the Consideration Options and Broker Options (defined below) to have an exercise price of less than 20 cents and ASX giving confirmation under Listing Rule 6.1 to allow the issue of the Performance Rights (defined below);
  - (iv) DOR shareholders approving the transactions contemplated by the Acquisition Agreement, including:
    - A. Issue of the Broker Options, Performance Rights, and Consideration Securities to the Vendors and the disapplication of pre-emption rights, in accordance with the *Companies Act 2006* (UK) and the ASX Listing Rules;
    - B. Consolidation of DOR's issued share capital on a 43 for 50 basis (**Consolidation**);
    - C. The adoption of new articles of association of DOR containing any amendments necessary to accommodate change to the ASX Listing Rules regarding escrow.
  - (v) DOR obtaining from ASX conditional approval to complete the Acquisition for reinstatement of its securities to official quotation subject to DOR's re-compliance with Chapters 1 and 2 of the ASX Listing Rules on terms and conditions reasonably acceptable to DOR, including:
    - A. Lodging a full form prospectus with ASIC, inclusive of all necessary independent technical reports (**Prospectus**); and
    - B. Receiving valid, binding, and irrevocable applications for a minimum of A\$6,000,000 under the Prospectus at an issue price of \$0.05 per CDI on post-Consolidation basis (**Capital Raising**)
  - (vi) the Vendors (or their respective nominee/s) entering into such Restriction Agreements with respect to Consideration Securities as required by ASX;
  - (vii) the parties obtaining all necessary third party consents and approvals necessary to lawfully complete the Acquisition;
  - (viii) DOR obtaining confirmation from the UK Takeovers Panel that it is exempt from the Takeovers Code or DOR obtaining such other relief as is necessary under the Takeovers Code to lawfully complete the Acquisition;
  - (ix) all of the Remaining Shareholders accepting the offers (when made) in respect of 100% of their ABM shares;

- (x) DOR shareholders representing no less than 40% of the total number of DOR shares on issue immediately prior to Settlement entering into voluntary restriction deeds for the escrow of 50% of their DOR shares for a period of six (6) months from Settlement and 50% of their DOR shares for a period of 12 months from Settlement; and
- (xi) ABM completing a private short term debt financing of A\$300,000 from lenders at an interest rate of 10% per annum from draw down until repayment and repayable on the earlier of 31 March 2024 or Settlement, unless otherwise agreed between ABM and the relevant lender (**ABM Loan Funding**).

(together, the **Conditions Precedent**). If the Conditions Precedent are not satisfied (or waived in accordance with the Acquisition Agreement) by 31 December 2023 (in the case of the ABM Loan Funding), the date of lodgement of the prospectus (in the case of the Conditions Precedent relating to completion of due diligence), or 31 May 2024 (for the other Conditions Precedent), or such other date as DOR and ABM may agree in writing, the agreement constituted by the Heads of Agreement will be at an end and the parties will be released from their obligations thereunder.

- (d) (**Consideration**): The consideration to be paid to the Vendors will consist of the following:
  - (i) 364,500,000 fully paid ordinary shares in the issued capital of DOR at a deemed issue price of A\$0.05 each (**Consideration Shares**);
  - (ii) 364,500,000 options in the following three tranches:
    - A. 182,250,000 exercisable at \$0.10 each
    - B. 91,125,000 exercisable at \$0.125 each
    - C. 91,125,000 exercisable at \$0.15 each
 and an expiry date of four (4) years from the date of issue (**Consideration Options**);

The Consideration Shares and Consideration Options are referred to as the **Consideration Securities**. The Consideration Securities are to be issued at Settlement to the recipients set out in the Acquisition Agreement. In summary: the Consideration Securities are to be issued to the Major Shareholders and Remaining Shareholders pro rata to their holding of ABM Shares at Settlement.

- (e) (**Deposit**): The Company has agreed to pay ABM \$100,000 (**Deposit**) within 5 business days of execution of the HOA. The Deposit is non-refundable other than where either or both of the Conditions Precedent in Section 7(c)(ii) or 7(c)(xi) are not satisfied (or waived in a manner permitted by the Acquisition Agreement) on or before the relevant date or ABM or a Major Shareholder breaches a material term of the Acquisition Agreement.
- (f) (**Change of Board**): With effect from Settlement, Gan-Ochir Zunduisuren, David Paull, Neil Young and Kirsten Livermore (**Proposed Directors**) will be appointed as directors of DOR and Keith Coughlan, Mark Freeman and Greg Lee will resign as directors of DOR.
- (g) (**Terms of appointment – Proposed Directors**): With effect from Settlement:
  - (i) Mr Gan-Ochir Zunduisuren will be appointed the Managing Director of DOR on terms compliant with UK law and the ASX Listing Rules, inclusive of a salary of A\$250,000 per annum, with a maximum term of 3 years. The agreement may be terminated by either party giving 3 months' notice in writing; and
  - (ii) The directors' fees of each of the other directors of DOR will be A\$50,000 per annum for the Chair, and A\$40,000 per annum for each of the remaining proposed Non-Executive Directors.

(h) **(Performance Rights):** The Proposed Directors and proposed CFO will be issued a total of 18,000,000 Performance Rights across three classes apportioned between them as follows: 9,000,000 to Gan-Ochir Zunduisuren (3,000,000 in each of Class A, B and C), 3,000,000 to David Paull (1,000,000 in each of Class A, B and C) 2,500,000 each to Kirsten Livermore and Neil Young (833,333 in each of Class A and B and 8,333,334 in Class C), and 1,000,000 to Phillip Rundell (333,333 each of Class A and B, and 333,334 in Class C) each converting into one (1) ordinary fully paid share in the capital of DOR upon achievement of the performance criterion relevant to each class:

(i) **Class A:** DOR announcing to ASX the determination of an inferred resource (as defined in the JORC Code 2012) of greater than 100,000t of contained total nickel equivalent with a cut-off grade of 0.2% in relation to the Licences according to the following formula:

$$\text{NiEq \%} = \text{Ni\%} + (\text{Cu price} \times \text{Cu\%} / \text{Ni price}) + ((\text{Au price} \times \text{Au g/t}) / (\text{Ni price} \times 0.31103)) + ((\text{Pd Price} \times \text{Pd g/t}) / (\text{Ni price} \times 0.31103)) + ((\text{Pt price} \times \text{Pt g/t}) / (\text{Ni price} \times 0.31103)) + (\text{Co price} \times \text{Co \%} / \text{Ni price})$$

Assuming metals price of Ni U\$18,443/t, Cu U\$7,844/t, Au U\$1,821/oz, Pd U\$1,158/oz, Pt U\$862/oz, Co U\$33,420/t

Cut-off grades of Ni 0.1%, Cu 0.1%, Au 0.1ppm, Pd 0.1ppm, Pt 0.1ppm, Co 0.05%,

provided that this event occurs within 3 years of the date of issue of the Class A Performance Shares

(ii) **Class B:** DOR announcing to ASX the receipt of a positive definitive feasibility study in relation to the Licences with a net present value of not less than \$100M and an internal rate of return of not less than 25% provided that this event occurs within 3 years of the date of issue of the Class B Performance Shares;

;

(iii) **Class C:** The volume weighted average price over a period of 30 consecutive ASX trading days on which trades in DOR Shares are recorded on ASX being at least \$0.125, provided that this event occurs within 3 years of the date of issue of the Class C Performance Shares

(each a **Milestone**).

All classes of Performance Rights confer no rights to dividends or other distributions, or voting rights. Full terms of the Performance Rights are set out in Schedule 2 of this Announcement.

(i) **(Repayment of ABM Loan Funding):** The ABM Loan Funding (plus any accrued interest) will mature and become repayable in full to the lenders on the earlier of 31 March 2024 or Settlement unless agreed otherwise by ABM and the relevant lender in writing.

(j) **(Change of Company name):** The Company proposes to change its name to Asian Battery Metals plc. Shareholder approval for the change will be sought at the meeting to consider approval of the Acquisition.

(k) **(Escrow):** ABM and the Major Shareholders have acknowledged that the Consideration Securities may be subject to escrow under the ASX Listing Rules, and have agreed to enter into (and procure entry into by the Remaining Shareholders and their respective controllers, if required by ASX) restriction agreements in respect of the Consideration Securities in the quantity and for the duration determined by ASX.



- (l) **(Settlement):** Settlement will occur on the date which is 5 business days after satisfaction (or waiver, if permitted) of the Conditions Precedent (or such other date as agreed between the parties in writing).

The Acquisition Agreements otherwise contain representations, warranties and conditions considered standard for agreements of their nature.

## 8. Capital Raising

To assist the Company to re-comply with Chapters 1 and 2 of the ASX Listing Rules and to support its business strategy post-Settlement, the Company plans, subject to shareholder approval, to conduct a capital raising to raise \$6,000,000 by the issue of 120,000,000 Shares (post-Consolidation) at an issue price of \$0.05 per Share.

The Capital Raising will be undertaken pursuant to a full form prospectus.

As at the date of this announcement, the Capital Raising is not proposed to be underwritten.

The Company has appointed Inyati Capital Pty Ltd (I 642 351 193) (AFS Authorised Representative number 001287573) as Lead Manager to the Capital Raising.

The Company has agreed to pay the Lead Manager (or its nominees) a fee of 6% of the amount of the Capital Raising. In addition, the Company will issue, subject to Shareholder approval, a total of up to 11,564,533 Options exercisable at \$0.10 each on or before the date that is four (4) years after their date of issue (**Broker Options**) to the Lead Manager or its nominees.

## 9. Use of Funds

The Company intends to apply funds raised under the Capital Raising, together with existing cash reserves, over the first two years following re-admission of the Company to the Official List of ASX as follows:

Use of funds	Amount
<b>Available funds</b>	
Existing cash reserves of the Company as at 30 June 2023 <sup>1</sup>	\$ 2,550,000
Gross funds to be raised under the Capital Raising	\$ 6,000,000
<b>Total</b>	<b>\$ 8,550,000</b>
<b>Use of funds</b>	
Estimated cash expenses of the Capital Raising <sup>2</sup>	\$ 660,000
<i>Exploration and development expenditure on the Licences, as follows<sup>3</sup>:</i>	
Khukh Tag Graphite Project	\$ 2,373,000
Tsagaan Ders Lithium Project	\$ 628,000
Yambat Ni-Cu-PGE Project	\$ 1,891,000
Administration costs <sup>4</sup>	\$ 2,478,715
Repayment of ABM Loan Funding <sup>5</sup>	\$ 309,863
Working Capital <sup>6</sup>	\$ 209,422
<b>Total</b>	<b>\$ 8,550,000</b>

### Notes:

- The cash reserves for ABM as at 30 June 2023 plus the proceeds from the ABM Loan Funding have not been included on the basis that it is expected that the remaining cash reserves and the loan funds will have been spent by completion of the Transaction on such matters as exploration expenditure commitments on the Licences and general operating costs.
- These costs are expected to be comprised of:
  - ASX/ASIC fees (\$110,000)

- Lead Manager fees (\$360,000)
- Adviser fees (legal, accounting, geologist) (\$190,000)

3. Refer to Section 3 for details of proposed activities.

4. Includes ASX compliance costs, director, consultants and company secretarial fees, office costs, corporate advisory and PR costs, accounting, IT, audit, and general overhead costs for a period of 24 months following reinstatement to official quotation.

<b>Administration costs – Australia</b>	<b>\$ 1,921,715</b>
Salary cost	\$ 1,328,715
Strategic advisor, investor relations	\$ 235,000
Legal and audit services	\$ 160,000
Account service and office rent	\$ 128,000
Directors' and officers' liability insurance	\$ 70,000

<b>Administration costs – Mongolia</b>	<b>\$ 557,000</b>
Salary cost	\$ 272,000
Office rent and supply	\$ 144,000
Audit and legal service	\$ 117,000
Software licence fee	\$ 24,000

5. The ABM Loan Funding is repayable on the earlier of Settlement or 31 March 2024. The above repayment amount is based on the funds being drawn down on 1 December 2023 (\$200,000) and 4 December 2023 (\$100,000) and being repaid on 31 March 2024, together with interest accrued between those dates. In the event the loan term is shorter, and the associated interest payment is lower, then the funds saved will be allocated to working capital. In the event the loan term is longer, and the associated interest payment is lower, then the funds saved will be reallocated from working capital.

6. Other general working capital may be used for corporate expenditure items, including administration costs for the period following the initial two-year period following reinstatement to official quotation, or in connection with any project, investment or acquisition, as determined by the Board at the relevant time. For example, the Company's projects may warrant further exploration activities in time or the Company may be presented with additional acquisition opportunities for evaluation which may result in the Company incurring costs relating to due diligence investigations and expert and adviser fees. The Company notes that it is not currently considering other acquisitions, any future acquisitions are likely to be in the mineral exploration sector, the timing of any transactions is not yet known and if no suitable opportunity arises, and subject to outcomes of exploration activities, the Company may elect to allocate some or all of these funds to its existing project.

The above table is a statement of current intentions as of the date of this announcement. As with any budget, intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way funds are applied on this basis.

## 10. Effect of the Acquisition on the Company's consolidated total assets and total equity interests

The effect of the Acquisition and associated Capital Raising on the Company's consolidated statement of financial position is set out in Schedule 1 to this Announcement.

The principal effects on the Company's consolidated statement of financial position will be:

- current assets will increase by approximately \$5,184,975 and comprising the net proceeds of the Capital Raising (after payment of the estimated costs of the Offer);
- non-current assets will increase by approximately \$3,472,359 being the value of the non-current assets of ABM (principally capitalised exploration expenditure on its mineral exploration licences); and
- total equity interests will increase by \$8,221,671.

## 11. Effect of the Acquisition on the Company's annual expenditure

The Company expects that its expenditure on the Licences following completion of the Acquisition will be as set out in Section 9.

Revenue forecasts relating to mineral exploration companies are uncertain, and accordingly the Company is unable to provide investors with reliable revenue, profit, or cash flow projections or forecasts.

## 12. Pro forma capital structure

The indicative share capital structure of the Company following completion of the Acquisition, based on the current securities on issue and including the Capital Raising, will be as follows (subject to rounding following the Consolidation):

	Number
CDIs (post-Consolidation)	
Currently on issue (post-Consolidation)	103,506,250
Consideration Shares	364,500,000
Capital Raising	120,000,000
<b>Total (CDIs post-Consolidation)</b>	<b>588,006,250</b>
Options (post-Consolidation)	
Quoted Options currently on issue (DORO): \$0.1163 exercise price (post-Consolidation), 1 September 2026 expiry date)	28,421,243
<i>Sub-Total Quoted Options</i>	<i>28,421,243</i>
Director Options currently on issue (post-Consolidation) (\$0.1163 exercise price (post-Consolidation), 2 September 2026 expiry date)	5,160,000
Broker Options (to be issued to brokers assisting with the Capital Raising) (\$0.010 exercise price, 4 year expiry date)	11,564,533
Vendor Options (to be issued to ABM Shareholders) (\$0.10 exercise price, 4 year expiry date)	182,250,000
(\$0.125 exercise price, 4 year expiry date)	91,125,000
(\$0.15 exercise price, 4 year expiry date)	91,125,000
<i>Sub-Total Unquoted Options</i>	<i>381,224,533</i>
<b>Total Options (post-Consolidation)</b>	<b>409,645,776</b>
<b>Performance Rights (post-Consolidation)</b>	
Performance Rights (to be issued to Directors and officers)	
Class A (refer to details of vesting condition and expiry date in Schedule 2)	6,000,000
Class B (refer to details of vesting condition and expiry date in Schedule 2)	6,000,000
Class C (refer to details of vesting condition and expiry date in Schedule 2)	6,000,000
<b>Total Performance Rights (post-Consolidation)</b>	<b>18,000,000</b>

*Note: Post-Consolidation figures remain subject to rounding for fractional entitlements*

## 13. Control issues

No person will acquire control of, or voting power of 20% or more in, the Company as a result of the Acquisition and Capital Raising. It is noted that the Company is incorporated in England and Wales, but its securities are not quoted on any regulated market in the UK. In the UK pursuant to the City Code on Takeovers and Mergers the threshold for a control position that triggers an obligation to make a takeover offer to all shareholders of certain companies is 30% or more of the voting rights of such a company. The Company is not subject to the takeovers or substantial shareholding disclosure provisions of the *Corporations Act 2001* (Cth).

## 14. Board and Senior Management

It is currently intended that all existing directors of the Company will resign from the Doriemus board upon completion of the Acquisition and re-compliance with Chapters 1 and 2 of the Listing Rules.

The following directors will join the Board upon completion of the Acquisition:



## **Mr David Anthony Paull**

Non-Executive Chairman, Independent

B Com, MBA (Dist), F Fin

David Paull is an experienced public company director and Chairman. He was the Non-Executive Chairman of Aspire Mining Limited and had been the company's Managing Director from 2010 to 2019. David is a founding Director of ABM and has over 30 years of experience in the resources industry, covering business development, industrial minerals marketing and capital raising.

## **Mr Gan-Ochir Zunduisuren**

Managing Director

B. Eng, MSGF, MAusIMM

Gan-Ochir Zunduisuren has over 20 years of experience in the mining industry and has held board roles with Aspire Mining Ltd and Oyu Tolgoi LLC. He obtained his mining education from Haileybury School of Mines, Canada, and Mongolian University of Sci & Tech, MSc in Finance (NYU-HKUST), and is a Member of AusIMM.

## **Mr Neil Young**

Non-Executive Director, Independent

MA

Neil Young is currently Chief Executive Officer of ASX-listed company Elixir Energy Ltd. He has had more than twenty years of experience in senior management positions in the upstream and downstream parts of the energy sector including EY, Tarong Energy and Santos. He has also developed various new ventures in other countries including Kazakhstan, Japan, USA and Mongolia. Mr Young has a M.A. (Hons) joint degree in Economics/Politics from the University of Edinburgh.

## **Ms Kirsten Livermore**

Non-Executive Director, Independent

Kirsten Livermore has over twenty years of experience in policy regulation and issues management relating to mining. She served fifteen years in the Australian parliament representing a large rural electorate, with a significant resources industry. As a senior advisor with the Minerals Council of Australia, she managed key relationships and represented the industry in policy debates over environmental regulation, community relations and native title.

Kirsten has a law degree from the University of Queensland and completed a MSc in Development Management at the London School of Economics.

*Senior Management*

## **Mr Phil Rundell**

Chief Financial Officer and Company Secretary

Phil Rundell is a former Partner at Coopers & Lybrand (now PriceWaterhouseCoopers) and a Director at Ferrier Hodgson. He is now a sole practitioner Chartered Accountant specialising in providing company secretarial, compliance, accounting and reconstruction services.

Phil was Company Secretary (and equivalent CFO) of Aspire Mining Limited (ASX:AKM) for over 10 years (Feb 2010 to Dec 2022) and is currently Company Secretary and CFO of Peak Rare Earths Limited (ASX:PEK) (appointed Dec 2020).

#### 15. Timetable

A timetable for the Acquisition and associated events is set out below:

Event	Date
Notice of General Meeting sent to the Company's shareholders	2 February 2024
Lodgement of the Prospectus with ASIC	9 February 2024
Opening date of the Capital Raising	9 February 2024
General Meeting to approve Acquisition	27 February 2024
Effective Date of Consolidation of Capital	27 February 2024
Closing Date of the Capital Raising	15 March 2024
Issue of Shares under the Capital Raising	2 April 2024
Issue of Consideration Securities / Settlement of the Acquisition	2 April 2024
Dispatch of holding statements	2 April 2024
Expected date for re-instatement to quotation of Shares (including Shares issued under the Capital Raising) on ASX	5 April 2024

**Note:** The above timetable is indicative only and has not been endorsed by ASX. Actual dates will be subject to the *Corporations Act 2001* (Cth) (and the *UK Companies Act 2006* (UK), where applicable to the shareholders' meeting) and the ASX Listing Rules, and the Company reserves the right to vary any and all of the above dates without notice.

#### 16. Activities and business model on completion of the Acquisition

The Company will become a mineral exploration company following completion of the Acquisition. Its proposed activities following completion of the Acquisition is to undertake exploration on the Licences. The Company intends to allocate funds raised from the Capital Raising, together with the Company's existing cash reserves as set out in Section 9 above.

#### 17. Key risks and dependencies

The key risks of the Acquisition and following completion of the Acquisition are:

##### (a) Risks relating to the change in nature and scale of activities

###### (i) Completion risk

Pursuant to the Acquisition Agreement, the Company has agreed to acquire 100% of the issued capital of ABM, completion of which is subject to the fulfilment of certain conditions. There is a risk that the Conditions Precedent cannot be fulfilled and, in turn, that completion of the Acquisition does not occur.

If the Acquisition is not completed, the Company will incur costs relating to advisors and other costs without any material benefit being achieved.

###### (ii) Re-quotation of Shares on ASX

The Acquisition constitutes a significant change in the nature and scale of the Company's activities and the Company needs to re-comply with Chapters 1 and 2 of the ASX Listing Rules as if it were seeking admission to the Official List of ASX.

There is a risk that the Company may not be able to meet the requirements of the ASX for re-quotation of its securities on the ASX. Should this occur, the securities will not be able to

be traded on the ASX until such time as those requirements can be met, if at all. Shareholders may be prevented from trading their Shares should the Company be suspended until such time as it does re-comply with the ASX Listing Rules.

(b) **Risks in respect of operations**

(i) **Information Accuracy Risk**

The Company will be acquiring mining information from ABM which has been compiled by previous explorers on the Licences areas. Any inaccuracies in that information could adversely affect the Company's ability to implement its planned exploration program.

(ii) **Future capital needs and additional funding**

The Company's ability to raise capital (equity or debt) within an acceptable time period, of a sufficient amount and on terms acceptable to the Company will vary according to a number of factors, including the success of its exploration and development programs, any feasibility studies, stock market and industry conditions and the price of minerals and exchange rates. Any equity raising would also have a dilutionary impact on the percentage holding of the Shareholders.

The funds to be raised under the Capital Raising are considered sufficient to meet the immediate objectives of the Company and implementation of the strategy detailed in Section 16. No assurance can be given that future funding will be available to the Company on favourable terms (or at all). If adequate funds are not available on acceptable terms the Company may not be able to further develop its projects and it may impact on the Company's ability to continue as a going concern.

(iii) **Commodity Price Volatility and Exchange Rate Risk**

If the Company achieves exploration success which leads to mineral production, the revenue to be derived from the sale of mineral products will be subject to commodity price risks. Commodity prices fluctuate and are affected by numerous industry factors including demand for precious and base metals, forward selling by producers, production cost levels in major producing regions, and macroeconomic factors (such as inflation, interest rates, currency exchange rates and global and regional demand).

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

These factors may have a positive or negative effect on the Company's exploration, project development and production plans and activities, together with the ability to fund those plans and activities.

(iv) **Assets**

The Proposed Directors, officers and advisors have significant experience in the mineral exploration industry and the acquisition of strategic investments for expansion of businesses and assets. However, all of the Licences are early- to mid-stage and will require extensive work programs. There can be no assurance that the Company's exploration of the Licences or any other exploration projects that may be acquired in the future, will result in the discovery and exploitation of minerals. There is a risk that none of the Company's objectives will be achieved.

**(v) Disposal of the Company's historic UK assets**

In the normal course of business of the Company's operations, it may become involved in, named as a party to, or be the subject of, various legal proceedings, including regulatory proceedings, tax proceedings and legal actions, relating to personal injuries, property damage, property taxes, land rights, the environment and contractual disputes.

The outcome of any future litigation cannot be predicted with certainty. The Company is seeking to limit its exposure to litigation risks in relation to the Company's historic UK assets by disposing of these assets and seeking favourable indemnities and waivers from the buyers of those assets. The Company has started the process of rationalizing or winding up its UK assets but as at the date of this announcement the Company has a 4% shareholding in the English company Horse Hill Developments Limited (which has a 65% legal and beneficial interest in each of PEDL 137 and PEDL 246, and a 5% interest in PEDL 331, which are located in the UK). There can be no guarantee that the Company will be able to dispose of these assets on favourable terms or at all. Should the Company be unable to dispose of these assets any litigation or dispute in relation to these assets in the future may have a material adverse effect on the Company's assets, liabilities, business, financial condition and results of operations.

**(vi) Political conditions and government regulations**

The Licences are located in Mongolia and are held subject to Mongolian law. Changes may occur in the Mongolian political, fiscal and legal systems, which might adversely affect the ownership or operation of the Company's interests including, inter alia, changes in exchange rates, exchange control regulations, expropriation of mineral rights, changes in government and in legislative, fiscal and regulatory regimes. The Company's strategy has been formulated in the light of the current regulatory environment and likely future changes. Although the Proposed Directors believe that ABM's activities are currently carried out in accordance with all applicable rules and regulations, no assurance can be given that new rules, laws and regulations will not be enacted or that existing or future rules and regulations will not be applied in a manner which could serve to limit or curtail exploration, production or development of the Company's business or have an otherwise negative impact on its activities. Amendments to existing rules, laws and regulations governing the Company's operations and activities, or increases in or more stringent enforcement, implementation or interpretation thereof, could have a material adverse impact on the Company's business, results of operations and financial condition and its industry in general in terms of additional compliance costs.

**(vii) Development**

The Company's ability to achieve any production, development, operating cost and capital expenditure estimates in a timely manner cannot be assured. Possible future development at any of the Company's projects is subject to a number of risk factors including, but not limited to, unfavourable geological conditions, failing to receive the necessary approvals from all relevant authorities and parties, unseasonal weather patterns, unanticipated technical and operational difficulties encountered in production activities, mechanical failure of operating plant and equipment, unexpected shortages or increases in the price of consumables, spare parts and plant and equipment, cost overruns, risk of access to the required level of funding and contracting risk from any third parties providing essential services.

In the event that the Company commences production, its operations may be disrupted by a variety of risks and hazards which are beyond its control, including environmental hazards,



industrial accidents, technical failures, labour disputes, unusual or unexpected rock formations, flooding and extended interruptions due to inclement or hazardous weather conditions and fires, explosions and other accidents. Such occurrences could result in damage to, or destruction of, production facilities, personal injury or death, environmental damage, delays in drilling, increased production costs and other monetary losses and possible legal liability to the owner or operator of a mine. The Company may become subject to liability for pollution or other hazards against which it has not insured or cannot insure, including those in respect of past exploration activities in an area for which it was not responsible.

(viii) **Land access risks**

Land access is critical for the Company's exploration and production programs to succeed. In all cases the acquisition of prospective exploration licences is a competitive business, in which proprietary knowledge or information is critical and the ability to negotiate satisfactory commercial arrangements with other parties is often essential.

The rights of an exploration licence holder to access the land covered by the licence are protected by Mongolian law, and as a result, land access risks are generally minimal in Mongolia. However, in practice, local herdsmen or neighbours to the land may oppose a certain route of access. In such cases, according to Article 138.2 of the Civil Code of Mongolia, the licence holder must negotiate and reach an agreement with the neighbour(s) regarding the access route and provide one-time compensation to the neighbour(s). If they cannot agree on the amount of compensation, the matter shall be resolved by a Mongolian court which may lead to delays to the Company's proposed activities.

(c) **Industry Specific Risks**

(i) **Exploration and Operating Risk**

The Licences are at an early to mid-stage of exploration. Mineral exploration and development are high-risk undertakings and there can be no assurance that future exploration of the Licences, or any other mineral exploration licences that may be acquired in the future will result in the discovery of an economic mineral resource. Even if an apparently viable resource is identified, there is no guarantee that it can be economically exploited.

The future exploration activities of the Company will be subject to all the hazards and risks normally encountered in the exploration for minerals and may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns or adverse weather conditions, unanticipated operational and technical difficulties, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated problems which may affect extraction costs, industrial and environmental accidents, industrial disputes, unexpected shortages and increases in the costs of consumables, spare parts, plant, equipment and staff, changing government regulations and many other factors beyond the control of the Company.

The success of the Company will depend upon:

- (A) the Company's ability to maintain title to the Licences;
- (B) the Company being able to delineate economically recoverable resources and reserves;
- (C) movements in the price of commodities and exchange rate fluctuations;

- (D) the Company obtaining and maintaining all consents and approvals (including environmental approvals) necessary to conduct its exploration activities; and
- (E) the successful management of development operations.

In the event that Company's exploration programs prove to be unsuccessful, this could lead to a diminution in the value of the Licences, a reduction in the cash reserves of the Company and possible relinquishment of one or more of the Licences.

Until the Company is able to realise value from the Licences or any other areas in respect of which it obtains exploration licences or permits, it is likely to incur ongoing operating losses.

(ii) **Resources and Reserves**

There is currently a resource estimate in respect of the Khukh Tag project. Resource and Reserve estimates are expressions of judgement based on knowledge, experience and industry practice. Estimates which were valid when initially calculated may alter significantly when new information or techniques become available. In addition, by their very nature Resource and Reserve estimates are imprecise and depend to some extent on interpretations which may prove to be inaccurate. Estimates are likely to change as further information becomes available through fieldwork and analysis. This may result in alterations to development and mining plans.

If the Company encounters geological formations different from those predicted by past drilling and other exploration data and interpretations, resource estimates may need to be altered in a way that could adversely affect the Company's operations.

(iii) **Environmental Risks**

The operations and proposed activities of the Company in Mongolia will be subject to Mongolian laws and regulation concerning the environment. As with most mineral exploration projects, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or development proceeds. It is the Company's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws.

There is also a risk that environmental laws and regulations may become more onerous, making the Company's operations more expensive.

(iv) **Title Risks**

Interests in exploration licences in Mongolian are governed by Mongolian mining law. Each licence is for a specific term (i.e., an exploration licence is issued for 3 (three) years and can be extended 3 (three) times for a period of 3 years) and carries with it annual expenditure and reporting commitments, as well as other conditions requiring compliance. Consequently, the Company could lose title to or its interest in the Licences if these conditions are not met or if insufficient funds are available to meet expenditure commitments. Additionally, Licences are subject to renewal. There is no guarantee that the current Licences and any future exploration licences and/or applications for licences or renewal of the Licences or other exploration licences will be approved.

(v) **Exploration Costs**

The estimated exploration costs of the Company as set out in Section 9 are based on certain assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainty, and accordingly, the actual costs may materially differ from the estimates and assumptions. Accordingly, no

assurance can be given that the cost estimates and the underlying assumptions will be realised in practice, which may materially and adversely affect the Company's viability.

(vi) **Rehabilitation cost risk**

In relation to the Company's historic and future planned exploration programs, issues could arise with respect to abandonment costs, consequential clean-up costs, environmental concerns and other liabilities. In most of these instances, the Company could become subject to liability if, for example, there is environmental pollution or damage from the Company's exploration activities and there are consequential clean-up costs at a later point in time. While the Company has received no firm claims or notifications in this regard in relation to its existing assets, nor ABM in relation to the Licences, it remains possible that such claims could arise and could materially adversely affect the financial position and performance of the Company.

Additionally, the Company estimates abandonment and rehabilitation costs based on current understanding. There is no guarantee that actual costs will not be higher than are currently estimated. Regulators may also, over time, impose higher standards for these activities which may increase the associated costs. This may adversely affect the financial position and performance of the Company.

(vii) **Community opposition**

The Company's ability to undertake exploration on the Licences will depend in part on its ability to maintain good relations with the relevant local communities. Any failure to adequately manage community expectations with respect to compensation for land access, exploration activity, employment opportunities, impact on local business and any other expectations may lead to local dissatisfaction, disruptions in the exploration program and potential losses to the Company.

There is a risk that community disapproval leads to direct action which impedes the Company's ability to carry out its lawful operations which may cause project delay, reputational damage and increased costs and thus impact the financial performance of the Company.

(d) **General risks**

(i) **Reliance on key personnel**

The Company's future depends, in part, on its ability to attract and retain key personnel. It may not be able to hire and retain such personnel at compensation levels consistent with its existing compensation and salary structure. Its future also depends on the continued contributions of its executive management team and other key management and technical personnel, the loss of whose services would be difficult to replace. In addition, the inability to continue to attract appropriately qualified personnel could have a material adverse effect on the Company's business.

(ii) **Economic and financial market risks**

General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's activities, as well as on its ability to fund those activities.

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

- (A) general economic outlook;
- (B) interest rates and inflation rates;
- (C) currency fluctuations;
- (D) changes in investor sentiment toward particular market sectors;
- (E) the demand for, and supply of, capital; and
- (F) war, terrorism or other hostilities.

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

(iii) **Taxation**

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

To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability and responsibility with respect to the taxation consequences of acquiring or disposing of securities in the Company.

(iv) **Force majeure**

The Company, 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, extreme weather conditions, fires, floods, explosions or other catastrophes, epidemics or quarantine restrictions.

(v) **Risk of high volume of Share sales**

If Settlement occurs, the Company will have issued a significant number of new securities to various parties. The Vendors and others that receive securities as a result of the Acquisition or the Capital Raising may not intend to continue to hold those securities and may wish to sell them on ASX (subject to any applicable escrow period). There is a risk that an increase in the amount of people wanting to sell Shares may adversely impact on the market price of the Company's securities.

There can be no assurance that there will be, or continue to be, an active market for securities in the Company or that the price of those securities will increase. As a result, shareholders may, upon selling their securities in the Company, receive a market price for their securities that is less than the price of securities offered pursuant to the Capital Raising.

(vi) **Trading price of Shares**

The Company's operating results, economic and financial prospects and other factors will affect the trading price of the Shares. In addition, the price of Shares is subject to varied and often unpredictable influences on the market for equities, including, but not limited to, general economic conditions including the performance of the Australian dollar on world markets, inflation rates, foreign exchange rates and interest rates, variations in the general market for listed stocks in general, changes to government policy,



legislation or regulation, industrial disputes, general operational and business risks and hedging or arbitrage trading activity that may develop involving the Shares.

In particular, the share prices for many companies have been and may in the future be highly volatile, which in many cases may reflect a diverse range of non-company specific influences such as global hostilities and tensions relating to certain unstable regions of the world, acts of terrorism and the general state of the global economy. No assurances can be made that the Company's market performance will not be adversely affected by any such market fluctuations or factors.

(vii) **Litigation Risk**

The Company is exposed to possible litigation risks including native title claims, tenure disputes, environmental claims, occupational health and safety claims and employee claims. The Company may also be involved in disputes with third parties in the future which may result in litigation. Should any such claim or dispute be determined not in the Company's favour, this may impact adversely on the Company's operations, financial performance and financial position.

As at the date of this announcement, the Company is not involved in any litigation.

(viii) **Competition Risk**

The industry in which the Company is involved is subject to domestic and global competition. Although the Company will undertake all reasonable due diligence in its business decisions and operations, the Company will have no influence or control over the activities or actions of its competitors, which activities or actions may, positively or negatively, affect the operation and financial performance of the Company's projects and business. Increased competition may reduce sales, selling prices and profit margins and may adversely affect the Company's financial performance.

The Company will also face competition for the procurement of equipment and skilled labour. Failure to secure appropriate equipment and labour in a timely and cost effective manner may impact the operational and financial impact of the Company.

(ix) **Contractual Arrangements**

The Company is party to a number of material contracts, and it may become party to other material contracts in future. Failure by any other party to a contract with the Company to comply with their obligations could have a material adverse effect on the Company.

(x) **Insurance Risk**

The Company intends to obtain insurance for its operations in accordance with industry practice. However, the Company's insurance may not be of a nature or level to provide adequate insurance against all possible risks to the Company. The occurrence of an event that is not fully covered by insurance could have a material adverse effect on the Company.

Insurance of all risks associated with mineral exploration or production is not always available, and where available, the costs of such insurance may be prohibitive.

The above list of risk factors should not be taken as exhaustive of the risks faced by the Company or investors in the Company. The above risk factors, and others not specifically mentioned may in the future materially affect the financial performance of the Company and the value of securities in the Company. Securities in the Company carry no guarantee with respect to the payment of dividends,

returns of capital or the market value of those securities. Any investment in the Company is highly speculative.

The key dependencies influencing the viability of the Acquisition are the Company's capacity to:

- (a) re-comply with Chapters 1 and 2 of the ASX Listing Rules to enable re-admission to quotation of the Company's securities; and
- (b) meet the objectives of the Company and implementation of the strategy detailed in Section 16.

## 18. Recent issues of securities

The Company has not issued any equity securities in the last six months.

ABM has issued or will have issued a total of 90,393,358 shares between its incorporation and settlement of the Acquisition. The following issues have occurred in the last six months.

Issue Date	Quantity	Consideration	Cash raised
8 September 2023	849,998	Conversion of accrued director fees (\$0.20 per Share)	-

ABM also proposes to complete the following issue of equity securities before completion of the Acquisition:

Issue Date	Quantity	Consideration	Cash raised
TBC*	1,750,000	\$0.01 per Share	\$17,500
* Immediately prior to completion of the acquisition of ABM		Fee to lead manager to seed raising	

## 19. Accounts

Copies of the audited accounts of the Company for the financial year ended 31 December 2022 and its reviewed accounts for the half year ended 30 June 2023 are available on the Company's website at [www.doriemus.co.uk](http://www.doriemus.co.uk)

A copy of the audited accounts of ABM for the financial year ended 31 December 2022 and reviewed accounts for the half-year ended 30 June 2023 is available on the Company's website at [www.doriemus.co.uk](http://www.doriemus.co.uk).

## 20. Re-compliance with ASX Listing Rules Chapters 1 and 2

Since the Acquisition will result in a significant change to the nature and scale of the Company's activities, the Acquisition will require the Company's shareholders' approval under ASX Listing Rule 11.1.2 and will also require the Company to re-comply with Chapters 1 and 2 of the ASX Listing Rules in accordance with ASX Listing Rule 11.1.3.

## 21. Shareholder approvals

A notice of meeting seeking shareholder approval for the resolutions required to give effect to the Acquisition will be sent to the Company's shareholders in due course. It is expected that the Company's will convene a general meeting in November 2023 to facilitate Shareholder approval for matters in respect of the Acquisition. Those approvals will include:

- (a) the change in nature and scale of the Company's activities;
- (b) the Consolidation of the Company's capital;

- (c) the issue of the Consideration Securities to the Vendors;
- (d) the issue of Shares in connection with the Capital Raising;
- (e) the issue of Options to the Lead Manager;
- (f) the issue of Performance Rights to the Proposed Directors and other parties; and
- (g) approvals required under the *Companies Act 2006* (UK) to increase the number of equity securities that the Company is authorised to issue.

The Company's securities are currently suspended from quotation on ASX and, subject to shareholder approval being obtained, will remain suspended until the Company has re-complied with Chapters 1 and 2 of the ASX Listing Rules and the Acquisition has been completed.

## 22. Regulatory approvals and waivers required

The Company has obtained in-principle approval for the following waivers and confirmations from ASX:

- (a) a waiver from ASX Listing Rule 2.1 condition 2 to allow the issue of CDIs pursuant to the Capital Raising at an issue price of less than 20 cents, subject to:
  - (i) the issue price of the Capital Raising Shares being not less than 2 cents (satisfied by the proposed issue price of 5 cents);
  - (ii) the terms of the waiver are disclosed to the market and, along with the terms and conditions of the Capital Raising Shares, are clearly disclosed in the notice of meeting pursuant to which the Company will seek the approval required under ASX Listing Rule 11.1.2 for the Acquisition and in the prospectus to be issued in respect of the Capital Raising;
  - (iii) the Company's shareholders approve the issue price of the Capital Raising Shares in conjunction with the approval obtained under ASX Listing Rule 11.1.2 in respect of the Acquisition; and
  - (iv) the Company completes a consolidation of its capital structure in conjunction with the recompliance such that its securities are consolidated at a ration that will be sufficient, based on the lowest price at which the Company's securities traded over the 20 days prior to the Company's suspension, to achieve a market value for its securities of not less than 2 cents each (satisfied by the proposed Consolidation).
- (b) a waiver from ASX Listing Rule 1.1 condition 12, to allow the Consideration Options, Broker Options and Performance Rights to have an exercise price of less than 20 cents subject to:
  - (i) the full terms of the waiver and terms and conditions of the Consideration Options (Schedule 3), Broker Options (Schedule 4) and Performance Rights (Schedule 2) are disclosed to the market and disclosed in the notice of meeting pursuant to which the Company will seek the approval of the Company's shareholders to issue the Consideration Options and Broker Options in conjunction with the approval obtained under ASX Listing Rule 11.1.2 for the Acquisition; and
  - (ii) the full terms and conditions of the Consideration Options (Schedule 3), Broker Options (Schedule 4) and Performance Rights (Schedule 2) are disclosed in the prospectus to be issued in respect of the Capital Raising; and
- (c) confirmation that the terms of the Performance Rights to be issued to the Vendors are appropriate and equitable, for the purposes of ASX Listing Rule 6.1.

The Company intends to seek the following waivers and confirmations from ASX:

- (d) Look-through escrow relief to permit a portion of the Vendor Shares to be free from ASX escrow under Chapter 9 of the Listing Rules based on the cash contributions of investors in ABM.

The Company expects that ASX will treat the Consideration Securities to be issued to the Vendors as restricted securities in accordance with Chapter 9 of the ASX Listing Rules.

## **23. Fees paid or payable in connection with finding, arranging or facilitating the Acquisition**

Other than as disclosed in this Announcement, there are no fees payable to any person in connection with finding, arranging, or facilitating the Acquisition or Capital Raising.

Fees payable to the Lead Manager are set out in Section 7.

Dragon Tree Capital Pty Ltd (**Dragon Tree**), a shareholder of ABM, is party to a corporate advisory services agreement and a consulting agreement with ABM pursuant to which Dragon Tree is entitled to a right to be issued 1,750,000 ABM shares at \$0.01 per share. (These ABM shares will be issued prior to settlement of the Acquisition, and will be transferred to the Company pursuant to the Acquisition Agreement - refer to Section 19).

The consideration payable to the Vendors under the Acquisition Agreement is set out in Section 7, and the proposed fees payable to the Lead Manager in respect of the Capital Raising are set out in Section 8.

## **24. Regulatory requirements generally**

The Company notes that:

- (a) the Acquisition requires shareholder approval under the ASX Listing Rules and therefore may not proceed if that approval is not forthcoming;
- (b) the Company is required to re-comply with ASX's requirements for admission and quotation and therefore the Acquisition may not proceed if those requirements are not met;
- (c) ASX has an absolute discretion in deciding whether or not to re-admit the Company to the Official List and to quote its securities and therefore the Acquisition may not proceed if ASX exercises that discretion; and
- (d) investors should take account of these uncertainties in deciding whether or not to buy or sell the Company's securities.

Furthermore, the Company:

- (e) notes that ASX takes no responsibility for the contents of this announcement; and
- (f) confirms that it is in compliance with its continuous disclosure obligations under ASX Listing Rule 3.1.

## **25. Due diligence**

The Company has taken appropriate enquiries into the assets constituting and the liabilities appertaining to, and the prospects of, ABM and the Licences, for the Board to be satisfied that the Transaction is in the interest of the Company and its shareholders.

**This announcement has been authorised for release by the Board.**

### **CONTACT:**

For further information on this update or the Company generally, please visit our website at [www.doriemus.co.uk](http://www.doriemus.co.uk) or contact:



Shannon Robinson  
Company Secretary  
Tel: +61 (0) 8 9463 2463  
Email: [Shannon.robinson@nexiaperth.com.au](mailto:Shannon.robinson@nexiaperth.com.au)

Investors should make and rely upon their own enquiries before deciding to acquire or deal in the Company's securities.

#### **FORWARD LOOKING STATEMENTS AND IMPORTANT NOTICE:**

This announcement may contain forecasts, projections, and forward-looking information. Although the Company believes that its expectations, estimates and forecast outcomes are based on reasonable assumptions it can give no assurance that these will be achieved. Expectations, estimates, projections, and information provided by the Company are not a guarantee of future performance and involve unknown risks and uncertainties, many of which are out of the Company's control. In respect to its UK operations, Doriemus is reliant on the information provided by the operators of those assets and does not control the day-to-day operations of these projects and is not always able to independently verify the information provided by such operators. Actual results and developments may differ materially from those expressed or implied. It is believed that the expectations reflected in these statements are reasonable, but they may be affected by many variables which could cause actual results or trends to differ materially. To the maximum extent permitted by applicable laws, the Company makes no representation and can give no assurance, guarantee or warranty, express or implied, as to, and takes no responsibility and assumes no liability for (1) the authenticity, validity, accuracy, suitability or completeness of, or any errors in or omission from, any information, statement or opinion contained in this announcement and (2) without prejudice to the generality of the foregoing, the achievement or accuracy of any forecasts, projections or other forward looking information contained or referred to in this announcement.

#### **Competent Person Statement**

The information in this report relating to Exploration Results, Exploration Targets and Mineral Resources is based on, and fairly represents, information and supporting documentation prepared by Mr Robert Dennis who is a Member of the Australian Institute of Geoscientists. Mr Robert Dennis is Executive Consultant Geology and Competent Person Resources in RPM. Mr Robert Dennis has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration, and to the activities being undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Robert Dennis consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

# Doriemus

## Schedule 1 – Pro Forma Financial Information

Pro-forma Balance Sheet	ABM	DOR	Note 1	Note 2	Note 3	Note 4	Note 5	Note 6	Note 7	Pro-forma
	Reviewed as at	Reviewed as at	Capital Raising	Loan Funding	Additional	ABM Budgeted	BHP Xplor	Performance	Reverse	Balance Sheet
	30 June 2023	30 June 2023			ABM Shares	Spend	program	Rights	Acquisition	
	\$	\$	\$	\$	\$	\$	remaining			\$
<b>CURRENT ASSETS</b>										
Cash and cash equivalents	661,586	2,550,000	5,340,000	300,000	17,500	(1,079,100)	-	-	(100,000)	7,689,986
Trade and other receivables	16,731	16,000	-	-	-	-	-	-	-	32,731
Prepaid payments	27,771									27,771
Inventory	487	-	-	-	-	-	-	-	-	487
<b>TOTAL CURRENT ASSETS</b>	<b>706,575</b>	<b>2,566,000</b>	<b>5,340,000</b>	<b>300,000</b>	<b>17,500</b>	<b>(1,079,100)</b>	<b>-</b>	<b>-</b>	<b>(100,000)</b>	<b>7,750,975</b>
<b>NON CURRENT ASSETS</b>										
Fixed assets	60,059	-	-	-	-	-	-	-	-	60,059
Property, plant and equipment	41,548									41,548
Exploration and evaluation assets	3,188,201	-	-	-	-	475,200	(292,649)	-	-	3,370,752
<b>TOTAL NON CURRENT ASSETS</b>	<b>3,289,808</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>475,200</b>	<b>(292,649)</b>	<b>-</b>	<b>-</b>	<b>3,472,359</b>
<b>TOTAL ASSETS</b>	<b>3,996,383</b>	<b>2,566,000</b>	<b>5,340,000</b>	<b>300,000</b>	<b>17,500</b>	<b>(603,900)</b>	<b>(292,649)</b>	<b>-</b>	<b>(100,000)</b>	<b>11,223,334</b>
<b>CURRENT LIABILITIES</b>										
Exploration and evaluation expenditure funding in advance	292,649	-	-	-	-	-	(292,649)	-	-	-
Trade and other payables	245,432	108,000	-	309,863	(170,000)	-	-	-	-	493,295
Lease liabilities	48,706									48,706
<b>TOTAL CURRENT LIABILITIES</b>	<b>586,787</b>	<b>108,000</b>	<b>-</b>	<b>309,863</b>	<b>(170,000)</b>	<b>-</b>	<b>(292,649)</b>	<b>-</b>	<b>-</b>	<b>542,001</b>
<b>NON CURRENT LIABILITIES</b>										
Trade and other payables	1,662	-	-	-	-	-	-	-	-	1,662
<b>TOTAL NON CURRENT LIABILITIES</b>	<b>1,662</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,662</b>
<b>TOTAL LIABILITIES</b>	<b>588,449</b>	<b>108,000</b>	<b>-</b>	<b>309,863</b>	<b>(170,000)</b>	<b>-</b>	<b>(292,649)</b>	<b>-</b>	<b>-</b>	<b>543,663</b>
<b>NET ASSETS</b>	<b>3,407,934</b>	<b>2,458,000</b>	<b>5,340,000</b>	<b>(9,863)</b>	<b>187,500</b>	<b>(603,900)</b>	<b>-</b>	<b>-</b>	<b>(100,000)</b>	<b>10,679,671</b>
<b>EQUITY</b>										
Share capital	4,562,415	17,466,000	4,946,806	-	520,000	-	-	-	759,000	28,254,221
Retained earnings	(1,127,778)	(16,494,000)	-	(9,863)	(332,500)	(603,900)	-	(842,400)	(11,318,875)	(30,729,316)
Reserves	(26,703)	1,486,000	393,194	-	-	-	-	842,400	10,459,875	13,154,766

# Doriemus

TOTAL EQUITY	3,407,934	2,458,000	5,340,000	(9,863)	187,500	(603,900)	-	-	(100,000)	10,679,671
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**Note 1.** DOR is proposing to raise A\$6m at an issue price of A\$0.05 per CDI ('Capital Raising') with estimated costs of the capital raising of \$660,000. 11,564,533 options ('Broker Options') with an exercise price of \$0.10 and expiry date of 4 years will be issued to brokers assisting with the Capital Raising which have been valued using the Black & Scholes option valuation method.

**Note 2.** It is a condition precedent to the Acquisition Agreement that ABM completes a private short term debt financing of A\$300,000 from lenders at an interest rate of 10% per annum from draw down until repayment. The ABM Loan Funding is repayable on the earlier of Settlement or 31 March 2024. The above repayment amount is based on the funds being drawn down on 1 December 2023 (\$200,000) and 4 December 2023 (\$100,000) and being repaid on 31 March 2024, together with interest accrued between those dates.

**Note 3.** ABM issued 849,998 shares on 8 September 2023 in consideration for the conversion of accrued director remuneration totalling \$170,000 at a deemed issue price of \$0.20. ABM will issue 1,750,000 additional shares in consideration for corporate advisor services at a nominal issue price of \$0.01 per share.

**Note 4.** ABM budgeted spend between the balance date (30 June 2023) and Settlement.

**Note 5.** In January 2023, the ABM was selected to participate in the inaugural BHP Xplor Program for supporting and developing further exploration work at the Yambat project. In the six months ended 30 June 2023 ABM received US\$500,000 (A\$730,225) in tranches of A\$250,000, A \$150,000 and A\$100,000, with the last tranche received in June 2023. The expenditure in the period and the expenditure carried forward for the Yambat project is net of the funding received under the BHP Xplor Program expended to June 2023. At 30 June 2023 there was A\$292,649 remaining to be expended and this is shown as a liability as at 30 June 2023 notwithstanding it is non-recourse, non-refundable and expended post 30 June 2023 on the Yambat project.

**Note 6.** DOR will issue a total of 18m performance rights in three classes:

- 6m Class A performance rights which will vest on DOR announcing to ASX the determination of an inferred resource (as defined in the JORC Code 2012) of greater than 100,000t of contained total nickel equivalent with a cut-off grade of 0.2% in relation to the Licences according to the following formula:

$$\text{NiEq \%} = \text{Ni\%} + (\text{Cu price} \times \text{Cu\%} / \text{Ni price}) + ((\text{Au price} \times \text{Au g/t}) / (\text{Ni price} \times 0.31103)) + ((\text{Pd Price} \times \text{Pd g/t}) / (\text{Ni price} \times 0.31103)) + ((\text{Pt price} \times \text{Pt g/t}) / (\text{Ni price} \times 0.31103)) + (\text{Co price} \times \text{Co \%} / \text{Ni price})$$

Assuming metals price of Ni U\$18,443/t, Cu U\$7,844/t, Au U\$1,821/oz, Pd U\$1,158/oz, Pt U\$862/oz, Co U\$33,420/t

Cut-off grades of Ni 0.1%, Cu 0.1%, Au 0.1ppm, Pd 0.1ppm, Pt 0.1ppm, Co 0.05%,

- 6m Class B performance rights which will vest on DOR announcing to ASX the receipt of a positive definitive feasibility study in relation to the Licences with a net present value of not less than \$100M and an internal rate of return of not less than 25%.
- 6m Class C performance rights which will vest on the volume weighted average price over a period of 30 consecutive ASX trading days on which trades in DOR Shares/CDIs are recorded on ASX being at least \$0.125.

The Class A performance rights have been valued at \$300,000 (based on a deemed value equal to the issue price of the DOR Shares/CDIs under the Capital Raising), the Class B performance rights have been valued at \$300,000 and the Class C performance rights have been valued at \$242,400 (using a combination of Hoadley's Barrier1 Model and Hoadley's Parisian Model).

**Note 7.** DOR is proposing to acquire 100% of the share capital of ABM ('Transaction'), for consideration of a \$100,000 cash deposit payable within 5 business days of execution of the Acquisition Agreement, and the issue of 364,500,000 shares ('Consideration Shares') and 182,250,000 options exercisable at \$0.10, 91,125,000 options exercisable at \$0.125 and 91,125,000 options exercisable at \$0.15 ('Consideration Options'). This has been accounted for as a reverse takeover. As such, the balance sheet of ABM has been used as the basis for the pro-forma. To reflect the reverse takeover, share capital, reserves and accumulated losses of DOR have been eliminated, and a listing expense of A\$27,712,875 has been recognised in accumulated losses. The listing expense is the excess value of Consideration Shares and Consideration Options over DOR's net assets acquired.

## Schedule 2 - Terms and conditions of Performance Rights

(a) **Plan Rules**

Each Performance Right is issued subject to the rules of the Dorionemus Performance Rights Plan (**Plan**) and otherwise on the following terms and conditions.

(b) **Entitlement**

Each Performance Right entitles the holder to subscribe for one DOR Share upon exercise of the Performance Right which will be settled by the issue of one CHES Depository Interest (**CDI**).

(c) **Grant and exercise price**

No cash consideration is payable on the issue of or exercise of a Performance Right.

(d) **Expiry Date**

Unless otherwise determined by the rules of the Plan, each Performance Right will expire at 5:00 pm (WST) on that date that is three years from the date of issue (**Expiry Date**). A Performance Right not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(e) **Vesting Conditions**

The Performance Rights will vest upon satisfaction of the following condition:

Class	Vesting Condition
A	<p>DOR announcing to ASX the determination of an inferred resource (as defined in the JORC Code 2012) of greater than 100,000t of contained total nickel equivalent with a cut-off grade of 0.2% in relation to the Licences according to the following formula:</p> $\text{NiEq \%} = \text{Ni\%} + (\text{Cu price} \times \text{Cu\%} / \text{Ni price}) + ((\text{Au price} \times \text{Au g/t}) / (\text{Ni price} \times 0.31103)) + ((\text{Pd Price} \times \text{Pd g/t}) / (\text{Ni price} \times 0.31103)) + ((\text{Pt price} \times \text{Pt g/t}) / (\text{Ni price} \times 0.31103)) + (\text{Co price} \times \text{Co \%} / \text{Ni price})$ <p>Assuming metals price of Ni U\$18,443/t, Cu U\$7,844/t, Au U\$1,821/oz, Pd U\$1,158/oz, Pt U\$862/oz, Co U\$33,420/t</p> <p>Cut-off grades of Ni 0.1%, Cu 0.1%, Au 0.1ppm, Pd 0.1ppm, Pt 0.1ppm, Co 0.05%.</p>
B	<p>DOR announcing to ASX the receipt of a positive definitive feasibility study in relation to the Licences with a net present value of not less than \$100M and an internal rate of return of not less than 25%.</p>
C	<p>The volume weighted average price over a period of 30 consecutive ASX trading days on which trades in DOR Shares are recorded on ASX being at least \$0.125.</p>

(each, a **Vesting Condition**) unless the Vesting Condition/s is/are waived in accordance with the rules of the Plan.

(f) **Exercise Period**



The Performance Rights are exercisable at any time on and from the date upon which the relevant Vesting Condition has been satisfied (or waived in accordance with the rules of the Plan), until the Expiry Date (**Exercise Period**).

(g) **Notice of Exercise**

The Performance Rights may be exercised during the Exercise Period by notice in writing to DOR in the manner specified on the Performance Rights certificate or otherwise in the rules of the Plan (**Notice of Exercise**).

(h) **Timing of issue of DOR Shares on exercise**

Following the date of receipt of a validly issued Notice of Exercise and within the time period specified by the ASX Listing Rules, DOR will:

- (i) issue the number of DOR Shares required under these terms and conditions in respect of the number of Performance Rights specified in the Notice of Exercise as well as procuring the issue of CDIs in respect of those DOR Shares; and
- (ii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of CDIs issued pursuant to the exercise of the Performance Rights.

Also, if required, DOR will give ASX a notice that complies with section 708A(5)(e) of the Corporations Act (**Cleansing Notice**), or, if DOR is unable to issue a Cleansing 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 DOR Shares does not require disclosure to investors. If a Cleansing Notice for any reason is not effective to ensure that an offer for sale of the DOR Shares does not require disclosure to investors, DOR must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the DOR Shares does not require disclosure to investors.

(i) **DOR Shares issued on exercise**

DOR Shares issued on exercise of the Performance Rights rank equally with the then issued DOR Shares.

(j) **Reconstruction of capital**

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

(k) **Participation in new issues**

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

(l) **Change in exercise price or number of underlying securities**

A Performance Right does not confer a change in the number of underlying securities over which the Performance Right can be exercised.

(m) **No voting or dividend rights**

A Performance Right does not carry any voting rights or entitle the holder to any dividends.

(n) **Rights on winding up**

A Performance Right does not confer any right to participate in the surplus profits or assets of DOR upon winding up of DOR. The Performance Rights do not confer any right to a return of capital, whether in winding up, upon reduction of capital or otherwise.

(o) **Transferability**

A Performance Right is not transferable other than in a manner consistent with the ASX Listing Rules, Australian and UK securities laws and the rules of the Plan.

## Schedule 3 - Terms and conditions of Consideration Options

(a) **Entitlement**

Each Option entitles the holder to subscribe for one DOR Share upon exercise of the Option which will be settled by the issue of one CHES Depository Interest (**CDI**).

(b) **Exercise price**

Subject to paragraph (i), the amount payable upon exercise of each Option will be:

Tranche	Exercise Price
1	\$0.10
2	\$0.125
3	\$0.15

(each an **Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on that date that is 4 years after the date of issue of the Option (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable at any time on and from the date of issue until the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

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

(f) **Exercise Date**

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

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

Following the Exercise Date and within the time period specified by the ASX Listing Rules, DOR will:

- (i) issue the number of DOR Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise as well as procuring the issue of CDIs in respect of those DOR Shares; and
- (ii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of CDIs issued pursuant to the exercise of the Options.

Also, if required, DOR will give ASX a notice that complies with section 708A(5)(e) of the Corporations Act (**Cleansing Notice**), or, if DOR is unable to issue a Cleansing 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 CDIs does not require disclosure to investors. If a Cleansing Notice for any reason is not effective to ensure that an offer for sale of the CDIs does not require disclosure to investors, DOR must, no later than 20 Business Days after becoming aware of such notice being

ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the CDIs does not require disclosure to investors.

(h) **DOR Shares issued on exercise**

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

(i) **Reconstruction of capital**

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

(j) **Participation in new issues**

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

(k) **Change in Exercise Price or number of underlying securities**

Subject to paragraph (i), an Option does not confer a right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(l) **Transferability**

An Option is transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian or UK securities laws.



## Schedule 4 - Terms and conditions of Broker Options

(m) **Entitlement**

Each Option entitles the holder to subscribe for one DOR Share upon exercise of the Option which will be settled by the issue of one CHESS Depository Interest (**CDI**).

(n) **Exercise price**

Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.10 (**Exercise Price**).

(o) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on that date that is 4 years after the date of issue of the Option (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(p) **Exercise Period**

The Options are exercisable at any time on and from the date of issue until the Expiry Date (**Exercise Period**).

(q) **Notice of Exercise**

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

(r) **Exercise Date**

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

(s) **Timing of issue of DOR Shares on exercise**

Following the Exercise Date and within the time period specified by the ASX Listing Rules, DOR will:

- (i) issue the number of DOR Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise as well as procuring the issue of CDIs in respect of those DOR Shares; and
- (ii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of CDIs issued pursuant to the exercise of the Options.

Also, if required, DOR will give ASX a notice that complies with section 708A(5)(e) of the Corporations Act (**Cleansing Notice**), or, if DOR is unable to issue a Cleansing 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 CDIs does not require disclosure to investors. If a Cleansing Notice for any reason is not effective to ensure that an offer for sale of the CDIs does not require disclosure to investors, DOR must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the CDIs does not require disclosure to investors.

(t) **DOR Shares issued on exercise**

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

(u) **Reconstruction of capital**

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

(v) **Participation in new issues**

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

(w) **Change in Exercise Price or number of underlying securities**

Subject to paragraph (i), an Option does not confer a right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(x) **Transferability**

An Option is transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian or UK securities laws.

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## Appendix A – JORC 2012 Table 1

### Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary		
		Khukh Tag graphite	Tsagaan Ders lithium	Yambat Ni-Cu-PGE
Sampling techniques	<ul style="list-style-type: none"> <li>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</li> <li>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</li> <li>Aspects of the determination of mineralisation that are Material to the Public Report.</li> <li>In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases, more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types</li> </ul>	<p>Only HQ size diamond drilling technique was used in the estimate.</p> <p>Drill core was cut in half with a core saw, half core samples used for assaying, the other half retained in the core box at Innova's storage facility.</p> <p>Core was sampled only in mineralised intervals based on visual observation of graphite mineralisation. A total of 942 samples were collected from 50 diamond drill holes.</p> <p>Sampling was predominantly on 2 m intervals but honoring geological contacts.</p> <p>Bulk density sampling using water immersion techniques is based on 10-20 cm pieces of core.</p> <p>Conventional sample preparation methods involving weighing, drying, coarse crushing, rotary splitting and pulverisation. Exact sample weight electronically recorded by Leco Instruments; nominally 0.1 g. After filtering, washing with water and drying, the remaining sample residue is then placed in a muffle furnace at 400 degrees, where all remaining organic carbon, other than graphite, is removed by volatilisation. The ashed residue is then combusted in oxygen at 1350 Deg C in a Leco furnace. Carbon is</p>	<p>Only grab samples have been collected to date. Grab samples consisted in some cases of individually selected rocks, and in other cases of chips collected across a few square meters of exposed rock.</p> <p>Trench channel sample intervals ranged from 0.1 m to 5.6 m, with most samples being 1-2 m. Significant continuous intervals of anomalous lithium were present in several trenches along the greisenized and pegmatitic border zone of the two mica granite.</p> <p>Numerous samples were submitted for petrographic study, confirming the presence and abundance of lithium micas, spodumene, and other lithium minerals identified in outcrop, and providing mineralogical substantiation of the highly to very highly elevated lithium values obtained in laboratory analysis of grab samples.</p>	<p>HQ size diamond drill core was collected in the scout drilling program.</p> <p>Drill core was cut in half with a core saw, half core samples used for assaying, the other half retained in the core box at Innova's storage facility.</p> <p>Core was sampled continuously from top to bottom in all holes. A total of 511 samples were collected from nine diamond drill holes.</p> <p>Sampling was predominantly on 1-2 m intervals in mineralisation and 3 m intervals where mineralisation was visually absent, but honoring geological contacts.</p> <p>Bulk density sampling using water immersion techniques is based on 10-20 cm pieces of core.</p> <p>Conventional sample preparation methods involving weighing, drying, coarse crushing, rotary splitting and pulverisation.</p>

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	<i>(eg submarine nodules) may warrant disclosure of detailed information.</i>	measured from the gases flowing through the Infrared (“IR”) cells. The detection level is 0.05% TGC.		
<i>Drilling techniques</i>	<ul style="list-style-type: none"> <li>• <i>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</i></li> </ul>	<p>Drilling commenced in 2019 and by end of 2022 totalled 57 diamond drill holes for total of 3,348 m. Drilling was completed with HQ size rods.</p> <p>Triple tube was used in some recent holes to increase core recovery in friable mineralisation.</p> <p>Mineralisation strike and dip varies, and surface outcrops and surface orientation data were used to guide the drilling orientations. Most drilling was carried out perpendicular to strike of the mineralisation. Holes are angled at various degrees between -50° to -90°.</p>	No drilling has been carried out on the Project.	<p>Scout drilling was carried out from 01 May through 10 June, 2023. Nine diamond core holes were drilled for 1,113.6 meters. Drilling was completed with HQ size rods.</p> <p>Drilling was carried out perpendicular to the strike of the mineralisation.</p>
<i>Drill sample recovery</i>	<ul style="list-style-type: none"> <li>• <i>Method of recording and assessing core and chip sample recoveries and results assessed.</i></li> <li>• <i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i></li> <li>• <i>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.</i></li> </ul>	<p>Core recovery and rock quality designation (RQD) were recorded in the database for all holes.</p> <p>Recovery was highly variable due to the soft and friable mineralisation in highly folded limestone schist units. Significant poor recoveries were recorded within mineralisation domains.</p> <p>Comparison of core recovery and graphitic carbon grades were assessed and there is a uniform spread of grade values throughout the recovery range.</p> <p>Overall, recovery in the mineralised zones at Khukh Tag was satisfactory (&gt;95%) in around 70% of samples, with overall recovery within mineralisation zone averaging 93%.</p> <p>Triple tube was suggested and has been used in recent holes to avoid core loss.</p>	Not applicable.	<p>Core recovery and RQDs were recorded in the database for all holes.</p> <p>Recovery was generally good except in faulted ground.</p> <p>There is no obvious correlation of grade and recovery.</p>

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		<p>There is no obvious correlation of grade and recovery.</p> <p>RPM recommended use of triple tube in all holes, experienced drill operators and other modifications to improve drill hole recovery.</p>		
Logging	<ul style="list-style-type: none"> <li>• <i>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.</i></li> <li>• <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i></li> <li>• <i>The total length and percentage of the relevant intersections logged.</i></li> </ul>	<p>All core was logged for geology including lithology, alteration, mineralisation, structure and geotech. Logging also shows details for rock type, grain size, shade, colour, veining, alteration and visual estimation of graphite grade. Logging is sufficiently detailed to support the resource estimation.</p> <p>Geotechnical logging was conducted on all drill core, verifying core recovery % and capture of RQD and fracture frequency on all core run intervals.</p> <p>All core was photographed dry and wet on a box-by-box basis.</p> <p>No trench photos were supplied by client and no trench data was used in the estimate.</p> <p>All data was initially captured on paper logging sheets and transferred to locked excel format tables.</p>	Not applicable.	<p>All core was logged for geology including lithology, alteration, mineralisation, structure and geotech. Logging also shows details for rock type, grain size, shade, colour, veining, alteration and visual estimation of sulphide content.</p> <p>Geotechnical logging was conducted on all drill core, verifying core recovery % and capture of RQD and fracture frequency on all core run intervals.</p> <p>All core was photographed dry and wet on a box-by-box basis.</p> <p>All data was initially captured on paper logging sheets and transferred to locked excel format tables.</p>
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> <li>• <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i></li> <li>• <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i></li> <li>• <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i></li> </ul>	<p>Core samples were cut using an industry standard core saw, with halved core for original samples and quartered core for duplicates.</p> <p>Only diamond core was drilled.</p> <p>After drying the sample was subject to a primary crush, then pulverised to 90% passing 75um.</p> <p>Field duplicates of quartered core were analysed as part of the QC program, which</p>	<p>All samples submitted for analysis were prepared by SGS Laboratory in Ulaanbaatar using conventional and appropriate procedures. The samples were dried and weighed (WGH70), crushed (CRU23), split (SPL27), pulverized (PUL46) and screened to confirm adequacy of pulverization (SCR34).</p> <p>All samples submitted for laboratory analysis were collected with volumes</p>	<p>All samples submitted for analysis were prepared by SGS Laboratory in Ulaanbaatar using conventional and appropriate procedures. The samples were dried and weighed (WGH70), crushed (CRU23), split (SPL27), pulverized (PUL46) and screened to confirm adequacy of pulverization (SCR34).</p> <p>All samples submitted for laboratory analysis were collected with volumes</p>



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	<ul style="list-style-type: none"> <li>• <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i></li> <li>• <i>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.</i></li> <li>• <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i></li> </ul>	<p>included laboratory field duplicate analysis and umpire field duplicate checks. Duplicate samples did not reveal any sampling bias. Interpreted nugget is low which supports the data analysis.</p> <p>Sample size is considered appropriate for the fine-medium flake graphite.</p>	<p>appropriate for the grain size of the material being sampled.</p>	<p>appropriate for the grain size of the material being sampled.</p>
<p>Quality of assay data and laboratory tests</p>	<ul style="list-style-type: none"> <li>• <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i></li> <li>• <i>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.</i></li> <li>• <i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i></li> </ul>	<p>TTRC (MAK) and BV (Bureau Veritas) laboratories were used for assays. Holes KHD6, KHD9 to KHD16, KHD20 and KHD24 to KHD28 (232 samples) were analysed at BV while the remaining 710 samples were analysed at the MAK laboratory.</p> <p>TTRC and BV used: Method C-IR07 Total Carbon (MNS ASTM D5373 2009), Method C-IR18 Total Graphitic Carbon (MNS ASTM D5373 2009); Total sulfur ASTM D 4239 (MNS ISO 157:2001); Method Ash-01 Ash Content (MNS 0652:79), Method MEGRA05g Loss on Ignition (MNS 975:2002). SGS used Method JC/T 1021.5-2007 Determination of Fixed Carbon (SGS Tianjin).</p> <p>Not all samples were analysed by all methods. Limited S, Ash, LOI and total carbon assays are available.</p> <p>TTRC is ISO 17025 accredited while BV is an internationally recognised independent laboratory.</p> <p>QAQC protocols have been in place for all drilling programs at Khukh Tag and included externally sourced graphite standards produced at CGL (Central Geological Laboratory) in Ulaanbaatar, OREAS 724</p>	<p>Batches of grab samples were analyzed by ICPOES and ICP-MS following either four-acid digest or fusion with sodium peroxide. Both are suitable techniques giving total analysis for lithium, but sodium peroxide fusion is preferred for the higher upper detection limit (5% vs 1%).</p>	<p>Samples were analyzed by ICP following fouracid digest (ICM490A/ACM490B) and by fire assay (FAI313).</p> <p>QAQC protocols were in place for the scout drilling program at Yambat and included commercially sourced standards and blanks.</p> <p>Standards and blanks are inserted at a rate of 1/10 samples. A total of 54 QAQC samples were analyzed.</p> <p>QAQC results appeared to be acceptable but were not assessed in detail as a mineral resource estimate is not being presented.</p>

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standard sourced from OrePty Ltd, field prepared blank sourced from fresh granite, field duplicate samples, umpire sample analysis using ¼ duplicate and pulp duplicate samples.

Standard blanks are inserted at a rate of 1/25-30 samples. A total of 269 external/umpire check samples (29% of all samples) and 17 field duplicate samples were analyzed.

All standards showed consistent underestimation compared to the certified values. Detailed review by RPM indicates that the issue is related to a lack of precision with standard itself rather than analytical issues. RPM recommends use of internationally certified reference samples.

All blanks reported at or below 1.2% TGC. RPM considers such low values to be of negligible concern for the Indicated and Inferred classification of the Mineral Resource estimate, but recommends use of either certified blanks or collection of blank material far removed from any possible graphite contamination that have been assay confirmed to not contain graphite in future programs.

Umpire checks show good correlation even for ¼ core duplicate samples indicating sampling and preparation procedures are of a high standard.

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<p>Verification of sampling and assaying</p>	<ul style="list-style-type: none"> <li>• The verification of significant intersections by either independent or alternative company personnel.</li> <li>• The use of twinned holes.</li> <li>• Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</li> <li>• Discuss any adjustment to assay data.</li> </ul>	<p>Significant intersections were visually verified in the field by RPM’s Executive Consultant Rodney Graham during April 2022 site visit.</p> <p>No twinned holes were drilled.</p> <p>Field data is collected on paper logging sheets then transferred to Excel spreadsheets. The data is validated by company personnel. The Excel files were compiled into an Access database by RPM.</p> <p>RPM thoroughly reviewed supplied data against the original laboratory reports, plan maps and client’s own interpretation. Apart from KHD-44, all collar location match survey data. Minor issues noted in assay grade and sampling intervals were rectified by client.</p> <p>No adjustment made to assay data. RPM 0.01% TGC for narrow (&lt;1 m) un-sampled zones within main mineralisation zones, while thicker (&gt;2 m) unmineralised zones were excluded from the mineralisation interpretation.</p>	<p>No formal verification of analytical results has been carried out for the grab samples.</p> <p>Sampling information was properly collected for all samples in the field.</p> <p>No discrepancies were noted between the certified analytical results and the database.</p>	<p>All drill core was examined by R. Graham at the Innova warehouse in Ulaanbaatar.</p> <p>No twinned holes were drilled.</p> <p>Field data is collected on paper logging sheets then transferred to Excel spreadsheets. The data is validated by company personnel.</p> <p>RPM thoroughly reviewed supplied data against the original laboratory reports, plan maps and client’s own interpretation.</p> <p>No adjustment made to assay data.</p>
<p>Location of data points</p>	<ul style="list-style-type: none"> <li>• 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.</li> <li>• Specification of the grid system used.</li> <li>• Quality and adequacy of topographic control.</li> </ul>	<p>All drill hole collars were surveyed by DGPS to 0.1 m accuracy. Handheld GPS coordinates were checked against DGPS coordinates and differences were within 1-3 m. A survey error was noted for KHD-44; RPM used handheld GPS coordinate for KHD44 in the estimate.</p> <p>1:2,000 scale topographic survey was carried out over the entire property by Professional Engineering LLC, a local surveying contractor, using Sokkia GNS GRX2 DGPS equipment. All data is in UTM WGS84 datum, Zone N49.</p>	<p>All coordinates of sample collection sites were collected with a handheld GPS unit in UTM 48N.</p> <p>The 1:100,000 topographic map is adequate for the stage of the Project.</p>	<p>All coordinates of sample collection sites were collected with a handheld GPS unit in UTM 46N.</p> <p>The 1:100,000 topographic map is adequate for the stage of the Project.</p>

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		The topographic surface is defined by 0.5 m contours which are more than sufficient for Indicated and Inferred Mineral Resource.		
<i>Data spacing and distribution</i>	<ul style="list-style-type: none"> <li>• <i>Data spacing for reporting of Exploration Results.</i></li> <li>• <i>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.</i></li> <li>• <i>Whether sample compositing has been applied.</i></li> </ul>	<p>Holes have been completed on an oblique grid with variable drill spacing. A section spacing of approximately 40-60 m along strike and downdip was used in the Central Zone.</p> <p>Geological interpretation and mineralisation continuity analysis indicates that data spacing is sufficient for definition of Mineral Resource.</p> <p>Some zones defined by single holes were properly excluded from the Resource classification but included in an Exploration Target.</p> <p>Sampling lengths were variable, based on geological controls. 66% of all samples have sample length of 2 m and 2 m compositing with best fit technique was used in the estimate.</p>	<p>Grab samples were collected on a loose pattern with no fixed spacing.</p> <p>Trench spacing was irregular and generally not closer than 100 m.</p> <p>The spacing and distribution of samples is considered adequate for estimation of an Exploration Target.</p> <p>No sample compositing was applied.</p>	<p>Grab samples were collected with no fixed spacing, focusing on visually obvious features at the Oval Target (gossan, copper staining).</p> <p>Drilling has been carried out over the strike length of the Oval Target exposure, generally with single holes spaced 80-125 m apart.</p> <p>The spacing and distribution of samples is considered adequate for estimation of an Exploration Target.</p> <p>No sample compositing was applied.</p>
<i>Orientation of data in relation to geological structure</i>	<ul style="list-style-type: none"> <li>• <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i></li> <li>• <i>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.</i></li> </ul>	<p>Drilling patterns generally included scissored holes to ensure correct interpretation of the attitude of the graphite units, and were oriented so as to be approximately perpendicular to the overall strike of the graphite units at a given location.</p> <p>Geological mapping and surface orientations data was used to define the drill orientations. In most cases holes were drilled perpendicular to the strike observed in both geology map and surface outcrop.</p> <p>No sampling bias is suspected to have been introduced. The thick, continuous nature of the mineralisation supports this view.</p>	<p>The grab samples were collected in a loose pattern throughout exposures of the pegmatitic border zone and two-mica granite and are considered to be unbiased.</p> <p>Trenching tested various targets across the property. Significant results relating to the pegmatitic border zone and two-mica granite were collected more or less perpendicular to the intrusive contact and are considered to be unbiased.</p>	<p>Most holes crossed the entire width of the maficultramafic intrusion, with interpreted apparent true widths of around 40-70 m. Mineralisation of potentially economic interest was generally restricted to intervals within the intrusion approaching the hornfelsed countryrock contact. Assuming mineralisation continuity is parallel to the contact, apparent true widths of mineralisation range from around 5-10 m to as much as 40-50 m. Drilling generally intersected mineralisation to depths of about 100 m in the northwestern half of</p>

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		Orientations were varied to be perpendicular to mineralisation.		the drill pattern, and to about 200 m in the southeastern half of the drill pattern.
Sample security	<ul style="list-style-type: none"> <li>The measures taken to ensure sample security.</li> </ul>	<p>Unique sample numbers were retained during the whole process.</p> <p>Samples were placed into calico bags then transported by road. Samples were sent to either BV or MAK/TTRC laboratory in Ulaanbaatar for preparation.</p> <p>All drill core was transported to Ulaanbaatar and is stored at Innova's storage facility.</p> <p>Sample security is considered to be adequate.</p>	Samples were collected by Innova geologists and remained under their control until submitted to the laboratory.	<p>Unique sample numbers were retained during the whole process.</p> <p>Samples were placed into calico bags then transported by road. Samples were sent to SGS laboratory in Ulaanbaatar for preparation.</p> <p>All drill core was transported to Ulaanbaatar and is stored at Innova's storage facility.</p> <p>Sample security is considered to be adequate.</p>
Audits or reviews	<ul style="list-style-type: none"> <li>The results of any audits or reviews of sampling techniques and data.</li> </ul>	<p>Rodney Graham of RPM reviewed during site visit.</p> <p>All data collected was subject to internal review.</p>	Not applicable.	Rodney Graham of RPM reviewed sampling procedures and all core at the Innova warehouse in Ulaanbaatar.

## Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary		
		Khukh Tag graphite	Tsagaan Ders lithium	Yambat Ni-Cu-PGE
Mineral tenement and land tenure status	<ul style="list-style-type: none"> <li>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,</li> </ul>	Khukh Tag Project consists of single exploration licence (XV-019603) covering 954.05 ha. Licence first granted in 2016 and Innova Mineral LLC is sole owner of the project.	Exploration Licence "Tsagaan Ders" (XV-021740), 428.94 ha, acquired by Innova Mineral LLC on 16 December 2021. Exploration Licence "Tsagaan Ders" (XV-019341), 314.37 ha, acquired by Innova Mineral LLC on 8 November 2022.	Exploration Licence "Yambat" (XV-020515), 10,606.77 ha, granted to Ragnarok Investment LLC on 25 April 2016.  Shown on MRAM Cadastral website as being valid as of 29 August 2023.



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	<p>wilderness or national park and environmental settings.</p> <ul style="list-style-type: none"> <li>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.</li> </ul>	<p>Shown on MRAM Cadastral website as being valid as of 29 August 2023.</p> <p>The tenements are in good standing and no known impediments exist.</p>	<p>Shown on MRAM Cadastral website as being valid as of 29 August 2023.</p> <p>No known impediments.</p>	<p>No known impediments.</p>
<p>Exploration done by other parties</p>	<ul style="list-style-type: none"> <li>Acknowledgment and appraisal of exploration by other parties.</li> </ul>	<p>The Project area was mapped at 1:200,000 scale funded by Mongolian government. No particular mineralisation occurrences were identified within the property while fluorspar, coal, tungsten and graphite occurrences were recorded on district scale.</p> <p>The property has not had any prior mineral exploration.</p> <p>Innova carried out geological mapping, surface chip sampling program over the entire licence area followed by trenching and geophysical survey including ground magnetic and gradient array IP survey. First drilling program was carried out in 2019 and in following years and by August 2022 a total 45 holes for total of 2,763 m of drilling and 7 trenches for 361 was excavated, forming the basis for the Maiden Mineral Resource estimate and later client drilled additional 12 diamond drill holes for total of 585 m drilling in December 2022 and mostly concentrated on West Zone with minor extent at North zones which forms updated Mineral Resource Estimate for Khukh Tag Graphite deposit.</p>	<p>No prior mineral exploration.</p>	<p>Previous government geologic mapping at scales of 1:200,000 and 1:50,000.</p> <p>Activity prior to 2021 acquisition by Innova was limited to collection of 46 grab samples.</p>
<p>Geology</p>	<ul style="list-style-type: none"> <li>Deposit type, geological setting and style of mineralisation.</li> </ul>	<p>The geology of the region consists of an uplifted block of Mesozoic and older bedrock flanked to the northwest and southeast by Cretaceous and younger basins. The bedrock exposures consist of Proterozoic metasedimentary sequences cut by</p>	<p>Lithium (caesium, rubidium, tin) greisen and pegmatites in border zone to two-mica alkalic granite.</p> <p>Property lies within two metallogenic belts, both characterised by</p>	<p>Demonstrated magmatic sulphide Cu-Ni-PGM mineralisation hosted in Permian mafic-ultamafic intrusion, similar to numerous known examples in the Central Asian Orogenic Belt.</p>

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Proterozoic and Devonian felsic intrusions, Permian volcanic and intrusive complexes, and a large Triassic-Jurassic felsic batholith. Age assignments should be considered provisional at best.

The geology of the Khukh Tag property consists of Proterozoic metamorphic units cut by Cambrian, Carboniferous, and Permian intrusions, minor Permian volcanic/volcaniclastic units, and valleyfilling Quaternary to Recent alluvium. The majority of the property is occupied by Middle to Upper Neoproterozoic meta-limestone and phyllite-schist containing massive graphite and quartz-graphite schist horizons with interbedded limestone. Cambrian granite generally occurs as small dikes, generally emplaced along schistosity and commonly closely associated with massive graphite. Carboniferous monzodiorite and Permian monzonite intrusions are generally in the form of small stocks and dikes, with the former occurring mainly in the west and the latter in the east and south of the property.

In hand specimen, the graphite mineralisation is soft, dark grey to jet black coloured and fine grained. Massive graphite displays a strong foliation defined by flakes of graphite and minor associated clay and mica. Banded graphite schist shows bands of massive graphite intercalated with quartz-feldspar schist/phyllite and meta-limestone.

Graphite mineralisation directly relates to high conductivity and high chargeability anomalies.

greisen/porphyry/skarn tin and affiliated deposit styles.

The intrusion is adjacent to and at an oblique angle to major (presumably transcrustal) faults at a cratonal margin.

The intrusion is flanked by spotted hornfels in an oval pattern measuring about 500m X 100m; gossan and copper staining occur along the contact.

RPM considers that the results of the scout drilling demonstrate the presence of a fertile magmatic sulphide system with appreciable evidence of disseminated pyrrhotite-pentlandite-chalcopyrite within the mafic-ultramafic intrusive host, evidence that sulphide bleb size generally increases downward within the intrusive host, local evidence the sulphide bleb percentages increase toward the contact with the hornfelsed countryrock, local evidence of development of net-textured mineralisation, and local evidence of massive sulphide accumulations at the contact between the intrusive host and the hornfelsed countryrock.

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<p><i>Drill hole Information</i></p>	<ul style="list-style-type: none"> <li>• 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:             <ul style="list-style-type: none"> <li>– easting and northing of the drill hole collar</li> <li>– elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</li> <li>– dip and azimuth of the hole</li> <li>– down hole length and interception depth - hole length.</li> </ul> </li> <li>• 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.</li> </ul>	<p>57 drill holes for 3,348 m and 7 trenches for 361 m completed at the Khukh Tag project. Hole location are tabulated in Appendix B.</p> <p>Trenches were excluded from the estimate as most of the trenches failed to reach bedrock beneath up to 4 m thick overburden.</p>	<p>No drilling – not applicable.</p>	<p>Nine holes for 1113.6 m. Hole locations are tabulated in Appendix B.</p>
<p><i>Data aggregation methods</i></p>	<ul style="list-style-type: none"> <li>• In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</li> <li>• 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.</li> </ul>	<p>Data compiled in Excel and validated in-house by Innova’s technical team.</p> <p>Diamond core samples vary between 0.2 to 3.8 m.</p> <p>Metal equivalents are not reported as this is an industrial mineral project where the mineral properties define grade (e.g. flake size and purity).</p>	<p>Trench intersection values are weighted averages for visually continuous zones with grades &gt;500 ppm Li, disregarding short sampling gaps and allowing for short intervals at lower grades.</p>	<p>Drill hole intersection values are weighted averages over visually picked continuous stretches of anomalous levels in Ni and Cu.</p>

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	<ul style="list-style-type: none"> <li>The assumptions used for any reporting of metal equivalent values should be clearly stated.</li> </ul>			
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> <li>These relationships are particularly important in the reporting of Exploration Results.</li> <li>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</li> <li>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</li> </ul>	<p>The geology is relatively well constrained at Central Zone while other areas remain largely open, with infill and extensional drilling required to close off mineralisation along strike and downdip. Mineralisation is steeply dipping at variable directions. Holes have been drilled -50° to 90° degrees to intersect the graphite mineralisation at the highest angle possible.</p> <p>Mineralised widths at Khukh Tag are estimated to be typically between 2 to 60 m. There is a very close relationship between massive graphite schist, banded graphitic schist unit and total graphitic carbon grade (TGC %).</p> <p>Detailed geological mapping along with surface chip sampling results were used to guide the drill orientation. Resistivity map shows strong indications of highly conductive arc shapes which coincide with graphite bearing upper Neoproterozoic units.</p> <p>In Exploration Target estimate sections, some notable intercepts have been reported.</p>	Trenches in the pegmatitic border zone were generally nearly perpendicular to the intrusive contact.	Interpreted drill hole sections suggest intersections are moderately (70-45°) to highly (30-20°) oblique to the plane of mineralisation.
Diagrams	<ul style="list-style-type: none"> <li>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</li> </ul>	Relevant diagrams have been included within the main body of report.	Included in the body of the report.	Included in the body of the report.

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<p>Balanced reporting</p>	<ul style="list-style-type: none"> <li>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.</li> </ul>	<p>All collar locations were surveyed with DGSP controlled equipment with accuracy of 0.1 m. No downhole survey measurements were available for 2019 and 2020 drill holes; earlier 2022 holes were down hole surveyed during geophysical borehole logging with carotage equipment which measures deviation every 0.1 m. Holes drilled later in December 2022 were surveyed using multi shot Reflex Easy Trac at nominal 6 m and at the end of the hole.</p> <p>Topographic surface was based on 0.5 m contour and is considered adequate for resource estimation.</p> <p>Some notable intersections were discussed in Exploration Target estimate section with weighted average grade and thickness of the zones.</p>	<p>No Mineral Resource Estimate is being reported.</p> <p>Grab sample locations and trench end points were obtained by GPS.</p> <p>Rock chip and trench sample results are listed in the appendices.</p>	<p>No Mineral Resource Estimate is being reported.</p> <p>Grab sample locations obtained by GPS.</p> <p>Rock chip and drill sample results are listed in the appendices.</p>
<p>Other substantive exploration data</p>	<ul style="list-style-type: none"> <li>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.</li> </ul>	<p>Geophysical maps, gradient array IP survey, PDIP sections, geology mapping and chip sampling was used to assist mapping interpretation and drill hole targeting.</p> <p>Preliminary test work samples were sourced from surface outcrop as well as drill core samples from Central zones.</p> <p>No other substantive exploration data was collected apart from data reported in the body of the report.</p>	<p>Petrographic, XRD, and SEM studies confirm the presence and abundance of lithium-bearing minerals.</p>	<p>The intrusion is flanked by a distinct spotted hornfels in an oval pattern ~500m X 100m, with mafic-ultramafic rock exposed along strike to the NW, a small gossan at the NW end, and strong NiCuAuPGE anomalies in stream sediment and soil sample results.</p> <p>The intrusion is characterized by coincident geophysical anomalies (magnetic, gravity, IP) directly coincident with the oval pattern; 3D inversions indicate persistence to great depth.</p>
<p>Further work</p>	<ul style="list-style-type: none"> <li>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</li> </ul>	<p>The Competent Person recommends that further exploration be conducted at Khukh Tag to better define the current ore zones. A substantial drilling program is proposed to test Exploration Targets based on single</p>	<p>Two-stage exploration program is proposed, consisting of 28 trenches (~6900 m) spaced 50 m apart over the pegmatitic border zone and portions of the two-mica granite, followed by 10</p>	<p>Two-stage exploration program is proposed, consisting of geophysical surveys and drilling on the Oval Target, followed by mapping, trenching, and geophysical surveys on other targets plus</p>



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<ul style="list-style-type: none"> <li>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</li> </ul>	<p>drillhole intersections and on mapped zones with no drill intersections.</p> <p>Refer to the “Future exploration works” of this announcement.</p> <p>Additional MLA analysis as well as metallurgical test work needs to be carried out.</p> <p>Lithology modelling for the deposit.</p>	<p>inclined core holes (~1000 m) in areas of interest identified by trenching.</p> <p>Diagram of proposed exploration trenching included in the body of the report.</p>	<p>additional geophysical surveys and drilling on the Oval Target.</p> <p>Diagram of proposed exploration activities included in the body of the report.</p>
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## Section 3 Estimation and Reporting of Mineral Resources

(Criteria listed in section 1, and where relevant in section 2, also apply to this section.)

Criteria	JORC Code explanation	Commentary		
		Khukh Tag graphite	Tsagaan Ders lithium	Yambat Ni-Cu-PGE
Database integrity	<ul style="list-style-type: none"> <li>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.</li> <li>Data validation procedures used.</li> </ul>	<p>The drilling data has been systematically audited by company geologists. Geological and sampling data is stored in MS Excel database, which is validated by staff on site.</p> <p>Original drilling records were compared to the equivalent records in the data base. Minor errors were noted which were rectified by client prior to use in the estimate.</p> <p>RPM performed initial data audits in Leapfrog and Surpac softwares. RPM checked collar coordinates, hole depths, hole dips, assay data overlaps and duplicate records. No errors were found.</p>	<p>No Mineral Resource Estimate is being reported.</p> <p>No transcription errors noted in database.</p>	<p>No Mineral Resource Estimate is being reported.</p> <p>No transcription errors noted in database.</p>
Site visits	<ul style="list-style-type: none"> <li>Comment on any site visits undertaken by the Competent Person and the outcome of those visits.</li> <li>If no site visits have been undertaken indicate why this is the case.</li> </ul>	<p>A site visit was conducted by R. Graham on 22 April 2022.</p> <p>All drilled deposit areas and relevant outcrops were examined. Drilling and sampling procedures were observed and critiqued.</p>	<p>A site visit was made by R. Graham on 23 April 2022.</p> <p>The entire area of the pegmatitic border zone was walked over and briefly examined; select areas within the two-</p>	<p>A site visit was made by R. Graham on 13 June 2022.</p> <p>The entire area of the Oval Target gossan and hornfels zones was walked over and briefly examined; mafic-ultramafic</p>

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		<p>Discussions were held with site personnel regarding geology, mineralisation, drilling and sampling procedures. No major issues were encountered.</p>	<p>mica granite and country rock were examined.</p> <p>Lithium mineralisation was visually confirmed in extensive lepidolite greisen and localized coarsegrained spodumene in greisen and pegmatite.</p>	<p>exposures NW of Oval Target were examined.</p> <p>All core was examined in Innova's Ulaanbaatar warehouse on 23 June 2023.</p>
<p><i>Geological interpretation</i></p>	<ul style="list-style-type: none"> <li>• <i>Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.</i></li> <li>• <i>Nature of the data used and of any assumptions made.</i></li> <li>• <i>The effect, if any, of alternative interpretations on Mineral Resource estimation.</i></li> <li>• <i>The use of geology in guiding and controlling Mineral Resource estimation.</i></li> <li>• <i>The factors affecting continuity both of grade and geology.</i></li> </ul>	<p>Geological interpretation is based on lithology logging, drill hole assays, surface mapping and surface chip sampling.</p> <p>Drill spacing at Central zone ranges between 40-60 m along strike and down dip. Other areas have variable, generally broader spacing.</p> <p>RPM utilised the Leapfrog GeoTM vein modelling tool to generate a number of parallel discrete estimation domains, where discrete mineralised structures could be traced across multiple cross sections of drilling. The mineralisation modelling was based on the total graphitic carbon (TGC) data, lithology and the trend surfaces.</p> <p>The massive graphite schist mineralisation is typically defined by a clear and significant increase in grade relative to the surrounding host rock, which can be clearly identified through visual assessment of the downhole assay grades. A cut-off of 7% TGC was used to construct mineralisation wireframes, and these wireframes are described herein as the HG Domains.</p> <p>A significant volume of lower grade mineralisation of potentially economic grades falls outside the HG domain wireframes. For this reason, a lower grade wireframe model, described herein as the LG Domains, was constructed to surround the HG Domains. LG</p>	<p>No Mineral Resource Estimate is being reported.</p> <p>Geologic confidence is relatively high. The pegmatitic border zone and greisen alteration is well exposed and extensive, and the Project falls within two metallogenic belt characterised by this style of mineralisation.</p> <p>The Project is at a very early stage of exploration but is considered highly prospective for greisen and pegmatite-hosted lithium mineralisation.</p>	<p>No Mineral Resource Estimate is being reported.</p> <p>Geologic confidence is relatively high. The mapped geology and strong coincident geophysical anomalies are very convincing and the scout drilling has demonstrated the presence of a fertile magmatic sulphide system. The age of the intrusion appears to be appropriate, based on limited zircon age dating. The scale of the intrusion is similar to several known deposits in the CAOB.</p> <p>The Project is at an early stage of exploration but is considered highly prospective for magmatic sulphide mineralisation.</p>

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		<p>domains generally correlate with the banded graphite schist unit. A nominal 2% TGC cutoff was used to construct these wireframes.</p> <p>Internal dilution over 2 m in the mineralised envelope has been modelled as separate lithology and excluded from modelled mineralisation.</p> <p>Base of oxidation and base of overburden surface were also modelled as part of the Resource estimate.</p> <p>Confidence in the grade and geological continuity is reflected in the Mineral Resource classification.</p>		
Dimensions	<ul style="list-style-type: none"> <li>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.</li> </ul>	<p>Mineralisation at Central Zone extends 590 m eastwest with vertical extent of 175 m from 1,200 mRL to 1,025 mRL, ranging in thickness between 2 to 90 m downhole.</p> <p>Mineralisation at Discovery Zone extends 500 m SW to NE with vertical extent of 125 m from 1,200 mRL to 1,075 m RL, ranging in thickness between 4 to 80 m downhole.</p> <p>Mineralisation at the West Zone occurs within folded schist, limestone units with one of the massive graphite bed have curved geometry and consist of three subparallel zones extends 400 m NW with a vertical extent of 115 m from 1,205 mRL to 1,090 mRL and ranging in thickness between 2 m to 74 m downhole.</p>	<p>No Mineral Resource Estimate is being reported.</p> <p>The well-exposed pegmatitic border zone ranges from 100-300 m wide over an arcuate distance of about 900 m in the east and narrows to about 50-100 m wide in the west. Trench sample results show zones which are consistently highly to very highly elevated in lithium (and caesium-rubidium-tin). The Central Zone has widths of 15-35 m over a strike length of about 250 m. The Southern Zone has widths of 30-55 m over a strike length of about 750 m. Both zones are open along strike.</p> <p>There is currently no information on persistence of the mineralisation at depth.</p>	<p>No Mineral Resource Estimate is being reported.</p> <p>The potential Exploration Target assumes a 10-50 m thick, 450 m long, and 100 m tall zone of disseminated, net-textured, and localized massive sulphide mineralisation.</p>

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## 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.*
- *The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.*
- *The assumptions made regarding recovery of by-products.*
- *Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation).*
- *In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.*
- *Any assumptions behind modelling of selective mining units.*
- *Any assumptions about correlation between variables.*
- *Description of how the geological interpretation was used to control the resource estimates.*
- *Discussion of basis for using or not using grade cutting or capping.*
- *The process of validation, the checking process used, the comparison of model data to drill*

The resource was modelled using Leapfrog Seequent modelling software while estimation was carried out in Surpac 2023.

Maximum extrapolation of wireframes from drilling was 75 m along strike or half the drill spacing, guided by mapped geology to some extent.

Samples were composited to 2 m downhole length with best fit technique.

Top grade cuts were not required as separate modelling of massive and banded graphite schist domain stats show low coefficient of variation and no grade outliers were noted.

Contact analysis was used to investigate boundary transition between HG and LG domains and in all cases hard boundary approach was used. Not enough samples fall within oxide domain to separate estimate into oxide and fresh domains. All combined as one in the estimate.

Variograms were interpreted for massive graphite schist and banded graphite schist domains.

The parent block dimensions were 5m NS by 20m EW by 10m vertical with sub-cells of 1.25m by 1.25m by 1.25m. The parent block size was selected on the basis of kriging neighbourhood analysis.

Only total graphitic carbon (TGC%) estimated by Ordinary Kriging (OK) with three estimation passes. First pass utilised search of 60 m with maximum of 20 and minimum 10 samples; second pass search was extended to 120 m with maximum of 20 and minimum of 10 samples; final pass utilised search of 300 m

No Mineral Resource Estimate is being reported.

An Exploration Target was estimated for the Central and Southern Zones.

Tonnage range was estimated assuming a bulk density of 2.6t/m<sup>3</sup>, to depths of 20 m and 50 m over strike lengths of 250 m for the Central Zone and 750 m for the Southern Zone, using the measured widths of elevated lithium content for each to define the lower and upper tonnage ranges.

Grade ranges are taken as the lower and higher weighted averages from the trenches falling within the respective zones.

Only lithium was considered, although other elements (caesium, rubidium, tin) may have value.

No Mineral Resource Estimate is being reported.

An Exploration Target was estimated for the Oval Target.

Tonnage range was estimated assuming a bulk density of 2.9t/m<sup>3</sup> for all material within the calculated volumes.

Grade ranges were estimated using published values from deposits in the CAOB and results from the scout drilling program.

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	<p><i>hole data, and use of reconciliation data if available.</i></p>	<p>with maximum of 6 and minimum of 2 samples.</p> <p>Dynamic search was used to honour local variation of the domain orientation in the block estimation.</p> <p>Approximately 55% estimated in first two passes.</p> <p>Validation of the model included detailed comparison of composite grades and block grades by strike panel due to variable strike orientation and elevation. Validation plots showed good correlation between the composite grades and the block model grades.</p> <p>No mining has been undertaken, and no reconciliation was carried out.</p> <p>Flake size was not estimated, rather data was separated by mineralisation domains and weathering surfaces and reported as flake size distribution for various domains.</p>		
Moisture	<ul style="list-style-type: none"> <li><i>Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.</i></li> </ul>	<p>Tonnages and grades were estimated on a dry in situ basis.</p>	<p>No Mineral Resource Estimate is being reported.</p> <p>Tonnages were estimated on a dry basis in the preparation of this conceptual Exploration Target.</p>	<p>No Mineral Resource Estimate is being reported.</p> <p>Tonnages were estimated on a dry basis in the preparation of this conceptual Exploration Target.</p>
Cut-off parameters	<ul style="list-style-type: none"> <li><i>The basis of the adopted cut-off grade(s) or quality parameters applied.</i></li> </ul>	<p>The Mineral Resource is reported at a 4.3 % TGC. Cut-off parameters were selected based on an RPM internal cut-off calculator, which indicated a break-even cut-off grade of 4.3% TGC, assuming USD 600 per tonne graphite price (medium term consensus graphite price), a mining cost of USD 3.3 per tonne, a processing cost of USD 19.03 per tonne milled, mining dilution of 5% and ore loss of</p>	<p>No Mineral Resource Estimate is being reported.</p> <p>No cut-off grade was applied.</p>	<p>No Mineral Resource Estimate is being reported.</p> <p>No cut-off grade was applied.</p>



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		<p>5% and processing recovery of 95% TGC assuming flotation operation.</p> <p>Mineral Resource was also constrained by 45 degree wall conceptual pit using a \$600/t long term price.</p>		
<p><i>Mining factors or assumptions</i></p>	<ul style="list-style-type: none"> <li><i>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.</i></li> </ul>	<p>Considering the outcropping and near surface location, and the thick and high grade nature of the mineralisation, it is assumed that open pit mining will be used.</p> <p>5% ore loss and 5 % dilution was applied.</p>	<p>No Mineral Resource Estimate is being reported.</p> <p>The extensive exposures of greisen and pegmatite suggest that open-pit mining would be a likely scenario.</p>	<p>No Mineral Resource Estimate is being reported.</p> <p>By analogy with known magmatic sulphide deposits in the CAOB, the most likely scenario for an eventual mining operation would be by underground methods.</p>
<p><i>Metallurgical factors or assumptions</i></p>	<ul style="list-style-type: none"> <li><i>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.</i></li> </ul>	<p>The project has had petrographic and SEM analysis completed to determine flake size distribution. High proportions of fine flake size material at surface give way to coarser flake size in drill core. This, in combination with the high grade nature of the mineralisation suggests reasonable prospects for eventual economic extraction. Metallurgical testing has been initiated confirming reasonable concentrate grades (95%) are likely to be produced.</p> <p>With current flake size analysis, 11% of the product will be jumbo flake, 19 % is Large flake, 16% is Medium flake, 29% is Small flake and 24 % is fine flake.</p>	<p>No Mineral Resource Estimate is being reported.</p> <p>The lithium-bearing minerals identified to date are amenable to conventional treatment for recovery of lithium.</p>	<p>No Mineral Resource Estimate is being reported.</p> <p>The ore minerals in magmatic sulphide deposits are generally concentrated by flotation.</p>

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		Preliminary test work sacrificed flake size for concentrate grade, by intensive grinding to liberate quartz and kaolinite from graphite flakes. Additional test work should focus on improving flake size while maintaining concentrate grade.		
<i>Environmental factors or assumptions</i>	<ul style="list-style-type: none"> <li><i>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.</i></li> </ul>	<p>No assumptions have been made regarding waste and process residue.</p> <p>Innova will work to mitigate environmental impacts as a result of any future mining or mineral processing.</p>	<p>No Mineral Resource Estimate is being reported.</p> <p>The project is at a very early stage of exploration. Mongolian regulations require environmental plans and reports on an annual basis for exploration licences.</p>	<p>No Mineral Resource Estimate is being reported.</p> <p>The project is at an early stage of exploration. Mongolian regulations require environmental plans and reports on an annual basis for exploration licences.</p>
<i>Bulk density</i>	<ul style="list-style-type: none"> <li><i>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.</i></li> <li><i>The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc),</i></li> </ul>	<p>A total of 819 density determinations were supplied by client from 50 diamond holes. Bulk density determination was made on pieces of drill core generally 10 to 20 cm in length using water immersion technique, using wax coating for porous samples.</p> <p>Strong negative correlation (-0.61) observed between density and TGC%. Regression was calculated for comparison purpose. All density data was extracted per mineralisation domains and IDW squared technique was</p>	<p>No Mineral Resource Estimate is being reported.</p> <p>An Exploration Target was estimated assuming a bulk density of 2.6t/m<sup>3</sup>.</p> <p>No bulk density determinations have been made to date.</p>	<p>No Mineral Resource Estimate is being reported.</p> <p>An Exploration Target was estimated assuming a bulk density of 2.9t/m<sup>3</sup>.</p> <p>Bulk density determinations have been made on drill core from all rock types encountered in drilling, including unmineralized schistose countryrock and both mineralised and unmineralized</p>

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	<p><i>moisture and differences between rock and alteration zones within the deposit.</i></p> <ul style="list-style-type: none"> <li>• <i>Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.</i></li> </ul>	<p>used to interpolate density into block model. Comparison of IDW estimated density vs regression calculated density shows 0% difference however IDW show more density variance (high grade graphite has lesser density) and IDW interpolated density was used for the estimate.</p> <p>Density analysis against weathering surfaces were assessed, with no significant difference noted between oxide and fresh mineralisation.</p>		<p>mafic-ultramafic intrusive in both oxidised and fresh states, plus gossan. As expected, higher densities correspond closely with sulphide content.</p>
Classification	<ul style="list-style-type: none"> <li>• <i>The basis for the classification of the Mineral Resources into varying confidence categories.</i></li> <li>• <i>Whether appropriate account has been taken of all relevant factors (ie 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).</i></li> <li>• <i>Whether the result appropriately reflects the Competent Person's view of the deposit.</i></li> </ul>	<p>Mineral Resources have been classified on the basis of confidence in geological and grade continuity using the drilling density, geological model, model grade continuity and conditional bias measures (slope of regression and kriging efficiency) as criteria.</p> <p>Likelihood of eventual economic extraction was considered in terms of possible open pit mining, likely product specifications and possible product marketability.</p> <p>The Indicated Mineral Resource was confined within areas which were defined by at least four drill hole intersections and data spacing of 50 m by 50 m or less, and where the continuity and predictability of the pod positions was good. This spacing was deemed appropriate for the application of Indicated Mineral Resource after considering the reasonable mineralisation and grade continuity. This 50 m spacing is equivalent to approximately 70% of total sill or approximately one half of the observed major direction variogram range up to 116 m.</p> <p>The Inferred Mineral Resource was assigned to areas of the deposit where drill hole spacing was greater than 50 m by 50 m,</p>	<p>No Mineral Resource Estimate is being reported.</p> <p>An Exploration Target was estimated using the available information from trench channel samples and mapped geology, providing a reasonable range of tonnage and grade for a conservative target.</p>	<p>No Mineral Resource Estimate is being reported.</p> <p>An Exploration Target was estimated using the available information from scout drilling results and comparison with known deposits in the region, providing a reasonable range of tonnage and grade for a conservative target.</p>

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where the continuity of the mineralised zones was confirmed with extensional drilling or to small pods of mineralisation outside of the main lenses. Modelled mineralisation at North zone is defined by two diamond hole intersections (KHD-54 and KHD-55) with assay data available only for KHD-55 while assay data for KHD-54 is currently in process of analysing at laboratory during writing of this report. KHD-55 drilled 10 m apart with step back pattern due to KHD-54 is collapsed within mineralisation and visual inspection of KHD-54 drill core indicates massive graphite zones were intersected from surface to end of the hole. Based on two diamond hole results with guidance with surface mapped outcrop, RPM classified Inferred Mineral Resource with 50 m extrapolation as mineralisation continuity seems well mapped with surface geology map which helps to negate concerns over uncertainties surrounding structural control and continuity of the thicker massive graphite mineralisation.

A number of mineralisation zones were based on single drill hole intersections but were guided by surface geology maps as well as surface sampling and likely have better continuity than currently interpreted. They have been retained in the model but classified as Exploration Target.

Additional Exploration Targets were based on mapped zones with no drill intersections.

The input data is comprehensive in its coverage of the mineralisation and does not favour or misrepresent in-situ mineralisation. The definition of mineralised zones is based on high level geological understanding producing a robust model of mineralised

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		<p>domains. Validation of the block model shows good correlation of the input data to the estimated grades.</p> <p>The Mineral Resource estimate appropriately reflects the view of the Competent Person.</p>		
<i>Audits or reviews</i>	<ul style="list-style-type: none"> <li><i>The results of any audits or reviews of Mineral Resource estimates.</i></li> </ul>	<p>Internal audits have been completed by RPM which verified the technical inputs, methodology, parameters and results of the estimate.</p>	<p>No Mineral Resource Estimate is being reported.</p>	<p>No Mineral Resource Estimate is being reported.</p>
<i>Discussion of relative accuracy/ confidence</i>	<ul style="list-style-type: none"> <li><i>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.</i></li> <li><i>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.</i></li> <li><i>These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.</i></li> </ul>	<p>The mineralisation geometry and continuity has been adequately interpreted to reflect the applied level of Indicated and Inferred Mineral Resource. Variogram tends to show long ranges up to 120 m in HG zone and 311 m LG zones.</p> <p>Extensional drilling carried out by client confirmed mineralisation thickness and exploration potentiality of the zones. All single drill hole objects are classified as exploration target which were guided by geology maps and chip sampling data. They have high chance to upgrade to higher category by extensional drilling to demonstrate continuity.</p> <p>Khukh Tag graphite deposit has excellent chances to define additional resources through additional drilling, as indicated by the exploration target estimates interpreted by RPM.</p> <p>The data quality is excellent and the drill holes have detailed logs produced by qualified geologists.</p> <p>The Mineral Resource statement relates to tonnes and grade of mineralisation lying</p>	<p>No Mineral Resource Estimate is being reported.</p> <p>An Exploration Target was estimated for the Project on the basis of very early-stage exploration results. The Exploration Target is considered to provide a reasonable and conservative range of grades and tonnages that might be identified through further exploration, however there is no guarantee that exploration will result in definition of a deposit that will permit formal estimation and classification of a Mineral Resource.</p>	<p>No Mineral Resource Estimate is being reported.</p> <p>An Exploration Target was estimated for the Project on the basis of scout drilling results. The Exploration Target is considered to provide a reasonable and conservative range of grades and tonnages that might be identified through further exploration, however there is no guarantee that exploration will result in definition of a deposit that will permit formal estimation and classification of a Mineral Resource.</p>



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above a Whittle shell generated using a long term fine flake graphite price of \$600/t.

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## Appendix B – Drill hole data

### Drilling Data for Yambat Project

HOLE ID	NORTH	EAST	AZIMUTH	DIP	DEPTH	RL
OVD001	5144526	721960.2	260	-60	93.4	1834
OVD002	5144333	722012	0	-90	143.5	1834
OVD003	5144161	722024.7	60	-60	209.5	1844
OVD004	5144511	721956	215	-62	94.5	1835
OVD005	5144330	722021.5	60	-60	101.5	1834
OVD006	5144520	721979	275	-60	59.5	1833
OVD007	5144416	722017.8	240	-60	100.7	1834
OVD008	5144249	722103.9	240	-70	110.5	1839
OVD009	5144173	722164	240	-78	200.5	1843

### Drilling Data for Khukh Tag Project

HOLE ID	NORTH	EAST	RL	AZIMUTH	DIP	DEPTH	YEAR	TYPE
KHD01	5045222	296097	1209	320	-60	80.5	2019-2020	DD
KHD02	5045316	296155	1213	320	-60	61.5	2019-2020	DD
KHD03	5044880	295908	1199	315	-60	50.5	2019-2020	DD
KHD04	5044686	297602	1194	152	-60	86.5	2019-2020	DD
KHD05	5044782	296409	1204	145	-60	35.5	2019-2020	DD
KHD06	5044644	297628	1195	152	-60	71.5	2019-2020	DD
KHD07	5044732	297574	1194	152	-60	49	2019-2020	DD
KHD08	5044595	297658	1197	332	-60	110.5	2019-2020	DD
KHD09	5044672	297670	1194	332	-55	38.5	2019-2020	DD
KHD10	5044634	297579	1195	332	-60	41.5	2019-2020	DD
KHD11	5044609	297545	1196	332	-60	41.5	2019-2020	DD
KHD12	5044587	297607	1197	332	-57	71.5	2019-2020	DD
KHD13	5044627	297694	1196	332	-60	74.5	2019-2020	DD
KHD14	5044659	297708	1195	332	-60	40.5	2019-2020	DD
KHD15	5044564	297567	1197	332	-60	79.5	2019-2020	DD
KHD16	5044586	297557	1197	332	-60	35.5	2019-2020	DD
KHD17	5044550	297521	1197	332	-60	17.5	2019-2020	DD
KHD18	5044545	297395	1199	0	-60	95.5	2019-2020	DD
KHD19	5044467	297525	1200	320	-60	29.5	2019-2020	DD
KHD20	5045009	295977	1201	300	-60	35.5	2019-2020	DD
KHD21	5044923	295936	1199	312	-60	50.5	2019-2020	DD
KHD22	5044491	297569	1199	300	-60	47.5	2019-2020	DD
KHD23	5044612	297591	1196	332	-57	77.5	2019-2020	DD
KHD24	5044642	297571	1195	332	-60	26.5	2019-2020	DD
KHD25	5044642	297685	1195	332	-55	41.5	2019-2020	DD
KHD26	5044650	297625	1195	332	-57	74.5	2019-2020	DD
KHD27	5044581	297366	1199	0	-60	25.5	2019-2020	DD
KHD28	5044547	297422	1199	0	-60	59.5	2019-2020	DD
KHD29	5044573	297414	1198	0	-60	27.5	2019-2020	DD

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KHD30	5044898	297542	1195	0	-90	60.5	2019-2020	DD
KHD-31	5044497	297597	1198	338.1	-53.2	155	Early 2022	DD
KHD-32	5044539	297689	1196	334.9	-50.7	41	Early 2022	DD
KHD-33	5044696	297595	1194	327.7	-59.6	32	Early 2022	DD
KHD-33A	5044697	297597	1194	328	-60	20.5	Early 2022	DD
KHD-34	5044467	297366	1201	24.9	-60.2	33	Early 2022	DD
KHD-35	5044626	297269	1199	31.7	-58.4	36.5	Early 2022	DD
KHD-36	5044477	297606	1199	337.3	-63.7	68.5	Early 2022	DD
KHD-37	5044425	297483	1202	1.6	-59.5	42	Early 2022	DD
KHD-38	5044546	297339	1199	33.8	-59.3	110	Early 2022	DD
KHD-39	5044599	297252	1200	32.5	-60	100	Early 2022	DD
KHD-40	5045281	296188	1209	321.3	-55.2	107.5	Early 2022	DD
KHD-41	5045152	296046	1205	308	-59.9	104.5	Early 2022	DD
KHD-42	5044735	297364	1197	37.8	-60	76	Early 2022	DD
KHD-43	5045193	295283	1202	62.2	-59	110	Early 2022	DD
KHD-44	5044580	297513	1197	339.2	-60.6	88.5	Early 2022	DD
KHD-45	5045120	295376	1202	45	-60	88.7	Late 2022	DD
KHD-46	5045011	295394	1200	80	-60	29.5	Late 2022	DD
KHD-47	5045024	295462	1200	270	-65	23	Late 2022	DD
KHD-47-1	5045023	295446	1200	276	-60	49.5	Late 2022	DD
KHD-48	5045262	295254	1205	70	-60	56.1	Late 2022	DD
KHD-49	5045271	295283	1204	70	-60	23	Late 2022	DD
KHD-50	5045260	295249	1205	0	-90	56.8	Late 2022	DD
KHD-51	5045347	295289	1205	320	-60	44.5	Late 2022	DD
KHD-52	5045354	295314	1205	55	-60	50.5	Late 2022	DD
KHD-53	5045290	295346	1203	65	-60	44.5	Late 2022	DD
KHD-54	5045578	297454	1202	169	-60	44.5	Late 2022	DD
KHD-55	5045586	297452	1202	169	-60	74.5	Late 2022	DD

## Khukh Tag Project Significant Intervals

Hole ID	From (m)	To (m)	Interval	TGC %	TC %
KHD01	8.5	9.8	1.3	3.9	5.6
KHD01	20.7	80.5	59.8	6.5	8.0
incl	38	47.7	9.7	10.2	11.5
incl	62.5	78	15.5	9.7	11.0
KHD02	21.7	47.5	25.8	12.1	13.3
incl	21.7	36.35	14.65	13.1	14.3
incl	39.9	45.6	5.7	18.1	18.9
KHD03	5.3	49.1	43.8	16.7	17.6
KHD04	6.1	28.1	22	16.2	17.2
incl	13	28.1	15.1	20.5	21.2
KHD04	30.6	75.6	45	10.1	11.4
incl	30.6	51.8	21.2	15.5	16.5
KHD05	11.2	35.5	24.3	9.2	10.5
incl	15.2	35.5	20.3	10.0	11.3

KHD06	4.2	62.4	58.2	14.1	15.2
incl	4.2	50	45.8	15.2	16.2
KHD08	1.5	7.5	6	3.6	5.3
KHD08	9.5	19.4	9.9	6.1	7.6
KHD08	21.4	41.5	20.1	3.6	5.2
KHD08	50.65	54	3.35	7.8	9.3
KHD08	58.6	62.6	4	8.0	9.5
KHD08	65.5	93.9	28.4	18.2	19.0
KHD09	15.4	23	7.6	10.6	11.9
incl	17	23	6	11.7	12.9
KHD10	5.5	14.3	8.8	12.3	13.5
KHD10	15.5	32.2	16.7	14.8	15.8
KHD11	31	32.5	1.5	5.6	7.1
KHD12	2.5	28.7	26.2	4.4	6.0
KHD12	44.5	55.1	10.6	10.5	11.8
KHD12	56.5	65.5	9	15.9	16.9
KHD12	67.6	68.3	0.7	17.3	18.2
KHD13	2	18.6	16.6	4.8	6.4
KHD13	34	36.7	2.7	8.6	10.0
KHD13	39	65.3	26.3	18.3	19.2
KHD13	69.5	71.1	1.6	12.6	13.8
KHD14	16.9	18.5	1.6	3.8	5.4
KHD14	19.15	32.5	13.35	18.2	19.1
incl	19.6	32.5	12.9	18.7	19.6
KHD15	5.4	11.6	6.2	4.2	5.9
KHD15	17.35	30.1	12.75	2.9	4.6
KHD15	31	32.4	1.4	4.7	6.3
KHD15	44.5	47.1	2.6	10.3	11.6
KHD15	50.5	71.25	20.75	8.5	9.9
incl	50.5	65	14.5	9.2	10.5
KHD16	2.3	12.3	10	4.5	6.1
KHD16	14.15	16.2	2.05	2.5	4.2
KHD16	18.7	20.9	2.2	8.9	10.3
KHD18	2	22.2	20.2	19.6	20.4
KHD18	23.3	26.7	3.4	18.4	19.3
KHD18	28.9	92.5	63.6	16.9	17.8
KHD19	1	14.7	13.7	12.9	14.1
incl	1	13	12	14.4	15.5
KHD19	18	25.1	7.1	10.2	11.5
incl	18	24	6	11.2	12.5
KHD20	7.5	18.9	11.4	7.6	9.0
incl	14.4	18.9	4.5	10.3	11.6
KHD23	11.8	39.5	27.7	11.3	12.5
incl	17.9	38.9	21	13.1	14.3
KHD23	39.9	57.1	17.2	14.6	15.7
KHD23	60	62.7	2.7	15.6	16.6
KHD23	68.6	73	4.4	19.5	20.3

KHD24	3.2	18.8	15.6	13.2	14.3
KHD25	9	35.8	26.8	17.1	18.0
incl	11	35.8	24.8	18.1	19.0
KHD26	6.5	63	56.5	15.9	16.9
incl	22.3	62.3	40	19.8	20.6
KHD26	65.4	70.05	4.65	20.4	21.1
KHD27	9	21.5	12.5	8.6	10.6
KHD28	4.5	10.3	5.8	9.5	10.9
KHD28	12.7	22.3	9.6	10.3	11.6
KHD28	24.5	49.4	24.9	20.0	20.8
KHD29	14.5	17.4	2.9	10.5	11.8
KHD-31	1	3	2	9.9	11.2
KHD-31	5	12.5	7.5	12.4	13.3
KHD-31	14.7	16.1	1.4	8.0	8.9
KHD-31	114.2	135	20.8	5.8	6.1
KHD-32	12.7	30.9	18.2	9.9	11.4
incl	16.7	30.9	14.2	11.2	12.7
KHD-33	8	14	6	6.3	7.8
KHD-33A	9.3	17.8	8.5	5.7	7.4
KHD-34	8.9	20.3	11.4	6.7	9.0
KHD-34	22.8	27.5	4.7	8.4	12.8
incl	22.8	25.5	2.7	12.6	14.9
KHD-35	6.7	13.7	7	12.2	14.4
KHD-35	16.6	18.4	1.8	7.5	10.6
KHD-35	21.4	30.4	9	17.4	18.4
KHD-36	16.3	19	2.7	7.0	10.3
KHD-36	22.9	24.5	1.6	14.0	16.0
KHD-36	27.6	30.7	3.1	7.5	11.0
KHD-36	33.3	42.9	9.6	6.9	8.8
KHD-37	4.3	8.9	4.6	3.2	4.0
KHD-37	15.3	31.6	16.3	8.7	10.3
incl	15.3	27.3	12	10.2	12.2
KHD-37	37.1	42	4.9	4.7	5.7
KHD-38	10.1	12.8	2.7	11.9	14.7
KHD-38	14.6	34	19.4	12.5	14.0
KHD-38	40.2	68.5	28.3	14.8	15.5
KHD-39	19.4	23.6	4.2	9.2	13.4
KHD-39	52.5	67	14.5	17.0	18.4
KHD-40	12.9	15.7	2.8	2.7	5.4
KHD-40	22.9	82.1	59.2	11.7	12.4
KHD-40	90.7	96.1	5.4	10.7	10.9
KHD-41	12.1	32.3	20.2	4.9	5.4
KHD-41	36.2	95.4	59.2	7.9	8.3
KHD-42	21.3	76	54.7	6.6	7.1
incl	21.3	37.4	16.1	9.9	11.4
KHD-43	1.7	59.4	57.7	17.8	19.1



KHD-43	63.4	66.8	3.4	11.5	13.1
KHD-44	2.5	15.1	12.6	3.2	4.5
KHD-44	16.9	19.9	3	4.6	5.2
KHD-44	21.3	23.8	2.5	4.0	6.1
KHD-44	27.4	29.5	2.1	3.4	9.8
KHD-45	4	43.1	39.1	13.7	14.8
KHD-45	47.2	77.95	30.75	15.5	16.5
KHD-47	2.8	4.9	2.1	7.0	12.4
KHD-47	5.7	8	2.3	12.8	13.7
KHD-47- 1	0.7	12.2	11.5	11.4	11.9
KHD-48	10.6	14.8	4.2	6.8	11.9
KHD-48	15.5	24.4	8.9	13.7	15.5
KHD-48	27.5	28.2	0.7	7.7	8.6
KHD-49	0.2	18.2	18	15.1	17.6
KHD-50	18.6	19.25	0.65	7.1	13.6
KHD-50	20.1	20.3	0.2	6.9	9.7
KHD-50	37	38.16	1.16	10.0	11.1
KHD-50	38.9	40.2	1.3	12.9	17.8
KHD-50	45.13	45.9	0.77	16.9	18.8
KHD-51	7.1	38.5	31.4	15.3	16.4
KHD-52	2.5	40.8	38.3	15.7	17.2
KHD-53	8.9	40.5	31.6	16.0	16.4
KHD-55	2.2	66.8	64.6	17.9	19.1