



Notice of General Meeting & Explanatory Statement

Great Divide Mining Limited ACN 655 868 803

To be held at: In person – GDM - Suite 3, Level 12 127 Creek Street Brisbane QLD 4000
or

To be held on: 7 January 2025

Commencing at: 9:00am (AEST)

More information regarding online participation at the General Meeting is available in Part C of this Notice of General Meeting

Important Information

This Notice of General Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

Important dates

Execution of Farm-In Agreement	23 October 2024
Deadline for lodgement of proxy forms for the General Meeting	9:00am (AEST) on 5 January 2025
General Meeting	9:00am (AEST) on 7 January 2025
Anticipated date for completion of Due Diligence on the Adelong Venture	On or before 22 January 2025
Anticipated date for payment of \$300,000 and obtaining a 15% interest in Challenger	Within 5 business days of completion of Due Diligence on the Adelong Venture (to GDM's satisfaction)
Deadline for First Gold	No later than 12 months following receipt of the 15% interest in Challenger

*Dates are indicative only and subject to change. The occurrence of milestones after the General Meeting are conditional on the passing of the Resolution at the General Meeting.

Important information and notices

Shareholders are urged to read the Notice of General Meeting in full before deciding whether and how to vote on the Resolutions to be considered at the General Meeting.

No investment or financial product advice

This is an important document which requires your attention. The Notice of General Meeting provides Shareholders with information which will assist them in evaluating the Resolutions contained in the Notice of General Meeting. Please note that the Notice of General Meeting does not take into account your investment objectives, financial situation or particular needs. You should obtain independent financial, investment, legal and taxation advice before deciding whether or not to attend and vote at the General Meeting and on how to vote in respect of the Resolutions. The Company is not licensed to provide financial product advice in relation to Shares or any other financial products.

Forward looking statements

Certain statements in the Notice of General Meeting relate to the future or are forward looking statements. Forward looking statements may be identified by words such as 'expects', 'anticipates', 'intends', 'believes', 'seeks', 'estimates' or 'will' or words of similar meaning and include, without limitation, forward looking statements regarding the Company's financial position and performance and its business strategy, plans and objectives for future operations. These forward looking statements are based on the Company's current expectations about future events. Shareholders are cautioned not to place undue reliance on forward looking statements. You should be aware that such statements are only predictions and are subject to inherent risks and uncertainties.

Those risks and uncertainties include factors and risks specific to the Company as well as matters pertaining to general economic conditions and the state of the financial markets. Actual events or results may differ materially from the events or results expressed or implied in any forward looking statement and such deviations are both normal and to be expected. None of the Company, any of its directors or officers or any person named in the Notice of General Meeting or involved in the preparation of the Notice of General Meeting makes any representation or warranty (either express or implied) as to the accuracy or likelihood of fulfilment of any forward looking statement, or any events or results expressed or implied in any forward looking statement. The forward looking statements in the Notice of General Meeting reflect views held only as at the date of the Notice of General Meeting.

ASX lodgement

The Notice of General Meeting (including the Notice of General Meeting and the Explanatory Statement) has been lodged with ASX. ASX takes no responsibility for the contents of the Notice of General Meeting.

Financial information presentation

Shareholders and investors should be aware that certain financial data included in this Notice of Meeting is 'non-IFRS financial information' under Regulatory Guide 230 Disclosing non-IFRS financial information, published by ASIC. GDM believes this non-IFRS financial information provides useful information to users in measuring the financial performance and conditions of the Company. The non-IFRS measures do not have standardised meanings prescribed by Australian Accounting Standards and therefore, may not be comparable to similarly titled measures presented by other entities, nor should they be construed as an alternative to other financial measures determined in accordance with Australian Accounting Standards.

Other sources of information

In addition to the information set out in the Notice of General Meeting, you may wish to review information contained in the following other documents in deciding whether or not to attend and vote at the General Meeting and on how to vote in respect of the Resolutions:

- (a) ASX announcements made by the Company which are available on its website <https://greatdivideminig.com.au>;
- (b) the 2024 Annual Report of the Company which is available on its website: <https://greatdivideminig.com.au/investor-centre/>; and
- (c) information regarding the Company which is available on its website <https://greatdivideminig.com.au>.

Note that none of the above documents forms part of the Notice of General Meeting or any accompanying document.

Supplementary information

The Company will issue a supplementary document to the Notice of General Meeting if it becomes aware of any of the following prior to the General Meeting:

- (a) a material statement in the Notice of General Meeting is false or misleading;
- (b) a material omission from this Notice of General Meeting;
- (c) a significant change affecting a matter in the Notice of General Meeting; or
- (d) a significant new matter has arisen and it would have been required to be included in the Notice of General Meeting if known at the date of despatch of the Notice of General Meeting to Shareholders.

Depending on the nature and the timing of the changed circumstances and subject to obtaining any relevant approvals, the Company may circulate and publish any supplementary document by posting the supplementary document on the Company's website, making an announcement to ASX or sending a copy of the supplementary document to Shareholders.

Responsibility for information

The information contained in this document has been prepared by the Company and is the responsibility of the Company.

Effect of rounding

A number of figures, amounts, percentages, prices, estimates, calculations of value and fractions in this document are subject to the effect of rounding. Accordingly, the actual calculation of these figures may differ from the figures set out in this document.

Date

This Notice of General Meeting is dated 7 January 2025.

Letter from the Chairman

Dear Shareholders,

General Meeting

The General Meeting of Great Divide Mining Limited ACN 655 868 803 (**GDM** or the **Company**) will be held at 9:00am AEST on 7 January 2025 in person at GDM's office, being Suite 3, Level 12 127 Creek Street Brisbane QLD 4000 (**General Meeting**).

Capitalised terms in this letter have the meaning given to them in Section A (Glossary), unless otherwise defined.

Overview of the Adelong Venture

On 11 November 2024, GDM announced that it had entered into a Joint Venture Agreement with Adelong Gold Ltd (ASX: ADG) and its subsidiary, Challenger Mines Pty Ltd (**Challenger**), to form the Adelong Venture, aimed at restarting operations at the Adelong Gold Mine.

The Board of GDM is pleased to put forward for Shareholder consideration the Adelong Venture, an incorporated venture regarding the exploration, development and operation of the Adelong Gold Mine which constitutes:

- (a) **Stage 1** - Involves GDM's acquisition of an initial 15% stake in Challenger through a farm-in arrangement, which provides for a milestone-based increase in ownership. Upon satisfactory completion of the due diligence period, GDM will subscribe for \$300,000 in Challenger, the entity holding the Adelong Assets, in exchange for a 15% interest. This initial investment will be issued as fully paid ordinary shares in Challenger and will fund essential early-stage activities, including recommissioning the Adelong Process Plant and preparing for gold production.
- (b) **Stage 2** - Allows GDM to earn a further 36% interest in Challenger upon achieving the first gold pour (**First Gold**) from the refurbished Adelong Gold Plant, bringing GDM's total stake to 51%. Following First Gold, funding for operational activities will be shared proportionally based on each party's stake in Challenger. If further capital is required, GDM may raise additional funds via equity to support the venture's growth and sustainability.

(Adelong Venture).

This Adelong Venture is contingent on a 90-day due diligence period and requires shareholder approval.

The Adelong Venture will result in an operational shift of GDM from exploration to production at the Adelong Gold Mine, with GDM appointed as the manager of the Adelong Venture. This transition aligns with GDM's strategic goal to evolve from an exploration company into a gold producer.

The initial \$300,000 investment will fund early-stage activities, including recommissioning the Adelong Process Plant and preparing for first gold production. Following First Gold, operational funding will be shared proportionally between GDM and Adelong according to their ownership stakes. If additional funding is required to support the venture's growth, GDM may consider revenue generation or equity raising options to maintain operational momentum.

This transformative venture advances GDM's goal of generating near-term cash flow while establishing itself as a gold producer in the highly prospective Adelong Goldfield.

Additional detail is provided below.

Approval required under ASX Listing Rule 11.1.2

ASX has advised GDM that the Adelong Venture will amount to a significant change in the nature of the Company's activities. As a result, GDM is required to obtain Shareholder approval for the Adelong Venture.

The Adelong Venture is conditional on GDM completing a 90-day Due Diligence process and obtaining all necessary regulatory and Shareholder approvals to effect the Adelong Venture and satisfying all other requirements of the ASX.

If approved by the Shareholders and all other conditions precedent are satisfied, Stage 1 of the Adelong Venture is expected to complete on or before 21 January 2025, with Stage 2 of the Adelong Venture to complete on or before 21 January 2026.

If the Resolution is not approved at the General Meeting, the Adelong Venture will not proceed and the Farm-In Agreement will be terminated.

Conditions Precedent and Regulatory Approvals

The Adelong Venture is subject to several conditions:

- (a) **Due Diligence:** GDM has a 90-day period from 23 October 2024, to complete due diligence on Challenger's assets and operations. Should the due diligence uncover any issues, either party may terminate the Farm-In Agreement.
- (b) **Shareholder Approval:** Given the substantial shift in GDM's focus, ASX Listing Rule 11.1.2 requires shareholder approval. This approval is being sought at the General Meeting being convened by way of this Notice of General Meeting.
- (c) **Regulatory and Third-Party Approvals:** Necessary approvals under relevant laws, including the *Mining Act 1992* (NSW).

The Acquisition Resolution

The Acquisition Resolution to be put to Shareholders at the General Meeting is as follows:

- (a) **Resolution 1** seeks approval for the purposes of ASX Listing Rule 11.1.2 for the significant change to the nature of the Company's activities resulting from the Adelong Venture.

What if the Adelong Venture is not approved?

If the Acquisition Resolution is passed, GDM will be able to complete the Adelong Venture.

If Shareholders reject the Acquisition Resolution, the Adelong Venture will not be implemented.

Participate and vote online

The Company urges you to attend the General Meeting.

If you are unsure as to how to vote, we recommend that you speak with your professional adviser.

It may not be possible to respond to all questions. It is encouraged that Shareholders lodge questions prior to the meeting by submitting your question to the Company Secretary, Mr Craig McPherson on 0416 010 684 or craig.mcpherson@greatdividemining.com.au.

Questions

Should you wish to discuss the matters in this Notice of General Meeting, you should consult your licensed financial adviser, stockbroker or other professional adviser.

If you have any questions in regards to your holding in Shares or other share registry matters, please consult the Company Secretary, Mr Craig McPherson on 0416 010 684 or craig.mcpherson@greatdividemining.com.au. We look forward to the participation of all Shareholders at the General Meeting on 7 January 2024.

Yours faithfully

Paul Ryan

Chairman
Great Divide Mining Limited

Note: This letter contains general information only and has been prepared without taking account of the objectives, financial situation or needs of any particular person. Accordingly, before acting on any information in this letter, you should consider the appropriateness of the information to your objectives, financial situation and needs and consult a professional adviser where necessary. GDM is not licensed to provide financial product advice.

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Section A – Glossary

\$	Australian dollars.
Acquisition Resolution	Means Resolution 1
Adelong	Adelong Gold Limited
Adelong Gold Mine	The gold mine held by Challenger located in NSW and consists of the Adelong Gold Tenements.
Adelong Gold Tenements	ML 1435; EL 5728; and M(C)Ls 279, 280, 281, 282, 283, 284, 285, 286, 287, 288, 289, 290, 291, 311, 312, 313.
Adelong Venture	Has the meaning given to that term in Letter from the Chairman, namely the incorporated venture of GDM and Adelong regarding the exploration, development and operation of the Adelong Gold Mine and made up of Stage 1 and Stage 2.
Adelong Venture Area	The land covered by the Adelong Venture and includes the Adelong Gold Tenements.
Adelong Venture Assets	Means the assets of the Adelong Venture detailed in paragraph 2.2.
Adelong Venture Plant	The gold process plant equipment including crushing and milling, gravity recoverable gold, flotation and CIP plant, and associated plant and equipment.
ASIC	The Australian Securities & Investments Commission.
Associate	Has the meaning given to that term in section 12 of the Corporations Act.
ASX	The Australian Securities Exchange operated by ASX Limited.
ASX Listing Rules	The listing rules of the ASX.
Board	The board of directors of the Company.
Business Day	Monday to Friday inclusive, except any day that the ASX declares is not a business day.
Buy-Out	Has the meaning given to that term in paragraph 6.3.
Chairman or Chair	The chair of the General Meeting.
Challenger	Challenger Mines Pty Ltd
Company or GDM	Great Divide Mining Limited ACN 655 868 803
Constitution	The constitution of the Company.
Corporations Act	The <i>Corporations Act 2001</i> (Cth).
Corporations Regulations	<i>Corporations Regulations 2001</i> (Cth).
Directors	The directors of the Company.
Explanatory Statement	The information set out in Section D of the Notice of General Meeting.
Farm-in Agreement	The Great Divide Mining and Adelong Gold Farm-In Agreement Binding Term Sheet for Challenger Mines Pty Ltd executed 23 October 2024.
First Gold	The first gold being poured from the refurbished and operational Adelong Venture gold plant.
General Meeting	The General Meeting of Shareholders convened by the Notice of General Meeting.
Glossary	The glossary contained in this Section A of the Notice of General Meeting.
Key Management Personnel	Has the meaning given in the accounting standards as those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.

Notice of General Meeting	This Notice of General Meeting including the Notice of General Meeting set out in Section B , Explanatory Statement and the Schedules, the Appendices and the Proxy Form.
Mining Act	The Mining Act 1992 (NSW).
Option	An option to subscribe for a Share.
Proxy Form	The proxy form accompanying the Notice of General Meeting.
Resolutions	The resolutions set out in the Notice of General Meeting and Resolution means any of them.
Section	A section of this Notice of General Meeting.
Shares	A fully paid ordinary share in the share capital of the Company, having the terms set out in the Constitution, and Share means any one of them.
Shareholder	A holder of one or more Shares.
Stage 1	Has the meaning given to that term in Letter from the Chairman.
Stage 2	Has the meaning given to that term in Letter from the Chairman.
Stage 2 Earn-in Milestone	Means First Gold.
Stage 2 Earn-In Period	12 Months from the date of completion of Stage 1.

Section B – Notice of General Meeting

Time and place

Notice is hereby given that the General Meeting will be held as follows:

Held: In person at GDM's office - Suite 3, Level 12 127 Creek Street Brisbane QLD 4000

Commencing at: 9:00am (AEST) on 7 January 2024

Explanatory Statement

The Explanatory Statement which accompanies and forms part of this Notice of General Meeting describes the matters to be considered at the General Meeting.

Defined terms

Terms used in this Notice of General Meeting have the meaning given to them in the Glossary in **Section A** of the Notice of General Meeting in which this Notice of General Meeting is contained.

SPECIAL BUSINESS

1. Resolution 1: Change to nature of activities under ASX Listing Rule 11.1.2

To consider and, if thought fit, pass the following resolution as an **ordinary resolution**:

"That for the purpose of ASX Listing Rule 11.1.2 and for all other purposes, Shareholders approve the significant change to the nature and scale of the Company's activities resulting from the acquisition of up to 51% of the issued share capital of Challenger Mines Pty Ltd, on the terms and conditions set out in the Explanatory Statement."

Short Explanation: The Company has entered into a binding Farm-In Agreement with Adelong Gold Limited (**Adelong**) and Challenger Mines Pty Ltd (**Challenger**), pursuant to which the Company has agreed to acquire up to 51% of the issued share capital of Challenger subject to the satisfaction of certain milestones.

If successful, the Adelong Venture will result in the Company changing the nature of its activities. ASX Listing Rule 11.1.2 requires that the Company seek Shareholder approval where it proposes to make a significant change to the nature and scale of its activities.

Voting Exclusion Statement

The Company will disregard any votes cast in favour of this Resolution by or on behalf of:

- the counterparties to the Adelong Venture and any other person who will obtain a material benefit as a result of the Adelong Venture (except a benefit solely by reason of being a holder of Shares in the Company); or
- an associate of that person or persons.

However, this does not apply to a vote cast in favour of a resolution by:

- a person or proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way;
- the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

OTHER BUSINESS

To transact any other business which may be brought forward in accordance with the Company's constitution.

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Section C – How to vote

1. How to vote

If you are entitled to vote at the General Meeting, you may vote by attending the General Meeting in person or by attending the meeting by proxy.

2. Your vote is important

The business of the General Meeting affects your shareholding and your vote is important.

3. Corporations

To vote at the General Meeting, a Shareholder that is a corporation must appoint an individual to act as its representative. The appointment must comply with section 250D of the Corporations Act. A representative of a corporation may vote at the meeting virtually.

Alternatively, a corporation may appoint a proxy.

4. Voting in person

You may attend the General Meeting and vote in person. To vote in person, attend the meeting on the date and at the time and place set out above.

5. Voting by proxy

All Shareholders who are entitled to participate in and vote at the General Meeting have the right to appoint a proxy to participate in the General Meeting and vote in their place. A proxy need not be a Shareholder and can be an individual or a body corporate.

A Shareholder who is entitled to cast two or more votes may appoint two proxies and may specify the proportion, or number, of votes which each proxy is entitled to exercise. If no proportion or number is specified, each proxy may exercise up to half of the Shareholder's votes.

Shareholders and their proxies should be aware that:

- (a) if a proxy votes, they must cast all directed proxies as directed; and
- (b) any directed proxies which are not voted will automatically default to the Chair, which must vote the proxies as directed.

To vote by proxy, you must complete and lodge the Proxy Form using one of the following methods:

Online	www.investorvote.com.au using your secure access information
By post	Computershare Investor Services Pty Limited, GPO Box 242, Melbourne VIC 3001, Australia.

For details on how to complete and lodge the Proxy Form, please refer to the instructions on the Proxy Form.

For your proxy appointment to be effective, it must be received by the Company not less than 48 hours before the General Meeting (i.e. 9:00am on 5 January 2025). Proxy Forms received later than this time will be invalid.

You can direct your proxy how to vote (i.e. to vote 'for' or 'against', or to 'abstain' from voting on, each Resolution) by following the instructions either online or on the Proxy Form. A proxy may decide whether to vote on an item of business, except where the proxy is required by law

or the Constitution to abstain from voting in his or her capacity as proxy. If a proxy is directed how to vote on an item of business, the proxy may only vote on the item as directed. If a proxy is not directed how to vote on an item of business, the proxy may vote as he or she thinks fit.

If you are entitled to cast two or more votes, you may appoint two proxies and you may specify the proportion or number of votes that each proxy is appointed to exercise. If your appointment does not specify the proportion or number of your voting rights, each proxy may exercise half your votes (disregarding fractions).

If you appoint the Chair as your proxy but do not direct the Chair on how to vote, then by completing and submitting your voting instructions you are expressly authorising the Chair to vote in favour of each item of business, even where an item of business is directly or indirectly connected to the remuneration of a member of the Key Management Personnel of the Company. The Chair intends to vote all available (including undirected) proxies in favour of all Resolutions, subject to the applicable voting exclusions and prohibitions.

You cannot lodge a direct vote and appoint a proxy for the same voting rights. The appointment of one or more duly appointed proxies will not preclude a Shareholder from attending the General Meeting and voting personally. If the Shareholder votes on a Resolution, the proxy must not vote as the Shareholder's proxy on that Resolution.

6. Eligibility to vote

The Directors have determined pursuant to regulation 7.11.37 of the Corporations Regulations that the persons eligible to vote at the General Meeting are those that are registered Shareholders at 7:00pm (AEDT) on 5 January 2024. If you are not the registered holder of a relevant Share at that time you will not be entitled to vote in respect of that Share.

7. Voting procedure – on a poll

Every question arising at this General Meeting will be decided on a poll. Upon a poll, every person entitled to vote who is present at the virtual meeting or by proxy will have one vote for each voting Share held by that person.

8. Enquiries

For all enquiries, please contact the Company Secretary, Mr Craig McPherson on 0416 010 684 or craig.mcpherson@greatdividemining.com.au.

Section D – Explanatory Statement

This Explanatory Statement forms part of the Notice of General Meeting convening the General Meeting of Shareholders of the Company to be held commencing at 9:00am AEST on 7 January 2024 in person at GDM's office, being Suite 3, Level 12 127 Creek Street Brisbane QLD 4000.

Refer to **Section C** for details on how to attend and vote at the General Meeting.

This Explanatory Statement is to be read in conjunction with the Notice of General Meeting.

Purpose

The purpose of this Explanatory Statement is to provide information which the Board believes is material to Shareholders in deciding whether or not to pass the Resolutions to be put forward in the General Meeting.

The Board recommends Shareholders read the Notice of General Meeting and this Explanatory Statement in full before making any decisions relating to the Resolution contained in the Notice of General Meeting.

Defined terms

Terms used in this Explanatory Statement have the meaning given to them in the Glossary in **Section A** of this Notice of General Meeting in which this Explanatory Statement is contained.

BACKGROUND TO RESOLUTION

1 Background to the Adelong Venture

1.1 Background to the Adelong Venture

On 11 November 2024, the Company announced it had entered into a binding Farm-In Agreement with Adelong and its wholly owned subsidiary, Challenger, to restart operations at the historic Adelong Gold Mine.

Subject to receipt of all necessary approvals and satisfaction of the conditions outlined below, GDM anticipates acquiring an initial 15% of the issued share capital of Challenger, with the potential to increase its interest to 51% upon First Gold.

1.2 Rationale for the Adelong Venture

The Adelong Venture represents a strategic opportunity for GDM, giving it access to the high-potential Adelong Gold Mine, a historically productive but under-explored site. It aligns with GDM's broader strategy to transition from a pure exploration company to a fully operational explorer-miner-producer.

The Adelong Gold Mine represents a unique opportunity with its established historical goldfield, extensive exploration licenses, and processing infrastructure ready to be recommissioned. The Adelong Venture allows GDM to accelerate its pathway to gold production, create near-term cash flows, and leverage the potential of a historically under-explored mining site.

The objectives of the Adelong Venture comprise:

- (a) **Revenue generation** – Generating revenue from the Adelong Venture Assets;
- (b) **Project development and operation** – Exploring, developing, and operating the Adelong Gold Mine to achieve an operational and cash flow positive status;

- (c) **Exploration for gold and other mineral reserves** – Exploring, establishing reserves of, and evaluating gold deposits and any other minerals under the applicable licenses in the Adelong Venture Area;
- (d) **Feasibility studies** – Conducting feasibility studies for exploration, development, and operation of the tenements in the Adelong Venture Area;
- (e) **Investigation of gold** – Investigating the location, extent, quantity, structure, quality, mining, processing, sale, and commercial value of gold and any other licensed minerals in the Adelong Venture Area;
- (f) **Processing or extraction of gold** – Processing or extracting gold and other licensed minerals from the Adelong Venture Area.

1.3 Material terms of the Farm-In Agreement

A summary of the material terms of the Farm-In Agreement are detailed below.

Item	Detail
Nature of Agreement	<p>The purpose of the binding Farm-In Agreement is to outline essential terms upon which:</p> <ul style="list-style-type: none"> GDM agrees to subscribe for fully paid ordinary shares in Challenger; and GDM and Adelong will form an incorporated venture regarding the exploration, development, and operation of the Adelong Gold Mine.
Conditions Precedent	<p>The obligations under the Farm-In Agreement are conditional upon meeting the following conditions precedent:</p> <ul style="list-style-type: none"> Due diligence: GDM must complete legal and technical due diligence on Challenger and the Adelong Venture to its satisfaction. Authorisations and permissions: GDM and Adelong must obtain the necessary authorisations to carry out the Adelong Venture, including for open cut, underground, and tailings operations. Definitive Agreements: The parties must enter into formal agreements. Approvals: Both parties must obtain all shareholder, regulatory, and ASX approvals required under relevant laws. Third-party consents: Adelong must secure third-party approvals, including any required ministerial consent under the Mining Act. <p>If the conditions aren't met or waived within 90 days (or as extended), either party may terminate the Farm-In Agreement, releasing both parties from obligations except for any breaches before termination.</p>
Earn-In	<p><u>Stage 1</u></p> <p>GDM can earn a 15% interest in Challenger by paying \$300,000 to Challenger within five business days of satisfying or waiving the conditions precedent (Stage 1).</p> <p><u>Stage 2</u></p> <p>GDM can earn an additional 36% interest (for a total of 51%) in Challenger (Stage 2) by achieving the First Gold production from the Adelong Venture gold plant within 12 months of completing Stage 1 (Stage 2 Earn-In Milestone).</p> <p>If GDM fails to meet this Stage 2 Earn-In Milestone within the period, GDM loses the right to increase its interest, and Adelong must buy out GDM's Stage 1 interest as per the Buy-Out terms (see 'Share Sale and Buy-Out' below).</p> <p>During Stage 2, GDM, as the AV Manager, must:</p>

	<ul style="list-style-type: none"> Keep the Adelong Venture Assets in good standing, managing finances and legal obligations. Maintain tenements under the Mining Act, fulfilling legal and operational requirements safely and efficiently. Fund all Challenger and AV Manager costs for achieving the Stage 2 Milestone. <p><u>Issuance of Challenger Shares</u></p> <p>When GDM qualifies for Challenger shares, the parties will ensure the shares are promptly issued and registered under GDM's name in Challenger's records.</p>
Management	<p><u>Challenger Board</u></p> <ul style="list-style-type: none"> The Challenger Board has two members appointed by GDM and two by Adelong. If GDM doesn't meet the Stage 2 Earn-In Milestone, the board shifts to two Adelong members and one GDM member until Buy-Out completion, after which GDM loses its board representation. The chair of the Challenger board, appointed by the AV Manager, has a casting vote except on major issues including share capital changes, liquidation, and significant asset transactions, which require unanimous approval. <p><u>AV Manager</u></p> <ul style="list-style-type: none"> GDM will act as the manager of the Adelong Venture to manage the day-to-day operations of the business and to appoint the General Manager/CEO of Challenger (AV Manager) during the Stage 2 Earn-In Period. If GDM fails to satisfy the Stage 2 Earn-In Milestone within the Stage 2 Earn-In Period, Adelong will be entitled to appoint the AV Manager. <p><u>Financial Arrangements</u></p> <ul style="list-style-type: none"> Management Fee: GDM earns a fee capped at \$200,000 from the Stage 1 payment, (i.e. from the \$300,000 paid by GDM to Challenger) for administration and service costs. Cash Calls and Contributions: Adelong is exempt from cash contributions during the Stage 2 Earn-In Period; afterward, funding calls can be made, with contributions aligned to each participant's ownership percentage. <p><u>Dilution and Default</u></p> <p>If a GDM or Adelong fails to remedy:</p> <ul style="list-style-type: none"> an insolvency event or change of control or committing a material breach of any of its material obligations the Farm-In Agreement, within 14 days of receipt of notice of such default; or a failure to pay unpaid monies in accordance with the Farm-In Agreement, within 7 days of receipt of notice of such default, <p>its interest may be diluted based on an agreed formula.</p> <p><u>Indemnity</u></p> <p>The AV Manager is indemnified against liability for actions taken in good faith, except in cases of wilful misconduct.</p>
Adelong Venture Activities	<p><u>Initial Works</u></p> <p>The Initial Works entail a one-year exploration and development program managed by GDM, including:</p> <ul style="list-style-type: none"> Testing, confirming, and potentially operating existing processing facilities to process remaining materials within lease areas;

	<ul style="list-style-type: none"> Conducting feasibility studies and obtaining environmental and regulatory approvals, drilling, metallurgical testing, and engineering within the Adelong Venture Area; and Meeting all legally required expenditures to maintain Adelong Venture Assets in good standing, <p>(Initial Works).</p> <p>GDM's responsibilities include overseeing all project management aspects, supervising geological and environmental tasks, managing QA/QC processes, resource estimation, and handling expenditures. GDM will provide evidence of incurred expenses and share collected data with Challenger.</p>
Warranties	<p><u>Mutual</u></p> <p>Each party represents and warrants:</p> <ul style="list-style-type: none"> It is a body corporate, duly incorporated in its place of incorporation, and validly existing. It has full corporate power and authority to enter into and perform its obligations under the Farm-In Agreement. The Farm-In Agreement constitutes a legal, valid, and binding obligation of the party, enforceable in accordance with its terms by appropriate legal remedy. The Farm-In Agreement does not conflict with or result in a breach or default under any provision of the party's constitution, any material agreement or deed, or any writ, order, injunction, judgment, law, rule, or regulation to which it is a party or by which it is bound. To the party's knowledge, there are no actions, claims, proceedings, or investigations pending or threatened against it that may materially affect the subject matter of the Farm-In Agreement. It has the required skills, resources, qualified and experienced personnel, qualifications, and capacity necessary to perform its obligations under the Farm-In Agreement and in accordance with its terms. No meeting has been convened for its winding-up, no such step is intended by it, and, to its knowledge, no petition, application, or similar action is outstanding or threatened for its winding-up. <p><u>Adelong and Challenger joint warranties</u></p> <p>Adelong and Challenger will, among other things, jointly and severally warrant in the Definitive Agreements that:</p> <ul style="list-style-type: none"> The Challenger Shares are not subject to any pre-emptive rights. Challenger owns the Adelong Venture Assets free from any encumbrance (except permitted encumbrances). Challenger owns, or holds a valid and subsisting lease or license to use, all plant and equipment necessary for conducting operations in the Adelong Venture Area. The Adelong Venture Assets of Challenger are: <ul style="list-style-type: none"> located within the Adelong Venture Area; in the physical possession of Challenger; and in a good state of repair and condition. The mining tenements included in the Adelong Venture are valid, in good standing, and not subject to forfeiture, termination, cancellation, or suspension for any reason. All obligations and liabilities under each tenement have been met, and there are no outstanding non-compliances under the applicable law.

<p>Share Sale and Buy-Out</p>	<p>If GDM fails to meet the Stage 2 Earn-In Milestone within the Stage 2 Earn-In Period:</p> <ul style="list-style-type: none"> • Buy-Out by Adelong: Adelong must purchase GDM's Stage 1 Earn-In Interest for \$300,000, either in cash or shares in Adelong at Adelong's discretion (Buy-Out). • if Adelong elects to issue Adelong Shares in total or partial consideration for the acquisition of the Stage 1 Earn-In Interest: <ul style="list-style-type: none"> ○ The number of Adelong Shares will be based on a 10% discount to the nine-day VWAP prior to the end of the Stage 2 Earn-In Period. ○ Shares in Adelong will be issued without escrow, pending shareholder approval. ○ If approval fails, Adelong will pay in cash within 30 days. • If Adelong opts for cash, it must pay the \$300,000 within 30 days of the Determination Date. <p>Upon payment, GDM must transfer its entire interest in Challenger to Adelong.</p> <p>The disposal of any Challenger Share following the completion Stage 2 is to be governed by a regime that includes a pre-emptive rights process and drag-along and tag-along rights and include:</p> <ul style="list-style-type: none"> • the grant of a pre-emptive right to the other Participants, by way of a sale notice and grant of a 30-day option; • any sale of Challenger Shares is to be for ALL of the Participant's Challenger Shares unless agreed otherwise; • completion is to occur within 60 days of exercise of the Option; • if no buyout occurs through pre-emptive rights and drag-along/tag-along rights are waived, a third-party sale can proceed. <p><u>Fair Market Value:</u></p> <p>An independent expert will determine fair market value, with both participants sharing the costs equally.</p>
<p>Definitive Agreements</p>	<p>The parties agree to make their best efforts to prepare, negotiate, and finalise definitive agreements which underpin the Farm-In Agreement within 60 days of signing the Farm-In Agreement.</p> <p>The Definitive Agreements include:</p> <ul style="list-style-type: none"> • A full-form shareholders' agreement to establish and govern the Adelong Venture, incorporating terms from the Farm-In Agreement and customary joint venture provisions (e.g., dilution and buy-out clauses). • A subscription agreement between Challenger and GDM for issuing Challenger Shares upon payment of the Stage 1 Earn-In and completion of the Stage 2 Earn-In Milestone. • A management services agreement for GDM's role as the AV Manager, including the management fee terms. • Director appointment agreements for each board member nominated by the participants after Stage 1 Earn-In. • Deeds of access, insurance, and indemnity for board members nominated by the participants post-Stage 1 Earn-In. • Other necessary documents to give effect to the Farm-In Agreement.

2 About the Adelong Gold Mine

2.1 Overview

The Adelong Gold Mine is situated beside the township of Adelong in New South Wales, about 100km west of Canberra or about midway between Sydney and Melbourne just off the Hume Highway.

Historically the Adelong goldfield has produced around 800,000 Oz of gold. Many of the hard rock mines recorded very high grades averaging in excess of one ounce of gold per ton of ore. Hardrock gold was mined from the Adelong Goldfields between 1857 and 1915 when the last gold mill closed.

Geologically, the Adelong Goldfield forms part of a much larger structural feature known as the Gilmore Suture. This major fault zone can be traced for several hundred kilometres and is associated with a number of significant gold deposits over at least 200km of this structure. Gold mineralisation occurs in a series of sub-parallel faults that can be traced through the Wondalga Granodiorite for more than 4km north of Adelong.

In more recent times, the Adelong Gold Mine area has been subject to phases of exploration and development since the 1990's, including the development of the current Challenger Underground mine and gold processing plant in the 2016. The plant is designed to produce a gravity concentrate and a flotation concentrate that can be cyanided. The mine and process equipment has been under care and maintenance since 2017.

Adelong Gold Ltd (and its predecessors) (ASX: **ADG**) acquired the Adelong Gold Mine, through its subsidiary, Challenger, from Macquarie Gold Ltd in 2020. Since the acquisition, ADG has undertaken drilling and JORC 2012-compliant resources estimates, metallurgical and mining studies, and completed a Scoping Study for the restart and expansion of the Adelong Gold Mine and processing plant.

2.2 What are the Adelong Venture Assets?

The 'Adelong Venture Assets' are the assets of the held by Challenger, to be utilised in the Adelong Venture. These are detailed below:

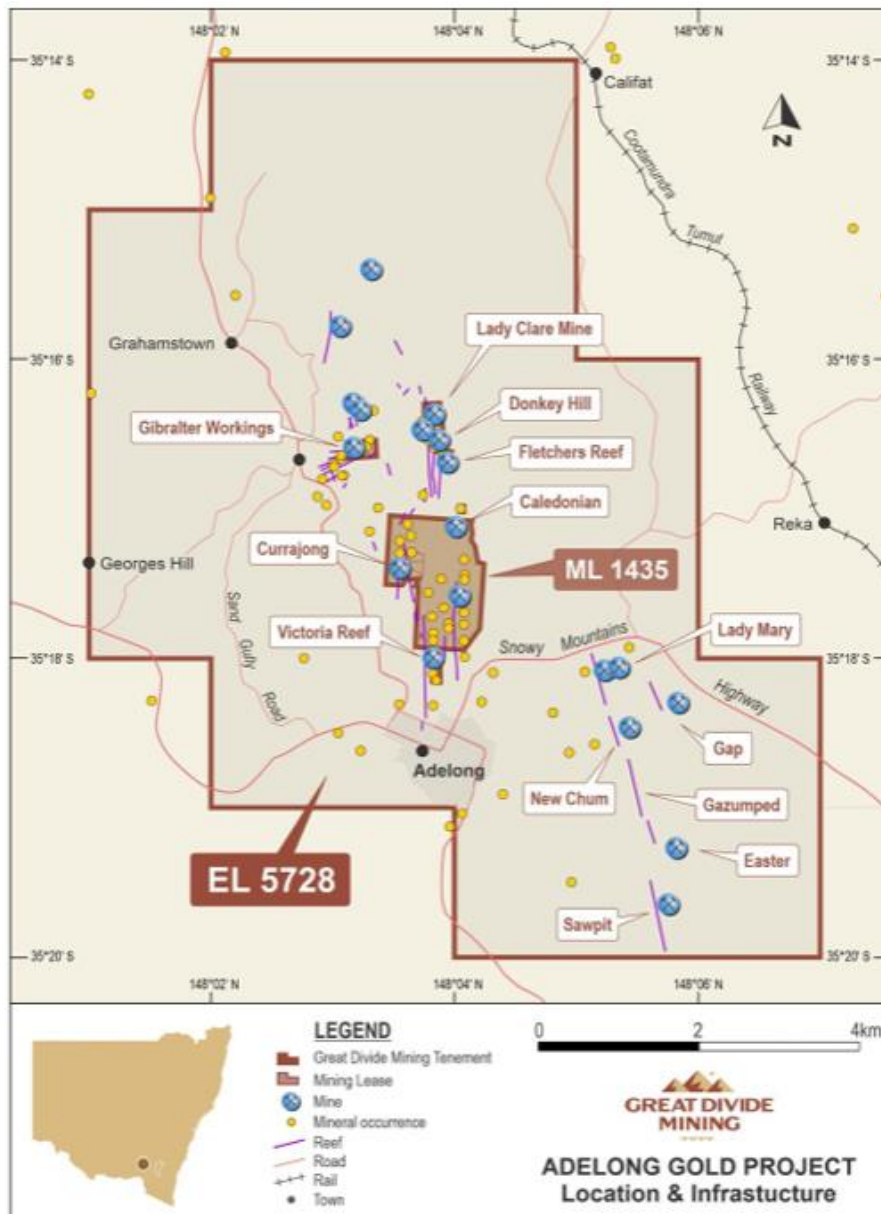
- (a) the Adelong Gold Tenements, namely;
 - (i) ML 1435; EL 5728; and
 - (ii) M(C)Gs 279, 280, 281, 282, 283, 284, 285, 286, 287, 288, 289, 290, 291, 311, 312, 313;
- (b) Challenger's freehold interest in the property located at 65 Golden Gully Road, Golden Gully, Victoria 3555;
- (c) permits, approvals, consents, agreements and the like sufficient to operate the Adelong Venture, comprising:
 - (i) Development consents:
 - (ii) D. 1021: Adelong Gold Mine – mining and processing gold ore from existing surface stockpiles, from a surface open cut, and from underground.
 - (iii) 99/00-94: Transportation of construction materials from the Adelong Gold Mine to local markets.
 - (iv) 2001/02-273: Screening of old mullock dumps, removal of mullock dumps for processing on the Adelong Gold Mine site, and construction and upgrading of associated internal roads.
- (d) Licenses:

- (i) Environment Protection Licence (EPL 10265).
 - (ii) Water Access Licence (WAL28836).
 - (iii) Water Supply Works: Approval number 40WA411869.
- (e) All onsite plant, equipment, and parts/spares owned by Challenger and not subject to hire or lease arrangements.

The various plant and equipment that form part of the Adelong Venture include the following:

- (i) Comminution (crushing and grinding) circuit including 2-stage crushing, screening and ball mill and ancillary conveyors, feeders, and associated equipment;
 - (ii) Concentration plant including cyclones, knelson concentrator, flotation cells, thickeners, drum filter, Wilfley table and associated pumps and equipment;
 - (iii) Generators including 3 of 500 KVa and a 15 KVa set;
 - (iv) CIP plant including mixing tanks, carbon handling, cyanide handling, cyanide destruction equipment and associated pumps and equipment;
 - (v) Gold room including elution circuit, gemini table, furnace, and associated pumps, equipment and gold safe;
 - (vi) Mobile equipment including a CAT 972G loader, CAT 980C loader, and Bob Cat skid steer loader with various attachments;
 - (vii) Fixed plant workshops and stores sufficient for basic maintenance and operational tasks;
 - (viii) Underground plant and equipment including 2 of Eimco LHD (non-operational), washrooms, tool sheds, pumps and stores;
 - (ix) Offices and stores including 6 demountable buildings, 5 shipping containers, a core-storage and vehicle maintenance shed;
 - (x) 25,000L self bunded fuel tank and 5,000 litre bunded diesel tank; and
 - (xi) Water infrastructure including town water supply pipeline and pumphouse, multiple raw, potable, fire and process water tanks with piping and pumps.
- (f) All relevant data and information relating to the Adelong Venture, whether created before or after the date of the Farm-In Agreement.
- (g) Any other property acquired, created, or held for use by or on behalf of the parties for the conduct of the Adelong Venture operations.

A map of the area the subject of the Adelong Venture is provided below:



2.3 What due diligence has been completed by GDM to date?

GDM's due diligence will focus on resources, metallurgy, operability, and assess the likelihood of a go-forward mining case.

GDM will use the 90-day due diligence period to ascertain the appropriate level of risk for re-development of the Adelong Venture Area. These may include schedule, permitting, environmental, resource, mining, geotechnical, metallurgical, and social risks. These will be assessed during the 90-day due diligence period.

The following initial due diligence has been commenced by GDM as at the date of this Notice of Meeting:

- (a) **Financial audit including legacy issues** – consultant scope determined, works expected to commence this month.
- (b) **Tenement and tenure standing and compliance** – consultant scope determined, initial review underway.
- (c) **Property assets standing and compliance including legacy issues** – consultant scope determined, expected to commence next month.

- (d) **Safety management system compliance including legacy issues** – initial review underway. No critical issues identified to date.
- (e) **Environmental management systems, licences/approvals, and compliance including legacy issues** – initial review underway, discovery ongoing.
- (f) **Geology and resources** – initial review, site visit, assessment of previous studies nearing completion. No critical issues identified to date.
- (g) **Mining** – initial review, site visit assessment of previous studies nearing completion. No critical issues identified to date.
- (h) **Metallurgy and process engineering** – initial desktop review of plant as-built and operational performance underway, site visit of metallurgical and process engineers expected during December 2024.
- (i) **Tailings storage facility design and approvals** – initial desktop review underway.
- (j) **Fixed plant electrical and mechanical engineering, equipment maintenance, capability and capacity for restart** – further site visits expected during December 2024.
- (k) **Mobile plant maintenance, capability and capacity for restart** – initial review by Maintenance Fitter completed with mobile equipment restarted and maintenance requirements being addressed.
- (l) **Approvals, licences and permits for restart** – initial desktop review nearing completion, subject to ongoing discovery process.

2.4 **What further due diligence and specific testing of existing processing infrastructure is anticipated?**

Based on preliminary due diligence, the following further due diligence and specific testing of existing processing infrastructure will be required in order for GDM to complete its 90-day due diligence:

- (a) Site visit during December by metallurgical, process and mechanical engineering consultants will define any further requirements;
- (b) Various public file information and commercial in confidence data reviewed to date and multiple site visits by GDM team indicates that plant and equipment are in complete and working condition.;
- (c) Due diligence inspection by Maintenance Fitter, Electrical and Mechanical Engineers, will determine maintenance, repair and/or re-certification requirements;
- (d) Metallurgical and Process Engineering consultant will determine appropriateness and operating conditions required for the processing equipment and determine its suitability to restart.

2.5 **What is the nature of the works required to recommission the Adelong Gold Mine sufficient to achieve First Gold?**

Based on preliminary due diligence solely, the following works will be required to recommission the Adelong Gold Mine to achieve First Gold:

- (a) Complete Mine Operations Plan (MOP) for achieving First Gold for approval by Board of Challenger and various regulatory authorities;
- (b) Ensure site holds and complies with various licences, approvals, permits and Acts as required to undertake works proposed in MOP;
- (c) Mechanical and Electrical testing and tagging of fixed and mobile equipment, completing maintenance cycles as required;

- (d) Contracting or employing appropriate and qualified technical and operational staff and contractors as required;
- (e) Contracting or acquiring mobile plant including mining operational equipment as necessary to meet MOP;
- (f) Contracting supply or provision of adequate and appropriate supply of consumables and services to the plant including water, power, and any reagents required; and,
- (g) Completing fixed plant maintenance, reconditioning, replacement as required to meet MOP.

GDM notes that once it completes its due diligence and makes a decision on whether to proceed to pay the \$300,000 and obtain a 15% interest in Challenger, it will detail the results of its findings to the ASX. This will include more conclusive detail on the works required to recommission the Adelong Gold Mine to achieve First Gold.

3 Impact of the Adelong Venture on GDM

3.1 Current business model of GDM

GDM is a Gold and Critical Metals resource company developing brown-field sites. It has:

- (a) gold and base metals projects;
- (b) 12 highly prospective granted tenements;
- (c) Detailed historic workings;
- (d) Brown-field permitting opportunities;
- (e) Existing mining databases;
- (f) High priority drilling targets; and
- (g) JORC resource confirmed for Project #1 – Yellow Jack.

3.2 Changes GDM will make to its business in light of the Adelong Venture

In light of the Adelong Venture, GDM will apportion a part of the expected Yellow Jack project studies budget to the assessment and development of the Adelong Venture.

GDM's Yellow Jack project has been identified as a near-term development project.

The Yellow Jack project requires the identification and contracting of a facility to process ores generated from the Yellow Jack deposit. A partner, Great Eastern Gold Pty Ltd (**GEG**), holder of the nearby Big Rush Gold Mine, has been identified and a memorandum of understanding agreed.

GDM is waiting for GEG to complete mining and processing studies and a capital raising prior to contracting for the process of Yellow Jack ores. The timeframe for these works (by GEG) is unknown, as such GDM is minimising expenditure on Project #1 – Yellow Jack.

No other changes to GDM's exploration works are foreseen on the basis of the Adelong Venture.

3.3 Corporate structure of Challenger following completion of the Adelong Venture

Following due diligence to the satisfaction of GDM, GDM will subscribe for shares in Challenger for the amount of \$300,000 and acquire a 15% equity interest in Challenger. The \$300,000 is paid to Challenger and will be used for the Adelong Venture. GDM as Manager of the Adelong Venture, will advance the restart of the Adelong Process Plant with the view to produce gold on behalf of the Adelong Venture.

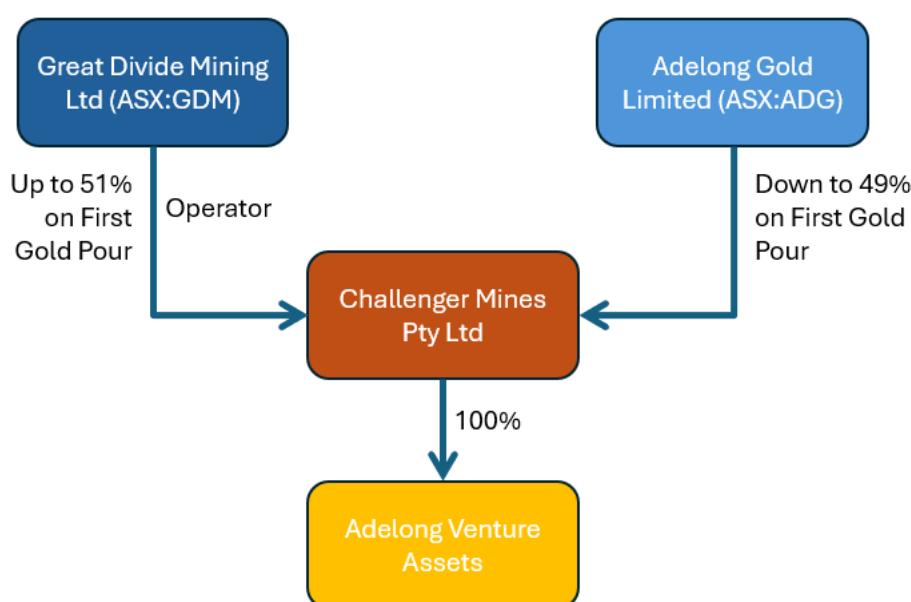
Initial on-ground works at the Adelong Venture, including all Adelong Process Plant upgrades and operations up to the point of first gold being produced (**First Gold**), is to be sourced from the \$300,000 subscription funds paid by GDM and held in Challenger. The application of the \$300,000 is to be managed by GDM.

Until First Gold, Adelong will not be required to participate in the funding of any initial works, GDM will however provide the necessary funding. See paragraph 3.4 below.

Once First Gold is poured from the Adelong Venture, cash calls will be funded by GDM and Adelong according to their respective holdings. i.e. contributions post First Gold will be made in accordance with the percentage holding of each party in Challenger, i.e. 51% GDM and 49% Adelong. The board of Challenger is to be comprised of two (2) members appointed by GDM and two (2) members appointed by Adelong. In the event of a split decision of the Board of Challenger, the Chair has a casting vote, The Chair will be a nominee director of the Adelong Venture Manager (in this case, GDM).

GDM is to be appointed as the Manager of the Adelong Venture to manage the day-to-day operations of the business and to appoint the General Manager/CEO of Challenger.

A structure diagram of Challenger following First Pour is provided below:



3.4 How does GDM propose to pay for the Adelong Venture - \$300,000 and then the amount to First Gold

As detailed above, it is anticipated that the transaction will require two stages of funding:

- (a) Stage 1 : S1 Stage requires an upfront amount of \$300,000 cash paid into a Challenger bank account, to obtain a 15% interest in Challenger.
- (b) Stage 2 : GDM estimates that a maximum \$500,000 cash (including S1) will be required to meet First Gold (resulting in an additional 36% interest in Challenger being acquired).

The funds for Stage 1 will be funded from existing cash resources of GDM. As detailed in paragraph 3.2 above, these funds will be sourced from cash which was previously allocated to Yellow Jack. Given the project status of Yellow Jack, this is considered a reasonable re-allocation on the basis that:

- (a) The Yellow Jack Project's schedule is unknown while awaiting third party processing options to be determined. Use of a portion of the Yellow Jack allocated funds towards a shorter and more defined project timeline is an effective use of the Company's funds at hand, working towards a cashflow positive situation.

- (b) Advancing the Adelong Gold project is expected to cost significantly less than developing the Yellow Jack project, as it has a significant amount of development in place including mining leases, process plant, and underground mine access.

This \$300,000 in subscription funds paid by GDM into the Challenger bank account, will then constitute moneys that will be spent 'in the ground'.

GDM considers that a further \$200,000 will be required (bringing the total to \$500,000) to achieve First Gold.

3.5 How did GDM obtain comfort that \$300,000- \$500,000 will be sufficient to get to First Gold?

GDM anticipates, however that following its review of documentation provided by Adelong to date and a number of site visits completed by GDM staff and its consultants and contractors to date that this funding requirement will likely be less than \$500,000 on the basis that:

- (a) All equipment both fixed and mobile required to pour gold is based at the Adelong site and included in the Adelong Venture (subject to assessment by electrical and Mechanical Engineers and Maintenance Fitters during due diligence).
- (b) After due diligence is completed, all that GDM requires is diesel/fuel/reagents and staff/operators to pour First Gold.

Refer to Section 2.3 and 2.3(a) for detail on the nature of the work required to achieve First Gold and the nature of the works anticipated to be required to re-commission the Adelong Gold Mine. This information is based on GDM's preliminary due diligence.

Based solely on preliminary due diligence, a high-level breakdown of costs relative to planned work items comprised of the \$500,000 necessary to bring GDM to First Gold is provided below:

Item	Cost
Mine Operations Plan (MOP)	\$25,000 to \$50,000
Licencing of works proposed in MOP (if further required)	\$25,000 to \$50,000
Fixed Plant Maintenance	\$50,000 to \$75,000
Mobile Plant Maintenance	\$5,000 to \$10,000
Personnel	\$100,000 to \$150,000
Contracting mobile plant	\$100,000 to \$150,000
Consumables	\$10,000 to \$15,000
Total	\$315,000 - \$500,000

Once GDM completes its due diligence and make a determination on whether to proceed with the Adelong Venture (and pay the \$300,000), a further detailed breakdown of planned work items and costs to achieve First Gold will be provided to the market.

3.6 How will GDM fund the further amount to reach First Gold?

As at the date of this Notice of Meeting, GDM has not determined how best to fund the further contingency sum to achieve First Gold, but has a range of options to do so including by a way of a capital raise or from cashflow from revenue from managing the Adelong Venture and/or from revenue from proceeds of First Gold.

The funding requirements are expected to be defined at the completion of the due diligence period.

As at the date of this Notice of Meeting, it is anticipated that any contingent sum (up to \$200,000) if required, is unlikely to be funded from a capital raise given the small quantum, and will more likely be funded from:

1. Revenue (cash at bank) from First Gold; or
2. Revenue (cash at bank) from managing the Adelong Venture.

GDM will update Shareholders once it completes its due diligence of the exact amount that it considers will be required to achieve First Gold and will provide a revised breakdown of such costs, as detailed in paragraph 3.5 above.

3.7 Changes to the Board or Senior Management of GDM in connection with the Adelong Venture

The Adelong Venture will result in no changes to the Board or senior management of GDM.

3.8 Changes to the Board or Senior Management of Challenger in connection with the Adelong Venture

Following acquisition of the 15% interest in Challenger, the Challenger Board will have two Directors appointed by GDM and two Directors appointed by Adelong.

If GDM doesn't meet the Stage 2 Earn-In Milestone within the Stage 2 Earn-In Period, Adelong is required to purchase and GDM is required to sell the interest GDM acquired in Challenger as part of Stage 1 (**Buy-Out**). The board will change to Directors appointed by Adelong and one Director appointed by GDM until Buy-Out completion, after which GDM will lose its board representation.

GDM will act as the manager of the Adelong Venture to manage the day-to-day operations of the Challenger business and to appoint the General Manager/CEO of Challenger (**AV Manager**) during the Stage 2 Earn-In Period.

The Chair, appointed by the AV Manager, has a casting vote except on major issues including share capital changes, liquidation, and significant asset transactions, which require unanimous approval.

If GDM fails to satisfy the Stage 2 Earn-In Milestone within the Stage 2 Earn-In Period, Adelong will be entitled to appoint the AV Manager.

3.9 Plans for GDM if the Resolution is not passed

If the Acquisition Resolution is not approved at the General Meeting, the Adelong Venture will not complete.

If the Company does not complete, Adelong Venture, GDM may continue to explore and develop its current portfolio of projects for gold and other metals, and pursue and assess other business opportunities in the resources sector. Subject to funding constraints, new business opportunities may take the form of direct project acquisition, joint venture, farm-ins, and direct equity participation.

4 Timetable for completing the Adelong Venture

The timeline for the Adelong Venture is as follows:

Execution of Farm-In Agreement	23 October 2024
General Meeting	7 January 2025
Anticipated date for completion of Due Diligence on the Adelong Venture	On or before 22 January 2025

Anticipated date for payment of \$300,000 and obtaining a 15% interest in Challenger	Within 5 business days of completion of Due Diligence on the Adelong Venture (to GDM's satisfaction)
Deadline for First Gold	No later than 12 months following receipt of the 15% interest in Challenger

5 Pro forma financial information

This Section 5 provides an overview of relevant pro-forma financial information relating to GDM.

5.1 Overview and basis of preparation

Basis of Preparation

The pro-forma financial information has been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the AASB and the Corporations Act. These have been prepared in accordance with the measurement and recognition requirements (but not all of the presentation and disclosure requirements) of Australian Accounting Standards.

The information set out in Section 5.2 should be read together with:

- (a) the information outlined in Sections 1, 2 and 3.
- (b) the risk factors described in Section 6.3.

5.2 Proforma Statement of financial Position – GDM – Assuming completion of Stage 1 of the Adelong Venture and Stage 2 of the Adelong Venture

The Proforma Statement of financial Position – GDM – Assuming completion of Stage 1 and Stage 2 of the Adelong Venture is provided below.

This details the financial effect of the Adelong Venture on GDM including information about the likely effect of the Adelong Venture on GDMs consolidated total assets, total equity interests, annual revenue and annual profit before tax.

GREAT DIVIDE MINING LIMITED					
PRO-FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION					
	30 JUNE 2024	PRO-FORM STAGE 1 IMPACT	PRO-FORMA STAGE 1	PRO-FORM STAGE 2 IMPACT	PRO-FORMA STAGE 2
	\$		\$		\$
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	1,469,710	(300,000)	1,169,710	(200,000)	969,710
Trade and other receivables	135,856		135,856		135,856
Other assets	18,991		18,991		18,991
Total Current Assets	1,624,557		1,324,557		1,124,557
NON-CURRENT ASSETS					
Property, plant and equipment	123,508		123,508		123,508
Right of use asset	22,718		22,718		22,718
Exploration and evaluation	2,029,696		2,029,696		2,029,696
Other assets	50,500	300,000	350,500	200,000	550,500
Total Non-Current Assets	2,226,422		2,526,422		2,726,422
TOTAL ASSETS	3,850,979		3,850,979		3,850,979
LIABILITIES					
CURRENT LIABILITIES					
Trade and other payables	219,802		219,802		219,802
Employee Entitlements	24,531		24,531		24,531
Lease liabilities	20,890		20,890		20,890
Total Current Liabilities	265,223		265,223		265,223
NON-CURRENT LIABILITIES					
Lease liabilities	3,641		3,641		3,641
Total Non-Current Liabilities	3,641		3,641		3,641
TOTAL LIABILITIES	268,864		268,864		268,864
NET ASSETS	3,582,115		3,582,115		3,582,115
EQUITY					
Contributed equity	4,856,316		4,856,316		4,856,316
Reserves	867,351		867,351		867,351
Accumulated losses	(2,141,552)		(2,141,552)		(2,141,552)
TOTAL EQUITY	3,582,115		3,582,115		3,582,115

Stages 1 and 2 of the Adelong Venture have been presented on the basis of accounting principles relevant to an asset acquisition. In accounting for an 'asset acquisition', the value of the purchase consideration is allocated to individual identifiable assets acquired and liabilities assumed, on a relative fair value basis.

Until such time as due diligence on the Adelong Venture is completed, GDM is not in a position to determine the extent of the individual identifiable assets or the extent to which the application of accounting policies is appropriate.

Stage 2 assumes the \$200,000 is funded from cash at bank.

5.3 Anticipated expenditure for the Adelong Venture for the next 12 months

Based on the work completed to date, and further work anticipated to be completed (as detailed in paragraphs 2.3 and 2.3(a), the Board considers a budget of \$200,000, in addition to the initial \$300,000, sufficient to complete First Gold, subject to the outcomes of the due diligence. Refer to paragraph 3.4 for a breakdown (based on preliminary due diligence only) of cost relative to planned work items comprised of the \$500,000 to bring GDM to First Gold.

Once the due diligence is complete, a detailed expenditure programme will be provided to the market.

Risks

Shareholders should note the following key risks:

- There is no guarantee that GDM will be able to achieve First Gold for \$500,000 or less.
- The completion of the Adelong Venture provides no guarantee that Challenger will move to consistent gold production following First Gold or indeed, what capital will be required by GDM to move to consistent gold production following First Gold. This could take the form of a dilutive capital raise.
- If GDM moves to gold production, GDM will likely have to raise further capital to maintain production, and that production (including continuous production) is not guaranteed.
- Based on the pro-forma statement of financial position at paragraph 5.2 and GDMs current cash position, there is a risk:
 - that any increase in upfront capital or operating costs to achieve First Gold means GDM will create significant downside financial risk for GDM; and
 - that to maintain operations beyond First Gold (assuming \$500,000 is the sole restart cost), GDM will need to raise a significant amount of capital to achieve ramp up and steady state production.

6 Advantages, disadvantages and risks of the Adelong Venture

6.1 Advantages of the Adelong Venture

The Board is of the view that the following non-exhaustive list of advantages may be relevant to a Shareholder's decision on how to vote on the Resolution:

The completion of the Adelong Venture provides the Company with a revenue producing business	Subject to the 90-day Due Diligence and pouring of first gold, the Adelong Venture provides the Company with majority equity in a potentially revenue producing business.
Principal business activity will be clearly focused on near-term cashflow	The Board considers the acquisition and restart of the Adelong Gold Mine to be in-line with GDM's stated goals of developing near-term cashflows from the exploration and development of gold and other metals projects.
Reduced capital cost and schedule	The Board considers that restarting the Adelong Gold Mine is likely to be significantly lower cost and shorter schedule than developing one of the current GDM projects

6.2 Disadvantages of the Adelong Venture

The Board is of the view that the following non-exhaustive list of disadvantages may be relevant to a Shareholder's decision on how to vote on each Resolution:

Change in nature and scale of business	<p>The Company currently operates as a Gold and other mineral exploration and development business.</p> <p>The Company was focused on exploring for gold and other metals deposits within its tenements and developing mining projects.</p> <p>The Adelong Venture results in a change to the nature of the activities of the Company which may not be consistent with existing Shareholders' investment objectives.</p> <p>The payment of the \$300,000 will mean that some potential development works at the Yellow Jack project would not proceed if a processing option</p>
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	<p>was defined.</p> <p>While GDM considers that no more than a further \$200,000 will be required to achieve First Gold, GDM can provide no guarantee of this. as such, there is a risk that the cost to achieve First Gold may be more than the total \$500,000.</p>
Risk factors	There are risk factors associated with the change in nature of the Company's activities, some of which are summarised in paragraph 6.3 below.
Location	GDM has previously been a Queensland focussed gold and other metals exploration and development business. The Adelong venture is in central-southern New South Wales with different local and state regulations.

6.3 Risks

A snapshot of the high-level risks relating to the Adelong Venture are provided below:

Risk	Details
Due Diligence	GDM's due diligence will focus on resources, metallurgy, operability, and assess the likelihood of a go-forward mining case. If due diligence does not meet GDM requirements, it will not proceed any further.
Conditions precedent	The commencement of the Adelong Venture and GDM obtaining a 15% interest is subject to receipt of Shareholder approval (as per this Notice of General Meeting), all regulatory approvals and completion of due diligence to the satisfaction of GDM. GDM can provide no assurances that the conditions will be satisfied.
Historical Studies	<p>A number of historical studies have been completed by Adelong and its predecessors. These will be assessed by GDM during the due diligence period, and leveraged to produce updated studies that will include capital and operating costs, recoveries, and profitability.</p> <p>There can be no assurance that these historical studies can be leveraged for GDM's use.</p>
Development Risks	GDM will use the due diligence period to ascertain the appropriate level of risk for re-development of the Adelong Venture Area. These may include schedule, permitting, environmental, resource, mining, geotechnical, metallurgical, and social risks. These will be assessed during the 90 day due diligence period.
Operational Risks	All mining projects involve risks including schedule, permitting, environmental, resource, mining, geotechnical, metallurgical, and social risks. Studies may highlight and mitigate some or all of the known risks however others may only become apparent on commencement of mining works. GDM will at all times be mindful of these risks and take appropriate and timely action should these eventuate.
Cost risk	<p>While GDM considers that no more than a further \$200,000 will be required to achieve First Gold. Given GDM has yet to complete its due diligence, GDM can provide no guarantee of this initial cost assessment. as such, there is a risk that the cost to achieve First Gold may be more than \$200,000.</p> <p>Refer to Section 2.3 and 2.3(a) for a description of the nature of the enquiries undertaken to date and paragraph 3.4 for a breakdown of costs relative to planned work items comprised of the \$500,000 necessary to bring GDM to first gold.</p> <p>Further, if GDM moves to gold production, GDM will likely have to raise further capital to maintain production, and that production (including continuous production) is not guaranteed.</p>
Capital risks	<p>GDM note that that the \$300,000 will be paid from cash at bank. As at the date of this Notice of Meeting, it is anticipated that the funding then to First Gold, being a contingent sum (anticipated to be up to \$200,000) if required, is unlikely to be funded from a capital raise given the small quantum, and will more likely be funded from:</p> <ul style="list-style-type: none"> • Revenue (cash at bank) from first pour of gold; or • Revenue (cash at bank) from managing the Adelong Venture.

	<p>Shareholders should note, however that based on the pro-forma statement of financial position at paragraph 5.2 and GDMs current cash position, there is a risk:</p> <ul style="list-style-type: none"> • that any increase in upfront capital or operating costs to achieve First Gold means GDM will create significant downside financial risk for GDM; and • to maintain operations beyond First Gold (assuming \$500,000 is the sole restart cost), GDM will need to raise a significant amount of capital to achieve ramp up and steady state production.
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INFORMATION ON THE RESOLUTION

7 Resolution 1: Change to nature and scale of activities

7.1 Purpose of Resolution

Resolution 1 seeks approval from Shareholders for a change in the nature of the activities of the Company resulting from the acquisition of 51% of the issued share capital of Challenger. This acquisition will change the focus of the Company's activities to a gold producer.

The Adelong Venture is proposed to take effect pursuant to the timetable at paragraph 0 of this Explanatory Statement

A detailed description of the Adelong Venture, including details of the material terms of the Farm-In Agreement, is outlined in paragraphs 1 to 6 (inclusive) of this Explanatory Statement.

Shareholders should consider all of the information contained in this Explanatory Statement before making a decision as to whether to vote in favour of the change in nature of the Company's activities. In particular Shareholders should carefully consider the advantages, disadvantages and risks of the proposed acquisition of Challenger set out in paragraph 6.

7.2 ASX Listing Rule 11.1

ASX Listing Rule 11.1.2 empowers the ASX to require a listed company to obtain the approval of its shareholders to a significant change to the nature or scale of its activities.

ASX Listing Rule 11.1 provides that where an entity proposes to make a significant change, either directly or indirectly, to the nature or scale of its activities, it must provide full details to ASX as soon as practicable (and before making the change) and comply with the following:

- provide to ASX information regarding the change and its effect on future potential earnings, and any information that ASX asks for;
- if the ASX requires, obtain the approval of holders of its ordinary securities and comply with any requirements of the ASX in relation to the Notice of General Meeting;
- if the ASX requires, meet the requirements of Chapters 1 and 2 of the ASX Listing Rules as if the entity were applying for admission to the official list of the ASX; and
- the Notice of General Meeting must include a voting exclusion statement.

The ASX has confirmed to the Company that the significant change in the nature and scale of the Company's activities as a result of the Proposed Acquisition:

- will require the Company, in accordance with ASX Listing Rule 11.1.2, to obtain Shareholder approval and to comply with the requirements of the ASX in relation to the Notice of General Meeting.

- (b) will not require GDM to re-comply with the admission requirements set out in Chapters 1 and 2 of the ASX Listing Rules as detailed in ASX Listing Rule 11.1.3.

For this reason, the Company is seeking Shareholder approval for the Company to change the nature and scale of its activities under ASX Listing Rule 11.1.2.

Details of the interest to be acquired by the Company and the proposed changes to the structure and operations of the Company are set out throughout this Explanatory Statement.

7.3 Effect of Shareholder approval (information required under ASX Listing Rule 14.1A)

If Resolution 1 is passed, GDM will be able to proceed with the Adelong Venture (provided the other relevant conditions precedent contemplated in the Farm-In Agreement have been satisfied or waived).

If Resolution 1 is not passed, GDM will not be able to proceed with the Adelong Venture and GDM will continue to explore and develop its current portfolio of projects for gold and other metals, and pursue and assess other business opportunities in the resources sector. Subject to funding constraints, new business opportunities may take the form of direct project acquisition, joint venture, farm-ins, and direct equity participation.

7.4 Information required for the purposes of ASX Listing Rule 11.1.2

Pursuant to ASX Listing Rule 11.1.2, section 7.2 and Annexure A of ASX Guidance Note 12, the following information is provided to inform Shareholders about the Proposed Acquisition:

Listing Rule 11.1.2	Disclosure
Parties to and material terms of the Adelong Venture	See paragraph 1.3
An assessment of the financial effect of the Adelong Venture on the entity and on the interests of security holders in the entity, including information about the likely effect of the Adelong Venture on GDMs consolidated total assets, total equity interests, annual revenue, annual expenditure and annual profit before tax	See paragraph 5
Details of any changes the GDM will be making to its business model in light of the transaction	See paragraph 3.2
Details of how GDM intends to pay for the acquisition	See paragraph 0
Any changes proposed to GDM's board or senior management in connection with, or as a consequence of, the transaction	See paragraph 0
The timetable for implementing the Adelong Venture	See paragraph 0
A statement that ASX takes no responsibility for the contents of the Notice of General Meeting.	See 'Important Information and Notices'.

7.5 Recommendation and voting requirements

The Board recommends that Shareholders vote in favour of Resolution 1.

The Chair of the General Meeting intends to vote all available undirected proxies in favour of Resolution 1.

Resolution 1 of the General Meeting is an ordinary resolution and so requires the approval of more than 50% of the votes cast by Shareholders.



ACN 655 868 803

GDM

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Need assistance?



Phone:

1300 850 505 (within Australia)
+61 3 9415 4000 (outside Australia)



Online:

www.investorcentre.com/contact

Great Divide Mining Ltd General Meeting

The Great Divide Mining Ltd General Meeting will be held on Tuesday, 7 January 2025 at 9:00am (AEST). You are encouraged to participate in the meeting using the following options:



MAKE YOUR VOTE COUNT

To lodge a proxy, access the Notice of Meeting and other meeting documentation visit www.investorvote.com.au and use the below information:



Control Number: 999999

SRN/HIN: I9999999999

PIN: 99999

For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com

For your proxy appointment to be effective it must be received by 9:00am (AEST) Sunday, 5 January 2025.



ATTENDING THE MEETING IN PERSON

The meeting will be held at:
Suite 3, Level 12 127 Creek Street Brisbane QLD 4000

You may elect to receive meeting-related documents, or request a particular one, in electronic or physical form and may elect not to receive annual reports. To do so, contact Computershare.



ACN 655 868 803

GDM

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Need assistance?



Phone:

1300 850 505 (within Australia)
+61 3 9415 4000 (outside Australia)



Online:

www.investorcentre.com/contact



YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **9:00am (AEST)**
Sunday, 5 January 2025.

Proxy Form

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

APPOINTMENT OF PROXY

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

SIGNING INSTRUCTIONS FOR POSTAL FORMS

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

PARTICIPATING IN THE MEETING

Corporate Representative

If a representative of a corporate securityholder or proxy is to participate in the meeting you will need to provide the appropriate "Appointment of Corporate Representative". A form may be obtained from Computershare or online at www.investorcentre.com/au and select "Printable Forms".

Lodge your Proxy Form:

XX

Online:

Lodge your vote online at www.investorvote.com.au using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is



Control Number: 999999

SRN/HIN: I9999999999

PIN: 99999

For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com

By Mail:

Computershare Investor Services Pty Limited
GPO Box 242
Melbourne VIC 3001
Australia

By Fax:

1800 783 447 within Australia or
+61 3 9473 2555 outside Australia



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

You may elect to receive meeting-related documents, or request a particular one, in electronic or physical form and may elect not to receive annual reports. To do so, contact Computershare.

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

☐

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

■ **Proxy Form**

Please mark ☒ to indicate your directions

Step 1

Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Great Divide Mining Ltd hereby appoint

☐

the Chairman
of the Meeting

OR

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the General Meeting of Great Divide Mining Ltd to be held at Suite 3, Level 12 127 Creek Street Brisbane QLD 4000 on Tuesday, 7 January 2025 at 9:00am (AEST) and at any adjournment or postponement of that meeting.

Step 2

Item of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

	For	Against	Abstain
Resolution 1 Change to nature of activities under ASX Listing Rule 11.1.2	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of the item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

Step 3

Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director & Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

/ /

Date

Update your communication details *(Optional)*

Mobile Number

Email Address

By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically

