

Red Emperor Resources NL

(to be renamed Future Metals NL)

ACN 124 734 961

Prospectus

Offers

This Prospectus contains the following offers:

- (a) an offer of 100,000,000 Shares at an issue price of \$0.10 each to raise \$10,000,000 (**Public Offer**);
- (b) an offer of 175,000,000 Shares and 87,500,000 Vendor Options to the Vendors (or their nominee/s) (**Vendor Offer**); and
- (c) an offer of 23,000,000 Performance Rights to Directors, Proposed Directors and a consultant (or their nominee/s) (**Performance Rights Offer**),

(together, the **Offers**).

Completion of the Offers is conditional upon satisfaction of the Offer Conditions, which are detailed further in Section 1.5. No Securities will be issued pursuant to this Prospectus until such time as the Offer Conditions are satisfied.

This Prospectus is a re-compliance prospectus, for the purposes of satisfying Chapters 1 and 2 of the Listing Rules and to satisfy ASX requirements for re-listing following a change to the nature and scale of the Company's activities.

All references to Securities in this Prospectus are made on the basis that the 14:100 consolidation for which Shareholder approval is being sought at the general meeting of the Company to be held on 4 June 2021, has been approved and taken effect.

Important

This Prospectus is an important document and it should be read in its entirety. Please read the instructions in this Prospectus and the relevant Application Form regarding acceptance of an Offer. Investors who do not understand this document should consult their stockbroker, lawyer, accountant or other professional adviser before deciding to apply for Securities under an Offer. The Securities offered by this Prospectus should be considered highly speculative.

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Important information

General

This Prospectus is issued by Red Emperor Resources NL ACN 124 734 961 (**Company**).

This Prospectus is dated 18 May 2021 and a copy was lodged with ASIC on that date. Neither ASIC, ASX or their respective officers take responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No Securities will be issued pursuant to this Prospectus later than 13 months after the date of this Prospectus.

Persons wishing to apply for Securities pursuant to an Offer must do so using the relevant Application Form attached to or accompanying this Prospectus. Before applying for Securities, investors should carefully read this Prospectus so that they can make an informed assessment of the rights and liabilities attaching to the Securities, the assets and liabilities of the Company, its financial position and performance, profits and losses, and prospects.

Any investment in the Company should be considered highly speculative. Investors who do not understand this document should consult their stockbroker, lawyer, accountant or other professional adviser before deciding to apply for Securities under an Offer.

No person is authorised to give any information or to make any representation in relation to an Offer which is not contained in this Prospectus. Any such information or representations may not be relied upon as having been authorised by the Directors.

Company website

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

Prospectus availability

A copy of this Prospectus can be downloaded from the offer website at – <https://RedEmperorOffer.thereachagency.com>. Any person accessing the electronic version of this Prospectus for the purpose of making an investment in the Company must be an Australian resident and must only access this Prospectus from within Australia.

The Corporations Act prohibits any person passing onto another person an Application Form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered version of this Prospectus. Any person may obtain a hard copy of this Prospectus free of charge by contacting the Company on +61 8 9480 0414.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe

that when the person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

Consolidation

Unless stated otherwise, all references to Securities of the Company as set out in this Prospectus are on the basis that the 14:100 consolidation (for which approval is being sought at the general meeting of the Company to be held on 4 June 2021 (**General Meeting**)) (**Consolidation**) has been approved and taken effect.

Conditional Offers

The Offers are conditional on:

- (a) the Minimum Subscription being obtained;
- (b) the passing of all Essential Resolutions at the General Meeting; and
- (c) the satisfaction (or waiver where permitted) of all other conditions precedent under the Acquisition Agreement,

(together, the **Offer Conditions**). If the Offer Conditions are not satisfied, the Company will not proceed with the Offers and the Company will repay all Application Monies received (without interest).

In addition, the Performance Rights Offer is also conditional on the Shareholder approval for the issue of the Performance Rights to the respective Directors and Proposed Directors (or their nominees) contemplated by that offer, which is being sought at the General Meeting.

Change in nature and scale of activities and re-compliance with Chapters 1 and 2 of the Listing Rules

At the General Meeting, the Company will seek Shareholder approval for a change in nature and scale of its activities.

Due to its change in nature and scale, ASX requires the Company to re-comply with Chapters 1 and 2 of the Listing Rules. This Prospectus is a re-compliance prospectus for the purposes of satisfying Chapters 1 and 2 of the Listing Rules to satisfy ASX requirements for re-admission of the Company to the Official List following a change in nature and scale of its activities.

Trading in the Company's Securities is currently suspended and will remain suspended until the Company re-complies with Chapters 1 and 2 of the Listing Rules following completion of the Acquisition.

There is a risk that the Company will not be able to meet the requirements of ASX for re-admission to the Official List. In the event that the Company does not receive

conditional approval from ASX for re-admission to the Official List, the Company will not proceed with the Offers and will repay all Application Monies received (without interest).

Foreign investor restrictions

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any of these restrictions. Failure to comply with these restrictions may violate securities laws. Applicants who are resident in countries other than Australia should consult their professional advisers as to whether any regulatory or other consents are required or whether any other formalities need to be considered and followed.

This Prospectus does not constitute an offer in any place in which, or to any person to whom, it would be unlawful to make such an offer. It is important that investors read this Prospectus in its entirety and seek professional advice where necessary.

No action has been taken to register or qualify the Securities or the Offers, or to otherwise permit a public offering of the Securities in any jurisdiction outside Australia other than in the United Kingdom and Germany subject to satisfying the qualifications set out in Section 1.13.

No cooling off rights

Applicants have no cooling off rights in relation to Securities for which they apply. This means that an applicant is not permitted or entitled to withdraw its application once submitted, other than in certain circumstances under the Corporations Act.

Risk factors

Before deciding to invest in the Company, investors should read the entire Prospectus and, in particular, in considering the prospects of the Company, investors should consider the risk factors that could affect the financial performance and assets of the Company. Investors should carefully consider these factors in light of personal circumstances (including financial and taxation issues). The Securities offered by this Prospectus should be considered highly speculative. See Section 3 for information relating to risk factors.

Disclaimer

This Prospectus includes information regarding the past performance of the Company. Investors should be aware that past performance is not indicative of future performance.

Certain statements in this Prospectus constitute forward looking statements. These forward looking statements are identified by words such as "may", "could", "believes", "expects", "intends", and other similar words that involve risks and uncertainties.

Investors should note that these statements are not guarantees of future performance and are inherently subject to uncertainties in that they may be affected by a variety of known and unknown risks, variables and other factors, many of which are beyond the control of the Company and the Directors, which could cause actual values or results, performance or achievements to differ materially from anticipated results, implied values, performance or achievements expressed, projected or implied in the statements.

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

708 Capital Pty Ltd (**708 Capital**) is the Lead Manager of the Public Offer. 708 Capital has not authorised, permitted or caused the issue or lodgement, submission, dispatch or provision of this Prospectus and there is no statement in this Prospectus which is based on any statement made by it or by any of its affiliates, officers, employees or advisers. To the maximum extent permitted by law, 708 Capital and its affiliates, officers, employees and advisers expressly disclaim all liabilities in respect of, make no representations regarding, and take no responsibility for, any part of this Prospectus other than references to its name and makes no representation or warranty as to the currency, accuracy, reliability or completeness of this Prospectus. Determination of eligibility of investors for the purposes of the Public Offer is determined by reference to a number of matters, including legal requirements and the discretion of the Company and 708 Capital. 708 Capital and its affiliates, officers, employees and advisers disclaim any liability in respect of the exercise or otherwise of that discretion, to the maximum extent permitted by law. 708 Capital and its affiliates, officers, employees and advisers make no recommendation as to whether you or your related parties should participate in the Public Offer nor do they make any representations or warranties to you concerning this Public Offer or any such information.

No investment advice

The information contained in this Prospectus is not financial product advice or investment advice and does not take into account your financial or investment objectives, financial situation or particular needs (including financial or taxation issues). You should seek professional advice from your accountant, financial adviser, stockbroker, lawyer or other professional adviser before deciding to subscribe for Securities under this prospectus to determine whether it meets your objectives, financial situation and needs.

Competent Persons statements

The information in this Prospectus that relates to Mineral Resource Estimates reported by Panoramic Resources Limited in the ASX release dated 30 September 2016 is

based on and fairly represents information and supporting documentation compiled by Mr Rick Adams who is a Competent Person and Member of the Australian Institute of Mining and Metallurgy. Rick Adams is a Director and full time Principal Consultant at Cube Consulting Pty Ltd. Mr. Adams has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and in the activity which he is undertaking and qualifies as a Competent Person as defined by the JORC Code. Mr Adams consents to the inclusion in this Prospectus of the matters based on his information in the form and context in which it appears.

The technical information in this Prospectus that relates to the Panton PGM Project, other than the Mineral Resource Estimate, is based on and fairly reflects information compiled and conclusions derived by Mr Stuart Hutchin and Mr Michael Conan-Davies. Neither Mr Hutchin, nor Mr Conan-Davies are permanent employees of the Company, they are a full time employee of and consultant engaged by Mining One Pty Ltd respectively. Mr Hutchin is a Member of the Australian Institute of Geoscientists and Mr Conan-Davies is a Member of the Australasian Institute of Mining & Metallurgy. Mr Hutchin and Mr Conan-Davies each have sufficient experience with the type and style of mineralisation of the project under consideration, the activities being undertaken, and are deemed to be Competent Persons as defined in the JORC Code. Mr Hutchin and Mr Conan-Davies consent to the inclusion in the Prospectus of the matters based on their information in the form and context in which it appears.

Financial amounts

All references in this Prospectus to "\$", "A\$", "AUD", "dollars" or "cents" are references to Australian currency unless otherwise stated.

Any discrepancies between the totals and sums of components in tables contained in this Prospectus are due to rounding.

Photographs and diagrams

Photographs used in this Prospectus which do not have descriptions are for illustration only and should not be interpreted to mean that any person shown endorsed this Prospectus or its contents, or that the assets shown in them are owned by the Company.

Diagrams used in this Prospectus are for illustration only and may not be to scale.

Definitions and time

A number of terms and abbreviations used in this Prospectus have defined meanings which appear in Section 7.

All references to time relate to the time in Perth, Western Australia unless otherwise stated or implied.

Governing law

This Prospectus and the contracts that arise from the acceptance of the applications under this Prospectus are governed by the law applicable in Western Australia and each applicant submits to the exclusive jurisdiction of the courts of Western Australia.

Enquiries

This Prospectus is important and should be read in its entirety. Persons who are in any doubt as to the course of action to be followed should consult their stockbroker, lawyer, accountant or other professional adviser without delay.

Questions relating to an Offer and completion of the relevant Application Form can be directed to the Company on +61 8 9480 0414.

Corporate Directory

<p>Board</p> <p>Greg Bandy <i>Managing Director and Chairman</i></p> <p>Jason Bontempo* <i>Non-Executive Director</i></p> <p>Aaron Bertolatti <i>Finance Director</i></p> <p><i>* It is intended that Mr Bontempo resign on completion of the Acquisition</i></p> <p>Proposed Directors*</p> <p>Justin Tremain <i>Non-Executive Director</i></p> <p>Allan Mulligan <i>Non-Executive Technical Director</i></p> <p>Robert Mosig <i>Non-Executive Director</i></p> <p><i>* It is intended that each of the Proposed Directors be appointed on completion of the Acquisition</i></p> <p>Company Secretary</p> <p>Aaron Bertolatti</p> <p>ASX Code</p> <p>RMP</p> <p>Proposed ASX Code</p> <p>FME</p> <p>Registered Office</p> <p>Level 1 35 Richardson Street West Perth, WA 6005</p> <p>Telephone: +61 8 9480 0414 Email: info@redemp.com.au</p> <p>Company Website</p> <p>Current: https://redemperresources.com/</p> <p>Proposed: www.future-metals.com.au</p>	<p>Lead Manager</p> <p>708 Capital Pty Ltd Suite 1.05, 2-8 Elizabeth Street Paddington NSW 2021 AFSL 386279</p> <p>Australian Legal Adviser</p> <p>Edwards Mac Scovell Level 1, 8 St Georges Terrace Perth WA 6000</p> <p>Report on Title</p> <p>All Mining Legal Pty Ltd Suite 2, 257 York Street Subiaco WA 6008</p> <p>Independent Technical Expert</p> <p>Mining One Pty Ltd Level 9, 50 Market Street Melbourne VIC 3000</p> <p>Investigating Accountant</p> <p>BDO Corporate Finance (WA) Pty Ltd 38 Station Street Subiaco WA 6008</p> <p>Auditor</p> <p>BDO Audit (WA) Pty Ltd 38 Station Street Subiaco WA 6008</p> <p>Share Registry</p> <p>Computershare Investor Services Pty Ltd Level 11 172 St Georges Terrace PERTH WA 6000</p> <p>Telephone: 1300 850 505 from Australia or +61 3 9415 4000 from overseas</p>
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Letter from the Board

Dear Investors,

On behalf of the Board of Red Emperor Resources NL I am pleased to invite you to become a securityholder in the Company.

The Company listed on ASX in 2007 and has been involved in various onshore and offshore oil and gas exploration projects in different jurisdictions since its listing. Its most recent major project participation was in the Winx-1 exploration well in the Western Blocks on the North Slope in Alaska in 2019, in which it was a joint venturer along with 88 Energy Limited and Otto Energy Limited. Following the drilling in that well, the Western Blocks were relinquished with effect from 30 June 2020.

The Company has now entered into an agreement to acquire the Panton PGM Project in the Kimberley region of Western Australia which will result in a change of its nature and scale under the ASX Listing Rules. The Acquisition Agreement is summarised in the Solicitor's Report on Tenements included as Annexure B.

Investors should consider the key risk factors to be considered when assessing the prospect of an investment in the Company, which are set out in Section 3. These risk factors are not exhaustive, and there may be additional risk factors that should be considered in light of your personal circumstances.

This Prospectus is seeking to raise \$10,000,000 by the issue of up to 100,000,000 fully paid ordinary shares in the capital of the Company (**Shares**) at an issue price of \$0.10 per Share under the Public Offer. The primary purpose of the Public Offer is to provide funds to exercise the Panton Option so that the Panton PGM Project is 100% owned by the Company and for exploration and development activities on the Panton PGM Project.

In conjunction with the acquisition of the Panton PGM Project, additional corporate and technical director appointments will be made to the current Board upon completion of the Acquisition.

This Prospectus is issued for the purpose of re-complying with the admission requirements under Chapters 1 and 2 of the Listing Rules, which is required due to the Acquisition resulting in a change to the nature and scale of the Company's activities. This Prospectus contains detailed information about the Company, the Offers and the Acquisition, as well as risks of investing in the Company, and I encourage potential investors to read it carefully. The Securities offered under this Prospectus should be considered highly speculative.

On behalf of the Board, we look forward to welcoming you as a Shareholder in the Company, and in joining us in what we believe will be an exciting and prosperous future for the Company. Before making any decision to invest in the Company, we urge that you read this Prospectus in its entirety, and speak with your professional advisors as required.

Yours sincerely

Greg Bandy
Managing Director

Indicative Timetable

Key events	Date
Lodgement of this Prospectus with ASIC	18 May 2021
Offers open	18 May 2021
Closing Date of Offers	31 May 2021
Shareholders' meeting to approve the Acquisition	4 June 2021
Issue of Securities under the Offers Completion of the Acquisition	11 June 2021
Despatch of holding statements	15 June 2021
Expected date for reinstatement to quotation on the ASX	18 June 2021

Note: The dates shown in the table above are indicative only and may vary subject to the Corporations Act, the Listing Rules and other applicable laws. In particular, the Company reserves the right to vary the Closing Date(s) (or one or more of them) without prior notice, which may have a consequential effect on the other dates. Applicants are therefore encouraged to lodge their Application Form as soon as possible if they wish to apply for Securities under this Prospectus.

Investment Overview

This Section is not intended to provide full information for investors intending to apply for Securities offered under this Prospectus. This Prospectus should be read and considered in its entirety. The Securities offered pursuant to this Prospectus carry no guarantee in respect of return of capital, return on investment, payment of dividends or the future value of the Securities.

Topic	Summary	More info.
Company		
Who is the issuer of this Prospectus?	Red Emperor Resources NL (ACN 124 734 961) (Company).	
Who is the Company and what does it do?	<p>Red Emperor listed on ASX in 2007, as a mineral exploration company. Its initial projects were copper and gold exploration projects in Western Australia. In 2011, the Company changed its focus to oil and gas exploration and completed a re-compliance with the ASX initial listing requirements. It was also admitted to quotation on AIM in 2011. The Company has since then had interests as a joint venturer in onshore and offshore oil and gas exploration projects in Somalia, Georgia, the Philippines, and the United States of America.</p> <p>The Company's most recent oil and gas exploration project was an interest in the Western Blocks of the Alaska North Slope with joint venturers 88 Energy Limited and Otto Energy Limited. This project was relinquished by the operator during Q2 2020.</p>	Section 2.1
Acquisition		
What is the Acquisition?	The Company has entered into a Heads of Agreement (Acquisition Agreement) with the major shareholders of Great Northern Palladium Pty Ltd (ACN 645 861 196) (GNP) to acquire 100% of the issued share capital of GNP (the Acquisition).	Section 2.1 and Annexure B
What are the assets being acquired?	The Panton PGM Project is held under three granted Mining Leases (M80/103, M80/104 and M80/105) covering an area of approximately 23km ² .	Section 2.3, Annexures A and B
What are the material terms of the Acquisition?	<p>The material terms of the Acquisition includes:</p> <p>(a) Option: The Company has been granted an option to acquire all of the shares in GNP from the major shareholders who are parties to the Acquisition Agreement. The option may be exercised at any time commencing on satisfaction or waiver of the conditions precedent and ending on 30 June 2021 (unless extended by the parties);</p> <p>(b) Conditions Precedent: The Acquisition is conditional on, amongst other things, completion of due diligence by the Company on GNP and its assets to the satisfaction of the Company in its sole discretion, the</p>	Annexure B

Company completing a successful capital raising to raise not less than \$7,500,000, the Company obtaining all necessary shareholder and regulatory approvals (including under the ASX Listing Rules) and the Company reaching agreement with the remaining minority shareholders of GNP such that each of those persons agrees with GNP to sell their respective GNP shares to the Company for the issue of shares in the Company on the same terms as contained in the Acquisition Agreement; and

- (c) Consideration: The Company must issue an aggregate of 175,000,000 Shares and 87,500,000 Vendor Options;

A detailed summary of the Acquisition Agreement is set out in the Solicitor's Report on Tenements at Annexure B.

<p>What approvals are being sought at the General Meeting?</p>	<p>At the General Meeting to be held on 4 June 2021, in connection with the Acquisition, the Company is seeking Shareholder approval for the following resolutions:</p> <ul style="list-style-type: none"> (a) the significant change to the nature and scale of the Company's activities as a result of the Acquisition, for which Shareholder approval is required under ASX Listing Rule 11.1.2; (b) the consolidation of the Company's issued capital on a 14:100 basis; (c) the issue of 100,000,000 Shares under the Public Offer; (d) the issue of the Shares and Vendor Options as consideration for the Acquisition; (e) the change of name of the Company; and (f) the replacement of the Constitution, <p>(Essential Resolutions) as well as:</p> <ul style="list-style-type: none"> (g) participation of certain related parties of the Company in the Public Offer; (h) the issue of the Performance Rights to the Directors and Proposed Directors (or their nominees); (i) the issue of Options to the NOMAD; and (j) the implementation of the Red Emperor Performance Rights Plan.
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<p>How was the value of and consideration for the Acquisition determined?</p>	<p>The valuation of the assets and the consideration to be paid for the Acquisition was determined through arm's length negotiations.</p>	<p>Section 2.1</p>
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What is the effect of the Acquisition?	<p>The effect of the Acquisition is that the nature and scale of the activities of the Company will change.</p> <p>The change to the nature and scale requires the Company to re-comply with the requirements of Chapters 1 and 2 of the Listing Rules, including, among other things, seeking Shareholder approval for the Essential Resolutions, issuing a prospectus and obtaining a sufficient number of Shareholders with the requisite number of Shares in accordance with those rules.</p> <p>On completion of the Acquisition, assuming all Securities offered under this Prospectus are issued, no Options are exercised and no other Securities are issued other than as disclosed in this Prospectus and the Notice of Meeting, the Company will have the following Securities on issue:</p> <ul style="list-style-type: none"> (a) 348,540,988 Shares; (b) 88,340,000 Options; and (c) 23,000,000 Performance Rights. <p>The effect of the Acquisition is set out in the capital structure table in Section 1.9, the financial information in Annexure C and elsewhere in this Prospectus.</p>	Section 1.9 and Annexure C
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What industry will the Company operate in following Settlement?	The Company will operate in the mineral exploration industry with assets in Australia.	Section 2
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Business model

What is the Company's business model and strategy?	<p>On completion of the Acquisition the Company's proposes to:</p> <ul style="list-style-type: none"> (a) exercise the Panton Option so that the Panton PGM Project is 100% owned by the Company; (b) carry out exploration and development activities on the Panton PGM Project; and (c) otherwise allocate funds raised from the Public Offer, together with the Company's existing cash reserves as set out in Section 1.8. 	Section 2
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Key highlights, dependencies and risks

What are the key highlights of an investment in the Company?	<p>The Directors and Proposed Directors are of the view that an investment in the Company provides, subject to raising the Minimum Subscription, the ability for the Company to complete the Acquisition and re-comply with the ASX Listing Rules, ensuring its re-instatement to quotation (although reinstatement remains subject to ASX determination) and the Company will have sufficient funds to implement its business model and strategies as outlined above.</p> <p>In conjunction with the acquisition of the Panton PGM Project, additional corporate and technical director appointments will</p>	Section 2
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	be made to the current Board upon completion of the Acquisition.	
What are the key dependencies of an investment in the Company?	<p>The key dependencies influencing the viability of the Company's strategy are:</p> <ul style="list-style-type: none"> (a) the Company's capacity to re-comply with Chapters 1 and 2 of the Listing Rules to enable the Company's securities to be reinstated to official quotation on ASX; (b) settlement of the Acquisition; (c) exploration success at the Panton PGM Project, resulting in increased confidence in the Mineral Resource at that project. 	Section 2
What are the key risks of an investment in the Company?	<p>Investors should be aware that subscribing for Shares in the Company involves a number of risks. The risk factors set out in Section 3, and other general risks applicable to all investments in listed shares, may affect the value of the Shares in the future. Accordingly, an investment in the Company should be considered highly speculative.</p> <p>This section summarises only some of the key risks which apply to an investment in the Company and investors should refer to Section 3 for further information.</p> <p>Key risk factors applicable to an investment in the Company include:</p> <ul style="list-style-type: none"> (a) Information accuracy risk: The Company will be acquiring mining information from the Vendors which has been compiled by previous explorers on the Panton PGM Project. Any inaccuracies in that information could adversely affect the Company's ability to implement its planned exploration program. (b) Exploration and operating risk: The Panton PGM Project is still subject to exploration. Mineral exploration and development are high-risk undertakings and there can be no assurance that future exploration of the Panton PGM Project, or any other mineral licences that may be acquired in the future will result in the discovery of an economic resource. Although a Mineral Resource Estimate has been delineated in relation to the Panton PGM Project, there is no guarantee that it can be economically exploited. (c) Metallurgy risk: Whilst historical test work has been undertaken, further metallurgical test work is required to determine if a saleable product can be produced from the Panton ore. There is no guarantee such a product may be produced in an economically viable way. (d) Resources and Reserves: There is a Mineral Resource Estimate in respect of the Panton PGM Project. There are currently no Reserve estimates in respect of the 	Refer to Section 3

Panton PGM Project. Reserve and Resource 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.

- (e) **Commodity Price Volatility and Exchange Rate Risk:** If the Company achieves success leading to mineral production, the revenue it will derive through the sale of commodities exposes the potential income of the Company to commodity price and exchange rate risks. Commodity prices fluctuate and are affected by many factors beyond the control of the Company. Such factors include supply and demand fluctuations for platinum group metals, technological advancements, forward selling activities and other macroeconomic factors (such as inflation, interest rates, currency exchange rates and global and regional demand for and supply of platinum group metals).
- (f) **Environmental Risks:** The operations and proposed activities of the Company in Australia are subject to State and Federal laws and regulation concerning the environment. As with most exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or mine 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.
- (g) **Title Risks:** Interests in tenements in Australia are governed by the respective State legislation and are evidenced by the granting of licences or leases. Each licence or lease is for a specific term 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 tenements if licence conditions are not met or if insufficient funds are available to meet expenditure commitments. Additionally, tenements are subject to periodic renewal. There is no guarantee that current or future tenements and/or applications for tenements or renewal of tenements will be approved.
- (h) **Exploration Costs:** The exploration costs of the Company as set out in Section 1.8 (Use of funds) 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.

- (i) Additional funding: The funds to be raised under the Public Offer are considered sufficient to meet the immediate objectives of the Company and implementation of the Company's strategy. Additional funding may be required in the event costs exceed the Company's estimates and to effectively implement its business and operational plans in the future to take advantage of opportunities for acquisitions, joint ventures or other business opportunities, and to meet any unanticipated liabilities or expenses which the Company may incur. If such events occur, additional funding will be required which may be dilutive to existing Shareholders.

Offers

What is the Public Offer and who is entitled to participate? The Company is offering 100,000,000 Shares at an issue price of \$0.10 per Share to raise \$10,000,000 before costs (**Public Offer**). Section 1.1 and 1.13

The Public Offer is open to the general public, however non-Australian resident investors should consider the statements and restrictions set out in Section 1.13 before applying for Shares.

What is the Minimum Subscription and the maximum subscription? The minimum subscription under the Public Offer is 100,000,000 Shares to raise \$10,000,000 (**Minimum Subscription**) which is also the maximum subscription. Section 1.6

Why is the Public Offer being conducted? The principal purposes of the Public Offer is to: Section 1.7

- implement the business model and strategy of the Company, as set out above;
- meet the requirements of the ASX and satisfy Chapters 1 and 2 of the Listing Rules; and
- satisfy a condition precedent to the Acquisition Agreement.

The satisfaction of Chapters 1 and 2 of the Listing Rules is sought for the purpose of seeking ASX's approval for reinstatement of the Shares to quotation.

	The Board are satisfied that on completion of the Public Offer, the Company will have sufficient working capital to achieve its objectives.	
How do I apply for Shares under the Public Offer?	<p>Applications for Shares under the Public Offer must be made by completing the Application Form either via the offer website: https://RedEmperorOffer.thereachagency.com and make a payment via BPAY using the specific biller code and unique reference number provided to you or generated by the online Application Form, or by a hard copy Application Form.</p> <p>If paying by cheque, a hard copy Application Form must be completed and returned accompanied by a cheque in Australian dollars for the full amount of the application, being \$0.10 per Share. Cheques must be made to "Red Emperor Resources NL" and should be crossed "Not Negotiable". The Application Form and the cheque payment should be returned in accordance with the instructions on the back of the Application Form.</p> <p>Applications under the Public Offer must be for a minimum of 20,000 Shares (\$2,000) and thereafter in multiples of 5,000 Shares (\$500).</p>	Section 1.4
What is the allocation policy under the Public Offer?	The allocation policy under the Public Offer is set out in Section 1.16. There is no assurance that any applicant will be allocated any Shares.	Section 1.16
When will I know if my application was successful?	Holding statements confirming allocations under the Offer will be sent to successful applicants as required by ASX. Holding statements are expected to be issued to Shareholders on or about 15 June 2021.	Section 1.16
What is being offered and what are the purposes of the Additional Offers?	<p>The Prospectus also contains offers of:</p> <p>(a) 175,000,000 Shares and 87,500,000 Vendor Options to the Vendors (or their nominee/s) (Vendor Offer);</p> <p>(b) 23,000,000 Performance Rights to Directors, Proposed Directors and a consultant (or their nominee/s) (Performance Rights Offer);</p> <p>(together, the Additional Offers).</p> <p>The purpose of the Additional Offers is to remove the need for an additional disclosure document to be issued upon the sale of any Shares that are issued under the Additional Offers or upon conversion of any Options or Performance Rights issued under the Additional Offers.</p> <p>You should not complete an Application Form in relation to an Additional Offer unless specifically directed to do so by the Company.</p>	Sections 1.2, 1.3

What is the proposed use of funds raised under the Public Offer?	<p>The Company intends to primarily apply funds raised from the Public Offer, together with existing cash reserves, as follows:</p> <ul style="list-style-type: none"> • costs of the Offers; • exploration and development activities on the Panton PGM Project; • payment of duty liabilities associated with the Acquisition and the exercise of the Panton Option; • administration costs; • costs to seek readmission on AIM; and • other general working capital. 	Sections 1.8 and 6.11
Is the Public Offer underwritten?	The Public Offer is not underwritten.	Section 1.11
What are the conditions of the Offers?	<p>The Offers are conditional on:</p> <p>(a) the Minimum Subscription being obtained;</p> <p>(b) the passing of each of the Essential Resolutions at the General Meeting which are relevant to implementing the Acquisition; and</p> <p>(c) the satisfaction or waiver (where permitted) of all other conditions precedent under the Acquisition Agreement, as set out in the Solicitor's Report on Tenements at Annexure B,</p> <p>(together, the Offer Conditions). If the Offer Conditions are not satisfied, the Company will not proceed with the Offers and the Company will repay all Application Monies received (without interest).</p>	Section 1.5
Will the Securities issued under the Offers be quoted?	<p>The Company will make an application to ASX for quotation of all Shares to be issued under the Public Offer.</p> <p>The Securities offered under the Additional Offers will not be quoted.</p>	Section 1.17
AIM readmission	<p>The Company has also been evaluating transaction structuring options with its Nominated Adviser from a UK perspective and in light of certain differences between the requirements of the ASX Listing Rules and the AIM Rules for Companies (AIM Rules) and the general chronology, processes and requirements of the two stock exchanges, the Board considers it to be in the best interests of the Company and its Shareholders as a whole to seek cancellation of the admission to trading of the Company's ordinary shares on AIM (Cancellation) in order to facilitate and ensure the timely implementation of the Acquisition and associated fundraising in Australia on the ASX on the commercial terms and timeframe agreed with the major shareholders of GNP.</p> <p>Accordingly, as announced to ASX on 20 April 2021, Cancellation is scheduled to occur at 7.00 a.m. (London time)</p>	

on 19 May 2021 and in accordance with the guidance notes to AIM Rule 41, shareholder consent in a general meeting of the Company is not required as the Company is maintaining its listing on ASX, being an AIM Designated Market as defined in the AIM Rules. It is expected that trading on AIM will remain suspended until the Cancellation.

It is currently intended that re-admission to trading on AIM for the enlarged entity will then be sought as soon as practicable (targeting July 2021) following successful completion of the Acquisition and Public Offer on the ASX in order to restore the enlarged entity's dual listing at the earliest opportunity.

Re-admission on AIM is not a condition of the Offers. There can be no guarantee that the Company will be able to complete the Acquisition or any alternative transaction and consequently be re-admitted to trading on AIM. Also, the Company may complete the Acquisition and be reinstated to official quotation on ASX but not subsequently be re-admitted to AIM.

Key persons

Who are the Directors and Proposed Directors?

It is proposed that upon Settlement the Board will comprise:

- Greg Bandy – Managing Director and Chairman
- Aaron Bertolatti – Finance Director
- Justin Tremain – Proposed Non-Executive Director
- Robert Mosig – Proposed Non-Executive Director
- Allan Mulligan – Proposed Non-Executive Technical Director

Sections 4.1 and 4.2

It is intended that current Director, Jason Bontempo, will resign on completion of the Acquisition.

The profiles of the Directors and Proposed Directors are set out at Sections 4.1 and 4.2.

What benefits are being paid to the Directors and Proposed Directors?

Details of the Directors' remuneration for the two years prior to the date of this Prospectus and to be paid in the current financial year on an annualised basis, are as follows:

Section 4.5

Director	Financial Year Ending 30 June 2021 (\$)	Financial Year Ended 30 June 2020 (\$)	Financial Year Ended 30 June 2019 (\$)
Greg Bandy ¹	\$197,100	\$197,100	\$197,100
Jason Bontempo ¹	\$32,850	\$32,850	\$32,850
Aaron Bertolatti ¹	\$60,000	\$60,000	\$60,000

Notes:

1. In addition, in the financial year ended 30 June 2019, each of the Directors were issued Options with an exercise price of \$0.04 and an

expiry date of 31 December 2020. Mr Bandy was issued with 6,000,000 Options and Messrs Bontempo and Bertolatti were issued with 2,000,000 Options each. All Options expired on 31 December 2020 without being exercised.

The Proposed Directors' remuneration from appointment, on an annualised basis, is \$36,000 (plus statutory superannuation, currently \$3,420). In addition, it is intended that Mr Tremain and Mr Mulligan will each be engaged by the Company as consultants at a rate of \$1,000 (plus GST) per day as and when required by the Board for Mr Tremain and \$7,000 (plus GST) per month based on an average of 2 days per week for Mr Mulligan. Up to the date of this Prospectus, Mr Tremain has been paid \$10,000 (plus GST) in fees for consulting services provided to the Company.

Summaries of the material terms of the service agreements with each of the Directors and Proposed Directors are set out in Section 5.5.

What interests do the Directors and Proposed Directors have in the securities of the Company?

As at the date of this Prospectus, the Directors and Proposed Directors have the following interests in the Company's securities (on a pre-Consolidated basis):

Section 4.6

Director/ Proposed Director	Shares	Options	Performance Rights
Greg Bandy ¹	1,000,000	Nil	Nil
Jason Bontempo	Nil	Nil	Nil
Aaron Bertolatti ²	375,000	Nil	Nil
Justin Tremain ³	Nil	Nil	Nil
Robert Mosig ⁴	Nil	Nil	Nil
Allan Mulligan ⁵	Nil	Nil	Nil

Notes:

- 140,000 Shares post-Consolidation. Subject to Shareholder approval 8,000,000 Performance Rights are proposed to be issued to Mr Bandy (or his nominee/s) under the Performance Rights Offer.
- 52,500 Shares post-Consolidation. Subject to Shareholder approval 1,000,000 Performance Rights are proposed to be issued to Mr Bertolatti (or his nominee/s) under the Performance Rights Offer.
- Subject to Shareholder approval 8,000,000 Performance Rights are proposed to be issued to Mr Tremain (or his nominee/s) under the Performance Rights Offer.
- Subject to Shareholder approval 2,000,000 Performance Rights are proposed to be issued to Mr Mosig (or his nominee/s) under the Performance Rights Offer.
- Subject to Shareholder approval 3,000,000 Performance Rights are proposed to be issued to Mr Mulligan (or his nominee/s) under the Performance Rights Offer.

Subject to obtaining Shareholder approval at the General Meeting, the Directors and Proposed Directors (or their respective nominee/s) intend to participate in the Public Offer by applying for the following Shares (post-Consolidation figures):

- Greg Bandy – 1,000,000 Shares (\$100,000);
- Aaron Bertolatti – 250,000 Shares (\$25,000);
- Justin Tremain – 1,000,000 Shares (\$100,000);
- Robert Mosig – Nil Shares; and
- Allan Mulligan – Nil Shares.

More information on the security holdings, interests and remuneration of the Directors is set out in Section 4.6.

Key contracts

What material contracts is the Company a party to or will it have an interest in on completion of the Acquisition?

The following contracts are considered material to the Panton PGM Project and the material terms of these agreements are summarised in the Solicitor's Report on Tenements which is set out at Annexure B:

Section 5 and Annexure B

- (a) **(Panton Option):** GNP was granted an option by Panoramic Resources Limited (Panoramic) to acquire the remaining 20% share capital in Panton Sill Pty Ltd for an additional \$3,000,000. This option may be exercised by GNP at any stage within 6 months of completion of its acquisition of the 80% interest in Panton Sill Pty Ltd (or 9 months of completion if there is a change in control of Panoramic).
- (b) **(Panton Sill Pty Ltd Shareholders Agreement):** GNP and Panoramic agree that their relationship as shareholders of Panton will be governed by the shareholders agreement principles summarised in Annexure B. The parties are to negotiate and enter into a formal agreement to replace these principles at the request of either party.
- (c) **(0.5% NSR Royalty):** Pursuant to an agreement in place prior to the Acquisition Agreement, Panton Sill Pty Ltd has agreed to pay a 0.5% Net Smelter Return royalty on each of Chrome, Cobalt, Copper, Gold, Iridium, Palladium, Platinum, Nickel, Rhodium and Ruthenium produced from the Panton PGM Project.
- (d) **(2% NSR Royalty):** Pursuant to an agreement in place prior to the Acquisition Agreement, Panton Sill Pty Ltd has agreed to pay a 2% Net Smelter Return royalty on the production of platinum group metals following production and sale of the first 100,000 ounces from the Panton PGM Project.

Financial Information

How has the Company been performing? The Company is currently listed on ASX and its financial history, including Annual Reports for the financial years ended 30 June 2019 and 30 June 2020 and its Half Year Report for the period ended 31 December 2020 are available on its ASX platform at www.asx.com.au (ASX:RMP). The pro forma statement of financial position as at completion of the Offers is set out in the Independent Limited Assurance Report included at Annexure C.

The Board believes that this financial information adequately presents the financial position and performance of the Company, and the effect that the transactions the subject of the Acquisition will have on the Company.

Is financial information for GNP available? The audited historical financial information of Great Northern Palladium Pty Ltd (for the period from incorporation to 31 December 2020) is set out in Annexure C.

What is the financial outlook for the Company? The Board do not consider it appropriate to forecast future earnings of the Company.

Any forecast or projection would contain such a broad range of potential outcomes and possibilities, that it is not possible to prepare a reliable forecast or projection on a reasonable basis.

Other details

What are the important dates of the Offers?

Important dates

Prospectus lodged with ASIC	18 May 2021	indicative timetable (prior to the Investment Overview)
Closing Date of Offers	31 May 2021	
Shareholders' meeting to approve the Acquisition	4 June 2021	
Issue of Securities under the Offers	11 June 2021	
Completion of the Acquisition		
Despatch of holding statements	15 June 2021	
Re-quotations on the ASX	18 June 2021	

The above dates are indicative only and may change without notice.

What rights and liabilities attach to the Securities being offered? Certain key rights and liabilities attaching to the Shares, Vendor Options, Performance Rights are described in Sections 6.1 to 6.3. Sections 6.1 to 6.3

<p>Will any capital raising fees be payable in respect of the Offers?</p>	<p>The Company has appointed 708 Capital Pty Ltd (ACN 142 319 202) Australian Financial Services Licence 386279 (Lead Manager) as lead manager to the Public Offer.</p>	<p>Section 5.3</p>
	<p>Upon completion of the Public Offer, the Lead Manager (or its nominee/s), will be paid a management fee of 1% of total gross proceeds of the Public Offer and a selling fee of 5% of the total gross proceeds of the Public Offer, for a total of \$600,000 (plus GST).</p>	
	<p>A summary of the material terms of the mandate agreement with the Lead Manager is set out in Section 5.3.</p>	
<p>Can I speak to a representative about the Offers?</p>	<p>Questions relating to the Offers and completion of Application Forms can be directed to the Company on +61 8 9480 0414.</p>	<p>Section 1.22</p>
<p>Will any Securities be subject to escrow?</p>	<p>No Shares issued under the Public Offer will be subject to escrow.</p>	<p>Section 1.10</p>
	<p>Subject to the Company re-complying with Chapters 1 and 2 of the Listing Rules and completing the Offers, certain Securities issued under the Additional Offers may be classified by ASX as restricted securities and will be required to be held in escrow for up to 24 months from the date of official quotation on ASX.</p>	
	<p>The Company confirms its 'free float' (being the percentage of Shares that are not restricted and are held by Shareholders who are not related parties (or their associates) of the Company) at the time of reinstatement will be not less than 20% in compliance with ASX Listing Rule 1.1 Condition 7.</p>	
	<p>During the period in which these Securities are prohibited from being transferred, trading in Shares may be less liquid which may impact upon the ability of a Shareholder to dispose of his or her Shares in a timely manner.</p>	
	<p>It is expected that 50,000,000 Shares and 39,625,000 Vendor Options issued under the Vendor Offer will be restricted from trading for 24 months from the date of reinstatement to official quotation on ASX and a further 47,875,000 Vendor Options will be restricted from trading for 12 months from the date of issue in accordance with the Listing Rules and 22,000,000 Performance Rights issued under the Performance Rights Offer to the Directors and Proposed Directors (or their nominees) will be restricted from trading for 24 months from the date of reinstatement to official quotation on ASX in accordance with the Listing Rules with the remaining 1,000,000 Performance Rights (including any Shares issued on conversion of the Performance Rights) subject to voluntary escrow restrictions for 24 months from the date of reinstatement to official quotation on ASX in accordance with the rules of the Performance Rights Plan.</p>	
	<p>The restricted securities listed above are subject to change depending on the escrow periods imposed by ASX in</p>	

	<p>accordance with the Listing Rules. Prior to completion of the Offers, the Company will enter into escrow agreements with the holders of restricted securities where required in accordance with Chapter 9 of the Listing Rules, and the Company will announce to ASX details of the Securities held in escrow.</p>	
<p>What is the Company's dividend policy?</p>	<p>The Company does not expect to pay dividends in the near future as its focus will primarily be on using cash reserves to grow and develop the Company's assets.</p>	<p>Section 1.21</p>
<p>What are the tax implications of investing in Securities under an Offer?</p>	<p>The tax consequences of any investment in Securities will depend upon the applicant's particular circumstances. Investors should obtain their own tax advice before deciding to invest.</p>	<p>Section 6.13</p>
<p>What are the corporate governance principles and policies of the Company?</p>	<p>To the extent relevant and practical, in light of the Company's size and nature, the Company has adopted The Corporate Governance Principles and Recommendations (4th Edition) as published by the ASX Corporate Governance Council (Recommendations).</p> <p>The Company's main corporate governance policies and practices and the Company's departures from the Recommendations as at the date of this Prospectus are set out in Section 4.7.</p> <p>The Company's full Corporate Governance Plan and Corporate Governance Statement is available on the Company's website.</p>	<p>Section 4.7</p>

1. Details of the Offers

1.1 Public Offer

Under this Prospectus, the Company is offering 100,000,000 Shares at an issue price of \$0.10 per Share to raise \$10,000,000 before costs (**Public Offer**).

The Public Offer is open to the general public however non-Australian resident investors should consider the statements and restrictions set out in Section 1.13 before applying for Shares.

The Shares to be issued under the Public Offer are of the same class and will rank equally in all respects with existing Shares on issue. A summary of the rights and liabilities attaching to Shares can be found in Section 6.1.

Applications for Shares under the Public Offer must be made via the offer website <https://RedEmperorOffer.thereachagency.com> or on the Public Offer Application Form accompanying this Prospectus and received by the Company on or before the Closing Date of the Public Offer.

Persons wishing to apply under the Public Offer should refer to Section 1.4 and either the offer website or the hard copy Public Offer Application Form for further details and instructions.

1.2 Vendor Offer

This Prospectus includes an offer of 175,000,000 Shares and 87,500,000 Vendor Options to the Vendors (or their nominee/s). pursuant to the Acquisition Agreement, in consideration for the Acquisition (**Vendor Offer**).

The Shares offered under the Vendor Offer will rank equally with the existing Shares on issue, other than in respect of any escrow imposed by ASX. A summary of the rights and liabilities attaching to Shares can be found in Section 6.1.

The Vendor Options to be issued under the Vendor Offer have the terms and conditions set out in Section 6.2.

Only the Vendors (or their nominee/s) may apply under the Vendor Offer. An Application Form in relation to the Vendor Offer will be issued to the Vendors (or their nominee/s) together with a copy of this Prospectus.

It is expected that 50,000,000 Shares and 39,625,000 Vendor Options issued under the Vendor Offer will be restricted from trading for 24 months from the date of reinstatement to official quotation on ASX and a further 47,875,000 Vendor Options will be restricted from trading for 12 months from the date of issue in accordance with the Listing Rules. Prior to the issue of Securities to the Vendors (or their nominee/s) under the Vendor Offer, the Vendors (or their nominee/s) will, if required by ASX, be required to enter into a restriction agreement in respect of the number of Securities and time period determined by ASX.

1.3 Performance Rights Offer

This Prospectus includes an offer of 23,000,000 Performance Rights to Directors, Proposed Directors and a consultant (or their nominee/s) (**Performance Rights Offer**).

The Performance Rights to be issued under the Performance Rights Offer have the terms and conditions set out in Section 6.3.

Only the Directors, Proposed Directors or the consultant invited by the Company (or their nominee/s) may apply under the Performance Rights Offer. An Application Form in relation to the Performance

Rights Offer will be issued to the Directors, Proposed Directors and consultant (or their nominee/s) together with a copy of this Prospectus.

The Performance Rights Offer is conditional on Shareholder approval for the issue of the Performance Rights to the respective Directors and Proposed Directors (or their nominees) contemplated by that offer, which is being sought at the General Meeting.

It is expected that 22,000,000 Performance Rights issued under the Performance Rights Offer to the Directors and Proposed Directors (or their nominees) will be restricted from trading for 24 months from the date of reinstatement to official quotation on ASX in accordance with the Listing Rules with the remaining 1,000,000 Performance Rights (including any Shares issued on conversion of the Performance Rights) subject to voluntary escrow restrictions for 24 months from the date of reinstatement to official quotation on ASX in accordance with the rules of the Performance Rights Plan. Prior to the issue of the Performance Rights to the recipients under the Performance Rights Offer, the Directors and the Proposed Directors (or their nominee/s) will be required to enter into a restriction agreement in respect of the number of Performance Rights and time period determined by ASX.

1.4 Applications and payment

Applications for Shares under the Public Offer can be made using the online Application Form on the offer website: <https://RedEmperorOffer.thereachagency.com> or a hard copy Application Form accompanying this Prospectus.

Applications for Securities under any other Offers must be made using the relevant hard copy Application Form accompanying this Prospectus.

The Application Form must be completed in accordance with the instructions set out on the offer website or the back of the form as the context requires.

Applications under the Public Offer must be for a minimum of 20,000 Shares (\$2,000) and thereafter in multiples of 5,000 Shares (\$500).

No brokerage, stamp duty or other costs are payable by applicants. If completing an online Public Offer Application Form, payment must be made using BPAY®. If completing a hard copy Public Offer Application Form, payment must be made by cheque made payable to **"Red Emperor Resources NL"** and crossed **"Not Negotiable"**. All Application Monies will be paid into a trust account.

Completed hard copy Public Offer Application Forms and accompanying cheques must be received by the Share Registry before 5.00pm AEST on the Closing Date by being posted to the address set out on the hard copy Public Offer Application Form.

If paying by BPAY®, please follow the instructions on the online Application Form for the Public Offer. A unique reference number will be provided to you upon completion of the online Application Form. Your BPAY® reference number will process your payment to your application electronically and you will be deemed to have applied for such Shares for which you have paid. Applicants using BPAY® should be aware of their financial institution's cut-off time (the time payment must be made to be processed overnight) and ensure payment is processed by their financial institution on or before the day prior to the Closing Date of the Public Offer. You do not need to return any documents if you have made payment via BPAY®.

Applicants are urged to lodge their Application Forms as early as possible, as the Offers may close early without notice.

An original, completed and lodged Application Form together with a cheque (if payment is applicable), or, payment via Bpay for the Application Monies (if applicable) constitutes a binding and irrevocable offer to subscribe for the number of Securities specified in the Application Form. An

Application Form does not need to be signed to be valid. If an Application Form is not completed correctly or if the accompanying payment (if any) is for the wrong amount, it may still be treated by the Company as valid. The Board's decision as to whether to treat an application as valid and how to construe, amend or complete the Application Form is final.

It is the responsibility of applicants outside Australia to obtain all necessary approvals in order to be issued Securities under an Offer. The return of an Application Form or otherwise applying for Securities under an Offer will be taken by the Company to constitute a representation by the applicant that it:

- (a) has received a printed or electronic copy of this Prospectus accompanying the Application Form and has read it in full;
- (b) agrees to be bound by the terms of this Prospectus and the Constitution;
- (c) makes the representations and warranties in Section 1.13 (to the extent that they are applicable) and confirms its eligibility in respect of an offer of Securities under the relevant Offer;
- (d) declares that all details and statements in the Application Form are complete and accurate;
- (e) declares that it is over 18 years of age and has full legal capacity and power to perform all of its rights and obligations under the Application Form;
- (f) acknowledges that once the Application Form is returned or payment is made its acceptance may not be withdrawn, other than in certain circumstances under the Corporations Act;
- (g) agrees to being issued the number of new Securities it applies for at the price per Security specified in this Prospectus (or such other number issued in accordance with this Prospectus);
- (h) authorises the Company to register it as the holder(s) of the Securities issued to it under the relevant Offer;
- (i) acknowledges that the information contained in this Prospectus is not investment advice or a recommendation that the Securities are suitable for it, given its investment objectives, financial situation or particular needs; and
- (j) authorises the Company and its officers or agents to do anything on its behalf necessary for the new Securities to be issued to it, including correcting any errors in the Application Form or other form provided by it and acting on instructions received by the Share Registry using the contact details in the Application Form.

1.5 Offer Conditions

The Offers are conditional upon the following events occurring:

- (a) the Company raising the Minimum Subscription (see Section 1.6 for further information);
- (b) the passing of each of the Essential Resolutions at the General Meeting which are relevant to implementing the Acquisition; and
- (c) the satisfaction or waiver (where permitted) of all other conditions precedent under the Acquisition Agreement, as set out in the Solicitor's Report on Tenements at Annexure B,

(together, the **Offer Conditions**).

If the Offer Conditions are not satisfied, then the Company will not proceed with any of the Offers and will repay all Application Monies received without interest in accordance with the Corporations Act.

In addition, the Performance Rights Offer is conditional on Shareholder approval for the issue of the Performance Rights to the respective Directors and Proposed Directors (or their nominees) contemplated by that offer, which is being sought at the General Meeting.

1.6 Minimum and maximum subscription

The minimum subscription under the Public Offer is 100,000,000 Shares to raise \$10,000,000 (**Minimum Subscription**) which is also the maximum subscription. No Shares will be issued until the Public Offer has reached the Minimum Subscription. Subject to any extension, if the Minimum Subscription has not been achieved within 4 months of the date of this Prospectus, all Application Monies will be refunded without interest in accordance with the Corporations Act.

1.7 Purpose of the Public Offer

The principal purposes of the Public Offer are to:

- (a) implement the strategy of the Company, as set out in Sections 1.8 and 2.4, including the exploration programs on the Panton PGM Project;
- (b) meet the requirements of the ASX and satisfy Chapters 1 and 2 of the Listing Rules; and
- (c) satisfy a condition precedent to the Acquisition Agreement.

The satisfaction of Chapters 1 and 2 of the Listing Rules is sought for the purpose of seeking ASX's approval for reinstatement of the Shares to quotation.

1.8 Use of funds

The Company intends to apply funds raised under the Public Offer, together with its existing cash reserves, over the first two years following re-admission of the Company's Securities to official quotation on ASX as follows:

Use of funds	A\$10,000,000 (Minimum and Maximum subscription amount)	%
Available funds		
Existing cash reserves of the Company as at 31 December 2020 ¹	A\$4,225,863	29.7%
Gross funds to be raised under the Public Offer	A\$10,000,000	70.3%
Total	A\$14,225,863	100%
Use of funds		
Estimated cash expenses of the Offers ²	A\$1,077,834	7.6%
Panton Option consideration ³	A\$3,000,000	21.1%
Estimated duty liability on the Acquisition and exercise of the Panton Option ⁴	A\$1,755,495	12.3%

Exploration and development expenditure on the Panton PGM Project, as follows:⁵

• Drilling of extensions	A\$2,000,000	14.1%
• Metallurgical testwork	A\$500,000	3.5%
• Process design, mining and development studies	A\$1,000,000	7.0%
• Other technical studies	A\$500,000	3.5%
Assessment of complementary assets or projects	A\$500,000	3.5%
Estimated cash costs for readmission to AIM ⁶	A\$1,124,334	7.9%
Administration costs ⁷	A\$2,000,000	14.1%
Working Capital ⁸	A\$768,200	5.4%
Total	A\$14,225,863	100%

Notes:

- The cash reserves for Great Northern Palladium Pty Ltd as at 31 December 2020 have not been included on the basis that it is expected that the remaining cash reserves will have been spent by completion of the Acquisition on such matters as exploration expenditure commitments on the tenements and general operating costs.
- Refer to Section 6.11.
- Refer to the summary of the Panton Option set out in Section 5.2 and the Solicitor's Report on Tenements at Annexure B.
- This includes the estimated duty payable for the Acquisition, the exercise of the Panton Option to acquire the remaining interest in Panton Sill Pty Ltd and the estimated duty payable included as a liability (trade and other payables) of Great Northern Palladium Pty Ltd as at 31 December 2020. These figures are estimates only as no assessment from the Office of State Revenue has been issued to date. In the event an alternative (higher) amount is assessed and payable, the Company will reallocate funds from working capital to pay the higher amount.
- Refer to the Independent Technical Report at Annexure A for further information.
- It is currently intended that re-admission to trading on AIM for the enlarged entity will then be sought as soon as practicable (targeting July 2021) following successful completion of the Acquisition and Public Offer on the ASX in order to restore the enlarged entity's dual listing at the earliest opportunity. Re-admission on AIM is not a condition of the Offers. There can be no guarantee that the Company will be able to complete the Acquisition or any alternative transaction and consequently be re-admitted to trading on AIM. Also, the Company may complete the Acquisition and be reinstated to official quotation on ASX but not subsequently be re-admitted to AIM.

Expenditure	£	AUD/GDP (14 May 2021)	A\$
AIM fees	23,386	0.55	42,520
UK Broker/Corporate Advisory Fees	200,000	0.55	363,636
Nomad and Financial Adviser	200,000	0.55	363,636
Legal advisers to Nomad and/or Financial Adviser & Broker	40,000	0.55	72,727
Legal advisers to Company (UK law)	75,000	0.55	136,363
Competent Person's Report	35,000	0.55	63,636
UK Reporting Accountant	30,000	0.55	54,545
Printing of admission document	5,000	0.55	9,090
Registrars / other	10,000	0.55	18,181
	618,386		1,124,334

- 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.

8. Other general working capital may be used for corporate expenditure items or in connection with any project, investment or acquisition, as determined by the Board at the relevant time.

The above table is a statement of current intentions as at the date of this Prospectus. Investors should note that, as with any budget, the allocation of funds set out in the above table may change depending on a number of factors including, but not limited to, the success of exploration programs, as well as regulatory developments and economic conditions. In light of this, the Company reserves the right to alter the way the funds are applied.

The Directors and Proposed Directors consider that, following completion of the Public Offer, the Company will have sufficient working capital to meet its stated objectives and satisfy its working capital requirements for a period of at least two years following the date on which the Company's Securities are reinstated to official quotation on ASX. Refer to Sections 2.3 and 2.4 and the Independent Technical Report at Annexure A for further details on the Company's proposed business exploration programs and strategies.

1.9 Capital structure

The capital structure of the Company following completion of the Offers (subject to rounding following the Consolidation) is summarised below:

	Shares	Options	Performance Rights
Current (pre Consolidation)	525,292,776	6,000,000 ¹	-
Subtotal post-Consolidation (14:100 ratio)	73,540,988	840,000 ¹	-
Securities to be issued under the Public Offer ²	100,000,000	Nil	-
Consideration Securities to be issued to Vendors under the Vendor Offer ³	175,000,000	87,500,000	-
Performance Rights to be issued to under the Performance Rights Offer ⁴	-	-	23,000,000
Total	348,540,988	88,340,000	23,000,000
Adviser Options to be issued to NOMAD on and subject to re-admission to trading on AIM ⁵	-	6,000,000	-
Total	348,540,988	94,340,000	23,000,000

Notes:

1. The number of existing unlisted Options, and the effect that the Consolidation will have on the terms of the existing unlisted Options, is as set out in the tables below

Pre-Consolidation

Terms	Number
Unlisted Options exercisable at A\$0.05 on or before 15 January 2022	6,000,000
Total	6,000,000

Post-Consolidation

Terms	Number
Unlisted Options exercisable at A\$0.357 on or before 15 January 2022	840,000
Total	840,000

2. Refer to Section 1.1 for details of the Public Offer.
3. Refer to Section 1.2 for details of the Vendor Offer. The Vendor Options to be issued pursuant to the terms of the Acquisition to the Vendors (or their nominee/s) will be exercisable at a price of A\$0.10 on or before the date 3 years after their date of issue and otherwise on the terms and conditions set out in Section 6.2.
4. Refer to Section 1.3 for details of the Performance Rights Offer. The Performance Rights to be issued pursuant to the Performance Rights Offer will be in three equal tranches (subject to rounding) and expire 3 years after their date of issue. The tranches of Performance Rights will vest upon achievement of the following share price hurdles:
 - Class A: 20 day VWAP of A\$0.15 per share or above.
 - Class B: 20 day VWAP of A\$0.20 per share or above.
 - Class C: 20 day VWAP of A\$0.25 per share or above.

The full terms and conditions of the Performance Rights are set out in Section 6.3. The Company may issue additional Performance Rights pursuant to the Performance Rights Plan to employees or consultants that are unrelated parties of the Company as part of their remuneration packages. Details of such issues will be announced as and when required in accordance with the Listing Rules.

5. The Adviser Options to be issued to the Nominated Adviser (or its nominee/s) will be exercisable at a price of A\$0.12 on or before the date 3 years after their date of issue and otherwise on the terms and conditions set out in Schedule 3 of the Notice of Meeting. The Adviser Options are to be issued to the Nominated Adviser in conjunction with the Company's re-admission to trading on AIM, which, if it is to occur, will be following the Company's reinstatement to official quotation on ASX. Accordingly the Adviser Options will not be on issue as at the date of reinstatement to quotation on ASX.

1.10 Escrow

Under the Listing Rules, ASX may determine that securities issued to promoters, seed capital investors and sellers of classified assets have escrow restrictions placed on them. Such securities may be required to be held in escrow for up to 24 months from quotation of the Company's securities, during which time they must not be transferred, assigned or otherwise disposed of.

Shares issued under the Public Offer will not be subject to escrow.

It is expected that 50,000,000 Shares and 39,625,000 Vendor Options issued under the Vendor Offer will be restricted from trading for 24 months from the date of reinstatement to official quotation on ASX and a further 47,875,000 Vendor Options will be restricted from trading for 12 months from the date of issue in accordance with the Listing Rules and 22,000,000 Performance Rights issued under the Performance Rights Offer to the Directors and Proposed Directors (or their nominees) will be restricted from trading for 24 months from the date of reinstatement to official quotation on ASX in accordance with the Listing Rules with the remaining 1,000,000 Performance Rights (including any Shares issued on conversion of the Performance Rights) subject to voluntary escrow restrictions for 24 months from the date of reinstatement to official quotation on ASX in accordance with the rules of the Performance Rights Plan.

The restricted securities listed above are subject to change depending on the escrow periods imposed by ASX in accordance with the Listing Rules. Prior to completion of the Offers, the Company will enter into escrow agreements with the holders of restricted securities where required in

accordance with Chapter 9 of the Listing Rules, and the Company will announce to ASX details of the Securities held in escrow.

The Company confirms its 'free float' (the percentage of Shares that are not restricted and are held by Shareholders who are not related parties (or their associates) of the Company) at the time of reinstatement will be not less than 20% in compliance with ASX Listing Rule 1.1 Condition 7.

1.11 Underwriting

The Public Offer is not underwritten.

1.12 Lead Manager

The Company has appointed 708 Capital Pty Ltd (ACN 142 319 202) Australian Financial Services Licence 386279 (**Lead Manager**) as lead manager to the Public Offer.

Upon completion of the Public Offer, the Lead Manager (or its nominee/s), will be paid a management fee of 1% of total gross proceeds of the Public Offer and a selling fee of 5% of the total gross proceeds of the Public Offer, resulting in a fee of \$600,000 (plus GST).

A summary of the material terms of the mandate agreement with the Lead Manager is set out in Section 5.3.

1.13 Foreign investors restrictions

This Prospectus does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or to extend such an invitation. No action has been taken to register this Prospectus or otherwise to permit a public offering of Securities in any jurisdiction outside Australia other than in the United Kingdom and Germany subject to satisfying the qualifications set out below.

The distribution of the Prospectus (including an electronic copy) outside Australia may be restricted by law. If you come into possession of the Prospectus, you should observe any such restrictions and should seek your own advice on those restrictions. Any failure to comply with such restrictions may contravene applicable securities laws. It is the responsibility of non-Australian resident investors to obtain all necessary approvals for the issue to them of Securities offered pursuant to this Prospectus. The return of a completed Application Form will be taken by the Company to constitute a representation and warranty by the applicant that that there has been no breach of such laws and that all necessary approvals and consents have been obtained.

Neither the Prospectus nor the Securities have been, or will be, registered under the United States Securities Act of 1933, as amended, or the securities laws of any state or other jurisdiction of the United States. The Securities may not be offered, sold or resold in the United States or to, or for the account or benefit of, a US Person. The Prospectus does not constitute an offer of Securities in the United States or to any US Persons, or to any person acting for the account or benefit of a US Person.

United Kingdom

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

This document is issued on a confidential basis to fewer than 150 persons (other than "qualified investors" (within the meaning of section 86(7) of FSMA)) in the United Kingdom, and the Shares may not be offered or sold in the United Kingdom by means of this document, any accompanying letter or any other document, except in circumstances which do not require the publication of a prospectus pursuant to section 86(1) FSMA. This document should not be distributed, published or reproduced,

in whole or in part, nor may its contents be disclosed by recipients to any other person in the United Kingdom.

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

In the United Kingdom, this document is being distributed only to, and is directed at, persons (i) who fall within Article 43 (members or creditors of certain bodies corporate) of the *Financial Services and Markets Act 2000 (Financial Promotions) Order 2005*, as amended, or (ii) to whom it may otherwise be lawfully communicated (together relevant persons). The investment to which this document relates is available only to, and any invitation, offer or agreement to purchase will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents.

Germany

The information in this Prospectus has been prepared on the basis that all offers of Shares will be made pursuant to an exemption under the Directive 2003/71/EC (Prospectus Directive), as amended and implemented in Member States of the European Economic Area, from the requirement to produce a prospectus for offers of securities.

An offer to the public of Shares has not been made, and may not be made, in Germany except pursuant to one of the following exemptions under the Prospectus Directive as implemented in the relevant Member State:

- (a) to any legal entity that is authorised or regulated to operate in the financial markets or whose main business is to invest in financial instruments unless such entity has requested to be treated as a non-professional client in accordance with the EU Markets in Financial Instruments Directive (Directive 2014/65/EC, MiFID II) and the MiFID II Delegated Regulation (EU) 2017/565;
- (b) to any legal entity that satisfies two of the following three criteria: (i) balance sheet total of at least €20,000,000; (ii) annual net turnover of at least €40,000,000 and (iii) own funds of at least €2,000,000 (as shown on its last annual unconsolidated or consolidated financial statements) unless such entity has requested to be treated as a non-professional client in accordance with MiFID II and the MiFID II Delegated Regulation (EU) 2017/565;
- (c) to any person or entity who has requested to be treated as a professional client in accordance with MiFID II;
- (d) to any person or entity who is recognised as an eligible counterparty in accordance with Article 30 of the MiFID II unless such entity has requested to be treated as a non-professional client in accordance with the MiFID II Delegated Regulation (EU) 2017/565;
- (e) to fewer than 150 natural or legal persons (other than qualified investors within the meaning of Article 2(1)I of the Prospectus Directive) subject to obtaining the prior consent of the Company; or
- (f) in any other circumstances falling within Article 3(2) of the Prospectus Directive, provided that no such offer of Shares will result in a requirement for the publication by the Company of a prospectus pursuant to Article 3 of the Prospectus Directive.

1.14 Risk factors

As with any share investment, there are risks associated with investing in the Company. The principal risks that could affect the financial and market performance of the Company are detailed in Section 3. The Securities offered under this Prospectus should be considered speculative. Accordingly, before deciding to invest in the Company, applicants should read this Prospectus in its entirety and should consider all factors in light of their individual circumstances and seek appropriate professional advice.

1.15 Application Monies

All Application Monies will be held in a separate subscription account on trust on behalf of applicants until the Securities are issued pursuant to the Public Offer. Subject to any extension, if the Minimum Subscription is not achieved within a period of 4 months of the date of this Prospectus, all Application Monies will be refunded in full without interest, no Securities will be issued under the Offers and the Acquisition will not proceed. Any interest earned on Application Monies (including those which do not result in the issue of Shares) will be retained by the Company.

All Application Monies received in respect to the Advisor Offer will also be held on trust on behalf of those applicants until the Advisor Options are issued.

1.16 Allocation and issue of Securities

The Company reserves the right to reject any application or to issue a lesser number of Shares than that applied for under the Public Offer. If the number of Shares allocated is less than that applied for, or no issue is made, the surplus Application Monies will be promptly refunded without interest.

Each of the Additional Offers is a personal offer to the relevant persons. As such, Securities offered under those Additional Offers will be allocated and issued to those parties (and their respective nominee/s) only.

Subject to the satisfaction of the Offer Conditions, the issue of Securities offered by this Prospectus will occur as soon as practicable after the Closing Dates. Holding statements will be sent to successful applicants as required by ASX. It is the responsibility of applicants to determine their allocation prior to trading in the Securities. Applicants who sell Securities before they receive their holding statement will do so at their own risk.

1.17 ASX listing and quotation

The Company will apply to ASX no later than 7 days from the date of this Prospectus for re-admission of the Company to the official list of ASX and quotation of the Shares offered under the Public Offer and those Shares offered under the Vendor Offer that are not subject to ASX escrow. However, Applicants should be aware that ASX will not commence official quotation on ASX of any Shares until the Company has re-complied with Chapters 1 and 2 of the Listing Rules and has received the approval of ASX to be re-admitted to the Official List. As such, the Shares may not be able to be traded for some time after the close of the Offers.

Subject to any extension, if the Shares are not admitted to quotation within 3 months of the date of this Prospectus, no Securities will be issued under the Offers, and Application Monies will be refunded in full without interest in accordance with the Corporations Act. In those circumstances, the Company will not proceed with the Acquisition.

ASX takes no responsibility for the contents of this Prospectus. The fact that ASX may grant readmission of the Company to the Official List and quotation of the Shares being offered is not to be taken in any way as an indication by ASX as to the merits of the Company or the Shares.

1.18 CHESS and issuer sponsorship

The Company operates an electronic CHESS sub-register, for those investors who have, or wish to have, a sponsoring stockbroker, and an electronic issuer sponsored sub-register. These two sub-registers will make up the Company's register of Shareholders.

Electronic sub-registers mean the Company will not issue certificates to security holders. Rather, holding statements (similar to bank statements) will be dispatched to security holders as soon as practicable after allotment. Holding statements will be sent either by CHESS (for security holders who elect to hold Securities on the CHESS sub-register) or by the Company's Share Registry (for security holders who elect to hold their Securities on the issuer sponsored sub-register). The statements will set out the number of Securities allotted under this Prospectus and the Holder Identification Number (for security holders who elect to hold Securities on the CHESS sub register) or Shareholder Reference Number (for security holders who elect to hold their Securities on the issuer sponsored sub-register).

Electronic sub-registers also mean ownership of securities can be transferred without having to rely upon paper documentation. Updated holding statements will also be sent to each security holder following the month in which the balance of their security holding changes, and also as required by the Listing Rules and the Corporations Act.

1.19 Privacy disclosure

Persons who apply for Securities under an Offer pursuant to this Prospectus are asked to provide personal information to the Company, either directly or through the Share Registry. The Company and the Share Registry collect, hold and use that personal information to assess applications for Securities, to provide facilities and services to security holders, and to carry out various administrative functions. Access to the information collected may be provided to the Company's agents and service providers and to ASX, ASIC and other regulatory bodies on the basis that they deal with such information in accordance with the relevant privacy laws. If the information requested is not supplied, applications for Securities will not be processed. In accordance with privacy laws, information collected in relation to specific security holders can be obtained by that holder by contacting the Company on +61 8 9480 0414.

1.20 Financial amounts

There are significant uncertainties associated with forecasting future revenues (if any) and expenses associated with the Company's proposed activities.

After considering *ASIC Regulatory Guide 170*, the Directors do not believe that they have a reasonable basis to reliably forecast future earnings of the Company and, accordingly, financial forecasts are not included in this Prospectus.

1.21 Dividends

The Board can provide no guarantee as to the extent of future dividends, as these will depend on, among other things, the actual levels of profitability and the financial and taxation position of the Company at the relevant time.

1.22 Enquiries

This Prospectus is important and should be read in its entirety. Persons who are in any doubt as to the course of action to be followed should consult their stockbroker, lawyer, accountant or other professional adviser without delay.

Questions relating to an Offer and completion of the Application Form can be directed to the Company on +61 8 9480 0414.

2. Company and Business overview

2.1 Background

Red Emperor listed on ASX in 2007, as a mineral exploration company. Its initial projects were copper and gold exploration projects in Western Australia. In 2011, the Company changed its focus to oil and gas exploration and completed a re-compliance with the ASX initial listing requirements. It was also admitted to quotation on AIM in 2011. The Company has since then had interests as a joint venturer in onshore and offshore oil and gas exploration projects in Somalia, Georgia, the Philippines, and the United States of America.

The Company's most recent oil and gas exploration project was an interest in the Western Blocks of the Alaska North Slope with joint venturers 88 Energy Limited and Otto Energy Limited. This project was relinquished by the operator during Q2 2020.

As announced to ASX on 25 March 2021, the Company has entered into a Heads of Agreement (**Acquisition Agreement**) with the major shareholders of Great Northern Palladium Pty Ltd (ACN 645 861 196) (**GNP**) to acquire 100% of the issued share capital of GNP (**the Acquisition**) in consideration for the issue of the Shares and Vendor Options the subject of the Vendor Offer. The valuation and number of Securities to be issued in consideration for the Acquisition was determined through arms' length negotiations.

GNP holds 80% of the issued share capital of Panton Sill Pty Ltd (ACN 157 842 530) (**Panton Sill**). Panton Sill holds the granted mining leases that cover the Panton PGM Project (**Panton PGM Project** or **Panton**) located approximately 60 kilometres north of Halls Creek in the East Kimberley region of Western Australia. The remaining 20% of Panton Sill is held by Panoramic Resources Limited (ASX: PAN) (**Panoramic**). Panoramic has granted an option to GNP for it to acquire the remaining 20% interest in Panton Sill (**Panton Option**), as detailed further below. Upon completion of the Acquisition, Red Emperor intends to exercise the Panton Option such that it would become the ultimate 100% owner of the Panton PGM Project.

The Acquisition has been deemed to constitute a change to the nature and scale of the Company's activities for the purposes of the ASX Listing Rules. ASX Listing Rule 11.1.2 requires the Company to seek Shareholder approval where it proposes to make a significant change to the nature and scale of its activities. ASX has also advised the Company that it will be required to re-comply with the requirements of Chapters 1 and 2 of the ASX Listing Rules in accordance with ASX Listing Rule 11.1.3.

The Company has also been evaluating transaction structuring options with its Nominated Adviser from a UK perspective and in light of certain differences between the requirements of the ASX Listing Rules and the AIM Rules for Companies (**AIM Rules**) and the general chronology, processes and requirements of the two stock exchanges, the Board considers it to be in the best interests of the Company and its Shareholders as a whole to seek cancellation of the admission to trading of the Company's ordinary shares on AIM (**Cancellation**) in order to facilitate and ensure the timely implementation of the Acquisition and associated fundraising in Australia on the ASX on the commercial terms and timeframe agreed with the major shareholders of GNP.

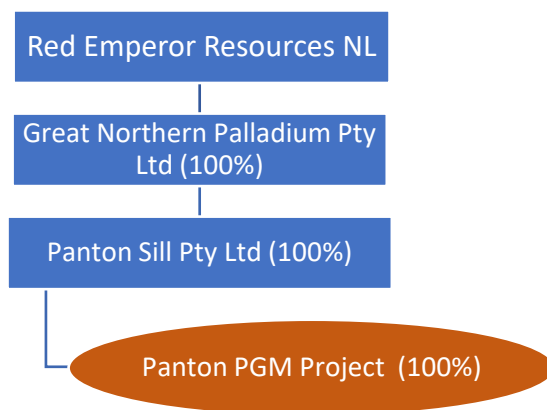
Accordingly, as announced to ASX on 20 April 2021, Cancellation is scheduled to occur at 7.00 a.m. (London time) on 19 May 2021 and in accordance with the guidance notes to AIM Rule 41, shareholder consent in a general meeting of the Company is not required as the Company is maintaining its listing on ASX, being an AIM Designated Market as defined in the AIM Rules. It is expected that trading on AIM will remain suspended until the Cancellation. It is currently intended that re-admission to trading on AIM for the enlarged entity will then be sought as soon as practicable (targeting July 2021) following successful completion of the Acquisition and Public Offer on the ASX in order to restore the enlarged entity's dual listing at the earliest opportunity. There can be no guarantee that the Company will be able to complete the Acquisition or any alternative transaction and consequently be re-admitted to trading on AIM.

An overview of the Panton PGM Project is outlined in Section 2.3 and a summary of the terms and conditions of the Acquisition Agreement is set out in the Solicitor's Report on Tenements at Annexure B.

Upon settlement of the Acquisition (**Settlement**), the Company intends to focus on implementing the work programs contemplated at Section 1.8 and as further described in the Independent Technical Report at Annexure A.

2.2 Corporate Structure

A group structure diagram is set out below, which assumes Settlement and that the Panton Option is also exercised:



Note: The Company also has three dormant wholly-owned subsidiaries, Puntland Oil Pty Ltd and Vianista Nominees Pty Ltd incorporated in Australia and Red Emperor Alaska Limited incorporated in the USA. The Company has commenced the process of voluntary deregistration of each of these entities.

2.3 Overview of the Panton PGM Project

Location

The Panton PGM Project is located 60 kilometres north of Halls Creek and just 1 kilometre off the Great Northern Highway, in the East Kimberley Region of Western Australia (refer to Figure One). The Great Northern Highway also provides direct access to the Port of Wyndham.

The Panton PGM Project is held under three granted Mining Leases (M80/103, M80/104 and M80/105) covering an area of approximately 23km².

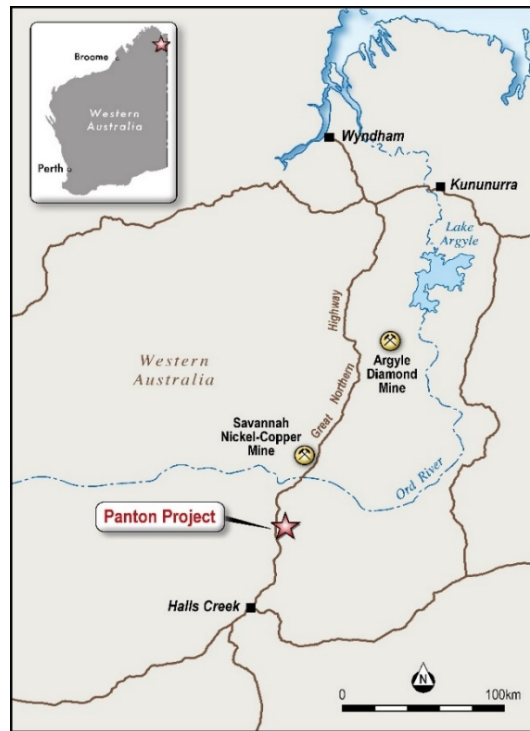


Figure One | Project Location

Mineral Resource Estimate

Past exploration and drilling, predominantly undertaken by Platinum Australia Ltd (**Platinum Australia**) in the early 2000s, resulted in the delineation of a Mineral Resource Estimate (**MRE**) for the deposit undertaken by Cube Consulting Pty Ltd (**Cube**) in April 2003. In August 2015, Cube reviewed and re-reported its 2003 MRE model to report the MRE in accordance with the Australasian Code for Reporting of Mineral Resources and Ore Reserves 2012 (**JORC 2012**). The focus of the JORC 2012 MRE was on two of the chromite layers known as the Top (101) and Middle (201) Reefs, domained into the A, B, C and D blocks (refer to Figure Two):

Resource	Tonnage	Grade					Metal (oz)	
		Pt	Pd	Au	Ni	Cu	Pt	Pd
		(g/t)	(g/t)	(g/t)	(%)	(%)	(oz 000s)	(oz 000s)
<u>Top Reef</u>								
Measured	4,400,000	2.46	2.83	0.42	0.28	0.08	348	400
Indicated	4,130,000	2.73	3.21	0.38	0.31	0.09	363	426
Inferred	1,560,000	2.10	2.35	0.38	0.36	0.13	105	118
<u>Middle Reef</u>								
Measured	2,130,000	1.36	1.09	0.10	0.18	0.03	93	75
Indicated	1,500,000	1.56	1.28	0.10	0.19	0.04	75	62
Inferred	600,000	1.22	1.07	0.10	0.19	0.05	24	21
Total	14,320,000	2.19	2.39	0.31	0.27	0.08	984	1,081

Table One | JORC 2012 Mineral Resource Estimate by Cube (August 2015)

The MRE was based on previous drilling at Panton comprising historical diamond drilling (30 holes or 9,524 metres completed prior to 2001), reverse circulation (**RC**) (29 holes for 2,366 metres) and more recent diamond drilling (166 holes for 34,410 metres) completed by Platinum Australia. The MRE also included surface trenching and underground channel samples (1,391 metres) conducted

by Platinum Australia between 2001 and 2003 in an exploration decline which accessed the upper chromite reef.

No significant exploration has been conducted on the Panton PGM Project for almost 20 years.

The modelled chromite reefs have an unfolded strike length of approximately 3.5 kilometres. Historical drilling has been focused on the A, B, C and D chromite reefs and an approximate 8.5 kilometres of mapped PGM-bearing chromite reefs remain largely untested by drilling.

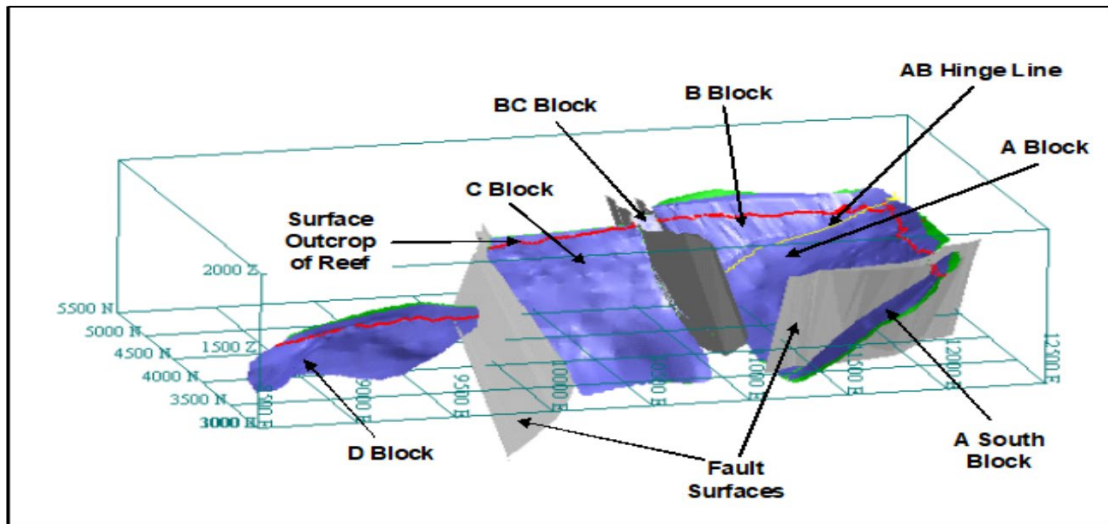


Figure Two | Resource Wireframes showing the Panton 101 and 201 reef system

The Panton mineralisation occurs within a layered, differentiated mafic-ultramafic intrusion referred to as the Panton intrusive. PGM mineralisation is hosted within two stratiform chromite reefs, the Top (101) and Middle (201) reefs, within the ultramafic sequence. The Panton Sill is a 20km² layered mafic intrusive and shares geological features with the world class Cr-PGM-Ni mafic intrusive hosted deposits of the Bushveld Igneous Complex in South Africa and the Sudbury Complex in Canada albeit at a much smaller scale.

Project History

The Panton deposit was discovered by the Geological Survey of Western Australia from surface mapping conducted in the early 1960s. Pickland Mather and Co. drilled the first hole to test the mafic-ultramafic complex in 1970, followed by Minsaco Resources which drilled 30 diamond holes between 1976 and 1987. In 1989, Pancontinental Mining Limited and Degussa Exploration drilled a further 32 drill holes and defined a non-JORC compliant resource. Platinum Australia acquired the project in 2000 and conducted the majority of the drilling, comprising 166 holes for 34,410 metres, leading to the delineation of a maiden JORC Mineral Resource Estimate. In late 2006, Sally Malay Mining Limited (now Panoramic) entered into a joint venture arrangement with Platinum Australia seeking to develop the Panton PGM Project.

Panoramic subsequently purchased the Panton PGM Project from Platinum Australia in May 2012 and conducted a wide range of metallurgical test work programmes on the Panton ore.

Geology

The Panton Complex is a layered mafic-ultramafic intrusion which is a 10km long and 3km wide, south-west plunging synclinal layered intrusion situated within the Central Zone of the Halls Creek Orogen of Western Australia (refer to Figures One and Three). The Panton Complex displays many geological similarities to the Bushveld Complex in South Africa on a smaller scale.

The lower range of the Panton intrusion comprises a massive variable olivine orthocumulate ultramafic intrusive phase, primarily dunite, with various other phases recognised including wehrlite, lherzolite and harzburgite. Various stratiform reefs of PGM-bearing cumulate chromitite-magnetite occur in the lower ultramafic phase at Panton. Horizons vary in thickness from 0.2 metres to 8 metres in thickness and multiple stacked reefs are common. The majority of historic drilling has been focused on the ultramafic-hosted chromite reefs of the A, B and C zones in the northern part of the Panton Complex (refer to Figures Two and Three).

The top zone of the Panton intrusion comprises mainly layered mafic phases that vary from gabbro, gabbronorite, and norite and then transitions upward to anorthosite and leucogabbro through to a ferrogabbro or magnetite-bearing gabbro at the top of the sequence (refer to Figure Three). PGM-bearing stratiform reefs are known to occur within the upper layered mafic sequences however these reefs have received much less exploration attention.

The Panton Complex has been folded into a syncline such that the shallowest chromite reefs occur around the outer edges and become deeper towards the centre of the complex (refer to Figure Three). The syncline axis is interpreted to plunge toward the southwest. In addition to folding, the Panton Complex has been subject to several stages of faulting, many of which offset the chromite reefs including a major north-south oriented fault that offsets the C zone to the south which is now known as the D zone (refer to Figure Three).

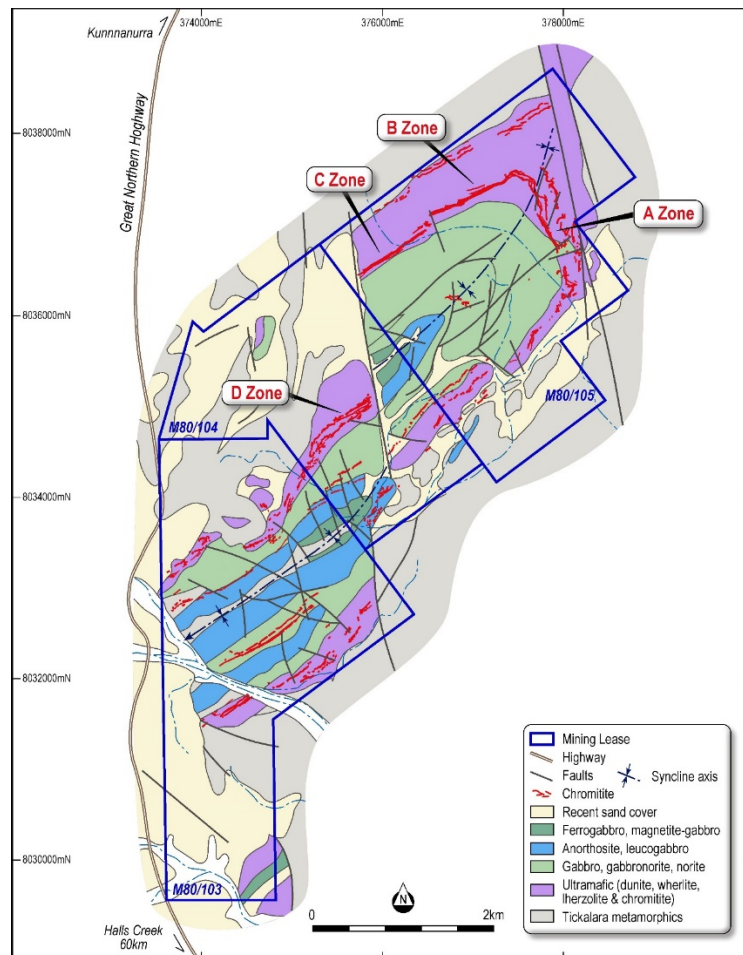


Figure Three | Panton PGM Project's Geology and Mapped Outcropping PGM-bearing Chromite Reefs

Sampling and Sub-sampling Techniques

Diamond drill core, Reverse Circulation (RC) chips and surface trench channel sampling are the three primary sample types. A relatively small number of samples were from decline, wall and face sampling

undertaken in an exploration decline. Diamond core is the predominant sample type (HQ, HQ3, NQ and NQ2 sizes) and was orientated, geologically logged and sampled to lithological contacts or changes in the nature of mineralisation. Nominal sample lengths of 1.0m with a minimum sample length of 0.25m. NQ and NQ2 core was half core sampled. HQ and HQ3 core was quarter core sampled. RC chips sampled at 1m or 0.5m intervals. Trench channel chip sampling was undertaken from the base or as close to the base of the trench as possible. Each trench was sampled continuously over the entire length. Sample lengths varied from 0.15m to 2m. Sample boundaries were based on geological contacts and changes in the nature of mineralisation. Decline sampling, wall and face sampling was undertaken on geologically marked up channels approximately 1.5m from the floor. Sampled intervals varied from 0.25 to 0.5m across the full width of mineralisation.

Resource Classification

Resource blocks have been classified as Measured, Indicated or Inferred on the basis of a range of criteria. The key criteria considered were geological continuity and confidence in reef volume; data spacing and distribution; appropriateness of the modelling technique; and estimation quality parameters such as search strategy, number of informing composite data, average distance from informing composites and kriging variance.

Data spacing within the most densely drilled area of the project ranges from 25x25 to 50x100 metres.

Measured Resources are defined where geological continuity risk is considered low, confidence in metal continuity is considered high due to the data spacing; and where the estimation quality is high as indicated by a low estimation block variance (within the first 30th percentile). Generally, the Measured part of the Mineral Resource blocks has been estimated using 10 or more composite data at an average distance of less than 200 metres (within the modelled range of most variograms).

Indicated Resources are defined where geological and metal continuity risk is considered moderate to low. Generally, the Indicated part of the Mineral Resource blocks has been estimated using 6 or more composite data at an average distance of less than 300 metres (within the modelled range of some of the variograms).

Inferred Resources are defined by that area of the Mineral Resource where there is moderate confidence in the continuity of the geological model and metal where drill spacing is wider than 200m by 200m.

Sample Analysis

The standard assaying techniques used were lead or nickel collection fire assay with a Mass Spectrometry (MS) finish for Au, Pd, Pt and peroxide fusion using HCl acid to dissolve the melt with an Optical Emission Spectrometry (OES) finish for As, Co, Cr, Cu, Ni and S. These methods are considered total digestion methods. A fire assay nickel sulphide collection technique was preferred (for samples containing chromite) to lead collection as it is efficient in collecting all PGMs and gold from a sample.

Estimation Methodology

The estimation methodology used was Ordinary Kriging.

Variogram ranges and search distances were defined in the vertical plane, with ranges for all attributes estimated significantly exceeding the data spacing in all domains.

A search radius was optimised for each domain based on the special statistics of the variogram model. The search orientation and anisotropy were based on the modelled variogram for each domain.

Estimation block size used was 50m x 50m in long section projection.

No assumptions of specific selective mining units were made as it was assumed that full seam width mining would be undertaken.

The mineralised domain acted as a hard boundary to control the Mineral Resource volume and estimate.

Block model validation was undertaken using the comparison of block model estimate to drill hole data composites of horizontal width and density weighted mean grades.

A validation estimate was undertaken using inverse distance squared and compared to the OK estimate.

Cut-off Grade

No low-grade cut-off was used for reporting. The mineralisation was defined using a combination of geological information and grade criteria and the reported estimated grades represent a total metal content of mineralised material – all of which was expected to be mined, without selectivity due to the thin vein nature and high value of the mineralisation.

Mining and Other Material Modifying Factors

Mining of the deposit is envisaged to be by open pit and underground methods. An assumption of non-selective total vein width mining was made in the estimation, no other mining factors were considered during the interpretation and 2D modelling of the mineralisation however mining dilution and mining loss are likely to be material factors in a combination of small open pit and underground exploitation. Minimum mining widths were not considered during the interpretation and 2D modelling of the mineralisation. No assumptions were made regarding environmental restrictions.

Metallurgy

Platinum Australia's feasibility study was based on a proposed processing plant incorporating standard crushing-grinding-flotation to produce a low grade concentrate which was then to be treated onsite through a patented Calcine-Leach-Metals Recovery process developed by Platinum Australia and Lonmin Plc.

Following acquisition of the Panton PGM Project in 2012, Panoramic conducted a variety of metallurgical test work on Panton ore in order to establish the best processing strategies for the deposit. The test work comprised the following work programmes:

- Various laboratory flotation test work programmes at various grind sizes;
- Ore sorting test work to selectively remove waste rock;
- Magnetic separation processes; and
- QEMScan analysis for the identification of ore minerals.

Red Emperor intends to appoint a metallurgical and processing consultant with experience in PGMs to assess in detail the results of the previous test work and provide recommendations for further work in order to define the most effective technique for the extraction of PGMs from the Panton ore.

Tenure

The Panton PGM Project is located on three granted Mining Leases. Panton Sill is the registered holder of a 100% interest in each of the Mining Leases:

Lease	Date of Grant	Expiry Date	Area
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M80/103	17 March 1986	16 March 2028	8.6km ²
M80/104	17 March 1986	16 March 2028	5.7km ²
M80/105	17 March 1986	16 March 2028	8.3km ²

There are two historical royalty holders pursuant to agreements entered into by former owners of the Panton PGM Project unrelated to Red Emperor or GNP. A 0.5% net smelter return royalty is payable to Elemental Royalties Australia Pty Ltd in respect of any future production of chrome, cobalt, copper, gold, iridium, palladium, platinum, nickel, rhodium and ruthenium and a 2% net smelter return royalty is payable to Maverix Metals (Australia) Pty Ltd on any PGMs produced from the mining licences.

The three Mining Leases were granted pre-Native Title Act in Australia.

The previous owners of the Panton PGM Project have undertaken a substantial amount of work understanding the baseline conditions for flora, fauna, hydrology and waste characterisation. Such historic work will require updating but studies to date have not identified anything considered to be detrimental to obtaining future environmental approvals.

2.4 Strategy post-completion of the Acquisition

In the event that Settlement occurs, the Company proposes to:

- (a) to exercise the Panton Option so that the Panton PGM Project is 100% owned by the Company;
- (b) carry out exploration and development activities on the Panton PGM Project; and
- (c) allocate funds raised from the Public Offer, together with the Company's existing cash reserves as set out in Section 1.8.

2.5 Key dependencies to the Company's strategy

The key dependencies influencing the viability of the Company's strategy are:

- (a) the Company's capacity to re-comply with Chapters 1 and 2 of the Listing Rules to enable the Company's securities to be reinstated to official quotation on ASX;
- (b) settlement of the Acquisition; and
- (c) exploration success at the Panton PGM Project, resulting in increased confidence in the Mineral Resource at that project.

2.6 Additional information

Prospectus investors are referred to and encouraged to read in its entirety the:

- (a) The Independent Technical Report at Annexure A for further details about the geology, location and mineral potential of the Tenements; and
- (b) The Solicitor's Report on Tenements at Annexure B for further details in respect of the Company's interest in the Australian Tenements.

2.7 Suspension and re-admission to ASX

The Acquisition, if successfully completed, will represent a significant change in the nature and scale of the Company's operations to become focused on mineral exploration.

This change to the nature and scale of the Company's activities requires:

- (a) the approval of Shareholders; and
- (b) the Company to re-comply with the admissions requirements set out in Chapters 1 and 2 of the Listing Rules.

Some of the key requirements of Chapters 1 and 2 of the Listing Rules are:

- (a) the Company must satisfy the shareholder spread requirements relating to the minimum number of Shareholders and the minimum value of the shareholdings of those Shareholders; and
- (c) the Company must satisfy the "assets" test as set out in ASX Listing Rule 1.3.

The Company's Securities will remain suspended until the Company re-complies with Chapters 1 and 2 of the Listing Rules and is re-admitted by ASX to the Official List. In the event that the Company does not receive conditional approval for re-admission to the Official List, the Company will not proceed with the Offers or the Acquisition, and will repay all Application Monies received by it in connection with this Prospectus (without interest).

If Shareholder approval to change the nature and scale of the Company's activities is not obtained, the Company's securities are likely to remain suspended from trading on ASX.

3. Risk factors

Shareholders should be aware that if the Acquisition is approved and Settlement occurs, the Company will be changing the nature and scale of its activities and will be subject to additional or increased risks arising from the Acquisition Agreement and other agreements.

The risks and uncertainties described below are not intended to be exhaustive. There may be additional risks and uncertainties that the Company is unaware of or that the Company currently considers immaterial, which may affect the Company. Based on the information available, a non-exhaustive list of risk factors for the Company, associated with the Acquisition is set out below.

(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 GNP, completion of which is subject to the fulfilment of certain conditions. There is a risk that the conditions precedent under the Acquisition Agreement cannot be fulfilled and, in turn, that Settlement does not occur.

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

(ii) Re-quotations 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-quotations 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.

(iii) Dilution risk

As at the date of this Prospectus the Company has 73,540,988 Shares on issue (on a post-Consolidation basis subject to rounding). Pursuant to the Offers, the Company proposes to issue 100,000,000 Shares pursuant to the Public Offer, 175,000,000 Shares and 87,500,000 Vendor Options pursuant to the Vendor Offer and 23,000,000 Performance Rights pursuant to the Performance Rights Offer.

On completion of the Consolidation, and issue of Securities under the Offers (and provided no Options are exercised):

- (A) the existing Shareholders will retain approximately 21.1% of the Company's issued Share capital, assuming no participation by existing Shareholders in the Offers;
- (B) the Vendors (or their nominees) will hold approximately 50.2% of the Company's issued Share capital; and
- (C) investors under the Public Offer will hold approximately 28.7% of the Company's issued Share capital.

There is also a risk that the interests of Shareholders will be further diluted as a result of future capital raisings required in order to fund the development of the Company's assets.

(iv) **AIM re-admission risk**

The Company has also been evaluating transaction structuring options with its Nominated Adviser from a UK perspective and in light of certain differences between the requirements of the ASX Listing Rules and the AIM Rules for Companies (**AIM Rules**) and the general chronology, processes and requirements of the two stock exchanges, the Board considers it to be in the best interests of the Company and its Shareholders as a whole to seek cancellation of the admission to trading of the Company's ordinary shares on AIM (**Cancellation**) in order to facilitate and ensure the timely implementation of the Acquisition and associated fundraising in Australia on the ASX on the commercial terms and timeframe agreed with the major shareholders of GNP.

Accordingly, as announced to ASX on 20 April 2021, Cancellation is scheduled to occur at 7.00 a.m. (London time) on 19 May 2021 and in accordance with the guidance notes to AIM Rule 41, shareholder consent in a general meeting of the Company is not required as the Company is maintaining its listing on ASX, being an AIM Designated Market as defined in the AIM Rules. It is expected that trading on AIM will remain suspended until the Cancellation. It is currently intended that re-admission to trading on AIM for the enlarged entity will then be sought as soon as practicable (targeting July 2021) following successful completion of the Acquisition and Public Offer on the ASX in order to restore the enlarged entity's dual listing at the earliest opportunity.

Re-admission on AIM is not a condition of the Offers. There can be no guarantee that the Company will be able to complete the Acquisition or any alternative transaction and consequently be re-admitted to trading on AIM. Also, the Company may complete the Acquisition and be reinstated to official quotation on ASX but not subsequently be re-admitted to AIM.

(b) **Risks in respect of the Panton PGM Project**

(i) **Information Accuracy Risk**

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

(c) **Industry Specific Risks**

(i) **Exploration and Operating Risk**

The Panton PGM Project is still subject to exploration. Mineral exploration and development are high-risk undertakings and there can be no assurance that future exploration of the Panton PGM Project, or any other mineral licences that may be acquired in the future will result in the discovery of an economic resource. Although a Mineral Resource Estimate has been delineated in relation to the Panton PGM Project, there is no guarantee that it can be economically exploited.

The future exploration activities of the Company 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 metallurgical 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, native title process, 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 Panton PGM Project;
- (B) the Company being able to delineate economically mineable resources and reserves;
- (C) positive movements in the price of PGMs and exchange rate fluctuations;
- (D) the Company obtaining 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 Panton PGM Project, a reduction in the cash reserves of the Company and possible relinquishment of Panton PGM Project.

Until the Company is able to realise value from the Panton PGM Project, it is likely to incur ongoing operating losses.

(ii) Metallurgy risk

Whilst historical test work has been undertaken, further metallurgical test work is required to determine if a saleable product can be produced from the Panton ore. There is no guarantee such a product may be produced in an economically viable way.

(iii) Resources and Reserves

There is a Mineral Resource Estimate in respect of the Panton PGM Project. There are currently no Reserve estimates in respect of the Panton PGM Project. Reserve and Resource 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.

(iv) Commodity Price Volatility and Exchange Rate Risk

If the Company achieves success leading to mineral production, the revenue it will derive through the sale of commodities exposes the potential income of the Company to commodity price and exchange rate risks. Commodity prices fluctuate and are affected by many factors beyond the control of the Company. Such factors include supply and demand fluctuations for platinum group metals, technological advancements, forward selling activities and other macroeconomic

factors (such as inflation, interest rates, currency exchange rates and global and regional demand for and supply of platinum group metals).

Furthermore, international prices of various commodities 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.

(v) Environmental Risks

The operations and proposed activities of the Company in Australia are subject to State and Federal laws and regulation concerning the environment. As with most exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or mine 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.

(vi) Title Risks and Native Title

Interests in tenements in Australia are governed by the respective State legislation and are evidenced by the granting of licences or leases. Each licence or lease is for a specific term 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 tenements if licence conditions are not met or if insufficient funds are available to meet expenditure commitments. Additionally, tenements are subject to periodic renewal. There is no guarantee that current or future tenements and/or applications for tenements or renewal of tenements will be approved.

It is also possible that, in relation to tenements which the Company has an interest in or will in the future acquire such an interest, there may be areas over which legitimate common law native title rights of Aboriginal Australians exist. The existing Mining Leases constituting the Panton PGM Project were granted prior to the enactment of the Native Title Act 1993 (Cth), however, on further renewal of those leases (not due until 2028) it is expected that the renewal will need to comply with the Future Act provisions of the Native Title Act 1993 (Cth). In respect of any other tenements that the Company may acquire, if native title rights do exist, the ability of the Company to gain access to tenements (through obtaining consent of any relevant landowner), or to progress from the exploration phase to the development and mining phases of operations may be adversely affected.

(vii) Exploration Costs

The exploration costs of the Company as set out in Section 1.8 (**Use of funds**) 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.

(viii) Mine Development

Possible future development of mining operations at the Panton PGM Project is dependent on a number of factors including, but not limited to, the acquisition and/or delineation of economically recoverable mineralisation, favourable geological conditions, receiving the necessary approvals from all relevant authorities and parties, seasonal weather patterns, unanticipated technical and operational difficulties encountered in extraction and production activities, mechanical failure of operating plant and equipment, shortages or increases in the price of consumables, spare parts and plant and equipment, cost overruns, access to the required level of funding and contracting risk from third parties providing essential services.

If the Company commences production on the Panton PGM Project, its operations may be disrupted by a number of risks and hazards which are beyond the control of the Company. No assurance can be given that the Company will achieve commercial viability through the development of the Panton PGM Project.

The risks associated with the development of a mine will be considered in full, should the Panton PGM Project reach that stage.

(ix) Climate

There are a number of climate related factors that may affect the operations and proposed activities of the Company, including, the emergence of new or expanded regulations associated with the transitioning to a lower-carbon economy and market challenges related to climate change mitigation. The Company may be impacted by changes to local or international compliance regulations related to climate change mitigation efforts, or by specific taxation or penalties for carbon emissions or environmental damage. While the Company will endeavour to manage these risks and limit any consequential impacts, there can be no guarantee that the Company will not be impacted by these occurrences.

Climate change may also cause certain physical and environmental risks that cannot be predicted by the Company, including events such as increased severity of weather patterns and incidence of extreme weather events and longer-term physical risks such as shifting climate patterns. All these risks associated with climate change may significantly change the industry in which the Company operates.

(d) **General risks**

(i) Additional requirements for capital

The funds to be raised under the Public Offer are considered sufficient to meet the immediate objectives of the Company and implementation of the Company's strategy. Additional funding may be required in the event costs exceed the Company's estimates and to effectively implement its business and operational plans in the future to take advantage of opportunities for acquisitions, joint ventures or other business opportunities, and to meet any unanticipated liabilities or expenses which the Company may incur. If such events occur, additional funding will be required.

Following completion of the Public Offer, the Company may seek to raise further funds through equity or debt financing, joint ventures, or other means. Failure

to obtain sufficient financing for the Company's activities may result in delay and indefinite postponement of its activities and strategy. There can be no assurance that additional finance will be available when needed or, if available, the terms of the financing may not be favourable to the Company and might involve substantial dilution to shareholders.

(ii) 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.

(iii) 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) 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 warrant the future performance of the Company or any return on an investment in the Company.

(iv) 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 Advisers accept no liability and responsibility with respect to the taxation consequences of acquiring or disposing of securities in the Company.

(v) 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.

(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) Government Policy Changes

Adverse changes in government policy or legislation may affect ownership of mineral interests, taxation, royalties, land access, labour relations and mining and exploration activities of the Company. It is possible that the current system of exploration and mine permitting in the jurisdictions where the Company's assets are or will be located may change, resulting in impairment of rights and possibly expropriation of the Company's properties without adequate compensation.

(viii) 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.

(ix) Insurance

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.

4. Key persons and corporate governance

4.1 Current Company Directors

As at the date of this Prospectus, the Board comprises the following persons.

Greg Bandy Managing Director and Chairman

Greg Bandy has over 20 years' experience in retail, corporate and capital markets, both in Australia and overseas. Mr Bandy worked as a Senior Client Advisor at Montagu Stockbrokers and Patersons Securities for over ten years before moving to the corporate sector. A former director of Empire Beer Group Limited, Mr Bandy oversaw the acquisition of Car Parking Technologies (now Smart Parking Limited) (ASX:SPZ) before stepping down as Executive Director. Mr Bandy has been the Managing Director of Red Emperor Resources NL since 2010.

Jason Bontempo Non-Executive Director

Mr Bontempo is an independent director. It is intended that he will resign as a director on completion of the Acquisition.

Aaron Bertolatti Finance Director

Mr. Bertolatti is a qualified Chartered Accountant and Company Secretary with over 10 year's experience in the mining industry and accounting profession. He has significant experience in the administration of ASX listed companies, corporate governance and corporate finance. He was previously Australian Chief Financial Officer of Highfield Resources Limited (ASX: HFR) and acts as Company Secretary for listed ASX companies: Fin Resources Limited (ASX: FIN), American Pacific Borates Limited (ASX: ABR) and Odin Metals Limited (ASX: ODM). Mr. Bertolatti is also a Director and Company Secretary of Megado Gold Limited (ASX: MEG).

The Company is aware of the need to have sufficient management to properly manage the Company's activities and the Board will continually monitor the management roles in the Company. The Board may look to appoint additional management and/or consultants as required to ensure proper management of the Company.

4.2 Proposed Directors

It is intended that the following persons will be appointed to the Board on completion of the Acquisition.

Justin Tremain Proposed Non-Executive Director

Mr Tremain is an experienced company director with extensive expertise across the mineral resources sector. His experience covers equity capital markets and promotion, resource project acquisition, exploration and resource delineation, feasibility studies and project development financing.

He is currently Managing Director of West African gold explorer Manas Resources Ltd where he was appointed in December 2020 to reinvigorate and grow the company. He is also Non-Executive Director of Caspin Resources Ltd, a successful IPO that listed on the ASX in November 2020.

Prior to becoming involved in the management of ASX listed resource companies from early 2010, Justin had over 10 years investment banking experience in the metals and mining sector with NM Rothschild & Sons, Investec and Macquarie Bank.

He was previously the Managing Director of Exore Resources Ltd (**Exore**). He joined Exore in January 2018 as a 'shell company' and identified and led the acquisition of a gold exploration portfolio in Cote d'Ivoire, West Africa. Less than 2 years from acquiring the Cote d'Ivoire projects, Exore was acquired by Perseus Mining Ltd in September 2020 by way of a Scheme of Arrangement.

Prior to Exore, Mr Tremain founded Renaissance Minerals Ltd (**Renaissance**) in June 2010 and served as its Managing Director until its takeover by Emerald Resources NL (**Emerald**) in November 2016. During his tenure, Justin was responsible for growing Renaissance from a grass roots Western Australian gold explorer into a gold development company in the frontier jurisdiction of Cambodia. The company delineated a JORC Resource of over 1Moz at the Okvau Gold Deposit in Cambodia and completed feasibility studies for the development of the project before Renaissance was acquired by Emerald. Upon completion of the Emerald takeover, Justin joined the Board of Emerald as Executive Director and remained in that role until January 2018.

Justin also founded Berkut Minerals Ltd (now Carnaby Resources Ltd) which was listed on the ASX in 2018 and he served as its Chairman and Non-Executive Director until March 2020. He has also previously served as Non-Executive Director of Fin Resources Ltd and Odin Metals Ltd, both until July 2020.

Robert Mosig
Proposed Non-Executive Director

Mr Mosig is a geologist with over 30 years' experience in platinum group metals, gold and diamond exploration. His experience includes exploration using geology, geochemistry, geophysics and drilling; ore resource drilling and calculation; metallurgical and engineering evaluation and environmental and economic evaluations; mining and processing. He was also the founding director of both ASX listed Helix Resources and Platinum Resources Limited and is currently the CEO of Caeneus Minerals Limited.

Allan Mulligan
Proposed Non-Executive Technical Director

Mr Mulligan is a mining engineer with over 35 years of management and production experience in mining operations, mine start-up and construction that culminated in management roles in large scale platinum and gold mines.

Allan has specialised in technical assessment and production economics, feasibility studies, project design and costing of underground mines and prospects. He has worked extensively in exploration, mine development and operations across Africa and Australia. Allan's experience includes 14 years with Lonmin Plc in a variety of senior and technical mine management roles. He previously served as a representative of Lonmin Plc on the Board of Platinum Australia Ltd, a previous owner of the Panton PGM Project.

4.3 Consultants

Shane Hibbird
Consulting Geologist

Shane Hibbird is a geologist with 30 years' exploration experience from grass roots exploration through to advanced resource definition. His experience covers PGMs, gold, base metals, coal, oil and gas, mineral sands and other industrial minerals throughout Australia and Asia.

Shane has a strong understanding of the Panton PGM Project, having previously worked with Platinum Australia Limited where he oversaw and managed the drill out of the Panton deposit.

4.4 Director and Proposed Director interests

Other than as set out below or elsewhere in this Prospectus, no Director or Proposed Director holds at the date of this Prospectus, or has held in the 2 years prior to the date of this Prospectus, an interest in:

- (a) the formation or promotion of the Company;
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion, or in connection with the Offers; or
- (c) the Offers,

and no amount (whether in cash, Shares or otherwise) has been paid or agreed to be paid, nor has any benefit been given or agreed to be given, to a Director or Proposed Director to induce them to become, or qualify as, a Director or Proposed Director, or for services in connection with the formation or promotion of the Company or the Offers.

4.5 Director and Proposed Director Remuneration

The Constitution provides that the remuneration of Non-Executive Directors will not be more than \$250,000 and thereafter may only be increased by ordinary resolution passed at a general meeting of the Company.

The remuneration of Directors is reviewed annually by the Company.

Directors may be paid for all travel and other expenses incurred in attending to the Company's affairs. There are no retirement benefit schemes for Directors, other than statutory superannuation contributions.

Details of the Directors' remuneration for the two years prior to the date of this Prospectus and to be paid to the Directors in the current financial year on an annualised basis are set out in the table below:

Director	Financial Year Ending 30 June 2021 (\$)	Financial Year Ended 30 June 2020 (\$)	Financial Year Ended 30 June 2019 (\$)
Greg Bandy ¹	\$197,100	\$197,100	\$197,100
Jason Bontempo ¹	\$32,850	\$32,850	\$32,850
Aaron Bertolatti ¹	\$60,000	\$60,000	\$60,000

Notes:

1. In addition, in the financial year ended 30 June 2019, each of the Directors were issued Options with an exercise price of \$0.04 and an expiry date of 31 December 2020. Mr Bandy was issued with 6,000,000 Options and Messrs Bontempo and Bertolatti were issued with 2,000,000 Options each. All Options expired on 31 December 2020 without being exercised.

The Proposed Directors' remuneration from appointment, on an annualised basis, is \$36,000 (plus statutory superannuation, currently \$3,420). In addition, it is intended that Mr Tremain and Mr Mulligan will each be engaged by the Company as consultants at a rate of \$1,000 (plus GST) per day as and when required by the Board for Mr Tremain and \$7,000 (plus GST) per month based on an average of 2 days per week for Mr Mulligan. Up to the date of this Prospectus, Mr Tremain has been paid \$10,000 (plus GST) in fees for consulting services provided to the Company.

Summaries of the material terms of the service agreements with each of the Directors and Proposed Directors are set out in Section 5.5.

4.6 Directors' and Proposed Directors' interests in Securities

As at the date of this Prospectus, the relevant interests of the Directors and Proposed Directors in the Securities of the Company are as follows:

Director	Shares	Options	Performance Rights
Greg Bandy ¹	1,000,000	Nil	Nil
Jason Bontempo	Nil	Nil	Nil
Aaron Bertolatti ²	375,000	Nil	Nil
Justin Tremain ³	Nil	Nil	Nil
Allan Mulligan ⁴	Nil	Nil	Nil
Robert Mosig ⁵	Nil	Nil	Nil

Notes:

- 140,000 Shares post-Consolidation. Subject to Shareholder approval 8,000,000 Performance Rights are proposed to be issued to Mr Bandy (or his nominee/s) under the Performance Rights Offer.
- 52,500 Shares post-Consolidation. Subject to Shareholder approval 1,000,000 Performance Rights are proposed to be issued to Mr Bertolatti (or his nominee/s) under the Performance Rights Offer.
- Subject to Shareholder approval 8,000,000 Performance Rights are proposed to be issued to Mr Tremain (or his nominee/s) under the Performance Rights Offer.
- Subject to Shareholder approval 3,000,000 Performance Rights are proposed to be issued to Mr Mulligan (or his nominee/s) under the Performance Rights Offer.
- Subject to Shareholder approval 2,000,000 Performance Rights are proposed to be issued to Mr Mosig (or his nominee/s) under the Performance Rights Offer.

Subject to obtaining Shareholder approval at the General Meeting, the Directors and Proposed Directors (or their respective nominee/s) intend to participate in the Public Offer by applying for the following Shares (post-Consolidation figures): Greg Bandy – 1,000,000 Shares (\$100,000); Aaron Bertolatti – 250,000 Shares (\$25,000); and Justin Tremain – 1,000,000 Shares (\$100,000). Robert Mosig and Allan Mulligan do not intend to participate in the Public Offer.

4.7 Corporate governance

(a) Board composition

On completion of the Acquisition it is intended that the Board comprise of 5 directors.

The Board considers an independent Director to be a Non-Executive Director who is not a substantial Shareholder or a member of management and who is free of any business or other relationship that could materially interfere with or could reasonably be perceived to materially interfere with the independent exercise of that Director's judgment.

As at the date of the Prospectus the Company considers that it will have no independent Directors at the time the Company's securities are reinstated to official quotation on ASX.

(b) Policies

The Board is responsible for the corporate governance of the Company. The Board guides and monitors the Company's business on behalf of its shareholders. The Company and its Board are fully committed to achieving and demonstrating the highest standards of accountability and transparency in their reporting and see the continued development of the Company's corporate governance policies and practices as fundamental to the Company's successful growth. To the extent relevant and practical, the Company has adopted a corporate governance framework that is consistent with the Corporate Governance Principles and Recommendations (4th Edition) published by ASX Corporate Governance Council (**Recommendations**).

The Board has adopted the following suite of corporate governance policies which are available on the Company's website:

- Board Charter
- Continuous Disclosure Policy
- Remuneration and Nomination Committee Charter
- Diversity Policy
- Shareholder Communications Policy
- Whistleblower Protection Policy
- Code of Conduct
- Risk Management Policy
- Audit and Risk Management Committee Charter
- Securities Trading Policy
- Anti-Bribery and Corruption Policy

The Board is committed to administering the policies and procedures with openness and integrity, pursuing the true spirit of corporate governance commensurate with the Company's needs.

As the Company's activities develop in size, nature and scope the implementation of additional corporate governance structures will be given further consideration.

As an entity listed on the ASX, the Company is required to report any departures from the Recommendations in its annual financial report. As at the date of reinstatement of the Company's securities to official quotation on ASX, the Company intends to comply with the Recommendations other than to the extent set out in Section 4.7.

(c) **Departures from Recommendations**

To the extent applicable, in light of the Company's size and nature, the Board has adopted the Recommendations. However, the Board also recognises that full adoption of the Recommendations may not be practical or provide the optimal result given the particular circumstances of the Company.

The Company's full Corporate Governance Plan and Corporate Governance Statement is available on the Company's website.

As at the date of reinstatement of the Company's securities to official quotation on ASX, the Company intends to comply with the Recommendations other than to the extent set out below.

Recommendation	Explanation
<i>Recommendation 1.5</i> A listed entity should:	The Company has adopted a Diversity Policy which provides a framework for the

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

Company to establish and achieve measurable diversity objectives, including in respect of gender diversity. The Diversity Policy allows the Board to set measurable gender diversity objectives, if considered appropriate, and to assess annually both the objectives, if any have been set, and the Company's progress in achieving them. The Diversity Policy is available on the Company's website.

The Company's Diversity Policy provides that the Board is responsible for developing appropriate and meaningful strategies to meet gender diversity objectives in the composition of the Company's senior executive team and workforce generally, as well as in the composition of the Board. The Diversity Policy requires the Board to consider setting measurable gender diversity objectives in the composition of its board, senior executives and workforce generally.

The Company's Diversity Policy provides that the Board will include in the Annual Report each year the measurable objectives, if any, set by the Board, progress against these objectives, and the proportions of men and women employees in the whole organisation, at senior executive level and at Board level.

The Board has not set measurable objectives for achieving gender diversity. At this stage in the Company's development, the Board does not consider it practicable to set measurable gender diversity objectives. In the event that the Company's employee numbers grow to a level where it becomes practical, the Board will reconsider setting measurable objectives as required by the Diversity Policy.

The total proportion of men and women on the board, in senior executive positions (being Key Management Personnel and decision makers of the Group), and across the whole workforce is as follows.

Category	Men	Women	% of women
Board	5	0	0

	Senior Management	-	0	0
	Whole organisation	5	0	0
<p><u>Recommendation 2.4</u></p> <p>A majority of the board of a listed entity should be independent directors.</p>	<p>The Board Charter requires that, where practical, the majority of the Board should be independent. One of the three current directors is an independent directors. Upon the appointment of Messrs Tremain, Mulligan and Mosig, and the resignation of Mr Bontempo, none of the five directors will be independent directors As such, independent directors will not be a majority of the Board from completion of the Company's re-compliance with Chapters 1 and 2 of the Listing Rules.</p> <p>The Board considers that it is in the best interests of the Company that the Non-Executive Directors Mr Tremain and Mr Mulligan provide further services under their consulting agreements to the Company as this will assist the Company to achieve its technical and strategic objectives in relation to the Panton PGM Project, and that all directors should hold (subject to shareholder approval) Performance Rights that will vest upon share price hurdles being achieved.</p> <p>The Board will consider whether it will be appropriate to appoint further Non-Executive Directors who would be regarded as independent directors as the Company develops.</p> <p>Details of each Director's independence will be provided in the Annual Reports and Company website.</p>			
<p><u>Recommendation 2.5</u></p> <p>The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.</p>	<p>The Board Charter provides that, where practical, the Chair of the Board should be an independent Director and should not be the CEO/Managing Director. The Company currently does not have an independent chairman. The Managing Director, Mr Greg Bandy, assumes the role of chairing the Company's Board and shareholder meetings. The Managing Director has fulfilled this function for a number of years and the Board and proposed directors consider that it is appropriate and in the best interests of the</p>			

	<p>Company that he continue in this role during and following the Company's re-compliance. The Board will continue to assess the Company's needs as it grows in size and if appropriate appoint an independent chairman.</p>
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5. Material Contracts

Set out in this Section 5 is a summary of the material contracts to which the Company is a party that may be material in terms of the Offers or for the operation of the business of the Company, or which otherwise may be relevant to a potential investor in the Company.

5.1 Acquisition Agreement

The Company has entered into a Heads of Agreement (**Acquisition Agreement**) with the major shareholders of Great Northern Palladium Pty Ltd (ACN 645 861 196) (**GNP**) to acquire 100% of the issued share capital of GNP (the **Acquisition**)

The material terms of the Acquisition Agreement are summarised in the Solicitor's Report on Tenements which is set out at Annexure B.

5.2 Panton PGM Project Agreements

The following contracts are considered material to the Panton PGM Project and the material terms of these agreements are summarised in the Solicitor's Report on Tenements which is set out at Annexure B:

- (a) (**Panton Option**): GNP was granted an option by Panoramic Resources Limited (**Panoramic**) to acquire the remaining 20% share capital in Panton Sill Pty Ltd for an additional \$3,000,000. This option may be exercised by GNP at any stage within 6 months of completion of its acquisition of the 80% interest in Panton Sill Pty Ltd (or 9 months of completion if there is a change in control of Panoramic).
- (b) (**Panton Sill Pty Ltd Shareholders Agreement**): GNP and Panoramic agree that their relationship as shareholders of Panton will be governed by the shareholders agreement principles summarised in Annexure B. The parties are to negotiate and enter into a formal agreement to replace these principles at the request of either party.
- (c) (**0.5% NSR Royalty**): Pursuant to an agreement in place prior to the Acquisition Agreement, Panton Sill Pty Ltd has agreed to pay a 0.5% Net Smelter Return royalty on each of Chrome, Cobalt, Copper, Gold, Iridium, Palladium, Platinum, Nickel, Rhodium and Ruthenium produced from the Panton PGM Project.
- (d) (**2% NSR Royalty**): Pursuant to an agreement in place prior to the Acquisition Agreement, Panton Sill Pty Ltd has agreed to pay a 2% Net Smelter Return royalty on the production of platinum group metals following production and sale of the first 100,000 ounces from the Panton PGM Project.

5.3 Lead Manager Mandate

The Company has entered into a mandate letter with 708 Capital Pty Ltd (**708 Capital** or **Lead Manager**) to act as lead manager to the Company in relation to the Public Offer (**Lead Manager Mandate**).

The material terms of the Lead Manager Mandate are:

- (a) (**Fees**): Upon completion of the Public Offer, 708 Capital or its nominee, will be paid by the Company 6% of the total gross proceeds of the Public Offer; and
- (b) (**Termination**): 708 Capital may terminate the mandate by 7 days' written notice for material breach of the mandate or any representation or warranty given by the Company.

The Lead Manager agrees that any fees payable to other Australian financial services licensee holders or other parties engaged by 708 Capital to assist with the Public Offer are payable by the Lead Manager from the fees paid to it by the Company.

5.4 Corporate Adviser Mandates

Australia

The Company has entered into a mandate letter with Barclay Wells Limited (**Barclay Wells**) to act as corporate adviser to the Company in relation to the Acquisition (**Australian Corporate Adviser Mandate**).

The material terms of the Australian Corporate Adviser Mandate are:

- (a) **(Services):** Barclay Wells is engaged to provide the following services:
 - (i) identifying the Acquisition;
 - (ii) advising the Company as to the Acquisition strategy to be employed as well as the timetable and procedures to be followed to implement the Acquisition;
 - (iii) introducing and participating in confidential transaction discussions with potential counterparties introduced by Barclay Wells;
 - (iv) assisting and participating in any due diligence exercise that may be necessary (including site visits, data room attendance and Q&A);
 - (v) advising the Company as to the structure and form of the Acquisition; and
 - (vi) assisting, as necessary, in the preparation of contracts, documents, approvals and related matters necessary to close the Acquisition.
- (b) **(Fees):** Upon completion of the Acquisition, Barclay Wells or its nominee, will be paid \$200,000 (plus GST) by the Company.
- (c) **(Term):** 12 months from the date of the mandate.
- (d) **(Termination):** Either party may terminate the mandate at any time with or without cause by written notice to the other. In the event of termination, Barclay Wells shall be entitled to the Fee if the Company enters into an agreement prior to that date that is 12 months after termination of the mandate that results in the completion of a transaction materially similar to the Acquisition.

Barclay Wells is also the registered holder of 100,000 shares in GNP which it subscribed for at \$1.00 per share (an effective issue price of Shares of \$0.10 being the same issue price as the Public Offer) and it (or its nominees) will be issued 1,000,000 Shares and 500,000 Vendor Options under the Vendor Offer.

United Kingdom

The Company has entered into a mandate letter with Max Capital Pty Ltd (**Max Capital**) to act as corporate adviser to the Company in relation to the re-admission of the Company to AIM (**UK Corporate Adviser Mandate**).

The material terms of the UK Corporate Adviser Mandate are:

- (a) **(Services):** Max Capital is engaged to provide the following services:

- (i) assistance with independent experts and other advisers engaged for the readmission to AIM process and negotiation of scopes of work and fee mandates with such advisers; and
 - (ii) investor relations and general corporate advisory matters.
- (b) **(Fees):** Upon readmission of the Company to AIM, Max Capital or its nominee, will be paid £100,000 by the Company.
- (c) **(Term):** The engagement is for a term of 6 months effective from 1 March 2021.

Max Capital had previously been engaged as a corporate adviser by the Company at a rate of \$10,000 (plus GST) per month which has been replaced with the UK Corporate Adviser Mandate.

5.5 Agreements with Directors and Proposed Directors

(a) **Executive Services Agreement – Greg Bandy**

The Company has entered into an Executive Services Agreement with Greg Bandy on the following material terms and conditions:

- (i) Position: Managing Director of the Company;
- (ii) Remuneration: \$180,000 plus statutory superannuation.
- (iii) Term: This agreement continues until validly terminated in accordance with its terms.
- (iv) Termination and notice: The Company must give 12 months' notice to terminate this agreement other than for cause. Mr Bandy must give 6 months' notice to terminate the agreement.

(b) **Director letters of appointment**

The Company has entered into appointment letters with Messrs Bertolatti, Tremain, Mulligan and Mosig pursuant to which each has been appointed as a Non-Executive Director respectively on the following terms:

- (i) Term: The engagements will continue until validly terminated in accordance with their terms, including where the Director is not re-elected by Shareholders at a meeting he is required to seek re-election.
- (ii) Fees: Annual directors fees of \$36,000 each (plus statutory superannuation) commencing from the date of completion of the Acquisition.
- (iii) Reimbursements: Each of the Non-Executive Directors are entitled to be reimbursed for reasonable expenses incurred in performing their duties, including the costs of attending Board meetings, travel, accommodation and entertainment expenses where agreed by the Board.

The appointment letters otherwise contains terms and conditions that are considered standard for agreements of this nature.

(c) **Consulting Service Agreements**

The Company has entered into an Consulting Services Agreement with Justin Tremain and Allan Mulligan on the following material terms and conditions:

- (i) Fee: For Mr Mulligan, \$7,000 per month based on an average of 2 days per week and for Mr Tremain, \$1,000 per day with express written approval of the Board to exceed 7 days per calendar month.
- (ii) Services: Mr Mulligan's services will primarily relate to management of overseeing the technical aspects of the Company's projects, including leading the feasibility study team to optimise the economic potential of the Company's projects and providing input into exploration programs that meet the strategic goals of the Company. Mr Tremain's services will primarily relate to managing the implementation of the Company's exploration and development programs and budgets and strategic and tactical plans.
- (iii) Term: Each agreement commences on completion of the Acquisition and continues until validly terminated in accordance with its terms.
- (iv) Termination and notice: The Company must give 1 months' notice to terminate this agreement other than for cause. Mr Tremain and Mr Mulligan must give 1 months' notice to terminate the agreement; and

with 1918 Consulting Pty Ltd, an entity controlled by Aaron Bertolatti, on the following terms and conditions:

- (v) Fee: \$2,000 (plus GST) per month.
- (vi) Services: CFO/Company secretarial services.
- (vii) Term: The agreement continues until validly terminated in accordance with its terms.
- (viii) Termination and notice: The Company must give 3 months' notice to terminate this agreement other than for cause. 1918 Consulting Pty Ltd must give 3 months' notice to terminate the agreement.

(d) **Deeds of access, indemnity and insurance**

The Company has entered into deeds of access, indemnity and insurance with each Director and Proposed Director which confirm each Director's and Proposed Director's right of access to certain books and records of the Company for a period of 7 years after the Director or Proposed Director ceases to hold office. This 7-year period can be extended where certain proceedings or investigations commence before the 7 years expires. The deeds also require the Company to provide an indemnity for liability incurred as an officer of the Company, to the maximum extent permitted by law.

Under the deeds, the Company must arrange and maintain Directors' and Officers' insurance during each Director's and Proposed Director's period of office and for a period of 7 years after a Director or Proposed Director ceases to hold office. This 7-year period can be extended where certain proceedings or investigations commence before the 7 years expires.

The deeds are otherwise on terms and conditions considered standard for deeds of this nature in Australia.

5.6 Escrow agreements

Please see Section 1.10 for details of the escrow agreements to be entered into by the Company prior to re-admission to the official list of ASX. The escrow agreements will be on ASX's standard terms and conditions as set out in Appendix 9B of the Listing Rules.

6. Additional Information

6.1 Rights and liabilities attaching to Shares

The rights attaching to Shares are described in the Constitution and, to the extent applicable, are regulated by the Corporations Act, the Listing Rules and general law.

The following is a broad summary of the rights, privileges and restrictions attaching to all Shares. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders.

All Shares issued pursuant to this Prospectus will from the time they are issued, rank *pari passu* with all the Company's existing Shares.

(a) Reports and notices

Members are entitled to receive all notices, reports, accounts and other documents required to be sent to members under the Constitution, the Corporations Act and the Listing Rules.

(b) General meetings

Each member is entitled to receive notice of, and to attend and vote at, general meetings of the Company.

Members are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

Members may requisition meetings in accordance with the Corporations Act and the Constitution.

(c) Voting

Subject to any rights or restrictions for the time being attached to any class or classes of shares at general meetings of members or classes of members:

- (i) each member entitled to vote may vote in person or by proxy, attorney or representative;
- (ii) on a show of hands, every person present who is a member or a proxy, attorney or representative of a member has one vote; and
- (iii) on a poll, every person present who is a member or a proxy, attorney or representative of a member shall, in respect of each fully paid share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for the share, but in respect of partly paid shares, shall have such number of votes being equivalent to the proportion which the amount paid (not credited) is of the total amounts paid and payable in respect of those shares (excluding amounts credited).

(d) Dividends

Subject to and in accordance with the Corporations Act, the Listing Rules, the rights of any preference Shareholders and to the rights of the holders of any shares created or raised under any special arrangement as to dividend, the Directors may from time to time decide to pay a dividend to the Shareholders entitled to the dividend which shall be payable on all Shares according to the proportion held (irrespective of the amount paid). The Directors

may rescind a decision to pay a dividend if they decide, before the payment date, that the Company's financial position no longer justifies the payment.

No dividend shall carry interest as against the Company.

Subject to the Listing Rules and the Corporations Act, the Company may, by resolution of the Directors, implement a dividend reinvestment plan on such terms and conditions as the Directors think fit and which provides for any dividend which the Directors may declare from time to time payable on Shares which are participating Shares in the dividend reinvestment plan, less any amount which the Company shall either pursuant to the Constitution or any law be entitled or obliged to retain, be applied by the Company to the payment of the subscription price of Shares.

No Shares with special dividend rights are currently on issue.

(e) **Winding up**

In a winding up, the liquidator may, with the sanction of a special resolution of the Company, divide among the members in kind the whole or any part of the property of the Company and may for that purpose set such value as the liquidator considers fair on any property to be so divided and may determine how the division is to be carried out as between the members or different classes of members.

The liquidator may, with the authority of a special resolution of the Company, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any Shares or other securities in respect of which there is any liability.

(f) **Transfer of Shares**

Generally, Shares are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act or the Listing Rules.

(g) **Future increases in capital**

Subject to the Corporations Act, the Listing Rules and this Constitution, the Directors may at any time issue such number of shares (either as ordinary shares or shares of a named existing or new class or classes) or options over shares at the issue price that the Directors determine and with such rights or such restrictions as the Directors shall, in their absolute discretion, determine.

A Director or any person associated with a Director must not participate in an issue by the Company of an equity security unless the participation of the Director or the person associated with a director in the issue is permitted under the Listing Rules and the Corporations Act.

(h) **Variation of rights**

Pursuant to section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders, vary or abrogate the rights attaching to Shares.

If at any time the share capital is divided into different classes of Shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied with the consent in writing

of the holders of three-quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

(i) **Shareholder liability**

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

(j) **Alteration of capital**

Subject to, and in accordance with, the Corporations Act and the Listing Rules, the Company may alter its share capital by ordinary resolution, including reducing its share capital by distributing to shareholders securities of any other body corporate.

The Company may buy back Shares subject to, and in accordance with, the Corporations Act and the Listing Rules.

(k) **Listing Rules**

The Constitution contains certain provisions required under the Listing Rules to ensure consistency with the Listing Rules, including that if there is any inconsistency between the provisions of the Constitution and the Listing Rules then the Constitution is deemed not to contain that provision to the extent of the inconsistency.

(l) **Alteration of the Constitution**

The Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting.

6.2 Terms of Vendor Options

(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price**

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

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on or before the date that is three (3) 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 or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**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 the Company.

(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 Shares on exercise**

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

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company 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 Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

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

(i) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of a holder are to be changed in a manner consistent with the Corporations 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 Shareholders during the currency of the Options without exercising the Options.

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

An Option does not confer the 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**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

6.3 Terms of Performance Rights

(a) **Plan Rules**

Each Performance Right is issued subject to the rules of the Red Emperor Performance Rights Plan and otherwise on the following terms and conditions.

(b) **Entitlement**

Each Performance Right entitles the holder to subscribe for one Share upon exercise of the Performance Right.

(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 Red Emperor Performance Rights 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 as follows:

- (i) Class A: the Volume Weighted Average Price over a period of 20 consecutive Trading Days on which trades in the Company's shares are recorded on ASX (**20 day VWAP**) being at least \$0.15;
- (ii) Class B: the 20 day VWAP being at least \$0.20; and
- (iii) Class C: the 20 day VWAP being at least \$0.25.

(each, a **Vesting Condition**).

(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, 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 the Company in the manner specified on the Performance Rights certificate (**Notice of Exercise**).

(h) **Timing of issue of 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, the Company will:

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

Also, if required, the Company will give ASX a notice that complies with section 708A(5)(e) of the Corporations Act (**Cleansing Notice**), or, if the Company 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 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 Shares does not require disclosure to investors, the Company 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 Shares does not require disclosure to investors.

(i) **Shares issued on exercise**

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

(j) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of a holder are to be changed in a manner consistent with the Corporations 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 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 the Company upon winding up of the Company. 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.

6.4 **Key terms of Performance Rights Plan**

The principal terms of the Red Emperor Performance Rights Plan are summarised below:

(a) **Eligibility:** Participants in the Plan may be:

- (i) a Director (whether executive or non-executive) of the Company and any Associated Body Corporate of the Company (each a **Group Company**);
- (ii) a full or part time employee of any Group Company;

- (iii) a casual employee or contractor of a Group Company to the extent permitted by ASIC Class Order 14/1000 as amended or replaced (**Class Order**) or as otherwise permitted by the Board in its sole discretion; or
- (iv) a prospective participant, being a person to whom the offer is made but who can only accept the offer if an arrangement has been entered into that will result in the person becoming a participant under subparagraphs (i), (ii), or (iii) above,

who is declared by the Board to be eligible to receive grants of Performance Rights under the Plan (**Eligible Participants**).

- (b) **Offer:** The Board may, from time to time, in its absolute discretion, make a written offer to any Eligible Participant (including an Eligible Participant who has previously received an offer) to apply for up to a specified number of Performance Rights, upon the terms set out in the Plan and upon such additional terms and conditions as the Board determines.
- (c) **Plan limit:** The Company must have reasonable grounds to believe, when making an offer, that the number of Shares to be received on exercise of Performance Rights offered under an offer, when aggregated with the number of Shares issued or that may be issued as a result of offers made in reliance on the Class Order at any time during the previous 3 year period under an employee incentive scheme covered by the Class Order or an ASIC exempt arrangement of a similar kind to an employee incentive scheme, will not exceed 5% of the total number of Shares on issue at the date of the offer.
- (d) **Issue price:** Performance Rights issued under the Plan will be issued for nil cash consideration.
- (e) **Vesting Conditions:** A Performance Right may be made subject to vesting conditions as determined by the Board in its discretion and as specified in the offer for the Performance Right.
- (f) **Vesting:** The Board may in its absolute discretion (except in respect of a Change of Control occurring where Vesting Conditions are deemed to be automatically waived) by written notice to a Participant (being an Eligible Participant to whom Performance Rights have been granted under the Plan or their nominee where the Performance Rights have been granted to the nominee of the Eligible Participant), resolve to waive any of the Vesting Conditions applying to Performance Rights due to:
 - (i) Special Circumstances arising in relation to a Relevant Person in respect of those Performance Rights; or
 - (ii) a Change of Control occurring; or
 - (iii) the Company passing a resolution for voluntary winding up, or an order is made for the compulsory winding up of the Company.
- (g) **Lapse:** A Performance Right will lapse upon the earlier to occur of:
 - (i) an unauthorised dealing in, or hedging of, the Performance Right;
 - (ii) a Vesting Condition in relation to the Performance Right is not satisfied by its due date, or becomes incapable of satisfaction, unless the Board exercises its discretion to waive the Vesting Conditions and vest the Performance Right in the circumstances set out in paragraph (f) or the Board resolves, in its absolute discretion, to allow the unvested Performance Rights to remain unvested after the Relevant Person ceases to be an Eligible Participant;

- (iii) in respect of unvested Performance Right only, an Eligible Participant ceases to be an Eligible Participant, unless the Board exercises its discretion to vest the Performance Right in the circumstances set out in paragraph (f) or the Board resolves, in its absolute discretion, to allow the unvested Performance Rights to remain unvested after the Relevant Person ceases to be an Eligible Participant;
 - (iv) in respect of vested Performance Rights only, a relevant person ceases to be an Eligible Participant and the Performance Right granted in respect of that person is not exercised within one (1) month (or such later date as the Board determines) of the date that person ceases to be an Eligible Participant;
 - (v) the Board deems that a Performance Right lapses due to fraud, dishonesty or other improper behaviour of the Eligible Participant;
 - (vi) the Company undergoes a Change of Control or a winding up resolution or order is made and the Board does not exercise its discretion to vest the Performance Right;
 - (vii) the expiry date of the Performance Right.
- (h) **Not transferrable:** Performance Rights are only transferrable in Special Circumstances with the prior written consent of the Board (which may be withheld in its absolute discretion) or by force of law upon death, to the Participant's legal personal representative or upon bankruptcy to the participant's trustee in bankruptcy.
 - (i) **Shares:** Shares resulting from the exercise of the Performance Rights shall, subject to any Sale Restrictions (refer paragraph (k)) from the date of issue, rank on equal terms with all other Shares on issue.
 - (j) **Quotation of Shares:** If Shares of the same class as those issued upon exercise of Performance Rights issued under the Plan are quoted on the ASX, the Company will, subject to the ASX Listing Rules, apply to the ASX for those Shares to be quoted on ASX within 10 business days of the later of the date the Shares are issued and the date any restriction period applying to the disposal of Shares ends.
 - (k) **Sale Restrictions:** The Board may, in its discretion, determine at any time up until exercise of Performance Rights, that a restriction period will apply to some or all of the Shares issued to an Eligible Participant (or their eligible nominee) on exercise of those Performance Rights up to a maximum of seven (7) years from the grant date of the Performance Rights. In addition, the Board may, in its sole discretion, having regard to the circumstances at the time, waive any such restriction period determined.
 - (l) **No Participation Rights:** There are no participating rights or entitlements inherent in the Performance Rights and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Performance Rights.
 - (m) **Change in number of underlying securities:** Unless specified in the offer of the Performance Rights and subject to compliance with the ASX Listing Rules, a Performance Right does not confer the right to a change in the number of underlying Shares over which the Performance Right can be exercised.
 - (n) **Reorganisation:** If, at any time, the issued capital of the Company is reorganised (including consolidation, subdivision, reduction or return), all rights of a holder of a Performance Right are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reorganisation.

- (o) **Amendments:** Subject to express restrictions set out in the Plan and complying with the Corporations Act, ASX Listing Rules and any other applicable law, the Board may at any time by resolution amend or add to all or any of the provisions of the Plan, or the terms or conditions of any Performance Right granted under the Plan including giving any amendment retrospective effect.
- (p) **Trust:** The Board may, at any time, establish a trust for the sole purpose of acquiring and holding Shares in respect of which a Participant may exercise, or has exercised, vested Performance Rights, including for the purpose of enforcing the disposal restrictions and appoint a trustee to act as trustee of the trust. The trustee will hold the Shares as trustee for and on behalf of a Participant as beneficial owner upon the terms of the trust. The Board may at any time amend all or any of the provisions of the Plan to effect the establishment of such a trust and the appointment of such a trustee.
- (q) **Definitions:** Capitalised terms used in the above summary are as defined in the Red Emperor Performance Rights Plan, including:
- (i) **Associated Body Corporate** means:
- (A) a related body corporate (as defined in the Corporations Act) of the Company;
 - (B) a body corporate which has an entitlement to not less than 20% of the voting Shares of the Company; and
 - (C) a body corporate in which the Company has an entitlement to not less than 20% of the voting shares.
- (ii) **Change of Control** means:
- (A) a bona fide Takeover Bid is declared unconditional and the bidder has acquired a Relevant Interest in more than 50% of the Company's issued Shares;
 - (B) a court approves, under section 411(4)(b) of the Corporations Act, a proposed compromise or arrangement for the purposes of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with any other company or companies; or
 - (C) in any other case, a person obtains Voting Power in the Company which the Board (which for the avoidance of doubt will comprise those Directors immediately prior to the person acquiring that Voting Power) determines, acting in good faith and in accordance with their fiduciary duties, is sufficient to control the composition of the Board.
- (iii) **Relevant Person** means:
- (A) in respect of an Eligible Participant, that person; and
 - (B) in respect of a nominee of an Eligible Participant, that Eligible Participant.
- (iv) **Special Circumstances** means:
- (A) a Relevant Person ceasing to be an Eligible Participant due to:
 - i. death or Total or Permanent Disability of a Relevant Person; or

- ii. Retirement or Redundancy of a Relevant Person;
- (B) a Relevant Person suffering Severe Financial Hardship;
- (C) any other circumstance stated to constitute "Special Circumstances" in the terms of the relevant Offer made to and accepted by the Participant; or
- (D) any other circumstances determined by the Board at any time (whether before or after the Offer) and notified to the relevant Participant which circumstances may relate to the Participant, a class of Participant, including the Participant or particular circumstances or class of circumstances applying to the Participant.

6.5 ASX waivers and confirmations

Listing Rule 2.1 Condition 2

ASX Listing Rule 2.1 Condition 2 provides that it is a condition of quotation of the main class of a company's securities of an entity seeking admission to ASX that the issue price of the securities for which the company seeks quotation must be at least 20 cents in cash. In addition, ASX Listing Rule 1.1 Condition 12 provides that for an entity to be admitted to the Official List, the exercise price for any options on issue must be at least 20 cents in cash.

ASX has granted the Company a waiver from the requirements outlined above to enable the Company to issue Shares for the purpose of satisfying ASX Listing Rule 2.1, Condition 2 at \$0.10 per Share (on a post-Consolidation basis), together with a waiver from ASX Listing Rule 1.1 Condition 12 to have up to 99,500,000 Options on issue with an exercise price less than \$0.20 each. These waivers are subject to the following conditions:

- (a) the issue price of the Public Offer Shares is not less than \$0.10 per Share and the exercise price of the Options is not less than \$0.10 each;
- (b) the terms of the waivers are disclosed to the market and, along with the terms and conditions of the Public Offer Shares or Options (as the context requires), are clearly disclosed in the Notice of Meeting and in the Prospectus (refer to disclosure at Sections 1.9, 6.1, 6.2 and 6.3);
- (c) the Company completes a consolidation of its capital structure in conjunction with the Acquisition such that the securities are consolidated at a ratio that will be sufficient, based on the lowest price at which the Company's securities traded over the 20 trading days preceding the date of suspension of the Company's securities from official quotation, to achieve a market value of its securities of not less than \$0.10 each (this will be satisfied by Shareholders approving Resolution 2 at the General Meeting); and
- (d) Shareholders approving the exercise price of the Options in conjunction with the approval obtained under ASX Listing Rule 11.1.2 for the Acquisition.

Listing Rule 10.13.5

The Company is seeking Shareholder approval under ASX Listing Rule 10.11 for the issue of certain securities to related parties in relation to participation in the Public Offer, and which are only to be issued if and when all other securities are issued at Settlement. ASX Listing Rule 10.11 requires an issue of equity securities to a related party to be completed within one month of the securityholders' meeting at which the approval is obtained. ASX has granted the Company a waiver from ASX Listing Rule 10.13.5 to enable the Company to state in the Notice that these securities will be issued at the

same time as securities to be issued under the Public Offer, rather than within one month after the date of the Meeting, subject to the following conditions:

- (a) these securities are issued by no later than the date the Public Offer Shares are issued, which must be no later than 3 months after the date of the Meeting;
- (b) these securities are issued pursuant to the relevant terms and conditions set out in the Notice of Meeting;
- (c) the circumstances of the Company, as determined by ASX, have not materially changed since the Shareholders approved the issue of these securities; and
- (d) the terms of this waiver are clearly disclosed in the Notice of Meeting and the Prospectus.

Listing Rule 6.1 – Performance Rights

ASX has confirmed that the terms of the Performance Rights proposed to be issued to Directors and Proposed Directors pursuant to the Performance Rights Offer are appropriate and equitable under Listing Rule 6.1, subject to the following conditions:

- (a) The Company obtains Shareholder approval for the issue of the Performance Rights and the notice of the meeting seeking shareholder approval (**Notice**) and the Prospectus include:
 - (i) the party or parties to whom the Performance Rights are to be issued and the number of Performance Rights to be issued to them or each of them;
 - (ii) any relationship the recipient of the Performance Rights or an associate of the recipient has with the entity;
 - (iii) in respect of those Performance Rights proposed to be issued to directors of the Company:
 - (A) a statement that Performance Rights are being issued to remunerate or incentivise a director or employee and are not ordinary course of business remuneration securities;
 - (B) details of the role (if any) the director or employee will play in meeting the respective performance milestones;
 - (C) details of the existing total remuneration package of the director or employee;
 - (D) if the director or employee or any of their associates hold securities in the entity, details of those securities and the consideration they paid or provided for those securities;
 - (E) an explanation why it is considered necessary or appropriate to further remunerate or incentivise the director or employee to achieve the applicable performance milestone;
 - (F) details of how the Company determined the number of Performance Rights to be issued to the director or employee and why it considers that number to be appropriate and equitable;
 - (iv) The number of ordinary shares that the Performance Rights will convert into if the applicable performance milestone is met and the impact that will have on the entity's capital structure.
 - (v) The full terms of the Performance Rights, including that:

- (A) The Performance Rights are not quoted.
 - (B) The Performance Rights are not transferrable.
 - (C) The Performance Rights do not confer any right to vote, except as otherwise required by law.
 - (D) The Performance Rights do not permit the holder to participate in new issues of capital such as bonus issues and entitlement issues.
 - (E) The Performance Rights do not carry an entitlement to a dividend.
 - (F) The Performance Rights do not permit the holder to participate in a return of capital, whether in a winding up, upon a reduction of capital or otherwise.
 - (G) The Performance Rights do not carry an entitlement to participate in the surplus profit or asset of the Company upon winding up of the Company.
 - (H) Each Performance Right is converted into one fully paid ordinary share on achievement of the relevant milestone.
 - (I) If the relevant class of Performance Right is not converted into a share by the relevant expiry date then all the Performance Rights must lapse.
- (b) The Company makes an announcement immediately upon the satisfaction of any milestones, the conversion of any of the Performance Rights and the expiry of any of the Performance Rights.
 - (c) The terms and conditions of the Performance Rights, including without limitation the relevant milestones that have to be satisfied before each Performance Right is converted into an ordinary share, are not to be changed without the prior approval of ASX and the Company's shareholders.
 - (d) Upon conversion of the Performance Rights into ordinary shares, the Company will apply to ASX for quotation of the shares within the requisite time period.
 - (e) The Company discloses the following in each annual report, annual audited financial accounts, half- yearly report and quarterly cash flow report issued by the Company in respect of any period during which any of the Performance Rights remain on issue or were converted or cancelled:
 - (i) The number of Performance Rights on issue during the relevant period;
 - (ii) A summary of the terms and conditions of the Performance Rights, including without limitation the number of ordinary Rights into which they are convertible and the relevant milestones.
 - (iii) Whether any of the Performance Rights were converted or cancelled during that period; and
 - (iv) Whether any milestones were met during the period.
 - (f) The Company discloses the following in Part 5 of each Appendix 2A lodged by the Company while any of the Performance Rights remain on issue:
 - (i) The number of Performance Rights on issue at the time of lodgement of the Appendix 2A; and

- (ii) The conversion ratio of the Performance Rights into ordinary shares upon achievement of a vesting condition.

6.6 Information required by conditions of ASX's confirmation that the terms of the Performance Rights are appropriate and equitable

ASX has confirmed that the terms of the Performance Rights are appropriate and equitable under Listing Rule 6.1. The disclosures required under the conditions of that confirmation are as follows.

- (a) *A statement that the Performance Rights are being issued to remunerate or incentivise a director or employee and are not ordinary course of business remuneration securities.*

The Performance Rights are being issued to the Directors and Proposed Directors to incentivise and remunerate them. The issue of Performance Rights are not "ordinary course of business remuneration securities" (as that expression is used in ASX Listing Rules Guidance Note 19.)

- (b) *Details of the role (if any) the director or employee will play in meeting the respective performance milestones.*

The performance milestones are all based on the Company's share price achieving 20 day VWAP targets, which represent incremental and substantial increases above the Public Offer issue price, and which are required to be sustained over a reasonable period. The Company considers that sustained increases in the Company's Share price are appropriate indicia for the Company's successful performance to which vesting of each tranche of performance securities is to be linked.

All Directors and Proposed Directors who are proposed to receive Performance Rights will be involved according to their respective responsibilities in setting the Company's strategy and overseeing the implementation of the Company's exploration and development activities in relation to the Panton PGM Project.

- (c) *Details of the existing total remuneration package of the director or employee*

Details of Directors' and Proposed Directors' remuneration are set out in Section 4.5.

- (d) *If the director or employee or any of their associates hold securities in the entity, details of those securities and the consideration they paid or provided for those securities*

Details of Directors' and Proposed Directors' security holdings are set out in Section 4.6.

- (e) *An explanation of why it is considered necessary or appropriate to further remunerate or incentivise the director or employee to achieve the applicable performance milestone.*

The Company considers it is appropriate that the Directors and Proposed Directors should have an incentive component to their remuneration that will vest only if the Company's value increases.

The Company considers the Directors' and Proposed Directors' emoluments are at comparable levels for base remuneration for directors at mineral exploration companies at a similar stage of development.

None of the Directors or Proposed Directors hold any other options or performance rights as performance-based remuneration. None of the Directors' or Proposed Directors' employment agreements or engagements include entitlements to cash bonuses or similar payments linked to performance.

In light of the above, the Company considers that it is appropriate to seek Shareholder approval for the issue of the Performance Rights to the Directors and Proposed Directors.

- (f) *Details of how the Company determined the number of Performance Rights to be issued to the directors or employee and why it considers that number to be appropriate and equitable*

The Board decided on the proposed allocation of Performance Rights to the Directors and Proposed Directors based on their relative levels of responsibility within the Board in respect of execution of the Company's strategy for acquisition and development of the Panton PGM Project, and Company performance as a whole.

The total number of Performance Rights (22,000,000) to be held by Directors and Proposed Directors is equivalent to approximately 5.94% of the undiluted issued capital of the Company at completion of the Acquisition. The Performance Rights are divided into three equal tranches (subject to rounding) that vest upon achievement of the performance milestones, which are increasing 20-day VWAP hurdles:

- (i) \$0.15 for Class A Performance Rights,
- (ii) \$0.20 for Class B Performance Rights, and
- (iii) \$0.25 for Class C Performance Rights.

Thus, one third of the Performance Rights (Class A) will vest if the Company's share price has increased by 50% above the Capital Raising price; one third (Class B) will vest if the share price has increased by 100% above the Capital Raising price; and one third (Class C) will vest if the share price has increased by 150% above the Capital Raising price.

Having regard to the value of the Shares to be issued on vesting and conversion of the Performance Rights in each tranche, the Board considers the number of Performance Rights to be allocated to each Director and Proposed Director to be appropriate and equitable.

6.7 Continuous disclosure

The Company is a "disclosing entity" for the purposes of Part 1.2A of the Corporations Act. As such, it is subject to regular reporting and disclosure obligations which requires it to disclose to ASX any information which it is or becomes aware of concerning the Company and which a reasonable person would expect to have a material effect on the price or value of the securities of the Company.

Price sensitive information is publicly released through ASX before it is disclosed to Shareholders and market participants. Distribution of other information to Shareholders and market participants is also managed through disclosure to ASX. In addition, the Company posts information on its website after the ASX confirms an announcement has been made, with the aim of making the information readily accessible to the widest audience.

6.8 Substantial holders

As at the date of this Prospectus, based on public disclosure, there are no persons with a substantial shareholding (5% or more) in the Company.

No person is expected to become a substantial shareholder of the Company as a result of the Acquisition unless sufficient additional Shares are subscribed for and issued to such a person pursuant to the Public Offer. In the absence of such level of subscription, or any new investor subscribing for a sufficient amount under the Public Offer to become a substantial holder, it is not expected that any persons (and/or their nominees) will have a voting power in the Company of 5% or more upon completion of the Offers.

Prior to re-instatement to trading of the Company's Shares on the ASX, the Company will announce to ASX details of its top 20 Shareholders by number of Shares.

6.9 Expert and adviser interests

Other than as set out below or elsewhere in this Prospectus, no expert, promoter, underwriter or other person named in this Prospectus who has performed a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus holds, at the date of this Prospectus, or has held in the 2 years prior to the date of this Prospectus, an interest in:

- (a) the formation or promotion of the Company;
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion, or in connection with the Offers; or
- (c) the Offers,

and no amount (whether in cash, Shares or otherwise) has been paid or agreed to be paid, nor has any benefit been given or agreed to be given, to any such persons for services in connection with the formation or promotion of the Company or the Offers.

708 Capital Pty Ltd is acting as the Lead Manager to the Company in relation to the Public Offer. 708 Capital Pty Ltd will be paid the fees set out in Section 1.12 in relation to this role.

Mining One Pty Ltd has prepared the Independent Technical Report which is included in Annexure A. Total fees payable to Mining One Pty Ltd for these services are approximately \$20,000 plus GST.

All Mining Legal Pty Ltd has prepared the Solicitor's Report on Tenements which is included in Annexure B. Total fees payable to All Mining Legal Pty Ltd for these services are approximately \$10,000 plus GST.

BDO Corporate Finance (WA) Pty Ltd has prepared the Independent Limited Assurance Report which is included in Annexure C. Total fees payable to BDO Corporate Finance (WA) Pty Ltd for these services are approximately \$20,000 plus GST.

Edwards Mac Scovell has acted as the legal adviser to the Company in relation to the Offers. Total fees payable to Edwards Mac Scovell for these services are approximately \$100,000 plus GST. Further amounts may be paid to Edwards Mac Scovell under its normal time based charges.

6.10 Consents

Each of the parties referred to below:

- (a) does not make the Offer;
- (b) has not authorised or caused the issue of this Prospectus;
- (c) does not make, or purport to make, any statement that is included in this Prospectus, or a statement on which a statement made in this Prospectus is based, other than as specified below; and
- (d) to the maximum extent permitted by law, expressly disclaims all liabilities in respect of, makes no representations regarding and takes no responsibility for any part of, this Prospectus including any statements in or omissions from this Prospectus, other than a reference to its name in the form and context in which it is named and a statement contained in this Prospectus with the consent of that party as specified below.

708 Capital Pty Ltd has given, and has not before lodgement of this Prospectus with ASIC withdrawn, its written consent to be named in this Prospectus as the Lead Manager to the Company in relation to the Public Offer in the form and context in which it is named.

Mining One Pty Ltd has given, and has not before lodgement of this Prospectus with ASIC withdrawn, its written consent to be named in this Prospectus as the independent technical expert to the Company in relation to the Tenements in the form and context in which it is named and to the inclusion of the Independent Technical Report at Annexure A in the form and context in which it is included.

All Mining Legal Pty Ltd has given, and has not before lodgement of this Prospectus with ASIC withdrawn, its written consent to be named in this Prospectus as the legal advisers to the Company in respect of the Solicitor's Report on Tenements in the form and context in which it is named and to the inclusion of the Solicitor's Report on Tenements at Annexure B in the form and context in which it is included.

BDO Corporate Finance (WA) Pty Ltd has given, and has not before lodgement of this Prospectus with ASIC withdrawn, its written consent to be named in this Prospectus as the investigating accountant to the Company in the form and context in which it is named and to the inclusion of the Independent Limited Assurance Report at Annexure C in the form and context in which it is included.

BDO Audit (WA) Pty Ltd has given, and has not before lodgement of this Prospectus with ASIC withdrawn, its written consent to be named in this Prospectus as the auditor to the Company and to GNP in the form and context in which it is named and to the inclusion of the audited financial information of the Company and GNP in the Independent Limited Assurance Report at Annexure C in the form and context in which it is included.

Edwards Mac Scovell has given, and has not before lodgement of this Prospectus with ASIC withdrawn, its written consent to be named in this Prospectus as the legal adviser to the Company in relation to the Offers in the form and context in which it is named.

Computershare Investor Services Pty Ltd has given, and has not before lodgement of this Prospectus with ASIC withdrawn, its written consent to be named in this Prospectus as the share registry to the Company in the form and context in which it is named.

6.11 Estimated cash expenses of the Offers

The estimated cash expenses of the Offers (exclusive of GST) are set out below.

Expense	Amount
ASIC fees	\$3,206
ASX fees	\$104,128
Lead Manager Fee	\$600,000
Corporate adviser fees	\$200,000
Legal Fees	\$100,000
Independent Technical Expert's Fees	\$20,000
Solicitor's Report on Tenement Fees	\$10,000
Investigating Accountant's Fees	\$20,000
Printing and Distribution	\$5,000

Miscellaneous	\$15,500
Total	\$1,077,834

6.12 Litigation

As at the date of this Prospectus, the Company is not involved in any material legal proceedings and no Director is aware of any material legal proceedings that are pending or threatened against the Company.

6.13 Taxation

The tax consequences of any investment in Securities will depend upon each applicant's particular circumstances. It is the responsibility of all persons to satisfy themselves of the particular taxation treatment that applies to them in relation to an Offer by consulting their own professional tax advisers. Accordingly, the Company strongly recommends that all applicants obtain their own tax advice before deciding on whether or not to invest. Neither the Company, its Directors nor any of its advisers accept any liability or responsibility in respect of the taxation consequences of an investment in Securities under an Offer.

6.14 Authorisation

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors. In accordance with section 720 of the Corporations Act, each Director and Proposed Director has consented to the lodgement of this Prospectus with ASIC and the issue of this Prospectus, and has not withdrawn that consent.

7. Definitions

\$ of **A\$** means Australian dollars.

Acquisition means the proposed acquisition by the Company of 100% of the issued capital of GNP.

Acquisition Agreement means the binding heads of agreement between the Company, GNP and certain Vendors pursuant to which the Company has been granted an option to acquire 100% of the issued capital of GNP a summary of which is set out in the Solicitor's Report on Tenements included at Annexure B.

Additional Offers means the Vendor Offer and the Performance Rights Offer.

AEST means Australian Eastern Standard Time as observed in Sydney, New South Wales.

Application Forms means an "Application Form" in the form accompanying this Prospectus pursuant to which a person may apply for Securities under an Offer.

Application Monies means the amount of money payable for Shares under the Public Offer at \$0.10 each.

ASIC means the Australian Securities & Investments Commission.

ASX means **ASX Limited** (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

ASX Listing Rules or **Listing Rules** means the Listing Rules of ASX.

ASX Settlement means ASX Settlement Pty Limited ABN 49 008 504 532.

ASX Settlement Operating Rules means the official settlement and operating rules of ASX Settlement.

Board means the current board of directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

CHESS means the Clearing House Electronic Subregister System operated by ASX Settlement.

Closing Date means the date that the Offers closes being 5.00pm (WST) on the date specified in the Indicative Timetable at the commencement of this Prospectus, or any other time and date determined by the Company.

Company or **Red Emperor** means Red Emperor Resources NL (to be renamed Future Metals NL) (ACN 124 734 961).

Consideration Securities means the Shares and Vendor Options proposed to be issued to the Vendors (or their nominee/s) pursuant to the Acquisition Agreement and the subject of the Vendor Offer.

Consideration Shares means the Shares proposed to be issued to the Vendors (or their nominee/s) pursuant to the Acquisition Agreement.

Consolidation means the consolidation of the Company's securities on a 14:100 basis.

Constitution means the Company's constitution to be adopted at the General Meeting.

Corporations Act means the Corporations Act 2001 (Cth).

Directors means the current directors of the Company.

Essential Resolutions means the inter-conditional Resolutions in the Notice of Meeting, being Resolutions 1 to 5 (inclusive) and 17 relating to:

- (a) the significant change to the nature and scale of the Company's activities as a result of the Acquisition, for which Shareholder approval is required under ASX Listing Rule 11.1.2;
- (b) the consolidation of the Company's issued capital on a 14:100 basis;
- (c) the issue of up to 100,000,000 Shares under the Public Offer;
- (d) the issue of the Shares and Vendor Options as consideration for the Acquisition;
- (e) the change of name of the Company; and
- (f) the replacement of the Constitution.

General Meeting means the general meeting of the Company to be held on 4 June 2021.

General Meeting or **Meeting** means the meeting convened by the Notice.

GNP means Great Northern Palladium Pty Ltd (ACN 645 861 196).

JORC Code means the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.

Lead Manager or **708 Capital** means 708 Capital Pty Ltd (ACN 142 319 202) (AFSL 386279).

Lead Manager Mandate means the mandate agreement with the Lead Manager, a summary of which is set out in Section 5.3.

Minimum Subscription means subscriptions for 100,000,000 Shares at an issue price of \$0.10 each to raise \$10,000,000 before costs under the Public Offer.

Nominated Adviser or **NOMAD** means Strand Hanson Limited, the Company's Nominated Adviser.

Notice of Meeting means the notice of meeting announced by the Company on 4 May 2021 for the convening of the General Meeting.

Offer Conditions has the meaning given to it in Section 1.5.

Official List means the official list of the ASX.

Option means an option to acquire a Share.

Panton Option means the option granted by Panoramic Resources Limited (ASX: PAN) to GNP for GNP to acquire the remaining 20% shareholding interest in Panton Sill Pty Ltd (ACN 157 842 530).

Panton PGM Project means the Panton PGM Project held under three granted Mining Leases (M80/103, M80/104 and M80/105) covering an area of approximately 23km².

Performance Rights means the Performance Rights to be issued pursuant to the Performance Rights Offer on the terms and conditions set out in Section 6.3.

Performance Rights Offer means the offer of Performance Rights as further detailed in Section 1.3.

Plan or **Red Emperor Performance Rights Plan** means the Red Emperor Performance Rights Plan as summarised in Section 6.4.

Proposed Director means a proposed director of the Company as set out in Section 4.2.

Prospectus means this prospectus.

Public Offer means the offer of 100,000,000 Shares at an issue price of \$0.10 each to raise a \$10,000,000 before costs.

Section means a section of this Prospectus.

Security means an equity security (as that term is defined in the Listing Rules) of the Company and **Securities** has a corresponding meaning.

Security Holder means the holder of a Security.

Settlement means settlement of the Acquisition.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a registered holder of a Share.

Share Registry means Computershare Investor Services Pty Limited.

Vendor Offer means the offer of 175,000,000 Shares and 87,500,000 Vendor Options to the Vendors (or their nominee/s), as further detailed in Section 1.2.

Vendor Options mean the Options to be issued on the terms and conditions set out in Section 6.2.

Vendors means the holders of shares in the capital of GNP.

WST means Western Standard Time as observed in Perth, Western Australia.

Annexure A – Independent Technical Report



PANTON PGM PROJECT

INDEPENDENT TECHNICAL REPORT

RED EMPEROR RESOURCES NL

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REPORT



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EXECUTIVE SUMMARY

Mining One Consultants Pty Ltd (“Mining One”) was commissioned by Red Emperor Resources NL (“Red Emperor” or the “Company”) to prepare an Independent Technical Report (ITR) on the Panton PGM project located in the East Kimberley region of Western Australia. (the “Panton Project”, “Project” or “Panton”). The report is required in relation to a proposed acquisition by Red Emperor of Great Northern Palladium Pty Ltd (GNP) who hold an 80% interest in Panton Sill Pty Ltd (“Panton Sill”) and the option to acquire the remaining 20%. Mining One understands that the ITR is to be included in a re-compliance prospectus to be issued by Red Emperor for an offer of 100M shares at an issue price of AUD\$0.10 to raise AUD\$10M to facilitate Red Emperor’s acquisition of GNP.

The report has been prepared pursuant to the Company’s listing compliance obligations on the Australian Securities Exchange and in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code (2012)) which is binding upon members of The Australasian Institute of Mining and Metallurgy (“AusIMM”) and the Australasian Institute of Geoscientists.

Mining One has not been requested to provide an independent valuation.

Summary Table of Assets

Asset/Mining Lease	Holder	Interest (%)	Status	Licence Expiry Date	Licence Area (Ha)
M80/103	Panton Sill Pty Ltd	100%	Active	16/03/2028	859.4
M80/104	Panton Sill Pty Ltd	100%	Active	16/03/2028	570.3
M80/105	Panton Sill Pty Ltd	100%	Active	16/03/2028	828.3

The report was prepared and signed by Mr Michael Conan-Davies, a professional geologist with more than 30 years’ exploration, mining, and resource development experience and reviewed by Mr Stuart Hutchin a professional geologist with 23 years’ relevant experience. Mr Conan-Davies and Mr Hutchin meet the criteria set by the JORC Code (2012) to qualify as Competent Persons.

Licences/Leases

The Panton Project comprises three granted Mining Leases (M80/103, M80/104 and M80/105) totalling an area of approximately 2,260ha. The leases are registered to Panton Sill, which is an 80% owned subsidiary of GNP. Red Emperor is in the process of acquiring GNP. The leases were initially granted in 1986, and further to subsequent extensions are currently valid until 16 March 2028.

Location

The Panton Project is located approximately 60km north of Halls Creek, on the Alice Downs Pastoral Lease, adjacent to the Great Northern Highway in the East Kimberley region of Western Australia.

Geology

The Panton intrusive is a layered, differentiated mafic to ultramafic body that has been intruded into the sediments of the Proterozoic Lamboo Complex in the Kimberley Region of Western Australia. The Panton intrusive has undergone several folding and faulting events that have resulted in a south westerly plunging synclinal structure some 10km long and 3km wide.

PGM mineralisation is associated with several cumulate Chromitite reefs within the ultramafic sequence. In all there are three chromite horizons, the Upper “Reef A”, the Middle “Reef B” and the Lower “Reef C”. The top reef mineralised zone is exposed at surface over a strike length of approximately 12km.

Exploration

Exploration activities have been undertaken by a number of companies since its discovery by government geologists in 1962.

The current exploration database consists of remote sensing results, geological mapping, soil and stream sediment sampling results, ground and airborne geophysical surveys, percussion and diamond drilling results, laboratory assays, process mineralogy and metallurgical ore characterisation.

Resource Modelling Methodology

Mining One has reviewed the source data and methodologies used to estimate the Panton Deposit Mineral Resources. The mineralisation has been modelled based on the Chromitite horizons defined within the project area. These zones are visually distinctive. Data has been composited using the metal accumulation method for mineralisation intervals within the modelled domains. Ordinary Kriging has been used to estimate Pt, Pd, Au, Ni, Cr, Cu and Co grades into the model. The estimation parameters were based on variogram results run for the key mineralisation domains. Densities were assigned to the model using ordinary kriging of a measurement dataset consisting of 117 data points. The modelling methodology has been reviewed and assessed as being in line with accepted industry practices and the JORC 2012 guidelines.

Resource Classification

The Panton mineralisation zones are classified as Measured, Indicated and Inferred Mineral Resources based on the assessment of the input data, geological interpretation and quality of grade estimation and are based on the JORC Code (2012).

Process Metallurgy

Mining One has also reviewed the metallurgical test work and process flowsheet. A very extensive array of tests and design work has been undertaken previously by a number of reputable companies and consultants.

The mineral assemblage at Panton is complex and the PGM minerals are fine grained, in the 1µm to 20µm range. Target minerals are found at crystal boundaries or as inclusions within silicates, carbonates, and chromite. Consequently, ore processing is the most challenging component of project development, particularly in the crushing, grinding and concentrate production stages.

Extensive metallurgical testing of ore has taken place historically. Based on the results of such test work, a bankable feasibility study (“BFS”) was completed by Lycopodium using a conventional mill-float-mill-float (MF2) circuit with maximum PGM recoveries in the order of up to 94% but with mass pull of over 20% and low-grade concentrate.

Further studies subsequently proposed a conventional two stage milling (MMF) circuit followed by conventional rougher and scavenger flotation on fine grind material, incorporating magnetic separation of the chromite from the flotation tails to produce a marketable chromite by-product concentrate.

Test work on this circuit has yielded 81% recovery from a 2.5% mass pull and 212ppm PGM grade concentrate. The chromite concentrate from concentrate tails yields 75% recovery of Chromite at a 41%Cr₂O₃ grade.

Resource Reporting

The most current JORC (2012) Mineral Resource Estimate at Panton, prepared by Cube Consulting for Panoramic Resources Limited (“Panoramic Resources”) and dated 10 August 2015 is as follows:

Panton Resource	Tonnage	Grade												
		Pt (g/t)	Pd (g/t)	Au (g/t)	Ni ppm	Cu ppm	Co ppm	Cr ppm	Os (g/t)	Ir (g/t)	Rh (g/t)	Ru (g/t)	2PGE +Au (g/t)	7E (g/t)
Top Reef (101)														
Measured	4,400,000	2.46	2.83	0.42	2,776	761	209	86,674	0.07	0.05	0.06	0.12	5.71	6.01
Indicated	4,130,000	2.73	3.21	0.38	3,086	934	232	96,462	0.08	0.06	0.06	0.13	6.32	6.65
Inferred	1,560,000	2.10	2.35	0.38	3,602	1,262	233	71,673	0.07	0.05	0.05	0.11	4.83	5.11
Middle Reef (201)														
Measured	2,130,000	1.36	1.09	0.10	1,776	264	186	51,717	0.05	0.06	0.08	0.12	2.55	2.86
Indicated	1,500,000	1.56	1.28	0.10	1,905	423	199	59,650	0.06	0.07	0.08	0.13	2.94	3.28
Inferred	600,000	1.22	1.07	0.10	1,935	532	195	59,572	0.05	0.06	0.07	0.11	2.39	2.68
Total	14,320,000	2.19	2.39	0.31	2,680	747	213	78,697	0.07	0.06	0.06	0.12	4.89	5.20

Refer to Panoramic ASX announcement of 30 September 2015, titled “Mineral Resources and Ore Reserves at 30 June 2015”

Conclusions

In preparing this report, Mining One has reviewed geological reports and maps, miscellaneous technical papers, company letters and memoranda, and public and private information as listed at the end of this report. We have reached the following conclusions from our work and the preparation of this report:

- The Panton Project shows significant and continuous PGM mineralisation.
- The geological genetic model and mineralisation style is well defined and understood.
- The Panton Project has sufficient quality geological data to model and estimate mineral resources compliant with the JORC Code (2012). This includes data relating to drilling quality, quantity and spacing, data capturing and sampling methods, quality control and density data. Such data has been reviewed and found to be in good standing.
- The Panton Project contains a JORC (2012) compliant resource estimate of 14.3Mt at 2.19 g/t Pt and 2.39g/t Pd containing 2,253,000oz of platinum + palladium + gold, classified in Measured, Indicated and Inferred Resources.

- There is a reasonable expectation of eventual economic extraction. Mining One has considered current and similar project operating costs in Australia and the expected process metallurgy recoveries from historic test results conducted on the Panton ore; and
- In the context of all information reviewed, no environmental issues have been identified at the Panton Project.

We conclude therefore, that there are no material resource issues preventing the Company from advancing the Panton Project towards the intended goal of future economic extraction.

Recommendations

Based on the Project's exploration results to date, Mining One recommends:

- Database samples validation, including drill hole locations and assays for Rh, Ru, Os.
- In future drilling and exploration programmes, Red Emperor should maintain the procedures and methodology, including QA/QC definitions, used by Panoramic.
- Carrying out a field campaign to test other geophysical and geochemical anomalies defined by previous exploration programmes.

To progress towards its goal of future production, the following path is recommended in terms of required work:

- Completion of additional resource drilling with a view to expanding and upgrading the existing resource and obtaining additional rhodium assays.
- A bulk metallurgy test study; and
- Completion of process design, mining and development studies to determine operational parameters and likely financial performance. This work stream will be essential in order to secure the required permitting to progress to commercial pilot production.

To complete the above exploration programme Red Emperor has proposed a budget of A\$4M broken down as follows:

Drilling	A\$2.0 million
Metallurgy	A\$0.5 million
Technical Studies	A\$1.0 million
<u>Other studies</u>	<u>A\$0.5 million</u>
TOTAL:	A\$4.0 million

Mining One considers this to be an appropriate allocation of funds to take the Panton Project to its next stage of development.

This report has been prepared with information available up to and including 30 March 2021.

Mining One has given and not withdrawn its written consent to the inclusion in the Prospectus of its report and to the inclusion in the Prospectus of statements made by Mining One, in the form and context in which the report and those statements appear. Neither Mining One, nor any of its directors, employees (including the authors of this report), or associates, have or have previously had any material interest either direct, indirect or contingent in Red Emperor or any of the mineral properties in which Red Emperor has an interest. Their relationship with Red Emperor is solely

one of a professional association between a client and independent consultant. This report has been prepared in return for professional fees based upon agreed commercial rates and the payment of these fees is in no way contingent on the results or findings of this report.

Yours faithfully



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Consulting Geologist



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Geology Manager

for and on behalf of
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1 INTRODUCTION

1.1 TERMS OF REFERENCE

Mining One Pty Ltd (“Mining One”) was engaged by Red Emperor Resources NL (“Red Emperor” or the “Company”) to review and evaluate certain technical data and information in order to prepare a Competent Person’s Independent Technical Report for its Panton PGM Project in East Kimberley, located in the Kimberley Region of Western Australia (the “Panton Project” or “the Project” or “Panton”).

Mining One understands that the ITR is to be included in a re-compliance prospectus to be issued by Red Emperor for an offer of 100M shares at an issue price of AUD\$0.10 to raise AUD\$10 million to facilitate Red Emperor’s acquisition of Great Northern Palladium Pty Ltd (“GNP”) who hold an 80% interest in the project with an option to acquire the remaining 20%.

The ITR has been prepared in accordance with the Australasian Code for the Public Reporting of Technical Assessments and Valuations of Mineral Assets (the VALMIN Code (2015)), and the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The- JORC Code, (2012)). The ITR has also been prepared in accordance with the requirements of the ASIC Regulatory Guides 111 (Content of Expert Reports) and 112 (Independence of Experts).

The effective date of this report is deemed to be the 19th April 2020 and has been compiled based on information available up to and including the date of this report. Mining One has endeavoured, by making all reasonable enquiries, to confirm the authenticity, accuracy, and completeness of the technical information upon which this report is based. No warranty or guarantee, whether expressed or implied, is made by Mining One

Exploration results referred to in this report were, unless specifically noted to the contrary, prepared under previous versions of the JORC Code (2012). Historical exploration results were reported in accordance with the standards of the mining industry at their original time of reporting.

The historical information available has been incorporated and compiled into JORC Table 1 format and as such those historical exploration results referred to in this ITR are in accordance with JORC Code (2012) guidelines.

This ITR is not a “Valuation Report” as defined in the VALMIN Code (2015) and does not express an opinion with respect to the value of the mineral assets or make any comment on the fairness or reasonableness of any transactions contemplated.

Neither Mining One, nor any of its directors, employees (including the authors of this report) or associates, have or have previously had any material interest either direct, indirect or contingent in Red Emperor or any of the mineral properties in which Red Emperor has an interest. Their relationship with Red Emperor is solely one of a professional association between a client and independent consultant. This report has been prepared in return for professional fees based upon agreed commercial rates and the payment of these fees is in no way contingent on the results or findings of this report.

This ITR contains statements attributable to third parties. These statements are made, or based upon, statements made in previous technical reports that are publicly available from either government sources or the ASX. The authors of these reports have not provided consents to their

statements use in this ITR, and these statements are included in accordance with ASIC Corporations (Consent to Statements) Instrument 2016/72.

1.2 RELEVANT ASSETS AND LOCATION

The Panton Project is situated in the Halls Creek Shire of Western Australia, locality of Rose Bore on three granted Mining Leases set out below.

Table 1-1 Panton Project Tenement Schedule

Mining Lease	Beneficial Ownership	Area (Ha)	Expiry
M80/103	100%	859.4	16/3/2028
M80/104	100%	570.3	16/3/2028
M80/105	100%	828.3	16/3/2028

1.3 CAPABILITY AND INDEPENDENCE

This report was prepared and signed by Mr Michael Conan-Davies, a geologist with more than 30 years' exploration, mining, and resource development experience, and reviewed by Mr Stuart Hutchin, a geologist with 23 years' relevant experience. Mr Conan-Davies and Mr Hutchin meet the criteria set by the JORC Code (2012) to qualify as Competent Persons.

Mr Conan-Davies, BSc(hons) Geology, MSc (Mineral Economics), has exploration, mining, and resource development experience in a variety of commodities including Au, Cu, Ni, PGE and Fe in Australia, the Pacific, SE Asia, Africa and Europe. He is a member of the Australasian Institute of Mining and Metallurgy, with endorsements in Geology and Management. Mr Conan-Davies is independent of Red Emperor.

Mr Hutchin, BSc(App Geol), has exploration, mining and resource development experience in a variety of commodities including Au, Cu, Ni, PGE, Fe, Pb, Zn, Ag and rare earths. Mr Hutchin is a member of the Australasian Institute of Geoscientists. Mr Hutchin is independent of Red Emperor.

1.4 SITE VISIT

Due to COVID-19 travel restrictions imposed by the authorities in Western Australia at the time of reporting, Mr Conan-Davies and Mr Hutchin were unable to conduct a site visit. However, in their opinion, the Project's history, development stage and the extensive use by successive owners of the Project of independent technical consultants means that a site visit would not materially change the opinions in this report.

1.5 PRINCIPAL INFORMATION SOURCES OF DATA AND VERIFICATION

In preparing this report, Mining One has reviewed certain historic geological reports and maps, miscellaneous technical papers, company letters and memoranda, and public and private information as listed at the end of this report which were provided by Red Emperor. Mining One has carefully reviewed all the information, however Mining One has not conducted any



independent investigation to verify its accuracy and completeness. Mining One has only reviewed the land tenure in a preliminary fashion and has not independently verified the legal status or ownership of the property or the underlying agreements. Mining One has reviewed documentation relating to the current and historic Mineral Resource Estimates and run validation checks on the resource modelling process used. Mining One has not prepared its own estimate.

1.6 FORWARD LOOKING STATEMENTS

The Panton PGM project is currently in the exploration and pre-development stage. Although a Mineral Resource for the Panton PGM project has been estimated, there is no Ore Reserve. There is good exploration potential at the Panton PGM project as well as a number of potential targets within the mining leases held.

Red Emperor's immediate intention is to continue to complete resource extension drilling and study work. There is no guarantee that either of these objectives will be satisfied in the near term, or at all.

Any forward-looking statements speak only at the date of issue. Subject to any continuing obligations under applicable law or relevant stock exchange listing rules, Red Emperor or Mining One do not undertake any obligation to publicly update or revise any of the forward-looking statements, changes in events, conditions or circumstances on which any statement is based.

1.7 COMPETENT PERSONS STATEMENT

Resources

The information in this Independent Technical Report that relates to Mineral Resource Estimates reported by Panoramic Resources in the ASX release dated 30th September 2015.

The information in this report that relates to the Panton Mineral Resource is based on and fairly represents information and supporting documentation compiled by Mr. Rick Adams who is a Competent Person and Member of the Australian Institute of Mining and Metallurgy. Rick Adams is a Director and full time Principal Consultant at Cube Consulting Pty Ltd ("Cube Consulting" or "Cube"). Mr. Adams has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and in the activity which he is undertaking and qualifies as a Competent Person as defined by the JORC Code (2012). Mr Adams consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Independent Technical Report

The information in this Independent Technical Report is based on and fairly reflects information compiled and conclusions derived by Mr Stuart Hutchin and Mr Michael Conan-Davies. Neither Mr Hutchin nor Mr Conan-Davies are permanent employees of Red Emperor. Mr Hutchin is a Member of the Australian Institute of Geoscientists and is deemed a Competent Person. Mr Conan-Davies is a Member of the Australasian Institute of Mining & Metallurgy and is deemed a Competent Person.

Mr Hutchin has sufficient experience with the type and style of mineralisation of the project under consideration and the activities being undertaken, and is deemed a Competent Person as defined in JORC Code 2012, and to qualify as a Practitioner as defined in the VALMIN (2015) Code.

Mr Conan-Davies has sufficient experience with the type and style of mineralisation of the project under consideration and the activities being undertaken, and is deemed a Competent Person as



defined in JORC (Code 2012), and to qualify as a Practitioner as defined in the VALMIN (2015) Code.

Mr Hutchin and Mr Conan-Davies consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.

1.8 PRIOR ASSOCIATION AND INDEPENDENCE

Mining One has no material interest in the Project.

Mining One is remunerated for this ITR by way of professional fees in accordance with a standard schedule of commercial rates, calculated based on fees for time and in not any way contingent on the outcome of this report. Mining One has not had a prior involvement in this project.

Cube Consulting originally prepared the MRE in respect of the Panton PGM Project when it was owned by Platinum Australia Limited in 2003 and subsequently reviewed and re-reported the Resource Estimate when it was held by Panoramic Resources Limited in 2015. Panoramic sold 80% of the entity holding the Panton PGM Project to GNP in 2020, and Red Emperor proposes to acquire GNP. Cube Consulting does not have any direct or indirect financial interest in the outcome of either of those transactions.

1.9 OTHER MATTERS

Units

All units of measurement used in this report are SI metric unless otherwise stated. Where third party reports use other than SI metric units, then the original units have been preserved throughout.

Map Grid

All Project data were used in Universal Transverse Mercator coordinate system ("UTM") - Zone 52K.

Currency

Currency is expressed in Australian Dollars "A\$" unless otherwise stated.

2 COUNTRY BACKGROUND

The Panton Project is located in Western Australia, a global tier 1 mining jurisdiction with minimal sovereign risk. Key features and risks of the mining and mineral processing industry in Australia are outlined below.

2.1 AUSTRALIA

According to the Australian Bureau of Statistics, in 2019-20, the Australian minerals sector was worth A\$202 billion and accounted for 10.4% of gross domestic product (GDP).

The industry directly employs 240,000 Australians and is a cornerstone to the relative stability of the Australian economy and standard of living.

Australia is among the top five producers of most of the world's key mineral commodities, being:

- the world's leading producer of bauxite, alumina, rutile and tantalum.
- the second largest producer of uranium, lead, ilmenite, zircon and lithium.
- the third largest producer of iron ore and zinc.
- the fourth largest producer of black coal, gold, manganese and nickel, and
- the fifth largest producer of aluminium, brown coal, diamonds, silver and copper.

Additionally, Australia is the world's largest exporter of black coal, iron ore, alumina, lead and zinc and the second largest exporter of uranium.

To support this industry, Australia is home to a highly skilled mining and mineral processing workforce of operators, researchers and developers.

Federal involvement in mining regulation is not extensive. It involves indirect policy involvement, such as: taxation, foreign investment law, competition policy, trade and customs, native title, and national environmental laws.

A key interaction with the Australian Federal Government is in relation to foreign investment approval (through the Foreign Investment Review Board).

2.2 WESTERN AUSTRALIA

State and Territory governments including Western Australia are constitutionally vested with the primary responsibility for:

- land administration;
- granting of mineral exploration and mining titles;
- regulating mine operations (including environmental and occupational health and safety); and
- collecting of royalties on minerals produced.

3 MINERAL LEGISLATION

Mining in Australia is legislated and managed at a State Government level. Mineral rights do not vest in the landowner. Only the State/Territory government can grant rights to explore or mine. The rights to explore/mine are regulated by extensive and objectively administered State/Territory legislation. Holders of mining leases gain ownership of minerals extracted when processed.

The Western Australian Department of Mines, Industry Regulation and Safety (“DMIRS”) is the government entity responsible for the granting and administration of exploration and mining rights including the grant of tenure in Western Australia.

The particulars of mining lease regulation in Western Australia (“WA”) are summarised below.

3.1 MINING LEASES

The Panton Project is covered by valid WA Mining Leases. The maximum area for a Mining Lease applied for before 10 February 2006 was 1,000 hectares. Since then, the area applied for relates to an identified orebody as well as an area for infrastructure requirements.

The boundaries of every mining tenement (except an exploration licence) shall be defined from an existing survey mark or other well-defined feature, a prominent ground feature shown on the department’s tenement maps, an observed latitude and longitude or Geodetic Datum of Australia grid (GDA) coordinate (Mining Regulation 66).

There is no limit to the number of mining leases a person or company may hold. The term of a Mining Lease is 21 years and may be renewed for further terms. The lessee of a Mining Lease may work and mine the land, take and remove minerals, and do all things necessary to effectually carry out mining operations in, on or under the land, subject to conditions of title which include approvals to carry out mining from other regulators such as, but not limited to, Environment and Aboriginal Heritage.

Prescribed minimum annual expenditure commitments and reporting requirements apply. The Mining Lease holder must submit an expenditure report each year.

3.2 ENVIRONMENTAL LEGISLATION

Western Australia has environmental legislation, which requires the granting of an Environmental Approval or authority (EA) for mining activities and regulates all phases of mineral projects, including exploration, development, construction, operation and closure and rehabilitation. The EA process involves identifying environmental impacts and determining how to manage those impacts.

An Environmental Impact Study (EIS) is required before an EA is approved for a major resource project. This process can take 18 months or more. Depending on the circumstances, an EIS may be required by legislation or it may be done voluntarily to ensure approval. The EIS process involves public notification, on which anyone can make submissions. An EA cannot be granted until the EIS process is complete.

Progressive rehabilitation is required during the course of the mining operation.

The Federal Government also regulates mining activities if mining activities are likely to impact on matters of “National Environmental Significance”.

4 PROPERTY DESCRIPTION

The Panton PGM project is situated in the Rose Bore locality approximately 60km north of Halls Creek, adjacent to the Great Northern Highway in the East Kimberley region of Western Australia. Access to the site is very good from Wyndham 300km to the north via the sealed Great Northern Highway, then via the graded Alice Downs rural road and station tracks.

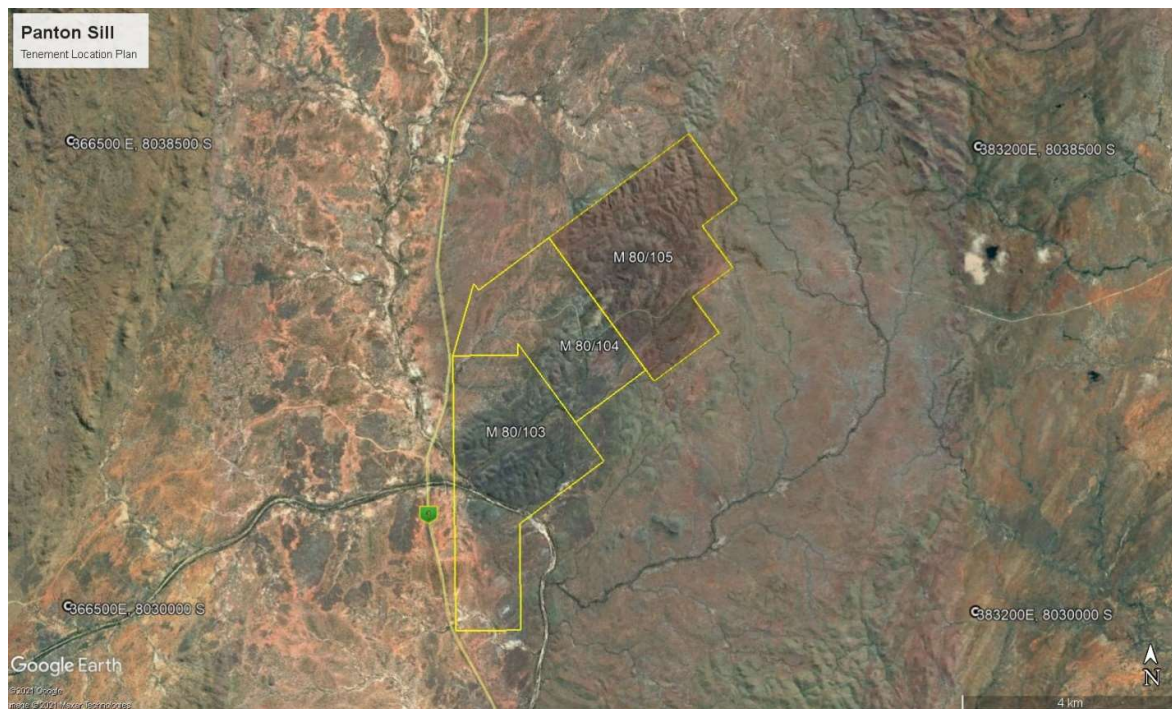


Figure 4-1 Tenement Location Plan – Satellite View

4.1 TENURE

Tabled below is the status of the Panton Project's tenements as accessed on the DMIRS website at the time of writing. Beyond this review, Mining One has made no further enquiries concerning Red Emperor's title and any encumbrances to the Panton Project.

There are three tenements which make up the Panton Project covering a total area of approximately 2,258 hectares. The tenements are all owned 100% by Panton Sill Pty Ltd.

The tenement package is consolidated by the DMIRS for reporting purposes and has a combined 2021 rental outgoing of A\$45,200 and exploration expenditure commitment of A\$226,000.

Table 4-1 Panton Project's Project Tenure Details

Mining Lease	Ownership	Area (Ha)	Expiry	Rent A\$ p.a.	Exploration Commitment 2021 A\$ p.a.
M80/103	100%	859.4	16/3/2028	17,200	86,000
M80/104	100%	570.3	16/3/2028	11,420	57,100
M80/105	100%	828.3	16/3/2028	16,580	82,900
TOTAL:		2,258		45,200	226,000

Based on prior year costs the estimated 2020/2021 annual holding costs for Panton are as follows:

DMIRS Rental	\$45,200
Shire of Hall Creek rates	\$85,816
Commitment	\$226,000
Tenement Management	\$775

4.1.1 Native Title

According to DMIRS records, the Project area forms part of the Malarngowem Native Title land claim. A determination has not been made by the courts. The Mining Licences were issued prior to enactment of the Native Title Act in 1993.

Requirements of the Aboriginal Heritage Act (1972) and Regulations (1974) still apply. The DMIRS records do not show any Aboriginal Heritage sites on the Panton tenements.

4.1.2 Pastoral Lease

The project lies on the Alice Downs Pastoral Lease that is currently running cattle. The property covers 138km². The pastoral leases are held by parties unrelated to Red Emperor.

4.1.3 Neighbouring Mining Tenure

The land surrounding the Panton tenements is fully covered by Live or Pending Exploration Licences which are listed in **Error! Reference source not found.** and shown in Figure 4-2 below. Pending licences encroach on the Panton Project tenements and become eligible for grant in the event that the Panton Mining Leases lapse.

Table 4-2 Neighbouring Mining Tenure

Tenement ID	Status	Holder
E 80/5036	Live	Kimberley Granite Holdings Ltd
E 80/4734	Live	Hexagon Energy Materials Ltd
E 80/5115	Live	Kaili Iron Pty Ltd
E 80/5455	Appl	Attgold Pty Ltd
E 80/5449	Appl	Uramin Pty Ltd
E 80/5451	Appl	Halls Creek Mining Pty Ltd
E 80/5461	Appl	IGO Newsearch Pty Ltd

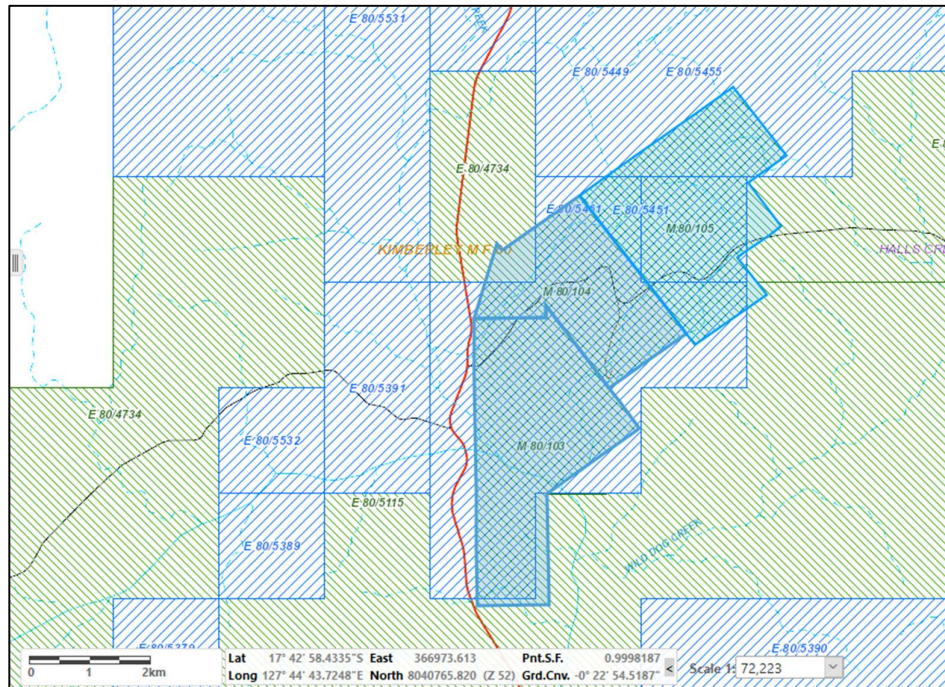


Figure 4-2 Tenement Boundaries Including Neighbours

4.2 ROYALTIES

In addition to the WA State Royalty, the Project is impacted by 2 private treaty royalties:

1. **“Minsaco Royalty”** - a 2% Net Smelter Return (NSR) Royalty which applies to PGM production after the first 100,000oz of production. Allowable deductions from the royalty include; third party smelting, refining, treatment costs, penalties and transport costs to be process plant.
2. **“Elemental Royalties”** - a 0.5% NSR Royalty is payable. The royalty was acquired by Elemental Royalties from Fever Tree Resources, who in turn acquired it from Platinum Australia (in liquidation).

5 LOCATION

The Panton Project is located approximately 60km north of the town of Halls Creek in the Kimberley mineral field of Western Australia in the Shire of Halls Creek.

The relevant map sheets are:

- 1:100,000 McIntosh 4462
- 1:250,000 Dixon Range SE52-06
- 1:1,000,000 Halls Creek SE52

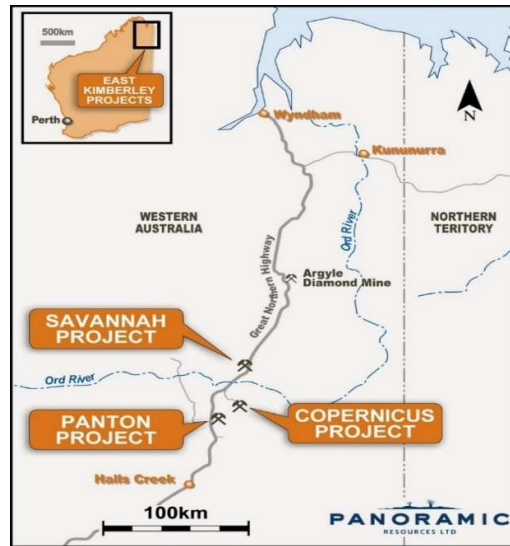


Figure 5-1 Panton Location and Infrastructure Plan

5.1 CLIMATE & VEGETATION

The climate at the Panton Project location is monsoonal, characterised by a hot wet season from December to February and a cooler dry season from May to September. Climate statistics from Hall's Creek 60km further south are shown below:

Table 5-1 Climate Statistics – Halls Creek

HALLS CREEK METEOROLOGICAL OFFICE Climate Data 1944 - 2018													
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
Mean Max:	36.7	35.6	35.4	33.9	30	27.3	27.3	30	34.2	37.2	38.3	37.8	33.6
Mean Min:	24.3	23.7	22.8	20.4	16.7	13.7	12.7	14.8	19	22.7	24.5	24.8	20
Rainfall (mm):	59.8	143.5	82.9	21.4	12.7	5.1	6	2.1	4.3	17.7	39.5	83	571.5
Rain Days	10.9	10.3	6.3	1.8	1.3	0.5	0.6	0.3	0.6	2.4	4.5	7.9	47.4



Vegetation in the area consists of open downs covered with Mitchell, Flinders and Bundle grasses.

5.2 ACCESS

The Panton Project is accessible by road via the Great Northern Highway which also provides direct access to the Port of Wyndham 300km to the north.

5.3 PROJECT HISTORY

The Panton Project has a long exploration and development history since its discovery in the 1960's.

1960's	Discovery by geologists of the WA Geological Survey.
1970's	First drilling by Pickand Mather Group.
1976 - 1987	Owned by the Gencor Ltd subsidiary, Minsaco who drilled 30 drill holes.
1989	Pancontinental Mining and Degruusa Exploration Ltd drilled a further 32 holes and declared a non-JORC resource of 2.2Mt @ 5.6g/t PGM & Au containing 387,000oz PGMs. A Preliminary Economic Assessment declared the Project to be uneconomic at that time.
2000	Platinum Australia Ltd (PLA) acquired the project from Swiftel, (formerly Roebuck Resources).
2001	AMC Production Potential Study.
2002	First stage of trial mining and bulk sampling. Metallurgical Testwork.
2002	AMC Panton Feasibility Study.
2003 Jan	Cube Consulting prepare a resource report.
2003 Feb	AMC reviews Cube Consulting's Resource report and finds minor issues with geological interpretations and ore density estimations. Issues flagged for later drilling, sampling and resource estimation programs.
2003 Sep	Platinum Australia commissioned BFS to be completed by Lycopodium. Includes Environmental Assessment.
2005 Dec	AMC Underground Mining Scoping Study.
2006	Sally Malay Heads of Agreement (HoA) with PLA. Second stage of trial mining and bulk metallurgical testing at Sally Malay (now Savannah). Poor recoveries at the Savannah plant. HoA terminated.
2011	Tetra Tech review of BFS (2003) update. A further reduction in grind size in an inert atmosphere yielded +80% recoveries and 2.5% mass pull to PGM concentrate.



2012 May	Panoramic acquires Project for A\$6.5M plus royalty. Resource reported at 14.3Mt @ 2.2g/t Pt, 2.4g/t Pd.
2014 Oct	GR Engineering Process Review. Design and construction of Savannah process plant.
2015	Flotation testwork to raise recovery including ore sorting, PGM flotation and Chromite concentration. ALS Metallurgy's automated mineralogy study and chromite separation study. Successful separation of chromite from waste rock.
2015 Aug	Mineral Resource Report by Cube Consulting. Restating the 2003 Mineral Resource Estimate.
2015 Sep	Metallurgy study of Kell Process for PGE concentrate processing. Smelter study for PGE concentrate smelting to matte.
2016 -2019	Curtin University Leach study MRIWA 458.

6 GEOLOGY & MINERALISATION

The geology of the Panton Project has been documented in the Snowden (2001) report and a summary is presented below.

6.1 REGIONAL GEOLOGY

The Panton Project is in the Central Zone of the Lamboo Province, a part of the paleo-proterozoic Halls Creek Orogen shown in figure 6.1 below. The Halls Creek Orogen is a NE-SW trending greenstone belt of high-temperature, low-pressure metamorphism. It is sandwiched between the Kimberley Craton to the West and the North Australian Craton to the East and is the result of a cratonic collisional event ca. 1860-1800Ma ago.

The orogen is sub-divided into three distinct metamorphic domains: the Western, Central and Eastern zones. The Western and Central zones are interpreted as sections of the Kimberley Craton margin and the Eastern zone as the passive margin of the North Australian Craton. The orogen is characterised by high geothermal gradients resulting in the emplacement of large volumes of mafic and ultramafic intrusions of mantle affinity (Bodorkos et al., 2002).

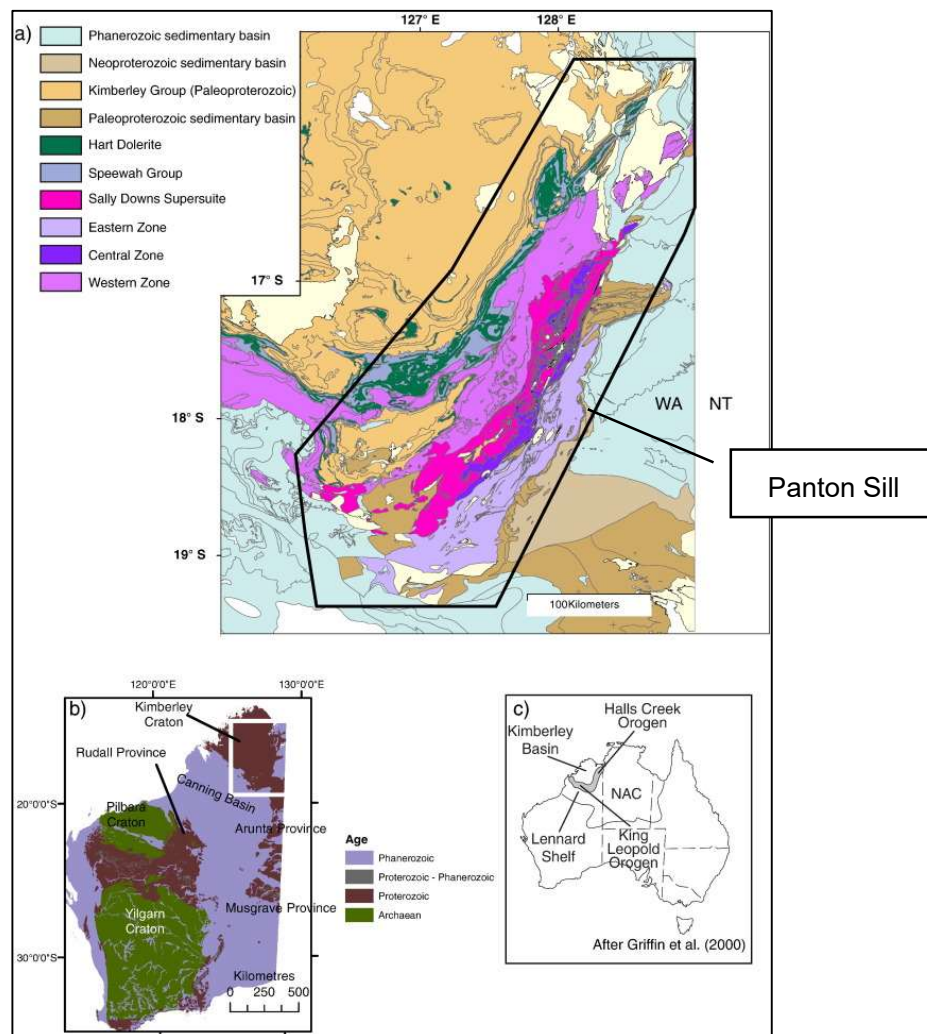


Figure 6-1 Regional Geology Plan (Occipinti et al, 2016)

6.2 LOCAL & PROPERTY GEOLOGY

Figure 6-2 shows the geology of the Panton Project. Shown in olive green are the Tickelarra Metamorphics, a mafic extrusive and intrusive meta-igneous rock with interlayered meta-sedimentary and meta-granites. At its core is the Panton Suite, a metamorphosed layered mafic-ultramafic intrusion which hosts the Panton Chromitite PGM mineralisation.

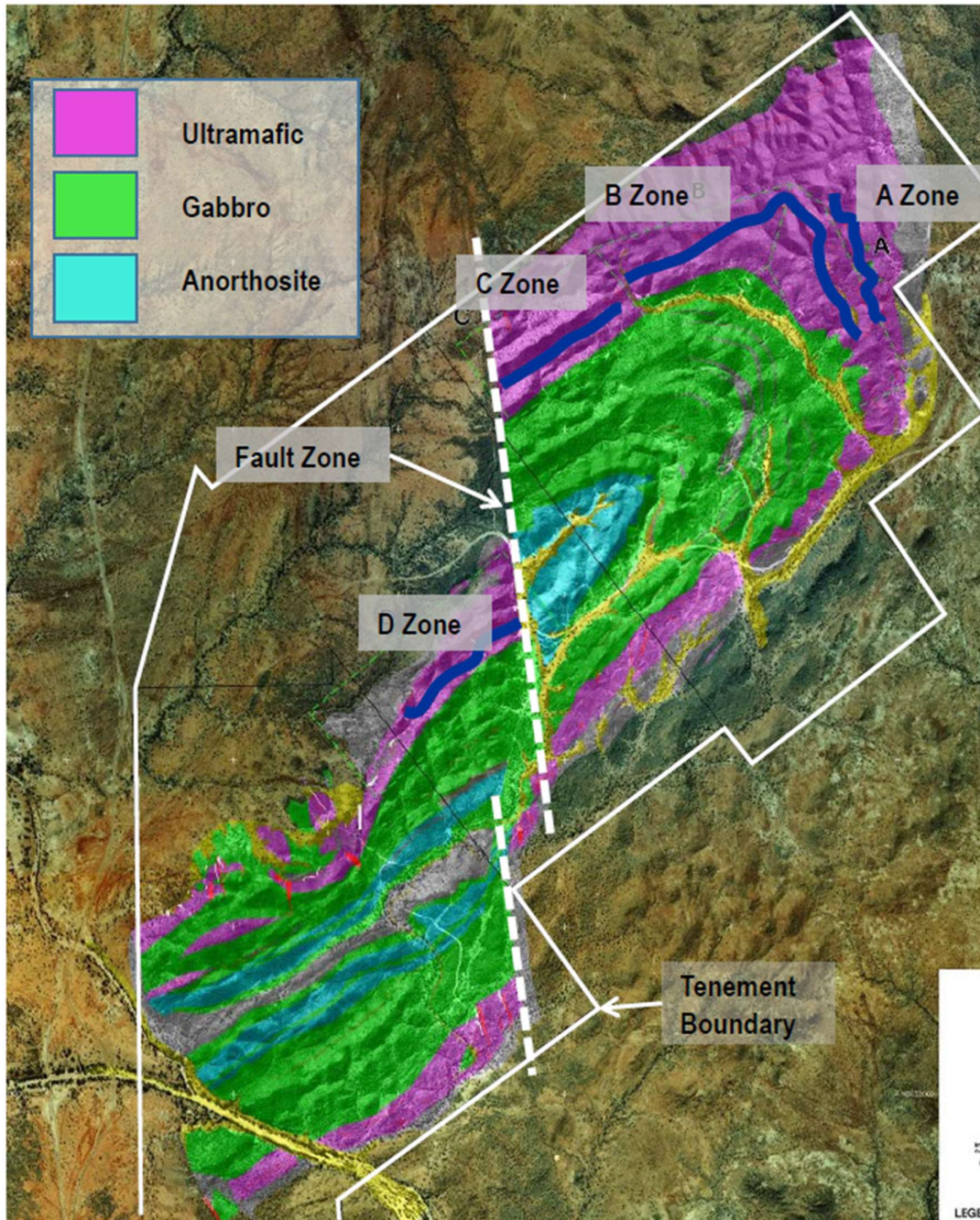


Figure 6-2 Tenement Scale Geology of Panton Intrusion (Panoramic 2019)

There are five Chromitite layers, referred to as “reefs” of which the upper “A” and “B” are the most significant and contain the bulk of the resource. The “A” reef is approximately 1.5m thick and

separated from the usually 0.5m thick “B” reef by 15 metres of barren dunite, an ultramafic igneous rock. A minor “C” reef occurs further below but is sub-economic.

The sequence has been synclinally folded and is steeply dipping to overturned on the east-west striking limb. The “A” and “B” reefs are traceable in outcrop over most of the defined resource.

The mineralised body with reefs A to C is further divided according to structural position into “Blocks”: A Block, AB Hinge Line, B Block, BC Block, C Block and D Block. The relative position of each block is shown in the isometric wireframe of the orebody below in Figure 6.3.

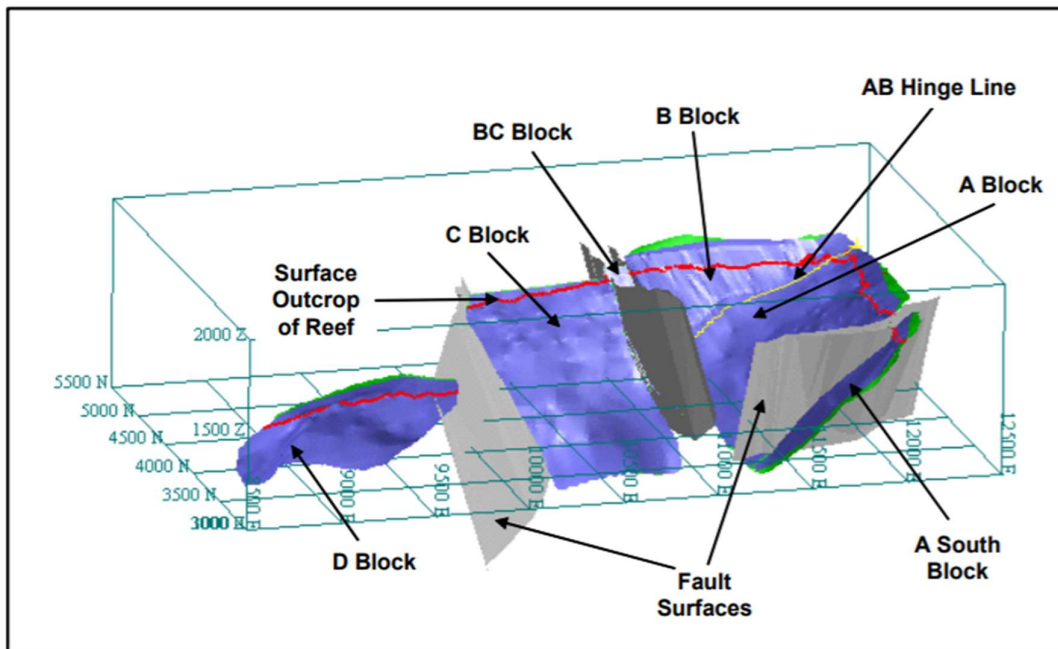


Figure 6-3 Isometric Wireframe, showing the Panton 101 and 201 Reef System (Cube 2003)

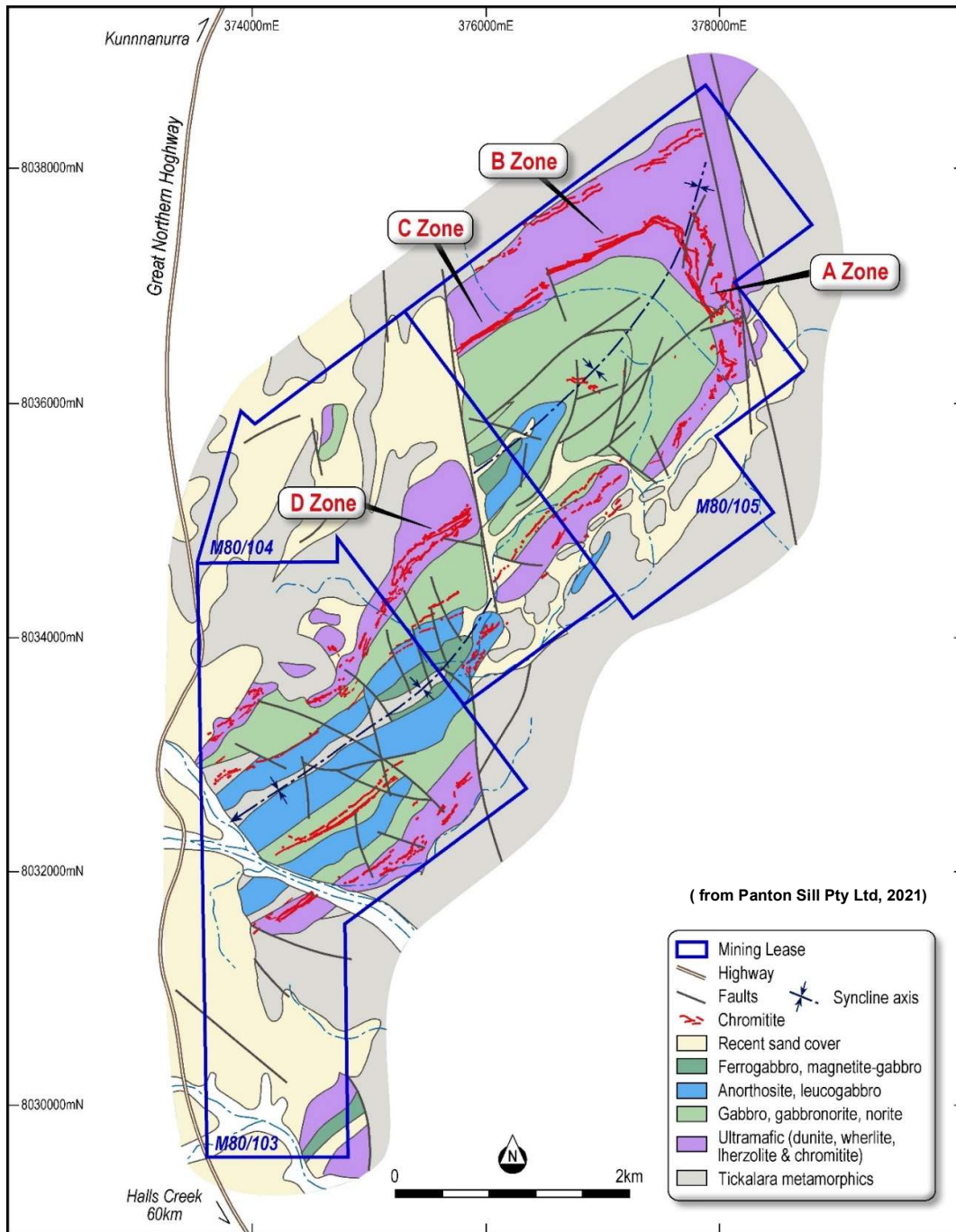


Figure 6-4 Property Geology

Panton is interpreted as a differentiated layered intrusion that has been folded into a south plunging syncline. A series of late-stage shears offset and disrupt the layered sequence through the model area.

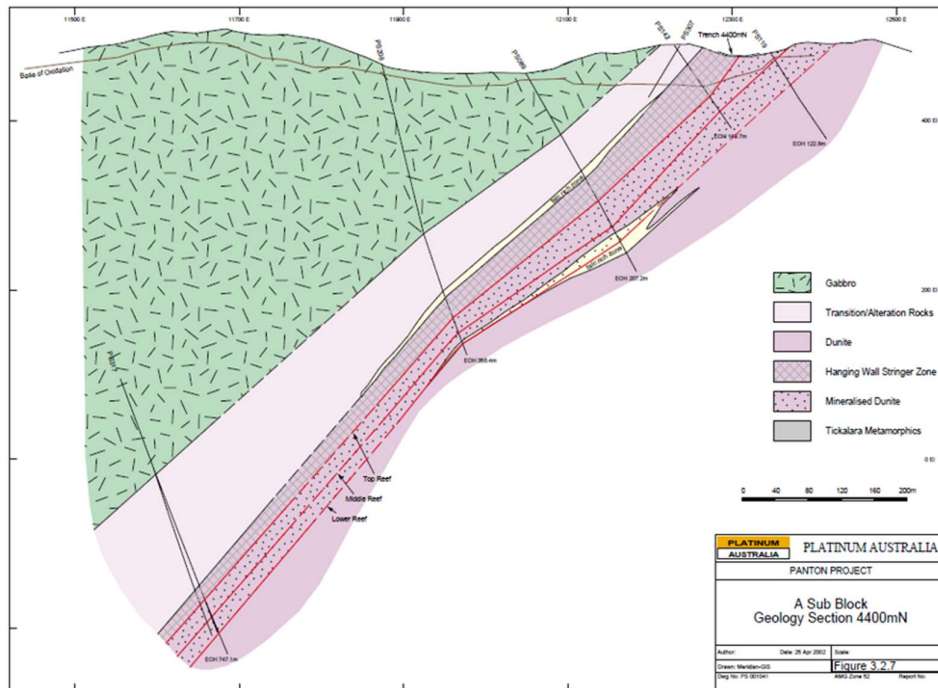


Figure 6-5 Cross-Section of Panton A-Sub-Block

6.3 MINERALISATION

The differentiated stratigraphy comprises a series of narrow chromite seams within dunite units. The focus of the resource estimate has been two of the chromite layers known as the Top (101) and Middle (201) reefs. PGM mineralisation is associated with the chromite seams. Both the grade and thickness of the reefs decrease down the stratigraphic order.

The reef mineralisation is defined by a 2ppm Pt+Pd+Au threshold within zones of elevated chromite grade. At this cut-off, most of the upper reef comprises a seam of one to two metres thickness.

Shown below is a typical example of outcropping chromitite reef showing distinct dark bands of chromitite interlayered with lighted bands of dunite.

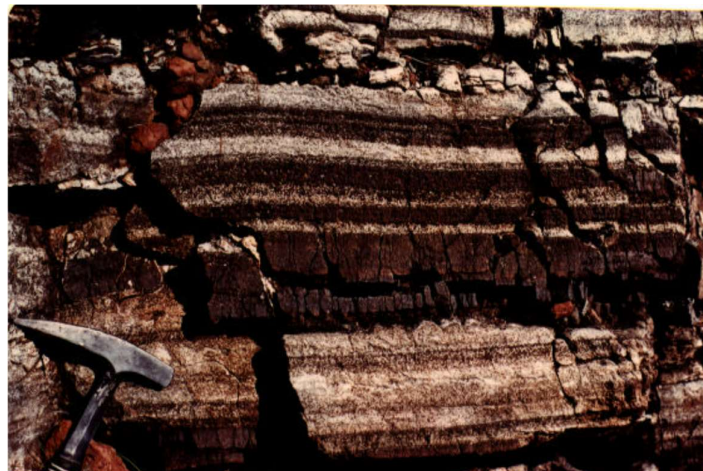


Figure 6-6 Outcropping “C” Chromitite Reef

6.4 ORE MINERALOGY

Several mineralogical studies of ore materials were conducted by the CSIRO and ALS in 2001 and 2015. The key findings of such studies include:

- PGM minerals are fine grained, in the 1 to 20µm range, with most being in 3 to 11µm range. Minerals found at crystal boundaries or as inclusions within silicates, carbonates and chromite.
- Platinum is predominantly in an arsenide form: Sperrylite (PtAs₂), but also found in ferro-platinum, platinum-iron-palladium-copper and elemental platinum forms.
- Palladium is present as Pd-Sb (palladium-antimony), palladium-antimony-bismuth and palladium telluride. Palladium was also found in trace, but detectable, amounts in a nickel-arsenic phase.
- Platinum and palladium grades are correlated as shown in the scatter chart of A reef composite samples and averages around 1.2 Pt/Pd.
- Assays of the minor PGM elements: ruthenium, rhodium, iridium, or osmium are incomplete. Cube (2015) have used a regression formula to assign grades for the rare PGE's Os, Ir, Rh and Ru. Details of the regression are not disclosed by Cube and show modest levels of correlation in two distinct trends as illustrated in Figure 6-7 below. The assigned values for Os, Ir, Rh and Ru are an indication of the expected grades only and should not be used in any economic evaluation.

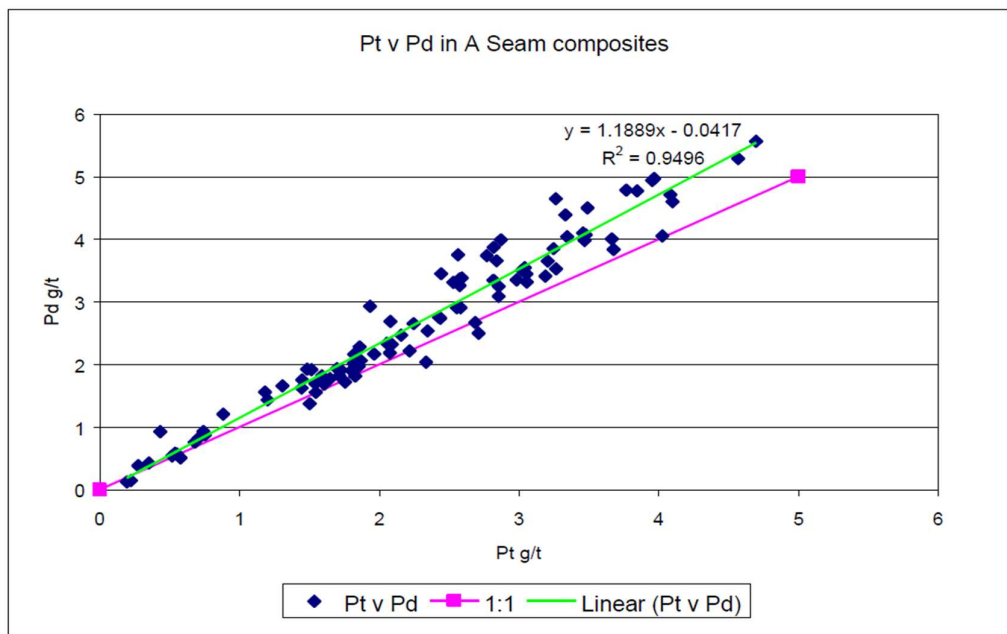


Figure 6-7 Platinum Palladium Correlation in Seam A Composites

- Other precious metal phases present include gold, electrum and silver which does not appear to be correlated to the PGMs as tabled in the correlation matrix below.
- Gold, nickel, and copper are poorly correlated to the PGEs as shown in the correlation matrix in Table 6-1 below.

Table 6-1 Elemental Correlation Matrix A Reef

Correlation matrix – drillhole data							
A Reef							
458 samples	3E	Au	Pd	Pt	Cr	Ni	Cu
3E	1.00						
Au	0.44	1.00					
Pd	0.98	0.28	1.00				
Pt	0.97	0.25	0.96	1.00			
Cr	0.77	0.15	0.78	0.79	1.00		
Ni	0.50	0.35	0.44	0.48	0.34	1.00	
Cu	0.24	0.67	0.12	0.12	-0.06	0.41	1.00

- Sulphide phases present are pyrite (FeS_2), chalcopyrite (CuFeS_2) and pentlandite ($(\text{Fe,Ni})_9\text{S}_8$).

7 EXPLORATION

The Panton Sill is a 20km² layered mafic intrusive and shares geological features with world class Cr - PGM - Ni mafic intrusive hosted deposits of the Bushveld Igneous Complex (67,300km²) in South Africa and the Sudbury Complex (1,342km²) in Canada, albeit at a much smaller scale.

Since discovery of outcropping Chromitite bands at Panton Sill in 1962 by GSWA geologists, exploration of the Panton Sill has predominantly been conducted via drilling following chromite seams and the layered mafic intrusive geological model.

7.1 MAPPING

Outcrop at Panton Sill is good and has been field mapped and sampled in several campaigns by Platinum Australia Limited. Several other PGM-bearing chromite bands have been mapped at surface and followed-up with drilling. When combined with aeromagnetic interpretations discussed below, a strike length of approximately 12km of prospective gabbro-ultramafic contact has been identified, of which the currently defined mineral resource occupies approximately 3.5km of strike length and the balance has only been lightly explored and warrants further work.

7.2 SOIL SAMPLING

A comprehensive soil survey was carried out over a large part of the Panton Sill with moderate to good outcrop and sub-crop. The magnetic residual component of the soil was sampled. As expected, the best results were obtained from areas of known outcropping chromite bands.

The survey also highlighted other areas of anomalous PGM geochemistry that have not been drill tested. Three targets have been identified in this way and are shown as T1 to T4 in the geochemistry results plot of Figure 7-1.

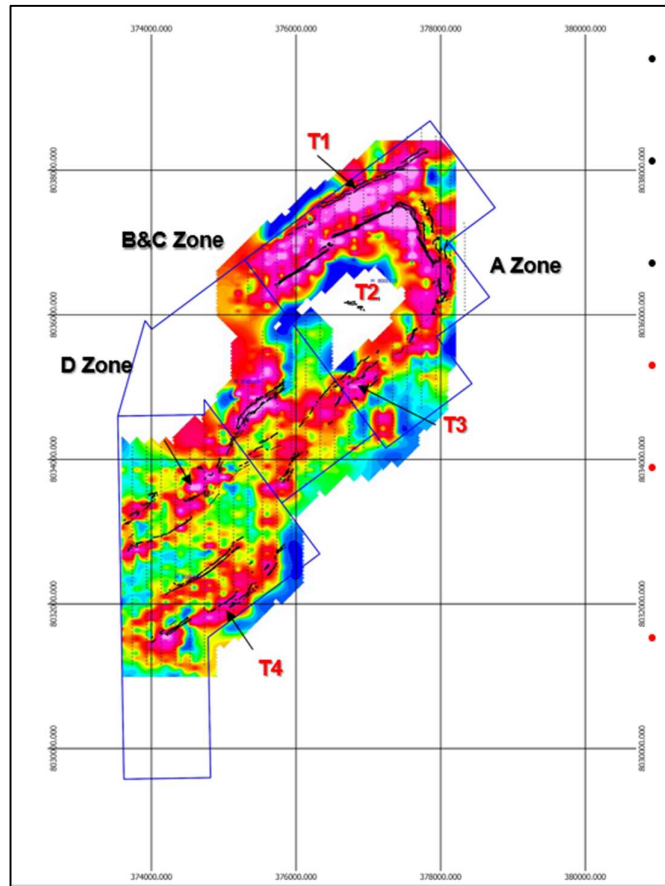


Figure 7-1 Soil (mag lag) Results

7.3 AEROMAGNETICS

The geology of the Pantón Sill is well defined by aeromagnetics as shown in the imagery of Figure 7-2 below where the Chromitite reefs, highlighted in red, are coincident with linear magnetic highs.

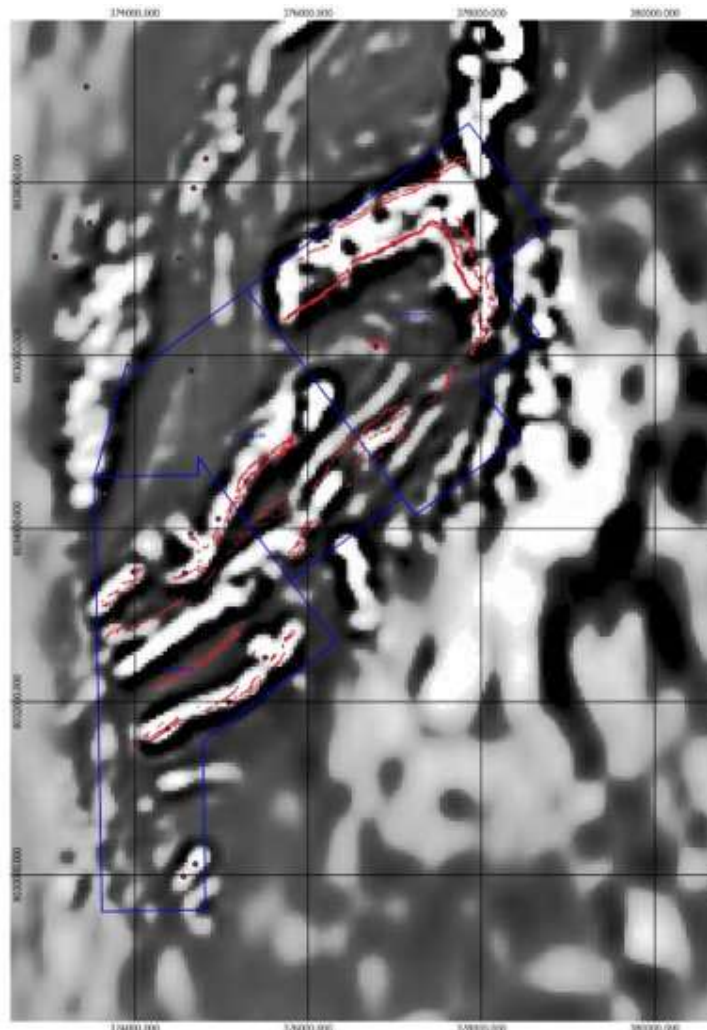


Figure 7-2 Aeromagnetic Imagery (TMI + 1VD) Panton Sill

Processing of geophysical data has progressed since the collection of the historic data. Reprocessing of the magnetic data to produce new imagery and 3D interpretation of the Panton complex would generate new insights into the geology and distribution of the target Chromite reefs.

7.4 GROUND GEOPHYSICS

Additional resolution of the aeromagnetic survey discussed above, and more accurate drill hole targeting would be obtained with ground-based magnetic surveys.

As discussed in section 6.4 above the PGMs are not associated with sulphides such that electrical geophysical surveys such as EM and IP are unlikely to be effective for exploration and have not been used.

8 MINERAL RESOURCE ESTIMATION

Mineral resource estimates (MRE) have been determined at Panton on several occasions reflecting progress in exploration and changes in reporting standards, notably from JORC(1999) to JORC(2012). Each report refers to and builds from the previous one and provides a review and audit of the previous data validation and resources estimation. A summary of the Panton Project MRE has been derived from the following documents:

1.	Snowden (May 2001)	JORC(1999)
2.	Snowden (November 2001)	JORC(1999) - additional drill holes & new geology interpretation
3.	Snowden (June 2002)	JORC(1999)
4.	Cube Consulting (2003)	JORC(1999)
5.	Cube (August 2015)	JORC(2012)

Snowden Mining Industry Consultants prepared a Mineral Resource Estimate (MRE) in June 2002.

In 2003, Cube Consulting reported an MRE under the JORC (1999) Code on behalf of the Project's then operators Platinum Australia Ltd (PLA). The 2003 estimate contained an updated sampling database containing seven additional surface diamond drill holes and underground sampling (61 channel samples) and mapping undertaken by PLA in an exploration decline which accessed the upper reef chromite lode (designated reef 101).

In 2015, Cube Consulting reviewed their previous work and that of earlier studies and declared that drilling and resource calculations were sufficiently compliant to declare a MRE under the JORC (2012) Code.

8.1 DRILLING AND SAMPLE DATABASE

8.1.1 Drilling

The database of sampling for the Project resource definition is comprised of the following discrete datasets:

- Diamond drilling pre-PLA (30 holes for 9,524.4m);
- Reverse Circulation (RC) drilling undertaken by PLA between 2001 and 2003 (29 holes for 2,366.3m);
- Diamond drilling (including RC pre-collar holes) by PLA between 2001 and 2003 (166 holes for 34,410.2m); and
- Channel sampling of surface and underground trenches and faces (1,391m).
- Drill holes have been oriented with the intention of intersecting the mineralisation as close to orthogonal as possible and test the true width of mineralisation.
- Mining One is satisfied that drilling methods and spacing as documented are to industry standard.

8.1.2 Logging & Sampling

Diamond core and RC chips have been geologically logged. 74% of all drilling metres have been logged. Sampling occurred after logging and took lithological breaks into account. Diamond core was half core and quarter core sampled depending on the core size. A minimum sample size of 0.25m and a maximum size of 1.0m.

RC drillholes were typically sampled on 1.0m intervals. Pre-collar samples were typically sampled at either 2m or 4m intervals. The drill cuttings were riffle or cone split to produce a final sample of approximately 2-3 kg. Sampling of decline wall and face took place and was composited across the full interval.

Mining One is satisfied that drill sampling methods as documented are to industry standard.

8.1.3 Assays

Samples prepared for the Genalysis Lab were whole sampled dried at 140°, whole sample crushed (LM2/LM5) to 90% passing 75micron, 150g collected for pulp split and reject stored.

Fire assay nickel sulphide collection technique was the preferred method for samples containing chromite.

Low grade dunite analysed using fire assay, multi-spectral analysis with detection limits of Au(1ppb); Pt(5ppb) and Pd(10ppb). Additional elements analysed using ICP - OES method with detection limits of As(0.01%), Co(20ppm), Cr(50ppm), Cu(20ppm), Ni(20ppm) and S(0.01%).

QA/QC consisted of systematic submission of field duplicates. Snowden, PLA and Cube have all reviewed the QA/QC of the drilling and assay data and agree that there are no significant concerns over the laboratory procedures based on the assay results of standards and blanks.

Mining One considers the reported assay procedure including QA/QC to be industry standard and shows acceptable levels of accuracy and precision.

8.1.4 Surveys

Drilling by PLA was conducted on local grid. Most holes were surveyed with differential GPS. According to Snowden all holes have been surveyed using differential GPS to ± 1.5 m with elevations confirmed against the digital terrain model.

Downhole surveys conducted on approximately 90% of holes using single shot camera or gyroscopic instrumentation.

Mining One considers that the drilling has been adequately surveyed for the purposes of resource estimation.

8.1.5 Density

Bulk density measurements were collected by PLA on a selection of 112 samples of diamond drill core from a variety of lithologies and weathering environments of the B and C sub-blocks.

Densities were derived by measuring core diameter and length to derive core volume then weighing the core to calculate density. The density of lithologies at the Panton Project varies widely as tabled below:

Table 8-1 Panton Sill — Densities

PLA Summary of average bulk densities					
Weathering	Dunite	Talc-carb. rock	Talc-carb. rock with disseminated chromite	Massive chromitite and carb. veining	Massive chromitite
Highly	2.43	N/A	N/A	2.40	N/A
Moderately	2.49	N/A	N/A	2.80	3.22
Slightly	2.76	2.52	3.00	3.00	3.24
Fresh	2.83	2.70	2.96	3.05	3.66

Densities are impacted by the degree of weathering and carbonate veining. Snowden have identified a strong correlation between Chromium assays and density in the “A” and “B” reefs.

8.2 GEOLOGICAL MODELLING & DOMAINING

The Panton reef zones are laterally and vertically extensive undulating narrow (1-2m thick) deposits defined by relatively wide spaced drilling often greater than 100m x 100m. The drilling grid is very wide relative to reef thickness and often clustered.

The orebodies are interpreted to be a series of separate sheets that make up a plunging synclinal feature that is in parts faulted.

Confidence in the geological interpretation is high because of:

- Outcropping of the main “A” and “B” Reefs at surface.
- Predominance of core logging and underground mapping information from surface sampling, drilling and exploration mining activity.
- Underground exploration development and wall and face mapping of the mineralisation confirm earlier drill hole logging and surface mapping.
- Confirmation of geological logging and interpretation with assayed chromite content within the host dunite sequence.
- Significant sulphide percentage was also used in the criteria to identify reef mineralisation defined by a 2PGE + Au cut-off of 2ppm.

For resource calculation purposes the orebody was divided into discrete domains against which the MRE is reported. The domains separately represent the mineralised reefs and the materials in the hanging wall, between the reefs and the footwall. A table of the domains and their relationship to the reefs is shown below. The domain models are also shown in Figure 8-1 below.

Table 8-2 Mineral Resource Domains

Domain coding	
Domain	Description
100	A reef high grade chromatite
200	B reef high grade chromatite
300	AB Dunite disseminated zone
400	B Footwall disseminated zone and C reef
500	A Hanging wall disseminated zone

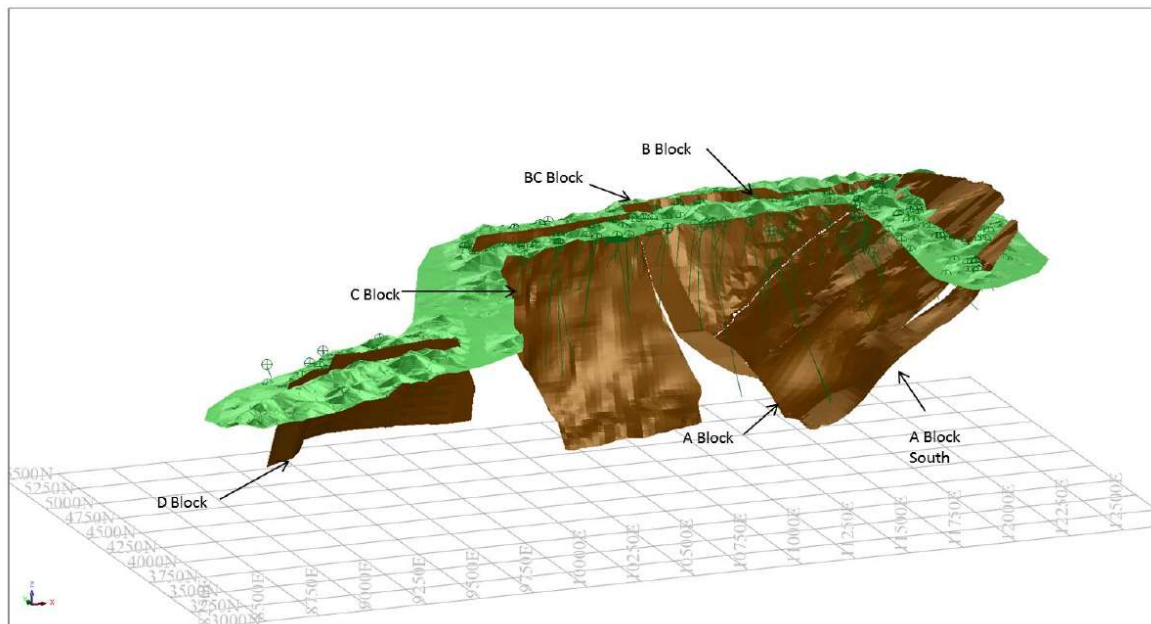


Figure 8-1 Isometric View of Domain Models -- Panton Deposit

8.3 BLOCK MODELLING

Due to the narrow width of the mineralisation, interval composites were generated for the two mineralised lodes, using an intercept table in the database to control compositing.

The interval composites were then weighted by their respective horizontal width lengths and density to result in an 'accumulation variable'. The accumulation variable for all attributes estimated was then used for variogram analysis and 2D interpolation of grades.

Each of six estimation domains (for each of two lodes upper - 101 and middle - 201) has been analysed and interpolated separately.

Block modelling was completed in Surpac Version 4.1. The block model parameters for each block model are shown in Table 8-3 and Table 8-4.

Table 8-3 Block Model Definition A South and A Block

	Minimum	Maximum	Model Extent
Easting	0	0	1
Northing	3737.5	5437.5.5	1700
RL	0	2000	2000
Parent Cell X	1 m	Number Blocks X	1
Parent Cell Y	50m	Number Blocks Y	34
Parent Cell Z	50m	Number Blocks Z	40

Table 8-4 Block Model Definition B, BC, C and D Block

	Minimum	Maximum	Model Extent
Easting	8017	12667	4650
Northing	0	0	1
RL	0	2000	2000
Parent Cell X	50 m	Number Blocks X	93
Parent Cell Y	1m	Number Blocks Y	1
Parent Cell Z	50m	Number Blocks Z	40

8.4 COMPOSITING

Composites were created on the grade accumulation method rather than assigning a standard downhole length for composites. The method used was based on the following:

Three main criteria have been considered when determining the most appropriate compositing and modelling technique to be applied to each zone, including:

1. Additivity of variables
2. Homogeneity of zones
3. Suitability of technique to Resource and Reserve requirements

Cube Consulting explained the calculation of the accumulation variable as follows:

“Each composite intercept was assigned the horizontal thickness of the reef at the mid-point elevation of the intercept orthogonal to the relevant plane of projection. Horizontal width was assigned to each intercept mid-point as the orthogonal horizontal distance between the hangingwall and footwall ore zone DTM surfaces irrespective of whether the intercept is located precisely between the DTM surfaces. An advantage of this approach is that it ensures that horizontal widths are based on the geological interpretation which may in some cases depart from the precise location of drilling intercepts introduced due to survey inaccuracies. The assignment of horizontal width was accomplished using a Surpac process (Strings Over DTMs) that allows values from the DTM triangles to be read into the composite string file description fields.

Cube considers that the reef horizontal width relative to the plane of projection at the mid-point of the intercept is an appropriate thickness to be applied in calculating the accumulation variable rather than true width because the reef dip and azimuth is not constant. The horizontal width will increase with increasing deviation of the reef dip and azimuth relative to the projection plane for any given true width. This increase in horizontal width accounts for volume variations introduced by variations in dip and/or azimuth.”

8.5 STATISTICAL ANALYSIS

The Panton deposit is separated into multiple statistical sample populations, namely the 101, 102 A, B, C and D domains. A summary of the statistical distribution of the composite data within each domain is shown in Table 8-5, Table 8-6, Table 8-7, Table 8-8.

Table 8-5 Zones Zone A, B and C 101 Element Statistical Summary

	Pt_ppb	Pd_ppb	Au_ppb	Ni_ppm	Cu_ppm	Co_ppm	Cr_ppm	Density	HW
Number	201	201	201	201	201	173	201	201	201
Minimum	7	8	26.041	963	40	82	229	2.667	0.185
Maximum	4900.306	5799.668	23043	5929.355	3087.58	344	201000	3.922	13.404
Mean	2596.91	2967.342	549.872	2749.098	736.839	208.686	96263.43	3.179	1.903
Median	2657.843	3023.745	391.054	2769.279	590.275	207.972	96661.07	3.159	1.364
Std Dev	1003.194	1206.743	1623.26	660.25	560.467	41.608	39733.08	0.205	1.498
Variance	1006399	1456228	2634972	435930.2	314123.3	1731.23	1.58E+09	0.042	2.244
Std Error	4.991	6.004	8.076	3.285	2.788	0.241	197.677	0.001	0.007
Coeff Var	0.386	0.407	2.952	0.24	0.761	0.199	0.413	0.064	0.787
Log Num	201	201	201	201	201	173	201	201	201
Geom Mean	2279.694	2588.898	336.972	2669.436	549.416	204.466	83124.61	3.173	1.521
Log Min	1.946	2.079	3.26	6.87	3.689	4.407	5.434	0.981	-1.687
Log Max	8.497	8.666	10.045	8.688	8.035	5.841	12.211	1.367	2.596
Log Mean	7.732	7.859	5.82	7.89	6.309	5.32	11.328	1.155	0.419
Log S Dev	0.673	0.684	0.875	0.249	0.82	0.206	0.725	0.064	0.668
Log Var	0.453	0.469	0.766	0.062	0.672	0.042	0.526	0.004	0.446
Percentile									
10	1245.7	1398.792	101.251	2028.045	175.27	156.098	42490.13	2.921	0.702
20	1718.537	1875.095	162.362	2262.924	280.2	172.348	64290.68	3.009	0.988
30	1991.793	2259.959	230.491	2468.672	369.751	186.577	74596.59	3.067	1.128
40	2408.091	2641.884	288.43	2596.53	474.541	198.966	86622.05	3.117	1.181
50	2657.843	3023.745	391.054	2769.279	590.275	207.972	96661.07	3.159	1.364
60	2978.074	3404.992	483.983	2880.368	758.209	216.756	106254.8	3.208	1.747
70	3218.556	3676.898	549.491	2995.521	927.886	226.754	116976	3.265	2.044
80	3414.029	4019.924	656.739	3173.535	1106.939	240	126479.8	3.338	2.689
90	3786.317	4479.928	819.045	3396.2	1418.27	257.973	151026.4	3.428	3.361
95	4084.669	4772.121	1049.746	3573.683	1822.717	287.382	165225.8	3.559	4.773
97.5	4277.061	5212.842	1111.306	4330.875	2415.348	297.14	170066.5	3.617	5.788
99	4682.639	5432.809	1602.865	4993.69	2652.118	312.271	178106.2	3.663	6.41

Table 8-6 Zones Zone A, B and C 201 Element Statistical Summary

	Pt_ppb	Pd_ppb	Au_ppb	Ni_ppm	Cu_ppm	Co_ppm	Cr_ppm	Density	HW
Number	161	161	161	161	161	139	161	161	161
Minimum	27	26	12.504	790	5	101	4739	2.596	0.102
Maximum	5235.716	4357.985	2964.471	3812.534	4647	438	204945	4.294	5.579
Mean	1697.808	1298.743	134.636	1798.19	353.391	197.621	67810.42	3.169	0.915
Median	1576.5	1241.8	90	1719.61	175	183	61969.5	3.112	0.64
Std Dev	1045.939	637.344	249.011	442.766	590.129	58.745	46583.66	0.288	0.817
Variance	1093988	406207	62006.66	196041.6	348252.4	3450.925	2.17E+09	0.083	0.668
Std Error	6.497	3.959	1.547	2.75	3.665	0.423	289.339	0.002	0.005
Coeff Var	0.616	0.491	1.85	0.246	1.67	0.297	0.667	0.091	0.893
Log Num	161	161	161	161	161	139	161	161	161
Geom Mean	1314.207	1123.088	89.47	1750.854	178.701	189.689	47312.7	3.157	0.683
Log Min	3.296	3.258	2.526	6.672	1.609	4.615	8.464	0.954	-2.283
Log Max	8.563	8.38	7.994	8.246	8.444	6.082	12.23	1.457	1.719
Log Mean	7.181	7.024	4.494	7.468	5.186	5.245	10.765	1.15	-0.381
Log S Dev	0.817	0.612	0.807	0.228	1.155	0.285	0.981	0.089	0.75
Log Var	0.667	0.375	0.651	0.052	1.334	0.081	0.962	0.008	0.562
Percentile									
10	425.7	524.538	32.2	1404.8	35.2	139.783	9691.28	2.86	0.28
20	545.384	686.864	51.793	1483.774	63	148.916	14437.14	2.885	0.361
30	973.3	903.8	64.35	1580.241	107.3	157.902	35893.1	2.956	0.43
40	1361.2	1065.753	74.436	1680.56	134.299	170.865	49325.42	3.029	0.508
50	1576.5	1241.8	90	1719.61	175	183	61969.5	3.112	0.64
60	1887.377	1435.4	101.597	1793.8	234.6	198.317	78605.6	3.185	0.827
70	2183.358	1634	121.653	1918	287.7	217.736	94230.6	3.325	1.029
80	2659.2	1793	158.653	2044	436.071	242.116	111947	3.419	1.316
90	3076.8	2055.413	233.761	2230.6	823.745	285.218	128206.7	3.557	1.758
95	3545.671	2321.059	305.616	2574.8	1282.3	311.3	144158.6	3.684	2.366
97.5	3655.925	2570.237	421.853	2909.173	1385.552	320	158760.2	3.783	3.215
99	4148.72	2786.846	686.442	3568.691	3057.005	332.88	173751.2	3.849	3.936

Table 8-7 Zone 101 D Element Statistical Summary

	Pt_ppb	Pd_ppb	Au_ppb	Ni_ppm	Cu_ppm	Co_ppm	Cr_ppm	Density	HW
Number	22	22	22	22	22	22	22	22	22
Minimum	536.602	667.988	14.516	1774	46.313	151.505	12465.21	2.865	0.347
Maximum	3626	3306.176	954.258	4107.629	1952.759	270	172855	3.604	3.463
Mean	1848.333	1972.412	203.1	2702.242	833.521	205.342	74295.65	3.109	1.571
Median	1802.75	2061.592	100.13	2668.748	709.273	206.635	63977.45	3.118	1.102
Std Dev	778.37	733.945	255.147	582.306	582.618	33.233	37961.01	0.174	0.996
Variance	605859.6	538675	65100.12	339080.2	339444.1	1104.414	1.44E+09	0.03	0.991
Std Error	35.38	33.361	11.598	26.468	26.483	1.511	1725.501	0.008	0.045
Coeff Var	0.421	0.372	1.256	0.215	0.699	0.162	0.511	0.056	0.634
Log Num	22	22	22	22	22	22	22	22	22
Geom Mean	1687.699	1828.245	98.066	2642.921	566.849	202.754	64509.44	3.105	1.278
Log Min	6.285	6.504	2.675	7.481	3.835	5.021	9.431	1.053	-1.058
Log Max	8.196	8.104	6.861	8.321	7.577	5.598	12.06	1.282	1.242
Log Mean	7.431	7.511	4.586	7.88	6.34	5.312	11.075	1.133	0.245
Log S Dev	0.417	1.287	0.216	1.065	0.164	0.584	0.055	0.677	0.687
Log Var	0.174	1.657	0.047	1.134	0.027	0.341	0.003	0.458	0.472
Percentile									
10	962.602	1105.407	15.204	1929.513	75.969	162.151	32543.77	2.891	0.503
20	1075.816	1191.829	24.445	2075.867	232.859	169.129	38488.7	2.964	0.618
30	1327.444	1285.226	43.433	2270.495	359.32	177.228	47291.81	2.982	0.891
40	1623.811	1669.633	45.823	2485.313	436.13	186.905	62831.01	3.063	0.991
50	1802.75	2061.592	100.13	2668.748	709.273	206.635	63977.45	3.118	1.102
60	1854.73	2184.832	137.42	2860.467	1034.188	216.49	78942.72	3.127	1.272
70	2008.855	2373.941	192.366	2942.867	1170.54	221.211	86962.93	3.153	2.259
80	2396.386	2567.86	311.739	3184.386	1441.511	237.083	97702.52	3.176	2.62
90	2915.129	2728.434	471.763	3338.31	1517.316	243.334	119368.3	3.221	2.751
95	3168.337	3182.349	757.459	3383.095	1586.566	246.642	130355.3	3.437	3.363
97.5	3385.1	3264.398	862.32	3711.018	1754.639	257.35	150125.7	3.525	3.445
99	3529.64	3289.465	917.483	3948.985	1873.511	264.94	163763.3	3.572	3.456

Table 8-8 Zone 201 D Element Statistical Summary

	Pt_ppb	Pd_ppb	Au_ppb	Ni_ppm	Cu_ppm	Co_ppm	Cr_ppm	Density	HW
Number	19	19	19	19	19	19	19	19	19
Minimum	405	568.638	14.487	1399	10	140	10498.26	2.863	0.247
Maximum	2549	1591	211	4543	1913	294	141828	3.708	2.768
Mean	1127.402	1064.75	50.737	1923.149	427.472	187.527	50838.87	3.079	0.739
Median	1068.5	1002	34	1714.5	178.731	174.802	49137.05	3.008	0.451
Std Dev	591.293	345.306	46.948	682.178	568.34	40.451	33285.76	0.208	0.713
Variance	349627.7	119236.3	2204.112	465367.2	323010.9	1636.27	1.11E+09	0.043	0.509
Std Error	31.121	18.174	2.471	35.904	29.913	2.129	1751.882	0.011	0.038
Coeff Var	0.524	0.324	0.925	0.355	1.33	0.216	0.655	0.067	0.965
Log Num	19	19	19	19	19	19	19	19	19
Geom Mean	986.976	1011.543	37.665	1850.759	187.095	183.729	40793.17	3.072	0.549
Log Min	6.004	6.343	2.673	7.244	2.303	4.942	9.259	1.052	-1.398
Log Max	7.843	7.372	5.352	8.421	7.556	5.684	11.862	1.31	1.018
Log Mean	6.895	6.919	3.629	7.523	5.232	5.213	10.616	1.122	-0.6
Log S Dev	0.332	0.761	0.257	1.426	0.205	0.728	0.064	0.727	0.687
Log Var	0.11	0.58	0.066	2.033	0.042	0.529	0.004	0.528	0.472
Percentile									
10	448.2	626.564	14.557	1446.7	23.5	140	12001.03	2.873	0.248
20	572.561	717.407	17.6	1565.736	43.701	148.716	16816.85	2.897	0.283
30	610.639	806.475	20.923	1648.4	93.7	159.1	34874	2.942	0.324
40	742.4	904	22	1683.235	116.8	168.084	41490.71	2.989	0.368
50	1068.5	1002	34	1714.5	178.731	174.802	49137.05	3.008	0.451
60	1281	1057.2	44.4	1755.4	283.2	187.574	54483.2	3.043	0.531
70	1327.8	1179.6	56.8	1861.5	335.565	200.6	57034.6	3.132	0.657
80	1438.651	1448.2	69.2	2065.06	462	223.8	59715.8	3.184	0.904
90	1837.2	1544.605	94.22	2177.949	1295.6	228	72361	3.266	1.37
95	2105.35	1586.293	101.939	2466.763	1707.8	239.85	117036.8	3.395	2.451
97.5	2327.175	1588.647	156.469	3504.882	1810.4	266.925	129432.4	3.551	2.609
99	2460.27	1590.059	189.188	4127.753	1871.96	283.17	136869.8	3.645	2.705

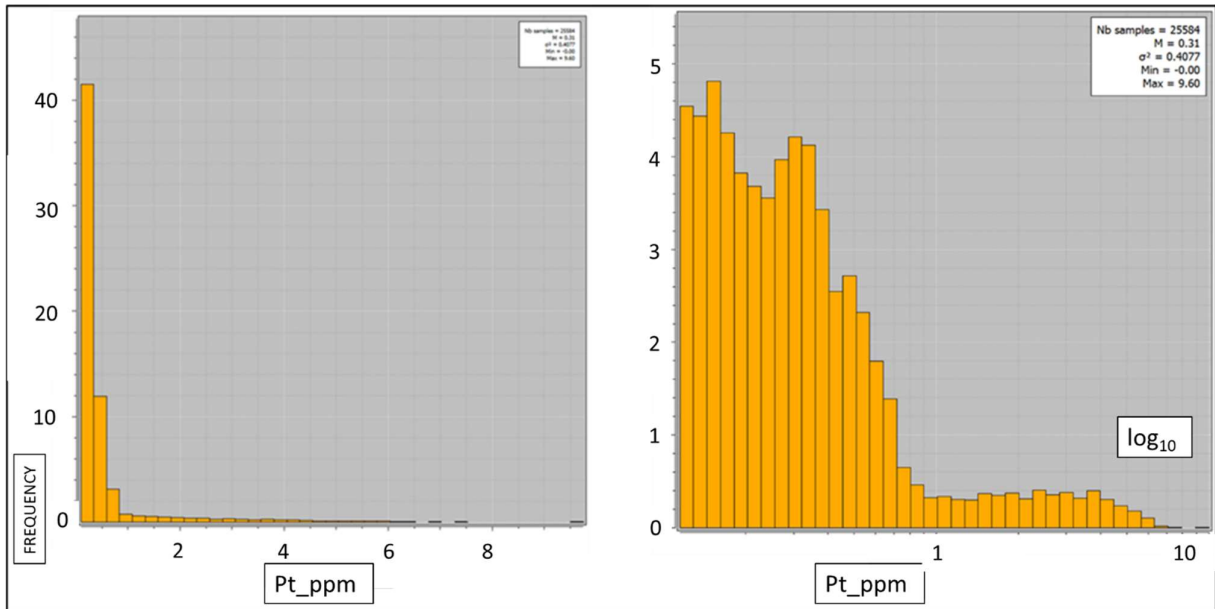


Figure 8-2 Pantan Deposit All Samples Histogram (Pt_ppm) - Normal (left) and Log 10 (right)

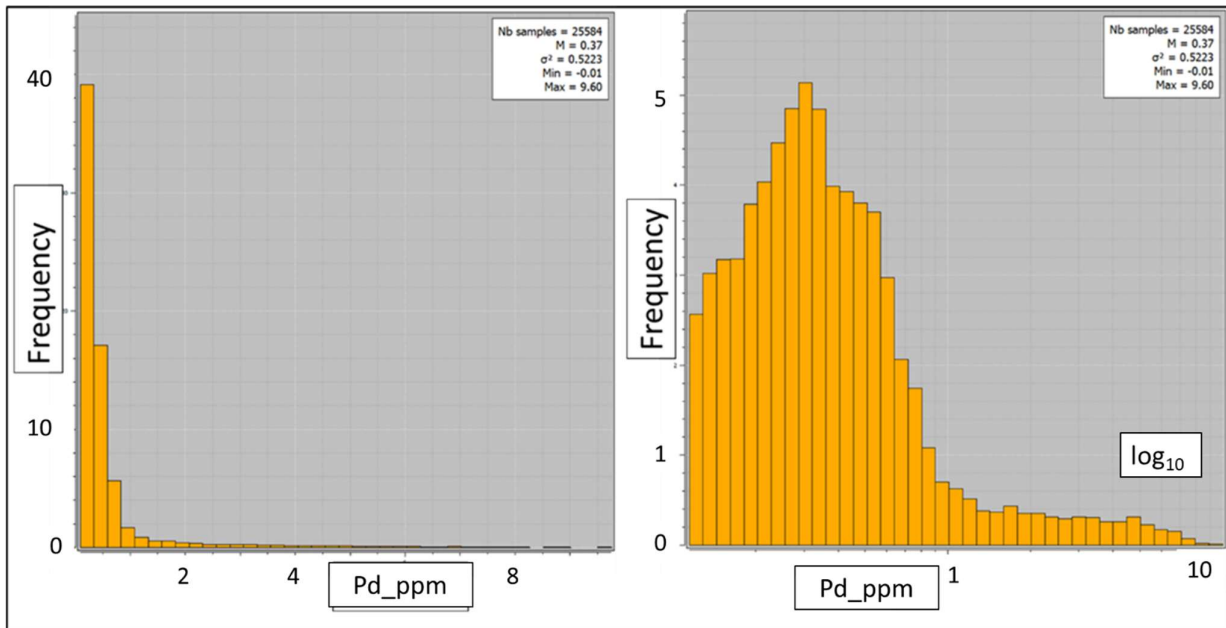


Figure 8-3 Pantan Deposit All Samples Histogram (Pd_ppm) - Normal (left) and Log 10 (right)

8.6 VARIOGRAPHY

Variography is used to describe the spatial variability or correlation of an attribute recognised as a regionalised variable. The spatial variability is traditionally measured by means of a variogram, which is generated by determining the averaged squared difference of data points at a nominated distance or lag (h). The averaged squared difference (Variogram or $\gamma(h)$) for each lag distance is plotted on a bivariate plot where the X-axis is the lag distance and Y-axis represent the average squared differences $\gamma(h)$ for the nominated lag distance. In this report, the term “variogram” is used as a generic word to designate the function characterising the variability of variables versus the distance between two samples. The traditional measures have been applied for the estimation studies completed for mineralised intervals of the Panton Project.

Variography for the 101 A domain produced resolved variograms showing best directional continuity at 150° in the longitudinal plane and 101 B, BC and C produced valid variograms with the major direction of continuity being 075° in the longitudinal plane. No strong trends were defined within the 201 domain datasets. The images showing the continuity seen in the 101 domains are shown in Figure 8-4 and Figure 8-5.

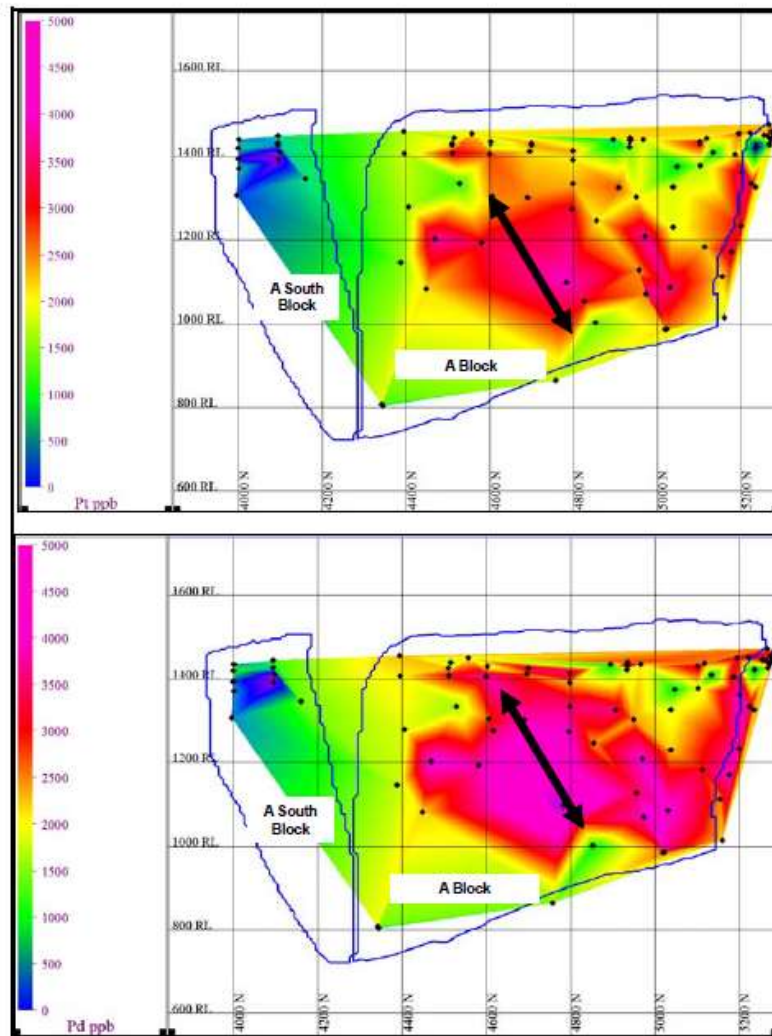


Figure 8-4 101 A and A South Direction of Major Continuity

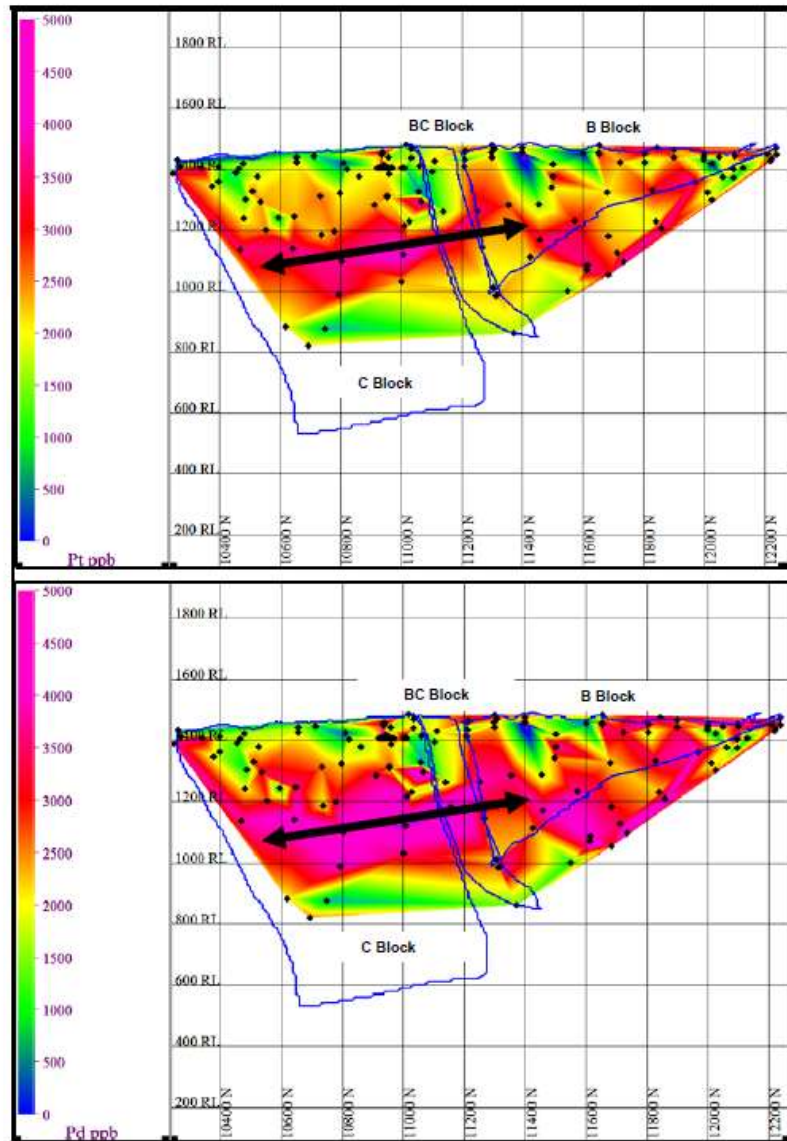


Figure 8-5 101 B, BC and C Direction of Major Continuity

Examples of the variograms produced for these domains are shown in Figure 8-6 and Figure 8-7 below.

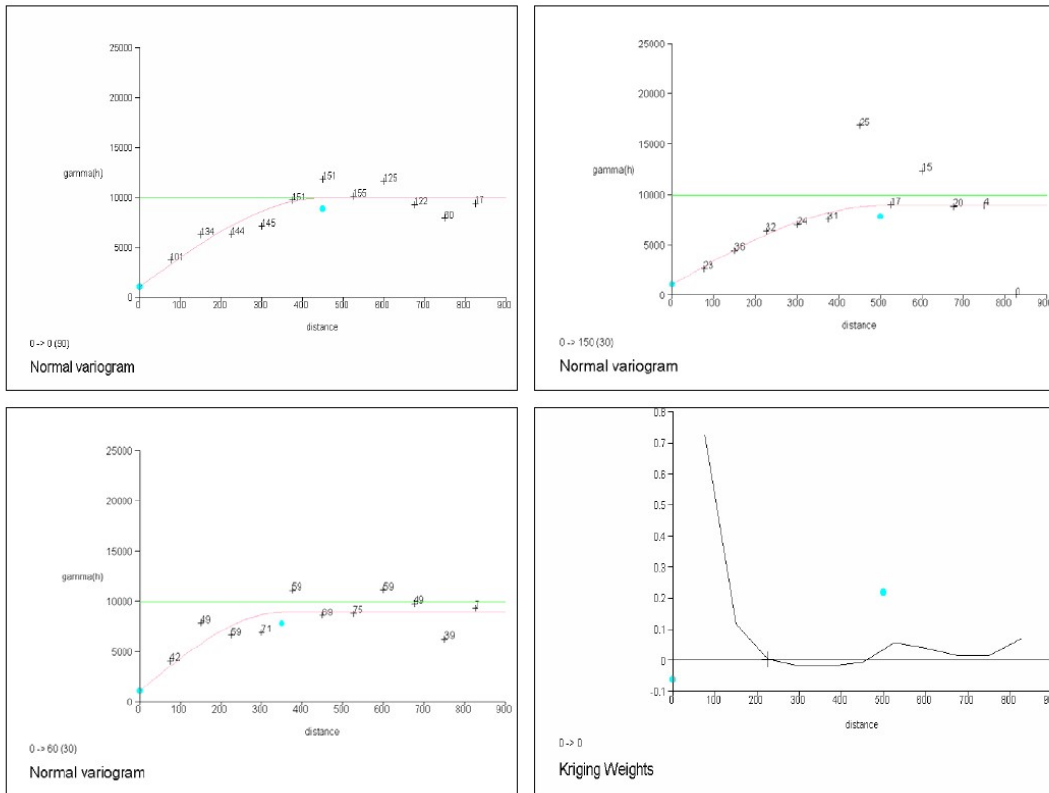


Figure 8-6 101 A Domain Pt Variogram Analysis

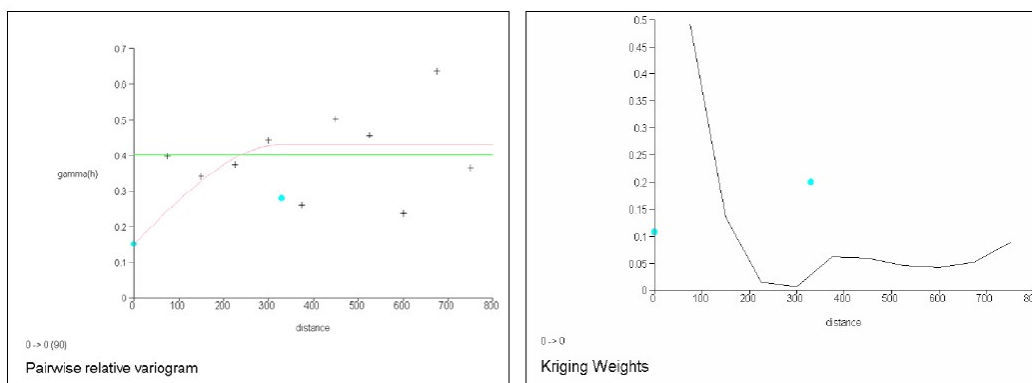


Figure 8-7 101 Domain Pt Variogram Analysis

8.6.1 High Grade Outliers

High grade cuts were applied to the raw grade composites prior to calculation of the accumulation variable. Composites that were identified on histograms as possible outliers were inspected spatially to confirm the need to limit their influence. No data points were excluded from the estimate for Pt and Pd. High grade cuts were only applied if the surrounding composites confirmed that they were outliers at risk of generating overestimated block grades. All cuts that were applied were above the 98th percentile of the distribution. High grade cuts were only applied to Au values

in the 101 ABC and 201 ABC domains and for Cu in the 201 ABC domain. These are summarised in Table 8-9 below.

Table 8-9 Panton Deposit Top Cut Summary

Block	Pt ppb	Pd ppb	Au ppb	Ni ppm	Cu ppm	Co ppm	Cr ppm
101 ABC	-	-	1,200	-	-	-	-
101D	-	-	-	-	-	-	-
201 ABC	-	-	600	-	1750	-	-
201 D	-	-	-	-	-	-	-

8.6.2 Density Measurement Assignment to Block Model

Cube described the density measurements and treatment in the model as follows:

“A total of 117 density determinations were undertaken in the top reef (101) across all chromite domains, within the middle (201) and lower reef (301) a lesser number (56) of determinations were undertaken and within non-chromite material 516 determinations were made.

A database of bulk density data for every assayed chromite reef interval was calculated based on a regression formula (derived from measurements by PLA’s consultants Geostokos Ltd, Budge, 2002) and using actual bulk density measurements where they were undertaken by PLA on HQ and NQ core.

Density measurements were undertaken using a core cylinder measurement technique, with 10% being determined by water emersion methods. Given the shallow weathering profile of the Project area these density measurements on competent core are considered representative of the mineralised material.

The dry bulk density has been estimated into blocks by back calculation of ordinary kriged horizontal width x density accumulation composite data.”

The spatial distribution and quantity of density measurements is adequate in relation to estimation of the tonnages within the Mineral Resource estimate. The method of estimating density values into the block model is assessed as being suitable.

8.7 GRADE ESTIMATION

8.7.1 Methodology

A 2D accumulation method was used to estimate grades into the model with these results then imported in a 3D block model.

Grade attributes, Pt, Pd, Au, Ni, Cr, Cu and Co were estimated for each domain in both lodes. At the completion of the estimate a regression formula was used to assign grades for the rare PGE’s Os, Ir, Rh and Ru. These assigned values are an indication of the expected grades and should not be used in any economic evaluation.

The estimation methodology used was Ordinary Kriging as implemented in Surpac Mining Software (Ver 4.1H).

Variogram ranges and search distances were defined in the vertical plane, ranges for all attributes estimated significantly exceeded the data spacing in all domains.

A search radius was optimised for each domain based on the special statistics of the variogram model. The initial search radius was 300m for all domains with a second pass search of either 750m or 900m applied if required to fill un-estimated volumes. The estimations generally used a minimum of 4 and maximum of 16 samples; in domain 101A and 201A the maximum was set to 6; and to 8 in domains 101D and 201D.

8.8 MINERAL RESOURCE REPORTING

8.8.1 Mineral Resource Classification

Resource blocks have been classified as Measured, Indicated or Inferred on the basis of a range of criteria.

The key criteria considered were geological continuity and confidence in reef volume; data spacing and distribution; appropriateness of the modelling technique; and estimation quality parameters such as search strategy, number of informing composite data, average distance from informing composites and kriging variance.

Within the reef domains the key estimated items Pt, Pd and Au exhibit relatively low nugget (10 to 30%) variogram models with ranges of 100 to 500m. Except for Au, the estimated items are shown to be statistically of low variability with coefficient of variance of less than 1. These factors combined with the geological nature of the reef estimation domains establish a moderate to high confidence in the metal continuity within the reefs.

Data spacing within the most densely drilled area of the project range from 25x25 to 50x100 metres; this area extends from surface at approximately 1,450m RL to approximately 1,200m RL. Below this zone drilling density widens to between 50x100m and 100x200m spaced intersections to a depth of 1,000m RL, while from 1,000m to 800mRL data spacing is in excess of 200m and clustered.

- Measured Resources are defined where blocks are informed using 10 or more composites at an average distance of less than 200 metres (within the modelled range of most variograms).
- Indicated Resources are defined where blocks are informed using 6 or more composite data at an average distance of less than 300 metres (within the modelled range of some of the variograms).
- Inferred Resources are defined where drill spacing is wider than 200m by 200m.
- The Mineral Resource classification has been completed based on the drilling data spacing and the results of the variogram analysis. The classification has therefore been assigned in line with accepted industry standards and is assessed as being reasonable.

8.8.2 Cut-off Grade Analysis

Cube states that no low-grade cut-off has been used for reporting. The mineralisation has been defined using a combination of geological information and grade criteria and the reported estimated grades represent a total metal content of mineralised material - all of which is expected to be mined, without selectivity due to the thin vein nature and high value of the mineralisation.

Mining One concludes that due to the strong visual nature of the mineralisation that this approach is reasonable however, if future infill drilling defines discrete areas of lower grade mineralisation then the use of a lower cut-off for reporting resources may need to be re-considered.



8.8.3 Mineral Resource Totals

The most current JORC (2012) Mineral Resource Estimate at Panton, prepared by Cube Consulting for Panoramic Resources and dated 10 August 2015 is summarised in Table 8-10 below. The resources are reported inclusive of all mineralised material with the current strategy being to mine the mineralised zones without selectivity.

Table 8-10 Panton Deposit - JORC Resources at 10 August 2015

Panton Resource	Tonnage	Grade												
		Pt (g/t)	Pd (g/t)	Au (g/t)	Ni ppm	Cu ppm	Co ppm	Cr ppm	Os (g/t)	Ir (g/t)	Rh (g/t)	Ru (g/t)	2PGE +Au (g/t)	7E (g/t)
Top Reef (101)														
Measured	4,400,000	2.46	2.83	0.42	2,776	761	209	86,674	0.07	0.05	0.06	0.12	5.71	6.01
Indicated	4,130,000	2.73	3.21	0.38	3,086	934	232	96,462	0.08	0.06	0.06	0.13	6.32	6.65
Inferred	1,560,000	2.10	2.35	0.38	3,602	1,262	233	71,673	0.07	0.05	0.05	0.11	4.83	5.11
Middle Reef (201)														
Measured	2,130,000	1.36	1.09	0.10	1,776	264	186	51,717	0.05	0.06	0.08	0.12	2.55	2.86
Indicated	1,500,000	1.56	1.28	0.10	1,905	423	199	59,650	0.06	0.07	0.08	0.13	2.94	3.28
Inferred	600,000	1.22	1.07	0.10	1,935	532	195	59,572	0.05	0.06	0.07	0.11	2.39	2.68
Total	14,320,000	2.19	2.39	0.31	2,680	747	213	78,697	0.07	0.06	0.06	0.12	4.89	5.20

9 MINERAL PROCESSING

The mineral assemblage at Panton is complex and the PGM minerals are fine grained, in the 1 to 20µm range. Target minerals are found at crystal boundaries or as inclusions within silicates, carbonates and chromite. Consequently, ore processing is the most challenging component of project development, particularly in the crushing, grinding and concentrate production stages.

The PGMs are present as both discrete but very fine particles and as extra fine particles locked within gangue minerals, particularly the chromite, silicates, carbonates and Ni-As particles. The particles locked in gangue minerals are the main source of PGM losses.

Test	Mass Pull	PGM Grade	Recovery
Secondary 53µm, Tertiary 38µm, 85 minutes, deslimed, reagent optimised, sulphidised -175mV NaSH, 50 g/t CuSO4, Anionic Flocc	+20%	22.3ppm	87%
Primary Grind 80µm, polish to 30µm, dithionite reduction, with a nitrogen sparge to prevent oxidation	2.5%	212ppm	81%

9.1 TEST WORK RESULTS

9.1.1 Mineralogical Analysis

Several mineralogical studies have been undertaken by CSIRO (2001) and ALS Metallurgy (2015) on ore, flotation concentrates and flotation tails which consistently show that the PGMs are present as both discrete but very fine particles (between 1µm and 20µm) and as extra fine particles locked within gangue minerals. It is the fine PGMs locked within the chromite, silicates, carbonates and Ni-As particles that are the main contributors to PGM losses to tailings and the limiting factor to PGM recoveries. The liberation size of the PGMs is a controlling factor in determining the maximum PGM recoveries from flotation.

Finer grinding should improve recoveries, but there will be an upper limit to recoveries.

9.1.2 Comminution Testing

The hardness and abrasiveness of the Panton dunite and chromite ore types have been tested in a series of comminution tests to provide the following summarised results:

Sample	Dunite	Chromite Ore	Classification
Bond Work Index	18.2	16.8	Hard
Abrasion Index	0.04	0.06	

9.1.3 Pre-Concentration

Ore Sorting

Preliminary ore sorting trials appeared successful in separating the chromite from the bulk of the ore. The chromite was present in two forms, massive chromite barren of PGMs and as other chromite with fine PGMs locked within. The loss of these locked PGMs made ore sorting unacceptable.

Heavy Liquid Separation

Heavy liquid separation was trialled on various size fractions down to P₈₀ -38microns. Results showed some enrichment of both PGMs and chromite into the denser fractions. The extent of PGM concentration was low, indicating that, at the size investigated (<6mm), recovery would be low.

Gravity Concentration

The recovery of PGMs by the gravity separators evaluated was in all cases very low. Even multiple passes through the Knelson concentrator proved incapable of providing adequate concentration.

9.1.4 Flotation Tests

A significant amount of flotation test work was performed by AMMTEC in 2001 and 2002 and Mintek on a variety of ore types and presentations including: surface and underground ores, range of grind sizes after primary, secondary and tertiary grinding, “reagent optimised” tests and reagent additives such as sulphate.

Results

A representative selection of results for the rougher floats under different scenarios for open cut ore are presented in the table below. Flotation occurs after each round of comminution.

Open-Cut Ore Tests	Conc. Grade g/t	PGM Recovery
Preliminary Tests 53µm, 50 minutes	21.0	49%
Preliminary Tests 53µm, 75 minutes	20.5	51%
Primary Grind 150µm, 50 minutes	18.2	51%
Primary Grind 53µm, 50 minutes	17.5	57%
Primary Grind 25µm, 50 minutes	11.7	69%
Primary 212µm, Secondary 75µm, 50 minutes, deslimed	23.6	57%
Primary 212µm, Secondary 38µm, 50 minutes, deslimed	21.8	66%
Primary 212µm, Secondary 38µm, 50 minutes, no deslime	15.5	68%
Secondary 75µm, Tertiary 38µm, 95 minutes, deslimed	15.1	74%
Secondary 53µm, Tertiary 38µm, 85 minutes, deslimed, reagent optimised with nitrogen purge	13.8	76%

Open-Cut Ore Tests	Conc Grade g/t	PGM Recovery
Secondary 53µm, Tertiary 38µm, 85 minutes, deslimed, reagent optimised, sulphidised -50mV NaSH, 150 g/t CuSO4	15.2	71%
Secondary 53µm, Tertiary 38µm, 85 minutes, deslimed, reagent optimised, sulphidised -200mV NaSH, 150 g/t CuSO4	11.7	79%
Secondary 53µm, Tertiary 38µm, 85 minutes, deslimed, reagent optimised, sulphidised -175mV NaSH, 50 g/t CuSO4, 250g/t KU9	12.8	83%
Secondary 53µm, Tertiary 38µm, 85 minutes, deslimed, reagent optimised, sulphidised -175mV NaSH, 50 g/t CuSO4, Anionic Flocc	22.3	87%

Recoveries on underground ore are higher.

Underground Ore Tests	Conc. Grade g/t	PGM Recovery
Primary 212µm, Secondary 38 µm, deslimed	17.6	87%
Primary 212µm, Secondary 53µm, Tertiary 38 µm, 55 minutes, no-deslime	14.6	91%
Primary 212µm, Secondary 53µm, Tertiary 25µm, 55 minutes, no-deslime	13.8	94%
Primary 212µm, Secondary 53µm, Tertiary 38 µm, sulphidised 300eV	23.2	87.9%

9.1.5 PGM Concentrate Production

The flotation tests documented above yielded good recoveries but with very high mass pull (low concentration factor) of 20% to 30% and, consequently, a low-grade concentrate of 15 to 25ppm PGM.

A commercial PGM concentrate requires >100ppm PGM concentration.

The best result was obtained utilising a finer primary grind P80 of 38µm plus two polishing grinds of 2 minutes duration in a nitrogen atmosphere to prevent oxidation, reducing agent dithionite.

Test	Mass Pull	PGM Grade	Recovery
Primary Grind 80µm, polish to 30µm, dithionite, nitrogen	2.5%	212ppm	81%

9.1.6 Chromite Concentration

In 2018, consideration was given to making a chromite concentrate from the flotation scavenger tails.

The following four methods were investigated:

- Up-Current classification.
- Gravity Separation via Wilfley tabling.
- Removal of acid digestible gangue by dissolution in sulphuric acid.
- Magnetic separation via WHIMs (Wet High Intensity Magnetic Separation).

Only magnetic separation produced a saleable chromite concentrate.

Product	Mass to Conc.	Grade	Recovery
2 Stage WHIMS @10,000 G with regrind	50.6%	41%Cr ₂ O ₃	74.5%

9.1.7 Flotation Testwork Conclusions

To achieve sufficient liberation a fine grind will be required.

- Single stage grinding achieved a total PGMs recovery of 68.13% with mass pull of 26.77%.
- Two stage grinding achieved a total PGMs recovery of 68.46% with mass pull of 20.00%.
- Three stage grinding achieved a total PGMs recovery of 75.78% with mass pull of 28.16%.

Accordingly, the three-stage grinding reported the highest PGM recoveries, with an extra circa 7% achieved, however the improved results are largely due to the increased mass pull, rather than through higher liberation.

Total PGMs recovery increased with increased mass pull. To achieve total PGM recoveries greater than 70%, a mass pull greater than 20% was required. The adverse impact of this high mass pull reduced the total PGMs grade of the concentrate to less than 20 g/t.

Longer flotation times increased the total PGMs recovery. To achieve total PGMs recovery greater than 70%, flotation times longer than 60 minutes were required.

Based on these results, Lycopodium prepared its 2003 Bankable Feasibility Study (“BFS”).

Chromite recovery is possible from flotation scavenger tails via magnetic separation.

9.1.8 Downstream Processing

Since 2014, studies have been conducted looking to add value to the Panton concentrates. Collaborative studies with Curtin University and the Mineral Research Institute of WA (MRIWA) have looked at the extraction of PGMs from the Panton chromite ore and flotation PGM concentrate. The processes included conventional roasting followed by direct leaching and precipitation of the combined PGMs into a precipitate ready for filtering.

- Initial roasting of Panton ore was undertaken via a mixture of HCl with two salts, namely CaCl₂ and MgCl₂ blended with the ore followed by roasting at 650°C in a muffle furnace.
- The roasted product was leached via 6M HCl/NaCl and 1M Hydrogen Peroxide. High levels of Pt, Pd and Au (95 to 97%) were recovered into the pregnant liquid.
- Resin ion exchange recovered the PGMs with minimum base metal entrainment.

While the above process was proved to be successful in treating Panton ore, it was not economic due to the large capital requirement.

9.2 FLOWSHEET

The 2003 BFS process flowsheet was based on a conventional mill-float-mill-float (MF2) circuit.

Since the completion of both the ALS Metallurgy and Curtin University test programmes, commenced in 2015, the proposed process flowsheet has been reviewed and revised. It is now based on a conventional two stage milling (MMF) circuit followed by conventional rougher and scavenger flotation on fine grind material. The circuit incorporates magnetic separation of the chromite from the scavenger flotation tails to produce a marketable chromite by-product concentrate.

The flowsheet incorporates the following key stages of operation:

- Primary crushing via jaw crusher. This would be conducted at the Panton site with the remainder of the treatment plant to be located at the nearby Savannah mine site.
- Two stage grinding/classification to produce a flotation feed with P80 grind of 30µm:
 - Primary grind is via SAG mill to produce a P80 of approximately 50 to 170µm and,
 - Secondary grinding to P80 of 30µm is carried out in a tower mill.
- Three stages of flotation, Rougher, Scavenger 1 and Scavenger 2.
- The PGM concentrate requires thickening and filtration prior to shipment off-site.
- The Scavenger 2 tails at their “as received” P80 of approximately 30µm are passed over a primary WHIMs unit operating at 10,000 Gauss.
 - The 1st pass non-magnetic fraction is rejected to final tails.
 - The 1st pass magnetic (containing chromite) fraction reports to a small separate fine grinding tower mill where it is reduced in size to 100% less than 25µm.
- The reground magnetic fraction is passed over a small secondary WHIMs unit also operating at 10,000 Gauss.
 - The 2nd pass non-magnetic fraction is rejected to final tails.
 - The 2nd pass magnetic fraction (final chromite by-product) reports to thickening and filtration prior to shipment off-site.

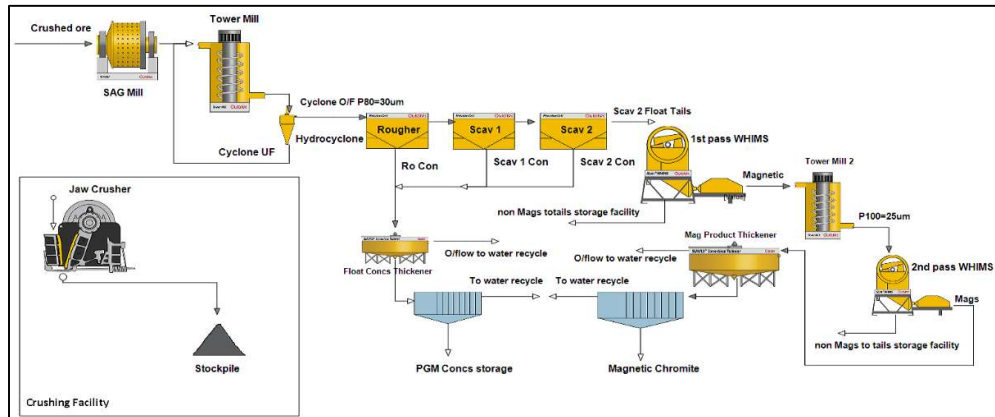


Figure 9-1 Proposed Flow Sheet for PGMs & Chromite By-Product Recovery

10 ENVIRONMENTAL STUDIES

PLA undertook a comprehensive environmental assessment of the Project as part of the 2001 PFS and 2003 BFS. The assessment highlighted a low probability of environmental factors limiting the feasibility of the Project after considering the nature of the Project, surrounding environment, potential environmental impacts, industry standard environmental mitigation measures and the obligation to develop and implement requisite management plans. It has been some time since the relevant studies were undertaken and Mining One recommends that the studies be updated.

The key specific findings of the assessments are summarised below.

10.1 FLORA

The Panton Project is in the Fitzgerald and Hall Botanical Districts of the East Kimberley.

No declared or priority listed flora were recorded from the Project area.

10.2 FAUNA

No listed threatened species observed or based on habitat, likely to occur in the Project area.

10.3 GROUNDWATER

Hydrogeological assessment indicates that the available aquifer is capable of sustaining a stand-alone operation with minimal long-term impact on the water table.

10.4 SURFACE WATER

Drainage from the site is part of the Upper Panton catchment area and ultimately forms part of the Ord River Catchment. Erosion control and capture of contaminated surface water is therefore an issue requiring attention.

10.5 HERITAGE SITES

Although the three granted Mining Leases pre-date the Native Title Act, two native title claims have been lodged which incorporate the licence areas.

An Aboriginal heritage survey was conducted in March 2002 and determined that an operation would not impact on the Aboriginal heritage value of the area.

No Aboriginal sites of significance have been recorded on any of the Mining Leases.

An Aboriginal artefact site is located on the southernmost M80/103 lease but is away from the orebody and anticipated future operations.

10.6 TAILINGS DISPOSAL

Geochemical tests indicate that that tailings material will not result in acid mine drainage.

10.7 SOCIAL FACTORS

The mine and anticipated plant site are in excess of 10 km from the nearest resident and as such the off-site risks posed by the Project are limited.

11 CONCLUSIONS

The findings of this technical review completed by Mining One are summarised as follows:

- The Panton Project shows significant and continuous PGM mineralisation.
- The geological genetic model and mineralisation style is well defined and understood.
- The Panton Project has sufficient quality geological data to model and estimate mineral resources compliant with the JORC Code (2012). This includes data relating to drilling quality, quantity and spacing, data capturing and sampling methods, quality control, and density data. Such data has been reviewed and found to be in good standing.
- The Panton Project contains a JORC (2012) compliant resource estimate of 14.3Mt at 2.19 g/t Pt and 2.39g/t Pd containing 2,253,000oz of platinum + palladium + gold, classified in Measured, Indicated and Inferred Resources.
- There is a reasonable expectation of eventual economic extraction. Mining One has considered current and similar project operating costs in Australia and the expected process metallurgy recoveries from historic test results conducted on the Panton ore.
- In the context of all information reviewed, no environmental issues have been identified at the Panton Project.

We conclude therefore, that there are no material resource issues preventing the Company from advancing the Panton Project towards the intended goal of future economic extraction.

12 RECOMMENDATIONS

Based on the Project's exploration results to date, Mining One recommends:

- Database samples validation, including drill hole locations and assays for Rh, Ru, Os.
- In future drilling and exploration programs Red Emperor maintain the procedures and methodology, including QA/QC definitions, used by Panoramic.
- Carrying out a field campaign to test other geophysical and geochemical anomalies defined by previous exploration programmes, particularly along the strike length of the gabbro-ultramafic contact as defined by aeromagnetic and field mapping surveys.

To progress towards its goal of future production, the following path is recommended in terms of required work:

- Completion of minor additional resource drilling and a bulk metallurgy test study; and
- Completion of process design, mining and development studies to determine operational parameters and likely financial performance. This work stream will be essential in order to secure the required permitting to progress to commercial pilot production.

To complete the above exploration programme, Red Emperor has proposed a budget of A\$4M broken down as follows:

Drilling	A\$ 2.0M	Resource expansion and definition
Metallurgy	A\$ 0.5M	2015 flowsheet optimisation
Technical Studies	A\$ 1.0 M	Mine & process design
Other studies	A\$ 0.5 M	Marketing, Environmental
TOTAL BUDGET	A\$ 4.0 M	

Mining One considers this to be an appropriate allocation of funds to take the Panton Project to its next stage of development.

13 REFERENCES

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14 GLOSSARY

Aeromagnetic Survey	solid airborne survey of the earth's magnetic field
Archaean	earliest geological period in earth history until 2,500 million years before present
Assay	chemical determination of metal content in a sample
AusIMM	The Australasian Institute of Mining and Metallurgy
Block Modelling	the estimation of grade within a volume of rock based on assay results and their statistical characteristics
BFS	Bankable Feasibility Study
Carbonate	a mineral containing carbon
Chromite	an oxide mineral and principal ore of chromium
Compositing	combining of drill hole sample data to form a representative sample of the rock unit being tested
Craton	continental rock sequence
DTM	Digital Terrain Model – the shape of a geological feature in MREs
EM survey	a geophysical survey technique which records the electrical conductivity characteristics of rocks
Exploration Target	a statement or estimate of the exploration potential of a mineral deposit in a defined geological setting where the statement or estimate, quoted as a range of tonnes and a range of grade (or quality), relates to mineralisation for which there has been insufficient exploration to estimate a Mineral Resource
Felsic	rocks that are high in silicon, sodium and potassium but low in iron
Flowsheet	the mineral processing pathway by which the economic minerals are liberated from the ore
Gabbro	a coarse grained mafic intrusive rock

Greenstone Belt	an elongate sequence of metamorphic mafic rocks and sediments that occur within Archaean and Proterozoic cratons between granite and gneiss bodies
Footwall / Hangingwall	the mass of rock below / above above an ore body
IP Survey	Induced Polarisation geophysical survey which records the capacitance and resistivity characteristics of rocks
Ir	Iridium - one of the platinum group elements
Indicated Resource	part of a Mineral Resource for which quantity, grade and physical characteristics are estimated with sufficient confidence to allow the application of modifying factors in sufficient detail to support mine planning and evaluation of the economic viability of the deposit
Inferred Resource	part of a Mineral Resource for which quantity and grade are estimated on the basis of limited geological evidence and sampling
JORC(2012)	Joint Ore Reserves Committee - Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. The 2012 (most current) edition
lode	a volume of rock with elevated concentrations on target commodity
Ma	million years
Mafic	igneous rocks that are low in silicon and high in iron and magnesium
Mass Pull	proportion of ore feed reporting to concentrate
Measured Resource	part of a Mineral Resource for which quantity, grade, densities, shape, and physical characteristics are estimated with confidence sufficient to allow the application of modifying factors to support detailed mine planning and final evaluation of the economic viability of the deposit
Metamorphic Rock	a rock that since original emplacement has undergone change due to heat and pressure
Mineral Resource	is a concentration or occurrence of solid material of economic interest for which there is a reasonable prospect of eventual economic extraction
Mineralogy	pertaining to the mineral composition of a rock or ore
MRE	Mineral Resource Estimate

Os	Osmium - one of the platinum group elements
Ore Reserve	the economically mineable part of a Measured and/or Indicated Mineral Resource. It includes diluting materials and allowances for losses, which may occur when the material is mined or extracted
Orogen	a mountain belt or geological period of time when mountains are formed
Paleo-proterozoic	a geological period of time 1,600 to 2,600 million years before present
Proterozoic	a geological time period from 540 to 1,600 million years before present
Pd	Palladium - one of the platinum group elements
PGE, or PGM	Platinum Group Elements, or Metals. The collective term for Platinum, Palladium, Rhodium, Ruthenium, Osmium, and Iridium
Pt	Platinum - one of the platinum group elements
RC Drilling	an exploration drilling method that uses a dual walled drilling rod and compressed air to obtain samples from the drill face
RL	relative level or depth below a reference point either the surface or sea-level
Rh	Rhodium - one of the platinum group elements
Ru	Ruthenium - one of the platinum group elements
Shear	an elongate geological feature indicating horizontal displacement of rock relative to each other
Silicate	a mineral containing silicon
Syncline	a concave flexure of a geological layer
Ultramafic	relating to igneous rocks composed of mafic minerals rich in magnesium and iron
µm	a micron equivalent to one millionth of a meter



- VALMIN** code and guidelines for Technical Assessment and/or Valuation of Mineral and Petroleum Assets and Mineral and Petroleum Securities for Independent Expert Reports
- Variogram** a statistical analysis of special continuity of data

15 JORC(2012) - TABLE 1

Criteria	JORC Code Explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> • <i>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.</i> • <i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i> • <i>Aspects of the determination of mineralisation that are Material to the Public Report.</i> • <i>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 (eg submarine nodules) may warrant disclosure of detailed information.</i> 	<ul style="list-style-type: none"> • The database of sampling for the project resource definition is comprised of a number of different sampling methods. It contains historic drilling diamond drilling (30 holes= 9,524.4m) diamond drilling (including RC pre-collar holes) undertaken by Platinum Australia (PLA) between 2001 and 2003 (166 holes = 34,410.2m), RC drilling undertaken by Platinum Australia between 2001 and 2003 (29 holes=2,366.3m) and channel sampling of surface and underground trenches and faces (1,391m). • Diamond Drill Core, RC chips and surface trench channel sampling are the three primary sample types. Relatively small numbers of samples are from decline, wall and face sampling undertaken in an exploration decline. • Diamond core is the predominant sample type (HQ, HQ3, NQ and NQ2 sizes) and was orientated, geologically logged and sampled to lithological contacts or changes in the nature of mineralisation. Nominal samples lengths of 1.0m with a minimum sample length of 0.25m. NQ and NQ2 core was half core sampled. For NQ and NQ2 core the left hand (looking down the hole) half of the core is sampled. HQ and HQ3 core was quarter core sampled. For HQ and HQ3 core the right hand (looking down the hole) half of the core is cut again to provide quarter core. The lower quarter was sent for analysis. • RC chips sampled at 1m or 0.5m intervals. The total chipped material for each interval is collected off the drill cyclone; it is riffle split on site to produce a sample of approximately 2-3kg to be sent to the laboratory for analysis. Wet sample was left to dry before splitting. Remaining reject is stored at the site facility. • Trench channel chip sampling was undertaken from the base or as close to the base of the trench as possible. Each trench was sampled continuously over the entire length. Sample lengths varied from 0.15m to 2m. Sample boundaries were based on geological contacts and changes in nature of mineralisation. Where the material was soft a

		<p>channel was cut with a geological pick and in harder material chip sampling using a geological hammer. Samples of 2-3kg were collected for analysis.</p> <ul style="list-style-type: none"> Decline sampling, wall and face sampling was undertaken on geologically marked up channels approximately 1.5m from the floor. Sampled intervals varied from 0.25 to 0.5m across the full width of mineralisation. Sample material was chipped out using a geological hammer in most instances, the resulting sample weights were consistently less than those for drilling.
Drilling techniques	<ul style="list-style-type: none"> 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). 	<ul style="list-style-type: none"> RC drilling has been used predominantly to provide pre-collars for diamond drill holes and to provide testing of areas outside the resource, sterilisation and metallurgical test holes. RC pre-collar depths range from 2 to 200m. Where sampled, the RC drilling used face sampling hammers. Diamond core drilling (NQ, NQ2, HQ and HQ3 diameters with one BQ hole) is the predominant sample source. Standard tube was used. Where possible diamond core has been oriented based on manual orientation spearing methods. A distinction is routinely made between oriented and non-oriented core.
Drill sample recovery	<ul style="list-style-type: none"> Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximise sample recovery and ensure representative nature of the samples. 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. 	<ul style="list-style-type: none"> Diamond drill core loss (in metres) was measured in the core trays and core loss and recovery (%) recorded in geotechnical records. Measures taken to maximize sample recovery and ensure representative nature of the samples are not known. No analysis on relationship between sample core recovery and grade has been undertaken.
Logging	<ul style="list-style-type: none"> 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. Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. 	<ul style="list-style-type: none"> Diamond core and RC chips have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation. Underground face data logging and wall mapping have been used to support mineralisation interpretation and Mineral Resource estimation.

	<ul style="list-style-type: none"> • <i>The total length and percentage of the relevant intersections logged.</i> 	<ul style="list-style-type: none"> • Total length of geologically logged data is 36,622m which represents 74% of the total 44,306.89m drilled or channelled. • Logging has been conducted both qualitatively and quantitatively – full description of lithologies, alteration and comments are noted. • Qualitative structural measurements (9,956 individual measurements) have been undertaken on oriented diamond core holes.
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Criteria	JORC Code Explanation	Commentary
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> • <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i> • <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i> • <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i> • <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i> • <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> • <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i> 	<ul style="list-style-type: none"> • Diamond Core was half core and quarter core sampled depending on the core size. The core was cut so as to divide the mineralisation consistently down the holes. A minimum sample size of 0.25m and a maximum size of 1.0m • RC drillholes are typically sampled on 1.0m intervals. Pre-collar samples were typically sampled at either 2m or 4m intervals. The drill cuttings are riffle or cone split to produce a final sample of approximately 2-3 kg. • Sample size of 2-3 kg is appropriate for grain size of material. • A small number of decline, wall and face samples have been used with sample weights consistently less than the drilling. The impact of these smaller weights has been mitigated by the used of full interval compositing for estimation as described below. • As a result, for all sample types, the nature, quality and appropriateness of the sample preparation technique is industry standard.
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> • <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i> • <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> • <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> 	<ul style="list-style-type: none"> • Genalysis Assay laboratories in Perth were the primary facility used for assaying, with UltraTrace in Perth used for check assaying. • For drilling prior to 2001, original laboratory identify is unknown and original laboratory records were unavailable. • The PLA standard assaying techniques used were lead or nickel collection fire assay with a Mass Spectrometry (MS) finish for Au, Pd, Pt and peroxide fusion using HCl acid to dissolve the melt with an Optical Emission Spectrometry (OES) finish for As, Co, Cr, Cu, Ni, S. These methods are considered total digestion methods. Fire assay nickel sulphide collection technique was preferred (for samples containing chromite) to lead collection as it is efficient in collecting all PGEs and gold from a sample.

		<ul style="list-style-type: none"> • Sample preparation for the Genalysis Lab were: whole sampled dried at 140°, whole sample crushed (LM2/LM5) to 90% passing 75micron, 150g collected for pulp split and reject stored. • Analysis – Chromite reef – Genalysis method: NiS/*MS for Au(5ppd); Pt(2ppb); Pd(2ppb), Ru(2ppb), Os(2ppb), Ir(2ppb) and Rh(1ppb). • Analysis – Low grade dunite - Genalysis method: FA/*MS for Au(1ppd); Pt(5ppb) and Pd(10ppb). • Additional elements – Genalysis method: D/OES for As(0.01%), Co(20ppm), Cr(50ppm), Cu(20ppm), Ni(20ppm) and S(0.01%). • Descriptions of quality control procedures are based on previous resource reports and historical documents. • Ultra Trace, Perth was engaged to provide services for low level detection work (RC samples only) and check assaying on the Genalysis results; sample preparation was analogous to that used by Genalysis. • Analysis – Low grade dunite (northern exploration) – Itra Trace method: FA002/FA003 for Au(1ppb), Pt(1ppb) and Pd(1ppb). • Analysis – Sterilisation RC – Ultra Trace methods: AR001 for Au(1ppb), AR101 for Cr(5ppm), Cu(0.5ppm), Ni(1ppm) and S(20ppm), AR102 for As(0.2ppm), Co(0.2ppm), Pd(10ppb) and Pt(5ppb). • Analysis – Chromite Reefs – Ultra Trace method NSF01 for Au(5ppb), Pt(2ppb), Pd(2ppb), Ru(2ppb), Os(2ppb), Tr(2ppb), Rh(1ppb) • Additional elements – Ultra Trace method ICP104 for As(100ppm), Co(50ppm), Cr(50ppm), Cu(20ppm), Ni(20ppm), and S(0.01%) • QAQC consisted of systematic submission of field duplicates for RC samples (1 in 50); barren flushes (all drilling and trenching samples) after samples from top and middle reef chromite intertals; certified local reference standards (CRM) prepared by Gannet Holdings Pty (3PGE+Au) at a rate of 1 in 50 in all drilling samples and two programmes of inter-lab check assays (89 checks in total). • Review of documented reports noted analysis of duplicates and standards assaying information showed good correlation with original results for duplicates; good correlation with the certified standards expected results. Results with incorrect sample identification errors noted on a small number of occasions; assaying of blanks showed acceptable results with rare incorrect submissions of CRM for blank material; inter-lab check assaying showed acceptable correlation between lab for all elements with the exception of Co in the first programme of 53 samples. The Ultra Trace assays for Co were biased
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		<p>low (-14%) compared to the original Genalysis assays. This issue was thoroughly investigated and shown to be a lab-specific issue at Ultra Trace. Programme two (36 samples) Co assays correlated well with the original Genalysis assays.</p> <ul style="list-style-type: none"> Based on the reported information samples show acceptable levels of accuracy and precision.
Verification of sampling and assaying	<ul style="list-style-type: none"> <i>The verification of significant intersections by either independent or alternative company personnel.</i> <i>The use of twinned holes.</i> <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i> <i>Discuss any adjustment to assay data.</i> 	<ul style="list-style-type: none"> No independent sampling has been undertaken by Cube. Drillhole assay data has not been checked against the original hardcopy laboratory assay reports. Recent drilling and face sampling assay records in digital format have been checked for significant intervals within the resource area. No twinning of holes has been identified in the drillhole data. Underground face data has been compared against the surface diamond drilling in close proximity and shows very good correlation with the drillhole logging and the significant intersections. Data entry and verification was completed by the PLA and its data management consultant Maxwell Geoservices of Perth WA (Maxwell) who have maintained the database. No adjustment to assay data has been undertaken. Pt, Pd, Au, Cu and Cr are assayed for all estimated domain intervals (total of 180.07m); there are a small number of un-assayed intervals (As - 98% assayed and Co – 79% assayed). Samples not received or missing have had the interval left blank in the database.
Location of data points	<ul style="list-style-type: none"> <i>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.</i> <i>Specification of the grid system used.</i> <i>Quality and adequacy of topographic control.</i> 	<ul style="list-style-type: none"> PLA Diamond and RC drillhole collars were routinely surveyed for collar location and RL using GPS methodology. Within the estimation database, drilling prior to 2001 (29 DD holes) no information is recorded for the methodology used. Of the 166 PLA DD holes, 45 have no recorded survey method, 111 were surveyed by differential GPS and 10 were estimated. Of the 29 RC holes 14 were surveyed by differential GPS and 15 have no recorded survey method. Work by Snowden in 2001 indicated that all drill collar locations for holes used in their estimate have been surveyed by GPS or other survey instrument. From their available data they estimated that the collar accuracy was within 1.5m in three dimensions. Additionally, validation of collar RL positions against the digital terrain model provided by PLA confirmed this level of accuracy for most holes.



Criteria	JORC Code Explanation	Commentary
<p>Data spacing and distribution</p>	<ul style="list-style-type: none"> • <i>Data spacing for reporting of Exploration Results.</i> • <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> 	<ul style="list-style-type: none"> • The estimate has been undertaken in a local grid co-ordinate system. Grid transformation conversion data from Local Grid to UTM (AMG84_52) was provided in the data set. • Downhole surveys have been routinely undertaken for all drilling 2001 to 2003. Historic drillholes (pre- PS059 were surveyed using a compass for the first survey at 0m and a single shot Eastman camera at 30m down hole intervals. The post PS059 holes (PLA holes) were surveyed with either with an Eastman single shot survey tool (with a compass reading at 0m depth) or using a Gyroscopic Deviation Tool (Surtron Technologies) every 10m down hole. • Surface trenches were surveyed by compass using a surface dtm for RL. Underground trench and face sample alignments were manually calculated. • Of the 294 holes in the database, 39 or 13% used Gyro; 174 or 59% used camera; 70 or 24% were trenches or underground face sample type; and 11 or 11% have no method listed for down hole survey method. Reports from PLA indicate that there was good correspondence between camera and gyro measurements where duplicate surveys were undertaken. • Additionally, analysis by PLA of magnetic susceptibility results indicates no adverse effects on camera measurements due to the host rock magnetic field. A small number of historic holes with acid etch down hole surveys have been excluded from the database used for this estimate. • Topography was provided as a DTM file, converted from DOLA, 1:25,000 scale aerial photography with ground survey control by Whelan Survey and Mapping Pty Ltd in Broome WA. The inferred accuracy of this DTM surface was +/-1.25m. • This topography is adequate for resource estimation. • Visual inspection in 3D graphics did not identify any inaccuracies with the spatial position of the drillholes.
		<ul style="list-style-type: none"> • The estimate has been undertaken in a local grid co-ordinate system. Grid transformation conversion data from Local Grid to UTM (AMG84_52) was provided in the data set. • Downhole surveys have been routinely undertaken for all drilling 2001 to 2003. Historic drillholes (pre- PS059 were surveyed using a compass for the first survey at 0m and a single shot Eastman camera at 30m down hole intervals. The post PS059 holes (PLA holes) were surveyed with either with an Eastman single shot survey tool (with a compass reading at 0m depth) or using a Gyroscopic Deviation Tool (Surtron Technologies) every 10m down hole. • Surface trenches were surveyed by compass using a surface dtm for RL. Underground trench and face sample alignments were manually calculated. • Of the 294 holes in the database, 39 or 13% used Gyro; 174 or 59% used camera; 70 or 24% were trenches or underground face sample type; and 11 or 11% have no method listed for down hole survey method. Reports from PLA indicate that there was good correspondence between camera and gyro measurements where duplicate surveys were undertaken. • Additionally, analysis by PLA of magnetic susceptibility results indicates no adverse effects on camera measurements due to the host rock magnetic field. A small number of historic holes with acid etch down hole surveys have been excluded from the database used for this estimate. • Topography was provided as a DTM file, converted from DOLA, 1:25,000 scale aerial photography with ground survey control by Whelan Survey and Mapping Pty Ltd in Broome WA. The inferred accuracy of this DTM surface was +/-1.25m. • This topography is adequate for resource estimation. • Visual inspection in 3D graphics did not identify any inaccuracies with the spatial position of the drillholes.



	<ul style="list-style-type: none"> • <i>Whether sample compositing has been applied.</i> 	<ul style="list-style-type: none"> • Given the nature of the mineralisation (a chromite reef deposit) this drill and sampling spacing is adequate and appropriate to determine the geological and grade continuity for reporting of Mineral Resources and the classifications applied to represent risk. • Sample compositing was over the full length of the drillhole intervals within the mineralised domains. These grade composites were weighted by length and density for estimation purposes.
<p>Orientation of data in relation to geological structure</p>	<ul style="list-style-type: none"> • <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> • <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> 	<ul style="list-style-type: none"> • Both drilling and underground face sampling is orientated normal to the dip and plunge of the mineralisation as far as possible. • The orebodies are interpreted to be a series of separate sheets that make up a plunging synclinal feature that is in parts faulted. • Each drill hole has been oriented with the intention of intersecting the mineralisation as close to orthogonal as possible. • Given the different orientations of drilling there is no significant risk of an introduced sampling bias resulting from drilling orientation.
<p>Sample security</p>	<ul style="list-style-type: none"> • <i>The measures taken to ensure sample security.</i> 	<ul style="list-style-type: none"> • No active drilling or sampling work is currently taking place. Routine sampling, submission and storage procedures are described in PLA drilling reports. The procedures described indicate industry standard practices were followed during the drilling and sampling of all holes drilled between 2001 and 2003. • No information was available regarding the historical data from holes pre PS059. • Routine data input, validation, QAQC and laboratory follow up are described in PLA reports. The procedures described indicate industry standard practices were followed during the drilling and sampling of all holes drilled between 2001 and 2003.
<p>Audits or reviews</p>	<ul style="list-style-type: none"> • <i>The results of any audits or reviews of sampling techniques and data.</i> 	<ul style="list-style-type: none"> • Several reviews have been undertaken by previous PLA company staff and independent data management consultants Maxwell, detailed in PLA reports. These audits have not revealed any material issues. • Cube conducted a data compilation review and validation prior to resource estimation which involved checks for duplicate surveys, downhole surveys errors, assays, and geological intervals beyond drillhole total depths, overlapping intervals, and gaps between intervals. No significant errors were found.

Section 2 Reporting of Exploration Results

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

Criteria	JORC Code Explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. The security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area. 	<ul style="list-style-type: none"> The Panton Sill Project – is located in the Halls Creek Shire of Western Australia, locality of Rose Bore on three granted Mining Leases. Mining Lease M80/103, 859.4 HA Rent paid in full till 16/3/2022 and Expiring 16/3/2028. Mining Lease M80/104, 570.3 HA Rent paid in full till 16/3/2022 and Expiring 16/3/2028. Mining Lease M80/105, 828.3 HA Rent paid in full till 16/3/2022 and Expiring 16/3/2028. The three Mining Leases are held 100% by Panton Sill Pty Ltd,. There are no third parties or joint venture partners involved in the Project. A royalty is payable to Helix (now residing with Goldfields) of 2% NSR. The three Mining Leases were granted pre-Native Title Act and so are free of native title claim. There is according to the Company no conflict with any other tenure in the vicinity and no known impediment to operations. The previous owners have done a substantial amount of work understanding the baseline conditions for flora, fauna, hydrology, waste characterisation. This work would require updating but it is reasonable to assume environmental approvals for future mining activity will be obtained.
Exploration done by other parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<ul style="list-style-type: none"> A number of exploration drill holes (59) have been completed by previous owners and are considered historic data. A significant number of these historical holes have been excluded from the estimation – of those used, the impact of unknown quality is considered to be a minor risk when they are compared to the significant number of holes and data gathered by PLA between 2001 and 2003 for which complete QA/QC is available. The historical data & database has been appraised and is considered to be of fair to good quality.
Geology	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	<ul style="list-style-type: none"> The Panton Sill is interpreted as a differentiated layered intrusion that has been folded into a south plunging syncline. A series of late-stage

		<p>shears offsets and disrupts the layered sequence through the model area.</p> <ul style="list-style-type: none"> The differentiated stratigraphy comprises a series of narrow chromite seams within dunite units. The focus of the resource estimate has been two of the chromite layers known as the Top (101) and Middle (201) reefs. PGE mineralisation is associated with sulphides within the chromite seams. Both the grade and thickness of the reefs decrease down the stratigraphic order. PLA identifies the reef mineralisation by a 2ppm Pt+Pd+Au threshold within zones of elevated chromite grade. At this cut-off most of the upper reef comprises a seam of one to two metres thick.
Criteria	JORC Code Explanation	Commentary
Drill hole Information	<ul style="list-style-type: none"> 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"> easting and northing of the drill hole collar elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar dip and azimuth of the hole down hole length and interception depth hole length. 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. 	<ul style="list-style-type: none"> No exploration results have been reported in this release, and thus, this section is not material to our report on Mineral Resources.
Data aggregation methods	<ul style="list-style-type: none"> 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. 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. The assumptions used for any reporting of metal equivalent 	<ul style="list-style-type: none"> No exploration results have been reported in this release, and thus, this section is not material to our report on Mineral Resources.

	<i>values should be clearly stated.</i>	
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> • <i>These relationships are particularly important in the reporting of Exploration Results.</i> • <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i> • <i>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').</i> 	<ul style="list-style-type: none"> • In the majority of cases the drill intercept lengths approximate the mineralisation widths as the drilling has been deliberately targeted to test the mineralisation true width. The mineralisation is variable in dip and azimuth across the project and as a result a constant orthogonal drill orientation to mineralisation is difficult to achieve.
Diagrams	<ul style="list-style-type: none"> • <i>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.</i> 	<ul style="list-style-type: none"> • No exploration results have been reported in this release, and thus, this section is not material to our report on Mineral Resources
Balanced reporting	<ul style="list-style-type: none"> • <i>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.</i> 	<ul style="list-style-type: none"> • No exploration results have been reported in this release, and thus, this section is not material to our report on Mineral Resources
Criteria	JORC Code Explanation	Commentary
Other substantive exploration data	<ul style="list-style-type: none"> • <i>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.</i> 	<ul style="list-style-type: none"> • No exploration results have been reported in this release, and thus, this section is not material to our report on Mineral Resources
Further work	<ul style="list-style-type: none"> • <i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> • <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i> 	<ul style="list-style-type: none"> • Planned further work is expected to include infill and step-out drilling, metallurgical testwork, and mining studies.

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
Database integrity	<ul style="list-style-type: none"> Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes. Data validation procedures used. 	<ul style="list-style-type: none"> Database was maintained by PLA with assistance from Maxwell consultants. Maxwell conducted validation and audit services on behalf of PLA over the period 2001 to 2003. Cube completed validation checks on the database comparing collar points to the topography, maximum hole depths checks between tables and the collar data. Cube also verified the data using visual inspection of the drillholes in 3D to identify inconsistencies of drill hole traces.
Site visits	<ul style="list-style-type: none"> Comment on any site visits undertaken by the Competent Person and the outcome of those visits. If no site visits have been undertaken indicate why this is the case. 	<ul style="list-style-type: none"> The Competent Person did not conduct a site visit and they relied on information from the PLA company geologist Tony Greenaway who has been to site on numerous occasions. At the time of the original resource estimate (2001) undertaken under the JORC 2004 code PLA deemed a site visit unnecessary as the geological interpretation was undertaken by PLA geologists. As no active drilling or sampling is underway a site visit at this time is considered un-productive by Cube and the current operators. In the event of further drilling and a resource up-grade a site visit by the relevant CP is strongly recommended.
Geological interpretation	<ul style="list-style-type: none"> Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit. Nature of the data used and of any assumptions made. The effect, if any, of alternative interpretations on Mineral Resource estimation. The use of geology in guiding and controlling Mineral Resource estimation. The factors affecting continuity both of grade and geology. 	<ul style="list-style-type: none"> The confidence in the interpretation is high as a result of a predominance of core logging and underground mapping information from surface sampling, drilling, and exploration mining activity. Underground exploration development and wall and face mapping of the mineralisation confirm earlier drill hole logging and surface mapping. The current geological interpretation is based on the logged and assayed chromite content within the host dunite sequence. Significant sulphide percentage was also used in the criteria to identify reef mineralisation defined by a 2PGE + Au cut off of 2ppm. Wireframe models of the mineralised volumes have been made by independent consultants ECS using a seam modelling approach. While alternate models of the mineralisation may be possible Cube consider

		<p>the current interpretation to be a valid representation of the factual drill hole and underground data available.</p> <ul style="list-style-type: none"> • The mineralised dunite is interpreted to be a south plunging synclinal feature, this geological interpretation is based on geological logging of drill hole data. • A series of four major shears are interpreted to cut-off or offset the mineralisation and separate the mineralisation into a series of discrete blocks.
Dimensions	<ul style="list-style-type: none"> • <i>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.</i> 	<ul style="list-style-type: none"> • The Mineral Resource estimate contains six major, moderately to steep dipping, mineralised domains. The orientation of each domain changes gradually with the progression south to north around the synclinal structure. • The two interpreted mineralised chromite reefs have a downhole intercept thickness of between 0.1 and 4m (average 0.4m) and an unfolded strike extent 3,500m with an unfolded depth extent of 1,750m. Mineralisation extends from surface to approximately 1,800m vertical depth below surface. Mineralisation is open at depth.
Criteria	JORC Code Explanation	Commentary
Estimation and modelling techniques	<ul style="list-style-type: none"> • <i>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.</i> • <i>The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.</i> • <i>The assumptions made regarding recovery of by-products.</i> • <i>Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation).</i> • <i>In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.</i> • <i>Any assumptions behind modelling of selective mining units.</i> • <i>Any assumptions about correlation between variables.</i> 	<ul style="list-style-type: none"> • Due to the narrow width of the mineralisation, interval composites were generated for the two mineralised lodes, using an intercept table in the database to control compositing. • The interval composites were then weighted by their respective horizontal width lengths and density to result in an 'accumulation variable'. The accumulation variable for all attributes estimated was then used for variogram analysis and 2D interpolation of grades. • The accumulation variable for all attributes estimated was then used for variogram analysis and 3D interpolation of grades. • Each of six estimation domains (for each of two lodes upper - 101 and middle -201) has been analysed and interpolated separately. • The estimated 2D block values were then exported back into 3D space. • The use of a 2D accumulation method is considered by Cube to be appropriate for this style of mineralisation. • Grade items, Pt, Pd, Au, Ni, Cr, Cu and Co were estimated for each domain in both lodes. At the completion of the estimate a regression formula has been used to assign grades for the rare PGE's Os, Ir, Rh

	<ul style="list-style-type: none"> • <i>Description of how the geological interpretation was used to control the resource estimates.</i> • <i>Discussion of basis for using or not using grade cutting or capping.</i> • <i>The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.</i> 	<p>and Ru. These assigned values are an indication of the expected grades and should not be used in any economic evaluation.</p> <ul style="list-style-type: none"> • The estimation methodology used was Ordinary Kriging as implemented in Surpac Mining Software (Ver 4.1H). • Variogram ranges and search distances were defined in the vertical plane, ranges for all attributes estimated significantly exceeded the data spacing in all domains. • A search radius has been optimised for each domain based on the special statistics of the variogram model. The initial search radius was 300m for all domains with a second pass search of either 750m or 900m applied if required to fill un-estimated volumes. The estimations generally used a minimum of 4 and maximum of 16 samples; in domain 101A and 201A the maximum was set to 6; and to 8 in domains 101D and 201D. • The search orientation and anisotropy were based on the modelled variogram for each domain. • No by-product recoveries were considered. • Estimations of any deleterious elements were not completed for the Mineral Resource. • Estimation block size used was 50m x 50m in long section projection. • No assumptions of specific selective mining units were made as it has been assumed that full seam width mining will be undertaken. • The mineralised domain acted as a hard boundary to control the Mineral Resource volume and estimate. • To limit the effects of extreme grades three high grade limits were applied to raw grade values prior to the calculation of the accumulation variable; gold in 101 A, B and C was cut to 1,200ppb and in 201 A, B and C to 600ppb; copper in domain 201 A, B and C was cut to 1,750ppm. A manual declustering of wedge holes was undertaken in domain 201BC. • Block model validation was undertaken using the comparison of block model estimate to drill hole data composites of horizontal width and density weighted mean grades. These showed acceptable correspondence for all estimated attributes in domains A, AB, B and C. The comparison within D domains shows higher variation due to the data clustering and wider data spacing of this domain. • A validation estimate was undertaken using inverse distance squared and compared to the OK estimate. The two estimates show some local
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		<p>differences due to the weighting strategies but on balance align well on a domain by domain comparison.</p> <ul style="list-style-type: none"> • A final visual validation involved comparing contoured raw composite grade against estimated block grades. This validation did not highlight any significant errors with estimated block closely matching the underlying raw grade trends.
Moisture	<ul style="list-style-type: none"> • <i>Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.</i> 	<ul style="list-style-type: none"> • Moisture was not considered in the density assignment and has been estimated as dry tonnes.
Cut-off parameters	<ul style="list-style-type: none"> • <i>The basis of the adopted cut-off grade(s) or quality parameters applied.</i> 	<ul style="list-style-type: none"> • No low-grade cut-off has been used for reporting. The mineralisation has been defined using a combination of geological information and grade criteria and the reported estimated grades represent a total metal content of mineralised material – all of which is expected to be mined, without selectivity due to the thin vein nature and high value of the mineralisation.
Mining factors or assumptions	<ul style="list-style-type: none"> • <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> 	<ul style="list-style-type: none"> • Mining of the Panton Sill is envisaged to be by open pit and underground methods. An assumption of non-selective total vein width mining has been made in the estimation, no other mining factors were considered during the interpretation and 2D modelling of the mineralisation however mining dilution and mining loss are likely to be material factors in combination of small open pit and underground exploitation. • Minimum mining widths were not considered during the interpretation and 2D modelling of the mineralisation.
Criteria	JORC Code Explanation	Commentary
Metallurgical factors or assumptions	<ul style="list-style-type: none"> • <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> 	<ul style="list-style-type: none"> • No specific metallurgical factors were considered during the interpretation and 2D modelling of the mineralisation. • Two studies containing an assessment of the metallurgical amenability of the mineralisation have been undertaken; the first as part of the 2003 BFS by Lycopodium and an updated project review in March 2012 by Tetrattech; a further technical review is required and planned by the current owners. • The assumed extraction methodology is by floatation to produce a concentrate which is further treated on site by hydrometallurgical processes to produce separate PGM and base metal concentrates.

		<ul style="list-style-type: none"> • Alternative processing options such as Kell that offer reductions in capital and operating costs, and/or improvements in metal recovery may have a material impact on economics, and should be investigated. • The project is sensitive to exchange rate and commodity prices. Improvements in opex and metal recoveries offer significant opportunities to the company. • It is strongly recommended that such studies be undertaken on these two key items as part of the planned work.
<p>Environmental factors or assumptions</p>	<ul style="list-style-type: none"> • <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> 	<ul style="list-style-type: none"> • No assumptions were made regarding environmental restrictions.
<p>Bulk density</p>	<ul style="list-style-type: none"> • <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> • <i>The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit.</i> • <i>Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.</i> 	<ul style="list-style-type: none"> • A total of 117 density determinations were undertaken in the top reef (101) across all chromite domains, within the middle (201) and lower reef (301) a lesser number (56) of determinations were undertaken and within non-chromite material 516 determinations were made. • A database of bulk density data for every assayed chromite reef interval was calculated based on a regression formula (derived from measurements by PLA's consultants Geostokos Ltd, Budge, 2002) and using actual bulk density measurements where they were undertaken by PLA on HQ and NQ core. • Density measurements were undertaken using a core cylinder measurement technique, with 10% being determined by water emersion methods. Given the shallow weathering profile of the project area these density measurements on competent core are considered representative of the mineralised material. • The dry bulk density has been estimated into blocks by back calculation of ordinary kriged horizontal width x density accumulation composite data.

<p>Classification</p>	<ul style="list-style-type: none"> • <i>The basis for the classification of the Mineral Resources into varying confidence categories.</i> • <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> • <i>Whether the result appropriately reflects the Competent Person's view of the deposit.</i> 	<ul style="list-style-type: none"> • Resource blocks have been classified as Measured, Indicated, or Inferred on the basis of a range of criteria. • The Resource classification applies to the estimated block grade items only (Pt, Pd, Au, Ni, Cr, Cu and Co). Cube considers that the regressed grades for rare PGE's Os, Ir, Rh and Ru are an indication of the grade and should not be used in definitive economic analysis. • The key criteria considered by Cube were geological continuity and confidence in reef volume; data spacing and distribution; appropriateness of the modelling technique; and estimation quality parameters such as search strategy, number of informing composite data, average distance from informing composites and kriging variance. • Within the reef domains the key estimated items Pt, Pd, and Au exhibit relatively low nugget (10 to 30%) variogram models with ranges of 100 to 500m. With the exception of Au the estimated items are shown to be statistically of low variability with CV's of less than 1. These factors combined with the geological nature of the reef estimation domains establish a moderate to high confidence in the metal continuity within the reefs. • Data spacing within the most densely drilled area of the project range from 25x25 to 50x100 metres; this area extends from surface at approximately 1450m RL to approximately the 1200m RL. Below this zone drilling density widens to between 50x100 and 100x200m spaced intersections to a depth of 1000m RL, while from 1000 to 800mRL data spacing is in excess of 200m and clustered. • Cube propose that the use of the 2D accumulation estimation method has a number of risk minimising advantages: it simplifies the complexity of undulating reef geometry which can yield uncertain search outcomes; it eliminates the need for multiple orientation defined domains which have no geological significance and allows more informing composites to be used; and it allows an optimised estimation block size to be chosen independently from the volume definition model requirements, minimising over smoothing due to a small and inappropriate block size choice. • Measured Resource are defined where geological continuity risk is considered low, confidence in metal continuity is considered high due to the data spacing; and where the estimation quality is high as indicated by a low estimation block variance (within the first 30th
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		<p>percentile). Generally within the Measured part of the Mineral Resource blocks have been estimated using 10 or more composite data at an average distance of less than 200 metres (within the modelled range of most variograms).</p> <ul style="list-style-type: none"> Indicated Resources are defined where geological and metal continuity risk is considered moderate to low. Generally within the Indicated part of the Mineral Resource block have been estimated using 6 or more composite data at an average distance of less than 300 metres (within the modelled range of some of the variograms). Inferred Resources are defined by that area of the Mineral Resource with moderate confidence in the continuity of the geological model and metal where drill spacing is wider than 200m by 200m. The Mineral Resource estimate appropriately reflects the Competent Person's view of the deposit.
Audits or reviews	<ul style="list-style-type: none"> The results of any audits or reviews of Mineral Resource estimates. 	<ul style="list-style-type: none"> Several reviews have been undertaken for the Mineral Resource estimate. An external review was completed by a third-party consultant, and an internal peer review by Cube, of the estimation methodology was conducted. The external review noted that the estimate was critically dependent on the wireframe volume and as a result the tonnage of the Resources may be underestimated; that the block size used was too large and classification was probably over optimistic; and finally, the internal dilution had not been included in the model. The interpreted mineralisation wireframe has been reviewed by PLA and other qualified professionals in Cube.
Criteria	JORC Code Explanation	Commentary
Discussion of relative accuracy/ confidence	<ul style="list-style-type: none"> 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 	<ul style="list-style-type: none"> Due to the wide spaced drilling in areas, local variations can be expected within the narrow undulating chromite reefs. The orientation of the chromite reefs may be affected by regular structural offsets and bifurcations. Given the geostatistical character of the mineralisation, the use of OK has assisted in reducing the risk associated with the metal estimates. The additional benefit of OK is it inherently assists in declustering the data during the estimate.



	<p><i>estimate.</i></p> <ul style="list-style-type: none"> • <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> • <i>These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.</i> 	<ul style="list-style-type: none"> • No specific analysis or estimate of the relative accuracy or to establish confidence limits has been undertaken. However previous estimations by different methodology have not resulted in significantly different tonnages or contained metal estimates. • The Mineral Resources constitute a global resource estimate. • Underground exploration sampling data from the decline confirms the nature and grade tenor of the mineralisation as intersected by the drilling. • No production data is available.
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Annexure B – Solicitor’s Report on Tenements

18 May 2021

The Directors
Red Emperor Resources NL
Level 1
35 Richardson Street
WEST PERTH WA 6005

Dear Directors

Solicitors report on mining leases 80/103, 80/104 and 80/105

This Solicitor's Report (**Report**) is prepared for the inclusion in a prospectus to be issued by Red Emperor Resources NL (ACN 124 734 961) (**Company**).

Scope

1. We have been requested to report on certain mining tenements, being mining leases 80/103, 80/104 and 80/105, in which the Company has an interest or intends to acquire an interest (**Tenements**).
2. The Tenements are located in Western Australia and are listed in the Tenement Schedule (**Schedule**) at the end of this Report.
3. This Report is limited to the Searches detailed at clause 4 of this Report.

Searches

4. For the purpose of this Report, we have conducted searches and made enquiries in respect of the Tenements as follows (**Searches**):
 - (a) we have obtained Register Searches for the Tenements from the Western Australia Department of Mines, Industry Regulation and Safety (**DMIRS**) online mining tenement register pursuant to the *Mining Act 1978 (WA)* (**Mining Act**) and *Mining Regulations 1981 (WA)* (**Mining Regulations**) on 14 May 2021;
 - (b) we have obtained Quick Appraisals from DMIRS's online TENGRAPH® mapping system on 11 May 2021;
 - (c) we have obtained Register Searches for the Tenements from the Western Australian Department of Planning, Lands and Heritage (**DPLH**) online Aboriginal heritage register on 11 May 2021; and
 - (d) we have obtained extracts of registered native title claims and native title determinations that apply to the Tenements, as determined by the National Native Title Tribunal (**NNTT**). This material was obtained on 11 May 2021. Details of native title claims and determinations are set out in Part II of the attached Schedule.

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Opinions

5. As a result of the Searches, but subject to the assumptions and qualifications set out in this Report, we are of the view that, as at the date of the Searches, this Report provides an accurate statement as to:
 - (a) **(Company's Interest)**: the Company's interest in the Tenements;
 - (b) **(Good Standing)**: the validity and good standing of the Tenements; and
 - (c) **(Third party interests)**: third party interests, including encumbrances, in relation to the Tenements.

Tenements

6. The Mining Act and Mining Regulations provide the legislative framework for acquiring and holding mining tenements in Western Australia. We set out the key principles of this framework below.
7. The Company holds an interest in the Tenements through an option to acquire all of the issued capital in Great Northern Palladium Pty Ltd (ACN 645 861 196) (**GNP**). GNP holds an 80% shareholding in Panton Sill Pty Ltd (ACN 157 842 530) (**Panton**), the registered holder of the Tenements, and has an option to acquire the remaining 20%.

Indefeasibility of title

8. Except in the case of fraud, a mining tenement granted or renewed under the Mining Act is unimpeachable and indefeasible in respect of any informality or irregularity in the applications or proceedings previous to the grant or renewal of that mining tenement.

Objections to applications

9. Any person may object to an application for a mining tenement within 35 days of that application being lodged. The objection is heard by a Mining Warden (being a Magistrate administering the Mining Act), who may, in the case of applications for Prospecting Licences and Miscellaneous Licences, dismiss the objection and grant the application subject to conditions or uphold the objection and refuse the grant of the application.
10. In the case of Exploration Licences, Mining Leases and General Purpose Leases, the Mining Warden can hear the objection and use the submissions and evidence provided by the parties to inform the Mining Warden's recommendation to the Minister for Mines and Petroleum (**Minister**). The Minister is not bound by the Mining Warden's recommendation and may grant or refuse the mining tenement in his or her discretion.

Expenditure conditions and certificates of exemption

11. As a condition of grant, holders of a Prospecting Licence, Exploration Licence and Mining Lease must spend a minimum amount "*on mining or in connection with mining*" on the Prospecting Licence, Exploration Licence and Mining Lease each 12 month period from the grant of the mining tenement (**Expenditure Year**).
12. Details of this expenditure must be lodged with DMIRS in the form of a Form 5 Operations Report (**Form 5**) within 60 days of the end of the Expenditure Year. The Form 5 must categorise the expenditure as either prospecting activities, exploration activities, mining activities, aboriginal surveys, rent/rates or administration.
13. A holder of a Prospecting Licence, Exploration Licence and Mining Lease may apply for the grant of a certificate of exemption from that expenditure obligation for the Expenditure Year on various prescribed grounds, including on the basis of combined group reporting (discussed below), time is required to review past results, plan future exploration or raise capital.
14. The application for exemption must be lodged within 60 days of the end of the Expenditure Year. An

application for exemption may be subject to an objection by any person. An objection must be lodged within 35 days of the application for exemption being lodged. If an objection is lodged, and after a contested hearing, the application must be granted or refused by the Mining Warden in respect of a Prospecting Licence, and a recommendation to grant or refuse must be made to the Minister in respect of Exploration Licences and Mining Leases. The Minister is not bound to follow the recommendation of the Mining Warden.

15. The Mining Warden and/or Minister may grant a certificate of exemption for any one Expenditure Year. In respect of a Mining Lease, the Minister may grant a certificate of exemption for up to five Expenditure Years. The grant of a certificate of exemption is a complete defence to an application for forfeiture (discussed below).

Combined Reporting Group

16. Where more than one mining tenement is operated as a single project (due to proximity and type of commodity), those mining tenements may be collated into a Combined Reporting Group (**CRG**).
17. The aggregated exploration expenditure on mining tenements within a CRG can be attributed to the aggregated minimum annual expenditure obligation for the purposes of seeking the grant of a certificate of exemption in respect of those tenements in the CRG which have not met their minimum annual expenditure obligation.
18. That is, if one tenement within the CRG has incurred exploration expenditure which satisfies the aggregate minimum expenditure obligation for all the tenements within the CRG, then those tenements which have not incurred the minimum expenditure obligation will qualify for the grant of a certificate for exemption.
19. Expenditure incurred *in connection with mining* cannot be used to calculate aggregate exploration expenditure.

Application for Forfeiture

20. DMIRS may apply for a mining tenement to be forfeited where the holder of that mining tenement has breached the conditions of grant.
21. Any person may apply for the forfeiture of an Exploration Licence, Mining Lease or General Purpose Lease for a breach of the minimum annual expenditure obligation by the tenement holder. Any person may also apply for the forfeiture of a Prospecting Licence or a Miscellaneous Licence for the breach of the tenement conditions by the tenement holder.
22. Applications for forfeiture on the ground of non-compliance with minimum expenditure obligations must be made within eight months of the anniversary date of alleged non-complying Expenditure Year.
23. In respect of applications for forfeiture lodged against:
 - (a) Prospecting Licences and Miscellaneous Licences, the Mining Warden may:
 - (i) find there was no breach of the tenement conditions; or
 - (ii) find the breach of conditions was material and of sufficient gravity to justify the tenement being forfeited; or
 - (iii) find the breach established was not of sufficient gravity to justify forfeiture and alternatively, impose a fine (in the case of non-compliance with expenditure conditions) of up to \$10,000 or (in any other case) of up to \$75,000 for an individual for \$150,000 for a body corporate.
 - (b) Exploration Licences, the Mining Warden may:
 - (i) find there was no breach of the minimum expenditure conditions;
 - (ii) find the breach of the minimum expenditure condition is of sufficient gravity that he/she

makes a recommendation to the Minister that the Exploration Licence should be forfeited;
or

- (iii) find that the breach of the minimum expenditure condition is not of sufficient gravity to justify forfeiture and alternatively recommend a fine (in the case of non-compliance with expenditure conditions) of up to \$10,000 or (in any other case) of up to \$75,000 for an individual for \$150,000 for a body corporate.
- (c) Mining Leases and General Purpose Leases, the Mining Warden may:
- (i) find there was no breach of the minimum expenditure conditions;
 - (ii) find the breach of the minimum expenditure condition is of sufficient gravity that he/she makes a recommendation to the Minister that the Mining Lease or General Purpose Lease should be forfeited; or
 - (iii) find that the breach of the minimum expenditure condition is not of sufficient gravity to justify forfeiture and alternatively recommend a fine (in the case of non-compliance with expenditure conditions) of up to \$10,000 or (in any other case) of up to \$75,000 for an individual and \$150,000 for a body corporate.
24. When the Mining Warden makes a recommendation to the Minister in respect of applications for forfeiture, the Minister is not bound by the Mining Warden's recommendation, although generally, it is followed by the Minister.
25. When a fine is imposed, and the application for forfeiture has been made by "a person" rather than DMIRS, the applicant for forfeiture is awarded the fine. If the fine is not paid by the stipulated date, the tenement is automatically forfeited.
26. Where the application for forfeiture is made by DMIRS, and the tenement is forfeited for breach of condition (other than the minimum expenditure condition), the holder of a mining tenement which has been forfeited may apply for the restoration of the mining tenement if the tenement holder can establish that extenuating circumstances led to the breach of the relevant tenement condition.

Extensions of term

27. The application for an extension of term in respect of a Prospecting Licence, Exploration Licence and Mining Lease must be made in the final year of the term of the Prospecting Licence, Exploration Licence or Mining Lease (as the case may be). The tenement continues in force pending the renewal being determined.
28. The Minister may grant an extension of term where he is satisfied a prescribed ground for extension exists. Prescribed grounds include work already carried out justifies further work, work could not be undertaken because of difficulties occasioned by law, the ground is unworkable or the ground could not be accessed because of unfavourable climatic conditions. The application for extension of term must sufficiently make out one of the grounds for extension.

Converting mining tenements

29. The holder of a Prospecting Licence or Exploration Licence may apply for part of all of that licence to be converted to a Mining Lease or General Purpose Lease.
30. To convert a Prospecting Licence or Exploration Licence, the holder must mark out and apply for the Mining Lease or General Purpose Lease (in compliance with the requirements for an application for a Mining Lease or General Purpose Lease) prior to the expiry of the Prospecting Licence or Exploration Licence, as the case may be. While the Mining Lease or General Purpose Lease application is being determined, the Prospecting Licence or Exploration Licence, as the case may be, will continue in force until that application is determined (even if the term of the Licence has expired).

Description of the Tenements

31. The Tenements the subject of this Report comprise three granted Mining Leases.

32. Part I of the Schedule provides a list of the Tenements. The following provides a description of the nature and key terms of these types of mining tenements as set out in the Mining Act. We also set out, for completeness, the nature and key terms of Miscellaneous Licences (which are required for infrastructure necessary to support mining operations).

Mining Lease

33. **(Application)** A person may lodge an application for a Mining Lease in accordance with the Mining Act. The Minister, after receiving a recommendation from the Mining Registrar or (if an objection has been lodged) the Mining Warden, decides whether to grant any application for a Mining Lease on such terms and conditions as the Minister may determine.
34. An application for a Mining Lease must be contemporaneously accompanied by either:
- (a) a mining proposal;
 - (b) a statement setting out the mining operations that are likely to be carried out in, on or under the land together with a mineralisation report; or
 - (c) a statement setting out the mining operations that are likely to be carried out in, on or under the land together with a resources report showing there is significant mineralisation in the area over which a Mining Lease is sought.
35. A Mining Lease accompanied by a mineralisation report will only be approved where the Director, Geological Survey considers that there is a reasonable prospect that the mineralisation identified in that mineralisation report will result in a mining operation.
36. **(Rights)** The holder of a Mining Lease is entitled to enter the area of the Mining Lease and undertake operations for the purpose of mining and extracting minerals. The holder has exclusive rights to the land for the purpose of mining.
37. **(Payments)** As the State holds the rights to all minerals in Western Australia, holders of Mining Leases must pay a royalty to the State on the minerals extracted from the tenement. Rent and Shire rates for the Mining Lease are payable to the State and Local Government, respectively, each year. The holder of a Mining Lease will also be required to pay a levy each year for the Mining Rehabilitation Fund depending on the type of ground disturbance that has occurred on the tenement.
38. **(Term)** A Mining Lease has a term of 21 years and may be renewed for successive periods of 21 years on such terms and conditions as the Minister sees fit. An application for renewal is to be made in the final year of the term of the Mining Lease.
39. **(Conditions)** Mining Leases are granted subject to various standard conditions relating to minimum expenditure, the payment of rent and observance of environmental protection and reporting requirements. Non-compliance with these conditions may lead to the Mining Lease being forfeited.
40. **(Transfer)** The consent of the Minister is required to transfer a Mining Lease.

Miscellaneous Licence

41. **(Application)** A person may lodge an application for a Miscellaneous Licence per the Mining Act. The Mining Registrar or (if the application is subject to objection) the Mining Warden decides whether to grant an application for a Miscellaneous Licence.
42. **(Connection with mining)** The purpose for which a Miscellaneous Licence is applied for must be connected to mining.
43. **(Rights)** A Miscellaneous Licence allows the holder to enter the land and construct and operate prescribed categories of infrastructure.
44. **(Overlapping tenure)** A Miscellaneous Licence may be applied for and granted over any pre-existing mining tenement. Upon grant, the Miscellaneous licence will coexist with the pre-existing tenement.

45. **(Access Agreements)** Where a Miscellaneous Licence has been applied for over existing tenure, in order to condition and regulate parties' concurrent rights to ground the subject the overlapping tenure, those parties may elect to enter into Access Agreements. An Access Agreement outlines how and when the parties may exercise their lawfully granted rights over the overlapping land, and includes provisions related to provision of notice, rehabilitation and compensation. There is no statutory requirement to enter into an access agreement and they generally only arise as a mechanism to resolve an objection to the grant of the licence.
46. **(Payments)** Rent is payable to the State each year. Shire rates are not payable. The holder of a miscellaneous licence may also be required to pay a levy each year for the Mining Rehabilitation Fund depending on the level of ground disturbance on the tenement.
47. **(Term)** A Miscellaneous Licence has a term of 21 years and may be renewed for successive periods of 21 years on such terms and conditions as the Minister sees fit.
48. **(Conditions)** Miscellaneous Licences are granted subject to various standard conditions relating to the payment of rent and observance of environmental protection and reporting requirements. Non-compliance with these conditions may lead to the Miscellaneous Licence being forfeited.
49. **(Transfer)** There is no restriction on transferring or otherwise dealing in a Miscellaneous Licence.

Aboriginal Heritage

50. The Company must ensure that it complies with the *Aboriginal and Torres Strait Islander Heritage Protection Act 1984* (Cth) (**Commonwealth Heritage Act**) and the *Aboriginal Heritage Act 1972* (WA) (**WA Heritage Act**).
51. A mining tenement may contain sites or objects of Aboriginal significance. To ensure compliance with the applicable legislation and industry standards, it is the usual course for a company to conduct heritage surveys to determine if any sites or objects of Aboriginal significance exist within the area of the Tenements.
52. It may be necessary for the Company to enter into heritage-centric agreements with the traditional owners of the sites or objects of Aboriginal significance to facilitate a heritage survey.

Commonwealth Legislation

53. The Commonwealth Heritage Act legislates the preservation and protection from injury or desecration of areas and objects that are of particular significance to Aboriginals per Aboriginal tradition.
54. Under the Commonwealth Heritage Act, the Minister for Aboriginal Affairs may make declarations of preservation regarding areas and objects that are of particular significance to Aboriginals per Aboriginal tradition. These declarations can be interim or permanent.
55. It is an offence to contravene a declaration made under the Commonwealth Heritage Act.
56. Declarations can potentially halt exploration and mining activities. However, compensation is payable by the Minister for Aboriginal Affairs to a person who is, or is likely to be, affected by a permanent declaration of preservation.

Western Australian Legislation

57. Mining tenements are granted subject to conditions requiring compliance with the WA Heritage Act.
58. It is an offence to alter or damage a sacred ritual or ceremonial Aboriginal site or object and any area of significance to an Aboriginal site or any objects on or under that site. This is a continuous, global obligation.
59. Aboriginal sites or objects may be registered under the WA Heritage Act. Registration is not a legislative requirement, and the WA Heritage Act protects all registered and unregistered sites or objects that meet the relevant definition in the WA Heritage Act, being:

- (a) any place of importance and significance where persons of Aboriginal descent have, or appear to have, left any object, natural or artificial, used for, or made or adapted for use for, any purpose connected with the traditional cultural life of the Aboriginal people, past or present;
 - (b) any sacred, ritual or ceremonial site, which is of importance and special significance to persons of Aboriginal descent;
 - (c) any place which, in the opinion of the Committee, is or was associated with the Aboriginal people and which is of historical, anthropological, archaeological or ethnographical interest and should be preserved because of its importance and significance to the cultural heritage of the State; and
 - (d) any place where objects to which this Act applies are traditionally stored, or to which, under the provisions of this Act, such objects have been taken or removed.
60. Disturbing or otherwise altering this site is an offense against the WA Heritage Act and consent under section 18 of the WA Heritage Act would be required to do so.
61. Our searches of the DPLH Aboriginal Heritage register revealed that there were no registered sites located on the Tenements.

Native Title

62. On 3 June 1992, the High Court of Australia in *Mabo and others v Queensland (No. 2)* (1992) 175 CLR 1 (**Mabo**) held by 6:1 majority that the common law of Australia recognises a form of native title that reflects the entitlement of indigenous inhabitants, in accordance with their laws and customs, to their traditional lands.
63. In order for native title to be recognised, a native title claim group must prove that:
- (a) the rights and interests claimed are possessed under the claim group's traditional laws and customs;
 - (b) these traditional laws and customs are currently be observed by the claim group;
 - (c) the claim group have a 'connection' with the claim area by way of those traditional laws and customs; and
 - (d) the rights and interests are recognised by the common law of Australia.
64. A native title claim will not be recognised if native title has been extinguished. Extinguishment can occur by a voluntary surrender to the Crown, the death of the last survivor of a group entitled to native title, abandonment of the land or laws and customs of the land by a group or by the Crown's grant of an 'inconsistent interest' in the land.
65. An example of an inconsistent interest is the grant of a freehold interest in the land. The grant of a lesser form of interest will not extinguish native title unless it is wholly inconsistent with native title.
66. Once native title has been extinguished, this prior extinguishment can be disregarded in specific circumstances, namely:
- (a) where the area is vested for the benefit of Aboriginal or Torres Strait Islander people;
 - (b) where the area is vacant crown land; or
 - (c) where the area is vested for the purpose of preserving the natural environment of the area.

The Native Title Act 1993

67. In response to the High Court's decision in *Mabo*, the Commonwealth enacted the *Native Title Act 1993* (Cth) (**NT Act**).

68. The NT Act provides for:
- (a) the establishment of the NNTT where Aboriginal people may lodge claims for native title rights over land and have those claims registered;
 - (b) jurisdiction for the Federal Court to assess native title claims and determine if native title rights exist, and issue binding determinations whether native title does or not does exist in the claim area; and
 - (c) that an act (such as the grant or renewal of mining tenement) carried out after 23 December 1996 (referred to as a **Future Act**) must comply with certain requirements for the Future Act to be valid under the NT Act (**Future Act Provisions**).

Registration Testing

69. For the NNTT to register a native title claim, it must satisfy the registration test conditions outlined in Part 7 of the NT Act. If a native title claim does not meet all of the conditions, it must not be registered.

70. The registration test conditions are:

- (a) the information and map contained in the application identify with reasonable certainty the particular 'land and waters' where native title rights and interests are claimed;
- (b) the persons in the native title claim group are named in the application and the persons in that group are described sufficiently clearly so that it can be ascertained whether any particular person is in that group;
- (c) the application's description of the claimed native title rights and interests is sufficient to allow the rights and interests to be readily identified;
- (d) that there is a sufficient factual basis to support the assertion that the claimed native title rights and interests exist. The factual basis must support the assertion that:
 - (i) the native title claim group have, and the predecessors of those persons had, an association with the area;
 - (ii) there exist traditional laws acknowledged by, and traditional customs observed by, the native title claim group that give rise to the native title rights and interests; and
 - (iii) the native title claim group have continued to hold the native title in accordance with those traditional laws and customs
- (e) prima facie, at least some of the native title rights and interests claimed in the application can be established;
- (f) at least one member of the native title claim group currently has or previously had a traditional physical connection with any part of the land or waters covered by the application;
- (g) the application does not offend section 61A of the NT Act, in that a native title determination application must not be made in relation to:
 - (i) an area for which there is an approved determination of native title;
 - (ii) an area where an exclusive possession act has been made; or
 - (iii) the rights and interests conferring exclusive possession, occupation, use and enjoyment of an area where a non-exclusive possession act has been made.
- (h) the application does not claim ownership of minerals, petroleum or gas that are wholly owned by the Crown or exclusive possession over all or part of waters in an offshore place and the native title rights and interests have not otherwise been extinguished;

- (i) the application must contain all the prescribed details and other information and be accompanied by an affidavit or other document;
 - (j) no person in the native title claim group must be a member of the native title claim group for any previous overlapping application; and
 - (k) the application has been certified by all representative Aboriginal and Torres Strait Islander bodies that could certify the application. If the application is not certified, it must be established that the applicant is a member of the native title claim group and is authorised to make the application and deal with matters arising in relation to it, by all other persons in the native title claim group.
71. Registration of a native title claim provides the claim group with certain procedural rights, most relevantly the right to be notified of any Future Act affecting the claim, and the right to participation in Right to Negotiate (**RTN**) negotiations.

Right to Negotiate

72. RTN refers to a formal negotiation between the State of Western Australia (**State**), the applicant for a mining tenement and any registered native title claimants and holders.
73. During the RTN procedure, all parties must negotiate in good faith with a view to agreeing to the terms and conditions on which the tenement can be granted. During this process the applicant for a mining tenement and any registered native title claimants and holders negotiate an ancillary agreement (for Mining Leases, a mining and production agreement, and for Prospecting Licences or Exploration Licences, a heritage agreement).
74. These parties then notify the State that they have agreed to the terms of the ancillary agreement. The State, applicant for a mining tenement and native title party then each sign a State Deed which confirms compliance with the NT Act and that the mining tenement may be validly granted.
75. The applicant for the mining tenement is liable for any compensation that the parties agree will be paid to the registered native title claimants and holders.
76. If agreement has not been, or is likely not to be, reached after six months of negotiations (starting from when the native title party is notified of the mining tenement application), the matter may be referred to the NNTT for determination. The NNTT must decide whether the tenement can be granted within six months of a referral.
77. If the applicant for a mining tenement has not negotiated in good faith, the NNTT will order a further six months of negotiations.

Indigenous Land Use Agreements

78. An Indigenous Land Use Agreement (**ILUA**) is a formal contract created under the NT Act.
79. An ILUA must set out the terms on which a mining tenement can be granted and specify the conditions on which activities may be carried out within the mining tenement. The applicant for the mining tenement is liable for any compensation that the parties agree will be paid to the registered native title claimants and holders. These compensation obligations pass to the transferee of the mining tenement.
80. Once an ILUA has been executed and registered on the ILUA Register maintained by the NNTT, the whole native title claim group and all holders of native title in the area (including future claimants) are bound by the terms of the ILUA.

Expedited Procedure

81. Where the State considers that the grant of a mining tenement is likely to have minimal impact on native title rights, they may grant the tenement without the RTN procedure (**Expedited Procedure**). The Expedited Procedure applies where the grant of a mining tenement is not likely to:
- (a) interfere directly with the community or social activities of the registered native title claimants or

holders;

- (b) interfere with areas or sites of particular significance to the registered native title claimants or holders; or
 - (c) involve major disturbance to land or waters.
82. DMIRS has a policy whereby it considers all Prospecting Licences and Exploration Licences are Future Acts attracting the Expedited Procedure.
83. The State must advertise its intention to grant a mining tenement under the Expedited Procedure to all registered native title claimants and holders. If no objection is lodged by a registered native title claimant or holder, the State may grant the mining tenement.
84. If an objection is lodged, the NNTT must determine whether the grant of the mining tenement attracts the Expedited Procedure. This involves each of the parties making submissions in respect of the factors outlined at paragraph 81 above. If the answer is yes, the State may grant the mining tenement. If the answer is no, the Future Act Provisions must be followed before the mining tenement can be granted (i.e., RTN or ILUA).
85. It is a standard industry process that registered native title claimants or holders will withdraw objections if the applicant executes an Aboriginal heritage agreement. These agreements typically involve funding and carrying out heritage surveys before conducting activities on the mining tenement, conditioning the activities that may be carried out on the mining tenement and paying compensation.

Infrastructure Procedure

86. When the State receives an application for a Miscellaneous Licence or General Purpose Lease, it provides notice of the application to the registered native title claimants or holders who may be affected by that application. Any registered native title claimants or holders may object within two months of receiving the notice on the ground that it affects their registered native title rights and interests. If the State does not receive an objection, the Miscellaneous Licence or General Purpose Lease will proceed to grant (**Infrastructure Procedure**).
87. If an objection is received, the applicant for the Miscellaneous Licence or General Purpose Lease must consult with any registered native title claimants or holders about ways of minimising impact on the registered native title rights and interests in relation to the land and waters and any access to the land or waters by the grant of the Miscellaneous Licence or General Purpose Lease.
88. There is no statutory time limit on this period of consultation. Additionally, only the registered native title claimants or holders may withdraw the objection. In its current form, the NT Act does not allow the applicant for a Miscellaneous Licence or General Purpose Lease to resolve the objection.
89. To prevent objections being drawn out indefinitely, the State is required to refer an objection to a hearing if it remains unresolved eight months after the notification date.

Registered Native Title Claims and Determinations

90. The Searches indicate that the Tenements are all subject to the Malarngowern Native Title Claim (WAD43/2019 WC1999/044). The Malarngowern Native Title Claim was registered on 4 February 2000. On 23 May 2019, the Federal Court made a determination that native title exists over parts of the application area. Two areas were excluded from the determination area (being UCL 19 and UCL 20) and will be the subject of later determinations.

Validity of Tenements under the NT Act

91. Mining tenements granted before 23 December 1996 are not required to comply with the Future Act Provisions in order to be valid under the NTA. All the Tenements were granted on 17 March 1986.
92. The grant of a mining tenement between 31 October 1975 (the commencement date of the *Racial Discrimination Act 1975* (Cth)) and 1 January 1994 (the commencement date of the NT Act) are considered "Category C Past Acts" for the purposes of the NT Act. Category C Past Acts were

validated under Division 2 of Part 2 of the NT Act with the effect that those acts are valid notwithstanding the potential existence of native title and that the future act provisions of the NT Act may not have been complied with. As a result, mining tenements granted prior to 1 January 1994 are generally not subject to any native title compensation agreements.

93. Mining tenements renewed after 23 December 1996 must comply with the Future Act Provisions in order to be valid under the NTA. The exception to this requirement is where the renewal is the first renewal of a mining tenement that was validly granted before 23 December 1996 and:
 - (a) the area to which the mining tenement applies is not extended;
 - (b) the term of the renewed mining tenement is no longer than the term of the old mining tenement; and
 - (c) the rights to be created are not greater than the rights conferred by the old mining tenement.
94. The Tenements were all validly granted before 23 December 1996 and renewed after 23 December 1996. The first renewal of the Tenements will be valid by virtue of the exception listed above.
95. Tenements will be due for renewal again in March 2028. At this time, we expect that the renewal of the mining tenements will need to comply with the Future Act Provisions, however, it is not clear whether the Department will require that the renewal go through the native title notification process under section 29 of the NTA and subsequently the RTN.
96. Mining tenements granted after 23 December 1996 must comply with the Future Act Provisions in order to be valid under the NTA.

Access

97. The Tenements are all located within the Alice Downs pastoral lease (N050018). Mining leases 80/103 and 80/104 are not wholly overlapped (99.8% and 99.98% respectively). The Tenements are not subject to any pastoralist specific conditions and we were not provided with any access or compensation agreements with the lessors of Alice Downs pastoral lease.
98. The Mining Act:
 - (a) prohibits the carrying out of mining activities on land:
 - (i) for the time being under crop, or which is situated within 100 metres of that land;
 - (ii) used as or situated within 100 metres of a yard, stockyard, garden, cultivated field, orchard, vineyard, plantation, airstrip or airfield;
 - (iii) situated within 100 metres of any land that is in actual occupation and on which a house or other substantial building is erected;
 - (iv) the site of or situated within 100 metres of any cemetery or burial ground; or
 - (v) land the subject of a pastoral lease which is the site of, or is situated within 400 metres of the outer edge of, any water works, race, dam, well or bore, not being use for mining purposes by a person other than a lessee of that pastoral lease;
 - (b) imposes certain restrictions on a mining tenement holder passing through Crown land, including requiring that all necessary steps are taken to notify the occupier of any intention to pass over the Crown land and that all necessary steps are taken to prevent damage to improvements and livestock; and
 - (c) provides that the holder of a mining tenement must pay compensation to an occupier of Crown land, for example a pastoral lease, in certain circumstances, in particular to make good any damage to improvements, and for any loss suffered by the occupier from that damage or for any substantial loss of earnings suffered by the occupier as a result of, or arising from, any exploration or mining activities,

without the consent of the lessee, unless ordered by the Mining Warden or if the mining is carried out not less than 30 metres below the lowest point of the natural surface.

99. If it has not already done so, the Company should consider entering into compensation and access agreements with each of the pastoral lessees in relation to the pastoral leases to ensure that the requirements of the Mining Act are satisfied and to avoid any future disputes arising in relation to amounts of compensation which may be applicable. In the absence of an agreement, the Mining Warden's Court determines compensation payable by the Company to the pastoral lessee.

Material Agreements

100. **Binding Heads of Agreement:** the Company, GNP and the Major Shareholders are parties to a binding heads of agreement dated 2021 by which the Company is granted an option to acquire 4,350,000 fully paid ordinary shares in the capital of GNP held by the Major Shareholders of GNP (**Heads of Agreement**). The **Major Shareholders** are Bath Resources Pty Ltd, La Paz Resources Pty Ltd aft Two Eight Feb 20 Family Trust, Dubai 2020 Limited, Cygnus 1 Nominees Pty Ltd atf Cygnus Trust, Bennelong Resource Capital Pty Ltd and Alitime Nominees Pty Ltd atf Honeyham Family Trust.
101. The option may be exercised by the Company at any time commencing on satisfaction or waiver of conditions precedent and ending on 30 June 2021 (unless extended by the parties).
102. The conditions precedent include:
- (a) completion of due diligence by the Company on GNP and its assets to the satisfaction of the Company in its sole discretion;
 - (b) the Company completing a successful capital raising to raise not less than \$7,500,000;
 - (c) the Company obtaining all necessary shareholder and regulatory approvals (including under the ASX Listing Rules); and
 - (d) the Company reaching agreement with the remaining minority shareholders of GNP such that each of those persons agrees with GNP to sell their respective GNP shares to the Company for the issue of shares in the Company on the same terms as contained in the Heads of Agreement.
103. The consideration shares payable by the Company upon exercise of the option are equal to \$17,500,000 based on a deemed issue price equal to the issue price of shares issued by the Company under the capital raising. In addition to the consideration shares, the Company will also issue one free attaching option for every two consideration shares issued. The options will be exercisable at the issue price of the Company's shares issued under the capital raising, within 3 years of the date of issue. The total share and option consideration is to be apportioned between the Major Shareholders and the minority shareholders in accordance with their respective percentage shareholdings in GNP at completion.
104. Upon satisfaction of the conditions precedent and exercise of the option, the Company will hold 100% of the issued capital in GNP.
105. **Share Sale and Purchase Agreement:** Panton, GNP and Panoramic Resources Limited (**Panoramic**) are parties to a Share Sale and Purchase Agreement dated 6 December 2020 by which GNP agreed to purchase an 80% legal and beneficial interest in the issued capital of Panton for \$12,000,000 total consideration (including a \$200,000 non-refundable deposit) (**Share Sale Agreement**). Panton is the sole legal and beneficial owner of the Tenements.
106. Under the Share Sale Agreement GNP was also given the option to acquire the remaining 20% share capital in Panton for an additional \$3,000,000. This option may be exercised by GNP at any stage within 6 months of Completion (or 9 months of Completion if there is a change in control of Panoramic).
107. Panoramic gives standard warranties to GNP under the Share Sale Agreement in relation to, among other things, the standing of the Tenements. The liability of Panton for breach of warranty is limited

under the Share Sale Agreement in that there will be no liability for consequential loss, claims must be made within 2 years of the completion date (or 7 years if the claim relates to a tax indemnity) and the maximum liability of all claims against Panoramic is limited to the value of the consideration.

108. Under the Share Sale Agreement, GNP and Panoramic agree that their relationship as shareholders of Panton will be governed by the shareholders agreement principals contained in Schedule 4 to the Share Sale Agreement. The parties are to negotiate and enter into a formal agreement to replace these principals at the request of either party.
109. The shareholders agreement principals are standard for an agreement of this nature and contain the following key terms:
 - (a) three directors of Panton are to be nominated by GNP with Panoramic being entitled to nominate one director if it elects to do so (provided Panoramic holds at least 10% of the issued capital in Panton);
 - (b) a quorum for a board meeting is 2 directors, at least one of whom must be appointed by Panoramic if it has elected to appoint a director;
 - (c) board decision making is to be by majority vote (unless otherwise specified) with each director having one vote;
 - (d) shareholder decision making is also by majority vote unless otherwise specified with each shareholder having one vote for each share held;
 - (e) certain decisions require unanimous approval of both GNP and Panoramic;
 - (f) GNP is the manager of Panton's day to day operations and is required to keep the board apprised of all activities through quarterly progress reports (among other things);
 - (g) Panoramic's interest in Panton is to be free carried from completion until a decision to mine is made. With effect on and from the expiry of the free carry period, both parties are required to fund Panton by way of unsecured, interest free shareholder loans. The standard programs and budgets and cash call provisions will apply following the expiry of the free carry period;
 - (h) a right of first refusal will apply on the sale of Panton shares by either party; and
 - (i) if an event of default occurs (including a material breach of the shareholder agreement principals which remains unremedied within 20 business days of receipt of notice, an insolvency event occurs or a shareholding falls below 5%) the non-defaulting shareholders may elect to purchase the defaulting shareholder's shares at a price equal to 85% of the value.
110. **Panton Project – Sale and Purchase Agreement:** Panton (formerly known as Panoramic Precious Metals Pty Ltd), Platinum Exploration Pty Ltd (formerly known as Platinum Exploration NL) (**Platinum Exploration**) and Platinum Australia Limited (**Platinum Australia**) are parties to the Panton Project – Sale and Purchase Agreement dated 7 May 2012 (**SPA**).
111. Under the SPA, Platinum Exploration agreed to sell, and Panton agreed to purchase, the Tenements and associated Mining Information and Records for \$5.25 million. In addition, Platinum Australia agreed to grant Panton certain licences to use intellectual property of Platinum Australia. These licences have both now expired.
112. By virtue of clause 11 of the SPA, in addition to the cash amount payable under the SPA, Panton also agreed to grant Platinum Australia a 0.5% Net Smelter Return royalty payable on each of Chrome, Cobalt, Copper, Gold, Iridium, Palladium, Platinum, Nickel, Rhodium and Ruthenium produced from the Tenements. The royalty is payable quarterly from the commencement of commercial production of those minerals from the Tenements.
113. Clause 11 contains the usual reporting and auditing provisions typical for royalties of this nature and provides that interest will be payable on overdue royalty payments. Profits and losses resulting from Panton engaging in commodity futures trading and any other price hedging and price production transactions are to be included in calculations of the Net Smelter Return.

114. By virtue of clause 15.18 of the SPA, Platinum Exploration is entitled to lodge a caveat under the Mining Act to protect its right to receive the royalty.
115. The right to receive the royalty and the right to lodge a caveat under clause 15.18 of the SPA was assigned to FeverTree in February 2016. FeverTree subsequently assigned the right to receive the royalty to Elemental by virtue of a letter of consent dated 28 November 2019. As such, Elemental is the entity currently entitled to receive this royalty, when it becomes payable. The deeds by which Elemental was assigned the royalty right are described further below. Elemental has lodged caveats against all three Tenements to protect its right to receive the royalty.
116. **Deed of Assignment, Assumption and Consent – Panton Project Royalty:** Panton, Platinum Exploration, Platinum Australia and FeverTree are parties to a Deed of Assignment, Assumption and Consent – Panton Project Royalty dated 3 February 2016 under which Platinum Exploration agreed to assign its right to receive the royalty contained in clause 11 of the SPA to FeverTree.
117. FeverTree was also assigned the right to lodge a caveat against the Tenements to protect its right to receive the royalty.
118. **Letter of Consent:** FeverTree, Elemental and Panton are parties to a letter of consent dated 28 November 2019 (**Letter of Consent**). FeverTree and Elemental had entered into a separate agreement under which FeverTree agreed to sell Elemental the right to receive the 0.5% net smelter return royalty contained in clause 11 of the SPA, and associated rights.
119. By virtue of the Letter of Consent, Elemental covenants with Panton that it will assume all liabilities and obligations of FeverTree under the SPA in respect of the royalty. Panton agrees to consent to the sale and assignment of the royalty interest from FeverTree to Elemental.
120. **Minsaco Royalty Agreement:** Helix Resources Limited (formerly Helix Resources NL) (**Helix**) and Minsaco Exploration Pty Ltd (**Minsaco**) are parties to a letter agreement dated 21 March 2000 and titled 'Purchase of Minsaco Exploration Pty Ltd's Interest in the Panton Sill Joint Venture' (**Letter Agreement**).
121. It is apparent from the Letter Agreement that Helix and Minsaco were parties to a joint venture agreement in relation to the Tenements. Helix held an 80% interest in the joint venture and Minsaco a 20% interest. Under the Letter Agreement, Helix agreed to purchase Minsaco's 20% joint venture interest for \$10,000 cash and a 2% net smelter royalty.
122. The royalty applies to the production of platinum group metals and will be payable following production and sale of the first 100,000 ounces.
123. The right to receive the royalty under the Letter Agreement was assigned by Minsaco to Gold Fields Australia Pty Ltd (**Gold Fields**) by virtue of a deed of assignment and assumption dated 1 September 2016.
124. Gold Fields assigned its rights under the Letter Agreement to Maverix by virtue of a Deed of Assignment, Assumption and Release dated 23 December 2016 between Gold Fields, Maverix and Panton. As such, Maverix is the current party entitled to receive this royalty and has lodged caveats against the Tenements to protect this royalty right.

Qualifications and assumptions

125. This opinion is subject to all of the qualifications and assumptions set out in the Report together with the following qualifications and assumptions:
 - (a) this opinion is limited to the matters stated in this letter and no opinion is implied or may be inferred beyond the matters expressly stated;
 - (b) this opinion is accurate as at the date(s) on which the Searches were performed;
 - (c) we have assumed the accuracy and completeness of the Searches, which were obtained from the relevant department or authority;

- (d) this opinion does not cover any third party interests, including encumbrances, that are not apparent from the Searches and the information provided to us;
- (e) we have assumed that the State and the applicant for the Tenements have complied with the applicable Future Act Provisions;
- (f) we have assumed the accuracy and completeness of any instructions or information which we have received from the Company or any of its officers, agents and representatives;
- (g) unless apparent from the Searches or the information provided to us, we have assumed there has been compliance with the requirements necessary to maintain a Tenement in good standing, including in relation to filing all necessary annual (and other) reports with DMIRS;
- (h) reference in the Schedule to any area of land is taken from details shown on the Searches obtained from the relevant department or authority. It is not possible to verify the accuracy of those areas of land without conducting a survey; and
- (i) the information in the Schedule is accurate as at the date of the Searches.

Yours faithfully

All Mining Legal

All Mining Legal

PART I – TENEMENT SCHEDULE

Tenement	Registered Holder	Grant Date (Expiry Date)	Area	2020 Minimum Annual Expenditure (reported expenditure)	2021 Minimum Annual Expenditure ¹	Combined Reporting Group	Registered Encumbrances	Material conditions	Other Interests
M80/103	Panton Sill Pty Ltd	17/03/1986 (16/03/2028)	859.4HA	\$86,000 (\$157,258)	\$86,000	Panton (C98/2001)	<p>Absolute caveat 500066 – Maverix Metals (Australia) Pty Ltd – 100/100 shares – 20/1/2017</p> <p>Consent caveat 574886 – Elemental Royalties (Australia) Pty Ltd – 100/100 shares – 25/3/2020</p>	9. No excavation, excepting shafts, approaching closer to the Great Northern Highway or road reserve than a distance equal to twice the depth of the excavation and mining on the Great Northern Highway being confined to below a depth of 30 metres from the natural surface, and on any other road, to below a depth of 15 metres from the natural surface.	<p>Great Northern Highway – Department of Planning, Lands and Heritage</p> <p>PL N050018 (Alice Downs) – Department of Planning, Lands and Heritage – 99.8%</p> <p>Alice Downs road – Shire of Halls Creek</p>
M80/104	Panton Sill Pty Ltd	17/03/1986 (16/03/2028)	570.3HA	\$57,000 (\$135,414)	\$57,100	Panton (C98/2001)	<p>Absolute caveat 500067 – Maverix Metals (Australia) Pty Ltd – 100/100 shares – 20/1/2017</p> <p>Consent caveat 574887 – Elemental Royalties (Australia) Pty Ltd – 100/100 shares – 25/3/2020</p>	9. Mining on any road or road reserve being confined to below a depth of 15 metres from the natural surface.	<p>PL N050018 (Alice Downs) – Department of Planning, Lands and Heritage – 99.98%</p> <p>Alice Downs road – Shire of Halls Creek</p>
M80/105	Panton Sill Pty Ltd	17/03/1986 (16/03/2028)	828.3HA	\$82,900 (\$154,914)	\$82,900	Panton (C98/2001)	<p>Absolute caveat 500068 – Maverix Metals (Australia) Pty Ltd – 100/100 shares – 20/1/2017</p> <p>Consent caveat 574888 – Elemental Royalties (Australia) Pty Ltd – 100/100 shares – 25/3/2020</p>	9. Mining on any road or road reserve being confined to below a depth of 15 metres from the natural surface.	<p>PL N050018 (Alice Downs) – Department of Planning, Lands and Heritage – 100%</p> <p>Alice Downs road – Shire of Halls Creek</p>

¹ The 2021 expenditure year for each of the Tenements ended on 16 March 2021. The Searches show that no expenditure has been lodged by the tenement holder for any of the Tenements. A Form 5 Report must be filed within 60 days of the anniversary date (i.e. by 15 May 2021). We are aware that the Form 5 Reports were lodged on 11 May 2021 and that the expenditure commitment has been exceeded for each of the Tenements. We expect that the Form 5 Reports are currently being processed by the Department and, as such, the expenditure information does not yet appear on the Searches.

PART II – NATIVE TITLE CLAIMS AND ABORIGINAL HERITAGE

Native Title Claims and Determinations

Tribunal Number	Federal Court Number	Application Name	Registered	Determined	Status
WC1999/044	WAD6020/1998	Malarngowem	04/02/2000	Partially Determined	Native title exists within certain parts of the Determination Area. In certain areas, these native title rights are exclusive. Two areas were excluded from the Determination Area (being UCL 19 and 20) and will be the subject of later determinations.


ILUAs

Tenement	Short Name	Type
Not applicable	Not applicable	Not applicable

Aboriginal Heritage Information

Tenement	Registered Aboriginal Site/s	Other Heritage Places
M80/103	No Registered Aboriginal Sites in Mining Tenement	No Other Heritage Places in Mining Tenement
M80/104	No Registered Aboriginal Sites in Mining Tenement	No Other Heritage Places in Mining Tenement
M80/105	No Registered Aboriginal Sites in Mining Tenement	No Other Heritage Places in Mining Tenement

Annexure C – Independent Limited Assurance Report



**RED EMPEROR RESOURCES NL
(TO BE RENAMED FUTURE METALS NL)**
Independent Limited Assurance Report

18 May 2021

18 May 2021

The Directors
Red Emperor Resources NL
1/35 Richardson Street
West Perth WA 6005

Dear Directors

INDEPENDENT LIMITED ASSURANCE REPORT

1. Introduction

BDO Corporate Finance (WA) Pty Ltd (**'BDO'**) has been engaged by Red Emperor Resources NL (**'Red Emperor'** or **'the Company'**) to prepare this Independent Limited Assurance Report (**'Report'**) in relation to certain financial information of Red Emperor and Great Northern Palladium Pty Ltd (**'GNP'**), for inclusion in the Prospectus. Broadly, the Prospectus will offer up to 100,000,000 Shares at an issue price of \$0.10 each to raise up to \$10 million before costs (**'the Offer'**). The Offer is subject to a minimum subscription level of 100,000,000 shares to raise \$10 million.

As announced on the Australian Securities Exchange (**'ASX'**) on 25 March 2021, the Company has entered into a Heads of Agreement (**'Acquisition Agreement'**) with the major shareholders of GNP to acquire 100% of the issued share capital of GNP (**'the Acquisition'**).

Under the terms of the Acquisition, consideration for 100% of the issued capital in GNP will be in the form of 175,000,000 fully paid ordinary shares (**'Consideration Shares'**) and 87,500,000 unquoted options with an exercise price of \$0.10 and a three year expiry date (**'Vendor Options'**). The Consideration Shares and Vendor Options are collectively referred to as the **'Consideration Securities'**. The offer of the Consideration Securities is referred to as the **'Consideration Offer'**.

Red Emperor also intends to offer 23,000,000 performance rights to Directors and Proposed Directors and a consultant to the Company (or their nominees) (**'Performance Rights'**) (**'Performance Rights Offer'**). The terms of the Performance Rights are detailed in section 6.3 of the Prospectus.

Expressions defined in the Prospectus have the same meaning in this Report. BDO holds an Australian Financial Services Licence (AFS Licence Number 316158) and our Financial Services Guide (**'FSG'**) has been included in this report in the event you are a retail investor. Our FSG provides you with information on how to contact us, our services, remuneration, associations, and relationships.

This Report has been prepared for inclusion in the Prospectus. We disclaim any assumption of responsibility for any reliance on this Report or on the Financial Information to which it relates for any purpose other than that for which it was prepared.

2. Scope

You have requested BDO to perform a limited assurance engagement in relation to the historical and pro forma historical financial information described below and disclosed in the Prospectus.

The historical and pro forma historical financial information is presented in the Prospectus in an abbreviated form, insofar as it does not include all of the presentation and disclosures required by Australian Accounting Standards and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the Corporations Act 2001.

You have requested BDO to review the following historical financial information (together the **'Historical Financial Information'**) of Red Emperor and GNP included in the Prospectus:

- the audited historical Statement of Profit or Loss and Other Comprehensive Income and Statement of Cashflows for the years ended 30 June 2020 and 30 June 2019;
- the reviewed historical Statements of Profit or Loss and Other Comprehensive Income and Statement of Cashflows for the half years ended 31 December 2020 and 31 December 2019; and
- the reviewed historical Statement of Financial Position as at 31 December 2020.

The Historical Financial Information has been prepared in accordance with the stated basis of preparation, being the recognition and measurement principles contained in Australian Accounting Standards and the company's adopted accounting policies.

The Historical Financial Information of Red Emperor has been extracted from the financial report of Red Emperor for the half years ended 31 December 2020 and 31 December 2019 and the years ended 30 June 2020 and 30 June 2019. The financial reports for the half years ended 31 December 2020 and 31 December 2019 were reviewed by BDO Audit (WA) Pty Ltd (**'BDO Audit'**) in accordance with the review provisions of Australian Auditing Standards. BDO Audit issued an unmodified review opinion on the financial reports. The financial reports for the years ended 30 June 2020 and 30 June 2019 were audited by BDO Audit in accordance with Australian Auditing Standards. BDO Audit issued an unmodified audit opinion on the financial reports.

The Historical Financial Information of GNP has been extracted from the financial report of GNP for the period 12 November 2020 to 31 December 2020. The financial report for the period ending 31 December 2020 was reviewed by BDO Audit in accordance with the review provisions of Australian Auditing Standards. BDO Audit included an emphasis of matter relating to the material uncertainty related to going concern. However, the audit and review opinions were not modified in respect of this matter.

Pro Forma Historical Financial Information

You have requested BDO to review the following pro forma historical financial information (the **'Pro Forma Historical Financial Information'**) of Red Emperor included in the Prospectus:

- the pro forma historical Statement of Financial Position as at 31 December 2020.

The Pro Forma Historical Financial Information has been derived from the historical financial information of Red Emperor and GNP, after adjusting for the effects of the subsequent events described in Section 6 of this Report and the pro forma adjustments described in Section 7 of this Report.

The stated basis of preparation is the recognition and measurement principles contained in Australian Accounting Standards applied to the historical financial information and the events or transactions to which the pro forma adjustments relate, as described in Section 7 of this Report,

as if those events or transactions had occurred as at the date of the historical financial information. Due to its nature, the Pro Forma Historical Financial Information does not represent the Company's actual or prospective financial position or financial performance.

The Pro Forma Historical Financial Information has been compiled by Red Emperor to illustrate the impact of the event or transaction described in Section 6 and Section 7 of the Report on Red Emperor's financial position as at 31 December 2020. As part of this process, information about Red Emperor's financial position has been extracted by Red Emperor from Red Emperor's financial statements for the half year ended 31 December 2020.

3. Directors' responsibility

The directors of Red Emperor are responsible for the preparation and presentation of the Historical Financial Information and Pro Forma Historical Financial Information, including the selection and determination of pro forma adjustments made to the Historical Financial Information and included in the Pro Forma Historical Financial Information. This includes responsibility for such internal controls as the directors determine are necessary to enable the preparation of Historical Financial Information and Pro Forma Historical Financial Information are free from material misstatement, whether due to fraud or error.

4. Our responsibility

Our responsibility is to express limited assurance conclusions on the Historical Financial Information and the Pro Forma Historical Financial Information. We have conducted our engagement in accordance with the Standard on Assurance Engagement ASAE 3450 *Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information*.

Our limited assurance procedures consisted of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A limited assurance engagement is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain reasonable assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express an audit opinion.

Our engagement did not involve updating or re-issuing any previously issued audit or limited assurance reports on any financial information used as a source of the financial information.

5. Conclusion

Historical Financial Information

Based on our limited assurance engagement, which is not an audit, nothing has come to our attention that causes us to believe that the Historical Financial Information, as described in the Appendices to this Report, and comprising:

- the audited historical Statement of Profit or Loss and Other Comprehensive Income and Statement of Cashflows for the years ended 30 June 2019 and 30 June 2020;
- the reviewed historical Statements of Profit or Loss and Other Comprehensive Income and Statement of Cashflows for the half year ended 31 December 2020 (and comparatives for the half-year ended 31 December 2019);
- the reviewed historical Statement of Financial Position as at 31 December 2020 for Red Emperor and GNP; and

- the audited historical Statement of Profit or Loss and Other Comprehensive Income of GNP and Statement of Cashflows for the period ended 30 December 2020,

is not presented fairly, in all material respects, in accordance with the stated basis of preparation, as described in Section 2 of this Report.

Pro Forma Historical Financial information

Based on our limited assurance engagement, which is not an audit, nothing has come to our attention that causes us to believe that the Pro Forma Historical Financial Information as described in the Appendices to this Report, and comprising:

- the pro forma historical Statement of Financial Position of Red Emperor as at 31 December 2020,

is not presented fairly, in all material respects, in accordance with the stated basis of preparation, as described in Section 2 of this Report.

6. Subsequent Events

The pro-forma statement of financial position reflects the following event that has occurred subsequent to the period ended 31 December 2020:

- On 29 March 2021, GNP received an interest free loan of \$50,000 from one of its Directors. The loan is repayable on demand.

Apart from the matters dealt with in this Report, and having regard to the scope of this Report and the information provided by the Directors, to the best of our knowledge and belief no other material transaction or event outside of the ordinary business of Red Emperor not described above, has come to our attention that would require comment on, or adjustment to, the information referred to in our Report or that would cause such information to be misleading or deceptive.

7. Assumptions Adopted in Compiling the Pro-forma Statement of Financial Position

The pro forma historical Statement of Financial Position is shown in Appendix 1. This has been prepared based on the financial statements as at 31 December 2020, the subsequent events set out in Section 6, and the following transactions and events relating to the issue of Shares under this Prospectus:

- Pursuant to the Acquisition Agreement, the Company will consolidate its securities and options on a 14 to 100 basis. The total number of shares and options pre-consolidation were 525,292,776 and 6,000,000 respectively. The total number of shares and options post consolidation are 73,540,988 and 840,000 respectively;
- Cash costs of the Offer are estimated to be \$1,077,834. The costs directly attributable to the capital raising are 83.5% of the cash costs of the offer. Those costs, comprising lead manager fees and other apportioned expenses of the offer, which are directly attributable to the capital raising are offset against contributed equity, with the remaining costs of the Offer expensed through accumulated losses;
- The issue of 100,000,000 Shares at an offer price of \$0.10 each to raise \$10 million before costs pursuant to the Prospectus;
- The issue of 175,000,000 Consideration Shares to the shareholders of GNP for the sale of their GNP shares;

- The issue of 87,500,000 Vendor Options, to the option holders of GNP. The Vendor Options have been valued using the Black Scholes option pricing model at \$5,337,500, which is included in the value of the consideration paid for the Acquisition (refer acquisition accounting note);
- The proposed issue of 23,000,000 performance rights to the Directors and Proposed Directors, subject to their appointment to the board, and a consultant to the Company, at settlement of the Acquisition ('Performance Rights'). The Performance Rights will vest in three equal tranches, subject to the applicable vesting condition relating to the volume weighted average price of fully paid ordinary shares in Red Emperor being achieved. The Performance Rights have been valued at \$1,870,667 using a trinomial barrier up and in option pricing model; and
- Cash payment of \$3,000,000 to acquire the remaining 20% of the shares in Panton Sill Pty Ltd ('Panton'). GNP currently holds 80% of the issued share capital of Panton, who holds the granted mining leases that cover the Panton PGM Project ('PGM Project').

8. Independence

BDO is a member of BDO International Ltd. BDO does not have any interest in the outcome of the proposed re-listing other than in connection with the preparation of this Report, for which professional fees will be received. BDO Audit is the auditor of Red Emperor and GNP, for which normal professional fees are received.

9. Disclosures

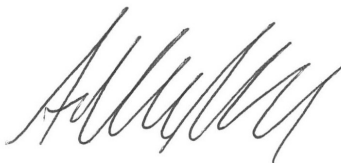
This Report has been prepared, and included in the Prospectus, to provide investors with general information only and does not take into account the objectives, financial situation or needs of any specific investor. It is not intended to be a substitute for professional advice and potential investors should not make specific investment decisions in reliance on the information contained in this Report. Before acting or relying on any information, potential investors should consider whether it is appropriate for their objectives, financial situation or needs.

Without modifying our conclusions, we draw attention to Section 2 of this Report, which describes the purpose of the financial information, being for inclusion in the Prospectus. As a result, the financial information may not be suitable for use for another purpose.

BDO has consented to the inclusion of this Report in the Prospectus in the form and context in which it is included. At the date of this Report this consent has not been withdrawn. However, BDO has not authorised the issue of the Prospectus. Accordingly, BDO makes no representation regarding, and takes no responsibility for, any other statements or material in or omissions from the Prospectus.

Yours faithfully

BDO Corporate Finance (WA) Pty Ltd



Adam Myers
Director

APPENDIX 1
RED EMPEROR

PRO-FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		RMP	GNP			Pro forma Consolidated
		Reviewed for the half-year ended	Audited for the period ended	Pro-forma Adjustments	Subsequent Event Adjustments	Unaudited
	Note	31-Dec-20	31-Dec-20			31-Dec-20
		\$	\$	\$	\$	\$
Current Assets						
Cash and cash equivalents	2	4,225,863	700,659	5,922,166	50,000	10,898,688
Trade and other receivables		26,626	1	-	-	26,627
Total Current Assets		4,252,489	700,660	5,922,166	50,000	10,925,315
Non-Current Assets						
Right of use assets		118,718	-	-	-	118,718
Deferred exploration and evaluation expenditure	3	-	15,610,000	-	-	15,610,000
Total Non-Current Assets		118,718	15,610,000	-	-	15,728,718
Total Assets		4,371,207	16,310,660	5,922,166	50,000	26,654,033
Current Liabilities						
Trade and other payables		39,601	894,191	-	-	933,792
Lease liabilities		70,620	-	-	-	70,620
Borrowings	4	-	-	-	50,000	50,000
Total Current Liabilities		110,221	894,191	-	50,000	1,054,412
Non-Current Liabilities						
Lease liabilities		49,075	-	-	-	49,075
Total Non-Current Liabilities		49,075	-	-	-	49,075
Total Liabilities		159,296	894,191	-	50,000	1,103,487
Net Assets		4,211,911	15,416,469	5,922,166	-	25,550,546
Equity						
Issued capital	5	61,811,451	12,500,410	(45,357,447)	-	28,954,414
Reserves	6	5,270,653	-	(3,399,986)	-	1,870,667
Accumulated losses	7	(62,870,193)	(83,941)	57,679,599	-	(5,274,535)
Capital and Reserves Attributable to Owners of the parent entity		4,211,911	12,416,469	8,922,166	-	25,550,546
Non-controlling interest	8	-	3,000,000	(3,000,000)	-	-
Total Equity		4,211,911	15,416,469	5,922,166	-	25,550,546

The pro-forma statement of financial position after the Offer is as per the statement of financial position before the Offer adjusted for any subsequent events and the transactions relating to the issue of shares pursuant to this Prospectus. The statement of financial position is to be read in conjunction with the notes to and forming part of the historical financial information set out in Appendix 2 and the prior year financial information set out in Appendices 3 through 6.

APPENDIX 2
RED EMPEROR

NOTES TO AND FORMING PART OF THE HISTORICAL FINANCIAL INFORMATION

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted in the preparation of the historical financial information included in this Report have been set out below.

a) Basis of preparation of historical financial information

The historical financial information has been prepared in accordance with the recognition and measurement, but not all the disclosure requirements of the Australian equivalents to International Financial Reporting Standards ('AIFRS'), other authoritative pronouncements of the Australian Accounting Standards Board, Australian Accounting Interpretations and the Corporations Act 2001.

b) Going Concern

The historical financial information has been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business.

The ability of the Company to continue as a going concern is dependent on the success of the fundraising under the Prospectus. The Directors believe that the Company will continue as a going concern. As a result the financial information has been prepared on a going concern basis. However should the fundraising under the Prospectus be unsuccessful, the entity may not be able to continue as a going concern. No adjustments have been made relating to the recoverability and classification of liabilities that might be necessary should the Company not continue as a going concern.

c) Reporting Basis and Conventions

The report is also prepared on an accrual basis and is based on historic costs and does not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

The following is a summary of the material accounting policies adopted by the company in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

d) Principles of consolidation

The consolidated financial statements incorporate the assets, liabilities and results of entities controlled by Red Emperor at the end of the reporting period. A controlled entity is any entity over which Red Emperor has the power to govern the financial and operating policies so as to obtain benefits from the entity's activities. Control will generally exist when the parent owns, directly or indirectly through subsidiaries, more than half of the voting power of an entity. In assessing the power to govern, the existence and effect of holdings of actual and potential voting rights are also considered.

Where controlled entities have entered or left the Group during the year, the financial performance of those entities are included only for the period of the year that they were controlled.

In preparing the consolidated financial statements, all inter-group balances and transactions between entities in the consolidated group have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with those adopted by the parent entity.

Non-controlling interests, being the equity in a subsidiary not attributable, directly or indirectly, to a parent, are shown separately within the Equity section of the consolidated statement of financial position and statement of financial performance. The non-controlling interests in the net assets comprise their interests at the date of the original business combination and their share of changes in equity since that date.

Business combinations

Business combinations occur where an acquirer obtains control over one or more businesses and results in the consolidation of its assets and liabilities.

A business combination is accounted for by applying the acquisition method, unless it is a combination involving entities or businesses under common control. The acquisition method requires that for each business combination one of the combining entities must be identified as the acquirer (i.e. parent entity). The business combination will be accounted for as at the acquisition date, which is the date that control over the acquiree is obtained by the parent entity. At this date, the parent shall recognise, in the consolidated accounts, and subject to certain limited exceptions, the fair value of the identifiable assets acquired and liabilities assumed. In addition, contingent liabilities of the acquiree will be recognised where a present obligation has been incurred and its fair value can be reliably measured.

The acquisition may result in the recognition of goodwill or a gain from a bargain purchase. The method adopted for the measurement of goodwill will impact on the measurement of any non-controlling interest to be recognised in the acquiree where less than 100% ownership interest is held in the acquiree.

The acquisition date fair value of the consideration transferred for a business combination plus the acquisition date fair value of any previously held equity interest shall form the cost of the investment in the separate financial statements. Consideration may comprise the sum of the assets transferred by the acquirer, liabilities incurred by the acquirer to the former owners of the acquiree and the equity interests issued by the acquirer.

Fair value uplifts in the value of pre-existing equity holdings are taken to the statement of financial performance. Where changes in the value of such equity holdings had previously been recognised in other comprehensive income, such amounts are recycled to profit or loss.

Included in the measurement of consideration transferred is any asset or liability resulting from a contingent consideration arrangement. Any obligation incurred relating to contingent consideration is classified as either a financial liability or equity instrument, depending upon the nature of the arrangement. Rights to refunds of consideration previously paid are recognised as a receivable. Subsequent to initial recognition, contingent consideration classified as equity is not re-measured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or a liability is re-measured each reporting period to fair value through the statement of financial performance unless the change in value can be identified as existing at acquisition date.

All transaction costs incurred in relation to the business combination are expensed to the statement of financial performance.

e) Income Tax

The income tax expense or benefit (revenue) for the period is the tax payable on the current period's taxable income based on the national income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax base of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

The charge for current income tax expenses is based on the profit for the year adjusted for any non-assessable or disallowed items. It is calculated using tax rates that have been enacted or are substantively enacted by the balance sheet date.

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognized from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the economic entity will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

f) Cash and Cash Equivalents

Cash and cash equivalents includes cash at bank and in hand, deposits held at call with financial institutions, other short-term highly liquid deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

g) Trade and other receivables

Trade receivables are recognised as the amount receivable and are due for settlement no more than 90 days from the date of recognition. Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off against the receivable directly unless a provision for impairment has previously been recognised.

A provision for impairment of receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate.

Loans granted are recognised at the amount of consideration given or the cost of services provided to be reimbursed.

h) Revenue Recognition

Revenues are recognised at fair value of the consideration received net of the amount of GST.

Interest

Revenue is recognised as interest accrues using the effective interest method. The effective interest method uses the effective interest rate which is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial asset.

i) Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

j) Trade and Other Payables

Liabilities are recognised for amounts to be paid in the future for goods or services received, whether or not billed to the Company. Trade accounts payable are normally settled within 30 days of recognition.

k) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between proceeds (net of transaction costs) and the redemption amount is recognised in the statement of financial performance over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the statement of financial position date.

l) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of GST except where GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

Cash flows are included in the statement of cash flow on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authorities are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

m) Exploration and Evaluation Expenditure

Exploration and evaluation expenditure, including costs of acquiring the licences, are capitalised as exploration and evaluation assets on an area of interest basis. Costs incurred before the Company has obtained the legal rights to explore the area are recognised in the statement of financial performance.

Exploration and evaluation assets are only recognised if the rights of the area of interest are current and either:

- I. The expenditures are expected to be recouped through successful development and exploitation or from sale of the area of interest; or
- II. Activities in the area of interest have not at the reporting date, reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the areas of interest are continuing.

Exploration and evaluation assets are assessed for impairment if (i) sufficient data exists to determine technical feasibility and commercial viability, and (ii) facts and circumstances suggest that the carrying amount exceeds the recoverable amount. For the purpose of impairment testing, exploration and evaluation assets are allocated to cash-generating units to which the exploration activity relates. The cash generating unit shall not be larger than the area of interest.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified to mining property and development assets within property, plant and equipment.

When an area of interest is abandoned or the directors decide that it is not commercial, and accumulated costs in respect of that area are written off in the financial period the decision is made.

n) Impairment of assets

At each reporting date, the Company reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Financial Assets

A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

Non-Financial Assets

The carrying amounts of the non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite lives or that are not yet available for use, recoverable amount is estimated at each reporting date.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups.

Impairment losses are recognised in the statement of financial performance. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (group of units) on a pro rata basis.

o) Contributed Equity

Ordinary shares are classified as equity.

Costs directly attributable to the issue of new shares or options are shown as a deduction from the equity proceeds, net of any income tax benefit. Costs directly attributable to the issue of

new shares or options associated with the acquisition of a business are included as part of the purchase consideration.

p) Financial Instruments

Recognition

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

Financial liabilities

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

q) Employee Benefits

Wages and Salaries, Annual Leave and Sick Leave

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months of the statement of financial position date are recognised in respect of employees' services rendered up to statement of financial position date and measured at amounts expected to be paid when the liabilities are settled.

Liabilities for non-accumulating sick leave are recognised when leave is taken and measured at the actual rates paid or payable. Liabilities for wages and salaries are included as part of Other Payables and liabilities for annual and sick leave are included as part of Employee Benefit Provisions.

Long Service Leave

Liabilities for long service leave are recognised as part of the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees to the statement of financial position date using the projected unit credit method. Consideration is given to expect future salaries and wages levels, experience of employee departures and periods of service. Expected future payments are discounted using national government bond rates at the statement of financial position date with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Share-based payments transactions

The Company provides benefits to employees (including directors) of the Company in the form of share options. The fair value of options granted is recognised as an employee expense with a corresponding increase in equity. The fair value is measured at grant date and spread over the period during which the employee becomes unconditionally entitled to the options. The fair value of the options granted is measured using Black-Scholes valuation model, taking into account the terms and conditions upon which the options were granted.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, on a straight line basis over the period from grant date to the date on which the relevant

employees become fully entitled to the award (“vesting date”). The amount recognised as an expense is adjusted to reflect the actual number that vest.

The dilutive effect, if any, of outstanding options is reflected as additional share dilution in the computation of earnings per share.

r) Accounting estimates and judgements

In the process of applying the accounting policies, management has made certain judgements or estimations which have an effect on the amounts recognised in the financial information.

The carrying amounts of certain assets and liabilities are often determined based on estimates and assumptions of future events. The key estimates and assumptions that have a significant risk causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period are:

Valuation of share based payment transactions

The valuation of share-based payment transactions is measured by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined using the Black Scholes model taking into account the terms and conditions upon which the instruments were granted.

Options

The fair value of options issued is determined using the Black-Scholes model, taking into account the terms and conditions upon which the options were granted.

Determination of fair values on exploration and evaluation assets acquired in business combinations

On initial recognition, the assets and liabilities of the acquired business are included in the statement of financial position at their fair values. In measuring fair value of exploration projects, management considers generally accepted technical valuation methodologies and comparable transactions in determining the fair value. Due to the subjective nature of valuation with respect to exploration projects with limited exploration results, management have determined the price paid to be indicative of its fair value.

Recoverability of capitalised exploration and evaluation expenditure

The future recoverability of capitalised exploration and evaluation expenditure is dependent on a number of factors, including whether the company decides to exploit the related lease itself, or, if not, whether it successfully recovers the related exploration and evaluation asset through sale.

Factors that could impact the future recoverability include the level of reserves and resources, future technological changes, costs of drilling and production, production rates, future legal changes (including changes to environmental restoration obligations) and changes to commodity prices.

Coronavirus (COVID-19) pandemic

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the consolidated entity based on known information. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the consolidated entity unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

	Reviewed for the half year ended 31-Dec-20	Pro-forma after Offer
NOTE 2. CASH AND CASH EQUIVALENTS	\$	\$
Cash and cash equivalents	4,225,863	10,898,688
<i>Adjustments to arise at the pro-forma balance:</i>		
Reviewed balance of Red Emperor as at 31 December 2020		4,225,863
Reviewed balance of GNP as at 31 December 2020		700,659
		4,926,522
<i>Subsequent events:</i>		
Interest free loan from GNP Director (Eddie King)		50,000
		50,000
<i>Pro-forma adjustments:</i>		
Proceeds from shares issued under this Prospectus		10,000,000
Capital raising costs		(1,077,834)
Payment to acquire remaining 20% of Panton Sill Pty Ltd		(3,000,000)
		5,912,666
Pro-forma Balance		10,898,688

	Reviewed for the half year ended 31-Dec-20	Pro-forma after Offer
NOTE 3. DEFERRED EXPLORATION AND EVALUATION EXPENDITURE	\$	\$
Deferred Exploration and Evaluation Expenditure	-	15,610,000
<i>Adjustments to arise at the pro-forma balance:</i>		
Reviewed balance of GNP as at 31 December 2020		15,610,000
Pro-forma Balance		15,610,000

	Reviewed for the half year ended 31-Dec-20	Pro-forma after Offer
NOTE 4. BORROWINGS	\$	\$
Borrowings	-	50,000
<i>Subsequent events:</i>		
Interest free loan from GNP Director (Eddie King)		50,000
		50,000
Pro-forma Balance		50,000

	Reviewed for the half year ended 31-Dec-20	Pro-forma after Offer
NOTE 5. ISSUED CAPITAL	\$	\$
Issued Capital	61,811,451	28,954,414
<i>Adjustments to arise at the pro-forma balance:</i>		
Red Emperor issued share capital as at 31 December 2020	525,292,776	61,811,451
GNP issued share capital as at 31 December 2020		12,500,410
<i>Pro-forma adjustments:</i>		
Completion of the share consolidation at 14:100	(451,751,788)	-
Fully paid ordinary shares issued at \$0.10 pursuant to the Prospectus	100,000,000	10,000,000
Consideration shares issued at \$0.10 as part of the Acquisition	175,000,000	7,354,099
Cash costs of the Offer deducted from equity	-	(900,095)
Elimination of Red Emperor's issued capital on acquisition	-	(61,811,451)
Pro-forma Balance	348,540,988	28,954,414

	Reviewed for the half year ended 31-Dec-20	Pro-forma after Offer
NOTE 6. RESERVES	\$	\$
Reserves	5,270,653	1,870,667
<i>Adjustments to arise at the pro-forma balance:</i>		
Reviewed balance of Red Emperor as at 31 December 2020		5,270,653
		5,270,653
<i>Pro-forma adjustments:</i>		
Performance rights to be issued		1,870,667
Elimination of Red Emperor's reserves on acquisition		(5,270,653)
		(3,481,320)
Pro-forma Balance		1,870,667

	Reviewed for the half year ended 31-Dec-20	Pro-forma after Offer
NOTE 7. ACCUMULATED LOSSES	\$	\$
Accumulated losses	(62,870,193)	(5,274,535)
<i>Adjustments to arise at the pro-forma balance:</i>		
Reviewed balance of Red Emperor as at 31 December 2020		(62,870,193)
Reviewed balance of GNP as at 31 December 2020		(83,941)
		<u>(62,954,134)</u>
<i>Pro-forma adjustments:</i>		
Elimination of Red Emperor's accumulated losses upon acquisition		62,870,193
Performance rights to be issued		(1,870,667)
Costs of the offer not directly attributable to the capital raising		(177,739)
ASX listing expense on acquisition		(3,142,188)
		<u>57,679,599</u>
Pro-forma Balance		<u>(5,274,535)</u>

	Reviewed for the half year ended 31-Dec-20	Pro-forma after Offer
NOTE 8. NON-CONTROLLING INTEREST	\$	\$
Non-controlling interest	3,000,000	-
<i>Adjustments to arise at the pro-forma balance:</i>		
Reviewed balance of GNP as at 31 December 2020		3,000,000
		<u>3,000,000</u>
<i>Pro-forma adjustments:</i>		
Acquisition of remaining 20% of Panton Sill Pty Ltd		(3,000,000)
		<u>(3,000,000)</u>
Pro-forma Balance		<u>-</u>

NOTE 9: ASSET ACQUISITION

A summary of the acquisition details with respect to the proposed acquisition of Red Emperor as included in our report is set out below. These details have been determined for the purposes of the pro-forma adjustments as at 31 December 2020, however will require re-determination as at the successful acquisition date which may result in changes to the values set out below.

Details of the net assets acquired, purchase consideration and notional fair value attributable to exploration assets are as follows:

PROVISIONAL ACCOUNTING FOR THE ACQUISITION		\$
Net assets acquired:		
Cash and cash equivalents of Red Emperor prior to the Acquisition		4,225,863
Trade and other receivables		26,626
Right of use assets		118,718
Trade and other payables		(39,601)
Lease liabilities		(119,695)
Adjusted net assets of Red Emperor acquired		4,211,911
Fair value of Consideration		7,354,099
Total net assets acquired on Acquisition		4,211,911
Amount recognised as ASX listing expense upon Acquisition		3,142,188

NOTE 10: RELATED PARTY DISCLOSURES

Transactions with Related Parties and Directors Interests are disclosed in the Prospectus.

NOTE 11: COMMITMENTS AND CONTINGENCIES

At the date of the report no material commitments or contingent liabilities exist that we are aware of, other than those disclosed in the Prospectus.

**APPENDIX 3
RED EMPEROR**

HISTORICAL STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Statement of Profit or Loss and Other Comprehensive Income	Reviewed for the half year ended 31-Dec-20 \$	Audited for the year ended 30-Jun-20 \$	Reviewed for the half year ended 31-Dec-19 \$
Continuing Operations			
Interest received	12,520	26,768	13,412
Other income	40,009	14,469	-
Employee and director benefits expense	(124,645)	(251,681)	(136,706)
Professional and consultants	(112,376)	(277,502)	(114,124)
ASX and AIM and share registry fees	(68,115)	(173,580)	(86,550)
Travel expenditure	(4,801)	(14,678)	(7,493)
Exploration expenditure written off	(12,588)	(249,595)	(93,999)
Amortisation/depreciation expense	(23,744)	-	-
Unrealised foreign exchange (loss)/gain	(9,859)	3,396	1,154
Other expenses	(62,280)	(114,610)	(73,710)
Loss before income tax	(365,879)	(1,037,013)	(498,016)
Income tax expense	-	-	-
Loss after income tax	(365,879)	(1,037,013)	(498,016)
Other comprehensive income	-	265	54
Total comprehensive loss for the period	(365,879)	(1,036,748)	(497,962)

**APPENDIX 4
RED EMPEROR**

HISTORICAL STATEMENTS OF CASH FLOWS

Statement of Cash Flows	Reviewed for the half year ended 31-Dec-20 \$	Audited for the year ended 30-Jun-20 \$	Reviewed for the half year ended 31-Dec-19 \$
Cash flows from operating activities			
Payments to suppliers and employees	(417,088)	(831,833)	(457,045)
Interest received	12,520	26,768	13,412
Other receipts	40,009	14,469	
Net cash (outflow) from operating activities	(364,559)	(790,596)	(443,633)
Cash Flows From Investing Activities			
Payment for exploration and evaluation	(12,588)	(249,595)	(93,999)
Payment of performance bond	-	-	-
Refund of performance bond	-	-	-
Proceeds from sale of subsidiary - Georgian Oil Pty Ltd	-	-	-
Net cash (outflow) from investing activities	(12,588)	(249,595)	(93,999)
Cash Flows From Financing Activities			
Proceeds from issue of shares	-	-	-
Proceeds from issue of options	-	-	-
Payments for share issue costs	-	-	-
Net cash inflow from financing activities	-	-	-
Net (decrease) in cash and cash equivalents held	(377,147)	(1,040,191)	(537,632)
Cash and cash equivalents at the beginning of the year	4,603,010	5,642,936	5,642,936
Effects of exchange rate changes on cash and cash equivalents	-	265	53
Cash and cash equivalents at the end of the year	4,225,863	4,603,010	5,105,357

APPENDIX 5

GNP

HISTORICAL STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Statement of Profit or Loss and Other Comprehensive Income	Audited for the period ended 31-Dec-20
	\$
Interest Income	261
Expenses	
Audit fee	(7,500)
Company secretarial and accounting fees	(2,531)
Consulting fees	(4,675)
Director fees	(2,129)
Legal fees	(67,356)
Subscription	(11)
Loss before income tax	<u>(83,941)</u>
Income tax expense	-
Loss after income tax	<u>(83,941)</u>
Other comprehensive income	-
Total comprehensive loss for the period	<u>(83,941)</u>

APPENDIX 6
GNP
HISTORICAL STATEMENTS OF CASH FLOWS

Statement of Cash Flows	Audited for the period ended 31-Dec-20 \$
Cash flows from operating activities:	
Payments to suppliers and employees (incl. GST)	(12)
Interest received	261
Net cash flows generated from operating activities	249
Cash flows from investing activities:	
Payment to acquire tenements	(11,800,000)
Net cash flows used in investing activities	(11,800,000)
Cash flows from financing activities:	
Proceeds from issue of shares	12,500,410
Net cash flows generated from financing activities	12,500,410
Net increase in cash and cash equivalents	700,659
Cash and cash equivalents at the beginning of the period	-
Cash and cash equivalents at the end of the period	700,659

APPENDIX 7 FINANCIAL SERVICES GUIDE

18 May 2021

BDO Corporate Finance (WA) Pty Ltd ABN 27 124 031 045 ('we' or 'us' or 'ours' as appropriate) has been engaged by Red Emperor Resources NL ('the Company') to provide an Independent Limited Assurance Report ('ILAR' 'our Report/s') for inclusion in this Prospectus.

Financial Services Guide

In the above circumstances we are required to issue to you, as a retail Red Emperor, a Financial Services Guide ('FSG'). This FSG is designed to help retail Red Emperors make a decision as to their use of the general financial product advice and to ensure that we comply with our obligations as financial services licensee.

This FSG includes information about:

- who we are and how we can be contacted;
- the services we are authorised to provide under our Australian Financial Services Licence, Licence No. 316158;
- remuneration that we and/or our staff and any associates receive in connection with the general financial product advice;
- any relevant associations or relationships we have; and
- our internal and external complaints handling procedures and how you may access them.

Information about us

BDO Corporate Finance (WA) Pty Ltd is a member firm of the BDO network in Australia, a national association of separate entities (each of which has appointed BDO (Australia) Limited ACN 050 110 275 to represent it in BDO International). The financial product advice in our Report is provided by BDO Corporate Finance (WA) Pty Ltd and not by BDO or its related entities. BDO and its related entities provide services primarily in the areas of audit, tax, consulting and financial advisory services.

We do not have any formal associations or relationships with any entities that are issuers of financial products. However, you should note that we and BDO (and its related entities) might from time to time provide professional services to financial product issuers in the ordinary course of business.

Financial services we are licensed to provide

We hold an Australian Financial Services Licence that authorises us to provide general financial product advice for securities to retail and wholesale Red Emperors.

When we provide the authorised financial services we are engaged to provide an ILAR in connection with the financial product of another entity. Our Report indicates who has engaged us and the nature of the report we have been engaged to provide. When we provide the authorised services we are not acting for you.

General Financial Product Advice

We only provide general financial product advice, not personal financial product advice. Our Report does not take into account your personal objectives, financial situation or needs. You should consider the appropriateness of this general advice having regard to your own objectives, financial situation and needs before you act on the advice.

Fees, commissions and other benefits that we may receive

We charge fees for providing reports, including this Report. These fees are negotiated and agreed with the Red Emperor who engages us to provide the report. Fees are agreed on an hourly basis or as a fixed amount depending on the terms of the agreement. The fee payable to BDO Corporate Finance (WA) Pty Ltd for this engagement is approximately \$20,000 (exclusive of GST).

Except for the fees referred to above, neither BDO, nor any of its directors, employees or related entities, receive any pecuniary benefit or other benefit, directly or indirectly, for or in connection with the provision of the Report.

Remuneration or other benefits received by our employees

All our employees receive a salary. Our employees are eligible for bonuses based on overall productivity but not directly in connection with any engagement for the provision of a report. We have received a fee from the Company for our professional services in providing this Report. That fee is not linked in any way with our opinion as expressed in this Report.

Referrals

We do not pay commissions or provide any other benefits to any person for referring customers to us in connection with the reports that we are licensed to provide.

Complaints resolution

Internal complaints resolution process

As the holder of an Australian Financial Services Licence, we are required to have a system for handling complaints from persons to whom we provide financial product advice. All complaints must be in writing addressed to The Complaints Officer, BDO Corporate Finance (WA) Pty Ltd, 38 Station Street, Subiaco, Perth WA 6008.

When we receive a written complaint we will record the complaint, acknowledge receipt of the complaint within 15 days and investigate the issues raised. As soon as practical, and not more than **45 days** after receiving the written complaint, we will advise the complainant in writing of our determination.

Referral to External Dispute Resolution Scheme

A complainant not satisfied with the outcome of the above process, or our determination, has the right to refer the matter to the Australian Financial Complaints Authority ('AFCA'). AFCA was established on 1 November 2018 to allow for the amalgamation of all Financial Ombudsman Service schemes into one. AFCA will deal with complaints from consumers in the financial system by providing free, fair and independent financial services complaint resolution. If an issue has not been resolved to your satisfaction you can lodge a complaint with AFCA at any time.

Our AFCA Membership Number is 12561. Further details about AFCA are available on its website www.afca.org.au or by contacting it directly via the details set out below:

Australian Financial Complaints Authority
GPO Box 3
Melbourne VIC 3001
Toll free: 1300 931 678
Website: www.afca.org.au

Contact details

You may contact us using the details set out on page 1 of our Report.