

This document comprises a simplified prospectus under Article 14 of the UK version of Regulation (EU) 2017/1129 which forms part of UK law by virtue of the European Union (Withdrawal) Act 2018 as amended (the “**UK Prospectus Regulation**”) relating to SolGold plc (the “**Company**”) prepared in accordance with the UK Prospectus Regulation Rules of the Financial Conduct Authority (the “**FCA**”) made under section 73A of the FSMA. This document has been approved by the FCA (as competent authority under the UK Prospectus Regulation). This document has been drawn up as part of a simplified prospectus in accordance with Article 14 of the UK Prospectus Regulation. The FCA only approves this document as meeting the standards of completeness, comprehensibility and consistency imposed by the UK Prospectus Regulation. Such approval should not be considered as an endorsement of the Company that is, or the quality of the securities that are, the subject of this document. Investors should make their own assessment as to the suitability of investing in the ordinary shares in the capital of the Company. This document has been filed with the FCA in accordance with the Prospectus Regulation Rules and will be made available to the public in accordance with UK Prospectus Regulation Rule 3.2.1 by the same being made available, free of charge, at <https://www.solgold.com.au/>.

The Company and the Directors, whose names appear on page 27 of this document, accept responsibility for the information contained in this document. To the best of the knowledge of the Company and the Directors, the information contained in this document is in accordance with the facts and this document makes no omission likely to affect its import.



SOLGOLD PLC

(Incorporated in England and Wales under the Companies Act 2006 with registered no. 5449516)

Admission of 525,954,360 Consideration Shares to the Official List (by way of a Standard Listing under Chapter 14 of the Listing Rules) and to trading on the London Stock Exchange’s Main Market for listed securities

The Ordinary Shares are admitted to listing on the Standard Segment of the Official List (under Chapter 14 of the Listing Rules) and to trading on the Main Market of the London Stock Exchange. The Ordinary Shares are also listed on the Toronto Stock Exchange (“**TSX**”). Applications will be made for the Consideration Shares to be admitted to listing on the Standard Segment of the Official List (under Chapter 14 of the Listing Rules) and to trading on the Main Market of the London Stock Exchange. It is anticipated that Admission will become effective and that dealings in the Consideration Shares will commence at approximately 8.00 a.m. on 27 February 2023. Applications will also be made for the Consideration Shares to be listed and posted for trading on the TSX. Except as otherwise described herein, no application has been made or is currently intended to be made for the Consideration Shares to be admitted to listing or dealt on any other exchange.

A Standard Listing affords ordinary shareholders in the Company a lower level of regulatory protection than that afforded to shareholders in companies with a Premium Listing on the Official List, which are subject to additional obligations under the Listing Rules. A prospective investor should be aware of the risks of investing in companies with a Standard Listing and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser.

The whole of the text of this document should be read in its entirety. Your attention is also drawn, in particular, to the section headed “Risk Factors” at the beginning of this document which sets out certain risks and other factors that should be taken into account by investors. YOU SHOULD NOT RELY SOLELY ON INFORMATION SUMMARISED IN THE SECTION OF THIS DOCUMENT ENTITLED “SUMMARY”.

The Consideration Shares have not been and will not be registered under the US Securities Act of 1933, as amended (the “**US Securities Act**”), or under the securities laws of any state or other jurisdiction of the United States and may not be offered, sold, resold, taken up, transferred, delivered or distributed, directly or indirectly, in, into or within the United States absent registration or an applicable exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States.

Unless expressly stated otherwise, references to an EU regulation shall be to that regulation as it forms part of the law of England and Wales by virtue of the European Union (Withdrawal) Act 2018 (as amended) and as the law of England and Wales is amended or re-enacted as at the date of this document.

General Notice

Subject to the FSMA, the Listing Rules, the UK Prospectus Regulation Rules, and the DTRs, neither the delivery of this document nor any acquisition or sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Company since the date of this document or that the information in this document is correct as at any time after this date.

The Company will publish a supplement to this prospectus if a significant new factor, material mistake or material inaccuracy relating to the information in this document that may affect the assessment of the securities and which arises or is noted between the time when the document was approved and Admission. This document and any supplement will be made public in accordance with the UK Prospectus Regulation by publication on the Company's website at www.solgold.com.au.

Without limitation, the contents of the Group's websites (other than the information as set out in Part 6 ("*Documents Incorporated by Reference*"), or of any website accessible via hyperlinks from the Group's websites, do not form part of this document.

This document is dated 22 February 2023.

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SUMMARY

Part 1 – INTRODUCTION

This summary should be read as an introduction to this document. Any decision to invest in the securities of the Company should be based on consideration of this document as a whole by the investor. Investors could lose all or part of their invested capital.

Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only where the summary is misleading, inaccurate or inconsistent when read together with the other parts of this document or where it does not provide, when read together with the other parts of this document, key information in order to aid investors when considering whether to invest in the Ordinary Shares.

The legal name of the Company is SolGold plc. The Company's registered office is at 1 King Street, London, EC2V 8AU, United Kingdom and its LEI is 213800HGFADQBMIEVI76.

The Ordinary Shares are registered with International Securities Identification Number ("ISIN") GB00B0WD0R35 and trade under the symbol "SOLG".

This document has been approved in accordance with the Prospectus Regulation on 22 February 2023 by the UK Financial Conduct Authority (the "FCA"), as competent authority, having its head office at 12 Endeavour Square, London, E20 1JN and telephone number +44 (0)20 7066 1000.

Part 2 – KEY INFORMATION ON THE ISSUER

Who is the issuer of the securities?

There is no offer of the Company's securities.

The Company is the issuer of the Ordinary Shares. The Company is a public limited company incorporated in England operating under the Companies Act 2006, as amended and subordinate legislation thereunder (the "Companies Act 2006").

The Company is a Brisbane-based emerging copper-gold major, and leading exploration company focused on the discovery, definition and development of world-class copper and gold deposits. The Group has an exploration and project team focussed on copper-gold exploration and mine development with assets in Ecuador, Solomon Islands and Australia, but the Company is currently prioritising its exploration of its concessions in Ecuador where the Group is the largest and most active concession holder.

The Group has been focused on mineral exploration in the Andean copper belt in Ecuador since 2012. The Alpala deposit in the Cascabel concession in northern Ecuador is the Company's flagship project and is one of the largest independent copper-gold-silver mine development projects in Ecuador. In addition to advancing the Alpala deposit, the Company has identified a number of highly prospective priority projects throughout Ecuador and is exploring these in parallel to advancing Alpala.

Major interests in Ordinary Shares

As at the Latest Practicable Date, insofar as is known to the Company, the following persons are interested in 3 per cent. or more of the Company's voting rights:

Major Shareholders²	Number of Ordinary Shares	Percentage of issued ordinary share capital
BHP Group Limited	310,965,736	12.56%
Newcrest International Pty Ltd	309,309,996	12.49%
DGR Global Ltd	204,151,800	8.25%
Cornerstone Capital Resources	157,141,000	6.35%
Jiangxi Copper (Hong Kong) Investment Company Limited	155,000,000	6.26%
Tenstar Trading Limited	107,877,393	4.36%
Nicholas Mather ⁽¹⁾	90,326,710	3.65%
Norges Bank	81,675,000	3.30%

Notes:

(1) Includes Mr Mather's beneficial and non-beneficial holdings.

(2) Assuming that (i) no Ordinary Shares have been acquired or disposed of since the Latest Practicable Date; (ii) no further Ordinary Shares have been issued by the Company between the date of this document and Admission.

Directors

The directors of the Company are: Liam Twigger (*Independent Non-executive Chair*), Scott Caldwell (*Interim Chief Executive Officer*), María Amparo Albán (*Independent Non-executive Director*), Dan Vujcic (*Independent Non-executive Director*), James Clare (*Non-executive Director*) and Nicholas Mather (*Non-executive Director*).

Statutory Auditors

The Company's statutory auditor is PricewaterhouseCoopers LLP, 1 Embankment Place, London, WC2N 6RH, United Kingdom. PricewaterhouseCoopers LLP is a member firm of the Institute of Chartered Accountants in England and Wales and has no material interest in the Company.

What is the key financial information regarding the issuer?

The tables below set out selected key financial information for the Group. The financial information has been extracted without material adjustment from the Group's consolidated financial statements as at and for the financial year ended 30 June 2022 and the Group's unaudited interim condensed consolidated financial statements as at and for the six month period ended 31 December 2022 (the "**Group Financial Information**"), which are incorporated by reference into this document.

Selected Consolidated Income Statement Data

<i>In US\$</i>	Six months ended 31 December		Year ended 30 June	
	2022	2021	2022	2021
	(unaudited)	(unaudited)		(unaudited)
Revenue				
Gross profit / (Loss)	(17,554,697)	(17,988,422)	2,838,538	(23,620,916)
Profit/(Loss) after tax	(16,244,073)	(18,314,685)	(1,701,565)	(23,772,089)
Period on period growth in revenue				
Earnings per Ordinary Share (basic)	(0.8)	(0.8)	(0.1)	(1.1)
Earnings per Ordinary Share (diluted)	(0.7)	(0.8)	(0.1)	(1.1)

Selected Consolidated Balance Sheet Data

<i>In US\$</i>	As at 31 December	As at 30 June	
	2022	2022	2021
	(unaudited)		(unaudited)
Total assets	506,397,038	429,162,611	452,555,338
Total equity	350,136,763	331,248,506	334,264,502
Total liabilities	156,260,275	97,914,105	118,290,836

Selected Consolidated Cash Flow Data

<i>In US\$</i>	Six months ended 31 December		Year ended 30 June	
	2022	2021	2022	2021
	(unaudited)	(unaudited)		(unaudited)
Net cash from operating activities	(8,342,842)	(8,610,930)	(11,006,471)	(13,106,546)
Net cash used in investing activities	(24,505,162)	(42,262,445)	(71,651,853)	(82,705,689)
Net cash provided by financing activities	(84,150,293)	(248,290)	(485,386)	157,402,205

There are no qualifications to the independent auditor's report included in the Group's annual report for the financial year ended 30 June 2022. However, the report highlights the existence of a material uncertainty which may cast significant doubt upon the Group's ability to continue as a going concern as the Group has not generated revenue from operations and management's cash flow forecasts show that the Group needs to secure additional funding to continue its exploration and development programme and to continue to meet its obligations and liabilities as they fall due.

Pro forma Financial Information

The below unaudited pro forma statement of financial position has been prepared to illustrate the effect on the statement of financial position of the Group as at 31 December 2022 as if the proposed Acquisition had taken place on that date.

<i>(In US\$ thousands) (Unaudited)</i>	Adjustments			Pro forma Group as at 31 December 2022
	SolGold as at 31 December 2022	Cornerstone as at 30 September 2022	Acquisition Adjustments	
Assets				
Intangible assets	388,299	—	—	388,299
Property, plant and equipment	23,572	252	—	23,824
Financial assets held at fair value through OCI	5,884	86,634	(92,512)	6
Financial assets at amortised cost	1,745	—	—	1,745
Total non-current assets	419,500	86,886	(92,512)	413,874
Other receivables and prepayments	7,708	616	(3,649)	4,675
Loans receivable and other current assets	2,013	—	—	2,013
Cash and cash equivalents	77,176	1,732	(11,943)	66,965
Total current assets	86,897	2,348	(15,592)	73,653
Total assets	506,397	89,234	(108,104)	487,527
Equity				
Share capital	34,167	130,493	(124,170)	40,490
Share premium	459,491	—	79,923	539,414
Treasury shares	—	—	(25,767)	(25,767)
Financial assets held at fair value through OCI	2,871	(4,946)	2,075	—
Share based payment reserve	9,969	15,395	(12,775)	12,589
Other reserves	259	—	—	259
Accumulated loss	(150,193)	(69,464)	(11,758)	(231,415)
Foreign exchange reserve	(5,163)	—	—	(5,163)
Non-controlling interest	(1,265)	—	1,265	—
Total equity	350,136	71,478	(91,207)	330,407
Liabilities				
Trade and other payables	10,893	970	(111)	11,752
Lease liability	373	—	—	373
Provisions	716	—	—	716
Total current liabilities	11,982	970	(111)	12,841
Lease liability	289	—	—	289
Other financial liabilities	424	—	—	424
Deferred tax liabilities	4,200	16,786	(16,786)	4,200
Borrowings	139,366	—	—	139,366
Total non-current liabilities	144,279	16,786	(16,786)	144,279
Total liabilities	156,261	17,756	(16,897)	157,120
Total equity and liabilities	506,397	89,234	(108,104)	487,527

What are the key risks that are specific to the issuer?

The key risks specific to the issuer are as follows:

1. The Group has insufficient working capital to meet its forecast expenditure for the next twelve months;
2. The Group's principal business is located in Ecuador, exposing it to various geopolitical, regulatory and sovereign risks;

3. The Group may be unable to obtain or renew concessions, licences, permits and other authorisations required for exploration or mining rights and and/or such concessions, rights, licences, permits and other authorisations may be suspended, terminated or revoked prior to their expiration;
4. The Group is subject to various anti-fraud, anti-corruption, anti-bribery and anti-money laundering laws and failure to comply with any of these laws may subject the Group to penalties and other adverse consequences;
5. The completion of the proposed Acquisition is subject to the satisfaction (or waiver, if applicable) of certain conditions; and if the Acquisition does not complete because any of the conditions are not satisfied (or waived, if applicable), the Company will not realise the perceived benefits of the Acquisition;
6. The Group is obligated to comply with various environmental regulations and failure to comply with these regulations could expose it to extensive liability;
7. The Group is exposed to volatility of commodity prices;
8. The Group may face reputational and other risks arising out of unlawful, and allegedly unlawful, activities of its employees in Ecuador;
9. The development of the Cascabel Project and implementation of the Group's strategy is dependent upon obtaining further financing and there can be no assurance that the Company will be able to obtain such financing on favourable terms or at all; and
10. The Company is required to enter into various exploration contracts prior to exploitation of natural resources.

Part 3 – KEY INFORMATION ON THE SECURITIES

What are the main features of the securities?

The Consideration Shares are ordinary shares of the Company of £0.01 each. The Ordinary Shares are admitted to trading on the Main Market for listed securities of the London Stock Exchange, registered with ISIN GB00B0WD0R35, Stock Exchange Daily Official List (“**SEDOL**”) number B0WD0R3 and traded under the symbol “**SOLG**” on the London Stock Exchange. The rights attaching to the Consideration Shares will be uniform in all respects with the Ordinary Shares and form a single class for all purposes, including with respect to the right to vote and the right to receive all dividends and other distributions declared, made or paid in respect of the Company's share capital after Admission (as defined below).

The Ordinary Shares are denominated in Pounds Sterling. The Consideration Shares will be quoted and traded in Pounds Sterling on the London Stock Exchange.

As at the date of this document, the issued and outstanding share capital of the Company is 2,476,051,501 Ordinary Shares of £0.01 par value each (all of which were fully paid). The Company will issue 525,954,360 Consideration Shares in connection with the proposed Acquisition.

Except as provided by the rights and restrictions attached to any class of shares, Shareholders will under general law be entitled to participate last in any surplus assets in a winding up in proportion to the nominal value of their shareholdings.

Restrictions on free transferability of Ordinary Shares

There are no restrictions on the free transferability of the Ordinary Shares, other than certain transfer restrictions under: (i) the Companies Act 2006 for persons failing to respond to statutory notices issued by the Company requesting for information on interest in a particular holding of shares; (ii) the Articles, under which the Board may, in its absolute discretion, refuse to register any instrument of transfer of any certificated share in certain circumstances; and (iii) the relevant securities laws of the United States and certain other jurisdictions, as may be applicable to the transferor or the transferee.

In addition, the Board may, in its absolute discretion, refuse to register any instrument of transfer of any certificated share which is not fully paid up but, in the case of a class of shares which has been admitted to the Official List of the FCA, not so as to prevent dealings in those shares from taking place on an open and proper basis or on which the Company has a lien. The Board may also refuse to register any instrument of transfer of a certificated share unless it is left (duly stamped) at the registered office, or such other place as the Board may decide, for registration, accompanied by the certificate for the shares to be transferred and such other evidence (if any) as the Board may reasonably require to prove title of the

intending transferor or their right to transfer the shares; and it is in respect of only one class of shares and not in favour of more than four transferees.

Dividend policy

The Company intends to retain any earnings to expand the growth and development of its business and, therefore, does not anticipate paying dividends in the foreseeable future.

Where will the securities be traded?

Applications will be made to the London Stock Exchange for all of the Consideration Shares to be admitted to trading on the London Stock Exchange's Main Market for listed securities (the "**Admission**"). Applications will also be made for the Consideration Shares to be listed and posted for trading on the Toronto Stock Exchange.

What are the key risks that are specific to the securities?

The key risks specific to the securities are as follows:

1. Certain significant shareholders of the Company may be able to exercise material influence over the Company's business and/or their interests may differ from those of other Shareholders;
2. The price of Ordinary Shares may be volatile and purchasers of the Ordinary Shares could incur substantial losses;
3. The Ordinary Shares are listed on the standard listing segment of the Official List, which affords Shareholders a lower level of regulatory protection than a listing on the premium listing segment;
4. The Company does not currently intend to pay dividends and there is no guarantee that the Company will pay dividends in the future; and
5. The issuance of additional Ordinary Shares in the Company may dilute all other shareholdings.

Part 4 – KEY INFORMATION ON THE OFFER AND/OR THE ADMISSION TO TRADING ON A REGULATED MARKET

Under which conditions and timetable can I invest in this security?

This Prospectus does not constitute an offer or invitation to any person to subscribe for or purchase any shares in the Company. It is expected that Admission of the Ordinary Shares to trading on the London Stock Exchange's Main Market for listed securities will become effective at 8.00 a.m. (London time) on 27 February 2023.

Who is the offeror and/or the person asking for admission to trading?

The Company will apply to the London Stock Exchange for all of the Consideration Shares to be admitted to trading on the London Stock Exchange's Main Market for listed securities.

Why is this document being produced?

Reasons for the Capital Raise

There is no offer of the Company's securities and the Prospectus is being produced in connection with the Admission. This Prospectus does not constitute an offer or invitation to any person to subscribe for or purchase any shares in the Company.

Material conflicts of interest

There are no conflicting interests which are material in connection with Admission.

RISK FACTORS

Any investment in the Ordinary Shares is subject to a number of risks. Accordingly, Shareholders and prospective investors should carefully consider the factors and risks associated with any investment in the Ordinary Shares, the Group's business and the industry in which the Group operates, together with all other information contained in this document and all of the information incorporated by reference into this document, including, in particular, the risk factors described below, and their personal circumstances prior to making any investment decision.

The Group's business, results of operations, financial condition or prospects could be materially adversely affected by any of the risks described below. The risks relating to the Group, its industry and the Ordinary Shares summarised in the section of this document headed "Summary" are the risks that the Directors believe to be the most essential to an assessment by a prospective investor of whether to consider an investment in the Ordinary Shares. However, as the risks which the Group faces relate to events and depend on circumstances that may or may not occur in the future, prospective investors should consider not only the information on the key risks summarised in the section of this document headed "Summary" but also, among other things, the risks and uncertainties described below.

The risk factors described below are not an exhaustive list or explanation of all risks which investors may face when making an investment in the Ordinary Shares and should be used as guidance only. Additional risks and uncertainties relating to the Group that are not currently known to the Group, or that it currently deems immaterial, may individually or cumulatively also have a material adverse effect on the Group's business, results of operations, financial condition or prospects. If any such risk, or any of the risks described below, should materialise, the price of the Ordinary Shares may decline and investors could lose all or part of their investment. Investors should consider carefully whether an investment in the Ordinary Shares is suitable for them in the light of the information in this document and their personal circumstances.

Prospective investors should read this section in conjunction with this entire document (including the information incorporated into this document by reference).

RISKS RELATED TO THE GROUP'S BUSINESS AND INDUSTRY

The Group has insufficient working capital to meet its forecast expenditure for the next twelve months

The Company is of the opinion that the Group does not have sufficient working capital for its present requirements, that is for at least 12 months from the date of this document (the "**Working Capital Period**").

The Company is not presently revenue generating and, therefore, funds its current activities from its cash reserves. These activities comprise, principally, advancing the highest priority exploration targets at Cascabel and across the broader portfolio in its regional concessions.

The Company estimates that, based on the current forecast rate of expenditure in relation to these activities and other associated costs:

- the Group will only have sufficient working capital for its present requirements to the end of January 2024; and
- in order to advance its highest priority exploration targets at Cascabel and across the broader portfolio in its regional concessions and otherwise fund its anticipated activities throughout the Working Capital Period, the Group has a current working capital shortfall of \$4 million.

Therefore, at the end of January 2024, the Company will face an immediate shortfall of working capital. In order to meet this working capital shortfall, and to fund the exploration and drilling activities of the Group thereafter, the Company has commenced a strategic review to evaluate a wide range of financing and strategic options to secure additional funding, including, but not limited to, selling a direct or indirect stake in the Cascabel project, selling other assets of the Company, selling Ordinary Shares currently owned by Cornerstone (being approximately \$26 million based on the closing price of the Ordinary Shares as at the Latest Practicable Date) or any other transaction, which may, or may not, dilute existing shareholders. The Group's ability to fund its exploration and drilling activities, generate revenue from the Cascabel project and effectively implement its business strategy over time depends in part on its ability to raise additional funds. The Board expects to recommend its future funding strategy in H1 2023 in connection with the Company's ongoing strategic review. While the Company is confident that the strategic review can unlock near-term

financing options, there is no assurance that the Company would be successful in raising the required capital pursuant to this strategy on commercially reasonable terms, or at all.

If the financing strategy described above is unsuccessful in whole or in part, the Company will consider undertaking some, or all, of the following actions:

- seeking additional sources of cost-effective financing including, for example, extension of existing, or new, royalty or streaming arrangements;
- seeking further capital injections from Shareholders or other investors which may or may not be dilutive to existing Shareholders; and/or
- decreasing its discretionary expenditure or reducing other activities such as studies for the Group.

If the actions detailed above are unsuccessful, the Company will have no cash to deploy into the Cascabel project or its other projects beyond the end of January 2024 and consequently, would be unable to advance its highest priority exploration targets at Cascabel and across the broader portfolio in its regional concessions as per its strategy. In that case, the Company will be required to seek alternative funding or a merger or sale of the Company. There can be no assurance, however, that the Company would be successful in securing any such alternative funding or completing any merger or sale transaction on commercially acceptable terms, or at all. If these outcomes fail to materialise, the Company would cease to operate as a going concern and the Board would be required to place the Company into administration or petition the court for compulsory liquidation of the Company, which could result in Shareholders losing part of or all of their investment in the Company.

The Group's principal business is located in Ecuador, exposing it to various geopolitical, regulatory and sovereign risks

The Company's principal exploration tenement is located in Ecuador and is therefore subject to the risks associated with operating in a foreign jurisdiction. As Ecuador is a developing country, its legal and political system is emerging when compared to those in operation in the United Kingdom. Such risks include, but are not limited to:

- economic, social or political instability or change;
- changes in government policies, tax and royalty regime;
- increase in inflation, currency non-convertibility or instability;
- changes of law affecting foreign ownership, government participation, taxation, working conditions, rates of exchange, exchange control, exploration licensing, export duties, resource rent taxes, repatriation of capital, environmental protection, mine safety and labour relations;
- government control over mineral properties or government regulations that require the employment of local staff or contractors or require other benefits to be provided to local residents; and
- delays and declines in the standard and effective operation of the Company's activities, unforeseen and un-budgeted costs, and/or threats to occupational health and safety as a consequence of geopolitical, regulatory and sovereign risk.

The Group's operations in Ecuador and in particular, the Cascabel project, are subject to certain risks and possible political and economic instability specific to Ecuador, such as political unrest, labour disputes, invalidation of government orders, permits or property rights, risk of corruption including violations under applicable foreign corrupt practices laws, civil disturbances, criminal acts, arbitrary changes in laws, expropriation, nationalization, renegotiation or nullification of existing agreements and changes to monetary or taxation policies. Due to the deterioration of macroeconomic conditions globally, the government may consider imposing currency controls and limitations on capital flows.

Further, under Ecuadorian law, citizens have a constitutional right, pursuant to a judicial process, to apply to the Constitutional Court for approval for a public referendum on any subject matter. In 2019, an application was made to the Ecuadorian Constitutional Court to request to have a referendum held, the effect of which was to seek to stop mining activities at the Cascabel concession. The Constitutional Court unanimously rejected the application. However, despite the Constitutional Court ruling on that particular occasion, no assurance can be given that at some future time a similar application designed to seek to stop mining at Cascabel or in any other location of interest to the Group, will not be made. The occurrence of any of these risks may adversely affect the mining industry, mineral exploration and mining activities generally in Ecuador, and could result in the impairment or loss of mineral concessions or other mineral rights.

The Ecuadorian government has broad authority to shut down and/or levy fines against companies that do not comply with Ecuadorian legal regulations or standards. The Cascabel project is exposed to risks associated with the evolving rules and laws governing mining expansion and development in Ecuador. Operations may be affected in varying degrees by government regulations with respect to restrictions on production, price controls, export controls, income taxes, limitations on foreign ownership, ownership of assets, expropriation of property, environmental legislation and mine safety.

Additionally, the Company's operations may be detrimentally affected in the event that the Ecuadorian government were to default on its foreign debt obligations or become subject to wider global economic and investment uncertainty. Any change in government may result in a change of policy, the outcome of which may adversely affect the Cascabel project or the Company's ability to operate successfully in Ecuador.

As with all jurisdictions in which the Company has interests, a particular permitting regime exists in Ecuador with which the Company must comply. Before commencing any exploration activity, the Company may be required to negotiate access and compensation arrangements with any interested land access groups and relevant authorities in Ecuador. The Company has engaged experienced advisors and consultants to assist with negotiations, however, there is no guarantee that all necessary access and compensation arrangements will be entered in a timely manner, on favourable terms, without onerous conditions or at all. Similarly, no guarantees can be made as to timeframes within which negotiations may be finalised or the reasonableness of third parties. Failure to obtain all necessary access and negotiate compensations arrangements may have a material adverse effect on the Group's business, results of operations, financial condition or prospects.

The Group may be unable to obtain or renew concessions, licences, permits and other authorisations required for exploration or mining rights and and/or such concessions, rights, licences, permits and other authorisations may be suspended, terminated or revoked prior to their expiration

The Company's future exploration, development and mining activities may depend on its ability to obtain, sustain or renew various mineral rights, licences, permits, authorisations and regulatory approvals (collectively, "**Regulatory Consents**") from governmental authorities. For example, the Group is required to obtain a Certificate of Validity of Mining Rights, a Federal Environmental Licence for exploitation and processing, a Provincial Environmental Licence for concession infrastructure as well as a water licence for industrial use. Obtaining the Regulatory Consents can be a complex and time-consuming process, which at times may involve multiple government agencies, including the Ministry of Environment, Water and Ecological Transition (Quito). The duration and success of this process is contingent upon many variables, including the interpretation of applicable requirements implemented by permitting authorities, the expertise and diligence of civil servants, and the timeframes for agency decisions. The Company's ability to obtain, sustain or renew such Regulatory Consents on acceptable terms and on a timely basis is subject to changes in regulations and policies and to the discretion of the Ecuadorian government.

While the Company can foresee no reason why it may not obtain and/or renew all necessary approvals, there can be no assurance that such Regulatory Consents will be obtainable at all or in a timely manner and on reasonable terms and subject to reasonable conditions. The failure to obtain such required Regulatory Consents or any additional permits that may be required, or delays in obtaining the same, or failure to fulfil any conditions attaching to such permits, could increase the Company's costs and delay its activities and could also result in the forfeiture of certain Regulatory Consents. Any unexpected delays associated with the permitting processes could also slow exploration and development activities. The failure of the Company to obtain, sustain or renew its Regulatory Consents, or obtain them on reasonable terms or on a timely basis have a material adverse effect on the Group's business, results of operations, financial condition or prospects.

The Group is subject to various anti-fraud, anti-corruption, anti-bribery and anti-money laundering laws and failure to comply with any of these laws may subject the Group to penalties and other adverse consequences

The Group is subject to a wide range of anti-fraud, anti-corruption, anti-bribery and anti-money laundering laws, including the UK Bribery Act 2010 (the "**UK Bribery Act**"), the US Foreign Corrupt Practices Act (the "**FCPA**") and similar laws in Australia and Ecuador as well as across the markets in which it operates. The broad and stringent legal and regulatory framework creates pressure on both business performance and market sentiment, requiring continual improvements in how the Group operates as a business to maintain compliance with such laws and regulations. Further, the Group's activities in the countries it operates in creates the risk of unauthorised payments, misappropriation of funds or offers of payments by the Group's employees or agents which could result in violation of the various anti-corruption laws to which the Group is subject. In particular, the Group is required to continually monitor compliance by its employees in their

interactions with the governmental authorities in Ecuador in connection with their permits and licences. Any actual or alleged violations of applicable laws, regulations, or anti-corruption compliance contractual requirements may result in fines, litigation, disruption or cessation of business activity, and also damage the Group's reputation or cause a loss of business opportunity in the markets in which the Group operates. Any non-compliance could also result in criminal prosecution for the Group or its people.

If employees or agents of the Group violate any applicable anti-fraud, anti-corruption, anti-bribery and anti-money laundering laws and regulations, the Group may be subject to regulatory sanctions, including monetary fines, criminal penalties, disgorgement of profits and suspension or debarment of the Group's ability to contract with government agencies or public international organisations, any of which could materially adversely affect the Group's business, financial condition, results of operations and prospects.

The completion of the proposed Acquisition is subject to the satisfaction (or waiver, if applicable) of certain conditions; and if the Acquisition does not complete because any of the conditions are not satisfied (or waived, if applicable), the Company will not realise the perceived benefits of the Acquisition

Each of Cornerstone and the Company has the right to terminate the Arrangement Agreement in certain circumstances, including in the event of a material breach by the Cornerstone and/or Company respectively, a material adverse change in the circumstances of the Company and/or Cornerstone or enactment of a law which makes the completion of the proposed Acquisition illegal. Accordingly, there is no certainty that the Arrangement will be completed in accordance with the terms of the Arrangement Agreement or the Plan of Arrangement, or at all.

In addition, the completion of the proposed Acquisition is subject to the satisfaction (or waiver, if applicable) of certain conditions, including customary court and stock exchange approvals. There can be no assurance that the outstanding conditions will be satisfied, or that completion of the proposed Acquisition will be achieved at all and certain of the conditions are not capable of waiver. Failure to satisfy or, where appropriate, obtain waiver of any of these conditions may result in the proposed Acquisition not being completed. In addition, satisfying the outstanding conditions may take longer, and could cost more than the Company and Cornerstone expect. Any delay in completing the proposed Acquisition may adversely affect the benefits that the Company expects to achieve if the proposed Acquisition is completed within the expected timeframe.

Further, if Completion does not occur, the Company will also have incurred significant costs and management time in connection with the proposed Acquisition, which it will not be able to recover. It will also not realise the anticipated benefits of the proposed Acquisition and its ability to implement its strategy may be prejudiced.

The Group is obligated to comply with various environmental regulations and failure to comply with these regulations could expose it to extensive liability

The Group's Ecuadorian exploration and development activities are required to adhere to both local environmental laws and regulations as well as international best practice standards and are also subject to periodic inspection by governmental authorities. Any failure to adhere to globally recognised environmental regulations and standards could adversely affect the Group's exploration, development or mining activities. Exploration, development and mining activities at the Cascabel project are, or will be, subject to national and local laws and regulations regarding environmental assessment, impact avoidance and mitigation and the Group is required to comply with the conditions set out in its Environmental Impact Assessment and Environmental and Social Impact Assessment at the time of obtaining Regulatory Consents. These laws, regulations and conditions set various standards regulating certain aspects of health and environmental quality and provide for penalties and sanctions for the violation of such standards.

The Company is also required to post financial guarantees for the environmental programs at each project site. In certain circumstances, the regulations establish obligations to remediate current and former facilities and locations where operations are or were conducted. Significant liability could be imposed on the Company for damages, clean-up costs, or penalties in the event of certain discharges into the environment, environmental damage caused by previous owners of property acquired by the Company or its subsidiaries, or non-compliance with environmental laws or regulations. Further, some of the Group's concessions may be located on or around protected forests, which imposes additional conditions on the Group's exploration and mining activities.

Any environmental damage, loss of life, injury or damage to property caused by the Group's operations could damage the Group's reputation in the areas in which the Group operates and result in negative investor sentiment towards the Group, which may result in limiting the Group's access to capital, increasing

the cost of capital, and decreasing the price and liquidity of the Ordinary Shares. Furthermore, negative sentiment towards the Group could result in a lack of willingness of authorities to grant the necessary licences or permits for the Group to operate its business and in residents in the areas where the Group is doing business opposing further operations in the area by the Group. Unfavourable safety performance could also impact the ability of the Group to attract and retain the necessary skilled employees and consultants to operate its business. Finally, the Group's reputation could be affected by actions and activities of other corporations operating in the mining industry, over which the Group has no control.

The Group is exposed to volatility of commodity prices

The Company is exposed to price risk with respect to commodity prices. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company monitors commodity prices of gold, copper and other metals to determine the appropriate course of action to be taken by the Company. The Company believes that commodity price movement can have a substantial effect on the market value of the Company's investments and its Ordinary Shares.

The Company's possible future revenues will likely be derived from gold and copper and/or from royalties gained from potential joint ventures or from mineral projects sold. The revenues earned from the Company's operations will also be dependent on the terms of any agreement for the activities. Consequently, the Company's potential future earnings could be closely related to the price of either of these commodities.

Copper prices are affected by various factors including urbanisation, digitisation, industrialisation of developing economies and fluctuations in manufacturing activities in China, North America and Europe, as well as supply of copper. Similarly, gold prices are impacted by inflation, interest rates, currency exchange rates and global and regional demand for, and supply of, gold.

If the market price of gold and copper sold by the Company were to fall below the costs of production, and remain at such a level for any sustained period, the Company would experience losses and could have to curtail or suspend some or all of its proposed mining activities. In such circumstances, the Company would also have to assess the economic impact of any sustained lower commodity prices on recoverability.

The Group may face reputational and other risks arising out of unlawful, and allegedly unlawful, activities of its employees in Ecuador

The Company has established and maintains adequate procedures, systems and controls to enable it to comply with its obligations. In early 2021, the Board commissioned a special audit by KPMG LLP to help identify where the control environment needed enhancing as part of the Board's focus on strengthening internal controls and good corporate governance with respect to the Group's activities in Ecuador and Australia. As a result of the increased scrutiny and analysis by the Group's finance team throughout 2021, the Group discovered that funds had been misappropriated in its operations in Ecuador in late 2021. In December 2021, in immediate response to the discovery, the Group instructed Ernst & Young Ecuador EY Cía. Ltda. to commence a forensic investigation into the alleged misappropriation of funds, which revealed that between 2017 and 2021, \$4.6 million was misappropriated. As a result of false expenses being capitalised, the Group's exploration assets were materially misstated. The investigation also brought to light weak and missing controls and failures in the risk management framework, which needed further investigation. The individual responsible for the misappropriation of the funds is no longer with the Group and management are currently pursuing options to recover the funds. This misappropriation resulted in the cumulative overstatement of the Group's exploration assets by \$4.6 million, with the associated false expenses having been capitalised in-line with Group's accounting policy. The Group concluded that it was appropriate to write-down the value of these assets and restate its accounts. The profit and loss impact for the financial year ended 30 June 2022 amounted to \$228,000.

The Group has taken steps to improve its control, governance and risk management environment and processes and has further strengthened its policies to prohibit, and developed training and compliance programmes to discourage, these practices by its employees and agents. The Group conducts investigations promptly when allegations of improper conduct are made and is in the process of further enhancing its conflicts of interest policy and anti-bribery and anti-corruption policy (expected to be completed by March 2023) with inputs from specialist external advisors. However, there is no assurance that all such controls, governance and risk management processes will be effective in preventing all improper conduct of employees.

If employees or agents of the Group violate regulatory requirements or the Group's policies or fail to maintain adequate record-keeping and internal accounting practices to accurately record the Group's

transactions, the Group may be subject to regulatory sanctions, including monetary fines, criminal penalties, disgorgement of profits and suspension or debarment of the Group's ability to contract with government agencies or public international organisations. Further, negative publicity may also significantly damage the Group's reputation in Ecuador, and could also adversely affect the Group's share price, all of which could materially adversely affect the Group's business, financial condition, results of operations and prospects.

The implementation of the Group's strategy is dependent upon obtaining further financing and there can be no assurance that the Company will be able to obtain such financing on favourable terms or at all

The Group's ability to fund its exploration and drilling activities, generate revenue from the Cascabel project and effectively implement its business strategy over time depends in part on its ability to raise additional funds. For details of the shortfall in working capital over the Working Capital Period, please see risk factor entitled "*The Group has insufficient working capital to meet its forecast expenditure for the next twelve months*". As per the PFS for the Cascabel project, over the initial 26-year operating life, with an expandable life-of-mine potential to greater than 50 years, the pre-production capital cost to achieve first ore production in the process plant is estimated to be \$2.7 billion. Further, the post-production costs required to achieve production ramp-up to design capacity and sustaining capital for the Cascabel project are estimated to be \$2.1 billion. The Cascabel project's indicative production profile and low operating costs are expected to generate free cash flows totalling approximately \$14.5 billion over the 26-year initial mine life and averaging \$740 million annually. All such cost estimates are subject to finalisation of the DFS and may increase over the operating life of the Cascabel project.

Even if the Group is able to obtain funding to fund the working capital shortfall during the Working Capital Period, additional capital will be required after the Working Capital Period to generate revenue from the Cascabel Project and to continue its exploration and drilling activities for its other concessions in Ecuador. The Group would seek to raise additional funds through equity, debt or joint venture financing to satisfy such capital requirements. There can be no assurance that any such equity, debt or joint venture financing will be available to the Group in a timely manner, on favourable terms, or at all. Any additional equity financing will dilute current shareholdings and debt financing, if available, may involve restrictions on further financing and operating activities. If adequate funds are not available on acceptable terms when required, the Group may not be able to progress development at the Cascabel Project or at its other concessions, and this may result in the delay or indefinite postponement of the Group's current activities and may materially adversely affect the Group's business, financial condition, results of operations and prospects.

The Company may not be able to take advantage of certain investment protection measures and tax incentives in connection with the exploitation and production phase of the Cascabel project

Under the current legislative regime, a mining company must enter into an exploitation investment protection agreement ("**IPA**") with the Ecuadorian Government prior to exploitation of natural resources to be able to take advantage of certain investment protection measures and tax incentives during the exploitation and production phase of a project. On 30 August 2021, the Strategic Committee for the Promotion and Attraction of Investments ("**CEPAI**"), the body in charge within the MPCEIP, analysed the legal and technical reports required to approve the Company's application for an IPA with regard to an exploration phase for the Cascabel project in northern Ecuador and, by means of Resolution No. 065-CEPAI-2021, and with the unanimous vote of its members, recommended the execution of the IPA for the Cascabel project in northern Ecuador. The IPA was executed by the Company on 30 November 2021. However, the IPA currently covers the exploration phase of the Cascabel project only and the Company has not executed an amended IPA to cover all investments in connection with the exploitation and production phase of the Cascabel project. The Company intends to do so by way of an addendum to the exploration IPA and has commenced negotiations to amend the exploration IPA to also cover the exploitation and production phase of the Cascabel project. However, there is no certainty that the Company will be able to successfully amend the existing IPA to cover all investments in connection with the exploitation and production phase of the Cascabel project, or enter into one on commercially favourable terms, and such a scenario may adversely impact the Cascabel project or render it uneconomical.

Once the addendum to the IPA has been executed, the Ecuadorian government will grant the Group the applicable protections and guarantees in accordance with the law for the exploitation and production phase. Specific protections relate to the prohibition of all forms of confiscation, non-discriminatory treatment and equal playing field, legal security, tax stability for 15 years and international arbitration in London if there are any disputes in relation to the Cascabel project. Without the protection of the amended IPA to cover all investments in connection with the exploitation and production phase of the Cascabel project, there is a risk

that the Company may lose these investment protection measures, which may have a material adverse impact on the Group's business, results of operations, financial condition or prospects.

The Group's operations are exposed to health and safety risks

The mining industry in Ecuador is highly regulated by health and safety laws and regulations. The health and safety risks inherent in exploration and mining activities of the Group and include both internal and external factors requiring consideration to reduce the likelihood of negative impacts. Health and safety regulations in Ecuador require mining companies to take all possible measures to prevent harm to personnel and to mitigate risks, including implementation of a risk management program to proactively identify all health and safety risks, and then provide controls to mitigate these risks to an acceptable level. All employees are also required to be trained in risk identification and the integrated risk register is required to be reviewed on a regular basis.

Further, due to the geographical spread of exploration activities of the Group, the Company has a heightened risk associated with transportation of people to and from the project areas. This includes transit vehicle accidents with a potential for multiple fatalities due to vehicle impacts or rollovers. In addition, drilling activities in remote areas increase the risk of delays in gaining access to effective emergency medical assistance resulting in delayed treatment in the event of incident or accident.

Failure to provide a safe working environment or to manage environmental risks may result in harm to the Group's employees, the communities near the Group's operations and the local environment. Government authorities may also force closure of facilities on a temporary or permanent basis or refuse future drilling or mining right applications. Any incident resulting in serious injury or death may result in litigation and/or regulatory action (including, but not limited to, suspension of development activities and/or fines and penalties) and could subject the Group to extensive liability and adversely affect the Company's business, results of operations, financial condition or prospects.

Mineral exploration and development can be highly speculative in nature, involve a high degree of risk and are subject to various operational and development risks

Mineral exploration and development can be highly speculative in nature and involves a high degree of risk. The economics of developing mineral properties are affected by many factors including the cost of operations, variations of the grade of ore mined, fluctuations in the price of the minerals being mined, fluctuations in exchange rates, costs of development, infrastructure and processing equipment and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals and environmental protection.

The Cascabel project is the Company's flagship property. Actual development costs may differ materially from the Company's estimates and may render the development of the Cascabel project economically unfeasible. The Company is largely dependent upon the Cascabel project for future revenue and profits, if any. Should the development of the Cascabel project not be possible or practicable for political, engineering, technical or economic reasons, then the Company's business and financial position will be significantly and adversely affected. While the Group has published its pre-feasibility study for the Cascabel project, there is no assurance that the Group will be able to develop a mine thereon, or otherwise commercially exploit such resource or reserve which could materially adversely affect the Company's financial condition and prospects.

For its other projects, where the Group discovers a potentially economic resource or reserve, there is no assurance that the Group will be able to develop a mine thereon, or otherwise commercially exploit such resource or reserve. Any failure of management to manage effectively the Group's growth and development could have a material adverse effect on the Group's business, results of operations, financial condition or prospects. There is no certainty that all or, indeed, any of the elements of the Group's current strategy will develop as anticipated. In addition, the grade of mineralisation ultimately mined may differ from that indicated by drilling results and such differences could be material. As a result, there can be no guarantee that mineral exploration and development of any of the Group's projects will result in profitable commercial operations. There can be no assurance that exploration of the Cascabel project or any other permits that the Group may acquire an interest in, will result in the discovery of an economic mineral reserve. Even if an apparently viable reserve is identified, there is no guarantee that it can be commercially exploited. Even if the Company recovers potentially commercial minerals, there is no guarantee that the Company will be able to successfully transport the minerals to commercially viable markets or sell the minerals to customers to achieve a commercial return.

The Group may not have good title to all its assets and licences

The Group's concessions and interest in concessions are subject to the various conditions, obligations and regulations which apply in the relevant jurisdictions including Ecuador in South America, Queensland in Australia and the Solomon Islands. If applications for title renewal are required, this may be subject to satisfaction of various conditions. If approval is refused, the Group will suffer a loss of the opportunity to undertake further exploration, or development, of the tenement. Some of the properties may be subject to prior unregistered agreements or transfers or native or indigenous peoples' land claims and the Group's title may be affected by undetected defects or governmental actions. No assurance can be given that title defects do not exist. If a title defect does exist, it is possible that the Group may lose all or a portion of the property to which the title defects relate. In Ecuador, the majority of the Group's concessions were granted during an auction process conducted between 2016 and 2018, when the mining cadastre was opened with the aim of attracting foreign investment. An important criterion for the award of mining concession in Ecuador was a proposed investment plan that had to be fulfilled within a specific timeline after a mining title was granted and certain authorisations were received. The Company, along with the Ecuadorian Chamber of Mines (on behalf of the mining industry) and other mining companies, has been in discussions with the government for extension of timelines for the mining concessions where the conditions have not been fulfilled. While no financial penalties are prescribed for non-fulfilment of these conditions, there is no assurance that any such extension will be received or the conditions will be waived, which may result in concessions being relinquished or reduced, therefore extinguishing future investment commitments.

Although the Directors believe that the Group takes due care and conducts due diligence on its concessions and interest in concessions in a manner that is consistent with industry practice, there can be no assurance that the Group has good title to all its assets and concessions. There can be no assurance that any due diligence carried out by the Group or by third parties on its behalf in connection with any assets that the Group owns will reveal all of the risks associated with those assets, and the assets may be subject to title defects that were not apparent at the time of acquisition. In particular, the Cascabel project may be subject to prior unregistered agreements or transfers or native or indigenous peoples' land claims from neighbouring areas and title maybe affected by undetected defects or governmental actions. No assurance can be given that title defects do not exist. If a title defect does exist, it is possible that the Group may lose all or a portion of the Cascabel project to which the title defects relates.

In addition, changes in law or change in the interpretation of law or political events may arise to defeat or impair the claim of the Group to certain properties which it currently owns or may acquire which could result in a material adverse effect on the Group's business, results of operations, financial condition or prospects.

The Group may not be able to successfully negotiate land access, permits and surface rights for all its exploration and development projects

Land access is critical for exploration and evaluation to succeed as well as for the construction of infrastructure required for the development of mining operations (including the Group's tailings storage facilities, concentrate pipelines and electrical transmission lines). In all cases, the acquisition of surface rights and easements is a competitive business, in which propriety knowledge or information is critical and the ability to negotiate satisfactory commercial arrangements with other parties is essential.

Access to land for exploration and development purposes as well as associated infrastructure can be affected by land ownership, including private (freehold) land, pastoral lease and native title land or indigenous claims. Immediate access to land in the areas of activities cannot in all cases be guaranteed. The Company may be required to seek consent of land holders or other persons or groups with an interest in real property encompassed by, or adjacent to, the Company's concessions. Compensation may be required to be paid by the Company to land holders so that the Company may carry out exploration and/or mining activities. Where applicable, agreements with indigenous groups have to be in place before a mineral tenement can be granted. In the long run, the Group is required to acquire large areas of land for its surface operations, posing a risk of delays and increasing prices the longer the process takes.

The Group is also required to obtain governmental permits to conduct different phases of exploration and evaluation on its concessions. Obtaining the necessary permits can be a complex and time-consuming process, which at times may involve several different government agencies. The duration and success of the Group's efforts to obtain permits are contingent upon many variables not within its control, including the interpretation of applicable requirements implemented by permitting authorities, the expertise and diligence of civil servants, and the timeframes for agency decisions. The Group may not be able to obtain permits in a timeframe that might be reasonably expected. Any unexpected delays associated with the permitting

processes could slow exploration and development and could adversely impact the Group's business, results of operations, financial condition or prospects. There is a risk of permits that are needed for ongoing operations being denied regarding tenure and other development related infrastructure.

Changing attitudes regarding conservation, environmental protection, cultural heritage and indigenous land rights, together with the nature of the political process, provide a possibility for future government policy changes. There is a risk that such changes may affect the Company's exploration plans or, indeed, its rights and/or obligations with respect to the concessions.

The Company's title and/or access to new and existing concessions may be impacted by local laws and/or social licenses

Strong community relations are fundamental to creating safe, sustainable and successful operations and losing the support from any individual community would be a risk for activities in that area. The Group's concessions are near and, in limited areas, overlap with local communities, and it often needs local agreements in order to access and operate in these areas and may also require relocation of certain communities.

The Group often enters into agreements with local communities, groups or individuals that address surface access, road or trail usage, local employment, social investment and other key issues. Every local stakeholder relationship, however, requires ongoing dialogue and relationship management. However, the status of relations can deteriorate for any number of reasons, including, but not limited to influences of local or external political or social actors or organisations, shifts in the agendas or interests of individuals or the community as a whole, the Group's inability to deliver on community expectations or its commitments, or concerns stemming from communities' historic or recent experiences with legal and/or illegal miners. However, if under extreme circumstances the Group were to lose its social licence with one or more communities and be unable to regain it, this could impact the viability of the project. By the same token, if the Group is unable to obtain social licences from some communities, initial exploration could be prevented.

The administration and determination of native title issues and/or the loss of social licenses in concession areas may have a material adverse impact on the Group's business, results of operations, financial condition or prospects.

The Group faces operational risks that are outside of its control

The current operations of the Company generally include exploration, marketing and administrative functions any of which may be impacted by a wide range of factors which are outside of the Company's control. If the Company successfully develops and commissions a mine at the Cascabel project, the operations of the Company, which would include mining and processing, may be affected by a range of factors. These include, but are not limited to, a failure to achieve predicted grade in exploration, mining and processing, the ability to attract and retain personnel, technical difficulties encountered in commissioning and operating plant and equipment, mechanical failures, metallurgical problems which affect extraction rates and costs, adverse weather conditions, industrial and environmental accidents, industrial disputes, unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment, and the ability to develop and maintain the properties held by the Company. Any of these factors could have a material adverse impact on the Group's business, results of operations, financial condition or prospects.

In addition, mining, processing, development and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important elements of infrastructure, which affect capital and operating costs. The lack of availability on acceptable terms or the delay in the availability of any one or more of these items could prevent or delay exploration or development of the Cascabel project. If adequate infrastructure is not available in a timely manner, there is a risk that: (i) the exploration or development of the Cascabel project will not be commenced or completed on a timely basis, if at all; (ii) the resulting operations will not achieve the anticipated production volume; or (iii) the anticipated construction costs and ongoing operating costs associated with the exploration and/or development of the Cascabel project will be higher than anticipated. Furthermore, unusual or infrequent weather phenomena, sabotage, government or other interference in the maintenance or provision of necessary infrastructure could adversely affect the Company's business, results of operations, financial condition or prospects.

The Group depends on its board of directors, key members of management, independent experts, technical and operational service providers and on the Group's ability to retain and hire such persons to effectively manage its growing business

Recruiting and retaining qualified personnel is critical to the Company's success. The Company is dependent on the services of key executives including its Chief Executive Officer and other highly skilled and experienced executives and personnel focused on managing the Company's interests. For example, at the time of the publication of this document, the role of Chief Executive Officer and Chief Financial Officer have been occupied on an interim basis, pending the recruitment and/or identification of key personnel for these roles on a permanent basis. The number of persons skilled in acquisition, exploration and development of mining properties is limited and competition for such persons is intense. As the Company's business activity grows, the Company will require additional key financial, administrative, geologic and mining personnel as well as additional operations staff. There is a risk that the Company will not be successful in attracting, training and/or retaining qualified personnel as competition for persons with these skill sets increases and the Company cannot be certain that it will be able to continue to retain qualified personnel. If the Company is not successful in attracting, training and/or retaining qualified personnel, the efficiency of the Company's operations could be impaired, and may hinder the ability to implement the Company's stated strategy on a longer-term basis, which could have a material adverse impact on the Company's business, results of operations, financial condition or prospects.

The Company's operations are subject to risks associated with third party contractors

The Company is a party to various contracts (such as contracts with contractors or other service providers currently or in the future used by the Group, including providers of engineering, project management and mineral processing services as well as private security services and drilling contracts).

All dealings with third parties have an inherent associated risk by virtue of the fact that a party is relying on another to perform and uphold an agreement or promise of some form. No assurance can be given that all contracts to which the Company is a party will be fully performed by all contracting parties. In the event a contracting party breaches its obligations, the Company may have contractual remedies or other avenues of recourse available, however, such avenues of redress may be costly to pursue. Additionally, if a contracting party does not comply with any contractual provisions, there is no guarantee that the Company will be successful in securing compliance or an alternative remedy. Any such failure may also impact the Company's reputation and security, and could have a material adverse impact on the Company's business, results of operations, financial condition or prospects.

The Group may be unable to compete successfully with other mining companies

The mining industry is intensely competitive. Significant competition exists in all aspects of the mining industry, and the Group competes with other mining companies and with individuals for the acquisition of mining and exploration assets for mining claims and leases on exploration properties, as well as for specialised equipment, components and supplies necessary for exploration, development and mining. Additionally, the Group may encounter increasing competition from other mining companies in its efforts to hire experienced mining professionals, particularly in Ecuador and Australia. When the Group competes for the acquisition of properties producing or capable of producing gold and/or copper, the Group may be at a competitive disadvantage because the Group must compete with other individuals and companies, some of which may have greater financial resources, operational experience and technical capacities. As a result of this competition, the Group may be unable to identify, maintain or acquire attractive mining properties on acceptable terms, or at all, and the Group's business, results of operations, financial condition or prospects could be materially adversely affected.

Increased competition could also adversely affect the Group's ability to attract necessary capital funding or acquire suitable producing properties or prospects for mineral exploration in the future. Additionally, increased competition may also result in losses of market share and could materially adversely affect the Group's business, results of operations, financial condition or prospects.

The Enlarged Group may fail to realise, or it may take longer than expected to realise, any benefits of the proposed Acquisition

While the Company intends to expand its portfolio to include Cornerstone's Ecuadorian and Chilean exploration assets, with greater focus on project advancement and value maximisation, these assets are in very early stages of exploration. There are no confirmed mineral resources on any of these assets and drilling is yet to commence on a majority of these projects. The Group's anticipated return from the proposed Acquisition will depend on the Enlarged Group's ability to successfully deliver on its strategic

objective in the future and realise any value from these assets. There may be unexpected challenges, including, for example, in relation to integration of the two businesses and further exploration of the Ecuadorian and Chilean exploration asset portfolio of Cornerstone which may yield no value. The occurrence of any of these events may impair or delay the Group's ability to realise the anticipated potential from the proposed Acquisition, which could have a material adverse effect on the Group's business, results of operations, financial condition or prospects.

The Group does not insure against certain risks and its insurance coverage may not be adequate for covering losses arising from potential operational hazards and unforeseen interruptions

The Group insures and plans to continue to insure the risks it considers appropriate for the Group's needs and circumstances. However, the Group may elect not to have insurance for certain risks, due to the high premium costs associated with insuring those risks or for various other reasons, including an assessment in some cases that the risks are remote.

No assurance can be given that the Group will be able to obtain insurance coverage at reasonable rates (or at all), or that any coverage it or the relevant operator obtains, and any proceeds of insurance, will be adequate and available to cover any claims arising. The Group may become subject to liability for pollution, blow-outs or other hazards against which it has not insured or cannot insure, including those in respect of past activities for which it was not responsible. Any indemnities the Group may receive from such parties may be difficult to enforce if such sub-contractors, operators or joint venture partners lack adequate resources.

Operational insurance policies are usually placed in one year contracts and the insurance market can withdraw cover for certain risks due to events occurring in other parts of the industry, thus greatly increasing the costs of risk transfer. Catastrophic events may cause the insurance costs for the Group's operations to rise, despite the Group not being involved in the catastrophic event. In the event that insurance coverage is not available or the Group's insurance is insufficient to fully cover any losses, claims and/or liabilities incurred, or indemnities are difficult to enforce, the Group's business and operations, financial results or financial position may be disrupted and adversely affected.

The payment by the Group's insurers of any insurance claims may result in increases in the premiums payable by the Group for its insurance cover and adversely affect the Group's business, results of operations, financial condition or prospects. In the future, some or all of the Group's insurance coverage may become unavailable or prohibitively expensive.

The COVID-19 pandemic or other pandemics may adversely affect the Group's business and exacerbate other risks set out in this section

In December 2019, a novel strain of coronavirus ("COVID-19") surfaced and the spread of this virus globally has caused significant business disruption, significant volatility in international debt and equity markets and significant disruption to the economy. During the pandemic, the Group had limited physical access to sites in Ecuador for several months, which resulted in delays in gathering and processing critical geotechnical data required to meet the original study plan and schedule in connection with the Group's Cascabel Pre-Feasibility Study which was initially planned for delivery at the end of Q3 2020 but was instead delivered in April 2022. The Group continues to monitor the impact of the COVID-19 pandemic, and although the Group's operations have not experienced any significant disruption following the rollout of the immunisation programme in Ecuador, the situation is uncertain and could change quickly. In connection with COVID-19 or any governmental responses to COVID-19, the Group may experience operational shutdowns due to the unavailability of qualified personnel or third party utilities or delayed execution of projects or increased project costs due to governmental restrictions and measures put in place to safeguard employees and contractors, which may cause the Group's business, results of operations, financial condition or prospects to be disrupted and adversely affected. To the extent the COVID-19 pandemic or other pandemics adversely affects the Group's business, results of operations, financial condition or prospects, it may also have the effect of heightening other risks described in this "Risk Factors" section.

The Group's operations are subject to the risk of litigation

From time to time, the Group may be subject, directly or indirectly, to litigation arising out of its operations and the regulatory environments in its areas of operations. In addition, the Group may also be subject to claims brought by current and former employees, including directors and senior managers, in connection with their employment. Although the Group currently faces no material litigation, damages claimed under

litigation in the future may be material or may be indeterminate, and the outcome of such litigation may materially impact the Group's business, results of operations, financial condition or prospects.

While the Group will assess the merits of each lawsuit and defend itself accordingly, it may be required to incur significant expenses or devote significant resources to defending itself against such litigation. Further, the Group may also be required to pay compensation and/or penalties to current and former employees if their claims are upheld by the courts and/or employment tribunals. In addition, the adverse publicity surrounding such claims may have a material adverse effect on the Group's business, results of operations, financial condition or prospects.

The Group's operations are subject to the physical risks of climate change

The Group's operations could be exposed to several physical risks from climate change, such as changes in rainfall rates or patterns, changes in streamflow reduced process water availability, higher temperatures, and extreme weather events. Such events or conditions, including flooding, landslides and inadequate water supplies, could disrupt mining and transport operations, mineral processing and rehabilitation efforts, create resources or energy shortages, increase in energy costs, damage property or equipment, increase health and safety risks at the Group's assets, adversely impact the Group's ability to access financing and/or adequate insurance provision. For example, 95% of the electricity supply in Ecuador is based on hydroelectric power and this may be impacted by changes in weather conditions. Similarly, the Cascabel project's current water supplies are, and future water supplies are expected to be, serviced through water reservoirs, which may be impacted by droughts and/or other climate conditions limiting water supply.

Such events or conditions could have other adverse effects on the Group's workforce and on the communities surrounding its mine sites, such as an increased energy costs, risk of food insecurity, water scarcity and prevalence of disease. The Group is also at risk of reputational damage if key external stakeholders perceive that the Group is not adequately responding to the threat of climate change. Any of the aforementioned risks related to climate change could have a material adverse effect on the Group's business, results of operations, financial condition or prospects.

The levels of the Group's Mineral Reserves and Mineral Resources may be lower than estimated or expected

Mineral Reserve and Mineral Resource figures throughout this document are estimates, and there is a risk that the Mineral Resources and Mineral Reserves will not be realised. Resource and Reserve estimates are inherently prone to variability, as they involve expressions of judgment based on various factors such as knowledge, experience and industry practice. The accuracy of these estimates may be affected by many factors, including quality of the results of exploration drilling and analysis of samples, as well as the procedures adopted by and the experience of those making the estimates the interpretation of which is subjective. The quantity of Mineral Resources and Mineral Reserves may vary depending on, among other things, metal prices. Any material changes in the quantity of Mineral Resources, Mineral Reserves or the amount of the Mineral Reserves that are mined, and metal recoveries achieved in production, may affect the economic viability of any project. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability, and there is a risk that they will never be mined or processed profitably.

Further, there is a risk that Inferred Mineral Resources will not be upgraded to proven and probable Mineral Reserves as a result of continued exploration. Fluctuations in gold and copper prices, results of drilling, metallurgical testing and preparation and the evaluation of studies, reports and plans subsequent to the date of any estimate may require revision of such estimate. Any material reductions in estimates of Mineral Reserves could have a material adverse effect on the Group's business, results of operations, financial condition or prospects.

Unfavourable general economic conditions may have a negative impact on the business, results of operations, financial condition or prospects of the Group

In recent years, global economic conditions have been characterised by ongoing volatility, and can suddenly and rapidly destabilise in response to any number of macro events, including natural disasters, geopolitical instability, changes to energy prices or sovereign defaults. The Company cannot predict the severity or extent of periods of slow or negative economic growth and any resultant weakening of consumer and business confidence may lead to difficulties in raising capital and lower levels of demand for many products across a wide variety of industries, including those industries for which commodities in the natural resources sector are an important raw material.

Accordingly, the Company's estimate of its business, results of operations, financial condition and prospects will be uncertain and may be adversely impacted by unfavourable general global, regional and national macroeconomic conditions.

RISKS RELATING TO THE ORDINARY SHARES

Certain significant shareholders of the Company may be able to exercise material influence over the Company's business and/or their interests may differ from those of other Shareholders

As at the Latest Practicable Date, the Company's largest Shareholders, BHP Group Limited ("BHP") and Newcrest International Pty Limited ("Newcrest") held 12.56% and 12.49% of the Company's issued share capital, respectively. As a result, BHP and Newcrest may be able to exercise material influence over the Company, including its business, management and strategy. There can be no assurance that the interests of these Shareholders will coincide with the interests of other Shareholders or that they will act in a manner that is in the best interests of the Company. Each of BHP and Newcrest has a right to designate a nominee to be appointed as a director to the Board pursuant to the BHP Subscription Agreement and the Newcrest Subscription Agreement. As at the Latest Practicable Date, neither Shareholder has exercised its right to designate a director. However, were they to do so, the relevant Shareholder's ability to influence the Company's business, management, strategy, operations and certain of the Company's corporate decisions, including, for example, the election or removal of directors and the declaration of dividends, would be increased.

By virtue of their shareholdings, BHP and Newcrest may exercise a significant degree of influence over all matters requiring Shareholder approval, including the appointment of directors and other business at general meetings. On an aggregated basis, as at the Latest Practicable Date, BHP and Newcrest have sufficient voting power to, among other things, block a special resolution (including any resolution amending the Articles, disapplying pre-emption rights or requesting court approved capital reductions) and delay or deter a change of control of the Company although their aggregated shareholding is expected to be reduced to approximately 20% following the completion of the proposed Acquisition. In the past, some Shareholders have voted against the Board's proposal to disapply statutory pre-emption rights and authorise the Directors to allot and issue Ordinary Shares for cash otherwise than to existing Shareholders pro rata to their holdings, even though such proposed resolutions were in accordance with the Pre-Emption Group's Statement of Principles and market practice. The inability to secure this authorisation has, in certain circumstances, restricted the ability of the Company to raise capital to implement its strategy.

BHP, Newcrest and Jiangxi Copper (Hong Kong) Investment Company Limited, which as at the Latest Practicable Date holds 6.26% of the Company's issued share capital, have the benefit of anti-dilution provisions under subscription agreements entered into with the Company pursuant to which, among other things, such Shareholders have pre-emptive rights to participate in share issues by the Company to enable them to maintain their relative shareholdings at certain percentages. In addition, under the BHP Subscription Agreement, BHP is also contractually entitled to restrict the number of Ordinary Shares the Company may issue in a rolling 12 month period. Accordingly, if such restrictions are enforced by the relevant counterparty ahead of the closing of the Acquisition, the Company may be restricted in its current and future ability to issue Ordinary Shares and raise funding, including in relation to the Acquisition. Any such actions by Shareholders will have a material adverse impact on the Group's business, results of operations, financial condition or prospects.

The price of Ordinary Shares may be volatile and purchasers of the Ordinary Shares could incur substantial losses

The public market for the Ordinary Shares has been characterised by significant price and volume fluctuations. There can be no assurance that the market price of the Ordinary Shares will not decline below its current or historic price ranges. The market price may bear no relationship to the prospects, stage of development, existence of mineral reserves, revenues, earnings, assets or potential of the Group and may not be indicative of its future business performance. The trading price of the Ordinary Shares could be subject to wide fluctuations. The stock market in general has experienced extreme price and volume fluctuations that have affected the market price for many companies, sometimes unrelated to the operating performance of these companies. These market fluctuations, as well as general economic, media generated, political and market conditions, may have a material adverse effect on the market price of the Ordinary Shares.

The market price of the Ordinary Shares could fluctuate significantly based on several factors in addition to those listed in this document, including:

- the Company's operating performance and the performance of competitors and other similar companies;
- the market's reaction to the Company's press releases, other public announcements and the Company's filings with various securities regulatory authorities;
- changes in earnings estimates or recommendations by research analysts who track the Ordinary Shares or the shares of other companies in the resource sector;
- changes in general economic conditions;
- the number of Ordinary Shares publicly traded;
- the arrival or departure of key personnel; and
- acquisitions, strategic alliances or joint ventures involving the Company, the Group or its competitors.

Many of these factors are beyond the Group's control and it is not possible to predict their potential effects on the price of the Ordinary Shares. Finally, the stock market is subject to extreme price and volume fluctuations. This volatility has had a significant effect on the market price of securities issued by many companies for reasons unrelated to their operating performance and could have the same effect on the Ordinary Shares.

The Ordinary Shares are listed on the standard listing segment of the Official List, which affords Shareholders a lower level of regulatory protection than a listing on the premium listing segment

The Ordinary Shares are admitted to, and applications will be made for the Consideration Shares to be admitted to, the standard listing segment of the Official List. A listing on the standard listing segment of the Official List affords Shareholders a lower level of regulatory protection than that afforded to investors in companies with a listing on the premium listing segment of the Official List, where companies are subject to additional obligations under the Listing Rules.

Further, while the Company has voluntarily committed to complying with the UK Corporate Governance Code published by the Financial Reporting Council, as amended from time to time (the "**Governance Code**"), as a company with a standard listing, the Company is not required to comply with the requirements of the Governance Code. The Company is also not required to comply with the requirements of Chapter 11 of the Listing Rules relating to the announcement and, in some cases, approval, of related party transactions (as defined in the Listing Rules).

The Company does not currently intend to pay dividends and there is no guarantee that the Company will pay dividends in the future

The Company intends to retain any earnings to expand the growth and development of its business and, therefore, does not anticipate paying dividends in the foreseeable future. Any dividends that the Company may pay in the future is dependent upon its financial condition, cash requirements, future prospects, profits available for distribution and other factors deemed to be relevant at the time and on the continued health of the markets in which it operates. The Company has not declared or paid any dividends on the Ordinary Shares to date and there can be no guarantee that the Company will pay dividends in the future. As a result of the foregoing factors, subscribers of the Ordinary Shares may not receive any return on an investment in the Ordinary Shares unless they sell such Ordinary Shares for a price greater than that which they paid for them.

The issuance of additional Ordinary Shares in the Company may dilute all other shareholdings

The Group may seek to raise financing to fund future acquisitions and other growth opportunities. The Company may, for these and other purposes, issue additional equity or convertible equity securities. As a result, existing holders of Ordinary Shares may suffer a dilution in their percentage ownership or the market price of the Ordinary Shares may be adversely affected.

The Company has issued options and awards under its equity incentive plans to employees for a total of 3,000,000 Ordinary Shares of the Company, as well as 19,250,000 Ordinary Shares to BHP and 20,000,000 to others, which are currently outstanding. Further, pursuant to the Arrangement Agreement, the Company has also agreed to exchange the Cornerstone Options for new options exercisable for up to 33,778,125 Ordinary Shares to the Cornerstone Optionholders. The Company may, in the future, issue further options

and/or awards to subscribe for Ordinary Shares to certain employees, Directors, senior management and/or consultants of the Group. The exercise of any such options would result in a dilution of the shareholdings of other investors. Additionally, although the Company currently has no other plans for an offering of Ordinary Shares, it is possible, that the Company may decide to offer additional Ordinary Shares in the future. Subject to any applicable pre-emption rights, any future issues of Ordinary Shares by the Company may have a dilutive effect on the holdings of Shareholders and could have a material adverse effect on the market price of Ordinary Shares as a whole.

Admission may not occur when expected or an active trading market for the Consideration Shares may not develop following Admission

Application has been made to admit the Consideration Shares to trading on the London Stock Exchange's Main Market for listed securities. It is expected that Admission of the Consideration Shares will become effective on 27 February 2023 and that dealings in the Consideration Shares will commence as soon as practicable after 8.00 a.m. on that date. There can be no assurance, however, that an active trading market in the Consideration Shares will develop following Admission. Admission is also subject to the approval (and subject to satisfaction of any conditions on which such approval is expressed) of the FCA, and Admission will become effective as soon as a dealing notice has been issued by the FCA and the London Stock Exchange has acknowledged that the Consideration Shares will be admitted to trading. There can be no guarantee that any conditions to which Admission is subject will be met or that the FCA will issue a dealing notice when anticipated.

Overseas shareholders may be subject to exchange rate risk

The Ordinary Shares are denominated in pounds sterling. An investment in Ordinary Shares by an investor whose principal currency is not pounds sterling exposes the investor to foreign currency exchange rate risk. Any depreciation of pounds sterling in relation to such foreign currency will reduce the value of the investment in the Ordinary Shares or any dividends in foreign currency terms.

Shareholders in the United States and other jurisdictions may not be able to participate in future equity offerings

The Articles provide for pre-emption rights to be granted to shareholders in the Company in certain circumstances, unless such rights are dis-applied by a shareholder resolution. However, securities laws of certain jurisdictions may restrict the Group's ability to allow participation by shareholders in future offerings. In particular, shareholders in the United States may not be entitled to exercise these rights, unless either Ordinary Shares and any other securities that are offered and sold are registered under the US Securities Act, or the Ordinary Shares and such other securities are offered pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act. None of the Ordinary Shares will be registered under the US Securities Act and there can be no assurance that the Company will file any registration statements for future share issues, or that an exemption to the registration requirements of the US Securities Act will be available in any case, or that the Company would seek to avail itself of any such exemption, absent which the shareholders in the United States would be unable to participate in such an issue. Securities laws of certain other jurisdictions may restrict the Company's ability to allow participation by Shareholders in such jurisdictions in any future issue of shares carried out by the Company.

IMPORTANT INFORMATION

Information not contained in this document

No person has been authorised to give any information or make any representations other than those contained in this document and, if given or made, such information or representations must not be relied upon as having been authorised by the Company. Subject to the requirements of the FSMA, the Listing Rules, DTRs, the UK Prospectus Regulation, the UK Prospectus Regulation Rules, and the UK Market Abuse Regulation neither the delivery of this document nor any subscription or sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Company or the Group taken as a whole since the date of this document or that the information in or incorporated by reference into this document is correct as of any time subsequent to the date hereof.

Any information that is incorporated by reference into documents, which in turn are incorporated into this document, is not incorporated by reference into and does not form part of this document.

No incorporation of website information

Other than as expressly stated in this document, the contents of the Company's website or any website directly or indirectly linked to the Company's website have not been verified and do not form part of this document and investors should not rely on it or any of them.

Information regarding forward-looking statements

This document includes statements that are, or may be deemed to be, "forward-looking statements". The words "believe", "estimate", "target", "anticipate", "expect", "could", "would", "intend", "aim", "plan", "predict", "continue", "assume", "positioned", "may", "will", "should", "shall", "risk", their negatives and other similar expressions that are predictions of or indicate future events and future trends identify forward looking statements. These forward-looking statements include all matters that are not historical facts. In particular, the statements under regarding the Company's or the Group's strategy, plans, objectives, goals and other future events or prospects are forward-looking statements. An investor should not place undue reliance on forward looking statements because they involve known and unknown risks, uncertainties and other factors that are in many cases beyond the Company's or the Group's control. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. The Company cautions investors that forward-looking statements are not guarantees of future performance and that its actual results of operations and financial condition, and the development of the industry in which it operates, may differ materially from those made in or suggested by the forward-looking statements contained in this document and/or information incorporated by reference into this document. In addition, even if the Company's or the Group's results of operation, financial position and growth, and the development of the markets and the industry in which the group operates, are consistent with the forward-looking statements contained in this document, these results or developments may not be indicative of results or developments in subsequent periods. The cautionary statements set forth above should be considered in connection with any subsequent written or oral forward-looking statements that the Company, or persons acting on its behalf, may issue. Factors that may cause the Company's, the Group's and/or the Enlarged Group's actual results to differ materially from those expressed or implied by the forward-looking statements in this document include but are not limited to the risks described under "Risk Factors" in this document, including:

- The Group has insufficient working capital to meet its forecast expenditure for the next twelve months;
- The Group's principal business is located in Ecuador, exposing it to various geopolitical, regulatory and sovereign risks;
- The Group may be unable to obtain or renew concessions, licences, permits and other authorisations required for exploration or mining rights and and/or such concessions, rights, licences, permits and other authorisations may be suspended, terminated or revoked prior to their expiration;
- The Group is subject to various anti-fraud, anti-corruption, anti-bribery and anti-money laundering laws and failure to comply with any of these laws may subject the Group to penalties and other adverse consequences;

- The completion of the proposed Acquisition is subject to the satisfaction (or waiver, if applicable) of certain conditions; and if the Acquisition does not complete because any of the conditions are not satisfied (or waived, if applicable), the Company will not realise the perceived benefits of the Acquisition;
- The Group is obligated to comply with various environmental regulations and failure to comply with these regulations could expose it to extensive liability;
- The Group is exposed to volatility of commodity prices;
- The Group may face reputational and other risks arising out of unlawful, and allegedly unlawful, activities of its employees in Ecuador;
- The implementation of the Group's strategy is dependent upon obtaining further financing and there can be no assurance that the Company will be able to obtain such financing on favourable terms or at all; and
- The Company is required to enter into various exploration contracts prior to exploitation of natural resources.

Each forward looking statement speaks only as of the date it was made and are not intended to give any assurances as to future results. Furthermore, forward-looking statements contained in this document that are based on past trends or activities should not be taken as a representation that such trends or activities will continue in the future. Except as required by the FSMA, the Listing Rules, the DTRs, UK Market Abuse Regulation, and the UK Prospectus Regulation Rules, the Company does not undertake any obligation to update or revise these forward-looking statements, and will not publicly release any revisions it may make to these forward-looking statements that may result from new information, events or circumstances arising after the date of this document. The Company will comply with its obligations to publish updated information as required by the FSMA, the Listing Rules, the DTRs, the UK Market Abuse Regulation, and the UK Prospectus Regulation Rules, or otherwise by law and/or by any regulatory authority, but assumes no further obligation to publish additional information.

For the avoidance of doubt, nothing in this document constitutes a qualification of the working capital statement contained in paragraph 16 of Part 5 ("*Additional Information*").

Neither the delivery of this document nor any sale made hereunder shall under any circumstances imply that there has been no change in the Company's and/or the Group's affairs or that the information set forth in this document is correct as of any date subsequent to the date hereof.

Profit forecasts

No statement in this document is intended as a profit forecast or a profit estimate and no statement in this document should be interpreted to mean that earnings per Ordinary Share for the current or future financial years would necessarily match or exceed the historical published earnings per Ordinary Share.

Presentation of financial information

Unless otherwise indicated, financial information presented in this document relating to the Group as at and for the financial years ended 30 June 2022 and the restated 30 June 2021 and for the six months period ended 31 December 2022 is presented in US dollars, has been prepared in accordance with International Financial Reporting Standards ("**IFRS**") and their interpretations issued by the International Accounting Standards Board ("**IASB**"), in accordance with UK adopted International Accounting Standards and the DTRs. They have also been prepared in accordance with those parts of the Companies Act 2006 applicable to companies reporting under IFRS. The consolidated financial statements also comply with IFRS as issued by the IASB, as is required as a result of the Company's listing on the TSX in Canada and has been extracted without material adjustment from the published annual financial statements for the year ended 30 June 2022 and the published interim financial information for the six months period ended 31 December 2022. As disclosed in Note 1 of the Annual Accounts 2022, some comparative figures for the financial year ended 30 June 2021 have been restated.

Rounding

Percentages and certain amounts included in this document have been rounded for ease of preparation. Accordingly, numerical figures shown as totals in certain tables may not be the exact arithmetic aggregations of the figures that precede them. In addition, certain percentages and amounts contained in this document

reflect calculations based on the underlying information prior to rounding and, accordingly, may not conform exactly to the percentages or amounts that would be derived if the relevant calculations were based upon the rounded numbers.

Currency and Exchange Rate Information

In this document, unless otherwise indicated, references to “pounds sterling”, “sterling”, “pounds”, “GBP”, “pence”, “p” or “£” are to the lawful currency of the United Kingdom, and references to “US dollars”, “USD”, “\$” or “US\$” are to the lawful currency of the United States.

Unless otherwise indicated, the financial information contained in this document has been expressed in US Dollars. The Group prepares its financial information in US Dollars.

The following table sets out, for the periods presented, the high, low, average and period-end Bloomberg Composite Rate expressed as Sterling per \$1.00. The Bloomberg Composite Rate is a “best market” calculation, in which, at any point in time, the composite bid rate is equal to the highest bid rate of all currently active, contributed, bank indications, and the composite ask rate is equal to the lowest ask rate offered by these same bank indications. The Bloomberg Composite Rate is a mid-value rate between the composite bid rate and the composite ask rate. The rates may differ from the actual rates used in the preparation of the consolidated historical financial information and other financial information appearing in this document.

The average rate for a year, a month, or for any shorter period, means the average of the final daily Bloomberg Composite Rates during that year, month, or shorter period, as the case may be.

Period (Year/Month)	Period end	Average	High	Low
<i>(GBP per \$1.00)</i>				
FY 2021	0.7246	0.7431	0.8025	0.7039
FY 2022	0.8212	0.7525	0.8337	0.7162
July 2022	0.8218	0.8344	0.8491	0.8218
August 2022	0.8602	0.8349	0.8602	0.8145
September 2022	0.8985	0.8840	0.9367	0.8541
October 2022	0.8721	0.8848	0.9069	0.8613
November 2022	0.8374	0.8515	0.8947	0.8249
December 2022	0.8265	0.8216	0.8324	0.8052
January 2023	0.8113	0.8178	0.8399	0.8070

Source: Bloomberg

Market, Economic and Industry Data

This document relies on and refers to information regarding the Group’s business and the markets in which the Group operates and competes. The market data and certain economic and industry data and forecasts used in this document were obtained from governmental and other publicly available information, independent industry publications and reports prepared by industry consultants.

Industry publications, surveys and forecasts generally state that the information contained therein has been obtained from sources believed to be reliable, but that there can be no assurance as to the accuracy and completeness of such information. The Group believes that these industry publications, surveys and forecasts are reliable, but they have not been independently verified from third party sources.

All such data sourced from third parties contained in this document have been accurately reproduced and, so far as the Company is aware and is able to ascertain from information published by that third party, no facts have been omitted that would render the reproduced information inaccurate or misleading.

The Group cannot assure you that any of the assumptions underlying any statements regarding the mining industry are accurate or correctly reflect the Group’s position in the industry. Market data and statistics are inherently predictive and speculative and are not necessarily reflective of actual market conditions. Such statistics are based on market research, which itself is based on sampling and subjective judgments by both the researchers and the respondents, including judgments about what types of products and transactions should be included in the relevant market. In addition, the value of comparisons of statistics for different markets is limited by many factors, including that: (i) the markets are defined differently; (ii) the underlying information was gathered by different methods; and (iii) different assumptions were applied in compiling the

data. Accordingly, the market statistics included in this document should be viewed with caution and no representation or warranty is given by any person as to their accuracy.

Elsewhere in this document, statements regarding the mining industry are not based on published statistical data or information obtained from independent third parties, but are based solely on the Group's experience, its internal studies and estimates, and its own investigation of market conditions. The Group cannot assure you that any of these studies or estimates are accurate, and none of the Group's internal surveys or information have been verified by any independent sources. While the Group is not aware of any misstatements regarding its estimates presented herein, the Group's estimates involve risks, assumptions and uncertainties, and are subject to change based on various factors.

Presentation of Reserves and Resources

Mineral Reserve and Mineral Resource figures presented throughout the document are estimates. The data on Mineral Reserves and Mineral Resources used in the document uses the terminology, definitions and guidelines given in the CIM Standards on Mineral Resources and Mineral Reserves (May 2014) as required by NI 43-101, prepared by the CIM Standing Committee on Reserve Definitions.

Defined terms and technical terms

Certain terms used in this document, including all capitalised terms, are defined and explained in Part 8 ("*Definitions*"). Certain technical terms are explained in Part 7 ("*Technical Terms*").

Times

All times referred to in this document are, unless otherwise stated, references to time in London, United Kingdom.

Validity

The validity of this document will expire on the date falling 12 months after the date of approval of this document, or, if earlier, the day after Admission. The obligation to supplement a prospectus in the event of significant new factors, material mistakes or material inaccuracies does not apply when a prospectus is no longer valid.

CONSEQUENCES OF A STANDARD LISTING

Applications will be made for the Consideration Shares to be admitted to listing on the standard listing segment of the Official List pursuant to Chapter 14 of the Listing Rules, which sets out the requirements for Standard Listings.

A standard listing affords subscribers and purchasers of Ordinary Shares a lower level of regulatory protection than that afforded to investors in companies whose securities are admitted to the premium listing segment of the official list, which are subject to additional obligations under the listing rules.

Listing Principles 1 and 2 which are contained in Chapter 7 of the Listing Rules apply to the Company. As the Company has a Standard Listing and not a Premium Listing, the Premium Listing Principles do not apply to it. However, the Board has made a commitment to voluntarily meet the Premium Listing Principles to continue the acceleration of the Company's corporate governance and strategic goals.

While the Company has a Standard Listing, it must comply with all the requirements listed in Chapter 2 of the Listing Rules, which specifies the requirements for listing for all securities, and there are a number of continuing obligations set out in Chapter 14 of the Listing Rules that will be applicable to the Company.

These include requirements as to:

- the forwarding of circulars and other documentation to the FCA for publication through the national storage mechanism, and related notification to a Regulatory Information Service;
- the provision of contact details of appropriate persons nominated to act as a first point of contact with the FCA in relation to compliance with the Listing Rules and the DTRs;
- the form and content of temporary and definitive documents of title;
- the appointment of a registrar;
- Regulatory Information Service notification obligations in relation to a range of debt and equity capital issues; and
- compliance with, in particular, Chapters 4, 5 (if applicable), and 6 of the DTRs.

However, while the Company has a Standard Listing, it is not required to comply with the provisions of, among other things:

- Chapter 6 of the Listing Rules containing additional requirements for the listing of equity securities, which are only applicable for companies with a premium listing;
- Chapter 7 of the Listing Rules, to the extent they refer to the premium listing principles;
- Chapter 8 of the Listing Rules regarding the appointment of a sponsor to guide the Company in understanding and meeting its responsibilities under the Listing Rules in connection with certain matters. The Company has not and does not intend to appoint such a sponsor in connection with Admission;
- Chapter 9 of the Listing Rules containing provisions relating to transactions, including, amongst other things, requirements relating to further issues of shares, the ability to issue shares at a discount in excess of 10 per cent. of market value, notifications and contents of financial information;
- Chapter 10 of the Listing Rules relating to significant transactions;
- Chapter 11 of the Listing Rules regarding related party transactions;
- Chapter 12 of the Listing Rules regarding purchases by the Company of its Ordinary Shares; and
- Chapter 13 of the Listing Rules regarding the form and content of circulars to be sent to Shareholders.

It should be noted that the FCA will not have the authority to (and will not) monitor the Company's compliance with any of the Listing Rules which the Company has indicated herein that it intends to comply with on a voluntary basis, nor to impose sanctions in respect of any failure by the Company so to comply. However, the FCA should be able to impose sanctions for non-compliance where the statements regarding compliance in this document are themselves misleading, false or deceptive.

DIRECTORS, COMPANY SECRETARY, REGISTERED OFFICE AND ADVISERS

Directors	Liam Twigger (<i>Independent Non-executive Chair</i>) Scott Caldwell (<i>Interim Chief Executive Officer</i>) María Amparo Albán (<i>Independent Non-executive Director</i>) Dan Vujcic (<i>Independent Non-executive Director</i>) James Clare (<i>Non-executive Director</i>) Nicholas Mather (<i>Non-executive Director</i>)
Company Secretary	Rufus Gandhi 1 King Street London EC2V 8AU United Kingdom
Registered Office of the Company	1 King Street London EC2V 8AU United Kingdom
Legal Advisers to the Company as to English law	Latham & Watkins (London) LLP 99 Bishopsgate London ECM2 3XF United Kingdom
Auditor and Reporting Accountant	PricewaterhouseCoopers LLP 1 Embankment Place London WC2N 6RH United Kingdom

EXPECTED TIMETABLE OF PRINCIPAL EVENTS AND ADMISSION STATISTICS

Each of the dates and times in the table below is indicative only and may be adjusted by the Company, in which event details of the new times and dates will be notified to the FCA, the London Stock Exchange by way of an announcement issued via a RIS provider.

References to times are to London time.

Expected timetable

Publication of Prospectus	22 February 2023
Admission of the Consideration Shares to the Official List and commencement of dealings in Consideration Shares on the Main Market	8.00 a.m. on 27 February 2023
Admission of the Consideration Shares to listing and trading on the TSX	27 February 2023
Completion of the proposed Acquisition	27 February 2023

Admission Statistics

Number of Ordinary Shares as at the Latest Practicable Date	2,476,051,501
Number of Consideration Shares to be issued pursuant to the proposed Acquisition	525,954,360
Enlarged Issued Share Capital ⁽¹⁾	3,002,005,861
Consideration Shares as a percentage of the Enlarged Issued Share Capital ⁽¹⁾	17.52%

1. Assumes that other than the Consideration Shares, no further Ordinary Shares are issued and allotted by the Company between the Latest Practicable Date and Admission

Part 1

INFORMATION ON THE GROUP

The following information should be read in conjunction with the information appearing elsewhere in, or incorporated by reference in, this document, including the financial and other information in, or incorporated by reference in this document.

1. Introduction

The Company is a Brisbane-based emerging copper-gold major, and leading exploration company focused on the discovery, definition and development of world-class copper and gold deposits. The Group has an exploration and project team focussed on copper-gold exploration and mine development with assets in Ecuador, Solomon Islands and Australia, but the Company is currently prioritising its exploration of its concessions in Ecuador where the Group is the largest and most active concession holder.

The Group has been focused on mineral exploration in the Andean copper belt in Ecuador since 2012. The Alpala deposit in the Cascabel concession in northern Ecuador is the Company's flagship project and is one of the largest independent copper-gold-silver mine development projects in Ecuador. In addition to advancing the Alpala deposit, the Company has identified a number of highly prospective priority projects throughout Ecuador and is exploring these in parallel to advancing Alpala.

2. Brief History of the Company

The Company was incorporated on 11 May 2005, and its primary focus has since been to acquire, explore and, if appropriate, develop precious metal properties principally in Ecuador and Australia. The following is a summary of key developments in the Company's history:

<u>Year</u>	<u>Milestone</u>
2012	The Company enters Ecuador and signs an earn-in agreement for ENSA (Exploraciones Novomining S.A.) which holds 100 per cent. of the Cascabel concession
2013	The Company receives an environmental licence received from Ministry of Environment for drilling at the Cascabel concession discovery hole at Alpala deposit
2014	The Company acquires unencumbered 85 per cent. interest in ENSA
2015	Ecuador and Australia sign MOU on cooperative ties in the mining sector
2016	The Company approves a \$22.9 million investment by Newcrest The Ecuadorian Government opens the Ecuador mining cadastre The Company announces that as part of the December Quarterly Review by FTSE, the Company has become a constituent of the FTSE AIM UK 50 companies with effect from 12 December 2016.
2017	The Company transfers from AIM to the Main Market on the London Stock Exchange The Company also commences trading on TSX in Canada Newcrest announce a further investment of \$40 million in the Company The Company is awarded approximately 60 concessions in Ecuador
2018	BHP entered into an agreement with Guyana Goldfields Inc. (Guyana) to acquire 6.1 per cent interest in the Company and becomes a major shareholder. Maiden Mineral Resource for Alpala Deposit at Cascabel announced by the Company The Company reaches a total of 76 concessions in Ecuador
2019	The Company announces its intention to acquire Cornerstone The Company completes the preliminary economic assessment for the Cascabel project
2020	Completion of Franco-Nevada US\$100 million Royalty Financing Company commences takeover offer for Cornerstone which subsequently expires Discovery of Cacharposa deposit at Porvenir Completion of MRE3 for Alpala deposit The Company becomes a UN Global Compact signatory

Year	Milestone
2021	Maiden Mineral Resource announced at Tandayama-America deposit at Cascabel and Cacharposa deposit at Porvenir
2022	The Company publishes the Cascabel project PFS confirming Tier 1 potential Completion of Osisko Gold Royalties US\$50 million Royalty Financing Jiangxi Copper (Hong Kong) Investment Company Limited and other investors invest \$36 million

3. The proposed Acquisition

On 7 October 2022, the Company announced that it had entered into a definitive agreement to acquire all of the issued and outstanding share capital in Cornerstone (the “**Cornerstone Shares**”), other than the Cornerstone Shares already held, directly or indirectly, by the Company, pursuant to a Canadian court-approved plan of arrangement. Cornerstone is a Canadian-listed mineral exploration company. Cornerstone currently holds a 15 per cent. stake in ENSA, the entity which holds a 100 per cent. ownership interest in the Cascabel Project and approximately 6.35 per cent. of the issued share capital of the Company. Following the transaction, the Company will hold 100 per cent. of ENSA. In addition, Cornerstone also owns an interest in six other projects, which are either in early stages of drilling and exploration and are not material to Cornerstone.

Under the terms of the agreement, each Cornerstone Share will be exchanged for 15 new Ordinary Shares. However, pursuant to the terms of the agreement, the Company may elect to pay up to 20 per cent. of the consideration payable for the proposed Acquisition in cash, in which case the cash would be *pro rated* among all Cornerstone shareholders and the number of Ordinary Shares issuable to Cornerstone shareholders would be reduced. If the Company elects not to pay any portion of the consideration in cash, the maximum number of Ordinary Shares required to be issued is 559,732,485 Ordinary Shares (assuming exercise of Cornerstone Options prior to the Effective Time). The Company has elected to issue 525,954,360 Consideration Shares in connection with the proposed Acquisition.

The proposed Acquisition was approved by two-thirds of the votes cast by the shareholders of Cornerstone and a majority of the votes cast by disinterested shareholders at a special meeting of Cornerstone shareholders held on 9 January 2023. The proposed Acquisition is conditional upon receipt of customary approvals (including applicable stock exchange approvals).

Following the completion of the proposed Acquisition, the Company will indirectly hold 100 per cent. of ENSA.

It is expected that the transaction will complete in February 2023.

4. Transaction Highlights

Simplified ownership provides the Shareholders 100 per cent. exposure to robust economics, upside of Cascabel
The 2022 PFS establishes maiden reserves of 3.3 Mt Cu and 9.4 Moz Au @ 0.6 per cent. Cu and 0.5 g/t Au. The low cost, long-life, scalable operation with current the PFS estimates a pre-tax NPV of \$5.2 billion and additional potential upside of \$1.8 billion pre-tax.

Potential to monetise Cornerstone’s 157 million Ordinary Shares for cash between signing and closing

The proposed Acquisition also adds potential for additional cash balances for the Company, with the market value of Ordinary Shares owned by Cornerstone being approximately \$26 million based on the closing price of the Ordinary Shares as at the Latest Practicable Date, which can also be used to progress the DFS on the Cascabel project and advance the exploration and drilling campaigns across the Company’s portfolio of exciting prospective acreage.

Expansion of Ecuadorian and Chilean exploration asset portfolio through Cornerstone’s interests

The proposed Acquisition will also result in the Group owning a 12.5 per cent. interest in the Bramaderos JV with Sunstone Metals, which is carried to production. In addition, Cornerstone also has interests in Cana Brava, Bella Maria and ENAMI-CESA SEA in Ecuador, and Miocene in Chile which will be owned by the Group following completion of the Acquisition which are in very early stages of exploration and drilling is yet to commence on a majority of these projects.

Pro-forma Board focused on value maximization

The Company has commenced a strategic review process for the Enlarged Group with the aim of developing a leading track record of mine advancement and strategic growth. The strategic review is evaluating a wide range of financing and strategic options, including, but not limited to, securing additional funding, selling a direct or indirect stake in the Cascabel project, selling other assets of the Company, or any other transaction, which may, or may not, dilute existing shareholders.

5. Strategy

Corporate Strategy

The Group's aim is to generate value by discovering, defining and developing world-class mineral deposits. The Group maximises funds using an established systematic and disciplined approach to exploration, targeting grass roots opportunities to ensure low-cost entry into projects. The Company prioritises efficient allocation of capital to unlock and maximise shareholder value with a focus of de-risking the Tier 1 Cascabel project and advancing the highest priority exploration targets using our proven methodology.

The Group's corporate strategy is to:

- Create wealth for shareholders through the discovery, definition and development of globally significant mineral deposits;
- Focus on copper and gold against a backdrop of increasing demand for these metals as well as increasing funding appetite from leading financiers for the Group's projects;
- Focus on Ecuador to capitalise on the Company's strong in-country relationships, world-class technical capacity and extensive concession holding;
- Advance the Company's flagship Cascabel project for the benefit of all stakeholders;
- Add value through greenfields exploration via a disciplined and systematic approach of securing, assessing and retaining/relinquishing exploration rights;
- Ensure the health, safety and well-being of all employees and contractors of the Company;
- Engage with and respect the communities in which the Company has a presence as part of maintaining its social licence to operate; and
- Protect the environment of its operations in line with its commitment to zero harm to ecosystems and biodiversity.

The Company is focused on two of the world's most important metals: copper and gold. The Company has a dedicated commitment to corporate social responsibility and is passionate about the Group's active health, safety, community and environment programs in its areas of exploration. The Group puts safety as a high priority and ensures that its people are properly trained and work in a planned and controlled manner under procedures that ensure safe operations.

Exploration Strategy

The Group's exploration strategy includes the following elements:

- Capitalisation of the Group's track record of success in the discovery of mineral resources;
- Detailed due diligence of project opportunities;
- A disciplined approach to the evaluation of projects to generate exploration datasets that may include all or some of the following exploration activities: geological mapping, stream, soil and rock chip geochemical sampling, and geophysical surveying;
- Generation of robust drill targets testing ore deposit models based on multiple exploration datasets; and
- Drill testing targets to define potentially economic mineral resources that the Group can take to feasibility study stage.

The Company has a track record of experience at operational management and Board level to define and develop mineral resources from discovery through to feasibility and development. The team remains engaged upon project generation globally, targeting tectonically fertile areas and in countries set to blossom in the next mining up turn, as well as streamlining assets in Australia.

6. Consideration Shares

The Consideration Shares will be issued fully paid and will rank in full for all dividends or other distributions declared, made or paid by reference to a record date on or after the date of issue of the Consideration Shares, and otherwise *pari passu* in all respects to the Ordinary Shares. Applications will be made for the Consideration Shares to be admitted to the standard listing segment of the Official List of the FCA and to trading on the London Stock Exchange's Main Market for listed securities. It is expected that the Consideration Shares will be issued, and that Consideration Shares Admission will become effective, and that dealings in the Consideration Shares will commence at 8.00 a.m. on 27 February 2023. Applications will also be made for the Consideration Shares to be listed and posted for trading on the TSX.

With effect from Admission, all of the Consideration Shares will be capable of being held in uncertificated form. No temporary documents of title will be issued in respect of the Consideration Shares.

7. Financial effects of the proposed Acquisition

On a pro forma basis and assuming that the proposed Acquisition had taken place on 31 December 2022, the Group would have had total assets of \$487.53 million, compared with total liabilities of \$157.12 million reported as of 31 December 2022. Please refer to Part 3 ("*Unaudited Pro Forma Financial Information*") which contains an unaudited pro forma statement of financial position, prepared to illustrate the effect on the financial position of the Company as of 31 December 2022 as if the proposed Acquisition had taken place on that date.

8. Assets

The Company has been granted a total of 75 mining concessions in Ecuador in addition to the Cascabel Concession, which are held in four subsidiaries. Of the 75 concessions, the Company has identified a number of highly prospective priority projects throughout Ecuador and is exploring these in parallel to the development of Alpala, as follows:

<u>Asset¹</u>	<u>Location</u>	<u>Style</u>	<u>Ownership</u>
Cascabel Concession	Ecuador	Copper Gold Porphyry	85% ²
Rio Amarillo (3)	Ecuador	Copper Porphyry	100%
Helipuerto (4)	Ecuador	Porphyry and epithermal copper-gold	100%
Porvenir (7)	Ecuador	Copper Gold Porphyry	100%

Notes:

1. Bracketed figures indicate number of individual concessions within the project area.
2. Remaining 15 per cent. to be acquired by the Company following completion of the proposed Acquisition.

Exploration activities over the next 12 months are expected to be prospective in nature and the Board expects to expend approximately \$15-\$50 million of the Company's cash resources on exploration in Ecuador over that period. Following the evaluation of financing and strategic options to secure additional funding, the Group will deploy additional funds to effectively implement its business strategy over time.

As at the date of this document, the Company holds an 85 per cent. indirect interest in the Cascabel Concession through its subsidiary ENSA. The Company also currently holds an indirect interest of approximately 0.8 per cent. in the Cascabel Concession through its shareholding in Cornerstone. As at the date of this document, the Company holds 2,057,655 shares in Cornerstone which equates to approximately a 5.57 per cent. interest in the issued share capital of Cornerstone.

Following completion of the proposed Acquisition, ENSA will become a wholly owned subsidiary of the Company and the Company will hold a 100 per cent. interest in the Cascabel Concession.

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Cascabel Concession

The Company holds an 85 per cent. indirect interest in the Cascabel Concession in Ecuador through its shareholding in ENSA, which in turn holds a 100 per cent. ownership interest in the Cascabel Concession. Following completion of the proposed Acquisition, it is expected that ENSA will be a wholly owned subsidiary of the Company. A brief summary of the ownership and interests in the Cascabel project is set out below:

<i>Location:</i>	Imbabura province, Northern Ecuador
<i>Ownership:</i>	ENSA holds 100 per cent. ownership interest of the Cascabel Concession. The Company indirectly holds 85 per cent. ownership in the Cascabel Concession as a result of its ownership of ENSA. Following completion of the proposed Acquisition, it is expected that ENSA will be a wholly owned subsidiary of the Company.
<i>Tenement Area:</i>	1 concession, approximately 50 km ²
<i>Primary Target:</i>	Copper-gold porphyry

The Company also holds approximately 5.57 per cent. (excluding share options) of Cornerstone, which is the entity that holds the remaining 15 per cent. equity interest in ENSA. Accordingly, through the shares held in Cornerstone, the Company has a further indirect interest in the Cascabel Concession of approximately 0.83 per cent. Following completion of the proposed Acquisition, it is expected that ENSA will be a wholly owned subsidiary of the Company.

The Cascabel Concession applies to an area of approximately 50 km². The Cascabel Concession was registered with the Ministry of Energy and Mines on 7 May 2010 and has a term of 25 years which expires on 7 May 2035. On 23 August 2013, ENSA was granted the Environmental Licence permitting it to carry out diamond drilling.

The Group's flagship project, the Alpala deposit, is the main target in the Cascabel concession, located on the northern gold-rich section of the heavily endowed Andean copper belt. This entire region is renowned as the base for nearly half of the world's copper production. The project area hosts mineralisation of Eocene age, the same age as numerous Tier 1 deposits along the Andean copper belt in Chile and Peru to the south.

The Ecuador mining cadastre classifies the Cascabel Concession as an advanced exploration licence for metallic minerals, with gold listed as the primary commodity. The licence was initially issued to a subsidiary of Santa Barbara Resources (namely Santa Barbara Copper & Gold S.A., which later changed its name to ENSA) on 12 January 2007, and was sold to Cornerstone in July 2011. In May 2012, the Company entered into a joint venture with Cornerstone to explore the Cascabel project.

As part of the terms of the sale of the property by Santa Barbara Resources Limited in 2012, an option to purchase 2 per cent. of the net smelter return (the "NSR") was retained by Santa Barbara Resources. The NSR is the gross amount received from the sale of ores, concentrates or precipitates process for the mine less the fair market costs of smelting, refining, sampling, charges and penalties for treatment and testing and less the fair market costs of handling, transporting, securing and insuring that material. Santa Barbara Resources Limited is entitled to the purchase of 1 per cent. NSR for US\$1,000,000 within 90 days of the completion of a definitive feasibility study, and a further 1 per cent. NSR for US\$3,000,000 within 90 days following a production decision.

The Company holds the necessary permits required to undertake exploration within the Cascabel project.

The Cascabel project is a porphyry copper-gold deposit located in the Imbabura province of northwest Ecuador, approximately 100 km north of the capital Quito and 50 km north-northwest of the provincial capital, Ibarra. It lies just off the main road, an easy 3-hour drive north of Ecuador's capital city, Quito. The climate zone is tropical-savannah and vegetation is tropical forest with a well-developed soil horizon. Topography rises from elevations of 1,000 metres to 1,800 metres and the moderate to steep landscape is incised by four large drainage complexes. A first-order paved highway provides year-round access and crosses the north-east corner of the Cascabel Concession (please see Figure 1 below).

Ecuador is undergoing a transformation with potential for significant improvements to infrastructure, including five key sea ports, over 10,000 km of new highways, and 9 new hydroelectric projects. These

infrastructure improvements could afford the project capital advantages as it moves toward feasibility over the coming years. Completion of a new access road to Alpala Camp via the village of Santa Cecilia in co-operation between the provincial government and the local community is providing vital operational advantages to the project.

Northern Ecuador lies within the under-explored northern section of the richly endowed Andean Copper Belt, which extends from Chile in the south to Colombia in the north and then north-west into Panama. The tenement lies on the margin of the Eocene and Miocene metallogenic belts which are renowned for hosting some of the world’s largest porphyry copper and gold deposits, like the giant La Escondido Copper Mine in Chile, which is the world’s largest producer of copper and hosted within the same age host rocks as Cascabel.

A number of other globally significant deposits have been discovered in the region, some of which are becoming mines. These include the Junin copper project located some 60 km to the south-west of Cascabel, the La Colosa porphyry deposit located to the north in Colombia and the massive Cobre Panama deposit located to the north in Panama. The Fruta del Norte project in southern Ecuador is among the largest and highest grade undeveloped gold projects in the world and highlights the pedigree of potential within the country.

The project is located within the Cordillera Occidental (or Western Cordillera) of the Ecuadorian Andes. Basement rocks consist of ocean floor basalts and sediments of Cretaceous age. High-level Eocene (and possibly Late-Miocene) batholiths and associated granite, granodiorite and diorite bodies intrude volcanic and sedimentary rocks of Cretaceous to Tertiary age. The regional controls that localise gold and copper mineralisation at Cascabel are intimately related with the three-dimensional interaction of deep seated NE-trending 1st order (arc-parallel) structures, with NW-trending 2nd order (arc-normal) faults, and NNW-trending 3rd order structures.

Within the Cascabel Concession, volcanic and sedimentary rocks are intruded by a number of quartz diorite, diorite and hornblende diorite stocks and dykes. The Company field teams continue to perform 1:500 scale “Anaconda” style geological mapping over the tenement area and updates to the local geology map remain ongoing.

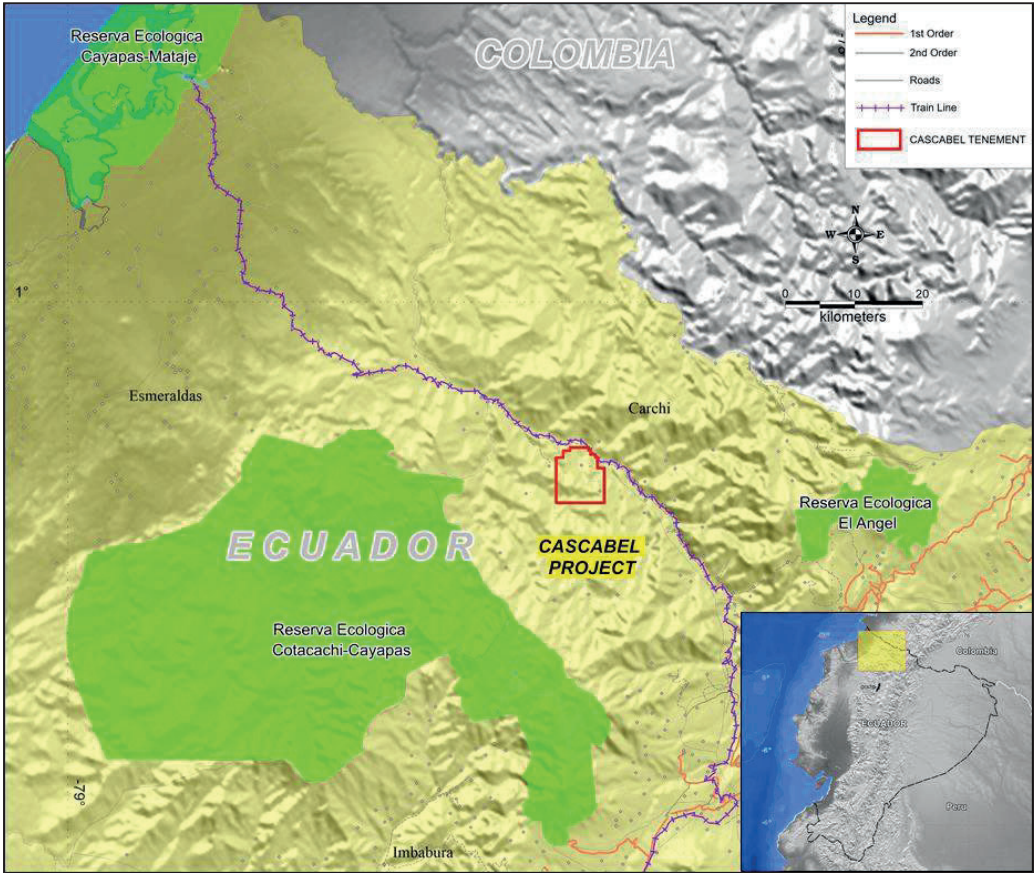


Figure 1: Location of the Cascabel project in northwest Ecuador.

The accretionary geological terrain around the Cascabel Concession is considered to hold significant potential for hosting economic porphyry systems due to the combination of terrain accretion and compressional tectonics, shallow subduction, crustal scale sutures and calc-alkaline magmatism.

The Cascabel project is the Company's flagship project and the Board believes that it shows significant potential of hosting an economic resource.

During 2021, drilling continued at Alpala to obtain further geotechnical, hydrogeological and metallurgical data. Resource extension and infill drilling was completed in June 2021. In total, 43,232 m were drilled within the Cascabel concession in the twelve months ended 30 June 2022. Key activities related to the drilling programme included:

- Near-surface resource drilling for potential open-pit options;
- Sampling for advanced characterisation and parameterisation of metallurgy;
- Acoustic emissions stress measurements sampling;
- Geotechnical sampling for UCS and triaxial testing;
- Updating interpretation of 3D geology, alteration and geotechnical models; and
- Packer testing and piezometer installation for hydrogeology modelling and monitoring.

During the six months ended 31 December 2022, the Group capitalised US\$17,208,808 of expenditure on the Cascabel project.

At Tandayama-America ("TAM") drilling for geotechnical, hydrogeological and metallurgical testwork and resource extension and infill drilling was undertaken in the twelve months ended 30 June 2022 and infill drilling continues utilising one drilling rig. Exploration at the Moran prospect is ongoing utilising one drilling rig.

Activities included:

- Resource drilling;
- Updating of interpretation of 3D geology and alteration models;
- Commencement of resource estimation modelling;
- Logging and collection of geotechnical parameters and samples for lab testwork;
- Sampling for preliminary characterisation and parameterisation of metallurgy; and
- Packer testing and piezometer installation for preliminary hydrogeological modelling and monitoring.

The TAM deposit lies approximately 3km north of the Alpala deposit, at the Cascabel project, held by ENSA, an 85 per cent. owned subsidiary of the Company. The project area lies within the Imbabura province of northern Ecuador approximately 100 km north of the capital city of Quito and approximately 50 km north-northwest of the provincial capital, Ibarra. To date a total of approximately 26,000 m of diamond drilling has been completed at the TAM deposit, with drill holes 30-33 currently underway utilising four diamond drilling rigs. Assay results from Holes 25-33 are pending. An additional approximately 4,000 m of resource extension and geotechnical drilling has been completed since the release of the TAM maiden MRE on 19 October 2021. Holes 1-19 were drilled for resource definition in the central, north, west portions of the deposit. Holes 20, 21, 22, 27, 30 and 32 were drilled specifically for geotechnical purposes, targeting the proposed west wall of the potential pit design. To date a total of 30,925.2m of diamond drilling has been completed at the TAM deposit, with drill hole 41 currently in progress at a depth of 500m (Figure 2). Assay results from hole 41 are pending. The current hole 41 focusses on resource extension in the southeast quarter of the deposit footprint.

Potentially open pit Mineral Resources comprise 201Mt @ 0.33 per cent. CuEq in the Indicated category, plus 61.8 Mt @ 0.44 per cent. CuEq in the Inferred category, at a cut-off grade of 0.16 per cent. CuEq. Potentially open pit Mineral Resources include a higher-grade near-surface zone containing 10.6 Mt @ 0.41 per cent. CuEq and 5.1 Mt @ 0.45 per cent. CuEq that should support early cash flows and accelerate pay back of initial pre-production capital for the Cascabel project.

Mineral Resources potentially mineable by underground bulk mining methods comprise 32 Mt @ 0.35 per cent. CuEq in the Indicated category, plus 135.2 Mt @ 0.37 per cent. CuEq in the Inferred category, at a cut-off grade of 0.28 per cent. CuEq. Mineral Resources potentially mineable by underground bulk mining

methods include a higher-grade core, that remains open to the east, southeast and at depth, containing 16.4 Mt @ 0.43 per cent. CuEq in the Indicated category, plus 70.4 Mt @ 0.46 per cent. CuEq in the Inferred category, at a cut-off grade of 0.28 per cent. CuEq.

The maiden Mineral Resource at TAM totals 233 Mt @ 0.33 per cent. CuEq for 0.53 Mt Cu, and 1.20 Moz Au in the Indicated category, plus 197 Mt @ 0.39 per cent. CuEq for 0.52 Mt Cu, and 1.24Moz Au in the Inferred category. The TAM maiden Mineral Resource dataset comprised 17,535 m of diamond drilling from holes 1-23, 458 m of surface rock-saw channel sampling from 72 outcrops, and 14,566 m of final assay results from holes 1-18.

The TAM MRE#2 dataset comprised 30,892 m of diamond drilling from holes 1-41, 458 m of surface rock-saw channel sampling from 72 outcrops, and 29,631.6 m of final assay results from holes 1-40 (Figure 2). This equates to an additional 15,065.6 m of final assays results received since the recent release of TAM maiden MRE.

Ordinary Kriging (“OK”) was run in three search passes and with soft boundaries using Leapfrog Edge software. The estimation of Cu and Au was confined within 3D estimation domains, which were based on the combination of two 3D wireframe interpretations:

- Grade Shell Interpretation: Low-, Medium- and High-Grade shells equating to CuEq cut-off grades of 0.15 per cent., 0.30 per cent. and 0.45 per cent. respectively.
- Lithological Interpretation: Modelling of seven rock groups, comprising “D10” (Pre-Mineral Diorite Host Rock), “EM” (Early-Mineral Quartz Diorite and Diorite), “IBX” (Pre-Mineral Intrusive Breccia), “IM” (Intra-mineral Quartz Diorite and Diorite), “LM” (Late-mineral Diorite), “PM” (Post-mineral Quartz Diorite and Diorite), “V” (Pre-Mineral Volcanic Host Rocks), and “SOI” (soil and oxidised rock).

Model validation tests have not exhibited any material bias between the input composite grades and the block model estimates. The TAM MRE is constrained within a 3D Open Pit Optimised Shape (“OP”) and an Underground Optimised Shape (“UG”), whereby the UG “daylights” into the floor of the OP.

The TAM deposit shares the same geological and structural setting as the Alpala deposit. Mineralisation is hosted within a complex of middle to late-Eocene (Bartonian) hornblende-bearing diorites, quartz diorites and intrusive breccias that intrude volcanic host rocks to form a complex of stocks, dykes, and breccia pipes.

The trend of mineralisation throughout the TAM deposit is defined by a northwest (315°) trending intrusive complex inclined steeply (78°) towards the northeast. Surface mapping data was supported by structural measurements taken from orientated drill core provided data from 127 intrusive contacts and 3062 B-type quartz veins.

Copper and gold mineralisation is intimately associated with porphyry style B-type quartz-chalcopyrite veins and stockworks, centred upon an early-mineral causal quartz-diorite intrusion (QD10), and cut by a series of intra-mineral, late-mineral and post-mineral stocks dykes and breccias of diorite, hornblende diorite, and quartz diorite.

Intrusions have emplaced episodically such that each subsequent intrusion has introduced mineralising fluids (and subsequent arrays of mineralised veins) into the TAM system, and/or remobilising and enriching existing mineralisation or contributed to localised overprinting of pre-existing mineralisation.

The geological character of the porphyry stocks / dykes encountered through drilling to date indicate a well-preserved porphyry system with significant potential for greater depth extent. Individual mineralised porphyry dykes are observed to have emplaced within a vertical column of over 1,000 m.

The full size and tenor of the TAM system has not yet been tested. Mineralisation remains open to the south and east and at depth. Further surface geochemical anomalies to the east of the current drilling area require drill testing.

Pre-feasibility study (PFS) results

The PFS for the Cascabel project was published in April 2022 and confirmed the Cascabel project’s world class, Tier 1 potential to be a large, low-cost, and long-life mining operation that is based on achievable, proven, and tested mining and processing assumptions. Once constructed, Cascabel is expected to be a top 20 South American copper & gold mine benefiting from a high-grade core, advantageous infrastructure and

an increasingly investor friendly government. The mine is expected to produce a clean copper-gold-silver concentrate, to be sold to Asian and European smelters as part of a project construction financing package.

The PFS investigated multiple scenarios in order to identify an initial base case to take forwards, with additional resources and upside to be investigated, supporting the next phase optimisations, and confirming the application of block cave mining to the Alpala underground resource.

Highlights of the PFS include the following estimates:

- After-tax NPV and IRR of US\$2.9 bn and 19.3 per cent., respectively;
- Payback of 4.7 years from start of operations;
- Initial 26-year operating life and 25 Mtpa process plant throughput with an expandable Life-of-Mine potential to greater than 50 years;
- Total probable ore production of 558 Mt, containing 3.3 Mt Cu, 9.4 Moz Au and 30 Moz Ag;
- Process plant producing 2.8 Mt Cu, 7.6 Moz Au and 21.7 Moz Ag over the initial 26-year life of the project;
- Average annual production for initial cave of 132 ktpa Cu, 358 kozpa Au and 1.0 Mozpa Ag;
- All In Sustaining Cost (“AISC”) of US\$0.06 /lb Cu over the initial 26-year mine project;
- Average annual production in the five years following initial cave ramp up of approximately 190 ktpa Cu, 680 kozpa Au and 1.3 Mozpa Ag (330 ktpa CuEq) at a negative AISC of US1.38/lb;
- Total after-tax free cash flow generation of \$14.4 billion and averaging over \$1.3 billion per year in the first five years post ramp-up; and
- Estimated initial capital expenditure of \$2.7 billion for the initial cave development, first process plant module and infrastructure with first ore production expected in mid-2029.

The PFS underpins the Mineral Reserve estimate and further optimisations of the mine and process plant are expected to deliver additional value.

The availability of low-cost hydropower, on site water resources, the use of targeted underground mining, process plant configuration, the potential use of an electric mining fleet and concentrate transport via a pipeline are expected to deliver a lower carbon footprint compared to projects which do not have these benefits.

Capital Cost Estimate

The capital cost estimate meets the requirements for a pre-feasibility study consistent with the Association for the Advancement of Cost Engineering (“**AACE International**”) cost estimating guidelines for a Class 4 estimate. The estimate accuracy range of ± 25 per cent. is defined by the level of project definition, the time available to prepare the estimate and the amount of project cost data available.

The total capital cost estimate for the Cascabel project is summarised below:

Area	Pre-Production (\$, in millions)	Post-Production (\$, in millions)
Mine	900	748
Process plant	465	219
Tailings storage facility	309	695
Port facility	39	15
Surface infrastructure	175	42
Indirect costs	467	113
Contingency	391	304
Total	2,746	2,136

The pre-production capital totals \$2.7 billion and includes all costs up to first ore production in the process plant. Further, the post-production costs required to achieve production ramp-up to design capacity and sustaining capital are estimated to be \$2.1 billion.

In order to fund the exploration and drilling activities of the Group thereafter, the Company is undertaking a strategic review to evaluate a wide range of financing and strategic options to secure additional funding, including, but not limited to, selling a direct or indirect stake in the Cascabel project, selling other assets of the Company, or any other transaction, which may, or may not, dilute existing shareholders. The Board expects to recommend its future funding strategy in H1 2023 in connection with the Company's ongoing strategic review.

Operating Cost Estimate

The Cascabel block cave operation is estimated to have a low unit mining cost (operating and sustaining) of \$6.51/t. Total average gross unit cash costs inclusive of treatment charges and government royalties are \$1.72/lb of payable copper. AISC costs inclusive of gold and silver by-product credits are estimated at \$0.06/lb Cu over the 26-year mine life and averaging \$(1.38)/lb in the first five years from achieving nameplate capacity, positioning Cascabel well within the first decile of the global copper industry cost curve. Net cash costs are estimated at \$(0.40)/lb Cu. Negative cash costs reflect significant precious metals by-product contributions, primarily gold, providing downside protection to lenders.

Cascabel Mineral Resource and Mineral Reserve Estimates

Alpala Mineral Resource Estimate (MRE#3)

The Alpala porphyry copper-gold-silver deposit, at a cut-off grade of 0.21 per cent. CuEq, comprises 2,663 Mt at 0.53 per cent. CuEq in the Measured plus Indicated categories, which includes 1,192 Mt at 0.72 per cent. CuEq in the Measured category and 1,470 Mt at 0.37 per cent. CuEq in the Indicated category. The Inferred category contains an additional 544 Mt at 0.31 per cent. CuEq.

The estimate comprises a contained metal content of 9.9 Mt Cu and 21.7 Moz Au in the Measured plus Indicated categories, which includes 5.7 Mt Cu and 15 Moz Au in the Measured category, and 4.2 Mt Cu and 6.6 Moz Au in the Indicated category. The Inferred category contains an additional 1.3 Mt Cu and 1.9 Moz Au.

The Mineral Resource is reported using a cut-off grade of 0.21 per cent. CuEq calculated using {copper grade (%)} + {gold grade (g/t) x 0.613}. The Mineral Resource is considered to have reasonable prospects for eventual economic extraction by underground mass mining such as block caving. Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability. The statement uses the terminology, definitions and guidelines given in the CIM Standards on Mineral Resources and Mineral Reserves (May 2014). MRE is reported on a 100 percent basis within an optimised shape.

Alpala Mineral Reserve Estimate

As part of the PFS, the Company announced for the first time a Mineral Reserve for the Alpala deposit, which has been estimated using block caving as the sole underground mining method, taking into account the effect of dilution of indicated material with lower grade or barren material originating from within the caved zone and the overlying cave backs, representing the economically mineable part of the measured and indicative resource, based on achievable mine plan and production schedule. The initial Mineral Reserve represents 21 per cent. of Measured and Indicated Resources tonnes and approximately 38 per cent. of contained metal in dollar terms.

The effective date of the Mineral Reserves is 31 March 2022. Only Measured and Indicated Mineral Resources were used to report Probable Mineral Reserves. Mineral Reserve reported above were not additive to the Mineral Resource and are quoted on a 100 per cent. project basis. The Mineral Reserve is based on the 18 March 2020 Mineral Resource. The statement uses the terminology, definitions and guidelines given in the CIM Standards on Mineral Resources and Mineral Reserves (May 2014) as required by NI 43-101.

Cascabel Investment Protection Agreement

The Company has signed a preliminary commitment declaration with regard to an exploration investment protection agreement (“**IPA**”) for the Cascabel project in northern Ecuador on 19 November 2021. The declaration was signed on 19 November 2021 in Quito, Ecuador between Mr. Guillermo Lasso Mendoza, President of Ecuador, and Mr. Andrew Taunton, Vice President of the Company's Ecuador subsidiaries representing the Company and SolGold Finance AG (together the “**Investors**”), and Exploraciones Novomining S.A. and SolGold-Ecuador S.A. (together the “**Receiving Companies**”).

The terms of the IPA, submitted by application to the Ministry of Production, Foreign Trade, Investments and Fisheries (“**MPCEIP**”) of Ecuador, includes an intention to invest a total of approximately US\$430 million over the 10 years between 2013 and 2023 in minerals exploration activities in the Cascabel

mining concession, in the canton of Ibarra, province of Imbabura, Ecuador. The US\$430 million total includes both historical investments, with a total of approximately \$238 million invested through to the end of 2021, and planned future investments through to the end of 2023 when the 'Exploration Phase' of activities as defined under the mining law is anticipated to finish.

On 30 August 2021, the Strategic Committee for the Promotion and Attraction of Investments ("CEPAI"), the body in charge within the MPCEIP, analysed the legal and technical reports required to approve the Company's application by the Investors and Receiving Companies and, by means of Resolution No. 065-CEPAI-2021, and with the unanimous vote of its members, recommended the execution of the IPA. In this context, the parties confirmed the commitment between the Ecuadorian State, the Investors and the SolGold Receiving Companies to execute the Exploration IPA in compliance with Ecuadorian law.

On 3 January 2022, the Northern Zonal Coordinator of the Ministry of Energy and Non-Renewable Natural Resources issued the Resolution N° MERNNR-CZN-2022-0001-RM authorizing the extension of the economic evaluation of the deposit in Cascabel. However, the IPA currently covers the exploration phase of the Cascabel project only and the Company has not executed an amended IPA to cover all investments in connection with the exploitation and production phase of the Cascabel project. The Company intends to do so by way of an addendum to the exploration IPA and has commenced negotiations to amend the exploration IPA to also cover the exploitation and production phase of the Cascabel project. Once the addendum to the IPA has been executed, the Ecuadorian government will grant the Group the applicable protections and guarantees in accordance with the law for the exploitation and production phase. Specific protections relate to the prohibition of all forms of confiscation, non-discriminatory treatment and equal playing field, legal security, tax stability for 15 years and international arbitration in London if there are any disputes in relation to the Cascabel project. The Group intends to disburse the planned future investments in exploration activities related to the Cascabel project and to create among other benefits, direct and indirect employment over the next two years.

Regional Exploration Programme

The Company continues to pursue its strategy as an integrated explorer and developer, aiming to create maximum value for all shareholders. The Company is applying its exploration blueprint of systematically evaluating its exploration assets across Ecuador, which are held by four wholly owned subsidiaries, and has identified several high priority copper and gold resource targets.

Early-stage results from the Company's regional exploration programmes are testament to this approach following the discovery of significant copper-gold mineralisation at surface at the Cacharposa porphyry copper-gold target at Porvenir as well as the discovery of significant geochemical and geophysical hallmarks of large porphyry systems identified at several project areas, including the Rio Amarillo and Cisne Loja projects.

The Group's regional exploration programme in Ecuador coordinates multiple highly skilled field teams systematically exploring its concessions throughout the country. The Company's regional concessions are located along the prolific Andean copper belt which is renowned as the production base for a significant portion of the world's copper and gold resources.

The regional exploration programme is focused on a number of high priority targets with extensive and systematic exploration field programmes underway ranking priority drill targets.

The ongoing exploration programme on these projects continues to focus on:

- Drill testing targets;
- Collection and interpretation of geophysical data; and
- Mapping and geochemical sampling of new areas.

The high priority projects include:

- *Carnegie Ridge Resources S.A. (Rio Amarillo)*
- *Cruz del Sol S.A. (Helipuerto)*
- *Green Rock Resources S.A. (Porvenir)*

Rio Amarillo Project

<i>Location:</i>	Imbabura province, Northern Ecuador
<i>Ownership:</i>	100 per cent. Subsidiary: Carnegie Ridge Resources S.A.
<i>Tenement Area:</i>	3 concessions, 123 km ²
<i>Primary Target</i>	Copper porphyry

The Rio Amarillo project is located in northern Ecuador approximately 30 km southeast of the Cascabel concession.

The main target areas at Varela, Florida, Palomar and Chalanés exhibit porphyry style surface mineralisation and alteration covering a vertical extent of up to 1,500 m over a 12 km-long by 3 km-wide northeast-trending, highly magnetic, porphyry belt. The major northeast trending magnetic belt is intersected by a secondary northwest-trending magnetic feature, likely to represent the intersection of two deep-seated crustal-scale fracture zones, which are filled by intrusive bodies with magnetic characteristics indicative of strongly differentiated and mineralised systems. This structural regime has strong similarities to that encountered at the nearby Alpala deposit.

3D geochemical modelling of the Varela target highlights similarities between the Varela and Alpala lithocap footprints and geochemical signatures. The models have proven highly predictive when used at both the Cascabel and Porvenir projects for targeting porphyry mineralisation.

Varela Target

The Varela target exhibits a well-preserved metalliferous lithocap and hydrothermal alteration system with a full complement of porphyry plume elements, which are inferred to be consistent with large and strongly mineralised porphyry copper-gold(-molybdenum) systems.

A total of 3,743 m of drilling from three holes at the Varela target was completed in a campaign conducted from August 2021 to January 2022 at the Varela copper. Assays from Hole 1 returned an interval of 72 m @ 2.16 g/t Au from 640 m depth, including 24.0 m @ 5.77 g/t Au. Hole 2 returned 12.0m @ 1.35 g/t Au, and hole 3 did not report any significant intersection. Trace-element and multi-element geochemistry appears consistent with the drill holes sited nearby to a potential porphyry gold-copper system. Exploration activities have been focused on detailed mapping and rock sampling in the Pugaran prospect, for defining drilling targets.

A new geological mapping campaign continues in prospects surrounding the Varela target including:

- **Chahuarungo:** Copper-gold porphyry prospect located 2km south of the Varela target comprising diorite and sediments with phyllic alteration. A significant gold-copper rock chip anomaly representing a 1.4km x 1.2km area with 1.6g/t Au and 0.1 per cent. Cu results and relationship of quartz stockwork of five veinlets per meter and a chalcopyrite/pyrite ratio of 1/5.
- **Sigsal:** Gold epithermal prospect located to the east of the Varela Target. The prospect consists of a clast supported hydrothermal breccia that exhibits strong oxidization and leaching, some clasts sericite and secondary biotite alteration. The rock saw channel sampling includes values of 0.5g/t Au, over 500 ppm As and 332 ppm Mo.
- **El Domo:** Gold epithermal prospect located to the west of the Varela Target. The prospect contains hydrothermal breccias with silica, alunite and pyrophyllite alteration. High gold values returned 2.95-23.7g/t Au from rock chip sampling.

Helipuerto Project

<i>Location:</i>	Morona Santiago province, South-eastern Ecuador
<i>Ownership:</i>	100 per cent. Subsidiary: Cruz del Sol S.A.
<i>Tenement Area:</i>	4 concessions, 184 km ²
<i>Primary Target</i>	Porphyry and epithermal copper-gold

The Helipuerto project concessions lie within one of the most prolific portions of the Andean Jurassic Porphyry Belt, which hosts globally significant copper and gold deposits in Ecuador, several of which have been developed into mines, such as the nearby Fruta del Norte and Mirador mines, the Santa Barbara, Panantza and Warintza deposits, and the Group's newly discovered Cacharposa deposit at Porvenir.

The Tinkimints prospect is located adjacent to Solaris Resources' Warintza copper deposit that has an in-pit Mineral Resource of 579 Mt at 0.59 per cent. CuEq in the Indicated category. The Tinkimints prospect is characterised by highly anomalous copper and copper/zinc in soil over a 1.5 km by 1 km area. High values of copper in soil are observed, including 0.71 per cent. Cu and 0.16 per cent. Cu.

Extensive and systematic geological and geochemical field programmes are continuing at Helipuerto with an initial focus on the delineation of the size and tenor of the Tinkimints copper prospect including mapping and sampling of the area directly south of Solaris's Warintza copper-gold porphyry discovery that spans the Company's Helipuerto concessions.

Exploration completed in the area south-east of the Warintza South defined a new target named Juank, delineating a multielement anomaly of 900m x 700 m.

Porvenir Project

<i>Location:</i>	Zamora Chinchipe province, Southern Ecuador
<i>Ownership:</i>	100 per cent. Subsidiary: Green Rock Resources S.A.
<i>Tenement Area:</i>	7 concessions, 244 km ²
<i>Primary Target</i>	Copper-gold porphyry

Located in southern Ecuador approximately 100 km north of the Peruvian border, the Porvenir project has been the focus of intense systematic exploration activity that includes sampling of fluvial sediments, heavy sediments, soils and rock fragments, as well as Anaconda-style geological mapping, and this work helped to identify several areas of interest.

Aerial magnetometry geophysics was also carried out throughout the project and on land at the Cacharposa deposit, a 3D geochemical model was developed based on the results of the soil samples. With these products and geological interpretations, eight objectives were defined: Cacharposa, Mula Muerta, Eudis, Balmore, Diablo, Palmal, Bartolo and Merino. The technical team continues with detailed mapping and surface geochemical sampling at the prospective targets to outline future drill tests.

Cacharposa deposit

A Mineral Resource Estimate ("MRE") has been completed for the Cacharposa deposit totalling 396.8 Mt @ 0.44 per cent. CuEq for 1.40 Mt Cu, and 1.80 Moz Au in the Indicated category, plus 96.9 Mt @ 0.37 per cent. CuEq for 0.28 Mt Cu, and 0.38 Moz Au in the Inferred category, using a cut-off grade of 0.16 per cent. CuEq.

The Cacharposa maiden MRE dataset comprised 18,635.7 m of diamond drilling from holes 1-23, 439.6 m of surface rock-saw channel sampling from 23 outcrops, and 16,982.4 m of final assay results from holes 1-20. The data cut-off (the effective date) for the MRE was 26th October 2021. A 27-hole drilling program, totalling 21,245.30 m, was completed at the Cacharposa deposit.

Mineral Resource Statement (effective date 26 October 2021)									
Potential Mining Method	Cut-off Grade (Cu Eq %)	Resource Category	Tonnage (Mt)	Grade			Contained Metal		
				Cu (%)	Au (g/t)	CuEq (%)	Cu (Mt)	Au (Moz)	CuEq (Mt)
Open Pit	0.16	Indicated	396.8	0.35	0.14	0.44	1.40	1.80	1.75
		Inferred	96.9	0.29	0.12	0.37	0.28	0.38	0.36

Notes

1. The Mineral Resource is reported using a cut-off grade calculated for the open pit mining method.
2. Copper equivalency factor of 0.632 (whereby $CuEq = Cu + Au \times 0.632$) is based on third party metal price research, forecasting of Cu and Au prices, and a cost structure from mining study data available from a similar deposit. Costs include mining, processing and general and administration (G&A). Net Smelter Return (NSR) includes off-site realisation (TC/RC) including royalties, metallurgical recoveries (84 per cent. for Cu and 65 per cent. for Au) and metal prices of Cu at US\$3.30/lb and Au at US\$1,700/oz. The Mineral Resource is considered to have reasonable prospects for eventual economic extraction by open pit mining methods.
3. Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability.
4. The statement uses the terminology, definitions and guidelines given in the CIM Standards on Mineral Resources and Mineral Reserves (May 2014) as required by NI 43-101.
5. Figures may not compute due to rounding.

The Mineral Resource includes strong grades exposed at surface over a 650m long strike length, which is naturally presented for the early years of mining. Open Pit Optimisation studies performed independently by

Mining Plus Pty Ltd utilising Geovia Whittle™ software, show that this near-surface zone approximately equates to a potential starter pit of 44.0Mt grading 0.64% CuEq (0.44% Cu, 0.34g/t Au) with a low strip (waste to ore) ratio of 0.61.

Open pit optimisation results further identify an internal, higher-grade, potentially open-pittable zone, containing 181.3Mt grading 0.52% CuEq (0.37% Cu, 0.23g/t Au) with a strip (waste to ore) ratio of 1.30.

Initial work on the Porvenir project PEA began and during the half year study work focused on:

- Mine engineering activities
- Process plant & infrastructure engineering

The study has been delayed as announced on 22 November 2022.

AUSTRALIA

The Company holds tenements across central and southeast Queensland, through its wholly owned subsidiaries, Central Minerals Pty. Ltd. and Acapulco Mining Pty. Ltd. Exploration programmes were reduced to a minimum in order to focus on Ecuador based opportunities. Central Minerals Pty. Ltd. currently holds exploration permits at the following projects:

1. Rannes;
2. Mount Perry;
3. Normanby;
4. Mt Pring;
5. Westwood; and
6. Cracow West.

SOLOMON ISLANDS

The Kuma tenement in the Solomon Islands (South West Pacific) is considered by the Group to be highly prospective for porphyry copper-gold and epithermal gold deposits.

The Company has been actively pursuing the renewal of the concession which expired on 26 July 2021 and is awaiting a final decision from the Ministry of Mines in Solomon Islands. The Company has continued to enjoy the support of the local communities; however, no further exploration activities have been completed at the Kuma project. The Company's current focus is on its Ecuador based opportunities; however, subject to the final decision on renewal of the concession, the Company will keep the future exploration and development of this asset under review.

9. Current developments

As announced by the Company on 22 November 2022, the Board is focussed on maximising value for all shareholders and has commenced a strategic review process for the Enlarged Group with the aim of developing a leading track record of mine advance and strategic growth. For more information on the strategic review, please refer to paragraph 4 of this Part 1 ("*Information on the Group*").

The Company is also focused on advancing the Cascabel Project in a cost effective and value maximising manner. The Cascabel Project team is rigorously reviewing all opportunities to de-risk the project, reduce costs and further improve project economics. In light of the evolving capital cost environment, numerous value enhancing aspects currently being studied and the potential positive impact of these aspects on both capital and operating costs, it is expected that the Cascabel DFS and the Porvenir PEA will be delayed. The Company is proceeding with the Cascabel DFS as the next stage.

The Company is also taking initiatives to restructure the organisation, including a reduction in the workforce across all areas of the Company to ensure more appropriate levels of personnel are in place, whilst it also begins a process to hire a permanent Chief Financial Officer. The Company is taking steps to reduce the number of time zones of its operations and is focusing resources in-country to best advance Cascabel and surrounding high-priority targets.

10. Trends affecting the Company

The following summary sets out recent trends affecting the Company.

Copper Market Outlook

A fundamental driver of copper demand over the past twenty years has been the urbanisation, digitisation, and industrialisation of developing economies. A major driving force behind this process was globalisation which saw companies from the world's developed economies seeking to reduce labour costs, improve margins and flexibility by investing in new capacity in countries such as China. Refined copper consumption in China has more than doubled over this period from approximately 5Mt in 2000 to more than 12Mt in 2021, and today accounts for more than half of global copper consumption. Over the last couple of years, the slow-down in the Chinese economy has led to more modest growth in copper consumption.

Large-scale stimulus packages, the vaccine rollout, pent up demand and low interest rates stimulated economic activity in 2021, with demand increasing 4.2 per cent. to 24.4 Mt, surpassing 2019 levels. The rapid rebound in Chinese economic activity supported copper demand in 2020, but in 2021 increased manufacturing activity in Europe and North America resulted in demand growth.

There has been significant volatility in the copper price and across the commodities complex in recent months. Energy prices have continued to rise while most industrial metals have fallen. The instability across these markets was initially as a result of the war in Ukraine and COVID-19 restrictions' impact on demand. Recently, inflation and growing recessionary fears are key concerns contributing to the ongoing copper market instability. Low visible inventories and ongoing copper mine supply disruptions should however provide some support to prices. Global refined copper consumption is forecast to grow by 1.6 per cent. in 2022 and strengthen to 3.2 per cent. in 2023 (according to Wood Mackenzie's June 2022 Outlook).

Over the medium to long-term, copper will benefit from an economic recovery focused on green end-use sectors, which is expected to support above average annual global refined consumption growth of 2.3 per cent. over the 10-year period 2022-2031 to 31Mt according to Wood Mackenzie. Average annual growth is expected to average 1.7 per cent. annually over the subsequent period to 2050 reaching nearly 42Mt of refined copper demand.

On the supply side, global copper mine production in 2021 was 21.4 Mt, up 2.1 per cent. from production levels seen in each 2019 and 2020. Global copper production capability from mines and already committed projects is forecast to increase in the near-term to peak at an adjusted 24.7Mt in 2024. Looking further ahead, without additional mine supply from new projects, base case mine production is expected to steadily decline to approximately 14Mt by 2040. New mines will be required to meet demand.

To limit global warming to 2 degrees vs. pre-industrial levels, as per the Paris agreement, an Accelerated Energy Transition ("AET") is required according to Wood Mackenzie. In turn, the AET would increase demand for primary copper, which is expected to grow at a 0.3 per cent. higher annual rate. This would translate to an upside copper demand that is more than 2.5Mt higher than the base case in 2040 and a cumulative difference of nearly 50Mt in copper demand between 2022 and 2040. Wood Mackenzie forecasts that under an AET-2 degree scenario, a long-term incentive price of US\$9,259/t (US\$4.20/lb) in constant 2021 US dollars should be sufficient to close the supply gap, maintain market equilibrium and retain a reasonable market balance over the next decade.

The Alpala deposit at Cascabel, which contains 9.9 million tonnes of copper in the Measured plus Indicated resource category, is perfectly placed to take advantage of this structural shift and long-term demand for copper.

Gold Market Outlook

Gold prices remain supported in the current environment reflecting geopolitical and growth risks, and the potential for continued elevated inflation. The gold price is being pulled in multiple directions with the negative impact of rising bond yields offset by concerns of sticky inflation and rising recession fears, the latter supporting gold's safe haven demand and supporting ETF inflows.

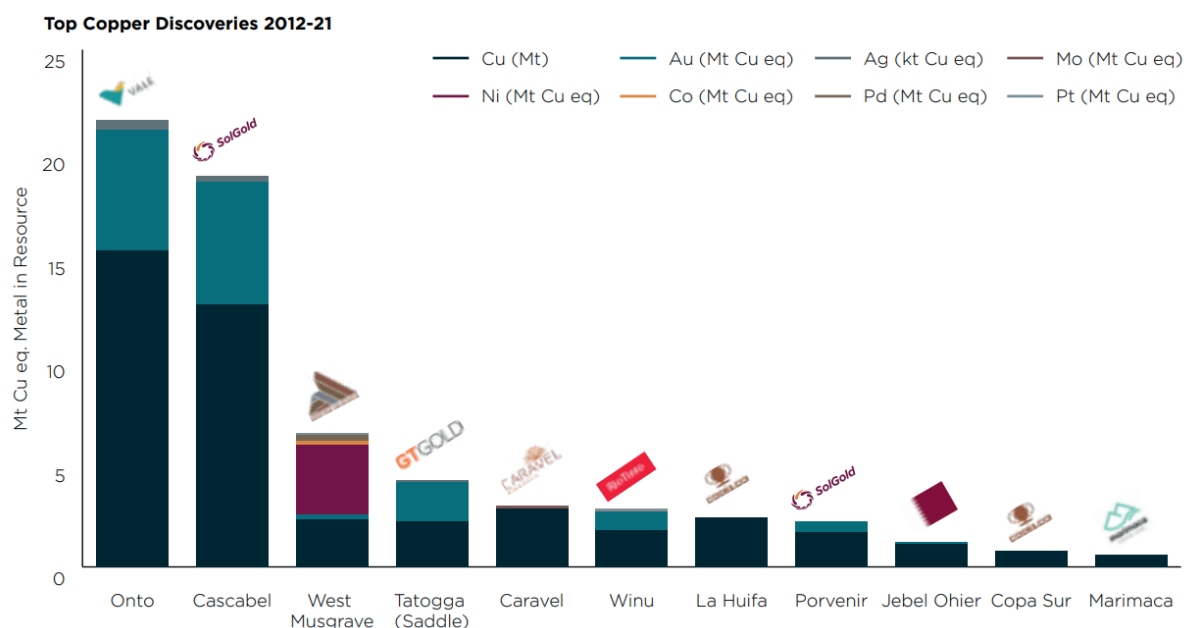
The Group's Alpala deposit contains 21.7 million ounces of gold in the Measured plus Indicated resource category, positioning it as a strong supply of gold production over the decades ahead.

Ecuador's Untapped Mineral Wealth

Ecuador hosts significant, untapped geological potential at the northern end of the prolific Andean copper belt, home to some of the world's largest copper mines. The Group's teams of experienced Ecuadorian explorationists and geologists are deploying advanced exploration techniques to uncover this mineral wealth.

Such methodologies led to the discovery of the Company's Alpala deposit at the flagship Cascabel project, one of the world's most significant mineral discoveries of the last decade.

Top Copper Discoveries in 2012-21



Source: S&P Global Market Intelligence

While there are several early-stage, prospective exploration projects across Ecuador, just two large-scale mines are currently in production, namely the Mirador copper mine (owned by Ecuacorriente); and the Fruta del Norte gold mine (owned by Lundin Gold). In addition to this, there are several high-profile development projects that are currently being advanced through feasibility studies. In the coming years, this number is likely to increase as additional capital is invested and these development projects are brought into production.

The development of Ecuador's mining sector has been made possible with the support from all levels of the government, with whom the Company continues to maintain strong relationships. In addition, the Company continues to work in close partnership with the communities in which it operates, as a key part of the Company's strong social licence to operate.

11. Employees

As at 31 December 2022, the Group had 515 full-time employees.

The following table shows the Group's employees broken down by location as at 30 June 2022 and 31 December 2022.

Function	30 June 2022	31 December 2022
Ecuador	779	501
Brisbane	11	11
London	5	2
Switzerland	1	1
Total	795	515

12. Environmental, Social and Governance

Health and safety

Safety is at the core of the Company's business, and it is committed and determined to prevent any risks that may result in an unsafe environment. The Company places top priority on ensuring that its employees,

contractors and suppliers are safe all day, every day. The protocols and systems that the Company has in place across all operations have been carefully designed and implemented for each part of its business.

The Company takes a holistic approach to health and safety, with legal compliance at the forefront. It conducts regular safety briefings in order to keep employees up to date on the protocols and practices that are in place, whilst maintaining constant communication on any new risks that may arise in certain situations. In FY 2022, the Company achieved its goal of maintaining a safe workplace for all and will strive to ensure this achievement is carried out every year. The Company achieved an TRIFR of 4.33 in FY 2022 (2021: 9.60). TRIFR stands for Lost Time Incident plus the Medical Treatment Incident and is calculated as the number of work lost-time injuries, divided by the number of hours worked, multiplied by 1,000,000.

The Company is committed to the safety and wellbeing of its employees and communities. The Company is committed to achieving an injury and incident free workplace and undertakes through the following activities:

- Education of health and safety risks;
- Implementation of health and safety procedures;
- Training and awareness programmes;
- Provision of health and safety equipment and appropriately trained personnel;
- Prompt reporting of any injuries and incidents to ensure lessons are learnt and equipment and procedures are adapted if required; and
- Regular review of compliance to health and safety policies to avoid complacency.

The Company strives for zero severe environmental incidents and had none in 2022 (2021: 0).

Sustainability

The Company is committed to a sustainable and transparent approach to exploration, development and mining operations. The Company's ambition is to become a major mining company in Ecuador, therefore its business model and operations are structured with sustainable and responsible practices in mind. The Company strives to create an equal opportunity work environment where employees can be safe and healthy at all times, whilst feeling valued and supported. The Company also strives to maintain and improve its strong community relations in all areas of operations through a number of different initiatives and programmes in place.

The Company has committed to the ten principles of the UN Global Compact and to making its principles part of the strategy, culture and day-to-day operations of the Company and to engage in collaborative projects which advance the broader development goals of the United Nations. In an effort to build and contribute to a more sustainable world, the Company continuously aims to support the UN's Sustainable Development Goals ("SDGs"). The Company is committed to engaging openly and frequently with all its stakeholder groups, including its people, communities, local authorities, indigenous groups, suppliers, government agencies, ministries, representatives, shareholders, and investors.

Diversity

The Company ensures that its employees are working in an environment that values inclusivity and diversity where they can thrive and fulfil their full potential. The Company is committed to providing a workplace in which everyone, regardless of nationality, race, ethnicity, age, gender, sexuality or religious belief is treated with respect and without sexual, physical or psychological harassment or harm.

Environmental stewardship

The Company is committed to minimising its environmental footprint and the impacts its operations have on the environment. As a natural resources company, the Company places the utmost importance on protecting and conserving the natural environment to the best of its ability and strives to adhere to the applicable environmental guidelines.

The Company's goal is to undertake its operations in an environmentally responsible manner by integrating the protection of the environment into its everyday working practices. The Company's key environmental programmes include:

- Water management;

- Environmental monitoring;
- Waste management;
- One Million Plants programme; and
- Rehabilitation of disturbed areas.

The Company aims to achieve this by designing, developing and operating Company facilities with the goal of minimising the environmental impact, implementing procedures and practices to ensure the efficient use of water, energy and other resources, responsibly managing the Company's waste, providing education and training of best practices to foster a culture of environmental stewardship and regularly monitoring the Company's environmental impact and adapting procedures and practices where required.

The Company constantly and consistently collects meaningful information, has developed innovative designs to minimise water use, land disturbance and discharge control. Environmental planning and monitoring is also done through baseline studies to understand initial environmental conditions, monitoring of water, soil, noise, air, flora and fauna. The Company's Biotic Studies and Monitoring programmes carried out within the Cascabel concession since 2013, has seen the identification of 293 flora species. In addition, the forest areas within the Cascabel concession are a carbon sink, which contributes to climate change mitigation, with an average biomass of 204.88 Tm/ha reported to date. A total of 81 species of mammals, 38 species of bats, 295 species of birds, 51 species of amphibians, 38 reptiles and 28 species of fish have been identified and recorded. These monitoring programmes are conducted by the Company's environmental teams and community volunteers and are subject to verification by independent consultants. The Company has recognised the need for a more in-depth flora and fauna study and will begin creating and implementing a suitable programme. During FY2021, the Environmental Compliance Audit (period 2018–2020) was carried out on the activities of the Cascabel project. The activity was carried out by an independent consulting company, qualified in the Ministry of the Environment and Water.

The Company also recognises that Ecuador is one of the most biodiverse countries in the world and is continuously implementing new programmes to further conserve the environment and minimise its footprint. The Company has continued with its One Million Plants programme which restores the structure, productivity and diversity in areas affected by agricultural activities. To date, the Company has planted over 208,860 plants. This programme is done through the installation of a forest nursery for the production of native species (5,000 m²), a specific team of 40 people from local communities have been hired to execute the programme and native species produced in regenerated areas are consistent with natural native populations.

During FY2022, the Group's nursery produced 117,157 plants of native forest species and 52,128 forest species were planted that cover an area of 40.09 ha, as part of its One Million Plants initiative.

The Company also progressively rehabilitates and restores disturbed areas with native species with plants grown at its onsite nursery. As the Company's operations have expanded and increased, it has actively ensured that it also expands and increases its rehabilitation programmes in order to decrease the risk of disturbing fragile ecosystems. Flora and fauna mapping was undertaken to determine natural population densities.

Climate change, emissions and energy use

Climate change is a global challenge that requires focus and collaboration from companies within the resources sector. The Company recognises that the implementation of a climate change policy to the business is critical to a successful future. The Company is currently evaluating and understanding the uncertainties and risks that climate change has on the Company. Following this, the Company will be able to manage its sustainability more appropriately and ensure it is covering all aspects for a cleaner work environment.

The Company's approach going forward is driven by the Paris Agreement and the UN Global Compact's call to action and strive to be a company helping to reduce greenhouse gas ("GHG") emissions wherever possible in order to contribute to the need to reduce the effects of global warming. In order to reduce this impact and to improve the sustainability of operations it is important to evaluate and account for emissions of the Company's operations using standardised approaches and principles. The Company's activities are based on an environmental management system that, in addition to complying with the requirements of the applicable regulations, proposes a progressive management of the impacts that may affect physical and biotic natural resources, as well as the social environment of the area of influence of a project. The level of corporate environmental responsibility of the Company translates into the growth of corporate performance,

better financial balance, and mainly, in a sustainable management of the surrounding natural resources (of broad viability in this phase of advanced mining exploration).

Further, Streamlined Energy and Carbon Reporting (“SECR”) regulations came into effect on 1 April 2019. The Company is required to report energy consumption and resultant carbon emissions as well as a suitable intensity ratio on an annual basis. The Company applies the practice of “reduce, reuse and recycle” and is considerate of the resources used as well as the direct and indirect impact its operations may have. Furthermore, the Company expects to build the world’s first large scale carbon neutral copper mine at Cascabel.

13. Legal and arbitration proceedings

The Group becomes involved from time to time in various claims and lawsuits arising in the ordinary course of its business. There are no, and have not been, any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware) which may have, or have had during the 12 months preceding the date of this document, a significant effect on the Company’s and/or the Group’s financial position or profitability.

14. Dividend policy

The Company intends to retain any earnings to expand the growth and development of its business and, therefore, does not anticipate paying dividends in the foreseeable future.

Part 2

FINANCIAL INFORMATION ON THE GROUP

1. Background

The consolidated financial statements of the Group as at and for the year ended 30 June 2022, as set out in the 2022 Financial Statements, and the unaudited interim condensed consolidated financial statements as at and for the six month period ended 31 December 2022, as set out in the H1 2023 Interim Financial Statements, are incorporated by reference into this document. See Part 6 (“*Documents Incorporated by Reference*”). A copy of each of these documents is available for inspection in accordance with paragraph 22 of Part 5 (“*Additional Information*”).

The independent auditor’s report for the financial year ended 30 June 2022 was unqualified. However, the report highlights the existence of a material uncertainty which may cast significant doubt upon the Group’s ability to continue as a going concern as the Group has not generated revenue from operations and management’s cash flow forecasts show that the Group needs to secure additional funding to continue its exploration and development programme and to continue to meet its obligations and liabilities as they fall due.

The consolidated financial statements of the Group as at and for the financial year ended 30 June 2022 has been prepared in accordance with International Financial Reporting Standards (“**IFRS**”) and their interpretations issued by the International Accounting Standards Board (“**IASB**”), in accordance with UK adopted International Accounting Standards and the DTRs. They have also been prepared in accordance with those parts of the Companies Act 2006 applicable to companies reporting under IFRS. The consolidated financial statements also comply with IFRS as issued by the IASB, as is required as a result of the Company’s listing on the TSX in Canada and has been extracted without material adjustment from the published annual financial statements for the year ended 30 June 2022.

The unaudited interim condensed consolidated financial statements as at and for the six month period ended 31 December 2022 has been prepared in accordance with IAS 34 Interim Financial Reporting, as issued by the IASB, International Accounting Standards 34, Interim financial Reporting.

2. Cross reference list

Investors are referred to Part 6 (“*Documents Incorporated by Reference*”) for specific items of information which have been incorporated by reference into this document.

Part 3

UNAUDITED PRO FORMA FINANCIAL INFORMATION

Section A: Unaudited Pro Forma Financial Information of the Group

The unaudited pro forma statement of financial position of the Group set out below (the “**Unaudited Pro Forma Financial Information**”) has been prepared in accordance with Annex 20 of the UK Prospectus Delegated Regulation on the basis of the notes set out below.

The unaudited pro forma statement of financial position has been prepared to illustrate the effect on the consolidated financial position of the Group as of 31 December 2022 as if the proposed Acquisition had taken place on 31 December 2022.

The Unaudited Pro Forma Financial Information has been prepared for illustrative purposes only and, by its nature, addresses a hypothetical situation. The hypothetical financial position included in the Unaudited Pro Forma Financial Information may differ from the Group’s actual financial position.

The Unaudited Pro Forma Financial Information has been prepared on the basis set out in the notes below and has been prepared in a manner consistent with the accounting policies applied by the Company for the period ended 31 December 2022 and in accordance with the requirements of items 1 and 2 of Annex 20 of the UK Prospectus Delegated Regulation.

The Unaudited Pro Forma Financial Information does not constitute financial statements within the meaning of section 434 of the Companies Act, 2006.

PricewaterhouseCoopers LLP’s accountants’ report on the Unaudited Pro Forma Financial Information is set out in Section B of this Part 3 (“*Unaudited Pro Forma Financial Information*”).

UNAUDITED PRO FORMA STATEMENT OF FINANCIAL POSITION OF THE GROUP AS AT 31 DECEMBER 2022

<i>(In US\$ thousands)</i> (Unaudited)	Notes	Adjustments			Pro forma Group as at 31 December 2022
		SolGold as at 31 December 2022	Cornerstone as at 30 September 2022	Acquisition Adjustments	
Assets					
Intangible assets		388,299	—	—	388,299
Property, plant and equipment		23,572	252	—	23,824
Financial assets held at fair value through OCI	5(b)(i), (ii), (iii)	5,884	86,634	(92,512)	6
Financial assets at amortised cost		1,745	—	—	1,745
Total non-current assets		419,500	86,886	(92,512)	413,874
Other receivables and prepayments	5(d)	7,708	616	(3,649)	4,675
Loans receivable and other current assets		2,013	—	—	2,013
Cash and cash equivalents	5(d)	77,176	1,732	(11,943)	66,965
Total current assets		86,897	2,348	(15,592)	73,653
Total assets		506,397	89,234	(108,104)	487,527
Equity					
Share capital	5(b)(iv)	34,167	130,493	(124,170)	40,490
Share premium	5(b)(v)	459,491	—	79,923	539,414
Treasury shares	5(b)(vi)	—	—	(25,767)	(25,767)
Financial assets held at fair value through OCI	5(b)(vii)	2,871	(4,946)	2,075	—
Share based payment reserve	5(b)(viii)	9,969	15,395	(12,775)	12,589
Other reserves		259	—	—	259
Accumulated loss	5(b)(ix)	(150,193)	(69,464)	(11,758)	(231,415)
Foreign exchange reserve		(5,163)	—	—	(5,163)
Non-controlling interest	5(b)(i)	(1,265)	—	1,265	—
Total equity		350,136	71,478	(91,207)	330,407
Liabilities					
Trade and other payables	5(d)	10,893	970	(111)	11,752
Lease liability		373	—	—	373
Provisions		716	—	—	716
Total current liabilities		11,982	970	(111)	12,841
Lease liability		289	—	—	289
Other financial liabilities		424	—	—	424
Deferred tax liabilities	5(b)(ix)	4,200	16,786	(16,786)	4,200
Borrowings		139,366	—	—	139,366
Total non-current liabilities		144,279	16,786	(16,786)	144,279
Total liabilities		156,261	17,756	(16,897)	157,120
Total equity and liabilities		506,397	89,234	(108,104)	487,527

Notes (unaudited, amounts in thousands, unless otherwise stated)

- (1) The statement of financial position of SolGold plc as of 31 December 2022 has been extracted without material adjustment from the unaudited condensed interim consolidated financial statements of SolGold plc for the period ended 31 December 2022, incorporated by reference in this document.
- (2) The statement of financial position of Cornerstone as of 30 September 2022 has been extracted without material adjustment from the unaudited condensed interim consolidated statement of financial position of Cornerstone as of 30 September 2022, and has been adjusted to reflect the Company's presentation. For the reconciliation of Cornerstone balances, please see (6) below.
 - a. The statement of financial position of Cornerstone as of 30 September 2022 has been translated from Canadian Dollars to US dollars using the 31 December 2022 exchange rate of CAD:USD 0.7383.

- b. The following accounting policy adjustments were made to reflect the difference in accounting treatment under the Company’s policies as opposed to that of Cornerstone:
- i. Cornerstone expenses all the Exploration and Evaluation expenditures to its Statement of Profit or Loss in the year they are incurred, whereas the Company capitalises all such costs on a project-by-project basis and tests them for impairment at the year-end. To align the accounting policies, Cornerstone capitalised Exploration and Evaluation expenditures of US\$20,268, representing the amount expensed till date on exploration and evaluation projects in Ecuador and Chile, and performed an impairment review considering the information available at this stage for the Company, based on which the entire balance of US\$20,268 was fully impaired. Accordingly, the net impact to Intangible Assets in the Company’s statement of financial position as a result of this adjustment was US\$ nil.
- c. The following reclassifications were made to reflect the difference in accounting presentation under the Company’s presentation as opposed to that of Cornerstone:
- i. Receivables of US\$450 and Prepaid expenses of US\$166 of Cornerstone have been reclassified into ‘Other receivables and prepayments’.
 - ii. The names of certain financial statement line items have been changed to align with the Company’s naming convention. Except as noted in (c.i.) above, there are no other changes to these line items other than alignment of naming conventions.
- (3) The Acquisition is accounted for as a business combination in accordance with IFRS 3, *Business Combinations* (“IFRS 3”) and IFRS 10, *Consolidated Financial Statements* (“IFRS 10”). The indirect acquisition of the non-controlling interest (ENSA) is accounted for as an equity transaction in accordance with IFRS 10 as an adjustment to accumulated loss within the consolidated pro forma financial statements. IFRS 3 requires assets and liabilities acquired in a business combination to be recorded at their fair values as of the date of acquisition. The purchase price has been allocated to the net assets acquired, based on their fair values as of 30 September 2022 and converted to US\$ values at a foreign exchange rate of 31 December 2022, except for the treasury shares that are required to be aligned with the share price used to calculate the purchase price as of 15 February 2023, being the latest practicable date used in connection with the shareholder circular published by Cornerstone, for the purpose of the pro forma financial statements as follows:

Estimated purchase consideration and related excess purchase consideration over book value of net assets acquired are as follows:

	US \$
Purchase price	
Common shares of SolGold issued (a)	86,246
Replacement Options granted to Cornerstone option holders (b)	2,620
Fair value of SolGold Plc’s initial 5.5% shareholding in Cornerstone (c)	5,064
	93,930
Less allocation of non-controlling interest consideration as of 30 September 2022	72,354
Remaining consideration	21,576
Fair value of net assets acquired	
Cash and cash equivalents	1,732
Other receivables and prepayments	616
Property, plant and equipment	252
Financial assets held at fair value through OCI	25,767
Others	(8,909)
	19,458

Notes:

- a. The purchase price consideration is calculated as 525,954 ordinary shares of the Company at a closing price of 0.1364 GBP on 15 February 2023, at a foreign exchange rate of GBP:USD 1.2022 on 15 February 2023.
- b. The fair value of Replacement Options granted to Cornerstone option holders is calculated by using a Black-Scholes model which, amongst other inputs, includes the strike price and the vesting period of the initial plan.

- c. The Fair value of SolGold Plc's initial 5.5% shareholding in Cornerstone is calculated as 2,058 ordinary shares of Cornerstone at a closing price of 3.30 CAD and at a foreign exchange rate of CAD:USD 0.7457 on 15 February 2023.
 - d. The above Purchase Price Allocation ("PPA") has been undertaken on a preliminary basis utilising the information that was made available to management at this stage of the Acquisition. Once further information is made available, PPA will be updated and the allocation of the fair value uplift between the various asset and liability categories and goodwill may change. It is not possible to quantify the impact of any potential reallocation at this stage. This fair value exercise may result in adjustments to the carrying value of the Group's balance sheet line items.
- (4) No adjustments were made to reflect the changes in the financial position of the Company or Cornerstone since 31 December 2022.
- (5) The pro forma adjustments contained in these Pro Forma Financial Statements are based on estimates and assumptions made by the Company's management, prepared using currently available information. The actual adjustments for the Acquisition may differ as a result of changes between 31 December 2022, and the determination of the final purchase price and from the evaluation of the fair value of the net assets acquired. These changes may affect the fair value of the assets, liabilities or goodwill and any such adjustments may be material. The following assumptions and adjustments have been made to give effect to the Acquisition:
- a. The foreign exchange rate used is as of 31 December 2022 except for the treasury shares which are as of 15 February 2023. Share prices used are as of 15 February 2023. Should there be a change in the foreign exchange rate or share prices at the date of Acquisition, the pro forma adjustments may be materially different.
 - b. To record the Cornerstone acquisition described in Note 3 as follows:
 - i. An adjustment to eliminate the financial assets held at fair value through OCI of US\$59,950 representing the 15% shareholding held by Cornerstone in Exploraciones Novomining S.A. ("ENSA"), since SolGold already consolidated 100% of ENSA. The corresponding impact of this adjustment has been treated as an equity transaction and therefore recorded in accumulated loss;
 - ii. An adjustment to reclassify the financial assets held at fair value through OCI of US\$26,684 representing the carrying value as of 30 September 2022 of 6.8% of SolGold plc shares held by Cornerstone prior to the Acquisition to treasury shares under equity;
 - iii. An adjustment to eliminate the Financial assets held at fair value through OCI of US\$5,878 representing SolGold Plc's 5.5% shareholding in Cornerstone prior to the Acquisition. The difference between the carrying value and fair value as of 15 February 2023 of US\$814 has been recorded in other accumulated loss in the pro forma Statement of Financial Position for the period ended 31 December 2022;

Considering (i), (ii) and (iii) above, the net impact was US\$92,512 to the financial assets held at fair value through OCI;
 - iv. Adjustments to Share capital:

An adjustment of US\$6,323 to increase the share capital to reflect the face value of 0.01 GBP of the 525,954 common shares of the Company issued as purchase consideration to existing shareholders of Cornerstone.

An adjustment of US\$130,493 to eliminate the entire share capital of Cornerstone.

Considering the above, the net impact was US\$124,170 to the Share capital.
 - v. An adjustment of US\$79,923 to increase the share premium to reflect the issuance of 525,954 common shares of the Company at a share premium of 0.1264 GBP per common share as of 15 February 2023 as purchase consideration to existing shareholders of Cornerstone, at a foreign exchange rate of GBP:USD 1.2022 as at 15 February 2023.
 - vi. An adjustment of US\$25,767 to reflect the treasury shares representing the fair value, as of 15 February 2023, of 157,141 shares of SolGold plc bought back from Cornerstone as a result of the Acquisition.

- vii. Adjustments to the equity line item financial assets held at fair value through OCI:
 An adjustment of US\$2,871 to eliminate the financial assets held at fair value through OCI relating to the fair value reserve in SolGold plc books relating to its 5.5% shareholding in Cornerstone. The corresponding impact of this has been recorded in accumulated loss.
 An adjustment of US\$4,946 to eliminate the financial assets held at fair value through OCI relating to the fair value reserve in Cornerstone books relating to its 6.8% shareholding in SolGold Plc.
 Considering the above, the net impact was US\$2,075 to financial assets held at fair value through OCI.
- viii. Adjustments to share based payment reserve:
 An adjustment of US\$15,395 to eliminate the share based payment reserve balance of Cornerstone;
 An adjustment of US\$2,620 to record the share based payment reserve relating to the grant of replacement options by SolGold plc to Cornerstone's existing option holders pursuant to the cancelation of all Cornerstone outstanding options.
 Considering the above, the net impact was US\$12,775 to the share based payment reserve.
- ix. An adjustment to eliminate the deferred tax liability of US\$16,786 relating to Cornerstone's 15% shareholding in ENSA, given there is no expected further tax post acquisition.
- x. Adjustments to accumulated loss:
 An adjustment of US\$2,871 to eliminate the financial assets held at fair value through OCI relating to the fair value reserve in SolGold plc books relating to its 5.5% shareholding in Cornerstone.
 An adjustment of US\$814 representing the difference between the carrying value and fair value of SolGold Plc's 5.5% shareholding in Cornerstone and fair value as of 30 September 2022. An adjustment to eliminate the long-term investments of US\$59,950 representing the 15% shareholding held by Cornerstone in ENSA, since SolGold plc already consolidated the 100% of ENSA. Further, the non-controlling interest of US\$1,265 in SolGold plc representing Cornerstone's 15% shareholding in ENSA has been reclassified to accumulated loss.
 An adjustment of US\$7,542 for the estimated transaction cost to be incurred by SolGold plc is to increase accumulated loss.
 An adjustment of US\$68,579 to eliminate the accumulated loss balance of Cornerstone.
 An adjustment to reflect the non controlling acquisition of ENSA and transaction costs of Cornerstone totaling US\$13,637, as determined in the preliminary PPA in line with IFRS 10.
 Considering the above, the net impact was US\$11,758 to accumulated loss.
- c. SolGold has assumed that there are no dissenting shareholders, and the entire purchase consideration is being paid in the form of shares issued by SolGold Plc.
- d. To record the estimated transaction costs of US\$15,481 to be incurred in connection with the Acquisition. These have been recorded as a reduction to cash amounting to US\$11,943, a reduction to other receivables and prepayments amounting to US\$3,649 and trade and other payables amounting to US\$111 for the purposes of pro forma statement of financial position. Of the total transaction costs US\$7,542 is to be incurred by SolGold plc. US\$7,939 is to be incurred by Cornerstone and it has been adjusted in the PPA as it represents a reduction in net assets of Cornerstone.
- e. The tax impact of the pro forma adjustments are not given any effect as they are not expected to be material.

(6) UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF CORNERSTONE AS AT SEPTEMBER 30, 2022

	Cornerstone CAD	Cornerstone US\$	Accounting policy adjustments and reclassifications	Cornerstone US\$ Adjusted
Assets				
Intangible assets	–	–	–	–
Property, plant and equipment	341	252	–	252
Financial assets held at fair value through OCI (non-current)	117,342	86,634	–	86,634
Financial assets at amortised cost	–	–	–	–
Total non-current assets	117,683	86,886	–	86,886
Receivables	611	450	(450)	–
Prepaid expenses	224	166	(166)	–
Other receivables and prepayments	–	–	616	616
Loans receivable and other current assets	–	–	–	–
Cash and cash equivalents	2,346	1,732	–	1,732
Total current assets	3,181	2,348	–	2,348
Total assets	120,864	89,234	–	89,234
Equity				
Share capital	176,748	130,493	–	130,493
Share premium	–	–	–	–
Treasury shares	–	–	–	–
Financial assets held at fair value through OCI	(6,700)	(4,946)	–	(4,946)
Share based payment reserve	20,852	15,395	–	15,395
Other reserves	–	–	–	–
Accumulated loss	(94,086)	(69,464)	–	(69,464)
Foreign exchange reserve	–	–	–	–
Non-controlling interest	–	–	–	–
Total equity	96,814	71,478	–	71,478
Liabilities				
Trade and other payables	1,314	970	–	970
Lease liability	–	–	–	–
Total current liabilities	1,314	970	–	970
Lease liability	–	–	–	–
Other financial liabilities	–	–	–	–
Deferred tax liabilities	22,736	16,786	–	16,786
Borrowings	–	–	–	–
Total non-current liabilities	22,736	16,786	–	16,786
Total liabilities	24,050	17,756	–	17,756
Total equity and liabilities	120,864	89,234	–	89,234

Notes:

- (i) The statement of financial position of Cornerstone as at 30 September 2022 has been extracted without material adjustment from the unaudited Condensed Interim Consolidated Financial Statements of Cornerstone as of and for the period ended 30 September 2022, and have been adjusted to reflect the Company's presentation.
- (ii) The statement of financial position of Cornerstone as of 30 September 2022 have been translated from Canadian Dollars to US Dollars using the 31 December 2022 exchange rate of CAD:USD 0.7383.
- (iii) The following reclassifications were made to reflect the difference in accounting presentation under the Company's presentation as opposed to that of Cornerstone:
 - a. Receivables of US\$450 and Prepaid expenses of US\$166 of Cornerstone have been reclassified into 'Other receivables and prepayments'.
 - b. The names of certain financial statement line items have been changed to align with the Company's naming convention.

Section B: Accountants' report on the Unaudited Pro Forma Financial Information



The Directors (the “**Directors**”)
SolGold plc
1 King Street
London,
EC2V 8AU

Dear Ladies and Gentlemen

SolGold plc (the “Company”)

We report on the unaudited pro forma financial information (the “**Pro Forma Financial Information**”) set out in Section B of Part 3 of the Company’s prospectus dated 22 February 2023 (the “**Prospectus**”).

This report is required by section 3 of Annex 20 to the PR Regulation and is given for the purpose of complying with that item and for no other purpose.

Opinion

In our opinion:

- (a) the Pro Forma Financial Information has been properly compiled on the basis stated; and
- (b) such basis is consistent with the accounting policies of the Company.

Responsibilities

It is the responsibility of the Directors to prepare the Pro Forma Financial Information in accordance with sections 1 and 2 of Annex 20 to the PR Regulation.

It is our responsibility to form an opinion, as required by section 3 of Annex 20 of the PR Regulation, as to the proper compilation of the Pro Forma Financial Information and to report our opinion to you.

No reports or opinions have been made by us on any financial information of the Company used in the compilation of the Pro Forma Financial Information. In providing this opinion we are not providing any assurance on any source financial information of the Company on which the Pro Forma Financial Information is based beyond the above opinion.

Save for any responsibility which we may have to those persons to whom this report is expressly addressed and for any responsibility arising under item 5.3.2R(2)(f) of the Prospectus Regulation Rules of the Financial Conduct Authority (the “**Prospectus Regulation Rules**”) to any person as and to the extent there provided, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with item 1.3 of Annex 3 to the PR Regulation, consenting to its inclusion in the Prospectus.

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PricewaterhouseCoopers LLP is a limited liability partnership registered in England with registered number OC303525. The registered office of PricewaterhouseCoopers LLP is 1 Embankment Place, London WC2N 6RH. PricewaterhouseCoopers LLP is authorised and regulated by the Financial Conduct Authority for designated investment business and by the Solicitors Regulation Authority for regulated legal activities.

Basis of preparation

The Pro Forma Financial Information has been prepared on the basis described in the notes to the Pro Forma Financial Information, for illustrative purposes only, to provide information about how the proposed acquisition of Cornerstone Capital Resources Inc. might have affected the financial information presented on the basis of the accounting policies to be adopted by the Company in preparing the financial statements for the Group as at 31 December 2022.

Basis of Opinion

We conducted our work in accordance with the Standards for Investment Reporting issued by the Financial Reporting Council (“FRC”) in the United Kingdom. We are independent in accordance with the Revised Ethical Standard 2019 issued by the FRC as applied to Investment Circular Reporting Engagements, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

The work that we performed for the purpose of making this report, which involved no independent examination of any of the underlying financial information, consisted primarily of comparing the unadjusted financial information with the source documents, considering the evidence supporting the adjustments and discussing the Pro Forma Financial Information with the Directors.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with reasonable assurance that the Pro Forma Financial Information has been properly compiled on the basis stated and that such basis is consistent with the accounting policies of the Company.

Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in other jurisdictions and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

Declaration

For the purposes of item 5.3.2 R (2)(f) of the Prospectus Regulation Rules we are responsible for this report as part of the Prospectus and declare that, to the best of our knowledge, the information contained in this report is in accordance with the facts and that the report makes no omission likely to affect its import. This declaration is included in the Prospectus in compliance with item 1.2 of Annex 3 to the PR Regulation.

Yours faithfully

PricewaterhouseCoopers LLP
Chartered Accountants

Part 4

CAPITALISATION AND INDEBTEDNESS

The following tables show the Group's capitalisation and indebtedness as at 31 December 2022. The following tables do not reflect the impact of the proposed Acquisition on the Group's capitalisation and indebtedness. Both the capitalisation and indebtedness information have been extracted without material adjustment from the H1 2023 Interim Financial Statements as at 31 December 2022.

Please refer to Part 3 ("*Unaudited Pro Forma Financial Information*") for an illustration of the effect on the financial position of the Company as of 31 December 2022 as if the proposed Acquisition had taken place on that date.

Capitalisation

	Note	As of 31 December 2022 US \$000
		(unaudited)
Current debt		
Guaranteed		—
Secured		—
Unguaranteed / unsecured		—
		—
Total current debt		—
Non-current debt		
Guaranteed		—
Secured	1	139,366
Unguaranteed / unsecured		—
		—
Total non-current debt		139,366
Shareholders' equity		
Share capital	2	34,167
Share premium		459,491
Other reserves	3	7,929
		7,929
Total Shareholders' equity		501,587
Total capitalisation		640,953

(1) Secured non-current debt represents the borrowings from Franco Nevada and Osisko NSR Financing Agreements which are secured against the shares of SolGold Finance AG.

(2) Shareholders' equity does not include the accumulated loss, financial assets held at fair value through other comprehensive income and Non-controlling interests.

(3) Other reserves include share-based payment reserve, foreign currency translation reserve and other reserves.

There has been no material change in the Group's capitalisation since 31 December 2022 to the date of this document.

Indebtedness

		As of 31 December 2022 US \$000 (unaudited)
Cash		77,176
Cash equivalents		—
Other current financial assets	1	2,013
Liquidity		79,189
Current lease liability		(374)
Current portion of non-current debt		—
Current financial indebttness		(374)
Net current financial indebttness		78,815
Non- current lease liability		(289)
Borrowings	2	(139,366)
Non-current financial indebtedness		(139,655)
Total financial indebteddedness		(60,840)

Notes:

(1) Other current financial assets represent the Company Funded Loan Plan.

(2) Borrowings represent the secured borrowings from Franco Nevada and Osisko NSR Financing Agreement.

There has been no material change in the Group's indebtedness since 31 December 2022 to the date of this document.

Further, the Group does not have any indirect or contingent indebtedness.

Part 5

ADDITIONAL INFORMATION

1. Responsibility

- 1.1 The Company and its Directors whose names appear in paragraph 6 of this Part 5 (“*Additional Information*”), accept responsibility for the information contained in this document. To the best of the knowledge of the Company and the Directors, the information contained in this document is in accordance with the facts and this document makes no omission likely to affect its import.

2. Incorporation and Registered Office

- 2.1 The Company’s full name is SolGold plc. The Company is registered in England and Wales under company registration number 05449516. The Company was incorporated as a private limited company on 11 May 2005 in England and Wales under the Companies Act 1985 with the name Solomon Gold Limited. The Company was re-registered as a public limited company on 22 December 2005 under the name Solomon Gold plc. The Company changed its name to SolGold plc on 28 May 2012. The Company is registered as a ‘foreign company’ for the purposes of the Corporations Act under Australian Business Number 65 117 169 856.
- 2.2 The Company is a public company limited by shares and operates under English law. The Company is governed by the provisions of the Articles.
- 2.3 The Company’s registered office is at 1 King Street, London, EC2V 8AU, United Kingdom. The Company’s telephone number is +44 20 3823 2130 and its website is <https://www.solgold.com.au/>. Its principal place of business is at Level 27, 111 Eagle Street, Brisbane, QLD 4000, Australia.
- 2.4 The principal legislation under which the Company operates and under which the Consideration Shares will be created is the Companies Act 2006. The Ordinary Shares and the Consideration Shares have been duly authorised according to the requirements of the Company’s constitution and have all necessary statutory consents. The Ordinary Shares are denominated in Pounds Sterling. The Consideration Shares will be quoted and traded in Pounds Sterling on the London Stock Exchange.
- 2.5 The Company was admitted to the Standard Segment of the Official List and to trading on the Main Market of the London Stock Exchange on 6 October 2017. The Company was admitted to the TSX on 14 July 2017.
- 2.6 The Company’s auditor for the year ended 30 June 2022 was PricewaterhouseCoopers LLP. PricewaterhouseCoopers LLP is registered to carry out audit work by the Institute of Chartered Accountants of England and Wales. The Company’s auditor for the year prior to 30 June 2022 was BDO LLP.
- 2.7 The accounting reference date of the Company is 30 June.

3. Share Capital

- 3.1 As at the Latest Practicable Date, the issued share capital of the Company was £24,760,515.01 divided into 2,476,051,501 Ordinary Shares of £0.01 pence each (all of which were fully paid or credited as fully paid). As at the Latest Practicable Date, the Company does not hold any shares in treasury.
- 3.2 The Ordinary Shares are listed on the standard listing segment of the Official List and admitted to trading on the London Stock Exchange’s Main Market for listed securities. The ISIN of the Ordinary Shares is GB00B0WD0R35.
- 3.3 The Consideration Shares, when issued and fully paid, will be identical to, and rank *pari passu* with, the Ordinary Shares, including the right to receive all dividends and other distributions declared, made or paid on the Ordinary Shares by reference to a record date on or after Admission.
- 3.4 There are no restrictions on the free transferability of the Ordinary Shares, other than certain transfer restrictions under: (i) the Companies Act 2006 for persons failing to respond to statutory notices issued by the Company requesting for information on interest in a particular holding of shares; (ii) the Articles, under which the Board may, in its absolute discretion, refuse to register any instrument of transfer of any certificated share in certain circumstances; and (iii) the relevant securities laws of the United States and certain other jurisdictions, as may be applicable to the transferor or the transferee.

3.5 In addition, the Board may, in its absolute discretion, refuse to register any instrument of transfer of any certificated share which is not fully paid up but, in the case of a class of shares which has been admitted to the Official List of the FCA, not so as to prevent dealings in those shares from taking place on an open and proper basis or on which the Company has a lien. The Board may also refuse to register any instrument of transfer of a certificated share unless it is left (duly stamped) at the registered office, or such other place as the Board may decide, for registration, accompanied by the certificate for the shares to be transferred and such other evidence (if any) as the Board may reasonably require to prove title of the intending transferor or their right to transfer the shares; and it is in respect of only one class of shares and not in favour of more than four transferees.

3.6 *Existing Shareholder authorities*

(a) By an ordinary resolution at the Company's annual general meeting held on 15 December 2021, the Directors were generally and unconditionally authorised for the purposes of section 551 of the Act, to exercise all the powers of the Company to allot shares and grant rights to subscribe for, or convert any security into, shares:

- (i) up to an aggregate nominal amount (within the meaning of section 551(3) and (6) of the Act) of £7,646,055 (such amount to be reduced by the nominal amount allotted or granted pursuant to the authority in paragraph (ii) below in excess of such sum); and
- (ii) comprising equity securities (as defined in section 560 of the Act) up to an aggregate nominal amount (within the meaning of section 551(3) and (6) of the Act) of £15,292,110 (such amount to be reduced by any allotments or grants made pursuant to paragraph (i) above) in connection with or pursuant to an offer by way of a rights issue in favour of holders of ordinary shares in proportion (as nearly as practicable) to the respective number of ordinary shares held by them on the record date for such allotment (and holders of any other class of equity securities entitled to participate therein or if the Directors consider it necessary, as permitted by the rights of those securities),

but subject to such exclusions or other arrangements as the Directors may consider necessary or appropriate to deal with fractional entitlements, treasury shares, record dates or legal, regulatory or practical difficulties which may arise under the laws of or the requirements of any regulatory body or stock exchange in any territory or any other matter whatsoever, provided that this authority shall expire at the conclusion of the next annual general meeting of the Company or, if earlier, 15 months from the date of passing the resolution, save that the Company may before such expiry make any offer or agreement which would or might require shares to be allotted, or rights to be granted, after such expiry and the Directors may allot shares, or grant rights to subscribe for or to convert any security into shares, in pursuance of any such offer or agreement as if the authorisations conferred hereby had not expired.

4. **Incentive Plan**

4.1 *Employee Share Option Plan*

The Employee Share Option Plan ("ESOP") was adopted by the Board in July 2017 and approved by shareholders at the annual general meeting held on 28 July 2017 (since replaced pursuant to the resolution of the shareholders at the general meeting held on 30 June 2022). The ESOP provided for the acquisition of Ordinary Shares by eligible participants for the purpose of advancing the interests of the Company through the motivation, attraction and retention of key employees and directors of the Company and to secure for the Company and the shareholders of the Company the benefits inherent in the ownership of Ordinary Shares by key employees and directors of the Company, it being generally recognised that share incentive plans aid in attracting, retaining and encouraging employees and directors due to the opportunity offered to them to acquire a proprietary interest in the Company. Eligible participants included the directors, officers and employees (including both full-time and part-time employees) of the Company or of any designated affiliate of the Company and any person or corporation engaged to provide ongoing management or consulting services for the Company or a designated affiliate of the Company (or any employee of such person or corporation). No further awards are being granted under the ESOP and the ESOP has been replaced with the Long-Term Incentive Plan Rules and the Performance Bonus Plan (described below). All options awarded under the ESOP will continue to be governed by the scheme unless exercised or they expire.

4.2 *Long Term Incentive Plan*

The Long-Term Incentive Plan Rules (“**LTIP**”) were approved by Shareholders on 30 June 2022 and will be implemented in the 2023 financial year. The aim of the LTIP is to strengthen the commitment of executive directors and employees of the Company, and in turn, further the growth, development and success of the Company.

The LTIP is a discretionary share plan which provides for (a) the grant of options to acquire ordinary shares in the Company (“**Options**”); (b) the grant of Options subject to performance conditions (“**Performance Options**”); (c) the grant of restricted stock units carrying a right to receive shares subject to vesting on a time basis (“**RSUs**”); and (d) the grant of performance stock units carrying a right to receive shares subject to vesting conditional upon the satisfaction of performance conditions (“**PSUs**”) ((a)-(d) together, the “**Awards**”), or other cash settled equivalents in order to incentivise eligible employees of the Company.

The LTIP is restricted to only employees and executive directors of the Company who are eligible to participate in the LTIP at the discretion of the Remuneration Committee. The LTIP will be administered by the Board, or any Committee of the Board authorised to administer the LTIP. Awards granted under the LTIP will be subject to malus and clawback provisions.

The maximum number of Ordinary Shares that can be made available for Awards under the LTIP and all other security based compensation arrangements by shareholders shall not exceed 10 per cent. of the total number of Ordinary Shares then outstanding on a non-diluted basis immediately prior to the proposed grant of the applicable Award.

4.3 *Performance Bonus Plan*

The Performance Bonus Plan Rules (“**PBP**”) were approved by Shareholders on 30 June 2022. The PBP is a discretionary plan that provides for the grant of performance bonus awards to both executive directors and executive management of the Group in order to retain and motivate them. Awards can be paid in the form of cash or shares, or a combination of both where performance objectives in both the individual and corporate scorecards are reached.

The aim of the PBP is to retain and motivate executive directors and employees of the Company, and in turn, further the growth, development, and success of the Company. Bonus awards under the PBP may be granted as soon as possible following the start of each financial year. The Board has discretion to determine whether the PBP shall be operated in respect of each financial year and may also determine the eligible participants of the PBP. The Remuneration Committee has the exclusive authority to operate, manage and administer the PBP.

As part of the grant of a bonus award, the Board may also determine the applicable performance period, the applicable performance conditions, whether to grant the bonus award as cash, ordinary shares or a combination of these, as well as any applicable retention period and vesting date. Bonus awards under the PBP shall be subject to malus and clawback provisions.

The maximum number of Ordinary Shares made available for the PBP and all other security based compensation arrangements approved by shareholders shall not exceed 10 per cent. of the total number of Ordinary Shares then outstanding on a non-diluted basis immediately prior to the proposed grant of the applicable bonus award.

- 4.4 Pursuant to the Arrangement Agreement, the Company has also agreed to the exchange of Cornerstone Options held by Cornerstone Optionholders into options over Ordinary Shares. At the Effective Time, the Cornerstone Options will be converted into options over Ordinary Shares applying the Exchange Ratio. As at the Latest Practicable Date, there were outstanding options over 2,251,875 Cornerstone Options (being options over 33,778,125 Ordinary Shares, applying the Exchange Ratio), with exercise prices ranging from between \$CAD 0.22 to CAD\$ 0.30 (with such exercise prices also being adjusted at the Effective Time by applying the Exchange Ratio).

4.5 The following options and awards have been granted and remain outstanding as at the Latest Practicable Date.

Name	Ordinary Shares subject to the option/award	Exercise price per share	Exercise period (£)
Employees	3,000,000	£0.36	3,000,000 exercisable through to 2 March 2024
Non-Employees			
BHP	19,250,000	£0.37	Exercisable through to 2 December 2024
Others ¹	20,000,000	£0.25 – £0.50	7,000,000 exercisable through to 26 April 2023 3,000,000 exercisable through to 15 June 2024 4,000,000 exercisable through to 1 December 2025 3,000,000 exercisable through to 1 December 2026 3,000,000 exercisable through to 1 December 2027

Note:

1. 10,000,000 options were granted to Darryl Cuzzubbo, a former director and CEO, pursuant to his service agreement with the Company upon appointment as CEO on 1 December 2021. For further details, please see paragraph 4.6 of this Part 5 (“*Additional Information*”).

4.6 Mr Cuzzubbo left the Company and the Board, effective 10 November 2022. Following the termination of his employment, Mr. Cuzzubbo has commenced a claim against the Company in the Australian employment tribunal alleging unlawful termination and breach of contract. As at the date of this document, the Company expects to challenge his claims (including, among other things, the status and exercisability of the options held by Mr. Cuzzubbo).

4.7 Other than pursuant to the proposed Acquisition and the vesting of awards and the exercise of options granted and to be granted under the share option plans, there is no present intention to issue any Ordinary Shares in the capital of the Company, and the Company has no other convertible securities, exchangeable securities or securities with warrants in issue.

5. Articles of Association

5.1 The Articles were adopted pursuant to a special resolution passed on 30 January 2018 and last amended by special resolution passed on 30 June 2022 and are available for inspection as set out in paragraph 22 of this Part 5 (“*Additional Information*”).

6. Directors and Senior Managers

6.1 *Directors*

The current Directors and their functions are as follows:

Name	Position	Date appointed to the Board
Liam Twigger	Independent Non-executive Chair	17 June 2019
Scott Caldwell	Interim Chief Executive Officer (appointed as Interim CEO on 10 November 2022)	24 October 2022
María Amparo Albán	Independent Non-executive Director	21 October 2020
Dan Vujcic	Independent Non-executive Director	24 October 2022
James Clare	Non-Executive Director	1 May 2018
Nicholas Mather	Non-Executive Director	11 May 2005

The business address of each of the Directors (in such capacity) is 1 King Street, London, EC2V 8AU, United Kingdom.

6.2 *Profiles of the Directors*

The business experience and principal business activities outside of the Group of each of the Directors are as follows:

Liam Twigger

Mr. Twigger is Chair of the Company. Mr. Twigger has over 30 years of experience in the fields of investment banking and corporate finance, and has extensive experience in providing strategic corporate advice and in the execution of mergers and acquisitions across the resource sector. Mr. Twigger also serves as deputy chair and executive director of Argonaut Limited, a licensed and independent, Australian based investment banking, funds management and stockbroking firm. Mr. Twigger is also Non-Executive Chairperson of Lunnon Metals Limited, an ASX listed emerging nickel exploration and mining company with assets in Western Australia. Mr. Twigger holds a Graduate Diploma in Business, a Bachelor of Economics and is a Certified Practicing Accountant.

Scott Caldwell

Mr. Caldwell is a mining engineer with over 40 years' experience in the global mining industry having held a number of senior executive roles including Chief Executive Officer at both Guyana Goldfields Inc and Allied Nevada Gold Corp., as well as Chief Operating Officer at Kinross Gold Corp. Prior to those roles, Mr. Caldwell held a number of senior operating roles and has experience building and operating gold and base metal mines worldwide, including in the USA, Canada, Russia, Zimbabwe, Chile, and Indonesia. Mr. Caldwell was previously a Non-Executive Director of the Company between 2016-17. Mr. Caldwell completed a Bachelor of Science in Mine Engineering at the University of Arizona, Arizona, USA.

María Amparo Albán

Ms. Albán has more than 25 years' experience in international trade and sustainable development, particularly environmental compliance. Ms. Albán has worked in a number of countries and was instrumental in the Free Trade Agreement negotiation between Ecuador and United States on environmental matters. Ms. Albán has also served as an advisor to Ecuador's Trade Ministers, Ministry of Environment, United Nations Environmental Program (among others) and was the founding partner of the Inter-American Institute for Justice and Sustainability (IIJS). She is a lawyer by background and has taught international trade negotiation, sustainable development and environmental law for over a period of twenty years. Ms. Albán's has extensive Ecuadorean experience and knowledge which provides exceptional value to the Board during permitting and fiscal agreement negotiations in Ecuador.

James Clare

Mr. Clare is a partner at Bennett Jones LLP, one of Canada's leading corporate law firms. Mr. Clare is a corporate and securities lawyer with extensive experience in the mining sector both domestically and internationally. He was extensively involved with the Company's TSX listing process and provides ongoing legal and corporate advice to the Company in relation to its Canadian regulatory and business matters. Mr. Clare is recognised by Lexpert as a leading mining lawyer in Canada, and repeatedly recommended for his experience in mining, corporate finance and securities law by the Canadian Legal Lexpert Directory. Mr. Clare has also served as a director of Spanish Mountain Gold Ltd. from 2008 until 2020. Mr. Clare also currently acts as a Non-Executive Director of PJX Resources Inc, Riverside Resources Inc and Canstar Resources Inc.

Nicholas Mather

Mr. Mather graduated in 1979 from the University of Queensland with a B.Sc. (Hons, Geology). He has 35 years' experience in exploration and resource company management in a variety of countries. His career has taken him to various countries exploring for precious and base metals and fossil fuels. Mr. Mather has focused his attention on the identification of and investment in large resource exploration projects. He was managing director of BeMaX Resources NL (previously ASX-listed) from 1997 until 2000 and instrumental in the discovery of the world class Ginkgo mineral sand deposit in the Murray Basin in 1998. As an executive director of Arrow Energy NL (previously ASX-listed) until his resignation in 2004, Mr. Mather was instrumental in the acquisition and business development of Arrow's large Surat Basin Coal Bed Methane project in south-east Queensland. He was managing director of Auralia Resources NL, a junior gold explorer, before its US\$23 million merger with Ross

Mining NL in 1995. He was a non-executive director of Ballarat Goldfields NL until 2004, having assisted that company in its recapitalisation and requote on the ASX in 2003. He was also founder and Chairman of TSX-V listed Waratah Coal Inc until its \$130m takeover by Minerology Pty Ltd in December 2008. Mr. Mather is also Managing Director of ASX-listed DGR Global Limited and sits on the Board of the following companies: Armour Energy (ASX) (Executive Chairman), Newpeak Metals (ASX) (Non-Executive Chairman), Clara Resources Australia (ASX) (Non-Executive Director) and Lakes Oil (ASX) (Non-Executive Director).

Dan Vujcic

Mr. Vujcic is an investment banker and corporate advisor with almost two decades of experience in global capital markets. Over his career, Mr. Vujcic has advised clients in a diverse range of commodities across various jurisdictions, including raising capital in both equity and debt markets globally, supporting the growth ambitions of emerging miners, and attaining a significant presence in the industry. Previously Mr. Vujcic led the effort to expand Jefferies’ footprint globally through its coverage of emerging small/mid-caps and family offices. He was instrumental in leading First Quantum Minerals Ltd.’s C\$5 billion acquisition of Inmet Mining Corporation. Mr. Vujcic completed a Bachelor of Business with 1st Class Honours at the University of Technology, Sydney and completed his Chartered Accountants qualification at Arthur Andersen.

A list of the companies and partnerships of which the Directors are or have been a director or partner within the past five years is set out in paragraph 8 of this Part 5 (“*Additional Information*”).

6.3 *Senior Managers*

The Senior Managers of the Group are:

Name	Position
Keith Pollocks	Interim Group Chief Financial Officer
Steven Botts	President SolGold Ecuador

6.4 *Profiles of the Senior Managers*

The business experience and principal business activities of each of the Senior Managers are as follows:

Keith Pollocks

Mr. Pollocks serves as the Interim Group Chief Financial Officer and has extensive international experience leading global finance functions for a range of public and private multinational companies predominantly across banking, infrastructure, resources, and mining. Throughout his career he has held various senior finance and commercial management roles in Australia, Europe, US and Asia and specialised in capital raising, mergers and acquisitions, financial risk management, investor relations and strategic transformation. Mr. Pollocks started his career with Shell International and has recently held CFO roles at Victory Offices (ASX: VOL), Kasbah Resources Limited (ASX: KAS) and Newcastle Coal Infrastructure Group. He is a Chartered Corporate Treasurer and Certified Practising Accountant.

Steven Botts

Mr. Botts was appointed to the position of President of the Company’s Ecuador subsidiaries in August 2022 based in Quito. He has over 40 years of international mining experience in the development of mining projects, socio-environmental management, and sustainable development. Mr. Botts is a deeply experienced leader in cross cultural and international business relations with a proven ability at developing partnerships and delivering projects. Notable achievements include his leadership in the successful permitting of the Antamina project, formation of the Mina Justa project team and taking the project through to a viable Feasibility Study, and the turnaround of Tahoe Peru to a more efficient and value-oriented organisation that achieved safety and production goals under very challenging circumstances. Steven has extensive Latin America experience having worked in Argentina, Brazil, Colombia, Ecuador, Mexico, Panama and Peru. He is fluent in English and Spanish and holds a Master of Environmental Policy and Management.

7. Directors' and Senior Managers' Interests

7.1 Directors' and Senior Managers' interests in share capital

The following table sets out the interests in the share capital of the Company of the Directors and Senior Managers (including beneficial interests or interests of a person closely associated with a Director or a Senior Manager within the meaning of the UK Market Abuse Regulation) as at the Latest Practicable Date:

Director	Ordinary Shares immediately held at the Latest Practicable Date ⁽²⁾	Percentage of issued Ordinary Share capital at the Latest Practicable Date ⁽¹⁾
Chair and Executive Directors		
Liam Twigger	392,156	0.02
Scott Caldwell ⁽³⁾	1,000,000	0.04
Non-Executive Directors		
María Amparo Albán	51,676	0.00
Dan Vujcic	—	—
James Clare	1,143,137	0.05
Nicholas Mather	90,326,710	3.65
Senior Managers		
Keith Pollock	—	—
Steven Botts	599,257	0.02

Notes:

- (1) Details of the options and awards over Ordinary Shares under the ESOP, LTIP and PBP held by the Directors and Senior Managers are set out in paragraph 4 above and details of the relevant share option plans are set out in paragraph 4.1 of this Part 5 (“*Additional Information*”). The options and awards are not included in the interests of the Directors and Senior Managers shown in the table above.
- (2) Assuming that no share awards vest and no share options are exercised between the Latest Practicable Date and Admission.
- (3) Following completion of the proposed Acquisition, it is expected that Mr. Caldwell will own 18,587,500 Ordinary Shares. Further, Mr. Caldwell’s remuneration as Interim CEO is expected to consist of a nominal annual base salary of US\$200,000 and also include performance-based equity awards to further align his interests with all shareholders. The Company will enter into a service agreement with Mr. Caldwell in due course.

7.2 Other interests

Save as disclosed in paragraphs 4 and 7 of this Part 5 (“*Additional Information*”) above, no Director or Senior Manager has any interest in the share capital or loan capital of the Company or any of its subsidiaries nor does any person closely associated (within the meaning of section 252 of the Companies Act 2006) with the Directors or Senior Managers have any such interests, whether beneficial or non-beneficial.

No other person has any interest, including a conflict of interest, that is material to Admission.

8. Other Directorships

In addition to their directorships of the Company (in the case of the Directors), the Directors and the Senior Managers hold or have held the following directorships (other than directorships of subsidiaries of the Company), and are or were members of the following partnerships, within the past five years:

Name	Current or former directorship/ partnership	Position still held (Y/N)
<i>Chair and Executive Directors</i>		
Liam Twigger	Argonaut Limited	Y
	Lunnon Metals Limited	Y
	PCF Capital Group Pty Ltd	N
	PCF MinesOnline.com Pty Ltd	N
	The Perth Mint. operated by Gold Corporation	N
Scott Caldwell	Stella Minerals ULC	Y
	Guyana Goldfields Inc.	N

Name	Current or former directorship/ partnership	Position still held (Y/N)
<i>Non-Executive Directors</i>		
María Amparo Albán	ACD Consulting Cia. Ltda.	Y
	Inter American Institute for Justice and Sustainability IIJS	Y
	Avanti Marmoles Granitos Y Piedras Cia. Ltda.	Y
	Proweb S.A.	N
	Creativeworks S.A.	Y
	Maralto	Y
	Altervista	Y
James Clare	Bennett Jones LLP	Y
	PJX Resources Inc.	Y
	Riverside Resources Inc.	Y
	Canstar Resources Inc.	Y
	Spanish Mountain Gold Ltd.	N
Nicholas Mather	DGR Global Limited	Y
	Armour Energy Limited	Y
	Armour Energy (Surat Basin) Pty Ltd	Y
	Armour Energy (Victoria) Pty Ltd	Y
	Coolgarra Minerals Pty Ltd	Y
	Lakes Oil NL	Y
	Pinnacle Gold Pty Ltd	Y
	Atlantic Lithium Limited	N
	Clara Resources Australia Ltd	Y
	Taronga Mines Pty Ltd	N
	NewPeak Metals Limited	Y
	Lakes Blue Energy NL	Y
	Mingoola Gold Pty Ltd	Y
	Excarb Pty Ltd	Y
	Auburn Resources Limited	Y
	Ripple Resources Pty Ltd	Y
	Aegpas Pty Ltd	N
	Airhawk Pty Ltd	Y
	Armour Energy (Uganda) SMC Limited	Y
	Barlyne Mining Pty Ltd	Y
	Burning Log Australia Pty Ltd	Y
	Drowning Horse Pty Ltd	Y
	Eastern Exploration Pty Ltd	Y
	Hartz Rare Earths Pty Ltd	Y
	Lionhearted Pty Ltd	Y
	Mather Equity Holdings Pty Ltd	Y
	Mather Foundation Limited	Y
	Mather Investments (Qld) Pty Ltd	Y
	New England Tin Pty Ltd	N
	Pennant Resources Pty Ltd	Y
	Red Blanket Pty Ltd	N
	Samuel Capital Pty Ltd	Y
Samuel Holdings Pty Ltd	Y	
Ten Star Mining Pty Ltd	Y	
Tinco Australia Pty Ltd	Y	
Dan Vujcic	Metals Acquisition Corporation	Y
<i>Senior Managers</i>		
Keith Pollocks	Atlas Tin SAS	N
Steven Botts	Aurifera Tres Cruces, S.A.	Y

Name	Current or former directorship/ partnership	Position still held (Y/N)
	Santa Barbara Consultants S.A.C.	Y
	Santa Barbara Consultants Inc.	Y
	Tahoe Peru S.A.	N

9. Directors' and Senior Managers' Confirmations

As at the date of this document, other than as stated below, none of the Directors or Senior Managers have, during the five years prior to the date of this document:

- (a) been convicted in relation to a fraudulent offence;
- (b) been associated with any bankruptcies, receiverships, liquidations or companies put into administration while acting in the capacity of a member of the administrative, management or supervisory bodies or as a partner, founder or senior manager of any partnership or company;
- (c) been subject to any official public incrimination and/or sanctions by any statutory or regulatory authorities (including any designated professional bodies); or
- (d) been disqualified by a court from acting as a director of a company or from acting as a member of the administrative, management or supervisory bodies of any company or from acting in the management or conduct of the affairs of any company.

There are no potential conflicts of interest between each of the Directors' duties to the Company and their respective private interests and any other duties. There is no interest, including any conflicting interest that is material to the Company.

Other than Scott Caldwell and Dan Vujcic, none of the Directors or Senior Managers were selected to act in such capacity pursuant to any arrangement or understanding with any major shareholder, customer, supplier or other person having a business connection with the Group.

As at the date of this document, no restrictions have been agreed by any Director or Senior Manager on the disposal within a certain time period of their holdings of their Ordinary Shares.

There are no family relationships between any of the Directors, between any of the Senior Managers or between any of the Directors and the Senior Managers.

10. Major Shareholders

- 10.1 So far as the Company is aware, as at the Latest Practicable Date, the following persons (other than the Directors and Senior Managers) had notifiable interests in three per cent. or more of the issued share capital of the Company:

Shareholder ⁽²⁾	Ordinary Shares held at the Latest Practicable Date	Percentage of Ordinary Share capital at the Latest Practicable Date(%)
BHP Group Limited	310,965,736	12.56%
Newcrest International Pty Ltd	309,309,996	12.49%
DGR Global Ltd	204,151,800	8.25%
Cornerstone Capital Resources	157,141,000	6.35%
Jiangxi Copper (Hong Kong) Investment Company Limited	155,000,000	6.26%
Tenstar Trading Limited	107,877,393	4.36%
Nicholas Mather ⁽¹⁾	90,326,710	3.65%
Norges Bank	81,675,000	3.30%

Note:

(1) Includes Mr Mather's beneficial and non-beneficial holdings.

(2) Assuming that (i) no Ordinary Shares have been acquired or disposed of since the Latest Practicable Date; (ii) no further Ordinary Shares have been issued by the Company between the date of this document and Admission.

- 10.2 Save as set out in this paragraph, the Company is not aware of any person who has or will immediately following Admission have a notifiable interest in three per cent. or more of the issued share capital of the Company.
- 10.3 The Company is not aware of any person who either as at the date of this document or immediately following completion of the proposed Acquisition, exercises, or could exercise, directly or indirectly, jointly or severally, control over the Company nor is it aware of any arrangements, the operation of which may at a subsequent date result in a change in control of the Company.
- 10.4 None of the major shareholders of the Company set out above has different voting rights from any other holder of Ordinary Shares in respect of any Ordinary Share held by them.
- 10.5 There are no arrangements, known to the Company, the operation of which may at a subsequent date result in a change of control of the Company.

11. Related Party Transactions

Save as disclosed in note 26 to the 2022 Financial Statements, note 13 to the H1 2023 Interim Financial Statements, the proposed Acquisition, the JC Subscription Agreement and the SC Subscription Agreement, there are no related party transactions within the meaning of UK-adopted international accounting standards as defined in s 474(1) CA 2006 between the Group and its related parties that were entered into during the financial year ended 30 June 2022 or during the period from and including 1 July 2022 up to and including the Latest Practicable Date.

12. Subsidiaries, Investments and Principal Establishments

12.1 The Company is the holding company of the Group. The significant subsidiaries and subsidiary undertakings of the Company are as follows:

Name	Country of incorporation/ Principal place of business	Principal activity	Effective interest and proportion of equity held
Australian Resources Management (ARM) Pty Ltd	Australia	Exploration	100%
Acapulco Mining Pty Ltd	Australia	Exploration	100%
Central Minerals Pty Ltd	Solomon Islands	Exploration	100%
Solomon Operations Ltd		Exploration	100%
Honiara Holdings Pty Ltd	Australia	Exploration	100%
Guadalcanal Exploration Pty Ltd	Australia	Exploration	100%
Exploraciones Novomining S.A. ("ENSA")	Ecuador	Exploration	85% ¹
Carnegie Ridge Resources S.A.	Ecuador	Exploration	100%
Green Rock Resources S.A.	Ecuador	Exploration	100%
Valle Rico Resources S.A.	Ecuador	Exploration	100%
Cruz Del Sol S.A.	Ecuador	Exploration	100%
SolGold Ecuador S.A.	Ecuador	Services Management	100%
Novoproyectos-Sustentables S.A.	Ecuador	Project Development	100%
SolGold Canadian Callco Corp.	Canada	Investment	100%
SolGold Canadian Exchangeco Corp.	Canada	Investment	100%
SolGold Finance AG	Switzerland	Investment	100%

Notes:

1. Remaining 15 per cent. to be acquired by the Company following completion of the proposed Acquisition.

12.2 Save as described above, there are no undertakings in which the Company holds a proportion of the share capital which are likely to have a significant effect on the assessment of the Group's assets and liabilities, financial position or profits and losses.

13. Certain UK Tax Considerations

The following statements are intended only as a general guide to certain UK tax considerations and do not purport to be a complete analysis of all potential UK tax consequences of subscribing for, holding or disposing of Ordinary Shares. Prospective investors in Ordinary Shares are advised to consult their own professional advisers concerning the tax consequences of the acquisition, ownership and disposition of such shares or rights. The following statements are based on current UK tax legislation as applied in England and Wales and the current published practice of HMRC (which may not be binding on HMRC) in each case as of the Latest Practicable Date before the date of this document, both of which are subject to change at any time, possibly with retroactive effect. They apply only to Shareholders who are resident, and in the case of individuals domiciled or deemed domiciled, for tax purposes in (and only in) the United Kingdom and to whom “split year” treatment does not apply (except insofar as express reference is made to the treatment of non-UK residents), who hold their Ordinary Shares as an investment (other than in an individual savings account or a self-invested personal pension) and who are, or are treated as, the absolute beneficial owners of both their Ordinary Shares and any dividends paid on them. The tax position of certain categories of Shareholders who are subject to special rules (such as a person subscribing for Ordinary Shares in connection with employment, dealers in securities, insurance companies and collective investment schemes) is not considered.

The tax legislation of England and Wales and the tax legislation of the jurisdictions or prospective investors may have an impact on the income received from the Ordinary Shares. The statements summarise the current position and are intended as a general guide only. Prospective investors who are in any doubt about their tax position or who may be subject to tax in a jurisdiction other than the United Kingdom are strongly recommended to consult their own professional advisers.

13.1 Taxation of capital gains

(a) UK resident Shareholders

A disposal or deemed disposal of Ordinary Shares by an individual or corporate Shareholder who is tax resident in the United Kingdom may, depending on the Shareholder’s circumstances and subject to any available exemptions or reliefs, give rise to a chargeable gain or allowable loss for the purposes of UK taxation of chargeable gains.

Any chargeable gain (or allowable loss) will generally be calculated by reference to the consideration received for the disposal of the Ordinary Shares less the allowable cost to the Shareholder of acquiring such Ordinary Shares.

The applicable tax rates for individual Shareholders realising a gain on the disposal of Ordinary Shares is, broadly, 10% for basic rate taxpayers and 20% for higher and additional rate taxpayers. For corporate Shareholders, Corporation tax is generally charged on chargeable gains at the rate applicable to the relevant corporate Shareholder.

(b) Non-UK Shareholders

Shareholders who are not resident in the United Kingdom and, in the case of an individual Shareholder, not temporarily non-resident, should not be liable for UK tax on capital gains realised on a sale or other disposal of Ordinary Shares unless (i) such Ordinary Shares are used, held or acquired for the purposes of a trade, profession or vocation carried on in the United Kingdom through a branch or agency or, in the case of a corporate Shareholder, through a permanent establishment or (ii) where certain conditions are met, the Company derives 75% or more of its gross value from UK land. Shareholders who are not resident in the United Kingdom may be subject to non-UK taxation on any gain under local law.

13.2 Generally, an individual Shareholder who has ceased to be resident in the United Kingdom for UK tax purposes for a period of five years or less and who disposes of Ordinary Shares during that period may be liable on their return to the United Kingdom to UK taxation on any capital gain realised (subject to any available exemption or relief).

13.3 Taxation of Dividends

A UK resident Shareholder’s liability to tax on dividends received will depend on the individual circumstances of that Shareholder:

(a) UK resident individual Shareholders

A UK resident individual shareholder will not be subject to income tax on a dividend such individual shareholder receives from the Company if the total amount of dividend income received by the individual in the tax year (including the dividend from the Company) does not exceed a dividend allowance of £2,000, which will be taxed at a nil rate (the “**Dividend Allowance**”).

In determining the income tax rate or rates applicable to a UK resident individual shareholder’s taxable income, dividend income is treated as the highest part of such individual shareholder’s income. Dividend income that falls within the Dividend Allowance will count towards the basic or higher rate limits (as applicable) which may affect the rate of tax due on any dividend income in excess of the Dividend Allowance.

To the extent that a UK resident individual shareholder’s dividend income for the tax year exceeds the Dividend Allowance and, when treated as the top slice of such individual shareholder’s income, falls above such individual shareholder’s personal allowance but below the basic rate limit, such an individual shareholder will be subject to tax on that dividend income at the dividend basic rate of 8.75 per cent.. To the extent that such dividend income falls above the basic rate limit but below the higher rate limit, such an individual shareholder will be subject to tax on that dividend income at the dividend upper rate of 33.75 per cent.. To the extent that such dividend income falls above the higher rate limit, such an individual shareholder will be subject to tax on that dividend income at the dividend additional rate of 39.35 per cent..

(b) UK resident corporate Shareholders

It is likely that most dividends paid on the Ordinary Shares to UK resident corporate Shareholders would fall within one or more of the classes of dividend qualifying for exemption from corporation tax. However, it should be noted that the exemptions are not comprehensive, their applicability will depend on a Shareholder’s own circumstances and they are also subject to anti-avoidance rules. Shareholders within the charge to corporation tax should consult their own professional advisers.

(c) Non-UK resident Shareholders

A shareholder resident or otherwise subject to tax outside the United Kingdom (whether an individual or a body corporate) may be subject to foreign taxation on dividend income under local law. Shareholders to whom this may apply should obtain their own tax advice concerning tax liabilities on dividends received from the Company.

Each Shareholder should obtain professional advice on its own position as it will depend on its own individual circumstances.

(d) Withholding tax

The Company will not be required to withhold UK tax at source when paying dividends. The amount of any liability to UK tax on dividends paid by the Company will depend on the individual circumstances of a Shareholder.

13.4 UK Stamp Duty and Stamp Duty Reserve Tax (“SDRT”)

The following statements are intended as a general guide to the current UK stamp duty and SDRT position and apply regardless of whether or not a Shareholder is resident in the UK for UK tax purposes. Certain categories of person, including intermediaries, brokers, dealers and persons connected with depositary receipt arrangements and clearance services, may not be liable to stamp duty or SDRT or may be liable at a higher rate or may, although not primarily liable for the tax, be required to notify and account for it under the Stamp Duty Reserve Tax Regulations 1986. The following statements apply only to Ordinary Shares that are registered on the main share register in the United Kingdom and held either in certificated form or in paperless form through CREST. For the avoidance of doubt, the position in relation to Ordinary Shares that are registered on any overseas branch share register or held through a depositary system or clearance service is not considered other than to the extent expressly set out below. Prospective investors who are in any doubt about their tax position are strongly recommended to consult their own professional advisers.

(a) General

Except in relation to depositary receipt systems and clearance services (as to which see below) there is generally no liability to stamp duty or SDRT on an issue of new Ordinary Shares in registered form by the Company.

(b) Subsequent transfers

Stamp duty at the rate of 0.5 per cent. (rounded up to the next multiple of £5) of the amount or value of the consideration given is generally payable on an instrument transferring Ordinary Shares. A charge to SDRT will also arise on an unconditional agreement to transfer Ordinary Shares (at the rate of 0.5 per cent. of the amount or value of the consideration payable). However, if within six years of the date of the agreement becoming unconditional an instrument of transfer is executed pursuant to the agreement, and that instrument is duly stamped upon payment of the stamp duty, any SDRT already paid will be refunded (generally, but not necessarily, with interest) provided that a claim for payment is made, and any outstanding liability to SDRT will be cancelled. The liability to pay stamp duty or SDRT is generally satisfied by the purchaser or transferee. An exemption from stamp duty is available on an instrument transferring Ordinary Shares where the amount or value of the consideration is £1,000 or less, and it is certified on the instrument that the transaction effected by the instrument does not form part of a larger transaction or series of transactions for which the aggregate consideration exceeds £1,000.

In cases where Ordinary Shares are transferred to a connected company (or its nominee), stamp duty and/or SDRT may be chargeable on the higher of: (a) the amount or value of the consideration; and (b) the market value of the Ordinary Shares.

(c) Ordinary Shares held through paperless means including CREST

Paperless transfers of Ordinary Shares, such as those occurring within CREST, are generally liable to SDRT, rather than stamp duty, at the rate of 0.5 per cent. of the amount or value of the consideration. CREST is obliged to collect SDRT on relevant transactions settled within the system. The charge is generally borne by the purchaser. Under the CREST system, no stamp duty or SDRT will generally arise on a transfer of Ordinary Shares into the system unless such a transfer is made for a consideration in money or money's worth, in which case a liability to SDRT (usually at a rate of 0.5 per cent.) will arise.

In cases where Ordinary Shares are transferred to a connected company (or its nominee), SDRT may be chargeable on the higher of: (i) the amount or value of the consideration; and (ii) the market value of the Ordinary Shares.

(d) Ordinary Shares held through Clearance Systems or Depositary Receipt Systems

Special rules apply where Ordinary Shares are issued or transferred to, or to a nominee or agent for, either a person whose business is or includes issuing depositary receipts or a person providing a clearance service. In these circumstances, SDRT or stamp duty may be charged at a rate of 1.5 per cent., with subsequent transfers within the clearance service or transfers of depositary receipts then being free from SDRT or stamp duty, provided no instrument of transfer is entered into.

Any liability for stamp duty or SDRT in respect of a transfer into a clearance service or depositary receipt system, or in respect of a transfer within such service or system, which does arise, will strictly be accountable for by the clearance service or depositary receipt system operator or their nominee, as the case may be, but will, in practice, be payable by the participants in the clearance service or depositary receipt system.

Following litigation, HMRC has accepted that it will no longer seek to impose these 1.5 per cent. charges so far as it applies to new issues of shares or transfers that are an integral part of a capital raising, on the basis that the charges were not compatible with EU law. HMRC has confirmed that it will not reintroduce the 1.5 per cent. charge on the issue of shares (and transfers integral to the raising of capital) into clearance services or depositary receipt systems following the UK's exit from the EU, unless the relevant UK legislation is amended. Accordingly, the extent to which HMRC's position will remain as set out in this paragraph is uncertain. HMRC's published view is that the 1.5 per cent. SDRT or stamp duty charge continues to apply to other transfers of shares into a clearance service or depositary receipt system. There is an exception from the 1.5 per cent. charge on the transfer to a clearance service

where the clearance service has made and maintained an election under section 97A(1) of the Finance Act 1986, which has been approved by HMRC. In these circumstances, stamp duty or SDRT at the rate of 0.5 per cent. of the amount or value of the consideration payable for the transfer may arise on any transfer of Ordinary Shares into such a clearance service and on subsequent agreements to transfer Ordinary Shares within such a clearance service. Specific professional advice should be sought before incurring a 1.5 per cent. stamp duty or stamp duty reserve tax charge in any circumstances. HMRC considers, however, that the 1.5% SDRT charge will still apply to transfers of shares to depositary receipt issuers or clearance services that are not an integral part of an issue of share capital.

14. Material Contracts of the Group

14.1 The following is a summary of those material contracts, not being contracts entered into in the ordinary course of business, which have been entered into by the Company or any member of the Group within the two years immediately preceding the date of this document and of those other contracts, not being contracts entered into in the ordinary course of business by any member of the Group, that contain provisions under which the Company and/or any member of the Group has an obligation or entitlement which is or may be material to the Group as at the date of this document:

(a) *Arrangement Agreement*

Overview

On 6 October 2022 the Company entered into an arrangement agreement, as amended and restated on 1 December 2022, (the “**Arrangement Agreement**”) with Cornerstone pursuant to which it will acquire all of the issued and outstanding securities of Cornerstone under a plan of arrangement (the “**Plan of Arrangement**”) in the form appended to the Arrangement Agreement (the “**Arrangement**”). The Plan of Arrangement is a Canadian statutory transaction structure implemented through a court-approved procedure overseen by the Alberta Court of King’s Bench (the “**Court**”) under the *Business Corporations Act* (Alberta) (“**ABCA**”). Cornerstone is organised pursuant to the laws of the Province of Alberta.

As consideration under the Arrangement, holders (“**Cornerstone Shareholders**”) of common shares of Cornerstone (“**Cornerstone Shares**”) (other than the Dissenting Cornerstone Shareholders (as defined below)) will receive, at the effective time of the Arrangement (the “**Effective Time**”) 15 Ordinary Shares (“**Exchange Ratio**”) for each Cornerstone Share held by them (the “**Arrangement Consideration**”). Holders of options (the “**Cornerstone Optionholders**”) to purchase Cornerstone Shares (“**Options**”) under the Cornerstone’s stock option plan (the “**Cornerstone Option Plan**”) will receive a number of Ordinary Shares per Option based on a Black-Scholes valuation of the Cornerstone Options and the fair market value of the Ordinary Shares at the Effective Time (the “**Option Consideration**”). Based on the respective number of issued and outstanding Cornerstone Shares and Ordinary Shares on 6 October 2022, it is anticipated that immediately following completion of the Arrangement, then-former Cornerstone Shareholders will collectively hold approximately 20 per cent. of the then-issued and outstanding Ordinary Shares, and existing Shareholders are anticipated to collectively hold the remaining 80 per cent., on a fully-diluted basis.

In addition to the approval of the Court, as described further below, the Arrangement also requires the approval of two-thirds of holders of issued and outstanding Cornerstone Shares represented in person or by proxy at a special meeting of Cornerstone Shareholders called to consider (amongst other things) a resolution (the “**Arrangement Resolution**”) approving the Arrangement (the “**Cornerstone Meeting**”). Concurrently with the execution of the Arrangement Agreement, the Company entered into voting support agreements dated 6 October 2022 with certain Cornerstone Shareholders representing over 50 per cent. of the issued and outstanding Cornerstone Shares, pursuant to which such Cornerstone Shareholders agreed, subject to certain conditions, to vote in favour of the Arrangement Resolution at the Cornerstone Meeting.

Notwithstanding the Exchange Ratio described above, pursuant to the Arrangement Agreement, the Company may elect, in its sole discretion, prior to the Court hearing to approve the Final Order (as defined below) that the consideration for the Cornerstone Shares be satisfied partly in Ordinary Shares and partly in cash, with the portion of such consideration (expressed as a percentage), not to exceed 20 per cent. in cash. Additionally, the ABCA grants Cornerstone Shareholders a statutory procedure to dissent from the approval of the Arrangement. Cornerstone

Shareholders that validly exercise such dissent rights (“**Dissenting Cornerstone Shareholders**”) will receive, in lieu of the Arrangement consideration described above, the fair market value of their Cornerstone Shares as determined in accordance with the procedure. Dissenting Cornerstone Shareholders will be deemed to have assigned and transferred their Cornerstone Shares to the Company at the Effective Time and will cease to have any rights as Cornerstone Shareholders other than the right to be paid the fair value for such Cornerstone Shares by Ordinary Shares in accordance with the Plan of Arrangement.

Under the Plan of Arrangement structure described above, upon completion of the Arrangement, Cornerstone will become a direct wholly-owned subsidiary of the Company.

Further, under the terms of the Arrangement, the Board will consist of up to 10 Directors, and Cornerstone shall have the right to nominate two directors, provided that (a) the nomination of one Proposed Director will require the consent of the Company (not to be unreasonably withheld, conditioned or delayed), (b) both Proposed Directors shall be independent in accordance with all applicable Canadian Securities Laws and TSX listing standards and policies, and (c) at least one Proposed Director shall be an Australian resident who is financially literate within the meaning of National Instrument 52-110 – *Audit Committees*. The two directors nominated by Cornerstone to the Board are Scott Caldwell and Dan Vujcic.

The parties have also agreed for the Cornerstone Optionholders to, in lieu of exchanging their Options for the Option Consideration, to exchange their Options for new options exercisable for Ordinary Shares.

The Arrangement is expected to be completed in January 2023.

Summary of the Plan of Arrangement

The Arrangement is proposed to be carried out pursuant to section 193 of the ABCA. The following procedural steps must be taken in order for the Arrangement to become effective:

- (i) the Court must grant an order (the “**Interim Order**”) approving the Arrangement in principle, subject to the approval of the Arrangement Resolution at the Cornerstone Meeting;
- (ii) the Arrangement Resolution must be approved by the Cornerstone Shareholders at the Cornerstone Meeting in the manner set forth in the Interim Order;
- (iii) the Court must grant an order (the “**Final Order**”) approving the Arrangement;
- (iv) all conditions precedent to the Arrangement, as set forth in the Arrangement Agreement, must be satisfied or waived by one or both of Cornerstone and the Company, as applicable; and
- (v) the Articles of Arrangement must be filed with the Registrar under the ABCA and a Certificate of Arrangement must be issued by the Registrar under the ABCA.

Subject to the foregoing, pursuant to section 193 of the ABCA, the Arrangement will become effective at 12:01 a.m. (Mountain Time, Canada) on the Effective Date. Upon issuance of the Final Order and the satisfaction or waiver of the conditions precedents to the Arrangement set forth in the Arrangement Agreement, Cornerstone will file the Articles of Arrangement and such other documents as may be required to give effect to the Arrangement with Registrar under the ABCA pursuant to section 193 of the ABCA. Upon issuance of the Certificate of Arrangement by the Registrar under the ABCA, the transactions comprising the Arrangement shall occur and shall be deemed to have occurred in the order set out in the Plan of Arrangement without any further act or formality.

Pursuant to the terms of the Plan of Arrangement, at the Effective Time, each of the following events shall occur and shall be deemed to occur sequentially as set out below without any further authorization, act or formality, in each case, unless stated otherwise, effective as at two minute intervals starting at the Effective Time (unless otherwise indicated):

- (i) each of the Cornerstone Shares held by Dissenting Cornerstone Shareholders in respect of which Dissent Rights have been validly exercised shall be deemed to have been transferred without any further act or formality to the Company (free and clear of all liens) in consideration for the right to be paid the fair value of such Cornerstone Shares;

- (A) such Dissenting Cornerstone Shareholders shall cease to be the holders of such Cornerstone Shares and to have any rights as Cornerstone Shareholders, other than the right to be paid fair value for such Cornerstone Shares;
 - (B) such Dissenting Cornerstone Shareholders' names shall be removed as the registered holders of such Cornerstone Shares from the registers of Cornerstone Shares maintained by or on behalf of Cornerstone; and
 - (C) the Company shall be deemed to be the transferee of such Cornerstone Shares free and clear of all Liens, and shall be entered in the registers of Cornerstone Shares maintained by or on behalf of Cornerstone;
- (ii) each Cornerstone Share (other than those held by Dissenting Cornerstone Shareholders) outstanding immediately prior to the Effective Time shall, without any further action by or on behalf of a Cornerstone Shareholder, be deemed to be assigned and transferred by the holder thereof to the Company (free and clear of all liens) in exchange for the Arrangement Consideration from the Company for each such Cornerstone Share, and:
- (A) the Cornerstone Shareholders shall cease to be registered holders and beneficial owners of Cornerstone Shares and to have any rights as Cornerstone Shareholders, other than the right to be paid the Arrangement Consideration per Cornerstone Share from the Company in accordance with this Plan of Arrangement;
 - (B) such Cornerstone Shareholders' names shall be removed from the register of the Cornerstone Shares maintained by or on behalf of Cornerstone;
 - (C) the Company shall be deemed to be the transferee of such Cornerstone Shares (free and clear of all Liens) and shall be entered in the register of the Cornerstone Shares maintained by or on behalf of Cornerstone; and
 - (D) the Company shall issue (and, if applicable, pay) to each Cornerstone Shareholder the Arrangement Consideration for each Cornerstone Share held by such Cornerstone Shareholder immediately prior to the Effective Time in satisfaction of the obligation of the Company to deliver or cause to be delivered such Arrangement Consideration as consideration for the transfer of such Cornerstone Shares to the Company; and
- (iii) the following shall occur simultaneously:
- (A) each Option (whether vested or unvested) outstanding immediately prior to the Effective Time will be transferred by the holder thereof to Cornerstone and cancelled in exchange for Cornerstone delivering or causing to be delivered the Option Consideration in respect of such Option;
 - (B) the Company shall issue to each Cornerstone Optionholder the Option Consideration for each Option held by such Cornerstone Optionholder immediately prior to the Effective Time in satisfaction of the obligation of Cornerstone to deliver or cause to be delivered such Option Consideration as consideration for the transfer of such Options to Cornerstone;
 - (C) in consideration for the issuance of the Option Consideration by the Company to the Cornerstone Optionholders, Cornerstone shall issue to the Company a number of Cornerstone Shares having an aggregate fair market value equal to the aggregate fair market value of Ordinary Shares issued by the Company;
 - (D) each Cornerstone Optionholder shall cease to be, and shall be deemed to cease to be, the holder of Options and the name of such holder shall be, and shall be deemed to be, removed from the register of e Options; and
 - (E) the Option Plan and all agreements relating to the Options shall be terminated and shall be of no further force and effect.

In connection with the completion of the Arrangement, it is expected that the Cornerstone Shares will be de-listed from the TSX Venture Exchange and Cornerstone will make an application to cease to be a reporting issuer under applicable Canadian securities laws.

(b) *Director and Officer Voting and Support Agreements*

Concurrently with the execution and delivery of the Arrangement Agreement, certain directors and officers of Cornerstone who beneficially own or exercise control or direction, directly or indirectly, in the aggregate approximately 2.1% of the issued and outstanding Cornerstone Shares (on a non-diluted basis), as at the date of the Arrangement Agreement, entered into voting and support agreements (the “**Director and Officer Voting and Support Agreements**”) with the Company pursuant to which they agreed, among other things, to: (a) vote or cause to be voted their Cornerstone Shares or other securities of Cornerstone acquired, directly or indirectly, after the date thereof (including any Cornerstone Shares acquired upon the exercise of Cornerstone options held by such Cornerstone Shareholder) (the “**Subject Securities**”) which have a right to be voted at the Cornerstone Meeting: (i) in favour of the approval of the Arrangement Resolution, the transactions contemplated by the Arrangement Agreement and any other matter necessary for consummation of the Arrangement and (ii) against any acquisition proposal and/or any other matter that could reasonably be expected to delay, prevent, impede or frustrate the successful completion of the Arrangement or any of the transactions contemplated by the Arrangement Agreement; (b) deliver or cause to be delivered duly executed proxies or voting instruction forms voting their Subject Securities in favour of the Arrangement Resolution; (c) obtain the Company’s written consent before disposing of any right or interest in any Subject Securities or entering into any agreement, arrangement, commitment or understanding in connection therewith, other than pursuant to the Arrangement or to one or more corporations directly or indirectly wholly-owned by the applicable Cornerstone Shareholder.

Each Director and Officer Voting and Support Agreement may be terminated: (a) at any time upon the written agreement of the Company and the applicable Cornerstone Shareholder; (b) by the applicable Cornerstone Shareholder if (i) the Company is in default of any covenant or condition contained in the applicable Director and Officer Voting and Support Agreement and such default has or may have a material and adverse effect on the consummation of the Arrangement, (ii) any representation or warranty of the Company under the applicable Director and Officer Voting and Support Agreement is or becomes untrue or incorrect in any material respect, if such inaccuracy is reasonably likely to prevent, restrict or materially delay consummation of the Arrangement, (iii) the Company varies the terms of the Arrangement Agreement without the prior written consent of the applicable Cornerstone Shareholder in a manner that is materially adverse to the applicable Cornerstone Shareholder or (iv) the Arrangement Agreement is terminated in accordance with its terms; or (c) by the Company if (i) the applicable Cornerstone Shareholder is in default of any covenant or condition contained in the applicable Director and Officer Voting and Support Agreement and such default has or may have a material and adverse effect on the consummation of the Arrangement, (ii) any representation or warrant of the applicable Cornerstone Shareholder under the applicable Director and Officer Voting and Support Agreement is or becomes untrue or incorrect in any material respect or (iii) the Arrangement Agreement is terminated in accordance with its terms.

(c) *Shareholder Voting and Support Agreements*

Concurrently with the execution and delivery of the Arrangement Agreement, certain Cornerstone Shareholders who beneficially own or exercise control or direction, directly or indirectly, in aggregate approximately 42.0% of the issued and outstanding Cornerstone Shares (on a non-diluted basis), as at the date of the Arrangement Agreement, entered into voting and support agreements (the “**Shareholder Voting and Support Agreements**”) with the Company (and, in the case of Tenstar Trading Limited and Lachlan Gold Ltd., Cornerstone) pursuant to which they agreed, among other things to: (a) vote or cause to be voted their Subject Securities which have a right to be voted at the Cornerstone Meeting (i) in favour of the approval of the Arrangement Resolution, the transactions contemplated by the Arrangement Agreement and any other matter necessary for consummation of the Arrangement and (ii) against any acquisition proposal and/or any other matter that could reasonably be expected to delay, prevent, impede or frustrate the successful completion of the Arrangement or any of the transactions contemplated by the Arrangement Agreement; (b) deliver or cause to be delivered duly executed proxies or voting instruction forms voting Subject Securities in favour of the Arrangement Resolution; and (c) obtain the Company’s written consent before disposing of any right or interest in any Subject Securities or entering into any agreement, arrangement, commitment or understanding in connection therewith, other than pursuant to the Arrangement or to one or more corporations directly or indirectly wholly-owned by the applicable Cornerstone Shareholder. In addition to the

foregoing, each of Greg Chamandy, The Life Partners Trust and Rosseau Asset Management Ltd.: (a) is permitted to dispose of any right or interest in any Subject Securities or enter into any agreement, arrangement, commitment or understanding in connection therewith without the Company's prior written consent if in connection with a third party's acquisition any of the Subject Securities pursuant to a transaction of Cornerstone as a consequence of which the interest of the applicable Cornerstone Shareholder may be terminated without his or its consent (a "**Forced Sale Transaction**"); and (b) has agreed to vote or tender, as applicable, his or its Subject Securities in respect of a superior proposal as instructed by the Company, if the Arrangement Agreement is terminated pursuant to the Arrangement Agreement.

Each Shareholder Voting and Support Agreement may be terminated: (a) at any time upon the written agreement of the Company and the applicable Cornerstone Shareholder; (b) by the applicable Cornerstone Shareholder if (i) SolGold is in default of any covenant or condition contained in the applicable Shareholder Voting and Support Agreement and such default has or may have a material and adverse effect on the consummation of the Arrangement, (ii) any representation or warranty of the Company under the applicable Shareholder Voting and Support Agreement is or becomes untrue or incorrect in any material respect, if such inaccuracy is reasonably likely to prevent, restrict or materially delay consummation of the Arrangement, (iii) the Company varies the terms of the Arrangement Agreement without the prior written consent of the applicable Cornerstone Shareholder in a manner that is materially adverse to the applicable Cornerstone Shareholder or (iv) the Arrangement Agreement is terminated in accordance with its terms; and (c) by the Company (and, in the case of Tenstar Trading Limited and Lachlan Gold Ltd., Cornerstone) if (i) the applicable Cornerstone Shareholder is in default of any covenant or condition contained in the applicable Shareholder Voting and Support Agreement and such default has or may have a material and adverse effect on the consummation of the Arrangement, (ii) any representation or warranty of the applicable Cornerstone Shareholder under the applicable Shareholder Voting and Support Agreement is or becomes untrue or incorrect in any material respect or (iii) the Arrangement Agreement is terminated in accordance with its terms; or (d) automatically without any action by any party to the applicable Shareholder Voting and Support Agreement, on 12 January, 2023, if this Prospectus is not filed, published and made available by the Company in the manner specified in the UK Prospectus Regulation Rules prior to such date. In addition to the foregoing, the Shareholder Voting and Support Agreements to which Greg Chamandy, The Life Partners Trust and Rosseau Asset Management Ltd. are party may be terminated: (a) by the applicable Cornerstone Shareholder if (i) the Arrangement Agreement is terminated in accordance with its terms other than pursuant to section 6.1(d) of the Arrangement Agreement, (ii) any Cornerstone Shares are taken up pursuant to a formal take-over bid for such shares provided that, prior thereto, the Arrangement Agreement has been terminated in accordance with its terms or (iii) on completion of a Forced Sale Transaction; or (b) automatically, on October 6, 2023, if this Prospectus is not filed, published and made available by SolGold in the manner specified in the UK Prospectus Regulation Rules prior to 12 January, 2023.

(d) Osisko Royalty Agreement

On 30 November 2022, the Company entered into a \$50 million royalty financing agreement (the "**Osisko Royalty Agreement**") with Osisko Gold Royalties Ltd ("**Osisko**"), with reference to the Cascabel project.

Under the terms of the Osisko Royalty Agreement, Osisko is entitled to receive a perpetual 0.6 per cent. net smelter return ("**NSR**") interest from the Company calculated with reference to net smelter returns from the Cascabel licence area. Under the terms of the Osisko Royalty Agreement, the Company has a buy-back option, exercisable at its election for four years from closing, for one-third of the NSR interest. As at the date of this document, the Company has not exercised its option.

Osisko is entitled to receive certain minimum royalty payments of US\$4 million per annum beginning 1 January, 2030 and until 31 December, 2039. The proceeds of the Osisko Royalty Agreement will be used by the Company for exploration activities related to, and general advancement of the Cascabel Project and for general working capital and other corporate purposes.

(e) *Jiangxi Subscription Deed*

On 12 December 2022, the Company entered into a subscription deed with Jiangxi Copper (Hong Kong) Investment Company Limited, pursuant to which Jiangxi Copper (Hong Kong) Investment Company Limited agreed to subscribe for 155,000,000 new Shares in the capital of the Company at an issue price of \$0.20 per Share. The Company gave certain customary (for a transaction of this nature) representations, warranties and undertakings to Jiangxi concerning, among other things, the accuracy of the information in the announcements published by the Company and in relation to other matters relating to the Group.

Board appointment rights

Pursuant to the Jiangxi Subscription Agreement, the Company has granted Jiangxi a right to nominate an individual to be appointed as a director of the Company for so long Jiangxi holds at least 155,000,000 Ordinary Shares of the Company (“**Jiangxi Minimum Shareholding**”).

If Jiangxi’s interest in the Ordinary Shares of the Company falls below the Jiangxi Minimum Shareholding as a result of, among other things, the voluntary sale of Ordinary Shares by Jiangxi, Jiangxi shall procure the resignation of its nominee director promptly and Jiangxi shall have no further rights to appoint a nominee to the Board, even in the event that its shareholdings exceeds the Jiangxi Minimum Shareholding at some future date.

Anti-Dilution Right

Subject to the passage of any necessary shareholder resolution to authorise and empower the directors to allot and issue the relevant shares and/or disapplication resolution (which the Company must use its reasonable endeavours to secure), if the Company wishes to allot and issue any equity securities either for cash (a “**Further Raising**”) or pursuant to a transaction or otherwise, including for non-cash consideration (an “**Other Transaction**”), and at that time Jiangxi and/or any one or more of its affiliates, collectively, holds at least 4 per cent. of the Ordinary Shares in the Company, then the Company must give Jiangxi the opportunity to subscribe for:

- in the case of a Further Raising, such number of Ordinary Shares in the Further Raising; and
- in the case of an Other Transaction, such number of Ordinary Shares,

that following the allotment and issue of all Ordinary Shares pursuant to the Further Raising or the Other Transaction (as the case may be), Jiangxi holds the same percentage of Ordinary Shares in issue as it held immediately prior to the Further Raising or the Other Transaction (as the case may be) (the “**Anti-Dilution Right**”). If at the time of a Further Raising or the Other Transaction, Jiangxi holds more than 10 per cent. of the Ordinary Shares, then the Company shall give Jiangxi the opportunity to subscribe for so many Ordinary Shares that following the allotment and issue of all Ordinary Shares issued pursuant to the Further Raising or the New Issue, Jiangxi holds 10 per cent. of the Ordinary Shares then issued and outstanding.

The Anti-Dilution Right will not apply where the New Issue is solely to Newcrest International and is limited to the number of Ordinary Shares which the Company is required to allow Newcrest International to subscribe for under the anti-dilution rights and top-up rights set out in clause 7 of the Newcrest Subscription Agreement (the “**Newcrest Anti-Dilution Issue**”). The Anti-Dilution Rights will not apply where a Newcrest Anti-Dilution Issue is solely as a result of a New Issue to BHP Billiton pursuant to the Anti-Dilution Right.

If at any time before the Further Raising or the Other Transaction, Jiangxi held less than 4 per cent. of the Ordinary Shares on issue as a result of failing to take part in an earlier Further Raising or New Issue or due to a voluntary sale of Ordinary Shares, then the Anti-Dilution Right ceases to apply.

The Anti-Dilution Right does not apply to an allotment or issue of equity securities that would, apart from any renunciation or assignment of their right to their allotment, be held under an employee share scheme, employee share option scheme, directors and officers share scheme or directors and officers share option scheme.

The issue price of Ordinary Shares issued under a New Issue will be the 10-day VWAP on the LSE calculated as at the date 10 business days after completion of the Other Transaction.

Top-Up Right

Subject to the passage of any necessary authorised issue resolution and/or disapplication resolution (which the Company must use its reasonable endeavours to secure), if at the beginning of each six month following Admission (each a “**Relevant Period**”) Jiangxi holds at least 5 per cent. of the Ordinary Shares and the Company allots and issues equity securities during the Relevant Period either:

- as part of an employee share scheme, employee share option scheme, directors and officers share scheme or directors and officers share option scheme;
- as a result of the conversion of debt (including the exercise of convertible notes); or
- upon the exercise of options over unissued Ordinary Shares, (each a “**Top-Up Event**”),

then, Jiangxi will be entitled, at the same time or immediately following the Top-Up Event, to subscribe for so many Ordinary Shares (the “**Top-Up Shares**”) so that following the issue of those Top-Up Shares, Jiangxi holds the same percentage of Ordinary Shares on issue as it held immediately prior to the Top-Up Event (a “**Top-Up**”) (“**Jiangxi Top-Up Right**”). However, in the event that Jiangxi has been issued convertible notes or options during a Relevant Period and those notes or options may be converted or exercised, then Jiangxi must first convert those convertible notes or exercise those options (as the case may be) in order to Top-Up, and if the resulting number of Ordinary Shares issued to it after having done so is insufficient to Top-Up, then Jiangxi may subscribe for Top-Up Shares.

Any Top-Up Shares will be issued at the higher of:

- the conversion price of the last convertible notes converted, or the exercise price of the last options exercised during the Relevant Period;
- the 10-day VWAP on the LSE calculated as at the date of issue of the Top-Up Shares;
- the highest subscription price at which a *bona fide* independent third party offers in writing to subscribe for Ordinary Shares representing not less than 5 per cent. of the issued Ordinary Share capital of the Company during or at the end of the Relevant Period (the “**Subscription Offer**”), on terms acceptable to and capable of acceptance by the Company where:
 - the Subscription Offer is a cash offer;
 - the Subscription Offer is made no more than 2 months prior to the end of the Relevant Period; and
 - a copy of the Subscription Offer has been provided to Jiangxi; and
- the minimum price permitted by the TSX and the FCA based on the maximum available discount.

If at any time before a Top-Up Event, Jiangxi has held less than 4 per cent. of the Ordinary Shares on issue as a result of failing to take part in an earlier Further Raising or due to a voluntary sale of Ordinary Shares, then Jiangxi’s Top-Up Right ceases to apply.

Restriction on disposition on the Shares

Following Admission, Jiangxi has also agreed to not, directly or indirectly, sell, offer, or agree to sell, transfer, assign or otherwise dispose of any Placing Shares purchased hereunder to certain major shareholders of the Company and their affiliates, provided that the foregoing restrictions shall not apply to a disposal in an offer pursuant to an acceptance of a general takeover offer for the ordinary share capital of the Company made in accordance with the Takeover Code or a scheme of arrangement under the Act, provided that such takeover offer or scheme of arrangement has been recommended by the Board or on the LSE or TSX in circumstances where there has been no pre-arranged trade of the Placing Shares to any restricted person.

(f) *Maxit Subscription Agreement*

On 12 December 2022, the Company entered into a subscription agreement with Maxit Capital LP (“**Maxit**”), pursuant to which Maxit agreed to subscribe for 23,000,000 new Shares in the capital of the Company at an issue price of \$0.20 per Share.

(g) *JC Subscription Agreement*

On 12 December 2022, the Company entered into a subscription agreement with Mr. James Clare and James A.T. Clare Professional Corporation, pursuant to which Mr. Clare agreed to subscribe for 1,000,000 new Shares in the capital of the Company at an issue price of \$0.20 per Share.

(h) *SC Subscription Agreement*

On 12 December 2022, the Company entered into a subscription agreement with Mr. Scott Caldwell, pursuant to which Mr. Caldwell agreed to subscribe for 1,000,000 new Shares in the capital of the Company at an issue price of \$0.20 per Share.

(i) *2022 Placing Agreement*

On 12 December 2022, the Company and H&P Advisory Limited (“**Hannam**”) entered into a placing agreement (the “**Placing Agreement**”) pursuant to which Hannam was appointed to act as agent in respect of the Placing.

Under the terms of the Placing Agreement, Hannam agreed to subscribe and pay Furlong (Jersey) Limited (“**JerseyCo**”) (or such other person as JerseyCo may direct) for the allotment and issue of the JerseyCo preference shares in accordance with the terms of the Subscription and Transfer Agreement of an amount equal to the gross proceeds of the Placing. The Company gave certain customary (for a transaction of this nature) representations, warranties and undertakings to Hannam concerning, among other things, the accuracy of the information in the announcements published by the Company and in relation to other matters relating to the Group. The Company also provided a customary indemnity to Hannam.

(j) *2022 Subscription and Transfer Agreement and Option Agreement*

In connection with the Placing, the Company, H&P Advisory Limited (“**Hannam**”) and Furlong (Jersey) Limited (“**JerseyCo**”) entered into several agreements, each dated 12 December 2022, in relation to the subscription and transfer of ordinary shares and redeemable preference shares in JerseyCo.

Under the terms of these agreements:

- the Company and Hannam acquired ordinary shares in JerseyCo and entered into certain put and call options in respect of the ordinary shares in JerseyCo subscribed for by Hannam that was exercisable if the Placing did not proceed; and
- the Company allotted and issued the Shares issued pursuant to the Placing to certain investors, including Jiangxi Copper (Hong Kong) Investment Company Limited in consideration of Hannam transferring its holding of redeemable preference shares and ordinary shares in JerseyCo to the Company.

(k) *2021 Placing Agreement*

On 27 April 2021, the Company, Peel Hunt LLP (“**Peel Hunt**”), Cantor Fitzgerald Canada Corporation (“**Cantor**”) and Hannam entered into a placing agreement (the “**2021 Placing Agreement**”) pursuant to which each of Peel Hunt, Cantor and Hannam (together, the “**Joint Bookrunners**”) were appointed Joint Bookrunners as agents for the Company in respect of the 2021 Placing.

Under the terms of the Placing Agreement, Peel Hunt agreed to subscribe and pay Rover (Jersey) Limited (“**2021 JerseyCo**”) (or such other person as 2021 JerseyCo may direct) for the allotment and issue of the 2021 JerseyCo preference shares in accordance with the terms of the 2021 Subscription and Transfer Agreement of an amount equal to the gross proceeds of the 2021 Placing. The Company gave certain customary (for a transaction of this nature) representations, warranties and undertakings to the Joint Bookrunners concerning, among other things, the accuracy of the information in the announcements published by the Company and in relation to other matters relating to the Group. The Company also provided a customary indemnity to the Joint Bookrunners.

(l) *2021 Subscription and Transfer Agreement and 2021 Option Agreement*

In connection with the 2021 Placing, the Company, Peel Hunt and 2021 JerseyCo entered into several agreements, each dated 27 April 2021, in relation to the subscription and transfer of ordinary shares and redeemable preference shares in 2021 JerseyCo.

Under the terms of these agreements:

- the Company and Peel Hunt acquired ordinary shares in 2021 JerseyCo and entered into certain put and call options in respect of the ordinary shares in 2021 JerseyCo subscribed for by Peel Hunt that was exercisable if the 2021 Placing did not proceed; and
- the Company allotted and issued the Shares to those persons entitled thereto in consideration of Peel Hunt transferring its holding of redeemable preference shares and ordinary shares in 2021 JerseyCo to the Company.

(m) *Franco-Nevada Financing Agreement*

On May 11, 2020, the Company announced that it had entered into a \$100 million net smelter return (“NSR”) financing agreement with Franco-Nevada, with an option to upsize the financing to US\$150 million at the Company’s election (the “**NSR Financing Agreement**”), with reference to the Cascabel project.

Under the terms of the NSR Financing Agreement, Franco-Nevada is entitled to receive a perpetual 1 per cent. NSR interest from the Company calculated with reference to net smelter returns from the Cascabel licence area for the first \$100 million financing provided by Franco-Nevada. The NSR Financing Agreement could be upsized at the Company’s election by \$50 million to a 1.5 per cent. NSR interest within eight months from the date of the NSR Financing Agreement. The Company has elected not to upsize the NSR Financing Agreement.

Further, the Company has a 50 per cent. buy-back option exercisable at the Company’s election for six years from closing at a price delivering Franco-Nevada a 12 per cent. internal rate of return. Further, the NSR Financing Agreement also provides for a NPV neutral option in favour of Franco-Nevada to convert the NSR interest into a gold-only NSR interest, available for six years from the second anniversary of the start of operations and Franco-Nevada is entitled to receive certain minimum royalty payments of US\$10 million per annum from 2028 to 2037.

The NSR Financing Agreement also includes a NSR interest top-up mechanism in the event that actual mine production (measured on a copper equivalent basis) is less than 85 per cent. of planned production, as stated in the Company’s May 2019 technical report.

The proceeds of the NSR Financing Agreement were used by the Company to fund the costs to complete the PFS for the Cascabel project.

(n) *Newcrest Subscription Agreement*

On August 30, 2016, the Company, Newcrest International Pty Ltd. (“**Newcrest International**”) and Newcrest Mining Limited (“**Newcrest Mining**”) entered into an agreement which provided for the investment by Newcrest International of \$10,868,592 in exchange for 135,857,401 Ordinary Shares at \$0.008 per Ordinary Share, subject to Shareholder approval (the “**Newcrest Subscription Agreement**”). On September 26, 2016, the Company, Newcrest International and Newcrest Mining entered into a deed to vary the Newcrest Subscription Agreement (the “**Further Deed of Variation**”), pursuant to which Newcrest International subscribed for 142,896,661 Ordinary Shares at a price of \$0.16 per Ordinary Share for aggregate gross proceeds of \$22,863,465.76. On June 21, 2017, the Company, Newcrest International and Newcrest Mining entered into a third deed of variation (the “**Third Deed of Variation**”) to vary the Newcrest Subscription Agreement as amended by the Further Deed of Variation. Under the Third Deed of Variation, Newcrest International subscribed for 76,535,610 Ordinary Shares at a price of \$0.52 per Ordinary Share in respect of the offering made in June of 2017 whereby the Company completed its offering of 78,889,808 Ordinary Shares at 41 pence per Ordinary Share to raise gross aggregate proceeds of \$41,230,000.

Board Appointment Right

Pursuant to the Newcrest Subscription Agreement (as varied by the Further Deed of Variation), the Company granted to Newcrest International a right (but not an obligation) to nominate an individual to be appointed as a director of the Board for so long as Newcrest International,

Newcrest Mining or any wholly owned subsidiary (together, “**Newcrest**”) holds at least 10 per cent. of the Ordinary Shares of the Company (the “**Newcrest Minimum Holding**”) (the “**Newcrest Board Appointment Right**”).

In the event that Newcrest’s shareholding in the Company falls below the Newcrest Minimum Holding, solely as a result of Newcrest having failed to participate in any future equity raising or due to a voluntary sale of Ordinary Shares by Newcrest, and provided the Company has complied with its obligations pursuant to the Newcrest Anti-Dilution Right (as defined below), then Newcrest must procure the resignation of its nominated director within three business days after the date that it ceased to hold the Newcrest Minimum Holding and Newcrest shall no longer have a Newcrest Board Appointment Right, even in the event that its shareholdings exceeds the Newcrest Minimum Holding at some future date.

Anti-Dilution Right

Subject to the passage of any necessary authorised issue resolution and/or disapplication resolution (which the Company must use its reasonable endeavours to secure), if the Company wishes to allot and issue any equity securities either for cash (a “**Newcrest Further Raising**”) or pursuant to a transaction for non-cash consideration (a “**Newcrest Other Transaction**”), and at that time Newcrest International holds at least 5 per cent. of the Ordinary Shares in the Company, then the Company must give Newcrest International the opportunity to subscribe for:

- in the case of a Newcrest Further Raising, such number of Ordinary Shares in the Newcrest Further Raising; and
- in the case of a Newcrest Other Transaction, such number of Ordinary Shares (a “**Newcrest New Issue**”),

that following the allotment and issue of all Ordinary Shares pursuant to the Newcrest Further Raising or the Newcrest Other Transaction (as the case may be, together the “**Relevant Transaction**”), Newcrest International holds the same percentage of Ordinary Shares on issue as it held immediately prior to the Newcrest Further Raising or the Newcrest Other Transaction (as the case may be) (the “**Newcrest Anti-Dilution Right**”). If at the time of a Relevant Transaction, Newcrest International holds more than 10 per cent. of the Ordinary Shares, then the Company shall give Newcrest International the opportunity to subscribe for so many Ordinary Shares that following the allotment and issue of all Ordinary Shares issued pursuant to the Relevant Transaction, Newcrest International holds 10 per cent. of the Ordinary Shares then issued and outstanding.

If at any time before a Relevant Transaction, Newcrest International has held less than 5 per cent. of the Ordinary Shares on issue as a result of failing to take part in an earlier Relevant Transaction or due to a voluntary sale of Ordinary Shares, then the Newcrest Anti-Dilution Right ceases to apply.

The Newcrest Anti-Dilution Right does not apply to an allotment or issue of equity securities that would, apart from any renunciation or assignment of their right to their allotment, be held under an employee share scheme, employee share option scheme, directors and officers share scheme or directors and officers share option scheme.

The issue price of Ordinary Shares issued under a Newcrest New Issue will be the 10-day VWAP calculated as at the date 10 business days after completion of the Newcrest Other Transaction.

Top-Up Right

Subject to the passage of any necessary authorised issue resolution and/or disapplication resolution (which the Company must use its reasonable endeavours to secure), if at the beginning of each six month period (the first of which 6 month periods commenced on October 18, 2016) (each a “**Newcrest Relevant Period**”) Newcrest International holds at least 5 per cent. of the Ordinary Shares and the Company allots and issues equity securities during the Newcrest Relevant Period either:

- as part of an employee share scheme, employee share option scheme, directors and officers share scheme or directors and officers share option scheme;
- as a result of the conversion of debt (including the exercise of convertible notes); or

- upon the exercise of Options over unissued Ordinary Shares, (each a “**Newcrest Top-Up Event**”),

then, Newcrest International will be entitled, at the same time or immediately following the Newcrest Top-Up Event, to subscribe for so many Ordinary Shares (the “**Newcrest Top-Up Shares**”) so that following the issue of those Newcrest Top-Up Shares, Newcrest International holds the same percentage of Ordinary Shares on issue as it held immediately prior to the Newcrest Top-Up Event (a “**Top-Up**”) (“**Newcrest International’s Top-Up Right**”). However, in the event that the Newcrest International has been issued convertible notes or Options during a Newcrest Relevant Period and those notes or Options may be converted or exercised, then Newcrest International must first convert those convertible notes or exercise those Options (as the case may be) in order to Top-Up, and if the resulting number of Ordinary Shares issued to it after having done so is insufficient to Top-Up, then Newcrest International may subscribe for Newcrest Top-Up Shares.

Any Newcrest Top-Up Shares will be issued at the higher of:

- the conversion price of the last convertible notes converted, or the exercise price of the last Options exercised during the Newcrest Relevant Period;
- the 10-day VWAP calculated as at the date of issue of the Newcrest Top-Up Shares; and
- the highest subscription price at which a *bona fide* independent third party offers in writing to subscribe for Ordinary Shares representing not less than 5 per cent. of the issued Ordinary Share capital of the Company during or at the end of the Newcrest Relevant Period (the “**Offer**”), on terms acceptable to and capable of acceptance by the Company where:
 - the Offer is a cash offer;
 - the Offer is made no more than 2 months prior to the end of the Newcrest Relevant Period; and
 - a copy of the Offer has been provided to Newcrest International.

If at any time before a Newcrest Top-Up Event, Newcrest International has held less than 5 per cent. of the Ordinary Shares on issue as a result of failing to take part in an earlier Newcrest Further Raising or due to a voluntary sale of Ordinary Shares, then Newcrest International’s Top-Up Right ceases to apply.

(o) *BHP Subscription Agreement*

On 16 October 2018, the Company and BHP Billiton Holdings Limited (“**BHP Billiton**”) entered into a share subscription agreement (the “**BHP Subscription Agreement**”), pursuant to which BHP Billiton subscribed for 100,000,000 Ordinary Shares at a price of £0.45 per Ordinary Share for aggregate gross proceeds of £45,000,000.

Board Appointment Right

Pursuant to the BHP Subscription Agreement, the Company has granted BHP Billiton a right (the “**BHP Board Appointment Right**”) to nominate an individual to be appointed as a director of the Company for so long as BHP Billiton holds at least 10 per cent. of the fully paid Ordinary Shares of the Company (“**BHP Minimum Shareholding**”).

If BHP Billiton’s interest in the Ordinary Shares of the Company falls below the BHP Minimum Shareholding as a result of (i) failing to participate in any further raising, or (ii) as a result of the voluntary sale of Ordinary Shares by BHP Billiton, then provided that the Company has not breached any of its obligations under clauses 7.1(a) and 7.1(b) of the BHP Subscription Agreement, BHP Billiton shall take the necessary action, at its cost, to procure the resignation of BHP Billiton’s nominee director no later than three business days after the date that BHP Billiton ceases to hold the BHP Minimum Holding and BHP Billiton shall have no further rights to appoint a nominee to the Board, even in the event that its shareholdings exceeds the BHP Minimum Shareholding at some future date..

Anti-Dilution Right

Subject to the passage of any necessary authorised issue resolution and/or disapplication resolution (which the Company must use its reasonable endeavours to secure), if the Company wishes to allot and issue any equity securities either for cash (a “**Further Raising**”) or pursuant to a transaction for non-cash consideration (an “**Other Transaction**”), and at that time BHP Billiton holds at least 10 per cent. of the Ordinary Shares in the Company, then the Company must give BHP Billiton the opportunity to subscribe for:

- in the case of a Further Raising, such number of Ordinary Shares in the Further Raising; and
- in the case of an Other Transaction, such number of Ordinary Shares (a “**New Issue**”),

that following the allotment and issue of all Ordinary Shares pursuant to the Further Raising or the Other Transaction (as the case may be), BHP Billiton holds the same percentage of Ordinary Shares on issue as it held immediately prior to the Further Raising or the Other Transaction (as the case may be) (the “**Anti-Dilution Right**”). If at the time of a Further Raising or the Other Transaction, BHP Billiton holds more than 10 per cent. of the Ordinary Shares, then the Company shall give BHP Billiton the opportunity to subscribe for so many Ordinary Shares that following the allotment and issue of all Ordinary Shares issued pursuant to the Further Raising or the New Issue, BHP Billiton holds 10 per cent. of the Ordinary Shares then issued and outstanding.

The Anti-Dilution Right will not apply where the New Issue is solely to Newcrest International and is limited to the number of Ordinary Shares which the Company is required to allow Newcrest International to subscribe for under the anti-dilution rights and top-up rights set out in clause 7 of the Newcrest Subscription Agreement (the “**Newcrest Anti-Dilution Issue**”). The Anti-Dilution Rights will not apply where a Newcrest Anti-Dilution Issue is solely as a result of a New Issue to BHP Billiton pursuant to the Anti-Dilution Right.

If at any time before the Further Raising or the Other Transaction, BHP Billiton held less than 10 per cent. of the Ordinary Shares on issue as a result of failing to take part in an earlier Further Raising or New Issue or due to a voluntary sale of Ordinary Shares, then the Anti-Dilution Right ceases to apply.

The Anti-Dilution Right does not apply to an allotment or issue of equity securities that would, apart from any renunciation or assignment of their right to their allotment, be held under an employee share scheme, employee share option scheme, directors and officers share scheme or directors and officers share option scheme.

The issue price of Ordinary Shares issued under a New Issue will be the 10-day VWAP on the LSE calculated as at the date 10 business days after completion of the Other Transaction.

Top-Up Right

Subject to the passage of any necessary authorised issue resolution and/or disapplication resolution (which the Company must use its reasonable endeavours to secure), if at the beginning of each six month following October 19, 2018 (each a “**Relevant Period**”) BHP Billiton holds at least 10 per cent. of the Ordinary Shares and the Company allots and issues equity securities during the Relevant Period either:

- as part of an employee share scheme, employee share option scheme, directors and officers share scheme or directors and officers share option scheme;
- as a result of the conversion of debt (including the exercise of convertible notes); or
- upon the exercise of options over unissued Ordinary Shares, (each a “**Top-Up Event**”),

then, BHP Billiton will be entitled, at the same time or immediately following the Top-Up Event, to subscribe for so many Ordinary Shares (the “**Top-Up Shares**”) so that following the issue of those Top-Up Shares, BHP Billiton holds the same percentage of Ordinary Shares on issue as it held immediately prior to the Top-Up Event (a “**Top-Up**”) (“**BHP Billiton’s Top-Up Right**”). However, in the event that BHP Billiton has been issued convertible notes or options during a Relevant Period and those notes or options may be converted or exercised, then BHP

Billiton must first convert those convertible notes or exercise those options (as the case may be) in order to Top-Up, and if the resulting number of Ordinary Shares issued to it after having done so is insufficient to Top-Up, then BHP Billiton may subscribe for Top-Up Shares.

Any Top-Up Shares will be issued at the higher of:

- the conversion price of the last convertible notes converted, or the exercise price of the last options exercised during the Relevant Period;
- the 10-day VWAP on the LSE calculated as at the date of issue of the Top-Up Shares; and
- the highest subscription price at which a *bona fide* independent third party offers in writing to subscribe for Ordinary Shares representing not less than 5 per cent. of the issued Ordinary Share capital of the Company during or at the end of the Relevant Period (the “**Subscription Offer**”), on terms acceptable to and capable of acceptance by the Company where:
 - the Subscription Offer is a cash offer;
 - the Subscription Offer is made no more than 2 months prior to the end of the Relevant Period; and
 - a copy of the Subscription Offer has been provided to BHP Billiton.

If at any time before a Top-Up Event, BHP Billiton has held less than 10 per cent. of the Ordinary Shares on issue as a result of failing to take part in an earlier Further Raising or due to a voluntary sale of Ordinary Shares, then BHP Billiton’s Top-Up Right ceases to apply.

(p) *BHP 2019 Subscription Agreement*

On 25 November 2019, the Company and BHP Billiton entered into a share subscription agreement (the “**BHP 2019 Subscription Agreement**”), pursuant to which, among other things, BHP Billiton subscribed for 77,000,000 Ordinary Shares at a price of £0.2215 per Ordinary Share for aggregate gross proceeds of £17,055,500, which were to be used to provide funding for the Cascabel project in Ecuador and for general corporate purposes.

In addition, the Company also granted 19,250,000 fully vested options (the “**BHP Options**”) for nil consideration to BHP Billiton, which remain exercisable prior to 2 December 2024 for an exercise price of £0.37 per BHP Option, in each case subject to certain adjustments. Each BHP Option entitles the BHP to receive one Ordinary Share upon exercise, and following certain adjustments, the aggregate number of Ordinary Shares now underlying the BHP Options is 19,593,589 Ordinary Shares (the “**BHP Underlying Shares**”). In connection with the granting of the BHP Options, the Company agreed, among other things, that until 2 December, 2024, as long as the BHP Options remained unexercised, the Company shall not, in any 12 month rolling period, issue, such number of Ordinary Shares, which when aggregated with the BHP Underlying Shares, as is equal to or greater than 20% of the total number of Ordinary Shares in issue.

The BHP 2019 Subscription Agreement is governed by and construed in accordance with the laws of Queensland, Australia.

15. Litigation

There are no, and have not been, any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware) which may have, or have had during the 12 months preceding the date of this document, a significant effect on the Company’s or the Group’s financial position or profitability.

16. Working capital

The Company is of the opinion that the Group does not have sufficient working capital for its present requirements, that is for at least 12 months from the date of this document.

The Company is not presently revenue generating and, therefore, funds its current activities from its cash reserves. These activities comprise, principally, advancing the highest priority exploration targets at Cascabel and across the broader portfolio in its regional concessions.

The Company estimates that, based on the current forecast rate of expenditure in relation to these activities and other associated costs:

- the Group will only have sufficient working capital for its present requirements to the end of January 2024; and
- in order to advance its highest priority exploration targets at Cascabel and across the broader portfolio in its regional concessions and otherwise fund its anticipated activities throughout the Working Capital Period, the Group has a current working capital shortfall of \$4 million.

Therefore, at the end of January 2024, the Company will face an immediate shortfall of working capital. In order to meet this working capital shortfall, and to fund the exploration and drilling activities of the Group thereafter, the Company has commenced a strategic review to evaluate a wide range of financing and strategic options to secure additional funding, including, but not limited to, selling a direct or indirect stake in the Cascabel project, selling other assets of the Company, selling Ordinary Shares currently owned by Cornerstone (being approximately \$26 million based on the closing price of the Ordinary Shares as at the Latest Practicable Date), or any other transaction, which may, or may not, dilute existing shareholders. The Group's ability to fund its exploration and drilling activities, generate revenue from the Cascabel project and effectively implement its business strategy over time depends in part on its ability to raise additional funds. The Board expects to recommend its future funding strategy in H1 2023 in connection with the Company's ongoing strategic review. While the Company is confident that the strategic review can unlock near-term financing options, there is no assurance that the Company would be successful in raising the required capital pursuant to this strategy on commercially reasonable terms, or at all.

If the financing strategy described above is unsuccessful in whole or in part, the Company will consider undertaking some, or all, of the following actions:

- seeking additional sources of cost-effective financing including, for example, extension of existing, or new, royalty or streaming arrangements;
- seeking further capital injections from Shareholders or other investors which may or may not be dilutive to existing Shareholders; and/or
- decreasing its discretionary expenditure or reducing other activities such as studies for the Group.

If the actions detailed above are unsuccessful, the Company will have no cash to deploy into the Cascabel project or its other projects beyond the end of January 2024 and consequently, would be unable to advance its highest priority exploration targets at Cascabel and across the broader portfolio in its regional concessions as per its strategy. In that case, the Company will be required to seek alternative funding or a merger or sale of the Company. There can be no assurance, however, that the Company would be successful in securing any such alternative funding or completing any merger or sale transaction on commercially acceptable terms, or at all. If these outcomes fail to materialise, the Company would cease to operate as a going concern and the Board would be required to place the Company into administration or petition the court for compulsory liquidation of the Company, which could result in Shareholders losing part of or all of their investment in the Company.

17. No significant change

There has been no significant change in the financial position or performance of the Group since 31 December 2022, being the end of the last financial period for which financial information of the Group has been published.

18. Regulatory Disclosure

18.1 The Company regularly arranges the publication of announcements through an RIS system and on the Company's website. This section contains a summary of the information disclosed under the UK Market Abuse Regulation over the last 12 months which is relevant as at the date of this document. In addition to the RIS system, full announcements can be accessed on the webpage of the Company at <https://www.solgold.com.au/investors-center/#ann>.

Inside information

- (a) On 13 February 2022, the Company released Interim financial results for the half year ended 31 December 2021. The Board advised that the full interim financial report and the additional information required to be filed on SEDAR in Canada in connection with this report are available of the Company's website.
- (b) On 13 April 2022, the Company provided a drilling update on its TAM project where it was highlighted that the additional resources being identified by TAM continue to provide a strategic fit towards the development of the Cascabel property as a whole.
- (c) On 20 April 2022, the Company announced the results of the PFS. The PFS confirmed the Cascabel project's world class, Tier 1 potential. It highlighted that once constructed, Cascabel is expected to be a top 20 South American copper and gold mine.
- (d) On 13 May 2022, the Company advised all shareholders and interested investors that the Company's website contains access to a copy of the Quarterly Financials and Management Discussion and Analysis that is required to be filed on SEDAR in Canada.
- (e) On 26 May 2022, the Company provided an independently verified update regarding the MRE for its TAM project. The update highlighted the continued growth of the project.
- (f) On 3 June 2022, the Company provided a Notice of Meeting and Management Information Circular for a General Meeting of Shareholders to be held in the Australian office on 30 June 2022.
- (g) On 24 June 2022, the Company provided an important note to shareholders to give notice of a proposed amendment to the Extraordinary General Meeting to be held on 30 June 2022. The amendment was to one of the definitions contained within the proposed Long Term Incentive Performance Plan Rules and Performance Bonus Plan Rules that the Company is seeking approval for under Resolutions 2 and 3 of the Notice of Meeting. Resolutions 1 and 4 and the accompanying documentation remained unchanged.
- (h) On 30 June 2022, the Company confirmed that all resolutions put to shareholders at the General Meeting were conducted via a poll, and where the proxy votes were received ahead of the meeting these were combined with votes cast at the meeting. The Board highlighted that in regard to Resolution 1 which attracted greater than 20 per cent. of votes cast against the resolution, they intended to engage with the shareholders to address any concerns.
- (i) On 14 July 2022, the Company announced the appointments of Steven Botts to the position of President of SolGold's Ecuador subsidiaries, Harold 'Bernie' Loyer to the position of Vice President Projects, and Rufus Gandhi to the position of General Counsel and Company Secretary.
- (j) On 28 July 2022, the Company provided a business activity update within its exploration portfolio and Cascabel project. The update focussed on the development of the Cascabel project and progression of regional projects.
- (k) On 11 August 2022, the Company announced that Keith Marshall, independent non executive director had informed the Company of his decision to resign from the Board with effect from 12 August 2022. Further, it was also announced that Ayten Saridas, Group Chief Financial Officer had resigned with immediate effect and the Company had appointed Keith Pollocks as Interim CFO until a permanent replacement is appointed.
- (l) On 29 September 2022, the Company announced the release of its audited full year results for the year ended 30 June 2022.
- (m) On 7 October 2022, the Company announced the proposed Acquisition.
- (n) On 25 October 2022, the Company announced the appointments of Mr. Scott Caldwell and Mr. Dan Vujcic to the Board as Independent Non-Executive Directors effective 24 October 2022.
- (o) On 7 November 2022 the Company announced that it has entered into a binding agreement with Osisko for a US\$50 million royalty financing with reference to the Cascabel project in northern Ecuador, which was completed on 30 November 2022.

- (p) On 10 November 2022 the Company announced that Darryl Cuzzubbo, Managing Director and Chief Executive Officer left the Company and the Board, effective 10 November 2022. The Company appointed Scott Caldwell, Non-Executive Director, as Interim CEO until a permanent replacement is appointed.
- (q) On 22 November 2022, the Company provided an update on the Company's strategy and near-term priorities following the appointment of Mr. Scott Caldwell as Interim Chief Executive Officer. The update focussed on the strategic review being undertaken by the Board as well as the Company's focus on continuing to advance the highest priority exploration targets at Cascabel and across the broader portfolio applying the Company's blueprint and proven exploration methodology.
- (r) On 23 November 2022, the Company announced, among other things, that Non-Executive Directors Ms. Elodie Grant Goodey and Mr. Kevin O'Kane have advised the Board that they will not seek re-election at the upcoming AGM and the Board will commence a process to fill the position for the independent non-executive directors.
- (s) On 23 November 2022, the Company also announced that investors, including Jiangxi Copper (Hong Kong) Investment Company Limited have agreed to purchase 180,000,000 Shares at a price of US\$0.20 per share, expected to raise gross proceeds of US\$36 million.
- (t) On 30 November 2022, the Company announced that the previously announced US\$50 million royalty financing pursuant to the Royalty Financing Agreement with Osisko Gold Royalties Ltd in relation to the Company's Cascabel copper-gold project in northern Ecuador was completed.
- (u) On 12 December 2022, the Company announced the successful placing of 180,000,000 new Shares at a price of US\$0.20 per share to investors, including Jiangxi Copper (Hong Kong) Investment Company Limited, as previously announced on 23 November 2022. The Company also announced that certain directors also agreed to participate in the placing at the same placing price for 2,000,000 new Shares.
- (v) On 24 January 2023, the Company provided an update in connection with the proposed Acquisition noting that at its discretion, the Company has elected not to pay any cash consideration for the proposed Acquisition and consideration under the Arrangement will be paid entirely using Shares.
- (w) On 17 February 2023, the Company provided an update on, among other things, initiatives being undertaken by the Company to restructure the organization, including a reduction in the workforce across all areas of the Company to ensure more appropriate levels of personnel are in place. The Company also announced that it is taking steps to reduce the number of time zones of its operations and is focusing resources in-country to best advance Cascabel and surrounding high-priority targets. The Company confirmed that it is also in the process of hiring a permanent Chief Financial Officer and this process is being led by the Audit Review Committee and is expected to be finalised in the coming weeks.

Dealings by persons discharging managerial responsibilities and their persons closely associated

- (a) On 5 July 2022, the Board advised on the grant of a total of 10,000,000 long term incentive employee options and the allotment and issue of 1,336,182 Ordinary Shares to Mr Darryl Cuzzubbo, Chief Executive Officer and Managing Director of the Company as triggered by the requirements within the Executive Remuneration Contract executed in January 2022.
- (b) On 11 August 2022, the Company announced that Keith Marshall, independent Non-Executive Director informed the Company of his decision to resign from the Board. It was also announced by the Company that Ayten Saridas, Group CFO, had resigned effective immediately and that Keith Pollocks would act as Interim CFO until a permanent replacement is appointed.
- (c) On 30 August 2022, the Company advised on the issue of 599,257 Ordinary Shares to Mr Steve Botts, President, SolGold Ecuador and the issue of 299,629 Ordinary Shares to Mr Harold 'Bernie' Loyer, Vice President Projects both of which were triggered by requirements in the Executive Remuneration Contracts executed in July 2022.
- (d) On 14 December 2022, the Company advised on the issue of 1,000,000 Shares to Mr. Scott Caldwell, Director and 1,000,000 Shares to Mr. James Clare, Director in connection with the placing undertaken by the Company as announced on 12 December 2022.

18.2 Save for the matters described above, the Company has not made any further publications in accordance with the UK Market Abuse Regulation in the last 12 months which are relevant at the date of this document.

19. Miscellaneous

19.1 PricewaterhouseCoopers LLP, whose address is 1 Embankment Place, London, WC2N 6RH, United Kingdom, and who is a member firm of the Institute of Chartered Accountants in England and Wales, has given and has not withdrawn its written consent to the inclusion of its Accountants' Report on the unaudited pro forma financial information set out in Section B of Part 3 and has authorised the contents of those parts of this document which comprises its report for the purposes of Rule 5.3.2R(2)(f) of the UK Prospectus Regulation Rules.

19.2 Statutory consolidated accounts of the Company have been delivered to the Registrar of Companies in respect of the financial year ended 30 June 2022 and an independent auditors' report was made on those accounts. The auditors gave an unqualified opinion in respect of the financial year ended 30 June 2022. However, the report highlights the existence of a material uncertainty which may cast significant doubt upon the Group's ability to continue as a going concern as the Group has not generated revenue from operations and management's cash flow forecasts show that the Group needs to secure additional funding to continue its exploration and development programme and to continue to meet its obligations and liabilities as they fall due. The auditors' reports did not contain a statement under section 498 (2) or (3) of the Companies Act 2006.

19.3 The unaudited interim condensed consolidated financial statements as at and for the six month period ended 31 December 2022 have been approved by the Board on 14 February 2023. These financial statements do not comprise statutory accounts within the meaning of section 434 of the Companies Act 2006, and should be read in conjunction with the Group's consolidated financial statements for the year ended 30 June 2022.

20. Mandatory Bids, Squeeze-Out and Sell-out rules

20.1 Mandatory Bid

The Takeover Code applies to the Company. Under Rule 9 of the Takeover Code, if an acquisition of interests in shares were to increase the aggregate holding of the acquirer and its concert parties to interests in shares carrying 30 per cent. or more of the voting rights in the Company, the acquirer and, depending on circumstances, its concert parties would be required (except with the consent of the Takeover Panel) to make a cash offer for the outstanding shares in the Company at a price not less than the highest price paid for interests in shares by the acquirer or its concert parties during the previous 12 months. This requirement would also be triggered by any acquisition of interests in shares by a person holding (together with its concert parties) shares carrying between 30 per cent. and 50 per cent. of the voting rights in the Company if the effect of such acquisition were to increase that person's percentage of the total voting rights in the Company.

20.2 Squeeze-Out

Under the Companies Act 2006, if a "takeover offer" (as defined in section 974 of the Companies Act 2006) is made for the shares and the offeror were to acquire, or unconditionally contract to acquire, not less than 90 per cent. in value of the shares to which the offer relates and not less than 90 per cent. of the voting rights carried by the shares to which the offer relates, it could, within three months of the last day on which its takeover offer can be accepted, compulsorily acquire the remaining 10 per cent. The offeror would do so by sending a notice to outstanding shareholders telling them that it will compulsorily acquire their shares and then, six weeks later, it would execute a transfer of the outstanding shares in its favour and pay the consideration for the outstanding shares to the Company, which would hold the consideration on trust for outstanding shareholders. The consideration offered to the shareholders whose shares are compulsorily acquired under this procedure must, in general, be the same as the consideration that was available under the takeover offer.

20.3 Sell-Out

The Companies Act 2006 also gives minority shareholders a right to be bought out in certain circumstances by an offeror who has made a takeover offer. If a takeover offer relates to all the shares and, at any time before the end of the period within which the offer can be accepted, the offeror holds

or has agreed to acquire not less than 90 per cent. in value of the shares and not less than 90 per cent. of the voting rights carried by the shares, any holder of shares to which the offer relates who has not accepted the offer could, by a written communication to the offeror, require it to acquire those shares. The offeror is required to give any shareholder notice of his/her right to be bought out within one month of that right arising. The offeror may impose a time limit on the rights of minority shareholders to be bought out, but that period cannot end less than three months after the end of the acceptance period or, if later, three months from the date on which notice is served on shareholders notifying them of their sell-out rights. If a shareholder exercises his/her sellout rights, the offeror is entitled and bound to acquire those shares on the terms of the offer or on such other terms as may be agreed.

21. Documents incorporated by reference

- 21.1 The contents of the Group's website, unless specifically incorporated by reference, any website mentioned in this document or any website directly linked to these websites have not been verified and do not form part of this document, and prospective investors should not rely upon them.
- 21.2 Details of documentation incorporated into this document by reference are explained in Part 6 (*"Documents Incorporated by Reference"*).

22. Documents available for inspection

- 22.1 Copies of the following documents will be available for inspection during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted) from the date of this document until Admission at the Company's registered office at 1 King Street, London, EC2V 8AU, United Kingdom:
- (a) the Articles;
 - (b) a copy of the letter of consent referred to in paragraph 19.1 of this Part 5 (*"Additional Information"*); and
 - (c) this document (including the accountants' report by PricewaterhouseCoopers LLP on the unaudited pro forma financial information set out in Section B of Part 3 (*"Unaudited Pro Forma Financial Information"*)).

Copies of the above documents will also be published on the Company's website at <https://www.solgold.com.au/>.

Part 6

DOCUMENTS INCORPORATED BY REFERENCE

The table below sets out the documents of which certain parts are incorporated by reference into, and form part of, this document. The parts of these documents which are not incorporated by reference are either not relevant for investors or are covered elsewhere in this document. To the extent that any information incorporated by reference itself incorporates any information by reference, either expressly or impliedly, such information will not form part of this document for the purposes of the UK Prospectus Regulation Rules. Except as set forth below, no other portion of the below documents is incorporated by reference into this document.

Any statement contained in a document which is deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purposes of this document to the extent that a statement contained herein (or in a later document which is incorporated by reference herein) modifies or supersedes such earlier statement (whether expressly, by implication or otherwise).

These documents incorporated by reference are available for inspection in accordance with paragraph 22 of Part 5 (“*Additional Information*”) of this document.

Reference Document	Information Incorporated by reference	Page number in the reference documents
2022 Annual Report	Independent Auditors’ Report to the members of SolGold plc	123-132
	Consolidated Statement of Profit or Loss and Other Comprehensive Income	133
	Consolidated Statement of Financial Position	134
	Company Statement of Financial Position	135
	Consolidated Statement of Changes in Equity	136-137
	Company Statement of Changes in Equity	138-139
	Consolidated and Company Statements of Cash Flows	140
	Notes to the Financial Statements	141-181
H1 2023 Financial Statements	Interim Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income	8
	Interim Condensed Consolidated Statement of Financial Position	9
	Interim Condensed Consolidated Statement of Changes in Equity	10
	Interim Condensed Consolidated Statement of Cash Flows	11
	Notes to the Interim Condensed Consolidated Financial Statements	12-30

Part 7

TECHNICAL TERMS

“ Accretion ”	Growth or increase in the land surface by gradual accumulation of sediments.
“ AET ”	The Accelerated Energy Transition.
“ Alteration ”	Alteration of a rock/mineral by geological forces.
“ Andesite ”	Fine-grained volcanic rock characterised by the presence of plagioclase feldspars and some combination of augite, orthopyroxene and hornblende.
“ Annular ”	Ring-shaped.
“ Assay ”	The analysis of minerals, rocks and mine products to determine and quantify their constituent parts.
“ Basalt ”	A dark-coloured, fine-grained extrusive igneous rock composed of plagioclase feldspar, pyroxene, and magnetite, with or without olivine and not more than 53 per cent. SiO ₂ .
“ Batholith ”	Large (with a surface expression of more than 100 km ²) igneous intrusion, that may comprise several plutons amalgamated at depth. Commonly of granitic composition.
“ Bornite ”	Common and important copper ore mineral, Cu ₅ FeS ₄ (Cu 63 per cent.)
“ Breccia ”	Coarse, clastic, sedimentary rock, the constituent clasts of which are angular. May also be applied to coarse, angular volcanic rocks from a volcanic vent (vent breccia).
“ Brecciation ”	The process of formation of a breccia.
“ Cadastre ”	A comprehensive register of the mining and exploration properties of a country.
“ Calc-alkaline ”	Suite of igneous rocks associated with calcium and aluminium enriched igneous rocks. Includes the Basalt-Andesite-Dacite-Rhyolite series.
“ Calcite ”	Carbonate mineral and the most common form of calcium carbonate, CaCO ₃ .
“ Carbonate ”	A group of minerals found mostly in limestones and dolomites. Calcite (CaCO ₃) is the most abundant. Dolomite is a magnesium-bearing carbonate, commonly a rock forming mineral.
“ Cenozoic ”	Geological era from 65.5 million years ago to the present.
“ Chalcocite ”	Copper mineral that can occur in hydrothermal veins in a primary state, but more usually found in zones of supergene enrichment of copper ore bodies, CuS (Cu, 80 per cent.).
“ Chalcopyrite ”	Most common copper mineral, important in porphyry-copper deposits, syngenetic copper ores, skarns and contact metamorphic zones, CuFeS ₂ (Cu, 35 per cent.).
“ Channel sampling ”	A technique for generating representative sampling across the face of a rock body or vein system.
“ Chlorite ”	Green mineral (Mg, Fe) ₃ (Si, Al) ₄ O ₁₀ (OH) ₂ (Mg, Fe) ₃ (OH) ₆ .
“ Clay ”	Material with a particle size of less than 2µm.
“ Concentrate ”	Metal ore once it has been through milling and concentration so that it is ready for chemical processing or smelting.

“Contact”	The place or surface where two different kinds of rocks meet. Applies to sedimentary rocks, as the contact between a limestone and a sandstone, for example, and to metamorphic rocks; it is especially applicable between igneous intrusions and the host rock.
“Cordillera”	A Spanish word for mountain belt used to distinguish subduction related mountains on ocean/continent margins from intercontinental collision mountains.
“Core”	A cylindrical sample of rock obtained by core drilling.
“Cretaceous”	Geological period between 136 to 66 Ma.
“Crushing”	Reduction in size of mined rocks by mechanical action, generally to the size of one or two centimetres.
“Crustal scale sutures”	Linear belts of intense deformation, where distinct terranes, or tectonic units with different plate tectonic, metamorphic, and paleogeographic histories join together and often represented on the surface by a mountain range comprising intensely deformed rocks.
“Dacite”	A light-coloured, fine-grained igneous rock containing 63-70wt. per cent. SiO ₂ , as well as plagioclase feldspar, alkali feldspar, quartz, biotite and hornblende as essential minerals. The volcanic equivalent of granodiorites.
“Deposit”	A naturally occurring accumulation of minerals that may be considered economically valuable.
“Diorite”	A dark coloured, coarse-grained plutonic rock composed essentially of plagioclase feldspar, hornblende, pyroxene and little to no quartz.
“Dip”	Inclination of a geological feature/rock from the horizontal (perpendicular to strike).
“Domain”	A distinct sub-set or unit of a global population.
“Dyke”	A sub-vertical tabular igneous intrusion which cuts across the bedding or other planar structures in the country rock.
“Enrichment”	The process by which the relative amount of one constituent mineral or element within a rock is increased.
“Eocene”	An epoch in the Tertiary between 55.8 Ma and 33.9 Ma.
“Epidote”	Rock-forming mineral occurring in hydrothermal systems and as a replacement of various minerals, such as amphiboles, which break down under late stage hydrothermal alteration, Ca ₂ (Al ₂ Fe ³⁺)Si ₃ O ₁₂ (OH).
“Epithermal”	Vein deposit formed within about a kilometre of the Earth’s surface by hot (50-200°C) ascending solutions.
“Exploration drilling”	Drilling in an unproved area or to an untried depth either to seek new areas of mineralisation or the possibility of increasing the area of known mineralisation.
“Fault”	A fracture or a fracture zone along which there has been displacement of the two sides relative to one another parallel to the fracture. The displacement may be a few inches or many miles.
“Feldspar”	The most important group of rock-forming silicate minerals, including the plagioclase feldspars KAlSi ₃ O ₈ to NaAlSi ₃ O ₈ (potassium feldspar to albite) and the plagioclase feldspars NaAlSi ₃ O ₈ to CaAl ₂ Si ₃ O ₈ (albite to anorthite).

“Flysch”	Sedimentary deposit typically consisting of a thick sequence of interbedded marine shales and greywacke sandstones typically deposited by turbidites. Flysch is derived from the erosion of rapidly rising fold mountains and is itself deformed in the later stages of the orogeny.
“Fracture”	A general term to include any kind of discontinuity in a body of rock if produced by mechanical failure, whether by shear stress or tensile stress. Fractures include faults, shears, joints, and planes of fracture cleavage.
“Geochemical”	A prospecting technique which measures the content of certain metals in soils and rocks used to define anomalies for further testing.
“Geological mapping”	Recording geological information.
“Geology”	The scientific study of the origin, history, and structure of the earth.
“Grade”	The quantity of ore or metal in a specified quantity of rock.
“Granite”	A medium to coarse grained plutonic igneous rock usually light coloured and consisting largely of quartz and feldspar.
“Granodiorite”	A coarse grained rock intermediate in composition between granite and diorite: approx. 65 per cent. SiO ₂ .
“Greywacke”	Well compacted and cemented sandstone characterised by angular particles of quartz, feldspar and rock fragments.
“High grade”	Pertaining to ore which is rich in the metal being mined.
“Hornblende”	The most common member of the amphibole group, (Ca, Na) ₂₋₃ (Mg, Fe, Al) ₅ (Al, Si) ₈ O ₂₂ (OH, F) ₂ .
“Hydrothermal”	The name given to any processes associated with igneous activity which involve heated or superheated water.
“Hypogene”	Mineralisation within and below the Earth’s crust that is caused by ascending thermal fluids which derive from a magmatic source and also often refers to primary, unaltered ore that formed directly from thermal aqueous solutions that derived from great depths.
“Illite”	Group of clay minerals formed by hydrothermal alteration of feldspars and micas.
“Inferred Mineral Resources”	Part of a Mineral Resource for which quantity and grade or quality are estimated on the basis of limited geological evidence and sampling. Geological evidence is sufficient to imply but not verify geological and grade or quality continuity. An Inferred Mineral Resource has a lower level of confidence than that applying to an Indicated Mineral Resource and must not be converted to a Mineral Reserve. It is reasonably expected that the majority of Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration.
“Intra-”	Prefix meaning on the inside, within.
“Intrusion”	A body of igneous rock that is emplaced into pre-existing older rocks.
“Intrusive Complex”	A large body of igneous rock intruded over several periods of time and with changing composition.
“Intrusive”	In petrology, having, while molten, penetrated into or between other rocks, but solidifying before reaching the surface; said of certain igneous rocks; nearly the same plutonic and contrasted with effusive or extrusive.
“Jurassic”	The middle of three Mesozoic periods, between 201.3 Ma and 145 Ma.
“Kaolinite”	Clay mineral formed by the alteration of alkali feldspars and other aluminum-bearing minerals.

“Limestone”	A sedimentary rock composed almost entirely of calcium carbonate (CaCO ₃).
“Lineament”	A linear topographical feature.
“Lithocap”	Subsurface alteration domains that are laterally and vertically extensive that form when acidic magmatic-hydrothermal fluids react with wallrocks during ascent towards the paleosurface and potentially related to porphyry copper-bearing intrusions at depth.
“Lithological Interpretation”	The physical characteristics of rock.
“Logging”	Recording geological, geotechnical and other information from drill core.
“Mafic”	Describing an igneous rock of low silica and high magnesium and iron content, usually dark in colour.
“Magnetite”	A ferromagnetic mineral with chemical formula Fe ₃ O ₄ .
“Massive”	Having homogeneous structure or texture.
“Metalliferous”	Containing a metallic element. Often used to describe ores that are mined commercially.
“Metallurgy”	The domain of materials science that studies the physical and chemical behaviour of metallic elements, their intermetallic compounds and alloys.
“Metamorphic”	Term applied to pre-existing sedimentary and igneous rocks which have been altered in composition, texture, or internal structure by processes involving pressure, heat and/or the introduction of new chemical substances.
“Metamorphism”	The process of rocks being metamorphosed by heat and/or pressure.
“Metamorphosed”	Rock transformed by heat and/or pressure.
“Mineral Reserve”	That part of a Mineral Resource that has been demonstrated to be economically extractable.
“Mineral Resource”	A concentration or occurrence of material of intrinsic economic interest in or on the Earth’s crust in such a form and quantity that there are reasonable prospects for eventual economic extraction. The location, quantity, grade, geological characteristics and continuity of a Mineral Resource are estimated or interpreted from specific geological evidence and knowledge. Mineral Resources are sub-divided, in order of increasing geological confidence, into Inferred, Indicated and Measured categories.
“Mineral”	A natural, inorganic, homogeneous material that can be expressed by a chemical formula.
“Mineralisation”	The process by which minerals are introduced into a rock. More generally, a term applied to accumulations of economic or related minerals in quantities ranging from weakly anomalous to economically recoverable.
“Mineralised”	Containing ore minerals.
“Miocene”	Fourth of the five epochs of the Tertiary period, between 23.03 Ma and 5.332 Ma.
“Molybdenite”	Molybdenum sulphide mineral with the formula MoS ₂ .

“Net Smelter Return” or “NSR”	The net revenue that the owner of a mining property receives from the sale of the mine’s metal/non metal products less transportation and refining costs. As a royalty it refers to the fraction of net smelter return that a mine operator is obligated to pay the owner of the royalty agreement.
“OK”	The Ordinary Kriging.
“OP”	The 3D Open Pit Optimised Shape.
“Orogeny”	The tectonic process in which large areas are folded, thrust-faulted, metamorphosed, and subjected to plutonism. The cycle ends with uplift and the formation of mountains.
“Outcrop”	A visible exposure of rock that is in-situ and has no covering of soil or vegetation.
“Oxide”	Soft, weathered rock formed by the process of weathering near the surface.
“Packer Testing”	Method of assessing the hydraulic conductivity of a limited section of a borehole.
“Paragenesis”	The characteristic association of a mineral or mineral assemblage in a particular geologic setting.
“Phosphate”	Rock or deposit made up mostly of inorganic phosphate, commonly calcium phosphate.
“Phyllic”	Hydrothermal alteration characterised by the assemblage of quartz-sericite-pyrite.
“Pluton”	General term applied to a body of intrusive igneous rock, irrespective of its shape, size or composition.
“Polymetallic”	A term used to describe a mineral deposit comprising at least three minerals in potentially economic quantities.
“Porphyry”	A medium to coarse-grained intrusive, felsic, igneous rock which is conspicuously porphyritic, containing more than 25 per cent. phenocrysts by volume. The phenocryst mineral is usually alkali feldspar.
“Prospect”	A mineral property, the value of which has not been proved by exploration. To search for minerals or oil by looking for surface indications, by drilling boreholes, or both.
“Proterozoic”	The later of the two major subdivisions of the Precambrian (compare with Archaean) between 2500 and 590Ma.
“Pyrite”	A common iron sulphide mineral, FeS ₂ .
“Pyroclastic”	Fragmental rock formed by volcanic explosion or aerial ejection from a volcanic vent.
“Quartz”	A very common mineral in sedimentary, magmatic, metamorphic, and hydrothermal environments: SiO ₂ .
“Resource”	The total quantity of a mineral which is calculated to lie within given boundaries and which is economically workable.
“Sample”	A representative fraction of body of material; removed by approved methods; guarded against accidental or fraudulent adulteration; and tested or analysed to determine the nature, composition, percentage of specified constituents. Bulk samples are large (several tons), so taken as to represent the ore for the purpose of developing a suitable treatment. Channel samples, cores, chips, grab, are small – made primarily to establish the value of the ore.

“Sandstone”	Sedimentary rock comprising sand size grains (>0.06mm, <2.0mm).
“Sedimentary”	A type of rock formed from pre-existing rocks or pieces of once-living organisms. They form from deposits that accumulate on the Earth’s surface.
“Sericite”	A fine grained muscovite mica. Particularly common in schist where it can impart a ‘silky’ lustre to foliation planes.
“Siltstone”	Fine grained sedimentary rock, principally composed of silt grade material. Dominantly siltstones are composed of clastic quartz together with some feldspar and mica.
“Skarn”	A term with a usage that includes contact rock containing calcium, magnesium and iron silicates derived from nearly pure limestone or dolomite into which abundant amounts of silicon, iron, aluminium and magnesium were metasomatically introduced during contact metamorphism.
“Stock”	An intrusive body of a deep-seated igneous rock, usually discordant with surrounding material. A stock is generally elliptical or circular in cross sections and covers less than 100 square kilometres in surface exposure.
“Stockwork”	Branching network of veinlets associated with a plutonic intrusion. May be associated with extensive hydrothermal alteration.
“Strike”	A geological term which describes a horizontal line on the surface of a dipping stratum. The strike is 90° to the dip of the stratum.
“Subduction”	The movement of one crustal plate (lithospheric plate) under another so that its descending plate is ‘consumed’.
“Sulphide”	A group of minerals where sulphur is combined with one or more minerals.
“Supergene”	In ore deposit geology, supergene processes or enrichment occur relatively near the surface and include chemical weathering and oxidation of primary minerals.
“Tectonic”	Relating to a major structural event.
“Terrane”	Tectonostratigraphic terrane, which is a fragment of crustal material formed on, or broken off from, one tectonic plate and accreted or “sutured” to crust lying on another plate.
“Thrust”	A low angle reverse fault, often developing on the limb of a major fold, sub-parallel to the axial plane.
“UG”	The Underground Optimised Shape.
“Tonalite”	Plutonic igneous rock consisting of dominantly of quartz and plagioclase feldspars with additional mafic minerals (hornblende or biotite).
“Transpressive”	Tectonic collision with both a collisional and strike-slip component.
“Ultramafic”	Igneous rock containing more than 90 per cent. mafic minerals.
“UTM Projection”	Universal Transverse Mercator projection – A projected co-ordinate system which divides the earth into sixty, six-degree bands based on longitude for geographical reference.
“Veining”	A fracture which has been filled by minerals which have crystallised from mineralised fluids.
“Volcanic”	A subtype of igneous rock which has been extruded and cooled at the Earth’s surface usually found as a lava flow.

“Weathered”

Action of climatic conditions such as rainfall and heat on near-surface rocks resulting in chemical changes and the breakdown of original mineral grains.

ABBREVIATIONS

“Ag”

Silver.

“AIM”

Alternative Investment Market of the London Stock Exchange.

“Au”

Gold.

“BSc”

Bachelor of Science degree.

“Cu”

Copper.

“CuEq”

Copper equivalent.

“D10”

Pre-Mineral Diorite Host Rock.

“EM”

Early-Mineral Quartz Diorite and Diorite.

“Fe”

Iron.

“IBX”

Pre-Mineral Intrusive Breccia.

“IM”

Intra-mineral Quartz Diorite and Diorite.

“K”

Potassium.

“LM”

Late-mineral Diorite.

“Pb”

Lead.

“PM”

Post-mineral Quartz Diorite and Diorite.

“Si”

Silicon.

“SiO₂”

Silica/Silicon Dioxide. Commonly forming as quartz.

“Zn”

Zinc.

UNITS

“bn”

Billion.

“g/t”

Grams per tonne.

“kg”

Kilogramme.

“km”

Kilometres.

“kozpa”

Kilo ounces per annum.

“ktpa”

Kilo tonnes per annum.

“m”

Metres.

“Moz”

Million ounces per annum.

“Mt”

Million metric tonnes.

“Mtpa”

Million tonnes per annum.

“ppm”

Parts per million.

“Tonne”

Metric ton.

Part 8

DEFINITIONS

The following definitions apply throughout this document unless the context requires otherwise:

“£” or “Pounds Sterling” or “Sterling” or “GBP”	pounds sterling, the lawful currency of the United Kingdom;
“2021 Placing”	the placing of 206,466,501 Ordinary Shares at an issue price of 25.5 pence per Ordinary Share to raise gross proceeds of \$73.2 million, completed in April 2021;
“2022 Annual Report”	the annual report published by the Group for the year ended 30 June 2022;
“H1 2023”	the six month period for the calendar year ended 30 June 2023;
“H1 2023 Interim Financial Statements”	the unaudited interim condensed consolidated financial statements as at and for the six month period ended 31 December 2022 been approved by the Board on 14 February 2023;
“Acquisition”	the proposed acquisition of all of the issued and outstanding share capital in Cornerstone, other than the shares already held by the Company, pursuant to a court-approved plan of arrangement;
“Admission”	admission of the Consideration Shares to the standard listing segment of the Official List in accordance with the Listing Rules and admission to trading of the Consideration Shares on the Main Market becoming effective in accordance with the Admission and Disclosure Standards, as the context may require;
“Admission and Disclosure Standards”	the requirements contained in the publication “Admission and Disclosure Standards” published by the London Stock Exchange in October 2018 containing, among other things, the admission requirements to be observed by companies seeking admission to trading on the Main Market for listed securities;
“Articles”	the articles of association of the Company from time to time;
“Awards”	the Options, the Performance Options, the RSUs and the PSUs;
“Board”	the board of directors of the Company;
“Business Day”	a day on which the London Stock Exchange is open for the transaction of business;
“CEPAI”	the Strategic Committee for the Promotion and Attraction of Investments;
“CAGR”	compound annual growth rate;
“certificated” or “in certificated form”	a share or other security which is not in uncertificated form (that is, not in CREST);
“CGT”	capital gains tax;
“Companies Act 2006”	the Companies Act 2006 (as amended);
“Company”	SolGold plc;
“Consideration Shares”	525,954,360 new Ordinary Shares to be issued and allotted pursuant to the pursuant to the proposed Acquisition;
“COVID-19”	the coronavirus pandemic;
“CREST”	the relevant system (as defined in the Uncertificated Securities Regulations 2001 (SI 2001/3755)) in respect of which Euroclear UK & International Limited is the Operator (as defined in such

	Regulations) in accordance with which securities may be held and transferred in uncertificated form;
“CREST Manual”	the rules governing the operation of CREST, consisting of the CREST reference Manual, CREST International Manual, CREST Central Counterparty Service Manual, CREST Rules, Registrars Service Standards, Settlement Discipline Rules, CCSS Operations Manual, Daily Timetable, CREST Application Procedure and CREST Glossary of TERMS (all as defined in the CREST Glossary of Terms promulgated by Euroclear UK & International on 15 July 1996 and as amended since);
“CREST Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001 / 3755);
“Daily Official List”	the daily record setting out the prices of all trades in shares and other securities conducted on the London Stock Exchange;
“Directors”	the directors of the Company, whose names are set out in paragraph 6 of Part 5 of this document;
“Dividend Allowance”	a £2,000 allowance which will be taxed at a nil rate;
“DFS”	the Cascabel Definitive-Feasibility Study;
“DTRs”	the Disclosure Guidance and Transparency Rules made by the FCA pursuant to Part 6 of FSMA;
“EBITDA”	earnings before interest, tax, depreciation and amortisation;
“EITI”	the Extractive Industries Transparency Initiative;
“Enlarged Group”	the Group following completion of the proposed Acquisition;
“ESOP”	the Employee Share Option Plan;
“EU Prospectus Regulation”	the Prospectus Regulation (EU) No 2017/1129 as it has effect in the European Union from time to time;
“Euro” or “€”	the single currency of the Member States of the European Community that adopt or have adopted the euro as their lawful currency under legislation of the EU or European Monetary Union;
“Euroclear UK & International”	Euroclear UK & International Limited, the operator of CREST;
“FCA”	the Financial Conduct Authority;
“FSMA”	the UK Financial Services and Markets Act 2000 (as amended);
“GHG”	greenhouse gas emissions;
“Group”	the Company and its subsidiary undertakings from time to time;
“Governance Code”	the UK Corporate Governance Code published by the Financial Reporting Council;
“HMRC”	HM Revenue & Customs;
“IFRS”	the UK-adopted International Financial Reporting Standards and their interpretations issued by the International Accounting Standards Board;
“Investors”	Mr. Guillermo Lasso Mendoza, President of Ecuador, and Mr. Andrew Taunton, Vice President of the Company’s Ecuador subsidiaries representing the Company and SolGold Finance AG;
“IPA”	the investment protection agreement;
“ISIN”	International Securities Identification Number;
“Latest Practicable Date”	20 February 2023, being the latest practicable date before publication of this document;
“LEI”	Legal Entity Identifier;

“Listing Rules”	the rules and regulations made by the FCA under the FSMA;
“London Stock Exchange”	London Stock Exchange plc;
“LTIP”	the Long-Term Incentive Plan Rules;
“Main Market”	the London Stock Exchange’s main market for listed securities;
“MPCEIP”	the Ministry of Production, Foreign Trade, Investments and Fisheries of Ecuador;
“NTA”	the Native Title Act 1993 (Cth);
“Official List”	the Official List maintained by the FCA;
“Options”	the grant of options to acquire ordinary shares in the Company;
“Ordinary Shares”	the ordinary shares of 1 penny each in the capital of the Company;
“PBP”	the Performance Bonus Plan Rules;
“Performance Options”	the grant of Options subject to performance conditions;
“PFS”	the Cascabel Pre-Feasibility Study;
“Placing”	the placing of 180,000,000 Ordinary Shares at an issue price of \$0.20 per Ordinary Share to raise gross proceeds of \$36 million, completed in December 2022;
“Placing Shares”	the 180,000,000 Ordinary Shares issued and allotted pursuant to the Placing;
“PSUs”	the performance stock units;
“Registrars”	Computershare Investor Services PLC;
“Regulatory Consents”	the various mineral rights, licenses, permits, authorisations and regulatory approvals from governmental and quasi-governmental authorities;
“Regulatory Information Service” or “RIS”	any of the services authorised by the FCA from time to time for the purpose of disseminating regulatory announcements;
“Regulation S”	Regulation S under the US Securities Act;
“Relevant State”	each Member State of the European Economic Area;
“RSUs”	the restricted stock units;
“SDGs”	the United Nation’s Sustainable Development Goals;
“SDRT”	Stamp duty reserve tax;
“Shareholders”	the holders of the Ordinary Shares;
“TAM”	the Tandayama-America;
“UG”	the Underground Optimised Shape;
“UK Market Abuse Regulation”	the UK version of Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse, as it forms part of UK law by virtue of the European Union (Withdrawal) Act 2018, as amended from time to time;
“UK Prospectus Regulation”	the UK version of the Prospectus Regulation (EU) No 2017/1129 which forms part of UK law by virtue of the European Union (Withdrawal) Act 2018;
“UK Prospectus Delegated Regulation” or “PR Regulation”	the UK version of the Commission Delegated Regulation (EU 2019/980) which forms part of UK law by virtue of the European Union (Withdrawal) Act 2018;
“UK Prospectus Regulation Rules”	the prospectus regulation rules of the FCA made under section 73A of the FSMA;

“uncertificated” or “in uncertificated form”	recorded in the register of members as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST;
“United Kingdom” or “UK”	the United Kingdom of Great Britain and Northern Ireland;
“United States” or “US”	the United States of America, its territories and possessions, any state of the United States of America, and the District of Columbia;
“US Securities Act”	the US Securities Act of 1933, as amended;
“US\$” or “\$” or “USD” or “US dollars”	US dollars, the lawful currency of the United States;
“VAT”	value added tax.

