

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this Document or the action you should take, you are recommended to seek your own financial advice immediately from an appropriately authorised stockbroker, bank manager, solicitor, accountant or other independent financial adviser who, if you are taking advice in the United Kingdom, is duly authorised under the Financial Services and Markets Act 2000 (as amended) ("FSMA").

This document comprises a Prospectus relating to First Tin plc prepared in accordance with the Prospectus Regulation Rules of the FCA made under Section 73A of the FSMA. This Prospectus has been approved by the FCA (as competent authority under the UK Prospectus Regulation), and will be made available to the public and has been filed in accordance with the Prospectus Regulation Rules. The FCA only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the UK Prospectus Regulation, and such approval should not be considered as an endorsement of the Company or the quality of the Ordinary Shares that are the subject of this document. Investors should make their own assessment as to the suitability of investing in the Ordinary Shares.

Applications will be made to the FCA in its capacity as competent authority under FSMA for all of the issued and to be issued Ordinary Shares of the Company to be admitted to the standard listing segment of the Official List of the FCA (the "**Official List**") and to the London Stock Exchange plc (the "**London Stock Exchange**") for such Ordinary Shares to be admitted to trading on the London Stock Exchange's main market for listed securities (the "**Main Market**") (together, "**Admission**"). It is expected that Admission will become effective at 8.00 a.m. on 8 April 2022. Admission to trading on the Main Market constitutes admission to trading on a regulated market. On Admission to trading the Ordinary Shares will have an ISIN of GB00BNR45554.

THE WHOLE OF THE TEXT OF THIS DOCUMENT SHOULD BE READ BY PROSPECTIVE INVESTORS. YOUR ATTENTION IS SPECIFICALLY DRAWN TO THE DISCUSSION OF CERTAIN RISKS AND OTHER FACTORS THAT SHOULD BE CONSIDERED IN CONNECTION WITH AN INVESTMENT IN THE ORDINARY SHARES AS SET OUT IN THE SECTION ENTITLED 'RISK FACTORS' BEGINNING ON PAGE 14 OF THIS DOCUMENT.

The Directors and the Proposed Directors, whose names appear on page 29, and the Company accept responsibility for the information contained in this Document. As at the date of this Document, to the best of the knowledge of the Directors, the Proposed Directors and the Company the information contained in this Document is in accordance with the facts and the Document makes no omission likely to affect its import.

FIRST TIN PLC

(Incorporated in England and Wales with Registered No. 07931518)

Placing, Subscription and Retail Offer of 66,666,667 New Ordinary Shares at £0.30

Issue of 60,000,000 Consideration Shares in connection with the acquisition of Taronga Mines

Admission of the Enlarged Share Capital to the Official List (by way of Standard Listing under Chapter 14 of the Listing Rules) and to trading on the London Stock Exchange's Main Market for listed securities

Financial Adviser & Joint Broker

Arlington Group Asset Management Limited



Joint Broker

WH Ireland Limited

WH IRELAND
CAPITAL MARKETS

Arlington Group Asset Management Limited ("**AGAM**") and WH Ireland Limited ("**WHI**"), which are both authorised and regulated by the FCA in the United Kingdom in the conduct of investment business, are acting exclusively for the Company and for no-one else in connection with the Placing and Admission and will not be responsible to anyone other than the Company for providing the protections afforded to customers of AGAM or WHI or for providing advice in relation to the contents of this Document or any matter referred to in it.

AGAM and WHI are not making any representation, express or implied, as to the contents of this Document, for which the Company, the Directors and the Proposed Directors are solely responsible. Apart from the responsibilities and liabilities, if any, which may be imposed on AGAM or WHI in their respective capacities as financial adviser and joint broker and placing agent and joint broker to the Company by FSMA or the regulatory regime established thereunder and without limiting the statutory rights of any person to whom this Document is issued, no liability whatsoever is accepted by AGAM or WHI for the accuracy of any information or opinions contained in this Document or for any omission of information, for which the Company, the Directors and the Proposed Directors are solely responsible. The information contained in this Document has been prepared solely for the purpose of the Placing, Subscription, Retail Offer and Admission and is not intended to be relied upon by any subsequent purchasers of Ordinary Shares (whether on or off exchange) and accordingly no duty of care is accepted in relation to them.

The New Ordinary Shares will rank in full for all dividends or other distributions hereafter declared, made or paid on the ordinary share capital of the Company and will rank *pari passu* in all other respects with all Existing Ordinary Shares in issue on Admission.

This Document does not constitute an offer to sell or an invitation to subscribe for, or the solicitation of an offer or invitation to buy or subscribe for, Ordinary Shares in any jurisdiction where such an offer or solicitation is unlawful or would impose any unfulfilled registration, publication or approval requirements on the Company.

The Ordinary Shares have not been and will not be registered under the Securities Act, or the securities laws of any state or other jurisdiction of the United States or under applicable securities laws of Australia, Canada, Japan or the Republic of South Africa (or their respective territories). Subject to certain exceptions, the Ordinary Shares may not be offered, sold, resold, transferred or distributed directly or indirectly, within, into or in the United States or to or for the account or benefit of persons in the United States, Australia, Canada, Japan or the Republic of South Africa (or their respective territories) or any other jurisdiction where such offer or sale would violate the relevant securities laws of such jurisdiction. This Document does not constitute an offer to sell or a solicitation of an offer to purchase or subscribe for Ordinary Shares in any jurisdiction in which such offer or solicitation is unlawful or would impose any unfulfilled registration, publication or approval requirements on the Company. The Ordinary Shares may not be taken up, offered, sold, resold, transferred or distributed, directly or indirectly within, into or in the United States except pursuant to an exemption from, or in a transaction that is not subject to, the registration requirements of the Securities Act. There will be no public offer in the United States. The Company has not been and will not be registered under the United States Investment Company Act pursuant to the exemption provided by Section 3(c)(7) thereof, and investors will not be entitled to the benefits of that Act.

The distribution of this Document in or into jurisdictions other than the United Kingdom may be restricted by law and therefore persons into whose possessions this Document comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

None of the Ordinary Shares have been approved or disapproved by the SEC, any state securities commission in the United States or any other regulatory authority in the United States, nor have any of the foregoing authorities passed comment upon or endorsed the merit of the offer of the Ordinary Shares or the accuracy or the adequacy of this Document. Any representation to the contrary is a criminal offence in the United States.

Application has been made for the Enlarged Share Capital to be admitted to a Standard Listing on the Official List. A Standard Listing will afford investors in the Company a lower level of regulatory protection than that afforded to investors in companies with Premium Listings on the Official List, which are subject to additional obligations under the Listing Rules.

It should be noted that the FCA will not have 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 to so comply.

This Document is dated 30 March 2022

NOTICE TO INVESTORS

The distribution of this Document may be restricted by law in certain jurisdictions and therefore persons into whose possession this Document comes should inform themselves about and observe any restrictions, including those set out below. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

No action has been or will be taken in any jurisdiction that would permit a public offering of the Ordinary Shares, or possession or distribution of this Document or any other offering material in any country or jurisdiction where action for that purpose is required. Accordingly, the Ordinary Shares may not be offered or sold, directly or indirectly, and neither this Document nor any other offering material or advertisement in connection with the Ordinary Shares may be distributed or published in or from any country or jurisdiction except under circumstances that will result in compliance with any and all applicable rules and regulations of any such country or jurisdiction. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. This Document does not constitute an offer to subscribe for any of the Ordinary Shares offered hereby to any person in any jurisdiction to whom it is unlawful to make such offer or solicitation in such jurisdiction.

This Prospectus does not constitute an offer of, or the solicitation of an offer to subscribe for or buy, any Ordinary Shares to any person in any jurisdiction to whom or in which jurisdiction such offer or solicitation is unlawful and, in particular, is not for distribution in the United States, Australia, Canada, the Republic of South Africa, or Japan. None of the Company, nor AGAM nor WHI, accepts any legal responsibility for any violation by any person, whether or not a prospective investor, of any such restrictions. No action has been or will be taken to permit a public offering of the Ordinary Shares or to permit the possession or distribution of this Prospectus (or any other offering or publicity materials relating to the Ordinary Shares) in any jurisdiction where action for that purpose may be required or doing so may be restricted by law or would give rise to an obligation to obtain any consent, approval or permission or to make any application, filing or registration. The offer, sale and/or issue of the Placing Shares, Subscription Shares or Retail Shares has not been, and will not be, qualified for sale under any applicable securities laws of Australia, Canada, Japan or the United States of America. Subject to certain exceptions, the Ordinary Shares may not be offered, sold or delivered within the United States, Australia, Canada, the Republic of South Africa, or Japan, or to, or for the benefit of, any national, resident or citizen of the United States, Australia, Canada, the Republic of South Africa, or Japan.

For the attention of UK investors

In relation to the United Kingdom, no Placing Shares or Subscription Shares have been offered or will be offered pursuant to the Placing and Subscription to the public in the United Kingdom prior to the publication of this Prospectus that has been approved by the FCA, except that the Placing Shares or Subscription Shares may be made to the public in the United Kingdom at any time:

- to any legal entity which is a qualified investor as defined under Article 2 of the UK Prospectus Regulation;
- to fewer than 150 natural or legal persons (other than qualified investors as defined under the UK Prospectus Regulation), subject to obtaining the prior consent of AGAM and WHI for any such offer; or
- in any other circumstances falling within Section 86 of FSMA,

provided that no such offer shall require the Company or any other person to publish a prospectus pursuant to Section 85 of FSMA or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation.

Each person in the United Kingdom who acquires any Placing Shares or Subscription Shares in the Placing and/or Subscription or to whom any offer is made will be deemed to have represented, acknowledged and agreed to and with the Company and to AGAM and WHI that it is a qualified investor within the meaning of the UK Prospectus Regulation. In the case of any Placing Shares or Subscription Shares being offered to a financial intermediary as that term is used in Article 5(1) of the UK Prospectus Regulation, each such financial intermediary will be deemed to have represented, acknowledged and agreed to and with the Company and to AGAM and WHI that the Placing Shares or Subscription Shares

acquired by it in the offer have not been acquired on a non-discretionary basis on behalf of, nor have they been acquired with a view to their offer or resale to, persons in circumstances which may give rise to an offer to the public other than their offer or resale in the United Kingdom to qualified investors, in circumstances in which the prior consent of AGAM and WHI has been obtained to each such proposed offer or resale. Neither the Company nor AGAM and WHI have authorised, nor do they authorise, the making of any offer of Placing Shares or Subscription Shares through any financial intermediary, other than offers made by AGAM and WHI which constitute the final placement of Placing Shares or Subscription Shares contemplated in this Prospectus. The Company, AGAM and WHI and their respective affiliates will rely upon the truth and accuracy of the foregoing representations, acknowledgements and agreements. For the purposes of this provision, the expression an “offer to the public” in relation to the Ordinary Shares in the United Kingdom means the communication in any form and by any means of sufficient information on the terms of the offer and any Ordinary Shares to be offered so as to enable an investor to decide to purchase or subscribe for any Shares and the expression “**UK Prospectus Regulation**” means Regulation (EU) 2017/1129 as it forms part of retained EU law by virtue of EUWA.

In relation to each member state of the European Economic Area (each, a “**Relevant Member State**”), an offer to the public of the Placing Shares or Subscription Shares may only be made once the Prospectus has been passported in such Relevant Member State in accordance with the Prospectus Regulation. For any other Relevant Member State, an offer to the public in that Relevant Member State of any Ordinary Shares may only be made at any time under the following exemptions under the Prospectus Regulation and, subject to Article 3 of the Prospectus Regulation:

- to any legal person or entity which is a qualified investor, within the meaning of article 2(e) of the Prospectus Regulation;
- to fewer than 150 natural or legal persons (other than qualified investors within the meaning of article 2(e) of the Prospectus Regulation) in such Relevant Member State subject to obtaining prior consent of the Company for any such offer; or
- in any other circumstances falling within Article 1(4) of the Prospectus Regulation.

For the purposes of this provision, the expression an ‘offer to the public’ in relation to any offer of Ordinary Shares in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and any Ordinary Shares to be offered so as to enable an investor to decide to purchase or subscribe for the Ordinary Shares.

For the attention of any US investors

The Ordinary Shares have not been and will not be registered under the Securities Act, as amended, or the securities laws of any state or jurisdiction of the United States, and may not be offered, sold, resold, transferred or distributed, directly or indirectly, within, into or in the United States, except pursuant to an exemption from, or in a transaction that is not subject to, the registration requirements of the Securities Act and in compliance with the securities laws of any state or jurisdiction of the United States.

For the attention of any Australian investors

The Placing Shares and Subscription Shares may only be offered to persons in Australia who: (i) fall within one or more of the categories of investors under section 708 of the Corporations Act 2001 of the Commonwealth of Australia (the “**Corporations Act**”) to whom an offer may be made without disclosure under Part 6D of the Corporations Act because of subsection 708(8) (*sophisticated investors*) or subsection 708(11) (*professional investors*) of the Corporations Act and the issue of the Ordinary Shares to it under the Placing and/or Subscription does not require a prospectus or other form of disclosure document under the Corporations Act.

Information to Distributors

Solely for the purposes of the product governance requirements of Chapter 3 of the FCA Handbook Product Intervention and Product Governance Sourcebook (the “**UK Product Governance Requirements**”), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any “manufacturer” (for the purposes of the UK Product Governance Requirements) may

otherwise have with respect thereto, the Placing Shares and Subscription Shares have been subject to a product approval process, which has determined that such Placing Shares and Subscription Shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each defined in paragraph 3 of the FCA Handbook Conduct of Business Sourcebook; and (ii) eligible for distribution through all permitted distribution channels (the “**Target Market Assessment**”). Notwithstanding the Target Market Assessment, “distributors” should note that: the price of the Placing Shares and Subscription Shares may decline and investors could lose all or part of their investment; the Placing Shares and Subscription Shares offer no guaranteed income and no capital protection; and an investment in the Placing Shares and Subscription Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to any contractual, legal or regulatory selling restrictions in relation to the Placing and Subscription. Furthermore, it is noted that, notwithstanding the Target Market Assessment, the Brokers will only procure investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of Chapter 9A or 10A respectively of the FCA Handbook Conduct of Business Sourcebook; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Placing Shares and Subscription Shares. Each distributor is responsible for undertaking its own target market assessment in respect of the Placing Shares and Subscription Shares and determining appropriate distribution channels.

Website

Save for the documents listed in paragraph 24.11 of Part XII (*Additional Information*) that are extracts from this Prospectus and will be available for inspection for a period of 12 months following the date of this Document on the Group’s website at www.firsttin.com, information contained on the Group’s website, or the contents of any website accessible from hyperlinks on the Group’s website do not form part of this Prospectus. The information on such websites has not been scrutinised or approved by the FCA and investors should not rely on such information.

The date of this Prospectus is 30 March 2022.

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SUMMARY

This summary is made up of four sections, and contains all the sections required to be included in a summary for this type of securities and issuer. Even though a sub-section may be required to be inserted in the summary because of the type of securities and issuer, it is possible that no relevant information can be given regarding the sub-section. In this case, a short description of the sub-section is included in the summary with the mention of “not applicable”.

INTRODUCTION AND WARNINGS	
Name and ISIN of the securities	The securities subject to Admission are Ordinary Shares of £0.001 each which will be registered with ISIN number GB00BNR45554 and SEDOL number BNR4555.
Identity and contact details of the issuer	The issuer is First Tin plc, its registered address is at First Floor, 47/48 Piccadilly, London, England, W1J 0DT and its telephone number is +44 (0)20 7389 5010 The Company's legal entity identifier is: 984500CSA7TBE3FB7C63. The Company's website is: https://firsttin.com. The Company's TIDM from Admission will be 1SN.
Identity and contact details of the issuer or of the person asking for admission to trading on a regulated market	The Company is the offeror and the person asking for admission to trading of the Enlarged Share Capital on the Main Market, which is a regulated market.
Identity and contact details of the competent authority approving the prospectus	The competent authority approving the Prospectus is the FCA. The FCA's registered address is at 12 Endeavour Square, London E20 1JN, United Kingdom and telephone number is +44 (0)20 7066 1000.
Date of approval of the prospectus	The Prospectus was approved on 30 March 2022.
Warnings	This summary should be read as an introduction to the Prospectus. Any decision to invest in the Ordinary Shares should be based on a consideration of the Prospectus as a whole by the investor. The investor could lose all or part of the invested capital. Civil liability attaches only to those persons who have tabled this summary, but only where the summary is misleading, inaccurate or inconsistent, when read together with the other parts of the Prospectus, or where it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in such securities.

KEY INFORMATION ON THE ISSUER	
Who is the issuer of the securities?	
Domicile and legal form	The Company was incorporated in England and Wales on 1 February 2012 as a private company with limited liability under the Companies Act 2006 (the “Act”) and re-registered on 15 March 2022 as a public limited company under the Act. The Company's legal entity identifier is 984500CSA7TBE3FB7C63.
Principal activities	As at Admission, the Company will own two advanced tin projects, one in Germany and one in Australia, and will seek to bring both projects into production in order to be able to deliver a sustainable answer to the material

	supply issues faced by industrial tin consumers. According to the International Tin Association's Global Resources & Reserves report 2020, First Tin will have the world's seventh largest CRIRSCO compliant undeveloped tin resource, and outside Russia, Kazakhstan and the Democratic Republic of Congo, the second largest. First Tin's aim is to become a global tin producer supplying fully traceable and verifiable tin units into global industries with high tin usage needs. Industries currently experiencing strong demand growth include the electric vehicle, renewable energy, energy storage, mobile telephony and semi-conductor sectors.																																							
Major shareholders	So far as the Company is aware, as at the LPD, the following persons, directly or indirectly, have an interest greater than 3 per cent. in the Company: <table><thead><tr><th>Shareholder</th><th>Number of Ordinary Shares</th><th>Percentage of issued share capital</th></tr></thead><tbody><tr><td>Baker Steel Resources Trust Limited*</td><td>35,788,014</td><td>25.77%</td></tr><tr><td>Lau Sheung Man</td><td>12,623,611</td><td>9.09%</td></tr><tr><td>Sparta AG</td><td>10,000,000</td><td>7.20%</td></tr><tr><td>Arlington Partners Fund Limited</td><td>9,628,413</td><td>6.93%</td></tr><tr><td>Simon Charles Catt</td><td>6,666,668</td><td>4.80%</td></tr><tr><td>Mark Edward Thompson</td><td>4,485,000</td><td>3.23%</td></tr></tbody></table> * legal title held by HSBC Global Custody Nominee (UK) Limited a/c 706315 So far as the Company is aware, immediately on Admission, the following persons, directly or indirectly, will have a direct interest in the Company's capital and voting rights which is notifiable under the Disclosure Guidance and Transparency Rules: <table><thead><tr><th>Shareholder</th><th>Number of Ordinary Shares</th><th>Percentage of issued share capital on Admission</th></tr></thead><tbody><tr><td>AusTin Mining Limited</td><td>60,000,000</td><td>22.6%</td></tr><tr><td>Baker Steel Resources Trust Limited*</td><td>35,788,014</td><td>13.48%</td></tr><tr><td>Arlington Partners Fund Limited</td><td>19,628,413*</td><td>7.39%</td></tr><tr><td>Lau Sheung Man</td><td>12,623,611</td><td>4.75%</td></tr><tr><td>Sparta AG</td><td>11,666,667</td><td>4.39%</td></tr></tbody></table> *Legal title held by HSBC Global Custody Nominee (UK) Limited a/c 706315 **Arlington Partners Fund Limited's participation in the Subscription is subject to clawback through the Retail Offer, as further described in this Document. This number is the maximum holding of Arlington Partners Fund Limited at Admission. All of the Ordinary Shares shall rank <i>pari passu</i> in all respects.	Shareholder	Number of Ordinary Shares	Percentage of issued share capital	Baker Steel Resources Trust Limited*	35,788,014	25.77%	Lau Sheung Man	12,623,611	9.09%	Sparta AG	10,000,000	7.20%	Arlington Partners Fund Limited	9,628,413	6.93%	Simon Charles Catt	6,666,668	4.80%	Mark Edward Thompson	4,485,000	3.23%	Shareholder	Number of Ordinary Shares	Percentage of issued share capital on Admission	AusTin Mining Limited	60,000,000	22.6%	Baker Steel Resources Trust Limited*	35,788,014	13.48%	Arlington Partners Fund Limited	19,628,413*	7.39%	Lau Sheung Man	12,623,611	4.75%	Sparta AG	11,666,667	4.39%
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Directors	The Directors of the Company as at the date of this Document are Charles Cannon Brookes and Thomas Buenger. On Admission each of Catherine Apthorpe, Seamus Cornelius, and Ingo Hofmaier will become directors of the Company.																																							
Statutory auditors	The Company's statutory auditors are Crowe U.K. LLP																																							

What is the key financial information regarding the issuer?	
Selection of historical key financial information	Group The tables below set out a summary of the key financial information of the Group for the three years ended 31 December 2018, 31 December 2019 and 31 December 2020, together with the six-month period ended 30 June 2021 as extracted from the audited, consolidated historical financial information of the Group and the unaudited, consolidated interim financial information of the Group for these periods.

	Statement of Financial Position			
	<i>Audited</i> As at 31 December 2018 £	<i>Audited</i> As at 31 December 2019 £	<i>Audited</i> As at 31 December 2020 £	<i>Unaudited</i> As at 30 June 2021 £
	Total assets	2,031,040	3,240,934	4,218,497
	Total equity	785,671	787,923	1,552,297
	8,438,624			
	8,142,631			
	Statement of Comprehensive Income			
	<i>Audited</i> Year 31 December 2018 £	<i>Audited</i> Year 31 December 2019 £	<i>Audited</i> Year 31 December 2020 £	<i>Unaudited</i> Six months 30 June 2021 £
	Revenue	—	—	—
	Operating loss	(404,150)	(875,528)	(589,002)
	Loss for the period	(470,915)	(1,358,670)	(682,289)
	Total comprehensive (loss)/income	(1,086,122)	(1,344,939)	179,518
	Loss per share	(0.85)p	(2.23)p	(1.02)p
	(0.36)p			
	Statement of Cashflows			
	<i>Audited</i> Year 31 December 2018 £	<i>Audited</i> Year 31 December 2019 £	<i>Audited</i> Year 31 December 2020 £	<i>Unaudited</i> Six months 30 June 2021 £
	Operating activities	(276,908)	(749,718)	(525,964)
	Investing activities	(750,969)	(1,396,750)	(186,779)
	Financing activities	1,153,189	1,979,700	584,308
	Net cash flow	125,312	(166,768)	(128,435)
	5,523,440			
	5,154,789			
	Taronga Mines			
	The tables below set out a summary of the key financial information of Taronga Mines for the three years ended 30 June 2019, 30 June 2020 and 30 June 2021, as extracted from the audited, historical financial information of Taronga Mines for these years.			
	Statement of Financial Position			
		<i>Audited</i> As at 30 June 2019 AUD\$	<i>Audited</i> As at 30 June 2020 AUD\$	<i>Audited</i> As at 30 June 2021 AUD\$
	Total assets	5,698,716	5,891,472	6,094,284
	Total equity	5,698,716	5,862,127	6,094,284
	Statements of Comprehensive Income			
		<i>Audited</i> Year 30 June 2019 AUD\$	<i>Audited</i> Year 30 June 2020 AUD\$	<i>Audited</i> Year 30 June 2020 AUD\$
	Revenue	—	—	—
	Operating loss	(6,719)	(6,739)	(20,600)
	Loss for the year	(6,719)	(6,739)	(20,600)
	Total comprehensive loss	(6,719)	(6,739)	(20,600)
	Statement of cashflows			
		<i>Audited</i> Year 30 June 2019 AUD\$	<i>Audited</i> Year 30 June 2020 AUD\$	<i>Audited</i> Year 30 June 2021 AUD\$
	Operating activities	(7,852)	(2,990)	(4,319)
	Financing activities	7,852	2,990	4,319
	Net cash flow	—	—	—
Pro forma financial information	The unaudited pro forma financial information of the Group has been prepared to illustrate the effects of: (i) the acquisition of Taronga Mines, (ii) the purchase of land at Emmaville and 805 Schrodgers Road in New South Wales, Australia, (iii) the consolidation of the Group after the Taronga			

	Acquisition, (iv) the capital reduction as part of the Company's re-registration as a public limited company, (v) placing proceeds and, (vi) the payment of costs associated with the Proposed Transaction on the assets, liabilities and equity of the Company <i>Unaudited pro forma statement of financial position:</i> <table> <tr> <th></th><th>Group As at 30 June 2021 (Note 1)</th><th>Adjustment Taronga Mines As at 30 June 2021 (Note 2)</th><th>Adjustment Acquisition, Consideration Shares and land purchases (Note 3)</th><th>Adjustment Consolidation and capital reduction (Note 4)</th><th>Adjustment Placing and settlement of costs (Note 5)</th><th>Unaudited Pro forma balances</th></tr> <tr> <td>£</td><td></td><td></td><td></td><td></td><td></td><td></td></tr> <tr> <td>Total assets</td><td>8,438,624</td><td>3,280,200</td><td>18,045,751</td><td>(3,325,951)</td><td>13,327,036</td><td>39,765,660</td></tr> <tr> <td>Net assets</td><td>8,142,631</td><td>3,280,200</td><td>18,045,751</td><td>(3,325,951)</td><td>13,327,036</td><td>39,469,667</td></tr> </table> <i>Unaudited pro forma statement of comprehensive income:</i> <table> <tr> <th></th><th>Group Year ended 31 December 2020 (Note 1)</th><th>Adjustment Taronga Mines Year ended 30 June 2021 (Note 2)</th><th>Adjustment Acquisition, Consideration Shares and land purchases (Note 3)</th><th>Adjustment Consolidation and capital reduction (Note 4)</th><th>Adjustment Placing and settlement of costs (Note 5)</th><th>Unaudited Pro forma results</th></tr> <tr> <td>£</td><td></td><td></td><td></td><td></td><td></td><td></td></tr> <tr> <td>Revenue</td><td>—</td><td>—</td><td>—</td><td>—</td><td>—</td><td>—</td></tr> <tr> <td>Operating (loss)</td><td>(589,002)</td><td>(10,603)</td><td>—</td><td>—</td><td>(623,595)</td><td>(1,223,199)</td></tr> <tr> <td>(Loss) for the year</td><td>(582,289)</td><td>(11,954)</td><td>—</td><td>—</td><td>(623,594)</td><td>(1,316,837)</td></tr> <tr> <td>Total comprehensive income/(loss)</td><td>179,518</td><td>(11,954)</td><td>—</td><td>—</td><td>(623,594)</td><td>(455,030)</td></tr> </table> <i>Notes</i> - Represents the unaudited assets and equity of the Group as at 30 June 2021 and the audited results of the Group for the year ended 31 December 2020. - Represents the audited assets, equity and results of Taronga Mines as at 30 June 2021 and the year then ended. - Represents the Taronga Acquisition, issue of the Consolidation Shares and purchase of land. - Represents the consolidation of the Group after the Taronga Acquisition and the capital reduction as part of the Company's re-registration as a public limited company. - Represents the Placing and the settlement of the Transaction Costs.							Group As at 30 June 2021 (Note 1)	Adjustment Taronga Mines As at 30 June 2021 (Note 2)	Adjustment Acquisition, Consideration Shares and land purchases (Note 3)	Adjustment Consolidation and capital reduction (Note 4)	Adjustment Placing and settlement of costs (Note 5)	Unaudited Pro forma balances	£							Total assets	8,438,624	3,280,200	18,045,751	(3,325,951)	13,327,036	39,765,660	Net assets	8,142,631	3,280,200	18,045,751	(3,325,951)	13,327,036	39,469,667		Group Year ended 31 December 2020 (Note 1)	Adjustment Taronga Mines Year ended 30 June 2021 (Note 2)	Adjustment Acquisition, Consideration Shares and land purchases (Note 3)	Adjustment Consolidation and capital reduction (Note 4)	Adjustment Placing and settlement of costs (Note 5)	Unaudited Pro forma results	£							Revenue	—	—	—	—	—	—	Operating (loss)	(589,002)	(10,603)	—	—	(623,595)	(1,223,199)	(Loss) for the year	(582,289)	(11,954)	—	—	(623,594)	(1,316,837)	Total comprehensive income/(loss)	179,518	(11,954)	—	—	(623,594)	(455,030)
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Brief description of any qualifications in the audit report	There are no qualifications in the audit reports relating to the historical financial information of the Company for the three years ended 31 December 2020.																																																																											

What are the key risks that are specific to the issuer?	
Brief description of the most material risk factors specific to the issuer contained in the prospectus	Key risks that are specific to the Company and industry in which it operates are as follows: - the Company will, from Admission, own two projects. The Company's success will be dependent on those two projects and issues at one project may adversely affect the other and, in turn, the Company. - The ability of the Company to progress its projects is highly dependent on it maintaining existing licences, successfully applying for extensions to such licences and acquiring future necessary licences and permissions. In the event that the Company does not do so its results of operations will be materially adversely affected. - Whilst the Company has sufficient working capital for its plans in the short-medium term, to bring both of its projects into production, it will need to raise additional capital. Such capital could be by way of equity financing, which will dilute existing shareholders or by way of debt funding which could see the Company subject to various banking covenants. - The Company's future value and its potential future revenues will be highly dependent on global tin prices. Although tin is, as at the date of this Document, at record highs, there can be no guarantee that the tin price will remain at such price levels. A depressed tin price will adversely affect the Company's revenues.

	- Mineral exploration and development can be highly speculative in nature and involve 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 minerals, 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 Company may face litigation from third parties aimed at delaying or stopping the Company's operations or could potentially be impacted by a third party attempting to litigate against a licensing authority (as has been seen in Germany). Such litigation could be brought by environmental pressure groups or competitors and could result in the Company having to spend management time and cash on dealing with such proceedings. - The Company's operations will be subject to typical hazards and risks present in exploiting natural resources. This includes accidents, industrial disputes and litigation from third parties. Any such events could materially impact the Company's financial condition. - The Company will be exposed to foreign exchange risk as it is domiciled in the UK but with operations in Germany and Australia, and, in addition as tin is priced in US Dollars. There can be no guarantee that exchange rates between the Pound, Euro, AuD and USD will not become more volatile in the future.

KEY INFORMATION ON THE SECURITIES	
What are the main features of the securities?	
Type, class and ISIN	The securities subject to Admission are Ordinary Shares of £0.001 each which will be registered with ISIN number GB00BNR45554 and SEDOL number BNR4555
Currency, denomination, par value, number of securities issued and the term of the securities	The Ordinary Shares are denominated in Pounds Sterling and the Placing Price will be paid in Pounds Sterling . The issued share capital of the Company on Admission will consist of 265,534,972 Ordinary Shares (comprising the Existing Ordinary Shares and the New Ordinary Shares).
Rights attached to the securities	Each Ordinary Share ranks <i>pari passu</i> for voting rights, dividends and return of capital on winding up. Each Ordinary Share confers the right to receive notice of and attend all meetings of Shareholders. Subject to the Act and articles of association of the Company (" Articles "), each holder of Ordinary Shares present at a general meeting in person, by proxy or by its authorised corporate representative has one vote, and, on a poll, one vote for every Ordinary Share of which he is a holder. All members who are entitled to receive notice under the Articles must be given notice of each general meeting. The Ordinary Shares are eligible for dividends, if recommended by the Board.
Relative seniority of the securities in the issuer's capital structure in the event of insolvency	The Ordinary Shares rank <i>pari passu</i> with each other. On a winding-up of the Company, the balance of the assets available for distribution will, subject to any sanction required by the Act, be divided amongst the members.
Restrictions on the free transferability of the securities	The Articles contain no restrictions on the free transferability of fully paid Ordinary Shares, provided that, for shares in certificated form, the transfer is in favour of not more than four transferees, the Company has no lien over the shares in question, the transfer is in respect of only one class of share, it is duly stamped or shown to the Board to be exempt from stamp duty and the provisions in the Articles relating to registration of transfers have been complied with. For shares in uncertificated form, the transfer must be permitted by the uncertificated securities rules.

Dividend or pay-out policy	Dividends will be paid at such times (if any) and in such amounts (if any) as the Board may determine. The Company will consider future payments of dividends, subject to sufficient distributable profits being available.

Where will the securities be traded?	
Application for admission to trading	An application has been made for the Enlarged Share Capital to be admitted to a Standard Listing on the Official List of the FCA and to trading on the London Stock Exchange's Main Market for listed securities. It is expected that Admission will become effective and that unconditional dealings will commence on the London Stock Exchange at 8.00am on 8 April 2022.
Identity of other markets where the securities are or are to be traded	On Admission, the Ordinary Shares will not be listed on any other stock exchange. The Company will be seeking a dual listing on the ASX and a secondary listing in Frankfurt following Admission.

What are the key risks specific to the securities?	
Brief description of the most material risk factors specific to the securities contained in the prospectus	• A Standard Listing affords Shareholders less regulatory protection than a Premium Listing, which may have an adverse effect on the liquidity of the Ordinary Shares. • The Company's share price will fluctuate and may decline as a result of a number of factors, some of which are outside of the Company's control. • The ability of the Company to pay dividends is a function of its profitability and the extent to which, as a matter of law, it will have available to it sufficient distributable reserves out of which any proposed dividend may be paid.

KEY INFORMATION ON THE OFFER OF SECURITIES TO THE PUBLIC AND/OR THE ADMISSION TO TRADING ON THE LONDON STOCK EXCHANGE	
Under which conditions and timetable can I invest in this security?	
General terms and conditions	The Placing and Subscription are conditional on Admission occurring and becoming effective by 8.00 a.m. London time on, or prior to, 8 April 2022 (or such later date as may be agreed by the Company, AGAM and WHI being no later than 29 April 2022). The Retail Offer is conditional on Admission occurring by no later than 29 April 2022. The rights attaching to the New Ordinary Shares will be uniform in all respects and all of the Ordinary Shares will form a single class for all purposes. The Placing and Admission are inter-conditional. The Placing is not conditional on the Subscription.
Expected timetable of the offer	Admission is expected to occur on 8 April 2022.
Details of admission to trading on a regulated market	Application has been made for the Ordinary Shares to be admitted to a Standard Listing on the Official List and to trading on the Main Market of the London Stock Exchange. It is expected that Admission will become effective and that dealings in the Enlarged Share Capital will commence at 8:00 a.m. on 8 April 2022.
Plan for distribution	The Placing Shares will be offered by AGAM and WHI. The Subscription Shares will be offered by the Company. Retail Shares will be offered under the Retail Offer to raise up to £2,000,000 and the number of Subscription Shares subscribed for under the Subscription will be reduced by the number of Retail Shares for which applications are accepted under the Retail Offer. The Gross Proceeds will accordingly remain the same on completion of the Retail Offer, the Placing and the Subscription. The Retail Offer will open on the date of publication of this Document. Under the Retail Offer, the Ordinary Shares are being offered to PrimaryBid who will facilitate the participation of its retail investor clients (and any member of the public who wishes to become a client of PrimaryBid) located

	in the United Kingdom. The Company consents to the use of this Document by PrimaryBid in connection with the Retail Offer in the United Kingdom. The offer period of the Retail Offer and for which consent to use this Document is given commences on 30 March 2022 and closes on 7 April 2022, unless closed prior to that date (any such prior closure to be announced via a Regulatory Information Service).
Amount and percentage of immediate dilution resulting from the offer	The issue of the New Ordinary Shares will result in the Existing Shareholders' shareholding of 138,868,305 Existing Ordinary Shares being diluted so as to constitute 52.29 per cent. of the Enlarged Share Capital (comprising the Existing Ordinary Shares, Consideration Shares, Placing Shares, Subscription Shares and Retail Shares). Upon Admission, the Enlarged Share Capital is expected to be 265,534,972 Ordinary Shares. On this basis, the New Ordinary Shares will represent approximately 47.7 per cent. of the Company's Enlarged Share Capital.
Estimate of total expenses of the issue and/or offer	The Transaction Costs will be borne by the Company and no expenses will be charged to the investors. The total expenses of the Placing, Subscription, Retail Offer and Admission are £1,923,000, comprising broker commission of £1,000,000 and professional costs and listing fees of, in aggregate £923,000. WHI and AGAM and certain other parties have directed that all sums of commission are reinvested to subscribe for a total of 3,333,334 Subscription Shares.

Why is this prospectus being produced?	
Reasons for the offer or for the admission to trading on a regulated market	The offer is being undertaken to raise £20,000,000 (before expenses) to further the Company's projects. The Company is seeking admission to trading on a regulated market to position the Group for its next stage of development of its projects and to provide it with a platform for future growth
Use and estimated net amount of the proceeds	Under the Placing, Subscription and Retail Offer, 66,666,667 Ordinary Shares will be subscribed for, and will, conditional only on Admission, be issued to, investors at the Placing Price of £0.30, raising Gross Proceeds of £20,000,000. The Net Proceeds will be £18,077,000, being the Gross Proceeds of £20,000,000 less commission payable of £1,000,000 and other costs and expenses of £923,000. It is anticipated by the Directors and Proposed Directors that the Net Proceeds will be used by the Company in order to execute the necessary steps and actions in order to obtain the operational permits for the Taronga and Tellerhäuser projects, as well as the preparation of a DFS for both projects. This will involve the execution of drilling programmes within the granted exploration licence areas with the aim of adding further resources to the portfolio of the Company. In summary, it is expected that, of the Net Proceeds, £8.64m will be spent on Tellerhäuser, in relation to drilling and a work programme (which includes a DFS), £1.068m on the Auersberg drilling programme and £4.53m on Taronga including a land acquisition, plant and equipment and a work programme (which includes a DFS) with the balance of £3.83m for general working capital purposes.
Indication of whether the offer is subject to an underwriting agreement	The Placing and the Subscription are not being underwritten. AGAM and WHI, as the Company's joint brokers, have procured conditional commitments to subscribe for and/or purchase the full amount of Placing Shares. Under the Retail Offer up to 6,666,667 Retail Shares will be subscribed for by PrimaryBid pursuant to applications by their underlying clients with any such Retail Shares issued resulting in a clawback from the number of Subscription Shares to be issued to Arlington Partners Fund Limited. The Subscribers have conditionally agreed to subscribe for the Subscription Shares. Such commitments are conditional only on Admission.
Indication of the most material conflicts of interests pertaining to the offer or admission to trading	Not applicable.

RISK FACTORS

Any investment in the Ordinary Shares carries a significant degree of risk, including risks in relation to the Company's business strategy, potential conflicts of interest, risks relating to taxation and risks relating to the Ordinary Shares.

Prospective investors should note that the risks relating to the Ordinary Shares, the Company and the sector in which it operates summarised in the section of this Document headed "Summary" are the risks that the Directors and the Proposed 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 Company 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 risks referred to below are those risks the Directors and the Proposed Directors consider to be the material risks at the date of this Document. However, there may be additional risks that the Directors and the Proposed Directors do not currently consider to be material or of which the Directors and the Proposed Directors are not currently aware, that may adversely affect the Company's business, financial condition, results of operations or prospects. Investors should review this Document carefully and in its entirety and consult with their professional advisers before acquiring any Ordinary Shares. If any of the risks referred to in this Document were to occur, the results of operations, financial condition and prospects of the Company could be materially adversely affected. If that were to be the case, the trading price of the Ordinary Shares and/or the level of dividends or distributions (if any) received from the Ordinary Shares could decline significantly. Furthermore, investors could lose all or part of their investment.

RISKS RELATING TO THE COMPANY'S BUSINESS AND THE MINING SECTOR

Dependence on the Tellerhäuser and Taronga projects

The only material operations of the Company from Admission will be the Tellerhäuser and Taronga projects. As a result, the short-term success of the Company will be highly dependent on the success of these two projects. Any adverse developments which may affect either of the two projects, or the Company's rights to develop either project, could adversely affect the Company's business and financial condition.

Dependence on the renewal or continuance in force of mineral and surface access rights, planning and environmental permissions and other appropriate licences which may be revoked if their conditions are not complied with

The Company's operations at the Tellerhäuser and Taronga Mines projects are dependent upon the grant, renewal or continuance in force of mineral and surface access rights, planning and environmental permissions and other appropriate licences, permits, authorisations, regulatory approvals and consents and contractual agreements which may be valid only for a defined time period, may be subject to limitations and may provide for termination, revocation or withdrawal in certain circumstances.

The Group will hold a number of licences as at the date of Admission, the conditions relating to which are currently being complied with. The Board is confident that the Company will fulfil the necessary conditions to maintain the good standing of the mining licences, in order to continue to be able to execute its business strategy. If any member of the Group fails to fulfil the specific terms of any of its mining licences or if it operates its business in a manner that violates applicable law, government regulators may impose fines or suspend or terminate the right, concession, licence, permit or other authorisation, any of which could have a material adverse effect on the Group's results of operations, cash flows and financial condition.

Whilst the Company has diligently investigated title to all mineral claims and, to the best of its knowledge, title to all properties owned as at the date of this Document by Group companies (as well as those to be owned from Admission) are in good standing, this should not be construed as a guarantee of title. Although the Company is not aware that any such issues exist or have previously existed, the properties may be subject to undetected title defects. If a title defect does exist, it is possible that the Group could lose all or part of its interest in properties to which the title defect relates.

Requirement for further capital to fully fund projects

Although the Company will, from Admission, have budget for its short and near term activities and plans for the 18 months from Admission, the ability of the Company to fully fund the exploration and development of its projects beyond such period is dependent upon the Company successfully raising additional finance. Any further fundraising will be subject to prevailing market conditions and the availability of funds. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities and require the Company to meet banking covenants which may restrict its ability to undertake operating activities and pay potential future dividends, even when profitable.

Exploration, development and production activities are capital intensive and inherently uncertain in their outcome. The Company's current and any future projects may involve unprofitable efforts, due either to unsuccessful drilling campaigns or from mines that are productive but do not produce sufficient net revenues to return a profit after development, operating and other costs. In addition, drilling hazards or environmental damage could significantly affect operating costs, and production from successful mines may be adversely affected by conditions including delays in obtaining governmental approvals or consents. Production delays and declines, whether or not as a result of the foregoing conditions, may result in lower revenue or cash flows from operating activities until such time, if at all, that the delay or decline is cured or arrested. In the event that such cash flows are reduced in the future, the Company may be forced to scale back, or delay, discretionary capital expenditure resulting in delays to, or the postponement of, the Company's planned production and development activities which could have a material adverse effect on its business, results of operations, financial condition or prospects.

Commodity prices

The underlying value of the Company's assets and its potential future earnings and profitability and therefore long-term viability will depend, in large part, on the global market price of tin and the quality and marketability of such minerals extracted from the Company's projects.

Whilst tin prices reached historic highs during 2021¹, this is considered to have been caused by tin production failing to meet unprecedented demand following the economic recovery which followed 2020's global recession and the increased consumption triggered by world-wide investments into the renewable energy and electromobility sectors². Whilst the Company takes a conservative view as to future prices, overproduction and/or a reduction in demand may depress prices below the Company's current worst case scenarios. In such circumstances the Company's anticipated profitability may be adversely affected.

Resource market prices are affected by numerous factors beyond the Company's control, including inflation, global and regional consumption patterns, demand and supply, speculative activities, international political and economic trends, currency exchange fluctuations, interest rates, production costs and increased production due to new and improved extraction and production methods. The aggregate effect of these factors on resource prices is impossible for the Company to predict. The Company monitors commodity prices in forecasting its cash flow requirements for the funding of its ongoing exploration and corporate activities and estimated development costs in bringing assets into production. The Company does not presently invest in commodity hedges to mitigate this risk. While the Company seeks to manage its capital and operating expenditures to maximise shareholder returns, ultimately the value of the Company's projects and its financial performance may be highly dependent on commodity prices which are outside of the Company's control.

Infrastructure risks

Mining, processing, development and exploration activities depend, to a significant degree, on adequate infrastructure. In the course of developing its operations, the Company will need to construct and support the construction of infrastructure, including bulk civil works, water supplies, tailings storage facilities, power facilities and communications. Whilst the Company has budgeted for such line items, unexpected adverse weather, sabotage, government or other interference in the maintenance or

1 <https://www.metalbulletin.com/Article/4017106/Exchange-news-and-prices/LME-base-metal-futures-largely-up-tin-posts-new-record-price.html>

2 <https://www.mining.com/soldering-on-tin-price-surges-past-40000-after-jakarta-jolt/>

provision of such infrastructure could result in increased costs which would materially adversely affect the Enlarged Group's operations financial condition and results of operations.

Any such issues arising in respect of the supporting infrastructure or on the Group's sites could materially adversely affect the Group's results of operations or financial condition. Furthermore, any failure or unavailability of the Group's operational infrastructure (for example, through equipment failure, lack of qualified employees or restrictions brought in by local or national COVID-19 restrictions) could materially adversely affect its activities.

Risks relating to the Taronga Acquisition

As at the date of this Document, the Company has entered into a conditional share purchase agreement in relation to the Taronga Acquisition, which will complete on Admission subject to the completion of all conditions precedent. Whilst the Company has undertaken legal and financial due diligence on Taronga and its assets, and has also been able to review certain publicly available information on Taronga as the seller is a listed company, there can be no guarantee that such investigations will reveal any or all material issues in relation both to the corporate entity being acquired and the underlying assets owned by Taronga.

Whilst the share purchase agreement contains customary warranties given by the seller, in the event of such a breach, the Company may not be able to fully enforce its rights under the agreement and may have to expend significant amounts of legal fees and management time to bring a claim. In such an event, the Company's results of operations may be affected.

Tin supply and commodity supply issues

Global supply and demand affects commodity prices. Trading activities by market participants, seeking either to secure access to commodities or to hedge against commercial risks, also affects commodity prices. Consequently, commodity prices are subject to substantial fluctuations and cannot be accurately predicted. If commodity prices fall beyond the reasonable expectations of the Company, the ability of the Company to profitably extract commodities from its projects may be materially impacted which will have a negative effect on the Company's financial results.

In addition to the impact on commodity process itself, the Group's inability to timely acquire strategic consumables, raw materials, drilling and processing equipment could have an adverse impact on its results of operations and financial condition. Periods of high demand for supplies can arise when availability of supplies is limited. This can cause costs to increase above normal inflation rates. Interruption to supplies or increase in costs could adversely affect the operating results and cash flows of the Group.

Mineral estimates may prove inaccurate

There are numerous uncertainties which the Company faces that are inherent in estimating quantities of reserves and any subsequent cash flows to be derived from such reserves, including many factors that are beyond the control of the Company. Estimation of Mineral Reserves and Mineral Resources (which cannot be measured in an exact manner) is a subjective process aimed at understanding the statistical probabilities of recovery.

The interpretation and estimates of the amounts of Mineral Reserves and Mineral Resources are subjective and the results of drilling, testing and production subsequent to the date of any particular estimate may result in substantial revisions to the original interpretation and estimates. Moreover, different mining engineers may assess estimates of Mineral Reserves, Mineral Resources and cash flows differently based on the same available data. Actual production, revenues and expenditures with respect to Mineral Reserves and Mineral Resources will vary from estimates, and the variances may be material.

Estimates of economically recoverable Mineral Reserves and any future net cash flows are based upon a number of variable factors and assumptions, such as historical production from the properties, production rates, ultimate reserve recovery, timing and amount of capital expenditures, marketability, grade, royalty rates, assumed effects of regulation by governmental agencies and future operating costs, all of which may vary from actual results. All such estimates are, to some degree, speculative, and classifications of reserves are only attempts to define the degree of speculation involved. For those

reasons, estimates of the economically recoverable reserves attributable to any particular group of properties, classification of such reserves based on risk of recovery and estimates of future net revenues expected therefrom prepared by different engineers, or by the same engineers at different times, may vary. The Company's actual production, revenues and development and operating expenditures with respect to its reserves will vary from estimates thereof, and such variations could be material.

If the actual Mineral Reserves or Mineral Resources of the Company are less than the current estimates or of lesser quality than expected, the Company may be unable to recover and produce the estimated levels or grade of its commodities and, as a result, the Company may not recover its initial outlay of capital expenditures and operating costs of any such operation and there may be a material adverse effect on the business, prospects, financial condition or results of operations of the Company.

Litigation risk

Undertaking mineral exploration and mining activities carries with it a risk of being subject to third party litigation. This can take the form of litigation aimed at stopping activities brought by local or national environmental pressure groups and litigation brought by actual or potential competitors. In the event of the Company being threatened with litigation or being subject to a formal law suite, the Company may have to spend significant management time and costs in assessing or defending such claims which will adversely affect results of operations. Whilst both Germany and Australia have very well advanced legal systems, there remains the possibility that such actions could be made by a vexatious or frivolous litigant.

There is also the possibility that a third party could bring a claim against a relevant licensing authority in order to seek a delay to, stopping of, or revocation of, a licence award to a group Company. For example, the Company is aware that, in Germany, a third party brought an objection against the Saxony State Mining authority in relation to the permit awarded to its German subsidiary, Saxore Bergbau GmbH, over the Rittersgrün field. The Saxony Mining authority has not yet decided on the objection but has ordered the immediate enforcement of Saxore's permit "Rittersgrün". The third party also tried to annul this immediate enforcement at the Courts but failed, and both the administrative court of Chemnitz and the Saxon Higher Administrative Court confirmed the immediate enforcement of the "Rittersgrün" permit. These Court decisions concerning the immediate enforcement are a strong sign that they regard the "Rittersgrün" permit as lawful and that the Courts will reject any action against the granting of the permit itself. If the third party succeeds with its objection, with the result that the award of the permit is cancelled, Saxore would itself need to explore a legal challenge and Saxore's ability to proceed with its expected mining plans would likely be suspended pending the outcome of its own challenge. The third party could also raise a further appeal in respect of the Saxony Mining authority's decision if their objection is not upheld, but it is assumed that any future appeal would be unsuccessful in light of the earlier decision of both Courts.

Although Saxore would be able to apply for a new permit in such circumstances, such an event would delay development of the project and take up significant amounts of management time which could have a materially adverse effect on the Company's results of operations and/or financial condition.

Environmental legislation compliance

Environmental legislation is evolving in a manner that is expected to require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, will not adversely affect operations at the Company's projects, in particular given environmental hazards may exist on the Company's properties which are unknown to the Company.

The Company's current and future operations, including exploration and project development activities, are subject to environmental regulations promulgated by, in Germany, each of the Saxony state government, the German federal government, and the EU, and in Australia, the New South Wales state government and the Australian federal government. The cost of complying with current laws and regulations, particularly as the Company's operations expand, and with new legislation brought in after the date of this Document, may become a material drain on management time and cash.

Environmental risks could affect results of operations

The Company is subject to potential risks and unanticipated liabilities associated with the pollution of the environment and the disposal of waste products from its exploration activities, including water. Whilst the Company's operations will be run in accordance with the best available technology and industry practices in order to minimise the risk of environmental issues arising, there can be no guarantee that this will be the case. If the Company's operations result in damage to the environment the Company may be liable for significant fines and penalties, as well as further costs incurred in undertaking any remedial work.

Environmental hazards may exist on the Company's properties which are unknown to the Company, and which may require the Company to expend significant funds to remedy. Subsequent changes in regulations, laws or community expectations that govern the Company's operations could result in increased compliance and remediation costs. Any of the foregoing developments could have a materially adverse effect on the Company's results of operations, cash flows or financial condition.

The Group is subject to foreign exchange risks

From Admission, the functional currency of the Company will be Pounds Sterling. However, it will incur operating costs in Euros and Australian Dollars and tin is priced in US Dollars. Therefore, fluctuations in exchange rates of the Pound against those currencies in which a Group Company generates revenue and/or incurs expenses may materially affect the Group's translated results of operations. This may increase or decrease the results of operations and may adversely affect the Group's financial condition as stated in Pounds Sterling. In addition, the Company may not be able to effectively hedge certain cash resources against risks associated with currency exchange rates and/or commodity prices. Any significant adverse fluctuations in currency rates could have a material adverse effect on the Company's business, financial condition and results of operations.

The Group is subject to a number of mining industry risks and hazards

The Company's operations are, and will continue to be, subject to all of the hazards and risks normally incidental to exploring, developing and exploiting natural resources. Some of these risks include, but are not limited to, environmental hazards, industrial accidents, industrial and labour disputes, litigation from third parties, unusual or unexpected geological formations or other geological or grade problems, unanticipated changes in metallurgical characteristics and mineral recovery, unanticipated ground or water conditions, cave-ins, flooding, rock bursts, periodic interruptions due to bad or hazardous weather conditions, unfavourable operating conditions, cost overruns, land claims and other unforeseen events.

Should any of these risks and hazards adversely affect the Group's mining operations or activities, it may cause an increase in the cost of operations to the point where it is no longer economically feasible to continue, it may require the Group to write down the carrying value of the Company's projects, it may cause delays or a stoppage in mineral exploration, development or production, it may result in damage to or destruction of mineral properties or processing facilities, and may result in personal injury or death or legal liability, all of which may have a material adverse effect on the Group's financial condition, results of operation, and future cash flows.

Labour disruptions may cause delays and in increase in costs

The potential for conflict with employees may occur at any one of the Group's operations. Labour interruptions may be employed to advocate for labour, political or social goals. Labour interruptions have the potential to increase operational costs and decrease revenues by suspending the business activities or increasing the cost of substitute labour, which may not be available. If such disruptions are material, they may adversely affect the Group's results of operations, cash flows and financial condition.

The Company's operations may be affected by natural disasters

Natural disasters, including drought, floods, fire, extreme winter weather and the physical effects of climate change, all of which are outside the Group's control, may adversely affect the Group's operations. Operating difficulties, such as unexpected geological variations that could result in significant failure, could affect the costs and feasibility of its operations for indeterminate periods. Damage to or breakdown of a physical asset, including as a result of fire, explosion or natural catastrophe, can result in a loss of assets and financial losses. Insurance (if capable of being obtained by the Group) may provide protection from some, but not all, of the costs that may arise from unforeseen events but the occurrence of a significant adverse event not fully covered by insurance

could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

COVID-19 risk

The COVID-19 pandemic negatively impacted the global economy, disrupted global supply chains, and defaults in many industries, forced the closure of many businesses, led to revenue decreases, increased unemployment and bankruptcies and necessitated the imposition of quarantines, physical distancing, business closures and travel restrictions across the world. Australia in particular saw long-term restrictions put in place which affected the general ability to undertake operations in the ordinary course. This included restrictions on travelling between states. As at the date of this Document, Saxony is seeing very high levels of COVID-19 infections and any state or federal imposed lockdowns or restrictions on working practices could adversely affect the ability of the Company and Saxore, its German subsidiary which operates in Saxony, to progress its operations there.

In the tin industry, production was curtailed as businesses attempted to navigate local, national and international restrictions and although demand for tin picked up, if there are subsequent variants of COVID which necessitate further restrictions being imposed, the Company's business operations may be adversely affected. In particular, action taken by relevant authorities, particularly in New South Wales and Saxony could have the following adverse outcomes for the Company:

- the shut-down of facilities or the delay or suspension of work on major capital projects due to workforce disruption or labour shortages, government or health authority mandated restrictions on travel by workers or closure of facilities or worksites;
- suppliers, contractors and third-party vendors experiencing similar disruptions or being ordered to cease operations;
- reduced demand for products resulting in depressed commodity prices;
- counterparties being unable to fulfil their contractual obligations on a timely basis or at all; and
- the inability to deliver products to customers or otherwise get products to market caused by travel restrictions, road or port closures.

Not all risks which the Company faces are insurable

The Company will maintain insurance cover with respect to its operations in accordance with international mining practice, including third party liability insurance up to specified limits. However, the Company will be unable to insure against all risks and may be exposed under certain circumstances to uninsurable hazards and risks which may result in financial liability, property damage, personal injury or other hazards or liability for the acts or omissions of sub-contractors, operators and joint venture partners. Although indemnities may in the future be provided by subcontractors, operators and joint venture partners, such indemnities may be difficult to enforce given the financial positions of those giving the indemnities or due to the jurisdiction in which the Company may seek to enforce the indemnities, potentially leaving the Company exposed to claims by third parties.

There is also no guarantee that the Company will be able to maintain adequate insurance cover in the future at rates which are considered reasonable. Accordingly, the Company could incur substantial losses if an event which is not fully covered by insurance occurs, which would have a material adverse effect on the Group's business, results of operations and financial condition.

Reputation and brand strength could be adversely affected by quality related issues or negative publicity

The Company intends its products to be of high quality and verifiable. If a counterparty is unhappy with the quality of product received, or if any actions undertaken by the Company at its projects results in adverse publicity, the intended reputation and/or brand strength of the Company will be adversely affected. This could result in potential customers and suppliers being unwilling to deal with the Company, which, if it occurred, would have an adverse effect on the Company's results of operations.

Geographical factors

The Company operates across three countries, each which have different laws, taxes and operating regulations. Although all three jurisdictions are first world stable economic environments, the Company's business and results of operations are affected by changes in both global economic

conditions and the individual markets in which it operates. Terrorist acts, civil unrest and other similar disturbances, as well as natural catastrophes, can impact economic conditions and consumer confidence, degrade infrastructure, disrupt supply chains and otherwise result in business interruption. A variety of factors may adversely affect results of operations and financial conditions during periods of economic uncertainty or instability, social or labour unrest or political upheaval in the markets in which it operates. For example, operations and supply chains may be disrupted. Periods of economic upheaval may also expose the Company to greater counterparty risks, including with customers, suppliers and financial institutions, who may become insolvent or otherwise unable to perform their obligations. The Company may also experience greater fluctuations in foreign currency movements, increased commodity prices and increased transportation and energy costs. Periods of economic and political upheaval may also lead to government actions, such as imposition of martial law, trade restrictions, foreign ownership restrictions, capital, price or currency controls, nationalisation or expropriation of property or other resources, or changes in legal and regulatory requirements, including those resulting in potentially adverse tax consequences.

Governmental actions to reduce climate change may disrupt operations and/or reduce consumer demand for products

Although the Company intends to operate its business to the highest possible standards, the wider mining sector has been targeted by climate change and environmental activists because of the pollution output generated by companies operating in the mining industry. This may lead to further governmental actions which affect all such companies, irrespective of their actual environmental performance and the minerals which they are extracting. Such legislation may involve additional taxes, operating restrictions and/or further legislation which requires significant spending by the Company to become and remain compliant. In such circumstances, the Company's results of operations may be materially affected.

The Company may be unable to attract and retain qualified personnel, including key senior management

The Company invests in recruiting and training talented personnel and senior management. The Company's business depends, in part, on the ability of executive officers and senior management to provide uninterrupted leadership and direction for its business, and, in particular, on the ability to recruit, train and maintain qualified personnel for product research and development. This need is all the more acute in the context of a growing business and in the strategic internal reorganisations and resource planning programmes to promote and manage such growth. The market for talent is intensely competitive and may become increasingly more competitive. The Company's ability to attract and retain key management and other personnel is dependent on a number of factors, including prevailing market conditions, attractiveness of competitors as potential employers, working conditions and culture and the ability to offer attractive compensation packages.

Brexit

On 31 December 2020, the UK withdrew from the European Union (**Brexit**). Brexit has created significant political, social and macroeconomic uncertainty in the United Kingdom and causes potential issues for corporates, such as the Company, which have operations both in the United Kingdom and in the European Union.

Brexit also heightens the potential impact of some of the principal operating risks described above, including risks relating to the introduction of new regulations, modification of existing regulations or changes in interpretations of existing or new regulations described above. It remains unclear how the regulatory landscape will change, both in the United Kingdom and in the remaining EU member states. Some of the potential effects include an increase in economic and operational uncertainty, a change in, or increase in the volatility of currency exchange, credit and interest rates, or that the outcome of the negotiations may be a catalyst for further changes to the regulations and/or structure of the European Union that will, in turn, have an impact on the Company's business and operating conditions.

RISKS RELATING TO THE ORDINARY SHARES

The proposed Standard Listing of the Ordinary Shares will afford investors a lower level of regulatory protection than a Premium Listing

Application has been made for the Ordinary Shares to be admitted to a Standard Listing on the Official List. A Standard Listing will afford investors in the Company a lower level of regulatory protection than that afforded to investors in a company with a Premium Listing, which is subject to additional obligations

under the Listing Rules. A Standard Listing will not permit the Company to gain a FTSE indexation, which may have an adverse effect on the liquidity of the Ordinary Shares.

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

- 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 on Admission;
- Chapter 9 of the Listing Rules regarding continuous obligations for a company with a Premium Listing;
- 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.

The Company may be unable to transfer to a Premium Listing or other appropriate listing venue

The Company is not currently eligible for a Premium Listing under Chapter 6 of the Listing Rules and does not currently intend to seek to transfer to either a Premium Listing or other listing venue. Even if the Company did determine to seek a transfer to a Premium Listing, there is no guarantee that it would be able to fulfil the relevant eligibility criteria.

The Company will therefore not be obliged to comply with the higher standards of corporate governance or other requirements which it would be subject to upon achieving a Premium Listing and, for as long as the Company continues to have a Standard Listing, it will be required to continue to comply with the lesser standards applicable to a company with a Standard Listing.

There is currently a limited market for the Ordinary Shares. A market for the Ordinary Shares may not develop, which would adversely affect the liquidity and price of the Ordinary Shares

The price of the Ordinary Shares after Admission may vary due to a number of factors, including but not limited to, general economic conditions and forecasts, and the Company's financial results. Although the Company's current intention is that its securities should continue to trade on the London Stock Exchange as from Admission, it cannot assure investors that they will always do so. In addition, an active trading market for the Shares may not develop or, if developed, may not be maintained. Investors may be unable to sell their Ordinary Shares unless a market can be established and maintained, and if the Company subsequently obtains a listing on an exchange in addition to, or in lieu of, the London Stock Exchange, the level of liquidity of the Ordinary Shares may decline.

Substantial sales of Ordinary Shares could cause the price of Ordinary Shares to decline

There can be no assurance that certain Directors or substantial Shareholders will not elect to sell their Ordinary Shares following the expiry of contractual lock-in and orderly marketing arrangements in place from Admission, or otherwise. The market price of Ordinary Shares could decline as a result of any such sales of Ordinary Shares or as a result of the perception that these sales may occur. In addition, if these or any other sales were to occur, the Company may in the future have difficulty in offering Ordinary Shares at a time or at a price it deems appropriate.

Investors may not be able to realise returns on their investment in Ordinary Shares within a period that they would consider to be reasonable

Investments in the Ordinary Shares may be relatively illiquid. There may be a limited number of Shareholders and this factor may contribute both to infrequent trading in the Ordinary Shares on the London Stock Exchange and to volatile share price movements. Investors should not expect that they will necessarily be able to realise their investment in the Ordinary Shares within a period that they would regard as reasonable. Accordingly, the Ordinary Shares may not be suitable for short-term investment. Admission should not be taken as implying that there will be an active trading market for the Ordinary

Shares. Even if an active trading market develops, the market price for the Ordinary Shares may fall below the issue price.

Dividend payments on the Ordinary Shares are not guaranteed

To the extent the Company intends to pay dividends on the Ordinary Shares, it will pay such dividends at such times (if any) and in such amounts (if any) as the Board may determine. The Company will consider future payments of dividends, subject to sufficient distributable profits being available and will only pay dividends to the extent that doing so is in accordance with all applicable laws.

Dilution

If the Company elects to offer additional Ordinary Shares in the future, for example to raise additional funds or to fund an acquisition, this could dilute the interests of investors and/or have an adverse effect on the market price of the Ordinary Shares.

RISKS RELATING TO TAXATION

Taxation of returns from assets located outside of the UK may reduce any net return to Shareholders

The Company's operations from Admission will be located in Saxony, Germany and New South Wales, Australia. Dividends and other returns that the Company receives from those assets located outside of the UK might be reduced by irrecoverable foreign withholding or other local taxes and this may reduce any net return derived by Shareholders from an investment in the Company.

Changes in tax law may reduce any net returns for Shareholders

The tax treatment of the Company's subsidiaries is subject to changes in tax legislation or practices in territories in which such entities are resident for tax purposes. Such changes may include (but are not limited to) the taxation of operating income, investment income, dividends received or (in the specific context of withholding tax) dividends paid. Any changes to tax legislation or practices in jurisdictions in which the Group's entities are resident for tax purposes may have a material adverse effect on the financial position of the Company, reducing net returns to Shareholders. In many jurisdictions, the resources sector is subject to particular taxation regimes which sometimes impose a comparatively heavy burden on activities within the sector and the comments made above with regard to change are particularly salient in relation to such regime. In particular, taxes imposed on entities operating in the natural resources sector may reduce profitability.

There can be no assurance that the Company will be able to make returns for Shareholders in a tax-efficient manner

The Company has made certain assumptions regarding taxation. However, if these assumptions are not borne out in practice, taxes may be imposed with respect to any of the Company's assets, or the Company may be subject to tax on its income, profits, gains or distributions in a particular jurisdiction or jurisdictions in excess of taxes that were anticipated. This could alter the post-tax returns for Shareholders (or Shareholders in certain jurisdictions). The level of return for Shareholders may also be adversely affected. Any change in laws or tax authority practices could also adversely affect any post-tax returns of capital to Shareholders or payments of dividends (if any). In addition, the Company may incur costs in taking steps to mitigate any such adverse effect on the post-tax returns for Shareholders.

THE RISKS NOTED ABOVE DO NOT NECESSARILY COMPRISE ALL THOSE FACED BY THE COMPANY AND ITS GROUP.

THE INVESTMENT DESCRIBED IN THIS DOCUMENT IS SPECULATIVE AND MAY NOT BE SUITABLE FOR ALL RECIPIENTS OF THIS DOCUMENT. POTENTIAL INVESTORS ARE ACCORDINGLY ADVISED TO CONSULT A PERSON AUTHORISED UNDER FSMA WHO SPECIALISES IN ADVISING ON INVESTMENTS OF THIS KIND BEFORE MAKING ANY INVESTMENT DECISIONS. A PROSPECTIVE INVESTOR SHOULD CONSIDER CAREFULLY WHETHER AN INVESTMENT IN THE COMPANY IS SUITABLE IN THE LIGHT OF HIS PERSONAL CIRCUMSTANCES AND THE FINANCIAL RESOURCES AVAILABLE TO HIM.

CONSEQUENCES OF A STANDARD LISTING

Application has been made for the Enlarged Share Capital to be admitted to trading on the Main Market for listed securities pursuant to Chapter 14 of the Listing Rules, which sets out the requirements for Standard Listings. The Company is required to and will comply with the Listing Principles set out in Chapter 7 of the Listing Rules at Listing Rule 7.2.1, which apply to all companies with securities admitted to the Official List, being Listing Principle 1 and Listing Principle 2.

A Standard Listing will afford investors in the Company a lower level of regulatory protection than that afforded to investors in a company with a Premium Listing, which is subject to additional obligations under the Listing Rules. While the Company has a Standard Listing, it is not required to comply with the provisions of, among other things:

- 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 on Admission;
- Chapter 9 of the Listing Rules regarding continuous obligations for a company with a Premium Listing;
- 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 to so comply. However, the FCA would be able to impose sanctions for non-compliance where the statements regarding compliance in this Document are themselves misleading, false or deceptive.

IMPORTANT INFORMATION

In deciding whether or not to invest in Ordinary Shares, prospective investors should rely only on the information contained in this Document. No person has been authorised to give any information or make any representations other than as contained in this Document and, if given or made, such information or representations must not be relied on as having been authorised by the Company, the Directors or the Proposed Directors. Without prejudice to the Company's obligations under FSMA, the Prospectus Regulation Rules, the Listing Rules and the Disclosure Guidance and Transparency Rules, neither the delivery of this Document nor any subscription made under this Document 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 contained herein is correct as at any time after its date.

Prospective investors must not treat the contents of this Document or any subsequent communications from the Company, the Directors, the Proposed Directors, or any of their respective affiliates, officers, directors, employees or agents as advice relating to legal, taxation, accounting, regulatory, investment or any other matters.

The section headed "*Summary*" should be read as an introduction to this Document. Any decision to invest in the Ordinary Shares should be based on consideration of this Document as a whole by the investor. In particular, investors must read the sections relating to risks contained in the Summary together with the risks set out in the section headed "*Risk Factors*" beginning on page 14 of this Document.

This Document is being furnished by the Company in connection with an offering exempt from registration under the Securities Act solely to enable prospective investors to consider the purchase of the Ordinary Shares. Any reproduction or distribution of this Document, in whole or in part, and any disclosure of its contents or use of any information herein for any purpose other than considering an investment in the Ordinary Shares hereby is prohibited.

Under the Retail Offer, the Retail Shares are being offered to PrimaryBid Limited of 21 Albemarle Street, London W1S 4BS who will facilitate the participation of its retail investor clients (and any member of the public who wishes to become a client of PrimaryBid) located in the United Kingdom. The Company consents to the use of this Document by PrimaryBid in connection with the Retail Offer in the United Kingdom from the date of this Document until the closing of the Retail Offer at 23:59 on 7 April 2022.

The offer period of the Retail Offer and for which consent to use this Document is given commences on the date of this Document and closes on 7 April 2022, unless closed prior to that date (any such prior closure to be announced via a Regulatory Information Service).

PrimaryBid may prepare certain materials for distribution or may otherwise provide information or advice to retail investors in the United Kingdom. Any such materials, information or advice are solely the responsibility of PrimaryBid and will not be reviewed or approved by the Company. Any liability relating to such documents will be for PrimaryBid only.

PrimaryBid must state on its website that it uses this Document in accordance with the Company's consent. PrimaryBid is required to provide, at the time of such offer, the terms and conditions of the Retail Offer to any prospective investor who has expressed an interest in participating in the Retail Offer to PrimaryBid.

The Company consents to the use of this Document and accepts responsibility for the information contained in this Document with respect to subsequent resale or final placement of securities by any financial intermediary given consent to use this Document.

Any new information with respect to any financial intermediary unknown at the time of approval of this Document will be available on the Company's website at www.firsttin.com.

This Document does not constitute, and may not be used for the purposes of, an offer to sell or an invitation or solicitation of an offer or invitation to subscribe for or buy, any Ordinary Shares by any person in any jurisdiction: (i) in which such offer or invitation is not authorised; or (ii) in which the person making such offer or invitation is not qualified to do so; or (iii) in which, or to any person to whom, it is unlawful to make such offer, solicitation or invitation. The distribution of this Document and the offering of Ordinary Shares in certain jurisdictions may be restricted. Accordingly, persons outside the United Kingdom who obtain possession of this Document are required by the Company, the Directors and the

Proposed Directors, to inform themselves about, and to observe any restrictions as to the offer or sale of the Ordinary Shares and the distribution of this Document under the laws and regulations of any territory in connection with any applications for Ordinary Shares, including obtaining any requisite governmental or other consent and observing any other formality prescribed in such territory. No action has been taken or will be taken in any jurisdiction by the Company or the Directors or the Proposed Directors that would permit a public offering of the Ordinary Shares in any jurisdiction where action for that purpose is required, nor has any such action been taken with respect to the possession or distribution of this Document other than in any jurisdiction where action for that purpose is required. Neither the Company nor the Directors nor the Proposed Directors accept any responsibility for any violation of any of these restrictions by any person.

The Ordinary Shares have not been and will not be registered under the Securities Act, or under any relevant securities laws of any state or other jurisdiction in the United States, or under the applicable securities laws of Australia, Canada, the Republic of South Africa or Japan. Subject to certain exceptions, the Ordinary Shares may not be offered, sold, resold, reoffered, pledged, transferred, distributed or delivered, directly or indirectly, within, into or in the United States, Australia, Canada, the Republic of South Africa, or Japan or to any national, resident or citizen of Australia, Canada, the Republic of South Africa or Japan.

The Ordinary Shares have not been approved or disapproved by the SEC, any federal or state securities commission in the United States or any other regulatory authority in the United States, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Ordinary Shares or confirmed the accuracy or determined the adequacy of the information contained in this Document. Any representation to the contrary is a criminal offence in the United States.

Investors may be required to bear the financial risk of an investment in the Ordinary Shares for an indefinite period.

Neither AGAM nor WHI, nor any person acting on their respective behalves makes any representation or warranty, express or implied, with regard to the completeness or accuracy of this Document, nor does any such person authorise the contents of this Document. No such person accepts any responsibility or liability whatsoever for the contents of this Document or for any other statement made or purported to be made by it or on its behalf in connection with the Ordinary Shares or Admission. Apart from the responsibilities and liabilities, if any, which may be imposed on AGAM or WHI, in their respective capacities as financial adviser and joint broker and placing agent and joint broker to the Company by FSMA or the regulatory regime established thereunder, AGAM and WHI disclaim all and any liability whether arising in tort or contract or otherwise which they might otherwise have in respect of this Document or any such statement. Neither AGAM, nor WHI, nor any person acting on their respective behalves accepts any responsibility or obligation to update, review or revise the information in this Document or to publish or distribute any information which comes to their attention after the date of this Document, and the distribution of this Document shall not constitute a representation by AGAM or WHI or any such person that this Document will be updated, reviewed, revised or that any such information will be published or distributed after the date hereof.

Data protection

The Company may delegate certain administrative functions to third parties and will require such third parties to comply with data protection and regulatory requirements of any jurisdiction in which data processing occurs. Such information will be held and processed by the Company (or any third party, functionary or agent appointed by the Company) for the following purposes:

- verifying the identity of the prospective investor to comply with statutory and regulatory requirements in relation to anti-money laundering procedures;
- carrying out the business of the Company and the administering of interests in the Company;
- meeting the legal, regulatory, reporting and/or financial obligations of the Company and its group in the United Kingdom or elsewhere; and
- disclosing personal data to other functionaries of, or advisers to, the Company to operate and/or administer the Company.

Where appropriate it may be necessary for the Company (or any third party, functionary or agent appointed by the Company) to:

- disclose personal data to third party service providers, agents or functionaries appointed by the Company to provide services to prospective investors; and
- transfer personal data outside of the United Kingdom to countries or territories which do not offer the same level of protection for the rights and freedoms of prospective investors as the United Kingdom.

If the Company (or any third party, functionary or agent appointed by the Company) discloses personal data to such a third party, agent or functionary and/or makes such a transfer of personal data, it will use reasonable endeavours to ensure that any third party, agent or functionary to whom the relevant personal data is disclosed or transferred is contractually bound to provide an adequate level of protection in respect of such personal data.

In providing such personal data, prospective investors will be deemed to have agreed to the processing of such personal data in the manner described above. Prospective investors are responsible for informing any third-party individual to whom the personal data relates of the disclosure and use of such data in accordance with these provisions.

Investment considerations

In making an investment decision, prospective investors must rely on their own examination, analysis and enquiry of the Company, this Document and the terms of the Admission, including the merits and risks involved. The contents of this Document are not to be construed as advice relating to legal, financial, taxation, investment decisions or any other matter. Investors should inform themselves as to:

- the legal requirements within their own countries for the purchase, holding, transfer or other disposal of the Ordinary Shares;
- any foreign exchange restrictions applicable to the purchase, holding, transfer or other disposal of the Ordinary Shares which they might encounter; and
- the income and other tax consequences which may apply in their own countries as a result of the purchase, holding, transfer or other disposal of the Ordinary Shares or distributions by the Company, either on a liquidation or distribution, or otherwise. Prospective investors must rely upon their own representatives, including their own legal advisers and accountants, as to legal, tax, investment or any other related matters concerning the Company and an investment therein.

An investment in the Company should be regarded as a long-term investment. There can be no assurance that the Company's objectives will be achieved.

It should be remembered that the price of the Ordinary Shares and any income from such Ordinary Shares can go down as well as up.

This Document should be read in its entirety before making any investment in the Ordinary Shares. All Shareholders are entitled to the benefit of, are bound by, and are deemed to have notice of, the provisions of the Articles, which investors should review.

Forward-looking statements

This Document includes statements that are, or may be deemed to be, "forward-looking statements". In some cases, these forward-looking statements can be identified by the use of forward-looking terminology, including the terms "targets", "believes", "estimates", "anticipates", "expects", "intends", "may", "will", "should" or, in each case, their negative or other variations or comparable terminology. They appear in a number of places throughout the Document and include statements regarding the intentions, beliefs or current expectations of the Company, the Directors and the Proposed Directors concerning, among other things: (i) the Company's objectives, acquisition and financing strategies, results of operations, financial condition, capital resources, prospects, capital appreciation of the Ordinary Shares; and (ii) implementation of active management strategies. 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. Forward-looking statements are not guaranteeing future performances. The Company's actual performance, results of operations, financial condition, distributions to Shareholders and the development of its financing strategies may differ

materially from the forward-looking statements contained in this Document. In addition, even if the Company's actual performance, results of operations, financial condition, distributions to Shareholders and the development of its strategies are consistent with the forward-looking statements contained in this Document, those results or developments may not be indicative of results or developments in subsequent periods.

Prospective investors should carefully review the 'Risk Factors' section of this Document for a discussion of additional factors that could cause the Company's or the Company's actual results to differ materially before making an investment decision. For the avoidance of doubt, nothing in this paragraph constitutes a qualification of the working capital statement contained in paragraph 10 of Part XII of this Document.

Forward-looking statements contained in this Document apply only as at the date of this Document. Subject to any obligations under the Listing Rules, the Disclosure Guidance and Transparency Rules, the Prospectus Regulation Rules, and MAR, the Company undertakes no obligation to update or review any forward-looking statement, whether as a result of new information, future developments or otherwise.

After Admission, the Company shall continue to provide updates to investors, as required pursuant to the Listing Rules, the Disclosure Guidance and Transparency Rules, the Prospectus Regulation Rules and MAR.

Third party data

This Document includes certain market, economic and industry data, which was obtained by the Company from industry publications, data and reports, compiled by professional organisations and analysts' data from other external sources conducted by or on behalf of the Company. Where information contained in this Document originates from a third party source, it is identified where it appears in this Document together with the name of its source. The Company confirms that data sourced from third parties used to prepare the disclosures in this Document has been accurately reproduced and, so far as the Company, the Directors and the Proposed Directors are aware, and able to ascertain from information published by that third party, no facts have been omitted that would render the reproduced information inaccurate or misleading. All third-party information is identified alongside where it is used.

Certain of the aforementioned third-party sources may state that the information they contain has been obtained from sources believed to be reliable. However, such third-party sources may also state that the accuracy and completeness of such information is not guaranteed and that the projections they contain are based on significant assumptions. As the Company does not have access to the facts and assumptions underlying such market data, statistical information and economic indicators included in these third-party sources, the Company is unable to verify such information.

Currency presentation

Unless otherwise indicated, all references in this Document to "UK Sterling", "pound sterling", "sterling", "£", or "pounds" or "pence" are to the lawful currency of the UK and all references to "EUR", "€" or "euro cents" are to the lawful currency of the EU. All references to "USD", "US\$", "US dollar" or "cents" are to the lawful currency of the United States. All references to "AUD", "AUD\$", "A\$" or "AUD Dollar" are to the lawful currency of Australia.

No incorporation of website

The contents of any website of the Company, any member of the Group, or any other person do not form part of this Document, unless stated to be incorporated by reference.

Definitions

A list of defined terms used in this Document is set out in Part XIII. A list of technical terms used in this Document is set out in Part XIV.

Governing law

Unless otherwise stated, statements made in this Document are based on the law and practice currently in force in England and Wales and are subject to changes therein.

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Publication of this Document	30 March 2022
Admission and dealings on the London Stock Exchange of the Enlarged Share Capital commence	8.00 a.m. on 8 April 2022
Completion of the Taronga SPA	8 April 2022
CREST members' accounts credited in respect of New Ordinary Shares	8 April 2022
Ordinary Share certificates dispatched where applicable by	20 April 2022

All references to time in this Document are to London time, unless otherwise stated. Each of the dates and times are subject to change.

PLACING AND ADMISSION STATISTICS

Number of Existing Ordinary Shares as at the date of this Document	138,868,305
Number of New Ordinary Shares to be issued pursuant to the Placing, Subscription and Retail Offer	66,666,667
Number of Consideration Shares to be issued	60,000,000
Number of Ordinary Shares in issue on Admission	265,534,972
New Ordinary Shares as a percentage of the Enlarged Share Capital	47.71%
Placing Price	£0.30
Gross Proceeds	£20,000,000
Net Proceeds	£18,077,000
Market capitalisation of the Company at the Placing Price on Admission	£79.6m

DEALING CODES FROM ADMISSION

ISIN	GB00BNR45554
SEDOL	BNR4555
EPIC/TIDM	1SN
LEI	984500CSA7TBE3FB7C63

DIRECTORS, PROPOSED DIRECTORS, SECRETARY AND ADVISERS

Directors	Thomas Buenger (Chief Executive Officer) Charles Cannon Brookes (Non-Executive Chairman)
Proposed Directors to be appointed from Admission	Catherine Apthorpe (independent Non-Executive Director) Seamus Cornelius (independent Non-Executive Director) Ingo Hofmaier (independent Non-Executive Director)
Company Secretary	Ross Ainger
Financial Adviser and Joint Broker	Arlington Group Asset Management Limited 15 Whitehall London SW1A 2DD
Placing Agent and Joint Broker	WH Ireland Limited 24 Martin Lane London EC4R 0DR
Company's Solicitors as to English law	Charles Russell Speechlys LLP 5 Fleet Place London EC4M 7RD
Company's Solicitors as to German law	Tiefenbacher Rechtsanwälte Caspar-David-Friedrich-Strasse 6 01219 Dresden Germany
Company's Solicitors as to Australian law	Steinepreis Paganin Level 4, The Read Buildings 16 Milligan Street Perth Western Australian WA 6000
Solicitors to the Financial Adviser and Joint Brokers	Hill Dickinson LLP The Broadgate Tower 20 Primrose Street EC2A 2EW
Reporting Accountants and auditor to the Company	Crowe U.K. LLP 55 Ludgate Hill London EC4M 7JW
Registrar	Share Registrars 27/28 Eastcastle Street London W1W 8DH
Competent Person (Germany)	Bara Consulting Ltd 17 Central Buildings Market Place Thirsk North Yorkshire YO7 1HD

Competent Person (Australia)	Mining One Pty Ltd Level 9, 50 Market Street Melbourne VIC 3000 Australia
Registered Office	First Floor 47/48 Piccadilly London W1J 0DT
Website	www.firsttin.com

PART I

INFORMATION ON THE COMPANY, THE TIN MARKET AND THE COMPANY'S OPERATIONS

1. Summary

It is estimated that 97 per cent. of the global primary tin supply currently comes from emerging or developing economies with 40 per cent. of that total being produced by artisanal or small-scale miners whose production predominately comes from alluvial mining, with the potential to cause significant environmental damage³. First Tin is committed to the environmentally sensitive development of advanced hard rock tin projects in conflict free, low political risk jurisdictions. The Company's goal is to develop and operate zero carbon sustainable tin mines that support the current global clean energy and technological revolutions.

On Admission, First Tin will 100% own two advanced tin projects, one in Germany and one in Australia, and is looking to rapidly develop them into production in order to be able to deliver a sustainable answer to the chronic supply shortage currently facing many industrial users of tin. Immediately following Admission, the Board intends to commence the process by which the Company will obtain a dual listing on the ASX in Australia and will also apply to secure a secondary listing in Frankfurt. Given the Company's operations are located in Germany and Australia, the Board considers that enabling direct access to the Company's shares in those jurisdictions will be beneficial to share price performance, liquidity and in further expanding its shareholder base to institutional and other shareholders.

The long term vision of the Group is to become a leading global tin producer that will supply fully traceable and verifiable tin units into those global industries which have a high requirement for tin. These industries include the electric vehicle, renewable energy, energy storage, mobile telephony and semi-conductor sectors which are currently experiencing strong demand growth.

First Tin is also supporting a decarbonised future and is committed to best-in-class environmental responsibility. The impacts of climate change are increasingly being felt around the world and First Tin is committed to being a zero-carbon emissions company as agreed to by nations participating in the Paris Agreement of 2015. The Company applies stringent environmental controls and procedures to minimise and mitigate its impact on land, water, air quality, climate and biodiversity and complies with the requirements of all applicable legislation, regulation and rules. First Tin is currently in the process of undertaking a third party independent ESG audit assessment with Digbee Ltd, and is a qualified candidate for European Raw Material Alliance funding and support.

On Admission, First Tin will have the seventh largest CRIRSCO compliant undeveloped tin resource globally by tin content, and the second largest outside Russia, Kazakhstan and the Democratic Republic of Congo⁴, with active mining licenses granted over both its German and Australian tin assets. Furthermore, both of the Company's assets have benefitted from significant historical investment and have had third party studies recently completed on them which have demonstrated robust economics at materially lower tin prices than are in existence today and both have significant leverage to higher tin prices. More details on the Company's assets can be found in section 5 and 6 below and in the two Competent Person Reports contained at Part XV of this Document.

Global demand for tin is currently strong with tin prices hovering near ten-year highs on the back of accelerating use for tin as a solder in electronics and in electromobility products⁵. The International Tin Association (ITA) forecasts demand to grow from 355kt in 2020 to over 400kt in 2025⁶ and that, even if the sharp demand seen in 2020-2021 reduces, demand will outstrip supply until at least 2025. According to the ITA, based on the likely future mine production, demand is likely to outstrip supply by approximately 20,000 tonnes, and therefore sustained higher prices will be needed to incentivise

3 <https://www.internationaltin.org/artisanal-small-scale-mining/>

4 International Tin Association – Global Resources & Reserves 2020 update. First Tin's Tellerhäuser and Gottesburg projects were noted as the 12th and 13th largest undeveloped tin resources by tin content

5 <https://www.proactiveinvestors.co.uk/companies/news/953627/tin-price-at-close-to-ten-year-highs-on-back-of-electronics-and-renewables-demand-953627.html>

6 <https://www.metalbulletin.com/Article/3996287/Tin-demand-to-exceed-400000-tpy-by-2025-deficit-expected-until-2030-ITA.html>

investment in additional mine development. Supply is also currently constrained following production disruptions in Myanmar and other leading producing countries, as well as export restrictions imposed by the Indonesian government. In 2021, the combination of strong demand with constrained supply resulted in a critically low global tin inventory with LME inventories reaching c.30-year lows at 645 tonnes on 3 November 2021⁷, representing less than one day of global consumption of approximately 1,000 tonnes⁸.

With tin considered a critical metal within the US and with artisanal sources estimated at as high as 40% of primary production, much of which emanates from alluvial mining and from conflict areas, it is the view of First Tin that the supply-demand dynamics of the tin market will remain compelling as are the prospects for responsible mining companies such as First Tin with operations located within OECD member countries, as consumers increasingly opt for traceable, conflict-free, ESG compliant and low-carbon footprint sources of tin.

Following a review of technical information and preliminary economic assessments contained in the Competent Persons' Reports, the Company believes that the combined output of Taronga and Tellerhäuser could reach c.6,000 tonnes of tin per annum by 2025 and, and, based on current expectations of possible exploration upside and expansion of mine sites, believes a potential increase in future production is possible over time to up to 10,000 tonnes per annum.

2. History of the Company

First Tin was incorporated in 2012 as Treliver Minerals Limited. Its initial tin exploration activities were at Treliver Farm, Cornwall UK but it disposed of those operations and currently has no operations in the UK, other than as acting as head office for the Group.

First Tin came to own Saxore Bergbau GmbH (**Saxore**), its German subsidiary, in December 2013, initially as an indirect subsidiary via Saxony Mines Limited, an Australian incorporated company which the Company owned. In 2016 First Tin undertook a restructure in order to hold Saxore directly. Saxore currently holds a valid Mining Licence in Saxony, Germany for the extraction of mineral resources from the "Rittersgrün" field, which contains the Tellerhäuser tin project. The mining licence was issued in compliance with the German Federal Mining Act and is valid until 30th June 2070. In addition to the mining licence, First Tin also holds two Exploration Licences in Germany, namely the Gottesberg and Auersberg exploration licences which sit directly contiguous with its Rittersgrün Mining License.

As at the date of this Document, Saxore is the Company's only subsidiary entity, but conditional on Admission, the Company will acquire a new subsidiary called Taronga Mines Pty Ltd (**Taronga** or **Taronga Mines**) which owns the Taronga tin asset and, in doing so, will also have operations in New South Wales, Australia, alongside its existing assets in Saxony, Germany. The Taronga Tin Project consists of one Mining Lease (ML1774) and four Exploration Licences: EL7800, EL7801, EL8335 and EL8407. The tenements are located around Emmaville and Torrington, which lie to the north of Glenn Innes in New South Wales.

3. Tin Uses and Market

Tin (chemical symbol Sn) is a chemical element belonging to the carbon family. It is a soft, silvery white metal with a bluish tinge and a very low melting point.

Tin is present in the igneous rocks of Earth's crust to the extent of about 0.001 percent, which classifies it as scarce but not as rare; and so is found in the same quantities as other technically useful elements such as cobalt, nickel, copper, cerium and lead. Tin occurs in grains of the native metal but predominantly as stannic oxide (SnO₂) in the mineral cassiterite, which is the only tin mineral of commercial significance.

Tin prices (LME Tin 3 Month Official Price) were reasonably stable in the period from 2016 to 2020 with a low of US\$13,225 a tonne and a high of US\$21,725 a tonne during that time⁹. However, through 2021, the price of tin rose sharply reaching an all-time high of US\$40,500 in November 2021 and making tin the best performing base metal on the London Metal Exchange in 2021. Tin prices have continued to rise in 2022 with a new all-time high of US\$48,317 a tonne on 9 March 2022, and with cash prices also

7 https://www.westmetall.com/en/markdaten.php?action=table&field=LME_Sn_cash

8 <https://www.reuters.com/article/us-metals-tin-ahome-idUSKBN2A525D>

9 https://www.westmetall.com/en/markdaten.php?action=table&field=LME_Sn_cash

currently offering a premium to the 3-month delivery price as a result of the historically low LME tin inventory levels noted above. As at the LPD, the price of tin stands at US\$42,901 a tonne¹⁰.

In recent times, tin has been gradually transitioning away from its traditional uses such as in long-life food cans, towards its modern day uses in soldering for electronic devices, with tin essentially providing the glue which binds electronics together. Approximately 40% of all tin is now consumed as solder in semiconductors and electronic circuitry. Other main uses of tin include in chemicals, alloys and in traditional lead-acid batteries; however, considerable research is being conducted into the potential use of tin in newer technologies including lithium-ion batteries, smart home devices, electric vehicles, and the 5G network.

In 2018, Rio Tinto commissioned the Massachusetts Institute of Technology to study which metals stood most to benefit from “new technology”. After assessing the four megatrends of renewable energy, advanced robotics, electric vehicles and advanced computation and IT, the conclusion of the report was that tin would be the metal that would benefit the most¹¹.

4. Tin as a conflict mineral

On 1 January 2021 the Conflict Minerals Regulation came into full force across the EU. The Conflict Minerals Regulation aims to stem the trade in four “conflict minerals” – tin, tantalum, tungsten and gold. Conflict minerals produced in politically unstable jurisdictions can be used to finance armed groups, fuel forced labour and other human rights abuses, and support corruption and money laundering.

The EU views countries at risk of producing conflict minerals as those whose natural resources include minerals which are in high demand, either locally, regionally or globally and are either suffering from armed-conflict, such as civil war, a state of fragile post-conflict, or witnessing weak or non-existing governance and systematic violations of international law, including human rights abuses.

The Conflict Minerals Regulation seeks to:

- ensure that EU importers of tin, tungsten, tantalum and gold meet international responsible sourcing standards, set by the OECD;
- ensure that global and EU smelters and refiners of tin, tungsten, tantalum and gold, source responsibly;
- help break the link between conflict and the illegal exploitation of minerals; and
- help put an end to the exploitation and abuse of local communities, including mine workers, and support local development.

EU importers of tin (typically traders and smelters/refiners) are now required to follow a five-step framework, which the OECD has laid out in a document called ‘*Due Diligence Guidance for Responsible Supply Chains from Conflict-Affected and High-Risk Areas*’.

These steps require an importer to:

- establish strong company management systems;
- identify and assess risk in the supply chain;
- design and implement a strategy to respond to identified risks;
- carry out an independent third-party audit of supply chain due diligence; and
- report annually on supply chain due diligence.

As the Company’s tin properties are located in first world stable jurisdictions, the Directors and Proposed Directors believe that its tin will be easily identified as ethical and sustainable and so is considered to have an advantage over tin produced in less stable areas of the world.

5. Customer Base

First Tin will produce tin concentrates that need further processing into tin metal, tin solder or tin chemicals. First Tin’s future customers are all primary tin smelters, many of which are situated in Asia. First Tin will select its customers according to its aim to produce conflict free, ESG compliant and low

¹⁰ <https://markets.businessinsider.com/commodities/tin-price>

¹¹ <https://www.australianmining.com.au/news/metals-will-impacted-technology/>

carbon footprint tin throughout the whole value chain. First Tin has identified a number of tin smelters that meet First Tin's objectives including smelters within Germany and Europe and will seek to establish partnerships to achieve its aspirations. Additionally, First Tin has already identified partners in Europe and specifically in the local Freiberg area that are interested in the development of new primary smelting technologies and capacities.

6. German Assets – Tellerhäuser, Gottesberg and Auersberg

In 2011 Saxony Mines Ltd (**SML**) was formed as a dedicated Germany focussed tin-tungsten exploration and development company. SML was, at that time, a 100% owned subsidiary of Australian registered St Piran Mines Ltd (**SPML**) which was, in turn, a 100% subsidiary of an Australian registered unlisted public company, Indo Gold Ltd (**IGL**).

At the same time as the formation of SML, Saxore, the local German company, was established as a 100% owned subsidiary of SML.

Treliver Minerals Ltd (**TML**), a private English registered company, subsequently purchased SML from IGL via SPML in 2013 and hence SML became a 100% owned subsidiary of TML. SML subsequently transferred its holding in Saxore directly to TML and SML was subsequently de-registered on 3 May 2017. TML changed its name to Anglo Saxony Mining Ltd (**ASM**) in February 2017. In August 2021 ASM changed its name to First Tin Limited.

6.1 Project and Licence Summary

First Tin, via its 100% owned subsidiary Saxore, holds a valid Mining Licence (**ML**) for the extraction of mineral resources for the "Rittersgrün" field which contains the Tellerhäuser Project, consisting of the Hämmerlein and Dreiberg resources. The Mining Licence was issued in compliance with the German Federal Mining Act and is valid until 30 June 2070.

In addition to the Mining Licence, First Tin, via Saxore, holds 2 Exploration Licences (**EL**). The "Gottesberg" EL, previously held by Sachsenzinn GmbH and Tin International AG, had its boundary expanded on 7 December 2015, with the renewal Exploration Licence validated for an additional 5 years. The licence was transferred to Saxore on 14 February 2019. A further extension was granted by the authorities to 6 December 2022. Due to the expansion of the licence area, the Exploration Licence is referred to as "Gottesberg II" by the licencing authorities.

An application was made by First Tin on 14 June 2021 for an exploration area situated between the Rittersgrün and Gottesberg licences. The authorities issued an exploration licence for the "Auersberg" field, which is valid until 30 September 2026. The Auersberg field importantly connects the licences of Rittersgrün and Gottesberg into one contiguous exploration area. A summary of the licences held and their details is presented in the table below.

Wismut GmbH holds a mining lease which covers all the underground voids and infrastructure at Tellerhäuser, part of which (the first 3km of the adit) is leased to the local tourist mine association. Saxore is in discussions with Wismut GmbH and the tourist mine association in respect of a joint working in the area.

Licence Name	Number	Licence Area (m2)	Grant Date	Expiry Date	Administration Fee	Licence Type
Rittesgrün	2962	41,496,900	13 August 2020	30 June 2070	€20,000	Mining Licence
Gottesberg II	1681	19,564,300	2 December 2020	6 December 2022	€2,454.41	Exploration Licence Extension
Auersberg	1708	175,705,100	1 September 2021	30 September 2026	€20,000	Exploration Licence

(source CPR – page 4)

6.2 **Location**

The assets held by Saxore are located in the Free State of Saxony in eastern Germany. The projects lie within the Erzgebirge (Ore Mountains) district bordering the Czech Republic. The Saxore office is located in the town of Freiberg approximately 80km NE of the project areas. The projects are all easily accessible. There are three international airports within 200km, the closest Dresden, at 55km. All weather road access is provided via the sealed road network in Saxony. The German rail network, and closest railway goods yard, is located approximately 11.5km from the Tellerhäuser project. The rail system provides access to the European network for importation of mining equipment and all supplies for operations. In addition, the rail system provides a cost effective method for transportation and export of products to the end users either within Germany, Europe or to ports for shipping to alternate destinations.

The three licence areas are contiguous from east to west and mostly follow the border with the Czech Republic.



(source CPR – page 4)

6.3 **Historical Mining**

The Erzgebirge district has a long history of mining with the earliest written records dating back 800 years. Over time, silver, lead, zinc, tin, uranium, tungsten and other by-product metals have been extracted from the area.

Freiberg is a historic mining town and home to the Technische Universität Bergakademie Freiberg. Founded in 1765 it claims to be the oldest mining science university in the world. It is currently one of the premier universities for earth sciences in Eastern Europe and is a primary source of graduates entering the mining industry in the region.

The Pöhla adit (Tellerhäuser project), was commenced in 1967 with the primary objective being the search for uranium mineralisation. Approximately 3km in from the portal, the adit intersected minor uranium mineralisation at Hämmerlein, which was mined out during the exploration phase, resulting in production of about 15t of uranium. In addition to the uranium, significant tin mineralisation was found, contained within the skarn and schist geological units. These units also contain zinc, magnetite, indium and copper at varying grades. Some 60,000t of tin-bearing ore was mined from the Tellerhäuser project over this period, mainly for processing testwork, a relatively small amount as these metals were deemed to be low priority compared to uranium.

The Pöhla adit eventually continued for a length of 7.5km where more significant and higher grade uranium was discovered. Multiple shafts were sunk to access the deeper uranium mineralisation. As with Hämmerlein, the deeper Dreiberg mineralisation also contained tin bearing skarn. It should be noted that the uranium mineralisation is not related to the tin mineralisation, although it does cut across it in a few areas and less than 1% of the Tellerhäuser tin resource intersects the uranium mineralisation. The tin mineralisation generally contains only global background abundance of radioactive materials. Mining at Dreiberg ceased in 1991, when uranium mining was suspended by the government following the reunification of Germany.

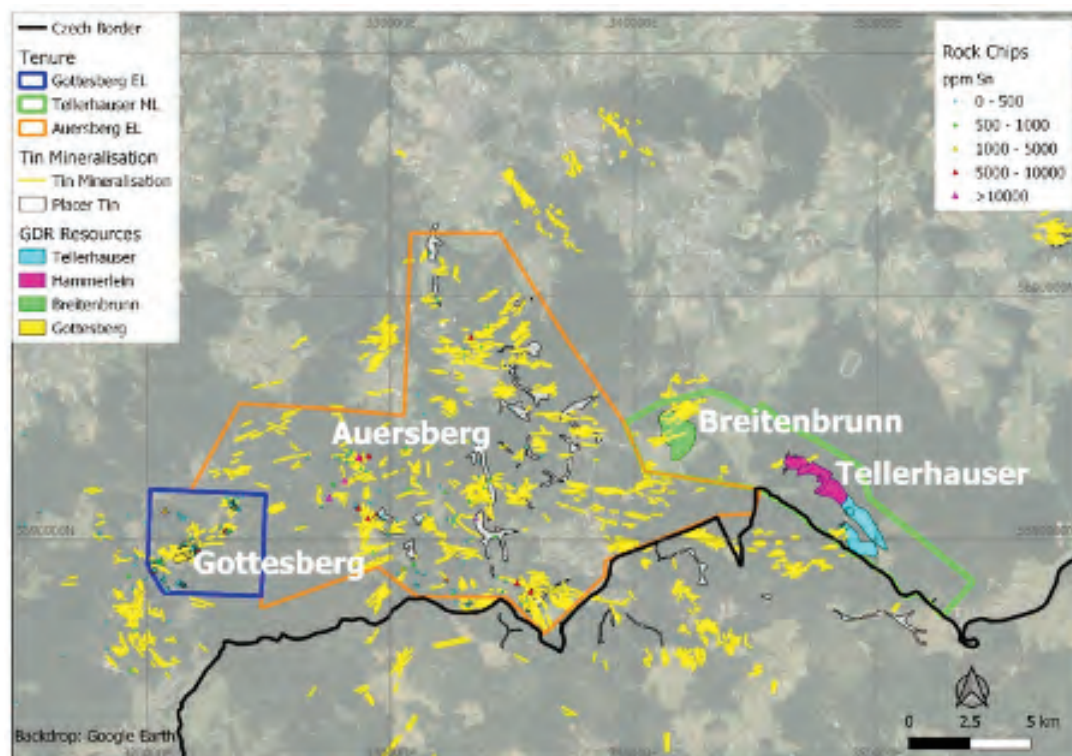
Mining in the Gottesberg area commenced in the 1500s and has been sporadic since then. Overall some 78,000t of tin ore has been mined from the property. More significant exploration was commenced in the second half of the 1940s as the area became the focus of uranium exploration by the Russian and East German governments. Several shafts were sunk and underground exploration levels were developed. Although tin mineralisation was identified, it was not of interest at that time and, as insufficient uranium was discovered, the project was abandoned.

Further exploration was undertaken at Gottesberg in the 1960s through to the 1980s. Underground diamond drilling programs were completed and tin mineralisation was identified by state funded explorers. Due to the end of the GDR as a state in 1990 with the reunification of East Germany and West Germany, the project never proceeded to commercial production. Further work was undertaken at Gottesberg by Tin International in 2011. They undertook surface diamond drilling as confirmation of tin mineralisation.

The Auersberg licence area has been the site of numerous tin mines dating back to the 14th century. From the middle of the 14th century until the 1960s, intensive mining of various raw materials (mainly tin, copper, iron,) took place in the permit area. Tin mining began with the exploitation of placer deposits around Eibenstock and Carlsfeld in the 14th and 15th centuries and reached a first peak with the start of tin plate production at the Blauenthal hammer mill, although no records of historic ore volumes or grades can be validated.

The Auersberg exploration project is a 175.7km² licence that joins the Rittersgrün (Tellerhäuser) and Gottesberg licences, creating a continuous 236.7km² area available for regional exploration. Within the licence area are located numerous historical tin workings dating from the Medieval times up to the 19th Century. The majority are hard rock workings, but large areas of alluvial tin are also known.

Practically no modern exploration has been undertaken in the area except for limited drilling by Wismut GmbH at three targets.



(source: First Tin internal records)

6.4 **Geology**

The Tellerhäuser mineralisation is located within the northern part of the Bohemian Massif. It is hosted within Cambrian to Ordovician metasediments that are now dominantly schist with several calc-silicate and skarn horizons. These were formed from fine grained pelitic sediments with limestone interbeds during metamorphism and metasomatism associated with the Carboniferous age Variscan orogeny. This orogeny is due to the collision between Gondwana and Laurussia.



(source: CPR page 41)

During the Variscan orogeny, prolific felsic intrusions were emplaced, with the earlier ones (mid to late Carboniferous) being affected by the later stages of deformation and hence these are often foliated. The latest intrusions (late Carboniferous to early Permian) are classed as “tin granites” and are believed to be the main source of the mineralising fluids that deposited the tin and associated mineralisation in the Erzgebirge district.

At Gottesberg, tin occurs in greisen mineralisation which occurs in hydrothermally altered granite. In this broad sense, the geology of the area is simple. However, when considered in more detail, the geology is more complex and the complexity becomes more apparent at smaller scale: greisens, greisenised breccias and greisenised granite have all been identified.

The Gottesberg greisen is known over a strike length of up to 800m, a width of up to 400m and a vertical extent of about 900m. The current geological interpretation does not account for any geological variation inside the greisen, because the available drilling data does not allow for a reliable interpretation of this internal variation. Tin occurs as cassiterite and copper, in minor amounts, as chalcopryite, chalcocite and covellite.

The Auersberg project represents a highly prospective brownfield Tin-Tungsten exploration area over 175.7km² within the Fichtelgebirge-Erzgebirge anticlinal zone at the northern margin of the Bohemian Massif, in eastern Germany.

The study area covers the largest, most extensive and highest order tin, tungsten, molybdenum, and lithium geochemical anomalies of the Erzgebirge, as well as the highest concentration of old tin workings. Recent field visits by Saxore have confirmed good potential for sheeted greisen vein style tin mineralisation as well as breccia pipe hosted mineralisation. Historical mining areas including Sosa, Ellbogen, Dönitzgrund, Carlsfeld and Jugel/Henneberg represent immediate walk-up drilling targets, with limited previous investigation at depth.

6.5 **Exploration Programme**

First Tin intends on continuing exploration drilling programmes at each of the project areas.

At the Tellerhäuser project, it is proposed to undertake both surface and underground diamond drilling programs going forward, targeting existing, and potential extensions to, known mineralisation. At Hämmerlein, 62 underground diamond drill holes (9,400 m) have been planned in several stages. These holes will be drilled from the existing Pöhla adit, however, they lie beyond the current safety stopping located approximately 3.1km from the portal. Rehabilitation of the adit beyond the stopping is required to enable access to drilling locations.

A surface drill program is also planned to target the deeper Dreiberg mineralisation. Due to the depth of mineralisation, it is planned to drill several 1,000 m parent holes using a directional drill. Two to three daughter holes are to be wedged off each parent hole. These holes are designed as confirmation holes for the higher grade Dreiberg mineralisation and as sample collection for metallurgical analysis.

At Gottesberg it is proposed that 16 surface diamond drill holes (1,937 m) be completed from seven drill sites. The drilling is targeting the upper part of the resource (6.8 @ 0.49% Sn) and also exploring an area outside the known deposit, where there is evidence of ancient mining activities. The drilling aims to confirm the existence of a high-grade core to the resource and also to establish the mineralisation controls. The Gottesberg drill program commenced in Q4 2021.

The area surrounding Gottesberg is to be drilled near areas of historic mining activities and is designed as a first pass test to explore the style and grade of potential mineralisation. Should this exploration program be successful, additional drilling will be planned to determine the size and grade of identified mineralisation.

The Auersberg Exploration field is to be tested around the historical tin workings. Planning for 5,800 m (26 drill holes) with an average depth of 220 m is to be undertaken in several stages. Initial drilling will determine the target's prospectivity, which may then be followed up as required with additional drilling. The drilling is targeting the vein style greisens which were historically mined to a maximum depth of approximately 50m due to water ingress. The drilling is targeting areas below historical mining and also the potential for deeper sulphide mineralisation.

6.6 **Mineral Resources**

Tellerhäuser Project

The Indicated and Inferred Mineral Resource estimates for the Hämmerlein and Dreiberg tin deposits are presented in the table below using a cut-off grade of 0.5% tin (Sn) to determine material which has a reasonable prospect of eventual economic extraction. The estimates are classified and reported in accordance with the JORC code (2012 edition) as of 30 September 2021.

Estimates for zinc (Zn), iron trioxide equivalent (Fe₂O₃), and indium (In) have also been made, although it must be cautioned that confidence in the estimation of these elements is lower than for Sn, due to partial assays for these elements and the precision and accuracy of the analytical methods used, particularly in the case of indium.

Due to the risks outlined above only Sn is considered in selecting material within the mineral inventory estimate which has a reasonable prospect of eventual economic extraction, and which qualifies as a Mineral Resource. Caution should be exercised when relying upon elements other than tin during economic analysis and elements other than tin should not be used in determination of mine schedule optimization or mine cut-off selection.

These figures have been extracted without adjustment from the Competent Person's Report, which is set out in full in Part XV (*Competent Person's Reports*) of this Document. Estimates of tonnage and grade are generated at full precision from the block models for each variable and are then rounded to two significant figures to demonstrate the uncertainty associated with the mineral resource estimate, as such discrepancy may exist between totals or the product of grade and tonnes.

**Mineral Resource Estimates for Hämmerlein and Dreiberg
above a cut-off grade of 0.5% Sn**

Category	Tonnes	Density	Sn%	Sn content (t)	Zn%	Zn content (t)	Fe ₂ O ₃ %	Fe ₂ O ₃ content (t)	In g/t	In content (kg)
Hämmerlein and Dreiberg Combined										
Indicated	2,000,000	3.1	1.0	19,000	0.93	18,000	20	400,000	64	130,000
Inferred	3,300,000	3.1	1.0	34,000	1.1	37,000	20	650,000	92	310,000
Total	5,300,000	3.1	1.0	53,000	1.0	55,000	20	1,000,000	82	430,000
Hämmerlein										
Indicated	1,200,000	3.1	0.82	10,000	1.1	13,000	19	230,000	61	76,000
Inferred	300,000	3.1	0.85	2,500	1.5	4,400	19	57,000	54	16,000
Total	1,500,000	3.1	0.83	13,000	1.1	18,000	19	290,000	60	92,000
Dreiberg										
Indicated	710,000	3.1	1.3	9,000	0.73	5,200	23	160,000	71	50,000
Inferred	3,000,000	3.1	1.0	32,000	1.1	33,000	20	600,000	96	290,000
Total	3,800,000	3.1	1.1	41,000	1.0	38,000	20	760,000	91	340,000

Note: only Sn is used in cut-off selection, see explanatory text above relating to higher risks associated with the estimation of Zn, Fe₂O₃ and In.
(source CPR page 8)

Gottesberg

In September 2012, Mining One Consultants of Melbourne Australia completed a JORC compliant Mineral Resource Estimate (MRE) on the Gottesberg project for Tin International Limited. This resource estimate was updated in December 2021 to comply with the updated resource guidelines issued by the Joint Ore Reserve Committee (Australia) in December 2012, which is known as JORC 2012.

The Gottesberg MRE was determined based on a total of 67 diamond drill holes completed from both surface and underground locations and also sampling of 124 underground headings. Although the resource was determined at multiple cut-off grades by Mining One Consultants, a cut-off of 0.35% tin would be deemed to meet the Reasonable Prospects of Eventual Economic Extraction based on assumptions for suitable mining and processing cost, recoveries and grades for this deposit. The Gottesberg MRE results are tabulated below. These figures have been extracted without adjustment from the Competent Person's Report, which is set out in full in Part XV (*Competent Person's Reports*) of this Document.

Mineral Resource Estimates for Gottesberg above a cut-off grade of 0.35% Sn

0.35% Sn cut-off						
Category	Tonnage Mt	%Sn	Contained Sn tonnes	Tonnage MT	% Cu	Contained Cu tonnes
Indicated	2.0	0.48	9,000			
Inferred	4.8	0.49	24,000	6.8	0.12	8,000
Total	6.8	0.49	33,000	6.8	0.12	8,000

Note: Estimates are rounded to two significant figures to demonstrate the uncertainty associated with the mineral resource estimate, as such numbers may not total.

(source CPR page 9)

Auersberg

No resource statement has been compiled for Auersberg, as this project area is still in target generation phase.

6.7 Mining

The Tellerhäuser project, which contains the Hämmerlein and Dreiberg resources, has been the subject of several previous studies including a study by Roscoe Postle Associates completed in April 2020, and related Scoping-level studies by Bara Consulting in 2021.

Access to the mine would be via a boxcut and decline from surface. Mining operations at Tellerhäuser would consist of a variety of mining methods utilising the advances in technology currently available. Long Hole Open Stoping (**LHOS**), Room and Pillar, and Cut and Fill mining techniques would all be scheduled within the mine plan to achieve low operating costs and to maximise ore extraction.

The upper Hämmerlein resources consists of thick zones of mineralisation which are ideally suited to LHOS. The flat lying, narrower sections would be mined using room and pillar mining techniques. Only where poor ground conditions prevail would Cut and Fill mining be implemented.

Mining machinery would consist of a battery powered mobile fleet (trucks & loaders) with electric hydraulic drilling equipment. Where practical the equipment would be autonomous, thus limiting the number of underground personnel.

The deeper Dreiberg deposit at Tellerhäuser would be mined predominately using room and pillar techniques. Given the significant distance (~ 2km) to get to the Dreiberg mineralisation, further studies are required to determine the most cost efficient access method. Access would be either decline or shaft. Decline development could be conventional drill and blast techniques or tunnel boring. Existing shafts need to be evaluated to determine if they could be stripped of existing infrastructure and re-equipped.

Based on the Options Study completed in August 2021, there are reasonable prospects for the Hämmerlein and Dreiberg deposits to contain an economic mining inventory in excess of 5 million tonnes (note: this is not a reserve).

Tellerhäuser Mining Inventory

Ore	Grade			
	Sn	In	Fe	Zn
Mt	%	g/t	%	%
5.2	0.89	41	18.9	1.0

(source: CPR page 10)

No detailed mine planning has been undertaken for the Gottesberg resource. Historically, the mine workings were accessed via vertical shafts. In 2013 a conceptual mining study for Gottesberg was completed by CSA Global for Tin International. The concept was for a standard

decline from surface approximately 2km long, and suitable for either conveyor or truck haulage systems. Mining would utilise the standard LHOS method, which has a high production rate and is a low cost mining method. In order to minimise tailings on the surface, a cemented paste fill plant would be established on surface to pump tailings into the voids created by mining.

At Auersberg no mine plans have been developed. The project is at an early stage of exploration. It is envisaged based on existing information that tin mineralised zones would be exploited using underground mining methods. The greisens that bear the tin minerals tend to be narrow and vertical and are thus better suited to underground narrow vein mining techniques.

If drilling results are positive at Gottesberg and Auersberg, the Company's intention is to investigate a "hub and spoke" mining approach whereby ore beneficiation is undertaken locally and then final processing and upgrading taking place at Tellerhäuser.

6.8 **Mineral Processing**

Tellerhäuser Metallurgical Development

Extensive sampling and testwork including pilot plant testwork on bulk samples has been undertaken for Tellerhäuser over periods since the early 1970s.

Mineralogical characterisation suggests the Tellerhäuser ore, including Hämmerlein skarn and schist, and Dreiberg skarn, is complex, with cassiterite and non-cassiterite tin mineralisation hosted in a magnetite-bearing skarn intergrown with sulphide minerals including sphalerite and chalcopyrite, with indium as roquesite (CuInS_2) and sakuraiite ($(\text{Cu,Zn,Fe})^3(\text{In,Sn})\text{S}_4$) within the chalcopyrite. Hämmerlein ore types and Dreiberg ore types appear mineralogically and metallurgically similar.

Treatment routes including gravity concentration (coarse and fine), sorting, magnetic separation, sulphide flotation and oxide (SnO_2) flotation have been tested.

Bond crushing indices tested ranged from 12.5-21.5 kWh/t. Bond ball mill indices measured ranged from 16.1 kWh/t (schist, FAME), to 21.4 kWh/t (schist, WAI), with Bond rod mill indices of 16.3-17.3 kWh/t. The ore is therefore classed as hard to very hard from a comminution point of view.

Pre-concentration testwork has included DMS testwork at a range of sizes, optical sorting and X-ray transmission (XRT) sorting. DMS work on a crushed 10-20mm fraction from Hämmerlein indicated potential to reject 38.5Wt% at 0.16% Sn for overall recovery of 90.6Wt% Sn. Optimized results included 25% rejection at 96.0Wt% Sn recovery, and 30% rejection at 97.0% Sn recovery. Optical sorting indicated potential rejection of 20Wt% with 98.8Wt% Sn recovery on a low-grade sample. Sorting by XRT suggested excellent potential with 29.9Wt% rejects at 99.2% Sn recovery.

Magnetic separation results for iron recovery suggest a range of results across a range of grind sizes for skarn samples tested. Magnetite recovery from schist type samples was not considered feasible, resulting in overall recoveries of 15Wt% to a 60% Fe concentrate suggested from blended feed.

Rougher sulphide flotation produced a high grade (36% Zn) sulphide concentrate with Cu and In in attributable amounts. Further work at LTU returned rougher concentrates (first selective flotation stage) with 24-32% Zn at 81-91% Zn recovery, 12-17% Cu at 58-63% recovery, and 5% As at 11-21% recovery.

In oxide flotation, Sn recovery was 60Wt% Sn to a 45% Sn concentrate from the skarn, and 78Wt% Sn to a 50% Sn concentrate from the schist for overall recoveries of 70% to a 47.5% Sn concentrate. Flotation work at ALS Burnie returned 74-79Wt% Sn recovery to a 35-50% Sn concentrate using highly selective Sn collector reagents.

Gravity results again ranged depending on sample grade, particle size range and gravity method. Optimal shaking table concentrate indicated 30Wt% Sn recovery to a 35.2% Sn concentrate; work on a combination of shaking tables, with Mozeley sizers and a MicroJig indicated 16.76Wt% Sn recovery to a 57.3% Sn concentrate (Mozeley) plus 13.53Wt% Sn recovery to an 11.9% Sn con (MicroJig). Gravity testing at LTU returned 40.46Wt% Sn recovery to a 71.7% Sn concentrate

in one test, with the 'Q2' test returning 37.4Wt% Sn recovery to a 59.12% Sn concentrate plus additional recovery in the Knelson concentrator of 6.1Wt% Sn to a 31.97% Sn concentrate.

Due to the varying results and academic focus of much of the previous work, commercial testwork at ALS Burnie laboratories was undertaken. Gravity plus oxide flotation testwork at ALS Burnie returned recoveries of 78-79Wt% Sn to a 44-46% Sn concentrate in combination. Metallurgical consultants Devlure suggest this could potentially be upgraded to a plus 50% Sn concentrate by a mix of additional screening and grinding, magnetic separation, sulphide flotation and gravity upgrading of the concentrate in the tin dressing shed with only minor additional tin losses.

Saxore are currently sending an 80kg bulk sample grading 0.85% Sn for full locked cycle testwork at ALS Burnie as part of the next stage of study.

Tellerhäuser Mineral Processing

The flowsheet developed for Tellerhäuser comprises crushing, sorting, grinding, magnetic separation, sulphide flotation, gravity concentration and flotation of the cassiterites. XRT sorting would be done in a single stage with both coarse and fine XRT sorters. Magnetic separation would be with twin rougher WHIMS, with regrinding of the WHIMS tails and WHIMS at lower gauss. Regrind tails would be treated by sulphide flotation to produce a bulk Zn-Cu-In concentrate. Sulphide flotation tails would be treated by coarse gravity separation, followed by fine cassiterite flotation and fine gravity concentration to produce a final tin concentrate. Coarse gravity tails would be reground, treated by LIMS and recirculated to the gravity circuit feed.

Final concentrates would be tanked and pumped to surface for filtering and dumping to containers for delivery. Final tailings would be thickened and mixed prior to pumping to fill stopes for disposal.

Overall recoveries of 75% Sn to a 50% Sn concentrate, 60% Zn to a 45% Zn concentrate containing 400 g/t In at 80% recovery, and 15% recovery of Fe₂O₃ to a 60% Fe concentrate are assessed for the flowsheet.

Substantial further work is recommended as follows:

- Extensive sampling of drill cores for a representative sample, and variability samples.
- Testing of a life-of-mine composite of representative grade to the full separation process.
- Flotation and gravity concentration flowsheet envisaged.
- Optimisation of flotation work for Zn Cu and In recovery to saleable concentrates.
- Optimisation of flotation and concentrate dressing to prove Sn recovery to saleable concentrates.
- Assay Sn concentrate for trace elements to determine if any smelter penalty elements are contained.
- Carry out variability tests on drill core samples from across the ore body.

Gottesberg Metallurgical Development

Ore from Gottesberg has historically been mined between 1440 and 1990 when production ceased with the fall of the Berlin Wall. Sampling and testwork was carried out by institutes in the GDR prior to 1990, however results are not readily available. Scoping level metallurgical testwork has more recently been undertaken on behalf of Tin International by ALS Burnie in 2013. Work comprised basic ore characterisation followed by testwork to develop a conceptual process flow sheet.

Head analysis of the sample tested was 0.46% Sn with 0.01% WO₃, 2.99% Fe and 0.02% Cu. Mineralogical assessment indicates quartz, topaz and micas are the dominant non-sulphide gangue minerals with pyrite the dominant sulphide. Minor quantities of copper minerals, sphalerite and galena are also present. Heavy liquid separation of coarse ore fractions (<20mm)

indicates a 33% mass rejection of silicates with a 10% loss of tin at a separation specific gravity of 2.70gm/cm³. Samples were ground to 150 microns for gravity concentration. Gravity recovery between 150 and 30 microns was very effective yielding an overall gravity tail of 48% of new feed mass assaying 0.03%Sn. Removal of sulphides by flotation from the gravity concentrate worked very well, with further dressing by gravity giving concentrates up to 63% Sn with only minor Sn loss. The predicted overall gravity/dressing circuit recovery was 67% tin recovery to a 63% Sn grade, although further recovery of fine tin was shown to increase overall recovery over this initial number. Confirmatory, optimisation and variability testing needs to be carried out in any future work program leading to a process flow sheet.

Substantial further work is again recommended as follows:

- Extensive sampling of drill cores for a representative sample, and variability samples.
- Repeat gravity locked cycle with suggested modifications.
- Work on the tin float to improve concentrate grade.
- Assay Sn concentrate for trace elements to determine if any smelter penalty elements are contained.
- Carry out variability tests on drill core samples from across the ore body.

Auersberg

No metallurgical sampling or testwork for Auersberg is reported.

6.9 Tailings and Waste Management

The mining studies that have been undertaken for the Tellerhäuser project detail that the bulk of the waste rock and tailings produced from mining and processing activities would be predominately backfilled into the substantial underground voids that already exist. Waste material from the mine development would be transported and direct tipped (ejector trucks/loaders) into the historic tunnels that were constructed during exploration and mining activities. In addition, by installing the process plant within the mine, thickened tailings could be pumped into voids, or a system of co-disposal (waste and tailings) would be utilised. Co-disposal allows for greater utilisation of void space and offers greater stability and safety.

In order to minimise overall waste management, options for the classification of waste material into saleable products (building aggregates), has been included into the process flow sheet. The design philosophy for the Tellerhäuser project is to minimise surface waste and tailings storage.

The Gottesberg concept study included a small surface tailings storage facility (**TSF**) that would be adjacent to the process plant. An area was identified for a TSF with a storage capacity of approximately 4,000,000 m³. As mining progresses and suitable voids are established tailings would also be used as fill in the underground voids to enable higher extractions rates, increased stability and safety of the underground workings. Waste rocks produced at Gottesberg would similarly be used in underground fill and for the construction of embankments for the surface TSF. If suitable the material would also be utilised as construction aggregates and could therefore be sold.

As no mining planning has been undertaken at Auersberg there are no definitive details on waste product management. It should be noted that the narrow vertical nature of the tin bearing greisens, may be suitable for a cut and fill mining method. Therefore, any waste material from development could be placed underground.

6.10 Water Management

The Tellerhäuser project has extensive underground workings that are currently flooded below the adit level. It is estimated that total mine workings contain approximately 1 million m³ of water, although the majority of this volume is contained in remnant uranium workings not implicated in current mine planning. An estimated 85,000 m³ will need to be pumped to enable mining to commence in the Hämmerlein deposit. Initial dewatering will occur over an estimated 12 months,

while decline development is underway. Once Hämmerlein is dewatered, the dewatering of the deeper Dreiberg workings will commence.

To comply with environmental discharge regulations, all water is to be treated prior to discharge. The water treatment plant is designed to be modular and thus is able to be installed underground. The treatment plant will be installed in two phases. Initially water from the Hämmerlein section (above 500m RL) will be treated to remove non-radioactive elements. At the lower levels, the water within the uranium mineralised zones may contain higher concentrations of nuclides. A second stage of water treatment will be added to the system to extract the higher levels of contamination found in the deeper parts of the old workings.

No detailed work has been undertaken on dewatering of the underground voids at Gottesberg. It is anticipated that the dewatering of the old workings will entail a water treatment process to remove any elevated dissolved metals and nuclides.

As there are no existing voids at the Auersberg project and no mining scenarios exist, water management plans have not been developed for the project.

6.11 **Infrastructure**

All three project areas are well situated in relation to access and services. Road, rail and air transport are within relatively short distances to project sites. Direct access is possible to each location via a network of sealed all-weather roads. The German rail network and a rail goods yard is located approximately 11km from the Tellerhäuser project site. There are three international airports all located within two hours drive of the project areas. Dresden airport being the closest at 55km.

All services required for mining operations are available locally. Each site would be supplied power via the national electricity grid which presents suitable HT powerlines proximal to all 3 sites. Germany is also advancing its progress towards carbon neutral electric power where, within Saxony, there are several primarily hydropower and solar plants which could supply renewable electricity to the project sites.

Water supplies are readily available. Both Tellerhäuser and Gottesberg have water supplies from existing underground storage that can be utilised once treated. Water recycling is a standard practice at mining operations. A positive water balance would require water discharge from site operations. However, the treatment plants would ensure discharge water quality meets regulatory and environmentally and socially acceptable standards. The long term operational water treatment plant at Tellerhäuser would be located in the existing and new underground workings in order to minimise surface infrastructure and pumping requirements.

As each project area is located close to community centres, it is envisaged that the majority of employees would be recruited from the local towns. Senior professional occupations would need to be recruited from outside the area, however there is adequate accommodation available locally.

Planning for the Tellerhäuser project has incorporated designs for minimal surface infrastructure. Over the life of mine operations, the bulk of waste rock and plant waste is to be stockpiled underground into existing voids. Existing voids or new voids would be created for the construction of the processing plant. The cost of this is mitigated by the elimination of long haulage routes to transfer ore to the plant if located on surface and then returning waste underground. In addition, locating infrastructure underground minimises the potential for protracted permitting approvals.

Other infrastructure that would be located underground at Tellerhäuser would be maintenance workshops for plant and mobile equipment, some office facilities would be sited in existing workings facilitating operational effectiveness, explosives magazines for ease of access and security; and small fuel storage and filling station for the limited diesel powered equipment.

Infrastructure planning for Gottesberg and Auersberg projects is not currently developed.

6.12 **Environmental, Social and Permitting**

A desk-top review of environmental and social data has not identified any permitting, environmental or social flaws or red flags. However, as the project is still in the early stages of development, there are areas where work will be required to bring the project up to international guidelines and best practice compliance. There are also issues identified that could potentially impact schedules and budget.

The obligatory Life of Mine Plan (**LoMP**) requires an environmental and social impact assessment (**ESIA**) as mandatory for projects with significant impacts. Undertaking an ESIA, even if not required by law, can improve the acceptance, and likelihood of approval, of the project. German legislation describes the required content of the ESIA report and includes details of investigations and evaluations to determine the energy demand; type and amount of raw materials and resources used; and expected residues, emissions and waste.

The baseline studies include dust and air quality evaluations, noise and vibration studies, visual, acid mine drainage studies, soil surveys, hydrological surveys, flora and fauna surveys, cultural and socio-economic studies, hydrocarbon and hazardous waste studies and radiation studies. Some work has already been completed, while other studies are to be initiated as the project progresses.

The main risks for the project remain obtaining and keeping the social licence to operate, which largely depends on implementation of robust community engagement and consultation; transparent project disclosure; clear lines of communication and establishment of an effective grievance mechanism; and appropriate and sensitive community development investments.

The main environmental concerns are potential impacts to the landscape and biodiversity; radiation and other water contamination; traffic and safety issues; and effects on water resources from changed water quality and flow regimes.

6.13 **Capital and Operating Costs**

Capital cost estimates for the development of a 500,000 tpa underground tin mine and processing facility at Tellerhäuser are presented in the Table below. An initial capital expenditure of US\$49 million is required to reach name plate capacity.

Tellerhäuser Capital Cost Estimate

Capital Item	Cost USD million
Hämmerlein Process Plant	27
Mining Fleet	14
Mining Infrastructure	8
Subtotal	49
Linear Development (LoM)	76.2
Dreiberg Plant (Y3)	22
Subtotal	98.2
Total	147.2

Tellerhäuser Operating Cost Estimate

Project	Tellerhäuser Sn
Throughput	500,000 ROM tpa
Date	September 2021
Linear Development	US\$55/t (Capitalised)
LHOS Stopping	US\$40/t
Milling	US\$20/t
Concentrate Transport	US\$2.50/t
G&A	US\$5/t
Total	US\$67.50/t

6.14 **Economic Analysis**

Economic analysis to scoping study level was undertaken for the exploitation of Indicated and Inferred resources from the Hämmerlein and Dreiberg zones of the Tellerhäuser project. All metals with potential economic value including tin, zinc, indium and magnetite were included in the evaluation. A summary of the economic parameters as calculated in the Options Study is shown in the table below:

Tellerhäuser Economic Parameters

Metal	Unit	Price	Mill Recovery	Receivable
Tin Sn	US\$/tonne	26,000	75%	87%
Zinc Zn	US\$/tonne	2,750	60%	79%
Indium In	US\$/oz	6.05	85%	80%
Iron Fe	US\$/tonne	163	15%	100%

Economic analysis for the Tellerhäuser Project using these parameters suggests a potential project with an NPV at 8% discount of US\$191M and an IRR of 46% with upfront capex of US\$49M, opex of US\$423M and revenues of US\$880M, based on the exploitation of all commercial metals at a nominal ROM rate of 500,000 tpa and a forecast tin price of US \$26,000/t. The forecast life of mine is just over 10 years. Although studies have not been completed to a standard that allows for the determination of Mineral Reserves, the authors of the Competent Person's Report are of the opinion that the Tellerhäuser project is financially robust¹².

The project is sensitive to the tin price as shown in the table below, which shows the effect of changes in tin price, keeping all other parameters the same:

Tin Price (\$/tonne)	NPV at 8% Discount Rate	IRR
20,000	US\$82.2M	26%
25,000	US\$173.3M	43%
30,000	US\$263.8M	58%
35,000	US\$354.3M	73%
40,000	US\$444.7m	87%

It must be noted that these economic parameters are at scoping level of study only and are not to be considered full and final economics for the project. The economic analysis being presented is purely speculative in nature and cannot be a guarantee of future value or return on investment.

No economic analysis for Gottesberg or Auersberg has been undertaken.

7. Australian Assets – Taronga Tin Project

7.1 Overview

The Taronga Tin Project is located entirely within New South Wales, Australia and includes a Mining Lease and four Exploration Licences. The Mining Lease and Exploration Licences are all held by Taronga Mines which, as at the date of this Document, is wholly owned by Aus Tin Mining Limited (**Aus Tin**). Pursuant to the Taronga SPA, on Admission, the Company will acquire Taronga Mines.

Mining, exploration and prospecting in the Taronga Tin Project area dates back for over a century. Significant exploration of some of the tin deposits was made by BHP in 1933, 1958 and 1964, and the Newmont Joint Venture from 1979 to 1982. From 2012 to 2018, for the Taronga Tin Deposit, AusNiCo Ltd and Aus Tin completed Mineral Resource and Ore Reserve estimates, completed a PFS, were granted a mining lease over most of the deposit and were given development approval for trial mining and processing.

The Taronga Tin Project consists of one Mining Lease (ML1774) and four Exploration Licences: EL7800, EL7801, EL8335 and EL8407. The area of the Mining Lease is 76.5 hectares and the total area of the exploration licences is about 340 square kilometres.

The tenements are located around Emmaville and Torrington, which lie to the north of Glenn Innes.

ML1774, which includes most of the reported Mineral Resource of the Taronga Tin Deposit, is located within EL8407. EL7800, EL8335 and EL8407 are contiguous but EL7800 and EL8335 are in several parts. The First Tin licences are surrounded and intermixed with licences held by other entities.

ML1774 is due to expire on 21 December 2029 and the Exploration Licences have expiry dates ranging from 4 July 2022 to 4 July 2024. Notably, EL8407 which surrounds ML1774 is due to expire on 4 November 2023.

The expiry dates, annual spending commitments and security provided for the four Exploration Licences and the Mining Licence are listed below.¹³

Tenement	Area	Expiry	Security Required AUD\$	Security Held AUD\$	Rent p.a. ¹⁴ AUD\$	Expenditure Commitment* AUD\$
EL7800	36 units 108 sq km	4 Jul 2022	10,000	15,000	2,160	100,000
EL7801	4 units 12 sq km	4 Jul 2024	10,000	10,000	240	80,000
EL8335	56 units 168 sq km	5 Jan 2024	10,000	10,000	3,360	40,000
EL8407	17 units 51 sq km	4 Nov 2023	10,000	10,000	1,020	40,000
ML1774	76.5ha	21 Dec 2029	20,000	26,500	497	0
TOTAL:	n/a	n/a	60,000	71,500	7,277	260,000
First Tin Budget**						AUD\$1,500,000

*: The expenditure commitment is based on the annual commitment included in the Exploration Licence documentation other than for EL7801 which is for the current licence term.

** : This is the amount currently budgeted for exploration drilling, resource confirmation drilling, bulk sampling and metallurgical testwork for the Taronga Tin Project by First Tin.

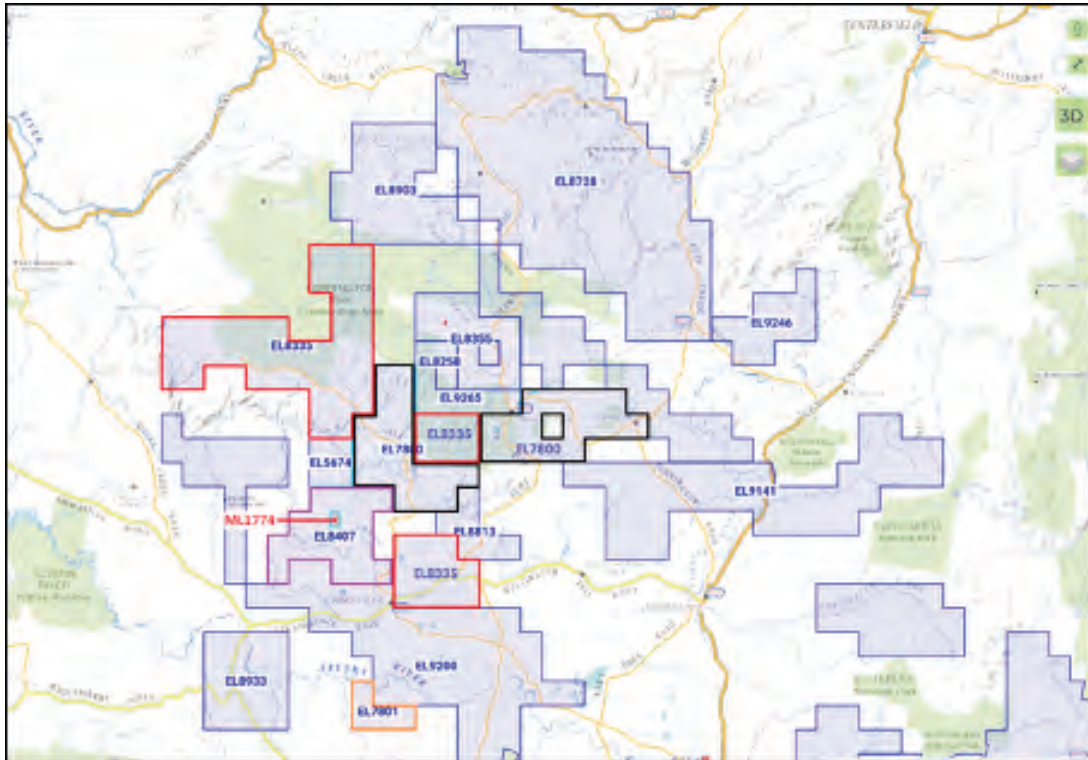
¹³ Taronga CPR page 22

¹⁴ <https://legislation.nsw.gov.au/view/html/inforce/current/sl-2016-0498#sch.9>

The Project has an elevation of about 1200m above sea level and the topography is undulating to hilly. The area consists of a mixture of private land and crown land. A significant area of EL7800 is covered by the Torrington State Conservation Area. Vegetation ranges from lightly wooded to open grassland which is used for sheep and cattle farming.

Mining Lease ML1774 is entirely located on freehold land owned by Taronga Mines Pty Ltd, a wholly owned subsidiary of Aus Tin. Private freehold land is not subject to Native Title claims. Further detail on Native Title claims is contained in the summary of Australian law at Part V Section B of this Document.

The geographic spread of the Taronga licences within the wider Taronga Tin Project area is set out in the following map¹⁵:



EL7800 is in two parts outlined in black in the above map, the eastern part of which excludes a block shaded in white in two parts centred on Torrington which is situated approximately 20 kilometres north-northeast of Emmaville. The licence lies between the north-northeast trending Grampian Range, which hosts the Taronga Tin Deposit, and the settlement of Stannum, situated in the east of the area. Mean elevations rise to approximately 1200m above sea level on the outcrop of the Mole granite in the north of the licence.

EL7801 is outlined in orange near the bottom of the map centred on the known tin occurrence of Pound Flat which is situated approximately 12 kilometres southwest of Emmaville. Topographic relief ranges from undulating to hilly.

EL8335 is in three parts outlined in red around the centre of the map in three parts south and west of Torrington and east of Emmaville. Topographic relief ranges from undulating to hilly.

EL8407 encloses the Taronga Tin Deposit and ML1774, and lies just to the north-west of Emmaville. Topographic relief ranges from undulating to hilly. EL8407 is outlined in purple a little way north of EL7801. ML1774 is the small shape indicated inside EL8407.

The other licences shown on the map are not owned by Taronga Mines Pty Ltd and will not form any part of the Group's assets as from Admission.

Access to the area is good, with sealed all weather roads traversing the area. Off-road access is provided by a network of farm tracks.

¹⁵ Taronga CPR page 14

The area has been subjected to extensive mining activity, principally for tin and tungsten, dating back more than a hundred years, with the main activity being sluicing of Vegetable Creek and tributaries for alluvial and palaeo-alluvial cassiterite.

The Taronga Tin Project is situated within the southern New England Fold Belt where the Triassic age Mole granite has intruded into metamorphosed Permian-Triassic volcanic and sedimentary rocks.

In the area in, and to the south of, the Mole granite, hundreds of hydrothermal and alluvial mineral occurrences have been catalogued and range in size from very small scratchings to the Taronga Tin Deposit for which a Mineral Resource has been estimated.

Tertiary basalt and Quaternary colluvium and alluvium cover the older rocks in places and Tertiary and Quaternary age placers and deep lead deposits containing cassiterite have been mined in the district.

The principal element of interest in the Taronga Tin Project is tin (Sn) that occurs as the mineral cassiterite (SnO_2). Cassiterite is the traditional source of tin mined in the world and the only current source of tin mined in Australia.

In addition to tin, other metals of interest recorded from historical workings in the area include antimony, bismuth, copper, gold, lead, lithium, molybdenum, silver, tungsten, zinc and zircon.

The only materially significant deposit identified by Aus Tin in the Taronga Tin Project is the Taronga Tin Deposit which is a vein style deposit. The Taronga Tin Deposit is the only deposit in the Taronga Tin Project for which a Mineral Resource has been reported in accordance with the JORC Code 2012.

In 2013, AusNiCo Limited commissioned a Mineral Resource Estimate for the Taronga Tin Deposit. The estimate was made by Mr Michael McKeown of Mining One and reported in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves of the Joint Ore Reserve Committee of The Australasian Institute of Mining and Metallurgy, Australian Institute of Geosciences and Minerals Council of Australia, 2012 edition. This was subsequently revised to be compliant under JORC 2012 guidelines in December 2021 by the same author.

In the Taronga Tin Deposit, tin as cassiterite occurs in sheeted quartz veins within a north-east aligned anticlinal structure. The deposit has been resolved into two large zones, known as the Northern and Southern Zones.

The Northern Zone consists of a large, more or less intensively mineralised zone of sheeted veins which extends for 500 m along strike, up to 125m across strike and 300m down dip. This zone occurs within a lower grade halo of mineralisation which extends for 1,000m along strike, up to 250m across strike, and up to 500m down-dip. The intensity of the veining reaches up to 150 veins per metre in the centre of the intensively mineralised zone.

The Southern Zone consists of four en-echelon zones of tin mineralisation which dip vertically to sub-vertically. The zones occur over an area of 800m along strike and 350m across strike. The individual zones are up to 50m in width and extend for up to 250m down dip. The four discrete swarms of quartz veinlets have been named Hillside, Hillside Extended, Payback and Payback Extended.

As well as tin, the Taronga Tin Deposit mineralisation carries copper and silver.

The Mineral Resource for the Taronga Tin Deposit was made by estimating grades for tin (Sn), copper (Cu) and silver (Ag) into a block model of the mineralisation using ordinary kriging using assays data from diamond drill and reverse circulation holes. Statistical analyses of the sample data did not reveal any extreme high grades which required cutting.

The classification of the resource included Mineral Resources in the Indicated and Inferred categories. No part of the Mineral Resource was classified as Measured.

For each zone, grade estimates were not extended beyond the limits of drilling along strike. The vertical limit of the grade estimate for each zone was not extrapolated below the lowermost drill hole intercepts. The east and west limits used were the geological boundaries of the individual zones.

These estimation limits mean that all the material for which grades were estimated, and which achieved the cut-off grade, could be classified as Inferred Mineral Resource at least. In addition, where multiple mineralised Sn intercepts occurred on a cross-section within a zone, the Sn resource impacted by the cross-section was classified as an Indicated Mineral Resource.

Not all samples were assayed for Cu and Ag and the estimated grades of Cu and Ag were low. In view of these two facts, the Cu and Ag resources were all classified as Inferred Mineral Resource.

The Mineral Resource was declared at a cut-off grade of 0.1% Sn. The current cash tin price on the London Metal Exchange on 8 November 2021 was US\$38,800 per tonne. The current exchange rate quoted by the Reserve Bank of Australia on 8 November 2021 was US\$0.7398/A\$1. Given these quotations, the current cash tin price is AUD\$52,446 and at a metallurgical recovery of 70% for cassiterite, a grade of 0.1% Sn would yield a recovered value per tonne of about AUD\$37 which could be expected to more than cover the marginal cost of processing one tonne of ore in a modern tin processing plant.

The Mineral Resource for the Taronga tin deposit announced in 2013¹⁶ and updated in December 2021 are set out below and have been extracted without adjustment from the Competent Person's Report, which is set out in full in Part XV (*Competent Person's Reports*) of this Document.

Taronga Tin Project – Tin Mineral Resource						
0.1% Sn Cut-off Grade						
	Inferred			Total		
Metal	Mt	Assay % Sn	Contained Metal tonnes	Mt	Assay % Sn	Contained Metal tonnes
Northern Zone						
Tin	19.3	0.16	30,800	7.7	0.12	9,300
Southern Zone						
Tin	7.6	0.19	14,400	1.7	0.16	2,700
Total						
Tin	26.9	0.17	45,200	9.4	0.13	12,000

16 AusNiCo Ltd, Maiden JORC RERsource Estimated for the Taronga Tin Project, ASX Announcement, 26 August 2013.

Taronga Tin Project – Copper and Silver Mineral Resource						
0.1% Sn Cut-off Grade						
	Indicated			Inferred		
Metal	Mt	Assay % Cu & g/t Ag	Contained Metal tonnes or ounces	Mt	Assay % Cu & g/t Ag	Contained Metal tonnes or ounces
Northern Zone						
Copper	27.0	0.07	19,000 tonnes	27.0	0.07	19,000 tonnes
Silver	27.0	3.8	3,300,000 oz	27.0	3.8	3,300,000 oz
Southern Zone						
Copper	9.3	0.08	7,400 tonnes	9.3	0.08	7,400 tonnes
Silver	9.3	3.8	1,100,000 oz	9.3	3.8	1,100,000 oz
Total						
Copper	36.3	0.07	26,400 tonnes	36.3	0.07	26,400 tonnes
Silver	36.3	3.8	4,400,000 oz	36.3	3.8	4,400,000 oz

The Taronga Tin project is a historic placer area and, in addition to the existing tin mineral resource stated above, the Company believes that the primary rocks outside of the existing resource remain underexplored and has six exploration targets, the highest priority ones of which it intends to drill with the proceeds of the IPO fundraise.

In 2018, Aus Tin was granted Mining Lease ML1774 over part of the Taronga tin Deposit based on a plan for a trial to mine 340,000 tonnes of ore from an open-cut over an 18 to 24-month period and process the ore through an on-site pilot plant. A tailings storage facility and waste dumps were included in the plan. The objective of the trial mining was to assess the potential for:

- a higher resource grade,
- increased tin recovery,
- increased tin concentrate grade, and
- recovery of copper and silver.

This plan was not implemented by Aus Tin, primarily because Aus Tin could not gain access to an adequate water supply for the planned operations, due to continuing drought in the region, and also because of the impact of Covid-19 on its operations. First Tin confirms that it will not proceed with the trial mining project.

In 2014, Aus Tin reported the completion of a Pre-Feasibility Study (PFS) based on mining and processing the mineralisation from the Taronga Tin Deposit. In accordance with the JORC Code 2012, the completion of the PFS allowed Aus Tin, at the same time, to report an Ore Reserve for the deposit.

The PFS concluded that the deposit could be mined by conventional open-cut methods and that, for processing:

- The predominant tin bearing mineral is coarse grained cassiterite.

- The concentration of cassiterite to a commercially acceptable concentrate of 55% Sn, could be achieved by a combination of size classification, gravity separation and sulphide flotation.
- The Taronga tin mineralisation is highly amenable to pre-concentration by heavy medium separation which would allow rejection of non-mineralised material prior to grinding.
- A feed grade of 0.2% Sn would enable a recovery of 70% of Sn into a cassiterite concentrate with a grade of 55% Sn.

In the PFS, Aus Tin also reported a Production Target based on a mine production schedule that called for total production of 23.2Mt at 0.16% Sn. On a contained tin basis, relevant proportions of the Production Target were 96% from Probable Ore Reserve and 4% from Inferred Mineral Resource. There is a low level of geological confidence associated with Inferred Mineral Resources and there is no certainty that further exploration work will result in the determination of Indicated Mineral Resources or that the Production Target itself will be realised.

PFS Base Case – Ore Reserves (JORC 2012) & Production Target									
	Proven			Probable			Production Target		
	Mt	Assay % Sn	Tin Metal tonnes	Mt	Assay % Sn	Tin Metal tonnes	Mt	Assay % Sn	Tin Metal tonnes
Northern Zone	–	–	–	15.6	0.16	24,500	16.5	0.16	25,600
Southern Zone	–	–	–	6.4	0.17	11,100	6.7	0.17	11,500
Total	–	–	–	22.0	0.16	35,600	23.2	0.16	37,100

In 2014, as a result of its 2014 PFS, Aus Tin estimated a net present value at an 8% discount rate for the Taronga Tin Project of AUD\$63.15M (US\$46.1M) using a tin price of US\$25,000 per tonne and an exchange rate of US\$0.90/AUD\$1.00.

Mining One has updated the 2014 PFS to allow for the current exchange rate (US\$0.73/AUD\$1.00) and escalations in costs from 2014 to 2021. The updated NPV8 estimate is AUD\$123.9M (US\$90.4M) using the same tin price of US\$25,000 per tonne and an exchange rate of US\$0.73/AUD\$1.00. This has an Internal Rate of Return (IRR) of 37.9%.

The updated estimated NPV8 is most sensitive to mining cost and least sensitive to realisation costs. All other things being equal, estimates of NPV are positive for tin prices above US\$20,000 per tonne.

Keeping all other parameters the same, the effect of different tin prices can be seen in the table below:

Tin Price US\$	NPV (8% Discount Rate) AUD\$	NPV (8% Discount Rate) US\$	IRR %
US\$20,000/t	AUD\$16.3M	US\$11.9M	12.8%
US\$25,000/t	AUD\$123.9M	US\$90.4M	37.9%
US\$30,000/t	AUD\$231.4M	US\$168.9M	59.3%
US\$35,000/t	AUD\$338.9M	US\$247.4M	79.6%
US\$40,000/t	AUD\$446.4M	US\$325.9M	99.5%

Mining One has concluded that:

- The geology of the tin deposits in the Taronga Tin Project is varied but understood.
- The Mineral Resource for the Taronga Tin Deposit has been reported in accordance with the JORC Code 2012. The resource includes Sn and lesser copper and silver.
- Given the current tin price and exchange rate, the eventual economic extraction of tin and other metals should be closer than was the case when the Mineral Resource estimate was made in 2013.
- The Ore Reserve for the Taronga Tin Deposit was reported in accordance with the JORC Code 2012.
- Given the current tin price and exchange rate, the eventual economic extraction of tin and other metals should be closer than was the case when the Ore Reserve was estimated in 2014.
- The 2014 PFS of Aus Tin resulted in a NPV8 estimate of AUD\$63.15M (US\$46.1M) and an IRR of 27.3%, using a tin price of US\$25,000/t and an exchange rate of US\$0.90/AUD\$1.00.
- Mining One has updated the 2014 PFS to allow for current exchange rates (US\$0.73/AUD1.00) and escalations in costs. This has resulted in a revised NPV8 estimate of \$123.9M and an IRR of 37.9%, assuming the same tin price as previously used (US\$25,000/t).
- The effect of different tin prices on this updated study, if all other parameters remain the same, is:
 - US\$20,000/t – NPV8 AUD\$16.3M, IRR 12.8%
 - US\$25,000/t – NPV8 AUD\$123.9M, IRR 37.9%
 - US\$30,000/t – NPV8 AUD\$231.4M, IRR 59.3%
 - US\$35,000/t – NPV8 AUD\$338.9M, IRR 79.6%
 - US\$40,000/t – NPV8 AUD\$446.4M, IRR 99.5%

8. The Placing, Subscription, Retail Offer and use of proceeds

Conditional on Admission, the Company has raised gross placing proceeds of £9,105,743 through the issue of 30,352,475 Placing Shares at the Placing Price.

The Company has also entered into Subscription Agreements with the Subscribers to raise additional gross proceeds of up to £10,894,257 through the issue of an aggregate 36,314,192 Subscription Shares at £0.30 per Subscription Share, including 3,333,334 Ordinary Shares to be subscribed for by the reinvestment of commission due to AGAM and WHI and certain other parties. The Subscription is conditional on Admission and clawback pursuant to the Retail Offer.

The Company has further engaged with PrimaryBid in relation to the Retail Offer to raise up to £2,000,000 by the issue of up to 6,666,667 Retail Shares. Any issue of Retail Shares will result in a clawback of Subscription Shares to be subscribed for by Arlington Partners Fund Limited but this will not affect the aggregate number of Ordinary Shares to be issued pursuant to the Placing, Subscription and Retail Offer.

The Net Proceeds of £18,077,000, comprising the Gross Proceeds of £20,000,000 less Transaction Costs of £1,923,000, will be used to undertake exploration and evaluation activities at each of the Group's German and Australian exploration and evaluation assets, together with providing the Group with additional working capital. A summary of the use of proceeds is as follows:

Item	£
Work programme (including DFS)	5,513,000
Additional discretionary drilling and contingencies	2,983,000
Tellerhäuser expenditure (Germany)	8,496,000
Discretionary drilling programme	1,050,000
Auersberg expenditure (Germany)	1,050,000
Land acquisition and plant purchases	900,000
Work programme (including DFS)	3,917,000
Taronga Mine expenditure (Australia)	4,817,000
General expenses and working capital	2,449,000
General contingency	1,265,000
Net Placing Proceeds	18,077,000

This use of proceeds has applied exchange rates as at 15 March 2022 of £1.00/AUD\$1.80, £1.00/€1.19 and £1.00/US\$1.30.

Further details of the Placing, Subscription and Retail Offer, as well as the anticipated use of proceeds, are set out in Part IV of this Document.

9. Historical financial information

Group

Audited consolidated historical financial information of the Group for the three years ended 31 December 2020, 31 December 2019 and 31 December 2018 is set out in Section B of Part VII (*Historical Financial Information of the Group*) of this Document.

Unaudited consolidated interim financial information of the Group for the six-month period ended 30 June 2021, together with the comparative six-month period ended 30 June 2020, is set out in Part VII (*Interim Financial Information of the Group*) of this Document.

Taronga Mines

Audited historical financial information of Taronga Mines for the three years ended 30 June 2021, 30 June 2020 and 30 June 2019 is set out in Section B of Part IX (*Historical Financial Information of Taronga Mines*) of this Document.

10. Dividend policy

To the extent the Company intends to pay dividends on the Ordinary Shares, it will pay such dividends at such times (if any) and in such amounts (if any) as the Board may determine. The Company will

consider future payments of dividends, subject to sufficient distributable profits being available and will only pay dividends to the extent that doing so is in accordance with all applicable laws. The Directors and Proposed Directors recognise the importance of dividends to investors and will keep under review the desirability of paying dividends.

11. FT Option Plan

The Company has adopted a share option plan to be effective from Admission. The terms of the FT Option Plan are further detailed at paragraph 3.8 of Part XII (Additional Information) of this Document.

12. Details of Directors and key employees

A biography of each of the Directors and Proposed Directors as at Admission is set out at Part III of this Document. The Company's board is supported by four key employees and consultants, Tony Truelove, Dr Marco Roscher, Mark Thompson and Martyn Knight.

Tony Truelove is the Company's technical director. He has over 35 years' experience in exploration and mining geology worldwide for both large mining companies (Billiton, Newcrest, Delta), as well as smaller operators. Tony is a proven "mine-finder" with over 15Moz gold; 200,000t tin; and substantial base metal mineralization identified. Several of these deposits followed through to mining stage. Tony also has a strong corporate background including significant previous Managing Director experience.

Dr Marco Roscher is the country manager for the Company's German operations. Marco has a PhD in geology from Freiberg University with 16 years' experience in academic research and exploration for tin, base-metal and precious metals with excellent connections to local administration, public bodies and authorities. He is an expert in Saxonian geology and mineralisation with particular expertise in "big-data" manipulation and analysis including GIS, artificial neural networks, geo-mathematics and visualization.

Mark Thompson is First Tin's business development director. Mark holds a B.A. in Physics from Oxford University. He has 26 years of experience in financial markets, commodity trading, minerals exploration and mine development. He has founded and sat on the boards of several junior mining companies and has particular expertise in tin and tungsten. He consults widely within the metal derivatives and mining industries and as an expert witness in metals and mining related commercial litigation. Mark is currently Executive Chairman of Tungsten West, and non-executive director of Meridian Mining.

Martyn Knight qualified as a Chartered Accountant with Smith & Williamson over 30 years ago and has a background as a manager in corporate reorganisation and turnaround services at Deloitte. For more than 20 years he has been a commercial finance director or officer for many SMEs with extensive financial management experience gained in technology, B2B cloud SaaS services, data analytics, financial services, digital media, distribution services and mining. With his results orientated executive role, he has helped several CEOs launch their SME businesses and worked with several venture capital investors taking on the financial reporting role for their portfolio companies. As part of the CFO remit, he has in depth experience across corporate finance, corporate governance, funding, due diligence, acquisitions, restructuring, treasury, compliance and investor functions.

Following Admission and the completion of Taronga Acquisition, the Company will engage Rob Kidd as country manager for the Taronga assets. Rob has 45 years of mining experience and previously owned, built, operated and then sold the Sardine tin mine in Queensland.

13. City Code on Takeovers and Mergers

The Company is incorporated in England and Wales and its Ordinary Shares will be admitted to trading on the Standard List of the Main Market. Accordingly, the City Code applies to the Company and as such its Shareholders are entitled to the protections afforded by the City Code.

Under Rule 9 of the City Code ("**Rule 9**"), any person who acquires an interest in shares (as defined in the City Code), whether by a series of transactions over a period of time or not, which (taken together with any interest in shares held or acquired by persons acting in concert (as defined in the City Code) with him) in aggregate, carry 30 per cent. or more of the voting rights of a company which is subject to the City Code, that person is normally required by the Panel to make a general offer, in cash, to all of the remaining shareholders to acquire their shares.

Similarly, when any person, together with persons acting in concert with him, is interested in shares which in aggregate carry not less than 30 per cent. of the voting rights of such a company but does not hold shares carrying more than 50 per cent. of such voting rights, a general offer will normally be required if any further interests in shares are acquired by any such person which increases the percentage of shares carrying voting rights in which he is interested.

An offer under Rule 9 must be in cash or be accompanied by a cash alternative and at the highest price paid by the person required to make the offer, or any person acting in concert with him, for any interest in shares of the company during the 12 months prior to the announcement of the offer. Under the City Code, a concert party arises where persons who, pursuant to an agreement or understanding (whether formal or informal), co-operate to obtain or consolidate control (as defined below) of a company or to frustrate the successful outcome of an offer for a company. “**Control**” means holding, or aggregate holdings, of shares carrying 30 per cent. or more of the voting rights of the company, irrespective of whether the holding or holdings give de facto control.

14. Dividend policy

To the extent the Company intends to pay dividends on the Ordinary Shares, it will pay such dividends at such times (if any) and in such amounts (if any) as the Board may determine. The Company will consider payments of dividends, subject to sufficient distributable profits being available and will only pay dividends to the extent that doing so is in accordance with all applicable laws.

15. Lock in arrangements

The Directors and Proposed Directors, along with certain key shareholders have agreed to enter into contractual lock-in arrangements with the Company, AGAM and WHI. Pursuant to these arrangements, subject to limited exceptions, such persons will not be able to dispose of any Ordinary Shares in the Company for a 12 month period from Admission. Further details of these arrangements are set out at paragraph 21.5 of Part XII (*Additional Information*) of this Document.

In addition, Aus Tin has agreed to certain lock-in arrangements in relation to the Consideration Shares it will receive on completion of the Taronga Acquisition. These arrangements are set out in Part II (*The Taronga Acquisition*) of this Document.

16. Taxation

The attention of investors is drawn to the information regarding taxation set out in Part XI (*Taxation*) of this Document. This information is intended only as a general guide to the current tax position under UK law for certain types of investor. Investors who are in any doubt as to their tax position or who are subject to tax in jurisdictions other than the UK are strongly advised to consult their professional advisers.

17. Further information

Prospective investors should read the whole of this Document, which provides additional information on the Company and should not rely on summaries or individual parts only. The attention of prospective investors is drawn to the financial and other information set out in Parts VI-X inclusive of this Document, which provide additional information on the Company. In particular, prospective investors are advised to consider carefully the risk factors relating to any investment in Ordinary Shares set out of this Document.

PART II

THE TARONGA ACQUISITION

1. Taronga SPA

The Taronga SPA was entered into between the Company and ASX listed Aus Tin Mining Limited on 6 November 2021. Pursuant to the Taronga SPA, the Company has conditionally agreed to acquire the entire issued share capital of Taronga. The consideration for Taronga is:

- AUD\$1,350,000, which was paid by the Company on exchange of the Taronga SPA (the **Cash Consideration**); and
- the Consideration Shares (being 60,000,000 Ordinary Shares)

The Cash Consideration is not refundable by Aus Tin in the event of the Taronga SPA failing to complete, unless such failure is caused by Aus Tin failing to obtain shareholder approval pursuant to the rules of the ASX for the disposal. Such shareholder approval was obtained on 28 January 2022. Completion of the Taronga SPA will occur on Admission.

Aus Tin is required to undertake certain actions prior to completion of the Taronga SPA, including forgiving a shareholder loan, transferring certain freehold properties to Taronga and transferring two subsidiaries currently owned by Taronga to Aus Tin.

The Consideration Shares will represent 22.596 per cent. of the Enlarged Share Capital. The Consideration Shares will rank pari passu in all respects with the Ordinary Shares in issue at Admission. In addition to the Consideration Shares, Aus Tin will have the right, as from Admission, to nominate a director to be appointed to the First Tin board for so long as Aus Tin holds at least 10 per cent. of the Company's issued share capital.

Aus Tin has agreed not to dispose of any of the Consideration Shares received pursuant to the Taronga SPA for a period of 12 months without the consent of the Company (the **Lock In Period**). The exceptions to this contractual lock-in during the Lock in Period are:

- the Company becoming subject to a change of control during the Lock In Period;
- in respect of 12,000,000 of the Consideration Shares, in the event that during the Lock In Period the 10 day VWAP of the Ordinary Shares is not less than 45 pence;
- In respect of 12,000,000 of the Consideration Shares, in the event that during the Lock In Period the 10 day VWAP of the Ordinary Shares is not less than 60 pence;
- In respect of 12,000,000 of the Consideration Shares, in the event that during the Lock In Period the 10 day VWAP of the Ordinary Shares is not less than 75 pence;
- In respect of 12,000,000 of the Consideration Shares, in the event that during the Lock In Period the 10 day VWAP of the Ordinary Shares is not less than 90 pence; and
- if during the Lock In Period the Company is suspended from trading on the Main Market for not less than 10 consecutive days, or is delisted from the Main Market.

In the event of Aus Tin proposing to sell of any of the Consideration Shares it is required first to seek to undertake such a sale through the Company and its retained brokers. If the Company cannot arrange for such a disposal, Aus Tin may dispose of such Consideration Shares through its own brokers in accordance with orderly marketing principles.

Completion of the Taronga SPA is subject to satisfaction of certain conditions precedent including:

- Admission occurring by no later than 30 June 2022;
- the Placing completing in accordance with its terms;
- Aus Tin Mining Limited obtaining shareholder approval pursuant to the ASX Listing Rules (which was obtained on 28 January 2022);

- the release of certain security over Taronga; and
- all other required regulatory consents being obtained.

The Taronga SPA contains:

- various warranties typical in a transaction of this nature given by Aus Tin in favour of the Company, regarding (amongst other matters) title and capacity, employees and the business and assets of Taronga, including its mining tenements;
- various warranties typical in a transaction of this nature given by the Company in favour of Aus Tin regarding, the business and assets of the Company, including its German assets;
- obligations on Taronga to maintain trading in the ordinary course in the period between the date of the Taronga SPA and Admission.

The Taronga SPA is governed by the laws of Queensland, Australia.

2. Taronga Loan

On 6 November 2021, the Company and Taronga entered into an unsecured loan agreement pursuant to which the Company agreed to provide Taronga with an interest free unsecured loan of AUD\$1,553,878 (subsequently increased to AUD\$1,618,878) to enable Taronga to purchase a specific freehold property (the **Taronga Loan Agreement**). AUD\$1,505,000 has been drawn down as at the LPD.

Taronga is required to repay the amount owing under the Taronga Loan Agreement on the earlier of:

- 30 June 2022; or
- in the event the Taronga SPA is terminated, within five (5) business days of termination.

The Taronga Loan Agreement is governed by the laws of Queensland, Australia. On completion of the Taronga Acquisition, the loan will remain in place as an intra-group arrangement.

PART III

THE DIRECTORS, THE PROPOSED DIRECTORS, THE BOARD AND CORPORATE GOVERNANCE

The Directors and the Proposed Directors

Directors

The Directors of the Company as at the date of this Document are as follows:

Thomas Buenger, Chief Executive Officer. Mr Buenger holds a PhD in metallurgy from Freiberg University with more than 25 years' experience in base metal and semiconductor industry. He is a base metals senior executive with wide breadth of knowledge across multiple disciplines across the base metals industry with focus on non-ferrous metals, copper, PGMs and recycling. Mr Buenger is a former board member, chief operating officer and chief technical offer of Aurubis AG, a world leading copper and multi metal producer.

Charles Cannon Brookes, non-executive Chairman. Mr Cannon Brookes has over 20 years' investment experience. He is a Director of Arlington Group Asset Management Limited (**AGAM**) and has successfully led a number of IPO and RTO transactions on the London markets. Prior to AGAM he worked for Arlington Group plc, an AIM quoted investment company and managed all of its public equity portfolio, as well as Jupiter Asset Management, ABN Amro and Barclays de Zoete Wedd. He has advised and sat on the board of a number of different funds, trusts and other operating public companies.

Proposed Directors

The Proposed Directors of the Company, each of whom will be appointed with effect from Admission are as follows:

Catherine Apthorpe, independent non-executive director. Catherine is a qualified Solicitor (England and Wales) since 2004 and Company Secretary with over 10 years of experience in the mining sector across a number of jurisdictions. She has extensive experience in fundraisings, due diligence exercises, acquisitions, strategic investments, project management, and debt financing. Catherine was nominated and selected for the Top 100 Global Inspiration Women in Mining 2016. Catherine is currently Group Corporate Counsel & Company Secretary with Capital Limited, a leading mining services company listed on the main market of the LSE, and a Non-Executive Director of Panthera Resources plc (AIM).

Seamus Cornelius, independent non-executive director. Mr Cornelius is an experienced public company director and corporate lawyer. Since 2010 he has served as a non-executive director on numerous public listed companies. He also has over 20 years' experience as a corporate lawyer and for most of his legal career was a Shanghai based partner of a major international law firm. Most of his work during this time involved advising multi-national corporations on their investment and business in China. He also acted for large Chinese SOEs on outbound acquisitions. Mr Cornelius is currently the Executive Chairman of Danakali Limited and Non-Executive Chairman of Element 25 Limited, Buxton Resources Limited and Duketon Mining Limited.

Ingo Hofmaier, independent non-executive director, CFA, BA Business, INSEAD and University of Eisenstadt. Ingo has 20 years of investment banking experience in Europe and Asia. He was instrumental in building the metals and mining practice of Hannam & Partners, a London-based merchant bank, with experience across complex joint-venture, M&A, equity investments, capital markets, and corporate finance transactions. Mr. Hofmaier is currently the interim CFO of SolGold plc. Formerly he was a senior business development executive with Rio Tinto, Capgemini, and a Financial Controller and later Commercial Director with Wienerberger, an Austrian building material group with significant interests in Germany.

Corporate Governance

Compliance with the Listing Rules

The Company will comply with the Listing Principles set out in Chapter 7 of the Listing Rules at Listing Rule 7.2.1 which apply to all companies with their securities admitted to the Official List.

QCA Corporate Governance Code

The Board is committed to the principles underpinning good corporate governance, applied in a manner which is most suited to the Company, and to best addressing the Board's accountability to security holders and other stakeholders.

The Company proposes to voluntarily observe the requirements of the QCA Corporate Governance Code. The QCA Corporate Governance Code is considered to be more appropriate for the Company's size and stage of development than the more prescriptive UK Corporate Governance Code. As at the date of Admission, the Company will comply with the QCA Corporate Governance Code with the exception of, *inter alia*, the expectation that each independent non-executive director be re-elected on an annual basis. The Company will keep these matters and its governance framework under review as it continues to grow and develop.

Board Committees

Each committee shall be appointed by the Board and comprise the chairman of the committee and at least one other member of the Board.

Generally, only members of the relevant committee shall have the right to attend committee meetings, however, other individuals, such as other directors, advisers, any relevant senior management or a representative of an external auditor may be able to attend such meetings by invitation from said committee. With regards to the remuneration committee, no-one shall be present during the discussion of or vote on matters regarding his or her own position. The quorum necessary for the transaction of business by each committee shall be two members. The committees shall determine their own procedures, subject to the Articles and the relevant terms of reference may only be changed with approval of the Board.

Audit and Risk Committee

The Audit and Risk Committee will comprise Ingo Hofmaier, who will act as chair, Catherine Apthorpe and Seamus Cornelius. The Audit and Risk Committee will meet at least twice a year and be responsible for ensuring that the Company's financial performance is properly monitored, controlled and reported. The committee chair shall attend each annual general meeting of the Company.

The duties of the Audit and Risk Committee shall be as follows:

- Internal control and risk assessment – assist the Board in discharging its duty to ensure that the financial statements presented by the Company to its Shareholders conform with all legal requirements and that the Company and its subsidiaries' financial reporting and internal control policies and procedures for the identification, assessment and reporting of risks are adequate, by keeping such matters under review and making appropriate recommendations to the Board. The Audit and Risk Committee shall also consider the major findings of internal investigations and responses of service providers and its own performance, constitution and terms of reference.
- External audit – consider and make recommendations to the Board, to be put to Shareholders for approval at each annual general meeting of the Company, as regards the appointment and re-appointment of the Company's external auditor, as well as any questions relating to their resignation or removal. The Audit and Risk Committee shall also oversee the relationship with the external auditor, including but not limited to the approval of their remuneration and terms of engagement, whether in relation to audit or non-audit services, and annually assessing the auditor's independence, objectivity, qualifications, expertise, resources and effectiveness. The Audit and Risk Committee shall meet the external auditor at least twice a year and shall review the findings of the audit and/or review with the external auditor.
- Financial statements – monitor the integrity of the financial statements of the Company, including its annual and interim reports, preliminary results' announcements and any other formal

announcement relating to its financial performance, reviewing significant financial reporting issues and judgements which they contain, and challenging where necessary the Company's financial statements before submission to the Board. The Audit and Risk Committee shall keep under review the consistency of accounting policies and practices on a year-to-year basis and across the Company.

- Reporting responsibilities – meet formally with the Board at least once a year to discuss matters such as the annual report and the relationship with the external auditors. The Audit and Risk Committee shall also make whatever recommendations to the Board it deems appropriate and shall compile a report to Shareholders to be included in the Company's annual report and accounts.
- Internal audit and review of third party service providers – the Company does not intend to have an internal audit function following Admission. The decision of whether or not to set up an internal audit function will be made by the Board, on the recommendation of the Audit and Risk Committee, based on the growth of the Company, the scale, diversity and complexity of the Company's activities and the number of employees, as well as cost and benefit considerations, as and when it becomes appropriate.

Remuneration Committee

- The Remuneration Committee will comprise Ingo Hofmaier, who will act as chair, Catherine Aphorpe and Seamus Cornelius. The Remuneration Committee will meet at least annually and the committee chair shall attend each annual general meeting of the Company.

The duties of the Remuneration Committee shall be as follows:

- Regular reviews – to regularly review: the time required from a non-executive director and whether each non-executive director is spending enough time to fulfil his or her duties; comparable company data to ensure that the Board are being adequately remunerated and to a level which will allow the Company to attract new directors; the Remuneration Committee's own performance, constitution and terms of reference and remuneration to ensure it is aligned to the implementation of the Company strategy and effective risk management, taking into account the views of Shareholders and consultants as required.
- Recommendations to the Board – to make recommendations about matters arising from the Remuneration Committee's regular reviews and the annual review of fees paid to the Board and any changes to the current levels of remuneration.
- Option awards – to make all decisions relating to awards to be made to executive directors under the FT Option Plan.
- Other matters – to make a statement in the annual report, to keep up to date and fully informed about strategic issues and commercial changes affecting the Company and the market in which it operates and to ensure an annual review of the Board and its operations is undertaken.

The Remuneration Committee will also monitor the size and composition of the Board and the other Board committees, is responsible for identifying suitable candidates for Board membership and will monitor the performance and suitability of the current Board on an ongoing basis.

Environmental, Social and Governance (ESG) Committee

The ESG Committee will comprise Seamus Cornelius, who will act as chair, Charles Cannon Brookes and Ingo Hofmaier. The ESG Committee will meet at least twice annually and the committee chair shall attend each annual general meeting of the Company.

The duties of the ESG shall be as follows:

- Regular reviews – to review at least annually the Group's operations to ensure that the environment and its positive contribution to society, is incorporated in all aspects of the Group's development, as well as the Group's stated responsibilities with respect to environmental, social and ESG policy and the assessment of the Group's internal controls used to demonstrate and record conformity with such ESG goals.

- Recommendations to the Board – to make recommendations to the Board about changes to any environmental, occupation, health & safety policies and practices and the development, monitoring and reporting on internal KPIs to allow the Group to assess its ESG activities.

Share dealings

The Board has adopted a share dealing code that complies with the requirements of the Market Abuse Regulation and which shall apply from Admission. All persons discharging management responsibilities within the Group and their persons closely associated shall be required to comply with the provisions of the share dealing code at all times.

The Company will also adopt a share dealing policy which will, from Admission, will apply to all employees of the Group.

PART IV

THE PLACING, SUBSCRIPTION, RETAIL OFFER AND USE OF PROCEEDS

Under the Placing, Subscription and Retail Offer 66,666,667 Ordinary Shares will be subscribed for, and will, conditional on Admission, be issued to investors, in each case, at the Placing Price of £0.30 per share, raising Gross Proceeds of £20,000,000 for the Company. The total associated expenses of the Placing, Subscription, the Taronga Acquisition and Admission are £1,923,000.

Arlington Partners Fund Limited has agreed that it will subscribe for 10,000,000 Subscription Shares but that such number will be reduced by the number of Retail Shares for which applications are made under the Retail Offer. Any such reduction will not affect the aggregate number of Ordinary Shares to be issued pursuant to the Placing, Subscription and Retail Offer, nor will it affect the Gross Proceeds.

The Net Proceeds from the issue will be £18,077,000, being the Gross Proceeds of £20,000,000 less the brokers' commissions of £1,000,000 and other costs and fees payable of £923,000.

The Company, Directors, Proposed Directors, AGAM and WHI have entered into a Placing Agreement dated 29 March 2022, pursuant to which AGAM and WHI have agreed to act as agents for the Company for the purposes of procuring placees for the Placing Shares. Further details of this agreement are set out in Part XII (*Additional Information*) of this Document.

Conditional on Admission occurring on or prior to 8 April 2022 (or such later time and/or date as may be agreed between the Company, AGAM and WHI, being not later than 29 April 2022), each investor under the Placing has agreed to acquire those Placing Shares allocated to them under their respective Placing Letters.

The Company has entered into Subscription Agreements with a number of Subscribers. Pursuant to these agreements, the Company has agreed to issue up to 36,314,192 Subscription Shares (subject to clawback under the Retail Offer) to the Subscribers, including 3,333,334 Ordinary Shares to be subscribed for by the reinvestment of commission due to AGAM and WHI, at a subscription price of £0.30. The Subscribers have provided the Company with customary undertakings, amongst other things, that they have relied upon publicly available information as the basis of their decision to subscribe, they are entitled to subscribe under applicable legislation and that their commitments are conditional only on Admission. The Company has agreed to pay AGAM and WHI cash commission on the aggregate value of the funds raised under the Subscription which AGAM and WHI have agreed to use to subscribe for Subscription Shares at a subscription price of £0.30. The Subscription is conditional, inter alia, upon Admission.

The Company has engaged with PrimaryBid in relation to the Retail Offer to raise up to £2,000,000 by the issue of up to a maximum of 6,666,667 Retail Shares. Any issue of Retail Shares will result in a clawback of Subscription Shares to be subscribed for by Arlington Partners Fund Limited, but this will not affect the aggregate number of Ordinary Shares to be issued pursuant to the Placing, Subscription and Retail Offer.

In accordance with Listing Rule 14.3, on Admission at least 10 per cent of the Ordinary Shares will be in public hands. Admission is expected to take place at 8.00 a.m. on 8 April 2022.

If the Placing and Subscription do not proceed, Admission will not take place and funds will be returned to Placees and Subscribers. The Retail Offer will not proceed if Admission does not take place.

Admission

The Placing, Subscription and the Retail Offer are subject to Admission occurring on or before 8 April 2022 or such later date as may be agreed by the Company, AGAM and WHI, being not later than 29 April 2022.

Admission is expected to take place and dealings in the Existing Ordinary Shares and the New Ordinary Shares are expected to commence on the London Stock Exchange at 8.00 a.m. on 8 April 2022. The Company is not making any arrangements for dealing prior to Admission.

No application has been made, or is currently intended to be made, for the Ordinary Shares to be admitted to listing or dealt on any other stock exchange.

Where applicable, definitive share certificates in respect of the Placing Shares, Subscription Shares and Retail Shares to be issued pursuant to the Placing, Subscription and Retail Offer are expected to be despatched, by post at the risk of the recipients, to the relevant holders, not later than seven days following Admission. The Ordinary Shares are in registered form and can also be held in uncertificated form. Prior to the dispatch of definitive share certificates in respect of any Ordinary Shares which are held in certificated form, transfers of those Ordinary Shares will be certified against the register of members of the Company. No temporary documents of title will be issued.

Placing, Subscription and Retail Offer

The New Ordinary Shares will represent approximately 47.71 per cent of the Enlarged Share Capital. The New Ordinary Shares will rank *pari passu* in all respects with Existing Ordinary Shares, including all rights to dividends and other distributions declared, made or paid following Admission and will be issued as fully paid.

The Placing, Subscription and Retail Offer have not been and will not be underwritten. No expenses of the Placing, Subscription or Retail Offer will be charged to any investor by the Company.

Further details of the Placing Agreement are set out in Part XII (*Additional Information*) of this Document.

Conditional upon Admission occurring and becoming effective by 8.00 a.m. (London time) on or prior to 8 April 2022 (or such later date agreed by the Company, AGAM and WHI being not later than 29 April 2022), each of the Placees and Subscribers has agreed to become a member of the Company and to subscribe for those Placing Shares and Subscription Shares pursuant to each such Placee's Placing Letter and each such Subscriber's Subscription Agreement. To the fullest extent permitted by law, investors will not be entitled to rescind their agreement. In the event that Admission does not become effective by 8.00 a.m. London time on or prior to 8 April 2022 (or such later date as the Company, AGAM and WHI may agree, being not later than 29 April 2022), Placees and Subscribers will receive a full refund of monies subscribed, without interest.

The Retail Offer is being arranged by PrimaryBid through the PrimaryBid platform (<https://primarybid.com> and mobile app) and the other terms and conditions of the Retail Offer will be made available to PrimaryBid Offerees on the PrimaryBid platform. In the event that Admission does not become effective by 8.00 a.m. London time on or prior to 29 April 2022, the Retail Offer will not proceed.

PrimaryBid Offerees must apply for a minimum investment of £500. Applications can only be made in pounds sterling, via the PrimaryBid platform; albeit that the Company reserves the right (at its absolute discretion) to accept applications made by other means. The latest time for submission of an application in the Retail Offer is 23:59 on 7 April 2022 (or such later time and/or date as the Company may determine). PrimaryBid Offerees who apply for Retail Shares should note that any such subscription by them for Retail Shares will be made only on the basis of the information contained in this Document and not in any other document or publication and that applications in the Retail Offer may not be withdrawn by them. Applications in the Retail Offer are required to be based on the amount in pounds sterling that PrimaryBid Offerees wish to invest (and not on the number of Retail Shares they wish to acquire). In the event that the Retail Offer is oversubscribed, applications will be scaled back in such manner as the Company (in its absolute discretion) shall determine. No fractional entitlements to Offer Shares will be allocated. Applications in the Retail Offer will be settled on or shortly after Admission. In the event that Admission has not occurred by 8.00 a.m. on 29 April 2022, all applications in the Retail Offer will automatically lapse.

As the arranger of the Retail Offer, PrimaryBid will be paid a commission by the Company on the proceeds from the Retail Offer. The principal terms of the PrimaryBid's appointment are summarised in paragraph 21.14 of Part XII of this document.

Use of Proceeds

The Net Proceeds of £18,077,000 will be used as follows:

- Taronga land acquisitions and plant purchases – £0.9m
- Taronga mine development including DFS – £3.91m
- Tellerhäuser mine development including DFS – £5.51m

- Tellerhäuser additional discretionary drilling and contingencies – £2.99m
- Auersberg discretionary drilling programme – £1.05m
- General expenses and working capital – £2.45m
- General contingency – £1.26m

Transferability

The Articles contain no restrictions on the free transferability of fully paid Ordinary Shares, provided that the transfer is permitted by the uncertificated securities rules or, for shares in certificated form, the transfer is in favour of not more than four transferees, the Company has no lien over the shares in question, the transfer is in respect of only one class of share, it is duly stamped or shown to the Board to be exempt from stamp duty and the provisions in the Articles relating to registration of transfers have been complied with.

Dealing Arrangements

Application has been made to the FCA for all Existing Ordinary Shares and New Ordinary Shares to be listed on the Official List and application has been made to the London Stock Exchange for the same to be admitted to trading on the London Stock Exchange's Main Market for listed securities as a Standard Listing.

It is expected that Admission will take place and unconditional dealings in the Ordinary Shares will commence on the London Stock Exchange at 8.00 a.m. on 8 April 2022. This date and time may change. It is intended that settlement of Placing Shares allocated to Placees and Subscription Shares subscribed by Subscribers will take place by means of crediting relevant CREST stock accounts on Admission. Any Retail Shares will be issued to PrimaryBid for the benefit of PrimaryBid Offerees.

Dealings in advance of crediting of the relevant CREST stock account shall be at the risk of the person concerned. When admitted to trading, the Ordinary Shares will be registered with ISIN GB00BNR45554 and SEDOL number BNR4555.

CREST

CREST is a paperless settlement procedure enabling securities to be evidenced otherwise than by a certificate and transferred otherwise than by written instrument. The Articles permit the holding of Ordinary Shares under the CREST system. Accordingly, settlement of transactions in the Ordinary Shares following Admission may take place within the CREST system if any Shareholder so wishes.

CREST is a voluntary system and investors who wish to receive and retain certificates for their securities will be able to do so. Except as otherwise described herein, Shareholders may elect to receive Ordinary Shares in uncertificated form if such Shareholder is a member (as defined in the CREST Regulations) in relation to CREST.

Overseas Shareholders

The Ordinary Shares have not been and will not be registered under the Securities Act or under the securities laws of any state or other jurisdiction of the United States or under applicable securities laws of Canada, Australia, Japan or the Republic of South Africa. Subject to certain exceptions, the Ordinary Shares may not be offered, sold, resold, transferred or distributed directly or indirectly, and this Document may not be distributed by any means including electronic transmission within, into, in or from the United States or to or for the account or benefit of persons in the United States, Canada, Australia, Japan, the Republic of South Africa or any other jurisdiction where such offer or sale would violate the relevant securities laws of such jurisdiction. This Document does not constitute an offer to sell or a solicitation of an offer to purchase or subscribe for Ordinary Shares in any jurisdiction in which such offer or solicitation is unlawful or would impose any unfulfilled registration, publication or approval requirements on the Company. The Ordinary Shares may not be taken up, offered, sold, resold, transferred or distributed, directly or indirectly within, into or in the United States except pursuant to an exemption from, or in a transaction that is not subject to, the registration requirements of the Securities Act. There will be no public offer in the United States, although the Company may sell the Ordinary Shares in a private placement transaction in the United States pursuant to an exemption from registration.

PART V

INFORMATION ON MINING LAW AND REGULATION IN GERMANY AND AUSTRALIA

SECTION A – GERMANY

German mining environment

The extractive mining industry in Germany is not particularly significant as a proportion of German Gross Domestic Product (**GDP**) (projected to be c.US\$18.5bn in 2022¹⁷ so representing less than 1 per cent. of expected overall GDP), but it is important in certain regions.

Germany holds relatively large deposits of lignite, potash and rock salt as well as rocks and soils for the construction industry. Oil and gas are extracted, mainly in North Germany and the North Sea. Lignite is mainly extracted in North-Rhine Westphalia and Brandenburg. Germany is also one of the world's largest consumers of industrial commodities.

German legislative framework

There are four principal sources of law in Germany relating to mining and the grant of relevant licences.

1. The Federal Mining Act

The Federal Mining Act (**BBergG**) came into force in 1982 and was last amended in 2021. It comprises comprehensive rules regarding the exploration, extraction and treatment of mineral resources.

2. The General Federal Mining Ordinance

The General Federal Mining Ordinance (**ABBergV**) is a decree issued in accordance with the BBergG. It governs primarily the safety and protection of health of persons working in mining, but also regulates issues relating to environmental protection.

3. The Ordinance on Environmental Impact Assessment for Mining Projects

The Ordinance on Environmental Impact Assessment for Mining Projects (**UVP-V Bergbau**) principally governs which mining projects require an environmental assessment within the framework of approving operating plans.

4. The Law on Environmental Impact Assessment

The Law on Environmental Impact Assessment (**UVPG**) mainly stipulates the requirements for conducting environmental impact assessments and the way of performing environmental impact assessments as such. It also sets out which types of projects require environmental impact assessment results.

Mining Rights

In Germany, mining measures and activities aimed at the exploration, extraction and treatment of mineral resources require both a mining right and a licence to perform mining measures and activities; having a mining right alone does not give a right to conduct mining measures and activities.

A mining right can be derived from ownership of land or the grant of a mining right by a relevant authority.

¹⁷ <https://www.statista.com/outlook/io/mining-quarrying/germany>

Exploration licences

An exploration license granted under BBergG gives the holder an exclusive right to undertake the following activities:

- exploration of the resources set out in the exploration licence
- extraction of the resources
- the construction and operation of facilities required to enable exploration and extraction of the resources, including loading, transporting, unloading, storing and depositing resources, by-products and other materials and restoration work.

Exploration licences are limited to a maximum duration of five years. They can be renewed for further three year periods if the exploration licence field could not be sufficiently explored, despite scheduled exploration efforts that were coordinated with the competent authority.

Extraction licences

An extraction license granted under BBergG gives the holder an exclusive right to undertake the following activities:

- exploration and the acquisition of ownership in the resources
- extraction of the resources
- the construction and operation of facilities required to enable exploration extraction of the resources, including loading, transporting, unloading, storing and depositing resources, by-products and other materials and restoration work.

As extraction licences include all rights which an exploration licence contains, it is possible just to apply for an extraction licence. However, not having first undertaken some exploration activities, or having exploration data, could be problematic later as an extraction licence will be revoked under BBergG if extraction has not commenced within three years of the date of grant or if extraction is interrupted for more than three years.

Extraction licences are granted for a period which ordinarily does not exceed 50 years. Longer periods are permissible in individual cases.

Mining proprietorship

Mining proprietorship is similar to an extraction licence in terms of the rights granted, but includes ownership of the relevant land as well. An applicant for a mining proprietorship must already hold an extraction licence.

Mining proprietorships are granted for a period which ordinarily does not exceed 50 years. Longer periods are permissible in individual cases.

Granting of mining rights

The relevant authority is not allowed to grant any mining rights if one or more reasons for denial exist. If no such reasons exist, the authority must grant the right. The right can come with certain conditions including time limits, obligations and specific further conditions.

Mining rights can be revoked at any time by the relevant authority if the grounds for revocation are set out in BBergG. The most important grounds for revocation of an exploration licence and extraction licence are facts that occurred after grant but would or should have resulted in denial of the mining right, or of the appropriate application, if they had been present when the application was filed. Further grounds include criminal convictions and insolvency of the licence holder.

Objections to grant of mining rights

A third party can make an objection to the relevant authority in respect to a grant of rights on the grounds that its own rights have been violated by the grant so long as they apply within one month from

the date of grant. However, if that third party was not involved in the grant of the rights, that period is extended to 12 months.

If the objection is rejected by the relevant authority, the third party can apply to the administrative court.

Objection and rescissory action of the third party against the grant of a mining right will only be successful if the third party succeeds to outline to the satisfaction of the court that its subjective rights are violated by granting of the right to the current holder of the right.

Operating plans

Under the BBergG, exploration operations, extraction operations and treatment operations can only be erected, carried out and terminated only on the basis of operating plans that have been approved by the competent authority. Operating plans include main operating plans, closure plans, general operating plans (comprising general information on the project, technical execution and projected timeframe) and special operating plans (relating to specific elements of operations).

Not every project requires a general operating plan, but if there is a requirement for an environmental impact assessment one must be produced (this is known as a mandatory general operating plan).

A mandatory general operating plan can only be approved after undertaking a planning approval procedure which requires the plan to be provided to certain public agencies, as well as to relevant local communities. Any person can lodge an objection to the plan. The objections need not necessarily be directed at prevention of the project, but they can also comprise suggestions for implementation of the project and notably for avoidance or mitigation of certain impacts of the project.

All projects require a main operating plan for the performance of specific mining activities (including exploration, extraction and treatment of mineral resources).

Main operating plans are to be elaborated for a certain period that usually should not exceed two years. The approval of the main operating plan will then be limited to this period of time. Upon appropriate request, the approval can be extended.

Mining operations can only be closed after approval of a closure plan which includes details of the technical execution of the restoration and duration of the termination of operations.

The relevant authority may also require security to be provided in connection with the approval of a plan. The security can take the form of bonds, warranties, independent guarantees and insurance policies.

PART B – AUSTRALIA

Australian mining environment

According to the Australian Bureau of Statistics, in 2019-20, the Australian minerals sector was worth A\$202 billion and accounted for 10.4% of GDP¹⁸.

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

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

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

Australian legislative framework

Overview

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

A key interaction with the Australian Federal Government for non-Australian companies acquiring businesses and assets with land or mining assets is in relation to foreign investment approval (through the Foreign Investment Review Board).

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

State and territory governments including that of New South Wales (**NSW**) where the Taronga asset is located are constitutionally vested with the primary responsibility for:

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

In NSW, the government entity responsible for the granting and administration of exploration and mining rights including the grant of tenure is the Department of Regional New South Wales (the **Department**). The authority reserves specific powers including powers of entry and inspection, applying to both Mining Leases and Exploration Licences.

There are ongoing obligations, including maintaining fencing around any unfenced shaft, machinery or other works on the surface of the mining area if required to do so by notice in writing given by the landholder or by the Minister, under Section 76 of the Mining Act 1992 (NSW) (the **Mining Act**).

18 <https://www.australianmining.com.au/news/mining-industry-holds-largest-slice-of-australian-economy/>

Division 3A of the Act includes ongoing obligations with respect to disclosure of reports where Section 163C requires ongoing reporting, Section 163D requiring ongoing record-keeping, Section 163E requiring ongoing retention of such records and Section 163G requiring ongoing sampling as directing by the Regulations.

Schedule 8A of the Mining Regulations 2016 (NSW) (**Regulations**) provides an extensive list of standard conditions of Mining Leases, inclusive of rehabilitation obligations recently put in force. Lastly, there also details of Royalties and Fees set out at Schedules 6 and 9 respectively within the Regulations, with costs associated for Exploration Licences contained in Schedule 9.

The grant of mining tenements in New South Wales (**NSW**) and obligations relating to their grant is subject to specific mining laws, being the Mining Act (**Laws**) and the Regulations. These laws may vary for the specific type of mineral, including Tin. For the most part, these Laws and Regulations operate similarly in requiring parties to seek Ministerial approval for the grant of leases and then placing continuing obligations on such parties. These obligations include ongoing reporting and record-keeping, sampling and rights of way and access to water. Recent reforms have included greater onus towards rehabilitation reporting and liability for Mining Lease holders.

Exploration Licences

Overview

Section 13 of the Mining Act provides that any person may apply for an Exploration Licence provided that the application:

- specifies the group(s) of minerals in respect of which the application is made;
- be lodged with the Secretary of the NSW Department of Planning, Industry and Environment; and
- be accompanied by the required information and the application fee prescribed by the regulations.

The required information is extensive and includes, amongst other things, a description of the proposed exploration area, technical advice received, particulars of financial resources, anticipated expenditure amongst other such requirements, including a notice to be published within 14 days of lodgment in a State-circulated newspaper and in at least one newspaper circulating in the locality of the proposed exploration area.

There is a prohibition on the extent of the number of leases that a person can subsequently apply for if an application over particular land is refused or the licence over the particular land is cancelled. The person may not, within a period of two years after the refusal or cancellation, apply for an exploration licence in relation to the land except with the Minister's consent.

Exploration Licences may not be granted over any land that is already subject to any form of exploration licence, mining lease, assessment lease or mineral claim.

Section 29 of the Mining Act provides that the holder of an Exploration Licence may prospect on the land specified in the licence for the group(s) of minerals specified in accordance with certain conditions that may be attached by the Minister.

Rights and Obligations

The holder of an Exploration Licence in NSW is entitled to the exclusive right to carry out works on, or to remove samples from the land for the purpose of testing the mineral bearing qualities of the land specified in the licence for the group, or groups, of minerals specified. Exploration activities must be conducted in accordance with the approved work programme which sets out the nature and extent of operations and identifies activities to be completed in connection, or ancillary to, those operations involving environmental management, rehabilitation and community consultation activities.

Holders of an Exploration Licence in NSW must submit an annual report within one calendar month of the grant anniversary date of the licence. The annual report needs to include:

- all surveys and operations during the reporting period;

- results and conclusions of any work undertaken; and
- the proposed operations for the next 12-month period.

Exploration Licence holders are also required to:

- report on their annual expenditure and environment, rehabilitation and community consultation activities within the reporting period; and
- to submit partial relinquishment reports for any areas relinquished and final reports at the surrender or expiry of the licence. The partial relinquishment reports and final reports are due within one calendar month after notice of cancellation is given.

The relevant authority reserves specific powers including powers of entry and inspection. There are ongoing obligations, including maintaining fencing around any unfenced shaft, machinery or other works on the surface of the mining area if required to do so by notice in writing given by the landholder or by the Minister, under Section 76 of the Mining Act.

Fees

The annual rental fee for Exploration Licences is calculated at AUD\$60 per unit. Exploration Licences are also subject to an annual administrative levy which is calculated at 1% of the required security deposit. The annual rental fee and annual administrative are due annually on the anniversary date of the licence.

Expiry and Renewal

An Exploration Licence can be granted for a maximum period of six years and may be renewed for further periods. An application to renew an Exploration Licence exceeding half of the area for which the licence relates to must provide special circumstances to justify the renewal.

An application to renew an Exploration Licence must be lodged within the period of two months before the licence ceases to have effect. The Exploration Licence continues to remain in effect until the application for renewal is determined.

Applications may be made to renew for further terms. The Minister has the discretion to grant renewal of an Exploration Licence for a period not exceeding 6 years, as prescribed by Section 27 of the Mining Act. Renewal applications for Exploration Licences should be lodged within the period of two months prior to the expiry date. The Mining Act requires the holder of an Exploration Licence to reduce the licence area by half upon renewal, however, application for justification can be made to the Department to retain the full area, pursuant to Section 114A Act.

Security

Holders of an Exploration Licence are required to lodge a security deposit of at least AUD\$10,000, which is subject to increase if the holder proposes to undertake ground-disturbing activities which result in the estimated cost of rehabilitation to exceed AUD\$10,000. The security deposit is returned if the licence is cancelled, and once rehabilitation has been approved by the Department.

Conditions

Pursuant to Section 29 of the Mining Act, a holder of an Exploration Licence may prospect on land specified for the group of minerals so specified, subject to such terms or conditions as may be prescribed and to such additional terms or conditions as the Minister thinks fit and specifies in the licence. The conditions of an Exploration Licence will generally be detailed in the original grant, and any subsequent renewal where relevant.

Mining Leases

Overview

Mining Leases are granted subject to identical requirements as listed in Section 13 of the Mining Act in respect of exploration licences. The Minister must also be satisfied that sufficient surveying has been undertaken prior to its grant. Identical to the grant of Exploration Licences, there are also instances

where Mining Leases are not to be granted as per Section 58 of the Mining Act, where it is subject to an existing Exploration Licence, Mining Lease, or to an existing previously lodged application.

However, with respect to the exploration licence, the Minister is required to serve notice on the licensee and allow them to object in consideration by the Minister prior to deciding on the application, pursuant to Section 59.

The term of the Mining Lease takes place from either when it is granted, or from the date determined by the relevant authority, and must not exceed a period of 21 years. The grant includes any such conditions prescribed over the Mining Lease as well as a description of the land, list of mineral(s) and the relevant period it will have effect for.

Rights and obligations

The holder of a Mining Lease in NSW is entitled to undertake the following activities within the area of grant:

- prospect and mine on the land for the mineral(s) specified;
- carry out primary treatment operations as are necessary to separate the mineral or minerals from the material from which they are recovered; and
- carry out any approved ancillary mining activity.

The holder of a Mining Lease granted in respect of an ancillary mining activity or activities only may, in accordance with the conditions of the lease, carry out the ancillary mining activity or activities specified in the lease.

Mining Leases are subject to the condition that mining operations must not be carried out otherwise in accordance with an approved Mining Operations Plan. Mining Leases may be granted with depth or surface restrictions.

Holders of a Mining Lease must submit an annual report within one calendar month of the grant anniversary date of the Lease, or on such other date approved by the Department of Regional NSW. The annual report is to include the following information; particulars of all surveys and operations during the reporting period, results and conclusions of any work undertaken and the proposed operations for the next 12-month period.

Mining Leases may be subject to the condition requiring the holder to submit an annual environmental and rehabilitation report. Group reporting can be applied for with respect to Mining Leases in which instance the reporting date is prescribed by the Department of Regional NSW.

The Department reserves specific powers including powers of entry and inspection. There are ongoing obligations, including maintaining fencing around any unfenced shaft, machinery or other works on the surface of the mining area if required to do so by notice in writing given by the landholder or by the Minister, under Section 76 of the Mining Act.

Division 3A of the Act includes ongoing obligations with respect to disclosure of reports where Section 163C requires ongoing reporting, Section 163D requiring ongoing record-keeping, Section 163E requiring ongoing retention of such records and Section 163G requiring ongoing sampling as directing by the Regulations.

Schedule 8A of the Regulations provides an extensive list of standard conditions of Mining Leases, inclusive of rehabilitation obligations, with details of Royalties and Fees at Schedules 6 and 9 respectively within the Regulations.

Fees

The annual rental fee for a Mining Lease is AUD\$6.50 per hectare. Mining Leases are also subject to an Annual Administrative Levy that is calculated as 1% of the required security deposit. The annual rental fee and annual administrative levy are due annually at the anniversary date of the licence. Mining Lease holders may be required to pay royalties to the NSW Government.

Expiry and renewal

A Mining Lease can be granted for a period not exceeding twenty-one years except with the Premier's consent. If a Mining Lease is being renewed for one year or less, an application to renew must be lodged within the period of two months before the lease ceases to have effect. A Mining Lease may be renewed for a period not exceeding twenty-one years except with the State Premier's consent.

An application to renew a Mining Lease must be lodged no earlier than five years and not later than one year before the lease ceases to have effect. The Mining Lease continues to remain in effect until a determination is made with respect to the application for renewal.

Security

Holders of a Mining Lease are required to lodge a security deposit of at least AUD\$10,000, which is subject to increase if the holder proposes to undertake ground-disturbing activities which result in the estimated cost of rehabilitation to surpass AUD\$10,000. The security deposit is returned if the Mining Lease is cancelled or expires, and all rehabilitation objectives and completion criteria have been met and approved by the Department. Mining Leases may be subject to a group security deposit for multiple titles if an application is made by the holder.

Conditions

Pursuant to Section 73 of the Act, a holder of a Mining Lease granted in respect of specified minerals may prospect and mine on land specified in the lease in accordance with the conditions of the lease. The conditions of a Mining Lease will generally be detailed in Schedule 2 mining lease conditions in the original Instrument of Grant and Instrument of Renewal and any subsequent Instrument of Grant where relevant.

Rights and duties

The relevant authority reserves specific powers including powers of entry and inspection, applying to both Mining Leases and Exploration Licences.

There are ongoing obligations, including maintaining fencing around any unfenced shaft, machinery or other works on the surface of the mining area if required to do so by notice in writing given by the landholder or by the Minister, under Section 76 of the Mining Act.

Division 3A of the Act includes ongoing obligations with respect to disclosure of reports where Section 163C requires ongoing reporting, Section 163D requiring ongoing record-keeping, Section 163E requiring ongoing retention of such records and Section 163G requiring ongoing sampling as directing by the Regulations.

Schedule 8A of the Regulations provides an extensive list of standard conditions of Mining Leases, inclusive of rehabilitation obligations recently put in force. Details of Royalties and Fees are set out at Schedules 6 and 9 respectively within the Regulations, with costs associated for Exploration Licences contained in Schedule 9.

Rehabilitation

The NSW Government undertook significant reforms in 2021 to change the rehabilitation requirements for holders of Mining Leases within the regulations for both large and small mines. The changes vary depending on size, with a large mine being considered as such if it required, or currently has, an Environment Protection Licence under the Protection of the Environment Operations Act 1997 (NSW).

In summary, the key changes include new standard rehabilitation conditions that will:

- require Progressive Rehabilitation;
- impose Environmental Protection Obligations;
- increase a Mining Lease holder's obligations regarding risk assessment and management as well as reporting and record-keeping;
- require Mining Operation Plans to be replaced with a Rehabilitation Management Plan; and

- require Annual Environmental Management Reports to be replaced with an annual rehabilitation report and forward program.

Aboriginal Places and Native Title

Commonwealth Legislation, Aboriginal Places and Objectives

The Aboriginal and Torres Strait Islander Heritage Protection Act 1984 (Cth) (**Commonwealth Heritage Act**) is aimed at the preservation and protection of any Aboriginal areas and objects that may be located on mining tenements.

Under the Commonwealth Heritage Act, the Minister for Aboriginal Affairs may make interim or permanent declarations of preservation in relation to significant Aboriginal areas or objects, which have the potential to halt exploration activities. Compensation is payable by the Minister for Aboriginal Affairs to a person who is, or is likely to be, affected by a permanent declaration of preservation. It is an offence to contravene a declaration made under the Commonwealth Heritage Act.

In NSW, an Aboriginal place is an area declared by the Minister administering the National Parks and Wildlife Act 1974 (NSW) (**NPW Act**) because that place is deemed to have special significance to Aboriginal culture. An Aboriginal object is any material evidence relating to Aboriginal habitation of an area. An Aboriginal place may or may not contain Aboriginal objects. Aboriginal places and objects are separate to Native Title.

Aboriginal places and objects are registered on the Aboriginal Heritage Information Management System (**AHIMS**) maintained by the NSW Office of Environment and Heritage. AHIMS notes that some areas of NSW have not been investigated in detail and consequently, there may be fewer records of sites and objects in such areas. Aboriginal objects and sites are protected under the NPW Act irrespective of whether they are recorded on AHIMS. Aboriginal places and objects may be listed at any time and similarly de-listed at any time.

Pursuant to Section 86(2) and (4) of the NPW Act, it is a strict liability offence to harm an Aboriginal object, or harm or desecrate an Aboriginal place. It is also an offence to harm or desecrate an Aboriginal object that the person knows is an Aboriginal object pursuant to Section 86(1) of the NPW Act. It may be necessary to apply for an Aboriginal Heritage Impact Permit if the activities contemplated in exercising rights under the tenements are likely to cause damage to the Aboriginal Places. The prohibitions contained in section 86(1), (2) and (4) of the NPW Act apply whether or not the Aboriginal Place or Aboriginal Object has been registered on the AHIMS.

A defence is available to a person charged with a strict liability offence pursuant to Section 87 of the NPW Act. Pursuant to Section 87(2) of the NPW Act, the defendant must show that they exercised due diligence to determine whether the act or omission constituting the alleged offence would harm an Aboriginal object, and reasonably determined that no Aboriginal object would be harmed.

Native Title

The law of Australia recognises the existence of native title rights held by indigenous Australians over their traditional lands¹⁹. Native title exists where an indigenous group has maintained a continuous traditional connection with the land, and those rights have not been extinguished.

Native title may be extinguished:

- in whole by the grant of an interest in land conferring “exclusive possession” such as a freehold interest in the land; or
- in part by the grant of an interest conferring “non-exclusive possession” including the grant of pastoral leases and Mining Leases, or the creation of certain reserves. In this case, the native title will co-exist with the other rights to the land.

The Native Title Act 1993 (Cth) (**NTA** or **Native Title Act**):

- provides a process for indigenous people to claim native title rights and compensation;

¹⁹ *Mabo v Queensland (No 2)* (1992) 175 CLR 1

- confirms the validity of past actions (including grants of land tenure) by the Commonwealth and State governments; and
- specifies the procedures which must be complied with to ensure that acts that may affect native title rights (such as the grant or renewal of a mining tenement) are valid.

The NTA has been adopted in NSW by the enactment of the Native Title (New South Wales) Act 1994.

Native Title may be proved to be extinguished on particular land parcels where evidence of extinguishment (for example, evidence of a previous exclusive possession act such as the grant of a freehold estate prior to 23 December 1996) is provided by the title holder to the Department in accordance with the Department's *Protocol for Evidencing Proof of Extinguishment of Native Title*. This is generally in the form of a Native Title Extinguishment Report. In land parcels where it is unable to be proved that Native Title was extinguished in the past, Native Title is taken to be claimable and prior written consent from the Minister will be required.

Further, if Native Title has not been extinguished then it will (except in specific circumstances) be necessary to comply with Native Title processes before carrying out operations within that area of the Exploration Licence, prior to the Minister granting consent. For example, Crown land is a type of tenure over which Native Title is claimable unless it can be proven otherwise through evidence of extinguishment. If Native Title is unable to be proven extinguished in relation to Crown land, then Native Title processes are required to be followed. The presence of a registered Native Title claim also means that it will be necessary to reach an agreement with the Native Title claimants through Native Title processes, before obtaining the Minister's consent and proceeding with the relevant exploration activity.

Land access and Compensation

It is necessary to enter into a written access arrangement with any landholders prior to entering or carrying out exploration on land which is owned or occupied (Section 140 of the Mining Act). Individual land parcels may have multiple landholders, as defined by Section 4 of the Mining Act, and may also have parts of the land excluded as roads or other Crown reserves. As such, review of the respective title plan for a land parcel is required to ascertain the exact boundaries of the land and any such exclusions, for the purposes of determining the relevant landholders with which an access arrangement is required.

Further, any landholder is entitled to compensation for compensable loss caused to any land by the exercise of rights conferred by the Exploration Licence (Section 263 of the Mining Act). In the event that an access arrangement or an agreement in relation to the amount of compensation payable cannot be reached with a landholder, the matter can be referred to arbitration, and if not resolved, to the Land and Environment Court for determination (Section 155 of the Mining Act).

Environmental legislation

In NSW, there are a number of Acts relating to environmental matters which are administered by the Environment Protection Authority:

- Contaminated Land Management Act 1997
- Dangerous Goods (Road and Rail Transport) Act 2008
- Environmentally Hazardous Chemicals Act 1985
- Forestry Act 2012 (Parts 5A and 5B only with the remainder administered by the Minister of Primary Industries for New South Wales)
- National Environment Protection Council (New South Wales) Act 1995
- Ozone Protection Act 1989
- Pesticides Act 1999
- Protection of the Environment Administration Act 1991
- Protection of the Environment Operations Act 1997

- Radiation Control Act 1990
- Recreation Vehicles Act 1983
- Waste Avoidance and Resource Recovery Act 2001

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

Section 30 of the Mining Act requires the Minister’s consent to be granted prior to any prospecting on exempted areas covered by an Exploration Licence. An ‘exempted area’ is an area of land: (a) reserved, dedicated, appropriated, resumed or acquired for public purposes (except land reserved for a temporary common or a commonage), whether vested in the Crown or in any person as trustee for public purposes, or (b) held under a lease for water supply by virtue of a special lease or otherwise, or (c) transferred, granted, or vested in trust by the Crown for the purpose of a race-course, cricket ground, recreation reserve, park or permanent common or for any other public purpose, or (d) prescribed by the regulations for the purposes of this definition.

It is important to note that exempted areas are not excluded areas, as prospecting operations may still take place within exempted areas if Minister’s consent is obtained, pursuant to Section 30 of the Mining Act.

If activities are planned to be undertaken on land considered an exempted area, an access arrangement must be entered into with the controlling body of the land as prescribed by Section 140 of the Mining Act. In order to obtain Minister’s consent prior to commencing prospecting operations on exempted areas, Native Title must be proved to be extinguished or Native Title processes, such as the Right to Negotiate, must be commenced in respect of the relevant land parcel.

Health and safety

The operator of a mine is responsible for safety and has duties under work health and safety legislation that they are required to fulfil, including but not exclusive to, the creation of a safety management plan. Under Section 6(1) of the Work Health and Safety (Mines and Petroleum Sites) Act 2013 (NSW) (**WHS Act**), a mine is defined as a place where mining operations are carried out, and under Section 7(1)(a)(iii) of the WHS Act, mining operations are defined to include exploring for minerals.

Pursuant to Section 15 of the WHS Act, the relevant resources regulator must be notified immediately after the operator becomes aware of a notifiable incident arising out of the conduct of business at the mine. A notifiable incident includes death, serious injury or illness of a person, or a dangerous incident

Royalties

State Government royalties are levied on the sale and disposal of minerals mined in New South Wales.

Mineral Royalties consist of two types:

- Quantum royalty: this is levied at a flat rate per unit of quantity. The rate of royalty is dependent on the mineral being extracted and is generally utilised for low value volume minerals such as gypsum, limestone and clays.
- Ad valorem royalty: this is levied at 4% of ‘ex-mine’ value which is the value of the mineral once it is brought to surface. In some cases, the costs associated with processing or treatment may be allowable deductions. However, the costs associated with exploration, development and mining of the ore body and the rehabilitation of the site are not allowable deductions.

Given these definitions, production from the Taronga project would be subject to an ad valorem royalty of 4%.

PART VI

OPERATING AND FINANCIAL REVIEW

SECTION A: OPERATING AND FINANCIAL REVIEW OF THE GROUP

The following operating and financial review contains financial information that has been extracted or derived without material adjustment from the Group's audited financial information including Section B: "Historical Financial Information of the Group" in Part VII (Financial Information of the Group) and Part VIII (Interim Financial Information of the Group) of this Document, prepared in accordance with UK IFRS.

The following discussion should be read in conjunction with the other information in this Document, the audited Group Financial Information included in Section B "Historical Financial Information of the Group" of Part VII "Financial Information of the Group" of this Document and the unaudited Interim Financial Information of the Group included in Part VIII "Interim Financial Information of the Group" of this Document. This discussion contains forward-looking statements, which, although based on assumptions that the Directors consider reasonable, are subject to risks and uncertainties which could cause actual events or conditions to differ materially from those expressed or implied by the forward-looking statements. Investors should read the notice in relation to forward-looking statements contained on page 26 of this Document.

The key risks and uncertainties include but are not limited to those described in the section of this Document entitled "Risk Factors" on pages 14 to 22 of this Document.

Summary Statements of Comprehensive Income

Summarised below are the audited consolidated Statements of Comprehensive Income of the Group for the three years ended 31 December 2018, 31 December 2019 and 31 December 2020, together with the unaudited consolidated income statement for the six months ended 30 June 2021:

	Audited Year ended 31 December 2018 £	Audited Year ended 31 December 2019 £	Audited Year ended 31 December 2020 £	Unaudited Six months 30 June 2021 £
Administrative expenses	(404,150)	(875,528)	(589,002)	(534,087)
Operating loss	(404,150)	(875,528)	(589,002)	(534,087)
Other (losses)/gains	(38,752)	(300,189)	110,321	167,795
Finance costs	(28,013)	(182,953)	(203,608)	(55,855)
Loss before taxation	(470,915)	(1,358,670)	(682,289)	(422,147)
Income tax expense	—	—	—	—
Loss for the year	(470,915)	(1,358,670)	(682,289)	(422,147)
Other comprehensive income:				
<i>Items that may be reclassified to profit or loss:</i>				
Exchange differences on translation of foreign operations	4,173	(78,399)	112,557	(105,941)
<i>Items that will not be reclassified to profit or loss:</i>				
Changes in the fair value of equity instruments at fair value through other comprehensive income	(619,380)	92,130	749,250	(584,561)
Total other comprehensive (loss)/income	(615,207)	13,731	861,807	(690,502)
Total comprehensive (loss)/income	(1,086,122)	(1,344,939)	179,518	(1,112,649)

Summary Statements of Financial Position

Summarised below are the audited consolidated Statements of Financial Position of the Group as at 31 December 2018, 31 December 2019 and 31 December 2020, together with the unaudited consolidated Statement of Financial Position as at 30 June 2021:

	<i>Audited</i> <i>As at</i> 31 December 2018 £	<i>Audited</i> <i>As at</i> 31 December 2019 £	<i>Audited</i> <i>As at</i> 31 December 2020 £	<i>Unaudited</i> <i>As at</i> 30 June 2021 £
Intangible assets	1,292,312	2,602,707	2,950,227	2,988,666
Property, plant and equipment	18,216	19,483	10,930	30,673
Financial assets at fair value through other comprehensive income	74,370	166,500	915,750	—
Non-current assets	1,384,898	2,788,690	3,876,907	3,019,339
Trade and other receivables	110,212	88,980	95,850	27,316
Cash and cash equivalents	535,930	363,264	245,740	5,391,969
Current assets	646,142	452,244	341,590	5,419,285
Total assets	2,031,040	3,240,934	4,218,497	8,438,624
Convertible loan notes	(1,038,752)	(2,338,941)	(2,478,479)	—
Trade and other payables	(206,617)	(114,070)	(187,721)	(295,993)
Current liabilities	(1,245,369)	(2,453,011)	(2,666,200)	(295,993)
Net assets	785,671	787,923	1,552,297	8,142,631
Called up share capital	55,876	63,702	70,177	137,358
Share premium account	8,558,228	9,686,028	10,264,409	17,855,248
Shares to be issued	25,864	50,411	50,411	—
Translation reserve	(5,429)	(83,828)	28,729	(77,212)
Warrant reserve	—	—	—	80,763
Retained earnings	(7,848,868)	(8,928,390)	(8,861,429)	(9,853,526)
Total equity	785,671	787,923	1,552,297	8,142,631

Summary Statements of Cash Flow

Summarised below are the audited consolidated Statements of Cash Flows of the Group for the three years ended 31 December 2018, 31 December 2019 and 31 December 2020, together with the unaudited consolidated Statement of Cash Flows for the six month period ended 30 June 2021:

	Audited Year 31 December 2018 £	Audited Year 31 December 2019 £	Audited Year 31 December 2020 £	Unaudited Six months 30 June 2021 £
Operating loss	(404,150)	(875,528)	(589,002)	(534,087)
Adjustments for:				
Depreciation	5,968	9,714	9,575	4,376
Share based payments expense	–	187,018	–	14,609
Movement in trade and other receivables	(22,436)	18,795	(7,642)	68,660
Movement in trade and other payables	158,248	(87,311)	64,165	(87,729)
<i>Cash absorbed by operations</i>	<i>(262,370)</i>	<i>(747,312)</i>	<i>(522,904)</i>	<i>(534,171)</i>
Interest paid	(2,150)	(2,406)	(3,060)	(1,608)
Tax paid	(12,388)	–	–	–
Net cash used in operating activities	(276,908)	(749,718)	(525,964)	(535,779)
Purchase of intangible assets	(733,630)	(1,384,745)	(286,779)	(139,219)
Purchase of property, plant and equipment	(17,339)	(12,005)	–	(24,842)
Proceeds from disposal of subsidiary	–	–	100,000	–
Proceeds from disposal of investments	–	–	–	331,189
Net cash used in investing activities	(750,969)	(1,396,750)	(186,779)	167,128
Proceeds from issue of shares	153,189	979,700	384,308	5,523,440
Proceeds from issue of convertible loans	1,000,000	1,000,000	200,000	–
Net cash from financing activities	1,153,189	1,979,700	584,308	5,523,440
Net cash flow	125,312	(166,768)	(128,435)	5,154,789
<i>Cash b/fwd</i>	<i>409,287</i>	<i>535,930</i>	<i>363,264</i>	<i>245,740</i>
Exchange rate changes	1,331	(5,898)	10,911	(8,560)
Cash c/fwd	535,930	363,264	245,740	5,391,969

Results for the year ended 31 December 2018

Trading results

No revenues were reported during the year ended 31 December 2018. The Group reported a loss for the year of £470,915, comprising of administrative expenses of £404,150, other losses of £38,752 and finance costs of £28,013.

Included within administrative expenses were staff costs of £97,510, depreciation of £5,968 and expenses relating to short-term leases of £22,176.

The Group reported a total comprehensive loss of £1,086,122 for the year ended 31 December 2018 comprising of the reported loss for the year of £470,915, exchange gains on the translation of foreign operations of £4,173 and losses in the fair value of equity instruments at fair value through other comprehensive income of £619,380.

Cash flows, financing and capital reserves

During the year ended 31 December 2018, the Group reported a net cash inflow of £125,312 from all sources, resulting in a closing cash balance of £535,930.

The principle source of cash inflow during the year was the Group's financing activities, comprising cash inflows of £1,000,000 from the issue of convertible loan notes and £153,189 from the issue of 2,292,457 ordinary shares at a par value of £0.001 each.

Cash outflows from operating activities of £276,908 comprised an operating loss of £404,150, depreciation of £5,968, an increase in trade and other receivables of £22,436, an increase in trade and other payables of £158,248, interest paid of £2,150 and tax paid of £12,388.

Further to this there was a net cash outflow of £750,969 relating to investing activities which comprised of the purchase of intangible assets (capitalised exploration and evaluation expenditure) of £733,630 and the purchase of property, plant and equipment of £17,339.

Assets

As at 31 December 2018, the Group's non-current assets of £1,384,898 comprised £1,292,312 of intangible assets which related to capitalised exploration and evaluation assets, £18,216 of property, plant and equipment as well as £74,370 of financial assets at fair value through other comprehensive assets. Current assets of £646,142 comprised trade and other receivables of £110,212 and cash of £535,930. This resulted in total assets of £1,959,532 as at 31 December 2018.

Liabilities

As at 31 December 2018, the Group's current liabilities of £1,245,369 comprised £1,038,752 of convertible loan notes and £206,617 of trade and other payables. Non-current liabilities totalled nil as at 31 December 2018. This resulted in total liabilities of £1,245,369 as at 31 December 2018.

Net assets

As at 31 December 2018, the Group had total assets of £1,959,532 and total liabilities of £1,245,369, resulting in net assets of £714,169.

Results for the year ended 31 December 2019

Trading results

No revenues were reported during the year ended 31 December 2019 (2018: £nil). The Group reported a loss for the year of £1,358,670 (2018: £470,915), comprising of administrative expenses of £875,528 (2018: £404,150), other losses of £300,189 (2018: £38,752) and finance costs of £182,953 (2018: £28,013).

Included within administrative expenditure of £875,528 was £303,070 (2018: £97,510) of staff costs, £9,714 (2018: £5,968) of depreciation and £31,587 (2018: £22,176) of expenses relating to short-term leases.

The Group reported a total comprehensive loss of £1,344,939 for the year ended 31 December 2019 (2018: £1,086,122) comprising of the reported loss for the year of £1,358,670 (2018: £470,915), exchange losses on the translation of foreign operations of £78,399 (2018: gains of £4,173) and gains in the fair value of equity instruments at fair value through other comprehensive income of £92,130 (2018: loss of £619,380).

Cash flows, financing and capital reserves

During the year ended 31 December 2019, the Group reported a net cash outflow of £166,768 from all sources (2018: inflow of £125,312), resulting in a closing cash balance of £363,264 (2018: £535,930).

The principle source of cash inflow during the year was the Group's financing activities, comprising cash inflows of £1,000,000 from the issue of convertible loan notes (2018: £1,000,000) and £979,700 (2018: £153,189) from the issue of 7,825,834 ordinary shares at a par value of £0.001 each.

Cash outflows from operating activities of £749,718 (2018: £276,908) comprised an operating loss of £875,528 (2018: £404,150), depreciation of £9,714 (2018: £5,968), a share based payment expense of £187,018 (2018: £nil), an increase in trade and other receivables of £18,795 (2018: £22,436), a decrease in trade and other payables of £87,311 (2018: increase of £158,248), interest paid of £2,406 (2018: £2,150) and tax paid of £nil (2018: £12,388).

Further to this there was a net cash outflow of £1,396,750 relating to investing activities (2018: £750,969) which comprised of the purchase of intangible assets (capitalised exploration and evaluation expenditure) of £1,384,745 (2018: £733,630) and the purchase of property, plant and equipment of £12,005 (2018: £17,339).

Assets

As at 31 December 2019, the Group's non-current assets of £2,788,690 (2018: £1,384,898) comprised £2,602,707 (2018: £1,292,312) of intangible assets which related to capitalised exploration and evaluation assets, £19,483 (2018: £18,216) of property, plant and equipment as well as £166,500 (2018: £74,370) of financial assets at fair value through other comprehensive assets. Current assets of £452,244 (2018: £646,142) comprised trade and other receivables of £88,980 (2018: £110,212) and cash of £363,264 (2018: £535,930). This resulted in total assets of £3,240,934 (2018: £1,959,532) as at 31 December 2018.

Liabilities

As at 31 December 2019, the Group's current liabilities of £2,453,011 (2018: £1,245,369) comprised £2,338,941 (2018: £1,038,752) of convertible loan notes and £114,070 (2018: £206,617) of trade and other payables. Non-current liabilities totalled £nil as at 31 December 2019. This resulted in total liabilities of £2,453,011 (2018: £1,245,369) as at 31 December 2019.

Net assets

As at 31 December 2018, the Group had total assets of £3,240,934 (2018: £1,959,532) and total liabilities of £2,453,011 (2018: £1,245,369), resulting in net assets of £787,923 (2018: £714,169).

Results for the year ended 31 December 2020

Trading results

No revenues were reported during the year ended 31 December 2020 (2019: £nil). The Group reported a loss for the year of £682,289 (2019: £1,358,670), comprising of administrative expenses of £589,002 (2019: £875,528), other gains of £110,321 (2019: losses of £300,189) and finance costs of £203,608 (2019: £182,953).

Included within administrative expenditure of £589,002 was £100,283 (2019: £303,070) of staff costs, £9,575 (2019: £9,714) of depreciation and £36,398 (2019: £31,587) of expenses relating to short-term leases.

The Group reported a total comprehensive loss of £179,518 for the year ended 31 December 2020 (2019: £1,344,939) comprising of the reported loss for the year of £682,289 (2019: £1,358,670), exchange gains on the translation of foreign operations of £112,557 (2019: losses of £78,399) and gains in the fair value of equity instruments at fair value through other comprehensive income of £749,250 (2019: £92,130).

Cash flows, financing and capital reserves

During the year ended 31 December 2020, the Group reported a net cash outflow of £128,435 from all sources (2019: £166,768), resulting in a closing cash balance of £245,740 (2019: £363,264).

The principle source of cash inflow during the year was the Group's financing activities, comprising cash inflows of £200,000 from the issue of convertible loan notes (2019: £1,000,000) and £384,308 (2019: £979,700) from the issue of 6,474,675 ordinary shares at a par value of £0.001 each.

Cash outflows from operating activities of £525,964 (2019: £749,718) comprised an operating loss of £589,002 (2019: £875,528), depreciation of £9,575 (2019: £9,714), a share based payment expense of £nil (2019: £187,018), an increase in trade and other receivables of £7,642 (2019: £18,795), a decrease in trade and other payables of £64,165 (2019: increase of £87,311), interest paid of £3,060 (2019: £2,406) and tax paid of £nil (2019: £nil).

Further to this there was a net cash outflow of £186,779 relating to investing activities (2019: £1,396,750) which comprised of the purchase of intangible assets (capitalised exploration and evaluation expenditure) of £286,779 (2019: £1,384,745) and the proceeds from the disposal of a subsidiary of £100,000 (2019: £nil).

Assets

As at 31 December 2020, the Group's non-current assets of £3,876,907 (2019: £2,788,690) comprised £2,950,227 (2019: £2,602,707) of intangible assets which related to capitalised exploration and evaluation assets, £10,930 (2019: £19,483) of property, plant and equipment as well as £915,750 (2019: £166,500) of financial assets at fair value through other comprehensive assets. Current assets of £341,590 (2019: £452,244) comprised trade and other receivables of £95,850 (2019: £88,980) and cash of £245,740 (2019: £363,264). This resulted in total assets of £4,218,497 (2019: £3,240,934) as at 31 December 2020.

Liabilities

As at 31 December 2020, the Group's current liabilities of £2,666,200 (2019: £2,453,011) comprised £2,478,479 (2019: £2,338,941) of convertible loan notes and £187,721 (2019: £114,070) of trade and other payables. Non-current liabilities totalled £nil as at 31 December 2020. This resulted in total liabilities of £2,666,200 (2019: £2,453,011) as at 31 December 2020.

Net assets

As at 31 December 2020, the Group had total assets of £4,218,497 (2019: £3,240,934) and total liabilities of £2,666,200 (2019: £2,453,011), resulting in net assets of £1,552,297 (2019: £787,923).

Results for the six months ended 30 June 2021

Trading results

No revenues were reported during the six months ended 30 June 2021 (2020: £nil). The Group reported a loss for the period of £422,147 (2020: £423,723), comprising of administrative expenses of £534,087 (2020: £372,631), other gains of £167,795 (2020: £49,859) and finance costs of £55,855 (2020: £100,951).

Included within administrative expenditure of £524,087 was £89,530 (2020: £52,518) of staff costs, £4,376 (2020: £4,833) of depreciation and £18,257 (2020: £19,133) of expenses relating to short-term leases.

The Group reported a total comprehensive loss of £1,112,649 for the six months ended 30 June 2021 (2020: £328,421) comprising of the reported loss for the period of £422,147 (2020: £423,723), exchange losses on the translation of foreign operations of £105,941 (2020: gains of £136,927) and losses in the fair value of equity instruments at fair value through other comprehensive income of £584,561 (2020: £41,625).

Cash flows, financing and capital reserves

During the six months ended 30 June 2021, the Group reported a net cash inflow of £5,154,789 from all sources (2020: outflow of £38,154), resulting in a closing cash balance of £5,391,969 (2020: £338,112).

The principle source of cash inflow during the period was the Group's financing activities, comprising cash inflows of £5,523,440 (2020: £250,076) from the issue of 67,181,383 ordinary shares at £0.001 per share.

Cash outflows from operating activities of £535,779 (2020: £286,489) comprised an operating loss of £534,087 (2020: £372,631), depreciation of £4,376 (2020: £4,833), a share based payment expense of £14,609 (2020: £nil), an decrease in trade and other receivables of £68,660 (2020: increase of £27,757), a decrease in trade and other payables of £87,729 (2020: increase of £110,291), interest paid of £1,608 (2020: £1,225) and tax paid of £nil (2020: £nil).

Further to this there was a net cash inflow of £167,128 relating to investing activities (2020: outflow of £1,741) which comprised of the purchase of intangible assets (capitalised exploration and evaluation expenditure) of £139,219 (2020: £101,741), the purchase of property, plant and equipment of £24,842 (2020: £nil) and the proceeds from the disposal of investments of £331,189 (2020: £nil).

Assets

As at 30 June 2021, the Group's non-current assets of £3,019,339 (2020: £3,876,907) comprised £2,988,666 (2020: £2,950,227) of intangible assets which related to capitalised exploration and evaluation assets and £30,673 (2020: £10,930) of property, plant and equipment. Current assets of £5,419,285 (2020: £341,590) comprised trade and other receivables of £27,316 (2020: £95,850) and cash of £5,391,969 (2020: £245,740). This resulted in total assets of £8,438,624 (2020: £4,218,497) as at 30 June 2021.

Liabilities

As at 30 June 2021, the Group's current liabilities of £295,993 (2020: £2,666,200) comprised £nil (2020: £2,478,479) of convertible loan notes and £295,993 (2020: £187,721) of trade and other payables. Non-current liabilities totalled £nil as at 30 June 2021. This resulted in total liabilities of £295,993 (2020: £2,666,200) as at 31 December 2020.

Net assets

As at 30 June 2021, the Group had total assets of £8,438,624 (2020: £4,218,497) and total liabilities of £295,993 (2020: £2,666,200), resulting in net assets of £8,142,631 (2020: £1,552,297).

The Company recognised a charge of £80,763 (2020: £Nil) in the warrant reserve for warrants issued in return for broker services in connection with the Proposed Transaction.

SECTION B: OPERATING AND FINANCIAL REVIEW OF TARONGA MINES

The following operating and financial review contains financial information that has been extracted or derived without material adjustment from the Taronga Mines Financial Information included in Section B “Historical Financial Information of Taronga Mines” of Part X (Financial Information of Taronga Mines) of this Document, prepared in accordance with UK IFRS.

The following discussion should be read in conjunction with the other information in this Document and the Taronga Mines Financial Information included in Section B “Historical Financial Information of Taronga Mines” of Part IX (Financial Information of Taronga Mines) of this Document. This discussion contains forward-looking statements, which, although based on assumptions that the Directors consider reasonable, are subject to risks and uncertainties which could cause actual events or conditions to differ materially from those expressed or implied by the forward-looking statements. Investors should read the notice in relation to forward-looking statements contained on page 26 of this Document.

The key risks and uncertainties include but are not limited to those described in the section of this Document entitled “Risk Factors” on pages 14 to 22 of this Document.

Summary Statements of Comprehensive Income

Summarised below are the audited Statements of Comprehensive Income of Taronga Mines for the three years ended 30 June 2019, 30 June 2020 and 30 June 2021:

	Audited Year ended 30 June 2019 AUD\$	Audited Year ended 30 June 2020 AUD\$	Audited Year ended 30 June 2021 AUD\$
Continuing operations			
Expenses			
Administration and consulting expense	(6,719)	(2,316)	(686)
Exploration costs written off	—	—	(19,254)
Legal expenses	—	(1,806)	—
Finance costs	—	(2,616)	(660)
Loss before income taxes	(6,719)	(6,739)	(20,600)
Income tax	—	—	—
Loss for the year	(6,719)	(6,739)	(20,600)
Other comprehensive income for the year, net of tax	—	—	—
Total comprehensive loss for the year attributable to the owners of Taronga Mines	(6,719)	(6,739)	(20,600)

Summary Statements of Financial Position

Summarised below are the audited Statements of Financial Position of Taronga Mines as at 30 June 2019, 30 June 2020 and 30 June 2021:

	<i>Audited As at 30 June 2019 AUD\$</i>	<i>Audited As at 30 June 2020 AUD\$</i>	<i>Audited As at 30 June 2021 AUD\$</i>
ASSETS			
Exploration and evaluation assets	5,637,543	5,831,472	6,027,387
Other receivables	60,000	60,000	66,500
Non-current assets	5,697,543	5,891,472	6,093,887
Other receivables	1,173	40	397
Current assets	1,173	40	397
TOTAL ASSETS	5,983,166	5,862,512	6,094,284
EQUITY AND LIABILITIES			
Share capital	6,452,875	6,452,875	6,452,875
Capital contribution	–	170,150	422,907
Accumulated losses	(805,954)	(760,898)	(781,498)
Equity	5,698,716	5,862,127	6,094,284
Trade and other payables	–	29,385	–
Current liabilities	–	29,385	–
TOTAL EQUITY AND LIABILITIES	5,698,716	5,891,512	6,094,284

Summary Statements of Cash Flows

Summarised below are the audited Statements of Cash Flows of Taronga Mines for the three years ended 30 June 2019, 30 June 2020 and 30 June 2021:

	<i>Audited</i> Year ended 30 June 2019 AUD\$	<i>Audited</i> Year ended 30 June 2020 AUD\$	<i>Audited</i> Year ended 30 June 2021 AUD\$
Loss before tax for the year	(6,719)	(6,739)	(20,600)
<u>Adjustments for:</u>			
Write off of assets	—	—	19,254
Interest and other finance costs	—	—	3,276
<u>Working capital movements:</u>			
(Increase)/decrease in trade and other receivables	(1,133)	1,133	(357)
Increase/(decrease) in trade and other payables	—	2,616	(2,616)
Net cash used in operating activities	(7,852)	(2,990)	(4,319)
Proceeds from capital contributions	7,852	2,990	4,319
Net cash from financing activities	336,245	170,150	252,757
Net cash flow for the year	—	—	—
Cash and cash equivalents b/fwd	—	—	—
Cash and cash equivalents c/fwd	—	—	—

Results for the year ended 30 June 2019

Trading results

Taronga Mines reported a loss for the year of AUD\$6,719, comprised of administrative and consulting expenses of AUD\$6,719.

Taronga Mines reported a total comprehensive loss of AUD\$6,719 for the year ended 30 June 2019, with AUD\$nil other comprehensive income.

Cash flows, financing and capital reserves

During the year ended 30 June 2019, Taronga Mines reported a net cash inflow of AUD\$nil from all sources, resulting in a closing cash balance of AUD\$nil.

The principle source of cash inflow during the year was Taronga Mines' financing activities, comprising cash inflows of AUD\$336,245 relating to the proceeds from capital contributions.

Cash outflows from operating activities of AUD\$7,852 comprised loss before tax of AUD\$6,719 and an increase in trade and other receivables of AUD\$1,133.

Assets

As at 30 June 2019, Taronga Mines' non-current assets of AUD\$5,697,543 comprising AUD\$5,637,543 of exploration and evaluation assets and AUD\$60,000 of other receivables. Current assets of AUD\$1,173 comprised entirely of other receivables. This resulted in total assets of AUD\$698,716 as at 30 June 2019.

Liabilities

As at 30 June 2019, Taronga Mines' had no liabilities.

Net assets

As at 30 June 2019, Taronga Mines had total assets of AUD\$5,698,716 and total liabilities of AUD\$nil, resulting in net assets of AUD\$5,698,716.

The net asset figure of AUD\$5,698,716 comprised AUD\$6,452,875 of share capital and accumulated losses of AUD\$754,159.

Results for the year ended 30 June 2020

Trading results

Taronga Mines reported a loss for the year of AUD\$6,739 (2019: AUD\$6,719), comprising administrative and consulting expenses of AUD\$2,316 (2019: AUD\$6,719), legal expenses of AUD\$1,806 (2019: AUD\$nil) and finance costs of AUD\$2,616 (2019: AUD\$nil).

Taronga Mines reported a total comprehensive loss of AUD\$6,739 (2019: AUD\$6,719) for the year ended 30 June 2020, with AUD\$nil (2019: AUD\$nil) of other comprehensive income.

Cash flows, financing and capital reserves

During the year ended 30 June 2020, Taronga Mines reported a net cash inflow of AUD\$nil (2019: AUD\$nil) from all sources, resulting in a closing cash balance of AUD\$nil (2019: AUD\$nil).

The principle source of cash inflow during the year was Taronga Mines' financing activities, comprising cash inflows of AUD\$2,990 (2019: AUD\$7,852) relating to the proceeds from capital contributions.

Cash outflows from operating activities of AUD\$2,990 (2019: AUD\$7,852) comprised loss before tax of AUD\$6,739 (2019: AUD\$6,719), decrease in trade and other receivables of AUD\$1,133 (2019: increase of AUD\$1,133) and an increase in trade and other payables of AUD\$2,616 (2019: AUD\$nil).

Assets

As at 30 June 2020, Taronga Mines' non-current assets of AUD\$5,891,471 (2019: AUD\$5,697,543) comprising AUD\$5,831,742 (2019: AUD\$5,637,543) of exploration and evaluation assets and

AUD\$60,000 (2019: AUD\$60,000) of other receivables. Current assets of AUD\$40 (2019: AUD\$1,173) comprised entirely of other receivables. This resulted in total assets of AUD\$5,862,512 (2019: AUD\$5,698,716) as at 30 June 2020.

Liabilities

As at 30 June 2020, Taronga Mines' current liabilities of AUD\$29,385 (2019: AUD\$nil) comprising AUD\$26,769 (2019: AUD\$nil) of trade payables and AUD\$2,616 (2019: AUD\$nil) of other payables.

Net assets

As at 30 June 2020, Taronga Mines had total assets of AUD\$5,862,512 (2019: AUD\$5,698,716) and total liabilities of AUD\$29,385 (2019: AUD\$nil), resulting in net assets of AUD\$5,862,127 (2019: AUD\$5,698,716).

The final equity balance of AUD\$5,862,127 (2019: AUD\$5,698,716) comprised AUD\$6,452,875 (2019: AUD\$6,452,875) of share capital, AUD\$170,150 (2019: AUD\$nil) of capital contributions and accumulated losses of AUD\$760,898 (2019: AUD\$754,159).

Results for the year ended 30 June 2021

Trading results

Taronga Mines reported a loss for the year of AUD\$20,600 (2020: AUD\$6,739), comprising administrative and consulting expenses of AUD\$686 (2020: AUD\$2,316), legal expenses of AUD\$nil (2020: AUD\$1,806), exploration costs written off of AUD\$19,254 (2020: AUD\$nil) and finance costs of AUD\$660 (2020: AUD\$2,616).

Taronga Mines reported a total comprehensive loss of AUD\$20,600 (2020: AUD\$6,739) for the year ended 30 June 2021, with AUD\$nil (2020: AUD\$nil) of other comprehensive income.

Cash flows, financing and capital reserves

During the year ended 30 June 2021, Taronga Mines reported a net cash inflow of AUD\$nil (2020: AUD\$nil) from all sources, resulting in a closing cash balance of AUD\$nil (2020: AUD\$nil).

The principle source of cash inflow during the year was Taronga Mines' financing activities, comprising cash inflows of AUD\$4,319 (2020: AUD\$2,990) relating to the proceeds from borrowings.

Cash outflows from operating activities of AUD\$4,319 (2020: AUD\$2,990) comprised profit before tax of AUD\$20,600 (2020: AUD\$6,739), write off of assets of AUD\$19,254 (2020: AUD\$nil), interest and finance costs of AUD\$3,276 (2020: AUD\$Nil), an increase in trade and other receivables of AUD\$357 (2020: decrease of AUD\$1,133) and a decrease in trade and other payables of AUD\$2,616 (2020: increase of AUD\$2,616).

Assets

As at 30 June 2021, Taronga Mines' non-current assets of AUD\$6,093,887 (2020: AUD\$5,891,472) comprising AUD\$6,027,387 (2020: AUD\$5,831,472) of exploration and evaluation assets and AUD\$66,500 (2020: AUD\$60,000) of other receivables. Current assets of AUD\$397 (2020: AUD\$40) comprised entirely of other receivables. This resulted in total assets of AUD\$6,094,284 (2020: AUD\$5,862,512) as at 30 June 2021.

Liabilities

As at 30 June 2021, Taronga Mines' had no liabilities.

Net assets

As at 30 June 2021, Taronga Mines had total assets of AUD\$6,094,284 (2020: AUD\$5,862,512) and total liabilities of AUD\$nil (2020: AUD\$29,385), resulting in net assets of AUD\$6,094,284 (2020: AUD\$5,862,127).

The final equity balance of AUD\$6,094,284 (2020: AUD\$5,862,127) comprised AUD\$6,452,875 (2020: AUD\$6,452,875) of share capital, AUD\$422,907 (2019: AUD\$170,150) of capital contributions and accumulated losses of AUD\$781,498 (2019: AUD\$760,898).

PART VII

FINANCIAL INFORMATION OF THE GROUP

SECTION A: ACCOUNTANT'S REPORT ON THE HISTORICAL FINANCIAL INFORMATION OF THE GROUP



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30 March 2022

Dear Sirs and Madams,

We report on the audited, consolidated historical financial information of First Tin Plc (the "Company") and its subsidiaries, Saxore Bergbau GmbH and Anglo Saxony Minerals (UK) Limited (together, the "Group"), for the three years ended 31 December 2018, 31 December 2019 and 31 December 2020 (together, the "Group Financial Information").

Opinion on financial information

In our opinion, the Group Financial Information gives, for the purpose of the Company's prospectus dated 30 March 2022 (the "Document"), a true and fair view of the state of affairs of the Group as at 31 December 2018, 31 December 2019 and 31 December 2020 and of its profits, cash flows, statements of comprehensive income and changes in equity for the years then ended, in accordance with UK-adopted international accounting standards ("UK IFRS").

Responsibilities

The directors of the Company (the "Directors") are responsible for preparing the Group Financial Information in accordance with UK IFRS.

It is our responsibility to form an opinion on the Group Financial Information, and to report our opinion to you.

Basis of preparation

The Group Financial Information has been prepared for inclusion in Section B: "*Historical Financial Information of the Group*" of Part VII "*Financial Information of the Group*" of the Document, on the basis of the accounting policies set out in Note 3 to the Group Financial Information. This report is required by item 18.3.1 of Annex 1 to the UK version of Regulation number 2019/980 of the European Commission, supplementing Regulation (EU) 2017/1129, which is part of UK law by virtue of the European Union (Withdrawal) Act 2018 (together, the "Prospectus Regulation") and is given for the purpose of complying with that requirement and for no other purpose.

Basis of opinion

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

Our work included an assessment of evidence relevant to the amounts and disclosures in the Group Financial Information. It also included an assessment of significant estimates and judgments made by those responsible for the preparation of the Group Financial Information and whether the accounting policies are appropriate to the Group's circumstances, consistently applied and adequately disclosed.

We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Group Financial Information is free from material misstatement whether caused by fraud or other irregularity or error.

Conclusions relating to going concern

We have not identified a material uncertainty related to events or conditions that, individually or collectively, may cast doubt on the ability of the Group to continue as a going concern for a period of at least 12 months from the date of this report. We therefore conclude that the Directors' use of the going concern basis of accounting in the preparation of the Group Financial Information is appropriate.

Declaration

For the purposes of Prospectus Regulation Rule PRR 5.3.2 R (2)(f), we are responsible for this report as part of this Document and we declare that, to the best of our knowledge, the information contained in this report is in accordance with the facts and that this report makes no omission likely to affect its import. This declaration is included in the Document in compliance with item 1.2 of Annex 1 to the Prospectus Regulation.

Yours faithfully,

Crowe U.K. LLP
Chartered Accountants

SECTION B: HISTORICAL FINANCIAL INFORMATION OF THE GROUP

Consolidated Statements of Comprehensive Income

The audited, consolidated Statements of Comprehensive Income of the Group for each of the three years ended 31 December 2018, 31 December 2019 and 31 December 2020 are set out below:

	Notes	<i>Audited</i> Year ended 31 December 2018 £	<i>Audited</i> Year ended 31 December 2019 £	<i>Audited</i> Year ended 31 December 2020 £
Administrative expenses	6, 7	(404,150)	(875,528)	(589,002)
Operating loss		(404,150)	(875,528)	(589,002)
Other (losses)/gains	8	(38,752)	(300,189)	110,321
Finance costs	9	(28,013)	(182,953)	(203,608)
Loss before taxation		(470,915)	(1,358,670)	(682,289)
Income tax expense	10	—	—	—
Loss for the year		(470,915)	(1,358,670)	(682,289)
Other comprehensive income:				
<i>Items that may be reclassified to profit or loss:</i>				
Exchange differences on translation of foreign operations		4,173	(78,399)	112,557
<i>Items that will not be reclassified to profit or loss:</i>				
Changes in the fair value of equity instruments at fair value through other comprehensive income	15	(619,380)	92,130	749,250
Total other comprehensive (loss)/income		(615,207)	13,731	861,807
Total comprehensive (loss)/income for the year		(1,086,122)	(1,344,939)	179,518
Loss per Ordinary Share from loss from continuing operations attributable to the ordinary equity holders of the Company:				
Basic and diluted (pence)	11	(0.85)	(2.23)	(1.02)

Consolidated Statements of Financial Position

The audited, consolidated Statements of Financial Position of the Group as at 31 December 2018, 31 December 2019 and 31 December 2020 are set out below:

	Notes	<i>Audited</i> Year ended 31 December 2018 £	<i>Audited</i> Year ended 31 December 2019 £	<i>Audited</i> Year ended 31 December 2020 £
Assets				
Non-current assets				
Intangible assets	13	1,292,312	2,602,707	2,950,227
Property, plant and equipment	14	18,216	19,483	10,930
Financial assets at fair value through other comprehensive income	15	74,370	166,500	915,750
		<u>1,384,898</u>	<u>2,788,690</u>	<u>3,876,907</u>
Current assets				
Trade and other receivables	17	110,212	88,980	95,850
Cash and cash equivalents		535,930	363,264	245,740
		<u>646,142</u>	<u>452,244</u>	<u>341,590</u>
Total assets		<u>2,031,040</u>	<u>3,240,934</u>	<u>4,218,497</u>
Liabilities				
Current liabilities				
Convertible loan notes	16	(1,038,752)	(2,338,941)	(2,478,479)
Trade and other payables	18	(206,617)	(114,070)	(187,721)
		<u>(1,245,369)</u>	<u>(2,453,011)</u>	<u>(2,666,200)</u>
Total liabilities		<u>(1,245,369)</u>	<u>(2,453,011)</u>	<u>(2,666,200)</u>
Net assets		<u>785,671</u>	<u>787,923</u>	<u>1,552,297</u>
Equity				
Called up share capital	21	55,876	63,702	70,177
Share premium account		8,558,228	9,686,028	10,264,409
Shares to be issued		25,864	50,411	50,411
Translation reserve		(5,429)	(83,828)	28,729
Retained deficit		(7,848,868)	(8,928,390)	(8,861,429)
Total equity		<u>785,671</u>	<u>787,923</u>	<u>1,552,297</u>

Consolidated Statements of Changes in Equity

The audited, consolidated Statements of Changes in Equity of the Group for each of the three years ended 31 December 2018, 31 December 2019 and 31 December 2020 are set out below:

	Share capital £	Share premium account £	Shares to be issued £	Translation reserve £	Retained deficit £	Total equity £
As at 1 January 2018	53,584	8,407,331	–	(9,602)	(6,758,573)	1,692,740
Loss for the year	–	–	–	–	(470,915)	(470,915)
Other comprehensive income	–	–	–	4,173	(619,380)	(615,207)
Total comprehensive loss	–	–	–	4,173	(1,090,295)	(1,086,122)
Transactions with owners:						
Accrued interest on convertible loan notes	–	–	25,864	–	–	25,864
Issuance of Ordinary Shares	2,292	150,897	–	–	–	153,189
As at 31 December 2018 (audited)	55,876	8,558,228	25,864	(5,429)	(7,848,868)	785,671
Loss for the year	–	–	–	–	(1,358,670)	(1,358,670)
Other comprehensive income	–	–	–	78,399	92,130	13,371
Total comprehensive loss	–	–	–	123,344	(1,266,532)	(1,344,939)
Transactions with owners:						
Accrued interest on convertible loan notes	–	–	180,547	–	–	180,547
Issuance of Ordinary Shares	7,826	1,127,800	(156,000)	–	–	979,626
Issuance of share options and warrants	–	–	–	–	187,018	187,018
As at 31 December 2019 (audited)	63,702	9,686,028	50,411	(83,828)	(8,928,390)	787,923
Loss for the year	–	–	–	–	(682,289)	(682,289)
Other comprehensive income	–	–	–	112,557	749,250	861,807
Total comprehensive income	–	–	–	112,557	66,961	179,518
Transactions with owners:						
Accrued interest on convertible loan notes	–	–	200,548	–	–	200,548
Issuance of Ordinary Shares	6,475	578,381	(200,548)	–	–	384,308
As at 31 December 2020 (audited)	70,177	10,264,409	50,411	(28,729)	(8,861,429)	1,552,297

Consolidated Statements of Cash Flows

The audited, consolidated Statements of Cash Flows of the Group for each of the three years ended 31 December 2018, 31 December 2019 and 31 December 2020 are set out below:

		Audited Year ended 31 December 2018 £	Audited Year ended 31 December 2019 £	Audited Year ended 31 December 2020 £
	Notes			
Cash flows from operating activities				
Operating loss		(404,150)	(875,528)	(589,002)
Adjustments for:				
Depreciation of property, plant and equipment	14	5,968	9,714	9,575
Share-based payments expense	12	–	187,018	–
(Increase)/decrease in trade and other receivables		(22,436)	18,795	(7,642)
Increase/(decrease) in trade and other payables		158,248	(87,311)	64,165
Cash absorbed by operations		(262,370)	(747,312)	(522,904)
Interest paid	9	(2,150)	(2,406)	(3,060)
Tax paid		(12,388)	–	–
Net cash used in operating activities		(276,908)	(749,718)	(525,964)
Investing activities				
Purchase of intangible assets	13	(733,630)	(1,384,745)	(286,779)
Purchase of property, plant and equipment	14	(17,339)	(12,005)	–
Proceeds from disposal of subsidiary	22	–	–	100,000
Net cash used in investing activities		(750,969)	(1,396,750)	(186,779)
Financing activities				
Proceeds from issue of shares		153,189	979,700	384,308
Proceeds from issue of convertible loans	16	1,000,000	1,000,000	200,000
Net cash from financing activities		1,153,189	1,979,700	584,308
Net increase/(decrease) in cash and cash equivalents		125,312	(166,768)	(128,435)
Cash and cash equivalents at beginning of year		409,287	535,930	363,264
Effects of exchange rate changes on cash and cash equivalents		1,331	(5,898)	10,911
Cash and cash equivalents at end of year		535,930	363,264	245,740

Notes to the Group Financial Information

1. General Information

The Company is a public company limited by shares incorporated in England and Wales under the Companies Act. The Company's registered address is First Floor, 47/48 Piccadilly, London, England, W1J 0DT. The principal activities of the Company and the Group and the nature of their operations are disclosed elsewhere in this Document.

2. Basis of preparation

The Group Financial Information has been prepared on the going concern basis in accordance with international accounting standards as adopted by the UK and the requirements of the Companies Act. The Group Financial Information does not constitute statutory accounts within the meaning of section 434 of the Companies Act.

The Group Financial Information is presented in UK Sterling and has been prepared on a historical cost basis, except for certain financial assets which are measured at fair value.

3. Significant accounting policies

3.1 Basis of consolidation

The Group Financial Information incorporates the financial information of the Company and entities controlled by the Company (its subsidiaries). Control is achieved where the Company has power over the investee, is exposed or has rights to variable returns from its involvement with the investee and has the ability to use its power to affect its returns.

Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions.

The results of subsidiaries acquired or disposed of are included in the consolidated Statement of Comprehensive Income from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the financial information of subsidiaries to bring the accounting policies used into line with those used by the Group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation.

3.2 Intangible assets other than goodwill

Exploration and evaluation assets

The Group capitalises costs which directly relate to exploration and evaluation activities in areas for which it has obtained appropriate legal rights and there is a high degree of confidence in the feasibility of the project.

Capitalised exploration and evaluation costs include acquisition of rights to explore, topographical, geological, geochemical and geophysical studies, exploration drilling, sampling and activities in relation to the evaluation of the technical feasibility and commercial viability of extracting a mineral resource. General and administrative costs directly associated with such activities are also capitalised.

Exploration and evaluation costs are carried at cost less any impairment and are not amortised prior to the conclusion of the appraisal activities. If the appraisal activities establish existence of commercial reserves and the decision is made to develop the site then the carrying value of the associated exploration and evaluation assets is tested for impairment and subsequently reclassified as development and production assets. If commercial reserves have not been found or exploration and evaluation activities have been abandoned then the associated exploration and evaluation assets is fully impaired.

Impairment charges and exploration costs incurred prior to obtaining legal rights are expensed in the profit and loss as incurred.

3.3 **Property, plant and equipment**

Items of property, plant and equipment that do not form part of the exploration and evaluation assets are carried as cost less accumulated depreciation and are depreciated on a straight-line basis over the following expected useful economic lives:

Motor vehicles	3 years
Fixtures and fittings	3 – 15 years
Computer equipment	5 years

3.4 **Impairment of non-financial assets**

At each reporting date, the Directors assess whether there is any indication that a Group's asset, other than deferred tax assets, may be impaired. Where an indicator of impairment exists, the Directors make an estimate of the recoverable amount. An impairment loss is recognised in profit and loss whenever the carrying amount of the asset or cash generating unit exceeds its recoverable amount.

Recoverable amount is the higher of fair value, less costs to sell, and “*value-in-use*”. In assessing “*value-in-use*”, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time-value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the profit and loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the profit and loss, unless the relevant asset is carried at a revalued amount greater than cost, in which case the reversal of the impairment loss is treated as a revaluation increase.

3.5 **Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors.

3.6 **Cash and cash equivalents**

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

3.7 **Financial assets**

Financial assets are recognised on the Statement of Financial Position when the Group becomes party to the contractual provisions of the instrument.

Financial assets are classified into specified categories. The classification depends on the nature and purpose of the financial assets and is determined at the time of recognition. Financial assets are initially measured at fair value plus transaction costs, other than those classified as “*fair value through profit or loss*” or “*fair value through other comprehensive income*”, which are measured at fair value.

Loans and receivables

Trade receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components, in which case they are recognised at fair value. They are subsequently measured at amortised cost using the effective interest method, less loss allowance.

Loans and other receivables that have fixed or determinable payments and are held for collection of contractual cash flows, where those cash flows represent solely payments of principal and interest, are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

Financial assets at fair value through “other comprehensive income”

Financial assets at fair value through “*other comprehensive income*” comprise of equity securities which are not held for trading, and which the Group has irrevocably elected at initial recognition to recognise in this category.

Changes in the fair value of these assets are recognised in “*other comprehensive income*”.

Impairment of financial assets

Financial assets, other than those at “*fair value through profit or loss*” or “*fair value through other comprehensive income*”, are assessed for indicators of impairment at each reporting date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial asset have been affected.

The Group recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost or at “*fair value through other comprehensive income*”. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

3.8 *Financial liabilities*

Financial liabilities are classified as either financial liabilities at fair value through profit or loss or other financial liabilities.

Other financial liabilities

Other financial liabilities, including trade and other payables, are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the Group’s obligations are discharged, cancelled, or they expire.

3.9 ***Equity instruments***

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the Company.

3.10 ***Derivative financial instruments***

Derivatives are recognised initially at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognised in profit and loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit and loss depends on the nature of the hedge relationship.

Embedded derivatives

An embedded derivative is a component of a hybrid contract that also includes a non-derivative host – with the effect that some of the cash flows of the combined instrument vary in a way similar to a standalone derivative. The convertible loan is measured at amortised cost and the conversion option is subsequently measured at fair value. The Company's policy is to offset the financial asset and liability in relation to the single hybrid instrument and show them on a single line.

3.11 ***Taxation***

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the Group Financial Information and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled, or the asset is realised. Deferred tax is charged or credited in the profit and loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the Group has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

3.12 ***Foreign exchange***

Functional and presentational currency

Items included in the financial information of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The Group Financial Information is presented in UK Sterling, which is the Group's functional and presentation currency.

Transactions and balances

Transactions in currencies other than the functional currency are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss for the period.

Group companies

For the purpose of presenting the Group Financial Information, the assets and liabilities of the Group's foreign operations are translated at exchange rates prevailing on the reporting date. Income and expense items are translated at the average exchange rates for each period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the date of transaction are used. All resulting exchange differences are recognised in "other comprehensive income" and accumulated in equity.

3.13 Leases

The Directors assess whether a Group's contract is or contains a lease, at inception of the contract.

Payments associated with short-term leases or leases of low value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease-term of 12 months or less without a purchase option.

3.14 Share-based payments

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. The fair value excludes the effect of non-market-based vesting conditions. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 12 to the Group Financial Information.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Directors' estimate of the number of equity instruments that will eventually vest. At each reporting date, the Directors revise their estimate of the number of equity instruments expected to vest as a result of the effect of non-market-based vesting conditions. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to reserves.

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service.

3.15 New and amended UK IFRS standards

New and amended standards adopted by the Group

The following new standards and amendments to standards and interpretations have become effective for annual periods beginning on 1 January 2020 and have been adopted by the Group in preparing the Group Financial Information. They had no material impact on the Group:

<i>Standard</i>	<i>Key requirements</i>
Amendments to IAS 1 and IAS 8: Definition of Material	The IASB has made amendments to IAS 1 Presentation of Financial Statements and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors which use a consistent definition of materiality throughout International Financial Reporting Standards and the Conceptual Framework for Financial Reporting, clarify when information is material and incorporate some of the guidance in IAS 1 about immaterial information.

Amendments to IFRS 3 Business Combinations: Definition of a Business	The amended definition emphasises that the output of a business is to provide goods and services to customers, whereas the previous definition focused on returns in the form of dividends, lower costs or other economic benefits to investors and others. In addition to amending the wording of the definition, the Board has provided supplementary guidance.
Conceptual Framework (Revised) and amendments to related references in UK IFRS standards	The amendments are intended to replace a reference to the Framework for the Preparation and Presentation of Financial Statements, issued in 1989 (Framework), with a reference to the Conceptual Framework for Financial Reporting issued in March 2018 (2018 Conceptual Framework) without significantly changing its requirements.
Interest Rate Benchmark Reform (Amendments to IFRS 9, IAS 39 and IFRS 7)	The amendments address issues affecting financial reporting in the period leading up to IBOR reform, are mandatory and apply to all hedging relationships directly affected by uncertainties related to IBOR reform.

The following amendment, effective for annual periods commencing on or after 1 June 2020, has been adopted early by the Group in preparing the Group Financial Information:

<i>Standard</i>	<i>Key requirements</i>
Amendment to IFRS 16, 'Leases' – Covid-19 related rent concessions	The amendment introduces a practical expedient to accounting for COVID-19 related rent concessions under IFRS 16 Leases).

The amendment had no material impact on the Group.

Standards in issue not yet effective

At the date of authorisation of the Group Financial Information, the Group has not adopted the following new and revised UK IFRS standards that have been issued but are not yet effective:

- IFRS 17 Insurance Contracts, effective from 1 January 2023;

The Directors do not expect that the adoption of the amendment above will have a material impact on the financial information of the Group in future periods.

4. Critical accounting estimates and judgements

Details of the Group's significant accounting judgements and critical accounting estimates used in the preparation of the Group Financial Information include:

Recoverability of intangible exploration and evaluation assets (note 13 to the Group Financial Information)

Where a project is sufficiently advanced, the recoverability of intangible exploration and evaluation assets is assessed by comparing the carrying value to internal and operator estimates of the net present value of projects. Intangible exploration assets are inherently judgemental to value. The amounts for intangible exploration and evaluation assets represent active exploration projects. These amounts will be written-off to the profit and loss as exploration costs unless commercial reserves are established, or the determination process is completed and there are no indications of impairment.

Fair value of financial instruments (note 19 to the Group Financial Information)

The fair value of financial instruments is determined using valuation techniques. See note 19(b) to the Group Financial Information for details regarding the valuation methods used.

5. Segmental analysis

The business of the Group comprises of one operating segment being the development of the Tellerhäuser Tin Project located in southern Saxony in the east of Germany and, until its disposal in year ended 31 December 2020, a speculative interest in a Cornish licence. As such, the historical financial information of the segment is the same as that set out in the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the Statement of Cash Flows.

6. Expenses analysis

	<i>Audited</i> Year ended 31 December 2018 £	<i>Audited</i> Year ended 31 December 2019 £	<i>Audited</i> Year ended 31 December 2020 £
Staff costs (note 7)	97,510	303,070	100,283
Depreciation	5,968	9,714	9,575
Expenses relating to short-term leases	22,176	31,587	36,398
	<u>97,510</u>	<u>303,070</u>	<u>100,283</u>

7. Staff costs

	<i>Audited</i> Year ended 31 December 2018 £	<i>Audited</i> Year ended 31 December 2019 £	<i>Audited</i> Year ended 31 December 2020 £
Wages and salaries	114,021	190,977	171,415
Social security costs	23,338	38,556	11,015
Share-based payments expense (note 12)	–	171,349	–
Total staff costs	137,359	400,882	182,430
Less: amount capitalised as intangible asset	(39,849)	(97,812)	(82,147)
Total staff costs recognised in the profit and loss	<u>97,510</u>	<u>303,070</u>	<u>100,283</u>

The average number of staff employed by the Group, including Directors, is detailed below:

	<i>Audited</i> Year ended 31 December 2018 £	<i>Audited</i> Year ended 31 December 2019 £	<i>Audited</i> Year ended 31 December 2020 £
Management and administration	2	3	3
Geology and environment	1	3	3
	<u>3</u>	<u>6</u>	<u>6</u>

8. Other gains and losses

	<i>Audited</i> Year ended 31 December 2018 £	<i>Audited</i> Year ended 31 December 2019 £	<i>Audited</i> Year ended 31 December 2020 £
(Loss)/gain on fair value of conversion option (note 16)	(38,752)	(300,189)	60,462
Profit on disposal of subsidiary (note 22)	–	–	49,859
	<u>(38,752)</u>	<u>(300,189)</u>	<u>110,321</u>

9. Finance costs

	<i>Audited</i> Year ended 31 December 2018 £	<i>Audited</i> Year ended 31 December 2019 £	<i>Audited</i> Year ended 31 December 2020 £
Interest on convertible loan notes	25,863	180,547	200,548
Bank charges and other finance costs	2,150	2,406	3,060
	<u>28,013</u>	<u>182,953</u>	<u>203,608</u>

10. Income tax expense

	<i>Audited</i> Year ended 31 December 2018 £	<i>Audited</i> Year ended 31 December 2019 £	<i>Audited</i> Year ended 31 December 2020 £
Current tax	–	–	–
Deferred tax	–	–	–
	<u>–</u>	<u>–</u>	<u>–</u>

The charge for the year can be reconciled to the loss for the year as follows:

	<i>Audited</i> Year ended 31 December 2018 £	<i>Audited</i> Year ended 31 December 2019 £	<i>Audited</i> Year ended 31 December 2020 £
Loss before taxation	(470,915)	(1,358,670)	(682,289)
Loss before taxation multiplied by the UK tax rate of 19%	(89,474)	(258,147)	(129,635)
Difference in overseas tax rate	(40,169)	(41,419)	(45,824)
Expenses not deductible for tax	4,719	25,643	16,605
Income and gains not subject to tax	–	–	(9,473)
Effect of tax losses not recognised as deferred tax assets	124,924	273,923	168,327
Total tax charge for the year	<u>–</u>	<u>–</u>	<u>–</u>

As at 31 December 2020, the Group has unused tax losses of £5,339,105 (2019: £4,679,802; 2018: £2,571,435) for which no deferred tax asset has been recognised.

11. Loss per Ordinary Share

	<i>Audited</i> Year ended 31 December 2018 £	<i>Audited</i> Year ended 31 December 2019 £	<i>Audited</i> Year ended 31 December 2020 £
Loss for the year attributable to the ordinary equity holders of the Company	(470,915)	(1,358,670)	(682,289)

	<i>Audited</i> Year ended 31 December 2018 No.	<i>Audited</i> Year ended 31 December 2019 No.	<i>Audited</i> Year ended 31 December 2020 No.
Weighted average number of Ordinary Shares issued	55,135,376	60,366,693	66,291,393
Adjustment for accrued shares to be issued for interest on convertible loan notes (note 16)	54,469	480,697	727,199
Total weighted average number of Ordinary Shares issued used in basic and diluted loss per Ordinary Share calculation	<u>55,189,845</u>	<u>60,847,390</u>	<u>67,018,593</u>
	<i>Audited</i> Year ended 31 December 2018 pence	<i>Audited</i> Year ended 31 December 2019 pence	<i>Audited</i> Year ended 31 December 2020 pence
Basic and diluted loss per Ordinary Share	<u>(0.85)</u>	<u>(2.23)</u>	<u>(1.02)</u>

12. Share-based payments

Share options

On 4 March 2019, the Company issued 2,725,000 share options to key personnel within the Group. The options vest 7 business days after the grant date, have an exercise price of 13p and if they remain unexercised after 4 years, they expire. If the employees leave the Group, the options expire 90 days after their leaving date:

	<i>Audited</i> Year ended 31 December 2018 Number of options	<i>Audited</i> Year ended 31 December 2019 Number of options	<i>Audited</i> Year ended 31 December 2020 Number of options
Outstanding at beginning of year	–	–	2,275,000
Granted during the year	–	2,725,000	–
Forfeited during the year	–	(450,000)	(65,000)
Outstanding at the end of the year	<u>–</u>	<u>2,275,000</u>	<u>2,210,000</u>
Exercisable at the end of the year	<u>–</u>	<u>2,275,000</u>	<u>2,210,000</u>

The options outstanding at 31 December 2020 had a weighted average exercise price of 13p (2019: 13p) and a weighted average remaining contractual life of 2.17 years (2019: 3.17 years). During the year ended 31 December 2020, 65,000 options expired due to an employee leaving the Company (2019: 450,000). No options were exercised (2019: nil) and no further options were granted (2019: 2,725,000).

The fair value of the options granted was determined using the Black-Scholes model. The key inputs into the model were: Company share price at grant date (15p), expected volatility (47.02%) and risk-free rate (0.87%).

Share warrants

On 7 June 2019, the Company issued 2,422,048 share warrants. The warrants have an exercise price of 20p and if they remain unexercised by 9 April 2024, they expire:

	Audited Year ended 31 December 2018 Number of warrants	Audited Year ended 31 December 2019 Number of warrants	Audited Year ended 31 December 2020 Number of warrants
Outstanding at beginning of year	–	–	2,407,048
Granted during the year	–	2,422,048	–
Exercised during the year	–	(15,000)	–
Outstanding at the end of the year	–	2,407,048	2,407,048
Exercisable at the end of the year	–	2,407,048	2,407,048

The warrants outstanding at 31 December 2020 had a weighted average exercise price of 20p (2019: 20p) and a weighted average remaining contractual life of 0.32 years (2019: 1.32 years). During the year ended 31 December 2020, no warrants were exercised (2019: 15,000), expired (2019: nil) or granted (2019: 2,422,048).

The fair value of the options granted was determined using the Black-Scholes model. The key inputs into the model were: Company share price at grant date (15p), expected volatility (24.31%) and risk-free rate (0.50%).

Impact on the Statement of Comprehensive Income

Share options

The Group did not recognise a charge in profit and loss for the year ended 31 December 2020 (2019: £171,349; 2018: £nil).

Share warrants

The Group did not recognise a charge in profit and loss for the year ended 31 December 2020 (2019: £15,669; 2018: £nil).

13. Intangible assets

	Exploration and evaluation assets £
Cost and net book value:	
As at 1 January 2018 (<i>audited</i>)	549,345
Additions	733,630
Exchange differences	9,337
As at 31 December 2018 (<i>audited</i>)	1,292,312
Additions	1,384,745
Exchange differences	(74,350)
As at 31 December 2019 (<i>audited</i>)	2,602,707
Additions	286,779
Disposals	(50,000)
Exchange differences	110,741
As at 31 December 2020 (<i>audited</i>)	2,950,227

The intangible assets relate to the Tellerhäuser Tin Project located in southern Saxony in the east of Germany, except for £nil (2019: £50,000, 2018: £50,000) which related to the Cornish licence. The Cornish assets were disposed in January 2020 as part of the sale of one of the Group's subsidiaries (note 22 to the Group Financial Information).

14. Property, plant and equipment

	Motor vehicles £	Fixtures and fittings £	Total £
Cost			
As at 1 January 2018 <i>(audited)</i>	–	28,163	28,163
Additions	15,550	1,789	17,339
As at 31 December 2018 <i>(audited)</i>	15,550	29,952	45,502
Additions	–	12,005	12,005
As at 31 December 2019 <i>(audited)</i>	15,550	41,957	57,507
Additions	–	–	–
As at 31 December 2020 <i>(audited)</i>	15,550	41,957	57,507
Accumulated Depreciation			
As at 1 January 2018 <i>(audited)</i>	–	21,549	21,549
Additions	3,186	2,782	5,968
Exchange differences	(173)	(58)	(231)
As at 31 December 2018 <i>(audited)</i>	3,013	24,273	27,286
Additions	5,138	4,576	9,714
Exchange differences	499	525	1,024
As at 31 December 2019 <i>(audited)</i>	8,650	29,374	38,024
Additions	5,209	4,366	9,575
Exchange differences	(341)	(681)	(1,022)
As at 31 December 2020 <i>(audited)</i>	13,518	33,059	46,577
Net Book value			
As at 31 December 2018 <i>(audited)</i>	12,537	5,679	18,216
As at 31 December 2019 <i>(audited)</i>	6,900	12,583	19,483
As at 31 December 2020 <i>(audited)</i>	2,032	8,898	10,930

15. Financial assets at fair value through other comprehensive income

	Equity investment £
As at 1 January 2018 <i>(audited)</i>	693,750
Change in fair value	(619,380)
As at 31 December 2018 <i>(audited)</i>	74,370
Change in fair value	92,130
As at 31 December 2019 <i>(audited)</i>	166,500
Change in fair value	749,250
As at 31 December 2020 <i>(audited)</i>	915,750

The Group's equity investment consists of a minority shareholding in Panthera Resources Plc, a company listed on the Alternative Investment Market of the London Stock Exchange. The investment is carried at fair value based on the quoted share price at the reporting date. Changes in the fair value are

recognised in other comprehensive income. The equity investment was disposed of in June 2021 (note 23).

16 Convertible loan notes

	<i>Audited</i> As at 31 December 2018 £	<i>Audited</i> As at 31 December 2019 £	<i>Audited</i> As at 31 December 2020 £
Host contract financial liability	1,419,016	2,778,668	3,047,991
Embedded derivative asset	(380,264)	(439,727)	(569,512)
	<u>1,038,752</u>	<u>2,338,941</u>	<u>2,478,479</u>

In 2018, the Group issued 5-year convertible loan notes ("CLN") for £1,000,000, being tranches 1-3 and in 2019 a further £1,000,000, being tranche 4 was issued. In 2020, the Group issued a further £200,000 CLN, being tranche 5 and repayable in 3 years. The notes carry an interest rate of 10% per annum, payable in Company's shares at a fixed share price. On maturity, the CLN are converted into Ordinary Shares at a fixed price, unless the Company exercises its option to redeem the CLN at par in cash. There are further conversion provisions in the event of an IPO or a change of control and the noteholders have the option to convert the CLN into Ordinary Shares early.

The Company's conversion option to redeem the CLN in cash instead of Ordinary Shares is a non-closely related embedded derivative and is hence accounted for separately at "*fair value through profit and loss*" and the host contract is initially measured at "*fair value*" and subsequently carried at amortised cost. The Company's policy is to offset the financial asset and liability in relation to the single hybrid instrument and show them in a single line in the Statement of Financial Position.

The host contract is a financial liability with a carrying value of £3,047,991 as at 31 December 2020 (2019: £2,778,668, 2018: £1,419,016). The interest payments are made by the issue of Ordinary Shares at a fixed share price, and thus represent an equity instrument recognised directly in equity in the "*shares to be issued*" reserve

The movement in the embedded derivative financial asset is shown below:

	<i>Audited</i> As at 31 December 2018 £	<i>Audited</i> As at 31 December 2019 £	<i>Audited</i> As at 31 December 2020 £
Opening balance	—	(380,264)	(439,727)
Fair value of option at inception – tranches 1-3	(419,016)	—	—
Fair value of option at inception – tranches 4	—	(359,652)	—
Fair value of option at inception – tranches 5	—	—	(69,323)
Loss/(gain) on fair value of option – tranches 1-3	38,752	133,168	(5,667)
Loss/(gain) on fair value of option – tranches 4	—	167,021	(56,095)
Loss on fair value of option – tranches 5	—	—	1,300
Closing balance	<u>(380,264)</u>	<u>(439,727)</u>	<u>(569,512)</u>

The movement in the host contract liability is shown below:

	<i>Audited As at 31 December 2018 £</i>	<i>Audited As at 31 December 2019 £</i>	<i>Audited As at 31 December 2020 £</i>
Opening balance	–	1,419,016	2,778,668
Cash subscription – tranches 1-3	1,000,000	–	–
Fair value of option at inception – tranches 1-3	419,016	–	–
Cash subscription – tranches 4	–	1,000,000	–
Fair value of option at inception – tranches 4	–	359,652	–
Cash subscription – tranches 5	–	–	200,000
Fair value of option at inception – tranches 5	–	–	69,323
Closing balance	<u>1,419,016</u>	<u>2,778,668</u>	<u>3,047,991</u>

The convertible loan notes balance of £2,478,479 (2019: £2,338,941, 2018: £1,038,752) is the net of the financial asset and liability, shown in the tables above.

17. Trade and other receivables

	<i>Audited As at 31 December 2018 £</i>	<i>Audited As at 31 December 2019 £</i>	<i>Audited As at 31 December 2020 £</i>
Trade receivables	141	141	7,800
Prepayments and other receivables	8,045	8,998	11,425
Amounts due from related parties (note 20)	69,818	69,818	69,818
Recoverable value added taxes	32,208	10,023	6,807
	<u>110,212</u>	<u>88,980</u>	<u>95,850</u>

18. Trade and other payables

	<i>Audited As at 31 December 2018 £</i>	<i>Audited As at 31 December 2019 £</i>	<i>Audited As at 31 December 2020 £</i>
Trade payables	173,448	54,078	82,184
Accruals	15,353	46,768	86,445
Other payables	17,816	13,224	19,092
	<u>206,617</u>	<u>114,070</u>	<u>187,721</u>

19. Financial instruments

The principal financial instruments used by the Group, from which financial instrument risk arises, are as follows:

(a) Financial assets

	<i>Audited</i> As at 31 December 2018 £	<i>Audited</i> As at 31 December 2019 £	<i>Audited</i> As at 31 December 2020 £
<i>Financial assets at "fair value through profit and loss"</i>			
Convertible loan option	380,264	439,727	569,512
<i>Fair value through "other comprehensive income"</i>			
Equity investment	74,370	166,500	915,750
<i>Measured at amortised cost</i>			
Cash and cash equivalents	535,930	363,264	245,740
Amounts due to related parties	69,818	69,818	69,818
Trade and other receivables	3,644	5,209	13,121
	609,392	438,291	328,679
Total financial assets	1,064,026	1,044,518	1,813,941

(b) Fair value hierarchy

Some of the Group's financial assets are measured at fair value at the end of each reporting period.

There were no transfers between fair value hierarchies during the years ended 31 December 2020, 31 December 2019 or 31 December 2018.

Quoted market prices – Level 1

Fair value is determined by reference to unadjusted quoted prices for identical assets or liabilities in active markets where the quoted price is readily available, and the price represents actual and regularly occurring market transactions on an arm's length basis. An active market is one in which transactions occur with sufficient volume and frequency to provide pricing information on an ongoing basis.

The following financial assets are recognised in the financial statements at fair value through other comprehensive income and are classified within the level 1 category:

	<i>Audited</i> As at 31 December 2018 £	<i>Audited</i> As at 31 December 2019 £	<i>Audited</i> As at 31 December 2020 £
Equity investment	74,370	166,500	915,750

Valuation technique using observable inputs – Level 2

Fair value is calculated using inputs other than quoted prices as described for Level 1 but which are observable for the asset or liability, either directly or indirectly.

Valuation technique using significant unobservable inputs – Level 3

Fair value of level 3 financial instruments incorporates significant inputs for the asset or liability that are not based on observable market data (unobservable inputs). Unobservable inputs are those not readily available in an active market due to market illiquidity or complexity of the product. These inputs are generally determined based on observable inputs of a similar nature, historical observations on the level of the input or analytical techniques.

The following financial assets are recognised in the Group Financial Information at “fair value through profit or loss” and are classified within the level 3 category:

	Audited As at 31 December 2018 £	Audited As at 31 December 2019 £	Audited As at 31 December 2020 £
Conversion option embedded derivative (note 16)	380,264	439,727	569,512

The movement includes the issuance of the new tranches of the convertible loan notes and subsequent changes in the fair value of the option and is detailed in note 16 to the Group Financial Information. The embedded derivative was valued using the log-normal Monte-Carlo stochastic model. The key input into the valuation model was the Company’s share price at the date of grant and reporting periods.

(c) Financial liabilities

	Audited As at 31 December 2018 £	Audited As at 31 December 2019 £	Audited As at 31 December 2020 £
<i>Liabilities measured at amortised cost</i>			
Convertible loan notes	1,419,016	2,778,668	3,047,991
Trade and other payables	206,617	113,995	187,721
	1,625,633	2,892,663	3,235,712

All financial assets and liabilities are due within one year.

The main risks arising from the Group's activities are market risk, credit risk and liquidity risk.

(d) Market risk

Market risk is the risk that the fair value of future cash flows will fluctuate due to changes in market price. This risk is primarily comprised of interest risk, price risk and foreign currency risk. Interest rate risk is deemed minimal due to the Group’s borrowing having a fixed rate and the Group does not hedge its exposure to price risk on its equity investment.

Foreign currency risk management

Foreign currency risk arises from assets and liabilities denominated in currencies other than the functional currencies of the Company and the Group. The Group does not enter into any derivative financial instruments to manage its exposure to foreign currency risk.

The Group is primarily exposed to the foreign currency risk through the Company’s loan to a subsidiary and trade payables denominated in Euros.

The carrying amount of the Group's euro-denominated monetary assets and monetary liabilities is as follows:

	Audited As at 31 December 2018 £	Audited As at 31 December 2019 £	Audited As at 31 December 2020 £
<i>Euros</i>			
Intercompany receivables	2,826,558	4,553,209	5,238,942
Trade payables	–	–	(9,056)
	2,826,558	4,553,209	5,229,886

If all foreign currencies in which the Group transacts, had strengthened or weakened by 10% against UK Sterling with all other variables held constant, the post-tax loss for the year would have decreased/(increased), with a corresponding increase/(decrease) in equity by:

	Audited As at 31 December 2018 £	Audited As at 31 December 2019 £	Audited As at 31 December 2020 £
<i>Impact on profit and loss and equity</i>			
Foreign currencies strengthen by 10%	282,656	455,321	522,989
Foreign currencies weaken by 10%	<u>(282,656)</u>	<u>(455,321)</u>	<u>(522,989)</u>

The rate of 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents the Directors' assessment of the reasonable possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year-end for a 10% change in foreign currency rates.

(e) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. Credit risk arises principally from the Group's cash balances and receivables.

The Directors give careful consideration to which organisations the Group uses for its banking services in order to minimise credit risk.

The concentration of the Group's credit risk for receivables is considered by counterparty, geography and currency. The Group does not have any significant concentrations of credit risk at the reporting date related to external third parties.

At 31 December 2020, the Group held no collateral as security against any financial asset (2019: none; 2018: none). No financial assets were past their due date and there were no issues with the credit quality of any financial assets in the year. As a result, there has been no impairment of financial assets during the year.

The carrying amount of financial assets recorded in the Group Financial Information, net of any allowances for losses, represents the Group's maximum exposure to credit risk without taking into account the value of any collateral obtained. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows. The Directors consider the above measures to be sufficient to control the credit risk exposure.

The Group recognises a loss allowance for expected credit losses in debt instruments at each reporting date. As at 2020, no impairment was recognised (2019: £nil; 2018: £nil).

(f) Liquidity risk

Liquidity risk is the risk that the Group may not be able to generate sufficient cash resources to settle its obligations as they fall due. The Directors monitor cash flow requirements regularly and adopt a prudent liquidity risk management approach to ensure sufficient cash is available for operational and capital expenditure.

The following tables detail the Group's remaining contractual maturity for its financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay.

	Audited As at 31 December 2018 £	Audited As at 31 December 2019 £	Audited As at 31 December 2020 £
<i>Due within 1 month</i>			
Trade and other payables	<u>206,617</u>	<u>113,995</u>	<u>187,721</u>

The convertible loan notes issued by the Group (note 16 to the Group Financial Information) do not give rise to the liquidity risk as any cash redemption is at the option of the Group.

(g) Fair values

The Directors consider that the carrying amount of financial assets and financial liabilities carried at amortised cost approximate to their fair value, as the short-term nature of such assets means that the effect of discounting is negligible.

20. Related party transactions

At 31 December 2020, £69,818 (2019: £69,818, 2018: £69,818) was due to the Company from Treliver Minerals Trustees Limited, which held a minority interest position in the Company. The loan is unsecured, interest free and repayable on demand. The loan was settled in February 2021.

21. Share capital

	Audited As at 31 December 2018 no	Audited As at 31 December 2019 no	Audited As at 31 December 2020 No
<i>Ordinary share capital</i>			
Issued and fully paid	<u>55,876,013</u>	<u>63,701,847</u>	<u>70,176,522</u>

	Audited As at 31 December 2018 £	Audited As at 31 December 2019 £	Audited As at 31 December 2020 £
<i>Ordinary share capital</i>			
Issued and fully paid	<u>55,876</u>	<u>63,702</u>	<u>70,177</u>

During the year ended 31 December 2020, the Group issued 6,474,675 Ordinary Shares of £0.001 each (2019: 7,825,834; 2018: 2,292,457). All Ordinary Shares rank pari-passu with existing Ordinary Shares and have attached to them full voting, dividend and capital distribution (including on winding up) rights; they do not confer any rights of redemption.

22. Interests in subsidiaries

The table below sets out the Company's subsidiaries. The subsidiaries have share capital consisting solely of ordinary shares and the proportion of ownership interests held equals the voting rights. The registered office address is also their principal place of business:

Name of entity	Registered address	Shareholding 2018/2019/2020	Principal activities
Saxore Bergbau GmbH	Platz der Oktoberopfer 1a 09599 Freiberg Germany	100%/100%/100%	Mineral exploration
Anglo Saxony Minerals (UK) Limited	2 Duke Street Manchester Square London W1U 3EH United Kingdom	100%/100%/0%	Mineral exploration

In January 2020, the Company disposed of one of its subsidiaries, Anglo Saxony Minerals (UK) Limited for cash consideration of £100,000. The carrying amount of the net assets disposed was £50,141, consisting primarily of an exploration and evaluation intangible asset with carrying value of £50,000, and thus a profit on disposal of £49,859 was recognised in other gains and losses in the profit and loss (note 8 to the Group Financial Information). In the event that the subsidiary achieves certain performance criteria, additional cash consideration of US\$1,000,000 will be receivable. At the date of sale and as at 31 December 2020, the fair value of the additional consideration was £nil due to its low probability

23. Subsequent events

In April 2021, the Company and its convertible loan notes holder agreed to fully redeem the convertible loans in exchange for Ordinary Shares.

In May 2021, the Company completed an equity-based £6 million funding round.

In June 2021, the Group disposed of its equity investment in Panthera Resources plc for a cash consideration of £331,189 net of commission fees.

Subsequent to 30 June 2021, the Company provided an unsecured, interest-free loan of \$1,618,878 to Taronga Mines to fund Taronga Mines' purchase of its land assets.

In October 2021, the Company issued 1,000,000 Ordinary Shares of nominal value £0.001 at par and 510,400 shares of nominal value £0.001 at £0.15 per share to one of the Directors. The cash raised in total as part of these share issues was £77,560.

In November 2021, the Company has provided an unsecured, interest free loan to Taronga Mines to the value of £810,054 (AUD\$1,505,000). Taronga Mines has used the loan to finance the purchase of further freehold land to the value of £726,627 (AUD\$1,350,000), related stamp duty to the value of £33,909 (AUD\$63,000), plant and machinery to the value of £35,422 (AUD\$65,812) and general working capital to the value of £14,905 (AUD\$26,188).

In November 2021, Aus Tin, the parent entity of Taronga Mines, announced that it had entered into a Sale and Purchase Agreement to sell its wholly-owned subsidiary, Taronga Mines, to the Company. The proposed sale is subject to a number of conditions including the approval of the Aus Tin shareholders and the Company completing its capital raising.

In March 2022, as part of the re-registration to a public limited company, the Company completed a capital reduction which reduced the "share premium" balance by £17,940,000 and increased the "retained deficit" by the same amount.

On 9 March 2022, the Company's wholly-owned subsidiary, First Tin Australia Pty Ltd, was incorporated in Australia.

24. Ultimate controlling party

In the opinion of the Directors, there is no controlling party.

25. Nature of the Group Financial Information

The Group Financial Information presented above does not constitute statutory financial statements for the periods under review.

PART VIII

INTERIM FINANCIAL INFORMATION OF THE GROUP

Consolidated Statements of Comprehensive Income

The unaudited consolidated Statements of Comprehensive Income of the Group for the six-month periods ended 30 June 2020 and 30 June 2021 are set out below:

		Unaudited Six months ended 30 June 2020 £	Unaudited Six months ended 30 June 2021 £
	Notes		
Administrative expenses		(372,631)	(534,087)
Operating loss		(372,631)	(534,087)
Other gains/(losses)	6	49,859	(167,795)
Finance costs	7	(100,951)	(55,855)
Loss before taxation		(423,723)	(422,147)
Income tax expense	8	—	—
Loss for the period		(423,723)	(422,147)
Other comprehensive income:			
<i>Items that may be reclassified to profit or loss:</i>			
Exchange differences on translation of foreign operations		(136,927)	(105,941)
<i>Items that will not be reclassified to profit or loss:</i>			
Changes in the fair value of equity instruments at fair value through other comprehensive income	13	(41,625)	(584,561)
Total other comprehensive loss		95,302	(690,502)
Total comprehensive loss for the period		(328,421)	(1,112,649)

Loss per Ordinary Share from loss from continuing operations attributable to the ordinary equity holders of the Company:

		Unaudited Six months ended 30 June 2020 pence	Unaudited Six months ended 30 June 2021 pence
Basic and diluted	9	(0.66)	(0.36)

Consolidated Statements of Financial Position

The unaudited consolidated Statements of Financial Position of the Group as at 31 December 2020 and 30 June 2021 are set out below:

	Notes	Audited As at 31 December 2020 £	Unaudited As at 30 June 2021 £
Assets			
Non-current assets			
Intangible assets	11	2,950,227	2,988,666
Property, plant and equipment	12	10,930	30,673
Financial assets at fair value through other comprehensive income	13	915,750	—
		3,876,907	3,019,339
Current assets			
Trade and other receivables	15	95,850	27,316
Cash and cash equivalents		245,740	5,391,969
		341,590	5,419,285
Total assets		4,218,497	8,438,624
Liabilities			
Current liabilities			
Convertible loan notes	14	(2,478,479)	—
Trade and other payables	16	(187,721)	(295,993)
		(2,666,200)	(295,993)
Total liabilities		(2,666,200)	(295,993)
Net assets		1,552,297	8,142,631
Equity			
Called up share capital	19	70,177	137,358
Share premium account		10,264,409	17,855,248
Shares to be issued		50,411	—
Translation reserve		28,729	(77,212)
Warrant reserve		—	80,763
Retained deficit		(8,861,429)	(9,853,526)
Total equity		1,552,297	8,142,631

Consolidated Statements of Changes in Equity

The unaudited consolidated Statements of Changes in Equity of the Group for the six-month periods ended 30 June 2020 and 30 June 2021 are set out below:

	Share capital £	Share premium account £	Shares to be issued £	Translation reserve £	Warrant reserve £	Retained deficit £	Total equity £
At 1 January 2020 <i>(audited)</i>	63,702	9,686,028	50,411	(83,828)	–	(8,928,390)	787,923
Loss for the period	–	–	–	–	–	(423,723)	(423,723)
Other comprehensive income	–	–	–	136,927	–	(41,625)	95,302
Total comprehensive loss	–	–	–	136,927	–	(465,348)	(328,421)
Transactions with owners:							
Accrued interest on convertible loan notes (CLNs)	–	–	99,801	–	–	–	99,801
Issuance of Ordinary Shares	3,125	246,875	–	–	–	–	250,000
At 30 June 2020 <i>(unaudited)</i>	66,827	9,932,903	150,212	53,099	–	(9,393,738)	809,303
At 1 January 2021 <i>(audited)</i>	70,177	10,264,409	50,411	28,729	–	(8,861,429)	1,552,297
Loss for the period	–	–	–	–	–	(422,147)	(422,147)
Other comprehensive income	–	–	–	(105,941)	–	(584,561)	(690,502)
Total comprehensive income	–	–	–	(105,941)	–	(1,006,708)	(1,112,649)
Transactions with owners:							
Accrued interest on CLNs	–	–	54,247	–	–	–	54,247
Issuance of Ordinary Shares to redeem CLNs	27,692	2,187,651	–	–	–	–	2,215,343
Issuance of Ordinary Shares for cash	39,489	5,883,951	–	–	–	–	5,923,440
Share issue costs	–	(400,000)	–	–	–	–	(400,000)
Settlement of shares to be issued	–	–	(104,658)	–	–	–	(104,658)
Issue of share warrants	–	(80,763)	–	–	80,763	14,611	14,611
At 30 June 2021 <i>(unaudited)</i>	137,358	17,855,248	–	(77,212)	80,763	(9,853,526)	8,142,631

Consolidated Statements of Cash Flows

The unaudited consolidated Statements of Cash Flows of the Group for the six-month periods ended 30 June 2020 and 30 June 2021 are set out below:

		Unaudited Six months ended 30 June 2020 £	Unaudited Six months ended 30 June 2021 £
	Notes		
Cash flows from operating activities			
Operating loss		(372,631)	(534,087)
Adjustments for:			
Depreciation	12	4,833	4,376
Share based payments expense	10	–	14,609
(Increase)/decrease in trade and other receivables		(27,757)	68,660
Increase/(decrease) in trade and other payables		110,291	(87,729)
Cash absorbed by operations		(285,264)	(534,171)
Interest paid		(1,225)	(1,608)
Net cash used in operating activities		(286,489)	(535,779)
Investing activities			
Purchase of intangible assets	11	(101,741)	(139,219)
Purchase of property, plant and equipment	12	–	(24,842)
Proceeds from disposal of subsidiary	20	100,000	–
Proceeds from disposal of investments	13	–	331,189
Net cash (outflow)/inflow from investing activities		(1,741)	167,128
Financing activities			
Net proceeds from issue of shares		250,000	5,523,440
Net cash from financing activities		250,000	5,523,440
Net (decrease)/increase in cash and cash equivalents		(38,230)	5,154,789
Cash and cash equivalents at beginning of period		363,264	245,740
Effects of exchange rate changes on cash and cash equivalents		13,078	(8,560)
Cash and cash equivalents at end of period		338,112	5,391,969

Notes to the Group Condensed Interim Financial Information

1. General Information

The Company is a public company limited by shares incorporated in England and Wales under the Companies Act 2006. The Company's registered address is First Floor, 47/48 Piccadilly, London, England, W1J 0DT. The principal activities of the Company and the Group, and the nature of their operations, are disclosed elsewhere in this Document.

2. Significant accounting policies

Basis of preparation

The Group Condensed Interim Financial Information has been prepared in accordance with the International Financial Reporting Standard IAS 34 "*Interim Financial Reporting*" as adopted in the UK. The Group Condensed Interim Financial Information does not include all the notes of the type normally included in annual financial statements. Accordingly, the Group Condensed Interim Financial Information should be read in conjunction with the Group Financial Information included in Part B "*Historical Financial Information of the Group*" of Part VII "*Financial Information of the Group*" of this Document.

The same accounting policies and presentation are followed in preparing the Group Condensed Interim Financial Information as were applied to the Group Financial Information included in Part B "*Historical Financial Information of the Group*" of Part VII "*Financial Information of the Group*" of this Document.

In preparing the Group Condensed Interim Financial Information, the significant judgements made by the Directors in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the Group Financial Information included in Part B "*Historical Financial Information of the Group*" of Part VII "*Financial Information of the Group*" of this Document.

Going concern

The Group Condensed Interim Financial Information has been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and settlement of liabilities in the normal course of business.

3. Segmental analysis

The business of the Group comprises of one operating segment, being the development of the Tellerhäuser Tin Project located in southern Saxony in the east of Germany and, until its disposal in period ended 30 June 2020, a speculative interest in a Cornish licence. As such, the Group Condensed Interim Financial Information is the same as that set out in the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the Statement of Cash Flows.

4. Expenses analysis

	<i>Unaudited</i> Six months ended 30 June 2020	<i>Unaudited</i> Six months ended 30 June 2021
	£	£
Staff costs (note 5)	52,518	89,530
Depreciation	4,833	4,376
Expenses relating to short-term leases	19,133	18,257

5. Staff costs

	<i>Unaudited</i> Six months ended 30 June 2020	<i>Unaudited</i> Six months ended 30 June 2021
	£	£
Wages and salaries	86,929	109,735
Social security costs	9,002	21,925
Share based payments expense (note 10)	–	14,609
Total staff costs	95,931	146,269
Less: amount capitalised as intangible asset	(43,413)	(56,739)
Total staff costs recognised in the profit and loss	52,518	89,530

The average number of staff employed by the Group, including directors, is detailed below:

	<i>Unaudited</i> Six months ended 30 June 2020	<i>Unaudited</i> Six months ended 30 June 2021
Management and administration	3	3
Geology and environment	3	3
	6	6

6. Other gains and (losses)

	<i>Unaudited</i> Six months ended 30 June 2020	<i>Unaudited</i> Six months ended 30 June 2021
	£	£
Gain on fair value of conversion option (note 14)	–	781,955
Loss on redemption of convertible loan notes (note 14)	–	(614,160)
Profit on disposal of subsidiary (note 20)	49,859	–
	49,859	167,795

The changes in the fair values on the convertible loans during the six-month period ended 30 June 2020 were immaterial.

7. Finance costs

	<i>Unaudited</i> Six months ended 30 June 2020	<i>Unaudited</i> Six months ended 30 June 2021
	£	£
Interest on convertible loan notes	99,726	54,247
Bank charges and other finance costs	1,225	1,608
	100,951	55,855

8. Income tax expense

	Unaudited Six months ended 30 June 2020	Unaudited Six months ended 30 June 2021
	£	£
Current tax	—	—
Deferred tax	—	—
	<u>—</u>	<u>—</u>
	<u>—</u>	<u>—</u>

The charge for the year can be reconciled to the loss for the period per the Statement of Comprehensive Income as follows:

	Unaudited Six months ended 30 June 2020	Unaudited Six months ended 30 June 2021
	£	£
Loss before taxation	(423,723)	(422,147)
Loss before taxation multiplied by the UK tax rate of 19%	(80,507)	(80,208)
Difference in overseas tax rate	(20,726)	(27,057)
Capital losses	—	(111,066)
Expenses not deductible for tax	16,502	4,955
Income and gains not subject to tax	(9,473)	—
Effect of tax losses not recognised as deferred tax assets	94,204	213,376
Total tax charge for the period	<u>—</u>	<u>—</u>

As at 30 June 2021, the Group has unused tax losses of £6,361,445 (30 June 2020: £5,076,833) for which no deferred tax asset has been recognised.

9. Loss per Ordinary Share

	Unaudited Six months ended 30 June 2020	Unaudited Six months ended 30 June 2021
	£	£
Loss for the period attributable to Shareholders	(423,723)	(422,147)
	Unaudited Six months ended 30 June 2020	Unaudited Six months ended 30 June 2021
	No.	No.
Weighted average number of Ordinary Shares issued	63,880,506	115,931,025
Adjustment for accrued shares to be issued for interest on convertible loan notes (note 14)	808,494	358,821
Total weighted average number of Ordinary Shares issued used in basic and diluted loss per Ordinary Share calculation	<u>64,689,000</u>	<u>116,289,846</u>
	Six months ended 30 June 2020	Six months ended 30 June 2021
	pence	pence
Basic and diluted loss per Ordinary Share	<u>(0.66)</u>	<u>(0.36)</u>

10. Share-based payments

Share options

On 4 March 2019, the Company issued 2,725,000 share options to key personnel within the Group. The options vest 7 business days after the grant date, have an exercise price of 13p and if they remain unexercised after 4 years, they expire. If the employees leave the Group, the options expire 90 days after their leaving date:

	Unaudited Six months ended 30 June 2020 Number of options	Unaudited Six months ended 30 June 2021 Number of options
Outstanding at beginning of period	2,275,000	2,210,000
Expired during the period	(65,000)	(650,000)
Outstanding at the end of the period	<u>2,210,000</u>	<u>1,560,000</u>
Exercisable at the end of the period	<u>2,210,000</u>	<u>1,560,000</u>

The options outstanding at 30 June 2021 had a weighted average exercise price of 13p (June 2020: 13p) and a weighted average remaining contractual life of 1.67 years (June 2020: 2.67 years). During the six months ended 30 June 2021, 650,000 options expired due to a director leaving the company (June 2020: 65,000). No options were exercised (June 2020: nil) and no further options were granted (June 2020: nil).

Share warrants

During the six-month period ended 30 June 2021, the Company issued 2,668,000 share warrants to a broker in connection with a capital raise and 500,000 warrants to a former Director upon termination. The warrants have an exercise price of 20p and if they remain unexercised by 9 April 2024, they expire.

	Unaudited Six months ended 30 June 2020 Number of options	Unaudited Six months ended 30 June 2021 Number of options
Outstanding at beginning of period	2,407,048	2,407,048
Granted during the period	–	3,168,000
Expired during the period	–	(2,407,048)
Outstanding at the end of the period	<u>2,407,048</u>	<u>3,168,000</u>
Exercisable at the end of the period	<u>2,407,048</u>	<u>3,168,000</u>

The warrants outstanding at 30 June 2021 had a weighted average exercise price of 20p (June 2020: 20p) and a weighted average remaining contractual life of 2.78 years (June 2020: 0.82 years). During the six months ended 30 June 2021, no warrants were exercised (June 2020: nil), 2,407,048 warrants expired (June 2020: nil) and 3,168,000 warrants were granted (June 2020: nil).

Impact on the Statement of Comprehensive Income

Share options

The Group did not recognise a charge in profit and loss for the six-month period ended 30 June 2021 (June 2020: nil).

Share warrants

The Company recognised a charge of £14,611 in profit and loss for the six-month period ended 30 June 2021 (June 2020: nil). A charge of £80,763 (June 2020: nil) was recognised in the warrant reserve account for the warrants issued in return for the broker services in connection with a capital raise.

11. Intangible assets

	Exploration and evaluation assets £
Cost and net book value:	
As at 1 January 2020 (<i>audited</i>)	2,602,707
Additions	101,741
Disposals	(50,000)
Exchange differences	133,261
As at 30 June 2020 (<i>unaudited</i>)	2,787,709
As at 1 January 2021 (<i>audited</i>)	2,950,227
Additions	139,219
Disposals	–
Exchange differences	(100,780)
As at 30 June 2021 (<i>unaudited</i>)	2,988,666

The intangible assets relate to the Tellerhäuser Project located in southern Saxony in the east of Germany. The Group also owned Cornish assets were disposed of in January 2020 as part of the sale of one of the Company's subsidiaries (note 21 to the Group Condensed Interim Financial Information).

12. Property, plant and equipment

	Motor vehicles £	Fixtures and fittings £	Total £
Cost			
As at 1 January 2020 (<i>audited</i>) and 30 June 2020 (<i>unaudited</i>)	15,550	41,957	57,507
As at 1 January 2021 (<i>audited</i>)	15,550	41,957	57,507
Additions	24,842	–	24,842
As at 30 June 2021 (<i>unaudited</i>)	40,392	41,957	82,349
Accumulated Depreciation			
At 1 January 2020 (<i>audited</i>)	8,650	29,374	38,024
Additions	2,560	2,273	4,833
Exchange differences	(376)	(781)	(1,157)
At 30 June 2020 (<i>unaudited</i>)	10,834	30,866	41,700
At 1 January 2021 (<i>audited</i>)	13,518	33,059	46,577
Additions	2,373	2,003	4,376
Exchange differences	339	384	723
As at 30 June 2021 (<i>unaudited</i>)	16,230	35,446	51,676
Net Book value			
As at 30 June 2020 (<i>unaudited</i>)	4,716	11,091	15,807
As at 30 June 2021 (<i>unaudited</i>)	24,162	6,511	30,673

13. Financial assets at fair value through other comprehensive income

	Equity investment £
As at 1 January 2020 (<i>audited</i>)	166,500
Change in fair value	(41,625)
As at 30 June 2020 (<i>unaudited</i>)	124,875
As at 1 January 2021 (<i>audited</i>)	915,750
Disposal	(331,189)
Loss on disposal	(584,561)
As at 30 June 2021 (<i>unaudited</i>)	—

The Group's equity investment consists of a minority shareholding in Panthera Resources Plc, a company listed on the AIM market of the London Stock Exchange. The investment is carried at fair value, based on the quoted share price at the reporting date. Changes in the fair value are recognised in "*other comprehensive income*". The equity investment was disposed of in June 2021, with the loss on disposal of £584,561 recognised in "*other comprehensive income*".

14. Convertible loan notes

	<i>Audited</i> As at 31 December 2020 £	<i>Unaudited</i> As at 30 June 2021 £
Host contract financial liability	3,047,991	—
Embedded derivative asset	(569,512)	—
	2,478,479	—

In 2018, the Group issued 5-year CLN for £1,000,000, being tranches 1-3 and in 2019 a further £1,000,000, being tranche 4 was issued. In 2020, the Group issued a further £200,000 CLN, being tranche 5 and repayable in 3 years. The notes carry an interest rate of 10% per annum, payable in a fixed number of Ordinary Shares. On maturity, the CLN are converted into Ordinary Shares at a fixed price, unless the Company exercises its option to redeem the CLN at par in cash. There are further conversion provisions in the event of an IPO or a change of control and the noteholders have the option to convert the CLN into Ordinary Shares early.

The Company's conversion option to redeem the CLN in cash instead of Ordinary Shares is a non-closely related embedded derivative so is accounted for separately at "*fair value through profit and loss*" and the host contract is initially measured at fair value and subsequently carried at amortised cost. The Company's policy is to offset the financial asset and liability in relation to the single hybrid instrument and show them in a single line in the Statement of Financial Position.

The host contract is a financial liability, and the interest payments are in fixed number of Ordinary Shares, and thus represent an equity instrument recognised directly in equity in the "*shares to be issued*" reserve.

In April 2021, all notes were redeemed at a price of 8p with the Company issuing 27,500,000 Ordinary Shares (par value of £0.01) to the noteholders. The agreement included the settlement of interest to 30 September 2021, which resulted in the Company issuing further 191,781 Ordinary Shares (par value £0.01) at 8p, and a cash payment of £200,000 to be made to cover the remaining balance.

The loss on the redemption of the CLN of £614,160 is included within other gains and losses in the profit and loss (note 6 to the Group Condensed Interim Financial Information).

As at 30 June 2021, the £200,000 payable has been included in trade and other payables (note 16 to the Group Condensed Interim Financial Information).

The movement in the embedded derivative financial asset is shown below:

	Audited Year ended 31 December 2020 £	Unaudited Six months ended 30 June 2021 £
Opening balance	(439,727)	(569,512)
Fair value of option at inception – tranches 5	(69,323)	–
(Gain)/loss on fair value of option – tranches 1-3	(5,667)	(338,265)
(Gain)/loss on fair value of option – tranches 4	(56,095)	(340,178)
(Gain)/loss on fair value of option – tranches 5	1,300	(103,512)
Redemption	–	1,351,467
Closing balance	(569,512)	–

The movement in the host contract liability is shown below:

	Audited Year ended 31 December 2020 £	Unaudited Six months ended 30 June 2021 £
Opening balance	2,778,668	3,047,991
Cash subscription – tranches 5	200,000	–
Fair value of option at inception – tranches 5	69,323	–
Redemption	–	(3,047,991)
Closing balance	3,047,991	–

The convertible loan notes balance of £nil (31 December 2020: £2,478,479) is the net of the financial asset and liability, shown in the tables above.

15. Trade and other receivables

	Audited As at 31 December 2020 £	Unaudited As at 30 June 2021 £
Trade receivables	7,800	–
Prepayments and other receivables	11,425	16,113
Amounts due to related parties (note 18)	69,818	–
Recoverable value added taxes	6,807	11,203
	95,850	27,316

16. Trade and other payables

	Audited As at 31 December 2020 £	Unaudited As at 30 June 2021 £
Trade payables	82,184	44,772
Accruals	86,445	37,540
Other payables	19,092	213,681
	187,721	295,993

The other payables balance includes £200,000 (31 December 2020: £nil) due to former convertible loan note holders (note 14 to the Group Condensed Interim Financial Information).

17. Financial instruments

The principal financial instruments used by the Group, from which financial instrument risk arises are as follows:

(a) Financial assets

	Audited As at 31 December 2020 £	Unaudited As at 30 June 2021 £
<i>Financial assets at "fair value through profit and loss"</i>		
Convertible loan option	569,512	—
<i>Fair value through "other comprehensive income"</i>		
Equity investment	915,750	—
<i>Measured at amortised cost</i>		
Cash and cash equivalents	245,740	5,391,969
Amounts due to related parties	69,818	—
Trade and other receivables	13,121	4,289
	<u>328,679</u>	<u>5,396,258</u>
Total financial assets	<u>1,813,941</u>	<u>5,396,258</u>

(b) Financial liabilities

	Audited As at 31 December 2020 £	Unaudited As at 30 June 2021 £
<i>Liabilities measured at amortised cost</i>		
Convertible loan notes	3,047,991	—
Trade and other payables	187,721	295,993
	<u>3,235,712</u>	<u>295,993</u>

All financial assets and liabilities are due within one year.

The main risks arising from the Group's activities are market risk, credit risk and liquidity risk.

(c) Fair values

The Directors consider that the carrying amount of the Group's financial assets and financial liabilities carried at amortised cost approximate to their fair value, as the short-term nature of such assets means that the effect of discounting is negligible. The foreign exchange tier classifications have not changed materially from the classifications used in the preparation of the audited Group Financial Information.

18. Related party transactions

At 30 June 2021, there were no balances due from related parties (31 December 2020: £69,818). The loan due to the Group from Treliver Minerals Trustees Limited, which held a minority interest position in the Company, was settled in February 2021. There were no other transactions with related parties in the six-month period ended 30 June 2021 (30 June 2020: £nil).

19. Share capital

	Audited As at 31 December 2020 no	Unaudited As at 30 June 2021 no
<i>Ordinary share capital</i>		
Issued and fully paid	70,176,522	137,357,905
	Audited As at 31 December 2020 £	Unaudited As at 30 June 2021 £
<i>Ordinary share capital</i>		
Issued and fully paid	70,177	137,358

During the six-month period ended 30 June 2021, the Group issued 67,181,383 Ordinary Shares of £0.001 each (12 months to December 2020: 6,474,675) as follows:

- Ordinary Shares of 39,489,602 issued for cash at 15p per Ordinary Share
- Ordinary Shares of 27,691,781 issued for non-cash to redeem the CLNs at 8p per Ordinary Share.

All Ordinary Shares rank pari-passu with existing Ordinary Shares and have attached to them full voting, dividend and capital distribution (including on winding up) rights; they do not confer any rights of redemption.

20. Interests in subsidiaries

The table below sets out the Company's subsidiaries. The subsidiaries have share capital consisting solely of ordinary shares and the proportion of ownership interests held equals the voting rights. The registered office address is also their principal place of business:

Name of entity	Registered address	Shareholding	Principal activities
Saxore Bergbau GmbH	Platz der Oktoberopfer 1a 09599 Freiberg Germany	100%	Mineral exploration

In January 2020, the Company disposed of one of its subsidiaries, Anglo Saxony Minerals (UK) Limited for cash consideration of £100,000. The carrying amount of the net assets disposed was £50,141, consisting primarily of an exploration and evaluation intangible asset with carrying value of £50,000, and thus a profit on disposal of £49,859 was recognised in other gains and losses in the profit and loss (note 6 to the Group Condensed Interim Financial Information). In the event that the subsidiary achieves certain performance criteria, additional cash consideration of US\$1,000,000 will be receivable. At the date of sale and as at 30 June 2021, the fair value of the additional consideration was £nil due to its low probability.

21. Subsequent events

In October 2021, the Company issued 1,000,000 Ordinary Shares of nominal value £0.001 at par and 510,400 shares of nominal value £0.001 at £0.15 per share to one of the Directors. The cash raised in total as part of these share issues was £77,560.

In November 2021, the Company has provided an unsecured, interest free loan to Taronga Mines to the value of £810,054 (AUD\$1,505,000). Taronga Mines has used the loan to finance the purchase of further freehold land to the value of £726,627 (AUD\$1,350,000), related stamp duty to the value of £33,909 (AUD\$63,000), plant and machinery to the value of £35,422 (AUD\$65,812) and general working capital to the value of £14,905 (AUD\$26,188).

In November 2021, Aus Tin, the parent entity of Taronga Mines, announced that it had entered into a Sale and Purchase Agreement to sell its wholly-owned subsidiary, Taronga Mines, to the Company. The proposed sale is subject to a number of conditions including the approval of the Aus Tin shareholders and the Company completing its capital raising.

In March 2022, as part of the re-registration to a public limited company prior to Admission, the Company completed a capital reduction which reduced the “*share premium*” balance by £17,940,000. This was offset against its “*retained deficit*”.

On 9 March 2022, the Company’s wholly-owned subsidiary First Tin Australia Pty Ltd, was incorporated in Australia.

22. Ultimate controlling party

In the opinion of the Directors, there is no controlling party.

23. Nature of the Group Condensed Interim Financial Information

The Group Condensed Interim Financial Information presented above does not constitute statutory financial statements for the periods under review.

PART IX

FINANCIAL INFORMATION OF TARONGA MINES

SECTION A: ACCOUNTANT'S REPORT ON THE HISTORICAL FINANCIAL INFORMATION OF TARONGA MINES



The Directors
First Tin Plc
First Floor, 47/48 Piccadilly
London
W1J 0DT

The Directors
Arlington Group Asset Management Limited
15 Whitehall
London
SW1A 2DD

30 March 2022

Dear Sirs and Madams,

We report on the audited historical financial information of Taronga Mines Pty Ltd for the three years ended 30 June 2019, 30 June 2020 and 30 June 2021 (together, the "Taronga Mines Financial Information").

Opinion on financial information

In our opinion, the Taronga Mines Financial Information gives, for the purpose of First Tin Plc's (the "Company") prospectus dated 30 March 2022 (the "Document"), a true and fair view of the state of affairs of Taronga Mines as at 30 June 2019, 30 June 2020 and 30 June 2021 and of its profits, cash flows, statements of comprehensive income and changes in equity for the years then ended, in accordance with UK-adopted international accounting standards ("UK IFRS").

Responsibilities

The directors of the Company (the "Directors") are responsible for preparing the Taronga Mines Financial Information in accordance with UK IFRS.

It is our responsibility to form an opinion on the Taronga Mines Financial Information, and to report our opinion to you.

Basis of preparation

The Taronga Mines Financial Information has been prepared for inclusion in Section B: "*Historical Financial Information of Taronga Mines*" of Part IX "*Financial Information of Taronga Mines*" of the Document, on the basis of the accounting policies set out in Note 3 to the Taronga Mines Financial Information. This report is required by item 18.3.1 of Annex 1 to the UK version of Regulation number 2019/980 of the European Commission, supplementing Regulation (EU) 2017/1129, which is part of UK law by virtue of the European Union (Withdrawal) Act 2018 (together, the **Prospectus Regulation**) and is given for the purpose of complying with that requirement and for no other purpose.

Basis of opinion

We conducted our work in accordance with the Standards for Investment Reporting issued by the Financial Reporting Council in the United Kingdom. We are independent of the Company and Taronga Mines in accordance with the FRC's Ethical Standard as applied to Investment Circular Reporting

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Engagements, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Our work included an assessment of evidence relevant to the amounts and disclosures in the Taronga Mines Financial Information. It also included an assessment of significant estimates and judgments made by those responsible for the preparation of the Taronga Mines Financial Information and whether the accounting policies are appropriate to the Taronga Mines' circumstances, consistently applied and adequately disclosed.

We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Taronga Mines Financial Information is free from material misstatement whether caused by fraud or other irregularity or error.

Conclusions relating to going concern

We have not identified a material uncertainty related to events or conditions that, individually or collectively, may cast doubt on the ability of Taronga Mines to continue as a going concern for a period of at least 12 months from the date of this report. We therefore conclude that the Directors' use of the going concern basis of accounting in the preparation of the Taronga Mines Financial Information is appropriate.

Declaration

For the purposes of Prospectus Regulation Rule PRR 5.3.2 R (2)(f), we are responsible for this report as part of this Document and we declare that, to the best of our knowledge, the information contained in this report is in accordance with the facts and that this report makes no omission likely to affect its import. This declaration is included in the Document in compliance with item 1.2 of Annex 1 to the Prospectus Regulation.

Yours faithfully,

Crowe U.K. LLP
Chartered Accountants

SECTION B: HISTORICAL FINANCIAL INFORMATION OF TARONGA MINES

STATEMENTS OF COMPREHENSIVE INCOME

The audited Statements of Comprehensive Income of Taronga Mines for each of the years ended 30 June 2019, 30 June 2020 and 30 June 2021 are set out below:

	<i>Audited</i> Year ended 30 June 2019 AUD\$	<i>Audited</i> Year ended 30 June 2020 AUD\$	<i>Audited</i> Year ended 30 June 2021 AUD\$
Notes			
Continuing operations			
Expenses			
Administration and consulting expense	(6,719)	(2,316)	(686)
Exploration costs written off	—	—	(19,254)
Legal expenses	—	(1,806)	—
Finance costs	—	(2,616)	(660)
Loss before income taxes	(6,719)	(6,739)	(20,600)
Income tax	6 —	—	—
Loss for the year	(6,719)	(6,739)	(20,600)
Other comprehensive income for the year, net of tax	—	—	—
Total comprehensive loss for the year attributable to the owners of Taronga Mines	(6,719)	(6,739)	(20,600)

STATEMENTS OF FINANCIAL POSITION

The Statements of Financial Position of Taronga Mines as at 30 June 2019, 30 June 2020 and 30 June 2021 are set out below:

	Notes	<i>Audited</i> As at 30 June 2019 AUD\$	<i>Audited</i> As at 30 June 2020 AUD\$	<i>Audited</i> As at 30 June 2021 AUD\$
ASSETS				
Exploration and evaluation assets	7	5,637,543	5,831,472	6,027,387
Other receivables	8	60,000	60,000	66,500
Non-current assets		5,697,543	5,891,472	6,093,887
Other receivables	8	1,173	40	397
Current assets		1,173	40	397
TOTAL ASSETS		5,698,716	5,862,512	6,094,284
EQUITY AND LIABILITIES				
Share capital	9	6,452,875	6,452,875	6,452,875
Capital contribution	10	—	170,150	422,907
Accumulated losses		(754,159)	(760,898)	(781,498)
Equity		5,698,716	5,862,127	6,094,284
Trade and other payables	11	—	29,385	—
Current liabilities		—	29,385	—
TOTAL EQUITY AND LIABILITIES		5,698,716	5,891,512	6,094,284

STATEMENTS OF CHANGES IN EQUITY

The Statements of Changes in Equity of Taronga Mines for each of the years ended 30 June 2019, 30 June 2020 and 30 June 2021 are set out below:

	Share capital AUD\$	Capital contribution AUD\$	Accumulated losses AUD\$	Total AUD\$
As at 1 July 2018 (<i>audited</i>)	6,452,875	—	(747,440)	5,705,435
Capital contribution in the year	—	—	—	—
Loss for the year	—	—	(6,719)	(6,719)
<i>Total comprehensive loss for the year</i>	—	—	(6,719)	(6,719)
As at 30 June 2019 (<i>audited</i>)	6,452,875	—	(754,159)	5,698,716
Capital contribution in the year	—	170,150	—	170,150
Loss for the year	—	—	(6,739)	(6,739)
<i>Total comprehensive loss for the year</i>	—	—	(6,739)	(6,739)
As at 30 June 2020 (<i>audited</i>)	6,452,875	170,150	(760,898)	5,862,127
Capital contribution for the year	—	252,757	—	252,757
Loss for the year	—	—	(20,600)	(20,600)
<i>Total comprehensive loss for the year</i>	—	—	(20,600)	(20,600)
As at 30 June 2021 (<i>audited</i>)	6,452,875	422,907	(781,498)	6,094,284

STATEMENTS OF CASH FLOWS

The Statements of Cash Flows of Taronga Mines for each of the years ended 30 June 2019, 30 June 2020 and 30 June 2021 are set out below:

	<i>Audited</i> Year ended 30 June 2019 AUD\$	<i>Audited</i> Year ended 30 June 2020 AUD\$	<i>Audited</i> Year ended 30 June 2021 AUD\$
Loss before tax for the year	(6,719)	(6,739)	(20,600)
<u>Adjustments for:</u>			
Write off of assets	—	—	19,254
<u>Working capital movements:</u>			
(Increase)/decrease in trade and other receivables	(1,133)	1,133	(357)
Increase/(decrease) in trade and other payables	—	2,616	(2,616)
Net cash used in operating activities	(7,852)	(2,990)	(4,319)
Proceeds from capital contributions	7,852	2,990	4,319
Net cash from financing activities	7,852	2,990	4,319
Net cash flow for the year	—	—	—
Cash and cash equivalents b/fwd	—	—	—
Cash and cash equivalents c/fwd	—	—	—

During the periods under review, Taronga Mines' parent company, Aus Tin Mining Limited, made significant non-cash capital contributions to Taronga Mines to support its exploration and working capital requirements. Note 11 "*Capital contributions and significant non-cash transactions*" sets out these significant non-cash transactions.

NOTES TO TARONGA MINES FINANCIAL INFORMATION

1. GENERAL INFORMATION

Taronga Mines was incorporated on 3 August 2007 in Australia as an unlisted public company. It subsequently changed its status to a private company and its name to Taronga Mines Pty Ltd on 13 May 2013.

Taronga Mines' registered office is Level 27, 111 Eagle Street, Brisbane, Qld Australia 4000.

Taronga Mines' principal business activity is the acquisition and exploration of mineral assets in Australia. To date, Taronga Mines has not generated any revenues from its operations and is considered to be in the exploration stage.

Taronga Mines is in the process of exploring its exploration and evaluation assets and has not yet determined whether these properties contain reserves that are economically recoverable. The recoverability of the amounts shown for exploration and evaluation assets and related deferred costs is dependent upon the existence of economically recoverable reserves, the ability of Taronga Mines to obtain the financing necessary to complete the development of its exploration and evaluation assets and upon future profitable production.

2. BASIS OF PREPARATION

The principal accounting policies adopted by Taronga Mines in the preparation of the Taronga Mines Financial Information are set out below.

The Taronga Mines Financial Information has been prepared in accordance with UK IFRS, including interpretations made by the International Financial Reporting Interpretations Committee issued by the International Accounting Standards Board. The standards have been applied consistently.

The historical cost basis of preparation has been used.

All amounts presented are in Australian dollars ("AUD\$") and rounded to the nearest dollar, unless otherwise specified.

The Taronga Mines Financial Information includes adjustments to reflect the following terms and conditions set out in the Taronga Acquisition, namely:

- the purchase of freehold land to the value of AUD\$1,703,328
- the provision of an AUD\$1,618,878 loan from the Company to Taronga Mines to fund the purchase of the above freehold land; and
- the purchase of the Taronga Mines mining licence from Aus Tin Mining Limited to the value of AUD\$200,000

The above adjustments have been included in the Taronga Mines Financial Information as though they had occurred on 1 July 2017.

Going concern assessment

The Taronga Mines Financial Information has been prepared on a going concern basis with the assumption that Taronga Mines will be able to realise its assets and discharge its liabilities in the normal course of business. Historically, Taronga Mines has sustained losses from operations since inception and has no current source of revenue. As such, Taronga Mines has been, and will continue to be, dependent on its parent entity for financial support. Continued operations of Taronga Mines and further exploration and development of its exploration and evaluation assets is dependent on Taronga Mines' ability to obtain additional financing from its parent entity and generate profitable operations in the future. The Directors have undertaken a review of Taronga Mines' working capital requirements for the purposes of making the working capital statement included in paragraph 10 "*Working Capital*" of Part XII "*Additional Information*" of this Document. Taking into account the Net Proceeds, the Directors are of the opinion that the Enlarged Group, which includes Taronga Mines, is sufficiently well funded to be able to operate as a going concern for at least the next twelve months from the date of this Document.

Standards and interpretations issued but not yet applied

At the date of the Taronga Mines Financial Information, the Taronga Directors have reviewed the standards in issue by the International Accounting Standards Board and the International Financial Reporting Interpretations Committee, which are effective for periods beginning on or after the stated effective date but have not yet been applied. In their view, these standards would not have a material impact on the financial reporting of Taronga Mines.

3. SIGNIFICANT ACCOUNTING POLICIES

The preparation of the Taronga Mines Financial Information in compliance with UK IFRS requires the Taronga Directors to exercise judgement in applying Taronga Mines' accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the Taronga Mines Financial Information are disclosed in Note 4 "*Significant Accounting Estimates and Judgements*" to the Taronga Mines Financial Information.

Foreign currencies

Presentation and functional currency

The Taronga Mines Financial Information is presented in AUD\$ which is Taronga Mines' functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into AUD\$ using the exchange rates prevailing at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Income taxes

Income tax expense consists of current and deferred tax expense. Income tax expense is recognised in profit or loss.

Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the period end, and adjusted for amendments to tax payable with regards to previous years.

Deferred tax assets and liabilities are recognised for future tax consequences attributable to differences between the carrying amounts of existing assets and liabilities on the Statement of Financial Position and their respective tax bases. Deferred tax assets and liabilities are measured using the enacted or substantively enacted tax rates expected to apply when the asset is realised or the liability settled.

The effect on deferred tax assets and liabilities of a change in tax rates is recognised in profit or loss in the period that substantive enactment occurs.

Taronga Mines is a member of an income tax consolidated group under the Australian tax consolidation regime. This income tax consolidated group comprises the parent entity, Aus Tin Mining Limited, and its wholly-owned Australian subsidiaries. Aus Tin Mining Ltd is responsible for recognising the current tax assets and liabilities and deferred tax assets attributable to tax losses for the tax consolidation group. The tax consolidated group has entered a tax funding agreement whereby each company in the tax consolidation group contributes to the income tax payable in proportion to their contribution to the net profit before tax of the tax consolidation group.

Property, plant and equipment

All items of property, plant and equipment are initially recognised at cost. The cost includes its purchase price and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Dismantlement, removal or restoration costs are included as part of the cost if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the property, plant and equipment.

Subsequent expenditure on an item of property, plant and equipment is added to the carrying amount of the item if it is probable that future economic benefits associated with the item will flow to Taronga Mines and the cost can be measured reliably. All other costs of servicing are recognised in profit or loss when incurred.

Property, plant and equipment are subsequently stated at cost less accumulated depreciation and any accumulated impairment losses.

Exploration and evaluation assets

Exploration and evaluation assets are capitalised as intangible assets on an individual prospect basis until such time as an economic ore body is defined or the prospect is abandoned. No costs are capitalised until the legal right to explore the property has been obtained. When it is determined that such costs will be recouped through development and exploitation, the capitalised expenditure is first tested for impairment, then transferred to tangible assets and depreciated over the expected productive life of the asset.

Costs for a producing prospect are amortised on a unit-of-production method, based on the estimated life of the ore reserves, while costs for the prospects abandoned are written-off.

Impairment reviews for deferred exploration and evaluation assets are carried out on a project-by-project basis, with each project representing a single cash generating unit. An impairment review is undertaken when indicators of impairment arise but typically when one or more of the following circumstances apply:

- unexpected geological occurrences are identified that render the resource uneconomic;
- title to the asset is compromised;
- fluctuations in metal prices render the project uneconomic; or
- lack of available financing to progress the project.

Where Taronga Mines enters into exploration option agreements with third parties, Taronga Mines may acquire or dispose of mineral rights and certain benefits attached to those mineral rights. Due to the fact that these options are exercisable entirely at the discretion of the optionee, the amounts payable or receivable are not recorded. Option payments are recorded as exploration and evaluation assets when payments are made, or as recoveries when payments are received, either against exploration and evaluation assets or as income within profit or loss depending on the nature of the option agreement.

The recoverability of the amounts capitalised for the undeveloped exploration and evaluation assets is dependent upon the determination of economically recoverable ore reserves, confirmation of Taronga Mines' interest in the underlying mineral claims, the ability to develop its exploration and evaluation assets, the ability to obtain the necessary financing to complete their development and future profitable production.

Environmental rehabilitation

An obligation to incur restoration, rehabilitation and environmental costs arises when environmental disturbances are caused by the exploration or development of exploration and evaluation assets due to statutory, contractual, constructive or legal obligations.

As at the reporting date, Taronga Mines has no environmental rehabilitation obligations. As such, no provision has been recognised in the Taronga Mines Financial Information.

The Taronga Directors' review annually for changes in regulatory requirements with respect to environmental rehabilitation obligations.

Impairment

At the end of each reporting period, the carrying amounts of Taronga Mines' assets are reviewed to determine whether there is any indication that those assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any.

The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognised in profit or loss.

For an asset that does not generate independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

Financial instruments

The Taronga Directors classify Taronga Mines' financial assets in the following categories:

- receivables; or
- other financial liabilities.

The classification depends on the purpose for which the financial assets were acquired. The classifications of Taronga Mines' financial assets are determined at initial recognition and depends on the nature and purpose of the financial instrument.

Receivables

Other receivables that have fixed or determinable payments that are not quoted in an active market are classified as "*receivables*". "*Receivables*" are initially recognised at the transaction value and subsequently carried at amortised cost less impairment losses. The impairment loss of receivables is based on a review of all outstanding amounts at year end.

The Taronga Directors have classified Taronga Mines' other receivables as "*Receivables*".

Other financial liabilities

"*Other financial liabilities*" are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expenses over the corresponding period. The effective interest rate is the rate that exactly discounts estimated future cash payments over the expected life of the financial liability, or, where appropriate, a shorter period.

The Taronga Directors have classified Taronga Mines' other payables as "*other financial liabilities*".

Impairment of financial assets at amortised cost

Taronga Mines recognises a loss allowance for expected credit losses on financial assets that are measured at amortised cost. At each reporting date, the loss allowance for the financial asset is measured at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

For trade receivables, the Taronga Directors apply the simplified approach to providing for expected credit losses, which allows the use of a lifetime expected loss provision.

In a subsequent period, if the amount of the impairment loss related to financial assets measured at amortised cost decreases, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

4. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the Taronga Mines Financial Information requires the Taronga Directors to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, profit and expenses of Taronga Mines. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

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

The Taronga Directors have made the following judgements which may have a significant effect on the amounts recognised in the Taronga Mines Financial Information:

Carrying value of Taronga Mines' exploration and evaluation assets

The Taronga Directors make judgements as to the initial recognition of exploration and evaluation expenditure incurred. Specifically, judgement is required to ensure that capitalised exploration and evaluation expenditure meets the capitalisation criteria set out in Taronga Mines' accounting policy included in Note 3.

Impairment

At each period end, the Taronga Directors apply significant judgment in assessing each of Taronga Mines' cash-generating units and assets for the existence of indicators of impairment at the reporting date. Internal and external factors are considered in assessing whether indicators of impairment are present that would necessitate impairment testing. Significant judgement regarding commodity prices, operating costs, capital expenditures and discount rates is required in determining whether there are any indicators of impairment. These judgements are reviewed regularly by the Taronga Directors and compared, when applicable, to relevant market consensus views and third-party valuation reports.

5. SEGMENTAL INFORMATION

Taronga Mines operates in one business segment, being the exploration and evaluation of mineral properties. These activities are undertaken in northern New South Wales, Australia, alongside administrative operations in Brisbane, Queensland, Australia. As Taronga Mines operates only in one segment, Taronga Mines' results are also its segment results.

6. INCOME TAX

Income taxes are provided for the tax effects of transactions reported in the Taronga Mines Financial Information and consist of taxes currently due, plus deferred taxes related to differences between the basis of assets and liabilities for financial and income tax reporting.

During the year ended 30 June 2021, no current or deferred tax liabilities were incurred or recognised due to the historical, and expected near-term, loss-making activities of Taronga Mines (2020: AUD\$nil, 2019: AUD\$nil).

	Audited Year ended 30 June 2019 AUD\$	Audited Year ended 30 June 2020 AUD\$	Audited Year ended 30 June 2021 AUD\$
Loss before income tax attributable to Shareholders	(6,719)	(6,739)	(20,600)
Expected tax at average tax rate of 26% (2020: 30%, 2019: 30%)	(2,016)	(2,022)	(5,356)
Tax losses transferred to Aus Tin Mining Limited	2,016	2,022	5,356
Tax charge for the year	—	—	—

On completion of the Taronga Acquisition, all tax losses of Taronga Mines will be transferred to its then parent company, Aus Tin Mining Limited. Therefore, as at 30 June 2021, Taronga Mines had AUD\$nil tax losses available to be carried forward against future taxable profits (2020: AUD\$nil, 2019: AUD\$nil).

7. EXPLORATION AND EVALUATION ASSETS

Taronga Mines holds several exploration licenses and one mining license in northern New South Wales (Australia). The tenements are prospective for tin, copper, silver and a number of critical minerals, with the most advanced project being the Taronga Tin Project. The Taronga Tin Project is a world class JORC (2012) resource of 57,000 tonnes of contained tin, 26,400 tonnes of contained copper and 4.4 million ounces of silver located within a proven historic tin field approximately four hours south-west of Brisbane. Taronga Mines completed a Pre-feasibility Study in 2014 (PFS) that demonstrated that the Taronga Tin Project was technically feasible and economically viable, and identified several areas of potential upside, including an increased resource grade, higher tin recoveries and the recovery of by-product credits, all of which have the capacity to significantly enhance the economics of the project. Over the reporting period, the price of tin effectively doubled, moving from US\$16,920 per tonne to US\$33,460 per tonne. At current prices, the Taronga Tin Project shows outstanding profitability based on the 2014 PFS.

Cost	AUD\$
As at 1 July 2018 (<i>audited</i>)	5,319,150
Additions	318,393
As at 30 June 2019 (<i>audited</i>)	5,637,543
Additions	193,929
As at 30 June 2020 (<i>audited</i>)	5,831,472
Additions	215,169
Write off of assets	(19,254)
As at 30 June 2021 (<i>audited</i>)	6,027,387

Impairment assessments

The ability of Taronga Mines to explore and develop its exploration and evaluation assets and the future profitability of Taronga Mines are directly related to the market price of commodities. The Taronga Directors monitor commodity prices in forecasting their assessment of the carrying values of Taronga Mines' exploration and evaluation assets at each reporting period and whether there is any evidence of impairment.

8. OTHER RECEIVABLES

	<i>Audited</i> As at 30 June 2019 AUD\$	<i>Audited</i> As at 30 June 2020 AUD\$	<i>Audited</i> As at 30 June 2021 AUD\$
GST receivable	1,173	40	397
Deposits	60,000	60,000	66,500
Other receivables	61,173	60,040	66,897
<i>Analysed as:</i>			
Non-current	60,000	60,000	66,500
Current	1,173	40	397
Borrowings	61,173	60,040	66,897

9. SHARE CAPITAL

Share capital

	<i>Audited</i> As at 30 June 2019 #	<i>Audited</i> As at 30 June 2020 #	<i>Audited</i> As at 30 June 2021 #
Number of Ordinary Shares in issue			
Ordinary Shares – fully paid (no par value)	57,680,002	57,680,002	57,680,002

Share capital

	<i>Audited</i> As at 30 June 2019 AUD\$	<i>Audited</i> As at 30 June 2020 AUD\$	<i>Audited</i> As at 30 June 2021 AUD\$
Ordinary Shares – fully paid (no par value)	6,452,875	6,452,875	6,452,875

10. CAPITAL CONTRIBUTIONS AND SIGNIFICANT NON-CASH TRANSACTIONS

	AUD\$
Capital contributions	
As at 1 July 2018 (<i>audited</i>)	–
Capital contributions in the year (<i>cash</i>)	–
Capital contributions in the year (<i>non-cash</i>)	–
As at 30 June 2019 (<i>audited</i>)	–
Capital contributions in the year (<i>cash</i>)	2,990
Capital contributions in the year (<i>non-cash</i>)	167,160
As at 30 June 2020 (<i>audited</i>)	170,150
Capital contributions in the year (<i>cash</i>)	4,319
Capital contributions in the year (<i>non-cash</i>)	248,438
As at 30 June 2021 (<i>audited</i>)	422,907

During the period under review, Taronga Mines' parent company, Aus Tin Mining Limited, made capital contributions to Taronga Mines to support its exploration and working capital requirements.

The non-cash capital contributions made by Aus Tin Mining Limited during the periods under review constituted significant non-cash transactions and, as such, do not appear on the Statement of Cash Flows.

11. TRADE AND OTHER PAYABLES

	<i>Audited</i> As at 30 June 2019 AUD\$	<i>Audited</i> As at 30 June 2020 AUD\$	<i>Audited</i> As at 30 June 2021 AUD\$
Trade payables	–	26,769	–
Other payables	–	2,616	–
Trade and other payables	–	29,385	–

12. NET DEBT RECONCILIATION

During the period under review, Taronga Mines was funded by capital contributions from its then parent company, Aus Tin Mining Limited. No cash or cash equivalents are held by Taronga Mines and all capital contributions made during the period under review are set out in Note 11 "*Capital Contributions and Significant Non-Cash Transactions*" to the Taronga Mines Financial Information.

13. RELATED PARTY TRANSACTIONS

Aus Tin Mining Limited is the parent entity of Taronga Mines. During the period under review, Aus Tin Mining Limited has provided financial support to Taronga Mines. The amounts provided have been classified as capital contributions as detailed in Note 11 to the Taronga Mines Financial Information.

14. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Taronga Mines' financial instruments consist of receivables and accounts payable and accrued liabilities. The carrying value of receivables, accounts payable and accrued liabilities approximate their fair values due to their immediate or short-term maturity and have been classified at amortised cost.

Taronga Mines is exposed to a variety of financial risks by virtue of its activities, including liquidity risk, credit risk, foreign currency risk, interest rate risk and commodity price risk.

The Taronga Directors' objective with respect to risk management is to minimise potential adverse effects on Taronga Mines' financial performance and position. The Taronga Directors are responsible for establishing controls and procedures to ensure that financial risks are mitigated to acceptable levels.

Liquidity risk

Liquidity risk is the risk that Taronga Mines will not be able to meet its obligations as they become due. Taronga Mines' ability to continue as a going concern is dependent on the Taronga Directors' ability to raise the funds required through future equity financings and asset sales, or a combination thereof. Taronga Mines has no regular cash flow from its operating activities.

The Taronga Directors manage Taronga Mines' liquidity risk by:

- maintaining adequate cash reserves, capital contributions from its parent company and borrowing facilities through its parent company;
- continuously monitoring actual cash flows to ensure Taronga Mines maintains an appropriate amount of liquidity;
- projecting cash flow requirements for Taronga Mines' planned exploration and development work programs and its associated corporate activities. Based on this analysis, the Taronga Directors secure sufficient additional equity investment and/or capital contributions and/or borrowings to ensure an appropriate level of liquidity is maintained.

Failure to realise additional funding, as required, could result in the delay or indefinite postponement of further exploration of Taronga Mines' mineral properties.

The maturity profile of Taronga Mines' financial obligations are as follows:

	Less than 1 year AUD\$	2 to 5 years AUD\$	Over 5 years AUD\$	Total AUD\$
Trade and other payables	—	—	—	—
As at 30 June 2021 (audited)	—	—	—	—
	Less than 1 year AUD\$	2 to 5 years AUD\$	Over 5 years AUD\$	Total AUD\$
Trade and other payables	29,385	—	—	29,385
As at 30 June 2020 (audited)	29,385	—	—	29,385
	Less than 1 year AUD\$	2 to 5 years AUD\$	Over 5 years AUD\$	Total AUD\$
Trade and other payables	—	—	—	—
As at 30 June 2019 (audited)	—	—	—	—

Credit risk

Credit risk is the risk of financial loss to Taronga Mines if a counter-party to a financial instrument fails to meet its contractual obligations. The maximum exposure to credit risk at the reporting date is the carrying value of Taronga Mines' receivables. Taronga Mines' receivables consist primarily of Goods and Services Tax (GST) receivables due from the Australian Tax Office, and security deposits. Taronga Mines has no exposure to credit risk on liquid financial assets.

Foreign currency risk

Taronga Mines is not exposed to any significant foreign currency risk.

Interest rate risk

Taronga Mines is exposed to interest rate risk to the extent that the future cash flows of a financial instrument fluctuate due to changes in market interest rates. Taronga Mines' exposure to interest rate risk is minimal as it has no cash reserves and furthermore, Taronga Mines has no financial liabilities subject to variable interest rates.

15. CAPITAL MANAGEMENT

The capital of Taronga Mines consists of the items included within "equity" on the Statement of Financial Position. The Taronga Directors manage Taronga Mines' capital structure based on the nature and availability of funding and the timing of expected or committed expenditures. The Taronga Directors' capital management policy is to maintain sufficient capital to support the acquisition, exploration and future development of Taronga Mines' exploration and evaluation assets and to provide sufficient funds for Taronga Mines' corporate activities.

Taronga Mines' exploration and evaluation assets are in the exploration stage. As an exploration stage company, Taronga Mines is currently unable to self-finance its operations. Taronga Mines has historically relied on funding support from its parent entity, to finance its activities. The Taronga Directors project Taronga Mines' future capital requirements by planning the exploration and future development activities to be undertaken on its exploration and evaluation assets, and assessing the level of corporate activities that are necessary to support the growth and development of Taronga Mines. Taronga Mines is not subject to any externally imposed capital requirements.

16. COVID-19

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally,

potentially leading to an economic downturn. Interstate border restrictions in Australia resulted in reduced time spent on site in the state of New South Wales, where the company's exploration and mining tenements are located.

It is not possible for the Taronga Directors to predict the duration or magnitude of the adverse results of the outbreak and its effects on Taronga Mines' business or its ability to raise funds.

During the year ended 30 June 2021, Taronga Mines did not receive any government support, rather it preserved cash by deferring exploration and evaluation work streams.

17. SUBSEQUENT EVENTS

In November 2021, Aus Tin Mining Limited, the parent entity of Taronga Mines, announced that it had entered into a Sale and Purchase Agreement to sell its wholly-owned subsidiary, Taronga Mines, to the Company. The proposed sale is subject to a number of conditions including the approval of Aus Tin Mining Limited shareholders and the Company completing its capital raising.

In November 2021, the Company provided an unsecured, interest free loan to Taronga Mines to the value of AUD\$1,505,000. Taronga Mines has used the loan to finance the purchase of further freehold land to the value of AUD\$1,350,000, related stamp duty to the value of AUD\$63,000, plant and machinery to the value of AUD\$65,812 and general working capital to the value of AUD\$26,188.

18. NATURE OF THE TARONGA MINES FINANCIAL INFORMATION

The Taronga Mines Financial Information presented above does not constitute statutory financial statements for the periods under review.

PART X

UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP

SECTION A: ACCOUNTANT'S REPORT ON THE UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP



The Directors
First Tin Plc
First Floor, 47/48 Piccadilly
London
W1J 0DT

The Directors
Arlington Group Asset Management Limited
15 Whitehall
London
SW1A 2DD

30 March 2022

Dear Sirs and Madams,

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Chartered Accountants
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Introduction

We report on the unaudited pro forma Statement of Financial Position of First Tin Plc (the "Company") and its subsidiaries (together, the "Group") as at 30 June 2021 and on the unaudited pro forma Statement of Comprehensive Income for the year ended 31 December 2020 (together, the "Pro Forma Financial Information") set out in Section B "*Unaudited Pro Forma Financial Information of the Group*" of Part X "*Unaudited Pro Forma Financial Information of the Group*" of the Company's prospectus dated 30 March 2022 (the "Document").

Opinion

In our opinion:

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

Responsibilities

It is the responsibility of the directors of the Company (the "Directors") to prepare the Pro Forma Financial Information in accordance with Section 1 and Section 2 of Annex 20 of the UK version of Regulation number 2019/980 of the European Commission, supplementing Regulation (EU) 2017/1129, which is part of UK law by virtue of the European Union (Withdrawal) Act 2018 (together, the "Prospectus Regulation").

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

In providing this opinion, we are not updating or refreshing any reports or opinions previously made by us on any financial information used in the compilation of the Pro Forma Financial Information, nor do we accept responsibility for such reports or opinions beyond that owed to those to whom those reports or opinions were addressed by us at the dates of their issue.

Basis of preparation

The Pro Forma Financial Information has been prepared on the basis described, for illustrative purposes only, to provide information about how:

- the Taronga Acquisition;
- the purchase of the Emmaville land and shed;
- the purchase of land at 805 Schrodgers Road;
- the consolidation of the Group;
- the capital reduction as part of the Company's re-registration as a public limited company;
- the issue of the Placing Shares at the Placing Price; and
- payment of the costs associated with the Placing and Admission,

might have affected the financial information presented on the basis of the accounting policies adopted by the Company in preparing the unaudited, consolidated interim financial information of the Group for the six-month period ended 30 June 2021 included in Part VIII "*Interim Financial Information of the Group*" of this Document. This report is required by Section 3 of Annex 20 to the Prospectus Regulation and is given for the purpose of complying with that requirement and for no other purpose.

Basis of opinion

We conducted our work in accordance with Standards of Investment Reporting issued by the Financial Reporting Council in the United Kingdom. We are independent of both the Company, its subsidiaries and Taronga Mines Pty Ltd in accordance with the Financial Reporting Council's Ethical Standard, 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 all the information and explanations which we considered necessary in order to provide us with reasonable assurance that the Pro Forma Financial Information is free from material misstatement (whether caused by fraud or other irregularity or error), has been properly compiled on the basis stated and such basis is consistent with the accounting policies of the Company.

Declaration

For the purpose of Prospectus Regulation Rule PRR 5.3.2 R (2)(f), we are responsible for this report as part of the Document and declare that, to the best of our knowledge, the information contained in this report is in accordance with the facts and that this report makes no omission likely to affect its import. This declaration is included in the Document in compliance with item 1.2 of Annex 1 to the Prospectus Regulation.

Yours faithfully,

Crowe U.K. LLP
Chartered Accountants

SECTION B: PRO FORMA FINANCIAL INFORMATION OF THE GROUP

Set out below is an unaudited pro-forma Statement of Financial Position of the Group as at 30 June 2021 and the unaudited pro forma Statement of Comprehensive Income for the year ended 31 December 2020 (together, the “Pro Forma Financial Information”), which has been prepared on the basis of the Group Condensed Interim Financial Information as at 30 June 2021, included in Part VIII “*Interim Financial Information of the Group*” of this Document, the Group Financial Information for the year ended 31 December 2020, included in Section B “*Historical Financial Information of the Group*” of Part VII “Financial Information of the Group” of this Document and on the basis set out in the notes below, to illustrate the effects of:

- the Taronga Acquisition;
- the purchase of the land and shed at Emmaville;
- the purchase of land at 805 Schrodgers Road;
- the consolidation of the Group;
- the capital reduction as part of the Company’s re-registration as a public limited company;
- the issue of the Placing Shares at the Placing Price; and
- payment of the costs associated with the Placing and Admission.

on the assets, liabilities and equity of the Group had the Taronga Acquisition and Placing occurred on 30 June 2021 and on its earnings for the year ended 31 December 2020, had Taronga Acquisition and Placing occurred on 1 January 2020. The Pro Forma Financial Information has been prepared for illustrative purposes only. Due to its nature, the Pro Forma Financial Information addresses a hypothetical situation and, therefore, does not represent the Group’s actual financial position as at 30 June 2021 or of its earnings for the year ended 31 December 2020. It is based on:

- the unaudited Statement of Financial Position of the Group as at 30 June 2021, which is included in Part VIII “*Interim Financial Information of the Group*” of this Document;
- the audited Statement of Comprehensive Income of the Group for the year ended 31 December 2020, which is included in Section B “*Historical Financial Information of the Group*” of Part VII “*Financial Information of the Group*” of this Document; and
- the audited Statement of Financial Position of Taronga Mines as at 30 June 2021 and the audited Statement of Comprehensive Income for the year then ended, which are included in Section B “*Historical Financial Information of Taronga Mines*” of Part IX “*Financial Information of Taronga Mines*” of this Document.

Users should read the whole of this Document and not rely solely on the Pro Forma Financial Information contained in this Section B “*Pro Forma Financial Information of the Group*” of Part IX “*Unaudited Pro Forma Financial Information of the Group*” of this Document.

The report on the Pro Forma Financial Information is set out in Section A “*Accountant’s Report on the Unaudited Pro Forma Financial Information of the Group*” of Part X “*Unaudited Pro Forma Financial Information of the Group*” of this Document.

Unaudited pro forma Statement of Financial Position

		<u>Adjustment</u>	<u>Adjustment</u>	<u>Adjustment</u>	<u>Adjustment</u>	<u>(Unaudited)</u>
	The Group	Taronga	Acquisition,	Consolidation	Placing and	Pro forma
	As at	Mines	Consideration	and capital	settlement	balances of
	30 June 2021	As at	Shares and	reduction	of costs	the Group
	£	£	land	£	£	£
	(Note 1)	(Note 2)	purchases	(Note 4)	(Note 5)	
			(Note 3)			
Non-current assets						
Exploration and evaluation assets	2,988,666	3,244,193	—	15,400,676	—	21,633,535
Property, plant and equipment	30,673	—	806,287	—	—	836,960
Investment in Taronga Mines	—	—	18,726,627	(18,726,627)	—	—
Other receivables	—	35,793	—	—	—	35,793
Total non-current assets	3,019,339	3,279,986	19,532,914	(3,325,951)	—	22,506,288
Current assets						
Trade and other receivables	27,316	214	—	—	—	27,530
Cash and cash equivalents	5,391,969	—	(1,487,163)	—	18,077,036	21,981,842
Total current assets	5,419,285	214	(1,487,163)	—	18,077,036	22,009,372
Total assets	8,438,624	3,280,200	18,045,751	(3,325,951)	18,077,036	44,515,660
Equity						
Share capital	137,358	3,473,209	60,000	(3,473,209)	66,667	264,025
Share premium	17,855,248	—	17,940,000	(17,940,000)	18,633,963	36,489,211
Capital contribution	—	227,626	45,751	(273,377)	—	—
Translation reserve	(77,212)	—	—	—	—	(77,212)
Warrant reserve	80,763	—	—	—	—	80,763
Retained deficit	(9,853,526)	(420,635)	—	18,360,635	(623,594)	7,462,880
Total equity	8,142,631	3,280,200	18,045,751	(3,325,951)	18,077,036	44,219,667
Current liabilities						
Trade and other payables	295,993	—	—	—	—	295,993
Total current liabilities	295,993	—	—	—	—	295,993
Total liabilities	295,993	—	—	—	—	295,993
Total equity and liabilities	8,438,624	3,280,200	18,045,751	(3,325,951)	18,077,036	44,515,660

Unaudited pro forma Statement of Comprehensive Income

	Group Year ended 31 December 2020 £ (Note 1)	<u>Adjustment</u> Taronga Mines Year ended 30 June 2021 £ (Note 2)	<u>Adjustment</u> Acquisition, Consideration Shares and land purchases £ (Note 3)	<u>Adjustment</u> Consolidation and capital reduction £ (Note 4)	<u>Adjustment</u> Placing and settlement of costs £ (Note 5)	(Unaudited) Pro forma results of the Group for the year £
Administrative expenses	(589,002)	(365)	–	–	(623,594)	(1,212,961)
Exploration costs written off	–	(10,238)	–	–	–	(10,238)
Operating loss	(589,002)	(10,603)	–	–	(623,594)	(1,223,199)
Other gains	110,321	–	–	–	–	110,321
Finance costs	(203,608)	(351)	–	–	–	(203,959)
Loss before taxation	(682,289)	(10,094)	–	–	(623,594)	(1,316,837)
Income tax expense	–	–	–	–	–	–
Loss for the year	(682,289)	(10,094)	–	–	(623,594)	(1,316,837)
Other comprehensive income:						
<i>Items that may be reclassified to profit or loss:</i>						
Exchange differences on translation of foreign operations	12,557	–	–	–	–	(112,557)
<i>Items that will not be reclassified to profit or loss</i>						
Changes in the fair value of equity instruments at fair value through other comprehensive income	749,250	–	–	–	–	749,250
Total other comprehensive income/(loss)	861,807	(10,094)	–	–	–	861,807
Total comprehensive income/(loss) for the year	179,518	(10,094)	–	–	(623,594)	(455,030)

1. The unaudited Statement of Financial Position of the Group as at 30 June 2021 has been extracted, without adjustment, from the Group Condensed Interim Financial Information included in Part VIII “Interim Financial Information of the Group” of this Document.

The audited Statement of Comprehensive Income of the Group for the year ended 31 December 2020 has been extracted, without adjustment, from the Group Financial Information included in Section B “Historical Financial Information of the Group” of Part VII “Financial Information of the Group” of this Document.

2. The adjustment represents the audited assets, liabilities and equity of Taronga Mines as at 30 June 2021 and its audited results for the year then ended. The financial information has been extracted, without adjustment, from the Taronga Mines Financial Information set out in Section B “Historical Financial Information of Taronga Mines” of Part IX “Financial Information of Taronga Mines” of this Document. The assets, equity and liabilities of Taronga Mines as at 30 June 2021 have been translated at the rate of £1 to AUD\$1.85790, being the exchange rate as at 30 June 2021 as at www.oanda.com. The results of Taronga Mines for the year ended 30 June 2021 have been translated at the rate of £1 to AUD\$1.88059, being the average exchange rate for the year ended 31 December 2020 as at www.oanda.com.
3. The adjustment relates to the acquisition of Taronga Mines, the purchase of the land and shed at Emmaville and the purchase of land at 805 Schrodgers Road. The adjustment is a combination of:
 - the purchase of land with an aggregate purchase price of £806,287, comprising:
 - the land and shed at Emmaville, purchased for £44,751 (AUD\$85,000) which was funded by Aus Tin as a “capital contribution”; and
 - the land at 805 Schrodgers Road, purchased for £726,627 (AU\$1,350,000) with an additional stamp duty charge to the value of £33,909 (AUD\$63,000);
 - the investment in Taronga Mines amounting to £18,726,627, comprising:
 - the cash payment of £726,627; and
 - the issue of the Consideration Shares. The issue of the Consideration Shares results in an increase to “investments” of £18,000,000 and to “share capital” and “share premium” of £60,000 and £17,940,000 respectively.

This adjustment has no effect on the pro forma Statement of Comprehensive Income.

4. The adjustment represents the consolidation of the Group’s financial information after the completion of the Taronga Acquisition and the capital reduction that was completed as part of the Company’s re-registration to a public limited company. The adjustment comprises:
 - an increase to the carrying value of the Group’s exploration and evaluation assets to the value of £15,400,676, the cancellation of the Company’s “investment in acquisitions” of £18,726,627, the cancellation of Taronga Mines’ “share capital” of £3,473,209, “capital contribution” of £273,377 and “retained deficit” of £420,635, each of which relates to the consolidation of the Group’s financial information; and
 - the reduction of the Company’s “share premium” to the value of £17,940,000 and the corresponding increase to the “retained deficit” by the same amount, both of which are in relation to the Company’s capital reduction.
5. The adjustment reflects the issue of the Placing Shares at the Placing Price and the settlement of the costs associated with the Placing and Admission, being £18,077,036.

The issue of the Placing Shares results in an increase to “cash and cash equivalents” of £20,000,000 and increases to “share capital” and “share premium” of £66,667 and £19,933,333 respectively. This adjustment has no effect on the pro forma Statement of Comprehensive Income.

The settlement of the costs of £1,922,964 results in a decrease to “cash and cash equivalents” of £1,922,964, a decrease to “share premium” of £1,299,370 and a charge to “administrative expenses” in the pro forma Statement of Comprehensive Income of £623,594.

6. The Pro Forma Financial Information does not reflect any changes in the trading position, or any other changes arising from other transactions, since 30 June 2021 in respect of either the Group or Taronga Mines.
7. With respect to the adjustments to the unaudited pro forma Statement of Comprehensive Income, none will have a continuing impact on the Group post-Admission.

PART XI

TAXATION

Taxation in the UK

The following information is based on UK tax law and HMRC practice currently in force in the UK. Such law and practice (including, without limitation, rates of tax) is in principle subject to change at any time. The information that follows is for guidance purposes only. Any person who is in any doubt about his or her position should contact their professional advisor immediately.

Tax treatment of UK investors

The following information, which relates only to UK taxation, is applicable to persons who are resident in the UK and who beneficially own Ordinary Shares as investments and not as securities to be realised in the course of a trade. It is based on the law and practice currently in force in the UK. The information is not exhaustive and does not apply to potential investors:

- who intend to acquire or may acquire (either on their own or together with persons with whom they are connected or associated for tax purposes) more than 10 per cent. of any of the classes of shares in the Company; or
- who intend to acquire Ordinary Shares as part of tax avoidance arrangements; or
- who are in any doubt as to their taxation position.

Such Shareholders should consult their professional advisers without delay. Shareholders should note that tax law and interpretation can change and that, in particular, the levels, basis of and reliefs from taxation may change. Such changes may alter the benefits of investment in the Company.

Shareholders who are neither resident nor temporarily non-resident in the UK and who do not carry on a trade, profession or vocation through a branch, agency or permanent establishment in the UK with which the Ordinary Shares are connected, will not normally be liable to UK taxation on dividends paid by the Company or on capital gains arising on the sale or other disposal of Ordinary Shares. Such Shareholders should consult their own tax advisers concerning their tax liabilities.

Dividends

Where the Company pays dividends, no UK withholding taxes are deducted at source. Shareholders who are resident in the UK for tax purposes will, depending on their circumstances, be liable to UK income tax or corporation tax on those dividends.

UK resident individual Shareholders who are domiciled in the UK, and who hold their Ordinary Shares as investments, will be subject to UK income tax on the amount of dividends received from the Company.

Dividend income received by UK tax resident individuals will have a £2,000 per annum dividend tax allowance. Dividend receipts in excess of £2,000 will be taxed at 7.5 per cent. for basic rate taxpayers, 32.5 per cent for higher rate taxpayers and 38.1 per cent. for additional rate taxpayers. An additional Health & Social Levy of 1.25 per cent. has also been announced that will apply on dividend payments from April 2022.

Shareholders who are subject to UK corporation tax should generally, and subject to certain anti-avoidance provisions, be able to claim exemption from UK corporation tax in respect of any dividend received but will not be entitled to claim relief in respect of any underlying tax.

Disposals of Ordinary Shares

Any gain arising on the sale, redemption or other disposal of Ordinary Shares will be taxed at the time of such sale, redemption or disposal as a capital gain.

The rate of capital gains tax on disposal of Ordinary Shares by basic rate taxpayers is 10 per cent., and for upper rate and additional rate taxpayers, is 20 per cent.

Subject to certain exemptions, the corporation tax rate applicable to its taxable profits is currently 19 per cent and the rate will increase to 25 per cent. after 1 April 2023.

Further information for Shareholders subject to UK income tax and capital gains tax

“Transactions in securities”

The attention of Shareholders (whether corporates or individuals) within the scope of UK taxation is drawn to the provisions set out in, respectively, Part 15 of the Corporation Tax Act 2010 and Chapter 1 of Part 13 of the Income Tax Act 2007, which (in each case) give powers to HMRC to raise tax assessments so as to cancel “*tax advantages*” derived from certain prescribed “*transactions in securities*”.

Stamp duty and stamp duty reserve tax

No UK stamp duty or stamp duty reserve tax will be payable on the allotment and issue of Ordinary Shares pursuant to the Placing, Subscription or Retail Offer.

Most investors will purchase existing Ordinary Shares using the CREST paperless clearance system and these acquisitions will be subject to stamp duty reserve tax at 0.5 per cent. Where Ordinary Shares are acquired using paper (i.e. non-electronic settlement), stamp duty will become payable at 0.5 per cent. if the purchase consideration exceeds £1,000.

The above comments are intended as a guide to the general stamp duty and stamp duty reserve tax positions and may not relate to persons such as charities, market makers, brokers, dealers, intermediaries and persons connected with depositary arrangements or clearance services to whom special rules apply.

THIS SUMMARY OF UK TAXATION ISSUES CAN ONLY PROVIDE A GENERAL OVERVIEW OF THESE AREAS AND IT IS NOT A DESCRIPTION OF ALL THE TAX CONSIDERATIONS THAT MAY BE RELEVANT TO A DECISION TO INVEST IN THE COMPANY. THE SUMMARY OF CERTAIN UK TAX ISSUES IS BASED ON THE LAWS AND REGULATIONS IN FORCE AS OF THE DATE OF THIS DOCUMENT AND MAY BE SUBJECT TO ANY CHANGES IN UK LAWS OCCURRING AFTER SUCH DATE. LEGAL ADVICE SHOULD BE TAKEN WITH REGARD TO INDIVIDUAL CIRCUMSTANCES. ANY PERSON WHO IS IN ANY DOUBT AS TO HIS TAX POSITION OR WHERE HE IS RESIDENT, OR OTHERWISE SUBJECT TO TAXATION, IN A JURISDICTION OTHER THAN THE UK, SHOULD CONSULT HIS PROFESSIONAL ADVISER.

PART XII

ADDITIONAL INFORMATION

1. Responsibility statements

The Directors and the Proposed Directors, whose names appear on page 29, and the Company accept responsibility for the information contained in this Document. As at the date of this Document, to the best of the knowledge of the Directors, the Proposed Directors and the Company, the information contained in this Document is in accordance with the facts and the Document makes no omission likely to affect its import.

2. The Company

- 2.1 The Company was incorporated and registered in England and Wales as a company limited by shares on 1 February 2012 under the Act with the name Treliver Minerals Limited and with registered number 07931518. On 22 February 2017, the Company changed its name to Anglo Saxony Mining Limited. On 3 August 2021, the Company changed its name to First Tin Limited. On 15 March 2022, the Company was re-registered as a public limited company under the name First Tin plc.
- 2.2 The registered office and principal place of business of the Company are set out on page 29 of this Document.
- 2.3 The Company is subject to the Listing Rules and the Disclosure Guidance and Transparency Rules (and the resulting jurisdiction of the FCA) to the extent such rules apply to companies with a Standard Listing pursuant to Chapter 14 of the Listing Rules. The Company also operates in conformity with its Articles.
- 2.4 The principal legislation under which the Company operates, and pursuant to which the Ordinary Shares are and will be created is the Act.
- 2.5 The liability of the members of the Company is limited to the amounts, if any, due to the Company in respect of Shares held by them.
- 2.6 The accounting reference date of the Company is 31 December and its current accounting period will end on 31 December 2022.
- 2.7 As at the date of this Document, the Company's principal operating subsidiary is Saxore and it also owns a dormant Australian subsidiary. On Admission the Company's group will consist of:

Company	Country of Incorporation	Holding	Principal Activities
Saxore Bergbau GmbH	Germany	100%	Mining of non-ferrous metal ores
Taronga Mines Pty Ltd	Australia	100%	Mining of non-ferrous metal ores
First Tin Australia Pty Ltd	Australia	100%	Dormant

3. Share Capital

- 3.1 The issued share capital of the Company as at the date of this Document, all of which is issued and credited as fully paid is as follows:

Class of Share	Number	Nominal Value
Ordinary	138,868,305	£0.001

- 3.2 The issued share capital of the Company as it will be at Admission following completion of the Placing, the issue of the Consideration Shares and the Subscription Shares, all of which will be issued and credited as fully paid is as follows:

Class of Share	Number	Nominal Value
Ordinary	265,534,972	£0.001

- 3.3 The share capital history of the Company in the period covered by the historical financial information is as follows:
- 3.3.1 on April 13 2018, the Company issued 768,236 Ordinary Shares at nominal value;
 - 3.3.2 on April 17 2018, the Company issued 1,000,000 Ordinary Shares at £0.10 per share;
 - 3.3.3 on 14 June 2018, the Company issued 524,221 Ordinary Shares at a deemed issue price of £0.10 per share in consideration for professional services and reimbursement of expenses;
 - 3.3.4 on 15 April 2019, the Company issued 2,000,000 Ordinary Shares in part consideration for an asset purchase at a deemed issue price of £0.15 each and issued 532,877 Ordinary shares at a deemed issue price of £0.12 each in satisfaction of the settlement of interest;
 - 3.3.5 on 7 June 2019, the Company issued 4,510,833 Ordinary Shares at £0.15 per share;
 - 3.3.6 on 9 August 2019, the Company issued 15,000 Ordinary Shares at £0.20 per share;
 - 3.3.7 on 13 November 2019, the Company issued 767,124 Ordinary Shares at £0.12 per share;
 - 3.3.8 between 25 June 2020 and 23 December 2020, the Company issued 3,975,530 Ordinary Shares at issue prices between nominal value and £0.15 per share;
 - 3.3.9 between 25 June 2020 and 23 December 2020, the Company also issued 1,671,232 Ordinary Shares at a deemed issue price of £0.12 in satisfaction of the settlement of interest owed and 827,913 Ordinary Shares at a deemed issue price of £0.08 in consideration for services provided to the Company;
 - 3.3.10 on 1 April 2021, the Company issued 27,691,781 Ordinary Shares at a deemed issue price of £0.08 per share in consideration for interest payments and the conversion of an unsecured convertible loan note;
 - 3.3.11 between 8 April 2021 and 20 April 2021, the Company issued 39,489,602 Ordinary Shares at £0.15 per share; and
 - 3.3.12 between 12 October 2021 and 29 October 2021, the Company issued 1,000,000 Ordinary Shares at nominal value and 510,040 Ordinary Shares at £0.15 per share.
- 3.4 As at the beginning and end of each financial year covered by the historical financial information of the Group (as set out in Part VII of this Document) the number of issued Ordinary Shares (all of which were issued and fully paid) were as follows:

Date	Number	Aggregate Nominal Value
1 January 2018	53,583,556	£53,583.56
31 December 2018	55,876,013	£55,876.01
1 January 2019	55,876,013	£55,876.01
31 December 2019	63,701,847	£63,701.84
1 January 2020	63,701,847	£63,701.84
31 December 2020	70,176,522	£70,176.52

- 3.5 The issued Ordinary Share capital of the Company (all of which was fully paid up and free from all liens) as at 30 June 2021, being the date of the most recent balance sheet, as at the date of this Document and on Admission will be as follows:

	Number of Ordinary Shares	Nominal value per Ordinary Share	Aggregate nominal value
As at 30 June 2021	97,868,303	£0.001	£97,868.30
As at the date of this Document	138,868,305	£0.001	£138,868.30
As at Admission	265,534,972	£0.001	£265,534.97

- 3.6 On 11 February 2022, pursuant to the passing of an ordinary resolution of the Company, the Directors were generally and unconditionally authorised, in accordance with section 551 of the Act, to exercise any power of the Company to allot or grant rights to subscribe for or to convert any securities in the capital of the Company into Ordinary Shares up to an aggregate nominal amount of:
- 3.6.1 £100,000 in respect of the Placing, Subscription and Retail Offer;
 - 3.6.2 £80,000 in respect of the Consideration Shares; and
 - 3.6.3 £87,626 in respect of allotments of Ordinary Shares in the period from Admission to the Company's first annual general meeting following Admission, representing 33% of the Enlarged Share Capital.
- 3.7 On 11 February 2022, pursuant to the passing of a special resolution of the Company, the Directors were generally and unconditionally authorised, in accordance with section 561 of the Act, to exercise any power of the Company to allot or grant rights to subscribe for or to convert any securities in the capital of the Company into Ordinary Shares free of pre-emption rights up to an aggregate nominal amount of:
- 3.7.1 £100,000 in respect of the Placing, Subscription and Retail Offer; and
 - 3.7.2 £26,553 in respect of allotments of Ordinary Shares or grants of rights in the period from Admission to the Company's first annual general meeting following Admission, representing 10% of the Enlarged Share Capital
- 3.8 The Company has adopted the FT Option Plan. A summary of the key terms of the FT Option Plan is as follows:
- 3.8.1 *Operation* – The FT Option Plan is to be operated principally by the Board, acting through the Remuneration Committee;
 - 3.8.2 *Timing of grant of options* – Options will only be granted within the period of forty-two days after the adoption date or the end of a closed period, other than in exceptional circumstances. Options may not be granted at any time when the grant would be prohibited by, or in breach of, MAR. Options may not be granted after the tenth anniversary of the date the plan was adopted;
 - 3.8.3 *Exercise Price* – Options may not normally be granted with an exercise price per Ordinary Shares share less than the average of the middle market quotation for Ordinary Shares for the five immediately preceding days preceding the date of grant;
 - 3.8.4 *Eligibility* – Options can be granted to any employee of the Company or of any subsidiary of the Company. In addition a sub-plan to the FT Option Plan permits the grant of options to consultants and other non-employees as the Remuneration Committee may determine;
 - 3.8.5 *Overall limit* – No options can be granted if the total number of options outstanding (when taken together with any Warrants) exceeds 10 per cent. of the Company's issued Ordinary Shares;
 - 3.8.6 *Performance conditions* – The Board may, but is not obliged to, specify one or more performance conditions attaching to an option. Any performance condition may be varied or waived at the Board's discretion provided that it is fairer measure of performance and not more difficult or materially easier to satisfy than the original performance condition;
 - 3.8.7 *Malus and Clawback* – the Board may, at its discretion, determine that an option holder has acted in such a way which is detrimental to the Company that options held by them should be subject to clawback;

3.8.8 *Exercise of options* – Options not subject to a performance condition will normally become exercisable on the vesting date specified when the option was granted (which may not normally be before the first anniversary of the date of grant). Where performance conditions apply, options will only become exercisable if and to the extent such conditions have been satisfied. Options may not be exercised at a time when that grant would be prohibited by, or in breach of, MAR or the Company's share dealing code; and

3.8.9 *Amendment* – the Board may amend the FT Option Plan at any time. However, no amendment can be made to any options granted prior to the date of an amendment if it would materially affect the rights of any option holders.

3.9 In addition to the FT Option Plan, the Company has certain outstanding Warrants and options issued under previous schemes. These are summarised at paragraph 7 below. The Company has, conditional on Admission, issued 8,500,000 options under the FT Option Plan which are exercisable at £0.33 (being a 10 per cent. premium to the Placing Price) for a three year period from Admission and which vest on Admission.

4. General

4.1 The Ordinary Shares are in registered form and may be held in either certificated form or uncertificated form. The Registrar will be responsible for maintaining the Company's register of members and arranging for it to be kept at a location within the United Kingdom. Temporary documents of title will not be issued. The ISIN of the Ordinary Shares is GB00BNR45554. The SEDOL of the Ordinary Shares is BNR4555.

4.2 The New Ordinary Shares will rank in full for all dividends or other distributions hereafter declared, paid or made on the Ordinary Share capital of the Company and will rank *pari passu* in all other respects with the Existing Ordinary Shares in issue on Admission.

4.3 CREST is a paperless settlement procedure enabling securities to be evidenced otherwise than by a certificate and transferred otherwise than by a written instrument. The Articles permit the holding of Ordinary Shares under the CREST system. Accordingly, settlement of transactions in the Ordinary Shares following Admission may take place within CREST if any Shareholder so wishes. However, CREST is a voluntary system and Shareholders who wish to receive and retain share certificates are able to do so.

4.4 An application has been made for the Enlarged Share Capital to be admitted with a Standard Listing on the Official List. A Standard Listing will afford investors in the Company a lower level of regulatory protection than that afforded to investors in companies with Premium Listings on the Official List, which are subject to additional obligations under the Listing Rules. It should be noted that the FCA will not have authority to (and will not) monitor the Company's compliance with any of the Listing Rules (other than those which apply to an issuer with a Standard Listing under Chapter 14 of the Listing Rules) and/or any provision of the QCA Corporate Governance Code 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 to so comply.

4.5 Except as stated in this Part XII:

4.5.1 the Company does not have in issue any securities not representing share capital;

4.5.2 there are no outstanding convertible securities, exchangeable securities or securities with warrants issued by the Company;

4.5.3 no person has any preferential rights for any share capital of the Company; and no share or loan capital of the Company is currently under option or agreed conditionally or unconditionally to be put under option.

5. Major Shareholders

- 5.1 The Directors are aware of the following holdings of Ordinary Shares which, as at the LPD, represent more than 3 per cent of the Company's Ordinary Shares:

Shareholder	No. of Existing Ordinary Shares	Percentage of issued share capital
HSBC Global Custody Nominee (UK) Limited a/c 706315 (for Baker Steel Resources Trust Limited)	35,788,014	26.05%
Lau Sheung Man	12,623,611	9.19%
Sparta AG	10,000,000	7.28%
Arlington Partners Fund Limited	9,628,413	6.93%
Simon Charles Catt	6,666,668	4.85%
Mark Edward Thompson	4,485,000	3.27%

- 5.2 The Directors and Proposed Directors are aware of the following holdings of Ordinary Shares which, immediately following Admission, will represent more than 3 per cent of the Company's Ordinary Shares or voting rights:

Shareholder	No. of Ordinary Shares	Percentage of Enlarged Share Capital
AusTin Mining Limited	60,000,000	22.6%
HSBC Global Custody Nominee (UK) Limited a/c 706315 (for Baker Steel Resources Trust Limited)	35,788,014	13.48%
Arlington Partners Fund Limited	19,628,413*	7.39%
Lau Sheung Man	12,623,611	4.75%
Sparta AG	11,666,667	4.39%

*This is the maximum holding of Arlington Partners Funds Limited at Admission. Arlington Partners Fund Limited has agreed to its participation in the Subscription to be reduced in respect of applications made under the Retail Offer.

- 5.3 Except for the holdings stated above, the Directors and Proposed Directors are not aware of any persons who, directly or indirectly, jointly or severally, exercise or could exercise control over the Company.
- 5.4 Any person who is directly or indirectly interested in 3 per cent or more of the Company's issued share capital will be required to notify such interests to the Company in accordance with the provisions of Chapter 5 of the Disclosure Guidance and Transparency Rules, and such interests will be notified by the Company to the public.
- 5.5 Those interested, directly or indirectly, in 3 per cent or more of the issued share capital of the Company do not now, and, following the Admission, will not, have different voting rights from other holders of Ordinary Shares.
- 5.6 The Company is aware of the following persons who intend to subscribe for more than 5 per cent. of the Placing and Subscription:
- 5.6.1 Arlington Partners Fund Limited;
- 5.6.2 Bank Julius Baer;
- 5.6.3 Baker Steel Electrum Fund;
- 5.6.4 Janus Henderson; and
- 5.6.5 Itton Limited

6. Interests of the Directors, Proposed Directors and management and key personnel

The interests of the Directors and Proposed Directors and their Connected Persons in the share capital of the Company immediately following Admission will be as follows:

Director/Proposed Director/Connected Person	No. of Ordinary Shares	Percentage of Enlarged Share Capital	Options or Warrants over Ordinary Shares
Thomas Buenger	2,010,400	0.76	4,500,000
Charles Cannon Brookes	22,129,746*	8.33	5,068,000**
Catherine Apthorpe	—	—	—
Seamus Cornelius	83,333	0.03	—
Ingo Hofmaier	—	—	—

* shares held as to 19,628,413 by Arlington Partners Fund Limited and 2,501,333 as by Arlington Group Asset Management Limited, companies in which Charles Cannon Brookes is interested. This position represents the maximum holding of Arlington Partners Fund Limited as its participation in the Subscription is subject to any clawback in relation to the Retail Offer.

** Warrants held by Arlington Group Asset Management Limited, a company of which Charles Cannon Brookes is a director and shareholder, being 2,568,000 exercisable at £0.20 and 2,500,000 exercisable at £0.33

7. Options and Warrants

As at Admission, the Company will have the following options and warrants over its Ordinary Shares:

Options/Warrants	No. of Ordinary Shares	Expiry date	Percentage of Enlarged Share Capital
Options exercisable at £0.13	1,560,000	3 March 2023	0.58
Options exercisable at £0.33 pursuant to the FT Option Plan	8,500,000	8 April 2025	3.2
Warrants exercisable at £0.20	3,168,000	9 April 2024	1.19
Warrants exercisable at £0.33	2,500,000	9 April 2024	0.94
Total	15,728,000		5.91

8. Articles of Association

- 8.1 The Articles of the Company are available at Companies House and at the address specified in paragraph 2.2 above, a summary of which is set out below. The Company's objects are unrestricted. There are no provisions in the Articles that would have the effect of delaying, deferring or preventing a change in control of the Company.
- 8.2 There are no rights of pre-emption in respect of transfers of issued Ordinary Shares. However, in certain circumstances, the Company's Shareholders may have statutory pre-emption rights under the Act in respect of the allotment of new shares in the Company. These statutory pre-emption rights would require the Company to place new shares for allotment to existing Shareholders on a pro-rata basis before allotting them to other persons. In such circumstances, the procedure for the exercise of such statutory pre-emption rights would be set out in the documentation by which such shares are offered to the Company's Shareholders.
- 8.3 Each share confers the right to receive notice of and attend all meetings of Shareholders. Each holder of shares present at a general meeting in person or by proxy has one vote, and, on a poll, one vote for each share of which he is the holder.
- 8.4 On a winding up, a liquidator may, on obtaining any sanction required by law, divide amongst the holders of the Company's shares (in specie or in kind) the whole or any part of the assets of the Company, and may, with the like sanction, determine how such diversion is to be carried out.
- 8.5 The shares confer upon their holders the right to participate in any profits which the Company may from time to time determine to distribute in respect of any financial period.
- 8.6 Subject to the provisions of the Act and if the profits of the Company justify such payments, the Board may declare and pay interim dividends on shares of any class of such amounts as and

when they think fit. All dividends are apportioned and paid pro-rata according to the amounts paid on the shares. No dividend or other monies payable on or in respect of a share will bear interest as against the Company. The Board may retain any dividend or other monies payable on or in respect of a share on which the Company has a lien, and may apply them towards the satisfaction of the debts, liability or engagements in respect of a lien. A dividend may be retained if a shareholder has failed to comply with the statutory disclosure requirements of the Act. Any dividend unclaimed for twelve years will be forfeited and revert to the Company.

- 8.7 Subject to the provisions of the Act and to any rights attaching to existing shares, the Board may issue shares which can be redeemed at the option of the Company or the holder and the Board may determine the terms, conditions and manner of redemption.
- 8.8 All or any of the rights or privileges attached to any class of shares in the Company may be varied or abrogated with the consent in writing of the holders of three quarters in nominal value of the issued shares of that class or with the sanction of a special resolution passed at a separate general meeting of the holders of shares of that class. At every such separate general meeting the quorum is two persons holding or representing by proxy one-third in nominal value of the issued shares of that class.
- 8.9 The Company may make arrangements for any class of its shares to be issued in uncertificated form and in accordance with and subject as provided in the CREST Regulations and transfer of title of those shares shall be effected by means of relevant system in the manner provided for and subject as provided for in the CREST Regulations. Shares held in uncertificated form may be changed to certificated form.
- 8.10 In order to transfer shares, the instrument of transfer of any such shares must be in any usual form or in such other form as may be approved by the Board, or in the case of shares in uncertificated form, by means of a relevant system as provided in the CREST Regulations. The Articles contain no restrictions on the free transferability of fully paid Ordinary Shares, provided that the transfer is permitted by the uncertificated securities rules or, for shares in certificated form, the transfer is in favour of not more than four transferees, the Company has no lien over the shares in question, the transfer is in respect of only one class of share, it is duly stamped or shown to the Board to be exempt from stamp duty and the provisions in the Articles relating to registration of transfers have been complied with
- 8.11 Key provisions of the rights attaching to the shares are set out below:

Rights of Shareholders

The Articles provide that each share confers upon the Shareholder:

- the right to one vote on a show of hands and on a poll to one vote for every share of which he is the holder at a meeting of the Shareholders (subject to any special terms as to voting on which any shares may have been issued or may for the time being be held and to any suspension or abrogation of voting rights under the Articles);
- the right to receive dividends according to the amounts paid up (otherwise than in advance of calls) on the shares on which the dividend is paid by the Company; and
- the right in the distribution of the surplus assets of the Company on its liquidation to a share in proportion to the amount to which, at the commencement of the winding up, the shares held by him are paid up.

Shares may be purchased, redeemed or otherwise acquired for any consideration provided that such redemption or acquisition does not contravene the requirements of the Act.

Variation of rights

Subject to the provisions of the Act, if at any time the share capital of the Company is divided into shares of different classes, any of the rights for the time being attached to any share or class of shares in the Company may be varied or abrogated either with the consent in writing of the holders of not less than three quarters of the issued shares of the class or with the sanction of a special resolution passed at a separate general meeting of the holders of shares of the class duly convened and held as provided in the Articles. The foregoing provisions of this paragraph shall apply also to the variation or abrogation of

the special rights attached to some only of the shares of any class as if each group of shares of the class differently treated formed a separate class the separate rights of which are to be varied.

Payment of Dividends

Subject to the provisions of the Act and the Articles, the Company may, by ordinary resolution declare that dividends may be paid to members according to their respective rights and interests in the profits of the Company. However, no dividend shall exceed the amount recommended by the Board.

The Board may declare and pay such interim dividends (including any dividend payable at a fixed rate) as appear to the Board that the profits available for distribution justify the payment. If the Board act in good faith, they do not incur any liability to the holders of shares for any loss they may suffer by the lawful payment of an interim dividend on any other class of shares ranking with or after those shares.

Unless otherwise provided by the rights attached to the shares, all dividends shall be declared and paid accordingly to the amounts paid up on the shares in respect of the period in which the dividend is paid, may be declared or paid in any currency and no dividend or other monies payable by the Company or in respect of a share shall bear interest as against the Company. The Board may deduct from any dividend in respect of a share all such sums as may be due from him or her to the Company on account of calls or otherwise in relation to the shares of the Company. The Board may, by ordinary resolution of the Company direct, or in the case of an interim dividend may without the authority of an ordinary resolution direct, that payment of any dividend declared may be satisfied wholly or partly by the distribution of assets, and in particular of paid up shares or debentures of any other company.

All dividends, interest or other sum payable and unclaimed for twelve months after having become payable may be invested or otherwise made use of by the Board for the benefit of the Company until claimed and the Company shall not be constituted a trustee in respect thereof. All dividends unclaimed for a period of twelve years after having become due for payment shall (if the Board so resolves) be forfeited and cease to remain owing by the Company.

Pre-emption rights of Shareholders

Shareholders have pre-emption rights as set out in the Act, subject to any additional authority given by special resolution. The pre-emption provisions shall not apply to the allotment of any shares for a consideration other than cash or in connection with an employees' share scheme, and, accordingly, the Board may allot or otherwise dispose of any unissued shares in the capital of the Company for a consideration other than cash to such persons at such times and generally on such terms as they may think fit.

A reference in the foregoing paragraphs to the allotment of any shares includes the grant of a right to subscribe for, or to convert any securities into, shares but such reference does not include the allotment of any relevant shares pursuant to such a right.

Winding Up and Return of Capital

Under the Articles, on a voluntary winding up of the Company the liquidator may, on obtaining any sanction required by law, divide among the members in kind the whole or any part of the assets of the Company, whether or not the assets consist of property of one kind or of different kinds; and vest the whole or any part of the assets in trustees upon such trusts for the benefit of the members as he, with the like sanction, shall determine.

If the Company is wound up, the liquidator may set the value he deems fair on a class or classes of property; and determine on the basis of that valuation and in accordance with the then existing rights of members how the division is to be earned out between members or classes of members. The liquidator may not, however, distribute to a member without his consent an asset to which there is attached a liability.

Disclosure of Interests in Shares

The provisions of Chapter 5 of the Disclosure Guidance and Transparency Rules and section 793 of the Act apply to the disclosure of interests in shares.

Chapter 5 details the circumstances in which a person may be obliged to notify the Company that he has an interest in voting rights in respect of shares (a "notifiable interest"). An obligation to notify the

Company arises: (a) when a person becomes or ceases to be interested (by way of a direct or indirect holding of shares or of certain “Qualifying Financial Instruments” (as defined in the Disclosure Guidance and Transparency Rules) or other instruments creating a long position on the economic performance of the shares) in three per cent. or more of the voting rights attaching to the shares; and (b) where such person’s interests alters by a complete integer of one per cent. of the voting rights attaching to the shares.

The Act permits the Company to serve a notice on any person where the Company has reasonable cause to believe such person is interested in the shares or has been interested in the shares at any time during the three years immediately preceding the date on which the notice is issued. Such notice may require the person to confirm or deny that he has or was interested in the shares and, if he holds, or has during that time held, any such interest to give such further information as may be required in accordance with the Articles. Where such Shareholder fails to comply with the terms of the notice within the period specified in such notice the Shareholder will be in default (such Shareholder’s shares being referred to as “**Default Shares**”). The Board may direct that voting rights and dividend rights be suspended in respect of Default Shares.

Under the Disclosure Guidance and Transparency Rules, a person must notify the Company of the percentage of its voting rights if, at any time after the date on which the Articles came into force, the percentage of voting rights which he holds as shareholder or through his direct or indirect holding of financial instruments (or a combination of such holdings):

- reaches, exceeds or falls below 3 per cent., 4 per cent., 5 per cent., 6 per cent., 7 per cent., 8 per cent., 9 per cent., 10 per cent. and each 1 per cent. threshold thereafter up to 100 per cent.; or
- reaches, exceeds or falls below an applicable threshold in (a) as a result of events changing the breakdown of voting rights and on the basis of information disclosed by the Company in accordance with the Articles.

A person shall not be required to aggregate his holdings in the circumstances prescribed in rule 5.4 of the Disclosure Guidance and Transparency Rules.

The Company must at the end of each calendar month during which an increase or decrease has occurred, notify to a RIS for distribution to the public the total number of voting rights and capital in respect of each class of share which it issues.

An obligation to give a notice to the Company in relation to notifying of the change in his percentage of voting rights shall be fulfilled as soon as possible and in any event before the end of the second working day after the relevant person learns the relevant threshold was reached or crossed.

In addition, under the Articles, and in accordance with the process set out under the Articles, where notice is served by the Company under section 793 of the Act (a “section 793 notice”) on a member, or another person appearing to be interested in shares held by that member, and the member or other person has failed in relation to any shares (the “default shares”, which expression includes any shares allotted or issued after the date of the section 793 notice in respect of those shares) to give the Company the information required within the prescribed period from the date of service of the section 793 notice, the following sanctions apply, unless the Board otherwise decide:

- the member shall not be entitled in respect of the default shares to be present or to vote (either in person, by proxy or by corporate representative) at a general meeting or at a separate meeting of the holders of a class of shares or on a poll or to exercise any other right conferred by membership in relation to any such meeting or poll; and
- where the default shares represent at least 0.25 per cent. in nominal value of the issued shares of their class (excluding any share of their class held as treasury shares):
 - a dividend or other amount payable in respect of the default shares shall be withheld by the Company, which has no obligation to pay interest on it, and the member shall not be entitled to elect, under Article 127, to receive shares instead of a dividend, and
 - no transfer of any certificated default shares shall be registered unless the transfer is an excepted transfer; or

- the member is not himself in default in supplying the information required; and
- the member proves to the satisfaction of the Board that no person in default in supplying the information required is interested in any of the shares the subject of the transfer.

The Company is subject to the City Code. Other than as provided by the City Code and the Act, there are no rules or provisions relation to mandatory bids and/or squeeze-out and sell-out rules relating to the Ordinary Shares.

9. Dividends and Distributions

Subject to the provisions of the Act and the Articles, the Board may declare dividends in money, shares or other property

10. Working Capital

The Company is of the opinion that the working capital available to the Group taking into account the Net Proceeds is for at least the next 12 months from the date of this Document sufficient for its present requirements.

11. Directors and Proposed Directors

11.1 The Company's Directors and the Proposed Directors who will be appointed with effect from Admission currently hold or have held directorships, partnerships or positions on the administrative, management or supervisory bodies of the following companies within the five years prior to the publication of this Document (other than in respect of the Company and its subsidiary companies):

Director	Current Directorships/Partnerships	Past Directorships/Partnerships
Thomas Buenger	None	Aurubis AG Aurubis Belgium Aurubis Bulgaria AD Aurubis Italy Srl Metallo Group Belgium
Charles Cannon Brookes	Arlington Group Asset Management Limited Arlington Group Asset Management (Guernsey) Limited Bakhchysarai (Ireland) Limited Capital Step Investments Limited Capital Step Funding Limited Capital Step Funding 2 Limited Capital Step Holdings Limited City Colleges Education Ltd Duke Royalty Limited Duke Royalty UK Limited Heatherway Property Limited Radix Capital Limited Slake Topco Limited Step Investments Limited	Duke Royalty Switzerland GmbH HEIQ PLC Slake Holdings Limited United Glass Group Ltd
Catherine Apthorpe	Panthera Resources plc Panthera Mali (UK) Limited	None
Seamus Cornelius	Buxton Resources Limited Danakli Mining Limited Duketon Mining Limited Element 25 Limited	None
Ingo Hofmaier	SolGold Finance AG	None

- 11.2 None of the Directors or Proposed Directors has at any time within the last five years:
- 11.2.1 had any convictions in relation to fraudulent offences;
 - 11.2.2 been declared bankrupt or been the subject of any individual voluntary arrangement;
 - 11.2.3 been associated with any bankruptcy, receivership or liquidation in his or her capacity as director or senior manager;
 - 11.2.4 been the subject of any official public incrimination and/or sanctions by statutory or regulatory authorities (including designated professional bodies);
 - 11.2.5 been disqualified by a court from acting as a director;
 - 11.2.6 been disqualified by a court 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;
 - 11.2.7 been a partner or senior manager in a partnership which, while he or she was a partner or within twelve months of his or her ceasing to be a partner, was put into compulsory liquidation or administration or which entered into any partnership voluntary arrangement;
 - 11.2.8 owned any assets which have been subject to a receivership or been a partner in a partnership subject to a receivership where he or she was a partner at that time or within the twelve months preceding such event; and/or
 - 11.2.9 been a director or senior manager of a company which has been placed in receivership, compulsory liquidation, creditors' voluntary liquidation or administration or which entered into any company voluntary arrangement or any composition or arrangement with its creditors generally or any class of creditors, at any time during which he or she was a director or senior manager of that company or within twelve months of his or her ceasing to be an a director or senior manager.
- 11.3 Save as set out in paragraphs 19 (*Related Party Transactions*) and 21 (*Material Contracts*) of this Part XII and in respect of their respective interests and duties as Directors, Proposed Directors and members of the management and key personnel of the Company as applicable, none of the Directors, Proposed Directors or members of the management and key personnel of the Company has any actual or potential conflicts of interest between their duties to the Company as applicable and their private interests or other duties.

12. Directors' remuneration

- 12.1 Details of the aggregate remuneration and benefits in kind granted to the Company's Directors during the financial year to 31 December 2021 (including amounts paid by Group companies) together with an estimate of the aggregate amount payable and benefits in kind to be granted for the current financial year to 31 December 2022 are set out below:

	2021	2022 (estimate)
Thomas Buenger	€132,486	€477,378
Charles Cannon Brookes	£9,000	£35,000
Catherine Apthorpe	—	£40,000
Seamus Cornelius	—	£45,000
Ingo Hofmaier	—	£45,000
Total	€132,486 and £9,000	€477,378 and £165,000

13. Directors' service agreements and letters of appointment

13.1 Thomas Buenger

Thomas Buenger entered into a service agreement with the Company dated 30 September 2021, pursuant to which, from 1 October 2021, he is entitled to a salary €50,000 per annum to act as Chief Executive Officer of the Company. Thomas Buenger also received 1,000,000 Ordinary Shares in the Company. On Admission, Thomas Buenger will also, conditional on Admission, be issued with options over 4,500,000 Ordinary Shares exercisable in the three year period from

Admission at £0.33 being a 10 per cent. premium to the Placing Price. The service agreement is terminable on six months' notice by either party and contains customary post-employment restrictive covenants.

Thomas Buenger also entered into a service agreement with Saxore dated 30 September 2021, pursuant to which he is entitled to a salary of €250,000 per annum to act as Managing Director of Saxore. The service agreement is terminable on six months' notice by either party and contains customary post-employment restrictive covenants.

13.2 *Charles Cannon Brookes*

On 20 May 2021, the Company and Charles Cannon Brookes entered into a letter of appointment pursuant to which Charles Cannon Brookes was appointed as a non-executive director of the Company with effect from 7 April 2021. The appointment may be terminated on three months' notice by either party. On 29 March 2022, the letter of appointment was amended so that Charles Cannon Brookes will receive an annual fee of £35,000 which includes fees for membership of all relevant board committees and will be appointed as non-executive Chairman as from Admission.

13.3 *Catherine Apthorpe*

On 29 March 2022, the Company and Catherine Apthorpe entered into a letter of appointment pursuant to which Catherine Apthorpe will act as independent non-executive director of the Company from Admission. The agreement is for an initial term ending on the conclusion of the Company's second AGM following Admission. The appointment may be terminated upon three months' notice by either party at any time. Catherine Apthorpe will receive an annual fee of £40,000 to act as non-executive director (which includes fees for memberships of all relevant board committees).

13.4 *Seamus Cornelius*

On 29 March 2022, the Company and Seamus Cornelius entered into a letter of appointment pursuant to which Seamus Cornelius will act as an independent non-executive director of the Company from Admission. The agreement is for an initial term ending on the conclusion of the Company's second AGM following Admission. The appointment may be terminated upon three months' notice by either party at any time. Seamus Cornelius will receive an annual fee of £45,000 to act as non-executive director (which includes fees for memberships of all relevant board committees).

13.5 *Ingo Hofmaier*

On 29 March 2022, the Company and Ingo Hofmaier entered into a letter of appointment pursuant to which Ingo Hofmaier will act as an independent non-executive director of the Company from Admission. The agreement is for an initial term ending on the conclusion of the Company's second AGM following Admission. The appointment may be terminated upon three months' notice by either party at any time. Ingo Hofmaier will receive an annual fee of £45,000 to act as non-executive director (which includes fees for memberships of all relevant board committees).

14. **Pension Arrangements**

There are currently no pensions or other similar arrangements in place with any of the Directors or Proposed Directors which require the Company to set aside or accrue amounts.

15. **Litigation**

15.1 **Company**

On 16 September 2020, Saxony Minerals and Exploration AG (**SME**) filed an objection with the Saxon Mining Office (being the awarding body in Saxony for mining licences) against a notice dated 13 August 2020 pursuant to which Saxore was granted a permit for the exploration and mining over the "Rittersgrün" field which contains the Tellerhäuser Project project by the Saxon Mining Office. On 26 January 2021, the Saxon Mining Office ordered the immediate enforcement of the permit awarded to Saxore. SME applied to the Chemnitz Administrative Court on 12 April

2021 for a ruling that its September 2020 objection would suspend the permit but this was rejected by the Court on 12 July 2021 with the Court noting that it considered the permit to be lawfully granted and that the objection was unfounded.

On 16 September 2020, Saxony Minerals and Exploration AG (**SME**) filed an objection with the Saxon Mining Office (being the awarding body in Saxony for mining licences) against a notice dated 13 August 2020 pursuant to which Saxore was granted a permit for the exploration and mining over the “Rittersgrün” field which contains the Tellerhäuser Project by the Saxon Mining Office. On 26 January 2021, the Saxon Mining Office ordered the immediate enforcement of the permit awarded to Saxore. SME applied to the Chemnitz Administrative Court on 12 April 2021 for a ruling that its September 2020 objection would suspend the permit but this was rejected by the Court on 12 July 2021, with the Court noting that it considered the permit to be lawfully granted and that the objection was unfounded. SME filed an appeal on 22 July 2021 with the Saxon Higher Administrative Court but this was rejected on 22 March 2022. In its decision, the Saxon Higher Administrative Court noted that the appeal was unfounded, that the immediate enforcement of the “Rittersgrün” permit was lawful and that the granting of the “Rittersgrün” permit to Saxore did not violate any rights of SME. The decision of the Saxon Higher Administrative Court on the immediate enforcement of the permit is final, and no further appeal by SME is possible against this decision.

Neither Saxore nor the Company were directly party to such proceedings, but Saxore was asked by the Saxon Higher Administrative Court to comment on the appeal as an interested party. The two Court decisions confirming that the immediate enforcement of the “Rittersgrün” permit (mining licence) was lawful is a strong sign that the Courts regard the granting of the permit itself as lawful and the objection of SME as unfounded. The Saxon Mining Office is expected to decide on the objection of SME against the granting of the licence during the first half of 2022. SME could bring an action against this decision, which would require SME to apply to the Administrative Court of Chemnitz and, in case of appeal, to the Saxon Higher Administrative Court. Since both Courts in their decisions on the immediate enforcement of the permit did not cast any doubt on the lawfulness of the granting of the “Rittersgrün” permit, it is considered likely that the Courts would reject SMEs action against the decision.

However, in the event that the Saxon Mining Office does not follow the Court decisions and rules that there was a violation of SME’s rights by the granting of the “Rittersgrün” permit, the Company’s “Rittersgrün” permit would be cancelled. In such circumstances, Saxore could bring in an action against the Saxon Mining Office at the Administrative Court of Chemnitz and, in the case of an appeal, at the Saxon Higher Administrative Court. Since both Courts in their decisions on the immediate enforcement of the permit did not cast any doubt on the lawfulness of the granting of the “Rittersgrün” permit, it is considered likely that Saxore would succeed with any such action. In any event, a decision of the Mining Office would not prevent Saxore from applying for a new licence at “Rittersgrün”. However, the scenario of a cancellation would have a materially adverse effect on Saxore’s financial position, and in turn, the Company’s.

Save as noted in this paragraph 15.1, there are not 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), during a period covering at least the previous 12 months which may have, or have had in the recent past, significant effects on the Company’s and/or the Group’s financial position or profitability.

15.2 Taronga Mines

There are not 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), during a period covering at least the previous 12 months which may have, or have had in the recent past, significant effects on Taronga Mines’ financial position or profitability.

16. Employees and Premises

16.1 Company

The Company has no employees, other than the Directors, and neither owns nor leases any property.

16.2 Saxore

Saxore's employees are all based in Germany where Saxore leases an office space, storage space for geological samples and a flat for visiting consultants at an aggregate cost of €6,925 per month. The number of employees of Saxore as at the date of this Document and in the period covered by the Historical Financial Information is as follows:

Date	As at the date of this Document:	30 June 2021	31 December 2020	31 December 2019	31 December 2018
Number of employees	7	5	6	6	4

16.3 Taronga Mines

Taronga has no employees as at the date of this Document. Following the Company's acquisition of Taronga, it expects to engage employees at Taronga. Taronga owns the land acquired pursuant to the agreements summarised at paragraphs 22.2 and 22.3 below.

17. Intellectual Property Rights, Contracts and Manufacturing Processes

17.1 Company

There are no patents or other intellectual property rights, licences, particular contracts or new manufacturing processes which are of fundamental importance to the business of the Company or its Group.

17.2 Taronga Mines

There are no patents or other intellectual property rights, licences, particular contracts or new manufacturing processes which are of fundamental importance to the business of Taronga.

18. Dilution of Ordinary Share Capital

The issue of the Placing Shares, Subscription Shares, Retail Shares and Consideration Shares will result in the Existing Shareholders' aggregate shareholding of 138,868,305 Ordinary Shares being diluted so as to constitute 52.29 per cent. of the Enlarged Share Capital. Therefore any Existing Shareholder who is not participating in the Placing or Subscription will see their holding in the Company diluted by 47.71 per cent.

The net asset value of the Company per Ordinary Share as at 30 June 2021 was £0.058. The Placing Price is £0.30.

19. Related Party Transactions

19.1 The Company

The Company has not entered into any related party transactions in the period covered by the historical financial information in Parts VII and VIII of this Document and in the period from 1 July 2021 to the date of this Document other than:

19.1.1 as set out at note 20 to the financial information set out in Part VII (*Financial Information of the Group*) of this Document and note 18 to the financial information set out in Part VIII (*Interim Financial Information of the Group*) of this Document;

19.1.2 in relation to the service agreements and letters of appointment entered into with the Directors and Proposed Directors; and

19.1.3 the arrangements with AGAM as set out in paragraphs 21.6, 21.8 and 21.13 below, which constitute related party transactions as Charles Cannon Brookes is a director of both AGAM and the Company, and AGAM indirectly holds Ordinary Shares in the Company.

19.2 Taronga

Taronga has not entered into any related party transactions in the period covered by the historical financial information in Part IX (*Financial Information of Taronga Mines*) of this Document and in the period from 1 July 2021 to the date of this Document, other than as set out in note 15, to the financial information set out at Part IX.

20. Significant Change

20.1 The Company

Since 30 June 2021, being the date of the latest published unaudited interim financial information of the Company, there have been no significant changes in the financial performance or financial position of the Company, save for:

20.1.1 a capital reduction completed in March 2022 as part of the Company's re-registration to a public limited company which reduced the "share premium" balance by £17,940,000 and increased the "retained deficit" by the same amount;

20.1.2 the provision of an unsecured, interest-free loan of \$1,618,878 to Taronga Mines to fund Taronga Mines' purchase of its land assets; and

20.1.3 the incorporation of First Tin Australia Pty Ltd, the Company's wholly-owned subsidiary in Australia.

20.2 Taronga

Since 31 December 2021, being the date of the latest published audited financial information of Taronga, there have been no significant changes in the financial performance or financial position of Taronga.

21. Company material contracts

Set out below is a summary of each material contract, other than contracts entered into in the ordinary course of business, which has either been entered into by the Company and each of its Group companies within the two years immediately preceding publication of this Document or contains an obligation or entitlement which is material as at the date of this Document.

21.1 Taronga SPA and Taronga Loan Agreement

The Taronga SPA and Taronga Loan Agreement are further detailed in Part II (*The Taronga Acquisition*) of this Document.

21.2 Registrar Agreement

The Registrar Agreement was entered into between the Company and the Registrar on 11 January 2022 for an initial term of 12 months from Admission and thereafter until terminated by either party giving to the other not less than six months' notice. Under the agreement, the Registrar is required to provide a registration and transfer office for the Company within the United Kingdom. The Company indemnifies the Registrar for any loss resulting from judgements or claims brought against the Registrar in providing its services under the terms of the agreement.

21.3 Placing Agreement

Conditional on Admission, the Company, the Directors, the Proposed Directors, AGAM and WHI entered into a Placing Agreement, dated 29 March 2022, pursuant to which AGAM and WHI agreed, subject to certain conditions, to use reasonable endeavours to procure purchasers for the Placing Shares.

The Placing Agreement provides for AGAM and WHI to be paid cash commission in respect of the Placing Shares in accordance with their respective engagement letters. The Placing Agreement also provides for corporate finance fees to be paid to each of AGAM and WHI in accordance with their respective engagement letters as further detailed at paragraphs 21.6 and 21.7 below.

21.4 Subscription Agreements

Conditional on Admission, the Company and each of the Subscribers have entered into subscription agreements pursuant to which the Subscribers have agreed to subscribe for Subscription Shares at the Placing Price.

21.5 Lock-In Agreements

Conditional on Admission, each of the Directors and Proposed Directors (the **Locked-in Parties**) have entered into lock-in agreement with the Company and each of AGAM and WHI in relation

to the Ordinary Shares to be held by them and their associates on Admission. Pursuant to the terms of the agreement each of the Locked-in Parties have agreed that, without the prior written consent of the Company and each of AGAM and WHI for a period of 12 months from Admission they will not transfer or dispose of any Ordinary Shares they hold and, for a further 12 months thereafter, the Ordinary Shares must only be transferred or disposed of in accordance with orderly marketing arrangements.

Conditional on Admission, Baker Steel Resources Trust Limited has entered into a lock-in agreement with the Company, AGAM and WHI in relation to the Ordinary Shares to be held by them on Admission. Under the terms of the agreement, Baker Steel Resources Trust Limited has agreed not to dispose of any Ordinary Shares (other than in respect of 1,340,000 Ordinary Shares which Baker Steel Resources Trust Limited is acquiring in the Placing) for a period of 12 months from Admission subject to certain exceptions as follows:

- the Company becoming subject to a change of control during such period;
- in respect of 7,157,602 Ordinary Shares the 10 day VWAP of the Ordinary Shares is not less than 45 pence;
- in respect of 7,157,602 Ordinary Shares the 10 day VWAP of the Ordinary Shares is not less than 60 pence;
- in respect of 7,157,602 Ordinary Shares the 10 day VWAP of the Ordinary Shares is not less than 75 pence;
- in respect of 7,157,602 Ordinary Shares the 10 day VWAP of the Ordinary Shares is not less than 95 pence; and
- if during the period the Company is suspended from trading on the Main Market for not less than 10 consecutive days, or is delisted from the Main Market.

Following a further 12 month period following the anniversary of Admission, Baker Steel Resources Trust Limited has agreed to dispose of such Ordinary Shares only with the consent of the Company and a broker (such consent not to be unreasonably withheld) and in accordance with orderly market principles.

The details of the lock-in arrangements which Aus Tin has agreed to are set out in the description of the Taronga SPA.

21.6 AGAM IPO Engagement Letter

The Company has agreed to the terms of an engagement letter with AGAM, pursuant to which AGAM will act as joint broker in relation to the Placing alongside WH Ireland. The fees and expenses payable to AGAM under this engagement letter are as follows:

- commission of 5 per cent. on funds raised (save that the commission payable on funds from certain investors is to be split equally with WH Ireland) and which AGAM has agreed to use to subscribe for Subscription Shares at the Placing Price; and
- a corporate finance fee of £60,000.

21.7 WHI IPO Engagement Letter

The Company has agreed to the terms of an engagement letter with WH Ireland Limited, pursuant to which WH Ireland will act as joint broker in connection with the Placing alongside AGAM. The fees and expenses payable to WH Ireland under this engagement letter are:

- commission of 2.5 per cent. on funds raised by certain investors as agreed with AGAM and which WHI has agreed to use to subscribe for Subscription Shares at the Placing Price; and
- a corporate finance fee of £60,000.

21.8 AGAM on-going Engagement Letter

On 11 January 2022, the Company and AGAM entered into an advisory agreement pursuant to which AGAM will, subject to and from Admission, provide the Company with various services, including liaising with institutional investors, marketing services and the provision of strategic

advice. The advisory agreement has an initial period of 12 months which is then terminable by either party with 3 months' written notice. The Company will pay AGAM £4,166.67 per month during the term of the agreement.

21.9 **WHI on-going Engagement Letter**

On 29 March 2022, the Company and WHI entered into an engagement letter pursuant to which, WHI will act as the Company's broker following Admission for an initial term of 12 months which is then terminable by either party with 3 months' written notice. The Company has agreed to pay to WHI an annual retainer and the agreement contains a customary indemnity from the Company in favour of WHI and its representatives.

21.10 **M & J Knight Limited Engagement Letter**

CFO and company secretarial services are managed by Martyn Knight with remuneration paid through his management company, M & J Knight Limited (**M&J**). The Company entered into an agreement with M&J on 3 August 2021. Services are deemed to have commenced on 1 September 2020. The agreement includes an undertaking by M&J to offer any business opportunities to the Company before offering them to any other party. The fee payable is per day is £500, which shall be reasonably apportioned to reflect the amount of work undertaken each day, with monthly invoices submitted in the last working day of each month. The contract is terminable on four weeks' notice or in exceptional circumstances (for example gross misconduct, fraud, insolvency).

21.11 **Anglo Saxony Minerals disposal**

The Company entered into a share purchase agreement with Godolphin Minerals Limited (**Godolphin**) dated 21 January 2020, pursuant to which the Company sold Anglo Saxony Minerals (UK) Limited, a non-trading subsidiary. The consideration was £100,000 in cash paid on completion, together with US\$1,000,000 contingent consideration. The contingent consideration is payable within 30 calendar days of a mine within the Duke of Leeds area (as defined within the agreement) (the **Duke of Leeds Mine**) achieving the ability to sustain ongoing production of an average of 300 tonnes of ore per day for 90 consecutive calendar days.

The Company gave various warranties to Godolphin which were subject to a one year limitation period and a cap of £100,000. The Company also gave restrictive covenants to refrain from engaging in a competing business in Cornwall for 12 months from the date of completion.

In connection with the agreement, the Company and Godolphin also entered into a royalty agreement on 21 January 2020. Pursuant to the royalty agreement, the Company is entitled to two per cent of the gross receipts received by Godolphin from any mint, smelter, refinery or other purchaser for the sale of certain products produced from the Duke of Leeds Mine, less certain costs and charges (the **Royalty**). The Royalty is calculated on a financial year basis and, if payable, is paid in four quarterly instalments.

21.12 **Convertible Loan Notes**

Baker Steel Resources Trust Limited (**BSRT**), a London Stock Exchange listed investment trust, was issued convertible loan notes (**CLNs**) by the Company on July 2018 and 23 December 2020, totalling £2,200,000 in aggregate, convertible into Ordinary Shares. The CLNs were converted in full on 1 April 2021 and 27,691,781 Ordinary Shares were issued to BSRT's nominee, HSBC Global Custody Nominee (UK) Limited.

The Company gave various warranties and undertakings to BSRT pursuant to the terms of the CLN subscription agreements. BSRT also had the benefit of various consent rights under the CLN subscription agreements. The Company entered into an agreement with BSRT dated 18 January 2022 pursuant to which BSRT acknowledged the termination of such warranties, undertakings and consent rights.

21.13 **AGAM Warrant Instrument**

On 29 March 2022, the Company entered into a warrant instrument pursuant to which AGAM was issued 2,500,000 Warrants exercisable at £0.33 each (being a 10 per cent. premium to the Placing Price) up to 9 April 2024.

21.14 PrimaryBid Engagement Letter

Pursuant to a letter of engagement dated 29 March 2022, the Company appointed PrimaryBid to be the arranger of the Retail Offer, pursuant to which any Retail Shares will be issued. Pursuant to this letter of appointment, the Company has agreed to pay to PrimaryBid a commission on the Company's proceeds from the Retail Offer. The engagement is governed by English law.

22. Taronga Mines material contracts

22.1 Taronga Loan Agreement

The Taronga Loan Agreement is further detailed in Part II of this Document.

22.2 Emmaville shed purchase agreement

On 7 September 2021 Taronga entered into a binding agreement with Cathleen Johnson for the acquisition of a parcel land including an industrial shed at Emmaville, New South Wales for a purchase price of AUD\$85,000. The acquisition completed on 14 October 2021 and the full purchase price was paid on completion.

22.3 Land purchase agreement

On 17 November 2021, Taronga entered into a binding agreement with John Richard Burey as trustee of the John Burey Family Trust for the acquisition of freehold land plots at Welcamp, 805 Schrodgers Road, Emmaville, NSW, described as Lots 83 (folio identifier 83/753314) and 167 (folio identifier 83/753314) in Deposited Plan 753314 and Lot 158 in Deposited Plan 820202 with folio identifier 158/82002 for an aggregate purchase price of AUD\$1,350,000. The acquisition completed on 22 December 2021 and the full purchase price was paid on completion.

23. Capitalisation and Indebtedness

Group

Capitalisation

The following table shows the Group's capitalisation as at 30 June 2021, as extracted from the unaudited Group Condensed Interim Financial Information included in Part VIII (*Interim Financial Information of the Group*) of this Document:

	Unaudited
	As at
	30 June
	2021
	£
Total Current Debt	
– Guaranteed	–
– Secured	–
– Unguaranteed/unsecured	–
Total Non-Current Debt (excluding current portion of long-term debt)	
– Guaranteed	–
– Secured	–
– Unguaranteed/unsecured	•
Shareholder's Equity	
Share capital	137,358
Share premium	17,855,248
Translation reserve	(77,212)
Warrant reserve	80,763
Retained deficit	(9,852,526)
Total capitalisation	8,142,631

Indebtedness

The Group's indebtedness as at 31 December 2021, as extracted from the Group's unaudited management information as at that date, is summarised as follows

	Unaudited As at 31 December 2021 £
A. Cash	2,508,626
B. Cash equivalent	–
C. Trading securities	–
D. Liquidity (A) + (B) + (C)	2,508,626
E. Current financial receivable	818,508
F. Current bank debt	–
G. Current portion of non-current debt	–
H. Other current financial debt	–
I. Current Financial Debt (F) + (G) + (H)	–
J. Net Current Financial Indebtedness (I) – (E) – (D)	(3,327,134)
K. Non-current bank loans	–
L. Bonds issued	–
M. Other non-current loans	–
N. Non-current Financial Indebtedness (K) + (L) + (M)	–
O. Net Financial Indebtedness (J) + (N)	(3,327,134)

There has been no material change in the indebtedness of the Group since 31 December 2021.

Taronga Mines

Capitalisation

The following table shows Taronga Mines' capitalisation as at 30 June 2021, as extracted from the audited Taronga Mines Financial Information included in Part IX (Financial Information of Taronga Mines) of this Document:

	Audited As at 30 June 2021 AUD\$
Total Current Debt	
– Guaranteed	–
– Secured	–
– Unguaranteed/unsecured	–
Total Non-Current Debt (excluding current portion of long-term debt)	
– Guaranteed	–
– Secured	–
– Unguaranteed/unsecured	–
Shareholder's Equity	
Share capital	6,452,875
Capital contributions	422,907
Retained deficit	(781,498)
Total capitalisation	6,094,284

There has been no material change in the capitalisation of Taronga Mines since 30 June 2021.

Indebtedness

Taronga Mines' indebtedness as at 31 December 2021, as extracted from Taronga Mines' unaudited management information as at that date, is summarised as follows:

	Unaudited As at 31 December 2021 AUD\$
A Cash	—
B Cash equivalent	—
C Trading securities	—
D Liquidity (A) + (B) + (C)	—
E Current financial receivable	71,765
F Current bank debt	—
G Current portion of non-current debt	—
H Other current financial debt	1,505,000
I Current Financial Debt (F) + (G) + (H)	1,505,000
J Net Current Financial Indebtedness (I) – (E) – (D)	1,505,000
K Non-current bank loans	—
L Bonds issued	—
M Other non-current loans	—
N Non-current Financial Indebtedness (K) + (L) + (M)	—
O Net Financial Indebtedness (J) + (N)	1,505,000

In November 2021, the Company issued a loan to Taronga Mines to the value of AUD\$1,553,878 to purchase a specific freehold property, of which AUD\$1,505,000 has been drawn down prior to Admission.

Statement of material change

In March 2022, as part of the re-registration to a public limited company, the Company completed a capital reduction which reduced the "share premium" balance by £17,940,000 and increased the "retained deficit" by the same amount.

Cash resources

As at the LPD, the Group had cash resources of £2,508,626.

As at the LPD, Taronga Mines had cash resources of AUD\$nil.

24. Other Information

- 24.1 Except for the Company's obligations to issue and allot Ordinary Shares pursuant to the Placing, Subscription and the Consideration Shares, and pursuant to the FT Option Plan and the Warrants, there are no rights and/or obligations over the Company's unissued share capital nor does there exist any undertaking to increase the Company's share capital.
- 24.2 The Company has no significant investments in progress, save for the Taronga Acquisition.
- 24.3 No exceptional factors have influenced the Company's activities.
- 24.4 The Transaction Costs are estimated at £1,923,000, including VAT and are payable by the Company out of existing cash reserves, and the Gross Proceeds.
- 24.5 Crowe U.K. LLP of 55 Ludgate Hill, London EC4M 7JW, Chartered Accountants, has been appointed as reporting accountant to the Company for the purposes of this Document and has given and not withdrawn its written consent to the inclusion in this Document of its accountant's report on the Group Financial Information included in Section A "Accountant's Report on the Historical Financial Information of the Group" of Part VII "Financial Information of the Group", its accountant's report on the Taronga Mines Financial Information included in Section A "Accountant's Report on the Historical Financial Information of Taronga Mines" of Part IX

“Financial Information of Taronga Mines” of this Document and its accountant’s report on the Pro Forma Financial Information included in Section A *“Accountant’s Report on the Unaudited Pro Forma Financial Information of the Group”* of Part X *“Unaudited Pro Forma Financial Information of the Group”* of this Document in the form and context in which they appear, and has authorised the contents of its reports for the purposes of the Document and Rule 5.3.2R(2)(f) of the Prospectus Regulation Rules. In addition, Crowe U.K. LLP has given and not withdrawn its written consent to the issue of this Document with the inclusion herein of the references to its name in the form and context in which it appears.

- 24.6 Barra Consulting (Pty) Ltd has given and not withdrawn its written consent to the inclusion of its report in Part XV (*Competent Person’s Report*) of this Document and/or extracts therefrom and references thereto and to the inclusion of its name and references to it in the form and context in which they are included and has authorised the contents of those parts of this document which comprise its report for the purposes of Rule 5.3.2R(2)(f) of the Prospectus Regulation Rules. Barra Consulting (Pty) Ltd does not have a material interest in the Company or any other member of the Group.
- 24.7 Mining One (Pty) Ltd has given and not withdrawn its written consent to the inclusion of its report in Part XV (*Competent Person’s Report*) of this document and/or extracts therefrom and references thereto and to the inclusion of its name and references to it in the form and context in which they are included and has authorised the contents of those parts of this document which comprise its report for the purposes of Rule 5.3.2R(2)(f) of the Prospectus Regulation Rules. Mining One (Pty) Ltd does not have a material interest in the Company or any other member of the Group.
- 24.8 AGAM is acting as financial adviser and joint broker to the Company in relation to the Placing and Admission and has given and not withdrawn its consent to the inclusion in this Document of its name and references to it.
- 24.9 WHI is acting as joint broker to the Company in relation to the Placing and Admission and has given and not withdrawn its consent to the inclusion in this Document of its name and references to it.
- 24.10 The information in this Document that is sourced from third parties has been accurately reproduced and as far as the Company is aware and able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.
- 24.11 The following documents:
 - 24.11.1 the Articles;
 - 24.11.2 the historical financial information of the Company as set out in Part VII (*Financial Information of the Group*) of this Document;
 - 24.11.3 accountant’s report issued by Crowe U.K. LLP on the Group Financial Information as included in Section A *“Accountant’s Report on the Historical Financial Information of the Group”* of Part VII *“Financial Information of the Group”* of this Document;
 - 24.11.4 the accountant’s report issued by Crowe U.K. LLP on the Taronga Mines Financial Information as included in Section A *“Accountant’s Report on the Historical Financial Information of Taronga Mines”* of Part IX *“Financial Information of Taronga Mines”* of this Document;
 - 24.11.5 the accountant’s report issued by Crowe U.K. LLP on the Pro Forma Financial Information as included in Section A *“Accountant’s Report on the Unaudited Pro Forma Financial Information of the Group”* of Part X *“Unaudited Pro Forma Financial Information of the Group”* of this Document;
 - 24.11.6 the letters of consent referred to in this paragraph 24;
 - 24.11.7 the Competent Persons’ Reports contained in Part XV of this Document; and
 - 24.11.8 the Taronga SPA.

will be available for inspection for a period of 12 months from the date of this Document on the Company’s website. In addition, this Document will be published in electronic form and be available on the Company’s website at firsttin.com/investors.

PART XIII

DEFINITIONS

The following definitions apply throughout this Document, unless the context requires otherwise.

£ or UK Sterling	Pound Sterling, the lawful currency of the UK
Act	the Companies Act 2006, as amended
Admission	the admission of the Existing Ordinary Shares and the admission of the New Ordinary Shares to listing on the Official List, by way of a Standard Listing, and to trading on the Main Market, becoming effective
AGAM	Arlington Group Asset Management Limited (company number 02359077) of 15 Whitehall, London, SW1A 2DD
Articles	the articles of association of the Company in force from time to time
AUD\$	Australian dollars, the lawful currency of Australia
Audit and Risk Committee	the audit and risk committee of the Company, being a duly appointed sub-committee of the Board
Aus Tin	Aus Tin Mining Limited, a company registered in Australia with number 122 957 322
Board	the directors of the Company from time to time
City Code	the UK City Code on Takeovers and Mergers
CLN	Convertible Loan Notes
Company or First Tin	First Tin Plc, a company incorporated in England and Wales under the Act with company number 07931518
Completion	completion of the Placing, the Taronga Acquisition, the Subscription, the Retail Offer and Admission, which are all expected to occur at 8:00 a.m. on 8 April 2022
Connected Persons	has the meaning set out in section 252 of the Act and includes a spouse, children under 18 and any company in which the relevant person is interested in shares comprising at least one-fifth of the share capital of that company
Consideration Shares	the 60,000,000 Ordinary Shares to be issued by the Company pursuant to the Taronga SPA
CREST	the relevant system (as defined in the CREST Regulations) for paperless settlement of share transfers and holding shares in uncertificated form
CREST Regulations	the Uncertificated Securities Regulations 2001 of the UK (SI 2001/3755) (as amended)
CRIRSCO	Committee for Mineral Reserves International Reporting Standards
DFS	a study, based on the best alternative identified in the preliminary feasibility study, suitable as a basis for detailed design and construction of a mine

Directors	the directors of the Company as at the date of this Document, whose names are set out on page 29 of this Document
Disclosure Guidance and Transparency Rules	the FCA's Disclosure Guidance and Transparency Rules sourcebook
Document or Prospectus	this prospectus
Enlarged Group	the Company's Group following Admission
Enlarged Share Capital	the issued ordinary share capital of the Company, comprising the Existing Ordinary Shares and the New Ordinary Shares and as it will be on Admission
ESG Committee	the Environmental, Social and Governance committee of the Company, being a duly appointed sub-committee of the Board
EUWA	the European Union (Withdrawal) Act 2018, as amended
Existing Ordinary Shares	the 138,868,305 ordinary shares of £0.001 each in issue as at the date of this Document, being the entire issued share capital of the Company
Existing Shareholders	Shareholders as at the date of this Document
FCA	the Financial Conduct Authority of the United Kingdom
FRC	Financial Reporting Council in the United Kingdom
FSMA	the Financial Services and Markets Act 2000 (as amended)
FT Option Plan	the Company's share option plan
Gross Proceeds	the funds received in relation to the Placing, Subscription and Retail Offer
Group	First Tin Plc and its subsidiaries, being Saxore and First Tin Australia Pty Ltd as at the date of this Document which, as from Admission, shall include Taronga
Group Financial Information	the audited, consolidated historical financial information of the Group (excluding Taronga) for the three years ended 31 December 2018, 31 December 2019, 31 December 2020
Group Condensed Interim Financial Information	the unaudited consolidated and condensed interim financial information of the Group (excluding Taronga) for the six-month period ended 30 June 2021
Indicated	part of a Mineral Resource for which quantity, grade or quality, densities, shape and physical characteristics are estimated with sufficient confidence to allow the application of mining, processing, metallurgical, infrastructure, economic, marketing, legal, environmental, social and governmental factors to support mine planning and evaluation of the economic viability of the deposit
Inferred	part of a Mineral Resource for which quantity and grade or quality are estimated on the basis of limited geological evidence and sampling. An Inferred Mineral Resource has a lower level of confidence than that applying to an Indicated Mineral Resource
JORC	Joint Ore Reserves Committee
Listing Rules	the listing rules made by the FCA pursuant to section 73A of FSMA, as amended from time to time

Lock-In Agreements	means the lock-in agreements relating to Ordinary Shares, further details of which are set out in paragraph 21.5 of Part XII of this Document
London Stock Exchange or LSE	London Stock Exchange plc
LPD	29 March 2022, which is the latest practicable date for certain information to be obtained and disclosed in the Prospectus prior to its publication
Main Market	the regulated market of the London Stock Exchange for listed securities
MAR	the Market Abuse Regulation (Regulation 596/2014) as in force in the United Kingdom pursuant to EUWA
Member State	any member states of the European Economic Area
Mineral Reserve	the economically mineable part of a Mineral Resource
Mineral Resource	a concentration or occurrence of solid material for which there are reasonable prospects for eventual economic extraction
Mineral Resource Estimate	an estimate to determine ore tonnage and grade of a deposit
NPV	Net Present Value, pre tax
Net Proceeds	£18,077,000, comprising the gross proceeds of £20,000,000 less the Transaction Costs
New Ordinary Shares	together, the Placing Shares, Subscription Shares, Retail Shares and Consideration Shares
OECD	Organisation for Economic Co-operation and Development
Official List	the Official List of the FCA
Ordinary Shares	ordinary shares of £0.001 each in the capital of the Company following Admission
PFS	Pre-Feasibility Study
Panel	the Panel on Takeovers and Mergers
Placees	those persons who have signed Placing Letters
Placing	the conditional placing by AGAM and WHI on behalf of the Company of the Placing Shares pursuant to the Placing Agreement at the Placing Price
Placing Agreement	the conditional agreement dated 29 March 2022 between: (i) the Company; (ii) the Directors and the Proposed Directors; (iii) AGAM; and (iv) WHI
Placing Letters	the letters from potential investors making conditional applications for Placing Shares
Placing Price	£0.30 pence per Placing Share
Placing Shares	the 30,352,475 Ordinary Shares in the capital of the Company to be allotted to the Placees
Premium Listing	a Premium Listing under Chapter 6 of the Listing Rules
PrimaryBid	PrimaryBid Limited, a company incorporated in England and Wales with registered number 08092575

PrimaryBid Offerees	PrimaryBid's clients who are residents and physically present in the UK for tax and all other purposes
Pro Forma Financial Information	the unaudited pro forma Statement of Financial Position of the Company as at 30 June 2021 and the unaudited pro forma Statement of Comprehensive Income for the year ended 31 December 2020
Proposed Directors	the proposed directors to be appointed to the Board on Admission and whose names are set out on page 29 of this Document
Prospectus Regulation	Regulation (EU) 2017/1129, as in force in the United Kingdom pursuant to EUWA
Prospectus Regulation Rules	the prospectus regulation rules made by the FCA pursuant to section 73A of FSMA, as amended from time to time
QCA Corporate Governance Code	the Corporate Governance Code issued by the Quoted Companies Alliance from time to time
Registrar	Share Registrars Limited of 27/28 Eastcastle Street, London W1W 8DH
Remuneration Committee	the remuneration committee of the Company, being a duly appointed sub-committee of the Board
Retail Offer	the offer of the Retail Shares to be issued to PrimaryBid Offerees at the Placing Price, further details of which are set out in Part IV (<i>The Placing, Subscription, Retail Offer and Use of Proceeds</i>) of this document
Retail Shares	up to 6,666,667 Retail Shares to be issued pursuant to the Retail Offer
RIS	regulatory information service
SEC	US Securities and Exchange Commission
Saxore	Saxore Bergbau GmbH, a company incorporated in Germany, the Company's wholly owned subsidiary
Securities Act	United States Securities Act of 1933, as amended
Shareholders	holders of Ordinary Shares
Standard Listing	a Standard Listing under Chapter 14 of the Listing Rules
Subscribers	those persons who have agreed to subscribe for new Ordinary Shares pursuant to the Subscription Agreements
Subscription	the conditional subscription to raise aggregate gross proceeds through the issue of the Subscription Shares
Subscription Agreements	the conditional subscription agreements entered into between the Subscribers and the Company on or prior to the date of this document
Subscription Shares	up to 36,314,192 Ordinary Shares which are to be made available for subscription to Subscribers pursuant to the Subscription Agreements, subject to clawback pursuant to the Retail Offer
Taronga Acquisition	the acquisition by the Company of Taronga pursuant to the Taronga SPA

Taronga Directors	the directors of Taronga Mines Pty Ltd
Taronga Mines or Taronga	Taronga Mines Pty Ltd, ACN126 854 288, a company incorporated in Australia
Taronga Mines Financial Information	the audited historical financial information of Taronga Mines for the three years ended 30 June 2021, 30 June 2020, 30 June 2019
Taronga Loan Agreement	the unsecured loan agreement entered into between (1) the Company and (2) Taronga
Taronga Tin Project	Taronga's tin deposit located in New South Wales, Australia
Taronga SPA	the conditional share purchase agreement entered into between (1) the Company and (2) Aus Tin Mining Limited relating to Taronga Acquisition
Transaction	Admission, completion of the Placing, the Subscription and the Taronga Acquisition
Transaction Costs	the costs incurred (or to be incurred) of approximately £1,923,000 in connection with the Placing, Subscription, Retail Offer, the Taronga Acquisition and Admission
UK Corporate Governance Code	the UK Corporate Governance Code issued by the Financial Reporting Council in the UK from time to time
UK or United Kingdom	the United Kingdom of Great Britain and Northern Ireland
UK IFRS	UK-adopted international accounting standards
uncertificated or in uncertificated form	a share or other security recorded on the relevant register of the relevant company concerned 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 States or US	has the meaning given to the term "United States" in Regulation S of the Securities Act
VAT	UK value added tax
Warrants	warrants issued by the Company which are exercisable over Ordinary Shares
WH Ireland	WH Ireland Limited

PART XIV

GLOSSARY OF TECHNICAL TERMS

The following table provides an explanation of certain technical terms and abbreviations used in this Document. The terms and their assigned meanings may not correspond to standard industry meanings or usage:

alluvial	loose clay, silt, sand, or gravel that has been deposited by running water in a stream bed, on a floodplain, in an alluvial fan or beach, or in similar settings
alluvial mining	a method of extracting minerals by dredging alluvial deposits (solid which consist of earth and sand left behind on land which has been flooded or where a river once flowed)
breccia	rock consisting of angular fragments of stones cemented by finer material
calc–silicate	a rock produced by metasomatic alteration of existing rocks in which calcium silicate minerals such as diopside and wollastonite are produced
Cambrian	relating to or denoting the first period in the Palaeozoic era, between the end of the Precambrian aeon and the beginning of the Ordovician period
cassiterite	a reddish, brownish, or yellowish mineral consisting of tin dioxide
Carboniferous	relating to or denoting the fifth period of the Palaeozoic era, between the Devonian and Permian periods
chalcopryrite	a yellow crystalline mineral consisting of a sulphide of copper and iron
chalcocite	a black or gray lustrous metallic mineral that consists of a sulfide of copper and is an important copper ore
covellite	a blue mineral consisting of copper sulphide, typically occurring as a coating on other copper minerals
Cut and Fill	a highly selective open-stope mining method considered ideal for steeply dipping high grade deposits found in weak host rock
felsic	relating to or denoting a group of light-coloured minerals including feldspar, feldspathoids, quartz, and muscovite
foliated	consisting of thin sheets or laminae
greisen	a light-coloured rock containing quartz, mica, and fluorine-rich minerals, resulting from the alteration of granite by hot vapour from magma
kt	Kilotonne
Long Hole Open Stopping or LHOS	holes drilled by a production drill to a predetermined pattern as designed by a mining engineer
LIMS	Low Intensity Magnetic Separation (LIMS) is the process of separating highly magnetic material from less magnetic material
LME	London Metal Exchange
metamorphic rock	a rock that has been altered by the process of metamorphism

metamorphism	alteration of the composition or structure of a rock by heat, pressure, or other natural agency
metasediments	a type of metamorphic rock was first formed through the deposition and solidification of sediment and subsequent metamorphism
Ordovician	relating to or denoting the second period of the Palaeozoic era, between the Cambrian and Silurian periods
pelitic	sedimentary rock composed of clay, such as a pelitic tuff representing a consolidated volcanic ash consisting of clay-size particles
Permian	the last period of the Palaeozoic era, between the Carboniferous and Triassic periods, or the system of rocks deposited during it
Quaternary	relating to or denoting the most recent period in the Cenozoic era, following the Tertiary period and comprising the Pleistocene and Holocene epochs
schist	a coarse-grained metamorphic rock which consists of layers of different minerals and can be split into thin irregular plates
Room and Pillar	a mining system in which the mined material is extracted across a horizontal plane, creating horizontal arrays of rooms and pillars
Skarn	a metamorphic rock that has been chemically and mineralogically altered by metasomatism (the alteration of rocks by hot, chemically-active fluids that flow or diffuse through the rocks and cause recrystallization and compositional change)
Sn	Chemical element symbol for tin
SnO ₂	Chemical formula for stannic oxide, also known as Tin(IV) oxide or cassiterite
Triassic	relating to or denoting the earliest period of the Mesozoic era, between the Permian and Jurassic periods
Variscan orogeny	a geologic mountain-building event caused by the Late Paleozoic continental collision between Euramerica (Laurussia) and Gondwana
WHIMS	Wet High Intensity Magnetic Separation (WHIMS) which removes fine magnetics and para-magnetics from mineral slurries
XRT	X-Ray Transmission (XRT) sorting enables materials to be recognized and separated based on their specific atomic density

PART XV

COMPETENT PERSONS REPORTS

The Company is required by Annex 29 of the Prospectus Regulation Rules to include independent mineral experts' reports on its assets (referred to as Competent Person's Reports) in this Document.

The Company commissioned Bara Consulting Ltd to prepare the Competent Person's Report on its assets in Germany, dated December 2021, and Mining One Pty Ltd to prepare the Competent Person's Report on the Taronga project, dated December 2021.

The Competent Person's Reports are set out in full in this Part XV.

No material changes have occurred since the date of either of the Competent Persons Reports the omission of which would make such report misleading.

A COMPETENT PERSONS' REPORT ON THE PROPERTIES OF FIRST TIN SAXONY, GERMANY

Report Prepared For:

FIRST TIN LIMITED
First Floor,
47-48 Piccadilly,
London W1J

Report Date:

17 December 2021

Effective Date

30th October 2021

Report Number:

2021-217-001

REPORT DATA SHEET

Report Title:

Competent Persons' Report on the Properties of First Tin Limited, Saxony, Germany

Report Number:

2021-217-001

Report Date:

17 December 2021

Effective Date

30th October 2021

Client Name:

First Tin Limited

Bara Consulting Project Manager:

Dominic Claridge

Contributing Engineers and Consultants:

Andrew Bamber Bara Consulting

Dominic Claridge Bara Consulting

Dave Capstick Bara Consulting

Contributing Sub-Contracting Companies

Skapa Mining Services

Addison Mining Services

Bara Competent Person

Patrick Willis

Version Control

Report Version	Version Date	Project Manager	Report Review
Draft	November 2021	Dominic Claridge	Pat Willis
Final	December 2021	Dominic Claridge	Lee Barnes
Updated	January 2022	Dominic Claridge	Andrew Bamber
Updated	17 th Feb 2022	Dominic Claridge	Andrew Bamber
Updated	4 th March 2022	Dominic Claridge	

EXECUTIVE SUMMARY

A COMPETENT PERSONS' REPORT ON THE ASSETS OF FIRST TIN STATE OF SAXONY, GERMANY

1 Introduction and Corporate History.

First Tin Limited ("First Tin") is an unlisted UK based mining exploration company (to be re-registered as a public company) that holds the licences for 3 projects in the State of Saxony, Germany, via its locally owned-entity Saxore Bergbau GmbH ("Saxore"). First Tin intends to complete an Initial Public Offering (IPO) in Q1 2022. This Competent Persons Report (CPR) on the Saxony assets of First Tin, has been undertaken by Bara Consulting UK in compliance with the London Stock Exchange Listing requirements for a CPR.

In 2011 Saxony Mines Ltd (SML) was formed as a dedicated Germany focussed tin-tungsten exploration and development company. SML was at that time a 100% owned subsidiary of Australian registered St Piran Mines Ltd (SPML) which was, in turn, a 100% subsidiary of the Australian registered unlisted public company Indo Gold Ltd (IGL).

At the same time as the formation of SML, Saxore, the local German company, was established as a 100% owned subsidiary of SML.

Treliver Minerals Ltd (TML), an unlisted, UK registered company, subsequently purchased SML from IGL via SPML in 2013 and hence SML became a 100% owned subsidiary of TML. SML subsequently transferred its holding in Saxore directly to TML and SML was deregistered on 3rd May 2017. TML changed its name to Anglo Saxony Mining Ltd (ASM) in February 2017.

In August 2021 ASM changed its name to First Tin Limited.

2 Project and Licence Summary

First Tin, via its 100% owned subsidiary Saxore, holds a valid Mining Licence (ML) for the extraction of mineral resources for the "Rittersgrün" field which contains the Tellerhäuser Project, consisting of the Hämmerlein and Dreiberg resources. The mining licence was issued in compliance with the German Federal Mining Act and is valid until the 30th June 2070.

In addition to the Mining Licence, First Tin holds 2 Exploration Licences (EL).

The "Gottesberg" EL, previously held by Sachsenzinn GmbH and Tin International AG, had its boundary expanded on the 7th Dec 2015, with the renewal EL validated for an additional 5 years. The licence was transferred to

Saxore on 14th February 2019. A further extension was granted by the authorities until 6th December 2022. Due to the expansion of licence area, the EL is referred to as “Gottesberg II” by the licencing authorities.

An application was made by First Tin on the 14th June 2021 for an exploration area situated between the Rittersgrün and Gottesberg licences. The authorities issued an exploration licence for the “Auersberg” field, which is valid until 30th September 2026. The Auersberg field importantly connects the licences of Rittersgrün and Gottesberg into one contiguous exploration area. A summary of the licenses held is presented in the Table below.

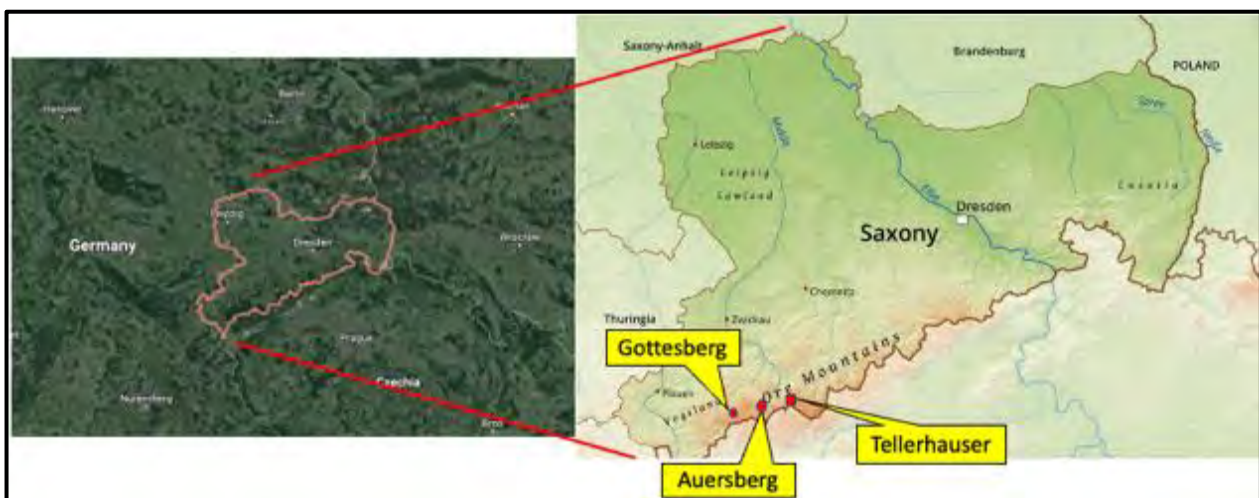
Licence Name	Number	Licence Area (m ²)	Granted	Expires	Fee (€)	Comment
Rittesgrün	2962	41,496,900	13-Aug-20	30-Jun-70	€ 20,000.00	Mining Licence
Gottesberg II	1681	19,564,300	2-Dec-20	6-Dec-22	€ 2,454.41	EL Extension
Auersberg	1708	175,705,100	1-Sep-21	30-Sep-26	€ 20,000.00	EL

First Tin Property Licences, Saxony, Germany

3 Location

The assets held by Saxore are located in the Free State of Saxony in eastern Germany. The projects lie within the Erzgebirge (Ore Mountains) district bordering the Czech Republic. The Saxore office is located in the town of Freiberg approximately 80km NE of the project areas. The projects are all situated well for ease of access. There are 3 international airports within 200km, the closest Dresden at 55km. All-weather road access is provided via the sealed road network in Saxony. The closest railway goods yard is located approximately 11.5km from the Tellerhäuser project. The rail system provides access to the European network for importation of mining equipment and all supplies for operations. In addition, the rail system provides a cost effective method for export of products to the end users either within Europe or to ports for shipping to alternate destinations.

The 3 licence areas are contiguous from east to west and mostly follow the border with the Czech Republic. (More detailed location maps are found in Section 3).



First Tin project locations.

The area is dominated by forestry and agricultural lands, with small communities throughout the area.

4 Historical Mining

The Erzgebirge district has a long history of mining. Earliest written records date back 800 years. Over time, silver, lead, zinc, tin, tungsten and other by product metals have been extracted from the area.

Freiberg is a historic mining town and home to the Technische Universität Bergakademie Freiberg. Founded in 1765 it claims to be the oldest mining science university in the world. It is currently one of the premier universities for earth sciences in Eastern Europe and is a primary source of graduates entering the mining industry in the region.

The Pöhla adit (Tellerhäuser project), was commenced in 1967 with the primary objective being the search for uranium mineralisation. Approximately 3km in from the portal the adit intersected minor uranium mineralisation at Hämmerlein, which was mined out during the exploration phase, resulting in production of about 15t of uranium. In addition to the uranium, significant tin mineralisation was found contained within the skarn and schist geological units. These units also contained zinc, magnetite, indium and copper at varying grades. Some 60,000t of tin-bearing ore was mined from the Tellerhäuser project over this period, mainly for processing testwork, a relatively small amount as these metals were deemed to be low priority compared to uranium.

Pöhla adit development continued for a length of 7.5km where more significant and higher grade uranium was discovered. Multiple shafts were sunk to access this deeper mineralisation. As with Hämmerlein, the deeper Dreiberg mineralisation also contained the tin-bearing skarn and schists. It should be noted that the uranium mineralisation is not related to the tin mineralisation, although it does cut across it in a few areas. The tin mineralisation generally contains only global background abundance of radioactive materials. Mining at Dreiberg ceased in 1991, when uranium mining was suspended by the new government following the reunification of Germany.

Mining in the Gottesberg area commenced in the 1500s and has been sporadic since then. Overall some 78,000t of tin ore has been mined from the property previously. More significant exploration was commenced for uranium in the 1940s as the area became the focus of uranium exploration by the Russian and East German governments. Several shafts were sunk and underground exploration levels were developed. Although tin mineralisation was identified, it was not of interest at that time. As insufficient uranium was discovered the project was abandoned.

Further exploration was undertaken at Gottesberg in the 1960s through to the 1980s. Underground diamond drilling programs were completed and tin mineralisation was identified by state funded explorers. Due to the end of the GDR as a state in 1990 with the reunification of East Germany and West Germany, the project never went

into production. Further work was undertaken at Gottesberg by Tin International in 2011. They undertook surface diamond drilling as confirmation of tin mineralisation.

The Auersberg licence area has been the site of numerous tin mines dating back to the 14th Century. From the middle of the 14th century until the 1960s, intensive mining of various raw materials (mainly tin, copper, iron,) took place in the permit area. Tin mining began with the exploitation of placer deposits around Eibenstock and Carlsfeld in the 14th and 15th centuries and reached a first peak with the start of tin plate production at the Blauenthal hammer mill, although no records of historic ore volumes or grades can be validated.

5 Geology

The Tellerhäuser mineralisation is located within the northern part of the Bohemian Massif. It is hosted within Cambrian to Ordovician metasediments that are now dominantly schist with several calc-silicate and skarn horizons. These were formed from fine grained pelitic sediments with limestone interbeds during metamorphism and metasomatism associated with the Carboniferous age Variscan orogeny. This orogeny is due to the collision between Gondwana and Laurussia.

During the Variscan orogeny, prolific felsic intrusions were emplaced, with the earlier ones (mid to late Carboniferous) being affected by the later stages of deformation and hence these are often foliated. The latest intrusions (late Carboniferous to early Permian) are classed as “tin granites” and are believed to be the main source of the mineralising fluids that deposited the tin and associated mineralisation in the Erzgebirge district.

At Gottesberg, tin occurs in greisen mineralisation which occurs in hydrothermally altered granite. In this broad sense, the geology of the area is simple. However, when considered in more detail, the geology is more complex and the complexity becomes more apparent at smaller scale: greisens, greisenised breccias and greisenised granite have all been identified.

The Gottesberg greisen is known over a strike length of up to 800m, a width of up to 400m and a vertical extent of about 900m. The current geological interpretation does not account for any geological variation inside the greisen because the available drilling data does not allow for a reliable interpretation of this internal variation. Tin occurs as cassiterite and copper, in minor amounts, as chalcopyrite, chalcocite and covellite.

The Auersberg project represents a highly prospective brownfield Tin-Tungsten exploration area over 175.7km² within the Fichtelgebirge-Erzgebirge anticlinal zone at the northern margin of the Bohemian Massif, in eastern Germany. The study area covers the largest, most extensive and highest order tin, tungsten, molybdenum, and lithium geochemical anomalies of the Erzgebirge. Recent field visits by Saxore have confirmed good potential for sheeted greisen vein style tin mineralisation as well as breccia pipe hosted mineralisation. Historical mining areas including Sosa, Ellbogen, Dönitzgrund, Carlsfeld and Jügel/Henneberg represent immediate walk-up drilling targets, with limited investigation at depth.

6 Exploration Programme

First Tin intends on continuing exploration drilling programmes at each of the project areas.

At the Tellerhäuser project, it is proposed to undertake both surface and underground diamond drilling programs going forward, targeting existing and potential extensions to known mineralisation. At Hämmerlein, 62 underground diamond drill holes (9,400 m) have been planned in several stages. These holes will be drilled from the existing Pöhla adit, however beyond the current safety stopping located approximately 3.1km from the portal. Rehabilitation of the adit beyond the stopping is required to enable access to these drilling locations.

A surface drill program is also planned to target the deeper Dreiberg mineralisation. Due to the depth of mineralisation, it is planned to drill several 1000 m parent holes using a directional drill. Two daughter holes are to be wedged off each parent hole. These holes are designed as confirmation holes for the higher grade Dreiberg mineralisation and as sample collection for metallurgical analysis.

At Gottesberg it is proposed that 16 surface diamond drill holes (1,937 m) be completed from 7 drill sites. The drilling is targeting the upper part of the resources (6.8 Mt @ 0.49% Sn) and also exploring an area outside the known deposit, where there is evidence of ancient mining activities. The drilling aims to confirm the existence of the high grade core of the resources and also to establish the mineralisation controls. It should be noted that the Gottesberg drill program commenced in Q4 2021.

The area surrounding Gottesberg is to be drilled near areas of historic mining activities and is designed as a first pass test to explore the style and grade of potential mineralisation. Should this exploration program be successful, additional drilling will be planned to determine the size and grade of identified mineralisation.

The Auersberg Exploration field is to be tested around the historical tin workings. Planning for 5,800 m (26 drill holes) with an average depth of 220 m is to be undertaken in several stages. Initial drilling will determine an area's prospectivity, which may be followed up as required with additional drilling. The drilling is targeting the vein style greisens which were historically mined to a maximum depth of approximately 50m as limited by water ingress. The drilling is targeting areas below historical mining and also the potential for deeper sulphide mineralisation.

7 Mineral Resources

7.1 Tellerhäuser Project

The Indicated and Inferred Mineral Resource estimates for the Hämmerlein and Dreiberg tin deposits are presented in the table below using a cut-off grade of 0.5% tin (Sn) to determine material which has a reasonable

prospect of eventual economic extraction. The estimates are classified and reported in accordance with the JORC code (2012 edition) with the effective date of 30th September 2021.

Estimates for zinc (Zn), iron trioxide equivalent (Fe₂O₃), and indium (In) have also been made, although it must be cautioned that confidence in the estimation of these elements is lower than for Sn, due to partial assays for these elements and the precision and accuracy of the analytical methods used, particularly in the case of indium.

Due to the risks outlined above only Sn is considered in selecting material within the mineral inventory estimate which has a reasonable prospect of eventual economic extraction, and which qualifies as a Mineral Resource. Caution should be exercised when relying upon elements independent of tin during economic analysis and elements other than tin should not be used in determination of mine schedule optimization or mine cut-off selection.

Estimates of tonnage and grade are generated at full precision from the block models for each variable and are then rounded to two significant figures to demonstrate the uncertainty associated with the Mineral Resource Estimate, as such discrepancy may exist between totals or the product of grade and tonnes.

Category	Tonnes	Density	Sn%	Sn content (t)	Zn%	Zn content (t)	Fe ₂ O ₃ %	Fe ₂ O ₃ content (t)	In g/t	In content (kg)
Hämmerlein and Dreiberg Combined										
Indicated	2,000,000	3.1	1.0	19,000	0.93	18,000	20	400,000	64	130,000
Inferred	3,300,000	3.1	1.0	34,000	1.1	37,000	20	650,000	92	310,000
Total	5,300,000	3.1	1.0	53,000	1.0	55,000	20	1,000,000	82	430,000
Hämmerlein										
Indicated	1,200,000	3.1	0.82	10,000	1.1	13,000	19	230,000	61	76,000
Inferred	300,000	3.1	0.85	2,500	1.5	4,400	19	57,000	54	16,000
Total	1,500,000	3.1	0.83	13,000	1.1	18,000	19	290,000	60	92,000
Dreiberg										
Indicated	710,000	3.1	1.3	9,000	0.73	5,200	23	160,000	71	50,000
Inferred	3,000,000	3.1	1.0	32,000	1.1	33,000	20	600,000	96	290,000
Total	3,800,000	3.1	1.1	41,000	1.0	38,000	20	760,000	91	340,000

Only Sn is used in cut-off selection, see explanatory text relating to higher risks associated with the estimation of Zn, Fe₂O₃ and In.

Mineral Resource Estimates for Hämmerlein and Dreiberg above a cut-off grade of 0.5% Sn

7.2 Gottesberg

In December 2021, Mining One Consultants of Melbourne Australia completed a JORC 2012 compliant Mineral Resource Estimate (MRE) on the Gottesberg project for First Tin. (Bara personnel are not acting as CP for the Gottesberg Mineral Resource and are relying upon information supplied by Mining One Consultants)

The Gottesberg MRE was determined based on a total of 67 diamond drill holes completed from both surface and underground locations and also sampling of 124 underground headings. Although the resource was determined at multiple cut-off grades by Mining One Consultants, a cut-off of 0.35% tin would be deemed to meet the Reasonable Prospects of Eventual Economic Extraction based on assumptions for suitable mining and processing cost, recoveries and grades for this deposit.

0.35% Sn cut-off						
Category	Tonnage Mt	% Sn	Contained Sn tonnes	Tonnage MT	% Cu	Contained Cu tonnes
Indicated	2.0	0.48	9000			
Inferred	4.8	0.49	24000	6.8	0.12	8000
Total	6.8	0.49	33000	6.8	0.12	8000

Estimates are rounded to two significant figures to demonstrate the uncertainty associated with the Mineral Resource Estimate, as such numbers may not total.

Mineral Resource Estimates for Gottesberg above a cut-off grade of 0.35% Sn

7.3 Auersberg

No resource statement has been compiled for Auersberg, as this project area is still in target generation phase.

8 Mining

The Tellerhäuser project which contains the Hämmerlein and Dreiberg resources has been the subject of several previous studies including a study by Roscoe Postle Associates (RPA) completed in April 2020, and related Scoping-level studies by Bara Consulting in 2021.

Access to the mine would be via a boxcut and decline from surface. Mining operations at Tellerhäuser would consist of a variety of mining methods utilising the advances in technology currently available. Long Hole Open Stopping (LHOS), Room and Pillar, and Cut and Fill mining techniques would all be scheduled within the mine plan to achieve low operating costs and to maximise ore extraction.

The upper Hämmerlein resources consists of thick zones of mineralisation which are ideally suited to LHOS. The flat lying, narrower sections would be mined using room and pillar mining techniques. Only where poor ground conditions prevail would cut and fill mining be implemented.

Mining machinery would consist of a battery-powered mobile fleet (trucks & loaders) with electric hydraulic drilling equipment. Where practical the equipment would be autonomous thus limiting the number of underground personnel.

The deeper Dreiberg deposit at Tellerhäuser would be mined predominately using room and pillar techniques. Given the significant distance (~ 2km) to get to the Dreiberg mineralisation, further studies are required to determine the most cost efficient access method. Access would be either decline or shaft. Decline development could be conventional drill and blast techniques or tunnel boring. Existing shafts need to be evaluated to determine if they could be stripped of existing infrastructure and re-equipped.

Based on scoping-level studies completed in August 2021, there are reasonable prospects for the Hämmerlein and Dreiberg deposits to contain an economic mining inventory in excess of 5 million tonnes. (*Note this is not a reserve*).

Ore	Grade			
	Sn	In	Fe	Zn
Mt	%	g/t	%	%
5.2	0.89	41	18.9	1.0

Tellerhäuser Mining Inventory

For the Gottesberg resource no detailed mine planning has been undertaken. Historically the mine workings were accessed via vertical shafts. In 2013 a conceptual mining study for Gottesberg was completed for Tin International by CSA Global. The concept was for a standard straight decline from surface, approximately 2km long, and suitable for either conveyor or truck haulage systems. Mining would utilise the standard Long Hole Open Stopping mining method, which has a high production rate and is a low cost method. In order to minimise tailings on the surface, a cemented paste fill plant would be established on surface to pump tailings into the voids created by mining.

At Auersberg no mine plans have been developed. The project is at an early stage of exploration. It is envisaged based on existing information that tin mineralised zones would be exploited using underground mining methods. The greisens that bear the tin minerals tend to be narrow and vertical thus better suited to underground narrow vein mining techniques.

9 Mineral Processing

9.1 Tellerhäuser Metallurgical Development

Extensive sampling and testwork including pilot plant testwork on bulk samples has been undertaken for Tellerhäuser over periods since the early 1970's. The work has been well summarised elsewhere which will not be repeated in detail here. Select summaries supporting a reasonable metallurgical interpretation are provided.

Mineralogical characterization suggests the Tellerhäuser ore, including Hämmerlein skarn and shist, and Dreiberg skarn and schist, is complex, with cassiterite and non-cassiterite tin mineralization hosted in a magnetite-bearing skarn intergrown with sulphide minerals including sphalerite and chalcopyrite with indium as roquesite (CuInS_2)

and sakuraiite $((\text{Cu,Zn,Fe})_3(\text{In,Sn})\text{S}_4)$ within the chalcopyrite. Hämmerlein ore types and Dreiberg ore types appear mineralogically and metallurgically similar.

Treatment routes including gravity concentration (coarse and fine), sorting, magnetic separation, sulphide flotation and oxide (SnO_2) flotation have been tested.

Bond crushing indices tested ranged from 12.5-21.5 kWh/t. Bond ball mill indices measured ranged from 16.1 kWh/t (schist, FAME), to 21.4 kWh/t (schist, WAI), with Bond rod mill indices of 16.3-17.3 kWh/t. The ore is therefore classed as hard to very hard from a comminution point of view.

Pre-concentration testwork has included DMS testwork at a range of sizes, optical sorting and X-ray transmission (XRT) sorting. DMS work on a crushed 10-20mm fraction from Hämmerlein indicated potential to reject 38.5Wt% at 0.16% Sn for overall recovery of 90.6Wt% Sn. Optimized results included 25% rejection at 96.0Wt% Sn recovery, and 30% rejection at 97.0% Sn recovery. Optical sorting indicated potential rejection of 20Wt% with 98.8Wt% Sn recovery on a low grade sample. Sorting by XRT suggested excellent potential with 29.9Wt% rejects at 99.2% Sn recovery.

Magnetic separation results for iron recovery suggested a range of results across a range of grind sizes for skarn samples tested. Magnetite recovery from schist type samples was not considered feasible, resulting in overall recoveries of 15Wt% to a 60% Fe concentrate from blended feed.

Rougher sulphide flotation produced a high grade (36% Zn) sulphide concentrate with Cu and In in attributable amounts. Further work at LTU returned rougher concentrates (first selective flotation stage) with 24-32% Zn at 81-91% Zn recovery, 12-17% Cu at 58-63% recovery, and 5% As at 11-21% recovery.

In oxide flotation, Sn recovery was 60Wt% Sn to a 45% Sn concentrate from the skarn, and 78Wt% Sn to a 50% Sn concentrate from the schist for overall recoveries of 70% to a 47.5% Sn concentrate. Flotation work at ALS Burnie returned 74-79Wt% Sn recovery to a 35-50% Sn concentrate using highly selective Sn collector reagents.

Gravity results again ranged depending on sample grade, particle size range and gravity method. Optimal shaking table concentrate indicated 30Wt% Sn recovery to a 35.2% Sn concentrate; work on a combination of shaking tables, with Mozeley sizers and a MicroJig indicated 16.76Wt% Sn recovery to a 57.3% Sn concentrate (Mozeley) plus 13.53Wt% Sn recovery to an 11.9% Sn con (MicroJig). Gravity testing at LTU returned 40.46Wt% Sn recovery to a 71.7% Sn concentrate in one test, with the 'Q2' test returning 37.4Wt% Sn recovery to a 59.12% Sn concentrate plus additional recovery in the Knelson concentrator of 6.1Wt% Sn to a 31.97% Sn concentrate.

Due to the varying results and academic focus of much of the previous work, commercial testwork at ALS Burnie laboratories was undertaken. Gravity plus oxide flotation testwork at ALS Burnie returned recoveries of 78-

79Wt% Sn to a 44-46% Sn concentrate in combination. Metallurgical consultants “Devlure” suggest this could potentially be upgraded to a plus 50% Sn concentrate by a mix of additional screening and grinding, magnetic separation, sulphide flotation and gravity upgrading of the concentrate in the “tin dressing shed” with only minor additional tin losses.

Saxore are currently sending a plus a 80kg bulk sample grading 0.85% Sn for full locked cycle testwork at ALS Burnie as part of the next stage of study.

9.2 Tellerhäuser Mineral Processing

The flowsheet developed for Tellerhäuser comprises crushing, sorting and grinding, magnetic separation, sulphide flotation, gravity concentration and flotation of the cassiterites. XRT sorting would be done in a single stage with both coarse- and fine XRT sorters. Magnetic separation would be with twin rougher WHIMS, with regrinding of the WHIMS tails and WHIMS at lower gauss. Regrind tails would be treated by sulphide flotation to produce a bulk Zn-Cu-In concentrate. Sulphide flotation tails would be treated by coarse gravity separation, followed by fine cassiterite flotation and fine gravity concentration to produce a final tin concentrate. Coarse gravity tails would be reground, treated by LIMS and recirculated to the gravity circuit feed. Final concentrates would be tanked and pumped to surface for filtering and dumping to containers for delivery. Final tailings would be thickened and mixed prior to pumping to fill stopes for disposal. Please see conceptual flowsheets provided in the Appendix for more detail.

Overall recoveries of 75% Sn to a 50% Sn concentrate, 60% Zn to a 45% Zn concentrate containing 400 g/t In at 80% recovery, and 15% recovery of Fe to a 60% Fe concentrate are assessed for the flowsheet.

Substantial further work is recommended:

- Extensive sampling of drill cores for a representative sample, and variability samples.
- Testing of a life-of-mine composite of representative grade to the full magnetic-separation, flotation and gravity concentration flowsheet envisaged.
- Optimization of flotation work for Zn Cu and In recovery to saleable concentrates.
- Optimization of flotation and concentrate dressing to prove Sn recovery to saleable concentrates.
- Assay Sn concentrate for trace elements to determine if any smelter penalty elements are contained.
- Carry out variability tests on drill core samples from across the ore body.

9.3 Gottesberg Metallurgical Development

Ore from Gottesberg has been historically mined between 1440 and 1990 when production ceased with the fall of the Berlin Wall. Sampling and testwork was carried out by institutes in the GDR prior to 1990, however results are not available. Scoping-level metallurgical testwork was more recently undertaken on behalf of Tin International by ALS Burnie in 2013. Work comprised basic ore characterisation followed by testwork to develop a conceptual process flow sheet.

Head analysis of the sample tested was 0.46% Sn with 0.01% WO_3 , 2.99% Fe and 0.02% Cu. Mineralogical assessment indicates quartz, topaz and micas are the dominant non-sulphide gangue minerals with pyrite the dominant sulphide. Minor quantities of copper minerals, sphalerite and galena are also present. The ore is amenable to pre-concentration at coarse sizes by gravity methods. Heavy liquid separation of coarse ore fractions (<20mm) indicates a 33% mass rejection of silicates with a 10% loss of tin at a separation specific gravity of 2.70gm/cm^3 . Samples were ground to 150 microns for gravity concentration. Gravity recovery between 150 and 30 microns was very effective yielding an overall gravity tail of 48% of new feed mass assaying 0.03%Sn. Removal of sulphides by flotation from the gravity concentrate worked very well, with further dressing by gravity giving concentrates up to 63% Sn with only minor Sn loss. The predicted overall gravity/dressing circuit recovery was 67% tin recovery to a 63% Sn grade, although further recovery of fine tin was shown to increase overall recovery over this initial number. Confirmatory, optimisation and variability testing needs to be carried out in any future work program leading to a process flow sheet.

Substantial further work is again recommended:

- Extensive sampling of drill cores for a representative sample, and variability samples.
- Repeat gravity locked cycle with above suggested modifications.
- Work on the tin float to improve concentrate grade.
- Assay Sn concentrate for trace elements to determine if any smelter penalty elements are contained.
- Carry out variability tests on drill core samples from across the ore body.

No metallurgical sampling or testwork for Auersberg is reported.

10 Tailings and Waste Management

The mining studies that have been undertaken for the Tellerhäuser project detail that the bulk of the waste rock and tailings produced from mining and processing activities would be predominately backfilled into the substantial underground voids that already exist. Waste material from the mine development would be transported and direct tipped (ejector trucks / loaders) into the historic tunnels that were constructed during exploration and mining activities. In addition, by installing the process plant within the mine, thickened tailings could be pumped into voids, or a system of co-disposal (waste and tailings) would be utilised. Co-disposal allows for greater utilisation of void space and offers greater stability and safety.

In order to minimise overall waste management, options for the classification of waste material into saleable products, (building aggregates) has been included into the process flow sheet. The design philosophy for the Tellerhäuser project is to minimise surface waste and tailings storage.

The Gottesberg concept study included a small surface tailings storage facility (TSF) that would be adjacent to the process plant. An area was identified for a TSF with a storage capacity of approximately 4,000,000 m³.

As mining progresses and suitable voids are established, tailings would also be used as fill in the underground voids to enable higher extraction rates, increased stability and safety of the underground workings.

Waste rock produced at Gottesberg would similarly be used in underground fill and for the construction of embankments for the surface TSF. If suitable the material would also be utilised as construction aggregates and could thus be sold.

As no mine planning has been undertaken at Auersberg there are no definitive details on waste product management. It should be noted that the narrow vertical nature of the tin bearing greisens may also be suitable for a cut-and fill-mining method. Therefore, any waste material from development could be placed underground.

11 Water Management

The Tellerhäuser project has extensive underground workings that are currently flooded below the adit level. It is estimated that total mine workings contain approximately 1 million m³ of water, although the majority of this volume is contained in remnant uranium workings not implicated in current mine planning. An estimated 85,000 m³ will need to be pumped to enable mining to commence in the Hämmerlein deposit. Initial dewatering will occur over an estimated 12 months, while decline development is underway. Once Hämmerlein is dewatered, the dewatering of the deeper Dreiberg workings will commence.

To comply with environmental discharge regulations, all water is to be treated prior to discharge. The water treatment plant is designed to be modular and thus is able to be installed underground. The treatment plant will be installed in two phases. Initially water from the Hämmerlein section (above 500m RL) will be treated to remove non-radioactive elements. At the lower levels, the water within the uranium mineralised zones may

contain higher concentrations of nuclides. A second stage of water treatment will be added to the system to extract the higher levels of contamination found in the deeper parts of the old workings.

No detailed work has been undertaken on dewatering of the underground voids at Gottesberg. It is anticipated that the dewatering of the old workings will entail a water treatment process to remove any elevated dissolved metals and nuclides.

As there are no existing voids at the Auersberg project and no mining scenarios exist, water management plans have not been developed for the project.

12 Infrastructure

All 3 project areas are well situated in relation to access and services. Road, rail and air transport are within relatively short distances to project sites. Direct access is possible to each location via a network of sealed all-weather roads. The German rail network and a rail goods yard is located approximately 11km from the Tellerhäuser project site. There are 3 international airports all located within 2 hours drive of the project areas. Dresden airport being the closest at 55km.

All services required for mining operations are available locally. Each site would be supplied power via the national electricity grid which presents suitable HT powerlines proximal to all 3 sites. Germany is also advancing its progress towards carbon neutral electric power where, within Saxony, there are several primarily hydropower and solar plants which could supply renewable electricity to the project sites.

Water supplies are readily available. Both Tellerhäuser and Gottesberg have water supplies from existing underground storage that can be utilised once treated. Water recycling is a standard practice at mining operations. A positive water balance would require water discharge from site operations. However, the treatment plants would ensure discharge water quality meets regulatory and environmentally and socially acceptable standards. The long term operational water treatment plant at Tellerhäuser would be located in the existing and new underground workings in order to minimise surface infrastructure and pumping requirements.

As each project area is located close to community centres. It is envisaged that the majority of employees would be recruited from the local towns. Senior professional occupations would need to be recruited from outside the area, however there is adequate accommodation available locally.

Planning for the Tellerhäuser project has incorporated designs for minimal surface infrastructure. Over the life of mine operations, the bulk of waste rock and plant waste is to be stockpiled underground into existing voids. Existing voids or new voids would be created for the construction of the processing plant. The cost of this is

mitigated by the elimination of long haulage routes to transfer ore to the plant if located on surface and then returning waste underground. In addition, locating infrastructure underground minimises the potential for protracted permitting approvals.

Other infrastructure that would be located underground at Tellerhäuser would be: maintenance workshops for plant and mobile equipment; some office facilities would be sited in existing workings; facilitating operational effectiveness; explosives magazines for ease of access and security; and small fuel storage and filling station for the limited diesel powered equipment.

Infrastructure planning for Gottesberg and Auersberg projects is not developed at this point.

13 Environmental, Social and Permitting

The Environmental and Social review has not identified any permitting, environmental or social fatal flaws or red flags from the desk-top review of environmental and social data in the provided reports. However, understanding that this project is still in the early stages of development, there are areas where more work is required to bring the project up to international guidelines and best practice compliance. There are also issues identified that could impact Project schedules and budget.

The obligatory Life of Mine Plan (LoMP) requires an environmental and social impact assessment (ESIA) as mandatory for projects with significant impacts. Undertaking an ESIA, even if not required by law, can improve the acceptance- and likelihood of approval of the Project. German legislation describes the required content of the ESIA report and includes details of investigations and evaluations to determine the energy demand; type and amount of raw materials and resources used; and expected residues, emissions and waste.

The baseline studies include dust and air quality evaluations, noise and vibration studies, visual, acid mine drainage studies, soil surveys, hydrological surveys, flora and fauna surveys, cultural and socio-economic studies, hydrocarbon and hazardous waste studies and radiation studies. Some work has already been completed while other studies are to be initiated as the Project progresses.

The main risks for the Project remain obtaining and keeping the social licence to operate, which largely depends on implementation of robust community engagement and consultation; transparent Project disclosure; clear lines of communication and establishment of an effective grievance mechanism; and appropriate and sensitive community development investments.

The main environmental concerns are potential impacts to the landscape and biodiversity; radiation and other water contamination; traffic and safety issues; and effects on water resources from changed water quality and flow regimes.

14 Capital and Operating Costs

Capital cost estimates for the development of a 500,000 tpa underground tin mine and processing facility at Tellerhäuser are presented in the Table below. An initial capital expenditure of US\$ 49 million is required to reach name plate capacity.

Capital Item	Cost USD million
Hämmerlein Process Plant	27
Mining Fleet	14
Mining Infrastructure	8
Subtotal	49
Linear Development (LoM)	76.2
Dreiberg Plant (Y3)	22
Subtotal	98.2
Total	147.2

Tellerhäuser Capital Cost Estimate

Operating cost estimates for Tellerhäuser are presented in the Table below.

Project	Tellerhäuser Sn
Throughput	500,000 ROM tpa
Date	September 2021
Linear Development	\$55/t (Capitalized)
LHOS Stoping	\$40/t
Milling	\$20/t
Concentrate Transport	\$2.50/t
G&A	\$5/t
Total	\$67.50/t

Tellerhäuser Operating Cost Estimate

15 Economic Analysis

Economic analysis was undertaken for the exploitation of Indicated and Inferred resources from the Hämmerlein and Dreiberg zones of the Tellerhäuser project. All metals with potential economic value including tin, zinc, indium and magnetite were included in the evaluation. A summary of the economic parameters as calculated in the Options Study is shown in the table below:

Metal	Unit	Price	Mill Recovery	Receivable
Tin Sn	\$/tonne	26,000	75%	87%
Zinc Zn	\$/tonne	2,750	60%	79%
Indium In	\$/oz	6.05	85%	80%
Iron Fe	\$/tonne	163	15%	100%

Tellerhäuser Economic Parameters

Economic analysis for the Tellerhäuser Project using these parameters suggests a potential project with an NPV at 8% discount of \$191M and an IRR of 46% with upfront capex of \$49M, opex of \$423M and revenues of \$880M, based on the exploitation of all commercial metals at a nominal ROM rate of 500,000 tpa and a forecast tin price of US \$26,000/t. The forecast life of mine is just over 10 years. Although studies have not been completed to a standard that allows for the determination of Mineral Reserves, it is the opinion of the authors that the Tellerhäuser project is financially robust.

The project is sensitive to the tin price as shown in the table below, which shows the effect of changes in tin price, keeping all other parameters the same:

Tin Price (\$/tonne)	NPV at 8% Discount Rate	IRR
20,000	\$82.2M	26%
25,000	\$173.3M	43%
30,000	\$263.8M	58%
35,000	\$354.3M	73%
40,000	\$444.7M	87%

No economic analysis for Gottesberg or Auersberg was undertaken.

16 Conclusions

First Tin's 3 licences in Germany offer a significant contiguous tin bearing zone in a secure and mining-friendly jurisdiction. Historic mining of tin has occurred on both the Tellerhäuser property, as well as at Gottesberg and Auersberg since the 1400s. Historic resources have been declared previously at Tellerhäuser, with the most recent Mineral Resource Estimate by Bara Consulting describing a substantial indicated resource for tin, zinc, iron and indium. Historic mining at Tellerhäuser recovered tin at the Hämmerlein deposit using drift and fill as well as room and pillar methods at low tonnages. More recent mining studies by RPA and now by Bara Consulting suggest mining at around 500,000 tpa would be feasible by a combination of cut and fill and long hole open stoping, with room-and-pillar methods in the flat-lying areas.

Mineral processing work for Tellerhäuser describes a complex mineralogy with fine-grained and intergrown cassiterite, however with an advanced flowsheet including pre-concentration by XRT sorting, magnetic separation, sulphide flotation, cassiterite flotation and gravity dressing of concentrates, saleable tin concentrates

can be economically produced. Due to environmental constraints mineral processing as well as waste disposal would be underground, made possible by large pre-existing excavations from previous mining activity.

The project is well served by road, rail, power and water infrastructure, as well as being located in the historic mining State of Saxony with reasonable and proximal access to skilled human resources. Preliminary economic analysis describes a NPV at 8% discount of \$191M and an IRR of 46% with upfront capex of \$49M, opex of \$423M and revenues of \$880M (Sn @ \$26,000/t) over a 10 year potential life of mine.

Gottesberg represents a current exploration target of approximately 7Mt at 0.49% Sn and 0.12% Cu. Conceptual mining work on the model suggests mining by longhole open stoping at approximately 1Mtpa could be feasible. Mineral processing work suggests a typically clean greisenised tin mineralogy with reasonable recoveries of tin to saleable concentrates using a conventional tin flowsheet. Again, project infrastructure and access to human resources is well established.

Auersberg represents an exploration target where no historic or current mining or processing work has been undertaken. Auersberg shares Gottesberg and Tellerhäuser's good access to project infrastructure and human resources.

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1 INTRODUCTION

1.1 Background

First Tin Limited (First Tin) is a limited private UK based company, which intends to re-register as a public company and undertake an IPO in 2022.

First Tin holds the Tellerhäuser, Gottesberg and Auersberg projects via a German registered subsidiary Saxore Bergbau GmbH (Saxore). Saxore is a 100% owned subsidiary of First Tin and the current licences are all 100% owned by Saxore.

First Tin is a dedicated tin and associated metals exploration and development company. It has the overarching strategy of becoming a significant European-focussed tin and associated metals mining company.

This strategy is based on the absence of any current significant tin production in Europe and the stated desire of Europe to become more self-sufficient with respect to natural resources.

Tin is considered to be a Critical Raw Material (CRM) in Germany and is on the shortlist for this classification in the EU.

1.2 Scope of Work

First Tin intends to undertake a JORC-compliant Pre-Feasibility Study (PFS) for the Tellerhäuser Project, including updated mining, processing and surface infrastructure design and costing, with updated prices for metals. In preparation for this PFS, First Tin are preparing to list on the London Stock Exchange, and require a prospectus-level CPR in order to comply with pre-listing requirements.

Following discussions between First Tin and Bara Consulting it was concluded that some preliminary trade-off studies should be undertaken, which would then be incorporated into the CPR, with recommendations for inclusion into a code-compliant PFS. The PFS and subsequent reserve statement would then be commenced in 2022. This would have the advantage that the PFS would be based on the latest information and changes would be properly informed by prior work.

In September 2021 a team from Bara Consulting undertook a site visit to the Tellerhäuser, Gottesberg and Auersberg project sites.

1.3 Reliance on Other Information

First Tin provided all relevant data required for the completion of CPR. Bara Consulting undertook a comprehensive review of the data and also completed a preliminary mine redesign along with providing an

alternate process flow sheet for the Tellerhäuser project. This work was reported in Sept 2021 titled “2021-216 Saxore Options Report.”

For the Gottesberg and Auersberg projects, First Tin provided documents for each project to enable Bara Consulting to undertake a desktop review of each project. Bara Consulting has relied solely on the documents provided for these projects to form their basis of their opinion.

The Report is dated 17th Dec 2021. The Competent Persons are not aware of any material information applicable to the Project arising between the effective date and up to the date of issue of this report which, if known to the Competent Persons, would have a material adverse effect on this Report.

This CPR is addressed to and may be relied on by the Directors of the Company and the Advisors WH Ireland Limited and Arlington Group Asset Management Limited, shareholders and investors in support of the proposed listing, specifically in compliance with the Requirements, the Reporting Standard and as appropriate Rule 5.3.2R(2)(f) of the Prospectus Regulation Rules.

Accordingly, Bara Consulting confirms:

- ✓ Bara is responsible for this CPR and for all the technical information that has been directly extracted from the CPR and reported in the Admission Document to be released by the Company in connection with the admission document and to be dated around the same date as the CPR.
- ✓ Bara declares that it has taken all reasonable care to ensure that the information contained in the CPR and included in the Admission Document is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.
- ✓ Reliance as regards the CPR for any benefit of the Company and its Advisors, shareholders and investors
- ✓ Consent to the inclusion of the CPR, and to the inclusion of any extracts from the CPR in the Prospectus;

1.4 Company Background

Saxony Mines Ltd (SML), an unlisted Australian registered company, was formed as a dedicated Germany focussed tin-tungsten exploration and development entity on 2nd August 2011. SML was at that time a 100% owned subsidiary of Australian registered St Piran Mines Ltd (SPML) which was, in turn, a 100% subsidiary of the Australian registered unlisted public company Indo Gold Ltd (IGL).

Saxore Bergbau GmbH ("Saxore") was established in Saxony, Germany on 6th December 2011 as a 100% owned subsidiary of SML in order to hold the tin and multi-metal deposits in Germany at a local level. Tenements in Germany, including the Breitenbrunn Indo EL, were transferred from IGL into Saxore. Treliver Minerals Ltd (TML), an unlisted, UK registered company, subsequently purchased SML from IGL via SPML on 14th November 2013 and hence SML became a 100% owned subsidiary of TML. SML was de-registered on 3 May 2017, with Saxore becoming a direct 100% owned subsidiary of TML. TML changed its name to Anglo Saxony Mining Ltd (ASM) in February 2017.

In August 2021 Anglo Saxony Mining Ltd (ASM) changed its name to First Tin Limited.

Saxore is thus now owned 100% by unlisted UK registered company First Tin. The current licences are all 100% owned by Saxore.

1.5 Competent Persons

Certificate of Competent Person

As the author of the CPR, I hereby state:

1. My name is Dominic Claridge and I hold the position of Principal Consultant of Bara Consulting (Pty) Ltd., Thirsk, North Yorkshire, UK. ("Bara").
2. I am a mining engineer and a Member of the Australian Institute of Mining and Metallurgy.
3. I hold a B.Eng in Mining Engineering.
4. I have at least 20 years relevant experience.
5. I am a "Competent Person" as defined in the JORC Code.
6. I had overall management responsibility in compiling this CPR and a number of technical experts reported directly to me.
7. I visited the site, together with other technical experts in October 2021.
8. I had overall responsibility for the contents of this CPR.
9. I am not aware of any material fact or material change with respect to the subject matter of the CPR that is not reflected in the CPR, the omission of which would make the CPR misleading.
10. I declare that this CPR appropriately reflects the Competent Person's/author's view.
11. I am independent of First Tin.
12. I have read the JORC 2012 Code and the CPR has been prepared in accordance with the guidelines of the Code.
13. I do not have, nor do I expect to receive, a direct or indirect interest in the Project or First Tin.
14. At the effective date of the CPR, to the best of my knowledge, information and belief, the CPR contains all scientific and technical information that is required to be disclosed to make the CPR not misleading.
15. I hereby provide written approval of my contribution to this CPR to be issued into a Public Report in the form content and context in which it appears herein.

16th December 2021:

Signed:

D. Claridge

A handwritten signature in black ink, appearing to read "D. Claridge", written in a cursive style.

Other Contributing Authors

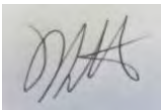
The following Experts have contributed to the CPR. Written consent to use and rely on their contributions in the CPR has been obtained by Bara.

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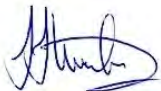
RPH Willis
Chairman Bara Consulting / Principal Mining Engineer

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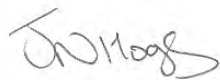
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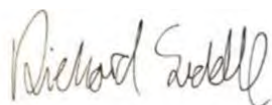
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Managing Director / Principal Geologist AMS

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R Siddle
Technical Director / Senior Geologist AMS

2 PROJECT AND LICENCE SUMMARY

2.1 Tellerhäuser

The Tellerhäuser project is a tin-zinc-indium-magnetite deposit located in south-eastern Germany adjacent to the Czech Republic border. It is approximately 230 km SSW of Berlin and 115 km NW of Prague in a district known as the Erzgebirge, which translates as “Ore Mountains”. A study was completed by RPA in April 2020, describing a 500,000 tpa drift-and-fill operation with process plant and surface infrastructure.

This district has been a centre for mining for over 850 years, with the first written mine records dating to the year 1168. Although no large scale mining has occurred in the district since German re-unification in 1991, a strong mining tradition still permeates the local community, including holding yearly mining parades.

The Tellerhäuser polymetallic tin mineralisation was discovered and explored by the company SDAG Wismut between the late 1960s and 1991. SDAG Wismut was a German Democratic Republic (GDR) / Soviet joint venture company whose main remit was the exploration, development and mining of uranium. During the course of uranium exploration, the company also discovered tin-zinc-indium-magnetite mineralisation at Tellerhäuser. While developing an adit for mining uranium (the Pöhla Adit), SDAG Wismut intersected the polymetallic tin mineralisation at a distance of about 3km from the portal and exploration continued, while uranium was being mined at deeper levels.

The tin mineralisation pre-dates the uranium mineralisation and is generally sub-horizontal in nature compared with the sub-vertical nature of the uranium mineralisation. While some of the later uranium mineralisation does cut across the earlier tin mineralisation, less than 2% of the tin mineralisation is affected, as calculated by SDAG Wismut. The tin mineralisation outside these zones has global background levels of uranium and other radioactive material.

The Pöhla adit is about 7.8 km in total length and is currently open for the first 3 km, with a concrete plug restricting access for the remainder of its length. Infiltration water accumulates behind the plug and is then fed into the local river systems via an open channel in the adit floor.

The first 3 km of the adit, plus other areas developed for tin exploration and trial mining around the 3 km mark, are currently maintained and used as a tourist mine (including maintaining the historical railway access into the mine) by a local association consisting largely of ex SDAG Wismut mine workers.

The deeper levels of the mine, including all the old uranium workings, are currently flooded. Overflow water from these deeper levels is currently being removed via a drainage channel in the Pöhla adit, and is treated in a water treatment plant on-site prior to being released into the local river system. This is currently undertaken by

Wismut GmbH, the new company formed when the Soviets sold their equity in SDAG Wismut to the German government during German re-unification.

Wismut GmbH currently holds a mining lease for uranium and radioactive minerals over the Tellerhäuser project area and owns all the underground voids and infrastructure. They currently lease part of this to a tourist mine association. However, they are prohibited from mining uranium, with their sole mandate the on-going reclamation and rehabilitation of historical uranium mining sites. Separate ownership of different commodities is allowed under the German mining act and discussions with Wismut GmbH have been positive with regard to jointly working in the area, with Wismut GmbH providing a letter of comfort stating they are willing to work with Saxore to open up new mining areas. A small area adjoining the north-eastern boundary of Saxore's ML application licence is held by Saxony Mining and Exploration (SME), who are currently conducting a feasibility study into mining tin-tungsten polymetallic mineralisation in a different stratigraphic horizon from the Tellerhäuser mineralisation.

In 2020 the mines authority granted First Tin a 50 year mining licence over the Rittersgrün field. Rittersgrün is the licence name that contains the Tellerhäuser and Dreiberg resources.

A JORC-compliant Mineral Resource Estimate was completed for the Hämmerlein and Dreiberg deposits at the Tellerhäuser project in October 2021. Details are provided in Section 7.

2.2 Gottesberg

The Gottesberg II exploration licence field is located in the Free State of Saxony, in the administrative district of Chemnitz, in the Vogtland district and in the Erzgebirge ("ore mountains") district and on the territory of the municipalities and towns of Auerbach/Vogtland, Eibenstock and Muldenhammer. The property lies close to the border with the Czech Republic to the immediate southeast (**Error! Reference source not found.**).

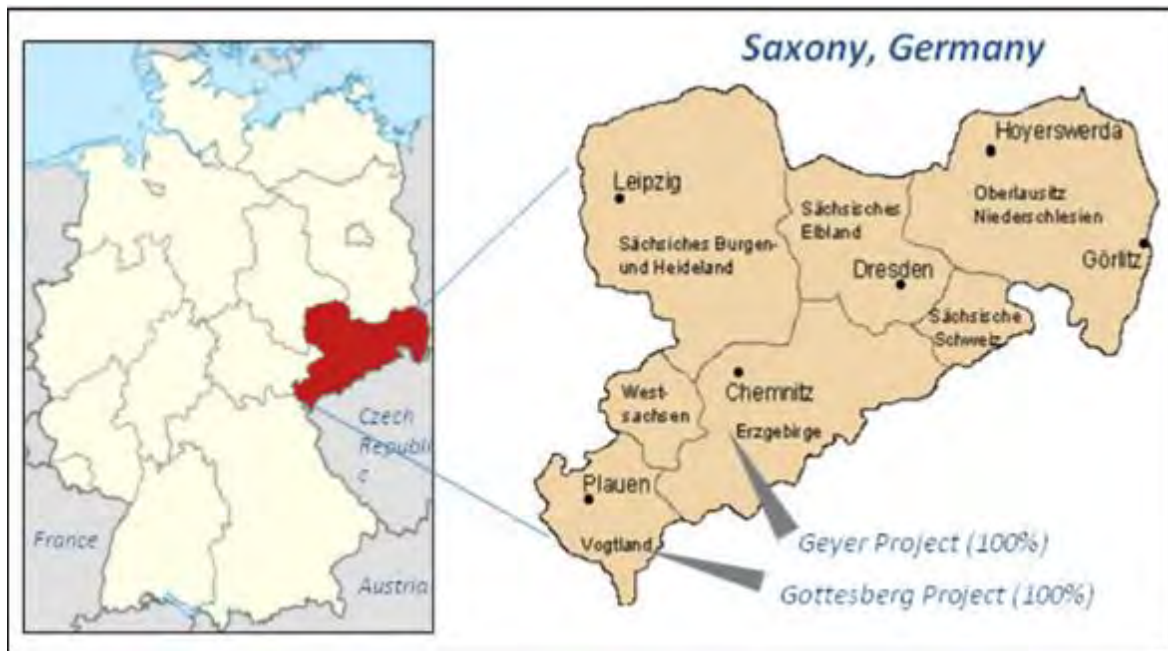


Figure 2-1 Gottesberg Location Map

The Gottesberg licence forms the western part of a significant and contiguous land holding for First Tin comprising the Gottesberg, Auersberg and Rittersgrün licences. Figure 2-2

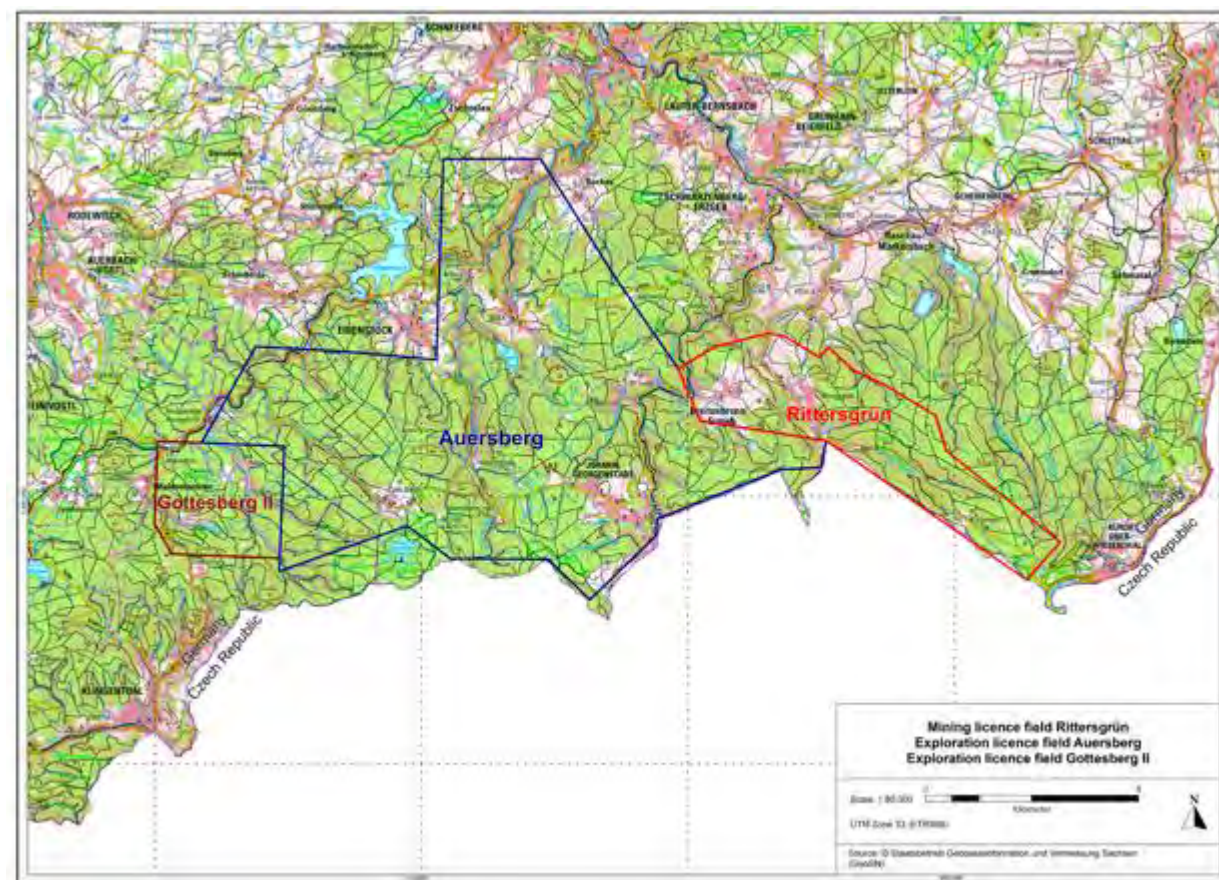


Figure 2-2: Gottesberg-Auersberg-Rittersgrün (Tellerhäuser) Licence Location Map

The Gottesberg settlement developed around historical tin mine workings which date from the mid-1500s to the late 1900s.

Tin workings occur over an east-west length of about 1000 metres and a north-south width of about 500 metres. The workings extend from west of the Neuberg deposit to, and beyond, east of the Gottesberg deposits.

Gottesberg was a focus for uranium exploration by a Russian and East German government enterprise known as SDAG WISMUT ("WISMUT"). At Gottesberg, uranium occurs in quartz veins outside the tin-bearing greisen. A separate government enterprise called VEB Wolfram-Zinnerz ("Wolfram-Zinnerz") explored for tin. The exploration included the sinking of several shafts and winzes, and the development of seven levels of which three were extensively developed in tin-bearing greisen.

To date, a total of 25 surface diamond drill holes and 42 underground diamond drill holes have been drilled. In addition, 124 underground headings have been sampled.

In 2011 and 2012, Sachsenzinn GmbH drilled three holes, one of which was designed as a twin of an existing hole which had been drilled by WISMUT.

Years	Type	Number of Holes or Development Headings	Total Length metres
1967	Underground holes HB4 to HB44	41	1,481.6
1960s	Underground sampling	124	2,942.5
1968	Underground hole Tah1/68	1	453.2
1976/81	Surface holes (Gottesberg area)	17	14,143.4
1983/84	Surface holes (Neuberg and area north-east of Gottesberg)	5	2,674.4
2011/12	Surface holes (SZ1 to SZ3)	3	1,056.5
Total		191	22,751.6

Table 2-1: Gottesberg Historic Drilling

In 2012, the then owner of the licence commissioned the preparation of mineral resource estimates for the Gottesberg tin deposit by Australian consultants Mining One Consultants. This was updated to JORC 2012 compliance in December, 2021.

Since 2012, work on the Gottesberg licence has been limited to low level prospecting, mapping and data compilation/interpretation.

On 7 December 2015, the Saxon Upper Mining Authority approved the application of the company Sachsenzinn GmbH for the exploration of mineral resources in the exploration licence field "Gottesberg II" (AZ 12 4741.1/681) with a time limit until 6 December 2020. On 14 December 2015, Sachsenzinn GmbH changed its legal form and name to Tin International AG. By letter dated 14 February 2019, the permit was transferred to Saxore Bergbau GmbH. The Gottesberg II permit was limited until 06 December 2020 and was extended upon the application until 06 December 2022. Pursuant to Section 3 (3) of the Federal Mining Act (BBergG), it covers the following mineral resources: caesium, gallium, gold, indium, copper, lithium, molybdenum, rhenium, rubidium, scandium, silver, tantalum, tellurium, bismuth, tungsten, zinc, tin.

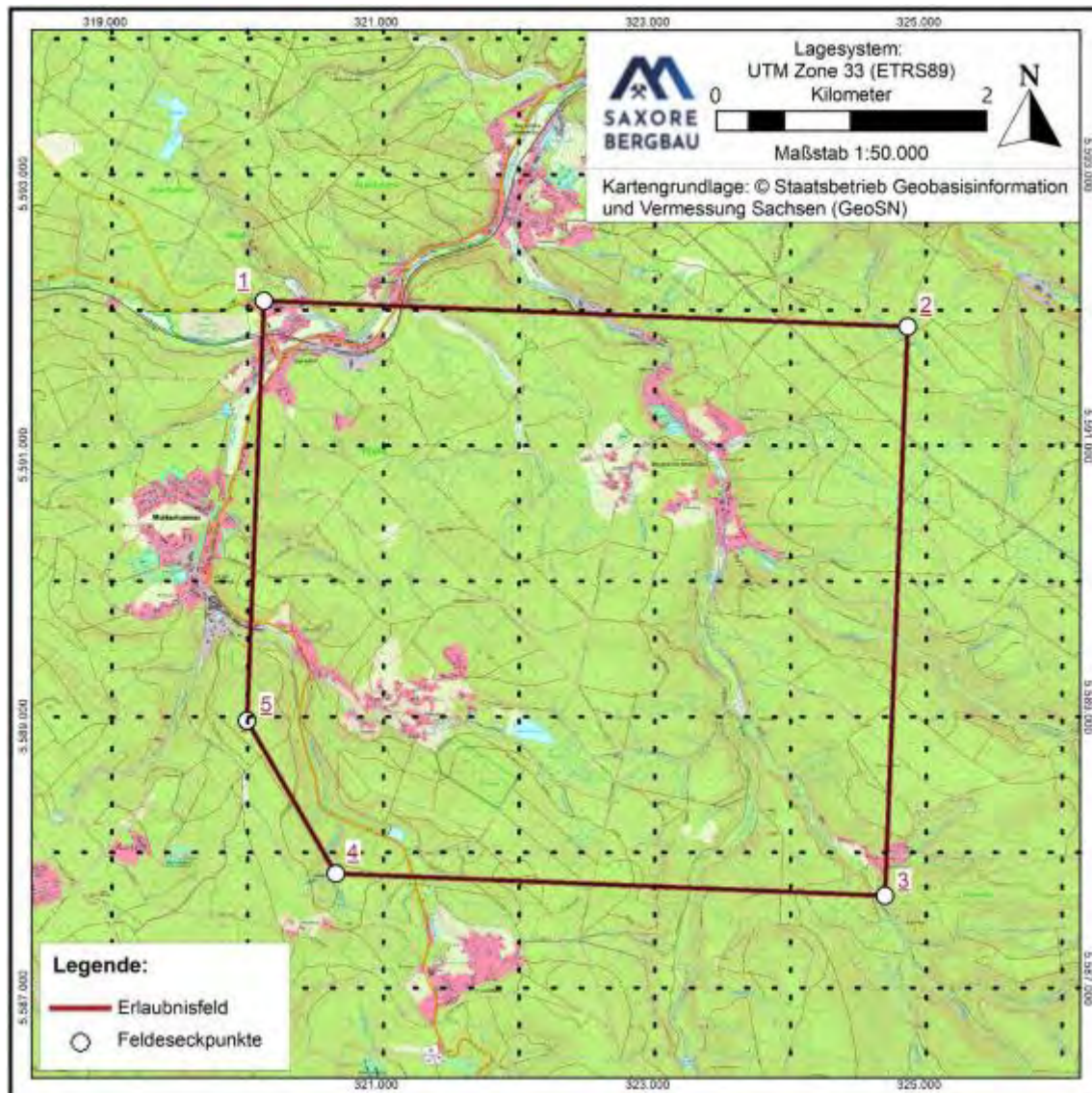


Figure 2-3 Gottesberg II Licence Boundary Map

The licence covers area of approximately 19.5km² Table 2-2

Field	Area (Taking into account projection distortion, rounded off to full 100 square metres)
Gottesberg II	19.564.300,00 m ²

Table 2-2 Gottesberg II Licence Area

The area is characterised by an altitude of 650 - 850 m with relative elevations of up to 200 m, cool humid summers and a longer lasting, snowy winter period. The relief is highly indented, mountainous with deeply

incised valleys. The vegetation consists mainly of managed coniferous forest and a few agriculturally used open areas.

Access to Gottesberg is good by way of all-weather sealed roads.

Gottesberg tin mineralisation lies immediately beneath the settlement of Gottesberg.

Tin workings at Gottesberg occur over an east-west length of about 1,000 metres and a north-south width of about 500 metres. The surface workings at Gottesberg are pits referred to locally as pingen. The largest of these is the Waidgrube Pinge which was sunk on the western outcrop of the Gottesberg deposit. The pingen were worked to vertical depths of up to 135 m as steep sided glory- holes.

In the late 1940s, Gottesberg became a focus for uranium exploration by a Russian and East German government enterprise known as SDAG WISMUT ("WISMUT"). At Gottesberg, uranium occurs in quartz veins outside the tin-bearing greisen and WISMUT drove a series of adits and levels to the east of the Waidgrube Pinge. Although the WISMUT workings were mostly beyond the tin-bearing greisen, at depth, the levels did expose some greisen. WISMUT developed seventeen levels from 835m RL to 395m RL.

A separate government enterprise called VEB Wolfram-Zinnerz ("Wolfram-Zinnerz") explored for tin. The exploration included the sinking of several shafts, some of them internal, winzes, and the development of seven levels from 775m RL to 665m RL. Three levels, at 775m RL, 712m RL and 665m RL (see Table 2), were extensively developed in the greisen, more or less vertically beneath the Waidgrube Pinge.

Exploration by WISMUT failed to identify any uranium mineralisation in the tin-bearing greisen zones and they were not interested in tin and tungsten (Reichert, 2011). One deep underground diamond drill hole (Tah1/68) and 25 surface diamond drill holes were drilled on the Gottesberg deposit in four programmes in the 1960s, 1970s, 1980s and 2011- 2012. In the 1960s, 41 underground diamond drill holes were completed and samples were taken from development on three levels in the Wolfram-Zinnerz workings.

In 2012 a Mineral Resource Estimate was completed on the Gottesberg deposit by Mining One Consultants. This was subsequently upgraded to JORC 2012 compliance in December 2021.

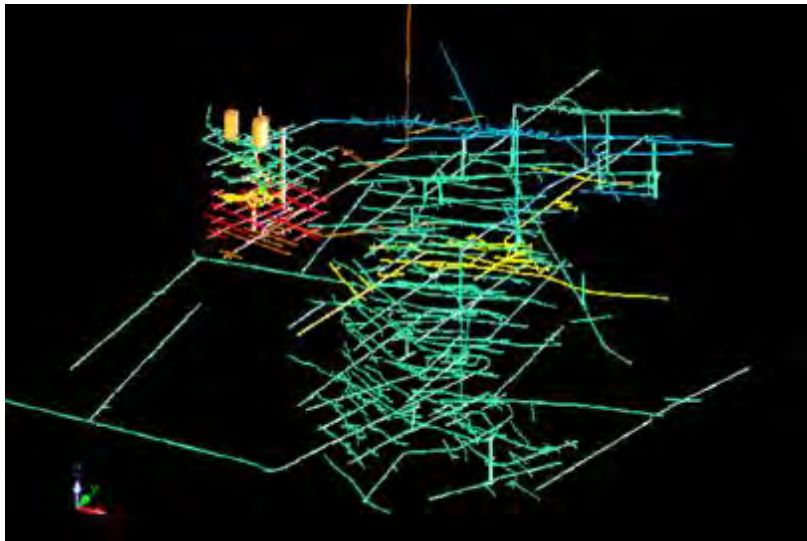


Figure 2-4 Gottesberg Underground Mine Workings (~ 800m depth)

2.3 Auersberg

The exploration area contains one of the most intensive tin, tungsten, molybdenum, and lithium anomalies of the Erzgebirge, as well as the most intense concentration of historical tin workings. Other important mineralisation indicators besides the known and partly mined deposits, are the greisen-type rhyolite veins of Jugel, numerous microgranites in the Eibenstock granite, and several breccia zones. Some drill intercepts show tin mineralisation up to 400 m depth. This, combined with the frequent greisen bodies in the licence area, as well as the numerous granite-porphyry zones, give reason to assume that these are the uppermost apophyses of a stockwork-like granite-porphyry intrusion at depth, with very limited outcrop at the surface. Tectonic control of these bodies is provided by the intersection of NW/NNW - SE/SSE with W/WSW - E/ENE striking faults. Most prospective is the area north of Carlsfeld, including the extension of the Hahnewalder Gangzug. Thus, these signs fit into the well-known picture of mineralised porphyry rocks and granite domes characteristic for the Erzgebirge (e.g., Krupka, Altenberg, Sadisdorf, Greifensteine, Gottesberg).

3 LOCATION

The 3 project areas of Tellerhäuser, Auersberg and Gottesberg are located in the Free State of Saxony, Germany. Saxony shares its border with 4 other German states and also the countries of Poland and the Czech Republic. The 3 licence areas are contiguous running east to west.

The project areas are located in the Erzgebirge district Figure 3-1. Erzgebirge translates to “Ore Mountains”. The straight line distance between Gottesberg and Tellerhäuser is approximately 26km. The shortest road route is approximately 45km.

The area surrounding the project is mostly state forest and farmlands. There are several small towns and villages in the vicinity.

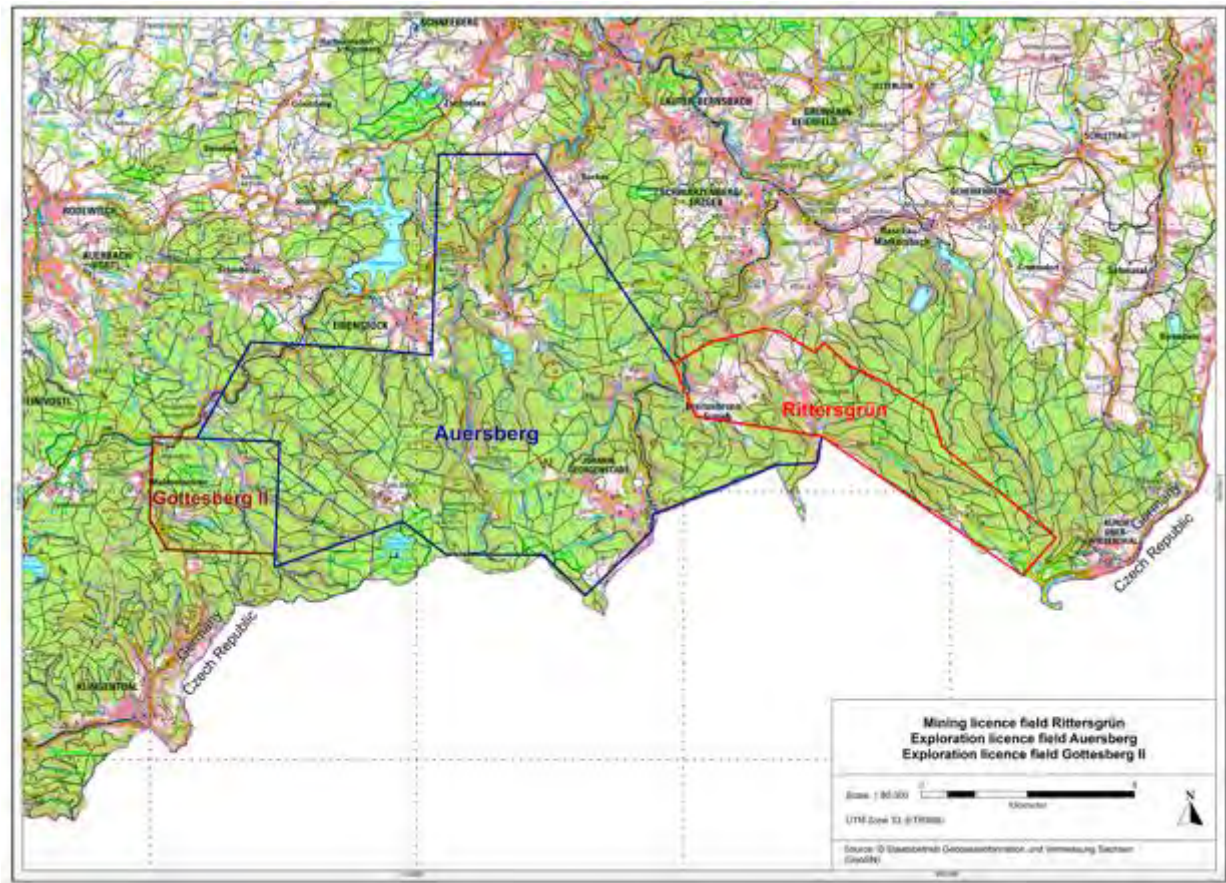


Figure 3-1 Project Locations

Figure 3-2, Figure 3-3, Figure 3-4, show the licence boundaries for the Rittersgrün (Tellerhäuser & Dreiberg), Gottesberg and Auersberg licences respectively .

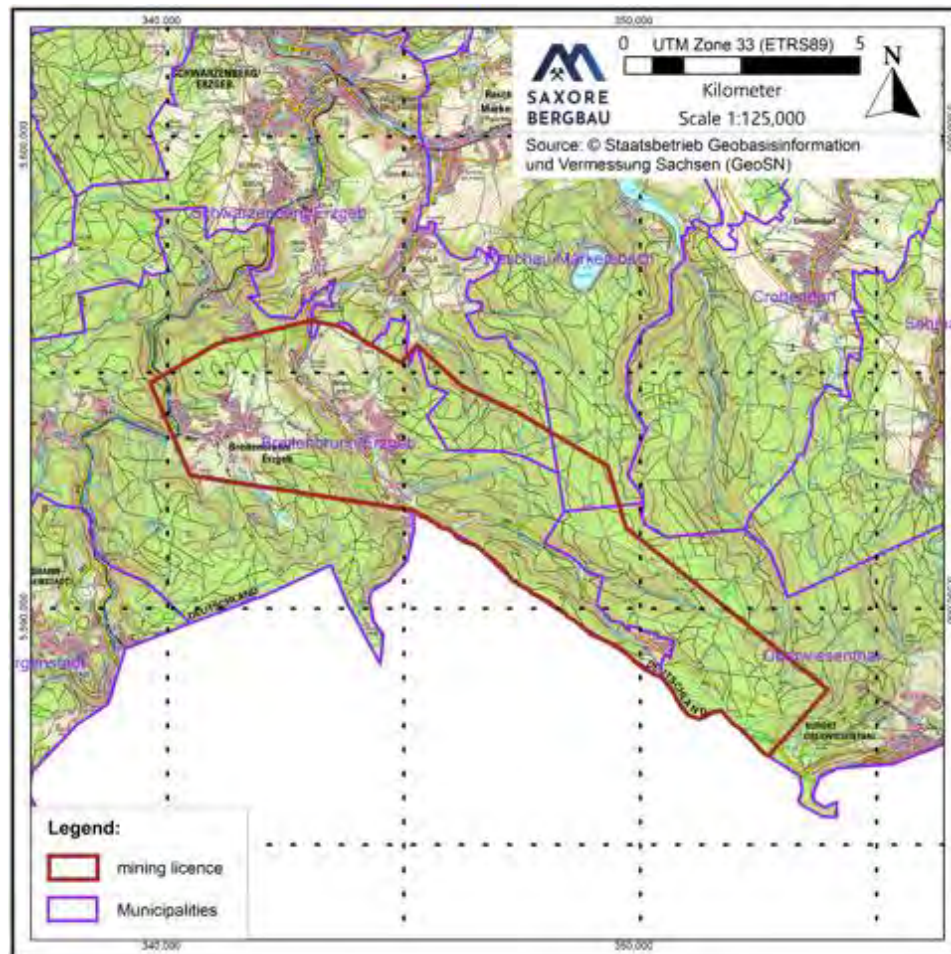


Figure 3-2 Rittersgrün Mining Licence

The Rittersgrün Licence contains the historic mine workings of Tellerhäuser and Dreieberg.

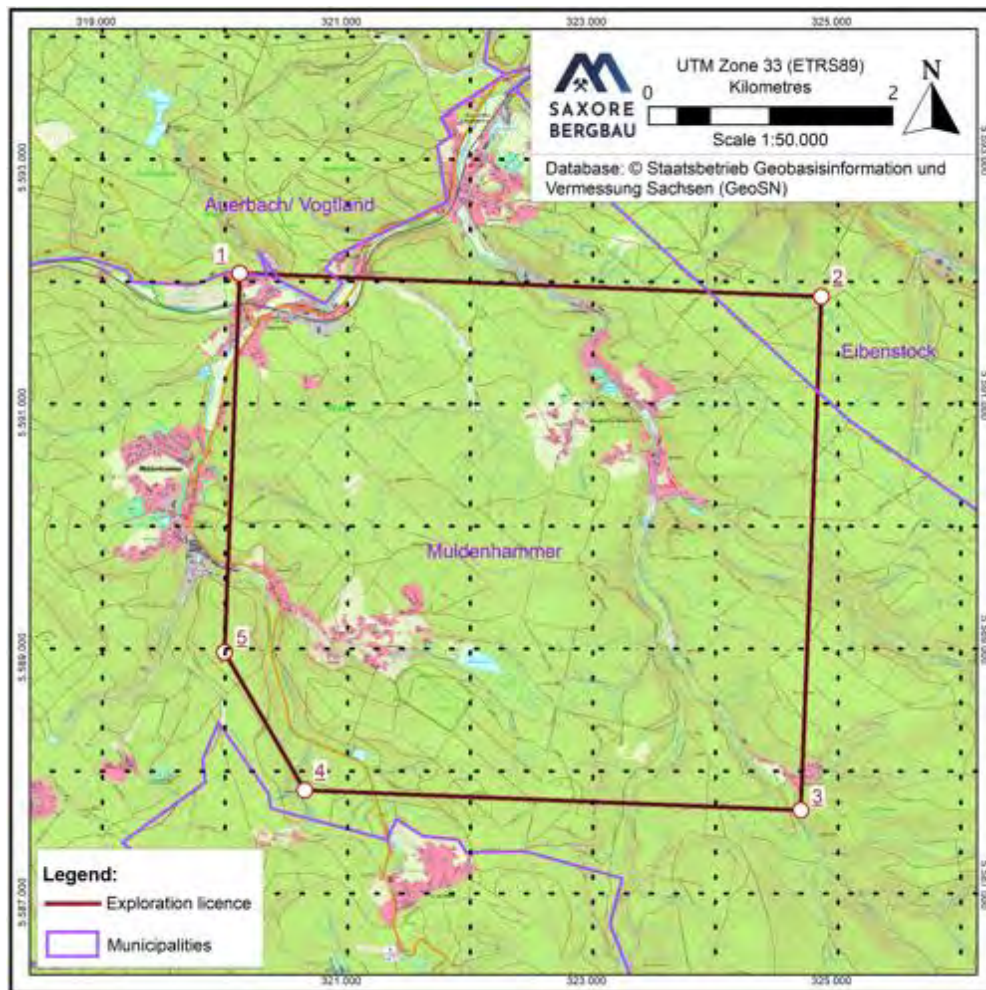


Figure 3-3 Gottesberg Exploration Licence

The settlement of Gottesberg is close to the border with the Czech Republic in the Erzgebirge mountains in Western Saxony. Gottesberg is about 80 kilometres south-west of Chemnitz. The settlement developed around historical mine workings which date from the mid-1500s. The village of Gottesberg is located in the bottom left of the licence area.

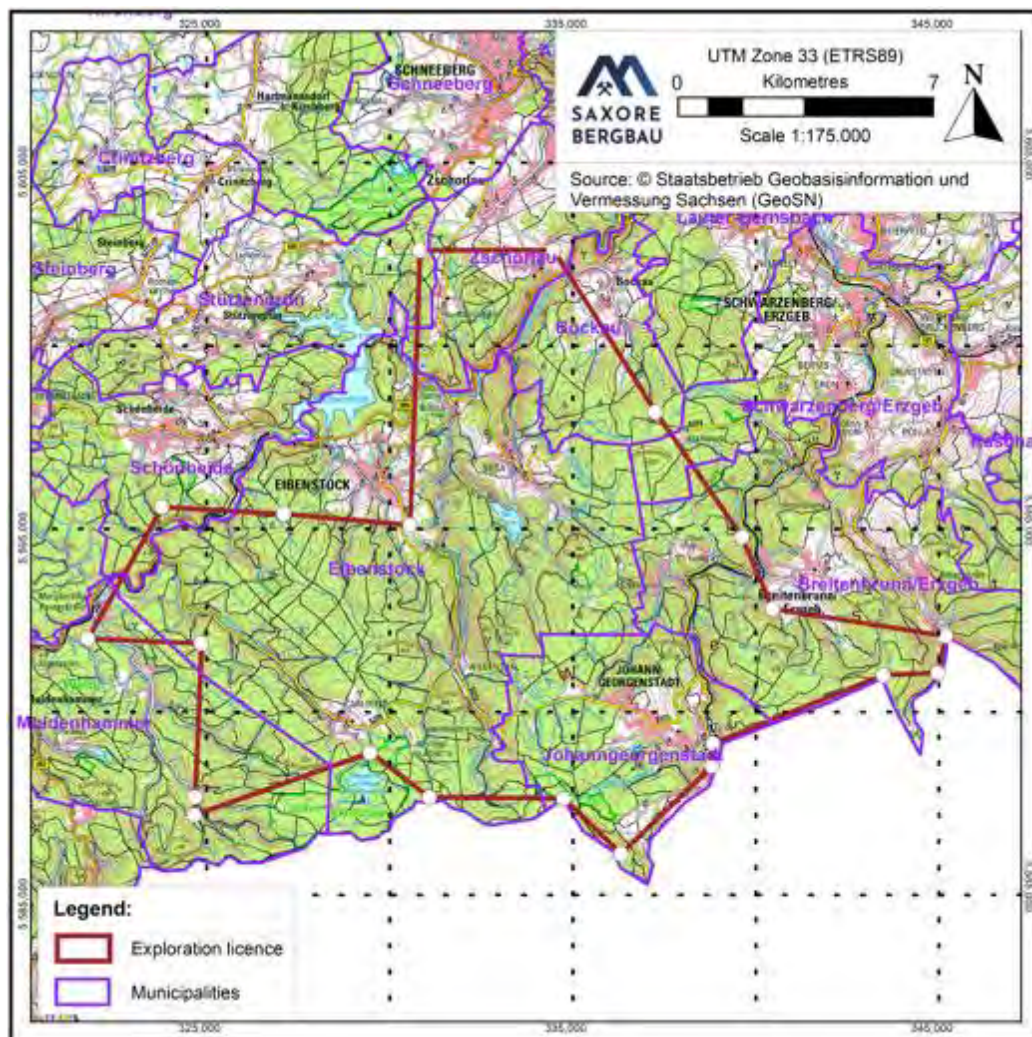


Figure 3-4 Auersberg Exploration Licence

4 HISTORICAL MINING

4.1 Tellerhäuser

The Erzgebirge is a regional mining district with a long history and tradition. Erzgebirge literally translates as 'Ore Mountains'. Mining has been conducted within the region for over 800 years, with the first written records of mining dating to around 1168AD. It is likely that alluvial cassiterite (tin ore) was sourced from this area as long ago as 2500BC, during the Bronze Age, although direct evidence for this has not been confirmed. During the twelfth century, mining initially concentrated on silver with by-product lead and zinc. It is estimated that over 10,000t silver metal has been produced from the district, along with 300,000t lead, 150,000t zinc and unspecified amounts of by-product arsenic, bismuth, cobalt, nickel and copper.

Tin was discovered during the thirteenth century and it is estimated that around 350,000t tin metal has

been produced from the district (including extensions in the Czech Republic) up until 1991, together with an estimated 23,000t tungsten metal. During the German Democratic Republic (GDR) era, between 1946 and 1991, approximately 250,000t uranium metal was produced from the district, making it one of the premier uranium mining areas in the world.

SDAG Wismut (a GDR/Soviet joint venture company formed for uranium mining and exploration) began exploring for uranium in the area during the late 1940s and mined several small veins in the district containing a few tonnes of uranium. A shaft was sunk at Pöhla-Globenstein in 1957 but found only minor uranium mineralisation. However, a magnetite-skarn was discovered and the shaft was transferred to a state-owned iron company for iron ore exploration and a short period of mining (1965 –1966).

During the 1960s, drilling identified radioactive anomalies in the Hämmerlein and Tellerhäuser areas, to the south-east of Pöhla-Globenstein. It was decided to explore these deposits underground using an adit, which was started in 1967. Approximately 3km from the portal, the adit intersected minor uranium mineralisation at Hämmerlein, which was mined out during the exploration phase, resulting in production of about 15t of uranium.

However, significant tin mineralisation was discovered in skarns and schists in the same area. These skarns were also found to host significant quantities of zinc, magnetite, indium and copper. This mineralisation was intensively explored from underground during the 1970s and 1980s and plans were made to set up a major tin mine. However, although the total resource base discovered was very large and the grades better than other producing tin mines in the GDR at that time, mineralogical and metallurgical test work concluded that only a low-grade tin concentrate could be produced, even though recoveries were good.

For the sake of clarity, it should be noted here that the tin mineralisation has only global background levels of uranium and other radioactive substances and that the uranium mineralisation previously mined occurred as narrow cross-cutting veins which are not genetically associated with the tin mineralisation.

From Hämmerlein, the main adit was driven further during the 1970s to investigate the uranium mineralisation at Tellerhäuser, which was intersected at about 7.5km from the portal. This mineralisation was significantly larger than at Hämmerlein and two underground shafts (“blind shafts”) were sunk to access deeper parts of the deposit (~500-700m below the adit level). Commercial mining began in 1983 and a total of 1,203.3t of uranium was produced until the end of production in 1991. At the cessation of mining, it was estimated that over 5,000t uranium remained at Tellerhäuser. The location of this mineralisation has been well defined and, while it does cut across some of the known tin mineralisation, it has been shown by SDAG Wismut to only affect about 2,500t of tin mineralisation out of a total of over 100,000t (i.e. less than 2.5%).

Similar to Hämmerlein, significant tin and magnetite mineralisation were discovered in skarns at Tellerhäuser, principally in the Breitenbrunn (now re-named Zweibach) and Dreiberg seams. Some of the magnetite was mined

as an additive to concrete for nuclear power plants constructed by the GDR Government in the 1960s. Small amounts of silver were also extracted from uranium and/or arsenic bearing veins in the Dreiberg sub-deposit. Furthermore, silver occurs in greisenised skarns linked to sulphide mineralisation. Only the vein-style silver mineralisation was mined and processed sporadically as a by-product, with a total recovery of 683kg silver. An ore shoot with massive native arsenic and silver was discovered in 1991, shortly before the cessation of uranium mining. Some of this material was mined but was never processed and remains on-site in the deeper levels of the mine.

After production ceased at Tellerhäuser, the area was rehabilitated, including the flooding of the mine below the Pöhla Adit level, removal of the mine buildings, and capping of the waste rock area. A water treatment plant was set up to remove uranium, radium, iron, manganese and arsenic from the mine water. Because of the low water flow from the mine, it was decided to replace the initial active chemical water treatment plant by a passive biological unit (wetland). However, this plant did not perform to expectations and hence an active chemical treatment plant was re-established in 2014. The main Pöhla Adit is over 7.8km long and substantial underground access is in place (Figure 4-1) although this has been partially flooded. Three kilometres of the adit currently provides access into the old trial mining areas and part of the Hämmerlein seam, which is currently kept open as a tourist mine.

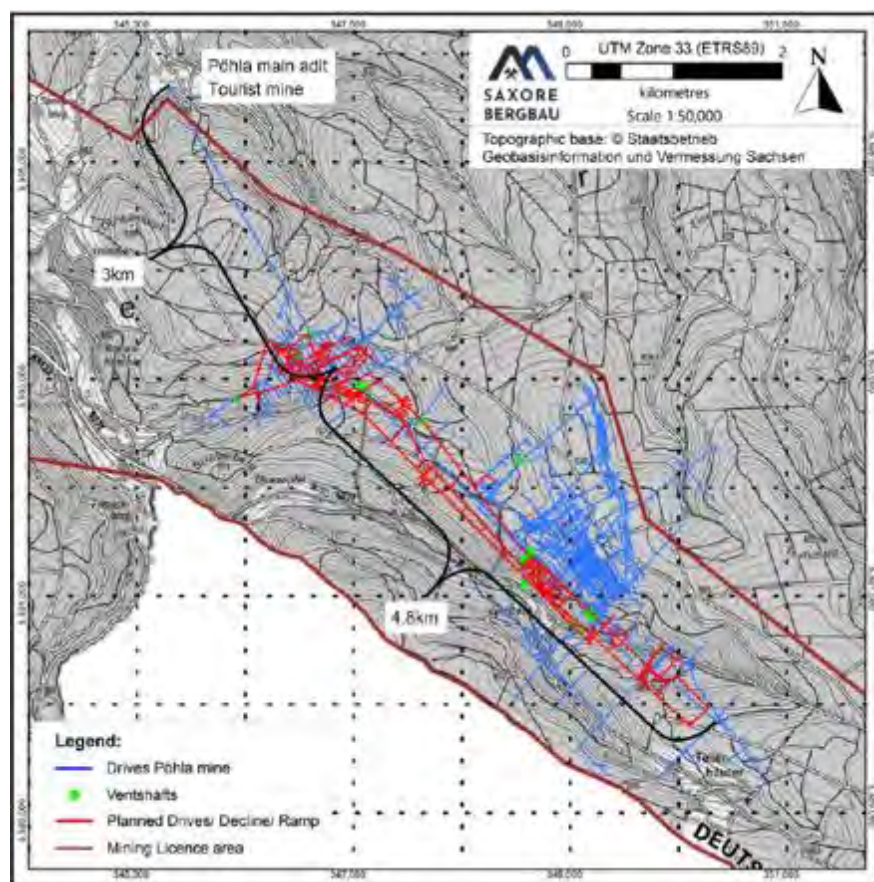


Figure 4-1 Pöhla adit & Underground Workings

It is estimated that about one million cubic metres of water is present within the existing mine voids (including the old uranium mining stopes) below the Pöhla Adit level and this will require progressive de-watering in order to access the lowest levels of the old mine. Mine water overflow is currently being collected and treated before release into the local drainage system. This water treatment plant is operated by Wismut GmbH. Currently, the plant is removing arsenic, iron and radium (4.09Bq/l). Further treatment of uranium and manganese is currently unnecessary due to a significant decrease in the concentration of these elements in the mine water overflow. The maximum water treatment plant capacity is up to 60m³ per hour compared with the current outflow of 11-20m³ per hour.

4.2 Gottesberg

The Gottesberg deposit has produced substantial tin during historical operations at the property, through artisanal mining and gravity processing of Sn ores. Production records are incomplete but the known production of crude ore mined and concentrate produced previously is listed in Table 4-1 Gottesberg Recorded Historical Production.

	Year	Crude Ore Tonnes	Sn in Concentrate tonnes
Waidgrube	1862	15	
	1863	256	
	1864	153	
	1865	249	
Gottesberg Deposit	1937	540 (wet)	
	1938	2,217 (wet)	
	1939	6,987 (wet)	
	1940	12,764 (wet)	
	1941	9,827 (wet)	
	1942	3,618 (wet)	
	1943	not known	
	1944	5,103	
	1945	3,017	
	1951	10,990	13.9
	1952	11,495	20.6
	1953	10,850	24.9
Total		78,081 (wet and dry)	

Table 4-1 Gottesberg Recorded Historical Production

In total some 78,000t of tin ore was previously mined from Gottesberg.

4.3 Auersberg

From the middle of the 14th century until the 1960s, intensive mining of various raw materials (mainly tin, copper, iron, uranium) took place in the applied permit area. Tin mining began with the exploitation of placer

deposits around Eibenstock and Carlsfeld in the 14th and 15th centuries and reached a first peak with the start of tinplate production at the Blauenthal hammer mill. In 1560 Eibenstock received its own mines authority. At the end of the 16th century, tin production from placer deposits decreased with a simultaneous upswing in underground tin mining. In the early 17th century, the Eibenstock mining district covered about ¼ of Saxony's tin production. The Auersberg mines and the Fletschmaul and Rosszeche mines were the best producers. Around 1800, the downswing of tin mining began, with the closing of the Eibenstock mines authority (1793) and the closure of many mines. Until 1864, tin was extracted from a few mines (e.g., the Großzeche at the Auersberg) until finally, in 1890, all mining activities for tin and iron in the Eibenstock mining district ceased. In the 1930s, the Sachsenerz Bergwerks AG carried out revision work on tin in the Eibenstock area (e.g., Gabe Gottes in the Dönitzgrund), which was discontinued again at the beginning of WW2. The intensive uranium mining of the last mining period, after 1945, is characterized by the area around Johanngeorgenstadt, which has since been completely rehabilitated.

5 GEOLOGY

5.1 Tellerhäuser

The Tellerhäuser mineralisation is located within the northern part of the Bohemian Massif. It is hosted within Cambrian to Ordovician metasediments that are now dominantly schist with several calc-silicate and skarn horizons (Figure 5-1, Figure 5-2). These were formed from fine grained pelitic sediments with limestone interbeds during metamorphism and metasomatism associated with the Carboniferous age Variscan orogeny. This orogeny is due to the collision between Gondwana and Laurussia.

During the Variscan orogeny, prolific felsic intrusions were emplaced, with the earlier ones (mid to late Carboniferous) being affected by the later stages of deformation and hence these are often foliated. The latest intrusions (late Carboniferous to early Permian) are classed as “tin granites” and are believed to be the main source of the mineralising fluids that deposited the tin and associated mineralisation in the Erzgebirge district.

There are several phases of mineralisation in the Erzgebirge district which may be summarised as:

1. Cambrian to Ordovician syn-sedimentary copper mineralisation;
2. Carboniferous to Permian tin, tungsten and associated metals (zinc-indium-copper-iron) mineralisation;
3. Permian “Freiberg Style” silver-lead-zinc-indium mineralisation;
4. Mesozoic uranium, silver, fluorite-baryte and bismuth-cobalt-nickel (BiCoNi) mineralisation.

At Tellerhäuser, the following paragenesis has been established:

Stage 1: An early prograde garnet-pyroxene+/-axinite+/-anhydrous amphibole skarn was formed by metasomatism of an impure limestone during an early alteration event, possibly during peak metamorphism at around 340Ma. This was the earliest introduction of tin into the system. Tin is located dominantly in the lattice of silicates such as garnets, pyroxenes and amphiboles and as the tin silicate minerals malayaite and stokesite.

Stage 2: A later, lower temperature, retrograde event overprinted the early prograde skarn and formed a hydrous amphibole-magnetite+/-epidote+/-axinite+/-chlorite+/-sulphide assemblage. This introduced significant amounts of iron and the metals zinc, copper, indium, silver, gallium, arsenic and cadmium. It is unclear whether this event is simply a late stage of the “skarnification” process or whether it is an early stage of the main hydrothermal mineralisation discussed below.

Stage 3: A later overprint by magmatic-hydrothermal fluids, almost certainly associated with the tin granites in the region, such as the Eibenstock granite, which has been well dated at around 320Ma, twenty million years after peak metamorphism. This introduced the majority of the tin mineralisation and altered the Stage1 and Stage 2 skarns to a quartz-chlorite-fluorite-amphibole(tremolite-actinolite)-cassiterite+/-tourmaline+/-feldspar assemblage. The latter two minerals are mainly found when the host rock is schist rather than skarn. Almost all of the tin introduced during this event occurs as relatively coarse cassiterite - between 100 micrometres and several centimetres in diameter. Some lenses of massive cassiterite 20-30cm long and 5cm wide can be seen. This mineralisation event preferred the skarns as a host due to their chemical and rheological characteristics. However, some mineralisation occurs within adjacent schists, especially in the immediate footwall of the skarns.

Post Tin Mineralisation: Much later (Mesozoic?), uranium, silver, BiCoNi and fluorite-baryte veins crosscut the Stages 1-3 mineralisation noted above. These are probably all related and there appears to be a general trend from the upper levels to the deeper levels of fluorite-baryte grading into uranium grading into BiCoNi and silver in single vein systems.

The tin mineralisation is hosted within three skarn seams - Hämmerlein, Zweibach and Dreiberg that dip shallowly to the southeast (Figure 5-1 and Figure 5-2). Some tin mineralisation is also located in the footwall of the Hämmerlein skarn seam.

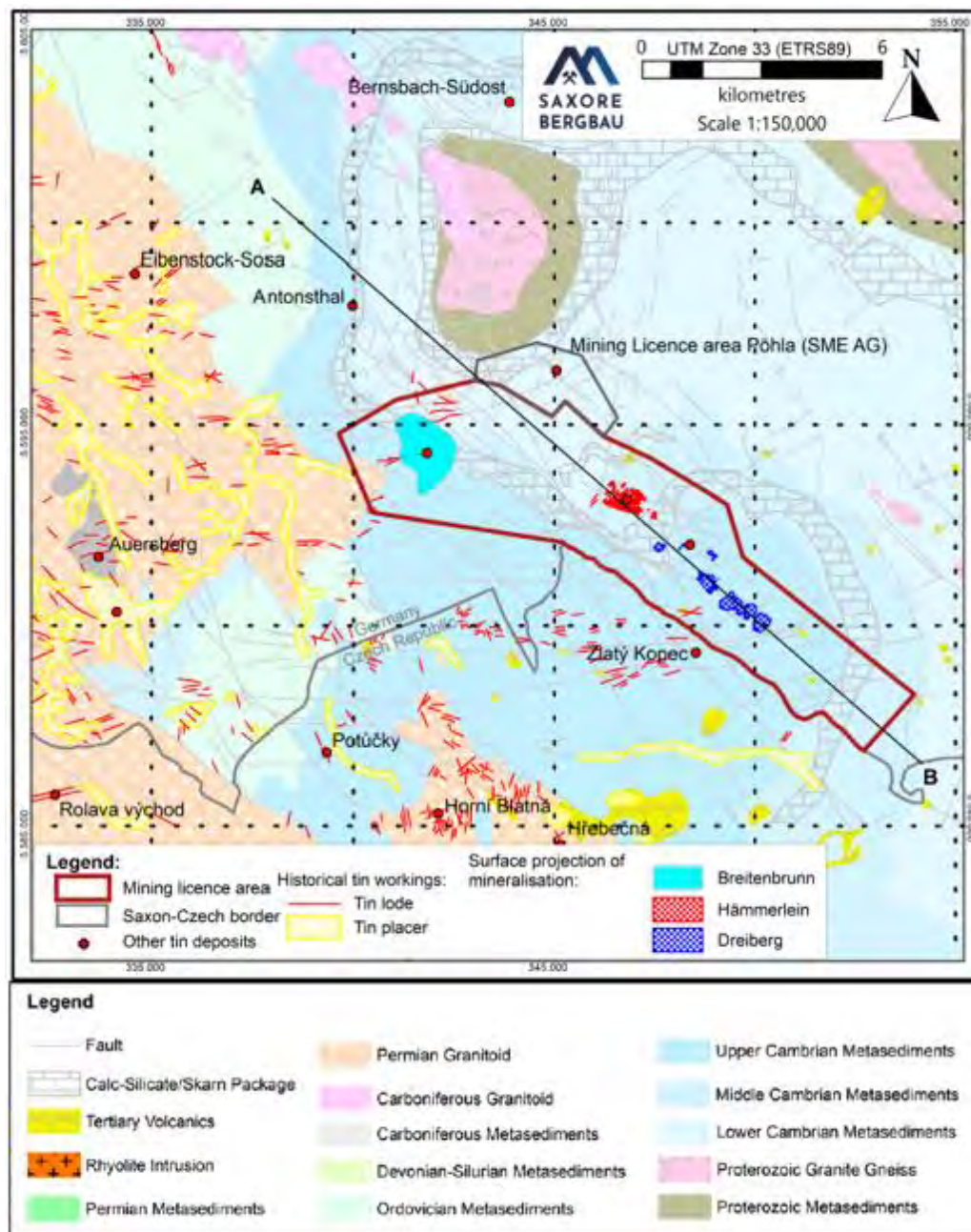


Figure 5-1 Rittersgrün Geology

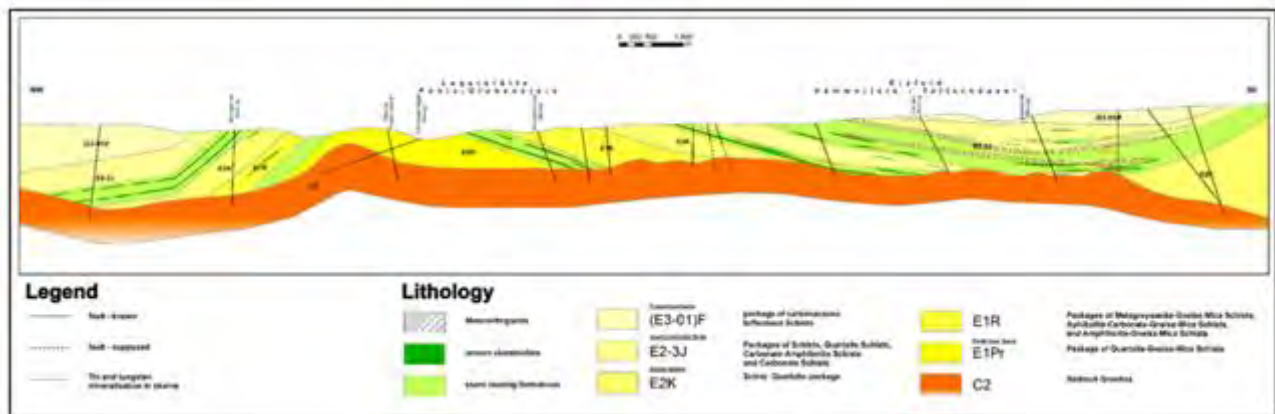


Figure 5-2 Long Section A-B

5.2 Gottesberg

Tin is found in greisen mineralisation which occurs in hydrothermally altered granite. In this general sense, the geology of the area is simple. However, when considered in more detail, the geology is more complex and the complexity becomes more apparent at smaller scale: greisens, greisenised breccias and greisenised granite have all been identified.

The Gottesberg greisen is known over a strike length of up to 800m, a width of up to 400m and a vertical extent of about 900m. The current geological model only accounts for minor geological variation inside the greisen because the available drilling data does not allow for a reliable interpretation of this internal variation. However, where data is denser, such as in the three main levels excavated by previous explorers, some significant internal variation is apparent. Tin occurs as cassiterite and copper, in minor amounts, as chalcopyrite, chalcocite and covellite. The Mining One 2012 and 2021 MRE studies identified and modelled three main zones of mineralisation within the Gottesberg greisen.

The north-western part of Greisen 1 outcrops at Waidgrube Pinge. The south-eastern part of Greisen 1 is not known at outcrop. The two apophyses merge at about 700m RL. Greisen 2 outcrops at Geyerin, Topas and Dreikoenigs Pingen. Greisen 3 is not known at outcrop. The top of this greisen has been intersected by diamond drilling at about 515m RL.

The Gottesberg tin ore deposit is located in the western fringe of the Saxon Erzgebirge within the Fichtelgebirge Erzgebirge anticlinal zone and about 3 km from the western contact of the Eibenstock granite massif with the Cambro-Ordovician metamorphic rocks of the Westerzgebirge. This Eibenstock intrusive complex is characterised by local multiphase intrusions with several individual bodies and differs locally in its mineralogical composition and age. A fluorine-rich, phosphate-rich, fine- to medium-grained biotite granite (Eibenstock/Gottesberg type) is assumed to have formed the Gottesberg Greisen deposit (Figure 5-3).

In the area of the Eibenstock granite, numerous greisen occurrences are known, including the greisens of Gottesberg, Tannenbergr, and smaller occurrences around Eibenstock and Gottesberg. The greisen of Gottesberg is characterised by a local specialisation with regard to the elements tin, lithium and fluorine. A typical greisen is a mostly massive medium- to coarse-grained rock with easily recognisable mineral aggregates (inclusions) and is characterised by a disordered arrangement of the minerals. It is an alteration rock (metasomatite) which was formed in the late magmatic process (in the so-called pneumatolytic stage).

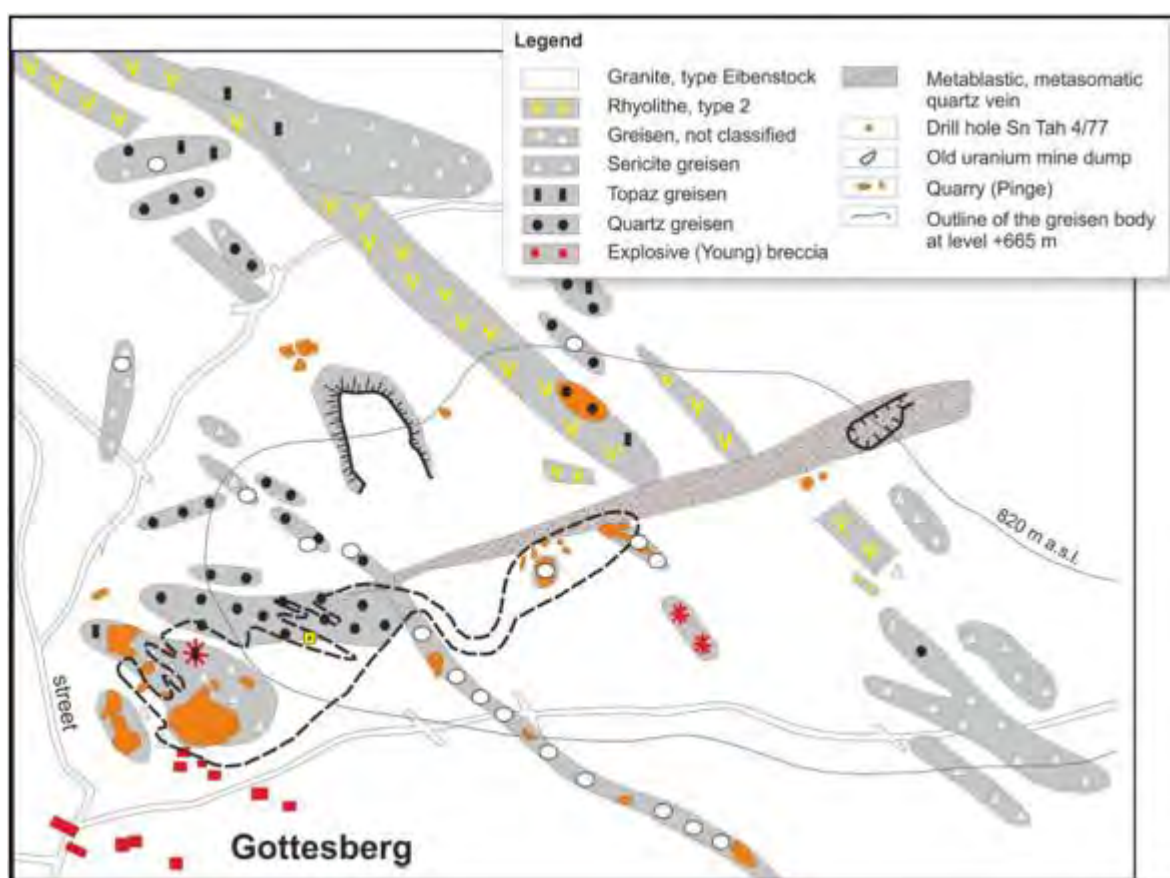


Figure 5-3 Gottesberg Simplified Geology (Mining One, 2012)

5.3 Auersberg

Sn-W mineralisation, mined at Auersberg from the 14th Century to the 1960s, is hosted in metasomatic stockwork- or vein-type (mostly cassiterite-, wolframite- and sulphide-bearing) greisen bodies as well as vein-type complex mineralisation. The greisen bodies and numerous granite-porphyry zones are interpreted as the uppermost apophyses of a stockwork-like granite-porphyry intrusion with limited outcrop at the surface. These are classic characteristics for the Erzgebirge mineral deposits (e.g., Krupka, Altenberg, Sadisdorf, Greifensteine, Gottesberg).

Numerous known small and/or low-grade tin deposits (not reportable as resources under JORC or NI43-101 guidelines¹) exist within the lease:

✓ Eibenstock-Sosa	Greisen Veins	2.3Mt @ 0.26% Sn (6,000t tin)
✓ Auersberg-Wildenthal	Greisen Veins	10.8Mt @ 0.3% Sn (32,400t tin)
✓ Sauschwemme	Alluvial/Eluvial	6.5Mt @ 0.04% Sn (2,400t tin)

The Gottesberg deposit (stockwork greisen body) is located immediately west of the Auersberg area.

The area covers the largest, most extensive and highest order tin, tungsten, molybdenum, and lithium geochemical anomalies in the Erzgebirge, as well as the highest concentration of old tin mines. Recent field visits by Saxore have confirmed good potential for sheeted greisen vein style tin mineralisation as well as breccia pipe hosted mineralisation. Historical mining areas including **Sosa, Ellbogen, Dönitzgrund, Carlsfeld and Jugel/Henneberg** represent immediate walk-up drilling targets (Figure 5-4) with limited investigation at depth.

¹ *Cautionary statement: There is insufficient drilling information relating to the Project to estimate a Mineral Resource over the Exploration area and it is uncertain if further study will result in the estimation of a Mineral Resource over this area.

Figure 5-4 Target areas for exploration work in stage one.

Mineralisation

The geology and mineralisation are characterized by the following features

- ✓ Mineralised shear-zones and fracture-zones in the southern contact of the Eibenstock granite.
- ✓ Metallogenetically significant small-scale intrusions as suppliers of heat and fluids for the formation of large-scale mineralisation.
- ✓ Breccias as a preferred setting for spatially extensive mineralisation
- ✓ Low erosion level - the metallogenetically important porphyry stocks are rarely exposed at the surface. Only local outcrops of the mineralisation are present at the surface.
- ✓ The feldspar-rich Eibenstock granite is the host rock, not source rock, for the mineralisation.
- ✓ Large geochemical anomalies of Sn, W, Cu, Pb, Mo, Li, and As in stream sediments and soils.

6 EXPLORATION PROGRAM

6.1 Tellerhäuser

Two main drilling programmes are proposed for the Tellerhäuser project:

1. Underground drilling from the main adit at Hämmerlein designed to convert Inferred Resources and exploration targets to Indicated and Inferred Resources.
2. Deep drilling from surface at Dreiberg designed to convert some of the Inferred Resources to Indicated Resources, confirm continuity of mineralisation, and obtain samples for metallurgical testwork (variability testing).

The underground drilling at Hämmerlein will require opening of an additional approximately 800m of the main adit. This will require removing the existing concrete plug, making the adit safe, increasing ventilation and replacing the plug approximately 800m further down the adit.

Several small drill cuddies may need to be excavated to accommodate the drilling rig but it may be possible to simply utilise the existing adit if it is wide enough. Several fans of drillholes at varying declinations will be used to test the Hämmerlein Seam below the adit level.

A total of approximately 5,000m underground drilling is proposed to test the area immediately along strike from the current indicated resource. This will convert part, or all, of the current inferred resource to indicated status by closing up drill spacing to approximately 50m x 50m. All up costs are estimated at €200/m (including assays) and hence this programme is budgeted at €1,000,000.

A contingency of an additional 5,000m is also proposed, designed to continue to define additional indicated and inferred resources further to the southeast. This is budgeted at €1,000,000 and is contingent on results of the above programme.

A plan and typical cross-section are shown on the figures below.

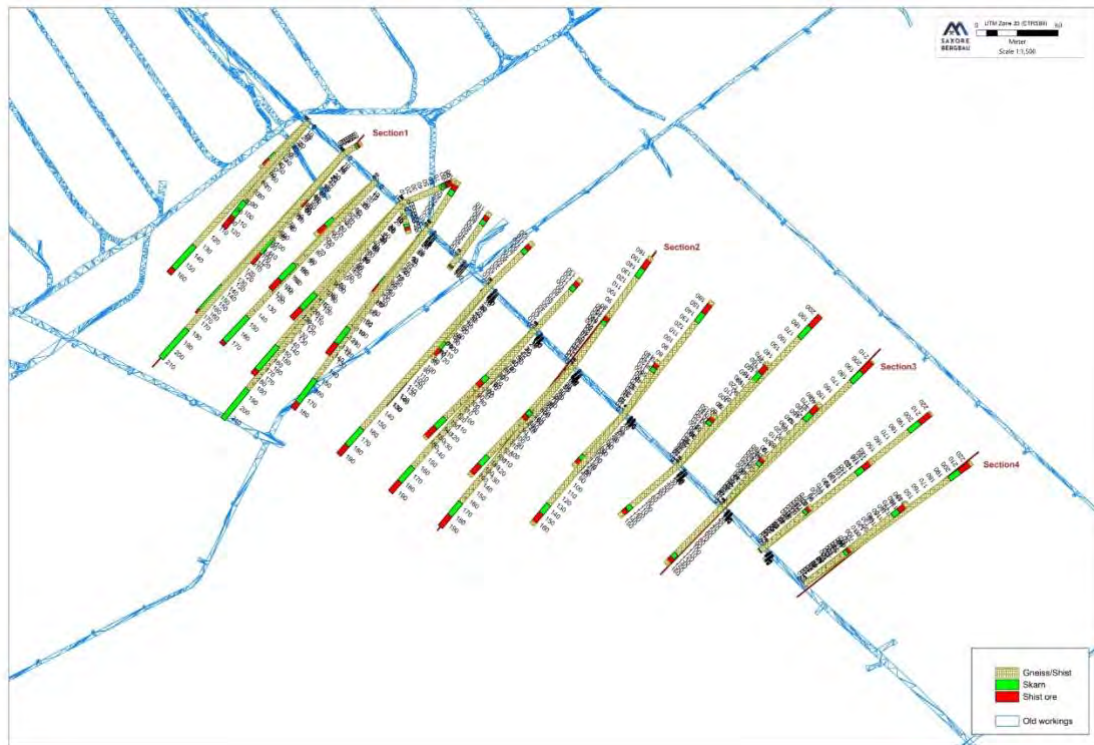


Figure 6-1 Target areas for exploration work in stage one

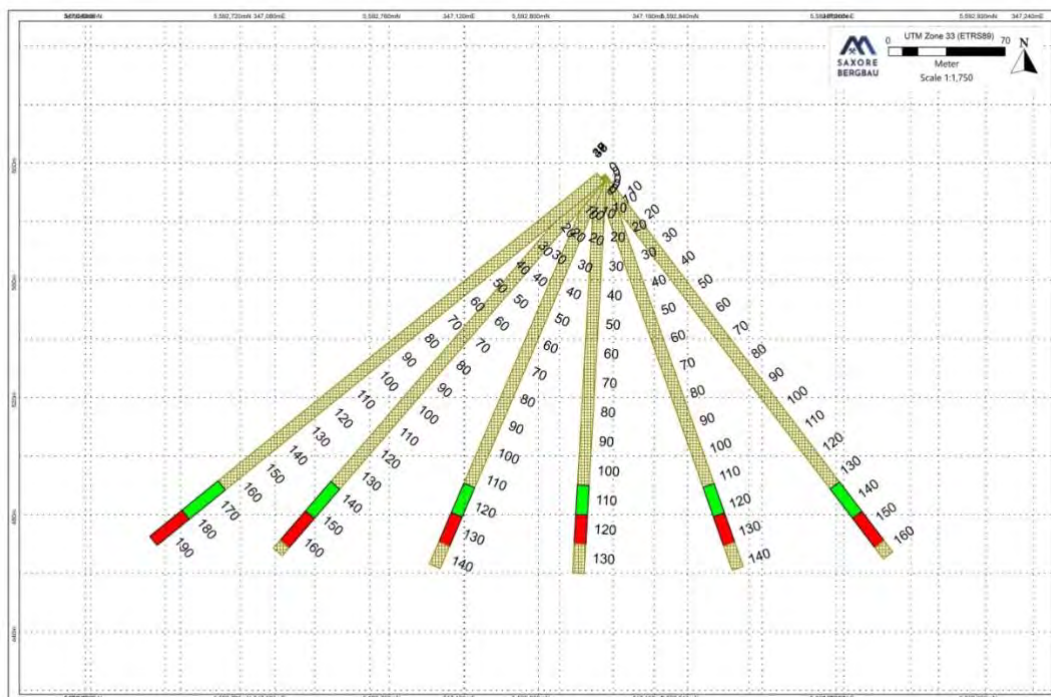


Figure 6-2 Drilling Proposal for exploration work in stage one.

Drilling at Dreiberg will entail 800m to 1000m long diamond drill-holes, as mineralisation dips to the southeast and topography rises in the same direction. Due to this, it is planned to drill a parent hole using directional drilling, and two to three daughter wedge holes from each parent hole.

This amount of drilling is unlikely to convert much of the Inferred Resource to Indicated status due to the limited number of holes that can be drilled. However, it will provide confidence on the continuity of mineralisation and will provide samples for variability metallurgical testwork.

An initial programme consisting of approximately 5,000m diamond drilling is proposed. This is envisaged as three 1000m parent drillholes, each with two by 300m daughter wedges. Due to the depth and complexity of drilling directional drillholes and daughter wedges, this is budgeted at about €350 per metre all up for a total budgeted cost of €1,750,000.

Depending on success of this programme, a contingency of an additional 5,000m is proposed at a similar budget of €1,750,000.

Additional information on the previous drilling by Wismut is currently being sourced prior to planning final drill-hole locations. However, a conceptual programme is shown on the figure below.

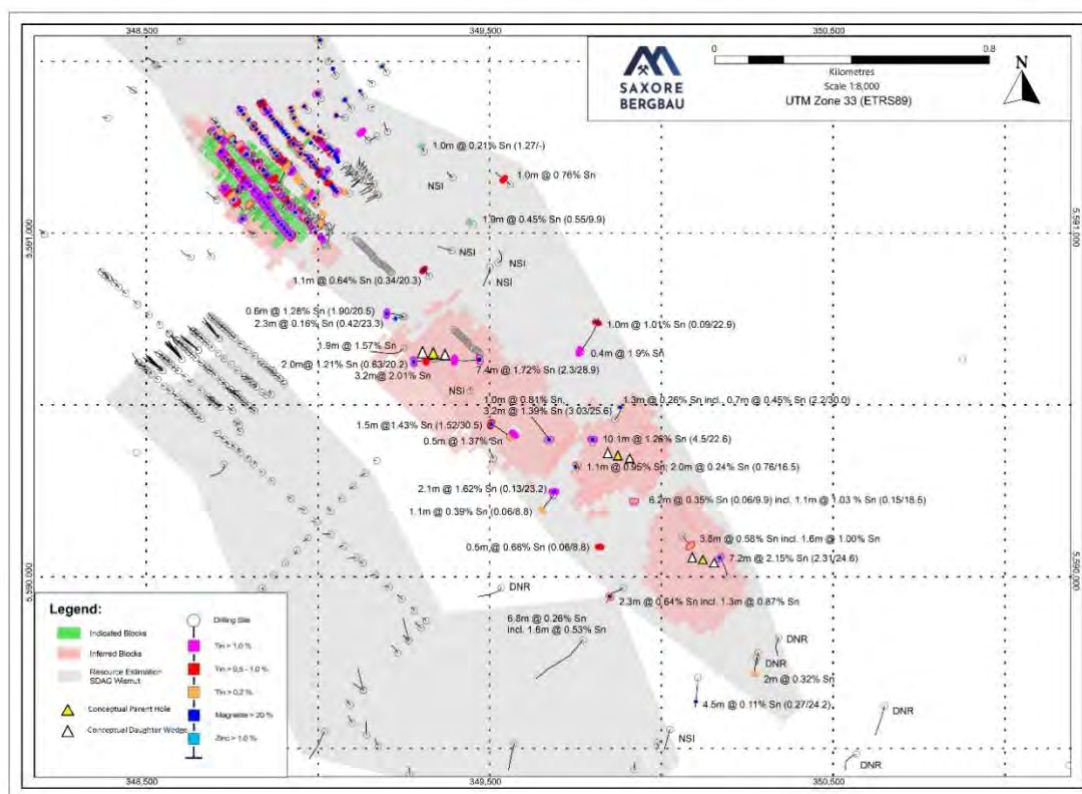


Figure 6-3 Drill plan for exploration work in stage one

6.2 Gottesberg

6.2.1 Introduction

It is proposed that approximately 1,937m diamond drilling be undertaken in 16 drillholes from 7 drill sites averaging approximately 100m depth each, with an additional drillhole of 135m length if proposed drilling is successful. First Tin commenced the Gottesberg drilling in November 2021

The aim is twofold:

- ✓ To obtain information on the detailed distribution of tin mineralisation near surface in the main Gottesberg mineralisation (42.1Mt @ 0.27% Sn containing 114,000t tin metal, including 6.8Mt @ 0.49% Sn containing 33,000t tin metal). The main aim is to see if a core of higher-grade tin mineralisation is geologically reasonable and, if so, to understand what the controls of the higher-grade mineralisation are. This will enable planning of additional drilling designed to obtain a JORC resource estimate of the higher-grade mineralisation. If this is possible, the higher-grade mineralisation may be further examined as potential satellite ore feed for the Tellerhäuser project milling facility.
- ✓ To test several areas of historical tin workings close to Gottesberg for additional tin mineralisation outside the current Gottesberg resource area. These historical workings were mined in Medieval to more recent times, but records of production are not complete. Drilling is designed as a first pass test to examine the style and grade of potential tin mineralisation. If successful, further drilling will be planned to determine size potential prior to a resource estimation. Three areas have been selected for initial testing as described below.

The total estimated cost for this programme is based on all up drilling costs of €225/m and assay costs of €25/m for total costs (excluding local staffing and support costs) of €250/m. Hence all up costs are estimated at approximately €500,000.

Proposed drillhole details and locations are shown below in Table 6-1 and Figure 6-4.

The drilling began in December 2021 and will continue into Q1 2022. The funding for this is via existing First Tin funds.

Hole Number	East (ETRS89UTM Z33N)	North (ETRS89UTM Z33N)	Altitude(m)	Declination (Degrees from horizontal)	Azimuth (Degrees True)	Planned depth (m)	Drill length (m)
SaxGB001_1	321200	5589425	817	58.0	359.4	105	124.0
SaxGB001_2	321200	5589425	817	90.0	0.0	105	105.0
SaxGB001_3	321200	5589425	817	58.1	180.9	105	124.0
SaxGB001_4	321200	5589425	817	38.6	180.3	95	152.0
SaxGB002_1	321264	5589443	824	66.5	336.2	112	122.5
SaxGB002_2	321264	5589443	824	73.6	217.6	112	116.5
SaxGB002_3	321264	5589443	824	49.0	191.5	112	149.0
SaxGB002_4	321264	5589443	824	34.6	186.8	90	156.0
SaxGB003_1	321300	5589425	825	90.0	0.0	113	113.0
SaxGB003_2	321300	5589425	825	57.9	179.7	113	134.0
SaxGB003_3	321300	5589425	825	34.9	180.0	113	194.5
SaxGB004	321706	5589844	795	62.0	8.2	80	90.5
SaxGB005	321712	5589886	790	62.0	8.2	80	90.5
SaxGB006	321719	5589935	784	62.0	8.2	80	90.5
SaxGB007_1	323270	5590357	737	68.0	345.0	100	108.0
SaxGB007_2	323270	5590357	737	48.0	345.0	50	67.0
SaxGB008	321818	5589865	792	36.4	270.0	80	135.0

Table 6-1 Drill Hole Details

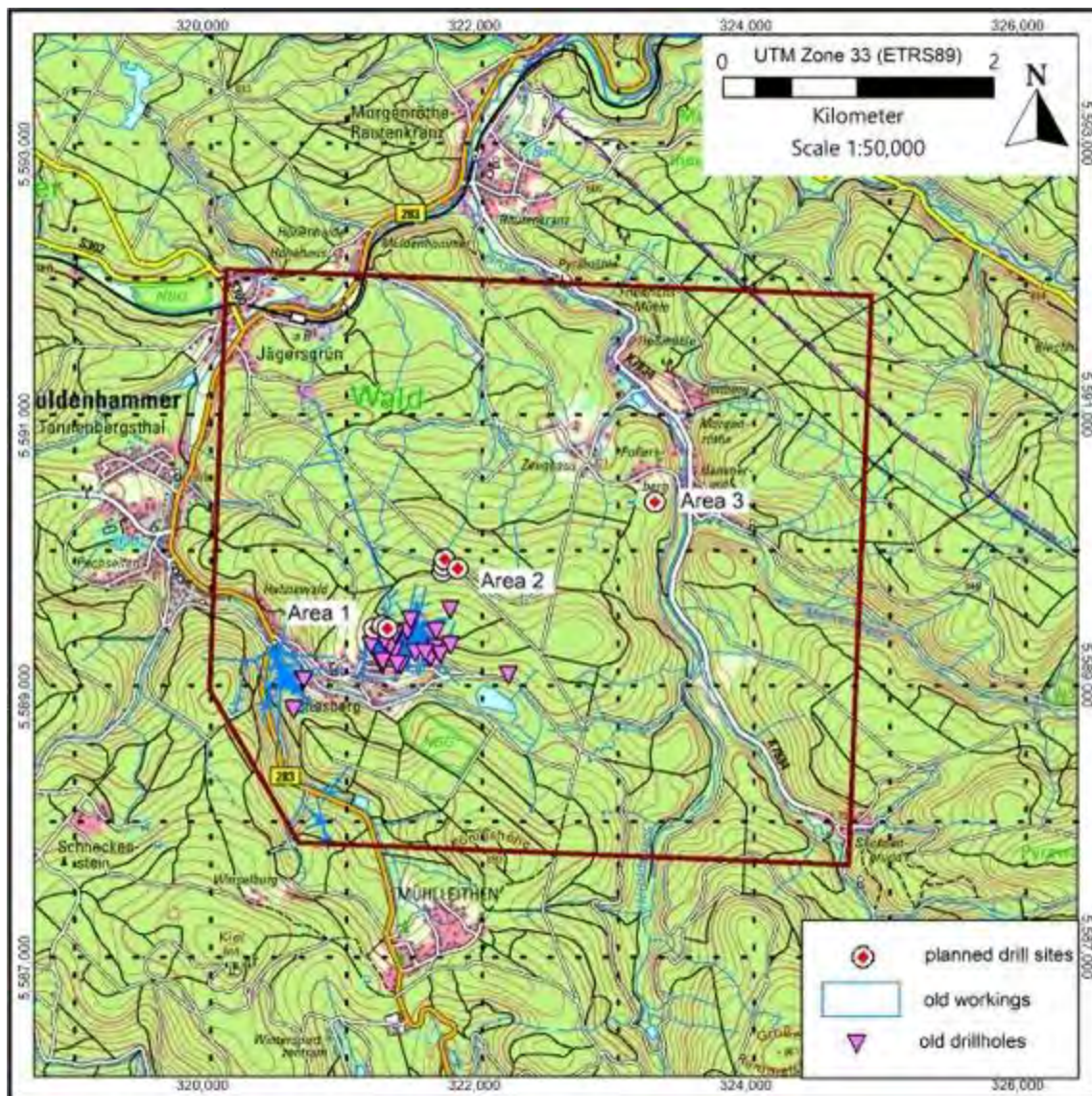


Figure 6-4 Proposed Drilling Locations for 2022 Program

6.2.2 Gottesberg Infill Drilling

A grid of 11 drillholes from three drill sites (SaxGB001_1 to SaxGB003_3) at 50m x 50m spacing is proposed from surface (817m to 825m elevation) to the 710m RL level. This area will be used for infill and to test the extent of mineralisation to the north. Drill sites are shown as red icons in Figure 6-5 Gottesberg Infill Drill Collars. The drillholes were originally planned to be angled to the north in order to test for an interpreted steep east-north-easterly trending and south-south-easterly dipping structural control suggested by the previous block modelling (Figure 6-6). However, this was not possible due to access constraints and hence the drilling will have to be largely angled to the south at a shallower declination in order to test the area of interest at approximately 50m x 50m. While some development occurs between surface and the 710m RL level, it is generally small scale and attempts will be made to avoid any existing voids. The drilling collars and the actual intercept points are shown on the old Wismut level plans at the 775m (Figure 6-7) and 710m (Figure 6-8) levels.

The drilling is designed to give an indication of the tin distribution at a relatively small scale in comparison to the much coarser drill pattern used previously (generally 100-200m spacing depending on depth). It will also test if there is near surface mineralisation that may be able to be extracted quickly and easily. The infill drilling programme may also be used to transfer further resources into the indicated category.

If successful, the grid can be expanded and holes deepened to cover the upper levels of the Gottesberg deposit and explore for coherent, higher grade, mineralised zones within the overall large greisenised breccia system.

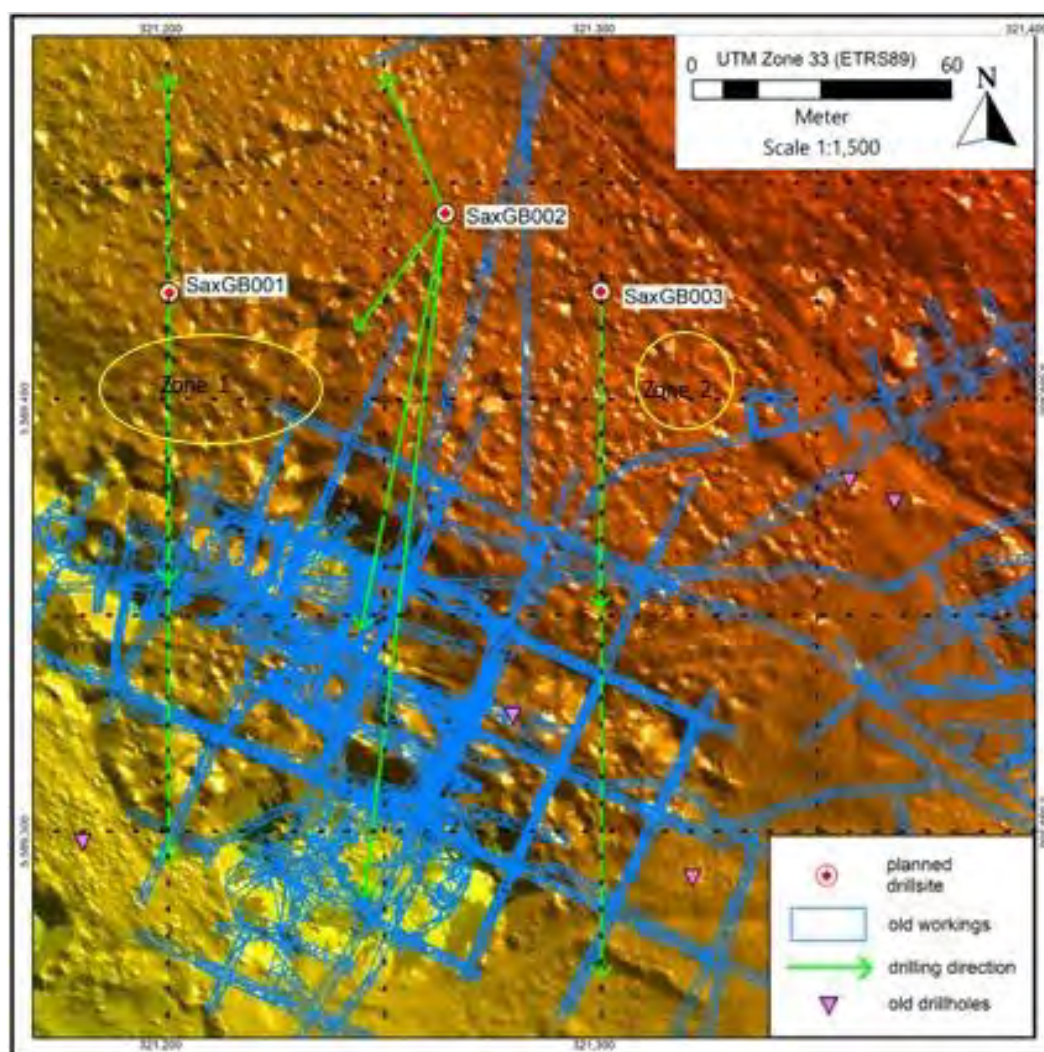


Figure 6-5 Gottesberg Infill Drill Collars

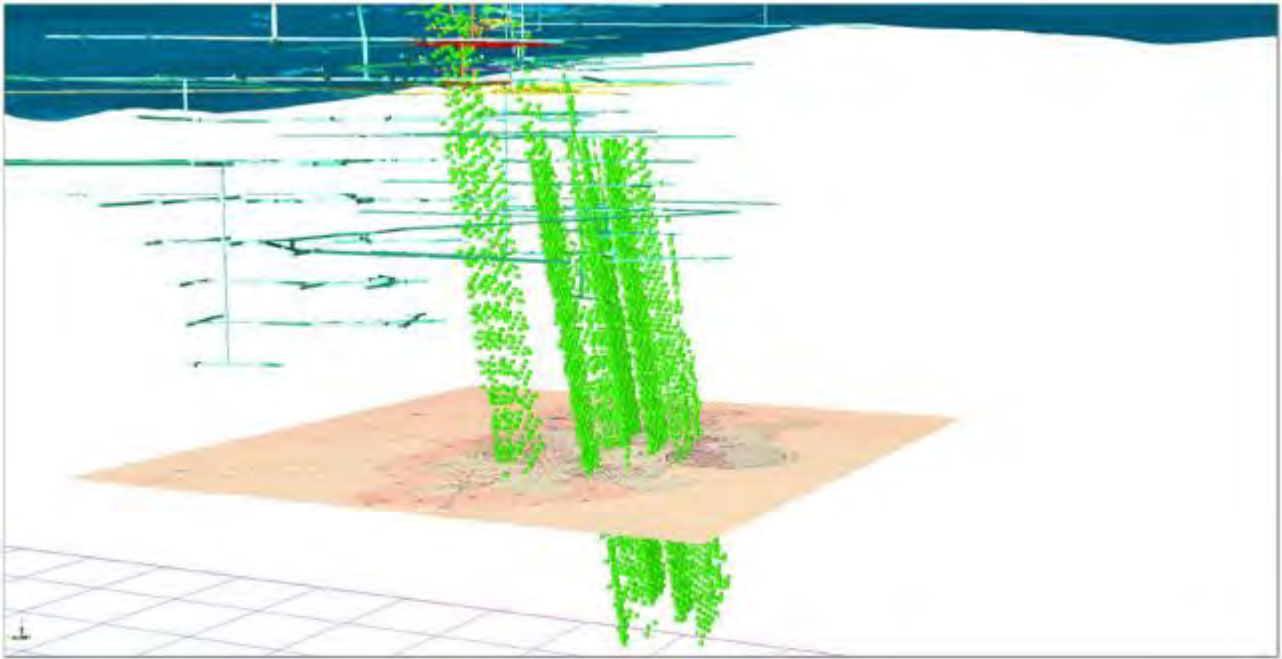


Figure 6-6 Steep SE Dipping Structural Control Suggested by Fichtner Block Modelling

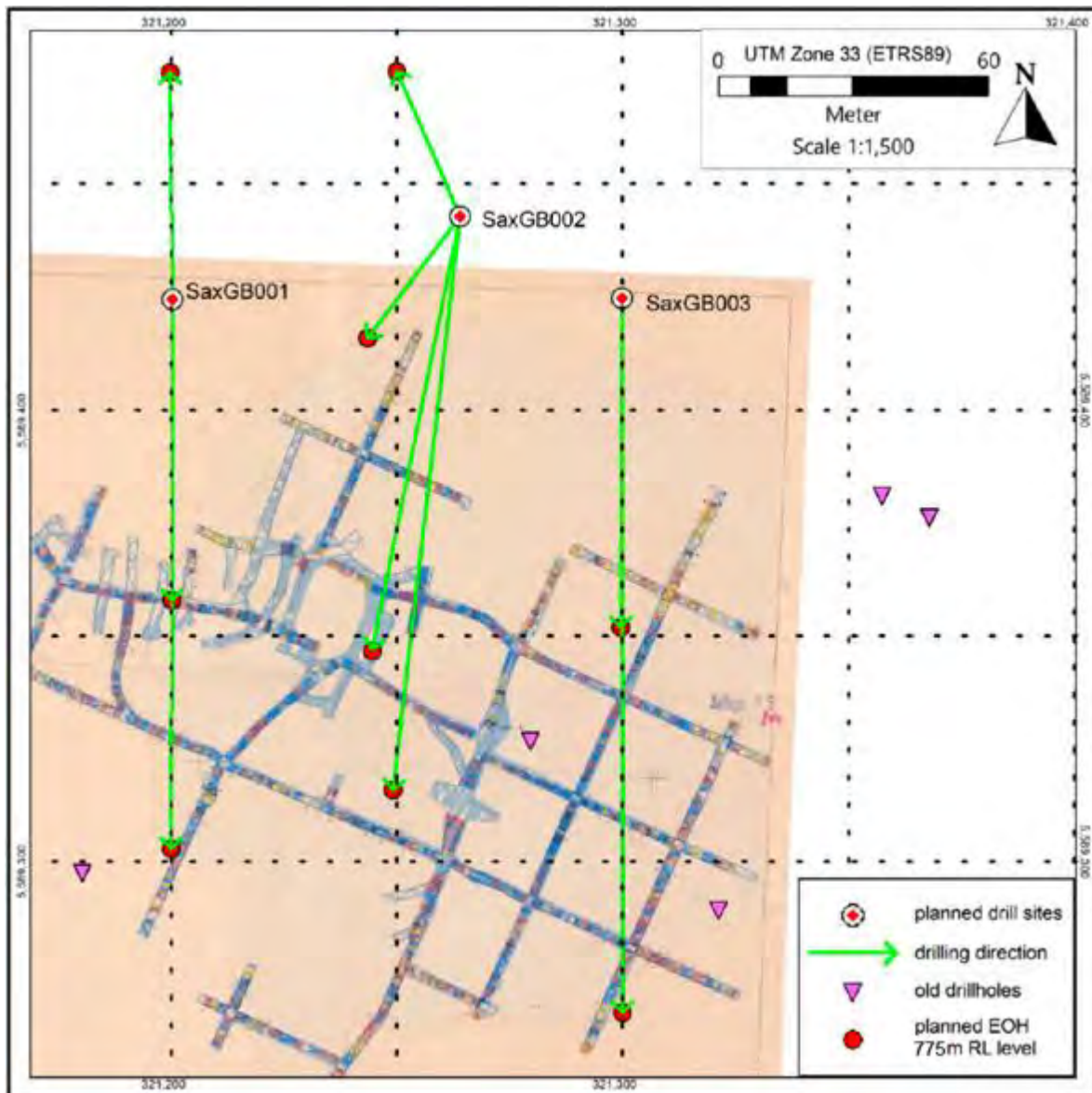


Figure 6-7 Gottesberg Infill Drilling Collars on Wismut 775m Level Plan

(note blue and black colours >0.2% Sn in channel sampling)

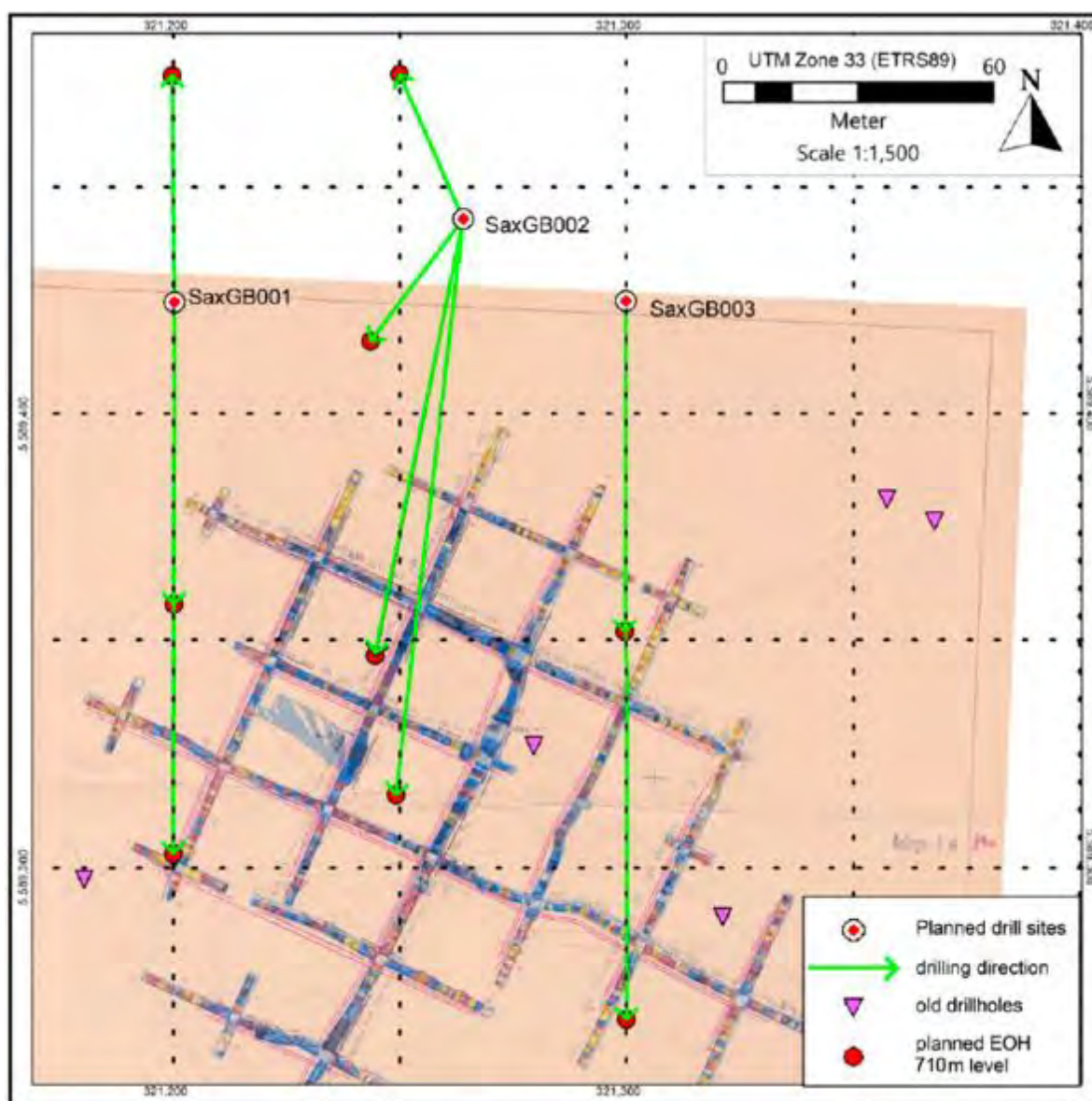


Figure 6-8 Gottesberg Infill Drilling Collars on Wismut 710m Level Plan

6.2.3 Gottesberg Exploration Drilling

Three areas have been selected for initial drill testing based on available information. The Gottesberg drill programme is currently in progress.

6.2.3.1 Area 1:

This area is designed as a test of a combined geochemical, geophysical, and geological target associated with old workings immediately north of the known Gottesberg greisen/breccia zone (Recent geological mapping has identified greisens and breccias in this area, which is characterised by high tin geochemistry, low lithium geochemistry (which is typical of greisens in the area) and an adjacent copper anomaly that may indicate the core of the breccia zone – possibly an earlier phase of porphyry copper style mineralisation (Figure 6-9).

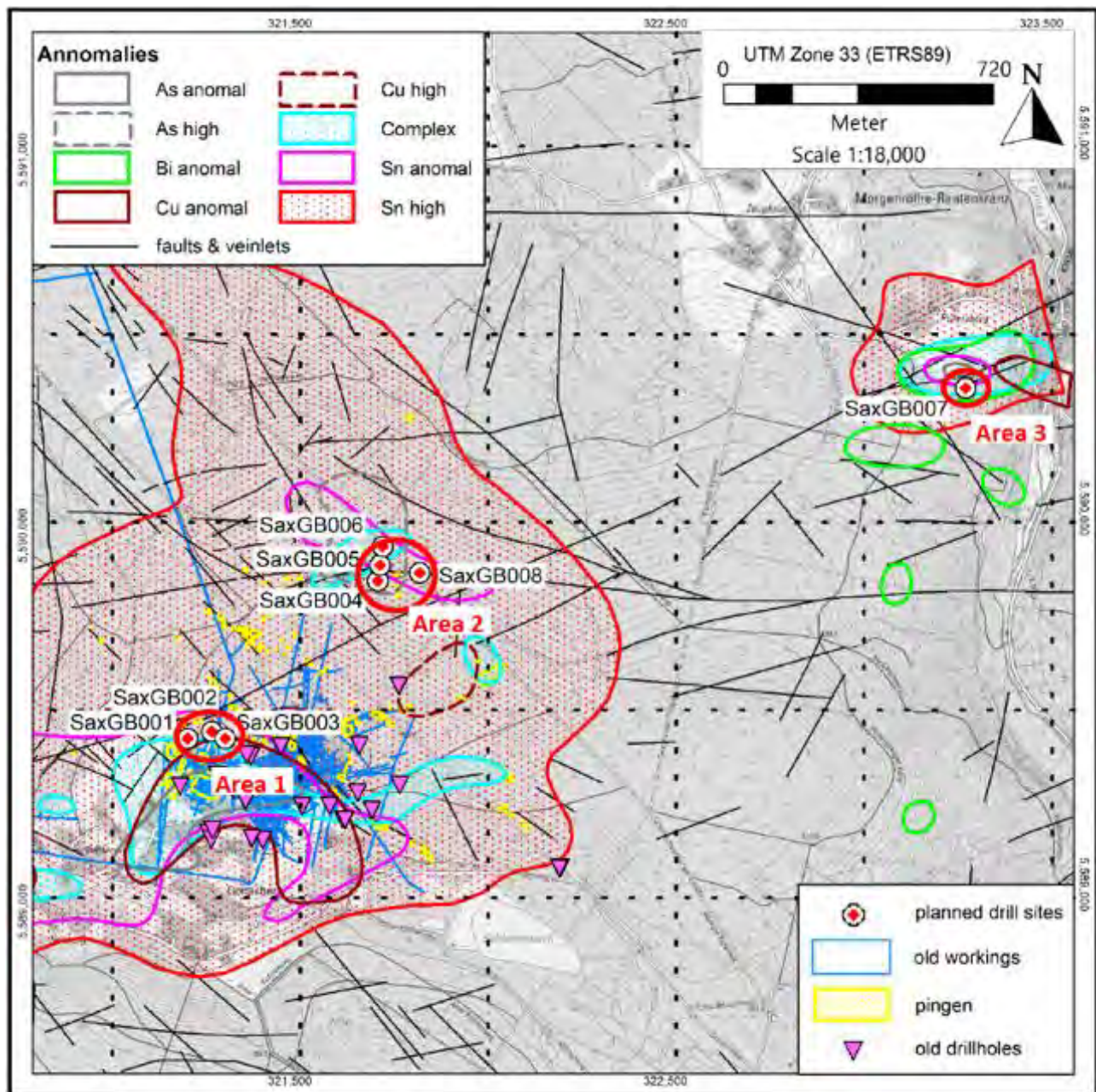


Figure 6-9 Gottesberg Geochemistry Summary Plan

The mineralisation at Gottesberg has associated sulphides that result in high chargeability in Induced Polarisation (IP) data and the siliceous alteration may also result in high resistivity. Based on two traverses of Dipole-Dipole IP (shown as light blue line on Figure 6-10), a zone of high chargeability and resistivity (Zone 2) has been located in one area and a zone of high chargeability but low resistivity (Zone 1) in another as shown on Figure 6-10.

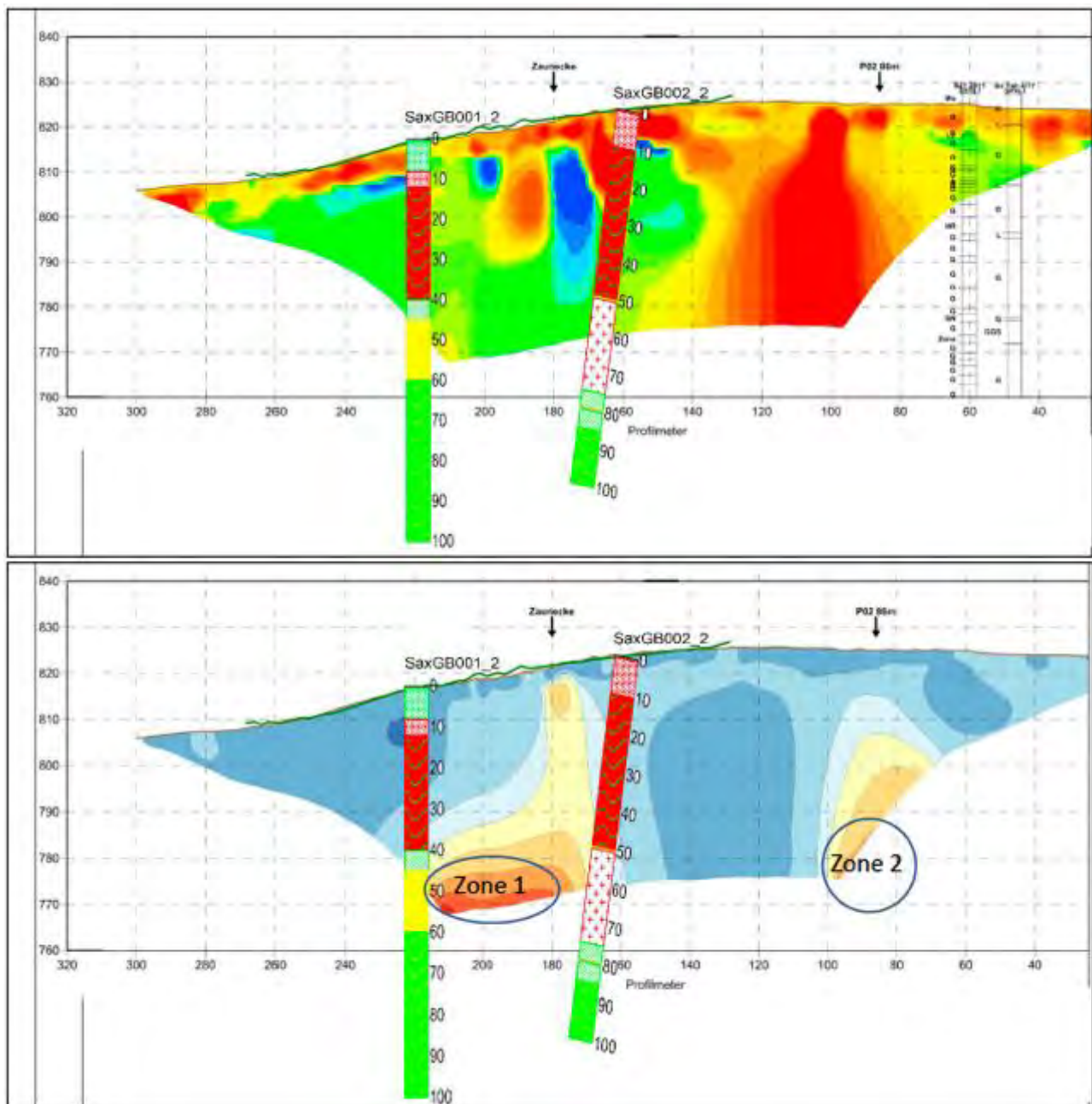


Figure 6-10 E-W Dipole-Dipole IP Traverse

(resistivity top, chargeability bottom, see Figure 6-7 / 6-5 / 6-6 for Location)

Based on the mapping, geochemistry, geophysics, historical tin workings and previous interpretations, two drill-holes are proposed as shown on Figure 6-10.

Drillholes SaxGB001_1 and SaxGB002_1 are designed to test a line of pingen (old pits) trending in an ENE direction. These define a pronounced ENE trending linear structure and, if related to the same set of structures that control Gottesberg, should dip steeply south.

It is proposed that these two drillholes oriented at -58° and -66° to the north respectively, are drilled to test the old workings. If successful, this would test a plus 200m long zone, with potential width of 5m, on surface and with the potential that the structure expands with depth. While a small target, this is a proof-of-concept programme that would open up many more such targets if successful.

Drillholes SaxGB001_3, SaxGB002_3 and SaxGB003_3 are designed to test a zone of high chargeability, but low resistivity identified by the dipole-dipole IP survey. This is interpreted as being related to a zone of disseminated sulphides and possible silica destructive alteration (greisen?). This will form a fence with other proposed drillholes from the drill sites SaxGB001, SaxGB002 and SaxGB003, giving a continuous geological profile to the NW of the main Gottesberg mineralisation and thus aiding geological interpretations. While it is difficult to estimate tonnage potential from the available information, the large pingen and wide chargeability anomaly suggest an aerial extent of over 50m x 50m is possible. This could continue at depth and become considerably larger and is thus a reasonable sized target.

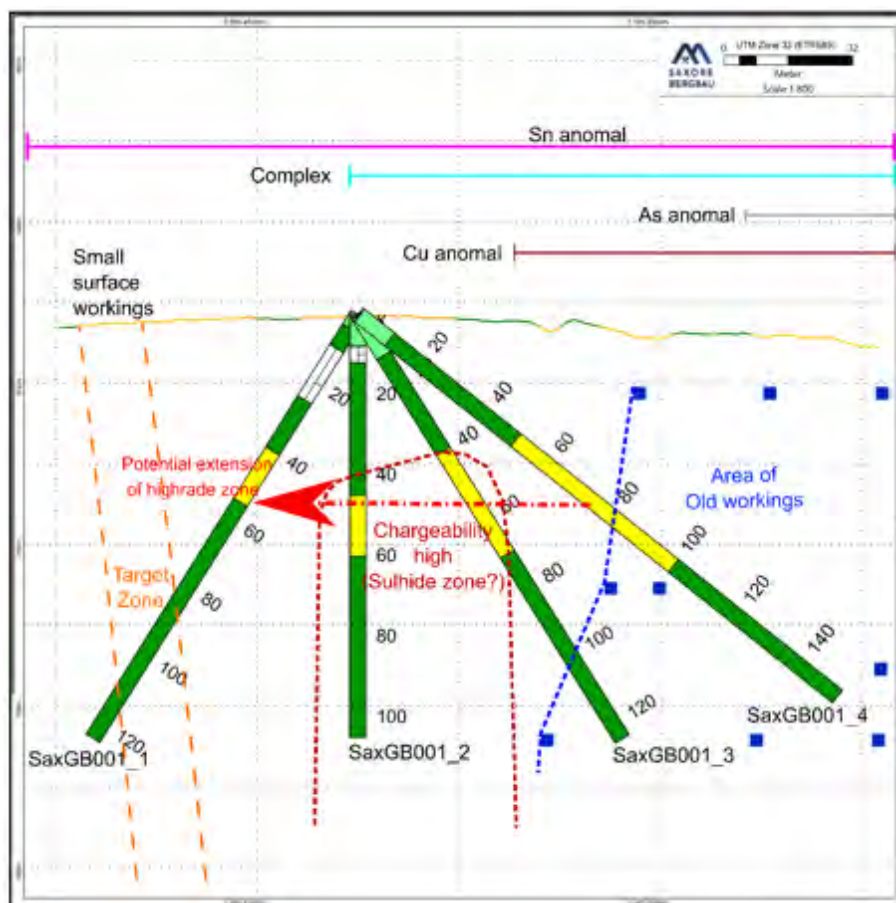


Figure 6-11 Drilling Proposal – Section 1 in Area 1
(looking east, yellow: high grade zones, green: Greisen)

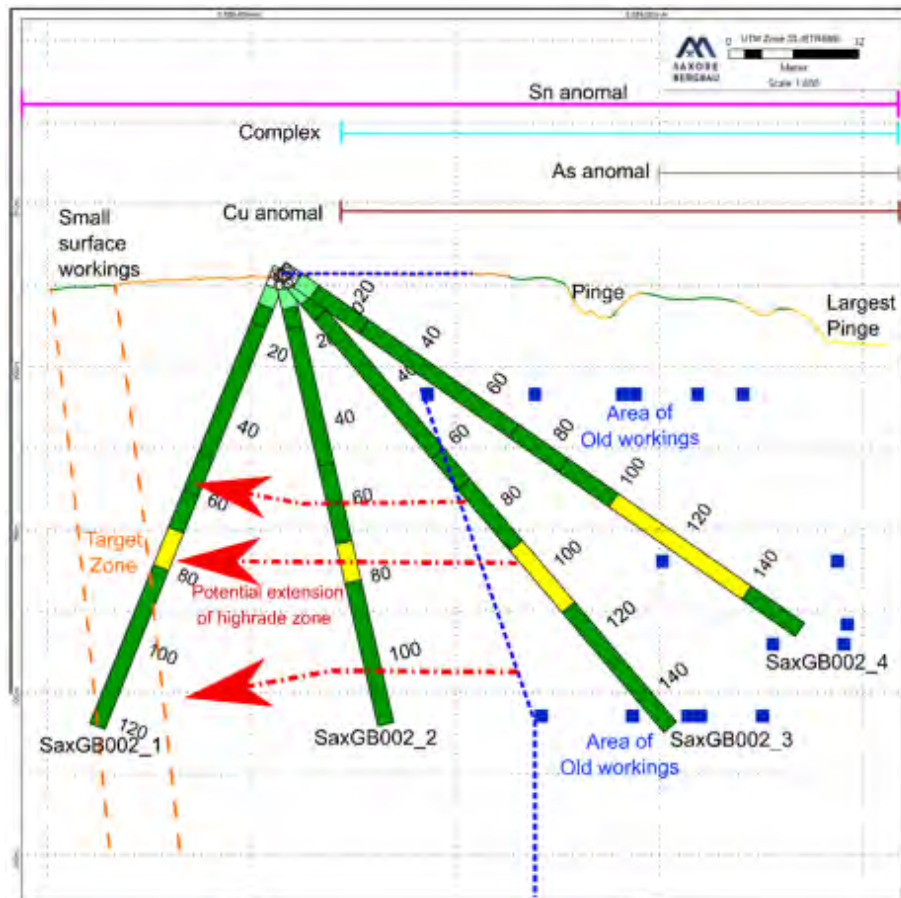


Figure 6-12 Drilling Proposal - Section 2 in Area 1
(looking east, yellow : high grade zones, green : Greisen)

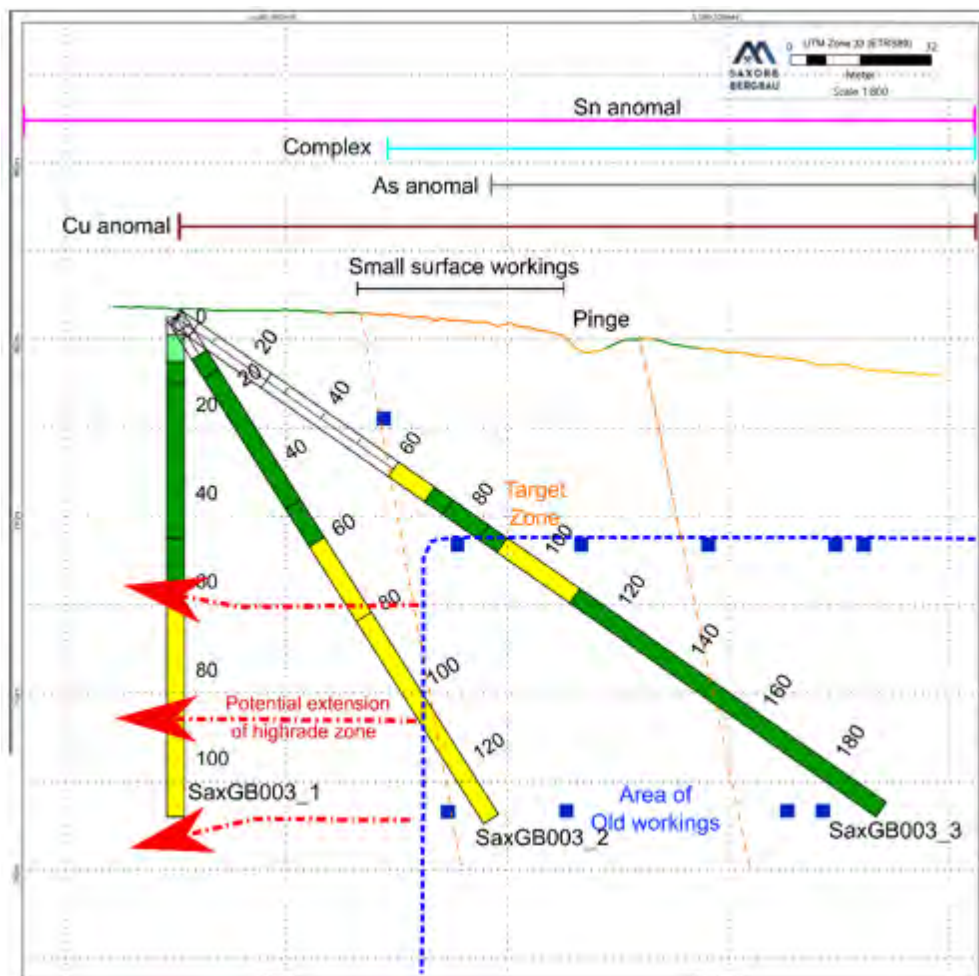


Figure 6-13 Drilling Proposal - Section 1 in Area 1

The drilling at Section 1 started with the vertical hole which is close to targeted end. The initial 50 m penetrated through mica greisens followed by 40 m of granite. At a depth of 90m again a hydrothermal overprint becomes visible. Hand held XRF testing indicates elevated Sn grades of 0.1% to 0.2%. However, the accuracy of those spot readings is just an indication and chemical assays will be available soon.

6.2.3.2 Area 2

This is a regional exploration target identified by historical works during GDR times on the basis of (Figure 6-14):

- ✓ Strong tin geochemistry in soil and rock chips
- ✓ Co-incident arsenic and “complex” anomalies
- ✓ Strong negative lithium anomaly
- ✓ Interpreted “inner greisen” zone (one shallow drillhole hit greisen at 10m below surface)
- ✓ Numerous old workings

A fence of three drillholes, all oriented at -62° to the north (Figure 6-15), is proposed through the centre of the combined anomalies and interpreted greisen. This will give an indication of size and grade of any mineralisation present and will be close to perpendicular to the main ENE trend which appears to be a major mineralisation control in the district.

If successful, the drilling could indicate a zone of up to 150m x 150m (combined anomaly size).

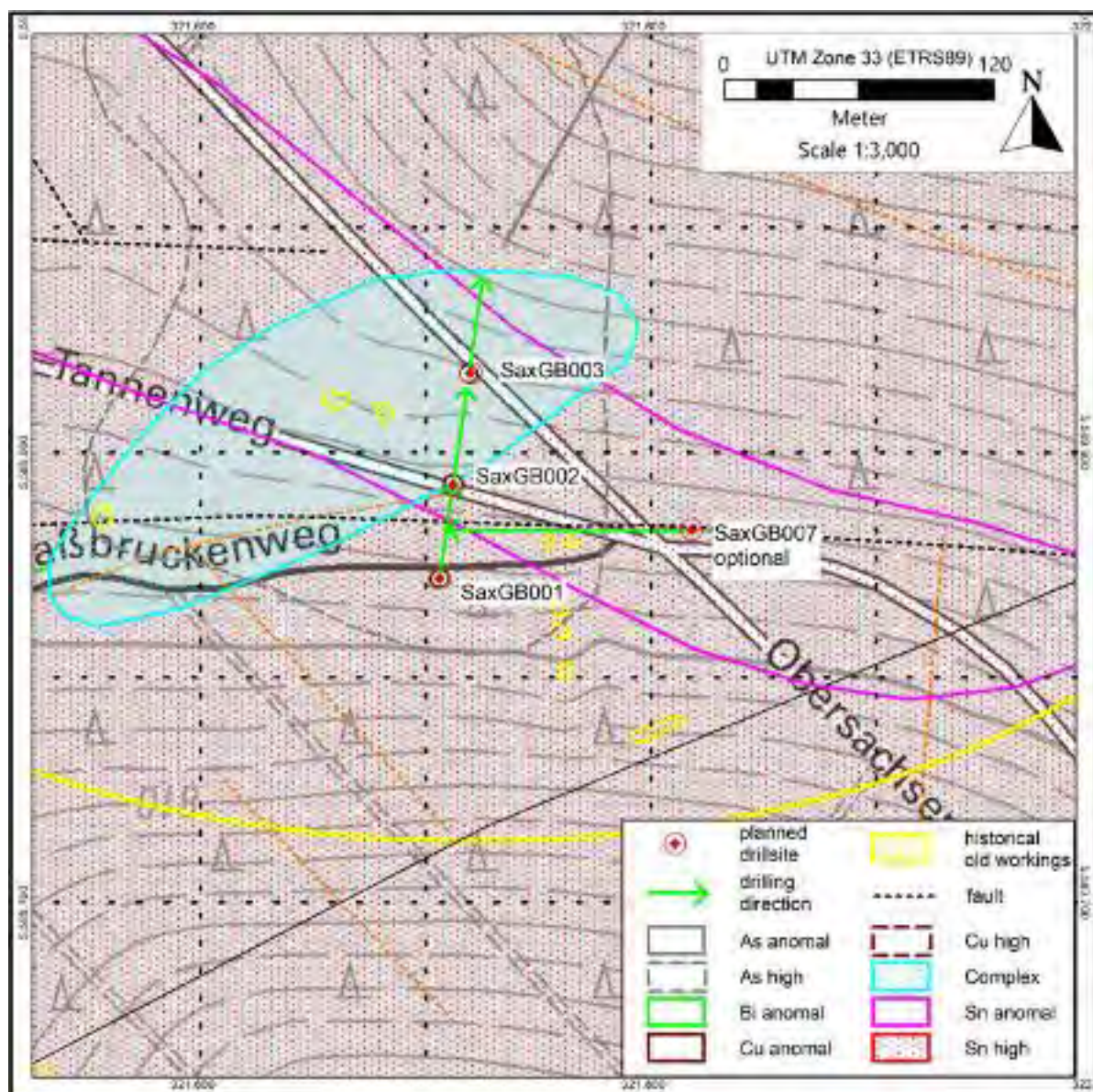


Figure 6-14 Drilling Proposal - Area. 2

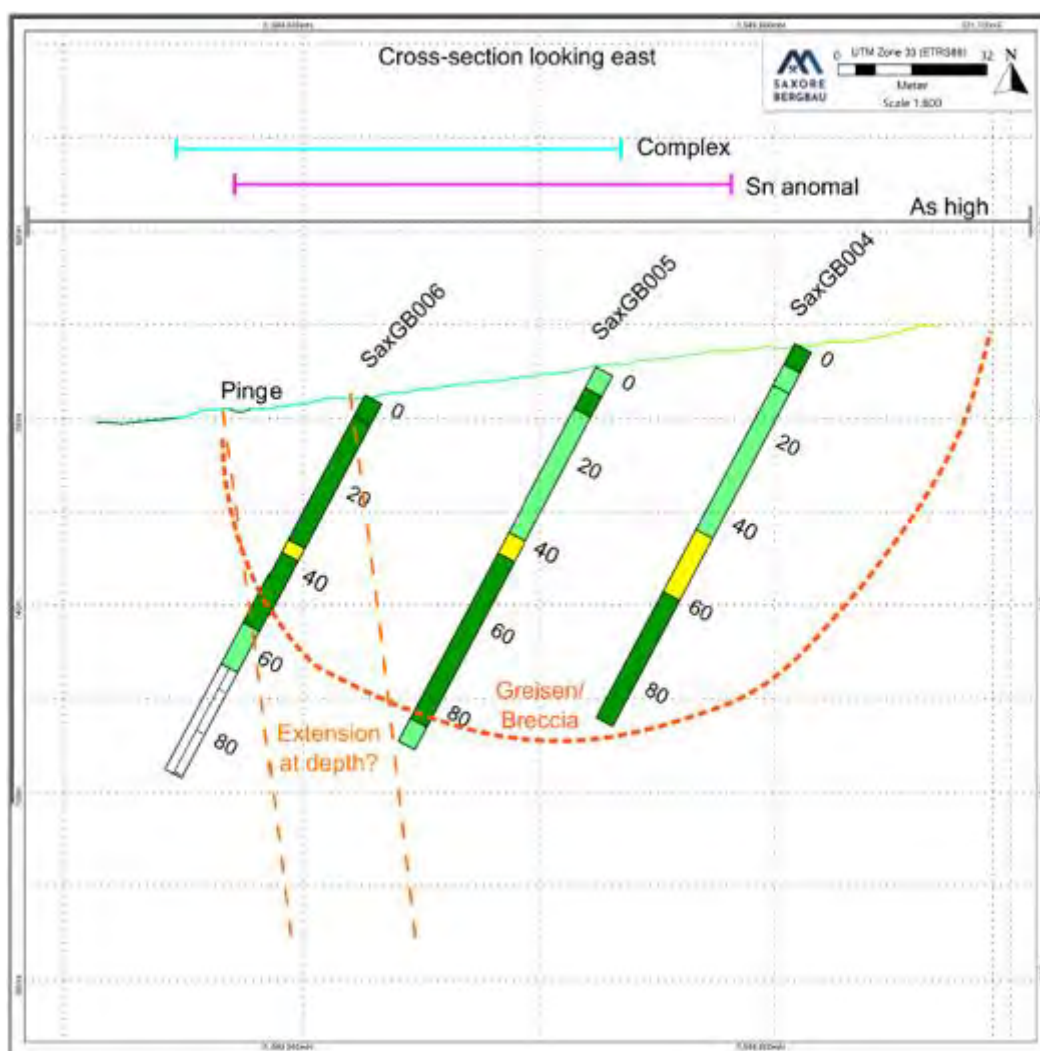


Figure 6-15 Drilling Proposal – Area 2 (targets are the greisenised zones)

6.2.3.3 Area 3

This is a very discrete target identified by a combination of (Figure 6-16):

- ✓ 300m long zone of historical workings (pingen) up to 10m deep in places
- ✓ Grab rock chip samples returning plus 1% Sn
- ✓ Combined Sn, As and “complex” anomaly grading into a copper anomaly in the east
- ✓ Old data shows ENE trending lode structures, the main mineralisation trend in the district

A short fence of two drillholes is proposed to test the structure (Figure 6-17). Holes are oriented to the north based on the current Gottesberg interpretation. If the structure is sub-vertical or has a slight north or south dip, the proposed programme will still test the target adequately.

The lodes appear to have good width based on the workings and it is possible that two closely spaced lodes may exist. Thus a combined true width of up to 20m is possible.

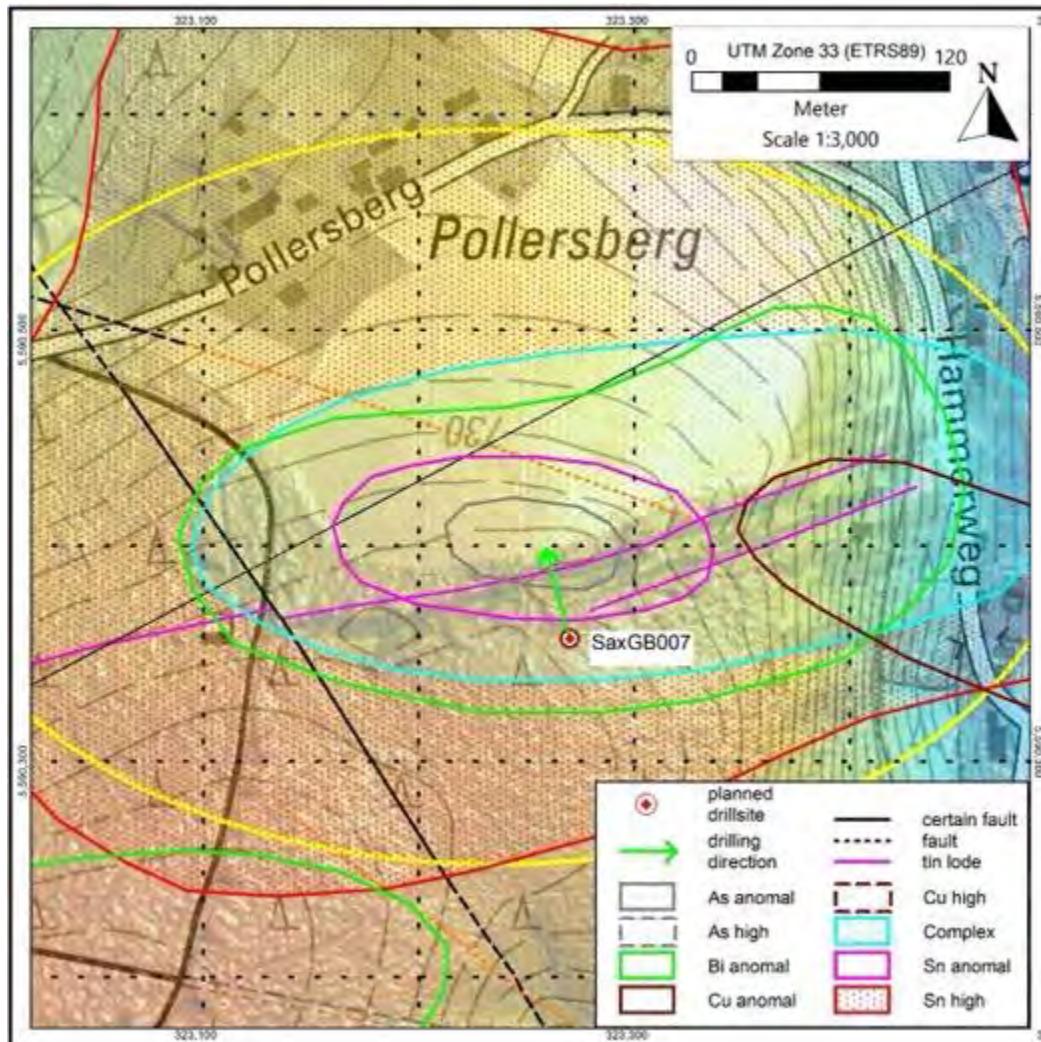


Figure 6-16 Drilling Proposal - Area 3

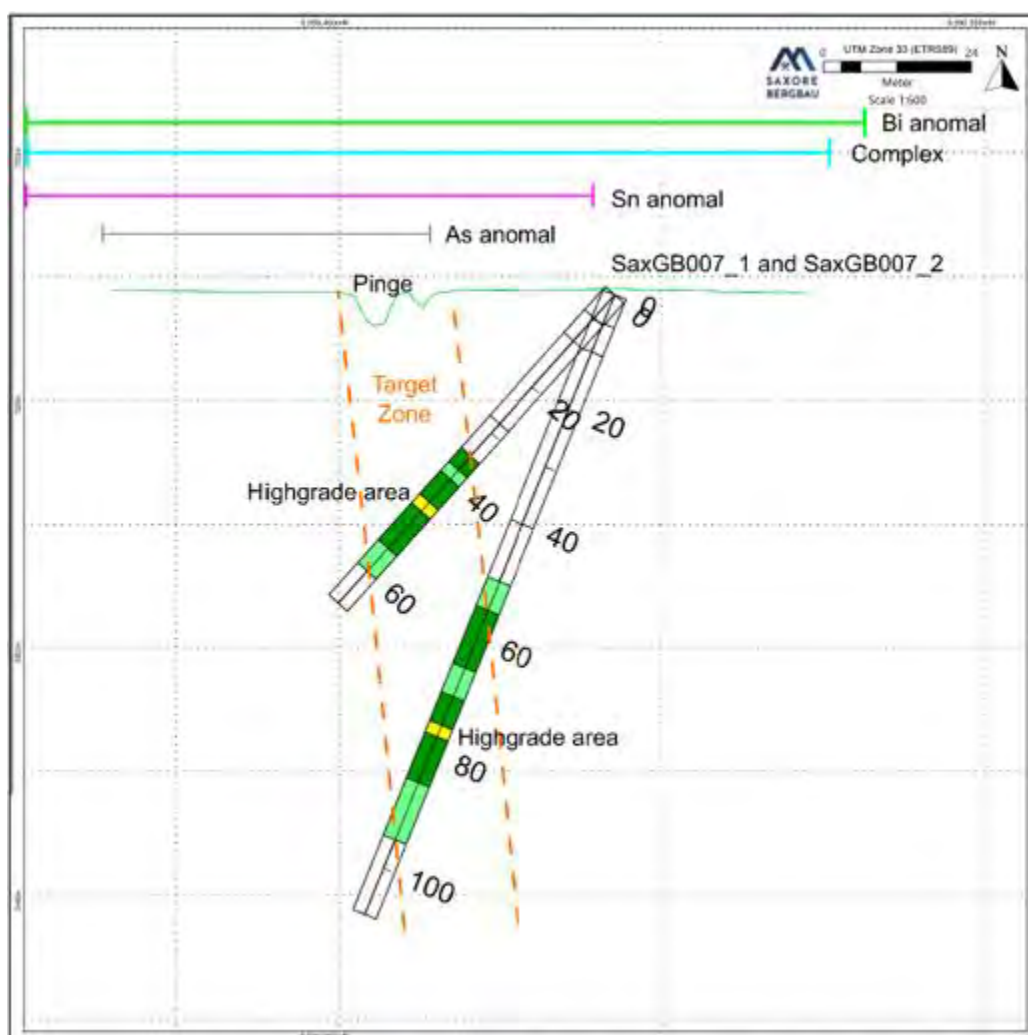


Figure 6-17 Drilling Proposal – Area 3 Looking East
(Section along drilling direction, high grade zones, Green = Greisen)

Drilling of these two holes is now complete. The shallower drillhole penetrated greisen mineralisation from about 32m to 61m. The deeper hole had less than expected greisen occurrence but contained a meter of very rich Sn mineralisation with thumbnail sized nests of visible coarse grained cassiterite. Detailed logging and geochemical sampling are under way.

6.3 Auersberg

This is a contingent programme depending on results of the Gottesberg drilling and other priorities. It is proposed that approximately 5,000m of diamond drilling be undertaken in 26 drillholes averaging approximately 220m depth each (Figure 6-18). The approach is to run a staggered programme so that further drilling can be carried out if first drilling results are encouraging.



Figure 6-18 Proposed Exploration Drilling Auersberg

The aim is to test several areas of historical tin workings in the Auersberg exploration field covering the Eibenstock granite and muscovite phyllites as host rocks. These historical workings were mined in Medieval to more recent times, but records of production are not complete or non-existent. None of the chosen drill targets have previously been drill tested at depth. The deepest known mine workings stopped production at around 50m depth, mainly due to water ingress and/or decreasing tin prices. Based on old reports the average tin grade ranges between 0.3 and 0.6% Sn, up to 1% Sn in places. Drilling is designed as a first pass test to examine the style and grade of potential tin mineralisation. It is planned to intersect tin mineralisation at around 60m and 100m below surface. This requires a fence of two drill-holes, 90m and 200 m deep respectively. If successful, further drilling will be planned to determine size potential prior to a resource estimation.

Six areas have been selected for initial testing as described below. The geological targets are vein-style tin-greisen mineralisation with possible contact aureoles interpreted as upper stockwork of deeper mineralised intrusions and/or breccia zones comparable to the Gottesberg greisen mineralisation. Further potential is seen for sulphide mineralisation increasing at depth, as near-surface sulphides are weathered under atmospheric conditions.

The total estimated cost for this programme is based on all up drilling costs of €225/m and assay costs of €25/m for total costs (excluding local staffing and support costs) of €250/m. Hence all up costs are estimated at approximately €1,250,000.



Figure 6-19 Greisen Scree, Rosszeche, Carlsfeld



Figure 6-20 Medieval Tin Working (Erzengel)

6.3.1 Targets and Planned activities

Sosa, Ellbogen, Dönitzgrund, Carlsfeld and Jugel/Henneberg represent immediate drilling targets. Lower ranked targets are subject to continued desktop research, geological field work (mapping, rock chip sampling) and geophysics.

6.3.1.1 Sosa

This area has had limited drilling undertaken in GDR times when it was known as the Eibenstock-Sosa Prospect. An historical resource (not JORC compliant) has been estimated at **2.3Mt @ 0.26% Sn (6,000t Sn)** but details of this estimate have not been sighted to date. The area is a high priority target based on the previous drilling, stream sediment geochemistry, mapped medieval workings and anomalous rock chip samples.

Closer to the Sosa township, at least 10 deep medieval tin workings (5m to >15m) exist. The deeper workings at Erzengel comprises two sub-parallel slots, each about 200m long and 15m deep (Figure 6-20). No previous drilling

into this system has been located. Preliminary sampling by a hand-held XRF (pXRF) has shown numerous tin values between 0.3% Sn and 1% Sn can be obtained from dump material and at places on the pit walls. In addition, very large workings with no previous drilling occur at Mordgrube and Backofen. Sampling with pXRF in these areas returned numerous readings between 0.1% and 1.3% Sn, occasionally as high as 5% Sn. This area is considered a very high priority target area, with the three main workings considered to be walk-up drill targets.

6.3.1.2 Dönitzgrund

Several deep NE trending medieval tin workings are located within this area, and several plus 1% Sn assays have been returned from rock chip samples, backed up by high stream sediment assays and evidence of extensive ancient placer tin workings. The main workings (Gabe Gottes), consist of semi-continuous pitting over about 900m strike, with the most significant pit being about 250m long and 6m deep. An assay of 1.1% (11000ppm) Sn has been returned from limited rock chip sampling. Preliminary pXRF sampling has returned numerous readings between 0.2% Sn and 0.7% Sn.

The second largest working, Rote Grube, is approximately 130m long and 12m deep. Interestingly, this is located between, and in the same orientation as, two very linear streams that have been extensively worked for tin. It is possible that these are linear because they are associated with lodes that have preferentially weathered. If that is the case, potential for over 2.7km of strike can be seen. In fact, pitting can be traced for over 500m in the field. The orientation is sub-parallel to Gabe Gottes, further supporting this concept. Several plus 0.5% Sn assays have been returned from within the general area. Sampling by pXRF has identified milky quartz veins and chloritic material on waste dumps grading up to 0.8% Sn. Again, this area has no previous drilling recorded and is considered a walk-up drill target.

6.3.1.3 Ellbogen

A series of roughly north-south trending medieval workings occur over an area of about 300m x 500m in this area. All streams draining the area have old placer tin working in them and have anomalous stream sediment samples. The area requires detailed mapping, soil sampling and rock chip sampling and is considered to have good potential for open-pit operations given the density of medieval workings. Interestingly, the geology shows that this area is located on the edge of, and within, a fault bounded roof pendent of metasediments within the granite, thus potentially preserving endogranitic mineralisation at the granite-sediment contact. Sampling using pXRF has identified numerous 0.1% Sn to 0.4% Sn samples with one sample of quartz-tourmaline-hematite-cassiterite greisen returning around 1% Sn.

6.3.1.4 Carlsfeld

This area contains many medieval tin workings, both hard rock and alluvial, some having recorded production as far back as 1425AD. Several mines have known historical names as shown by signs on site and on the 1:25,000 geological maps (e.g. Fletschmaul, Spindel, Rosszeche, Schmuqe). In particular, Fletschmaul and Spindel have

significant old pits from the medieval era. Fletschmaul is about 150m long and over 10m deep (Figure 6-21) and Spindel is about 300m long and 5m deep (although workings can be traced over at least 500m strike).

Several rock chip samples of greisen float and scree from dumps in the vicinity of the Rosszeche and Schmuge workings have returned over 0.5% Sn and almost all stream sediment sampled in the district is highly anomalous in tin. The deep pits have not been sampled yet due to safety concerns.

This entire area is classed as a very high priority target and will be one of the first areas considered for detailed follow-up and drill testing during 2022.



Figure 6-21 Medieval Tin Workings Fletschmaul, Carlsfeld



Figure 6-22 Henneberger Sample, 18% Tin

6.3.1.5 Jugel /Henneberger

This area is at an early stage of data compilation and not much is known regarding the extent of previous work. However, it is an interesting area with very high stream sediment anomalism and multiple plus 1000ppm Sn rock chip samples collected. It has a high concentration of old tin workings trending north-northwest (Henneberger) and a very large lode structure (Juggler Lode aka Jugel) trending east-northeast. Several rock chip samples from its vicinity returned significant tin. Preliminary pXRF sampling has returned up to 18% Sn (Figure 6-22) and many other plus 0.3% Sn samples. The Juggler lode is over 3.5km long and is associated with felsic intrusions. The

geological setting of the district is interesting as it appears that a shallow cover of metasediments overlies granite. This is considered a high priority area for further mapping, soil sampling and drill testing.

6.3.1.6 Auersberg

An historical resource of **10.8Mt @ 0.30% Sn (32,400t tin)** has been estimated for Auersberg but this is not JORC-compliant and should be considered as a target only. The area sits within a roof pendent of meta-sediments within the main mass of the Eibenstock Granite and hence potential for mineralisation at the granite-sediment contact exists at depth.

The area is located on a high hill (1018m) with a radar station on top and hence will have some environmental and logistical challenges. For these reasons the project is not considered to be a high priority at present, as other prospects are considered to have similar potential without these logistical issues.

6.3.1.7 Sauschwemme Alluvial

Exploration potential for alluvial Sn is noted (e.g Sauschwemme, **6.4Mt @0.04% Sn**), however is not considered the primary exploration target in the region.

7 MINERAL RESOURCE ESTIMATES

7.1 Tellerhäuser

7.1.1 Introduction

Mineral Resource Estimates were completed for the Hämmerlein and Dreiberg deposits by Bara Consulting at the request of the Company; estimates for Zn, Fe and In were made as well as for Sn. A third area of known mineralization (Zweibach) is not included in this estimate. Geological interpretation, wireframing and block modelling was completed using Micromine 2021.5 software.

Previous Resource Estimates completed by H&S Consultants Pty. Ltd. used a rotated local grid; as previous interpretations, block models and supporting depletion and fault models were supplied in this local grid the updated estimate to which this report related was also completed in the local grid, the definitions of which are outlined as shown in Table 7-1

GK Zone 4 E	GK Zone 4 N	Local E	Local N
4561666.202	5590386.380	10000	50000
4561987.596	5590769.402	10500	50000
Azimuth correction +50°		Scale 1:1	

Table 7-1 GK to Local Grid Transformation

7.1.2 Input Data Summary

The drillhole and channel database was provided in Microsoft Access format and included Collar, Survey, Geology and Assay files. The data were imported into Micromine software and validated using the inbuilt validation tools. No Major errors were detected other than five erroneous drillhole surveys resulting in unrealistic deviations, these erroneous surveys were ignored. Descriptive statistics for the amount of drilling and channelling are shown in Table 7-2. An overview of the drilling and the estimation areas is shown in Figure 7-1 with a long section shown in Figure 7-2.

	Count	Minimum Length	Maximum Length	Sum Length	Mean Length
ALL	3438	0.7	1448	144402.1	42
Drillhole	2112	3.5	1448	141319.2	66.9
Channel	1326	0.7	4	3082.9	2.3

Table 7-2 Input Data Summary Drillholes and Channels

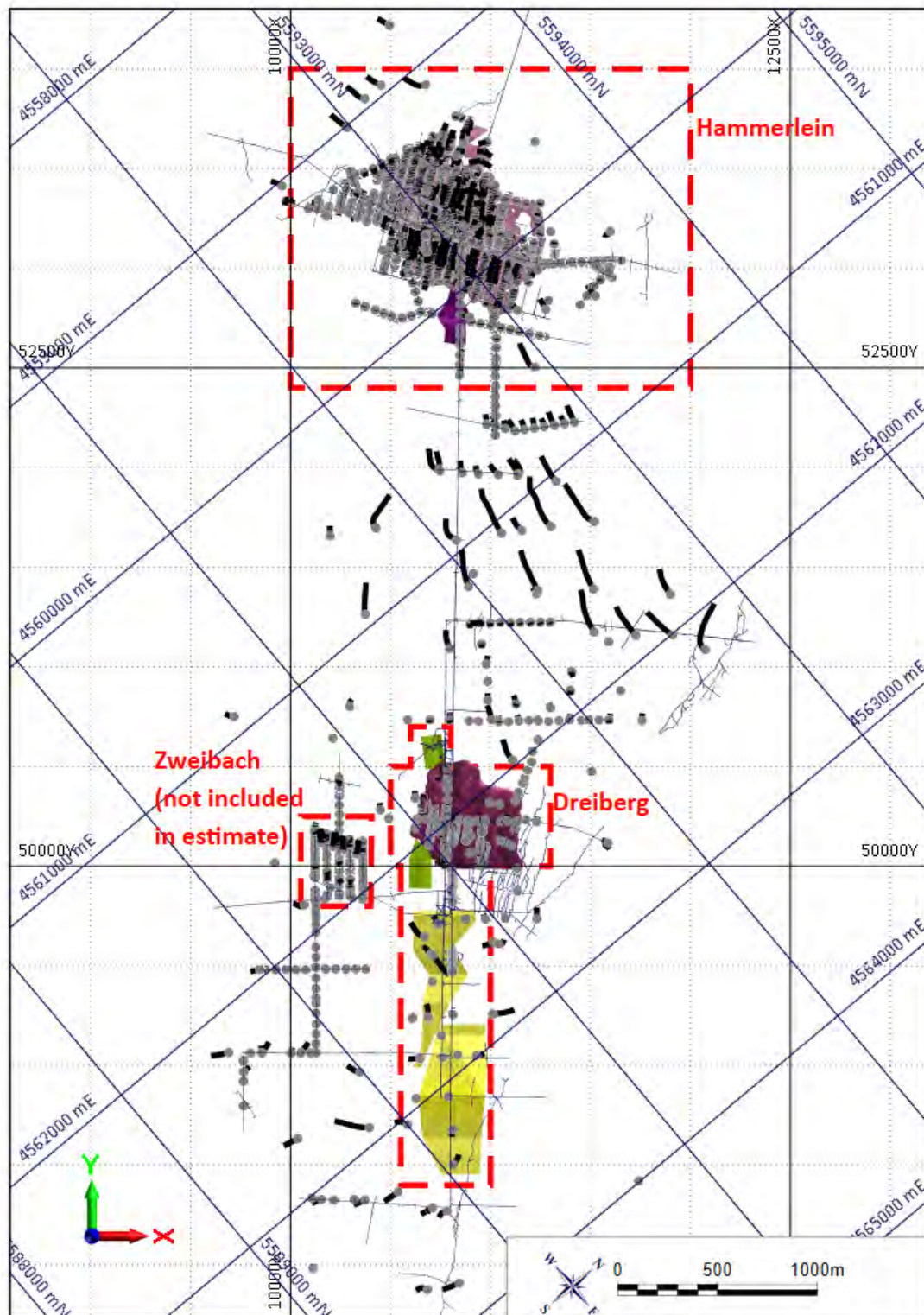


Figure 7-1: Overview of estimation areas, drilling and channelling, and local and GK grid.

The image is shown with the local grid orientated North to the top of the images (black lines), the GK grid (dark blue lines) is rotated though 50 degrees.

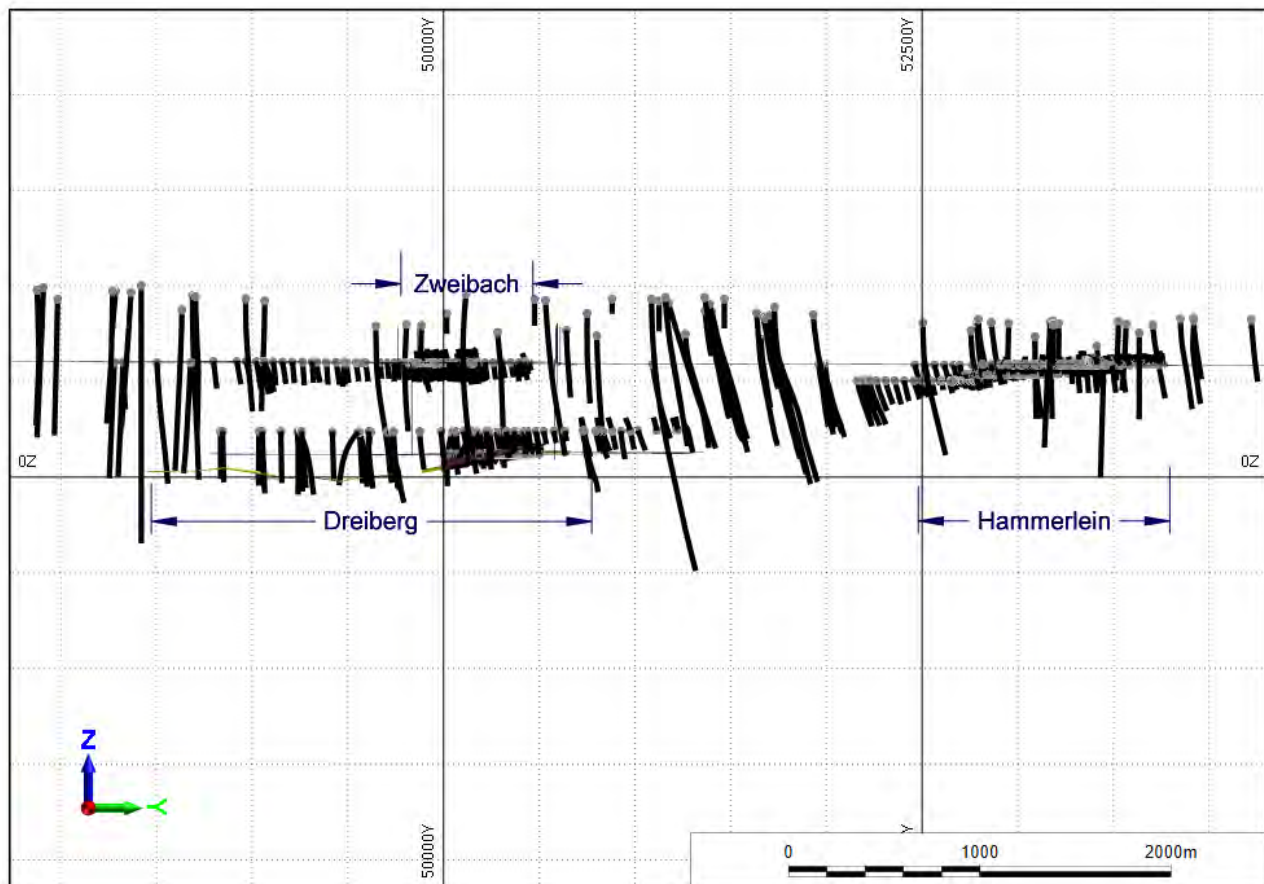


Figure 7-2: Long Section overview looking local grid West.

7.1.3 Geological Interpretation and Modelling

7.1.3.1 Mineralized Lithologies

Tin mineralization at Hämmerlein and Dreiberg is hosted dominantly in Skarn lithologies including Amphibole Skarn, Magnetite Skarn, Pyroxene Skarn and Garnet Skarn and, to a degree, Skarnified Schist. Skarns also hosts Zn and In mineralization with Iron present in various mineral phases, including magnetite and hematite as well as silicate phases. At Dreiberg, Sn is hosted almost exclusively within the Skarn while at Hämmerlein, Sn mineralization is also hosted within schist units underlying the skarn. The individual skarn types show varying degrees of continuity and are often mixed, logging of individual skarn types may also have some degree of subjectivity with immediately adjacent holes logged differently. For these reasons all skarn types were grouped together for modelling.

7.1.3.2 Skarn Modelling

The Skarn is often referred to in historical literature as a seam, and while the attitude of the skarn is that of a laterally extensive flat or shallow dipping unit, it can be seen to bifurcate and split with other skarn pods present outside of the main unit. In some places, drillholes intercept the elevation where the skarn may be expected although no skarn was logged or is extremely thin (<0.5 m). At both deposits the Skarn is typically 2-12 m thick and varies from a sub horizontal dip to a ~12° dip to the local grid south (south-east real world), the thickness of the unit can change significantly over short distances.

Due to the complexity of the skarn and the extremely dense data (5-15 m or less in places) in the core parts of both deposits, the intrusion implicit modeller in Micromine 2021.5 software was used to generate the wireframes used in mineral resource estimation. To better honour the local varying dip of the deposit and preserve continuity, a surface representing the average centre elevation of the Skarn units was generated. This surface was then used to generate a 3D anisotropic model of the skarn for use in implicit model generation. As the Skarn often contains inclusions of schist material, the data were composited to include any intervals of schist <2 m inside the skarn, exceptions were made where continuity of schist inclusions were observed between drillholes and the skarn. Modelling was an iterative process and involved inspection of the implicit wireframes with drillhole lithologies in cross section, the intervals of drillholes were manually recoded if required to improve continuity, account for schist inclusions accordingly and correct potentially miss-logged drillholes. Additional control points were added to the models as required to better guide its shape and improve continuity in areas of low data density and variable dip not captured within the resolution of the dynamic anisotropy model. Outside the core areas of both deposits, mineralization was identified in areas of much more sparse drilling (100-200 m) and where continuity could be inferred, wireframe models were generated manually using sting and cross-section interpretation.

Modelling focused on generating wireframes for the Skarn in the areas which hosted mineralization of interest and is not a completed model of all Skarn in the area.

While the core area of Dreiberg represents a relatively continuous skarn unit with only minor partings and little faulting, the skarn at Hämmerlein is subject to fault displacement which is interpreted to have dominantly displaced the skarn prior to the tin mineralizing events, some faulting prior to skarnification and which has displaced carbonate rich units more prone to skarnification are also probable. Fault vertical displacement is typically 2-8 m. To better honour the fault offsets, the area was split into fault block polygons (Figure 7-3), although a simplification, the faults were treated as vertical faults with the fault traces placed equidistant between observed points of fault offset, polygons were also used to truncate the skarn where drilling indicated its termination. Two-dimensional fault interpretations provided by the Company and supported by legacy face mapping were used as a guide.

Within the area of sparse drilling to the local grid south (south-east real world) of the core Dreiberg area, regional scale fault models provided by the Company were used to guide the interpretation of the manually modelled skarn units.



Figure 7-3: Hämmerlein fault block polygons.

7.1.3.3 Skarn Mineralization Modelling

Not all Skarn has been subject to Sn mineralization, inspection of histograms and assays in drill traces shows a background concentration of Sn within the skarn with a break point at around 0.1 to 0.2 % Sn. To prevent over dilution of Sn grade during grade interpolation and better honour mineralized and unmineralized populations, grade shells were generated using grade implicit modelling and the dynamic anisotropy models used in skarn generation.

At Hämmerlein, a Sn grade shell of 0.2% grade was generated inside the skarn (Figure 7-4) as well as a Zn shell at 0.2%. No grade shells for In or Fe_2O_3 were generated. For Dreiberg, a grade shell 0.1% Sn (Figure 7-5) was generated inside the skarn, with a further grade shell generated at 0.4 % Sn to constrain a consistent corridor of high grade. A shell for Zn was also generated at 0.2% and for Fe_2O_3 at 20%. No grade shell was generated for In.

The cut off values selected for the various grade shells was made after generating shells at multiple cut off grades and inspecting them in relation to the assays displayed in cross section and in consideration to histograms.

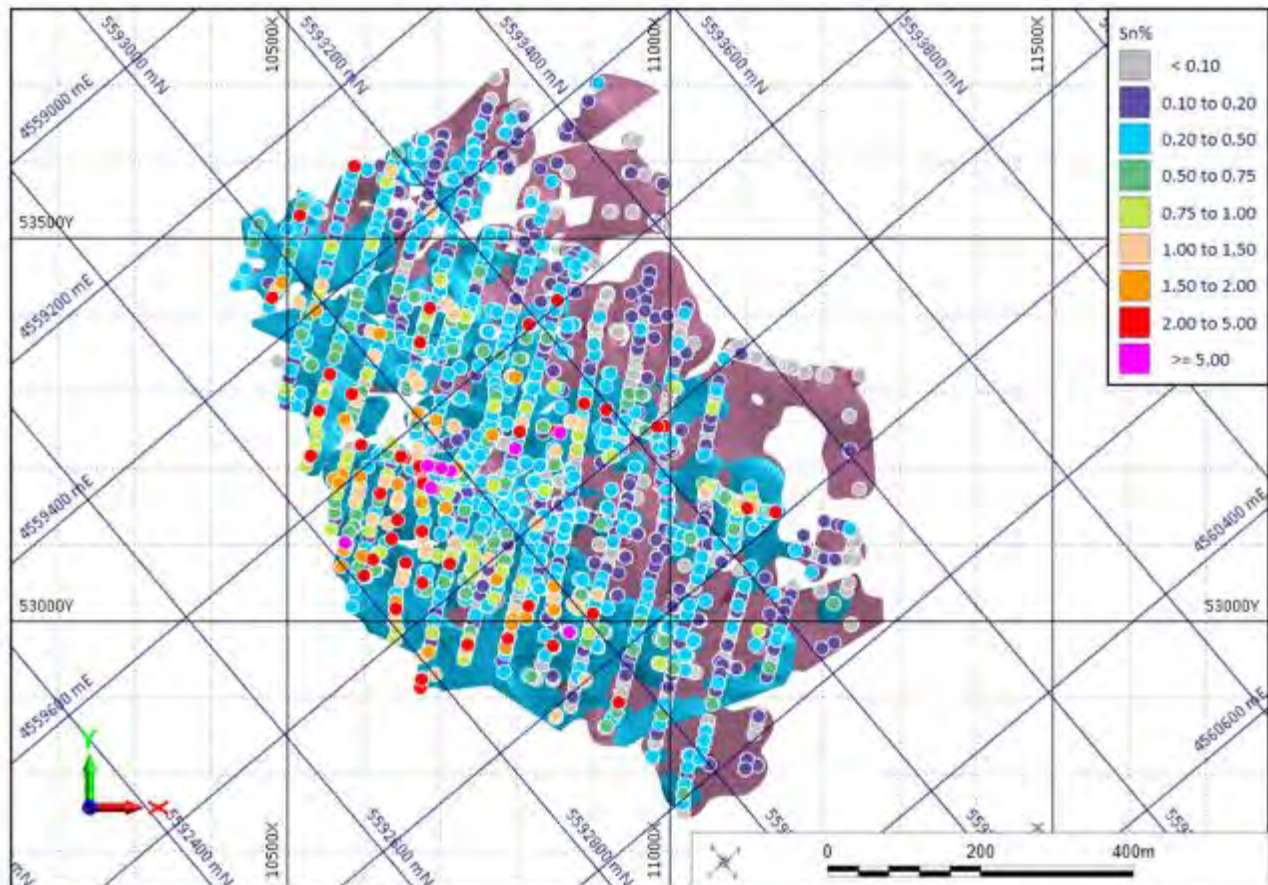


Figure 7-4: Hämmerlein skarn and skarn 0.2% Sn mineralized shell.

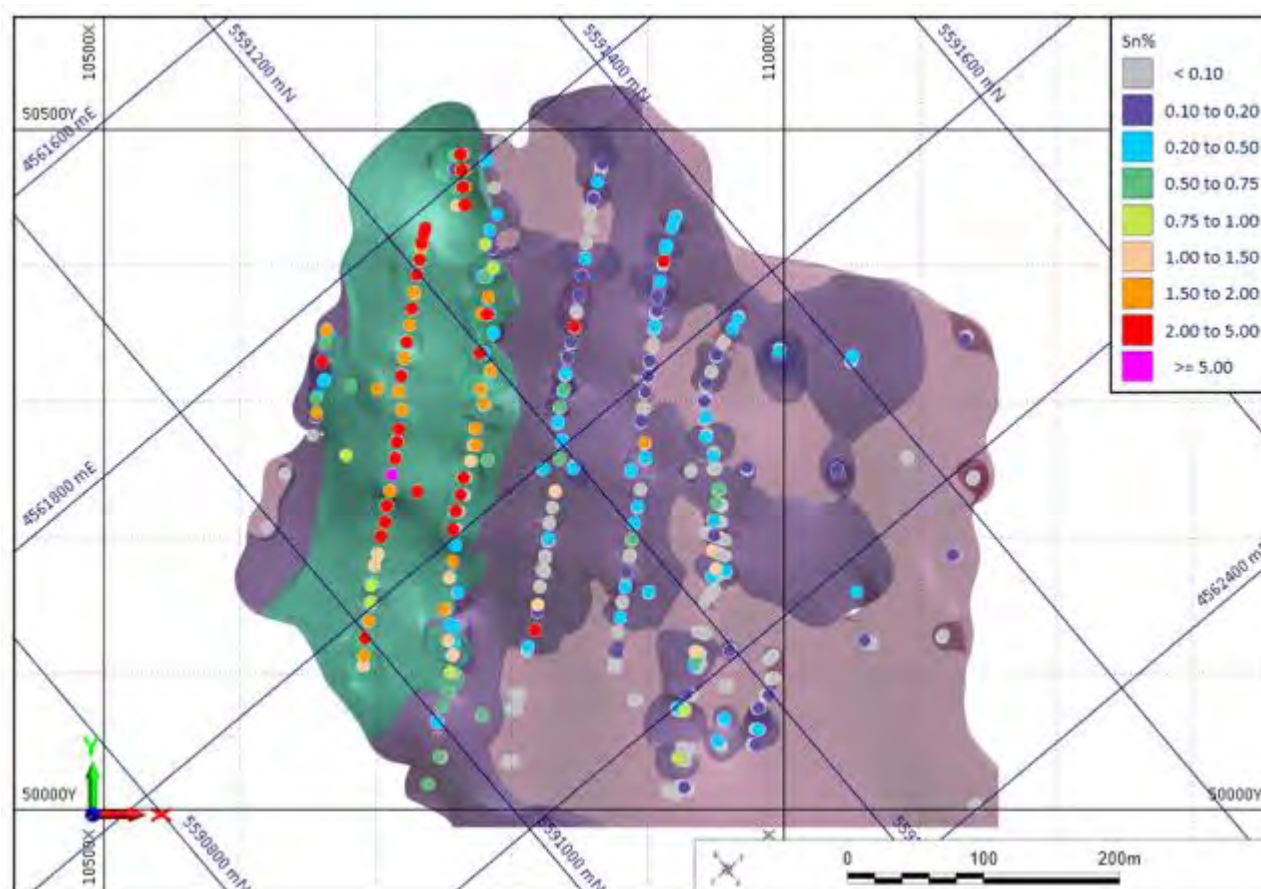


Figure 7-5: Dreiberg skarn and skarn 0.2 and 0.4% Sn Mineralized shells

7.1.3.4 Schist Mineralization

At Hämmerlein, Sn mineralization is also hosted in the schist and typically lies immediately underneath the skarn. A grade composite accepting a minimum of 0.15% Sn over 2 m with a maximum consecutive length of waste of 2 m was generated and used to model mineralized vs unmineralized Sn. The dynamic anisotropy model used to generate the skarn was also used, as this had the effect of guiding the model where schists mineralization “pooled” under the skarn.

7.1.4 Missing Intervals, Assays and Variable Analytical Methods

7.1.4.1 Tin

The assay file of the drillhole database contained analysis by various methods for Sn as described below. In some instances, analysis was completed by multiple methods, but not one single method was used for all samples.

Sn_pc_EFA – EFA was the main method used by previous operator Wismut and is essentially an XRF method completed on a pressed powder pellet. The upper detection limit is 10% Sn.

Sn_pc_Chemie – Approximately 1 in 3 samples were analysed by this method where a 5g split of the original 400g pulverized sample was sent to an external laboratory (Grüna) and analysed by a wet chemical method involving iodine titration. The upper detection limit is greater than that of the EFS method and as such was used as an overlimit method and where >10% Sn was expected in place of the EFA method. This method is considered to have a greater precision and accuracy than the EFA method.

Sn_pc_Content – This is essentially an in-situ XRF measurement with a gamma ray source and is semi quantitative in nature. It appears not to have been the sole analysis where potentially economic Sn grades have been identified.

Sn_background_value – a default background value of 0.001 for intervals with no Sn assay.

It was necessary to combine these values to have a single column of data for use in modelling or grade interpolation. As such two new columns were generated as follows.

Sn Plot – Used the greater of the Sn_pc_EFA or Sn_pc_Chemie methods, in their absence Sn_pc_Content was used and in turn Sn_background_value. This field was used in wireframe modelling.

Sn OK – Used the Sn_pc_Chemie method as a priority, else Sn_pc_EFA in its absence and in turn the Sn_pc_Content and Sn_background_value. This field was used for grade interpolation and variography.

Table 7-3 shows descriptive statistics for each of the analytical techniques across the entire database and within each rock domain (Hämmerlein Skarn, Hämmerlein Mineralized Schist and Dreiberg Skarn).

Field Name	Domain	Min	Max	No of Points	Sum	Mean	Variance	Std Dev	Weighted Mean
Sn pc EFA	No Domain	0.00	10.00	27130	2285.77	0.08	0.06	0.24	0.07
Sn pc Chemie	No Domain	0.00	14.15	9031	1021.01	0.11	0.12	0.35	0.10
Sn pc content	No Domain	0.00	4.60	1964	142.12	0.07	0.03	0.17	0.07
Sn background value	No Domain	0.001	0.001	10649	10.649	0.001	0.000	0.000	0.001
Sn Plot	No Domain	0.00	14.15	45304	2728.74	0.06	0.05	0.22	0.02
Sn OK	No Domain	0.00	14.15	45304	2684.49	0.06	0.05	0.22	0.02
Sn pc EFA	DB SKN	0.00	7.88	1991	750.78	0.38	0.54	0.73	0.38
Sn pc Chemie	DB SKN	0.01	4.90	150	73.86	0.49	0.75	0.87	0.50
Sn pc content	DB SKN	0.00	1.08	404	25.61	0.06	0.02	0.13	0.06
Sn background value	DB SKN	0.001	0.001	123	0.123	0.001	0.000	0.000	0.001
Sn Plot	DB SKN	0.00	7.88	2518	782.03	0.31	0.46	0.68	0.33
Sn OK	DB SKN	0.00	7.88	2518	776.56	0.31	0.45	0.67	0.32
Sn pc EFA	HAM Sn Sch	0.00	10.00	4053	1404.03	0.35	0.26	0.51	0.33
Sn pc Chemie	HAM Sn Sch	0.02	42.60	1377	694.54	0.50	1.70	1.30	0.46
Sn pc content	HAM Sn Sch	0.00	5.00	662	154.28	0.23	0.16	0.40	0.22
Sn background value	HAM Sn Sch	0.001	0.001	227	0.227	0.001	0.000	0.000	0.001
Sn Plot	HAM Sn Sch	0.00	42.60	4629	1602.46	0.35	0.65	0.81	0.32
Sn OK	HAM Sn Sch	0.00	42.60	4629	1580.69	0.34	0.65	0.80	0.32
Sn pc EFA	HAM SKN	0.00	10.00	5870	1761.83	0.30	0.39	0.62	0.30
Sn pc Chemie	HAM SKN	0.01	54.10	3043	1360.57	0.45	2.61	1.61	0.43
Sn pc content	HAM SKN	0.00	10.00	558	283.86	0.51	0.72	0.85	0.52
Sn background value	HAM SKN	0.001	0.001	222	0.222	0.001	0.000	0.000	0.001
Sn Plot	HAM SKN	0.00	54.10	7632	2371.74	0.31	1.19	1.09	0.31
Sn OK	HAM SKN	0.00	54.10	7632	2310.64	0.30	1.18	1.09	0.30
Sn pc EFA	ALL Samples	0.00	10.00	39044	6202.41	0.16	0.17	0.41	0.13
Sn pc Chemie	ALL Samples	0.00	54.10	13601	3149.97	0.23	0.87	0.93	0.21
Sn pc content	ALL Samples	0.00	10.00	3588	605.87	0.17	0.18	0.43	0.16
Sn background value	ALL Samples	0.001	0.001	11221	11.221	0.001	0.000	0.000	0.001
Sn Plot	ALL Samples	0.00	54.10	60083	7484.97	0.12	0.27	0.52	0.04
Sn OK	ALL Samples	0.00	54.10	60083	7352.38	0.12	0.27	0.52	0.04

Table 7-3 Statistics for various Sn% analytical methods by Domain

(DB SKN = Dreiberg Skarn, HAM SKN = Hämmerlein Skarn, HAM Sn Sch = Hämmerlein Mineralized Schist).

7.1.4.2 Zinc

Zinc was analysed by Flame Atomic Absorption Spectroscopy (FAAS). Within the Dreierberg Skarn 1732 of 2518 samples were analysed for Zn, where in the Hämmerlein Skarn 4557 of 7632 samples were analysed. At Dreierberg the missing Zn analysis are outside of the main mineralized area, while in Hämmerlein the lack of Zn analysis does not mean a lack of Zn mineralization, this can be seen where drillholes drilled at an inclined level from drives have not been analysed for Zn, but holes drilled vertically upwards from the drive have Zn analysis. An example can be seen in Figure 7-6 where continuity of Zn mineralization can clearly be inferred between drillholes which are approximately 50 m apart. If the missing Zn analysis were treated as “zero” values the apparent continuity would not be present in the model, therefore within the Skarn any drillhole with no Zn assay had the Zn value treated as null, i.e., it was ignored, in drillholes that had a Zn assay in any part, missing Zn analysis were defaulted to 0.001%.

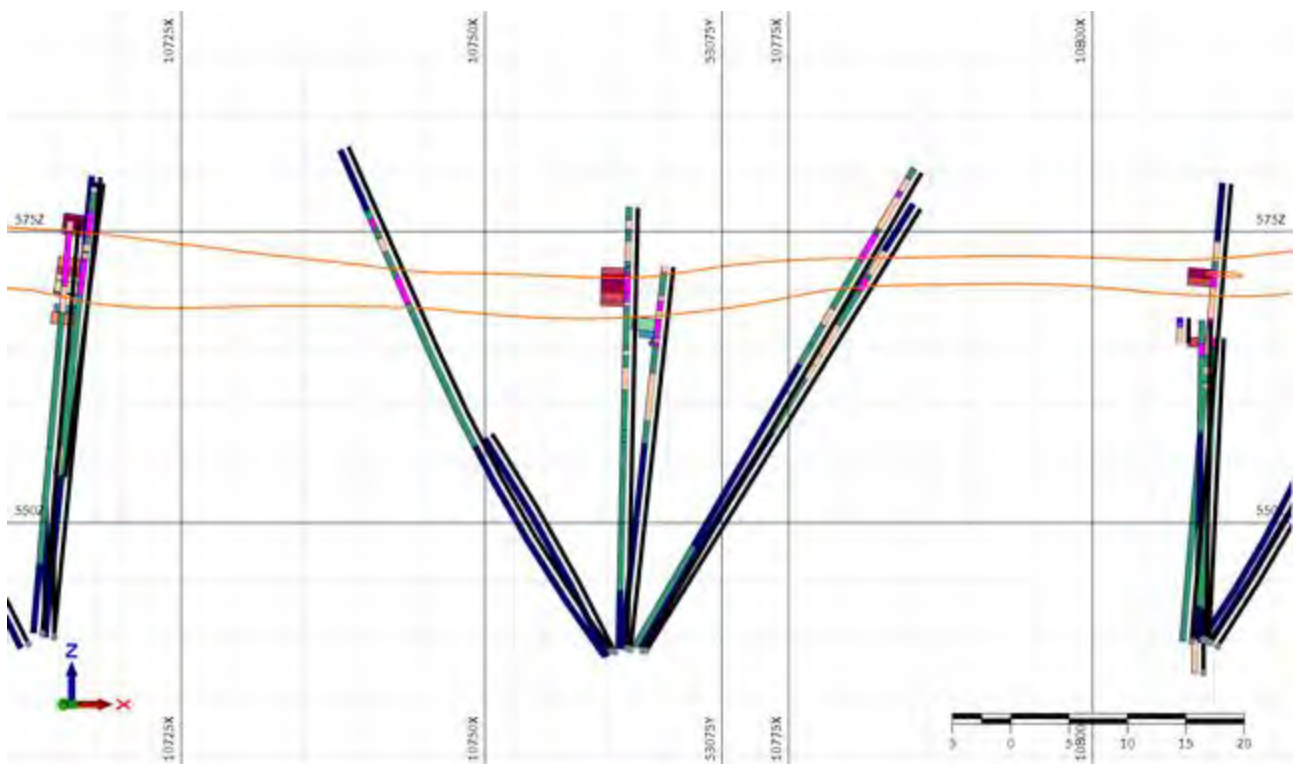


Figure 7-6 Drillholes with missing Zn analysis between holes with Zn analysis at Hämmerlein
the Zn assays is represented as a bar chart on the left of the drillhole trace.

7.1.4.3 Iron Analysis

Iron analysis was completed by FAAS and reported as iron trioxide equivalent (Fe_2O_3). The analysis is for total iron only and no analysis for magnetic iron was made, given iron is major constituent of many rock forming minerals present in the area, an oxide equivalent does not indicate the presence of iron entirely in mineral phases which may be economically recovered and sold. As with other element not all samples were assayed for iron. Within

the Dreiberg Skarn 1722/2518 samples had Fe analysis and 4513/7632 in the Hämmerlein skarn. It is anticipated that should the project proceed to production that some iron phases will be removed during magnetic separation to aid in gravity recovery of tin and as such, it is important to estimate the iron content. Inspection of Fe_2O_3 histograms for each skarn type showed well informed distributions and for each skarn type a default value was inserted into missing assays (Table 7-4). The default value used was less than the mean which gave a conservative value to inform the block model in areas with missing assays. All other lithology types with missing iron assays were given a “zero” value.

Skarn Sub type	Fe ₂ O ₃ % Mean Assay	Std Dev	Default Value
Pyroxene Skarn, Garnet Skarn	20.7	14	10
Magnetite Skarn	37	26	15
Amphibol Skarn	19.7	7.9	10
Hydrothermally altered (skarnified) mica schist	10.8	10.2	5

Table 7-4: Default Fe₂O₃ Values by Skarn type

7.1.4.4 Indium

Indium was analysed using arc atomic emission spectroscopy (AES) or optical emission spectrometry (OES) along with other elements. The method suffers from poor limits of determination for Indium (In_Spec) with assay values jumping in steps of 50 ppm. Indium was also analysed by a chemical method (In Chem), the column in the database for In Chem contained values in percentage and in parts per million and this was corrected and stored in a new field (In Chem Corrected). The chemical method has better limits of determination and was prioritized over the In Spec to generate a new field “In Plot” although very few determinations were made by this method. As seen in Table 7-5 only 21 samples had indium assays by the chemical method compared to 875 analyses by the spectrometry method. As with other methods, not every sample was analysed for Indium, however on a much greater scale than for zinc and iron. Within the Dreiberg skarn only 876 samples out of 2518 (approximately 35%) had an analysis for Indium, similarly only 22% of samples in the skarn at Hämmerlein had assays for indium.

The poor assay dataset for indium presents a significant risk and dilemma, on one hand indium is a strategically important mineral as its applications include solar panels and will likely have an import role to play in the green economy and possibly the permitting of the project should it advance to feasibility study, however insufficient data is available to accurately estimate the indium content of Hämmerlein and Dreiberg. On the other hand, the skarn is clearly enriched in indium, which would likely be recovered as a by-product during processing. In order to de-risk the estimate for indium, default values of 20 ppm were inserted where assays were absent (In Def field), this is significantly less than the mean values apparent from the available analysis and has the effect of greatly reducing the mean (Table 7-5).

Field Name	Key	Minimum	Maximum	No of Points	Sum	Mean
In chem corrected	DB SKN	8.6	114	21	645.6	30.74
In_spec	DB SKN	10	1000	875	66005	75.43
In Plot	DB SKN	8.6	1000	876	66045.6	75.39
In Def	DB SKN	8.6	1000	2518	98885.6	39.27
In chem corrected	Ham SKN	2	495	94	6630	70.53
In_spec	Ham SKN	30	2000	1593	309108	194
In Plot	Ham SKN	2	2000	1656	309148	186
In Def	Ham SKN	2	2000	7632	428668	56.1

Table 7-5: Statistics for In/ppm assays in Skarn.

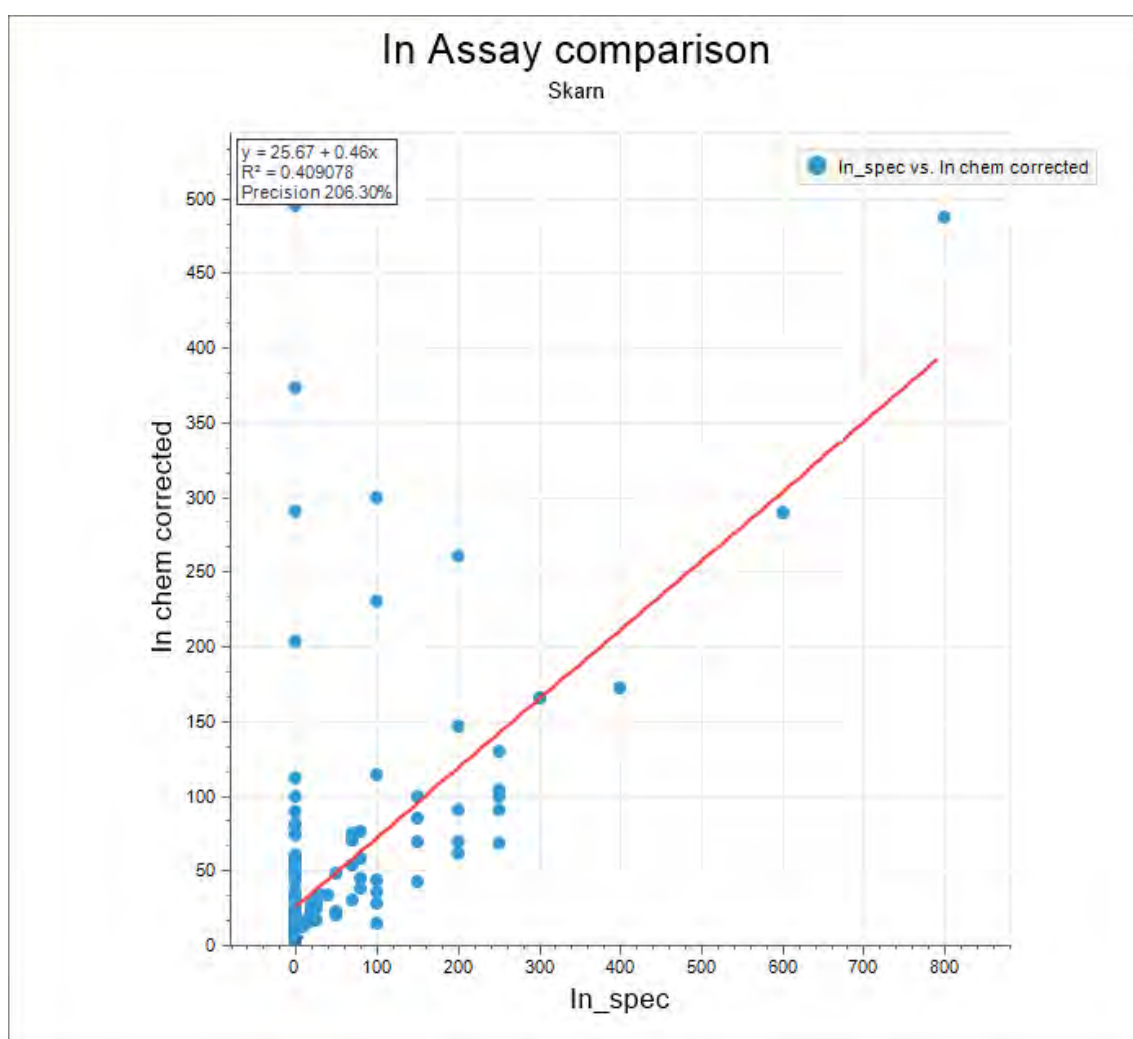


Figure 7-7: In analysis for Spectrometry and Chemical Sample pairs, values in ppm.

7.1.5 Compositing

In order to better regularize sample weight and reduce noise ahead of variography and grade interpolation, assay data was composited to 2 m, with minimum accepted length of 1 m, residual values were added to the previous composite. Composites were not allowed to span domain boundaries.

7.1.6 Variography

Directional semi-variograms were generated with primary axis azimuth aligned with the drives where dense sampling provided close spaced data and yielded robust experimental variograms. In the case of Hämmerlein the plunge was adjusted to match the attitude of mineralization while in Dreiberg the data were flattened to remove undulation in the skarn unit. Median indicator variograms were found to give the best experimental variograms and 2 component spherical models were fitted to these, except at Dreiberg where the indicator threshold was set to 0.4%, the approximate threshold between the Sn sub domains. This variogram was used for both domains. Variograms for the Hämmerlein schist and skarn Sn domains were modelled individually. Variograms were also generated for the Zinc domains and for Iron and Indium inside the skarn models, although they are not shown in the report for the sake of brevity. Variogram parameters are described in Table 7-6 and model variograms are shown in Figure 7-8, Figure 7-9 to Figure 7-10.

Domain	Axis	Azimuth	Plunge	c1 Range	c2 Range	c0	c1 Partial Sill	c2 Partial Sill	Total Sill
Ham SKN Sn	1	14.5	-10	24.4	74.4	0.1656	0.0385	0.046	0.2501
	2	104.5	0	16.5	64	0.1656	0.0385	0.046	0.2501
	3	14.5	80	11.3	20.4	0.1656	0.0385	0.046	0.2501
Ham Sch Sn	1	14.5	-10	38.2	80.5	0.1611	0.0503	0.0387	0.2501
	2	104.5	0	28.7	83.9	0.1611	0.0503	0.0387	0.2501
	3	14.5	80	9.6	31.1	0.1611	0.0503	0.0387	0.2501
DB Skn Sn	1	8	0	12.1	95.7	0.0789	0.0561	0.1139	0.2489
	2	98	0	18.9	58.7	0.0789	0.0561	0.1139	0.2489
	3	180	90	7	12.8	0.0789	0.0561	0.1139	0.2489

Table 7-6: Variogram Parameters by Sn domain, azimuths in local grid orientation.

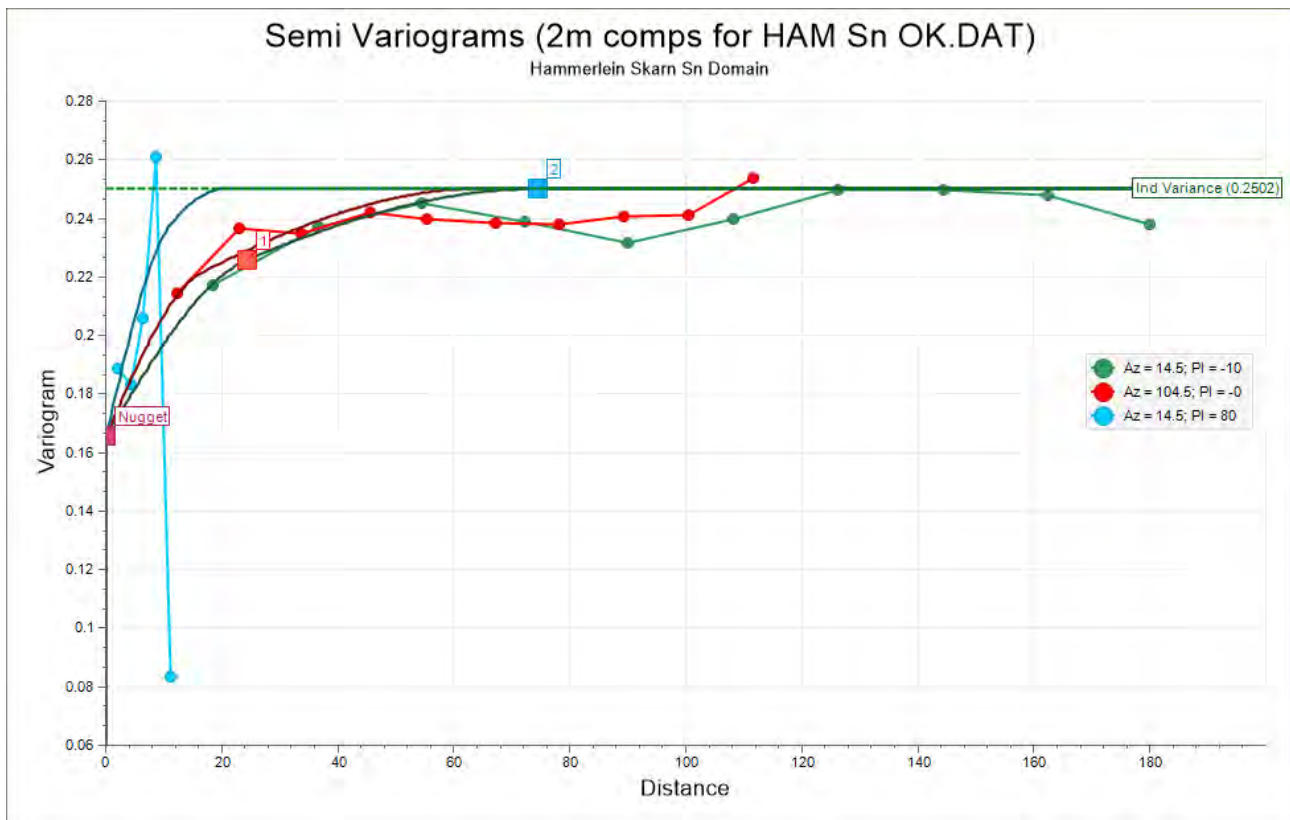


Figure 7-8: Hämmerlein Skarn Sn Variograms

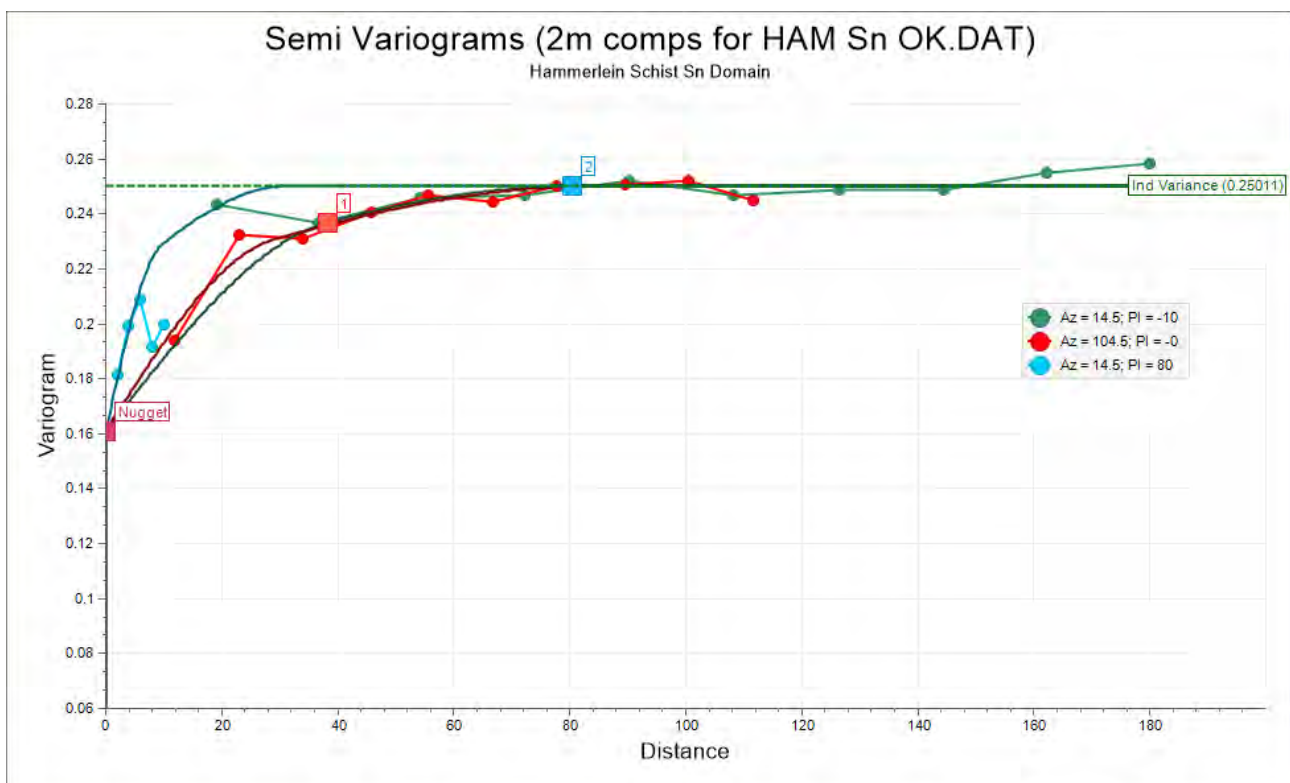


Figure 7-9: Hämmerlein Schist Sn Variograms

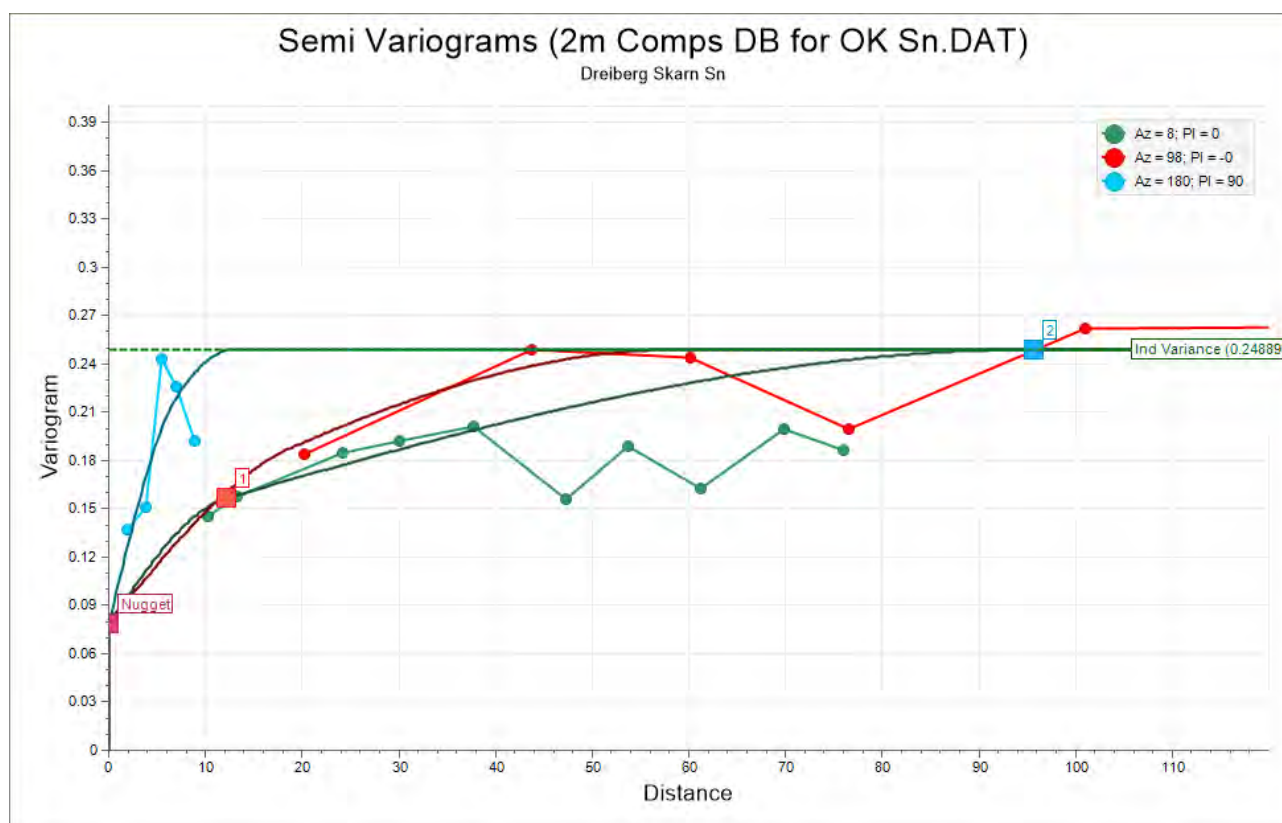


Figure 7-10: Dreiberg Skarn Sn Variograms

7.1.7 Block Model Grade Estimation

At H  mmerlein a 5 mX x 5 mY x 2mZ block model was generated and constrained using the domain wireframes. Sub blocking to a minimum dimension of 1 m was applied when assigning the multiple domain wireframes. The block size was chosen as data are closely spaced in parts of the deposit (5- 15 m or less laterally) and typically with 2 m composite spacing in the vertical plane. Elsewhere the data spacing is 50 m or wider although it was considered important to have finer resolution in the closer spaced areas.

The block model was interpolated using ordinary kriging, discretization was set to 5x5x2, negative kriging weights were set to zero to avoid potential negative weighting which can be brought about by screening effects in clustered data. A maximum of 2 composites per drillhole were allowed and a maximum total of 16 composites per neighbourhood accepted. Two incrementally larger search passes were used to inform all blocks, the first had 25 m (axis 1), 40 m (axis 2) and 10 m (axis 3), the second had axis of 60 m, 80 m and 20 m. This was increased to 100 m, 100 m and 20 m for the second pass in Zn, In and Fe₂O₃ interpolation. The search orientation used the same axis as the variogram analysis.

At Dreiberg the same block dimensions and discretization were used. A one way soft boundary was used so that values inside the high grade domain did not smear into the low grade domain. The data and block model were

flattened to the bottom of the skarn unit and to better map undulation. Within the high grade domain, the first pass was 20 m by 80 m by 10 m and the second pass 150 x 150 x 10 m. For the low grade Sn domain and other element domains radii of 150 m by 150 m by 20 m were used. A maximum of 12 composites per search neighbourhood and 2 composites per drillhole were accepted.

The kriging neighbourhood parameters were selected after experimentation with multiple parameter sets and inspection of input and output statistics and the models in cross section and plan view in comparison to the drillhole data.

7.1.8 Validation

Validation of the grade interpolation was made by comparison of the input composite data statistics against the output block model statistics (Table 7-7 and Table 7-8). The mean of the composite data compared to the volume weighted mean of the block model compares favourably. The mean value of the composite data is often lower than the weighted mean of the block model due to the clustering effect of more samples being collected in higher grade areas which introduces a bias to the mean. The Histograms of the input and output data are also compared, due to the volume variance effect block model histograms have lower variance and appear more “squashed”, the general shape of the distributions is favourably preserved (Figure 7-11 and Figure 7-12).

	SKN Sn Comps	SKN Sn BM	Sch Sn Comps	Sch Sn BM	SKN Zn Comps	SKN Zn BM
Minimum Value	0.00	0.03	0.00	0.04	0.00	0.00
Maximum Value	10.89	9.00	10.13	2.64	18.75	12.12
N	1227.00	13436.00	2182.00	19625.00	961.00	21286.00
Mean	0.59	0.51	0.32	0.29	1.63	1.36
Variance	0.64	0.13	0.19	0.03	5.75	0.85
Sum of Weights	2048.35	671800.00	4077.64	981250.00	1548.40	1064300.00
Weighted Mean	0.62	0.51	0.32	0.29	1.86	1.36
Weighted Variance	0.60	0.13	0.14	0.03	5.85	0.85
Weighted Std. Dev.	0.77	0.36	0.38	0.17	2.42	0.92
Standard Deviation	0.80	0.36	0.44	0.17	2.40	0.92
Coeff. of Variation	1.35	0.70	1.37	0.59	1.47	0.68
Median	0.34	0.41	0.22	0.25	0.63	1.14
	SKN Fe2O3 Comps	SKN Fe2O3 BM	SKN In Comps	SKN In BM		
Minimum Value	0.00	1.64	2.00	8.22		
Maximum Value	89.28	67.64	960.00	608.00		
N	2894.00	39176.00	2937.00	39176.00		
Mean	21.11	19.70	54.90	57.06		
Variance	294.12	91.11	6890.50	2346.99		
Sum of Weights	5337.60	1958800.00	5414.40	1958800.00		
Weighted Mean	21.33	19.70	56.10	57.06		
Weighted Variance	291.49	91.11	6914.40	2346.99		
Weighted Std. Dev.	17.07	9.55	83.20	48.45		
Standard Deviation	17.15	9.55	83.00	48.45		
Coeff. of Variation	0.81	0.48	1.50	0.85		
Median	15.00	18.07	20.00	42.72		

Table 7-7: Hämmerlein statistical comparison of composite and block model data.

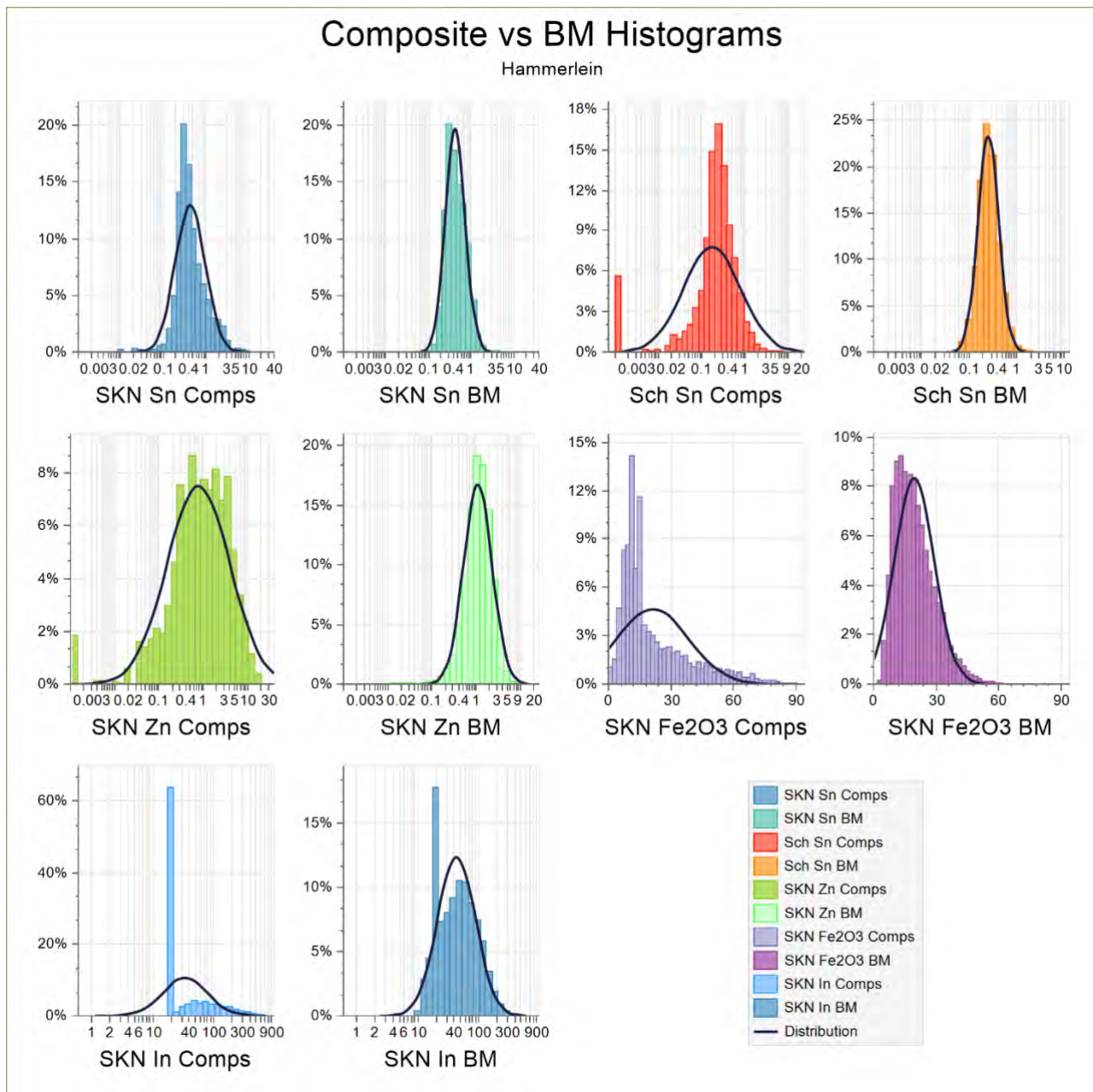


Figure 7-11: Hämmerlein comparison of composite and block model histograms.

	Sn Comps	Sn BM	Zn Comps	Zn BM
Minimum Value	0.00	0.07	0.02	0.21
Maximum Value	5.88	3.59	17.49	6.29
N	440.00	110851.00	182.00	55516.00
Mean	0.71	0.58	1.15	1.21
Variance	0.62	0.28	3.93	0.53
Sum of Weights	768.50	814017.00	322.70	398635.00
Weighted Mean	0.76	0.62	1.28	1.22
Weighted Variance	0.65	0.33	4.37	0.54
Weighted Std. Dev.	0.81	0.57	2.09	0.74
Standard Deviation	0.79	0.52	1.98	0.73
Coeff. of Variation	1.11	0.91	1.73	0.60
Median	0.33	0.31	0.54	1.04
	Fe2O3 Comps	Fe2O3 BM	In Comps	In BM
Minimum Value	8.20	22.03	10.00	16.16
Maximum Value	83.67	75.41	680.00	296.88
N	373.00	89509.00	1008.00	274250.00
Mean	40.96	40.74	38.60	36.86
Variance	338.02	91.48	2237.70	594.79
Sum of Weights	719.80	1117150.00	1962.00	2705168.00
Weighted Mean	41.86	42.27	38.50	33.68
Weighted Variance	330.52	86.56	2136.20	461.06
Weighted Std. Dev.	18.18	9.30	46.20	21.47
Standard Deviation	18.39	9.56	47.30	24.39
Coeff. of Variation	0.45	0.23	1.20	0.66
Median	36.95	40.21	20.00	28.23

Table 7-8: Dreiberg statistical comparison of composite and block model data.

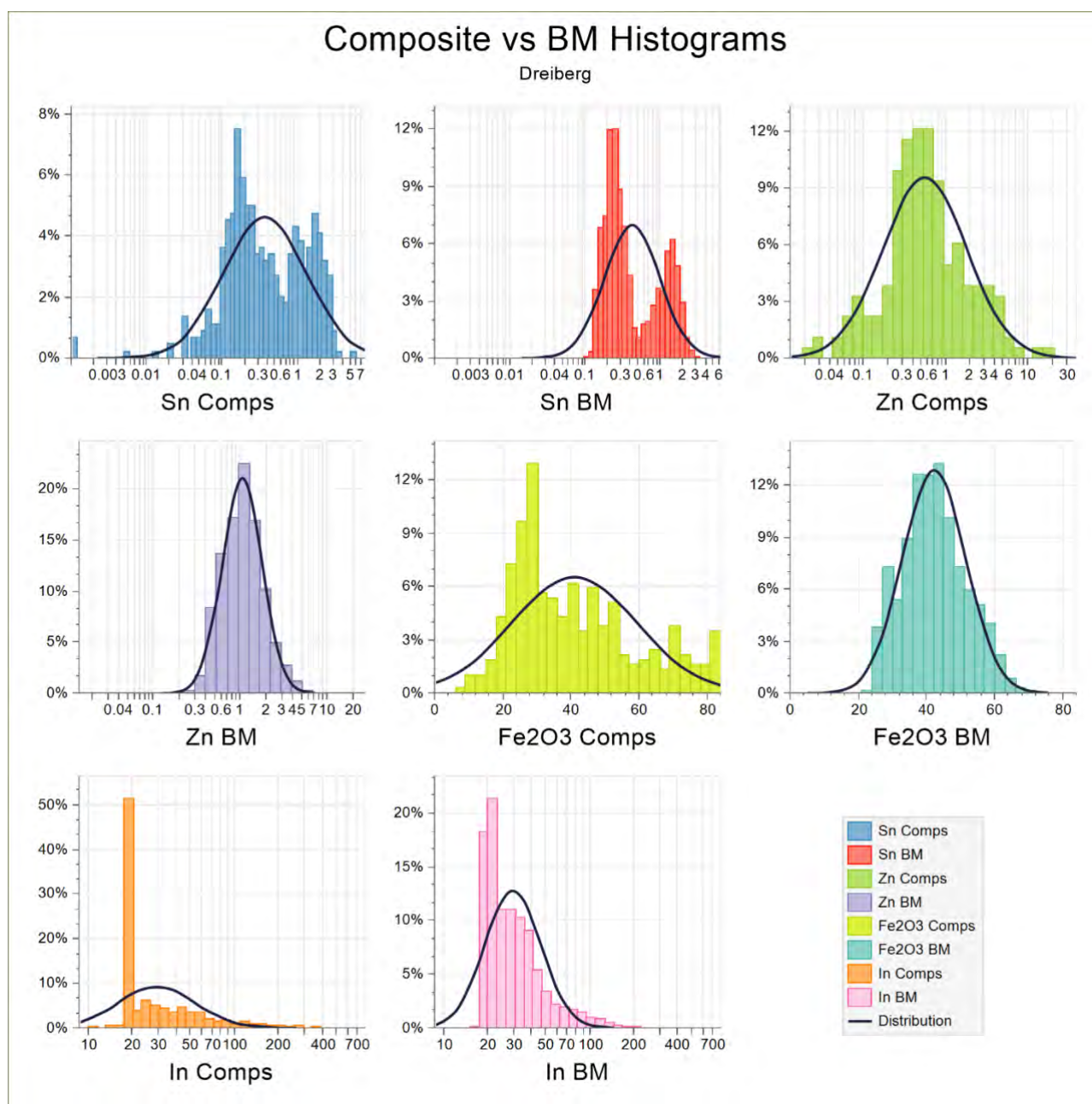


Figure 7-12: Dreiberg comparison of composite and block model histograms.

7.1.9 Bulk Density

No Bulk density data was available for Dreiberg, however 1327 density measurements were provided for the Hämmerlein deposit. A relationship between the iron content of the skarn and bulk density was identified and is reasonably expected. After outliers were removed using Cook's Distance Analysis 862 density determinations with Fe_2O_3 analysis were used to generate a linear regression model (Figure 7-13) for use in the estimation of density within the skarn from the iron content (Density = $2.68 + 0.02x \text{ Fe}_2\text{O}_3$). A default value of 2.83 was used in the mineralized schist.

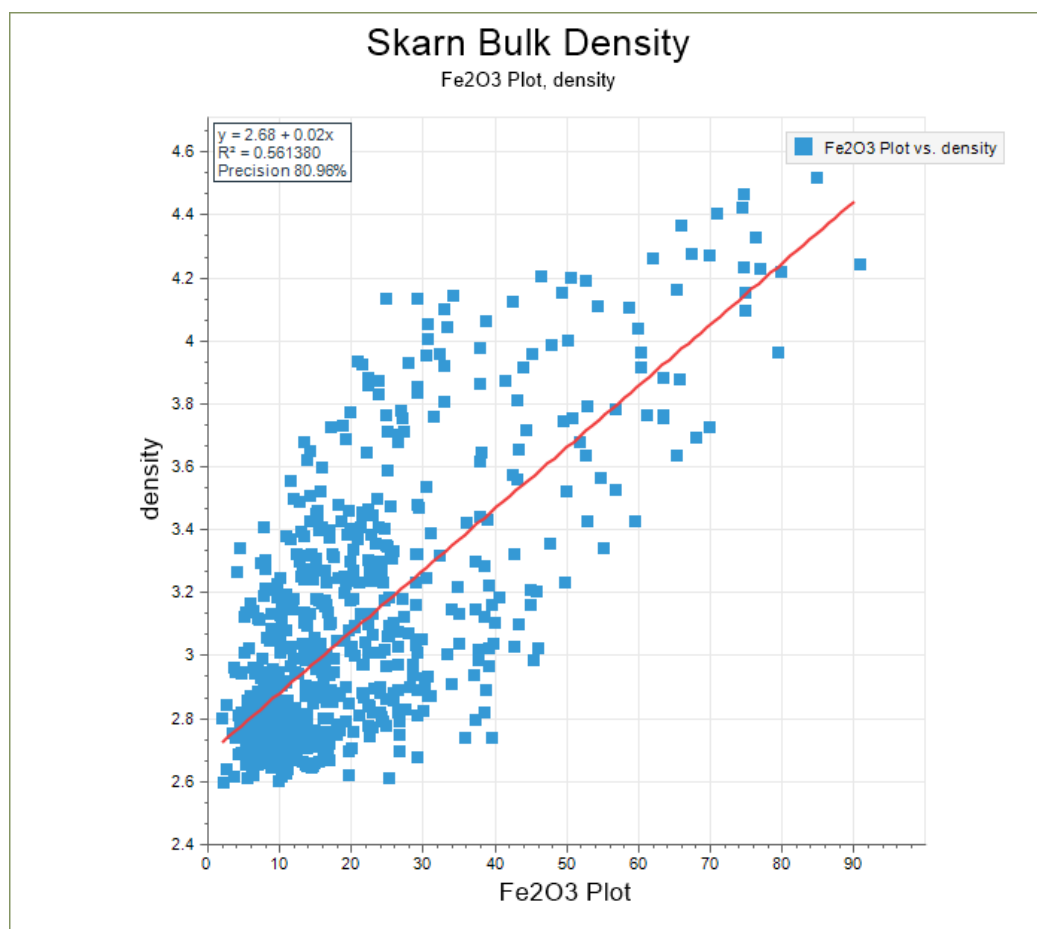


Figure 7-13: Skarn Iron vs Bulk Density relationship.

7.1.10 Reasonable Prospects of Eventual Economic Extraction

A Mineral Resource, as defined by the JORC code 2012 edition must have a reasonable prospect of eventual economic extraction. As there is greater uncertainty and risk associated with the estimation of Zn, Fe_2O_3 and In, only Sn should be used to determine material which meets this criterion. A break-even cut-off grade of 0.5% Sn is estimated assuming an average Sn price of US\$25,000/t for Sn, process recoveries of approximately 75%, smelter deductions of 10%, Mining costs of \$55/t, processing costs of \$20/t, G&A costs of \$5/ ROM t and transport costs of \$2 / ROM t.

While some zinc mineralization exist outside of the tin resource, a cut-off grade of approximately 3.5-4% Zn would be expected to identify material which has a reasonable prospect of eventual economic extraction. The Zn grade in these area does not meet this criteria and therefore no zinc-only resource can be declared in accordance with the JORC Code 2012.

7.1.11 Resource Classification

This resource estimate uses the terms “Resources”, “Indicated Resources” and “Inferred Resources” as defined in the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. The JORC Code, 2012 Edition. Prepared by: The Joint Ore Reserves Committee of The Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia (JORC).

Indicated and Inferred Mineral Resources are hereby defined by the JORC code, 2012 edition as follows, in addition to Measured Mineral Resources which were not applied in this study.

An ‘Inferred Mineral Resource’ is that 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. It is based on exploration, sampling, and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes.

An Inferred Mineral Resource has a lower level of confidence than that applying to an Indicated Mineral Resource and must not be converted to an Ore Reserve. It is reasonably expected that the majority of Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration.

An ‘Indicated Mineral Resource’ is that part of a Mineral Resource for which quantity, grade (or quality), densities, shape and physical characteristics are estimated with sufficient confidence to allow the application of Modifying Factors in sufficient detail to support mine planning and evaluation of the economic viability of the deposit.

Geological evidence is derived from adequately detailed and reliable exploration, sampling, and testing gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes, and is sufficient to assume geological and grade (or quality) continuity between points of observation where data and samples are gathered.

An Indicated Mineral Resource has a lower level of confidence than that applying to a Measured Mineral Resource and may only be converted to a Probable Ore Reserve.

A 'Measured Mineral Resource' is that part of a Mineral Resource of which quantity, grade (or quality), densities, shape, and physical characteristics are estimated with confidence sufficient to allow the application of Modifying Factors to support detailed mine planning and final evaluation of the economic viability of the deposit.

Geological evidence is derived from detailed and reliable exploration, sampling and testing gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings, and drill holes, and is sufficient to confirm geological and grade (or quality) continuity between points of observation where data and samples are gathered.

A Measured Mineral Resource has a higher level of confidence than that applying to either an Indicated Mineral Resource or an Inferred Mineral Resource. It may be converted to a Proved Ore Reserve or under certain circumstances to a Probable Ore Reserve.

At both Hämmerlein and Dreiberg, data spacing is generally either of the order of 15 m or much greater with spacing of 50-100 m or more, with little in between. At Hämmerlein kriging statistics in the block model were considered against data spacing, radii of influence of 15 m were used to generate a polygon of Indicated Resources, the polygon was smoothed to prevent the "spotted dog effect" and considered uncertainty in the geological interpretation of the skarn where continuity was inferred rather than confirmed on the fringes of the deposit. All other blocks were classified as Inferred. The classification polygons and block models above a cut-off grade of 0.5% Sn are shown in Figure 7-14, Figure 7-15, Figure 7-16.

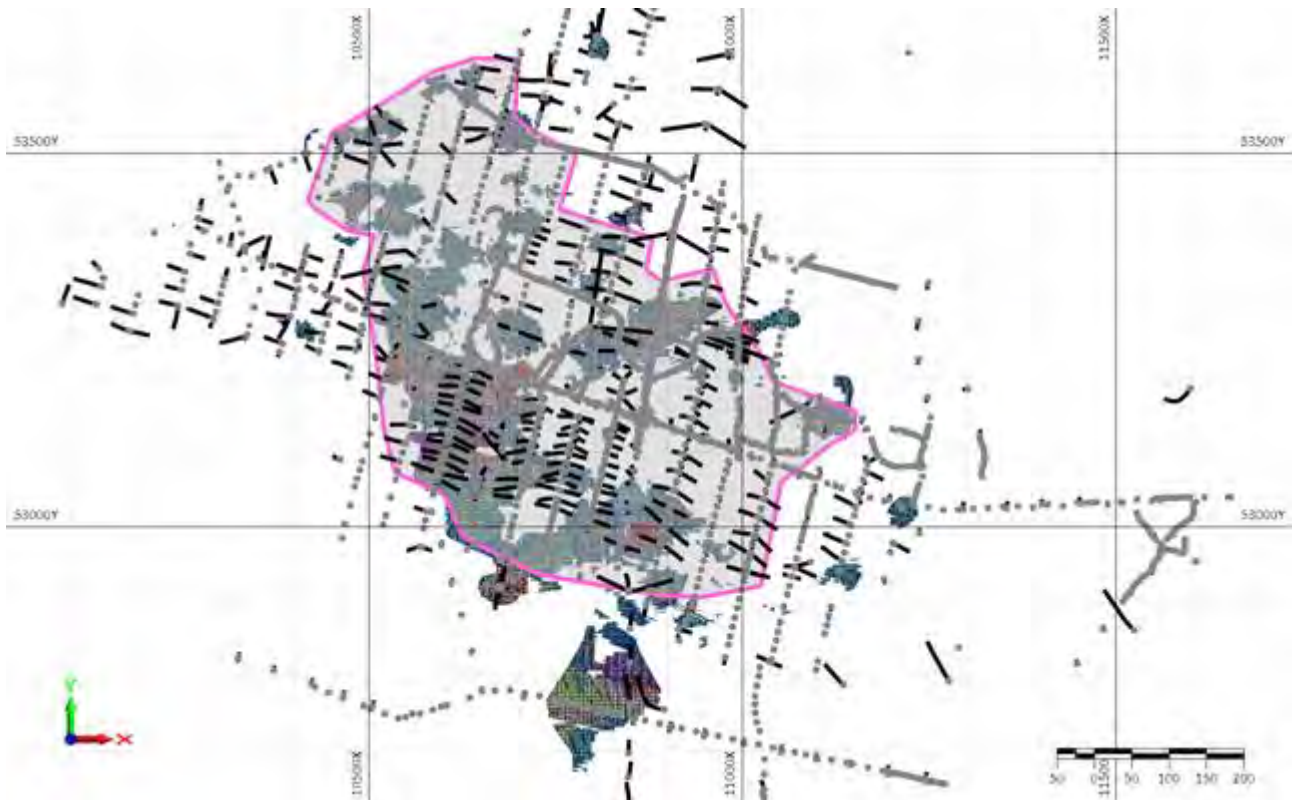


Figure 7-14: Hämmerlein Block Model above cut-off grade with classification polygon.

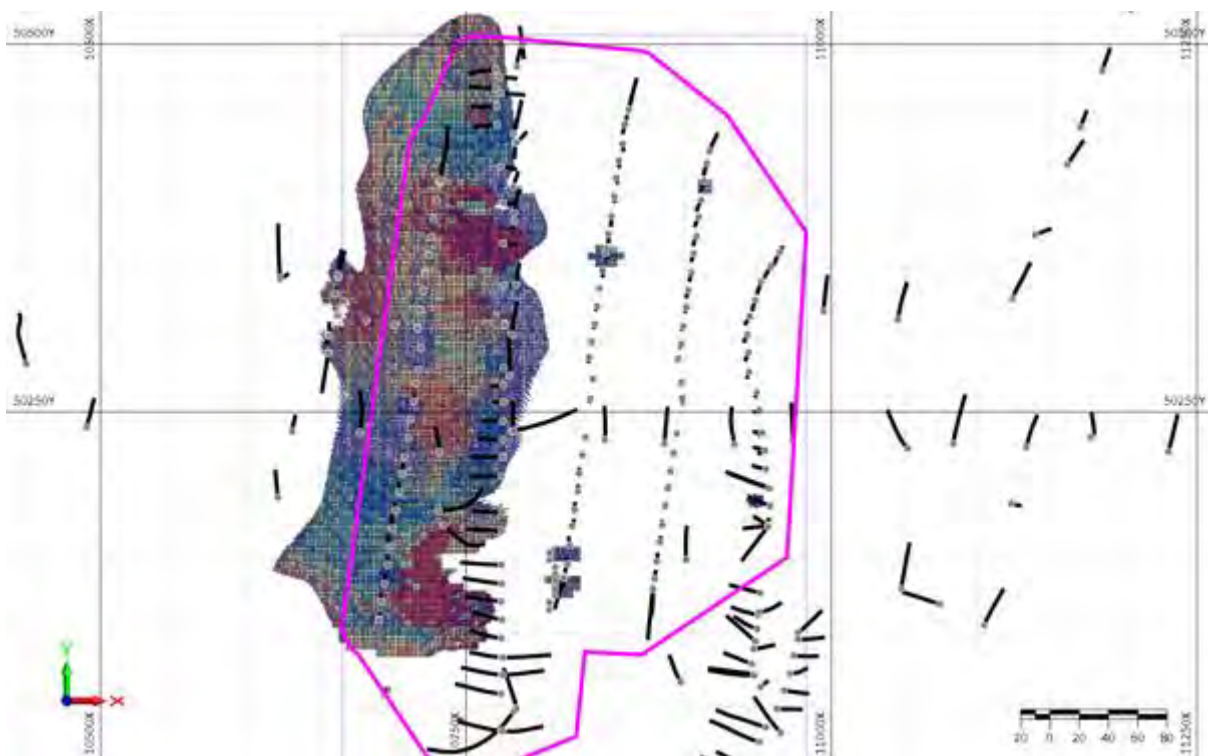


Figure 7-15: Dreiberg Block Model above cut-off grade with classification polygon.

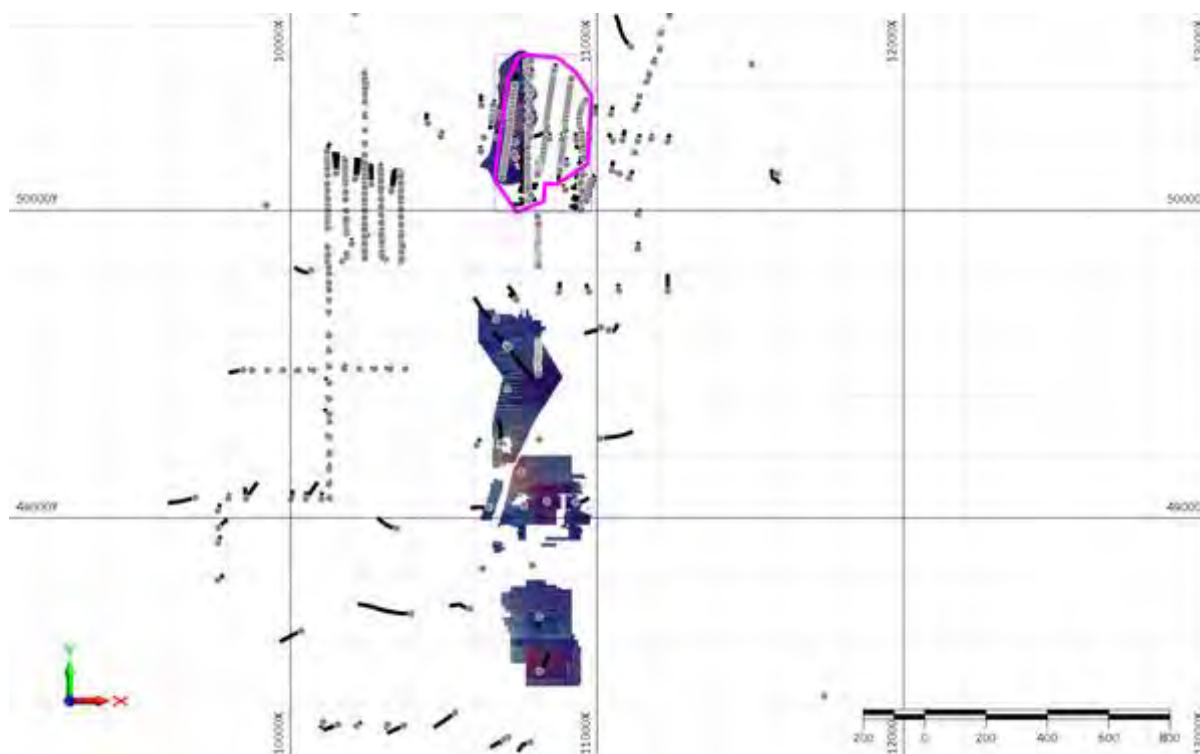


Figure 7-16: Dreiberg Block Model

(including inferred extension above cut-off grade with classification polygon)

7.1.12 Resource Statement

The Indicated and Inferred Mineral Resource estimates for the Hämmerlein and Dreiberg tin deposits are presented in Table 7-9 using a cut-off grade of 0.5% tin (Sn) to determine material which has a reasonable prospect of eventual economic extraction. The estimates are classified and reported in accordance with the JORC Code (2012 edition) with an effective date of 30th September 2021.

Estimates for zinc (Zn), iron trioxide equivalent (Fe_2O_3), and indium (In) have also been made, although it must be cautioned that confidence in the estimation of these elements is lower than for Sn due to partial assays for these elements and the precision and accuracy of the analytical methods used, particularly in the case of Indium. It should also further be cautioned that Fe is major constituent of many rock forming minerals present in the area, as analysis has only been completed for total iron, the estimation of an oxide equivalent does not indicate the presence of iron entirely in mineral phases which may be economically recovered and sold. Economically recoverable iron content may be much lower than that which is presented in Table 7-9.

Due to the risks outlined above only Sn is considered in selecting material within the mineral inventory estimate which has a reasonable prospect of eventual economic extraction, and which qualifies as a Mineral Resource. Caution should be exercised when relying upon elements other than tin during economic analysis and elements other than tin should not be used in determination of mine schedule optimization or mine cut-off selection.

Category	Tonnes	Density	Sn%	Sn content (t)	Zn%	Zn content (t)	Fe2O3%	Fe2O3 content (t)	In g/t	In content (kg)
Hämmerlein and Dreiberg Combined										
Indicated	2,000,000	3.1	1.0	19,000	0.93	18,000	20	400,000	64	130,000
Inferred	3,300,000	3.1	1.0	34,000	1.1	37,000	20	650,000	92	310,000
Total	5,300,000	3.1	1.0	53,000	1.0	55,000	20	1,000,000	82	430,000
Hämmerlein										
Indicated	1,200,000	3.1	0.82	10,000	1.1	13,000	19	230,000	61	76,000
Inferred	300,000	3.1	0.85	2,500	1.5	4,400	19	57,000	54	16,000
Total	1,500,000	3.1	0.83	13,000	1.1	18,000	19	290,000	60	92,000
Dreiberg										
Indicated	710,000	3.1	1.3	9,000	0.73	5,200	23	160,000	71	50,000
Inferred	3,000,000	3.1	1.0	32,000	1.1	33,000	20	600,000	96	290,000
Total	3,800,000	3.1	1.1	41,000	1.0	38,000	20	760,000	91	340,000

Only Sn is used in cut-off selection, see explanatory text relating to higher risks associated with the estimation of Zn, Fe₂O₃ and In. Estimates are rounded to two significant figures to demonstrate the uncertainty associated with the Mineral Resource Estimate, as such numbers may not total.

Table 7-9: Mineral Resource Estimates for Hämmerlein and Dreiberg above a COG of 0.5% Sn

Mineralization at Hämmerlein is approximately 100-300 m below the surface, and at Dreiberg is approximately 800-1000 m below the surface. Thicknesses are typically 2-10 m and up to 20 m in places.

7.1.13 Exploration Targets and Potential

Extension to the Dreiberg resource remain unexplored as shown in Figure 7-17. Modelling analysis of the Sn grades in the Dreiberg resource suggest an exploration target of between 0.5 million tonnes and 1 million tonnes at a Sn grade of 0.5% to 1.2%. The exploration target is highly conceptual in nature and may not be realized.

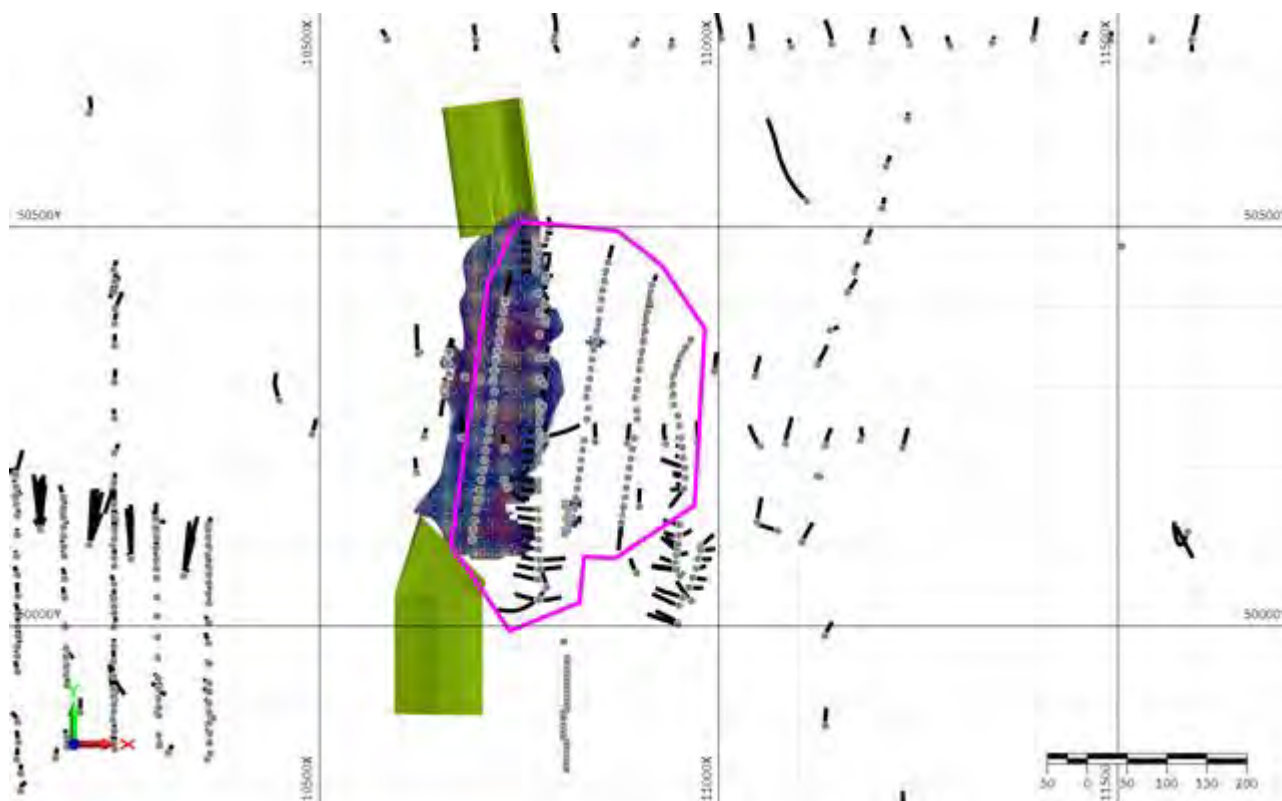


Figure 7-17: Dreiberg Exploration Target (green)

7.1.14 Comparison to Previous Resource Estimates

Previous Resource Estimates completed by H&S (2019) used a cut-off grade of 0.2% tin, it is difficult to justify a Reasonable Prospect of Eventual Economic Extraction at this cut-off grade for this project and a direct comparison of the resource statements is not meaningful. The H&S report provides grade tonnage tables for the Hämmerlein Schist and Skarn tin grades for combined Indicated and Inferred material, but does not provide a grade tonnage curve for all material at Hämmerlein including by product metals zinc, iron and indium and these elements are either reported separately using arbitrary cut-offs or using the 0.2% tin cut-off grade. This makes it difficult to evaluate the grade tonnage relationships of all metals using the 0.5% tin cut-off in the key areas of the deposits. Similarly, grade tonnage tables for tin are presented for all Dreiberg Skarn material but not for Indicated blocks.

In order to make a comparison the H&S block models for Hämmerlein and Dreiberg were reported on in Micromine at a 0.5% tin cut-off (Table 7-10). It should be noted that this may not be how H&S intended to present the results of their modelling and it is shown here only as a means of comparison. For Hämmerlein, H&S did not sub block or factor the model to preserve the boundary between the skarn and schist and instead used a “Centroid in wireframe” criteria to represent the volumes of the blocks inside the wireframe models and this method was used to regenerate the block model report. For Dreiberg a block factor, or partial percentage, falling inside the Skarn wireframe was used.

For Hammerlein the block model reports (Table 7-10) show the Bara block model (to which this report relates) has an increase in tonnes and contained tin, but for a slightly lower grade. Zinc grade and contained metal is increased, as is iron. Indium grades are slightly decreased for a comparable amount of metal. For Dreiberg the block model reports show that the Bara block model contains comparable tonnage for Indicated blocks, but for an increased tin grade and contained metal, similarly zinc, iron and indium grade and metal are increased. Overall, the numbers for Indicated blocks are comparable but the larger discrepancy in zinc and iron contained metal and indium grade points to the uncertainty associated with estimating these elements.

Cut-off Sn%	Tonnes	Density	Sn%	Sn content (t)	Zn%	Zn content (t)	Fe2O3%	Fe2O3 content (t)	In g/t	In content (kg)
HnS 2019 Hammerlein										
0.5	1,000,000	3.1	0.88	9,000	0.68	6,900	16	160,000	75	77,000
Bara 2021 Hammerlein										
0.5	1,200,000	3.1	0.82	10,000	1.1	13,000	19	230,000	61	76,000
HnS 2019 Dreiberg										
0.5	700,000	3.1	1.1	7,000	0.43	3,000	19	130,000	51	36,000
Bara 2021 Dreiberg										
0.5	710,000	3.1	1.3	9,000	0.73	5,200	23	160,000	71	50,000

Table 7-10: Comparison of Indicated classified blocks in H&S and Bara block models.

7.2 Gottesberg

7.2.1 Mineral Resources

A Study completed by Mining One in 2012 identified and modelled three main zones of mineralisation within the Gottesberg greisen (Figure 7-18) and reported Resources under the JORC code (2004 edition). The Mineral Resource Estimate was subsequently re-reported by Mining One in accordance with the JORC code (2012 edition) which came into mandatory operation from 1st December 2013. The updated Mineral Resource Estimate was reported in “Gottesberg Tin Deposit, Mineral Resource Report for First Tin” dated December 2021.

Mining One used a cut-off grade of 0.15% Sn for reporting of Mineral Resources which were also presented using a 0.35% Sn cut-off grade. Although Gottesberg will likely be a lower cost mining operation than Tellerhäuser with more simple metallurgy, Bara are of the opinion that the 0.15% Sn cut-off grade may not be warranted and that a cut-off grade of 0.35% Sn is more realistic when considering all-in costs per tonne, metallurgical recoveries and payability on contained metal in concentrate. Computerised block model Mineral Resource Estimations by Mining One using ordinary kriged grade interpolation (Figure 7-19) combining the three greisens are presented in Table 7-11 above a cut-off grade of 0.35% Sn. Bara have reviewed the estimation methodology described in the December 2021 Mining One report and although a full audit of the models has not been completed, no fatal flaw

in the estimation methodology was identified. Bara further caution that the estimates for Sn and Cu have been classified separately. Where no specific guidance is provided under the JORC Code 2012 edition for reporting different metals at different classifications within the same estimate, other CRIRSCO aligned reporting codes (e.g. NI 43-101) have stated that this is not acceptable and that the classification should apply to the same tonnage.



Figure 7-18 Geological Interpretation at 66m RL showing the 3 Greisens (Dresler, 1992)

The north-western part of Greisen 1 outcrops at Waidgrube Pinge. The south-eastern part of Greisen 1 is not known at outcrop. The two apophyses merge at about 700m RL. Greisen 2 outcrops at Geyerin, Topas and Dreikoenigs Pingen. Greisen 3 is not known at outcrop. The top of this greisen has been intersected by diamond drilling at about 515m RL.

Resources were modelled from surface (approx. 800mRL) down to -100mRL and used an average bulk density value of 2.70 tonnes/m³.

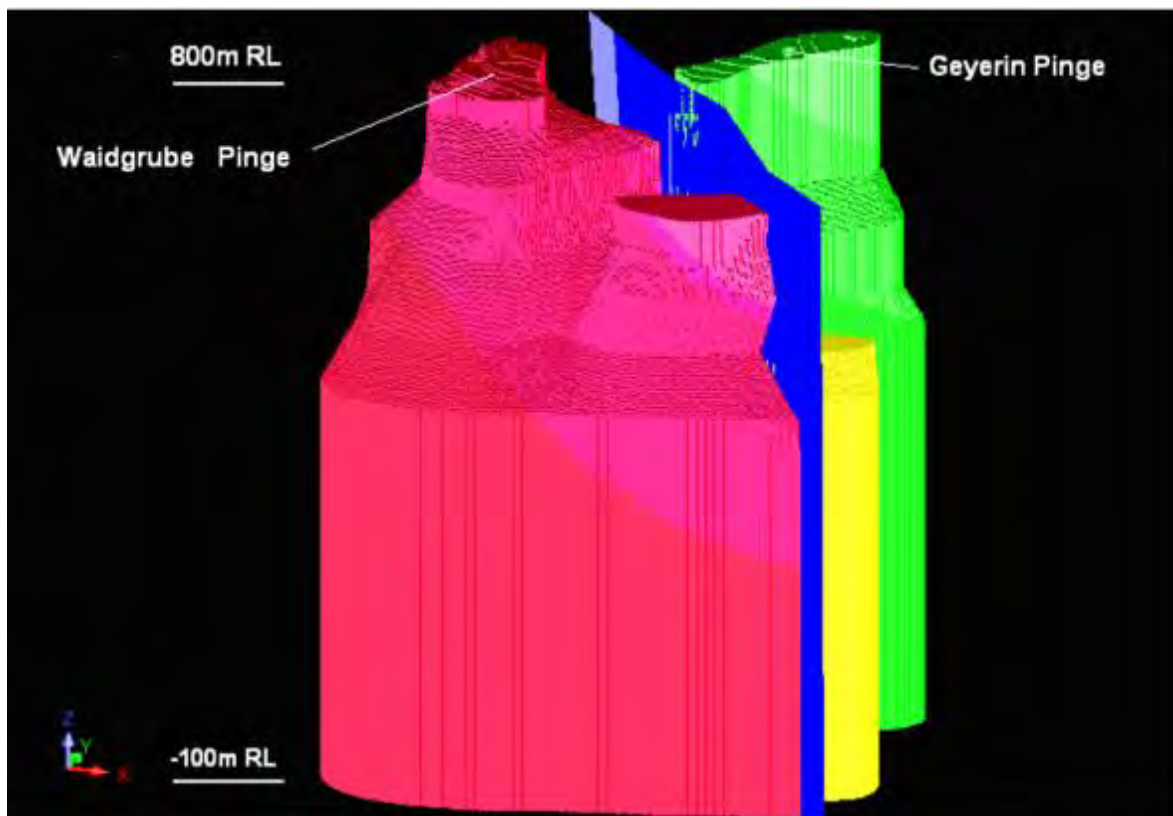


Figure 7-19 Gottesberg Historic Block Models (Mining One, 2021)

0.35% Sn cut-off						
Category	Tonnage Mt	% Sn	Contained Sn tonnes	Tonnage MT	% Cu	Contained Cu tonnes
Indicated	2.0	0.48	9000			
Inferred	4.8	0.49	24000	6.8	0.12	8000
Total	6.8	0.49	33000	6.8	0.12	8000

Table 7-11 Gottesberg Resource Table, 0.35% Sn cut-off (Mining One, 2021)

7.3 Auersberg

No drilling has been undertaken as yet at Auersberg, although rock chip and stream sediment sampling was undertaken by Saxore when the project was known as the Eibenstock EL.

There are no mineral resource estimates for Auersberg.

8 MINING

8.1 Tellerhäuser

Prior studies were completed on the Tellerhäuser project by RPA in April 2020. These studies were then reviewed by Bara Consulting in August 2021 with additional work leading to a scoping-level Study being completed, which outlined changes to the mine design and mining methods to shorten pre-production and process optimization to enhance project economics, in combination with an increase in marginal cut-off.

8.1.1 Geotechnical

Ground conditions are expected to be very good, with minimal ground support required. Historical geotechnical investigations and the excellent condition of the long-standing existing workings and test chambers support the use of development sizes that are up to 6m high and 6m wide.

The project has the advantage of being able to access existing workings in the tin mineralisation horizon as well as in the footwall and hanging wall, and to various large trial mining chambers. These workings have stood open for several decades, greatly increasing the confidence in the geotechnical factors applied in this project.

Further to this, SDAG Wismut has a history of geotechnical research (trial mining) which was conducted at several locations underground. While the source data for this research is no longer available, the reported results add to the current geotechnical understanding and ground support methods to be implemented at the project.

The trial mining took place in three areas of varying thickness, to test different dimensions. All of these areas were 140m to 150m below the surface in the Hämmerlein seam.

8.1.1.1 Block 7541

Mining in the area Block 7541 had the aim of testing mining methods in a thick (up to 20m), shallow dipping skarn seam at Hämmerlein. A room and pillar method was used, with 11m wide pillars. 1.5m long bolts and mesh were used. For rooms up to four metres wide, a density of 0.7 –1.0 bolts/m² were used, while in the eight-metre wide rooms 2.2 bolts/m² were used. Additionally, 1.4m² steel mesh and four metres rope per m² roof surface were installed.

The chamber roofs are still stable 40 years later with no failures and almost no deformation, although some of the faulted areas have worsened somewhat over time.

The main rock types in the area are skarns and mica schists intercalated by gneiss and amphibolite. Three main vein/fissure systems occur in the chambers:

- I. 65/80-90° SE-NW

- II. 115/70-90° NE-SW
- III. 30/60-70° SE-NW

System I is most common, while System III is the most problematic as it is shallow dipping and affects the roof and pillar stability. The extension of the vein/fissure systems ranges between several decimetres to metres. Most of the structures are stable. However, veins/fissures filled with mylonitic material cause instabilities and ruptures.

A total of 988 samples (rock cylinders) were analysed by Wismut for compressive and tensile strength. The results are shown in Table 8-1

Block 7541	ϕ Compressive Strength (σ^c)		ϕ Tensile Strength (σ^t)	
	Kp/cm2	Ca in MPa	Kp/cm2	Ca. in MPa
Skarn	1850	185	170	17
Mica Schist	1450	145	120	12

Table 8-1 Ave Compressive & tensile strength of block 7541

As a result of this test work, stable room dimensions were determined to be:

- ✓ width 8m
- ✓ height 12m
- ✓ length 60m

Measurements show no disaggregation in the skarn hanging wall but do show 0.1mm to 0.15mm in the schist hanging wall. Minor disaggregation of 0.4mm has been measured in the pillars. Measurements in the pillars show a constant state of stress is reached after 1 to 1.5 years.

8.1.1.2 Block 7542

Trial mining in Block 7542 in the Hämmerlein seam was used to understand mining in ore of low and intermediate thickness (0.5 to 5m thick).

A room and pillar mining method without roof support was tested. Rooms up to 4m wide required no support apart from when in fault zones. A maximum room width of 11m was reached with irregular roof support required, depending on actual conditions.

The rock types in the area are mica schist and skarn, which have been described as stable. Due to the irregular ore distribution, irregular shaped rooms were tested. The regular pillar size was 4m x 4m, but where rooms were widened to 6m, the pillars left were 4m x 2m, and if required, reduced again to 2m x 2m. The maximum height,

stipulated at the time by the State Mine Authority, was 6m. After long-term measurements, no variations were detected in pillars $>5\text{m}^2$. In pillars $<5\text{m}^2$ hair cracks occurred in the gypsum markers.

8.1.1.3 Block 7543

Trial mining in the area Block 7543 tested mining in faulted schist areas. This was a partly silicified quartz-mica-(garnet) schist.

A room and pillar method similar to that of the thick orebody test area (Block 7541) was used, as the thickness of the schist ore body ranged between 0.7m at the edge and 11m in the centre of the block. This block is crosscut by numerous steeply to medium dipping thin veins perpendicular to the chamber longitudinal axis. Due to relative displacement on the fault, two types of mica schist occur in the mining block. In the northwest a coarse-grained, flaky type with a high vein density of 6 veins per metre. In the southeast, the mica-schist is fine-grained and silicified and is characterised by a lower vein-density of 1-2 veins per metre. The area is traversed by a late fault, the "MAK", which is 3 to 50cm thick and filled with argillaceous material, wall rock breccia and other vein minerals. The area around the fault is unstable and susceptible to falls of ground. Areas beyond the fault zone were described as stable.

The room width was limited to 8m, with 4m wide pillars. It was determined that wider rooms would lead to rock wedges in the roof that could not be retained by bolting. At an 8m width, the hanging wall was found to be stable, even close to the fault. The pillars were also considered to be stable. Some initial blasting damage was resolved using contour blasting.

Due to the rock characteristics of the coarse-grained schist, the hangingwall was supported with 1.5m rock bolts at a density of 3m^2 to 4m^2 per bolt. The rock wedge of the MAK fault was supported by a double-row of 2m resin bolts at a density of 3m^2 per bolt. The initial tension of the bolts ranges between 0.15 and 2.8Mpa. Mesh was added in the poorer areas of the fault.

This work concluded that, with support, rooms could be up to 8m wide, 8m high and of indeterminate length, while the pillars could be 4m wide, less than 8m high and if required.

Although backfilling is planned as part of the mining method, this is only partially driven by geotechnical requirements. The other main reason for the use of backfill is to avoid a tailings dam on the surface. This means the mine will be operating in a geotechnically conservative environment.

8.1.2 Geohydrology

No specific geohydrological testing, including groundwater level monitoring, or lift tests to establish flows has as yet been done for the project. However, a large body of geohydrological information and reports are available

due to the long ownership of the property by Wismut. The information includes the hydrogeological monitoring during initial dewatering, dewatering during mine development and subsequent flooding of the mine after completion of mining.

The existing mine workings at Tellerhäuser are partly flooded. While some initial work can begin above the flooded area, the dewatering process needs to start early in the life of the mine to allow uninterrupted production. Hydrogeological work included estimating the volume and future dewatering and management of the water, together with control and handling of groundwater inflows and process water during mine operations. Treatment of the water is required and is planned in two stages.

The main rock types in the area are fractured metamorphic schists and minor calc-silicates/skarns. These are crosscut by fault zones with predominantly NW-SE and N-S strikes and steep to moderate dips. These rocks are covered by thin eluvial and alluvial weathering zones. The solid rocks are consistently water impermeable. Hence, typically large-scale aquifers are non-existent.

The minor aquifers in the mining area can be subdivided into three types:

8.1.2.1 Porous near surface aquifers in alluvial sediments;

Porous aquifers are connected to alluvial sediments of the rivers and creeks. The aquifers are weakly sorted river/creek sediments consisting of pebbles stuck together by a sandy and loamy cement. The thickness of the aquifers ranges between 2m and 3m, in exceptional cases up to 10m. The groundwater table is between 0.2m and 2m below the surface and is characterised by unconfined water. The porous aquifers are fed by surface water or porous-fractured aquifers from the underlying bedrock, which are connected to each other. This type of groundwater is used for drinking water supply and for other economic purposes.

8.1.2.2 Porous-fractured aquifers;

This type of groundwater occurs in shallow weathering zones, generally in decomposed zones of the bedrock close to the surface. The generally impermeable metamorphic rocks are sometimes fragmented due to strong tectonic overprints. This fragmentation is essential for the development of the shallow weathering zones. Depending on the physico-chemical characteristics of the rock, the intensity of the tectonic overprint, and the geomorphologic conditions, the thickness of the weathering zone can range between 10m and in rare instances up to 80m. The position of the groundwater table follows the shape of the relief in an eased contour. In the lower parts of the valleys, the water table is 0.5m to 1m deep, close to the watershed it is 10m to 15m below surface. Due to the lower weathering intensity, the water volume of the aquifer decreases with depth. Generally, the porous-fractured groundwater is unconfined, except in parts with loamy, impermeable components. This type of groundwater is fed by precipitation, which influences the system directly.

Via tectonic structures, the porous-fractured aquifers infiltrate the solid rock feeding the fractured aquifers. The discharge occurs either into the porous aquifer system or immediately into the rivers/creeks. The discharge volume is about 0.3m³ to 1m³ per hour, in the halo of distinctive tectonic structures, this may increase up to 4m³ to 10m³ per hour. The porous-fractured aquifers are used for drinking water supply.

8.1.2.3 Fractured aquifers;

The fractured aquifers circulate in tectonic structures in the solid rock. Water migration is characterised by local occurrences controlled by rock-mechanical properties, joint-fillings or colmation. It is encountered during mine opening and underground drilling, with a considerably varying flow rate. The most intense flow rates are linked to NE-SW and N-S striking structures. Due to the restricted water paths, a regeneration of this water type is low to non-observable. Hence, the observed water inflow from these structures when encountered in the previous mining generally decreased rapidly, and often ran dry after a few days, indicating a limited interconnectivity and storage capacity of the fractured aquifers.

In the Dreiberg seam, marble lenses occur, which could be karstified along with tectonic structures. These are potential standing water areas. The opening of these voids may cause an immediate strong water inflow followed by a rapid decrease of the flow rate. Surface discharge of this water is only observable in deeply incised valleys.

8.1.3 Mine Design

The overall development strategy is to get into production at Hämmerlein as soon as possible while developing towards the higher grade Dreiberg resource. Production then focuses on Dreiberg with operations suspended at Hämmerlein once annual tonnage is achieved from Dreiberg. Once the resource has been depleted at Dreiberg, production from the remaining resource at Hämmerlein is recommenced.

Bara Consulting believe that there is a more optimal solution to access and develop the Hämmerlein and Dreiberg orebodies. The main areas to reduce costs are:

- ✓ Reduce primary access cost.
- ✓ Reduce development costs.
- ✓ Adoption of more appropriate mining methods.
- ✓ Simplification of the process flowsheet.

8.1.3.1 Primary Access

Primary access is proposed by new decline from the N side of the deposit. An obvious saving vs. the RPA study of approximately USD10 million would be to utilise the existing Pöhla Adit, rather than creating this new decline from surface with its inherent long pre-production time and high capital cost. With the processing plant being located underground, it will not be necessary to have a significant haulage route to surface. The existing adit would be adequate to access the underground working for the transport of men and materials into and out of the mine. All equipment larger than the adit could be disassembled and rebuilt underground. This is standard

practice at all mines globally that are accessed via narrow primary access excavations/vertical shafts. However, it is believed that very limited surface rights are available at the entrance to Pöhla Adit and, other than for a second emergency access, it is not available for use at this stage. The core option is therefore a new portal and decline as planned in the RPA study.

The ramp has, however, been re-designed to be somewhat shorter than in the RPA study and of more practical 5x5m dimension. This is shown in Figure 8-1. The ramp is in blue, slyped out old haulages are in yellow and new development is in green.

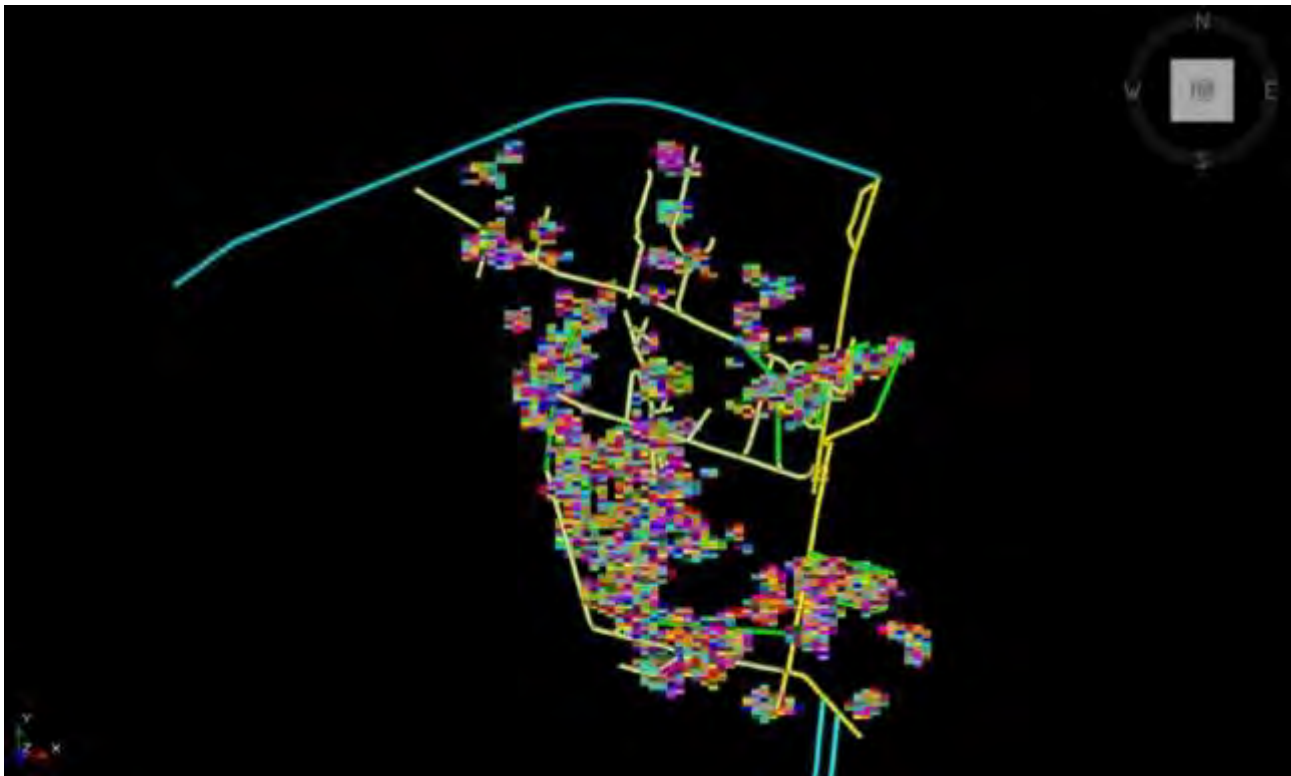


Figure 8-1 Ramp Development at Hämmerlein

Although the final production rate is yet to be determined, with an approximate throughput of 500ktpa, equipment sizing will be at the smaller end of the low-profile range. Most mining equipment manufacturers have developed low profile battery-electric machinery for medium to small tonnage operations. Equipment is therefore readily available.

8.1.3.2 Development Costs

Both the Hämmerlein and Dreiberg deposits already host significant extents of established underground roadways. Rather than developing new roadways, these existing roadways will be utilised to access and mine the defined ore zones. Where necessary, these roadways will be increased in size by slyping to accommodate the mining fleet. Enlarging existing roadways is a quick and cost-effective method for mine development. Where possible, any new development will be undertaken within the ore zones, thus minimising waste development.

8.1.4 Mining Methods

A variety of mining methods have been adopted for utilization within the Hämmerlein ore zone. The methods are determined by orebody geometry and geotechnical considerations. “Longhole Hole Open Stopping” (LHOS), “Room and Pillar” and “Cut and Fill” (as used in the RPA study) have been identified as optimal mining methods. These 3 methods provide an opportunity to increase production rates, reduce costs and allow for ore blending for optimal processing recovery and minimise dilution.

The use of cemented fill will be minimal due to its logistics and cost implications. It will be unnecessary to transport waste or tailings to surface given the quantity of existing underground voids where material can be deposited. The potential for co-deposition of tailings and waste material can be an optimal solution, as it reduces the total volume required.

8.1.4.1 Room and Pillar Mining

This method comprises the excavation of a rectangular grid of caverns separated by pillars of in-situ rock left in place to support the overburden above as shown in

Figure 8-2 Schematic example of Room and Pillar Mining

Both square, rectangular and parallelogram pillars can be left in place depending on the characteristics and strength of the rock mass.

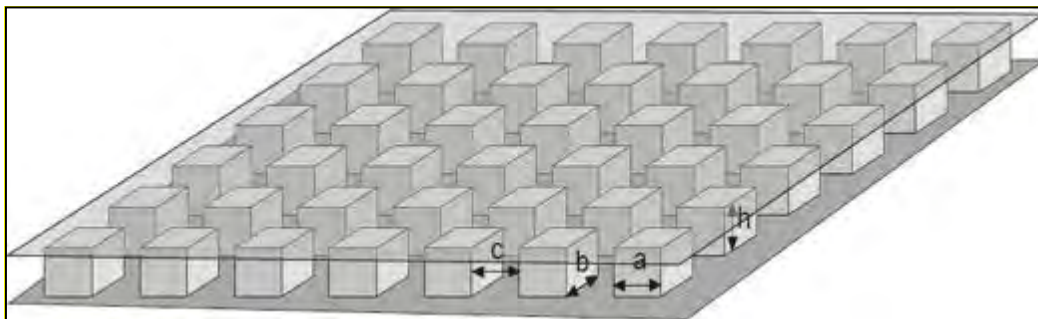


Figure 8-2 Schematic example of Room and Pillar Mining

One of the advantages of room and pillar mining systems is that every task can be fully mechanised. Mechanisation minimizes the workforce required, with the high-capacity equipment being reasonably easy to operate.

The room height can be variable depending on the thickness of the ore zone. Height is dictated by orebody thickness, choice of mining fleet, and geotechnical considerations. There are numerous mobile fleet options available to enable mining heights from as low as 2m up to a height of 20m. The greater room heights are generally completed in several slices as shown in Figure 8-3.

Room and Pillar mining allows for minimal dilution as it can follow the contours of the ore, both vertically and laterally. Extraction rates of 90% or greater can be achieved by careful pillar robbing (removing entire pillars, or reducing their initial size, towards the end of mine life). It is possible to create artificial pillars which abut the pillars with high grade mineralisation. The high-grade pillars can then safely be mined. High-strength roof bolting (cable bolting) can also be installed to allow pillar extraction or using bolts to strengthen low grade pillars to enable removal of adjacent high-grade ones.

Given the regular geometry of the Dreiberg ore, Room and Pillar mining would be primary extraction method. Production rates can be varied easily by increasing the number of working headings and sequencing them for an optimal ore blend. On large planar ore bodies, there can be 70 or more working areas available for mining at any one time, although only a handful would be worked on a given day. Having the multiple ore headings available allows for mining to be based on the economics of the day. As metal prices rise, lower grade sections can be mined and conversely as the price drops the higher-grade areas are scheduled.



Figure 8-3 Example of high room and pillar mining

8.1.4.2 Long Hole Open Stoping

Where ore zones have a generally greater vertical extent, Long Hole Open Stoping (LHOS) is the preferred mining method.

LHOS as the name suggests uses holes drilled by a production drill to a predetermined pattern as designed by a mining engineer. LHOS is a highly selective and productive method of mining and can cater for varying ore

thicknesses and dips (0 - 90 degree). This method has a lower operating cost than Room and Pillar mining, as less development is required. In addition, large tonnages can be blasted in a single shot which can provide sufficient buffer stocks underground in the event of machinery downtime.

With the LHOS method, once blasted, the stope becomes inaccessible to personnel. Prior to remote control mining equipment, the blasted rock was designed to fall into a supported drawpoint. However, with the advent of remote technology, the ore is blasted into the ore drive and removed with remote control Load, Haul, Dump (LHD) machines. This has eliminated the need for costly and time-consuming draw points to be established.

The biggest limitation with this method is the length of holes that can be accurately drilled by the production drill. Floating boom hammer drill rigs are generally limited to ~30 m. Inaccurate drilling would increase dilution if blast holes were drilled into either the hanging wall or footwall waste rocks. Figure 8-4 shows a schematic for a LHOS operation.

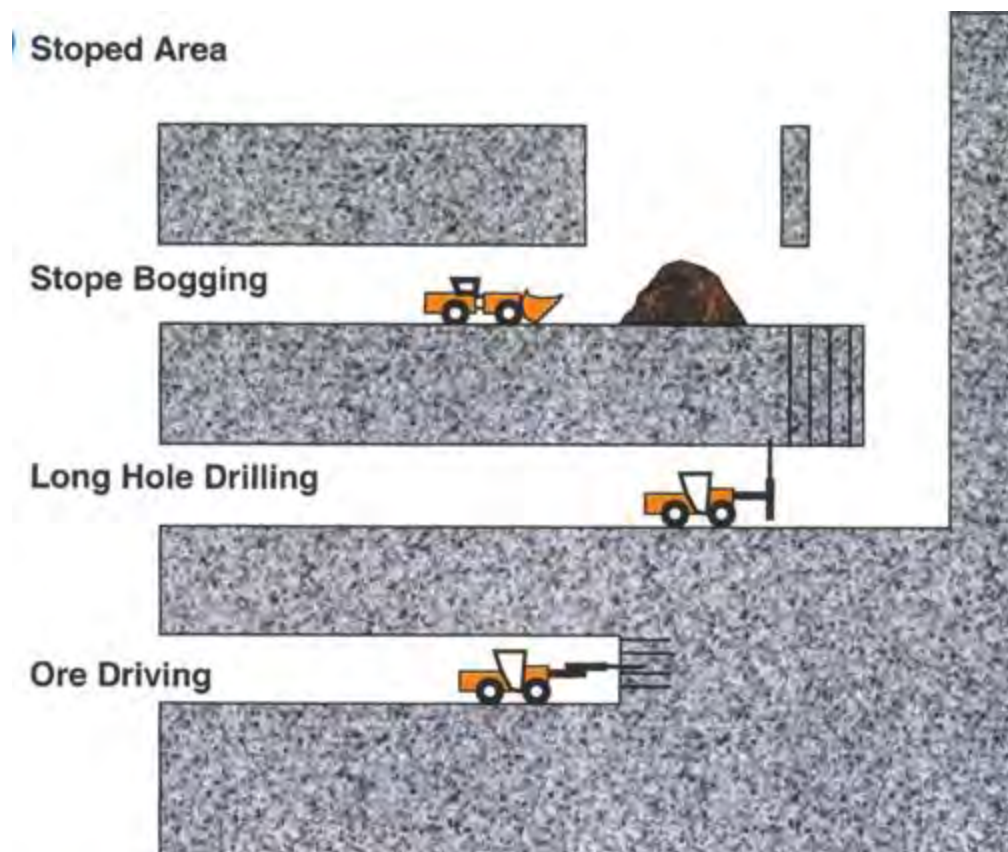


Figure 8-4 Typical Long Hole Open Stopping Mining Sequence

Given the variability of ore thicknesses in the H  mmerlein deposit, it is envisaged that LHOS will be utilized where the ore thickness and overall size would suit this method. The upper areas of H  mmerlein appear to be ideally

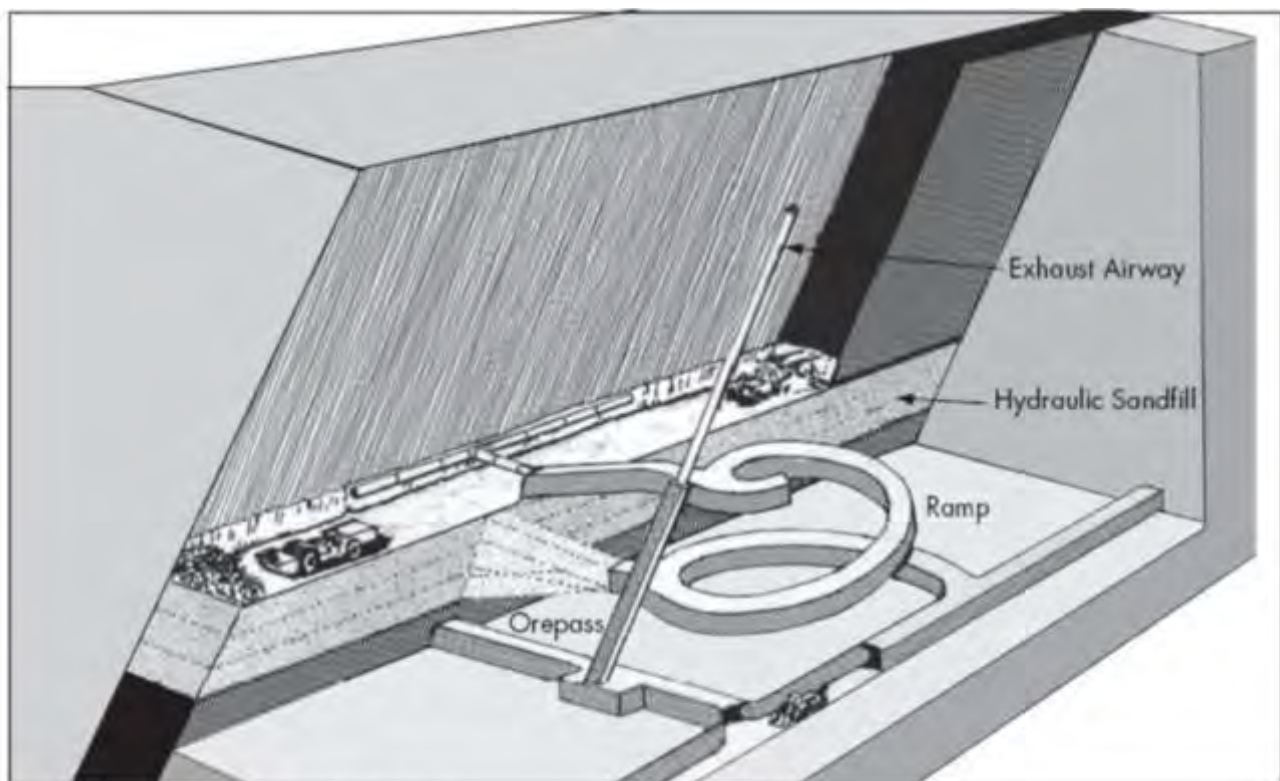
suited to LHOS. Minimal development will be required to commence mining in specific areas, thus shortening the ramp up to nameplate processing capacity.

8.1.4.3 Cut and Fill Mining

Where ground conditions are poor, thus requiring greater ground support after the ore is mined, or in cases where waste rock or tailings are required to be stored underground, the Cut and Fill (C&F) mining method can be appropriate.

Cut and Fill is a higher cost mining method in comparison to other systems of ore extraction. Ore is generally mined via standard development headings. Once a level is mined to its full horizontal extent, fill is placed in the void and mining commences on top of the fill material. C&F mining enables a very high extraction rate, as fewer stabilizing pillars are required to be left in situ. However, the cost of placing fill can be high and should be avoided if possible. In situations of very poor ground, cemented fill is often used as it provides an even greater supporting influence on regional mine stability.

The mining rate of C&F is usually far lower than the forementioned methods. Mining by development has one of the lowest production rates and is one of the higher cost methods. There can be significant time intervals between mining each horizontal cut due to the time it takes to fill the void and if using a cemented fill, time for curing is to be considered. Figure 8-5 shows a cross section for a Cut and Fill mine



Source: Hamrin 1980, © Atlas Copco.

Figure 8-5 Cross Section for Cut and Fill Mining

Cut and Fill has a place in mining, particularly with narrower, highly irregular orebodies that have a significant vertical extent. Standard development headings are easily able to follow nonlinear orebodies in both the horizontal and vertical directions. With the placement of fill after the initial ore drive, the next cut level may not follow the previous fill level. Whereas LHOS can only drill straight vertical holes and blasts are rectangular in shape, C&F is able to follow any geometry. As the ore thickens and thins, horizontal development can adapt with each blast to minimize dilution and maximize extraction. Figure 4.6 shows a Cut and Fill mining operation. Note the mining width is narrower up dip.

In certain instances, savings of both waste handling and tailings disposal can be significant, especially in deeper mining operations, as the cost of removing this material to surface over a large vertical distance, is mitigated by the cost for use as fill material.



Figure 8-6 Waste Fill in C&F Mining Operation

Given the occasional varying geometries of the Hämmerlein and Dreiberg deposits, the significant depth of the ore zones, and in conjunction with the desire to minimise surface disposal of waste rock and tailings, the Cut and Fill method may be an appropriate system to include in mining operations for the Tellerhäuser project.

8.1.5 Mine Production

To maximise potential return, the production schedule has followed the main exploitation strategy, that is to get early production from Hämmerlein and at the same time develop towards the higher grade areas at Dreiberg. Production then starts at Dreiberg as soon as possible, while slowing down production from Hämmerlein. On depletion of the resource at Dreiberg, mining of any resource at Hämmerlein is completed.

Some blocks within the total mining inventory given in Table 4.1 were considered isolated and too remote to mine so were excluded in the schedule. Also, any ore drive with a diluted grade less than the 0.4% marginal cut-off was treated as waste. Total tonnes and grade in the schedules are therefore slightly different than the mining inventory.

We have assumed it is possible to dewater ahead of development and will not cause any delay in development. Although we have no cause to suggest this would be a problem, the details of how this is to be achieved will need to be confirmed during the next stage of study.

The initial single ramp will be developed from the portal position planned in the RPA study down to the Adit level. The design assumes that a twin decline will be developed from the Adit level down to Dreiberg as it involves the least risk. A twin decline will be required for second access and for ventilation reasons. Transport of ore and/or slurry from Dreiberg is assumed to be pumped by pipe. Waste will be by truck haulage. All declines are planned at 5m x 5m, smaller than originally planned to minimise cost.

Production is fundamentally rate limited by the lateral development rate, therefore this has been designed and scheduled out in some detail. The planned development schedule for Tellerhäuser is shown in Table 8-2.

	Size	meters	Volume	Tonnes	Duration @ 150m/m														
Portal Decline	5 x 5	895	22,013	63,838	6.0														
Adit Rehab 1.2 x 1.2	5 x 5	601	8,871	25,725	4.0														
FW Rehab 2.5 x 2.5	5 x 5	52	975	2,828	0.3														
Decline #1	5 x 5	2,436	60,900	176,620	16.2														
Decline #2	5 x 5	2,427	60,675	175,958	16.2														
Dreiberg Extension 1W & FW Access	5 x 5	1,238	30,400	88,180	8.1														
Waste tonnes factor	15%																		
		Totals	Y0	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10	Y11					
Development Schedule @ 150m/m																			
Portal decline	t	61,818	63,838																
Adit rehab	t	28,551		28,553															
Decline 1	t	176,610		136,500	46,110														
Decline 2	t	175,958		138,028	45,940														
Dreiberg Extension	t	88,180							88,180										
Total	t	538,118	63,838	289,071	92,050				88,180										

Table 8-2 Tellerhäuser Development Schedule

Resulting production schedule with the fleet and constraints selected is shown in Table 8-3.

		Totals	Y0	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10	Y11
Development Schedule @ 150m/yr														
Portal decline	t	61,838	61,838											
Add rehab	t	28,553		28,553										
Decline 1	t	176,630		130,500	46,130									
Decline 2	t	175,958		130,018	45,940									
Dreiberg Extension	t	88,160					88,160							
Total	t	533,138	61,838	289,071	92,050		88,160							
Mining														
Hammerstein														
Waste tonnes	t	293,863		75,000	75,000	96,863						44,044	30,956	
Ore tonnes	t	1,945,754		500,000	500,000	445,750						293,627	206,179	
Sn grade	%	0.61		0.44	0.76	0.71						0.60	0.65	
Zn grade	%	0.95		0.95	0.95	0.95						0.95	0.95	
In grade	%	51.00		51.0	51.0	51.0						51.0	51.0	
Fe grade	%	25.00		25.0	25.0	25.0						25.0	25.0	
Sn tonnes	t	12,768		2,200	3,800	3,185						1,782	1,343	
Zn tonnes	t	18,485		4,750	4,750	4,235						2,789	1,961	
In oz	oz	3,190,780		815,936	815,936	730,973						483,311	338,425	
Fe tonnes	t	486,438		125,000	125,000	111,438						73,407	51,593	
Dreiberg 1														
Waste tonnes	t	125,066				8,138	75,000	41,929						
Ore tonnes	t	813,734				54,250	500,000	279,524						
Sn grade	%	1.17				1.17	1.17	1.17						
Zn grade	%	0.70				0.70	0.70	0.70						
In grade	%	44.00				44.00	44.00	44.00						
Fe grade	%	17.50				17.50	17.50	17.50						
Sn tonnes	t	9,755				635	5,850	3,270						
Zn tonnes	t	5,836				380	3,500	1,957						
In oz	oz	1,178,633				70,752	707,395	395,468						
Fe tonnes	t	140,938				9,494	87,500	48,917						
Dreiberg 2														
Waste tonnes	t	107,034						33,071	75,342					
Ore tonnes	t	718,475						220,476	492,949					
Sn grade	%	1.00						1.00	1.00					
Zn grade	%	1.30						1.20	1.30					
In grade	%	32.00						32.0	32.0					
Fe grade	%	14.50						14.5	14.5					
Sn tonnes	t	7,134						2,205	4,929					
Zn tonnes	t	8,563						2,646	5,915					
In oz	oz	734,073						228,856	507,214					
Fe tonnes	t	103,467						31,969	71,478					
Dreiberg 3														
Waste tonnes	t	257,034						1,058	75,000	75,000	75,000	30,956		
Ore tonnes	t	1,713,424						7,051	500,000	500,000	500,000	206,179		
Sn grade	%	1.00						1.00	1.00	1.00	1.00	0.77	0.65	
Zn grade	%	1.30						1.20	1.30	1.30	1.30	1.05	0.95	
In grade	%	32.00						32.00	32.00	32.00	32.00	43.16	51.00	
Fe grade	%	14.50						14.50	14.50	14.50	14.50	20.67	25.00	
Sn tonnes	t	17,134						71	5,000	5,000	5,000	3,825	1,343	
Zn tonnes	t	20,563						85	6,000	6,000	6,000	2,478	1,961	
In oz	oz	1,763,009						7,255	534,469	534,469	534,469	232,345	338,425	
Fe tonnes	t	248,440						1,022	72,500	72,500	72,500	29,924		
Combined														
Waste tonnes (Factored)	t	780,954		75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	30,956	
Ore tonnes	t	5,206,373		500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	206,179	
Sn grade	%	0.89		0.44	0.76	0.76	1.17	1.10	1.00	1.00	1.00	0.77	0.65	
Zn grade	%	1.0		0.95	0.95	0.92	0.92	1.20	1.30	1.30	1.30	1.05	0.95	
In grade	%	43.0		51.00	51.00	50.24	44.00	38.71	32.00	32.00	32.00	43.16	51.00	
Fe grade	%	18.9		25.00	25.00	24.19	17.50	16.18	14.50	14.50	14.50	20.67	25.00	
Sn tonnes	t	46,282		2,200	3,800	3,800	5,850	5,475	5,000	5,000	5,000	3,825	1,343	
Zn tonnes	t	53,443		4,750	4,750	4,614	3,500	4,902	6,000	6,000	6,000	5,286	1,961	
In oz	oz	6,867,475		815,936	815,936	807,725	707,395	622,324	534,469	534,469	534,469	693,806	338,425	
Fe tonnes	t	984,243		125,000	125,000	120,931	87,500	80,886	72,500	72,500	72,500	103,331	51,593	

Table 8-3 Tellerhäuser Production Schedule

The combined Tellerhäuser production schedule presents a combined mining inventory as presented in Table 8-4.

Ore	Grade			
	Sn	In	Fe	Zn
Mt	%	g/t	%	%
5.2	0.89	41	18.9	1.0

Table 8-4 Tellerhäuser Mining Inventory

This schedule and total mining inventory was used as the basis of valuation as presented in Section 15.

8.2 Gottesberg

A conceptual mining study was undertaken for Gottesberg in 2013 by CSA Global.

8.2.1 Geotechnical

The geotechnical conditions of the mineralised ore and waste rock have a major influence on the design of the mine in the size and shapes of the stopes that can be mined, the requirement and strength of any stope backfill and the required design of ground support for the mine development.

Regional geological mapping and drilling has demonstrated that the host rocks are mostly granites and the mineralisation is greisen. The depth of weathering is not clear, but as the mine is targeting the mineralisation below previous mining, the only activity that is likely to be exposed to weathered rock is the start of the decline. On this basis, the expected conditions for tunnelling in granite should be good to very good. The conditions for mining the greisen will depend on the nature of the mineralisation and the localised presence of water, faulting and jointing but are also expected to be good.

Further detailed geotechnical drilling and assessment will be undertaken prior to completing the final mine design.

8.2.2 Geohydrology

No specific geohydrological testing, including groundwater level monitoring, or lift tests to establish flows has as yet been done for the project.

8.2.3 Mine Design

For the Gottesberg deposit, the presence of inhabited properties immediately above the deposit determines that open-cut mining is not applicable and that any underground mining operation should not have a material impact on these residences and the surrounding vicinity.

The preferred location for access to the deposit is from a site approximately 2 km to the north (see Figure 7.1). Whilst this does not present the most immediate access to the mine, it has minimal impact on surface properties/features and allows for a straight ramp to a level approximately 300 m below the surface, which is suitable for both truck and/or conveyor haulage. At a proposed production rate of 1 Mtpa, truck haulage would be the most suitable and very flexible, however should Gottesberg operate at deeper levels or move to a higher production rates, a conveyor system may be appropriate.

The mine design concept proposed is for a modern mechanised mine using large productive diesel and electric mining equipment. Mine accesses are approximately square in profile, with a moderate arch and are 20 to 30 m² in cross section. The deposit would be accessed with main production levels at 50 m vertical intervals with intermediate levels for drilling access.

8.2.3.1 Stopping Method

The preferred stopping method is one which:

- ✓ is suitable for production rates of 1 Mtpa and is scalable for higher production rates if possible,
- ✓ is mechanised and suited to a skilled work force,
- ✓ capable of high productivity levels,
- ✓ prevents any surface disturbance due to settling or subsidence,
- ✓ allows the stowing of waste and tailings underground.

These objectives are best achieved using long hole or sublevel open stopping with paste fill as depicted in Figure 8-7

For the geology and geometry of the Gottesberg deposit the expected rock strength may allow for stable stopes that are 25 m x 25 m in plan and 50 m high. This equates to approximately 90,000 t per stope. The final design stope sizes would be determined by a thorough assessment of the geotechnical characteristics of the ore and waste rock.

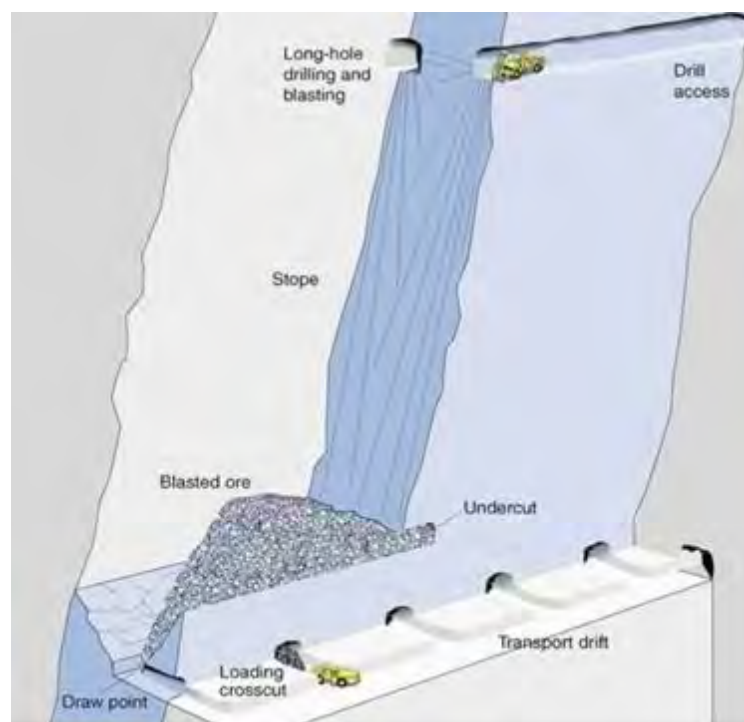


Figure 8-7 Longhole Open Stopping Method (Figure Atlas Copco)

8.2.4 Mine Development

A boxcut for the mine portal will be required at the Jägersgrün site. This is typically a relatively shallow excavation through surface soils to reach solid rock. The depth of this boxcut would be dictated by the ground conditions and a short Armco tunnel should be built. The spoil from the boxcut would be replaced around the

Armco to minimise the surface exposure of the operation, reduce the need for surface waste dumps and to limit the collection of rainfall. An example of this arrangement is shown in Figure 8-8



Figure 8-8 Buried Armco Portal

The mine would be developed using conventional jumbo drill and blast methods, however, depending on the ground conditions in the upper levels, a road header may be suitable. In appropriate conditions (rock of soft/medium hardness with minor to moderate jointing), a roadheader can rapidly advance without the disturbance of noise and vibration that can occur from drill and blast methods in shallow workings. Once the decline has advanced into fresh rock a drill jumbo will be used for all development. The mine waste will be temporarily stored on surface, but can be returned underground as backfill once mine production has commenced.

The level development involves creating access to the extents of the ore and allow stoping to commence. In addition, ventilation shafts and drives, pump stations, workshops and other miscellaneous excavations are developed.

The mine would be developed in two stages. Firstly from the 500 mRL upwards to the 650 mRL and then downwards to the extent of the mineralisation. The actual depth of the second stage would be defined by additional diamond drilling undertaken during the initial production phase.

Figure 8-9 and Figure 8-10. Shows views of the conceptual mine layout (decline in dark blue, level development in light blue, and ventilation shafts in red (view south east)).



Figure 8-9 Layout of Gottesberg mine and access

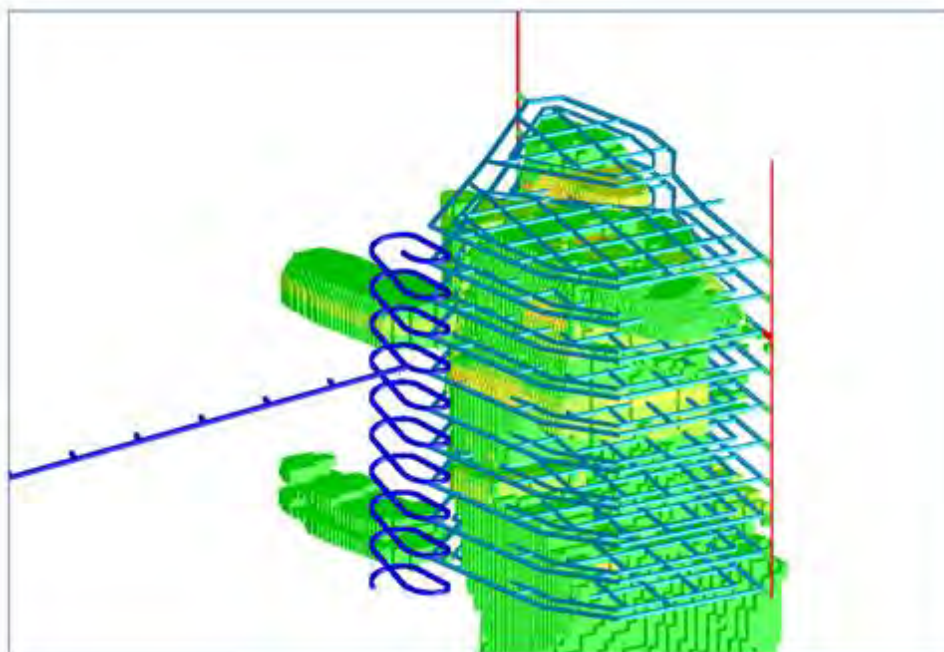


Figure 8-10 Conceptual Gottesberg mine Layout

8.2.5 Mine Production

Once the first levels have been developed, mine production can commence. This involves the creation of a vertical slot between levels and the progressive firing of rock into the void until the maximum safe stable spans are reached. This is determined by initial design based on geotechnical data and confirmed by extensive monitoring of the rock mass.

The production rate has been estimated at a nominal rate of 1 Mtpa for the purposes of this study but in practice it would be a function of the Resource size. The apparent size of the Resource suggests this or a higher production rate may be possible. The optimal production rate would be determined during the final mine design phase.

8.2.6 Backfill

The stopes would be backfilled using thickened process tailings delivered as cement-stabilised paste. This ensures that the adjacent stopes can be safely opened up.

Pastefill is an engineering material that requires high levels of quality control to ensure the desired strength and stability results are achieved. It is created by filtering the process tailings to a low water content and then repulping to an accurate water solids ratio. Cement is added to the paste to provide strength and to absorb most of the contained water by hydration. The percentage of cement required is typically in the range of 2-7% by weight and is dictated by the tailings mineralogy and the strength required. Furnace slag and fly ash can be used in combination with cement to reduce costs where these products are available and the chemistry is suitable.

8.2.7 Mine Haulage

At the anticipated production rate of 1 Mtpa, truck haulage would represent the simplest most flexible option. Truck options include standard mine haul trucks such as those made by Atlas Copco or Caterpillar or more conventional road trucks. Road trucks have the benefit of being generally cheaper to buy and run, however they are only suited to lighter duty work.

Should the final design of the mine adopt an underground crusher, road truck haulage would be well suited to this application as the rock would be evenly sized, loaded in a controlled manner and the haul route is planned to be a straight and moderate gradient.

Road trucks are in common use in underground mines throughout continental Europe and Scandinavia.

8.2.8 Mining Fleet

The mining plant used for Gottesberg would most likely be sourced from Scandinavia, either Sandvik, which manufactures in Finland and Sweden or Atlas Copco, which is mostly manufactured in Sweden. These two companies have a significant proportion of the world market for underground mining equipment; Caterpillar of the US being the other major manufacturer.

A typical fleet for a mechanised base metal mine of this size is detailed in Table 8-5. The fleet is based on the expected Gottesberg mine layout, a production rate of 1 Mtpa and the likely development required to support that rate. The short haul trucks are more robust and would be used for all of the initial development, the subsequent ore and waste development and potentially hauling some ore from stopes where the haul distance to ore passes would be too long. The long haul trucks would be loaded from chutes and haul up the spiral decline and 2 km straight section to the surface.

Item	Make / Model	Productivity / unit	Peak Demand	Number
Development jumbo	Sandvik DD421/531	250 m/month	750 m/month	3
Longhole drill	Sandvik DL411	7,500 m/month	7,000 m/month	1
Loader / LHD	Sandvik LH517	42,000 t/month	130,000 t/month	4
Truck devt & short haul	Atlas Copco MT 6020	63,000 tkm/month	130,000 tkm/month	3
Truck long haul	Mercedes Actros 3354	122,500 tkm/month	520,000 tkm/month	5

Table 8-5 Proposed Mining Fleet

8.2.9 Mine Ventilation

Mine ventilation is required to remove heat and gaseous and particulate contaminants in the mine air which originate from explosives and diesel engines. Ventilation requirements are usually determined by the amount of machinery in use. Air volumes are calculated based on machinery types, engine sizes and mining methods in use.

The volume of airflow required at Gottesberg could be achieved with a single ventilation shaft. However, given the geometry of the orebody, shafts to the eastern and western extremities of the ore zone are recommended for the ease of air distribution. A third shaft for intake would be required which would complement the intake air in the main decline access and would also contain the main escape ladder-way.

The ventilation fans can be located underground to limit the amount of surface infrastructure. The contaminants in the exhausted air are usually sufficiently diluted so as not to cause any environmental impact, however as the air is warm it can be very moist. The moisture in the air will tend to condense at the surface as it mixes with cooler air causing a fog plume. This should be taken into consideration in the siting of the ventilation shaft

8.3 Auersberg

No mine design work has been completed on the Auersberg project. Based on the historic old workings which are visible on surface, the mining method is likely to be narrow vein long hole open stoping. The mineralised structures appear to be approximately 1 to 5m wide and sub vertical. The surface outcrops can be followed on surface for over 300m along strike, however are of unknown depth.

Ore bodies of this type (deep and narrow vein) are common throughout the globe and pose no major difficulties in mining.

9 MINERAL PROCESSING

9.1 Tellerhäuser Metallurgy Introduction

Extensive work on the metallurgy and mineral processing of mineralization from the Hämmerlein and Dreiberg deposits of the Tellerhäuser project has been undertaken by WISMUT, Saxore and associated parties over the last 25 years. From 1971 to 1972 the GDR State Mining Company WISMUT sampled the deposit extensively, collecting seven approximately 1t bulk samples from across the skarn and schist mineralization of the deposit, plus two bulk samples comprising 185t skarn and 55t schist taken in 1972. Additional drill core samples plus channel samples were taken from Hämmerlein between 1978-1980 and from Dreiberg between 1977-1981. Additionally a 4000t sample was collected from the Dreiberg Seam waste dumps 23, 24, 24A and 24B on the 120m level between 1975 and 1979. Samples were subjected to a range of tests by Wismut including mineralogical characterization, pre-concentration, magnetic separation, sulphide flotation, gravity concentration, cassiterite flotation, and concentrate dressing.

From 2013 Saxore evaluated a variety of samples in conjunction with various research organisations, plus conducted a targeted sampling programme of 66 channel samples from accessible areas in Hämmerlein (Phase 1) for a total of approximately 2t taken in 2015. A second series of bulk samples (Phase 2) comprising 170t skarn and 30t schist were taken from similar areas at Hämmerlein in 2016. Samples were subjected to a range of tests between 2013 and 2019 including further mineralogical characterization, pre-concentration, magnetic separation, sulphide flotation, gravity concentration, cassiterite flotation, and concentrate dressing, plus pilot scale testing of the bulk sample to a conceptual tin recovery flowsheet.

Several detailed sampling and test reports (MP1 – MP 13) were made available for reference. A summary of results relevant to this CPR are presented below.

9.2 WISMUT Programmes

9.2.1 Sample Collection, Preparation and Analysis

Samples Sa21-27 were taken by Wismut in 1971. Locations are shown in Figure 9-1



Figure 9-1 Sample Locations at Hämmerlein for samples Sa 21 - 27

Sample details and (unverified) assay data is presented in Table 9-1

Sample ID	Description	Location	Total Sn (MAK1)
Sa 21	Magnetite skarn, minor skarned schist, gneiss	Main adit dr. 106	0.43%
Sa 22	Magnetite amphibolite skarn, minor skarned schist, gneiss	Main adit dr. 216, x-cut 1	0.59%
Sa 23	Magnetite amphibolite skarn, minor skarned schist, gneiss	Main adit x-cut 2 , dr. 210, 212, 257, 213a, 104	0.63%
Sa 24	Epidote- Pyroxene-amphibolite- skarn, skarned schist, gneiss	Main adit dr. 112	0.21%
Sa 25	Pyroxene-amphibolite-magnetite skarn, minor skarned schist	Main adit dr. 106	0.18%
Sa 26	Mica schist, minor skarn	Main adit, dr. 4	0.24%
Sa 27	Mica schist, minor skarn	Main adit dr. 3,3a,4,4a	0.70%

Table 9-1 Hämmerlein Samples, 1971

Bulk samples 31 and 32 taken in 1972 are difficult to characterise as specific sample sizes and grades were indeterminate, therefore these samples are not considered for review.

Samples 55, 55A and 55B plus samples T3, T4, T5 taken from Dreiberg between 1977-1981 were well characterized and are considered for review. Sample ID, locations, descriptions and grades are shown in Table 9-2. No sample masses were provided.

Sample ID	Description	Location	Cassiterite Sn	Isomorphic Sn	Total Sn
55	Amphibole-garnet skarn w/ magnetite	X-cut 9016 (240m Level)	0.35%	0.12%	0.47%
55A	Amphibole-garnet skarn w/ magnetite	X-cut 9018 (240m Level)	0.71%	0.14%	0.85%
55B	Amphibole-garnet skarn w/ magnetite	X-cut 9015 (240m Level)	0.34%	0.15%	0.49%
T3	Garnet-pyroxene skarn and schist	X-cut 9204 (120m Level)	0.38%	0.08%	0.46%
T4	Magnetite-amphibole-garnet skarn	X-cut 9204 (120m Level)	2.84%	0.14%	2.98%
T5	Magnetite-amphibole-garnet skarn	X-cut 9204 (120m Level)	0.84%	0.11%	0.95%

Table 9-2 Dreiberg Sample Schedule 1977 - 1981

Bulk samples 23, 24, 24A and 24B were taken from Dreiberg Seam low grade dumps on the 120m level between 1975 and 1979. Technological samples T-6 and T2A were compiled from these dump samples. Sample data is presented in Table 9-3.

Sample ID	Mass	Total Tin
23	1166t	0.22%
24	1417t	0.48%
24A	792t	0.98%
24B	680t	1.65%
T-2A	250t	0.55%
T-6	5t	0.56%

Table 9-3 Dreiberg low grade dump sample data

9.2.2 Sample Characterization

Modal mineralogy for samples Sa 21 – 27 (Hämmerlein) was undertaken by optical microscope, with results summarized in Table 9-4.

Sample	Sa21	Sa22	Sa23	Sa24	Sa 25	Sa 26	Sa 27
Magnetite	28%	26%	12%	2%	35%	-	-
Hematite	-	-	-	-	-	0.5%	-
Garnet	13%	13%	7%		2%	1%	1%
Quartz	13%	6%	15%	5.5%	10%	-	-
Chlorite	11%	1.3%	17.5%	7%	10%	-	-
Epidote	10%	3%	1.5%	8%	3%	-	1.5%
Pyroxene	4.5%	4.5%	1%	11%	17%	-	1.5%
Axinite	4.5%	-	-	3%	-	-	-
Calcite	4.5%	-	-	-	-	-	-
Amphibole	2%	19%	26%	-	24%	-	8%
Fluorite	1.5%	0.5%	1.3%	Trace	1%	-	-
Carbonate	-	10%	13%	1%	-	-	1%
Tourmaline	-	-	0.7%	-	-	1%	0.5%
Mica	-	-	-	55%	1%	-	-
Mica-quartz-feldspar	-	-	-	-	-	96%	86%
Sulphide	-	4.5%	5%	2%	1%	0.5%	0.5%
Sphalerite	7%	n/a	n/a	n/a	n/a	-	n/a
Pyrite	Trace	Trace	Trace	-	-	Trace	Trace
Chalcopyrite	Trace	-	-	-	-	-	-
Cassiterite	Trace	Trace	Trace	Trace	Trace	Trace	Trace

Table 9-4 Modal Mineralogy, Hämmerlein Samples Sa 21 -27

In summary, the skarns are shown to be highly variable but composed mainly of garnet, pyroxene, amphibole +/- magnetite, sphalerite. The schist is shown to be more consistent and composed dominantly of mica, quartz and feldspar.

Cassiterite liberation was estimated for samples Sa 21 – 27 based on optical observations after grinding to -100 micrometres. Results are shown in Table 9-5.

Sample	Cassiterite grain liberation %				Intergrowths opaque transparent			
	<5 µm	5-20 µm	20-50 µm	50-100 µm	coarse	fine	coarse	fine
21	-	27	54	11	-	-	4	4
22	2	30	43	19	2	-	2	2
23	-	24	48	22	1	-	5	-
24	-	31	69	-	-	-	-	-
25	-	15	46	8	-	8	8	15
26	-	20	51	23	2	-	4	-
27	-	15	59	25	-	-	1	-

Table 9-5 Cassiterite liberation at -100µm grind, Hämmerlein samples

A second test was undertaken on material ground to 100% minus 250 micrometres. Results are shown in Table 9-6.

Sample	Cassiterite grain liberation %					Intergrowth	
	<40um	63-40um	100-63um	160-100um	250-160um	coarse	fine
21	50	50	-	-	-	-	-
22	26	44	22	-	-	4	4
23	13	43	23	9	5	6	1
24	60	-	-	40	-	-	-
25	22	42	-	5	-	12	19
26	13	14	-	15	-	19	5
27	17	12	-	21	-	20	5

Table 9-6 Cassiterite liberation at -250µm grind, Hämmerlein samples

It can be noted that a significant portion of cassiterite is liberated at coarse grain sizes which suggests good potential for gravity recovery of tin.

Samples 55, 55A, 55B, T3, T4 and T5 taken from Dreiberg between 1977-1981 were characterized mineralogically. Work was not as detailed as for the Hämmerlein Sa 21-27 samples, however some general observations were made. The next major mineralogical examinations were undertaken on the Dreiberg seam mineralisation by Wismut between 1977 and 1979. The following notes of relevance were made:

- ✓ Samples were generally mineralogically comparable to Hämmerlein, both in terms of ore and gangue mineralization
- ✓ Magnetite varied from 3% to 33%
- ✓ Carbonate varied from 1.5% to 5%
- ✓ Fluorite varied from 0.8% to 8.9%
- ✓ Sphalerite varied from 0.3% to 2.9%
- ✓ Cassiterite content varied from 0.45% to 3.8%
- ✓ Main differences noted included:
 - Lower Fe and SiO₂
 - Higher CaO and MgO
 - Higher CO₂ (0.5-2.5%)
 - Higher F (1.3-4.4%)
 - Higher MnO (0.5-0.9%)
 - Minor Pb and Mo present
 - Total isomorphic tin lower than Hämmerlein at between 0.08% and 0.15% Sn, with an average of 0.12% Sn

Mineral liberation analysis suggested coarser cassiterite mineralization than at Hämmerlein, with between 55% and 85% of the observed cassiterite being coarser than 50µm and between 7% and 24% coarser than 500µm.

Bulk sample T-6 (garnet-magnetite skarn) from Dreiberg was also characterized by modal mineralogy through optical microscopy. Results are shown in Table 9-7 in comparison to results from a typical Hämmerlein sample.

	T-6	Sa22
Magnetite	16.1%	26%
Goethite	0.5%	-
Garnet	23.7%	13%
Quartz	12.5%	6%
Chlorite	3.7%	1.3%
Epidote	1.8%	3%
Pyroxene	6.4%	4.5%
Axinite	-	-
Calcite	-	-
Amphibole	5.0%	19%
Fluorite	3.5%	0.5%
Carbonate	1.8%	10%
Tourmaline	0.3%	-
Mica	6.3%	-
Feldspar	10.7%	-
Sulphide	0.2%	4.5%
Sphalerite	0.9%	n/a
Pyrite	0.3%	Trace
Chalcopyrite	0.1%	-
Cassiterite	0.6%	Trace

Table 9-7 Dreiberg Composite Sample T6 Modal Mineralogy

Mineral liberation was also assessed as similar to Hämmerlein, with 8% of the cassiterite less than 20µm, 49% between 20µm and 100µm, and 41% between 100µm and 500µm.

9.2.3 Pre-concentration

Dense media separation testwork was undertaken by Wismut between 1971-and 1972 on coarse fractions for Hämmerlein samples Sa 21-27. Results from Sa 23 (0.63% Sn) and Sa 27 (0.70% Sn) were considered indicative of performance on Tellerhäuser ores. Results are presented in Table 9-8

	Sa 23	SG 2.85		Sa 27	SG 2.75	
Fraction	Wt%	Sn%	Wt% Sn	Wt%	Sn%	Wt% Sn
Feed	100.0	0.68	100	100.0	0.49	100
Sink	54.8	0.87	70.39	62.7	0.63	80.27
Float	34.2	0.13	6.53	29.9	0.15	9.22
Fines	11.0	1.42	23.08	7.4	0.7	10.50
Combined Conc	65.8	0.96	93.47	70.1	0.64	90.78

Table 9-8 DMS Results on Samples Sa 23 & Sa 27, H  mmerlein

Results indicated between 29.9Wt% and 34.2Wt% could be rejected from the ore at between 90.78% and 93.47% Sn recovery.

9.2.4 Magnetic Separation

Magnetic separation work was conducted by Wismut between 1971-72 on samples Sa 21 - 27. Separation was undertaken using an inclined vibrating glass tube with electromagnets on the outside (Soviet 25-T-S  M model). Samples were ground to minus 0.5mm and screened to the desired size. The non-magnetic fraction was then put through a higher magnetic current progressively. It was found that most of the magnetic material is removed using an amperage of 2 Amperes (field strength 700 Oersted).

Table 9-9 and Table 9-10 show results for samples 23 and 27 considered indicative of H  mmerlein mineralization

Fraction	Wt%	Sn%	Fe%	SnWt%	Fe Wt%
+315um					
Feed	100	0.4	20.8	100	100
Conc	19.1	0.18	60.6	8.6	55.2
Tails	81	0.45	11.52	91.4	44.8
+100-315um					
Feed	100	0.37	21.3	100	100
Conc	18.8	0.21	62.6	10.7	55.4
Tails	81.2	0.41	11.74	89.3	44.6
-100um					
Feed	100	0.34	21.7	100	100
Conc	16.4	0.18	67.21	8.7	50.8
Tails	83.6	0.37	12.80	91.3	49.2

Table 9-9 Magnetic Separation Results Sample Sa21 (Magnetite Rich Skarn)

Fraction	Wt%	Sn%	Fe%	SnWt%	Fe Wt%
+315um					
Feed	100	0.68	14.6	100	100
Conc	7.7	0.38	53.61	4.2	28.4
Tails	81.0	0.7	11.3	95.8	71.6
+100-315um					
Feed	100	0.79	14.4	100	100
Conc	4.7	0.18	56.4	1.1	18.4
Tails	95.3	0.8	12.3	98.9	81.6
-100um					
Feed	100	0.7	16.6	100	100
Conc	4.3	0.19	65.9	1.2	17.1
Tails	95.7	0.7	14.4	98.7	82.9

Table 9-10 Magnetic Separation Sample Sa23 (Skarn)

The following conclusions were made:

- ✓ The magnetic fraction can be separated and recovered using low magnetic intensity separation techniques
- ✓ Tin loss to the magnetic fraction is between 0.5% and 30%
- ✓ Lowest tin loss occurs in the <100µm fraction
- ✓ In the coarser fractions, lowest tin loss occurs with the lowest field strengths (below 1000 Oersteds)
- ✓ Iron recovery decreases with decreasing grain size but iron grade increases (due to separation of magnetite and hematite from martite)
- ✓ Depending on what is required (higher iron, better iron recovery, better tin recovery etc), grind size and field strength could be optimised

It should be noted that the non-magnetic fraction for Sa 23 contains about 11% Fe in the coarse fraction and that is likely tied up in silicates. Hence recoveries of magnetite and hematite would be much higher than noted. Total recovery of tin to the non-magnetic fraction was around 95-98%.

Recovery and grade of the iron product improves significantly for the magnetite-rich sample Sa 21 to a 60-68% Fe product at 34-55% stage recovery (plus 60% total recovery) and with less than 0.2% Sn. Interestingly the iron in the non-magnetic fraction was consistent at around 11%.

Magnetic separation was not effective on the schist samples.

Further magnetic separation testwork was undertaken on mineralisation from the Dreierberg seam during 1979-80. This was undertaken at lab scale using a magnetic separator with an intensity of 1000 Oe. Samples were ground to 95% passing 0.16mm (160µm).

Table 9-11 summarises the results and shows moderate Fe grades (54-64% Fe) but high tin grades (0.35-0.90% Sn) with tin losses of 2-14%. This suggests insufficient grinding where it is known from Hämmerlein that a re-grind to between 50µm and 100µm is required to get the tin to levels of less than 0.2% Sn in the tails. Iron recovery is directly proportional to grade due to the amount of iron in minerals other than magnetite-hematite-martite.

		Sample						
Fraction		55	55A	55B	T3	T4	T5	T6
Feed	Wt%	100	100	100	100	100	100	100
	Sn %	0.49	0.83	0.43	0.447	2.96	0.958	0.51
	Zn %	0.66	0.787	1.98	0.16	0.2	0.14	0.46
	Fe %	14.06	12.76	13.15	9.7	26.3	16.8	16.1
Fe concentrate								
	Wt%	6.9	8	7.4	30	30.7	16.6	15
	Sn%	0.51	0.81	0.47	0.35	0.9	0.78	0.4
	Fe %	57.8	54.3	58.8	63.4	63.4	56.2	64.4
	Sn Wt%	6.5	7.8	8	2.4	9.3	13.5	11.8
	Fe Wt%	28.3	34	33.1	19.6	74	55.6	59.8

Table 9-11 Results of Magnetic Separation Testwork on Dreiberg Samples 1980

It was shown that recovery was dependent on magnetite percentage in the mineralisation i.e.

- ✓ Amphibole-garnet+/-magnetite skarn (8% magnetite): 28-34% Fe recovery
- ✓ Magnetite-amphibole skarn+/-garnet (17-30% magnetite): 54-74% Fe recovery
- ✓ Garnet-pyroxene skarn plus schist (3% magnetite): 20% Fe recovery

These are very similar to the results from Hämmerlein and again show iron occurs in minerals other than magnetite-hematite-martite.

Further magnetic separation work on the T-6 combined bulk sample of Dreiberg skarn mineralisation at a similar grind of -160µm indicated 12.5% mass recovery to a magnetic fraction grading 61.0% Fe and 0.3% Sn from a sample of 0.52% Sn and 16.5% Fe head grade.

The final work on Dreiberg skarn mineralisation (MP7) was on the T-2A bulk sample (average 0.54% Sn, 0.42% Zn, 14.1% Fe) treated under pilot plant conditions. This was undertaken in a two-stage process with the non-magnetic fraction from the first step being retreated. Mineralisation was all milled to minus 160µm prior to separation. Results are shown in Table 9-12.

Fraction		
Feed	Wt%	100
	Sn %	0.51
	Zn %	0.47
	Fe %	13.73
Fe concentrate		
	Wt%	10.8
	Sn%	0.35
	Fe %	65.85
	Sn Wt%	7.4
	Fe Wt%	51.8

Table 9-12 Pilot Magnetic Separation Results T 2-A bulk sample

Results suggest a saleable Fe concentrate can be produced with acceptable Fe and Sn recoveries through magnetic separation with re-grind.

9.2.5 Sulphide Flotation

Sulphide flotation testwork was conducted by Wismut on the bulk sample of skarn mineralisation T31 (185t @ 0.47% Sn) taken for pilot plant testwork. Testwork was performed on the -100µm fraction of the primary grind, plus the -100µm fraction of middlings and waste from prior spirals and tabling testwork on that sample. It was found that a zinc recovery of 63-79% could be achieved. It was found that the use of pure xanthates (butyl or amyl xanthate) was effective. It was also shown that with one post cleaning step, a zinc concentrate grading 45% Zn could be obtained from the skarn mineralisation although two post cleaning steps were recommended.

Sulphide flotation testwork at Dreiberg commenced in the late 1970s on magnetic separation tails from samples 55, 55A and B, as well as T2-T6. Grind was 95% passing 160µm and reagents were CuSO₄ 500g/t, Butyl xanthate 200g/t, and Octanediol 100g/t. pH was maintained at 7-7.5 and flotation time with one post-cleaning step was 15 minutes. Results are shown in Table 9-13 below.

		Sample						
Fraction		55	55A	55B	T3	T4	T5	T6
Feed	Wt%	100	100	100	100	100	100	100
	Sn %	0.49	0.83	0.43	0.447	2.96	0.958	0.51
	Zn %	0.66	0.787	1.98	0.16	0.2	0.14	0.46
	Fe %	14.06	12.76	13.15	9.7	26.3	16.8	16.1
Zn Concentrate								
	Wt%	1.5	1.9	3.7	1	1.3	2.5	2.2
	Sn%	0.19	0.53	0.07	0.3	1.85	0.63	0.3
	Zn %	36.32	33.85	44.9	6.5	6	2.3	12.5
	Sn Wt%	0.5	1.2	0.47	0.7	0.8	1.6	1.3
	Zn Wt%	82.5	81.4	83.9	40.6	39	41.1	59.9

Table 9-13 Sulphide Flotation Results Magnetic Separator Tails

Recoveries of over 80% were obtained to a 33-45% Zn concentrates. Further testwork was undertaken on bulk sample T2-A, whole ore, with a grind of 160µm. Reagents were the same as used previously. Zinc recoveries were acceptable at 62.5Wt% Zn however concentrate grades achieved at 28.9% Zn were not saleable.

Final sulphide flotation testwork on Dreiberg mineralisation focussed on separation of sulphides from a bulk cassiterite-sulphide float product (MP7). Specific points of note are:

- ✓ post zinc flotation, Zn concentrate grades between 39.2 and 46.64% zinc at recoveries up to 82.2% Zn were achieved with tin losses of between 1-5%
- ✓ a strong correlation between indium, cadmium and copper with zinc was noted in the concentrates
- ✓ no attempt was made by Wismut to selectively float a copper-indium concentrate
- ✓ end results suggest a smeltable zinc concentrate can be made with grades between 45-47% zinc at an overall recovery of 60% zinc with minimal loss of tin

9.2.6 Gravity Separation

Pre-concentration testwork on Hämmerlein and Dreiberg ores is as previously reported. Further gravity separation work on the 185t T31 skarn sample and the 55t T32 sample of schist using coarse and fine shaking tables was not optimized and results were inconclusive, showing 80% recovery of tin in skarn and 85% recovery of tin in schist to about 40% of the mass. It was noted that the amount of tin lost to tails was high, being 0.31-0.32% Sn for skarn and 0.18-0.19% Sn for schist.

9.2.7 Cassiterite Flotation

Initial cassiterite flotation testwork was undertaken in the early 1970's by Wismut on bulk samples 31 and 32. Results were encouraging, with good cassiterite recovery to reasonable concentrate grades, although data is not fully verifiable on account of lack of sample masses, head grades or complete metallurgical balances for the work.

More detailed work was undertaken on Dreiberg samples 55, 55A, 55B, and T3 – T6 in 1979. Samples used were tails from sulphide flotation work previously reported, ground to 95% -160µm.

Reagents added were:

- ✓ Sodium fluorosilicate 3000g/t
- ✓ Phosphoric acid 650g/t
- ✓ Oleic acid 15g/t
- ✓ Octanediol 150g/t
- ✓ HCl 2000-4000g/t

The pH was maintained at 5.5 and flotation time including one re-cleaning stage was 30 minutes. Results are shown in Table 9-14.

		Sample						
Fraction		55	55A	55B	T3	T4	T5	T6
Feed	Wt%	100	100	100	100	100	100	100
	Sn %	0.49	0.83	0.43	0.447	2.96	0.958	0.51
	Zn %	0.66	0.787	1.98	0.16	0.2	0.14	0.46
	Fe %	14.06	12.76	13.15	9.7	26.3	16.8	16.1
Tin Concentrate								
	Wt%	10.1	7.6	4.5	9.6	12.3	7.6	6.8
	Sn%	2.93	5.6	3.8	2.97	19	7.2	4.33
	Sn Wt%	59.93	50.6	39.3	63.8	79.1	57.1	57.7

Table 9-14 Cassiterite Flotation Results for Dreiberg Skarn and Schist Samples

Tin recovery varied widely from 40% to 80% to a 4-12Wt% flotation concentrate grading between 3-19% Sn. Results suggest that neither grind nor flotation conditions were optimised for the Dreiberg mineralogy, where much of the tin in the tails appeared to be unliberated cassiterite in the +45µm -75µm fraction suggesting further tin would be recoverable with regrinding.

Additional work was continued through the early 1980's, focusing largely on samples T6, and T 2-B, including pilot plant testing of a flowsheet considering whole ore flotation of cassiterite, with magnetic separation and sulphide flotation (but no gravity concentration), with broadly similar results as reported above.

9.2.8 Concentrate Dressing

Testwork by Wismut to clean up the low grade table concentrates produced in 1972 was largely unsuccessful with concentrates grading around 2-3% Sn, 4% Zn and 50% Fe produced through further tabling. Poor results were attributed to the coarse grind of 160µm, too coarse for adequate liberation of the cassiterite. Low concentrate grade and high mass pull to concentrate was attributed to high residual levels of magnetite in the table feed.

9.2.9 Conclusion

Overall, early work on Hämmerlein and Dreiberg samples describes complex tin mineralization with a relatively fine grain size of the cassiterites, moderate levels of intergrowth with gangue mineralization including magnetite, and notable presence of non-cassiterite (isomorphic) tin $\pm 0.12\%$ Sn typically lost to tailings. Extensive work including bench and pilot scale testing of drill-core, channel samples and bulk samples was undertaken over an extensive period of time. While magnetic separation and sulphide flotation did produce acceptable Fe and Zn concentrates respectively, tin flotation and concentrate dressing did not produce acceptable Sn concentrates at acceptable recovery. More sophisticated mineral processing approaches than those tested by Wismut are suggested to be required.

9.3 Saxore Programmes

Saxore has conducted sampling and metallurgical testwork including mineralogical analysis, bench- and pilot-scale mineral processing testwork on the project since 2013. The following summarises the work including conclusions for the interpretation of a metallurgical flowsheet for the project.

9.3.1 Sample Collection, Preparation and Analysis

From 2013 Saxore evaluated a variety of samples in conjunction with project development, plus conducted a targeted sampling programme of 66 channel samples from accessible areas in Hämmerlein (Phase 1) for a total of approximately 2t taken in 2015. The sample sites chosen were:

Sample 1: Main Adit (Sample M), high tin grade schist mineralisation

Sample 2: Cross-cut 2 (Sample Q2), high tin grade quartz-chlorite-fluorite-amphibole- cassiterite overprint

Sample 3: Drive 2-6b (Sample 2-6b), low tin grade magnetite-pyroxene-amphibole- garnet skarn with high grade copper and indium mineralisation

Sample 4: Drive 4 (Sample 4), moderate tin grade amphibole-garnet-pyroxene skarn with common gneiss and some overprint mineralisation

Sample 5: Drive 2-4 (sample 2-4), low tin grade magnetite-pyroxene-amphibole- garnet skarn with high grade zinc mineralisation occurring as massive sphalerite seams up to 0.5m thick.

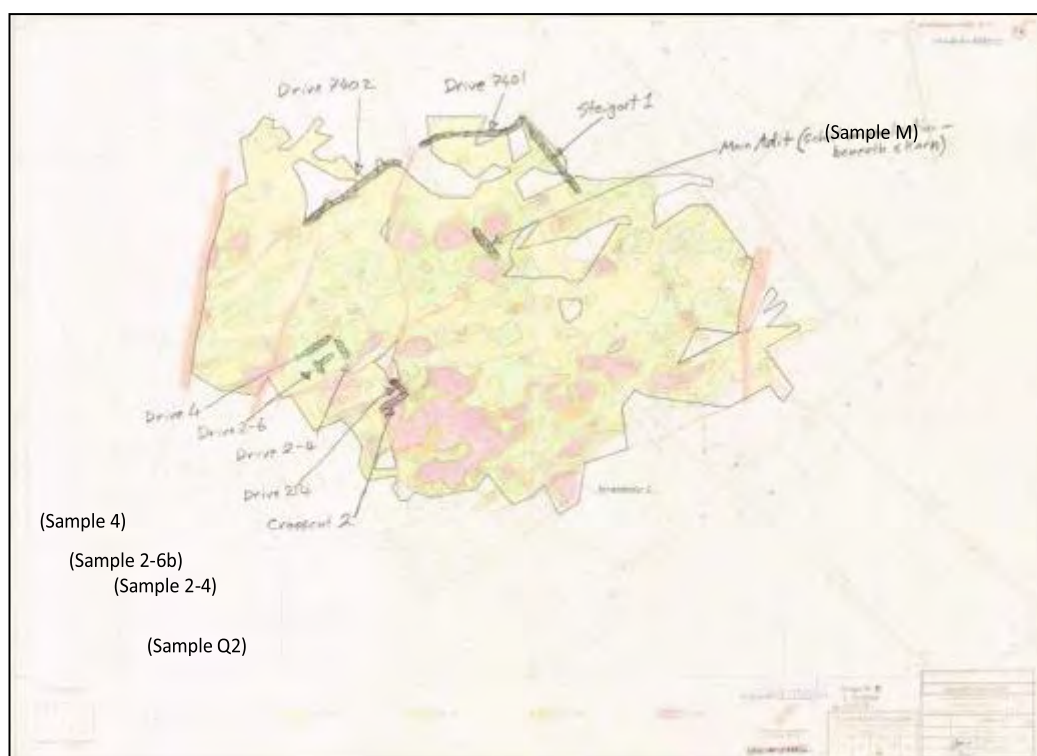


Figure 9-2 Saxore Channel Sample Locations

Details of the Phase 1 samples are presented in Table 9-15.

Sample	Weight (kg)	Description	Sn %	Zn %	Fe %
M	763	Schist	0.94	-	2.66
2-4	1036	Skarn	0.042	4.25	19.15
2-6b	1123	Amphibole-skarn	0.55	0.064	35.47
Q2	1282	Skarn	2.82	0.28	27.80
4	1075	Magnetite-skarn	0.43	0.084	25.91

Table 9-15 Sample Details Dreiberg Phase 1 Sampling

The schists were kept separate, however the four skarn samples were blended to make a 6 t sample of average grade. Phase 1 samples were subjected to a variety of bench-scale tests including sorting, dense media separation, magnetic separation, flotation and gravity as described below.

A second series of lithological samples were taken from the Hämmerlein deposit, near the location of the Pöhla adit, in 2015. Sample characteristics are summarised in Table 9-16.

Sample	Description	Sn Grade %
H1	Schist	1.44
H2	Garnet Skarn	0.14
H3	Sulphide Skarn	0.31
H4	Amphibole Skarn	0.21
H5	Magnetite Skarn	1.14
H6	Pyroxene Skarn	0.42

Table 9-16 Hämmerlein Lithological Samples

A Phase 2 bulk sample comprising material from the same locations but of significantly larger mass was taken in 2017. A 130t sample of skarn was compiled grading about 0.85% Sn, 1.0% Zn and 50-100ppm In, and subjected to pilot scale testing. Subsamples of this bulk sample were sent to ALS Burnie for their characterization and testing. 19 bulk bags in total were sent for characterization and testing. Average composition of the sample was determined by ICP-OES and is shown in Table 9-17.

Element	Concentration %
Al	5.16
As	0.21
Ba	0.04
Ca	4.68
Cd	0.01
Ce	0.05
Cl	0.10
Cu	0.09
Fe	33.42
K	1.07
La	0.02
Mg	3.05
Mn	0.22
Nd	0.10
Ni	0.02
P	0.08
Pr	0.06
Rb	0.01
S	0.57
Si	15.74
Sn	0.89
Sr	0.01
Zn	2.19

Table 9-17 Average Composition Phase 2 Tellerhäuser met Sample

9.3.2 Mineralogy & Mineral Liberation Analysis

The most extensive mineralogical work on attributable samples M, 2-4, 2-6b, Q2 and 4 from the Hämmerlein deposit was by AFK using optical microscopy as well as MLA/QemScan. Principal conclusions largely corroborate prior work by Wismut on mineralogy and mineral liberation, including:

AFK1: identified tin in association with quartz-chlorite veins and alteration overprinting amphibole skarn; sulphides are associated with (and synchronous with) amphibole skarn which overprints garnet-pyroxene skarn; tin deportment was found to be in cassiterite, ultra-fine cassiterite inclusions (1-5µm) within magnetite, malayaite (CaSnSiO₅), tin-titanite and tin-epidote-zoisite;

AFK2: the highest tin values are generally associated with the quartz-chlorite-fluorite-carbonate lithologies; there is generally a good correlation between chlorite and tin; tin occurs in several minerals other than cassiterite – the majority in iron-oxides, epidote and titanite, however the majority of tin occurs within cassiterite and only between 0.05% Sn and 0.20% Sn in total occurs within other minerals; generally, the higher the tin grades are,

the lower the tin in non-cassiterite minerals is; tin associated with the chlorite unit generally occurs as moderate to coarse grained cassiterite;

AFK3: reflected light analysis of the sulphides found very fine grains of sphalerite-sakuraiite ((Cu, Zn, In, Fe, Sn)S) within pyrite and chalcopyrite; sphalerite-sakuraiite and roquesite (CuInS₂) were found to be the main indium host minerals;

AFK4: cassiterite was shown to contain between 96% and 100% SnO₂, 0-4% FeO and <1% TiO₂; tin content of non-cassiterite minerals is summarised as: stokesite (30-36% Sn), titanite (0-21% Sn), epidote/zoisite/allanite (0-4% Sn), amphibole (0-2% Sn), garnet (0-2.5% Sn), iron-oxide minerals (0-3% Sn); although these minerals contain a significant amount of tin, they are generally volumetrically small and the average tin content in these combined is generally between 0.1% Sn and 0.2% Sn; SEM work showed that the main host for economic tin mineralisation is the chlorite sub-unit and, to a lesser extent, the amphibole-chlorite sub-unit with a minor amount in the magnetite sub-unit. Figure 9-3

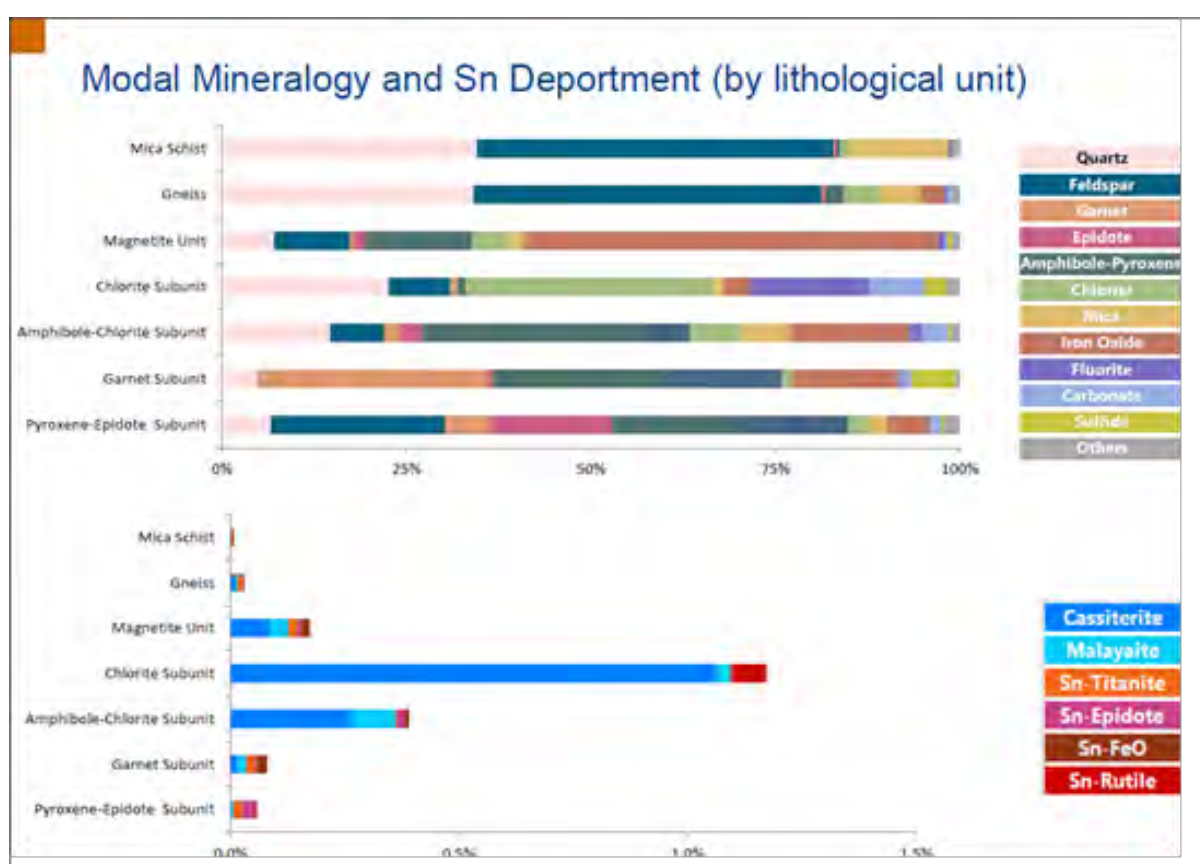


Figure 9-3 Modal Mineralogy, Dreiberg Lithologies

AFK5: further SEM work shows the chlorite sub-unit to be the main unit of economic interest and highlights the association of coarse cassiterite with the chlorite-fluorite-quartz overprint and that other units/minerals generally contain low grade tin as fine grained cassiterite plus other tin bearing minerals;

AFK6: indicates chalcopyrite was introduced with the late quartz-chlorite-fluorite mineralisation event and shows this to cross-cut the earlier magnetite-sulphide-amphibole event;

AFK7: MLA work indicates > 70% liberation is expected at -630µm, and > 75% liberation at -70µm;

AFK8: indicates the majority of the tin occurs as cassiterite with approximately 0.12% occurring as other minerals (out of a total of about 3.5% Sn);

AFK9: indicates the majority of the tin occurs as cassiterite within quartz plus or minus albite, biotite, muscovite, chlorite, zircon, apatite, tourmaline, calcite, fluorite, rutile, cassiterite and bornite (rare); the mineralised veins are generally flat (dipping 7° to 37°); in Q2 skarn, more sulphides are present including chalcopyrite, arsenopyrite, pyrite, sphalerite and stannite; modal mineralogy from MLA data for the schist shows the following in order of decreasing abundance: quartz, muscovite, plagioclase, chlorite, biotite, cassiterite, fluorite, rutile; mineral inclusions include arsenopyrite, wolframite, loellingite, ilmenite, hematite, chalcopyrite and sphalerite; cassiterite association in the schist is, in decreasing order, with quartz, muscovite, chlorite, fluorite, tourmaline and in one instance rutile;

AFK10: examined modal mineralogy of the different size fractions after crushing to 630µm for each of the bulk samples; shows the majority of tin in the skarns as cassiterite with minor stokesite, as well as an average of 0.12% Sn in amphiboles and iron oxides (magnetite); non-cassiterite tin was found to be negligible in the schist;

AFK10: also showed:

- ✓ 250-630µm fraction: 50% of cassiterite grains are coarser than 212µm and 6% are finer than 10µm
- ✓ 100-250µm fraction: 50% of cassiterite grains are coarser than 106µm and 4% are finer than 10µm
- ✓ <100µm fraction: 50% of cassiterite grains are coarser than 30µm and 14% are finer than 10µm

Suggesting that most of the tin is in cassiterite coarser than 100µm and that only a minor fraction is in cassiterite finer than 10µm;

AFK11: showed that cassiterite is predominantly associated with quartz, chlorite, amphibole and iron oxides; sizing work again showed that only about 10% of cassiterite is in the minus 10µm size range and that the majority of tin is in relatively coarser-grained cassiterite;

AFK12: confirmed results of AFK 10; showed moderate (50%) liberation at a 630µm grind, good (80%) liberation in the 100µm size fraction in the skarn; examination of the schist showed similar results to skarn;

AFK14: presents a summary of all the MLA data from Hämmerlein over a total of 101 samples; were collected and examined from the areas shown on Figure 9-3; 15 samples were analysed by electron beam microprobe (EPMA) with the aim of defining the total tin in minerals other than cassiterite – more than 800 measurements were made on 10 different mineral phases; the tin contents of these minerals is summarised in Figure 9-4 below; in addition 119 crushed samples of feed and processing tests and 39 pilot plant samples were analysed – results are discussed in the reports above.

Mineral	Stoichiometric formulae	n(Sn)/ n(Total)	SnO ₂ (wt. %)		
			Min	Max	Median from - to
Garnet 1 (Ca-Fe)	Ca ₃ Fe ₂ (SiO ₄) ₃	87/100	0.01	2.25	0.10 0.07 - 0.13
Garnet 2 (Ca-Al)	Ca ₃ Al ₂ (SiO ₄) ₃	17/42	0.01	0.53	-
Epidote	Ca ₂ Al ₂ (Fe,Al)(SiO ₄)(Si ₂ O ₇)O(OH)	64/76	0.01	4.36	1.32 0.77 - 2.26
Amphibole 1 (Ca-Mg-Fe)	Ca ₂ (Mg,Fe) ₅ Si ₈ O ₂₂	15/15	0.02	0.40	0.17 0.11 - 0.27
Amphibole 2 (Ca-Fe-Mg-Al-Na-K)	NaCa ₂ (Fe,Mg) ₄ Fe(Si ₆ Al ₃)O ₂₂ (OH) ₂	77/77	0.34	1.88	0.78 0.69 - 0.87
Pyroxene	Ca(Fe,Mg)Si ₂ O ₆	0/10	-	-	-
Chlorite 1 (Fe-Mg)	(Fe,Mg) ₃ Al(Si ₃ Al)O ₁₀ (OH,O) ₈	11/23	0.01	0.39	-
Cassiterite	SnO ₂	73/73	95.38	101.27	99.35 99.05 - 99.66
Stokesite	CaSnSi ₂ O ₉ · 2H ₂ O	69/69	28.76	37.31	34.16 33.69 - 34.65
Titanite	CaTiSiO ₅	32/47	0.02	21.91	3.93 1.27 - 12.11
Rutile	TiO ₂	19/19	0.02	1.21	0.11 0.07 - 0.19
Iron oxides	Fe ₂ O ₃ , Fe ₃ O ₄	158/161	0.03	2.33	0.76 0.65 - 0.89

Figure 9-4 EPMA Results, Dreiberg Lithologies

Further work under AFK23 focused on characterizing sulphides using reflected light optical mineralogy. Fine grained sphalerite was found associated with pyrite and chalcopyrite; this fine grained sphalerite was noted to have many ultrafine chalcopyrite inclusions and to have copper and indium in its lattice; in addition sakuraiite (indium rich sphalerite) was noted as fine inclusions and along cracks within pyrite and chalcopyrite. Roquesite (CuInS₂) was also noted as a distinct mineral phase.

AFK 24 and 25 used electron microprobe analysis (EPMA) to document indium deportment. This work identified two forms of sphalerite, where sphalerite I is the main, coarse grained, sphalerite occurring as distinct bands within the skarn with some chalcopyrite but no significant indium concentrations; a second sphalerite named Sphalerite II is finer-grained and associated with pyrite, chalcopyrite and possibly magnetite. Sphalerite II is copper-indium rich with a composition trending towards sakuraiite; the indium appears to be late and to have altered the fine sphalerites around their rims and along late fractures within them. Other sulphides have a generally low indium content apart from chalcopyrite and rare roquesite. It was concluded that Sphalerite II is

the main source of indium and is generally present as very fine inclusions within chalcopyrite (and pyrite) and hence should report to a chalcopyrite-pyrite concentrate.

Substantial additional mineralogical work was done under the auspices of the European FAME research programme however results are less relevant as sample provenance and head characterization is difficult to ascertain.

The extensive detailed mineralogical work reported here, combined with face mapping and sampling by Saxore, has resulted in the following conclusions with respect to mineralization at Tellerhäuser:

- ✓ There are three main episodes of mineralisation:

Stage 1 - Early (possibly syn metamorphic) prograde skarn formation (pyroxene- garnet+/- anhydrous amphibole) which introduced some tin, mainly as tin silicates (malayaite, stokesite), tin in the lattice of silicates (garnet, amphibole, pyroxene, epidote, titanite), tin in the lattice of iron oxides and iron oxy-hydroxides, and ultrafine inclusions of cassiterite within silicates and iron oxides;

Stage 2 - Later overprint by hydrous amphibole-magnetite+/-epidote+/-axinite+/- chlorite+/- sulphides; this was the main phase for introduction of magnetite and sulphides as well as the ore metals iron, zinc and indium (and associated deleterious elements arsenic and cadmium); while timing is uncertain (possibly a later stage of the main skarn forming fluid - see FAME work), it is certainly post the main prograde skarn formation and pre the hydrothermal overprint; some additional tin may have been introduced at this time but it is difficult to distinguish the tin introduced by this event and the previous event;

Stage 3 - A late (possibly up to 20Ma later) hydrothermal overprint associated with intrusion of the Eibenstock Granite and other tin granites in the region; this introduced a quartz-chlorite-fluorite-cassiterite+/-tourmaline+/-feldspar assemblage which introduced the majority of the tin, and which is present largely as relatively coarse grained cassiterite; this event may also have re-worked some of the pre-existing tin, especially that tied up in amphibole, when the amphibole was altered to chlorite (this could explain the smaller amount of “isomorphic tin” at higher grades).

- ✓ The amount of tin in the Stage 1 and Stage 2 events that occurs within minerals other than cassiterite varies from 0.09% Sn to 0.19% Sn and appears to average around 0.12% Sn. This is considered to be a “fixed tail” that is unrecoverable. The remainder of the tin is volumetrically dominated by relatively coarse cassiterite. Even though a significant amount of very fine grained

cassiterite occurs, this is generally associated with the background Stage 1 and Stage 2 mineralisation and the coarse cassiterite associated with the main Stage 3 mineralisation dominates the overall tin content of the mineralisation. For example a single 1mm cassiterite grain will contain the same volumetric amount of tin as 1,000,000 by 10 micrometre cassiterite grains.

- ✓ The majority of the tin should be able to be liberated as free cassiterite grains at a relatively coarse grind size due to the factors noted above. Approximately 5-7% of cassiterite occurs as pelitomorph or colloform types (probably actually a low fixed amount) and approximately 3% as crystalline cassiterite finer than 20µm.
- ✓ The tails should contain between 0.1% Sn and 0.2% Sn (average 0.12% Sn) as tin in silicates and ultra-fine grained cassiterite and these needs taking into account when assessing overall recoveries.
- ✓ The Dreiberg mineralisation appears to be identical mineralogically and geochemically to the Hämmerlein mineralisation.
- ✓ The main coarse-grained Type I sphalerite is high in iron but relatively low in indium and should be able to be floated easily using conventional techniques with limited loss of indium.
- ✓ Indium should report dominantly to a chalcopryite-pyrite concentrate in froth flotation.
- ✓ Iron-oxide is predominantly magnetite but with haematite intergrowths, especially along grain boundaries and fractures, and also as oscillatory zoning. Cassiterite is associated with magnetite, so Sn losses to magnetite should be monitored.

9.3.3 Research Programmes

Substantial ore characterization and metallurgical test work was conducted by Saxore between 2013 and 2018 contributing greatly to the understanding of the process mineralogy and beneficiation responses of the various ore types hosted at Tellerhäuser. Results can be found in detail in the variety of research reports associated with this body of work.

Two programmes of note are described in detail here, work on the pre-concentration of particularly the skarn ores by both DMS as well as ore sorting, and the full suite of bench testing undertaken by ALS Burnie in 2019.

9.3.4 Pre-concentration

Pre-concentration testwork was undertaken by Saxore in 2014 on selected lithologies from the Hämmerlein deposit. Samples were crushed to -20mm with the -0.09mm fraction removed to fines, and the

+0.09mm -20mm fraction subjected to heavy liquid separation at 2.9 g/cc and 3.0 g/cc density. Results are summarized in Table 9-18.

Results suggest that significant waste rejection potential exists in low grade sulphide, amphibole and pyroxene skarns from the deposit. Waste rejection potential by dense media separation from high grade magnetite skarns and from schists was shown to be low.

Further work at UVR-FIA on sample 4 (0.43% Sn) in 2015 returned similar results, with between 10% and 25% of mass rejected at recoveries of between 96% - 98%. DMS testing on sample M (schist, 0.94% Sn) confirmed low waste rejection potential from this lithology. Jigging work was undertaken on sample Q2 at UVR-FIA, however with inconclusive results potentially due to the size of the test jig used.

Optical sorting testwork was undertaken on sample 4 (0.43% Sn) at Mogensen in Germany. Samples were crushed to -32mm with -6mm fines removed. Results suggest waste rejection between 20.1Wt% and 37.6Wt% at recoveries between 88.2% and 98.8% Sn can be achieved using optical sorting.

Sample	Description	Fraction	Head Grade	Fines -0.09mm		-2.9SG		2.9-3.3SG		+3.3SG		Sn %	Sn Wt%	Sn %	Sn Wt%
				Wt%	Sn %	Wt%	Sn %	Wt%	Sn %	Wt%	Sn %				
H1	Schist	-2mm	1.57	12.8	13.4	10.9	72.8	0.22	10.2	12	2.34	17.8	2.4	39.3	61.1
		+2mm	1.3	3.4	1.15	3.02	82	0.51	32.2	13.1	3.66	37.1	1.5	24	27.6
H2	Garnet Skarn	-2mm	0.14	13.6	0.14	14.08	16.9	0.01	1.2	20.5	0.08	12.1	49	0.2	72.6
		+2mm	0.14	1.6	0.18	2.01	10	0.06	4.2	32.7	0.07	16	55.7	0.2	77.8
H3	Sulhide Skarn	-2mm	0.3	15	0.33	16.4	32.2	0.05	5.3	17.5	0.14	8.1	19.8	0.5	70.2
		+2mm	0.32	2.4	0.45	3.41	31.3	0.06	5.9	25.7	0.17	35.3	18.50	0.5	76.9
H4	Amphibole Skarn	-2mm	0.21	20.6	0.21	20.3	41.8	0.08	15.7	17.8	0.21	17.5	19.8	0.5	46.5
		+2mm	0.21	2	0.28	2.71	50.4	0.07	17.1	29.1	0.25	35.3	18.5	0.5	44.9
H5	Magnetite skarn	-2mm	1.15	16.5	1.23	17.69	7.4	0.47	3	5	1.12	4.9	71.1	1.2	74.4
		+2mm	1.13	2.2	1.1	2.14	4.6	0.4	1.6	7.9	0.84	5.8	85.3	1.2	90.4
H6	Pyroxene skarn	-2mm	0.4	18.3	0.46	20.98	26.1	0.1	6.5	21.3	0.4	21.2	34.3	0.6	51.3
		+2mm	0.43	1.9	0.56	2.46	27.7	0.02	1.3	26.9	0.44	30.1	40.8	0.7	66.1

Table 9-18 HLS Results Hämmerlein Lithologies

The AFK programme described previously evaluated pre-concentration by a range of sorting techniques on Tellerhäuser samples, including NIR and XRT, with potential for NIR found to be limited to high chlorite samples. Testing of the 133t Phase 2 bulk sample (skarn, 0.85% Sn) using XRT was undertaken in 2017. The sample was crushed to -60mm with 10-30mm and 30-60mm fractions sorted. The -10mm fraction was not sorted. Waste rejection from the 10-30mm fraction was 29Wt% at a tin recovery of 99.2Wt% Sn. Waste rejection from the 30-60mm fraction was 26.1Wt% at a tin recovery of 99.3Wt% Sn. Results do not include re-combination of the fines and suggest that higher % waste rejection should be possible at higher densities, with still acceptable tin recovery using XRT.

9.3.5 2019 Metallurgical Programme

In 2019 a comprehensive metallurgical programme of work was undertaken by Saxore at ALS Burnie in Tasmania on representative samples of skarn and schist material. Samples were received as bagged damp rock chips from bulk underground sampling, details are as presented in Table 9-19.

Sample	Description	Mass (kg)	Sn (%)	Fe (%)	Zn (%)
SK	Magnetite skarn	41.3	1.46	27.7	0.87
SCH	Schist	48.3	1.02	3.55	0.01

Table 9-19 Tellerhäuser Samples, 2019 ALS Burnie Programme

Tests were typically performed on a 50:50 SK:SCH sample blend.

9.3.5.1 Mineralogy

Mineralogical investigations on tin deportment were undertaken as part of the ALS characterisation testwork in 2017 on the first Saxore bulk samples. This work focussed on a blended schist and skarn sample crushed to minus 850µm and sized into 5 fractions: plus 300, 150-300, 75-150, 38-75 and 20-38 micrometres. The following minerals were identified in order of abundance:

- ✓ Gangue: undifferentiated silicates (amphibole, pyroxene, feldspar, garnet, tourmaline), quartz, muscovite, chlorite
- ✓ Sulphides: sphalerite (Fe-rich), chalcopyrite, pyrite, arsenopyrite, and rare to very rare chalcocite, covellite, pyrrhotite, bornite
- ✓ Oxides: magnetite, hematite, cassiterite, rutile and rare goethite

No stannite, tetrahedrite or molybdenite was found and it was noted that indium is likely to reside with chalcopyrite. An estimate of 1.9% cassiterite was made, with the majority being in the 75-150µm fraction followed by the 38-75µm fraction (remembering that the entire sample has been crushed to minus 600µm). Liberation analysis showed that 68% of cassiterite is liberated at this coarse grind size. The majority of the unliberated cassiterite is associated with gangue and magnetite-hematite (which needs to be re-ground).

Cumulative yield curves show excellent liberation characteristics at minus 150µm and almost total cassiterite liberation at minus 75µm.

The following minerals were observed in the optical mineralogy assessment by MODA.

Sulphides

- ✓ Sphalerite (Zn,Fe)S (a rather dark, Fe-rich variety)
- ✓ Chalcopyrite CuFeS₂
- ✓ Pyrite (mainly crystalline, but also some porous melnikovite) FeS₂
- ✓ Arsenopyrite FeAsS (uncommon)
- ✓ Chalcocite Cu₂S (rare)
- ✓ Covellite CuS (rare)
- ✓ Pyrrhotite Fe_{1-x}S (very rare)
- ✓ Bornite Cu₅FeS₄ (extremely rare)

Oxides

- ✓ Magnetite Fe₃O₄
- ✓ Hematite Fe₂O₃ (all partially replacing magnetite)
- ✓ Cassiterite SnO₂ (mainly well zoned, polychromatic grains)
- ✓ Rutile TiO₂
- ✓ Goethite FeO.OH (rare) Gangue
- ✓ Unidentified silicates, but includes amphiboles, pyroxenes, feldspar, garnet
- ✓ and tourmaline
- ✓ Quartz
- ✓ Muscovite
- ✓ Chlorite

The liberation of cassiterite from other minerals in the assemblage was assessed by MODA (Table 9-20)

Fraction	Free	Binary with							Ternary	Quaternary
		Sp	Cp	Py	OS	Mt	He	Ga		
+300µm	11	0	0	0	0	0	0	68	3	18
+150µm	43	0	0	0	0	0	5	32	17	2
+75µm	73	0	0	0	0	0	2	19	1	4
+38µm	83	0	0	0	0	0	6	10	1	0
+20µm	87	0	0	0	0	0	0	13	0	0
TOTAL	68	0	0	0	0	0	4	22	3	3

Table 9-20 Tellerhäuser Combined Composite Cassiterite Distribution (%)

Sp=sphalerite, Cp=chalcopyrite, Py=pyrite, OS=other sulphides, Mt=magnetite, He=hematite, Ga=gangue. Tr means trace <0.05%.

Cassiterite reaches 50% liberation at around 180um. At a grind size of p80 = 260 um some 68% of cassiterite is liberated. These results indicate a relatively coarse liberation size for cassiterite.

9.3.5.2 Heavy Liquid Separation

Heavy liquid separation was undertaken on a 50:50 blend of SK and SCH crushed to 100% -32mm. Samples were washed at densities of 2.95 and 2.75 respectively using sodium hetero-poly-tungstate medium. Results are summarised in Table 9-21.

Fraction	Wt (%)	Sn (%)	Sn Dist (%)	Fe (%)	Fe Dist (%)	SiO2 (%)	SiO2 Dist (%)
2.75 Floats	33.69	0.34	9.8	3.00	6.1	72.52	47.4
Sinks	49.86	1.64	69.7	26.57	79.8	37.59	36.3
Fines	16.45	1.46	20.50	14.20	14.1	51.20	16.3
Total	100.0	1.17	100.	16.59	100.0	51.60	100.0

Table 9-21 HLS Results 50:50 SK-SCH Blend

Results suggest pre-concentration by DMS could reject up to 33.7% by mass at a recovery of 90.2% Sn. Losses were primarily in the +16mm tails suggesting a finer crush for the Tellerhäuser ore would return improved results.

9.3.5.3 LIMS Magnetic Separation

Fresh SK and SCH samples were subjected individually to separation by low intensity magnetic separator (drum magnet, 1100 Gauss). Samples were batch ground to p80=300um prior to separation. Results are presented in Table 9-22 and Table 9-23.

Product	Wt (%)	Sn (%)	Dist (%)	Fe (%)	Dist (%)	As (%)	Dist (%)	SiO2 (%)	Dist (%)	Zn (%)	Dist (%)
T03 Non Mags	58.2	2.09	77.4	11.7	22.4	0.12	4.0	47.0	88.3	1.25	85.6
T05 Non Mags	5.7	2.81	10.1	16.6	3.1	0.12	0.4	42.8	7.8	1.31	8.7
T06 Non Mags	3.5	2.01	4.5	30.4	3.5	0.06	0.1	33.0	3.7	0.91	3.7
T08 Non Mags	1.9	1.63	1.9	37.2	2.3	27.9	29.2	0.56	0.0	0.05	0.1
T08 Final Mags	30.8	0.31	6.1	67.9	68.7	3.81	66.3	0.07	0.1	0.05	1.8
Calc Feed	100	1.57	100	30.4	100	1.77	100	31.0	100	0.85	100

Table 9-22 LIMS Magnetic Separation Skarn

Product	Wt (%)	Sn (%)	Dist (%)	Fe (%)	Dist (%)	As (%)	Dist (%)	SiO2 (%)	Dist (%)	Zn (%)	Dist (%)
Magnetics	0.7	0.50	0.3	15.9	2.6	0.02	0.7	51.6	0.5	0.03	2.0
Non Magnetics	99.3	1.11	99.7	3.90	97.4	0.02	99.3	68.7	99.5	0.01	98.0
Calc Feed	100	1.11	100	3.98	100	0.02	100	68.6	100	0.01	100

Table 9-23 LIMS Magnetic Separation Schist

Skarn ore yielded a magnetic product of containing 42% of feed mass and 24% of tin. This product was reground and re-separated three times to generate a final magnetics fraction. Final magnetic product was 30.8 Wt% grading 67.9% Fe at an overall Fe recovery of 68.7%. Grade of tin in the final magnetic product was 0.31% Sn for overall tin recovery to non-magnetics of 94%.

The Schist ore did not yield a significant mass of magnetics, with less than 1% mass reporting to the magnetics product. No further magnetic assessments were performed on this ore.

9.3.5.4 Gravity Separation

SK and SCH non-magnetic fractions were subjected to gravity separation on a Mozely gravity separator. Samples for Mozley gravity separation were wet and dry sized to convenient fractions for separation (+212, +106, +53 and +20um). Fractions were then separated in stages:

- ✓ Firstly a high grade conc, mids and low grade tail are produced.
- ✓ The middlings are then retreated to produce further concentrate and tailings.
- ✓ The middlings from this stage are then retreated to form a Mids1 and Mids2.
- ✓ Products from each separation were dried, weighed and prepared for assay.

Results are presented in Table 9-24 and Table 9-24.

Product	Wt	Sn	Dist
Skarn NM	(%)	(%)	(%)
>212 Conc	0.49	15.75	3.7
Mids 1	1.24	2.65	1.6
Mids 2	3.77	0.90	1.6
Tail	16.65	0.39	3.1
>150 Conc	0.44	25.80	5.4
Mids 1	0.93	1.69	0.7
Mids 2	1.55	0.78	0.6
Tail	5.95	0.25	0.7
>75 Conc	0.85	44.20	17.9
Mids 1	1.39	2.42	1.6
Mids 2	3.02	0.86	1.2
Tail	12.43	0.27	1.6
>38Conc	0.84	51.60	20.7
Mids 1	0.87	2.70	1.1
Mids 2	2.45	0.78	0.9
Tail	11.15	0.24	1.3
+20 Conc	0.35	55.80	9.2
Mids 1	0.46	4.48	1.0
Mids 2	1.92	0.83	0.8
Tail	6.47	0.41	1.3
-20	26.78	1.88	24.0
Total	100.00	2.10	100.00

Table 9-24 Gravity Separation Results - Skarn Non Magnetic Fractions

Product	Wt	Sn	Dist
Schist	(%)	(%)	(%)
>212 Conc	0.28	40.20	9.8
Mids 1	1.19	4.41	4.6
Mids 2	2.48	0.60	1.3
Tail	24.86	0.41	8.9
>150 Conc	0.20	45.40	8.1
Mids 1	0.87	0.91	0.7
Mids 2	1.59	0.28	0.4
Tail	5.15	0.11	0.5
>75 Conc	0.44	49.70	19.0
Mids 1	1.25	0.50	0.5
Mids 2	2.62	0.40	0.9
Tail	14.28	0.09	1.1
>38Conc	0.38	46.80	15.6
Mids 1	1.20	0.88	0.9
Mids 2	3.73	0.13	0.4
Tail	10.50	0.06	0.6
+20 Conc	0.19	44.40	7.6
Mids 1	0.22	2.73	0.5
Mids 2	1.79	0.39	0.6
Tail	6.26	0.17	0.9
-20	20.53	0.94	16.9
Total	100.00	1.14	100.00

Table 9-25 Gravity Separation Results - Schist Fractions

Excellent gravity separations are indicated by these basic tests. Single pass table separations generated 40-50% Sn concentrates at around 70% Sn recovery from fractions between 212 and 20 microns.

9.3.5.5 Tin Flotation

Tin flotation tests were performed on:

- ✓ Ground and deslimed Schist whole ore
- ✓ Ground, magnetically separated and reground non-mags Skarn ore

Desliming was undertaken prior to tin flotation. The deslime cyclone was a Mosely one inch unit cutting at around 6µm. 6-8 W% tin was lost to a slimes product 18.06 Wt% – 20.78 Wt%. This indicates oversliming in feed preparation and can be reduced in practice with a suitably designed flowsheet.

Tin floats were performed after a five minute high intensity conditioning stage with acid and SSF. A sulphide scavenger stage is then performed prior to tin flotation. SPA collector was stage dosed in roughing and the

combined rougher concentrate was cleaned in two stages. Results are indicated in the grade/recovery plot Figure 9-5.

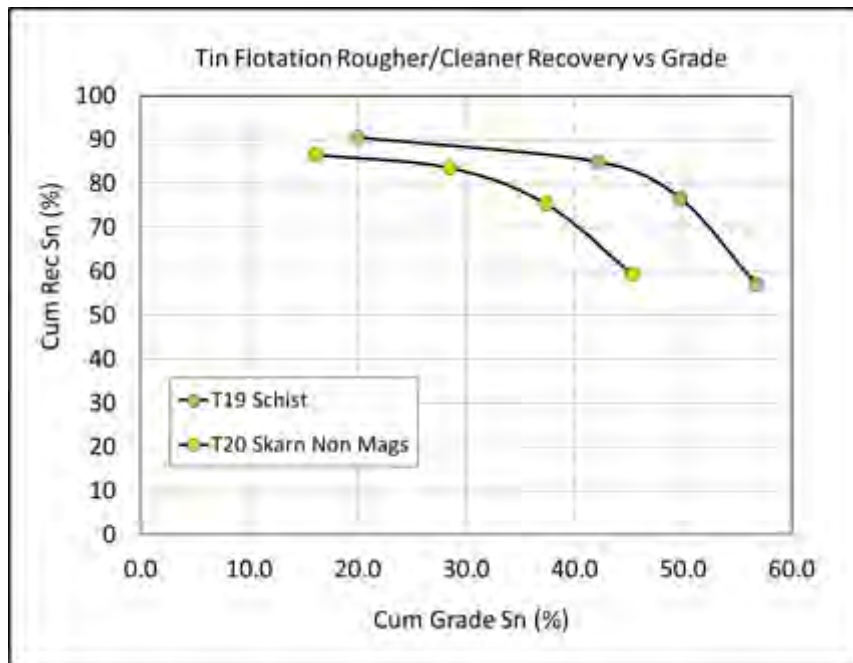


Figure 9-5 Tin Flotation Results - SK and SCH non-magnetic fractions

Overall tin recovery is between 78%-85% to a concentrate grading between 40-50% Sn for the schist, and 75% - 82% to a concentrate grading between 28-38% Sn for the skarn. Results are encouraging, although testing in locked cycle to determine final grades and recoveries achievable is recommended.

9.3.5.6 Metallurgical Review

Extensive sampling and testwork including pilot plant testwork on bulk samples has been undertaken for Tellerhäuser over periods since the early 1970's. The work has been well summarised elsewhere which will not be repeated in detail here. Select summaries supporting a reasonable metallurgical interpretation are provided.

Historic Wismut samples taken in the 1970s varied between 0.18% Sn to 0.7% Sn, up to a 4000t bulk sample assayed at 0.55% Sn, 0.42% Zn and 14% Fe. Phase 1 sampling by Saxore between 2015-2019 ranged from 0.43% Sn, trace zinc and 25.9% Fe ('4') to 2.82%Sn, 0.28%Zn and 27.8%Fe ('Q2'). A 133t bulk sample was taken in 2018, with an average grade of 0.85% Sn.

Mineralogical characterization suggests the Tellerhäuser ore, including Hämmerlein skarn and schist, and Dreiberg skarn and schist, is complex, with cassiterite and non-cassiterite tin mineralization hosted in a magnetite-bearing skarn intergrown with sulphide minerals including sphalerite and chalcopyrite with indium as roquesite (CuInS_2) and sakuraiite ($(\text{Cu,Zn,Fe})_3(\text{In,Sn})\text{S}_4$) within the chalcopyrite. Hämmerlein ore types and Dreiberg ore types appear mineralogically and metallurgically similar.

Treatment routes including gravity concentration (coarse and fine), sorting, magnetic separation, sulphide flotation and oxide (SnO_2) flotation have been tested.

Bond crushing indices tested ranged from 12.5-21.5 kWh/t. Bond ball mill indices measured ranged from 16.1 kWh/t (schist, FAME), to 21.4 kWh/t (schist, WAI), with Bond rod mill indices of 16.3-17.3 kWh/t. The ore is therefore classed as hard to very hard from a comminution point of view.

Pre-concentration testwork has included DMS testwork at a range of sizes, optical sorting and X-ray transmission (XRT) sorting. DMS work on a crushed 10-20mm fraction from Hämmerlein indicated potential to reject 38.5Wt% at 0.16% Sn for overall recovery of 90.6Wt% Sn. Optimized results included 25% rejection at 96.0Wt% Sn recovery, and 30% rejection at 97.0% Sn recovery. Optical sorting indicated potential rejection of 20Wt% with 98.8Wt% Sn recovery on a low grade sample. Sorting by XRT suggested excellent potential with 29.9Wt% rejects at 99.2% Sn recovery.

Magnetic separation results for iron recovery suggest a range of results across a range of grind sizes for skarn samples tested. Overall, magnetic separation indicated recoveries of between 34Wt% - 55Wt% to a 60.6% - 68% Fe concentrate from the high magnetite sample (21) and 14.6Wt% - 18.4Wt% to a 56.4% - 57.3% Fe concentrate from the low magnetite sample (23). Magnetite recovery from schist type samples was not considered feasible for overall recoveries of 15% to a 60% Fe concentrate from blended feed.

Rougher sulphide flotation produced a high grade (36% Zn) sulphide concentrate with Cu and In in attributable amounts. Further work at LTU returned rougher concentrates (first selective flotation stage) with 24-32% Zn at 81-91% Zn recovery, 12-17% Cu at 58-63% recovery, and 5% As at 11-21% recovery.

In oxide flotation, Sn recovery was 60Wt% Sn to a 45% Sn concentrate from the skarn, and 78Wt% Sn to a 50% Sn concentrate from the schist for overall recoveries of 70% to a 47.5% Sn concentrate. Flotation work at ALS Burnie returned 74-79Wt% Sn recovery to a 35-50% Sn concentrate using highly selective Sn collector reagents.

Gravity results again ranged depending on sample grade, particle size range and gravity method. Optimal shaking table concentrate indicated 30Wt% Sn recovery to a 35.2% Sn concentrate; work on a combination of shaking tables, with Mozeley sizers and a MicroJig indicated 16.76Wt% Sn recovery to a 57.3% Sn concentrate (Mozeley) plus 13.53Wt% Sn recovery an 11.9% Sn con (MicroJig). Gravity testing at LTU returned 40.46Wt% Sn recovery to a 71.7% Sn concentrate in one test, with the 'Q2' test returning 37.4Wt% Sn recovery to a 59.12% Sn concentrate plus additional recovery in the Knelson concentrator of 6.1Wt% Sn to a 31.97% Sn concentrate.

Gravity plus oxide flotation testwork at ALS Burnie returned recoveries of 78-79Wt% Sn to a 44-46% Sn concentrate in combination.

Overall recoveries of 75% Sn to a 50% Sn concentrate, 60% Zn to a 45% Zn concentrate containing 400 g/t In at 80% recovery, and 15% recovery of Fe to a 60% Fe concentrate are assessed for the processing of combined skarn and schist materials from the Tellerhäuser project according the flowsheet described below.

9.3.5.7 Process Design

A suggested flowsheet for the extended option would comprise crushing, sorting and grinding, magnetic separation, sulphide flotation, gravity concentration and flotation of the cassiterites. XRT sorting would be done in a single stage with both coarse- and fine XRT sorters. Magnetic separation would be with twin rougher WHIMS, with regrinding of the WHIMS tails and WHIMS at lower gauss. Regrind tails would be treated by sulphide flotation to produce a bulk Zn-Cu-In concentrate. Sulphide flotation tails would be treated by coarse gravity separation, followed by fine cassiterite flotation and fine gravity concentration to produce a final tin concentrate. Coarse gravity tails would be reground, treated by LIMS and recirculated to the gravity circuit feed.

Final concentrates would be tanked and pumped to surface for filtering and dumping to containers for delivery. Final tailings would be thickened and mixed prior to pumping to fill stopes for disposal. Please see conceptual flowsheets provided in the Appendix for more detail.

An initial 500,000 tpa ROM plant would be installed at Hämmerlein in custom-developed caverns in Year 0, with crushing, sorting, and grinding stages installed at Dreiberg in custom-developed caverns in Year 3.

9.4 Gottesberg – Metallurgy and Recovery Methods

9.4.1 Introduction

Ore from Gottesberg was historically mined from circa 1440 to 1990, when the mine closed after the fall of the Berlin Wall. Sampling and testwork was carried out by Institutes in the GDR prior to 1990, however results are not available.

Scoping-level sampling and metallurgical test work was undertaken for Tin International by ALS in Burnie Tasmania in 2013. Work comprised basic ore characterisation followed by testwork to develop a conceptual process flow sheet including:

- ✓ Head analyses and Specific Gravity.
- ✓ Sizing and assay of crushed samples of the drill core to determine particle and mineral distribution within sized fractions.
- ✓ Mineralogical examination of selected fractions to determine the mineral suite present, mineral association and degree of association (composites of gangue and valuable minerals).
- ✓ Heavy liquid separation to give a guide to mineral liberation size and amenability to gravity concentration.

- ✓ Establishment of a primary grind size followed by beneficiation testwork including gravity concentration, sulphide flotation, de-sliming and flotation of fine cassiterite from the de-slimed fraction.

9.4.2 Samples Received

A total 40.6kg bagged split core was received for testing. The ID and weight of individual bag are detailed in Table 9-26

Sample I.D.	Weight (kg)
GMET 12-001	3.50
GMET 12-002	4.73
GMET 12-003	4.92
GMET 12-004	2.45
GMET 12-005	4.81
GMET 12-006	5.13
GMET 12-007	2.03
GMET 12-008	2.03
GMET 12-009	4.25
GMET 12-010	4.51
GMET 12-011	2.27

Table 9-26 Gottesberg Samples Received for Testing

Samples were fully blended and treated as one bulk sample.

9.4.3 Sample Characterization

9.4.3.1 Head Assay

Assay of the blended composite returned a head analysis of 0.46% Sn, 0.01% WO₃, 2.99% Fe, 78.1% SiO₂, 1.14% S, 0.02% Cu, 10.6% Al₂O₃, 0.14% CaO and 0.17% MgO.

9.4.3.2 Mineralogy Results

The following minerals were identified in the mineralogical assessment, in approximate order of abundance:

- ✓ Topaz Al₂SiO₄(F,OH)₂
- ✓ Quartz SiO₂
- ✓ Mica KAl₂(Si₃Al)O₁₀(OH,F)₂
- ✓ Fluorite CaF₂
- ✓ Pyrite FeS₂
- ✓ Goethite FeO.OH

- ✓ Chalcopyrite CuFeS_2
- ✓ Marcasite FeS_2
- ✓ Hematite Fe_2O_3
- ✓ Cassiterite SnO_2
- ✓ Covellite CuS
- ✓ Sphalerite $(\text{Zn},\text{Fe})\text{S}$
- ✓ Arsenopyrite FeAsS
- ✓ Chalcocite Cu_2S
- ✓ Magnetite Fe_3O_4
- ✓ Galena PbS
- ✓ Stannite $\text{Cu}_2\text{FeSnS}_4$ (trace)

Table 9-27 summarises the mineralogical and mineral liberation results and indicates that the mineralized zone is conformant with greisen-hosted cassiterite mineralization, with simple mineral associations and good liberation of the cassiterite at $38\mu\text{m}$.

Fraction			% Binary With					Ternary
Fraction (μm)	Vol (%)	Free (%)	Py	Sp	Cu	As	Ga	(%)
212	2.7	74	0	0	0	0	26	0
150	5.2	19	0	0	0	0	67	14
75	4.1	49	1	0	0	0	49	1
38	15.9	88	0	0	0	0	12	0
20	19.0	95	0	0	0	0	5	0
8	18.2	99	0	0	0	0	1	0

Table 9-27 Mineralogy Summary

9.4.3.3 Sample Preparation

Samples were crushed in a single toggle lab jaw crusher to 100% passing 12.5mm and split to 12 lots. One lot was for Heavy Liquid testing. Another 4 lots of sample were crushed to 100% passing 1.18mm, rotary split to 1kg lots and cold stored for further grind establishment and gravity lock cycle separation tests.

9.4.4 Results

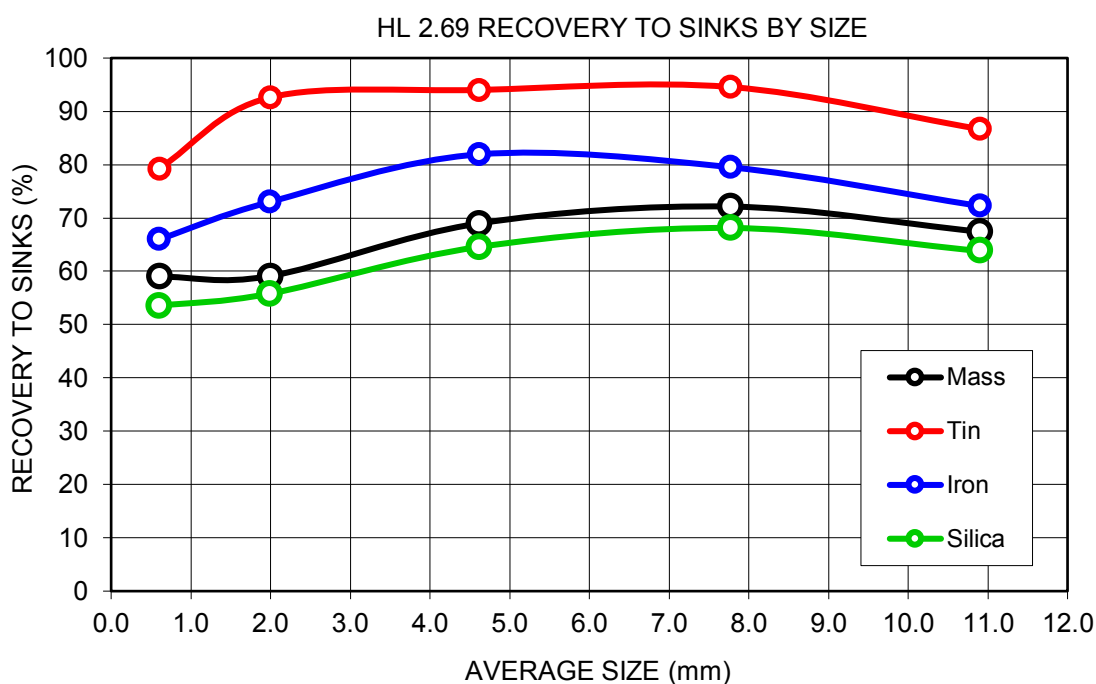
9.4.4.1 Heavy Liquid Separation

Heavy liquid separation was performed on sized fractions of crushed ore composite (100% passing 12.5mm screen). Fractions were sampled at 9.50, 6.75, 3.35 and 1.18mm for HL separations. An initial test at SG 2.95 yielded very low sinks mass, a second test was performed at SG 2.69 resulting in a sinks mass of some 67% of feed mass. Test results show that 33% of feed mass was rejected to floats with a loss of 10% of feed tin and

rejection of 37% of feed silica. The sinks product was upgraded to 0.66% Sn and 0.53% S. The test results are summarised in Table 9-28 below.

Product	Wt (%)	Sn (%)	Dist (%)	S (%)	Dist (%)	SiO ₂ (%)	Dist (%)
Total Floats	33.0	0.15	9.9	0.32	11.2	88.0	37.4
Total Sinks	67.0	0.66	90.1	1.24	88.8	72.7	62.6
CALC FEED	100.0	0.49	100.0	0.94	100.0	77.8	100.0

Table 9-28 Heavy Liquid Separation Summary



9.4.4.2 Gravity Locked Cycle Test

The test procedure was generally the following:

- ✓ Ore composite was ground to p80=150um and split to lots for gravity separations.
- ✓ The lots were screened at 150um.
- ✓ Mozley separation was performed on the +150um.
- ✓ The -150um was screened at 75um.
- ✓ Mozley separation was performed on the +75um. Middlings were recycled to next cycle.
- ✓ Tails from Mozley separation of +150um and +75um were combined and reground.
- ✓ The regrind discharge was combined with the -150um of the next cycle for screening at 75um.
- ✓ The -75um fraction was cyclosized.
- ✓ Mozley separation was performed on the fraction of +CS1.

- ✓ Middlings were recycled to the next cycle.
- ✓ Tails and the –CS5 were collected, dried, weighed for assay.
- ✓ The fraction of CS2–CS5 was collected for further tin flotation.

Nine cycles were performed in a gravity locked cycle test. Results indicate:

- ✓ A stable equilibrium can be reached using the defined circuit.
- ✓ A maximum primary grind $p_{80}=150$ is required as very little tin was recovered to gravity concentrate above 150 μ m.
- ✓ Gravity separation between 150 μ m and 30 μ m is very effective yielding an overall gravity tail of 48% of new feed mass and 0.03%Sn.
- ✓ A coarse tail (>75 μ m) can be obtained by gravity separation.
- ✓ Dressing was effective and consisted of a sulphide float followed by a gravity dressing of the sulphide float tail. The dressing tail would go to regrind so will ultimately be recovered.
- ✓ Falcon gravity separation is not required for the fine gravity tail.
- ✓ Fine tin has been recovered to a moderate grade flotation rougher concentrate of 3% Sn with a further 18% tin recovery.
- ✓ The dressed concentrate was submitted for ICP trace element analysis, analyses are appended.

Gravity separation in a Falcon Concentrator was assessed, with poor results.

9.4.4.3 Tin Flotation

Tin flotation testing was performed under the following conditions:

- ✓ Flotation feed was 6-30 μ m solids product from gravity lock cycle.
- ✓ Rougher and cleaner stages were performed in a 1.2L Agitair style laboratory cell.
- ✓ Dilute reagents were added and conditioned prior to flotation.
- ✓ Air rate and time were recorded for each concentrate.

CS2-CS5 fractions from the gravity lock-cycle test were floated using a standard tin float reagent regime. Table 9-29 summarises the results for the tin float rougher/cleaner routine.

PRODUCT	Wt (%)	Sn (%)	Rec (%)	Fe (%)	Rec (%)	SiO ₂ (%)	Rec (%)	S (%)	Rec (%)	Al ₂ O ₃ (%)	Rec (%)
Ro Conc	4.8	3.13	88.7	14.2	38.6	61.4	7.8	2.3	23.8	9.4	8.3
Cl1 Conc	10.2	4.59	61.1	12.0	15.4	62.4	3.8	2.3	11.1	7.28	3.0

Table 9-29 Tin Flotation Summary

Tin flotation results indicated some 61.1% of tin was recovered to the concentrate at 4.59% grade. The recovery of silicate was 3.8%. Compared with tin recovery, the selectivity between tin and silicate was good. But silicate is still the main contaminant with 62.4% SiO₂ grade in concentrate.

9.4.4.4 Sulphide Flotation

Sulphide rougher flotation test was performed under the following conditions:

- ✓ Flotation feed was combined concentrate product of gravity lock cycle.
- ✓ Flotation rougher performed in a 0.8L Agitair style laboratory cell.
- ✓ Dilute reagents were added and conditioned prior to flotation.
- ✓ Air rate and time were recorded for each concentrate.

Combined concentrates from the gravity lock cycle were submitted as feed for sulphide flotation. Sulphide tails were then treated by gravity to further upgrade the tin. Table 9-30 summarises the results for the sulphide float.

PRODUCTS	Wt (%)	Sn (%)	Dist (%)	Fe (%)	Dist (%)	SiO ₂ (%)	Dist (%)	S (%)	Dist (%)
Sulphide Conc	50.6	0.80	2.54	42.2	79.8	1.39	9.5	43.9	89.8
Sulphide Tail	49.4	31.6	97.5	10.9	20.2	13.6	90.5	5.10	10.2
CALC	100.0	16.0	100.0	26.8	100.0	7.40	100.0	24.8	100.0

Table 9-30 Sulphide Flotation Summary

The sulphide flotation test results indicated the tin grade was improved from some 16.3% to 23.9% with some 5% loss in recovery. Some of 61% of sulphide was reported to sulphide concentrate. A second test was performed yielding a moderately better result with some 2.5% tin loss and 90% rejection of sulphur to the float concentrate. The tails, at 31% Sn, were then further upgraded by a superpanner gravity separation.

9.4.4.5 Final Concentrate Dressing

Sulphide flotation tails were further upgraded by a superpanner gravity separation. Results are presented in Table 9-31.

Product Superpanner	Wt (%)	Sn (%)	Dist (%)	Al ₂ O ₃ (%)	Dist (%)	Fe (%)	Dist (%)	SiO ₂ (%)	Dist (%)
Concentrate	43.72	62.6	88.6	3.27	7.76	5.61	22.8	3.13	9.76
Mids 1	13.85	14.7	6.59	20.20	15.2	18.00	23.2	14.80	14.6
Mids 2	20.65	5.12	3.42	31.10	34.9	15.40	29.5	21.50	31.7
Tail	21.77	2.03	1.43	35.70	42.2	12.10	24.5	28.30	43.9
Total	100.00	30.9	100.0	18.42	100.0	10.76	100.0	14.02	100.0

Table 9-31 Final Gravity Separation

Gravity dressing recovered 67% of superpanner feed tin to 63% Sn concentrate at 88.6% Sn recovery.

Table 9-32 details ICP analyses of the dressed tin concentrate produced.

ANALYTE	VALUE	Sn Conc	ANALYTE	VALUE	Sn Conc	ANALYTE	VALUE	Sn Conc
Ag	ppm	5.89	Hf	ppm	31.8	Sb	ppm	43
Al	%	0.38	In	ppm	6.47	Sc	ppm	6
As	ppm	2330	K	%	0.14	Se	ppm	9
Ba	ppm	90	La	ppm	242	Sr	ppm	34
Be	ppm	1.7	Li	ppm	6	Ta	ppm	0.13
Bi	ppm	651	Mg	%	0.01	Te	ppm	0.6
Ca	%	0.02	Mn	ppm	314	Th	ppm	234
Cd	ppm	0.9	Mo	ppm	8.31	Ti	%	0.103
Ce	ppm	580	Na	%	<0.01	Tl	ppm	1.39
Co	ppm	13.9	Nb	ppm	6.5	U	ppm	520
Cr	ppm	37	Ni	ppm	16.6	V	ppm	4
Cs	ppm	0.33	P	ppm	710	W	ppm	2140
Cu	ppm	1150	Pb	ppm	165	Y	ppm	67.6
Fe	%	4.92	Rb	ppm	26.5	Zn	ppm	59
Ga	ppm	8.41	Re	ppm	0.007	Zr	ppm	785
Ge	ppm	1.16	S	%	2.87			

Table 9-32 ICP Analysis of Final Gottesberg Tin Concentrate

9.4.5 Conclusions

Results of these assessments indicate:

- ✓ Head analysis of 0.46% Sn, 0.01% WO₃, 2.99% Fe, 78.1% SiO₂, 1.14% S, 0.02% Cu, 10.6% Al₂O₃, 0.14% CaO and 0.17% MgO.
- ✓ Mineralogical assessment indicates quartz, topaz and micas are the dominant non-sulphide gangue minerals with pyrite the dominant sulphide. Minor quantities of copper minerals, sphalerite and galena are also present. A trace level of stannite was also present.

- ✓ The ore is amenable to pre-concentration at coarse sizes by gravity methods. Heavy liquid separation of coarse ore fractions (<20mm) indicate a 33% mass rejection of silicates with a 10% loss of tin at a separation specific gravity of 2.70gm/cm³.
- ✓ A primary grind at 150 microns is required.
- ✓ Very little tin was recovered to gravity 150 microns, and a gravity stage above this size should not be incorporated into any process flow sheet.
- ✓ Gravity between 150 and 30 microns is very effective yielding an overall gravity tail of 48% of new feed mass assaying 0.03%Sn.
- ✓ It seems possible to make a coarse tail from gravity by regrinding a middlings rather than tail – this should be tested.
- ✓ Production of cassiterite/sulphide concentrates by gravity methods works well.
- ✓ Removal of sulphides by flotation from the gravity concentrates works very well.
- ✓ Further dressing by gravity gave concentrates up to 63% Sn with only a small loss.
- ✓ Centrifugal gravity separation is not required for the fine gravity tail as it could recycle to regrind and then back through the recovery circuits.
- ✓ The predicted overall gravity/dressing circuit recovery is 67% tin recovery to a 63% Sn grade.
- ✓ Fine tin has been recovered to a moderate grade rougher conc. (3%Sn) adding a further 18% tin recovery, this needs to be subjected to further upgrading tests to determine the grade which can be expected and the loss to achieve this. A larger sample is required for such work as there is insufficient rougher concentrate to carry out cleaning tests.

Confirmatory, optimisation and variability testing needs to be carried out in any future work program leading to a process flow sheet.

Further work is recommended:

- ✓ Repeat gravity locked cycle with above suggested modifications.
- ✓ Work on the tin float to improve concentrate grade.
- ✓ Assay Sn concentrate for trace elements to determine if any smelter penalty elements are contained.
- ✓ Carry out variability tests on drill core samples from across the ore body.

9.5 Auersberg Metallurgy

As Auersberg prospect is still at an early stage of exploration no metallurgical work has been undertaken.

10 WASTE MANAGEMENT

10.1 Tellerhäuser Waste

Waste rock material from the initial decline development will be stored in a small surface dump located close to the mine portal. Based on the calculated material balance, between life of mine material to be extracted and that of total void volume (existing and new) the surface dump would require a capacity of approximately 405,000 m³. All remaining material could potentially be kept underground.

It is planned that a significant quantity of the waste rock from mine development will be processed into potentially saleable material (construction aggregates or iron products) and transported directly to end users. Excess waste rocks will also be deposited in the underground voids. Mine haul trucks and loaders fitted with ejector systems would enable the direct deposition of excess waste material directly into the old voids.

With all processing being carried out underground, all tailings from the processing plant will be retained underground. The material will be pumped into the existing or new voids created from mining activities. Existing voids from historic mining will be utilised initially. Retaining dam walls will be built at the end of old development headings and the tailings pumped to these dams via a HDPE piping network. A drainage membrane is incorporated into the dam walls to facilitate the drainage and recovery of water from the tailings and to improve safety.

10.2 Gottesberg Waste

Based on the 2013 concept study undertaken by CSA Global, a tailings storage facility would be built on surface for the deposition of waste material. The waste material from decline development would be used to create the walls of the tailings facility and subsequent vertical lifts to increase storage capacity. As mining commences and more void space becomes available, disposal of waste rocks could be deposited into the underground workings.

10.3 Auersberg Waste

No plans are currently in place for waste storage at Auersberg. However, based on current understanding of the orebodies, given the potentially narrow vein structures waste material would be stored temporarily on surface. Given the close proximity to the two other project areas, the ore may be pre-concentrated into a higher-grade material and transported for treatment to the other project areas. This would negate the requirement for a full processing plant and also a tailings storage facility within the Auersberg project area.

11 WATER MANAGEMENT

11.1 Surface Water

Systematic mapping of river morphology has been carried out by the Saxon State Office for the Environment, Agriculture and Geology for the rivers Große Mittweida, Friedrichsbach, Pöhlwasser and Klingerbach. This

mapping showed that there are no river sections that have not been modified by humans. To record baseline data of the surface waters, several water bodies were sampled in August and September 2019, a resampling program was necessary and proceeded in November 2019. The study area includes two rivers, Kleine Mittweida and Pöhlwasser and two relevant small creeks: Luchsbach and even more important, the Kunnersbach, which flows next to the area planned for surface installations and the transport route (Figure 11-1)

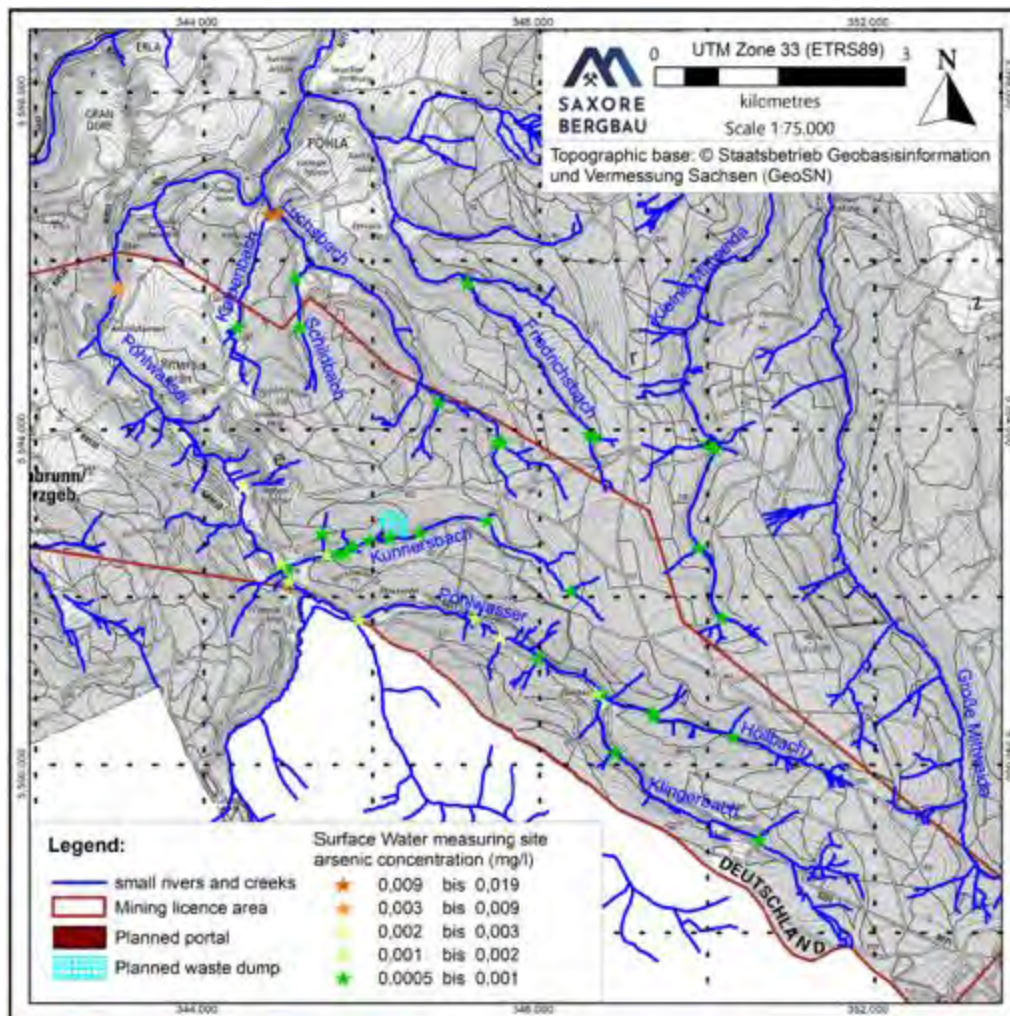


Figure 11-1 Rivers and Surface Water within Rittersgrün ML

The present surface water conditions shows that elevated uranium concentrations and accompanying trace elements e.g. arsenic have been detected exclusively near old mining shafts and along the Luchsbach valley, where the water treatment plan of Wismut GmbH is located. Elevated manganese, iron and aluminium concentrations were determined in the east of the study area. They are due to the natural sedimentation of iron ochre.

Regarding the measuring of discharge rates, it could be derived that the majority is coming from epidermal runoff from the weathered zone and alluvial aquifers.

11.2 Tellerhäuser Underground

It is estimated that about one million cubic metres of water is present within the existing mine voids, (including the old uranium mining stopes), below the Pöhla Adit level and this will require progressive de-watering in order to access the lowest levels of the old mine. Mine water overflow is currently being collected and treated before release into the local drainage system. This water treatment plant is operated by Wismut GmbH. Currently, the plant is removing arsenic, iron and radium (4.09Bq/l). Further treatment of uranium and manganese is currently unnecessary due to a significant decrease in the concentration of these elements in the mine water overflow.

A numerical groundwater modelling was undertaken, including hydraulic relevant faults and fractures as well as the existing and planned underground mining drives, shafts and tunnels, as described in Section 5.2. The aim was to estimate the impact of mining on surface and groundwater and to predict the future post-mining conditions.

The modelling presented in Appendix 10C confirms the epidermal runoff of the discharge water and further shows that the existing mine workings have no significant impact on the groundwater flow. The shallow water table is not hydraulically connected to the underlying fractured aquifer of the basement rock.

Evidence for there not being a link between the aquifer and shallow groundwater is that for over 40 years the Pöhla mine adit has been acting as a discharge tunnel, and the fractures that are situated in the direct vicinity of the mine adit are dewatered, yet the cone of depression is relatively small and does not affect the basement as such nor the shallow aquifer.

Since the planned mine workings are situated in the area where the fractures are already dewatered, no additional drawdown effect within the basement or the fractured aquifer is expected, as well as no influence on the groundwater levels in the shallow aquifers.

12 PROJECT INFRASTRUCTURE

12.1 Site Access

All 3 project sites are easily accessible via road, rail and air transport and are located on the Eastern side of Saxony near the border with the Czech Republic. International airports are located at Leipzig, Dresden and Prague. Intercity rail lines pass through the city of Freiberg, where the central Saxore office is located.

Figure 12-1.

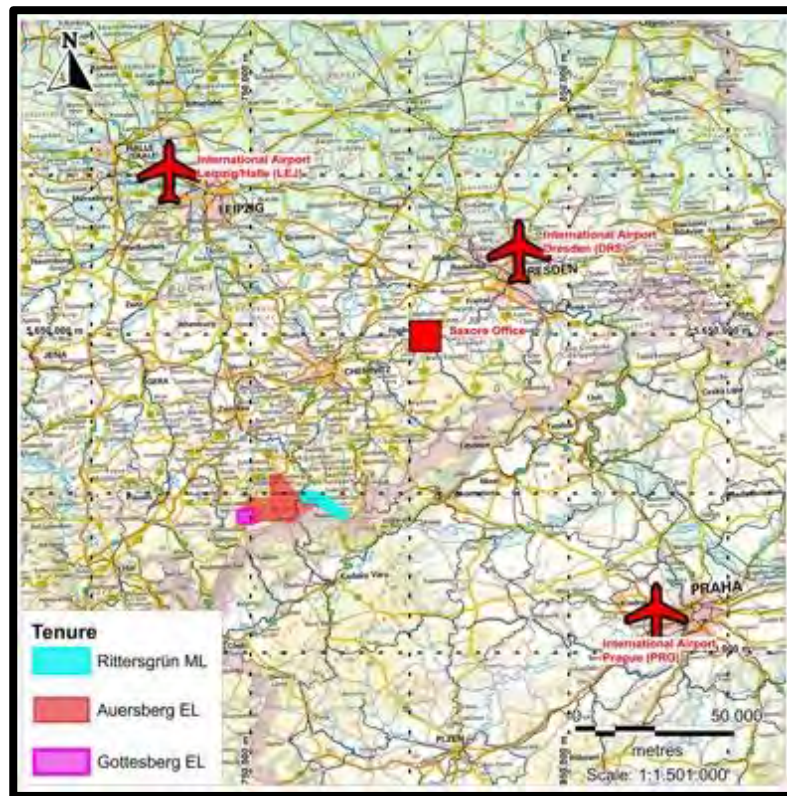


Figure 12-1 International Airports

Access to the project areas are also well serviced with all-weather road and rail lines. Figure 12-2.

The road network in the project areas provide ease of access for staff, equipment and consumables for mine operations. No major costs are currently required for road construction or maintenance, other than short access routes from the main roads to mine operations.

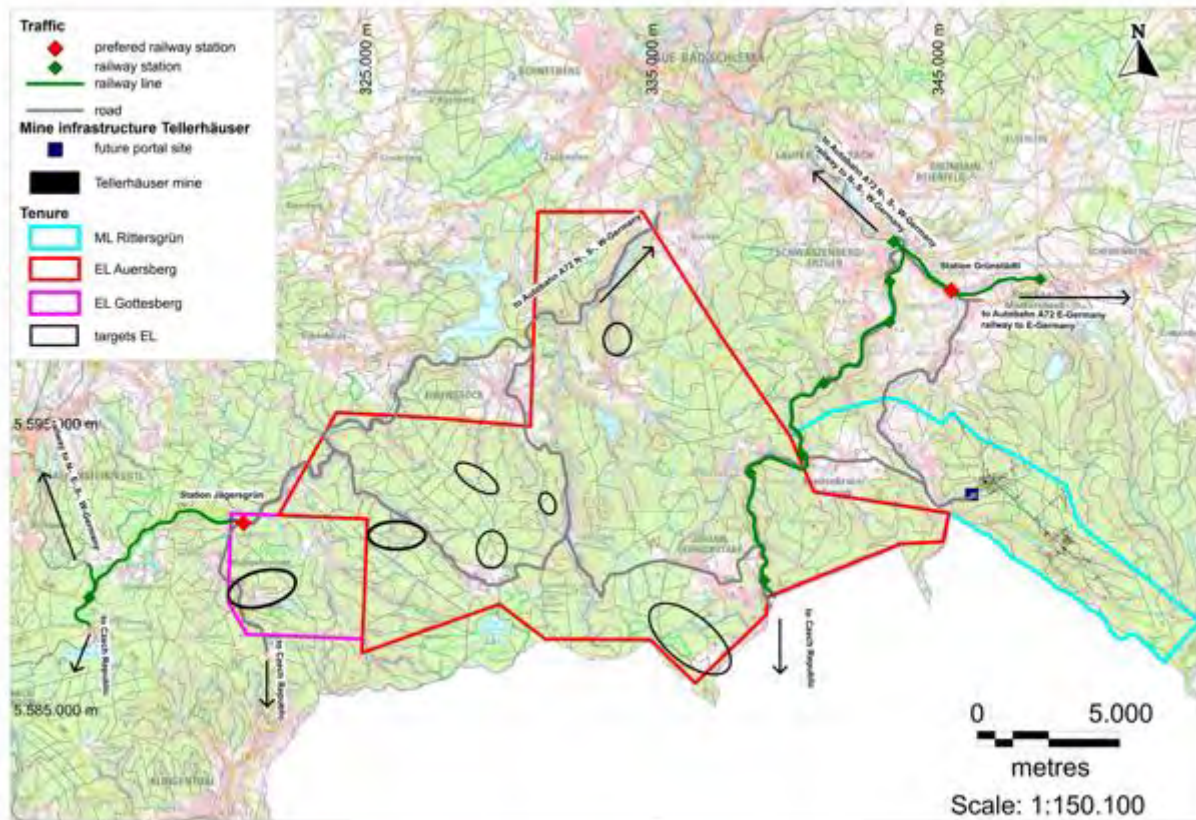


Figure 12-2 Road and Rail Access

A suitable railyard for transportation of goods and products to and from the Tellerhäuser mine site is located approximately 11.5km distance (Figure 12-3). The railyard would be suitable for the import and dispatch of equipment and consumables in bulk and also for the dispatch of products to ports or end-users within Germany. Having a rail facility close to operations significantly lowers transports costs for the projects.

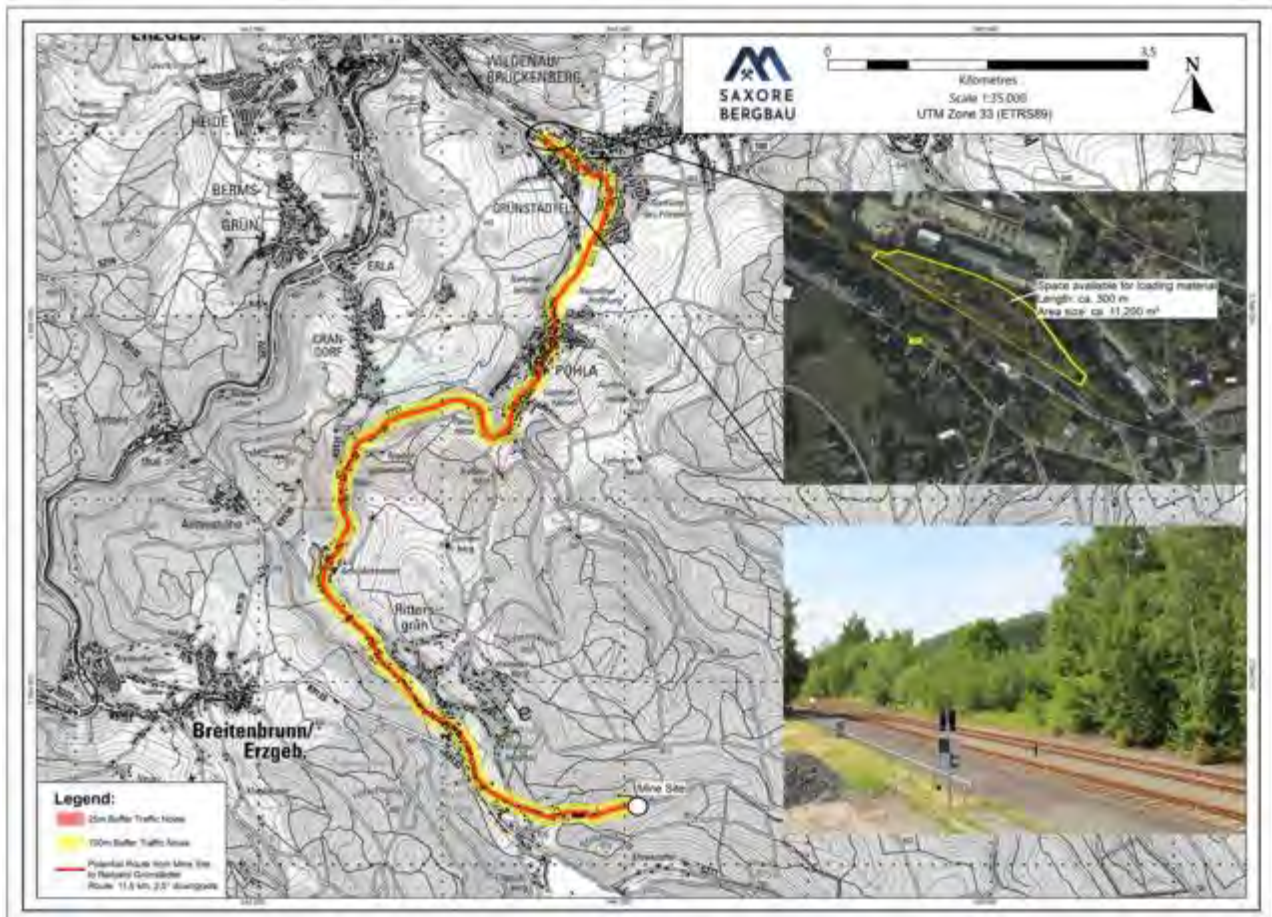


Figure 12-3 Grünstädtel Railyard

12.2 Power Supply

The projects are located close to the regional power distribution network in Saxony. Figure 12-4. Connections to the project sites will be made via existing local powerline and buried cabling where appropriate. Saxony has well established renewable power generation which is predominately hydropower plants, although solar systems are also in close proximity.

The Tellerhäuser project in the Rittersgrün license area, has planning for an underground power cable connecting the main Rittersgrün 11kV switchyard to a substation at the plant site underground. The main feeder line into the mine will be a high voltage cable, with step down transformers located underground to power operations.

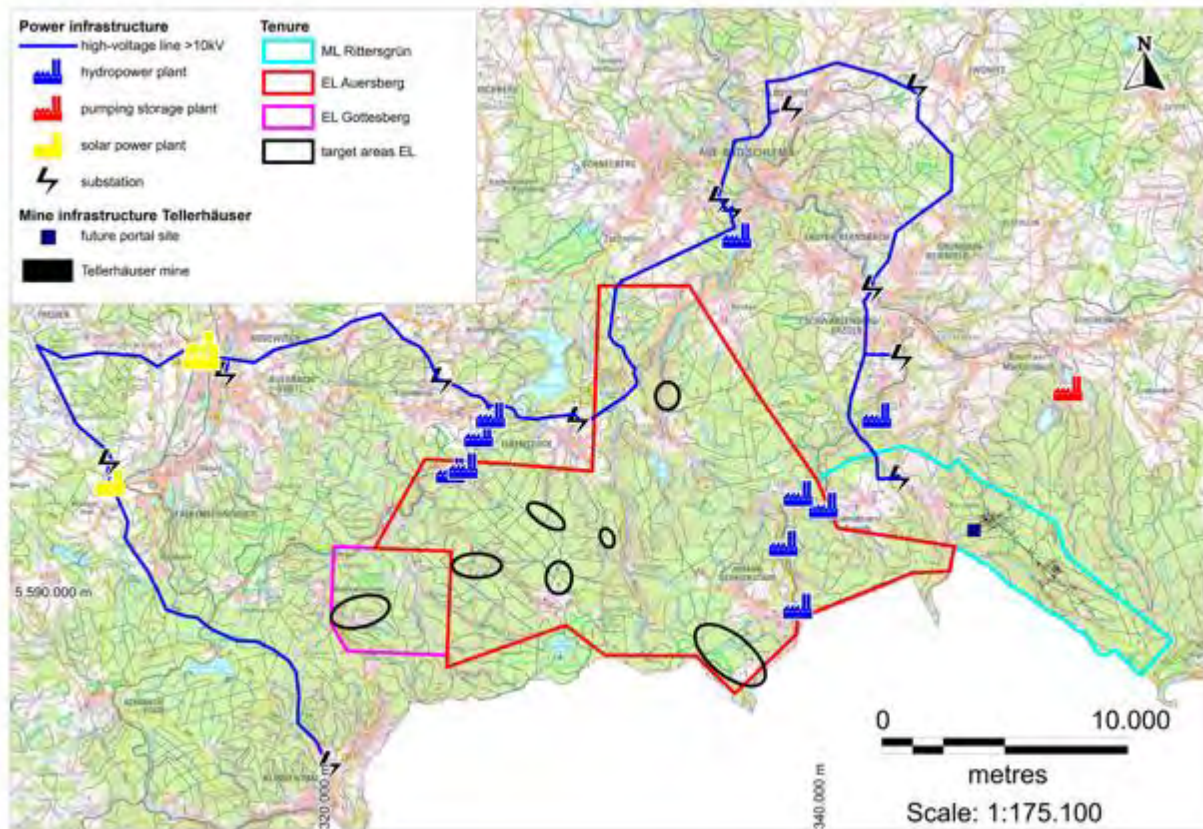


Figure 12-4 Regional Power Network

12.3 Site Services

Due to the proximity of local communities, no permanent accommodation facilities will be required during operations. A small temporary camp to house personnel, would be required during the construction phases for decline development and process plant installation. The camp would be of modular design for ease of installation and use. Local catering firms would be contracted to supply meals and camp cleaning and maintenance.

Surface infrastructure would be minimal and would consist of the waste rock dump that is required for the disposal of rock generated from the excavation of the decline. A small laydown area would be required for consumable deliveries, which would then be transferred to underground storage facilities.

Initially a small surface workshop would be installed near the Tellerhäuser portal while decline development is being undertaken. Longer term, a mobile fleet workshop will be constructed underground, utilising the existing voids that were created during earlier mining activities. Some of the development workings will be expanded to accommodate the larger trackless equipment to be used. Due to the highly competent nature of the rock, openings can be increased substantially for installation of overhead gantry cranes at minimal cost. The

installation of underground facilities negates the requirement for large insulated buildings and high cost of heating that would be otherwise be required if located on surface.

Permanent site offices, messing and ablutions facilities will also be installed in appropriate locations underground. The installation of a fibre network, full video and 5G communications systems is becoming common practice at mining operations globally. Underground facilities require no heating, and places professional and production personnel in closer proximity to mining activities.

The administration offices would be kept in Freiberg. Accounting, HR, Environmental and long-term planning sections for mining and geology would also be kept. Communications (video and audio) using a direct link fibre cable allow for full monitoring of all infrastructure, equipment and personnel. When operations reach steady state, fully autonomous machinery for mining and processing could be monitored and managed via a central control room in Freiberg. Central control rooms are now being designed into mining operations to minimise on site personnel and allow for greater efficiencies.

13 ENVIRONMENTAL AND SOCIAL MANAGEMENT AND PERMITTING

13.1 Tellerhäuser

13.1.1 Introduction

This CPR Environmental and Social review has not identified any permitting, environmental or social fatal flaws or red flags from the desk-top review of environmental and social data in the provided reports. However, understanding that this Project is still in the early stages of development, there are areas where more work is required to bring the Project up to international guidelines and best practice compliance. There are also issues identified that could impact Project schedules and budget.

The E&S review is largely based on the RPA study of the Tellerhäuser Polymetallic Project of April 2020 and associated appendices. No ESIA baseline study documents, nor any E&S management strategy-, policy- or plans documentation have been seen.

E&S appendices reviewed include:

- ✓ Appendix 10A. Summarized Regulations.
- ✓ Appendix 10B. Mapping of Biotopes, Amphibians, Reptiles, Birds and assessment of potential for further protected species February -July 2019.
- ✓ Appendix 10C. Hydrological Expertise for the Planned Underground Mine Tellerhäuser.
- ✓ Appendix 10D. Dewatering Assessment of the abandoned Pöhla Underground Mine.
- ✓ Appendix 10E. Forecasting vibrations caused by blasting in mine development and underground drill-and-blast heading at the Tellerhäuser Project by Saxore Bergbau GmbH.

- ✓ Appendix 10F. Waste Classification for usage as a concrete additive
- ✓ Appendix 11A. Radiological Aspects of the Tellerhäuser Project.

13.1.2 Legislation and Permitting

The Federal Mining Act is the governing legislation in Germany for the minerals and mining sector. The State Mining Authority for Saxony is the executive authority that administers the federal mining law and reports to the Saxon State Ministry of Economics, Labour and Transport.

A multi-step permitting procedure is required for a mining project, starting with an exploration licence, secured with a description of the licence area and work planned and usually limited to 5 years, extendable for an additional 3 years. The mining licence application requires a report that gives economic, scientific and legal justification for the Project. This report must include the planned mine description; financing for the project; and environmental and social context-, potential impacts and measures for environmental protection. The application process generally takes several months and the ML is usually valid for 50 years with extensions if needed to exploit the ore body. Once the mining licence is granted, other permitting procedures can be instigated, for land planning permissions; approval of a life of mine plan (LoMP) and a work plan; and for the water discharge permission. Mining cannot start until these permits are obtained.

The work completed under the extended exploration licence for the Tellerhäuser Project was sufficient to submit a final report with the results of research, an updated Mineral Resource Estimate, geological model and mineral processing test work summary, together with a pre-feasibility study, and production of a tin bar from a pilot plant operation. The Project was subsequently granted a mining lease by the Mines Authority in August 2020 and valid until 2070.

After the approval of the mining licence a scoping meeting was requested with the one-stop-shop mining authority who liaise with all Project stakeholders, and the regional directorate responsible for the regional planning procedure. Following the regional planning procedure, a LoMP must be developed. This could be an obligatory LoMP which is mandatory if the surficial impact is larger than 10 ha or if the project has significant impacts on groundwater or biodiversity; or a facultative LoMP which can be processed within a shorter time frame. If two or more projects are connected in any way, the more complicated mining approval procedure is automatically mandatory for both projects. As there is another mining project with a larger surface footprint, being progressed close to the Tellerhäuser ML, with potential for a connection through the aquifer, Saxore decided to submit an obligatory LoMP and to undertake an ESIA including a Natura2000 assessment, to strengthen the legal certainty of Project approval.

The LoMP approval procedures includes water-, nature- and local planning- authorities, NGOs, and public consultation, where stakeholders including local communities can express concerns and reasons to object to- or

modify the Project. The LoMP may need to be modified or specific obligations included in the notification of approval. The whole process takes approximately 3 years.

It is planned to develop and submit the LoMP in 2022, after confirmation of the Project description; and a 2-year operating plan covering water treatment, waste management and decline development, once the LoMP is approved. There is the possibility to process the plan for Decline development separately, but this has yet to be decided. No ESIA or any other reports required for LoMP submission have been seen.

The following additional approvals will need to be obtained:

- ✓ Groundwater law permit for dewatering, draining and discharge of rainwater into the aquifer.
- ✓ Compatibility of the project with the requirements of the Water Framework Directive.
- ✓ Exemption from the prohibitions of the protected area regulation.
- ✓ Exemption according to Location Safeguards Law.
- ✓ Notification of drilling work and geophysical measurements according to the Deposit Act.
- ✓ Application for forest conversion (permanent and temporary) Saxony Forrester Law.
- ✓ Application for use of forest roads.
- ✓ Monument protection permit (if work is needed that affects monuments of cultural, historical and tourist importance).
- ✓ Exceptional species protection permit according to Federal Act for the Protection of Nature, preparation of a species protection contribution and a landscape conservation plan.
- ✓ Building applications for daytime facilities according to the Saxon building regulations

This is not an exhaustive list, but a binding list of project-specific required permits was to be compiled in conjunction with the mining authority and the other responsible authorities during the Scoping Meeting. It is not clear if this has already occurred.

13.1.3 Project Context

The Tellerhäuser Project is a tin-zinc-indium-magnetite deposit located in the Erzgebirge district of Saxony, eastern Germany, adjacent to the Czech Republic border, approximately 230 km SSW of Berlin and 115 km NW of Prague. The area has a long mining history dating back to the 12 century and although there has been no large-scale mining for 30 years, there is still a strong mining tradition in the local community.

The Project area is part of the Central German Uplands in a wooded mountain ridge that trends SW to NE following the Czech border. The climate is temperate, with mild summers and cool winters dominated by westerlies, but as the Erzgebirge district is exposed and elevated, it has a higher rainfall and colder temperatures than elsewhere in Germany and is often snow-covered from November to March.

The Tellerhäuser mineralisation is in the northern part of the Bohemian Massif, hosted in Cambrian to Ordovician metasediments of dominant schist with calc-silicate and skarn horizons. Later felsic intrusions, classed as 'tin

granites', are thought to be the main source of the mineralising fluids that deposited the tin and associated mineralisation in the Erzgebirge district. Soils and land-use are well mapped and reflect the topography and underlying geology. The Project area is drained by two rivers, Kleine Mittweida and Pöhlwasser, with two small tributary creeks, Luchsbach and the Kunnersbach, adjacent to the proposed Project surface facilities. Surface drainage generally flows northwest off the flanks of the ridge. The shallow water table is rain fed and not hydraulically connected to the underlying fractured aquifer of the basement rocks. The biodiversity is influenced by the wooded hills with dominant mountain spruce forests, mixed with European Beech. Different habitats including forest, marshlands and seepage spring wetlands. These host significant diversity of bird species, mammals typical of European forested mountains and bat colonies, but reptiles and amphibians are less represented due to the climate and elevation.

The population of the Erzgebirge district is just over 330,000, mostly in the larger towns in the lower farmlands to the north. The Project neighbour communities are the village of Breitenbrunn at the far west of the ML and the scattered Rittersgrün settlement along the Project valley. The local towns of Breitenbrunn and Schwarzenberg have a reasonable level of administrative and operational services. A proportion of the workforce is expected to be recruited from these two towns.

The polymetallic tin mineralisation was discovered and explored from 1960s during uranium exploration. Less than 2% of the tin mineralisation is affected by the underlying U mineralisation and outside of these zones, the levels of uranium and other radioactive material is equivalent to global background. The exploration adit from this period extends for 7.8 km, currently closed with a concrete plug after the first 3 km. Accumulated infiltration water behind the plug is discharged to the local river systems via an open channel in the adit floor. The open first 3 km of the adit plus other areas are currently used and maintained as a tourist mine including historical rail access, by a local association mostly made up of ex-mine workers. The deeper levels of the mine, including all the old uranium workings, are currently flooded. Seepage water from these deeper levels is treated in an on-site water treatment plant before release to the local river.

There is a current mining lease for uranium and radioactive minerals held by Wismut GmbH that covers all the underground voids and infrastructure, part of which is leased to the tourist mine association. The sole Wismut GmbH mandate is on-going reclamation and rehabilitation of historical uranium mining sites. Separate ownership of different commodities is allowed under the German mining act and positive discussions with Wismut GmbH are reported on jointly working in the area, suggesting they are willing to work with Saxore to open new mining areas.

The proposed Saxore mining plan is for underground extraction with backfill; and ore processing through flotation, magnetic and gravity concentration at a plant to be constructed underground; with minimal surface infrastructure.

As the existing adit is a potential bottleneck, development of a new decline from the surface in the adjacent valley is planned, which reduces the haul distance; allows the existing adit to be used as an airway and emergency exit; and means the tourist mine can remain open and possibly continue operating during mining. Mining will use room and pillar and/or drift and fill techniques with some conventional long-hole stoping in areas with thick mineralisation, planned with 20m wide panels mined in a herringbone sequence and backfilled. Access to stopes will be through drives mined in ore as far as possible. Variation in grades of the different metals will require blending and at least three full working areas, each with multiple faces. Blasted material will be loaded into trucks, with ore going to an underground crusher located adjacent to the processing plant; and waste rehandled into mined-out voids.

Ground conditions are expected to be good, requiring minimal support. Initial drifts will be filled with cemented backfill prior to the mining of the second cut, which will be backfilled with unconsolidated fill and waste rock. Once mining production is established, dewatering of the flooded portion of the mine will commence and remain ahead of the mining front, with water being treated prior to discharge to the river. Deeper levels of dewatering will encounter uranium contamination and will need a second stage of water treatment. Once dewatered, groundwater inflow quantities are expected to be low and largely from percolation of rainfall from surface. Backfilling of all the available void space, both existing- and from the Project mining operation, with waste rock and tailings, has the benefits of allowing 100% ore extraction with no structural support pillars required; eliminating the need for a tailings storage facility (TSF) at surface; significantly reducing the surface waste rock dump; and removing old, flooded voids and thus the requirement for ongoing treatment of stope water. Based on detailed mineral processing test work, a flow sheet and associated processing facility was designed, with the requirement that it be contained underground. It is yet to be determined whether the plant will be constructed in existing voids or in a purpose-excavated space, but will be composed of primary crushing; secondary crushing and ore sorting; grinding and low-intensity magnetic separation; bulk sulphide flotation; a three-stage cyclone classification circuit; fine- and selective- sulphide flotations; sulphide thickening and filtration; cassiterite flotation; gravity concentrators and a cassiterite gravity circuit; and separate sand and slimes tailings thickeners.

The benefits of having the process plant underground include a much-reduced mine footprint and other environmental and social impacts at surface from dust and noise; the constant 12°C temperature all year round; reduced haul time/distance; keeping all tailings and most waste rock underground; and improved likelihood of successful and timely permit approval.

The explosives magazines and a water header tank will also be developed underground. Ventilation required to address diesel fumes, radon gas and blasting fumes will use various intake and return airways and force ventilation of mine headings. Old uranium mining areas will only be used to place backfill if required, and anyone working in these areas will be badged and monitored as required. An anticipated shortfall in the plant water balance will be topped-up from the mine dewatering.

A small surface waste dump is planned immediately adjacent to the mine portal for initial decline development waste and any overflow waste that cannot be disposed of underground. Other limited facilities at surface will include offices, changing rooms, a laboratory, workshops, stores, the mine and mill control room and a first-aid/emergency room. A small transit area will be needed for reloading incoming items for transport underground, composed of a fenced and gated hard stand area and a light vehicle and truck wash-down bay. It is proposed to purchase or lease land close to the portal for these surface facilities. The access road will follow the route of an existing forest track and public road.

Grid power will come from the local Rittersgrün sub-station via a two buried cable ring main system to connect to the mine switchyard and transformer station. A mobile water treatment plant will be used for early work, but an underground mine treatment plant will be established as the decline is development, with a 2 staged expansion planned to treat increasing levels of Mn, U, sulphate and hydrogen carbonate as dewatering reduces water levels. All water streams, including from process-, mining and backfill operations, waste dump run-off and seepage, wash-down bay waste water and from dewatering, will be treated in the plant. Treated water will be discharged into the local river. Sewage from the site office complex will be treated in a biological sewage treatment plant, with treated water added to the public combined sewer conforming to German standards. Products of magnetite; and tin and zinc concentrates from the process plant will be stored in raises beneath the plant and loaded into top-loading, modified 20ft shipping containers, on the back of standard highway trucks. The haul trucks will either deliver the concentrate directly to the client by road, or take the product to the rail yard for rail haulage, in which case the trucks will then pick up empty containers for return to site, estimated at a total five trucks per hour for product haulage in both directions. Truck haulage will take place 8 hours per day, weekdays only, 50 weeks per year.

The current schedule allows for production of 500,000 tonnes per annum (tpa) over nine years, with a two-year ramp-up and partial final year, but available Indicated Mineral Resources would support a 300,000 tpa operation for six years over a total mine life of eight years.

13.1.4 Environmental and Social Management System

At the time of writing this report, Bara Consulting had not been provided the First Tin corporate policies in relation to their Health, Safety, Environment and Community (HSEC) management system in accordance with international good practice. The policies were subsequently provided to Bara Consulting although were not reviewed.

Such a system should be underpinned by policies including a Code of Conduct, HSEC policy, recruitment policy and human rights policy. These policies can then be transposed to a formal site management system with Environmental and Social Plans developed as part of the ESIA. Further policies should include Anti-bribery and corruption; Remuneration; Whistleblowing; and a Corporate Governance Statement.

Although the RPA study has a section on manning levels and costs, no specific HSEC staffing is given or an organogram for the Project that shows personnel and management allocated to Health, Safety and Environment. Roles and responsibilities for environmental management will need to be defined in the ESIA and ESMP. While the economic model does show an allocation of funds towards land acquisition, permitting and pre-production community relations, and it is assumed that provisions for technical studies includes for development of the ESIA and ESMP.

13.1.5 Environmental and Social Impact Assessment

The obligatory LoMP requires an environmental and social impact assessment (ESIA) as mandatory for projects with significant impacts. Undertaking an ESIA, even if not required by law, can improve the acceptance- and likelihood of approval of the Project. German legislation describes the required content of the ESIA report and includes details of investigations and evaluations to determine the energy demand; type and amount of raw materials and resources used; and expected residues, emissions and waste.

The ESIA report must contain alternatives analysis with justifications of selected options; a description of the baseline environmental and social conditions - and expected development without the project; potential impacts from the Project; and mitigations and management plans to address these impacts.

The Project has contracted BEAK Consultants GmbH to undertake many of the required baseline studies, some of which are on-going, but Project impact assessment was not completed for inclusion in the RPA report.

13.1.5.1 Baseline studies

The baseline studies include dust and air quality evaluations, noise and vibration studies, visual, acid mine drainage studies, soil surveys, hydrological surveys, flora and fauna surveys, cultural and socio-economic studies, hydrocarbon and hazardous waste studies and radiation studies. Some work has already been completed while other studies will be undertaken as the Project progresses.

Air Quality – Baseline dust measurements and air quality monitoring have not yet been undertaken but are to be carried out during the next stage of the study. The scoping study considered air quality in the choice of fuels - use of petrol in underground mines is prohibited due to volatile organic compounds, so diesel may be used; and explosives - based on low NO_x, noise and vibrations as well as blasting considerations; and adapted ventilation plans to comply with legal requirements. The Project should consider maximising the use of electric vehicles wherever possible.

Radiation - As a former uranium mine, there is expected radon and radiation risk and description of the expected impacts and protective measures to ensure air quality are required. Elevated radon concentration expected in the mine, especially in lower levels of the mine, may exceed the reference level of an annual average

concentration of 300 Bq/m³, exposing some workers to occupational risk. Under the Radiation Protection Law, all underground mines are subject to specific radon monitoring and mitigation, if necessary.

Radon sources were calculated by estimating the surface area of exposed mineralisation in stopes and drives and determined exhalation rates of maximum 1 mBq/m²/s on ore and waste rock samples from the Saxore Project; and rock samples provided by Wismut GmbH from the U mine archive. This is considered 'background' level.

Monitoring of radon has been undertaken by Wismut GmbH since 1984 in the area near to the main adit of the Pöhla mine; and potential impact of radon discharges from proposed alternative ventilation exhaust shaft locations on communities around the mine has been modelled, using an atmospheric dispersion model. For most of the exhaust shaft location options, radon concentration in ambient air, in addition to the existing background, for the nearest residential area is negligible at around 1 Bq/m³. One exhaust shaft position showed additional radon concentration would have been almost 30 Bq/m³, which although still within the natural range of radon background concentrations, excluded this option from further considerations, based on precautionary principle.

Noise and vibration - Measurements will be carried out during the next stage of the study to determine if noise from Project activities will impact residents near to the mine site. Prediction of potential explosive vibration from mine development and underground detonation has been undertaken and determined that permissible reference values were not exceeded for surrounding buildings and no unreasonable nuisance is caused. Significant disturbance to wildlife due to noise and vibration is not expected but noise modelling is to be undertaken.

Visual - There will be only a small surface expression for the Project but changes to the landscape and visual impact will have to be quantified, especially from the waste rock dump and the fenced office and workshop facilities.

Soils – Existing national mapping shows soil types in the area are predominantly podsol brown earth from periglacial clay and podsol from periglacial debris, with lesser pseudo-gley soils and alluvial meadow and gley soils in valleys. Soils in the footprint of the waste dump and surface facilities will have to be characterised; together with soil fertility- and forest soil condition surveys.

Geochemistry - The development of acid rock drainage (ARD) is not expected at the Project, as mine water is slightly alkaline and there are considerable carbonates in the rock sequence to neutralise any acid produced by oxidation of sulphides. Geochemical characterisation and test work on waste rock have yet to be undertaken, but it is assumed that most potentially acid-forming material with high sulphide content will be processed as ore. Early waste rock deposited at the surface WRD, backfilled waste rock and process tailings will all undergo ARD testing and metal leaching kinetics as part of the ESIA and LoMP preparations. It should be noted that this geochemical testing can be time-consuming.

Waste rock samples are being analysed for hazardous chemical components such as arsenic (As) to determine potential use as an aggregate and waste classification for use as a concrete additive has already been carried out by UIT Dresden. Some elevated arsenic was detected and further testing is planned to separate these arsenic-rich fractions, but if not viable, the waste rock will be backfilled.

Hydrology - Hydrological and hydrogeological investigations were carried out by Beak Consultants GmbH in 2019, with detailed surface- and groundwater studies and on-site investigations to provide baseline data, identify potential impacts and develop a monitoring plan. There are 2 drinking water protection areas and 2 groundwater protection areas located within and at the edge of the ML. Systematic mapping of the local river morphology showed that all river sections have been modified by human activity. The two rivers and two small creeks in the Project area were sampled in August and September 2019, with necessary resampling in November 2019. Analysis shows that elevated uranium levels and some trace elements including As were detected near old mining shafts and in the valley where the Wismut GmbH water treatment plan is located. Elevated Mn, Fe and Al levels were found in the east of the ML area, attributed to natural occurring iron ochre. No results are given for groundwater quality.

Numerical groundwater modelling was undertaken, based on hydraulic faults and fractures as well as existing- and planned underground mine excavations, to estimate the impact of mining and to predict post-mine closure conditions. This confirmed epidermal runoff of discharge water; showed existing mine workings have no significant impact on the groundwater flow; that the shallow water table is not hydraulically connected to the underlying aquifer; and that, as planned mine workings are in areas already dewatered, no additional drawdown impacts are expected on either the fractured basement aquifer or the shallow aquifers.

Biodiversity - A report on nature conservation issues by BEAK Consultants GmbH apparently gives findings of a flora and fauna mapping campaign undertaken from February to July 2019, to identify protected species at the mine site and the neighbouring Natura 2000 sites. This has not been seen. Mapping identified 28 different biotope types, most near the planned surface facilities, with some around planned ventilation shafts. The dominant type was mountain spruce forests, partly mixed with European Beech and 6 protected biotopes include forest, marshlands and a seepage spring. No substantial impacts were identified for relevant species at the two Natura-2000-sites, from construction or operation of the mine. Bird mapping recorded species in the study sites with an estimation of breeding and/or foraging territories. Compensation measures and a special technical document on the Northern Goshawk will be required for LoMP application submission. Reptiles and amphibians were not abundant at the site, and there are no German species protection law issues. A bat survey was intended for spring 2020 but no substantial effects on their status are anticipated. There is no mention of mammals in the survey, but there are many vulnerable species in central Europe, especially in forested mountainous areas.

Social – The RPA study gave little social data so it is not known how much demographic or socioeconomic study has been conducted. The region has a high industrial density, with approximately 10% inhabitants employed in

toolmaking, metal construction and mechanical engineering. The mine will need about 170 employees, but the employment multiplier factor for mining is about 2.94. Unions in Germany generally have a co-operative relationship with management that focuses on secure employment, remuneration/working hours and continuing viability of the operation, and therefore does not carry the same disruptive risks as might be the case in other countries. Given the importance of hiking, skiing and scenery in the area, there may be potential Project impact on tourism.

Cultural heritage - There are five monuments of cultural, historical and/or tourist importance in the region around the planned mine. Of these, the only potential conflict exists with the Zinnkammern Pöhla e.V. visitor mine, located at the planned mine. A concept for future integration of this visitor mine into the proposed mining operation is to be developed. Archaeological surveys must be requested during further planning and a Chance Find procedure established before any site activity.

13.1.5.2 Impact Assessment

While there are some indications of potential environmental impacts from the proposed mine described in the RPA study, full impact identification and quantitative assessment is still to be undertaken. Initial biodiversity and water studies indicate that no protected species will be harmed by the project and that water flow will not be negatively impacted. However, because of the proximity of several protected areas, a 1st stage 'screening' assessment is required for the Special Area of Conservation (SAC) and the Special Protection Area (SPA). The proposed mining portal is 1 km from the closest border of the two sites and parts of the underground mine will extend below the protected areas. Provisional groundwater studies and surface water monitoring show that there is no connection between the conservation areas and the mining operation. Preliminary results show that there are no significant effects on the Natura 2000 sites due to distance and possible pathways of impacts and the respective sensitivity of the species and habitats. No loss of habitat area, fragmentation, disturbance or changes to water quality/quantity are expected.

13.1.5.3 Alternatives analysis

The mining method was selected after consideration of various options and the ability to fully dispose of all generated mining and processing waste underground. While backfilling increases the cost and complexity of mining due to the limited tailings storage space, together with the E&S and permitting advantages of minimising the Project surface expression, the proposed mine plan was selected. Location of ventilation shafts and the various surface facilities also considered E&S impacts.

13.1.6 ESMP and plans

Saxore has apparently developed various approaches and management plans that account for current laws, legal ordinance, directives, decisions and norms, though none of these have been seen during the review. The RPA study report states that a water management plan will be developed as part of later development of the Project and detailed monitoring programmes for groundwater and surface water, avifauna and herpetofauna,

existing biotope types and air quality will be prepared taking comments by the competent authority into consideration. Programs will be progressively updated with project development. A waste handling plan is required under legal obligations. Preparation of a ventilation and radon management plan including radiation monitoring and integration of radiological aspects into the waste management plan, especially regarding water treatment, are required for submission to the Mines Authority for approval before any mining activity commences.

A social management plan will be developed, including stakeholder engagement using various formats to ensure open and transparent communication and negotiation with local government, businesses and residents. This will include public information events, community meetings, local council meetings; field visits with responsible authorities; development of a Project website; as well as presence on social media platforms such as Facebook; Local print media and press releases; a temporary staffed office in Rittersgrün; and information sessions with poster presentations to describe details of the project. The information strategy developed by Saxore and the participation in social projects is to convey transparency and create trust among residents, politicians and authorities. A community and stakeholder public relations work programme for the construction, operational and closure phases will be established.

Community Development could include infrastructure improvements in the immediate area. Initial discussions with the Breitenbrunn community have been held regarding the construction of a separate pavement and cycle path, refurbishment of a small bridge, and the integration of access to the local swimming pool to solve anticipated traffic problems arising from overlap of access to the public pool and the mine. There is also an intention to contribute to the preservation of the public pool in Rittersgrün. Breitenbrunn also has insufficient day-care facilities for children and Saxore is planning to set up a Project kindergarten that will be open to residents.

No Grievance Mechanism was seen or mentioned in the study, but should be developed, in partnership with community stakeholders and used to submit complaints, concerns, and requests.

13.1.7 Environmental and Social Issues

WRD – In the absence of level ground, the necessary surface waste rock dump will be on gently sloping land immediately north-east of the new decline portal. It will cover an area of 79,000m² and have a volume of 405,000m³ with the natural slope limiting storage area of waste per hectare. A final slope angle of 18° based on 5m wide berms and 10m lifts will help drainage and reduce erosion. An upslope perimeter drainage system will divert surface runoff around the dump, while dump runoff and seepage will be directed to the water treatment plant. A starter bund will be constructed on the southern edge and the dump expanded upslope. Topsoil will be cleared and stockpiled for progressive dump rehabilitation. The waste material to be placed at surface needs to be characterised for ARD/ML potential to inform management plans.

Geochemistry – While the historic record and current site conditions suggest that acid drainage is unlikely, the lack of geochemical study and test work evidence make it difficult to categorically assume no impact from newly exposed sulphide rich mineralisation in underground development; in waste rock, either delivered to surface or backfilled; or in backfill process tailings. The occurrence of arsenic and other potential contaminants in various water monitoring samples suggest that some metal leaching does occur, and this risk needs to be quantified and understood to ensure appropriate mitigations are in place.

Waste management – It is stated that hazardous consumables and waste materials generated at the site, including hydrocarbon waste-oil and lubricants, empty drums, oily rags, oil filters and hydraulic hoses, will be safely stored, handled or recycled according to legal rules, most probably by storage underground. This is a potentially risky solution that could impact groundwater and needs to be fully investigated. Disposal should be the last resort in the waste management hierarchy anyway, but especially in an underground context.

Legacy issues – Pre-existing impacts from historic mining and more specifically, the previous uranium operation need to be fully investigated and described in the ESIA to ensure there is no Project liability for legacy issues. The Saxore approach is to avoid removal of any uranium out of the deposit and to proactively fill existing open voids that could potentially expose uranium. The Saxon register of contaminated sites has data on areas already identified and designated as contaminated and in spring 2019 investigated possible contaminated areas due to the former uranium operations. This found that contaminated areas are mainly outside the former SDAG Wismut operating areas.

Biodiversity - Environmental impacts from development of the Project are likely to effect the open landscape and wooded parts of the Kunnersbach valley as well as possible effects on the water flow and quality. These could further impact habitat and aquatic ecology. It is suggested in the RPA study that bats inhabiting existing mine workings will have to be relocated. Relocation of bat colonies elsewhere has had variable success and this may be more costly and time-consuming than anticipated. The fact that there are so many protected areas in and around the Project site suggests that there could be significant objection to the development of a mine in proximity, especially from environmental NGOs.

Safety - There is currently no central rescue station or rescue team near the planned mine. Development of a Project H&S system and operational department; an Emergency Preparedness and Response Plan; and close collaboration with local police-, fire- and medical services will need to be established and in-place by the time decision to proceed is made. These need to include radiation protection and safety and are required for legal compliance as well as a safe working environment.

Social licence to operate - Obtaining and retaining the 'Social licence to operate' is likely to be the biggest risk to development of the Project. While the history of mining in the area makes the industry more acceptable locally than in the general population, it also brings negative press and can become the focus of 'green protest' and anti-

mining campaigns from the wider audience. Germany has a particularly strong Green movement and this is often directed to oppose any industrial development, especially in rural settings.

Public amenity - The region around Breitenbrunn is known for its natural beauty and is used by residents and visitors for recreation, including hiking trails; cross-country ski runs; the public pool in Rittersgrün; and nature reserves. Physical development of the Project, public disclosure about the mining operation and transparency will all need to be taken with care and sensitivity to retain community goodwill.

Malicious misinformation - Negative opinions and news are constantly being reported regarding the proposed new mining development in the valley. This unsettles the local community and residents have fears of damage to property and nature, and H&S concerns from the new mining Project. A sceptical attitude towards all mining projects results, which is apparent on social media platforms.

Traffic – While forecasts from the regional authorities for road construction and traffic flow has estimated future decrease in traffic volume, and thus that the existing infrastructure can handle traffic caused by the new mining operation, levels of traffic in the local villages are likely to lead to discontent and Project opposition. Disruption to operations from this potential area of dispute is identified as a risk in the Study. It is stated that truck haulage will only be undertaken during working hours, and where possible, in convoys – although convoy traffic is not always appreciated. Alternative routes have been considered and will continue to be evaluated. Local plans are in place for mitigation of traffic impact near the mine exit.

Post-closure concerns – Given that the community of Breitenbrunn has borne long-standing post-closure impacts from previous mining operations and is currently still struggling with the financial consequences of the SDAG Wismut uranium mining, there is local and wider concern about the prospect of further long-term consequences from the Project post-closure. In the past the community has also had to deal with mine-inflicted environmental damage without assistance, and therefore have legitimate concerns that need to be carefully managed.

13.1.8 Rehabilitation and Closure

The EU guidelines for mine closure activities and calculation of financial guarantees requires that the Waste Management Plan must include a closure plan, including site rehabilitation, after-closure procedures and monitoring, which must be included in the mine permit application. Rehabilitation and closure throughout the asset lifecycle are also required by the Federal Mining Act in Germany. The Project intends to approach mine closure in accordance with the International Council on Mining and Minerals (ICMM) Integrated Mine Closure: Good Practice Guide, 2018 (ICMM, 2018), which promotes assessment of closure liabilities throughout the design and operation of the Project.

According to the European Commission 2007 Guidelines on Financial Guarantees and Inspections for Mining Waste Facilities – European Union Member States were obliged to bring into force legislation necessary to

comply with the EU Mine Waste Directive, whereby a waste management plan, including a closure plan must be submitted and approved by the competent authority; and, to ensure that the appropriate closure and rehabilitation work is carried out, it is also obligatory for the mine operator to provide a financial guarantee, in the form of a financial deposit, including industry-sponsored mutual guarantee funds, or equivalent. The amount of the financial guarantee must be sufficient to compensate costs for site rehabilitation and suitable for post closure monitoring and maintenance in case of bankruptcy of the mining company.

Due to the planned minimal surface expression of the project, rehabilitation work will be largely limited to waste dump resurfacing and revegetation; and water treatment. During construction and operations all surface facilities, including the WRD, access roads and other workings will have minimal visual impact, with screening and progressive rehabilitation. At closure, all this infrastructure will be re-contoured and revegetated to restore the area to functional- or aesthetic use after mining is completed, based on community consultation. If the WRD remains at the end of mine life, appropriate measures to control any potential for ARD/ML will be in-place, although this is currently not expected.

As much equipment as possible will be salvaged once operations cease, dewatering will stop and the workings below 585mRL will be allowed to flood. This will lead to water flowing out of the mine, from rainfall infiltration and void flood water. Clean infiltration water will drain via an open channel from a dam in the main adit and discharge into the stream system as is currently the case, subject to future negotiations with the Wismut GmbH and the water authority. Mine floodwater will need to be treated for contamination. Required water treatment is likely to be negligible in the 3-5 years expected to complete flooding of the mine after cessation of pumping. Once flooded, the decanting water is likely to be contaminated with As, U, Ra, Fe, Mn and sulfates, given the Wismut GmbH experience, for a period of about 2 years, after which reducing conditions will become established in the underground environment, and uranium no longer mobilised. These anticipated changes in the water chemistry and anaerobic conditions in the flooded mine are based on the experience and observations of the Wismut GmbH water treatment. Ongoing treatment will still be required for As, Ra and Fe, and various approaches are currently being assessed subject to negotiations with Wismut GmbH.

There is a long-term-liability from the former uranium mine where contaminated waters must be treated prior to discharge to the environment. Currently this liability is covered by Wismut GmbH. While Saxore will take over responsibility for water treatment during operation of the Project, a contractual agreement must be made with Wismut GmbH under which they will take over water treatment once again; and the logistics of such transfer are determined.

The proposed strategic and integrated closure approach is that throughout the LOM there will be an overall reduction in uncertainty associated with closure risks, potential liabilities and estimated closure costs, requiring increased community consultation and agreement on post-mining aspirations. Security and safekeeping of the mine workings and all surface openings generally depends on the future use of the mine, which may include a

revised and expanded tourist program. Options will be examined during the next phase of the study. Bat access post-mining will need to be considered.

Mine closure costs are currently based on final rehabilitation and revegetation of the waste dump surface; removal of all equipment and flooding of the mine; ongoing mine water treatment; removal of the surface buildings (depending on community needs); final sealing of mine openings and entrance (depending on post-closure use); and post-closure monitoring. At Scoping stage, an allowance of €5 million is considered for closure costs, allowing €1.3 M for waste dump rehabilitation; closure operations cost of €1 million; removal of infrastructure and mine sealing €1.7 M; and 7 years of water treatment operating costs of €150 k per year.

13.1.9 Tellerhäuser Conclusions

While no fatal/red flag flaws have been identified during the review, some gaps are identified even at this stage of the Project. The E&S work undertaken for the RPA study was generally considered reasonable. However, as the review has not seen any ESIA baseline documentation it is difficult to assess content or sufficiency. While Project permitting is being developed in line with national requirements, a permitting register is recommended to keep on top of timely submissions, especially for any separate approvals and permits required that are not part of the LoMP.

The main risks for the Project remain obtaining and keeping the social licence to operate, which largely depends on implementation of robust community engagement and consultation; transparent Project disclosure; clear lines of communication and establishment of an effective grievance mechanism; and appropriate and sensitive community development investments.

The main environmental concerns are potential impacts to the landscape and biodiversity; radiation and other water contamination; traffic and safety issues; and effects on water resources from changed water quality and flow regimes.

The following gaps are identified from this E&S review:

- ✓ A permitting register is needed to keep on top of timely submissions.
- ✓ Further baseline studies are required to confirm geochemical risk; understand seasonal variations in water quality and flow, biodiversity, air quality, noise and vibration; and assess community context, fears and concerns.
- ✓ Quantitative impact assessment is still to be undertaken with detailed mitigations and residual impacts determined. This must also consider cumulative impacts from other prospective mining activities in the area; and potential transboundary issues with the proximity to the Czech border.

- ✓ Project ESMP, Social Management-, Community Development-, Emergency Preparedness and Response- and Closure Plans need to be developed together with a separate operational Monitoring Plan.
- ✓ The Study identified risks from the Project from dewatering impacts to local community; radon and radiation issues; safety breaches from interaction with the tourist mine; worse than anticipated water treatment requirements; unexpected ARD/ML, especially from arsenic; and deficient closure planning. Although detailed assessment is still required, residual risks are generally considered negligible except for the possible rejection of the Project by residents and the community. As such, the main risk to the Project is likely from the considerable anti-mining/industrial development lobby and perceived dangers to the environment from the proposed mine.
- ✓ Generally, the Saxore approach of keeping as much of the Project as possible underground considerably reduces visible and actual E&S impacts. On this basis, the Project has the potential to present itself as a sustainable enterprise that reduces negative effects to a minimum while enriching the local community and environment. The Project should consider use of electric vehicles and renewable energy sources wherever possible, including solar, wind and water- power generation; and emphasise that operation of the Project addresses some existing legacy issues in the area.

13.2 Gottesberg and Auersberg

Saxore has two additional exploration licence areas immediately west of the Tellerhäuser Project, namely Gottesberg and Auersberg, both also adjacent to the Czech border, as shown in Figure 13-1

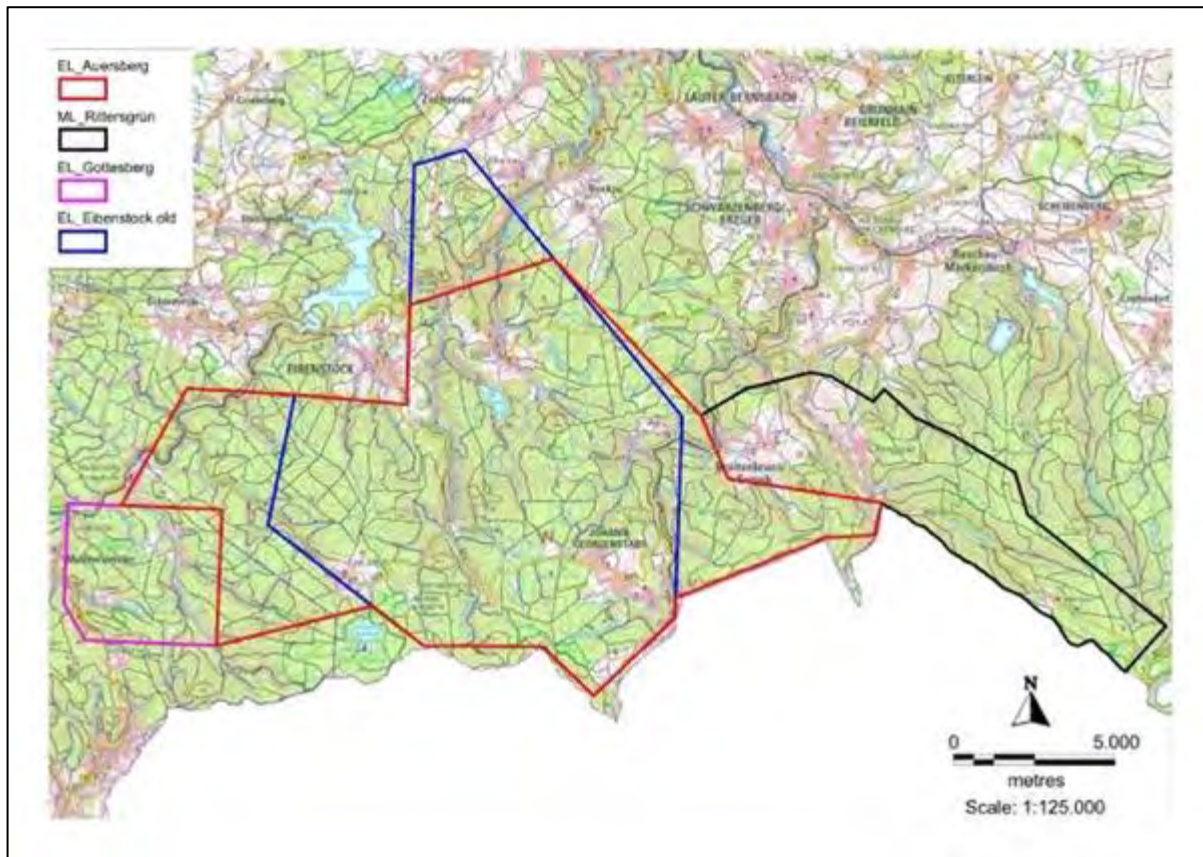


Figure 13-1 Licences

Environmental and social review of these early-stage exploration projects is based on the following documents:

- ✓ Saxore Report Exploration operating plan for mineral resources in the Gottesberg deposit, June 2021.
- ✓ Mining One JORC Mineral Resource Report for Gottesberg, October 2012
- ✓ CSA Report Gottesberg Tin Project Mining Study, April 2013
- ✓ Saxore Report Summary Application for the exploration licence Auersberg, October 2019.

13.2.1 Gottesberg

An approved Gottesberg exploration licence (32-4741.1/640), valid until December 2020 was transferred to Saxore Bergbau GmbH in February 2019 and extended by application until 06 December 2022. The licence permits exploration for the following mineral resources: Caesium, gallium, gold, indium, copper, lithium, molybdenum, rhenium, rubidium, scandium, silver, tantalum, tellurium, bismuth, tungsten, zinc and tin.

The settlement of Gottesberg is close to the Czech border in the Erzgebirge mountains in western Saxony and was developed around historical mine workings which date from the 16th century to the late 1900s. The old tin workings at Gottesberg occur over an area with east-west length of 1000m and a width of about 500m. Surface workings at Gottesberg include many open pits sunk to vertical depths of up to 135m as steep sided glory-holes. In the late 1940s, uranium exploration was undertaken by SDAG Wismut on quartz veins outside the tin-bearing greisen and a series of adits and levels were driven from 835m RL to 395m RL. A separate government enterprise

also explored for tin, sinking several shafts and winzes, and development of seven levels from 775m RL to 665m RL. The demarcation between the two exploration efforts is discussed but exploration by WISMUT failed to identify any uranium mineralisation in the tin-bearing greisen zones and were not interested in tin

The Gottesberg exploration licence is a rectangular area of 1116.5 hectares, located across the Vogtland and the Erzgebirge districts in Saxony, and includes towns of Auerbach/Vogtland, Eibenstock and Muldenhammer. The target tin mineralisation lies immediately beneath the settlement of Gottesberg. The presence of inhabited properties immediately above the deposit rules out open cut mining if the Project were to progress, and underground mining methods should not have a material impact on these residences.

The area is mountainous with deep valleys, ranging from 650 to 850masl, composed mainly of managed coniferous forest with and some cultivated farmland in open areas. The climate is of cool humid summers and long cold winters with monthly average temperatures ranging from 3°C to 24°C and subject to westerly winds, an annual precipitation of ≈1,000 mm, about 20-30% as snow. The local climate is typical for continental Europe and does not pose any abnormal operating issues.

The Gottesberg tin mineralisation is associated with the Eibenstock intrusive, characterised by a complex system of tube/pipe shaped greisen orebodies associated with breccia structures. Multiphase intruded individual bodies differ locally in mineralogical composition and age. A fluorine-rich, phosphate-rich, fine- to medium-grained biotite granite is assumed to have formed the Gottesberg Greisen deposit, which is a mostly massive medium- to coarse-grained mica-greisen alteration rock with quartz veins. The major metals are tin which occurs as cassiterite and copper, in minor amounts, as chalcopyrite, chalcocite and covellite.

The area is drained by 3 south-north flowing streams that join the Zwickauer Mulde river which forms the Eibenstock dam approximately 10 km north-east of the deposit. Local aquifers are formed in loose alluvial deposits in the stream valleys that cover the largely impermeable bedrock; and in fissures and faults in the rock. Surface and groundwater are interconnected. Water inflows at the old Gottesberg mine workings are essentially linked to fracture/fault zones fed from the near-surface aquifers. The average total inflow into the mine area was about 150 m³/h and subject to minor precipitation related fluctuations.

There are several monuments designated in the area, mostly related to the historic mining activities, none of which will be affected by exploration activities, but the exploration plan included a chance-find procedure. There are numerous protected areas in the vicinity of Gottesberg. The entire Gottesberg permit licence lies within the drinking water protection area of the Eibenstock reservoir and exploration requires application for a permit under water law. The licence area is also in the 'Erzgebirge/Vogtland' nature reserve with drilling points in 2 protection zones; a flora-fauna habitat of Mountain meadows according to the Habitats Directive; protected and valuable biotopes; and a Natura 2000 site of European bird sanctuary.

The working area is a priority- or reserved area for nature and landscape according to the Southwest Saxony regional plan. The designation of areas as priority or reserved areas for species and biotope protection serves the following principle: "The habitats of endangered animal and plant species, as well as the migration routes, resting and staging areas of large-scale migratory bird species, should be preserved in their functional capacity." An application for nature conservation approval to carry out the planned exploration work is not necessary, but the drilling program is to be undertaken during the winter months to avoid the growing and breeding seasons to reduce biodiversity impacts.

For the current exploration work, the owners of parcels of land identified for drilling sites have agreed to the temporary use of the land for drilling purposes. The water needs for the drilling is to be taken from the public supply network in Gottesberg delivered by water truck. Power supply is provided by a transportable generator. According to the performance agreement, the topsoil layer at drill sites will be removed and stored for revegetation after completion and all areas restored to original condition. Property owners will participate in joint inspection of the drilling sites to check completed rehabilitation.

The exploration plan considered air pollution from exhaust gases from diesel generators, rigs and supply vehicles; noise, with distance to receptors and adapted drill schedules; biodiversity disturbance in the quiescent winter period; waste removal including drilling mud; contamination and soil protection from diesel fuel, lubricants and drilling chemicals; and impact to forestry.

Existing roads and forest paths will be used, with the appropriate permission, as access and for transporting drilling equipment to the respective work sites and restored to original condition as necessary. No farmland is in the working area to be affected.

Public and occupational safety is also considered with first aid materials, manual and phones available at each site, with emergency and medical numbers listed; proof of employee safety inductions; and measures for fire, explosion and escape ways.

There are no sustained or long-lasting impacts expected from the exploration drill programme. However, a new mining project operation in the area will have significant impacts and will be subject of rigorous scrutiny because of the importance of water, biodiversity and the natural environment in the broader area.

13.2.2 Auersberg

Auersberg is an early-stage exploration prospect which is currently in the middle of a 5 year permit for an exploration program to confirm the asset, possibly leading to a feasibility study in 2024/5.

The permit area is located between the Tellerhäuser mining licence and the Gottesberg exploration licence, on the German-Czech border. The main towns in the licence area are Sosa to the north, Carlsfeld to the west and

Johanngeorgenstadt to the south. The study area is connected by several state roads and the nearest train station is in Johanngeorgenstadt.

The topography of the area rises from valleys in the north at 450 masl to the higher plateaus above 900m leading to the mountainous ridge that runs along the border, with Auersberg at 1018.2 masl and several other peaks above 900m. Drainage runs partly along tectonic faults to the north and northwest. The Sosa drinking water dam is located within the licence area. Climate is as described for Gottesberg and Tellerhäuser. The sparsely populated area is characterized by cultivated coniferous forest and farmland in open areas. The document suggests that there are several raised bogs developed in the ridge area. This will need to be investigated in environmental studies as mountain bogs are a critical habitat in other areas of Europe.

The licence area is dominated by the Variscan granite of Eibenstock surrounded by mica schists and phyllites of the Thum Group. The metasediments are assigned to the Westerzgebirge as well as to the Southern Vogtland Transverse Zone. The Eibenstock granite belongs to the Westerzgebirge plutonites and represents the largest surface outcrop of a Variscan granite in the Erzgebirge. The plutonic rocks are polyphase with dominance of fluorine- and phosphorus-rich lithium-mica granites. There are significant phyllite blocks of Eibenstock-Ellbogen and Auersberg. The metapelites are remnants of the stratigraphic sequences overlying the granite, which have been preserved in a tectonically created graben zone.

Like the other licences, there is a long history of mining in this area, with tin, copper and iron produced from the middle of the 14th century and uranium from the 1940s to the 1960s. In the early 17th century, the Eibenstock mining district produced a quarter of the tin from Saxony and the Auersberg mines were amongst the best targets. Intensive uranium extraction after 1945 was focused around Johanngeorgenstadt, but it is reported that this area has subsequently been completely rehabilitated.

The 5 year exploration programme was designed with a step-by-step progressive structure, intended to enable a reasonable decision-making process and to minimize economic risks. The first stage of 2 years covered research as well as field work and drilling; the second stage of more concentrated drilling over 32 months; and a final 4 month stage to gather results into a feasibility study.

The exploration program includes budget for Environmental Studies during the 5 year exploration permit period of a total €160,000, with €60K in the first 2 year Stage 1; and €100K in the following Stage 2.

Following the exploration work, results are summarized in a required report to be submitted to the Saxon Mines Authority. If results are positive, an initial feasibility study and application for a mining licence is submitted in accordance with German mining law.

Once again, the licence area has many nature- and landscape protection areas, and for a future mining project, the most challenging issue will be location in the catchment area of the drinking water reservoirs Eibenstock and

Sosa and adjacent to the Carlsfeld-Weiterswiese reservoir, and the whole licence is in various types of 'Drinking Water Protection Areas'. This requires close cooperation with local authorities and strict environmental monitoring for compliant implementation of both the exploration activities and potential later mining operations.

In addition, several nature reserves and Natura 2000 areas are designated within the application area. To obtain the necessary mining and environmental approvals for a future mining project, and to justify and protect investments, concepts and approach methods must be developed in advance to prevent conflicts with the public interest of drinking water supply and nature protection. This will include discussion with relevant authorities about the permitting framework and specific requirements; comprehensive hydrological and hydrogeological studies and other baseline environmental studies in the target areas.

No data from any preliminary environmental studies in the area is included in the documents reviewed, although the budget suggests that ground surveys and field work should have been started. Given the complexity, overlap and interaction of so many different protected areas in the exploration licence, combined with the growing Green agenda in Germany.

14 CAPITAL AND OPERATING COST ESTIMATES

14.1 Tellerhäuser

Following the review of existing Tellerhäuser data and previous studies, an Options Study was completed in August 2021. The study reviewed all facets of the project, including geology, geotechnical, mining, processing and economic data. Several areas were identified that were then optimised with the goal of improving the development strategy for the project and enhancing the economic outcome. Capital cost estimates for scoping-level designs for mining, processing and infrastructure were developed, and operating cost estimates provided.

Pre-production capital is estimated to be \$49M. Capital costs for the development of the Tellerhäuser project include an initial \$14M for battery-electric mining fleet and \$8M for mining infrastructure, plus a total life-of-mine capitalized development budget of \$72.3M.

Cost estimates for the extended Hämmerlein plant, and crushing, sorting, grinding and pumping at Dreiberg have been estimated. Operating cost for the combined plant, including pumping is estimated at \$20.62/t. Capital cost estimates are shown in Table 14-1.

Project	Tellerhäuser Sn	USD
Throughput	500,000 ROM tpa	
Date	September 2021	
Hämmerlein	Crushing/screening	4,500,000
	Sorting	3,000,000
	Grinding	5,000,000
	Mag sep	2,000,000
	Flotation	5,000,000
	Gravity	5,000,000
	Tailings/fill	500,000
	Cavern/development	2,000,000
	Subtotal	27,000,000
Dreiberg (Y3)	Crushing/screening	4,500,000
	Sorting	3,000,000
	Grinding	4,000,000
	Pumping	1,500,000
	Cavern/development	1,500,000
	Subtotal	14,500,000
Total		45,500,000

Table 14-1 Tellerhäuser Processing Capital Cost Estimate

Costs are estimated +/-30% and include engineering, construction and commissioning. An additional 10% contingency of \$4,550,000 is suggested.

Updated operating costs for the project were also estimated. Table 14-2

Project	Tellerhäuser Sn
Throughput	500,000 ROM tpa
Date	September 2021
Linear Development	\$55/t (Capitalized)
LHOS Stopping	\$40/t
Milling	\$20/t
Concentrate Transport	\$2.50/t
G&A	\$5/t
Total	\$67.50/t

Table 14-2 Tellerhäuser Operating Cost Estimate

14.2 Gottesberg and Auersberg

As no detailed studies have been undertaken on either Gottesberg or Auersberg, no capital or operating costs estimates have been determined for these projects.

15 ECONOMIC ANALYSIS

Economic analysis was undertaken for the exploitation of Indicated and Inferred resources from the Hämmerlein and Dreiberg zones of the Tellerhäuser project in the 2021 Options Study, and mineral processing parameters as presented in Section 9.2.9 above. All metals with potential economic value including tin, zinc, indium and magnetite were included in the evaluation. A summary of the economic parameters as calculated in the Options Study is shown in Table 15-1

Metal	Unit	Price	Mill Recovery	Receivable
Tin Sn	\$/tonne	26,000	75%	87%
Zinc Zn	\$/tonne	2,750	60%	79%
Indium In	\$/oz	6.05	85%	80%
Iron Fe	\$/tonne	163	15%	100%

Table 15-1 Tellerhäuser Economic Parameters

Estimated cash flow based on capital and operating cost estimates in Section 14, and economic parameters as presented above is shown in Table 15-2.

Development Schedule @ 150m/m										Y0	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10	Y11
Totals										63,838											
Mining																					
Adit rehab																					
Decline 1										28,553											
Decline 2										130,500	46,110										
Dreiberg Extension										130,018	45,940										
Total										533,118	289,071	92,050	-	88,160	-	-	-	-	-	-	-
Processing																					
Waste																					
Waste tonnes																					
Sn grade										75,000	75,000	66,863									
Zn grade										500,000	500,000	445,750	0.71								
In grade										0.44	0.76	0.95									
Sn tonnes										51.0	51.0	51.0									
Zn tonnes										2,200	3,800	3,165									
In oz										4,750	4,750	4,235									
Fe tonnes										819,936	819,936	730,973									
Dreiberg 1										125,000	125,000										
Waste tonnes																					
Sn grade										8,138	8,138										
Zn grade										54,250	54,250										
In grade										0.70	0.70										
Sn tonnes										44.00	44.00										
Fe grade										17.50	17.50										
Sn tonnes										635	635										
Zn tonnes										3,270	3,270										
In oz										1,957	1,957										
Fe tonnes										395,468	395,468										
Dreiberg 2										48,317	48,317										
Waste tonnes																					
Sn grade										33,071	33,071										
Zn grade										220,476	220,476										
In grade										1.00	1.00										
Sn tonnes										1.20	1.20										
Fe grade										32.0	32.0										
Sn tonnes										4,929	4,929										
Zn tonnes										5,915	5,915										
In oz										507,214	507,214										
Fe tonnes										71,478	71,478										
Dreiberg 3																					
Waste tonnes																					
Sn grade										1,058	1,058										
Zn grade										7,000	7,000										
In grade										1.00	1.00										
Sn tonnes										1.20	1.20										
Fe grade										32.00	32.00										
Sn tonnes										14.50	14.50										
Zn tonnes										71	71										
In oz										85	85										
Fe tonnes										2,200	2,200										
Combined										1,022	1,022										
Waste tonnes, (Factored)																					
Ore tonnes										75,000	75,000										
Sn grade										500,000	500,000										
Zn grade										1.17	1.17										
In grade										0.76	0.76										
Sn tonnes										0.95	0.95										
Zn tonnes										25.00	25.00										
In oz										4,750	4,750										
Fe tonnes										807,725	807,725										
Mill rec																					
Sn										1,650	1,650										
Zn										2,850	2,850										
In										696,945	696,945										
Fe										18,750	18,750										
Payable																					
Sn (\$26,000/t & 87% payable)																					
In (\$26,000/t & 87% payable)																					
Fe (\$26,000/t & 87% payable)																					
Revenue																					
Operating Cost																					
Capex (pre-Production & Sustaining)																					
Net cash																					
NPV																					
IRR																					

Table 15-2 Tellerhäuser LoM Cashflow

Economic analysis for the Tellerhäuser Project, using the parameters as described in this report, suggests a potential project with an NPV at 8% discount of \$191M and an IRR of 46% with upfront capex of \$49M, opex of \$423M and revenues of \$880M, based on the exploitation of all commercial metals at a nominal ROM rate of 500,000 tpa at a forecast tin price of US \$26,000/t. The forecast life of mine is just over 10 years. Analysis of the viability of the project at a range of potential tin prices was also undertaken.

Tin Price (\$/tonne)	NPV at 8% Discount Rate	IRR
10,000	\$ -98.2M	NA
15,000	\$- 7.7M	6%
20,000	\$ 82.2M	26%
25,000	\$173.3M	43%
30,000	\$263.8M	58%
35,000	\$354.3M	73%
40,000	\$444.7M	87%

Table 15-3 Tellerhäuser Project Sensitivity to Sn Price

Note: although the Scoping Study was not completed to a standard that allows for the determination of Mineral Reserves, it is the opinion of the authors that the Tellerhäuser project is financially robust.

Gottesberg and Auersberg

As no detailed studies have been undertaken on either Gottesberg or Auersberg, no estimates have been determined for these projects.

16 CONCLUSIONS

16.1 Conclusions

First Tin's assets in Germany represent a significant tin tenement holding in a secure and mining-friendly jurisdiction. Historic mining of tin has occurred on both the Tellerhäuser property, as well as at Gottesberg and Auersberg since the 1400's. Historic resources have been declared previously at Tellerhäuser, with the most recent Mineral Resource Estimate by Bara Consulting describing a substantial indicated resource for tin, zinc, iron and indium. Historic mining at Tellerhäuser recovered tin at the Hämmerlein deposit using drift and fill as well as room and pillar methods at low tonnages. More recent mining studies by RPA and now by Bara Consulting suggest mining at around 500,000 tpa would be feasible by a combination of cut and fill and LHOS, with room-and-pillar methods in the flat-lying areas.

Mineral processing work for Tellerhäuser describes a complex mineralogy with both coarse-grained and fine-grained and intergrown cassiterite, however with an advanced flowsheet including pre-concentration by XRT

sorting, magnetic separation, sulphide flotation, cassiterite flotation and gravity dressing of concentrates, saleable tin concentrates can be economically produced. Due to environmental constraints, mineral processing as well as waste disposal would be underground, made possible by large pre-existing excavations from previous mining activity.

The project is well served by road, rail, power and water infrastructure, as well as being located in the historic mining State of Saxony with reasonable and proximal access to skilled human resources. Preliminary economic analysis describes an NPV at 8% discount of \$191M and an IRR of 46% with upfront capex of \$49M, opex of \$423M and revenues of \$880M over a 10 year potential life of mine, at a 1-year trailing tin price of \$26,000/t.

It must be noted that these economic parameters are at scoping level of study only and are not to be considered full and final economics for the project. The economic analysis being presented is purely speculative in nature and cannot be a guarantee of future value or return on investment.

The project is sensitive to the tin price as shown in the table below:

Tin Price (\$/tonne)	NPV at 8% Discount Rate	IRR
10,000	\$ -98.2M	NA
15,000	\$- 7.7M	6%
20,000	\$ 82.2M	26%
25,000	\$173.3M	43%
30,000	\$263.8M	58%
35,000	\$354.3M	73%
40,000	\$444.7M	87%

Scoping level mine design work suggests mining by longhole open stoping at approximately 1Mtpa could be feasible at the Gottesberg project. Mineral processing work suggests a typically clean greisenized tin mineralogy with reasonable recoveries of tin to saleable concentrates using a conventional tin flowsheet. Again project infrastructure and access to human resources is well established.

Auersberg represents an exploration target where no historic or current mining or processing work has been undertaken. Auersberg shares Gottesberg and Tellerhäuser's good access to project infrastructure and human resources.

16.2 Risks and Opportunities

There are numerous risks that must be considered in any mining project. Outlined below are some of the possible risks for the Tellerhäuser project:

- Metal Prices - Although the tin price is currently trading at an all-time high, (Nov 2021 @ \$39k/t) there are no guarantees that it will remain at this level during the life of mine. The tin price used as a basis for this CPR was set at a 1-year trailing average of \$26,000/t.
- Permitting - As with any mine development, permitting can cause significant delays in bringing a mine to production.
- Higher Capex/Opex costs - Costs estimated at the present levels of study are estimated to be in a range of -30% to + 30%. These cost estimates are based on limited data and can increase dramatically as studies progress.
- Mineral Resources – The Tellerhäuser project has limited Measured and Indicated resources. The project's success will depend on increasing the M&I resources to ensure an adequate mine life.
- Metallurgical – Although extensive and varied metallurgical testwork has been undertaken, the envisaged flowsheet has not been tested on representative samples at or about life of mine grades for Sn, Zn, In and Fe. Changes to metallurgical characteristics of ore types could impact financial viability of the mining operation.
- Mine Dewatering – The mine is currently flooded, with the water exposed to uranium-bearing strata. Although test work has been carried out, the cost for processing the water may become prohibitive if environmental standards are not met for discharge.
- Mining –Mining at the forecast rate of 500,000 tpa, could be affected by poor development rates, ground conditions, flooding, equipment utilisation and availability. Ground conditions will change with depth and ore extraction and therefore could prevent scheduled rates from being achieved.
- Rock Logistics – The logistics of placing waste rock and tailings in mined-out spaces has not been clearly defined. The cost of doing this could be more than expected.
- Storage of waste rock and tailings underground could lead to contamination of ground waters and may be unacceptable in the longer term. Some jurisdictions do not permit the storage of these materials underground due to the longer-term potential for environmental issues such as acid mine drainage (AMD).

Risks identified associated with the Auersberg project include exploration risk in proving up currently undeclared mineral resources into measured and indicated category of sufficient volume to support techno-economic study. Additionally, surface rights restrictions at both Auersberg and Gottesberg require advanced engineering and unconventional approaches in order to minimise or eliminate surface footprint associated with mining operations of the nature contemplated at each property. Permitting risk associated with the development of mines in historically and environmentally sensitive areas also must be noted.

Several possible opportunities relating to the project were also identified:

- The volume of mineral resources estimated after further exploration could be much greater than expected. There is the possibility of the orebody being connected between Hämmerlein and Dreiberg.
- The opportunity to utilise the existing Pöhla adit would significantly reduce development time and cost.

- The current design for Tellerhäuser incorporates substantial amounts of linear development, particularly to access resources at Dreiberg. An opportunity to deploy tunnel-boring machines for decline development to reduce time to production has been identified.
- Mining rates greater than 500,000 tpa may be achievable with additional mineral inventory available.
- Optimisation of the stope design could lead to a significant increase in mining inventory. For example, there may be stopes that could prove payable based on zinc alone.
- Metallurgical recoveries may be higher than those used in the option study models.
- Operating costs could be lower based on optimised mining and processing methods.

16.3 Recommendations

Prior to progressing to further studies (PFS/ DFS) the following recommendations for further work are made by Bara:

- Additional exploration as recommended in detail above to extend current indicated resources as well as prove up current inferred resources to indicated category for use in PFS/DFS levels of study.
- Logistics and design of waste rock and tailings disposal underground.
- Acid Mine Drainage – Although prior work states that AMD is unlikely, no definitive test work has been completed. This work should be undertaken as a priority as disposal of waste rocks and tailings underground are a key aspect for the mine plan.
- Further stope optimisation taking account all metals deemed to be of economic importance.
- Investigation into vertical shaft conditions in the Dreiberg area. One of the key cost reduction opportunities is to utilise the existing vertical shafts for either ventilation or as a second egress, or both. When possible these shafts should be inspected via camera to determine their condition.
- Further metallurgical testing. PFS requirements for metallurgy include subjecting grade-appropriate life-of-mine composites for each major ore type from the project to the anticipated flowsheet. DFS level requirements would include the above, plus additional variability testing in order to determine throughput and recovery over the life of mine.
- Updates to the geological model and Resource Statement based on the results of the proposed new exploration programme.
- A more quantitative trade-off study in the application of a tunnel boring machine (TBM) for linear development.

Substantial additional exploration, metallurgical testing, geotechnical assessment, geohydrological work, ESIA and techno-economic evaluation is required for the development of the Gottesberg and Auersberg properties.

16.4 Use Of Funds

First Tin are scheduling to undertake an Initial Public Offering (IPO) in the first quarter of 2022. A significant portion of the funding is to be used for resource and definition drilling on the Hämmerlein and Dreiberg resources at Tellerhäuser. The Gottesberg drilling commenced in Q4 2021 and the required expenditure of

\$565,000 being paid out of existing First Tin funds. In addition, an exploration drilling program for Auersberg is planned. The planned use of funds following the IPO is summarised in Table 16-1 Post IPO Expenditure on Project Development on an exchange rate of US\$1.13/€1.00.

Project	US\$
Tellerhäuser	
Items - Firm	
Plant & Equipment	113,000
Metallurgy including waste stream study	113,000
Hämmerlein Underground Drilling	1,130,000
Dreiberg Deep Drilling	1,977,500
Pre-DFS Studies	124,300
Tellerhäuser DFS	3,955,000
Sub-total Firm	7,412,800
Items - Discretionary	
Hämmerlein Underground Drilling	1,130,000
Dreiberg Deep Drilling	1,977,500
Tin Smelter Concept Study	339,000
Tellerhäuser DFS Contingency	565,000
Sub-total Discretionary	4,011,500
Gottesberg	
Gottesberg Drilling (underway and being paid)	0
Auersberg	
Auersberg Drilling	1,412,500
TOTAL	12,836,800

Table 16-1 Post IPO Expenditure

17 REFERENCES

- ✓ The Complex Ore Deposit Tellerhäuser and Hämmerlein – Werner Schuppan and Axel Hiller, 2012
- ✓ Pre-Feasibility Study of the Tellerhäuser Polymetallic Project 21 004 2020 FV, RPA, April 2020
- ✓ Hydrogeological Expertise for the Planned Underground Mine “Tellerhäuser” – Beak Consulting, February 2020
- ✓ 2021-216 Saxore Options Report – Bara Consulting, August 2021
- ✓ Gottesberg Tin Deposit Mineral Resource Report – Mining One Consultants, December 2021
- ✓ Summary of Tellerhauser Mineral Processing
- ✓ ALS T0773 TI Gottesberg Ore Assessment - ALS Metallurgy, September 2013
- ✓ Auersberg Drilling Proposal September 2021.pdf
- ✓ Gottesberg Drilling Proposal September 2021 EH
- ✓ Approval Prolongation_Gottesberg_2015.pdf
- ✓ Approval_Auersberg.pdf
- ✓ Approval Rittersgrün.pdf
- ✓ Approval Gottesberg_2015.pdf
- ✓ Saxore Licence Boundaries.pdf
- ✓ Proposed Contour EL Auersberg.docx
- ✓ Erlaubnisantrag_Auersberg_v.0.1_eng.docx
- ✓ CSA_R195.2013 Gottesberg Mining Study Draft Rev08_Final.pdf

18 APPENDICES

18.1 Bara Consulting – Tellerhäuser Table One

18.2 Mining One Consultants – Gottesberg Table One

18.3 Competent Persons

18.4 Process Flow Diagrams

APPENDIX 1 TELLERHÄUSER JORC Code, 2012 Edition – Table 1.

Section 1 Sampling Techniques and Data

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

Criteria	JORC Code explanation	Commentary
Sampling techniques	<i>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</i> <i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i> <i>Aspects of the determination of mineralisation that are Material to the Public Report.</i> <i>In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</i>	- Sampling was by core drilling and underground channel sampling. - Core drilling was a minimum of 56mm diameter and was split in half using a core splitter. Drilling was conducted from surface and underground during the period 1969-71 and from underground only from 1971 to 1991. No percussion, RC or other drilling types were used. - Channel samples were cut with an angle grinder and the intervening 10cm chiseled out with a compressed air jack-hammer. - The samples were assayed using the same techniques, methodology and QAQC as the drill holes (see below).
Drilling techniques	<i>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</i>	- All drilling was by the diamond core technique, generally with a diameter of 56mm (between HQ and NQ) and occasionally with a larger diameter, particularly in areas with poor ground conditions. - A total of 141,341.6m of core was drilled in 2112 drill-holes. - Channel samples consist of two by 2cm slots, 10cm apart, cut with an angle grinder and the intervening 10cm chiseled out with a compressed air jack-hammer. - A total of 3,082.9m were sampled in 1,336 channels, generally at 1m intervals unless lithology changed within the one meter interval, in

Criteria	JORC Code explanation	Commentary
Drill sample recovery	- Method of recording and assessing core and chip sample recoveries and results assessed. - Measures taken to maximise sample recovery and ensure representative nature of the samples. - Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	which case the sample stopped at the lithological boundary. - Recoveries were recorded for every drill-hole as a decimal fraction of the measured length and the average recovery was over 97% for both core and channel sampling. - No bias with either the sampling method or the tin grade is observed.
Logging	- Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. - Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. - The total length and percentage of the relevant intersections logged.	- Logging consisted of handwritten hardcopy log sheets that have been transcribed to digital data. This included using numeric codes for the different lithotypes. The quality of the logging is good and includes graphic logs. - No core remains available for viewing. Some channels are still available for viewing underground. - All core and channels were logged using the same logging codes and techniques.
Sub-sampling techniques and sample preparation	- If core, whether cut or sawn and whether quarter, half or all core taken. - If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. - For all sample types, the nature, quality and appropriateness of the sample preparation technique. - Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. - Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. - Whether sample sizes are appropriate to the grain size of the material being sampled.	- Core was marked up for sampling under geological control, generally using a 1m sample interval but with occasionally larger and often smaller samples being marked due to samples being restricted to a single lithotype. - The core was cut to these intervals and then split into halves using a core splitter. One half was retained at the time and the other used for analysis. - Channels were collected at regular intervals underground from top to bottom of the side face of the excavation, designed to complete a geologically continuous sample between upward and downward oriented drill holes drilled within the excavation. - The sample for analysis was crushed in 2-3 stages depending on its consistency. In the first stage, the entire sample was crushed to 100% passing 10mm using a double toggle jaw crusher. In the second and third stages, the sample was crushed to minus 1mm using a single toggle jaw

Criteria	JORC Code explanation	Commentary
Quality of assay data and laboratory tests	<i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i> <i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i> <i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i>	crusher. After homogenization, the sample was divided until a representative 400g sub-sample was achieved. - This 400g sub-sample was then pulverised to 95% passing 65 micrometres using a vibratory disc mill (this criterion was tested internally and externally at regular intervals). From this powder, different splits were collected for the various assay techniques. - The procedure for channel samples was essentially the same from the crushing stage above. - A total of 60,085 sample records have been recorded. Of these, 47,582 have been assayed for tin. A total of 39,044 were assayed using gamma-ray absorption spectroscopy the "EFA" method, which is also known as Mossbauer Spectroscopy. 13,588 samples, including duplicates, have been assayed for tin using a wet chemical technique, at a separate external laboratory offsite. The chemical assays were undertaken on another 5g split of the original 400g pulverised drill core sample. - The Mossbauer Spectroscopy technique is similar to the chemical XRF technique but uses gamma rays rather than X-rays. Due to the higher energy of gamma rays compared with X-rays, it is considered to be more precise. It is generally used as a scientific tool rather than for routine assaying. The technique appears to be very accurate up to 10% Sn maximum detection limit. - An additional split of the original pulverised sample was collected at regular intervals (approximately 1 in 10) and sent to an external laboratory at Gröna (Central laboratory of SDAG Wismut) where it was analysed by a wet chemical method. The working routine was started with an alkali fusion with Na₂O₂/NaOH fluxing reagent (sample/reagent = 1/10). Leaching was undertaken with distilled water and neutralized with HCl. Three grams of aluminium were added to this solution to create reducing conditions. Small grains of calcite were added to ensure the production of CO₂ and thus prevent the influence from oxygen in the air. This tin solution then underwent a titration process with iodine utilizing the reaction $\text{Sn}^{2+} + \text{I}_2 \rightarrow \text{Sn}^{4+} + 2 \text{I}^-$. By adding small drops of

Criteria	JORC Code explanation	Commentary
		0.01M (molar) iodine solution to the dissolved sample, an abrupt colour change from transparent to blue appears at a certain level of added iodine. Each 1 ml of added reagent corresponds to 0.5935 mg Sn in the sample. By using the simple rule of proportion, the tin grade of the original sample was thus calculated. - Many of the samples were analysed for tin and other elements using arc atomic emission spectroscopy (AES) or optical emission spectrometry (OES). However, due to the very low upper detection limit for tin (~1000ppm) only low tin grade samples were reported and digitised. A powdered sample (mixed with graphite to make it conductive) was put through an electric arc where the sample was heated to a high temperature to excite the atoms within it. The excited atoms emit light at characteristic wavelengths that is dispersed with a monochromator and detected on a photographic plate (monochrome). The intensity of the characteristic spectral lines was used to determine the concentration of certain elements in the sample. These analyses have not been used in the tin resource estimation. The following elements were analysed by the above method: Cu, Sn (not used), W, Pb, Ag, Mo, B, Sb, Be, Cd, Bi, As, Ge, In, Nb and Ta. Over range assays comprised >1000ppm for Zn, Cu, Pb & Bi, >500ppm for W, >200ppm for Bi & Cd, >100ppm for Be and >50ppm for Ag. Over range analysis was done chemically. - Total iron and zinc were analysed by FAAS with iron reported as Fe_2O_3 as a proxy for magnetite. This will tend to understate the amount of magnetite, as hematite has slightly less iron compared to magnetite (approx 69% cf 72%). The conversion of Fe to Fe_2O_3 also assumes that all the iron is present as magnetite. Other iron minerals reported in the skarn mineralogy include amphiboles, garnets, chlorite and iron-rich sphalerite. - All analytical machines in the laboratories of Wismut underwent a calibration process before the first sample of the day, at noon and generally at the end of the day to ensure accuracy. These calibrations

were undertaken using different standards at different grades.

- Within sample batches, a minimum of 1 standard per 20 samples was dictated but it was actually mostly undertaken at a rate of 1 in 10. These standards were made of different matrix and had different grades to check the accuracy. Standard measurements were logged in the laboratory and stored in the archive. Only sample results were reported to the client (here the exploration geology department).
- **Duplicates:** A total of 11,408 results from internal control samples as lab duplicates for the EFA method are available, ie the results come from a second 5g split from the original 400g pulp. This represents about 30% of the total EFA analyses or roughly 1 in 3 samples. Also excluded were samples above 10% Sn as this is the limit of accuracy for the EFA method. The first analysis was completed at a laboratory on site and the second/check analysis was completed at the same laboratory. Statistical analysis of this data shows that there is a bias in the data but the bias is not considered significant and will not impact negatively on the resource estimate classification. The samples mentioned in this section have been termed duplicates but there is some argument that they are replicates. However it is concluded that the homogenisation of the sample preparation is acceptable and the assays are repeatable.
- **Analytical Method Check:** A total of 5,066 samples were assayed for tin using both the onsite EFA method and an offsite laboratory for the wet chemical technique. These check samples comprised a 5g split from the original 400g pulverised sample. 4,808 samples were used for comparison of the accuracy between the two methods. This represents about 10% of the total EFA analyses. Statistical analysis of this data shows that there is a modest elevated bias in the assay associated with the chemical technique. The data suggests that the EFA method might be slightly conservative but the bias is not considered significant enough to impact negatively on the resource estimates. The conclusion is that both sets of assays can be combined into a single 'preferred' tin assay in the drillhole database.

Criteria	JORC Code explanation	Commentary
		Third Laboratory Check: A total of 592 external control samples for the chemical method were collected and assayed at a third laboratory at the Ehrenfriedersdorf tin mine. The analytical method was the same wet chemical technique as used at the primary lab. The samples are another 5g split of the original 400g pulverised sample and hence provide control on the repeatability and accuracy of the chemical technique and the laboratory. After allowing for detection limits and labelling issues a total of 186 samples were analysed representing about 1.5% of the total chemical analyses or roughly 1 in 75 samples. A bias can be seen in the data, which is due to higher values associated with the check laboratory. The difference between the means for the two datasets is about 17%, which is a significant difference. It is also apparent that the discrepancy between samples appears to increase with grade. As the chemical assays from the primary laboratory compare favourably with the EFA data, the lack of repeatability with the chemical check assays is not considered critical but it does create some uncertainty. It is also difficult to resolve the issue as the pulps have been destroyed and so further check assaying is not possible. - The assay techniques are considered appropriate. - The QAQC suggests that there are no obvious problems with the assay data that would have a significant impact on the resource estimates
Verification of sampling and assaying	<i>The verification of significant intersections by either independent or alternative company personnel.</i> <i>The use of twinned holes.</i> <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i> <i>Discuss any adjustment to assay data.</i>	- As the drilling was undertaken during the period 1969-1991 during the era of the German Democratic Republic (GDR), personal verification is not possible. However, channels from which samples were collected are still visible underground and will be sampled for future verification. - No twinned holes have been located but several areas of close spaced drilling were undertaken as a test of small scale variability. It was concluded during the GDR era that the small scale variability was as expected from this style of deposit. - Some testwork was also completed to examine if the core size had an impact on the tin grade. This involved some closed spaced drilling of 46mm, 59mm and 76mm core sized holes from underground. The

Criteria	JORC Code explanation	Commentary																				
		conclusion in the GDR era was that there was no bias. All data was in hardcopy format and has been digitised by local consultants (Beak Consultants GmbH). Checks by both Beak and Saxore has found only minor errors and the digital data is considered to be of good quality. Indium was not assayed for every sample and hence default values of 1ppm were inserted for samples not assayed. It is highly unlikely that all samples not assayed were this low and hence this is considered to be conservative. Confirmation work is currently in progress designed to obtain a more realistic average value for samples not assayed.																				
Location of data points	- Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. - Specification of the grid system used. - Quality and adequacy of topographic control.	- In the 1976 to 1981 drilling campaign, drill collars were surveyed in using a closed loop theodolite method tied in to the national grid (Gauss-Kruger Zone 4). It is uncertain if this method was used for the earlier or later drilling campaigns. - To facilitate the resource modelling the data was rotated 50° clockwise to a local N-S grid: <table><tr><th colspan="2">GK Zone 4 Coordinates</th><th colspan="2">Local Grid Coordinates</th></tr><tr><td>Y1</td><td>5,590,386.380</td><td>Y1</td><td>50,000</td></tr><tr><td>X1</td><td>4,561,666.202</td><td>X1</td><td>10,000</td></tr><tr><td>Y2</td><td>5,590,769.402</td><td>Y2</td><td>50,000</td></tr><tr><td>X2</td><td>4,561,987.596</td><td>X2</td><td>10,500</td></tr></table>	GK Zone 4 Coordinates		Local Grid Coordinates		Y1	5,590,386.380	Y1	50,000	X1	4,561,666.202	X1	10,000	Y2	5,590,769.402	Y2	50,000	X2	4,561,987.596	X2	10,500
GK Zone 4 Coordinates		Local Grid Coordinates																				
Y1	5,590,386.380	Y1	50,000																			
X1	4,561,666.202	X1	10,000																			
Y2	5,590,769.402	Y2	50,000																			
X2	4,561,987.596	X2	10,500																			
		A topographic surface is available for the area, however mineralization is several hundred meters below the surface and does not impact on mineral inventory estimation. Some discrepancy exists between surface collars and the DTM, however drill pads may have been cleared and rehabilitated meaning collar elevations at the time of drilling may be different to the current DTM. As the vast majority of data in areas of Indicated mineralization is collared in underground development																				

Criteria	JORC Code explanation	Commentary
		discrepancy with drillhole collar elevations is not considered material. - Downhole surveys for the early drilling were measured using a Multigraph Inclinator at 10 to 25m intervals. This apparatus had an accuracy of 0.5° for the dip angle and 3° for the azimuth. The final phase of drilling saw the use of camera surveys although no details are known. - Exploration results are not being reported - Drillhole spacing comprised two different regimes a) detailed drilling of the order of 30 by 10m or 60 by 15m, and b) widespaced drilling often on fence lines up to 100 to 200m apart with hole spacing on the lines at 50 to 100m. - The data spacing and distribution is sufficient to establish and suitably classify Mineral Resource Estimates. - No sample compositing has been undertaken. - The drill orientation is approximately perpendicular to mineralized skarn units and does not appear to introduce bias. - The schist mineralisation at Hammerlein has both a sub-vertical and sub-horizontal component and hence the mainly sub-vertical drilling may not be optimal for some of the sub-vertical structures. - This was an active uranium mining area during GDR times and security was thus very tight. No reason to suspect any security issues can be found. - Audits and reviews were conducted at regular intervals during the GDR era but results are not currently available. The GDR era estimates are classified between C1 and Delta category which require audits by the central authorities.
Data spacing and distribution	- Data spacing for reporting of Exploration Results. - Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. - Whether sample compositing has been applied.	
Orientation of data in relation to geological structure	- Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. - If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	
Sample security	The measures taken to ensure sample security.	
Audits or reviews	The results of any audits or reviews of sampling techniques and data.	

Section 2 Reporting of Exploration Results

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

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	- Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. - The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	- The mineralisation is secured by the Breitenbrunn Erlaubnis (exploration permit). It is 100% owned by Saxore Bergbau GmbH. This licence is valid for Sn, W, Mo, Ta, Be, Cu, Pb, Zn, Ag, Au, Ge, In Fe, Fluorite and Baryte. - A pre-existing Bewilligung (mining permit) exists over radioactive minerals but this is owned by Wismut GmbH, a Federal Government company tasked with clean-up of previous uranium mining activities which is not allowed to undertake any mining activities. It is currently only treating water run-off from the old mine. - The area is in a region of secondary pine and mixed forest and farmland and the environment has been effected in the past by extensive previous mining activities. No immediate environmental impediments are obvious other than the disturbance caused by vehicle movement on surface and initial development from surface.
Exploration done by other parties	Acknowledgment and appraisal of exploration by other parties.	Significant work was undertaken by a Soviet – East German joint venture and these activities for the basis of the current resource estimate. No other activities are known in the project area.
Geology	Deposit type, geological setting and style of mineralisation.	The mineralisation consists of skarn, overprinted skarn, and schist hosted sub-vertical and sub-horizontal greisen veins. It is hosted within Cambrian to Ordovician meta-sediments intruded by Carboniferous to Permian aged granites. Metamorphism is generally under greenschist to amphibolite facies conditions. The granites are generally accepted as the source of the tin mineralising fluids which have subsequently deposited tin and other associated elements in chemically and structurally favourable settings when pressure, temperature and physico-chemical conditions were optimal. In particular, originally calcareous beds have acted as a very good chemical trap for the ascending tin rich fluids, being metasomatised to a skarn assemblage. However, a significant, later, retrograde event associated with chlorite minerals, has deposited a

Criteria	JORC Code explanation	Commentary
		significant amount of coarse cassiterite (SnO₂) and hence the deposit is not a “typical” skarn tin deposit. • The overprinted skarn are sub-horizontal zones between 1m and 15m true thickness (averaging about 3m) that are several hundred metres wide and several thousand metres long. These consist of amphibole, garnet, pyroxene, feldspar, magnetite, cassiterite, sphalerite and other sulphides. These have been subsequently partially metasomatised under retrograde conditions which has resulted in chloritic alteration fronts with coarse quartz-cassiterite segregations and veins. Cassiterite has been deposited in both the prograde and retrograde metasomatic events and occurs in both coarse and fine grained (less than 50 micrometres) forms. • These seams are very continuous geologically and can be traced over several kilometres. However, several generations of mineralisation are evident and the paragenesis is complex. Faulting and parting also effects the skarn units. • The Hämmerlein skarn has associated schist hosted greisen style mineralisation that occurs as both sub-vertical and sub-horizontal quartz-feldspar-tourmaline-cassiterite veins immediately below the main skarn unit. These form a sheeted to stockwork vein array which has been located up to 30m below the main skarn and is open at depth. It is suspected that this zone may have significant depth potential due to its partially sub-vertical disposition but has not been adequately drill tested below about 30m beneath the Hämmerlein Seam. • Exploration results are not being reported
Drill hole Information	• A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: ○ easting and northing of the drill hole collar ○ elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar ○ dip and azimuth of the hole ○ down hole length and interception depth	

Criteria	JORC Code explanation	Commentary
	○ hole length. • If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	
Data aggregation methods	• In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated. • Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. • The assumptions used for any reporting of metal equivalent values should be clearly stated.	• Exploration results not being reported
Relationship between mineralisation widths and intercept lengths	• These relationships are particularly important in the reporting of Exploration Results. • If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. • If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').	• Exploration results not being reported
Diagrams	• Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.	• Exploration results not being reported
Balanced reporting	• Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	• Exploration results not being reported

Criteria	JORC Code explanation	Commentary
Other substantive exploration data	Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	Exploration results not being reported
Further work	- The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling). - Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	- It is planned to repeat the underground channel sampling wherever accessible in order to further confirm previous work, especially assaying, and to ascertain the background concentration of the elements that were not always assayed (e.g. indium). - Some underground drilling is also planned to further constrain the assaying and to examine the local variability. - Subsequent to this, additional drilling is planned from both surface and underground to increase confidence levels and thus the category of resource.

Section 3 Estimation and Reporting of Mineral Resources

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

Criteria	JORC Code explanation	Commentary
Database integrity	- Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes. - Data validation procedures used.	- Saxore contracted Beak Consulting GmbH, a German geological consultancy, to compile a drillhole database in MS Access. - The data were imported into Micromine software and validated using the drillhole validation tools which check for errors such as overlapping intervals, intervals beyond hole depth and min and max assay ranges. - During a site visit a number of original paper logs were inspected and compared to the database. - The database also included duplicate and umpire samples which has been inspected by the CP. For Sn the precision and accuracy of the analytical techniques appears appropriate for mineral resource estimation.

Criteria	JORC Code explanation	Commentary
Site visits	• <i>Comment on any site visits undertaken by the Competent Person and the outcome of those visits.</i> • <i>If no site visits have been undertaken indicate why this is the case.</i>	• A site visit was conducted by Mr. Richard Siddle (CP Resources) with Dr. Andrew Bamber (CP Metallurgy) and Mr. Dominic Claridge (Study Manager) from 28th to 29th October 2021. • The study team were accompanied by Dr Marco Roscher (MD Saxore Bergbau GmbH). • It was not possible to complete an underground site visit to inspect the geology of the Hammerlein and Dreiberg deposits due to the Tourist Mine being closed at the time. • Discussion relating to the geology were undertaken as well as inspection of original paper drill logs and a surface site visit over the project area.
Geological interpretation	• <i>Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.</i> • <i>Nature of the data used and of any assumptions made.</i> • <i>The effect, if any, of alternative interpretations on Mineral Resource estimation.</i> • <i>The use of geology in guiding and controlling Mineral Resource estimation.</i> • <i>The factors affecting continuity both of grade and geology.</i>	• The Tellerhauser tin mineralization is dominantly hosted in laterally continuous Skarn units. Some mineralization at Hammerlein is hosted in the schist units underlying the skarn. • Logging of the skarn units enabled 3D models of the skarn units to be modelled and the mineralized and unmineralized portions of those units were then sub-dominated. Due to the strong geological control and detailed logging the modelling of the skarn unit has a moderate to high degree of confidence, being higher in areas of closer spaced drilling. • The tin sub domain within the skarn has moderate to high degrees of confidence, however due to lower data density for Zn assays at Hammerlein, the interpretation of Zn mineralization is low. • At Hammerlein faults appear to offset the skarn units and while complex these have been incorporated into the model though means of vertical fault block polygons. Small scale faulting which has not been identified may be present and result ~5 m offsets in parts of the deposit. • Schist mineralization is less continuous than that of the Skarn. Modelling of mineralized vs unmineralized schist was completed and is considered to be suitably accurate for mine planning in areas of Indicated Resources. Although variability in the anisotropy may change the interpretation of the schist mineralization.

Criteria	JORC Code explanation	Commentary
Dimensions	<i>The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.</i>	- The Hammerlein skarn is relatively flat lying with horizontal to 10° dip to the SE. Mineralisation is interpreted to measure 1.7km down dip and 1.0km across strike. It ranges in thickness typically from 2 to 10m and in places up to 15-20 m. Mineralization is 200-300 m below the surface. - The Dreiberg skarn is relatively flat lying with a dip of about 10° to the SE in the Indicated area of the deposit. Mineralisation is interpreted to measure approximately 500 m x 150 m within the Indicated resource area. It ranges in thickness from 2 to 10m and is approximately 800 m from surface. Inferred mineralization approximately 500 m x 1300 m and is approximately 800-1000 m below the surface.
Estimation and modelling techniques	<i>The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.</i> <i>The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.</i> <i>The assumptions made regarding recovery of by-products.</i> <i>Estimation of deleterious elements or other non-grade variables of economic significance (e.g. sulphur for acid mine drainage characterisation).</i> <i>In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.</i> <i>Any assumptions behind modelling of selective mining units.</i> <i>Any assumptions about correlation between variables.</i> <i>Description of how the geological interpretation was used to control the resource estimates.</i> <i>Discussion of basis for using or not using grade cutting or capping.</i>	- A summary of the resource estimation techniques made using wireframe restricted and ordinary kriged block models is given in the technical report. - Micromine 2021.5 software was used for estimation. - The skarn units were modelled and sub domained into mineralized and unmineralized portions. Schist hosted mineralization was also modelled to separate mineralized and unmineralized domains. - Block size was 5 m horizontally in the most densely drilled areas of the deposits which were considered for Indicated resources, this a approximately 1/3 of the data spacing in these areas. In areas where data spacing was 50-200 m a 50 m cell size was used horizontally. 2m cells were used vertically. - Data spacing is typically 30 or less in the areas of indicated resources and is extrapolated at most 100-200 m in inferred resources, although this is backed up by the geological continuity of the hosting skarn unit. - A multi pass search method was used with spacing approximately 1.5 times the data spacing. - Generally outlier high grade values were not found to have a significant effect on the estimate. A number of samples were restricted using grade claiming where their radii of influence was restricted to 50% of

Criteria	JORC Code explanation	Commentary
	<i>The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.</i>	the search. Sub domaining restricted the influence of most high-grade values. - Mine production records are only available for a very small area and most development was made underneath mineralization. As such they do not represent a robust validation method for the estimate. - Zinc, Iron and Indium are expected to be recovered as by products and are not included in cut off determinations. - Deleterious elements were not estimated. - Minimum mining widths are expected to be in the region of 2m horizontally with a high degree of vertical flexibility. - The estimates were validated by comparison of output and input statistics and by inspection in cross section. They were also compared to previous estimates using the same cut off grade and found to be broadly comparable.
Moisture	<i>Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.</i>	Tonnages of the Mineral Resource are estimated on a dry weight basis.
Cut-off parameters	<i>The basis of the adopted cut-off grade(s) or quality parameters applied.</i>	- A break-even cut-off grade of 0.5% Sn is estimated assuming an average Sn price of US\$25,000/t for Sn, process recoveries of approximately 75%, smelter deductions of 10%, Mining costs of \$55/t, processing costs of \$20/t, G&A costs of \$5/ ROM t and Transport costs of \$2 / ROM t. - Zinc, Iron and Indium are not used in the cut off determination due to the low confidence in the estimation of these elements but are considered to have a reasonable prospect of being recovered as by-products.
Mining factors or assumptions	<i>Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an</i>	- The Mineral Resources were estimated on the assumption that the material will be mined by an appropriate underground method e.g. room and pillar, stopes. - Minimum mining dimensions are expected to be around 2 to 5 m. - The resource estimation includes some internal dilution. - Over 60km of historical development is in place for the deposits. Dreiberg is flooded but part of Hammerlein is accessible.

Criteria	JORC Code explanation	Commentary
Metallurgical factors or assumptions	<i>explanation of the basis of the mining assumptions made.</i> <i>The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.</i>	- The available metallurgical testwork indicates that tin is recoverable by gravity separation. For resource reporting a 75% recovery to a concentrate paying 90% of contained tin metal is assumed. - Magnetic separation is required to remove iron as part of the process circuit and iron may be recovered as a by-product. The Company estimates approximately 5% of iron is present in phases other than Magnetite and Hematite. - It is also expected that zinc will need to be removed by floatation to improve gravity recovery and zinc may be recovered as a by-product. - Indium is expected to report to a copper sulphide concentrate that will be recoverable via floatation. Insufficient data is available to estimate the Cu content. (The Company report that the indium occurs as roquesite, a copper-indium-sulphide).
Environmental factors or assumptions	<i>Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.</i>	- The environmental factors have not been investigated for the purposes of the Resource Estimate reported here. - It is expected that processing will be completed underground and the existing underground development will offer some space for disposal of waste materials.
Bulk density	<i>Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.</i> <i>The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc.), moisture and differences between rock and alteration zones within the deposit.</i>	No Bulk density data was available for Dreiberg, however 1327 density measurements were provided for the Hammerlein deposit. A relationship between the iron content of the skarn and bulk density was identified and is reasonably expected. After outliers were removed using Cook's Distance Analysis 862 density determinations with Fe2O3 analysis were used to generate a linear regression model for use in the estimation of density within the skarn from the iron content (Density =

Criteria	JORC Code explanation	Commentary
	Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.	2.68 + 0.02x Fe2O3). A default value of 2.83 was used in the mineralized schist.
Classification	- The basis for the classification of the Mineral Resources into varying confidence categories. - Whether appropriate account has been taken of all relevant factors (i.e. relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data). - Whether the result appropriately reflects the Competent Person's view of the deposit.	- At both Hammerlein and Dreiberg data spacing is generally either of the order of 15 m or much greater with spacing of 50-100 m or. Kriging statistics in the block model were considered against data spacing, radii of influence of 15 m were used to generate a polygon of indicated Resources, the polygon was smoothed to prevent the "spotted dog effect" and considered uncertainty in the geological interpretation of the skarn where continuity was inferred rather than confirmed on the fringes of the deposit. All other blocks were classified as Inferred. - The resource classification reflects uncertainty in geological interpretation and continuity of the host units and mineralized grades. - The result appropriately reflects the CPs view of the deposit.
Audits or reviews	The results of any audits or reviews of Mineral Resource estimates.	- No audits of the Mineral Resource estimates have been completed. - The estimates of Indicated resources have been compared to previous estimates and are comparable.
Discussion of relative accuracy/confidence	- Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate. - The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used. - These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.	- No statistical or geostatistical procedures were used to quantify the relative accuracy of the resource. - All Resources are classified as Indicated and Inferred. Due to the reliance on legacy data and the inherently erratic nature of Sn grades not measured resource classifications have been applied. - The Mineral Resource Estimates are considered to have sufficient global and local accuracy to allow mine planning in the Indicated resources where tin only is used to determine cut-off grade. - Inferred resources do not have sufficient local accuracy and carry a higher global estimation risk than indicated resources. - The Mineral Resource Estimates of the Tellerhauser deposits are sensitive to the cut-off grade applied. Increasing the confidence in by product metal estimation may allow for further de-risking in select area where further sampling is possible.

Criteria	JORC Code explanation	Commentary
		• Areas of inferred resources require infill drilling to improve confidence in mineral resource estimated.

APPENDIX 2 GOTTESBERG JORC Code, 2012 Edition – Table 1.

Table 9-1 JORC Code 2012 Table 1 Section 1 Reporting of Sampling Techniques and Data.

Criteria	JORC Code explanation	Commentary
Sampling techniques	- Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. - Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. - Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.	- The Gottesberg deposits were sampled from diamond drill core and chip sampling of walls of underground development headings within the deposit. Sampling data was collected by Sowjetisch-Deutsche Aktiengesellschaft WISMUT (WISMUT) which was a joint government enterprise of the Soviet Union and the Deutsche Demokratische Republik (DDR); a separate government enterprise named VEB Wolfram-Zinnerz (Wolfram- Zinnerz); and more recently by Gesellschaft mit beschaerakter Haftung (Sachsenzinn) from diamond drilling by Sachsenzinn. - The historical data was the result of work by surveyors, geologists and laboratory chemists who were personnel of the government of the DDR. From the 1960s to 1980s, technology in the DDR was at the forefront of Sn analysis using X-Ray fluorescence (XRF) and the development of the recovery of cassiterite (SnO2) by flotation methods. - Core logging was comprehensive and included detailed lithological and mineralogical logging. - Drill core was nominally NQ in diameter. - Drill core of the mineralisation was sampled by longitudinal splitting. - Underground chip samples were taken from galleries and cross-cuts in lengths ranging from 0.5m to 2.5m, but usually using 1m lengths. - Samples were prepared for analysis using established workflow protocols by crushing to <=3mm, quartering of the crushed sample which was then pulverised. The pulverised sample mass was about 200g which allowed for original and duplicate analyses. - Sn analysis was by wet chemical and pressed powder XRF methods. In 1983, the assay data was reviewed after umpire analyses at four laboratories. As a result, analyses from one laboratory were discarded. - The sampling, sample preparation and analysis methods were suitable for the grain size of the principal tin and copper bearing minerals present. Sachsenzinn Data - Core logging was comprehensive and included detailed lithological, mineralogical and structural geology logging, and core recoveries. - Core was photographed wet and dry. - Drill core was nominally 101mm in diameter. - Drill core of the mineralisation was sawn in half longitudinally and, for larger drill core, longitudinally into quarters. - The half or quarter core was crushed at the Swedish laboratory of ALS Group (ALS) to 90% passing 2mm before the sample was split and pulverised. - Sn analysis was by fusion with lithium borate followed by XRF analysis. Cu assays were made using a four acid digest followed by a combination of Spectroscopic analysis. - The sampling, sample preparation and analysis methods were suitable for the grain size of

Criteria	JORC Code explanation	Commentary
		the principal tin and copper bearing minerals present.

Drilling techniques	Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face- sampling bit or other type, whether core is oriented and if so, by what method, etc).	All drilling was diamond drilling.
Drill sample recovery	- Method of recording and assessing core and chip sample recoveries and results assessed. - Measures taken to maximise sample recovery and ensure representative nature of the samples. - Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	Historical Data - Core recoveries were recorded during logging and were reported as averaging from 90 to 98% in diamond drill holes including an average of 94% in the mineralisation. No systematic core loss in mineralised zones was reported. One drill hole (Tah6) that had low core recoveries was re-drilled (Tah7). - Given the good core recoveries, no bias between sample recoveries and grades is anticipated to be caused by preferential loss of fine material. Sachsenzinn Data - Core recoveries were recorded during logging and were reported as averaging greater than 95% except in faulted or brecciated zones. - No systematic core loss in mineralised zones was reported. Given the good core recoveries, no bias between sample recoveries and grades is anticipated to be caused by preferential loss of fine material.
Logging	- Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. - Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. - The total length and percentage of the relevant intersections logged.	Historical Data - Core logging was comprehensive and included detailed lithological and mineralogical logging and drill core recoveries. - Core logging was appropriate to support the estimation of the resource, and mining and metallurgical studies. - The underground chip samples were not logged individually but were taken from underground workings that had been geologically mapped. Sachsenzinn Data - Core logging was comprehensive and included detailed lithological, mineralogical and structural geology logging, and core recoveries. - Core logging was appropriate to support the estimation of the resource. - Drill core was photographed wet and dry. - Relevant intersections are included in Appendix B.
Sub-sampling techniques and sample preparation	- If core, whether cut or sawn and whether quarter, half or all core taken. - If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.	Historical Data - Drill core of the mineralisation was sampled by longitudinal splitting. - Underground chip samples were taken from galleries and cross-cuts at lengths ranging from 0.5m to 2.5m, but usually using 1m lengths. - Samples were prepared for analysis using established workflow protocols by crushing to
Criteria	JORC Code explanation	Commentary

	- For all sample types, the nature, quality and appropriateness of the sample preparation technique. - Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. - Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. - Whether sample sizes are appropriate to the grain size of the material being sampled.	<=3mm, quartering of the crushed sample which was then pulverised. The pulverised sample mass was about 200g which allowed for original and duplicate analyses. - Sn analysis was by wet chemical pressed powder XRF methods. In 1983, the assay data was reviewed after umpire analyses at four laboratories. As a result, analyses from one laboratory were discarded (Sippel et al., 1983). - The sampling, sample preparation and analysis methods were suitable for the grain size of the principal tin and copper bearing minerals present. - Sachsenzinn Data - Drill core of the mineralisation was sawn in half longitudinally and, for larger drill core, longitudinally into quarters. - The half or quarter core was crushed at the Swedish laboratory of ALS Group (ALS) to 90% passing 2mm before the sample was split and pulverised. - The sampling, sample preparation and analysis methods were suitable for the grain size of the principal tin and copper bearing minerals present.
Quality of assay data and laboratory tests	- The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. - For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. - Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.	Historical Data - Samples were made from drill core and underground sampling from 1967 to 1981 by Sowjetisch-Deutsche Aktiengesellschaft WISMUT, a joint government enterprise of the Soviet Union and the Deutsche Demokratische Republik (DDR). - The analyses were made by laboratory chemists who were personnel of the government of the DDR. From the 1960s to 1980s, technology in the DDR was at the forefront of Sn analysis using X-Ray fluorescence (XRF) and the development of the recovery of cassiterite (SnO₂) by flotation methods. - Sachsenzinn Data - Samples were submitted to the Swedish Laboratory of ALS. Sn analysis was by fused bead X-Ray Fluorescence (XRF) and Cu analysis by Mass Spectroscopy or Atomic Emission Spectroscopy following a 4-acid digest. - The analyses were for total Sn and total Cu. - Duplicates, blanks and third-party industry standards were used. - The correlation of the duplicate and original tin analyses were very good with a correlation coefficient of 1.00. - The results of the Sn analysis of the third-party industry standard with a grade of 1.61% Sn were very good, within a range of 1.58 to 1.64% Sn. - The results of the analyses of 60 blank samples all returned assays of <0.01% Sn. - Sachsenzinn drilled diamond drill hole SZ1 as a twin of historical hole Tah4/77. There was good agreement between the results of the two holes – see Verification of Sampling and Assaying below. - The analysis methods used are standard industry practice and the results are acceptable. - The intersections of greisen made in the historical and modern holes were reviewed by Mining One to ensure they matched the interpretation of the mineralisation used for the resource estimate. - Sachsenzinn drilled diamond drill hole SZ1 as a twin of historical hole Tah4/77. A
Verification of sampling and assaying	- The verification of significant intersections by either independent or alternative company personnel. - The use of twinned holes.	

Criteria	JORC Code explanation	Commentary
	- Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. - Discuss any adjustment to assay data.	comparison of the results from the two holes confirmed that the locations of greisen identified in the Sachsenzinn holes matched the locations of greisen identified in the historical holes; that the Sn grades of the greisen identified in the Sachsenzinn holes agreed well with the Sn grade of greisen identified in the historical hole. - An Access database was provided by TIN. - The Access database provided by Tin International (TIN) was reviewed for: holes which appeared to collar beyond the apparent limits of the drilling campaigns; holes which appeared not to collar on the surface or the perimeters of underground workings; Sn and Cu assays which exceeded those possible; assays which exceeded those mentioned in existing reports; overlapping sample depths; holes which had records which exceeded the final depth recorded in the Collar table. None of these was found.
Location of data points	- Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. - Specification of the grid system used. - Quality and adequacy of topographic control.	Historical Data - Samples came from historical drilling and underground sampling of the Gottesberg deposit from 1967 to 1981 by Sowjetisch-Deutsche Aktiengesellschaft WISMUT, a joint government enterprise of the Soviet Union and the Deutsche Demokratische Republik (DDR). The historical survey data was the result of work by survey personnel of the government of the DDR. - In 2008, Geotechnik Erkundung Oekologie Sanierung, Freiberg, Ingenieuregesellschaft mbH (GEOS) supplied a very comprehensive suite of plans compiled from their research of the historical data and information. Sachsenzinn Data - The locations of drill hole collars were picked up by K. & S. Vermessung, Qualified Surveyors. - Down-hole surveys were made by GFL - Dr. Lux Geophysikalische Fachberatung GbR using a Century 9622 down-hole instrument which also monitored hole diameter measurements. - The quality and accuracy of the locations of drill holes are suitable for the estimation of Mineral Resources. - All coordinates in this report use Gauss Kruger 4 Coordinates (RD83). - A digital terrain model of the surface topography was supplied by TIN.
Data spacing and distribution	- Data spacing for reporting of Exploration Results. - Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. - Whether sample compositing has been applied.	- The data spacing is adequate for the reporting of Exploration Results, for example, see Figure 7-2 and Figure 7-3. - The data spacing is adequate to establish the degree of geological and grade continuity appropriate for the Mineral Resource estimation and for the resource classifications applied. - Samples were composited to 2m lengths.

Criteria	JORC Code explanation	Commentary
Orientation of data in relation to geological structure	- Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. - If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	- Given the style of the mineralisation, in the upper portion of the deposit, the combination of vertical and horizontal drilling and horizontal mine development headings is adequate to achieve sampling unbiased by direction. Below the mine workings, the reliance on vertical drilling has been taken into account by classification of the deeper resource as Inferred Mineral Resource. - No relationship between the drilling orientation and the orientation of key mineralised structures that might have introduced a sampling bias has been identified but, below the mine workings, the reliance on vertical drilling has been taken into account by classification of the deeper resource as Inferred Mineral Resource.
Sample security	The measures taken to ensure sample security.	- For the historical samples, the measures taken to ensure sample security are not explicitly known. - Sachsenszinn technical staff supervised the sample handling and forwarding to the ALS laboratory.
Audits or reviews	The results of any audits or reviews of sampling techniques and data.	Mining One reviewed the historical and Sachsenszinn data in the Access database to identify: holes which appeared to collar beyond the apparent limits of the drilling campaigns; holes which appeared not to collar on the surface or on the walls of mine workings; Sn and Cu assays which exceeded those theoretically possible; assays which exceeded those mentioned in existing reports; overlapping sample intervals; and holes which had records which exceeded the final depth recorded in the Collar table. None of these was found.

Appendix 3 – Competent Persons

Biography of Competent Person – Dominic Claridge

I, Dominic Claridge, as an author of this report entitled “CPR on the properties of First Tin, Saxony, Germany” dated effective 17 December 2021 prepared for First Tin Ltd. (the “Issuer”) do hereby certify that:

- ✓ I am Principal Consultant with Bara Consulting (UK) Ltd. My office address Cherry Tree Cottage, Easton, Hants, SO21 1EG, UK.
- ✓ I hold a BE Mining Engineering from the University of Sydney, Australia
- ✓ I am a Member of the Australian Institute of Mining and Metallurgy. (AusIMM)
- ✓ I am familiar with the JORC (2012) Standards of Disclosure for Mineral Projects and by reason of education, experience, and professional registration I fulfil the requirements of a “competent person” as defined in JORC (2012).
- ✓ I have over 30 years’ experience in mining projects and operations in precious and base metals including, tin, gold, lead, zinc, nickel and PGE projects in Australia, UK, China, South Africa, Namibia, Ghana and Finland.
- ✓ I visited the Rittersgrün, Auersberg and Gottesberg properties in October 2021, and previously the Tellerhäuser underground mine in 2014. I reviewed technical information including drilling results, sampling, historical mining history relating to the Tellerhäuser and Gottesberg project.
- ✓ At the effective date of the Report, to the best of my knowledge, information, and belief, the Report contains all scientific and technical information that is required to be disclosed to make the Report not misleading.

Dated this 17th day of December 2021.

Biography of Competent Person – Andrew Bamber

I, Dr. Andrew Bamber, as an author of this report entitled “CPR on the properties of First Tin, Saxony, Germany” dated effective 17 December 2021 prepared for First Tin Ltd. (the “Issuer”) do hereby certify that:

- ✓ I am Managing Director and Principal Process Engineer with Bara Consulting (UK) Ltd. My office address is 17 Central Buildings, Thirsk, North Yorkshire, YO7 1HD.
- ✓ I hold a B.Sc. (Hons) Mechanical Engineering (1993), an M.Sc. Mineral Processing (2005) and a PhD Mining Engineering (2008).
- ✓ I am a Professional Engineer registered with EGBC in British Columbia, Canada, registration number 159366.
- ✓ I am familiar with the JORC (2012) Standards of Disclosure for Mineral Projects and by reason of education, experience and professional registration I fulfil the requirements of a “competent person” as defined in JORC (2012).
- ✓ I have over 25 years’ experience in mineral processing projects and operations in precious metals, base metals and ferrous metals globally, including in base metal processing such as Playfair Tungsten in Canada, Doe Run Pb-Zn in Missouri, US, Red Dog Zn in Alaska, US, the 'Tinman' Sn project in Germany, Angel Mining's Black Angel Pb-Zn project in Greenland, Mineco's Olovo Pb-oxide project in Bosnia, the Toral Pb-Zn project in Spain, and the Cinovec Li-Sn-W project in Czech Republic.
- ✓ I visited the Rittersgrün, Auersberg and Gottesberg properties in October 2021, and reviewed technical information including drilling results, sampling, mineralogical and metallurgical results relating to the Tellerhäuser and Gottesberg project.
- ✓ I have no prior involvement with the property that is the subject of the Report.
- ✓ At the effective date of the Report, to the best of my knowledge, information, and belief, the Report contains all scientific and technical information that is required to be disclosed to make the Report not misleading.

Dated this 17th day of December 2021.

Biography of Competent Person – Patrick Willis

I, Patrick Willis, as an author of this report entitled “CPR on the properties of First Tin, Saxony, Germany” dated effective 17 December 2021 prepared for First Tin Ltd. (the “Issuer”) do hereby certify that:

- ✓ I am Chairman of Bara Consulting (UK) Ltd. My office address is 17 Central Buildings, Thirsk, North Yorkshire, YO7 1HD.
- ✓ I hold a B.Sc. (Hons) Mining Engineering,
- ✓ I am a registered Professional Engineer and Fellow of the South African Institute of Mining and Metallurgy and Past President (FSAIMM).
- ✓ I am familiar with the JORC (2012) Standards of Disclosure for Mineral Projects and by reason of education, experience and professional registration I fulfil the requirements of a “competent person” as defined in JORC (2012).
- ✓ I have over 14 years operational experience in tin, gold, copper coal and platinum mines with Gold Fields SA. I also have 15 years of technical mining research (CSIR-Miningtek), including non-explosive rock breaking, geophysics, geology, backfill, mine communications, mine safety, ventilation and cooling, technology implementation, deep level mining and 18 Years in mine consulting (Turgis/Bara) covering operational assistance, due diligence, expert witness, scoping study, PFS and DFS management for most minerals around the world. (tin, gold, PGM’s, copper, lead, lithium, coal, potash, uranium, diamonds, etc)·
- ✓ Prior to this report I was involved in the Scoping report for Saxore on behalf of Treliver Minerals. (2015)
- ✓ At the effective date of the Report, to the best of my knowledge, information, and belief, the Report contains all scientific and technical information that is required to be disclosed to make the Report not misleading.

Dated this 17th day of December 2021.

Biography of Competent Person – Dave Capstick

I, David Capstick, as an author of this report entitled “CPR on the properties of First Tin, Saxony, Germany” dated effective 17 December 2021 prepared for First Tin Ltd. (the “Issuer”) do hereby certify that:

- ✓ I am Principal Consultant with Bara Consulting (UK) Ltd. My office address is 17 Central Buildings, Thirsk, North Yorkshire, YO7 1HD.
- ✓ I hold a B.Sc. (Hons) Geology
- ✓ I am familiar with the JORC (2012) Standards of Disclosure for Mineral Projects and by reason of education, experience and professional registration I fulfil the requirements of a “competent person” as defined in JORC (2012).
- ✓ I have over 35 years’ experience in mineral projects and operations in precious metals, base metals over several continents. I was the founder, Director and Business Manager of Deswik Mining Consultants, with extensive experience in mine design and engineering.
- ✓ I have no prior involvement with the property that is the subject of the Report.
- ✓ At the effective date of the Report, to the best of my knowledge, information, and belief, the Report contains all scientific and technical information that is required to be disclosed to make the Report not misleading.

Dated this 17th day of December 2021.

Biography of Competent Person – James Hogg

I, James Hogg, as an author of this report entitled “CPR on the properties of First Tin, Saxony, Germany” dated effective 17 December 2021 prepared for First Tin Ltd. (the “Issuer”) do hereby certify that:

- ✓ I am Principal Geologist and Managing Director of Addison Mining Services with 25 years’ experience in the mineral exploration and resource industry. I previously worked for Micromine Consulting Services for eight years, and ACA Howe International for 4 years, based in London, United Kingdom.
- ✓ I hold a MSc in Mineral exploration and B.Sc. in Geology
- ✓ I am a Member of Australian Institute of Geoscientists (MAIG)
- ✓ I am familiar with the JORC (2012) Standards of Disclosure for Mineral Projects and by reason of education, experience and professional registration I fulfil the requirements of a “competent person” as defined in JORC (2012).
- ✓ I have worked as an exploration and resource geologist for precious and base metals in the Yilgarn Craton of Western Australia, East and West Europe, Africa and the America’s. I have recently focused on primarily precious and base metal resource estimation projects, undertaking project management, data management, project auditing, due diligence, resource estimations and reporting to JORC and NI 43-101 standards.
- ✓ At the effective date of the Report, to the best of my knowledge, information, and belief, the Report contains all scientific and technical information that is required to be disclosed to make the Report not misleading.

Dated this 17th day of December 2021.

Biography of Competent Person – Richard Siddle

I, Richard Siddle, as an author of this report entitled "CPR on the properties of First Tin, Saxony, Germany" dated effective 17 December 2021 prepared for First Tin Ltd. (the "Issuer") do hereby certify that:

- ✓ I am Principal Geologist of Addison Mining Services with more than 10 years' experience in the mineral exploration and resource industry.
- ✓ I hold a MSc in Mining Geology from the University of Exeter and a MGeol (Hons), in Applied and Environmental Geology from the University of Leicester.
- ✓ I am a Member of Australian Institute of Geoscientists (MAIG)
- ✓ I am familiar with the JORC (2012) Standards of Disclosure for Mineral Projects and by reason of education, experience and professional registration I fulfil the requirements of a "competent person" as defined in JORC (2012).
- ✓ Relevant experience includes exploration advisory and mineral resource estimation of tin-tantalum deposits in Rwanda between 2017 and 2019 as well as 10 years' experience in mineral resource estimation of a variety of commodities and mineralization styles, but with a particular focus on the estimation of gold deposits formed in hydrothermal systems which share similar grade distribution characteristics to that of tin deposits. I have conducted geological modelling, resource estimation, reporting to CIM/JORC 2012 standards and act as a Competent Person for a variety of commodities and styles of mineralisation.
- ✓ At the effective date of the Report, to the best of my knowledge, information, and belief, the Report contains all scientific and technical information that is required to be disclosed to make the Report not misleading.
- ✓ I am acting as competent person for the Mineral Resource estimates disclosed in the Report and take responsibility for section 7.

Dated this 17th day of December 2021.

Biography of Competent Person – Sue Struthers.

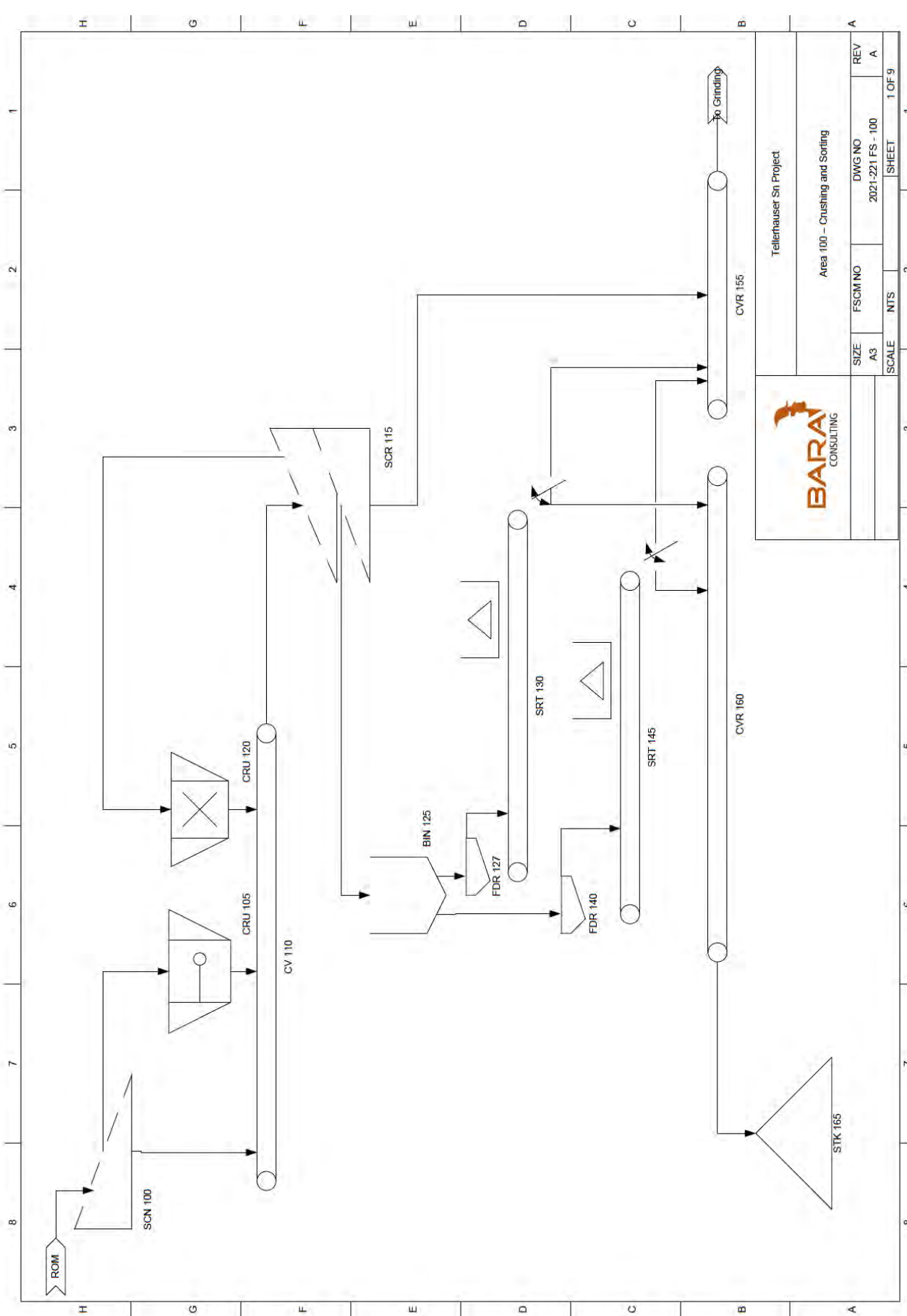
I, Sue Struthers, as an author of this report entitled “CPR on the properties of First Tin, Saxony, Germany” dated effective 17 December 2021 prepared for First Tin Ltd. (the “Issuer”) do hereby certify that:

- ✓ I am a Director of Skapa Mining Services Ltd.
- ✓ I hold a BSc Geology, London; MSc Mining Geology, CSM, UK; PhD Enviro Engineering, RMIT, Australia.
- ✓ I am a Fellow of the Institute of Materials, Minerals and Mining (FIMMM) and Chartered Environmentalist (CEnv)
- ✓ I am familiar with the JORC (2012) Standards of Disclosure for Mineral Projects and by reason of education, experience and professional registration I fulfil the requirements of a “competent person” as defined in JORC (2012).
- ✓ I have over 38 years as a mining geologist / environmental engineer in the mining industry. , I involved in a wide range of mining projects, from geochemical investigations and characterisation; AMD prediction-, management-, remediation and troubleshooting; rock dump and tailings storage, management and rehabilitation; ESIA planning-, management- and reviews; NI43-101 reviews; Feasibility Studies; developing and implementing mine environmental and social management systems and plans; environmental auditing; and since 2006 Gap Analyses and compliance work for Equator Principles and IFC performance standards; to closure plans, health and safety, and social aspects of operations, including resettlement, compensation and livelihood replacement. Recent experience in tin projects include UIS AfriTin (Namibia), Syrymbet (Kazakhstan), Rutongo (Rwanda) and Piran Tin Mines, (Rwanda).
- ✓ At the effective date of the Report, to the best of my knowledge, information, and belief, the Report contains all scientific and technical information that is required to be disclosed to make the Report not misleading.

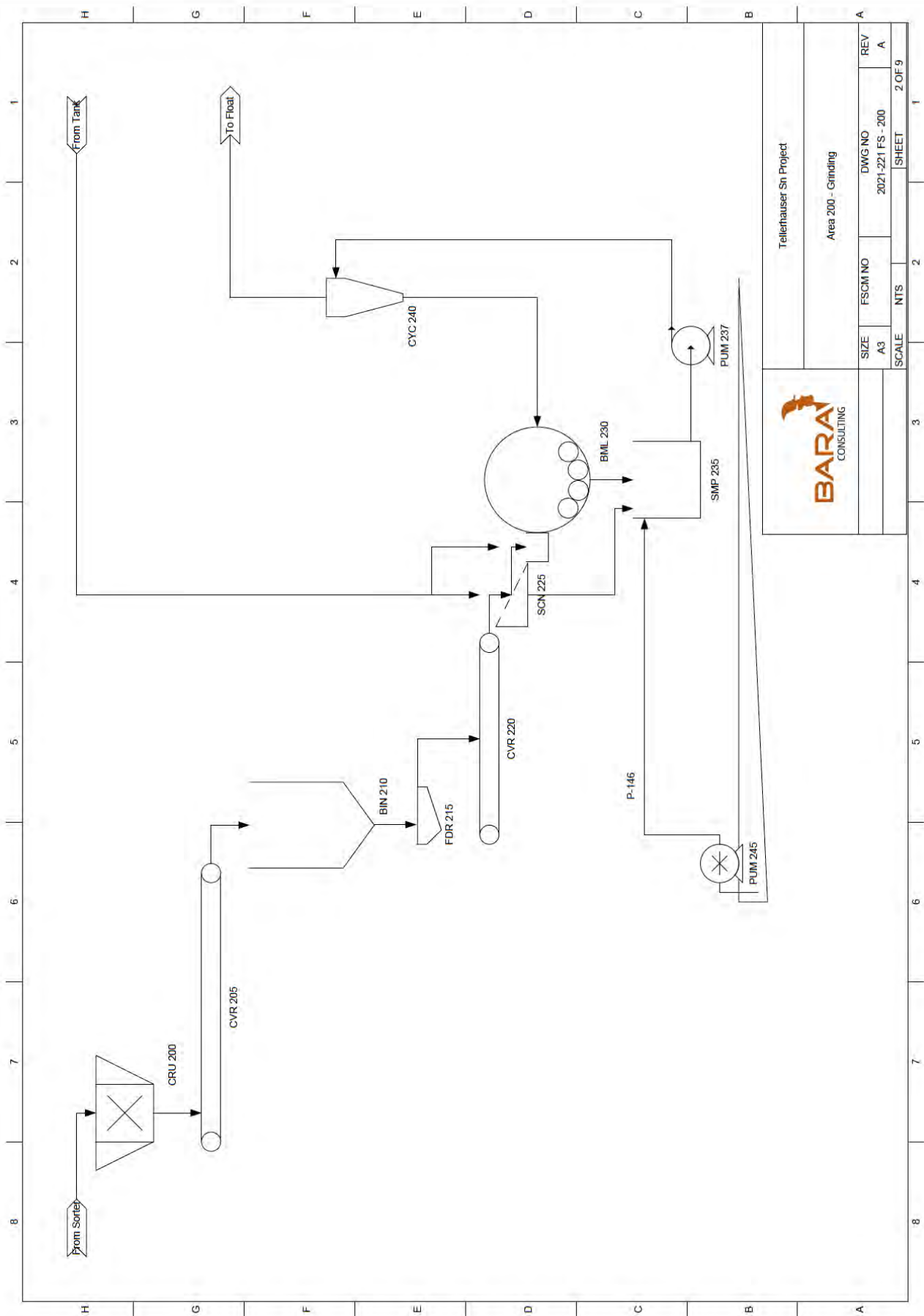
Dated this 17th day of December 2021.

Appendix 4 – Process Flow Diagrams

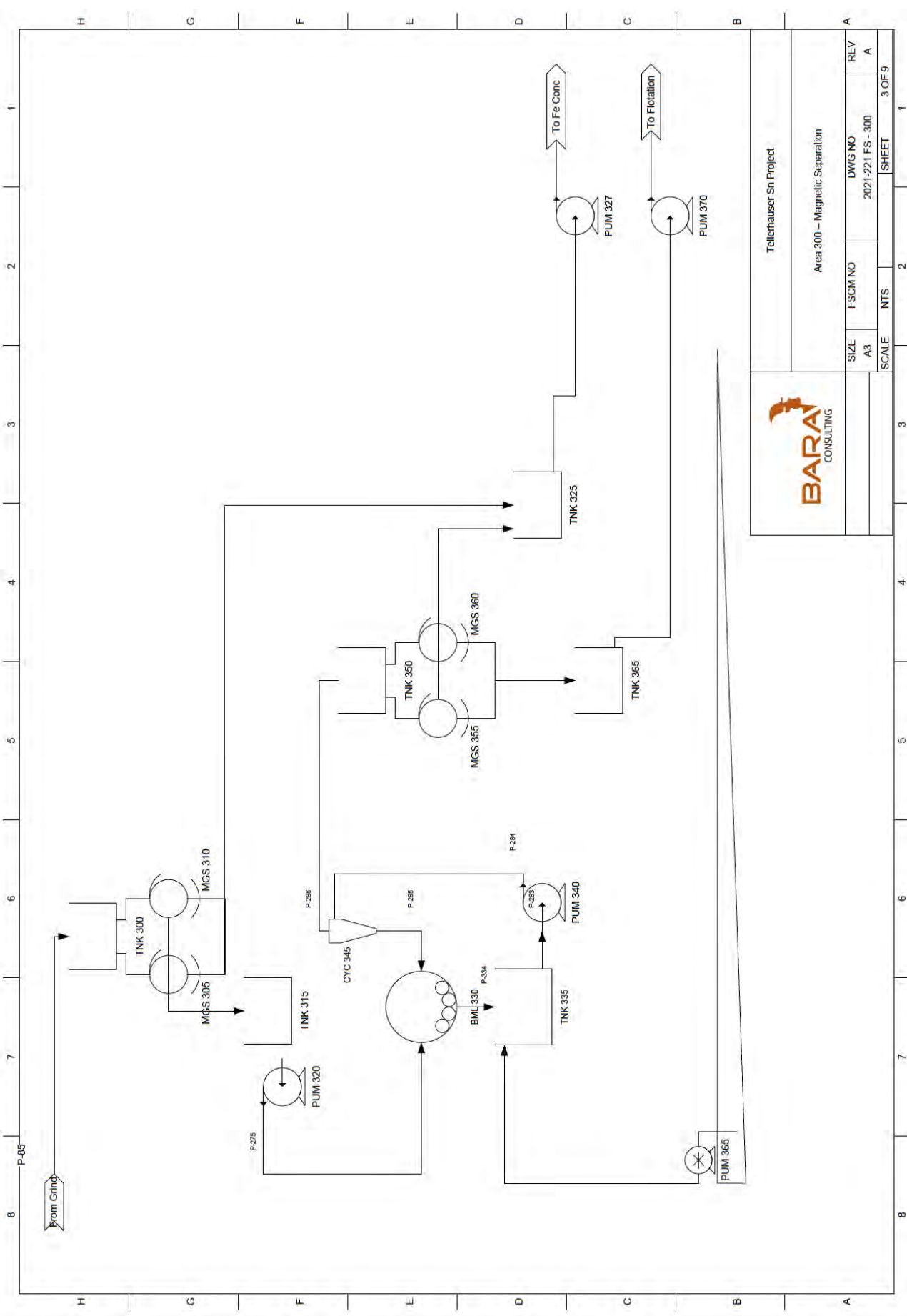




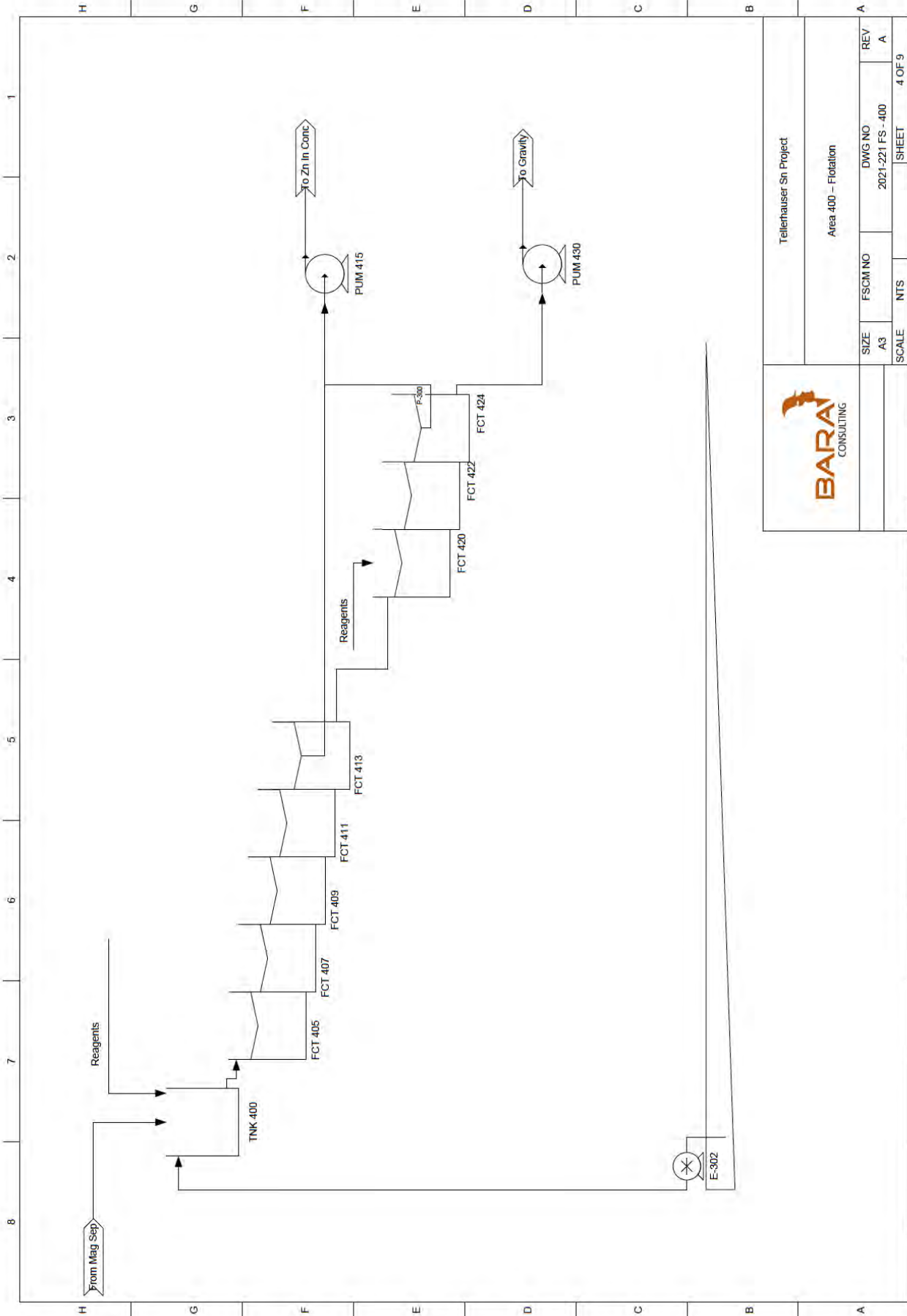
Tellerhauser Sn Project			
Area 100 – Crushing and Sorting			
SIZE	FSCM NO	DWG NO	REV
A3		2021-221 FS - 100	A
SCALE	NTS	SHEET	1 OF 9



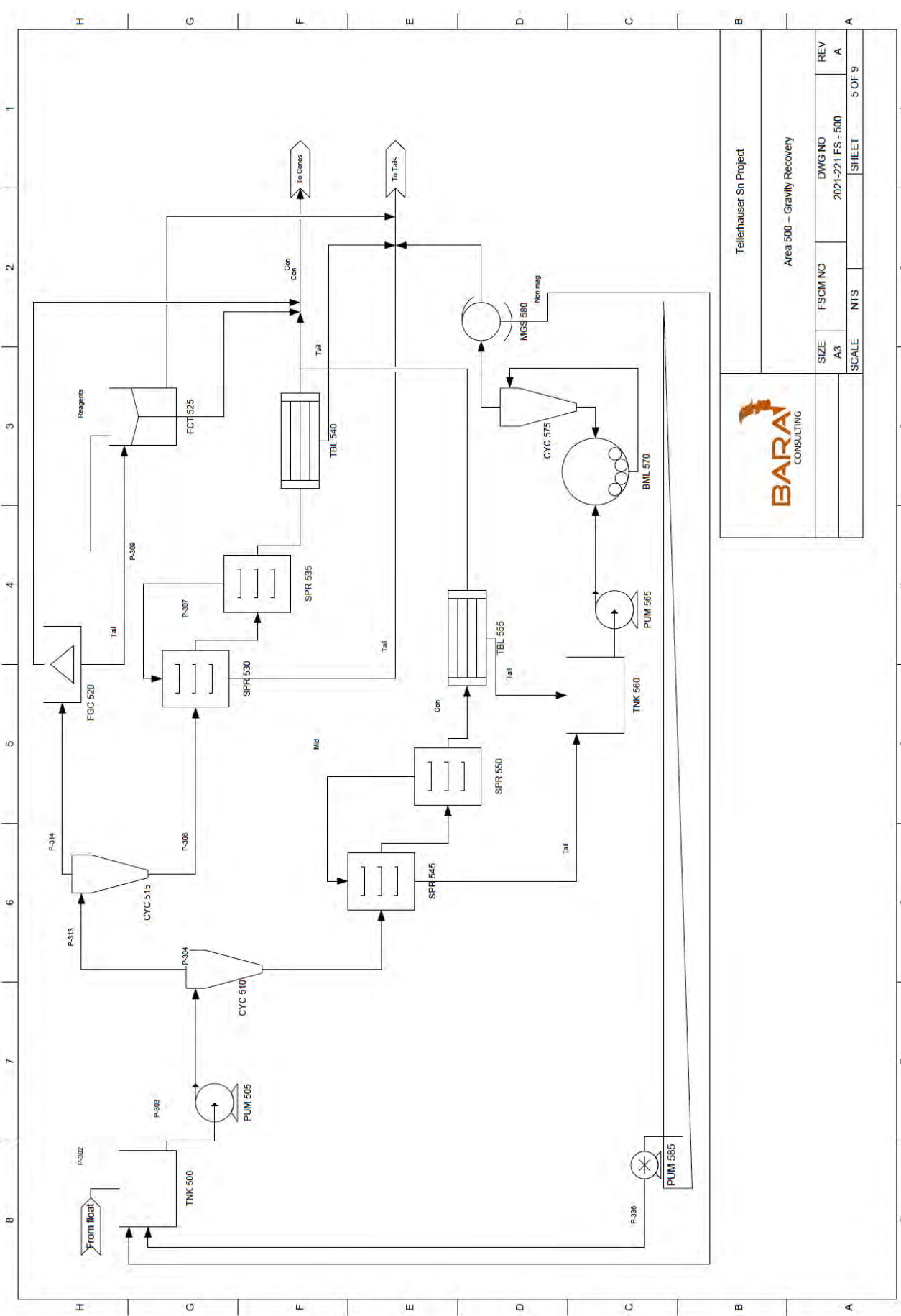
Tellerhauser Sn Project			
Area 200 - Grinding			
SIZE	FSCM NO	DWG NO	REV
A3		2021-221 FS - 200	A
SCALE	NTS	SHEET	2 OF 9



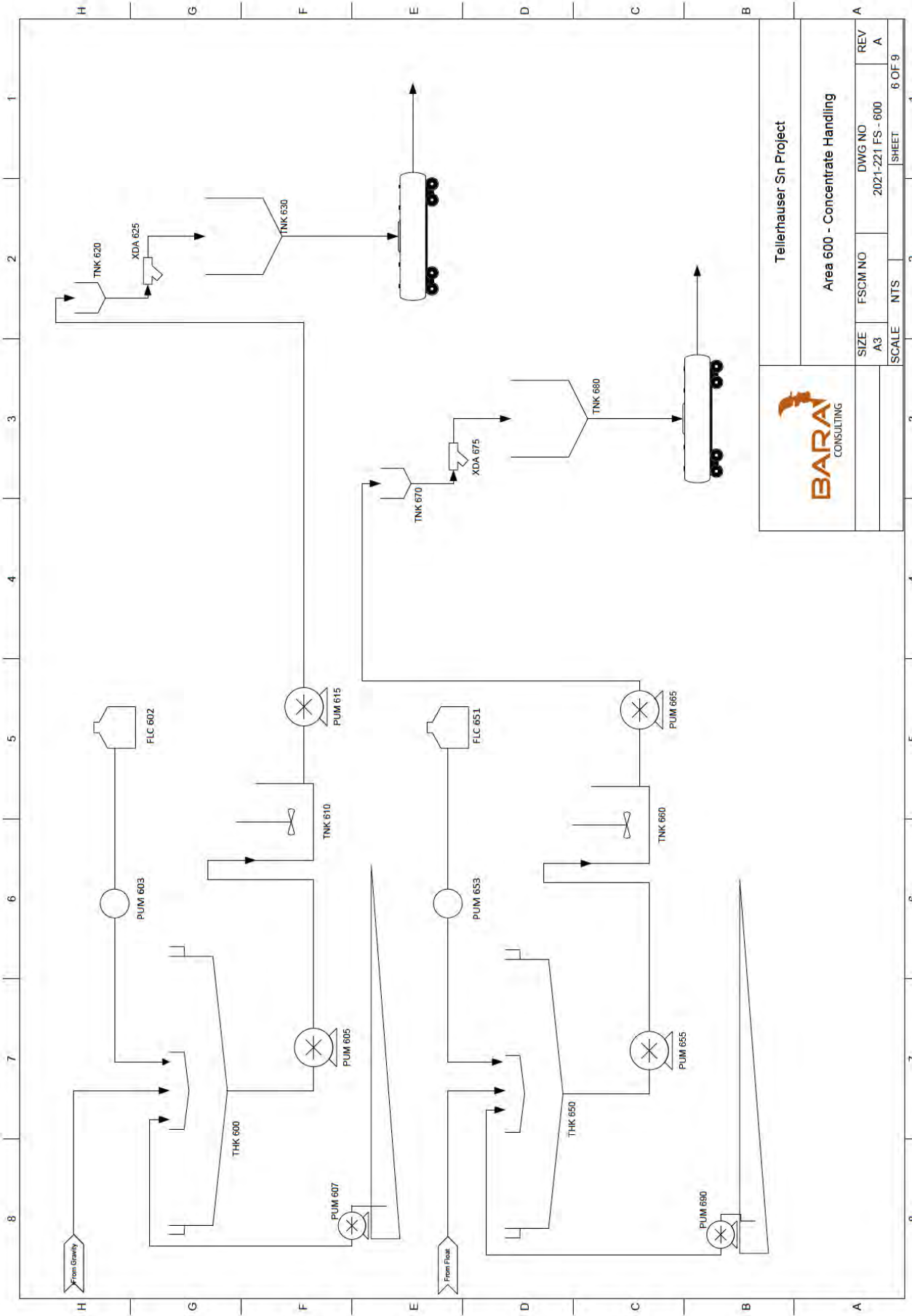
Tellerhauser Sn Project		Area 300 – Magnetic Separation	
SIZE	FSCM NO	DWG NO	REV
A3	NTS	2021-221 FS - 300	A
SCALE	NTS	SHEET	3 OF 9



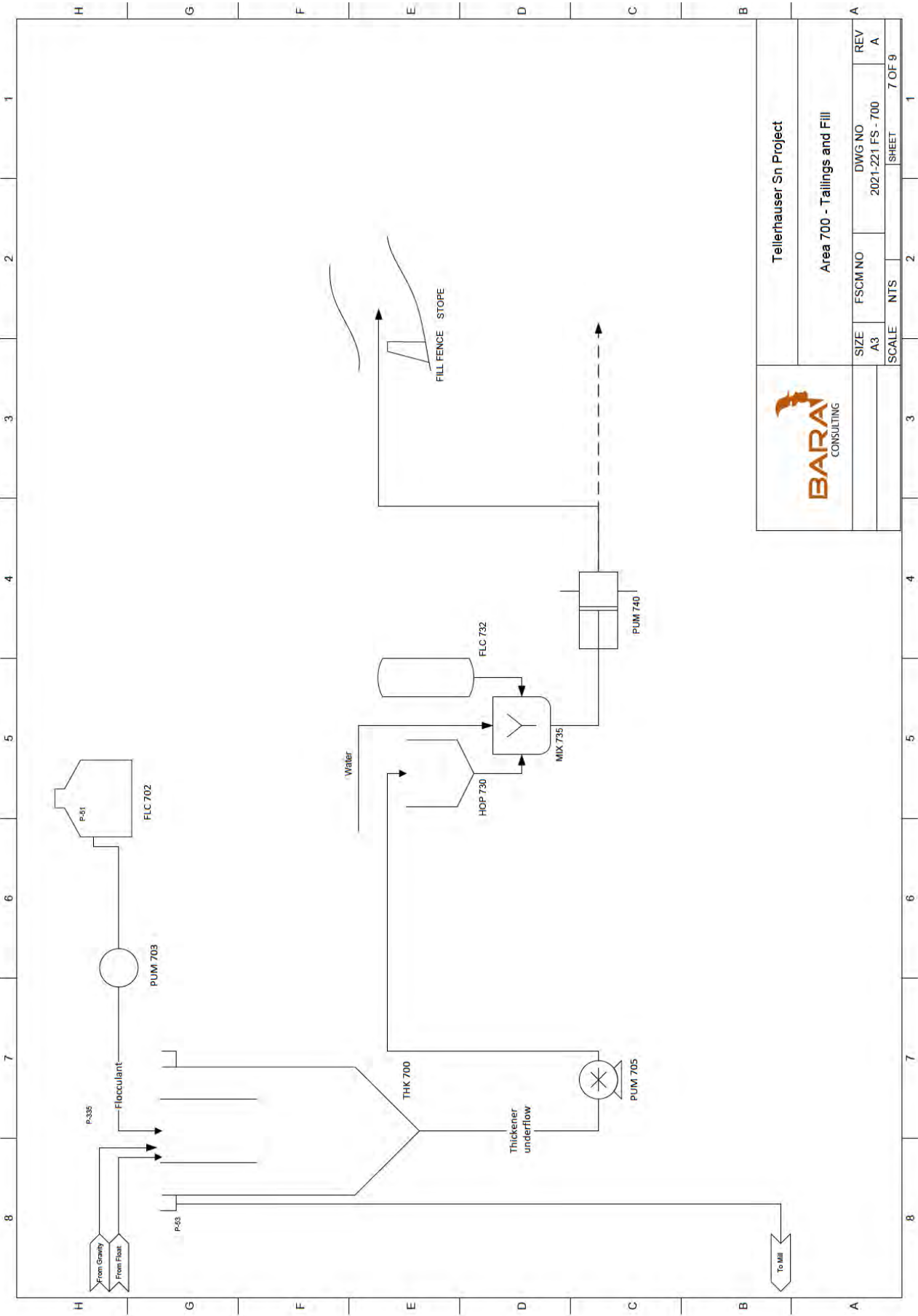
Tellerhauser Sn Project			
Area 400 – Flotation			
SIZE	FSCM NO	DWG NO	REV
A3		2021-221 FS-400	A
SCALE	NTS	SHEET	4 OF 9



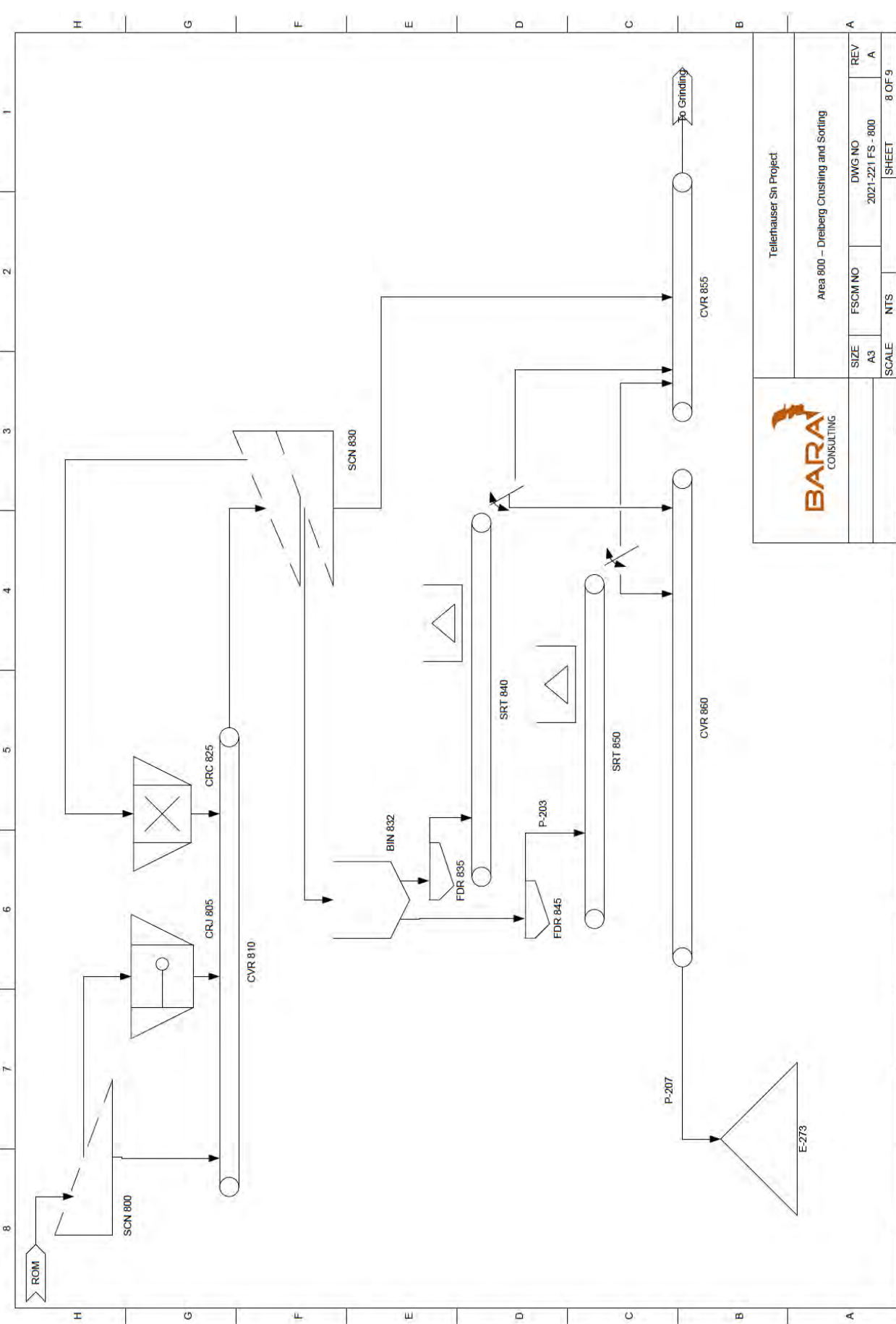
	Tellerhauser Sn Project					B
	Area 500 – Gravity Recovery					
	SIZE A3	FSCM NO	DWG NO 2021-221 FS - 500	REV A		
	SCALE	NTS	SHEET	5 OF 9		A



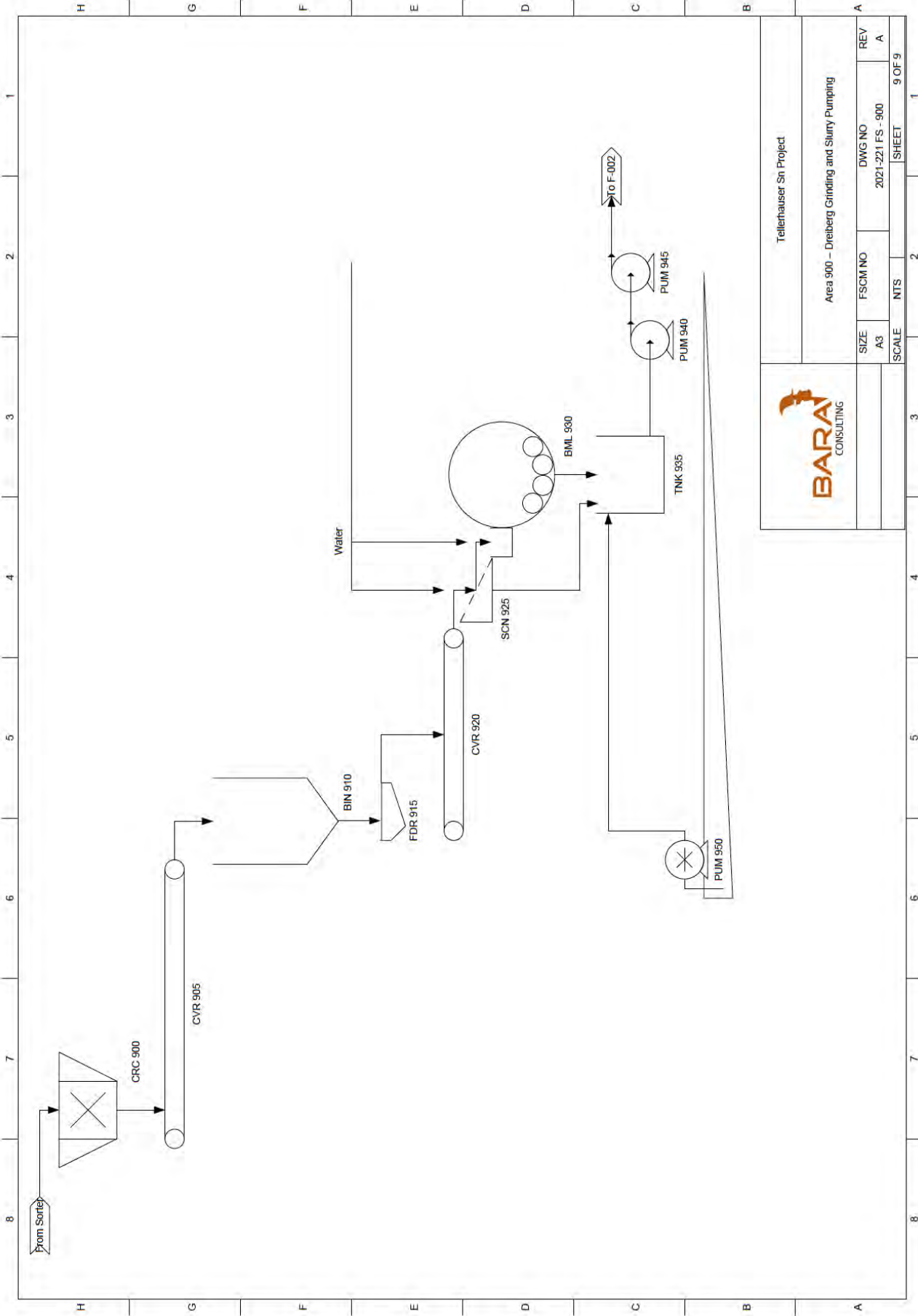
Tellerhauser Sn Project					
Area 600 - Concentrate Handling					
SIZE	FSCM NO	DWG NO	REV		
A3		2021-221 FS - 600	A		
SCALE	NTS	SHEET	6 OF 9		



Tellerhauser Sn Project		BARAI CONSULTING	
Area 700 - Tailings and Fill			
SIZE	FSCM NO	DWG NO	REV
A3		2021-221 FS - 700	A
SCALE	NTS	SHEET	7 OF 9



Tellerhauser Sn Project			
Area 800 – Dreiberg Crushing and Sorting			
SIZE	FSCM NO	DWG NO	REV
A3		2021-221 FS - 800	A
SCALE	NTS	SHEET	8 OF 9



Tellerhauser Sn Project		
Area 900 – Dreiberg Grinding and Slurry Pumping		
SIZE A3	FSCM NO NTS	DWG NO 2021-221 FS - 900
SCALE 9 OF 9	SHEET 9 OF 9	REV A



TARONGA TIN PROJECT

COMPETENT PERSONS REPORT

For

FIRST TIN LIMITED

Job No. 2965_G
Doc No. 2965_G_7231_Finalv5
Date: March 2022
Prepared by: Mick McKeown, Craig Stewart

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FINAL REPORT

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EXECUTIVE SUMMARY

First Tin Limited (to be re-registered as a public company) (First Tin) has commissioned Mining One Pty Ltd (Mining One) to prepare an Independent Competent Persons Report (CPR) that covers the geological, Mineral Resource, Ore Reserve and PFS components of the Taronga Tin Project located in northern New South Wales.

Mining, exploration and prospecting in the Taronga Tin Project area dates back for over a century. Significant exploration of some of the tin deposits was made by two parties: BHP in 1933, 1958 and 1964, and the Newmont Joint Venture from 1979 to 1982. From 2012 to 2018, for the Taronga Tin Deposit, AusNiCo Ltd and Aus Tin Mining Ltd (Aus Tin) completed Mineral Resource and Ore Reserve estimates, were granted a mining lease over most of the deposit and were given development approval for trial mining and processing.

The Taronga Tin Project consists of one Mining Lease (ML1774) and four Exploration Licences: EL7800, EL7801, EL8335 and EL8407. The area of the Mining Lease is 76.5 hectares and the total area of the exploration licences is about 340 square kilometres.

The tenements are located around Emmaville and Torrington, which lie to the north of Glenn Innes.

ML1774, which includes most of the reported Mineral Resource of the Taronga Tin Deposit, is located within EL8407.

EL7800, EL8335 and EL8407 are contiguous but EL7800 and EL8335 are in several parts. The First Tin licences are surrounded and intermixed with licences held by other entities.

ML1774 is due to expire on 21 December 2029 and the Exploration Licences having expiry dates ranging from 4 July 2022 to 4 July 2024. Notably, EL8407 that surrounds ML1774 is due to expire on 4 November 2023.

The Project has an elevation of about 1200m above sea level and the topography is undulating to hilly. The area consists of a mixture of private land and crown land. A significant area of EL7800 is covered by the Torrington State Conservation Area. Vegetation ranges from lightly wooded to open grassland which is used for sheep and cattle farming.

Mining One notes that Mining Lease ML1774 is entirely located on freehold land owned by Taronga Mines Pty Ltd, a wholly owned subsidiary of Aus Tin, and understands that private land is not subject to Native Title claims.

Access to the area is good, with sealed all weather roads traversing the area. Off-road access is provided by a network of farm tracks.

The area has been subjected to extensive mining activity, principally for tin and tungsten, dating back more than a hundred years, with the main activity being sluicing of Vegetable Creek and tributaries for alluvial cassiterite.

The Taronga Tin Project is situated within the southern New England Fold Belt where the Triassic age Mole granite has intruded into metamorphosed Permian-Triassic volcanic and sedimentary rocks.

In the area in, and to the south of, the Mole granite, hundreds of hydrothermal and alluvial mineral occurrences have been catalogued and range in size from very small scratchings to the Taronga Tin Deposit for which a Mineral Resource has been estimated.

Tertiary basalt and Quaternary colluvium and alluvium cover the older rocks in places and Tertiary and Quaternary age placers and deep lead deposits containing cassiterite have been mined in the district.

The principal element of interest in the Taronga Tin Project is tin (Sn) that occurs as the mineral cassiterite (SnO_2). Cassiterite is the traditional source of tin mined in the world and the only current source of tin mined in Australia.

In addition to tin, other metals of interest recorded from historical workings in the area include antimony, bismuth, copper, gold, lead, lithium, molybdenum, silver, tungsten, zinc and zircon.

The only materially significant deposit identified by Aus Tin in the Taronga Tin Project is the Taronga Tin Deposit which is a vein style deposit. The Taronga Tin Deposit is the only deposit in the Taronga Tin Project for which a Mineral Resource has been reported in accordance with the JORC Code 2012.

In 2013, AusNiCo Limited commissioned a Mineral Resource Estimate for the Taronga Tin Deposit. The estimate was made by Mr Michael McKeown of Mining One and reported in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves of the Joint Ore Reserve Committee of The Australasian Institute of Mining and Metallurgy, Australian Institute of Geosciences and Minerals Council of Australia, 2012 edition.

In the Taronga Tin Deposit, tin as cassiterite occurs in sheeted quartz veins within a north-east aligned anticlinal structure. The deposit has been resolved into two large zones, known as the Northern and Southern Zones.

The Northern Zone consists of a large, more or less intensively mineralised zone of sheeted veins which extends for 500 m along strike, up to 125m across strike and 300m down dip. This zone occurs within a lower grade halo of mineralisation which extends for 1,000m along strike, up to 250m across strike, and up to 500m down-dip. The intensity of the veining reaches up to 150 veins per metre in the centre of the intensively mineralised zone.

The Southern Zone consists of four en-echelon zones of tin mineralisation which dip vertically to sub-vertically. The zones occur over an area of 800m along strike and 350m across strike. The individual zones are up to 50m in width and extend for up to 250m down dip. The four discrete swarms of quartz veinlets have been named Hillside, Hillside Extended, Payback and Payback Extended.

As well as tin, the Taronga Tin Deposit mineralisation carries copper and silver.

The Mineral Resource for the Taronga Tin Deposit was made by estimating grades for tin (Sn), copper (Cu) and silver (Ag) into a block model of the mineralisation using ordinary kriging using assays data from diamond drill and reverse circulation holes. Statistical analyses of the sample data did not reveal any extreme high grades which required cutting.

The classification of the resource included Mineral Resources in the Indicated and Inferred categories. No part of the Mineral Resource was classified as Measured.

For each zone, grade estimates were not extended beyond the limits of drilling along strike. The vertical limit of the grade estimate for each zone was not extrapolated below the lowermost drill hole intercepts. The east and west limits used were the geological boundaries of the individual zones.

These estimation limits that all the material for which grades were estimated, and which achieved the cut-off grade, could be classified as Inferred Mineral Resource at least. In addition,

where multiple mineralised Sn intercepts occurred on a cross-section within a zone, the Sn resource impacted by the cross-section was classified as an Indicated Mineral Resource.

Not all samples were assayed for Cu and Ag and the estimated grades of Cu and Ag were low. In view of these two facts, the Cu and Ag resources were all classified as Inferred Mineral Resource.

The Mineral Resource was declared at a cut-off grade of 0.1% Sn. The current cash tin price on the London Metal Exchange on 8 November 2021 was US\$38,800 per tonne. The current exchange rate quoted by the Reserve Bank of Australia on 8 November 2021 was US\$0.7398/A\$1. Given these quotations, the current cash tin price is A\$52,446 and at a metallurgical recovery of 70% for cassiterite, a grade of 0.1% Sn would yield a recovered value per tonne of about A\$37 which could be expected to more than cover the marginal cost of processing one tonne of ore in a modern tin processing plant.

Beyond the assumption that mining of the deposit will be by conventional open-cut, no other mining assumptions were made for the 2013 Mineral Resource estimate.

Taronga Tin Project– Tin Mineral Resource						
0.1% Sn Cut-off Grade						
	Indicated			Inferred		
Metal	Mt	Assay % Sn	Contained Metal tonnes	Mt	Assay % Sn	Contained Metal tonnes
Northern Zone						
Tin	19.3	0.16	30,800	7.7	0.12	9,300
Southern Zone						
Tin	7.6	0.19	14,400	1.7	0.16	2,700
Total						
Tin	26.9	0.17	45,200	9.4	0.13	12,000

Taronga Tin Project – Copper and Silver Mineral Resource						
0.1% Sn Cut-off Grade						
	Inferred			Total		
Metal	Mt	Assay % Cu & g/t Ag	Contained Metal tonnes or ounces	Mt	Assay % Cu & g/t Ag	Contained Metal tonnes or ounces
Northern Zone						
Copper	27.0	0.07	19,000 tonnes	27.0	0.07	19,000 tonnes
Silver	27.0	3.8	3,300,000 oz	27.0	3.8	3,300,000 oz
Southern Zone						
Copper	9.3	0.08	7,400 tonnes	9.3	0.08	7,400 tonnes
Silver	9.3	3.8	1,100,000 oz	9.3	3.8	1,100,000 oz
Total						
Copper	36.3	0.07	26,400 tonnes	36.3	0.07	26,400 tonnes
Silver	36.3	3.8	4,400,000 oz	36.3	3.8	4,400,000 oz

In 2018, Aus Tin was granted Mining Lease ML1774 over part of the Taronga tin Deposit based on a plan for a trial to mine 340,000 tonnes of ore from an open-cut over an 18 to 24-month period and process the ore through an on-site pilot plant. A tailings storage facility and waste dumps were included in the plan. The objective of the trial mining was to assess the potential for:

- A higher resource grade;
- Increased tin recovery;
- Increased tin concentrate grade; and
- Recovery of copper and silver.

This plan was not implemented by Aus Tin, primarily because Aus Tin could not gain access to an adequate water supply for the planned operations, due to continuing drought in the region and also because of the impact of Covid-19 on its operations. First Tin has advised Mining One that it will not proceed with the trial mining project.

In 2014, Aus Tin reported the completion of a Pre-Feasibility Study (PFS) based on mining and processing the mineralisation from the Taronga Tin Deposit. In accordance with the JORC Code 2012, the completion of the PFS allowed Aus Tin, at the same time, to report an Ore Reserve for the deposit.

The PFS concluded that the deposit could be mined by conventional open-cut methods and that, for processing:

- The predominant tin bearing mineral is coarse grained cassiterite.
- The concentration of cassiterite to a commercially acceptable concentrate of 55% Sn, could be achieved by a combination of size classification, gravity separation and sulphide flotation.
- The Taronga tin mineralisation is highly amenable to pre-concentration by heavy medium separation which would allow rejection of non-mineralised material prior to grinding.
- A feed grade of 0.2% Sn would enable a recovery of 70% of Sn into a cassiterite concentrate with a grade of 55% Sn.

In the PFS, Aus Tin also reported a Production Target based on a mine production schedule that called for total production of 23.2Mt at 0.16% Sn. On a contained tin basis, relevant proportions of the Production Target were 96% from Probable Ore Reserve and 4% from Inferred Mineral Resource. There is a low level of geological confidence associated with Inferred Mineral Resources and there is no certainty that further exploration work will result in the determination of Indicated Mineral Resources or that the Production Target itself will be realised.

PFS Base Case - Ore Reserves (JORC 2012) & Production Target									
	Proven			Probable			Production Target		
	Mt	Assay % Sn	Tin Metal tonnes	Mt	Assay % Sn	Tin Metal tonnes	Mt	Assay % Sn	Tin Metal tonnes
Northern Zone	-	-	-	15.6	0.16	24,500	16.5	0.16	25,600
Southern Zone	-	-	-	6.4	0.17	11,100	6.7	0.17	11,500
Total	-	-	-	22.0	0.16	35,600	23.2	0.16	37,100

In 2014, as a result of its 2014 PFS, Aus Tin estimated a pre-tax net present value at an 8% discount rate (NPV_8) for the Taronga Tin Project of \$63.15M (US\$46.1M) using a tin price of US\$25,000 per tonne and an exchange rate of US\$0.90/A\$1.00.

Mining One has updated the 2014 PFS to allow for the current exchange rate (US\$0.73/A\$1.00) and escalations in costs from 2014 to 2021. The updated pre-tax NPV_8 estimate is \$123.9M (US\$90.4M) using the same tin price of US\$25,000 per tonne and an exchange rate of US\$0.73/A\$1.00. This has an Internal Rate of Return (IRR) of 37.9%.

The updated estimated NPV_8 is most sensitive to mining cost and least sensitive to realisation costs. All other things being equal, estimates of NPV are positive for tin prices above US\$20,000 per tonne.

Keeping all other parameters the same, the effect of different tin prices can be seen in the table below:

Tin Price US\$	NPV (8% Discount Rate) A\$	NPV (8% Discount Rate) US\$	IRR %
US\$20,000/t	A\$16.3M	US\$11.9M	12.8%
US\$25,000/t	A\$123.9M	US\$90.4M	37.9%
US\$30,000/t	A\$231.4M	US\$168.9M	59.3%
US\$35,000/t	A\$338.9M	US\$247.4M	79.6%
US\$40,000/t	A\$446.4M	US\$325.9M	99.5%

Mining One has concluded that:

- The geology of the tin deposits in the Taronga Tin Project is varied but understood.
- The Mineral Resource for the Taronga Tin Deposit has been reported in accordance with the JORC Code 2012. The resource includes Sn and lesser copper and silver.
- Given the current tin price and exchange rate, the eventual economic extraction of tin and other metals should be closer than was the case when the Mineral Resource estimate was made in 2013.
- The Ore Reserve for the Taronga Tin Deposit was reported in accordance with the JORC Code 2012.
- Given the current tin price and exchange rate, the eventual economic extraction of tin and other metals should be closer than was the case when the Ore Reserve was estimated in 2014.
- The 2014 PFS of Aus Tin Mining resulted in a NPV₈ estimate of \$63.15M (US\$46.1M) and an IRR of 27.3%, using a tin price of US\$25,000/t and an exchange rate of US\$0.90/A\$1.00.
- Mining One has updated the 2014 PFS to allow for current exchange rates (US\$0.73/AUD1.00) and escalations in costs. This has resulted in a revised NPV₈ estimate of \$123.9M and an IRR of 37.9%, assuming the same tin price as previously used (US\$25,000/t).
- The effect of different tin prices on this updated study, if all other parameters remain the same, is:
 - US\$20,000/t – NPV₈ A\$16.3M, IRR 12.8%
 - US\$25,000/t – NPV₈ A\$123.9M, IRR 37.9%
 - US\$30,000/t – NPV₈ A\$231.4M, IRR 59.3%
 - US\$35,000/t – NPV₈ A\$338.9M, IRR 79.6%
 - US\$40,000/t – NPV₈ A\$446.4M, IRR 99.5%



Mick McKeown
Principal OP & UG Geologist



Craig Stewart
Principal OP & UG Mining Consultant

1 INTRODUCTION

1.1 TERMS OF REFERENCE

First Tin Limited (First Tin) has commissioned Mining One to prepare a Competent Persons Report (CPR) that covers the geological, Mineral Resource, Ore Reserve and Pre-Feasibility Study (PFS) of the Taronga Tin Project located in northern New South Wales (NSW).

Anglo Saxony Mining Limited changed its name to First Tin Limited on 4 August 2021.

The Taronga Tin Project consists of one mining licence numbered ML1774 and four exploration licences numbered EL7800, EL7801, EL8335 and EL8407. ML1774, which includes most of the reported Mineral Resource for the Taronga Tin Deposit, is located within EL8407.

The scope of work was for the compilation of a technical summary using historical exploration data from within the project area, geological interpretation of the setting and mineralisation styles encountered, the reported Mineral Resource estimate, the reported Ore Reserve estimate, and the reported PFS. The CPR was to include the following main sections:

- Introduction and Terms of Reference
- Qualifications and Basis of Opinion
- Country Background
- Legislative Background
- Property Description, Access and Location
- Physiography and Climate
- Geology and Mineralisation
- Exploration Programs
- Drilling Programs
- Metallurgical Test Work
- Mineral Resource Estimate
- Pre-Feasibility Study
- Ore Reserve
- Conclusions and Recommendations

1.2 RELEVANT ASSETS AND LOCATION

This CPR was commissioned to report on Mining Lease numbered ML1774 and four exploration licences numbered EL7800, EL7801, EL8335 and EL8407 in the state of New South Wales. The locations of these licences are shown in Figure 1-1.

The tenements are held in the name of Taronga Mines Pty Ltd, which is a wholly owned subsidiary of Aus Tin Mining Limited (Aus Tin).

The area of the mining lease is 76.5 hectares and the total area of the exploration licences is about 340 square kilometres.

ML1774 is due to expire on 21 December 2029 and the exploration licences have expiry dates ranging from 4 July 2022 to 4 July 2024. Notably, EL8407 which surrounds ML1774 is due to expire on 4 November 2023.

Table 1-1 Project Tenement Schedule

Tenement	Tenement No	Beneficial Ownership	No of Units ¹	Approximate Area	Expiry
Mining Lease	ML1774	100%	n/a	76.5 hectares	21 Dec 2029
Exploration Licences	EL7800	100%	36	108 sq km	4 Jul 2022
	EL7801	100%	4	12 sq km	4 Jul 2024
	EL8335	100%	56	168 sq km	5 Jan 2024
	EL8407	100%	17	51 sq km	4 Nov 2023

Note 1: See Section 3.2 EXPLORATION LICENCES for an explanation of exploration units.

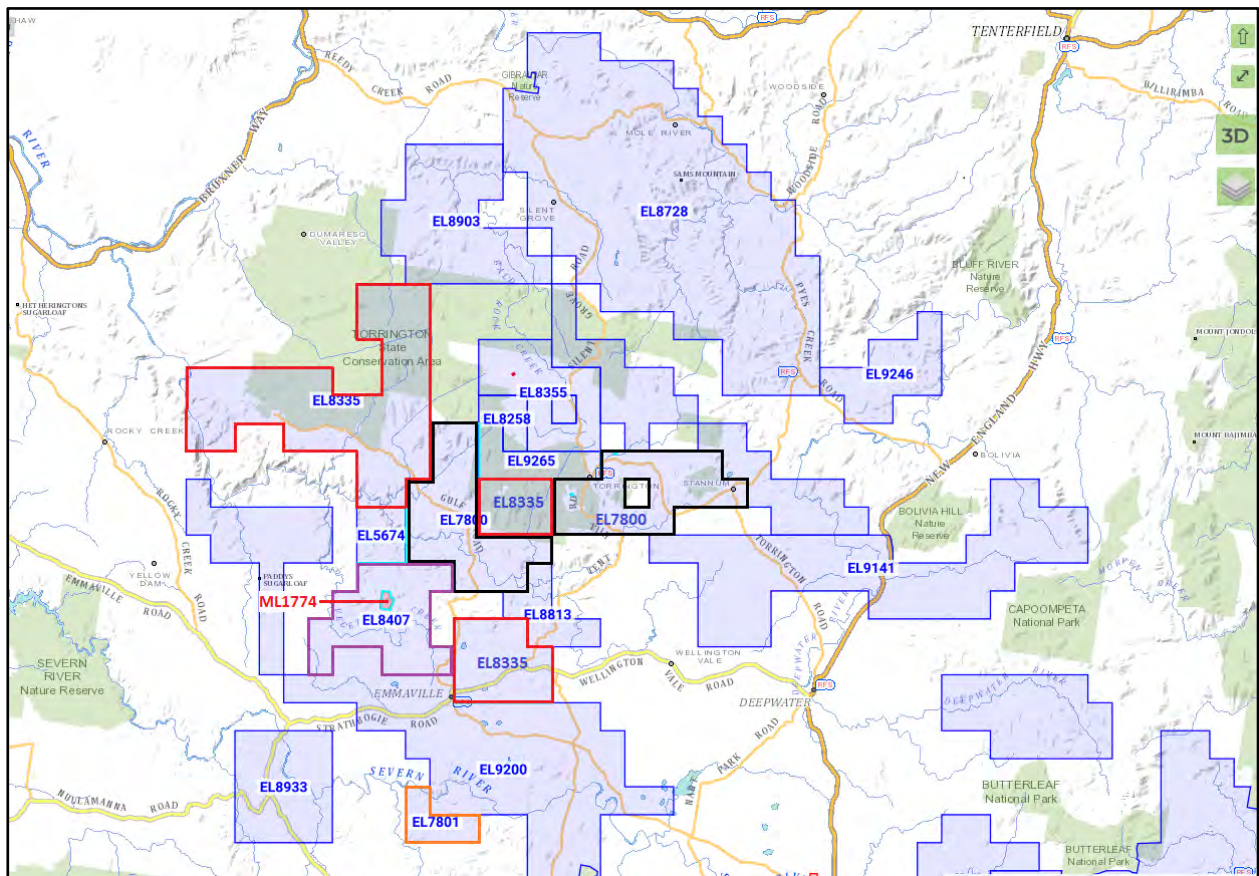


Figure 1-1 Tenements in the Taronga Tin Project Area

EL7800 is in two parts outlined in black, the eastern part of which excludes a block shaded in white.

EL7801 is outlined in orange near the bottom of the figure.

EL8335 is in three parts outlined in red around the centre of the figure.

EL8407 is outlined in purple a little way north of EL7801.

ML1774 is the small shape indicated inside EL8407.

The other licences shown on the map are not held by Taronga Mines Pty Ltd or Aus Tin Mining Ltd.

1.3 CAPABILITY AND INDEPENDENCE

This report was prepared by Mr Michael McKeown, a geologist and mining engineer with more than 50 years' geology, exploration, mining, and resource development experience, and Mr Craig Stewart, a Principal Mining Consultant with 37 years' mining industry experience, and reviewed by Mr Stuart Hutchin a Geologist with 23 years' relevant experience. Mr McKeown and Mr Hutchin meet the criteria set by the JORC Code 2012 Edition, The Joint Ore Reserves Committee of The Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia (JORC Code 2012) to qualify as Competent Persons.

Mr McKeown, MEngSci, GradDipMining, BSc has experience in geology and mining engineering since entering the mining industry in 1970. His experience includes due diligence

studies, mining and geological audits, project management, mine budgeting, mine scheduling, underground and open-cut mine design, Ore Reserve and Mineral Resource estimation and reporting. He has worked on gold, tin, tungsten, base metals, nickel, rare earths, magnetite, limestone and dolomite deposits. He is a Fellow of the Australasian Institute of Mining and Metallurgy and is independent of First Tin Limited, its directors, senior management and advisors.

Mr Stewart, BSc (Hons), MSc, MBA has exploration and mining geology and mining engineering experience in a variety of commodities including copper, gold, nickel, platinum group elements, lead, zinc, silver, tungsten, molybdenum and cobalt. He is a Fellow of the Australasian Institute of Mining and Metallurgy, a Chartered Professional in the discipline of mining (CPMin) and is independent of First Tin Limited, its directors, senior management and advisors.

Mr Hutchin BSc, (App. Geol.) has exploration, mining and resource development experience in a variety of commodities including Au, Cu, Ni, PGE, Fe, Pb, Zn, Ag and rare earths. Mr Hutchin is a member of the Australasian Institute of Geoscientists Mr Hutchin is independent of First Tin Limited, its directors, senior management and advisors.

1.4 SITE VISIT

Due to COVID-19 travel restrictions imposed by the authorities in Western Australia at the time of reporting, Mr McKeown was unable to conduct a site visit. However, the Project's history, stage of development of the principal known deposit, the Taronga Tin Deposit, and the extensive use by the owners of the Project of independent technical consultants means that a site visit would not materially change the opinions in this report.

1.5 RELIANCE ON INFORMATION

In preparing this CPR, Mining One has reviewed certain historical geological reports and maps, miscellaneous technical papers, company letters and memoranda, and public and private information as listed at the end of this report which were provided by First Tin. Mining One has carefully reviewed all the information, however Mining One has not conducted any independent investigation to verify its accuracy and completeness. Mining One has only reviewed the land tenure in a preliminary fashion and has not independently verified the legal status or ownership of the property or the underlying agreements. Mining One prepared the JORC 2012 compliant Mineral Resource estimate that was prepared for AusNiCo Limited (AusNiCo) in 2013 for the Taronga Tin Project. Mining One has reviewed documentation relating to the current and historical Mineral Resource Estimates.

In this CPR, Mining One refers to data and information reported by Aus Tin Mining Ltd and its precursor AusNiCo to the Australian Securities Exchange (ASX). Both Aus Tin Mining Limited and AusNiCo were public companies listed on the ASX and, in accordance with the JORC Code 2012 and ASX listing rules, all public reports by these companies must be approved by a Competent Person who must declare that he/she has:

- disclosed to the reporting company the full nature of the relationship between themselves and the company, including any issue that could be perceived by investors as a conflict of interest,
- verified that the report is based on and fairly and accurately reflects in the form and context in which it appears, the information in a supporting documentation relating to

Exploration Targets, Exploration Results, Mineral Resources and/or Ore Reserves (as appropriate), and

- consented to the release of the report and the consent statement by the Directors of the company making the report.¹

In this CPR, whenever a document filed by either issuer (Aus Tin Mining Limited and AusNiCo) is referenced in this report, the title and date of the document are disclosed.

First Tin provided access to all relevant data required for the completion of this CPR. Mining One conducted a comprehensive review of the data and prepared an updated valuation of the Taronga Tin Project.

This CPR is dated 9 December 2021. The Competent persons are not aware of any material information applicable to the Taronga Tin Project arising between the effective date and up to the date of issue of this report which, if known to the Competent Persons, would have a material adverse effect on this report.

This CPR is addressed to and may be relied on by the Directors and Advisors of First Tin Limited specifically in compliance with the Requirements, the Reporting Standard and as appropriate Rule 5.3.2R(2)(f) of the Prospectus Regulation Rules issued by the Financial Conduct Authority UK. Accordingly, Mining One confirms:

- Reliance as regards the CPR for any benefit of First One Limited and its Advisors;
- Consent to the inclusion of the CPR, and to the inclusion of any extracts from the CPR in the Prospectus;
- Confirmation that all information contained in the Prospectus which is extracted from the CPR or based upon information contained in the CPR has been reviewed by Mining One and that such information as presented is accurate and balanced and not inconsistent with the CPR in accordance with Rule 5.3.2R(2)(f) of the Prospectus Regulation Rules issued by the Financial Conduct Authority UK; and
- Responsibility for the CPR and declares that it has taken all reasonable care to ensure that the information contained in the CPR, to the best of its knowledge, in accordance with the facts and makes no omission likely to affect its import.

Mining One has no obligation or undertaking to advise any person of any development in relation to Mineral Assets which comes to its attention after the date of this CPR or to review, revise or update the CPR or opinion in respect of any such development occurring after the date of this CPR.

1.6 OTHER MATTERS

Units

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

¹ Appendix 2, Competent Person's Statement, The JORC Code 2012 Edition, The Joint Ore Reserves Committee of The Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia.

Map Grid

Where coordinates are mentioned, they refer to MGA 94 Zone 56 or the Taronga Deposit Local Grid.

Currency

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

2 COUNTRY BACKGROUND

2.1 AUSTRALIA

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

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

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

- World's leading producer of bauxite, alumina, rutile and tantalum;
- Second largest producer of uranium, lead, ilmenite, zircon and lithium;
- Third largest producer of iron ore and zinc;
- Fourth largest producer of black coal, gold, manganese and nickel;
- Fifth largest producer of aluminium, brown coal, diamonds, silver and copper;
- Sixth largest producer of tungsten; and
- Eighth largest producer of tin.

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

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

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

2.2 NEW SOUTH WALES

State and territory governments including that of New South Wales are constitutionally vested with the primary responsibility for:

- Land administration;
- Granting of mineral exploration and mining titles;
- Regulating mine operations (including environmental and occupational health and safety); and
- Collecting of royalties on minerals produced.

3 MINERAL LEGISLATION

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

In NSW, the government entity responsible for the granting and administration of exploration and mining rights, including the grant of tenure, is the Department of Regional NSW.

3.1 MINING LEASES

In NSW, the boundaries of a Mining Lease are established with reference to a schedule of coordinates using the Map Grid of Australia 1994 (MGA 94) which is a metric rectangular grid coordinate system. Specifically, for ML1774, the coordinates used are those of MGA 94 Zone 56.

3.2 EXPLORATION LICENCES

In NSW, Exploration Licences are defined using a method originally devised by the British Ordinance Survey. Each exploration licence consists of units defined by this method²:

“Each 1:1 million scale map sheet is subdivided into 3456 graticular map blocks, each measuring 5’ of latitude by 5’ of longitude. These map blocks are further subdivided into 25 1’ by 1’ map units. A map unit is approximately 3 square kilometres in size.”

The extents of an exploration licence are defined by nominating the units and blocks that make up the exploration licence. In practice, the nomination requires:

1. the name of the relevant 1:1 million scale map;
2. the numbers of the graticular blocks that are included in the licence; and
3. the alphabetical designation of the units in each graticular block.

For example, at Taronga, EL7801 is (1) within the area covered by the Armidale Map, (2) within graticular blocks 1315 and 1316, and (3) includes units e and k in block 1315 and f and g in block 1316.

Exploration Licences have rectilinear boundaries but are irregular in shape and may consist of non-contiguous units, for example, see Figure 1-1.

The tenure of the mining lease and the exploration licences is discussed in Section 4.1 TENURE.

² NSW Titles – Instructions. NSW Department of Trade and investment, 21 February 2013.

3.3 ENVIRONMENTAL LEGISLATION

The acts that are administered by the Environment Protection Authority in NSW are:

- Contaminated Land Management Act 1997
- Dangerous Goods (Road and Rail Transport) Act 2008
- Environmentally Hazardous Chemicals Act 1985
- Forestry Act 2012
 - Note: The EPA administers Parts 5A and 5B of this Act and the remainder is administered by the Minister for Primary Industries
- National Environment Protection Council (New South Wales) Act 1995
- Ozone Protection Act 1989
- Pesticides Act 1999
- Protection of the Environment Administration Act 1991
- Protection of the Environment Operations Act 1997
- Radiation Control Act 1990
- Recreation Vehicles Act 1983
- Waste Avoidance and Resource Recovery Act 2001

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

4 PROPERTY DESCRIPTION

4.1 TENURE

4.1.1 Tenements

The Taronga Tin Project is located entirely within NSW and includes a Mining Lease and four Exploration Licences. The Mining Lease and Exploration Licences are all held by Taronga Mines Pty Ltd which is wholly owned by Aus Tin Limited.³

The Mining Lease ML1774 is entirely located on freehold land owned by Taronga Mines Pty Ltd, a wholly owned subsidiary of Aus Tin Limited, and is quite irregular in shape to take into account existing private property boundaries – see Figure 6-5.

On 3 January 2018, the Glen Innes Severn Council approved an application for “Stage 1 Trial Mine & Processing Plant to produce tin concentrate”, subject to conditions. The Acting Director of Development, Planning & Regulatory Services Department advised of the success of the application on 3 January 2018.⁴ The approval was for a period of no more than 7 years from the commencement of operations.

The consent was granted subject to conditions, including, among others:

- The consent is to operate from 21 December 2017 and is due to lapse on 21 December 2022; and
- Aus Tin is to provide the Local Government with \$25,000 as a contribution towards the provision, extension, or augmentation of public amenities or services before a construction certificate is issued.

First Tin has advised Mining One that it will not proceed with the trial mining project. Nevertheless, Mining One recommends that First Tin makes enquiries of the Glen Innes Severn Council regarding the current standing of the consent.

On 21 December 2018, Aus Tin was granted Mining Lease ML1774 based on a plan to mine 340,000 tonnes of ore over an 18 to 24-month period and process the ore through an on-site pilot plant. A tailings storage facility and waste dumps were included in the plan.

The area of ML1774 is 76.5 hectares and Taronga Mines Pty Ltd has provided security deposit of \$26,500 in cash to the Division of Resources and Geoscience within the Department of Planning and Environment to secure funding for the fulfilment of obligations under the mining lease.⁵

The expiry dates, annual spending commitments and security provided for the four Exploration Licences are listed in Table 4-1.

³ Aus Tin Mining Ltd, Annual Report – 30 June 2021.

⁴ Glen Innes Severn Council, Notice of Determination for Stage 1 Trial Tin Mine & Pilot Processing Plant to produce tin concentrate, 3 January 2018.

⁵ Details of Mining Lease 1774 (Act1992) issued by Trade & Investment NSW – Resources and Energy Division, 21 August 2021.

Table 4-1 Taronga Project Exploration Licence Details

Tenement	Area	Expiry	Security Required \$	Security Held \$	Rent p.a. \$	Expenditure Commitment ¹ \$
EL7800	36 units 108 sq km	4 Jul 2022	10,000	15,000	2,160	100,000
EL7801	4 units 12 sq km	4 Jul 2024	10,000	10,000	240	80,000
EL8335	56 units 168 sq km	5 Jan 2024	10,000	10,000	3,360	40,000
EL8407	17 units 51 sq km	4 Nov 2023	10,000	10,000	1,020	40,000
ML1774	76.5ha	21 Dec 2029	20,000	26,500	497	0
TOTAL:	n/a	n/a	60,000	71,500	7,277	260,000
First Tin Budget²						\$1,500,000

Note 1: The expenditure commitment is based on the annual commitment included in the Exploration Licence documentation other than for EL7801 which is for the current licence term.

Note 2: This is the amount currently budgeted for exploration drilling, resource confirmation drilling, bulk sampling and metallurgical testwork for the Taronga Tin Project by First Tin – see Section 13 RECOMMENDATIONS.

4.1.2 Native Title

The following information has been retrieved from the Department of Planning, Industry and Environment of NSW⁶:

- Native title is the name Australian law gives to the traditional ownership of land and waters that have always belonged to Aboriginal people according to their traditions, laws and customs. The Commonwealth Native Title Act 1993 sets out how native title rights are to be recognised and protected. The Department of Planning, Industry and

⁶ Crown Land in New South Wales, Department of Planning, Industry and Environment. Retrieved from <https://www.industry.nsw.gov.au/lands/what-we-do/our-work/native-title> on 7 November 2021.

Environment of NSW is committed to managing Crown land consistently with the Commonwealth Native Title Act 1993.

- Native title rights are different to and separate from the statutory right of Aboriginal Land Councils to make claims for land under the NSW Aboriginal Land Rights Act 1983.
- Approximately half of NSW is currently under native title claims. Native title claims are made by application to the Federal Court. Once an application is filed, it must be successfully registered with the National Native Title Tribunal (NNTT).
- When a claim is registered by the NNTT, the NNTT notifies people who have a registered interest in the claim area, such as a lease over Crown land. Notice of the claim is also published in local and national newspapers.

Mining One recommends that First Tin makes its own enquiries using an expert in Native Title claims to determine the effect, or likely effect of any Native Title claims in the Taronga Tin Project area.

Mining One notes that Mining Lease ML1774 is entirely located on freehold land owned by Taronga Mines Pty Ltd, a wholly owned subsidiary of Aus Tin, and understands that private land is not subject to Native Title claims.

4.1.3 Neighbouring Mining Tenure

The Department of Regional NSW provides an interactive web-based mapping system, known as MinView, that provides access to live and pending mining and exploration titles.

This system includes these adjoining and nearby live Exploration Licences to the Taronga Project that are held by the following entities⁷ (See Figure 1-1):

- EL8728 Burton Silver Pty Ltd
- EL8903 Tin One Resources Corp
- EL9246 Resources SA Pty Ltd
- EL8355 Torrington Minerals Pty Ltd
- EL8258 Torrington Minerals Pty Ltd
- EL9265 Resources SA Pty Ltd
- EL9200 Stannum Pty Ltd
- EL5684 Webbs Resources Pty Ltd
- EL5674 Webbs Resource Pty Ltd
- EL9141 Great Southern Precious Metals Pty Ltd
- EL8813 Oriental Star International Pty Ltd
- EL8933 Lode Resources Ltd

No pending exploration licences are shown in the MinView system.

Apart from the Mining Lease ML1774 held by Taronga Mines Pty Ltd which is wholly owned by Aus Tin, the only other granted Mining Lease in the area is ML5437 of 2.10 hectares which lies

⁷ MinView interactive web-based mapping system, Department of Regional NSW, at 9 November 2021.

within EL8355 and is held in the name of “Frederick Lawrence Sherratt; Estate of William John Sherratt”.

Surrounding ML5437, but still within EL8355, there is a current Application for a Mining Lease of 651.01 hectares in the name of Torrington Minerals Pty Ltd.

Torrington Mineral Pty Ltd is a wholly owned subsidiary of Chase Mining Corporation Limited.

4.2 ROYALTIES

State Government royalties are levied on the sale and disposal of minerals mined in NSW. Mineral Royalties are of two types⁸:

- Quantum royalty: levied at a flat rate per unit of quantity. The rate of royalty is dependent on the mineral being extracted and is generally utilised for low value to volume minerals such as gypsum, limestone and clays.
- Ad valorem royalty: levied at 4% of ‘ex-mine’ value which is the value of the mineral once it is brought to surface. In some cases, the costs associated with processing or treatment may be allowable deductions, however, the costs associated with exploration, development and mining of the ore body and the rehabilitation of the site are not allowable deductions.

Given these definitions, production from the Taronga Project would be subject to an ad valorem royalty of 4%.

⁸ Retrieved from the Department of Regional NSW website, 9 November 2021: <https://www.regional.nsw.gov.au/meg/exploring-and-mining/compliance-and-reporting/paying-royalties>

5 LOCATION

5.1 LOCATION

The Taronga Tin Project is in the New England district of northern New South Wales. The mining and exploration tenements that make up the project are located around the villages of Emmaville and Torrington which lie to the north of Glenn Innes – see Figure 5-1.

Mining Lease ML1774 over the Taronga Tin Deposit is about 8 kilometres north-west of Emmaville – see Figure 5-2.

The disposition of the Exploration Licences and Mining Lease are shown in Figure 1-1.

EL 7800 is in two parts centred on Torrington which is situated approximately 20 kilometres north-northeast of Emmaville. The licence lies between the north-northeast trending Grampian Range, which hosts the Taronga Tin Deposit, and the settlement of Stannum, situated in the east of the area. Mean elevations rise to approximately 1200m above sea level on the outcrop of the Mole granite in the north of the licence.

EL7801 is centred on the known tin occurrence of Pound Flat which is situated approximately 12 kilometres southwest of Emmaville. Topographic relief ranges from undulating to hilly.

EL8335 is in three parts south and west of Torrington and east of Emmaville. Topographic relief ranges from undulating to hilly.

EL8407 encloses the Taronga Tin Deposit and ML1774, and lies just to the north-west of Emmaville. Topographic relief ranges from undulating to hilly.



Figure 5-1 Location of the Taronga Project

Source: After a figure in Summons, 2011.

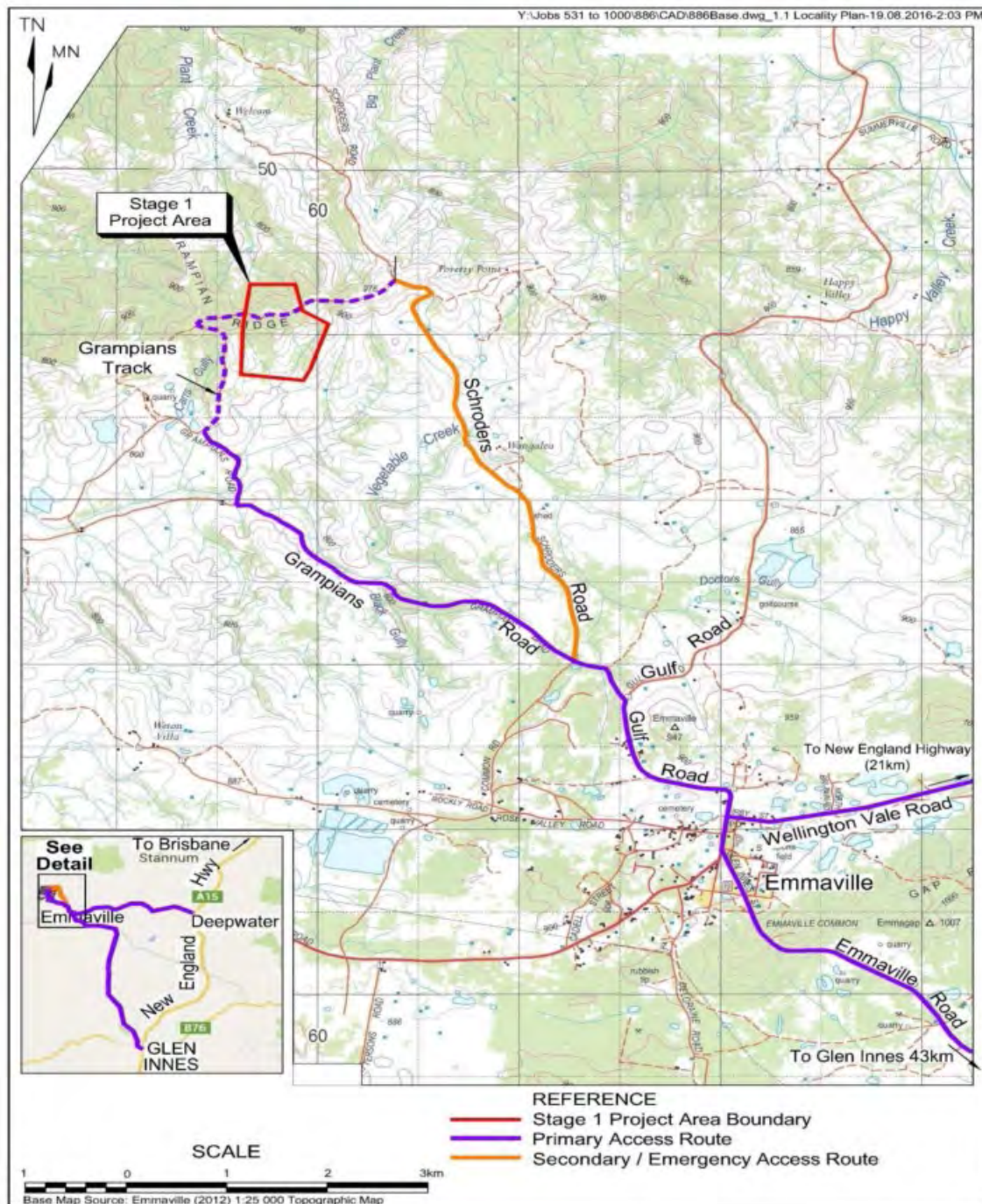


Figure 5-2 Location of and Access to ML1774

Source: Roach, 2021.

5.2 CLIMATE & VEGETATION

The climate of Glen Innes is mild and generally warm and temperate. The coldest months are in winter and the wettest months are in summer with annual rainfall averaging about 860mm per year – see Table 5-1.

EL7800 Vegetation cover ranges from lightly wooded to open grasslands, particularly in the valleys of the major creeks. The outcrop of the Mole granite (See Section 6.1 REGIONAL GEOLOGY) and parts of creek valleys are densely wooded with secondary growth. The principal form of agriculture is sheep farming, with some cattle, in the more open grassland areas.

The area has been subjected to extensive mining activity dating back more than a hundred years, mainly by sluicing of Vegetable Creek and tributaries for alluvial cassiterite. A small area overlain by Tertiary basalt has been excavated for mining of a cassiterite bearing palaeo-placer. Similarly, a smaller number of pits and trenches have tested for cassiterite bearing lodes and pitting of arsenic-tin-lead-zinc-silver lodes.

Significant areas of EL7800 are covered by the Torrington State Conservation Area (TSCA). Any proposed exploration activities to be undertaken within the TSCA require ministerial consent and approval from the Department of National Parks NSW.

EL7801 Vegetation cover ranges from lightly wooded to open grasslands, particularly in the valleys of the major creeks. The principal form of agriculture is sheep farming, with some cattle in the more open grassland areas.

The region has been subject to extensive mining activity dating back more than a hundred years with the main activity being sluicing of Vegetable Creek and tributaries for alluvial cassiterite.

EL8335 Vegetation cover ranges from lightly wooded to open grasslands, particularly in the valleys of the major creeks. The Mole granite outcrop and parts of creek valleys are densely wooded with secondary growth. The principal form of agriculture is sheep farming, with some cattle, in the more open grassland areas.

EL8407 and ML1774 Vegetation cover ranges from lightly wooded to open grasslands, particularly in the valleys of the major creeks. The principal form of agriculture is sheep farming.

The Beardy River flows across the north of the Project area from east to west passing through EL7800 and EL8335. Vegetable Creek flows from south to north through EL8407 passing within 3 kilometres to the west of ML1774 and entering the Beardy River just to the south of EL8335.

5.3 ACCESS

EL7800 Access is reasonable throughout the area. The Emmaville-Torrington-Deepwater sealed road traverses the licence. Other major, but unsealed, roads including the Gulf Road and a supporting network of farm tracks provide vehicular access to most parts of the area.

EL7801 Access is reasonable throughout the area. The Emmaville-Torrington-Deepwater sealed road traverses the licence. Other major, but unsealed, roads including the Gulf Road and a supporting network of farm tracks provide vehicular access to most parts of the area.

EL8335 Access is reasonable throughout the area. The Emmaville-Torrington-Deepwater sealed road traverses the licence. Other major, but unsealed, roads including the Gulf Road and a supporting network of farm tracks provide vehicular access to most parts of the area.

EL8407 and ML1774 Access is reasonable throughout the area by the Grampians and Gulf Roads and a supporting network of farm tracks.

Table 5-1 Summary Statistics for Temperature and Rainfall for Glen Innes

Statistic	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
Mean maximum temperature °C	26.5	25.6	23.9	20.7	16.7	13.4	12.7	14.3	17.8	21.0	23.7	25.7	20.2
Mean minimum temperature °C	13.3	13.2	11.5	7.9	4.5	1.9	0.6	1.3	4.0	7.2	9.8	12.1	7.3
Mean rainfall mm	111.5	91.7	71.2	43.1	49.3	55.1	54.0	50.4	56.3	78.8	88.0	108.0	858.5

Source: Australian Government, Bureau of Meteorology.

5.4 PROJECT HISTORY

Mining, exploration and prospecting in the Taronga Tin Project area dates back for over a century. Significant exploration of some of the tin deposits was made by two parties: BHP in 1933, 1958 and 1964, and the Newmont Joint Venture from 1979 to 1982. From 2012 to 2018, for the Taronga Tin Deposit, AusNiCo and Aus Tin completed Mineral Resource and Ore Reserve estimates, completed a PFS, were granted a mining lease over most of the deposit and were given development approval for trial mining and processing. (See Table 5-2)

Table 5-2 History of the Taronga Tin Project

Date	Party	Activities
1933	BHP Limited	Bulk sampling and channel sampling of an adit; concluded the results did not warrant further work.
1958	BHP Limited	Topographic and geological mapping and channel sampling of costeans (hand-dug surface trenches).
1964	BHP Limited	12 vertical holes drilled; deposit was considered uneconomic.
1978	Endeavour Resources Australia Limited	EL 1124 granted over the Taronga tin deposits. Taronga Joint Venture formed by Newmont Holdings Pty Ltd, ICI Australia Ltd, Endeavour Resources and Pelsart Holdings.
1979-1982	Newmont Joint Venture	179 percussion and 178 diamond drill holes completed for a total length of 33,350m. Bulk samples taken from three adits. Metallurgical test work completed.
1982	Newmont Joint Venture	(Pre-JORC) ore reserves estimated and Preliminary Feasibility Study completed. Decision made not to proceed with the development of the project.
1984	Newmont Joint Venture	Final Report for EL 1124 published which included updated (pre-JORC) ore reserves and reported the decision in December 1982 to defer further development of the project.

Date	Party	Activities
2008-2010	Taronga Mines Limited	Taronga Mines acquired exploration licences that made up the Taronga Tin Project from various private companies. ⁹
1 Nov 2012	AusNiCo Limited	AusNiCo announced that it was making an offer to merge with Taronga Mines Limited. ¹⁰
14 Jan 2013	AusNiCo Limited	AusNiCo announced that its takeover bid for Taronga Mines Limited had been successful. ¹¹
26 Aug 2013	AusNiCo Limited	Mineral Resource for Taronga Tin Deposit announced. ¹²
23 Oct 2013	AusNiCo Limited	Results of metallurgical review for Taronga Tin Deposit announced. ¹³
25 Nov 2013	Aus Tin Mining Limited	AusNiCo Limited name changed to us Aus Tin Mining Limited. ¹⁴
7 Apr 2014	Aus Tin Mining Limited	Results of Pre-Feasibility Study and Ore Reserve announced for Taronga Tin Project, based on the Taronga Tin Deposit. ¹⁵
15 Apr 2015	Aus Tin Mining Limited	Decision made to proceed to trial mining by open-cut and processing in a pilot plant. ¹⁶
7 Oct 2015	Aus Tin Mining Limited	Results received of testwork on core from hole ATM001 drilled for a metallurgical sample.
21 Dec 2017	Aus Tin Mining Limited	The Glen Innes Severn Council approved a Development Application for the Taronga Stage 1 Project. ¹⁷
2 Jul 2018	Aus Tin Mining Limited	Preliminary ore Sorting trial by TOMRA reported for Taronga Tin Project. ¹⁸
24 Oct 2018	Aus Tin Mining Limited	Performance test reported for TOMRA ore sorting for Taronga Tin Project. ¹⁹
21 Sep 2018	Aus Tin Mining Limited	ML1774 granted within EL8407.

⁹ AusNiCo Ltd, Independent Expert's Report, Merger with Taronga Mines Limited, ASX Announcement, 13 November 2012.

¹⁰ AusNiCo Ltd, AusNiCo Limited to merge with Taronga Mines Limited. ASX Announcement, 1 November 2012.

¹¹ AusNiCo Ltd, Compulsory Acquisition of ordinary shares in Taronga Mines Limited. ASX Announcement, 14 January 2013.

¹² AusNiCo Ltd, Maiden JORC Resource Estimated for the Taronga Tin Project, ASX Announcement, 26 August 2013.

¹³ AusNiCo Ltd, Metallurgical Flow Sheet Completed for Taronga Tin Pre-Feasibility Study. ASX Announcement, 23 October 2013.

¹⁴ Aus Tin Mining Limited, Change in Company Name. ASX Announcement, 25 November 2013.

¹⁵ Aus Tin Mining Limited, Financial Report for the Half-Year Ended 31 December 2017. ASX Announcement, 7 April 2014.

¹⁶ Aus Tin Mining Limited, Stage 1 Development of Taronga Tin Project. ASX Announcement, 15 April 2015.

¹⁷ Glen Innes Severn Council, Notice of Determination for Stage 1 Trial Tin Mine & Pilot Processing Plant to produce tin concentrate, 3 January 2018.

¹⁸ Aus Tin Mining Limited, Successful Ore Sorting Tial for Taronga Tin Project. ASX Announcement, 2 July 2018.

¹⁹ Aus Tin Mining Limited Positive Results for Taronga Ore-Sorting Test Work. ASX Announcement, 21 October 2018.

6 GEOLOGY & MINERALISATION

6.1 REGIONAL GEOLOGY

The Taronga Project is situated within the southern New England Fold Belt where Triassic age granites have intruded into folded Permian-Triassic volcanic and sedimentary rocks.

The sedimentary rocks are predominantly sandstones, siltstones, conglomerates and cherts of the Bodonga Beds. The volcanic rocks are basalts, rhyodacites, porphyrites and ignimbrites of the Wandsworth Group. In the north of the project area, a granite, known as the Mole granite, outcrops in a roughly elliptical shape that is 40 km long in an east-west direction and 20 km wide in a north-south direction – see Figure 6-1.

From its outcrop, the Mole granite extends below the current land surface and was the source of the mineralisation of economic interest in the area. The fluids emanating from such granite bodies are high temperature water solutions in which a variety of elements, compounds and gases may be dissolved. These solutions are known as hydrothermal fluids.

The granite has metamorphosed the volcanic and sedimentary rocks into which it has intruded. The metamorphic aureole surrounding the granite may be several kilometres wide at the current surface, varying in surface extent according to the subsurface shape of the top of the granite.

The Mole granite is relatively unroofed, that is, most of the granite body lies beneath the current ground surface. In addition, there is a large occurrence of metamorphosed sandstone and siltstone overlying the granite near the centre of the granite outcrop. This remnant occurrence near the centre of the granite outcrop is about 8km long and 4km wide and is sometimes referred to in the geological literature as a roof pendant or the Torrington roof pendant.

Tertiary basalt and Quaternary colluvium and alluvium cover the older rocks in places.

Both Tertiary and Quaternary age placers and deep lead deposits containing cassiterite are known in the district. Deep leads are alluvial deposits, usually deposited in ancient stream or river channels, buried beneath a considerable thickness of soil or rock.

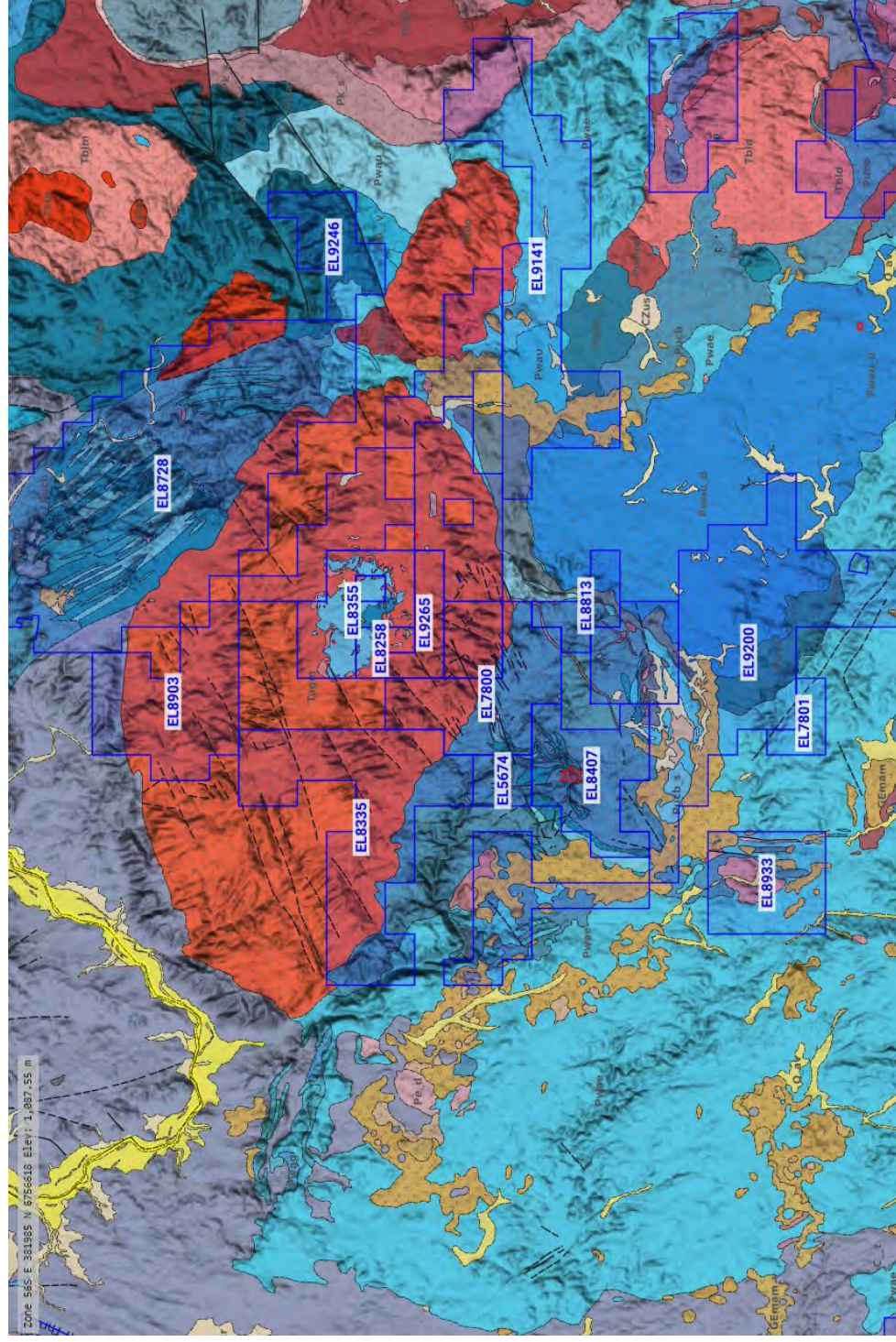


Figure 6-1 Geology of the Taronga Tin Project Area

North is to the top of the figure. The east-west distance is about 85km, the north-south distance is about 45km.

Red and pink - Triassic granites; blue - metamorphosed Permian sedimentary rocks; shades of brown - Permian volcanic rocks; yellow - Quaternary alluvium. The largest body of granite in the middle of the top of the figure is the Mole granite. The location of ML1774 can be seen outlined in red just above the label for EL8407.

6.2 LOCAL & PROPERTY GEOLOGY

EL7800 covers the central portion of the Triassic Mole granite, part of the metamorphosed Torrington roof pendant and an area of conglomerate, siltstone and basalt of the Permian Bodonga Beds that lie between the Mole granite and the Taronga Tin Deposit. Quaternary alluvium and Tertiary basalt obscure the older rocks in places.

EL7801, EL8335 and EL8407 lie to the south of the outcrop of the Mole granite. Conglomerate, siltstone and basalt of the Permian Bodonga Beds and Permian Emmaville volcanic rocks, part of the Permian Wandsworth Group, occur at surface over the licences.

The geological setting of the tin and other hydrothermal mineral deposits in the Taronga Tin Project is a typical geological setting for the major hard rock tin deposits in Eastern Australia, for example, those at Renison Bell, Cleveland and Mt Bischoff in Tasmania, at Ardlethan in NSW and at Mt Garnet in Queensland.

6.3 MINERALISATION

In the area in, and to the south of, the Mole granite, hundreds of mineral occurrences have been catalogued and range in size from very small scratchings to the Taronga Tin Deposit for which a Mineral Resource has been estimated.

The principal element of interest in the Taronga project is tin (Sn) that occurs as the mineral cassiterite (SnO_2). Cassiterite is the traditional source of tin mined in the world and the only current source of tin mined in Australia.

In addition to tin, other metals of interest recorded from historical workings in the area include antimony, bismuth, copper, gold, lead, lithium, molybdenum, silver, tungsten, zinc and zircon.

Mineralisation of economic interest in the Taronga Tin Project is hydrothermal mineralisation associated with the Mole granite intrusion. Such hydrothermal mineralisation can be of several types:

- **Vein:** an occurrence of rock intruded into a larger rock mass by hydrothermal fluids, being more or less regular in length, thickness and depth but being narrow in width compared to the other dimensions, and with vein thickness ranging from millimetres to metres. Veins may occur singly; in multiples, in some places as sheeted veins; or as concentrations of interpenetrating small veins known as stockworks. In the Taronga Tin Project veins usually consist mostly of quartz. Examples of workings on quartz veins are shown in Figure 6-2 and Figure 6-3.
- **Greisen:** granite altered by hydrothermal fluids and composed largely of quartz, mica and topaz and which may carry tourmaline, fluorite and rutile as accessory minerals.
- **Skarn:** rock formed nearly entirely of calcium (Ca) bearing silicate minerals derived from limestones and dolomites into which large amounts of silicon (Si), aluminium (Al), iron (Fe) and magnesium (Mg) have been introduced by hydrothermal fluids.
- **Replacement deposit:** rock consisting of sulphide minerals, primarily pyrrhotite, and silicate minerals introduced by hydrothermal fluids that partially or completely replace limestone or dolomite.
- **Fissure deposit:** mineralisation deposited by hydrothermal fluids in pre-existing fissures such as faults or fracture zones.

Both Tertiary and Quaternary age deep leads containing cassiterite have been mined in the district. Deep leads are alluvial deposits, usually deposited in ancient stream or river channels, buried beneath a considerable thickness of soil or rock which, in the Taronga district, is mostly Tertiary basalt. The cassiterite in the deep leads has been eroded from ancient outcrops of cassiterite-bearing mineralisation.

Quaternary age alluvial deposits containing cassiterite eroded from pre-existing deposits also occur in the area.

The only materially significant deposit identified by Aus Tin in the Taronga Tin Project is the Taronga Tin Deposit, which is a sheeted vein style deposit. The Taronga Tin Deposit is the only deposit in the Taronga Tin Project for which a Mineral Resource has been reported in accordance with the JORC Code 2012.

The Taronga Tin Deposit is an occurrence of sheeted quartz veins carrying cassiterite.

The Taronga Tin Deposit occurs within Mining Lease ML1774 (See Figure 6-5) and extends onto EL8407.

In the Taronga Tin Deposit, tin as cassiterite occurs in sheeted quartz veins within a north-east aligned anticlinal structure. The deposit has been resolved into two large zones, known as the Northern and Southern Zones. At the surface, the two large zones are separated by a layer of conglomerate. (See Figure 6-4).

The Northern Zone consists of a large, more or less intensively mineralised zone of sheeted veins which extends for 500 m along strike, up to 125m across strike and 300m down dip. This zone occurs within a lower grade halo of mineralisation which extends for 1000m along strike, up to 250m across strike, and up to 500m down-dip. The intensity of the veining reaches up to 150 veins per metre in the centre of the intensively mineralised zone.

The Southern Zone consists of four en-echelon zones of tin mineralisation which dip vertically to sub-vertically. The zones occur over an area of 800m along strike (north-south) and 350m across strike (east west). The individual zones are up to 50m in width (east-west) and extend for up to 250m down dip (vertical). The four discrete swarms of quartz veinlets have been named Hillside, Hillside Extended, Payback and Payback Extended.

As well as tin, the mineralisation carries copper and silver. The mineralogy of the Taronga deposit is described in Section 6.4 ORE MINERALOGY.

Aus Tin's and AusNiCo's principal focus since acquiring the Taronga Tin Project has been the development of the Taronga Tin Deposit, for example, refer to Table 5-2. Consequently, work on their exploration tenements was focussed on identifying other sources of feed for a proposed processing plant at the Taronga Tin Deposit with some very minor exploration effort for lithium after 2016.

On EL8407, Aus Tin's principal exploration effort was directed at the Taronga Tin Deposit which extends westwards out of ML1774 onto EL8407.

On EL7800, Aus Tin has reported on these prospects:

- A sheeted tin-bearing quartz vein system and greisen at McDonalds prospect. In 2015-2016, eight RC holes were drilled for a total drilled length of 491m with the best

intersection being 1m down-hole at 0.46% Sn. In 2019, four rock chip samples were taken at this prospect but no Sn assays were worthy of reporting.²⁰

- Quartz veins at McCowans Mica Lode prospect. In 2019, six rock chip samples were taken but Aus Tin reported that no Sn or W was identified in any of the samples.²¹

On EL7801, Aus Tin has reported on these prospects:

- A sheeted tin-bearing quartz vein system at Pound Flat with extensions to Pound Flat North. In 2016, Aus Tin reported that the system extended over a surface area of 1800m long by 150m wide. with up to 70 sub-vertical veins of up to 5mm thickness per metre. The veins were described as dominated by quartz with lesser amounts of pyrite, arsenopyrite, cassiterite, chlorite, chalcopyrite, galena, sphalerite, wolframite, fluorite, topaz and beryl. Following a review of a ground geophysical survey at this prospect in 2018 (see Section 7.4 GROUND GEOPHYSICS) no further work was done at this prospect.²²
- Tin-bearing alluvial and colluvial deposit at Pound Flat: In 2020, Aus Tin digitised historical data from augur drilling at this prospect to confirm an historical resource estimate made by Newmont. The area over which the deposit is known is about 1km long ranging up to a maximum width of about 400m. Augur drilling indicated that the deposit has a maximum depth of just under 4m and a volume of about 640,000 cubic metres. The deposit was tested by Newmont by panning of cassiterite concentrate of samples from the augur drilling for which the average grade was 0.385kg of SnO₂ per cubic metre – this was a traditional method for evaluating alluvial tin deposits. These numbers indicate that the total Sn content of the deposit is about 700 tonnes.²³

On EL8335, Aus Tin has reported on these prospects:

- A tin-bearing quartz vein tin-bearing stockwork at the Great Britain (also known as Loloma) prospect. In 2018, Aus Tin noted the potential of this prospect, which had been drilled by EZ Industries in the 1980s. Further investigation of this area was held up due to Aus Tin having to seek approval for work on the prospect which is in a State Forest. In 2019, Aus Tin undertook limited field reconnaissance on the part of the Great Britain prospect that is located on private land. By the end of 2020, access to the State Forest had not been received and “border closures associated with COVID-19 limited access to exploration areas, which subsequently shifted exploration activities towards desktop studies”.²⁴
- Tin and tungsten-bearing quartz veins at Butler’s Lode prospect. In 2019 Aus Tin reported that there were multiple veins with the main vein being 0.1m to 12m thick, averaging 3m thick, that extends for about 1.5km. Cassiterite (SnO₂) bearing veins occur separately to wolframite ((Fe,Mn)WO₄). In early 2021, after further study of historical data and reports, Aus Tin reported that there were “difficulties associated with mining a narrow orebody, namely the high unit cost of mining a narrow orebody, the high capital

²⁰ Exploration Licence 7800 – Torrington, Annual Report for the Period 4 July 2015 to 4 July 2016. Aus Tin Mining Ltd.

²¹ Annual Report for EL7800, Taronga Mines Pty Ltd, 12 August 2019. AusTin Mining Ltd.

²² Exploration Licence 7801 – Pound Flat, Annual Report for the period 4 July 2017 to 3 July 2018. Aus Tin Mining Ltd.

²³ Annual Report for EL7801, Taronga Mines Pty Ltd, 53 August 2020. Aus Tin Mining Limited.

²⁴ Annual Report for EL8335, Taronga Mines Pty Ltd, 5 January 2021. Aus Tin Mining Limited.

cost of developing a narrow vein orebody because of low tonnes per vertical metre, the high cost of experienced narrow vein miners in Australia today, and finally, the difficulty and relative high cost of proving up a JORC resource on a narrow vein deposit. The deposit may become viable should a central processing facility become available and a favourable tin price.”²⁵

- Lithium-bearing zinnwaldite targets. Zinnwaldite is lithium-bearing mica. In 2017, Aus Tin reported that a review of historical exploration data had identified two areas where zinnwaldite had been recorded: Goggit’s and Heffernan prospects. Preliminary metallurgical test work undertaken on samples collected from the surface, indicated that the lithium is associated with a mica and might be readily recovered to a flotation concentrate.²⁶



Figure 6-2 Portal to Newmont Adit, Northern Zone, Taronga Tin Deposit on ML1774

This was the adit used for bulk sampling by Newmont.

²⁵ Annual Report for EL8335, Taronga Mines Pty Ltd, 5 January 2021. Aus Tin Mining Limited.

²⁶ Exploration Licence 8335 – Torrington, Annual Report for the period 5 January 2016 to 4 January 2017. Aus Tin Mining Ltd.



Figure 6-3 Quartz Veins at McCowans–McKinnons Workings on EL7800

Several near vertical quartz veins (cream to white in colour) are exposed at the portal to the Southern Adit at the McCowans-McKinnon workings.

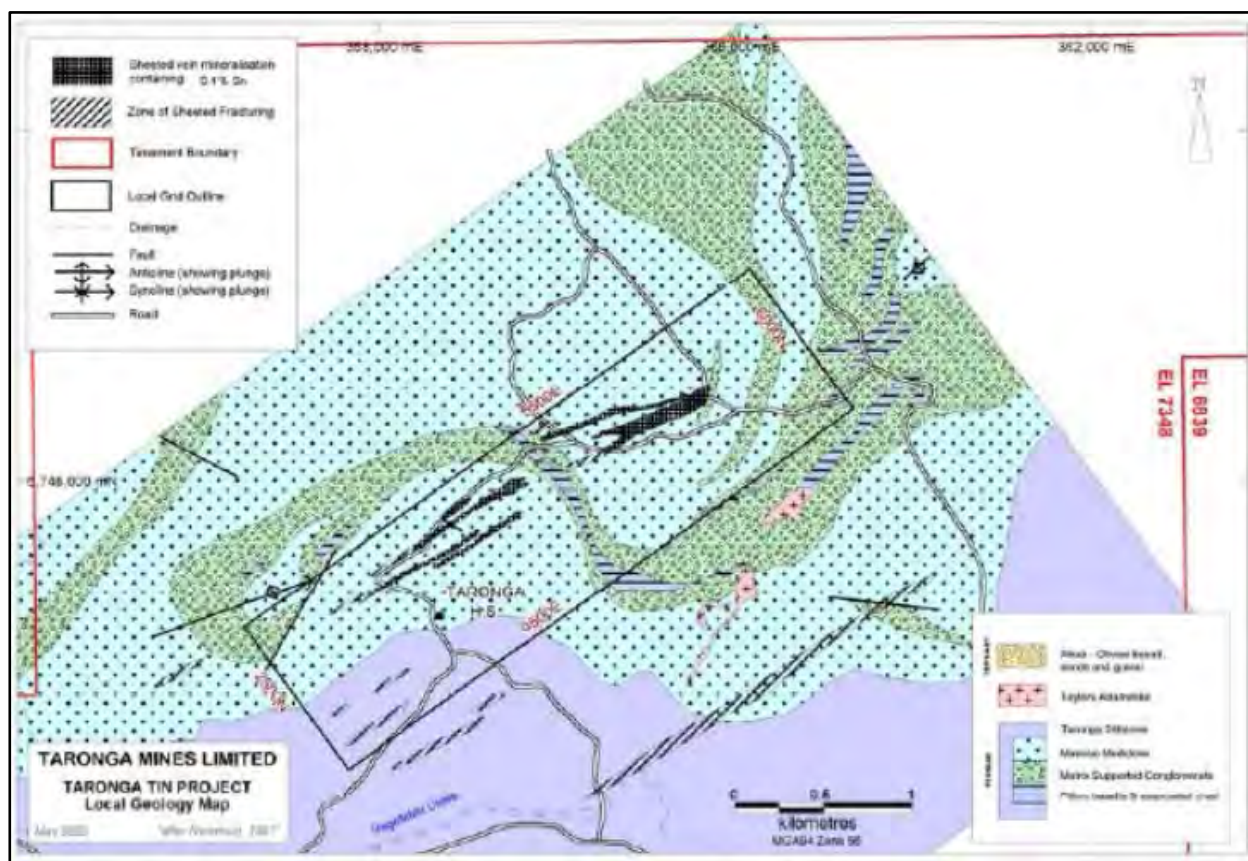


Figure 6-4 Surface Geology of the Taronga Tin Deposit

The zones of tin mineralisation are shown in black and the conglomerate layer as green stippling on a green background. (Summons, 2011)



Figure 6-5 The Taronga Tin Deposit and the Extent of ML1774

Mining Lease ML1774 is shown in red. The Taronga Tin Deposit in blue extends from ML1774 westwards into EL8407.

(After Summons, 2011)

6.4 ORE MINERALOGY

The Taronga deposit itself is the only deposit in the Taronga Tin Project for which a Mineral Resource has been reported in accordance with the JORC Code 2012.

Summons (2011) summarised the paragenesis and mineralogy at Taronga:

“The paragenetic sequence of events is as follows: an initial hornfels event (silicification and andalusite-dominant hornfelsing) was followed by an early-stage greisen and veining event (sericite-chlorite alteration associated with at least one stage of quartz veining – with or without associated cassiterite-arsenopyrite mineralisation). A late-stage greisen alteration event with associated veining occurs (better developed in the Southern Zone) with a separate associated veining event – quartz stockwork veining (broad-spaced) with minor associated W-Mo-Bi mineralisation.

Mineralogical studies as part of the metallurgical investigations for the deposit (Hausen et al 1980) recognised three sequential events at varying mineralisation temperatures ranging from high-temperature, through intermediate temperature to low temperature with pneumatolytic, hydrothermal and epithermal styles, respectively. Cassiterite mineralisation occurs with all three events and the greisen alteration occurs in the first two events.

Tin mineralisation occurs mainly as cassiterite grains with a size range of 0.1 to 3 mm with minor stannite. The cassiterite occurs in small veins (90%), with the balance in numerous joint planes and incipient fractures in the silicified siltstone. Coarser cassiterite grain size in the Southern Zone is related to greater vein widths and closer vein spacing.

Newmont JV geologists recognised a zone of broad-spaced, late-stage, quartz-Mo veining with an associated different alteration style to the sheeted vein cassiterite mineralisation in the Southern Zone. This is the alteration referred to as phyllic alteration by Henley et al (2000), associated with the quartz stockwork veins containing W-Mo-Bi mineralisation.

Mineralogical studies (Hausen et al, 1980) report accessory sulphide content of between 5 and 8%, and occurs, in order of abundance, as arsenopyrite > pyrite > chalcopyrite > covellite > chalcocite > sphalerite > galena, with traces of Mo and Bi. Both zones are reported have a sphalerite (Zn)-rich halo. The fluorite content is significantly higher in the Southern Zone, where it ranges between 4-6% compared with 0.3-0.5% in the Northern Zone.

Mo occurs as molybdenite (MoS_2), while W occurs as both wolframite and ferberite (FeMnO_4), and Bi as both native Bi and bismuthinite (Bi_2S_3). Several silver minerals are reported, including sulphide inclusions in sphalerite, chalcopyrite and tetrahedrite, and as solid solutions in the Bi minerals.

Local over-printing of the tin mineralisation occurs in the Southern Zone where W-Mo-Bi stockwork vein mineralisation has occurred. This interaction of spatial and temporal sequences associated with diverse fluid compositions was also recognised by Rutherford (1984) in the East Grampian Zone.”

7 EXPLORATION

7.1 MAPPING

The area of the Taronga Tin Project has been mined for over a century and mapping of the area at various scales has been published by the Geological Survey of NSW which is the government body responsible for collecting, collating and providing geological mapping, mineral systems studies geophysical surveys and interpretations. A geological map of the Taronga Tin Project area is shown in Figure 6-1.

7.2 SOIL SAMPLING

Exploration of the Taronga Tin Project is at a mature stage, consequently, Aus Tin has not used soil sampling as an exploration tool.

7.3 AEROMAGNETICS

Aeromagnetics are available over the area of the Taronga Tin Project but the styles of mineralisation in the project do not lend themselves to identification by aeromagnetic methods. The surface location and sub-surface extent of the Mole granite is well expressed by a low total magnetic intensity anomaly.

7.4 GROUND GEOPHYSICS

Pound Flat is a sheeted vein deposit that lies within EL7801 about 15km to the south of the Taronga Tin Deposit.

In 2013, Aus Tin conducted an induced polarisation (IP) and resistivity survey near the Pound Flat prospect. In 2018, a review by Aus Tin of the survey allowed identification of two moderate to weak zones and two zones of moderate IP chargeability. These zones trended sub-parallel to the sheeted vein-set trends outlined by previous exploration in the Pound Flat deposit immediately adjacent and to the southeast of the surveyed area. In 2019, Aus Tin reported that the company had “reviewed the potential extension of the elevated chargeability along the eastern boundary of the system identified in 2013 geophysics. Unfortunately, no extension was identified, so at this juncture, no progress was made to undertake a geophysics survey in Year 6 [the next year] of the program”.²⁷

²⁷ Annual Report for EL7801 Taronga Mines Pty Ltd, 12 August 2019. Aus Tin Mining Ltd.

8 MINERAL RESOURCE ESTIMATE

8.1 INTRODUCTION TO MINERAL RESOURCE ESTIMATE

The Taronga Tin Deposit is hosted in Permian-Triassic metamorphosed sedimentary and volcanic rocks. The host rocks were intruded by granites which were the source of the tin, copper and silver mineralisation in this deposit and elsewhere in the Taronga Tin Project. This is a classical geological setting for hydrothermal tin deposits of Eastern Australia.

Mapping indicates that the Taronga mineralisation occurs in sheeted quartz vein swarms within a north-east aligned anticlinal structure. Tin occurs associated with the swarms of quartz veinlets and tin mineralisation has been resolved into two large zones, known as the Northern and Southern Zones. At the surface, the two large zones are separated by a layer of conglomerate. (See Figure 6-4).

In the Southern Zone, four discrete swarms of quartz veinlets which have been identified and named Hillside, Hillside Extended, Payback and Payback Extended (See Table 8-4).

As well as tin, the Taronga Tin Deposit contains copper and silver alteration patterns indicate multiple mineralising events. The mineralogy of the Taronga Tin Deposit is described elsewhere in this report (See Section 6.4 ORE MINERALOGY).

The deposit was explored and investigated by BHP in the 1930s and a joint venture between Newmont Holdings Pty Ltd (Newmont) (as manager), ICI Australia, Endeavour Resources and Pelsart Holdings, referred to in this report as the Newmont JV, from 1979 to 1984. The Newmont JV drilled 355 holes, drove three adits, estimated (pre-JORC) mineral resources and conducted metallurgical test work.

In 2013, Taronga Mines Pty Ltd, a subsidiary of AusNiCo Limited (AusNiCo), commissioned a Mineral Resource Estimate for the Taronga Tin Deposit. The estimate was made by Michael McKeown of Mining One and reported in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves of the Joint Ore Reserve Committee of The Australasian Institute of Mining and Metallurgy, Australian Institute of Geosciences and Minerals Council of Australia, 2012 edition (JORC 2012)²⁸,

8.2 TARONGA TIN DEPOSIT

8.2.1 DRILLING AND SAMPLE DATABASE

8.2.1.1 Introduction to Database

Data from sampling of drill core used for the resource estimate was compiled by Newmont Holdings Pty Ltd between 1979 and 1982. The data came from reports submitted to the Department of Mineral Resources of New South Wales. The data included drill logs, maps and reports.

The data was compiled while Newmont Holdings Pty Ltd was the operator of the Taronga Joint Venture. Newmont Holdings Pty Ltd was a wholly owned subsidiary of Newmont Limited. Newmont Limited was, and is a significant, respected and long-lived exploration and mining

²⁸ AusNiCo Ltd, Maiden JORC Resource Estimated for the Taronga Tin Project, ASX Announcement, 26 August 2013.

company. Mr Bruce Pertzelt, a geologist with Pertzelt Tahan and Associates and who worked on the Taronga Tin Project with the Newmont Joint Venture was retained by Taronga Mines Pty Ltd in 2013.

In 2013, Taronga supplied the data for the preparation of the resource estimate. The data which was used for the resource estimate included:

- A Microsoft Access database of the results of drilling, and
- Numerous reports regarding the Taronga tin deposit; these are referenced throughout this report.

The data in the Access database was entered by a commercial data-entry bureau service and the data entries were checked against hard copies of the data by Mr Bruce Pertzelt.

For the 2013 Mineral Resource estimate, the drill hole database was reviewed for:

- Holes which appeared to collar beyond the apparent limits of the drilling campaigns.
- Holes which appeared not to collar on the surface.
- Holes which mis-plotted compared to plots on historical cross-sections.
- Assays which exceeded those mentioned in existing reports.
- Overlapping sample depths.
- Holes which had records which exceeded the final depth recorded in the collar table.

None of these errors was noted.

In addition, during the resource estimate made in 2013, the locations of drill holes plotted from the database were compared successfully with the locations plotted on cross-sections prepared by Newmont.

8.2.1.2 Drilling

The database contained the results from 355 drill holes with a total drilled length of 33,350m. Diamond drill holes accounted for 24,187m and percussion drill holes for 9,163m.

Diamond drill holes were collared HQ or with percussion drilling, reducing to NQ triple tube once solid ground was met. Triple tube drilling was employed to maximise core recovery and minimise the loss of cassiterite. Core was not oriented.

Percussion drilling was not reverse circulation drilling but used high pressure rigs to ensure efficient sample recovery.

Percussion holes were drilled with either a traditional percussion drill rig or with a modified Jacro drill rig. The Jacro drill rig was a light-weight rig that was used to drill holes at shallow angles, even as slightly inclined up-holes, from the surface. This was done in an attempt to sample the mineralisation perpendicular to the general dip and strike of the mineralised zones. All Jacro drilling was limited to within 20 metres of the surface.

However, doubt was raised regarding the reliability of sampling using the Jacro drill rig, for example, by Dunham (2012). The suggestion was made that a sample recovered from a Jacro hole is contaminated by material remaining in the hole from previous drilling or material in the wall of the hole. This would lead to smearing of samples along the length of the hole.

Dunham (2012) made a statistical study of Sn assays for diamond vs non-Jacro percussion samples, diamond vs Jacro samples, and non-Jacro vs Jacro samples. He noted that there was

poor agreement between the assays from Jacro samples and the diamond drill holes or the non-Jacro percussion samples and concluded that:

“Jacro drill samples show a conditional bias. At low grades the Jacro samples are generally higher grade than either the diamond or percussion holes. At high grades the Jacro samples are generally lower than either the diamond or percussion samples.”

During the 2013 Mineral Resource estimate, two further tests of the reliability and compatibility of the Sn assays of Jacro samples with Sn assays of other samples were made:

- Comparison of the basic statistics for the samples from each source; and
- Comparison of down-hole variography of Sn assays using samples from each source.

The basic statistics confirmed the conclusion that the sample grades were smeared in the Jacro samples, the variance of the Sn assays of the Jacro samples being much lower than that of the non-Jacro samples (See Table 8-1).

Experimental down-hole variograms for samples in the Northern Zone also display markedly different nugget effects for samples from non-Jacro and Jacro holes. For non-Jacro samples, the variogram has a nugget effect of about 55% of the total variance, whereas for the Jacro samples, the nugget effect was zero. (Also, see Section 8.2.6.1 Introduction)

In 2013, the conclusion was that the assayed grades of samples from Jacro holes were unreliable and the Jacro assays were omitted from the grade estimation for the 2013 Mineral Resource.

In addition, although the first sample with significant Sn grade in a Jacro hole does indicate that mineralisation has been met, the last sample with significant Sn grade is likely to be beyond the actual mineralisation boundary.

Table 8-1 Basic statistics for % Sn, Non-Jacro vs Jacro Samples

	Non-Jacro Samples	Jacro Samples
n	25,431	3,709
Mean % Sn	0.09	0.11
variance % Sn²	0.021	0.009
minimum % Sn	0.00	0.00
maximum % Sn	7.02	1.35

8.2.1.3 Logging & Sampling

Diamond drill core and percussion chips were logged to a level of detail which was adequate to support the Mineral Resource estimation.

Core logging was qualitative and quantitative in nature.

19,567m of relevant intersections of mineralisation were made and 100% of the intersections were logged.

Diamond drilling core recovery was measured by length or by sample mass. Triple tube drilling was used to maximise core recovery. Core recoveries were generally high and no systematic core losses were recorded.

Percussion drilling used high pressure rigs. Sample recovery was monitored by weighing individual 1m samples and comparing these with theoretical masses. Actual sample masses and consistency of sample masses provided a good indication of recoveries which were adequate.

Diamond drill core was sawn in half longitudinally. The half core selected for assay was crushed then ground to 500 microns from which a 100g sample was split and pulverised to less than 75 microns. A replicate of each tenth sample was split and pulverised to check sample preparation and assaying reliability. These were reasonable sampling and sample preparation techniques.

Percussion samples were processed in a similar way to diamond drill core. A replicate of each tenth sample was split and pulverised to check sample preparation and assaying reliability. These were reasonable sampling and sample preparation techniques.

8.2.1.4 Assays

All Sn assays were performed by taking 10g samples from 100g pulverised samples. The samples were analyzed for Sn using pressed powder X-ray fluorescence (XRF) at the Perth laboratories of Analabs Pty Limited (Analabs). Pressed powder X-ray fluorescence was the industry standard method for Sn analysis at the time.

Comparison of Sn assays of samples from diamond drill and percussion holes was good and no bias between the two sets of analyses is evident.

Every 30 assays, four standards were assayed. In addition, every tenth sample was duplicate assayed. Selected samples were check assayed at other laboratories and using other assay methods, including an XRF method developed by Cleveland Tin Limited in Tasmania which was a significant Australian tin producer at the time. The checks confirmed that Analabs' procedures were satisfactory, and that sample preparation and assay quality were consistently maintained by Analabs.

8.2.1.5 Surveys

Drill hole collars were located by theodolite traverses by surveyors.

Holes were surveyed down-hole for azimuth and dip using down-hole cameras. Given the generally non-magnetic nature of the mineralisation and the host rocks, this was a reasonable survey method.

A local grid parallel to the strike of the mineralisation was used. Local grid north has a bearing of 055° true. A 3.5km baseline was surveyed with surveyed cross-lines at 100m intervals.

Topographic maps at 1:1000 scale were prepared by Australian Aerial Mapping. The maps were related to the local grid.

In 2015, Aus Tin acquired topography based on a Lidar survey. In the Northern Zone, there was good agreement between the topography based on ground survey used for the 2013 estimate and the Lidar topography – the Lidar topography was 5m higher than the surveyed topography with a reasonably uniform shift over the Northern Zone. In the Southern Zone, the agreement was generally within 10m.

8.2.1.6 Density

Specific gravities of core samples of mineralisation were determined by weighing and measuring the volume of billets of core and were generally in a range from about 2.7 to 2.8 tonnes per cubic metre (Newmont, 1982).

Bulk densities of material mined in exploration adits were determined by weighing complete rounds of material on a certified weighbridge. Bulk densities of material mined in exploration adits averaged 2.7 from Hillside Adit, 2.8 from Payback Adit and 2.8 tonnes per cubic metre from Northern Zone Adit (Newmont, 1982).

For the 2013 estimate a bulk density of 2.75 tonnes per cubic metre was used. Given that the host rock is hornfels, a bulk density of 2.75 tonnes per cubic metre is considered reasonable

8.2.2 GEOLOGICAL MODELLING & DOMAINING

Both the Northern and Southern Zones are zones of quartz vein swarms which were defined taking into account contemporaneous geological interpretations made by Newmont JV exploration geologists, and statistical analysis of the assay data.

The distributions of tin, copper and silver are directly related to the presence and intensity of quartz veining, in the form of veinlets. The intensity of the veining is a significant geological feature which was apparent to Newmont JV geologists and guided their geological interpretations.

The accuracy of the historical assays of Sn close to zero cannot be guaranteed, so, for the interpretation of the outer limit of the Northern Zone, rather than 0% Sn a threshold value of 0.02% Sn was used. In each relevant drill hole, working inwards towards the mineralisation, a point was chosen where the Sn assays changed from generally being <0.02% Sn to generally being >0.02% Sn. This approach resulted in a fairly regular outer envelope, for example, see Figure 8-1.

Within the outer limit, Newmont Joint Venture geologists also interpreted a zone based on their interpretation which they called the "Mineralised Zone". This zone coincides, more or less, with a threshold value of 0.05% Sn. The zone has a fairly regular shape from cross-section to cross-section and was accepted for the purposes of the resource estimate, for example, see Figure 8-2. Newmont JV geologists also interpreted lenses of non-mineralised rock within the "mineralised zone". However, the interpretation of these waste zones was not borne out when the results of assays of diamond drilling are compared with the interpretation of the waste zones, for example, see Figure 8-2. For the 2013 resource estimate, the Newmont JV interpretation of the waste zones was not used.

In the Southern Zone, the distribution of Sn assays >0.0% for all samples taken from holes to test the zone exhibits a log-normal distribution (See Figure 8-3). The log-probability plot for the samples has an inflection at 0.5% Sn (See Figure 8-4), indicating that the Sn assays belong to two populations above and below 0.5% Sn. This is in accordance with the interpretation of separate Southern Zones by Newmont Joint Venture geologists which coincides, more or less, with a threshold value of 0.5% Sn. For the Southern Zone, Newmont's interpretation of four zones (Hillside, Hillside Extended, Payback and Payback Extended) was used with only slight adjustments to accommodate the 0.5% Sn threshold value, for example, see Figure 8-5.

The Northern Zone dips vertically to sub-vertically and consists of a more intensely tin mineralised zone which extends for 500m along strike (local grid north-south), up to 125m across strike (east-west) and 300m down-dip (vertical) within a lower grade halo of

mineralisation which extends for 1000m along strike, up to 250m across strike, and up to 500m down-dip (See Figure 8-1 and Figure 8-6).

The Southern Zone consists of four en echelon zones of tin mineralisation which dip vertically to sub-vertically. The zones occur over an area of 800m along strike (north-south) and 350m across strike (east west). The individual zones are up to 50m in width (east-west) and extend for up to 250m down dip (vertical) (See Figure 8-6).

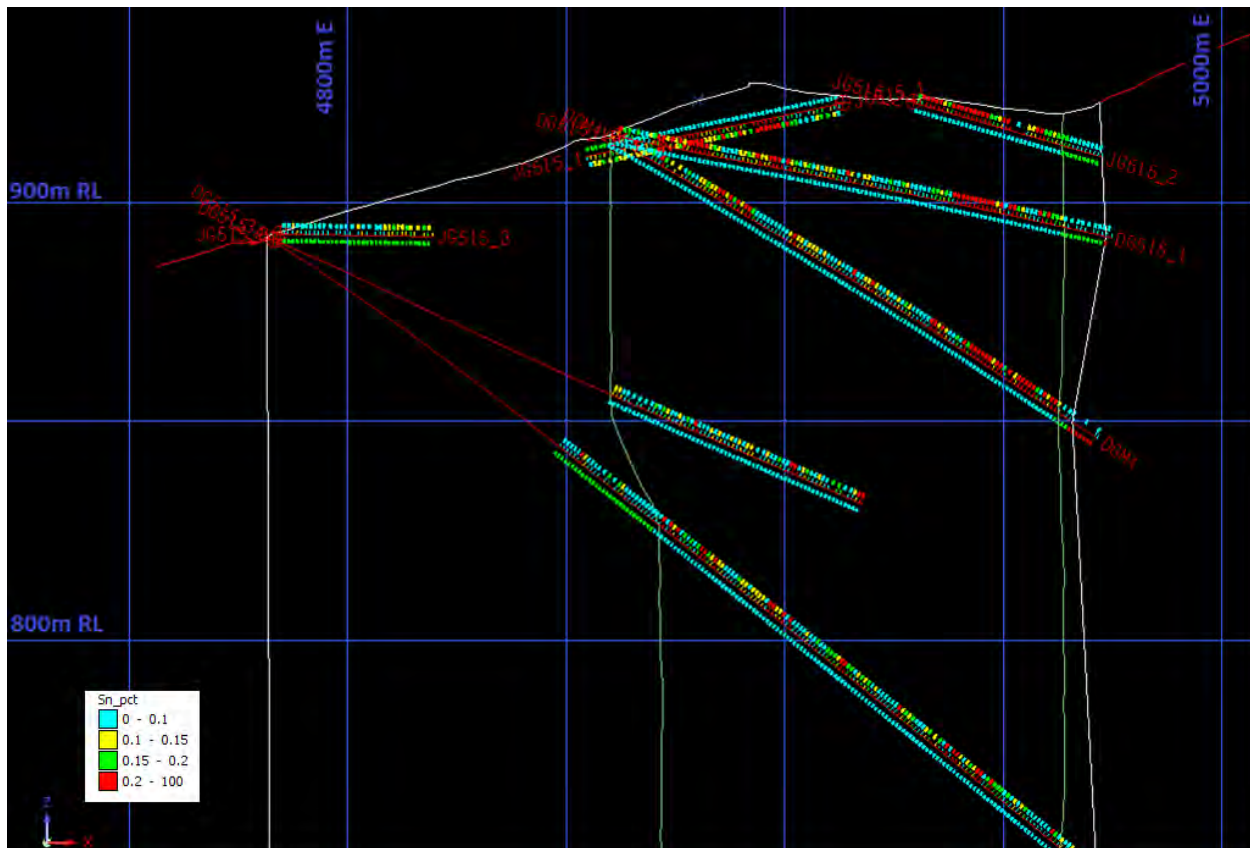


Figure 8-1 Cross-section 5150m N Through the Northern Zone

Cross-section is based on the Taronga Grid.

The boundary of the inner zone (Newmont's "Mineralised Zone") is shown in green; the boundary of the outer zone in white.

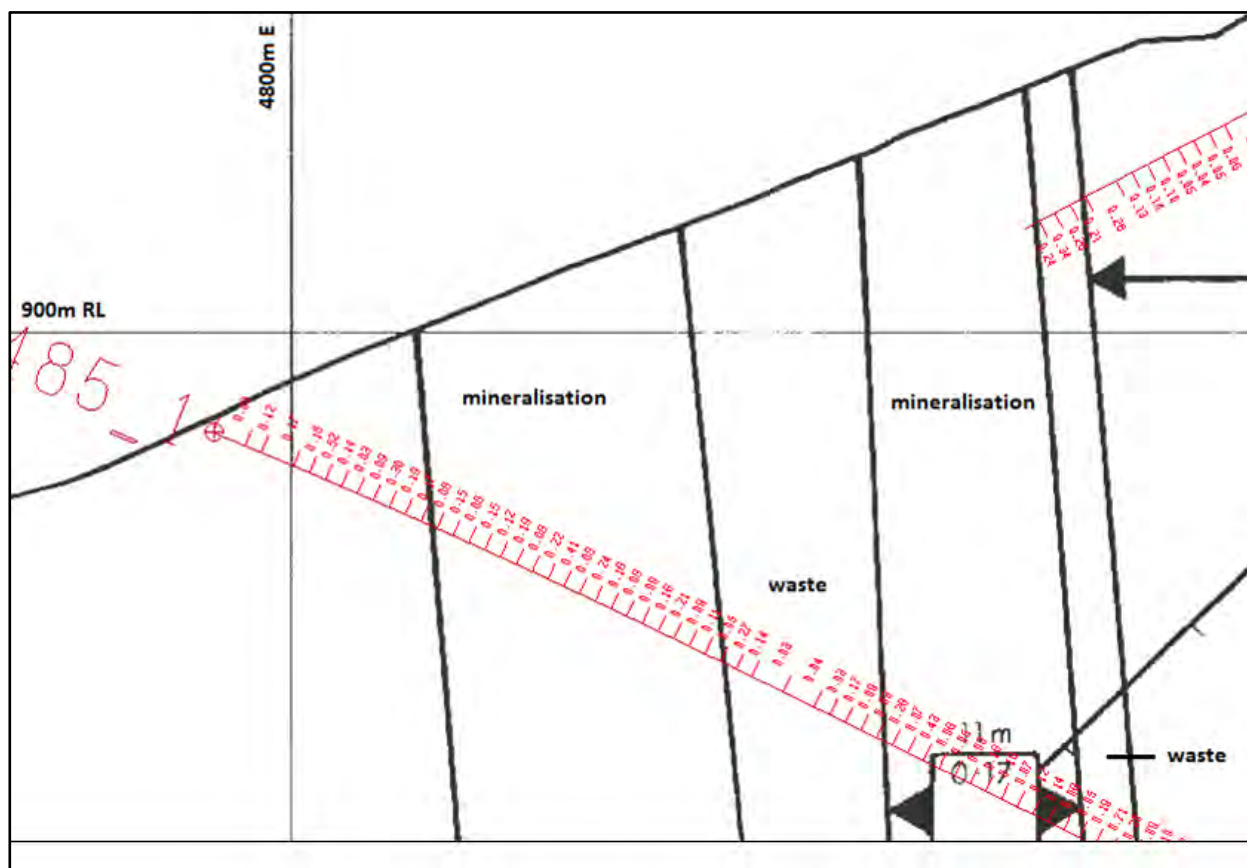


Figure 8-2 Part of Newmont Interpretation on Cross-section 4850m N

Source: Newmont, 1982.

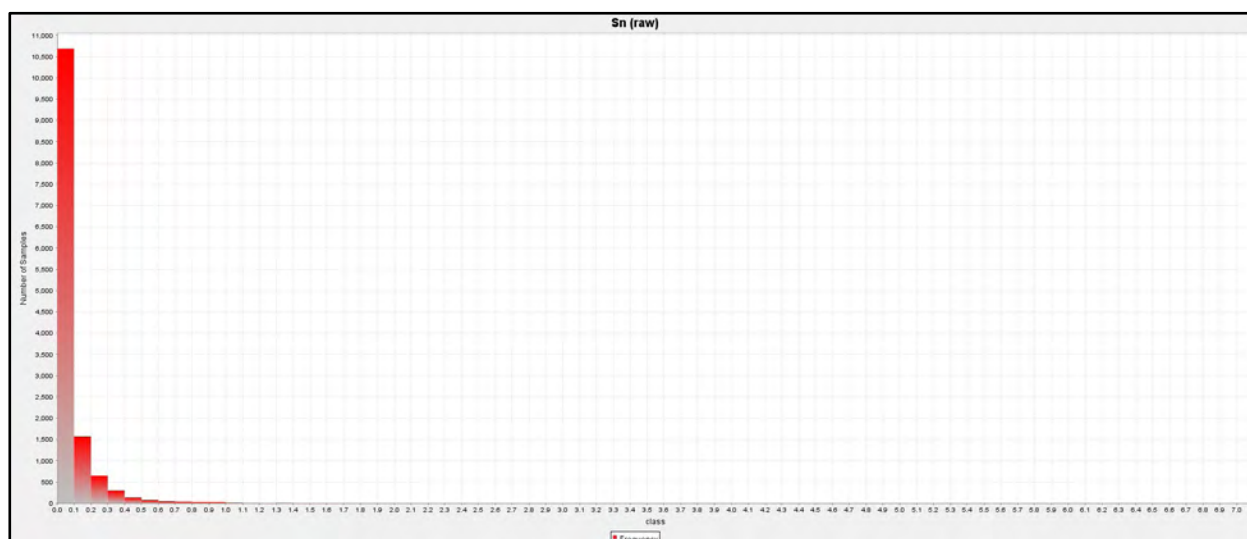


Figure 8-3 Histogram of % Sn in All Compositied Samples South of 4300m N

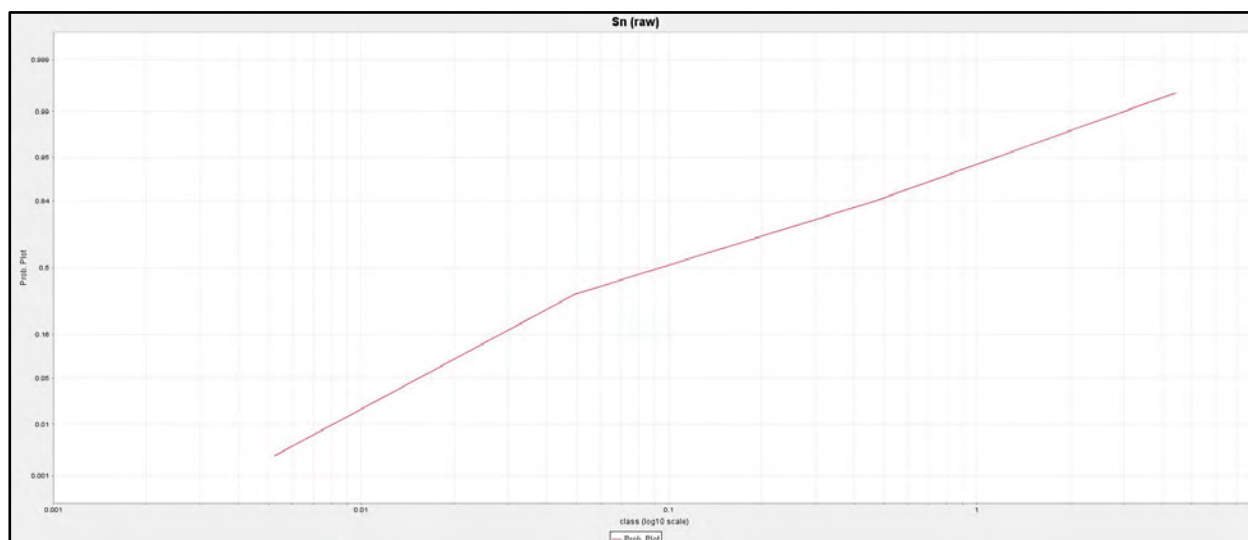


Figure 8-4 Log-probability Plot of % Sn in All Composited Samples South of 4300m N

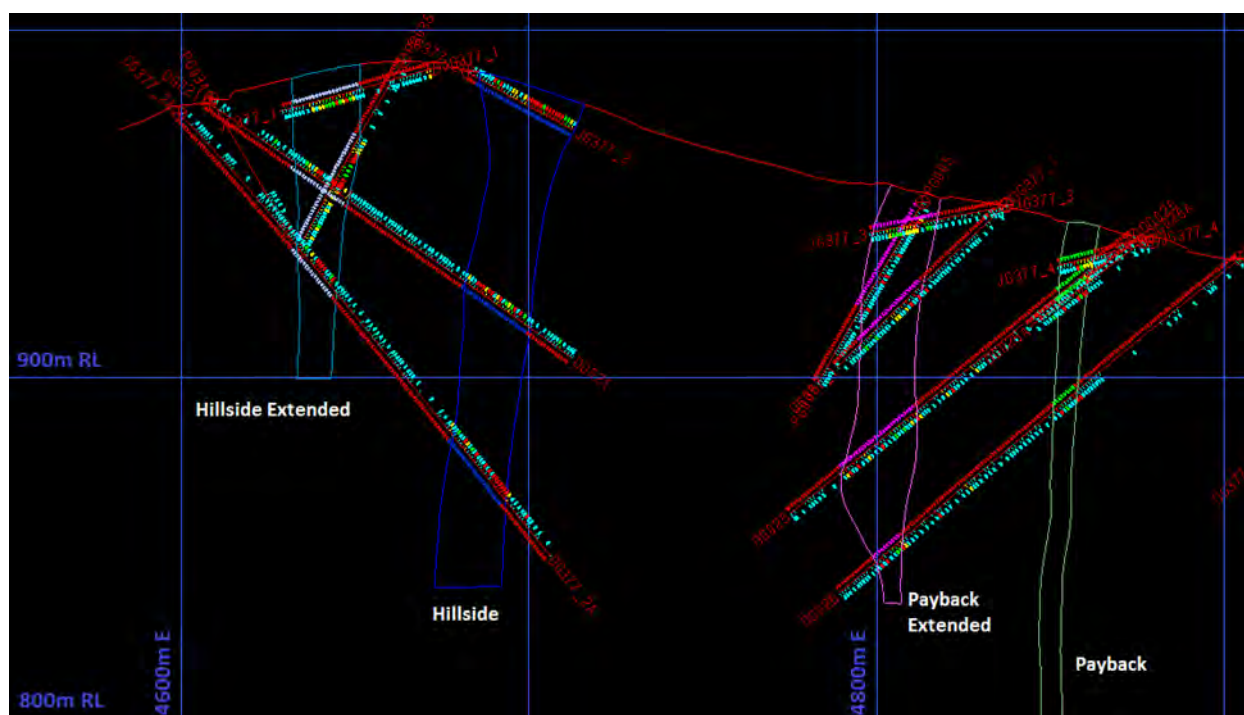


Figure 8-5 Cross-section 3775m N Through the Southern Zone

Cross-section is based on the Taronga Grid.

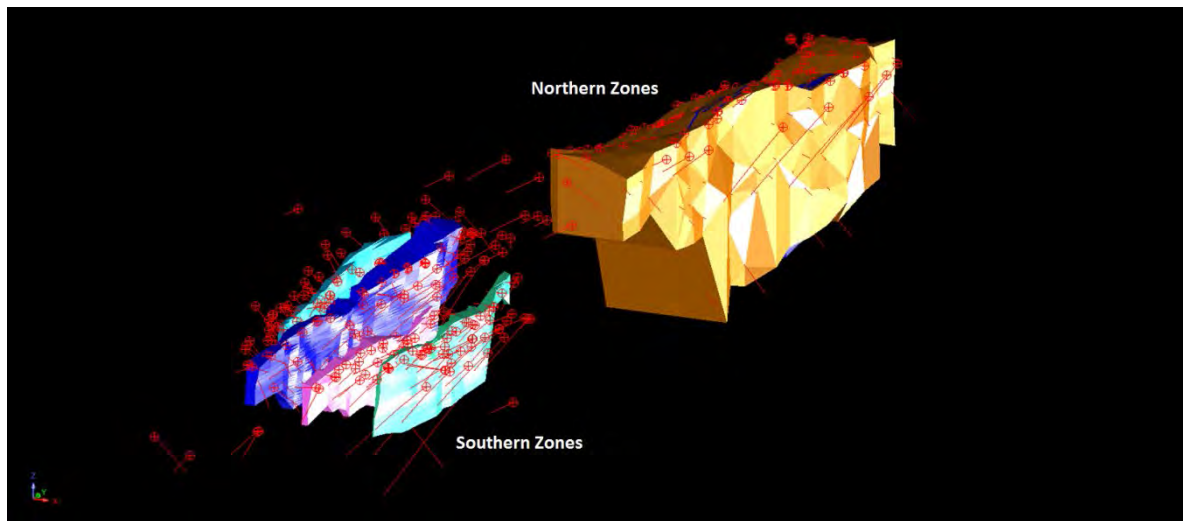


Figure 8-6 Oblique View of Wireframes of All Zones

The Northern Zone is in pale brown to the right, the four Southern Zones are to the left.

The distance from the south end of the Southern Zone to the north end of the Northern Zone is just over 2.5km, the maximum depth of the Northern Zone as shown is just over 200m.

8.2.3 BLOCK MODELLING

The Taronga Tin Deposit mineralisation was modelled with wireframes representing mineralised zones 101, 102, 201, 202, 203 and 204 (See Table 8-4).

Blocks in the block model were flagged with an attribute named “zone”.

For each zone, a down dip limit based on the extent of drilling, referred to as a base limit, was created. Blocks in the block model were allocated an appropriate zone number within the relevant wireframe and above the relevant base limit (See Table 8-2).

A block model was created using Surpac software with the model extents and block dimensions listed in Table 8-3. The block dimensions were appropriate given the shape and thickness of the mineralisation being modelled.

A parent block size of 12.5m X 12.5m by 12.5m was used. This block size is generally about one quarter of the drill hole spacing and, in places, is about one half of the drill hole spacing.

A comparison of the volume of the wireframes and the relevant block model volumes is listed in Table 8-2. The volumes agree very well.

Table 8-2 Volumes of Wireframes and Volumes in Block Model by Zone

Zone	Wireframe Name	Base Limit Name	Wireframe Volume	Block Model Volume
101	interp_101_1.dtm	limit101_1.dtm	8,294,797	8,684,387
102	interp_102_1.dtm	limit102_2.dtm	21,681,000	21,989,532
201	interp_201_1.dtm	limit201_1.dtm	364,522	362,152
202	interp_202_1.dtm	limit202_1.dtm	2,585,263	2,583,710
203	interp_203_1.dtm	limit203_1.dtm	588,057	589,386
204	interp_204_1.dtm	limit204_1.dtm	690,412	694,855

Table 8-3 Block Model Extents, Block Dimensions and Rotation Parameters

Direction	Minimum	Maximum	User Block size	Minimum Block
X	4,500m E	5,500m E	12.5m	3.125m
Y	3,000m N	6,000m N	12.5m	3.125m
Z	400m RL	1,200m RL	12.5m	3.125m
Surpac Rotation Parameters				
Bearing (around Z)		0°		
Dip (around Y)		0°		
Plunge (around X)		0°		

8.2.4 COMPOSITING

A histogram of the sample lengths of all the raw assays in the Taronga database shows that nearly all assays were taken over a length of 1.0m (See Figure 8-7). Consequently, a compositing length of 1.0m was considered reasonable and was applied.

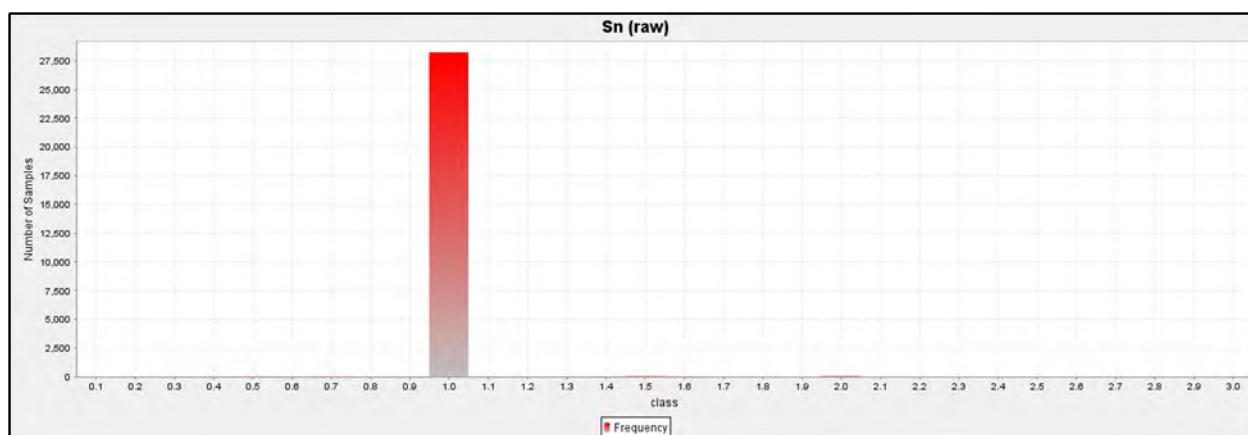


Figure 8-7 Raw Sample Lengths

8.2.5 STATISTICAL ANALYSIS AND HIGH-GRADE OUTLIERS

Composited assays were selected by zone using the zone numbers listed in Table 8-4.

The assays of Jacro samples were not used. Not all samples that were assayed for Sn were assayed for Cu and Ag.

Basic statistics were calculated for % Sn, % Cu and g/t Ag for all zones and are listed in Table 8-5 and Table 8-6

For the Northern Zone, the mean Sn grade of the samples in the Inner Zone, referred to by Newmont as the “Mineralised Zone”, was 0.15% Sn compared with the mean Sn grade of the samples in the outer Zone which was 0.07% Sn, reflecting the relative intensity of the mineralisation in each zone.

For the Southern Zones, there is low correlation between % Sn with % Cu and g/t Ag (See Table 8-7). The low correlation probably reflects the different spatial distribution of the Sn mineralisation and the Cu-Ag mineralisation which implies that the Sn mineralisation and the Cu-Ag mineralisation were emplaced at different times. There is greater correlation between % Cu and g/t Ag in all zones.

As expected, histograms and log-histograms for % Sn for the two Northern Zones indicate log-normal distributions (See Figure 8-8, Figure 8-9, Figure 8-11 and Figure 8-12). The disruptions to the log-histograms at low Sn grades are probably caused by differences in detection limits used during Sn analysis.

The log-probability plot for the Inner Northern Zone 101 indicates that all Sn assays within the zone belong to a single population (See Figure 8-10). The log-probability plot for the Outer Northern Zone 102 indicates that all Sn assays belong to a single population except at the extreme lower end of the plot which is deformed (See Figure 8-13). This deformation is probably caused by the differences in detection limits used during Sn analyses.

For the Southern Zone, the Sn assays for samples from the four individual zones combined also exhibit a log-normal distribution (See Figure 8-14 and Figure 8-15) with a similar disruption to the log-normal histogram as noted above for the Northern Zones. In addition, for the combined Sn assays the log-probability plot indicates that the Sn assays appear to come from a single population except at the extreme lower end of the plot which is deformed (See Figure 8-16). This deformation is probably caused by the differences in detection limits used during Sn analyses.

Log-probability plots for % Cu and g/t Ag exhibit similar features to those just described for % Sn (See Figure 8-17 to Figure 8-22).

Statistical analyses did not reveal any extreme high grades which required cutting.

Table 8-4 Zone Numbers for Taronga Tin Deposit

Zone number	Zone	
100	Northern	Both zones combined
101		Inner zone
102		Outer zone
200	Southern	All zones combined
201		Hillside Extended
202		Hillside
203		Payback Extended
204		Payback

Table 8-5 Basic Statistics for Northern Zone

Zone 101	n	mean	minimum	maximum	variance
Sn	6480	0.15	0	1.43	0.0138
Cu	5449	0.07	0	2.05	0.0084
Ag	5449	4.4	0	167.3	54.4
Zone 102					
Sn	7777	0.07	0	2.01	0.0062
Cu	6857	0.04	0	1.40	0.0022
Ag	6857	2.1	0	132.0	11.7
Zone 100					
Sn	14257	0.11	0	2.01	0.0111
Cu	12306	0.06	0	2.05	0.0052
Ag	12306	3.1	0	167.3	32.0

Table 8-6 Basic Statistics for Southern Zone

Zone 201	n	mean	minimum	maximum	variance
Sn	422	0.14	0.01	1.03	0.021
Cu	281	0.08	0.00	0.53	0.008
Ag	281	4.3	0.5	28.3	17.8
Zone 202					
Sn	2437	0.17	0.00	3.60	0.057
Cu	1838	0.09	0.00	2.00	0.016
Ag	1838	4.0	0.5	95.8	29.2
Zone 203					
Sn	659	0.14	0.00	2.00	0.037
Cu	539	0.07	0.00	1.55	0.011
Ag	539	3.1	0.5	71.0	25.3
Zone 204					
Sn	667	0.17	0.00	4.55	0.079
Cu	556	0.06	0.00	0.38	0.004
Ag	556	2.7	0.5	28.00	9.2
Zone 200					
Sn	4185	0.16	0.00	4.55	0.054
Cu	3214	0.08	0.00	2.00	0.013
Ag	3214	3.7	0.5	95.8	24.3

Table 8-7 Correlation Matrices Southern Zone

Zone 201	Sn	Cu	Ag
Sn	1.00	0.34	0.31
Cu	0.34	1.00	0.82
Ag	0.31	0.82	1.00
Zone 202	Sn	Cu	Ag
Sn	1.00	0.18	0.17
Cu	0.18	1.00	0.63
Ag	0.17	0.63	1.00
Zone 203	Sn	Cu	Ag
Sn	1.00	0.10	0.13
Cu	0.11	1.00	0.82
Ag	0.13	0.82	1.00
Zone 204	Sn	Cu	Ag
Sn	1.00	0.12	0.08
Cu	0.12	1.00	0.70
Ag	0.08	0.70	1.00
Zone 200	Sn	Cu	Ag
Sn	1.00	0.16	0.15
Cu	0.16	1.00	0.68
Ag	0.15	0.68	1.00

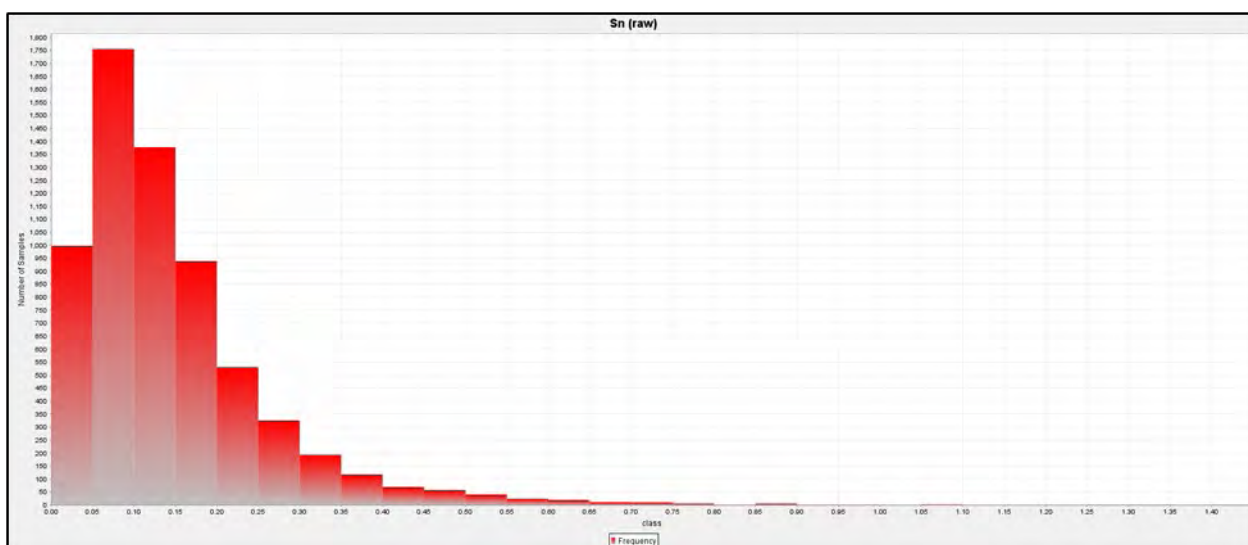


Figure 8-8 Northern Zone 101 Sn Histogram

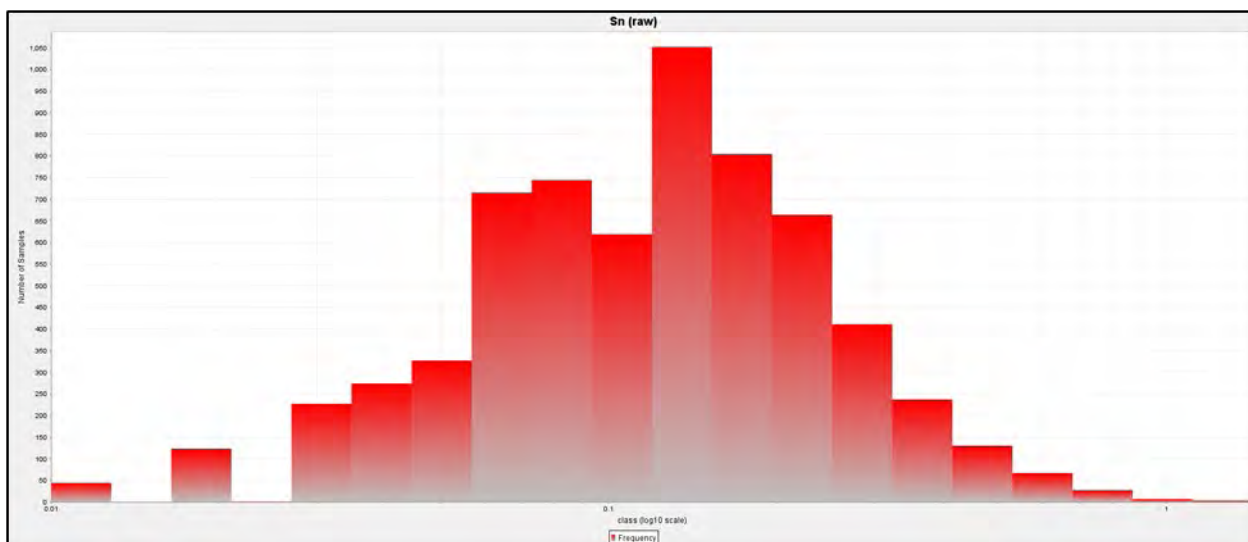


Figure 8-9 Northern Zone 101 Sn Log Histogram

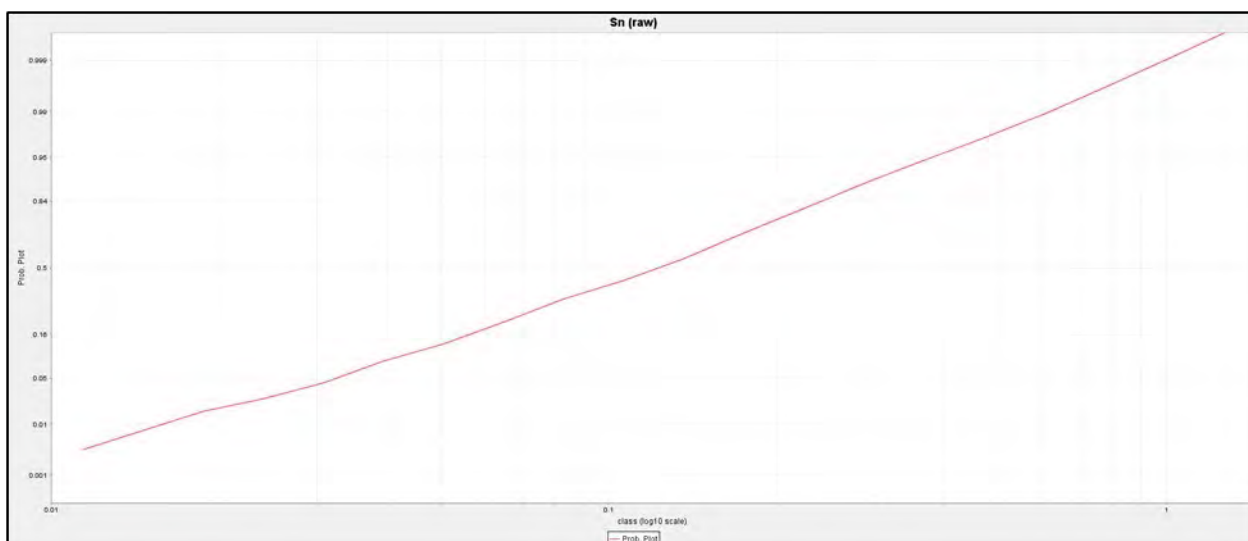


Figure 8-10 Northern Zone 101 Sn Log-probability Plot

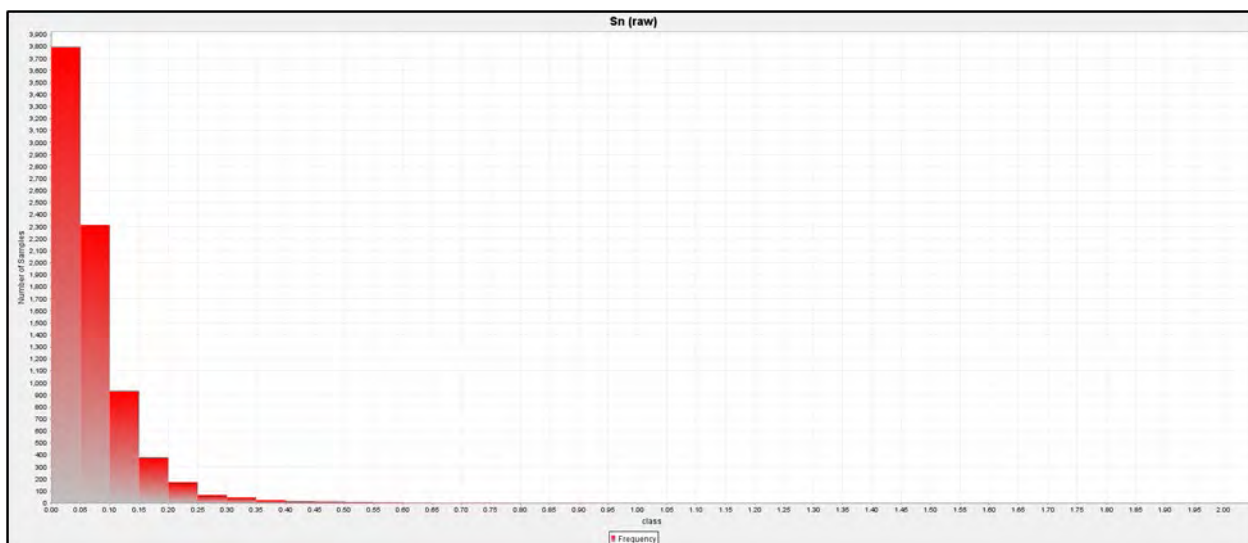


Figure 8-11 Northern Zone 102 Sn Histogram

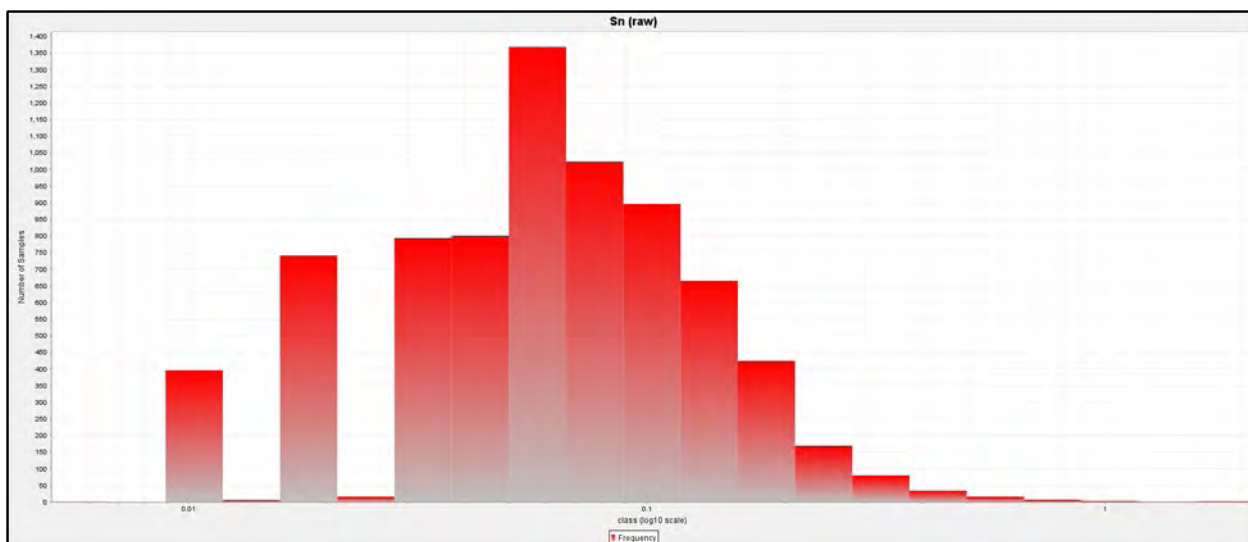


Figure 8-12 Northern Zone 102 Sn Log Histogram

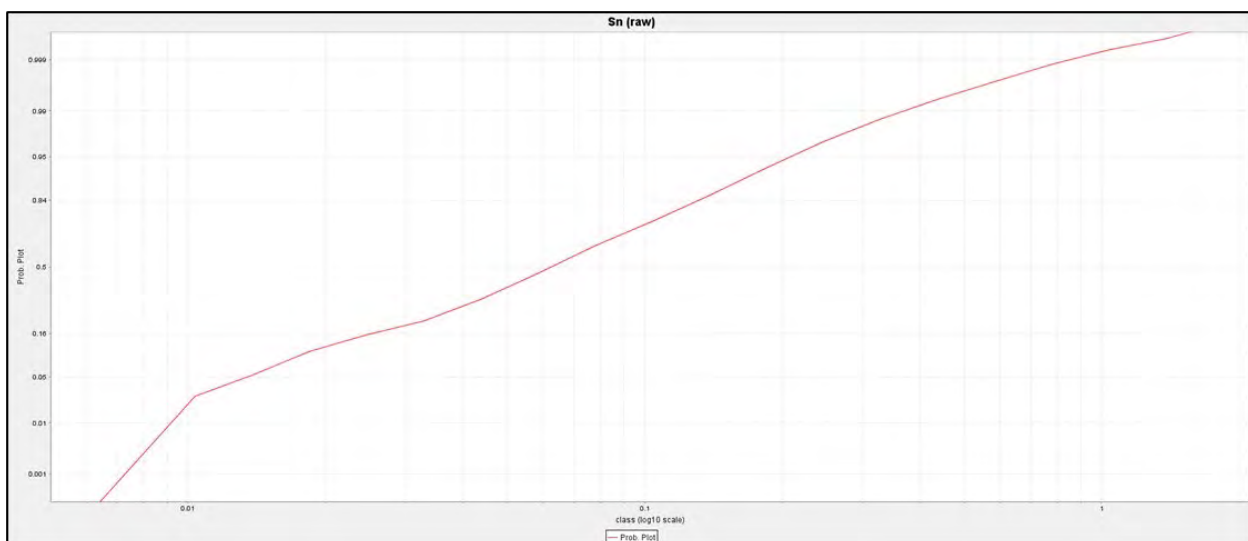


Figure 8-13 Northern Zone 102 Sn Log-probability Plot

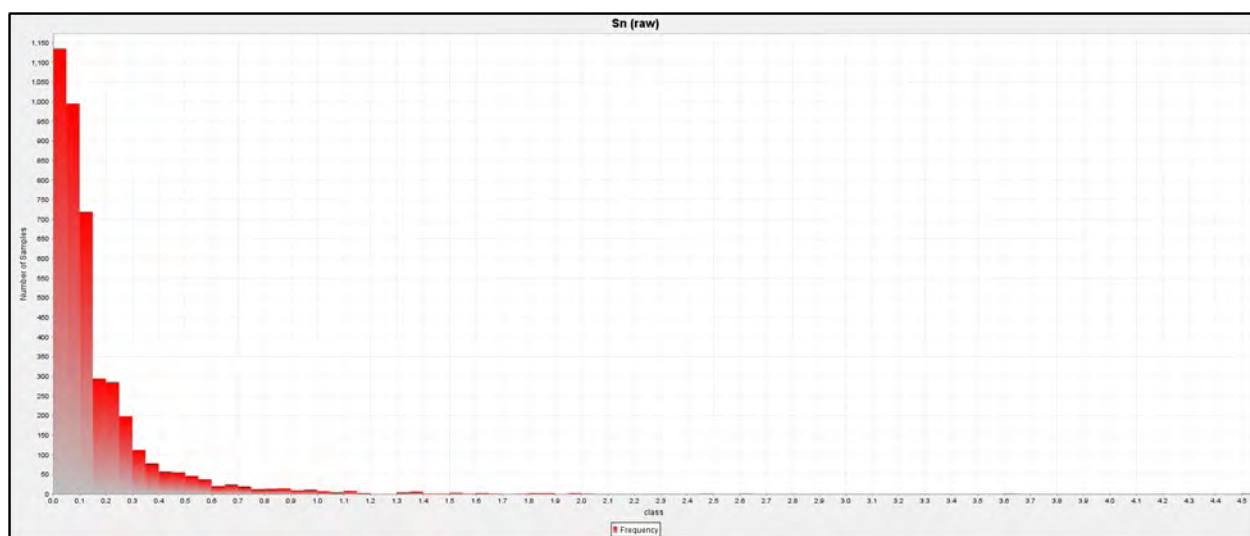


Figure 8-14 Southern Zone 200 Sn Histogram

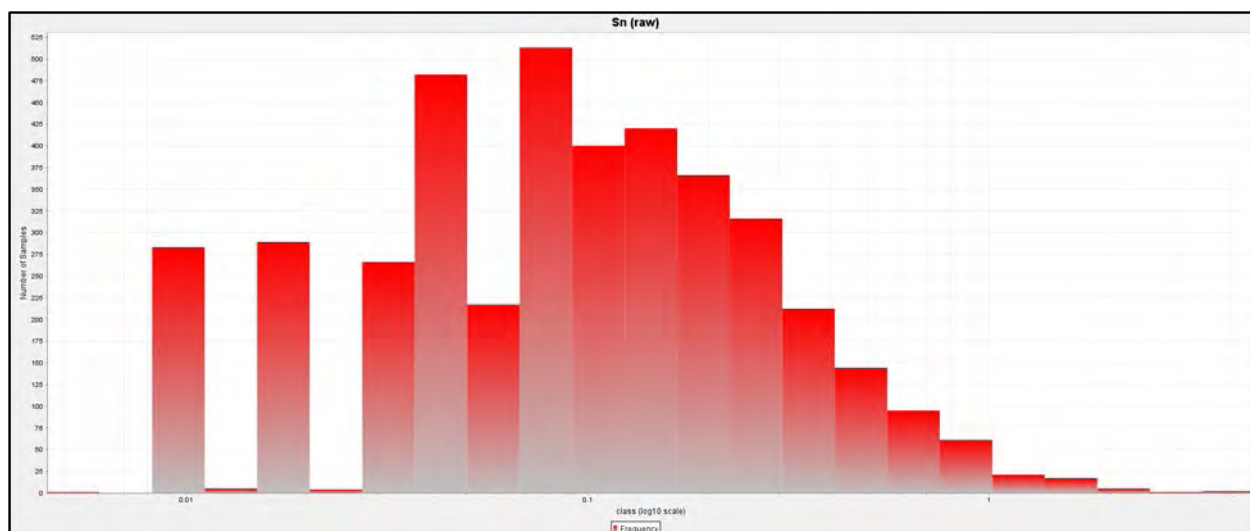


Figure 8-15 Southern Zone 200 Sn Log-histogram

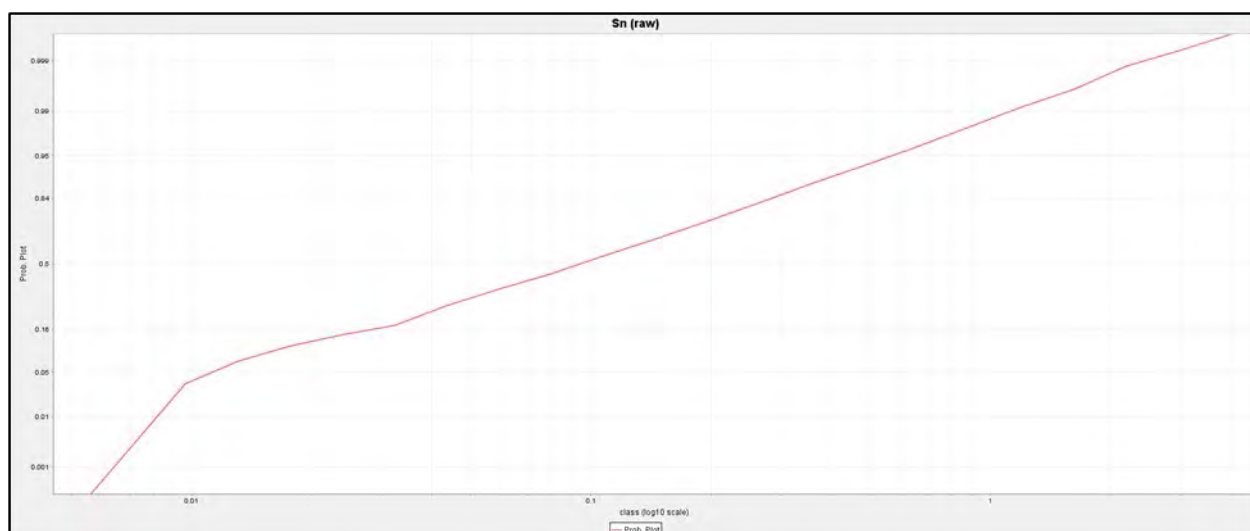


Figure 8-16 Southern Zone 200 Sn Log-probability Plot

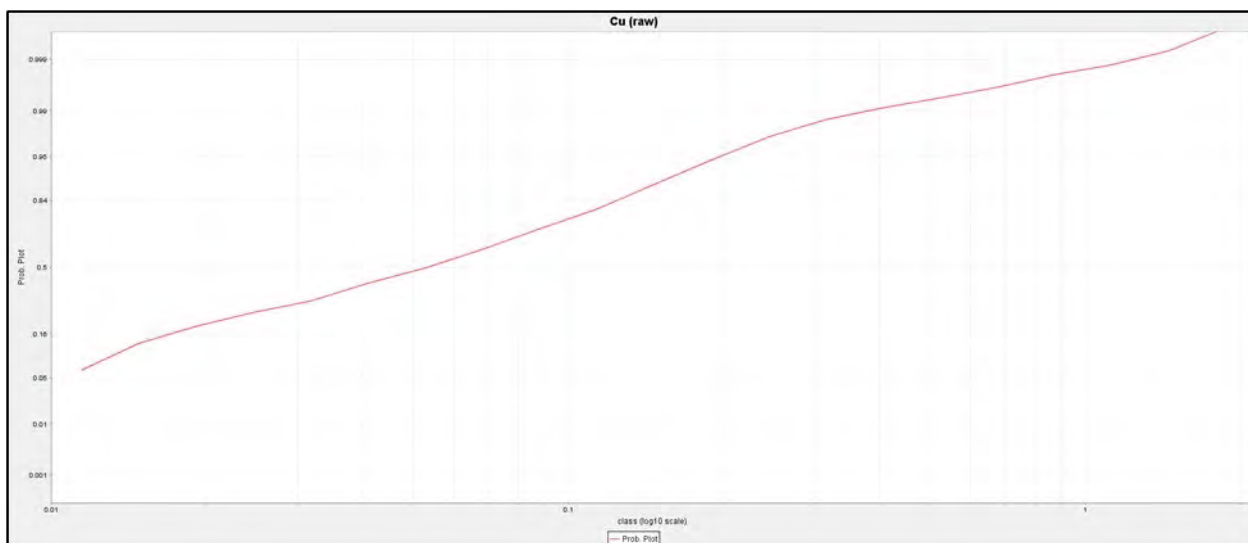


Figure 8-17 Northern Zone 101 Cu Log-probability Plot

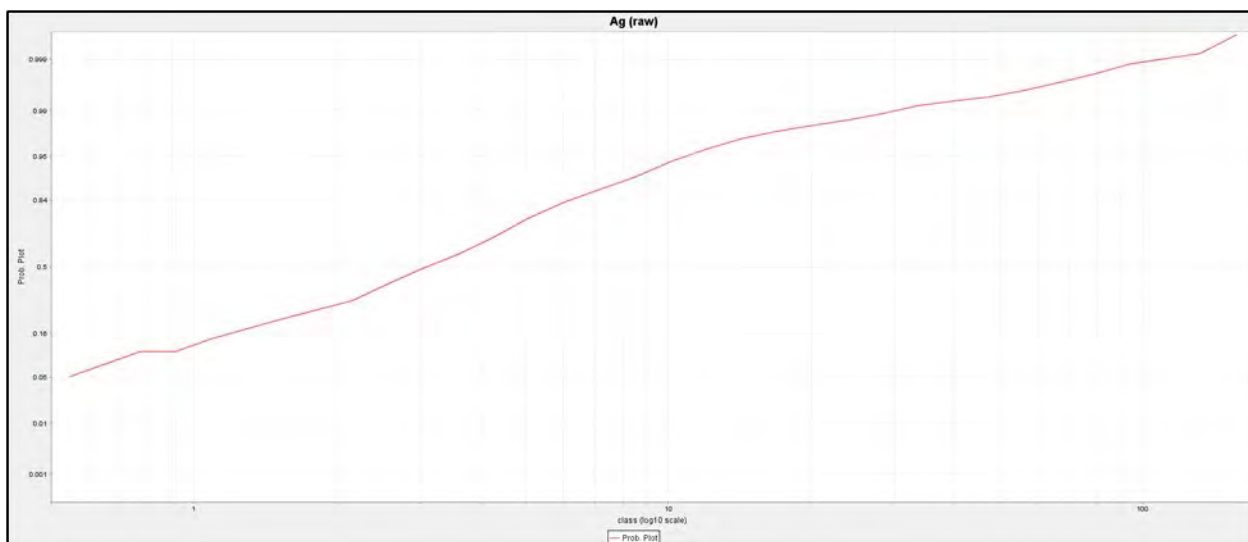


Figure 8-18 Northern Zone 101 Ag Log-probability Plot

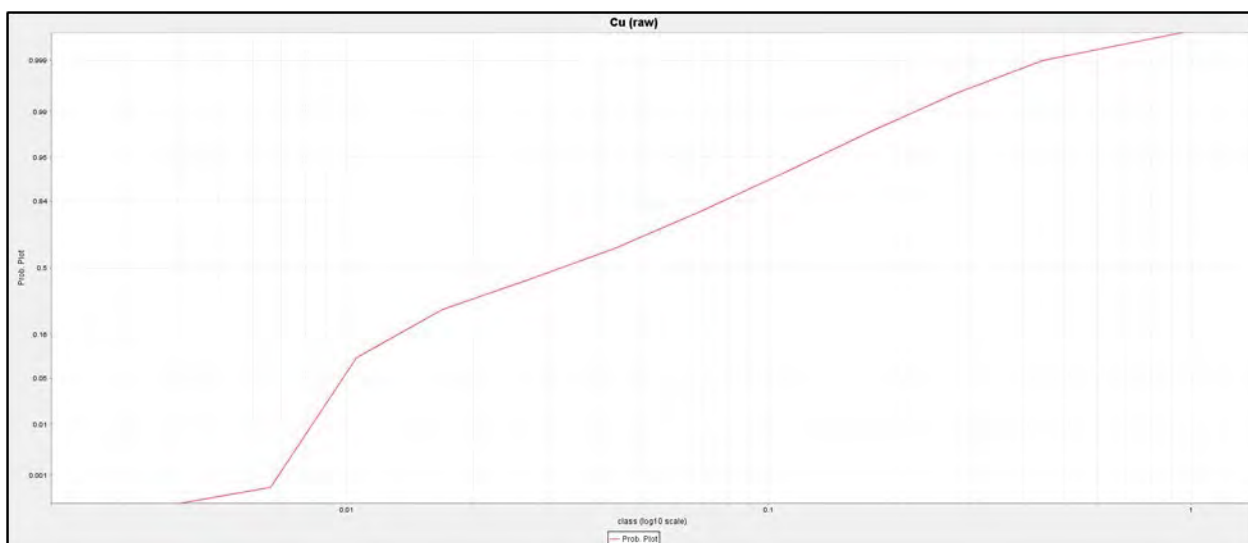


Figure 8-19 Northern Zone 102 Cu Log-probability Plot

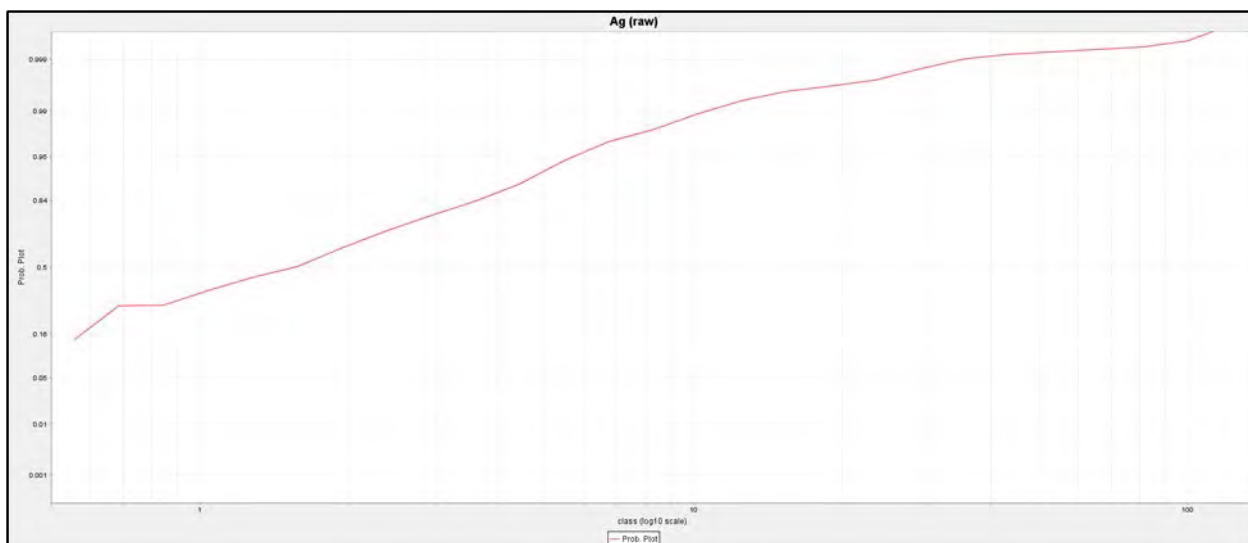


Figure 8-20 Northern Zone 102 Ag Log-probability Plot

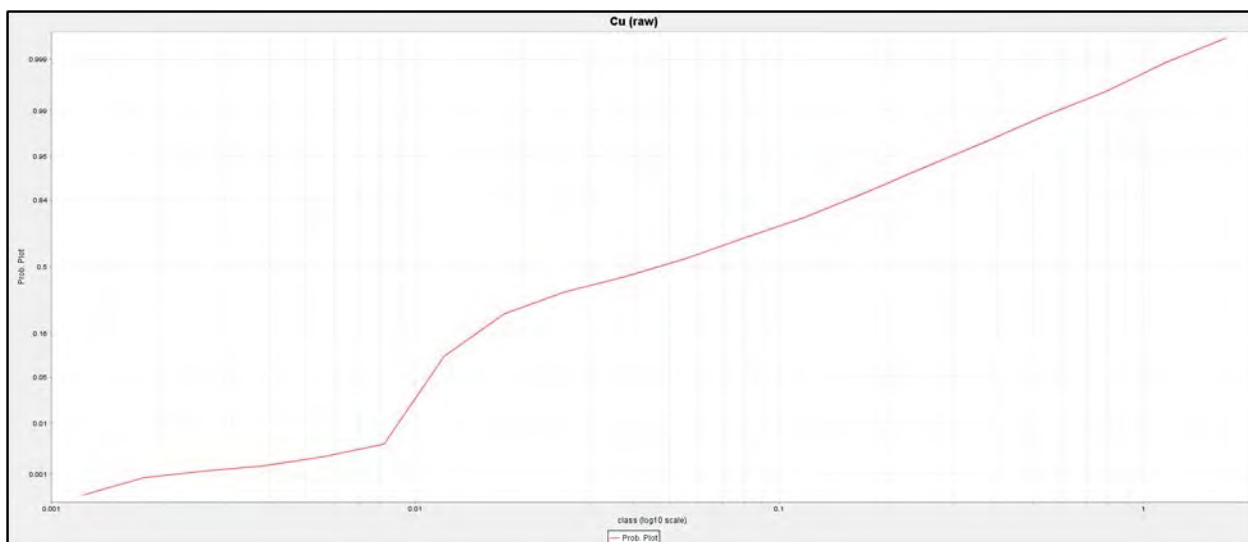


Figure 8-21 Southern Zone 200 Cu Log-probability Plot

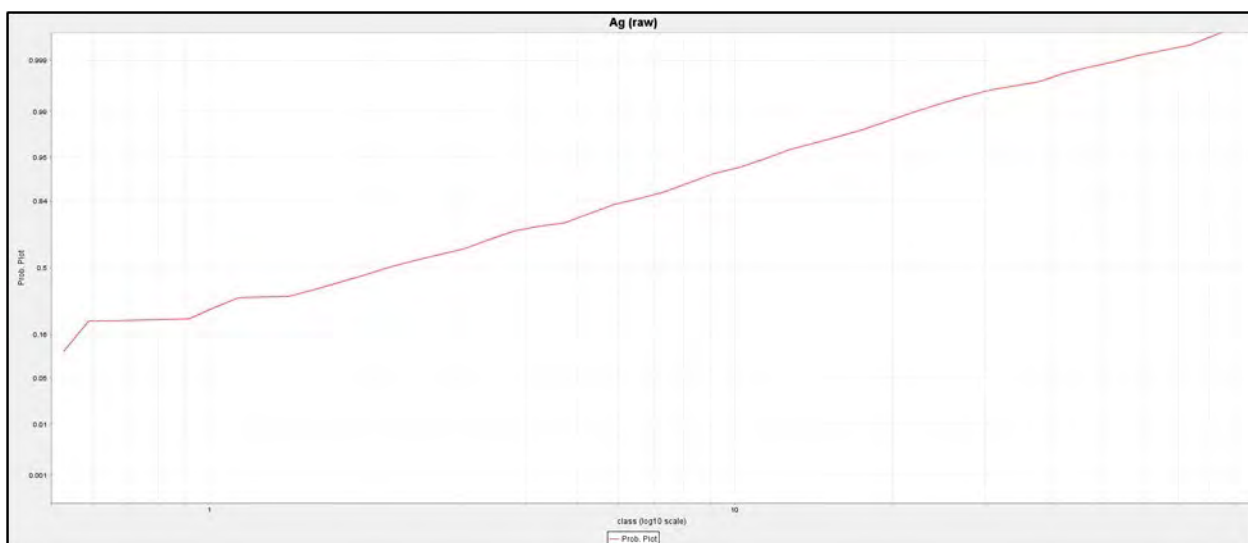


Figure 8-22 Southern Zone 200 Ag Log-probability Plot

8.2.6 VARIOGRAPHY

8.2.6.1 Introduction

Variography is a way of modelling the continuity of a grade in a deposit, for example, the continuity of Sn grade. A variogram is a graph of the average difference in grade between points in a deposit plotted against the separation distance between the points. In practice, for historical reasons and to enable the use of ordinary kriging, the average of the squared differences is used. An experimental variogram is a variogram calculated from assays of sample data.

The traditional statistical term for the average of the squared differences is variance. Intuitively and generally, the further apart the points, the higher the average difference in grade. The terminology used for variograms is shown in Figure 8-23.

In many gold and tin deposits, the distribution of gold or cassiterite is not homogeneous but rather the gold or cassiterite is distributed as “nuggets”, that is, discrete grains or clusters of gold or cassiterite. When nuggets are present, even at very short lags, the variance of the samples will not be zero. In extreme cases, for extremely nuggety deposits, at all lags the variance of the samples will be the same.

A variogram calculated from sampling data is known as the experimental variogram. The experimental variogram is an important step towards establishing a model that captures the major spatial features of the grade distribution in the deposit: the sill, range and nugget effect (See text accompanying Figure 8-23).

In a deposit, the continuity of grade can be different in different directions, for example, along strike or down dip. The variation of continuity of grade in different directions is known as anisotropy. In practice variograms are calculated and modelled in three different directions that reflect the maximum degree of continuities in three dimensions. In addition, a variogram known as an omni-directional variogram, can be calculated and modelled without regards to direction, that is in all directions at once.

The objective of the modelling process is not to model the spatial continuity of the available data but that of the attribute in the deposit. The key ingredients of the modelling process are (Goovaerts, 1997):

- An experimental variogram,
- Permissible variogram models,
- Physical knowledge of the area and attribute under study,
- Measures for the (1) evaluation of anisotropy directions, ratios, and ranges, and (2) the evaluation of relative variograms to help decide on the nugget effect.

The most common model used is known as the spherical model which includes terms for the nugget effect, sill and range with the ability to accommodate nested structures, that is sequential sills and ranges, to model the total sill. For example, the omni-directional variogram for % Sn for Zone 101 in the Northern Zone of the Taronga Tin Deposit was modelled using as a nested spherical model as:

$$0.0068 + 0.0022\text{Sph}2.2 + 0.0048\text{Sph}23$$

The total range was 23m, the total variance was 0.0138 (= 0.0068 + 0.0022 + 0.0048), and the nugget effect was 49% of the total variance (= 0.0068 * 100 / 0.0138).

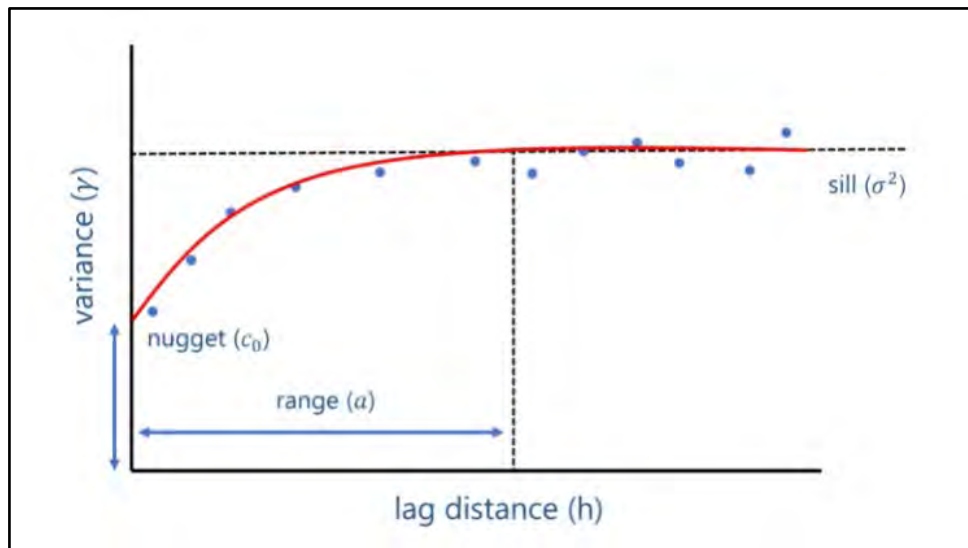


Figure 8-23 Terminology of Variograms

The dots represent calculations of the experimental variogram - the separation distances are referred to as lags. The blue dots represent the calculations made for the experimental variogram. The red line is a spherical model fitted to the experimental variogram.

The maximum variance is referred to as the sill and the lag at which the sill is reached as the range.

If an experimental variogram does not appear to pass through the origin, as shown here, the variance extrapolated to zero lag is referred to as the nugget.

8.2.6.2 Northern Zone Sn Variography

Experimental omni-directional variograms for % Sn, excluding the results of Jacro samples, were created for Zones 101 and 102.

For Zone 101, a spherical model was fitted to the experimental variogram (See Figure 8-24) with the following equation:

$$0.0068 + 0.0022\text{Sph}2.2 + 0.0048\text{Sph}23$$

The total variance for this model was 0.0138 which was also the variance of the zone 101 composited samples (Refer to Table 8-5). The nugget effect was 49% of the total variance which is relatively high but to be expected for hydrothermal tin deposits and reflects the physical nuggetty nature of the cassiterite occurrence.

For Zone 102, a spherical model was fitted to the experimental variogram (See Figure 8-25) with the following equation:

$$0.0041 + 0.0013\text{Sph}8 + 0.0008\text{Sph}25$$

The total variance for this model was 0.0062 which was also the variance of the Zone 102 composited samples (Refer to Table 8-5). The nugget effect for this model was 66% of the total variance which is high but to be expected for hydrothermal tin deposits and reflects the physical nuggetty nature of the cassiterite occurrence.

Directional variograms were created with the assistance of Surpac's variogram mapping tool.

For Zone 101, the across strike variogram (00°/090°) had the best form and a spherical model was fitted to the experimental variogram (See Figure 8-26) with the following equation:

$$0.0068 + 0.0022\text{Sph}8 + 0.0048\text{Sph}35$$

Spherical models were also fitted to the down dip (-90°/090°) and along strike (00°/000°) experimental variograms (See Figure 8-27 and Figure 8-28) with the following equation:

$$0.0068 + 0.0022\text{Sph}4 + 0.0048\text{Sph}17.5$$

For Zone 102, the across strike variogram (00°/090°) had the best form and a spherical model was fitted to the experimental variogram (See Figure 8-29) with the following equation:

$$0.0041 + 0.0013\text{Sph}11 + 0.0008\text{Sph}25$$

Spherical models were fitted to the down dip (-90°/090°) and along strike (00°/000°) experimental variograms (See Figure 8-30 and Figure 8-31) with the following equation:

$$0.0041 + 0.0013\text{Sph}5.5 + 0.0008\text{Sph}12.5$$

8.2.6.3 Southern Zone Sn Variography

Experimental variograms for the Southern Zone were calculated based on the combined composited samples for Zones 201 to 204, referred to collectively as Zone 200 (See Table 8-4). This approach was taken because the Sn assays for the combined sample file appeared to belong to the same population (See Section 8.2.5 STATISTICAL ANALYSIS AND HIGH-GRADE OUTLIERS) and the combined zones sample file had sufficient samples to enable useful variography whereas the individual zone sample files did not.

An omni-directional, pair-wise relative experimental variogram for % Sn was prepared. Relative variograms can give a clearer experimental variogram in situations where there is a tendency for a larger range of grades with increasing mean grade of the samples. This tendency is referred to as the proportional effect.

For Zone 200, a spherical model was fitted to the experimental variogram (See Figure 8-32) with the following equation:

$$0.016 + 0.038\text{Sph}50$$

The nugget effect for this model was 30% of the total variance which is relatively high but to be expected for hydrothermal tin deposits and reflects the physical nuggetty nature of the cassiterite occurrence.

Directional variograms were created with the assistance of Surpac's variogram mapping tool.

For Zone 200, the down dip variogram (-90°/090°) had the best form and a spherical model was fitted to the experimental variogram (See Figure 8-33) with the following equation:

$$0.016 + 0.038\text{Sph}50$$

A spherical model was fitted to the across strike (00°/090°) experimental variogram (See Figure 8-34) with the following equation:

$$0.016 + 0.038\text{Sph}2$$

Note that the range of this variogram is very short.

A spherical model was fitted to the along strike (00°/000°) experimental variogram (See Figure 8-35) with the following equation:

$$0.016 + 0.038\text{Sph}42$$

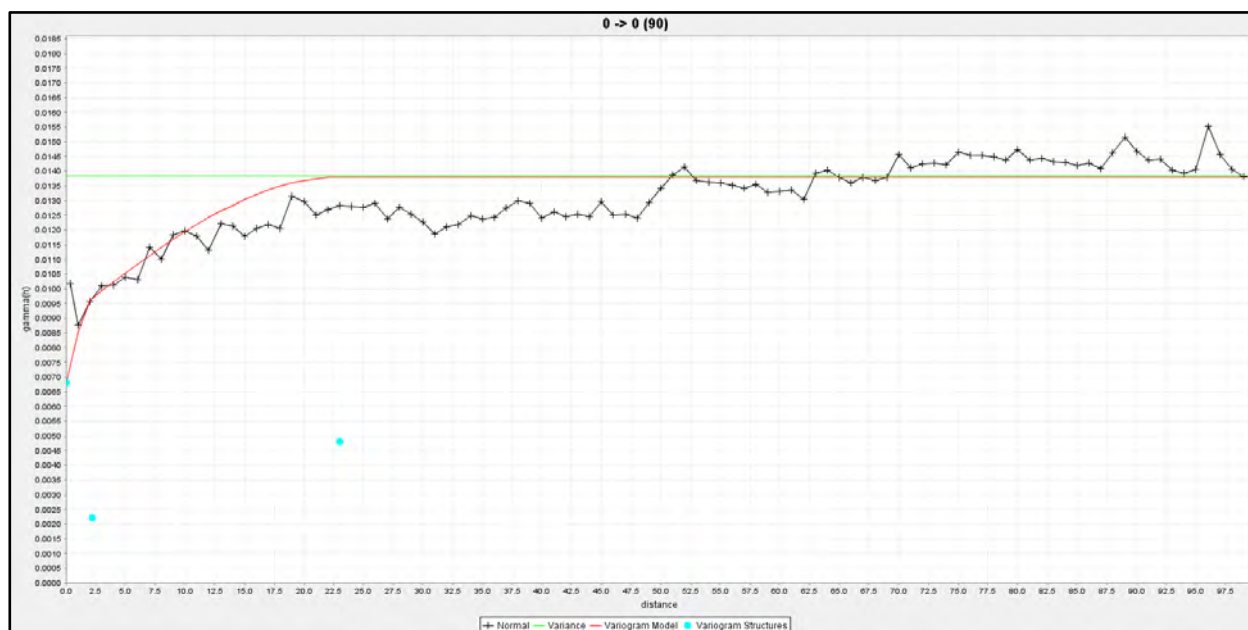


Figure 8-24 Northern Zone 101 Sn Omni-directional Variogram

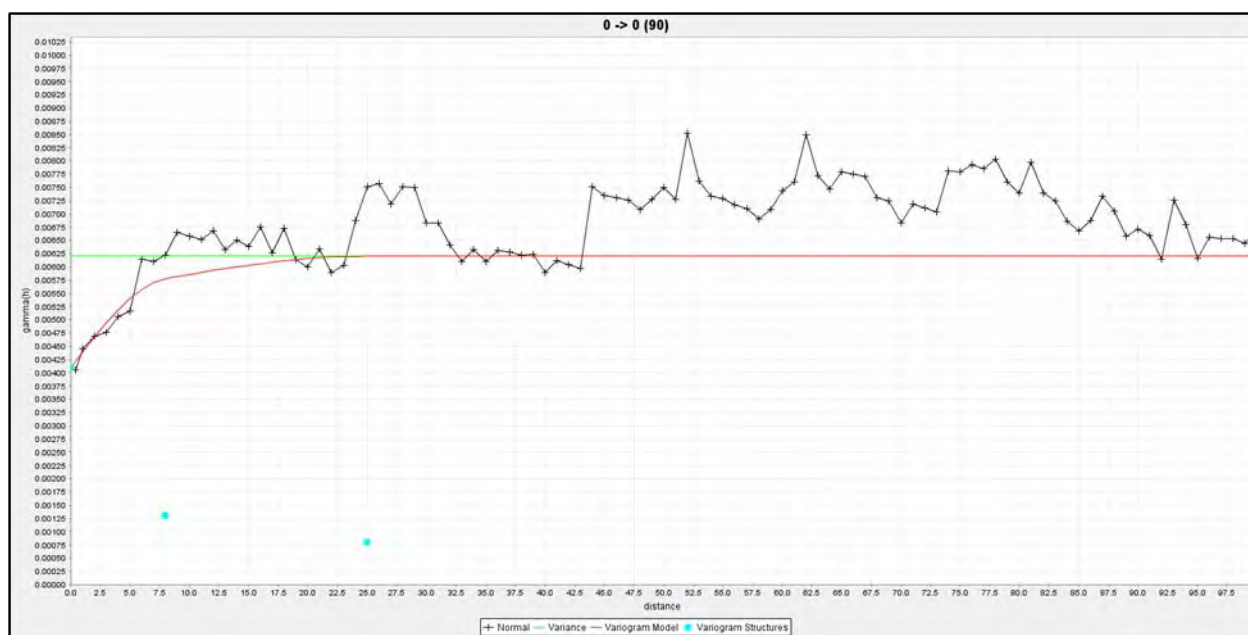


Figure 8-25 Northern Zone 102 Sn Omni-directional Variogram

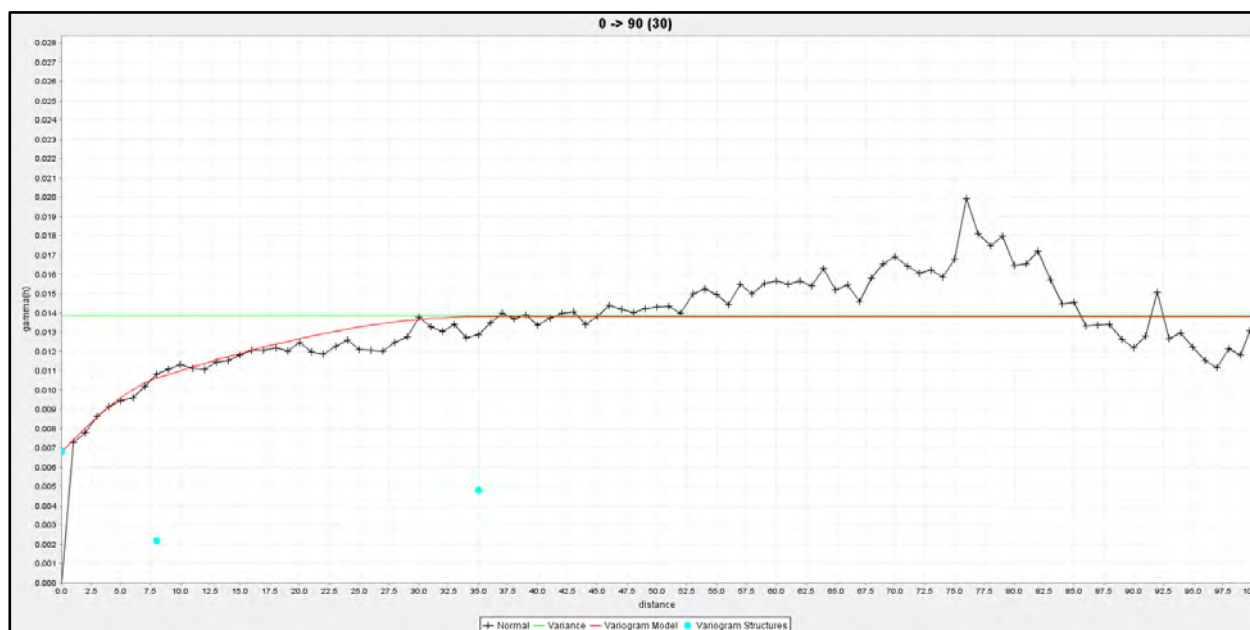


Figure 8-26 Northern Zone 101 Sn Across Strike (00°/090°) Variogram

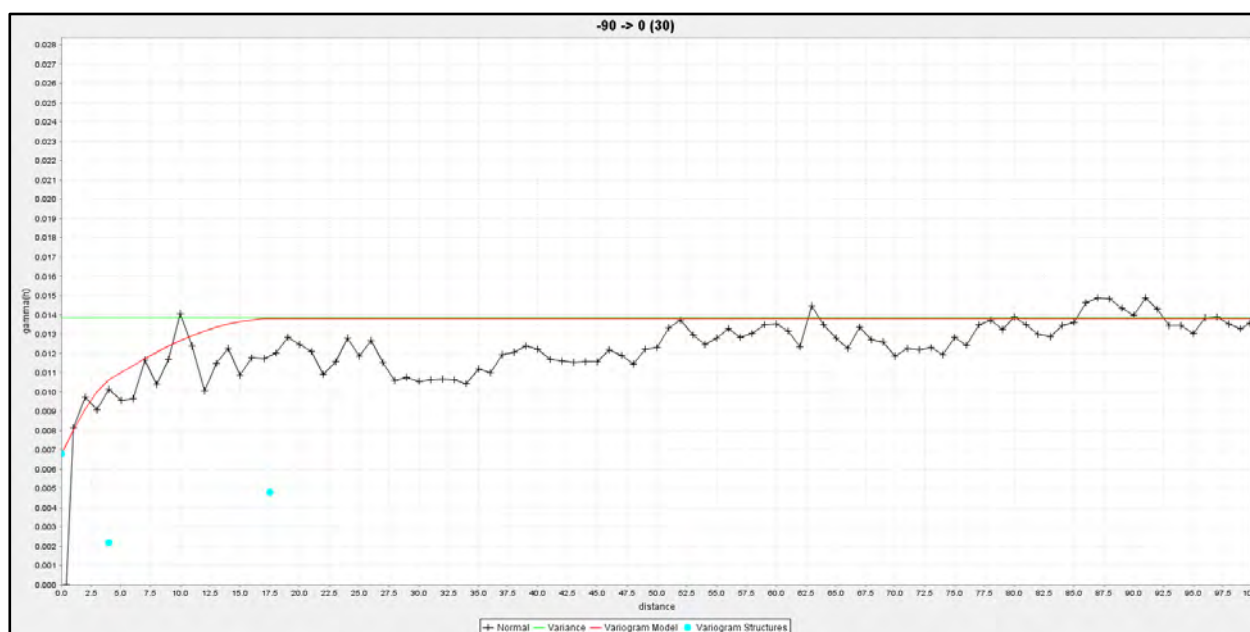


Figure 8-27 Northern Zone 101 Sn Down Dip (-90°/090°) Variogram

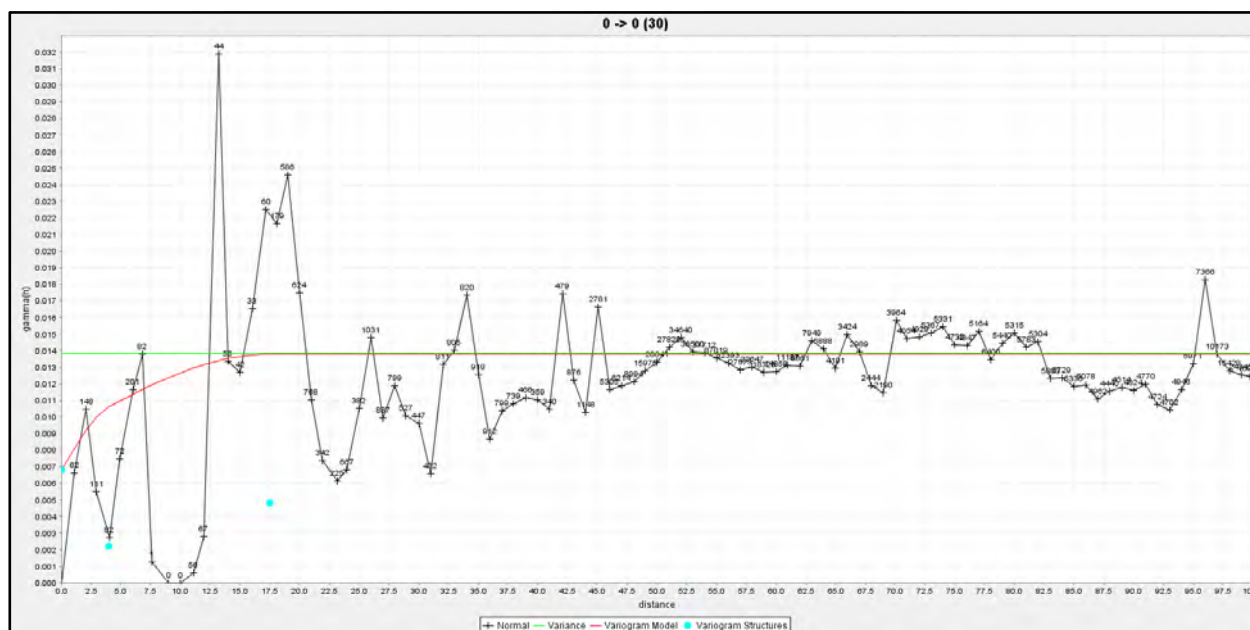


Figure 8-28 Northern Zone 101 Sn Along Strike (00°/000°) Variogram

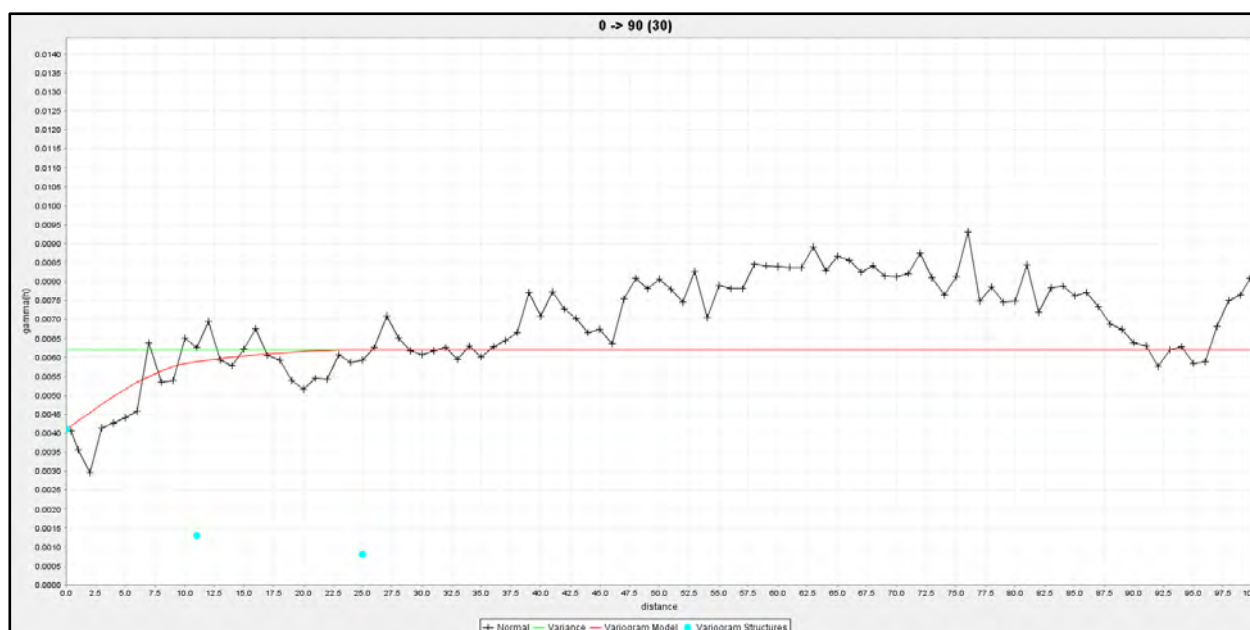


Figure 8-29 Northern Zone 102 Sn Across Strike (00°/090°) Variogram

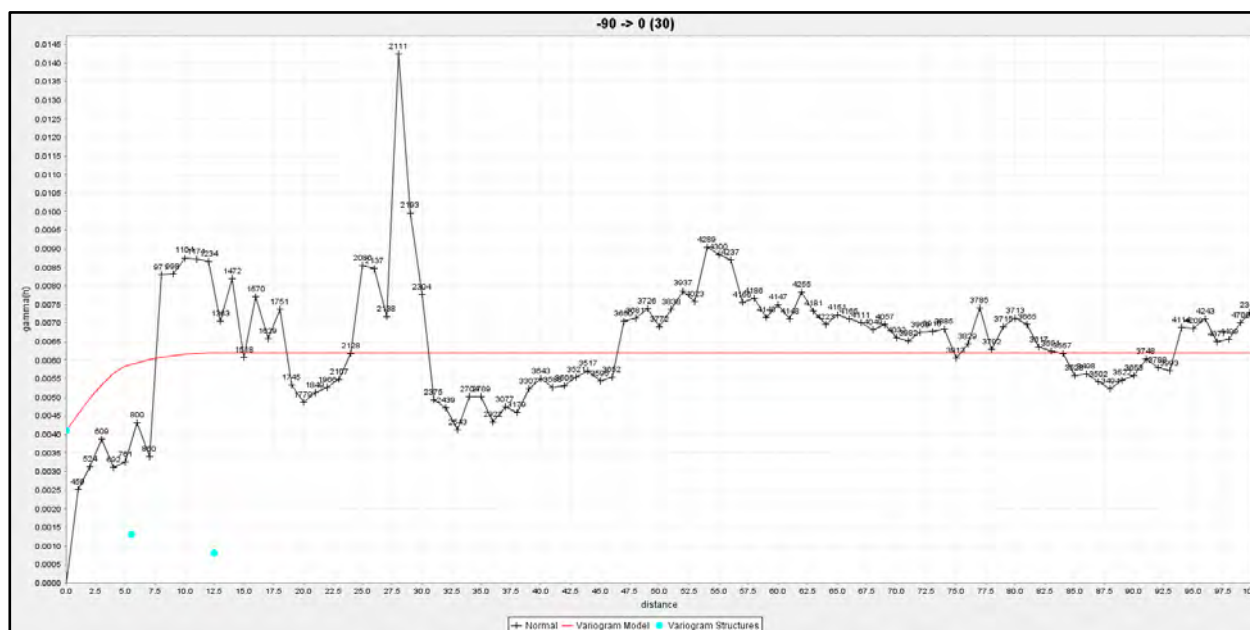


Figure 8-30 Northern Zone 102 Sn Down-dip ($-90^{\circ}/090^{\circ}$) Variogram



Figure 8-31 Northern Zone 102 Sn Along Strike ($00^{\circ}/090^{\circ}$) Variogram

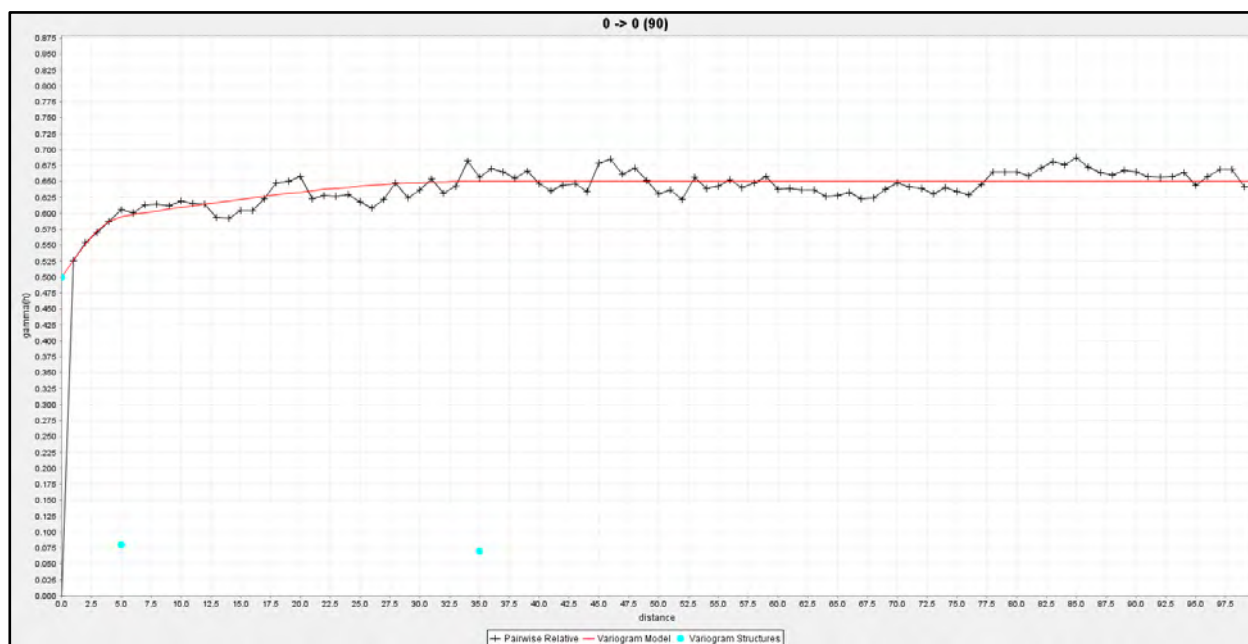


Figure 8-32 Southern Zone 200 Sn Omni-directional Pairwise Relative Variogram



Figure 8-33 Southern Zone 200 Sn Down Dip (-90°/090°) Pairwise Relative Variogram



Figure 8-34 Northern Zone 200 Sn Across Strike (00°/090°) Pairwise Relative Variogram

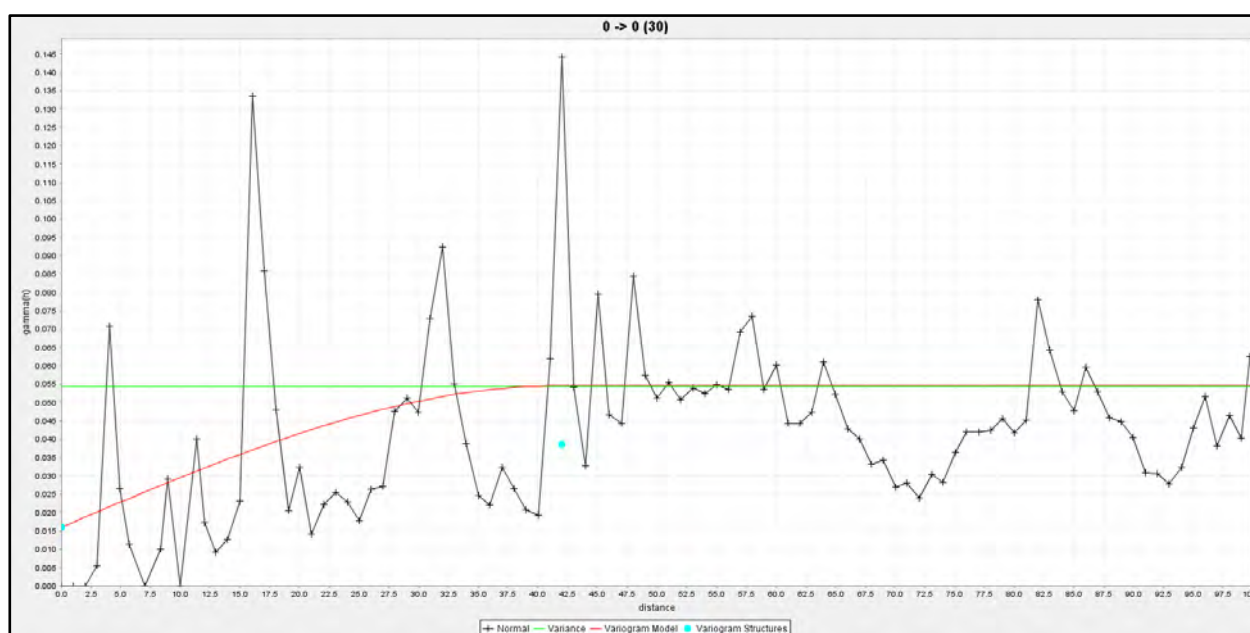


Figure 8-35 Northern Zone 200 Sn Along Strike (00°/000°) Pairwise Relative Variogram

8.2.6.4 Cu and Ag Variography

Not all samples that were assayed for Sn were assayed for Cu and Ag. Consequently, for the 2013 estimate, variography and grade estimation for Cu and Ag were made for combined zones, that is, Northern Zone 100 and Southern Zone 200.

For Northern Zone 100, Cu directional pairwise relative experimental variograms were calculated and fitted with spherical models (See Figure 8-36 to Figure 8-38):

Northern Zone 100	across strike	$0.15 + 0.06\text{Sph}4.0 + 0.24\text{Sph}36.0$
Northern Zone 100	down dip	$0.15 + 0.06\text{Sph}3.0 + 0.24\text{Sph}24.0$
Northern Zone 100	along strike	$0.15 + 0.06\text{Sph}8.0 + 0.24\text{Sph}72.0$

For Northern Zone 100, Ag directional pairwise relative experimental variograms were calculated and fitted with spherical models (See Figure 8-39 to Figure 8-41):

Northern Zone 100	across strike	$0.11 + 0.14\text{Sph}5.0 + 0.19\text{Sph}35.0$
Northern Zone 100	down dip	$0.11 + 0.14\text{Sph}8.5 + 0.19\text{Sph}60.0$
Northern Zone 100	along strike	$0.11 + 0.14\text{Sph}5.0 + 0.19\text{Sph}35.0$

For Southern Zone 200, Cu directional pairwise relative experimental variograms were calculated and fitted with spherical models (See Figure 8-42 to Figure 8-44):

Southern Zone 200	across strike	$0.20 + 0.17\text{Sph}2.3 + 0.36\text{Sph}20.0$
Southern Zone 200	down dip	$0.20 + 0.17\text{Sph}3.5 + 0.36\text{Sph}30.0$
Southern Zone 200	along strike	$0.20 + 0.17\text{Sph}3.5 + 0.36\text{Sph}30.0$

For Southern Zone 200, Ag directional pairwise relative experimental variograms were calculated and fitted with spherical models (See Figure 8-45 to Figure 8-47):

Southern Zone 200	across strike	$0.10 + 0.31\text{Sph}3.0 + 0.12\text{Sph}9.0$
Southern Zone 200	down dip	$0.10 + 0.31\text{Sph}3.0 + 0.12\text{Sph}9.0$
Southern Zone 200	along strike	$0.10 + 0.31\text{Sph}3.0 + 0.12\text{Sph}9.0$

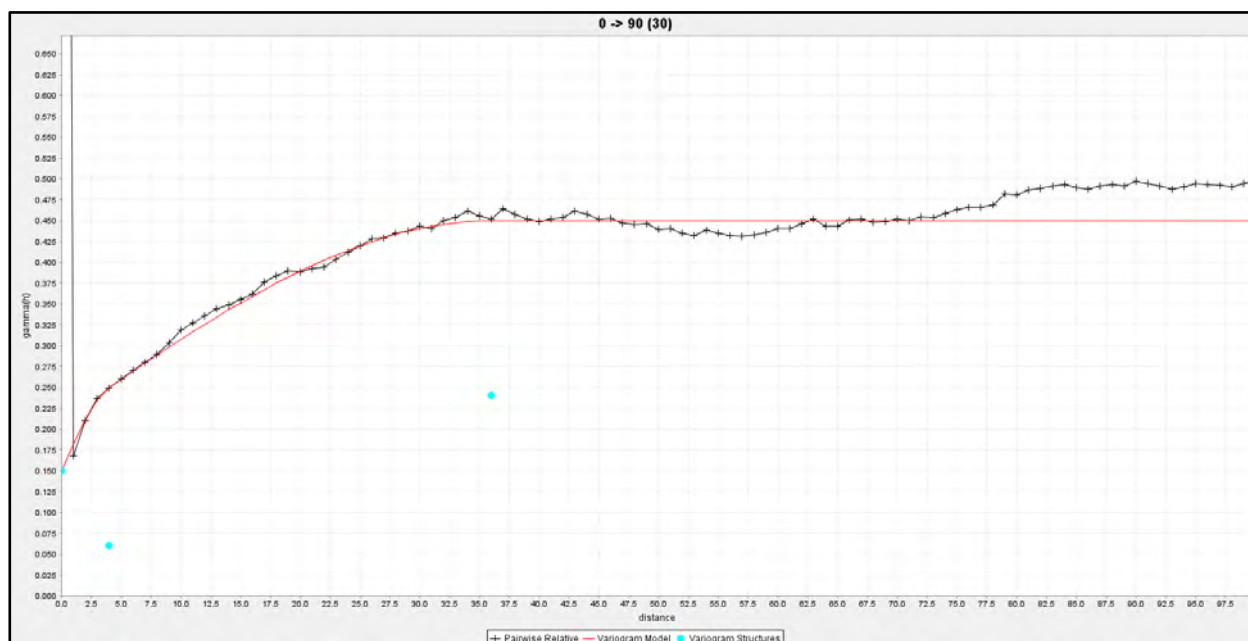


Figure 8-36 Northern Zone 100 Cu Across Strike (00°/090°) Pairwise Relative Variogram

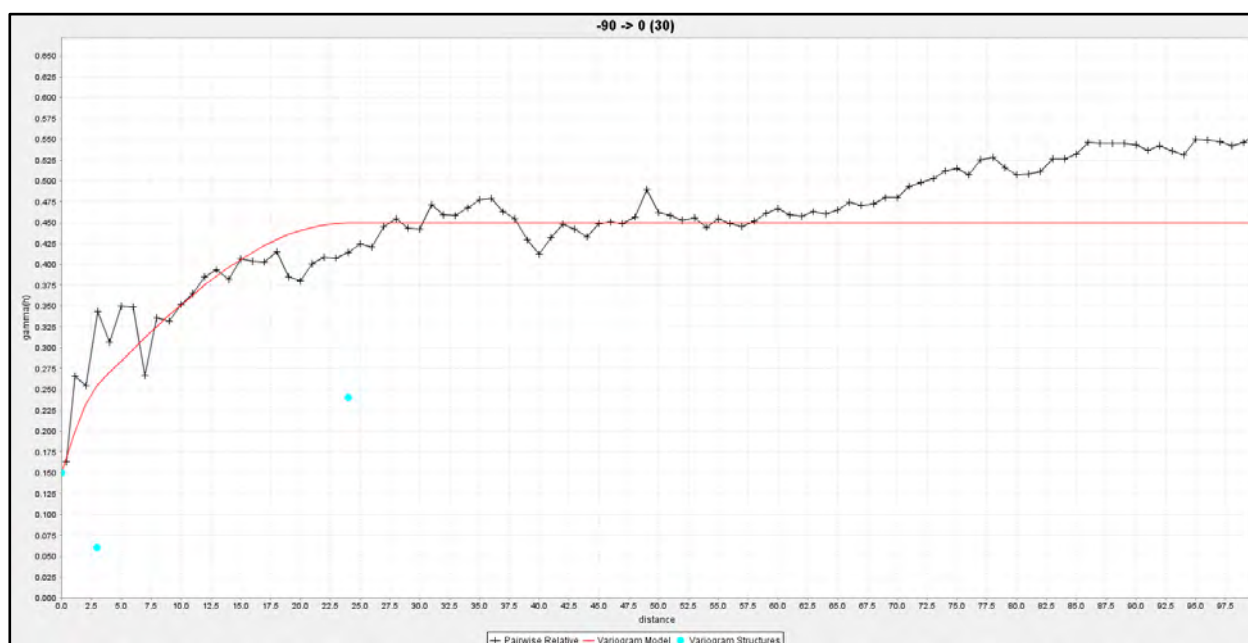


Figure 8-37 Northern Zone 100 Cu Down Dip (-90°/090°) Pairwise Relative Variogram



Figure 8-38 Northern Zone 100 Cu Along Strike (00°/000°) Pairwise Relative Variogram

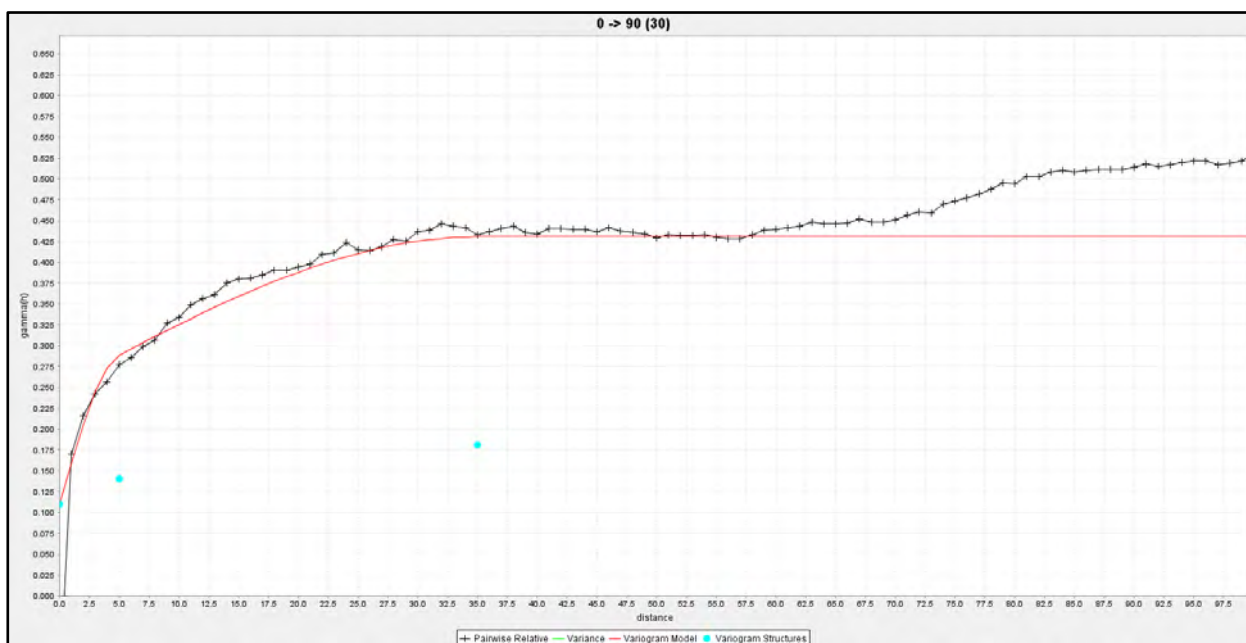


Figure 8-39 Northern Zone 100 Ag Across Strike (00°/090°) Pairwise Relative Variogram

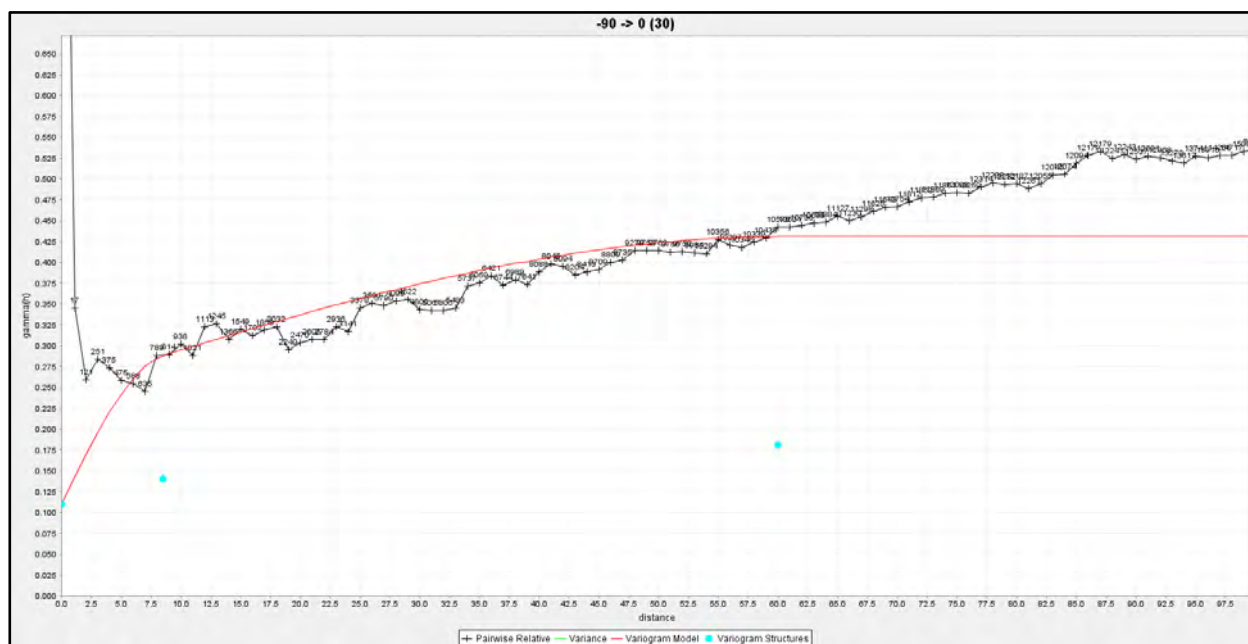


Figure 8-40 Northern Zone 100 Ag Down Dip (-90°/090°) Pairwise Relative Variogram



Figure 8-41 Northern Zone 100 Ag Along Strike (00°/000°) Pairwise Relative Variogram

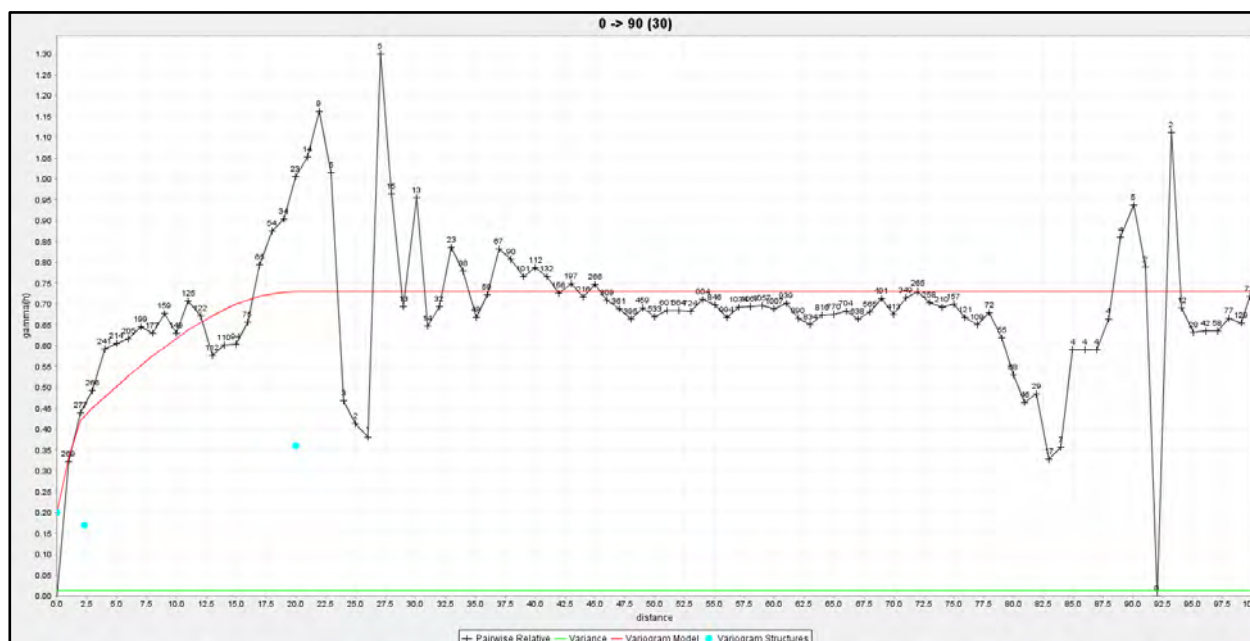


Figure 8-42 Southern Zone 200 Cu Across Strike (00°/090°) Pairwise Relative Variogram



Figure 8-43 Southern Zone 200 Cu Down Dip (-90°/090°) Pairwise Relative Variogram

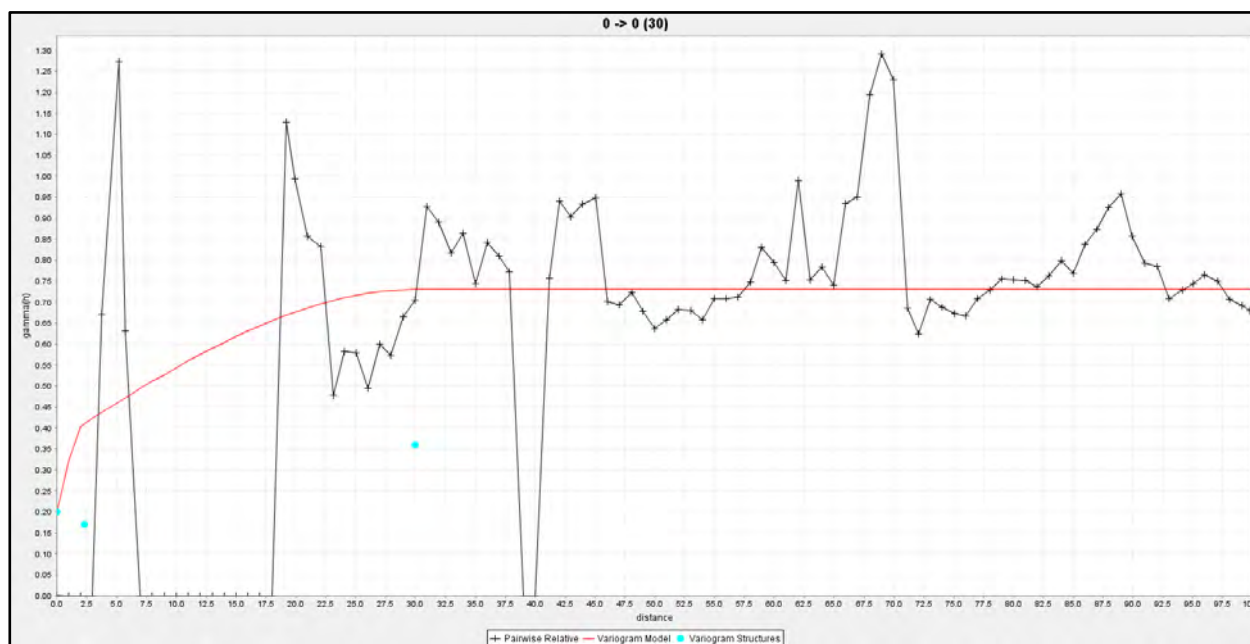


Figure 8-44 Southern Zone 200 Cu Along Strike (00°/000°) Pairwise Relative Variogram

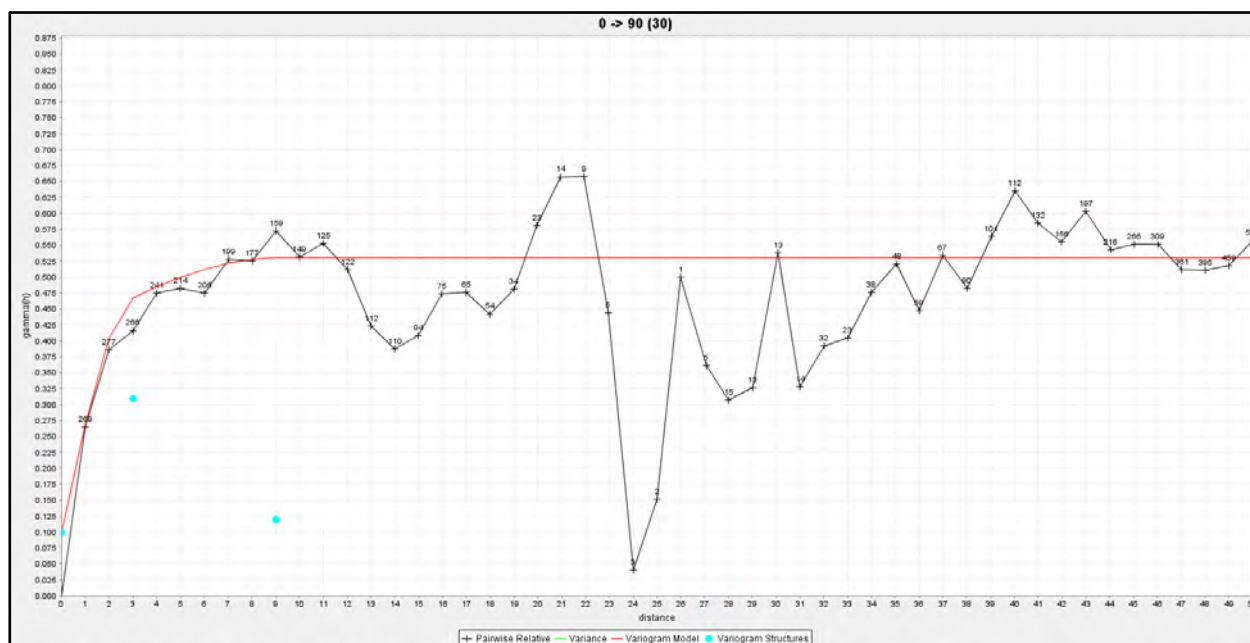


Figure 8-45 Southern Zone 200 Ag Across Strike (00°/090°) Pairwise Relative Variogram

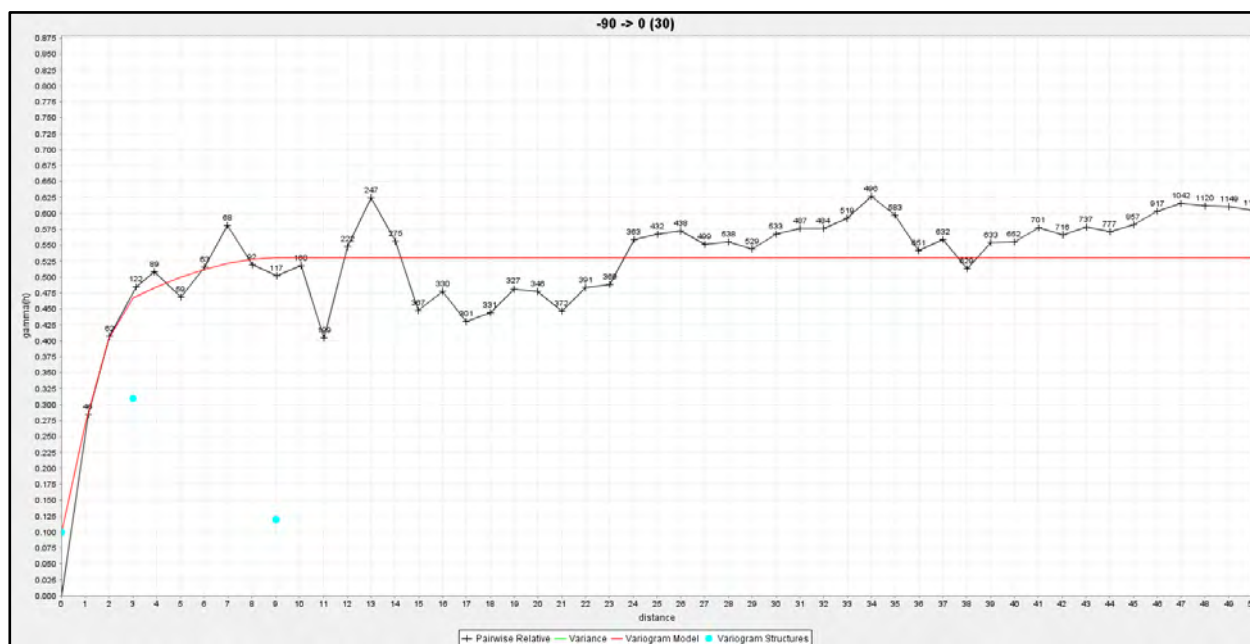


Figure 8-46 Southern Zone 200 Ag Down Dip (-90°/090°) Pairwise Relative Variogram

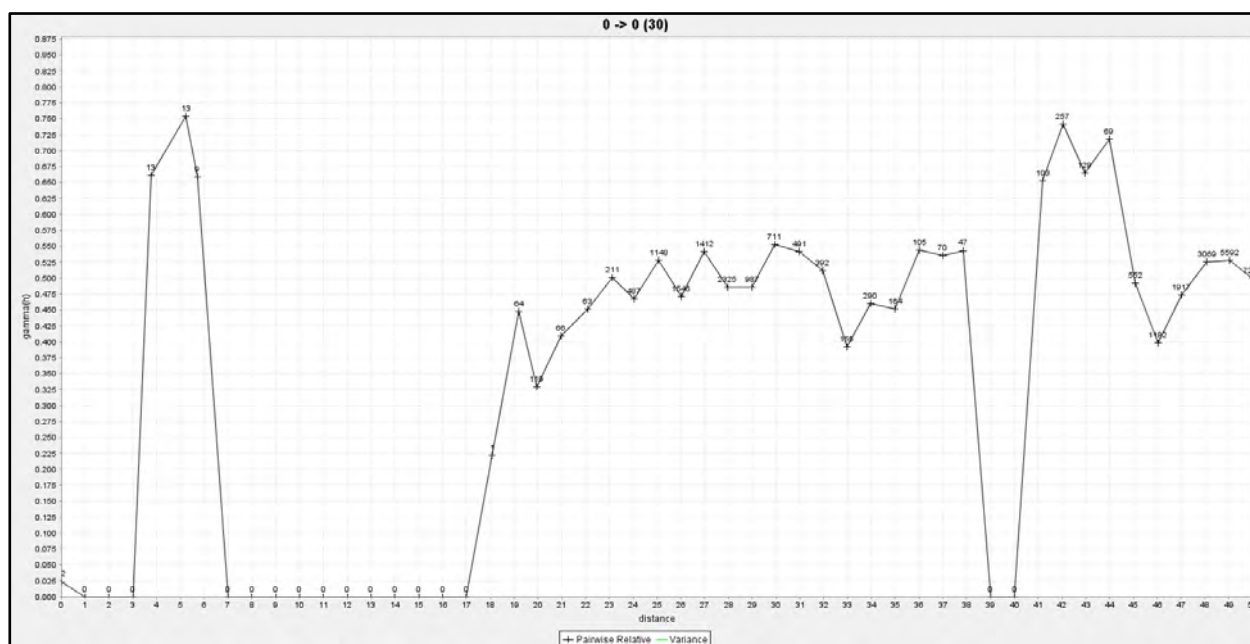


Figure 8-47 Southern Zone 200 Ag Along Strike (00°/000°) Pairwise Relative Variogram

8.2.7 DENSITY MEASUREMENT AND ASSIGNMENT

Specific gravities of core samples of mineralisation were determined by weighing and measuring the volume of billets of core and were generally in a range from about 2.7 to 2.8 tonnes per cubic metre (Newmont, 1982).

In addition, bulk densities of material mined in exploration adits were determined by weighing complete rounds of material on a certified weighbridge. Bulk densities of material mined in exploration adits averaged 2.7 from Hillside Adit, 2.8 from Payback Adit and 2.8 tonnes per cubic metre from Northern Zone Adit (Newmont, 1982).

For the 2013 estimate a bulk density of 2.75 tonnes per cubic metre was used. Given that the host rock is hornfels (metamorphosed siltstone), a bulk density of 2.75 tonnes per cubic metre was considered reasonable.

8.2.8 GRADE ESTIMATION

All tonnage estimates were made in dry tonnes.

In the block model, the bulk density of tin mineralisation was set at 2.75 tonnes/cubic metre (See Section 8.2.1.6 Density).

For each zone, the grade estimates were not extended beyond drilling to north or south along strike. The down-dip (vertical) limit of the grade estimate for each zone was not extrapolated below the lowermost intercepts.

Within the Southern Zone, statistics suggested that the four individual zones belong to a single statistical domain and variography was performed using a sample set from all zones combined.

The grade estimation for the block model was made using ordinary kriging (OK). OK is a method of estimating the grade at the point by averaging sample data surrounding a point at which grade is being estimated. OK takes into account (1) the distances from the point at which grade is being estimated to the points where sample data exists, (2) the distances between the points where sample data exists, and (3) the anisotropy of the grade distribution within the deposit.

In practice, the number of sample data grades surrounding a point at which grade is being estimated is limited by (1) search distances from the point being estimated to the data points, and (2) the maximum number of samples necessary for a reasonable grade estimation.

Surpac software was used for the ordinary kriging. Sn, Cu and Ag grades were interpolated into the blocks representing the mineralisation by ordinary kriging using kriging based on variogram parameters as listed in Table 8-8 to Table 8-10.

The directions of the search ellipsoids were based on the principal directions of the relevant variograms (See Section 8.2.6 VARIOGRAPHY).

The radii of the search ellipsoids were set to in proportion to the longest range of the relevant variograms. Dimensions for the search ellipsoid were chosen so that all the blocks within the mineralisation were informed.

Attributes included in the block model to enable grade interpolation and resource classification are listed in Table 8-11.

The total global resource grades, that is grades at 0% Sn cut-off, for each zone are listed in Table 8-12.

The grade estimates were validated by comparing the mean grades of estimates in the block model against the mean grades of the assay data used and by visually checking the estimated block grades against assays in drill holes on cross-sections.

The average grades of the composited samples in each zone were calculated and are included in Table 8-12. There was very good agreement between the average block model grades and the average composited sample grades.

A cross-section of the block model, at zero cut-off grade, is shown in Figure 8-48.

Table 8-8 Kriging Parameters for Interpolation of Sn Grade

Kriging Parameters for Sn						
Northern Zone 101						
Direction		Nugget C0	Structure 1		Structure 2	
			Sill	Range m	Sill	Range m
Major direction	00°/090°	0.0068	0.0022	8.0	0.0048	35.0
Semi-major direction	-90°/090°	0.0068	0.0022	4.0	0.0048	17.5
Minor direction	00°/000°	0.0068	0.0022	4.0	0.0048	17.5
Northern Zone 102						
Major direction	00°/090°	0.0041	0.0013	11.0	0.0008	25.0
Semi-major direction	-90°/090°	0.0041	0.0013	5.5	0.0008	12.5
Minor direction	00°/000°	0.0041	0.0013	5.5	0.0008	12.5
Southern Zones 201 to 204						
Major direction	-90°/090°	0.016	0.038	50.0	-	-
Semi-major direction	00°/000°	0.016	0.038	42.0	-	-
Minor direction	00°/090°	0.016	0.038	2.0	-	-
Other Parameters						
Discretisation	2 * 2 * 2					
Number of samples	10 to 30					
Major search radius	200m					

Table 8-9 Kriging Parameters for Interpolation of Cu Grade

Kriging Parameters for Cu						
Northern Zone 100						
Direction		Nugget C0	Structure 1		Structure 2	
			Sill	Range m	Sill	Range m
Major direction	00°/000°	0.15	0.06	8.0	0.24	72.0
Semi-major direction	00°/090°	0.15	0.06	4.0	0.24	36.0
Minor direction	-90°/090°	0.15	0.06	8.0	0.24	72.0
Southern Zone 200						
Major direction	00°/000°	0.20	0.17	3.5	0.36	30.0
Semi-major direction	-90°/090°	0.20	0.17	3.5	0.36	30.0
Minor direction	00°/090°	0.20	0.17	2.3	0.36	20.0
Other Parameters						
Discretisation	2 * 2 * 2					
Number of samples	5 to 25					
Major search radius	200m					

Table 8-10 Kriging Parameters for Interpolation of Ag Grade

Kriging Parameters for Ag						
Northern Zone 100						
Direction		Nugget C0	Structure 1		Structure 2	
			Sill	Range m	Sill	Range m
Major direction	-90°/090°	0.11	0.14	8.5	0.19	60.0
Semi-major direction	00°/090°	0.11	0.14	5.0	0.19	35.0
Minor direction	00°/000°	0.11	0.14	5.0	0.19	35.0
Southern Zone 200						
Major direction	-90°/090°	0.10	0.31	3.0	0.12	12.0
Semi-major direction	00°/090°	0.10	0.31	3.0	0.12	12.0
Minor direction	00°/000°	0.10	0.31	3.0	0.12	12.0
Other Parameters						
Discretisation	2 * 2 * 2					
Number of samples	5 to 20					
Major search radius	200m					

Table 8-11 Attributes Included in the Block Model

Attribute	Type	Description
ag_ok	real number	Ag grade interpolated by ordinary kriging
avgdist	real number	Average distance to samples used for Sn grade estimation.
category	integer	Mineral Resource Category: 1 = inferred, 2 = Indicated.
cu_ok	real number	Cu grade interpolated by ordinary kriging
density	real number	bulk density (only blocks representing mineralisation have density)
nearest	real number	distance to nearest sample used for Sn estimation
numsam	integer	number of samples used for Sn grade estimation
numsamag	integer	number of samples used for Ag grade estimation
numsamcu	integer	number of samples used for Cu grade estimation
sn_ok	real number	Sn grade interpolated by ordinary kriging
zone	integer	zone number

Table 8-12 Global Resource Grades by Zone

The average grades of the composited samples in each zone are listed here for comparative purposes.

Taronga Tin Project						
Global Resource Grades						
Zone	% Sn		% Cu		g/t Ag	
	Model	Composited Samples	Model	Composited Samples	Model	Composited Samples
101	0.14	0.15	0.06	0.07	3.8	4.4
102	0.07	0.07	0.04	0.04	2.1	2.1
201	0.13	0.14	0.06	0.08	3.7	4.3
202	0.18	0.17	0.09	0.09	4.2	4.0
203	0.15	0.14	0.06	0.07	3.1	3.1
204	0.16	0.17	0.05	0.06	2.6	2.7

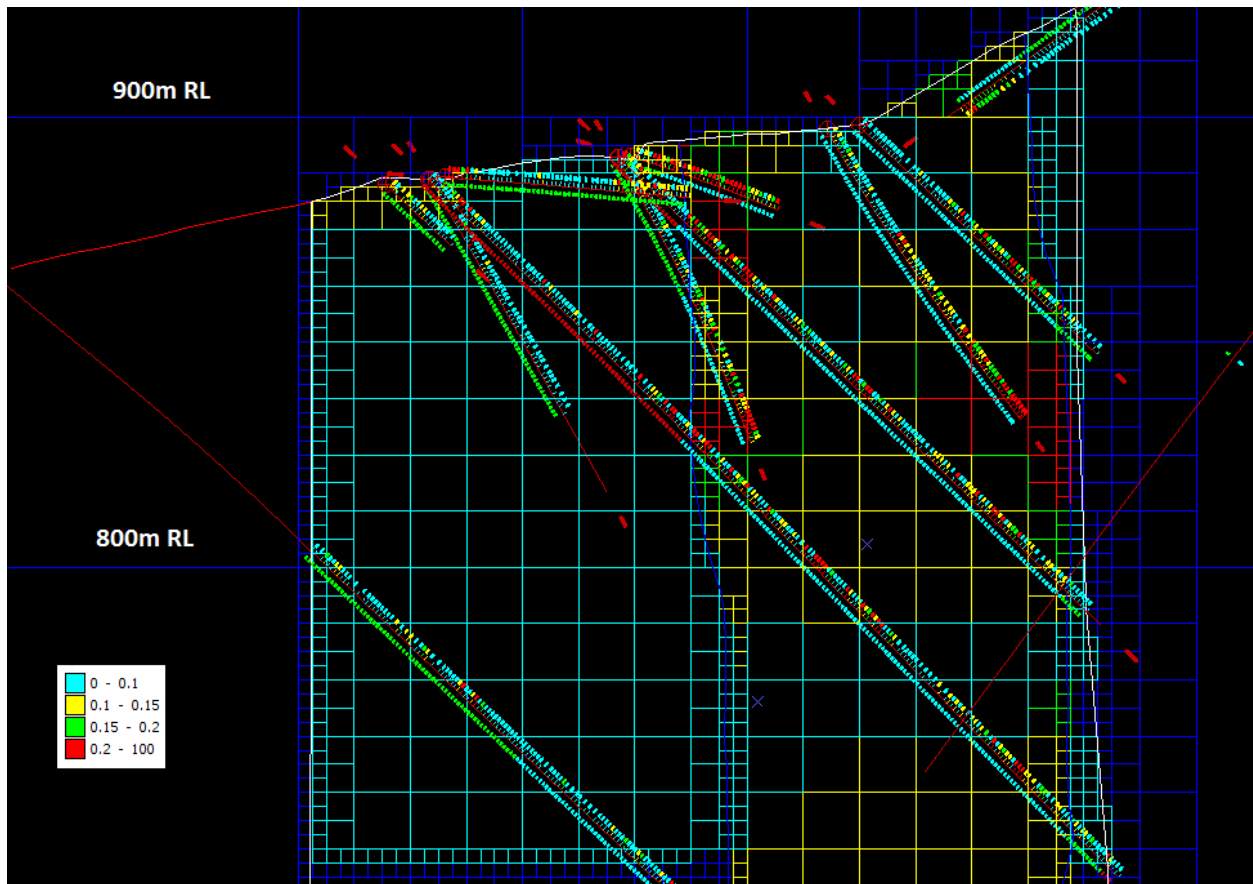


Figure 8-48 Cross-section Through Block Model at 5200m N

8.2.9 MINERAL RESOURCE ESTIMATE

8.2.9.1 Mineral Resource Classification

The classification included Mineral Resources in the Indicated and Inferred categories. No part of the Mineral Resource was classified as Measured.

For each zone, grade estimates were not extended beyond the limits of drilling to north or south (along strike). The vertical (down-dip) limit of the grade estimate for each zone was not extrapolated below the lowermost intercepts - see Figure 8-49. The east and west limits used were the geological boundaries of the individual zones.

The estimation limits just described meant that all the material for which grades were estimated, and which achieved the cut-off grade, could be classified as Inferred Mineral Resource at least. In addition, where multiple mineralised Sn intercepts occurred on a cross-section within a zone, the Sn resource impacted by the cross-section was classified as an Indicated Mineral Resource.

Not all samples were assayed for Cu and Ag and the estimated grades of Cu and Ag were low. In view of these two facts, the Cu and Ag resources were all classified as Inferred Mineral Resource.

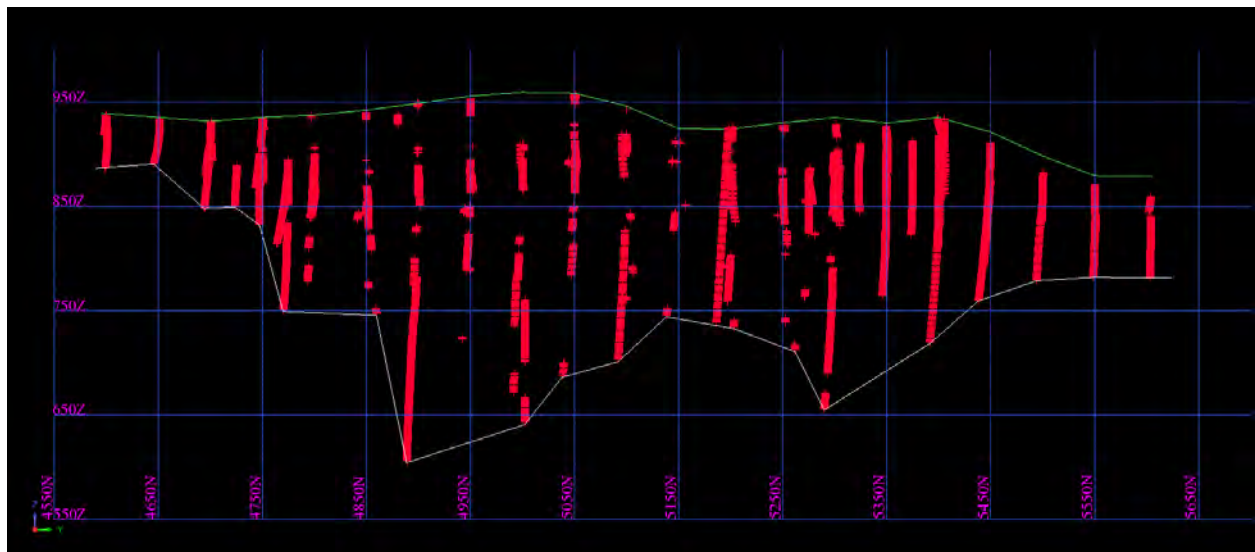


Figure 8-49 Longitudinal view of Northern Zone 102

Drill hole intercepts in Zone 102 are shown in red, the surface profile and the lower limit of the grade estimate are shown.

8.2.9.2 Cut-off Grade Analysis

At the tin price current in 2013 of A\$24,000 and a metallurgical recovery of 70% for cassiterite, a grade of 0.1% Sn would have yielded a recovered value per tonne of about A\$17 which could have been expected to cover the marginal cost of processing one tonne of ore in a modern tin processing plant. Consequently, a marginal cut-off grade of 0.1% Sn was used for reporting the Mineral Resources in 2013.

The current cash tin price on the London Metal Exchange on 8 November 2021 was US\$38,800 per tonne.²⁹ The exchange rate quoted by the Reserve Bank of Australia on 8 November 2021 was US\$0.7398/A\$1.³⁰ Given these quotations, the current cash tin price is A\$52,446 and at a metallurgical recovery of 70% for cassiterite, a grade of 0.1% Sn would yield a recovered value per tonne of about A\$37 which could be expected to more than cover the marginal cost of processing one tonne of ore in a modern tin processing plant.

8.2.9.3 Mineral Resource Totals

The Mineral Resource for the Taronga Tin Deposit announced in 2013³¹ is listed in Table 8-13 and Table 8-14.

²⁹ London Metal Exchange tin price recovered from <https://www.lme.com/en/Metals/Non-ferrous/LME-Tin#Trading+day+summary> on 9 November 2021

³⁰ Reserve Bank of Australia exchange rate recovered from <https://www.rba.gov.au/statistics/frequency/exchange-rates.html> on 9 November 2021.

³¹ AusNiCo Ltd, Maiden JORC Resource Estimated for the Taronga Tin Project, ASX Announcement, 26 August 2013.

Table 8-13 Taronga Tin Project Tin Mineral Resource

Taronga Tin Project – Tin Mineral Resource						
0.1% Sn Cut-off Grade						
	Indicated			Inferred		
Metal	Mt	Assay % Sn	Contained Metal tonnes	Mt	Assay % Sn	Contained Metal tonnes
Northern Zone						
Tin	19.3	0.16	30,800	7.7	0.12	9,300
Southern Zone						
Tin	7.6	0.19	14,400	1.7	0.16	2,700
Total						
Tin	26.9	0.17	45,200	9.4	0.13	12,000

Table 8-14 Taronga Tin Project Copper and Silver Mineral Resources

Taronga Tin Project – Copper and Silver Mineral Resource						
0.1% Sn Cut-off Grade						
	Inferred			Total		
Metal	Mt	Assay % Cu & g/t Ag	Contained Metal tonnes or ounces	Mt	Assay % Cu & g/t Ag	Contained Metal tonnes or ounces
Northern Zone						
Copper	27.0	0.07	19,000 tonnes	27.0	0.07	19,000 tonnes
Silver	27.0	3.8	3,300,000 oz	27.0	3.8	3,300,000 oz
Southern Zone						
Copper	9.3	0.08	7,400 tonnes	9.3	0.08	7,400 tonnes
Silver	9.3	3.8	1,100,000 oz	9.3	3.8	1,100,000 oz
Total						
Copper	36.3	0.07	26,400 tonnes	36.3	0.07	26,400 tonnes
Silver	36.3	3.8	4,400,000 oz	36.3	3.8	4,400,000 oz

8.2.10 MINING METHOD

Beyond the assumption that mining of the deposit will be by conventional open-cut, no other mining assumptions were made for the 2013 Mineral Resource estimate.

After 2013, Aus Tin was granted Mining Lease ML1774 based on a plan to mine 340,000 tonnes of ore from an open-cut over an 18 to 24-month period and process the ore through an on-site pilot plant. A tailings storage facility and waste dumps were included in the plan. The objective of the trial mining was to assess the potential for³²:

- A higher resource grade;
- Increased tin recovery;
- Increased tin concentrate grade; and
- Recovery of copper and silver.

This plan has not been implemented primarily because Aus Tin could not gain access to an adequate water supply for the planned operations, due to continuing drought in the region, and also because of the impact of Covid-19 on the company's operations. First Tin has advised Mining One that it does not intend to proceed with this trial mining plan.

³² Aus Tin Mining Limited, Financial Report for the Half-Year Ended 31 December 2017. ASX Announcement, 14 March 2018.

9 PFS AND ORE RESERVE ESTIMATE

9.1 INTRODUCTION TO PFS AND ORE RESERVE ESTIMATE

The JORC Code 2012 defines that:

“An Ore Reserve is the economically mineable part of a Measured and/or Indicated Mineral Resource. It includes diluting materials and allowances for losses, which may occur when the material is mined or extracted and is defined by studies at Pre-Feasibility or Feasibility level as appropriate that include application of Modifying Factors. Such studies demonstrate that, at the time of reporting, extraction could reasonably be justified.” (Clause 29).

and that:

“A Preliminary Feasibility Study (Pre-Feasibility Study) is a comprehensive study of a range of options for the technical and economic viability of a mineral project that has advanced to a stage where a preferred mining method, in the case of underground mining, or the pit configuration, in the case of an open pit, is established and an effective method of mineral processing is determined. It includes a financial analysis based on reasonable assumptions on the Modifying Factors and the evaluation of any other relevant factors which are sufficient for a Competent Person, acting reasonably, to determine if all or part of the Mineral Resources may be converted to an Ore Reserve at the time of reporting. A Pre-Feasibility Study is at a lower confidence level than a Feasibility Study.” (Clause 39)

In particular, referring to Clause 29, the JORC Code 2012 includes the explanation (Italics from the JORC Code):

“In order to achieve the required level of confidence in the Modifying Factors, appropriate Feasibility or Pre-Feasibility level studies will have been carried out prior to determination of the Ore Reserves. The studies will have determined a mine plan and production schedule that is technically achievable and economically viable and from which the Ore Reserves can be derived.”

In 2014, Aus Tin reported the completion of a Pre-Feasibility Study (PFS) based on mining and processing the mineralisation from the Taronga Tin Deposit³³. In accordance with the JORC Code 2012, the completion of the PFS allowed Aus Tin, at the same time, to report an Ore Reserve for the deposit.

In addition to the Ore Reserve, Aus Tin reported a Production Target. The JORC Code 2012 does not refer or define a Production Target but it is a term defined in the ASX Listing Rules as:

“A projection or forecast of the amount of minerals to be extracted from a particular mining tenement or tenements for a period that extends past the current year and the forthcoming year”.

³³ Aus Tin Mining Limited, Pre-Feasibility Study Advances the Taronga Tin Project. ASX Announcement, 7 April 2014.

When publicly reporting a Production Target, the ASX Listing Rules also require the disclosure of³⁴:

- All material assumptions on which the production target is based;
- A statement that the estimated Ore Reserves and/or Mineral Resources underpinning the Production Target have been prepared by a competent person in accordance with the JORC Code;
- Underlying the Production Target, the relevant proportions of
 - Probable Ore Reserves and Proved Ore Reserves;
 - Inferred Mineral Resources, Indicated Mineral Resources and Measured Mineral Resources;
 - an Exploration Target; and
 - qualifying foreign estimates.
- If a proportion of the Production Target is based on Inferred Mineral Resources, a cautionary statement proximate to, and with equal prominence as, the reported production target, stating that:

“There is a low level of geological confidence associated with Inferred Mineral Resources and there is no certainty that further exploration work will result in the determination of Indicated Mineral Resources or that the production target itself will be realised.”

For the Taronga Tin Project, this section of this report includes a summary of a PFS prepared by Aus Tin in 2014 and the consequent Ore Reserve.

9.2 AUS TIN 2014 PRE-FEASIBILITY STUDY

9.2.1 INTRODUCTION TO AUS TIN 2014 PFS

The Aus Tin 2014 PFS was based on the work of specialist consultants (See Table 9-1).

In addition, Aus Tin stated that “Other information provided by third parties has been used in the preparation of the PFS but not disclosed for confidentiality reasons”. Aus Tin did not disclose what information was referred to by this statement.

³⁴ ASX Listing Rules, Chapter 5.

Table 9-1 Consultants to the Taronga Tin Project for the 2014 PFS

Consultant	Discipline	Work Completed
Mining One	Geology	Mineral Resource report.
GHD	Mining	Mining report including mining schedule, mining costs and Ore Reserve estimate.
Devlure	Metallurgy	Review of metallurgical test work and proposed processing route.
DRA Pacific	Processing	Processing plant design and operating parameters.
GHD	Infrastructure	Design of site layout and infrastructure.
Geolink Environmental Development and Design	Environmental	Review of environmental factors.

9.2.2 MINE DESIGN

GHD recommended mining by open-cut methods and summarised the mining method thus:

- Mining to be undertaken concurrently in the Northern and Southern Zones.
- Mining will be undertaken by suitably qualified contractor using drill and blast, excavators and 96 tonne Caterpillar 777 rear dump trucks.
- The mining contractor will employ a substantially local workforce operating initially on dayshift then expanding to day and night operation.
- Open-cut mining will be to a maximum depth of 175m below current ground level with final maximum depth of 75m below surrounding ground level – the orebody occurs on two ridges approximately 100m higher than the surrounding ground level.
- A cut-off grade of 0.1% Sn will be used during the initial years with low grade material stockpiled for future plant feed.
- Mine waste will be classified according to potential acid forming characteristics and stockpiled accordingly for final placement.

GHD designed open-pits based on pit optimisations made using Whittle software. The design and cost and revenue inputs for the pit optimisations are listed in Table 9-2 and Table 9-3.

Only revenue from blocks classified as Indicated Mineral Resource was used during the pit optimisations.

Table 9-2 Pit Design Inputs

Input	Input Value	Source
Bench Height	12.5m	Golder
Pit Wall Bench Slope	50 degrees	Golder
Waste Density	Included in block model	Mining One
Ore Density	Included in block model	Mining One
Ramp Width	25m	Golder
Ramp Gradient	10%	Golder
Ramp Crossfall - drainage	0	GHD
Ramp Turning	30m minimum	GHD
Ramp Curves	No flattening of ramps on curves	GHD
Dump Lift Height	15m	Enviro
Total Dump Height	45m	Enviro
Compacted Waste Swell	20%	GHD
Dump Cell Dimensions	200m x 200m x 15m	GHD

Table 9-3 Pit Optimisation Cost and Revenue Inputs

Task	Unit	Value	Comment
Mining			
Drill &Blast	\$/t all	1.12	Based on Orica Quote
Load & Haul South Pit – Ore	\$/t ore	2.60	+ 0.096 \$/tonne per 12.5 m increment
Load & Haul South Pit – Waste	\$/t	2.46	+ 0.12 \$/tonne per 12.5 m increment
Load & Haul North Pit – Ore	\$/t ore	3.05	+ 0.097 \$/tonne per 12.5 m increment
Load & Haul North Pit – Waste	\$/t	2.46	+ 0.12 \$/tonne per 12.5 m increment
General Mining Cost- Ore	\$/t ore	0.38	Golding's quote
General Mining Cost- Waste	\$/t	0.16	Golding's quote
Mining Recovery	%/t ore	100	GHD assumption
Dilution rate	%/t ore		GHD assumption
Processing			
ROM Handling	\$/t ore	0	
Rejects Handling	\$/t ore	0.10	
Processing Fixed Costs	\$/t ore	2.92	From A\$7.3M for 2.5 Mt / year
Crushing / Heavy Medium Concentration	\$/t ore	4.80	
Concentrator	\$/t ore	0	Assume none
Process Other	\$/t ore	0	Assume none
Other			
Rehabilitation	\$/t	0.30	
Administration, Transport and Refining	\$/t ore	2.97	
Concentrate and Revenue Items			
Tin Price	US\$/t	25,000	
Exchange Rate	US\$/A\$	0.90	
Sn Recovery	%	70	
Tin Concentrate Grade	% Sn	55	Of dry concentrate mass
Water Content of Concentrate	%	10	% of dry concentrate mass
Concentrate Loss for Revenue Calculations	%	5	% of dry concentrate mass
Deductions / Payability	%	0	Assumed to be 0
Marketing	%	0	No marketing costs

9.2.3 MINING INVENTORY

In the PFS, GHD reported a bench-by-bench mining inventory within an optimised pit shell numbered #40 which included two pits, one in the north and one in the south – see Figure 9-1.

The mining schedule and consequent inventory took account of:

- One ramp in north pit and two ramps in south pit – one exiting to the east and one to the west;
- Ore and waste from north pit to exit the pit to the south;
- Waste from the south pit to exit the pit towards the east to allow placement on NAF waste dumps; and
- Ore from the south pit to exit to the west for delivery to the ROM.

The mining inventory included production from Indicated and Inferred Mineral Resources.

The JORC Code 2012 states that an Ore Reserve may be³⁵:

- Derived from Measured and/or Indicated Mineral Resources, plus
- Diluting materials which may occur when the material is mined.

GHD reported a mining inventory based on mining all the Indicated Mineral Resource at 0% Sn cut-off grade plus the Inferred Mineral Resource above 0.1% Sn cut-off grade – see Table 9-4.

The mining inventory, which Aus Tin did not report with a grade, amounted to a total of 22Mt.

³⁵ JORC Code 2012, Clause 29.

Table 9-4 Mining Inventory Within Optimised Pit Shell #40

Pit	South Pit			North Pit		
Category	Inferred	Indicated	Indicated	Inferred	Indicated	Indicated
Cut-off Grade	>=0.1% Sn	<0.1% Sn	>=0.1% Sn	>=0.1% Sn	<0.1% Sn	>=0.1% Sn
	tonnes	tonnes	tonnes	tonnes	tonnes	tonnes
Bench RL						
937.5	0	0	0	0	12,169	299,355
925.0	839	671	14,099	1,846	11,833	621,196
912.5	16,533	27,517	94,957	23,909	36,924	918,170
900.0	43,686	93,293	21,645	235,227	110,611	1,184,966
887.5	26,772	152,869	357,479	204,952	130,501	1,331,192
875.0	42,130	175,173	526,254	219,963	207,207	1,262,123
862.5	43,053	152,404	587,885	112,457	82,581	1,362,915
850.0	61,516	138,809	651,474	86,525	91,644	1,352,089
837.5	14,854	115,814	644,222	6,546	93,742	1,255,157
825.0	14,351	110,443	635,548	22,827	95,840	1,222,427
812.5	3,944	54,550	408,287	4,280	25,764	1,006,241
800.0	4,028	55,305	391,838	0	32,227	980,728
787.5	0	6,882	189,079	0	10,742	577,980
775.0	0	11,078	171,875	0	125,885	454,865
762.5	0	0	0	0	0	64,453
750.0	0	0	0	0	0	64,453
Sub-totals	271,706	1,094,808	4,694,642	918,532	1,067,670	13,991,460
Total by Pit	6,061,156			15,977,662		
Total (rounded)	22,000,000					

Source: Aus Tin PFS 2014.

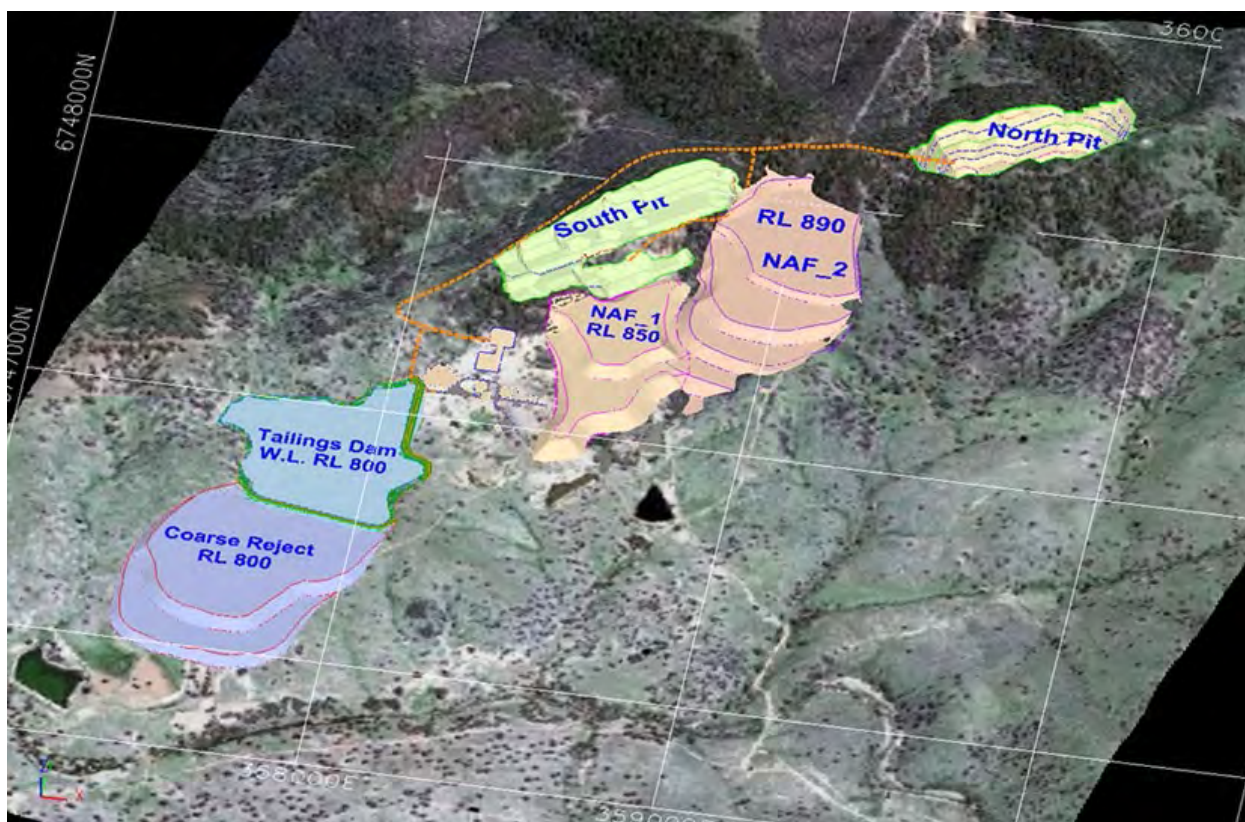


Figure 9-1 Layout of Pits, Waste Rock Dumps, Coarse Rejects Dump and Tailings Dam
NAF1 and NAF2 are waste rock dumps.

9.2.4 PROCESSING DESIGN

Metallurgical test work had been undertaken by the Newmont JV using samples of drill core and a bulk sample of 1.500 tonnes mined from three adits into the Taronga Tin Deposit:

- Bench scale testing at Newmont's laboratory in Danbury, Connecticut, USA supplemented by ore characterisation test work at the Australian Mineral Development Laboratories (Amdel) in Adelaide, south Australia;
- Pilot scale test work by Amdel;
- Test work by equipment vendors.

In 2014, Devlure metallurgical consultant confirmed that the test work programs were comprehensive and thorough and, in particular, that:

- The predominant tin bearing mineral is coarse grained cassiterite which is considered straightforward to process when compared to complex high sulphide, fine grained disseminated tin ores as those found elsewhere in Australia.
- The concentration of cassiterite to a commercially acceptable concentrate of 55% Sn, could be achieved by a combination of size classification, gravity separation and sulphide flotation.
- The Taronga tin mineralisation is highly amenable to pre-concentration by heavy medium separation which would allow rejection of non-mineralised material prior to grinding.
- A feed grade of 0.2% Sn would enable a recovery of 70% of Sn into a cassiterite concentrate with a grade of 55% Sn.
- Recommended that, during a future study, testwork should be undertaken regarding the recovery of fine grained cassiterite by a selective cassiterite flotation, the recovery of copper by sulphide flotation, and silver by leaching from bulk sulphides.

DRA Pacific created a processing flowsheet for producing a cassiterite concentrate from Taronga Tin ore which involved:

- Three stage crushing to -10mm,
- Heavy medium separation to reject 60% of the feed mass,
- Primary rod mill grinding to liberate cassiterite from the gangue,
- Concentration of the cassiterite by:
 - Spirals;
 - Shaking tables;
 - Sulphide flotation and
 - Magnetic separation.

Coarse heavy medium rejects and fine tailings would be stored in a tailings storage facility (See Figure 9-1), and sulphide tailings in a sulphide storage facility.

The PFS included a simplified processing flowsheet which is presented in Figure 9-2.

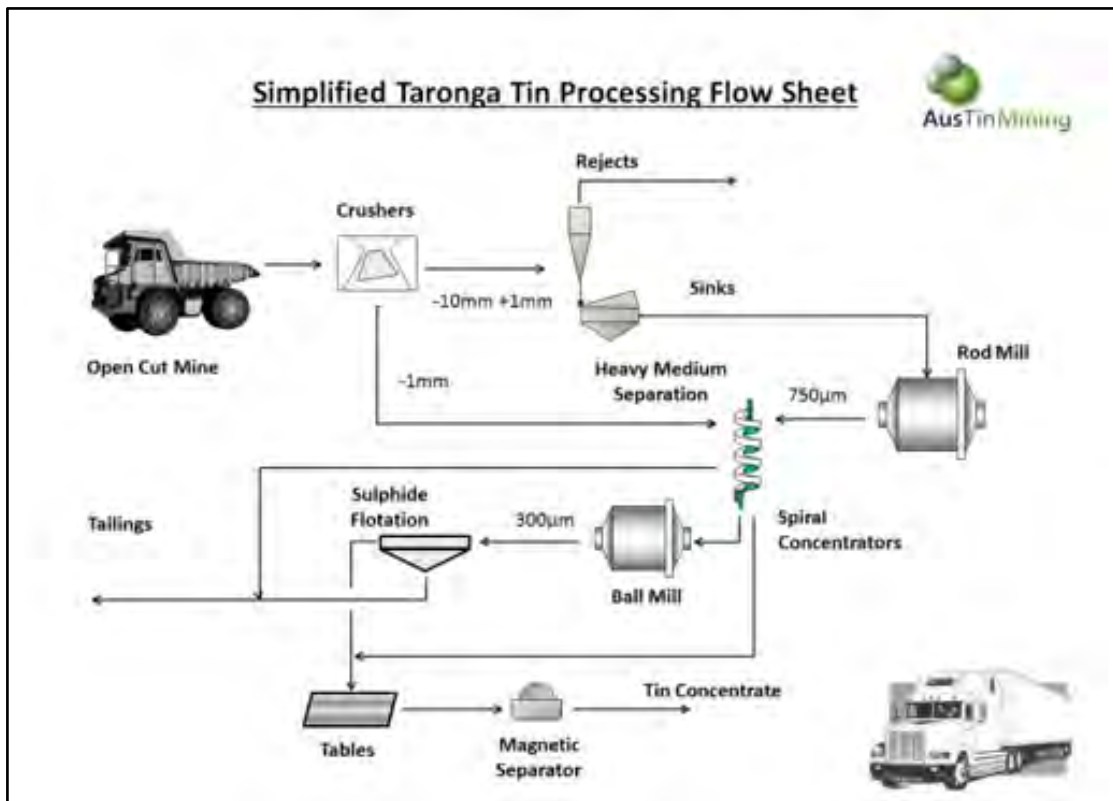


Figure 9-2 Simplified Taronga Tin Deposit Flowsheet

Source: Aus Tin Mining, Preliminary Feasibility Study for the Taronga Tin Project, 7 April 2014.

9.2.5 ADMINISTRATION, ENVIRONMENT AND COMMUNITY

Aus Tin included these personnel for the administration for the project operations:

- Site Management:
 - Operations Manager;
 - Administration Clerk;
 - Two Finance Officers;
 - Environmental & Community Officer;
 - Safety Officer; and
 - Training Officer.
- Mine Technical Services:
 - Mine Superintendent;
 - Mining Engineer;
 - Two Geologists; and
 - Six Grade Control Officers.

For environmental management of the project, the PFS stated that:

- The company would prepare and submit an Environmental Impact Statement (EIS) in support of approvals including granting of a Mining Lease for the project.
- The Environmental & Community Officer would assist the Operations Manager with implementing the Mining Operations Plan which will include establishing the basis for compliance with all environmental approvals, including environmental monitoring regimes.

The PFS also reported that initial community consultation had been undertaken but would be expanded during preparation of the EIS and that discussions had been held with the NSW State Government Department of Trade and Investment and the Glen Innes Severn Council. The PFS stated that the Environmental & Community Officer would assist the Operations Manager with implementing and maintaining a Community Consultation Strategy.

9.3 ORE RESERVE AND PRODUCTION TARGET

Consequent to the 2014 PFS, Aus Tin reported an Ore Reserve³⁶ using an economic value cut-off derived from the economic result estimated for each block in the pit optimisation process. The use of an economic cut-off rather than a grade cut-off was explained: "This is not unexpected in a deposit such as this, as the variable trucking costs for ore and waste, due to the topography and project processing and infrastructure locations, do vary across the reserve. All economic blocks covered their marginal cost of treatment."

The total tonnage of the reported Ore Reserve matches the total tonnage of the mining inventory derived from the pit optimisation process (See Table 9-4), however, the split of tonnages between the North and South pits does not – compare Table 9-4 and Table 9-5. Mining One has not been able to discover why this was so.

GHD also estimated a Production Target based on a mine production schedule that called for total production of 23.2Mt at 0.16% Sn; the schedule was based on achieving a primary planning target of achieving a nominal feed according to these parameters:

- Planning for the 2.5 Mtpa ore production with 9 years' mine life.
- During the first 3 years, part of the ore will be stored in stockpile, near the ROM
- ROM ore is to be mined in each period to produce that period's required ore target
- Waste is to be mined in each period such that the required ROM ore is achieved in that period.

The proportions of the relevant proportions of Ore Reserves and Mineral Resources that make up the Production Target were disclosed in the public report as required by the ASX Listing Rules (See Section 9.1 INTRODUCTION TO PFS AND ORE RESERVE ESTIMATE): on a contained tin basis, 96% of the target came from Probable Ore Reserve and 4% from Inferred Mineral Resource.³⁷

³⁶ Aus Tin Mining Limited, Pre-Feasibility Study Advances the Taronga Tin Project. ASX Announcement, 7 April 2014.

³⁷ Aus Tin Mining Limited, Pre-Feasibility Study Advances the Taronga Tin Project. ASX Announcement, 7 April 2014.

Table 9-5 Ore Reserve and Production Target

There is a low level of geological confidence associated with Inferred Mineral Resources and there is no certainty that further exploration work will result in the determination of Indicated Mineral Resources or that the Production Target itself will be realised.

PFS Base Case - Ore Reserves (JORC 2012) & Production Target									
	Proven			Probable			Production Target		
	Mt	Assay % Sn	Tin Metal tonnes	Mt	Assay % Sn	Tin Metal tonnes	Mt	Assay % Sn	Tin Metal tonnes
Northern Zone	-	-	-	15.6	0.16	24,500	16.5	0.16	25,600
Southern Zone	-	-	-	6.4	0.17	11,100	6.7	0.17	11,500
Total	-	-	-	22.0	0.16	35,600	23.2	0.16	37,100

10 METALLURGICAL TEST WORK SUBSEQUENT TO THE 2014 PFS

10.1.1 ORE SORTING

In July 2018, Aus Tin reported the results of preliminary ore sorting trial using a set of standard static tests carried out by TOMRA Sorting Solutions (TOMRA) using a 60kg parcel of Taronga ore. The TOMRA ore sorting technology used X-Ray transmission to allow sorting of crushed ore: the results of the preliminary test work are presented in Table 10-1.³⁸

The results of the preliminary test work indicated an 54% increase in grade from 0.56% Sn in the feed to 0.86% Sn while maintaining 96% Sn recovery.

In October 2018, Aus Tin reported the results of further ore sorting test work by TOMRA on a 1.6 tonne sample of Taronga ore collected from the Northern Zone. The reported results of the test work were that³⁹:

- Up to 66% rejection to waste may be achievable.
- While achieving significant grade uplift for material reporting to the ore stream.

Table 10-1 Analytical Results for the Preliminary Ore-Sorting Test Work

Size Fractions	Mass Rejection to Waste	Sn Recovery to Product (%)	Sn Grade of Product (%Sn)
Calculated Head	-	100%	0.56
+25mm to -75mm	36%	96%	0.76 (+35% upgrade)
+8mm to -25mm	66%	93%	1.90 (+239% upgrade)
-8mm*	Nil	100%	1.75 (+213% upgrade)
Overall	37%	96%	0.86 (+53% upgrade)

Note: the -8mm fraction was not tested through the TOMRA ore sorter.

10.1.2 GRAVITY SEPARATION

An independent metallurgical consultant had reviewed the metallurgical testwork for the Taronga Tin Deposit in 2013. The review was based on work completed by Newmont, Amdel and ALS Burnie which included mineralogical assessments, bench scale tests and pilot plant trials. Devlure concluded that the concentration of cassiterite to a commercially acceptable concentrate of 55% Sn, could be achieved by a combination of size classification, gravity separation and sulphide flotation.

In 2015, a reverse circulation hole was drilled into the Northern Zone in order to obtain a sample for metallurgical testing. The hole was drilled just outside the limits of the proposed trial open-cut. The hole was drilled to a depth of 40m and 4 samples of 15 to 17kg each, representing four successive depth intervals of 10m were obtained. The metallurgical testwork on these samples from a feed grade of 0.26% Sn resulted in a recovery of 75.7% into a concentrate with grade of 64.7% Sn.⁴⁰

³⁸ Aus Tin Ltd, Successful Ore Sorting Trial for Taronga Tin Project, ASX Announcement 2 July 2018.

³⁹ Aus Tin Ltd, Positive Results for Taronga Ore-sorting Test Work, ASX Announcement, 24 October 2018.

⁴⁰ Aus Tin Mining Ltd, Excellent Test Work Results at Taronga Tin Project, ASX Announcement, 7 October 2015.

11 TARONGA PROJECT VALUATION

11.1 INTRODUCTION

Based on the Production Target (See the previous section of this report), the 2014 PFS included an estimate of the value of the Taronga Tin Project expressed as a pre-tax Net Present Value (NPV) using an 8% discount rate. The NPV₈ was based on a financial model created by Aus Tin using these inputs:

- Ore and waste mining schedule to mine the Production Target over ten years;
- Processing schedule to treat the Production Target over ten years;
- Cassiterite concentrate grade of 55% Sn;
- Processing recovery of 70%;
- Tin price of US\$25,000 per tonne and an exchange rate of US\$0.90/A\$1.00 (equivalent to a tin price of A\$27,778 per tonne);
- Capital and pre-production costs;
- Operating costs; and
- NSW State Government ad valorem royalty of 4%.

11.2 2014 PFS COST ESTIMATES

11.2.1 CAPITAL COSTS

For the 2014 PFS, capital costs (CAPEX) were estimated for:

- Construction of the processing plant and tailings storage facilities,
- Site infrastructure
 - Haul roads from the North and South Pits to the ROM pad and waste dumps,
 - An access road from the nearest sealed major road to the processing plant,
- Waste storage works,
- Offices and ablution blocks,
- Reticulation of water and power across the site,
- Off-site infrastructure
 - Construction of a 200 megalitre off-site water storage dam,
 - Power supply.

Other pre-production and capital costs were estimated for:

- Contribution to the Glen Innes Severn Council for the Emmaville-Glen Innes Road,
- Mobilisation of mining contractor,
- First fill of consumables in the processing plant,
- Administration and other costs,

- Provision of sustaining capital,
- Provision of lifts of the TSF wall,
- Demobilization of mining contractor.
- Provision for site rehabilitation,

Capital costs for processing were estimated by DRA using:

- Preliminary layout drawings, DRA's project database and existing DRA standard module plants;
- Mechanical equipment prices, labour, productivity and material rates based on supplier budget prices, and DRA's cost database for current project and studies.

Summaries of the CAPEX are shown in Table 11-1 to Table 11-4.

Table 11-1 Total CAPEX

CAPEX		
Item	\$M	Comment
Processing	60.40	See Table 11-2
Site Infrastructure	17.01	See Table 11-3
Off-site infrastructure	2.85	
Initial and pre-production Capex	7.57	See Table 11-4
Sustaining Capex	9.90	
Rehabilitation	6.54	
Total	104.27	

Table 11-2 Processing CAPEX

Processing CAPEX	
Item	\$M
ROM, crushing and stockpile	18.4
Dense medium separation	8.1
Primary grinding mill	8.3
Slimes scavenging	7.2
Spirals gravity separation	4.0
Sulphide flotation	2.0
Tin concentrate dressing	0.7
Tin concentrate de-watering	1.4
Tailings disposal	6.7
Reagents	1.1
Services	1.1
Sulphide concentrate de-watering	1.4
Total	60.4

Table 11-3 Infrastructure CAPEX

Site Infrastructure CAPEX	
Item	\$M
Bulk civil works	9.05
Tailings storage facilities	2.87
Water	1.07
Power	2.88
Communications	0.53
Site facilities	0.62
Total	17.1
Off-site Infrastructure CAPEX	
Item	\$M
Water	0.39
Power	2.46
Total	2.85

Table 11-4 Other CAPEX

Initial and Pre-production CAPEX	
Item	\$M
Administration costs	1.61
Glen Innes Severn Council road contribution	0.80
Mining contractor mobilisation	3.00
First fill for processing plant	1.00
Other	1.15
Total	7.57
Sustaining CAPEX	
Item	\$M
Sustaining capital	4.50
TSF lifts	3.90
Mining contractor demobilisation	1.50
Total	9.90
Rehabilitation CAPEX	
Item	\$M
Rehabilitation at mine closure	6.54
Total	6.54

11.2.2 OPERATING COSTS

For the 2014 PFS, operating costs (OPEX) for mining were estimated from first principles based on preliminary quotations obtained by GHD from two well-known mining contractors. Aus Tin made adjustments to the operating costs derived from the quotations to allow for:

- Changes made to pit exit locations after the quotations were sought;
- An increase made to the haulage distance from North pit after quotations were sought;
- Some down-hill loading – the quotations had assumed up-hill loading;
- A reduction from 20% to 15% of the contractors' quoted management fee for ore and waste costs, based on Aus Tin's view of the contracting market at the time; and
- Allocating the cost of mining staff to Administration.

The operating costs for mining are listed in Table 11-5.

Operating costs for processing were estimated by DRA based on a crushing and heavy media plant throughput of 2.5Mtpa and concentrator throughput of 1.0Mtpa using:

- Estimated electricity and government charges provided by electricity suppliers;
- Typical labour rates in the Glen Innes Severn local government area;

- Reagent usage in similar plants and reagent costs provided by reagent suppliers;
- Maintenance of plant estimated at 12% of the capital cost of the processing plant;
- Estimated usage of vehicles and mobile equipment;
- Cost of sampling and assaying in a recent quotation for a similar project; and
- An allowance for minor sundry items.

The operating costs for processing are listed in Table 11-6.

Table 11-5 Mining OPEX

Mining OPEX	
By Item	
Item	LOM Cost \$M
Wall Control	2.99
Grade Control	1.53
Drill & Blast Ore	18.57
Drill & Blast Waste	25.04
Load & Haul Ore	81.91
Load & Haul Waste	72.11
Roads	
Other Mining Services	1.53
Contractor Management Fee	29.64
Total	233.32
By Ore, Waste and Overheads	
Item	LOM Cost \$M
Mining Ore	102.01
Mining Waste	97.15
Contractor management fee	29.64
Non-contractor costs	4.52
Total	233.32

Table 11-6 Processing OPEX

Processing OPEX		
Item	\$ / tonne	\$M / year
Labour	1.87	4.67
Consumables	1.78	4.46
Power	2.0	5.00
Maintenance	0.50	1.26
Sampling	0.66	1.65
General	0.10	0.26
Electrical	0.10	0.24
Vehicles	0.63	1.56
Sundry	0.13	0.32
Total	7.57	18.92

11.3 VALUATION

11.3.1 2014 PFS VALUATION

Aus Tin estimated a pre-tax net present value using an 8% discount rate (NPV_8) for the Taronga Tin Project using the estimates and assumptions described in Sections 11.2.1 and 11.2.2 above.

The NPV_8 of \$63.15M was estimated using:

- A tin price of US\$25,000 per tonne;
- An exchange rate of US\$0.90/A\$1.00; and
- A discount rate of 8%.

11.3.2 2021 UPDATED VALUATION

For this CPR, Mining One has updated Aus Tin's 2014 valuation to allow for escalations in costs and changes in the exchange rate from 2014 to 2021.

Escalation rates for costs were based on Quarterly Consumer Price Index (CPI) Statistics issued by the Australian Bureau of Statistics (ABS) from the March Quarter of 2014 to the September Quarter of 2021. In particular, the escalation rates were based on changes in CPI for the groups listed in the second column of Table 11-7.

Several escalation rates were calculated and for changes in inputs that were better measured by more than one statistic, a weighting was applied to the reported changes in the group statistics – see Table 11-7.

A tin price of US\$25,000 per tonne was used but the exchange rate was changed to US\$0.73/A\$1.00 to conform to the current rate.

The updated estimated pre-tax NPV_8 is \$123.9M. The revenue and cost contributions to the change in NPV are shown in Figure 11-1.

The sensitivity of the estimated NPV₈ to changes in costs is shown in Figure 11-2. Of the costs considered for the sensitivity analysis, the estimated NPV is most sensitive to mining cost and least sensitive to realisation costs.

All other things being equal, the sensitivity of the estimated NPV to change in the US\$ tin price is shown in Figure 11-3. The estimates of NPV are positive for tin prices above US\$20,000 per tonne.

Table 11-7 Escalation Rates Applied for Update to NPV

Input	CPI Group	ABS CPI Table Number	Weighting	Change in CPI	Escalation Rate Applied
Mining OPEX	Automotive Fuel	7	50%	0.6%	7.5%
	Architectural, Engineering and Technical Services	24	50%	14.3%	
Processing OPEX	Electricity	13	50%	5.4%	9.9%
	Architectural, Engineering and Technical Services	24	50%	14.3%	
CAPEX	Mining and Construction Machinery Manufacturing	12	40%	17.8%	16.9%
	Other Heavy and Civil Engineering Construction	17	30%	16.6%	
	Engineering Design	24	30%	16.1%	
Labour	Architectural, Engineering and Technical Services	24	100%	14.3%	14.3%
General	All Groups CPI	8	1005	13.6%	13.6%

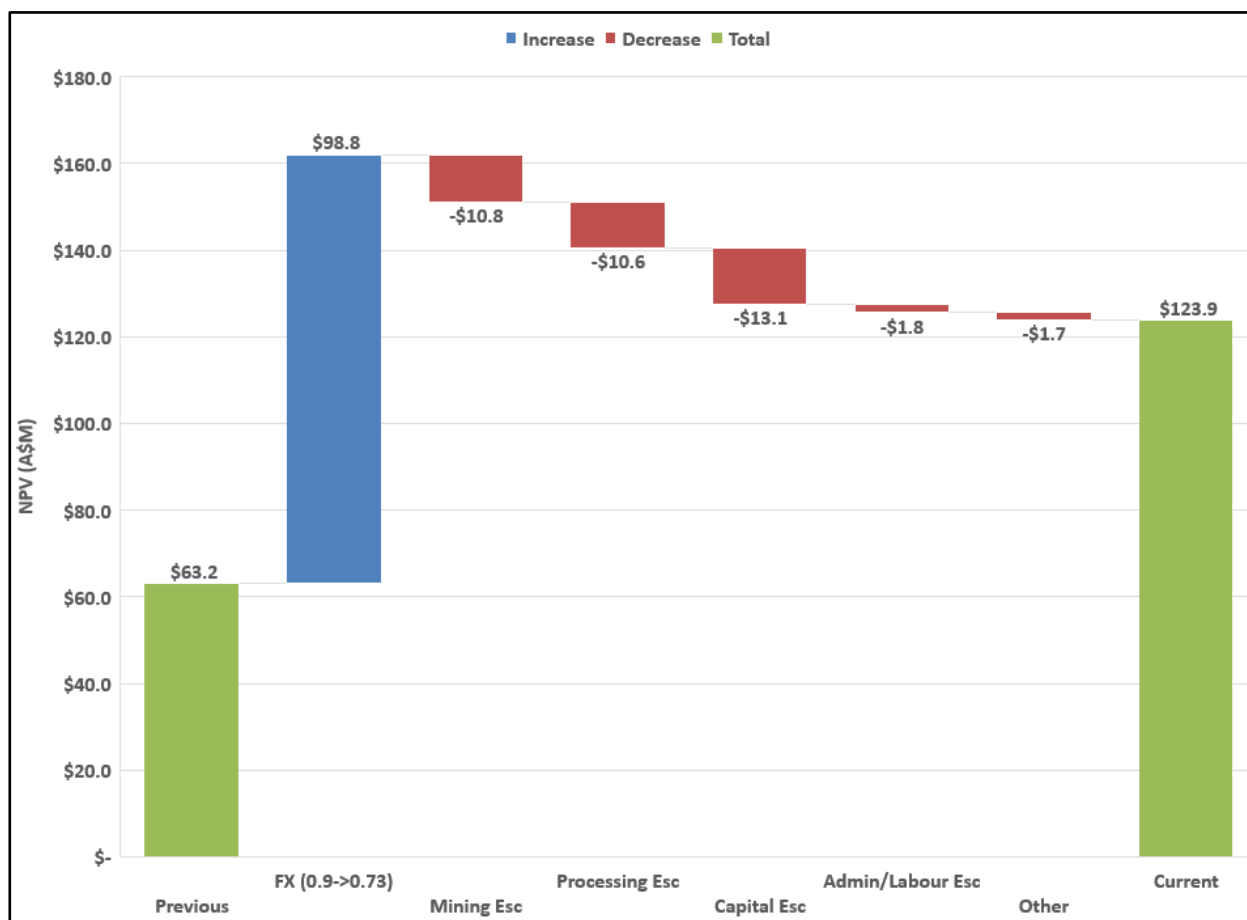


Figure 11-1 Change in Estimated NPV from 2014 to 2021

Previous – the 2014 estimate; FX – foreign exchange rate; Esc – effect of escalation in costs from 2014 to 2021.

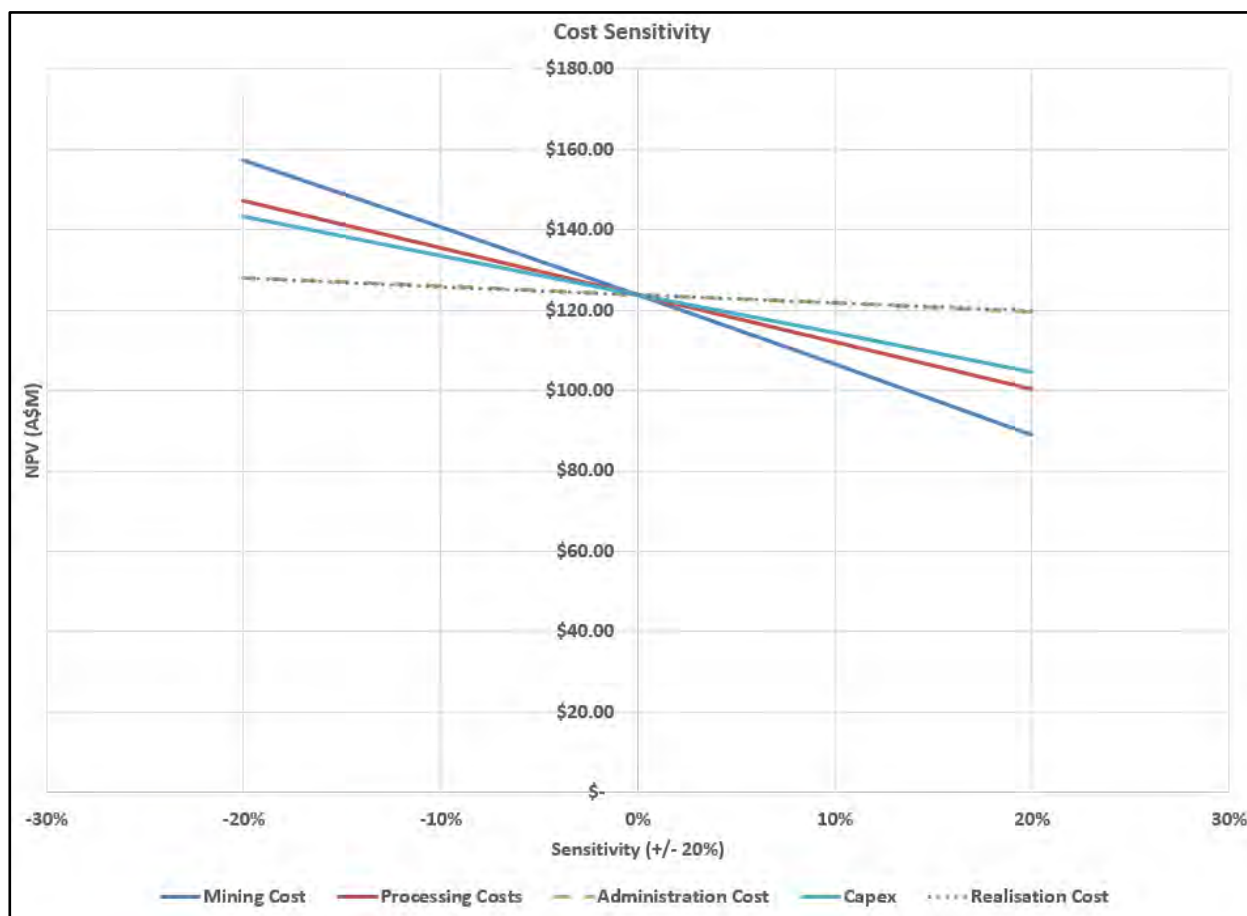


Figure 11-2 Sensitivity of Estimated NPV to Changes in Costs

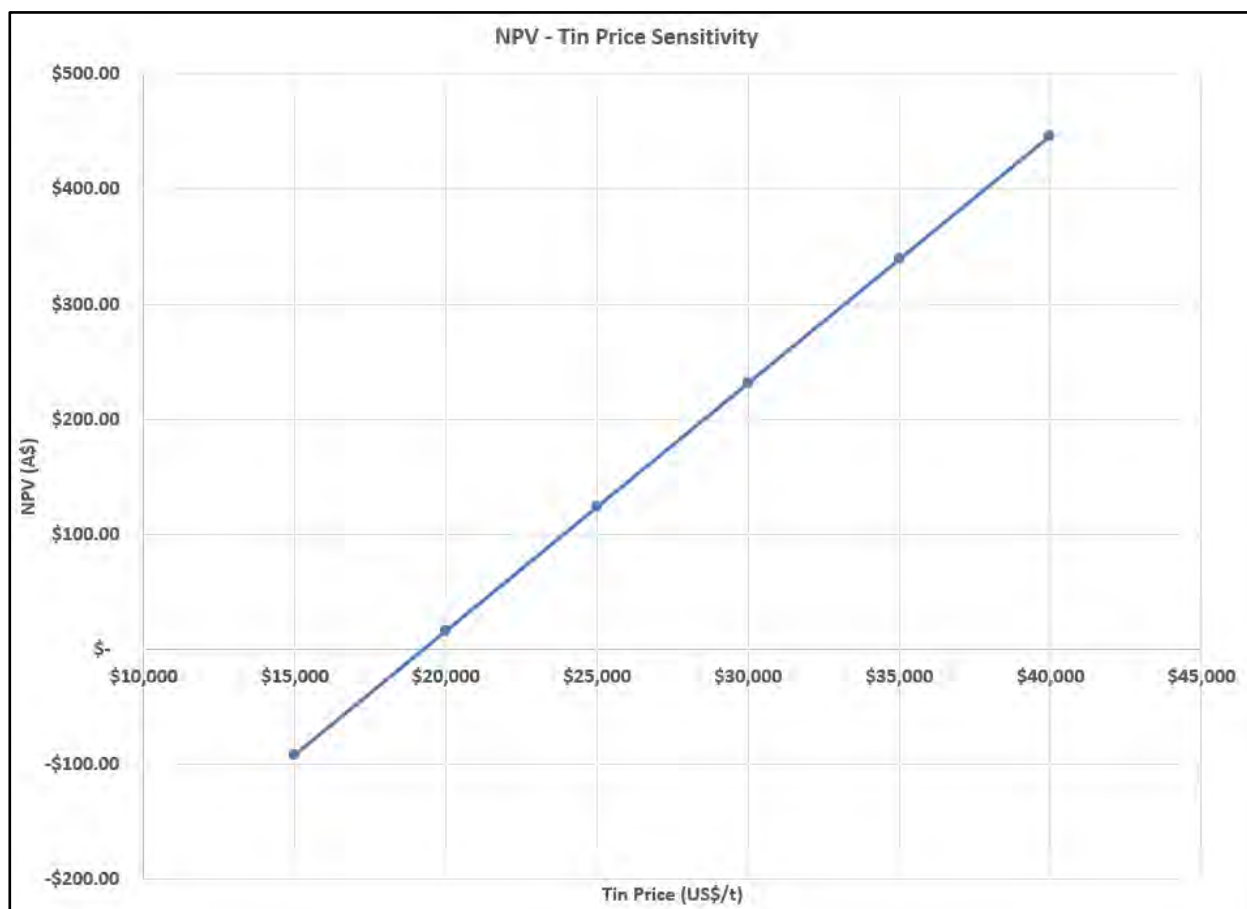


Figure 11-3 Sensitivity of Estimated NPV to Change in US\$ Tin Price

12 CONCLUSIONS

The findings of this CPR are summarised as follows:

- The geology of the tin deposits in the Taronga Tin Project is varied but understood.
- The Mineral Resource for the Taronga Tin Deposit has been reported in accordance with the JORC Code 2012. The resource includes Sn and lesser copper and silver.
- Given the current tin price and exchange rate, the eventual economic extraction of tin and other metals should be closer than was the case when the Mineral Resource estimate was made in 2013.
- The Ore Reserve for the Taronga Tin Deposit was reported in accordance with the JORC Code 2012.
- Given the current tin price and exchange rate, the eventual economic extraction of tin and other metals should be closer than was the case when the Ore Reserve was estimated in 2014.
- The 2014 PFS of Aus Tin Mining resulted in a NPV₈ estimate of \$63.15M (US\$46.1M) and an IRR of 27.3%, using a tin price of US\$25,000/t and an exchange rate of US\$0.90/A\$1.00.
- Mining One has updated the 2014 PFS to allow for current exchange rates (US\$0.73/AUD1.00) and escalations in costs. This has resulted in a revised NPV₈ estimate of \$123.9M (US\$90.4M) and an IRR of 37.9%, assuming the same tin price as previously used (US\$25,000/t).
- The effect of different tin prices on this updated study, all other parameters remaining the same, is:
 - US\$20,000/t – NPV₈ A\$16.3M, IRR 12.8%
 - US\$25,000/t – NPV₈ A\$123.9M, IRR 37.9%
 - US\$30,000/t – NPV₈ A\$231.4M, IRR 59.3%
 - US\$35,000/t – NPV₈ A\$338.9M, IRR 79.6%
 - US\$40,000/t – NPV₈ A\$446.4M, IRR 99.5%

Taronga Tin Project– Tin Mineral Resource						
0.1% Sn Cut-off Grade						
	Indicated			Inferred		
Metal	Mt	Assay % Sn	Contained Metal tonnes	Mt	Assay % Sn	Contained Metal tonnes
Northern Zone						
Tin	19.3	0.16	30.800	7.7	0.12	9.300
Southern Zone						
Tin	7.6	0.19	14.400	1.7	0.16	2.700
Total						
Tin	26.9	0.17	45.200	9.4	0.13	12.000

Taronga Tin Project – Copper and Silver Mineral Resource						
0.1% Sn Cut-off Grade						
	Inferred			Total		
Metal	Mt	Assay % Cu & g/t Ag	Contained Metal tonnes or ounces	Mt	Assay % Cu & g/t Ag	Contained Metal tonnes or ounces
Northern Zone						
Copper	27.0	0.07	19,000 tonnes	27.0	0.07	19,000 tonnes
Silver	27.0	3.8	3,300,000 oz	27.0	3.8	3,300,000 oz
Southern Zone						
Copper	9.3	0.08	7,400 tonnes	9.3	0.08	7,400 tonnes
Silver	9.3	3.8	1,100,000 oz	9.3	3.8	1,100,000 oz
Total						
Copper	36.3	0.07	26,400 tonnes	36.3	0.07	26,400 tonnes
Silver	36.3	3.8	4,400,000 oz	36.3	3.8	4,400,000 oz

PFS Base Case - Ore Reserves (JORC 2012) & Production Target									
	Proven			Probable			Production Target		
	Mt	Assay % Sn	Tin Metal tonnes	Mt	Assay % Sn	Tin Metal tonnes	Mt	Assay % Sn	Tin Metal tonnes
Northern Zone	-	-	-	15.6	0.16	24,500	16.5	0.16	25,600
Southern Zone	-	-	-	6.4	0.17	11,100	6.7	0.17	11,500
Total	-	-	-	22.0	0.16	35,600	23.2	0.16	37,100

There is a low level of geological confidence associated with Inferred Mineral Resources and there is no certainty that further exploration work will result in the determination of Indicated Mineral Resources or that the Production Target itself will be realised.

13 RECOMMENDATIONS

From a geological point of view, the next step along First Tin's path to future production will be to revise and update the 2014 Pre-Feasibility Study to take into account an updated Mineral Resource estimate, and the results of new drilling, bulk sampling and metallurgical test work.

First Tin has proposed a budgeted expenditure of \$7.05M for the Taronga Tin Project from November 2021 to July 2023 (excluding land, plant and equipment purchases and cash payments to the vendors) composed of:

- Bulk Sampling & Ongoing EIS \$0.2M
- Exploration drilling \$0.6M
- Resource confirmation drilling \$0.4M
- Metallurgical test work \$0.3M
- Revised PFS \$0.3M
- EIS \$1.25M
- Construction of water dam \$1.2M
- Definitive Feasibility Study (DFS) \$2.8M

Mining One considers the proposed exploration expenditure is appropriate to be able to satisfy the exploration commitments for the current exploration licences (See Table 4-1) and to allow the Taronga Tin Project to its next stage of development, that is, the completion of the reviewed PFS and DFS.

In particular, Mining One makes the following recommendations:

- First Tin makes enquiries of the Glen Innes Severn Council regarding the current standing of the consent given by the Glen Innes Severn Council of an application for "Stage 1 Trial Mine & Processing Plant to produce tin concentrate" – see Section 4.1.1 Tenements.
- The Mineral Resource should be re-estimated using the Lidar topography survey acquired by Aus Tin in 2015 – see Section 8.2.1.5 Surveys. The collar elevations of all drill holes should be adjusted to fit the Lidar topography survey.
- Further testing of the usefulness of TOMRA technology should be made during future metallurgical testing with a view to its applicability to processing in future studies such as the planned revised PFS – see Section 10.1.1 Ore Sorting.
- Maps of all exploration data should be prepared at useful scales (1:2000 and 1:500) presented in large format and not as key-hole surgery. The maps should include publicly available information regarding surrounding tenements.
- Consideration should be given to systematic intensive rock sampling of outcrop prior to testing by angled RC drill holes as extensions.

14 REFERENCES

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15 GLOSSARY

adit	A tunnel driven into the side of a hill or open-cut to provide access to a mine.
ad valorem	Applied to the value of.
aeromagnetic survey	airborne survey of the earth's magnetic field.
Ag	The chemical symbol for gold.
alluvial	A deposit of sediment derived by weathering from pre-existing rock and laid down in river beds, flood plains or lakes.
aluminium	A metallic element.
anisotropic	A property of a substance that has different values in different directions.
anticline	A fold in rock that is, or was when first formed, convex upwards.
antimony	A metallic element.
arsenic	A metallic element.
arsenopyrite	A sulphide mineral with the formula FeAsS .
As	The chemical symbol for the element arsenic.
assay	The chemical determination of metal content in a sample.
attributes	Values in a bloc model representing grade, density and so on.
AusIMM	The Australasian Institute of Mining and Metallurgy.
basalt	An extrusive igneous rock, that is formed from lava, mainly consisting of the minerals feldspar, pyroxene and olivine.
beryl	A mineral with the formula $\text{Be}_3\text{Al}_2\text{Si}_6\text{O}_{18}$.
Bi	The chemical symbol for the element bismuth.
bismuth	A metallic element.
bismuthinite	A sulphide mineral with the formula Bi_2S_3 .
BFS	Bankable Feasibility Study.
block modelling	The estimation of grade within a volume of rock based on assay results and their statistical characteristics.
bulk density	Mass of a bulk material per unit volume, for example, tonnes per cubic metre.
CAPEX	Capital costs.
carbonate	A mineral containing carbon.
cassiterite	A tin bearing mineral with the formula SnO_2 .
chalcocite	A copper bearing sulphide mineral with the formula Cu_2S .
chalcopyrite	A copper bearing sulphide mineral with the formula CuFeS_2 .
chargeability	A measure of the ability of the ground to hold an electric charge.
chips	Fragments of rock acquired by mechanical methods.

chlorite	Group of common rock forming minerals that are aluminosilicates of magnesium and iron.
colluvial	Colluvium is a deposit of sediment derived by weathering from pre-existing rock and laid down at the base of a hill slope.
compositing	Combining of drill hole sample data to form a representative sample of the rock unit being tested.
concentrate	A finely ground product of a mineral containing a high percentage of a valuable metal.
conglomerate	A sedimentary rock consisting mainly of pebble to cobble sized fragments.
copper	A metallic element
core recovery	The percentage of the length of drill core recovered from an length interval of diamond drilling.
correlation	A statistical measure of the strength and direction of the association between two variables. In practice, correlation is measured from 1.0 (perfect positive correlation), to zero (no correlation), to -1.0 (perfect negative correlation).
covellite	A copper bearing mineral with the formula CuS.
craton	continental rock sequence
Cu	The chemical symbol for the element copper.
cut-off grade	The grade at which part of a deposit exceeds particular economic results based on particular assumptions.
deep lead	An alluvial deposit in an ancient river bed, buried beneath later layers of sediment or rock,
diamond drilling	A rotary method of drilling a hole that cuts a core of rock that is recovered from the hole in long cylinders, usually of diameter less than 100mm.
discretisation	A geostatistical method for determining the average grade of a block of material in a block model based on grades estimated at a regular grid of points inside the block.
dip	The angle at which a planar feature is declined from the horizontal, measured at right angle to the strike.
dolomite	A sedimentary rock consisting mainly of calcium-magnesium carbonate $\text{CaMg}(\text{CO}_3)_2$.
DTM	Digital Terrain Model – the digital shape of a topographic or geological feature.
EIS	Environmental Impact Statement
eluvial	A deposit of sediment derived by weathering from pre-existing rock in place.
en echelon	Parallel to sub-parallel features, separated but arranged in a overlapping or step-like pattern
epithermal	Deposits formed in and along fissures close to the surface from ascending hydrothermal solutions.
experimental variogram	A variogram calculated from assays of sample data.

fault	A break in the Earth's crust across which the rock on one side of the fault has been moved relative to the other side.
feed grade	The grade of material being fed to a processing operation.
felsic	Rocks that are high in silicon, sodium and potassium but low in iron.
ferberite	A tungsten bearing mineral with the formula FeWO_4 .
fissure	An extensive crack, break or fracture in a rock.
flotation	A method of separating finely ground minerals by them becoming attached to, or sinking through, an agitated bath of chemically treated aqueous bubbles.
flowsheet	the mineral processing pathway by which the economic minerals are liberated from the ore
F	The chemical symbol for fluorine.
fluorine	A non-metallic element,
fluorite	A mineral with the chemical formula CaF_2 .
fold belt	A large tract of country occupied by folded rocks.
footwall / hangingwall	the mass of rock below / above an ore body
gabbro	A coarse grained mafic intrusive rock.
galena	A lead bearing sulphide mineral with the formula PbS .
gangue	The non-valuable minerals in an ore or mineral deposit,
gold	A precious metallic element.
granite	A coarse grained felsic intrusive rock.
greisen	Granite altered by hydrothermal fluids and composed largely of quartz, mica and topaz and which may carry tourmaline, fluorite and rutile as accessory minerals.
IP survey	Induced Polarisation geophysical survey which records the capacitance and resistivity characteristics of rocks
iron	A metallic element.
histogram	A bar chart of the distribution of an attribute within regular ranges of value.
hydrothermal	A term to describe the fluids emanating from granite bodies and which are high temperature water solutions in which a variety of elements, compounds and gases may be dissolved.
ignimbrite	An igneous rock deposited from lava and volcanic ash
Indicated Mineral Resource	That part of a Mineral Resource for which quantity, grade and physical characteristics are estimated with sufficient confidence to support mine planning.
induced polarisation	A geophysical method that measures the Earth's capacity to hold an electric charge, measured over time. A direct current of electricity is fed into the ground and properties of the resultant electric field, including resistivity and chargeability, are measured.
Inferred Mineral Resource	That part of a Mineral Resource for which quantity and grade are estimated on the basis of limited geological evidence and sampling.

Internal Rate of Return	Internal Rate of Return is the discount rate at which the NPV of all future cash flows is equal to the initial investment, that is, the rate at which an investment breaks even.
IRR	Internal Rate of Return
JORC (2012)	Joint Ore Reserves Committee - Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. The 2012 (most current) edition.
lag	The separation distances used to calculate a variogram.
Lidar	Light Detection and Ranging (Lidar) is a remote sensing method that uses pulses of laser light from an airborne source to measure the distance from an airborne source to the surface of the Earth. A major advantage of Lidar is that it penetrates vegetation to allow collection of ground surface elevations.
limestone	A sedimentary rock consisting mostly of calcium carbonate CaCO_3 .
lithium	A metallic element.
lode	a volume of rock with elevated concentrations on target commodity
log histogram	A bar chart of the distribution of the logarithms of an attribute within regular ranges of value.
log-probability plot	Graphical plot of the cumulative probability of an attribute against the logarithms of the attribute.
LOM	life of mine
mafic	igneous rocks that are low in silicon and high in iron and magnesium
magnesium	A metallic element.
marginal cut-off grade	Cut-off grade for which the net value of the metal able to be recovered is equal to the cost of processing.
mean	Arithmetic average.
Measured Resource	is that part of a Mineral Resource for which quantity, grade, and physical characteristics are estimated with confidence sufficient to support detailed mine planning.
metamorphic rock	a rock that since original emplacement has undergone change due to heat and pressure
Mg	The chemical symbol for the element magnesium.
mica	An alumino-silicate rock forming mineral that forms in sheets.
Mineral Reserve	(In Australia, Ore Reserve) The economically mineable part of a Measured and/or Mineral Resource.
Mineral Resource	A concentration or occurrence of solid material of economic interest for which there is a reasonable prospect of eventual economic extraction (JORC Code 2012).
mineralogy	Pertaining to the mineral composition of a rock or ore.
Mo	The chemical symbol for molybdenum.
molybdenum	A metallic element.

NAF	Net Acid Forming – rock that produce acid during exposure to air and water.
native bismuth	Naturally occurring elemental bismuth.
Net Present Value	The current value of a series of future cash flows based on a specified discount rate.
NPV	Net Present Value
nugget effect	In many gold and tin deposits, the distribution of gold or cassiterite is not homogeneous but rather the gold or cassiterite is distributed as “nuggets”, that is, discrete grains or clusters of gold or cassiterite. If an experimental variogram does not appear to pass through the origin, as shown here, the variance extrapolated to zero lag is referred to as the nugget.
O	The chemical symbol for the element oxygen,
omni-directional	In all directions.
open-cut	A mine that is entirely on the surface of the Earth.
OPEX	operating costs
ordinary kriging	A method of estimating the grade at a point by averaging sample data surrounding the point at which grade is being estimated. OK takes into account (1) the distances from the point at which grade is being estimated to the points where sample data exists, (2) the distances between the points where sample data exists. and (3) the anisotropy of the grade distribution within the deposit.
ore body	An economically mineable body of mineralisation,
Ore Reserve	An ‘Ore Reserve’ is the economically mineable part of a Measured and/or Indicated Mineral Resource. It includes diluting materials and allowances for losses, which may occur when the material is mined or extracted.
PAF	Potentially Acid Forming – rock that may produce acid during exposure to air and water.
palaeoplacer	A placer deposit formed in the past but now buried beneath younger sediments or rocks.
paragenetic parameters	Concerning the chronological order of the crystallisation of minerals in a deposit.
percussion drilling	percussive method of drilling a hole that fragments rock which is recovered from the hole as rock chips.
Permian	A geological period, preceded by the Carboniferous and succeeded by the Triassic.
PFS	Pre-Feasibility Study
pilot plant	A pre-commercial production plant that is used to process mineralised material on a scale and operating manner that should allow development of a flowsheet appropriate to the material being tested.
placer	Deposit of sand and gravel containing valuable minerals.
pneumatolytic	Contact metamorphic effects of the rock being intruded by granite.

porphyrite	Intrusive igneous rocks containing coarse grained crystals in an otherwise fine grained groundmass.
portal	An entrance to an adit.
Probable Ore Reserve	The economically mineable part of an Indicated, and in some circumstances, a Measured Mineral Resource.
processing recovery	Percentage of an element or compound recovered during processing.
Proved Ore Reserve	The economically mineable part of a Measured Mineral Resource.
pyrite	Sulphide mineral with the formula FeS ₂ .
pyrrhotite	Slightly magnetic sulphide mineral with the formula FeS
quartz	Common rock forming mineral with the formula SiO ₂ .
Quaternary	Current geological period, preceded by Tertiary period.
range	The lag at which a variogram reaches a particular variance, including the total variance.
recovery	See core recovery and processing recovery in this glossary.
relative variogram	Variogram that makes allowance for high differences in grades of sample pairs.
resistance	Resistance is a measure of the opposition of a substance to the flow of an electric current. Resistance is measured in ohms.
resistivity	A measurement of the ability of the ground to pass an electric current.
reverse circulation	Method of percussion drilling where chips from the advance of the hole are brought to the surface through the inside of the drill rods used to drill the hole
rhyodacite	An extrusive felsic igneous rock.
ROM	Run-of mine, that is ore delivered directly from a mine.
ROM pad	An area of ground used to store ROM ore.
round	In underground mining, a round is the advance made by a single drill and blast operation in a tunnel or other development heading.
royalty	A payment made to someone for the mining of a particular substance.
S	The chemical symbol for the element sulphur.
sandstone	A sedimentary rock composed of sand-size grains, generally of quartz.
sericite	A White mica.
shear	an elongate geological feature indicating horizontal displacement of rock relative to each other
sheeted vein(s)	Closely spaced multiple veins arranged in parallel.
Silicate	A mineral containing silicon.
silicon	A metallic element
silver	A metallic element.

skarn	A rock formed nearly entirely of calcium (Ca) bearing silicate minerals derived from limestones and dolomites into which large amounts of silicon (Si), aluminium (Al), iron (Fe) and magnesium (Mg) have been introduced by hydrothermal fluids.
Sn	The chemical symbol for the element tin.
specific gravity	Ratio of density (mass per unit volume) of a substance compared to the mass per unit volume of water where the specific gravity of water is assumed to have a density of 1.0.
sphalerite	A zinc bearing sulphide mineral with the formula ZnS.
spherical model	A variogram model that features linear growth near the origin but reaches constant value at a certain range.
SSF	sulphide storage facility
stockwork	Concentrations of interpenetrating, generally small, veins,
strike	The direction (bearing) of an horizontal line along a planar feature.
sulphur	A non-metallic element.
sulphide	A mineral containing sulphur.
syncline	a concave flexure of a geological layer
Tertiary	A geological period preceding the Quaternary and succeeding the Cretaceous.
tetrahedrite	A copper, silver and antimony bearing mineral with the formula $(\text{Cu,Fe,Zn,Ag})_{12}\text{Sb}_4\text{S}_{13}$.
topaz	A mineral with the formula $\text{Al}_2\text{F}_2\text{SiO}_4$.
tourmaline	Group of minerals that are boro-silicates of aluminium, sodium, calcium, iron and magnesium.
Triassic	A geological period, preceded by the Permian and succeeded by the Jurassic
TSF	Tailings storage facility.
tungsten	A metallic mineral.
ultramafic	relating to igneous rocks composed of mafic minerals rich in magnesium and iron
μm	A micron, equivalent to one millionth of a meter.
VALMIN	Code and Guidelines for Technical Assessment and/or Valuation of Mineral and Petroleum Assets and Mineral and Petroleum Securities for Independent Expert Reports.
variance	For a set of numbers, the average of the squared differences of numbers from the mean. Variance is a measure of the spread of the numbers.
variogram	A variogram is a graph of the average difference in grade between points in a deposit plotted against the separation distance between the points. In practice, for historical reasons and to enable the use of ordinary kriging, the average of the squared differences is used.
variography	The practice of creating and modelling variograms.

vein	An occurrence of rock intruded into a larger rock mass, being more or less regular in length, thickness and depth but being narrow in width compared to the other dimensions, and with vein thickness ranging from millimetres to metres.
veinlet	Small vein.
W	Chemical symbol for the element tungsten.
wireframe	A three-dimensional digital model of a shape consisting of triangles.
wolframite	A tungsten-bearing mineral with the formula $(\text{Fe},\text{Mn})\text{WO}_4$.
zinc	A metallic element.
zinnwaldite	Lithium bearing mica.
zircon	Zirconium bearing mineral with the formula ZrSiO_4 .
zirconium	A metallic element.
Zn	The chemical symbol for the element zinc.
Zr	Chemical symbol for the element zirconium.

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