



PNX METALS LIMITED ABN 67 127 446 271



SCHEME BOOKLET

For a scheme of arrangement between PNX Metals Limited ACN 127 446 271 and PNX Shareholders in relation to the proposed acquisition of PNX Metals Limited by KIN Mining NL ACN 150 597 541 (to be renamed 'Patronus Resources Limited').

The Independent PNX Directors unanimously recommend¹ that PNX Shareholders VOTE IN FAVOUR of the Scheme, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of PNX Shareholders.

The Independent Expert has concluded that the Scheme is fair and reasonable and in the best interests of PNX Shareholders, in the absence of a Superior Proposal.

The Scheme Meeting will be held in person at 12:00pm ACST on 27 August 2024 at Level 3, 170 Frome Street Adelaide, South Australia, 5000.

This is an important document and requires your immediate attention. You should read it in full before deciding whether or not to vote in favour of the Scheme. If you are in doubt as to the course of action you should take, you should consult your broker or financial, tax, legal or other professional adviser.

If you require any further information or have questions in relation to the Scheme or this Scheme Booklet, please call the PNX information line on 1300 305 232 (within Australia) or +61 3 9415 4657 (outside Australia) between 8:00am and 4:30pm ACST Monday to Friday (excluding public holidays) or visit PNX's website at www.pnxmetals.com.au.

Financial Adviser



TAYLOR COLLISON

Australian Legal Adviser



PiperAlderman

¹ When considering this recommendation, you should note the interests that Mr Graham Ascough (Executive Chairman) and Mr James Fox (Technical Director) have in the outcome of the Scheme as detailed in section 3.2 on page 40.

Important Notices

General

This Scheme Booklet is important and requires your immediate attention. You should carefully read this Scheme Booklet in full before making a decision as to how to vote at the Scheme Meeting.

Defined terms and interpretation

Capitalised terms, acronyms and abbreviations used in this Scheme Booklet are defined in section 11 on page 143. If a word or phrase is defined, its other grammatical forms have a corresponding meaning. Headings do not affect interpretation.

Unless stated otherwise, all references to “dollars”, “\$” or “¢” are references to the lawful currency of Australia and all references to sections, figures, tables, schedules or annexures are to sections, figures, tables, schedules and annexures of this Scheme Booklet.

Purpose of this Scheme Booklet

The purpose of this Scheme Booklet is to explain the terms of the Scheme between PNX and PNX Shareholders, the effect of the Scheme on PNX Shareholders and, if the Scheme is approved, how it will be implemented.

This Scheme Booklet includes the explanatory statement for the Scheme required by section 412(1) of the Corporations Act.

Important notice associated with a Court order under subsection 411(1) of the Corporations Act

The fact that the Court has ordered that a meeting be convened pursuant to subsection 411(1) of the Corporations Act and has approved this Scheme Booklet required to accompany the notice of the meeting convening the Scheme Meeting does not mean that the Court:

- has formed any view as to the merits of the proposed Scheme or as to how PNX Shareholders should vote (on this matter, PNX Shareholders must reach their own decision); or
- has prepared, or is responsible for, the content of the Scheme Booklet.

Investment decision

This Scheme Booklet is intended for PNX Shareholders and has been prepared without reference to the individual investment objectives, financial situation, taxation situation or particular needs of any PNX Shareholder or any other person.

The information contained in this Scheme Booklet does not constitute, and should not be taken as, financial product advice. This Scheme Booklet should not be relied upon as

the sole basis for any investment decision in relation to PNX Shares, KIN Shares or any other securities.

PNX Shareholders should have regard to the potential risks if the Scheme is not implemented as summarised in section 7.5 on page 113 and the views of the Independent Expert in the Independent Expert’s Report set out in Annexure E.

PNX Shareholders should seek independent legal, financial and taxation advice before making any investment decision and any decision as to how to vote at the Scheme Meeting.

Notice of Scheme Meeting

The notice of Scheme Meeting is set out in Annexure C.

Notice of the Second Court Hearing

At the Second Court Hearing, the Court will consider whether to approve the Scheme following the vote at the Scheme Meeting.

Any PNX Shareholder may appear at the Second Court Hearing, which is expected to be held at 10:00am AWST on 30 August 2024 at the Supreme Court of Western Australia at Level 11, David Malcolm Justice Centre, 28 Barrack Street, Perth, Western Australia, 6000.

PNX Shareholders who wish to oppose the approval of the Scheme at the Second Court Hearing may do so by filing with the Court and serving on PNX a notice of appearance in the prescribed form, together with any affidavit on which the PNX Shareholder proposes to rely upon.

Role of ASIC

A copy of this Scheme Booklet has been registered by ASIC for the purposes of section 412(6) of the Corporations Act. ASIC has had the opportunity to comment on this Scheme Booklet in accordance with section 411(2) of the Corporations Act. Neither ASIC nor any of its officers take any responsibility for the contents of this Scheme Booklet.

ASIC has been requested to provide a statement, in accordance with section 411(17)(b) of the Corporations Act, that it has no objection to the Scheme. If ASIC provides that statement, it will be produced to the Court at the Second Court Hearing.

Role of the ASX

A copy of this Scheme Booklet has been provided to the ASX. Neither the ASX nor any of its officers take any responsibility for the contents of this Scheme Booklet.

Forward looking statements

Certain statements in this Scheme Booklet relate to the future (**forward looking statements**). Such forward looking statements that relate to the Merged Group and the transactions contemplated by the Scheme Implementation Deed are not based on historical facts, but rather reflect the

current views and expectations of PNX or, in relation to the KIN Information, KIN, concerning future events and circumstances. Forward looking statements may generally be identified by the use of forward looking verbs such as "aim", "anticipate", "believe", "estimate", "expect", "foresee", "intend" or "plan", qualifiers such as "may", "should", "likely" or "potential", or similar words. Similarly, statements that describe the expectations, goals, objectives, plans, targets, estimates of Mineral Resources, estimates of production and guidance and future costs of PNX, KIN or the Merged Group are, or may be, forward looking statements.

Forward looking statements involve known and unknown risks, uncertainties, assumptions and other important factors that could cause the actual results, performances or achievements of PNX, KIN or the Merged Group to be materially different from future results, performances or achievements expressed or implied by such statements. Certain important factors that could cause actual results, performances or achievements to differ materially from those in the forward looking statements include, among other things, the price of commodities, anticipated costs and the ability to achieve goals. Such risks, uncertainties and other important factors include, among other things, the matters described in section 7 on page 105.

The forward looking statements in this Scheme Booklet reflect the views and expectations held only at the Last Practicable Date. PNX believes that all forward looking statements included in the PNX Information have been made on a reasonable basis.

Subject to the continuing obligations under the ASX Listing Rules or the Corporations Act, PNX, KIN and their respective directors disclaim any obligation or undertaking to revise or update, after the Last Practicable Date, any forward looking statements to reflect any change in the views, assumptions or expectations or any change in events, conditions or circumstances on which any such statement is based.

You should note that the historical performance of PNX and KIN is no assurance of their or the Merged Group's future financial performance. None of PNX, KIN, PNX's officers, KIN's officers, any persons named in this Scheme Booklet with their consent or any person involved in the preparation of this Scheme Booklet makes any representation or warranty (express or implied) as to the likelihood of fulfilment of any statement about the future, or any events or results expressed or implied in any statement about the future, except to the extent required by law. You are cautioned not to place undue reliance on any statement about the future.

Responsibility for information

PNX has prepared, and is responsible for, the PNX Information, including the PNX Historical Financial Information and information as to the attitudes and decisions of the PNX Board and the PNX IBC. Neither KIN nor its subsidiaries, directors, officers, employees or advisers assume any responsibility for the accuracy or completeness of such information.

KIN has prepared, and is responsible for, the KIN Information, including the KIN Historical Financial Information, the Merged Group Pro Forma Financial Information (excluding notes 3, 6, 7 and 8 to the Merged Group Pro Forma Financial Information) and information as to the attitudes and decisions of the KIN Board and the KIN IBC. Neither PNX nor its subsidiaries, directors, officers, employees or advisers assume any responsibility for the accuracy or completeness of such information.

Grant Thornton has prepared, and is responsible for, the Independent Expert's Report set out in Annexure E. Neither PNX, KIN nor their respective subsidiaries, directors, officers, employees or advisers (other than Grant Thornton) assume any responsibility for the accuracy or completeness of the information contained in the Independent Expert's Report, except in relation to the information given to Grant Thornton by them respectively.

VRM has prepared, and is responsible for, the Independent Technical Report set out in Appendix H of the Independent Expert's Report. Neither PNX, KIN nor their respective subsidiaries, directors, officers, employees or advisers (other than VRM) assume any responsibility for the accuracy or completeness of the information contained in the Independent Technical Report, except in relation to the information given to VRM by them respectively.

HLB Mann Judd has prepared, and is responsible for, the information set out in section 8 on page 120 (other than section 8.7). Neither PNX, KIN nor their respective subsidiaries, directors, officers, employees or advisers (other than HLB Mann Judd) assume any responsibility for the accuracy or completeness of the information contained in section 8 (other than KIN in relation to section 8.7), except in relation to the information given to HLB Mann Judd by them respectively.

Implied Value

The Scheme Consideration consists of KIN Shares. Any reference to the Implied Value of the Scheme Consideration should not be taken as an indication that the Implied Value is fixed. The Implied Value of the Scheme Consideration will vary with the market price of KIN Shares.

If you are an Ineligible Foreign Shareholder, this also applies to the KIN Shares which will be issued to the Sale Agent and sold on the ASX by the Sale Agent. Any cash

remitted to you from the net proceeds of such sales will depend on the market price of KIN Shares at the time of sale by the Sale Agent. Please see section 3.5 on page 42 for further information.

Tax implications

If the Scheme is implemented, there will be tax consequences for PNX Shareholders which may include tax being payable on any gain on the disposal of KIN Shares. Section 8 on page 120 contains general information regarding Australian tax consequences of the Scheme and the potential availability of CGT rollover relief.

The tax treatment may vary depending on the nature and characteristics of each PNX Shareholder and their specific tax situation. PNX Shareholders should seek professional tax advice in relation to their own circumstances.

PNX Shareholders resident outside Australia for tax purposes should also seek specific taxation advice in relation to the Australian and overseas taxation implications of their participation in the Scheme.

Ineligible Foreign Shareholders

Ineligible Foreign Shareholders will not be entitled to receive KIN Shares as the Scheme Consideration. Ineligible Foreign Shareholders should refer to section 3.5 on page 42 for further details.

A PNX Shareholder will be classified as an Ineligible Foreign Shareholder if their address in the PNX Share Register is located in a place outside Australia, the British Virgin Islands, France, Germany, Luxembourg, New Zealand, Panama, Singapore, Switzerland or the United Arab Emirates.

This Scheme Booklet may not be released or distributed in the United States of America (**United States**). This Scheme Booklet does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. Any securities described in this Scheme Booklet have not been, and will not be, registered under the United States' Securities Act of 1933 and may not be offered or sold in the United States except in transactions exempt from, or not subject to, registration under the United States' Securities Act of 1933 and applicable United States' state securities laws. Nominees may not accept KIN Shares on behalf of persons in the United States.

Foreign Jurisdictions

The release, publication or distribution of this Scheme Booklet in jurisdictions other than Australia may be restricted by law or regulation in such other jurisdictions, and persons outside of Australia who come into possession of this Scheme Booklet should seek advice on and observe any such restrictions. Any failure to comply with such

restrictions may constitute a violation of applicable laws or regulations.

The Scheme Booklet has been prepared in accordance with Australian law and is subject to Australian disclosure requirements. The information contained in this Scheme Booklet may not be the same as that which would have been disclosed if this Scheme Booklet had been prepared in accordance with the laws and regulations of a jurisdiction outside of Australia. The PNX Historical Financial Information, KIN Historical Financial Information and Merged Group Pro Forma Financial Information set out in this Scheme Booklet has been prepared in accordance with Australian Accounting Standards and is presented in an abbreviated form and does not contain all the disclosures that are usually provided in an annual report prepared in accordance with the Corporations Act.

PNX Shareholders who are nominees, trustees or custodians are encouraged to seek independent advice as to how they should proceed.

No action has been taken to register or qualify the KIN Shares or otherwise permit a public offer of such securities in any jurisdiction outside Australia.

Based on the information available to PNX, PNX Shareholders whose addresses are shown in the PNX Share Register on the Scheme Record Date as being in the following jurisdictions will be entitled to receive the Scheme Booklet and have KIN Shares issued to them under the Scheme subject to any qualifications set out below in respect of that jurisdiction:

- Australia;
- British Virgin Islands;
- France, where the PNX Shareholder is a "qualified investor" (as defined in Article 21 of the Regulation (EU) 2017/1129 of the European Parliament and the Council of the European Union (**Prospectus Regulation**)) or, solely with respect to the issuance of KIN Shares upon completion of the Scheme, the number of other PNX Shareholders is less than 150;
- Germany, where the PNX Shareholder is a "qualified investor" (as defined in Article(e) of the Prospectus Regulation) or the number of other PNX Shareholders located in Germany (other than "qualified investors") is less than 150;
- Luxembourg, where the PNX Shareholder is a "qualified investor" (as defined in Article 2(e) of the Prospectus Regulation) or the number of other PNX Shareholders located in Luxembourg (other than "qualified investors") is less than 150;
- New Zealand;

- Panama, where the number of PNX Shareholders is less than 10;
- Singapore;
- Switzerland; and
- United Arab Emirates, to all PNX Shareholders outside the financial zones and to less than 50 persons who are PNX Shareholders in each of the Abu Dhabi Global Market and Dubai International Financial Centre.

Nominees and custodians who hold PNX Shares on behalf of a beneficial owner resident outside Australia, the British Virgin Islands, Singapore, Switzerland and the United Arab Emirates (excluding financial zones) may not forward this Scheme Booklet (or any accompanying document) to anyone outside these countries without the consent of PNX. Nominees and custodians may forward the Scheme Booklet to any beneficial shareholder in France, Germany or Luxembourg who is a “qualified investor” (as defined in Article 2(e) of the Prospectus Regulation).

New Zealand

This Scheme Booklet has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority in accordance with the *Financial Markets Conduct Act 2013* (New Zealand). This Scheme Booklet is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain. KIN Shares issued under the Scheme are being issued to existing PNX Shareholders with registered addresses in New Zealand in reliance on the *Financial Markets Conduct (Incidental Offers) Exemption Notice 2021* (New Zealand).

British Virgin Islands

The KIN Shares may not be offered in the British Virgin Islands unless KIN or the person offering the KIN Shares on its behalf is licensed to carry on business in the British Virgin Islands. Given they will not be so licensed, the KIN Shares may be offered only to existing PNX Shareholders in the British Virgin Islands from outside the British Virgin Islands.

European Union (France, Germany and Luxembourg)

This Scheme Booklet is not a prospectus under Regulation (EU) 2017/1129 of the European Parliament and the Council of the European Union (**Prospectus Regulation**). Therefore, the Scheme Booklet has not been, and will not be, registered with or approved by any securities regulator in the European Union. Accordingly, this Scheme Booklet may not be made available, nor may the KIN Shares be offered for sale or exchange, in the European Union except

in circumstances that do not require the obligation to publish a prospectus under the Prospectus Regulation.

In accordance with Article 1(4) of the Prospectus Regulation, an offer of KIN Shares in France, Germany and Luxembourg is limited:

- to persons who are “qualified investors” (as defined Article 2(e) of the Prospectus Regulation);
- to fewer than 150 other natural or legal persons (excluding France); or
- in any other circumstance falling within Article 1(4) of the Prospectus Regulation.

Panama

The KIN Shares have not been registered with, and are not under the supervision of, the Panama Superintendent of the Securities Market. KIN is offering the KIN Shares in Panama only to PNX Shareholders with a registered address in Panama. The KIN Shares are not being offered to the public in Panama.

Singapore

This Scheme Booklet and any other document relating to the Scheme have not been, and will not be, registered as a prospectus with the Monetary Authority of Singapore and the Scheme is not regulated by any financial supervisory authority in Singapore. Accordingly, statutory liabilities in connection with the contents of prospectuses under the Securities and Futures Act 2001 (**SFA**) will not apply.

This Scheme Booklet and any other document relating to the Scheme may not be made the subject of an invitation for subscription, purchase or receipt, whether directly or indirectly, to persons in Singapore except pursuant to exemptions in Subdivision (4) Division 1, Part 13 of the SFA, including the exemption under section 273(1)(c) of the SFA, or otherwise pursuant to, and in accordance with the conditions of, any other applicable provisions of the SFA.

Any offer is not made to you with a view to KIN Shares being subsequently offered for sale to any other party in Singapore. You are advised to acquaint yourself with the SFA provisions relating to on-sale restrictions in Singapore and comply accordingly.

This Scheme Booklet is being furnished to you on a confidential basis and solely for your information and may not be reproduced, disclosed, or distributed to any other person. Any investment referred to in this Scheme Booklet may not be suitable for you and it is recommended that you consult an independent investment adviser if you are in doubt about such investment.

Neither PNX nor KIN is in the business of dealing in securities or holds itself out, or purports to hold itself out, to be doing so. As such, PNX and KIN are neither licensed nor

exempted from dealing in securities or carrying out any other regulated activities under the SFA or any other applicable legislation in Singapore.

Switzerland

The KIN Shares may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange or on any other stock exchange or regulated trading facility in Switzerland. Neither this Scheme Booklet nor any other offering material relating to the KIN Shares constitutes a prospectus or a similar notice as such terms are understood pursuant to art. 35 of the Swiss Financial Services Act or the listing rules of any stock exchange or regulated trading facility in Switzerland. Neither this Scheme Booklet nor any other offering material relating to the KIN Shares may be publicly distributed or otherwise made publicly available in Switzerland.

Neither this Scheme Booklet nor any other offering material relating to the KIN Shares have been, or will be, filed with or approved by any Swiss regulatory authority or authorized review body. In particular, this Scheme Booklet will not be filed with, and the offer of KIN Shares will not be supervised by, the Swiss Financial Market Supervisory Authority.

This Scheme Booklet may be distributed in Switzerland only to existing PNX Shareholders and is not for general circulation in Switzerland.

United Arab Emirates

The Scheme Booklet does not constitute a public offer of securities in the United Arab Emirates (**UAE**) and the KIN Shares may not be offered or sold, directly or indirectly, to the public in the UAE. Neither the Scheme Booklet nor the KIN Shares have been approved by the Securities and Commodities Authority or any other authority in the UAE.

The Scheme Booklet may be distributed in the UAE only to existing PNX Shareholders and may not be provided to any person other than the original recipient. Information about the Scheme may be found in the Scheme Booklet, which is available on PNX's website. If a recipient of the Scheme Booklet ceases to be a PNX Shareholder at the time of subscription, then such person should discard the Scheme Booklet and may not participate in the Scheme.

No marketing of the KIN Shares has been, or will be, made from within the UAE other than in compliance with the laws of the UAE and no subscription for any securities may be consummated within the UAE (excluding the Dubai International Financial Centre and the Abu Dhabi Global Market).

In the Abu Dhabi Global Market and the Dubai International Financial Centre, the KIN Shares may be offered, and this Scheme Booklet may be distributed, only to existing PNX Shareholders as an "Exempt Scheme", as defined and in

compliance with the market rules issued by the regulatory authorities in these financial zones. No regulatory authority has approved this Scheme Booklet nor taken any steps to verify the information set out in it.

Privacy

PNX will need to collect personal information about you to implement the Scheme. The personal information may include the names, contact details and details of your holdings in PNX securities, together with the names and contact details of individuals appointed by PNX Shareholders to act as proxies, attorneys or corporate representatives to vote at the Scheme Meeting. The collection of some of this information is required or authorised by the Corporations Act.

If, as a result of the implementation of the Scheme, PNX Shareholders become KIN Shareholders, this information will be used by KIN and the KIN Share Registry to service your needs as a KIN Shareholder, including the distribution of corporate communications to you.

The information may be also disclosed, to the extent necessary to implement the Scheme, to persons inspecting the KIN Share Register, bidders for your KIN Shares in the context of takeovers, regulatory bodies (including the Australian Taxation Office), authorised securities brokers, print and mail service providers, professional advisers and other service providers of PNX and/or KIN and otherwise to the extent required or allowed by law.

PNX Shareholders who appoint an individual as their proxy, attorney or corporate representative to vote at the Scheme Meeting should inform that individual of the matters outlined above.

Entitlement to inspect the PNX Share Register

PNX Shareholders have the right to inspect the PNX Share Register which contains the name and address of each PNX Shareholder and certain other prescribed details relating to PNX Shareholders, without charge.

Charts, Maps and Diagrams

Any diagrams, charts, maps, graphs or tables appearing in this Scheme Booklet are illustrative only and may not be drawn to scale. Unless stated otherwise, all data contained in diagrams, charts, maps, graphs and tables appearing in this Scheme Booklet is based on information available as at the Last Practicable Date.

Effect of Rounding

Unless otherwise stated, a number of figures, amounts, percentages, prices, estimates, calculations of value and fractions in this Scheme Booklet are subject to the effect of

rounding. Accordingly, the actual calculation of figures, amounts, percentages, prices, estimates, calculations of value and fractions may differ from the figures, amounts, percentages, prices, estimates, calculations of value and fractions set out in this Scheme Booklet. Any discrepancies between totals in tables or financial information, or in calculations, graphs or charts are due to rounding.

References to Times and Dates

Unless otherwise stated, all times referred to in this Scheme Booklet are references to Australian Western Standard Time. All dates following the Scheme Meeting referred to in this Scheme Booklet are indicative only and are subject to the satisfaction or waiver of the conditions precedent to the Scheme set out in section 3.7 on page 43.

Exploration Results and Mineral Resources

Unless otherwise stated, the information concerning, and capitalised terms and acronyms used in relation to, Exploration Results and Mineral Resources contained in this Scheme Booklet has been prepared and is disclosed in accordance with the JORC Code, and is presented on a 100% ownership basis irrespective of the percentage interest in the relevant asset held by PNX or KIN (as applicable).

External Websites

Unless otherwise stated, the content of the websites of PNX and KIN do not form part of this Scheme Booklet and PNX Shareholders should not rely upon such content.

Competent Person statements

Please see section 10.11 on page 139 for the Competent Person statements and other disclosures required under the ASX Listing Rules in respect of the Exploration Results and Mineral Resources contained in this Scheme Booklet.

Date of this Scheme Booklet

This Scheme Booklet is dated 17 July 2024.

Reasons to vote in favour of the Scheme

- ✓ The Independent PNX Directors unanimously recommend that PNX Shareholders vote in favour of the Scheme, in the absence of a Superior Proposal²
- ✓ The Independent Expert has concluded that the Scheme is fair and reasonable and in the best interests of PNX Shareholders, in the absence of a Superior Proposal
- ✓ The Scheme creates a complementary portfolio of diversified assets in tier 1 jurisdictions across Australia
- ✓ The Merged Group will benefit from a strong balance sheet offering compelling value and an exceptional platform for growth
- ✓ PNX requires capital and the Scheme alleviates the requirement of an immediate and dilutive equity capital raise
- ✓ The Merged Group will have a highly experienced board and management team with a proven track record
- ✓ The Implied Value of the Scheme Consideration represents a premium to historical and undisturbed PNX Share prices
- ✓ The PNX Share price may fall if the Scheme is not implemented and there is no Superior Proposal
- ✓ No Superior Proposal has emerged since the Scheme Announcement Date

Reasons why you may choose to vote against the Scheme

- ✗ You may disagree with the Independent PNX Directors' unanimous recommendation
- ✗ You may disagree with the conclusion in the Independent Expert's Report and believe that the Scheme is not in your best interests
- ✗ The value of the Scheme Consideration is not fixed and will depend on the price at which KIN Shares trade after the Implementation Date
- ✗ You will no longer be able to participate exclusively in the future financial performance and possible growth of PNX's business
- ✗ The tax implications of the Scheme may not be suitable to your financial circumstances or position
- ✗ You may consider that there is the potential for a Superior Proposal to emerge in the foreseeable future
- ✗ You may prefer to maintain your current investment and risk profile

² When considering this recommendation, you should note that Mr Graham Ascough (Non-Executive Chairman) and his Associates have a relevant interest in 21,498,192 PNX Shares, Mr James Fox (Technical Director) and his Associates have an interest in 12,000,000 PNX Shares and 30,800,000 PNX Performance Rights (which, subject to the Scheme becoming Effective, are expected to be cancelled in consideration for a cash payment by KIN of \$60,025.18) and, subject to the Scheme becoming Effective, Mr Ascough will be appointed to the KIN Board on or before the Implementation Date and will be entitled to receive \$50,123 (incl. statutory superannuation) per annum for the performance of his role as a KIN Director. Please see section 3.2 on page 40 for more information regarding the interests of PNX Directors.

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Letter from the Chairman of PNX Metals Limited

Dear PNX Shareholders

On behalf of the PNX Board of Directors (**PNX Board**), I am very pleased to provide you with this Scheme Booklet which details important information for your consideration about the proposed merger between PNX Metals Limited (**PNX**) and KIN Mining NL (**KIN**), an ASX-listed minerals exploration company based in Western Australia.

On 15 February 2024, PNX announced that it had received an unsolicited, non-binding, indicative and incomplete proposal in relation to a potential merger from KIN (**NBIO**). On receiving the NBIO, PNX immediately established an independent sub-committee of the PNX Board (**PNX IBC**), comprising Graham Ascough, James Fox and Hans-Jörg Schmidt (each an **Independent PNX Director**), to consider and respond to the NBIO and to prepare for and implement any resulting transaction or alternative transaction, should an alternative proposal be received.

Subsequently, on 15 April 2024, PNX and KIN jointly announced that they had entered into a scheme implementation deed under which KIN would, subject to various conditions, acquire all of the fully paid ordinary shares in PNX (**PNX Shares**) by way of a scheme of arrangement (**Scheme**).

Under the Scheme, PNX Shareholders (other than Ineligible Foreign Shareholders) will receive one (1) KIN Share for every thirteen (13) PNX Shares held as at the Scheme Record Date (**Scheme Consideration**). Ineligible Foreign Shareholders will receive the net proceeds of the sale of the Scheme Consideration to which they would have otherwise been entitled to receive.

As at the Last Practicable Date, the implied value of the Scheme Consideration is 0.444¢ per PNX Share (based on the five-day VWAP³ of KIN Shares up to and including 10 July 2024, being the Last Practicable Date) (**Implied Value**).

Independent PNX Directors' Recommendation

After considering the advantages and disadvantages of the Scheme, the Independent PNX Directors confirm that they unanimously believe the Scheme to be in the best interests of PNX Shareholders. As such, **the Independent PNX Directors unanimously recommend the Scheme to PNX Shareholders and recommend that PNX Shareholders vote in favour of the Scheme Resolution at the Scheme Meeting**, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of PNX Shareholders.⁴

Subject to those same qualifications, each Independent PNX Director intends to vote, or cause to be voted, all PNX Shares in which they hold or control in favour of the Scheme Resolution at the Scheme Meeting.

The reasons for the Independent PNX Directors' unanimous recommendation are based on a number of factors, as detailed in section 1.1 on page 19 of this Scheme Booklet. These include:

- ✓ The Independent Expert has concluded that the Scheme is fair and reasonable and in the best interests of PNX Shareholders, in the absence of a Superior Proposal.

³ The five-day VWAP of KIN Shares up to and including the Last Practicable Date was 5.768¢.

⁴ When considering this recommendation, you should note that Mr Graham Ascough (Non-Executive Chairman) and his Associates have a relevant interest in 21,498,192 PNX Shares, Mr James Fox (Technical Director) and his Associates have an interest in 12,000,000 PNX Shares and 30,800,000 PNX Performance Rights (which, subject to the Scheme becoming Effective, are expected to be cancelled in consideration for a cash payment by KIN of \$60,025.18) and, subject to the Scheme becoming Effective, Mr Ascough will be appointed to the KIN Board on or before the Implementation Date and will be entitled to receive \$50,123 (incl. statutory superannuation) per annum for the performance of his role as a KIN Director. Please see section on page section 3.2 on page 40 for more information regarding the interests of PNX Directors.

- ✓ The Scheme creates a complementary portfolio of diversified assets in tier 1 jurisdictions across Australia.
- ✓ The Merged Group will benefit from a strong balance sheet offering compelling value and an exceptional platform for growth.
- ✓ PNX requires capital and the Scheme alleviates the requirement of an immediate and dilutive equity capital raise.
- ✓ The Merged Group will have a highly experienced board and management team with a proven track record.
- ✓ The Implied Value of the Scheme Consideration represents a premium to historical and undisturbed PNX Share prices.
- ✓ The PNX Share price may fall if the Scheme is not implemented and there is no Superior Proposal.
- ✓ No Superior Proposal has emerged since the Scheme Announcement Date.

As detailed in section 1.2 on page 25 of this Scheme Booklet, there are also reasons why you may choose to vote against the Scheme. These include:

- ✗ You may disagree with the Independent PNX Directors' unanimous recommendation.
- ✗ You may disagree with the conclusion in the Independent Expert's Report and believe that the Scheme is not in your best interests.
- ✗ The value of the Scheme Consideration is not fixed and will depend on the price at which KIN Shares trade after the Implementation Date.
- ✗ You will no longer be able to participate exclusively in the future financial performance and possible growth of PNX's business.
- ✗ The tax implications of the Scheme may not be suitable to your financial circumstances or position.
- ✗ You may consider that there is the potential for a Superior Proposal to emerge in the foreseeable future.
- ✗ You may prefer to maintain your current investment and risk profile.

Independent Expert's conclusion regarding the Scheme

The Independent PNX Directors commissioned Grant Thornton (**Independent Expert**) to provide an Independent Expert's Report in relation to the Scheme.

The Independent Expert has estimated the fair value of a PNX Share, on a control basis, to be between 0.401¢ and 0.620¢ per PNX Share.

The Independent Expert has estimated the fair value of a KIN Share to be between 6.500¢ and 7.000¢ per KIN Share, implying the fair value of the Scheme Consideration, being one (1) KIN Share for every thirteen (13) PNX Shares, to be in the range of 0.500¢ to 0.538¢ per PNX Share.

Therefore, the Independent Expert has assessed the Scheme Consideration to be fair and has concluded that the Scheme is fair and reasonable and in the best interests of PNX Shareholders, in the absence of a Superior Proposal.

The Independent Expert's Report is set out in Annexure E of this Scheme Booklet.

Scheme Meeting

The Scheme Meeting is scheduled to be held in person at 12:00pm ACST on 27 August 2024 at Level 3, 170 Frome Street Adelaide, South Australia, 5000. You may vote on the Scheme Resolution by attending the Scheme Meeting in person or by appointing a proxy, attorney or corporate representative to attend the Scheme Meeting and vote on your behalf.

Subject to a number of conditions, the Scheme will be implemented if it is approved by the Requisite Majorities, being:

- a majority in number (more than 50%) of PNX Shareholders present and voting at the Scheme Meeting (either in person or by proxy, attorney or corporate representative), unless the Court orders otherwise; and
- at least 75% of the total number of votes cast on the Scheme Resolution at the Scheme Meeting by PNX Shareholders (either in person or by proxy, attorney or corporate representative).

If you do not wish to or are unable to attend the Scheme Meeting in person, I encourage you to vote on the Scheme Resolution in accordance with the instructions contained in the personalised proxy form accompanying this Scheme Booklet so that your vote is received no later than 12:00pm ACST on 25 August 2024.

Your vote is important in determining whether or not the Scheme is implemented.

PNX Shareholders, authorised proxies, attorneys and corporate representatives will be able to ask questions and vote on the Scheme Resolution during the Scheme Meeting. Please monitor PNX's website and ASX announcements where updates will be provided if it becomes necessary or appropriate to make alternative arrangements for the holding or conduct of the Scheme Meeting.

If the Scheme becomes Effective and you remain a PNX Shareholder as at the Scheme Record Date, you will receive one (1) KIN Share for every thirteen (13) PNX Shares held (unless you are an Ineligible Foreign Shareholder in which case you will receive the net proceeds from the sale of the KIN Shares which you would have otherwise been entitled to receive). On the Implementation Date, KIN will issue the Scheme Consideration to eligible PNX Shareholders.

KIN Shareholder Approval

As detailed in section 9.1 on page 126 of this Scheme Booklet, implementation of the Scheme is subject to a number of conditions, including receipt of KIN Shareholder approval at a general meeting of KIN Shareholders which is anticipated to be held on or about the date of the Scheme Meeting. The date of that meeting will be announced to the ASX once confirmed. PNX Shareholders do not need to take any action in relation to this KIN Shareholder approval (except in their capacity as a KIN Shareholder, if applicable).

Further Information

This Scheme Booklet sets out important information relating to the Scheme, including the reasons for the Independent PNX Directors' unanimous recommendation and the Independent Expert's Report. I encourage you to carefully read this Scheme Booklet in full. You should also seek independent financial, tax, legal or other professional advice before making an investment decision in relation to your PNX Shares.

If you have any questions regarding the Scheme or this Scheme Booklet, please contact the PNX information line on 1300 305 232 (within Australia) or +61 3 9415 4657 (outside Australia) between 8:00am and 4:30pm ACST Monday to Friday (excluding public holidays).

On behalf of the PNX Board, I thank you for your ongoing support and I look forward to your participation at the Scheme Meeting.

Yours sincerely



Graham Ascough
Executive Chairman
PNX Metals Limited

Letter from the IBC of KIN Mining NL

Dear PNX Shareholders

On behalf of the KIN IBC, we are pleased to provide you with the opportunity to participate in the Scheme which will see the creation of a stronger, larger and more diversified company. We believe the Scheme Consideration, and the strategic rationale for the combination of KIN and PNX, is compelling to PNX Shareholders.

The Merged Group is expected to realise strategic benefits through the combination of complementary assets. The Merged Group will hold a diversified portfolio of quality mineral assets in tier 1 jurisdictions across Australia hosting total Mineral Resources in excess of 1.4 Moz gold, 16.2 Moz silver and 177 kt zinc.⁵

With \$85.0 million in cash and liquid investments as at the Last Practicable Date,⁶ the Merged Group will be funded to take advantage of:

- significant gold Mineral Resource in the Leonora region and potential for high-grade gold discoveries and project expansion through the recent VHMS discoveries;
- two lots of district-scale gold and base metal potential via an extensive portfolio of 1,500 km² of granted mineral leases and exploration licences;
- near-term opportunities to advance the Pine Creek development projects with key environmental approvals granted for the Fountain Head Project and technical studies well advanced for the Hayes Creek Project; and
- significant grade and resource upside potential in one of the world's largest and richest uranium provinces.

We are optimistic that the combination of KIN and PNX into the Merged Group will benefit all stakeholders and will add value for PNX Shareholders.

When considering whether to vote in favour the Scheme, PNX Shareholders should have regard to the risks of the Scheme set out in section 7.2 on pages 105 to 107 and the risks of the Merged Group set out in sections 7.3 and 7.4 on pages 108 to 113.

This Scheme Booklet provides detailed information about the Scheme, including the reasons for PNX Shareholders to vote in favour of, or against, the Scheme, and the risks of holding shares in the Merged Group. PNX Shareholders are encouraged to read this Scheme Booklet carefully.

It is our pleasure to invite you to participate in this opportunity and we look forward to your vote in favour of the Scheme at the Scheme Meeting. Assuming the Scheme is approved and successfully implemented, we also look forward to welcoming you as a securityholder of the Merged Group.

Yours sincerely



Nicholas Anderson & Giuseppe (Joe) Graziano
Independent Board Committee
KIN Mining NL

⁵ Further information about KIN and PNX's Mineral Resources, which underpin these figures, is set out in sections 4.3, 5.5 and Schedule 1.

⁶ Calculated based on the cash position of PNX of \$0.70m, the market value of KIN's Genesis Shares of \$17.82m and KIN's cash and cash equivalents position of \$66.53m as at the Last Practicable Date.

Important Dates

Event	Time and Date
Last Practicable Date	10 July 2024
Date of this Scheme Booklet	17 July 2024
Receipt of proxy forms Latest time and date for receipt of proxy forms or powers of attorney for the Scheme Meeting.	12:00pm ACST on 25 August 2024
Eligibility to vote at the Scheme Meeting Time and date for determining eligibility to vote at the Scheme Meeting.	5:00pm ACST on 25 August 2024
Scheme Meeting	12:00pm ACST on 27 August 2024
If the Scheme is approved by the Requisite Majorities of PNX Shareholders at the Scheme Meeting:	
Second Court Date Court hearing to approve the Scheme.	10:00am AWST on 30 August 2024
Effective Date Court order lodged with ASIC.	2 September 2024
Last day of trading in PNX Shares on the ASX PNX Shares suspended from trading on the ASX as at close of trading.	2 September 2024
Deferred settlement trading commences Trading in new KIN Shares on a deferred settlement basis commences.	3 September 2024
Scheme Record Date Time and date for determining entitlement to the Scheme Consideration.	5:00pm AWST on 4 September 2024
Implementation Date Issue of the Scheme Consideration and the transfer of all PNX Shares to KIN.	11 September 2024
Holding statements for KIN Shares Holding statements for KIN Shares dispatched.	11 September 2024
PNX delisted from the ASX Removal of PNX from the official list of the ASX.	12 September 2024

All times and dates following the date of the Scheme Meeting are indicative only and are subject to, among other things, all necessary approvals from the Court, the ASX and ASIC.

Any changes to the above timetable will be announced by PNX to the ASX and notified on PNX's website at www.pnxmetals.com.au.

Action required by PNX Shareholders

STEP 1: READ THIS SCHEME BOOKLET CAREFULLY

This Scheme Booklet contains the necessary information to assist PNX Shareholders in deciding whether to vote in favour of, or against, the Scheme Resolution. PNX Shareholders should read this Scheme Booklet in full before making a decision as to how to vote at the Scheme Meeting.

If you have any questions regarding the Scheme Meeting or this Scheme Booklet, please contact the PNX information line on 1300 305 232 (within Australia) or +61 3 9415 4657 (outside Australia) between 8:00am and 4:30pm ACST Monday to Friday (excluding public holidays).

If you are in any doubt as to what you should do, please contact your financial, tax, legal or other professional adviser.

STEP 2: VOTE ON THE SCHEME

Your vote is important because the Scheme may only be implemented if, among other things, it is approved by the Requisite Majorities of PNX Shareholders at the Scheme Meeting to be held in person at **12:00pm ACST on 27 August 2024 at Level 3, 170 Frome Street Adelaide, South Australia, 5000**.

If you are registered on the PNX Share Register at 5:00pm ACST on 25 August 2024, you will be entitled to vote on the Scheme Resolution at the Scheme Meeting.

PNX Shareholders entitled to vote at the Scheme Meeting may vote:

- **in person**, by attending the Scheme Meeting held at Level 3, 170 Frome Street Adelaide, South Australia, 5000;
- **by proxy**, by returning your proxy form before 12:00pm ACST on 25 August 2024 in one of the following methods:
 - **online** at www.investorvote.com.au/ or, if you are an intermediary online subscriber (custodian), at www.intermediaryonline.com/;
 - **by post** to the PNX Share Registry at GPO Box 242, Melbourne VIC 3001, including, by using the reply-paid envelope provided (only for use in Australia);
 - **by facsimile** to the PNX Share Registry on 1800 783 447 (within Australia) or +61 3 9473 2555 (outside Australia); or
- **by attorney**, by appointing an attorney to attend and vote at the Scheme Meeting on your behalf. An attorney may, but need not be, a PNX Shareholder. An attorney may not vote at the Scheme Meeting unless the instrument appointing the attorney, and the authority under which the instrument is signed or a certified copy of the authority, are received by PNX before the Scheme Meeting; or
- **by corporate representative**, if you are a body corporate, by appointing a corporate representative to attend and vote at the Scheme Meeting on your behalf. A corporate representative may not vote at the Scheme Meeting unless the certificate of appointment, together with any authority under which the appointment is signed are received by PNX before the Scheme Meeting. A form of notice of appointment can be obtained from the PNX Share Registry at www.computershare.com/au.



**KEY
CONSIDERATIONS
FOR PNX
SHAREHOLDERS**



1. Key Considerations for PNX Shareholders

Section 1.1 below provides a summary of the key reasons why the Independent PNX Directors unanimously recommend that PNX Shareholders vote in favour of the Scheme Resolution.

The Scheme has a number of advantages and disadvantages that may affect PNX Shareholders differently depending on individual circumstances. Section 1.1 should be read in conjunction with section 1.2 on page 25, which outlines reasons why PNX Shareholders may choose to vote against the Scheme Resolution.

The Independent PNX Directors unanimously recommend that PNX Shareholders vote in favour of the Scheme on the basis that, in their opinion, the reasons to vote in favour of the Scheme significantly outweigh the potential reasons to vote against the Scheme.⁷

This section is a summary only and is not intended to address all of the considerations that may be relevant to the particular needs or circumstances of each PNX Shareholder. Accordingly, PNX Shareholders are urged to read the Scheme Booklet, including the Independent Expert's Report, in full before deciding how to vote at the Scheme Meeting.

1.1 Reasons to vote in favour of the Scheme

(a) **The Independent PNX Directors unanimously recommend that PNX Shareholders vote in favour of the Scheme, in the absence of a Superior Proposal**

The Independent PNX Directors unanimously believe the Scheme to be in the best interests of PNX Shareholders and unanimously recommend that PNX Shareholders vote in favour of the Scheme Resolution at the Scheme Meeting, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of PNX Shareholders.

Subject to the aforementioned qualifications, each Independent PNX Director intends to vote, or cause the voting of, all PNX Shares in which they hold or control in favour of the Scheme Resolution at the Scheme Meeting. As at the date of this Scheme Booklet, this represents approximately 0.561% of the PNX Shares on issue, being 33,498,192 PNX Shares in total, as detailed in section 10.1(a) on page 131.

Whilst the Independent PNX Directors acknowledge that there may be reasons to vote against the Scheme, they believe the advantages outlined below significantly outweigh these potential disadvantages.

(b) **The Independent Expert has concluded that the Scheme is fair and reasonable and in the best interests of PNX Shareholders, in the absence of a Superior Proposal**

The Independent PNX Directors appointed Grant Thornton as the Independent Expert to prepare an Independent Expert's Report opining on whether the Scheme is in the best interests of PNX Shareholders.

⁷ When considering this recommendation, you should note that Mr Graham Ascough (Non-Executive Chairman) and his Associates have a relevant interest in 21,498,192 PNX Shares, Mr James Fox (Technical Director) and his Associates have an interest in 12,000,000 PNX Shares and 30,800,000 PNX Performance Rights (which, subject to the Scheme becoming Effective, are expected to be cancelled in consideration for a cash payment by KIN of \$60,025.18) and, subject to the Scheme becoming Effective, Mr Ascough will be appointed to the KIN Board on or before the Implementation Date and will be entitled to receive \$50,123 (incl. statutory superannuation) per annum for the performance of his role as a KIN Director. Please see section 3.2 on page 40 for more information regarding the interests of PNX Directors.

The Independent Expert estimated the fair value of PNX Shares, on a control basis, to be between 0.401¢ and 0.620¢ per PNX Share.

The Independent Expert estimated the fair value of KIN Shares to be between 6.500¢ and 7.000¢ per KIN Share, implying the fair value of the Scheme Consideration, being one (1) KIN Share for every thirteen (13) PNX Shares, to be in the range of 0.500¢ to 0.538¢ per PNX Share.

Therefore, the Independent Expert has assessed the Scheme Consideration to be fair and has concluded that the Scheme is fair and reasonable and in the best interests of PNX Shareholders, in the absence of a Superior Proposal.

The Independent Expert's Report is set out in Annexure E and the Independent PNX Directors encourage PNX Shareholders to read this report in full.

(c) **The Scheme creates a complementary portfolio of diversified assets in tier 1 jurisdictions across Australia**

The Scheme creates a diversified portfolio of quality mineral assets in tier 1 jurisdictions across Western Australia and the Northern Territory. Collectively, the assets host total Mineral Resources in excess of 1.4 Moz gold, 16.2 Moz silver and 177 kt zinc with significant near-term expansion potential and multiple highly prospective gold, base metal and uranium prospects. The portfolio will include:

(1) **Pine Creek gold development and exploration assets**

100% ownership of both the Hayes Creek volcanic hosted massive sulphide (**VHMS**) gold-silver-zinc project (**Hayes Creek Project**) and the proximal Fountain Head gold project (**Fountain Head Project**), located in the Pine Creek region of the Northern Territory.

The Fountain Head and Hayes Creek Projects (excluding the Mt Porter gold deposit) were the subject of an integrated prefeasibility study (**PFS**) in June 2021.

Pine Creek also includes district-scale gold and base metals potential via an extensive 1,500 km² portfolio of granted mineral leases and exploration licences, including the C6 gold prospect, which has demonstrated a significant mineralised footprint (> 10 g/t gold) in outcrop traced over a ~3 km extent.

Since the delivery of the PFS in June 2021, further progression at the Pine Creek assets, including further exploration work, potential resource growth and delivery of a definitive feasibility study has been constrained by PNX's ability to fund these work programs.

Should this Scheme be implemented, the Merged Group will have the funding required to pursue these workstreams and the Independent PNX Directors expect significant value to be unlocked, particularly in the current gold price environment.

(2) **Leonora gold and base metal assets**

Located in close proximity to existing processing plants within the Leonora region of Western Australia, KIN's 100% owned Cardinia gold project hosts significant gold resources totalling 932 koz gold.

Recent drilling has demonstrated the potential for further high-grade gold discoveries and project expansion as well as high prospectivity for VHMS discoveries with a recent base metals intercept of 5.7 m @ 5.3% Zn, 0.3% Cu, 0.3% Pb, 40 g/t Ag, 1.0 g/t Au from 270.3 m in drillhole IPD0001.

(3) **Pine Creek uranium**

PNX holds substantial tenure within the Pine Creek region which is prospective for uranium, including the high grade Thunderball uranium deposit, that offers significant high grade resource potential in one of the world's largest and richest uranium provinces.

Historical high-grade results at the Thunderball uranium deposit includes 15.0 m at 1.35% U₃O₈ from 210.0 m.

Should the Scheme be implemented, both PNX Shareholders and KIN Shareholders will benefit from further asset diversification, improved economies of scale and management's combined knowledge of the Northern Territory and Western Australia not currently available on a standalone basis. In addition, the Merged Group will have the funding in place to take full advantage of the highly prospective projects.

For further detail on both PNX and KIN's assets, please refer to sections 4.3 and 5.5 on pages 51 and 71 respectively.

(d) **The Merged Group will benefit from a strong balance sheet offering compelling value and an exceptional platform for growth**

Should the proposed Scheme be implemented, the Merged Group is expected to have a market capitalisation of approximately \$94.4 million⁸, cash and liquid investments of \$85.0 million⁹ (as at the Last Practicable Date) and no debt.

Given the Merged Group's diversified and highly prospective portfolio, its enterprise value of only \$9.4 million offers compelling value.

The combination of the Merged Group's compelling enterprise value, existing asset portfolio and strong balance sheet position provides an exceptional platform for growth and strong re-rating potential.

The Merged Group will have the financial capability for continued advancement across its existing gold, base metals and uranium prospects as well as the optionality to pursue inorganic growth should value accretive opportunities present.

(e) **PNX requires capital and the Scheme alleviates the requirement of an immediate and dilutive equity capital raise**

As at 31 March 2024, PNX had \$0.58 million in cash and cash equivalents, which means that in the absence of this Scheme, PNX will likely need to immediately raise equity capital to fund its ongoing corporate overheads and working capital requirements.

⁸ Based on the five-day VWAP of KIN Shares as at the Last Practicable Date, being 5.768¢.

⁹ Calculated based on the cash position of PNX of \$0.70m, the market value of KIN's Genesis Shares of \$17.82m and KIN's cash and cash equivalents position of \$66.53m as at the Last Practicable Date.

In addition to corporate overheads and working capital, PNX also requires funding to further progress its multi-faceted project pipeline, including the advancement of development at its Fountain Head and Hayes Creek Projects and continued exploration at the Thunderball uranium deposit.

Given the current equity capital market conditions for junior exploration and development companies, there is no certainty that equity capital will be available to PNX when it is required. If there is availability, equity raises for exploration and development stage companies on the ASX, such as PNX, generally occur at significant discounts to prevailing share prices. As such, if PNX is successful in raising equity capital, any near-term equity capital raise(s) would likely occur at a meaningful discount to its share price, potentially resulting in significant dilution for existing PNX Shareholders.

Importantly, and in addition to the above, as part of the Scheme, KIN has made a \$1.5 million short term loan facility available to PNX to assist with short-term working capital requirements and transaction costs through to Scheme implementation. As at the date of this Scheme Booklet, PNX has drawn \$1 million from this facility with a further and final drawdown of \$0.5 million expected to occur on or about 15 July 2024. Should the Scheme not be implemented, PNX will be required to repay any funds drawn under the Loan Facility Agreement.

For further details on the Loan Facility Agreement, please refer to section 4.10 on page 64.

(f) **The Merged Group will have a highly experienced board and management team with a proven track record**

The Merged Group will be led by an experienced team with a demonstrated track record of value-creation and accretive transactions, particularly in the resources sector.

The Merged Group's board will benefit from the complementary skill sets of existing KIN directors, Giuseppe Graziano and Nicholas Anderson, the highly experienced and current PNX Executive Chairman, Graham Ascough, and dual PNX/KIN directors, Rowan Johnston and Hansjoerg Plaggemars.

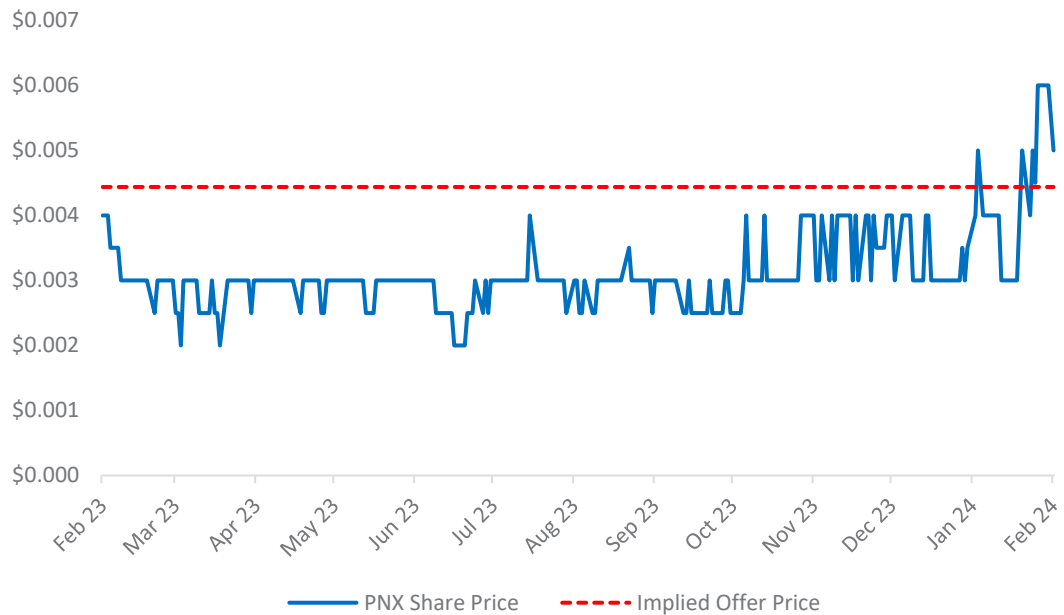
Rowan Johnston will remain as Executive Chairman of the Merged Group with a formal appointment of a Chief Executive Officer expected to occur in due course once the Scheme is implemented.

(g) **The Implied Value of the Scheme Consideration represents a premium to historical and undisturbed PNX Share prices**

The Implied Value of the Scheme Consideration as at the Last Practicable Date is 0.444¢ per PNX Share.

On 15 February 2024, PNX announced that it had received an unsolicited, non-binding, indicative and incomplete proposal in relation to a potential merger from KIN (**Merger Discussion Announcement Date**). For the 12 months prior, PNX frequently traded at or around 0.300¢ to 0.400¢ and reached a low of 0.200¢ in March and July 2023.

Figure 1 – Implied Value of the Scheme Consideration vs 12 Month PNX Share Price prior to the Merger Discussion Announcement Date



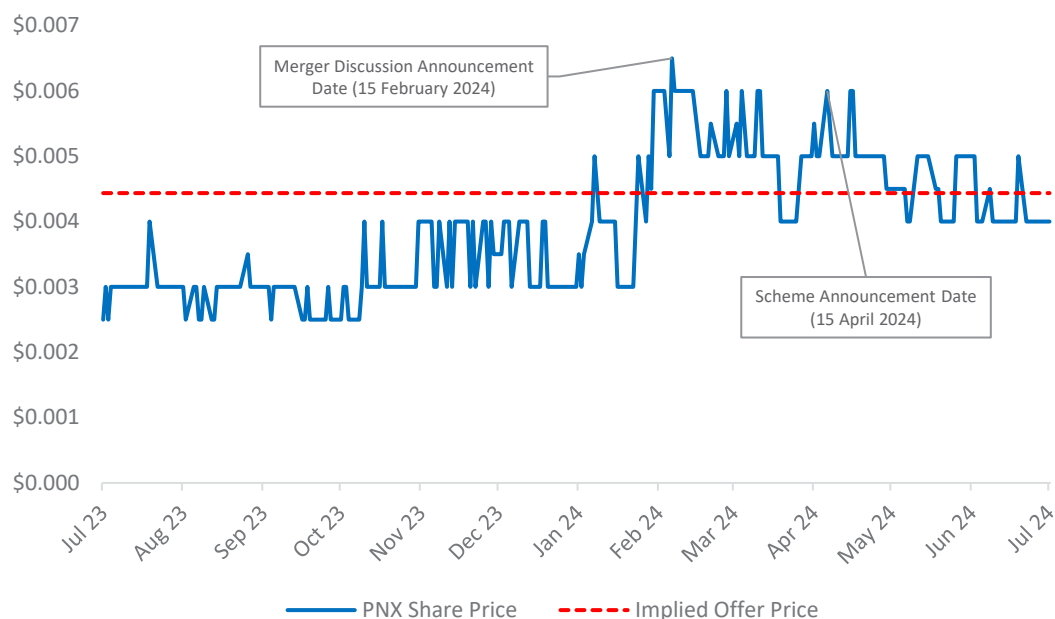
As such, the Implied Value of 0.444¢ has consistently represented a premium to the historical and undisturbed PNX trading value ranges depicted above.

Whilst the Implied Value of the Scheme Consideration as at the Last Practicable Date represents a premium to the average historical trading range of PNX Shares prior to the Merger Discussion Announcement Date, PNX Shareholders should be aware that the Implied Value of the Scheme Consideration may move upwards and downwards with fluctuations in the market price of KIN Shares. The Independent PNX Directors acknowledge this risk but are of the opinion that this is strongly mitigated by the fact KIN's market capitalisation of \$69.5 million is supported by \$66.5 million in cash and cash equivalents and 9.5 million shares in Genesis Minerals Limited (ASX:GMD) (**Genesis**), valued at \$17.8 million. Genesis is an ASX-listed gold producer based in Western Australia with a market capitalisation of \$2.1 billion, gold resources of 15.2 Moz, gold reserves of 3.3 Moz, a 10-year production outlook totalling 3.0 Moz gold and average daily liquidity of \$7.9 million (over the 6 months prior to the Last Practicable Date).

(h) **The PNX Share price may fall if the Scheme is not implemented and there is no Superior Proposal**

As shown in Figure 2 below, the Implied Value of the Scheme Consideration is significant relative to the trading range of PNX Shares over the past 12 months, particularly prior to the Merger Discussion Announcement Date.

Figure 2 - Implied Value of the Scheme Consideration vs 12 month PNX Share price



As detailed in section 1.1(g) above, PNX traded consistently at or around 0.300¢ to 0.400¢ prior to the Merger Discussion Announcement Date. Whilst the Independent PNX Directors are unable to predict the price at which PNX Shares will trade in the future, if the Scheme is not implemented and no Superior Proposal emerges, the PNX Share price may return to the trading prices observed prior to the Merger Discussion Announcement Date.

In addition, and as discussed in section 1.1(g) above, it is likely that PNX will require an immediate and significant equity capital raising should the Scheme not be implemented. Given the high likelihood of any such raising being conducted at a significant discount, there is potential for this to cause even further downward pressure on the PNX Share price, in the absence of the Scheme.

(i) No Superior Proposal has emerged since the Scheme Announcement Date

Since the Scheme Announcement Date and up to the date of this Scheme Booklet, no Superior Proposal has emerged and the Independent PNX Directors are not aware of, and have not received, any proposal or approach from any person which they expect is likely to lead to a Superior Proposal.

If a Competing Proposal is received prior to the Scheme Meeting, the Independent PNX Directors will carefully consider the proposal to determine whether it is a Superior Proposal for PNX and PNX Shareholders, subject to the terms of the Scheme Implementation Deed.

The Independent PNX Directors will keep PNX Shareholders informed if a Superior Proposal emerges before the Scheme Meeting and will make an announcement on the ASX in accordance with PNX's continuous disclosure obligations.

1.2 Reasons why you may choose to vote against the Scheme

(a) **You may disagree with the Independent PNX Directors' unanimous recommendation**

Despite the unanimous recommendation of the Independent PNX Directors to vote in favour of the Scheme, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of PNX Shareholders, you may believe that the Scheme is not in the best interests of PNX Shareholders or not in your best interests.

There is no obligation to follow the recommendation of the Independent PNX Directors.

(b) **You may disagree with the conclusion in the Independent Expert Report and believe that the Scheme is not in your best interests**

Similarly to the above, despite the conclusion of the Independent Expert that the Scheme is fair and reasonable and in the best interests of PNX Shareholders in the absence of a Superior Proposal, you may believe that the Scheme is not in the best interests of PNX Shareholders or not in your best interests.

There is no obligation to follow and agree with the opinion of the Independent Expert.

(c) **The value of the Scheme Consideration is not fixed and will depend on the price at which KIN Shares trade after the Implementation Date**

As at the Last Practicable Date, the Implied Value of the Scheme Consideration is 0.444¢ per PNX Share.

However, between the date of this Scheme Booklet through to the Implementation Date (i.e., when the Scheme Consideration is issued to PNX Shareholders (other than Ineligible Foreign Shareholders)), the value of the Scheme Consideration is not fixed and will fluctuate depending on the trading price of KIN Shares. In addition, and following implementation of the Scheme, the value of the Scheme Consideration may further fluctuate and there is no guarantee as to the future value of the Scheme Consideration or that PNX Shareholders will realise the current Implied Value of the Scheme Consideration.

As such, in deciding whether to vote in favour of the Scheme, PNX Shareholders may have regard to the current market price of KIN Shares and the potential for the price to fall or rise before the KIN Shares are issued under the Scheme on the Implementation Date. When considering this potential, it is important to note that, as at the Last Practicable Date, KIN's market capitalisation of \$69.5 million is supported by \$66.5 million in cash and cash equivalents and 9.5 million shares in Genesis Minerals Limited (ASX:GMD), valued at \$17.8 million.

(d) **You will no longer be able to participate exclusively in the future financial performance and possible growth of PNX's business**

PNX has growth potential in its own right through the development of its 100% owned Fountain Head Project, Hayes Creek Project and its high-grade Thunderball uranium deposit.

If the Scheme is implemented, you will cease to be a PNX Shareholder. Instead, PNX Shareholders will hold a combined 28% interest in KIN and will not retain the same exclusive exposure to PNX's assets or participate exclusively in the future financial performance and potential growth of PNX as a stand-alone entity.

However, this should be weighed against PNX's current financial position, the potential dilution to PNX Shareholders that would occur from future equity capital raisings, as well as the significant exploration and development risks associated with advancing PNX's portfolio of assets on a standalone basis.

If the Scheme is implemented, PNX Shareholders who retain their KIN Shares will still retain exposure to PNX's current portfolio of assets but in addition, will also gain exposure to KIN's portfolio of assets, exceptional balance sheet and experienced management team.

(e) **The tax implications of the Scheme may not be suitable to your financial circumstances or position**

Implementation of the Scheme may result in taxation consequences for PNX Shareholders.

A general guide to the Australian tax implications of the Scheme for PNX Shareholders is detailed in section 8 on page 120. This guide is expressed in general terms and you should seek your own independent professional advice regarding the tax consequences applicable to your own circumstances.

(f) **You may consider that there is the potential for a Superior Proposal to emerge in the foreseeable future**

You may believe that there is potential for a Superior Proposal to be made in the foreseeable future. This may include a scheme, takeover or alternative proposal which would deliver a total consideration to PNX Shareholders in excess of the Scheme Consideration.

However, as at the date of this Scheme Booklet, no Superior Proposal has emerged, and the Independent PNX Directors are not aware of any Superior Proposal that is likely to emerge.

(g) **You may prefer to maintain your current investment and risk profile**

You may prefer to keep your PNX Shares to maintain your investment in a public company with the specific characteristics of PNX. While PNX and KIN are both ASX-listed resources companies with a focus on precious metals assets, the development profile, capital structure, size and specific geography of the Merged Group will differ from that of PNX on a stand-alone basis.

Implementation of the Scheme will result in PNX Shareholders having an interest in KIN, which will impact any PNX Shareholder who wishes to maintain their current investment profile in an ASX-listed company with assets in the Pine Creek region of the Northern Territory. In addition, PNX Shareholders who wish to maintain their investment profile may find it difficult to identify an investment with a similar profile to that of PNX and they may incur transaction costs in undertaking any new investment.

1.3 Other relevant considerations

(a) **Implications of voting "no" or abstaining from voting**

If you vote "no" or do not vote at all, that does not mean that the Scheme will not be implemented. If the Scheme is approved by the Requisite Majorities and by the Court, you will be treated in the same manner as all other PNX Shareholders and, accordingly, your PNX Shares will be transferred to KIN and, you will receive the Scheme Consideration even though you may have voted against the Scheme.

(b) **No-talk and no-shop obligations and matching rights**

Certain arrangements have been entered into between PNX and KIN in relation to exclusivity. Summaries of these arrangements are set out in section 9.2 on page 127.

(c) **Reimbursement fee**

Under certain circumstances, PNX may be obliged to pay KIN a reimbursement fee of \$325,000 (excluding GST) as set out in section 9.7(a) on page 128.

(d) **Deemed warranty**

PNX Shareholders' attention is drawn to the warranties in clause 6.5 of the Scheme set out in Annexure A that the PNX Shareholders will be deemed to have given if the Scheme takes effect. Further details are set out in section 3.9 on page 45.

(e) **Other aspects to consider**

You should also consider the following:

- (1) **value of your consideration will fluctuate:** unlike cash, the value of the Scheme Consideration that PNX Shareholders will receive will fluctuate with movements in the price of KIN Shares. It follows that the value of the Scheme Consideration issued to PNX Shareholders could, when issued, be lower or higher than the value it would have had as at the Last Practicable Date and the Implementation Date. The historical fluctuation in the Implied Value of the Scheme Consideration is illustrated in Table 1 below.

Table 1: Fluctuation in the implied value of the Scheme Consideration over the 6 months prior to the Last Practicable Date

Event	KIN Share price (¢)	Implied value of the Scheme Consideration (¢ per PNX Share)
Minimum implied value of the Scheme Consideration (27 June 2024)	5.200¢	0.400¢
Maximum implied value of the Scheme Consideration (12 April 2024)	8.500¢	0.654¢

- (2) **different business profile:** PNX Shareholders will be exposed to a different mix of assets than they are currently exposed to through their shareholdings in PNX. This means that the risk and return characteristics of their investment will be different from those which are currently the case;
- (3) **rights attaching to KIN Shares:** PNX Shareholders will receive an entitlement to KIN Shares. A summary of rights attaching to KIN Shares are set out in section 5.10 on page 80;
- (4) **diluted percentage holding:** PNX Shareholders will receive a smaller percentage holding in KIN than the percentage holding in PNX represented by the PNX Shares that they transfer to KIN pursuant to the Scheme; and
- (5) **brokerage and stamp duty:** no brokerage or stamp duty is payable by PNX Shareholders on the implementation of the Scheme.

(f) **Historical Performance of KIN Shares**

The table below shows the following prices for KIN Shares on the ASX:

- (1) closing price on 14 February 2024 (being the last Trading Day prior to the Merger Discussion Announcement Date);
- (2) closing price on 11 April 2024 (being the last Trading Day prior to the Scheme Announcement Date);
- (3) closing price on 10 July 2024 (being the Last Practicable Date)
- (4) closing price range during the three month period up to the Last Practicable Date; and
- (5) closing price range since the Scheme Announcement Date up to the Last Practicable Date.

Table 2: KIN Share price performance

Event	KIN Share price (¢)
Last Trading Day prior to the Merger Discussion Announcement Date (14 February 2024)	7.400¢
Last Trading Day prior to the Scheme Announcement Date (11 April 2024)	8.500¢
Last Practicable Date (10 July 2024)	5.900¢
Minimum KIN Share price in the three month period up to the Last Practicable Date	5.200¢
Maximum KIN Share price in the three month period up to the Last Practicable Date	8.500¢
Minimum KIN Share price between the Scheme Announcement Date and the Last Practicable Date	5.200¢
Maximum KIN Share price between the Scheme Announcement Date and the Last Practicable Date	7.700¢

The approximate average daily traded value of KIN Shares in the three month period up to the Last Practicable Date is \$63,990. No assurance can be given that changes in the KIN Share price historically are indicative of future changes in the KIN Share price.

2

FREQUENTLY ASKED QUESTIONS



2. Frequently asked questions

Question	Answer	More information
Overview of the Scheme		
Why have I received this Scheme Booklet?	<p>This Scheme Booklet has been sent to you because you are a PNX Shareholder and you are being asked to vote on the Scheme Resolution.</p> <p>This Scheme Booklet is intended to assist you in your decision as to how to vote at the Scheme Meeting.</p>	Section 3 on page 40
What is the Scheme?	<p>The Scheme is a scheme of arrangement between PNX and PNX Shareholders in relation to the proposed acquisition of PNX by KIN.</p> <p>A “scheme of arrangement” is a statutory procedure under the Corporations Act that is commonly used to enable one company to acquire another company and requires approval by that company’s shareholders and the court.</p>	Section 3 on page 40 and Annexure A on page 185
What will be the effect of the Scheme?	<p>If the Scheme is implemented:</p> <ul style="list-style-type: none"> • all PNX Shares will be transferred to KIN; • all PNX Shareholders as at the Scheme Record Date (other than Ineligible Foreign Shareholders) will receive the Scheme Consideration; and • PNX will be delisted from the ASX and will become a wholly-owned subsidiary of KIN. 	Section 3 on page 40
Who is KIN?	<p>KIN is a well funded ASX-listed exploration and development company based in Western Australia, primarily focussed on the development of gold projects, including its 100% owned Cardinia Gold Project located in the North-Eastern Goldfields region of Western Australia. KIN has approximately \$84.4 million in cash, cash equivalents and listed investments.</p>	Section 5 on page 69
Is KIN related to PNX?	<p>No, as at the date of this Scheme Booklet, KIN does not have any association, relation or affiliation with PNX outside of the Scheme.</p> <p>However, PNX Shareholders should be aware that KIN and PNX share:</p> <ul style="list-style-type: none"> • a common shareholder, the Delphi Group, which has a substantial shareholding of 45.23% in PNX and 41.37% in KIN; and • common directors, being Mr Rowan Johnston and Mr Hansjoerg Plaggemars. 	Section 10.3 on page 134

Question	Answer	More information
Why does KIN wish to implement the Scheme?	KIN wishes to implement the Scheme as it will create the Merged Group, which is expected to be well funded and to hold a diversified portfolio of quality mineral assets in tier 1 jurisdictions across Australia hosting total Mineral Resources in excess of 1.4 Moz gold, 16.2 Moz silver and 177 kt zinc.	Letter from the IBC of KIN Mining NL on page 15
Is this a takeover?	The Scheme is not a takeover offer, it is a scheme of arrangement. However, if the Scheme is implemented, the outcome will be similar to a successful 100% takeover offer in that all of the PNX Shares on issue will be transferred to KIN.	N/A
When will PNX be delisted from the ASX?	After the Scheme has been implemented, PNX will apply to the ASX to have PNX removed from the official list of the ASX with effect on and from the close of the Trading Day immediately following or shortly after the Implementation Date.	Section 3.11 on page 46
What should I do?	You should carefully read this Scheme Booklet in full and: <ul style="list-style-type: none"> • seek advice if you have any questions; and • vote at the Scheme Meeting, which you can do so now by completing and returning the proxy form in accordance with the instructions set out on page 17 or by attending the meeting in person on 12:00pm ACST on 27 August 2024 at Level 3, 170 Frome Street Adelaide, South Australia, 5000. 	Action required by PNX Shareholders on page 17
Why should I vote?	Your vote is important in determining whether the Scheme will be implemented.	Action required by PNX Shareholders on page 17
Key considerations relevant to your vote		
What do the PNX Directors recommend?	The Independent PNX Directors recommend PNX Shareholders to vote in favour of the Scheme, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of PNX Shareholders.	Section 3.2 on page 40
Why are there Independent PNX Directors and who are they?	Promptly after receiving the NBIO from KIN, PNX established the PNX IBC due to PNX and KIN sharing: <ul style="list-style-type: none"> • common directors, being Hansjoerg Plaggemars and Rowan Johnston, meaning that they were no longer 'independent' directors in the context of considering the NBIO; and • a substantial shareholder, the Delphi Group, who held a 50.19% Relevant Interest in PNX and a 41% Relevant Interest in KIN at the time that the PNX IBC was established. Given the potential conflict of interest, the PNX IBC was established for purposes of considering and responding to the NBIO and to prepare for and implement any resulting transaction	N/A

Question	Answer	More information
	<p>or alternative transaction, should an alternative proposal be received.</p> <p>The PNx IBC comprises Graham Ascough, James Fox and Hans-Jörg Schmidt.</p>	
<p>What benefits will the Independent PNx Directors receive if the Scheme is implemented?</p>	<p>If the Scheme is implemented, the PNx Directors are expected to receive the following benefits:</p> <ul style="list-style-type: none"> • Mr Graham Ascough is expected to receive 1,653,708 KIN Shares as he has a Relevant Interest in 21,498,192 PNx Shares. Mr Ascough will also be appointed to the KIN Board and will be entitled to receive director fees in accordance with the existing remuneration structure of the KIN Board. • Mr James Fox has a Relevant Interest in 12,000,000 PNx Shares and 30,800,000 PNx Performance Rights. Mr Fox's Associate is expected to receive 923,077 KIN Shares and Mr Fox is expected to receive \$60,025.18 for the cancellation of the PNx Performance Rights. • Additionally, as a result of the termination of Mr Fox's employment with PNx, he will be entitled to receive payment of his accrued employee entitlements, redundancy pay in accordance with the Fair Work Act and payment in lieu of three months' notice of termination of his employment. 	<p>Sections 10.1(a) and 10.1(b) on page 131</p>
<p>How are the PNx Directors intending to vote?</p>	<p>Each Independent PNx Director who holds or controls PNx Shares intends to vote, or cause the voting, in favour of the Scheme, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of PNx Shareholders.</p> <p>The other PNx Directors, being Mr Rowan Johnson and Mr Hansjoerg Plaggemars, have abstained from making a statement as to their voting intentions due to their potential conflict of interest for the reasons specified in the answer to the question "Why are there Independent PNx Directors and who are they?" on the previous page.</p>	<p>Section 3.2 on page 40</p>
<p>What is the conclusion of the Independent Expert?</p>	<p>The Independent Expert has concluded that the Scheme is fair and reasonable and in the best interests of PNx Shareholders, in the absence of a Superior Proposal.</p>	<p>Section 3.6 on page 43</p>
<p>What are the reasons to vote in favour of the Scheme?</p>	<p>Some of the reasons to vote in favour the Scheme include:</p> <ul style="list-style-type: none"> • The Independent PNx Directors recommend that PNx Shareholders vote in favour of the Scheme, in the absence of a Superior Proposal. • The Independent Expert has concluded that the Scheme is fair and reasonable and in the best interests of PNx Shareholders, in the absence of a Superior Proposal. 	<p>Section 1.1 on page 19</p>

Question	Answer	More information
	<ul style="list-style-type: none"> • The Scheme creates a complementary portfolio of diversified assets in tier 1 jurisdictions across Australia. • The Merged Group will benefit from a strong balance sheet offering compelling value and an exceptional platform for growth. • PNX requires capital and the Scheme alleviates the requirement of an immediate and dilutive equity capital raise. • The Merged Group will have a highly experienced board and management team with a proven track record. • The Implied Value of the Scheme Consideration represents a premium to historical and undisturbed PNX Share prices. • The PNX Share price may fall if the Scheme is not implemented and there is no Superior Proposal. • No Superior Proposal has emerged since the Scheme Announcement Date. 	
<p>What are the reasons to vote against the Scheme?</p>	<p>Some of the reasons why you may choose to vote against the Scheme include:</p> <ul style="list-style-type: none"> • You may disagree with the Independent PNX Directors' unanimous recommendation. • You may disagree with the conclusion in the Independent Expert's Report and believe that the Scheme is not in your best interests. • The value of the Scheme Consideration is not fixed and will depend on the price at which KIN Shares trade after the Implementation Date. • You will no longer be able to participate exclusively in the future financial performance and possible growth of PNX's business. • The tax implications of the Scheme may not be suitable to your financial circumstances or position. • You may consider that there is the potential for a Superior Proposal to emerge in the foreseeable future. • You may prefer to maintain your current investment and risk profile. 	<p>Section 1.2 on page 25</p>
<p>What are the key risks if the Scheme does not proceed?</p>	<p>If the Scheme does not proceed, PNX Shareholders will retain their PNX Shares and may be subject to the existing funding risk associated with an investment in PNX.</p> <p>Specifically, PNX's ability to continue as a going concern is dependent on its ability to raise additional funds for future operations and to repay or refinance debts, including the loan advanced to PNX by KIN, as and when they fall due and it is</p>	<p>Section 7.5 on page 113</p>

Question	Answer	More information
	<p>expected that this funding will be obtained from equity financing for the foreseeable future.</p> <p>Any equity financing undertaken will dilute existing PNX Shareholders and there is no guarantee that PNX will be able to secure any additional funding or will be able to secure funding on terms that are favourable or acceptable to PNX.</p>	
<p>What are the risks of the Merged Group?</p>	<p>Similar to an investment in either PNX or KIN, an investment in the Merged Group may involve the following key risks:</p> <ul style="list-style-type: none"> • commodity price fluctuations which may positively or negatively influence the performance of the Merged Group; • exploration costs that are based on certain assumptions may materially differ to actual costs incurred by the Merged Group; and • Mineral Resource estimates that may significant change when new information, interpretations or techniques become available. 	<p>Sections 7.3 and 7.4 on page 108</p>
<p>What are the intentions of KIN if the Scheme is implemented?</p>	<p>Should the Scheme proceed, KIN intends to conduct a review of PNX's operations, covering strategic, financial and operational matters to determine and implement improvements to deliver the optimal outcomes for the Merged Group. However, until such review has been conducted, the intentions are for PNX to continue business as normal, with the intent of retaining all key staff members in both organisations.</p>	<p>Section 6.4 on page 96</p>
<p>Who will manage the Merged Group following the implementation of the Scheme?</p>	<p>Following the implementation of the Scheme, the Merged Group will be managed by the reconstituted KIN Board and senior management.</p>	<p>Section 6.3 on page 95</p>
<p>Scheme Consideration</p>		
<p>What is the Scheme Consideration?</p>	<p>PNX Shareholders who remain PNX Shareholders at the Scheme Record Date will receive one (1) KIN Share for every thirteen (13) PNX Shares held on the Scheme Record Date.</p> <p>There is no option to elect to receive cash in place of the KIN Shares.</p> <p>If you are an Ineligible Foreign Shareholder, you will receive the net proceeds of the sale of the KIN Shares to which you would have otherwise been entitled to receive (net of expenses).</p>	<p>Sections 3.3 and 3.5 on pages 41 and 42</p>
<p>When will I receive my KIN Shares?</p>	<p>Your KIN Shares will be issued to you on or about 11 September 2024. A holding statement confirming the issue of your KIN Shares is expected to be mailed to you on or about 11 September 2024.</p>	<p>Section 3.8(e) on page 44</p>

Question	Answer	More information
What is the Implied Value of the Scheme Consideration?	<p>The Implied Value of the Scheme Consideration is 0.444¢ per PNX Share. The Implied Value is based on the five-day VWAP¹⁰ of KIN Shares up to and including the Last Practicable Date.</p> <p>The Implied Value of the Scheme Consideration may increase or decrease prior to the Implementation Date based on the movements in the KIN Share price.</p>	Section 1.3(f) on page 28
Does the Scheme Consideration represent a premium?	<p>The Implied Value of the Scheme Consideration as at the Last Practicable Date is 0.444¢ per PNX Share.</p> <p>For the 12 months prior to the Merger Discussion Announcement Date, PNX consistently traded at or around 0.300¢ to 0.400¢ per PNX Share and the Implied Value of the Scheme Consideration represents a premium to that historical PNX trading range.</p>	Section 1.1(g) on page 22
Do I need to sign anything to transfer my PNX Shares?	No. If the Scheme becomes Effective, the PNX Directors will have authority to sign a transfer instrument on behalf of all PNX Shareholders.	N/A
Will I have to pay brokerage or stamp duty?	<p>No. Unless you are an Ineligible Foreign Shareholder, you will not have to pay brokerage fees or stamp duty if your PNX Shares are acquired under the Scheme.</p> <p>The brokerage and other applicable fees (e.g., foreign exchange, stamp duty and other selling costs, taxes and charges) will be deducted from the net proceeds that Ineligible Foreign Shareholders will receive in lieu of the KIN Shares.</p>	Section 3.5 on page 42
Who is an Ineligible Foreign Shareholder?	An Ineligible Foreign Shareholder is a PNX Shareholder whose address is recorded, on the Scheme Record Date, in the PNX Share Register as being in a location outside Australia, the British Virgin Islands, France, Germany, Luxembourg, New Zealand, Panama, Singapore, Switzerland or the United Arab Emirates.	Section 3.5 on page 42
How will fractional KIN Shares be treated?	<p>An entitlement to a fractional KIN Share will be:</p> <ul style="list-style-type: none"> • rounded down to the nearest whole number if the fractional entitlement is less than 0.5; or • rounded up to the nearest whole number if the fractional entitlement is 0.5 or greater. 	Section 3.4(c) on page 42

¹⁰ The five-day VWAP of KIN Shares up to and including the Last Practicable Date was 0.5768¢.

Question	Answer	More information
What are the tax implications of the Scheme?	If the Scheme is implemented, the taxation consequences for a PNX Shareholder will depend on their own circumstances. PNX Shareholders are encouraged to consult with their tax advisers about the taxation consequences applicable to them.	Section 8 on page 120
Implementation of the Scheme		
Are there any conditions to the Scheme?	<p>The Scheme is subject to various conditions, including those set out in clause 3.1 of the Scheme Implementation Deed.</p> <p>As at the date of this Scheme Booklet, the following conditions remain outstanding:</p> <ul style="list-style-type: none"> • KIN Shareholder approval for the purpose of ASX Listing Rule 10.1; • PNX Shareholder approval of the Scheme; • Court approval; and • other customary conditions. <p>These conditions must be satisfied or waived (if applicable) for the Scheme to be implemented.</p>	Sections 3.7 and 9.1 on pages 43 and 126
What happens if these conditions are not satisfied?	If the conditions to the Scheme are not satisfied or waived (if applicable), the Scheme will not be implemented. In these circumstances, you will retain your PNX Shares and you will not receive the Scheme Consideration.	Section 3.10 on page 46
Can the Scheme be terminated?	The Scheme Implementation Deed may be terminated in certain circumstances. If it is terminated, the Scheme will not be implemented.	Section 9.8 on page 129
What vote is required to approve the Scheme?	<p>For the Scheme to be implemented, it must, among other things, be approved by the Requisite Majorities, being:</p> <ul style="list-style-type: none"> • a majority in number (more than 50%) of PNX Shareholders present and voting at the Scheme Meeting (in person or by proxy, attorney or corporate representative); and • at least 75% of the total number of votes cast at the Scheme Meeting (in person or by proxy, attorney or corporate representative). <p>The Court has the discretion to waive the first of these two requirements if it considers it appropriate to do so.</p>	Section 3.8(a) on page 43
When and where will the Scheme Meeting be held?	The Scheme Meeting will be held in person at 12:00pm ACST on 27 August 2024 at Level 3, 170 Frome Street Adelaide, South Australia, 5000.	Action required by PNX Shareholders on page 17

Question	Answer	More information
Am I entitled to vote?	If you are registered as a PNX Shareholder on the PNX Share Register at 5:00pm ACST on 25 August 2024, you will be entitled to attend and vote at the Scheme Meeting.	Action required by PNX Shareholders on page 17
Will KIN vote at the Scheme Meeting?	As at the date of this Scheme Booklet, KIN does not have a Relevant Interest in any PNX Shares. However, if KIN does acquire a Relevant Interest in PNX Shares prior to the date of the Scheme Meeting, KIN and its Related Bodies Corporate (as that term is defined in the Corporations Act) will be precluded from voting at the Scheme Meeting.	Section 10.3 on page 134
How do I vote?	<p>You can vote at the Scheme Meeting in person, by attending the Scheme Meeting held in person at Level 3, 170 Frome Street Adelaide, South Australia, 5000, or if you are unable or do not wish to attend the Scheme Meeting in person, you may vote:</p> <ul style="list-style-type: none"> • via proxy, by returning your proxy form before 12:00pm ACST on 25 August 2024 either online, by facsimile or by post (including, by using the reply-paid envelope provided – for use in Australia only); or • by appointing an attorney or corporate representative. <p>A sample proxy form is set out in Annexure D.</p>	Action required by PNX Shareholders on page 17
Is voting compulsory?	No, voting is not compulsory. However, your vote is important in determining whether the Scheme will be implemented.	N/A
What can I do if I oppose the Scheme?	If you are a PNX Shareholder and wish to oppose the approval of the Scheme at the Second Court Hearing, you may do so by filing with the Court and serving on PNX a notice of appearance in the prescribed form together with any affidavit on which you wish to rely at the hearing. The notice of appearance and affidavit must be served on PNX before the Second Court Date.	N/A
What happens if I do not vote, or if I vote against the Scheme, and the Scheme becomes Effective and is implemented?	<p>If you do not vote, or you vote against the Scheme, and the Scheme becomes Effective, any PNX Shares held by you on the Scheme Record Date will be transferred to KIN and you will receive the Scheme Consideration (unless you are an Ineligible Foreign Shareholder).</p> <p>Accordingly, you are encouraged to vote at the Scheme Meeting to ensure that you have your say on the proposal.</p>	Section 3.8 on page 43
Can I sell my PNX Shares now?	PNX intends to apply to the ASX for PNX Shares to be suspended from trading from close of trading on 2 September 2024. You can sell your PNX Shares on market at any time before this date at the then prevailing market price, but you will not be able to sell your PNX Shares on market after this date.	Section 3.8(e) on page 44

Question	Answer	More information
What will happen if a Superior Proposal emerges?	<p>If PNX receives a Competing Proposal, KIN may propose amended terms of the Scheme (Counter Proposal).</p> <p>If the Independent PNX Directors determine that the Competing Proposal offers a superior outcome for PNX and PNX Shareholders than the Counter Proposal, then that Competing Proposal will be proposed to PNX Shareholders. In this circumstance, a reimbursement fee may be payable by PNX to KIN.</p> <p>Since the Scheme Announcement Date and up to the date of this Scheme Booklet, no Superior Proposal has been received by PNX.</p>	Sections 9.5 and 9.6 on pages 128 and 128
Is there a reimbursement fee payable?	A reimbursement fee of \$325,000 will be payable by PNX to KIN (or vice versa) in the event the Scheme does not proceed in certain circumstances and in accordance with the Scheme Implementation Deed.	Section 9.7 on page 128
When will the results of the Scheme Meeting be known?	The results of the Scheme Meeting will be available shortly after the conclusion of the Scheme Meeting and will be announced to the ASX once available.	N/A
What happens if the Scheme is not approved?	<p>If the Scheme is not approved by the Requisite Majorities at the Scheme Meeting or by the Court at the Second Court Hearing, then:</p> <ul style="list-style-type: none"> • PNX Shareholders will not receive the Scheme Consideration; • PNX Shares will not be transferred to KIN and PNX Shareholders will retain their interest in PNX; • PNX will continue to operate as an independent entity under the management of the current PNX Directors and senior management; and • PNX Shareholders will continue to be exposed to the risks associated with an investment in PNX, including continued funding risk and the ownership of shares in a publicly listed company. 	Section 3.10 on page 46
Further Information		
What if I want further information?	You can call the PNX information line on 1300 305 232 (within Australia) or +61 3 9415 4657 (outside Australia) between 8:00am and 4:30pm ACST Monday to Friday (excluding public holidays) or visit PNX's website at www.pnxmetals.com.au .	N/A

3

OVERVIEW OF THE SCHEME



3. Overview of the Scheme

3.1 Background to the Scheme

On 15 April 2024, PNX and KIN jointly announced that they had entered into the Scheme Implementation Deed under which PNX and KIN agreed to implement the Scheme between PNX and PNX Shareholders. A full copy of the Scheme Implementation Deed is annexed to the Joint Announcement.

If the Scheme is approved by the Requisite Majorities at the Scheme Meeting and by the Court at the Second Court Hearing, and if all Conditions Precedent are satisfied or waived, then:

- KIN will acquire all PNX Shares, the effect of which is that PNX will become a wholly-owned subsidiary of KIN;
- PNX Shareholders (other than Ineligible Foreign Shareholders) will receive the Scheme Consideration;
- Ineligible Foreign Shareholders will receive the net proceeds of the sale of the KIN Shares that they would otherwise have been entitled to receive; and
- PNX will be delisted from the ASX.

If the Scheme is not approved, PNX will continue as an independent entity listed on the ASX, meaning that PNX Shareholders will not receive the Scheme Consideration and will instead retain their PNX Shares.

3.2 Independent PNX Directors' recommendation, interests and contingent benefits

The Independent PNX Directors unanimously recommend that PNX Shareholders vote in favour of the Scheme, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of PNX Shareholders. The reasons for this recommendation are set out in section 1.1 on page 19.

Each Independent PNX Director intends to, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of PNX Shareholders, vote or cause the voting of any PNX Shares in which that Independent PNX Director holds or controls, in favour of the Scheme.

PNX Shareholders should be aware that:

- Mr Graham Ascough has a Relevant Interest in 21,498,192 PNX Shares;
- if the Scheme becomes Effective, Mr Ascough will be appointed to the KIN Board and will be entitled to receive director fees in accordance with the existing remuneration structure of the KIN Board; and
- Mr James Fox has a Relevant Interest in 12,000,000 PNX Shares and 30,800,000 PNX Performance Rights, which will be cancelled in consideration for a cash payment of \$60,025.18 in the event that the Scheme is implemented.

Additionally, as it is a condition to the Scheme Implementation Deed that all PNX Directors resign from their office as a director, the resignation of Mr Fox will result in the termination of his employment with PNX. Accordingly, Mr Fox will be entitled to receive payment of his accrued employee entitlements, redundancy pay in accordance with the Fair Work Act and payment in lieu of three months' notice of termination of his employment.

Accordingly, the Independent PNX Directors have interests in the outcome of the Scheme Meeting which may differ from those of other PNX Shareholders if the Scheme is implemented. PNX Shareholders should have regard to these interests when considering the Independent PNX Directors recommendation in relation to the Scheme, which appears throughout this Scheme Booklet. Further details of the Independent PNX Directors' interests are set out in section 10.1 on page 131.

Notwithstanding any of the Independent PNX Directors' personal interests in the outcome of the Scheme, each Independent PNX Director considers that given the importance of the Scheme and their obligations as directors, it is important and appropriate for them to provide a recommendation to PNX Shareholders in relation to the Scheme.

3.3 Abstention from recommendations by Mr Johnston and Mr Plaggemars

Neither Mr Rowan Johnston nor Mr Hansjoerg Plaggemars make any recommendation to PNX Shareholders in respect of the Scheme Resolution or otherwise in connection with the Scheme. Each of Mr Johnston and Mr Plaggemars do not consider it appropriate to do so for the following reasons:

- (a) each of Mr Johnston and Mr Plaggemars are KIN Directors (the proposed acquirer under the Scheme);
- (b) Mr Plaggemars is a director of Delphi, a substantial shareholder in both PNX and KIN (see sections 4.7 and 5.8 on pages 56 and 79 respectively for further information).

Mr Plaggemars has a Relevant Interest in 2,360,603,389 PNX Shares, including those PNX Shares held by PNX's largest shareholder, Delphi, by virtue of his position as a director of Delphi. However, Mr Plaggemars does not consider it appropriate for him to state whether he intends to cause any PNX Shares he holds or controls to be voted in favour of Scheme due to his position as a KIN Director and a PNX Director.

Mr Johnston does not, directly or indirectly, hold any PNX Shares and therefore does not make any statement as to his personal voting intentions.

3.4 Scheme Consideration

(a) Overview

If the Scheme is implemented and you remain a PNX Shareholder as at the Scheme Record Date, PNX Shareholders will be entitled to receive one (1) KIN Share for every thirteen (13) PNX Shares held on the Scheme Record Date.

Some PNX Shareholders will receive less than a Marketable Parcel of KIN Shares pursuant to the Scheme.

The ratio of one (1) KIN Share for every thirteen (13) PNX Shares was determined on the basis of the 30-day VWAP of KIN Shares and PNX Shares respectively.

(b) Entitlement to the Scheme Consideration

PNX Shareholders who are registered on the PNX Share Register on the Scheme Record Date will be entitled to receive the Scheme Consideration.

PNX Shareholders who are Ineligible Foreign Shareholders will not receive KIN Shares. Instead, Ineligible Foreign Shareholders will receive the net proceeds of the sale of the KIN

Shares that they would otherwise have been entitled to receive (please see section 3.5 below for further details).

Dealings before or on the Scheme Record Date

For the purposes of establishing which PNX Shareholders are eligible to participate in the Scheme, dealings in PNX Shares will be recognised provided that registrable transfers or transmission applications in respect of those dealings are received by the PNX Share Registry before or at 5:00pm AWST on the Scheme Record Date.

PNX will not accept for registration or recognise for any purpose any transmission application or transfer in respect of PNX Shares received after 5:00pm on the Scheme Record Date (other than a transfer of PNX Shares to KIN in the course of implementing the Scheme).

Dealings after Scheme Record Date

For the purposes of determining entitlements to the Scheme Consideration, PNX will, until the Scheme Consideration has been issued in accordance with the Scheme, maintain the PNX Share Register. After 5:00pm on the Scheme Record Date, each entry in the PNX Share Register relating to PNX Shares will cease to be of any effect other than as evidence of entitlement to the Scheme Consideration in respect of the PNX Shares relating to that entry.

All certificates and holding statements for PNX Shares will after 5:00pm on the Scheme Record Date cease to have any effect as documents of title in respect of such PNX Shares other than for the purpose of registering dealings in the PNX Shares as referred to in this section 3.4(b).

(c) **Fractional entitlements**

Where a PNX Shareholder is entitled to a fraction of a KIN Share, then the fractional entitlement will be:

- (1) if the fractional entitlement is less than 0.5, rounded down to the nearest whole number of KIN Shares; and
- (2) if the fractional entitlement is equal to or more than 0.5, it will be rounded up to the nearest whole number of KIN Shares.

3.5 Ineligible Foreign Shareholders

Ineligible Foreign Shareholders are those PNX Shareholders whose address shown in the PNX Share Register on the Scheme Record Date is in a place outside Australia, the British Virgin Islands, France, Germany, Luxembourg, New Zealand, Panama, Singapore, Switzerland or the United Arab Emirates.

KIN Shares which would otherwise be required to be issued to Ineligible Foreign Shareholders on the Scheme becoming Effective will be issued to the Sale Agent.

As soon as reasonably practicable, and in any event, no later than 20 Trading Days after the Implementation Date, the Sale Agent must sell all KIN Shares it receives at such price and on such terms as the Sale Agent determines in good faith. Once all KIN Shares are sold, the Sale Agent will remit the proceeds of sale (after deduction of any costs) to KIN who will then account to each Ineligible Foreign Shareholder its relevant fraction of the proceeds received in Australian currency.

3.6 Independent Expert's conclusion

PNX has engaged Grant Thornton as the Independent Expert to prepare a report to ascertain whether the Scheme is in the best interests of PNX Shareholders. To assist Grant Thornton, VRM has been engaged as the Independent Technical Expert to prepare the Independent Technical Report in accordance with a scope of work determined by Grant Thornton. The Independent Technical Report is included as Appendix H in the Independent Expert's Report.

The Independent Expert has concluded that the Scheme is fair and reasonable and in the best interests of PNX Shareholders, in the absence of a Superior Proposal.

The full report of the Independent Expert is set out in Annexure E.

3.7 Conditions to the Scheme

The Scheme is subject to various conditions precedent, including:

- (a) as at 8:00am AWST on the Second Court Date, neither the Scheme Implementation Deed nor the Deed Poll having been terminated;
- (b) the Court having approved the Scheme in accordance with section 411(4)(b) of the Corporations Act and PNX having filed such order with ASIC; and
- (c) PNX and KIN having agreed to, and/or satisfied, any alterations or conditions made or required by the Court in accordance with section 411(6) of the Corporations Act in relation to the Scheme.

As at the date of this Scheme Booklet, none of the above conditions have been satisfied or waived.

Additionally, the Scheme is also subject to the satisfaction or waiver (if permitted) of the conditions precedent set out in clause 3.1 of the Scheme Implementation Deed which are summarised in section 9.1 on page 126. As noted in section 9.1, the conditions precedent relating to FIRB approval (section 9.1(a)), the Silver Streaming Agreements (section 9.1(h)) and the PNX Performance Rights (section 9.1(i)) have been satisfied as at the date of this Scheme Booklet.

PNX will make a further statement regarding the status of these conditions at the commencement of the Scheme Meeting.

3.8 Key steps in implementing the Scheme

(a) Scheme Meeting

On 17 July 2024, the Court ordered PNX to convene the Scheme Meeting at 12:00pm ACST on 27 August 2024 at Level 3, 170 Frome Street Adelaide, South Australia, 5000 at which PNX Shareholders will be asked to approve the Scheme. The notice of the Scheme Meeting is set out in Annexure C.

The Scheme must be approved by the Requisite Majorities at the Scheme Meeting, being:

- a majority in number (more than 50%) of PNX Shareholders present and voting at the Scheme Meeting (in person or by proxy, attorney or corporate representative); and
- at least 75% of the total number of votes cast at the Scheme Meeting (in person or by proxy, attorney or corporate representative).

PNX Shareholders who wish to attend and vote at the Scheme Meeting or to appoint a proxy to attend and vote on their behalf should refer to the section titled "**Action required by Shareholders**" on page 17.

(b) **Court approval of the Scheme**

PNX will apply to the Court for an order approving the Scheme if:

- (1) the Scheme is approved by the Requisite Majorities at the Scheme Meeting; and
- (2) all other conditions to the Scheme referred to in section 3.7 on page 43 (other than Court approval of the Scheme) have been satisfied or waived (if applicable).

Each PNX Shareholder has the right to appear at the Second Court Hearing.

(c) **Effective Date**

If the Court order referred to in section 3.8(b) above is obtained, then PNX will lodge with ASIC an office copy of the Court order under section 411(10) of the Corporations Act approving the Scheme.

The Scheme will become Effective on the date that the office copy of the order of the Court approving the Scheme is lodged with ASIC or such earlier date as the Court determines and specifies in the Court order.

PNX will notify PNX Shareholders once the Scheme has become Effective on the ASX and on its website at www.pnxmetals.com.au. PNX Shares will be suspended from trading on the ASX on the close of trade on the Effective Date.

Once the Scheme becomes Effective, PNX and KIN will become bound to implement the Scheme in accordance with its terms.

(d) **Scheme Record Date**

The Scheme Record Date is 5:00pm on the date that is the second Business Day after the Effective Date (or on such other date as PNX and KIN may agree in writing, or as required by the ASX). Only PNX Shareholders who appear on the PNX Share Register at 5:00pm on the Scheme Record Date will be entitled to receive the Scheme Consideration.

(e) **Implementation Date**

The Implementation Date for the Scheme is the date that is five Business Days after the Scheme Record Date (or such other date agreed to in writing by PNX and KIN).

On the Implementation Date:

- (1) KIN will issue, or procure the issuance of:
 - (A) the Scheme Consideration to each PNX Shareholder and will update the KIN Share Register to record the issuance of the KIN Shares; and
 - (B) the KIN Shares to the Sale Agent for sale on behalf of Ineligible Foreign Shareholders (refer to section 3.5 on page 42 for further details); and

- (2) all PNX Shares will be transferred to KIN (without the need for any further act by any PNX Shareholder) by:
 - (A) PNX delivering to KIN a duly completed and executed share transfer form to transfer all PNX Shares to KIN;
 - (B) KIN executing and delivering to PNX the share transfer form; and
 - (C) PNX entering the name of KIN in the PNX Share Register as the holder of all PNX Shares.

In the case of PNX Shares held in joint names, the KIN Shares will be issued to, and registered in the names of, the joint holders, and any other document or cheque required to be sent under the Scheme will be sent to the registered address of the holder whose name appears first in the PNX Share Register at 5:00pm on the Scheme Record Date.

Within ten Business Days after the Implementation Date, statements confirming the issue of the KIN Shares issued as Scheme Consideration will be dispatched to each PNX Shareholder at the holder's address as shown in the PNX Share Register on the Scheme Record Date.

The full terms relating to the payment of the Scheme Consideration are contained in the Scheme set out in Annexure A and the Deed Poll set out in Annexure B. Further information concerning KIN Shares is set out in section 5.10 on page 80.

(f) **Quotation**

KIN will use its best endeavours to procure that the KIN Shares comprising the Scheme Consideration have been approved for quotation on the ASX before 8:00am AWST on the Second Court Date.

(g) **Deed Poll**

On 12 April 2024, KIN executed the Deed Poll in favour of PNX Shareholders pursuant to which KIN agreed, subject to the Scheme becoming Effective, to provide to each PNX Shareholder the Scheme Consideration to which such PNX Shareholder is entitled under the terms of the Scheme.

A copy of the Deed Poll is included in Annexure B.

3.9 Deemed warranties by PNX Shareholders

Under clause 6.5 of the Scheme, each PNX Shareholder is taken to have warranted to PNX for the benefit of KIN, that:

- (a) to the maximum extent permitted by law, all of their PNX Shares (including any rights and entitlements attaching to those shares as at the Implementation Date) which are transferred to KIN under the Scheme will, at the date of transfer, be transferred to KIN free from all mortgages, pledges, charges, liens, encumbrances and security interests and other interests of third parties of any kind, whether legal or otherwise (but acknowledging that a security interest holder may potentially have an interest in the Scheme Consideration in accordance with the terms of such security interest); and
- (b) they have full power and capacity to sell and transfer their PNX Shares to KIN (including any rights and entitlements attaching to those shares).

PNX has provided an undertaking that it will provide the above warranties to KIN as agent and attorney of each PNX Shareholder.

3.10 Implications of the Scheme not proceeding

If the Scheme is not implemented:

- (a) PNX Shareholders will retain their PNX Shares and will be exposed to risks applicable to PNX, including those set out in section 7.5 on page 113;
- (b) PNX Shareholders will not receive the Scheme Consideration;
- (c) PNX will need to repay the amount owing under the Loan Facility Agreement, please see section 4.10 on page 64 for further details;
- (d) a reimbursement fee of \$325,000 may be payable by PNX in certain circumstances but do not include circumstances where PNX Shareholders vote against the Scheme, please see section 9.7(a) on page 128 for further details;
- (e) a reimbursement fee of \$325,000 may be payable by KIN in certain circumstances, please see section 9.7(b) on page 128 for further details;
- (f) transaction related costs of approximately \$714,000 are expected to be incurred by PNX, please see section 10.5 on page 136 for further details;
- (g) PNX will continue as an independent entity listed on the ASX; and
- (h) the price of PNX Shares may fall in the near-term if the Scheme is not implemented and in the absence of a Superior Proposal.

3.11 Delisting of PNX

On a date after the Implementation Date, PNX will apply to the ASX for termination of the quotation of PNX Shares and to remove PNX from the official list of ASX.

3.12 What to do next

(a) Read the remainder of this Scheme Booklet

Read the remainder of this Scheme Booklet in full before making any decision on the Scheme. Anyone entitled to attend the Scheme Meeting may obtain a copy of this Scheme Booklet from PNX's website at www.pnxmetals.com.au or a free paper copy upon request to the PNX Share Registry through the PNX information line on 1300 305 232 (within Australia) or +61 3 9415 4657 (outside Australia) between 8:00am and 4:30pm ACST Monday to Friday (excluding public holidays).

(b) Consider your options

PNX Shareholders should refer to section 1 on page 19 for further guidance on the reasons to vote in favour of or against the Scheme and section 7 on page 105 for guidance on the risks associated with the Scheme. If you have any questions in relation to the Scheme or the Scheme Meeting, please contact the PNX information line on 1300 305 232 (within Australia) or +61 3 9415 4657 (outside Australia) between 8:00am and 4:30pm ACST Monday to Friday

(excluding public holidays), visit www.pnxmetals.com.au or consult your financial, tax, legal or other professional adviser.

(c) **Vote at the Scheme Meeting**

The Independent PNX Directors urge you to vote at the Scheme Meeting. The Scheme affects your shareholding and your vote at the Scheme Meeting is important in determining whether the Scheme will be implemented.

The Independent PNX Directors unanimously recommend that you vote in favour of the Scheme, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of PNX Shareholders.¹¹

¹¹ When considering this recommendation, you should note the interests that Mr Graham Ascough (Executive Chairman) and Mr James Fox (Technical Director) have in the outcome of the Scheme as detailed in section 3.2 on page 40.

4

INFORMATION ABOUT PNX



4. Information about PNX

4.1 Introduction

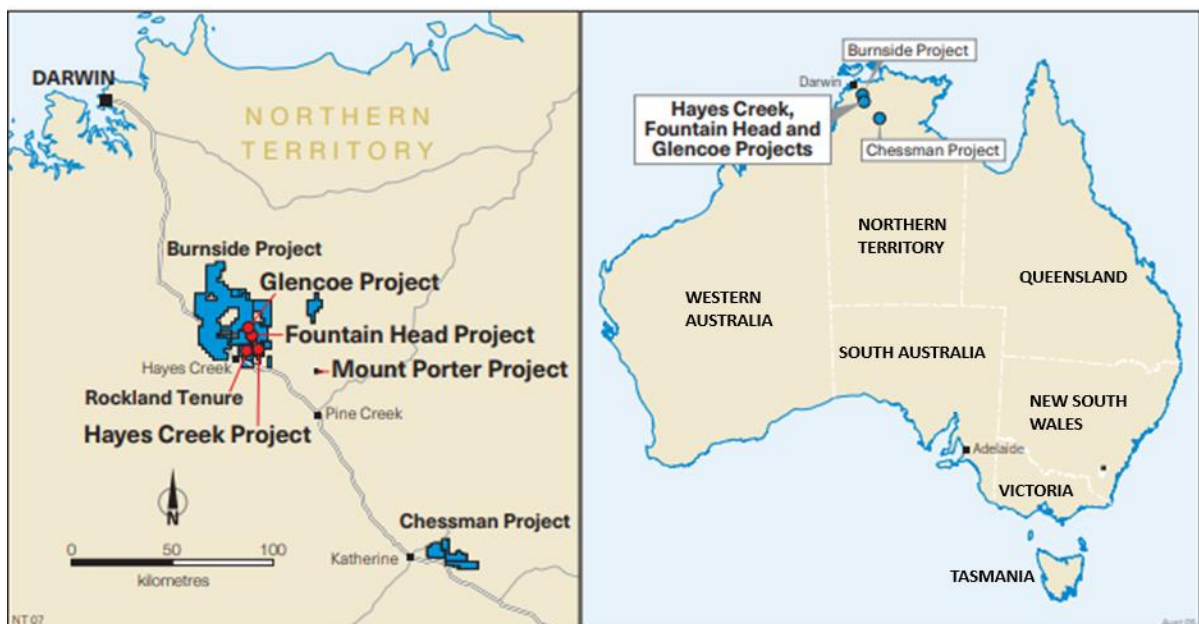
PNX is an ASX-listed mineral exploration and development company, with combined Mineral Resources of approximately 0.5 Moz gold, 16.2 Moz silver and 177.2 kt zinc located on 100% owned and granted mineral leases across its portfolio of assets in the Pine Creek region of the Northern Territory.

PNX is primarily focused on advancing the development of its 100% owned Fountain Head and Hayes Creek Projects, which were the subject of a combined preliminary feasibility study (**PFS**) published in June 2021.¹²

PNX also holds the nearby Glencoe and Mt Porter gold deposits (now part of the Fountain Head Project), a number of 100% owned exploration licences, a 90% interest in the prospective Burnside exploration project and Pine Creek tenure, including at the very high grade Thunderball uranium deposit.

Please refer to Schedule 1 for an overview of PNX's Mineral Resources and Schedule 2 for a detailed list of PNX's project interests.

Figure 3: PNX Project Locations



¹² Please see the ASX announcement published by PNX on 17 June 2021 for further information about this PFS

4.2 PNX Board and senior management

(a) PNX Board

As at the date of this Scheme Booklet, the PNX Board comprised the following directors:

Table 3: PNX Board

Name	Biography
<p>Graham Ascough <i>Executive Chairman</i> Appointed 7 December 2012</p>	<p>Mr Ascough is a senior resources executive with more than 30 years of industry experience evaluating mineral projects and resources in Australia and overseas. He has had broad industry involvement ranging from playing a leading role in setting the strategic direction for significant country-wide exploration programs to working directly with mining and exploration companies.</p> <p>Mr Ascough is a geophysicist and was the Managing Director of ASX-listed Mithril Resources Ltd from October 2006 until June 2012. Prior to joining Mithril in 2006, Graham was the Australian Manager of Nickel and PGM Exploration at the major Canadian resources house, Falconbridge Ltd (acquired by Xstrata Plc in 2006).</p> <p>He is a member of the Australasian Institute of Mining and Metallurgy and is a Professional Geoscientist of Ontario, Canada. Graham is currently the non-executive Chairman of three other ASX-listed companies: Black Canyon Limited, Sunstone Metals Limited and Geopacific Resources Limited.</p>
<p>Hans-Jörg Schmidt <i>Non-Executive Director</i> Appointed 11 November 2019</p>	<p>Based in Monaco, Mr Schmidt has a Master of Business & Administration from the University of Mannheim (Germany) and has a strong track record of business start-up and investment management.</p> <p>He is an experienced private equity investor, working and investing across a broad range of industries and has held senior positions in investment banking and investment research firms along with director roles for publicly listed companies in Europe.</p> <p>He has advised boards and management teams on investment decisions, financings and transactions across a broad range of industries.</p>
<p>Hansjoerg Plaggemars¹ <i>Non-Executive Director</i> Appointed 28 November 2020</p>	<p>Please see section 5.6(a) on page 77 for Mr Plaggemars' biography.</p>
<p>Rowan Johnston² <i>Non-Executive Director</i> Appointed 11 April 2023</p>	<p>Please see section 5.6(a) on page 77 for Mr Johnston's biography.</p>
<p>James Fox <i>Technical Director</i> Appointed 25 November 2014</p>	<p>In November 2023, Mr Fox transitioned from his role as MD and CEO of PNX, which he held since 2014 and 2012 respectively, to a part-time Technical Director of PNX.</p> <p>Mr Fox has over 25 years' experience in the mining industry. Prior to joining PNX, he was responsible for the development</p>

Name	Biography
	<p>and operation of the Nickel Laterite Heap Leach project at the Murrin Murrin operations in Western Australia.</p> <p>Mr Fox has held various senior processing positions including process manager at the Nifty Copper Operation in Western Australia. He has worked in the United Kingdom, Cyprus, Uganda and Australia in gold, lead, zinc, copper, nickel and cobalt mining and processing operations.</p>
Notes to Table 3:	
1. Appointed to the KIN Board on 31 July 2019.	
2. Appointed to the KIN Board on 14 July 2022.	

(b) **PNX's senior leadership team**

As at the Last Practicable Date, PNX's senior leadership team comprised:

Table 4: PNX's senior leadership team

Name	Position
Katelyn Adams	Chief Financial Officer and Company Secretary
Craig Wilson	Project Mining & Infrastructure Manager
Dr Michael Green	Exploration Manager

4.3 Overview of PNX's key projects

(a) **Fountain Head Project (100% owned)**

The 100% owned Fountain Head Project is located on granted mineral leases approximately 170 km south of Darwin in the Pine Creek region of the Northern Territory. The Fountain Head Project is made up of two discrete mineral deposits, the Tally Ho and Fountain Head gold deposits, which collectively host a Mineral Resource estimate of 156 koz gold.

PNX received environmental approval¹³ for the Fountain Head Project in 2023 and is currently awaiting approval for its mining management plan, the last step in the approvals process for the project. A proposed integrated processing plant at the Fountain Head Project has been designed to be capable of treating gold and silver ore from PNX's Glencoe, Mt Porter and Fountain Head gold deposits in conjunction with zinc-gold-silver sulphides from its future Hayes Creek Project operations.

Gold mineralisation at the Fountain Head Project occurs in quartz veins as either conformable anticlinal lodes (with flanking mineralisation) or subvertical structurally hosted mineralisation associated with faults and shears sub-parallel to the fold axis, and the Fountain Head Project is hosted within interbedded mudstones, greywackes and phyllite units.

On 15 April 2024, PNX terminated the Silver Streaming Rights which existed over the Fountain Head Project in exchange for 474,590,036 PNX Shares (which were issued on 26 April 2024). PNX had previously received a total of \$2.4 million under two silver streaming agreements, for

¹³ These environmental approvals are for Fountain Head only.

the forward sale of a total of 336,000 oz of silver to be delivered over a 3-year period following commissioning and ramp up of the Fountain Head Project.

Table 5: Fountain Head Project – Mineral Resource estimate (June 2020)

JORC Classification	Tonnage (Mt)	Au (g/t)	Ounces (koz)
Tally Ho			
Indicated	0.94	2.0	59
Inferred	-	-	-
Total	0.94	2.0	59
Fountain Head			
Indicated	0.89	1.4	41
Inferred	1.11	1.6	56
Total	2.00	1.5	96
Combined			
Indicated	1.83	1.7	100
Inferred	1.11	1.6	56
Total	2.94	1.7	156

(b) **Hayes Creek Project (100% owned)**

The 100% owned Hayes Creek Project is located approximately 10 km from the Fountain Head Project. The Hayes Creek Project comprises 14 mineral leases of 168 hectares, ideally located within an existing infrastructure services corridor in a historic mining region.

The Hayes Creek Project comprises two discrete mineral deposits, the Iron Blow and Mt Bonnie gold-zinc-silver deposits, with a combined Mineral Resource estimate of 117.2 kt zinc, 16.2 Moz silver and 237.7 koz gold. The Mt Bonnie and Iron Blow gold-zinc-silver deposits occupy approximately the same stratigraphic location in the Margaret Syncline near the base of the Mt Bonnie Formation. Both are mineralogically similar and interpreted to be VHMS deposits formed at or near the sea floor by submarine volcanic activity.

A standalone PFS was completed in July 2017, prior to the integrated PFS with the Fountain Head Project, released to the ASX in June 2021. The material assumptions and outcomes of the standalone PFS were largely maintained in the later combined PFS.

Table 6: Hayes Creek Project – Mineral Resources Estimate (May 2017)

JORC Classification	Tonnage (Kt)	Zn (%)	Pb (%)	Cu (%)	Ag (g/t)	Au (g/t)	ZnEq (%)	AuEq (g/t)
Total Indicated (84.7%)	3,455	4.88	1.01	0.27	137	1.88	11.99	9.29
Total Inferred (15.3%)	622	1.39	0.37	0.10	52	1.46	5.03	3.91
Total Indicated + Inferred Mineral Resource	4,077	4.35	0.91	0.25	124	1.81	10.93	8.47
Total Combined Metal (t)		177,200	37,000	10,050	16.2 Moz	237.7 koz	445,000 t	1,110 koz

(c) **Glencoe (100% owned)**

The Glencoe gold deposit is located 3 km directly north of the Fountain Head Project. An updated Mineral Resource estimate was completed in August 2022 which returned 2.1 Mt @ 1.2 g/t for 79,000 oz gold, with 77.4% reported within the Measured and Indicated categories.

The Glencoe gold deposit remains open in all directions with a near-surface 1.5 km strike extent, strong exploration potential and numerous open intercepts. Exploration results released to the ASX in March 2022 demonstrated numerous high-grade near-surface rock chips, which included grades of up to 35.8 g/t gold.

Table 7: Glencoe – Mineral Resource estimate (August 2022)

ZONE	MEASURED		INDICATED		INFERRED		TOTAL		
	Tonnes	Au (g/t)	Tonnes	Au (g/t)	Tonnes	Au (g/t)	Tonnes	Au (g/t)	Au Ounces
Oxide	14,000	1.18	86,000	1.04	40,000	1.23	140,000	1.11	5,000
Transitional	144,000	1.25	449,000	1.28	107,000	1.18	700,000	1.26	28,300
Fresh	269,000	1.36	649,000	1.04	324,000	1.17	1,242,000	1.14	45,700
Total	427,000	1.32	1,184,000	1.13	471,000	1.18	2,082,000	1.18	79,000

(d) **Mt Porter (100% owned)**

In April 2024, PNX completed the acquisition of the Mt Porter gold deposit, located 50 km southeast of the proposed infrastructure at the Fountain Head Project. The Mt Porter acquisition was consistent with PNX's strategy to consolidate nearby deposits which host existing gold, silver or base metal Mineral Resource estimates to support its existing project development plans.

The Mt Porter gold deposit hosts a Mineral Resource estimate of 681,000 t @ 2.2 g/t for 48,200 oz gold with strong exploration upside. Numerous high-grade intercepts have been identified outside the current resource boundary with multiple open areas, offering significant potential to extend the Mineral Resources.

In March 2024, PNX submitted an amended mining management plan to the Northern Territory's Department of Industry, Tourism and Trade to permit mining at the Mt Porter gold deposit. PNX is working diligently towards approval, permitting, and development.

Table 8: Mt Porter – Mineral Resource estimate (June 2022)

TYPE	INDICATED		INFERRED		TOTAL		
	Tonnes (t)	Au (g/t)	Tonnes (t)	Au (g/t)	Tonnes (t)	Au (g/t)	Au (oz)
Oxide / Transitional	70,000	1.9	7,300	2.4	77,200	2.0	4,900
Fresh	478,000	2.3	125,000	1.8	603,000	2.2	43,200
Total	548,000	2.3	133,000	1.9	681,000	2.2	48,200

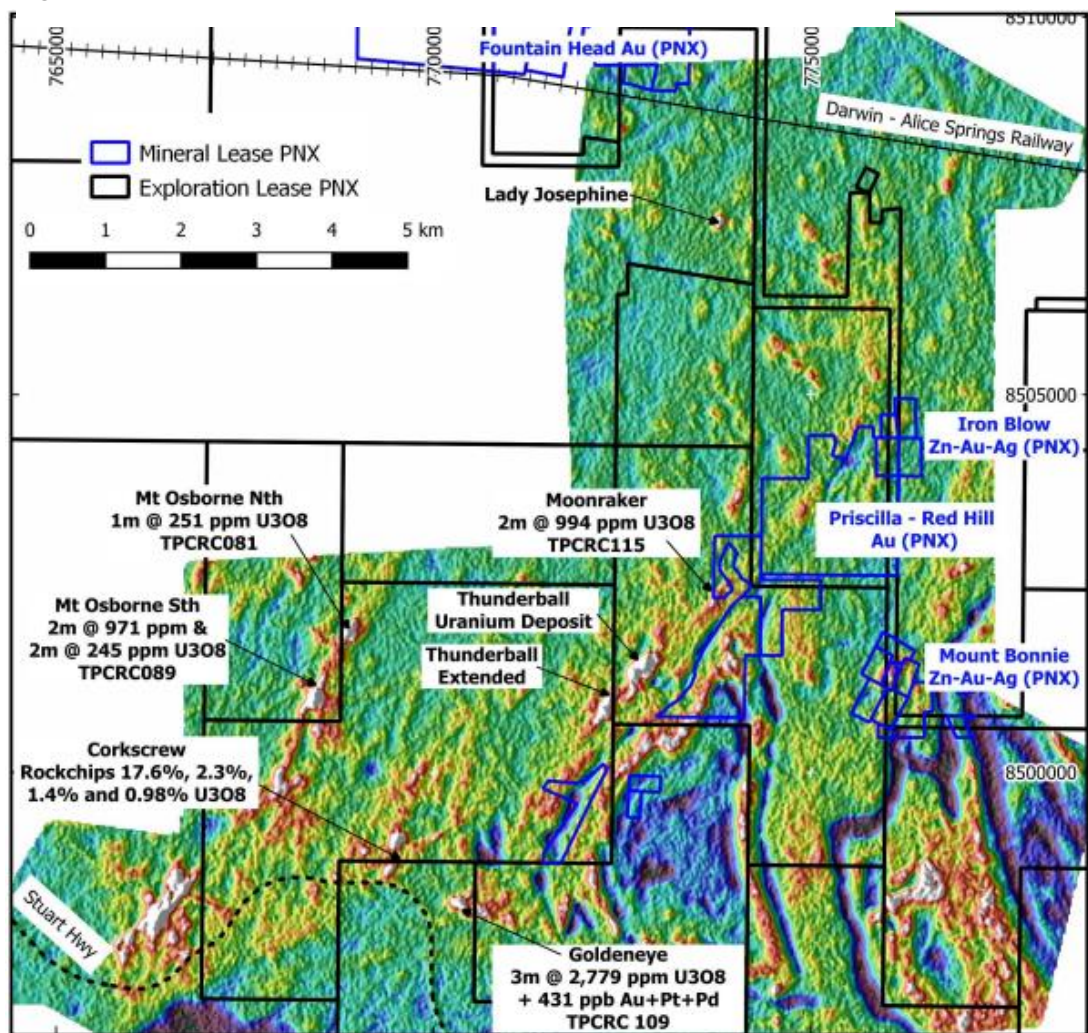
(e) **Pine Creek Uranium Interests (80% - 100% owned)**

In November 2023, PNX announced that the uranium rights over a large portion of its current tenure in the Pine Creek region had returned to PNX after the expiry of a farm-in agreement with private company, Oz Uranium Pty Ltd (**Oz Uranium**).

Originally owned by Thundelarra Exploration Ltd and subsequently transferred to Oz Uranium as part of a commercial agreement, the tenure received significant exploration focus between 2008 and 2011 including detailed geophysics, mapping, surface sampling and drilling.

PNX has re-established several key datasets since the return of the uranium rights, which includes the near surface Thunderball uranium deposit and several other priority uranium prospects.

Figure 4: PNX Uranium Prospects



(f) **Thunderball uranium deposit (90% owned)**

The Thunderball uranium deposit is located approximately 8 km south of the Fountain Head Project and immediately to the west of the Hayes Creek Project. During concerted uranium exploration between 2008 and 2011 by Thundelarra Exploration Ltd, a historic mineral resource was estimated. This historic mineral resource is not reported by PNX as it is pre-JORC 2012.

In February 2024, PNX announced previously unreleased very high-grade uranium drilling results from data which was collected in 2014. The results included 15.0 m at 1.35% U₃O₈ from 210.0 m.

Recently completed gap analysis by SRK Consulting identified potential extensions to high-grade zones and confirmed that downhole gamma logging (eU₃O₈) can be used in conjunction with assays to better increase dataset quality and quantity.

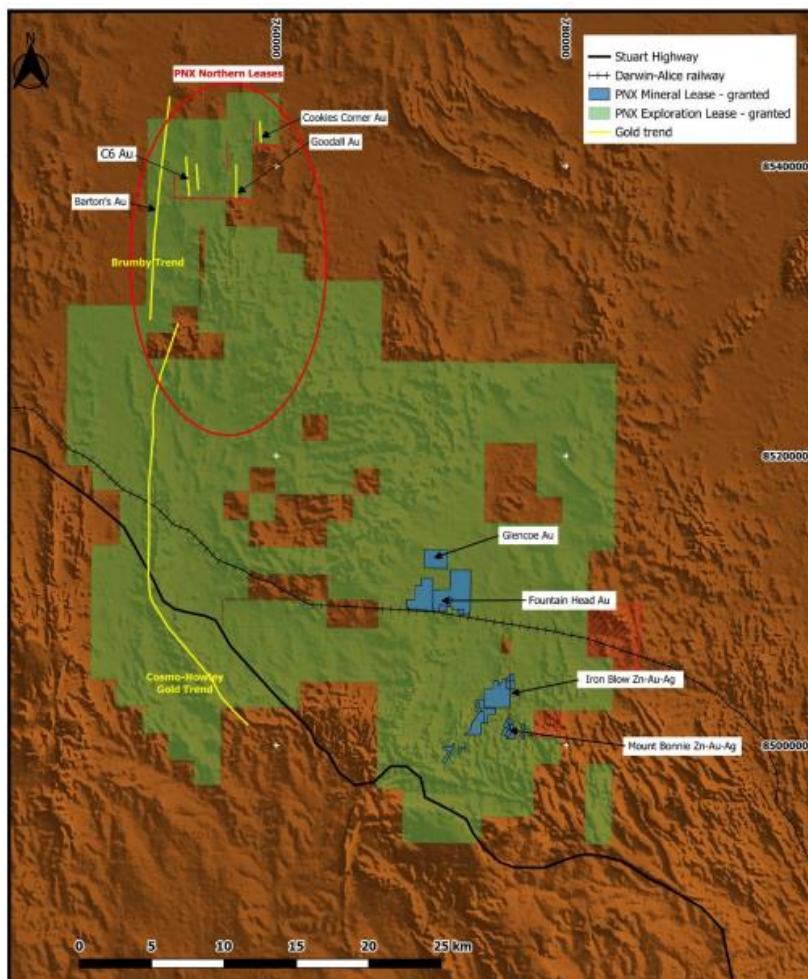
4.4 Exploration Projects Overview

PNX's main exploration tenure is the Burnside Project, which covers more than 1,000 km² of contiguous, highly prospective granted exploration licences between Adelaide River and Pine Creek in the Northern Territory. The area has a substantial gold endowment with a long history of prospecting and mining dating back to the late 1800's.

Recent exploration has focused on the Northern Burnside Leases, which are located approximately 35 km northwest of the Fountain Head and Hayes Creek Projects. PNX's 2023 exploration program was successful in identifying multiple targets within prospective kilometre-scale gold corridors, with the potential to host economically significant gold mineralisation, including at the C6 gold prospect.

The discovery of a high-grade gold gossan at surface at the C6 gold prospect, and a significant mineralised footprint (>10 g/t gold) in outcrop traced over a ~3 km extent, highlights the potential for material-scale gold mineralisation. The C6 prospect exists along the same structural corridor as the Cosmo Howley gold mine (owned by Agnico Eagle Ltd).

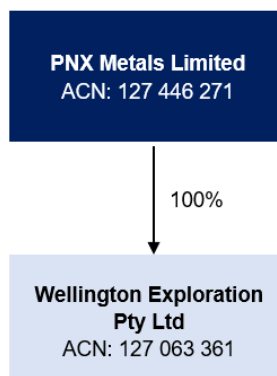
Figure 5: Burnside Project Location



4.5 Corporate structure

The corporate structure of PNX and its Subsidiary is depicted in Figure 6 below.

Figure 6: PNX Corporate Structure



4.6 PNX's capital structure

As at the date of this Scheme Booklet, PNX's issued securities consisted of 5,970,214,755 fully paid ordinary shares quoted on the ASX and 85,800,000 performance rights.

As outlined in section 9.1 on page 126, the Scheme is subject to PNX having made arrangements, including the entry into the PNX Performance Rights Cancellation Deeds, before 8:00am AWST on the Second Court Date so that all PNX Performance Rights are either lapsed, been exercised or cancelled before the Implementation Date.

PNX and KIN have entered into a Performance Rights Cancellation Deed with each PNX Performance Right Holder pursuant to which each PNX Performance Right Holder has agreed to have their PNX Performance Rights cancelled in return for payment of monetary consideration equal to an amount calculated by an independent valuation procured by KIN, subject to the Scheme becoming Effective. Please see section 10.4 on page 134 for further details.

4.7 PNX's substantial shareholders

As at the Last Practicable Date, the following persons were believed to have Voting Power of 5% or more of PNX Shares:

Table 9: PNX's substantial shareholders

Substantial Holder	Registered Holder	Number of PNX Shares held ¹	% held of total PNX Shares ²
Delphi Group	Delphi ³	2,360,603,389	39.54%
	Deutsche Balaton Aktiengesellschaft ⁴	340,000,000	5.69%
Delphi Group's Voting Power		2,700,603,389	45.23%

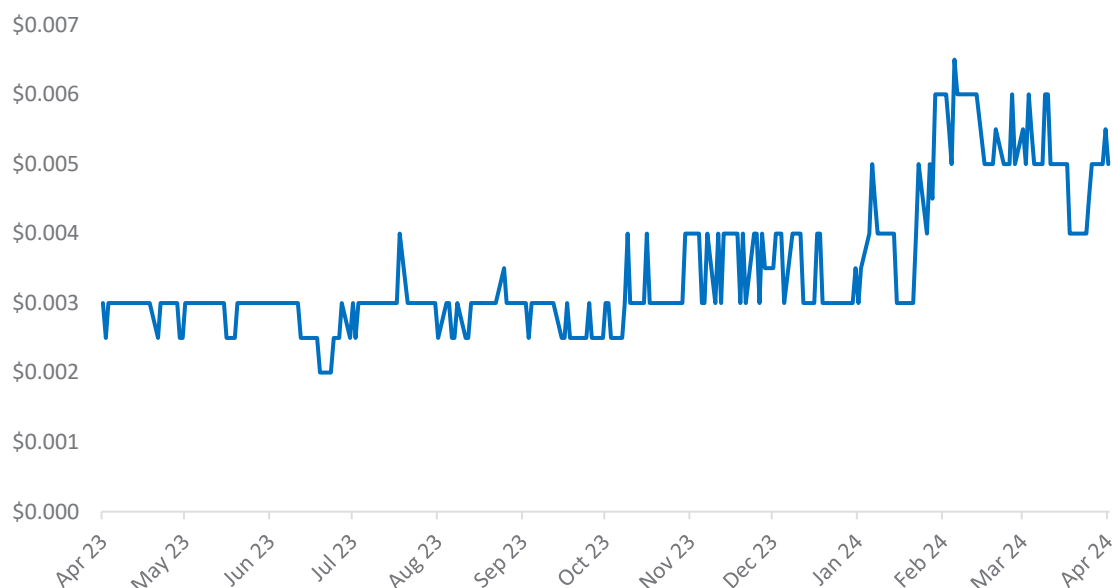
1. The above information has been provided to PNX by PNX Shareholders. PNX takes no responsibility for the accuracy of the above information.
2. Based on the number of PNX Shares on issue as at the Last Practicable Date, being 5,970,214,755 PNX Shares.
3. Mr Plaggemars, a Non-Executive Director of PNX, is also a director of Delphi with power in respect of voting and disposal rights over the PNX Shares and, therefore, has a Relevant Interest in the 2,360,603,389 PNX Shares registered in the name of Delphi.
4. VV Beteiligungen Aktiengesellschaft, an Associate of Delphi, is the major shareholder of Deutsche Balaton Aktiengesellschaft.

4.8 Recent PNX Share price performance

The closing share price of PNX on the ASX on 10 July 2024 (being the Last Practicable Date) was 0.400¢.

The following chart shows the closing price of PNX Shares on the ASX over the 12-month period up to and including 11 April 2024 (being the last Trading Day prior to the Scheme Announcement Date).

Figure 7 - 12 Month PNX Share Price Performance



As at 11 April 2024 (being the last Trading Day prior to the Scheme Announcement Date):

- the closing share price of PNX was 0.500¢;
- the highest recorded closing share price of PNX in the previous 12 months was 0.650¢ on 15 February 2024; and
- the lowest recorded closing share price of PNX in the previous 12 months was 0.200¢, most recently on 3 July 2023.

4.9 Historical financial information

(a) Introduction

This section 4.9 contains a summary of the relevant historical financial information of PNX, which has been prepared by the PNX Directors and comprises the following:

- (1) the historical consolidated statement of profit or loss and other comprehensive income for financial years ended 30 June 2022 and 30 June 2023 and half year ended 31 December 2023;
- (2) the historical consolidated statement of financial position for financial years ended 30 June 2022 and 30 June 2023 and half year ended 31 December 2023; and
- (3) the historical consolidated statement of cash-flows for financial years ended 30 June 2022 and 30 June 2023 and half year ended 31 December 2023,

collectively referred to as the “**PNX Historical Financial Information**”.

The PNX Historical Financial Information in this section 4.9 is a summary only and has been prepared and extracted for the purposes of this Scheme Booklet only. The PNX Historical Financial Information presented in this section 4.9 is in an abbreviated form and does not contain all the disclosures, presentations, statements or comparatives that are usually provided in an annual report prepared in accordance with the Corporations Act. PNX considers that for the purposes of this Scheme Booklet the PNX Historical Financial Information presented in an abbreviated form is more meaningful to PNX Shareholders.

The PNX Historical Financial Information presented in this Scheme Booklet has been prepared in accordance with the recognition and measurement principles contained in the Australian Accounting Standards and is presented on a standalone basis, and accordingly, does not reflect any impact of the implementation of the Scheme (or the transactions contemplated by it).

Further detail about the PNX Historical Financial Information can be found in PNX’s financial statements for the financial years ended 30 June 2022 (which are included in the Annual Report released by PNX to the ASX on 7 October 2022 in respect of that financial year), 30 June 2023 (which are included in the Annual Report released by PNX to the ASX on 6 October 2023 in respect of that financial year), and 31 December 2023 (which PNX released to ASX on 6 March 2024). Copies of these documents can be obtained, free of charge, from ASX’s website at www.asx.com.au or from PNX’s website at www.pnxmetals.com.au.

PNX Shareholders should be aware that past performance is not a guide to future performance.

(b) **Historical consolidated statement of profit or loss and other comprehensive income for financial years ended 30 June 2022 and 30 June 2023 and half year ended 31 December 2023**

	\$
For the 6-month period ending	Dec-23
Revenue	40,097
Other income	42,892
Total revenue	82,989
Depreciation and amortisation expense	(45,407)
Directors’ fees	(108,689)
Employee benefits	(183,529)
Equity-based remuneration	(67,339)
Exploration and evaluation	(107,246)
Finance costs	(6,229)
Professional fees	(176,995)
Other expenses	(118,120)
Total expenses	(813,554)
Loss before income tax	(730,565)
Income tax	-
Loss after income tax	(730,565)

	\$	
For the 6-month period ending	Dec-23	
Revaluation of financial assets at fair value		(66,000)
Other comprehensive income (net of tax)		(66,000)
Total comprehensive profit/(loss)		(796,565)
Basic earnings per share (cents per share)		(0.01)
Diluted earnings per share (cents per share)		(0.01)
	\$	
For the 12-month period ending	Jun-23	Jun-22
Interest income	74,088	4,329
Other income	-	105,000
Gain on sale of exploration assets	-	534,545
Total revenue	74,088	643,874
Employee benefits	(328,375)	(131,373)
Professional fees	(445,052)	(625,800)
Directors' fees	(225,568)	(235,000)
Exploration - tenement maintenance	(72,031)	-
Occupancy	-	(10,100)
Insurance	(38,382)	(34,414)
Share registry and regulatory	(74,826)	(65,550)
Communication	(16,074)	(12,267)
Audit fees	(57,967)	(46,174)
Equity-based remuneration	(155,880)	(142,544)
Other expenses	(34,101)	(16,552)
Depreciation	(90,385)	(78,455)
Interest charges	(8,414)	(9,669)
Total expenses	(1,547,055)	(1,407,898)
Loss before income tax	(1,472,967)	(764,024)
Income tax	-	-
Loss after income tax	(1,472,967)	(764,024)
Revaluation of financial assets at fair value	(114,000)	759,321
Other comprehensive income (net of tax)	(114,000)	759,321
Total comprehensive profit/(loss)	(1,586,967)	(4,703)
Basic earnings per share (cents per share)	(0.03)	(0.02)
Diluted earnings per share (cents per share)	(0.03)	(0.02)

(c) **Historical consolidated statement of financial position for financial years ended 30 June 2022 and 30 June 2023 and half year ended 31 December 2023**

Balances as of	\$ Dec-23
Current assets	
Cash and cash equivalents	1,223,579
Trade and other receivables	98,035
Prepayments and deposits	518,970
Other receivables - Moline project divestment	1,060,624
Financial assets at fair value	90,000
Total current assets	2,991,208
Non-current assets	
Right of use assets	185,095
Prepayments and deposits	784,055
Property, plant and equipment	8,662
Exploration and evaluation expenditure	24,765,877
Total non-current assets	25,743,689
Total assets	28,734,897
Current liabilities	
Trade and other payables	208,494
Lease liabilities	77,120
Provisions	229,912
Total current liabilities	515,526
Non-current liabilities	
Lease liabilities	125,161
Financial liabilities	2,400,000
Total non-current liabilities	2,525,161
Total liabilities	3,040,687
Net assets	25,694,210
Equity	
Issued capital	60,176,998
Reserves	417,522
Accumulated losses	(34,900,310)
Total equity	25,694,210

Balances as of	Jun-23	Jun-22	\$
Current assets			
Cash and cash equivalents	2,724,552	3,701,939	
Trade and other receivables	103,277	37,589	
Prepayments and deposits	223,801	184,004	
Other receivables - sale of Moline project	1,560,624	-	
Other assets	250,000	-	
Other financial assets	156,000	270,000	
Total current assets	5,018,254	4,193,532	
Non-current assets			
Trade and other receivables	-	1,810,624	
Exploration and evaluation expenditure	23,565,704	21,519,844	
Plant and equipment	118,412	205,499	
Other financial assets	784,055	784,055	
Total non-current assets	24,468,171	24,320,022	
Total assets	29,486,425	28,513,554	
Current liabilities			
Trade and other payables	322,763	568,151	
Provisions	215,778	203,161	
Lease liabilities	40,273	90,152	
Total current liabilities	578,814	861,464	
Non-current liabilities			
Provisions	-	-	
Lease liabilities	84,175	115,709	
Financial liabilities	2,400,000	2,400,000	
Total non-current liabilities	2,484,175	2,515,709	
Total liabilities	3,062,989	3,377,173	
Net assets	26,423,436	25,136,381	
Equity			
Issued capital	60,176,998	57,458,856	
Reserves	446,956	413,316	
Accumulated losses	(34,200,518)	(32,735,791)	
Total equity	26,423,436	25,136,381	

(d) **Historical consolidated statement of cash-flows for financial years ended 30 June 2022 and 30 June 2023 and half year ended 31 December 2023**

For the 6-month period ending	\$	
	Dec-23	
Cash flows from operating activities		
Interest and other finance costs paid		(4,533)
Payments for exploration activities (expensed)		(106,960)
Payments to suppliers and employees		(715,143)
Net operating cash flows		(826,636)
Cash flows from investing activities		
Payments for acquisitions of property, plant and equipment		-
Payments for exploration activities (capitalised)		(1,142,975)
Payments for MMP security bond		(36,620)
Proceeds from disposal of tenements		500,000
Interest received		43,096
Net investing cash flows		(636,499)
Cash flows from financing activities		
Payment of lease liabilities		(37,838)
Net financing cash flows		(37,838)
Net increase/(decrease) in cash and cash equivalents		(1,500,973)
Cash and cash equivalents at the beginning of the period		2,724,552
Cash and cash equivalents at the end of the period		1,223,579
For the 12-month period ending	\$	
	Jun-23	Jun-22
Cash flows from operating activities		
Other income	-	100,000
Payments to suppliers and employees	(1,243,064)	(1,048,364)
Net operating cash flows	(1,243,064)	(948,364)
Cash flows from investing activities		
Interest received	73,597	4,349
Proceeds from disposal of investments	-	682,701
Proceeds from disposal of plant and equipment	-	5,000
Payments for exploration activities	(2,398,098)	(3,549,229)
Payments for plant and equipment	(2,272)	(8,980)
Deposit received for sale of Moline project	-	50,000
Payments for tenement security bonds	(40,633)	(2,756)
Net investing cash flows	(2,367,406)	(2,818,915)
Cash flows from financing activities		
Proceeds from share issues	2,809,701	3,959,321

	Jun-23	Jun-22	\$
For the 12-month period ending			
Payments for capital raising costs	(91,559)	(45,753)	
Payments for leases	(85,058)	(76,602)	
Net financing cash flows	2,633,084	3,836,966	
Net increase/(decrease) in cash and cash equivalents	(977,387)	69,687	
Cash and cash equivalents at the beginning of the period	3,701,939	3,362,252	
Cash and cash equivalents at the end of the period	2,724,552	3,701,939	

(e) **Material changes to PNX's financial position**

Other than:

- (1) the accumulation of losses in the ordinary course of trading,
- (2) PNX entering into the Loan Facility Agreement for a total of \$1,500,000 with KIN on 12 April 2024 (refer to section 4.10 on page 64 for further details on the Loan Facility Agreement); and
- (3) changes as disclosed in this Scheme Booklet or as otherwise disclosed by PNX to the ASX, including as a result of 'Completing' the acquisition of the Mt Porter Mineral Lease, converting the Silver Streaming Rights to PNX Shares and completing the disposal of the Moline Mineral Lease,

to the knowledge of the PNX Directors, the financial position of PNX has not changed materially since 31 December 2023.

Copies of PNX's periodic reports can be obtained from PNX's website at www.pnxmetals.com.au, ASX's website at www.asx.com.au (ASX: PNX) and from PNX, free of charge, following a request in writing via email to info@pnxmetals.com.au or post to Level 1, 135 Fullarton Road, Rose Park SA 5067.

(f) **Financial information for the full year ended 30 June 2024**

PNX currently expects to release its audited financial statements for the full year ended 30 June 2024 to the ASX before 30 September 2024. As such these were not available as at the date of this Scheme Booklet.

In the event that these financial statements are published prior to the Scheme Meeting, the PNX Board intends to obtain, and announce to the ASX in advance of the Scheme Meeting, confirmation from the Independent Expert on whether the financial results change the Independent Expert's opinion that the Scheme is fair and reasonable and in the best interests of PNX Shareholders, in the absence of a Superior Proposal.

PNX Shareholders are encouraged to read those financial statements and PNX's ASX release regarding the Independent Expert's confirmation before deciding how to vote at the Scheme Meeting.

4.10 Loan Facility

On 12 April 2024, PNX and KIN entered into an unsecured loan agreement (**Loan Facility Agreement**) containing the following key terms and conditions:

- (a) KIN will make available to PNX an unsecured loan facility in the maximum principal amount of \$1,500,000 (**Loan Facility**), which will be available by way of three drawdowns as follows:
 - (1) Tranche 1: \$500,000 – drawdown available within 5 business days of the date of the Loan Facility Agreement (drawdown completed on 16 April 2024);
 - (2) Tranche 2: \$500,000 – drawdown available on and from the date that is 45 days after the drawdown of Tranche 1 until the business day before 16 January 2025 (drawdown completed on 31 May 2024); and
 - (3) Tranche 3: \$500,000 – drawdown available on and from the date that is 45 days after the drawdown of Tranche 2 until the business day before 16 January 2025.
- (b) PNX must apply all amounts borrowed under the Loan Facility towards working capital costs, agreed tenement expenditures, agreed administration costs and any costs associated with the Scheme;
- (c) the obligation of KIN to make an initial drawdown, or any additional drawdown on the Loan Facility is subject to PNX having delivered specified documents, including, but not limited to, a declaration by PNX that the only indebtedness of it will arise in the usual and ordinary course of its business, in accordance with the Loan Facility Agreement or Scheme Implementation Deed or with the prior written consent of KIN.
- (d) if any Loan Facility Event of Default occurs and is continuing, KIN may at any time provide notice to PNX requiring that the outstanding money under the Loan Facility is immediately due and payable;
- (e) the Loan Facility must be repaid by PNX on the earlier of:
 - (1) the maturity date, being 16 January 2025 (i.e., nine months after the first drawdown date).
 - (2) 45 days after the receipt of a demand from KIN following a Loan Facility Change of Control Event occurring or following an unremedied and continuing Loan Facility Event of Default; or
 - (3) 120 days after the receipt of a demand issued by KIN following the termination of the Scheme Implementation Deed,and PNX may elect to prepay the Loan Facility (or any part of it) at any time;
- (f) PNX may not reborrow any part of the Loan Facility that has been repaid or prepaid;
- (g) the outstanding amount owing of the Loan Facility accrues interest at 10% per annum of which must be repaid by PNX on the date that the Loan Facility must be repaid;
- (h) PNX provides a number of positive and negative covenants including not incurring other indebtedness, not creating or permitting to exist any other liens other than permitted encumbrances and not disposing of (substantially) all of PNX's property or its business;

- (i) PNX provides a number of representations and warranties that are standard for an agreement of this nature including relating to insolvency, corporate power and status and that the Loan Agreement is a valid binding obligation on PNX.

As at the date of this Scheme Booklet, PNX has drawn \$1 million under the Loan Facility and expects to draw a further \$500,000 on or about 15 July 2024. No repayments have been made as at the date of this Scheme Booklet.

The Loan Facility was negotiated on an arms' length basis between the PNX IBC and the KIN IBC.

The PNX IBC requested the 120 day (4 month) repayment term referred to in 4.10(e)(3) above on the basis that:

- (a) after advice from PNX's financial advisor, Taylor Collison, the PNX IBC considered that 120 days was a sufficient period of time to plan and execute an equity capital raising capable of repaying the Loan Facility (subject to prevailing equity market conditions and investor demand at the time); and
- (b) it was unrealistic to expect a repayment period of longer than 120 days, which is a similar length period to other similar and recent scheme of arrangement loan facilities.

The PNX IBC considered that the Loan Facility was in the best interests of PNX Shareholders on the basis that:

- (a) absent the Loan Facility, the Scheme was highly unlikely to proceed as PNX needed additional capital to commit to the Scheme process (i.e. by entering into the Scheme Implementation Deed) and the Loan Facility provided PNX with certainty that it had the required funding (on known terms) to fund PNX through to either implementation of the Scheme or to a subsequent equity capital raise (should the Scheme not be implemented and PNX be required to repay the Loan Facility). The PNX IBC considered that the certainty provided by the Loan Facility to be a better option for PNX and PNX Shareholders as opposed to an equity capital raising, which would have a greater degree of risk and uncertainty and would typically be undertaken at a discount to the current Share price (potentially resulting in significant PNX Shareholder dilution); and
- (b) in the event that the Scheme is terminated and PNX is required to undertake a dilutive equity capital raising to repay the Loan Facility, this is a similar situation as to what PNX and PNX Shareholders would have faced prior to receipt of KIN's NBIO, as PNX had less than \$1 million in cash at the time and would have required capital.

4.11 Intentions of the PNX Board

If the Scheme becomes Effective and the PNX Board is reconstituted by KIN in accordance with section 6.3 on page 95, it is for the reconstituted board to determine its intentions as to:

- (a) the continuation of the business of PNX;
- (b) any major changes to be made to the business of PNX; and
- (c) the future employment of the present employees of PNX.

The intentions of KIN with respect to these matters are set out in section 6.4 on page 96.

If the Scheme does not become Effective, the current PNX Directors presently intend to continue the business of PNX in accordance with its current strategy and do not presently intend to make any major changes to the business or strategy, whether in respect of the redeployment of its assets or the future employment of the present employees of PNX or otherwise.

However, if the Scheme does not become Effective, PNX will be in a challenging financial position and it is the intention of the PNX Directors that:

- (a) PNX raise funds, potentially by way of a placement, rights issue and/ or loan or convertible note arrangement, to meet its commitments, including the timing for repayment of the Loan Facility (subject to agreeing an alternative commercial arrangement with KIN); and
- (b) re-negotiate PNX's existing financial obligations to enable the business to proceed.

If PNX is unable to raise additional funds, or unable to obtain funding on acceptable terms, the PNX Director may need to re-assess the strategy as needed, including reducing the scope of its operations or, if necessary, surrendering or disposing of some of its interest in one of more of its projects to a third party.

4.12 Publicly available information about PNX

PNX is a disclosing entity as defined in the Corporations Act and is subject to regular reporting and disclosure obligations under the Corporations Act and ASX Listing Rules. Broadly, these require PNX to announce price sensitive information as soon as it becomes aware of the information, subject to exceptions for certain confidential information. PNX is also required to prepare and lodge with ASIC and the ASX both annual and half-year financial statements. Copies of documents lodged with ASIC in relation to PNX may be obtained from, or inspected at, an ASIC office.

Further announcements concerning PNX will continue to be made available on ASX's website at www.asx.com.au (ASX: PNX), or alternatively PNX's website at www.pnxmetals.com.au, after the date of this Scheme Booklet.

Copies of these documents can be obtained, free of charge, from ASX's website at www.asx.com.au or at PNX's website at www.pnxmetals.com.au.

4.13 Dividend Policy

The PNX Directors may pay a dividend, or declare that a dividend is payable to PNX Shareholders. The PNX Directors may fix the amount, the time and the method of payment. All dividends must be paid to the PNX Shareholders in proportion to the number and amount paid on the PNX Shares held.

PNX has never made a return of capital or paid a dividend to PNX Shareholders and does not anticipate doing so prior to the Implementation Date.

Further, if the Scheme does not become Effective, PNX does not anticipate paying a dividend or making a return of capital for the foreseeable future.

4.14 Litigation

The PNX Group is not currently subject to any material litigation proceedings.

4.15 Further material information

Other than as contained or referred to in this Scheme Booklet, there is no other information material to the making of a decision by a PNX Shareholder whether or not to vote in favour of the Scheme, being information that is known to PNX and which has not previously been disclosed to PNX Shareholders.

4.16 Risks

For a summary of the risks associated with the Scheme, refer to section 7 on page 105. In particular, section 7.5 on page 113 outlines certain risks to PNX if the Scheme does not proceed.



INFORMATION ABOUT KIN



5. Information about KIN

5.1 Introduction

The information detailed in this section 5 has been prepared by KIN. The information concerning KIN and the intentions, views and opinions provided in this section 5 are the responsibility of KIN. Additional information is included in the Independent Expert's Report included as Annexure E. PNX does not assume any responsibility for the accuracy or completeness of the information in this section 5.

5.2 KIN Independent Board Committee

As noted previously, Rowan Johnston and Hansjoerg Plaggemars are directors of both KIN and PNX.

Consistent with the guidance in the Takeovers Panel Guidance Note 19: Insider Participation in Control Transactions:

- (a) KIN established an independent committee of the KIN Board (**KIN IBC**), comprising Nicholas Anderson and Giuseppe (Joe) Graziano (each an **Independent KIN Director**) to oversee and implement the Scheme; and
- (b) the full KIN Board approved appropriate processes and protocols to manage the potential conflicts of interests of participating insiders in order to ensure that the interests of KIN Shareholders and the principles in section 602 of the Corporations Act are upheld.

The KIN IBC continues to remain responsible for considering the Scheme and its implementation on behalf of KIN.

5.3 History and background

KIN is a Western Australian based gold development and exploration company. KIN was incorporated on 27 April 2011 and listed on the ASX on 2 October 2013 under the trading symbol 'KIN'.

As at the Last Practicable Date, KIN is a public 'no liability company'.

However, in its notice of meeting released on 20 May 2024, KIN sought KIN Shareholder approval to change its company type from a public 'no liability company' to a public 'company limited by shares'. Please see section 5.10 on page 80 for more information.

KIN owns a 100% interest in 125 tenements within the North-Eastern Goldfields region of Western Australia, which together make up KIN's flagship Cardinia Gold Project. The Cardinia Gold Project hosts a Mineral Resource of 22.1 million tonnes at a grade of 1.31 grams per tonne of gold for approximately 932 koz of contained gold. Refer to section 5.5(a) on page 72 for further information.

In addition to the above, KIN also has an interest in the following non-core projects: Desdemona, Randwick, Gambier Lass, Mt Fouracre, Murrin and Mt Flora. The Mt Flora Project is currently undergoing a sale process, with completion anticipated to occur in July 2024.

KIN is also party to an earn-in and joint venture agreement with Golden Mile Resources Ltd (ASX: G88) (**Golden Mile**) for their Benalla Gold Project, pursuant to which KIN is earning a 60% interest as further detailed in sections 5.5(c) and 5.13(a) on pages 76 and 89 respectively.

The locations of KIN's projects are depicted in Figure 8 in section 5.5 on page 71.

5.4 Genesis transactions and shareholding

(a) Background of Genesis

Genesis Minerals Limited (ASX: GMD) (**Genesis**) is an ASX-listed company focused on gold mining, project development and exploration activities in Western Australia. Genesis recently transitioned from gold explorer to gold producer following two transformational transactions as detailed below.

On 30 June 2023, Genesis completed the acquisition of St Barbara Limited's (ASX: SBM) (**St Barbara**) Leonora assets, including the Gwalia underground mine, 1.4 Mtpa Leonora mill, Tower Hill project, Zoroastrian project, Aphrodite project, Harbour Lights project and other highly prospective Leonora exploration tenure.

In connection with the St Barbara transaction, Genesis raised \$470 million (before costs) at a price of \$1.15 per share via a two-tranche placement of fully paid ordinary shares to professional and sophisticated investors. Genesis paid St Barbara \$370m cash (funded by the \$470 million equity raising) plus 205,000,000 Genesis Shares.

On 7 December 2023, Genesis announced that it had acquired 100% of Dacian Gold Limited (ASX: DCN) (**Dacian**), following completion of the compulsory acquisition process. As part of that transaction, KIN sold its 7.34% shareholding in Dacian (89,275,480 Dacian shares) in consideration for 17,274,805 Genesis shares. Please see section 5.4(b) on page 70 for further details. As a result of the Dacian acquisition, Genesis became the 100% owner of the Mt Morgans Gold Project located near Laverton, Western Australia. Mt Morgans comprises a portfolio of open pit and underground Mineral Resources, a 2.9 Mtpa conventional carbon-in-leach processing plant and highly prospective exploration tenure. The Mt Morgans processing plant and associated infrastructure are currently on care and maintenance, being kept in excellent condition to ensure a short lead time when production resumes in the future.

Genesis have articulated a long life, 300 koz per annum base case "margin > ounces" plan, 100% from the Leonora District. In addition to the above business development activities, in the 2023 financial year, Genesis continued to rapidly advance its Admiral and Ulysses projects towards development and production.

For further information regarding Genesis, please refer to its website at www.genesisminerals.com.au.

(b) Sale of shares in Dacian

On 17 October 2023, KIN announced that it had accepted a conditional off-market takeover offer by Genesis for its 7.34% shareholding in Dacian (89,275,480 Dacian Shares). KIN received consideration of 17,274,805 Genesis Shares.

The 89,275,480 Dacian Shares were originally purchased by KIN for \$10,710,435 (plus \$107,398 in brokerage). Accordingly, the transaction resulted in KIN recording a gain of \$17,560,933 before tax in other comprehensive income during the December 2023 half year period.

(c) Sale of selected gold deposits

On 14 December 2023, KIN announced that it had reached an agreement with Genesis to sell tenements hosting the Bruno, Lewis, Kyte and Raeside deposits and some associated buildings and miscellaneous licenses, which collectively contained Mineral Resources totalling

610,000 ounces, to Genesis for consideration comprising \$15,000,000 in cash and 21,917,532 Genesis Shares valued at \$38,500,000 at that time.

This transaction completed on 8 February 2024, resulting in KIN adding \$15,000,000 in cash and 21,917,532 Genesis Shares to its assets at that date.

(d) **Current Genesis shareholding**

On 18 December 2023, KIN sold 1,159,000 Genesis Shares, receiving \$2,005,070 for the sale.

Throughout March and April 2024, KIN sold a further 26,752,872 Genesis Shares, receiving \$51,632,505 for the sales.

In June 2024, KIN sold a further 1,800,000 Genesis Shares, receiving \$3,577,851 for the sales.

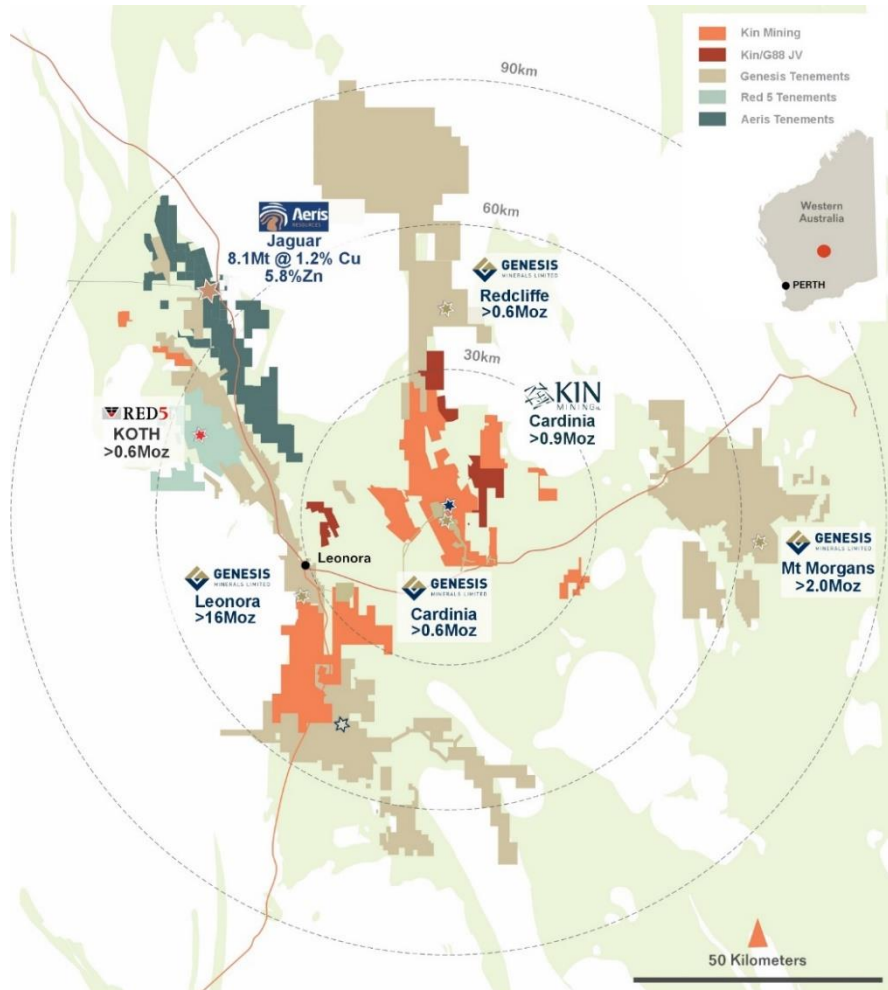
As at the Last Practicable Date, KIN held 9,480,465 Genesis Shares valued at approximately \$17.8 million (based on the closing price of Genesis Shares as at the Last Practicable Date of \$1.880).

There are certain risks associated with the Genesis Shares held by KIN. PNX Shareholders should refer to section 7.3(a) on page 108 for further information regarding these risks.

5.5 Overview of KIN's key projects

The location of KIN's projects are depicted in Figure 8 below. For an overview of KIN's Mineral Resources, please refer to Item 2 of Schedule 1.

Figure 8: KIN project locations



(a) **Cardina Gold Project**

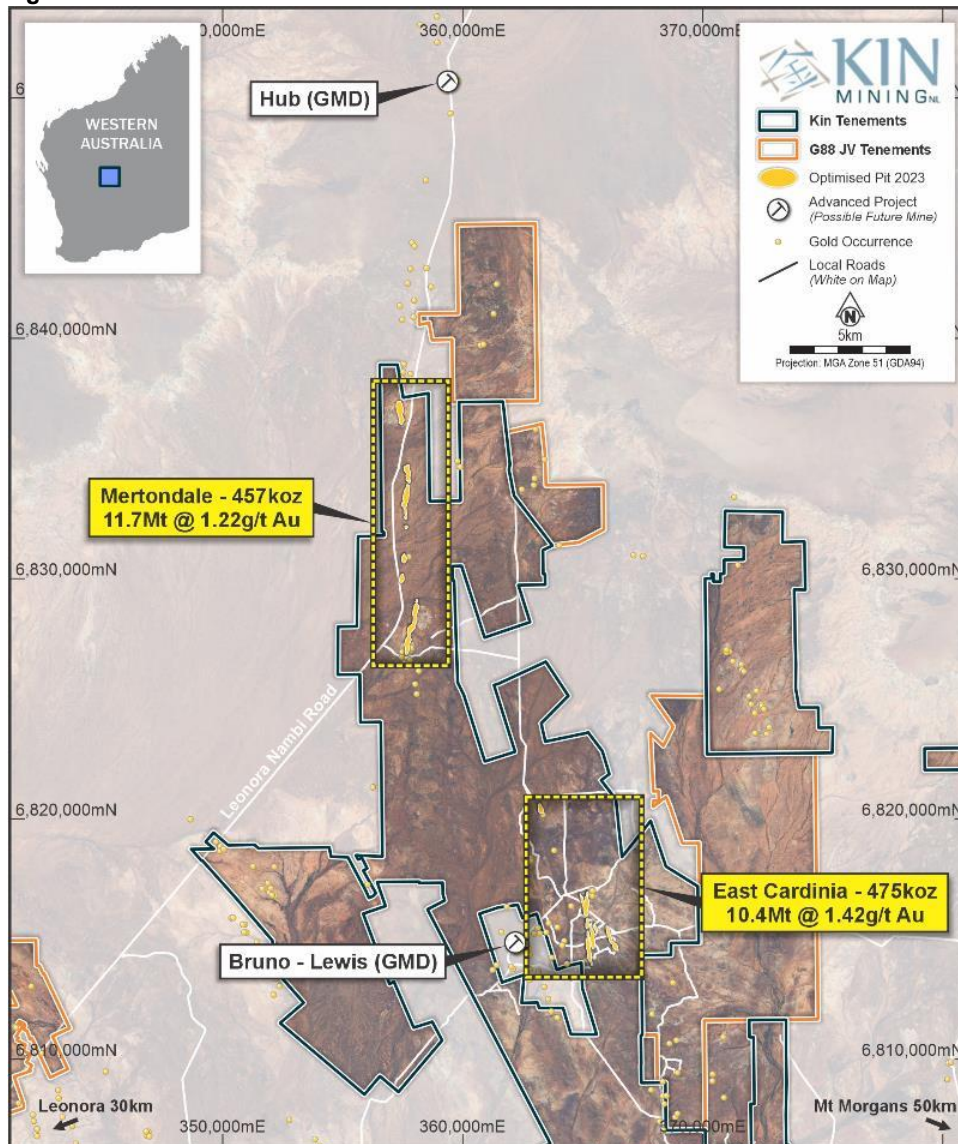
Background

The 100% owned Cardina Gold Project is located in the highly prospective North-Eastern Goldfields region of Western Australia, 40 km North-East of Leonora. The tenure is located within the Minerie Domain in the central part of the Norseman-Wiluna Greenstone Belt, which extends for approximately 600 km on a North-North-West trend across the Archean Yilgarn Craton of Western Australia.

Following the sale of the Bruno-Lewis and Raeside projects to Genesis in February 2024, the Cardina Gold Project now includes the Mertondale Project and East Cardinia Project.

The Cardina Gold Project contains 932,000 koz gold between the Mertondale Project and the East Cardinia Project. It is located close to existing infrastructure and future Genesis developments.

Figure 9: Location of Mineral Resources within Mertondale and East Cardinia



Mertondale Project

Figure 10: Mertondale Project – Mineral Resource Estimate (June 2023)

JORC Classification	Tonnage (Mt)	Au (g/t)	Ounces (koz)
Mertons Reward			
Indicated	0.9	2.1	62
Inferred	2.0	0.6	41
Total	2.9	1.11	103
Mertondale 3-4			
Indicated	1.3	1.8	80
Inferred	1.0	1.0	32
Total	2.4	1.46	112
Tonto			
Indicated	1.9	1.1	68
Inferred	1.1	1.2	45
Total	3.0	1.17	113
Mertondale 5			
Indicated	0.5	1.6	27
Inferred	0.9	1.2	34
Total	1.4	1.35	62
Eclipse			
Indicated			
Inferred	0.8	1.0	24
Total	0.8	0.97	24
Quicksilver			
Indicated			
Inferred	1.2	1.1	42
Total	1.2	1.08	42
Mertondale Underground			
Indicated	0.0	2.4	1
Inferred	0.0	2.7	1
Total	0.0	2.55	1
Combined			
Indicated	4.6	1.6	237
Inferred	7.0	1.0	220
Total	11.7	1.22	457

The Mertondale gold Mineral Resources cover a strike of over 10 km and consist of the following discrete prospects: Mertondale 5, Eclipse, Tonto, Quicksilver, Mertondale 3-4, Mertondale Underground and Mertons Reward. The existing Mertondale pits were last mined by Navigator Resources in the early 2000's.

At Mertondale, the deposits sit along the sheared Mertondale Shear Zone at a point where the strain is much higher than further to the south. The individual deposits extend for a distance of more than 20 km along the shears. Proterozoic dolerite dykes and Archaean felsic porphyries have intruded the sheared mafic/felsic volcanoclastic/sedimentary sequence.

The deposits at the Mertondale Project have not had any significant work completed for approximately 10 years primarily due to access issues. Recent developments in access agreements and the approval of the mining proposal by the Western Australian Department of Energy, Mines, Industry Regulation and Safety means that the deposits are expected to be fully permitted in mid-2024 and exploration activities will continue.

KIN intends to undertake further drilling at the Mertondale Project to in-fill the known resources to increase confidence.

East Cardinia Project

Table 10: East Cardinia Project – Mineral Resource Estimate (June 2023)

JORC Classification	Tonnage (Mt)	Au (g/t)	Ounces (koz)
Helens			
Indicated	1.4	1.5	64
Inferred	1.3	1.4	57
Total	2.7	1.41	121
Helens East			
Indicated	0.4	1.7	24
Inferred	1.0	1.5	46
Total	1.4	1.57	70
Fiona			
Indicated	0.2	1.3	10
Inferred	0.1	1.1	3
Total	0.3	1.25	13
Rangoon			
Indicated	1.3	1.3	56
Inferred	1.5	1.3	65
Total	2.8	1.32	121
Hobby			
Indicated	0.0	0.0	0
Inferred	0.6	1.3	23
Total	0.6	1.26	23

JORC Classification	Tonnage (Mt)	Au (g/t)	Ounces (koz)
Cardinia Hill			
Indicated	0.5	2.2	38
Inferred	1.6	1.1	59
Total	2.2	1.38	97
Cardinia Underground			
Indicated	0.0	2.6	1
Inferred	0.4	2.4	29
Total	0.4	2.41	29
Combined			
Indicated	3.9	1.5	193
Inferred	6.4	1.4	282
Total	10.4	1.42	475

East Cardinia gold Minerals Resources is divided into these known prospects: Helens, Rangoon, Helens East, Fiona, Cardinia Hill, Hobby and Cardinia Underground. Gold mineralisation is controlled by cross-cutting structures across lithological contacts of the mafic units and adjacent felsic volcanoclastics. Porphyry intrusions are commonly associated with the gold at Cardinia Hill and Rangoon. Structures appear to be stockwork in nature, with steeply dipping east and west orientations as well as flat to moderate conjugates. The ore zones are associated with increased shearing and intense sericite/carbonate alteration and disseminated sulphides.

Volcanic-hosted massive sulphide (**VHMS**) mineralisation was discovered in 2023, at the Albus prospect in IP22DD001, as part of a broader VHMS fertility exercise. This mineralisation has been logged as sphalerite-dominated massive sulphides with subordinate chalcopyrite, pyrite and galena, with the zone sitting within cherty sediments along a contact of basalt and felsic volcanoclastics from 270.3 m downhole; a typical VHMS host setting. Continued geochemistry and mapping have confirmed the presence of both VHMS and gold as separate mineral systems.

At Cardinia East, it is now believed that the gold mineralisation is a later event, possibly overprinting and remobilising VHMS mineralisation, which has followed the pre-existing structures from a period of extension, which now exist as steep N-S oriented shear zones.

2024 diamond drilling

In April 2024, KIN completed a five hole, 2498.8 m diamond drilling program targeting both base metal and gold mineralisation within the Cardina Gold Project. Three of the holes targeted VHMS mineralisation at the Albus prospect at the East Cardinia Project, with preliminary results confirming the potential for an economic base metal discovery. The result opened significant exploration opportunity both along strike and in parallel horizons. Two ~600 m diamond holes were drilled to test the depth potential for high-grade shoots beneath both the Helens and Cardinia Hill gold deposits. Both holes were designed to pierce the projected mineralised gold structures at >200 m down-hole, with the aim of identifying a step-change in the potential gold resources and identifying underground grades for an enlarged mineralised

system. Recent results have demonstrated that the Cardinia Hill system is open at depth, and includes additional high grade structures in the hangingwall.

Ongoing strategy

KIN expects that future drilling campaigns will further delineate and expand KIN's gold resources at the Cardina Gold Project, focusing at Mertondale and Cardinia East. The current drilling campaign is targeted at increasing the value of the known shallow resources and to discover higher grade underground resources under existing resources or areas of known mineralisation. Additionally, shallow high priority VHMS targets which have been identified from surface geochemistry, mapping and IP surveys, will be inaugurally tested with Reverse Circulation drilling in Quarter 3, 2024.

(b) **Other non-core projects**

The remaining KIN tenure includes the Desdemona, Iron King, Murrin, Randwick, Mt Fouracre Mt Flora and Gambier Lass projects. To date, there have been no gold Mineral Resources defined on any of these project areas as the targets are at an earlier stage than the highly advanced Cardinia area, however, multiple historic mining areas have been identified, including a small open pit at Iron King. These project areas will continue to be assessed for gold, base metals and nickel prospectivity and re-ranked within the overall KIN project pipeline.

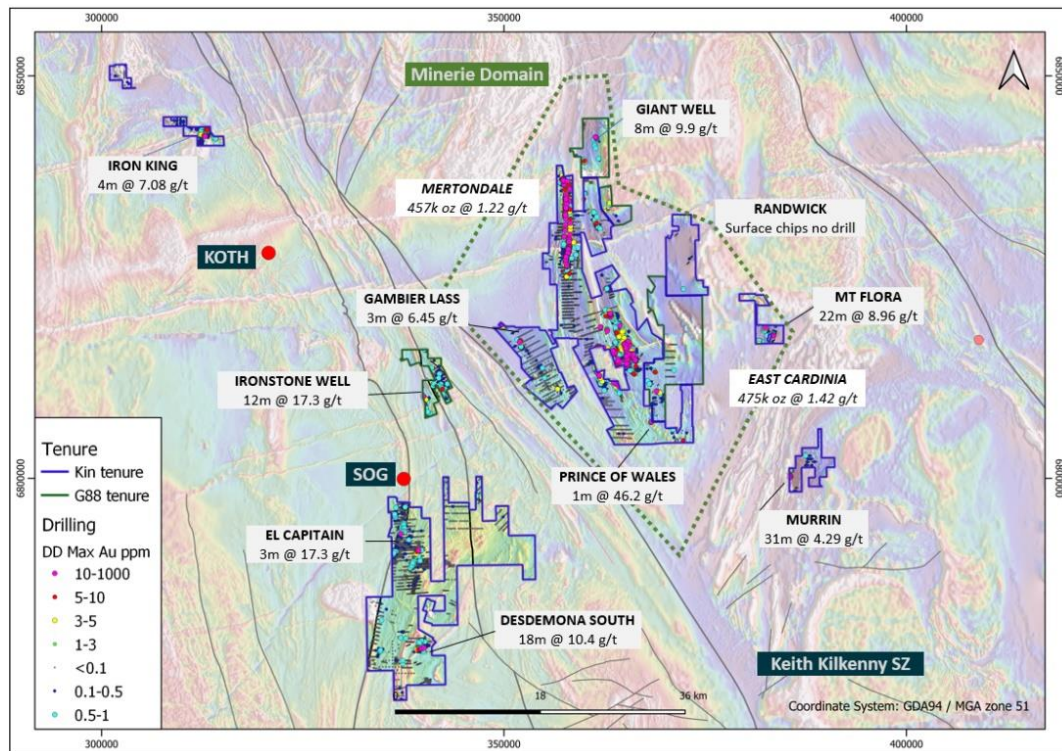
The Mt Flora Project is currently undergoing a sale process, with completion anticipated to occur in July 2024.

(c) **Golden Mile joint venture**

As noted above, KIN is party to an earn-in and joint venture agreement with Golden Mile in respect to 33 tenements at their Benalla Gold Project near Leonora. The landholding represents a strategic addition to the regional gold and base metals exploration footprint, with the ability for the KIN team to apply systematic exploration methodology and regional technical knowledge to the under-explored ground.

No Mineral Resources currently exist on the tenure, however many historic gold workings are present. The main prospect areas in this joint venture are Prince of Wales, Ironstone Well and Giant Well. Please see section 5.13(a) on page 89 for further information regarding the earn-in and joint venture agreement.

Figure 11: Overview of KIN's regional tenure and gold intercepts



5.6 Board and senior management

(a) KIN Board

As at the date of this Scheme Booklet, the KIN Board comprised:

Table 11: KIN Board

Name	Biography
<p>Rowan Johnston¹ <i>Executive Chairman</i> Appointed 15 July 2022</p>	<p>Mr Johnston is a mining engineer with over 40 years' resources industry experience, including significant experience as a company director through executive and non-executive directorship roles. Mr Johnston has held various senior executive roles in Australia and internationally, primarily in the gold sector, and has experience in feasibility studies, company formations, construction, expansions and mergers.</p> <p>Previous roles held by Mr Johnston include Acting Chief Executive Officer and Executive Director of Operations for Mutiny Gold Limited, prior to its takeover by Doray Minerals Limited, and Executive Director of Integra Mining Limited prior to its merger with Silver Lake Resources Limited.</p> <p>Mr Johnston holds the following Directorships in other Australian listed companies: Spartan Resources Limited – Chairman (ASX:SPR) since August 2021; Wiluna Mining Corporation Limited (subject to Deed of Company Arrangement) – Chairman (ASX:WMC) since December 2021; PNX Metals Limited – Non Executive Director (ASX:PNX) since April 2023; and Geopacific Resources</p>

Name	Biography
	Limited, Non-Executive Director (ASX:GPR) since November 2023.
<p>Nicholas Anderson <i>Executive Director</i> Appointed 31 July 2019</p>	<p>Mr Anderson is a finance executive with extensive experience in the resource sector. As a trained chemical engineer with combined knowledge of bulk commodities and strong financial acumen he provides financial and corporate advisory services to several mining companies. He has a successful track record in capital raisings, restructures and executing highly complex transactions across private and public markets.</p> <p>Mr Anderson is a graduate of the Australian Institute of Company Directors.</p>
<p>Giuseppe (Joe) Graziano <i>Non-Executive Director</i> Appointed 27 April 2011</p>	<p>Mr Graziano was Chairman until 1 August 2023 when he stepped aside to allow Mr Johnston to take the role of Executive Chairman.</p> <p>Up to 2014, Mr Graziano worked as a Chartered Accountant with corporate and company secretarial experience. Mr Graziano has over 30 years' experience providing a wide range of business, financial and strategic advice to small cap unlisted and listed public companies and privately owned businesses in Western Australia's resource-driven industries. Since 2014 he has been focused on corporate advisory, company secretarial and strategic planning with listed corporations including Mergers & Acquisitions, Capital Raisings, Corporate Governance, ASX compliance and structuring.</p> <p>Mr Graziano is currently a director of Pathways Corporate Pty Ltd a specialised Corporate Advisory business and holds the following Directorships in other Australian listed companies: Tyranna Resources Limited – Non-Executive Chairman (ASX:TYX); Protean Energy Ltd – Non-Executive Director (ASX:POW) since October 2020; Protean Energy Limited – Non-Executive Director (ASX:POW); and Ozz Resources Limited – Non-Executive Director (ASX:OZZ) since May 2022.</p>
<p>Hansjoerg Plaggemars² <i>Non-Executive Director</i> Appointed 31 July 2019</p>	<p>Mr Plaggemars is an experienced company director with a deep background in corporate finance, corporate strategy and governance. He has served on the Board of Directors of many listed and unlisted companies in a variety of industries including mining, agriculture, shipping, construction and investments. Mr Plaggemars has qualifications in Business Administration and is fluent in English and German.</p> <p>Mr Plaggemars currently serves on the board of Delphi, KIN's major shareholder.</p> <p>Mr Plaggemars holds the following Directorships in other Australian listed companies: Azure Minerals Limited – Non Executive Director (ASX:AZS) since November 2019; Altech Chemicals Limited – Non Executive Director (ASX:ATC) since August 2020; PNX Metals Limited – Non Executive</p>

Name	Biography
	Director (ASX:PNX) since November 2020; Spartan Resources Limited – Non Executive Director (ASX:SPR) since July 2021; Wiluna Mining Corporation Limited (subject to Deed of Company Arrangement) – Non-Executive Director (ASX:WMC) since July 2021; and Geopacific Resources Limited, Non-Executive Director (ASX:GPR) since July 2022.

Notes to Table 11:

1. Appointed to the PNX Board on 11 April 2023.
2. Appointed to the PNX Board on 28 November 2020.

(b) **KIN's senior leadership team**

As at the Last Practicable Date, KIN's senior leadership team comprised:

Table 12: KIN senior leadership team

Name	Position
Stephen Jones	Company Secretary & Chief Financial Officer
Leah Moore	Exploration Manager
John Ingram	Chief Operations Officer

5.7 KIN's capital structure

As at the date of this Scheme Booklet, KIN's issued securities consisted of 1,178,150,548 fully paid ordinary shares quoted on the ASX.

KIN does not have any other securities on issue.

5.8 KIN's substantial shareholders

As at the Last Practicable Date, the following persons were believed to have Voting Power of 5% or more of KIN Shares:

Table 13: KIN's substantial shareholders

Substantial Holder	Registered Holder	Number of KIN Shares held ¹	% held of total KIN Shares ²
Delphi Group	Delphi ²	274,909,856	23.33%
	KiCo Invest GmbH ³	1,615,671	0.14%
	Deutsche Balaton Aktiengesellschaft ⁴	178,189,478	15.12%
	Sparta AG ⁵	32,678,255	2.77%
Delphi Group's Voting Power		487,393,260	41.37%
St Barbara	St Barbara	158,125,983	13.42%
St Barbara's Voting Power		158,125,983	13.42%

Notes:

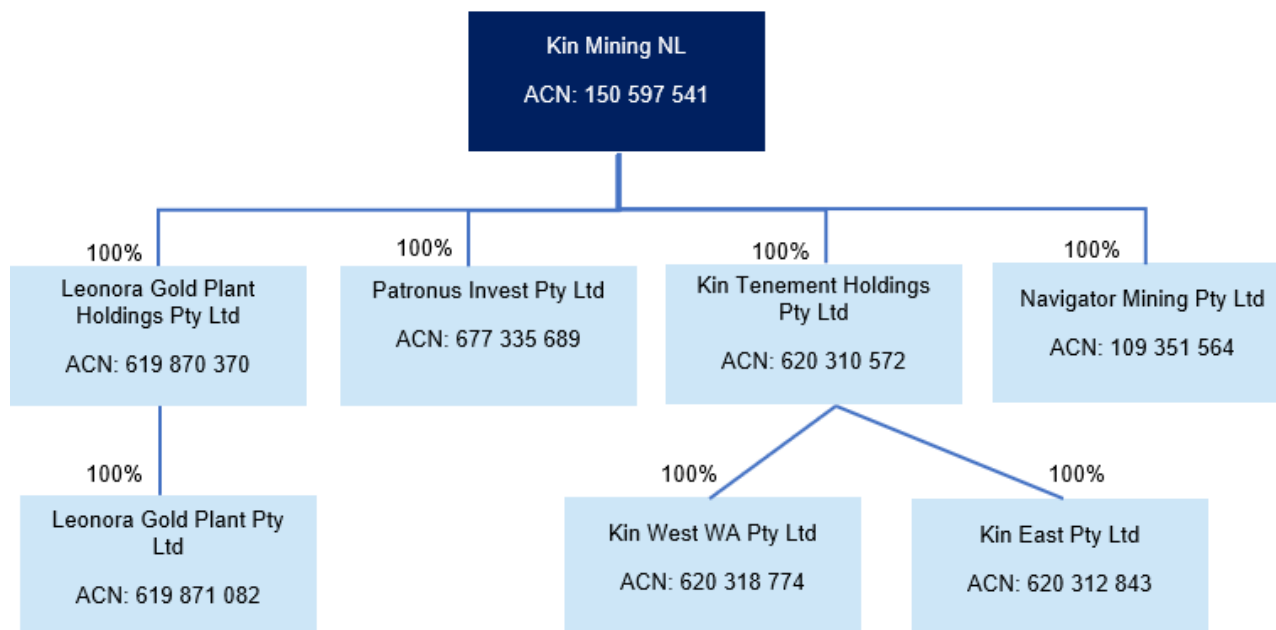
1. The above information has been provided to KIN by KIN Shareholders. KIN takes no responsibility for the accuracy of the above information.
2. Based on the number of KIN Shares on issue as of the Last Practicable Date, being 1,178,150,548 KIN Shares.

3. Mr Plaggemars, a Non-Executive Director of PNX, is also a director of Delphi with power in respect of voting and disposal rights over the KIN Shares and, therefore, has a Relevant Interest in the 274,909,856 KIN Shares registered in the name of Delphi.
4. Mr Plaggemars, an Associate of Delphi, controls KiCo Invest GmbH with his spouse and, therefore, Mr Plaggemars has a Relevant Interest in the 1,615,671 KIN Shares registered in the name of KiCo Invest GmbH.
5. VV Beteiligungen Aktiengesellschaft, an Associate of Delphi, is the major shareholder of Deutsche Balaton Aktiengesellschaft.
6. Deutsche Balaton Aktiengesellschaft, an Associate of Delphi, is the major shareholder of Sparta AG.

5.9 Corporate structure

The corporate structure of KIN and its Subsidiaries is depicted in Figure 12 below.

Figure 12: KIN Group Structure



5.10 Rights attaching to KIN Shares

KIN Shares issued as consideration under the Scheme will be issued fully paid and will rank equally with existing KIN Shares from the date of issue.

The rights and liabilities attaching to KIN Shares will be the same as those attaching to existing KIN Shares and are set out in KIN's constitution and, in certain circumstances, are regulated by the Corporations Act, ASX Listing Rules, ASX Settlement Operating Rules and general law. Under section 140(1) of the Corporations Act, the KIN constitution has effect as a contract between KIN and each member of KIN and between a member of KIN and each other member. Accordingly, if KIN Shares are issued to you pursuant to the Scheme, you will, as a result, become liable to comply with the KIN constitution.

As announced on 20 June 2024, KIN Shareholders approved KIN being converted from a 'public no liability company' to a 'public company limited by shares'. In connection with the change of company type, KIN Shareholders also approved that the name of KIN be changed from 'KIN Mining NL' to 'Patronus Resources Limited' and the adoption of a new constitution which is of a type appropriate for a public company limited by shares.

The change to the company type, name change and new constitution will take effect approximately one month after ASIC publishes a notice in the Commonwealth Gazette that states that ASIC intends to alter the details of KIN's registration.

Accordingly, as of the Last Practicable Date, there are two potential constitutions which may apply to KIN as at the Implementation Date. Although KIN does not consider there to be any material differences between these constitutions, PNX Shareholders should nonetheless have regard to the summary below of the significant rights and liabilities attaching to KIN Shares under the existing KIN constitution and the proposed new KIN constitution.

A copy of KIN's existing constitution and proposed new constitution is available at www.kinmining.com.

A summary of the significant rights and liabilities attaching to KIN Shares is set out below. This summary is not exhaustive and is not a definitive statement of the rights and liabilities of KIN shareholders. Such rights and liabilities involve complex questions of law arising from the interaction of the KIN constitution, Corporations Act, ASX Listing Rules, ASX Settlement Operating Rules and general law. KIN Shareholders should seek their own independent advice when trying to establish their rights and liabilities in specific circumstances.

Table 14: Summary of significant rights and liabilities attaching to KIN Shares

Matters	Existing constitution	New constitution
Business activities	The Corporations Act requires that a "no liability" company has a constitution stating that its sole objects are mining purposes, and a no liability company must not engage in activities that are outside this stated purpose.	No limitation on activities.
Voting	Subject to any rights or restrictions for the time being attached to any class or classes of KIN Shares, at a general meeting of KIN, every KIN Shareholder who is entitled to vote and who is present in person or by proxy, attorney or representative has one vote on a show of hands and one vote on a poll for each KIN Share held by that KIN Shareholder. Voting at meetings will be on a show of hands, unless a poll is demanded either before the vote or immediately upon the declaration of the result of the vote on a show of hands. A poll may be demanded by: <ul style="list-style-type: none"> (a) at least five KIN Shareholders, who are present in person or by proxy, attorney or representative and entitled to vote; (b) any one or more KIN Shareholders who are present holding KIN Shares constituting at least 5% of the total votes that may be cast on the resolution to be passed; or the chairman of the meeting. The chairman has a casting vote in addition to any votes to which the chairman may be entitled as a KIN Shareholders, proxy, attorney or representative.	No material differences to the Existing Constitution.
General meetings and notices	Subject to the rights of the holders of KIN Shares issued on special terms and conditions, KIN Shareholders are entitled to receive: <ul style="list-style-type: none"> (a) notice of every annual general meeting, or general meeting or meeting; and (b) all notices, accounts and other documents required to be sent under the constitution or the Corporations Act. 	No material differences to the Existing Constitution.
Dividends	Subject to and in accordance with the Corporations Act, the ASX Listing Rules, the rights of any preference KIN	No material differences to the

Matters	Existing constitution	New constitution
	<p>Shareholders and to the rights of the holders of any KIN Shares created or raised under any special arrangement as to dividend, the KIN Directors may from time to time decide to pay a dividend to the KIN Shareholders entitled to the dividend which shall be payable on all KIN Shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such KIN Shares.</p> <p>The KIN Directors may from time to time pay to the KIN Shareholders any interim dividends that they may determine. No dividend shall carry interest as against KIN.</p>	Existing Constitution.
Issue of further shares	<p>Subject to any restrictions imposed by the Corporations Act or the ASX Listing Rules, the KIN Directors may issue KIN Shares with any preferential, deferred or special rights, privileges or conditions or with any restrictions (whether with regard to dividend, voting, return of capital or otherwise) as the KIN Directors think fit.</p> <p>The KIN Directors may not, without prior approval of a resolution of KIN in general meeting, allot any KIN Shares to any person where the allotment would have the effect of transferring a controlling interest in KIN.</p>	No material differences to the Existing Constitution.
Transfer of KIN Shares	<p>Subject to the Corporations Act, ASX Listing Rules and ASX Settlement Operating Rules, KIN Shareholders may transfer all or any KIN Shares by a written transfer form in the usual form or in any form approved by the KIN Directors. In certain circumstances, the KIN Directors may refuse to register a transfer of KIN Shares, including where the transfer is not registrable or where the refusal is permitted or required by the ASX Listing Rules or the transfer is a transfer of restricted securities which is or might be in breach of the ASX Listing Rules or any escrow agreement entered into by KIN in relation to such restricted securities pursuant to the ASX Listing Rules.</p>	No material differences to the Existing Constitution.
Winding up	<p>In a winding up, the liquidator may, with the authority of a special resolution of KIN, divide among KIN Shareholders in kind the whole or any part of the property of KIN and may for that purpose set aside such value as the liquidator considers fair on any property to be so divided and may determine how the division is to be carried out as between the KIN Shareholders or different classes of KIN Shareholders.</p>	No material differences to the Existing Constitution.
Variation of rights	<p>Subject to the Corporations Act, the ASX Listing Rules and their terms of issue, if at any time KIN's share capital is divided into different classes of shares, the rights attaching to any class of KIN Shares may be varied with the written consent of holders of at least 75% of the KIN Shares issued in that class or with the approval of a special resolution passed at a separate meeting of the holders of the KIN Shares of that class.</p>	No material differences to the Existing Constitution.

Matters	Existing constitution	New constitution
Amendments to the KIN constitution	The Constitution may only be amended by a special resolution passed by at least 75% of the votes cast by KIN Shareholders entitled to vote on the resolution. At least 28 days' written notice specifying the intention to propose the resolution must be given to KIN Shareholders.	No material differences to the Existing Constitution.

5.11 Historical financial information

(a) Basis of presentation of historical financial information

The selected historical financial information in this section 5.11 has been extracted from KIN's audited consolidated financial statements for the financial years ended 30 June 2022 and 30 June 2023 and the reviewed consolidated financial statements for the half year ended 31 December 2023 (collectively, the **KIN Historical Financial Information**).

KIN Shareholders can access the audited consolidated financial statements for the financial years ended 30 June 2022 and 30 June 2023 and the reviewed consolidated financial statements for the half year ended 31 December 2023 free of charge on KIN's website.

The information in this section 5.11 is a summary only and has been prepared solely for inclusion in this Scheme Booklet. KIN's full financial accounts are available on its website, www.kinmining.com.au or by requesting a copy from KIN's Company Secretary on 61 8 9242 2227 or info@kinmining.com.au.

PNX Shareholders should be aware that past performance is not a guide to future performance.

(b) Historical consolidated statement of financial position for full year ended 30 June 2022, 30 June 2023 and half year ended 31 December 2023

	Dec-23 \$
Assets	
Current assets	
Cash and cash equivalents	2,804,614
Trade and other receivables	24,557
Other current assets	130,711
Assets held for sale	313,190
Financial assets	28,847,291
Total current assets	32,120,363
Non-current assets	
Financial assets	-
Property, plant and equipment	321,708
Total non-current assets	321,708
Total assets	32,442,071
Liabilities	
Current liabilities	
Trade and other payables	280,766
Liabilities directly associated with assets classified as held for sale	1,450,000

	Dec-23	
	\$	
Total current liabilities	1,730,766	
Non-current liabilities		
Provisions	1,450,000	
Total non-current liabilities	1,450,000	
Total liabilities	3,180,766	
Net assets	29,261,305	
Equity		
Share capital	116,031,688	
Reserves	15,059,400	
Accumulated losses	(101,829,783)	
Total equity	29,261,305	
	Jun-23	Jun-22
	\$	\$
Assets Current assets		
Cash and cash equivalents	4,468,196	3,646,298
Trade and other receivables	29,904	67,586
Other current assets	72,657	49,882
Total current assets	4,570,757	3,763,766
Non-current assets		
Financial assets	7,142,038	-
Property, plant and equipment	10,049,528	10,170,624
Total non-current assets	17,191,566	10,170,624
Total assets	21,762,323	13,934,390
Liabilities Current liabilities		
Trade and other payables	603,071	596,590
Total current liabilities	603,071	596,590
Non-current liabilities		
Provisions	2,900,000	2,900,000
Total non-current liabilities	2,900,000	2,900,000
Total liabilities	3,503,071	3,496,590
Net assets	18,259,252	10,437,800
Equity		
Issued capital	116,031,688	95,694,551
Reserves	(1,537,826)	2,030,571
Accumulated losses	(96,234,610)	(87,287,322)
Total equity	18,259,252	10,437,800

(c) **Historical consolidated statement of profit or loss and other comprehensive income for full year ended 30 June 2022, 30 June 2023 and half year ended 31 December 2023**

	Dec-23	
	\$	
Continuing operations		
Interest income	47,886	
Other income	-	
Depreciation and amortisation expense	(47,056)	
Administration expenses	(389,620)	
Consultant expenses	(187,800)	
Employee expenses	(703,806)	
Occupancy expenses	(26,348)	
Travel expenses	(38,330)	
Impairment of plant and equipment	(9,367,574)	
Exploration and evaluation expenses	(1,995,622)	
Loss before income tax expense	(12,708,270)	
Income tax benefit	7,113,097	
Loss after tax	(5,595,173)	
Other comprehensive income, net of income tax		
<i>Items that will not be reclassified subsequently to profit or loss</i>		
Gains/ (losses) on the revaluation of equity instruments at fair value through other comprehensive income	23,710,323	
Income tax expense	(7,113,097)	
Other comprehensive income / (loss) for the period, net of income tax	16,597,226	
Total comprehensive income / (loss) for the period	11,002,053	
Basic loss per share (cents per share)	(0.47)	
Diluted loss per share (cents per share)	(0.47)	
	Jun-23	Jun-22
	\$	\$
Continuing operations		
Revenue:		
Interest income	81,226	7,714
Other income	65,042	-
Gain on sale of assets	-	450
Depreciation and amortisation expense	(137,335)	(182,400)
Administration expenses	(842,942)	(556,507)
Consultant expenses	(119,490)	(125,200)
Employee expenses	(967,286)	(804,063)
Finance Costs	(17,162)	-
Occupancy expenses	(62,086)	(67,557)
Travel expenses	(14,948)	(12,493)
Provision for rehabilitation	-	(1,400,000)
Exploration and evaluation costs	(6,932,308)	(8,207,930)

Loss before income tax	(8,947,287)	(11,347,986)
Income tax benefit	-	-
Net loss for the year	(8,947,288)	(11,347,986)
Other comprehensive income, net of income tax		
Other comprehensive loss	(3,568,397)	-
Other comprehensive loss for the period, net of income tax	(3,568,397)	-
Total comprehensive loss for the year	(12,515,685)	(11,347,986)
Basic and diluted loss per share (cents per share)	(0.84)	(1.35)

(d) **Historical consolidated statement of cash-flows for full year ended 30 June 2022, 30 June 2023 and half year ended 31 December 2023**

	Dec-23	
	\$	
Cash flows from operating activities		
Payments to suppliers and employees for exploration expenditure		(2,010,980)
Payments to suppliers and employees for admin and corporate		(1,705,558)
Interest received		47,886
Net cash outflow from operating activities		(3,668,652)
Cash flows from investing activities		
Payments for property, plant and equipment		-
Payments for financial assets		-
Proceeds from sale of financial assets		2,005,070
Net cash inflow / (outflow) from investing activities		2,005,070
Cash flows from financing activities		
Proceeds from the issue of shares		-
Payments for share issue costs		-
Net cash inflow from financing activities		-
Net decrease in cash held		(1,663,582)
Cash and cash equivalents at the beginning of the period		4,468,196
Cash and cash equivalents at the end of the period		2,804,614
	Jun-23	Jun-22
	\$	\$
Cash flows from operating activities		
Payments to suppliers and employees	(8,852,629)	(10,712,143)
Finance costs	(17,162)	-
Interest received	81,226	7,715
Net cash (outflow) from operating activities	(8,788,565)	(10,704,428)
Cash flows from investing activities		
Proceeds from sale of plant and equipment	-	450
Payments for property, plant and equipment	(16,239)	(31,943)
Payments for financial assets	(10,710,435)	-
Net cash (outflow) from investing activities	(10,726,674)	(31,493)
Cash flows from financing activities		
Proceeds from issue of shares	20,808,665	6,982,311
Payments for share issue costs	(471,528)	(43,389)
Proceeds from borrowings	3,000,000	-
Repayment of borrowings	(3,000,000)	-
Net cash inflow from financing activities	20,337,137	6,938,922
Net increase / (decrease) in cash and cash equivalents	821,898	(3,796,999)

	Jun-23 \$	Jun-22 \$
Cash and cash equivalents at the beginning of the year	3,646,298	7,443,297
Cash and cash equivalents at the end of the year	4,468,196	3,646,298

(e) **Historical consolidated statement of changes in equity for full year ended 30 June 2022, 30 June 2023 and half year ended 31 December 2023**

	Share capital \$	Accumulated losses \$	Share based payment reserve \$	Financial asset fair value movement reserve \$	Total equity \$
Balance at 1 July 2023	116,031,688	(96,234,610)	2,030,571	(3,568,397)	18,259,252
Loss for the period	-	(5,595,173)	-	-	(5,595,173)
Other comprehensive income for the period, net of tax	-	-	-	16,597,226	16,597,226
Total comprehensive income / (loss) for the period	-	(5,595,173)	-	16,597,226	11,002,053
Balance at 31 December 2023	116,031,688	(101,829,783)	2,030,571	13,028,829	29,261,305

	Issued capital \$	Accumulated losses \$	Share based payments reserve \$	Financial asset fair value movement reserve \$	Total equity \$
Balance as at 1 July 2021	88,755,629	(75,939,336)	2,030,571	-	14,846,864
Loss for the year	-	(11,347,986)	-	-	(11,347,986)
Other comprehensive income:	-	-	-	-	-
Total comprehensive loss for the year	-	(11,347,986)	-	-	(11,347,986)
Shares issued during the year	6,982,311	-	-	-	6,982,311
Share issue costs	(43,389)	-	-	-	(43,389)
Balance as at 30 June 2022	95,694,551	(87,287,322)	2,030,571	-	10,437,800
Balance as at 1 July 2022	95,694,551	(87,287,322)	2,030,571	-	10,437,800
Loss for the year	-	(8,947,288)	-	-	(8,947,288)
Other comprehensive loss: Fair value loss on financial assets	-	-	-	(3,568,397)	(3,568,397)
Total comprehensive loss for the year	-	(8,947,288)	-	(3,568,397)	(12,515,685)

	Issued capital	Accumulated losses	Share based payments reserve	Financial asset fair value movement reserve	Total equity
	\$	\$	\$	\$	\$
Shares issued during the year	20,808,665	-	-	-	20,808,665
Share issue costs	(471,528)	-	-	-	(471,528)
Balance as at 30 June 2023	116,031,688	(96,234,610)	2,030,571	(3,568,397)	18,259,252

(f) **Material changes in KIN's financial position since 31 December 2023**

Other than:

- (1) the accumulation of losses in the ordinary course of trading;
- (2) the completion of the sale of selected gold deposits (please see section 5.4(c) on page 70) which resulted in KIN receiving \$15,000,000 in cash and 21,917,532 Genesis Shares valued at \$38,500,000 at that time;
- (3) the sale of 28,552,872 Genesis Shares, receiving \$55,210,356 in cash consideration; and
- (4) the provision of a Loan Facility in the maximum principal amount of \$1,500,000 to PNX on 12 April 2024 (refer to section 4.10 on page 64 for further details on the Loan Facility Agreement),

to the knowledge of the KIN Directors, the financial position of KIN has not changed materially since 31 December 2023.

Copies of KIN's periodic reports can be obtained from KIN's website at www.kinmining.com.au, ASX's website at www.asx.com.au (ASX: KIN) and from KIN, free of charge, following a request in writing via email to info@kinmining.com.au or post to 242 Scarborough Beach Road, Osbourne Park, WA 6017.

(g) **Financial information for the full year ended 30 June 2024**

As at the Last Practicable Date, KIN's audited financial statements for the full year ended 30 June 2024 were not available.

KIN currently expects to release its audited financial statements for the full year ended 30 June 2024 to the ASX on or around September 2024.

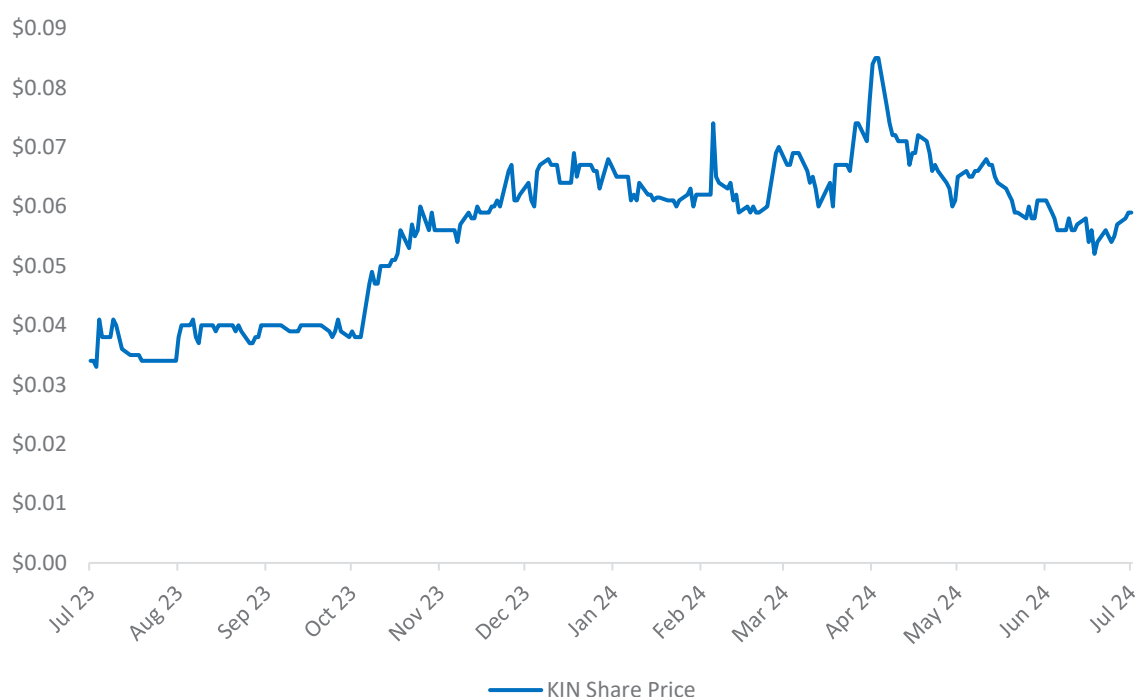
5.12 Recent KIN Share price performance

KIN Shares are quoted on the ASX under the ASX code 'KIN'. Details of the recent trading performance of KIN Shares is set out below:

Table 15: Recent KIN Share trading performance

Description	\$
Closing price of KIN Shares on 11 April 2024 (being the last Trading Day prior to the Scheme Announcement Date)	0.085
Closing price for KIN Shares on the ASX on 10 July 2024 (Last Practicable Date)	0.059
Highest recorded daily closing price for KIN Shares during the three months ended on the Last Practicable Date	0.085
Lowest recorded daily closing price for KIN Shares during the three months ended on the Last Practicable Date	0.052

The following chart shows the closing price of KIN Shares on the ASX over the past 12 months up to and including the Last Practicable Date:



The historic share price performance of KIN Shares provides no guidance as to future share price performance.

5.13 Key Contracts

(a) Golden Mile Joint Venture Agreement

Navigator (a wholly owned subsidiary of KIN) is party to a joint venture agreement with Golden Mile, under which it has the ability to acquire up to a 90% interest in the Benalla Gold Project via a staged earn-in, as follows:

- (1) **(Stage 1 Earn-In)** KIN may earn a 60% interest by incurring exploration expenditure of a minimum of \$750,000 within 36 months of the commencement date (being 17 January 2025).
- (2) **(Stage 2 Earn-In)** If KIN earns the Stage 1 interest, Golden Mile may elect to form a joint venture (with participating interests of 60% and 40% for KIN and Golden Mile, respectively), or it can elect to grant KIN the right to continue to sole fund a further \$1,250,000 of exploration expenditure by 17 January 2028 to earn a further 20% interest (for an aggregate interest of 80%).
- (3) **(Stage 3 Earn-In)** If KIN earns the Stage 2 interest, Golden Mile may elect to form a joint venture (with participating interests of 80% and 20% for KIN and Golden Mile, respectively), or it can grant KIN the right to elect to form a joint venture or continue to sole fund until Golden Mile is diluted to a 10% interest.

If either party's interest is diluted to less than 10%, the interest will convert to a 1.0% net smelter royalty.

During the earn-in period, KIN is solely responsible for (amongst other things) exploration programs and budgets, meeting the minimum expenditure commitments and ensuring the tenements remain in good standing.

Golden Mile may terminate the agreement at any time if:

- (1) KIN breaches any of its obligations under the agreement; and
- (2) where the breach is capable of remedy, KIN fails to remedy the breach within 14 days after the receipt of notice in writing from Golden Mile.

5.14 Corporate Governance

The KIN Board is responsible for the corporate governance of KIN.

Details of KIN's key policies and the charters for the KIN Board are available on KIN's website at www.kinmining.com.au/about/governance/.

5.15 Disclosure of fees and other benefits and collateral benefits

The remuneration of an executive KIN Director is decided by the KIN Board, without the affected executive KIN Director participating in that decision-making process. The total maximum remuneration of non-executive KIN Directors is subject to variation in accordance with the constitution, the Corporations Act and the ASX Listing Rules, as applicable. The total aggregate amount of remuneration for non-executive KIN Directors approved by KIN Shareholders as at the Last Practicable Date is \$300,000 per annum. The determination of non-executive KIN Directors' remuneration within that maximum will be made by the KIN Board having regard to the inputs and value to KIN of the respective contributions by each non-executive KIN Director.

A KIN Director may be paid fees or other amounts (i.e. non-cash performance incentives such as options, subject to any necessary shareholder approval) as the other KIN Directors determine where a KIN Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a KIN Director. In addition, KIN Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as KIN Directors.

Details of the remuneration paid and payable to each KIN Director are set out in KIN's annual report for the financial year ending 30 June 2023. A copy of this report can be accessed on KIN's website at www.kinmining.com.au or on the ASX at www.asx.com.au (ASX: KIN).

Except as set out in this Scheme Booklet, no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to:

- (a) to a KIN Director or proposed KIN Director to induce them to become or qualify as a KIN Director; or
- (b) for services provided by any Interested Persons in connection with:
 - (1) the formation or promotion of KIN or the Merged Group; or
 - (2) the offer of KIN Shares pursuant to the Scheme.

In the four months before the date of this Scheme Booklet, neither KIN nor any of its Associates has given or offered to give or agreed to give a benefit to another person where the benefit was likely to induce the other person, or an Associate, to vote in favour of the Scheme or to dispose of PNX Shares which benefit is not offered to all PNX Shareholders under the Scheme.

5.16 Performance Rights Incentive Plan

As at the date of this Scheme Booklet, KIN has approved a performance rights incentive plan which is designed to facilitate long term incentive payments to eligible participants. Whilst KIN does not presently have any performance rights on issue, the KIN Board has the flexibility to offer and invite eligible participants to participate in the plan.

5.17 Publicly available information about KIN

KIN is a "disclosing entity" as defined in the Corporations Act and is subject to regular reporting and disclosure obligations under the Corporations Act and ASX Listing Rules. Broadly, these require KIN to announce price sensitive information as soon as it becomes aware of the information, subject to exceptions for certain confidential information. KIN is also required to prepare and lodge with ASIC and the ASX both annual and half-year financial statements.

As such, this Scheme Booklet should be read in conjunction with the publicly available information in relation to KIN before making a decision in relation to the Scheme. Information that is already in the public domain has not been reported in this Scheme Booklet other than that which is considered necessary to make this Scheme Booklet complete.

Copies of these documents can be accessed, free of charge, on KIN's website at www.kinmining.com.au or on the ASX at www.asx.com.au (ASX: KIN).

KIN has lodged the following announcements with the ASX since the date of lodgement of its annual report for the financial year ended 30 June 2023:

Date	Description of Announcement
21 September 2023	Annual Report to Shareholders
21 September 2023	Corporate Governance Statement and Appendix 4G
22 September 2023	Final Director's Interest Notice
3 October 2023	Listing Rule 3.13.1 Notice

Date	Description of Announcement
16 October 2023	Response to ASX Price Query
17 October 2023	KIN accepts Genesis Offer for Dacian Shares
19 October 2023	Ceasing to be a substantial holder from KIN
23 October 2023	Letter to Shareholders AGM
23 October 2023	Notice of Annual General Meeting/Proxy Form
30 October 2023	Quarterly Activities Report
30 October 202	September 2023 Appendix 5B
2 November 2023	Change of Director's Interest Notice - Plaggemars
3 November 2023	Change of Director's Interest Notice – RJ
15 November 2023	Change in substantial holding – Delphi
24 November 2023	Results of Meeting
14 December 2023	KIN receives \$53.5m from Sale of Gold Deposits to Genesis
14 December 2023	Reporting on select KIN Mining gold projects
14 December 2023	Genesis to acquire the Bruno-Lewis and Raeside gold projects
28 December 2023	Change of Director's Interest Notice
28 December 2023	Notification of cessation of securities - KIN
28 December 2023	Change of Director's Interest Notice
28 December 2023	Change of Director's Interest Notice
2 January 2024	Becoming a substantial holder
8 January 2024	High-Grade VMS Mineralisation Discovered at Cardinia East
22 January 2024	December 2023 Quarterly Cashflow Report
22 January 2024	December 2023 Quarterly Cashflow Report
29 January 2024	Diamond Drilling to Follow Up VHMS Base Metal Discovery
1 February 2024	Investor Presentation – Resource Rising Star
9 February 2024	KIN Completes Sale of WA Gold Deposits for Cash and Shares
14 February 2024	Pause in Trading
14 February 2024	Trading Halt
15 February 2024	Investor Presentation – RIU Explorers Conference
15 February 2024	Corporate Update
15 February 2024	Response to ASX Price Query
15 February 2024	PNX: PNX Responds to Announcement by KIN Mining NL
4 March 2024	Change of Share Registry Details
14 March 2024	Half Yearly Report and Accounts
25 March 2024	Company Update
3 April 2024	KIN to Accelerate Cardinia Base Metal and Gold Exploration
4 April 2024	RRS Gather Round Presentation – 4 April 2024
5 April 2024	Gather Round Presentation amended
12 April 2024	Trading Halt

Date	Description of Announcement
15 April 2024	KIN and PNX Merge to Create Exceptional Platform for Growth
15 April 2024	Proposed issue of securities – KIN
30 April 2024	Quarterly Activities Report
30 April 2024	Quarterly Cashflow (App 5B) Report
20 May 2024	Notice of Meeting
20 May 2024	Shareholder Letter
22 May 2024	Deep Intercepts Confirm Growth Potential at Cardinia
20 June 2024	Results of General Meeting

Further announcements concerning KIN will continue to be made available on ASX's website at www.asx.com.au (ASX: KIN), or alternatively KIN website at www.kinmining.com.au after the date of this Scheme Booklet.

KIN, as a disclosing entity under the Corporations Act, advises that:

- (a) copies of documents lodged with ASIC in relation to KIN (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of ASIC; and
- (b) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Scheme Booklet and the Effective Date:
 - (1) the annual financial report most recently lodged by KIN with ASIC;
 - (2) any half-year financial report lodged by KIN with ASIC after the lodgement of the annual financial report referred to in (1) and before the lodgement of this Scheme Booklet with ASIC; and
 - (3) any documents lodged by KIN with ASX under the continuous disclosure reporting requirements from 21 September 2023.

Copies of all documents lodged with ASIC in relation to KIN can be inspected at the registered office of KIN during normal office hours.

5.18 Litigation

The KIN Group is not subject to any material litigation proceedings.

5.19 Further material information

Other than as contained or referred to in this Scheme Booklet, there is no other information material to the making of a decision by a PNX Shareholder whether or not to vote in favour of the Scheme, being information that is known to KIN and which has not previously been disclosed to PNX Shareholders.

5.20 Risks

For a summary of the risks associated with the Scheme, KIN and the Merged Group refer to section 7 on page 105.



OVERVIEW OF THE MERGED GROUP



6. Overview of the Merged Group

6.1 Introduction

This section contains information in relation to the Merged Group if the Scheme is implemented. The Independent Expert's Report set out in Annexure E to this Scheme Booklet contains further information about the Merged Group.

The information contained in this section has been prepared by KIN after consultation with PNX. The information concerning the Merged Group and the intentions, views and opinions contained in this section are the responsibility of KIN and PNX.

The pro-forma historical financial information in section 6.5 on page 99 relates to the Merged Group and does not include any ongoing effects that may arise in connection with the Scheme.

6.2 Rationale for the Scheme and overview of the Merged Group

On implementation of the Scheme, PNX will become a wholly owned Subsidiary of KIN and PNX's Subsidiary, Wellington Exploration Pty Ltd, will form part of the Merged Group.

The Merged Group is expected to realise strategic benefits through the combination of complementary assets. The Merged Group will hold a diversified portfolio of quality mineral assets in tier 1 jurisdictions across Australia hosting total Mineral Resources in excess of 1.4 Moz gold, 16.2 Moz silver and 177 Kt zinc.¹⁴

With \$85.0 million in cash and liquid investments as at the Last Practicable Date¹⁵, the Merged Group will be funded to take advantage of:

- (a) significant gold Mineral Resource in the Leonora region and potential for high-grade gold discoveries and project expansion through the recent VHMS discoveries;
- (b) two lots of district-scale gold and base metal potential via an extensive portfolio of 1,500 km² of granted mineral leases and exploration licences;
- (c) near-term opportunities to advance the Fountain Head and Hayes Creek Projects with key environmental approvals granted for the Fountain Head Project and technical studies well advanced for the Hayes Creek Project; and
- (d) significant grade and resource upside potential in one of the world's largest and richest uranium provinces.

6.3 Merged Group's board and senior management

On the Implementation Date, PNX must procure that each PNX Director resigns from their office as a PNX Director. On or before the Implementation Date, KIN must procure that Graham Ascough be appointed to the KIN Board as a non-executive director.

¹⁴ Further information about KIN and PNX's Mineral Resources, which underpin these figures, is set out in sections 4.3, 5.5 and Schedule 1.

¹⁵ Calculated as at the Last Practicable Date and based on the cash position of PNX of \$0.70m, the market value of KIN's Genesis Shares of \$17.82m, and KIN's cash and cash equivalents position of \$66.53m as at the Last Practicable Date.

Following implementation of the Scheme, the Merged Group's board of directors will consist of:

- (a) existing KIN directors, Giuseppe (Joe) Graziano and Nicholas Anderson;
- (b) existing PNX director, Graham Ascough; and
- (c) existing dual directors, Rowan Johnston (who will remain as Executive Chairman) and Hansjoerg Plaggemars.

KIN intends to appoint a Chief Executive Officer to lead the Merged Group following implementation of the Scheme. This process remains ongoing, and no such appointment has been finalised as at the Last Practicable Date.

6.4 Intentions for the Merged Group

(a) Overview

This section sets out KIN's intentions for PNX, on the basis of facts and information concerning PNX known to KIN and the general business environment as at the time of preparing this Scheme Booklet, in relation to the following:

- (1) the continuation of the business of PNX;
- (2) any major changes to the business of PNX and any redeployment of the fixed assets of PNX; and
- (3) the future employment of the present employees of PNX.

Decisions on these matters will only be reached in light of all material facts and circumstances as these become known. Accordingly, the statements set out in this section 6.4 are statements of intentions only which may vary as new information becomes available or circumstances change over time.

(b) Intentions regarding assets and operations

If the Scheme is implemented:

- (1) PNX will apply to be removed from the official list of the ASX; and
- (2) KIN intends to complete an intensive and thorough review of PNX's operations, covering strategic, financial, and operating matters to determine and implement improvements to deliver the optimal outcomes for the Merged Group.

Without the benefit of a detailed review, KIN and PNX anticipate that PNX's business at an operations level shall continue in its current form at this stage. Any final decision to be made by KIN will only be decided once it has had the opportunity to undertake a detailed analysis of PNX's operations.

(c) Future employment of present PNX Group employees

If the Scheme is implemented, KIN will undertake a detailed review of the combined business. This will include a review of human resource requirements to determine the best way to utilise PNX employees for the benefit of the Merged Group. Without having conducted the

abovementioned review, KIN cannot formulate a view in relation to employee numbers. The objective is to retain all key staff members in both organisations.

(d) **Name of the Merged Group**

Unless and until ASIC alters the details of KIN’s registration (to change the name of KIN to “Patronus Resources Limited”) following the one month period after publishing a notice in the Commonwealth Gazette, the Merged Group will continue as “KIN Mining NL”, with its ASX code “KIN” and corporate office unchanged.

(e) **Intentions generally**

Other than as set out in this section 6.4 and elsewhere in this Scheme Booklet, it is KIN’s intention to continue the business of PNX utilising KIN expertise to improve and further develop it.

(f) **Merged Group’s capital structure**

The table below summarises the share capital structure of the Merged Group on implementation of the Scheme, assuming that no other KIN Shares or PNX Shares are issued between the Last Practicable Date and the Implementation Date.

Table 16: Merged Group’s capital structure

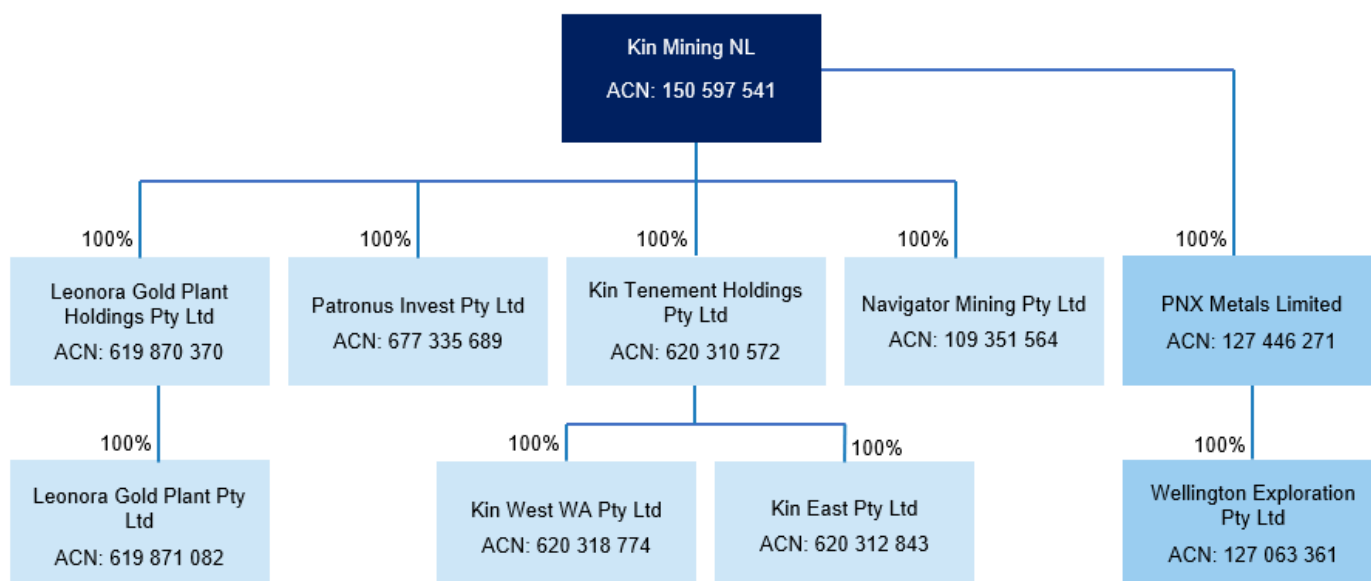
Description	Number of KIN Shares ¹
KIN Shares on issue as at the Last Practicable Date	1,178,150,548
KIN Shares to be issued under the Scheme	459,247,289
Pro forma issued capital of the Merged Group on implementation	1,637,397,837

Notes to Table 16: 1. Subject to the effects of rounding.

On implementation of the Scheme, PNX Shareholders will own approximately 28% of the Merged Group on a fully diluted basis, assuming that no other KIN Shares or PNX Shares are issued between the Last Practicable Date and the Implementation Date.

(g) **Merged Group’s corporate structure**

Figure 13: Merged Group’s corporate structure



(h) **Merged Group's substantial shareholders**

On implementation of the Scheme, PNX Shareholders will own approximately 28% of the Merged Group on a fully diluted basis.

Based on the respective shareholdings in KIN and PNX as at the Last Practicable Date, the following persons are expected to have Voting Power of 5% or more of the issued shares of the Merged Group if the Scheme is implemented:

Table 17: Merged Group's substantial shareholders

Substantial Holder	Registered Holder	Number of Merged Group shares to be held¹	% held of total Merged Group shares²
Delphi Group	Delphi ³	456,494,732	27.88%
	KiCo Invest GmbH ⁴	1,615,671	0.10%
	Deutsche Balaton Aktiengesellschaft ⁵	204,343,324	12.48%
	Sparta AG ⁶	32,678,255	2.00%
Delphi Group's Voting Power		695,131,982	42.45%
St Barbara	St Barbara	158,125,983	9.66%
St Barbara's Voting Power		158,125,983	9.66%

Notes to Table 17:

1. The above is based on information provided to KIN and PNX by KIN and PNX Shareholders. KIN and PNX take no responsibility for the accuracy of the above information.
2. Assumes 1,637,397,837 KIN Shares on issue following implementation of the Scheme.
3. Mr Plaggemars, a Non-Executive Director of PNX, is also a director of Delphi with power in respect of voting and disposal rights over the shares and, therefore, will have a Relevant Interest in the 456,494,732 Merged Group shares to be registered in the name of Delphi.
4. Mr Plaggemars, an Associate of Delphi, controls KiCo Invest GmbH with his spouse and, therefore, Mr Plaggemars will have a Relevant Interest in the 1,615,671 Merged Group shares registered in the name of KiCo Invest GmbH.
5. VV Beteiligungen Aktiengesellschaft, an Associate of Delphi, is the major shareholder of Deutsche Balaton Aktiengesellschaft.
6. Deutsche Balaton Aktiengesellschaft, an Associate of Delphi, is the major shareholder of Sparta AG.

Based on the above and the existing substantial shareholders of KIN, the Scheme is not expected to have any effect on the control of KIN and/or the Merged Group.

(i) **Corporate governance and dividend policies**

The corporate governance policies and practices of the Merged Group will be the same as KIN's existing policies and practices as set out in section 5.14 on page 90.

Any determination as to the payment of dividends by KIN will be at the discretion of the KIN Directors and will depend on the availability of distributable earnings and the operating results and financial condition of KIN, future capital requirements and general business and other factors considered relevant by the KIN Directors. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by KIN.

(j) **Remuneration**

The Directors of the Merged Group, being KIN Directors, will continue to be entitled to remuneration associated their duties as directors. Mr Ascough will be entitled to receive a non-executive director fee of \$50,123 (including statutory superannuation) per annum for the performance of his role as a KIN Director.

Details of the existing arrangements for the remuneration of KIN Directors is contained in section 5.15 on page 90.

6.5 Pro forma financial information

(a) **Financial profile of the Merged Group**

The Merged Group pro forma historical financial information provided in this Scheme Booklet comprises a pro forma consolidated statement of financial position as at 31 December 2023 which has been prepared using:

- (1) KIN's reviewed condensed consolidated statement of financial position as at 31 December 2023; and
- (2) PNX's reviewed statement of financial position as at 31 December 2023,

referred to as the "**Merged Group Pro Forma Financial Information**". The Merged Group Pro Forma Financial Information is unaudited and has not been reviewed.

The Merged Group Pro Forma Financial Information is provided for illustrative purposes and is prepared on the assumption that the Scheme had been implemented on 31 December 2023 and PNX became a wholly-owned subsidiary of KIN.

The Merged Group Pro Forma Financial Information has been prepared by the management of KIN with input from the management of PNX. The information is based on KIN's and PNX's reviewed financial statements as at 31 December 2023. The Merged Group Pro Forma Financial Information has been prepared in accordance with the recognition and measurement principles of the Australian Accounting Standards and in accordance with KIN's accounting policies, as set out in KIN's annual report for the financial year ended 30 June 2023.

The Merged Group Pro Forma Financial Information is presented in an abbreviated form and does not contain all the disclosures that are usually provided in an annual report prepared in accordance with the Corporations Act. In particular, it does not include the notes to and forming part of the financial statements of KIN and PNX.

The information provided in this section is presented on a pro forma basis only and, as a result, it is likely that this information will differ from the actual financial information of the Merged Group.

Acquisition Accounting

Australian Accounting Standards require the merger to be accounted for as an in-substance acquisition, with KIN deemed to be the acquirer. The pro forma merger has been accounted for as an asset acquisition.

The value of the consideration for the acquisition of the PNX Shares under the Scheme will be measured based upon the value of the KIN Shares at close of trading on the Implementation

Date. For the purposes of the Merged Group Pro Forma Financial Information, a value of \$0.085 per new KIN Share has been assumed, being the ASX closing price of KIN Shares on 11 April 2024 (the last Trading Day before the Scheme Announcement Date). Consequently, the value of the purchase consideration for accounting purposes may differ from the amount assumed in the Merged Group Pro Forma Financial Information due to future changes in the market price of KIN Shares.

Merged Group pro forma statement of financial position – 31 December 2023

The following pro forma adjustments to the historical financial information have been made in order to present the Merged Group Pro Forma Financial Information:

Table 18: Historical Consolidated Statement of Financial Position

	KIN (\$)	PNX (\$)	Adjustments (\$)	Note	Pro Forma (\$)
Assets					
Current assets					
Cash and cash equivalents	2,804,614	1,223,579	14,384,630	Notes 1, 2, 3, 4, 5	18,412,823
Trade and other receivables	24,557	98,035	(27,969)	Note 3	94,623
Other current assets	130,711	518,970	-		649,681
Other Receivables – Moline Project	-	1,060,624	(750,000)	Note 3, 6	310,624
Assets held for sale	313,190	-	(313,190)	Note 2	-
Financial assets	28,847,291	90,000	38,500,000	Note 2	67,437,291
Total current assets	32,120,363	2,991,208	51,793,471		86,905,042
Non-current assets					
Right-of-use assets	-	185,095	-		185,095
Prepayments and deposits	-	784,055	-		784,055
Property, plant and equipment	321,708	8,662	-		330,370
Exploration and Expenditure	-	24,765,877	(24,765,877)	Note 4	-
Total non-current assets	321,708	25,743,689	(24,765,877)		1,299,520
Total assets	32,442,071	28,734,897	27,027,595		88,204,563
Liabilities					
Current liabilities					
Trade and other payables	280,766	208,494	-		489,260
Lease liabilities	-	77,120	-		77,120
Provisions	-	229,912	-		229,912
Liabilities directly associated with assets classified as held for sale	1,450,000	-	-		1,450,000
Total current liabilities	1,730,766	515,526			2,246,292
Non-current liabilities					
Lease liabilities	-	125,161	-		125,161
Financial liabilities	-	2,400,000	(2,400,000)	Note 7	-
Provisions	1,450,000	-	(1,450,000)	Note 2	-
Total non-current liabilities	1,450,000	2,525,161	(3,850,000)		125,161
Total liabilities	3,180,766	3,040,687	(3,850,000)		2,371,453
Net assets	29,261,305	25,694,210	30,877,595		85,833,110
Equity					
Share capital	116,031,688	60,176,998	2,975,000	Note 7, 8	179,183,686
Reserves	15,059,400	417,522	(417,522)	Note 1	15,059,400
Accumulated losses	(101,829,783)	(34,900,310)	28,320,117	Notes 1, 2, 4, 5, 6, 8	(108,409,976)
Total equity	29,261,305	25,694,210	30,877,595		85,833,110

(b) **Notes to pro-forma Consolidated Statement of Financial Position**

Note 1 – Cancellation of PNX Performance Rights

KIN will pay \$169,338 to PNX Performance Right Holders to cancel the PNX Performance Rights.

Note 2 – KIN sale of tenements to Genesis

On 8 February 2024, KIN completed the sale of tenements to Genesis that was announced on 14 December 2023. The completion of this transaction resulted in:

- (1) receipt of \$15,000,000 in cash and cash equivalents and \$38,500,000 in Genesis Shares;
- (2) a decline of \$313,190 in assets held for sale;
- (3) a decline of \$1,450,000 in liabilities associates with assets held for sale; and
- (4) recognition of a gain on disposal of \$54,636,809.

This transaction is included in the proforma statement of financial position as at 31 December 2023 due to the material change that it presents for the Merged Group and the fact that it is a known event at the date of the Scheme Booklet.

Note 3 – Cash receipts for the PNX sale of Moline Project

PNX has received \$367,903 cash proceeds from Sovereign Metallurgical Pty Ltd (**Sovereign**) for the sale of the Moline Project. This amount has reimbursed PNX for \$99,934 in tenement holding costs that have been paid by PNX since 31 December 2023 and paid \$27,969 in trade and other receivables that were outstanding at 31 December 2023. The balance of the \$240,000 cash payment has reduced the other receivable - Moline Project.

Note 4 – Exploration and Expenditure adjustment

To record a reduction in PNX's exploration and evaluation expenditures of \$24,765,877 to bring PNX's accounting treatment in line with KIN's. AASB 6 allows two different treatments of its exploration and evaluation expenditures. PNX has historically capitalised, and recognised its exploration and evaluation expenditures of \$24,765,877 as an exploration and evaluation asset. KIN has followed an alternative treatment and has expensed its exploration and evaluation expenditures as incurred. This adjustment is to expense the previously capitalised exploration and evaluation expenditure of PNX to align with the accounting policy of KIN.

Note 5 – Transaction costs

Transaction costs of \$714,000. Please see section 10.5 on page 136 for a breakdown of these costs.

Note 6 – Reduction in Moline project receivable

On 12 April 2024 Sovereign's residual payment obligations to acquire the Moline Project from PNX were reduced by \$510,000.

Note 7 – Issue of PNX Shares for Fountain Head Project

On 26 April 2024, PNX issued 474,590,036 PNX Shares at \$0.0051 per PNX Share (worth \$2,400,000) to terminate the Silver Streaming Rights which existed over the Fountain Head Project.

Note 8 – Issue of PNX Shares to Mt Porter royalty holders

On 15 April 2024, PNX issued 115,000,000 PNX Shares at \$0.005 per PNX Share (worth \$575,000) as part of the acquisition of Mt Porter.

(c) **Basis of presentation**

The Merged Group Pro Forma Financial Information is provided for illustrative purposes and is prepared on the assumption that the Scheme had been implemented and had taken place on 31 December 2023.

The Merged Group Pro Forma Financial Information is based on KIN's and PNX's respective financial statements as at 31 December 2023 which were reviewed by HLB Mann Judd (WA Partnership) ABN 22 193 232 714 and Grant Thornton Audit Pty Ltd ACN 130 913 594 respectively. Copies of these financial statements can be found on the respective websites at www.kinmining.com.au and www.pnxmetals.com.au.

The financial statements of KIN and PNX were prepared in accordance with Australian Accounting Standards.

The Merged Group Pro Forma Financial Information has been presented in abbreviated form insofar as it does not include all of the presentation and disclosure requirements of Australian Accounting Standards and other mandatory professional reporting requirements applicable to general purpose financial reports in Australia.



SUMMARY OF KEY RISKS



7. Summary of Key Risks

7.1 Introduction

Under the Scheme, PNx Shareholders (other than Ineligible Foreign Shareholders) will acquire KIN Shares and consequently there will be a change to their overall investment risk profile. This section 7 outlines a number of the risks that may affect the performance of the Merged Group and the value of its shares. These risks include:

- (a) risks related to the Scheme (please see section 7.2 below)
- (b) specific risks relating to the Merged Group (please see section 7.3 on page 108);
- (c) general risks common to an investment in PNx, KIN and the Merged Group (please see section 7.4 on page 108); and
- (d) risks to PNx Shareholders if the Scheme does not proceed (please see section 7.5 on page 113).

The risks outlined in this section 7 are not exhaustive and do not take into account the investment objectives, financial situation, position or particular needs of PNx Shareholders. No assurances or guarantees are given in relation to the future performance of, profitability of, or payment of dividends by PNx, KIN or the Merged Group.

You should carefully consider the risks summarised in this section 7, as well as the other information contained in this Scheme Booklet generally, before voting on the Scheme Resolution. You should consult your financial, tax, legal or other professional adviser if you are unclear or uncertain about any matter mentioned in this section 7 or elsewhere in this Scheme Booklet.

7.2 Risks related to the Scheme

- (a) **The KIN Shares issued in connection with the Scheme may have a market value different than expected**

Pursuant to the Scheme, each PNx Shareholder (excluding Ineligible Foreign Shareholders) will be entitled to receive the Scheme Consideration of one (1) KIN Share for every thirteen (13) PNx Shares held on the Scheme Record Date.

The price of KIN Shares, following implementation of the Scheme will vary and may be volatile as a result of a number of factors, including the financial and operating performance of KIN and general market conditions.

Further, for Ineligible Foreign Shareholders, there is no guarantee as to the price at which KIN Shares may be sold by the Sale Agent as described in section 3.5 on page 42.

- (b) **Completion of the Scheme is subject to various conditions that must be satisfied or waived**

Implementation of the Scheme is subject to a number of conditions precedent. There can be no certainty, nor can PNx provide any assurance, that the conditions precedent will be satisfied or waived (where applicable), or if satisfied or waived (where applicable), when that will occur.

In addition, there are a number of other conditions precedent to the Scheme which are outside the control of PNX and KIN, including, but not limited to, approval of the Transaction by KIN Shareholders, approval of the Scheme by the Requisite Majorities of PNX Shareholders and approval by the Court of the Scheme at the Second Court Hearing (see the summary of the conditions in section 9.1 on page 126 and provided in the Scheme Implementation Deed annexed to the Joint Announcement).

The absence of the occurrence of:

- a PNX Material Adverse Change is a Condition Precedent for KIN's benefit; and
- a KIN Material Adverse Change is a Condition Precedent for PNX's benefit.

A PNX Material Adverse Change is defined to mean, subject to certain qualified exceptions, a change, event, fact, circumstance, occurrence or matter that occurs, is announced or becomes known to KIN or PNX (in each case whether or not it becomes public) after 12 April 2024 that:

- is or would (either individually or when aggregated together with any other events, matters or circumstances of a similar type or nature) reasonably be expected to have the effect or result of diminishing the value of the consolidated net assets of the PNX Group taken as a whole by more than \$2.6 million;
- gives rise to the suspension, revocation, invalidity, unenforceability, materially adverse variation, premature lapse or premature termination of all or any material rights under any PNX Tenement (other than planned relinquishment or abandonment); or
- involves the grant of mining or other rights or interests of any kind over all or part of any area covered by or the subject of a PNX Tenement to any person other than the holder(s) of that PNX Tenement (in that capacity) which materially conflict or could reasonably be expected to materially conflict with the enjoyment of the rights conferred or purported to be conferred by that PNX Tenement.

A KIN Material Adverse Change is defined to mean, subject to certain qualified exceptions, a change, event, fact, circumstance, occurrence or matter that occurs, is announced or becomes known to PNX or KIN (in each case whether or not it becomes public) after the execution of the Scheme Implementation Deed that:

- is or would (either individually or when aggregated together with any other events, matters or circumstances of a similar type or nature) reasonably be expected to have the effect or result of diminishing the value of the consolidated net assets of the KIN Group taken as a whole by more than \$8.7 million;
- gives rise to the suspension, revocation, invalidity, unenforceability, materially adverse variation, premature lapse or premature termination of all or any material rights under any KIN Tenement (other than planned relinquishment or abandonment); or
- involves the grant of mining or other rights or interests of any kind over all or part of any area covered by or the subject of a KIN Tenement to any person other than the holder(s) of that KIN Tenement (in that capacity) which materially conflict or could reasonably be expected to materially conflict with the enjoyment of the rights conferred or purported to be conferred by that KIN Tenement.

While a PNX Material Adverse Change or KIN Material Adverse Change may result in a wide range of contractual and commercial outcomes, it is possible that PNX and KIN dispute the

existence of an alleged PNX Material Adverse Change or KIN Material Adverse Change or either's consequence under the Scheme Implementation Deed. This could result in the Scheme not proceeding, the Scheme otherwise being terminated or a transaction being proposed on different terms in accordance with clause 3.4 of the Scheme Implementation Deed.

If, for any reason, the Conditions Precedent are not satisfied or waived (where applicable) and the Scheme is not completed, the market price of PNX Shares may be adversely affected.

(c) **The Scheme Implementation Deed may be terminated by PNX or KIN in certain circumstances, in which case PNX may not be able to solicit an alternative transaction**

Each of PNX and KIN has the right to terminate the Scheme Implementation Deed in certain circumstances. Accordingly, there is no certainty that the Scheme Implementation Deed will not be terminated by either PNX or KIN before the implementation of the Scheme.

If the Scheme Implementation Deed is terminated, there is no assurance that the PNX Board will be able to find a party willing to pay an equivalent or greater price for PNX Shares than the price to be paid pursuant to the terms of the Scheme Implementation Deed.

(d) **Transaction costs**

If the Scheme does not proceed, the cost of the transaction to be payable by PNX is expected to be approximately \$714,000 (excl. GST). This includes financial advisory, legal, accounting, Independent Expert, Independent Technical Expert, tax and administrative fees, Scheme Booklet, printing, PNX Share Registry and other expenses. It does not include transaction costs that may be payable by KIN. Please see section 10.5 on page 136 for a breakdown of these costs.

PNX estimates that it will have incurred or committed transaction costs of approximately \$500,000 (excl. GST) prior to the Scheme Meeting. These costs will be payable regardless of whether or not the Scheme is implemented.

Additionally, in certain circumstances, PNX may also be required to pay \$325,000 to KIN. Please refer to section 9.7(a) on page 128 for further details on when these circumstances may arise.

(e) **Tax consequences for PNX Shareholders**

If the Scheme is implemented, there may be tax consequences for PNX Shareholders. The tax consequences for PNX Shareholders will vary depending on a number of factors, including their place of residence for tax purposes and their individual tax circumstances.

A summary of the general Australian income tax, stamp duty and GST consequences that may be applicable to PNX Shareholders participating in the Scheme is set out in section 8 on page 120.

PNX Shareholders are encouraged to seek independent professional advice regarding the individual tax consequences applicable to them.

7.3 Specific risks of the Merged Group

(a) Genesis Share value risk

As at the Last Practicable Date, KIN held 9,480,465 Genesis Shares valued at approximately \$17.8 million (based on the closing price of Genesis Shares as at the Last Practicable Date of \$1.880), which comprises a material portion of KIN's total assets.

KIN is not in a position to speculate on the future trading price of Genesis Shares, or to guarantee any particular share price.

The future price of Genesis Shares is dependent not only on Genesis' performance, but also on external market and other factors outside of KIN's (and therefore the Merged Group's) control including gold price, future capital requirements and exploration and development risk. Accordingly, there is a risk that the Genesis Shares will trade at a price below the trading price at the Last Practicable Date of \$1.880, which would have an adverse effect on KIN's financial performance.

(b) Failure to realise benefits of the Scheme

After implementation of the Scheme, the Merged Group will seek to pursue those strategies, operational objectives and benefits contemplated by this Scheme Booklet.

There is a risk that the Merged Group may be unable to realise these strategies, operational objectives and benefits (in whole or in part) or that they will not materialise, or will not materialise to the extent that the Merged Group anticipates (for whatever reason, including matters beyond the control of the Merged Group), or that the realisation of the strategies, operational objectives and benefits are delayed.

Any failure to meet these strategies, operational objectives and benefits, or delay in realising these strategies, operational objectives and benefits, could have an adverse impact on the Merged Group's operations, financial performance and financial position.

(c) Change in risk and investment profile

If the Scheme is implemented, PNX Shareholders will be exposed to risk factors relating to KIN and to certain other risks relating to the Merged Group and the integration of PNX and KIN.

While the operations of PNX and KIN are similar in a number of ways, there may be further risks relating to the operation of a broader suite of assets both in nature, geographic scope, sovereign risk, environmental risks and human resources.

7.4 General risks of the Merged Group

The operating and financial performance of PNX, KIN and the Merged Group is (or will be) influenced by the general business and economic variables that impact upon all entities listed on a stock exchange including changes in business and economic factors, such as interest rates, exchange rates, inflation, changes in national demographics, changes in governmental policy and changes to accounting or reporting standards.

The price at which PNX Shares and KIN Shares will trade on the ASX can be affected by a range of external factors over which neither PNX nor KIN have any control. Key risks are discussed below.

(a) **Future capital requirements**

On completion of the Scheme, the Merged Group will have no source of operating cash flow and there can be no assurance that the Merged Group will ever achieve profitability.

Whilst KIN considers that the cash position of the Merged Group will be sufficient to fund the Merged Group's exploration and mineral programs, additional capital may be required in the future by the Merged Group to fund ongoing exploration, evaluation and exploitation of its existing projects. The Merged Group may also acquire new projects or divest existing projects in the future. As such, further capital may be required to support the Merged Group's future exploration activities and operations. Any additional equity financing may be dilutive to shareholders, may be undertaken at lower prices than the current market price or may involve restrictive covenants which limit the Merged Group's operations and business strategy. Further debt financing, if available, may involve additional restrictions on financing and operating activities.

Although KIN believes that additional capital can be obtained if it becomes required, no assurances can be made that appropriate capital or funding, if and when needed, will be available on terms favourable to the Merged Group or at all. If the Merged Group is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and this could have a material adverse effect on the Merged Group's activities and could affect the Merged Group's ability to continue as a going concern.

(b) **Commodity price fluctuations**

It is anticipated that any future revenues derived from mining will primarily be derived from the sale of minerals, and in particular, copper, gold, silver, lead and zinc. Consequently, any future earnings are likely to be closely related to the price of precious metals such as copper, gold, silver, lead and zinc.

The prices of minerals are influenced by numerous variable factors that will be beyond the control of the Merged Group, including laws and regulations, economic conditions and trading demand and supply. Fluctuations in mineral prices may, positively or negatively, influence the operating and financial performance of projects and businesses in which the Merged Group will have an interest or proposes to have an interest.

Even if this is not the case, general sentiment towards one or more minerals may have a significant adverse effect on the price of the Merged Group shares.

(c) **Exploration costs**

The exploration costs of the Merged Group are based on certain assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainties and, accordingly, the actual costs may materially differ from these estimates and assumptions. Accordingly, no assurance can be given that the cost estimates and the underlying assumptions will be realised in practice, which may materially and adversely affect the Merged Group's viability.

(d) **Mineral Resource estimates**

Mineral Resource estimates are expressions of judgement and are estimates based on knowledge, experience and industry practice. While these estimates may be appropriate when made, they may change significantly when new information, interpretations or techniques become available.

Estimates are a necessary practice and may change significantly or cease to be accurate when new information, interpretations or techniques become available through additional fieldwork and analysis. Mineral Resource estimates are, by their nature, imprecise and, to an extent, depend on interpretation, which may result in inaccuracies. Should the Merged Group encounter mineralisation or formations different from those predicted by past drilling, sampling and similar examinations, resource estimates may have to be adjusted and mining plans may have to be altered in a way which could adversely affect the Merged Group's operations. New information, practices or techniques may result in the Merged Group's revising any initial estimates of its Mineral Resources or Ore Reserves, which may adversely affect the Merged Group's operations.

(e) **Metallurgy**

Metal and/or mineral recoveries are dependent upon metallurgical processes and, by their nature, contain elements of significant risk such as:

- (1) identifying a metallurgical process through test work to produce a saleable metal and/or concentrate;
- (2) developing an economic process route to produce a metal and/or concentrate; and
- (3) changes in the mineralogy of the ore deposit can result in inconsistent metal recovery, affecting the economic viability of the Merged Group's projects.

(f) **Competition risk**

The industry in which the Merged Group will be involved is subject to domestic and global competition. Although the Merged Group will undertake all reasonable due diligence in its business decisions and operations, the Merged Group will have no influence or control over the activities or actions of its competitors, which activities or actions may, positively or negatively, affect the operating and financial performance of the Merged Group's projects and business.

In particular, the Merged Group's ability to undertake exploration and mining activities will be dependent upon its ability to source and acquire appropriate mining equipment and personnel. Equipment and personnel are not always readily available and the market for mining equipment and personnel experiences fluctuations in supply and demand. Increases in worldwide mining activities may create cost pressures for services and skilled personnel in the resources industry, which may affect the ability to purchase or hire equipment, supplies, and services and to recruit skilled personnel in relation to the projects. In addition, the availability of drilling rigs and other equipment and services is affected by the level and location of drilling activity around the world. An increase in drilling activity in Australia may reduce the availability of equipment and services to the Merged Group. In addition, an increased demand for mineral commodities may significantly increase the demand for many mining and processing inputs, which has resulted in shortages, as well as longer lead times for delivery and increases in pricing, of mining equipment and metallurgical plant, strategic spares and critical consumables. The reduced availability of equipment, services and skilled personnel may delay the planned exploration, development, and production activities at the projects. A shortage of skilled labour in the Australian mining industry could result in the Merged Group having insufficient employees or contractors to operate its business, which could adversely affect the Merged Group's business, results of operations and financial condition.

(g) **Environmental**

The operations and proposed activities of the Merged Group will be subject to laws and regulations concerning the environment. As with most exploration projects and mining operations, the Merged Group's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds.

Mining operations have inherent risks and liabilities associated with safety and damage to the environment and the disposal of waste products occurring as a result of mineral exploration and production. The occurrence of any such safety or environmental incident could delay production or increase production costs. Events such as unpredictable rainfall or bushfires may impact on the Merged Group's ongoing compliance with environmental legislation, regulations and licences. Significant liabilities could be imposed on the Merged Group for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by current, future or previous operations or non-compliance with environmental laws or regulations.

It is the Merged Group's intention to conduct its activities to the highest standard of its environmental obligations, including by complying with all environmental laws and regulations.

(h) **Regulatory risks and government policy changes**

The Merged Group's exploration and development activities will be subject to extensive laws and regulations relating to numerous matters including resource licence consents, conditions including environmental compliance and rehabilitation, taxation, employee relations, health and worker safety, waste disposal, protection of the environment, native title and heritage matters, protection of endangered and protected species and other matters. Changes in government policies or legislation may affect ownership of mineral interests, taxation, royalties, land access, labour relations, and mining and exploration activities of the Merged Group.

The Merged Group will require permits from regulatory authorities to authorise the Merged Group's operations. These permits relate to exploration, development, production, and rehabilitation activities. Obtaining necessary permits can be a time-consuming process and there is a risk that the Merged Group may not obtain these permits on acceptable terms, in a timely manner or at all. Any costs or delays associated with obtaining necessary permits and complying with these permits and applicable laws and regulations could materially delay or restrict the Merged Group from proceeding with the development of a project or the operation or development of a mine. Any failure to comply with applicable laws and regulations or permits, even if inadvertent, could result in material fines, penalties or other liabilities. In extreme cases, failure could result in suspension of the Merged Group's activities or forfeiture of one or more of the Merged Group's tenements.

(i) **Economic and market conditions**

General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Merged Group's ability to fund its operations. Share market conditions may affect the value of the Merged Group's shares regardless of the Merged Group's operating performance. Share market conditions are affected by many factors such as:

- (1) general economic outlook;
- (2) commodity prices;

- (3) interest rates and inflation rates;
- (4) changes in investor sentiment toward particular market sectors and commodity types;
- (5) the demand for, and supply of, capital; and
- (6) terrorism or other hostilities.

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

(j) **Foreign exchange rate risk**

The Merged Group's revenue and expenditure will be taken into account in Australian dollars (AUD). Gold, silver, lead, zinc and copper is sold throughout the world based principally on a USD price. Therefore, the Merged Group will be exposed to fluctuations and volatility in the USD and AUD exchange rates. Movements in these exchange rates may adversely or beneficially affect the Merged Group's results or operations and cash flows.

(k) **Taxation**

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

(l) **Reliance on key personnel**

The directors of the Merged Group (being, the KIN Directors and Graham Ascough) will be primarily responsible for overseeing the operations and the strategic management of the Merged Group. The day-to-day operations of the Merged Group are the responsibility of Executive Chairman and, once appointed, the relevant Chief Executive Officer. As noted above, KIN intends to appoint a Chief Executive Officer to lead the Merged Group following implementation of the Scheme, however this process remains ongoing and no such appointment has been finalised as at the Last Practicable Date.

There can be no assurance that there will be no detrimental impact on the Merged Group if one or more of the directors, or the Chief Executive Officer (once appointed), no longer act as directors or the Chief Executive Officer of the Merged Group.

(m) **Liquidity risk**

The market price of equity securities can fall, as well as rise, and may be subject to varied and unpredictable influences on the market for equities and, in particular, resources entities. Neither the Merged Group, the PNX Directors nor the KIN Directors provide any warranty as to the future performance of the Merged Group or any return on an investment in the Merged Group.

This may affect the liquidity of trading in the Merged Group's shares, which may result in a lower volume of the Merged Group shares being traded than would otherwise have been the case, potentially making it difficult to realise any return on your investment.

(n) **Information technology/privacy**

The Merged Group will rely heavily on its own computer systems and those of third-party service providers to store and manage private and confidential information. A malicious attack on the Merged Group's systems, processes or people from external or internal sources could put the integrity and privacy of the Merged Group's data at risk. If the Merged Group's efforts to combat any malicious attack are unsuccessful or the Merged Group has actual or perceived vulnerabilities, not only could this result in the Merged Group suffering short term economic loss, but the Merged Group's business reputation and brand name may be harmed, potentially having a material adverse effect on the Merged Group's operations and financial position.

(o) **Environment and climate change**

There are a number of climate-related factors that may affect the operations and proposed activities of the Merged Group.

Climate change may be said to cause certain physical and environmental risks that cannot be predicted by the Merged Group, including events such as increased severity of weather patterns and incidence of extreme weather events and longer-term physical risks such as shifting climate patterns. These risks said to be associated with climate change may have a direct impact on the Merged Group's ability to perform its mining operations and may significantly change the industry in which the Merged Group operates.

In addition, changing investor sentiment towards climate change, including a view that all mining should be avoided due to its contribution to greenhouse gas emissions (despite the reliance on the various metals by the renewables sector), could cause investors to cease investing in mining and exploration entities, may have a significant adverse affect on the Merged Group's ability to secure additional funding and other ancillary products and services (including, for example, appropriate insurance at affordable prices).

7.5 Risks if the Scheme does not proceed

In considering whether to vote in favour of the Scheme Resolution, PNX Shareholders should be aware that there are various risks associated with continuing to hold PNX Shares.

These risks ought not to be taken as an exhaustive list of all of the risks faced by PNX or by PNX Shareholders as there may be other risks that may not be known to PNX. PNX Shareholders should also be aware that there may be other risks that are not specifically referred in this section 7.5 that may in the future materially affect the financial performance of PNX and the value of PNX Shares.

If the Scheme is not implemented and you continue to hold PNX Shares, your investment in PNX will be subject to these and other risks.

(a) **Immediate Funding Risk**

PNX's continued ability to operate its business and effectively implement its business plan over time will depend in part on its ability to raise additional funds for future operations and to repay or refinance debts as they fall due.

For the foreseeable future, it is expected that this funding will be obtained from equity financing. Any equity financing undertaken will dilute existing PNX Shareholders and there is no guarantee that PNX will be able to secure any additional funding or will be able to secure funding on terms that are favourable or acceptable to PNX.

As noted in the Joint Announcement, PNX has entered into an unsecured loan agreement with KIN in order to fund the transaction costs and working capital associated with the implementation of the Scheme. If the Scheme is not implemented, PNX must repay any amount owing.

Additionally, if the Scheme is not implemented, in certain circumstances PNX may also be required to pay the reimbursement fee of \$325,000 to KIN. Please refer to section 9.7 on page 128 for further details.

If sufficient funds are not available from capital markets to satisfy PNX's short, medium and long-term capital requirements, then PNX will be required reduce the scope of its operations or, if necessary, surrender or dispose of some of its interest in one or more of its projects to a third party.

There is a risk that PNX will not be able to meet the work commitments or satisfy the required licence fees, which may result in one or more of the PNX Tenements being forfeited.

(b) Commodity price fluctuations

It is anticipated that any future revenues derived from mining will primarily be derived from the sale of minerals, and in particular, copper, gold, silver, lead and zinc. Consequently, any future earnings are likely to be closely related to the price of precious metals such as copper, gold, silver, lead and zinc.

The prices of minerals are influenced by numerous variable factors beyond the control of PNX, including laws and regulations, economic conditions and trading demand and supply. Fluctuations in mineral prices may, positively or negatively, influence the operating and financial performance of projects and businesses in which PNX has an interest or proposes to have an interest.

Even if this is not the case, general sentiment towards one or more minerals may have a significant adverse affect on the price of PNX Shares.

(c) Land access

There is a substantial level of regulation and restriction on the ability of exploration and mining companies to have access to land in Australia. Negotiations with both native title claimants and land owners/occupiers may be required before PNX can access land for exploration or mining activities. Inability to access, or delays experienced in accessing, the land may impact on the PNX's activities.

(d) Joint venture and contractual risk

PNX is party to contractual arrangements with third parties. In particular, it is party to a farm in/joint venture agreement with Newmarket Gold NT Holdings Pty Ltd (**Newmarket**) relating to 1,120 km² of Northern Territory exploration ground over which PNX has earned a 90% interest.

There are risks associated with the financial failure, or default of, or dispute with, any participant in a joint venture or contractual arrangement to which PNX is or may become party. If this occurs it could have a material adverse impact on PNX, its assets and/or its financial position.

If a counterparty defaults in the performance of its obligations or wishes to enforce its rights, it may be necessary for PNX to seek or defend legal remedies including through a court action.

Legal action can be costly and there can be no guarantee that a legal remedy would ultimately be granted to PNX on the appropriate terms (if at all).

(e) **Exploration costs**

The exploration costs of PNX are based on certain assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainties and, accordingly, the actual costs may materially differ from these estimates and assumptions. Accordingly, no assurance can be given that the cost estimates and the underlying assumptions will be realised in practice, which may materially and adversely affect PNX's viability.

(f) **Mineral Resource estimates**

Mineral Resource estimates are expressions of judgement and are estimates based on knowledge, experience and industry practice. While these estimates may be appropriate when made, they may change significantly when new information, interpretations or techniques become available.

Estimates are a necessary practice and may change significantly or cease to be accurate when new information, interpretations or techniques become available through additional fieldwork and analysis. Mineral Resource estimates are, by their nature, imprecise and, to an extent, depend on interpretation, which may result in inaccuracies. Should PNX encounter mineralisation or formations different from those predicted by past drilling, sampling and similar examinations, resource estimates may have to be adjusted and mining plans may have to be altered in a way which could adversely affect PNX's operations. New information, practices or techniques may result in PNX revising any initial estimates of its Mineral Resources or Ore Reserves, which may adversely affect PNX's operations.

(g) **Metallurgy**

Metal and/or mineral recoveries are dependent upon metallurgical processes and, by their nature, contain elements of significant risk such as:

- (1) identifying a metallurgical process through test work to produce a saleable metal and/or concentrate;
- (2) developing an economic process route to produce a metal and/or concentrate; and
- (3) changes in the mineralogy of the ore deposit can result in inconsistent metal recovery, affecting the economic viability of PNX's projects.

(h) **Competition risk**

The industry in which PNX will be involved is subject to domestic and global competition. Although PNX will undertake all reasonable due diligence in its business decisions and operations, PNX will have no influence or control over the activities or actions of its competitors, which activities or actions may, positively or negatively, affect the operating and financial performance of PNX's projects and business.

In particular, PNX's ability to undertake exploration and mining activities is dependent upon its ability to source and acquire appropriate mining equipment and personnel. Equipment and personnel are not always readily available and the market for mining equipment and personnel experiences fluctuations in supply and demand. Increases in worldwide mining activities may

create cost pressures for services and skilled personnel in the resources industry, which may affect the ability to purchase or hire equipment, supplies, and services and to recruit skilled personnel in relation to the projects. In addition, the availability of drilling rigs and other equipment and services is affected by the level and location of drilling activity around the world. An increase in drilling activity in Australia may reduce the availability of equipment and services to PNX. In addition, an increased demand for mineral commodities may significantly increase the demand for many mining and processing inputs, which has resulted in shortages, as well as longer lead times for delivery and increases in pricing, of mining equipment and metallurgical plant, strategic spares and critical consumables. The reduced availability of equipment, services and skilled personnel may delay the planned exploration, development, and production activities at the projects. A shortage of skilled labour in the Australian mining industry could result in PNX having insufficient employees or contractors to operate its business, which could adversely affect PNX's business, results of operations and financial condition.

(i) **Environmental**

The operations and proposed activities of PNX are subject to laws and regulations concerning the environment. As with most exploration projects and mining operations, PNX's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds.

Mining operations have inherent risks and liabilities associated with safety and damage to the environment and the disposal of waste products occurring as a result of mineral exploration and production. The occurrence of any such safety or environmental incident could delay production or increase production costs. Events such as unpredictable rainfall or bushfires may impact on PNX's ongoing compliance with environmental legislation, regulations and licences. Significant liabilities could be imposed on PNX for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by current, future or previous operations or non-compliance with environmental laws or regulations.

It is PNX's intention to conduct its activities to the highest standard of its environmental obligations, including by complying with all environmental laws and regulations.

(j) **Regulatory risks and government policy changes**

PNX's exploration and development activities are subject to extensive laws and regulations relating to numerous matters including resource licence consents, conditions including environmental compliance and rehabilitation, taxation, employee relations, health and worker safety, waste disposal, protection of the environment, native title and heritage matters, protection of endangered and protected species and other matters. Changes in government policies or legislation may affect ownership of mineral interests, taxation, royalties, land access, labour relations, and mining and exploration activities of PNX.

PNX requires permits from regulatory authorities to authorise PNX's operations. These permits relate to exploration, development, production, and rehabilitation activities. Obtaining necessary permits can be a time-consuming process and there is a risk that PNX may not obtain these permits on acceptable terms, in a timely manner or at all. Any costs or delays associated with obtaining necessary permits and complying with these permits and applicable laws and regulations could materially delay or restrict PNX from proceeding with the development of a project or the operation or development of a mine. Any failure to comply with applicable laws and regulations or permits, even if inadvertent, could result in material fines,

penalties or other liabilities. In extreme cases, failure could result in suspension of PNx's activities or forfeiture of one or more of PNx's Tenements.

(k) **Economic and market conditions**

General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on PNx's ability to fund its operations. Share market conditions may affect the value of PNx Shares regardless of PNx's operating performance. Share market conditions are affected by many factors such as:

- (1) general economic outlook;
- (2) commodity prices;
- (3) interest rates and inflation rates;
- (4) changes in investor sentiment toward particular market sectors and commodity types;
- (5) the demand for, and supply of, capital; and
- (6) terrorism or other hostilities.

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

(l) **Foreign exchange rate risk**

PNx's revenue and expenditure will be taken into account in Australian dollars (AUD). Copper, gold, silver, lead and zinc is sold throughout the world based principally on a USD price. Therefore, PNx is exposed to fluctuations and volatility in the USD and AUD exchange rates. Movements in these exchange rates may adversely or beneficially affect PNx's results or operations and cash flows.

(m) **Taxation**

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

To the maximum extent permitted by law, PNx, its officers and each of their respective advisers accept no liability and responsibility with respect to the taxation consequences of dealing with PNx Shares in accordance with this Scheme Booklet.

(n) **Reliance on key personnel**

The PNx Directors are primarily responsible for overseeing the operations and the strategic management of PNx. The day-to-day operations of PNx are the responsibility of the Technical Director.

There can be no assurance that there will be no detrimental impact on PNx if one or more of the PNx Directors, or the Technical Director, no longer act as PNx Directors or the Technical Director of PNx.

(o) **Liquidity risk**

The market price of equity securities can fall, as well as rise, and may be subject to varied and unpredictable influences on the market for equities and, in particular, resources entities. Neither PNX nor the PNX Directors provide any warranty as to the future performance of PNX or any return on an investment in PNX.

This may affect the liquidity of trading in PNX Shares, which may result in a lower volume of PNX Shares being traded than would otherwise have been the case, potentially making it difficult to realise any return on your investment.

(p) **Information technology/privacy**

PNX relies heavily on its own computer systems and those of third-party service providers to store and manage private and confidential information. A malicious attack on PNX's systems, processes or people from external or internal sources could put the integrity and privacy of PNX's data at risk. If PNX's efforts to combat any malicious attack are unsuccessful or PNX has actual or perceived vulnerabilities, not only could this result in PNX suffering short term economic loss, but PNX's business reputation and brand name may be harmed, potentially having a material adverse effect on PNX's operations and financial position.

(q) **Environment and climate change**

There are a number of climate-related factors that may affect the operations and proposed activities of PNX.

Climate change may be said to cause certain physical and environmental risks that cannot be predicted by PNX, including events such as increased severity of weather patterns and incidence of extreme weather events and longer-term physical risks such as shifting climate patterns. These risks said to be associated with climate change may have a direct impact on PNX's ability to perform its mining operations and may significantly change the industry in which PNX operates.

In addition, changing investor sentiment towards climate change, including a view that all mining should be avoided due to its contribution to greenhouse gas emissions (despite the reliance on the various metals by the renewables sector), could cause investors to cease investing in mining and exploration entities, may have a significant adverse affect on PNX's ability to secure additional funding and other ancillary products and services (including, for example, appropriate insurance at affordable prices).

8

TAX IMPLICATIONS



8. Taxation Implications

The information detailed in this section 8 has been prepared by HLB Mann Judd. PNX does not assume any responsibility for the accuracy or completeness of the information in this section 8.

8.1 Introduction

The following is a general and non-exhaustive summary of the Australian income tax consequences of the proposed Scheme for PNX Shareholders.

This section does not constitute tax advice and should not be relied upon in any way. PNX Shareholders must take full and sole responsibility for the associated taxation implications and are advised to seek their own independent professional tax advice in relation to their own particular circumstances.

This summary is based on the provisions of the *Income Tax Assessment Act 1936* (Cth) (**ITAA 1936**), the *Income Tax Assessment Act 1997* (Cth) (**ITAA 1997**), *Tax Administration Act 1953* (Cth) (**TAA 1953**), *A New Tax System (Goods and Services Tax) Act 1999* (Cth) (**GST Act**) and the Australian stamp duty legislation as at the date of this Scheme Booklet.

The comments set out below are relevant only to those PNX Shareholders who hold their PNX Shares on capital account as Capital Gains Tax (**CGT**) assets and does not address the Australian income tax consequences for PNX Shareholders who (non-exhaustive list):

- (a) acquired their PNX Shares before 20 September 1985;
- (b) hold their PNX Shares as revenue assets (for example as trading stock in a share trading business);
- (c) may be subject to special tax rules, such as partnerships, tax exempt organisations, insurance companies or dealers in securities; or
- (d) are temporary residents of Australia or who have changed their tax residency while holding their PNX Shares or are non-residents of Australia who hold their PNX Shares in carrying on a business at or through a permanent establishment in Australia.

PNX Shareholders should note that PNX has not applied, and has no intention to apply, for a class ruling from the Australian Taxation Office on the applicability of the CGT scrip-for-scrip roll-over provisions under Subdivision 124-M of the ITAA 1997.

PNX Shareholders should seek independent advice from its professional advisers to confirm their eligibility for CGT roll-over relief in light of their own circumstances.

8.2 Australian tax resident PNX Shareholders

(a) Calculation of capital gain or loss

The disposal of PNX Shares under the Scheme will give rise to CGT event A1. PNX Shareholders will either:

- (1) crystallise a capital gain if the Scheme Consideration (i.e., market value of new KIN Shares) provided to PNX Shareholders on the exchange of their PNX Shares is greater than the cost base of their PNX Shares; or

- (2) crystallise a capital loss if the Scheme Consideration (i.e., market value of new KIN Shares) provided to PNX Shareholders on the exchange of their PNX Shares is less than the reduced cost base of their PNX Shares.

(b) **CGT Discount**

Australian tax resident individuals, complying superannuation entities or trustees that have held their PNX Shares for at least 12 months before the Implementation Date may be eligible for the CGT discount to reduce the amount of any capital gain (after application of capital losses) from the disposal of their PNX Shares by:

- (1) 50% in the case of individuals and trusts (for trustees, the ultimate availability of the discount for the beneficiaries of a trust will depend on the particular circumstances of the beneficiaries); or
- (2) 33.33% for complying superannuation entities.

The CGT discount will not be available to a PNX Shareholder that is a company.

8.3 Availability of scrip-for-scrip roll-over relief

A PNX Shareholder who disposes of their PNX Shares in exchange for new KIN Shares respectively, and who would otherwise make a capital gain in respect of the disposal of their PNX Shares, may be able to obtain CGT scrip-for-scrip roll-over relief under subdivision 124-M of the ITAA 1997.

CGT scrip-for-scrip roll-over relief under subdivision 124-M of the ITAA 1997 should generally be available where the following relevant requirements are satisfied:

- (a) a PNX Shareholder exchanges a share (original interest) in a company (target) for a share in another company;
- (b) the exchange is in consequence of a single arrangement;
- (c) the arrangement must result in:
 - (1) a company (acquiring entity) that is not a member of a wholly-owned group becoming the owner of 80% or more of the voting rights in the original entity; or
 - (2) a company (also an acquiring entity) that is a member of such a group increasing the percentage of voting rights that it owns in the original entity, and that company or members of the group becoming the owner of 80% or more of those rights;
- (d) the arrangement must allow for the participation of all owners of voting interests in the original entity and on substantially the same terms;
- (e) the arrangement must be part of or include either a takeover bid or arrangement under the Corporations Act;
- (f) the replacement interest must be shares in the acquiring entity if it is not a member of a wholly-owned group or shares in the ultimate holding company of a wholly-owned group;
- (g) the original interest holder must choose to obtain roll-over relief;

- (h) where the exchanging entities do not deal with each other at arm's length and neither is widely held, or where the original interest holder, original entity and replacement entity were all members of the same "linked group" just before the arrangement, the replacement interest must confer the same rights and obligations as the original interest and the market value of the original interest holder's capital proceeds for the exchange is at least substantially the same as the market value of its original interest; and
- (i) where a foreign resident is an original interest holder, roll-over relief is only available if, just after the replacement interest is acquired, the replacement interest is taxable Australian property as defined in Division 855 of the ITAA 1997.

Other requirements for roll-over relief may apply if neither the exchanging nor acquiring entity have 300 shareholders just before the arrangement started.

8.4 Choosing scrip-for-scrip roll-over relief

A PNX Shareholder will evidence their choice of having chosen scrip-for-scrip roll-over relief by the way they prepare their income tax return (i.e., by excluding the disregarded capital gain from assessable income) for the income year in which the Implementation Date occurs.

8.5 Implications of choosing scrip-for-scrip roll-over relief

Where a PNX Shareholder has chosen scrip-for-scrip roll-over relief:

- (a) a capital gain that the PNX Shareholder makes from the disposal of their PNX Shares under the Scheme should be disregarded and deferred until a subsequent taxable event occurs in respect of their new KIN Shares;
- (b) the first element of the cost base of the new KIN Shares received as Scheme Consideration by the PNX Shareholder should be equal to the cost base of their original PNX Shares; and
- (c) the new KIN Shares will be taken to be acquired at the time their PNX Shares were originally acquired, for the purpose of any subsequent disposal of the new KIN Shares and the application of the CGT discount.

PNX Shareholders should obtain independent tax advice regarding the availability and adoption of the CGT scrip-for scrip-roll-over relief.

8.6 Not choosing scrip-for-scrip roll-over relief or relief not available

CGT scrip-for-scrip roll-over relief is not available if:

- (a) a PNX Shareholder would otherwise realise a capital loss on the disposal of their PNX Shares;
- (b) any capital gain a PNX Shareholder makes would be disregarded (except because of a roll-over);
- (c) another roll-over could have been chosen (such as a roll-over for disposal of assets to a wholly owned company or a business restructure roll-over); or
- (d) KIN makes a choice for no roll-over to apply under subsection 124-795(4) of the ITAA 1997 and the PNX Shareholder is notified of that choice in writing by PNX or KIN before the exchange.

Where scrip-for-scrip roll-over relief is not available or not chosen in relation to a PNX Shareholder's disposal of PNX Shares under the Scheme:

- (e) the capital gain or capital loss from the disposal of the PNX Shareholder's PNX Shares will be taken into account in calculating the PNX Shareholder's net capital gain for the income year in which the Implementation Date occurs; and
- (f) the first element of the cost base of each new KIN Shares (i.e., the Scheme Consideration) received should be an amount equal to the market value of the PNX Shares given in respect of acquiring the new KIN Shares, determined on the Implementation Date.

The acquisition date of the new KIN Shares will be the Implementation Date. This date will be relevant for any future application of the CGT discount with respect to CGT events occurring in respect of the new KIN Shares.

8.7 KIN scrip-for-scrip roll-over election

KIN advises that it will not make a choice under section 124-795(4) of the ITAA 1997 to deny scrip-for-scrip roll-over relief.

8.8 Non-resident PNX Shareholders

Broadly, for PNX Shareholders that are foreign tax residents, the disposal of their PNX Shares will generally only be subject to CGT if their PNX Shares are characterised as indirect Australian real property interests.

PNX Shares may be treated as indirect Australian real property interests if both of the following requirements are satisfied:

- (a) the PNX Shareholder, together with its associates (as defined in section 318 of the ITAA 1936), held a combined interest of 10% or more in PNX at the time of disposal or for a 12-month period within two years preceding the disposal; and
- (b) more than 50% of the value of PNX's assets is attributed to direct or indirect interests in Australian real property, which is defined to include Australian mining and exploration leases and licences.

Where both the above requirements are satisfied, non-resident PNX Shareholders may be subject to CGT on the disposal of their PNX Shares and be required to report the CGT outcome in an Australian income tax return. CGT scrip-for-scrip roll-over relief may be available for non-residents if their new KIN Shares are "taxable Australian property" as defined within Division 855 of the ITAA 1997.

Foreign tax resident shareholders will generally not be entitled to access the 50% CGT discount on capital gains made where such shares were acquired after 8 May 2012.

PNX Shareholders who are foreign tax residents for Australian tax purposes should seek their own independent tax advice as to the tax implications of the Scheme, including in their country of residence.

8.9 Foreign Resident Capital Gains Withholding

The foreign resident capital gains withholding regime can impose an obligation on a purchaser of shares to withhold an amount equal to 12.5% of the purchase price for the shares (**FRCGW Amount**) and remit that amount to the ATO. This withholding requirement can apply to transactions involving the acquisition of certain indirect interests in Australian real property from relevant non-residents.

Broadly, a non-resident PNX Shareholder's PNX Shares would constitute an "indirect Australian real property interest" if both of the following tests are satisfied:

- (a) **Non-portfolio interest test:** Where a PNX Shareholder and its associates (as defined in section 318 of the ITAA 1936) held 10% or more of the issued capital of PNX at the Implementation Date (or throughout a 12-month period that began no earlier than 24 months before the Implementation Date and ended no later than the Implementation Date); and
- (b) **Principal asset test:** Where the sum of the market value of PNX's assets that are taxable Australian real property (broadly, direct and indirect interests in Australian real property, including leases of Australian land) exceeds the sum of the market value of its assets that are not taxable Australian real property. Real property in this context also includes leases over Australian land and certain other rights relating to mining, quarrying or prospecting.

PNX Shareholders should seek their own independent tax advice as to the tax implications of the FRCGW rules.

8.10 Duty

PNX Shareholders should not be liable for duty in relation to the disposal of their PNX Shares to KIN.

8.11 Goods and services tax

PNX Shareholders should not be liable for goods and services tax in respect of a disposal of their PNX Shares to KIN.

8.12 Financial product advice

To persons receiving this tax summary in Australia: The information contained in this tax summary does not constitute 'financial product advice' within the meaning of the Corporations Act. To the extent that this tax summary contains any information about a 'financial product' within the meaning of the Corporations Act, taxation is only one of the matters that must be considered when making a decision about the relevant financial product.

This material has been prepared for general circulation and does not take into account the objectives, financial situation or needs of any recipient. Accordingly, any recipient should, before acting on this material, consider taking advice from a person who is licensed to provide financial product advice under the Corporations Act. Any recipient should, before acting on this material, also consider the appropriateness of this material having regard to their objectives, financial situation and needs and consider obtaining independent financial advice. For completeness, HLB Mann Judd is not licensed to provide financial product advice under the Corporations Act.



KEY TERMS



9. Key Terms

9.1 Conditions Precedent

The Scheme will not be implemented unless, among other things, all of the conditions precedent set out in clause 3.1 of the Scheme Implementation Deed, as summarised below, are satisfied or waived (where capable of waiver) on or before the Second Court Date:

- (a) **FIRB approval:** notice is received by, or on behalf of, the Treasurer that the Australian Commonwealth Government has no objections to the Scheme, or that the Treasurer is precluded from objecting to the Scheme because the time for doing so has passed;
- (b) **Regulatory approvals:** all other approvals, consents, waivers, exemptions or declarations that are necessary or required by law, or by any regulatory authority (including ASIC and the ASX), to implement the Scheme have been granted, given, made or obtained and those approvals, consents, waivers, exemptions or declarations have not been withdrawn, cancelled, revoked or varied in a manner that is materially adverse to PNX or KIN (or subject to any notice, intimation or indication of intention to do any such thing);
- (c) **Independent Expert's Report:** the Independent Expert has not changed or withdrawn its conclusion that the Scheme is in the best interests of PNX Shareholders;
- (d) **No restraints:** no court or Government Agency has issued a judgment, order or other temporary restraining order that prohibits, materially restricts, makes illegal or restrains the completion of the Scheme;
- (e) **PNX Shareholder approval:** the Requisite Majorities of PNX Shareholders approve the Scheme at the Scheme Meeting;
- (f) **KIN Shareholder approval:** the Transaction is approved by KIN Shareholders for the purposes of ASX Listing Rule 10.1;
- (g) **Court approval of the Scheme:** the Court approves the Scheme under section 411(4)(b) of the Corporations Act and an office copy of such Court order is lodged with ASIC;
- (h) **Silver Streaming Agreements:** PNX issues all PNX Shares in accordance with the Silver Streaming Agreements;
- (i) **PNX Performance Rights:** all PNX Performance Rights having either lapsed, been exercised or cancelled; and
- (j) **No prescribed event:** no PNX Prescribed Event and no KIN Prescribed Event has occurred;
- (k) **No material adverse change:** no PNX Material Adverse Change and no KIN Material Adverse Change has occurred; and
- (l) **No breach of representations and warranties:** the representations and warranties given by each of PNX and KIN remain true and correct.

As at the date of this Scheme Booklet, only the conditions precedent set out in sections 9.1(a) (FIRB approval), 9.1(h) (Silver Streaming Agreements) and 9.1(i) (PNX Performance Rights) have been satisfied.

9.2 Exclusivity

The Scheme Implementation Deed contains the following customary exclusivity arrangements which, during the Exclusivity Period, prevent PNX, KIN and each of their Representatives, from directly or indirectly:

- (a) **no shop:** soliciting, inviting, encouraging or initiating any Competing Proposal or communicating any intention to do so;
- (b) **no talk:** subject to the exceptions set out in section 9.4 below, responding to, facilitating, negotiating or entering into or participating in negotiations, discussions, agreements or other communications with any Third Party or communicating any intention to do so; and
- (c) **no due diligence:** subject to the exceptions set out in section 9.4 below, soliciting, inviting, initiating, encouraging, facilitating or permitting any Third Party to undertake due diligence investigations on it, any Group Member or their businesses and operations, or make non-public information relating to them available to a Third Party,

in relation to, or which may reasonably be expected to encourage or lead to, a Competing Proposal.

9.3 Notification obligations

Subject to the exceptions set out in section 9.4 below, during the Exclusivity Period, PNX and KIN must notify each other in writing if it, any Group Member or any of their Representatives become aware of any:

- (a) approach, inquiry or proposal whether written or otherwise, and any attempt or any intention to initiate or continue any discussions;
- (b) request for information relating to it, any Group Member or any of their respective businesses or operations or any request for access to the books or records of it or any Group Member; or
- (c) intention to provide any information relating to it, any Group Member or their respective businesses or operations to any person,

with respect to, or that could reasonably be expected to lead to, a Competing Proposal

9.4 Exceptions

The provisions described in sections 9.2(b), 9.2(c) and 9.3 do not apply to the extent that it restricts PNX, an Independent PNX Director, KIN or an Independent KIN Director from taking or refusing to take any action with respect to a Competing Proposal provided that:

- (a) the Competing Proposal is bona fide and is made by or on behalf of a person that is of sufficient commercial standing to implement the Competing Proposal;
- (b) the Competing Proposal is or may be expected to lead to a Superior Proposal; and
- (c) failing to take the action or refusing to take action with respect to the Competing Proposal would likely constitute a breach of the fiduciary or statutory obligations of that Independent PNX Director or Independent KIN Director.

9.5 Competing Proposal

PNX or KIN may only enter into an arrangement relating to a Competing Proposal if:

- (a) the Competing Proposal is or may be expected to lead to a Superior Proposal and failing or refusing to take action with respect to the Competing Proposal would likely constitute a breach of the fiduciary or statutory obligations of an Independent PNX Director or an Independent KIN Director; and
- (b) it has given the other written notice of the proposal to enter into the arrangement and, to the extent known, the terms and conditions of the Competing Proposal.

9.6 Matching Right

Where PNX has provided written notice to KIN that it wishes to enter into an arrangement relating to a Competing Proposal, KIN may propose amended terms of the Scheme within five Business Days of such notice (**Counter Proposal**).

The Independent PNX Directors must review the Counter Proposal in good faith and if they determine that such Counter Proposal would be no less favourable to PNX and PNX Shareholders than the Competing Proposal, then the Scheme Implementation Deed will be amended insofar as is reasonably necessary to reflect the Counter Proposal. In these circumstances, the Independent PNX Directors must recommend the Counter Proposal to the PNX Shareholders as opposed to the Competing Proposal.

9.7 Reimbursement fee

In accordance with the Scheme Implementation Deed, PNX and KIN have agreed to pay the reimbursement fee in the following circumstances:

- (a) PNX has agreed to pay \$325,000 to KIN if:
 - (1) any Independent PNX Director withdraws or adversely modifies their support of the Scheme or their recommendation that PNX Shareholders vote in favour of the Scheme, or that they support a Competing Proposal;
 - (2) PNX or any of its Representatives were aware of, become aware of or receive an approach in relation to a Competing Proposal and that Competing Proposal is completed at any time prior to the first anniversary of the date of the public announcement of such Competing Proposal; or
 - (3) the Scheme Implementation Deed is terminated by KIN due to a material breach of PNX.
- (b) KIN has agreed to pay \$325,000 to PNX if:
 - (1) a Competing Proposal for KIN is received before the Second Court Date of which the Independent KIN Directors conclude that it is a Superior Proposal and a majority of the Independent KIN Directors make a public statement to the effect that they no longer support the Scheme or that they otherwise wish to pursue the Superior Proposal;
 - (2) KIN or any of its Representatives were aware of, become aware of or receive an approach in relation to a Competing Proposal and that Competing Proposal is

completed at any time prior to the first anniversary of the date of the public announcement of such Competing Proposal; or

- (3) the Scheme Implementation Deed is terminated by PNX due to a material breach of KIN.

9.8 Termination

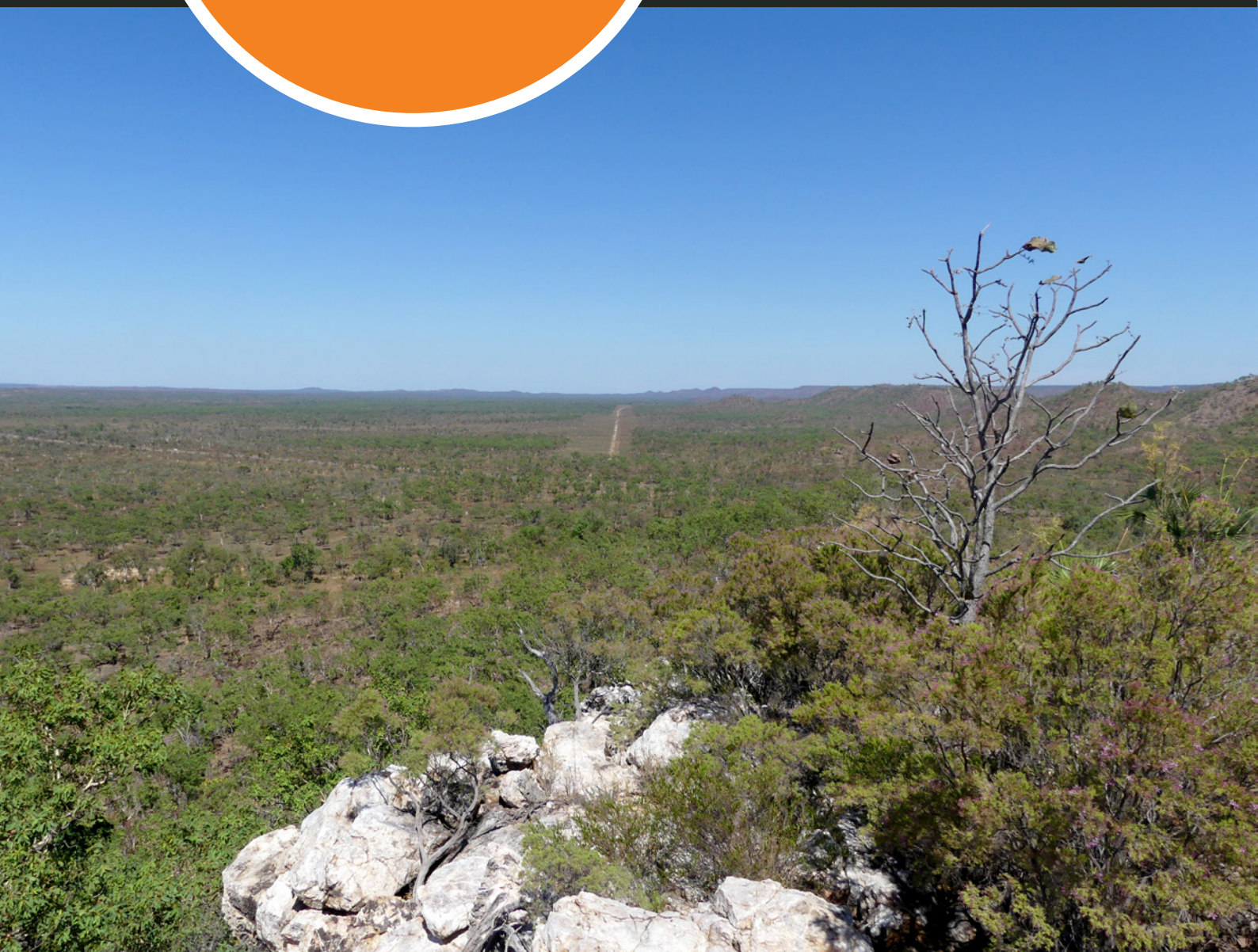
- (a) Each of PNX and KIN may terminate the Scheme Implementation Deed:
 - (1) for material breach of the Scheme Implementation Deed where such breach has not been remedied within 10 Business Days of receiving written notice of the breach;
 - (2) if PNX or KIN publicly announce that it has received a Superior Proposal;
 - (3) if the Scheme is not Effective by 12 January 2025; or
 - (4) if any of the Conditions Precedent are not satisfied or waived by the specified time and date.
- (b) KIN may terminate the Scheme Implementation Deed:
 - (1) if an Independent PNX Director changes or withdraws their support for the Scheme or their recommendation that PNX Shareholders vote in favour of the Scheme or recommends, endorses or supports any Competing Proposal for PNX;
 - (2) if a Competing Proposal for PNX is received which requires that the Scheme is not implemented and a majority of the Independent PNX Directors make a public statement to the effect that they no longer support the Scheme or that they recommend the Competing Proposal; or
 - (3) if a Third Party increases its Relevant Interest in PNX from below 20% to 20% or more.
- (c) PNX may terminate the Scheme Implementation Deed:
 - (1) if an Independent KIN Director makes a public statement to the effect that they no longer support the Scheme or that they support, endorse or otherwise wish to pursue a Superior Proposal;
 - (2) if a Competing Proposal for KIN is publicly announced which requires that the Scheme is not implemented and a majority of the Independent KIN Directors make a public statement to the effect that they no longer support the Scheme or that they recommend the Superior Proposal; or
 - (3) if a Third Party increases its Relevant Interest in KIN from below 20% to 20% or more.

9.9 Amendments to the Scheme

PNX may agree, with the prior written consent of KIN, to any alteration of any condition which the Court thinks fit to impose on the Scheme.



ADDITIONAL INFORMATION



10. Additional Information

10.1 Interests of the PNX Directors

(a) PNX securities

As at the date of this Scheme Booklet, the PNX Directors have the following Relevant Interests in PNX securities:

Table 19: PNX Directors' Relevant Interests in PNX securities

PNX Director	PNX Shares	PNX Performance Rights
Graham Ascough ¹	21,498,192	Nil
James Fox ²	12,000,000	30,800,000
Rowan Johnson	Nil	Nil
Hansjoerg Plaggemars ³	2,360,603,389	Nil
Hans-Jörg Schmidt	Nil	Nil

Notes to Table 19:

1. The PNX Shares are registered in the name of the Ascough Superfund.
2. The PNX Shares are registered in the name of Lisette Frijters (an Associate of James Fox) and the PNX Performance Rights are registered in the name of James Fox.
3. Mr Plaggemars is also a director of Delphi with power in respect of voting and disposal rights over the PNX Shares and, therefore, has a Relevant Interest in the 2,360,603,389 PNX Shares registered in the name of Delphi.

There has been no dealing by any PNX Director in PNX securities in the four months preceding the date of this Scheme Booklet.

(b) PNX Directors' payments and benefits

It is a condition to the Scheme Implementation Deed that all PNX Directors resign from their office as a PNX Director on the Implementation Date. As James Fox is currently employed by PNX on a part-time basis as the Technical Director of PNX, this action will constitute the termination of Mr Fox's employment with PNX.

Accordingly, PNX has entered into a termination deed with Mr Fox, the terms of which provide that, subject to the Scheme becoming Effective, he will receive:

- (1) payment of an amount equal to his accrued employee entitlements, comprising accrued long service leave and accrued annual leave (if any); and
- (2) payment of an amount equal to three months' salary, in lieu of three months' notice of termination of his employment, and payment of an amount equal to 12 weeks' salary on account of redundancy pay in accordance with the Fair Work Act.

As noted elsewhere, if the Scheme becomes Effective, Graham Ascough will be appointed to the KIN Board on or before the Implementation Date. Accordingly, on and from his appointment date to the KIN Board, Mr Ascough will be entitled to receive a non-executive director fee of \$50,123 (including statutory superannuation) per annum for the performance of his role as a KIN Director. This is a reduction from the amount that Mr Ascough currently receives from PNX, of \$75,000 per annum, for his role as a PNX Director. Except as otherwise described in this Scheme Booklet, there is no payment or other benefit that is proposed to be made or given to any director, secretary or executive officer of PNX or its Related Bodies

Corporate as compensation for the loss of, or as consideration for or in connection with their retirement from, office in PNX or its Related Bodies Corporate.

(c) **KIN securities**

As at the date of this Scheme Booklet, the PNX Directors have a Relevant Interest in the following KIN securities:

Table 20: PNX Directors' Relevant Interest in KIN securities

PNX Director	KIN Shares
Graham Ascough	Nil
James Fox	Nil
Rowan Johnson ¹	667,522
Hansjoerg Plaggemars ²	276,525,527
Hans-Jörg Schmidt	Nil

Notes to Table 20:

1. The KIN Shares are held indirectly by Johnston Family SMSF.
2. Mr Plaggemars is a director of Delphi with power in respect of voting and disposal rights over the KIN Shares and, therefore, has a Relevant Interest in the 274,909,856 KIN Shares registered in the name of Delphi and also has a Relevant Interest in 1,615,671 KIN Shares registered in the name of KiCo Invest GmbH, an entity controlled by Mr Plaggemars and his spouse.

There has been no dealing by any PNX Director in KIN securities in the four months preceding the date of this Scheme Booklet.

(d) **Other interests**

Except as set out in this Scheme Booklet:

- (1) there are no agreements or arrangements (including arrangements to make payments or provide benefits) made between any PNX Director and any other person in connection with, or conditional on the outcome of, the Scheme;
- (2) no PNX Director has any other interest in a contract entered into by a KIN Group Member; and
- (3) there are no material interests of any PNX Director in relation to the Scheme.

10.2 Interests of the KIN Directors

(a) **KIN securities**

As at the date of this Scheme Booklet, the KIN Directors have a Relevant Interest in the following KIN securities:

Table 21: KIN Directors' Relevant Interest in KIN securities

KIN Director	KIN Shares
Rowan Johnston ¹	667,522
Nicholas Anderson ²	2,208,536
Giuseppe (Joe) Graziano ³	11,203,925

KIN Director	KIN Shares
Hansjoerg Plaggemars ⁴	276,525,527

Notes to Table 21:

- The KIN Shares are held indirectly by Johnston Family SMSF.
- 1,758,244 KIN Shares are held directly by Mr Anderson and 450,292 KIN Shares are held by Burra Woolshed Investments Pty Ltd, an Associate of Mr Anderson.
- The KIN Shares are held as follows:
 - 8,600,000 KIN Shares are held indirectly by The Cygnet Trust, an entity related to Mr Graziano;
 - 754,837 KIN Shares are held indirectly by Pathway Corp Investments Pty Ltd as trustee for The PC Investment Trust, an entity related to Mr Graziano; and
 - 1,849,088 KIN Shares are held indirectly by Napele Pty Ltd, an entity related to Mr Graziano.
- Mr Plaggemars is a director of Delphi with power in respect of voting and disposal rights over the KIN Shares and, therefore, has a Relevant Interest in the 274,909,856 KIN Shares registered in the name of Delphi and also has a Relevant Interest in 1,615,671 KIN Shares registered in the name of KiCo Invest GmbH, an entity controlled by Mr Plaggemars and his spouse.

There has been no dealing by any KIN Director in KIN securities in the four months preceding the date of this Scheme Booklet.

(b) **PNX securities**

As at the date of this Scheme Booklet, the KIN Directors have a Relevant Interest in the following PNX securities:

Table 22: KIN Directors' Relevant Interest in PNX securities

KIN Director	PNX Shares	PNX Performance Rights
Rowan Johnston	Nil	Nil
Nicholas Anderson	Nil	Nil
Giuseppe (Joe) Graziano	Nil	Nil
Hansjoerg Plaggemars ¹	2,360,603,389	Nil

Notes to Table 22:

- As noted above, Mr Plaggemars is also a director of Delphi with power in respect of voting and disposal rights over the PNX Shares and, therefore, has a Relevant Interest in the 2,360,603,389 PNX Shares registered in the name of Delphi.

There has been no dealing by any KIN Director in PNX securities in the four months preceding the date of this Scheme Booklet.

(c) **Other interests**

Except as set out in this Scheme Booklet:

- there are no agreements or arrangements (including arrangements to make payments or provide benefits) made between any KIN Director and any other person in connection with, or conditional on the outcome of, the Scheme;
- no KIN Director has any other interest in a contract entered into by a PNX Group Member; and
- there are no material interests of any KIN Director in relation to the Scheme.

10.3 Interests of KIN in PNX

(a) Interest of KIN and acquisitions in the last 4 months

Except as set out in this Scheme Booklet, as at the date of this Scheme Booklet, neither KIN nor any of its Associates have:

- (1) a Relevant Interest in PNX; or
- (2) provided, or agreed to provide, consideration for a PNX Share under a purchase or agreement during the four months before the date of this Scheme Booklet.

(b) Collateral benefits and escalation

During the period of four months before the date of this Scheme Booklet, neither KIN nor any of its Associates gave, or offered to give or agreed to give a benefit to another person which was likely to induce the other person, or an Associate of the other person, to:

- (1) vote in favour of the Scheme Resolution; or
- (2) dispose of its PNX Shares,

and which was not offered to all PNX Shareholders under the Scheme.

Neither KIN nor any of its Associates have entered into any escalation agreement that is prohibited by section 622 of the Corporations Act.

10.4 Treatment of the PNX Performance Rights

Clause 3.1(i) of the Scheme Implementation Deed requires PNX to put arrangements in place so that all PNX Performance Rights will have either lapsed, been exercised or cancelled before 8:00am AWST on the Second Court Date. PNX and KIN have entered into a PNX Performance Rights Cancellation Deed with each PNX Performance Right Holder.

Under the Performance Rights Cancellation Deeds, each PNX Performance Right Holder has agreed to have their respective PNX Performance Rights cancelled in return for monetary consideration equal to the fair value of the PNX Performance Rights (as calculated by an independent valuation procured by KIN), subject to the Scheme becoming Effective and PNX obtaining a waiver from the ASX from ASX Listing Rule 6.23.2.

The PNX Performance Rights Cancellation Deeds:

- (a) provide that the PNX Performance Right Holder must not transfer, dispose or otherwise deal with any of their PNX Performance Rights (without the prior written consent of PNX and KIN) from the date of the deed until such PNX Performance Rights are cancelled;
- (b) allow the PNX Performance Rights to otherwise be exercised in accordance with their terms by no later than the Business Day immediately before the Second Court Date;
- (c) terminate upon PNX and KIN having performed their obligations under the deed or if the Scheme Implementation Deed is otherwise validly terminated; and
- (d) otherwise contain standard releases, representations and warranties consistent with a document of this nature.

As at the Last Practicable Date, there are 85,800,000 unlisted PNX Performance Rights on issue (30,800,000 of which are held by James Fox) and the expected consideration to be received by the PNX Performance Rights Holders, in aggregate, is \$169,338.01 (\$60,025.18 of which is expected to be received by James Fox).

The consideration payable under the PNX Performance Rights Cancellation Deeds was determined utilising the independent valuation procured by KIN which has been reproduced below:

Table 23: PNX Performance Rights valuation (procured by KIN)

Number	Expiry Date	Vesting Condition	Aggregate Value	Value per PNX Performance Right
21,250,000	20 December 2025	Share Price Performance If PNX's share price increases by at least 100% based on a 12-month VWAP for a financial year under review during the term of the PNX Performance Rights when compared to 12-month VWAP for the previous financial year. For reference the 12-month VWAP for a financial year ended 30 June 2022 was \$0.0062 (0.62 cents).	\$89,250	\$0.0042
21,250,000	20 December 2025	Discovery/Acquisition If PNX substantially increases its resources by more than 200,000 oz gold equivalent in a Mineral Resource estimate(s) reported in accordance with clause 50 of the JORC Code, either through discovery, acquisition or increase of existing Mineral Resource estimates.	\$53,125	\$0.0025
21,250,000	20 December 2025	Financing: Upon the securing of a project financing package to fund the development of the Fountain Head and/or Hayes Creek Projects.	\$15,938	\$0.0008
21,250,000	20 December 2025	Development Decision: If PNX secures all key requirements including financing package, permits and contracts to enable a development decision to proceed with construction of the Fountain Head and/or Hayes Creek Projects.	\$10,625	\$0.0005
800,000	No expiry	Project Financing (issued Feb 2017) Vest upon securing commitments to finance the full capital costs of the Hayes Creek Project as estimated in the definitive feasibility study, at least 50% of which is project financing, within a reasonable period as determined by the PNX Board, being at least 6 months after completion of the definitive feasibility study.	\$400	\$0.0005
TOTAL: 85,800,000			\$169,338	\$0.0020

10.5 Disclosure of fees and other benefits

Except as disclosed below or elsewhere in this Scheme Booklet, no Interested Person holds, or has held at any time during the two years preceding the Last Practicable Date, any interest in:

- (a) the formation or promotion of KIN or the Merged Group;
- (b) property acquired or proposed to be acquired by KIN or the Merged Group in connection with:
 - (1) its formation or promotion; or
 - (2) the offer of KIN Shares pursuant to this Scheme; or
- (c) the offer of KIN Shares pursuant to this Scheme,

Each of the persons named in section 10.8 on page 137 (other than KIN) performed a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Scheme Booklet and will be entitled to receive professional fees charged in accordance with their normal basis of charging.

It is noted that VRM has been separately engaged by BDO to prepare an independent technical expert's report for the purposes of KIN obtaining KIN Shareholder approval pursuant to ASX Listing Rule 10.1 in relation to KIN's acquisition of the PNX Shares held by the Delphi Group in accordance with the terms of the Scheme as contemplated by section 9.1(f) on page 126. VRM will be entitled to receive professional fees charged in accordance with their normal basis of charging for the preparation of that report.

If the Scheme is implemented, PNX estimates that the total transaction costs associated with the Scheme (including legal and other advisers' fees as well as printing, mailing and meeting costs) will be approximately \$714,000 as set out below. This does not include the transaction costs that may be payable by KIN.

Table 24: Breakdown of PNX's Transaction Costs

Transaction Cost	\$
Independent Expert Report	\$145,000
Corporate Adviser	\$200,000
Legal Costs	\$247,000
Registry, ASX & Other	\$82,000
TOTAL	\$714,000

10.6 Regulatory relief

(a) ASX Listing Rule waiver

ASX Listing Rule 6.23.2 provides that a cancellation of options for consideration requires the approval of shareholders. PNX has been granted a waiver from ASX Listing Rule 6.23.2 to permit the PNX Performance Rights to be cancelled for consideration in accordance with the terms of the PNX Performance Rights Cancellation Deed on the following conditions:

- (1) full details of the cancellation of the PNX Performance Rights are set out, to the ASX's satisfaction, in the Scheme booklet; and

- (2) the Scheme is approved by PNX Shareholders and the Court, and the Court's orders are lodged with ASIC such that the Scheme becomes Effective.

(b) **ASIC relief as to financial statements**

Clause 8302(h) of Part 3 of Schedule 8 of the Corporations Regulations requires this Scheme Booklet to set out whether, within the knowledge of the PNX Directors, the financial position of PNX has materially changed since the date of the last balance sheet laid before PNX's annual general meeting or sent to PNX Shareholders in accordance with section 314 or 317 of the Corporations Act, being 30 June 2023.

ASIC has granted PNX relief from this requirement so that this Scheme Booklet only needs to set out whether, within the knowledge of the PNX Directors, the financial position of PNX has materially changed since 31 December 2023 (being the last date of the period to which the financial statements for the half-year ended 31 December 2023 relate).

10.7 Effect of the Scheme on creditors

The Scheme, if implemented, will not affect the interests of creditors of PNX. PNX has paid and is paying all its creditors within normal terms of trade. It is solvent and is trading in an ordinary commercial manner.

10.8 Formal disclosures and consents

(a) **Consent to be named**

The following persons have given and have not, before the time of registration of this Scheme Booklet by ASIC, withdrawn their written consent to be named in this Scheme Booklet in the form and context in which they are named:

- (1) Piper Alderman as Australian legal adviser to PNX;
- (2) Taylor Collison as financial adviser to PNX;
- (3) Grant Thornton as the Independent Expert;
- (4) VRM as the Independent Technical Expert; and
- (5) Computershare as the PNX Share Registry.

(b) **Consent to include statements**

This Scheme Booklet contains statements or reports made by, or statements said to be based on statements or reports made by:

- (1) KIN in respect of the KIN Information;
- (2) Grant Thornton in respect of the Independent Expert's Report;
- (3) VRM in respect of the Independent Technical Report; and
- (4) HLB Mann Judd in respect of its independent income tax opinion set out in section 8 on page 120.

Each entity named above has consented to:

- (1) the inclusion of each statement or report it has made or prepared in the form and context in which the statements or reports appear in this Scheme Booklet; and
- (2) the references to those statements in the form and context in which they are included in this Scheme Booklet,

and has not withdrawn that consent at the date of this Scheme Booklet.

(c) **Disclaimer**

Each person named in this section 10.8:

- (1) has not authorised or caused the issue of this Scheme Booklet;
- (2) does not make, or purport to make, any statement in this Scheme Booklet or any statement on which a statement in this Scheme Booklet is based other than as specified in section 10.8(b); and
- (3) to the maximum extent permitted by law, expressly disclaims all liability in respect of, makes no representation regarding, and takes no responsibility for, any part of this Scheme Booklet other than a reference to its name and the statement or report (if any) included in this Scheme Booklet with the consent of that party as specified in section 10.8(b).

10.9 ASX announcements

PNX has lodged the following announcements with the ASX since the lodgement of its annual report for the financial year ended 30 June 2023:

Table 25: ASX announcements by PNX since 20 September 2023

Date	Description of Announcement
20 September 2023	Financial Report – 30 June 2023
6 October 2023	Notice of Annual General Meeting/Proxy Form
6 October 2023	Appendix 4G and Corporate Governance Statement
6 October 2023	Annual Report 30 June 2023
18 October 2023	RC drilling commences at the C6 gold prospect
30 October 2023	Quarterly Activities Report
30 October 2023	Quarterly Appendix 5B Cashflow Report
31 October 2023	Company Secretary Appointment/Resignation
6 November 2023	Notification of cessation of securities – PNX
9 November 2023	Pine Creek Uranium Rights Returned to PNX
9 November 2023	Chairman's Address to the Annual General Meeting
9 November 2023	Managing Director's Presentation at Annual General Meeting
9 November 2023	Results of Annual General Meeting
16 November 2023	Board and Management Changes at PNX
20 December 2023	Priority Uranium Targets Identified at Thunderball Deposit
28 December 2023	Change of Director's Interest Notice
2 January 2024	Becoming a substantial holder

Date	Description of Announcement
25 January 2024	Northern Leases Gold Exploration Update
31 January 2024	Quarterly Activities/Appendix 5B Cash Flow Report
2 February 2024	Notification of cessation of securities – PNX
2 February 2024	Change of Director’s Interest Notice
8 February 2024	High Grade Uranium at Thunderball
15 February 2024	PNX Responds to Announcement by Kin Mining NL
26 February 2024	Updated Securities Dealing Policy
29 February 2024	Director Interest Disclosures
6 March 2024	Half Yearly Report and Accounts
15 March 2024	Significant Upside Potential at Thunderball Uranium Deposit
12 April 2024	Trading Halt
12 April 2024	Mt Porter Gold Project Completion
12 April 2024	Proposed issue of securities – PNX
15 April 2024	Kin Mining and PNX Metals Merger
15 April 2024	Application for quotation of securities – PNX
15 April 2024	Cleansing Notice – Mt Porter Completion
18 April 2024	Change in substantial holding
19 April 2024	Proposed issue of securities – PNX
26 April 2024	Application for quotation of securities – PNX
26 April 2024	Cleansing Notice – Silver Streaming Conversion
30 April 2024	Quarterly Activities/Appendix 5B Cash Flow Report
30 April 2024	Change in substantial holding
30 April 2024	Change in substantial holding
14 June 2024	Drill Grant Received for Thunderball

10.10 No unacceptable circumstances

The PNX Directors believe that the Scheme does not involve any circumstances in relation to the affairs of PNX that could reasonably be characterised as constituting “unacceptable circumstances” for the purposes of section 657A of the Corporations Act.

10.11 Competent Persons’ statements

(a) PNX

- (1) The information in this Scheme Booklet that relates to Mineral Resources for the Fountain Head and Tally Ho gold deposits has been extracted from information contained in reports lodged as ASX announcements on 16 June 2020. PNX confirms that it is not aware of any information or data that materially changes the information contained in the announcement and that all material assumptions and technical parameters underpinning the Mineral Resource estimates in that announcement continue to apply and have not materially changed.

- (2) The information in this Scheme Booklet that relates to Mineral Resources for the Glencoe gold deposit has been extracted from information contained in the report lodged as an ASX announcement on 30 August 2022. PNX confirms that it is not aware of any information or data that materially changes the information contained in the announcement and that all material assumptions and technical parameters underpinning the Mineral Resource estimates in that announcement continue to apply and have not materially changed.
- (3) The information in this Scheme Booklet that relates to Mineral Resources for the Iron Blow deposit has been extracted from information contained in the report lodged as an ASX announcement on 3 May 2017. PNX confirms that it is not aware of any information or data that materially changes the information contained in the announcement and that all material assumptions and technical parameters underpinning the Mineral Resource estimates in that announcement continue to apply and have not materially changed.
- (4) The information in this Scheme Booklet that relates to Mineral Resources for the Mt Bonnie deposit has been extracted from information contained in the report lodged as an ASX announcement on 9 February 2017. PNX confirms that it is not aware of any information or data that materially changes the information contained in the announcement and that all material assumptions and technical parameters underpinning the Mineral Resource estimates in that announcement continue to apply and have not materially changed.
- (5) The information in this Scheme Booklet that relates to Mineral Resources for the Mt Porter Gold deposit has been extracted from information contained in reports lodged as an ASX announcement on 28 September 2022. PNX confirms that it is not aware of any information or data that materially changes the information contained in the announcement and that all material assumptions and technical parameters underpinning the Mineral Resource estimates in that announcement continue to apply and have not materially changed.
- (6) The Exploration Results relating to PNX's projects contained in this Scheme Booklet is based on information compiled by Dr Michael Green. Dr Green is a Member of The Australian Institute of Geoscientists (AIG No: 4360). Dr Green is a full-time employee and a PNX Shareholder. Dr Green has sufficient experience that is relevant to the styles of mineralisation and types of deposits under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the JORC Code. Dr Green consents to the inclusion in this Scheme Booklet of the matters based on his information in the form and context in which it appears.

(b) **KIN**

- (1) The information in this Scheme Booklet that relates to Mineral Resources for the Cardinia Hill and Hobby deposits has been extracted from information contained in the report lodged as an ASX announcement on 3 July 2023. KIN confirms that it is not aware of any information or data that materially changes the information contained in the announcement and that all material assumptions and technical parameters underpinning the Mineral Resource estimates in that announcement continue to apply and have not materially changed.
- (2) The information contained in this report relating to Mineral Resources for the remainder of the deposits including Helens, Helens East, Fiona, Rangoon, Mertons Reward, Mertondale 3-4, Tonto, Mertondale 5, Eclipse, Quicksilver, Cardinia

Underground and Mertondale Underground has been extracted from information contained in the report lodged as an ASX announcement on 3 July 2023. KIN confirms that it is not aware of any information or data that materially changes the information contained in the announcement and that all material assumptions and technical parameters underpinning the Mineral Resource estimates in that announcement continue to apply and have not materially changed.

- (3) The Exploration Results relating to KIN's projects contained in this Scheme Booklet are based on information compiled by Leah Moore. Ms Moore is a Member of The Australian Institute of Geoscientists. Ms Moore is a full-time employee of KIN. Ms Moore has sufficient experience that is relevant to the styles of mineralisation and types of deposits under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the JORC Code. Ms Moore consents to the inclusion in this Scheme Booklet of the matters based on his information in the form and context in which it appears.

10.12 Supplementary information

If, between the date of this Scheme Booklet and the Second Court Date, PNX becomes aware of any of the following:

- (a) a material statement in this Scheme Booklet is false and misleading;
- (b) a material omission from this Scheme Booklet;
- (c) a significant change affecting a matter included in this Scheme Booklet; or
- (d) a significant new matter arising which would have been required to be included in this Scheme Booklet if it had arisen before the date of lodgement of this Scheme Booklet for registration by ASIC,

then PNX intends to publish supplementary material on the ASX's website at www.asx.com.au (ASX:PNX) and on PNX's website at www.pnxmetals.com.au.

The form which the supplementary material may take, and whether a copy will be sent to PNX Shareholders, will depend on the nature and timing of the new or changed circumstances and the supplementary material. In each case, PNX will obtain any necessary regulatory or court approvals prior to release or dispatch of the supplementary material.

10.13 PNX Directors' statement

The issue of this Scheme Booklet has been authorised by the PNX Board and this Scheme Booklet has been signed by or on behalf of the PNX Directors. The PNX Board has given (and not withdrawn) its consent to the lodgement of this Scheme Booklet with ASIC.

Signed for and on behalf of PNX Metals Limited:



Graham Ascough
Executive Chairman
PNX Metals Limited



GLOSSARY



11. Glossary

In this Scheme Booklet, unless the context requires otherwise, the following terms have the corresponding meaning:

Accounting Standards means the accounting standards required to be complied with under the Corporations Act and any other relevant accounting standards approved by the Australian Accounting Standards Board and generally accepted principles applied from time to time in Australia.

ACST means Australian Central Standard Time.

Ag means silver.

ASIC means the Australian Securities and Investments Commission.

Associate has the meaning given to that term in section 12 of the Corporations Act subject to section 16 of the Corporations Act.

ASX means ASX Limited ACN 008 624 691 and, where the context requires, the financial market it operates.

ASX Listing Rules means the official listing rules of ASX.

ASX Settlement Operating Rules means ASX Settlement Operating Rules of ASX Settlement Pty Ltd ACN 008 504 532.

Au means gold.

AWST means Australian Western Standard Time.

BDO means BDO Corporate Finance (WA) Pty Ltd ACN 124 031 045.

Business Day means a day in Perth, Western Australia that is not a Saturday, Sunday or public holiday and on which banks and the ASX are open for trading.

CGT means capital gains tax.

Competing Proposal has the meaning given to that term in the Scheme Implementation Deed.

Computershare means Computershare Investor Services Pty Limited ACN 078 279 277.

Conditions Precedent means each of the conditions precedent set out in clause 3.1 of the Scheme Implementation Deed and summarised in section 9.1 on page 126.

Control has the meaning given in section 50AA of the Corporations Act.

Corporations Act means the *Corporations Act 2001* (Cth).

Corporations Regulations means the *Corporations Regulations 2001* (Cth).

Court means the Supreme Court of Western Australia or such other court of competent jurisdiction under the Corporations Act agreed to in writing by PNX and KIN.

Dacian means Dacian Limited ACN 154 262 978.

Dacian Shares means a fully paid ordinary share in the capital of Dacian.

Deed Poll means the deed poll executed on 12 April 2024 under which KIN covenants in favour of the PNX Shareholders to perform its obligations under the Scheme, a copy of which is contained in Annexure B.

Delphi means Delphi Unternehmensberatung Aktiengesellschaft.

Delphi Group means Delphi and its Associates.

Effective means, when used in relation to the Scheme, the coming into effect, pursuant to section 411(10) of the Corporations Act of the order of the Court made under section 411(4)(b) in relation to the Scheme.

Effective Date means the date on which the Scheme becomes Effective, currently expected to be 2 September 2024.

End Date means 12 January 2025 or such other date as PNX and KIN may agree in writing.

Exclusivity Period means the period from and including 12 April 2024 to the earlier of:

- (a) the termination of the Scheme Implementation Deed;
- (b) the Effective Date; and
- (c) the End Date.

External Administrator means an administrator, controller, trustee, liquidator (whether provisional or otherwise), receiver or receiver and manager of any person or any person's property or any other person (however described) holding or appointed to an analogous office or acting or purporting to act in an analogous capacity.

Fair Work Act means *Fair Work Act 2009* (Cth).

Fairly Disclosed means disclosed to KIN or PNX or any of their respective Representatives (as applicable), to a sufficient extent, and in sufficient detail, so as to enable a reasonable and sophisticated party experienced in transactions similar to the Transaction and experienced in a business similar to any business conducted by the party, to identify the nature and scope of the relevant matter, event or circumstance (including, in each case, that the potential financial effect of the relevant matter, event or circumstance was reasonably ascertainable from the information disclosed).

Finance Documents means:

- (a) the Loan Facility Agreement;
- (b) the Scheme Implementation Deed; and
- (c) any other document designated as such by KIN and PNX.

Financial Indebtedness means any indebtedness for or in respect of:

- (a) moneys borrowed and any debit balance at any financial institution;
- (b) any amount raised under any acceptance credit, bill acceptance or bill endorsement facility or dematerialised equivalent;

- (c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;
- (d) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with generally accepted accounting principles in Australia in force prior to 1 January 2019, be treated as a finance or capital lease;
- (e) receivables sold (other than any receivables to the extent they are sold on a non recourse basis);
- (f) any redeemable shares where the holder has the right, or the right in certain conditions, to require redemption;
- (g) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing;
- (h) consideration for the acquisition of assets or services payable more than 90 days after acquisition;
- (i) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the marked to market value (or, if any actual amount is due as a result of the termination or close out of that derivative transaction, that amount) is to be taken into account);
- (j) any counter indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; and
- (k) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (a) to (j) above.

FIRB means the Australia Foreign Investment Review Board.

Fountain Head Project means the Fountain Head gold project comprising the Fountain Head, Tally Ho, Glencoe, Mt Porter and Mt Bonnie gold deposits.

g/t means gross tonnage.

Genesis means Genesis Minerals Limited ACN 124 772 041.

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

Golden Mile means Golden Mile Resources Ltd ACN 614 538 402.

Government Agency means any foreign or Australian government or governmental, semi-governmental, administrative, fiscal or judicial body, department, commission, authority, tribunal, agency or entity, or any minister of the Crown in right of the Commonwealth of Australia or any other federal, state, provincial, local or other government (foreign or Australian).

Grant Thornton means Grant Thornton Corporate Finance Pty Ltd ACN 003 265 987.

Group means:

- (a) the KIN Group; or
- (b) the PNX Group,

as the context requires, and **Group Member** means a member of the relevant Group.

Hayes Creek Project means the Hayes Creek VHMS gold-silver-zinc project comprising the Mt Bonnie and Iron Blow gold-zinc-silver deposits.

HLB Mann Judd means HLB Mann Judd (VIC) Pty Ltd ACN 143 698 709.

Implementation Date means the fifth Business Day following the Scheme Record Date, or such other date agreed to in writing by PNX and KIN, currently expected to be 11 September 2024.

Implied Value has the meaning set out in the Letter from the Chairman of PNX on page 12.

Insolvency Event means in respect of a person, the occurrence of any of the following events or circumstances:

- (a) it becomes insolvent within the meaning of section 95A, or is taken to have failed to comply with a statutory demand under section 459F(1), or must be presumed by a court to be insolvent under section 459C(2), or is the subject of a circumstance specified in section 461 (whether or not an application to court has been made under that section) or, if the person is a Part 5.7 body, is taken to be unable to pay its debts under section 585, of the Corporations Act;
- (b) it is the subject of a Liquidation or an order or an application is made for its Liquidation;
- (c) an effective resolution is passed or meeting summoned or convened to consider a resolution for its Liquidation;
- (d) an External Administrator is appointed to it or any of its assets or a step is taken to do so;
- (e) except with KIN's consent, a step is taken under section 601AA, 601AB or 601AC of the Corporations Act to cancel its registration;
- (f) it seeks or obtains protection from its creditors under any statute or any other law; or
- (g) an event occurs in relation to it which is analogous to anything referred to above or which has a substantially similar effect.

Ineligible Foreign Shareholder means a PNX Shareholder whose address as shown in the PNX Share Register is located in a place outside of Australia, British Virgin Islands, France, Germany, Luxembourg, New Zealand, Panama, Singapore, Switzerland, the United Arab Emirates and such other jurisdictions as agreed by PNX and KIN in writing will not be an Ineligible Foreign Shareholder.

Independent Expert means Grant Thornton Corporate Finance Pty Limited ACN 003 265 987.

Independent Expert's Report means the report prepared by the Independent Expert in relation to the Scheme, a copy of which is set out in Annexure E.

Independent KIN Director means Guiseppe (Joe) Paolo Graziano and Nicholas Anderson.

Independent PNX Director means Graham Ascough, James Fox and Hans-Jörg Schmidt.

Independent Technical Expert means Valuation and Resource Management Pty Ltd ACN 632 859 780.

Independent Technical Report means the report prepared by the Independent Technical Expert in relation to the Scheme, a copy of which is set out in Appendix H of the Independent Expert's Report.

Interested Persons means a KIN Director or proposed director of KIN, a person named in this Scheme Booklet as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Scheme Booklet for or on behalf of KIN or a promoter, stockbroker or underwriter of KIN or the Merged Group.

Joint Announcement means the announcement dated 15 April 2024 by PNX and KIN to the ASX in relation to the Scheme.

JORC Code means the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves 2012, as updated from time to time.

KIN means KIN Mining NL ACN 150 597 541.

KIN Board means the board of directors of KIN from time to time.

KIN Director means any or all of the directors of KIN from time to time, as the context requires.

KIN Due Diligence Material has the meaning given to that term in the Scheme Implementation Deed.

KIN Historical Financial Information has the meaning given to that term in clause 5.11(a).

KIN Group means KIN and each of its Subsidiaries and a reference to a KIN Group Member or a member of the KIN Group is to KIN or any of its Subsidiaries.

KIN IBC means the independent board committee of the KIN Board from time to time established to consider the Scheme and which comprises, at the date the Scheme Implementation Deed, Guiseppe (Joe) Paolo Graziano and Nicholas Anderson, and KIN IBC Director means any or all of the members of the KIN IBC, as the context requires.

KIN Information means the information in this Scheme Booklet contained in:

- (a) the Letter from the IBC of KIN Mining NL on page 15;
- (b) section 5 on pages 69 to 93 (inclusive);
- (c) section 6 on pages 95 to 103 (inclusive);
- (d) section 7.3 on page 108;
- (e) section 8.7 on page 123;
- (f) sections 10.2 and 10.3 on pages 132 and 134; and
- (g) Item 2 of Schedule 1 on page 168; and
- (h) Item 2 of Schedule 2 commencing on page 173,

other than information provided by PNX to KIN or obtained from PNX public announcements, in each case for the purpose of KIN preparing information on the Merged Group.

KIN Insolvency Event has the meaning given to that term in the Scheme Implementation Deed.

KIN Material Adverse Change means a change, event, fact, circumstance, occurrence or matter that occurs, is announced or becomes known to PNX or KIN (in each case whether or not it becomes public) after the execution of the Scheme Implementation Deed that:

- (a) is or would (either individually or when aggregated together with any other events, matters or circumstances of a similar type or nature) reasonably be expected to have the effect or result of diminishing the value of the consolidated net assets of the KIN Group taken as a whole by more than \$8.7 million;
- (b) gives rise to the suspension, revocation, invalidity, unenforceability, materially adverse variation, premature lapse or premature termination of all or any material rights under any KIN Tenement (other than planned relinquishment or abandonment); or
- (c) involves the grant of mining or other rights or interests of any kind over all or part of any area covered by or the subject of a KIN Tenement to any person other than the holder(s) of that KIN Tenement (in that capacity) which materially conflict or could reasonably be expected to materially conflict with the enjoyment of the rights conferred or purported to be conferred by that KIN Tenement;

but does not include any event, occurrence, change, condition, matter, circumstance or thing:

- (d) required or expressly permitted by the Transaction Documents;
- (e) done with the prior written consent of PNX (such consent not to be unreasonably withheld or delayed);
- (f) Fairly Disclosed in the KIN Due Diligence Materials;
- (g) Fairly Disclosed in public filings of KIN on ASX in the 12 months before 12 April 2024;
- (h) arising as a result of any generally applicable change in law or governmental policy in any of the jurisdictions in which a KIN Group Member operates;
- (i) arising as a result of any geopolitical conditions, hostilities, civil or political unrest, any acts of war, sabotage, cyberattack or terrorism (including any outbreak, escalation or worsening of any of the foregoing);
- (j) arising from any epidemic, pandemic, lightning, storm, flood, fire, seismic event or explosion, cyclone, tidal wave, landslide, natural disaster or adverse weather conditions or the like; and
- (k) arising as a result of the execution, announcement or performance of the Transaction Documents in accordance with their terms.

KIN Prescribed Event means the occurrence of any of the following on or after 12 April 2024 and before 8:00am AWST on the Second Court Date:

- (a) KIN converting all or any of its shares into a larger or smaller number of shares;
- (b) any member of the KIN Group (other than a direct or indirect wholly owned Subsidiary of KIN) resolving to reduce its share capital in any way or reclassifying, combining, splitting or redeeming or repurchasing directly or indirectly any of its shares;

- (c) any member of the KIN Group (other than a direct or indirect wholly owned Subsidiary of KIN):
 - (1) entering into a buy-back agreement; or
 - (2) resolving to approve the terms of a buy-back agreement;
- (d) any member of the KIN Group declaring, paying or distributing any dividend, bonus or other share of its profits or assets or returning or agreeing to return any capital to its shareholders (other than a direct or indirect wholly owned Subsidiary of KIN declaring, paying or distributing any dividend, bonus or other share of its profits or assets or returning or agreeing to return any capital to KIN or to another direct or indirect wholly owned Subsidiary of KIN);
- (e) a member of the KIN Group issuing securities, including without limitation shares, or granting an option over its shares, or agreeing to make such an issue or grant such an option, including pursuant to a dividend reinvestment or other share plan, other than an issue of any shares or other securities:
 - (1) to a directly or indirectly wholly-owned Subsidiary of KIN; or
 - (2) as a result of the exercise of options over unissued KIN Shares, or the conversion or exercise of other rights to acquire KIN Shares, that are on issue as at the date of this Deed;
- (f) a member of the KIN Group issuing or agreeing to issue securities convertible into shares, including pursuant to a dividend reinvestment or other share plan;
- (g) KIN making any change to its constitution without the prior written approval of PNX, which may not be unreasonably withheld or delayed;
- (h) a member of the KIN Group granting a Security Interest, or agreeing to grant a Security Interest, in the whole, or a substantial part, of its business or property;
- (i) a member of the KIN Group entering into or resolving to enter into a transaction with a related entity of KIN (as defined in the Corporations Act, but excluding transactions between members of the KIN Group);
- (j) any member of the KIN Group settling or compromising a material dispute;
- (k) a KIN Insolvency Event occurs;
- (l) KIN ceases to be admitted to the official list of ASX or a Regulatory Authority issuing a temporary or permanent cease trading order prohibiting the trading in any class of securities of KIN that has not been lifted or remedied by 8:00am AWST on the Second Court Date;
- (m) any member of the KIN Group authorising, committing, announcing or agreeing to take any of the actions referred to in the paragraphs (a) to (l) above;
- (n) a member of the KIN Group incurs any financial indebtedness or issues any debt securities, other than in the ordinary course of business or pursuant to advances under its credit facilities in existence as at 12 April 2024 where the funds drawn pursuant to those advances are used in the ordinary course of business;
- (o) a member of the KIN Group makes any loans, advances or capital contributions to, or investments in, any other person (other than to or in KIN or to another direct or indirect wholly

owned Subsidiary of KIN in the ordinary course of business or to PNX including, for the avoidance of doubt, under the Loan Facility Agreement), other than in the ordinary course of business;

- (p) a member of the KIN Group entering, varying or terminating any material contract, joint venture, partnership or other commitment which is material in the context of the business of the KIN Group as a whole, other than in the ordinary course of business;
- (q) any member of the KIN Group authorising, committing, announcing or agreeing to take any of the actions referred to in the paragraphs (n) to (p) (inclusive) above,

other than:

- (r) in respect of the actions referred to in the paragraphs (a) to (m) (inclusive) above:
 - (1) required or expressly permitted by the Transaction Documents;
 - (2) reasonably required by law or by an order of a court or Regulatory Authority; or
 - (3) approved by written consent of PNX (such consent not to be unreasonably withheld or delayed);
- (s) (s) in respect of the actions referred to in the paragraphs (n) to (q) (inclusive) above:
 - (1) Fairly Disclosed in the KIN Due Diligence Materials;
 - (2) Fairly Disclosed in public filings of KIN on ASX in the 6 months before 12 April 2024 (excluding any risk factor disclosure and disclosure of risks in “forward looking statement” disclaimers that are predictive, forward-looking or primarily cautionary in nature);
 - (3) reasonably required by law or by an order of a court or Regulatory Authority; and
 - (4) approved by written consent of PNX (such consent not to be unreasonably withheld or delayed).

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

KIN Share Register means the register of members of KIN maintained in accordance with the Corporations Act.

KIN Share Registry means Automic Pty Ltd ACN 152 260 814.

KIN Shareholder means a holder of a KIN Share.

KIN Tenement has the meaning given to that term in the Scheme Implementation Deed.

km means kilometre.

koz means thousand ounces.

kt means thousand tonnes.

Last Practicable Date means 10 July 2024.

Liquidation means:

- (a) a winding up, dissolution, liquidation, provisional liquidation, administration, bankruptcy or other proceeding for which an External Administrator is appointed, or an analogous or equivalent event or proceeding in any jurisdiction; or
- (b) an arrangement, moratorium, assignment or composition with or for the benefit of creditors or any class or group of them.

Loan Facility has the meaning set out in section 4.10 on page 64.

Loan Facility Agreement has the meaning set out in section 4.10 on page 64.

Loan Facility Change of Control Event means:

- (a) an event which results in a Third Party or Delphi or any of its Associates not in Control of PNX subsequently acquiring Control, or a person in Control of PNX subsequently losing Control; or
- (b) an agreement or transaction is entered into, or announced which is reasonably likely (as reasonably determined by KIN) to result in an event described in the above paragraph occurring,

but for the avoidance of doubt excludes the Scheme contemplated by the Scheme Implementation Deed.

Loan Facility Event of Default means any of the following events, whether or not it is within the control of PNX:

- (a) PNX fails to pay or repay any amount due under the Loan Facility Agreement when due, unless:
 - (1) its failure to pay is caused by an administrative or technical error which is not its fault; and
 - (2) payment is made within three (3) Business Days of the due date;
- (b) an Insolvency Event occurs in respect of PNX;
- (c) **(Other obligations)**
 - (1) PNX does not comply with any material provision of the Finance Documents (other than those referred to in clause 9.1(a) (non payment) and clause 9.1(b) (Insolvency Event)) or with any condition of any waiver or consent by KIN under or in connection with any Finance Document; and
 - (2) no Loan Facility Event of Default will occur if the failure to comply is capable of remedy and is remedied within 10 Business Days of KIN giving notice to PNX or PNX becoming aware of the failure to comply, whichever is the earlier;
- (d) **(Misrepresentation)**
 - (1) any representation or statement made by PNX in the Finance Documents or any other document delivered by or on behalf of PNX under or in connection with any Finance

Document is or proves to have been incorrect or misleading in any material respect when made; and

- (2) no Loan Facility Event of Default will occur in relation to a representation being incorrect or misleading if it is capable of remedy and is remedied within 10 Business Days of KIN giving notice to PNX, or PNX becoming aware of it, whichever is first;

(e) **(Cross default)**

- (1) any Financial Indebtedness of PNX is not paid when due (having regard to any applicable grace period);
- (2) any Financial Indebtedness of PNX is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default or review event (however described);
- (3) any commitment for any Financial Indebtedness of PNX is cancelled or suspended by a creditor of PNX as a result of an event of default or review event (however described); and
- (4) any creditor of PNX becomes entitled to declare any Financial Indebtedness of PNX due and payable prior to its specified maturity as a result of an event of default or review event (however described) which continues for more than 10 Business Days,

provided however that no Event of Default will occur under this sub clause to the extent that the aggregate amount of Financial Indebtedness or commitment for Financial Indebtedness falling within the above clauses 9.1(e)(i) to (iv) above is less than \$100,000;

- (f) PNX repudiates a Finance Document or evidences an intention to repudiate a Finance Document;
- (g) a provision of a Finance Document is or becomes or is claimed by a party other than KIN to be wholly or partly invalid, void, voidable or unenforceable in any material respect;
- (h) any event or circumstance occurs which has or is reasonably likely to have a Material Adverse Effect;
- (i) other than as contemplated by the Scheme Implementation Deed, PNX suspends or ceases to carry on (or threatens to suspend or cease to carry on) all or a material part of its existing business operations;
- (j) other than as contemplated by the Scheme Implementation Deed, the shares or any class of securities in PNX are:
 - (1) suspended or placed into a trading halt for a period of more than 5 consecutive days;
 - (2) de-listed from the official list of the ASX; or
 - (3) listed on any stock exchange other than the ASX.
- (k) any step is taken by PNX or any officer of PNX that is intended to permit an officer of PNX to take advantage of any of the provisions of section 588GA of the Corporations Act as that provision applies in respect of PNX or its affairs; and

- (l) any litigation, arbitration, administrative, governmental, regulatory or other investigations, proceedings or disputes are commenced, or any judgment or order of a court, arbitral tribunal or other tribunal or any order or sanction of any governmental or other regulatory body is made, in relation to the Finance Documents or the transactions contemplated in the Finance Documents or against PNX or its assets which is likely to be adversely determined and have, or has, or are, or is, reasonably likely to have a Material Adverse Effect.

m means metres.

Marketable Parcel has the meaning given to that term in the ASX Listing Rules.

Material Adverse Effect means a material adverse effect on:

- (a) the ability of PNX to perform its payment and other material obligations under the Finance Documents;
- (b) any remedies or any other rights of KIN under any of the Finance Documents; or
- (c) a PNX Material Adverse Change.

Merged Group means the KIN Group, including PNX as a wholly owned subsidiary of KIN, following implementation of the Scheme.

Merged Group Pro Forma Financial Information means the unaudited and unreviewed financial information set out in clause 6.5(a).

Merger Discussion Announcement Date means 15 April 2024.

Moz means million ounces.

Mt means metric tonnes.

Mtpa means million tonnes per annum.

Navigator means Navigator Mining Pty Ltd ACN 109 351 564, a wholly owned subsidiary of KIN.

NBIO has the meaning given to that term in the Letter from the Chairman of PNX Metals Limited on page 12.

oz means ounces.

Pb means lead.

PFS means pre-feasibility study.

PNX means PNX Metals Limited ACN 127 446 271.

PNX Board means the board of directors of PNX from time to time.

PNX Director means a director of PNX.

PNX Due Diligence Materials has the meaning given to that term in the Scheme Implementation Deed.

PNX Historical Financial Information has the meaning given to that term in clause 4.9(a).

PNX Group means PNX and each of its Subsidiaries, and a reference to a 'PNX Group Member' or a 'member of the PNX Group' is to PNX or any of its Subsidiaries.

PNX IBC means the independent board committee of the PNX Board from time to time established to consider the Scheme and which comprises, at the date of the Scheme Implementation Deed, Graham Ascough, James Fox and Hans-Jörg Schmidt, and PNX IBC Director means any or all of the members of the PNX IBC, as the context requires.

PNX Information means information prepared by PNX for inclusion in this Scheme Booklet, being all information in this Scheme Booklet other than the KIN Information, the Independent Expert's Report (or references to the Independent Expert's Report) or other reports or opinions prepared by an external adviser to PNX.

PNX Insolvency Event has the meaning given to that term in the Scheme Implementation Deed.

PNX Material Adverse Change means a change, event, fact, circumstance, occurrence or matter that occurs, is announced or becomes known to KIN or PNX (in each case whether or not it becomes public) after 12 April 2024 that:

- (a) is or would (either individually or when aggregated together with any other events, matters or circumstances of a similar type or nature) reasonably be expected to have the effect or result of diminishing the value of the consolidated net assets of the PNX Group taken as a whole by more than \$2.6 million;
- (b) gives rise to the suspension, revocation, invalidity, unenforceability, materially adverse variation, premature lapse or premature termination of all or any material rights under any PNX Tenement (other than planned relinquishment or abandonment); or
- (c) involves the grant of mining or other rights or interests of any kind over all or part of any area covered by or the subject of a PNX Tenement to any person other than the holder(s) of that PNX Tenement (in that capacity) which materially conflict or could reasonably be expected to materially conflict with the enjoyment of the rights conferred or purported to be conferred by that PNX Tenement;

but does not include any event, occurrence, change, condition, matter, circumstance or thing:

- (d) required or expressly permitted by the Transaction Documents;
- (e) done with the prior written consent of KIN (such consent not to be unreasonably withheld or delayed);
- (f) Fairly Disclosed in the PNX Due Diligence Materials;
- (g) Fairly Disclosed in public filings of PNX on ASX in the 12 months before 12 April 2024;
- (h) arising as a result of any generally applicable change in law or governmental policy in any of the jurisdictions in which a PNX Group Member operates;
- (i) arising as a result of any geopolitical conditions, hostilities, civil or political unrest, any acts of war, sabotage, cyberattack or terrorism (including any outbreak, escalation or worsening of any of the foregoing);
- (j) arising from any epidemic, pandemic, lightning, storm, flood, fire, seismic event or explosion, cyclone, tidal wave, landslide, natural disaster or adverse weather conditions or the like; and

- (k) arising as a result of the execution, announcement or performance of the Transaction Documents in accordance with their terms.

PNX Performance Right means a right to be issued one (1) PNX Share, subject to the terms of issue of that PNX Performance Right.

PNX Performance Right Holder means a holder of a PNX Performance Right.

PNX Performance Rights Cancellation Deed means the deed entered into by PNX, KIN and each PNX Performance Right Holder pursuant to which the PNX Performance Right Holder has agreed for their PNX Performance Rights to be cancelled in return for monetary consideration.

PNX Prescribed Event means the occurrence of any of the following on or after 12 April 2024 and before 8:00am AWST on the Second Court Date:

- (a) PNX converting all or any of its shares into a larger or smaller number of shares;
- (b) any member of the PNX Group (other than a direct or indirect wholly owned Subsidiary of PNX) resolving to reduce its share capital in any way or reclassifying, combining, splitting or redeeming or repurchasing directly or indirectly any of its shares;
- (c) any member of the PNX Group (other than a direct or indirect wholly owned Subsidiary of PNX):
- (1) entering into a buy-back agreement; or
 - (2) resolving to approve the terms of a buy-back agreement;
- (d) any member of the PNX Group declaring, paying or distributing any dividend, bonus or other share of its profits or assets or returning or agreeing to return any capital to its shareholders (other than a direct or indirect wholly owned Subsidiary of PNX declaring, paying or distributing any dividend, bonus or other share of its profits or assets or returning or agreeing to return any capital to PNX or to another direct or indirect wholly owned Subsidiary of PNX);
- (e) a member of the PNX Group issuing securities, including without limitation shares, or granting an option over its shares, or agreeing to make such an issue or grant such an option, including pursuant to a dividend reinvestment or other share plan, other than an issue of any shares or other securities:
- (1) to a directly or indirectly wholly-owned Subsidiary of PNX; or
 - (2) as a result of the exercise of options over unissued PNX Shares, or the conversion or exercise of other rights to acquire PNX Shares, that are on issue as at the date of this Deed,
- other than as required pursuant to clause 4 of the Silver Streaming Agreements,
- (f) a member of the PNX Group issuing or agreeing to issue securities convertible into shares, including pursuant to a dividend reinvestment or other share plan;
- (g) PNX making any change to its constitution;
- (h) a member of the PNX Group granting a Security Interest, or agreeing to grant a Security Interest, in the whole, or a substantial part, of its business or property;

- (i) a member of the PNX Group entering into or resolving to enter into a transaction with a related entity of PNX (as defined in the Corporations Act, but excluding transactions between members of the PNX Group);
- (j) any member of the PNX Group settling or compromising a material dispute;
- (k) a PNX Insolvency Event occurs;
- (l) PNX ceases to be admitted to the official list of ASX or a Regulatory Authority issuing a temporary or permanent cease trading order prohibiting the trading in any class of securities of PNX that has not been lifted or remedied by 8:00am AWST on the Second Court Date;
- (m) any member of the PNX Group authorising, committing, announcing or agreeing to take any of the actions referred to in the paragraphs (a) to (l) above;
- (n) a member of the PNX Group incurs any financial indebtedness (excluding, for the avoidance of doubt, any drawdowns under the Loan Facility Agreement) or issues any debt securities, other than in the ordinary course of business or pursuant to advances under its credit facilities in existence as at 12 April 2024 where the funds drawn pursuant to those advances are used in the ordinary course of business;
- (o) a member of the PNX Group makes any loans, advances or capital contributions to, or investments in, any other person (other than to or in PNX or to another direct or indirect wholly owned Subsidiary of PNX in the ordinary course of business or to KIN), other than in the ordinary course of business;
- (p) a member of the PNX Group entering, varying or terminating any material contract, joint venture, partnership or other commitment which is material in the context of the business of the PNX Group as a whole, other than in the ordinary course of business;
- (q) any member of the PNX Group authorising, committing, announcing or agreeing to take any of the actions referred to in the paragraphs (n) to (p) (inclusive) above,

other than:

- (r) in respect of the actions referred to in the paragraphs (a) to (m) (inclusive) above:
 - (1) required or expressly permitted by the Transaction Documents;
 - (2) reasonably required by law or by an order of a court or Regulatory Authority; or
 - (3) approved by written consent of KIN (such consent not to be unreasonably withheld or delayed).
- (s) in respect of the actions referred to in the paragraphs (n) to (q) (inclusive) above:
 - (1) Fairly Disclosed in the PNX Due Diligence Materials;
 - (2) Fairly Disclosed in public filings of PNX on ASX in the 6 months before 12 April 2024 (excluding any risk factor disclosure and disclosure of risks in “forward looking statement” disclaimers that are predictive, forward-looking or primarily cautionary in nature);
 - (3) reasonably required by law or by an order of a court or Regulatory Authority; or

- (4) approved by written consent of KIN (such consent not to be unreasonably withheld or delayed).

PNX Share Register means the register of members of PNX maintained in accordance with the Corporations Act.

PNX Share Registry means Computershare Investor Services Pty Limited ACN 078 279 277.

PNX Shareholder means a holder of a PNX Share.

PNX Shares means fully paid ordinary shares in the capital of PNX.

PNX Tenement has the meaning given to that term in the Scheme Implementation Deed.

Related Body Corporate has the meaning given to that term in section 50 of the Corporations Act.

Regulatory Authority has the meaning given to that term in the Scheme Implementation Deed.

Relevant Interest has the meaning given to that term in sections 608 and 609 of the Corporations Act.

Requisite Majorities means, in relation to the Scheme Resolution, a resolution passed by:

- (a) unless the Court orders otherwise, a majority in number (more than 50%) of PNX Shareholders present and voting at the Scheme Meeting (either in person or by proxy, attorney or corporate representative); and
- (b) at least 75% of the total number of votes cast on the Scheme Resolution at the Scheme Meeting by PNX Shareholders present and voting (either in person or by proxy, attorney or corporate representative).

Representative means, in respect of PNX, KIN or their Subsidiaries, each director, officer, employee, adviser, agent or representative of PNX, KIN or their Subsidiaries (as applicable).

Sale Agent means the person appointed by KIN to sell the KIN Shares that would otherwise be issued to or for the benefit of Ineligible Foreign Shareholders under the terms of the Scheme.

Scheme means the scheme of arrangement pursuant to Part 5.1 of the Corporations Act to be made between PNX and PNX Shareholders, as set out in Annexure A, subject to any alterations or conditions made or required by the Court under section 411(6) of the Corporations Act and agreed to by PNX and KIN.

Scheme Announcement Date means 15 April 2024.

Scheme Booklet means this booklet, being the explanatory statement in respect of the Scheme which has been prepared by PNX in accordance with section 412 of the Corporations Act.

Scheme Consideration means the consideration to be provided by, or on behalf of, KIN to each PNX Shareholder for the transfer to KIN of each PNX Share, being an amount of one (1) KIN Share for every thirteen (13) PNX Shares held by each PNX Shareholder as at the Scheme Record Date. For the avoidance of doubt, Ineligible Shareholders will receive the net proceeds of the sale of their entitlement to the KIN Shares (please see section 3.5 on page 42).

Scheme Implementation Deed means the scheme implementation deed between KIN and PNX dated 12 April 2024, a copy of which is annexed to the Joint Announcement.

Scheme Meeting means the meeting of PNX Shareholders ordered by the Court to be convened pursuant to section 411(1) of the Corporations Act to consider and vote on the Scheme and includes any meeting convened following any adjournment or postponement of that meeting. If a meeting of more than one class of PNX Shareholders is ordered by the Court, all references to “Scheme Meeting” will be interpreted as a reference to each or all of those meetings.

Scheme Record Date means 5:00pm on the second Business Day after the Effective Date, or such other time and date as PNX and KIN agree in writing, currently expected to be 4 September 2024.

Scheme Resolution means the resolution to agree the terms of the Scheme.

Second Court Date means the first day on which an application made to the Court for an order approving the Scheme pursuant to section 411(4)(b) of the Corporations Act approving the Scheme is heard or, if the application is adjourned or subject to appeal for any reason, the day on which the adjourned application or appeal is heard, currently expected to be 30 August 2024.

Second Court Hearing means the hearing of the application to the Court for an order pursuant to section 411(4)(b) of the Corporations Act approving the Scheme.

Security Interest has the meaning given to that term in section 9 of the Corporations Act.

Silver Streaming Agreements means each of the following (as assigned or amended):

- (a) the silver streaming and royalty agreement between PNX and Potezna Gromadka Ltd. dated on or about 7 June 2016 (as amended and restated on or about March 2020); and
- (b) the silver streaming and royalty agreement between PNX and Societe Civile ESA dated on or about 7 June 2016 (as amended and restated on or about March 2020).

Silver Streaming Rights means the right to receive silver from the Hayes Creek Project as provided for in the Silver Streaming Agreements.

St Barbara means St Barbara Limited ACN 009 165 066.

Subsidiary has the meaning given to that term in section 9 of the Corporations Act.

Superior Proposal has the meaning given in the Scheme Implementation Deed.

Trading Day means a trading day (as defined in the ASX Listing Rules) other than a trading day in which trading in KIN Shares was either suspended from official quotation or halted for the duration of the day.

Transaction Documents means:

- (a) the Scheme Implementation Deed;
- (b) the Scheme;
- (c) the Deed Poll;
- (d) the Loan Facility Agreement; and

(e) any other document agreed in writing by KIN and PNX to be a Transaction Document.

Third Party means a person other than:

(a) KIN or any of its Associates; and

(b) PNX or any of its Associates,

as the context requires.

Transaction means the proposed acquisition by KIN of all of the PNX Shares by way of the Scheme in accordance with the terms of the Scheme Implementation Deed and the Scheme.

VHMS means volcanic-hosted massive sulphide.

VRM means Valuation and Resource Management Pty Ltd ACN 632 859 780.

Voting Power has the meaning given to that term in the Corporations Act.

VWAP means volume weighted average price.

Zn means Zinc.



**PNX CORPORATE
DIRECTORY**



12. PNX Corporate Directory

Directors

Graham Ascough
James Fox
Rowan Johnson
Hansjoerg Plaggemars
Hans-Jörg Schmidt

Company Secretary

Katelyn Adams

Registered office

Level 1, 135 Fullarton Road
Rose Park SA 5067

Share Registry

Computershare Investor Services Pty Limited
Level 5, 115 Grenfell Street
Adelaide SA 5000

Auditor

Grant Thornton Audit Pty Ltd
Level 30, 525 Collins Street
Melbourne VIC 3000

Financial Adviser

Taylor Collison
Level 16, 211 Victoria Square
Adelaide SA 5000

Australian Legal Adviser

Piper Alderman
Level 26, Riparian Plaza
71 Eagle Street
Brisbane QLD 4000

Independent Expert

Grant Thornton Corporate Pty Ltd
Level 22, Tower 5
Collins Square
727 Collins Street
Melbourne VIC 3000

Independent Technical Expert

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Schedule 1 – Mineral Resources and Ore Reserves

Item 1 – PNX Projects

Table 26: Iron Blow Mineral Resource

JORC Classification	Lode	AuEq Cut-off (g/t)	Tonnage (kt)	Zn (%)	Pb (%)	Cu (%)	Ag (g/t)	Au (g/t)	ZnEq (%)	AuEq (g/t)
Indicated	East Lode	1.0	800	7.64	1.83	0.30	275	2.90	20.64	15.53
	West Lode	1.0	1,280	4.14	0.33	0.31	60	1.73	8.84	6.66
Total Indicated			2,080	5.49	0.91	0.30	143	2.19	13.39	10.08
Inferred	East Lode	1.0	20	0.48	0.34	0.16	132	6.01	13.65	9.43
	West Lode	1.0	20	0.76	0.96	0.13	109	1.02	5.90	4.44
	FW Gold	1.0	210	0.25	0.07	0.03	16	2.03	3.48	2.62
	HW Gold	1.0	40	0.06	0.09	0.01	6	1.68	2.57	1.94
	Interlude Gold	1.0	40	0.21	0.03	0.07	8	1.66	2.79	2.10
Total Inferred	Interlude Base Metal	1.0	120	3.52	0.32	0.14	35	0.69	5.87	4.42
Total Indicated + Inferred Mineral Resource			450	1.11	0.18	0.07	27	1.71	4.38	3.30
Total Contained Metal (t)			2,530	4.71	0.78	0.26	122	2.10	11.79	8.87
				119,200	19,700	6,650	9.9 Moz	170.9 koz	298,000 t	721.5 koz

Table 27: Mt Bonnie Mineral Resource

JORC Classification	Domain	Cut-off grade	Tonnage (kt)	Zn (%)	Pb (%)	Cu (%)	Ag (g/t)	Au (g/t)	ZnEq (%)	AuEq (g/t)
Indicated	Oxide/Transitional	0.5g/t Au	195	0.94	2.43	0.18	171	3.80	11.50	9.44
	Fresh	1% Zn	1,180	4.46	0.94	0.23	121	1.02	9.60	7.88
Total Indicated			1,375	3.96	1.15	0.23	128	1.41	9.87	8.11
Inferred	Oxide/Transitional	0.5g/t Au	32	0.43	1.33	0.29	74	2.28	6.37	5.23
	Fresh	1% Zn	118	2.91	0.90	0.15	135	0.54	7.61	6.25
Total Inferred	Ag Zone	50g/t Ag	21	0.17	0.03	0.04	87	0.04	2.36	1.94
Total Indicated + Inferred Mineral Resource			1,545	2.11	0.87	0.16	118	0.80	6.73	5.53
Total Contained Metal (t)				58,000	17,300	3,400	6.3Moz	66.8 koz	147,000 t	388.5 koz

Table 28: Total Hayes Creek Project Mineral Resource (Iron Blow + Mt Bonnie)

JORC Classification	Tonnage (kt)	Zn (%)	Pb (%)	Cu (%)	Ag (g/t)	Au (g/t)	ZnEq (%)	AuEq (g/t)
Total Indicated (84.7%)	3,455	4.88	1.01	0.27	137	1.88	11.99	9.29
	622	1.39	0.37	0.10	52	1.46	5.03	3.91
Total Indicated + Inferred Mineral Resource	4,077	4.35	0.91	0.25	124	1.81	10.93	8.47
Total Contained Metal (t)		177,200	37,000	10,050	16.2 Moz	237.7 koz	445,000 t	1,110 koz

Table 29: Commodity price and metal recovery assumptions

Metals	Unit	Price	Recovery Mt Bonnie	Recovery Iron Blow
Zn	USD / t	2,450	80%	80%
Pb	USD / t	2,100	60%	60%
Cu	USD / t	6,200	60%	60%
Ag	USD / troy ounce	20.50	70%	80%
Au	USD / troy ounce	1,350	55%	60%

**consensus prices at the time of the resources estimates*

Notes to Table 26, Table 27, Table 28 and Table 29:

- Due to effects of rounding, the total may not represent the sum of all components. No material changes in the estimates of the Mineral Resource at Mt Bonnie and Iron Blow have occurred since they were originally reported.
- Metallurgical recoveries and metal prices (Table 4) have been applied in calculating zinc equivalent (ZnEq) and gold equivalent (AuEq) grades.
- Iron Blow - A mineralisation envelope was interpreted for each of the two main lodes, the East Lode (Zn-Au-Ag-Pb) and West Lode (Zn-Au), and four subsidiary lodes with a 1 g/t AuEq cut-off used to interpret and report these lodes.
- Mt Bonnie - Zinc domains are reported above a cut-of grade of 1% zinc, gold domains are reported above a cut-off grade of 0.5 g/t gold and silver domains are reported above a cut-off grade of 50 g/t silver.

Table 30: Fountain Head Project – Mineral Resources

JORC Classification		Tonnage (Mt)	Au (g/t)	Ounces (Koz)
Tally Ho				
Indicated		0.94	2.0	59
Inferred		–	–	–
Total		0.94	2.0	59
Fountain Head				
Indicated		0.89	1.4	41
Inferred		1.11	1.6	56
Total		2.00	1.5	96
Combined				
Indicated		1.83	1.7	100
Inferred		1.11	1.6	56
Total		2.94	1.7	156

Notes to Table 30:

- Due to effects of rounding, the total may not represent the sum of all components.
- The updated estimate of the Mineral Resources at the Fountain Head and Tally Ho deposits was reported during June 2020 (refer to ASX Release dated 16 June 2020). An initial Mineral Resources Estimate was reported on 11 July 2019.
- Fountain Head and Tally Ho gold mineralisation reported utilising a cut-off grade of 0.7 g/t gold, which is consistent with the assumed open cut mining method.

Table 31: Glencoe Mineral Resource

Zone	Measured		Indicated		Inferred		Total	
	Tonnes	Au (g/t)	Tonnes	Au (g/t)	Tonnes	Au (g/t)	Tonnes	Au (g/t)
Oxide	14,000	1.18	86,000	1.04	40,000	1.23	140,000	1.11
Transitional	144,000	1.25	449,000	1.28	107,000	1.18	700,000	1.26
Fresh	269,000	1.36	649,000	1.04	324,000	1.17	1,242,000	1.14
Total	427,000	1.32	1,184,000	1.13	471,000	1.18	2,082,000	1.18

Notes to Table 31:

- Due to effects of rounding, the total may not represent the sum of all components.
- Glencoe Mineral Resource by oxidation zone and JORC classification as at 29 August 2022 (refer to ASX Release dated 30 August 2022).
- Glencoe gold mineralisation estimated using a cut-off grade of 0.7 g/t gold, which is consistent with the assumed open-cut mining method
- Classification of Mineral Resources incorporates the terms and definitions from the JORC Code.
- The cut-off grade of 0.7 g/t gold is equal with that used for the Fountain Head and Tally Ho Mineral Resources Estimates.

Table 32: Mt Porter Mineral Resources

Type	Indicated		Inferred		Total	
	Tonnes (t)	Au (g/t)	Tonnes (t)	Au (g/t)	Tonnes (t)	Au (g/t)
Oxide / Transitional	70,000	1.9	7,300	2.4	77,200	2.0
Fresh	478,000	2.3	125,000	1.8	603,000	2.2
Total	548,000	2.3	133,000	1.9	681,000	2.2

Notes to Table 32:

- Due to the effects of rounding, totals may not represent the sum of all components
- Classification of Mineral Resource incorporates the terms and definitions from the JORC Code
- Mt Porter gold mineralisation estimated using a cut-off grade of >1.0 g/t Au, which is consistent with the assumed open-cut mining method
- Mt Porter Mineral Resources by oxidation zone and JORC classification as at 28 June 2022 (refer to ASX Release dated 28 September 2022).

Item 2 – KIN Projects

Table 33: KIN Mineral Resource estimate

Classification	Mertondale Project			Au g/t	Au koz
	Tonnes (Mt)				
Measured	-			-	-
Indicated	4.6			1.6	237
Inferred	7.0			1.0	220
Mertondale Project Subtotal	11.6			1.22	457
	Cardinia East Project				
Measured	0.002			3	0.2
Indicated	3.9			1.5	193
Inferred	6.4			1.4	282
Cardinia East Project Subtotal	10.4			1.42	475
Total	22.1			1.31	932

Notes to Table 33:

- Due to the effects of rounding, totals may not represent the sum of all components.
- Classification of Mineral Resource incorporates the terms and definitions from the JORC Code.
- The above table contains reference to Mineral Resource estimates reported in accordance with the JORC Code, extracted from the KIN ASX announcement "Cardinia Gold Project Mineral Resource Passes 1.5 Moz" dated 3 July 2023 and "KIN accepts Genesis offer for 610 koz gold" dated 17 October 2023.

Schedule 2 – Project Interests

Item 1 – PNX Projects

Mineral Lease	Holder	Status	Name
ML30293	PNX Metals Limited 90% / NT Mining Operations Pty Ltd 10%	Granted	Chessman
Chessman Project			
ML30512	PNX Metals Limited	Granted	Mt Bonnie
ML30589	PNX Metals Limited	Granted	Mt Bonnie
MLN1033	PNX Metals Limited	Granted	Mt Bonnie
MLN1039	PNX Metals Limited	Granted	Mt Bonnie
MLN214	PNX Metals Limited	Granted	Iron Blow
MLN341	PNX Metals Limited	Granted	Iron Blow
MLN342	PNX Metals Limited	Granted	Mt Bonnie
MLN343	PNX Metals Limited	Granted	Iron Blow
MLN346	PNX Metals Limited	Granted	Mt Bonnie
MLN349	PNX Metals Limited	Granted	Iron Blow
MLN405	PNX Metals Limited	Granted	Mt Bonnie
MLN459	PNX Metals Limited	Granted	Mt Bonnie
MLN811	PNX Metals Limited	Granted	Mt Bonnie
MLN816	PNX Metals Limited	Granted	Mt Bonnie
ML29937	PNX 80% / David Trow 20%	Granted	Yogi & D Page
ML29933	PNX 80% / David Trow 20%	Granted	Yogi & D Page

Mineral Lease		Holder	Status	Name
MLN794	PNX Metals Limited	Granted	Golden Dyke	
MLN795	PNX Metals Limited	Granted	Golden Dyke	
ML30936	PNX Metals Limited	Granted	Golden Dyke	
ML33743	PNX Metals Limited	Application	-	
Fountain Head Project				
ML31124	PNX Metals Limited	Granted	Newmarket	
MLN1020	PNX Metals Limited	Granted	Newmarket	
MLN4	PNX Metals Limited	Granted	Newmarket	
MLN1034	PNX Metals Limited	Granted	Newmarket	
Mineral Leases Other				
ML29679	PNX Metals Limited	Granted	Glencoe	
ML23839	Ausgold Trading Pty Ltd ¹⁶	Granted	Mt Porter	
Exploration Licence		Holder	Status	Name
Burnside Project				
EL10012	PNX Metals Limited 90% / NT Mining Operations Pty Ltd 10%	Granted	Mt Ringwood	
EL10347	PNX Metals Limited 90% / NT Mining Operations Pty Ltd 10%	Granted	Golden Dyke	
EL23431	PNX Metals Limited 90% / NT Mining Operations Pty Ltd 10%	Granted	Thunderball	
EL23536	PNX Metals Limited 90% / NT Mining Operations Pty Ltd 10%	Granted	Brocks Creek	
EL23540	PNX Metals Limited 90% / NT Mining Operations Pty Ltd 10%	Granted	Jenkins	
EL23541	PNX Metals Limited 90% / NT Mining Operations Pty Ltd 10%	Granted	Cosmo North	

¹⁶ Title transfer to PNX pending.

Exploration Licence	Holder	Status	Name
EL24018	PNX Metals Limited 90% / NT Mining Operations Pty Ltd 10%	Granted	Goldeneye
EL24051	PNX Metals Limited 90% / NT Mining Operations Pty Ltd 10%	Granted	Margaret River
EL24058	PNX Metals Limited 90% / NT Mining Operations Pty Ltd 10%	Granted	Yam Creek
EL24351	PNX Metals Limited 90% / NT Mining Operations Pty Ltd 10%	Granted	McCallum Creek
EL24405	PNX Metals Limited 90% / NT Mining Operations Pty Ltd 10%	Granted	Yam Creek
EL24409	PNX Metals Limited 90% / NT Mining Operations Pty Ltd 10%	Granted	Brocks Creek South
EL24715	PNX Metals Limited 90% / NT Mining Operations Pty Ltd 10%	Granted	Mt Masson
EL25295	PNX Metals Limited 90% / NT Mining Operations Pty Ltd 10%	Granted	Margaret Diggings
EL33536	PNX Metals Limited 90% / NT Mining Operations Pty Ltd 10%	Application	Goodall Gaps
EL33713	PNX Metals Limited 90% / NT Mining Operations Pty Ltd 10%	Granted	Burnside
EL9608	PNX Metals Limited 90% / NT Mining Operations Pty Ltd 10%	Granted	Mt Bonnie
	Chessman		
EL25054	PNX Metals Limited 90% / NT Mining Operations Pty Ltd 10%	Granted	Maud
EL28902	PNX Metals Limited 90% / NT Mining Operations Pty Ltd 10%	Granted	Maud
	Hayes Creek Project		
EL10120	PNX Metals Limited	Granted	Yam Creek
	Hayes Creek Project (cont.)		
EL25120	PNX Metals Limited	Granted	Kulbac
EL27363	PNX Metals Limited	Granted	Jigsaw
EL25379	PNX Metals Limited	Granted	Dowling
EL23509	PNX Metals Limited	Granted	Corkscrew
	Exploration Licences		

Exploration Licence	Holder	Status	Name
EL31099	PNX Metals Limited	Granted	Bridge Creek
EL31893	PNX Metals Limited	Granted	John's Hill
EL32489	PNX Metals Limited	Granted	Bridge Creek West
EL33217	PNX Metals Limited	Granted	Stray Creek
EL33476	PNX Metals Limited	Application	Salt Trough Creek
EL33477	PNX Metals Limited	Application	Harriet Creek
EL33478	PNX Metals Limited	Application	Copperfield Creek
EL33479	PNX Metals Limited	Granted	Burnside Granite
EL33480	PNX Metals Limited	Application	Horners Creek
EL33718	PNX Metals Limited 90% / NT Mining Operations Pty Ltd 10%	Application	Mount Bonnie East
EL33784	PNX Metals Limited	Application	Wild Horse Hill
EL33783	PNX Metals Limited	Application	Bobs Hill
EL33792	PNX Metals Limited	Application	Mavis

Item 2– KIN Projects

Mineral Lease	Holder	Status
	Murrin Murrin	
M39/279	Kin East Pty Ltd – 66.66%	Granted
M39/1121	Kin East Pty Ltd	Granted
M39/1136	Kin East Pty Ltd	Application
M39/1141	Kin East Pty Ltd	Application
P39/5112	Kin East Pty Ltd	Granted
P39/5113	Kin East Pty Ltd	Granted
P39/5176	Kin East Pty Ltd	Granted
P39/5177	Kin East Pty Ltd	Granted
P39/5178	Kin East Pty Ltd	Granted
P39/5179	Kin East Pty Ltd	Granted
P39/5180	Kin East Pty Ltd	Granted
P39/5861	Kin East Pty Ltd	Granted
P39/5862	Kin East Pty Ltd	Granted
P39/5863	Kin East Pty Ltd	Granted
P39/5864	Kin East Pty Ltd	Granted
	Randwick	
M37/1316	Kin East Pty Ltd	Granted
M37/1343	Kin East Pty Ltd	Granted
P37/8965	Kin East Pty Ltd	Granted
P37/8966	Kin East Pty Ltd	Granted
P37/8967	Kin East Pty Ltd	Granted

Mineral Lease	Holder	Status
P37/8968	Kin East Pty Ltd	Granted
P37/8969	Kin East Pty Ltd	Granted
P37/8970	Kin East Pty Ltd	Granted
P37/8971	Kin East Pty Ltd	Granted
P37/8972	Kin East Pty Ltd	Granted
P37/8973	Kin East Pty Ltd	Granted
P37/9320	Kin East Pty Ltd	Granted
P37/9321	Kin East Pty Ltd	Granted
P37/9322	Kin East Pty Ltd	Granted
P37/9323	Kin East Pty Ltd	Granted
P37/9324	Kin East Pty Ltd	Granted
P37/9325	Kin East Pty Ltd	Granted
Mt Flora		
M39/1118 ¹⁷	Kin East Pty Ltd	Granted
P39/5859 ¹⁸	Kin East Pty Ltd	Granted
P39/5860 ¹⁹	Kin East Pty Ltd	Granted
Desdemona		
E37/1156	Kin West WA Pty Ltd	Granted
E37/1201	Kin West WA Pty Ltd	Granted
E37/1203	Kin West WA Pty Ltd	Granted

¹⁷ To be sold pursuant to the Mt Flora Sale Agreement.

¹⁸ Ibid.

¹⁹ Ibid.

Mineral Lease	Holder	Status
E37/1315	Kin West WA Pty Ltd	Granted
E37/1326	Kin West WA Pty Ltd	Granted
E40/283	Kin West WA Pty Ltd	Granted
E40/366	Kin West WA Pty Ltd	Granted
E40/369	Kin West WA Pty Ltd	Granted
M40/330	Kin West WA Pty Ltd	Granted
M37/1380	Kin West WA Pty Ltd	Application
M40/346	Kin West WA Pty Ltd	Granted
P37/8500	Kin West WA Pty Ltd	Granted
P37/8504	Kin West WA Pty Ltd	Granted
P37/9657	Kin West WA Pty Ltd	Application
P37/9658	Kin West WA Pty Ltd	Application
P40/1464	Kin West WA Pty Ltd	Granted
P40/1525	Kin West WA Pty Ltd	Granted
P40/1526	Kin West WA Pty Ltd	Granted
P40/1527	Kin West WA Pty Ltd	Granted
P40/1540	Kin West WA Pty Ltd	Application
Pig Well		
P37/8948	Kin West WA Pty Ltd	Granted
P37/8949	Kin West WA Pty Ltd	Granted
P37/8950	Kin West WA Pty Ltd	Granted
P37/8951	Kin West WA Pty Ltd	Granted

Mineral Lease	Holder	Status
P37/8952	Kin West WA Pty Ltd	Granted
P37/8953	Kin West WA Pty Ltd	Granted
P37/8954	Kin West WA Pty Ltd	Granted
P37/8955	Kin West WA Pty Ltd	Granted
P37/8956	Kin West WA Pty Ltd	Granted
P37/8957	Kin West WA Pty Ltd	Granted
P37/8958	Kin West WA Pty Ltd	Granted
P37/8959	Kin West WA Pty Ltd	Granted
P37/8960	Kin West WA Pty Ltd	Granted
P37/8961	Kin West WA Pty Ltd	Granted
P37/8962	Kin West WA Pty Ltd	Granted
P37/8963	Kin West WA Pty Ltd	Granted
P37/8964	Kin West WA Pty Ltd	Granted
P37/8974	Kin West WA Pty Ltd	Granted
P37/8975	Kin West WA Pty Ltd	Granted
P37/8976	Kin West WA Pty Ltd	Granted
P37/8977	Kin West WA Pty Ltd	Granted
P37/8978	Kin West WA Pty Ltd	Granted
Mt Fouracre		
E37/1134	Kin West WA Pty Ltd	Granted
M37/1364	Kin West WA Pty Ltd	Application
P37/8359	Kin West WA Pty Ltd	Granted

Mineral Lease	Holder	Status
P37/9612	Kin West WA Pty Ltd	Granted
Iron King		
M37/1327	Kin West WA Pty Ltd	Granted
P37/9659	Kin West WA Pty Ltd	Granted
P37/9660	Kin West WA Pty Ltd	Granted
P37/9661	Kin West WA Pty Ltd	Granted
P37/9662	Kin West WA Pty Ltd	Granted
P37/9663	Kin West WA Pty Ltd	Granted
Cardinia/Mertondale		
L37/195	Navigator Mining Pty Ltd	Granted
L37/196	Navigator Mining Pty Ltd	Granted
L37/226	Navigator Mining Pty Ltd	Granted
L37/232	Navigator Mining Pty Ltd	Granted
L37/241	Navigator Mining Pty Ltd	Granted
L37/244	Navigator Mining Pty Ltd	Granted
M37/81	Navigator Mining Pty Ltd	Granted
M37/82	Navigator Mining Pty Ltd	Granted
M37/88	Navigator Mining Pty Ltd	Granted
M37/223	Navigator Mining Pty Ltd	Granted
M37/231	Navigator Mining Pty Ltd	Granted
M37/232	Navigator Mining Pty Ltd	Granted
M37/233	Navigator Mining Pty Ltd	Granted

Mineral Lease	Holder	Status
M37/299	Navigator Mining Pty Ltd	Granted
M37/316	Navigator Mining Pty Ltd	Granted
M37/317	Navigator Mining Pty Ltd	Granted
M37/422	Navigator Mining Pty Ltd	Granted
M37/487	Navigator Mining Pty Ltd	Granted
M37/720	Navigator Mining Pty Ltd	Granted
M37/1284	Navigator Mining Pty Ltd	Granted
M37/1303	Navigator Mining Pty Ltd	Granted
M37/1304	Navigator Mining Pty Ltd	Granted
M37/1315	Navigator Mining Pty Ltd	Granted
M37/1318	Navigator Mining Pty Ltd	Granted
M37/1323	Navigator Mining Pty Ltd	Granted
M37/1325	Navigator Mining Pty Ltd	Granted
M37/1328	Navigator Mining Pty Ltd	Granted
M37/1329	Navigator Mining Pty Ltd	Application
M37/1330	Navigator Mining Pty Ltd	Application
M37/1332	Navigator Mining Pty Ltd	Granted
M37/1333	Navigator Mining Pty Ltd	Granted
M37/1340	Navigator Mining Pty Ltd	Granted
M37/1342	Navigator Mining Pty Ltd	Granted
M37/1345	Navigator Mining Pty Ltd	Granted
M37/1358	Navigator Mining Pty Ltd	Granted

Mineral Lease	Holder	Status
M37/1383	Navigator Mining Pty Ltd	Application
M37/1384	Navigator Mining Pty Ltd	Application
P37/8536	Navigator Mining Pty Ltd	Granted
P37/8537	Navigator Mining Pty Ltd	Granted
P37/8538	Navigator Mining Pty Ltd	Granted
P37/8539	Navigator Mining Pty Ltd	Granted
P37/8540	Navigator Mining Pty Ltd	Granted
P37/8541	Navigator Mining Pty Ltd	Granted
P37/8542	Navigator Mining Pty Ltd	Granted
P37/8543	Navigator Mining Pty Ltd	Granted
P37/8737	Navigator Mining Pty Ltd	Granted
P37/8738	Navigator Mining Pty Ltd	Granted
P37/8945	Navigator Mining Pty Ltd	Granted
P37/8946	Navigator Mining Pty Ltd	Granted
P37/8947	Navigator Mining Pty Ltd	Granted
P37/8988	Navigator Mining Pty Ltd	Granted
P37/8989	Navigator Mining Pty Ltd	Granted
P37/8990	Navigator Mining Pty Ltd	Granted
P37/8991	Navigator Mining Pty Ltd	Granted
P37/8992	Navigator Mining Pty Ltd	Granted
P37/8993	Navigator Mining Pty Ltd	Granted
P37/8994	Navigator Mining Pty Ltd	Granted

Mineral Lease	Holder	Status
P37/8995	Navigator Mining Pty Ltd	Granted
P37/8996	Navigator Mining Pty Ltd	Granted
P37/8997	Navigator Mining Pty Ltd	Granted
P37/8998	Navigator Mining Pty Ltd	Granted
P37/8999	Navigator Mining Pty Ltd	Granted
P37/9000	Navigator Mining Pty Ltd	Granted
P37/9001	Navigator Mining Pty Ltd	Granted
P37/9002	Navigator Mining Pty Ltd	Granted
P37/9003	Navigator Mining Pty Ltd	Granted
P37/9004	Navigator Mining Pty Ltd	Granted
P37/9008	Navigator Mining Pty Ltd	Granted
P37/9009	Navigator Mining Pty Ltd	Granted
P37/9010	Navigator Mining Pty Ltd	Granted
P37/9122	Navigator Mining Pty Ltd	Granted
P37/9123	Navigator Mining Pty Ltd	Granted
P37/0124	Navigator Mining Pty Ltd	Granted
P37/9125	Navigator Mining Pty Ltd	Granted
P37/9126	Navigator Mining Pty Ltd	Granted
P37/9127	Navigator Mining Pty Ltd	Granted
P37/9128	Navigator Mining Pty Ltd	Granted
P37/9129	Navigator Mining Pty Ltd	Granted
P37/9130	Navigator Mining Pty Ltd	Granted

Mineral Lease	Holder	Status
P37/9131	Navigator Mining Pty Ltd	Granted
P37/9132	Navigator Mining Pty Ltd	Granted
P37/9133	Navigator Mining Pty Ltd	Granted
P37/9134	Navigator Mining Pty Ltd	Granted
P37/9135	Navigator Mining Pty Ltd	Granted
P37/9136	Navigator Mining Pty Ltd	Granted
P37/9137	Navigator Mining Pty Ltd	Granted
P37/9158	Navigator Mining Pty Ltd	Granted
P37/9166	Navigator Mining Pty Ltd	Granted
P37/9170	Navigator Mining Pty Ltd	Granted
P37/9171	Navigator Mining Pty Ltd	Granted
P37/9172	Navigator Mining Pty Ltd	Granted
P37/9173	Navigator Mining Pty Ltd	Granted
P37/9221	Navigator Mining Pty Ltd	Granted
P37/9222	Navigator Mining Pty Ltd	Granted
P37/9223	Navigator Mining Pty Ltd	Granted
P37/9224	Navigator Mining Pty Ltd	Granted
P37/9225	Navigator Mining Pty Ltd	Granted
P37/9226	Navigator Mining Pty Ltd	Granted
P37/9227	Navigator Mining Pty Ltd	Granted
P37/9228	Navigator Mining Pty Ltd	Granted
P37/9229	Navigator Mining Pty Ltd	Granted

Mineral Lease	Holder	Status
P37/9230	Navigator Mining Pty Ltd	Granted
P37/9231	Navigator Mining Pty Ltd	Granted
P37/9232	Navigator Mining Pty Ltd	Granted
P37/9326	Navigator Mining Pty Ltd	Granted
P37/9327	Navigator Mining Pty Ltd	Granted
P37/9328	Navigator Mining Pty Ltd	Granted
P37/9411	Navigator Mining Pty Ltd	Granted
P37/8739	Navigator Mining Pty Ltd	Granted
P37/8740	Navigator Mining Pty Ltd	Granted
P37/8741	Navigator Mining Pty Ltd	Granted
P37/8742	Navigator Mining Pty Ltd	Granted
P37/8743	Navigator Mining Pty Ltd	Granted
P37/8744	Navigator Mining Pty Ltd	Granted
P37/8795	Navigator Mining Pty Ltd	Granted
P37/8938	Navigator Mining Pty Ltd	Granted
P37/8939	Navigator Mining Pty Ltd	Granted
P378940	Navigator Mining Pty Ltd	Granted
P37/8941	Navigator Mining Pty Ltd	Granted
P37/8942	Navigator Mining Pty Ltd	Granted
P37/8943	Navigator Mining Pty Ltd	Granted
P37/8944	Navigator Mining Pty Ltd	Granted
P37/9509	Navigator Mining Pty Ltd	Granted

Mineral Lease	Holder	Status
P37/9510	Navigator Mining Pty Ltd	Granted
P37/9511	Navigator Mining Pty Ltd	Granted
P37/9541	Navigator Mining Pty Ltd	Granted
P37/9750	Navigator Mining Pty Ltd	Granted
Raeside		
L37/77	Navigator Mining Pty Ltd	Granted
E37/1402	Navigator Mining Pty Ltd	Granted
G88 Joint Venture		
E37/1215	Navigator Mining Pty Ltd 60% / Golden Mile Resources Ltd 40%	Granted
E37/1225	Navigator Mining Pty Ltd 60% / Golden Mile Resources Ltd 40%	Granted
E37/1456	Navigator Mining Pty Ltd 60% / Golden Mile Resources Ltd 40%	Granted
M37/1341	Navigator Mining Pty Ltd 60% / Golden Mile Resources Ltd 40%	Granted
P37/8484	Navigator Mining Pty Ltd 60% / Golden Mile Resources Ltd 40%	Granted
P37/8762	Navigator Mining Pty Ltd 60% / Golden Mile Resources Ltd 40%	Granted
P37/8763	Navigator Mining Pty Ltd 60% / Golden Mile Resources Ltd 40%	Granted
P37/8764	Navigator Mining Pty Ltd 60% / Golden Mile Resources Ltd 40%	Granted
P37/8765	Navigator Mining Pty Ltd 60% / Golden Mile Resources Ltd 40%	Granted
P37/8766	Navigator Mining Pty Ltd 60% / Golden Mile Resources Ltd 40%	Granted
P37/8767	Navigator Mining Pty Ltd 60% / Golden Mile Resources Ltd 40%	Granted
P37/8922	Navigator Mining Pty Ltd 60% / Golden Mile Resources Ltd 40%	Granted
P37/9047	Navigator Mining Pty Ltd 60% / Golden Mile Resources Ltd 40%	Granted
P37/9050	Navigator Mining Pty Ltd 60% / Golden Mile Resources Ltd 40%	Granted

Mineral Lease	Holder	Status
P37/9051	Navigator Mining Pty Ltd 60% / Golden Mile Resources Ltd 40%	Granted
P37/9052	Navigator Mining Pty Ltd 60% / Golden Mile Resources Ltd 40%	Granted
P37/9053	Navigator Mining Pty Ltd 60% / Golden Mile Resources Ltd 40%	Granted
P37/9054	Navigator Mining Pty Ltd 60% / Golden Mile Resources Ltd 40%	Granted
P37/9055	Navigator Mining Pty Ltd 60% / Golden Mile Resources Ltd 40%	Granted
P37/9056	Navigator Mining Pty Ltd 60% / Golden Mile Resources Ltd 40%	Granted
P37/9057	Navigator Mining Pty Ltd 60% / Golden Mile Resources Ltd 40%	Granted
P37/9058	Navigator Mining Pty Ltd 60% / Golden Mile Resources Ltd 40%	Granted
P37/9059	Navigator Mining Pty Ltd 60% / Golden Mile Resources Ltd 40%	Granted
P37/9060	Navigator Mining Pty Ltd 60% / Golden Mile Resources Ltd 40%	Granted
P37/9061	Navigator Mining Pty Ltd 60% / Golden Mile Resources Ltd 40%	Granted
P37/9543	Navigator Mining Pty Ltd 60% / Golden Mile Resources Ltd 40%	Granted
P37/9544	Navigator Mining Pty Ltd 60% / Golden Mile Resources Ltd 40%	Granted
P37/9545	Navigator Mining Pty Ltd 60% / Golden Mile Resources Ltd 40%	Granted
P37/9546	Navigator Mining Pty Ltd 60% / Golden Mile Resources Ltd 40%	Granted
P37/9598	Navigator Mining Pty Ltd 60% / Golden Mile Resources Ltd 40%	Granted
P37/9599	Navigator Mining Pty Ltd 60% / Golden Mile Resources Ltd 40%	Granted
P37/9600	Navigator Mining Pty Ltd 60% / Golden Mile Resources Ltd 40%	Granted
P37/9601	Navigator Mining Pty Ltd 60% / Golden Mile Resources Ltd 40%	Granted

Scheme of Arrangement

between

PNX Metals Limited
ACN 127 446 271

and

Holders of PNX Shares at the Record Date

Sydney

Australia Square
Level 42
264 George Street
Sydney NSW 2000

Melbourne

Level 33
360 Collins Street
Melbourne VIC 3000

Brisbane

Riverside Centre
Level 19
123 Eagle Street
Brisbane QLD 4000

Perth

Central Park
Level 48
152-158 St Georges Terrace
Perth WA 6000

Newcastle

Level 3
21 Bolton Street
Newcastle NSW 2300

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Parties

PNX	Name	PNX Metals Limited
	ACN	127 446 271
	Address	Level 1, 135 Fullarton Road Rose Park SA 5067
	Email	graham.ascough@pnxmetals.com.au
	Attention	Graham Ascough
PNX Shareholders	Each holder of PNX Shares at the Record Date	

Background

- A. PNX is a public company limited by shares incorporated in Australia and admitted to the official list of ASX.
- B. KIN is a public company limited by shares incorporated in Australia and admitted to the official list of ASX.
- C. PNX and KIN have entered into the Scheme Implementation Deed, pursuant to which, amongst other things, PNX has agreed to propose and implement the Scheme, and each of PNX and KIN have agreed to take certain steps to give effect to the Scheme.

Operative provisions

1. Definitions and interpretation

1.1 Definitions

In this Scheme:

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) and, where the context requires, the financial market that it operates.

ASX Settlement means ASX Settlement Pty Ltd (ACN 008 504 532).

ASX Settlement Operating Rules means ASX Settlement Operating Rules of ASX Settlement.

Business Day means a day in Perth, Western Australia that is not a Saturday, Sunday or public holiday and on which banks and ASX are open for trading.

CHESS means the Clearing House Electronic Sub-register System, which facilitates electronic security transfers in Australia, operated by ASX Settlement.

Corporations Act means the *Corporations Act 2001* (Cth).

Court means the Supreme Court of Western Australia or such other Court of competent jurisdiction under the Corporations Act agreed in writing by KIN and PNX.

Deed Poll means a deed poll under which KIN covenants in favour of the Scheme Participants to perform the obligations attributed to KIN under the Scheme.

Effective means when used in relation to the Scheme, the coming into effect, under section 411(10) of the Corporations Act of the order of the Court made under section 411(4)(b) of the Corporations Act in relation to the Scheme.

Effective Date means the date on which the Scheme becomes Effective.

Encumbrance means any security interest (within the meaning of section 9 of the Corporations Act) and any option, right to acquire, right of pre-emption, assignment by way of security, trust arrangement for the purpose of providing security, retention arrangement or other security interest of any kind, and any agreement to create any of the foregoing.

End Date means the date that is nine months after the date of the Scheme Implementation Deed or such other date as the parties may agree in writing.

Excluded Shareholder means any PNX Shareholder who is a member of the KIN Group or any PNX Shareholder who holds any PNX Shares on behalf of, or for the benefit of, any member of the KIN Group.

Government Agency means any foreign or Australian government or governmental semi-governmental, administrative, fiscal or judicial body, department, commission, authority, tribunal, agency or entity, or any minister of the Crown in right of the Commonwealth of Australia or any other federal, state, provincial, local or other government (foreign or Australian).

Implementation Date means the fifth Business Day following the Record Date, or such other date agreed to in writing by the parties.

Ineligible Foreign Shareholder means a PNX Shareholder whose address as shown in PNX Share Register is in a place which KIN reasonably determines is a place that it is unlawful, unduly onerous or impracticable to issue KIN Shares under the Scheme, provided that a PNX Shareholder whose address shown in PNX Share Register is within Australia, New Zealand, Germany, France, Switzerland, Luxembourg, the Republic of Panama, the Republic of Singapore, the Virgin Islands, United Arab Emirates and such other jurisdictions as agreed by KIN and PNX in writing, will not be an Ineligible Foreign Shareholder.

KIN means KIN Mining NL (ACN 150 597 541).

KIN Group means KIN and each of its Subsidiaries, and a reference to a 'KIN Group Member' or a 'member of the KIN Group' is to KIN or any of its Subsidiaries.

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

KIN Share Register means the register of members of KIN maintained in accordance with the Corporations Act.

PNX means PNX Metals Limited (ACN 127 446 271).

PNX Registry means Computershare Investor Services Pty Limited (ACN 078 279 277).

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

PNX Shareholder means a holder of a PNX Share.

PNX Share Register means the register of members of PNX maintained in accordance with the Corporations Act.

Proceeds has the meaning given to that term in clause 5.8(a)(iii).

Record Date means 5:00pm on the second Business Day after the Effective Date, or such other time and date as the parties agree in writing.

Registered Address means the address of the Scheme Participant shown in the PNX Share Register.

Sale Agent means the person appointed by KIN to sell the KIN Shares that would otherwise be issued to or for the benefit of Ineligible Foreign Shareholders under the terms of the Scheme.

Scheme means this scheme of arrangement under Part 5.1 of the Corporations Act between PNX and the Scheme Participants under which Scheme Participants will receive the Scheme Consideration, subject to any alterations or conditions made or required by the Court under section 411(6) of the Corporations Act and agreed to by KIN and PNX.

Scheme Consideration means the consideration to be provided by KIN to each Scheme Participant for the transfer to KIN of each PNX Share, being one (1) KIN Share for every thirteen (13) PNX Shares held by a Scheme Participant as at the Record Date, subject to applicable rounding in accordance with this Scheme.

Scheme Implementation Deed means the scheme implementation deed between PNX and KIN dated on or about 12 April 2024.

Scheme Meeting means the meeting of PNX Shareholders (other than Excluded Shareholders) ordered by the Court to be convened under section 411(1) of the Corporations Act to consider and vote on the Scheme and includes any meeting convened following any adjournment or postponement of that meeting. If a meeting of more than one class of PNX Shareholders is ordered by the Court, all references to "Scheme Meeting" will be interpreted as a reference to each or all of those meetings.

Scheme Participant means a holder of PNX Shares recorded in the PNX Share Register as at the Record Date (other than an Excluded Shareholder).

Scheme Shares means all PNX Shares held by the Scheme Participants as at the Record Date.

Scheme Transfer means, for each Scheme Participant, a duly completed and executed proper instrument of transfer of the Scheme Shares held by that Scheme Participant for the purposes of section 1071B of the Corporations Act, which may be a master transfer for all Scheme Shares.

Second Court Date means the first day on which an application made to the Court for an order under section 411(4)(b) of the Corporations Act approving the Scheme (as the context requires) is heard or, if the application is adjourned or subject to appeal for any reason, the day on which the adjourned application or appeal is heard.

Second Court Hearing means the hearing at which the application made to the Court for an order pursuant to section 411(4)(b) of the Corporations Act approving the Scheme is heard or, if the application is adjourned for any reason adjourned hearing.

Subsidiary has the meaning given to that term in Division 6 of Part 1.2 of the Corporations Act, and **Subsidiaries** has a corresponding meaning.

Trading Day means a trading day (as defined in the ASX Listing Rules) other than a trading day in which trading in KIN Shares was either:

- (a) suspended from official quotation; or
- (b) halted,

for the duration of the day.

Unclaimed Money Act means the *Unclaimed Money Act 1990* (WA).

1.2 Interpretation

- (a) Unless the contrary intention appears, a reference in this Scheme to:
 - (i) this Scheme or another document includes any variation or replacement of it despite any change in the identity of the parties;
 - (ii) one gender includes the others;
 - (iii) the singular includes the plural and the plural includes the singular;
 - (iv) a person, partnership, corporation, trust, association, joint venture, unincorporated body, Government Agency or other entity includes any other of them;
 - (v) an item, recital, clause, subclause, paragraph, schedule or attachment is to an item, recital, clause, subclause, paragraph of, or schedule or attachment to, this Scheme and a reference to this Scheme includes any schedule or attachment;
 - (vi) a party includes the party's executors, administrators, successors, substitutes (including a person who becomes a party by novation) and permitted assigns;
 - (vii) any statute, ordinance, code or other law includes regulations and other instruments under any of them and consolidations, amendments, re-enactments or replacements of any of them;
 - (viii) money is to Australian dollars, unless otherwise stated; and
 - (ix) a time is a reference to Perth time unless otherwise specified.
- (b) The words include, including, such as, for example and similar expressions are not to be construed as words of limitation.
- (c) Where a word or expression is given a particular meaning, other parts of speech and grammatical forms of that word or expression have a corresponding meaning.
- (d) Headings and any table of contents or index are for convenience only and do not affect the interpretation of this Scheme.
- (e) A provision of this Scheme must not be construed to the disadvantage of a party merely because that party or its advisers were responsible for the preparation of this Scheme or the inclusion of the provision in this Scheme.

1.3 Business Days

- (a) If anything under this Scheme must be done on a day that is not a Business Day, it must be done instead on the next Business Day.
- (b) If an act is required to be done on a particular day, it must be done before 5.00pm on that day or it will be considered to have been done on the following day.

1.4 Parties

- (a) If a party consists of more than one person, this Scheme binds each of them separately and any two or more of them jointly.
- (b) An agreement, covenant, obligation, representation or warranty in favour of two or more persons is for the benefit of them jointly and each of them separately.
- (c) An agreement, covenant, obligation, representation or warranty on the part of two or more persons binds them jointly and each of them separately.

2. Preliminary

2.1 PNX

PNX is a public company incorporated in Australia and registered in South Australia and is a company limited by shares. PNX is admitted to the official list of ASX and its shares are officially quoted on the securities market conducted by ASX. Its registered office is at Level 1, 135 Fullarton Road, Rose Park, South Australia, 5067.

2.2 KIN

KIN is a public company incorporated in Australia and registered in Western Australia and is a company limited by shares. KIN is admitted to the official list of ASX and its shares are officially quoted on the securities market conducted by ASX. Its registered office is at 342 Scarborough Beach Road, Osborne Park WA 6017.

2.3 Scheme Implementation Deed

KIN and PNX have agreed, by executing the Scheme Implementation Deed, to implement the terms of the Scheme and to perform their respective obligations under the Scheme in accordance with the terms of the Scheme Implementation Deed. Under the Scheme Implementation Deed, KIN irrevocably guarantees the due and punctual performance of all of its obligations under or in connection with the Scheme.

2.4 Deed Poll

KIN has executed the Deed Poll in favour of Scheme Participants pursuant to which KIN has covenanted to perform its obligations under the Scheme, including to provide to each Scheme Participant the Scheme Consideration to which the Scheme Participant is entitled under the Scheme, and to carry out its other obligations under the Scheme Implementation Deed and do all things necessary or expedient on its part to implement the Scheme.

2.5 Effect of the Scheme

If the Scheme becomes Effective, but subject to clauses 3.1, 3.4, 3.5 and 3.6 then:

- (a) KIN will provide to each Scheme Participant the Scheme Consideration in accordance with the terms of the Scheme and the Deed Poll;
- (b) subject to KIN's compliance with its obligations in clause 2.5(a), all of the Scheme Shares will be transferred to KIN; and
- (c) PNX will enter the name and address of KIN in the PNX Share Register as the holder of the Scheme Shares transferred to KIN in accordance with the terms of the Scheme and the Deed Poll.

3. Conditions

3.1 Conditions of the Scheme

The Scheme is conditional upon and will have no force or effect until the satisfaction of each of the following:

- (a) as at 8.00am on the Second Court Date, each condition precedent in clause 3.1 of the Scheme Implementation Deed having been satisfied or (if permitted) waived (other than the conditions in clauses 3.1(f) and 3.1(g) of the Scheme Implementation Deed);
- (b) as at 8.00am on the Second Court Date, the Scheme Implementation Deed not having been terminated in accordance with its terms;
- (c) as at 8.00am on the Second Court Date, the Deed Poll not having been terminated in accordance with its terms;
- (d) approval of the Scheme by the Court pursuant to section 411(4)(b) of the Corporations Act having been obtained and if applicable, PNX and KIN having accepted in writing any alterations or conditions made or required by the Court under section 411(6) of the Corporations Act;
- (e) such other conditions made or required by the Court under section 411(6) of the Corporations Act in relation to this Scheme and agreed to by PNX and KIN having been satisfied or waived; and
- (f) the orders of the Court made under section 411(4)(b) (and if applicable, section 411(6)) of the Corporations Act approving this Scheme coming into effect, pursuant to section 411(10) of the Corporations Act on or before the End Date (or any later date KIN and PNX agree in writing).

3.2 Effect of conditions

The fulfilment of the conditions in clause 3.1 is a condition precedent to the operation of the provisions of clauses 4, 5, 6, and 7 of this Scheme.

3.3 Certificate

- (a) At the Second Court Hearing, each of PNX and KIN must provide a certificate (or such other evidence as the Court requests) to the Court confirming (in respect of matters within their knowledge) whether or not all the conditions in clauses 3.1(a), 3.1(b) and 3.1(c) of this Scheme have been satisfied or waived as at 8.00am on the Second Court Date.
- (b) The certificate referred to in this clause 3.3 will constitute conclusive evidence (in the absence of manifest error) of whether the conditions in clauses 3.1(a), 3.1(b) and 3.1(c) have been satisfied or waived as at 8.00am on the Second Court Date.

3.4 Termination of Scheme Implementation Deed

Without limiting any rights under the Scheme Implementation Deed, if the Scheme Implementation Deed is terminated in accordance with its terms before 8.00am on the Second Court Date, PNX and KIN are each released from:

- (a) any further obligation to take steps to implement the Scheme; and
- (b) any liability with respect to the Scheme,

provided that PNX and KIN retain the rights they have against each other in respect of any prior breach of the Scheme Implementation Deed.

3.5 Effective Date

Subject to clause 3.4, the Scheme will take effect on the Effective Date.

3.6 End Date

The Scheme will lapse and be of no further force or effect if the Effective Date has not occurred on or before the End Date.

4. Implementation of the Scheme

4.1 Lodgement of Court order

On the Business Day following the approval of the Scheme by the Court in accordance with section 411(4)(b) of the Corporations Act, PNX will lodge with ASIC an office copy of the Court order in accordance with section 411(10) of the Corporations Act.

4.2 Transfer of Scheme Shares

On the Implementation Date, in consideration for and subject to the provision by KIN of the Scheme Consideration in accordance with clause 5, all of the Scheme Shares, together with all rights and entitlements attaching to the Scheme Shares as at that date, will be transferred to KIN without the need for any further acts by any Scheme Participant (other than acts performed by PNX as attorney and agent for Scheme Participants under clause 6.3) by:

- (a) PNX duly executing and delivering to KIN a Scheme Transfer for all of the Scheme Shares, executed by PNX as attorney for Scheme Participants; and
- (b) KIN duly executing and delivering the Scheme Transfer back to PNX.

4.3 Transfer documentation

As soon as practicable after receipt by PNX of the Scheme Transfer duly executed by KIN as transferee pursuant to clause 4.2(b) and subject to the Scheme Consideration being issued by KIN in accordance with clause 5, but in any event on the Implementation Date, PNX must register KIN in the PNX Share Register as the holder of all of the Scheme Shares.

4.4 Provision of Scheme Consideration

In consideration for the transfer of each Scheme Share to KIN, KIN must, on the Implementation Date, issue to each Scheme Participant the number of KIN Shares due to that Scheme Participant as Scheme Consideration in accordance with, and subject to, the terms of this Scheme and the Deed Poll.

4.5 Beneficial entitlement by KIN

From the time of the provision of the Scheme Consideration to Scheme Participants in accordance with clause 4.4, KIN will be beneficially entitled to the Scheme Shares (together with all rights and entitlements attached to the Scheme Shares as at the Implementation Date) to be transferred to it under the Scheme pending the registration of KIN in the PNX Share Register as the holder of the Scheme Shares.

4.6 Enforcement of Deed Poll

PNX undertakes in favour of each Scheme Participant to enforce the Deed Poll against KIN on behalf of and as agent for the Scheme Participants.

5. Scheme Consideration

5.1 Entitlement to Scheme Consideration

On the Implementation Date, in consideration for the transfer to KIN of the Scheme Shares, each Scheme Participant will be entitled to receive the Scheme Consideration in accordance with, and subject to the terms of this Scheme and the Deed Poll.

5.2 Provision of Scheme Consideration

KIN will issue to each Scheme Participant the number of KIN Shares due to that Scheme Participant as consideration under the Scheme by:

- (a) on the Implementation Date, issuing each Scheme Participant the Scheme Consideration for every Scheme Share registered in the Scheme Participant's name in the PNX Share Register at the Record Date, which obligation will be satisfied by causing the name and Registered Address (at the Record Date) of the Scheme Participant to be entered into KIN's Share Register as the holder of KIN Shares issued to that Scheme Participant; and
- (b) within 10 Business Days after the Implementation Date, procuring the dispatch to that Scheme Participant, if their KIN Shares are held on the issuer sponsored sub-register of KIN, to their Registered Address (as at the Record Date), an uncertified holding statement in the name of the Scheme Participant relating to the number of KIN Shares issued to that Scheme Participant.

5.3 Status of KIN Shares

The KIN Shares to be issued in accordance with this Scheme will:

- (a) be validly and duly issued in accordance with all applicable laws and KIN's certificate of incorporation, by-laws and other constituent documents;
- (b) be fully paid;
- (c) be free from all Encumbrances;
- (d) rank equally in all respects with all other KIN Shares then on issue (other than in respect of any dividend already declared and not yet paid by KIN, where the record date for entitlement to that dividend occurred prior to the Implementation Date); and
- (e) be entitled to participate in and receive any dividends or distribution of capital paid and any other entitlements accruing in respect of KIN Shares on and from the Implementation Date.

5.4 Quotation of KIN Shares

KIN will use its best endeavours to procure that the KIN Shares issued as Scheme Consideration to Scheme Participants are quoted on ASX as soon as reasonably practicable after the Implementation Date.

5.5 Joint holders

In the case of Scheme Shares held in joint names:

- (a) the KIN Shares to be issued under this Scheme must be issued to and registered in the names of the joint holders and any uncertificated holding statements for KIN Shares to be issued to Scheme Participants will be issued in the names of the joint holders and will be forwarded to the holder whose name appears first in the PNX Share Register on the Record Date;
- (b) any cheque required to be sent under this Scheme will be made payable to the joint holders and forwarded to the holder whose name appears first in the PNX Share Register on the Record Date; and
- (c) any other document required to be sent under this Scheme will be forwarded to the holder whose name appears first in the PNX Share Register on the Record Date.

5.6 Scheme Participants bound

Each Scheme Participant who is to receive KIN Shares under this Scheme agrees (for all purposes, including section 231 of the Corporations Act) to:

- (a) become a shareholder of KIN and to accept the KIN Shares issued to them under this Scheme subject to, and to be bound by, KIN's constitution and other constituent documents; and
- (b) have their name and Registered Address entered into the KIN Share Register.

5.7 Rounding

Where the calculation of the number of KIN Shares to be issued to a particular Scheme Participant (other than an Ineligible Foreign Shareholder) would result in the Scheme Participant becoming entitled to a fraction of a KIN Share, the entitlement will be rounded as follows:

- (a) if the fractional entitlement is less than 0.5, it will be rounded down; and
 - (b) if the fractional entitlement is equal to or more than 0.5, it will be rounded up,
- to the nearest whole number of KIN Shares.

5.8 Ineligible Foreign Shareholders

- (a) KIN will be under no obligation under this Scheme to issue, and will not issue, KIN Shares to Ineligible Foreign Shareholders, and instead:
 - (i) KIN must appoint a Sale Agent acceptable to PNX (acting reasonably) at least two weeks prior to the Scheme Meeting (and if required by ASIC, such Sale Agent is to be approved by ASIC);
 - (ii) all KIN Shares which would otherwise be required to be issued to any Ineligible Foreign Shareholder under the Scheme, if they were eligible to receive them, will be issued to the Sale Agent;
 - (iii) KIN will procure that, as soon as reasonably practicable (and in any event not more than 20 Trading Days after the Implementation Date), the Sale Agent sells on ASX all KIN Shares issued to the Sale Agent pursuant to clause 5.8(a)(ii) in such manner, at such price and on such other terms as the Sale Agent determines in good faith (and at the risk of the Ineligible Foreign

Shareholders), and remits to KIN the proceeds of sale (after deducting any applicable brokerage and other selling costs, taxes and charges) (**Proceeds**); and

- (iv) KIN will pay to each Ineligible Foreign Shareholder such fraction of the Proceeds as is equal to the number of KIN Shares which would have been issued to that Ineligible Foreign Shareholder (if they were eligible to receive KIN Shares) divided by the total number of KIN Shares issued to the Sale Agent under clause 5.8(a)(i), promptly after the last sale of the KIN Shares by the Sale Agent,

in full satisfaction of KIN's obligations to those Ineligible Foreign Shareholders under the Scheme in respect of the Scheme Consideration.

- (b) KIN will pay the relevant fraction of the Proceeds to each Ineligible Foreign Shareholder by either:
 - (i) dispatching, or procuring the dispatch, to that Ineligible Foreign Shareholder by prepaid post to that Ineligible Foreign Shareholder's Registered Address (at the Record Date), a cheque in the name of that Ineligible Foreign Shareholder; or
 - (ii) making a deposit in an account with any ADI (as defined in the *Banking Act 1959* (Cth)) in Australia notified by that Ineligible Foreign Shareholder to PNX (or the PNX Registry) and recorded in or for the purposes of the PNX Share Register at the Record Date,

for the relevant amount, with that amount being denominated in Australian dollars.

- (c) Each Ineligible Foreign Shareholder appoints PNX as its agent to receive on its behalf any financial services guide or other notices (including any updates of those documents) that the Sale Agent is required to provide to Ineligible Foreign Shareholders under the Corporations Act.

5.9 Unclaimed monies

- (a) KIN may cancel a cheque issued under clause 5.8(b)(i) if the cheque:
 - (i) is returned to KIN; or
 - (ii) has not been presented for payment within 6 months after the date on which the cheque was sent.
- (b) During the period of 18 months commencing on the Implementation Date, on request in writing from a Scheme Participant to KIN (or the KIN Share Registry) (which request may not be made until the date that is 20 Business Days after the Implementation Date), KIN must reissue a cheque that was previously cancelled under clause 5.9(a).
- (c) The Unclaimed Money Act will apply in relation to any Scheme Consideration that becomes "unclaimed money" (as defined in section 3 of the Unclaimed Money Act), but any interest or other benefit accrued from the unclaimed Scheme Consideration will be for the benefit of KIN.

6. Scheme Participants

6.1 Authority given to PNX

Each Scheme Participant will be deemed (without the need for any further act) to have:

- (a) with effect on and from the Effective Date, irrevocably authorised PNX (and each of its directors and officers, jointly and each of them severally) as agent and attorney to do and execute all acts, matters, things and documents on the part of each Scheme Participant for the purposes of enforcing the Deed Poll against KIN on behalf of and as agent and attorney for each Scheme Participant; and
- (b) with effect on and from the Scheme Consideration being issued by KIN, irrevocably authorised PNX (and each of its directors and officers, jointly and each of them severally) as agent and attorney to do and execute all acts, matters, things and documents on the part of each Scheme Participant necessary to implement and give full effect to this Scheme and the transactions contemplated by it, including (without limitation):
 - (i) executing a proper instrument of transfer (including for the purposes of section 1071B of the Corporations Act) of their Scheme Shares in favour of KIN, which may be a master transfer of some or all Scheme Shares;
 - (ii) where Scheme Shares are held in a CHES holding, causing a message to be transmitted to ASX Settlement in accordance with the ASX Settlement Operating Rules to transfer the Scheme Shares held by the Scheme Participant from the CHES sub-register to the issuer sponsored sub-register operated by PNX and subsequently completing a proper instrument of transfer under paragraph 6.1(b)(i) above,

and PNX accepts each such appointment.

6.2 Appointment of sole proxy

Upon the Scheme Consideration being issued by KIN, and until KIN is registered as the holder of all Scheme Shares in the PNX Share Register, each Scheme Participant:

- (a) is deemed to have appointed KIN as attorney and agent (and directed KIN in such capacity) to appoint any director, officer, secretary or agent nominated by KIN as its sole proxy and, where applicable, corporate representative, to attend meetings of PNX shareholders, exercise the votes attaching to the Scheme Shares registered in their name and sign any PNX shareholders' resolution, and no Scheme Participant may itself attend or vote at any of those meetings or sign any resolutions, whether in person, by proxy or by corporate representative (other than pursuant to this clause 6.2(a)); and
- (b) must take all other actions in the capacity of a registered holder of Scheme Shares as KIN reasonably directs.

6.3 Appointment of PNX as sole attorney and agent

Each Scheme Participant, without the need for any further act, irrevocably appoints PNX and each of the directors and officers of PNX, jointly and severally, as the Scheme Participant's attorney and agent for the purpose of executing any document necessary or expedient to give effect to the Scheme (including executing a Scheme Transfer and any instrument appointing KIN as sole proxy for or, where applicable, corporate representative of each Scheme Participant as contemplated by clause 6.2) or doing any other act necessary or desirable to give full effect to the Scheme and the transactions contemplated by it.

6.4 Scheme Participant's consent

Each Scheme Participant:

- (a) consents to PNX doing all things and executing all deeds, instruments, transfers or other documents as may be necessary, incidental or expedient to the implementation and performance of the Scheme and PNX, as agent of each Scheme Participant, may sub-delegate its functions under this clause 6.4 to any of its directors and officers, severally; and
- (b) agrees to the transfer of their Scheme Shares, together with all rights and entitlements attaching to those Scheme Shares to KIN, in accordance with the Scheme.

6.5 Warranties by Scheme Participants

- (a) Each Scheme Participant is deemed to have warranted to PNX, in its own right and for the benefit of KIN, that:
 - (i) to the maximum extent permitted by law, all of their Scheme Shares (including any rights and entitlements attaching to those shares as at the Implementation Date) which are transferred to KIN under the Scheme will, at the date of transfer, be transferred to KIN free from all mortgages, pledges, charges, liens, encumbrances and security interests and other interests of third parties of any kind, whether legal or otherwise (but acknowledging that a security interest holder may potentially have an interest in the Scheme Consideration in accordance with the terms of such security interest); and
 - (ii) they have full power and capacity to sell and transfer their Scheme Shares to KIN (including any rights and entitlements attaching to those shares).
- (b) PNX undertakes that it will provide the warranties in clause 6.5(a) to KIN as agent and attorney of each Scheme Participant. PNX will not be responsible for the accuracy or completeness of the warranties in clause 6.5(a)

7. Dealings in PNX Shares

7.1 Determination of Scheme Participants

- (a) For the purpose of establishing the persons who are Scheme Participants, dealings in the Scheme Shares will only be recognised if:
 - (i) in the case of dealings of the type to be effected using CHESSE, the transferee is registered in the PNX Share Register as the holder of the relevant PNX Shares at the Record Date; and
 - (ii) in all other cases, registrable transmission applications or transfers in registrable form in respect of those dealings are received on or before the Record Date at the place where the PNX Share Register is kept.
- (b) PNX must register registrable transmission applications or transfers of the kind referred to in clause 7.1(a)(ii) by the Record Date.
- (c) PNX will not accept for registration or recognise for any purpose any transmission applications or transfers in respect of PNX Shares received after the Record Date (or received prior to such times but not in registrable or actionable form), other than a transfer to KIN in accordance with the Scheme and any subsequent transfer by KIN, or its successors in title.

- (d) If the Scheme becomes Effective, a holder of PNX Shares (and any person claiming through that holder) must not dispose of or otherwise deal with, or purport to agree to dispose of or otherwise deal with, any PNX Shares or any interest in them after the Effective Date otherwise than pursuant to this Scheme and any such disposal, dealing or agreement will be void and of no legal effect whatsoever.

7.2 Maintenance of PNX Share Register

- (a) For the purpose of determining entitlements to the Scheme Consideration, PNX will, until the Scheme Consideration has been provided, maintain the PNX Share Register in accordance with the provisions of this clause 7.2 and the PNX Share Register in this form will solely determine entitlements to the Scheme Consideration.
- (b) All certificates and holding statements for Scheme Shares (other than holding statements in favour of KIN and its successors in title after the Implementation Date) will cease to have any effect from the Record Date as documents of title in respect of those Scheme Shares. Subject to provision of the Scheme Consideration by KIN and registration of the transfer to KIN of the Scheme Shares contemplated by clauses 5.1 and 5.2, after the Record Date, each entry current at that date on the PNX Share Register relating to Scheme Shares will cease to be of any effect other than as evidence of entitlement to the Scheme Consideration in respect of the Scheme Shares relating to that entry.

7.3 Information to be made available to KIN

- (a) PNX will procure that, as soon as reasonably practicable after the Record Date, details of the names, Registered Addresses and holdings of Scheme Shares of every Scheme Participant as shown in the PNX Share Register as at the Record Date are made available to KIN in such form and manner as KIN reasonably requires.
- (b) Each Scheme Shareholder agrees that the information referred to in clause 7.3(a) may be disclosed to KIN, the KIN Share Registry and KIN's advisers and other service providers to the extent necessary to effect this Scheme.

7.4 Instructions and elections

If not prohibited by law (and including where permitted or facilitated by relief granted by a Government Agency), all instructions, notifications or elections by a Scheme Participant to PNX that are binding or deemed binding between the Scheme Participant and PNX relating to PNX or PNX Shares, including instructions, notifications or elections relating to:

- (a) whether dividends are to be paid by cheque or into a specific bank account;
- (b) payments of dividends on PNX Shares; and
- (c) notices or other communications from PNX (including by email),

will be deemed from the Implementation Date (except to the extent determined otherwise by KIN in its sole discretion), by reason of the Scheme, to be made by the Scheme Participant to KIN and to be a binding instruction, notification or election to, and accepted by, KIN in respect of the KIN Shares issued to that Scheme Participant until that instruction, notification or election is revoked or amended in writing addressed to KIN at its registry.

8. Notices

8.1 General

Any notice, transfer, transmission, application, direction, demand, consent or other communication (**Notice**) given or made under this document must be in writing in English and signed by the sender or a person duly authorised by the sender.

8.2 Communications by post

- (a) Subject to clause 8.3, where a Notice referred to in this document is sent by post to PNX, it will not be deemed to have been received in the ordinary course of post or on a date other than the date (if any) on which it is actually received at PNX's registered office or at the PNX Registry.
- (b) The accidental omission to give notice of the Scheme Meeting or the non-receipt of such notice by a PNX Shareholder will not, unless so ordered by the Court, invalidate the Scheme Meeting or the proceedings of the Scheme Meeting.

8.3 After hours communications

If a Notice is given:

- (a) after 5.00pm in the place of receipt; or
 - (b) on a day which is a Saturday, Sunday or bank or public holiday in the place of receipt,
- it is taken as having been given at 9.00am on the next day which is not a Saturday, Sunday or bank or public holiday in that place.

9. General

9.1 No liability when acting in good faith

Neither KIN nor PNX nor any director, officer, secretary or employee of any of those companies will be liable for anything done or omitted to be done in the performance of this Scheme or the Deed Poll when the relevant entity or person has acted in good faith.

9.2 PNX and Scheme Participants bound

The Scheme binds PNX and all Scheme Participants (including Scheme Participants who do not attend the Scheme Meeting, do not vote at that meeting or vote against the Scheme) and will, for all purposes, to the extent of any inconsistencies and permitted by law, have effect notwithstanding any provision in the constitution of PNX.

9.3 Further assurances

Subject to clause 9.4, PNX will execute all documents and do all acts and things (on its own behalf and on behalf of each PNX Shareholder) necessary or expedient for the implementation of, and performance of its obligations under, the Scheme.

9.4 Alterations and conditions

PNX may, with the consent of KIN, by its counsel consent on behalf of all Scheme Participants to any alterations or conditions which the Court thinks fit to impose and each Scheme Participant agrees, and will be deemed to have agreed, to such alterations or conditions which PNX has consented to on its behalf.

9.5 Costs

- (a) Any costs, and any stamp duty and any related fines, interest or penalties, which are payable on or in respect of this Scheme, the Deed Poll, the performance of the Deed Poll and each transaction effected by or made under or in connection with the Scheme or the Deed Poll will be paid as provided for in the Scheme Implementation Deed.
- (b) KIN indemnifies each Scheme Participant against any liability arising from its failure to comply with clause 9.5(a). For the avoidance of doubt, Scheme Participants do not have to pay any stamp duty, related fines, interest or penalties which are payable on or in respect of this document or any document referred to in this document.

9.6 Governing law and jurisdiction

- (a) This document and the Scheme are governed by and is to be construed in accordance with the laws applicable in Western Australia.
- (b) Each party irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts exercising jurisdiction in Western Australia and any courts which have jurisdiction to hear appeals from any of those courts and waives any right to object to any proceedings being brought in those courts.

Deed Poll

by

KIN Mining NL
ACN 150 597 541

in favour and for the benefit of

Holders of PNX Shares at the Record Date

Sydney

Australia Square
Level 42
264 George Street
Sydney NSW 2000

Melbourne

Level 33
360 Collins Street
Melbourne VIC 3000

Brisbane

Riverside Centre
Level 19
123 Eagle Street
Brisbane QLD 4000

Perth

Central Park
Level 48
152-158 St Georges Terrace
Perth WA 6000

Newcastle

Level 3
21 Bolton Street
Newcastle NSW 2300

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Date: 12 April 2024

Parties

KIN	Name	KIN Mining NL
	ACN	150 597 541
	Address	342 Scarborough Beach Road Osborne Park WA 6017
	Email	n.anderson@kinmining.com.au
	Attention	Nicholas Anderson

In favour of: Each holder of PNX Shares at the Record Date

Background

- A. KIN and PNX have entered into the Scheme Implementation Deed.
- B. Pursuant to the terms of the Scheme Implementation Deed, PNX has agreed to propose and implement the Scheme.
- C. Under the Scheme, subject to the satisfaction or waiver of certain conditions precedent, all Scheme Shares held by Scheme Participants will be transferred to KIN for the Scheme Consideration.
- D. KIN enters into this deed to covenant in favour of Scheme Participants to perform its obligations under the Scheme and the Scheme Implementation Deed.

Operative provisions

1. Definitions and interpretation

1.1 Definitions

In this deed, words defined in the Scheme which are not separately defined in this deed have the same meaning when used in this deed and:

First Court Date means the first day on which an application made to the Court for an order under section 411(1) of the Corporations Act convening the Scheme Meeting is heard.

Insolvency Event means in respect of any person:

- (a) the person becoming unable to or states that it is unable to pay its debts as they fall due or stops or threatens to stop paying its debts as they fall due;
- (b) any indebtedness of the person becoming subject to a moratorium;
- (c) a liquidator, provisional liquidator or administrator has been appointed to the person, a controller (as defined in section 9 of the Corporations Act) has been appointed to any property of the person, or an event which gives any other person a right to seek such an appointment;

- (d) an order has been made, a resolution has been passed or proposed in a notice of meeting or in an announcement to any recognised securities exchange, or an application to a court has been made for the winding up or dissolution of the person or for the entry into of any arrangement, compromise or composition with, or assignment for the benefit of, creditors of the person or any class of them (other than frivolous or vexatious orders or applications);
- (e) a security interest (within the meaning of section 9 of the Corporations Act) becomes enforceable or is enforced over, or a writ of execution, garnishee order, mareva injunction or similar order has been issued over or affecting, all or a substantial part of the assets of the person; or
- (f) the person has otherwise become, or is otherwise taken to be, insolvent in any jurisdiction or an event occurs in any jurisdiction in relation to the person which is analogous to, or which has a substantially similar effect to, any of the events referred to in paragraphs (a) to (e) above.

Scheme means the scheme of arrangement under Part 5.1 of the Corporations Act between PNX and the Scheme Participants under which Scheme Participants will receive the Scheme Consideration, subject to any alterations or conditions made or required by the Court under section 411(6) of the Corporations Act and agreed to by KIN and PNX.

1.2 Interpretation

Clauses 1.2 and 1.3 of the Scheme apply to the interpretation of this deed poll, except that references to 'this Scheme' are to be read as references to 'this deed poll'.

2. Nature of deed poll

KIN acknowledges that:

- (a) this deed may be relied on and enforced by any Scheme Participant in accordance with its terms, even though Scheme Participants are not party to it; and
 - (b) under the Scheme, each Scheme Participant irrevocably appoints PNX and each of the directors and officers of PNX, jointly and severally, as its agent and attorney, inter alia, to enforce this deed against KIN on behalf of that Scheme Participant.
-

3. Conditions precedent and termination

3.1 Conditions precedent

The obligations of KIN pursuant to this deed are subject to the Scheme becoming Effective.

3.2 Termination of deed

If:

- (a) the Scheme Implementation Deed is terminated in accordance with its terms; or
- (b) the Scheme does not become Effective on or before the End Date,

then KIN's obligations under this deed will automatically terminate and this deed will be of no further force or effect, unless KIN and PNX otherwise agree in writing.

3.3 Consequences of termination

If this deed is terminated under clause 3.2 then, in addition and without prejudice to any other rights, power or remedies available to the Scheme Participants:

- (a) KIN is released from any obligation to further perform this deed, other than clause 8.7; and
- (b) each Scheme Participant retains any rights, power or remedies it has against KIN in respect of any breach of this deed by KIN which occurred before the termination of this deed.

4. Scheme Consideration

4.1 Performance of obligations generally

Subject to clause 3, KIN must comply with its obligations under the Scheme Implementation Deed and must do all things necessary or desirable on its part to implement the Scheme.

4.2 Provision of Scheme Consideration

Subject to clauses 3 and 4.4, in consideration for the transfer of the Scheme Shares to KIN, KIN:

- (a) must acquire all of the Scheme Shares from Scheme Participants, in accordance with the provisions of the Scheme;
- (b) undertakes in favour of each Scheme Participant to issue and allot the Scheme Consideration to each Scheme Participant (other than to Ineligible Foreign Shareholders who will be dealt with in accordance with clause 4.4); and
- (c) undertakes in favour of each Scheme Participant to perform all other actions and obligations attributed to it under the Scheme and otherwise do all things necessary or expedient on its part to implement the Scheme.

4.3 Satisfaction of obligation to provide Scheme Consideration

The obligation of KIN to provide the Scheme Consideration referred to in clause 4.2(b) will be satisfied by KIN, by:

- (a) on the Implementation Date, entering in the register of members of KIN the name of each Scheme Participant, in relation to the KIN Shares issued to each Scheme Participant as Scheme Consideration in accordance with the Scheme; and
- (b) within 10 Business Days of the Implementation Date, dispatching to each Scheme Participant, if their KIN Shares are held on the issuer sponsored sub register of KIN, to his or her address as recorded in the PNX Share Register at the Record Date, an uncertificated holding statement in the name of that Scheme Participant representing the number of KIN Shares issued to that Scheme Participant.

4.4 Ineligible Foreign Shareholders

KIN will be under no obligation under the Scheme to issue, and will not issue, any KIN Shares to an Ineligible Foreign Shareholder, and instead where a Scheme Participant is an Ineligible Foreign Shareholder, the number of KIN Shares to which the Scheme Participant would otherwise be entitled will, on the Implementation Date, be allotted to a nominee appointed by KIN who will sell those KIN Shares as soon as practicable (at the risk of that Ineligible Foreign Shareholder) and pay the proceeds received, after deducting any applicable brokerage, stamp duty and other taxes and charges, to that Ineligible Foreign Shareholder in full satisfaction of that Ineligible Foreign Shareholder's rights under the Scheme to Scheme Consideration.

4.5 Joint holders

In the case of Scheme Shares held by Scheme Participants in joint names:

- (a) any entry in the register of members of KIN required to be made must record the names and registered addresses of the joint holders; and
- (b) any uncertificated holding statement for KIN Shares must be issued to Scheme Participants in the names of the joint holders and must be forwarded to the holder whose name first appears in the PNX Share Register at the Record Date.

4.6 New Shares to rank equally

KIN covenants in favour of each Scheme Participants that the KIN Shares which are issued to each Scheme Participant in accordance with the Scheme will:

- (a) rank equally with all existing KIN Shares at the issue date; and
- (b) be issued fully paid and free from any Encumbrance.

5. Quotation of KIN Shares

KIN will use its best endeavours to procure that the KIN Shares are quoted on ASX as soon as reasonably practicable after the Implementation Date.

6. Representations and warranties

KIN represents and warrants in favour of each Scheme Participant, in respect of itself, that:

- (a) it is a company limited by shares and validly existing under the Corporations Act;
- (b) it has full legal capacity and power to enter into this deed and to carry out its obligations that this deed contemplates;
- (c) it has taken all corporate action that is necessary or desirable to authorise its entry into this deed and it carrying out the obligations this deed contemplates; and
- (d) this deed constitutes its legal, valid and binding obligations, enforceable against it in accordance with its terms (except to the extent limited by equitable principles and laws affecting creditor's rights generally) subject to any necessary stamping and will not conflict with or constitute a default under any provision of:
 - (i) any agreement or instrument to which it is a party;
 - (ii) its constitution; or
 - (iii) any law, order, judgment, award, injunction, decree, rule or regulation by which it is bound; and
- (e) it is not subject to an Insolvency Event.

7. Continuing obligations

This deed is irrevocable and, subject to clause 3, remains in full force and effect until KIN has completely performed its obligations under this deed or the earlier termination of this deed under clause 3.

8. General

8.1 Notices

- (a) Any notice or other communication in respect of this deed must be:
- (i) in writing and in the English language;
 - (ii) addressed to the address of the recipient in clause 8.1(d) or to any other address as the recipient may have notified the sender; and
 - (iii) be signed by the sender or by an authorised officer of the sender.
- (b) In addition to any other method of service authorised by law, the notice may be:
- (i) personally served on a party;
 - (ii) left at the party's current address for service;
 - (iii) sent to the party's current address for service by prepaid ordinary mail or if the address is outside Australia by prepaid airmail; or
 - (iv) sent by electronic mail to the party's electronic mail address.
- (c) If a notice is sent or delivered in the manner provided in clause 8.1(b) it must be treated as given to or received by the addressee in the case of:
- (i) delivery in person, when delivered;
 - (ii) delivery by post:
 - (A) in Australia to an Australian address, the second Business Day after posting; or
 - (B) in any other case, on the tenth Business Day after posting; or
 - (iii) electronic mail, when the sender's computer reports that the message has been delivered to the electronic mail address of the addressee,
- but if delivery is made after 5.00pm on a Business Day it must be treated as received on the next Business Day in that place.
- (d) KIN's details for service are, as at the date of execution of this deed and subject to clause 8.1(e) below:
- KIN:**
- Address: 342 Scarborough Beach Road
- Osborne Park WA 6017
- Email: n.anderson@kinmining.com.au
- Attention: Nicholas Anderson
- (e) KIN may from time to time change its postal or email addresses for service by notice to each Scheme Participant or, if KIN is admitted to the official list of ASX at that time, by way of ASX announcement.

8.2 Governing law and jurisdiction

- (a) This deed is governed by and construed in accordance with the laws of Western Australia.
- (b) KIN irrevocably:
 - (i) submits to the non-exclusive jurisdiction of the courts of Western Australia and the courts competent to determine appeals from those courts, with respect to any proceedings which may be brought at any time relating to this deed; and
 - (ii) waives any objection it may now or in the future have to the venue of any proceedings, and any claim it may now or in the future have that any proceedings have been brought in an inconvenient forum, if that venue falls within paragraph 8.1(b)(i).

8.3 Assignment

- (a) The rights and obligations of KIN and each Scheme Participant under this deed are personal. They cannot be assigned, charged or otherwise dealt with without the prior consent of KIN and PNX.
- (b) Any purported dealing in contravention of clause 8.3(a) is invalid.

8.4 Remedies cumulative

The rights and remedies under this deed are cumulative and not exclusive of any rights or remedies provided by law.

8.5 Severability

If a provision of this deed is illegal, invalid, unenforceable or void in a jurisdiction it is severed for that jurisdiction and the remainder of this deed has full force and effect and the validity or enforceability of that provision in any other jurisdiction is not affected.

8.6 Further assurance

KIN must promptly, at its own cost, do all things (including executing and delivering all documents) necessary or desirable to give full effect to this deed and the transactions contemplated by it.

8.7 Duty

KIN:

- (a) must pay all duty (including stamp duty) and any related fines, penalties and interest in respect of the Scheme and this deed (including without limitation the acquisition or transfer of Scheme Shares pursuant to the Scheme), the performance of this deed and each transaction effected by or made under or pursuant to the Scheme and this deed; and
- (b) indemnifies each Scheme Participant against any liability arising from failure to comply with clause 8.7(a).

8.8 Variation

- (a) A provision of this deed may not be varied, altered or otherwise amended unless:
 - (i) before the First Court Date, the variation, alteration or amendment is agreed to in writing by PNX and KIN (which such agreement may be given or withheld without reference to or approval by any PNX Shareholder); or
 - (ii) on or after the First Court Date, the variation, alteration or amendment is agreed to in writing by PNX and KIN and is approved by the Court (which such agreement may be given or withheld without reference to or approval by any PNX Shareholder), in which event KIN will enter into a further deed poll in favour of each Scheme Participant giving effect to the variation, alteration or amendment.

8.9 Waiver

- (a) KIN's waiver of a right under or relating to this deed, whether prospectively or retrospectively, is not effective unless it is in writing and signed by KIN.
- (b) A Scheme Participant's waiver of a right under or relating to this deed, whether prospectively or retrospectively, is not effective unless it is in writing and signed by the Scheme Participant granting that waiver.
- (c) No other act, omission or delay by KIN or a Scheme Participant will constitute a waiver of a right.

8.10 Counterparts

This deed may be executed in any number of counterparts each of which will be considered an original but all of which will constitute one and the same instrument.



Executed and delivered as a deed poll

Signed, sealed and delivered by)
KIN Mining NL ACN 150 597 541)
pursuant to Section 127 of the)
Corporations Act 2001 (Cth):)

DocuSigned by:

980E607D9B15440...
Signature of Director

Nicholas Anderson
Name of Director (print)

DocuSigned by:

121495379022414...
Signature of Director/Secretary

Joe Graziano
Name of Director/Secretary (print)

Annexure C – Notice of Scheme Meeting

Notice is given that, by an order of the Supreme Court of Western Australia made on 17 July 2024 pursuant to section 411(1) of the *Corporations Act 2001* (Cth), a meeting of PNX Shareholders will be held in person at 12:00pm ACST on 27 August 2024 at Level 3, 170 Frome Street Adelaide, South Australia, 5000 (**Scheme Meeting**).

This notice, the accompanying explanatory notes and the Scheme Booklet should be read in full. If you are in any doubt as to how you should vote at the Scheme Meeting, you should seek advice from your financial, tax, legal or other professional adviser prior to voting.

Should you have any questions regarding this notice or the Scheme, please do not hesitate to contact the PNX information line on 1300 305 232 (within Australia) or +61 3 9415 4657 (outside Australia) Monday to Friday between 8:00am and 4:30pm ACST (excluding public holidays).

PNX Shareholders are urged to vote on the Scheme Resolution by attending the Scheme Meeting in person or by lodging the personalised proxy form attached to this notice.

Purpose of the Scheme Meeting

The purpose of the Scheme Meeting is to consider and, if thought fit, to agree (with or without any alterations or conditions required by the Court and consented to in writing by PNX and KIN) to a scheme of arrangement proposed to be made between PNX and PNX Shareholders.

To enable you to make an informed voting decision, important information in relation to the Scheme is set out in the Scheme Booklet accompanying this Notice of Scheme Meeting.

Copies of the Scheme and the explanatory statement required by section 412 of the Corporations Act in relation to the Scheme are set out in the Scheme Booklet. The Scheme Booklet also includes this Notice, the explanatory notes to this Notice and the accompanying proxy form.

Unless otherwise defined in this Notice, capitalised terms and abbreviations used in this Notice have the same meaning given to them in section 11 of the Scheme Booklet.

Scheme Resolution

To consider and, if thought fit, to pass, with or without amendment, the following resolution:

“That, pursuant to and in accordance with section 411 of the Corporations Act, the scheme of arrangement proposed between PNX and PNX Shareholders, as contained in and more particularly described in the Scheme Booklet of which this notice convening the meeting forms part, is agreed to, and the PNX Directors are authorised to agree to such alterations or conditions as are thought fit by the Court and consented to in writing by PNX and KIN, and subject to approval by the Court, to implement the Scheme with any such alterations or conditions.”

Chair of the Scheme Meeting

The Court has directed that Mr Graham Ascough act as Chair of the Scheme Meeting or failing him, Mr James Fox, and has directed the Chair to report the result of the Scheme Meeting to the Court.

By order of the Court and the PNX Board

Katelyn Adams
Company Secretary
17 July 2024

EXPLANATORY NOTES

These explanatory notes form part of and should be read in conjunction with the Notice of Scheme Meeting.

1. General

These explanatory notes have been prepared for the information of PNX Shareholders in connection with the business to be conducted at the Scheme Meeting to be held in person at 12:00pm ACST on 27 August 2024 at Level 3, 170 Frome Street Adelaide, South Australia, 5000.

These explanatory notes should be read in conjunction with the Scheme Booklet dated 17 July 2024, of which this Notice of Scheme Meeting and explanatory notes form part. The Scheme Booklet contains important information to assist you in determining how to vote on the Scheme Resolution.

Any changes to the Scheme Meeting will be communicated to PNX Shareholders electronically on PNX's website at www.pnxmetals.com.au and on ASX's website at www.asx.com.au (ASX: PNX).

2. Requisite Majorities

In accordance with section 411(4)(a)(ii) of the Corporations Act, for the Scheme to be approved by PNX Shareholders, the Scheme Resolution must be passed by:

- (a) a majority in number (more than 50%) of PNX Shareholders present and voting at the Scheme Meeting (either in person or by proxy, attorney or corporate representative); and
- (b) at least 75% of the total number of votes cast on the Scheme Resolution by PNX Shareholders present and voting (either in person or by proxy, attorney or corporate representative).

The Court has the power to waive the first requirement.

The Scheme Resolution will be considered by way of a poll rather than by show of hands.

KIN is excluded from voting on the Scheme Resolution because it is a proponent of the Scheme. As at the Last Practicable Date, neither KIN nor any of its Associates held any PNX Shares.

3. Court approval

In accordance with section 411(4)(b) of the Corporations Act, the Scheme must be approved by order of the Court. Accordingly, if the Scheme Resolution is approved by the Requisite Majorities as set out above and if all conditions to the Scheme have been satisfied or waived (other than the Scheme Condition requiring Court approval), then PNX intends to apply to the Court for the necessary orders to approve the Scheme.

4. Voting and Attendance Entitlement

For the purposes of voting at the Scheme Meeting, the Court has determined that those persons who are registered as holding PNX Shares in the PNX Share Register as at 5:00pm ACST on 25 August 2024 will be entitled to attend and vote at the Scheme Meeting.

Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the Scheme Meeting.

PNX Shareholders may vote by attending the Scheme Meeting in person or by appointing a proxy, attorney or corporate representative to attend and vote on their behalf.

5. How to vote

PNX Shareholders entitled to vote on the Scheme Resolution can vote:

- (a) **in person**, by physically attending the Scheme Meeting to be held at Level 3, 170 Frome Street Adelaide, South Australia, 5000;
- (b) **by proxy**, by returning your proxy form before 12:00pm ACST on 25 August 2024 in one of the following methods:
 - (1) **online** at www.investorvote.com.au/ or, if you are an intermediary online subscriber (custodian), at www.intermediaryonline.com/;
 - (2) **by post** to the PNX Share Registry at GPO Box 242, Melbourne VIC 3001;
 - (3) **by facsimile** to the PNX Share Registry on 1800 783 447 (within Australia) or +61 3 9473 2555 (outside Australia); or
- (c) **by attorney**, by appointing an attorney to attend and vote at the Scheme Meeting on your behalf; or
- (d) **by corporate representative**, if you are a body corporate, by appointing a corporate representative to attend and vote at the Scheme Meeting on your behalf.

6. Voting in person

If you wish to vote in person, you may attend the Scheme Meeting at Level 3, 170 Frome Street Adelaide, South Australia, 5000.

PNX Shareholders, their proxy, attorney or corporate representatives who plan to attend the Scheme Meeting are asked to arrive at the venue at least 30 minutes prior to the time the Scheme Meeting is scheduled to commence, so that PNX Shareholders can be checked against the PNX Share Register, or appointment as proxy, attorney or corporate representative can be verified and their attendance noted.

7. Voting by proxy

PNX Shareholders who are entitled to attend and vote at the Scheme Meeting may appoint a person, who need not be a PNX Shareholder, as its proxy to attend and vote on its behalf. A PNX Shareholder who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise.

If you wish to indicate how your proxy should vote, please mark the appropriate boxes on the proxy form. If you do not direct your proxy how to vote, you are directing your proxy to vote as he or she decides.

If you mark the abstain box for a particular item, you are directing your proxy not to vote on your behalf and your PNX Shares will not be counted in computing the required majority in the event of a poll.

For proxies without voting instructions that are exercisable by the Chair, the Chair intends to vote those proxies in favour of the Scheme Resolution. The Chair will be deemed to be appointed where a signed proxy form is returned that does not contain the name of the proxy.

A proxy form accompanies this Notice of Scheme Meeting. Should you wish to appoint a proxy, please complete the proxy form and return it at least 48 hours before the Scheme Meeting, being no later than 12:00pm ACST on 25 August 2024 to:

- (a) **online** at www.investorvote.com.au/ or, if you are an intermediary online subscriber (custodian), at www.intermediaryonline.com/;
- (b) **by post** to the PNX Share Registry at GPO Box 242, Melbourne VIC 3001, including, by using the reply-paid envelope provided (only for use in Australia);
- (c) **by facsimile** to the PNX Share Registry on 1800 783 447 (within Australia) or +61 3 9473 2555 (outside Australia).

If the appointment is signed by an attorney, the power of attorney or a certified copy of it must be sent with the proxy form.

8. Voting by attorney

You may appoint an attorney to attend and vote at the Scheme Meeting on your behalf. An attorney may, but need not, be a PNX Shareholder. Each attorney will have the right to vote on the poll and to speak at the Scheme Meeting.

An attorney will only be able to exercise a vote if the original power of attorney or a certified copy of it is received by the PNX Share Registry at least 48 hours before the Meeting, being no later than 12:00pm ACST on 25 August 2024. You may submit such documents:

- (a) **by post** to the PNX Share Registry at GPO Box 242, Melbourne VIC 3001, including, by using the reply-paid envelope provided (only for use in Australia); or
- (b) **by hand delivery** to the PNX Share Registry at Level 5, 115 Grenfell Street, Adelaide, South Australia, 5000.

An attorney who wishes to attend and vote at the Scheme Meeting in person will be admitted to the Scheme Meeting and given a voting card at the point of entry upon providing to the Scheme Meeting written evidence of their appointment (original or certified copy), their name and address and the identity of their appointer.

9. Voting by corporate representative

A PNX Shareholder which is a corporation may appoint an individual to act as its representative to attend and vote at the Scheme Meeting. The appointment must comply with section 250D of the Corporations Act, meaning that PNX will require a Certificate of Appointment of Corporate Representative executed in accordance with section 250D of the Corporations Act. The completed Certificate should be lodged with the PNX Share Registry at least 48 hours before the Meeting, being no later than 12:00pm ACST on 25 August 2024.

PNX Shareholders may obtain a form of notice of appointment from the PNX Share Registry at www.computershare.com/au. Details on how to submit the form are contained therein.

10. Jointly held shares

If more than one joint holder of a PNX Share is present at the Scheme Meeting (whether personally or by proxy, attorney or corporate representative) and tenders a vote, only the vote of the joint holder whose name appears first on the register will be counted.

11. Further Information

Further information for PNX Shareholders is set out in the Scheme Booklet. If you have any questions regarding the Scheme Meeting, please contact the PNX information line on 1300 305 232 (within Australia) or +61 3 9415 4657 (outside Australia) between 8:00am and 4:30pm ACST Monday to Friday (excluding public holidays).

Annexure D – Sample Proxy




PNX Metals Limited
ABN 67 127 446 271



PNX

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

Need assistance?

 **Phone:**
1300 305 232 (within Australia)
+61 3 9415 4657 (outside Australia)

 **Online:**
www.investorcentre.com/contact



YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **12:00pm ACST on Sunday, 25 August 2024.**

Proxy Form

How to Vote on the Item of Business

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

APPOINTMENT OF PROXY

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

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

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

A proxy need not be a securityholder of PNX Metals Limited.

SIGNING INSTRUCTIONS FOR POSTAL FORMS

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

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

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

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

PARTICIPATING IN THE MEETING

Corporate Representative

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

Lodge your Proxy Form: **XX**

Online:

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

Your secure access information is



Control Number: 999999
SRN/HIN: I999999999
PIN: 99999

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

By Mail:

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

By Fax:

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



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

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

Samples/000001/000003/12

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

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



I 9999999999 I ND

Proxy Form

Please mark to indicate your directions

Step 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of PNX Metals Limited hereby appoint

the Chairman of the Meeting **OR**

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

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Scheme Meeting of PNX Metals Limited to be held at Level 3, 170 Frome Street, Adelaide SA 5000 on Tuesday, 27 August 2024 at 12:00pm ACST and at any adjournment or postponement of that meeting.

Step 2 Item of Business

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

Scheme Resolution

For Against Abstain

"That, pursuant to and in accordance with section 411 of the Corporations Act, the scheme of arrangement proposed between PNX and PNX Shareholders, as contained in and more particularly described in the Scheme Booklet of which this notice convening the meeting forms part, is agreed to, and the PNX Directors are authorised to agree to such alterations or conditions as are thought fit by the Court and consented to in writing by PNX and KIN, and subject to approval by the Court, to implement the Scheme with any such alterations or conditions."

The Chairman of the Meeting intends to vote undirected proxies in favour of the Scheme Resolution in the absence of a Superior Proposal from another party prior to the date of the Scheme Meeting and subject to the Independent Expert continuing to conclude that the Scheme is in the best interest of PNX Metals Limited Shareholders.

Step 3 Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director & Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

/ /

Date

Update your communication details (Optional)

Mobile Number

Email Address

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

PNX

3 0 9 7 5 2 A



Computershare



Annexure E – Independent Expert’s Report



PNX Metals Limited

Independent Expert’s Report and Financial Services Guide

10 July 2024



The Independent PNX Directors
PNX Metals Limited
135 Fullarton Road
Rose Park,
South Australia 5067

Grant Thornton Corporate Finance Pty Ltd
Level 17
383 Kent Street
Sydney NSW 2000
Locked Bag Q800
Queen Victoria Building NSW 1230
T +61 2 8297 2400

10 July 2024

Dear Independent PNX Directors

Introduction

PNX Metals Limited (“PNX” or “the Company”) is focussed on mineral exploration and development in the Northern Territory, Australia. It has two key exploration projects, the Hayes Creek Project¹ and the Fountain Head Project² (the “Advanced PNX Projects”) and a number of other earlier-stage assets with a total of c. 1,500km² of mining and exploration licences over prospective geological terrains. PNX is listed on the Australian Securities Exchange (“ASX”) with a market capitalisation of c. A\$23.9 million as at 29 May 2024³.

KIN Mining NL (“KIN”) is focused on advancing its 100% owned Cardinia Gold Project (“CGP”) in the Leonora gold province of Western Australia (“WA”). Following the recent divestment of certain key tenements to Genesis Minerals Limited (“Genesis”), KIN holds cash and cash equivalents of c. A\$86.6 million⁴. KIN is listed on the ASX with a market capitalisation of c. A\$71.9 million as at 29 May 2024⁵.

PNX and KIN have a common shareholder, the DELPHI Unternehmensberatung Aktiengesellschaft (“Delphi”)⁶, and common directors, being Mr Rowan Johnston and Mr Hansjoerg Plaggemars. Delphi, together with its associates⁷ (“Delphi Group”) own 45.23% of PNX and 41.37% of KIN.

On 15 February 2024, PNX announced they had received an unsolicited, non-binding and indicative offer from KIN for a potential merger (“KIN NBIO”) and subsequently on 15 April 2024, PNX announced that it had entered into a Scheme Implementation Deed (“SID”) with KIN, pursuant to which KIN will acquire all fully paid ordinary shares in the capital of PNX (“PNX Shares”) by way of a Scheme of Arrangement (“Scheme”) for consideration of 1 fully paid ordinary share in KIN for every 13 fully paid ordinary PNX Shares (the “Scheme Consideration”).

¹ Hayes Creek Project refers to the Hayes Creek VHMS gold-silver-zinc project comprising the Mt Bonnie and Iron Blow gold-zinc-silver deposits.

² Fountain Head Project refers to the Fountain Head gold project comprising the Fountain Head, Tally Ho, Glencoe, Mt Porter and Mt Bonnie gold deposits.

³ Source: S&P Capital.

⁴ KIN held cash and term deposits of c. A\$65.4 million (as at 16 May 2024) and shares in Genesis valued at c. A\$21.5 million (11,280,465 Genesis Shares at a price of A\$1.910 per share as at 29 May 2024).

⁵ Source: S&P Capital.

⁶ Delphi hold a shareholding of 39.54% in PNX and 23.33% in KIN.

⁷ Associates refers to Deutsche Balaton Aktiengesellschaft in respect of PNX and Deutsche Balaton Aktiengesellschaft, KiCo Invest GmbH and Sparta AG in respect of KIN.

At the time of announcement, PNX indicated that the Scheme Consideration on a like-for-like basis represented a 6.2%⁸ premium for PNX shareholders (“PNX Shareholders”). Upon implementation of the Scheme, KIN shareholders and PNX Shareholders will hold approximately c. 72% and c. 28% in the newly merged group (“Merged Group”)⁹ respectively.

The Scheme is subject to the conditions precedent set out in Section 1 of this Independent Expert’s Report (“IER”) including approvals by PNX Shareholders and the Court.

PNX established an independent sub-committee of the PNX Board, comprising Graham Ascough, James Fox and Hans-Jörg Schmidt (each an independent director and together the “Independent PNX Directors”), who were responsible for considering and responding to the KIN NBIO and future proposals.

The SID contains customary exclusivity provisions including no shop and no talk restrictions, and a matching counterproposal right for KIN in the event that the Independent PNX Directors receive a superior proposal. The SID also details circumstances under which PNX or KIN may be required to pay each other a reimbursement fee of A\$325,000.

In conjunction with the Scheme, KIN and PNX have entered into an unsecured bridging loan agreement (“KIN Facility”) pursuant to which KIN agreed to provide PNX with up to A\$1.5 million to assist with PNX’s transaction costs, working capital and corporate overhead requirements during the implementation of the Scheme. The KIN Facility is unsecured and subject to normal commercial terms. The first tranche of A\$0.5 million was received on 16 April 2024, with the second tranche of c. A\$0.5 million drawn down on 31 May 2024 and the third and final tranche to be provided not earlier than 45 days later.

Subject to no superior proposal emerging and an independent expert concluding and continuing to conclude that the Scheme is in the best interests of PNX Shareholders, the Independent PNX Directors unanimously recommend that PNX Shareholders vote in favour of the Scheme and subject to the same qualifications, the Independent PNX Directors intend to vote, or procure the voting of, all PNX Shares held or controlled by them, in favour of the Scheme.

Purpose of the report

The Independent PNX Directors have requested Grant Thornton Corporate Finance Pty Ltd (“Grant Thornton Corporate Finance”, or “GTCF”) to prepare an IER stating whether the Scheme is in the best interest of PNX Shareholders for the purposes of Section 411 of the Corporations Act. When preparing this IER, Grant Thornton Corporate Finance had regard to the Australian Securities Investment Commission’s (“ASIC”) Regulatory Guide 111 *Contents of expert reports* (“RG 111”) and Regulatory Guide 112 *Independence of experts* (“RG 112”). The IER also includes other information and disclosures as required by ASIC.

For the purpose of this IER, an independent technical specialist, Valuation & Resource Management Pty Ltd (“VRM”) was engaged by Grant Thornton Corporate Finance to assist in the valuation

⁸ Using 30-day VWAP of KIN shares and PNX Shares respectively.

⁹ Based on 459,247,289 PNX shares and 1,178,150,548 KIN shares in the Merged Group. Refer to Section 6.2 for a summary of the Merged Group capital structure.

assessment of the exploration assets of the Company and KIN. VRM's conclusions are included in the independent technical report ("VRM Report") which is in Appendix H to this report.

It is noted that KIN has commissioned BDO Corporate Finance to prepare an IER in relation to the acquisition of PNX Shares from the Delphi Group pursuant to the terms of the Scheme for the purpose of Listing Rule 10.1. BDO Corporate Finance has also appointed VRM to assist in the preparation of its IER. We have been advised that the valuation of PNX and KIN mineral assets undertaken by VRM is substantially the same, in all material respect, for the two IERs to be prepared by Grant Thornton Corporate Finance for PNX Shareholders in relation to the Scheme and by BDO Corporate Finance for KIN shareholders in relation to ASX Listing Rules. We have discussed this joint appointment with VRM and based on these discussions, the independence safeguards put in place and a review of the relevant independence regulatory requirements, nothing has come to our attention that would suggest that the appointment of VRM by BDO Corporate Finance would impair VRM's independence in relation to the Scheme.

Summary of opinion

Grant Thornton Corporate Finance has concluded that the Scheme is FAIR AND REASONABLE and hence in the BEST INTERESTS of PNX Shareholders in the absence of a superior proposal emerging.

In forming our opinion, Grant Thornton Corporate Finance has considered whether the Scheme is fair and reasonable to PNX Shareholders and, as part of that consideration, had regard to other quantitative and qualitative considerations.

Fairness Assessment

Grant Thornton Corporate Finance has compared the fair market value of PNX Shares on a control basis with the value of the Scheme Consideration. The following table summarises our fairness assessment.

Fairness Assessment	Section	Low	High
Cents per PNX Share	Reference		
Fair Market Value of PNX Shares (control basis)	8.1.3	0.401	0.620
Market Value of Scheme Consideration (minority basis)	10.1.2 / Note 1	0.500	0.538
Premium / (discount) to Fair Market Value (%)		24.6%	(13.1)%
<i>Fairness Assessment</i>		<i>FAIR</i>	

Source: GTCF analysis.

Notes: (1) The Scheme Consideration is based on one KIN share being issued for every 13 PNX Shares held.

The Scheme Consideration on a minority basis is within the assessed valuation range of PNX Shares on a control basis. Accordingly, we conclude that the Scheme is **FAIR** to PNX Shareholders. Further, we are of the opinion that there is greater risk of PNX being able to realise its assets in line with the high-end of our range compared with the high-end value of the Scheme Consideration which is in line with the recent trading prices of KIN.

However, given that the value of the Scheme Consideration will continue to vary in conjunction with KIN's trading prices up to implementation of the Scheme, we have set out below a sensitivity analysis of the Scheme Consideration based on different levels of KIN share prices.

Scheme Consideration Sensitivity											
Cents per share											
KIN Share Price	5.50	5.75	6.00	6.25	6.50	6.75	7.00	7.25	7.50	7.75	8.00
Scheme Consideration value¹	0.423	0.442	0.462	0.481	0.500	0.519	0.538	0.558	0.577	0.596	0.615

Source: GTCF analysis.

Notes: (1) Calculated as the trading price of one KIN share divided by 13.

KIN's trading prices have experienced a downward trend in the last few weeks, decreasing by 6.2% since the announcement of the KIN NBIO and by 20.8% since the announcement of the Scheme. Volatile market conditions are expected to continue in the short term, and they may have a positive or negative impact on the trading prices of KIN and the value of the Scheme Consideration. We will continue to monitor the performance of KIN trading prices and the market as a whole after completion of this IER and we will issue a supplementary IER if required. However, PNX Shareholders should be aware of the following:

- In the absence of the Scheme, the same market trends may also negatively affect the trading prices of PNX which may also be exacerbated by the requirement for capital injections in the near term.
- The trading prices of KIN are at a discount to KIN's cash and liquid investments held and hence even if the trading prices continue to fall in the short term, it does not necessarily indicate that the market value of KIN has reduced.
- Our valuation assessment of KIN based on the trading prices does not attribute any value to the JORC compliant Mineral Resource of 22.1 mt at a grade of 1.31 g/t for approximately 932Koz of contained gold in Leonora gold district.
- As discussed in the reasonableness section below, the underlying fair market value of the Merged Group is estimated materially in excess to the trading prices.

PNX Shareholders should be aware that our assessment of the value per PNX Share should not be considered to reflect the price at which PNX Shares may trade if the Scheme is not implemented. The price at which PNX Shares will ultimately trade depends on a range of factors, including the liquidity of PNX Shares, potential capital requirements by the Company, movements in the gold price, macro-economic conditions, interest rates and the progress made by PNX in advancing its projects.

We have assessed the fair market value of PNX Shares on a control basis by adopting the market value of net assets method and the Resource Multiple¹⁰ method.

Valuation assessment of PNX

For the valuation assessment of PNX, we have adopted the following approaches:

¹⁰ The Resource Multiple refers to EV/Resources (comprising Measured, Indicated and Inferred).

- Grant Thornton Corporate Finance has engaged VRM to prepare a valuation of the exploration assets of PNX which was completed in accordance with the VALMIN Code¹¹. VRM has considered a number of valuation methodologies to assess the market value of PNX's mineral assets. In this regard, we note the Mineral Resources of the Advanced PNX Projects, Mount Porter and Glencoe have been assessed using a combination of comparable transactions and yardstick valuation approaches, whilst the other exploration projects have been valued using a combination of the geoscientific rating (modified Kilburn) and other exploration valuation approaches.
- Grant Thornton has also assessed the fair market value of PNX based on the Resource Multiple method of listed peers and comparable transactions. Under this approach, the total gold Mineral Resource Estimate ("MRE") is capitalised at an appropriate Resource Multiple to determine the enterprise value of the business.

A summary of the valuation assessment of PNX is set out in the table below:

Valuation Summary (control basis) A\$'000 (except where stated otherwise)	Section Reference	Low	High
GT assessed EV	8.1.2.3 / Note 1	26,045	36,463
VRM assessed EV	8.1.1	22,830	38,520
Enterprise Value		24,438	37,492
Less: Net Debt	8.1.3	(480)	(480)
GT Assessed Equity Value		23,957	37,011
Number of outstanding shares ('000)	8.1.3	5,970,215	5,970,215
Assessed value per share (Cents)		0.401	0.620

Sources: VRM Report; GTCF analysis.

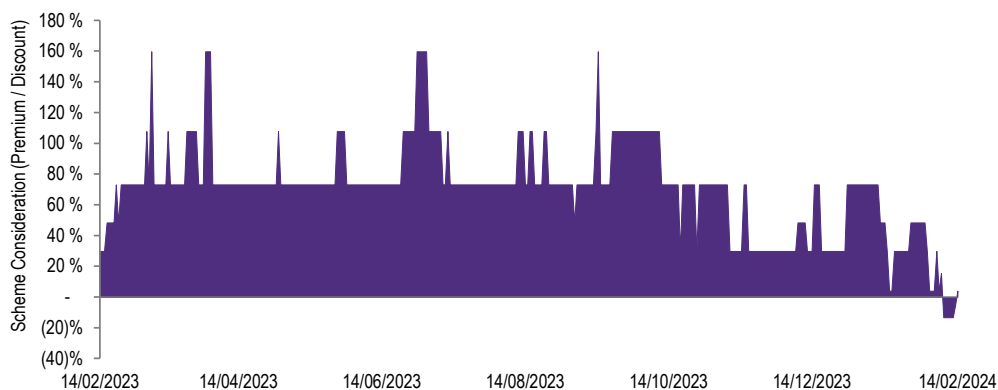
Notes: (1) As detailed in Section 8.1.2.3, we have selected a Resource Multiple range of 50x to 70x based on a total contained gold ounces of 521Koz. We have also assessed the implied Resource Multiples considering total gold equivalent ounces, which we consider supports the Resource Multiple range.

In our valuation assessment of PNX, we have not relied on PNX trading prices given the limited liquidity. We note that where a company's stock is not heavily traded or is illiquid, the market typically observes a difference between the 'bid' and 'ask' price for the stock as there may be a difference in opinion between the buyer and seller on the underlying value. For PNX, the difference between the bid and ask price has been high since May 2023, averaging 26.6%. Hence we have not relied on this approach to assess the fair market value of the Company.

The mid-point value of our Scheme Consideration valuation assessment of 0.519 cents is at a discount to the trading prices before the announcement of the KIN NBIO but at a premium compared with trading prices during 2023 as set out in the graph below. We are of the opinion that this is due to the limited liquidity in PNX trading prices which makes them not reliable for the purpose of assessing the fair market value of the Company.

¹¹ The VALMIN Code sets out the requirements for the technical assessment and valuation of mineral assets and securities.

Implied daily premium for control (based on the mid-point value of the Scheme Consideration)



Sources: S&P Global; GTCF analysis.

Notes: (1) Trading price data is from 14 February 2023 to 14 February 2024 (being the last trading day before the KIN NBIO announcement). (2) The implied premium is based on the mid-point of our valuation assessment of the Scheme Consideration.

Value of the Scheme Consideration

In our valuation assessment of the Scheme Consideration, we have considered two approaches:

- **Approach 1:** We have relied on the trading prices of KIN after the announcement of the KIN NBIO as representative of the market's expectations of the Merged Entity's value and as the value that may be realised in the short term by PNx Shareholders.
- **Approach 2:** We have adopted the underlying fair market value of the Merged Group calculated based on the aggregation of the market value of net assets of PNx and KIN.

Ultimately, in forming our view on the fairness of the Scheme, we have relied on KIN's trading prices after the announcement of the KIN NBIO (Approach 1) but we have considered the potential underlying value of the Merged Group in our reasonableness consideration for those PNx Shareholders who may consider holding shares in the Merged Group. We have adopted Approach 1 to assess the Scheme Consideration due to the following:

- We have assumed that PNx Shareholders will dispose of the Scheme Consideration in the short term after implementation of the Scheme. The decision to continue to hold KIN shares beyond the short-term period following implementation of the Scheme is a separate investment decision which depends on the individual circumstances of PNx Shareholders.
- PNx Shareholders will collectively hold 28.0% of the issued capital of the Merged Group and KIN's shareholding will be 72.0%, accordingly PNx Shareholders are unlikely to have the ability to influence the operations and strategic direction of the Merged Group.
- The Merged Group will have a board consisting of the existing KIN directors, Giuseppe Graziano and Nicholas Anderson, the existing PNx executive Chairman (Graham Ascoug) and the common PNx and KIN directors, Rowan Johnston and Hansjoerg Plaggemars. Although this reflects a relatively balance board between KIN and PNx, KIN's current directors are expected to have a greater influence over forward strategic plans of the Merged Group.

- In relation to KIN's trading prices, despite a low level of free float compared to industry peers, the average and cumulative volume traded as a percentage of free float shares is in line with the average and median of industry peers. Accordingly, we are of the opinion that although there may be some liquidity limitations, the trading prices of KIN after the announcement of the KIN NBIO represent a proxy of the Scheme Consideration which can be relied upon.

Based on the analysis of the trading prices of KIN after the announcement of the KIN NBIO (refer to section 10.1), we have assessed the fair market value of KIN's shares using the Quoted Security Pricing Method¹² to be between 6.500 cents and 7.000 cents on a minority basis. We have summarised the implied value of the Scheme Consideration below.

Valuation assessment of the Scheme Consideration			
Minority basis	Unit	Low	High
KIN share price	Cents	6.500	7.000
Scheme exchange ratio (1:13) ¹	Units	0.077	0.077
Implied PNX offer price	Cents	0.500	0.538

Sources: S&P Global; GTCF analysis.

Notes: (1) The Scheme Consideration is based on one KIN share being issued for every 13 PNX Shares.

Reasonableness Assessment

Under RG 111, the Scheme is reasonable if it is fair. Notwithstanding the above, we have summarised below the advantages, disadvantages and other factors in relation to the Scheme.

Advantages

Removing the risk of undertaking a capital raising in the short term

Early-stage exploration companies like PNX are required to access equity capital to fund their exploration expenses on a regular basis. PNX's cash balance was c. A\$0.8 million as at 30 April 2024 which included the drawn down of the first tranche of the KIN Facility of A\$0.5 million. The second draw down of c. A\$0.5 million was drawn on 31 May 2024, with the final tranche expected to be drawdown not earlier than 45 days later. The KIN Facility bears an interest rate of 10% per annum and it is repayable within 120 days after the termination of the SID (refer to section 1 for details). The funding obtained from the KIN Facility is to be used for corporate overheads, working capital and transaction related expenses, however additional funding is required to advance the development of Advanced PNX Projects and other exploration projects.

If the Scheme is not implemented, PNX would be required to undertake an immediate and urgent equity capital raising to meet working capital requirements, advance exploration and development of its assets and repay the KIN Facility. Given the difficult macro-environment to raise funding for early-stage exploration assets, PNX may be required to offer a significant discount to the prevailing trading prices to raise capital if the Scheme is not implemented, which may result in significant dilution for existing PNX Shareholders.

¹² Quoted price for listed securities, when there is a liquid and active market.

Value certainty

The Scheme represents an opportunity for PNX Shareholders to receive value for their investment in PNX Shares free of any realisation costs and although the premium may appear to be limited compared with PNX trading prices immediately before the announcement of the KIN NBIO, it is significant compared with the trading prices in earlier periods. Further, PNX Shareholders will be able to exchange PNX Shares for KIN shares which have a higher level of liquidity and provide a greater opportunity to realise their investment at fair market value. Historically, the level of liquidity of PNX Shares has been limited (as detailed in section 8.2) which may result in difficulties for PNX Shareholders trying to realise value from their holding without affecting the trading prices.

Exposure to the Leonora Mining District in WA

After implementation of the Scheme, PNX Shareholders will gain exposure to KIN's asset portfolio which includes exploration projects in the favourable mining jurisdiction of the Leonora District in WA.

Historical capital raisings

During February 2023, PNX issued 936,566,912 fully paid ordinary shares at an issue price of A\$0.003 to raise c. A\$2.8 million (before transaction costs) as part of a non-renounceable rights issue of one for every three shares held. The rights issue share price was at a 14.3% discount to trading prices¹³. The rights issue take-up was 63.2% including oversubscriptions and the proceeds were used to support ongoing approvals, working capital requirements and continued exploration activities. The current market value of the Scheme Consideration¹⁴ is at a premium to the most recent capital raising prices.

Value of the Merged Group

As previously discussed, in forming our view of the value of the Scheme Consideration we have relied on KIN's trading prices after the announcement of the KIN NBIO as our overarching assumption is that PNX Shareholders will dispose in the short term of the KIN shares received as Scheme Consideration. Nonetheless, for those PNX Shareholders deciding to retain the KIN shares, we have set out below our assessment of the underlying fair market value of the Merged Group.

¹³ Last close trading price as at 20 February 2023 (when the rights issue closed).

¹⁴ The current market value of 0.519 cents per PNX Share is calculated based on the midpoint of the Scheme Consideration value range.

Merged Group Valuation Summary (minority basis) A\$'000 (unless otherwise stated)	Section Reference	Low	High
PNX: GT Assessed EV	9.2	16,292	24,994
KIN: GT Assessed EV	9.2	11,947	22,307
Concluded EV		28,238	47,301
Cash and term deposits		63,426	63,426
Cash equivalents (Genesis shares held)		21,546	21,546
Concluded Equity Value		113,210	132,272
Number of outstanding shares ('000)	9.2	1,637,398	1,637,398
Assessed value per share (Cents)		6.914	8.078

Sources: GTCF analysis; S&P Capital IQ.

Our valuation assessment of the Merged Group on a minority basis between 6.914 cents and 8.078 cents per share is in excess of the trading prices of KIN post the announcement of the Scheme which ranged between 6.500 cents and 7.000 cents per share. In our opinion, this may be due to the following:

- Delphi Group is the majority shareholder of KIN, holding a 41.37% interest as at the date of this IER and as a result it is able to exert a high degree of control over the corporate governance and strategy of the company. Following implementation of the Scheme, Delphi's shareholding will further increase to 42.45% in the Merged Group. In our opinion, Delphi's shareholding reduces the takeover contestability of KIN and it is likely to have a negative impact on the trading prices, however this is not reflected in our assessment of the underlying value of the Merged Group.
- In the nine-month period to 31 March 2024, KIN incurred staff and administration expenses of A\$3.1 million (or c. A\$4.2 million on an annualised basis). Given our valuation assessment is undertaken on a realisation basis of the current resources without assuming further development and advancement, the centralised costs are not directly taken into account. Whilst the corporate costs in the last nine months have been affected by one-off expenses in conjunction with the significant corporate activities undertaken by KIN, the magnitude of the corporate costs appear large for a small exploration and development company like KIN, which the Investors may reflect via a discount in the trading prices.
- KIN is expected to hold a cash and cash equivalents balance of c. A\$85.5 million¹⁵ at Scheme implementation (expected to be late August 2024), which it intends to deploy to continue exploration and development for the retained 932Koz of gold at the CGP, growing the team and evaluating and pursuing corporate opportunities. In our opinion, the risks and uncertainties associated with exploration and development of early-stage assets and corporate activities, which may not necessarily generate a return on the investment in line with shareholders' expectations or at all, may lead investors to incorporate a discount into the trading prices.

¹⁵ Based on the cash and term deposits of c. A\$65.4 million as at 16 May 2024, less GTCF's A\$1.5 million assumption of cash burn relating to corporate expenditure until Scheme implementation (considered in relation to the A\$3.1 million in KIN staff and administration in the nine months trading to 31 March 2024).

Premium for control

A premium for control is applicable when the acquisition of control of a company or business would give rise to benefits such as the ability to realise synergies, access resources, access tax benefits and control of the board of Directors of the Company.

As discussed above, the trading prices of PNX are illiquid and hence we are of the opinion that the trading prices before the announcement of the KIN NBIO may not necessarily represent the fair market value of the Company on a minority basis. Nonetheless, based on the trading prices before the announcement of the KIN NBIO, the premium is below the average premium paid for similar control transactions within the gold industry as detailed in Appendix D.

Control premium assessed A\$ unless otherwise stated		Implied Control Premium (%)
Current market value of the Scheme Consideration ¹	0.519	
VWAP of PNX Shares prior to 15 February 2024:		
Last close	0.512	1.4%
5 day	0.561	(7.4%)
10 day	0.524	(1.0%)
1 month	0.487	6.7%
2 month	0.470	10.4%
3 month	0.467	11.1%
6 month	0.425	22.2%
9 month	0.393	32.0%

Sources: GTCF analysis; S&P Capital IQ.

Notes: (1) The current market value is calculated based on the mid-point of our Scheme Consideration value range.

Disadvantages

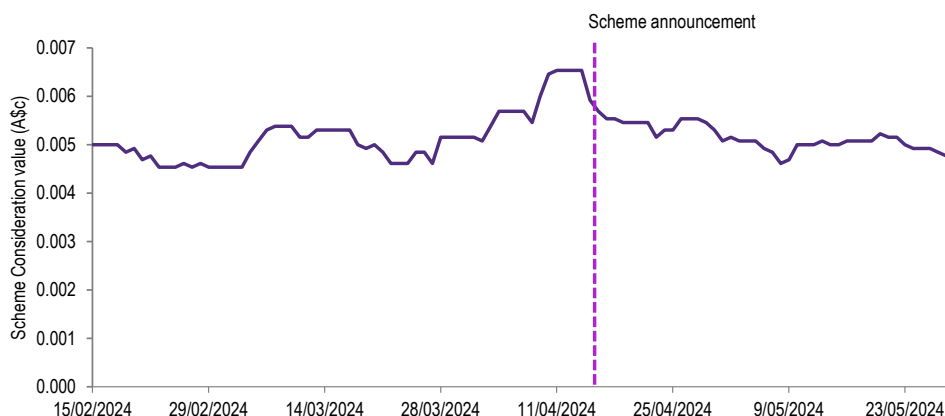
Genesis shares

A large component of the value of KIN is represented by its holding of 11,280,465 of Genesis shares value at c. A\$21.5 million based on the Genesis trading prices as at 29 May 2024. The future trading price of Genesis shares are dependent on Genesis' performance and external market factors outside of KIN's control. Accordingly, there is a risk that Genesis' trading prices may decrease in the short term which could have a negative impact on the trading price of KIN and its underlying value.

Share price of KIN

The Scheme Consideration is represented by KIN shares. The trading price of KIN has decreased by 6.2% since the announcement of the KIN NBIO and has decreased by 20.8% since the announcement of the Scheme (up to 29 May 2024), which has affected the value of the Scheme Consideration being received by PNX Shareholders as set out in the graph below.

Daily movement of the Scheme Consideration value



Sources: S&P Global; GTCF analysis.

Notes: (1) Scheme Consideration value is represented by dividing the daily KIN share price by 13 (being the Scheme exchange ratio).

Volatile market conditions are expected to continue in the short term, and they may have a positive or negative impact on the trading prices of KIN and the value of the Scheme Consideration. However, PNX Shareholders should be aware that, in the absence of the Scheme, the same market trends may also negatively affect the trading prices of PNX which may also be exacerbated by the requirement for capital injections in the near term.

Shareholders' participation in the future potential upside of PNX will be heavily diluted

The underlying value of PNX Shares is expected to materially change as the Company progresses its projects and in particular the Advanced PNX Projects. Whilst the range of values attributed to PNX Shares in our fairness assessment are considered reasonable at the date of this report, the fair value of the Company may increase significantly, or conversely decline materially in value, depending on the success (or otherwise) of its exploration and the outcome of approvals and progress to a DFS. If the Scheme is implemented, PNX Shareholders can only participate in the future upside of the Company through their minority shareholding in the Merged Group.

Other factors

Prospects of a superior offer

Whilst PNX has agreed not to solicit any competing proposals or, subject to a fiduciary exception, to participate in discussions or negotiations in relation to any competing proposals, in our opinion, it is unlikely that a superior proposal will emerge given the common shareholding of the Delphi Group in KIN and PNX.

Implications if the Scheme is not implemented

In the absence of the Scheme or an alternative transaction, the Company will be required to undertake an urgent capital raising in the short term and in an accelerated manner to repay the KIN Facility, meet working capital requirements and continue its exploration program. This is likely to have an adverse impact on the trading prices in the absence of the Scheme.

Tax implications

Implementation of the Scheme may result in tax consequences for PNX Shareholders, however the taxation consequences for PNX Shareholders will vary according to their individual circumstances and will be impacted by various factors. PNX Shareholders should read the overview of tax implications of the Scheme set out in Section 8 of the Scheme Booklet and also seek independent financial and tax advice.

Independent PNX Directors' recommendations and intentions

In the absence of a superior proposal and subject to the independent expert's opinion that the Scheme is in the best interest of PNX Shareholders, the Independent PNX Directors unanimously recommend that PNX Shareholders vote in favour of the Scheme and subject to the same qualifications, all Independent PNX Directors intend to vote in favour of the Scheme for any PNX Shares in which they have a relevant interest and in respect of which they have the power to vote.

Conclusion on the reasonableness

Based on the qualitative factors identified above, it is our opinion that the Scheme is **REASONABLE**.

Overall conclusion

After considering the abovementioned quantitative and qualitative factors, Grant Thornton Corporate Finance has concluded that the Scheme is **FAIR AND REASONABLE AND HENCE IN THE BEST INTERESTS** of PNX Shareholders in the absence of a superior alternative proposal emerging.

Other matters

Grant Thornton Corporate Finance has prepared a Financial Services Guide in accordance with the Corporations Act. The Financial Services Guide is set out in the following section.

The decision of whether or not to vote in favour of the Scheme is a matter for each PNX Shareholder to decide based on their own views of value of PNX and expectations about future market conditions, PNX's performance, risk profile and investment strategy. If PNX Shareholders are in doubt about the action they should take in relation to the Scheme, they should seek their own professional advice.

Yours faithfully

GRANT THORNTON CORPORATE FINANCE PTY LTD



ANDREA DE CIAN
Partner



JANNAYA JAMES
Partner

Financial Services Guide

1 Grant Thornton Corporate Finance Pty Ltd

Grant Thornton Corporate Finance carries on a business, and has a registered office, at Level 17, 383 Kent Street, Sydney NSW 2000. Grant Thornton Corporate Finance holds Australian Financial Services Licence No 247140 authorising it to provide financial product advice in relation to securities and superannuation funds to wholesale and retail clients.

Grant Thornton Corporate Finance has been engaged by PNx to provide general financial product advice in the form of an IER in relation to the Scheme. This report is included in PNx's Scheme Booklet.

2 Financial Services Guide

This Financial Services Guide ("FSG") has been prepared in accordance with the Corporations Act, 2001 and provides important information to help retail clients make a decision as to their use of general financial product advice in a report, the services we offer, information about us, our dispute resolution process and how we are remunerated.

3 General financial product advice

In our report we provide general financial product advice. The advice in a report does not take into account your personal objectives, financial situation or needs.

Grant Thornton Corporate Finance does not accept instructions from retail clients. Grant Thornton Corporate Finance provides no financial services directly to retail clients and receives no remuneration from retail clients for financial services. Grant Thornton Corporate Finance does not provide any personal retail financial product advice directly to retail investors nor does it provide market-related advice directly to retail investors.

4 Remuneration

When providing the Report, Grant Thornton Corporate Finance's client is the Company. Grant Thornton Corporate Finance receives its remuneration from the Company. In respect of the Report, Grant Thornton Corporate Finance will receive from PNx a fixed fee of A\$90,000 plus GST which is based on commercial rates, plus reimbursement of out-of-pocket expenses for the preparation of the report. Our directors and employees providing financial services receive an annual salary, a performance bonus or profit share depending on their level of seniority.

Except for the fees referred to above, no related body corporate of Grant Thornton Corporate Finance, or any of the directors or employees of Grant Thornton Corporate Finance or any of those related bodies or any associate receives any other remuneration or other benefit attributable to the preparation of and provision of this report.

5 Independence

Grant Thornton Corporate Finance is required to be independent of PNx in order to provide this report. The guidelines for independence in the preparation of IERs are set out in RG 112 *Independence of expert* issued by ASIC. The following information in relation to the independence of Grant Thornton Corporate Finance is stated below.

"Grant Thornton Corporate Finance and its related entities do not have at the date of this report, and have not had within the previous two years, any shareholding in or other relationship with PNx (and

associated entities) that could reasonably be regarded as capable of affecting its ability to provide an unbiased opinion in relation to the Scheme.

Grant Thornton Corporate Finance has no involvement with, or interest in the outcome of the Scheme, other than the preparation of this report.

Grant Thornton Corporate Finance will receive a fee based on commercial rates for the preparation of this report. This fee is not contingent on the outcome of the Scheme. Grant Thornton Corporate Finance's out of pocket expenses in relation to the preparation of the report will be reimbursed. Grant Thornton Corporate Finance will receive no other benefit for the preparation of this report.

Grant Thornton Corporate Finance considers itself to be independent in terms of RG 112 "Independence of experts" issued by the ASIC."

6 Complaints process

Grant Thornton Corporate Finance has an internal complaint handling mechanism and is a member of the Financial Ombudsman Service (membership no. 11800). All complaints must be in writing and addressed to the Chief Executive Officer at Grant Thornton Corporate Finance. We will endeavour to resolve all complaints within 30 days of receiving the complaint. If the complaint has not been satisfactorily dealt with, the complaint can be referred to the Financial Ombudsman Service who can be contacted at:

Financial Ombudsman Service Limited
GPO Box 3
Melbourne, VIC 3001
Telephone: 1800 367 287

Grant Thornton Corporate Finance is only responsible for this report and FSG. Complaints or questions about the Scheme should not be directed to Grant Thornton Corporate Finance. Grant Thornton Corporate Finance will not respond in any way that might involve any provision of financial product advice to any retail investor.

7 Compensation arrangements

Grant Thornton Corporate Finance has professional indemnity insurance cover under its professional indemnity insurance policy. This policy meets the compensation arrangement requirements of section 912B of the Corporations Act, 2001.

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1 Outline of the Scheme

1.1 Key terms of the Scheme

We have set out below some of the key terms of the SID¹⁶:

- *Conditions precedent* – The SID includes the following condition precedent for implementation of the Scheme:
 - Approval of the Scheme by PNX Shareholders and by the Court.
 - Other regulatory approvals in accordance with the requirements of ASIC and ASX.
 - Australian Foreign Investment Review Board (“FIRB”) approval.
 - No material adverse changes, and other conditions precedent typical for a transaction of this type.
 - All PNX performance rights having lapsed, being exercised, or cancelled. At announcement of the SID, there were 85,800,000 PNX performance rights (“PNX Performance Rights”). In accordance with the SID conditions, PNX and KIN have entered into a performance rights cancellation deed with each PNX Performance Right holder, under which each PNX Performance Right holder has agreed to cancel their holding for monetary consideration equal to the intrinsic value of the security. We have summarised the PNX Performance Rights to be cancelled upon implementation of the Scheme below.

PNX Cancelled Performance Rights Employee	PNX Performance	
	Rights held	Consideration (A\$)
James Fox	30,800,000	60,025
Other employees	55,000,000	109,313
Total	85,800,000	169,338

Sources: Management Information; GTCF analysis.

- KIN shareholders approve the acquisition of PNX Shares from the Delphi Group pursuant to the terms of the Scheme for the purpose of Listing Rule 10.1
- *Reimbursement Fee* – A reimbursement fee of A\$325,000 may become payable by PNX to KIN if the Scheme does not proceed due to:
 - Any Independent PNX Director withdraws or adversely modifies their support of the Scheme or their recommendation that PNX Shareholders vote in favour of the Scheme or makes a public statement that they no longer support the Scheme or that they support a Competing Proposal.
 - Competing proposal completes during the exclusivity period, PNX or any of its representatives (directly or indirectly) was aware of, or become aware of, or receives an approach in relation to an actual, proposed or potential competing proposal which is completed prior to the first anniversary of the date of the public announcement of such competing proposal.

¹⁶ This is a non-exhaustive list. Please refer to Section 9.1 of the Scheme Booklet for further details.

- KIN is entitled to terminate the SID if there is a material breach in accordance with Clause 11.1(d) of the SID.
- *Others* – The SID contains customary exclusivity and deal protection provisions including no talk and no due diligence conditions, no shop obligations, notification and matching rights for KIN in the event of a competing proposal.

KIN Facility

On 12 April 2024, PNX and KIN entered into the KIN Facility. The loan is unsecured, but subject to normal commercial terms with the facility available to be drawn-down in three tranches over the term of the transaction as follows:

- Tranche 1: A\$500,000 – drawdown available within five business days from the date of the KIN Facility.
- Tranche 2: A\$500,000 – drawdown available from 45 days from the date of the KIN Facility until the business day before maturity.
- Tranche 3: A\$500,000 – drawdown available from 45 days after the drawdown of Tranche 2 until the business day before maturity.

PNX must apply all amounts borrowed under the KIN Facility towards working capital costs, agreed tenement expenditures, agreed administration costs and any costs associated with the Scheme.

Repayment will occur at the earlier of:

- 9 months after the date of drawdown date, being 19 January 2025; or
- 45 days after PNX receives a demand from KIN in the event of a change of control event occurring or following an unremedied event of default; or
- 120 days after the termination of the SID.

The KIN Facility will accrue interest at 10% per annum, which must be repaid by PNX on maturity.

If the Scheme is not implemented or in the event of default under the loan facility agreement, any outstanding balance will become due and payable immediately by PNX. Further information on the terms of the KIN Facility are available in Section 4.11 of the Scheme Booklet.

2 Purpose and scope of the report

2.1 Purpose

Section 411 of the Corporations Act

Section 411 of the Corporations Act 2001 (Cth) regulates schemes of arrangement between companies and their members. Part 3 of Schedule 8 of the Corporations Regulations 2001 prescribes information to be sent to shareholders and creditors in relation to members' and creditors' schemes of arrangement pursuant to Section 411 of the Corporations Act.

Part 3 of Schedule 8 (s640) of the Corporations Regulations requires an IER in relation to a scheme to be prepared when a party to that scheme has a shareholding greater than 30% in the company subject to the scheme, or where any of its directors are also directors of the company subject to the scheme. In those circumstances, the IER must state whether a scheme is in the best interests of shareholders and state reasons for that opinion. Even where there is no requirement for an IER, documentation for a scheme of arrangement typically includes an IER.

While there is no legal requirement for an IER to be prepared in respect of the Scheme, the Independent PNX Directors have requested that Grant Thornton Corporate Finance prepare an IER to express an opinion as to whether the Scheme is in the best interests of PNX Shareholders.

2.2 Basis of assessment

In determining whether the Scheme is in the best interests of the PNX Shareholders, Grant Thornton Corporate Finance has had regard to relevant Regulatory Guides issued by the ASIC, including RG 111, Regulatory Guide 60 schemes of arrangement ("RG 60") and RG 112. The IER also includes other information and disclosures as required by ASIC. We note that neither the Corporations Act nor the Corporations Regulations define the term "in the best interests of members".

RG 111 establishes certain guidelines in respect of IERs prepared for the purposes of the Corporations Act. RG 111 is framed largely in relation to reports prepared pursuant to Section 640 of the Corporations Act and comments on the meaning of "fair and reasonable" in the context of a takeover offer. RG 111 requires an IER prepared for a change of control transaction implemented by way of scheme of arrangement to undertake an analysis substantially the same as for a takeover bid. However, the opinion of the expert should be whether or not the proposed scheme is "in the best interests of the members of the company". If an expert were to conclude that a proposal was "fair and reasonable" if it was in the form of a takeover bid, it will also conclude that the proposed scheme is "in the best interests of the members of the company".

Pursuant to RG 111, an offer is "fair" if the value of the offer price or consideration is equal to or greater than the value of the securities that are subject of the offer. A comparison must be made assuming 100% ownership of the target company.

RG 111 considers an offer to be "reasonable" if it is fair. An offer may also be reasonable if, despite not being "fair" but after considering other significant factors, shareholders should accept the offer in the absence of any higher bid before the close of the offer.

In our opinion, the most appropriate way to evaluate the fairness of the Scheme is to compare the fair market value of PNX Shares on a control and fully diluted basis with the value of the Scheme Consideration on a minority basis.

In considering whether the Scheme is in the best interests of PNX Shareholders, we have considered a number of factors, including:

- Whether the Scheme is fair.
- The implications to PNX Shareholders if the Scheme is not approved.
- Other likely advantages and disadvantages associated with the Scheme.
- Other costs and risks associated with the Scheme that could potentially affect PNX Shareholders.

2.3 VRM Report

For the purpose of this IER, VRM was engaged by Grant Thornton to conduct an independent review and assessment of the mineral assets held by PNX and KIN. The VRM Report has been specifically commissioned and prepared in relation to the Scheme and is provided in Appendix H.

2.4 Independence

Prior to accepting this engagement, Grant Thornton Corporate Finance (a 100% subsidiary of Grant Thornton Australia Limited) considered its independence with respect to the proposed Scheme with reference to RG 112 issued by ASIC.

Grant Thornton Corporate Finance has no involvement with, or interest in, the outcome of the approval of the Scheme other than that of an independent expert. Grant Thornton Corporate Finance is entitled to receive a fee based on commercial rates and including reimbursement of out-of-pocket expenses for the preparation of this report.

Except for these fees, Grant Thornton Corporate Finance will not be entitled to any other pecuniary or other benefit, whether direct or indirect, in connection with the issuing of this report. The payment of this fee is in no way contingent upon the success or failure of the proposed Scheme.

Grant Thornton Audit Pty Limited, a related entity of Grant Thornton are the auditors of PNX. The scope of the services provided in relation to the IER do not compromise the independence of the audit and have been cleared by the relevant audit partner before Grant Thornton's appointment by PNX for the preparation of this IER.

In our opinion, Grant Thornton Corporate Finance is independent of PNX, Independent PNX Directors and all other relevant parties of the Scheme.

2.5 Consent and other matters

Our report is to be read in conjunction with the Scheme Booklet dated on or around mid-July 2024 in which this report is included and is prepared for the exclusive purpose of assisting PNX Shareholders in their consideration of the Scheme Booklet. This report should not be used for any other purpose.

Grant Thornton Corporate Finance consents to the issue of this report in its form and context and consents to its inclusion in the Scheme Booklet.

This report constitutes general financial product advice only and in undertaking our assessment, we have considered the likely impact of the proposed Scheme to PNX Shareholders as a whole. We have not considered the potential impact of the Scheme on individual PNX Shareholders. Individual shareholders have different financial circumstances and it is neither practicable nor possible to consider the implications of the proposed Scheme on individual shareholders.

The decision of whether or not to approve the Scheme is a matter for each PNX Shareholder based on their views on the value of PNX and expectations about future market conditions, together with PNX's performance, risk profile and investment strategy. If PNX Shareholders are in doubt about the action they should take in relation to the proposed Scheme, they should seek their own professional advice.

2.6 Compliance with APES 225 Valuation Services

This report has been prepared in accordance with the requirements of the professional standard *APES 225 Valuation Services* ("APES 225") as issued by the Accounting Professional & Ethical Standards Board ("APESB"). In accordance with the requirements of APES 225, we advise that this assignment is a Valuation Engagement as defined by that standard as follows:

"An Engagement or Assignment to perform a Valuation and provide a Valuation Report where the Member is free to employ the Valuation Approaches, Valuation Methods, and Valuation Procedures that a reasonable and informed third party would perform taking into consideration all the specific facts and circumstances of the Engagement or Assignment available to the Member at that time."

3 Industry overview

3.1 Overview of the Global Mineral Market

PNX is focussed on gold (with zinc and silver as byproducts) and uranium exploration whereas KIN is only focussed on gold exploration and base metals. Accordingly, in the section below, we have provided a brief overview of the gold and uranium industries. We have provided further overviews of the silver and zinc industries within Appendix F and Appendix G respectively.

3.1.1 Gold

Gold is a precious metal used primarily in the fabrication of jewellery, electronics and other industrial applications as well as an investment asset for the store of value and hedging. Gold is actively traded on international commodity markets and experiences daily price fluctuations as determined by global demand and supply factors.

The key drivers affecting gold exploration and production include:

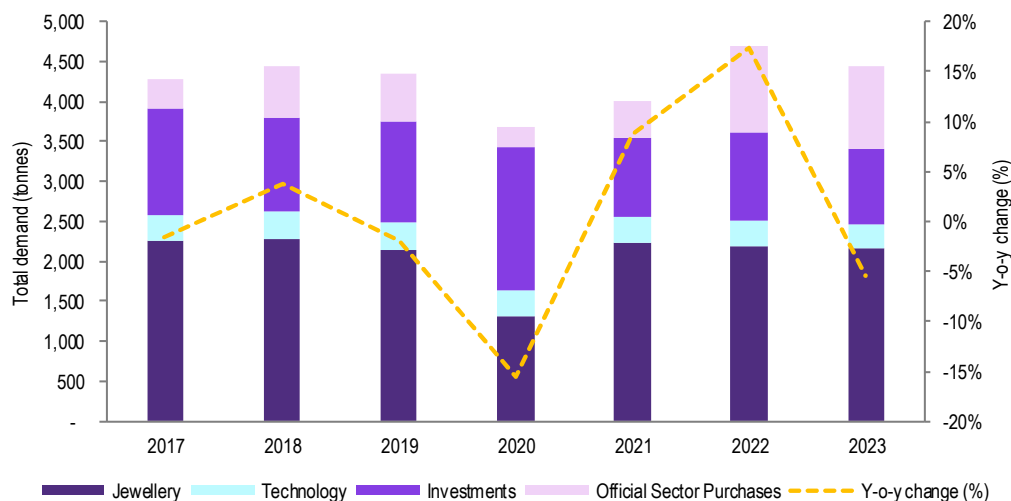
- *Gold prices* – Gold is considered a safe haven asset with prices typically increasing at times of high market volatilities. This has been exacerbated due to rising global tension, resulting from both the Russian invasion of Ukraine and more recently in October 2023, when war broke out between Israel and Hamas¹⁷. Gold is usually considered a natural hedge against inflation, but it tends to be inversely correlated to Government bond yields, as when they rise the opportunity cost of holding gold increases.
- *Exchange rates* – Gold is usually traded in US dollars and subsequently the relative exchange rates are an important factor affecting the level of global gold trading and demand.
- *Political and regulatory factors* – Gold exploration activities are considered high risk undertakings as there is considerable uncertainty surrounding the commercial viability of such projects. Tenements located in countries with well-defined regulatory systems and a stable political environment are more attractive to gold explorers and producers.
- *Funding requirements* – Given the inherent risks associated with gold mining, the availability and cost of capital to fund such projects can significantly impact the level of gold exploration and production activities being undertaken.
- *Mine/location specific factors* – Each mine location is exposed to unique factors that affect the feasibility of continued exploration and production.

Demand

Demand for gold is mainly driven by gold jewellery, global investment trends and market/economic conditions. The graph below illustrates historic gold demand by category:

¹⁷ The militant Islamist group that controls Gaza.

Historical global demand for gold by category (2017 to 2023)



Source: World Gold Council, historical demand and supply as at 31 December 2023.

Notes: (1) Official Sector Purchases refers to gold demand from Central bank and other institutions. (2) Investments comprises demand for bar and coin, ETF and other similar products.

The demand for jewellery fabrication is highly seasonal as it is linked to Indian and Chinese traditional festivities, noting that China and India are the largest consumers by volume, together accounting for approximately c. 57.0% of global demand for jewellery in 2023¹⁸. However, in 2020, this demand declined materially due to weak consumer confidence caused by the COVID-19 pandemic, which significantly impacted gold prices.

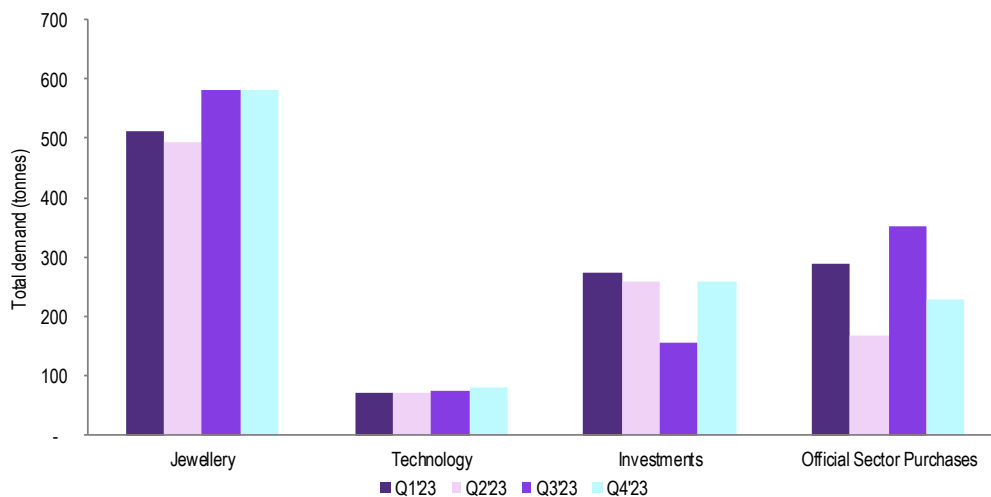
In addition, gold demand is affected by central banks reserve requirements and more recently from gold backed exchange traded funds (“ETFs”) which are relatively new financial instruments that allow investors to receive the benefits of owning physical gold without requiring storage.

Investors generally consider gold as a relatively safe investment asset and the demand for gold has increased over the last year due to volatile market conditions. The latest quarterly data included in the graph below demonstrates the demand for gold official sector purchases driven by heightened central bank demand resulting from economic uncertainty, with elevated debt and liquidity levels. On the flip side, investment demand for bar and coin, as well as ETFs has simultaneously decreased, with global gold ETFs¹⁹ sustaining a seventh consecutive quarter of outflows in Q4’2023. This trend is likely to be driven by the increasing yield offered by alternative investments, including Government bonds, which heighten the opportunity cost of holding gold.

¹⁸ World Gold Council, Gold Demand Trends Full Year 2023.

¹⁹ Which are publicly listed investment funds that may hold gold.

Historical global demand for gold (Q1'2023 to Q4'2023)



Source: World Gold Council, historical demand and supply as at 31 December 2023.

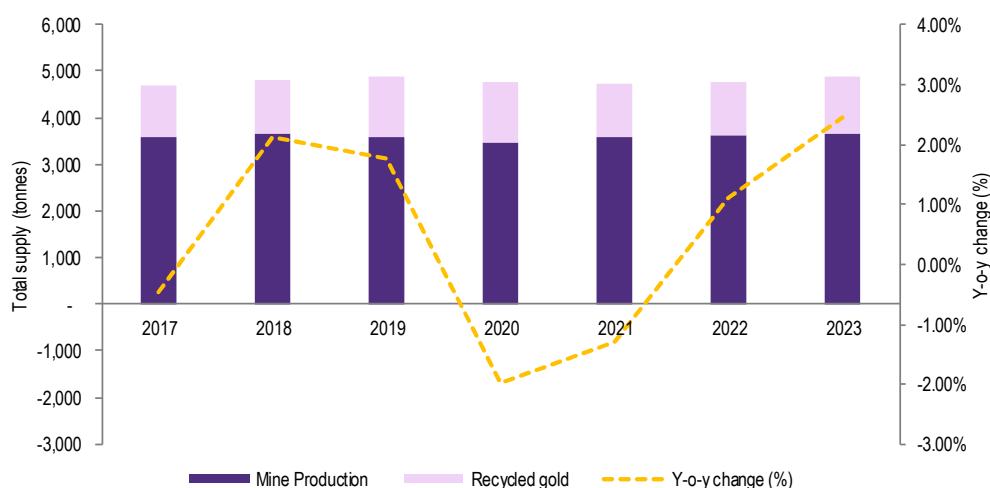
Notes: (1) Official Sector Purchases refers to gold demand from Central bank and other institutions. (2) Investments comprises demand for bar and coin, ETF and other similar products.

Increasing interest in gold as an investment asset has also led to an increase in the variety of gold investment products, such as gold ETFs, which are publicly listed investment funds that may hold gold, gold derivatives, or otherwise be exposed to the gold industry, as their primary investment strategy.

Supply

The supply of gold is mainly sourced from mine production and the recycling of scrap gold. The graph below illustrates historical gold supply by category:

Historical gold supply by category (2017 to 2023)



Source: World Gold Council, historical demand and supply as at 31 December 2023.

Notes: (1) Mine production is net of any hedging effect undertaken by the gold producers.

Gold supply has remained relatively flat over the last seven years, in contrast to the demand profile, which experienced a slight decline in 2020 before ramping up during 2022 amidst fears of a global recession due to rising inflation rates globally. In 2020 and 2021, supply of gold declined by 1.1% and 1.7% from the

previous year respectively, primarily due to COVID-19 related disruptions to mining production. In 2022, gold supply increased by 1.4% from the previous year as the mining industry largely remained uninterrupted by COVID-19 restrictions and during 2023 major production disruptions were absent resulting in strong supply growth of 3.1% against the previous period, marginally below 2018's record high supply.

The top 10 countries for mine production of gold In 2022 are set out below:

Top 10 gold producers by country in 2022

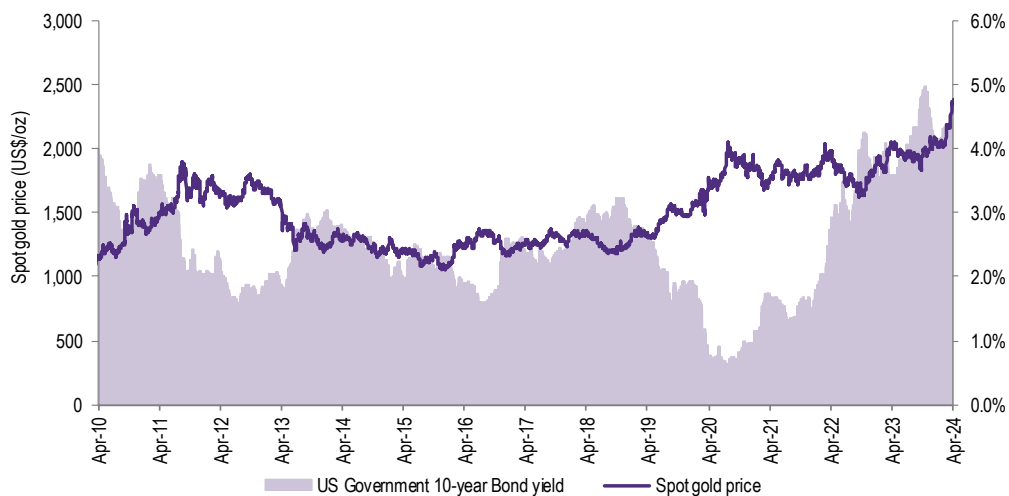


Source: U.S. Geological Survey, Mineral Commodity Summaries, January 2023.

Gold price and outlook

Set out below is the daily historical spot price of gold (nominal) between April 2010 and April 2024 compared with the 10-year US Government Bond yield:

Historical gold price & 10-year US Government Bond



Sources: S&P Capital IQ; GTCF analysis.

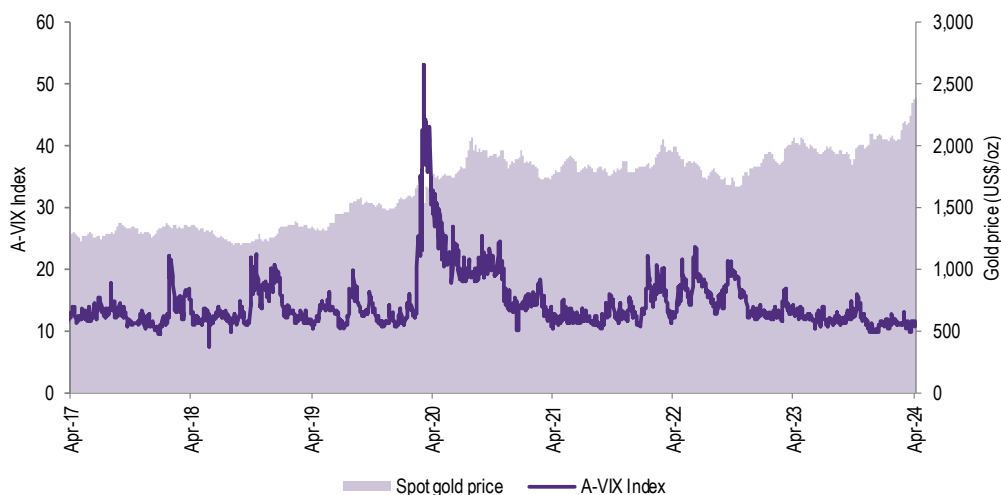
Since the global financial crisis, asset prices have been supported by an unprecedented level of fiscal stimulus which has resulted in a steep decline in bond yields and returns required which, as outlined in the graph above, are inversely correlated with gold prices, to a large extent.

The price of gold increased from a low of US\$1,052/oz in February 2010 to a high of US\$2,058/oz in August 2020, due to the uncertainty in the global economy driven by the outbreak of COVID-19. Following Russia's invasion of Ukraine in late February 2022, an increase in the prices for oil, gas, wheat and other commodities triggered a considerable rise in inflation expectations which have, in turn, supported gold prices, which is considered a natural hedge against inflation. However, towards the end of 2022, bond yields reached an eight-year peak after the Federal Reserve continued to increase interest rates in an attempt to slow inflationary pressures. Whilst gold prices reduced to US\$1,629/oz in November 2022, due to rising bond yields and the strengthening of the US dollar, it recovered to US\$2,048/oz in April 2023 amidst fears of a banking crisis in the United States after the collapse of Silicon Valley Bank and the arranged takeover of Credit Suisse Group AG by UBS Group.

At the start of October 2023, war broke out between Israel and Hamas, which has led to investors seeking financial safe haven amid intensifying conflict, which was contributing to international uncertainty. Consequently, the price of gold increased over October 2023 and as at 12 November 2023, the spot price of gold was US\$1,938/oz. The start of 2024 has seen a significant rise in gold prices, reaching record highs in March 2024 of US\$2,414/oz which can be partially attributable to the Federal Open Market Committee maintaining their policy forecast of 0.75% base rate cuts for 2024 and weaker USD performance.

Along with movements in bond yields and inflation, overall market volatility has also been a key factor influencing gold prices. We have set out below the nominal gold price and the S&P/ASX 200 VIX Index ("A-VIX")²⁰:

Historical gold price and A-VIX Index



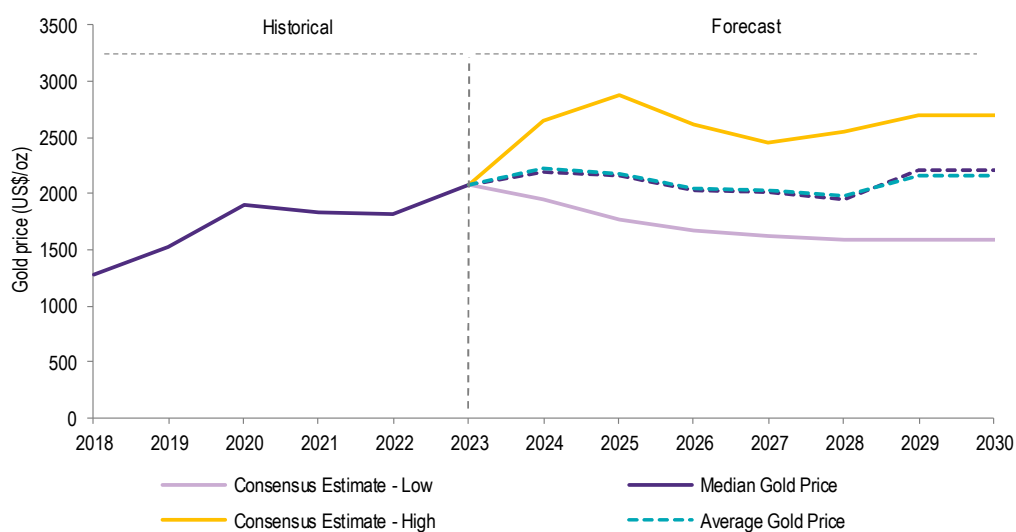
Source: S&P Global.

²⁰ The S&P / ASX 200 VIX Index is a real-time volatility index that provides investors, financial media, research and economists an insight into investor sentiment and expected levels of market volatility.

As observed in the graph above, the gold price movements are broadly aligned with the movements in the A-VIX Index. The emergence of cryptocurrency and alternative asset classes are likely to challenge gold's position as a safe haven asset class. However, cryptocurrency has also experienced significant volatility and continues to face regulatory challenges in various countries.

The following chart sets out a summary of historical and forecast prices of gold:

Historical and forecast gold prices



Source: Consensus Economics forecasts.

Over the last five years, gold prices have consistently increased as investors have sought to reduce risk amid rising uncertainty in global equity markets. There have been a number of large market shocks, such as the Brexit vote in 2016, the Black Monday sell-off of Chinese equities in 2017, trade tensions between the US and China, continued geopolitical tensions in the Middle East and Indo-Pacific regions, and more recently the COVID-19 pandemic, the Ukraine-Russia and Israel-Hamas conflicts have all driven gold prices higher in the historical period due to investors allocating greater capital towards safe monetary assets. The average and median consensus for gold price anticipates a long-term nominal price around US\$2,156/oz and US\$2,203/oz, respectively.

Gold mining in Australia

Gold mining is a well-established industry in Australia. Production volumes have grown over the past decade to c. A\$27.9 billion in 2023 from A\$16.5 billion in 2013²¹. Australia is the world's second-largest gold producing country, with c. 9% of global production in 2021 and is estimated to have the world's largest gold economic resources, with 11,980 tonnes (c. 22%) of total global economic demonstrated resources²². All resources occur in primary deposits, many of which have undergone some degree of weathering²³ and only c. 0.3% of the resources are considered unavailable. However, most of the gold currently mined in Australia is very fine grained and mostly with concentration of less than 5g/t of rock

²¹ IBISWorld, Gold Ore Mining in Australia, November 2023.

²² Australian Government, as at 31 Dec 2021.

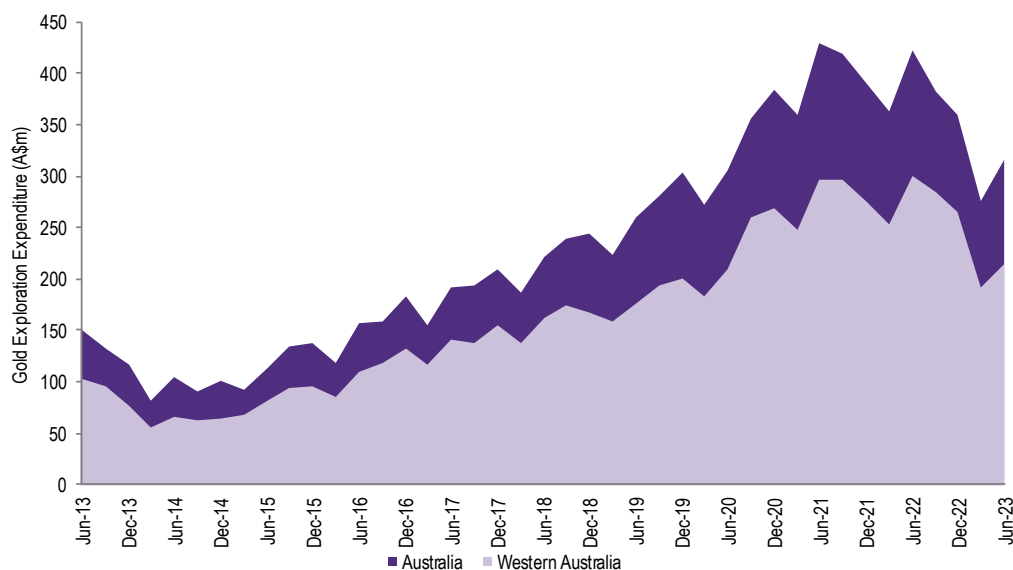
²³ Weathered primary deposits are important to the gold industry because they are usually easier and cheaper to mine and the gold is easier to recover.

mined. Accordingly, the feasibility of mining these low concentration of gold resources largely depends on the underlying gold prices.

Historically, Australia has exported c. 90% of the annual production, with recent gold exports rising by 52% year-on-year to c. A\$7.5 billion in the December 2023 quarter. This was largely driven by a 36% increase in export volumes and a higher gold price. Australia's gold exports rose by 21% year-on-year to c. A\$28 billion in 2023. Global financial hubs including the United States, United Kingdom, Switzerland, Hong Kong, and Singapore collectively purchased A\$16 billion worth of gold in 2023 leading to a 39% year-on-year increase in exports in these regions, whilst gold exports to China fell 11% year-on-year. The Australian gold resources are significantly concentrated in WA, which accounts for c. 46% of Australia's gold economic demonstrated resources²⁴. As a result, WA has historically accounted for c. 70% of the annual production in a given year.

For the last seven years, gold has attracted the most mineral exploration expenditure in Australia, overtaking iron ore and accounting for c. 40% of Australia's mineral exploration expenditures. Since the outbreak of COVID-19, gold exploration expenditure in Australia has increased significantly from c. A\$272.3 million in the March 2020 quarter to c. A\$330.3 million in the December 2023 quarter with a peak of c. A\$421.7 million in the June 2022 quarter, of which is in line with the movements of gold prices. The graph below summarises the Australian gold exploration expenditure over the past 10 years.

Australian gold exploration expenditure



As shown in the above graphs, gold mining operations are at the core of the WA industry, and it represents the second largest commodity in the state behind iron ore. In 2021, the Fraser Institute ranked WA as one of the best mining jurisdictions in the world. The WA Government collects a 2.5% royalty on the value of gold produced while other states and territories in Australia generally apply higher rates of up to 5.0%.

The Leonora District sits within the Eastern Goldfields of the Goldfield-Esperance region of WA. The Eastern Goldfields area extends for approximately 320,000 square kilometres, stretching across seven

²⁴ Australian Government, as at 31 Dec 2020.

local government districts from Wiluna in the north to Norseman in the south. After the first gold discovery in 1887, the area has undergone significant development in mining operations leading to the establishment of different mining towns and key infrastructures such as the Eastern Goldfields Railway (connecting Perth to Eastern Goldfields), the Goldfields Water Supply Scheme and the Eastern Goldfields Pipeline Systems. The Leonora District has experienced a period of consolidation as a number of Australian gold miners including Red 5 Limited (“Red 5”), Genesis, St Barbara Limited (“St Barbara”), and KIN, seeking to consolidate their holdings across the area due to the high gold presence. Examples of this consolidation included Genesis’ takeover of Dacian Gold Limited (“Dacian”) and acquisition of St Barbara’s Leonora operations. Notably, Kin acquired c. 1.63% of Dacian in order to ensure its ability to participate in any future consolidation of the Leonora mining district.

3.1.2 Uranium

Uranium is a relatively abundant metallic, silver-grey radioactive element that is primarily used as a fuel for nuclear power stations, with other applications for medical, industrial and defence purposes. Nuclear power accounts for approximately 10% of the world’s electricity supply and almost 30% of its low-carbon electricity, making it the second largest source of low-carbon power²⁵, behind hydroelectric power.

Approximately 88% of the world’s uranium is produced in just a handful of countries: Kazakhstan, Canada, Australia, Namibia, Niger and Russia²⁶. Most uranium is traded under long-term contractual arrangements, typically between three to fifteen years, at a premium to the spot price at the time of delivery²⁷.

Nuclear power technology was first commercialised in the 1950s and the number of operable nuclear reactors grew rapidly in the 1960s, 1970s and 1980s as the technology gained widespread adoption²⁸. By the end of the 1980s there were over 400 operable reactors around the world²⁹. The number of reactors has remained relatively stable since then with approximately 440 operable reactors in 2024. The slowdown in the growth of new reactors was due to several factors including slowing electricity demand growth, increasing capital and construction costs, and increasing public opposition (due to several high-profile accidents, in particular at Three Mile Island³⁰ and Chernobyl³¹). In the ten-year period following the Three Mile Island accident in 1979, 67 planned nuclear reactor builds in the United States were cancelled³².

On 11 March 2011, a major earthquake off the coast of Fukushima, Japan, caused a tsunami that interrupted the power supply and cooling of three nuclear reactors in the Japanese town of Okuma located in Fukushima Prefecture³³. This resulted in a meltdown in three cores, which led to three hydrogen explosions and the release of radiation into the atmosphere and surrounding areas and evacuation of over

²⁵ World Nuclear Association — Nuclear Power in the World Today.

²⁶ World Nuclear Association, How is uranium made into nuclear fuel?, April 2024.

²⁷ World Nuclear Association, Uranium Markets, June 2022.

²⁸ World Nuclear Association, Outline History of Nuclear Energy, November 2020.

²⁹ World Nuclear Association, Outline History of Nuclear Energy, November 2020.

³⁰ In 1979, at the Three Mile Island nuclear power plant in the United States a cooling malfunction caused part of the core to melt in the second reactor resulting in radioactive gas released which created days of public accident induced fear, stress and confusion. The accident caused concerns around public health and the Pennsylvania Department of Health for 18 years maintained a registry of more than 30,000 people who lived within five miles of Three Mile Island. Despite no serious health concerns reported, the accident’s lessons resulted in improvements of all nuclear power plants.

³¹ The Chernobyl accident in 1986 was the result of a flawed reactor design that resulted in explosion and fires releasing at least 5% of the radioactive reactor core into the environment. The accident caused the largest uncontrolled radioactive release into the environment ever recorded for any civilian operations, with radioactive substances released into the air for around 10 days creating significant social and economic disruption for large populations in Belarus, Russia and Ukraine. There were serious short-term and long-term health consequences of the accident.

³² U.S. Energy Information Administration – Most U.S. Nuclear power plants were built between 1970 and 1990, 27 April 2017.

³³ World Nuclear Association, Fukushima Daiichi Accident, May 2022.

100,000 people. Following the Fukushima disaster, all of Japan's 54 nuclear reactors were either closed down or had their operations suspended for safety inspections.

Demand

At present, the only substantial use of uranium around the world is as a fuel for nuclear reactors to generate electricity. Therefore, the demand for uranium is almost entirely driven by the demand for electricity and the demand for nuclear power within the energy mix.

Beginning in the early 2000s, the prospects for nuclear power began to improve driven by expectations of soaring electricity demand (particularly in the rapidly industrialising areas of Asia), concerns about climate change, and the growing importance of energy security and access to affordable and dispatchable electricity at all times. Demand for uranium is expected to grow within the short term with the market forecast to remain in a structural deficit as production and supply fail to meet the global needs for nuclear power and electricity demand.

In recent years, carbon emission reduction targets have become more important as world leaders have sought to tackle climate change concerns. In order to meet their commitments under the 2015 Paris Agreement, countries may require a significant contribution from nuclear power³⁴. This is supported by the Intergovernmental Panel on Climate Change's mitigation pathways to achieve 1.5°C of global warming rise, compared to 2°C or more in the context of sustainable development³⁵, with nuclear power seen as potentially playing an important role in meeting climate objectives. Additionally, during 2023 United Nations Climate Change Conference held in November 2023, 22 countries launched a declaration to triple installed nuclear energy capacity by 2050. Currently, 58 new global reactors are under construction, with 22 of these being in China, while Japan has restarted numerous projects and France and Bulgaria are looking to build 14 and 4 respectively.

Globally, electricity demand is expected to grow at a CAGR of c. 2%³⁶ between 2020 and 2050 due to the electrification of the economy, particularly in end uses such as transport, heating and industrial processes. Approximately 80% of growth is expected to come from emerging market and developing economies³⁷. Growing electricity demand is expected to support the investment in new nuclear power plants due to their ability to supply uninterrupted base-load quantities of electricity 24/7, without releasing any greenhouse gases, and regardless of weather conditions which can hamper renewable energies.

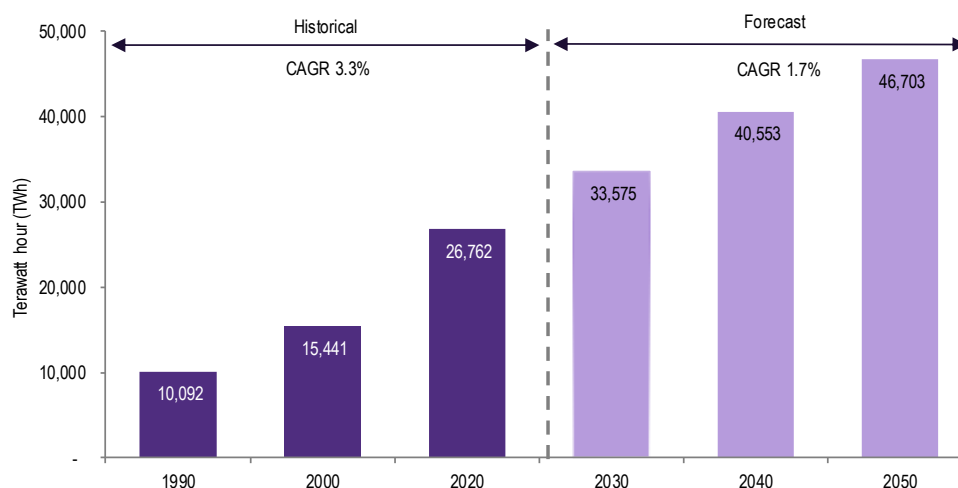
³⁴ International Energy Agency and Nuclear Energy Agency, Projected Costs of Generating Electricity, 2020 Edition.

³⁵ Intergovernmental Panel on Climate Change Special Report 15.

³⁶ International Energy Agency, World Energy Outlook 2021, October 2021. Based on the more conservative stated policies scenario (STEPS).

³⁷ Ibid.

Growth of electricity generation



Sources: International Energy Agency; World Energy Outlook, October 2021.

Supply

Reserves and resources

Uranium is an abundant element, however the process of mining and milling uranium to uranium oxide and then enriching uranium is what takes time and creates the gap between supply and demand. Australia has the largest recoverable resource base in the world with close to 1.7 million tonnes of uranium (tU), representing 28% of global resources³⁸. Kazakhstan and Canada have the second and third largest resources with 13% and 10% of world resources respectively. Other key resources are located in Russia, Namibia and South Africa. Below we present the current estimated global uranium resources by country:

Uranium resources by country		
Country	Uranium (tonnes)	World %
Australia	1,684,100	28%
Kazakhstan	815,200	13%
Canada	588,500	10%
Russia	480,900	8%
Namibia	470,100	8%
South Africa	320,900	5%
Niger	311,100	5%
Brazil	276,800	5%
China	223,900	4%
Mongolia	144,600	2%
Other	831,700	12%
Total	6,147,800	100%

Sources: World Nuclear Association; World Uranium Mining Production.

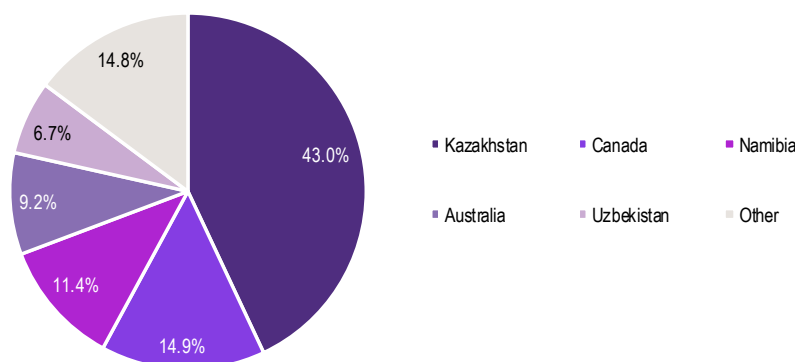
³⁸ World Nuclear Association, World uranium mining production, July 2022.

In Australia, uranium mining and exploration requires both federal and state/territory approvals. Historically, various legislation at the state/territory level have prohibited uranium exploration and mining. At present, uranium exploration is allowed in all states and territories except for Victoria, however uranium mining is only allowed in South Australia, Northern Territory and Tasmania. WA has banned future uranium mining except for four projects that received State Ministerial approval under the former Liberal National Government.

Production

Global production is dominated by a few countries with the top 5 producing countries supplying c. 87% of uranium.

2022 top uranium producers worldwide



Sources: World Nuclear Association; World Uranium Mining Production.

Of the total global uranium production 70.7% occurs from mines in Kazakhstan, Canada and Australia, with over 55% of global supply occurring from in-situ leaching. The global uranium production has declined at a CAGR of c. 2.0% over the last ten years, from c. 59,331 tU in 2013 to c. 49,355 tU in 2022³⁹, driven by lower demand and prices following the Fukushima Disaster in 2011. In the aftermath of the Fukushima Disaster, a large number of mines around the world were placed on care and maintenance.

During the 1990's, the uranium production industry experienced a consolidated via takeovers, mergers and closures. Over half of the uranium mine production occurs from state-owned mining companies, some of which prioritise secure supply over market considerations. In 2022, the top 10 companies in the market by production contributed to over 90% of the world's uranium production.

Secondary supplies

Historically, global production has not kept pace with reactor requirements. However, this has not had a material effect on spot prices due to secondary supplies including stockpiled uranium held by utilities⁴⁰. Secondary supplies are a critical element balancing the uranium market, filling a primary production shortfall gap of c. 1.4 billion lb U₃O₈ over the last three decades⁴¹.

³⁹ International Energy Agency, World Energy Outlook 2021, October 2021.

⁴⁰ World Nuclear Association, Uranium Markets, June 2022.

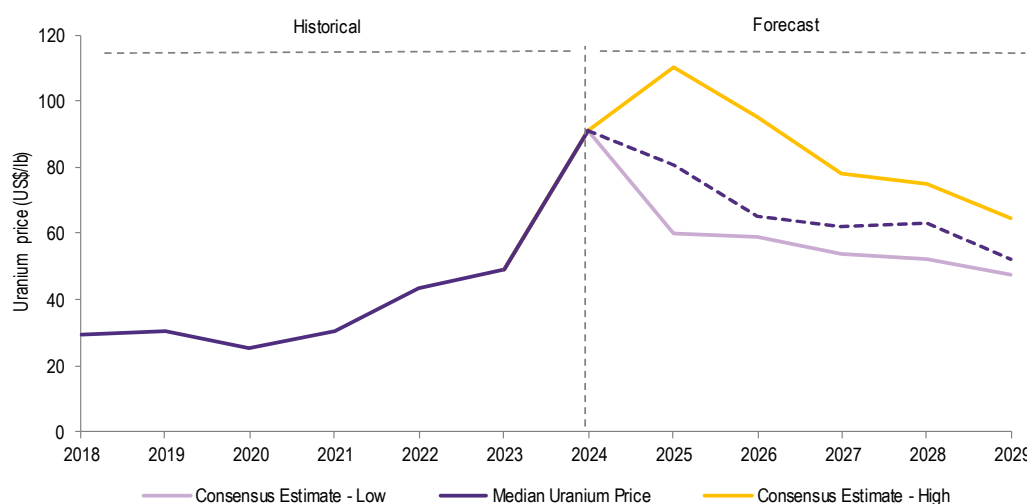
⁴¹ UXC Market Outlook, Q1 2022.

These stockpiles were heavily depleted over the 15-year period from 1990-2005, in the aftermath of the Cold War, as weapon stockpiles of enriched uranium were released for use in power plants. In 2002, only 54% of uranium used for nuclear power plants came from mining activity, however by 2012, this number increased to 95%⁴². These de-weaponised stockpiles have now been mostly depleted, although some increase in uranium stockpiles has been evident following the Fukushima Disaster due to lower demand in recent years. 77% of uranium requirements were supplied by mines in 2021, and the balance made up from secondary sources.

Uranium price and outlook

The vast majority of uranium is sold by producers directly to utilities under long-term contracts, typically between 3-15 years. Prices specified in contracts typically have regard to the spot price at the time of delivery plus a premium reflecting the security of supply. This premium has varied over time, but from previous spot price and contract price comparisons, the average premium is 29% over the last 10 years⁴³. Below we outline the historical and forecast uranium prices:

Historical and forecast uranium prices



Source: Consensus Economics forecasts.

Uranium price outlook

Historically, major incidents such as the Chernobyl disaster, have impacted demand and subsequently prices. However, as safety protocols have improved and a continued global desire for cleaner energy, the value of uranium has experienced a steady increase, growing at a CAGR of c. 4.4% since 2010. With nuclear energy set to increase in the future, the demand for uranium is expected to rise in the coming years. As discussed previously, France and the United Kingdom have all announced plans to build and commission reactors by 2030^{44,45,46}. In addition, Japan recently announced plans to restart its existing nuclear plants and extend their lifetime, while considering longer term investments in new nuclear plants, such as SMRs. Germany meanwhile plans to postpone the closure of the country's last three nuclear

⁴² Sprott Inc., *Unearthing Opportunity, Uranium Miners and the Global Clean Energy Transition*, April 2022.

⁴³ Cameco, *Uranium Price*, 2022.

⁴⁴ World Nuclear Association, *Nuclear Power in the United Kingdom*, July 2022.

⁴⁵ World Nuclear Association, *Nuclear Power in France*, March 2022.

⁴⁶ World Nuclear Association, *US Nuclear power policy*, August 2021.

plants due to the possibility of energy shortages resulting from Russia reducing its supply of gas to the country. These global plans regarding plant construction are likely to support increases in prices of uranium. Supply shortages are expected to occur by the end of the decade which is likely to result in increases in spot prices.

Broker consensus estimates are predicting real uranium prices to continue to increase from c. US\$50 per lb U₃O₈ at present to a peak of US\$69 per lb U₃O₈ in 2024, a 38% increase from current spot prices^{47, 48}. However, broker consensus estimates forecast a drop to US\$63 per lb U₃O₈ in 2025 and further reducing to US\$ 55 per lb U₃O₈ in 2026⁴⁹ as supply increases and projects restart.

⁴⁷ Canaccord Genuity, Cameco Corporation, 27 July 2022.

⁴⁸ Macquarie Research, Boss Energy, July 28, 2022.

⁴⁹ RBC Capital Markets, Uranium on track increase focus on future capital allocations plan, July 29, 2022.

4 Profile of PNX

4.1 Company Overview

PNX is an ASX listed company with a large exploration tenement portfolio based in the Pine Creek region of the Northern Territory, containing a mix of gold, silver, zinc and uranium assets.

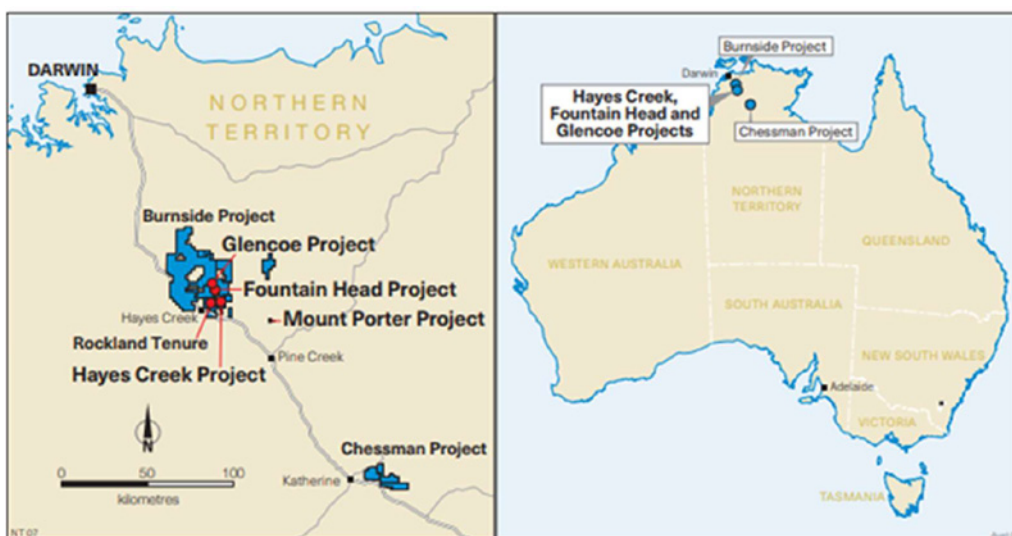
A Preliminary-Feasibility Study ("PFS") was completed on 17 June 2021⁵⁰ and confirmed the technical and financial viability of PNX's 100% owned Advanced PNX Projects (the Fountain Head Project and Hayes Creek Project). The Advanced PNX Projects are located in close proximity to each other and in favourable mining jurisdiction where the current development plan is able to utilise existing mining infrastructure which includes telecommunications, roads, high voltage power lines and water. The current priority of the Company is obtaining the mining management plan approval for the Fountain Head Project⁵¹ and progressing the Advanced PNX Projects towards a DFS.

Outside of the Advanced PNX Projects, PNX's operations focus on:

- Two 100% owned gold deposits (Glencoe and Mt Porter);
- Uranium rights on a large portion of PNX's tenements (80%-100% owned);
- Thunderball uranium deposit (90% owned); and
- Other regional exploration projects, with mineral and exploration licenses covering 1,500km² ⁵².

We have set out below the location of PNX's key exploration projects in the Northern Territory:

Map of PNX's key exploration projects in the Northern Territory



Source: PNX website.

⁵⁰ A previous standalone PFS was completed at the Hayes Creek Project in 2017.

⁵¹ Management have stated they expect approval to be imminent.

⁵² Australia Gold & Base Metals Explorer & Developer investor presentation.

Notes: (1) Moline project is no longer part of PNX's asset portfolio.

We have summarised the total PNX Mineral Resources in the table below with a detailed breakdown by project available in the sections below.

PNX Total Mineral Resources						
JORC Classification	Tonnage (kt)	Zn (t)	Pb (t)	Cu (t)	Ag (Moz)	Au (Koz)
Total Contained Metal (t)	9,780	177,200	37,000	10,050	16.2	520.9

Source: SID.

Notes: (1) The MRE for each project (by JORC classification) are estimated at varying dates with detail provided in Appendix H.

4.2 Advanced PNX exploration projects

The Advanced PNX Projects are located within the Pine Creek region of the Northern Territory, a favourable mining jurisdiction which is 170km south of Darwin and comprises 25 wholly owned mineral leases. A scoping study was completed by the Company in March 2016 which covered an area of 1,246.6 hectares and for which provided continuous coverage of, and unrestricted access over the Advanced PNX Projects and Glencoe⁵³. We have provided an overview of the Advanced PNX Projects below.

Fountain Head Project (100% owned):

Made up of two discrete mineral deposits, Tally Ho and Fountain Head, hosting a collective MRE of 156koz. Environmental approvals were received in 2023 and the final approval for the mining management plan is currently pending, including a proposed integrated processing plant capable of treating gold and silver ore from the Advanced PNX Projects, Glencoe and Mt Porter.

The Fountain Head mining management plan was submitted to the Department of Industry, Tourism and Trade in May 2023 for the Fountain Head Project. We understand from Management that there have been delays in approval due to follow-up enquiries from the Government department however at the start of April 2024 final queries were resolved and approval is expected imminently. Following approval, an investment decision is set to be made by the Company on whether to progress to a DFS or similar studies.

Fountain Head Mineral Resources	Indicated			Inferred			Total		
	Tonnes	Au (g/t)	Au oz	Tonnes	Au (g/t)	Au oz	Tonnes	Au (g/t)	Au oz
Tally Ho	940	2.0	59,000	-	n/a	-	940	2.0	59,000
Fountain Head	890	1.4	41,000	1,110	1.6	56,000	2,000	1.5	96,000
Total	1,830	1.7	100,000	1,110	1.6	56,000	2,940	1.7	156,000

Source: SID.

Notes: (1) JORC classification as at 16 June 2020. (2) The initial Mineral Resource estimate was reported on 11 July 2019. (3) No material changes in the estimates have occurred since they were originally reported. (4) Tables may include differences due to rounding.

PNX had historically received c. A\$2.4 million under two silver streaming agreements for the forward sale of 336 Koz of silver to be delivered over a 3-year period following commissioning and ramp up of the Fountain Head Project. On the 15 April 2024, PNX terminated their silver streaming rights in exchange for 474,590,036 PNX shares which were issued on 26 April 2024.

⁵³ PNX executed a sale and purchase agreement in April 2021 to acquire Glencoe mineral leases from Ausgold.

Hayes Creek Project (100% owned):

The Hayes Creek Project is located within close proximity to the Fountain Head Project and comprises 14 mineral leases of 168 hectares. The project is made up of two discrete mineral deposits, Iron Blow and Mt Bonnie, with a combined Mineral Resource Estimate of 117.2 kt zinc, 16.2 Moz silver and 237.7 Koz gold as set out below.

Total Hayes Creek Mineral Resource	Tonnage	ZN	Pb	Cu	Ag	Au	ZnEq	AuEq
JORC Classification	(kt)	(%)	(%)	(%)	(g/t)	(g/t)	(%)	(g/t)
Total Indicated	3,455	4.88	1.01	0.27	137	1.88	11.99	9.29
Total Inferred (15.3%)	622	1.39	0.37	0.1	52	1.46	5.03	3.91
Total Indicated + Inferred	4,077	4.35	0.91	0.25	124	1.81	10.93	8.47
Total Contained Metal (t)		177,200	37,000	10,050	16.2Moz	237.7Koz	445,000t	1,110koz

Source: SID.

Notes: (1) JORC classification as at 3 May 2017. (2) No material changes in the estimates have occurred since they were originally reported. (3) Tables may include differences due to rounding.

The Hayes Creek Project had a PFS completed in July 2017, prior to the combined PFS with the Fountain Head Project although the material assumptions and outcomes of the 2017 PFS were largely maintained in the combined PFS.

The Advanced PNX Projects PFS:

In June 2021, PNX completed a combined PFS on the Advanced PNX Projects which supported the sequential development of Fountain Head (stage 1) and Hayes Creek (stage 2), for a ten-year Life of Mine ("LOM") and had a total production of 250.5 Koz gold, 11.4 Moz silver and 116.3 Kt zinc. The key economic metrics of the Advanced PNX Projects PFS are detailed below:

- The PFS envisaged the initial gold mining and processing from Fountain Head (years 1 to 5), followed by gold-silver and zinc development from Hayes Creek.
- The PFS assumes the construction of a carbon in leach plant and infrastructure which would be capable of treating 750Ktpa and would process the near surface oxide and free-milling gold and silver ore from the open pits at Fountain Head, Mt Bonnie and Glencoe. This would be expected for the initial five year source of minerals, with further exploration, acquisitions like Mt Porter and toll treatment available for processing after this period. The plant was also expected to be upgraded after five years to incorporate a sulphide flotation circuit capable of processing the Hayes Creek Project's high-grade gold-silver-zinc massive sulphide ores from Mt Bonnie and Iron Blow.
- The project cash flows are dependent on the expected pre-production upfront capital investment of A\$46 million relating to plant development, mining developments and working capital requirements.
- The LOM All-in Sustaining Cost ("AISC") (net of zinc by-products credits) was A\$1,119/oz gold equivalent.

Since 2021, Management have internally revised the PFS financial model relating to operating costs, capital costs, metal prices and macro-economic assumptions, which, in Management's view, still confirm the financial viability of the Advanced PNX Projects.

Since the delivery of the PFS, progression at the Advanced PNX Projects relating to further exploration work, potential resource growth and ultimately delivery of a DFS has been constrained by PNX's ability to fund these initiatives.

4.3 Other exploration projects

We have provided a brief outline of PNX's other key projects aside from the Advanced PNX Projects:

Glencoe (100% owned) – Located 3km directly north of Fountain Head for which an updated Mineral Resource Estimate was completed in August 2022, noting 2.1 Mt @ 1.2 g/t for 79,000 oz gold, with 77.4% reported within the Measured and Indicated categories.

Glencoe Mineral Resources JORC Classification	Measured		Indicated		Inferred		Total		
	Tonnes	Au (g/t)	Tonnes	Au (g/t)	Tonnes	Au (g/t)	Tonnes	Au (g/t)	Au oz
Oxide	14,000	1.18	86,000	1.04	40,000	1.23	140,000	1.11	5,000
Transitional	144,000	1.25	449,000	1.28	107,000	1.18	700,000	1.26	28,300
Fresh	269,000	1.36	649,000	1.04	324,000	1.17	1,242,000	1.14	45,700
Total	427,000	1.32	1,184,000	1.13	471,000	1.18	2,082,000	1.18	79,000

Source: SID.

Notes: (1) JORC classification as at 29 August 2022. (2) Tables may include differences.

Mt Porter (100% owned) – PNX acquired the Mt Porter gold deposit ("Mt Porter") located within the Advanced PNX Projects area on 28 September 2022, which at that date had a Mineral Resource of 681,000 tonnes at 2.2 g/t Au for 48,200 oz au (Indicated and Inferred). The purchase agreement was with Ausgold Trading Pty Ltd ("Ausgold") for a consideration of A\$1.1 million which was paid via an upfront consideration upon completion (consisting of a mixture of PNX shares valued at A\$0.04 per share and cash). Further staged payments were required based on certain resource scale and development hurdles being met. The title transfer completion was deferred due to renegotiation of terms. The acquisition of Mt Porter and related royalty agreements was completed on 12 April 2024, with the title transfer of Mt Porter occurring following 115,000,000 PNX Shares issued to Ausgold and future contingent payments to the vendor being waived of up to A\$2.0 million that was payable based on certain milestones being achieved.

Mt Porter Mineral Resources JORC Classification	Indicated		Inferred		Total		
	Tonnes	Au (g/t)	Tonnes	Au (g/t)	Tonnes	Au (g/t)	Au oz
Oxide/Transitional	70,000	1.9	7,300	2.4	77,200	2.0	4,900
Fresh	478,000	2.3	125,000	1.8	603,000	2.2	43,200
Total	548,000	2.3	133,000	1.9	681,000	2.2	48,200

Source: SID.

Notes: (1) JORC classification as at 28 June 2022. (2) Tables may include differences due to rounding. (3) An update to the Mt Porter Mineral Resources were reported on 28 September 2022 however there were no material changes in the estimates.

Pine Creek Uranium Interests (80% - 100% owned) – In November 2023, uranium rights on a large portion of PNX's tenements at Pine Creek were returned to the Company after the expiry of a farm-in agreement with Oz Uranium Pty Ltd which had been in place since November 2011. The Pine Creek region is noted as one of the world's largest and richest uranium provinces.

Thunderball Uranium Deposit (90% owned) – Located approximately 5km south of Fountain Head and initially discovered in 2008 by Thundelarra Exploration Ltd in which previous exploration resulted in a mineral estimate, which has not been reported by PNX being pre-JORC 2012. In February 2024 results from drilling were announced identifying eight drillholes which have not been released previously and

noting high-grade uranium. Additionally, a gap analysis has been completed by SRK Consulting which identified potential extensions to high-grade zones and the potential to increase quality and quantity.

On 14 April 2023, PNX announced the sale of the Moline leases for a cash consideration of A\$1.8 million to Sovereign Metallurgical Pty Ltd (“Sovereign”) (a subsidiary of Ausgold) via four monthly instalments commencing 15 April 2023 and completing by 28 August 2023. The Moline project included mineral leases covering 65km² to the east of Hayes Creek, with the area subject to various drilling programmes since 2016. The sale allowed PNX to retain an interest through a net smelter royalty of 1% over gold/silver and 2% over any other metals products from Moline, and the first right of refusal to toll treat any gold/silver mineralisation from Moline through the proposed Fountain Head processing plant.

4.4 Early-stage exploration projects

The Burnside and Chessman regional exploration projects cover an area of 1,700 km² in the Pine Creek region of the Northern Territory. PNX holds a 90% interest in 19 exploration licenses in the area under a farm-in agreement with Newmarket Gold. Within the Fountain Head and Burnside project area, nearby the west of Hayes Creek, PNX has four exploration tenements and 24 mineral leases (under 100% ownership). The Company has developed a pipeline of exploration prospects which are at various stages, ranging from prospects with no historical exploration performed to brownfield prospects along mineralised structures which are beneath historical open pits. On 13 February 2023, PNX announced multiple high-grade gold targets identified in the northern exploration leases of the Burnside exploration project.

The Company’s exploration program across the Northern Burnside exploration leases were successful in 2023, identifying multiple targets within kilometre-scale gold corridors, with the potential to host significant economic gold mineralisation, which includes the C6 gold prospect. High-grade gold was discovered at the C6 at surface with significant mineralised footprint (>10 g/t gold). Initial RC drilling and aircore drilling at C6 and Bartons was completed in the six months to December 2023, which was not able to identify the source of high-grade gold values at surface and we understand further assessment is required.

4.5 Financial information

4.5.1 Financial performance

The consolidated statements of financial performance for PNX for the two financial years ended 30 June 2022 and 30 June 2023 and the half year ended 31 December 2023 are set out in the table below:

Consolidated statements of financial performance	FY22	FY23	H1FY24
A\$	Audited	Audited	Reviewed
Revenue and other income	643,874	74,088	82,989
Expenses:			
Depreciation and amortisation	(78,455)	(90,385)	(45,407)
Directors fees	(235,000)	(225,568)	(108,689)
Employee benefits	(131,373)	(328,375)	(183,529)
Equity-based remuneration	(142,544)	(155,880)	(67,339)
Exploration and evaluation	-	(72,031)	(107,246)
Finance costs	(9,669)	(8,414)	(6,229)
Professional fees	(716,488)	(541,401)	(176,995)
Other expenses	(94,369)	(125,001)	(118,120)
Total expenses	(1,407,898)	(1,547,055)	(813,554)
Loss before income tax expense	(764,024)	(1,472,967)	(730,565)
Income tax expense	-	-	-
Total comprehensive loss	(764,024)	(1,472,967)	(730,565)

Source: PNX financial reports.

We make the following observations:

- PNX does not generate any revenue from operating activities. The income recognised to date primarily consists of interest income and government grants.
- Most expenses are derived from management and other staff costs, professional fees and expenses in relation to the advancement of the projects.
- The project related expenditure relates to expenditure incurred that do not qualify for capitalisation under the relevant accounting standards.

4.5.2 Financial position

The consolidated statements of financial position for PNX for the two financial years ended 30 June 2022 and 30 June 2023 and the half year ended 31 December 2023 are set out in the table below:

Consolidated statements of financial position	30/06/2022	30/06/2023	31/12/2023
A\$	Audited	Audited	Reviewed
Current assets			
Cash and cash equivalents	3,701,939	2,724,552	1,223,579
Trade and other receivables	37,589	1,663,901	1,158,659
Prepayments and deposits	184,004	473,801	518,970
Other financial assets	270,000	156,000	90,000
Total current assets	4,193,532	5,018,254	2,991,208
Non-current assets			
Trade and other receivables	1,810,624	-	-
Exploration and evaluation expenditure	21,519,844	23,565,704	24,765,877
Plant and equipment	205,499	118,412	193,757
Other financial assets	784,055	784,055	784,055
Total non-current assets	24,320,022	24,468,171	25,743,689
Total assets	28,513,554	29,486,425	28,734,897
Current liabilities			
Trade and other payables	568,151	322,763	208,494
Provisions	203,161	215,778	229,912
Lease liabilities	90,152	40,273	77,120
Total current liabilities	861,464	578,814	515,526
Non-current liabilities			
Provisions	-	-	-
Lease liabilities	115,709	84,175	125,161
Financial liabilities	2,400,000	2,400,000	2,400,000
Total non-current liabilities	2,515,709	2,484,175	2,525,161
Total liabilities	3,377,173	3,062,989	3,040,687
Net assets	25,136,381	26,423,436	25,694,210
Equity			
Issued capital	57,458,856	60,176,998	60,176,998
Reserves	413,316	446,956	417,522
Accumulated losses	(32,735,791)	(34,200,518)	(34,900,310)
Total equity	25,136,381	26,423,436	25,694,210

Source: PNX financial reports.

We note the following in relation to PNX's financial position:

- Cash and cash equivalents have decreased from A\$3.6 million as at 30 June 2021 to A\$1.2 million as at 31 December 2023 despite capital raisings occurring during the same period. The cash proceeds have been utilised to continue progressing the Company's development and exploration projects. PNX reported c. A\$0.6 million of cash and cash equivalents on hand as at 31 March 2024. We discuss the current cash position of PNX in further detail within Section 7.1.3 of this Report.

- Trade and other receivables as at 30 June 2023 and 31 December 2023 primarily relates to the sale of the Moline Project, with receivable balances of c. A\$1.6 million and c. A\$1.0 respectively. Although the sale was finalised in June 2022, final settlement did not occur until 12 April 2024.
- The property, plant and equipment balance primarily relates to field equipment held by PNx along with motor vehicles and office equipment.
- Current other financial assets refer to a balance of 6,000,000 shares in ASX listed Sunstone Metals Limited (previously Avalon Minerals Ltd). Non-current financial assets refer to Environmental Bonds required to be lodged with the Department of Industry, Tourism and Trade in relation to the Care and Maintenance conditions of the mineral leases, specifically in relation to the conditions of the Fountain Head mineral leases.
- Financial liabilities of c. A\$2.4 million relate to silver streaming receipts which PNx holds with two companies. Under these agreements, the companies were to receive a net smelter royalty from forward sales of silver by PNx. On 19 April 2024, these silver streaming agreements were terminated with the A\$2.4 million liability and their associated rights exchanged for 474,590,036 fully paid ordinary shares.
- Subsequent to the end of Q3 FY24, PNx and KIN entered into the KIN Facility where KIN will provide PNx with up to A\$1.5 million to assist with PNx's transaction costs and working capital during the transaction implementation. As of the date of this report, the first two tranches totalling A\$1.0 million have been drawn.

4.5.3 Cash flows

The consolidated statements of cash flows for PNx for the two financial years ended 30 June 2022 and 30 June 2023 and the half year ended 31 December 2023 are set out in the table below:

Consolidated statements of cash flows A\$	FY22 Audited	FY23 Audited	H1FY24 Reviewed
Cash flows from operating activities			
Other income	100,000	-	-
Payments to suppliers and employees	(1,048,364)	(1,243,064)	(826,636)
Net operating cash flows	(948,364)	(1,243,064)	(826,636)
Cash flows from investing activities			
Interest received	4,349	73,597	43,096
Proceeds from disposals	687,701	-	500,000
Payments for exploration activities	(3,549,229)	(2,398,098)	(1,142,975)
Payments for plant and equipment	(8,980)	(2,272)	-
Deposits received / (paid) for projects	50,000	-	-
Payments for tenement security bond	(2,756)	(40,633)	(36,620)
Net investing cash flows	(2,818,915)	(2,367,406)	(636,499)
Cash flows from financing activities			
Proceeds from share issues	3,959,321	2,809,701	-
Payments for capital raising costs	(45,753)	(91,559)	-
Payments for leases	(76,602)	(85,058)	(37,838)
Net financing cash flows	3,836,966	2,633,084	(37,838)
Net increase / (decrease) in cash	69,687	(977,386)	(1,500,973)
Cash at beginning of financial year	3,632,252	3,701,939	2,724,553
Cash at end of financial year	3,701,939	2,724,553	1,223,580

Source: PNX financial reports.

We note the following in relation to the table above:

- Payments relating to exploration activities is the main cash flow expense of PNX.
- Proceeds from disposals relates to investments held in ASX listed Sunstone Metals Limited and the sale of plant and equipment during FY21. In H1 FY24, proceeds of A\$0.5 million were received for the sale of tenements.
- During FY22, the A\$50,000 deposit was received for the sale of the Moline project and during FY21 the consideration of A\$1.2 million was paid for the Glencoe tenement acquisition.
- During FY21 the following shares were issued:
 - 378,333,333 fully paid ordinary shares were issued at a trading price of A\$0.006 under a placement to sophisticated and professional investors. The total capital raised was c. A\$2.3 million.
 - 527,950,076 fully paid ordinary shares were issued to shareholders who subscribed for shares under a non-renounceable rights issue at a trading price of A\$0.006, which raised a total of c. A\$3.2 million.

- 1,000,000 shares were issued at A\$0.006 per share to a service provider on 24 December 2020, in lieu of cash payment for services rendered to the Company.
- 202,288,626 shares were issued at A\$0.006 per share under the placement shortfall, raising cash proceeds of c. A\$1.2 million.
- On 16 February 2022, the Company issued 791,864,296 fully paid ordinary shares under a non-renounceable rights issue of one for every four shares held, which was at a trading price of A\$0.005 and raised c. A\$4.0 million (before transaction costs)⁵⁴.
- During February 2023, the Company raised c. A\$2.8 million (before transaction costs)⁵⁵ under a non-renounceable rights issue of one for every three shares held, at a trading price of A\$0.003 per share. A total number of 936,566,912 fully paid ordinary shares were issued, representing a 63.2% take-up including oversubscriptions. The capital raising included existing substantial PNx Shareholders, and the proceeds were used to support ongoing approvals and development activities at the Advanced PNx Projects and significant near-mine and regional exploration.

4.6 Share capital structure

As at the date of this Report, PNx's capital structure comprised of the following securities:

- 5,970,214,755 ordinary shares on issue⁵⁶; and
- 85,800,000 performance rights. As detailed in section 1.1, the implementation of the Scheme is subject to all PNx Performance Rights having lapsed, been exercised, or cancelled.

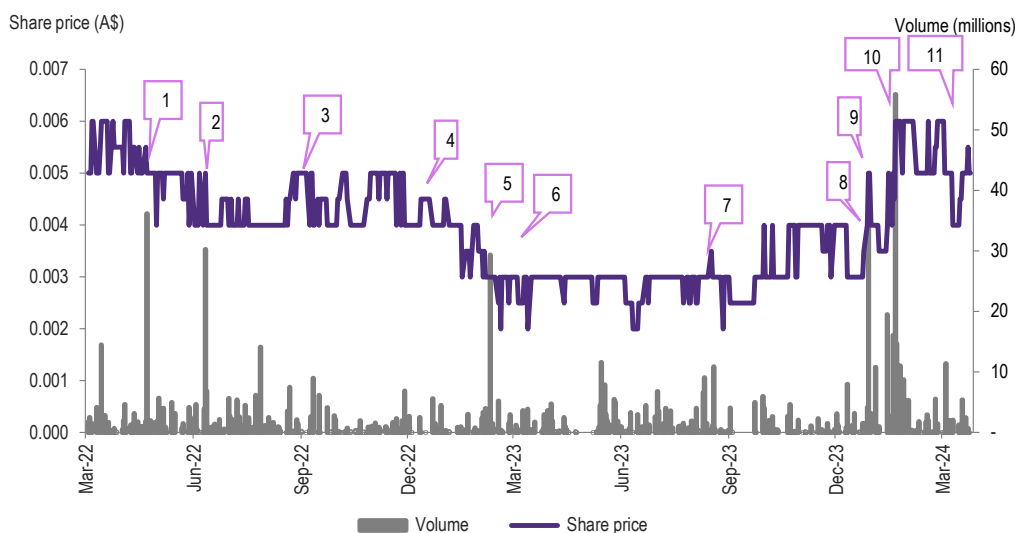
Our analysis of the daily movements in PNx's share price and volumes for the period from April 2022 is set out below:

⁵⁴ c. A\$3.85 million net of transaction costs.

⁵⁵ c. A\$2.6 million net of transaction costs.

⁵⁶ Includes the 115,000,000 PNx shares that were issued on 12 April 2024 and 474,590,036 PNx Shares issued with regards to the silver streaming agreements on 26 April 2024.

Historical share trading prices and volume of PNX from March 2022



Sources: S&P Global; GTCF analysis.

The following table illustrates the key events from March 2022 to March 2024, which may have impacted the share price and volume movements shown above.

Event	Date	Comment
1	29 April 2022	PNX released March 2022 quarter end results, detailing the following highlights: <ul style="list-style-type: none"> - Continued progress on the Fountain Head Project permitting and approvals, capital and operating cost estimates and project finance; - Ministerial approval and title transfer for Glencoe. Diamond drilling at Glencoe was completed, with geological, specific gravity and metallurgical data collection completed; - Non-renounceable rights issue completed raising c. A\$4 million to continue Fountain Head development; - Divestment of the Moline Project announced to the market.
2	28 June 2022	PNX increased the Northern Territory gold exploration footprint via: <ul style="list-style-type: none"> - Earn-in completed over exploration and mining licenses directly adjacent to Hayes Creek; - Area prospective for gold and base metals with significant intercepts reports; - Co-funded drone magnetic survey expanded over new prospective areas to commence in August 2022.
3	30 August 2022	PNX announced a significant upgrade in Glencoe Gold Mineral Resource categorisation. The updated estimate returns 2.1 Mt at 1.2 g/t Au for 79,000 oz Au, with 77.4% of the total Mineral Resource Estimate of Glencoe being reported within Measured and Indicated categories.
4	17 November 2022	New gold target zones identified between Fountain Head and Glencoe. A 1,238 line km drone magnetic survey covered the Advanced PNX Projects and permitted confidence in the prospective targets which host the same stratigraphy of the nearby >1.2 Moz Cosmo gold mine.
5	31 January 2023	PNX released December 2022 quarter end results, detailing the following highlights: <ul style="list-style-type: none"> - Fountain Head received environmental approval recommendation from the Northern Territory Environmental Protection Authority, with Ministerial consent expected in February 2023; - Drone magnetic survey identifies new gold target zones within the Advanced PNX Projects; - RC drill program successfully confirms extensions to mineral lodes at Glencoe with further drilling planned for April 2023; - Non-renounceable rights issue expected to raise up to A\$4.4 million, with firm commitments of A\$2.1 million from major shareholders.
6	23 February 2023	The results of the non-renounceable pro-rata rights issue which closed on 20 February 2023 were announced. The total amount raised (before transaction costs) was A\$2,809,701 from the issuance of 936,566,912 new shares at an issue price of A\$0.003 per share, representing an approximate 63.2% take-up (including oversubscriptions). The Company will use the proceeds to continue developing activities at the Advanced PNX Projects. On 17 February 2023, the Company announced that the environmental approval was granted for Fountain Head.

Event	Date	Comment
7	29 August 2023	Costeans at the new C6 gold discovery support surface field observations and expose high-grade surface gold zone. More high-grade gold has been reported in surface rock-chips 1.8km north of the C6 gossan. There was widespread surface samples of >10g/t Au extended over a >2.8km strike with numerous areas requiring further assessment and testing.
8	25 January 2024	Positive results returned from initial RC, aircore and trenching completed at the recently discovered C6 and Bartons prospects. The exploration along the kilometre-scale gold corridors continue to support the potential for economically significant gold mineralisation. The near surface aircore drill results from the C6 corridor requiring follow-up include: <ul style="list-style-type: none"> - 2m @ 1.62g/t Au from 22.0m in C6AC070; - 2m @ 1.86 g/t Au from 16.0m in C6AC086; - 2m @ 0.96 g/t Au from surface and 4m @ 1.60 g/t Au from 22.0m in C6AC088.
9	8 February 2024	During a review eight drillholes were identified from 2014 that have not been released previously, included in the historic Thunderball Mineral Resource Estimate. The significant results include very high grade uranium in the lower lode at Thunderball of 15.0m @ 1.35% from 210.0m. Gap analysis was underway on the Thunderball MRE to provide guidance for drilling and a subsequent resource upgrade, expected to be released in April 2024.
10	15 February 2024	KIN Mining issued a non-binding and indicative offer to the Company in relation to a potential merger. A proposal was not agreed but discussions are continuing.
11	15 March 2024	GAP analysis completed on the Thunderball uranium deposit, with the highlights including: <ul style="list-style-type: none"> - Potential extensions to high-grade zones identified with proposed new drilling to improve understanding of high-grade structural controls; - Vein-style geological model recommended to domain and increase grade in future resource estimates; - Confirmation downhole gamma logging which can be used in conjunction with assays to better increase dataset quality and quantity. Fieldwork re-commenced, with drilling planned to commence in May 2024 subject to Government approvals.

Source: PNX's ASX announcements.

The monthly share price performance of PNX since March 2023 and the weekly share price performance of PNX for the past 16 weeks are summarised below:

PNX	Share Price			Average weekly volume '000'
	High \$	Low \$	Close \$	
Month ended				
Mar 2023	0.003	0.002	0.002	5,182
Apr 2023	0.003	0.002	0.003	4,958
May 2023	0.003	0.002	0.003	1,231
Jun 2023	0.004	0.002	0.002	11,236
Jul 2023	0.004	0.002	0.003	9,079
Aug 2023	0.003	0.002	0.003	6,743
Sep 2023	0.003	0.002	0.003	4,540
Oct 2023	0.004	0.003	0.003	5,408
Nov 2023	0.004	0.003	0.004	2,687
Dec 2023	0.004	0.003	0.003	4,564
Jan 2024	0.005	0.003	0.004	14,815
Feb 2024	0.007	0.004	0.005	36,352
Mar 2024	0.006	0.004	0.004	7,167
Week ended				
29 Dec 2023	0.004	0.003	0.003	8,827
5 Jan 2024	0.003	0.003	0.003	4,367
12 Jan 2024	0.003	0.003	0.004	3,182
19 Jan 2024	0.005	0.004	0.004	45,832
26 Jan 2024	0.004	0.003	0.004	11,804
2 Feb 2024	0.005	0.004	0.005	22,358
9 Feb 2024	0.007	0.004	0.006	88,702
16 Feb 2024	0.006	0.005	0.006	33,180
23 Feb 2024	0.006	0.005	0.006	6,171
1 Mar 2024	0.006	0.005	0.005	2,370
8 Mar 2024	0.006	0.005	0.005	6,986
15 Mar 2024	0.006	0.005	0.006	7,324
22 Mar 2024	0.006	0.005	0.005	11,439
29 Mar 2024	0.005	0.004	0.004	4,248
5 Apr 2024	0.005	0.004	0.005	7,945
12 Apr 2024	0.005	0.005	0.005	3,444

Sources: S&P Global; GTCF analysis.

4.6.1 Top shareholders

We have set out below the top five shareholders of PNX as at 30 April 2024:

Top five PNX shareholders		
Shareholder	No. of shares	Interest (%)
DELPHI Group	2,700,603,389	45.2%
Sochrastem Sa	298,025,897	5.0%
Marilei International Limited	220,957,619	3.7%
Robert Leon	171,108,339	2.9%
Potezna Gromadka Ltd	112,758,817	1.9%
Top five shareholders total	3,503,454,061	58.7%
Total remaining shareholders	2,466,760,694	41.3%
Total shares	5,970,214,755	100.0%

Source: S&P Capital IQ.

5 Profile of KIN

5.1 Company overview

KIN has a history of gold exploration and development activities with their main exploration project being CGP (covering the Cardinia gold project and Mertondale project areas within the Leonora gold district of WA) consisting of a JORC compliant Mineral Resource of 22.1 mt at a grade of 1.31 g/t for approximately 932Koz of contained gold. KIN is continuing to explore the 682km² of unexplored tenements within the Leonora gold district.

KIN's asset base shifted to be predominately cash and liquid securities at the end of 2023 as a result of the following transactions:

- On 17 October 2023, KIN announced it would accept an off-market takeover from Genesis for its 7.34% shareholding in Dacian. The consideration for KIN's 89,275,480 Dacian shares was 17,274,805 Genesis shares valued at c. A\$24.7 million⁵⁷ as at 17 October 2023 based on Genesis trading prices. Genesis is an ASX listed gold producer focussed in WA which had a market capitalisation of c. A\$2.1 billion as at 29 May 2024.
- On 14 December 2023, KIN entered into an Asset Sale Agreement ("ASA") with Genesis which included the freehold land and buildings, plant and equipment and 16 tenements, including 610,000 ounces of gold bearing ore resources. The transaction was completed on 8 February 2024 for a consideration of c. A\$15 million in cash and 21,917,532 un-escrowed Genesis shares (valued at c. A\$38.5 million at completion).
- On 18 December 2023, KIN sold 1,159,000 Genesis shares for a consideration of c. A\$2.0 million.
- Throughout March and April 2024, KIN sold a further 26,752,872 Genesis Shares, receiving c. A\$51.6 million for the sales.

As at 29 May 2024, KIN has a market capitalisation of c. A\$71.9 million, whilst their cash and cash equivalents balance is c. A\$86.6 million⁵⁸. Whilst the cash and the shares held in Genesis represent the most valuable assets of KIN at the date of this report, we have provided below a brief overview of the other minerals assets.

5.2 Key exploration projects (CGP)

KIN holds a 100% interest in nine project areas within the North-Eastern Goldfields region of WA which comprise KIN's flagship CGP covering 285 km² and which includes 139 tenements, hosting gold mineral resources of 932Koz of gold contained. The active gold mining district is host to numerous gold mines consisting of well-developed infrastructure. This includes three gold processing plants within 60km of CGP with a combined processing capacity of greater than 9.0 Mtpa.

Following the sale of the Bruno-Lewis and Raeside projects to Genesis in February 2024, the CGP includes the Cardinia project and the Mertondale project. In April 2024, KIN's mining proposal for the

⁵⁷ The Dacian shares were purchased 12 months earlier for c. A\$10.7 million, accordingly a gain of c. A\$17.6 million was recorded.

⁵⁸ As at 16 May 2024, the cash and term deposits were c. A\$65.4 million and KIN held 11,280,465 shares in Genesis (valued at c. A\$21.2 million or A\$1.875 per Genesis share).

Mertondale project has been approved and the East Cardinia project within the CGP is close to receiving the mining proposal approval.

A PFS was completed in 2019 for the CGP which confirmed an 8+ year LOM but since then, there has been no revisions to the PFS and KIN is currently progressing towards DFS through receiving mining proposal approvals for key projects.

The deposits at the Mertondale project have not had any significant work completed for c. 10 years primarily due to access issues. However, recent developments in access agreements and the approval of mining permits has resulted in the deposits likely to be fully permitted in mid-2024.

On 3 July 2023, KIN announced a significant increase of 134Koz in the MRE for the CGP to over 1.5 Moz⁵⁹ (37.7 Mt at 1.27 g/t Au), following from the increase of 132Koz announced in September 2022 in the Eastern Corridor. The current increase is reflective of successful drilling programs undertaken by the company over the previous financial year at the under explored eastern part of the CGP.

In April 2024, KIN completed a five hole, 2,499 metre diamond drilling program targeting base metals and gold mineralisation within the CGP. Three of the wholes targeted volcanogenic-hosted massive sulphide (“VHMS”) mineralisation with preliminary results confirming the potential for an economic base metal delivery.

We have summarised the total KIN Mineral Resources in the table below.

MRE September 2023 JORC Classification	Measured			Indicated			Inferred			Total		
	Tonnes (Mt)	Au (g/t)	Au (Koz)	Tonnes (Mt)	Au (g/t)	Au (Koz)	Tonnes (Mt)	Au (g/t)	Au (Koz)	Tonnes (Mt)	Au (g/t)	Au oz
Mertondale	-	-	-	0.9	2.1	62.0	2.0	0.6	41.0	2.9	1.1	103.0
Mertons Reward	-	-	-	1.3	1.8	80.0	1.0	1.0	32.0	2.4	1.5	112.0
Tonto	-	-	-	1.9	1.1	68.0	1.1	1.2	45.0	3.0	1.2	113.0
Mertondale 5	-	-	-	0.5	1.6	27.0	0.9	1.2	34.0	1.4	1.4	62.0
Eclipse	-	-	-	-	-	-	0.8	1.0	24.0	0.8	1.0	24.0
Quicksilver	-	-	-	-	-	-	1.2	1.1	42.0	1.2	1.1	42.0
Mertondale Underground	-	-	-	-	2.4	1.0	-	2.7	1.0	-	2.6	1.0
Mertondale Total	-	-	-	4.6	1.6	237.0	7.0	1.0	220.0	11.7	1.2	457.0
Cardina East												
Helens	-	-	-	1.4	1.5	64.0	1.3	1.4	57.0	2.7	1.4	121.0
Helens East	-	-	-	0.4	1.7	24.0	1.0	1.5	46.0	1.4	1.6	70.0
Fiona	-	-	-	0.2	1.3	10.0	0.1	1.1	3.0	0.3	1.3	13.0
Rangoon	-	-	-	1.3	1.3	56.0	1.5	1.3	65.0	2.8	1.3	121.0
Hobby	-	-	-	-	-	-	0.6	1.3	23.0	0.6	1.3	23.0
Cardinia Hill	-	-	-	0.5	2.2	38.0	1.6	1.1	59.0	2.2	1.4	97.0
Cardinia Underground	0.002	3.0	0.2	-	2.6	1.0	0.4	2.4	29.0	0.4	2.4	29.0
Cardina East Total	0.002	3.0	0.2	3.9	1.5	193.0	6.4	1.4	282.0	10.4	1.4	475.0
Total Mineral Resource	0.002	3.0	0.2	8.6	1.6	430.0	13.5	1.2	501.0	22.1	1.3	932.0

Source: SID.

⁵⁹ This was the increased MRE of KIN prior to the Genesis ASA.

Notes: (1) We understand all material assumptions and technical parameters underpinning the estimates have not materially changed since the September 2023 estimate. The mineral resource estimates for each project (by JORC classification) are estimated at varying dates. (2) The table above does not include the 610 Koz sold to Genesis.

5.3 Financial information

5.3.1 Financial performance

The consolidated statements of financial performance for KIN for the two financial years ended 30 June 2022 and 30 June 2023 and the half year ended 31 December 2023 are set out in the table below:

Consolidated statements of financial performance	FY22	FY23	H1FY24
A\$	Audited	Audited	Reviewed
Revenue and other income	8,164	146,268	47,886
Expenses:			
Depreciation and amortisation	(182,400)	(137,335)	(47,056)
Administration expenses	(556,507)	(842,942)	(389,620)
Consultant expenses	(125,200)	(119,490)	(187,800)
Employee expenses	(804,063)	(967,286)	(703,806)
Finance costs	-	(17,162)	-
Share based payment expense	-	-	-
Occupancy expenses	(67,557)	(62,086)	(26,348)
Travel expenses	(12,493)	(14,948)	(38,330)
Exploration and evaluation costs	(8,207,930)	(6,932,308)	(1,995,622)
Provision for rehabilitation	(1,400,000)	-	-
Impairment of plant and equipment	-	-	(9,367,574)
Total expenses	(11,356,150)	(9,093,557)	(12,756,156)
Loss before income tax expense	(11,347,986)	(8,947,289)	(12,708,270)
Income tax expense	-	-	-
Total comprehensive loss	(11,347,986)	(8,947,289)	(12,708,270)

Source: KIN ASX announcements.

We make the following observations:

- KIN does not generate any revenue from operating activities. The income recognised to date primarily consist of interest income and government grants.
- Most expenses are derived from management and other staff costs, professional fees and expenses in relation to the advancement of the projects.
- The project related expenditure relates to expenditure incurred that does not qualify for capitalisation under the relevant accounting standards.
- Plant and equipment that was included within the Genesis ASA was recorded at a higher value in the accounts than the value ascribed within ASA and subsequently an impairment has been recorded of c. A\$9.4 million.

5.3.2 Financial position

The consolidated statements of financial position for KIN as at 30 June 2022, 30 June 2023 and 31 December 2023 are set out in the table below:

Consolidated statements of financial position	30/06/2022	30/06/2023	31/12/2023
A\$	Audited	Audited	Reviewed
Current assets			
Cash and cash equivalents	3,646,298	4,468,196	2,804,614
Trade and other receivables	67,586	29,904	24,557
Other current assets	-	-	443,901
Other financial assets	49,882	72,657	28,847,291
Total current assets	3,763,766	4,570,757	32,120,363
Non-current assets			
Property, plant and equipment	10,170,624	10,049,528	321,708
Other financial assets	-	7,142,038	-
Total non-current assets	10,170,624	17,191,566	321,708
Total assets	13,934,390	21,762,323	32,442,071
Current liabilities			
Trade and other payables	596,590	603,071	280,766
Liabilities associated with assets held for sale	-	-	1,450,000
Total current liabilities	596,590	603,071	1,730,766
Non-current liabilities			
Provisions	2,900,000	2,900,000	1,450,000
Total non-current liabilities	2,900,000	2,900,000	1,450,000
Total liabilities	3,496,590	3,503,071	3,180,766
Net assets	10,437,800	18,259,252	29,261,305
Equity			
Issued capital	95,694,551	116,031,688	116,031,688
Reserves	2,030,571	(1,537,826)	15,059,400
Accumulated losses	(87,287,322)	(96,234,610)	(101,829,783)
Total equity	10,437,800	18,259,252	29,261,305

Source: KIN ASX announcements.

We note the following in relation to KIN's financial position:

- On 13 December 2023 KIN entered into the Genesis ASA, which was completed on 8 February 2024 for a consideration of c. A\$15 million in cash and 21,917,532 un-escrowed Genesis shares (valued at c. A\$38.5 million at completion). The transaction was not recorded at the balance date (31 December 2023) as the asset sale agreement included various condition precedents which had not been satisfied⁶⁰. The Genesis ASA included the following:
 - Freehold land and buildings valued at c. A\$0.2 million (as at 31 December 2023);
 - Plant and equipment valued at A\$83,981 (as at 31 December 2023);

⁶⁰ The conditions were satisfied on the transaction completion date of 8 February 2024, with the transaction recording a gain from disposal; of c. A\$56 million.

- 16 tenements, including 610,000 ounces of gold bearing ore resources are also being transferred, however KIN's accounting policy has been to expend all exploration costs (including acquisition costs) and the tenements therefore have no carrying value. The tenements being sold have an associated restoration and rehabilitation provision as detailed below.
- Cash and cash equivalent has increased materially since 31 December 2023 due to the following:
 - On 8 February 2024, the Genesis ASA settled and the ASX announcement detailed that KIN held cash and cash equivalents of c. A\$80 million.
 - On 25 March 2024, KIN released a company update which stated a cash and cash equivalents balance of c. A\$85.7 million, consisting of a cash balance of c. A\$47.3 Million and c. A\$38.3 million in Genesis shares.
 - As at 16 May 2024, KIN held cash and term deposits of c. A\$65.4 million and had 11,280,465 Genesis shares remaining, valued at c. A\$21.2.
- The long-term provision as at 31 December 2023 relates to the restoration and rehabilitation provision of c. A\$1.5 million. The decrease from the previous period estimate of c. A\$2.9 million relates to the allocation to the tenements that have been sold to Genesis and subsequently assessed as a current liability. Upon completion of the transaction, the provision will form part of the gain on disposal.

5.3.3 Cash flows

The consolidated statements of cash flows for KIN for the two financial years ended 30 June 2022 and 30 June 2023 and the half year ended 31 December 2023 are set out in the table below:

Consolidated statements of cash flows A\$	FY22 Audited	FY23 Audited	H1FY24 Reviewed
Cash flows from operating activities			
Payments to suppliers and employees	(10,712,143)	(8,852,629)	(3,716,538)
Royalty buyout	-	-	-
Government grants	-	-	-
Net operating cash flows	(10,712,143)	(8,852,629)	(3,716,538)
Cash flows from investing activities			
Interest received	7,715	81,226	47,886
Proceeds from disposals	450	-	2,005,070
Payments for plant and equipment	(31,943)	(16,239)	-
Payments for financial assets	-	(10,710,435)	-
Net investing cash flows	(23,778)	(10,645,448)	2,052,956
Cash flows from financing activities			
Proceeds from share issues	6,982,311	20,808,665	-
Payments for capital raising costs	(43,389)	(471,528)	-
Proceeds from borrowings	-	3,000,000	-
Repayment of borrowings	-	(3,017,162)	-
Net financing cash flows	6,938,922	20,319,975	-
Net increase / (decrease) in cash	(3,796,999)	821,898	(1,663,582)
Cash at beginning of financial year	7,443,297	3,646,298	4,468,196
Cash at end of financial year	3,646,298	4,468,196	2,804,614

Source: KIN ASX announcements.

We note the following in relation to the table above:

- KIN has undertaken the following historical capital raisings:
 - In July 2020, KIN completed a non-renounceable 1-for-7 pro-rata entitlement offer with 55,147,263 new shares issued at a share price of A\$0.11 per share raising c. A\$6.1 million⁶¹.
 - In March 2021, a capital raising was completed issuing 92.3 million new shares at a share price of A\$0.13 and raising c. A\$12.0 million. A further share purchase plan was completed, also at a share price of A\$0.13 and for which raised c. A\$0.8 million.
 - In November 2021, KIN issued 66,498,202 new shares pursuant to a rights issue which raised c. A\$6.9 million.
 - In August 2022, KIN placed 129,900,000 new shares at a price of A\$0.075 to raise c. A\$9.7 million.

⁶¹ A placement occurred for the shortfall of the remaining 34,808,571 new shares which increased the total funds raised through the capital raising to c. A\$7.7 million (before transaction costs).

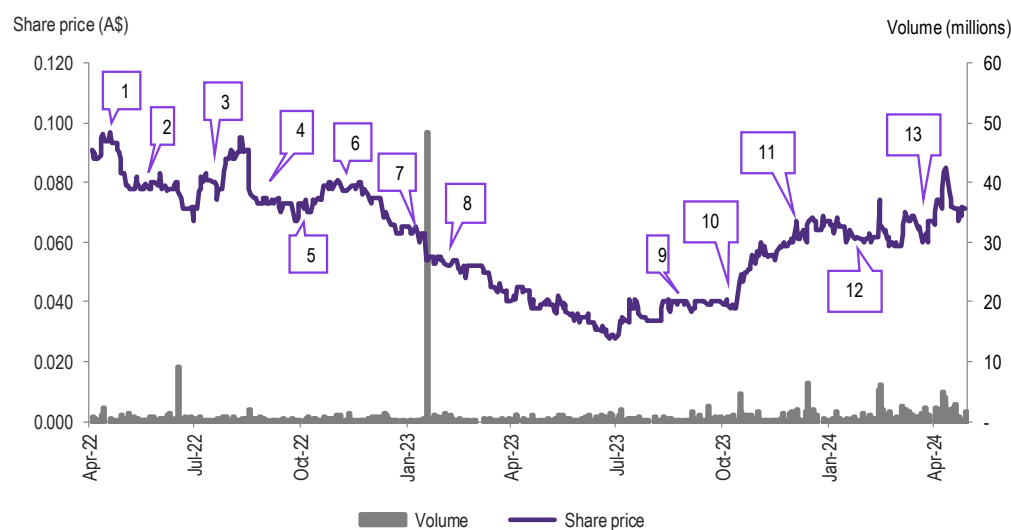
- In September 2022, KIN completed a rights issue which raised c. A\$3.9 million from the issuance of 52,487,569 new shares.
- On 18 January 2023, KIN announced a further rights issue at a share price of A\$0.055, with the issuance of 129,629,032 new shares for a consideration of c. A\$7.1 million.
- During FY23 an investment was made in Dacian Gold Limited, purchasing shares for c. A\$10.7 million. During H1 FY24, KIN disposed of these shares to Genesis for a consideration of 17,274,805 Genesis shares valued at c. A\$24.7 million at the time.
- On 18 December 2023, KIN sold 1,159,000 Genesis Minerals Limited shares for c. A\$2.0 million, with the remaining 16,115,805 Genesis shares held marked to market resulting in a fair value gain recognised in other comprehensive income of c. A\$5.8 million.
- On 24 January 2023, KIN issued a short-term bearer bond to a major shareholder, Delphi AG, for A\$3.0 million (c. A\$2.9 million was received from the issuance). The proceeds were utilised to underpin the drilling activities along the eastern corridor. The three-month bond carried an interest rate of 8.0% and was repaid from the proceeds of the rights issue that closed on 14 February 2023.

5.4 Share capital structure

As at the date of the SID, KIN's capital structure comprised 1,178,150,548 common shares. There are no other securities, options, warrants, rights or instruments which remain outstanding and may convert into KIN shares with implementation of the Scheme.

Our analysis of the daily movements in KIN's share price and volumes for the period from March 2022 is set out below:

Historical share trading prices and volume of KIN from April 2022



Sources: S&P Global; GTCF analysis.

The following table illustrates the key events from April 2022 to April 2024, which may have impacted the share price and volume movements shown above.

Event	Date	Comment
1	12 April 2022	KIN announced 'outstanding' new results which showed extensive gold mineralised position within under explored Eastern Corridor.
2	25 May 2022 – 26 May 2022	Initial RC drilling performed by KIN outlined significant east-dipping mineralisation over a 600m strike length, with strong similarities to nearby 374Koz Bruno-Lewis deposit. High grade RC drilling results extended the Cardinia Hill 106Koz deposit to the north. The results provided increased confidence in the Eastern Corridor Mineralised System interpretation.
3	27 June 2022	KIN announced 'outstanding' new results which revealed extensive gold mineralised positions stretching to the south within the under-explored Eastern Corridor, highlighting strong potential for resource growth.
4	18 August 2022	Successful share placement was completed comprising the issue of approximately 129.9 million shares at a share price of A\$0.075 per share to raise gross proceeds of c. A\$9.7 million. The placement price represented a 16.7% discount to the last trading price. Proceeds are to be used to underpin growth strategies at both existing and new prospects within the CGP and broader Leonora district. A non-renounceable entitlement offer to raise up to c. A\$10.7 million (at the same price as the placement) will follow the placement.
5	28 September 2022	KIN announced it had acquired 20,000,000 shares in Dacian. The shares were purchased on-market and represented an interest of 1.63%.
6	21 November 2022	KIN announced a further on-market purchase of Dacian shares for 89.275 million shares bringing KIN's total shareholding interest in Dacian at the time to 7.34%. The acquisition helped KIN position itself well for regional consolidation in the Leonora district.
7	18 January 2023 / 25 January 2023	KIN secures funds to continue exploration and regional participation activities via a non-renounceable entitlement offer to raise up to c. A\$19.2 million at a share price of A\$0.55. The share price was a 12.7% discount to the last trading price. KIN secured a short-term bond for c. A\$3.0 million to maintain current exploration momentum at Cardinia. The funds were provided by Delphi AG as an unsecured bond facility with an interest of 8.0% and a term of three months.
8	14 February 2023	KIN raised c. A\$7.1 million following completion of a rights issue with subscription for 129,629,032 entitlement shares, with strong support from major shareholder, Delphi.
9	3 July 2023	KIN announced resource base growth with the addition of 134Koz at 1.3 g/t within the expanding Eastern Corridor at the CGP.
10	17 October 2023	KIN announced it had accepted a conditional off-market takeover offer by Genesis for its 7.34% shareholding in Dacian. The consideration was c. A\$20.9 million, returning a significant return on the original investment of c. A\$10.7 million made 12 months prior.
11	14 December 2023	An offer by Genesis was accepted by KIN for the purchase of tenements hosting 610Koz that comprise part of the CGP for c. A\$53.3 million in cash and Genesis shares.
12	9 February 2024 / 15 February 2024	The transaction with Genesis announced on 14 December 2023 completed. A corporate update was provided by KIN on 15 February 2024 following completion of the gold deposits within the CGP to Genesis. KIN subsequently has a cash (including liquid assets) of c. A\$75.0 million to pursue a range of strategic opportunities. KIN has also issued a non-binding and indicative offer to PNX in relation to a potential merger, although the proposal had yet to be agreed.
13	25 March 2024	Corporate, strategy and activities update announced by KIN highlighting: <ul style="list-style-type: none"> - New growth strategy being progressed following completion of the Genesis transaction. - KIN holds c. A\$47.3 million in cash and c. A\$38.3 million in Genesis shares. - Diamond drilling has resumed targeting the recent base metals discovery at Albus. - Drilling was delayed in the Eastern Goldfields due to substantial rainfall.

Source: KIN announcements.

The monthly share price performance of KIN since March 2023 and the weekly share price performance of KIN for the past 16 weeks are summarised below:

Kin Mining NL	Share Price			Average weekly volume '000'
	High \$	Low \$	Close \$	
Month ended				
Mar 2023	0.052	0.038	0.040	809
Apr 2023	0.045	0.037	0.039	1,414
May 2023	0.042	0.033	0.033	1,409
Jun 2023	0.036	0.028	0.028	2,633
Jul 2023	0.042	0.028	0.034	1,795
Aug 2023	0.043	0.034	0.040	1,031
Sep 2023	0.041	0.036	0.040	2,321
Oct 2023	0.062	0.038	0.057	4,168
Nov 2023	0.061	0.054	0.061	1,990
Dec 2023	0.070	0.057	0.067	4,486
Jan 2024	0.068	0.060	0.061	1,810
Feb 2024	0.074	0.058	0.059	5,974
Mar 2024	0.070	0.058	0.067	4,620
Week ended				
29 Dec 2023	0.069	0.064	0.067	1,269
5 Jan 2024	0.068	0.063	0.063	977
12 Jan 2024	0.068	0.065	0.065	2,589
19 Jan 2024	0.065	0.060	0.064	1,138
26 Jan 2024	0.064	0.061	0.062	1,653
2 Feb 2024	0.062	0.060	0.061	2,383
9 Feb 2024	0.063	0.060	0.062	1,894
16 Feb 2024	0.074	0.061	0.065	13,923
23 Feb 2024	0.065	0.058	0.059	6,349
1 Mar 2024	0.060	0.058	0.059	2,514
8 Mar 2024	0.070	0.059	0.070	6,966
15 Mar 2024	0.070	0.067	0.069	3,942
22 Mar 2024	0.068	0.060	0.060	3,491
29 Mar 2024	0.069	0.058	0.067	4,640
5 Apr 2024	0.076	0.064	0.074	6,478
12 Apr 2024	0.088	0.071	0.085	12,635

Sources: S&P Global; GTCF analysis.

5.4.1 Top shareholders

We have set out below the top five shareholders of KIN as at 30 April 2024:

Top five KIN shareholders		
Shareholder	No. of shares	Interest (%)
DELPHI Unternehmensberatung Aktiengesellschaft	274,909,856	23.3%
Deutsche Balaton AG	178,189,478	15.1%
St Barbara Limited	158,125,983	13.4%
Credit Suisse, Investment Banking and Securities Investments	43,878,716	3.7%
Sparta AG	32,678,255	2.8%
Top five shareholders total	687,782,288	58.4%
Total remaining shareholders	490,368,260	41.6%
Total shares	1,178,150,548	100.0%

Source: S&P Capital IQ.

Notes: (1) Mr Plaggemars is a director of Delphi and, therefore, has a relevant interest in 274,909,856 KIN shares registered in the name of Delphi and also has a relevant interest in 1,615,671 KIN shares registered in the name of KiCo Invest GmbH, an entity controlled by Mr Plaggemars and his spouse. Total Delphi Group interest is 41.23%.

6 Profile of the Merged Group

6.1 Overview

Upon implementation of the Scheme, PNX Shareholders will acquire one fully paid KIN share for every 13 PNX Shares held with PNX Shareholders holding 28.0% and KIN Shareholders holding 72.0% of the Merged Group.

Post Scheme implementation, PNX will be delisted from the ASX and will become a wholly owned subsidiary of KIN. The Merged Group will comprise a portfolio of diversified assets within tier one jurisdictions across Australia with a total Mineral Resource of 1.4 Moz gold, 16.2 Moz silver and 177 Kt zinc.

The Merged Group will hold a cash and cash equivalents balance post Scheme implementation of c. A\$85.0 million which will enable the Merged Group to be able to take advantage of:

- The potential for high-grade gold discoveries and project expansion through the recent VHMS discoveries;
- District-scale gold and base metals potential via the extensive portfolio of mineral leases and exploration licences which will cover 1,500 km²;
- Opportunities to progress the Advanced PNX Projects, with environmental approvals granted, mining management plant approval expected imminently and technical studies advanced for the Hayes Creek Project;
- There is upside potential for grade and resource in one of the world's largest and richest uranium provinces.

6.2 Capital structure

In accordance with the Scheme Consideration, PNX Shareholders, other than ineligible foreign shareholders, will receive 1 fully paid ordinary KIN Share for every 13 fully paid ordinary PNX Share. Ineligible PNX Shareholders will receive the net proceeds of the sale of the Scheme Consideration to which they would have otherwise been entitled to receive. As at the date of the Scheme becoming implemented, we have summarised the capital structure of the Merged Group below:

Merged Group Capital Structure	Reference	
PNX Shares:		
On issue	Note 1	5,970,214,755
Performance Rights	Note 2	-
Total PNX Shares		5,970,214,755
Scheme Consideration (13:1)	Note 3	0.077
PNX Shareholder shares in Merged Group		459,247,289
KIN Shares in Merged Group (1:1)	Note 4	1,178,150,548
Merged Group Shares		1,637,397,837
PNX shareholding in Merged Group		28.0%
KIN shareholding in Merged Group		72.0%

Sources: Management Information; GTCF analysis.

We have provided notes to the table below:

- *Note 1* – In the calculation of PNX Shares on issue, we have included 1) the issue of 115,000,000 fully paid PNX Shares on 12 April 2024 to the pre-existing Mt Porter royalty holders to discharge the outstanding debt owing by Ausgold and facilitate the removal of caveats held by those royalty holders; and 2) the issue of 474,590,036 PNX shares to Potezna Gromadka Ltd and Societe Civile ESA in relation to the existing silver streaming and royalty agreements
- *Note 2* – In accordance with SID conditions, implementation of the Scheme will occur if all PNX Performance Rights have lapsed, been exercised or been cancelled. PNX and KIN have entered into a performance rights cancellation deed with each PNX Performance Right holder
- *Note 3* – The Scheme Consideration is shown as a ratio rounded to 3 decimal places for presentational purposes based on 1 fully paid KIN Share issued to PNX Shareholders for every 13 PNX Shares held.
- *Note 4* – KIN shares on issue are 1,178,150,548 and represent a 1:1 ratio within the Merged Group.

If the Scheme is implemented PNX will be delisted from the ASX.

6.3 Pro-forma financial information

Below is the pro forma statement of financial position for the Merged Group as at 31 December 2023.

A\$ ('000)	KIN	PNX	Adjustments	Reference	Pro Forma
Assets					
Current assets					
Cash and cash equivalents	2,805	1,224	14,385	Notes 1,2,3,4,5	18,413
Trade and other receivables	25	98			95
Other current assets	131	519			650
Other Receivables – Moline project development	-	1,061	(750)	Note 3, 6	311
Assets held for sale	313	-	(313)	Note 2	-
Financial assets	28,847	90	38,500	Note 2	67,437
Total current assets	32,120	2,991	51,793		86,905
Non-current assets					
Right-of-use assets	-	185			185
Prepayments and deposits	-	784			784
Property, plant and equipment	322	9			330
Exploration and Expenditure	-	24,766	(24,766)	Note 4	-
Total non-current assets	322	25,744	(24,766)		1,300
Total assets	32,442	28,735	27,028		88,205
Liabilities					
Current liabilities					
Trade and other payables	281	208			489
Lease liabilities	-	77			77
Provisions	-	230			230
Liabilities directly associated with assets classified as held for sale	1,450	-			1,450
Total current liabilities	1,731	516			2,246
Non-current liabilities					
Lease liabilities	-	125			125
Financial liabilities	-	2,400	(2,400)	Note 7	-
Provisions	1,450	-	(1,450)	Note 2	-
Total non-current liabilities	1,450	2,525	(3,850)		125
Total liabilities	3,181	3,041	(3,850)		2,371
Net assets	29,261	25,694	30,878		85,833
Equity					
Share capital	116,032	60,177	2,975	Note 7,8	179,184
Reserves	15,059	418	(418)	Note 1	15,059
Accumulated losses	(101,830)	(34,900)	28,320	Notes 1,2,4,5,6,8	(108,410)
Total equity	29,261	25,694	30,878		85,833

Sources: Management Information, Scheme Booklet, GTCF analysis

We have provided notes to the table below:

- *Note 1* – KIN will pay A\$169,338 to PNX Performance Right holders to cancel the PNX Performance Rights.
- *Note 2* – On 8 February 2024, KIN completed the sale of tenements to Genesis that was announced on 14 December 2023. This transaction is included in the pro-forma statement of financial position as at 31 December 2023 due to the material change that it presents for the Merged Group and the fact that it is a known event at the date of the Scheme Booklet. The completion of this transaction resulted in:
 - The receipt of A\$15.0 million in cash and cash equivalents and c. A\$38.5 million in Genesis Shares;
 - a decline of c. A\$0.3 million in assets held for sale;
 - a decline of c. A\$1.5 million in liabilities associates with assets held for sale; and
 - recognition of a gain on disposal of c. A\$54.6 million.
- *Note 3* – PNX has received cash proceeds of A\$367,903 from Sovereign for the sale of the Moline project. This amount has reimbursed PNX for A\$99,934 in tenement holding costs that have been paid by PNX since 31 December 2023 and paid A\$27,969 in trade and other receivables that were outstanding at 31 December 2023. The balance of the A\$240,000 cash payment has reduced the other receivable (Moline Project).
- *Note 4* – To record a reduction in PNX's exploration and evaluation expenditures of c. A\$24.8 million to bring PNX's accounting treatment in line with KIN's.
- *Note 5* – Transaction costs of c. A\$0.7 million.
- *Note 6* – On 12 April 2024 Sovereign's residual payment obligations to acquire the Moline Project from PNX were reduced by A\$510,000.
- *Note 7* – On 26 April 2024, PNX issued 474,590,036 PNX Shares at A\$0.0051 per PNX Share (worth A\$2.4 million) to terminate the Silver Streaming Rights which existed over the Fountain Head Project.
- *Note 8* – On 15 April 2024, PNX issued 115,000,000 PNX Shares at A\$0.005 per PNX Share (worth c. A\$0.6 million) as part of the acquisition of Mt Porter.

For additional information on the financial profile of the Merged Group, refer to section 6.5 of the Scheme Booklet.

7 Valuation methodologies

7.1 Introduction

As discussed in Section 2, our fairness assessment involves comparing the fair market value of PNX Shares on a control and fully diluted basis with the value of the Scheme Consideration on a minority basis.

Grant Thornton Corporate Finance has assessed the value of PNX and KIN using the concept of fair market value. Fair market value is commonly defined as:

“the price that would be negotiated in an open and unrestricted market between a knowledgeable, willing but not anxious buyer and a knowledgeable, willing but not anxious seller acting at arm’s length.”

Fair market value excludes any special value. Special value is the value that may accrue to a particular purchaser. In a competitive bidding situation, potential purchasers may be prepared to pay part, or all, of the special value that they expect to realise from the acquisition to the seller. In contrast, market value reflects the price of an asset in the marketplace.

7.2 Valuation methodologies

RG 111 outlines the appropriate methodologies that a valuer should generally consider when valuing assets or securities for the purposes of, amongst other things, share buy-backs, selective capital reductions, takeover offers of arrangement, takeovers and prospectuses. These include:

- Discounted cash flow and the estimated realisable value of any surplus assets (“DCF Method”).
- Application of earnings multiples to the estimated future maintainable earnings or cash flows of the entity, added to the estimated realisable value of any surplus assets (“FME Method”).
- Amount available for distribution to security holders on an orderly realisation of assets (“NAV Method”).
- Quoted price for listed securities, when there is a liquid and active market (Quoted Security Price Method).
- Any recent genuine offers received by the target for any business units or assets as a basis for valuation of those business units or assets.

Further details on these methodologies are set out in Appendix A to this IER. Each of these methodologies is appropriate in certain circumstances.

RG 111 does not prescribe any above methodologies as the method(s) that an expert should use in preparing their report. The decision as to which methodology to use lies with the expert based on the expert’s skill and judgement and after considering the unique circumstances of the entity or asset being valued. In general, an expert would have regard to valuation theory, the accepted and most common market practice in valuing the entity or asset in question and the availability of relevant information.

7.3 Selected valuation methods

7.3.1 Valuation of PNX and KIN

In our assessment of the fair market value of PNX and KIN, Grant Thornton Corporate Finance has relied on the valuation methodologies as outlined below:

- *Market value of net assets* – Grant Thornton Corporate Finance has selected the fair market value of net assets to assess the equity value of both companies in conjunction with the Scheme. The fair market value of net assets is based on the sum of parts of the development and exploration assets and other assets and liabilities on the balance sheet. For the purposes of this IER, Grant Thornton Corporate Finance has engaged VRM to prepare a valuation of the mineral assets of PNX and KIN which was completed in accordance with the VALMIN Code. A copy of the VRM Report is included as Appendix H.
- *Resource Multiple* – In our valuation assessment, we have also relied on the Resource Multiple of listed peers and comparable transactions. Whilst VRM has adopted a similar valuation approach, it has exclusively relied on the Resource Multiple of transactions at a project level rather than considering the overall value of the companies. The Resource Multiple approach is frequently used in the valuation of exploration and development mining companies.
- *Quoted Security Price Method*: In the absence of a takeover or other share offers, the trading share price represents the value at which minority shareholders could realise their portfolio investment. However, we have mainly adopted this approach for the purpose of the valuation assessment of KIN as we consider the trading prices of PNX to be highly illiquid.

Grant Thornton Corporate Finance has not used the DCF methodology and/or earnings approach to assess the fair market value of the mineral assets of both businesses due to the projects portfolio still being at the exploration and pre-development stage.

7.3.2 Value of the Scheme Consideration

In the valuation of the Scheme Consideration, we have considered two approaches:

- *Approach 1*: We have relied on the trading prices of KIN after the announcement of the KIN NBIO as representative of the market's expectations of the Merged Entity's value and as the value that may be realised in the short term by PNX Shareholders.
- *Approach 2*: We have adopted the underlying fair market value of the Merged Group calculated based on the market value of net assets.

Ultimately, in forming our view on the fairness of the Scheme, we have relied on KIN's trading prices after the announcement of the KIN NBIO (Approach 1) as further discussed in section 10 but we have considered the potential underlying value of the Merged Group in our reasonableness consideration for those PNX Shareholders who may consider holding shares in the Merged Group.

8 Valuation assessment of PNX

8.1 Market value of net assets

8.1.1 VRM assessment of mineral assets

As discussed in section 7.3.1, Grant Thornton Corporate Finance has engaged VRM to assess the fair market value of PNX's mineral assets. VRM has assessed PNX's mineral assets on an attributable interest basis between c. A\$22.8 million and c. A\$38.5 million with a preferred value of c. A\$30.7 million. As explained in the VRM Report, the broad value range is indicative of the uncertainty associated with early stage exploration assets and is primarily driven by the confidence limits placed around the size and grade of mineralised occurrences assumed within each prospect area.

VRM has considered a number of valuation methodologies to assess the market value of PNX's mineral assets as summarised in the table below.

Asset	Valuation Technique	Priority	Lower Valuation	Preferred Valuation	Upper Valuation
Gold MRE's	Comparable Transactions (A\$/oz)	Primary	18.8	25.1	31.3
	Yardstick	Supporting	13.8	22.5	31.1
Exploration	Geoscientific	Primary	1.3	2.9	4.4
	PEM	Supporting	2.7	3.1	3.5
Glencore and Mt Porter	Actual Transactions (A\$/oz)	Primary	2.8	2.8	2.8
	Comparable Transactions (A\$/oz)	Supporting	4.1	5.4	6.8
Total	Total Primary	Primary	22.8	30.7	38.5

Source: VRM Report

Notes: (1) The valuation figures have been rounded and are presented in A\$'millions.

The mineral assets have been valued using a primary approach (comparable transactions) and a secondary approach (Yardstick). The residual exploration tenements have been valued using the Geoscientific or Kilburn valuation method (primary) and the Prospectively Enhancement Multiplier ("PEM") method as a secondary approach:

- The comparable transactions valuation approach involves comparing the transaction value of similar projects transacted in the open market. This is VRM's preferred approach with the rationale being that most of the value in PNX's projects are attributed to the MRE. VRM have identified 29 transactions, which occurred in the past two to five years, involving broadly similar projects most of which have no current feasibility studies and are based in WA and the Northern Territory to increase comparability with PNX. The valuation range identified includes any exploration upside within the Tenement.
- The Yardstick approach (which is only used in the valuation cross-check to the comparable transactions) involves applying the unitised sales price as a percentage of the prevailing commodity price to the existing MRE of PNX. The applicable percentage is determined based on the quality of the resource (e.g., Inferred versus Indicated Resources). Commonly used Yardstick factors are between 0.5% and 5.0% of the spot price. Refer to Section 6.3 of the VRM Report for further details.
- The geoscientific or modified Kilburn method attempts to quantify the relevant technical aspects of a property through appropriate multipliers (factors) applied to an appropriate base (or intrinsic) value. The intrinsic value is referred to as the Base Acquisition Cost ("BAC") and is critical because it forms the standard base from which to commence a valuation. It represents the "average cost to identify, apply for and retain a base unit of area of title". This approach has been utilised by VRM for the

residual tenements that are at an early-stage of exploration such as Pine Creek Regional Projects, including the Burnside and Thunderball Uranium Projects. Please refer to Section 6.4 of the VRM Report for further details.

- A PEM valuation has been undertaken by VRM for the PNX projects using the exploration expenditure reported by PNX in the last five years. The PEM method is considered by VRM to be an appropriate valuation technique for early-stage exploration properties, in which previous exploration expenditure is assessed as either improving or decreasing the potential of the property. A PEM was applied as a secondary valuation method to the Pine Creek gold and polymetallic Project's exploration potential as well as the Thunderball Uranium Project. The expenditure used in the valuation was based on reported exploration expenditure not directly attributable to exploration. Please refer to Section 6.5 of the VRM Report.

8.1.2 Grant Thornton's assessment of mineral assets based on Resource Multiple

Grant Thornton has adopted the Resource Multiple method to assess the fair market value of the mineral assets. Under this approach, the total resources are capitalised at an appropriate Resource Multiple to determine the enterprise value of the business.

For the purpose of assessing an appropriate Resource Multiple to value PNX, we have had regard to the Resource Multiple implied by listed companies and recent comparable transactions.

8.1.2.1 Trading Resource Multiples

In selecting the comparable companies, we have considered the location of the flagship projects, the stage of development, grade and mix⁶² of the resource base. We have provided a detailed description of the selected comparable companies below in this section of the IER and in Appendix B.

The Resource Multiple is affected by numerous factors including the status of development, resource grade, resource base, projected future production rates, nearby infrastructure as well as other qualitative elements. We have therefore considered these factors in assessing the most comparable peers to PNX:

- *Gold grade and mix*: PNX's mineral resources consist of a 1.7⁶³ g/t Au grade. However they are predominantly in the Indicated and Inferred category.
- *Total base metals resource*: Our benchmarking of listed comparable companies has considered the contained gold ounces, with the majority of listed peers having a Mineral Resource base predominantly of gold. However, we note that it is not uncommon for exploration and development companies to produce other byproducts such as base metals, so we have also assessed the implied gold equivalents Resource Multiples to ensure that their values are captured within our assessment.

The gold equivalent of PNX's MRE is 1,143Koz, as detailed in Table 12 of the VRM Report, with the Hayes Creek Project, consisting of gold, silver and zinc, accounting for 858Koz of the gold equivalent ounces. In assessing an appropriate Resource Multiple range, we have considered the gold contained

⁶² Between Measured, Indicated and Inferred resources.

⁶³ Grade excludes gold equivalents.

ounces and not gold equivalent ounces to increase the degree of comparability between listed peers⁶⁴ and noting that other base metal projects are likely to be captured within the trading prices of the listed peers.

- *Development stage:* PNX completed their PFS in June 2021, we have therefore considered companies that are at a similar development stage ranging from scoping studies to DFS.

Summarised below are the Resource Multiple of the selected listed peers.

Company	EV A\$m	Resources (Moz) (company)			Resources Moz	Grade g/t	Resource Multiple (A\$/oz)
		Measured	Indicated	Inferred			
Kin Mining NL	n/m	0.0	0.4	0.5	0.9	1.4	n/m
PNX Metals Limited ¹	n/m	0.0	0.2	0.1	0.5	1.7	n/m
ASX Listed							
Antipa Minerals Limited	87.6	-	0.9	1.7	2.6	1.5	33.4x
Greenstone Resources Limited ⁴	16.4	-	0.2	0.4	0.5	2.3	31.5x
Astral Resources NL	125.5	-	0.8	0.6	1.4	1.1	90.9x
Ausgold Limited	127.4	1.4	1.1	0.6	3.0	1.1	41.9x
Horizon Gold Limited	55.7	-	1.3	0.8	2.1	1.5	26.0x
Meeka Metals Limited	66.7	0.1	0.6	0.6	1.2	3.2	54.9x
Rox Resources Limited	95.2	-	1.6	0.7	2.3	4.2	41.4x
Saturn Metals Limited	73.0	0.1	0.9	0.8	1.8	0.5	39.7x
Kairos Minerals Limited	41.7	-	0.8	0.8	1.6	1.1	25.8x
Horizon Minerals Limited	56.1	0.1	0.8	0.4	1.3	1.7	43.8x
Alto Metals Limited	38.5	-	0.2	0.6	0.8	1.5	46.3x
Average (ASX Listed)	71.2	0.1	0.8	0.7	1.7	1.8	43.2x
Median (ASX Listed)	66.7	-	0.8	0.6	1.6	1.5	41.4x

Sources: S&P Global; GTCF analysis.

Notes: (1) PNX has a total MRE of 1,143Koz however 858Koz is reported within the Hayes Creek Project (gold equivalent). To compare on a like-for-like basis with the listed comparable companies, we have therefore considered the total gold contained of 521Koz. Based on the information available, we understand this is predominantly all within Indicated or Inferred, although the breakdown of gold ounces between Indicated and Inferred has not been disclosed for the Glencoe deposit. (2) The market capitalisation and Enterprise Value are based on the share prices as at 29 May 2024. (3) A control premium of 50% has been applied to all share prices. (4) Since Greenstone entered a scheme of arrangement on 13 February 2024, the trading prices since the last day of trading prior to the announcement have increased by 118% to A\$0.012 as at 29 May 2024 which now materially reflect the premium within the offer price of the scheme. We also note a 1-day control premium of 90%. Subsequently, we have not applied a control premium to the Greenstone trading prices.

In order to present greater insights of the companies that we consider the most comparable to PNX, we have also analysed below some key benchmarks that impact the valuation:

⁶⁴ Listed peers have a range of other base metal projects. For example, Greenstone have projects hosting cobalt, nickel & manganese.

KPI Analysis Company	Total Resources (Moz)	Overall Grade - Resources	Exploration Stage	Indicated & Inferred % of Resources
KIN	0.9	1.4	PFS	100%
PNX	0.5	1.7	PFS	94%
Greenstone	0.5	2.3	Scoping	100%
Ausgold	3.0	1.1	PFS	56%
Meeka	1.2	3.2	PFS	95%
Average of remaining listed peers	1.6	1.5	n/a	98%

Sources: S&P Global; GTCF analysis.

We note that all listed peers are comparable in terms of geographical operations (based in the Northern Territory and WA) and their stage of development (ranging from scoping studies and DFS). Whilst no listed peer is perfectly comparable to PNX, among the selected companies, we have largely relied on below companies for the reasons outlined below:

- Greenstone Resources Limited** – (“Greenstone”) is an ASX listed gold exploration and development company focused on progressing gold exploration within its flagship 100% owned Burbanks Gold Project located in WA. The project historically produced greater than 421koz, with production ceasing in 2016, and since resuming exploration in November 2021 its resource base has grown to 466koz with a total grade of 2.3 g/t. Unlike PNX, Greenstone are yet to complete a PFS on their flagship gold project. Despite this, we consider Greenstone’s operations to be a strong comparable to PNX with a similar total resource base of c. 500koz predominately in the Indicated and Inferred category. Additionally, Greenstone’s Mt Thirsty Cobalt-Nickel project hosts c. 619.5 kt of contained metals including cobalt, nickel & manganese with a PFS completed in 2020 and an updated MRE in April 2023. We note this would likely be captured into the trading price. Greenstone is currently in the process of a potential merger with Horizon Minerals Limited who has proposed to acquire 100% of the Greenstone ordinary shares⁶⁵. Similarly, to PNX, if the scheme is not implemented, Greenstone would be required to raise immediate capital to continue to fund the development of its projects and for working capital purposes.
- Meeka Metals Limited** – (“Meeka Metals”) is an ASX listed gold explorer primarily focussed on furthering its 100% owned Murchison Gold Project located in WA. We consider Meeka Metals to be comparable due to its operations being localised within Australia and primarily focused on gold exploration as well as its stage of development, noting a recently released PFS in July 2023 at its flagship asset. We note that Meeka Metals is targeting to release a DFS within May 2024, with the share price likely capturing this advancement in comparison to PNX. Meeka Metals has a significantly larger resource base and higher grade compared with PNX which may warrant a premium. Considering Indicated and Inferred Mineral Resources only would imply a Resource Multiple of 57.5x.
- Ausgold** – Ausgold is an ASX listed Perth-based gold exploration and development company, focused on progressing development at its 100% owned Katanning Gold Project. As with Meeka Metals we consider Ausgold to be comparable due to the release of a PFS at its flagship asset in 2022, and pending a DFS, as well as its primarily Australian based operations. We note Ausgold has announced the DFS is progressing, with recent funding supporting the targeted 2024 completion. Ausgold has a larger resource base but at a lower grade than PNX. Considering Indicated and Inferred Mineral

⁶⁵ Source: Greenstone ASX announcements.

Resources only would imply a Resource Multiple of 75.5x.

8.1.2.2 Transaction Resource Multiples

The table below summarises the Resource Multiple of comparable transactions.

Comparable transactions			Implied EV	Resources	Grade	Normalised ¹
Date	Target	Bidder	(A\$m)	(Moz)	G/t	Resource Multiple (A\$/oz)
Feb-24	Greenstone Resources Limited ²	Horizon Minerals Limited	13.5	0.5	2.4	30.5x
Sep-23	Chesser Resources Limited	Fortuna Silver Mines Inc.	70.6	0.9	1.8	99.7x
Mar-23	Breaker Resources NL	Ramelius Kalgoorlie Pty. Ltd.	53.4	1.7	1.8	37.8x
Jan-23	Vango Mining Limited	Catalyst Metals Limited	77.0	1.0	5.3	96.8x
Dec-22	Kingwest Resources Limited	Brightstar Resources Limited	21.7	0.5	1.3	56.2x
Feb-23	Dacian Gold Limited	Genesis Minerals Limited	75.0	2.2	1.7	43.5x
Dec-21	Livingstone Gold Project	Metal Bank Limited	3.5	0.0	1.6	92.9x
Average			45.0	1.0	2.3	65.3x
Median			62.0	0.9	1.7	56.2x

Sources: MergerMarket; S&P Global; GTCF analysis.

Notes: (1) We have normalised the Resource Multiple by rebasing the multiples based on the gold price at the date of transaction completion and the gold price as at 29 May 2024, in which they have been adjusted to reflect the change in gold prices since the respective transaction dates using the following formula. $Adjusted\ multiple = Unadjusted\ multiple * (12\text{-month\ average\ gold\ price\ as\ at\ 29\ May\ 2024}) / Gold\ price\ as\ at\ transaction\ date.$ (2) The Greenstone acquisition has been announced but has not completed.

- The implied transaction Resource Multiples may incorporate various levels of control premium and special values paid by the acquirers. In particular, the multiples may reflect synergies which are unique to the acquirers.
- The transactions observed took place in the past three years. However, we note the economic and market factors, including competition dynamics and gold prices have materially changed compared to the current market conditions. These factors may influence the amounts paid by the acquirers for these businesses. We have normalised the Resource Multiple in the table above for the influence of gold price fluctuations, rebasing historical Resource Multiples for current gold prices.
- The transaction Resource Multiples are also sensitive to numerous factors including the status of development, resource grade, resource base, projected future production rates, nearby infrastructure as well as other qualitative elements.

Whilst no comparable transaction is perfectly comparable to PNx and the overall Resource Multiples should only be used as directional evidence, among the selected transactions, we consider the below acquisitions to be the most relevant:

- *Greenstone* – As outlined in section 7.1.2.1 we consider Greenstone to be a comparable business to PNx, and therefore consider the merger between Greenstone and Horizon to be comparable to that of PNx and KIN, noting that Horizon is proposing to acquire a similar Mineral Resource quantity at a comparable grade, with Greenstone's existing capital constraints similar to PNx.
- *Breaker Resources NL ("Breaker")* – We consider the acquisition of Breaker by Ramelius Kalgoorlie to be somewhat comparable, being an Australian based gold exploration company with all its resources within the Indicated and Inferred categories and a comparable grade to PNx. Notwithstanding that

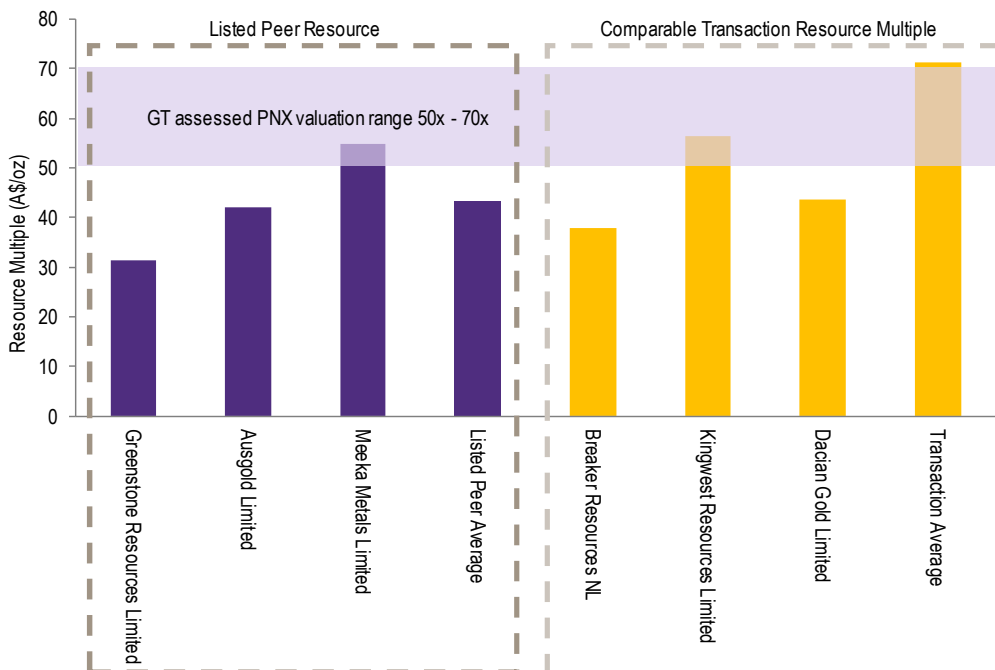
Breaker held a larger resource base. PNX's implied Resource Multiple indicates a premium which could be attributed to the completed PFS at its flagship gold asset with development potentially more advanced.

- *Kingwest Resources Limited ("Kingwest")* – Kingwest was operating as a primarily gold exploration company in Australia with a similar MRE to PNX of c. 500Koz albeit at a slightly lower grade. Though we note that the Resource Multiple is likely impacted by the fact that Kingwest's flagship Menzies Gold Project is a historically producing project and was at a later stage of development at the date the transaction completed compared to PNX's current projects.
- *Dacian Gold Limited ("Dacian")* – We consider the acquisition of Dacian by Genesis minerals to be comparable nothing their flagship asset is located in WA with a similar grade but larger Mineral Resource base. Although Dacian's flagship asset is a previously producing gold mine, in the period from 2020 to 2023 operations were reduced and eventually suspended indefinitely due to rising costs and operational issues at which point Dacian announced its intention to transition to a gold explorer.

8.1.2.3 Conclusion on Resource Multiple

Based on the analysis of listed peers and comparable transactions, Grant Thornton Corporate Finance has assessed a Resource Multiple on a control basis between A\$50/oz to A\$70/oz. We have plotted below the selected Resource Multiple range against the most relevant listed peers and transactions.

Resource Multiple Comparison



Sources: GTCF analysis; PNX Financial information; S&P Global; MergerMarket.

Notes: (1) Listed Resource Multiple presented include a premium for control of 50.0% to the market capitalisation as at 29 May 2024 based on the historical premium for control of gold transactions set out in Appendix D. (2) Comparable transaction Resource Multiples have been normalised rebasing the Resource Multiples based on the gold price as at 29 May 2024.

Further to the above analysis, in determining the selected Resource Multiple range we have also considered:

- Based on PNX's gold equivalent MRE of 1,143Koz, the implied Resource Multiple range would be c. 23x to 32x. We consider this to be appropriate considering 858Koz of the gold equivalent MRE is obtained from the Hayes Creek Project, where VRM have identified certain development concerns and VRM has subsequently discounted Hayes Creek Project multiples by 50%.
- Utilising the gold contained ounces to assess the Resource Multiples of the listed peers may create some divergences due to differences in other base metal projects. We consider this to be somewhat captured within the trading prices of the listed peers which would reflect each company's publicly known projects. However, for Ausgold and Meeka, which are predominantly gold focus, we note the Resource Multiple (on an Indicated and Inferred basis) is 61.3x and 54.3x and whilst these listed peers do not have a high level of gold equivalents like PNX, we consider their development and progression to DFS to be more advanced than PNX, which would support a higher multiple. Compared to the average Resource Multiple of the listed peers, our selected range is at a premium reflecting the higher degree of base metals aside from gold within the total MRE.

We have included in the table below a summary of the fair market value of the Mineral Assets based on the Resource Multiple approach adopted by Grant Thornton Corporate Finance. Based on the valuation assessment of the Mineral Assets, we calculate the enterprise value of PNX as follows:

Resource Multiple method (control basis) A\$'000 (except where stated otherwise)	Section Reference	Low	High
PNX Mineral Resources ('000 oz)	4.3	521	521
Assessed EV/Resource Multiple (control basis)	7.1.2.3	50.0x	70.0x
GT Assessed Enterprise Value		26,045	36,463

Sources: S&P Capital; GTCF analysis.

8.1.3 PNX valuation summary

We have included in the table below a summary of the fair market value of the Mineral Assets based on VRM's valuation assessment and the Resource Multiple approach adopted by Grant Thornton Corporate Finance.

Valuation Summary (control basis) A\$'000 (except where stated otherwise)	Section Reference	Low	High
GT assessed EV	8.1.2.3 / Note 1	26,045	36,463
VRM assessed EV	8.1.1	22,830	38,520
Enterprise Value		24,438	37,492
Less: Net Debt	8.1.3	(480)	(480)
GT Assessed Equity Value		23,957	37,011
Number of outstanding shares ('000)	8.1.3	5,970,215	5,970,215
Assessed value per share (Cents)		0.401	0.620

Sources: VRM Report; GTCF analysis.

As part of the Scheme, PNX and KIN entered into the KIN Facility pursuant to which KIN agreed to provide PNX with up to A\$1.5 million to assist with PNX's transaction costs and general corporate purposes during the transaction implementation. During April 2024 there was a drawdown of c. A\$0.5 million, with PNX having a cash balance as at 30 April 2024 of c. A\$0.8 million, although stamp duty of c. A\$0.2 million relating to the Mt Porter acquisition was deferred from April 2024 to June 2024. A further drawdown from the KIN Facility of c. A\$0.5 million was completed on 31 May 2024, with the third drawdown expected in

July 2024. We note the total net debt position of PNx is estimated to be c. A\$0.5 million at Scheme implementation (expected to be late August 2024).

As at the Scheme Implementation, PNx's capital structure will comprise 5,970,214,755 ordinary shares on issue. The PNx Performance Rights will have either lapsed, been exercised or cancelled by the date the Scheme has been implemented.

8.2 Valuation cross-check – Quoted Security Pricing Method

We have considered the quoted security prices of PNx Shares to understand if we can rely on this approach to cross-check our valuation assessment under the Resource Multiple method and market value of net assets method.

The adopted value of PNx based on the trading prices is an exercise of professional judgement that takes into consideration the depth of the market for the listed securities, volatility of the market price, and whether or not the trading prices are likely to represent the underlying value of PNx.

8.2.1 Liquidity analysis

In accordance with the requirements of RG 111, we have analysed the liquidity of PNx's shares by considering the trading volume from March 2023 to April 2024 as a percentage of the total shares outstanding as well as free float shares outstanding, as outlined in the table below.

Month end	Volume traded ('000)	Monthly VWAP (\$)	Total value of shares traded (\$'000)	Volume traded as % of total shares	Volume traded as % of free float shares	Cumulative Volume traded as % of total shares	Cumulative Volume traded as % of free float shares
Mar 2023	23,836	0.0028	66	0.4%	1.3%	0.4%	1.3%
Apr 2023	19,832	0.0030	59	0.4%	1.1%	0.8%	2.3%
May 2023	5,664	0.0030	17	0.1%	0.3%	0.9%	2.6%
Jun 2023	49,437	0.0030	147	0.9%	2.6%	1.8%	5.3%
Jul 2023	38,131	0.0029	110	0.7%	2.0%	2.5%	7.3%
Aug 2023	31,020	0.0029	91	0.6%	1.7%	3.1%	9.0%
Sep 2023	19,066	0.0029	55	0.4%	1.0%	3.5%	10.0%
Oct 2023	23,794	0.0031	74	0.4%	1.3%	3.9%	11.2%
Nov 2023	11,823	0.0037	43	0.2%	0.6%	4.1%	11.9%
Dec 2023	19,171	0.0036	68	0.4%	1.0%	4.5%	12.9%
Jan 2024	65,185	0.0039	255	1.2%	3.5%	5.7%	16.4%
Feb 2024	152,676	0.0054	818	2.8%	8.1%	8.5%	24.5%
Mar 2024	30,102	0.0051	155	0.6%	1.6%	9.1%	26.1%
Min				0.1%	0.3%		
Average				0.7%	2.1%		
Median				0.5%	1.4%		
Max				2.8%	8.1%		

Sources: S&P Global; GTCF analysis.

Notes: Cumulative volume traded since March 2023.

With regard to the above analysis, we note that:

- The level of free float for PNX is c. 34.9%⁶⁶. From March 2023 to April 2024, only c. 26.1% of the free float shares were traded with an average monthly volume of 2.1% of the total free float shares. This indicates that stock has limited liquidity.
- Before January 2024, there is extreme illiquidity within PNX Shares, with an average monthly volume traded of 0.4% of total shares.
- PNX has had limited coverage by investment analysts historically.

As set out in the table below, the free float and average volume traded as a percentage of total shares is below the average in comparison to the industry peers.

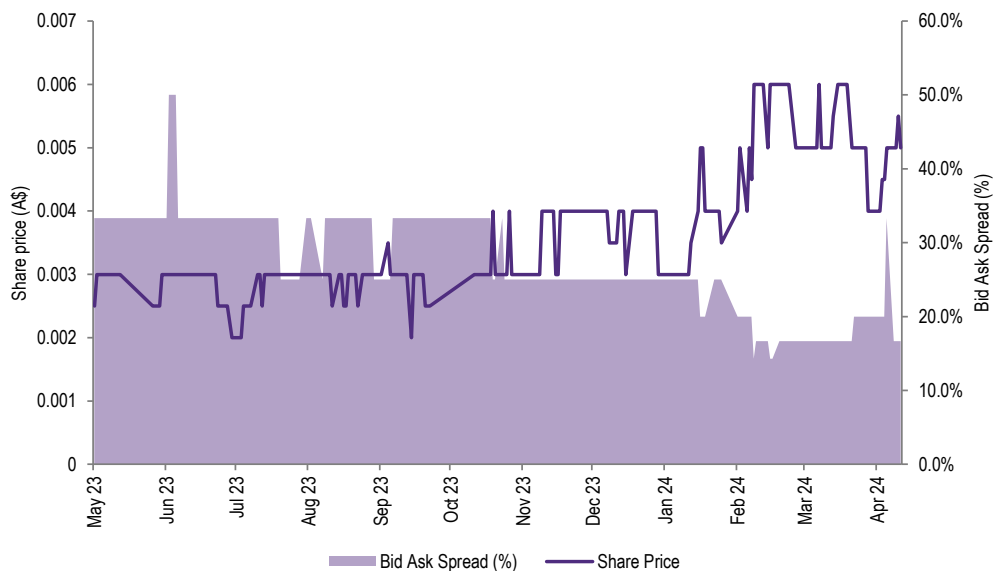
Liquidity analysis		Free float	Average volume traded as a % of total shares	Average volume traded as a % of free float shares	Cumulative volume traded as a % of total shares	Cumulative volume traded as a % of free float shares
Company	Country	(%)				
PNX Metals Limited	Australia	34.9%	0.7%	2.1%	9.1%	26.1%
Kin Mining NL	Australia	38.5%	1.0%	2.6%	12.6%	32.6%
Greenstone Resources Limited	Australia	68.7%	2.0%	1.9%	25.7%	37.4%
Antipa Minerals Limited	Australia	75.5%	2.7%	3.6%	34.2%	45.3%
Astral Resources NL	Australia	61.3%	1.1%	1.7%	13.5%	22.0%
Ausgold Limited	Australia	68.9%	2.5%	3.7%	31.9%	46.3%
Horizon Gold Limited	Australia	18.0%	0.2%	1.1%	2.5%	13.7%
Meeka Metals Limited	Australia	64.5%	2.2%	3.4%	28.5%	44.3%
Rox Resources Limited	Australia	59.2%	2.7%	4.5%	56.2%	94.9%
Saturn Metals Limited	Australia	61.6%	1.9%	3.0%	27.2%	44.2%
Kairos Minerals Limited	Australia	76.7%	3.3%	4.3%	42.5%	55.5%
Horizon Minerals Limited	Australia	70.2%	1.3%	1.9%	18.7%	26.6%
Alto Metals Limited	Australia	56.2%	2.3%	4.0%	27.8%	49.5%
Warriedar Resources Limited	Australia	66.1%	0.9%	1.3%	12.4%	18.7%
Black Cat Syndicate Limited	Australia	84.3%	3.5%	4.1%	45.6%	54.0%
Focus Minerals Limited	Australia	28.9%	0.6%	2.2%	8.3%	28.5%
Vista Gold Corp.	United States	80.3%	4.1%	5.1%	51.9%	64.6%
Low		18.0%	0.2%	1.1%	2.5%	13.7%
Average		58.0%	1.8%	2.9%	25.4%	41.4%
Median		61.6%	2.0%	3.0%	27.2%	44.2%
High		76.7%	3.3%	4.5%	56.2%	94.9%

Sources: S&P Global; GTCF analysis.

Notes: Cumulative volume traded since March 2023.

Where a company's stock is not heavily traded or is relatively illiquid, the market typically observes a difference between the 'bid' and 'ask' price for the stock as there may be a difference in opinion between the buyer and seller on the underlying value. The historical difference between the bid and ask price has been high since May 2023, averaging 26.6% as set out the chart below.

⁶⁶ Source: S&P Capital IQ – date 14 April 2024.

PNX – 1 May 2023 to current bid-ask spread


Sources: S&P Global; GTCF analysis.

Based on the analysis above, we conclude that the level of liquidity is limited and accordingly the trading prices may not necessarily reflect the underlying fair market value of the Company.

9 Valuation assessment of KIN

9.1 VRM Assessment of KIN mineral assets

As discussed in Section 7.3.1, Grant Thornton Corporate Finance has engaged VRM to assess the fair market value of KIN's mineral assets. VRM has assessed KIN's mineral assets on an attributable interest basis between c. A\$17.2 million and c. A\$34.3 million (with a midpoint / preferred value of c. A\$25.8 million). As explained in the VRM Report, the broad value range is indicative of the uncertainty associated with early stage exploration assets and is primarily driven by the confidence limits placed around the size and grade of mineralised occurrences assumed to occur within each prospect area.

VRM has considered a number of valuation methodologies to assess the market value of KIN's mineral assets as summarised in the table below (refer to section 8.1.1 for an overview of the valuation methodologies).

Asset	Valuation Technique	Priority	Lower Valuation	Preferred Valuation	Upper Valuation
Gold MRE's	Comparable Transactions (A\$/oz)	Primary	15.5	20.6	25.8
	Yardstick	Supporting	16.5	24.8	33.0
Ex ploration	Geoscientific	Primary	1.7	5.1	8.5
	PEM	Supporting	9.3	10.8	12.2
Total	Total Primary	Primary	17.2	25.8	34.3

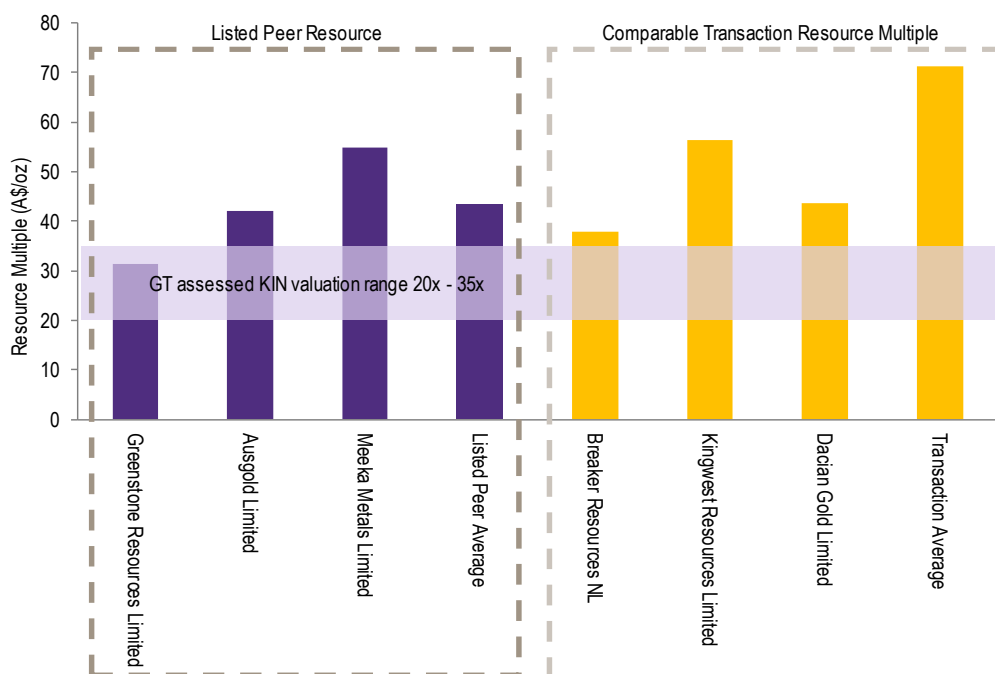
Source: VRM Report

Note: (1) The valuation figures have been rounded and are presented in A\$millions.

9.2 Grant Thornton's assessment of mineral assets based on Resource Multiples

Grant Thornton has also adopted the Resource Multiple method to assess the fair market value of KIN's mineral assets. Under this approach, based on the location of the assets and stage of development, we have considered the same trading multiples and comparable transactions that were utilised for the Resource Multiple of PNx detailed in section 8. We have summarised our assessment of the selected Resource Multiple range for KIN mineral assets below.

Resource Multiple Comparison



Sources: GTCF analysis; PNX Financial information; S&P Global; MergerMarket.

Notes: (1) Listed Resource Multiples presented include a premium for control of 50.0% to the market capitalisation as at 29 May 2024 based on the historical premium for control of gold transactions set out in Appendix E. (2) Comparable transaction Resource Multiples have been normalised rebasing the Resource Multiples based on the gold price as at 29 May 2024.

Based on the analysis of listed peers and comparable transactions, Grant Thornton Corporate Finance has assessed a Resource Multiple on a control basis between A\$20/oz to A\$35/oz, this is at a discount to the Resource Multiple applied in the valuation of the PNX mineral assets and at the low-end of the selected peers above. We are of the opinion that this is appropriate due to the following:

- We note that KIN's level of Mineral Resources and grade are below the average of the comparable listed peers, with a greater Mineral Resource base than PNX albeit at a lower grade.
- Since the end of April 2024, KIN have held a cash and cash equivalent balance of c. A\$85 million whilst the trading prices have reflected a market capitalisation not greater than c. A\$80 million – i.e. the mineral assets have a negative value. Whilst this may be attributed to a number of reasons, including the liquidity of KIN prices or reflecting the terms of the Scheme, it is also evident that investors may consider the remaining gold ounces to be of a lower quality and less likely to be developed.
- VRM have noted a number of issues associated with KIN's MRE including concerns surrounding documentation support (noted in Section 6.3 of the VRM Report) and the fact that the resource base is spread across 14 resources (detailed available in Section 7.2 of the VRM Report).

We have included in the table below a summary of the fair market value of the Mineral Assets based on the Resource Multiple approach adopted by Grant Thornton Corporate Finance. Based on the valuation assessment of the Mineral Assets, we calculate the enterprise value of KIN as follows:

Resource Multiple Method Valuation (control basis) A\$'000 (unless otherwise stated)	Section Reference	Low	High
KIN Mineral Resources ('000 oz)	5.2	932	932
Assessed EV/Resource Multiple		20.0x	35.0x
GT Assessed EV		18,640	32,620

Source: GTCF analysis.

9.3 KIN valuation summary

We have included in the table below a summary of the fair market value of KIN based on the VRM valuation and the Resource Multiple.

KIN Valuation Summary A\$'000 (unless otherwise stated)	Section Reference	Low	High
GT Assessed EV	9.2	18,640	32,620
VRM Assessed EV	9.2	17,200	34,300
Concluded EV (control)		17,920	33,460
Minority discount	Note 1	33.3%	33.3%
Concluded EV (minority)		11,947	22,307
Cash and term deposits	Note 2	63,906	63,906
Cash equivalents	Note 2	21,546	21,546
Concluded Equity Value		97,398	107,758
Number of outstanding shares ('000)	Note 3	1,178,151	1,178,151
Assessed value per share (Cents)		0.083	0.091

Source: GTCF analysis.

In relation to the table above we note the following:

- Note 1 – We have assessed the enterprise value of KIN on a control basis utilising VRM's fair market value of KIN's mineral assets and the Resource Multiple method. We have then applied a minority discount to arrive at a proxy enterprise value on a minority basis⁶⁷.
- Note 2 – We have detailed the cash and cash equivalents balance movements below:
 - As at 31 December 2023, KIN held a cash balance of c. A\$2.8 million. Post the Genesis ASA completion on 8 February 2024, KIN increased their cash balance by c. A\$15 million and received 21,917,532 un-escrowed Genesis shares, increasing the total balance to 38,003,337 shares.
 - Throughout March and April 2024, KIN sold 26,752,872 Genesis shares, receiving c. A\$51.6 million in cash.
 - As at 16 May 2024, KIN held cash and term deposits of c. A\$65.4 million and had 11,280,465 Genesis shares remaining, valued at c. A\$21.2 million.

⁶⁷ We have applied the minority discount to the enterprise value as the value of KIN's cash and cash equivalents already represent the realisable value of these assets for the minority shareholders.



- We have estimated that KIN will have a cash and term deposit balance of c. A\$63.9 million⁶⁸ on or around implementation date. We have further captured in our valuation assessment the market value of 11,280,465 Genesis shares (valued at c. A\$21.5 million as at 29 May 2024).
- Note 3 – KIN's capital structure comprises 1,178,150,548 common shares before implementation of the Scheme.

⁶⁸ Based on the cash and term deposits of c. A\$65.4 million as at 16 May 2024, less GTCF's A\$1.5 million assumption of cash burn relating to corporate expenditure until Scheme implementation (considered in relation to the A\$3.1 million in KIN staff and administration in the nine months trading to 31 March 2024).

10 Valuation assessment of the Scheme Consideration

As discussed in section 7, in our valuation of the Scheme Consideration, we have considered two approaches:

- *Approach 1:* We have relied on the trading prices of KIN after the announcement of the KIN NBIO as representative of the market's expectations of the Merged Entity's value and as the value that may be realised in the short term by PNX Shareholders.
- *Approach 2:* We have adopted the underlying fair market value of the Merged Group calculated based on the aggregation of the market value of net assets of PNX and KIN.

10.1 Valuation of the Scheme Consideration based on KIN trading prices (Approach 1)

As discussed in the executive summary of this Report, we have adopted KIN's trading prices after the announcement of the KIN NBIO as a proxy for the value of the Merged Entity and of the value that PNX Shareholders may be able to realise in the short term by selling the scrip consideration they receive upon implementation of the Scheme.

The value of the Scheme Consideration is an exercise of professional judgement that takes into consideration the depth of the market for the listed securities, volatility of the market price, and whether the trading prices are likely to represent the underlying value of KIN. Before adopting the trading prices for the purpose of our valuation assessment, we have considered depth and liquidity in KIN shares in accordance with the requirements of RG 111.

10.1.1 Liquidity analysis

As part of our analysis of KIN's liquidity, we have considered the trading volume from March 2023 to March 2024 as a percentage of the total shares outstanding as well as free float shares outstanding, as outlined in the table below:

Month end	Volume traded ('000)	Monthly VWAP (\$)	Total value of shares traded (\$'000)	Volume traded as % of total shares	Volume traded as % of free float shares	Cumulative Volume traded as % of total shares	Cumulative Volume traded as % of free float shares
Mar 2023	3,722	0.0448	167	0.3%	0.8%	0.3%	0.8%
Apr 2023	5,656	0.0416	235	0.5%	1.2%	0.8%	2.1%
May 2023	6,479	0.0382	247	0.5%	1.4%	1.3%	3.5%
Jun 2023	11,584	0.0312	361	1.0%	2.6%	2.3%	6.1%
Jul 2023	7,540	0.0339	256	0.6%	1.7%	3.0%	7.7%
Aug 2023	4,742	0.0383	182	0.4%	1.0%	3.4%	8.8%
Sep 2023	9,747	0.0391	381	0.8%	2.2%	4.2%	10.9%
Oct 2023	18,339	0.0492	903	1.6%	4.0%	5.8%	15.0%
Nov 2023	8,756	0.0589	515	0.7%	1.9%	6.5%	16.9%
Dec 2023	18,843	0.0648	1,221	1.6%	4.2%	8.1%	21.0%
Jan 2024	7,964	0.0640	510	0.7%	1.8%	8.8%	22.8%
Feb 2024	25,092	0.0655	1,645	2.1%	5.5%	10.9%	28.3%
Mar 2024	19,403	0.0648	1,257	1.6%	4.3%	12.6%	32.6%
Min				0.4%	1.0%		
Average				1.0%	2.6%		
Median				0.8%	2.0%		
Max				2.1%	5.5%		

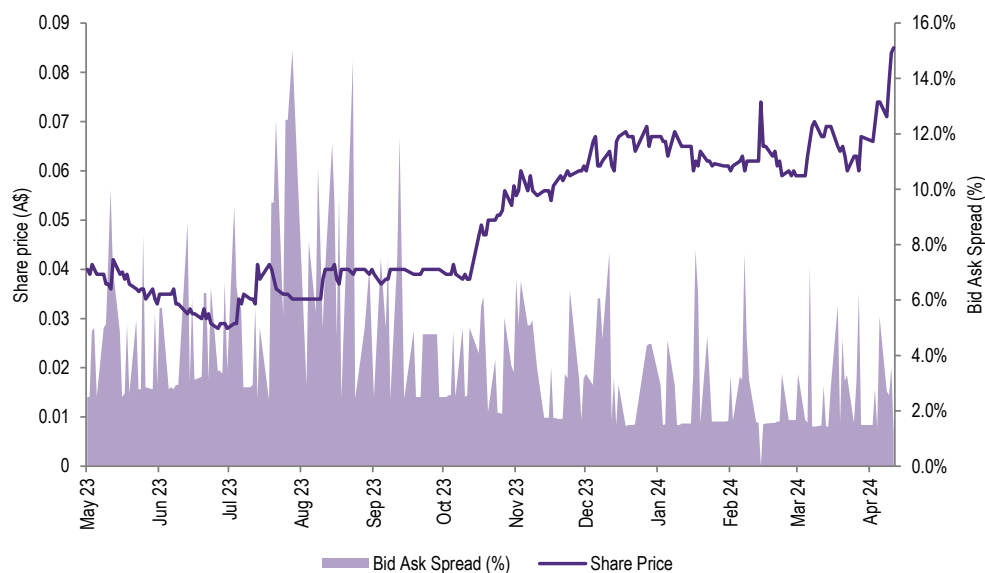
Sources: S&P Global; GTCF analysis.

With regard to the above analysis, we note that:

- KIN's level of free float of 38.5% is low compared to industry peers (provided in section 8.2.1), which indicates limitations of using the Quoted Security Pricing Method. However, from March 2023 to March 2024, c. 32.6% of the free float shares were traded with an average monthly volume of 2.6% of the total free float shares, with both metrics aligned with the average and median of the peer group (provided in section 8.2.1).
- In the absence of a takeover, merger or other alternative transactions, the trading prices represent the value at which PNX Shareholders will be able to realise the Scheme Consideration.
- KIN has had limited coverage by investment analysts historically.

In addition to the above, where a company's stock is not heavily traded or is relatively illiquid, the market typically observes a difference between the 'bid' and 'ask' price for the stock as there may be a difference in opinion between the buyer and seller on the value of the stock. The graph below shows the bid ask spread for KIN since May 2023.

KIN – Bid-Ask spread



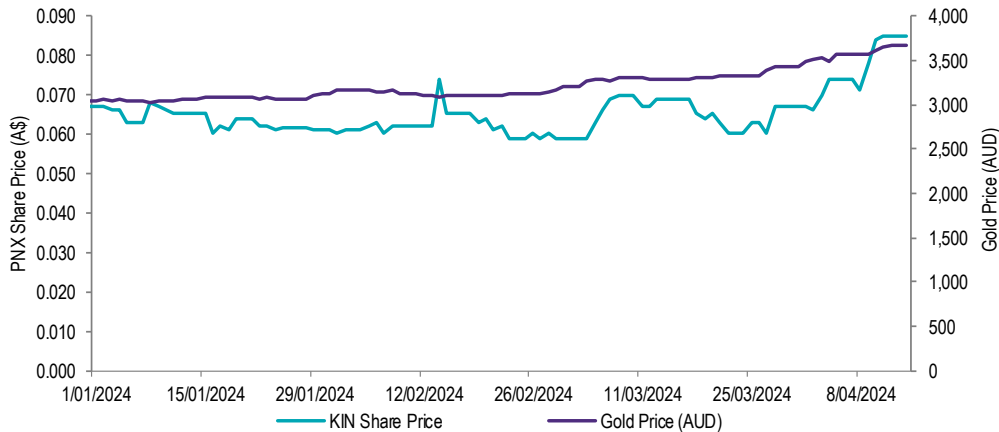
Sources: S&P Global; GTCF analysis.

As shown in the graph above, the historical difference between the bid and ask price had an average of 4.5% since May 2023. However, the median since 1 October 2023 has been 2.6% and subsequently, with a relatively modest bid-ask spread, we conclude that there is likely to be sufficient liquidity in KIN's trading price for utilisation of the Quoted Security Price Method to assess the Scheme Consideration.

10.1.2 Valuation assessment of KIN based on the trading price

To obtain a greater insight and an understanding of KIN's trading prices and industry wide trends, we have compared KIN's trading price with the gold price for the period from 1 January 2024 to April 2024 when liquidity in the trading prices increased. As set out in the graph below, whilst KIN's trading prices experienced greater volatility than the gold prices, movements have been substantially aligned over the period.

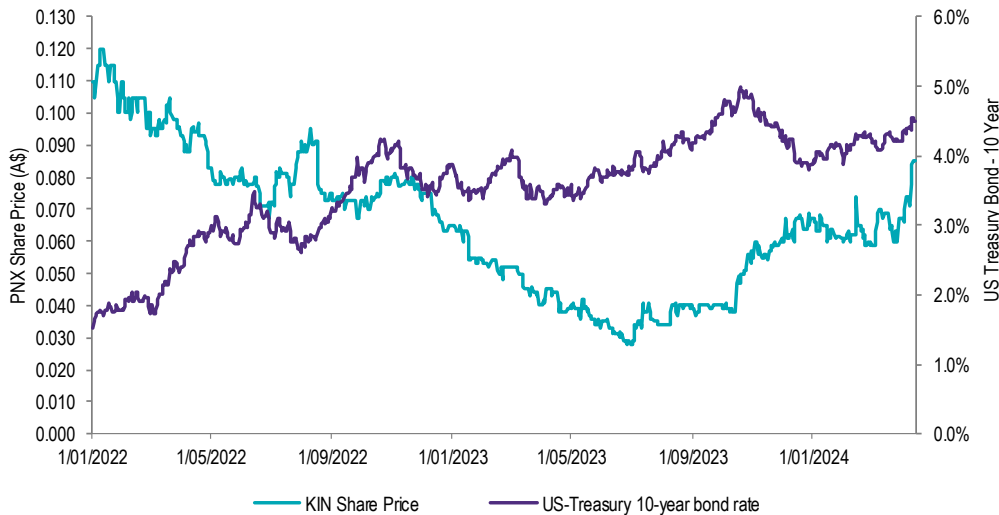
Spot price for gold and KIN historical prices



Sources: S&P Global; GTCF analysis.
 Notes: (1) Trading data from 1 January 2024 to 14 April 2024.

We have also set out below the comparison of KIN share prices against the US Treasury Bond.

US Treasury 10-year bond rates and KIN historical prices



Sources: S&P Global, GTCF analysis.
 Notes: (1) Trading date runs from 1 January 2024 to 14 April 2024.

We note that usually gold prices and the prices of gold mining companies are inversely correlated to the US treasury bond as the opportunity costs of holding gold, which does not bear any yield, increases with the rise of treasury yields. This appears to be confirmed in the graph above for KIN trading prices which have moved in line with market expectations.

Based on the analysis above, we conclude that the trading prices of KIN moved largely in line with the trends of the spot price of gold and interest rates, outside of company specific events, and hence we can rely on them for the purpose of assessing the Scheme Consideration.

Set out below is a summary of the VWAP of KIN since the announcement of the NBIO on 15 February 2024 and the announcement of the Scheme on 15 April 2024.

VWAP (Cents)	Low	High	VWAP
Up to 29 May 2024			
5 day	6.100	6.700	6.389
10 day	6.100	6.800	6.545
3 Week	5.900	7.100	6.493
1 month	5.900	7.400	6.572
2 month	5.900	8.800	7.206
3 month	5.800	8.800	6.984
Since 15 February 2024	5.800	8.800	6.891

Sources: S&P Global; GTCF analysis.

Based on the analysis above, we have assessed the fair market value of KIN's shares using the Quoted Security Pricing Method to be between 6.500 cents and 7.000 cents on a minority basis. We have summarised below our assessment of the enterprise value of KIN.

Valuation assessment of the Scheme Consideration			
Minority basis	Unit	Low	High
KIN share price	Cents	6.500	7.000
Scheme exchange ratio (1:13) ¹	Units	0.077	0.077
Implied PNX offer price	Cents	0.500	0.538

Sources: S&P Global; GTCF analysis.

Notes: (1) The Scheme Consideration is based on one KIN Share being issued for every 13 PNX Shares.

10.2 Valuation of the Scheme Consideration based on the underlying value of KIN and PNX (Approach 2)

We have included in the table below a summary valuation of the Merged Group, considering the aggregated enterprise value assessed of PNX and KIN. We have then utilised the Merged Group pro-forma financial information to estimate the value per share on a minority basis.

Merged Group Valuation Summary (minority basis) A\$'000 (unless otherwise stated)	Section Reference	Low	High
PNX: GT Assessed EV	9.2	16,292	24,994
KIN: GT Assessed EV	9.2	11,947	22,307
Concluded EV		28,238	47,301
Cash and term deposits		63,426	63,426
Cash equivalents (Genesis shares held)		21,546	21,546
Concluded Equity Value		113,210	132,272
Number of outstanding shares ('000)	9.2	1,637,398	1,637,398
Assessed value per share (Cents)		6.914	8.078

Source: GTCF analysis.

We have provided notes to the Merged Group valuation summary table below:

- Note 1 – The assessed enterprise value of PNX on a control basis in section 8.1.3 between A\$24.4.0 million and A\$37.5.0 million has been adjusted by a minority discount of 33.3% to assess the enterprise value on a minority basis.
- Note 2 – The net cash position is based on the pro-forma financial information of the Merged Group, with the aggregated net cash positions of PNX and KIN at Scheme implementation, with a total net cash position of c. A\$85.0 million, comprising cash of c. A\$63.4 million and cash equivalents of c. A\$ 21.5 million (Genesis shares valued as at 29 May 2024).
- Note 3 – Post implementation of the Scheme, the Merged Group will have outstanding shares of 1.6 billion, as detailed in section 6.2:

11 Sources of information, disclaimer and consents

11.1 Sources of information

In preparing this report Grant Thornton Corporate Finance has used various sources of information, including:

- PNX and KIN annual reports;
- Public announcements and investor presentations by PNX and KIN;
- VRM Report;
- Relative Industry report on precious metals mining industries;
- Public announcements, investor presentations, annual reports published by comparable listed peer companies;
- MergerMarket and S&P Global, as well as other information on general public domain.

In preparing this report, Grant Thornton Corporate Finance has also held discussions with, and obtained information from, Management of PNX and its advisers.

11.2 Limitations and reliance on information

This report and opinion is based on economic, market and other conditions prevailing at the date of this report. Such conditions can change significantly over relatively short periods of time.

Grant Thornton Corporate Finance has prepared this report on the basis of financial and other information provided by the Company, and publicly available information. Grant Thornton Corporate Finance has considered and relied upon this information. Grant Thornton Corporate Finance has no reason to believe that any information supplied was false or that any material information has been withheld. Grant Thornton Corporate Finance has evaluated the information provided by the Company through inquiry, analysis and review, and nothing has come to our attention to indicate the information provided was materially misstated or would not afford reasonable grounds upon which to base our report. Nothing in this report should be taken to imply that Grant Thornton Corporate Finance has audited any information supplied to us, or has in any way carried out an audit on the books of accounts or other records of the Company.

This report has been prepared to provide an independent opinion as to whether the Scheme is in the best interests of the PNX Shareholders. This report should not be used for any other purpose. In particular, it is not intended that this report should be used for any purpose other than as an expression of Grant Thornton Corporate Finance's opinion as to whether the Scheme is in the best interest of PNX Shareholders.

PNX has indemnified Grant Thornton Corporate Finance, its affiliated companies and their respective officers and employees, who may be involved in or in any way associated with the performance of services contemplated by our engagement letter, against any and all losses, claims, damages and liabilities arising out of or related to the performance of those services whether by reason of their negligence or otherwise, excepting gross negligence and wilful misconduct, and which arise from reliance on information provided



by the Company, which the Company knew or should have known to be false and/or reliance on information, which was material information the Company had in its possession and which the Company knew or should have known to be material and which did not provide to Grant Thornton Corporate Finance. The Company will reimburse any indemnified party for all expenses (including without limitation, legal expenses) on a full indemnity basis as they are incurred.

11.3 Consents

Grant Thornton Corporate Finance consents to the issuing of this report in the form and context in which it is included in the Scheme Booklet to be sent to PNX Shareholders. Neither the whole nor part of this report nor any reference thereto may be included in or with or attached to any other document, resolution, letter or statement without the prior written consent of Grant Thornton Corporate Finance as to the form and context in which it appears.

Appendix A – Valuation methodologies

Capitalisation of future maintainable earnings

The capitalisation of future maintainable earnings multiplied by appropriate earnings multiple is a suitable valuation method for businesses that are expected to trade profitably into the foreseeable future.

Maintainable earnings are the assessed sustainable profits that can be derived by a company's business and excludes any abnormal or "one off" profits or losses.

This approach involves a review of the multiples at which shares in listed companies in the same industry sector trade on the share market. These multiples give an indication of the price payable by portfolio investors for the acquisition of a parcel shareholding in the company.

Discounted future cash flows

An analysis of the net present value of forecast cash flows or DCF is a valuation technique based on the premise that the value of the business is the present value of its future cash flows. This technique is particularly suited to a business with a finite life. In applying this method, the expected level of future cash flows are discounted by an appropriate discount rate based on the weighted average cost of capital. The cost of equity capital, being a component of the WACC, is estimated using the Capital Asset Pricing Model.

Predicting future cash flows is a complex exercise requiring assumptions as to the future direction of the company, growth rates, operating and capital expenditure and numerous other factors. An application of this method generally requires cash flow forecasts for a minimum of five years.

Orderly realisation of assets

The amount that would be distributed to shareholders on an orderly realisation of assets is based on the assumption that a company is liquidated with the funds realised from the sale of its assets, after payment of all liabilities, including realisation costs and taxation charges that arise, being distributed to shareholders.

Market value of quoted securities

Market value is the price per issued share as quoted on the ASX or other recognised securities exchange. The share market price would, prima facie, constitute the market value of the shares of a publicly traded company, although such market price usually reflects the price paid for a minority holding or small parcel of shares, and does not reflect the market value offering control to the acquirer.

Comparable market transactions

The comparable transactions method is the value of similar assets established through comparative transactions to which is added the realisable value of surplus assets. The comparable transactions method uses similar or comparative transactions to establish a value for the current transaction.

Comparable transactions methodology involves applying multiples extracted from the market transaction price of similar assets to the equivalent assets and earnings of the company. The risk attached to this valuation methodology is that in many cases, the relevant transactions contain features that are unique to that transaction and it is often difficult to establish sufficient detail of all the material factors that contributed to the transaction price.

Appendix B – Comparable companies descriptions

Company	Description
Antipa Minerals Limited	Antipa Minerals Limited engages in the mineral exploration business in Australia. It primarily explores for gold, copper, silver, uranium, and tungsten deposits. The company holds 100% interests in the Minyari Dome project covering an area of 144 square kilometres located in the Paterson Province; Wilki project totalling an area of 2,200 square kilometres located in WA; and Paterson project covering an area of 1,550 square kilometres located in the southern part of the Paterson Province. The company was incorporated in 2010 and is based in West Perth, Australia.
Greenstone Resources Limited	Greenstone Resources Limited explores for and develops mineral resources projects in WA. It explores for gold, nickel, cobalt, and manganese deposits. The company holds a 100% interest in the Burbanks gold project located at the southeast of Coolgardie; and the Phillips Find gold project located in north-northwest of Coolgardie. It also holds a 50% interest in the Mt Thirsty cobalt-nickel project located to the northwest of Norseman, WA. The company was formerly known as Barra Resources Limited and changed its name to Greenstone Resources Limited in October 2021. Greenstone Resources Limited was incorporated in 2000 and is based in West Perth, Australia.
Astral Resources NL	Astral Resources NL engages in the exploration of gold and base metal projects in WA. The company also explores for copper, zinc, and silver deposits. Its flagship project is the 100% owned Mandilla Gold project located in the northern Widgiemooltha greenstone belt in the western part of the Kalgoorlie geological domain. The company was formerly known as Anglo Australian Resources NL and changed its name to Astral Resources NL in April 2022. The company was incorporated in 1985 and is based in South Perth, Australia.
Ausgold Limited	Ausgold Limited explores for gold and other precious metals. It also explores for copper, iron, nickel, and sulphide deposits. The company's flagship property is the Katanning gold project, which covers approximately 5,500 square kilometres located in Katanning greenstone belt in south-western WA. Ausgold Limited was incorporated in 2009 and is based in Perth, Australia.
Horizon Gold Limited	Horizon Gold Limited engages in the exploration, evaluation, development, and production of gold deposits in Australia. Its flagship project is the Gum Creek gold project covering an area of approximately 663 square kilometres located within the Southern Cross Province of the Youanmi Terrane in WA. The company was incorporated in 2016 and is based in West Perth, Australia. Horizon Gold Limited is a subsidiary of Zeta Resources Limited.
Meeka Metals Limited	Meeka Metals Limited engages in the exploration of gold and rare earth properties in Australia. Its flagship project is the Murchison gold project covering an area of 343 square kilometres located in the prolific Murchison Gold Fields, WA. The company was formerly known as Meeka Gold Limited and changed its name to Meeka Metals Limited in July 2022. Meeka Metals Limited is based in West Perth, Australia.
Rox Resources Limited	Rox Resources Limited operates as a mineral exploration company in Australia. It primarily explores for gold and nickel deposits. The company's flagship project is the Youanmi Gold Project located to northeast of Perth. Rox Resources Limited was incorporated in 2003 and is based in West Perth, Australia.
Satum Metals Limited	Satum Metals Limited engages in the exploration for precious metals in Australia. The company explores for gold and diamond deposits. Its projects portfolio includes the Apollo Hill project that comprises 29 prospective gold exploration and prospective licenses covering an area of approximately 1,500 square kilometres, including two mining leases and twelve water exploration leases located in WA; and the West Wyalong Gold project that consists of 91km ² brownfield exploration tenements located in the Wagga Wagga. The company was incorporated in 2017 and is based in West Perth, Australia.
Kairos Minerals Limited	Kairos Minerals Limited, together with its subsidiaries, operates as a resource exploration company in Australia. The company explores for gold, lead, zinc, copper, cobalt, nickel, and lithium properties. Its flagship project is the 100% owned Pilbara Gold project, which includes the Mt York deposit located to the south of Port Hedland in the Pilbara region. The company was formerly known as Mining Projects Group Limited and changed its name to Kairos Minerals Limited in April 2016. Kairos Minerals Limited was incorporated in 1983 and is based in Daglish, Australia.
Horizon Minerals Limited	Horizon Minerals Limited engages in the exploration and development of mineral properties in Australia. The company primarily explores for gold, nickel, silver, and zinc deposits. It owns 100% interests in the Boorara Gold Project located on the eastern edge of the city of Kalgoorlie-Boulder, WA. The company also owns interests in the gold projects in the Kalgoorlie and Coolgardie regions. Further, it holds 100% interest in the Nimbus silver-zinc project. The company was formerly known as Intermin Resources Limited and changed its name to Horizon Minerals Limited in July 2019. Horizon Minerals Limited was incorporated in 1974 and is based in Nedlands, Australia.
Alto Metals Limited	Alto Metals Limited primarily explores for gold properties in WA. It holds a 100% interest in Sandstone Gold project covering an area of approximately 740 square kilometres located in the East Murchison Mineral field in WA. The company was formerly known as Enterprise Uranium Limited and changed its name to Alto Metals Limited in May 2016. Alto Metals Limited was incorporated in 2012 and is based in West Perth, Australia.

Source: S&P Global

Appendix C – Comparable transactions targets descriptions

Target	Description
Greenstone Resources	Greenstone Resources Limited explores for and develops mineral resources projects in WA. It explores for gold, nickel, cobalt, and manganese deposits. The company holds a 100% interest in the Burbanks gold project located at the southeast of Coolgardie; and the Phillips Find gold project located in north-northwest of Coolgardie. It also holds a 50% interest in the Mt Thirsty cobalt-nickel project located to the northwest of Norseman, WA. The company was formerly known as Barra Resources Limited and changed its name to Greenstone Resources Limited in October 2021. Greenstone Resources Limited was incorporated in 2000 and is based in West Perth, Australia.
Chesser Resources	Chesser Resources Limited, together with its subsidiaries, operates as an exploration company in Australia. It primarily explores for gold deposits. The company's flagship project is the 100% owned Diamba Sud project covering an area of 53.2 square kilometres located to the west of the Senegal Mali Shear Zone, Senegal. It also holds 100% interests in the Diamba Nord project which consists of two exploration tenements totalling approximately 242 square kilometres in eastern Senegal; and holds Morichou and Bondala license applications. The company was incorporated in 2006 and is based in Subiaco, Australia. As of September 20, 2023, Chesser Resources Limited operates as a subsidiary of Fortuna Silver Mines Inc.
Breaker Resources	Breaker Resources NL discovers, develops, and explores for gold and copper deposits in WA. It holds 100% interest in the Lake Roe, Ularring Rock, and Manna Lithium projects comprising one mining lease and twelve exploration licenses covering an area of approximately 1,000 square kilometres. The company was incorporated in 2010 and is headquartered in West Perth, Australia. As of May 15, 2023, Breaker Resources NL operates as a subsidiary of Ramelius Kalgoorlie Pty Ltd.
Vango Mining	Vango Mining Limited engages in the exploration and evaluation of mineral properties in Australia. Its flagship property is the 100% owned Marymia gold project located in the Yilgarn block of WA. The company was formerly known as Ord River Resources Limited and changed its name to Vango Mining Limited in November 2014. Vango Mining Limited was incorporated in 2004 and is based in Sydney, Australia. As of March 6, 2023, Vango Mining Limited operates as a subsidiary of Catalyst Metals Limited.
Brightstar Resources	Brightstar Resources Limited, together with its subsidiaries, explores for and develops mineral properties in Australia. The company primarily explores for gold deposits. It holds interests in the Alpha, Beta, and Cork Tree Well (Delta) Deposit located in WA. The company was formerly known as Stone Resources Australia Limited and changed its name to Brightstar Resources Limited in December 2020. The company was incorporated in 2002 and is based in Subiaco, Australia.
Dacian Gold	Dacian Gold Limited engages in the exploration, mining, and processing of gold properties in Australia. The company holds interest in Mt Morgans and the Redcliffe gold project located in Leonora-Laverton, WA. Dacian Gold Limited was incorporated in 2011 and is based in Perth, Australia. Dacian Gold Limited operates as a subsidiary of Genesis Minerals Limited.
Livingstone Gold Project	Livingstone Gold Project comprises a gold exploration property and is located in Australia.

Source: S&P Global

Appendix D – Premium for control study

As mentioned in section 8.2.1 we have summarised below the control premiums implied of precedent transactions of listed comparable companies in the gold sector.

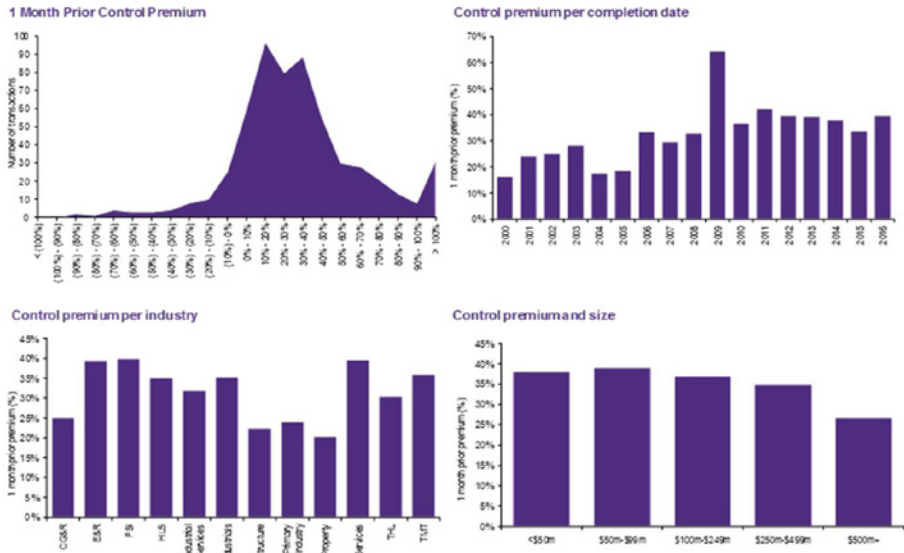
Control premium - gold miners			Implied control premium	
Date	Target	Bidder	1-day	1-month
Feb-24	Greenstone Resources Limited	Horizon Minerals Limited	89.0%	40.0%
Dec-23	Dacian Gold Limited	Genesis Minerals Limited	116.0%	130.8%
May-23	Chesser Resources Limited	Fortuna Silver Mines Inc.	59.1%	48.4%
Feb-23	Tulla Resources	Pantoro Limited	24.7%	43.2%
Jan-23	Vango Mining Limited	Catalyst Metals Limited	19.1%	33.5%
May-22	Oklo Resources	B2Gold Corp	96.0%	75.0%
Apr-22	Big River Gold	Aura Minerals Ltd	33.3%	30.0%
Jun-22	DGO Gold Limited	Gold Road Resource Limited	25.1%	43.1%
Feb-22	Alliance Resource Limited	Gandel Metals Ltd	33.3%	24.4%
Feb-22	Focus Minerals Limited	Theta Gold Mines Ltd	61.8%	50.4%
Oct-21	Apollo Consolidated Limited	Ramelius Resource	36.8%	52.8%
Jun-21	Firefly Resources Limited	Gascoyne Resources Limited	45.0%	30.7%
Jun-20	Exore Resources Limited	Perseus Mining Limited	69.4%	85.3%
Aug-19	Alliance Resource Limited	Gandel Metals Ltd	27.3%	45.8%
Oct-18	Dampier Gold Limited	Vango Mining Limited	71.4%	82.1%
Low			19.1%	24.4%
Average			53.8%	54.4%
Median			45.0%	45.8%
High			116.0%	130.8%

Source: GTCF research; GTCF analysis; S&P Global

We note that the average control premium on the target's 1-day VWAP and the 1-month VWAP for the selected transactions above averaged at 53.8% and 54.4% respectively. We note the following in relation to the above:

- Each project has its own uniqueness, and the control premiums may incorporate various levels of special values paid for by the acquirers and may reflect synergies paid which are unique to the acquirers. Further, we note that the control premiums may be sensitive to various factors such as quantity and quality of resource, availability of nearby infrastructure, and location of the assets.
- The transactions took place over a six-year period. The control premiums paid by the acquirers may have been influenced by different economic factors and gold prices.
- We note that the most comparable transactions have all occurred since the start of 2022, are all early-stage exploration and development companies with based within WA.
- We consider the average and median of the transactions to provide an applicable benchmark for assessing the control premium to be considered on Resource Multiples.

Additionally, we note evidence from studies indicates that premium for control on successful takeovers (across all industries) has frequently been in the range of 20% to 40% in Australia, and that the premium vary significantly for each transaction.



	Control premium
Average	34.33%
Median	29.34%

Source: GTCF analysis

Appendix E – Glossary

\$ or A\$	Australian Dollar
Advanced PNX Projects	Fountain Head Project and Hayes Creek Project
AISC	All-in Sustaining Cost
APES 225	Accounting Professional and Ethical Standard 225 "Valuation Services"
ASA	Asset Sale Agreement between KIN and Genesis
ASIC	Australian Securities Investment Commission
ASX	Australian Securities Exchange
Ausgold	Ausgold Trading Pty Ltd
A-VIX	S&P / ASX 200 VIX Index
BAC	Base acquisition cost
Breaker	Breaker Resources NL
CGP	Cardinia Gold Project
Court	Federal Court of Australia
Dacian	Dacian Gold Limited
DCF Method	Discounted cash flow and the estimated realisable value of any surplus assets
Delphi	DELPHI Unternehmensberatung Aktiengesellschaft
DFS	Definitive Feasibility Study
ESS	Electing Small Shareholders
ETF	Exchange traded funds
ETP	Exchange trade products
EV	Enterprise Value
FIRB	Australian Foreign Investment Review Board
FME Method	Application of earnings multiples to the estimated future maintainable earnings or cash flows of the entity, added to the estimated realisable value of any surplus assets
Fountain Head Project	Refers to the Fountain Head gold project comprising the Fountain Head, Tally Ho, Glencoe, Mt Porter and Mt Bonnie gold deposits.
FSG	Financial Services Guide
Genesis	Genesis Minerals Limited
Grant Thornton Corporate Finance or GTCF	Grant Thornton Corporate Finance Pty Ltd
Greenstone	Greenstone Resources Limited
Hayes Creek Project	Refers to the Hayes Creek VHMS gold-silver-zinc project comprising the Mt Bonnie and Iron Blow gold-zinc-silver deposits.
IBC	Independent Board Committee
IER	Independent Expert's Report
Independent PNX Directors	Sub-committee of the PNX Board, comprising Graham Ascough, James Fox and Hans-Jörg Schmidt.
KIN	KIN Mining NL
KIN Facility	KIN and PNX's unsecured bridging loan agreement
KIN NBIO	Unsolicited, non-binding and indicative offer from KIN to PNX for a potential merger announced on 15 February 2024.
Kingwest	Kingwest Resources Limited
LOM	Life of mine
Mineral Resource	the meaning given in the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves 2012, as updated from time to time
Meeka Metals	Meeka Metals Limited
Merged Group	KIN post Scheme implementation
MRE	Mineral Resource Estimate

Mt Porter	Mt Porter gold deposit
NAV Method	Amount available for distribution to security holders on an orderly realisation of assets
PEM	Perspectivity Enhancement Multiplier
PFS	Preliminary Feasibility Study
PNX or 'the Company'	PNX Metals Limited
PNX Performance Rights	85,800,000 PNX performance rights at SID announcement
PNX Shareholders	PNX shareholders
PNX Shares	Fully paid ordinary shares in the capital of PNX
Advanced PNX Projects	PNX's Hayes Creek Project and Fountain Head Project
Quoted Security Price Method	Quoted price for listed securities when there is a liquid and active market
Red 5	Red 5 Limited
Resource Multiple	The Resource Multiple refers to EV/Resources (comprising Measured, Indicated and Inferred).
RG 111	ASIC Regulatory Guide 111 "Contents of expert reports"
RG 112	ASIC Regulatory Guide 112 "Independence of experts"
RG 60	ASIC Regulatory Guide 60 "Scheme of arrangement"
Scheme	Scheme of arrangement between KIN and PNX
Scheme Consideration	Consideration of 1 KIN Share for every 13 PNX Shares
SID	Scheme Implementation Deed
Sovereign	Sovereign Metallurgical Pty Ltd
Silver Streaming Agreements	PNX's silver streaming rights that were cancelled on 26 April 2024
St Barbara	St Barbara Limited
VALMIN Code	The VALMIN Code sets out the requirements for the technical assessment and valuation of mineral assets and securities for independent expert reports.
VHMS	Volcanogenic-hosted massive sulphide
VRM	Valuation & Resource Management Pty Ltd
VRM Report	Independent Technical Report
VWAP	Volume weighted average price
WA	Western Australia

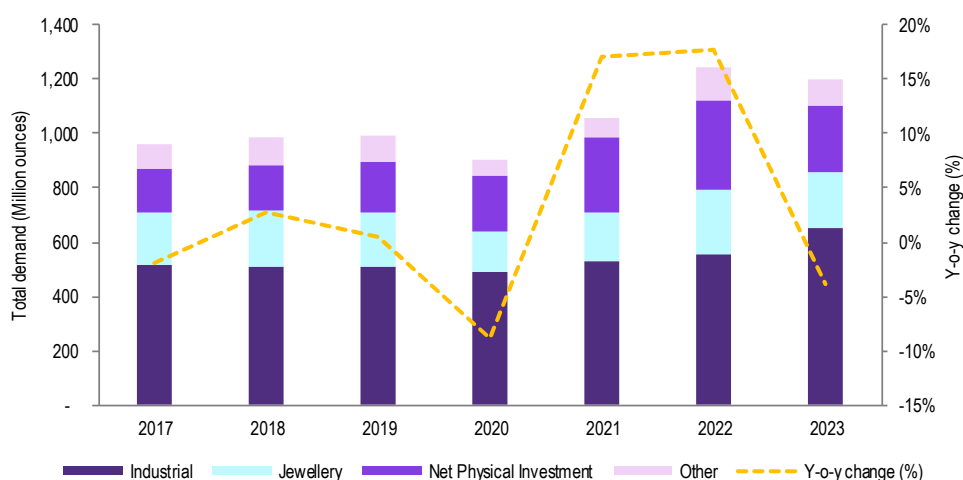
Appendix F – Silver Industry

Silver is a precious metal with a multitude of uses including jewellery, alloys, batteries, solar energy, semiconductors, and many additional industrial applications due to the fact it has the highest conductivity for electricity and heat of any element.

Demand

Demand for silver is mainly driven by industrial uses, global investment trends and market/economic conditions. The graph below illustrates historical global demand for silver by category:

Historical global demand for silver by category (2017 to 2023)



Source: Silver Institute, World Silver Survey 2024.

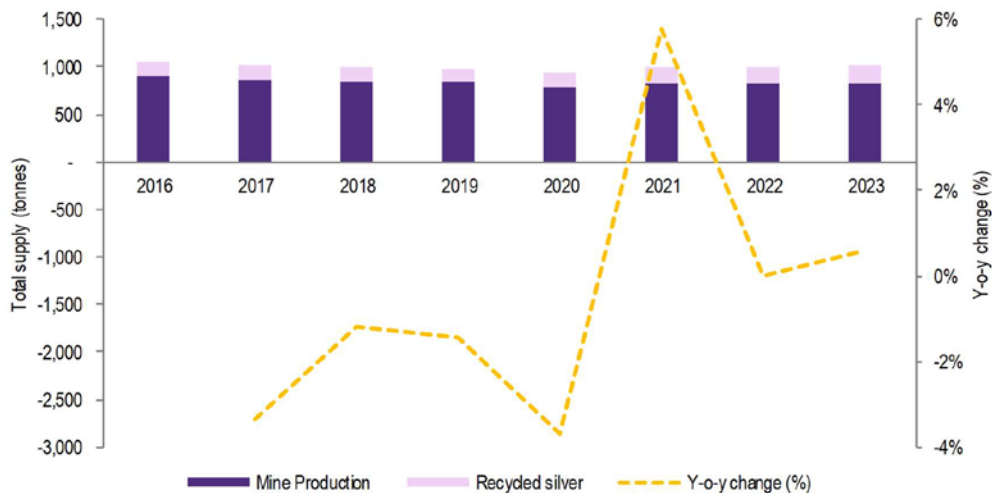
As displayed above, the largest demand of silver over the period has consistently been its use within industry application which refers to its use in solar technology, electronics, brazing and soldering, bearings, medicine, automobiles, water purification, photography, and several additional applications. This demand is likely to continue to grow in line with expected growth of industrial fabrication following the requirement growth for photovoltaic applications, furthering solar manufacturing. Additionally, in 2023 electronics & electrical demand grew by 20% due to the aforementioned demand for photovoltaic related technology, as well as power grid construction and growing demand for electric vehicles.

As inflation, market turmoil and uncertainty increased globally it encouraged strong bar and coin purchases by retail investors, seeking a safe haven investment to protect from fiat currency devaluation, resulting in an increase in net physical investment for five straight years leading to 2022, followed by a decrease of almost a third in 2023. The decrease in 2023 can in part be attributed to the increase of value-added taxes in Europe, with physical investment in Germany decreasing by 73%. Other contributing factors include many western markets experiencing continuing cost-of-living issues decreasing demand globally. As with gold, the silver Exchange-Traded Products (“ETP”) have sustained a similar decrease, with 2022 being the largest annual outflow since 2011 and a further decrease in 2023, reducing holdings to their lowest level since July 2021. The fabrication of silver jewellery increased by c. 29% in 2022, the highest level since 2010, largely driven by post-pandemic demand in India and furthering the demand of silver easing in 2023.

Supply

The supply of silver is mainly sourced from mine production and the recycling of scrap gold. The graph below illustrates historical gold supply by category:

Historical silver supply by category (2017 to 2023)

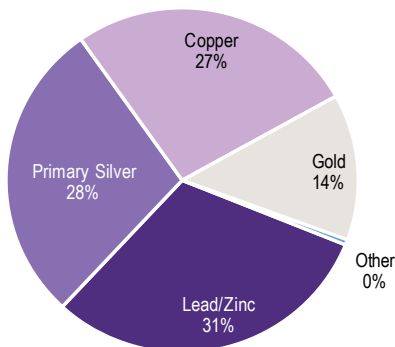


Source: Silver Institute, World Silver Survey 2024.

The supply of silver has remained relatively stable since 2016 with the market remaining in a deficit as the previously mentioned drivers of demand continue to grow and production struggles to match these levels. In 2023, global mined silver production decreased by c. 1% in comparison to 2022, largely driven by weaker output in Mexico due to the suspension of Newmont's Corporation's Peñasquito in the second and third quarter of 2023, following union strike action seeking higher wages. The mine was reopened in October 2023 as both parties agreed to an 8% salary increase for employees.

Silver is often a byproduct of mining for other metals, mainly copper, gold, lead, zinc and others, displayed below is the breakdown of silver mine production by source metal in 2023 in which a total of c. 72% of annual silver mine supply was produced as a byproduct.

Silver mine production by source metal in 2023

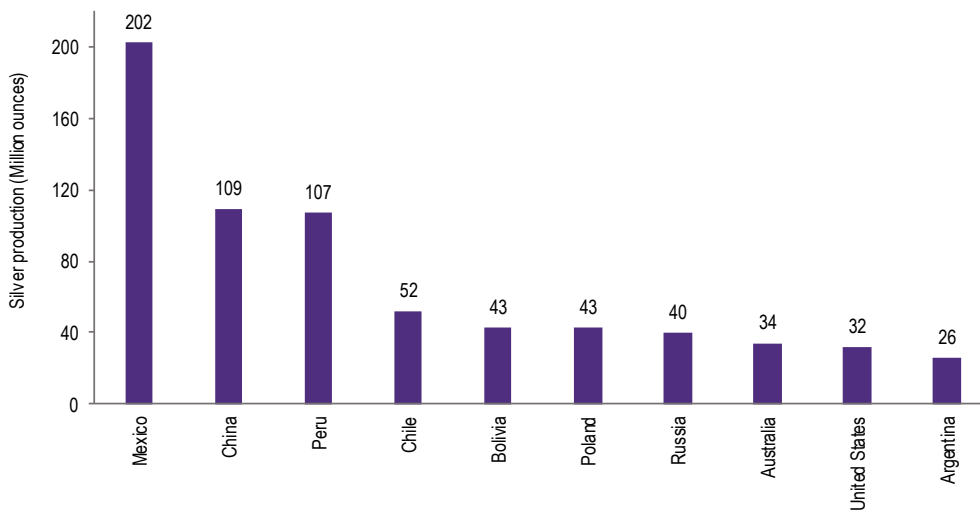


Source: Silver Institute, World Silver Survey 2024.

In 2023, the share of silver produced from gold mines declined by c. 1.6%, whilst the contribution from copper and lead/zinc increased by 1.2% and 0.5% respectively. The share of production from primary silver mines was unchanged.

The top 10 countries for mine production of silver in 2023 are set out below:

Top 10 silver producers by country in 2023

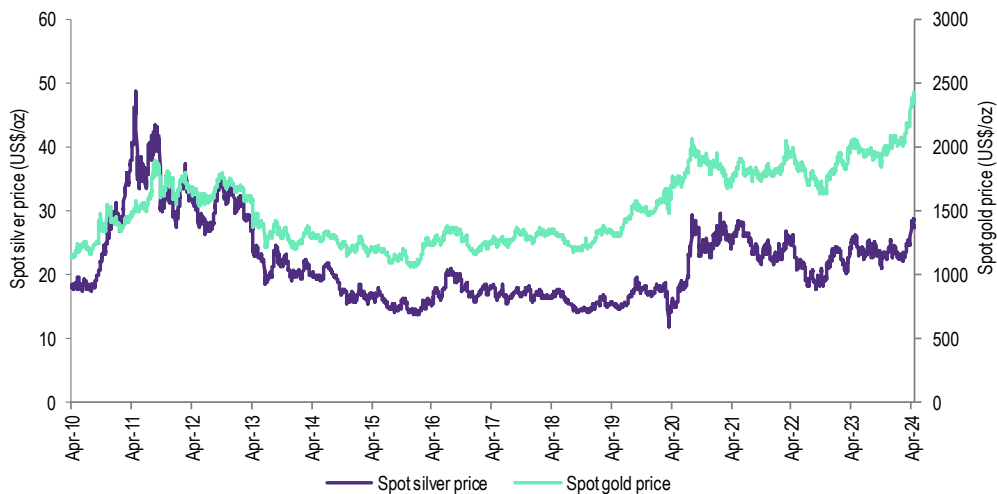


Source: Silver Institute, World Silver Survey 2024.

Silver price and outlook

Set out below is the daily historical spot price of silver (nominal) between March 2010 and March 2024 compared with the spot price of gold (nominal) over the same period:

Historical Silver and Gold price

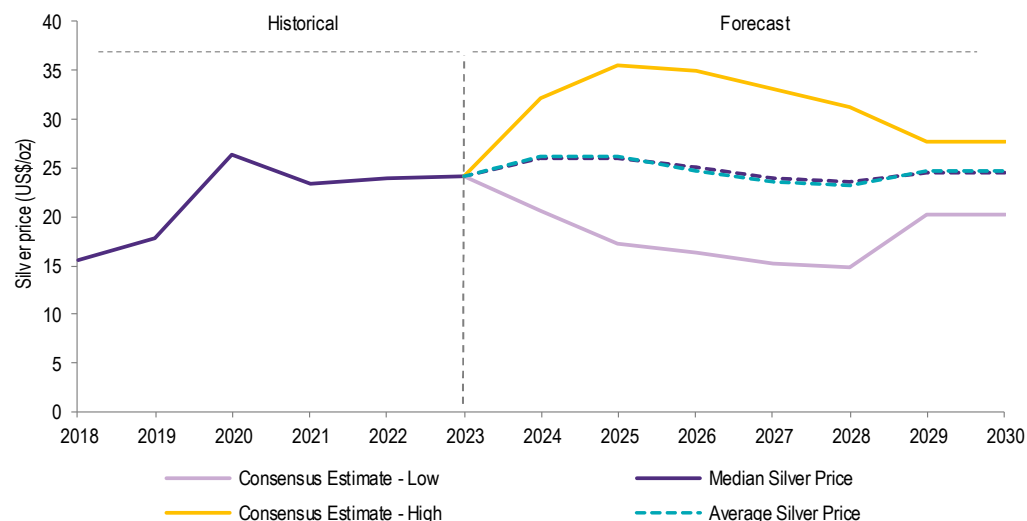


Source: S&P Capital IQ, GTCF analysis.

Notwithstanding the fact that silver is often driven by a similar range of economic and market variables to gold, their prices typically follow the gold price trend which is often the dominant force in market price

movements acting as a precursor to moves in the price of silver. As such many of the factors discussed in section 3.1.1 surrounding market and economic conditions remain relevant, for example silver pricing is often driven by geopolitical tensions, global uncertainty and monetary policy decisions.

Historical and forecast silver prices



Source: Consensus Economics Forecasts.

As with gold, silver over the last five years has consistently risen as a response to uncertainty in global equity markets. The average and median consensus for silver price anticipates a long-term nominal price around US\$24.6/troy oz and US\$24.5/troy oz, respectively.

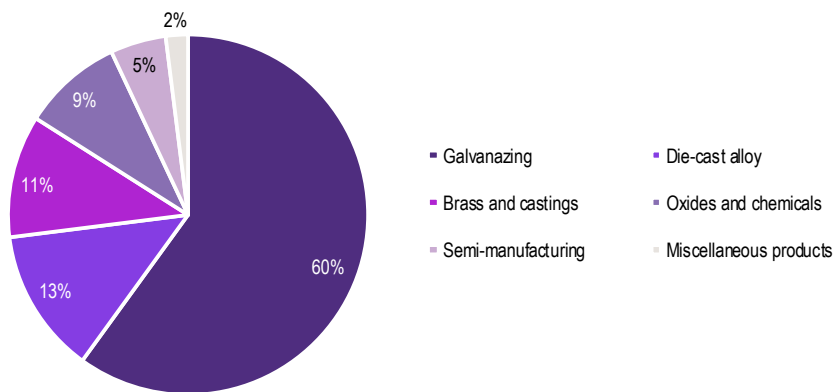
Appendix G – Zinc Industry

Zinc is the world’s fourth most widely consumed base metal, primarily mined underground through a cut-and-fill stopping process, with its low melting point and natural abundance making it a large part of a number of industrial applications.

Demand

Demand for zinc is underpinned by its primary use as a protective coating for other metals, such as steel and iron in order to prevent corrosion as part of the galvanizing process. Subsequently, zinc plays a crucial role in a number of industrial processes such as the protection of infrastructure including steel beams, railway tracks, transportation and a number of other structural support systems, whilst it can also be alloyed with other metals to create household items such as door handles. Below is a summary of zinc use globally during 2022, in which galvanizing is the greatest use, accounting for c. 60%.

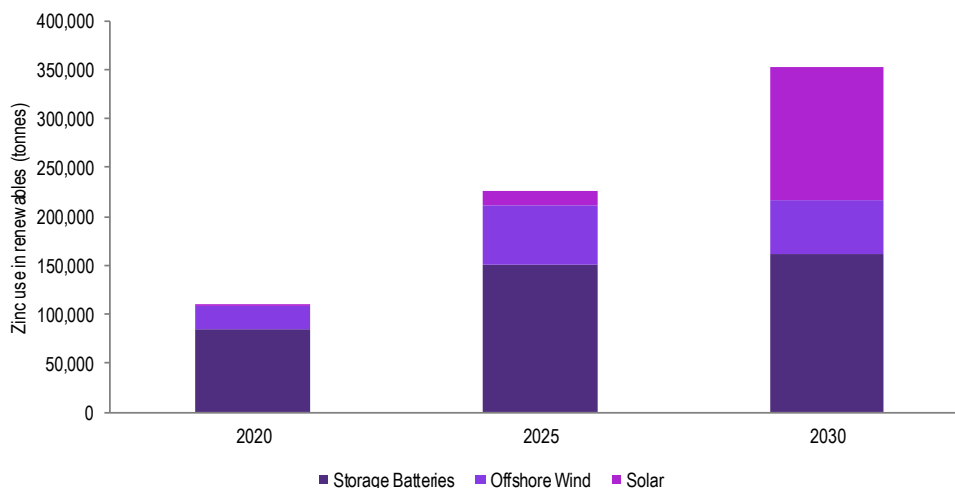
Global use of zinc in 2022



Source: Natural Resources Canada.

Zinc is also predicted to have an important role in renewable energy, with a number of applications such as coatings to prevent solar panels and wind turbines from rusting. The production of zinc-ion batteries is considered safer than lithium-ion batteries as they use a water-based chemistry which is more suitable for avoiding fire hazards, and the production of galvanised steel used by electric vehicle manufacturers. A 100MWh solar power park requires 240 tonnes of zinc and a 10MWh offshore turbine requires 4 tonnes of zinc resulting in increased demand for zinc. Outlined below is the forecasted growth of zinc use in renewables up until 2030.

Global use of zinc in renewables

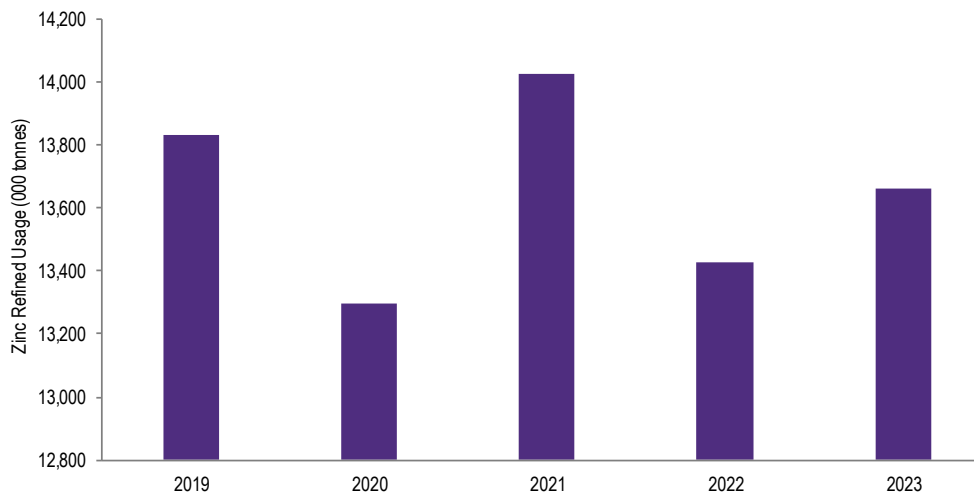


Source: CRU Group, International Renewable Energy Agency (IRENA).

As seen above all three categories of zincs use in renewables are predicted to grow, especially pronounced within solar as the use is expected to increase almost tenfold between 2025 and 2030 as demand for the renewable energy source grows.

Below is a global breakdown of zinc refined usage since 2019.

Global refined zinc usage



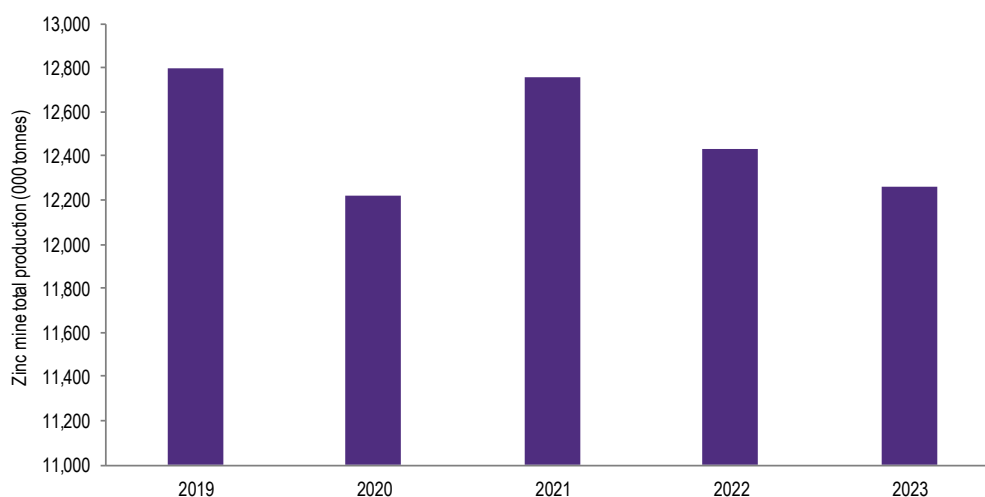
Source: International Lead and Zinc Study Group.

Zinc is 100% recyclable. It can be recovered and reused without a loss in quality. At present, 30% of all zinc produced globally originates from recycled or secondary zinc.

Supply

The supply of zinc is mainly sourced from mine production, below is a summary of zinc mine total production globally:

Global zinc mine production

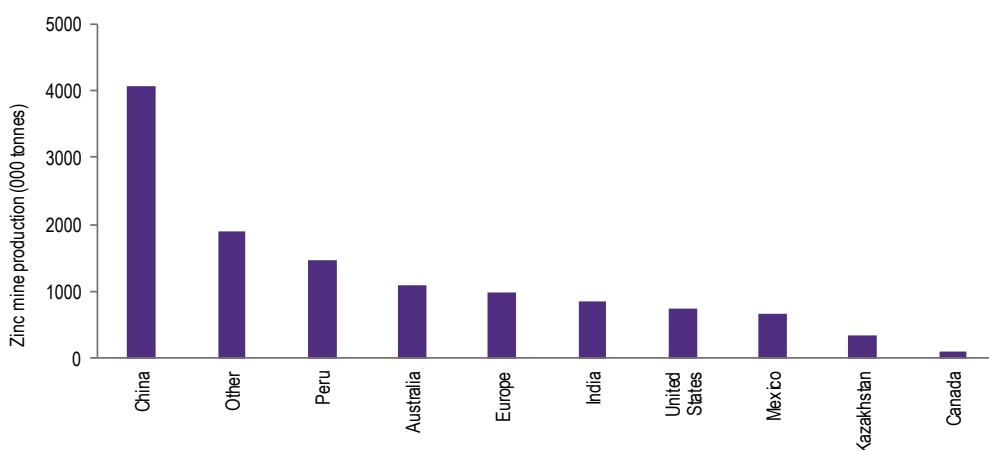


Source: International Lead and Zinc Study Group.

As seen above zinc mine production globally dropped by c. 5% in 2020 largely due to Covid-19 related lockdowns and restrictions, particularly present in countries such as Canada and Peru which suffered a 24% and 13% decrease respectively. Production rebounded as mines began to reopen gradually and zinc prices and usage began to increase. Following the rebound, mine production fell in 2022 and 2023 largely driven by a reduction of refined zinc usage globally, as well as mine closures, particularly in Canada with the closures of the Caribou, 777, and Matagami mines contributing to a c. 55% decrease in Canadian zinc mine production from 2021 to 2023.

Below is a breakdown of 2023 zinc mine production by country.

Zinc mine production in 2023

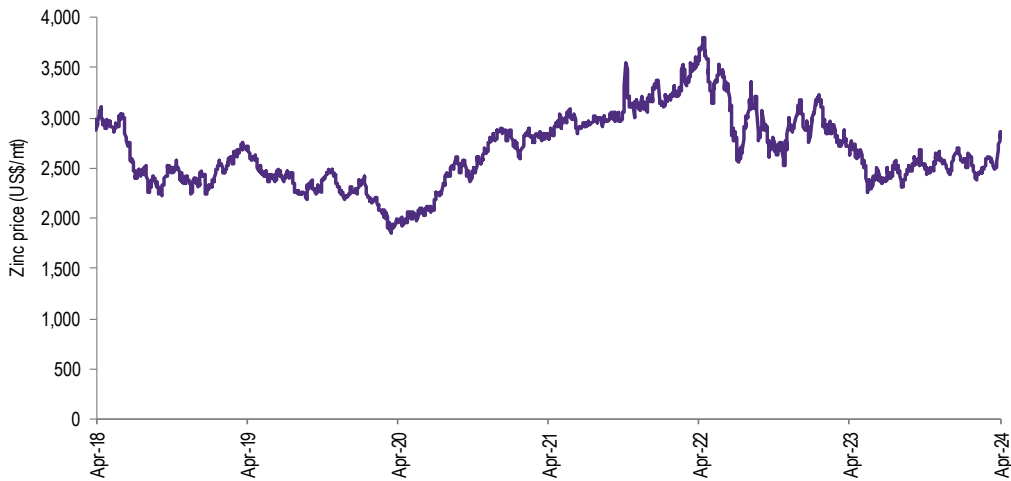


Source: International Lead and Zinc Study Group.

Zinc price and outlook

Set out below is the daily historical price of zinc between April 2019 and April 2024:

Zinc price

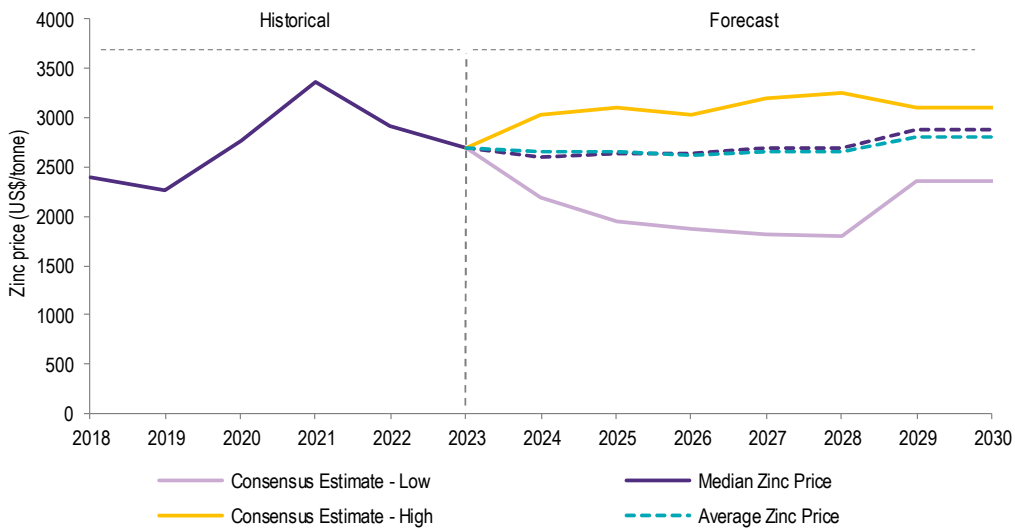


Source: S&P Capital IQ and GTCF calculations.

As previously mentioned, the price of zinc decreased heavily toward the beginning of the Covid-19 pandemic followed by a significant surge moving into 2021 as prices reached their highest level in 14 years as restrictions were lifted resulting in greater demand as seen in the growth of refined usage in 2021. Additionally, concerns regarding global zinc supply and over rising power costs contributed to the price increase.

Below is a summary of an estimate forecast of zinc prices, with January 2024 representing the actual spot price and the forecast representing the consensus estimates.

Forecast zinc price



Source: Consensus Economics forecasts.

As seen above, zinc prices are forecast to increase slightly across the next 5 years largely driven by a forecast increase in global consumption, driven by infrastructure growth especially in China as well as the aforementioned role zinc is expected to play within renewable energy.



Appendix H – VRM Report

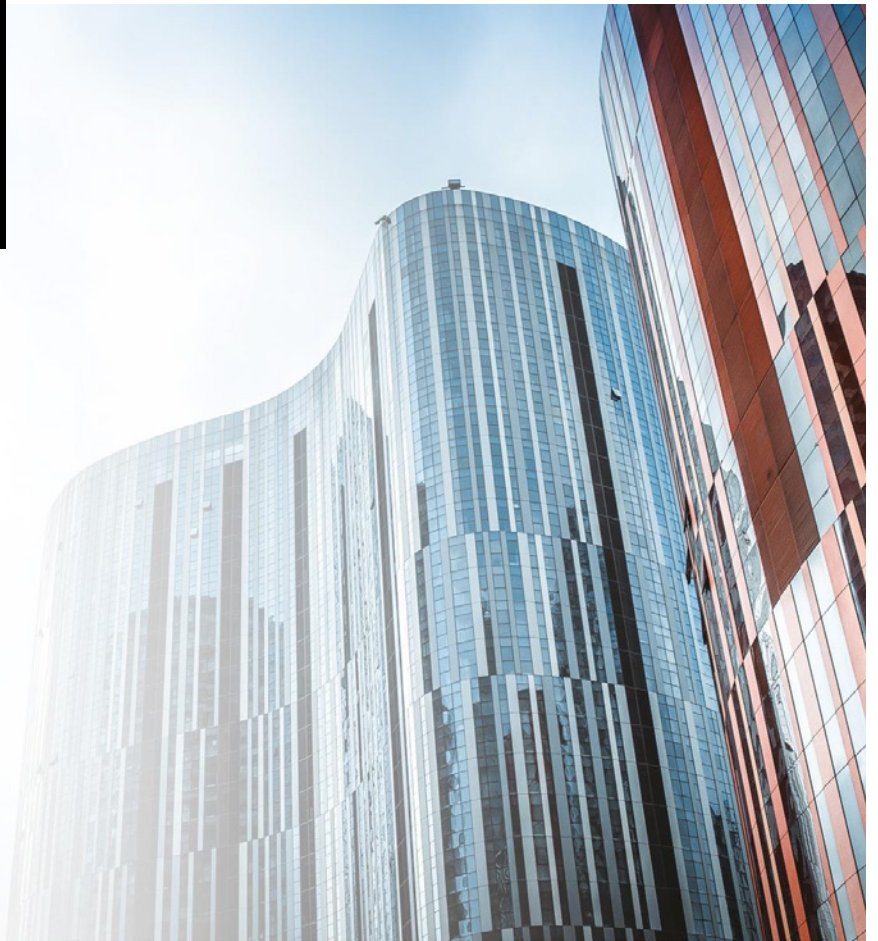


INDEPENDENT TECHNICAL ASSESSMENT AND VALUATION REPORT

Presented To: PNX Metals Limited



Date Issued: 10/07/2024
Revision: 4





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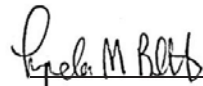
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Executive Summary

Valuation and Resource Management Pty Ltd (**VRM**) was engaged by PNX Metals Ltd (**PNX** or the **Company**) but instructed by Grant Thornton Corporate Finance Pty Ltd (**Grant Thornton**) to prepare an Independent Technical Assessment Report (**Report** or **ITAR**), including valuation for the Mineral Assets of PNX and Kin Mining Ltd (**KIN**). The ITAR is prepared to assist Grant Thornton in completing their Independent Expert Report (**IER**) in relation to the proposed scheme of arrangement (**SOA**) between PNX and KIN (**Proposed Transaction**) (ASX: PNX 15 April 2024).

This Report has been prepared as a public document, in the format of an independent specialist's report and in accordance with the guidelines of the Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets – the 2015 VALMIN Code (**VALMIN**) and the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves – the 2012 JORC Code (**JORC, 2012**).

VRM understands that Grant Thornton will include the Report within its IER relating to the Proposed Transaction.

This Report is a technical review and valuation opinion of the mineral assets of PNX and KIN. Applying the principles of the VALMIN Code, VRM has used several valuation methods to determine the value for the mineral assets. Importantly, as neither the principal author nor VRM hold an Australian Financial Securities Licence, this valuation is not a valuation of KIN or PNX but rather an asset valuation of the companies' mineral properties.

The Valuation Date is 14 May 2024 and remains current / applies commodity prices as at 14 May 2024. VRM provided a redacted draft report on 20 May 2024 to Grant Thornton for factual accuracy checking by the companies. This report includes updated technical information associated with the factual accuracy checking conducted by the companies.

As commodity prices, exchange rates and cost inputs fluctuate this valuation is subject to change over time. The valuation derived by VRM is based on information provided by KIN and PNX along with publicly available data including ASX releases and published technical information. VRM has made reasonable endeavours to confirm the accuracy, validity and completeness of the technical data which forms the basis of this Report. The opinions and statements in this Report are given in good faith and under the belief that they are accurate and not false nor misleading.

The default currency is Australian dollars (unless otherwise stated). As with all technical valuations the valuation included in this Report is the likely value of the mineral projects and not an absolute value. A range of likely values for the various mineral assets is provided with that range indicating the accuracy of the valuation.

PNX Pine Creek gold and polymetallic Project

The Pine Creek Gold Project including the Hayes Creek, Fountain Head, Glencoe and Mt Porter Projects is located between 100km and 200km south east of Darwin and comprises an area of 2380km². The Mineral Leases which contain the resources are held 100% by PNX with some regional tenements held 90% by PNX and 10% by NT Gold Mines Pty Ltd and other regional tenements held 100% by PNX (Appendix B).



VRM has estimated the value of the projects on an equity ownership basis considering the technical information supporting its prospectivity. As at the valuation date, the project contains declared Mineral Resource estimates prepared applying the guidelines of The JORC Code 2012 Edition. The valuation has been prepared as a sum of the parts with the value attributed to both the declared Mineral Resources and the exploration potential in the adjacent tenements. The Mineral Resources were valued using a comparable transaction method while the exploration potential has been valued using a Geoscientific or Kilburn method as the primary valuation techniques. Secondary valuations were determined based on the yardstick approach for the Mineral Resources and a Prospectivity Enhancement Multiplier (PEM) method for the exploration potential.

This report documents the technical aspects of the tenements along with explaining valuations for the properties applying the principles and guidelines of the VALMIN and JORC Codes.

PNX Thunderball Uranium Project – Pine Creek

The Thunderball Uranium Project is located within the Pine Creek Project, about 5km west of Iron Blow and Mt Bonnie. In November 2023, the Uranium rights over a large portion PNX's tenure at Pine Creek were returned to the Company.

Originally discovered by Thundelarra Exploration Ltd, the Hayes Creek Uranium tenure received significant exploration focus between 2008 and 2011 which resulted in the estimation of a mineral resource at the Thunderball uranium deposit (classified as pre-JORC 2012). The project has been valued as part of the Burnside Regional Project. As at the valuation date there were no JORC 2012 Mineral Resource estimates, the uranium exploration potential has been valued using a Geoscientific or Kilburn method as a primary valuation. A PEM method has been used as a secondary valuation method.

KIN Cardinia East Gold Project

The 100% held Cardinia East Gold Project is located 20km to the north east of Leonora. Leonora is 200km north of Kalgoorlie. Drilling by KIN in the past ten years has defined several resources which have been optimised into a range of pits known as Cardinia Hill, Helens, Helens East, Rangoon, Fiona and Hobby. These deposits are located on north trending structures which broadly cross cut north west trending stratigraphy.

VRM has estimated the value of the projects considering the technical information and supporting its prospectivity. As at the valuation date the project contains declared Mineral Resource estimates prepared applying the guidelines of The JORC Code 2012 Edition. The valuation has been prepared as a sum of the parts with the value attributed to both the declared Mineral Resources and the exploration potential in the adjacent tenements. The Mineral Resources were valued using a comparable transaction method while the exploration potential has been valued using a Geoscientific or Kilburn method as the primary valuation techniques. Secondary valuations were determined based on the yardstick approach for the Mineral Resources and a PEM method for the exploration potential.

KIN Mertondale Gold Project

The 100% held Mertondale Gold Project is located around 35km to the north east of Leonora. Leonora is 200km north of Kalgoorlie. Historically, gold production took place at Mertondale with a total of 274,724 ounces produced both at the turn of the 20th century until 1942 at Merton's Reward and from open pits in the 1980s and trial mining by Navigator Resources Ltd (**Navigator**) in 2010.

VRM has estimated the value of the projects considering the technical information and supporting its prospectivity. As at the valuation date the project contains declared Mineral Resource estimates prepared applying the guidelines of The JORC Code 2012 Edition. The valuation has been prepared as a sum of the parts with the value attributed to both the declared Mineral Resources and the exploration potential in the adjacent tenements. The Mineral Resources were valued using a comparable transaction method while the exploration potential has been valued using a Geoscientific or Kilburn method as the primary valuation techniques. Secondary valuations were determined based on the yardstick approach for the Mineral Resources and a PEM method for the exploration potential.

KIN Cardinia East VHMS base metal Project

In early 2024, resampling a diamond hole drilled in at the Albus Prospect returned a VMS base metal intercept of 5.7m @ 5.3% Zn, 0.34% Cu, 0.3% Pb, 40g/t Ag, and 1 g.t Au from 270.3m down hole with subsequent drilling of two diamond drillholes further intersecting the Albus VHMS mineralisation. The area is spatially within the Cardinia Gold Project and is at a very early "proof of concept" stage and therefore has not been separately valued outside the Cardinia Gold Project tenements.

KIN Regional Exploration Projects

The KIN regional projects include Desdemona, Murrin, Randwick, Iron King, Mt Fouracre, Mt Flora and the G88 Leonora Joint Venture. The projects are all within the Leonora District and most have some drilling and prospects of interest with some historical workings but are at an early stage of exploration. The projects were valued using the Geoscientific or Kilburn method as a primary technique and the PEM method as a supporting technique.

Valuation Opinion

VRM has estimated the value of the KIN and PNX Projects considering the technical information available as at the valuation date as described further in the body of this report.

There are declared Mineral Resource estimates within the Pine Creek Projects owned by PNX and within the Cardinia East and Mertondale Projects owned by Kin which have been prepared applying the guidelines of the Australasian Code for Reporting of Exploration Targets, Mineral Resources and Ore Reserves - The JORC Code 2012 Edition.

It is uncertain whether future exploration will result in the definition of any additional Mineral Resources on any of the KIN and PNX projects.

The PNX Pine Creek and KIN Cardinia East and Mertondale Projects were primarily valued using a comparable transaction method based on resource multiples with additional value added using the geoscientific / Kilburn method for the exploration on the adjacent and regional tenements.

Secondary valuations for the PNX Pine Creek and KIN Cardinia East and Mertondale Projects were determined using the Yardstick Method for the Mineral Resources and adding additional value via the PEM method for the exploration tenements which contained no Mineral Resources.

This report documents the technical aspects of the tenements along with explaining valuations for the properties applying the principles and guidelines of the VALMIN and JORC Codes.



Conclusions

Considering the Mineral Resources, and exploration potential of the Pine Creek gold and Thunderball Uranium Projects, in VRM's opinion, the Mineral Assets owned by PNX have a market value of between **A\$22.8 million** and **A\$38.5 million** with a preferred value of **A\$30.7 million**.

In VRM's opinion, considering the Mineral Resources, and exploration potential of the Cardinia East and Mertondale Projects and other regional exploration projects owned by KIN, the Mineral Assets owned by KIN have a market value of between **A\$17.2 million** and **A\$34.3 million** with a preferred value of **A\$25.8 million**.

1. Introduction

Valuation and Resource Management Pty Ltd (**VRM**) was engaged by PNX Metals Ltd (**PNX** or the **Company**) but instructed by Grant Thornton Corporate Finance Pty Ltd (**Grant Thornton**) to prepare an Independent Technical Assessment Report (**Report** or **ITAR**), including valuation for the Mineral Assets of PNX and Kin Mining Ltd (**KIN**). The ITAR is prepared to assist Grant Thornton in completing their Independent Expert Report (**IER**) in relation to the proposed scheme of arrangement (**SOA**) between PNX and KIN (**Proposed Transaction**) (ASX: PNX 15 April 2024).

The main Mineral Assets of PNX comprise the Hayes Creek Polymetallic and Gold Project, the Fountain Head, Glencoe and Mt Porter Gold Projects and associated regional tenements all part of the Pine Creek Gold Project in the Northern Territory. The Mineral Assets of KIN are in the Eastern Goldfields and comprise the Cardinia and Mertondale gold projects and regional exploration tenements (Figure 1).

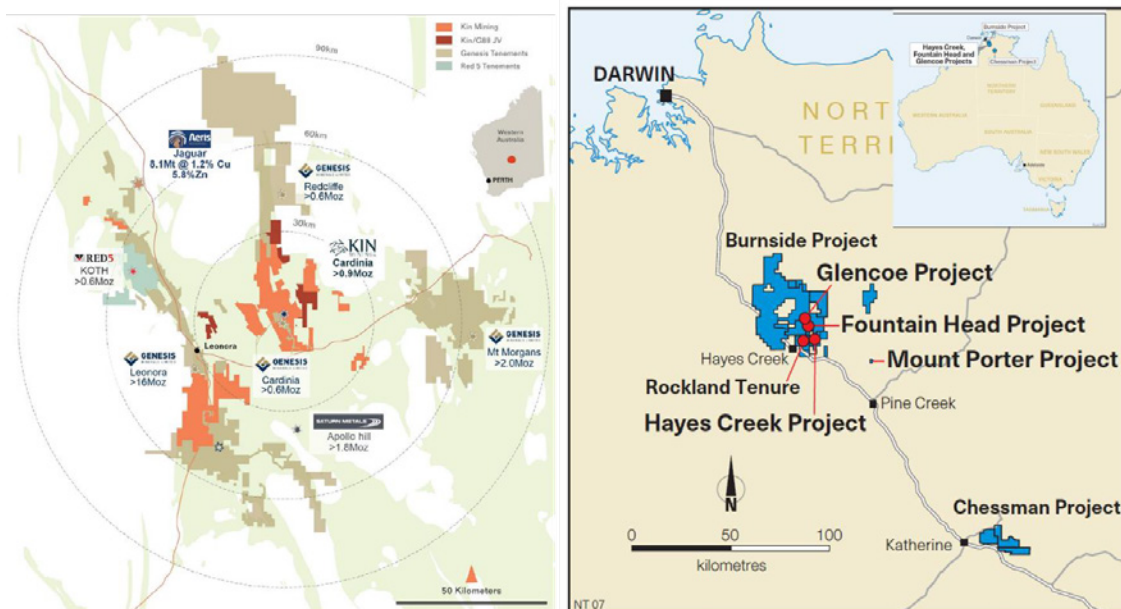


Figure 1: Location of KIN and PNX Assets in Western Australia and Northern Territory

Source: ASX: KIN 3 April 2024, PNX 6 October 2023

1.1 Compliance with the JORC and VALMIN Codes and ASIC Regulatory Guides

In preparing the ITAR, VRM has applied the guidelines and principles of the Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets – 2015 VALMIN Code (**VALMIN**) and the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves – the 2012 JORC Code (**JORC**). Both industry codes are mandatory for all members of the Australasian Institute of Mining and Metallurgy (**AusIMM**) and the Australian Institute of Geoscientists (**AIG**). These codes are also requirements under Australian Securities and Investments Commission (**ASIC**) rules and guidelines and the listing rules of the Australian Securities Exchange (**ASX**).

This ITAR is a Public Report as described in the VALMIN Code (Clause 5) and the JORC Code (Clause 9). It is based on, and fairly reflects, the technical information and supporting documentation provided by

KIN and PNX and previous owners and associated Competent Persons as referenced in this ITAR and additional publicly available information.

1.2 Scope of Work

VRM's primary obligation in preparing this ITAR is to independently describe and value the Mineral Assets of each company applying the guidelines of the JORC and VALMIN Codes. These require that the Report contains all the relevant information at the date of disclosure, which investors and their professional advisors would reasonably require in making a reasoned and balanced judgement regarding the Projects.

VRM has compiled the Report based on the principle of reviewing and interrogating both the documentation of the companies involved and their consultants, and other previous exploration within the area. This Report is a summary of the work conducted, completed, and reported by the companies from pegging or acquisition of the Projects to 14 May 2024, based on information supplied to VRM by both companies, and other information sourced in the public domain, to the extent required by the VALMIN and JORC Codes.

VRM understands that its review and report will be included in the Scheme Booklet and as such, it is understood that VRM's review will be a public document. Accordingly, this report has been prepared in accordance with the requirements of the 2015 VALMIN Code.

1.3 Statement of Independence

VRM was engaged to undertake an ITAR of the Projects that comprise the asset portfolio of KIN and PNX. This work was conducted applying the principles of the JORC and VALMIN Codes, which in turn reference ASIC Regulatory guide 111 Content of expert reports (**RG111**) and ASIC Regulatory guide 112 Independence of Experts (**RG112**).

Neither Mr Paul Dunbar or Lynda Burnett of VRM have, within the past two years had any association with KIN or PNX, its individual employees, or any interest in the securities of KIN and PNX or potential interest, nor are they expected to be employed by either Company after the Proposed Transaction, which could be regarded as affecting their ability to give an independent, objective, and unbiased opinion. VRM will be paid a fee for this work based on standard commercial rates for professional services. VRM has also prepared an ITAR for inclusion in a separate IER for consideration associated with a related party transaction pursuant to ASX listing rule 10.1 which is within the proposed scheme of arrangement between KIN and PNX. The fee is not contingent on the results of this review and is estimated to be approximately \$55,000.

1.4 Competent Persons Declaration and Qualifications

This Report was prepared by Ms Lynda Burnett as the primary author, Ms Rebecca Morgan contributed to the report. Mr Paul Dunbar peer reviewed the report and collaborated on the mineral asset valuation.

The Report and information that relates to geology, mineral asset valuation, mineral resources and exploration potential is based on information compiled by Ms Lynda Burnett, BSc (Hons), a Competent Person who is a member of the AusIMM. Ms Burnett is an associate of VRM and has sufficient experience, which is relevant to the style of mineralisation, geology, and type of deposits under consideration and to the activity being undertaken to qualify as a Competent Person under the 2012 JORC Code. Ms Burnett consents to the inclusion in the report of the matters based on her information in the form and context in which it appears.

The Report and information that relates to the KIN Mineral Resources and exploration potential was completed by Ms Rebecca Morgan BSc (Hons), MSc, a Competent Person who is a member of the AusIMM and the AIG. Ms Morgan is an Associate of VRM and has sufficient experience, which is relevant to the style of mineralisation, geology, and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person under the 2012 JORC Code. Ms Morgan consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The Report and information that relates to mineral asset valuation, was completed by Mr Paul Dunbar, BSc (Hons), MSc, a Competent Person who is a member of the AusIMM and the AIG. Mr Dunbar is a Principal of VRM and has sufficient experience, which is relevant to the style of mineralisation, geology, and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person under the 2012 JORC Code and a Specialist under the 2015 VALMIN Code. Mr Dunbar consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

1.5 Reliance on Experts

The authors of this Report are not qualified to provide extensive commentary on the legal aspects of the tenure of the mineral properties or the compliance with the legislative environment and permitting in Western Australia. In relation to the tenement standing, VRM has relied on the information publicly available on the Northern Territory Geological Survey (**NTGS**) website and the Western Australian Department of Energy, Mines, Industry Regulation and Safety (**DEMIRS**) website. On this basis VRM has confirmed the tenements which constitute the Projects held by KIN and PNX, located in Northern Territory, and Western Australia are in good standing. Both companies have confirmed their respective tenement status.

In respect of the information contained in this Report, VRM has relied on Information and Reports obtained from KIN and PNX or the public domain including but not limited to:

- Presentation material including several cross sections and plans.
- Various ASX releases of KIN and Navigator Resources (**NAV**), the previous owner of Cardinia and Mertondale including exploration results.
- Information provided by KIN and PNX including resource reports.
- Annual Technical Reports for the tenements.
- Western Australian Mineral Exploration (**WAMEX**) Reports for each of the Western Australian Project areas.
- Various PNX ASX releases including but not limited to,
 - ASX announcement of the Scheme of Arrangement on 15 April 2024 which includes the details of the various Mineral Resource Estimates,
 - Annual Reports
 - Quarterly Reports
 - ASX releases detailing any initial and updates to the Mineral Resource Estimates.
 - ASX releases detailing exploration activities.

- Various ASX releases from previous owners and neighbouring companies.
- Publicly available information including several publications on the regional geology and tectonic evolution of the Goldfields Region by the Geological Survey of Western Australia; and
- Government Regional datasets, including geological mapping and explanatory notes.

All information and conclusions within this Report are based on information that VRM requested from KIN and PNX to assist with this Report and other relevant publicly available data to 14 May 2024. Reference has been made to other sources of information, published and unpublished, including government reports and reports prepared by previous interested parties and joint venturers to the areas, where it has been considered necessary. VRM has, as far as possible and making all reasonable enquiries, attempted to confirm the authenticity and completeness of the technical data used in the preparation of this Report and to ensure that it had access to all relevant technical information. VRM has assessed the content of these reports and information and confirm that the contents are reasonable and that they meet the Reasonable Grounds Requirements. VRM has relied on the information contained within the reports, articles and databases provided by KIN and PNX as detailed in the reference list. A draft of this Report was provided to Grant Thornton for provision to the companies, for the purpose of identifying and addressing any factual errors or omissions prior to finalisation of the Report. The valuation sections of the Report were not provided to the companies until the technical aspects were validated and the Report was declared final.

This ITAR contains statements attributable to third parties. These statements are made or based upon statements made in previous technical reports that are publicly available from either government departments or the ASX. The authors of these previous reports have not consented to the statements' use in this report, and these statements are included in accordance with ASIC Corporations (Consent to Statements) Instrument 2016/72.

1.6 Site visit

A site visit to the Projects was not undertaken for this ITAR.

The Independent Competent Persons who undertook the Mineral Resource estimates for all of the PNX Projects have previously visited the projects, additionally Independent Specialists who have undertaken specific aspects of the Pre-Feasibility study for the Hayes Project have visited site.

VRM considers that undertaking a site visit would not provide any additional information that would materially change the opinions, conclusions or valuation contained within this report.

2. Mineral Tenure

2.1 Pine Creek Gold and Uranium Projects – Northern Territory

The Pine Creek Gold Projects, including Hayes Creek, Fountain Head, Glencoe, Mt Porter and Thunderball Uranium Project are located around Pine Creek, 100-120km south east of Darwin (Figure 3). The projects consist of 30 Mineral Leases including 1 Mineral Lease Application and 35 Exploration Leases including 6 Exploration Applications for 2,380km² (Figure 2).

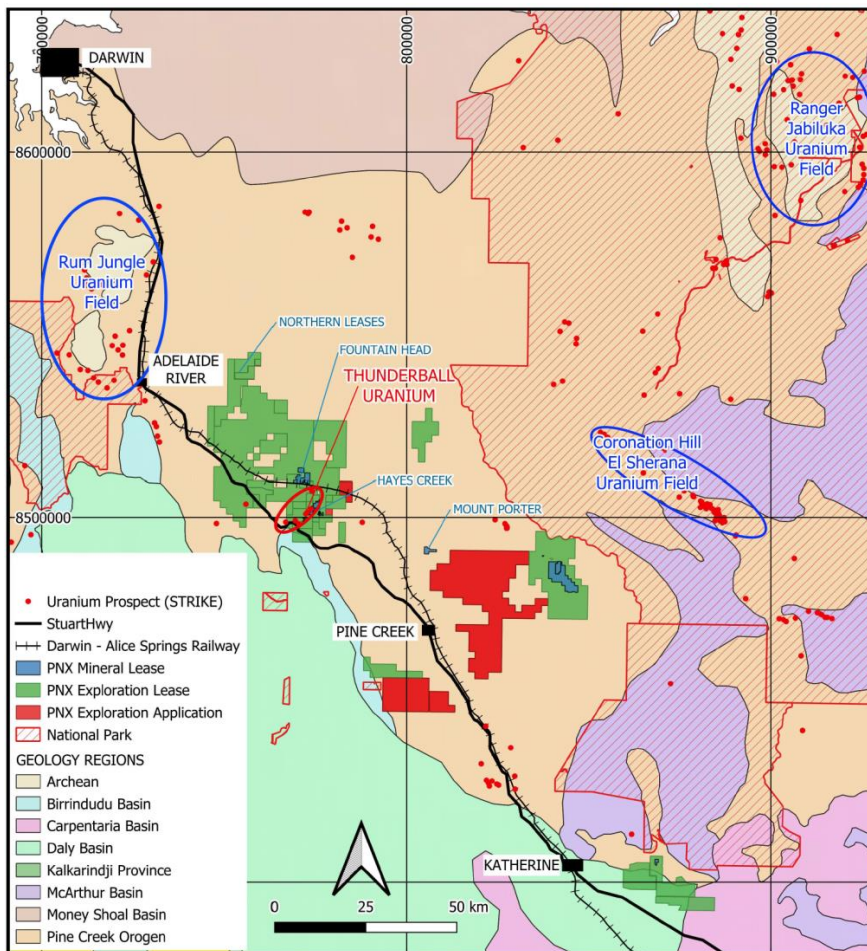


Figure 2: Location of PNX Tenure – Pine Creek

Source: ASX: PNX 15 March 2024, Northern Territory Geological Survey

The PNX tenements have been validated by VRM reviewing the tenement information provided by PNX and comparing this with the tenement register from NTGS on 15 April 2024.

The tenements are held under the name of PNX Metals Limited, and some tenements are held in the name of PNX Metals Limited (90%) and NT Mining Operations Pty Ltd (10%). NT Mining Operations Pty Ltd is a wholly owned subsidiary of Agnico Eagle Mines Limited (TSX: AEM) (Agnico Eagle) (Appendix B).

VRM is not qualified or a specialist in the mining tenure or mining act of Northern Territory and no warranty, actual or implied is made regarding the validity or security of the tenure listed in Appendix B and shown in Figure 2 above.

On 27 September 2022, PNX agreed to acquire ML23839 (Mt Porter) from Ausgold Trading Pty Ltd. (Refer ASX 28 September 2022). Completion of the acquisition occurred on the 12th of April 2024, however the tenement is still held under the name of Ausgold Trading Pty Ltd.

2.2 Cardinia and Mertondale Gold and Base Metals Projects – North Eastern Goldfields WA

The Cardinia, Mertondale and Leonora District Projects are located around Leonora which is 200km north of Kalgoorlie in the Northeastern Goldfields of Western Australia (Figure 3). The tenements consist of 43 Mining Leases including eight applications, ten exploration licences and 150 prospecting licences including three applications for 682km².

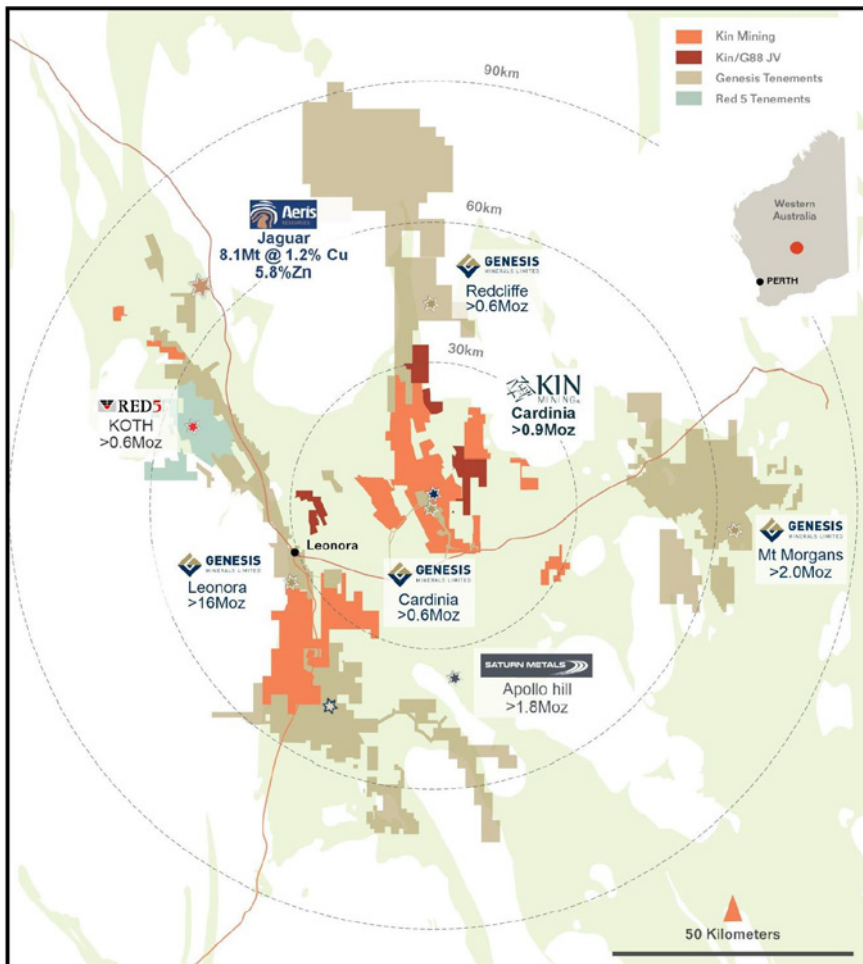


Figure 3: Location of Cardinia and Leonora District Tenure – Northeastern Goldfields

Source: ASX: KIN 3 April 2024

The Mertondale Project area includes granted mining tenements M37/1284 (Merton's Reward), M37/81 and M37/82 (Mertondale 3-4) and M37/233 (Mertondale 5 and Tonto). The tenements are held in the name of Navigator Mining Pty Ltd, a wholly owned subsidiary of KIN.

The following royalty and compensation payments may be applicable to the areas within the Mertondale Project that comprise the deposits being reported on:

- Aurora Gold (WA) Pty Ltd (subsidiary company of Harmony Gold Mining Company Ltd in respect of M37/82, M37/231, M37/232 and M37/233 - \$0.25 production royalty per dry tonne of ore mined and processed.
- Aurora Gold (WA) Pty Ltd in respect of M37/81 and M37/82 - \$1.00 production royalty per dry tonne of ore mined and processed.
- Technomin Australia Pty Ltd in respect of M37/82, M37/231, M37/232 and M37/233 - \$0.75 production royalty per dry tonne of ore mined and milled, and
- Higherealm Pty Ltd (Mertondale Pastoral Leaseholder) in respect of M37/81, M37/82, M37/231, M37/232 and M37/233 - \$10,000 per annum, indexed to CPI, for the year(s) when extraction activities are being carried out.

The KIN tenements have been validated by VRM reviewing the tenement information provided by KIN and comparing this with the tenement register from DEMIRS on 15 April 2024.

VRM is not qualified or a specialist in the mining tenure or mining act of Western Australia and no warranty, actual or implied is made regarding the validity or security of the tenure listed in Appendix A and shown in Figure 3 above.

3. PNX Mineral Assets – Northern Territory

3.1 Location and Access

The tenements are located relatively close to the Darwin to Katherine sealed highway around 100-200km south east of Darwin (Figure 4).

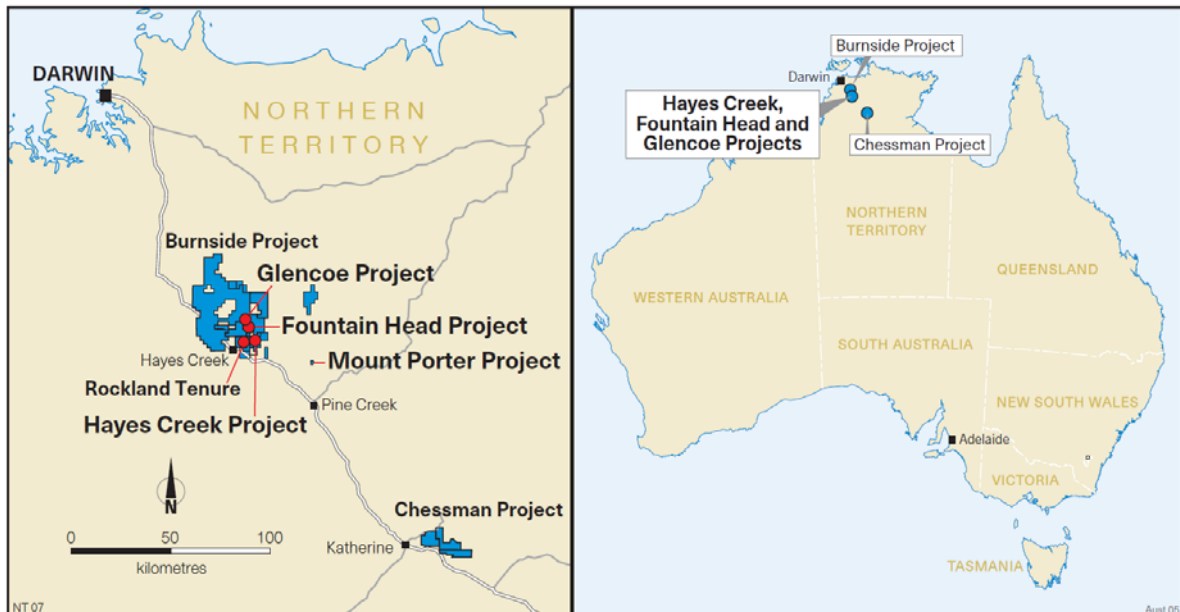


Figure 4: Location of PNX tenure and PNX gold resources in the Northern Territory

Source: ASX: PNX 6 October 2023

3.2 Regional Geological Setting

The PNX Projects are located within the Central Domain of the Pine Creek Orogen, a historically gold productive mineral province in the Northern Territory.

Neoproterozoic basement underlies the Paleoproterozoic Pine Creek Orogen geology in the Central and Nimbuwah domains. The 2020Ma dated Woodcutters Supergroup unconformably overlies the 2545 – 2521Ma dated Rum Jungle Complex (Cross *et al* 2005) which was deposited during rifting of the Neoproterozoic basement.

According to Green and Scardigno (2022), the Pine Creek Orogen comprises two Palaeoproterozoic (2020 –1863 Ma) volcanic-sedimentary rock successions separated by an unconformity. These successions were intruded by thick dolerite sills (Zamu Dolerite) and the combined package underwent complex deformation and metamorphism (ca 1855 Ma Litchfield Event) prior to intrusion by voluminous granite (1835–1820 Ma Cullen Supersuite; Ahmad and Hollis 2013).

The upper succession, the Cosmo Supergroup sediments were deposited around 1860Ma. The Cosmo Group comprises the South Alligator Group made up of iron-rich sedimentary rocks, tuff, carbonate rocks, shale, greywacke and siltstone, and is overlain by phyllite, slate, greywacke, and quartz mica-schist of the Finniss River Group. Depositional environments vary from low-energy, shallow-water

environments in the lowermost units (Koolpin Formation and Gerowie Tuff), grading upwards to a high-energy, turbiditic environment in the overlying Finniss River Group (Hollis et al 2011).

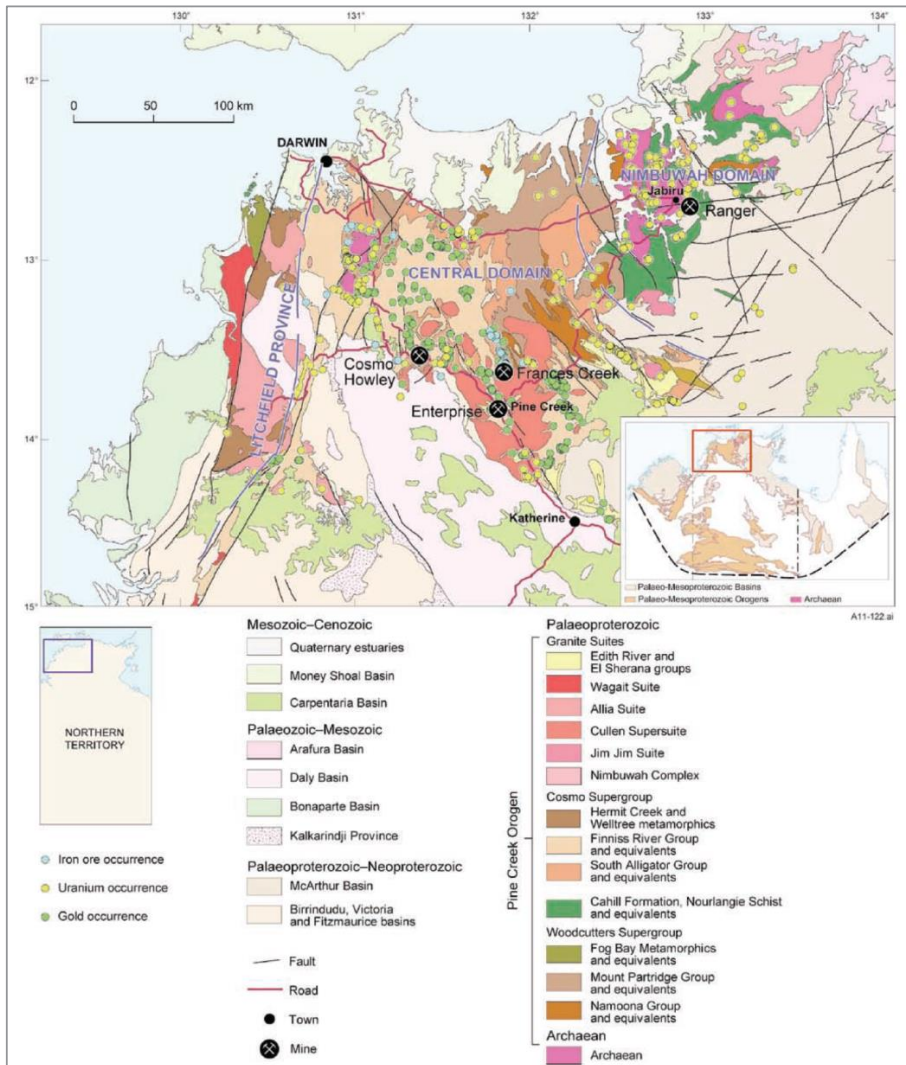


Figure 5: Geology of the Pine Creek Orogen, showing selected gold and uranium deposits.

Source: Hollis and Wygralak, 2012

Mineralisation

According to Edwards and Hitchman (2017), the gold deposits occur within sediments of the Finniss or South Alligator groups in the Central Domain along with uranium, tin and lithium which also occur in the Central Domain. The sediments are intruded by the Cullen Supersuite, which includes the Burnside, Shoobridge and Mt Bundy leucogranites.

Although most gold deposits are located within the contact aureole of the 1835-1805Ma granitoids, few appear synchronous with granitoid emplacement and aureole dehydration. Textural evidence from veins and alteration assemblages from typical deposits indicate a post-peak contact-metamorphic timing of

mineralisation, and gold-bearing veins cross-cut pegmatite dykes in places, indicating a post to late magmatic timing (Sener 2004).

Different styles of gold mineralisation are observed such as quartz vein hosted gold to stockworks and saddle reefs. Gold is located within anticlinal hinges and in zones of competency contrast between stratigraphic units.

The Mt Bonnie and Iron Blow deposits broadly occupy the same stratigraphic position in the Margaret Syncline near the base of the Mount Bonnie Formation, close to the contact with the underlying Gerowie Tuff. Both are mineralogically similar and are thought to be formed as volcanogenic massive sulphide (VMS) deposits, occurring at or near the sea floor by submarine felsic volcanic activity (ASX: PNX 12 July 2017).

During the period of 1983 to 2016, a total of nine gold ore processing plants operated in the region with around 4.3 Moz produced over this time (Edwards and Hitchman, 2017).

Uranium mineralisation at Thunderball (part of the Burnside Project) occurs in a sheared and tightly folded succession of metasedimentary rocks and tuffaceous units of the Gerowie Tuff, near the contact with the overlying Mount Bonnie Formation. 4 km southwest of Thunderball, uranium mineralisation with anomalous gold, platinum and palladium was discovered at the Goldeneye prospect. Thundelarra Exploration Ltd (THX), who drilled the mineralisation from 2008-2010, proposed that the deposits of the Hayes Creek uranium field have similarities with the deposits of the South Alligator River uranium field (now within Kakadu National Park). The deposits at Hayes Creek all occur along the Hayes Creek and Bella Rose structural corridors and the uranium mineralisation occurs within brittle-ductile shear zones and breccia zones.

3.3 Local Geology and Mineralisation

Mt Bonnie and Iron Blow

PNX's Hayes Creek Project contains the Iron Blow and Mt Bonnie deposits 50km northwest of Pine Creek between the Cosmo and Enterprise (Pine Creek) gold deposits, (Figure 5).

The original geometry of both deposits has been modified by folding which produced the Margaret Syncline. The Mt Bonnie deposit has been tilted to the west and forms a body dipping relatively consistently to the west at approximately 45°. The Iron Blow deposit has been tilted steeply to the east at approximately 75°. Both deposits are considerably dislocated by east-west, northeast and northwest trending faults (Figure 6).

The mineralogy of the massive sulphides in the primary zone of each deposit is dominated by pyrrhotite and sphalerite, with subordinate pyrite, galena, chalcopyrite, arsenopyrite, marcasite and tetrahedrite. Pyrrhotite constitutes up to 80% of the rock. Sphalerite constitutes between 5-10% of the rock, and chalcopyrite occurs as ex-solution inclusions within the sphalerite. Galena usually forms less than 5% of the rock. Sulphide minerals range in grain size from 0.5 mm to 5 mm. Mineral associations and textures are consistent with hydrothermal ore formation at temperatures between 350-450°C according to a mineralogy report by Pontifex in 1964. The associated gangue minerals are dominated by dolomite, chlorite, talc, actinolite and quartz.

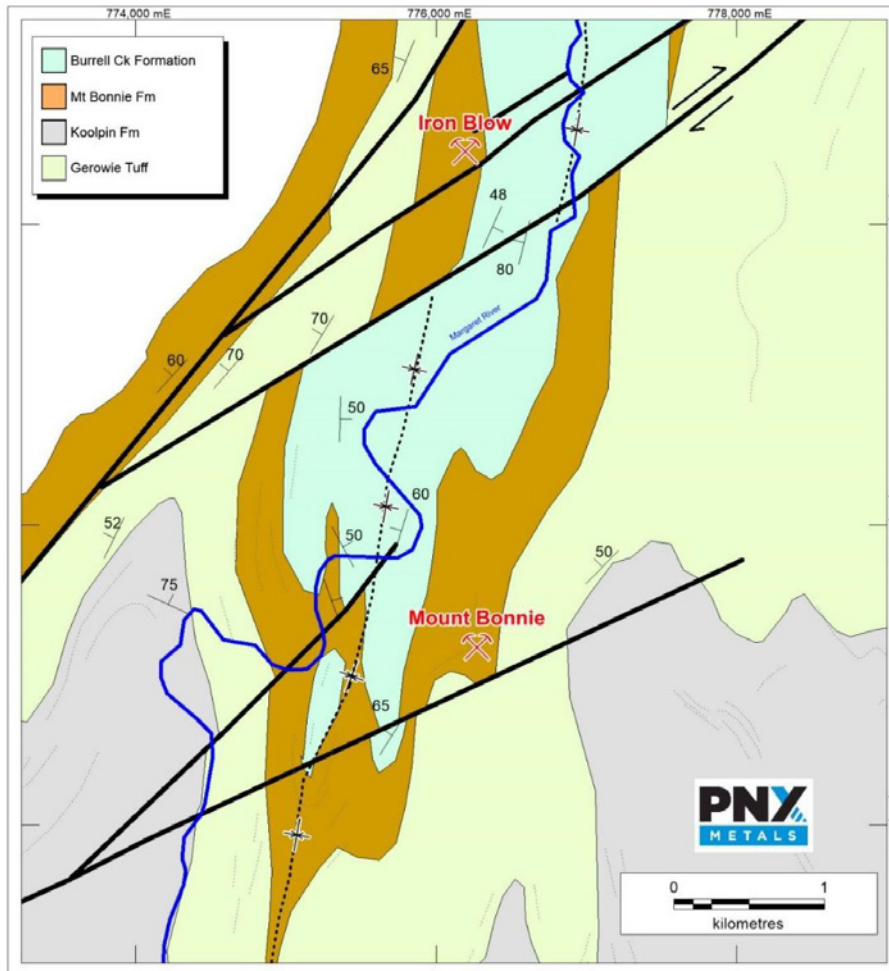


Figure 6: Local Geology Mt Bonnie and Iron Blow (Hayes Creek Project)

Source: ASX: PNX 17 July 2023

Fountain Head

The folded geology at the Fountain Head Project consists of marine sediments assigned to the Burrell Creek Formation, deposited in the Early Proterozoic around 1880 to 1870 Ma; the units were later metamorphosed to greenschist facies with the main lithologies being metagreywackes, meta-siltstones, phyllites, carbonaceous black shales, and greenish cherty tuffs. Zamu Dolerite intruded the formation at ca 1860 Ma. The Cullen Batholith granitoids were then emplaced, including the nearby Burnside Granite (Nimbuwah Event, at around 1870 to 1850 Ma).

The Fountain Head Anticline is one of several northwest to southeast oriented folds in the area southeast of the Burnside Granite that were later gently re-folded in an east-west compression event around 1700 Ma creating doubly-plunging folds. The most important gold-bearing lodes at Fountain Head and Tally Ho deposits are oblique to the Fountain Head anticlinal fold axis, following what appears to be a regional north northwest to south-southeast fabric, roughly matching the strike and dip ($\sim -60^\circ$ to -80°) of quartz-carbonate sulphide breccias and shears, with associated arsenopyrite abundance, and chlorite, sericite, potassium feldspar, silica, and hematite alteration (Scardigno 2021) (Figure 7).

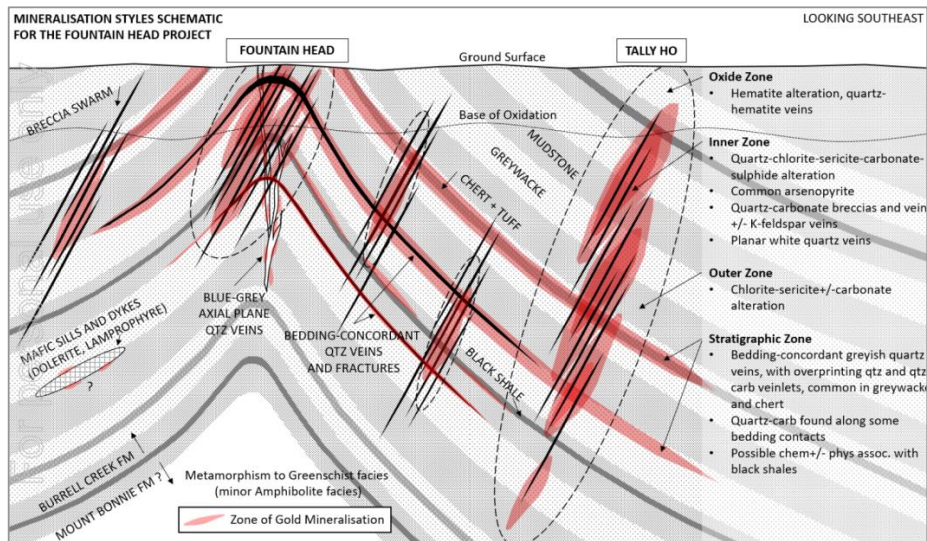


Figure 7: Fountain Head Mineralisation Styles

Source: ASX: PNX 20 April 2021

Gold occurrences continue along the Fountain Head Anticline for at least 5 km, as evidenced by shallow exploration drilling, alluvial and eluvial prospects, and the Lady Josephine West prospect to the southeast.

Mt Porter

Gold mineralisation at Mt Porter is hosted by folded and faulted silicate-sulphide-rich iron formations in the middle to upper levels of the Koolpin Formation. Mt Porter is analogous to the Cosmo Howley and Golden Dyke gold deposits, where 370,000 oz and 25,000 oz gold was produced, respectively.

Most of the gold mineralisation at Mt Porter occurs in consistent 2m to 25m thick zones within a complex multiply hinged fold zone extending west from the main axis of the Mt Porter Anticline. The main mineralised zone is bounded by at least three major faults (ASX: PNX 28 September 2022).

Glencoe

The Glencoe gold mineralisation is hosted by greywacke, sandstone, siltstone and mudstone of the Paleoproterozoic Mount Bonnie Formation, and is contained within complex quartz veins and shears spatially associated with the axial regions of shallow plunging anticlines. The majority of the gold-bearing quartz veins occur within sub-vertical to steeply dipping fracture and shear zones. Other gold-bearing quartz veins are interpreted to have conformable or 'saddle reef' geometries and occur as stratabound bodies extending outwards from the discordant fracture-filled zones.

Late-stage chlorite alteration, shearing and brecciation overprint the gold-bearing veins, including country rock breccias with a chlorite matrix. There is a strong association of gold with sulphides, predominantly pyrite and arsenopyrite, and a close association between chlorite alteration and sulphide/gold/quartz vein development. Mineralisation has typically favoured the more ductile carbonaceous mudstone horizons. There appears to have been some gold redistribution by near-surface supergene processes (ASX: PNX 28 April 2021).

Thunderball

Uranium mineralisation at Thunderball, 5km west of Hayes Creek, is described in (ASX: THX 4 November 2009) as disseminated to massive veins hosted uraninite (pitchblende) within a shear and tightly folded sequence of metasediments and tuffaceous units of the Gerowie Tuff. The mineralisation is associated with a northern 40 degree plunging antiform with the highest grades within the hinge zone with two stacked lodes.

The upper lode is of lower grade with a best intercept of 11m at 541ppm U_3O_8 , hosted within carbonaceous shale and siltstone at the Gerowie Tuff, Mt Bonnie Formation contact.

The lower lode has high grade of up to 1m at 20% U_3O_8 in drill core within a best intercept of 15m at 1.5% U_3O_8 . Figure 8 shows the local geology and previous drilling and significant intercepts. Figure 9 shows a schematic of the lodes which are focused on the antiformal hinges and occur as plunging shoots.

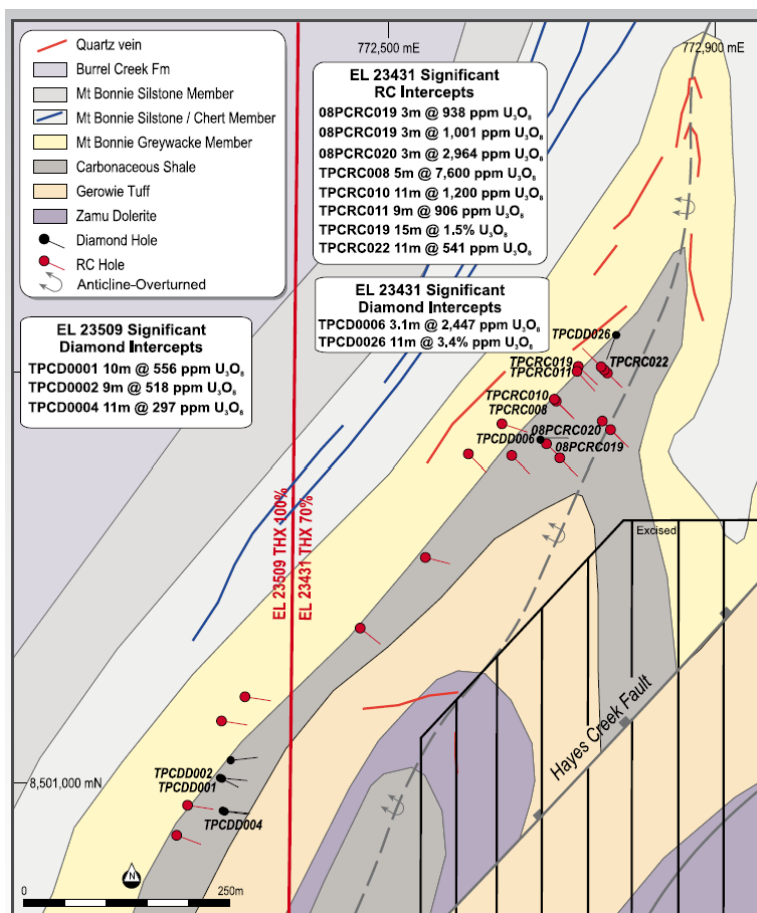


Figure 8: Geology of Thunderball Uranium Deposit with drillhole locations and results as drilled by THX during 2008-2009.

Source: ASX: THX 24 December 2009

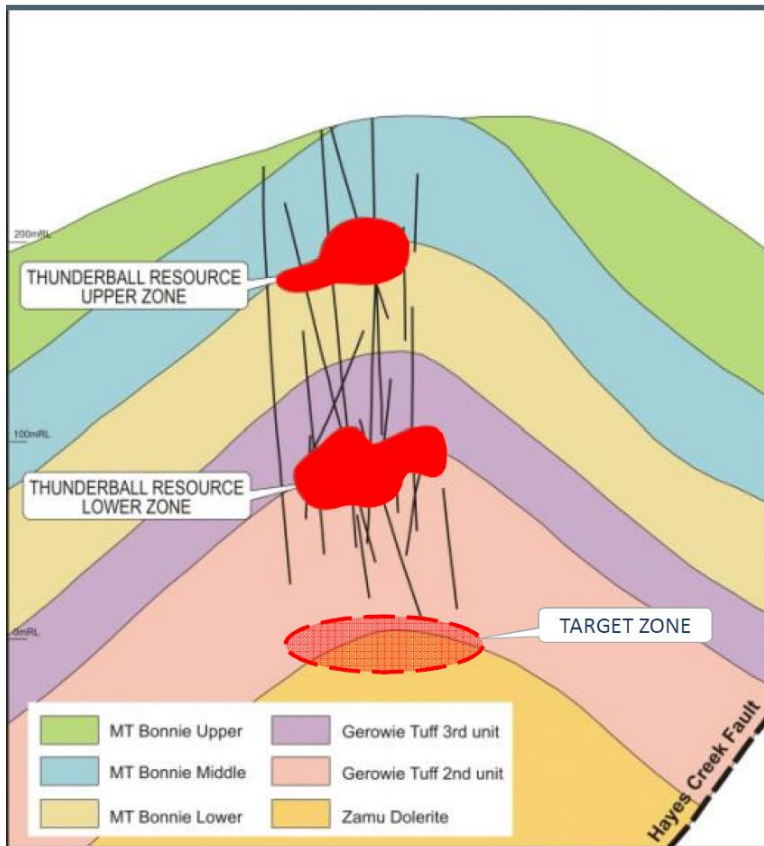


Figure 9: Schematic cartoon of the geology of the Thunderball Uranium mineralisation and modelled stacked target zone.

Source: ASX: THX 23 March 2011

3.4 Previous Mining and Exploration

3.4.1 Hayes Creek

On the 28th of August 2014, Phoenix Copper (now PNX Metals) purchased the 15 mining leases containing the Iron Blow and Mt Bonnie polymetallic deposits from Crocodile Gold for a 2% Royalty (ASX: PNX 28 August 2014) on any gold or silver mined from the tenements. These tenements were included as part of a larger joint venture to earn 90% in a package of tenements for a \$4M spend.

The Iron Blow gossan was discovered in 1873 and developed as an underground mine in 1886 where 100 tonnes of ore was mined. Between 1889 and 1906, 13,700 tonnes were mined from open pit and underground by NT Goldfields of Australia. In 1975 under a joint venture between Geopeko and BHP, 15 core holes were drilled which identified two stacked lenses of massive sulphide, an upper load estimated at 92,000 tonnes at 4.3 g/t Au, 400g/t Ag, 8.1% Zn 3% Pb and 0.4% Cu and a lower, lower-grade load of 887,500 tonnes at 1.9 g/t Au, 87.3 g/t Ag, 6.7% Zn, 0.7% Pb and 0.4% Cu.

The oxide zone was mined by Henry and Walker in 1983 producing 10,000 t of oxide ore at 9 g/t Au and 250 g/t Ag, processed at the Mt Bonnie Treatment plant and 25,000 of sulphide ore at 7 g/t Au and 360 g/t Ag (ASX: PNX 28 August 2014).

Eupene and Nicholson (1990) report that Mt Bonnie was first developed as an underground mine between 1913 and 1916 but no ore was mined. The sulphide body was defined in the 1970s to 1980. The oxide gossan was mined from 1983 to 1985 extracting 110,000t at 7g/t Au and 230 g/t Ag, exposing the massive sulphide in the pit floor.

Prior to PNx, Crocodile Gold Australia held and drilled both deposits in 2011.

3.4.2 Fountain Head

The Fountain Head gold deposit was mined sporadically from 1883-1936, following the discovery of a gold bearing quartz reef, with alluvial workings and minor hard-rock mining to less than 20 m depth.

In 1985 to 1989, alluvial and eluvial mining was conducted by Zapopan Mining Ltd. In 1995, Dominion Mining completed a trial open pit.

In 2006, during sterilisation drilling, gold-rich quartz veins were identified oblique to the axial plane of the Fountain Head anticline, and further testing intersected the Tally-Ho gold lodes (900 000 tonnes at 2.61 g/t Au for 75,500 oz gold. These lodes were mined by GBS Gold in 2007 and 2008 (Ahmed and Hollis 2013), (Figure 10). GBS Gold was liquidated in 2009 and the project was purchased by Crocodile Gold Australia (subsequently merged to form Kirkland Lake Gold, which is now Agnico Eagle). The deposits were acquired by PNx within four Mineral Leases in early 2018 from Kirkland Lake Gold (ASX: PNx 31 January 2018) as part of PNx's plan to build the proposed process plant on these leases due to the site being a previously disturbed site.



Figure 10: Fountain Head aerial image 2021

Source: ASX: PNx 20 April 2021

3.4.3 Mt Porter

Gold mineralisation at Mt Porter was discovered by Gold Fields Exploration Pty Ltd, a subsidiary of Renison Goldfields Consolidated Limited (**RGC**) in 1984. Exposed quartz reefs were sampled at the Mt Porter North and continued along the trend of the Mt Porter Anticline to the south where Mt Porter was discovered in 1988 (Dufty, 1989).

Between 1988 and 1994, RGC and subsidiary, Pine Creek Goldfields Limited (**PCG**), conducted extensive exploration, during which time PCG exploited the Enterprise, Czarina, International and Gandy's Hill gold deposits. Exploration by RGC/PCG at Mt Porter included a total of 223 drill holes over 1.7km. From 1995 to 2003, the ground was explored by Homestake Gold Australia Pty Ltd and then from 2003 to 2007 by Arafura Resources, who conducted mining studies and was granted a mining lease in 2007. Further study work was conducted, and the project farmed out to Ark Mines (**Ark**) in 2012 who continued mining studies and conducted a drilling program in 2017. Ark held the property until they entered voluntary administration in 2019 (ASX: PNX 28 September 2022).

3.4.4 Glencoe

Small-scale mining as part of a bulk sampling program has been undertaken at Glencoe in two phases:

- By Magnum Gold NL (**Magnum**) between 1989 and 1990 when 4 small pits were mined to a depth of approximately 10 m. This mined material was trucked to the historic Mt Bonnie mill for processing. Unfortunately, the records documenting this processing were lost in a fire at Mt Bonnie at that time.
- The second phase of mining was by Territory Gold in 1994 as part of a joint venture with Magnum where the West Pit was deepened to a depth of 15-17 m (ASX: PNX 28 April 2021).

A total of 310 reverse circulation (**RC**) holes and 59 diamond drillholes (**DD**) holes were drilled between 1985 and 1987 by Magnum at the Glencoe deposit. This was followed up between 2007 and 2008 by Australasia Gold Limited (**Australasia**) who drilled 12 RC holes and 8 DD holes.

The deposit was acquired by PNX in April 2021 (ASX: PNX 28 April 2021) from Ausgold Trading Pty Ltd.

3.4.5 Northern Leases and Regional (Burnside)

The historic Goodall Mine is located in the eastern part of PNX's northern leases where approximately 260,000 ounces of gold was mined by Western Mining Corporation between 1998 and 2003 consisting of 4.09 Mt at 1.99 g/t Au (Ahmad and Hollis 2013) (Figure 11).

Other areas of historical mining significance but excised from the PNX leases include Zapopan, Cosmo Howley and Brocks Creek.

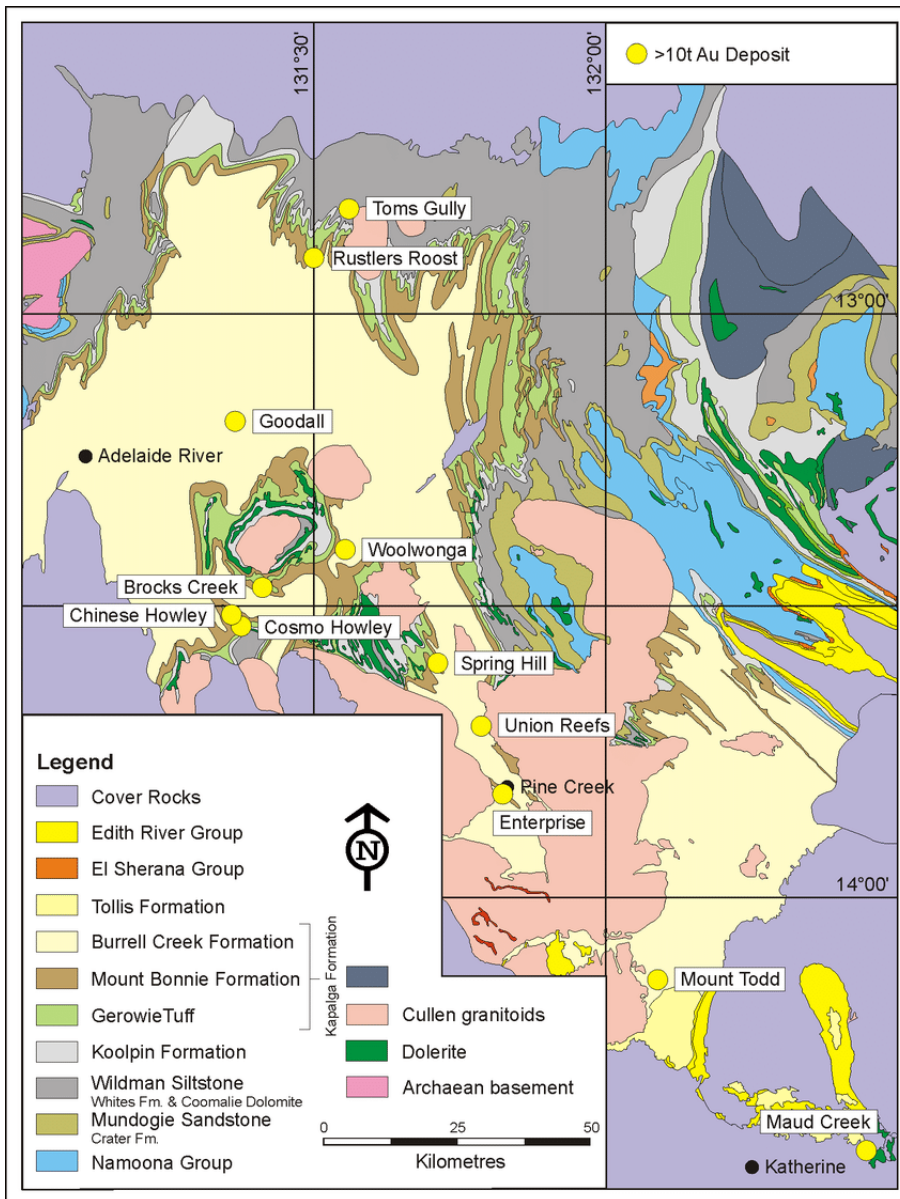


Figure 11: Location of Significant Pine Creek Gold Deposits over 10 tonnes of gold.

Source: Sener, 2004

3.4.6 Thunderball Uranium

The Thunderball Uranium deposit was discovered by THX in 2008. Drilling at Thunderball from 2008 to 2010 delineated two discrete sub-parallel dipping uranium lodes and informed the estimation of a pre-JORC 2012 mineral resource estimate (ASX: THX 7 February 2011).

The drillhole database from all uranium exploration on the tenements includes 232 drill holes (39 Diamond holes and 193 RC holes) for 31,363m. Thunderball remains open down-dip and there has been limited exploration to test for repetitions beneath the lower lode. The deposit contains high-grade drill intercepts, including:

- 15.0 m @ 1.5% U₃O₈ from 139.0 m in TPCRC019, including 1.0m @ 20.3% U₃O₈ (ASX: THX 25 September 2009).
- 11.0 m @ 3.4% U₃O₈ from 144.0 m in TPCDD026, including 4.6m @ 8.0% U₃O₈ (ASX: THX 4 November 2009).
- 15.0 m @ 8,633 ppm U₃O₈ from 135.0 m in TPCRD093, including 9.0m @ 1.4% U₃O₈ and including 1.0m @ 11.3% U₃O₈ (ASX: THX release 30 September 2010).

Figure 12 shows the location of prospects around and including Thunderball and the local geology.

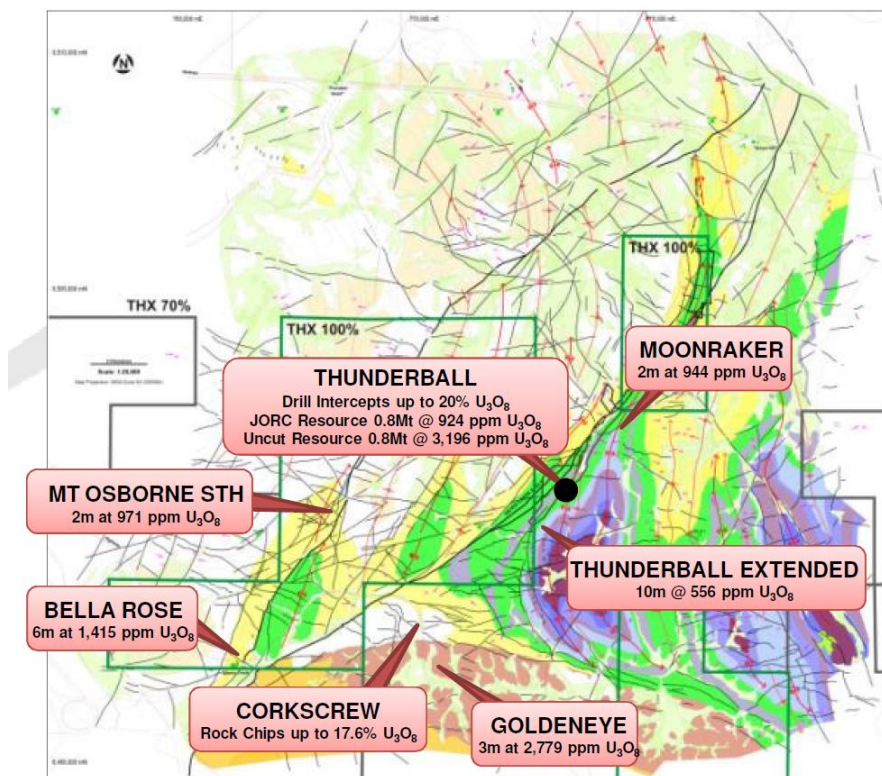


Figure 12: Thunderball Uranium location, geology and local prospect drilling results.

Source: ASX: THX 28 March 2011

3.5 Current Exploration

3.5.1 Hayes Creek

The company changed its name to PNX Metals Ltd as of 15 December 2015 and proceeded to add resources via drilling to the Mt Bonnie and Iron Blow deposits which was followed by a Pre-Feasibility Study (PFS) which was released 12 July 2017 (ASX: PNX 12 July 2017). The company resolved to proceed immediately to a Definitive Feasibility Study (DFS) based on positive results. The plan was to mine 3Mt of material in an initial open pit at Mt Bonnie followed by underground mining at Iron Blow (ASX: PNX 20 October 2017).

3.5.2 Fountain Head

Following the acquisition of the Fountain Head mineral leases in January 2018, drilling was conducted by PNx to define a new resource to add to the Hayes Creek Project Resources. In July 2019 an initial resource of 138,000 ounces of gold was announced (Figure 13), (See section 3.6.2 for a review of the Fountain Head and Tally Ho Mineral Resources) which were further extended by drilling campaigns during 2019 and 2020 to 156,000 ounces (ASX: PNx 16 June 2020).

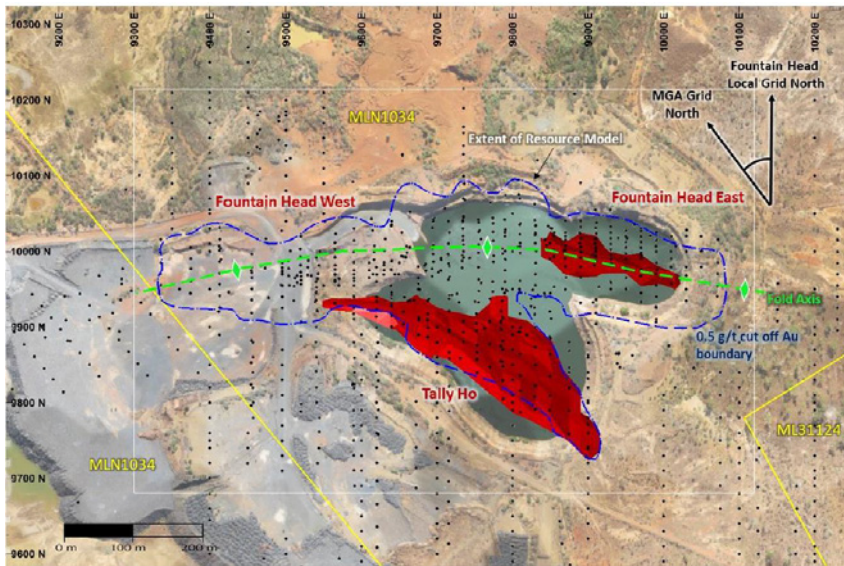


Figure 13: Aerial image of historic Fountain Head pits and 2019 modelled deposits, drill collars shown as black dots.

Source: ASX: PNx 11 July 2019

3.5.3 Mt Porter

Following the acquisition of Mount Porter (ASX: PNx 28 September 2022), no additional drilling has been conducted by PNx.

The Mt Porter Mineral Resource extends over a strike length of approximately 230m and from surface to a depth of approximately 95m. The deposit remains open along strike and to the west where drillhole MPRC248, intersected a previously unknown zone of gold mineralisation of 13m @ 3.53 g/t Au from 71m located 20m west of and 30m deeper than the current Mineral Resource Estimate (Figure 14). This zone was not intersected in any holes previously drilled into the western side of the Mt Porter deposit and remains an area of significant exploration potential (Figure 14).

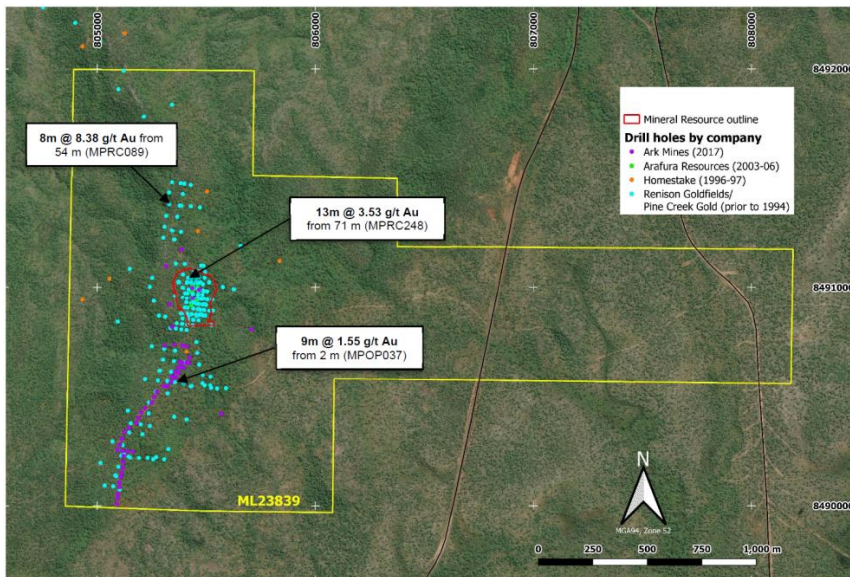


Figure 14: Mt Porter Mineral Lease showing drilling and pit shell outline in red. Intercepts outside Mineral Resource Estimate shown on plan

Source: ASX: PNX 28 September 2022

3.5.4 Glencoe

The recent exploration by PNX at Glencoe in 2021 and 2022 has identified gold-rich quartz veins oblique to the Glencoe anticline similar to those at Tally-Ho. It is likely that the oblique Tally-Ho-style gold-rich quartz veins at Fountain Head and Glencoe have a similar genesis and may represent a discrete style of mineralisation in the Pine Creek Orogen of exploration significance. A structural model involving reactivation of positive and negative flower structures formed during basin inversion is proposed to explain the relationship between anticlinal and Tally-Ho-style gold lodes (Green and Scardigno 2022).

On 16 December 2022, the company announced that newly obtained drilling results had successfully confirmed extensions to mineral lodes at the Glencoe gold deposit. The program comprised 18 RC drill holes for a total of 1,740 metres. Results included:

- 4m at 1.52 g/t Au from 50m, and 2m at 2.50 g/t Au from 86m in GLRC056
- 2m at 2.81 g/t Au from 28m in GLRC063
- 4m at 2.35 g/t Au from 13m, and 4m at 1.29 g/t Au from 87m in GLRC065
- 8m at 1.52 g/t Au from 75m, including 3m at 2.92 g/t Au from 78m in GLRC054.

These results were successful in demonstrating continuity to the east of the Central Zone by approximately 200 metres, and that the gold-bearing quartz veins previously reported at surface (ASX: PNX 20 March 2022) extend at depth and to the south, oblique to the main gold mineralisation. In 2023 PNX completed aircore drilling of a parallel structure around 1km south of Glencoe. No further significant results were obtained.

3.5.5 Northern Leases and Regional (Burnside)

PNX's Northern Leases and Regional Leases host multiple kilometre-scale gold targets with the potential for economically significant gold mineralisation along the same northwest trending structural corridor as the Cosmo Howley gold mine (owned by Agnico Eagle) and other gold deposits (ASX: PNX 13 February 2023).

The scale potential of the area is supported by the historic Goodall Mine, located in the eastern part of PNX's northern leases where approximately 260,000 ounces of gold was mined by Western Mining Corporation between 1998 and 2003 consisting of 4.095 Mt at 1.99 g/t Au (Ahmad and Hollis 2013).

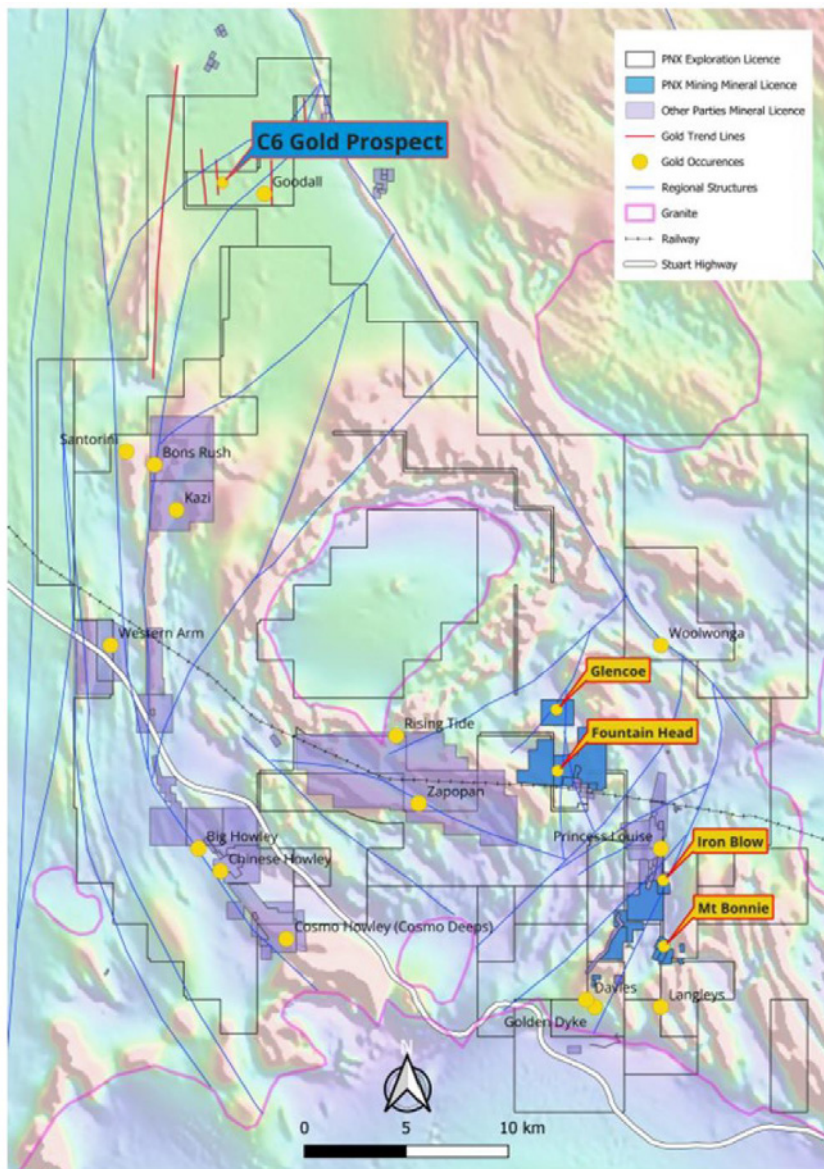


Figure 15: Regional Leases (Burnside) showing the location of the main resources in the south east and the C6 prospect most recently explored by PNX.

Source ASX: PNX 6 October 2023

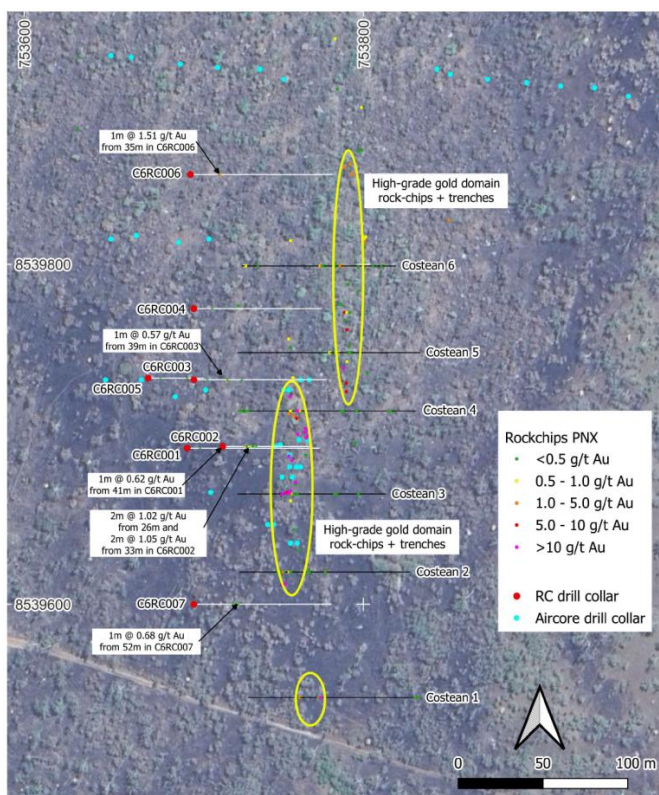
Historic wide-spaced soil sampling defined kilometre-scale north-south gold-in-soil anomalies to the west of Goodall.

Work conducted by PNx at C6, 3km west of Goodall, has included reconnaissance RC drilling, aircore drilling, drone magnetic surveying and surface rock-chip and costean (trench) sampling. The C6 gold-rich surface gossan, from which multiple rock-chip samples exceeding 100 g/t gold were returned, is interpreted to be the weathered remnants of massive sulphide veins.

Aircore drilling has been used as a reconnaissance technique along the C6 corridor to better understand the geology and provide a cross-section of samples in the area. The first aircore drilling assays included 18 drill holes near the high-grade gossan at C6 prospect and 34 reconnaissance holes across the C6 corridor (ASX: PNx 18 October 2023). Best intercepts reported are.

- 2 m @ 3.38 g/t Au from surface in C6AC004A,
- 1 m @ 1.57 g/t Au from 5 m in C6AC007B
- 1 m @ 14.9 g/t Au from 2 m in C6AC008A,
- 1 m @ 2.00 g/t Au from 22 m in C6AC009A, and
- 1 m @ 2.24 g/t Au from surface in C6AC010A.

Further reconnaissance aircore drilling along the C6 and Brumby/Bartons corridors and 7 RC holes were drilled at C6 with a best result of 2m at 1.02g/t Au from 26m (ASX: PNx 25 January 2024).



Source: ASX: PNx 6 October 2023

In VRMs opinion drilling has downgraded the potential of the area and indicates near surface supergene enrichment.

3.5.6 Thunderball Uranium

In November 2023, the Uranium rights over a large portion PNX’s tenure at Pine Creek were returned to the Company after the expiry of a November 2011 farm-in agreement with private company Oz Uranium Pty Ltd (subsidiary of Rockland Resources Pty Ltd).

The uranium rights were originally owned by Thundelarra Exploration Ltd, and subsequently transferred to Oz Uranium Pty Ltd as part of a prior commercial agreement. Figure 17 below is a summary of the previous results on a radiometric map of uranium intensity. Compilation work is underway by PNX.

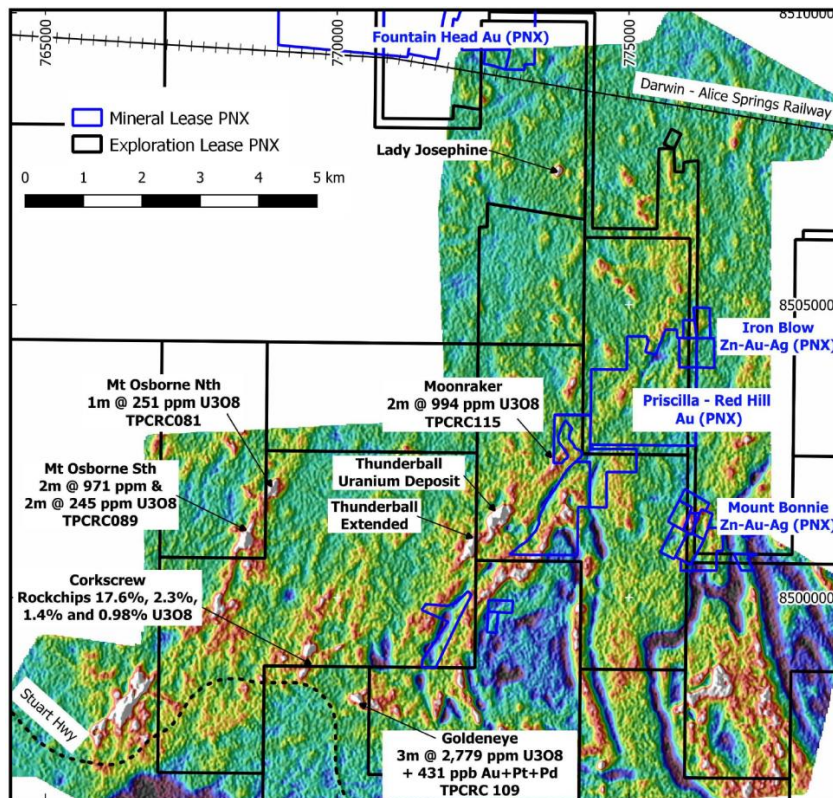


Figure 17: Uranium Intensity Map showing prospect locations and significant drilling results

Source: ASX: PNX 31 January 2024

3.6 Mineral Resource Estimates (MRE)

VRM notes it has not verified the underlying geological databases or completed full reviews of the Pine Creek Mineral Resource Estimates and all associated input data. The resource models have not been loaded or re-reported by VRM. A complete and detailed due diligence of the technical data has not been undertaken by VRM as part of this high-level review.

3.6.1 Hayes Creek

The Mineral Resource Estimate for the two deposits is summarised in Table 1 below for a total of 4.1Mt at 1.81g/t Au, 124 g/t Ag, 4.35% Zn, 0.91% Pb and 0.25% Cu.

Table 1: Hayes Creek Mineral Resources

HAYES CREEK MINERAL RESOURCES										
Table 1 Iron Blow Mineral Resources by JORC Classification as at 3 May 2017										
JORC CLASSIFICATION	LODE	AuEq CUT-OFF (g/t)	TONNAGE (kt)	ZN (%)	PB (%)	CU (%)	AG (g/t)	AU (g/t)	ZnEq (%)	AuEq (g/t)
Indicated	East Lode	1.0	800	7.64	1.83	0.30	275	2.90	20.64	15.53
	West Lode	1.0	1,280	4.14	0.33	0.31	60	1.73	8.84	6.66
Total Indicated			2,080	5.49	0.91	0.30	143	2.19	13.39	10.08
Inferred	East Lode	1.0	20	0.48	0.34	0.16	132	6.01	13.65	9.43
	West Lode	1.0	20	0.76	0.96	0.13	109	1.02	5.90	4.44
	FW Gold	1.0	210	0.25	0.07	0.03	16	2.03	3.48	2.62
	HW Gold	1.0	40	0.06	0.09	0.01	6	1.68	2.57	1.94
	Interlode Gold	1.0	40	0.21	0.03	0.07	8	1.66	2.79	2.10
	Interlode Base Metal	1.0	120	3.52	0.32	0.14	35	0.69	5.87	4.42
Total Inferred			450	1.11	0.18	0.07	27	1.71	4.38	3.30
Total Indicated + Inferred Mineral Resource			2,530	4.71	0.78	0.26	122	2.10	11.79	8.87
Total Contained Metal (t)			119,200	19,700	6,650	9.9Moz	170.9koz	298,000t	721.5koz	
Table 2 Mt Bonnie Mineral Resources by JORC Classification as at 8 February 2017										
JORC CLASSIFICATION	DOMAIN	CUT-OFF GRADE	TONNAGE (kt)	Zn (%)	Pb (%)	CU (%)	AG (g/t)	AU (g/t)	ZnEq (%)	AuEq (g/t)
Indicated	Oxide/Transitional	0.5g/t Au	195	0.94	2.43	0.18	171	3.80	11.50	9.44
Indicated	Fresh	1% Zn	1,180	4.46	0.94	0.23	121	1.02	9.60	7.88
Total Indicated			1,375	3.96	1.15	0.23	128	1.41	9.87	8.11
Inferred	Oxide/Transitional	0.5g/t Au	32	0.43	1.33	0.29	74	2.28	6.37	5.23
Inferred	Fresh	1% Zn	118	2.91	0.90	0.15	135	0.54	7.61	6.25
Inferred	Ag Zone	50g/t Ag	21	0.17	0.03	0.04	87	0.04	2.36	1.94
Total Inferred			171	2.11	0.87	0.16	118	0.80	6.73	5.53
Total Indicated + Inferred Mineral Resource			1,545	3.76	1.12	0.22	127	1.34	9.53	7.82
Total Contained Metal (t)			58,000	17,300	3,400	6.3Moz	66.8koz	147,000t	388.5koz	
Table 3 Total Hayes Creek Mineral Resources (Iron Blow + Mt Bonnie) by JORC Classification at 3 May 2017										
JORC CLASSIFICATION		TONNAGE (kt)	Zn (%)	Pb (%)	CU (%)	AG (g/t)	AU (g/t)	ZnEq (%)	AuEq (g/t)	
Total Indicated (84.7%)		3,455	4.88	1.01	0.27	137	1.88	11.99	9.29	
Total Inferred (15.3%)		622	1.39	0.37	0.10	52	1.46	5.03	3.91	
Total Indicated + Inferred Mineral Resource		4,077	4.35	0.91	0.25	124	1.81	10.93	8.47	
Total Contained Metal (t)		177,200	37,000	10,050	16.2Moz	237.7koz	445,000t	1,110koz		

METALS	UNIT	PRICE	RECOVERY MT BONNIE	RECOVERY IRON BLOW
Zn	USD / t	2,450	80%	80%
Pb	USD / t	2,100	60%	60%
Cu	USD / t	6,200	60%	60%
Ag	USD / troy ounce	20.50	70%	80%
Au	USD / troy ounce	1,350	55%	60%

* Consensus prices as at the time of the resources estimates.

Notes relating to Hayes Creek Project Resource Tables

- Due to effects of rounding, the total may not represent the sum of all components. No material changes in the estimates of the Mineral Resources at Mt Bonnie and Iron Blow have occurred since they were originally reported.
- Metallurgical recoveries and metal prices (Table 4) have been applied in calculating zinc equivalent (ZnEq) and gold equivalent (AuEq) grades.
- Iron Blow – A mineralisation envelope was interpreted for each of the two main lodes, the East Lode (Zn-Au-Ag-Pb) and West Lode (Zn-Au), and four subsidiary lodes with a 1 g/t AuEq cut-off used to interpret and report these lodes.
- Mt Bonnie – Zinc domains are reported above a cut-off grade of 1% zinc, gold domains are reported above a cut-off grade of 0.5 g/t gold and silver domains are reported above a cut-off grade of 50 g/t silver.

Source ASX: PNX 6 October 2023

Informing Data

The Mt Bonnie Mineral Resource Estimate as described in the ASX release of 9 February 2017 is based partially on drilling by others from 1973 to 2016 of 45 diamond holes for 5477m. The drilling in 2015 and 2016 was conducted by PNX and consisted of 42 RC holes for 3281.7m and 12 diamond drill holes for 1584.1m. The PNX holes consist of 37% of the database by meterage drilled.

The Iron Blow Mineral Resource Estimate as described in the ASX release of 3 May 2017 is based partially on drilling by others from 1976 to 2014 of 53 holes for 11,132m. Drilling in 2014 was conducted by PNX and consisted of 48 RC/RCD/DD holes for 7093.2m. The PNX holes consist of 39% of the database by meterage drilled. Some costean information from the base of the pit was also used.

Sample Preparation and analysis

Half or quarter core cut by saw based on apex of the foliation was collected. RC samples were collected via riffle or cone splitter to collect a 1/8th size fraction. Samples were from 0.5m to 2m intervals with laboratory assaying via ICP-OES or ICP-MS for base metals and Fire Assay with AAS for gold.

For historic holes base metal elements Cu, Pb, Zn, Ag, Cd and Fe were assays via mixed acid digest and AAS with Bi, As, Sb and Sn via pressed powder XRF. Au and Ag were by Fire assay and AAS.

QA/QC

CSA Global (CSA) conducted the resource estimates and noted that limited QC data is available to support the historical database, but it likely existed. For the PNX holes field duplicates were used one in every 25 samples.

Bulk Density

No detailed statistics on numbers of samples are available, however transitional and oxide zones were assigned separate bulk densities.

Estimation Methodology

The Indicated classification was made where drill spacing was 25m by 25m or less and there was supporting QC data. Where the drill spacing was more than this up to 50m by 50m the classification was

Inferred. There is some uncertainty within the indicated classification in the oxide and transition zones due to historical drilling QC and lack of data in the top 30m immediately under the existing pit.

At Mt Bonnie, two estimation domains were defined by the 1% zinc and 5% zinc cut-offs, data cells were populated by ordinary kriging. At Iron Blow two lodes were modelled with four subsidiary estimation domains in each.

Elements Zn, Pb, Cu, Ag and Au were modelled due to the assumption that these elements could be recovered. As, Fe and S were also modelled in order to consider them as deleterious in future mining studies.

Metallurgy

At the time of the resource estimate metallurgy test work was underway on both deposits, hence preliminary results were used to calculate metal equivalent grades.

Competent Persons

The Competent Persons who signed off on the Mineral Resource Estimates published on the 8th of February and the 3rd of May 2017 for Mt Bonnie and Iron Blow were Mr Aaron Meakin and Mr Andrew Bennett. In 2017 Mr Aaron Meakin was a full time employee of CSA Global and was a member of the AusIMM and did not visit site and was the competent person for the MRE. Mr Andrew Bennett was at the time of the report a full time employee of PNX and a member of the AusIMM did visit site and was responsible for the data inputs and geological modelling.

The reasonable prospects hurdle at Mt Bonnie was deemed to have been met due to good infrastructure and synergies between Iron Blow and Mt Bonnie, strong continuity of reasonable grades, amenable to open pit mining and potential for resource increase with additional drilling. The Indicated classification was made where drill spacing was 25m by 25m or less and there was supporting QC data. Where the drill spacing was more than this up to 50m by 50m the classification was Inferred. There is some uncertainty within the indicated classification in the oxide and transition zones due to historical drilling QC and lack of data in the top 30m immediately under the existing pit.

The reasonable prospects hurdle at Iron Blow was deemed to have been met due to good infrastructure and synergies with Mt Bonnie, strong continuity of reasonable grades, amendable to open pit mining (although most likely to be an underground mine) and potential for resource increase with additional drilling. The fresh material where drill spacing was 20m by 20-40m has been classified as Indicated. The transitional and oxide material was classified as Inferred due to a lack of modern analytical data and lack of bulk density information. Previous mining voids were considered by CSA to complicate the tonnage calculations with further validation work needed.

VRM Comment

VRM considers the resource estimates reasonable and notes the comments by CSA around lack of drilling data in the critical top of deposit area situated in the bottom of the old pits. VRM also notes the metal equivalent calculations were made using preliminary metallurgy and the rigour around bulk density test work is unknown.

3.6.2 Fountain Head

The Fountain Head mineral resource estimate was based on 100,000 ounces of indicated material 64% and 56,000 ounces of inferred 36% for 156,000 ounces (Table 2).

Table 2: Fountain Head Mineral Resources

FOUNTAIN HEAD MINERAL RESOURCES			
Table 5 Fountain Head and Tally Ho updated Mineral Resources by JORC Classification as at 16 June 2020.			
JORC CLASSIFICATION	TONNAGE (Mt)	Au (g/t)	OUNCES (koz)
Tally Ho			
Indicated	0.94	2.0	59
Inferred	-	-	-
Total	0.94	2.0	59
Fountain Head			
Indicated	0.89	1.4	41
Inferred	1.11	1.6	56
Total	2.00	1.5	96
Combined			
Indicated	1.83	1.7	100
Inferred	1.11	1.6	56
Total	2.94	1.7	156

Notes relating to Fountain Head Mineral Resources

- Due to effects of rounding, the total may not represent the sum of all components.
- The updated estimate of the Mineral Resources at the Fountain Head and Tally Ho deposits was reported during June 2020 (refer to ASX Release dated 16 June 2020). An initial Mineral Resources Estimate was reported on 11 July 2019.
- Fountain Head and Tally Ho gold mineralisation reported utilising a cut-off grade of 0.7 g/t gold, which is consistent with the assumed open cut mining method.

Source: ASX: PNX 6 October 2023

Informing Data

The drilling database consisted of 52,089m of RC and diamond drilling. Prior to PNX, seven companies have conducted drilling from 1982 to 2008. "Modern" drilling was considered to be from 2004 and was stated by PNX to be 60% of the dataset.

Drilling in 2019 to 2020 was conducted by PNX and comprised 77 RC holes and 2 diamond holes for 7402m (Figure 18).

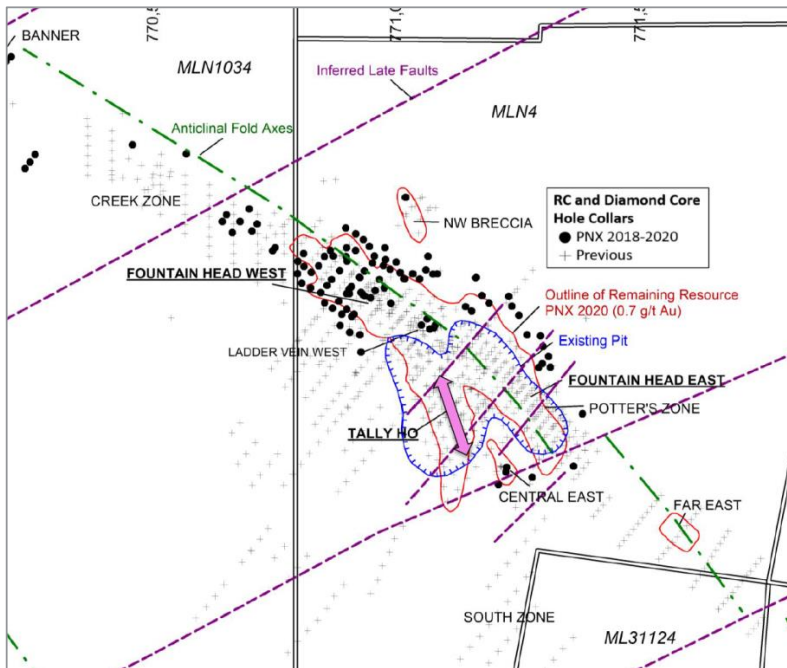


Figure 18: Location of PNX drilling 2018 to 2020.

Source: Scardigno M. AGES Proceedings 2021

The new drilling resulted in a grade distribution reinterpretation and the identification of 11 subvertical lodes. As a result, a portion of the Fountain Head resource was upgraded and three newly defined lodes North West Breccia, Fountain Head Far East, Fountain Head West (Figure 19) added to the indicated category.

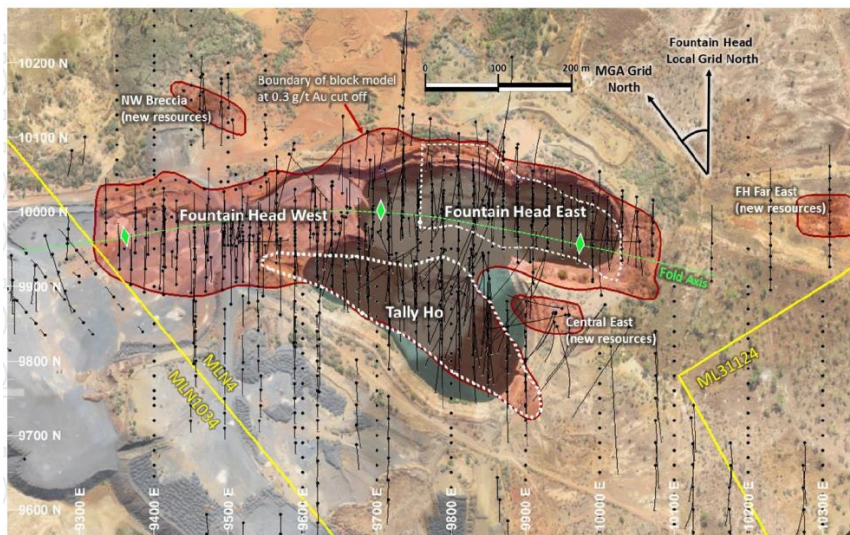


Figure 19: Fountain Head aerial image with most recent (2020) resource outline shown in red.

Source: ASX: PNX 16 June 2020

Sample Preparation and analysis

Diamond core was sampled at 0.2 to 1.5m intervals collecting half core by sawing perpendicular to the long core axis. RC samples were collected on 1m samples using a cone splitter to collect a 1/8th fraction of the sample.

Analysis for gold was by 50 fire assay with AAS determination (some assays were 30g fire assay).

QA/QC

For the PNX drilling it is reported that modern QA/QC procedures were used such as field duplicates, blanks and certified reference materials. Historic drilling was classified as being before 2004 and no QA/QC is known for this drilling.

Due to a lack of QC the Fountain Head East resource was 83% historical data and hence the resource was classified as Inferred.

Poor precision was also noted from the RC field duplicate data, possible due to nuggety gold in the samples.

Bulk Density

A Separate value was applied to the oxide/transitional material and the fresh material.

Estimation Methodology

Standard variography and statistical analysis were conducted to create domains and based on quantitative kriging neighbourhood analysis block sizes and block grades were estimated.

The classification of the categories was largely based on drill spacing and modernity of drilling. For example, 93% of the Tally Ho resource was informed by modern PNX drilling and the drill spacing considered sufficient to assume grade and continuity between holes and classification as Indicated. Figure 20 is a cross section through the Fountain Head East and Tally Ho Resources. Due to a lack of QC the Fountain Head East resource was 83% historical data and hence the resource was classified as inferred.

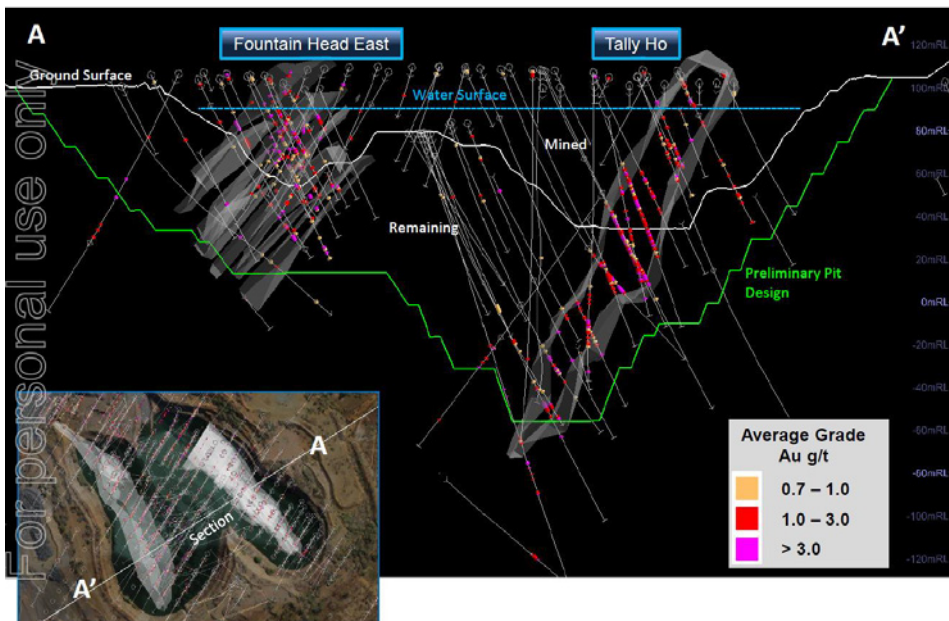


Figure 20: Cross Section Through Fountain Head and Tally Ho

Source: ASX: PNX 16 June 2020

Metallurgy

The metallurgy has been assumed from previous processing of ore through the Union Reefs Plant in 2007 and 2008 and from indicative interpretation from 5 initial bottle roll tests on RC samples (unverified whether the material was fresh or oxidised) which returned a range of cyanide soluble gold recoveries of 89-97% after 48 hours of leaching (ASX: PNX 7 November 2019). PNX goes on to state that the preferred method of treatment for Fountain Head is a heap leach.

Competent Persons

The Competent Persons who signed off on the Mineral Resource Estimates published on the 16th of June 2020 for Fountain Head were Mr Aaron Meakin and Mr Charles Nesbitt. At the time Mr Aaron Meakin was a full time employee of CSA Global and was a member of the AusIMM and did not visit site and was the competent person for the MRE. Mr Charles Nesbitt was at the time of the report a full time employee of PNX and a member of the AusIMM did visit site and was responsible for the data inputs and geological modelling.

VRM Comment

VRM notes only the one area of the resource has been tested by PNX drilling at Fountain Head west. The remainder of the resource is pre PNX. VRM considers the assumptions relating to the proposed treatment of the ore questionable due to the nature of the remnant material being transitional and fresh rather than the oxide material which was treated historically. VRM considers the estimate reasonable given the comments made by CSA and the classification of much of the metal into Inferred.

3.6.3 Mt Porter

The Mineral Resource Estimate conducted by Measured Group Pty Ltd is calculated as 548,000 t at 2.3 g/t Au for 40,000 ounces of Indicated material and 133,000 tonnes at 1.9 g/t Au of Inferred material for a total of 8,200 ounces (ASX: PNX 28 September 2022) (Table 3).

Table 3: Mt Porter Mineral Resources

MT PORTER MINERAL RESOURCES							
Table 7 Mt Porter Mineral Resources by JORC Classification as at 28 June 2022.							
TYPE	INDICATED		INFERRED		TOTAL		
	TONNES (t)	AU (g/t)	TONNES (t)	AU (g/t)	TONNES (t)	AU (g/t)	AU (oz)
Oxide / Transitional	70,000	1.9	7,300	2.4	77,200	2.0	4,900
Fresh	478,000	2.3	125,000	1.8	603,000	2.2	43,200
Total	548,000	2.3	133,000	1.9	681,000	2.2	48,200

Notes relating to Mt Porter Mineral Resources

- Due to the effects of rounding, totals may not represent the sum of all components.
- Classification of Mineral Resources incorporates the terms and definitions from the JORC Code.
- Mt Porter gold mineralisation estimated using a cut-off grade of >1.0 g/t Au, which is consistent with the assumed open-cut mining method.
- Mt Porter Mineral Resources by oxidation zone and JORC classification as at 28 June 2022 (refer to ASX Release dated 28 September 2022).

Source: ASX: PNX 6 October 2023

Informing Data

The Mineral Resource Estimate is based on geological data acquired from 72 drill holes for 5252m that intersected the deposit. Of the 72 holes 21 are diamond core and 51 are RC. A further 152 reverse circulation and diamond drill holes have been drilled outside of the MRE as conducted by RGC, Homestake, Arafura and Ark between 1988 and 2017 (see Section 3.4.3). No work has been conducted by PNX. Most of the drilling that intersects the mineralisation and constituted the resource was conducted by RGC prior to 1994 with some holes drilled by Arafura and Ark (Figure 14).

Sample Preparation and analysis

Diamond core was sampled at 1m intervals collecting half core by sawing perpendicular to the long core axis. No method of sampling the RC holes was recorded.

Fire assay for gold with an AAS finish was conducted.

QA/QC

Duplicates collected, analysed and were considered acceptable by PNX.

Bulk Density

Bulk density measurements were conducted on 274 samples (no record of which samples) with results assigned to a range of mineralisation types.

Estimation Methodology

The deposit was estimated using inverse distance squared grade interpolation constrained by resource outlines based on envelopes prepared using at nominal 0.5 g/t Au cut-off and a high grade cut of 20g/t.

Metallurgy

Measured Group noted that metallurgical tests from 1989 to 1991 indicated gold recovery of 60-75%, without a clear explanation. In 1994, metallurgy on primary ores showed extraction around 55% (1994), 52% (2006), (2013) 52% to 92% for primary ore. In 2015 to 2017 further work was conducted by Independent Metallurgical Operations (IMO), results indicated recoveries of 92.5% for oxide ore, 85.7% for transitional ore and 79.7% for fresh ore.

Competent Persons

Measured Group conducted a review of the 2004 Mineral Resources Estimate (which was completed by ResEval in March 2004) for Adroit Capital Group Management Services Pty Ltd on 28 June 2022 which is part of the PNX ASX release. The work was conducted in order to "restate" the MRE from JORC 2004 to JORC 2012. The competent person was Chris Grove a full time employee of Measured Group Pty Ltd. Measured Group Pty Ltd visited the site in May 2022.

VRM Comment

VRM notes that most of the drilling used for the MRE calculation were from holes drilled prior to 1994 with a small number (not stated but deduced from Figure 14 drilled post 2003 by Arafura and Ark. QA/QC and sampling and analytical information is not as well documented from this earlier work. Measured Group Pty Ltd found the modelling and interpretation was valid and confirmed the ResEval work. VRM considers the MRE is reasonable but notes a lack of documentation from the historical holes which consist of a large portion of the MRE.

3.6.4 Glencoe

The Mineral Resource Estimate at Glencoe is calculated as 427,000 t at 1.32 g/t Au for 18,100 ounces of Measured material, 1,184,000 t at 1.13 g/t Au for 43,000 ounces of Indicated material and 471,000 tonnes at 1.18 g/t Au for 17,800 ounces of Inferred material for a total of 79,000 ounces (ASX: PNX 28 September 2022) (Table 4).

The resource estimation was conducted by Measured Group Pty Ltd and was updated from 2019 and 2021 on the basis of new confirmatory drilling, mapping and surface sampling by PNX. No changes to the total resource occurred from 2019 to 2021 to 2022 but the 77.4% of the resource category was converted to Measured (18,100 ounces, 22.9%) and Indicated (43,000 ounces, 54.5%). The resource was considered to pass the reasonable prospects for eventual economic extraction test due to proximity to other open pits and the fact that it was part of a PFS in 2021.

Table 4: Glencoe Mineral Resources

GLENCOE MINERAL RESOURCES									
Table 6 Glencoe Mineral Resources by JORC Classification as at 29 August 2022.									
ZONE	MEASURED		INDICATED		INFERRED		TOTAL		
	TONNES	Au (g/t)	TONNES	AU (g/t)	TONNES	AU (g/t)	TONNES	AU (g/t)	AU OUNCES
Oxide	14,000	1.18	86,000	1.04	40,000	1.23	140,000	1.11	5,000
Transitional	144,000	1.25	449,000	1.28	107,000	1.18	700,000	1.26	28,300
Fresh	269,000	1.36	649,000	1.04	324,000	1.17	1,242,000	1.14	45,700
Total	427,000	1.32	1,184,000	1.13	471,000	1.18	2,082,000	1.18	79,000

Notes relating to Glencoe Mineral Resources

- Due to effects of rounding, the total may not represent the sum of all components.
- Glencoe Mineral Resources by oxidation zone and JORC classification as at 29 August 2022 (refer to ASX Release dated 30 August 2022).
- Glencoe gold mineralisation estimated using a cut-off grade of 0.7 g/t gold, which is consistent with the assumed open-cut mining method.
- Classification of Mineral Resources incorporates the terms and definitions from the JORC Code.
- The cut-off grade of 0.7 g/t gold is equal with that used for the Fountain Head and Tally Ho Mineral Resource Estimates.

Source: ASX: PNX 6 October 2023

Informing Data

The database for Glencoe at the time of the MRE was 443 drill holes consisting of 367 holes for 12,219.6m of RC drilling and 76 diamond drill holes totalling 3,707.1m (ASX: PNX 30 August 2022). These holes were drilled mostly by Magnum Gold from 1985 to 1987 (310 holes) and 20 holes by Australasia Gold Ltd from around 2008.

Three diamond drillholes for 220m and 4470m of RC drilling in 54 holes were completed by PNX in 2022 with rock density and structural information collected for the oxide and transition zones, with material collected for metallurgical test work. Figure 21 shows the location of PNX holes, the modelled Resource outlines and previous drilling. The resource model comprises mostly of historic holes. It is not documented how many holes intersect the resource model.

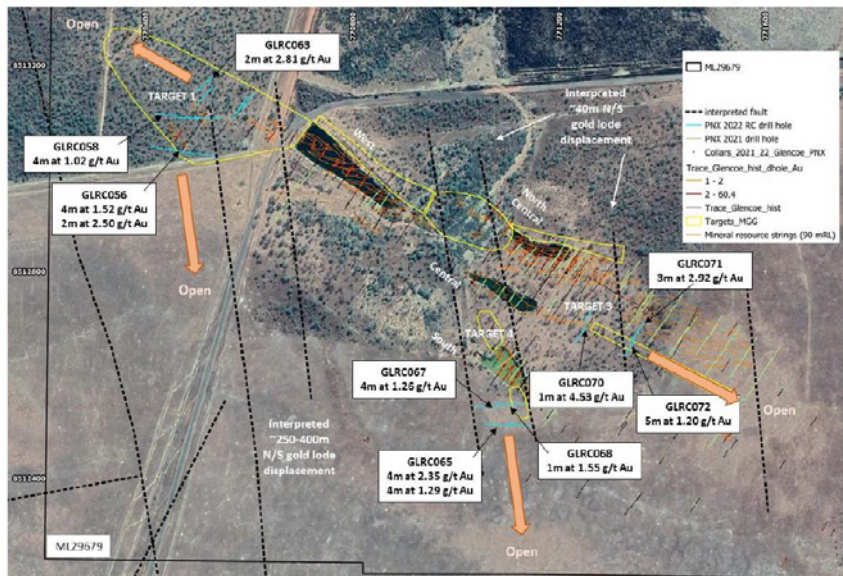


Figure 21: Glencore 2021 and 2022 drilling by PNX, with historic drilling traces and Resource Model outlines

Source ASX: PNX 16 December 2022

Sample Preparation and analysis

All RC samples were collected at 1m intervals and split by riffle splitting reported for Magnum drilling, splitting not reported by others.

Diamond core sampled as half sawn and sampled to geological intervals for Magnum, not recorded for Australasia. No PNX diamond core was drilled.

QA/QC

QA/QC was conducted by PNX including certified reference materials, duplicates and blanks but not the earlier work conducted by Magnum or Australasia.

Bulk Density

A reported 1434 measurements were reported as being available collected as via water displacement and wireline logging. No further information was reported. The JORC Table 1 reports that there is insufficient data to provide a density estimate for each modelled domain and that one "global estimate has been used".

Estimation Methodology

A lower cut-off grade of 0.7 g/t Au was used to determine the resources and 0.3 g/t to constrain geological boundaries. Holes spacing of less than 50m was required for the minimum of Inferred Classification. Estimation was by ordinary kriging. No upper cuts were made to the data.

Metallurgy

PNX in the 2022 MRE statement (ASX: PNX 30 August 2022) make the comment that the material is expected to be amenable to CIL and historical test work supports this assumption, however, no new test work has been announced despite the above statement that metallurgical test work material was collected in 28 April 2021.

VRM notes that the oxide portion of the deposit down to 17m has been previously mined and processed but no recovery data is recorded.

Competent Persons

The Competent Person who signed off on the MRE published on the 20th of August 2022 was Mr Jim Yaxley of Measured Group. In 2022 Mr Jim Yaxley was a full time employee of Measured Group and was a member of the AusIMM.

The MRE was considered to have a basis for economic extraction, based on the fact that previous mining had taken place immediately above the resource.

VRM Comment

VRM has conducted a review of the reasonableness of the Mineral Resource Estimate within the Glencoe Project and has not identified any material areas of concern. The reader is directed to the ASX releases of 30 August 2022 where the Mineral Resources were most recently reported in detail.

VRM notes the MRE calculation relies heavily on historic drilling. PNX RC holes have been drilled to test most of the modelled bodies but the ratio of PNX holes to historic holes remains low.

VRM notes that prior to the PNX drilling in 2022 the MRE was classified entirely as Inferred due to the lack of modern QA/QC controls and robust density measurements (ASX: PNX 14 January 2022).

Further the deposit has limited metallurgical data to inform recovery.

3.6.5 Thunderball Uranium

The drillhole database, which includes 232 drill holes (39 Diamond holes and 193 RC holes) for 31,363m all drilled by Thundelarra from 2008 to 2011. THX calculated a resource (pre JORC 2012) as shown in Figure 22.

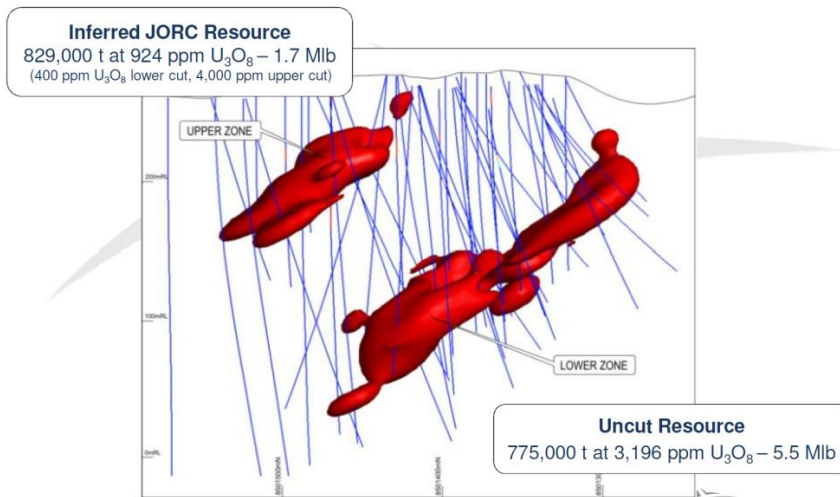


Figure 22: Thunderball image of modelled upper and lower lodes and non-JORC2012 Mineral Resource Estimate.

In the estimation of the previous mineral resource at Thunderball, a top cut of 4,000 ppm (0.4%) U₃O₈ was applied to the higher-grade intercepts due to insufficient drillhole density to determine continuity of the higher-grade zones. Thunderball remains open down plunge along the antiformal hinge and there has been limited exploration to test for repetitions beneath the lower lode.

SRK has conducted a gap analysis of the deposit (ASX: PNX 15 March 2024) and reviewed further drilling which occurred subsequent to the most recent resource calculation by THX. One of the conclusions was that with the additional drilling, a 1000ppm contour and vein modelling could define a tabular zone of mineralisation 0.8 to 11m wide and continuous around 200m long which would increase the grade of the resource.

Based on a relatively detailed understanding of the structural and stratigraphic controls on mineralisation, the previous Mineral Resource Estimate report highlighted the potential for significant uranium mineralisation down-plunge of the current resource and at depth, parallel and beneath the current mineralisation.

No review of the THX resource has been made as it is Pre JORC 2012. The project has been valued as part of the Burnside Regional Project using the Geoscientific Method as a primary method and a PEM method as the secondary method.

3.7 Project Status, Technical and Economic Studies

A PFS published in 2017 (ASX: PNX 12 July 2017) for Hayes Creek described the deposits as having potential to produce a concentrate containing 18,300t zinc, 14,700 ounces gold and 1.4 million ounces of silver annually from a 450,000 tonnes per annum sulphide flotation plant. The average recovery of metals to concentrate over the life of mine is 89.9% zinc, 56.6% gold, 74.4% silver, lead/copper 58.8%.

As part of an updated 2021 PFS (ASX: PNX 17 June 2021), plant, infrastructure and tailings site selection investigations were undertaken to establish a suitable site where the Life of Mine (**LOM**) tailings generated could be stored sub aqueously in an existing void in close proximity to the Project. The preferred site selected was the historic Fountain Head open pit located 11.6 km to the north of Iron Blow. The Fountain Head historic mining void was considered to have sufficient in-pit storage capacity for the projected tailings over the Project LOM and was a sufficiently disturbed area suited to the location of the Plant and associated infrastructure. The site also has good access to existing local infrastructure including power, roads and communication.

PNX's updated PFS in 2021 (ASX: PNX 17 June 2021) envisaged initial mining and processing of gold ore (Stage 1) for a minimum of 5 years at a newly constructed CIL processing plant to be located at Fountain Head with near-surface oxide and free milling gold mineral resources hosted at Fountain Head, Glencoe and Mt Porter totalling 283,200 ounces gold providing the mill feed (refer ASX announcements 16 June 2020 Fountain Head, 29 August 2022 Glencoe, 28 June 2022 Mt Porter) for full details of the Mineral Resource Estimates including JORC tables, and were considered by PNX, capable of being processed through the proposed Fountain Head processing plant. A second (Stage 2) development was to be the addition of a sulphide flotation circuit to treat the Hayes Creek polymetallic material to produce a zinc concentrate and a precious metals concentrate as outlined in an earlier PFS in 2017 (ASX: PNX 12 July 2017).

Permitting applications have been submitted to the Northern Territory government in order to progress operations at Fountain Head. In February 2023 environmental approval was granted for the project and completed the Environmental Impact Statement (EIS) process. Mining Management Plans were subsequently submitted to the NT Department of Industry Tourism and Trade for Fountain Head in May 2023 and Mt Porter in March 2024. Approvals are awaited.

VRM Comment

It is over three years since the most recent of these studies has been published and further new studies would now be required to account for inflation, supply chain pressures and a different commodity price environment. VRM also considers additional technical studies to review and update the resources and to address metallurgical recoveries and data validation for the DFS stage will be required.

3.8 Exploration Potential

A substantial amount of funds was spent by PNX from 2015 to 2023 to add ounces to this project with a variety of deposits explored for extensions and near mine additions. To date there has been minor additions to the resource base, and it is considered that this is the likely scenario if exploration continues.

4. KIN Mineral Assets – Western Australia

KIN's Mineral Assets are located in the Northeastern Goldfields of Western Australia and encompass 820km² of tenure.

4.1 Location and Access

The KIN Mineral Assets lie in the vicinity of Leonora with the flagship project Cardinia (which includes Mertondale) encompassing the gold resources (See Section 4.6), 20km to the north east of Leonora. Leonora is 200km north of Kalgoorlie with road access via the Kalgoorlie to Wiluna Highway. Access to Kalgoorlie is via the Great Eastern Hwy 600km east of Perth or via scheduled commercial flights.

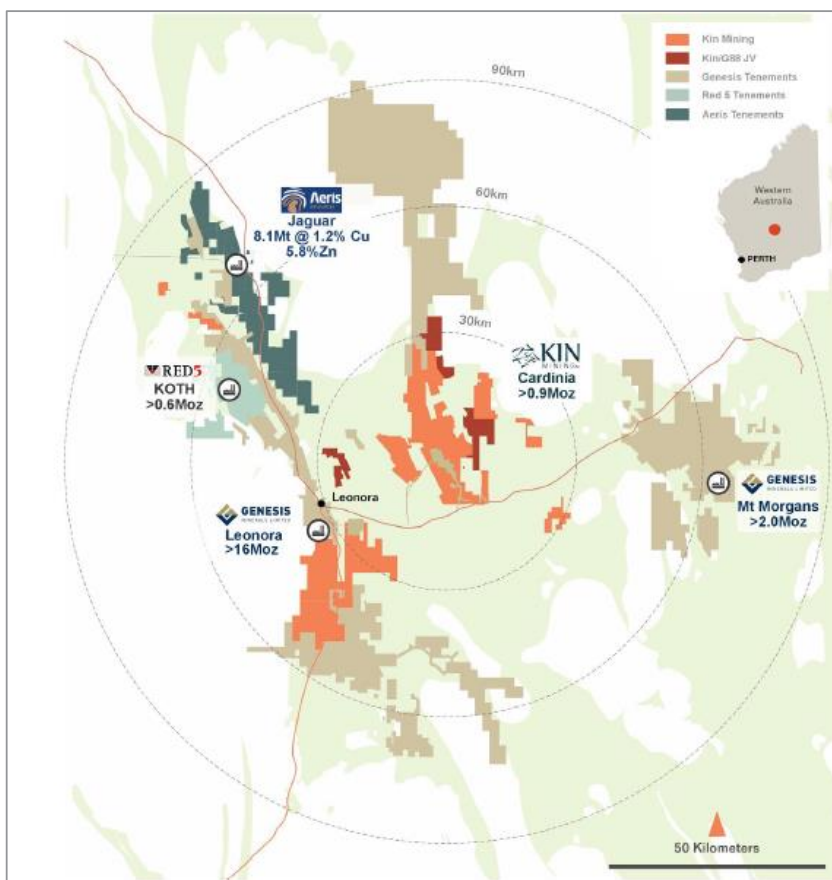


Figure 23: KIN Projects in the Leonora District.

Source: ASX: PNX 3 April 2024

4.2 Regional Geological Setting

The Cardinia and Mertondale projects lie largely within the Minerie 1:100,000 geological map sheet. The Desdemona Project lies immediately south of Leonora, within the Melita and Leonora 1:100,000 geological map sheets.

Hallberg (1985) and others put together the Archean regional geology and tectonics as shown in Figure 24. In the Leonora District the Malcolm and Murrin Greenstone belts consist of a mafic to ultramafic

dominated sequence with an overlying felsic volcanic and volcanoclastic dominated sequence. Of significance in the region is the north west trending Kilkenny Tectonic zone which also contains unconformably overlying conglomerate and sediments known as the Pig Well Yilgangi sequence.

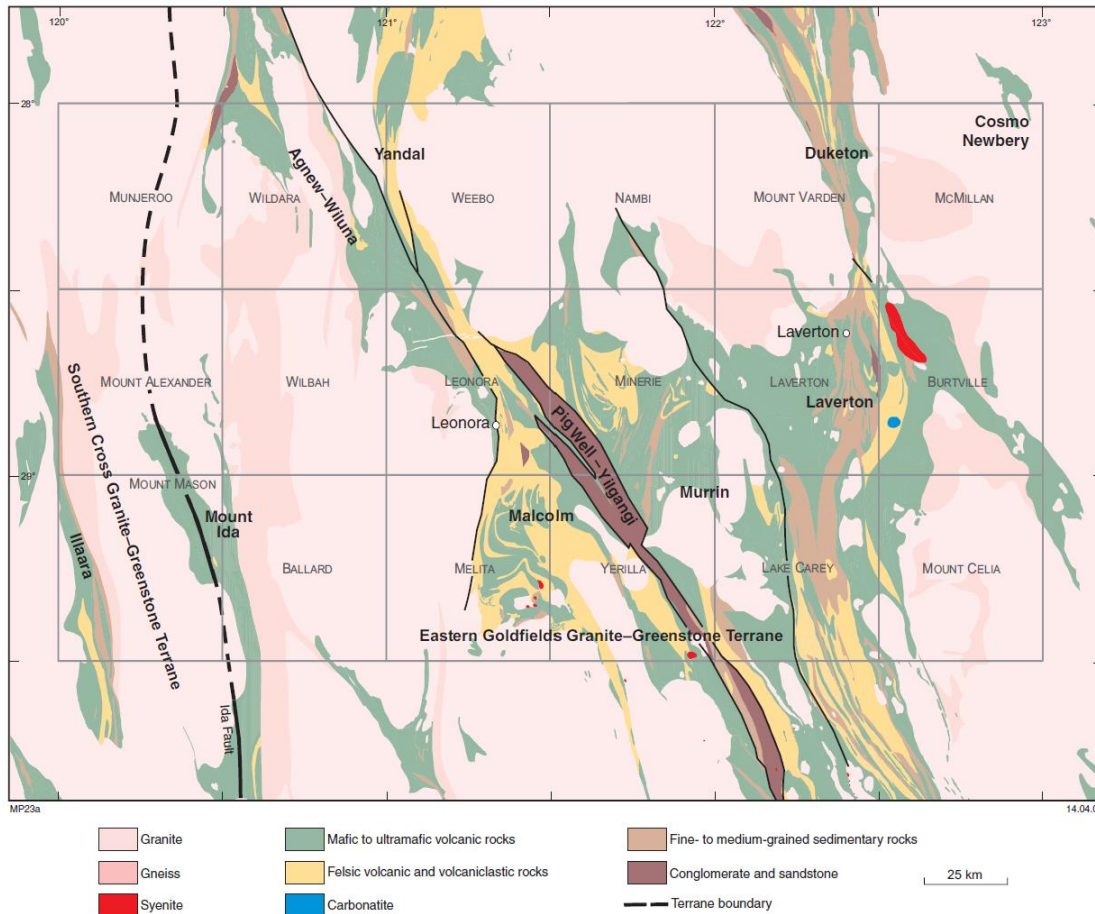


Figure 24: Tectonic units of the Laverton-Leonora region (after Hallberg, 1985, Swager et al, 1995, Swager, 1995, Chen, 1999)

Source: Painter *et al* 2003

The Malcolm Greenstone belt was also defined by Hallberg (1985) as the Keith Kilkenny Tectonic Zone which contained at least four major shear zones such as the Mount George Shear, the Melita Emu Shear and the Yerilla Shear to the west of the Pig Well Yilgangi zone. The belt is considered by many to be the northern extension of the Kurnalpi domain. The belt contains three distinct bimodal and felsic volcanic complexes, the Melita, Jeedamya and Teutonic Bore Complexes. The felsic volcanics are dated between 2680 to 2692Ma with the overlying Pig Well Yilgangi belt dated at a minimum of 2662Ma (Painter *et al* 2003).

East of the Pig Well Yilgangi Belt, the Murrin Greenstone belt contains more abundant mafic to ultramafic rocks and contains layered mafic intrusions and sub-volcanic sills. The Welcome Well intermediate volcanic complex is interpreted as a subaqueous stratovolcano (Giles and Hallberg 1982).

4.3 Local Geology and Mineralisation

Cardinia East

The local geology comprises a suite of north northeast to north trending greenstones. The Mertondale Shear Zone (**MSZ**) a north trending splay off the Kilkenny Tectonic Zone divides the geology with felsic volcanoclastics and sediment sequences in the west and mafic volcanics in the east. Felsic porphyritic intrusions and dykes have intruded the sheared mafic/felsic volcanoclastic/sedimentary sequence and Proterozoic dolerite dykes intrude all rock types.

Within the Cardinia Project area, the stratigraphy consists of intermediate, mafic and felsic volcanic and intrusive lithologies and locally derived epiclastic sediments, which strike north to north west, dipping steep-to-moderately to the west. Structural foliation predominantly dips steeply to the east, but localised inflections are common and structural orientation can vary between moderately (50-75°) easterly to moderately westerly dipping.

The geochemical footprint of the Cardinia area according to KIN (ASX: KIN 16 February 2021) is of a large sulphide alteration system with anomalous gold, silver, arsenic, bismuth, copper, molybdenum, antimony tellurium and zinc over an area of 10km by 5km. Multiple mineralised positions are known associated with faults and porphyry intrusions related to the late stage orogenic gold mineralisation event. Many of these position strike north across stratigraphy as shown in Figure 25.

The mineralisation occurs within sulphidic sediments and cherts and as sulphide replacements in structures. Textures and mineral associations indicate high level or shallow emplacement.

The gold only mineralisation event likely overprints and remobilises VHMS mineralisation developed on multiple favourable stratigraphic horizons, (see Section 4.4.3, 4.5.3 Cardinia East Base Metals).

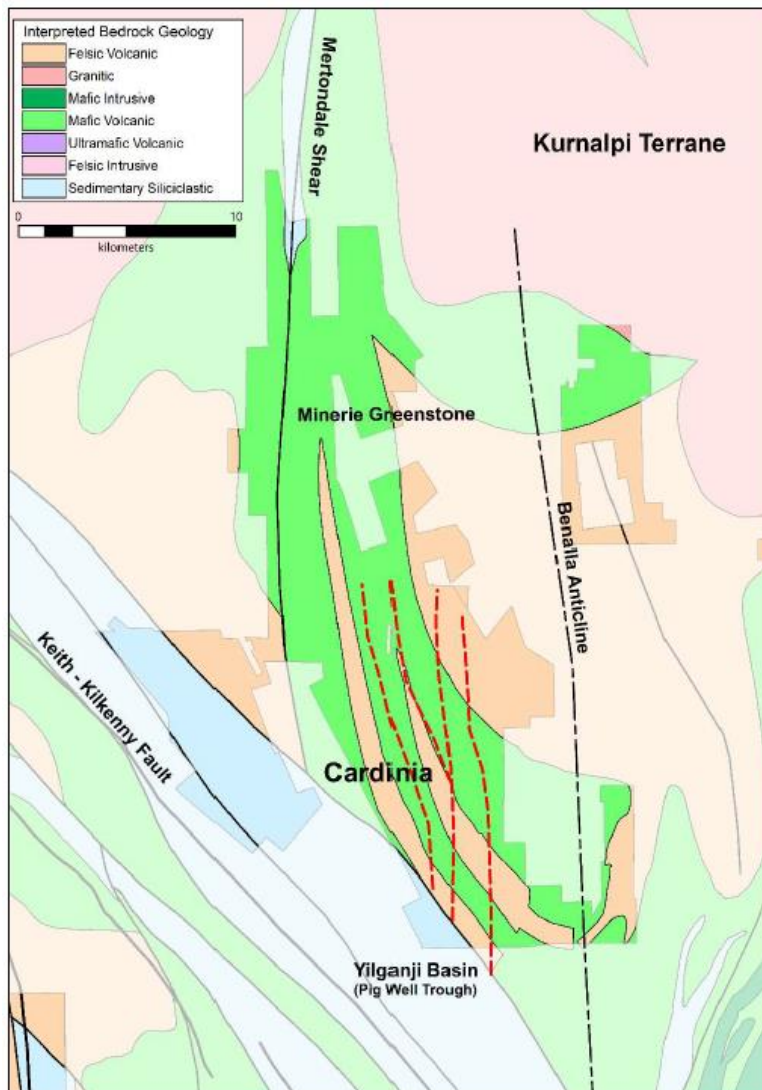


Figure 25: Cardinia and Mertondale Geology showing mineralised structures in red at Cardinia.

Source: ASX: KIN 16 February 2021

Mertondale

Mertondale geology was defined by Hunter Resources in the early 1980s when several deposits were developed and mined as open pits (Nisbet and Williams, 1990). They describe the host geology as fine to medium grained metabasalts which have alteration to albite, chlorite, calcite and leucoxene and are variably deformed.

The mineralisation is constrained within the two bounding shears of the north trending MFZ. They describe two styles of deposit, the Merton's Reward style which contains thin 1m shear parallel lodes of high grade (>30g/t Au) and intershear lodes which are narrow (40cm) and flat lying 0 to 40° to moderately dipping 40° to 60° east to north east dipping veins. The intershear lodes have alteration selvages of pyrite, arsenopyrite and ankerite/siderite which also contain significant gold up to 8 g/t Au and persist up to 40m before truncation by the shear lodes.

All of the deposits are located where the shear zone orientation jogs to the north to northeast from the regional north south trend (Figure 26).

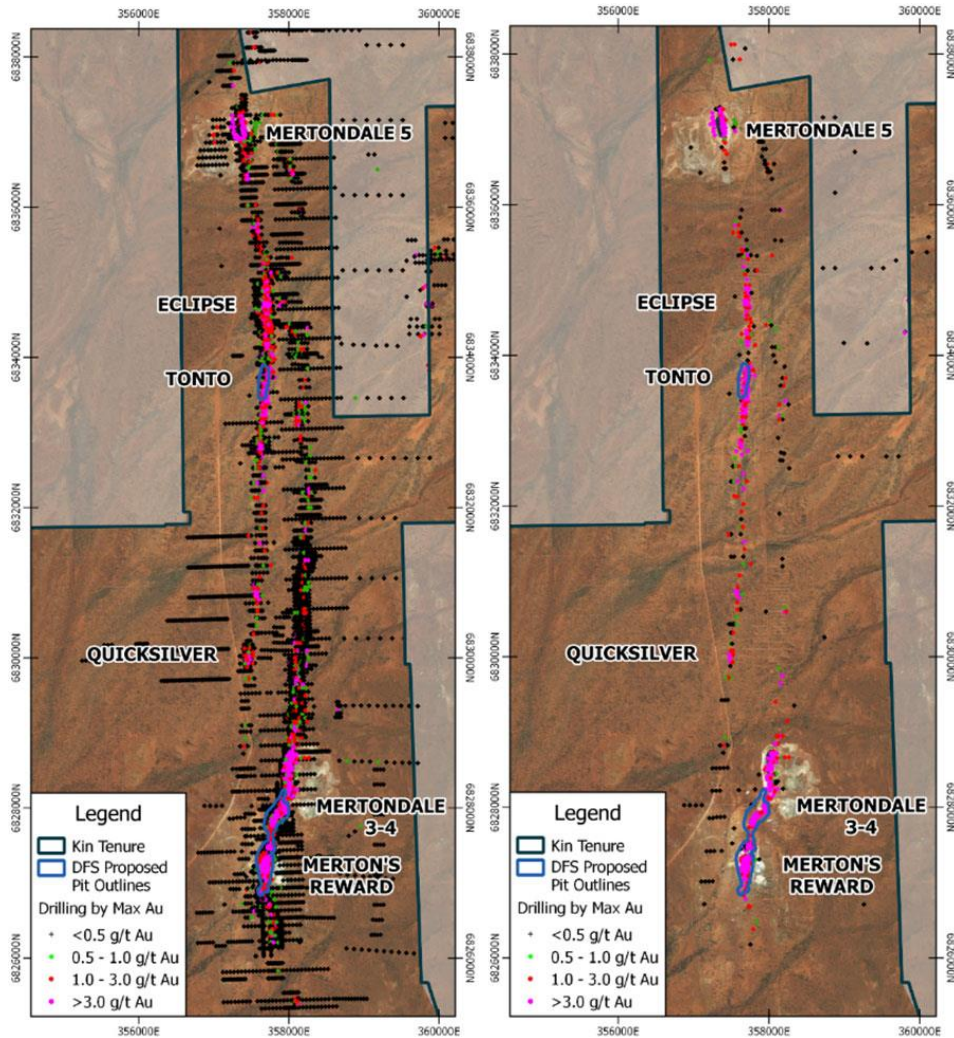


Figure 26: Drilling summary and location of Mertondale Resources. Left image total Drilling, Right image drilling deeper than 100m.

Source: ASX: KIN 21 February 2019

The two distinct north trending mineralised zones within the MSZ are known as the western zone which includes Quicksilver, Tonto, Eclipse and Mertondale 5, while the eastern zone includes the Merton's Reward, Mertondale 2 and Mertondale 3-4 deposits (Figure 26).

Cardinia East Base metals

The Cardinia East geology contains stratigraphic horizons which have demonstrated potential for VHMS mineralisation. This potential was recognised by KIN in their exploration model (ASX: KIN 19 August 2019). The project has emerged with the discovery of mineralisation from the re-assaying of hole IP22DD001 at the Albus prospect which returned from 270.3m, 5.7m at 5.27% Zn, 0.34% Cu, 1.04 g/t Au, 40 g/t Ag and 0.3% Pb (ASX: KIN 8 January 2024).

According to KIN (ASX: KIN 8 January 2024, 29 January 2024), at the time of recognising the VHMS mineralisation in previous drill-hole IP22DD001, a detailed mapping exercise was initiated on the eastern KIN tenements in the Welcome Well area by Model Earth and KIN geologists.

The Viktor horizon was mapped at surface by following a chert horizon which was contained in an outcrop of gossan (named the Viktor Gossan) with zinc (0.1%), antimony (23 ppm), silver (1.6 g/t), copper (408ppm) and lead (95ppm). A review of existing geochemical data highlighted a VHMS signature.

The VHMS signature consists of elements Sn Se As Bi Cu Pb Zn Tl In Cd Sb and a log additive index is calculated in order to visualise the trends. The gold only mineralisation signature is associated with Mo and W and has a very distinct spatial distribution compared to the VHMS signature.

The VHMS signature can be seen at Viktor, Albus and three other VHMS horizons, now called Minerva, Cedric and Luna (Figure 27).

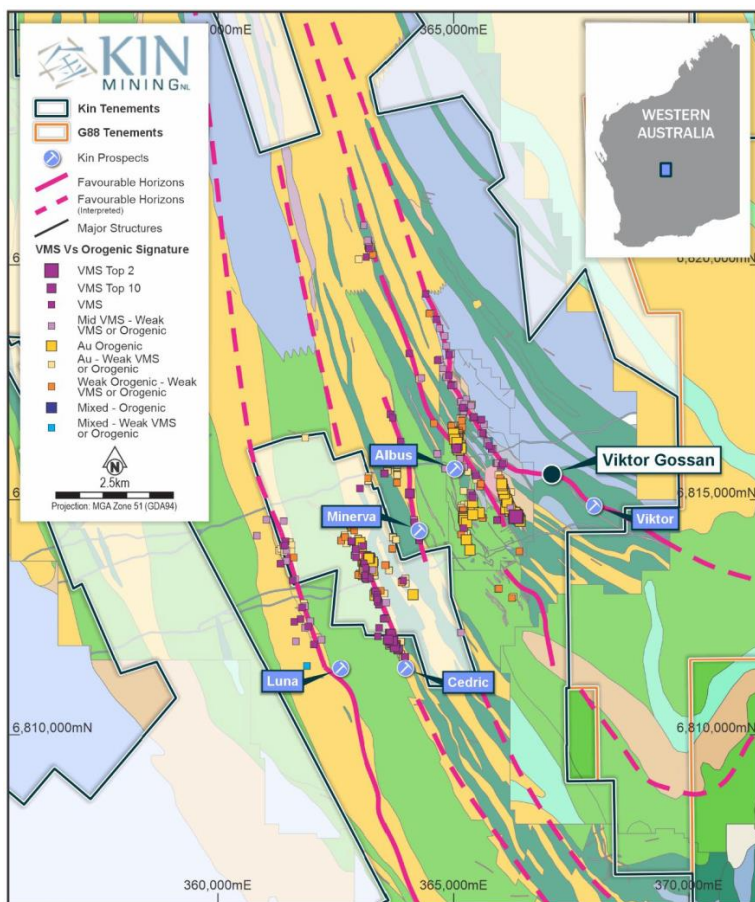


Figure 27: VHMS base metal vs Orogenic gold signature over geology with purple indicating VHMS favourable horizon chemistry and orange indicating orogenic gold signature. Location of Viktor Gossan shown.

Source: ASX: KIN 29 January 2024

Figure 28 shows the location of the Albus Horizon in relation to the existing Gold Projects.

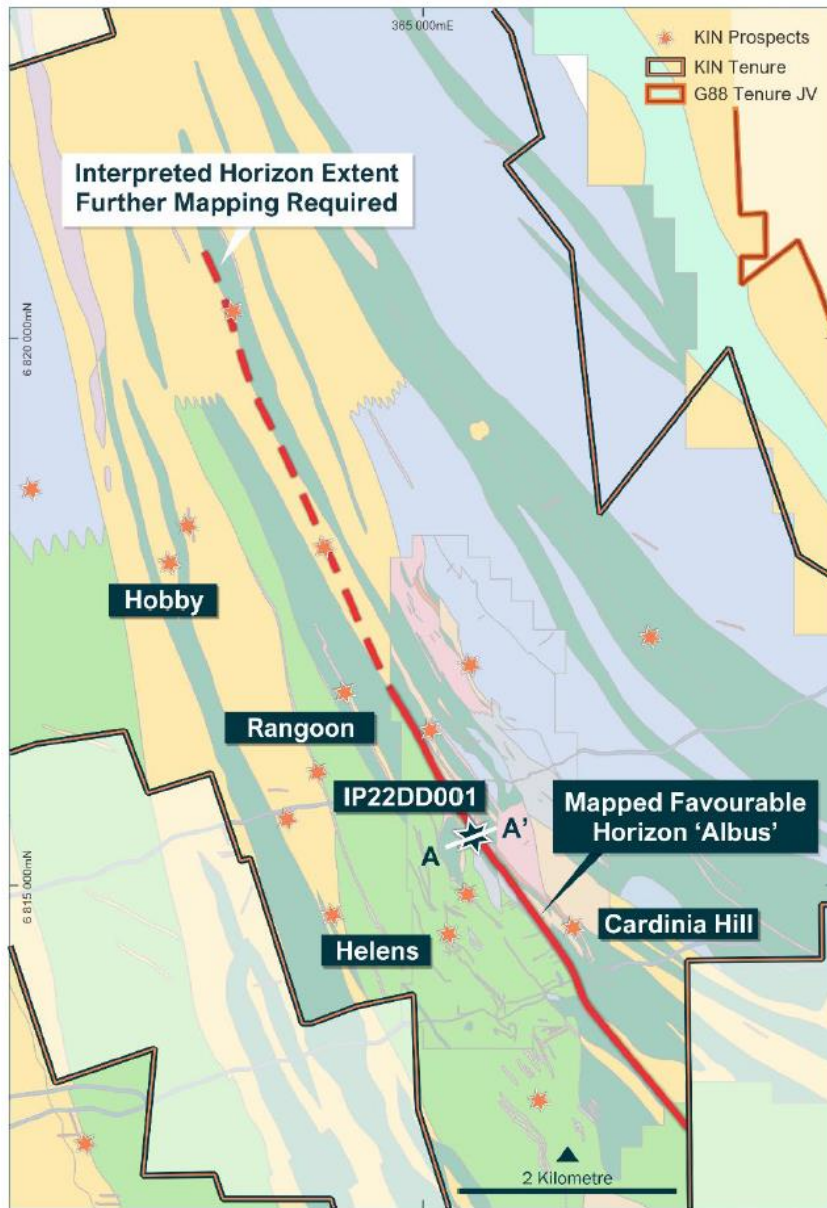


Figure 28: Geology and location of IP22DD001 and the interpreted Albus VHMS horizon. Gold prospects shown as stars.

Source: ASX: KIN 8 January 2024

Figure 29 is a cross section A-A' (see Figure 28 for location) of the base metal drilling results and the location of newly identified down hole EM plates.

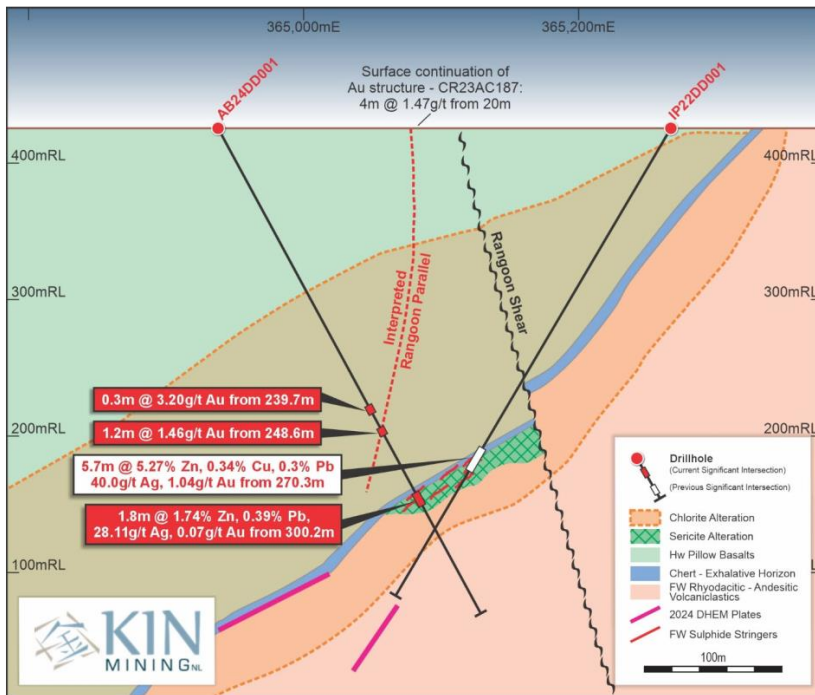


Figure 29: Cross section through the Albus horizon A-A'

Source: ASX: KIN 3 April 2023

Desdemona

Desdemona project north boundary is 10km south of the Gwalia mine and contains the north south trending structural corridor between two major through-going structures, the Gwalia Shear Zone and the Ockerburry Fault (known locally as the Mount George Shear). The stratigraphic succession, from the granitoid margin eastwards, typically consists of ultramafics, high-Mg basalt consistent with Trevor's Bore Formation, grading into undifferentiated mafic volcanics and an intensely sheared, altered, and silicified felsic/sedimentary unit, probably related to the Mount George Shear Zone. The geology east of the Mount George Shear consists of sediments and mafic to felsic volcanics of the Gindalbie Domain.

The northern half of the project area is covered by a veneer of aeolian sands, claypans and kopi dunes overlying thick (15–40m deep) unconsolidated alluvial sands, transported lateritic gravels and lacustrine clays of the Lake Raeside drainage system.

An Archaean sequence of volcaniclastic sediments, quartz-sericite schist, phyllite, greywacke, basalt, minor gabbro, and chert forms a series of low hills in the southern part of the project area. The sequence is intruded in the central part of the area by minor tonalitic and gabbroic intrusive bodies containing quartz-tourmaline veining. The granitoids of the Raeside Batholith lie as a faulted contact immediately west of the project with the Mary Bore intrusive complex in the southwestern corner of the project.

Early exploration activities at Desdemona were hindered by the presence of the widespread transported cover, high water flows and deep clays. Many previous drill programs fail to reach target depth and in several cases bedrock testing could not be achieved. Nonetheless the Project has generated numerous target zones that warrant follow up investigation. The area displays anomalous historical geochemical

soil and drill results over several buried targets scattered over a large area. However, continuity of mineralisation defined to date is limited.

4.4 Previous Mining and Exploration

Previous exploration drilling on KIN projects is summarised in Figure 30.

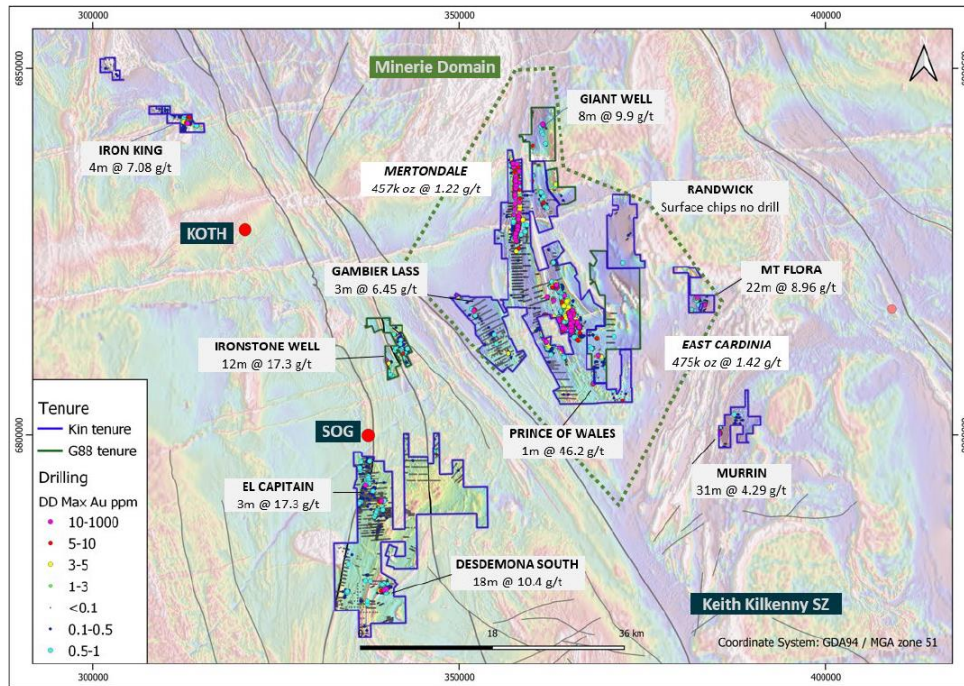


Figure 30: KIN Leonora Tenure showing previous exploration drilling and maximum gold results

Source: ASX: KIN 15 February 2024

4.4.1 Cardinia East

At Cardinia, from 1980-1985, Townson Holdings Pty Ltd mined a small open pit over selected historical workings at the Rangoon prospect.

Companies conducting gold exploration since 1985 and prior to 2014 include: Thames Mining NL 1985; Mt Eden Gold Mines (Aust) NL (also Tarmoola Aust Pty Ltd) 1986-2003; Centenary International Mining Ltd 1986-1988, 1991-1992; Metana Minerals NL 1986-1989; Sons of Gwalia Ltd (SOG) 1989, 1992-2004; Pacmin Mining Corporation 1998-2001, and Navigator 2004-2014.

4.4.2 Mertondale

Table 5 shows gold production which took place at Mertondale with a total of 274,724 ounces produced both at the turn of the 20th century until 1942 at Merton's Reward and from open pits in the 1980s and trial mining by Navigator in 2010.

In 1984 Hunter Resources commenced exploration for gold with the resultant discovery of several open pitable resources (Mertondale 2, 3-4 and 5) which commenced mining in 1986 in joint venture with Harbour Lights where the ore was toll treated.

Table 5: Historical production figures from Mertondale

Mine	Date	Company	Tonnes (t)	Rec. Grade (Au g/t)	Ounces ('000)
Mertondale					
Mertondale 5 Pit	1991	HLJV	385,537	2.60	32,290
Mertondale 3-4 Pit	1986 – 1993	Hunter/HLJV	1,300,000	4.29	179,300
Mertondale 2 Pit	1986 – 1993	Hunter/HLJV	20,000	3.50	2,250
Mertondale 2 Pit	Feb – Jul 2010	NAV	14,000	1.03	460
Mertondale Pits Sub-Total			1,719,537	3.87	214,300
Merton's Reward UG	1899 – 1942	Various	88,891	21.00	60,524
Mertondale Total			1,808,428	4.73	274,724

Source: ASX: KIN 8 April 2014

In 1989, Harbour Lights Mining Ltd acquired the project from Hunter Resources and mining concluded in 1993. SOG then acquired the project until Navigator purchased the property from the liquidators of SOG in 2004.

Navigator held the project from 2004 to 2014 and conducted extensive RC drilling along the strike length of the shear zone and defined the current resources (see Section 4.6.2).

According to release ASX: NAV 9th November 2007, a large part of the prospective Mertondale shear zone is covered by 10-20m of transported Permian sedimentary cover which has limited the effectiveness of soil geochemistry and shallow drilling less than 20m. Early historical drilling was completed on wide spaced reconnaissance lines to set depths of 15 or 30m which terminated in a leached deeply weathered regolith zone of between 50 and 100m. Much of Navigator's drilling was designed to test the MSZ where previous work did not penetrate beneath transported cover or leached insitu regolith.

Limited drilling by KIN has been conducted since 2014.

4.4.3 Cardinia East Base Metals

No previous exploration for base metals has been conducted prior to the current 2024 programs although KIN and others have recognised the style of mineralisation as early as 2019 (ASX: KIN 19 August 2019).

Figure 31 below shows the defined prospective stratigraphic trends which have been defined by undertaking geochemical analysis of drilling and surface geochemistry.

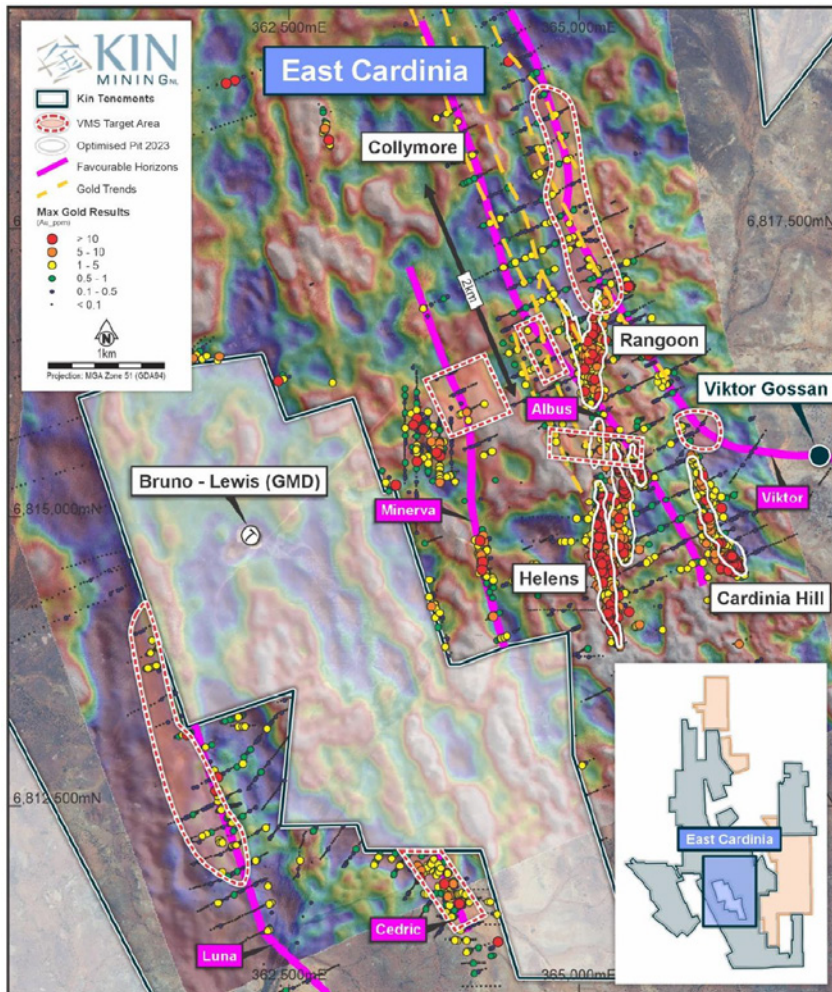


Figure 31: Cardinia East Key VHMS Target areas with Optimised gold pit outlines shown

Source ASX: KIN 3 April 2024

4.4.4 Desdemona

The nearest historical mining occurred 5km southeast of the project area at the Desdemona mining centre, with historical gold production in the period between 1907 and 1936 totalling 7,559oz (Kelly, 1954).

Previous exploration by SOG and KIN highlighted two parallel, gold-prospective north south trending corridors at Gwalia South close to the Mount George Shear Zone on the margin of the Raeside Batholith and at Paradise North, 2km to the east.

The wider project area has been extensively tested with reconnaissance aircore and RAB drilling. Some of this drilling may have had limited effectiveness due to the thickness of the lacustrine cover sequence.

Exploration drilling recorded by tenement holders since the mid-1980s includes Esso, Amoco, City Resources and Sons of Gwalia. From 2011, KIN has held the tenements. During 2019 to 2023 the ground was under two separate joint ventures with Genesis Minerals Ltd (**Genesis**) and SensOre Ltd (Figure 32).

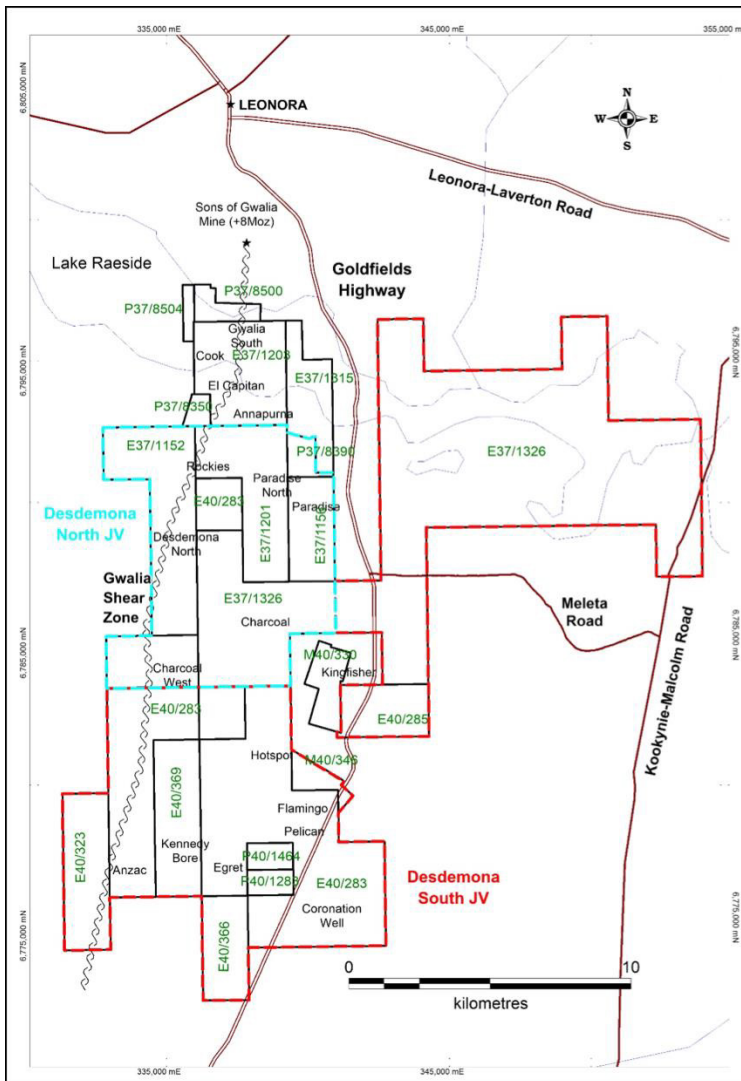


Figure 32: Desdemona Project tenements and Prospects.

Source: kinmining.com.au

Anomalous drill results are associated with the Eastern trend (including Paradise North and Charcoal shear trends) and the Western trend (including Hotspot, Mount George-Annapurna-Charcoal West).

The Annapurna Prospect together with the Gwalia South Prospect is located in the north of the Project (E37/1203). The tenement group covers the southern strike extension of the Gwalia Shear Zone, a highly prospective zone of ductile deformation that extends south from the nearby Sons of Gwalia mine (+8Moz). The northern group of tenements cover the mafic and ultramafic volcanic sequence that host the mine sequence. The same greenstone package encompasses the granite-ultramafic contact that hosts both Tower Hill (1Moz production) and Tarmoola (+2Moz production) mines to the north of Sons of Gwalia.

Historic drilling results at Gwalia South, returned

- 4m @ 1.35g/t Au from 10m to EOH (City Resources) SGR012 – Gwalia mine sequence.

- 3m @ 2.4g/t Au from 60m (Sons of Gwalia) CWA510 in granite.

Further south at Annapurna an intersection in quartz veining on the granite-ultramafic contact returned 4m @ 15.13g/t Au (170-174) including 1m @ 45.83g/t Au (CWC779) together with numerous anomalous aircore and RC drill results.

On the eastern trend, the Paradise North and Paradise anomalies were located in the early 1980s by Amoco and Esso, with diamond and percussion drilling returning best intersections of:

- 18m at 0.86g/t Au, including 6m at 1.28g/t Au from 13m in percussion hole OWP016.
- 18m at 0.42g/t Au from 38m in diamond hole OWD004.

And in the late 1990s by Sons of Gwalia returning

- 12m at 3.57g/t Au from 42m in CWA728
- 6m at 2.18g/t Au from 30m and 18m at 1.45g/t Au from 48m in CWA757: (EOH).

Other numerous gold and nickel-copper-PGE drill targets have been outlined and superficially drill tested and include:

- Kingfisher which returned 1.83m @ 1.14%Ni, 0.77% Cu, 7.96g/t PGE and 1.22g/t Au.
- Cook prospect which returned 10m @ 0.94g/t Au and 3m @ 2.6 g/t Au in granite.
- The Pelican prospect which returned 8m @ 22.48g/t Au from 60m in HWA037 within a zone over one of the two large (+1000m x +200m) gold-in-soil anomalies (Pelican and Flamingo).
- The Hotspot prospect revealed a rock chip sample grading 16.6g/t Au.

Figure 33 shows the density of previous drilling, colour coded for drill depth.

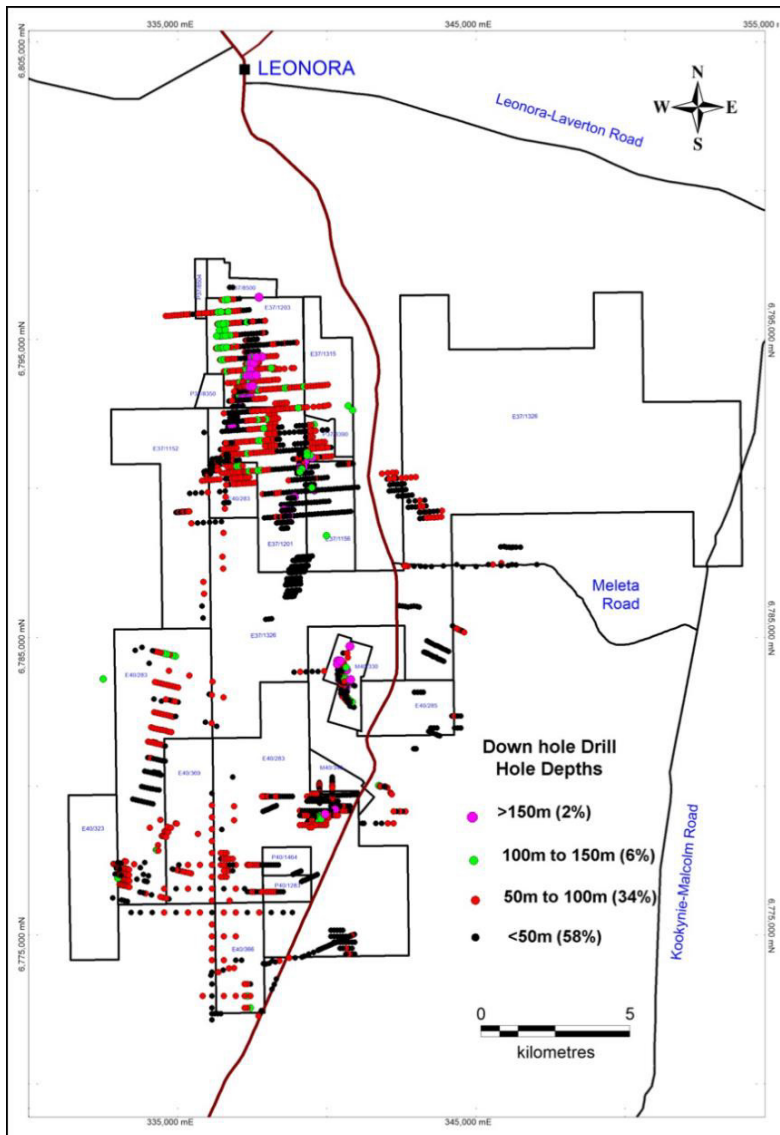


Figure 33: Desdemona Previous Drilling location and depth.

Source: kinmining.com.au

4.5 Current Exploration

4.5.1 Cardinia East

Drilling by KIN in the past ten years has defined several resources which have been optimised into a range of pits known as Cardinia Hill, Helens, Helens East, Rangoon, Fiona and Hobby. These deposits are located on north trending structures which broadly cross cut north west trending stratigraphy.

In 2024, base metal drilling intersected gold mineralisation in the form of small sericite +/- fuchsite altered shears with finely disseminated pyrite, was also intersected in the hanging-wall sequence of Albus, which is considered to be a parallel structure to the Rangoon deposit in the west.

Two ~600m diamond holes were drilled to test the depth potential for high-grade shoots beneath both the Helens and Cardinia Hill gold deposits. Both holes were designed to pierce the projected mineralised gold structures at >200m down-hole, with the aim of identifying a step-change in the potential gold resources and identifying underground grades for an enlarged mineralised system. Assay results were pending at the time of writing the report.

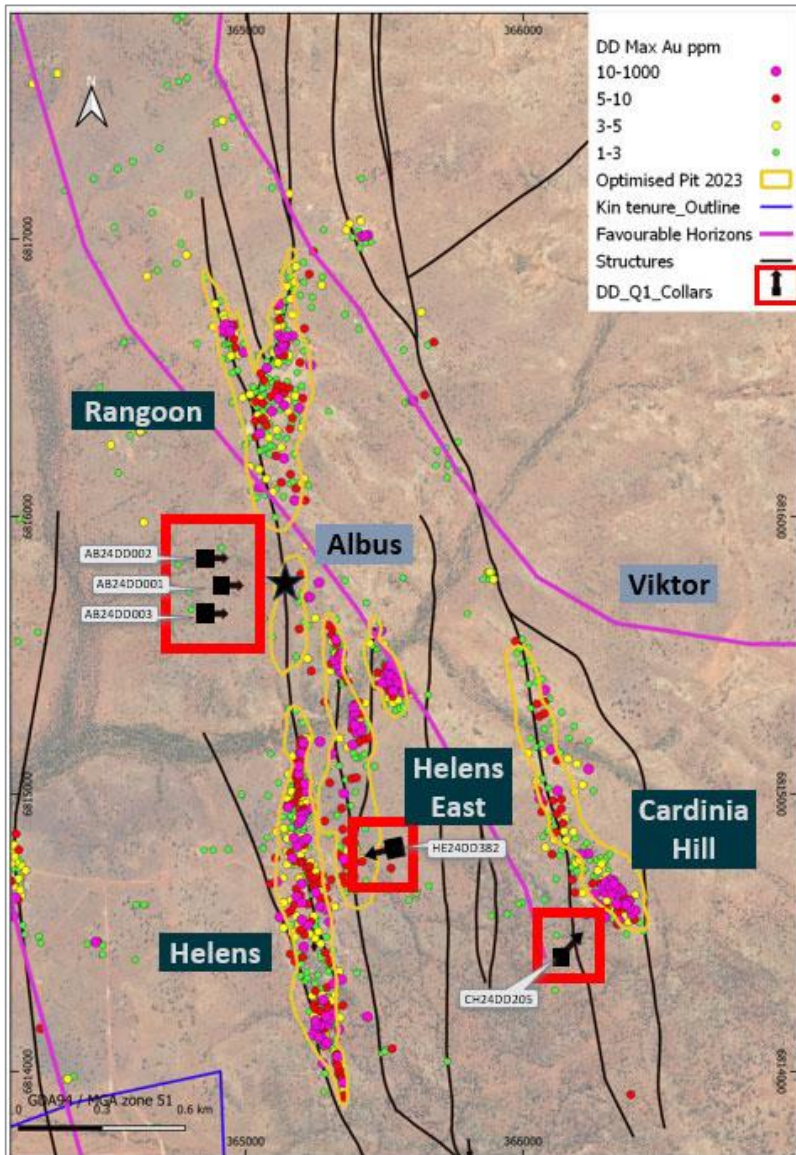


Figure 34: Recent 2024 drilling at Cardinia East gold and base metals projects.

Source: ASX: KIN 3 April 2024

4.5.2 Mertondale

Limited exploration has been conducted by KIN in recent years due to priorities at Cardinia East and the resources have not been substantially modified since the Navigator phase of exploration from 2004 to 2014.

4.5.3 Cardinia East Base Metals

On the 8th of January 2024, KIN reported assay results from re-logging and sampling a diamond hole IP22DD001 drilled in 2022 at the Albus Prospect returning a base metal intercept of:

- IP22DD001 5.7m @ 5.3% Zn, 0.34% Cu, 0.3% Pb, 40g/t Ag, and 1 g.t Au from 270.3m down hole.

Subsequent drilling of three diamond drillholes for around 1500m were conducted in early 2024 to target the Albus VMS mineralisation with a best result of;

- AB24DD001: 1.8m @ 1.74% Zn, 0.01% Cu, 0.39% Pb, 28.11 g/t Ag, 0.07 g/t Au from 300.2m (Figure 34 and Figure 35).

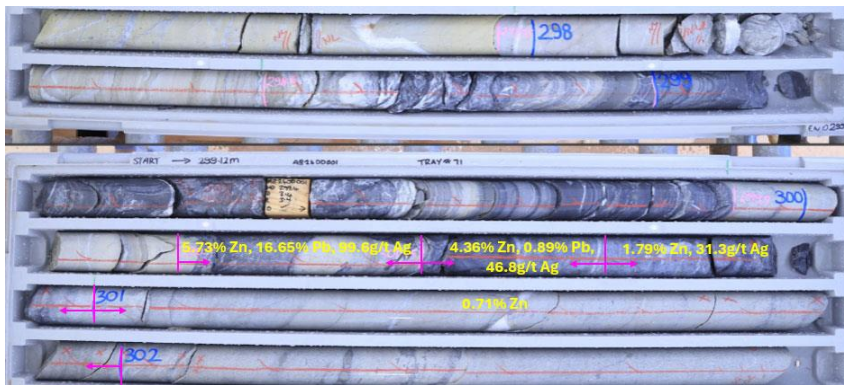


Figure 35: Core photo of the AB24DD001 intercept annotated with assays

Source: ASX: KIN 3 April 2024

Geological mapping indicating that the Albus mineralised horizon sub-crops as a gossan to the south near the Fiona prospect immediately south of Rangoon.

4.5.4 Desdemona

From 2019 until 2023 the tenement holding was under joint venture with SensOre Ltd over the Desdemona North JV and Genesis Minerals Ltd over the Desdemona South JV (ASX: KIN 19 December 2019) 2019 until 2022.

SensOre drilled some deep diamond holes to test conceptual targets which did not return significant gold results. No significant results were reported from Genesis Minerals Ltd.

4.5.5 Regional

Murrin (M39/1121, 1136,1141,279, P39/5112-5113, P39/5176-5180, P39/5861-5864)

At Murrin aircore drilling at reconnaissance spacing (400m) returned broad low levels of gold mineralisation within north trending zones.

Previous work has returned gold intercepts as shown in Figure 36 from work by KIN in 2013 and 2014 (ASX: KIN 2 December 2022) with a peak result of 31m at 4.29 g/t Au (Figure 30).

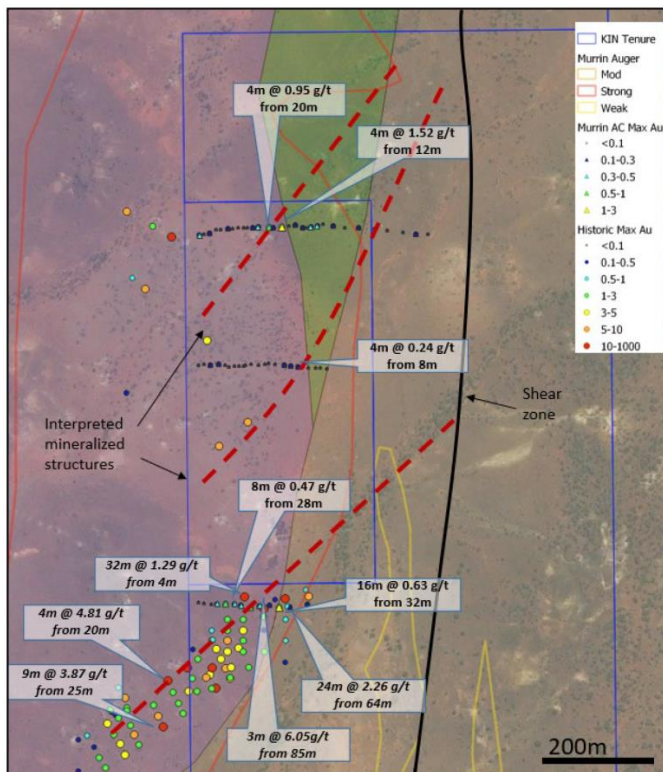


Figure 36: Murrin previous drilling and current aircore results

Source: ASX: KIN 2 December 2022

Randwick (M37/1316, P37/7995-7999, P37/8971-8973, P37/8965-8968, P37/8000-8001)

No previous drilling has been conducted. The tenement group surrounds the old Randwick Mining Centre where the deposit was mined, and heap leached onsite.

Several gold targets have been identified associated with major fault or share intersections and old workings and a paleochannel target is located on P37/7997.

Iron King/Mt Fouracre (E37/1134, P37/8359, P37/9612 M37/1327, M37/1364A)

Iron King is 45km north of Leonora and contains the historically mined Iron King open pit which produced 5,600 ounces from 20,000 tonnes at 9 g/t Au. The project has been held by KIN since its IPO listing in 2013.

Previous Aircore drilling by KIN in 2020 returned up to 4m at 7.08 g/t Au in a parallel north west trending structure at the Axford prospect.

Mt Fouracre is a Nickel sulphide target 2km west of the Marriotts Nickel sulphide deposit discovered by WMC in the 1970s. Mineralisation is located within the basal contact of the Mt Clifford ultramafic unit.

Mt Flora (M39/1118, P39/5859-5860)

Drilling by KIN in 2022 (ASX: KIN 23 March 2022) returned thin high grade intersections such as MF21RC003, 1m at 25.5 g/t Au from 86m and broader low grade intersections such as MF21RC017, 18m at 1.57 g/t Au from 119m and MF21RC026, 22m at 0.86 g/t Au from 102m. Mineralisation is described as

associated with quartz scheelite veining with sulphide and biotite silica alteration within east dipping north striking lodes off the north east trending Federation Fault. These holes were drilled up dip from diamond hole MF21DD001 which returned 5.3m at 6.49 g/t Au from 188.3m (Figure 37).

Previous drilling highlights of 22m at 8.96 g/t Au (KIN 4 June 2021) are related to the base of saprolite oxide interface which is interpreted as broadly horizontal following that interface.

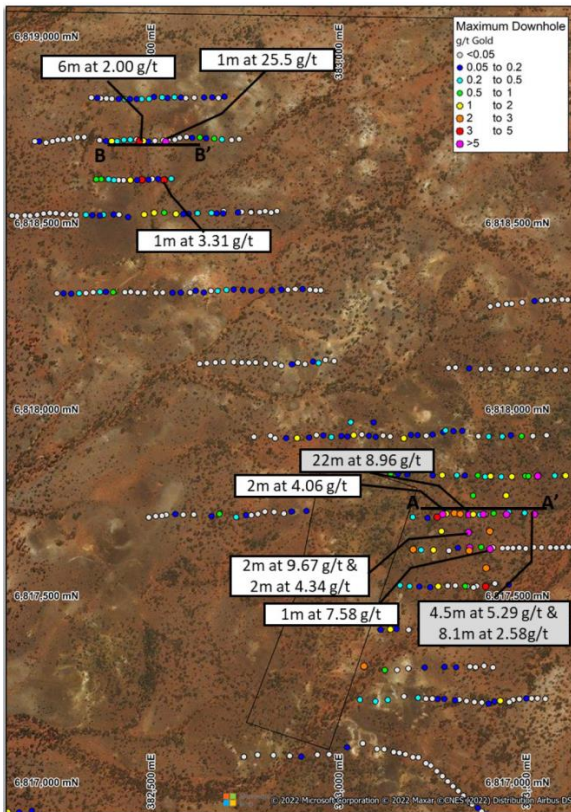


Figure 37: Mt Flora Drilling locations, significant results and drillhole maximum gold downhole.

Source: ASX: KIN 23 March 2022

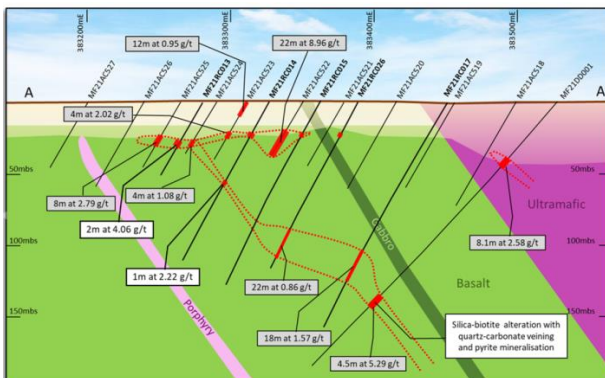


Figure 38: Mt Flora cross section A-A'

Source: ASX: KIN 23 March 2022

G88 Leonora Joint Venture

The Leonora Joint Venture is a joint venture over 141km² of tenements located east of the Leonora mining Centre. KIN is earning 80% equity from Golden Mile Resources (ASX: **G88**). Figure 30 shows previous exploration of the ground and some significant historical results such as 12m at 17.3 g/t Au from Ironstone Well and 8m at 9.9 g/t Au at Giant Well.

4.6 Mineral Resource Estimates (MRE)

Following the divestment of selected assets to Genesis (**GMD**) in February 2024, two major resource areas are held by KIN, the East Cardinia Gold Deposits and the Mertondale Gold Deposits around 15km to the northwest of Cardinia (Figure 23), which contain a total of twelve (12) Mineral Resource Estimates (Table 6), plus associated underground Mineral Resources.

As required by the VALMIN Code, Clause 4.1, VRM is required to undertake an assessment of the reasonableness of the inputs into our valuation. This review has been limited to publicly available ASX releases, and the following reports which were provided to VRM by KIN:

- Carras Mining Pty Ltd, 2017. Section 1 Part A.1 Mertondale Project Area – Mertondale 5, Quicksilver, Eclipse. Resources reported in accordance with JORC 2021 Resource Estimation. Technical Report for Kin Mining NL dated September 2017. (Missing appendices)
- Cube Consulting, 2021. Resource Estimate for Cardinia Hill. Technical Memo for Kin Mining NL, dated 25 January 2021.
- Cube Consulting, 2021. Updated Mineral Resource Estimate for Hobby. Technical Memo for Kin Mining NL, dated 16 May 2021.
- Cube Consulting, 2021. Updating Mineral Resource Estimate for Cardinia Hill. Technical Memo for Kin Mining NL, dated 20 September 2021.
- IMO, 2019. Lewis, Helens, Mertondale & Mertondale 5 Pre-Feasibility Study. Report by Independent Metallurgical Operations Pty Ltd (IMO) for KIN Mining dated June 2019.
- Kin Mining NL, 2017. Leonora Gold Project Definitive Feasibility Study 2017. Chapter 5 – Database, Geological Modelling & Mineral Resource Estimate. Draft Report prepared by Carras Mining dated 14 September 2017.
- Kin Mining NL, 2018. Mertondale East Resource update: Model Report December 2018. Internal Report by KIN Mining NL.
- Kin Mining NL, 2019. Mertondale 5 Resource Update: Model Report May 2019. Internal report by KIN Mining NL.
- Kin Mining NL, 2019. Cardinia Gold Project Pre-Feasibility Study 2017. Chapter – Metallurgy. Report prepared by Kin Mining dated 3 July 2019.
- Kin Mining NL, 2022. Resource Optimisation Calculations. Memorandum by KIN Mining NL dated 1 September 2022.
- Palaris Australia Pty Ltd, 2023. Resource Estimation Report DRAFT – Helens Rangoon System. Technical report by Palaris Australia Pty Ltd for Kin Mining NL, dated 25 July 2023.

In addition to the above reports, KIN provided to VRM several “model handover notes” and “resource estimation” spreadsheets for some models.



Reports pertaining to the following Mineral Resource Estimates were not provided to VRM:

- Resource report relating to the Tonto, Eclipse, and Quicksilver Mineral Resource Estimation in 2020 (ASX Announcement dated 22 December 2020).

VRM has reviewed these documents to make an assessment of the reasonableness of the Mineral Resource estimates. Some of the reports provided to VRM were either unsigned or in draft format.

VRM has not verified the underlying geological databases or completed a full review of the East Cardinia and Mertondale Mineral Resource Estimates and all associated input data and macro processes used. The resource models have not been loaded or re-reported by VRM. A complete and detailed due diligence of the technical data has not been undertaken by VRM as part of this high-level review.

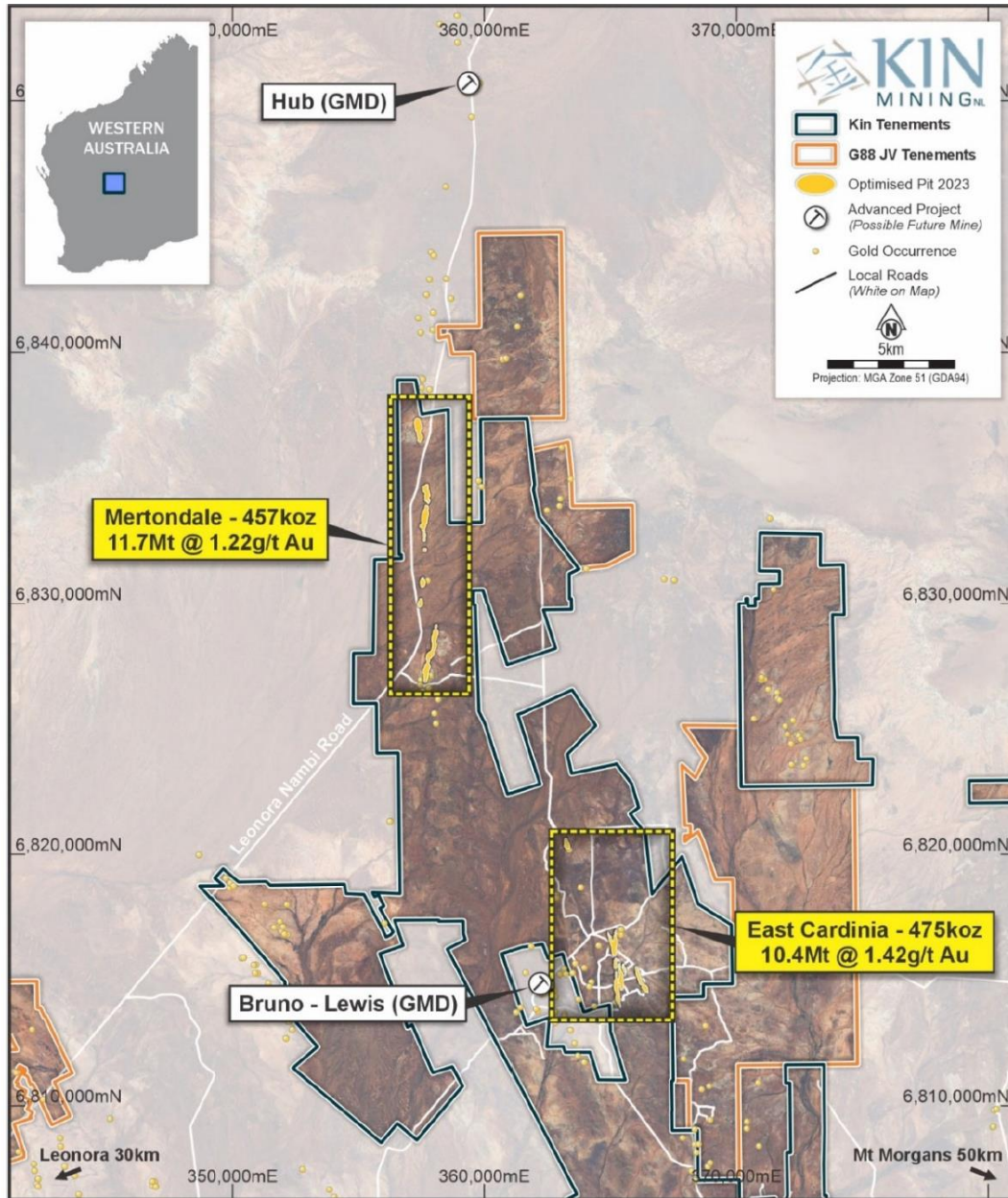


Figure 39: Location of Cardinia East and Mertondale Gold Deposits.

Source: ASX: KIN 3 April 2024

Table 6: KIN Cardinia East and Mertondale Gold Mineral Resource Estimates

Cardinia East and Mertondale: Mineral Resources: September 2023															
Project Area	Resource Gold Price (AUD)	Lower Cut off (g/t Au)	Measured			Indicated			Inferred			Total Resources			Date Announced
			Tonnes (Mt)	Au (g/t Au)	Au (k Oz)	Tonnes (Mt)	Au (g/t Au)	Au (k Oz)	Tonnes (Mt)	Au (g/t Au)	Au (k Oz)	Tonnes (Mt)	Au (g/t Au)	Au (k Oz)	
Mertondale															
Mertons Reward	\$ 2,600	0.4				0.9	2.1	62	2.0	0.6	41	2.9	1.11	103	26-Nov-20
Mertondale 3-4	\$ 2,600	0.4				1.3	1.8	80	1.0	1.0	32	2.4	1.46	112	26-Nov-20
Tonto	\$ 2,600	0.4				1.9	1.1	68	1.1	1.2	45	3.0	1.17	113	26-Nov-20
Mertondale 5	\$ 2,600	0.4				0.5	1.6	27	0.9	1.2	34	1.4	1.35	62	26-Nov-20
Eclipse	\$ 2,600	0.4							0.8	1.0	24	0.8	0.97	24	26-Nov-20
Quicksilver	\$ 2,600	0.4							1.2	1.1	42	1.2	1.08	42	26-Nov-20
Mertondale Underground		2.0				0.0	2.4	1	0.0	2.7	1	0.0	2.55	1	18-Oct-22
Subtotal Mertondale						4.6	1.6	237	7.0	1.0	220	11.7	1.22	457	
Cardinia East															
Helens	\$ 2,600	0.4				1.4	1.5	64	1.3	1.4	57	2.7	1.41	121	26-Jun-23
Helens East	\$ 2,600	0.4				0.4	1.7	24	1.0	1.5	46	1.4	1.57	70	26-Jun-23
Fiona	\$ 2,600	0.4				0.2	1.3	10	0.1	1.1	3	0.3	1.25	13	26-Jun-23
Rangoon	\$ 2,600	0.4				1.3	1.3	56	1.5	1.3	65	2.8	1.32	121	26-Jun-23
Hobby	\$ 2,600	0.4				0.0	0.0	0	0.6	1.3	23	0.6	1.26	23	17-May-21
Cardinia Hill	\$ 2,600	0.4				0.5	2.2	38	1.6	1.1	59	2.2	1.38	97	26-Jun-23
Cardinia Underground		2.0	0.002	3.0	0.2	0.0	2.6	1	0.4	2.4	29	0.4	2.41	29	18-Oct-22
Subtotal Cardinia East			0.002	3.0	0.2	3.9	1.5	193	6.4	1.4	282	10.4	1.42	475	
TOTAL			0.002	2.97	0.2	8.6	1.56	430	13.5	1.16	501	22.1	1.31	932	

Source ASX: KIN 3 July 2023

Cardinia Gold project Mineral Resource estimate. Mineral Resources estimated by Jamie Logan and reported in accordance with JORC 2012 using a 0.4 g/t Au cut-off within AUD\$2,600 optimisation shells. Underground Resources are reported using a 2.0 g/t cut-off grade outside AUD\$2,600 optimisation shells. Note *Cardinia Hill and Hobby Resource Estimates completed by Cube Consulting, and also reported in accordance with JORC 2012 using a 0.4 g/t Au cut-off within AUD\$2,600 optimisation shells.

The information in Table 6 above was extracted from the KIN ASX Announcement dated 9 February 2024. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original ASX market announcement dated 3 July 2023 (*Cardinia Gold Project Mineral Resource Passes 1.5Moz*), and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

4.6.1 Cardinia East

The Cardinia East Gold Project consists of six (6) MRE's (plus associated underground resources) totalling 10.4 Mt at 1.42 g/t Au for 475,000 ounces of Measured, Indicated and Inferred Mineral Resources (Table 6)

Helens Rangoon System

The Helens Rangoon system consist of four (4) main resource areas, Rangoon, Helens, Helens East, and Fiona which were last estimated in July 2023 by Palaris Australia Pty Ltd (**Palaris**) (Table 6). The Rangoon, Helens, and Fiona MRE's were previously estimated between 2019 and 2022.

The Helens and Rangoon MRE's were previously interpreted to not be continuous due to a 600 m separation gap. However, the 2023 drilling demonstrated that the mineralised structures are part of a larger system centred on the main Helen and Rangoon lodes. The 2023 MRE update has extended the Helens mineralisation to the north, and the Rangoon mineralisation to the south based on an additional 1,556 m of RC drilling, and 391 m of diamond drilling. The Maiden Helens East MRE includes two (2) of the three (3) mineralised zones that were previously grouped with the Fiona deposit.

Only diamond holes, RC holes, and RC holes with diamond tails have been used in the MRE's. All Aircore and RAB holes were omitted. In total 1,128 drillholes across the four (4) project areas were in the September 2023 MRE process. Of which 34% were drilled in the late 1980's and early 1990's and have "calculated" or projected collar locations.

QAQC results of the 2022 and 2023 drilling was summarised in the Palaris 2023 MRE Report. Overall, these results are considered acceptable. QAQC results for pre-2022 drilling was not provided.

Mineralisation domains were generated in Leapfrog Geo using the vein implicit modelling tool based on a lower cut-off grade of 0.4 g/t Au which resulted in 20 mineralised lodes at Rangoon, 25 at Helens, eight (8) at Fiona, and 14 at Helens East. The lower cut-off used was consistent with previous MRE's but is not supported statistically.

Samples were composited to 1m and top-cuts were applied on a domain basis. Top-cuts ranged from 7 to 12 g/t Au for higher grade domains, and 2 to 4 g/t Au for lower grade domains.

Grades were interpolated using Ordinary Kriging (**OK**) into a block model with a parent block size of 5 mX by 10 mY by 5 mZ and sub-celled down to 0.5 mX by 0.5 mY by 0.5 mZ. Parent block sizes were based on Kriging Neighbourhood Analysis (**KNA**) of the largest domains (by sample number) at Helens and Rangoon. Search orientations were controlled by Dynamic Anisotropy (**DA**).

A comparison between declustered cut composite mean grades and estimated block grades (on a domain basis) illustrated that 15 domains (out of 63 domains) across the four (4) deposit areas had differences of greater than +/-10%. In general, estimated domains with pronounced differences of +/-10% are related to poorly informed estimated regions. Swath plots of four (4) domains were available within the provided report (Palaris 2023), which illustrate some smoothing of grades, which is not uncommon in gold deposits of this style.

Density values were assigned to the model based on weathering domains (i.e. oxide, transitional, and fresh) based on averages from 605 bulk density measurements across the four (4) resource areas.

Processing recoveries were assumed to be 95% for all material types. Metallurgical assumptions were based on 2019 PFS level test work at other Cardinia deposits.

Hobby

The Hobby MRE was updated in 2021 by Cube Consulting (**Cube**), and the resource was re-reported in 2022 (KIN ASX Announcement dated 23 September 2022) using reoptimized pit shells. The Hobby MRE is currently reported at 0.6 Mt at 1.26 g/t Au of Inferred Mineral Resources for a total of 23,000 ounces (Table 7).

The Hobby geological modelling was based on 274 drillholes, including 162 RAB, 20 AC, 70 RC, and 2 diamond drillholes. Mineralisation domains were interpreted by KIN and reviewed by Cube and a minimum width of 2 m was applied to all mineralised domain interpretations. All drillholes (including AC) were used to guide the interpretation of mineralised lodes, but the MRE was based on RC and diamond drillholes only because the AC holes do not have downhole surveys.

Samples were composited to 1m using a "best fit" methodology, and top-cuts were applied to domains with high CV. Top-cuts ranged from 5 to 12 g/t Au. Grades were interpolated using Ordinary Kriging into a block model with a parent block size of 20 mX by 20 mY by 5 mZ with sub-celling down to 1.25 mX by 1.25 mY by 1.25 mZ.

A comparison between declustered cut composite mean grades and estimated block grades (on a domain basis) illustrated that three (3) of the four (4) domains estimated in the MRE had % differences of +/- 10%. In general, estimated domains with pronounced differences of +/-10% are related to poorly informed estimated regions. This is highlighted by the swath plots within the provided report which illustrate smoothing of grades, which is not uncommon in gold deposits of this style.

Cardinia Hill

The Cardinia Hill MRE was updated in 2021 by Cube. The resource was re-reported in 2022 (KIN ASX Announcement dated 23 September 2022) using reoptimized pit shells. The Cardinia Hill MRE is currently reported at 2.2 Mt at 1.38 g/t Au of Indicated and Inferred Mineral Resources for a total of 97,000 ounces (Table 7).

Mineralisation domains were interpreted by KIN and reviewed by Cube. The Cardinia Hill geological modelling was based on 457 drillholes, which includes, RC, DD, and AC hole types. However, due to low precision in collar pick-ups and lack of downhole surveys, the AC holes were excluded from the estimation. The historic RC holes were also excluded from the estimation as their precise location is uncertain, and they do not agree spatially with recent drilling. The MRE was based on a total of 22,800 m from 148 RC drillholes, 34 diamond drillholes, and 1 RC drillhole with a diamond tail.

Samples were composited to 1m using a "best fit" methodology, and top-cuts ranged from 1.2 to 30 g/t Au. Gold (and silver) grades were interpolated using Ordinary Kriging into a block model with a parent block size of 10 mX by 10 mY by 5 mZ with sub-celling down to 1.25 mX by 1.25 mY by 1.25 mZ.

Density values were assigned to the model based on weathering domains (i.e. oxide, transitional, and fresh) based on averages from 440 bulk density measurements. The majority (96%) of measurements collected were from fresh material types.

When comparing declustered cut composite mean grades and estimated block grades (on a domain basis), only one (1) of the nine (9) domains estimated in the MRE had a % difference of +/-10%, which was due to a lack of close spaced data to create a better estimate.

Cardinia Underground

Maiden underground resources were first reported in September 2021 and included the Cardinia Hill MRE reported outside the optimised pit shell and above a 2.0 g/t Au cut-off grade.

Underground resources were reported for the other Cardinia Projects in 2022 by reporting existing MRE's outside of the optimised pit shells and above a 2.0 g/t Au cut-off grade.

Cardinia Underground resources are reported collectively in Table 7 and include the combined Helens, Fiona, Rangoon, and Cardinia Hill MRE's outside of the optimised pit shells and above a 2.0 g/t Au cut-off grade.

4.6.2 Mertondale

The Mertondale Gold Project consists of six (6) MRE's (plus associated underground resources) totalling 11.7 Mt at 1.22 g/t Au for 457,000 ounces of Indicated and Inferred Mineral Resources (Table 6).

Mertondale West

The Mertondale West MRE, which includes the Quicksilver, Tonto, and Eclipse deposits, was updated in 2020 by Jamie Logan of KIN. The resource was re-reported in 2022 (KIN ASX Announcement dated 23

September 2022) using reoptimized pit shells. The Quicksilver Mineral Resource contains 1.2 Mt at 1.08 g/t Au of Inferred Mineral Resources for a total of 42,000 ounces, the Tonto Mineral Resource contains 3.0 Mt at 1.17 g/t Au of Indicated and Inferred Mineral Resources for a total of 113,000 ounces, and the Eclipse Mineral Resource contains 0.8 Mt at 0.97 g/t Au of Inferred Mineral Resources for a total of 24,000 ounces (Table 7).

Only RC and diamond drillhole data was used in the Quicksilver MRE, while AC data was used in the Eclipse MRE.

Mineralisation domains were generated using a categorical indicator approach using a 0.4 g/t indicator value and a threshold of 0.45. Samples were composited to 1 m, and a top-cut pf 9 g/t Au was applied to all three (3) deposits. Grades were interpolated using Ordinary Kriging with a dynamic anisotropy search into a block model with a parent block size of 5 mX by 5 mY by 5 mZ.

The KIN ASX Announcement dated 22 December 2020 states that processing recoveries were assumed to be 95% for all material types in one section of Table 1 (page 76), and states 100% in another section of Table 1 (page 76).

The MRE report for the 2020 MRE update was not provided to VRM.

Mertondale 5

The Mertondale 5 MRE was estimated in 2019 by Jamie Logan of KIN. The resource was re-reported in 2022 (KIN ASX Announcement dated 23 September 2022) using reoptimized pit shells. The Mertondale MRE contains 1.4 Mt at 1.35 g/t Au of Indicated and Inferred Mineral Resources for a total of 62,000 ounces (Table 6).

Only RC and diamond drillhole data was used in the MRE.

Mineralisation domains were generated using a categorical indicator approach using a 0.3 g/t indicator value for 'low grade', and a 5.0 g/t indicator value for 'high grade'. Samples were composited to 1 m, and a top-cut pf 5 g/t Au was applied to all low-grade domains, and 25 g/t for high-grade domains. Post top-cutting, CVs ranged from 1.2 to 2.3. Grades were interpolated using Ordinary Kriging into a block model with a parent block size of 5 mX by 10 mY by 10 mZ.

Results of the comparison between declustered cut composite mean grades and estimated block grades (on a domain basis) were reasonable, the low-grade domain had a difference of 11.95%, and the high-grade domain, -3.5%. The swath plots within the provided report illustrate smoothing of grades, which is not uncommon in gold deposits of this style.

Merton's Reward

The Merton's Reward MRE was last estimated in 2019 by Jamie Logan of KIN. The resource was re-reported in 2020 using a decrease in cut-off grade (0.5 g/t Au to 0.4 g/t Au), and an increased gold price (A\$2,600) which pushed the optimal shell deeper (KIN ASX Announcement dated 22 December 2020) and re-reported again in 2022 (KIN ASX Announcement dated 23 September 2022) using reoptimized pit shells. The Merton's Reward MRE is currently reported at 2.9 Mt at 1.11 g/t Au of Indicated and Inferred Mineral Resources for a total of 103,000 ounces (Table 7).

Only RC and diamond drillhole data was used in the MRE.

The Merton's Reward deposit was remodelled in 2019 using an interval selection process and wireframes were created for a simplified model, from 84 discrete lodes to five (5) main lodes.

Samples were composited to 1 m, and a top-cut of 25 g/t Au was applied to the main lodes (differing top-cuts were applied to other lodes). Sub domaining was required in Lode 2 due to a mixed high and medium grade populations. This was achieved by isolating an area using a string method. Grades were interpolated using OK into a block model with a parent block size of 5 mX by 5 mY by 5 mZ.

Mertondale 3-4

The Mertondale 3-4 MRE was last estimated in 2019 by Jamie Logan of KIN. The resource was re-reported in 2020 using a decrease in cut-off grade (0.5 g/t Au to 0.4 g/t Au), and an increased gold price (A\$2,600) which pushed the optimal shell deeper (KIN ASX Announcement dated 22 December 2020), and re-reported again in 2022 (KIN ASX Announcement dated 23 September 2022) using reoptimized pit shells. The Mertondale 3-4 MRE is currently reported at 2.4 Mt at 1.46 g/t Au of Indicated and Inferred Mineral Resources for a total of 112,000 ounces (Table 7).

Only RC (605 holes) and diamond (137 holes) drillhole data was used in the MRE. RAB holes were removed due to low confidence in quality.

The Mertondale 3-4 MRE is based on geological modelling using a sectional interpretation of felsic porphyritic intrusion within the sheared mafic host rock. Mineralisation domains were defined using a categorical indicator approach.

Samples were composited to 1 m, and a top-cut of 20 g/t Au was applied to the main lodes (differing top-cuts were applied to other lodes). Grades were interpolated using Ordinary Kriging (OK) into a block model with a parent block size of 5 mX by 5 mY by 5 mZ.

Whilst smoothing of grades was evident from the provided swath plots, which is not uncommon in gold deposits of this style, results of the comparison between declustered cut composite mean grades and estimated block grades (on a domain basis) were reasonable.

Mertondale Underground

In 2022, the existing Mertondale MRE's were extended into underground mining positions outside of re optimised pit shells and reported at a 2.0 g/t Au cut-off grade.

Mertondale Underground resources are reported collectively in Table 7 and include the combined Merton's Reward, Mertondale 3-4, and Quicksilver MRE's outside of the optimised pit shells and above a 2.0 g/t Au cut-off grade.

4.6.3 VRM Comments

Database & Data Integrity

Exploration in the project areas has been carried out by numerous companies since the 1980's, including Thames Mining NL (1985), Mt Eden Gold Mines (Aust) NL (1986 to 2003), Centenary International Mining Ltd (1986 to 1988, and 1991 to 1992), Metana Minerals ML (1986 to 1989), Sons of Gwalia (1989, 1992 to 2004), Pacmin Mining Corporation (1998 to 2001), Navigator Resources (2004 to 2014), and KIN Mining (2014 to present).

Unsurprisingly, given the large number of companies involved in exploration data collection over the last 40 years, the history of the exploration dataset is complex. Reportedly a substantial amount of work by Navigator and KIN has been undertaken to review and validate historical data.

The following information is sourced from the report titled *Leonora Gold Project Definitive Feasibility Study 2017. Chapter 5 – Database, Geological Modelling & Mineral Resource Estimate* (Kin Mining NL, 2017).

2008 Review

In 2008, Navigator Resources Ltd contracted McDonald Speijers (**MS**) to complete resource estimates for the Mertondale and Raeside Projects' deposits, and Runge Ltd (**Runge**) to complete resource estimates for the Cardinia Project's deposits.

As part of the MRE process MS conducted a random validation check on 50 drillholes that intersected mineralised zones in one of the Mertondale deposits. Comments from the review include (Kin Mining NL, 2017):

- Logs were located for 38 of the 50 drillholes.
- Laboratory assay reports were located for 42 of the 50 drillholes. Only minor discrepancies were identified.
- Collar coordinate checks indicated that there may be some lack of precision in the locations of pre-Navigator drill holes, with potential errors of a few metres.
- Discrepancies with azimuths in the down hole survey database were identified, which have reportedly been rectified.
- *"Available reports covering pre-Navigator drilling programs make no mention of systematic sampling and assaying quality control (QC) protocols having been imposed. As a consequence, MS suggest it is difficult to demonstrate the reliability of a substantial portion of the assay data available for use in resource estimation especially for the Mertondale 3-4 and Mertondale 5 areas however it is worth noting that previous mining in these very areas has surely demonstrated that the historical drilling assay data has proved to be reasonably reliable at the very least".*
- MS concluded that whilst QC protocols were not comprehensive, the results indicate that taken as a whole, assay results from Navigator's programs were probably reliable however sampling and assaying precision levels cannot be quantified.

As part of their MRE of the Cardinia projects, Runge did not conduct a comprehensive database validation other than basic visual validation in Surpac software and cross check queries within Microsoft Access.

2017 Review

In 2017, KIN appointed Carras Mining Pty Ltd (**Carras**) to complete independent reviews of the mineral resource estimates of Merton's Reward, Mertondale 3-4, Tonto deposits, Helens and Rangoon deposits. As part of the works, Carras undertook a database review of the KIN data. Comments from the review include (Kin Mining NL, 2017):

- Data verification of 8,991 assay records for KIN's 2014-2017 drilling programs completed at Merton's Reward, Mertondale 3-4 and Tonto. Only 3 errors were found, which represents less than 0.01% of the 2014 to 2017 dataset.
- Data verification of 31,043 assay records for KIN's 2014-2017 drilling programs completed at the Cardinia projects. Only 10 errors were found.

- There is no systematic material difference of a negative nature between historical drilling information and the KIN drilling information at the Mertondale projects.
- Drilling was carried out historically using the various local grids, depending on the operator at the time, and orientation of the mineralisation.
- Much of the historical drilling data was recorded relative to magnetic north. Much of the historical drilling data was recorded relative to magnetic north and the difference between true north and magnetic north, and the annual variation in magnetic declination since 1985 is not significant, therefore magnetic north measurements have been used, where true north data is unavailable, for all survey data used in resource estimation processes.
- The accuracy of the drill hole collar and down hole data are located with sufficient accuracy for use in resource estimation work.
- The majority of assay data used for the mineral resource estimations were obtained by the Fire Assay technique with AAS or ICP finish. Carras did not identify any significant issues and concluded that apart from some RAB drilling, they considered (at the time) the drillhole data to be appropriate for use in resource estimation work.

Aside from the use of AC holes in the Eclipse MRE, all other estimates used diamond and RC drillholes only for grade interpolation. All holes were used for geological modelling.

QAQC data for all data used in the MRE's has not been provided to VRM. VRM understands from conversations with KIN that monthly QAQC reports are completed internally. Of the QAQC results supplied to VRM (September 2022 to April 2023 QAQC results for Helens Rangoon System, and 2005 to 2018 QAQC results for Mertondale East), most generally performed well and returned results within +/- 3 standard deviations. However, some CRMs did show a slight low bias, and several had a number of failures. It is not clear from the supplied information whether batches with failed CRM's were re-submitted for analysis.

In VRM's opinion, QAQC results for all drilling data used in each MRE should be fully reported with each MRE and include all CRM plots (by date), duplicate precision plots by hole type (with R^2 values), and tabulations summarising information such as number of CRM's, number of failures etc, % of failures etc.

Drillholes drilled prior to 2004 (i.e. pre-Navigator) are commonly referred to in the supplied documentation as 'historical' drilling data. According to KIN, "*Verification of sampling, assay techniques, and results prior to 2004 is limited due to the involvement of various companies, personnel, drilling equipment, sampling protocols and analytical techniques at different laboratories*" (KIN ASX Announcement dated 3 July 2023). Whilst supplied information makes reference to the number of RC and DD holes were used in the MRE's (of some deposits), none state what proportion of the holes used in the MRE are historical holes. Given the complex history of the KIN database, and the inevitable errors, albeit likely small, with historical data, in VRM's opinion, the percentage of pre-2004 drillholes used in the MRE's should be tabulated for each estimate.

Density

Density measurements have been collected (by Navigator and KIN) using the water immersion method on oven dried, coated samples to derive bulk densities for different rock types and oxidation profiles. The number of density measurements collected varies by deposit. Based on available information, there are a reasonable number of density measurements for Cardinia Hill, Mertondale 5, and Helens Rangoon. Hobby has only 14 density measurements (but is classified as Inferred).

Not all reports tabulate the number of density measurements per rock and/or material type, but of the reports that do, most readings are from fresh material types.

The density readings for the various Mertondale and Cardinia East deposits are similar.

Average density values have been assigned to the models based on weathering domains (e.g. oxide, transitional, and fresh), and where applicable rock types (e.g. fresh porphyry, fresh dolerite, and fresh other).

Bulk density in the past has reportedly been inconsistent with incorrect methods employed. However, it is not stated in any of the reports provided what proportion (if any) of the density measurements are historical. Provided no historical density measurements have been included in the calculation of average densities, VRM does not have any significant concerns regarding density measurements.

Modelling

The models for the various deposits were each modelled using one of the following techniques: vein implicit modelling in LeapFrog Geo, categorical indicator approach, wireframe generation using an interval selection process, and wireframe sectional interpretation. All these methods are considered standard industry processes and provided they are used correctly, are applicable to be used for these styles of deposits.

VRM does not have any significant concerns regarding the various modelling techniques used. However, it is beyond the scope of this high-level review to interrogate the quality of the modelling produced. It is also beyond the scope of this review for VRM to interrogate the wireframes produced against the drillhole database to comment on the reasonableness of any extrapolation employed.

Resource Estimation

The resource estimation process implemented is generally consistent across the various deposits. Gold grades were interpolated using OK using 1 m composited and top-cut samples. Top-cut analysis was based on a domain basis and top-cuts were determined using log probability plots and coefficient of variation (CV). Search distances and orientations were derived from variography.

Grades were interpolated into parent cell blocks that ranged from 10 mX by 20 mY by 5 mZ to 5 mX by 5 mY by 5 mZ. Parent block sizes for Hobby and Cardinia Hill were based on drill spacing (using half the nominal drill hole spacing) and based on KNA results for the Helens Rangoon System models. The parent block size selected for the Mertondale projects (5 mX by 5 mY by 5 mZ for all projects except for Mertondale 5 which was 5 mX by 10 mY by 10 mZ) were all reportedly based on drillhole spacing. However, the parent block size is less than half the drill hole spacing. What impact (if any) this may have on the quality of the MRE's for the Mertondale Project is beyond the scope of this high-level review.

VRM does not have any significant concerns regarding the estimation techniques used. Grade interpolation using OK is a standard practice for these styles of deposits. However, it is beyond the scope of this high-level review to interrogate variography, KNA results, estimation inputs, and search parameters used.

Model Validation

Models were validated using a combination of methods; visually (by section and plan), swath plots, and a comparison of global mean values.

This information was not available (in completeness) for all domains in all deposits. Based on the provided reports, global mean comparisons illustrated that a number of domains estimated had differences of +/- 10%. In general, estimated domains with pronounced differences of +/-10% are related to poorly informed estimated regions. This was confirmed by the available swath plots which illustrated smoothing of grades, which is not uncommon in gold deposits of this style.

Whilst there is smoothing of grades evident, this is common when using OK of nuggety gold deposits and is reflected in the proportion of Inferred vs. Indicated Resources, with over 60% of the Mineral Resources classified as Inferred.

At a global level, VRM does not have any significant concerns regarding model validation results.

Classification and Reporting

MRE's were classified as Indicated and Inferred in accordance with JORC (2012) and the classification is based on a combination of drill-spacing, geological confidence, and estimation quality. Mineral Resources are currently reported at a cut-off grade of 0.4 g/t Au and within AUD\$2,600 optimisation shells.

The MRE's are not reported (in any of the provided documentation) by material type (i.e. by Oxide, Transitional, and Fresh). Given that recoveries will vary by material type, the MRE's should also be reported by material type.

Metallurgical Test work

Feasibility study metallurgical test work in 2017, 2018 and 2019 was undertaken by Independent Metallurgical Operations Pty Ltd (IMO) on behalf of KIN on 34 composite ore samples. The most recent test work took place in 2019 and included composite samples from Helens, Mertondale, and Mertondale 5 (KIN ASX Announcement dated 30 August 2019).

All the current MRE's have, in their assessment of Reasonable Prospects of Eventual Economic Extraction (RPEEE) assumed a processing recovery of 95% for all material types. In VRM's opinion, a blanket recovery of 95% is likely to be optimistic especially for fresh material.

Historical Mining

Extensive mining has taken place in the Mertondale area since the turn of the 19th century (KIN ASX 17 April 2019) and includes numerous open pits and underground workings. Underground mining took place at Merton's Reward from 1899 to 1942 and totalled 88,890 tonnes @ 21 g/t Au (60,520 oz), whilst open pit mining commenced in the 1980's up until 1993. Total production from the Mertondale area is reported to be 272,724 oz of gold (KIN ASX 22 December 2020).

Historical operations that overlap with current KIN projects include Merton's Reward Underground, Mertondale 3-4, and Mertondale 5.

None of the MRE reports provided specific that historical workings have been depleted from applicable models. The KIN Mertondale East Handover memo contains a table which includes details of a "Mining Status" model flag, and the Carras 2017 report and Table 1 in ASX Announcement dated 17 April 2019 state that historically mined volumes were removed from the Mertondale 5 MRE.

Aside from these comments, there are no other references in other recent reports or Table 1's to confirm that historical workings have been depleted from all current MREs.

Independent Reviews

Runge Ltd conducted a review of the database in 2009 which identified a number of issues with bulk density data and QAQC analysis, which were reportedly addressed by Navigator and KIN. In 2017, Carras Mining Pty Ltd reviewed the database. According to the draft report provided, no issues considered material were identified.

To VRM's knowledge, no independent database reviews have been conducted since 2017.

Aside from Cardinia Hill and Hobby, all MREs were estimated by KIN, or ex-KIN staff.

To VRM's knowledge, no independent reviews of any of the current MREs have been conducted.

Summary

VRM has conducted a high-level technical review of the reasonableness of the Mertondale and Cardinia East Mineral Resource Estimates. This review is not a detailed due diligence on the MRE's and is limited to company supplied reports and publicly available ASX announcements.

In VRM's opinion, the following areas are of concern:

- Percentage of historical holes used in the MRE's not reported.
- Resources not reported by material type (e.g. Oxide, Transitional, and Fresh).
- Blanket processing recoveries were assumed despite the presence of different material types (e.g. Oxide, Transitional, and Fresh).
- Full QAQC results were not included in each of the MRE reports.
- Reports and memos provided were either incomplete or in draft format.
- It is not explicitly stated that historical workings have been depleted from the MREs.

Whilst VRM considers the above areas of concern unlikely to have a significant material impact on global tonnage estimates, they do have impact on the reasonableness and reliability of the Mineral Resources.

4.7 Project Status, Technical and Economic Studies

Since acquiring a large portion of the tenement package in 2014, KIN has worked to increase resources by drilling to build a substantial resource base for a standalone mine. In 2015 trial mining of the Bruno Lewis Laterite resource was conducted and toll treated at the Lakewood Mill south of Kalgoorlie. (This deposit in the centre along with Lewis and Kyte in the centre of the Cardinia Project was sold as part of a large package of resources to Genesis Minerals Ltd (ASX: KIN 14 December 2023)).

In 2016, drilling was conducted to increase and reclassify the resource base as part of a scoping study. In November 2016, the company announced it had exclusive rights to the Lawlers processing plant and exercised an option to purchase for \$2.4 million with a DFS completed on 2 October 2017 with 373,000 ounces of ore reserves announced, (53% of these reserves were within the areas sold to Genesis in 2023).

A decision to mine was announced on the 8th of December 2017 and site activities to relocate the Lawlers processing facility commenced in February 2018. The project was placed into care and maintenance on the 9th of May 2018 due to higher costs than budgeted including pre-production costs, in addition to lack of secured mining approvals, power and water supply. Further works continued in

2018 to provide a sustainable water source to the plant site and conduct sterilisation drilling over the areas of the proposed tailings storage facility. The project then reverted to an exploration project and has since continued to grow the resource base by drilling.

VRM Comment

Despite previous attempts to commence a mining operation the project is best described as an advanced exploration project and further drilling to discover additional ounces is warranted to support a standalone development.

4.8 Exploration Potential

In VRM's opinion, there is good potential to discover additional extensions to existing deposits, particularly down dip, underground and also under transported cover where limited drilled has been conducted to date.

5. Valuation Methodology

The VALMIN Code outlines various valuation approaches that are applicable for Properties at various stages of the development pipeline. These include valuations based on market-based transactions, income or costs as shown in Table 7 and provides a guide as to the most applicable valuation techniques for different assets.

Table 7: VALMIN Code 2015 valuation approaches suitable for mineral Properties

Valuation Approaches suitable for mineral properties				
Valuation Approach	Exploration Projects	Pre-development Projects	Development Projects	Production Projects
Market	Yes	Yes	Yes	Yes
Income	No	In some cases	Yes	Yes
Cost	Yes	In some cases	No	No

In accordance with the definitions used in the VALMIN Code the PNX Pine Creek Projects are best described as Advanced Exploration projects while the tenements surrounding are early stage Exploration Projects with the exception of the Thunderball Uranium Project which is pre-Resource (having previously had a JORC 2004 MRE estimated). The KIN Cardinia East and Mertondale Projects are Advanced Exploration Projects. There are Mineral Resource Estimate's within these Projects which are reported under JORC 2012. The Project has no JORC 2012 Ore Reserves.

In VRM's opinion, the KIN and PNX resource projects should be valued using a comparable transaction method based on Resource Multiples as a primary valuation method (with appropriate discounts applied), with a secondary valuation being a yardstick approach. Additional valuations, being a Geoscientific or Kilburn approach and a prospectivity enhancement multiplier (PEM) have been used to determine the value of the exploration potential within the tenements but distal from the currently estimated Mineral Resources.

5.1 Previous Valuations

VRM is not aware of any previous valuations for the Mineral Assets owned by PNX or KIN.

5.2 Valuation Subject to Change

The valuation of any mineral Property is subject to several critical inputs most of these change over time and this valuation is using information available as of 14 May 2024 being the valuation date of this Report and considering information up to 14 May 2024. This valuation is subject to change due to updates in the geological understanding, variable assumptions and mining conditions, climatic variability that may impact on the development assumptions, the ability and timing of available funding to advance the properties, the current and future metal prices, exchange rates, political, social, environmental aspects of a possible development, a multitude of input costs including but not limited to fuel and energy prices, steel prices, labour rates and supply and demand dynamics for critical aspects of the potential development like mining equipment. While VRM has undertaken a review of several key technical aspects that could impact the valuation there are numerous factors that are beyond the control of VRM.

As at the date of this Report, in VRM's opinion there have been no significant changes in the underlying inputs or circumstances that would make a material impact on the outcomes or findings of this Report.

5.3 General Assumptions

The Mineral Assets of PNX and KIN are valued using appropriate methodologies as described Table 7 and in the following sections. The valuation is based on several specific assumptions detailed above, including the following general assumptions.

- That all information provided to VRM is accurate and can be relied upon.
- The valuations only relate to the Mineral Assets located within the tenements controlled by the respective Companies, and not the Companies, their shares or market value.
- That the mineral rights, tenement security and statutory obligations were fairly stated to VRM and that the mineral licenses will remain active.
- That all other regulatory approvals for exploration and mining are either active or will be obtained in the required and expected timeframe.
- That the owners of the mineral assets can obtain the required funding to continue exploration activities.
- The gold price is as of 14 May 2024, being US\$2,350.80 or AUD\$3,549.54 (based on the exchange rate below). (source S&P Capital IQ)
- Other commodity prices are as of the Valuation Date, being 14 May 2024.
- The US\$ - AUS\$ exchange rate of 0.6623 (www.xe.com).
- All currency in this report are Australian Dollars or AUS, unless otherwise noted, if a particular value is in United States Dollars, it is prefixed with US\$.

5.4 Gold Commodity Market Analysis

As the Projects being valued in this Report are dominantly prospective for gold, it is important to note the current market conditions and supply and demand fundamentals of the precious metal markets. The gold price is fundamentally different to many of the other commodities as the gold price is frequently seen as a pseudo currency and is considered by many as a safe-haven investment option, especially in the current monetary policies of many of the major countries reserve banks. Global uncertainty in regard to banking stability in the US, political instability in Europe, the lingering effects of the COVID-19 pandemic, the state of the world economy and the current inflationary environment has driven an increase in the gold price since early 2020. Figure 40 shows the gold price in USD over the last five years.

While the gold price is high in Australian dollars (Figure 41) there is a strong bias toward advanced projects obtaining funding and the earlier stage projects are still difficult to attract investment money due to high wages and construction costs.

VRM considers that the overall gold market is improving, particularly for assets which do not require large amounts of development capital. There are still issues for projects requiring significant capital, coupled with global supply chain issues and the lack of a skilled labour force to build and operate new projects. Further, such projects have a heightened risk element around permitting. In the current climate, funding for gold projects is competing with a vast array of funding opportunities in the critical minerals and clean energy space making a crowded market for gold project finding.

When normalising the transaction valuation to the gold price, VRM has elected to use the spot US dollar gold price for normalisation of the resource multiples.

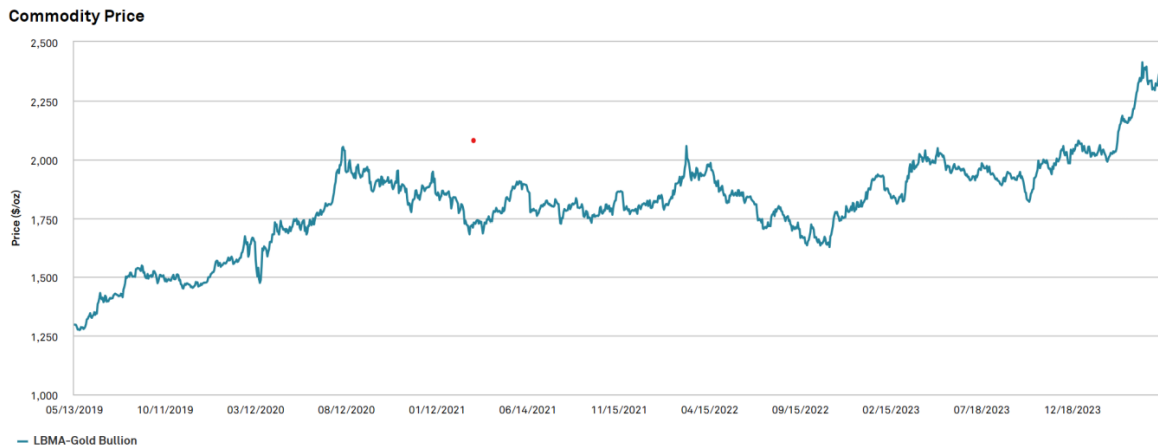


Figure 40: Five Year Spot Price for Gold (\$US)

Source: S&P Capital IQ accessed on 14/5/2024

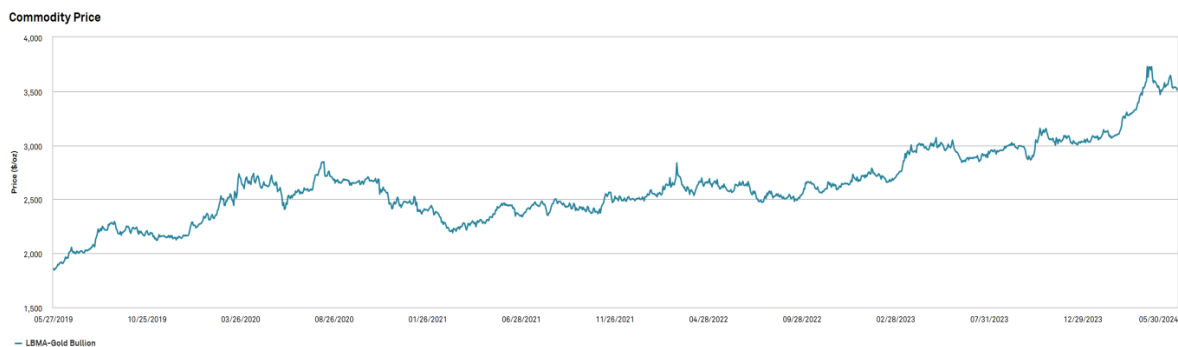


Figure 41: Five Year Spot Price for Gold (\$ AUD)

Source: S&P Capital IQ accessed on 14/5/2024

5.5 Valuation of Advanced Properties

There are several valuation methods that are suitable for advanced Properties including the following:

- Financial modelling including discounted cash flow (DCF) valuations (generally limited to Properties with published Ore Reserves),
- Comparable Market Based transactions including Resource and Reserve Multiples
- Joint Venture Transactions
- Yardstick valuations

At the Valuation Date there are no current Ore Reserves estimated for the any of the Projects. An income valuation approach would commonly be undertaken when there are current Ore Reserves.

5.5.1 Comparable Market Based Transactions – Resource Based

A comparable transactional valuation is a simple and easily understood valuation method which is broadly based on the real estate approach to valuation. It can be applied to a transaction based on the contained metal for projects with Mineral Resource Estimates reported. Advantages of this type of valuation method include that it is easily understood and applied, especially where the resources or tenement area is comparable, and the resource or exploration work is reported according to an industry standard (like the JORC Code or NI43-101).

However, it is not as robust for projects where the resources are either historic in nature, reported according to a more relaxed standard, or are using a cut-off grade that reflects a commodity price that is not justified by the current market fundamentals. If the projects being valued are in the same or a comparable jurisdiction, then it removes the requirement for a geopolitical adjustment. Finally, if the transaction being used is recent then it should reflect the current market conditions.

Difficulties arise when there are a limited number of transactions, where the projects have subtle but identifiable differences that impact the economic viability of one of the projects. For example, the requirement for a very fine grind required to liberate gold from a sulphide rich ore or where the ore is refractory in nature and requires a non-standard processing method.

The information for the comparable transactions has been derived from various sources including the ASX and other securities exchange releases associated with these transactions, a database compiled by VRM for exploration stage projects (with resources estimated) and development ready projects.

This valuation method is the primary valuation method for exploration or advanced (pre-development) projects where Mineral Resources have been estimated. More advanced projects would typically be valued using an income approach due to the modifying factors for a mining operation being better defined.

The preference is to limit the transactions and resource multiples to completed transactions from the past two to five years in either the same geopolitical region or same geological terrain. The comparable transactions have been compiled where Mineral Resources have been estimated. Appendix C details the Resource Multiples for a series of transactions that are considered at least broadly comparable with the Projects.

5.5.2 Yardstick Valuation

A yardstick valuation was undertaken as a check of the comparable transactions. This yardstick valuation is based on a rule of thumb as supported by a large database of transactions where resources and reserves at various degrees of confidence are multiplied by a percentage of the spot commodity price. The yardstick valuation factors used in this report are in line with other yardstick valuation factors commonly used by other independent specialists and used in other VALMIN reports. The US\$-AUS\$ exchange rate and gold price as of 14 May 2024 and documented above have been used to determine the yardstick valuation.

Table 8: Typical Yardstick Multiples used for Gold Projects

Resource or Reserve Classification	Lower Yardstick Multiple (% of Spot Price)	Upper Yardstick Multiple (% of Spot Price)
Ore Reserves	5%	10%
Measured Resources (less Proved Reserves)	2%	5%
Indicated Resources (less Probable Reserves)	1%	2%
Inferred Resources	0.5%	1%

5.6 Exploration Asset Valuation

To generate a value of an early-stage exploration Property or the exploration potential away from a mineral deposit it is important to value all the separate parts of the mineral assets under consideration. In the case of the advanced Properties the most significant value drivers for the overall Property are the declared Mineral Resources or Ore Reserves, while for earlier stage Properties a significant contributor to the Property's value is the exploration potential. There are several ways to determine the potential of pre-resource Properties, these being:

- A Geoscientific (Kilburn) Valuation.
- Comparable transactions (purchase) based on the Properties' area or Mineral Resource estimates (both current and historic).
- Joint Venture terms based on the Properties' area; and
- A prospectivity enhancement multiplier (PEM).

The methodology to determine the Comparable transactions based on a projects area is undertaken using the same methodology as that described for the Comparable transactions' valuation for advanced projects section; however transactional value is applied to the project's area rather than the Mineral Resources or Ore Reserves. The Joint Venture terms valuation is similar to the comparable transactions based on the project area, other than a discount to the Joint Venture terms is applied to account for the time value of money (an appropriate discount rate is applied) and a discount to the earn-in expenditure to account for the chance that the Joint Venture earn-in expenditure is not completed in the agreed timeframe.

VRM considers a Geoscientific or Kilburn valuation as a robust valuation method. The area based comparable transaction multiples can also be useful in valuations but are strongly related to the projects tenement area so can be conservative for small areas and overstated for large areas. It is the view of VRM that the least transparent and most variable valuation method is a PEM valuation as this depends on an assessment of the effectiveness of the expenditure.

5.6.1 Geoscientific (Kilburn) Valuation

One valuation technique that is widely used to determine the value of a project that is at an early exploration stage without any Mineral Resources or Ore Reserve estimates was developed and is described in an article published in the CIM bulletin by Kilburn (1990). This method is widely termed the geoscientific method where a series of factors within a project are assessed for their potential.

While this technique is somewhat subjective and open to interpretation it is a method that when applied correctly by a suitably experienced specialist enables an accurate estimate of the value of the project. There are five critical aspects that need to be considered when using a Kilburn or Geoscientific valuation, these are the base acquisition cost, which put simply is the cost to acquire and continue to retain the tenements being valued. The other aspects are the proximity to both adjacent to and along strike of a major deposit (Off Property Factors), the occurrence of a mineral system on the tenement (On Property Factors), the success of previous exploration within the tenement (Anomaly Factors) and the geological prospectivity of the geological terrain covered by the mineral claims or tenements (Geological Factors). In early-stage projects often the anomaly factors and geological factors have limited information.

While this valuation method is robust and transparent it can generate a very wide range in valuations, especially when the ranking criteria are assigned to a large tenement. This method was initially developed in Canada where the mineral claims are generally small therefore reducing the potential errors associated with spreading both favourable and unfavourable ranking criteria to be spread over a large tenement. Therefore, VRM either values each tenement or breaks down a larger tenement into areas of higher and lower prospectivity.

Table 9 documents the ranking criteria that were used in conjunction with the base acquisition cost (BAC) for the project tenements to determine the technical valuation of the project.

VRM determines the BAC based on the holding cost of maintaining the tenement for the next year. That cost is determined by the minimum exploration commitment required on the tenement. For the Kin and PNX tenements the BAC has been determined using the exploration commitments for the tenement and the annual rent payments. These commitments were either provided and confirmed from the original tenement certificates or DEMIRS for the tenements in Western Australia.

The technical valuation derived from the Kilburn ranking factors are frequently adjusted to reflect the geopolitical risks associated with the location of the project and the current market conditions toward a specific commodity or geological terrain. These adjustments can either increase or decrease the technical value to derive the fair market valuation.

Using the ranking criteria from Table 9 along with the base acquisition costs tabulated in the appendices an overall technical valuation is determined.

Table 9: Ranking Criteria used to determine the geoscientific technical valuation

Geoscientific Ranking Criteria				
Rating	Off-property factor	On-property factor	Anomaly factor	Geological factor
0.1				Generally unfavourable geological setting
0.5			Extensive previous exploration with poor results	Poor geological setting
0.9			Poor results to date	Generally unfavourable geological setting, under cover
1.0	No known mineralisation in district	No known mineralisation within	No targets defined	Generally favourable geological setting
1.5	Mineralisation identified	Mineralisation identified	Target identified; initial indications positive	
2.0	Resource targets identified	Exploration targets identified		Favourable geological setting
2.5			Significant intersections – not correlated on section	
3.0	Along strike or adjacent to known mineralisation	Mine or abundant workings with significant previous production		Mineralised zones exposed in prospective host rocks
3.5			Several significant ore grade intersections that can be correlated	
4.0	Along strike from a major mine(s)	Major mine with significant historical production		
5.0	Along strike from world class mine			

The total technical valuation was adjusted to derive a market valuation by making a market factor adjustment and a locational adjustment. A market factor was derived to account for the status of the market which is currently elevated as shown in Figure 41. On that basis, the technical valuations are increased by 20% for the gold projects. The uranium price is currently approximately \$US100/lb which is significantly higher than for the past 10 years (up from a low of US\$18.57, therefore a 100% premium for the uranium projects has been applied. These premia/discounts were based on the currently high prices which is at or near a ten year high or an all-time high.

A 5% discount was applied for all projects to account for regulatory uncertainty associated with the approvals processes including heritage and environmental aspects.

For early-stage Projects (where there are no Mineral Resources estimated), VRM considers the Geoscientific (Kilburn) Valuation method to be the most robust and is commonly the primary valuation method used for the surrounding exploration potential.

5.6.2 Prospectivity Enhancement Multiplier (PEM) Valuation

As outlined in Table 7 and in the VALMIN Code a cost – based or appraised value method is an appropriate valuation technique for early-stage exploration Properties. Under this method, the previous exploration expenditure is assessed as either improving or decreasing the potential of the Property. The prospectivity enhancement multiplier (PEM) involves a factor which is directly related to the success of the exploration expenditure to advance the Property. There are several alternate PEM factors that can be used depending on the specific Property and commodity being evaluated. Onley, (1994) included several guidelines for the use and selection of appropriate PEM criteria. The PEM ranking criteria used in this report are outlined in Table 10 below. VRM considers the PEM valuation method as a secondary valuation method. In the opinion of the author, it is preferable to use resource multiples for comparable transactions once a JORC 2012 resource has been estimated however if there are no comparable transactions then a PEM is a viable valuation method.

Table 10: Prospectivity Enhancement Multiplier (PEM) ranking criteria

PEM Ranking Criteria	
Range	Criteria
0.2 – 0.5	Exploration downgrades the potential
0.5 – 1	Exploration has maintained the potential
1.0 – 1.3	Exploration has slightly increased the potential
1.3 – 1.5	Exploration has considerably increased the potential
1.5 – 2.0	Limited Preliminary Drilling intersected interesting, mineralised intersections
2.0 – 2.5	Detailed Drilling has defined targets with potential economic interest
2.5 – 3.0	A Mineral Resource has been estimated at an Inferred category

6. Valuation of the Mineral Assets

The principal mineral assets valued as a part of this ITAR are the Pine Creek Gold Projects owned by PNX which includes the Thunderball Uranium Project on the regional Burnside leases. In Western Australia assets consist of KIN's Mertondale and Cardinia Gold Projects and several other regional projects prospective for gold.

As detailed above PNX has Mineral Resource Estimates completed on the Hayes Creek, Fountain Head, Glencoe and Mt Porter Projects. KIN has Mineral Resource Estimates within the Cardinia East and Mertondale Gold Projects.

VRM has undertaken a valuation based on several techniques, these being a Comparable Transaction (Resource Multiplier) and Yardstick method as a cross check for the reported Mineral Resources in the Pine Creek and Cardinia and Mertondale Projects. The surrounding exploration tenure for the Regional Projects (which includes Burnside and the Thunderball Uranium Project) have been valued considering a Kilburn or Geoscientific valuation method and a Prospectivity Enhancement Multiplier (PEM) method as described further below.

There are royalties associated with several of the projects however the timeframe for these royalties to be achieved or payable are highly uncertain. Therefore, these have not been valued as a part of this Report and they are considered to have an insignificant value when compared to the Mineral Assets of the companies.

The rehabilitation liabilities are considered implicit within the value of the mineral assets.

6.1 Comparable Transactions – Resource Multiples

For the gold Resources in the WA and NT projects, an analysis of completed project-based gold transactions was compiled for projects that are considered possibly comparable in geopolitical jurisdictions, of similar geology and possible development scenario.

The final set of data used to derive the valuation included 29 transactions consisting of gold resources in WA and NT resources, as detailed in Appendix C.

VRM notes that there was a recent transaction where Genesis Minerals Limited (ASX: GMD) purchased from Kin several tenements including the Bruno-Lewis and Raeside gold Projects which included Mineral Resource estimates totalling 15.7Mt at 1.2g/t Au for 610,000oz of gold for \$15 million cash and 21,917,532 Gensis shares. This transaction when announced totalled \$53.5 million (GMD ASX Release 14 December 2023). VRM does not consider this transaction to be comparable due to the synergies to Genesis given their two processing facilities in close proximity to these projects with spare processing capacity available at both facilities.

The comparable transactions used for the valuation are mostly compiled from projects with no current feasibility studies and where there was no processing facility included as a synergy to the purchaser. The resource multiples based on the comparable transactions have been normalised to the gold price at the transaction date.

Applying this methodology, the average normalised multiples are \$43 per ounce and the median multiples are \$39 per ounce. VRM considers that a range should be determined and based on the comparable transactions has elected to determine the range as +/- 25% from the preferred resource multiples.

For the Hayes Creek resources of Mt Bonnie and Iron Blow a discount factor of 50% was applied to account for the polymetallic portion of the resource requiring production of a concentrate rather than gold dore and the likelihood that due to these factors that it does not get developed.

For the Cardinia and Mertondale projects the 25th percentile of the comparative transaction multiple was used rather than the average or the median due to a number of stated concerns regarding the robustness of the MREs (See Section 4.6)

The resource multiples detailed above and supported by the information in Appendix C have been used along with the Mineral Resource Estimates in Tables 1 to 4 and Table 6 to derive the value of the Mineral Resources within the tenements that contain Mineral Resources.

6.2 Comparable Transaction Summary

Table 11 below summarises the valuation of the gold Mineral Resources owned by KIN and PNX.

Table 11: Comparable transaction valuation of the Mineral Resource Estimates

Project	Equity	Resources (oz) (Total)	Lower Valuation (-25%) (A\$ M)	Preferred Valuation (A\$ M)	Upper Valuation (+25%) (A\$ M)
Merton's Reward	100%	103,000	1.7	2.3	2.9
Mertondale 3-4	100%	112,000	1.9	2.5	3.1
Tonto	100%	113,000	1.9	2.5	3.1
Mertondale 5	100%	62,000	1.0	1.4	1.7
Eclipse	100%	24,000	0.4	0.5	0.7
Quicksilver	100%	42,000	0.7	0.9	1.2
Mertondale Underground	100%	1,000	0.0	0.0	0.0
Helens	100%	121,000	2.0	2.7	3.4
Helens East	100%	70,000	1.2	1.6	1.9
Fiona	100%	13,000	0.2	0.3	0.4
Rangoon	100%	121,000	2.0	2.7	3.4
Hobby	100%	23,000	0.4	0.5	0.6
Cardinia Hill	100%	97,000	1.6	2.2	2.7
Cardinia Underground	100%	29,000	0.5	0.6	0.8
Total KIN Mineral Resources		931,000	15.5	20.6	25.8
PNX Hayes Creek (@50%)	100%	858,423	13.8	18.3	22.9
PNX Fountain Head	100%	157,121	5.0	6.7	8.4
PNX Mount Porter	100%	48,647	1.6	2.1	2.6
PNX Glencoe	100%	79,006	2.5	3.4	4.2
Total PNX Mineral Resources		1,143,197	22.9	30.5	38.1
Combined Total Mineral Resource Valuation			38.4	51.2	63.9

Note appropriate rounding has been applied to the valuation totals. The Resource Multiple for the Hayes Creek valuation is discounted by 50% as detailed above.

Therefore, VRM considers that the Mineral Resources within the KIN held Cardinia and Mertondale Projects have a market value, based on comparable transactions, of between **\$15.5 million** and **\$25.8 million** with a preferred valuation of **\$20.6 million**.

VRM considers that the Mineral Resources within the PNX held Pine Creek Project have a market value, based on comparable transactions, of between **\$22.9 million** and **\$38.1 million** with a preferred valuation of **\$30.5 million** (noting that the Comparative Transaction Values for Glencore and Mt Porter are supporting valuations and not Primary (see Section 6.6).

6.3 Yardstick Method

As detailed above the yardstick method can also be considered as a valuation approach, particularly as a cross check or supporting valuation technique to support the valuation generated by a comparable transaction method. This method is typically used as a supporting approach for valuation of Ore Reserves and / or Mineral Resources and is based on a percentage of the current metal price.

For Mineral Resource estimates, a common yardstick value would be between 0.5% and 5% of the current commodity price, dependent on the Mineral Resource classification as at the valuation date. For lower classification levels such as Inferred Mineral Resources this percentage is lower reflecting the higher uncertainty compared to Indicated or Measured categories. The risks relating to the resources described above have been incorporated into the Yardstick approach. The yardstick multiples are commonly used for gold transactions and has been developed by the valuation industry as a basis of possible project valuations based on a large dataset of gold transactions.

For the Hayes Creek resources of Mt Bonnie and Iron Blow a discount factor of 50% was applied to account for the polymetallic portion of the resource making processing and production to create a concentrate rather than gold bars and the likelihood that due to these factors that it does not get developed.

For the KIN MREs, the Resources were downgraded to Inferred status to account for VRMs concerns with the MRE documentation.

VRM has applied a range of percentage values, corresponding to the classification of the gold Mineral Resources within the Projects and the gold (AUD\$/ounce) prices at the valuation date in order to value the resources within the Projects. The valuations are summarised in Table 12.

Table 12: Yardstick Valuation Summary of Mineral Resources

Project	Reserve, Resource & Exploration Target	Low (A\$ million)	Preferred (A\$ million)	High (A\$ million)
Merton's Reward	103,000	1.8	2.7	3.7
Mertondale 3-4	112,000	2.0	3.0	4.0
Tonto	113,000	2.0	3.0	4.0
Mertondale 5	62,000	1.1	1.7	2.2
Eclipse	24,000	0.4	0.6	0.9
Quicksilver	42,000	0.7	1.1	1.5
Mertondale Underground	1,000	0.0	0.0	0.0
Helens	121,000	2.1	3.2	4.3
Helens East	70,000	1.2	1.9	2.5
Fiona	13,000	0.2	0.3	0.5

Project	Reserve, Resource & Exploration Target	Low (A\$ million)	Preferred (A\$ million)	High (A\$ million)
Rangoon	121,000	2.1	3.2	4.3
Hobby	23,000	0.4	0.6	0.8
Cardinia Hill	97,000	1.7	2.6	3.4
Cardinia Underground	29,000	0.5	0.8	1.0
Total KIN Mineral Resources	931,000	16.5	24.8	33.0
PNX Hayes Creek (@50%)	858,423	7.3	11.0	14.7
PNX Fountain Head	157,121	4.6	6.8	9.1
PNX Mount Porter	48,647	1.6	2.4	3.2
PNX Glencoe	79,006	3.1	5.0	6.9
Total PNX Mineral Resources	1,143,197	16.6	25.2	33.9
Combined Total Mineral Resource Valuation		33.1	50.0	66.9

Note – Yardstick Valuation based on gold price of A\$3549.54 per ounce, the Mineral Resources above are reported exclusive of the Ore Reserves. The contained gold may vary slightly from the reported contained metal due to the contained metal in the table above being calculated by VRM. Appropriate rounding has been applied to the Mineral Resource estimates and valuation.

Therefore, VRM considers the Mineral Resources estimates within the KIN Projects as detailed above to be valued, based on a yardstick approach, at between **\$16.5 million** and **\$33.0 million** with a preferred valuation of **\$24.8 million**.

VRM considers the Mineral Resources estimates within the PNX Projects as detailed above to be valued, based on a yardstick approach, at between **\$16.6 million** and **\$33.9 million** with a preferred valuation of **\$25.2 million**.

6.4 Geoscientific Valuation

There are several specific inputs that are critical in determining a valid geoscientific or Kilburn valuation, these are ensuring that the specialist undertaking the valuation has a good understanding of the mineralisation styles within the overall region, the tenements and has access to all the exploration and geological information to ensure that the rankings are based on a thorough knowledge of the project. In addition to ensuring the rankings are correct deriving the base acquisition costs (BAC) is critical as that is the primary driver of the final value. In this case the BAC is derived by the exploration commitment to maintain the tenement in good standing. The costs of tenement applications and targeting have not been included.

The Burnside project was separated from the remainder of the Pine Creek Regional Projects to reflect the impact of the Thunderball Uranium prospectivity which is contained within this project grouping.

The Geoscientific rankings were derived for each of the ranking criteria with the Off-Property Criteria considered to be between 1 and 3.5, the On-Property Criteria between 1 and 2.5, the Anomaly Factor between 1.0 and 4.0 while the Geology Criteria are considered to be between 1.0 and 3.0. When these ranking criteria are combined with the base acquisition cost, as detailed in Appendix D, this has determined the technical value. A premium of 20% has been applied has been applied to the technical value of the KIN and PNX gold projects to account for the current market conditions. A 100% premium has been applied to the Pine Creek uranium Project due to the very high uranium price. A 5% discount

was applied to all Projects. The Technical and Market Values are shown in Table 13. The technical valuation is the base acquisition cost multiplied by the ranking factors outlined in Appendix D while the Market Value is the Technical Value multiplied by the geopolitical risk and market adjustment.

Table 13: Geoscientific valuation of the KIN Regional projects and the Pine Creek Regional projects.

Projects	Technical Valuation (AUS\$M)			Fair Market Valuation (AUS\$M)		
	Lower	Preferred	Upper	Lower	Preferred	Upper
Total Kin Regional	1.4	4.3	7.2	1.7	5.1	8.5
Total Burnside	0.6	1.3	2.0	1.0	2.0	2.9
PNX Regional (ex-Burnside)	0.3	0.8	1.3	0.3	0.9	1.5
Total PNX Regional	0.9	2.1	3.3	1.3	2.9	4.4
Total	2.3	6.4	10.5	3.0	8.0	13.0

Appropriate rounding to the total valuation has been undertaken.

The regional tenements surrounding the KIN Project (excluding the Cardinia and Mertondale projects) is considered by VRM to have a market value using the Geoscientific method of between **\$1.7 million** and **\$8.5 million** with a preferred value of **\$5.1 million**.

The exploration potential within the Pine Creek Regional Projects, is considered to have a market value of between **\$1.3 million** and **\$4.4 million** with a preferred value of **\$2.9 million**.

6.5 Prospectivity Enhancement Multiplier (PEM) Valuation

VRM has undertaken a PEM valuation of the tenements based on the exploration expenditure either provide by the company or extracted from the DEMIRS online tenement database Mineral Titles Online with the expenditure being limited to the exploration portion of the statutory annual tenement expenditure reports (Form 5). In addition to the reported expenditures VRM has assumed that the exploration commitment for the current tenement year has already been spent. Project acquisitions costs were excluded from the analysis as these are considered sunk costs and not contributing to geological / prospectivity knowledge.

This expenditure has been multiplied by the Prospectivity Enhancement Multiplier as detailed in Table 10. To generate a range in the PEM valuation VRM has assessed the effectiveness of the exploration expenditure and therefore used an upper and lower PEM multiple to generate a range of likely values of the Projects. The preferred valuation is the average of the upper and lower PEM valuation. Table 14 details the expenditure, the PEM multiples, and the valuations for the both the KIN and PNX Projects. The individual tenement expenditures and assigned PEM multiples are detailed in the appendices to this report.

The Burnside project was separated from the remainder of the Pine Creek Regional Projects to reflect the impact of the Thunderball Uranium prospectivity which is contained within this project grouping.

The resultant PEM range for the KIN regional tenements is significantly higher than the Geoscientific Range. This relates to the inputs of each technique where PEM uses 5 years of exploration expenditure and Geoscientific uses minimum commitment. In KINs case the \$9.3 million spent on expenditure is significantly higher than the minimum commitment but with no resultant resources defined. This explains VRM's preference of Geoscientific as the primary technique in this case.

Table 14: PEM Valuation by Project

Project	PEM Valuation by Project			
	Expenditure (\$M)	Lower (\$M)	Preferred (\$M)	Upper (\$M)
Total Kin Regional	9.38	9.3	10.8	12.2
Total Burnside (PNX)	1.93	1.4	1.6	1.8
PNX Regional (ex-Burnside)	1.33	1.3	1.5	1.7
Total PNX Regional	3.26	2.7	3.1	3.5
Total		12.0	13.8	15.6

* Note Appropriate rounding has been undertaken.

For the KIN Regional Projects, the fair market valuation as determined by the PEM valuation method has resulted in a value between **\$9.3 million** and **\$12.2 million** with a preferred valuation of **\$10.8 million**.

For the PNX Regional Projects, the fair market valuation as determined by the PEM valuation method has resulted in a value between **\$2.7 million** and **\$3.5 million** with a preferred valuation of **\$3.1 million**.

6.6 Actual Transactions on the Subject Projects

At the Pine Creek Project two recent transactions for Glencoe and Mt Porter Resource Projects have occurred and given they are recent VRM considers that these should form the basis of the Primary valuation Methods for these projects.

Under the Sale and Purchase Agreement (executed 27 April 2021) with private company, Ausgold Trading Pty Ltd, PNX acquired Glencoe for a total consideration of \$1.875 million.

Under the Sale and Purchase Agreement (executed 28 September 2022) with private company, Ausgold Trading Pty Ltd, PNX acquired Mt Porter for a total consideration of \$1.05 million.

The value of these transactions has been calculated as a \$ per ounce amount and then normalised for the gold price at the date of valuation.

Using these actual transactions the Glencoe Resource is valued at \$1.8 million and Mt Porter is valued at \$0.96 million.

7. Risks and Opportunities

7.1 General Risks and Opportunities

There are several JORC 2012 Mineral Resource estimates within the KIN and PNX Projects.

Mineral exploration, by its very nature has significant risks, particularly for early-stage and exploration projects, of which many of the Project areas are considered. Based on the industry-wide exploration success rates it is possible that no additional significant economic mineralisation will be located within any of the Projects. Even in the event significant mineralisation does exist within the Projects, factors both in and out of the control of the Company may prevent the identification or development of such mineralisation.

There are often environmental, safety and regulatory risks associated with exploration. This may include, but is not limited to, factors such as community consultation and agreements, as well as environmental considerations. Once more advanced, Projects are assessed for risks associated with mining, metallurgical and processing facilities requirements and services, ability to develop infrastructure appropriately, and mine closure processes. Assessment of these risks would be addressed in successive technical-economic studies, which generally commence once a Project has initiated Mineral Resource definition drilling and estimation activities. A risk exists that fatal flaws may be identified during these studies, which impede project development.

The data included in this Report and the basis of the interpretations herein have been derived from a compilation of data included in annual and quarterly technical reports and ASX releases sourced from the companies and other public data. In addition, company presentations and academic literature has been utilised to evaluate the historic exploration data, and to ascertain the prospectivity potential and possible mineralisation systems present within the tenement holdings.

There are two potential sources of uncertainty associated with this type of information compilation; 1. significant material information may not have been identified in the data compilation, and 2. There is a potential risk associated with the timely release of the exploration reports related to the areas of interest. That is, under the current regulations associated with annual technical reporting, any report linked to a current tenement that is less than five years old remains confidential and the company can also make submissions to ensure the reports remain confidential for longer periods. In addition, historical reports are not all digitally available. Therefore, obtaining the historical reports often requires extremely time-consuming and costly searches. There could also be duplication and compilation errors associated with several of the publicly available data compilations; this is commonly associated with multiple reporting of the exploration activities by different tenement managers using different grid references for the exploration activities. As such, these data may not be available and may have material errors that could have a material impact on potential exploration decisions.

Often the historical exploration reports do not include or discuss the use of quality assurance and quality control (QAQC) procedures as part of the sampling programs. Therefore, it is difficult to determine the validity and reliability of much of the historical samples, even where original assays are reported. The inability to properly validate all the exploration data reported herein, which has an impact on the proposed exploration, increases the exploration risk.

Global economics such as changes to commodity prices and access to capital to fund exploration can be considered as both risks and opportunities. These are factors that are outside of the control of the Company, as are broader societal issues. For example, at the time of drafting this Report, the impact of

post COVID-19 associated supply chain issues is being felt globally and inflationary pressures are leading to uncertainty in the investment environment. There has also been a recent increase in the recognition of the need for a rapid transition of the global energy requirements and there has been a significant push toward a change toward a lower carbon intensity power generation. This shift has dramatically changed the cost profile of developing new projects.

7.2 Project Specific Risks and Opportunities

All the projects have additional exploration potential adjacent to or along strike of the current Mineral Resources and regional exploration targets that require additional evaluation and assessment. These Resource extensions are a material opportunity on each of the projects.

One of the material risks associated with the KIN projects is the cumulative size of the resource base at 931,000 ounces in 14 resources. The project is unlikely to be economically developed as a standalone operation due to the cost of building a new mine and processing facility. It is noted that KIN has attempted to do this in the past using second hand plant which was unsuccessful (See Section 4.7). The most likely value of these projects is as a toll treatment opportunity similar to the Bruno Lewis and Raeside resources sold to Genesis in 2023 (ASX: KIN 14 December 2023).

One of the material risks associated with the PNX projects like KIN is the small resource base. Further risks are associated with the PNX projects are due to the lack of possible toll treatment opportunities. In addition, the complexity of the polymetallic resource material at Hayes Creek indicates this is unlikely to add to a gold only treatment scenario as envisaged by PNX historically. Metallurgical complexity of material types within the same small deposit due to oxidation, transitional and fresh sulphide material is also a likely to add cost to any treatment scenario and make it problematic to ensure reasonable prospects for economic extraction to allow the resources to be classified under JORC 2012.

For the regional projects there are the typical risks associated with early-stage exploration projects. While there are risks that no additional material would be delineated, VRM considers that these risks are minimal and that there is a significant opportunity associated with the potential to delineate additional mineralisation within the Projects.

8. Preferred Valuations

Based on the valuation techniques detailed above, Table 15 below summarises the Primary and Supporting Valuations and Figure 42 shows the Valuation Summary in Graphical Form.

Table 15: Summary of Primary and Supporting Valuations

Company	Asset	Valuation Technique	Priority	Lower Valuation	Preferred Valuation	Upper Valuation
KIN	Gold MRE's	Comparable Transactions (A\$/oz)	Primary	15.5	20.6	25.8
		Yardstick	Supporting	16.5	24.8	33.0
	Exploration	Geoscientific	Primary	1.7	5.1	8.5
	Exploration	PEM	Supporting	9.3	10.8	12.2
KIN	Total	Total Primary	Primary	17.2	25.8	34.3
PNX	Gold MRE's	Comparable Transactions (A\$/oz)	Primary	18.8	25.1	31.3
		Yardstick	Supporting	13.8	22.5	31.1
	Exploration	Geoscientific	Primary	1.3	2.9	4.4
		PEM	Supporting	2.7	3.1	3.5
	Glencore and Mt Porter	Actual transactions	Primary	2.8	2.8	2.8
	Glencore and Mt Porter	Comparable Transactions (A\$/oz)	Supporting	4.1	5.5	6.8
PNX	Total	Total Primary	Primary	22.8	30.7	38.5
Combined		Preferred Valuation		40.0	56.4	72.9

Note the totals may not add due to rounding in the valuations.

Table 15 provides a summary of the valuations derived for the Mineral Resources and the exploration potential within the projects by the various techniques. graphically shows the valuation range and preferred valuation for the Mineral Resources and exploration potential within the projects and the combined valuation range and preferred valuation for the mineral assets.

VRM's preferred valuation is based on the comparable transaction approach recognising that most of the value in the Projects are attributed to the Mineral Resources estimates.

The Geoscientific method is considered the preferable method to value the exploration potential adjacent to the Mineral Resources. The geoscientific method is supported by the PEM method where the expenditures are based on the last five years expenditure and the proportion of the minimum exploration expenditure since the last tenement anniversary.

Based on the rationale outlined in the body of this Report, VRM is of the view that the Mineral Resource estimates is most appropriately valued considering a comparable transaction approach, while the exploration potential is most appropriately valued applying a Geoscientific or Kilburn valuation method.

On this basis in VRM's opinion, as detailed in Table 15 the likely market value of the KIN Projects is between \$17.2 million and \$34.3 million with a preferred valuation of \$25.8 million. The likely market value of the PNX Projects is between \$22.8 million and \$38.5 million with a preferred valuation of \$30.7 million.

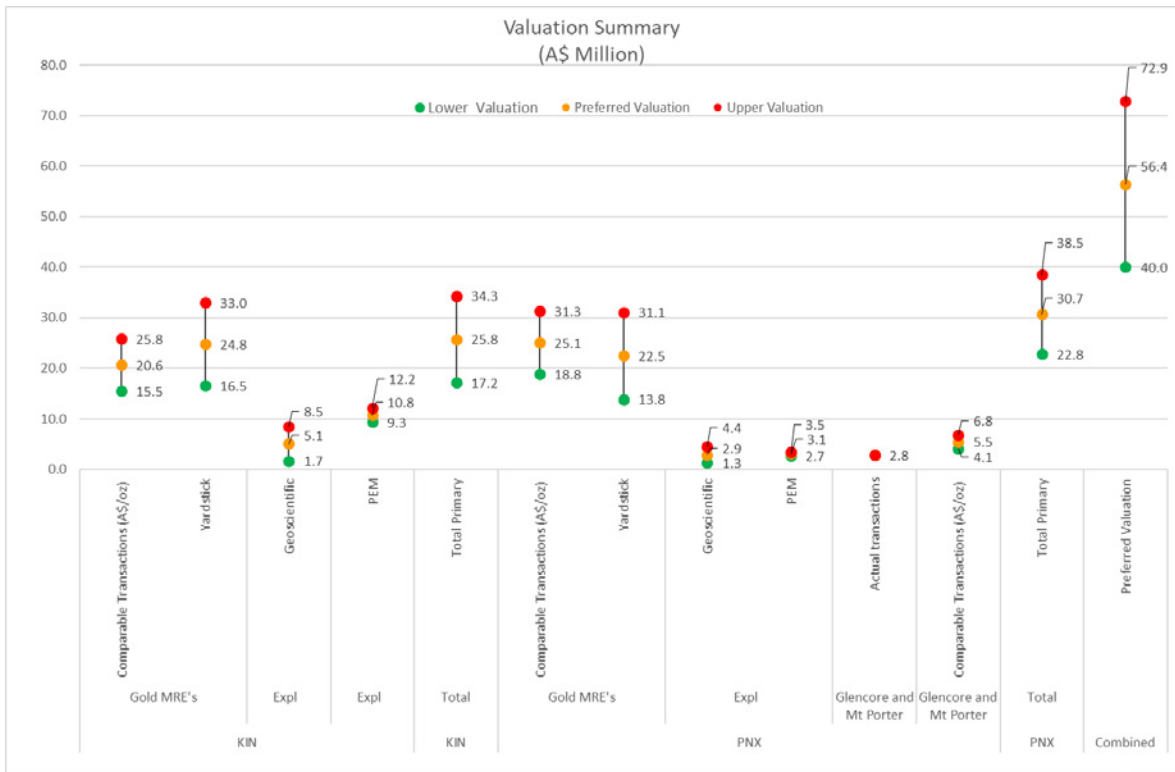


Figure 42: Valuation Summary

9. References

The reference list below includes public domain and unpublished company reports obtained either directly from the Company or ASX releases of previous Joint Venture holders or previous holders of the tenements.

The Annual Technical Reports lodged with the DEMIRS and GEMIS (NTGS) and subsequently made public either after five years or when the tenement was surrendered are listed in the Project specific references section below.

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Appendix A KIN Tenements

Project	Tenement	Holder	Company	Grant Date	Expiry Date	Total Area (ha)	Equity	Status	Rent (\$)	Minimum Commitment (\$)
Cardinia	M37/1303	Navigator Mining Pty Ltd	KIN Mining NL	7/11/2016	6/11/2037	180	100%	Live	4706	18100
Cardinia	M37/1304	Navigator Mining Pty Ltd	KIN Mining NL	7/11/2016	6/11/2037	97	100%	Live	2522	10000
Cardinia	M37/1315	Navigator Mining Pty Ltd	KIN Mining NL	6/07/2017	5/07/2038	702	100%	Live	18278	70300
Cardinia	M37/1318	Navigator Mining Pty Ltd	KIN Mining NL	7/07/2017	6/07/2038	364	100%	Live	9490	36500
Cardinia	M37/1323	Navigator Mining Pty Ltd	KIN Mining NL	6/07/2017	5/07/2038	223	100%	Live	5798	22300
Cardinia	M37/1328	Navigator Mining Pty Ltd	KIN Mining NL	14/05/2018	13/05/2039	315	100%	Live	8190	31500
Cardinia	M37/1329	Navigator Mining Pty Ltd	KIN Mining NL			180	100%	Pending		
Cardinia	M37/1330	Navigator Mining Pty Ltd	KIN Mining NL			97	100%	Pending		
Cardinia	M37/1332	Navigator Mining Pty Ltd	KIN Mining NL	7/11/2018	6/11/2039	167	100%	Live		16800
Cardinia	M37/1340	Navigator Mining Pty Ltd	KIN Mining NL	25/03/2020	24/03/2041	165	100%	Live		16500
Cardinia	M37/1342	Navigator Mining Pty Ltd	KIN Mining NL	13/11/2020	12/11/2041	400	100%	Live		40000
Cardinia	M37/1345	Navigator Mining Pty Ltd	KIN Mining NL	13/11/2020	12/11/2041	30	100%	Live		10000
Cardinia	M37/1358	Navigator Mining Pty Ltd	KIN Mining NL	18/08/2023	17/08/2044	74	100%	Live		10000
Cardinia	M37/1383	Navigator Mining Pty Ltd	KIN Mining NL			1056	100%	Pending		
Cardinia	M37/1384	Navigator Mining Pty Ltd	KIN Mining NL			589	100%	Pending		
Cardinia	M37/223	Navigator Mining Pty Ltd	KIN Mining NL	13/07/1989	12/07/2031	184	100%	Live	4784	18400
Cardinia	M37/299	Navigator Mining Pty Ltd	KIN Mining NL	22/10/1990	21/10/2032	69	100%	Live	1820	10000



Project	Tenement	Holder	Company	Grant Date	Expiry Date	Total Area (ha)	Equity	Status	Rent (\$)	Minimum Commitment (\$)
Cardinia	M37/316	Navigator Mining Pty Ltd	KIN Mining NL	28/12/1990	27/12/2032	778	100%	Live	20228	77800
Cardinia	M37/317	Navigator Mining Pty Ltd	KIN Mining NL	17/12/1990	16/12/2032	660	100%	Live	17160	66000
Cardinia	M37/422	Navigator Mining Pty Ltd	KIN Mining NL	4/02/1994	3/02/2036	199	100%	Live	4800	20000
Cardinia	M37/487	Navigator Mining Pty Ltd	KIN Mining NL	14/06/1995	13/06/2037	81	100%	Live	1944	10000
Cardinia	M37/720	Navigator Mining Pty Ltd	KIN Mining NL	19/03/2010	18/03/2031	2	100%	Live	48	5000
Cardinia	M37/88	Navigator Mining Pty Ltd	KIN Mining NL	19/11/1986	18/11/2028	18	100%	Live	468	10000
Cardinia	P37/8537	Navigator Mining Pty Ltd	KIN Mining NL	8/07/2015	7/07/2023	200	100%	Live	800	8000
Cardinia	P37/8538	Navigator Mining Pty Ltd	KIN Mining NL	8/07/2015	7/07/2023	200	100%	Live	800	8000
Cardinia	P37/8539	Navigator Mining Pty Ltd	KIN Mining NL	8/07/2015	7/07/2023	200	100%	Live	800	8000
Cardinia	P37/8540	Navigator Mining Pty Ltd	KIN Mining NL	8/07/2015	7/07/2023	199	100%	Live	796	7960
Cardinia	P37/8741	Navigator Mining Pty Ltd	KIN Mining NL	28/02/2017	27/02/2025	109	100%	Live	440	4400
Cardinia	P37/8742	Navigator Mining Pty Ltd	KIN Mining NL	28/02/2017	27/02/2025	198	100%	Live	792	7920
Cardinia	P37/8743	Navigator Mining Pty Ltd	KIN Mining NL	28/02/2017	27/02/2025	185	100%	Live	744	7440
Cardinia	P37/8795	Navigator Mining Pty Ltd	KIN Mining NL	10/07/2017	9/07/2025	40	100%	Live	200	2000
Cardinia	P37/8938	Navigator Mining Pty Ltd	KIN Mining NL	15/11/2017	14/11/2025	200	100%	Live	800	8000
Cardinia	P37/8939	Navigator Mining Pty Ltd	KIN Mining NL	15/11/2017	14/11/2025	200	100%	Live	800	8000
Cardinia	P37/8940	Navigator Mining Pty Ltd	KIN Mining NL	15/11/2017	14/11/2025	188	100%	Live	752	7520
Cardinia	P37/8941	Navigator Mining Pty Ltd	KIN Mining NL	15/11/2017	14/11/2025	132	100%	Live	528	5280



Project	Tenement	Holder	Company	Grant Date	Expiry Date	Total Area (ha)	Equity	Status	Rent (\$)	Minimum Commitment (\$)
Cardinia	P37/8942	Navigator Mining Pty Ltd	KIN Mining NL	15/11/2017	14/11/2025	192	100%	Live	768	7680
Cardinia	P37/8943	Navigator Mining Pty Ltd	KIN Mining NL	15/11/2017	14/11/2025	186	100%	Live	744	7440
Cardinia	P37/8944	Navigator Mining Pty Ltd	KIN Mining NL	15/11/2017	14/11/2025	197	100%	Live	788	7880
Cardinia	P37/8945	Navigator Mining Pty Ltd	KIN Mining NL	15/11/2017	14/11/2025	199	100%	Live	796	7960
Cardinia	P37/8946	Navigator Mining Pty Ltd	KIN Mining NL	15/11/2017	14/11/2025	137	100%	Live	548	5480
Cardinia	P37/8947	Navigator Mining Pty Ltd	KIN Mining NL	15/11/2017	14/11/2025	191	100%	Live	764	7640
Cardinia	P37/8988	Navigator Mining Pty Ltd	KIN Mining NL	23/01/2018	22/01/2026	53	100%	Live	212	2120
Cardinia	P37/8989	Navigator Mining Pty Ltd	KIN Mining NL	23/01/2018	22/01/2026	200	100%	Live	800	8000
Cardinia	P37/8990	Navigator Mining Pty Ltd	KIN Mining NL	23/01/2026	22/01/2026	200	100%	Live	800	8000
Cardinia	P37/8996	Navigator Mining Pty Ltd	KIN Mining NL	8/01/2018	7/01/2026	182	100%	Live	728	7280
Cardinia	P37/8997	Navigator Mining Pty Ltd	KIN Mining NL	8/01/2018	7/01/2026	196	100%	Live	784	7840
Cardinia	P37/8998	Navigator Mining Pty Ltd	KIN Mining NL	8/01/2018	7/01/2026	198	100%	Live	792	7920
Cardinia	P37/9008	Navigator Mining Pty Ltd	KIN Mining NL	8/01/2018	7/01/2026	197	100%	Live	788	7880
Cardinia	P37/9009	Navigator Mining Pty Ltd	KIN Mining NL	24/01/2018	23/01/2026	190	100%	Live	760	7600
Cardinia	P37/9010	Navigator Mining Pty Ltd	KIN Mining NL	24/01/2018	23/01/2026	188	100%	Live	752	7520
Cardinia	P37/9128	Navigator Mining Pty Ltd	KIN Mining NL	30/11/2018	29/11/2026	200	100%	Live	800	8000
Cardinia	P37/9129	Navigator Mining Pty Ltd	KIN Mining NL	30/11/2018	29/11/2026	147	100%	Live	588	5880
Cardinia	P37/9130	Navigator Mining Pty Ltd	KIN Mining NL	30/11/2018	29/11/2026	200	100%	Live	800	8000



Project	Tenement	Holder	Company	Grant Date	Expiry Date	Total Area (ha)	Equity	Status	Rent (\$)	Minimum Commitment (\$)
Cardinia	P37/9131	Navigator Mining Pty Ltd	KIN Mining NL	30/11/2018	29/11/2026	200	100%	Live	800	8000
Cardinia	P37/9132	Navigator Mining Pty Ltd	KIN Mining NL	30/11/2018	29/11/2026	200	100%	Live	800	8000
Cardinia	P37/9133	Navigator Mining Pty Ltd	KIN Mining NL	30/11/2018	29/11/2026	200	100%	Live	800	8000
Cardinia	P37/9134	Navigator Mining Pty Ltd	KIN Mining NL	30/11/2018	29/11/2026	200	100%	Live	800	8000
Cardinia	P37/9135	Navigator Mining Pty Ltd	KIN Mining NL	30/11/2018	29/11/2026	200	100%	Live	800	8000
Cardinia	P37/9136	Navigator Mining Pty Ltd	KIN Mining NL	30/11/2018	29/11/2026	180	100%	Live	720	7200
Cardinia	P37/9137	Navigator Mining Pty Ltd	KIN Mining NL	30/11/2018	29/11/2026	195	100%	Live	780	7800
Cardinia	P37/9158	Navigator Mining Pty Ltd	KIN Mining NL	30/11/2018	29/11/2026	200	100%	Live	800	8000
Cardinia	P37/9166	Navigator Mining Pty Ltd	KIN Mining NL	13/12/2018	12/12/2026	40	100%	Live	200	2000
Cardinia	P37/9170	Navigator Mining Pty Ltd	KIN Mining NL	23/01/2019	22/01/2027	199	100%	Live	796	7960
Cardinia	P37/9171	Navigator Mining Pty Ltd	KIN Mining NL	6/03/2019	5/03/2027	188	100%	Live	752	7520
Cardinia	P37/9172	Navigator Mining Pty Ltd	KIN Mining NL	6/03/2019	5/03/2027	180	100%	Live	720	7200
Cardinia	P37/9173	Navigator Mining Pty Ltd	KIN Mining NL	6/03/2019	5/03/2027	188	100%	Live	752	7520
Cardinia	P37/9225	Navigator Mining Pty Ltd	KIN Mining NL	29/01/2020	28/01/2024	187	100%	Live	748	7480
Cardinia	P37/9226	Navigator Mining Pty Ltd	KIN Mining NL	29/01/2020	28/01/2024	191	100%	Live	768	7680
Cardinia	P37/9227	Navigator Mining Pty Ltd	KIN Mining NL	29/01/2020	28/01/2024	167	100%	Live	672	6720
Cardinia	P37/9230	Navigator Mining Pty Ltd	KIN Mining NL	29/01/2020	28/01/2024	198	100%	Live	792	7920
Cardinia	P37/9231	Navigator Mining Pty Ltd	KIN Mining NL	29/01/2020	28/01/2024	193	100%	Live	772	7720



Project	Tenement	Holder	Company	Grant Date	Expiry Date	Total Area (ha)	Equity	Status	Rent (\$)	Minimum Commitment (\$)
Cardinia	P37/9232	Navigator Mining Pty Ltd	KIN Mining NL	30/01/2020	29/01/2024	176	100%	Live	708	7080
Cardinia	P37/9411	Navigator Mining Pty Ltd	KIN Mining NL	6/05/2021	5/05/2025	24	100%	Live	96	2000
Cardinia	P37/9509	Navigator Mining Pty Ltd	KIN Mining NL	10/11/2021	9/11/2025	159	100%	Live	636	6360
Cardinia	P37/9510	Navigator Mining Pty Ltd	KIN Mining NL	10/11/2021	9/11/2025	169	100%	Live	676	6760
Cardinia	P37/9511	Navigator Mining Pty Ltd	KIN Mining NL	10/11/2021	9/11/2025	196	100%	Live	784	7840
Cardinia	P37/9541	Navigator Mining Pty Ltd	KIN Mining NL	18/03/2022	17/03/2026	179	100%	Live	720	7200
Desdemona	E37/1156	KIN West WA Pty Ltd	KIN Mining NL	30/01/2014	29/01/2024	688	100%	Live	1494	50000
Desdemona	E37/1201	KIN West WA Pty Ltd	KIN Mining NL	29/05/2015	28/05/2025	1376	100%	Live	2844	50000
Desdemona	E37/1203	KIN West WA Pty Ltd	KIN Mining NL	29/05/2015	28/05/2025	1305	100%	Live	2844	50000
Desdemona	E37/1315	KIN West WA Pty Ltd	KIN Mining NL	2/07/2018	1/07/2028	690	100%	Live	1185	30000
Desdemona	E37/1326	KIN West WA Pty Ltd	KIN Mining NL	14/11/2018	13/11/2028	11359	100%	Live	13035	66000
Desdemona	E40/283	KIN West WA Pty Ltd	KIN Mining NL	23/03/2011	22/03/2025	6884	100%	Live	14940	70000
Desdemona	E40/366	KIN West WA Pty Ltd	KIN Mining NL	9/02/2018	8/02/2028	688	100%	Live	790	30000
Desdemona	E40/369	KIN West WA Pty Ltd	KIN Mining NL	16/11/2018	15/11/2028	1032	100%	Live	1185	30000
Desdemona	M37/1380	KIN West WA Pty Ltd	KIN Mining NL			275	100%	Pending		
Desdemona	M40/330	KIN West WA Pty Ltd	KIN Mining NL	17/06/2010	16/06/2031	321	100%	Live	7704	32100
Desdemona	M40/346	KIN West WA Pty Ltd	KIN Mining NL	2/07/2019	1/07/2040	186	100%	Live	4836	18600
Desdemona	P37/8500	KIN West WA Pty Ltd	KIN Mining NL	11/03/2015	10/03/2023	198	100%	Live	792	7920
Desdemona	P37/8504	KIN West WA Pty Ltd	KIN Mining NL	31/03/2015	30/03/2023	77	100%	Live	308	3080
Desdemona	P37/9657	KIN West WA Pty Ltd	KIN Mining NL			93	100%	Pending		
Desdemona	P37/9658	KIN West WA Pty Ltd	KIN Mining NL			154	100%	Pending		
Desdemona	P40/1464	KIN West WA Pty Ltd	KIN Mining NL	30/11/2018	29/11/2026	154	100%	Live	616	6160



Project	Tenement	Holder	Company	Grant Date	Expiry Date	Total Area (ha)	Equity	Status	Rent (\$)	Minimum Commitment (\$)
Desdemona	P40/1525	KIN West WA Pty Ltd	KIN Mining NL	1/07/2021	30/06/2025	188	100%	Live	756	7560
Desdemona	P40/1526	KIN West WA Pty Ltd	KIN Mining NL	1/07/2021	30/06/2025	194	100%	Live	776	7760
Desdemona	P40/1527	KIN West WA Pty Ltd	KIN Mining NL	1/07/2021	30/06/2025	194	100%	Live	780	7800
Desdemona	P40/1540	KIN West WA Pty Ltd	KIN Mining NL			147	100%	Pending		
Iron King / Mt Fouracre	E37/1134	KIN West WA Pty Ltd	KIN Mining NL	18/02/2013	17/02/2025	334	100%	Live	447	20000
Iron King / Mt Fouracre	M37/1327	KIN West WA Pty Ltd	KIN Mining NL	04/18/2018	17/04/2039	1165	100%	Live	30290	116500
Iron King / Mt Fouracre	M37/1364	KIN West WA Pty Ltd	KIN Mining NL			143	100%	Pending		
Iron King / Mt Fouracre	P37/8359	KIN West WA Pty Ltd	KIN Mining NL	28/08/2013	27/08/2021	143	100%	Live	572	5720
Iron King / Mt Fouracre	P37/9612	KIN West WA Pty Ltd	KIN Mining NL	22/08/2022	21/08/2026	162	100%	Live	652	6520
MERTONDALE	M37/1284	Navigator Mining Pty Ltd	KIN Mining NL	17/04/2009	16/04/2030	19	100%	Live	480	10000
MERTONDALE	M37/1325	Navigator Mining Pty Ltd	KIN Mining NL	31/08/2017	30/08/2038	14	100%	Live	364	10000
MERTONDALE	M37/1333	Navigator Mining Pty Ltd	KIN Mining NL	21/11/2018	20/11/2039	1000	100%	Live		100100
MERTONDALE	M37/231	Navigator Mining Pty Ltd	KIN Mining NL	6/11/1989	5/11/2031	886	100%	Live	23062	88700
MERTONDALE	M37/232	Navigator Mining Pty Ltd	KIN Mining NL	6/11/1989	5/11/2031	670	100%	Live	17420	67000
MERTONDALE	M37/233	Navigator Mining Pty Ltd	KIN Mining NL	6/11/1989	5/11/2031	997	100%	Live	25922	99700
MERTONDALE	M37/81	Navigator Mining Pty Ltd	KIN Mining NL	10/10/1986	9/10/2028	327	100%	Live	8502	32700
MERTONDALE	M37/82	Navigator Mining Pty Ltd	KIN Mining NL	25/07/1986	24/07/2028	384	100%	Live	10010	38500
MERTONDALE	P37/8536	Navigator Mining Pty Ltd	KIN Mining NL	8/07/2015	7/07/2023	200	100%	Live	800	8000
MERTONDALE	P37/8541	Navigator Mining Pty Ltd	KIN Mining NL	8/07/2015	7/07/2023	193	100%	Live	772	7720



Project	Tenement	Holder	Company	Grant Date	Expiry Date	Total Area (ha)	Equity	Status	Rent (\$)	Minimum Commitment (\$)
MERTONDALE	P37/8542	Navigator Mining Pty Ltd	KIN Mining NL	8/07/2015	7/07/2023	190	100%	Live	760	7600
MERTONDALE	P37/8543	Navigator Mining Pty Ltd	KIN Mining NL	8/07/2015	7/07/2023	197	100%	Live	788	7880
MERTONDALE	P37/8737	Navigator Mining Pty Ltd	KIN Mining NL	28/02/2017	27/02/2025	200	100%	Live	800	8000
MERTONDALE	P37/8738	Navigator Mining Pty Ltd	KIN Mining NL	28/02/2017	27/02/2025	152	100%	Live	608	6080
MERTONDALE	P37/8739	Navigator Mining Pty Ltd	KIN Mining NL	28/02/2017	27/02/2025	35	100%	Live	144	2000
MERTONDALE	P37/8740	Navigator Mining Pty Ltd	KIN Mining NL	28/02/2017	27/02/2025	75	100%	Live	304	3040
MERTONDALE	P37/8744	Navigator Mining Pty Ltd	KIN Mining NL	28/02/2017	27/02/2025	199	100%	Live	796	7960
MERTONDALE	P37/8991	Navigator Mining Pty Ltd	KIN Mining NL	8/01/2018	7/01/2026	198	100%	Live	792	7920
MERTONDALE	P37/8992	Navigator Mining Pty Ltd	KIN Mining NL	8/01/2018	7/01/2026	19	100%	Live	788	7880
MERTONDALE	P37/8993	Navigator Mining Pty Ltd	KIN Mining NL	8/01/2018	7/01/2026	200	100%	Live	800	8000
MERTONDALE	P37/8994	Navigator Mining Pty Ltd	KIN Mining NL	8/01/2018	7/01/2026	200	100%	Live	800	8000
MERTONDALE	P37/8995	Navigator Mining Pty Ltd	KIN Mining NL	8/01/2018	7/01/2026	200	100%	Live	800	8000
MERTONDALE	P37/8999	Navigator Mining Pty Ltd	KIN Mining NL	8/01/2018	7/01/2026	200	100%	Live	800	8000
MERTONDALE	P37/9000	Navigator Mining Pty Ltd	KIN Mining NL	8/01/2018	7/01/2026	200	100%	Live	800	8000
MERTONDALE	P37/9001	Navigator Mining Pty Ltd	KIN Mining NL	8/01/2018	7/01/2026	200	100%	Live	800	8000
MERTONDALE	P37/9002	Navigator Mining Pty Ltd	KIN Mining NL	8/01/2018	7/01/2026	191	100%	Live	764	7640
MERTONDALE	P37/9003	Navigator Mining Pty Ltd	KIN Mining NL	8/01/2018	7/01/2026	195	100%	Live	780	7800
MERTONDALE	P37/9004	Navigator Mining Pty Ltd	KIN Mining NL	8/01/2018	7/01/2026	200	100%	Live	800	8000



Project	Tenement	Holder	Company	Grant Date	Expiry Date	Total Area (ha)	Equity	Status	Rent (\$)	Minimum Commitment (\$)
MERTONDALE	P37/9122	Navigator Mining Pty Ltd	KIN Mining NL	24/01/2018	23/01/2026	200	100%	Live	800	8000
MERTONDALE	P37/9123	Navigator Mining Pty Ltd	KIN Mining NL	2/10/2018	1/10/2026	177	100%	Live	708	7080
MERTONDALE	P37/9124	Navigator Mining Pty Ltd	KIN Mining NL	2/10/2018	1/10/2026	179	100%	Live	716	7160
MERTONDALE	P37/9125	Navigator Mining Pty Ltd	KIN Mining NL	30/11/2018	29/11/2026	178	100%	Live	712	7120
MERTONDALE	P37/9126	Navigator Mining Pty Ltd	KIN Mining NL	30/11/2018	29/11/2026	190	100%	Live	760	7600
MERTONDALE	P37/9127	Navigator Mining Pty Ltd	KIN Mining NL	2/10/2018	1/10/2026	200	100%	Live	800	8000
MERTONDALE	P37/9221	Navigator Mining Pty Ltd	KIN Mining NL	29/01/2020	28/01/2024	127	100%	Live	508	5080
MERTONDALE	P37/9222	Navigator Mining Pty Ltd	KIN Mining NL	29/01/2020	28/01/2024	194	100%	Live	780	7800
MERTONDALE	P37/9223	Navigator Mining Pty Ltd	KIN Mining NL	29/01/2020	28/01/2024	192	100%	Live	772	7720
MERTONDALE	P37/9224	Navigator Mining Pty Ltd	KIN Mining NL	29/01/2020	28/01/2024	29	100%	Live	200	2000
MERTONDALE	P37/9228	Navigator Mining Pty Ltd	KIN Mining NL	29/01/2020	28/01/2024	196	100%	Live	788	7880
MERTONDALE	P37/9229	Navigator Mining Pty Ltd	KIN Mining NL	29/01/2020	28/01/2024	191	100%	Live	764	7640
MERTONDALE	P37/9326	Navigator Mining Pty Ltd	KIN Mining NL	11/08/2020	10/08/2024	197	100%	Live	792	7920
MERTONDALE	P37/9327	Navigator Mining Pty Ltd	KIN Mining NL	11/08/2020	10/08/2024	170	100%	Live	680	6800
MERTONDALE	P37/9328	Navigator Mining Pty Ltd	KIN Mining NL	11/08/2020	10/08/2024	185	100%	Live	740	7400
Mt Flora	M39/1118	KIN East Pty Ltd	KIN Mining NL	25/09/2018	24/09/2039	886	100%	Live	23062	88700
Mt Flora	P39/5859	KIN East Pty Ltd	KIN Mining NL	31/10/2018	30/10/2026	187	100%	Live	748	7480
Mt Flora	P39/5860	KIN East Pty Ltd	KIN Mining NL	31/10/2018	30/10/2026	189	100%	Live	756	7560
Murrin Murrin	M39/1121	KIN East Pty Ltd	KIN Mining NL	25/09/2018	24/09/2039	159	100%	Live	4134	15900
Murrin Murrin	M39/1136	KIN East Pty Ltd	KIN Mining NL			352	100%	Pending		



Project	Tenement	Holder	Company	Grant Date	Expiry Date	Total Area (ha)	Equity	Status	Rent (\$)	Minimum Commitment (\$)
Murrin Murrin	M39/1141	KIN East Pty Ltd	KIN Mining NL			580	100%	Pending		
Murrin Murrin	M39/279	KIN East Pty Ltd 66%, Russel McKnight 33%	KIN Mining NL	15/01/1993	14/01/2035	25	100%	Live	676	10000
Murrin Murrin	P39/5112	KIN East Pty Ltd	KIN Mining NL	12/04/2011	11/04/2019	180	100%	Live	630	7200
Murrin Murrin	P39/5113	KIN East Pty Ltd	KIN Mining NL	12/04/2011	11/04/2019	175	100%	Live	613	7000
Murrin Murrin	P39/5176	KIN East Pty Ltd	KIN Mining NL	21/02/2012	20/02/2020	121	100%	Live	484	4840
Murrin Murrin	P39/5177	KIN East Pty Ltd	KIN Mining NL	21/02/2012	20/02/2020	121	100%	Live	484	4840
Murrin Murrin	P39/5178	KIN East Pty Ltd	KIN Mining NL	21/02/2012	20/02/2020	121	100%	Live	484	4840
Murrin Murrin	P39/5179	KIN East Pty Ltd	KIN Mining NL	21/02/2012	20/02/2020	95	100%	Live	384	3840
Murrin Murrin	P39/5180	KIN East Pty Ltd	KIN Mining NL	2/03/2012	1/03/2020	121	100%	Live	484	4840
Murrin Murrin	P39/5861	KIN East Pty Ltd	KIN Mining NL	31/10/2018	30/10/2026	200	100%	Live	800	8000
Murrin Murrin	P39/5862	KIN East Pty Ltd	KIN Mining NL	31/10/2018	30/10/2026	199	100%	Live	796	7960
Murrin Murrin	P39/5863	KIN East Pty Ltd	KIN Mining NL	31/10/2018	30/10/2026	181	100%	Live	724	7240
Murrin Murrin	P39/5864	KIN East Pty Ltd	KIN Mining NL	31/10/2018	30/10/2026	200	100%	Live	800	8000
Pig Well	P37/8948	KIN West WA Pty Ltd	KIN Mining NL	15/11/2017	14/11/2025	185	100%	Live	740	7400
Pig Well	P37/8949	KIN West WA Pty Ltd	KIN Mining NL	15/11/2017	14/11/2025	198	100%	Live	792	7920
Pig Well	P37/8950	KIN West WA Pty Ltd	KIN Mining NL	15/11/2017	14/11/2025	200	100%	Live	800	8000
Pig Well	P37/8951	KIN West WA Pty Ltd	KIN Mining NL	15/11/2017	14/11/2025	189	100%	Live	756	7560
Pig Well	P37/8952	KIN West WA Pty Ltd	KIN Mining NL	15/11/2017	14/11/2025	200	100%	Live	800	8000
Pig Well	P37/8953	KIN West WA Pty Ltd	KIN Mining NL	15/11/2017	14/11/2025	200	100%	Live	800	8000
Pig Well	P37/8954	KIN West WA Pty Ltd	KIN Mining NL	15/11/2017	14/11/2025	199	100%	Live	796	7960
Pig Well	P37/8955	KIN West WA Pty Ltd	KIN Mining NL	15/11/2017	14/11/2025	200	100%	Live	800	8000
Pig Well	P37/8956	KIN West WA Pty Ltd	KIN Mining NL	15/11/2017	14/11/2025	200	100%	Live	800	8000
Pig Well	P37/8957	KIN West WA Pty Ltd	KIN Mining NL	15/11/2017	14/11/2025	200	100%	Live	800	8000



Project	Tenement	Holder	Company	Grant Date	Expiry Date	Total Area (ha)	Equity	Status	Rent (\$)	Minimum Commitment (\$)
Pig Well	P37/8958	KIN West WA Pty Ltd	KIN Mining NL	15/11/2017	14/11/2025	200	100%	Live	800	8000
Pig Well	P37/8959	KIN West WA Pty Ltd	KIN Mining NL	15/11/2017	14/11/2025	198	100%	Live	792	7920
Pig Well	P37/8960	KIN West WA Pty Ltd	KIN Mining NL	15/11/2017	14/11/2025	200	100%	Live	800	8000
Pig Well	P37/8961	KIN West WA Pty Ltd	KIN Mining NL	15/11/2017	14/11/2025	200	100%	Live	800	8000
Pig Well	P37/8962	KIN West WA Pty Ltd	KIN Mining NL	15/11/2017	14/11/2025	200	100%	Live	800	8000
Pig Well	P37/8963	KIN West WA Pty Ltd	KIN Mining NL	15/11/2017	14/11/2025	200	100%	Live	800	8000
Pig Well	P37/8964	KIN West WA Pty Ltd	KIN Mining NL	15/11/2017	14/11/2025	200	100%	Live	800	8000
Pig Well	P37/8974	KIN West WA Pty Ltd	KIN Mining NL	30/11/2017	29/11/2025	192	100%	Live	768	7680
Pig Well	P37/8975	KIN West WA Pty Ltd	KIN Mining NL	30/11/2017	29/11/2025	199	100%	Live	796	7960
Pig Well	P37/8976	KIN West WA Pty Ltd	KIN Mining NL	30/11/2017	29/11/2025	165	100%	Live	660	6600
Pig Well	P37/8977	KIN West WA Pty Ltd	KIN Mining NL	30/11/2017	29/11/2025	173	100%	Live	692	6920
Pig Well	P37/8978	KIN West WA Pty Ltd	KIN Mining NL	30/11/2017	29/11/2025	162	100%	Live	648	6480
RAESIDE	E37/1402	Navigator Mining Pty Ltd	KIN Mining NL	23/03/2021	22/03/2026	2409	100%	Live	2023	30000
Randwick	M37/1316	KIN East Pty Ltd	KIN Mining NL	6/07/2017	5/07/2038	243	100%	Live	6318	24300
Randwick	M37/1343	KIN East Pty Ltd	KIN Mining NL	14/05/2021	13/05/2042	113	100%	Live	2688	11300
Randwick	P37/8965	KIN East Pty Ltd	KIN Mining NL	30/11/2017	29/11/2025	195	100%	Live	780	7800
Randwick	P37/8966	KIN East Pty Ltd	KIN Mining NL	30/11/2017	29/11/2025	200	100%	Live	800	8000
Randwick	P37/8967	KIN East Pty Ltd	KIN Mining NL	30/11/2017	29/11/2025	198	100%	Live	792	7920
Randwick	P37/8968	KIN East Pty Ltd	KIN Mining NL	30/11/2017	29/11/2025	196	100%	Live	784	7840
Randwick	P37/8969	KIN East Pty Ltd	KIN Mining NL	31/10/2018	30/10/2026	200	100%	Live	800	8000
Randwick	P37/8970	KIN East Pty Ltd	KIN Mining NL	31/10/2018	30/10/2026	140	100%	Live	560	5600
Randwick	P37/8971	KIN East Pty Ltd	KIN Mining NL	30/11/2017	29/11/2025	199	100%	Live	796	7960
Randwick	P37/8972	KIN East Pty Ltd	KIN Mining NL	30/11/2017	29/11/2025	199	100%	Live	796	7960
Randwick	P37/8973	KIN East Pty Ltd	KIN Mining NL	30/11/2017	29/11/2025	189	100%	Live	760	7600



Project	Tenement	Holder	Company	Grant Date	Expiry Date	Total Area (ha)	Equity	Status	Rent (\$)	Minimum Commitment (\$)
Randwick	P37/9320	KIN East Pty Ltd	KIN Mining NL	11/08/2020	10/08/2024	121	100%	Live	488	4880
Randwick	P37/9321	KIN East Pty Ltd	KIN Mining NL	11/08/2020	10/08/2024	121	100%	Live	488	4880
Randwick	P37/9322	KIN East Pty Ltd	KIN Mining NL	11/08/2020	10/08/2024	80	100%	Live	324	3240
Randwick	P37/9323	KIN East Pty Ltd	KIN Mining NL	11/08/2020	10/08/2024	121	100%	Live	488	4880
Randwick	P37/9324	KIN East Pty Ltd	KIN Mining NL	11/08/2020	10/08/2024	121	100%	Live	488	4880
Randwick	P37/9325	KIN East Pty Ltd	KIN Mining NL	11/08/2020	10/08/2024	171	100%	Live	688	6880
G88	P 37/8610	Golden Mile Resources Ltd	KIN Mining NL	20/04/2016	19/04/2024	199.00	100%	Dead	697	\$7,960.00
G88	P 37/8611	Golden Mile Resources Ltd	KIN Mining NL	20/04/2016	19/04/2024	182.00	100%	Dead	637	\$7,280.00
G88	P 37/8612	Golden Mile Resources Ltd	KIN Mining NL	20/04/2016	19/04/2024	186.00	100%	Dead	651	\$7,440.00
G88	P 37/8615	Golden Mile Resources Ltd	KIN Mining NL	5/05/2016	5/04/2024	85.00	100%	Dead	298	\$3,400.00
G88	P 37/8484	Golden Mile Resources Ltd	KIN Mining NL	23/01/2015	22/01/2023	144.00	100%	Live	576	\$5,760.00
G88	E 37/1215	Golden Mile Resources Ltd	KIN Mining NL	26/08/2015	25/08/2025	11 BL	100%	Live	8217	\$70,000.00
G88	E 37/1225	Golden Mile Resources Ltd	KIN Mining NL	12/01/2015	30/11/2025	10 BL	100%	Live	7470	\$70,000.00
G88	E 37/1456	Golden Mile Resources Ltd	KIN Mining NL	7/05/2023	7/04/2028	7 BL	100%	Live	1127	\$20,000.00
G88	P 37/8762	Golden Mile Resources Ltd	KIN Mining NL	4/06/2017	4/05/2025	196.82	100%	Live	788	\$7,880.00
G88	P 37/8763	Golden Mile Resources Ltd	KIN Mining NL	4/06/2017	4/05/2025	170.24	100%	Live	684	\$6,840.00
G88	P 37/8764	Golden Mile Resources Ltd	KIN Mining NL	4/06/2017	4/05/2025	161.79	100%	Live	772	\$6,480.00
G88	P 37/8765	Golden Mile Resources Ltd	KIN Mining NL	4/06/2017	4/05/2025	193.00	100%	Live	772	\$7,720.00
G88	P 37/8766	Golden Mile Resources Ltd	KIN Mining NL	4/06/2017	4/05/2025	193.00	100%	Live	772	\$7,720.00
G88	P 37/8767	Golden Mile Resources Ltd	KIN Mining NL	4/06/2017	4/05/2025	145.79	100%	Live	584	\$5,840.00



Project	Tenement	Holder	Company	Grant Date	Expiry Date	Total Area (ha)	Equity	Status	Rent (\$)	Minimum Commitment (\$)
G88	P 37/8922	Golden Mile Resources Ltd	KIN Mining NL	14/09/2017	13/09/2025	121.23	100%	Live	488	\$4,880.00
G88	P 37/9047	Golden Mile Resources Ltd	KIN Mining NL	2/01/2018	31/01/2026	63.57	100%	Live	256	\$2,560.00
G88	P 37/9050	Golden Mile Resources Ltd	KIN Mining NL	2/01/2018	31/01/2026	181.80	100%	Live	728	\$7,280.00
G88	P 37/9051	Golden Mile Resources Ltd	KIN Mining NL	2/01/2018	31/01/2026	181.79	100%	Live	800	\$7,280.00
G88	P 37/9052	Golden Mile Resources Ltd	KIN Mining NL	2/01/2018	31/01/2026	199.80	100%	Live	800	\$8,000.00
G88	P 37/9053	Golden Mile Resources Ltd	KIN Mining NL	2/01/2018	31/01/2026	200.00	100%	Live	800	\$8,000.00
G88	P 37/9054	Golden Mile Resources Ltd	KIN Mining NL	14/01/2019	13/01/2027	183.38	100%	Live	736	\$7,360.00
G88	P 37/9055	Golden Mile Resources Ltd	KIN Mining NL	14/01/2019	13/01/2027	158.47	100%	Live	636	\$6,360.00
G88	P 37/9056	Golden Mile Resources Ltd	KIN Mining NL	14/01/2019	13/01/2027	113.73	100%	Live	456	\$4,560.00
G88	P 37/9057	Golden Mile Resources Ltd	KIN Mining NL	14/01/2019	13/01/2027	150.86	100%	Live	604	\$6,040.00
G88	P 37/9058	Golden Mile Resources Ltd	KIN Mining NL	14/01/2019	13/01/2027	196.03	100%	Live	788	\$7,880.00
G88	P 37/9059	Golden Mile Resources Ltd	KIN Mining NL	14/01/2019	13/01/2027	193.09	100%	Live	776	\$7,760.00
G88	P 37/9060	Golden Mile Resources Ltd	KIN Mining NL	2/01/2018	31/01/2026	67.34	100%	Live	272	\$2,720.00
G88	P 37/9061	Golden Mile Resources Ltd	KIN Mining NL	2/01/2018	31/01/2026	12.25	100%	Live	200	\$2,000.00
G88	M 37/1341	Golden Mile Resources Ltd	KIN Mining NL	28/10/2019	27/10/2040	402.70	100%	Live	10478	\$40,300.00
G88	P 37/9543	Golden Mile Resources Ltd	KIN Mining NL	3/02/2022	3/01/2026	192.02	100%	Live	772	\$7,720.00
G88	P 37/9544	Golden Mile Resources Ltd	KIN Mining NL	3/02/2022	3/01/2026	184.30	100%	Live	740	\$7,400.00
G88	P 37/9545	Golden Mile Resources Ltd	KIN Mining NL	3/02/2022	3/01/2026	193.20	100%	Live	776	\$7,760.00



Project	Tenement	Holder	Company	Grant Date	Expiry Date	Total Area (ha)	Equity	Status	Rent (\$)	Minimum Commitment (\$)
G88	P 37/9546	Golden Mile Resources Ltd	KIN Mining NL	3/02/2022	3/01/2026	194.41	100%	Live	780	\$7,800.00
G88	E 37/1456	Golden Mile Resources Ltd	KIN Mining NL	7/05/2023	7/04/2028	7 BL	100%	Live	1127	\$20,000.00
G88	P 37/9598	Golden Mile Resources Ltd	KIN Mining NL	14/09/2022	13/09/2026	197.30	100%	Live	792	\$7,920.00
G88	P 37/9599	Golden Mile Resources Ltd	KIN Mining NL	14/09/2022	13/09/2026	191.81	100%	Live	768	\$7,680.00
G88	P 37/9600	Golden Mile Resources Ltd	KIN Mining NL	14/09/2022	13/09/2026	191.10	100%	Live	768	\$7,680.00
G88	P 37/9601	Golden Mile Resources Ltd	KIN Mining NL	14/09/2022	13/09/2026	196.89	100%	Live	788	\$7,880.00
G88	P 37/9659	KIN West WA Pty Ltd	KIN Mining NL	3/10/2023	3/09/2027	200.00	100%	Live	800	\$8,000.00
G88	P 37/9660	KIN West WA Pty Ltd	KIN Mining NL	3/10/2023	3/09/2027	197.94	100%	Live	792	\$7,920.00
G88	P 37/9661	KIN West WA Pty Ltd	KIN Mining NL	3/10/2023	3/09/2027	199.84	100%	Live	800	\$8,000.00
G88	P 37/9662	KIN West WA Pty Ltd	KIN Mining NL	3/10/2023	3/09/2027	195.82	100%	Live	784	\$7,840.00
G88	P 37/9663	KIN West WA Pty Ltd	KIN Mining NL	3/10/2023	3/09/2027	101.31	100%	Live	408	\$4,080.00



Appendix B PNX Tenements

Project	State	Claim #	Holder	Issuance Date	Review Date	Total Area (ha)	Nature of Interest	Status	Rent (\$)	Work Requirement (\$)
Hayes Creek	NT	ML30512	PNX Metals Limited	3/10/2014	2/10/2024	6.4	100%	Live		
Hayes Creek	NT	ML30589	PNX Metals Limited	3/10/2014	2/10/2024	31.6	100%	Live		
Hayes Creek	NT	MLN1033	PNX Metals Limited	26/08/1987	31/12/2031	4.8	100%	Live		
Hayes Creek	NT	MLN1039	PNX Metals Limited	26/08/1987	31/12/2031	1.2	100%	Live		
Hayes Creek	NT	MLN214	PNX Metals Limited	6/01/1972	31/12/2029	6.3	100%	Live		
Hayes Creek	NT	MLN341	PNX Metals Limited	17/06/1976	31/12/2026	14.9	100%	Live		
Hayes Creek	NT	MLN342	PNX Metals Limited	17/06/1976	31/12/2026	14.9	100%	Live		
Hayes Creek	NT	MLN343	PNX Metals Limited	17/06/1976	31/12/2026	14.9	100%	Live		
Hayes Creek	NT	MLN346	PNX Metals Limited	2/11/1976	31/12/2026	16.0	100%	Live		
Hayes Creek	NT	MLN349	PNX Metals Limited	26/11/1976	31/12/2026	15.0	100%	Live		
Hayes Creek	NT	MLN405	PNX Metals Limited	1/12/1977	31/12/2037	12.0	100%	Live		
Hayes Creek	NT	MLN459	PNX Metals Limited	27/02/1979	31/12/2040	15.0	100%	Live		
Hayes Creek	NT	MLN811	PNX Metals Limited	14/10/1975	31/12/2025	8.1	100%	Live		
Hayes Creek	NT	MLN816	PNX Metals Limited	22/04/1976	31/12/2029	8.1	100%	Live		
Fountain Head	NT	ML31124	PNX Metals Limited	16/02/2016	15/02/2025	33.53	100%	Live		
Fountain Head	NT	MLN1020	PNX Metals Limited	15/10/1990	2/05/2039	12.04	100%	Live		
Fountain Head	NT	MLN1034	PNX Metals Limited	1/125/1988	30/11/2033	304.20	100%	Live		



Project	State	Claim #	Holder	Issuance Date	Review Date	Total Area (ha)	Nature of Interest	Status	Rent (\$)	Work Requirement (\$)
Fountain Head	NT	MLN4	PNX Metals Limited	3/05/1989	2/05/2039	529.90	100%	Live		
Glencoe	NT	ML29679	PNX Metals Limited	27/09/2012	26/09/2027	199.00	100%	Live		
Mt Porter	NT	ML23839	Ausgold Trading Pty Ltd	2/02/2005	1/02/2030	364.70	100%	Live		
Burnside	NT	EL10012	PNX Metals Limited (90%), NT Mining Operations Pty Ltd (10%)	28/11/2003	27/11/2025	1534.00	90%	Live	4000	
Burnside	NT	EL10347	PNX Metals Limited (90%), NT Mining Operations Pty Ltd (10%)	15/04/2002	14/04/2026	1032.00	90%	Live	5000	
Burnside	NT	EL23431	PNX Metals Limited (90%), NT Mining Operations Pty Ltd (10%)	20/12/2002	19/12/2024	1376.00	90%	Live	5000	
Burnside	NT	EL23536	PNX Metals Limited (90%), NT Mining Operations Pty Ltd (10%)	29/07/2003	28/07/2024	7257.00	90%	Live	5000	
Burnside	NT	EL23540	PNX Metals Limited (90%), NT Mining Operations Pty Ltd (10%)	17/02/2003	16/02/2026	1721.00	90%	Live	5000	
Burnside	NT	EL23541	PNX Metals Limited (90%), NT Mining Operations Pty Ltd (10%)	17/02/2003	16/02/2026	344.00	90%	Live	5000	



Project	State	Claim #	Holder	Issuance Date	Review Date	Total Area (ha)	Nature of Interest	Status	Rent (\$)	Work Requirement (\$)
Burnside	NT	EL24018	PNX Metals Limited (90%), NT Mining Operations Pty Ltd (10%)	10/08/2004	9/10/2024	2409.00	90%	Live	5000	
			PNX Metals Limited (90%), NT Mining Operations Pty Ltd (10%)	10/08/2004	9/08/2025	8949.00	90%	Live	5000	
Burnside	NT	EL24051	PNX Metals Limited (90%), NT Mining Operations Pty Ltd (10%)	10/08/2004	9/08/2025	344.00	90%	Live	5000	
			PNX Metals Limited (90%), NT Mining Operations Pty Ltd (10%)	10/08/2004	9/08/2025	1376.00	90%	Live	5000	
Burnside	NT	EL24405	PNX Metals Limited (90%), NT Mining Operations Pty Ltd (10%)	6/05/2005	5/05/2025	422.00	90%	Live	5000	
			PNX Metals Limited (90%), NT Mining Operations Pty Ltd (10%)	6/05/2005	5/05/2025	2277.00	90%	Live	5000	
Burnside	NT	EL24715	PNX Metals Limited (90%), NT Mining Operations Pty Ltd (10%)	1/03/2006	28/02/2026	5851.00	90%	Live	4000	
			PNX Metals Limited (90%), NT Mining Operations Pty Ltd (10%)	1/03/2006	28/02/2026		90%	Live	4000	



Project	State	Claim #	Holder	Issuance Date	Review Date	Total Area (ha)	Nature of Interest	Status	Rent (\$)	Work Requirement (\$)
Burnside	NT	EL25295	PNX Metals Limited (90%), NT Mining Operations Pty Ltd (10%)	15/02/2015	14/02/2025	1032.00	90%	Live	5000	
Burnside	NT	EL33713	PNX Metals Limited	16/01/2024	15/01/2026	60976.00	100%	Live		
Burnside	NT	EL9608	PNX Metals Limited (90%), NT Mining Operations Pty Ltd (10%)	24/05/2004	23/04/2024	1032.00	90%	Live	5000	
Golden Dyke	NT	ML30936	PNX Metals Limited	28/09/2015	27/09/2025	106.00	100%	Live		
Golden Dyke	NT	MLN794	PNX Metals Limited	12/01/1954	31/12/2025	8.09	100%	Live		
Golden Dyke	NT	MLN795	PNX Metals Limited	1/11/1961	31/12/2023	8.09	100%	Live		
Rocklands	NT	EL10120	PNX Metals Limited	15/08/2002	14/08/2024	688.00	100%	Live	8000	
Rocklands	NT	EL23509	PNX Metals Limited	27/02/2003	26/02/2025	2065.00	100%	Live	8000	
Rocklands	NT	EL25120	PNX Metals Limited	19/09/2006	18/09/2024	1032.00	100%	Live	8000	
Rocklands	NT	EL25379	PNX Metals Limited	21/02/2007	20/02/2025	688.00	100%	Live	5000	
Rocklands	NT	EL27363	PNX Metals Limited	12/01/2010	11/01/2025	688.00	100%	Live	8000	
Rocklands	NT	ML29933	PNX Metals Limited (80%), David Trow (20%)	13/02/2014	12/02/2024	279.4	80%	Live		
Rocklands	NT	ML29937	PNX Metals Limited (80%), David Trow (20%)	13/02/2014	12/02/2024	85.43	80%	Live		



Project	State	Claim #	Holder	Issuance Date	Review Date	Total Area (ha)	Nature of Interest	Status	Rent (\$)	Work Requirement (\$)
Chessman	NT	EL25054	PNX Metals Limited (90%), NT Mining Operations Pty Ltd (10%)	18/04/2006	17/04/2024	6625.00	90%	Live	5000	
	NT	EL28902	PNX Metals Limited (90%), NT Mining Operations Pty Ltd (10%)	30/03/2012	29/03/2024	10819.00	90%	Live	5000	
Chessman	NT	ML30293	PNX Metals Limited (90%), NT Mining Operations Pty Ltd (10%)	14/04/2014	13/04/2034	114	90%	Live		
	NT	EL31099	PNX Metals Limited	4/08/2016	3/08/2024	6196.00	100%	Live	8000	
Exploration	NT	EL31893	PNX Metals Limited	6/03/2019	5/03/2025	2409.00	100%	Live	8000	
Exploration	NT	EL32489	PNX Metals Limited	8/04/2021	7/04/2027	2065.00	100%	Live	5000	
Exploration	NT	EL33217	PNX Metals Limited	3/02/2023	2/02/2029	4749.00	100%	Live	8000	
Exploration	NT	EL33479	PNX Metals Limited	1/11/2023	31/10/2029	3442.00	100%	Live		
Moline		EL28616	PNX Metals Limited	23/05/2012	22/05/2032	27076.00	100%	Live		
Moline		ML24173	PNX Metals Limited	23/05/2012	22/05/2032	3126.00	100%	Live		
Moline		MLN1059	PNX Metals Limited	16/08/1990	15/08/2025	418.70	100%	Live		
Moline		MLN41	PNX Metals Limited	5/12/1969	31/12/2031	8.90	100%	Live		
Exploration		EL33476	PNX Metals Limited			3238.00	100%	Pending		
Exploration		EL33477	PNX Metals Limited			48703.00	100%	Pending		



Project	State	Claim #	Holder	Issuance Date	Review Date	Total Area (ha)	Nature of Interest	Status	Rent (\$)	Work Requirement (\$)
Exploration		EL33478	PNX Metals Limited			11664.00	100%	Pending		
Exploration		EL33480	PNX Metals Limited			1670.00	100%	Pending		
Exploration		EL33526	PNX Metals Limited (90%), NT Mining Operations Pty Ltd (10%)			181.00	90%	Pending		
Exploration		EL33718	PNX Metals Limited (90%), NT Mining Operations Pty Ltd (10%)			334.00	90%	Pending		
Exploration		ML33743	PNX Metals Limited			16.18	100%	Pending		



Appendix C Comparative Gold Transactions NT and WA

Property	Date	Description of Consideration	Deal Summary	Resources Acquired	Deal Value \$M	Equity Acquired %	Gold Price at Date	Normalisation Ratio	Resource Multiple A\$/oz	Normalised A\$/oz
Glencoe	10/12/2020	PNX paid 1.875m		156,000	1.88	100.00	2440.36	0.96	12.02	11.58
Kalpini	12/10/2020	Horizon Minerals Ltd. paid A\$2.75 million in cash to acquire the Kalpini project from NBT Metals Pty Ltd.	Perth, Australia-based Horizon Minerals Ltd. has acquired the Kalpini project from West Perth, Australia-based NBT Metals Pty Ltd. The project comprises of mining lease M27/485 and miscellaneous lease L27/88 located in Western Australia.	255,600	2.75	100.00	1921.98	1.22	10.76	13.16
Monument	26/07/2021	Sl6 Metals Ltd. paid A\$250,000 in cash, issued 34,883,721 shares of its common stock, and incurred A\$250,000 in exploration expenditures to acquire Monument project from DiscovEx Resources Ltd. Furthermore, Sl6 Metals Ltd. will be granted 2% of gross revenue to prior owners of the project, following settlement of the acquisition, DCX will retain a royalty of up to 1.5% of gross revenue.	West Perth, Australia-based Sl6 Metals Ltd. has acquired Monument project from West Perth, Australia-based DiscovEx Resources Ltd. The project is located in Western Australia.	50,000	0.55	100.00	1799.95	1.31	11.00	14.37



Property	Date	Description of Consideration	Deal Summary	Resources Acquired	Deal Value \$M	Equity Acquired %	Gold Price at Date	Normalisation Ratio	Resource Multiple A\$/oz	Normalised A\$/oz
		Rox Resources Ltd. paid A\$2.80 million in cash, issued 25.0 million shares of its common stock and incurred A\$2.0 million in exploration expenditures to acquire an initial 50% interest in the OYG Joint venture from Venus Metals Corp. Ltd. To earn a further 20% in OYG Joint venture, Rox Resources Ltd. has paid an additional A\$2.0 million in cash and issued 41,666,667 shares. Moreover, Rox Resources Ltd. will also issue a 0.70% net smelter return royalty to Venus Metals Corp. Ltd.	Perth, Australia-based Rox Resources Ltd. has acquired a 70% interest in OYG Joint venture from Perth, Australia-based Venus Metals Corp. Ltd. through an earn-in and joint venture agreement. The project is located in Western Australia, Australia.	833,420	5.33	70.00	1393.47	1.69	9.14	15.42
Youanmi	21/06/2019									
		Red 5 Ltd. paid A\$150,000 and issued 7,773,109 shares of its common stock to acquire the Cables and Mission deposits from Mr. Andrew George Paterson. In addition to this, Red 5 Ltd. will also pay A\$500,000 in cash or shares on delineation and reporting of a 500koz JORC 2012 Resource. The deposits are also subject to a Western Australian state government net smelter return royalty of 2.50%.	Perth, Australia-based Red 5 Ltd. unit West Perth, Australia-based Darlot Mining Co. Ltd. has acquired the Cables and Mission deposits from Mr. Andrew George Paterson. The deposits are located in Western Australia.	185,527	2.50	100.00	1736.32	1.35	13.48	18.24
Mission/Cables	22/05/2020									



Property	Date	Description of Consideration	Deal Summary	Resources Acquired	Deal Value \$M	Equity Acquired %	Gold Price at Date	Normalisation Ratio	Resource Multiple A\$/oz	Normalised A\$/oz
		<p>Platina Resources Ltd. paid A\$300,000 option fees in cash, issued 12,735,849 shares of its common stock (subject to escrow period of three months) to acquire Xanadu project from an investor group comprised of Mineral Edge Pty Ltd and Coolabah Resources Pty Ltd. Furthermore, Platina Resources Ltd. will pay A\$100,000 on reporting of a JORC (2012) Mineral Resource of 100,000 oz of gold. In addition to this, Platina Resources Ltd. has granted 1% gross gold royalty on any gold produced from the prospecting licenses and a further 1% new smelter return royalty payable on all the 12 tenements. Platina Resources Ltd. can buy back 50% of the net smelter return royalty for A\$1 million.</p>	<p>Mount Hawthorn, Australia-based Platina Resources Ltd. has acquired Xanadu project from an investor group comprised of Jolimont, Australia-based Mineral Edge Pty Ltd and Subiaco, Australia-based Coolabah Resources Pty Ltd. The project is located in Western Australia.</p>	78,000	1.13	100.00	1780.75	1.32	14.44	19.06
Mt Porter	28/09/2022	PNX deal was for \$1.05m		48200	1.05	100.00	2548.68	0.92	21.78	20.09



Property	Date	Description of Consideration	Deal Summary	Resources Acquired	Deal Value \$M	Equity Acquired %	Gold Price at Date	Normalisation Ratio	Resource Multiple A\$/oz	Normalised A\$/oz
Horse Well	5/05/2021	Strickland Metals Ltd. paid A\$1.75 million in cash to acquire the remaining 37% interest in the Horse Well project from Silver Lake Resources Ltd.	Perth, Australia-based Strickland Metals Ltd. has acquired the remaining 37% interest in the Horse Well project from South Perth, Australia-based Silver Lake Resources Ltd. The project is located in Western Australia.	95,090	1.75	37.00	1783.33	1.32	18.40	24.26
Penny's Find	20/12/2021	Horizon Minerals Limited paid A\$27,000 in cash and issued 3 million shares to acquire the remaining 50% interest in Penny's Find project from Labyrinth Resources Limited. In addition to this Horizon Minerals Limited will also assume all future deferred payments, obligations, and royalties inclusive of the deferred payments due to Empire Resources Limited currently estimated at A\$500,000. The shares issued will be under voluntary escrow of 6 months. Horizon Minerals Limited will also assume net smelter royalty of 5%, payable on the first 50,000 ounces produced from M27/156 and thereafter a 2.5 % net smelter royalty.	Horizon Minerals Limited unit Black Mountain Gold Limited has acquired the remaining 50% Stake in Penny's Find project from Labyrinth Resources Limited. The Penny's Find project is located in Western Australia, Australia.	40,000	0.75	50.00	1795.30	1.31	18.75	24.55



Property	Date	Description of Consideration	Deal Summary	Resources Acquired	Deal Value \$M	Equity Acquired %	Gold Price at Date	Normalisation Ratio	Resource Multiple A\$/oz	Normalised A\$/oz
		Nu-Fortune Gold Ltd. has paid A\$2.4 million, A\$100,000 as a non-refundable deposit, A\$1 million on earlier of commencement of underground mining operations at Lindsays project or 12 months after completion date and A\$1.5 million 24 months after completion date to acquire Lindsays project from KalNorth Gold Mines Ltd.	East Perth, Australia-based Nu-Fortune Gold Ltd has acquired Lindsays project from Kalgoorlie, Australia-based KalNorth Gold Mines Ltd. The project is located in Western Australia.	215,100	5.00	100.00	1833.94	1.28	23.25	29.80
Lindsays	4/12/2020									
		Mt Malcolm Mines NL paid A\$350,000 in cash to acquire the Malcom project from Torian Resources Ltd.	Perth, Australia-based Mt Malcolm Mines NL unit Mt Malcolm Gold Holdings Pty Ltd, has acquired the Malcom project from West Perth, Australia-based Torian Resources Ltd. The Malcom project is located in Western Australia.	14,500	0.35	100.00	1898.70	1.24	24.14	29.89
Malcolm	1/06/2021									



Property	Date	Description of Consideration	Deal Summary	Resources Acquired	Deal Value \$M	Equity Acquired %	Gold Price at Date	Normalisation Ratio	Resource Multiple A\$/oz	Normalised A\$/oz
Mt Dimer	8/10/2020	<p>Adelaide, Australia-based Twenty Seven Co. Ltd. has acquired Mt Dimer and Trident project from an Investor group comprised of Lithium de Santiago, Perth, Australia-based Cadre Resources Pty Ltd, Ms. Amanda Louise Hopman and Mr. Parrish Jones. Pursuant to a binding term sheet, Twenty Seven Co. acquired Oz Gold Group Pty Ltd on 8th October, 2020. Oz Gold Group Pty Ltd had the right to acquire Mt Dimer and Trident project, which are located in Western Australia and New South Wales respectively.</p> <p>Twenty Seven Co. Ltd. paid A\$450,000 in cash to acquire Mt Dimer and Trident project from an Investor group comprised of Lithium de Santiago, Cadre Resources Pty Ltd, Ms. Amanda Louise Hopman and Mr. Parrish Jones.</p>	18,000	0.45	100.00	1889.49	1.24	25.00	31.10	
Spargos Reward	3/06/2019	<p>West Perth, Australia-based Corona Resources Ltd. unit Corona Minerals Pty Ltd. has acquired the remaining 15% interest in the Spargos Reward project from Adelaide, Australia-based Mithril Resources Ltd. The Spargos Reward project is located in Western Australia.</p> <p>Corona Resources Ltd. paid A\$50,000 in cash to acquire the remaining 15% interest in the Spargos Reward project from Mithril Resources Ltd.</p>	18,900	0.05	15.00	1319.82	1.78	17.64	31.41	



Property	Date	Description of Consideration	Deal Summary	Resources Acquired	Deal Value \$M	Equity Acquired %	Gold Price at Date	Normalisation Ratio	Resource Multiple A\$/oz	Normalised A\$/oz
		Strickland Metals Limited paid A\$8.0 million in cash and issued 28,050,491 shares of its common stock to acquire Millrose project from an investor group comprised of Millrose Gold Mines Ltd. and Golden Eagle Mining Ltd.	Strickland Metals Ltd. has acquired Millrose project from an investor group comprised of Millrose Gold Mines Ltd. and Golden Eagle Mining Ltd. The project is located in Western Australian.	346,000	10.00	100.00	1803.45	1.30	28.90	37.67
Millrose	17/12/2021									
		Warriedar Mining Pty Ltd. paid A\$900,000 in cash to acquire the Eureka project from Tyranna Resources Ltd. In addition tot this, Warriedar Mining Pty Ltd. will also pay a further A\$500,000 in cash if Warriedar Mining Pty Ltd., from within the project, recovered gold of not less than 20,000 ounces on or before the 5th anniversary of the completion date.	Inglewood, Australia-based Warriedar Mining Pty Ltd. has acquired the Eureka project from Perth, Australia-based Tyranna Resources Ltd. The project is located in Western Australia.	43,100	1.40	100.00	1967.93	1.19	32.48	38.80
Eureka	31/08/2020									



Property	Date	Description of Consideration	Deal Summary	Resources Acquired	Deal Value \$M	Equity Acquired %	Gold Price at Date	Normalisation Ratio	Resource Multiple A\$/oz	Normalised A\$/oz
		Horizon Minerals Ltd. paid A\$1.5 million in cash and incurred A\$1.0 million in exploration expenditures to acquire a 50% interest in Penny's Find project from Orminex Ltd. In addition to this, Horizon Minerals Ltd. assumed 50% of Orminex Ltd.'s obligations in respect of royalties under its original acquisition agreement for Penny's Find i.e. a net smelter royalty of 5% payable on the first 50,000 ounces produced from M27/156 and thereafter a 2.5% net smelter royalty for the life of mine.	Perth, Australia-based Horizon Minerals Ltd. unit Black Mountain Gold Ltd has acquired 50% interest in Penny's Find project from Perth, Australia-based Orminex Ltd., through a joint venture transaction. The project is located in Western Australia.	47,000	1.50	50.00	1740.01	1.35	31.91	43.12
Penny's Find	22/03/2021									
		Beacon Minerals Ltd. paid A\$3 million in cash to acquire Mt Dimer mining tenements from Aurumin Ltd. In addition to this, Aurumin Ltd. will retain a 2% NSR.	Beacon Minerals Ltd. has acquired Mt Dimer mining tenements from Aurumin Ltd. The tenements are located in Western Australia.	82,000	3.00	100.00	1941.40	1.21	36.59	44.30
Mt Dimer	18/10/2023									



Property	Date	Description of Consideration	Deal Summary	Resources Acquired	Deal Value \$M	Equity Acquired %	Gold Price at Date	Normalisation Ratio	Resource Multiple A\$/oz	Normalised A\$/oz
		Genesis Minerals Ltd. paid A\$12.5 million in cash and issued 26,595,745 shares of its common stock to acquire Kookynie project from an investor group comprised of A&C Mining Investment Pty Ltd and Ms. Yijun Zhu. Furthermore, Genesis Minerals Ltd. also granted a 1.0% net smelter return to the vendors on future gold production, capped at A\$5.0 million.	Perth, Australia-based Genesis Minerals Ltd. has acquired Kookynie project from an investor group comprised of Burwood, Australia-based A&C Mining Investment Pty Ltd and Ms. Yijun Zhu. The project is located in Western Australia.	414,000	14.47	100.00	1845.49	1.27	34.95	44.52
Kookynie	12/01/2021									
		RNC Minerals paid A\$25.0 million in cash and issued 56,916,019 shares of its common stock to acquire the Higginsville gold operations from Westgold Resources Ltd.	Toronto-based RNC Minerals has acquired Higginsville gold operations from Perth, Australia-based Westgold Resources Ltd. The project is located in Western Australia, Australia.	1,906,000	48.02	100.00	1297.40	1.81	25.19	45.65
Higginsville	13/05/2019									



Property	Date	Description of Consideration	Deal Summary	Resources Acquired	Deal Value \$M	Equity Acquired %	Gold Price at Date	Normalisation Ratio	Resource Multiple A\$/oz	Normalised A\$/oz
		Karora Resources Inc. made a non-refundable payment of A\$25,000 and paid A\$4.0 million in cash to acquire the Spargos Reward project from Corona Resources Ltd. Furthermore, Karora Resources Inc. will also commit to spend a minimum of A\$2.50 million on exploration and development at the project during a two-year period post-closing. In addition to this, Karora Resources Inc. will pay an additional: A\$1.50 million in shares of its common stock on commencement of gold production at the project; and A\$1.0 million in shares of its common stock if a new additional indicated gold resource of at least 165,000 oz is delineated at the project.								
Spargos Reward	11/05/2020		Toronto-based Karora Resources Inc. has acquired the Spargos Reward project from West Perth, Australia-based Corona Resources Ltd. The project is located in Western Australia.	177,000	6.53	100.00	1695.70	1.39	36.86	51.11
Wild-Viper	2/04/2020	Red 5 Ltd. paid A\$300,000 in cash and issued 11,542,498 shares of its common stock to acquire the mining lease M37/54 from Terrain Minerals Ltd.	Perth, Australia-based Red 5 Ltd. unit West Perth, Australia-based Darlot Mining Co. Ltd. has acquired the mining lease M37/54 from Perth, Australia-based Terrain Minerals Ltd. The lease is located in Western Australia.	62,100	2.50	100.00	1606.88	1.46	40.26	58.90



Property	Date	Description of Consideration	Deal Summary	Resources Acquired	Deal Value \$M	Equity Acquired %	Gold Price at Date	Normalisation Ratio	Resource Multiple A\$/oz	Normalised A\$/oz
		Pantoro Ltd. paid A\$10.0 million in cash, issued 100.0 million shares of its common stock and incurred A\$50.0 million in exploration expenditures to acquire a 50% interest in the Central Norseman project from Norseman Gold Plc. In addition to this, Pantoro Ltd. will also pay: an aggregate of A\$15.0 million in deferred cash payments over 24 months after completion; and A\$10.0 million as milestone payment upon definition of 1.8 Moz JORC ore reserve. Furthermore, Pantoro Ltd. will issue a 1.0% net smelter return royalty, on Pantoro Ltd.'s attributable gold and silver produced from Central Norseman project, capped at a total of A\$6.0 million plus a 0.0025% royalty for a period of 5 years after the first A\$6.0 million is paid.	Perth, Australia-based Pantoro Ltd. acquired a 50% interest in the Central Norseman project from Bondi Junction, Australia-based Norseman Gold Plc, through a joint venture transaction. The project is located in Western Australia.	1,745,500	57.00	50.00	1296.96	1.81	32.66	59.19
Norseman	14/05/2019									



Property	Date	Description of Consideration	Deal Summary	Resources Acquired	Deal Value \$M	Equity Acquired %	Gold Price at Date	Normalisation Ratio	Resource Multiple A\$/oz	Normalised A\$/oz
Albury Heath	23/04/2020	Westgold Resources Ltd. issued 330,313 shares of its common stock to acquire the Albury Heath project from Cervantes Corp. Ltd. In addition to this, Westgold Resources Ltd. will pay a further A\$400,000 in cash or shares of its common stock if the quantity of the gold produced from the project exceeds 25,000 ounces; and an additional A\$200,000 in cash or shares of its common stock if the quantity of the gold produced from the project exceeds 35,000 ounces.	Perth, Australia-based Westgold Resources Ltd. unit Big Bell Gold Operations Pty Ltd. has acquired the Albury Heath project from South Perth, Australia-based Cervantes Corp. Ltd. The project is located in Western Australia.	27,000	1.30	100.00	1737.64	1.35	48.15	65.14
		Kingwest Resources Ltd. paid A\$1.75 million in cash, issued 20 million shares of its common stock and paid A\$1.625 million in cash and issued 10,833,333 shares of its common stock as a non-contingent future payment to acquire a 100% interest in the Menzies and Goongarrie projects from Horizon Minerals Ltd.	Perth, Australia-based Kingwest Resources Ltd. has acquired a 100% interest in the Menzies and Goongarrie projects from Perth, Australia-based Horizon Minerals Ltd. The projects are located in Western Australia, Australia.	195,210	7.67	100.00	1397.13	1.68	39.29	66.11



Property	Date	Description of Consideration	Deal Summary	Resources Acquired	Deal Value \$M	Equity Acquired %	Gold Price at Date	Normalisation Ratio	Resource Multiple A\$/oz	Normalised A\$/oz
		Odyssey Energy Ltd. paid A\$2.0 million in cash to acquire an 80% interest in the Tuscan project from Monument Mining Ltd. In addition to this, Odyssey Energy Ltd. will pay a further: A\$2.0 million in cash within 6 months of completion of the acquisition; and A\$1.0 million in cash on the delineation of an independently assessed mineral resource in accordance with the JORC Code (2012 Edition) of at least 100,000 ounces of gold at a minimum resource grade of 1.55 g/t in relation to project, within 36 months of completion of the acquisition. Monument Mining Ltd. also retained a 1.0% net smelter return royalty on Odyssey Energy Ltd.'s 80% interest in the project.	Perth, Australia-based Odyssey Energy Ltd. has acquired an 80% interest in the Tuckanarra project from Vancouver, British Columbia-based Monument Mining Ltd., through a joint venture transaction. The project is located in Western Australia.	80,739	5.00	80.00	1906.81	1.23	61.93	76.35
Tuckanarra	19/10/2020									



Property	Date	Description of Consideration	Deal Summary	Resources Acquired	Deal Value \$M	Equity Acquired %	Gold Price at Date	Normalisation Ratio	Resource Multiple A\$/oz	Normalised A\$/oz
		Linden Gold Alliance Pty Ltd paid A\$5 million in cash and would pay further A\$3.5 million in cash as a non-contingent future payment to acquire Linden project from Anova Metals Limited. Furthermore, Linden Gold Alliance Pty Ltd granted NSR of 1.5% on each ounce of gold produced from the Linden project after a total of 75,000 cumulative ounces of gold have been produced from the project, capped at a total royalty payable of A\$1.0 million. Following total royalty payments of A\$1.0 million, the NSR will reduce to a 1.0% NSR on every ounce of gold produced.	Bassendean, Australia-based Linden Gold Alliance Pty Ltd has acquired Linden project from Perth, Australia-based Anova Metals Ltd. The project includes Second Fortune Mine and is located in Western Australia.	138,699	9.00	100.00	1940.06	1.21	64.89	78.63
Linden	26/08/2020									



Property	Date	Description of Consideration	Deal Summary	Resources Acquired	Deal Value \$M	Equity Acquired %	Gold Price at Date	Normalisation Ratio	Resource Multiple A\$/oz	Normalised A\$/oz
Paulsens, Western Tanami	13/04/2022	Black Cat Syndicate Limited paid A\$14.50 million in cash and issued 8,340,000 shares to acquire Paulsens and Western Tanam assets from Northern Star Resources Limited. In addition to this, A\$10 million will be paid in a series of contingent payments which includes A\$2.5 million cash on production of 5,000 ounces of refined gold from Paulsens; A\$2.5 million cash on production of 5,000 ounces of refined gold from Western Tanami; A\$2.5 million cash on production of 50,000 ounces of refined gold from Paulsens and A\$2.5 million cash on production of 50,000 ounces of refined gold from Western Tanami. Also, Black Cat Syndicate Ltd. will pay A\$15.0 million by June 2023.	Black Cat Syndicate Limited has acquired Paulsens and Western Tanam assets from Northern Star Resources Limited. Paulsens and Western Tanam assets are located at Western Australia province.	683,000	45.21	100.00	1977.17	1.19	66.20	78.71
Radio	14/04/2020	Nu-Fortune Gold Ltd. paid an aggregate of A\$1.50 million in cash to acquire a 93.75% interest in the Radio project from Resources & Energy Group Ltd.	East Perth, Australia-based Nu-Fortune Gold Ltd. has acquired a 93.75% interest in the Radio project from Sydney-based Resources & Energy Group Ltd. The project is located in Western Australia.	26,813	1.50	93.75	1731.06	1.36	59.67	81.04



Property	Date	Description of Consideration	Deal Summary	Resources Acquired	Deal Value \$M	Equity Acquired %	Gold Price at Date	Normalisation Ratio	Resource Multiple A\$/oz	Normalised A\$/oz
Western Queen	1/08/2019	Rumble Resources Ltd. has issued 6,187,034 shares of its common stock, paid A\$100,000 in cash and incurred A\$200,000 on exploration expenditure to acquire a 100% interest in Western Queen project from Ramelius Resources Ltd.	Perth, Australia-based Rumble Resources Ltd. has acquired a 100% interest in Western Queen project from Perth, Australia-based Ramelius Resources Ltd. The Western Queen project is located at 110km NW of Mt Magnet within the Yalgoo mineral field of Western Australia.	21,000	1.10	100.00	1413.94	1.66	52.38	87.09

VRM notes that there was a recent transaction where Genesis Minerals Limited (ASX: GMD) purchased from Kin several tenements including the Bruno-Lewis and Raeside gold Projects which included Mineral Resource estimates totalling 15.7Mt at 1.2g/t Au for 610,000oz of gold for \$15 million cash and 21,917,532 Genesis shares. This transaction when announced totalled \$53.5 million (GMD ASX Release 14 December 2023). VRM does not consider this transaction to be comparable due to the synergies to Genesis given their two processing facilities in close proximity to these projects with spare processing capacity available at both facilities.



Appendix D Geoscientific and PEM Valuation

Project	Regional Exploration Expenditure		PEM Low		PEM High		PEM Valuation		PEM Mid Point		PEM Valuation		Off Property		On Property		Anomaly		Anomaly		Geology		Geology		BAC (Commitment A)		Technical Valuation			Locational Discount / Premium			Market Discount / Premium			Market		
	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	Mid	High	Low	Mid	High	Low	Mid	High			
Total Kin Regional	\$ 9,383,078.11	1.0	1.3	9.34	10.76	12.19	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	3,238,320	1.42	4.30	7.18	95%	120%	1.68	5.11	8.53					
Total Burnside	\$ 1,927,515.55	1.0	2.5	1.36	1.56	1.76	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	289,000	0.61	1.30	2.00	95%	120%	0.98	1.95	2.92					
PNX Regional (ex Burnside)	\$ 1,332,493.58	1.0	1.3	1.31	1.50	1.70	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	447,565	0.26	0.80	1.34	95%	120%	0.30	0.91	1.53					
Total PNX Regional	\$ 3,259,969.13	1.0	2.5	2.67	3.07	3.46	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	736,565	0.87	2.11	3.34	120%	120%	1.28	2.86	4.45					
Total	\$ -			12.01	13.83	15.65	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	1.0	1.5	3,974,885	2.29	6.40	10.51			2.96	7.97	12.98					



Glossary

Below are brief descriptions of some terms used in this report. For further information or for terms that are not described here, please refer to internet sources such as Webmineral [[Mineralogy Database \(webmineral.com\)](#)] and Wikipedia ([Wikipedia](#)).

The terms listed below are taken from the 2015 VALMIN Code ([The VALMIN Code – 2015 Edition](#)).

Annual Report means a document published by public corporations on a yearly basis to provide shareholders, the public and the government with financial data, a summary of ownership and the accounting practices used to prepare the report.

Australasian means Australia, New Zealand, Papua New Guinea and their off-shore territories.

Code of Ethics means the Code of Ethics of the relevant Professional Organisation or Recognised Professional Organisations.

Corporations Act means the *Australian Corporations Act 2001 (Cth)*.

Experts are persons defined in the Corporations Act whose profession or reputation gives authority to a statement made by him or her in relation to a matter. A Practitioner may be an Expert. Also see Clause 2.1 of the VALMIN Code.

Exploration Results is defined in the current version of the Australasian Code for the Reporting of Exploration Results: Mineral Resources and Ore Reserves (the JORC Code). Refer to <https://www.jorc.org/> for further information.

Feasibility Study means a comprehensive technical and economic study of the selected development option for a mineral project that includes appropriately detailed assessments of applicable Modifying Factors together with any other relevant operational factors and detailed financial analysis that are necessary to demonstrate at the time of reporting that extraction is reasonably justified (economically mineable). The results of the study may reasonably serve as the basis for a final decision by a proponent or financial institution to proceed with, or finance, the development of the project. The confidence level of the study will be higher than that of a Pre-feasibility Study.

Financial Reporting Standards means Australian statements of generally accepted accounting practice in the relevant jurisdiction in accordance with the Australian Accounting Standards Board (AASB) and the *Corporations Act*.

Independent Expert Report means a Public Report as may be required by the *Corporations Act*, the Listing Rules of the ASX or other security exchanges prepared by a Practitioner who is acknowledged as being independent of the Commissioning Entity. Also see ASIC Regulatory Guides RG 111 and RG 112 as well as Clause 5.5 of the VALMIN Code for guidance on Independent Expert Reports.

Information Memoranda means documents used in financing of projects detailing the project and financing arrangements.

Investment Value means the benefit of an asset to the owner or prospective owner for individual investment or operational objectives.

Life-of-Mine Plan means a design and costing study of an existing or proposed mining operation where all Modifying Factors have been considered in sufficient detail to demonstrate at the time of reporting that extraction is reasonably justified. Such a study should be inclusive of all development and mining activities proposed through to the effective closure of the existing or proposed mining operation.

Market Value means the estimated amount of money (or the cash equivalent of some other consideration) for which the Mineral Asset should exchange on the date of Valuation between a willing buyer and a willing seller in an arm's length transaction after appropriate marketing wherein the parties each acted knowledgeably, prudently and without compulsion. Also see Clause 8.1 of the VALMIN Code for guidance on Market Value.



Materiality or being **Material** requires that a Public Report contains all the relevant information that investors and their professional advisors would reasonably require, and reasonably expect to find in the report, for the purpose of making a reasoned and balanced judgement regarding the Technical Assessment or Mineral Asset Valuation being reported. Where relevant information is not supplied, an explanation must be provided to justify its exclusion. Also see Clause 3.2 of the VALMIN Code for guidance on what is Material.

Member means a person who has been accepted and entitled to the post-nominals associated with the AIG or the AusIMM or both. Alternatively, it may be a person who is a member of a Recognised Professional Organisation included in a list promulgated from time to time.

Mineable means those parts of the mineralised body, both economic and uneconomic, that are extracted or to be extracted during the normal course of mining.

Mineral Asset means all property including (but not limited to) tangible property, intellectual property, mining and exploration Tenure and other rights held or acquired in connection with the exploration, development of and production from those Tenures. This may include the plant, equipment and infrastructure owned or acquired for the development, extraction and processing of Minerals in connection with that Tenure.

Most Mineral Assets can be classified as:

(a) **Early-stage Exploration Projects** – Tenure holdings where mineralisation may or may not have been identified, but where Mineral Resources have not been identified.

(b) **Advanced Exploration Projects** – Tenure holdings where considerable exploration has been undertaken and specific targets identified that warrant further detailed evaluation, usually by drill testing, trenching or some other form of detailed geological sampling. A Mineral Resource estimate may or may not have been made, but sufficient work will have been undertaken on at least one prospect to provide both a good understanding of the type of mineralisation present and encouragement that further work will elevate one or more of the prospects to the Mineral Resources category.

(c) **Pre-Development Projects** – Tenure holdings where Mineral Resources have been identified and their extent estimated (possibly incompletely), but where a decision to proceed with development has not been made. Properties at the early assessment stage, properties for which a decision has been made not to proceed with development, properties on care and maintenance and properties held on retention titles are included in this category if Mineral Resources have been identified, even if no further work is being undertaken.

(d) **Development Projects** – Tenure holdings for which a decision has been made to proceed with construction or production or both, but which are not yet commissioned or operating at design levels. Economic viability of Development Projects will be proven by at least a Pre-Feasibility Study.

(e) **Production Projects** – Tenure holdings – particularly mines, wellfields and processing plants – that have been commissioned and are in production.

Mine Design means a framework of mining components and processes taking into account mining methods, access to the Mineralisation, personnel, material handling, ventilation, water, power and other technical requirements spanning commissioning, operation and closure so that mine planning can be undertaken.

Mine Planning includes production planning, scheduling and economic studies within the Mine Design taking into account geological structures and mineralisation, associated infrastructure and constraints, and other relevant aspects that span commissioning, operation and closure.

Mineral means any naturally occurring material found in or on the Earth's crust that is either useful to or has a value placed on it by humankind, or both. This excludes hydrocarbons, which are classified as Petroleum.

Mineralisation means any single mineral or combination of minerals occurring in a mass, or deposit, of economic interest. The term is intended to cover all forms in which mineralisation might occur, whether by class of deposit, mode of occurrence, genesis or composition.

Mineral Project means any exploration, development or production activity, including a royalty or similar interest in these activities, in respect of Minerals.

Mineral Securities means those Securities issued by a body corporate or an unincorporated body whose business includes exploration, development or extraction and processing of Minerals.

Mineral Resource is defined in the current version of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code). Refer to <http://www.jorc.org> for further information.



Mining means all activities related to extraction of Minerals by any method (e.g. quarries, open cast, open cut, solution mining, dredging, etc.).

Mining Industry means the business of exploring for, extracting, processing and marketing Minerals.

Modifying Factors is defined in the current version of the *Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves* (the JORC Code). Refer to <https://www.jorc.org/> for further information.

Ore Reserve is defined in the current version of the *Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves* (the JORC Code). Refer to <https://www.jorc.org/> for further information.

Petroleum means any naturally occurring hydrocarbon in a gaseous or liquid state, including coal-based methane, tar sands and oil-shale.

Petroleum Resources and **Petroleum Reserves** are defined in the current version of the Petroleum Resources Management System (PRMS) published by the Society of Petroleum Engineers, the American Association of Petroleum Geologists, the World Petroleum Council and the Society of Petroleum Evaluation Engineers. Refer to [Society of Petroleum Engineers \(SPE\) | Oil & Gas Membership Association](#) for further information.

Practitioner is an Expert as defined in the *Corporations Act*, who prepares a Public Report on a Technical Assessment or Valuation Report for Mineral Assets. This collective term includes Specialists and Securities Experts.

Preliminary Feasibility Study (Pre-Feasibility Study) means 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 that 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.

Professional Organisation means a self-regulating body, such as one of engineers or geoscientists or of both, that:

- (a) admits members primarily on the basis of their academic qualifications and professional experience;
- (b) requires compliance with professional standards of expertise and behaviour according to a Code of Ethics established by the organisation; and
- (c) has enforceable disciplinary powers, including that of suspension or expulsion of a member, should its Code of Ethics be breached.

Public Presentation means the process of presenting a topic or project to a public audience. It may include, but not be limited to, a demonstration, lecture or speech meant to inform, persuade or build goodwill.

Public Report means a report prepared for the purpose of informing investors or potential investors and their advisers when making investment decisions, or to satisfy regulatory requirements. It includes, but is not limited to, Annual Reports, Quarterly Reports, press releases, Information Memoranda, Technical Assessment Reports, Valuation Reports, Independent Expert Reports, website postings and Public Presentations. Also see Clause 5 of the VALMIN Code for guidance on Public Reports.

Quarterly Report means a document published by public corporations on a quarterly basis to provide shareholders, the public and the government with financial data, a summary of ownership and the accounting practices used to prepare the report.

Reasonableness implies that an assessment which is impartial, rational, realistic and logical in its treatment of the inputs to a Valuation or Technical Assessment has been used, to the extent that another Practitioner with the same information would make a similar Technical Assessment or Valuation.

Royalty or **Royalty Interest** means the amount of benefit accruing to the royalty owner from the royalty share of production.

Securities has the meaning as defined in the *Corporations Act*.



Securities Experts are persons whose profession, reputation or experience provides them with the authority to assess or value Securities in compliance with the requirements of the *Corporations Act*, ASIC Regulatory Guides and ASX Listing Rules.

Scoping Study means an order of magnitude technical and economic study of the potential viability of Mineral Resources. It includes appropriate assessments of realistically assumed Modifying Factors together with any other relevant operational factors that are necessary to demonstrate at the time of reporting that progress to a Pre-Feasibility Study can be reasonably justified.

Specialists are persons whose profession, reputation or relevant industry experience in a technical discipline (such as geology, mine engineering or metallurgy) provides them with the authority to assess or value Mineral Assets.

Status in relation to Tenure means an assessment of the security of title to the Tenure.

Technical Assessment is an evaluation prepared by a Specialist of the technical aspects of a Mineral Asset. Depending on the development status of the Mineral Asset, a Technical Assessment may include the review of geology, mining methods, metallurgical processes and recoveries, provision of infrastructure and environmental aspects.

Technical Assessment Report involves the Technical Assessment of elements that may affect the economic benefit of a Mineral Asset.

Technical Value is an assessment of a Mineral Asset's future net economic benefit at the Valuation Date under a set of assumptions deemed most appropriate by a Practitioner, excluding any premium or discount to account for market considerations.

Tenure is any form of title, right, licence, permit or lease granted by the responsible government in accordance with its mining legislation that confers on the holder certain rights to explore for and/or extract agreed minerals that may be (or is known to be) contained. Tenure can include third-party ownership of the Minerals (for example, a royalty stream). Tenure and Title have the same connotation as Tenement.

Transparency or being **Transparent** requires that the reader of a Public Report is provided with sufficient information, the presentation of which is clear and unambiguous, to understand the report and not be misled by this information or by omission of Material information that is known to the Practitioner.

Valuation is the process of determining the monetary Value of a Mineral Asset at a set Valuation Date.

Valuation Approach means a grouping of valuation methods for which there is a common underlying rationale or basis.

Valuation Date means the reference date on which the monetary amount of a Valuation in real (dollars of the day) terms is current. This date could be different from the dates of finalisation of the Public Report or the cut-off date of available data. The Valuation Date and date of finalisation of the Public Report must not be more than 12 months apart.

Valuation Methods means a subset of Valuation Approaches and may represent variations on a common rationale or basis.

Valuation Report expresses an opinion as to monetary Value of a Mineral Asset but specifically excludes commentary on the value of any related Securities.

Value means the Market Value of a Mineral Asset.

