

ORA BANDA MINING LIMITED

ACN 100 038 266

NOTICE OF GENERAL MEETING

**For the General Meeting of the Company to be held at
The Ground Floor Meeting Room, 108 St Georges Terrace,
Perth WA
on Friday, 15 November 2019 at 10:00am (WST)**

This Notice and the accompanying Explanatory Memorandum should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their stockbroker, investment advisor, accountant, solicitor or other professional adviser prior to voting.

Should you wish to discuss any matter please do not hesitate to contact the Company Secretary by telephone on +61 8 6365 4548 or 1300 035 592 (toll free within Australia).

NOTICE OF GENERAL MEETING

Notice is hereby given that a general meeting of Shareholders of Ora Banda Mining Limited will be held at The Ground Floor Meeting Room, 108 St Georges Terrace, Perth, Western Australia on Friday, 15 November 2019 at 10:00am (WST).

The Explanatory Memorandum provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum (including the schedules) and the Proxy Form forms part of this Notice.

The Directors have determined pursuant to regulations 7.11.37 and 7.11.38 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders on 13 November 2019 at 4:00pm (WST).

Terms and abbreviations used in this Notice and the Explanatory Memorandum are defined in Schedule 1.

AGENDA

1. Resolution 1 – Ratification of Prior Issue under Listing Rule 7.1

To consider and, if thought fit, to pass with or without amendment, the following resolution as an ordinary resolution:

"That for the purposes of ASX Listing Rule 7.4, and for all other purposes, Shareholders ratify the prior issue of 57,559,910 Shares to professional and sophisticated investors on the terms and conditions detailed in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who participated in the issue or any associates of those persons.

However, the Company need not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

2. Resolution 2 – Approval to Issue Shares to Hawke's Point and Increase in Voting Power

To consider and, if thought fit, to pass with or without amendment, the following as an ordinary resolution:

"That for the purposes of ASX Listing Rule 10.11.2 and item 7 of section 611 of the Corporations Act 2001 (Cth) and for all other purposes, approval is given for:

- (a) *the Company to issue and allot 42,440,090 Shares to Hawke's Point Holdings I Limited (and/or its nominees); and*
- (b) *the acquisition by Hawke's Point Holdings I Limited (and/or its nominees) of a relevant interest in the issued voting Shares of the Company otherwise prohibited by section 606(1) of the Corporations Act, by virtue of the issue of the Shares referred to in paragraph (a),*

with a resulting increase in the voting power of Hawke's Point Holdings I Limited (and/or its nominees) and its associates in the Company from 37.95% (at the date of this Notice) to a maximum of 42.44% (immediately following the issue of those Shares), and on the terms and conditions and in the manner set out in the Explanatory Memorandum accompanying this Notice."

Independent Expert's Report

Shareholders should carefully consider the Independent Expert's Report prepared by BDO Corporate Finance (WA) Pty Ltd (**BDO**) accompanying the Explanatory Memorandum (refer to Schedule 2). The Independent Expert's Report comments on the fairness and reasonableness of Resolution 2. BDO has concluded that the issue of the Shares to Hawke's Point is **fair and reasonable** to Shareholders not associated with Hawke's Point.

Voting exclusion - ASX Listing Rules

The Company will disregard any votes cast in favour of this Resolution by or on behalf of Hawke's Point Holdings I Limited (or its nominees) or an associate of that person (or those persons).

However, the Company need not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Voting prohibition - Corporations Act

In accordance with item 7 of section 611 of the Corporations Act, the Company will disregard any votes cast in favour of this Resolution (in any capacity) by or on behalf of Hawke's Point Holdings I Limited (or its nominees) and their respective associates.

However, the Company need not disregard a vote if it is cast:

- (a) by a person as a proxy appointed by writing that specifies how the proxy is to vote on the proposed resolution; or
- (b) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

BY ORDER OF THE BOARD



Susan Hunter
Company Secretary
Dated: 9 October 2019

EXPLANATORY MEMORANDUM

1. Introduction

This Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at The Ground Floor Meeting Room, 108 St Georges Terrace, Perth, Western Australia on Friday, 15 November 2019 at 10:00am (WST).

This Explanatory Memorandum (including the schedules) forms part of the Notice which should be read in its entirety. The purpose of this Explanatory Memorandum is to provide information to Shareholders in deciding whether or not to pass the Resolutions.

This Explanatory Memorandum includes the following information to assist Shareholders in deciding how to vote on the Resolutions:

Section 1:	Introduction
Section 2:	Action to be taken by Shareholders
Section 3:	Background to Resolutions
Section 4:	Resolution 1 - Ratification of Prior Issue under Listing Rule 7.1
Section 5:	Resolution 2 - Increase in Voting Power - Hawke's Point
Schedule 1:	Definitions and Interpretation
Schedule 2:	Independent Expert's Report

A Proxy Form is enclosed with the Notice and this Explanatory Memorandum.

2. Action to be taken by Shareholders

Shareholders should read the Notice and this Explanatory Memorandum carefully before deciding how to vote on the Resolutions.

A Proxy Form is enclosed with the Notice and this Explanatory Memorandum. This is to be used by Shareholders if they wish to appoint a representative (a "proxy") to vote in their place. All Shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person, sign and return the Proxy Form to the Company in accordance with the instructions detailed in the Proxy Form. Lodgement of a Proxy Form will not preclude a Shareholder from attending or (subject to the voting exclusions set out in the Notice) voting at the Meeting in person.

To be valid, your Proxy Form (and any power of attorney under which it is signed) must be received at an address given below by 10:00am (WST) on 13 November 2019, being at least 48 hours before the Meeting. Any Proxy Form received after that time will not be valid for the scheduled meeting.

Online	At www.investorvote.com.au
By mail	Share Registry – Computershare Investor Services Pty Limited, GPO Box 242, Melbourne Victoria 3001, Australia
By fax	1800 783 447 (within Australia) +61 3 9473 2555 (outside Australia)
By mobile	Scan the QR Code on your proxy form and follow the prompts
Custodian voting	For Intermediary Online subscribers only (custodians) visit www.intermediaryonline.com to submit your voting intentions

We note that:

- (a) a proxy need not be a Shareholder;
- (b) a Shareholder may appoint a body corporate or an individual as its proxy;
- (c) a body corporate appointed as a Shareholder's proxy may appoint an individual as its representative to exercise any of the powers that the body corporate may exercise as the Shareholder's proxy; and
- (d) Shareholders 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, but where the proportion or number is not specified, each proxy may exercise half of the votes.

If a Shareholder appoints a body corporate as its proxy and the body corporate wishes to appoint an individual as its representative, the body corporate should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that body corporate's representative. The authority may be sent to the Company or the Company's share registry in advance of the Meeting or handed in at the Meeting when registering as a corporate representative.

A Proxy (including the Chairman) may vote for, against or abstain on a resolution at this General Meeting in accordance with directions on the Proxy Form or if the Proxy Form is undirected as the proxy thinks fit, including at any adjourned or subsequent meeting. A Proxy may vote on any procedural resolution or motion at this General Meeting, including at any adjourned or subsequent meeting.

The Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

3. Background to Resolutions

On 16 August 2019, the Company announced that it had received firm commitments to raise \$18.5 million through a placement of 100,000,000 Shares (**Placement Shares**) at \$0.185 per Share to sophisticated and professional investors (**Placement**). The Placement is being undertaken in two tranches:

- (a) Tranche 1: on 26 August 2019, the Company issued 57,559,910 Shares at \$0.185 per Share to professional and sophisticated investors (**Tranche 1 Placement Shares**). The Tranche 1 Placement Shares were issued without Shareholder approval pursuant to the Company's 15% placement capacity set out in ASX Listing Rule 7.1; and
- (b) Tranche 2: subject to Shareholder approval, the Company will issue 42,440,090 Shares at \$0.185 per Share to Hawke's Point Holdings I Limited (**Tranche 2 Placement Shares**).

The Company is seeking Shareholder approval to ratify the issue of the Tranche 1 Placement Shares pursuant to Resolution 1 of this Notice.

The Company is seeking Shareholder approval to issue the Tranche 2 Placement Shares pursuant to Resolution 2 of this Notice.

4. Resolution 1 - Ratification of Prior Issue under Listing Rule 7.1

4.1 Background

On 26 August 2019, the Company issued 57,559,910 Shares at \$0.185 per Share to raise \$10.6 million (before costs). The allotments were made without Shareholder approval under ASX Listing Rule 7.1, which allows up to 15% of eligible capital to be issued without Shareholder approval. Further details of the Placement are contained in Section 3.

Resolution 1 seeks ratification pursuant to ASX Listing Rule 7.4 for the issue of the Tranche 1 Placement Shares.

Resolution 1 is an ordinary resolution.

4.2 Listing Rule 7.1

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more Equity Securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

By Shareholders ratifying the issue which is the subject of Resolution 1, the Company will retain the flexibility to issue Equity Securities in the future up to the 15% placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

4.3 Information required by Listing Rule 7.5

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to Resolution 1:

- (a) 57,559,910 Shares were issued at a price of \$0.185 per Share;
- (b) all Tranche 1 Placement Shares issued were fully paid ordinary shares and rank equally with the Company's existing Shares on issue;
- (c) the 57,559,910 Shares were issued to sophisticated and professional investors introduced by Hartleys Limited, who acted as lead manager to the Placement, in consultation with the Company, who are not related parties or associates of related parties of the Company;
- (d) the issue of the Tranche 1 Placement Shares raised a total of \$10.6 million (before costs) and it is proposed the funds raised will be used to undertake work programs that include:
- (e)

Expenditure Plan (excl GST)	Tranche 1 (\$)
Resource & Reserves Development	6,000,000
Care & Maintenance – Processing Plant	300,000
Preliminary Engineering Design – Process Plant Remedial Work	1,500,000
Site Administration Costs (includes flights & site accommodation)	400,000
Relocation of Riverina Station Buildings & Infrastructure	1,500,000
Corporate Costs	300,000
Cost of Offer	600,000
TOTAL	10,600,000

- (f) a voting exclusion statement is included in this Notice for Resolution 1.

4.4 Directors' Recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 1.

The Chairman intends to exercise all available proxies in favour of Resolution 1.

5. Resolution 2 – Approval to Issue Shares to Hawke's Point and Increase in Voting Power

5.1 Background

Pursuant to the Placement, the Company's major Shareholder, Hawke's Point Holdings I Limited, subscribed for 42,440,090 Shares under the Placement. Hawke's Point's participation in the Placement is subject to Shareholder approval pursuant to ASX Listing Rule 10.11.2 and item 7 of section 611 of the Corporations Act.

Immediately prior to the completion of Tranche 1 of the Placement, Hawke's Point held voting power of 42.44% in the Company. However, Hawke's Point's voting power was diluted to 37.95% following issue of the Tranche 1 Placement Shares.

Therefore, by subscribing for Shares under the Placement, Hawke's Point is seeking no more than to maintain its previous level of holding in the Company. In particular, if Resolution 2 is passed, Hawke's Point will not increase its voting power above 42.44%. At a general meeting of the Company on 7 June 2019, Shareholders approved an increase in Hawke's Point voting power to 42.85%. Further details of the Placement are contained in Section 3.

Resolution 2 seeks Shareholder approval to issue the Tranche 2 Placement Shares.

Resolution 2 is an ordinary resolution.

5.2 Impact on Capital Structure and Level of Control

Hawke's Point currently holds a relevant interest in 206,437,092 Shares and voting power of approximately 37.95% of the issued share capital of the Company at 9 October 2019, being the last practicable date prior to finalisation of this Notice.

Hawke's Point currently holds 3,062,500 Options with an exercise price of \$2.9625 and expiry date of 2 February 2023, 3,062,500 Options with an exercise price of \$3.3375 with an expiry date of 2 February 2023 and 1,166,667 Options with an exercise price of \$1.125 with an expiry date of 11 June 2023.

The capital structure of the Company on completion of Tranche 2 of the Placement will be as follows:

	Shares	Options
Hawke's Point current holding (as at the date of this Notice)	206,437,092 (37.95%)	7,291,667 ²
Other Shareholders	337,542,780 (62.05%)	36,442,246
Total securities currently on issue¹	543,979,872 (100.0%)	43,733,913
Hawke's Point holding following issue of Tranche 2 Placement Shares	248,877,182 (42.44%)	7,291,667 ²
Other Shareholders	337,542,780 (57.56%)	36,442,246
Total	586,419,962 (100.0%)	43,733,913

Notes:

- 1 Assuming the Company does not issue any additional Equity Securities between 9 October 2019 being the last practicable date prior to finalisation of this Notice and completion of Tranche 2 of the Placement.
- 2 Comprises 3,062,500 unlisted Options exercisable at \$2.9625 each on or before 2 February 2023, 3,062,500 unlisted Options exercisable at \$3.3375 each on or before 2 February 2023 and 1,166,667 unlisted Options exercisable at \$1.125 on or before 11 June 2023.

On completion of Tranche 2 of the Placement, Hawke's Point will have a relevant interest in 248,877,182 Shares and increase its voting power to a maximum of 42.44% in the Company.

The issue of the Tranche 2 Placement Shares will constitute approximately 7.80% of the undiluted issued share capital. If Shareholders approve Resolution 2 and the Tranche 2 Placement Shares are subsequently issued, Shareholders (other than Hawke's Point) will be diluted from 62.05% to 57.56%.

If Shareholders do not approve Resolution 2, the Company will not:

- (a) issue the Tranche 2 Placement Shares to Hawke's Point; and
- (b) receive \$7.9 million (before costs) to be used to undertake the work programs detailed at Section 5.7.

5.3 Pro-Forma Statement of Financial Position

To demonstrate the indicative impact of Tranche 2 of the Placement on the financial position of the Company, a pro-forma statement of financial position has been provided below. The management accounts of the Company as at 31 July 2019 have been used for the purposes of the pro-forma statement. Certain other pro-forma events are also displayed (in addition to completion of the Tranche 2 of the Placement) as listed in the notes set out below the pro-forma statement of financial position.

	31 July 2019	Tranche 1 of Placement	Tranche 2 of Placement	Pro-forma position
	\$'000s	\$'000s	\$'000s	\$'000s
Current Assets				
Cash and cash equivalents	13,519	10,649	7,851	32,019
Trade and other receivables	587	-	-	587
Inventories	33	-	-	33
Total Current Assets	14,139	10,649	7,851	32,639
Non-Current Assets				
Trade and other receivables	20	-	-	20
Mine properties	38,292	-	-	38,292
Total Non-Current Assets	38,312	-	-	38,312
TOTAL ASSETS	52,451	10,649	7,851	70,951
Current Liabilities				
Trade and other payables	1,393	-	-	1,393
Provisions	163	-	-	163
Total Current Liabilities	1,556	-	-	1,556
Non-Current Liabilities				
Provisions	16,453	-	-	16,453
Total Non-Current Liabilities	16,453	-	-	16,453
TOTAL LIABILITIES	18,009	-	-	18,009
NET ASSETS	34,442	10,649	7,851	52,942
EQUITY				
Issued capital	350,518	10,649	7,851	369,018
Accumulated losses	(329,508)	-	-	329,508
Reserves	13,432	-	-	13,432
TOTAL EQUITY	34,442	10,649	7,851	52,942

Pro-forma adjustments included in the pro-forma statement of financial position comprise:

1. Cash received under the Tranche 2 of the Placement of \$7,851,417 (before costs) via the issue of approximately 42,440,090 Placement Shares at an issue price of \$0.185 per Placement Share.
2. Costs of the Tranche 2 of the Placement of approximately \$300,000.
3. No adjustments have been made for movements in other balances in the Statement of Financial Position other than cash and issued capital. Net cash outflows since 31 July 2019 relate to normal operating activities of the Company.

The pro-forma statement of financial position has not been audited or reviewed.

5.4 Advantages and disadvantages

The advantages of passing Resolution 2 and the increase in voting power of Hawke's Point are:

- (a) stronger balance sheet - following completion of Tranche 2 of the Placement, the Company will have an additional \$7.8 million (before costs) which will provide:
 - (i) a clear and fully funded pathway to execute the resource and reserve definition drill out and feasibility study program set out in the Company's recapitalisation prospectus in the most efficient manner possible;
 - (ii) an opportunity for the Company to advance, in an efficient and substantive way, along the path towards recommencing production operations;
 - (iii) an opportunity to bring forward more detailed exploration programs for a number of prospective high grade near mine and regional exploration targets within the Company's extensive tenement portfolio;
- (b) the Company will not need to consider any alternative strategies for raising cash necessary to fund its planned expenditure; and

- (c) BDO has concluded that the increase in voting power as a result of the issue of the Tranche 2 Placement Shares is **fair and reasonable** to Shareholders not associated with Hawke's Point.

The disadvantages of passing Resolution 2 and the increase in voting power of Hawke's Point are:

- (a) existing Shareholders will have their holdings diluted following the issue of the Tranche 2 Placement Shares; and
- (b) the issue of the Tranche 2 Placement Shares will increase Hawke's Point's voting power in the Company from 37.95% up to a maximum of 42.44%.

5.5 Listing Rule 7.1

ASX Listing Rule 7.1 provides that a company must not (subject to specified exceptions), without the approval of shareholders, issue or agree to issue during any 12 month period any Equity Securities, or other securities with rights to convert to equity (such as a performance right), if the number of those securities exceeds 15% of the number of ordinary securities on issue at the commencement of that 12 month period.

An exception is where the issue is approved by Shareholders in a general meeting under ASX Listing Rule 10.11 (refer to Listing Rule 7.2 exception 14) or item 7 of section 611 of the Corporations Act (refer to Listing Rule 7.2 exception 16). If the Company obtains Shareholder approval under ASX Listing Rule 10.11 or item 7 of section 611 of the Corporations Act to issue shares, the Company will not also require Shareholder approval under Listing Rule 7.1 for the issue of those shares.

5.6 Listing Rule 10.11

ASX Listing Rule 10.11.2 requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in ASX Listing Rule 10.12 applies. In ASX's updated draft of *ASX Listing Rules Guidance Note 25 – Issues of Securities to Persons in a Position of Influence (Updated GN25)*, ASX states that one common circumstance where ASX will consider applying ASX Listing Rule 10.11.2 to an issue of securities is where the recipient of the securities has an aggregate holding of 30% or more of an entity's ordinary securities.

The Company is seeking Shareholder approval for the purposes of ASX Listing Rule 10.11.2 given the commentary in Updated GN25 and as Hawke's Point is a substantial shareholder of the Company, with present voting power of 37.95% in the Company.

It is the view of the Directors that the exceptions set out in ASX Listing Rule 10.12 do not apply in the current circumstances.

5.7 Information required by Listing Rule 10.13

Pursuant to and in accordance with ASX Listing Rule 10.13, the following information is provided in relation to Resolution 2:

- (a) the Tranche 2 Placement Shares will be issued to Hawke's Point (and/or its nominees);
- (b) the maximum number of Shares to be issued is 42,440,090 Shares;
- (c) the Tranche 2 Placement Shares will be issued as soon as possible and in any event no later than 1 month after the date of the Meeting;
- (d) Hawke's Point is a substantial shareholder of the Company with a voting power of 37.95% in the Company;
- (e) the Tranche 2 Placement Shares will be issued at a price of \$0.185 per Share;
- (f) all Tranche 2 Placement Shares will be fully paid ordinary shares and rank equally with the Company's existing Shares on issue;
- (g) the issue of the Tranche 2 Placement Shares will raise a total of \$7.9 million (before costs) and it is proposed the funds raised will be used to undertake work programs that include:

Expenditure Plan (excl GST)	Tranche 2 (\$)
Resource & Reserves Development	1,500,000
Regional Exploration Program	3,000,000
Procurement of Long Lead Items for Process Plant Remedial Work	1,900,000
Site Administration Costs (includes flights & site accommodation)	400,000
Relocation of Riverina Station Buildings & Infrastructure	300,000
Corporate Costs	300,000
Working Capital	200,000
Cost of Offer	300,000
TOTAL	7,900,000

- (h) a voting exclusion statement is included in this Notice for Resolution 2.

5.8 Section 611 of the Corporations Act

- (a) Section 606 of the Corporations Act prohibits a person acquiring a relevant interest in the issued voting shares of a public company if, because of the transaction, that person's or another person's voting power in the company increases from:
- (i) 20% or below to more than 20%; or
 - (ii) a starting point that is above 20% and below 90%.
- (b) The voting power of a person in a company is determined by reference to section 610 of the Corporations Act. A person's voting power in a company is the total of the votes attaching to the shares in the company in which that person and that person's associates (within the meaning of the Corporations Act) have a relevant interest, divided by the total number of votes attaching to all voting shares in the Company.
- (c) Under section 608 of the Corporations Act, a person will have a relevant interest in shares if:
- (i) the person is the registered holder of the shares;
 - (ii) the person has the power to exercise or control the exercise of votes or disposal of the shares; or
 - (iii) the person has over 20% of the voting power in a company that has a relevant interest in shares, then the person has a relevant interest in said shares.
- (d) For the purposes of determining who is an associate it is necessary to consider section 12 of the Corporations Act. Any reference to associate in Chapters 6 to 6C of the Corporations Act has the meaning give to that term in section 12. A person is only an associate for the purpose of Chapters 6 to 6C if that person is an associate under section 12.
- (e) Section 12 of the Corporations Act provides that a person (**first person**) will be an associate of the other person (**second person**) if:
- (i) the first person is a body corporate and the second person is:
 - (A) a body corporate the first person controls;
 - (B) a body corporate that controls the first person; or
 - (C) a body corporate that is controlled by an entity that controls the first person;
 - (ii) the second person has entered or proposes to enter into a relevant agreement with the first person for the purpose of controlling or influencing the composition of the Board or the conduct of the designated body's affairs; or
 - (iii) the second person is a person with whom the first person is acting or proposes to act, in concert in relation to the designated body's affairs.
- (f) The Corporations Act defines "control" and "relevant agreement" very broadly as follows:
- (i) section 50AA of the Corporations Act defines "control" as the capacity to determine the outcome of decisions about the financial and operating policies of a company. In determining the capacity it is necessary to take into account the practical influence a person

- can exert and any practice or pattern of behaviour affecting the company's financial or operating policies; and
- (ii) section 9 of the Corporations Act defines "relevant agreement" as an agreement, arrangement or understanding:
- (A) whether formal or informal or partly formal and partly informal;
- (B) whether written or oral or partly written and partly oral; and
- (C) whether or not having legal or equitable force and whether or not based on legal or equitable rights.
- (g) Associates are determined as a matter of fact. For example where a person controls or influences the board or the conduct of a company's business affairs, or acts in concert with a person in relation to the company's business affairs.
- (h) Section 611 of the Corporations Act contains exceptions to the prohibition in section 606 of the Corporations Act. Item 7 of section 611 of the Corporations Act provides a mechanism by which shareholders of a company may approve an issue of shares to a person which results in that person's or another person's voting power in the company increasing from:
- (i) 20% or below to more than 20%; or
- (ii) a starting point that is above 20% and below 90%.
- (i) Upon completion of Tranche 2 of the Placement, Hawke's Point will hold up to 248,877,182 Shares and have a voting power of up to a maximum of 42.44% in the Company. Whilst this is substantially the same as the voting power of 42.85% held by Hawke's Point immediately following completion of the Company's recapitalisation in June 2019 and 42.44% held by Hawke's Point immediately prior to the completion of Tranche 1 of the Placement, given that prior shareholder approval was required for the issue of shares to Hawke's Point under ASX Listing Rule 10.11.2, it was not possible to issue the Tranche 2 Placement Shares at the same time as the Tranche 1 Placement Shares. Accordingly, Hawke's Point's voting power was reduced from 42.44% to 37.95% following completion of Tranche 1 of the Placement. Hawke's Point is unable to rely on the exception in Item 9 of Section 611 of the Corporations Act (which allows a shareholder to acquire a relevant interest in new shares in order to maintain an existing shareholding above 20%) as Hawke's Point has not held the Shares issued under the recapitalisation for at least six months. Therefore, approval under Item 7 of section 611 of the Corporations Act is also required for the issue of the Tranche 2 Placement Shares to Hawke's Point.

5.9 Information required by item 7 of section 611 of the Corporations Act and ASIC Regulatory Guide 74

The information that Shareholders require under item 7 of section 611 of the Corporations Act and ASIC Regulatory Guide 74 is as follows:

- (a) The identity of the parties to be issued the Tranche 2 Placement Shares.
- The Tranche 2 Placement Shares will be issued to Hawke's Point (and/or its nominees). Upon completion of Tranche 2 of the Placement, Hawke's Point will have a maximum voting power of 42.44%.
- (b) Full particulars (including the number and percentage) of Shares in which Hawke's Point has or will have a relevant interest immediately before and after the issue of the Tranche 2 Placement Shares.
- At the date of this Notice, Hawke's Point has a relevant interest in 206,437,092 Shares.
- On completion of Tranche 2 of the Placement, Hawke's Point will have a relevant interest in 248,877,182 Shares.
- The following persons are associates of Hawke's Point and will have a relevant interest in any Shares acquired by Hawke's Point:
- Hawke's Point Holdings LP;
 - Hawke's Point Holdings II Limited;
 - Hawke's Point GP Limited;
 - Hawke's Point Manager LP;
 - Polygon Global Partners LLP;
 - Polygon Global Partners LP; and

- Tetragon Financial Group Limited and each of its related bodies corporate.

Upon completion of Tranche 2 of the Placement, the maximum voting power of the persons described above will be 42.44% of the issued Shares in the Company. This represents a maximum increase in voting power of 4.49%, but will result in Hawke's Point having slightly less voting power than it held immediately following the completion of the Company's recapitalisation in June 2019.

- (c) The identity, associations (with Hawke's Point) and qualifications of any person who is intended to become a Director if Shareholders approve Resolution 2.

No person is intended to or will become a director of the Company if Shareholders approve Resolution 2. Hawke's Point previously nominated Peter Mansell (the Chairman) as a director of the Company on 25 June 2018.

- (d) An explanation of the reasons for the proposed issue of the Shares to Hawke's Point.

By subscribing for Shares under the Placement, Hawke's Point is seeking to maintain its level of holding in the Company. Immediately prior to the completion of Tranche 1 of the Placement, Hawke's Point held voting power of 42.44% in the Company. Hawke's Point's voting power was diluted to 37.95% following issue of the Tranche 1 Placement Shares. Immediately following the completion of Tranche 2 of the Placement, Hawke's Point will hold voting power of 42.44%.

- (e) When the issue of the Shares to Hawke's Point is to be made.

The Shares to be issued to Hawke's Point the subject of Resolution 2 will be issued as soon as possible and in any event no later than 1 month after the date of the Meeting.

- (f) Particulars of the terms of the proposed issue of the Shares and details of the terms of any other relevant agreement between Hawke's Point and the Company or any of their associates which is conditional upon, or directly or indirectly dependent on, Shareholder approval of Resolution 2.

There are no contracts or proposed contracts between Hawke's Point and the Company or any of their associates which is conditional upon, or directly or indirectly dependent on, Resolution 2 being approved by Shareholders.

- (g) Hawke's Point's intentions regarding the future of the Company if Shareholders approve Resolution 2.

Hawke's Point has advised the Company that it:

- (i) has no current intention to make any significant change to the existing business of the Company;
- (ii) has no current intention to inject further capital into the Company;
- (iii) has no present intention of making changes regarding the future employment of the present employees of the Company;
- (iv) does not intend for any assets be transferred between the Company and Hawke's Point; and
- (v) has no current intention to redeploy any of the Company's fixed assets.

- (h) Any intention of Hawke's Point to significantly change the Company's financial or dividend policies.

Hawke's Point has advised the Company that it has no current intention to change the Company's financial or dividend policies from those adopted by the Board.

- (i) The interests of the Directors in Resolution 2.

The Directors are not associated with Hawke's Point and accordingly, have no interest in Resolution 2.

- (j) Identity of the Directors who approved or voted against the proposal to put Resolution 2 to Shareholders.

All of the Directors approved the proposal to put Resolution 2 to Shareholders.

- (k) Recommendation of each Director as to whether Shareholders should approve Resolution 2.

Refer to Section 5.10.

- (l) An analysis of whether the issue of the Shares to Hawke's Point is **fair and reasonable** when considered in the context of the Shareholders other than Hawke's Point.

What is fair and reasonable must be judged in all the circumstances of the Placement. BDO has concluded that the issue the Shares the subject of Resolution 2 is **fair and reasonable** to Shareholders not associated with Hawke's Point.

The Company strongly recommends that Shareholders read the Independent Expert's Report in full, a copy of which is contained in Schedule 2.

5.10 Directors' Recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 2.

The Chairman intends to exercise all available proxies in favour of Resolution 2.

Shareholders should read the Notice, this Explanatory Memorandum and the Independent Expert's Report in full.

Schedule 1 – Definitions and Interpretation

In the Notice, words importing the singular include the plural and vice versa.

\$ means Australian dollars.

ASIC means the Australian Securities and Investments Commission.

ASX means the ASX Limited ACN 008 624 691 and where the context permits the Australian Securities Exchange operated by ASX Limited.

BDO means BDO Corporate Finance (WA) Pty Ltd ACN 124 031 045.

Board means the board of Directors.

Chairman means the chair of the Meeting.

Company means Ora Banda Mining Limited ACN 100 038 266.

Corporations Act means the Corporations Act 2001 (Cth).

Director means a director of the Company.

Equity Securities has the meaning given to that term in the Listing Rules.

Explanatory Memorandum means the explanatory memorandum (including the schedules) which forms part of the Notice.

General Meeting or Meeting means the meeting of Shareholders convened pursuant to this Notice, or any adjournment or postponement thereof.

Hartleys Limited means Hartleys Limited ACN 009 136 029.

Hawke's Point means Hawke's Point Holdings I Limited (and/or its nominees).

Independent Expert's Report means the report prepared by BDO and attached at Schedule 2.

Listing Rules means the listing rules of ASX.

Notice means this notice of general meeting.

Option means any option to acquire a Share, subject to its own terms and conditions.

Placement has the meaning given to that term in Section 3.

Placement Shares has the meaning given to that term in Section 3.

Proxy means a person who is appointed as a proxy pursuant to a Proxy Form for the business to be held at the General Meeting.

Proxy Form means the proxy form attached to the Notice or such other form as the Directors may approve.

Resolutions means the resolutions referred to in the Notice or any one of them, as the context requires.

Schedule means a schedule to the Notice.

Section means a section of the Explanatory Memorandum.

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

Shareholder means the holder of a Share.

Tranche 1 Placement Shares has the meaning given to that term in Section 3.

Tranche 2 Placement Shares has the meaning given to that term in Section 3.

Updated GN25 has the meaning given to that term in Section 5.6.

WST means Western Standard Time, being the time in Perth, Western Australia.

Schedule 2 – Independent Expert's Report



ORA BANDA MINING LIMITED
Independent Expert's Report

20 September 2019

Financial Services Guide

20 September 2019

BDO Corporate Finance (WA) Pty Ltd ABN 27 124 031 045 ('we' or 'us' or 'ours' as appropriate) has been engaged by Ora Banda Mining Limited ('Ora Banda') to provide an independent expert's report on the proposal to issue 42,440,090 shares to Hawke's Point Holdings I Limited ('Hawke's Point') or its nominee as part of a \$18.5 million placement. You are being provided with a copy of our report because you are a shareholder of Ora Banda and this Financial Services Guide ('FSG') is included in the event you are also classified under the Corporations Act 2001 ('the Act') as a retail client.

Our report and this FSG accompanies the Notice of Meeting required to be provided to you by Ora Banda to assist you in deciding on whether or not to approve the proposal.

Financial Services Guide

This FSG is designed to help retail clients make a decision as to their use of our general financial product advice and to ensure that we comply with our obligations as a financial services licensee.

This FSG includes information about:

- ◆ Who we are and how we can be contacted;
- ◆ The services we are authorised to provide under our Australian Financial Services Licence No. 316158;
- ◆ Remuneration that we and/or our staff and any associates receive in connection with the general financial product advice;
- ◆ Any relevant associations or relationships we have; and
- ◆ Our internal and external complaints handling procedures and how you may access them.

Information about us

We are a member firm of the BDO network in Australia, a national association of separate entities (each of which has appointed BDO (Australia) Limited ACN 050 110 275 to represent it in BDO International). The financial product advice in our report is provided by BDO Corporate Finance (WA) Pty Ltd and not by BDO or its related entities. BDO and its related entities provide professional services primarily in the areas of audit, tax, consulting, mergers and acquisition, and financial advisory services.

We and BDO (and its related entities) might from time to time provide professional services to financial product issuers in the ordinary course of business and the directors of BDO Corporate Finance (WA) Pty Ltd may receive a share in the profits of related entities that provide these services.

Financial services we are licensed to provide

We hold an Australian Financial Services Licence that authorises us to provide general financial product advice for securities to retail and wholesale clients, and deal in securities for wholesale clients. The authorisation relevant to this report is general financial product advice.

When we provide this financial service we are engaged to provide an expert report in connection with the financial product of another person. Our reports explain who has engaged us and the nature of the report we have been engaged to provide. When we provide the authorised services we are not acting for you.

General Financial Product Advice

We only provide general financial product advice, not personal financial product advice. Our report does not take into account your personal objectives, financial situation or needs. You should consider the appropriateness of this general advice having regard to your own objectives, financial situation and needs before you act on the advice. If you have any questions, or do not fully understand our report you should seek professional financial advice.

Fees, commissions and other benefits that we may receive

We charge fees for providing reports, including this report. These fees are negotiated and agreed with the person who engages us to provide the report. Fees are agreed on an hourly basis or as a fixed amount depending on the terms of the agreement. The fee payable to BDO Corporate Finance (WA) Pty Ltd for this engagement is approximately \$25,000.

Except for the fees referred to above, neither BDO, nor any of its directors, employees or related entities, receive any pecuniary benefit or other benefit, directly or indirectly, for or in connection with the provision of the report and our directors do not hold any shares in Ora Banda.

Total fees received from Ora Banda by BDO Corporate Finance (WA) Pty Ltd in the two years prior to the date of the announcement were \$84,150 excluding Goods and Services Tax. These assignments involved the provision of an Independent Expert's Report and Independent Limited Assurance Report for inclusion in the Prospectus prepared by the directors of Eastern Goldfields Limited (Administrators appointed, subsequently renamed Ora Banda Mining Limited). Both reports were required in relation to the proposed recapitalisation and relisting of the Company on the ASX.

Remuneration or other benefits received by our employees

All our employees receive a salary. Our employees are eligible for bonuses based on overall productivity but not directly in connection with any engagement for the provision of a report. We have received a fee from Ora Banda for our professional services in providing this report. That fee is not linked in any way with our opinion as expressed in this report.

Referrals

We do not pay commissions or provide any other benefits to any person for referring customers to us in connection with the reports that we are licensed to provide.

Complaints resolution

Internal complaints resolution process

As the holder of an Australian Financial Services Licence, we are required to have a system for handling complaints from persons to whom we provide financial product advice. All complaints must be in writing addressed to The Complaints Officer, BDO Corporate Finance (WA) Pty Ltd, PO Box 700 West Perth WA 6872.

When we receive a written complaint, we will record the complaint, acknowledge receipt of the complaint within 15 days and investigate the issues raised. As soon as practical, and not more than **45 days** after receiving the written complaint, we will advise the complainant in writing of our determination.

Referral to External Dispute Resolution Scheme

A complainant not satisfied with the outcome of the above process, or our determination, has the right to refer the matter to the Australian Financial Complaints Authority ('AFCA').

AFCA is an external dispute resolution scheme that deals with complaints from consumers in the financial system. It is a not-for-profit company limited by guarantee and authorised by the responsible federal minister. AFCA was established on 1 November 2018 to allow for the amalgamation of all Financial Ombudsman Service ('FOS') schemes into one. AFCA will deal with complaints from consumers in the financial system by providing free, fair and independent financial services complaint resolution. If an issue has not been resolved to your satisfaction, you can lodge a complaint with AFCA at any time.

Our AFCA Membership Number is 12561. Further details about AFCA are available on its website www.afca.org.au or by contacting it directly via the details set out below.

Australian Financial Complaints Authority
GPO Box 3
Melbourne VIC 3001
AFCA Free call: 1800 931 678
Website: www.afca.org.au
Email: info@afca.org.au

You may contact us using the details set out on page 1 of the accompanying report.

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Appendix 1 - Glossary and copyright notice

Appendix 2 - Valuation Methodologies

Appendix 3 - Independent Valuation Report prepared by Gordon Brothers

Appendix 4 - Independent Valuation Report prepared by CSA Global

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20 September 2019

The Directors
Ora Banda Mining Limited
Level 2, 220 St Georges Terrace
Perth WA 6000

Dear Directors

INDEPENDENT EXPERT'S REPORT

1. Introduction

On 16 August 2019, Ora Banda Mining Limited ('Ora Banda' or 'the Company') announced that it had received firm commitments for a placement to raise \$18.5 million before costs via the issue of 100 million shares ('\$18.5 Million Placement') at \$0.185 per share. The \$18.5 Million Placement consists of two tranches as follows:

- Tranche 1 - the issue of 57,559,910 shares at \$0.185 per share to professional and sophisticated investors raising approximately \$10.6 million, completed on 26 August 2019 ('Tranche 1'); and
- Tranche 2 - subject to shareholder approval, to raise approximately \$7.6 million (before costs) through the issue of 42,440,090 shares at \$0.185 per share to Hawke's Point Holdings I Limited ('Hawke's Point') ('Tranche 2'). (The amount raised is referred to as the 'Consideration')

Hawke's Point, Ora Banda's major shareholder, has agreed to subscribe for 42,440,090 shares to maintain its percentage interest in Ora Banda prior to the \$18.5 Million Placement of 42.44%. Hawke's Point's participation requires the approval of Ora Banda's shareholders pursuant to section 611 of the Corporations Act 2001 Cth ('Corporations Act' or 'the Act') and Australian Securities Exchange ('ASX') Listing Rule 10.11 ('LR 10.11'). This report relates to Tranche 2 of the \$18.5 Million Placement, the issue of shares to Hawke's Point (hereinafter referred to as 'the Transaction').

Tranche 1 of the \$18.5 Million Placement is not subject to shareholder approval as it falls within the Company's 15% placement capacity under ASX Listing Rule 7.1 and there are no control implications that would require shareholder approval either.

2. Summary and Opinion

2.1 Requirement for the report

The directors of Ora Banda have requested that BDO Corporate Finance (WA) Pty Ltd ('BDO') prepare an independent expert's report ('our Report') to express an opinion as to whether or not the issue of 42,440,090 shares to Hawke's Point is fair and reasonable to the non associated shareholders of Ora Banda ('Shareholders').

Our Report is prepared pursuant to section 611 of the Corporations Act and ASX listing rule 10.11 and is to be included in the Notice of Meeting for Ora Banda in order to assist the Shareholders in their decision whether or not to approve the Transaction.

2.2 Approach

Our Report has been prepared having regard to Australian Securities and Investments Commission ('ASIC') Regulatory Guide 74 'Acquisitions Approved by Members' ('RG 74'), Regulatory Guide 111 'Content of Expert's Reports' ('RG 111') and Regulatory Guide 112 'Independence of Experts' ('RG 112').

In arriving at our opinion, we have assessed the terms of the Transaction as outlined in the body of this report. We have considered:

- How the value of a Ora Banda share prior to the Transaction on a control basis compares to the value of the Consideration on a per share basis;
- Other factors which we consider to be relevant to the Shareholders in their assessment of the Transaction; and
- The position of Shareholders should the Transaction not proceed.

2.3 Opinion

We have considered the terms of the Transaction as outlined in the body of this report and have concluded that, in the absence of an alternate offer, the Transaction is fair and reasonable to Shareholders.

We note that the 42.44% interest of Hawke's Point in Ora Banda if the Transaction is approved will be equal to the 42.44% interest of Hawke's Point in Ora Banda prior to the \$18.5 Million Placement as a whole.

2.4 Fairness

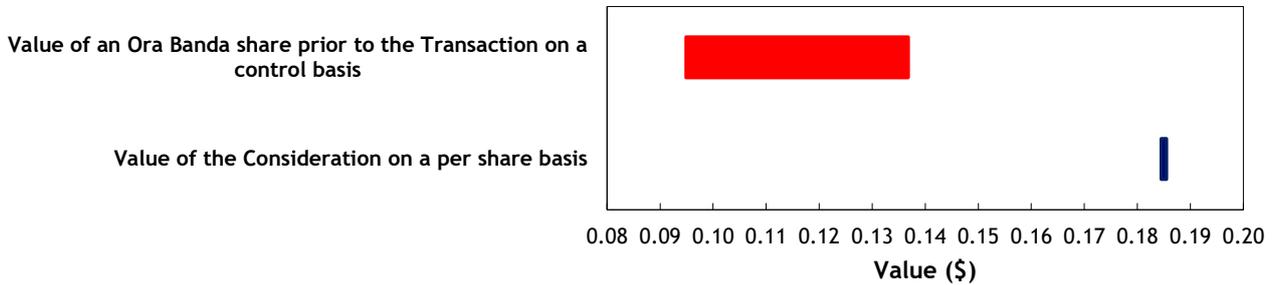
In section 12 we determined that the value of an Ora Banda share prior to the Transaction on a control basis compares with the value of the Consideration on a per share basis as set out below:

	Ref	Low \$	Preferred \$	High \$
Value of an Ora Banda share prior to the Transaction on a control basis	10.4	0.0949	0.1156	0.1368
Value of the Consideration on a per share basis	11	0.185	0.185	0.185

Source: BDO analysis

The above valuation comparison is presented graphically in the following figure:

Valuation Summary



The above pricing indicates that, in the absence of any other relevant information, and an alternate offer, the Transaction is fair for Shareholders.

2.5 Reasonableness

We have considered the analysis in section 13 of this report, in terms of both

- advantages and disadvantages of the Transaction; and
- other considerations, including the position of Shareholders if the Transaction does not proceed and the consequences of not approving the Transaction.

In our opinion, the position of Shareholders if the Transaction is approved is more advantageous than the position if the Transaction is not approved. Accordingly, in the absence of any other relevant information and/or an alternate proposal we believe that the Transaction is reasonable for Shareholders.

The respective advantages and disadvantages considered are summarised below:

ADVANTAGES AND DISADVANTAGES			
Section	Advantages	Section	Disadvantages
13.3	The Transaction is fair	13.4	Dilution of voting power of existing shareholders
13.3	Transaction returns Hawke’s Point’s interest in Ora Banda to the 42.44% interest that it held prior to the \$18.5 Million Placement		
13.3	Stronger balance sheet for the Company		
13.3	The Company will not have to seek funding to progress its expenditure plan		

Other key matters we have considered include:

Section	Description
13.1	Alternative proposal
13.2	Consequences if the Transaction is not approved.

3. Scope of the Report

3.1 Purpose of the Report

ASX Listing Rule 10.11.2 requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a person whose relationship with the entity or a related party is, in the ASX's opinion, such that approval should be obtained unless an exception in ASX Listing Rule 10.12 applies. The ASX's updated draft of ASX Listing Rules Guidance Note 25 - Issues of Securities to Persons in a Position of Influence ('Updated GN25'), states that one common circumstance, where the ASX will consider applying ASX Listing Rule 10.11.2 to an issue of securities, is where the recipient of the securities has an aggregate holding of 30% or more of an entity's ordinary securities.

The Company is seeking shareholder approval for the purposes of ASX Listing Rule 10.11.2 given the commentary in Updated GN25 and as Hawke's Point is a substantial shareholder of the Company, with present voting power of 37.95% in the Company.

Consequently, the Transaction is subject to the requirements of ASX Listing Rule 10.11.2 and so will require the approval of Ora Banda shareholders.

The Corporations Act also impacts on the Transaction since Section 606 of the Corporations Act ('Section 606') expressly prohibits the acquisition of further shares if the party acquiring the interest does so through a transaction and because of the transaction the party (or someone else's voting power in the company) increases from a starting point above 20% and below 90%.

Upon completion of the Transaction, Hawke's Point will hold up to 248,877,182 shares and have a voting power of up to a maximum of 42.44% in the Company. Whilst this is the same as the voting power of 42.44% held by Hawke's Point immediately prior to the \$18.5 Million Placement, given that prior shareholder approval was required for the issue of shares to Hawke's Point under ASX Listing Rule 10.11.2, it was not possible to issue the shares under the Transaction at the same time as the Tranche 1 shares were issued. Accordingly, Hawke's Point's voting power was reduced from 42.44% to 37.95% following completion of Tranche 1.

Hawke's Point is unable to rely on the exception in Item 9 of Section 611 of the Corporations Act (which allows a shareholder to acquire a relevant interest in new shares in order to maintain an existing shareholding above 20%) as Hawke's Point has not held the shares issued under the recapitalisation for at least six months the recapitalisation having only been completed in June 2019. Therefore, approval under Item 7 of section 611 of the Corporations Act ('item 7 s611') is also required for the issue of the shares to Hawke's Point under the Transaction.

We note that at the Company's general meeting on 7 June 2019 the Company's shareholders approved an increase in Hawke's Point's voting power to 42.85%. If the Transaction is approved Hawke's Point will not increase its voting power above 42.85%.

Section 611 of the Corporations Act provides exceptions to the Section 606 prohibition and item 7 s611 permits such an acquisition if the shareholders of the Company have agreed to the acquisition. This agreement must be by resolution passed at a general meeting at which no votes are cast in favour of the resolution by the party to the acquisition or any party which is associated with the acquiring party.

Item 7 s611 states that shareholders of the Company must be given all information that is material to the decision on how to vote at the meeting.

RG 74 states that to satisfy the obligation to provide all material information on how to vote on the item 7 s611 resolution Ora Banda can commission an Independent Expert's Report.

The directors of Ora Banda have commissioned this Independent Expert's Report to satisfy this obligation.

3.2 Regulatory guidance

Neither the Listing Rules nor the Corporations Act define the meaning of 'fair and reasonable'. In determining whether the Transaction is fair and reasonable, we have had regard to the views expressed by ASIC in RG 111 which provides guidance as to what matters an independent expert should consider to assist security holders to make informed decisions about transactions.

RG111 suggests that, where an expert assesses whether a related party transaction is 'fair and reasonable' for the purposes of ASX Listing Rule 10.1, and by implication LR 10.11, this should not be applied as a composite test – that is, there should be a separate assessment of whether the transaction is 'fair' and 'reasonable', as in a control transaction. An expert should not assess whether the transaction is 'fair and reasonable' based simply on a consideration of the advantages and disadvantages of the proposal.

We consider the Transaction to be a control transaction on the basis that the percentage interest of Hawke's Point in Ora Banda as a result of the Transaction will increase from 37.95% to 42.44%, but noting that Hawke's Point held voting power of 42.44% immediately prior to the \$18.5 Million Placement, such that there will be no net change to Hawke's Point's voting power relative to its position immediately prior to the \$18.5 Million Placement. We note that the Transaction (which is the subject of Resolution 2 on which Shareholders are being asked to vote), relates only to Tranche 2 of the \$18.5 Million Placement. Consequently, for the purposes of our fairness analysis, we have considered the Transaction as if it were a control transaction.

In determining whether the advantages of the Transaction outweigh the disadvantages, we have had further regard to RG 111 which suggests that an opinion as to whether the advantages of a transaction outweigh the disadvantages should focus on the purpose and outcome of the transaction, that is, the substance of the transaction rather than the legal mechanism to effect it.

RG 111 sets out that the expert should inquire whether further transactions are planned between the entity, the vendor or their associates and if any are contemplated determine if these are at arm's length. RG 111 also suggests that an expert should consider whether the transaction will deter the making of a takeover bid.

3.3 Adopted basis of evaluation

RG 111 states that a transaction is fair if the value of the offer price or consideration is equal to or greater than the value of the securities subject of the offer. This comparison should be made assuming a knowledgeable and willing, but not anxious, buyer and a knowledgeable and willing, but not anxious, seller acting at arm's length. RG 111 states that when considering the value of the securities subject of the offer in a control transaction the expert should consider this value inclusive of a control premium.

RG 111 states that a comparison should be made between the consideration offered and the value of the target entity's securities, assuming 100% of the securities are available for sale.

Further to this, RG 111 states that a transaction is reasonable if it is fair. It might also be reasonable if despite being 'not fair' the expert believes that there are sufficient reasons for security holders to accept the offer in the absence of any alternate options.

Having regard to the above, BDO has completed this comparison in two parts:

- A comparison between value of a Ora Banda share prior to the Transaction (on a control basis) and the value of the Consideration on a per share basis (fairness - see Section 12 'Is the Transaction Fair?'); and
- An investigation into other significant factors to which Shareholders might give consideration, prior to approving the resolution, after reference to the value derived above (reasonableness - see Section 13 'Is the Transaction Reasonable?').

RG 111 suggests that the main purpose of an independent expert's report is to adequately deal with the concerns that could reasonably be anticipated of those persons affected by the transaction.

Having regard to RG 111, we have completed our Report as follows:

- An investigation into the advantages and disadvantages of the Transaction (Sections 13.3 and 13.4); and
- An analysis of any other issues that could be reasonably anticipated to concern Shareholders as a result of the Transaction (Section 13.2).

This assignment is a Valuation Engagement as defined by Accounting Professional & Ethical Standards Board professional standard APES 225 'Valuation Services' ('**APES 225**').

A Valuation Engagement is defined by APES 225 as follows:

'an Engagement or Assignment to perform a Valuation and provide a Valuation Report where the Valuer 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 Valuer at that time.'

This Valuation Engagement has been undertaken in accordance with the requirements set out in APES 225.

4. Outline of the Transaction

On 16 August 2019, Ora Banda announced a capital raising of \$18.5 million via placement, to issue 100,000,000 ordinary shares at an issue price of \$0.185 per share.

The \$18.5 Million Placement comprised two tranches.

- Tranche 1 - the issue of 57,559,910 shares to professional and sophisticated investors, completed on 26 August 2019; and
- Tranche 2 - subject to shareholder approval, the issue of 42,440,090 shares to Hawke's Point Holdings I Limited or its nominee.

Hawke's Point, Ora Banda's largest shareholder, has given a commitment to participate in the \$18.5 Million Placement, so as to maintain its approximately 42.44% interest in the Company (prior to the \$18.5 Million Placement) by subscribing to 42,440,090 ordinary shares, but will not be issued with those shares unless and until shareholder approval is obtained. The issue of the shares in Tranche 1 of the \$18.5 Million Placement falls within the Company's existing issuing capacity under ASX Listing Rule 7.1.

On 26 August 2019 Ora Banda lodged a Cleansing Prospectus ('Cleansing Prospectus'). The Cleansing Prospectus set out the proposed use of the funds raised from the \$18.5 Million Placement as follows:

Expenditure plan in relation to funds raised from the \$18.5 Million Placement (excluding GST)	Tranche 1 \$000s	The Transaction (Tranche 2) \$000s	Total \$000s	Total %
Resource & Reserves Development	6,000	1,500	7,500	40.5
Regional Exploration Program	-	3,000	3,000	16.2
Care & Maintenance - Processing Plant	300	-	300	1.6
Preliminary Engineering Design - Process Plant Remedial Work	1,500	-	1,500	8.1
Procurement of Long Lead Items for Process Plant Remedial Work	-	1,900	1,900	10.3
Site Administration Costs (Includes flights & site accommodation)	400	400	800	4.3
Relocation of Riverina Station Buildings & Infrastructure	1,500	300	1,800	9.7
Corporate Costs	300	300	600	3.2
Working Capital	-	200	200	1.1
Cost of Offer	600	300	900	4.9
Total	10,600	7,900	18,500	100.0

Source: Ora Banda Cleansing Prospectus

As the Transaction is still subject to Shareholder approval, Hawke's Point's interest in Ora Banda has decreased to 37.95% due to the impact of the completion of Tranche 1 of the \$18.5 Million Placement. Should shareholders not approve the Transaction, Hawke's Point's interest will remain at 37.95%, representing a reduction from its approximately 42.44% interest prior to the \$18.5 Million Placement.

	Shares held by Hawke's Point	Shares held by non-associated shareholders	Hawke's Point interest	Non-associated shareholders interest
Shares on issue prior to the \$18.5 Million Placement	206,437,092	279,982,870	42.44%	57.56%
Shares issued under Tranche 1	-	57,559,910		
TOTAL after Tranche 1	206,437,092	337,542,780	37.95%	62.05%
Shares to be issued under Tranche 2	42,440,090	-		
Pro forma TOTAL after \$18.5 Million Placement	248,877,182	337,542,780	42.44%	57.56%

We note Hawke's Point currently holds 7,291,667 options of a total of 43,733,913 currently on issue (refer section 5.6 below). Although these options all have exercise prices which are considerably greater than the current share price, the exercise of these options by Hawke's Point, without any other share issues in the interim, and with none of the other options being exercised, would increase the interest of Hawke's Point to a maximum of 43.15%.

5. Profile of Ora Banda

5.1 Background

Ora Banda is an ASX-listed Australian gold exploration and production company with its head office located in Perth, Western Australia. The Company owns 100% of the Davyhurst and Mt Ida Gold Projects ('Davyhurst' and 'Mt Ida' respectively) which comprises 112 mineral tenements covering approximately 1,336 square kilometres ('km²') and includes both open cut and underground mining targets. Davyhurst is located 120 km north-west of Kalgoorlie while Mt Ida is 200 km north-west of Kalgoorlie.

The Company was formerly known as Swan Gold Mining Limited and changed its name to Eastern Goldfields Limited in December 2015. Following shareholder approval at its general meeting on 7 June 2019, the Company was renamed Ora Banda Mining Limited.

The Company's current board members and senior management are shown below:

- Peter Mansell, Non-Executive Chairman;
- David Quinlivan, Managing Director;
- Mark Wheatley, Non-Executive Director;
- Keith Jones, Non-Executive Director;
- Andrew Czerw, General Manager Resource Development; and
- Tony Brazier, Chief Financial Officer, Company Secretary.

5.2 Key Projects

Davyhurst Gold Project

Davyhurst is located 120km north-west of Kalgoorlie within the North Eastern Goldfields of Western Australia. It has a refurbished and upgraded 1.2Mtpa processing facility ('Davyhurst Mill'), associated infrastructure and a camp at Davyhurst central area. Further works to restart the Davyhurst Mill are scheduled to commence upon completion of the \$18.5 Million Placement as outlined in the Company's expenditure plan (Section 4). Access to the tenements is via a series of formed, unsealed shire roads and haulage roads while an airstrip is located at the Davyhurst central area. The mining areas include open pit and underground mining targets at:

- Davyhurst central area which hosts the Callion, Federal Flag, Golden Eagle, Lights of Israel, Makai Shoot, Salmon Gums, Waihi and Walhalla deposits;
- Riverina Project located approximately 48km from the Davyhurst Mill and comprises the Riverina, Silver Tongue, Forehand and Sunraysia deposits;
- Siberia Project located 37 km south east of the Davyhurst Mill which hosts the Sand King, Missouri, Palmerston/Camperdown, Black Rabbit and Theil Well deposits;
- Mulline Project located 30 km north of the Davyhurst Mill covering an area approximately 20km² and home to the Lady Gladys deposit; and
- Lady Ida Project located approximately 55 km south-west of the Davyhurst Mill and comprises the Iguana, Blue Tank and Lizard open cut deposits.

Mt Ida Gold Project

Mt Ida is an underground deposit located 200 km north-west of Kalgoorlie-Boulder and approximately 120 km from the Davyhurst Mill. It last operated in 2007 as a narrow vein mining operation and has a camp servicing the mine as well as an airstrip nearby at the abandoned Bottle Creek mine.

5.3 Recent Corporate Events

On 31 January 2018, the Company acknowledged that it breached certain items within an investment loan agreement with Investmet Limited ('Investmet'), the outstanding balance of which was \$13.4 million, including capitalised interest. As a result, the terms of the agreement were varied including:

- Increasing the facility's limit from \$10 million to \$15 million;
- Extending the maturity date to six months after the date on which the Company's obligations under the Syndicated Facility with Investec are discharged;
- Increasing the interest rate to 19% per annum;
- Including an obligation on the Company to exercise all reasonable endeavours to provide an all asset security to Investmet; and
- Expressly providing the ability for the Company to redraw the facility at any time prior to the maturity date.

On 5 February 2018, the Company issued 87.5 million ordinary shares to Hawke's Point at a price of \$0.20 per share representing tranche 2 of a total placement raising \$30.57 million (before costs) with tranche 1 comprising the issue of 65.3 million shares to sophisticated, professional and institutional investors also at a price of \$0.20 per share. The resulting \$30.57 million raised before costs was used to pay trade creditors and to meet other operational costs.

On 26 June 2018, a Deed of Cross Guarantee ('DXG') was executed between the Company and several of its subsidiaries. The DXG provides that upon a winding up of one or more of the entities, the relevant DXG parties would guarantee payment of the debts owed from each other, except intercompany debts owing between DXG parties.

On 27 July 2018, the first meeting of the due diligence committee was held to discuss a recapitalisation plan ('Proposed Recapitalisation'). The timing and potential blockages to the Proposed Recapitalisation were noted as including:

- Progressing the placement and rights issue book-build and underwriting arrangements;
- Satisfaction of ASX's conditions to reinstatement of the Company's securities to quotation (if any); and
- Completion of the Company's unaudited accounts.

On 7 August 2018, the Company announced it had not made a repayment of \$5 million plus accumulated interest to Investec under its syndicated facility. Consequently, the Company entered into a standstill agreement to extend the repayment date to 15 August 2018. This repayment date was subsequently renegotiated to 30 August 2018, before the syndicated facility was ultimately purchased by Hawke's Point on 28 August 2018.

On 17 August 2018, another meeting of the due diligence committee was held to discuss the Proposed Recapitalisation. In the minutes it was noted that the matter would be progressed as soon as possible but

a potential blockage could be the Company's inability to comply with the requirements of the standstill agreement with Investec.

On 28 August 2018, Michael Fotios resigned as a director of the Company and its subsidiaries and a round of employee redundancies was effectuated during the month. Also on this date, Hawke's Point agreed to purchase the outstanding debt owed by the Company to Investec and agreed to acquire an assignment of the syndicated facility and the associated security documents from Investec. It was proposed that the amount owed to Hawke's Point under this syndicated facility would be cancelled and credited to Hawke's Point in connection with its planned participation in the Proposed Recapitalisation.

On 3 September 2018, the Company temporarily suspended operations to minimise costs as it engaged in discussions for its Proposed Recapitalisation.

On 27 September 2018, the Company raised \$8.75 million (before costs) from the issue of secured loan notes which are convertible into ordinary shares upon receipt of shareholder approvals, to each of Hawke's Point, Donald Smith Value Fund LP, National Nominees Ltd (as nominee for Perennial Value Microcap Opportunities Fund) and Wyllie Group pursuant to the Proposed Recapitalisation.

On 28 September 2018, the Company announced that agreements had been reached with relevant stakeholders in regards to the Company's Proposed Recapitalisation. The Proposed Recapitalisation would raise up to \$75 million (before costs) through:

- The issue of \$8.75 million in secured loan notes which, upon receipt of shareholder approvals, will convert into ordinary shares in the Company (these are the Existing Convertible Notes);
- A \$36.9 million placement to sophisticated and professional investors;
- A \$17.5 million of in-kind services from Adaman Resources Pty Ltd; and
- Settlement of the Company's syndicated facility (\$9.6 million) and certain trade creditors (\$2.5 million).

On 28 November 2018, the Company announced that the Proposed Recapitalisation announced on 28 September 2018 would no longer proceed and that the shareholder meeting to vote on the related resolutions would be cancelled. No reason was provided for the cancellation in the announcement. However, in the voluntary administrators report dated 22 January 2019, the Administrators opined that the Proposed Recapitalisation failed because there were significant unfavourable variances (negative \$22 million) in operational performance and budgeted capital requirements, which may have influenced parties to withdraw given the uncertainty as to the level of funding required.

On 29 November 2018, the Company appointed Martin Jones and Andrew Smith of Ferrier Hodgson as Joint and Several Administrators.

On 5 February 2019, the Company announced that a Deed of Company Arrangement ('DOCA') proposed by Hawke's Point was approved by creditors at a meeting held on 1 February 2019 and was subsequently executed on 12 February 2019.

On 7 February 2019, the Company executed a Deed of Settlement and Termination involving the Company, Black Mountain Gold Limited and Intermin Resources Limited ('Intermin') to terminate their joint venture agreement entered into in April 2017. Intermin is an ASX-listed mining company and as part of the termination, all 7,266,498 Intermin shares held by the Company on that date were sold at \$0.114 per share.

On 30 April 2019, the Company released a prospectus and indicative timetable towards its revised proposed recapitalisation. The prospectus was one part of recapitalisation process, which comprised the extinguishment of all pre-administration claims and debts in addition to a capital raising of between \$30.0 million and \$40.0 million.

On 22 May 2019, the Company successfully completed its proposed capital raise for \$30.15 million, which comprised an entitlement and shortfall offer of \$7.6 million and a convertible note offer which raised \$22.4 million. The entitlement offer offered eligible shareholders the ability to subscribe for one new ordinary share at an issue price of \$0.01 for every one ordinary share already held. Entitlements to the value of \$1.5 million were received, with the shortfall offer comprising the remaining balance of \$6.1 million.

On 28 May 2019, the Company announced that the funds from the capital raising had settled, the DOCA has been effectuated, the deed administrators had retired, and the Company was no longer under administration. Further, the Company announced that a general meeting was to be held on 7 June 2019 to approve various resolutions relating to the recapitalisation of the Company.

On 7 June 2019, the Company held its general meeting of shareholders, at which all 27 resolutions relating to the Company's recapitalisation and related matters were carried. Further, the Company changed its name from Eastern Goldfields Limited to its current name, Ora Banda Mining Limited.

On 20 June 2019, Ora Banda consolidated its issued capital on the basis of one security for every fifteen securities held as approved at the general meeting of shareholders. The Company also received conditional approval for the reinstatement of its shares to official quotation on the ASX. The Company was subsequently reinstated to trading on 28 June 2019.

5.4 Historical Statements of Financial Position

Statement of Financial Position	Draft unaudited as at 30-Jun-19 \$'000	Audited as at 30-Jun-18 \$'000	Audited as at 30-Jun-17 \$'000
CURRENT ASSETS			
Cash and cash equivalents	14,142	5	44
Trade and other receivables	568	1,481	7,986
Inventories	-	2,058	-
TOTAL CURRENT ASSETS	14,710	3,544	8,030
NON-CURRENT ASSETS			
Trade and other receivables	20	64	64
Mine properties	38,314	38,460	55,703
Capitalised exploration expenditure	-	-	585
Financial assets	-	3,845	2,199
Derivative financial instruments	-	119	330
TOTAL NON-CURRENT ASSETS	38,334	42,488	58,881
TOTAL ASSETS	53,044	46,032	66,911
CURRENT LIABILITIES			
Trade and other payables	802	40,627	28,618
Loans and borrowings	-	21,543	15,060
Derivative financial instruments	-	293	-
Provisions	179	1,303	206
TOTAL CURRENT LIABILITIES	981	63,766	43,884
NON-CURRENT LIABILITIES			
Provisions	16,644	18,243	11,912
TOTAL NON-CURRENT LIABILITIES	16,644	18,243	11,912
TOTAL LIABILITIES	17,625	82,009	55,796
NET ASSETS	35,419	(35,977)	11,115
EQUITY			
Contributed equity	350,519	287,168	251,282
Accumulated losses	(328,395)	(336,255)	(250,333)
Reserves	13,295	13,110	10,166
TOTAL EQUITY	35,419	(35,977)	11,115

Source: Draft unaudited financial statements as at 30 June 2019 and Audited financial statements as at 30 June 2018 and 30 June 2017

Commentary on Historical Statements of Financial Position

- Cash and cash equivalents increased to \$14.14 million as at 30 June 2019 primarily as a result of capital raised from the Company's recapitalisation.
- Mine properties consists of the gross carrying amounts of plant and equipment and mine development recorded at cost, less any accumulated depreciation and impairment. The net

carrying amount as at 30 June 2019 was \$13.28 million for plant and equipment and \$25.04 million for mine development. During the year ended 30 June 2018, an impairment expense of \$26.46 million was recognised in the statement of profit or loss and other comprehensive income, comprising of a \$6.62 million impairment for mine development and a \$19.84 million impairment for plant and equipment.

- As at 30 June 2019 Ora Banda had no loans and borrowings outstanding, compared to \$21.54 million a year earlier as all outstanding loans and borrowings were settled under the Company's DOCA or repaid via funds raised from the issue of shares under the Company's recapitalisation.
- Trade and other payables as at 30 June 2019 decreased to \$0.80 million from \$40.63 million at 30 June 2018. Trade and other payables at 30 June 2018 largely comprised of creditors involved in the DOCA that the Company effectuated and subsequently resolved their claims. The balance as at 30 June 2019 largely comprises accruals of expenses.
- Non-current provisions of \$16.64 million as at 30 June 2019 is the balance of a rehabilitation provision for the Company's mine sites and related production facilities. The provision includes a 15% contingency cost allowance and incorporates costs for the demolition and cartage of fixed infrastructure from the Company's operations. Costing estimates for the rehabilitation provision have been estimated by an external consultant commissioned by the Company and discounted to present value.

We have not undertaken a review of Ora Banda's draft unaudited financial statements in accordance with Australian Auditing and Assurance Standard 2405 'Review of Historical Financial Information' and do not express an opinion on this financial information. However, nothing has come to our attention as a result of our procedures that would suggest the financial information has not been prepared on a reasonable basis.

5.5 Historical Statements of Comprehensive Income

Statement of Comprehensive Income	Draft unaudited for year ended 30-Jun-19 \$'000	Audited for year ended 30-Jun-18 \$'000	Audited for year ended 30-Jun-17 \$'000
Revenue			
Sales revenue	6,429	16,152	-
Cost of sales	(8,736)	(33,310)	-
Gross loss	(2,307)	(17,158)	-
Other (expenses)/income	32,169	(33)	-
General and administration	(9,576)	(54,079)	(6,316)
Other operating expenses	(7,859)	(12,379)	(11,010)
Operating profit/ (loss)	12,427	(83,649)	(17,326)
Expenses			
Finance income	-	2	5
Finance costs	(4,611)	(2,743)	(777)
Profit/ (Loss) before income tax	7,816	(86,390)	(18,098)
Income tax (expense)/benefit	44	468	-
Profit/ (Loss) after income tax	7,860	(85,922)	(18,098)
Other comprehensive income			
Loss on revaluation of financial assets at fair value through OCI	(202)	-	-
Changes in fair value of available for sale assets, net of tax	-	1,198	(3)
Cash flow hedges	-	(271)	271
Other comprehensive income, net of tax	(202)	927	268
Total comprehensive income/(loss) for the year	7,658	(84,995)	(17,830)

Source: Draft unaudited financial statements for year ended 30 June 2019 and Audited financial statements for years ended 30 June 2018 and 30 June 2017.

Commentary on Historical Statements of Comprehensive Income

- Revenue from gold sales for the year ended 30 June 2019 decreased to \$6.43 million from \$16.15 million for the year to 30 June 2018 as a result of the temporary shutdown of mining operations while the Company negotiated its recapitalisation. \$6.09 million in sales were recorded for the half-year ended 31 December 2018, while the remaining sales for the year were largely the result of production from removing gold-in-circuit.
- Other income reported for the year ended 30 June 2019 of \$32.17 million arose from debt forgiveness to the Company under the terms of the DOCA that was effectuated on 27 May 2019 as outlined in Section 5.3 of our Report.

- General and administration expenses of \$9.58 million were incurred for the year ended 30 June 2019, decreasing from \$54.08 million for the year ended 30 June 2018, which included a \$26.46 million impairment of mine properties for the Company's Davyhurst operations.
- Other operating expenses decreased to \$7.86 million for the year to 30 June 2019 from \$12.38 million for the year to 30 June 2018, primarily due to lower exploration and evaluation expenses for the year. Other operating expenses related to costs associated with resource definition and exploration works conducted across the Company's tenements as well as employee benefits expenses.
- Ora Banda incurred finance costs of \$4.61 million for the year ended 30 June 2019 with the main components being a \$3.53 million expense for interest bearing loans and borrowings measured at amortised cost, and a \$1.05 million expense for accretion of the Company's environmental rehabilitation provision.

We have not undertaken a review of Ora Banda's unaudited financial statements in accordance with Australian Auditing and Assurance Standard 2405 'Review of Historical Financial Information' and do not express an opinion on this financial information. However, nothing has come to our attention as a result of our procedures that would suggest the financial information within the unaudited financial statements has not been prepared on a reasonable basis.

5.6 Capital Structure

The share structure of Ora Banda as at 19 August 2019 is outlined below:

	Number
Total Ordinary Shares on Issue	486,419,962
Top 20 Shareholders	426,677,236
Top 20 Shareholders - % of shares on issue	87.72%

Source: Share Registry Information

We note that this share structure is prior to Tranche 1 of the \$18.5 Million Placement.

The range of shares held in Ora Banda as at 19 August 2019 is as follows:

Range of Shares Held	No. of Ordinary Shareholders	No. of Ordinary Shares	% Issued Capital
1-1,000	4,377	504,980	0.10%
1,001-5,000	374	899,701	0.18%
5,001-10,000	153	1,128,113	0.23%
10,001-100,000	281	9,000,573	1.85%
100,001 - and over	125	474,886,595	97.63%
TOTAL	5,310	486,419,962	100.00%

Source: Share Registry Information

We note that this range of shares is prior to Tranche 1 of the \$18.5 Million Placement.

The ordinary shares held by the most significant shareholders as at 19 August 2019 are detailed below:

Name	No of Ordinary Shares Held	Percentage of Issued Shares (%)
Citicorp Nominees Pty Ltd*	206,476,399	42.44%
NPS Mining Alliance Pty Ltd	38,619,516	7.94%
HSBC Custody Nominees	35,932,402	7.39%
GR Engineering Services Ltd	30,812,428	6.33%
Total Top 4	311,840,745	64.11%
Others	174,579,217	35.89%
Total Ordinary Shares on Issue	486,419,962	100.00%

Source: Share Registry Information

*Hawke's Point is the beneficial owner of the shares held under Citicorp Nominees Pty Ltd

The details of Ora Banda's options on issue are outlined below:

Current Options on Issue	Options held by Hawke's Point	Options held by other parties	Total number of options outstanding
Unlisted options: exercisable at \$2.835, expiring 8 March 2020	-	1,468,334	1,468,334
Unlisted options: exercisable at \$3.1125, expiring 2 February 2021	-	509,500	509,500
Unlisted options: exercisable at \$6.1875, expiring 2 February 2021	-	66,667	66,667
Unlisted options: exercisable at \$0.2625, expiring 11 June 2021	-	7,666,667	7,666,667
Unlisted options: exercisable at \$2.9625, expiring 31 January 2023	-	2,178,331	2,178,331
Unlisted options: exercisable at \$3.3375, expiring 31 January 2023	-	2,178,331	2,178,331
Unlisted options: exercisable at \$2.9625, expiring 2 February 2023	3,062,500	792,362	3,854,862
Unlisted options: exercisable at \$3.3375, expiring 2 February 2023	3,062,500	792,362	3,854,862
Unlisted options: exercisable at \$1.125, expiring 11 June 2023	1,166,667	1,750,000	2,916,667
Unlisted ESOP options (Remuneration options)	-	1,155,001	1,155,001
Unlisted ESOP options (Performance options)	-	1,300,000	1,300,000
Unlisted ESOP options (Incentive options - board)	-	5,333,333	5,333,333
Unlisted ESOP options (Incentive options - management)	-	11,251,358	11,251,358
TOTAL	7,291,667	36,442,246	43,733,913

Source: Company provided information

*All ESOP options have a nil exercise price. Refer to the Company's Notice of Meeting for further details relating to ESOP options vesting conditions and expiry dates.

6. Profile of Hawke's Point

Hawke's Point, which consists of Hawke's Point Holdings I Limited and Hawke's Point Holdings II Limited, is a wholly-owned subsidiary of TFG Asset Management ('TFG'), an international, diversified alternative asset management business that owns equity stakes in asset management companies.

Hawke's Point is the asset management company within TFG which focuses on providing capital to companies in the mining and resource sectors across a range of instruments, structures and geographies. Its current portfolio managers are:

- Scott Marsh;
- Pim Kalisvaart; and
- Erik Caspersen.

As of 30 June 2019, TFG's AUM totalled approximately US\$25.9 billion and it had approximately 270 employees globally. TFG is in turn owned by Tetragon Financial Group Limited, which is listed on the Euronext Amsterdam N.V. and also on the Specialist Fund Segment of the main market of the London Stock Exchange.

7. Economic analysis

Economic factors are key determinants that drive underlying business activity of the domestic economy. Further, economic forecasts are used by market participants to assess the viability and expected returns of businesses for investors. We have discussed below the current state of the domestic and global economy, including the broader implications this may have for Ora Banda's operations.

7.1 Australia

Domestic growth

The Reserve Bank of Australia ('RBA') is expecting GDP growth of around 2.50% over 2019 and 2.75% over 2020, which is lower than previously forecast. Growth is anticipated to be supported by increased investment in infrastructure and a pick-up in activity in the resources sector, recent tax cuts, and the low level of interest rates. However, there remains some uncertainty around the outlook for household consumption and the housing market. Growth in household disposable income was 1.8% over the year to the March quarter, which is below the long run average. Consumption growth has slowed with low wages growth and declining housing prices.

In response, the RBA lowered interest rates in June 2019 for the first time since 2012 to 1.25%, before cutting rates further in July 2019 to a historic low of 1.0%. The interest rates remained at 1.00% in August 2019. The easing of monetary policy aims to support employment growth and increase inflation to be closer to the medium-term target of 2.0%.

Conditions in the housing market remain soft, although prices in Sydney and Melbourne have stabilised tentatively. Growth in housing credit has also stabilised, with mortgage rates at record lows and the strong competition for borrowers of high credit quality. However, overall demand for credit by investors continues to be subdued, with credit conditions for small and medium-sized businesses remaining tight.

Lower domestic growth is partly a function medium term weakness in the mining industry. However, recent strength in commodity prices, particularly iron ore and gold, is boosting profits in the sector and relative contribution to domestic GDP growth.

Unemployment

Conditions in the Australian labour market have continued to improve, with the unemployment rate at 5.2%. This rate is expected to decline to 4.75% over the next couple of years. The strong employment growth has led to a pick-up in wages growth in the private sector, although overall wage growth remains low. The RBA continues to expect further wages growth in the near term.

Notwithstanding broader improvements in the national labour market, the Western Australian unemployment rate where Ora Banda operates averaged 6.2% over the year, which is higher than the 5.9% average rate recorded in 2018.

Inflation

Domestic inflation remains low, and suggests subdued inflationary pressures across the economy. Over the year to the June 2019 quarter, both headline and underlying inflation was 1.6%. Inflation is anticipated to pick up with easing of monetary policy, with the central scenario for underlying inflation to reach 2.0% in 2020 and to increase further thereafter.

Currency movements

The Australian dollar is currently at the low end of the narrow range that it has been trading recently. Movements in the Australian dollar tend to be related to developments in commodity prices and interest rate differentials. Since the start of the year, these two forces have been working in offsetting directions, with commodity prices in iron ore and gold increasing significantly in June 2019 and Australian bond yields declining relative to those in other major markets. As the gold price and gold sales are denominated in US dollars, the depreciation of the Australian dollar benefits Ora Banda and domestic gold producers more broadly.

Source: www.rba.gov.au Statement by Philip Lowe, Governor: Monetary Policy Decision 6 August 2019 and 2 July 2019 and Minutes of the Monetary Policy Meeting of the Reserve Bank Board

7.2 Global

As a “safe-haven” asset and a historical hedge for inflation, gold demand generally benefits from global uncertainty and the recent increasing trade tensions between China and the US. Further, global market conditions have contributed to a weakening Australian dollar to the benefit of domestic export focussed companies, such as Ora Banda, which we discuss below.

The global economy grew above trend in 2018, although it slowed in the second half of the year. While conditions in the global economy remain positive, the outlook has become more uncertain and downside risks have increased. This is partly due to the difficulty predicting how global trade policies will evolve, particularly between China and the US. Trade tensions between China and the US remain high and this contributed to the sharp decline in exports between the two countries.

Chinese Gross Domestic Product (‘GDP’) growth for 2018 was recorded at 6.6%. China’s GDP growth is expected to moderate in 2019. Recently targeted fiscal and monetary policies have partially offset any negative effects arising from trade tensions. However, growing trade tensions have led to considerable uncertainty around future growth in China and countries with strong trade links to China.

Financial market conditions in most advanced economies tightened in late-2018. This followed a lengthy period of accommodative market conditions. The tightening of conditions resulted in: rising corporate funding costs, easing of new debt issuances, lower equity prices and rises in volatility in financial markets. These risks have since been partially reversed, and it is worth noting that risk premiums historically remain low. Long term government bond yields have also declined in recent months, due to the scaling back of expectations over the frequency of central bank interest rate increases as well as a decline in inflation expectations globally.

Core inflation in advanced economies including the USA, Canada, Norway, Sweden and the UK is around the respective central banks’ targets. In other advanced economies however, inflation remains noticeably below target. Headline inflation has decreased recently, and is expected to decline further due to falling oil prices.

Although GDP growth rates are expected to ease in a number of advanced economies, ongoing capacity constraints are likely to put upward pressure on inflation. Once oil prices return to stable levels, inflation is expected to rebound slightly in European and Japan, whilst remaining close to target in the US.

Source: www.rba.gov.au Minutes of the Monetary Policy Meeting of the Reserve Bank Board 2 July 2019, Statement by Philip Lowe, Governor: Monetary Policy Decision 6 August 2019 and International Monetary Fund, World Economic Outlook, July 2019

8. Industry analysis

Ora Banda's business operations are exclusively focussed on the exploration, production and processing of gold ore in the historically prospective Kalgoorlie-Boulder region of Western Australia. The price of Gold is a key determinant in the economic viability of the Company's projects and we discuss major drivers within the industry below.

Gold is a soft malleable metal which is highly desirable due to its rarity, permanence, and unique mineral properties. Gold has been used in jewellery and as a form of currency for thousands of years, however in more recent history there has been increasing demand for its use in the manufacture of electronics, dentistry, medicine and aerospace technology.

In addition to its practical applications, gold also serves as an international store of monetary value. Gold is widely regarded as a monetary asset as it is considered less volatile than world currencies and therefore provides a safe haven investment during periods of economic uncertainty.

Once mined, gold continues to exist indefinitely and is often melted down and recycled to produce alternative or replacement products. Consequently, demand for gold is supported by both gold ore mining and gold recycling. A summary of the supply of gold for the seven years to 2018 is provided in the table below:

Gold supply (tonnes)	2012	2013	2014	2015	2016	2017	2018
Mine production	2,911	3,073	3,150	3,223	3,263	3,319	3,347
Net producer hedging	(45)	(28)	105	13	33	(28)	(29)
Recycled gold	1,691	1,263	1,189	1,120	1,295	1,156	1,173
Total supply	4,557	4,308	4,444	4,356	4,591	4,447	4,490

Source: World Gold Council

The gold ore mining industry (the 'Industry') has performed steadily in recent years, with growth driven by price increases and slow economic growth. The outlook for gold production appears to be optimistic as mine production hit a new record high of 3,347 tonnes in 2018.

Key external drivers

Global gold prices have a significant impact on the revenue generated by Industry operators. When gold prices are low, gold miners are less likely to commit to projects with lower gold grades and higher production costs. Ultimately, a decline in gold prices reduces the viability of new and existing projects, which hinders Industry growth.

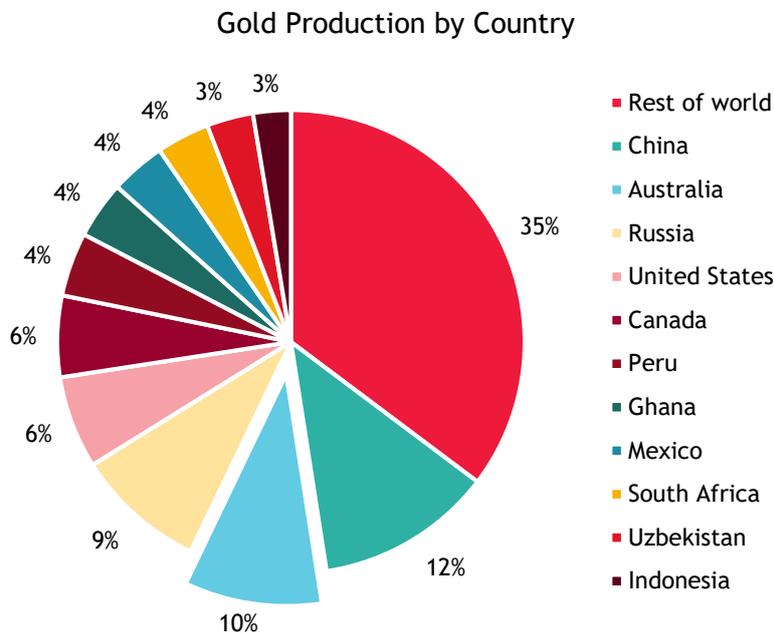
The global gold price is denominated in US dollars ('USD' or 'US\$') and therefore, the exchange rate directly affects the returns received by local Industry operators. A weaker Australian Dollar ('AUD') benefits the domestic industry by reducing prices in export markets and pushing up domestic prices, likely resulting in higher volumes.

Global demand for gold is also inversely related to global economic performance. As gold is regarded as a store of value and is particularly sought after during periods of economic uncertainty, demand follows a counter cyclical pattern. Strong global GDP growth can therefore have a negative impact on gold demand and the Industry. According to IBIS World, global economic performance is expected to improve in 2018-19, reducing demand for gold. This however is offset by slowing gold output growth. As a result, Industry revenue is projected to increase at an annualised 0.8% over the five years through 2023-24, to total \$18.8 billion.

Gold ore mining trends

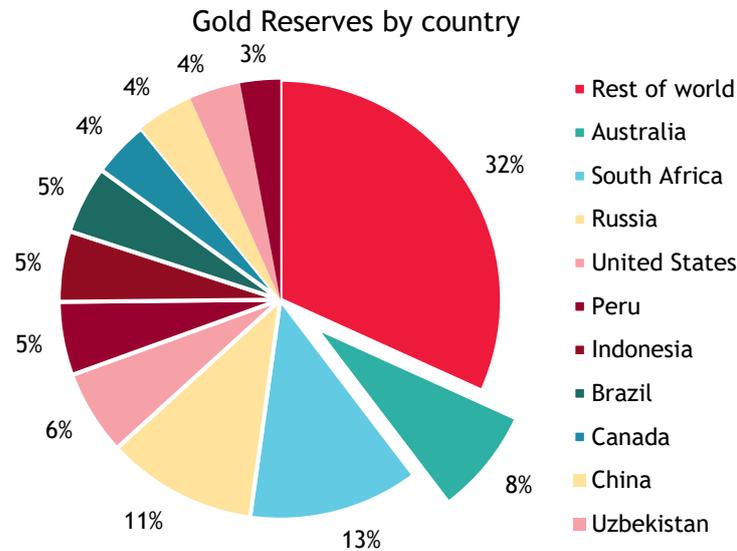
Gold ore mining is a capital intensive and high cost process, which is becoming increasingly difficult and more expensive as the quality of ore reserves diminishes. The Industry also incurs many indirect costs related to exploration, royalties, overheads, marketing and native title law. Typically, many of these costs are fixed in the short term as a result of Industry operators' inability to significantly alter cost structures once a mine commences production.

Until the late 1980s, South Africa produced approximately half of the total gold ore mined globally. More recently however, the Industry has diversified geographically and China and Australia now dominate global gold production. According to the United States Geological Survey for January 2018, total estimated global gold ore mined for 2017 was approximately 3,150 metric tonnes. The chart below illustrates the estimated global gold production by country for 2017.



Source: United States Geological Survey and BDO analysis

Despite China leading global gold production in 2017, Australia, South Africa and Russia hold the largest known gold reserves globally. As depicted below, collectively these three countries account for approximately 32% of global gold reserves.



Source: United States Geological Survey and BDO analysis

According to the 2017 US Geological Survey, Australia holds 9,800 tonnes of gold, representing 19% of global reserves and the largest percentage held by any country. In 2018-19, IBIS World estimates domestic Industry revenue to increase by 2.7% to reach \$18.0 billion, boosted by increased domestic production. Over the five years through 2022-23, it is forecast that revenue will grow at an annualised 0.8%, to reach approximately \$18.8 billion. However, rising production costs due to lower ore quality and higher transportation costs are anticipated to reduce industry profitability over the period.

Gold prices

The price of gold peaked at US\$1,900 on 5 September 2011, due largely to the debt market crisis in Europe and the Standard and Poor's downgrade of the US credit rating. Global stock markets subsequently went into turmoil, which saw investors opt for the stability offered by gold.

The price of gold fluctuated around US\$1,700 during 2012 before entering a steep decline in 2013. The downturn represented the beginning of a correction in the price of gold, which had almost tripled in the two-year period prior to the European crisis in 2011. Improved market sentiment and increased risk appetite from investors saw gold prices continue to decline throughout 2014 and 2015 to US\$1,051 in December 2015.

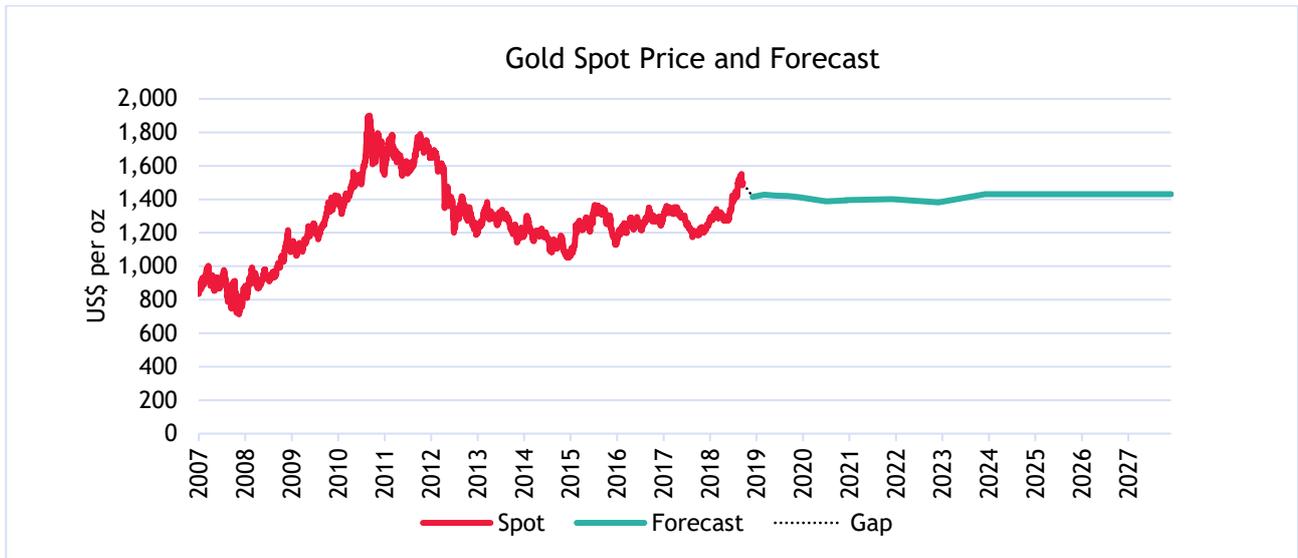
During 2016, gold prices strengthened, likely as a result of heightened uncertainty surrounding the US Presidential election and the United Kingdom's exit from the European Union. The price of gold reached US\$1,363 in late 2016 before stabilising around US\$1,200 to US\$1,300 throughout 2017.

The gold price fluctuated throughout 2018. In January 2018, the gold price strengthened, rising to approximately US\$1,360, spurred on by a weak US dollar. From April 2018 through to August 2018, the price of gold trended downwards. Prices remained flat through August and September of 2018, before increasing in October and November of 2018. The price of gold reached US\$1,341 in February 2019, before declining to US\$1,270 in May 2019. On 25 June 2019, the US dollar gold price reached a 17-month high of US\$1,423. The rise in the US dollar gold price, coupled with a weak Australia dollar, saw the Australian dollar spot price of gold reach an all-time high of AU\$2,046 per oz.

In August 2019, the gold price rallied past US\$1,500 reaching six year highs. Demand for gold was primarily driven by investors looking to avoid US-China trade war uncertainties, while civil unrest in Hong Kong further spurred investors to abandon riskier asset classes for safe haven assets. The gold price continued to rally through September to US\$1,552, remaining around US\$1,500 as at the date of this Report.

Global investors are expected to continue to favour gold as a safe haven asset throughout the remainder of 2019, as higher levels of global risk and uncertainty persist, with political instability in various regions, and the potential for higher inflation levels.

The gold spot price since 2008 and forecast prices through to 2028 are depicted in the graph below:



Source: Bloomberg, Consensus Economics and BDO Analysis

9. Valuation approach adopted

There are a number of methodologies which can be used to value a business or the shares in a company. The principal methodologies which can be used are as follows:

- Capitalisation of future maintainable earnings ('FME')
- Discounted cash flow ('DCF')
- Quoted market price basis ('QMP')
- Net asset value ('NAV')
- Market based assessment

A summary of each of these methodologies is outlined in Appendix 2.

Different methodologies are appropriate in valuing particular companies, based on the individual circumstances of that company and available information.

It is possible for a combination of different methodologies to be used together to determine an overall value where separate assets and liabilities are valued using different methodologies. When such a combination of methodologies is used, it is referred to as a 'sum-of-parts' ('Sum-of-Parts') valuation.

The approach using the Sum-of-Parts involves separately valuing each asset and liability of the company. The value of each asset may be determined using different methods as described above. The component parts are then valued using the NAV methodology, which involves aggregating the estimated fair market value of each individual company's assets and liabilities.

9.1 Valuation of an Ora Banda Share prior to the Transaction

In our assessment of the value of an Ora Banda share, we have chosen to employ the following methodologies:

- Sum-of-Parts method as our primary method, which estimates the market value of a company by separately valuing each asset and liability of the company. The value of each asset may be determined using different methods. The component parts of Ora Banda are valued using the NAV method and the valuations carried out by independent technical experts; and
- QMP as our secondary methodology as this represents the value that a Shareholder can receive for a share if sold on market.

We have chosen these methodologies for the following reasons:

- Ora Banda's operations do not currently generate any income nor are there any historical profits that could be used to represent future earnings, so the FME approach is not appropriate;
- Ora Banda currently has no foreseeable future net cash inflows, so the application of the DCF valuation approach is not appropriate;
- The core value of Ora Banda lies in the mineral assets, and plant and equipment that it holds. We have commissioned CSA Global Pty Ltd ('CSA Global') to provide an independent market valuation of the Company's mineral assets, and Gordon Brothers Pty Ltd ('Gordon Brothers') to provide an independent market valuation of the Company's plant and equipment, which we have incorporated into our NAV approach; and
- We have adopted QMP as our secondary approach. The QMP basis is a relevant methodology to consider because Ora Banda's shares are listed on the ASX. This means there is a regulated and observable market where Ora Banda's shares can be traded. However, in order for the QMP



methodology to be considered appropriate, the listed shares should be liquid and the market should be fully informed of the Company's activities. We have not utilised QMP as a primary valuation methodology as we consider Ora Banda's shares to be relatively illiquid.

10. Valuation of Ora Banda prior to the Transaction

10.1 Sum-of-Parts Valuation of Ora Banda - pre Transaction

The value of an Ora Banda share based on our valuation of the assets of Ora Banda on a going concern basis is reflected in our valuation below:

	Ref	Draft unaudited as at 30 June 2019 \$'000	Low valuation \$'000	Preferred valuation \$'000	High valuation \$'000
CURRENT ASSETS					
Cash and cash equivalents	a	14,142	24,273	24,273	24,273
Trade and other receivables		568	568	568	568
TOTAL CURRENT ASSETS		14,710	24,841	24,841	24,841
NON-CURRENT ASSETS					
Trade and other receivables		20	20	20	20
Mine properties	b	38,314	-	-	-
Mineral assets	b	-	30,400	40,900	51,700
Plant and equipment	b	-	13,818	14,545	15,273
TOTAL NON-CURRENT ASSETS		38,334	44,238	55,465	66,993
TOTAL ASSETS		53,044	69,079	80,306	91,833
CURRENT LIABILITIES					
Trade and other payables		802	802	802	802
Provisions		179	179	179	179
TOTAL CURRENT LIABILITIES		981	981	981	981
NON-CURRENT LIABILITIES					
Provisions		16,453	16,453	16,453	16,453
TOTAL NON-CURRENT LIABILITIES		16,453	16,453	16,453	16,453
TOTAL LIABILITIES		17,434	17,434	17,434	17,434
NET ASSETS/ Assessed value on a control basis)		35,610	51,645	62,872	74,399
Number of shares (post Tranche 1)	a	486,419,962	543,979,872	543,979,872	543,979,872
Value per share (\$)			0.0949	0.1156	0.1368

Source: BDO analysis

We have been advised that there has not been a significant change in the net assets of Ora Banda since 30 June 2019.

The table above indicates the net asset value of an Ora Banda share prior to the Transaction was in the range from \$0.0949 and \$0.1368 with a preferred value of \$0.1156.

The following adjustments were made to the net assets of Ora Banda as at 30 June 2019 in arriving at our valuation.

a) Cash and cash equivalents and shares issued in Tranche 1

We have adjusted the cash position at 30 June 2019 to reflect the cash movements since then, principally the cash raised from Tranche 1 of the \$18.5 Million Placement. We have also adjusted the number of shares on issue to reflect the additional shares issued in Tranche 1 of the \$18.5 Million Placement.

We have calculated this amount based on the \$18.5 Million Placement raising \$17.6 million (net of the estimated costs of raising) of which \$10,130,560 relates to the 57,955,910 shares issued in Tranche 1 (and \$7,469,440 relates to the 42,044,090 shares to be issued if the Transaction is approved).

b) Valuation of mine properties, mineral assets and plant and equipment

We have engaged CSA Global to provide an independent market valuation of Ora Banda’s mineral assets and Gordon Brothers to provide an independent market valuation of Ora Banda’s plant and equipment. The mineral assets and associated plant and equipment were recorded on Ora Banda’s balance sheet as at 30 June 2019 under the ‘Mine properties’ line item. For the purposes of our net asset valuation, we have separated ‘mine properties’ into mineral assets and plant and equipment as set out in the above table, using low, preferred and high valuations as provided by CSA Global’s and Gordon Brothers’ independent valuations.

CSA Global has derived its valuation using a combination of methodologies including comparable market transactions and the yardstick approach. The comparable transaction method involves calculating a value per common attribute in a comparable transaction and applying that value to the subject asset. A common attribute could be the amount of resource or the size of a tenement. The yardstick method ascribes a heavily discounted in-situ value to the resources based on a subjective estimate of the future profit or net value (for example, the spot price of gold). Further information on each of the methodologies used to derive the valuation of the mineral assets can be found in the CSA Global Report under Appendix 4 of our Report.

The range of values for each of Ora Banda’ mineral assets, as assessed by CSA Global, is set out below:

Mineral Asset	Low Value	Preferred Value	High Value
	\$m	\$m	\$m
Mineral resources	23.7	29.6	35.6
Brownfields potential	1.5	1.9	2.4
Exploration tenements	0.8	2.2	3.6
Prospecting tenements	0.3	0.6	1.0
Mining Tenements	4.1	6.6	9.1
Total	30.4	40.9	51.7

Source: CSA Global technical report

The table above indicates a range of values between \$30.4 million and \$51.7 million, with a preferred value of \$40.9 million.

For Ora Banda’s plant and equipment, Gordon Brothers considered a number of different valuation methods. Gordon Brothers applied the cost approach and to a lesser extent the sales comparison

approach. The cost approach derives a value indication by estimating the current cost to reproduce the asset and deducting for all depreciation. The sales comparison approach values the asset being appraised by comparing it to similar assets sold recently or that are currently available for sale. Gordon Brothers has used a combination of these two approaches to arrive at a high and low fair market value in continued use for the assets. We have calculated the midpoint between the low and high values. Further details of the valuation methodologies considered can be found in the Gordon Brothers Report, a copy of which is provided in Appendix 3.

The range of values for each of Ora Banda’s plant and equipment assets as assessed by Gordon Brothers is set out below:

Plant and equipment	Low Value \$m	Midpoint Value \$m	High Value \$m
Processing Plant	11,786		13,027
Auxiliary Equipment	460		509
Camp and Office	977		1,080
Mobile Plant	595		657
Total	13,818	14,545	15,273

Source: Gordon Brothers technical report

10.2 Quoted Market Prices for Ora Banda Securities

To provide a comparison to the valuation of Ora Banda in Section 10.1, we have also assessed the quoted market price for an Ora Banda share.

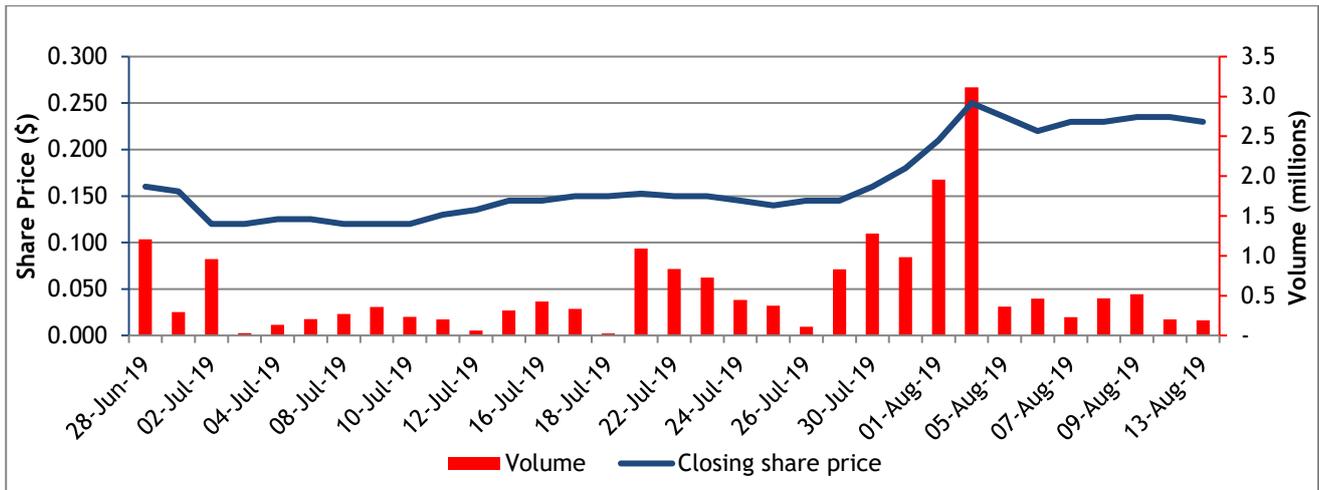
The quoted market value of a company’s shares is reflective of a minority interest. A minority interest is an interest in a company that is not significant enough for the holder to have an individual influence in the operations and value of that company.

RG 111.11 suggests that when considering the value of a company’s shares for the purposes of approval the expert should consider a premium for control. An acquirer could be expected to pay a premium for control due to the advantages they will receive should they obtain 100% control of another company.

Minority interest value

Our analysis of the quoted market price of an Ora Banda share is based on the pricing prior to the announcement of the Transaction. This is because the value of an Ora Banda share after the announcement may include the effects of any change in value as a result of the Transaction. However, we have considered the value of an Ora Banda share following the announcement when we have considered reasonableness in Section 13.

Information on the Transaction was announced to the market on 16 August 2019. Therefore, the following chart provides a summary of the share price movement over the 12 months to 13 August 2019, which was the last trading day prior to the announcement. We note that during this 12 month period, Ora Banda was only available to trade for a 33 day period prior to the announcement of the Transaction, due to the shares being suspended from trading on the ASX.



Source: Bloomberg

The daily price of Ora Banda shares from 28 June 2019 to 13 August 2019 has ranged from a low of \$0.11 on numerous trading days, the last being 10 July 2019, to a high of \$0.25 on 2 August 2019.

During this period, a number of announcements were made to the market. The key announcements are set out below:

Date	Announcement	Closing Share Price Following Announcement			Closing Share Price Three Days After Announcement		
		\$	(movement)	%	\$	(movement)	%
02/08/2019	Cost of Process Plant Remedial Work Lower Than Forecast	0.250	▲	19.0%	0.230	▼	8.0%
31/07/2019	Quarterly Activities & Cashflow Report	0.180	▲	12.5%	0.235	▲	30.6%
29/07/2019	High Grade Assay Results Received	0.145	▶	0.0%	0.210	▲	44.8%

Source: ASX announcements, BDO Analysis

On 29 July 2019, the Company announced it had received drilling results returned from drilling programs at Davyhurst. Ora Banda stated that the results were high-grade and were a positive start for its drilling program. On the date of the announcement, the Company’s share price was unchanged closing at \$0.145 before appreciating 44.8% to close at \$0.210 in the subsequent three-day period.

On 31 July 2019, Ora Banda released its Quarterly Activity and Cashflow Report. The report stated that the Company was debt free with \$14.1 million cash at bank and summarised its exploration and drilling activities for the quarter. Ora Banda’s share price increased 12.5% to \$0.180 on the day of the announcement before increasing 30.6% to close at \$0.235 in the subsequent three-day period.

On 2 August 2019, the Company announced that the cost of remedial works at the Davyhurst Mill were lower than previous estimates by approximately \$6.5 million. The announcement further detailed that these costs represent a 43.0% reduction over the previous estimate, and that the Davyhurst Mill could be recommissioned 24 weeks from commencement of the remedial works. The Company’s share price reacted positively on the day of the announcement, appreciating 19.0% to close at \$0.25 before decreasing 8.0% to close at \$0.23 over the subsequent three-day period.

To provide further analysis of the market prices for an Ora Banda share, we have also considered the weighted average market price for 10 and 30 day periods to 13 August 2019. As the Company only traded

for 33 days in the year prior to the Transaction, we note that our weighted average market price range has been impacted by the limited available trading days.

	13-Aug-19	10 Days	30 Days
Closing Price	\$0.230		
Weighted Average		\$0.217	\$0.182

Source: Bloomberg, BDO analysis

The above weighted average prices are prior to 16 August 2019, the date of the announcement of the Transaction, to avoid the influence of any change in the level of the price of Ora Banda shares that has occurred since the Transaction was announced.

An analysis of the volume of trading in Ora Banda shares for the 33 available trading days to 13 August 2019 is set out below:

	Share price low	Share price high	Cumulative Volume traded	As a % of Issued capital
1 day	\$0.230	\$0.235	190,705	0.04%
10 days	\$0.160	\$0.270	8,482,331	1.74%
30 days	\$0.110	\$0.270	16,765,794	3.45%
33 days	\$0.110	\$0.270	19,226,466	3.95%

Source: Bloomberg, BDO analysis

This table indicates that Ora Banda's shares display a low level of liquidity, with 3.95% of the Company's current issued capital being traded in a twelve month period. RG 111.69 states that for the quoted market price methodology to be an appropriate methodology there needs to be a 'liquid and active' market in the shares and allowing for the fact that the quoted price may not reflect their value should 100% of the securities not be available for sale. We consider the following characteristics to be representative of a liquid and active market:

- Regular trading in a company's securities;
- Approximately 1% of a company's securities are traded on a weekly basis;
- The spread of a company's shares must not be so great that a single minority trade can significantly affect the market capitalisation of a company; and
- There are no significant but unexplained movements in share price.

A company's shares should meet all of the above criteria to be considered 'liquid and active'. However, failure of a company's securities to exhibit all of the above characteristics does not necessarily mean that the value of its shares cannot be considered relevant.

In the case of Ora Banda, its shares demonstrate a low level of liquidity by virtue of its low trading volume in addition to a sustained period of suspension from trading.

Our assessment is that a range of values for Ora Banda shares on a minority basis based on market pricing, after disregarding post announcement pricing, is between \$0.182 and \$0.230.

Control Premium

We have reviewed the control premiums paid by acquirers of both ASX-listed general mining companies and all ASX-listed companies. In assessing the appropriate sample of transactions from which to

determine an appropriate control premium, we have excluded transactions where an acquirer obtained a controlling interest (20% and above) at a discount (i.e. less than a 0% premium).

We have summarised our findings below.

All ASX listed Companies

Year	Number of Transactions	Average Deal Value (AU\$m)	Average Control Premium (%)
2019	21	666.41	31.57
2018	40	1,228.74	41.96
2017	28	1,009.47	42.67
2016	42	718.51	49.58
2015	33	850.04	33.23
2014	45	518.59	40.00
2013	41	128.21	50.99
2012	52	472.10	51.68
2011	67	719.92	44.74
2010	54	575.28	44.05
2009	61	521.10	54.61

Source: Bloomberg, BDO analysis

ASX-listed general mining companies

Year	Number of Transactions	Average Deal Value (AU\$m)	Average Control Premium (%)
2019	7	94.90	43.27
2018	10	96.04	56.52
2017	4	15.68	28.55
2016	13	59.54	74.92
2015	9	340.82	57.86
2014	15	118.46	47.88
2013	17	117.99	63.99
2012	18	207.01	52.45
2011	21	811.55	37.42
2010	21	555.11	50.61
2009	20	121.99	50.44

Source: Bloomberg, BDO analysis

The mean and median of the entire data sets comprising control transactions from 2009 onwards for ASX-listed general mining companies and all ASX-listed companies is set out below:

Entire Data Set Metrics	ASX-listed general mining companies		All ASX-listed companies	
	Deal Value (\$m)	Control Premium (%)	Deal Value (\$m)	Control premium (%)
Mean	289.11	51.90	647.87	45.46
Median	40.69	43.52	99.09	35.75

In arriving at an appropriate control premium to apply we note that observed control premiums can vary due to the:

- Nature and magnitude of non-operating assets;
- Nature and magnitude of discretionary expenses;
- Perceived quality of existing management;
- Nature and magnitude of business opportunities not currently being exploited;
- Ability to integrate the acquiree into the acquirer’s business;
- Level of pre-announcement speculation of the transaction; and
- Level of liquidity in the trade of the acquiree’s securities.

When performing our control premium analysis, we considered completed transactions over the past ten years where the acquirer ends up holding a controlling interest, defined as 20% or above, post transaction in the target company.

The table above indicates that the long term average control premium paid by acquirers of ASX-listed general mining companies and all ASX-listed companies is approximately 51.90% and 45.46% respectively. However, in assessing the transactions included in the table, we noted transactions that appear to be extreme outliers. These outliers included 17 general mining transactions and 38 ASX-listed company transactions in total, for which the announced premium was in excess of 100%. We have removed these transactions as we consider it likely that the acquirer in these transactions would be paying for special value and/or synergies in excess of the standard premium for control. The purpose of our analysis is to assess the premium that is likely to be paid for control, not specific strategic value to the acquirer.

In a population of extreme outliers, the median often represents a superior measure of central tendency compared to the mean. Based on the groups with the transactions carrying control premiums in excess of 100% removed, the median was approximately 43.52% for ASX-listed general mining companies and 35.75% for all ASX-listed companies.

Given the significant uncertainty around the ability to continue as a going concern as noted by the Company’s auditor in the most recent audit report and the most recent review report, we consider it unlikely that an acquirer would be willing to pay a control premium in line with historical averages.

Based on the analysis above, we consider an appropriate premium for control is between 25% and 35%.

Value of Ora Banda share based on market pricing	Low	Midpoint	High
QMP (minority interest basis)	\$0.182		\$0.230
Assessed control premium	25%		35%
Value of an Ora Banda share based on market pricing (control basis)	\$0.2275	\$0.2690	\$0.3105

10.3 Capital raising price

We note that Tranche 1 of the \$18.5 Million Placement comprising the issue of 57,559,910 shares to professional and sophisticated investors was completed at an issue price of \$0.185 per share.

As Tranche 1 is subject to a separate resolution, which only requires shareholders to ratify the prior issue of shares, this may provide an indication of the fair market value of the shares.

However we consider that the decision by 'professional and sophisticated investors' to invest \$10.6 million may have been influenced by the support of Hawke's Point, in the form of its commitment to an investment of \$7.9 million through Tranche 2. Therefore, although in legal form the two resolutions are independent, in practice it is likely that the 'professional and sophisticated investors' considered that they were participating in a capital raising of \$18.5 million in which the major shareholder (Hawke's Point) was itself a key participant.

10.4 Assessment of the value of a share in Ora Banda - pre Transaction

The results of the valuations performed are summarised in the table below:

	Low	Preferred	High
	\$	\$	\$
Sum-of-Parts Value per share (Section 10.1)	0.0949	0.1156	0.1368
Quoted Market Price (Section 10.2)	0.2275	0.2690	0.3105

Source: BDO analysis

We consider the NAV method to be the most appropriate approach to value Ora Banda as it includes an independent market valuation of the mineral assets by CSA Global and Gordon Brothers.

Further, as detailed in section 10.2, Ora Banda shares display a low level of liquidity with only 3.54% of shares having been traded in 30 days and Ora Banda has only been listed for 33 days. In addition, there is currently significant market volatility which is short term (Hong Kong situation, US/China Trade War fears etc) and so the market price may not represent the true value of the shares.

Therefore, we do not consider it appropriate to rely on the QMP as a primary valuation approach.

Based on the results above we consider the value of an Ora Banda share to be between \$0.0949 and \$0.1368 with a preferred value of \$0.1156.

We note that the share price (\$0.185 per share) at which capital was raised (Tranche 1) and will be raised if the Transaction is approved (Tranche 2) in the \$18.5 Million Placement is greater than the value range assessed as set out above based on the Sum-Of-Parts value.

We have not addressed a fully diluted valuation on the basis that all the options currently on issue are 'out of the money' based on our assessed value.

11. Value of Consideration on a per share basis

We note that the Consideration for the Transaction on a per share basis is \$0.185 per Ora Banda share.

12. Is the Transaction fair?

The value of an Ora Banda share prior to the Transaction on a control basis is compared with the value of the Consideration on a per share basis below:

	Ref	Low \$	Preferred \$	High \$
Value of an Ora Banda share prior to the Transaction on a control basis	10.4	0.0949	0.1156	0.1368
Value of Consideration on a per share basis	11	0.185	0.185	0.185

We note from the table above that our assessed value range for an Ora Banda share on a control basis is below the value of the Consideration on a per share basis. Therefore, we consider that the Transaction is fair.

13. Is the Transaction reasonable?

13.1 Alternative Proposal

We are unaware of any alternative proposal that might offer the Shareholders of Ora Banda a premium over the value resulting from the Transaction.

13.2 Consequences of not Approving the Transaction

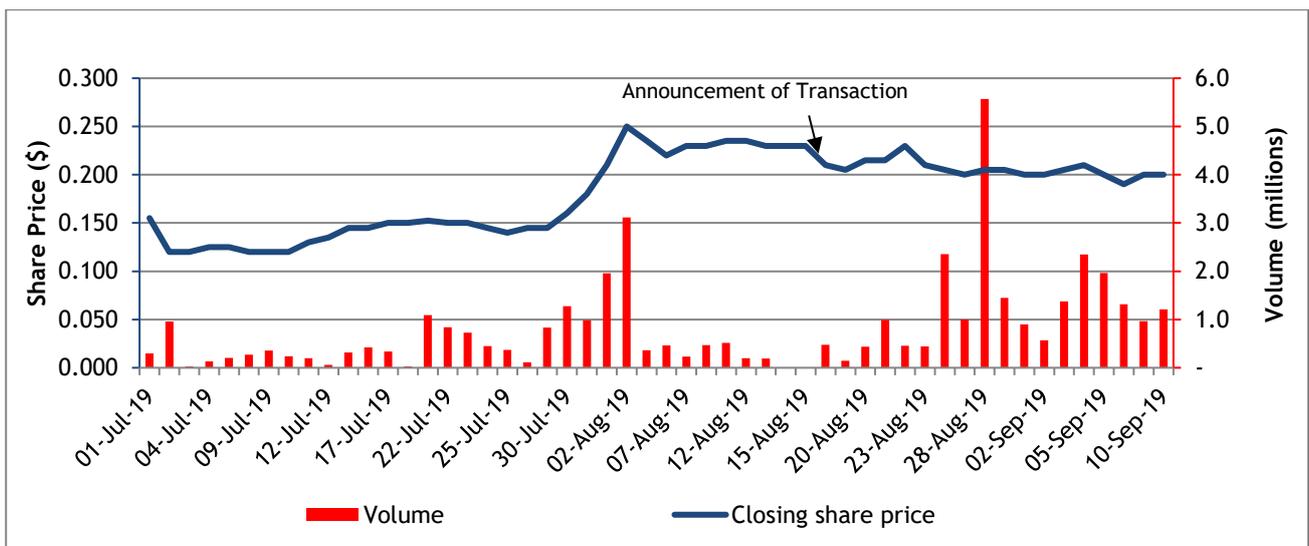
Consequences

If the Transaction is not approved, Ora Banda will not have the cash required to fund its stated expenditure plan as outlined in Section 4 of this Report. Ora Banda’s current expenditure plan was assessed on the basis of receipt of total cash funds of \$17.6 million (capital raising of \$18.5 million less costs of raising of \$0.9 million).

If the Transaction is not approved and Ora Banda receives only \$10.0 million of the total \$17.6 million expected to be raised from the \$18.5 Million Placement, the Company will be required to adjust its expenditure plan to compensate for the smaller amount of capital. Further, any budget constraints imposed on the overall \$17.6 million expenditure plan may lead to sub-optimal outcomes for the Company as competing uses of funds become mutually exclusive. By way of example, \$1.9 million of the Transaction proceeds is allocated exclusively to the procurement of long lead items for process plant remedial work, should the Transaction not be approved, these items would not be procured and may delay the project completion.

Potential decline in share price

We have analysed movements in Ora Banda’s share price in the period since the Transaction was announced on 16 August 2019 (‘Post Announcement Trading Period’). A graph of Ora Banda’s share price since the announcement is set out below.



Source: Bloomberg

On 16 August 2019, 472,511 shares were traded, which was lower than the average daily volume of 814,768 shares traded since the Company was readmitted to the ASX. The share price reached an intra-day high of \$0.225 before closing at \$0.205, 8.7% lower than its previous closing price of \$0.23 before the announcement of the Transaction.

Following the announcement of the Transaction, Ora Banda's share price has ranged from a low of \$0.190 on 6 September 2019 to a high of \$0.230 on 22 August 2019. Over the period, the Company released several price sensitive announcements on 26 August 2019. They included assay results from its resource definition drilling program at the Davyhurst Project, completion of Tranche 1 of the \$18.5 Million Placement, and a cleansing prospectus. On the date of the announcements, the share price closed down 2.4% to \$0.205. The share price was unchanged over the subsequent three day period, closing at \$0.205.

Ora Banda's share price has continued to remain in a trading range within pre-announcement levels, should Shareholders not approve the Transaction, Ora Banda's share price may decline to levels outside the trading range observed in the weeks preceding the Transaction.

13.3 Advantages of Approving the Transaction

We have considered the following advantages when assessing whether the Transaction is reasonable.

Advantage	Description
The Transaction is fair	As set out in Section 12 the Transaction is fair. RG 111 states that an offer is reasonable if it is fair.
Transaction returns Hawke's Point's interest in Ora Banda to the 42.44% interest that it held prior to the \$18.5 Million Placement	When viewed as a whole, the \$18.5 Million Placement maintains the interest of Hawke's Point as major shareholder at 42.44%. In terms of substance over form, the \$18.5 Million Placement has the substance of a capital raising. The form of the capital raising, being divided into two separate tranches is essentially driven by the legal mechanism required to achieve the capital raising while maintaining the percentage interest of Hawke's Point.
Stronger balance sheet for the Company	If the Transaction is approved, then the Company will have raised the cash required to fund its stated expenditure plan, as set out in the Cleansing Prospectus. Ora Banda has identified the manner in which it will utilise the funds raised and will be able to proceed along that path without having to reallocate priorities between competing expenditure categories.
The Company will not have to seek funding to progress its expenditure plan	If the Transaction is approved then Ora Banda will not need to consider any alternative strategies for raising the cash necessary to fund its planned expenditure.

13.4 Disadvantages of Approving the Transaction

If the Transaction is approved, in our opinion, the potential disadvantages to Shareholders include those listed in the table below:

Disadvantage	Description
Dilution of voting power of existing shareholders	If the Transaction is approved then existing shareholders will have their collective interests diluted from 62.05% to 57.56%. However we note that as part of the \$18.5 Million Placement as a whole the voting power of existing shareholders will be unchanged.

14. Conclusion

We have considered the terms of the Transaction as outlined in the body of this Report and have concluded that the Transaction is fair and reasonable to the Shareholders of Ora Banda.

15. Sources of information

This report has been based on the following information:

- Draft Notice of General Meeting on or about the date of this report;
- Audited financial statements of Ora Banda for the years ended 30 June 2018 and 30 June 2017;
- Draft unaudited financial statements of Ora Banda for the year ended 30 June 2019;
- Independent Valuation Report of Ora Banda's mineral assets dated 13 September 2019 performed by CSA Global;
- Independent Valuation Report of Ora Banda's plant and equipment dated 29 August 2019 performed by Gordon Brothers Pty Ltd;
- Ora Banda's Cleansing Prospectus dated 8 August 2019;
- Share registry information;
- Consensus Economics forecasts;
- USGS gold metal statistics and information;
- IBIS World Industry Market Research;
- Information in the public domain; and
- Discussions with Directors and Management of Ora Banda.

16. Independence

BDO Corporate Finance (WA) Pty Ltd is entitled to receive a fee of \$25,000 (excluding GST and reimbursement of out of pocket expenses). The fee is not contingent on the conclusion, content or future use of this Report. Except for this fee, BDO Corporate Finance (WA) Pty Ltd has not received and will not receive any pecuniary or other benefit whether direct or indirect in connection with the preparation of this report.

BDO Corporate Finance (WA) Pty Ltd has been indemnified by Ora Banda in respect of any claim arising from BDO Corporate Finance (WA) Pty Ltd's reliance on information provided by the Ora Banda, including the non provision of material information, in relation to the preparation of this report.

Prior to accepting this engagement BDO Corporate Finance (WA) Pty Ltd has considered its independence with respect to Ora Banda and Hawke's Point and any of their respective associates with reference to ASIC Regulatory Guide 112 'Independence of Experts'. In BDO Corporate Finance (WA) Pty Ltd's opinion it is independent of Ora Banda and Hawke's Point and their respective associates.

A draft of this report was provided to Ora Banda and its advisors for confirmation of the factual accuracy of its contents. No significant changes were made to this report as a result of this review.

BDO is the brand name for the BDO International network and for each of the BDO Member firms.

BDO (Australia) Ltd, an Australian company limited by guarantee, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of Independent Member Firms. BDO in Australia, is a national association of separate entities (each of which has appointed BDO (Australia) Limited ACN 050 110 275 to represent it in BDO International).

17. Qualifications

BDO Corporate Finance (WA) Pty Ltd has extensive experience in the provision of corporate finance advice, particularly in respect of takeovers, mergers and acquisitions.

BDO Corporate Finance (WA) Pty Ltd holds an Australian Financial Services Licence issued by the Australian Securities and Investment Commission for giving expert reports pursuant to the Listing rules of the ASX and the Corporations Act.

The persons specifically involved in preparing and reviewing this report were Sherif Andrawes and Adam Myers of BDO Corporate Finance (WA) Pty Ltd. They have significant experience in the preparation of independent expert reports, valuations and mergers and acquisitions advice across a wide range of industries in Australia and were supported by other BDO staff.

Sherif Andrawes is a Fellow of the Institute of Chartered Accountants in England & Wales and a Fellow of Chartered Accountants Australia & New Zealand. He has over 30 years' experience working in the audit and corporate finance fields with BDO and its predecessor firms in London and Perth. He has been responsible for over 300 public company independent expert's reports under the Corporations Act or ASX Listing Rules and is a CA BV Specialist. These experts' reports cover a wide range of industries in Australia with a focus on companies in the natural resources sector. Sherif Andrawes is the Corporate Finance Practice Group Leader of BDO in Western Australia, is Head of Global Natural Resources for BDO and a former Chairman of BDO in Western Australia.

Adam Myers is a member of Chartered Accountants Australia & New Zealand. Adam's career spans over 20 years in the Audit and Assurance and Corporate Finance areas. Adam is a CA BV Specialist and has considerable experience in the preparation of independent expert reports and valuations in general for companies in a wide number of industry sectors.

18. Disclaimers and consents

This report has been prepared at the request of Ora Banda for inclusion in the Notice of Meeting and Explanatory Memorandum which will be sent to all Ora Banda Shareholders. Ora Banda engaged BDO Corporate Finance (WA) Pty Ltd to prepare an independent expert's report to consider the proposed issue of 42,440,090 shares to Hawke's Point.

BDO Corporate Finance (WA) Pty Ltd hereby consents to this report accompanying the above Explanatory Memorandum. Apart from such use, neither the whole nor any part of this report, nor any reference thereto may be included in or with, or attached to any document, circular resolution, statement or letter without the prior written consent of BDO Corporate Finance (WA) Pty Ltd.

BDO Corporate Finance (WA) Pty Ltd takes no responsibility for the contents of the Notice of Meeting and Explanatory Memorandum other than this report.

We have no reason to believe that any of the information or explanations supplied to us are false or that material information has been withheld. It is not the role of BDO Corporate Finance (WA) Pty Ltd acting as an independent expert to perform any due diligence procedures on behalf of the Company. The Directors of the Company are responsible for conducting appropriate due diligence in relation to Hawke's

Point. BDO Corporate Finance (WA) Pty Ltd provides no warranty as to the adequacy, effectiveness or completeness of the due diligence process.

The opinion of BDO Corporate Finance (WA) Pty Ltd is based on the market, economic and other conditions prevailing at the date of this report. Such conditions can change significantly over short periods of time.

With respect to taxation implications it is recommended that individual Shareholders obtain their own taxation advice, in respect of the Transaction, tailored to their own particular circumstances. Furthermore, the advice provided in this report does not constitute legal or taxation advice to the Shareholders of Ora Banda, or any other party.

BDO Corporate Finance (WA) Pty Ltd has also considered and relied upon independent valuations for mineral assets held by Ora Banda.

The valuers engaged for the mineral asset valuation, and plant and equipment; CSA Global, and Gordon Brothers respectively, possess the appropriate qualifications and experience in the industry to make such assessments. The approaches adopted and assumptions made in arriving at their valuations is appropriate for this report. We have received consent from the valuers for the use of their valuation reports in the preparation of this report and to append a copy of their reports to this report.

The statements and opinions included in this report are given in good faith and in the belief that they are not false, misleading or incomplete.

The terms of this engagement are such that BDO Corporate Finance (WA) Pty Ltd is required to provide a supplementary report if we become aware of a significant change affecting the information in this report arising between the date of this report and prior to the date of the meeting or during the offer period.

Yours faithfully

BDO CORPORATE FINANCE (WA) PTY LTD



Sherif Andrawes

Director



Adam Myers

Director

Appendix 1 - Glossary of Terms

Reference	Definition
The Act	The Corporations Act 2001 Cth
APES 225	Accounting Professional & Ethical Standards Board professional standard APES 225 'Valuation Services'
ASIC	Australian Securities and Investments Commission
ASX	Australian Securities Exchange
AUD	Australian Dollars
BDO	BDO Corporate Finance (WA) Pty Ltd
The Company	Ora Banda Mining Limited
Corporations Act	The Corporations Act 2001 Cth
CSA Global	CSA Global Pty Ltd
Davyhurst	Ora Banda's 100%-owned Davyhurst Gold Project
Davyhurst Mill	The refurbished and upgraded 1.2Mtpa gold processing facility located within the Davyhurst Gold Project
DCF	Discounted Future Cash Flows
DOCA	Deed of Company Arrangement
DXG	Deed of Cross Guarantee
EBIT	Earnings before interest and tax
EBITDA	Earnings before interest, tax, depreciation and amortisation
FME	Future Maintainable Earnings
FOS	Financial Ombudsman Service
Gordon Brothers	Gordon Brothers Pty Ltd
Hawke's Point	Hawke's Point Holding I Limited
The Industry	The gold ore mining industry

Reference	Definition
Intermin	Intermin Resources Limited
Investmet	Investmet Limited
JORC Code	The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (2012 Edition)
Km	Kilometres
LR 10.11	ASX Listing Rule 10.11
Mt Ida	Ora Banda's 100%-owned Mt Ida Gold Project
NAV	Net Asset Value
Post Announcement Trading Period	Period since the \$18.5 Million Announcement was announced on 16 August 2019
Proposed Recapitalisation	The recapitalisation plan considered by the Company to raise up to \$75 million (before costs) but which ultimately failed to be undertaken.
QMP	Quoted market price
RBA	Reserve Bank of Australia
Regulations	Corporations Act Regulations 2001 (Cth)
Our Report	This Independent Expert's Report prepared by BDO
RG 74	ASIC Regulatory Guide 74 'Acquisitions Approved by Members'
RG 111	ASIC Regulatory Guide 111 'Content of expert reports' (March 2011)
RG 112	ASIC Regulatory Guide 112 'Independence of experts' (March 2011)
Section 411	Section 411 of the Corporations Act
Section 611	Section 611 of the Corporations Act
Shareholders	Shareholders of Ora Banda not associated with Hawke's Point
Sum-of-Parts	A combination of different methodologies used together to determine an overall value where separate assets and liabilities are valued using different methodologies
TFG	TFG Asset Management

Reference	Definition
Tranche 1	The first tranche of 57,559,910 shares to sophisticated and professional investors under the \$18.5 Million Placement, completed on 26 August 2019
Tranche 2	The proposed issue of 42,440,090 shares in Ora Banda to Hawke's Point
The Transaction	The proposed issue of 42,440,090 shares in Ora Banda to Hawke's Point being Tranche 2 of the \$18.5 Million Placement
Updated GN25	ASX's updated draft of ASX Listing Rules Guidance Note 25 - Issues of Securities to Persons in a Position of Influence
USD	United States Dollars
Valmin Code	Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets (2015 Edition)
Valuation Engagement	An Engagement or Assignment to perform a Valuation and provide a Valuation Report where the Valuer 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 Valuer at that time
VWAP	Volume Weighted Average Price
\$18.5 Million Placement	The placement to raise \$18.5 million before costs through the issue of 100 million shares comprising Tranche 1 and Tranche 2 (The Transaction)

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For permission requests, write to BDO Corporate Finance (WA) Pty Ltd, at the address below:

The Directors

BDO Corporate Finance (WA) Pty Ltd

38 Station Street

SUBIACO, WA 6008

Australia

Appendix 2 - Valuation Methodologies

Methodologies commonly used for valuing assets and businesses are as follows:

1 *Net asset value ('NAV')*

Asset based methods estimate the market value of an entity's securities based on the realisable value of its identifiable net assets. Asset based methods include:

- Orderly realisation of assets method
- Liquidation of assets method
- Net assets on a going concern method

The orderly realisation of assets method estimates fair market value by determining the amount that would be distributed to entity holders, after payment of all liabilities including realisation costs and taxation charges that arise, assuming the entity is wound up in an orderly manner.

The liquidation method is similar to the orderly realisation of assets method except the liquidation method assumes the assets are sold in a shorter time frame. Since wind up or liquidation of the entity may not be contemplated, these methods in their strictest form may not be appropriate. The net assets on a going concern method estimates the market values of the net assets of an entity but does not take into account any realisation costs.

Net assets on a going concern basis are usually appropriate where the majority of assets consist of cash, passive investments or projects with a limited life. All assets and liabilities of the entity are valued at market value under this alternative and this combined market value forms the basis for the entity's valuation.

Often the FME and DCF methodologies are used in valuing assets forming part of the overall Net assets on a going concern basis. This is particularly so for exploration and mining companies where investments are in finite life producing assets or prospective exploration areas.

These asset based methods ignore the possibility that the entity's value could exceed the realisable value of its assets as they do not recognise the value of intangible assets such as management, intellectual property and goodwill. Asset based methods are appropriate when an entity is not making an adequate return on its assets, a significant proportion of the entity's assets are liquid or for asset holding companies.

2 *Quoted Market Price Basis ('QMP')*

A valuation approach that can be used in conjunction with (or as a replacement for) other valuation methods is the quoted market price of listed securities. Where there is a ready market for securities such as the ASX, through which shares are traded, recent prices at which shares are bought and sold can be taken as the market value per share. Such market value includes all factors and influences that impact upon the ASX. The use of ASX pricing is more relevant where a security displays regular high volume trading, creating a liquid and active market in that security.

3 *Capitalisation of future maintainable earnings ('FME')*

This method places a value on the business by estimating the likely FME, capitalised at an appropriate rate which reflects business outlook, business risk, investor expectations, future growth prospects and other entity specific factors. This approach relies on the availability and analysis of comparable market data.

The FME approach is the most commonly applied valuation technique and is particularly applicable to profitable businesses with relatively steady growth histories and forecasts, regular capital expenditure requirements and non-finite lives.

The FME used in the valuation can be based on net profit after tax or alternatives to this such as earnings before interest and tax ('EBIT') or earnings before interest, tax, depreciation and amortisation ('EBITDA'). The capitalisation rate or 'earnings multiple' is adjusted to reflect which base is being used for FME.

4 Discounted future cash flows ('DCF')

The DCF methodology is based on the generally accepted theory that the value of an asset or business depends on its future net cash flows, discounted to their present value at an appropriate discount rate (often called the weighted average cost of capital). This discount rate represents an opportunity cost of capital reflecting the expected rate of return which investors can obtain from investments having equivalent risks.

Considerable judgement is required to estimate the future cash flows which must be able to be reliably estimated for a sufficiently long period to make this valuation methodology appropriate.

A terminal value for the asset or business is calculated at the end of the future cash flow period and this is also discounted to its present value using the appropriate discount rate.

DCF valuations are particularly applicable to businesses with limited lives, experiencing growth, that are in a start up phase, or experience irregular cash flows.

5 Market Based Assessment

The market based approach seeks to arrive at a value for a business by reference to comparable transactions involving the sale of similar businesses. This is based on the premise that companies with similar characteristics, such as operating in similar industries, command similar values. In performing this analysis it is important to acknowledge the differences between the comparable companies being analysed and the company that is being valued and then to reflect these differences in the valuation.



Appendix 3 - Independent Valuation Report prepared by Gordon Brothers

Davyhurst Mine

Appraisal Report

INVENTORY | **MACHINERY & EQUIPMENT** | BUSINESS VALUATIONS
| BRANDS & INTELLECTUAL PROPERTY | REAL ESTATE

Summary of Report

Asset Description: Fixed & Mobile Mining Equipment

Located At: Davyhurst Gold Mine, Menzies, Western Australia

Effective Date of Valuation: 29th August 2019

Report Date: 29th August 2019

Inspection Date of Valuation: 31st January – 1st February 2019

Period of Currency: 3 Months from the report date

Definition of Value: Fair Market Value in Continued Use

Purpose of Report: To provide an independent expert opinion on the market valuation of Company assets. This report will be included in an Explanatory Memorandum and Notice of Meeting (Transaction Document) prepared by the Client.

Client: Gordon Brothers has been engaged by BDO Corporate Finance (WA) Pty Ltd (the Client) to conduct a review of certain assets of Ora Banda Mining Limited, formerly the assets of Eastern Goldfields Limited (Administrators Appointed) (“EGS”).

Intended User: Ora Banda Mining Limited, Shareholders & Advisors.

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29/08/2019

Mr. Sherif Andrawes
BDO Corporate Finance (WA) Pty Ltd
Level 1, 38 Station Street
Subiaco, WA 6008

Dear Sherif ,

Re: Ora Banda Mining Limited Davyhurst Gold Mine Valuation

As per your instructions dated 20th August 2019, we have undertaken a valuation report for the Davyhurst Gold Mine processing facility on behalf of Ora Banda Mining Limited. We have previously inspected and valued the equipment in February 2019 under instructions from BDO Corporate Finance (WA) Pty Ltd ("BDO") when the facility was owned by Eastern Goldfields Limited (Administrators Appointed). The facility remains on 'care and maintenance' and there has not been installation or removal of any equipment since it was inspected in February 2019 and accordingly, we have not deemed it necessary to re-inspect the equipment for the purposes of this report.

As per your instructions of 20th August 2019 all USPAP and Independent Expert report requirements are contained within this report.

Subject to the matters set out below and at the request of the BDO, Gordon Brothers Pty. Ltd. ("Gordon Brothers") has assessed the value of the assets on the basis of Fair Market Value in Continued Use and determine it as follows at:

	Low	High
Fair Market Value in Continued Use	\$13,818,012	\$15,272,592

All values and amounts displayed throughout this report are in Australian Dollars and are exclusive of GST. The values and comments contained within this letter should be read with the accompanying report. We confirm that Gordon Brothers carries professional indemnity insurance to a level substantially in excess of \$10,000,000 and that the valuation is covered by the insurance.

Gordon Brothers have previously undertaken the valuation the plant and equipment of Eastern Goldfields Limited (Administrators Appointed) under instructions from BDO Corporate Finance (WA) Pty Ltd and as such have been instructed to value the same assets for the new entity Ora Banda Mining Limited. Gordon Brothers are acting as external advisors.

Yours sincerely

For and on behalf of Gordon Brothers Pty. Ltd.



Fenton Healy
Managing Director



Ben Gibson
Director

I. USPAP COMPLIANCE

This report has been compiled in accordance with the Uniform Standards of Professional Appraisal Practice (USPAP). USPAP holds several fundamental tenets of practice for the professional valuer to follow. These include ethics of conduct, management, confidentiality and record keeping. USPAP additionally sets standards of competency, methodology and continued professional training.

USPAP is designed to promote and maintain a high level of public trust in valuation practice by establishing minimum requirements for appraisers. Valuers must develop and communicate their analysis, opinions and conclusions to clients and intended users of their services in a manner that is both meaningful and not misleading.

However, it should be noted that USPAP rules and conduct do not and cannot supplant local laws and regulations. Departures from USPAP standards are known as “jurisdictional exceptions” and when such exceptions occur, they will be clearly stated in this report.

This report is defined as an appraisal report. USPAP stipulates that such reports must contain the following information as a minimum.

1. State the identity of the client and any intended users.
2. State the intended use (purpose) of the appraisal.
3. Summarize information sufficient to identify the property involved in the appraisal, including the physical and economic property characteristics relevant to the assignment.
4. State the property interest appraised.
5. State the type and definition of value and cite the source of definition.
6. State the effective date of the appraisal and the date of the report.
7. Summarize the scope of work used to develop the appraisal.
8. Summarize the information analysed, the appraisal methods and techniques employed, and the reasoning that supports the analyses, opinions, and conclusion; exclusion of the sales approach, cost approach or income approach must be explained.
9. State as appropriate to the class of the property involved, the use of the property existing as of the date of value and the use of the property reflected in the appraisal; and, when an opinion of highest and best use was developed by the appraiser, summarize the support and rationale for that opinion.
10. Clearly and conspicuously state all extraordinary assumptions and hypothetical conditions and state that their use might have affected the assignment results.
11. Include a signed certification in accordance with standard rule 8-3.
12. This appraisal conforms to the Uniform Standards of Professional Appraisal Practice as of 2015. A review has been made to be sure that nothing is misleading in order to meet standard 8-1(a) which states “clearly and accurately set forth the appraisal in a manner that will not be misleading.” It conforms with standard 8-1(b) which states “contain sufficient information to enable the intended users of the appraisal to understand the report properly”. It also conforms with standard 8-1(c) which states “clearly and accurately disclose all assumptions, extraordinary assumptions, hypothetical conditions, and limiting conditions used in the assignment.”
13. Due to the above we consider the report to be understandable to any reader or user of this report.
14. The format appears to be consistent with that provided in the ASA report writing course and it has been checked for spelling and grammar.

II. EXECUTIVE SUMMARY



Company: Ora Banda Mining Limited
Address: C/- BDO Corporate Finance (WA)
Level 1, 38 Station Street
Subiaco, WA 6008
Key Contact: Sherif Andrawes

A valuation of the assets as summarised herein and on the attached excel catalogue called “Ora Banda Valuation Report Gordon Brothers Final Report Updated 030919” was instructed by BDO and the report has been agreed to be included with the BDO report for publication in form and context. From our communication with the client and/or intended user we determined the most applicable definition of value for the purpose of the report, the required timeline for completion and the location of the assets.

After formulating an appropriate scope of works, we have made the necessary preparations and given that there has not been installation or removal of any equipment at the facility since it was inspected by Gordon Brothers in February 2019, we have determined that a further site inspection was not necessary.

The client and intended users are advised to read the entire report in order to fully comprehend how the opinions of value were determined.

Gordon Brothers have appraised the assets on the basis they are free and clear of an liens or encumbrances unless otherwise stated.

To assist Gordon Brothers representatives, we have been provided with documents by the company including, a copy of the fixed asset register, information/invoices pertaining to the processing plant and an engineering report by MACA Interquip Pty Ltd containing an estimate to repair, make compliant and operational the processing plant. We have assumed all information provided to us to be correct.

The subject of this valuation is the Davyhurst mine, an open cut and underground mine approximately 1.5 hours north west of Kalgoorlie. Ora Banda also has tenements in areas surrounding the Davyhurst mine including Riverina, Siberia, Mulline, Mt Ida and Lady Ida.

The gold mine contains a fixed processing plant, mobile equipment, workshops, administration buildings and accommodation camp for approximately 160 people.

The Davyhurst processing plant has recently been upgraded, with works commencing in September, 2016 and concluding in mid-2017. The plant refurbishment included some upgrades of concrete and steel structures, conveyors, the CIP circuit, the elution circuit, and the gold room. Additionally, the upgrades included the installation of two new cone crushers, screen deck, gravity gold circuit, new control room, refurbishment of installation of a new tailing’s thickener and new liquid cyanide and oxygen tank facilities

In theory the processing plant has a capacity of 1.2 million tonnes per annum, however, Gordon Brothers understands, based on the engineering report provided by MACA Interquip Pty Ltd, conversations with site staff and our own inspection, further essential work will be required prior to recommissioning and before production can once again commence. The mine and processing facility are currently under care and maintenance and were not operational at any time during our site visit.

Please see below value breakdown per section:

Section No.	Section	Fair Market Value In Continued Use Low	Fair Market Value In Continued Use High
1	Processing Plant	\$ 11,786,210	\$ 13,026,864
2	Auxiliary Equipment	\$ 460,207	\$ 508,703
3	Camp & Office	\$ 976,895	\$ 1,079,726
4	Mobile Plant	\$ 594,700	\$ 657,300
Totals:		\$ 13,818,012	\$ 15,272,592

It should be noted that opinions of value have been provided as a range of +/- 5% (Low/High) around an initial total assessed FMVICU to compensate for inherent uncertainty and volatility within the market.

III. ENGAGEMENT OVERVIEW

The purpose of the valuation is to provide an Independent Opinion prepared in accordance with the Australian Securities & Investments Commission Regulatory Guides 111 *Content of Experts Reports* and, 112 *Independence* (RGs 111 and 112), regarding the present day monetary value of the assets. The definition of value adopted is considered appropriate for the intended use as discussed with the client and/or intended user. This report will be included in an Explanatory Memorandum and Notice of Meeting (Transaction Document) prepared by the Client.

Gordon Brothers representatives, Ben Gibson and Fenton Healy visited the Davyhurst mine site in Menzies, Western Australia in February 2019, however they have not re-inspected the equipment for the purposes of this valuation.

They were escorted around the site by the Maintenance Superintendent, Paul Andrews, and were provided with a current equipment list for the processing plant and provided general commentary as to the maintenance practices and maintenance required for the various assets at the mine.

The following have not been included within the scope of our work unless otherwise stated and listed:

1. Real Estate, land and buildings;
2. Services including office air conditioning, lighting, wiring, piping, heating, fire services, floor, window and wall coverings;
3. Rented and leased items;
4. Stock and packaging materials;
5. Computer software and licenses;
6. Spare parts and consumables;
7. Advertising literature, stock of stationery and similar materials;
8. Goodwill
9. Intellectual property;
10. Uniforms and personal belongings

IV. SCOPE OF WORK

In forming an opinion of value for the assets described in this report various investigations and background research has been undertaken including the following:

1. Identification of the problem to be solved:

- a. We have determined Fair Market Value In Continued Use to be the most appropriate basis of value.

2. Site visit and data collection.

- a. Senior Gordon Brothers valuers, Ben Gibson and Fenton Healy, attended the site in February 2019 and recorded pertinent information for each asset. Interviews were carried out with the key staff member on site. Maintenance records were not available, however digital photographs were captured. For the purposes of this report, as there had been no changes to equipment onsite, since our last visit, a second site visit was not determined to be necessary.

3. Application of approaches to value:

In order to determine value by the three accepted methods (see pages 7 & 8 for a detailed explanation) research was undertaken where appropriate to:

- a) Determine the replacement cost new of the plant and equipment and establish reasonable estimates of applicable depreciation;
- b) Collect valid and recent sales on comparable plant and equipment on an appropriate basis;
- c) Collect sufficient financial information for applicable plant so that future net incomes could be projected and their current worth calculated in order to determine the assets value.

In order to produce credible valuations, information on the subject assets has been gathered from as many sources as practically possible including, where applicable, the original equipment manufacturer, equipment dealers, auction houses, publicly available online databases, and industry professionals able to provide meaningful data on the subject assets. Although all methods of valuation were considered it, the best approach was to utilise a combination of the cost approach and the sales comparison approach.

4. Final opinion of value and reporting:

Gordon Brothers have determined an opinion of value for the subject assets set out in the report after applying the Cost approach and/or Comparison Approach. A report of the final values highlighting any limitations in approach or assumptions made during the process was then completed and submitted.

We note that the income approach has not been utilised in this report due to the mine currently being on care and maintenance and the unavailability of income data prescribed to individual assets that make up the larger working system.

V. VALUATION PROCESS & COMMENTARY

Gordon Brothers' Qualifications

Since 1903, Gordon Brothers has helped clients make sound decisions, with responsive, experienced professionals valuing assets across industries, asset classes, and continents. Gordon Brothers leverages the expertise of its disposition practice – which sells \$10 billion of assets annually – and the most expansive asset recovery database in the world in placing recovery values. These capabilities deliver the insight and support clients need to confidently assess risk, and provide a path forward when challenges arise.

Over the years, Gordon Brothers has bolstered its strength in retail, consumer and industrial valuations with key acquisitions including Emerald Technology Valuations and Appraisal Systems, Inc. (“ASI”), the latter of which served as the foundation for GB Energy Partners. In 2015, Gordon Brothers acquired AccuVal, renowned for its industrial valuation capabilities.

Today, Gordon Brothers brings this industry knowledge together when issuing valuations across a variety of sectors, valuing in excess of \$75 billion of assets globally every year.

Gordon Brothers confirm the independence of all authors that have contributed to this report and note the opinions expressed within the report are original and genuine.

Definitions of Value

As requested, the assets have been valued on the basis of Fair Market Value in Continued Use. It is defined as:

Fair Market Value in Continued Use (FMVICU)

“An opinion, expressed in terms of money, at which the property would change hands between a willing buyer and a willing seller, neither being under any compulsion to buy or to sell and both having reasonable knowledge of relevant facts, as of a specific date and assuming that the business earnings support the value reported, without verification.”

Valuation definitions have been sourced from The American Society of Appraisers “Valuing Machinery & Equipment: The Fundamentals of Appraising Machinery & Technical Assets”, Third Edition.

The report should not be used for any other purpose. If it is considered for any other use then we will need to be contacted in the first instance to advise whether the values and commentary contained therein remain relevant for any other purpose than that stated above.

Valuation Methodology

There are three generally accepted valuation approaches that are used to derive an indication of the value of plant and machinery. These approaches include the Cost Approach, Sales Comparison Approach, and Income Approach to value. **This report predominantly uses the cost approach and to a lesser extent the sales comparison approach. The income approach, while considered, has not been utilised.** These approaches to value are defined as follows:

Cost approach

The Cost Approach is a set of procedures in which an appraiser derives a value indication by estimating the current cost to reproduce or replace the personal property, deducting for all depreciation, including physical deterioration, functional obsolescence, and external/economic obsolescence. Depreciation includes loss in value due to physical deterioration as well as functional and economic obsolescence. Functional obsolescence is the decreased capacity of the item to perform the function for which it is intended in terms of current standards and specifications. Functional obsolescence may stem either from a deficiency within the items such as poor design or outmoded style or may result from super-adequacy or over-design. Economic obsolescence represents a loss in value from factors outside the item appraised, such as a depressed market for the product. These factors generally are characterized as “negative external forces,” which have an impact upon the item appraised. Comparisons are sometimes made to recent cost data when comparable sales are not found under the appraisal concept.

Where relevant market comparable sales could not be found we have utilised the cost approach. New costs have mostly been determined through cost an invoice documents supplied by the company relating to works replacement and refurbishment works undertaken over the last 2 or 3 years, we have also consulted with equipment dealers and calculated ‘remaining useful life’ according to our past experience and information provided by dealers and original equipment manufacturers. We note, the majority of assets contained in this report were sourced from pertinent secondary market data. More commentary on this in the valuation methodology heading.

Sales comparison approach

The Sales Comparison Approach is a set of procedures in which an appraiser derives a value indication by comparing the inventory being appraised to similar assets that have been recently sold or are currently available for sale, applying appropriate units of comparison, and adjusting based on the elements of comparison to the sale prices of the comparable. Marketability of each item is also a determinant of value.

Marketability, as a measure of demand, is approximated through recent sales under similar sale conditions. Where actual sales are not available, relationships are often established based upon asking prices for comparable items, with subsequent adjustments for similar sale conditions.

In arriving at our values, we have relied upon a combination of research sources including:

- Experienced asset specialists within Gordon Brothers;
- Recent sale results - sourced through either archived results and available platforms such as Asset Intel, external auction houses, brokers and dealers;
- Currently advertised for sale prices from websites such as Machinery Trader, Construction Sales, Machines4U, Mining Graveyard, Nelsons, A.M King, among others.
- Conversations with external industry experts including dealers, brokers and auction houses.

Income approach

The Income Approach is a set of procedures in which an appraiser derives a value indication for income-producing assets by converting anticipated benefits into value. This conversion is accomplished either by (1) capitalising a single year’s income expectancy or an annual average of several years’ income expectancies at a market derived capitalisation rate or capitalisation rate that reflects a specified income pattern, return on investment, and change in value of the investment or (2) discounting the annual cash flows for the holding period and the reversion at a specified yield rate. The Income Approach is not typically applied when estimating liquidation values of inventory, although it can be a factor when rental inventories are being considered. As the Davyhurst facility is not currently operational, it is not an appropriate methodology in this instance.

Valuation Commentary

Processing Plant

The Davyhurst processing plant is considered a medium size plant at 1.2 mill tonnes per annum.

Based on the information provided and our own inspection of the site, most equipment falls into one of two basic age categories.

1. Is part of the original mine infrastructure installed in Bardoc in 1986 (later relocated to Davyhurst in 1996), refurbished and upgraded at that time and is between 23 & 33 years old.
2. Has been replaced or completely refurbished between 2016 and mid 2017 (note the mine has not operated since October 2018) and these components can be considered between 1 to 2 years old.

A key component for any valuer to estimating value is determining the remaining useful life of an asset. In general, the majority of assets that were identified as point 1 above generally have had some repairs and maintenance or upgrades completed. Given this, these assets looked in our opinion to have approximately 3-4 years life left or equivalent to a 20% remaining useful life. Category 2 assets had generally been replaced within the last two years and Gordon Brothers valuers attributed a 90% remaining useful life to these assets in our initial February 2019 report.

Our current report determines that the category 1 older equipment as outlined above has an unchanged remaining useful life from when it was first inspected, whilst these assets have come to the end or exceeded their normal useful life, their residual value as a functioning asset remains unchanged over the preceding 7 months in our opinion. The newer category 2 assets as defined above which have generally been valued using the cost approach will however have had a small diminution in value. Assets such as these are normally given a 10 to 15-year normal useful life, as these items are now 7 months older but with limited or no use, we have depreciated their value by a nominal 5% down to 85% from our previous report which indicated 90% of original cost. Assets valued on a sales comparison basis remain unchanged as they have had little or no use and have not clicked over another 'calendar year' in age since they were last researched. Importantly the market for mobile and other equipment of the type valued using a sales comparison approach in this report remains strong as it was at the time of our initial report. Gold prices have also increased over this period from approximately \$1295 USD/oz to \$1526 USD/oz at the time of issuing this report.

The majority of the latest equipment replacement and refurbishment to the processing plant was undertaken by GR Engineering during the 2016 to 2017 period, information pertaining to equipment replacement and invoices were provided in the GR Engineering Cost Report. Itemised costings were sought and supplied to us in relation to this work undertaken and in many cases was crucial to us determining value. Very little other information in relation to original costs for work carried out by other contractors was able to be provided by the Company.

Crushing and Screening

The crushing and screening plant assets are relatively generic in nature and commonplace on mine sites. The assets used in this section of the plant include a ROM Bin, screen, jaw crusher, secondary and tertiary cone crushers, dust extractors and a host of conveyors. These assets list and sell on the secondary market with relative frequency.

The ROM bin, primary jaw crusher, conveyors, dust collectors and supporting steelwork are original pieces that have been somewhat maintained and were determined to have a remaining useful life of 20%. The secondary and tertiary cone crushers, some pumps and the FLSmidth triple deck screen are relatively new and were determined to have a 85% remaining useful life.

In order to determine the total replacement cost of a crushing circuit such as this, we have utilised information from the Monograph 27 Cost Estimation Handbook (2012 Edition), and applied a factor to the major equipment cost. This resource is produced by the Australian Institute of Mining and Metallurgy and we have relied specifically on pages 231 to 236 in this edition. A combined factor of X3 for the primary and secondary crushing circuits was deemed appropriate. Accordingly, as set out in the handbook, the replacement cost of all major components (including primary, secondary, tertiary crushers, conveyors, pumps etc) is added together and multiplied by the factor (X3) to allow for the total cost including structural, civil, lubrication, pipework, electrical and cooling circuits etc. Note both inflation to supplied cost prices (circa 2007) and depreciation to equipment has been allowed for and is demonstrated in our supporting document entitled 'Working Doc'.

Replacement costs for conveyors to the crushing, fine ore and grinding circuits were calculated as per formulas provided in the Cost Estimation Handbook on pages 304 – 306.

The MACA Interquip engineering report commissioned and supplied to us by the Company in late 2018 identifies some foundation and vibration issues with the primary jaw crusher, platework and feed hopper adjustments to the circuit along with flow monitor controls, dust extraction upgrade and magnet improvement requirements.

Fine Ore Storage

We have been advised that the fine ore bin has some structural issues and thus further thickness testing and repairs is likely required. Our estimate here was based on a sales comparison.

Grinding and Classification

Conversations with equipment brokers and dealers has revealed that 1000kw ball mills are less demanded than the larger mills. 2Mw+ mills are now commonplace in the Australian market and smaller mills face subdued demand. With that said, demand for ball mills is generally sound in the Australian and international markets. Note, both mills in this case are 20 + years old, and have required considerable maintenance over the years. Notably Mill 1 now requires a new set of liners. Some pumps in this circuit are corroding and would benefit from refurbishment and relocation, this is reflected in their applied value. Replacement costs for the Mills were sourced from P253 in the handbook and a remaining useful life of 25% was determined appropriate. We note that the MACA Interquip engineering report identifies a lack of critical spares for the mills and other equipment, however down time or availability of spares remains outside the scope of this report.

Gravity Recovery and Separation

Almost all items within this section of the process have been replaced over the last 2 years, including the key component 2 x Knelson Concentrators. While some process improvements have been identified, the remaining useful life was determined at 85% based on the extensive work and detailed costing analysis provided in the GR Engineering Cost Report.

Leaching & Absorption

Significant work to the tank agitators, hoists, pumps and intertank screens has been undertaken according to the GR Engineering Cost report and our site inspection. The tanks themselves are original and may require some surface work including a level of poly coating. Replacement costs for tanks were derived from the Monograph Cost Handbook p340 and depreciated accordingly.

Elution & Gold Recovery

A significant number of assets have again been refurbished or replaced in this section of the process, while other assets are older and remain from the original installation. A combination of replacement costs as indicated in the GR Engineering cost report and researched sale comparison items have been utilised and depreciated accordingly. Note where sales evidence of an asset similar in age or condition is found, a depreciation percentage or remaining useful life factor does not need to be applied. We understand the Elution column may need inspection and recertification prior to commissioning. We also note that Electrowinning plants have now become more modular, essentially transported in 40ft containers and commissioned onsite.

Reagents

Many of the Cyanide dosing, transfer and sump pumps have been replaced and their costs have been obtained from the GR Cost Report. Based on our cursory inspection, the Cyanide tank and bund also appeared to be in good condition. Accordingly, despite its age the tank was given a 50% remaining useful life.

Power Reticulation

Upgrades to the electrical components of various sections to the processing plant have been undertaken including Grinding and Mill MCC's, other general switchboards, distribution boards, control panels, general cabling and lighting. It was possible to inspect some of the detailed electrical upgrade work while onsite, however much was not accessible and we have therefore assumed the GR Engineering Cost report information to be correct.

Water Storage & Reticulation

Similarly, assets in this section varied greatly from recently replaced to original pieces. The key newly acquired asset was the Tristar Water Solutions Reverse Osmosis plant, self-contained in a 20ft shipping container. The original supply invoice was sighted for this asset at a cost of \$295,205.

Raw Water Supply

The remotely located Borefields transfer pumping stations were inspected by our representatives and an estimate for the circa 100km's plus of 300 mm diameter poly water pipe feeding water back to the processing plant has been estimated. Please note that no information by the company was available to confirm the exact amount of pipe used nor the price paid to purchase and install it. Gordon Brothers have used a high degree of professional judgment in estimating the value placed on the pipe and it should be used as a guide only.

Tailings Thickener and Disposal

All equipment in this section of the plant has been replaced during the GR Engineering work of 2016 to 2017. Accordingly, we have relied on the GR Engineering cost information provided and allowed for a 85% remaining useful life. Much of this equipment has had little or no use.

Air Services Supply and Services

The majority of equipment in this area was identified in the GR Engineering cost report. As it is general equipment with many transferable applications the cost data was easily verified.

Auxiliary Equipment

Including contractor and company transportable buildings, water and fuel tanks, laboratory equipment, workshops, laydown yards, core yard and stores. Please note that no stock listing or costings were available for the spare part inventory, and neither our scope nor time frame allowed for us to complete stocktake. We have used best endeavours based on our valuer's experience to estimate the value in this instance and it should be treated as a guide only.

Camp Accommodation & Administration Buildings

Includes administration transportable buildings, first aid and emergency response buildings and rescue equipment. Camp accommodation ranges between 5 and 20 years old and values are based on a combination of new replacement costs and sales comparison. The kitchen and mess equipment have also been detailed in this section. No cost information by the company for any of the camp and administration equipment has been made available by the company.

Mobile Plant

Largely consisting of light vehicles, the equipment in this section is generally in high demand. The majority of mobile equipment is currently idle in laydown yards and has been rarely utilised since the mine was placed in care and maintenance. Based on our conversations onsite, it was clear that these assets are not regularly started to ensure battery health. Given this, we were unable to start the units and obtain usage information. We have relied on the recorded hours from when the machines were last parked. Most of the machines have not been utilised since that time, while others have been used sparingly. Given we have been unable to verify usage information, we have assumed all information supplied to be correct.

We have not received detailed asset maintenance reports for any of these assets. In determining the condition of the mobile equipment, we have used a combination of our physical inspection findings and information provided by Davyhurst employees. We spoke with the maintenance superintendent and discussed any known issues with the machines, including major and minor repairs required. We have assumed all information provide to us as being correct and have utilised this information to determine our opinions of value.

VI. MARKET OVERVIEW

Industry & Market Observations

After the Western Australian mining "Super Boom" cycle which ended in 2012, the following 4 years to 2016 was characterised by a major oversupply of services and equipment compared to underlying demand. This resulted in deteriorating used equipment prices over this period nominally between 20% for construction equipment and 50% for mining equipment.

Over 2017 market sentiment shifted towards one of greater optimism which in turn approached confidence by the end of H2 2017 and has continued through 2019. The key contributing factors of which were:

1. Sudden and unexpected improvement in coal and iron ore prices which held sufficiently long enough to reverse trends and result in restarted operations. This led to a number of shuttered

operations coming back into production. It also led to a strategic shift from majors like Glencore and Anglo to a forced sell down of coal assets to a hold and review stance which has since resulted in some mines being taken off market placed back into production. The most obvious illustration of this is the mooted Adani project which while heavily objected to on environmental grounds remains a viable project for the owners based on economic factors.

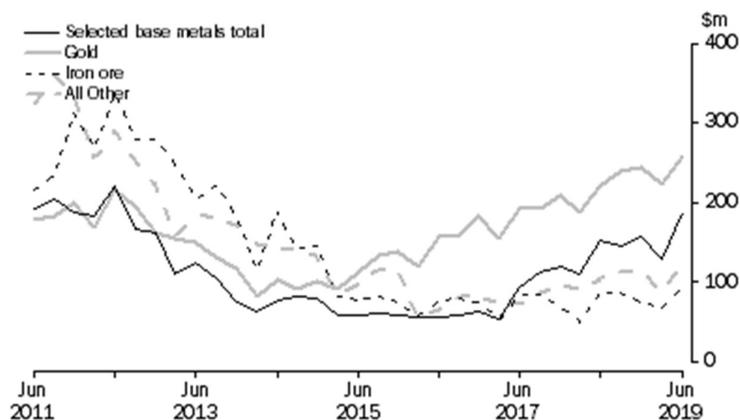
2. Improved civil infrastructure spending along the Eastern Seaboard – IBISWorld 2016 “solid growth of investment in large scale road, tunnel & bridge developments over the next five years” (Australia). Expenditure on major road projects in Australia is forecast to peak in 2019 at around \$8.5Bn. Up from around \$3.5Bn in 2015.
3. Improved confidence in the gold market – Sentiment at the annual Diggers N Dealers conference in Kalgoorlie in August this year was positive and there has been a considerable number of contracts awarded which has moved drawing projects from the drawing board to ramp up i.e. Mt. Morgan, Gruyere Gold, Racetrack West Gold, Tawana Bald Hill are notable of a proposed 15 new and or expansion projects set to start in WA; anecdotally the amount of exploratory drilling has been on the rise evidenced by the lack of drills parked up in yards around Kalgoorlie. Other indicators include the rise in permanent jobs by 44% over 2017 in the mining industry; a 40% increase in mine project applications in WA. This trend continued in 2018 with a further rise of 32% in job advertisements from June 2017 to June 2018 according to Seek’s job advertisement report and we understand 2019 will be much the same.

At the same time sentiment is further boosted by the activity of mining majors with calling for major construction/expansion contracts in the Pilbara (i.e. BHP’s \$4.2Bn South Flank project, Rio Tinto’s feasibility study into a \$2.2Bn development at Koodaideri); release of capex for capital expenditure; expansion R&D. In addition, following recent announcements from CAT and other OEMs, of improving financial results, further indicate a more positive outlook for the industry.

The outcome of these market factors on the used equipment market has been considerable shifting it from a buyers’ market to a sellers’ market. Stock availability has dried up, both new and used; rental rates and terms have improved, driving up prices. The rate of this change accelerated over the second half of 2017 and most notably post August 2017. Prices have continued to hold strong in 2018 and 2019.

Key Australian Bureau of Statistics metrics continue to improve in 2019, highlighted by their June mining data release. Exploration, often considered a barometer of confidence in the mining sector has been on a steady incline since 2016, particularly Gold as the below graph shows.

MINERAL EXPLORATION, Original Series



*Graph sourced from ABS website

The Davyhurst mine has gold reserves, with gold a readily mined and traded commodity in Australia. China leads global gold production, with Australia being the second largest producer in 2017. Other countries to round of the top 5 gold producing countries are Russia, the United States and Canada.

The mining sector in Australia is enjoying positive trading conditions with renewed confidence surrounding the sector. The mining downturn in 2014/15 which saw dramatic price reductions across a broad range of commodities. Of particular importance to the Australian mining sector was the falls in iron ore, coal and gold prices. While the gold price is inherently volatile, the end of Australia's mining boom saw prices fall to near \$1,000 USD/oz. Early in 2016 the price began to skyrocket, recovering to \$1350 USD/oz by mid-2016. Since then, the price has witnessed constant movement but maintained a price range of \$1125 to \$1550 USD/oz. Currently the price resides around \$1513 USD/oz.

The dramatic fall in the AUD against the USD from parity earlier this decade has had an impact on Australia's gold producers. The lower AUD has resulted in higher margins for Australia's gold producers and profits have flowed into exploration.

The 2017-2018 gold market in Australia produced near record highs, totalling 310 tonnes produced. This is second only to the 1997-1998 record year for gold production in the country. While Boddington and the Kalgoorlie Super Pit vie for gold production supremacy, there are a raft of small and medium gold mines across the Western Australian gold fields, New South Wales and other locations across the country.

Ultimately, the production ramp ups of coal, iron ore and gold has led to an increase in demand for mining equipment & machinery.

VII. SALE CONSIDERATIONS

As is the case for all mines, careful consideration is required for the planning and implementation of a sale program.

The processing plant requires time and significant national and international marketing to attract the right buyers and is suited to sale by private treaty. The plant would be offered as a going concern to the secondary market in its entirety. While Gordon Brothers expect there to be reasonable demand for the plant, a suitable sale timeframe would be required to find end users requiring the assets. Gordon Brothers have based our FMVICU on a minimum 12 to 24 month sale timeframe.

VIII. OTHER CONSIDERATIONS

Excluded Items

The following have been excluded from our report as being outside our scope of works:

- Any asset located on any premise other than those we attended and which we were not made aware of;
- All forms of intellectual property such as goodwill, software etc.;
- All assets considered land, buildings or fixtures or building and/or structural improvements;
- All assets which are said to be provided under operating or rental/hire agreements.

Goods and Services Tax ("GST")

The values provided in this report are exclusive of GST.

Currency Exchange Rates

It may be the case that some of the market data used in this analysis originated from international manufacturers and suppliers. Accordingly, we have used exchange rates prevailing at the date of valuation to enable us to make meaningful comparisons with Australian sourced data.

Currency versions have been factored in some instances, see below currency exchange rates as at the date of this report:

- AUD to USD: \$0.68
- AUD to Euro: €0.62

Leased and third-party property

Ownership categorisation and any comment as to outstanding amounts provided in this report is reliant on information provided to us and as such is accurate solely to the extent the information relied upon was accurate. We have not sought to verify title via the PPSR register. Neither have we procured loan pay-outs direct from the relevant loan provider(s).

Validity period of valuation

The values contained herein are current as at the stated date of valuation only. In the normal course of events assuming market factors which underpin the basis of our values remain stable, the values in this report can be considered valid for a period of up to three months. We note that the market conditions have remained stable between the date of valuation and the report date and note that events within this time frame have not materially affected our opinions of value.

In the event external and/or market factors shift suddenly and/or unexpectedly (within three months) causing those underlying value assumptions to change then the validity period would be void and a review of values required. No liability in respect to any loss or damage claimed from any such change(s) is accepted. Similarly, no liability or responsibility is accepted for any party's reliance on this report after the three-month validity period.

IX. LIMITING CONDITIONS AND EXTRAORDINARY ASSUMPTIONS

This plant, machinery and equipment valuation is made subject to the following:

General limiting conditions

- 1) All facts and data set forth in this report are true and correct to the best of the valuer's knowledge.
- 2) The determined values are exclusive of Goods and Services Tax.
- 3) The fee for this valuation report is not contingent upon the values reported and was \$4,000 + GST.
- 4) Neither all nor any part of the contents of this report, or copy thereof, shall be reproduced for any purpose other than stated in the report, nor shall it be made available to the media, another valuer or anyone else without the written consent of Gordon Brothers.
- 5) Physical condition in most instances has been determined by assumption. Any unknown conditions existing at the time of inspection could alter the value. No responsibility is assumed for latent defects of any nature whatsoever which may affect value, nor for any expertise required to disclose such conditions.
- 6) No investigation of legal title to the property, unless explicitly stated otherwise, has been made and the claim to the property has been assumed to be valid.
- 7) No additional values have been made in regard to such intangibles as patents, trademarks or goodwill.
- 8) Information, estimates and opinions furnished by the appraiser and contained in this report were obtained from sources considered reliable and believed to be true and correct; however, no responsibility for the accuracy of such items furnished to the appraiser can be assumed by the appraiser.
- 9) Matters of a legal nature or with tax consequences have not necessarily been considered in this report. The reader should consult a competent legal advisor and/or a qualified tax accountant for information and opinions in those areas.
- 10) The valuer has endeavoured to use due diligence in all market comparisons. If possible, multiple comparisons of similar items sold within a reasonable and applicable time period usually provide substance for a credible value determination. However, at times it is not possible to find any direct sales comparisons that have actually sold. In these cases, the appraiser has relied heavily on comments and testimony from sources considered reliable (dealers, auctioneers, manufacturers, wholesalers for example) in arriving at the final value estimate.
- 11) The values shown are not intended for the piecemeal selling of separate items. In the event that any item included in this valuation is separately sold or is withdrawn from sale or is to be sold either at a time different to the other items or from a different location then a re-valuation of the remaining items will be necessary.
- 12) It is assumed that all equipment has standard features commensurate with its normal operation. For instance, machinery might include: guards, electrical starters, switch-gear, safety equipment, wiring, conduit/piping and electrical, pneumatic or hydraulic controls systems, or other peripheral items considered standard for operating the indicated model or type of equipment. This type of detailed listing is not described for each machine due to repetition, time, cost, and description length within the listing. An attempt is made, however, to indicate any non-standard features at an appropriate point within the investigation.

- 13) Description of items made as part of this report is believed correct to the best ability of the appraiser. Any errors or omissions were unintentional and should not affect the value assignment.
- 14) The subject equipment may or may not conform to local WHS standards. The sole responsibility for conforming rests with the owner of the subject equipment and may not necessarily affect the final estimate of value reported herein.
- 15) The valuation has been prepared in good faith on the basis that full disclosure of all information and salient points which may affect the valuation.
- 16) The valuation is valid only as of the effective date of the report and for the purposes outlined in the section "Purpose of Valuation".
- 17) The valuation concept used in this report is one accepted by the client.
- 18) Nothing in this report constitutes as financial advice prepared for Eastern Goldfields Limited (Administrators Appointed), its Shareholders, or Advisors.

Extraordinary Assumptions specific to this assignment

- As the mine is in care and maintenance, we have not been able to sight any of the assets in operation. Given this, we have assumed unless advised otherwise, or an out of service tag is on the asset, that all assets are in operational condition.
- All information provided to us verbally and in writing before, during and post our inspection is true and correct.

Hypothetical Assumptions specific to this assignment

No hypothetical assumptions were made.

X. CERTIFICATION OF VALUE

It is hereby certified that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions set forth in this report are limited only by the assumptions and limiting conditions (imposed by the terms of the assignment or by the undersigned) set forth by this report, and are personal, unbiased, professional analyses, opinions, and conclusions.
- The engagement of Gordon Brothers in this assignment was not contingent upon developing or reporting predetermined results.
- Neither the valuation nor the amount of the fee is contingent upon developing or reporting a predetermined value, requested minimum value, a direction in the value that favours the cause of Eastern Goldfields Limited (Administrator Appointed) or its shareholders or advisors, a specific valuation, the approval of a loan, the amount of the value estimates or attainment of a stipulated result, nor is the compensation contingent upon an action or event resulting from the analyses, opinions, or conclusions in, or the use of, this report, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- The use of this report is subject to the definitions contained within the Uniform Standards of Professional Appraisal Practice ("USPAP") as defined by the Appraisal Standards Board of The Appraisal Foundation.



Ben Gibson
Director
BComm

Annexures

Annexure A. Definitions

Source - *“Valuing Machinery and Equipment: “The Fundamentals of Appraising Machinery and Technical Assets”, The American Society of Appraisers, Third Edition,*

Excellent (E) This term describes those items that are in near-new condition and have had very little use.

Extraordinary Assumption is an assumption directly related to a specific assignment, which, if found to be false, could alter the appraiser’s opinions or conclusions (USPAP page U-3)

Fair (F) This term describes those items of equipment which because of their condition are being used at some point below their full designed and specified utilisation because of the effect of age and/or application and that may require general repairs and some replacement of minor elements in the foreseeable future to raise them to be capable of being utilised to or near their original specifications. Pg. 58

Fair Market Value is an opinion expressed in terms of money, at which the property would change hands between a willing buyer and a willing seller, neither being under any compulsion to buy or to sell and both having reasonable knowledge of relevant facts, as of a specific date.

Fair Market Value in Continued Use with Assumed Earnings is an opinion, expressed in terms of money, at which the property would change hands between a willing buyer and a willing seller, neither being under any compulsion to buy or to sell and both having reasonable knowledge of relevant facts, as of a specific date and assuming that the business earnings support the value reported, without verification.

Fair Market Value in Continued Use with an Earnings Analysis is an opinion, expressed in terms of money, at which the property would change hands between a willing buyer and a willing seller, neither being under any compulsion to buy or to sell and both having reasonable knowledge of relevant facts, as of a specific date and supported by the earnings of the business.

Fair Market Value – Installed is an opinion, expressed in terms of money, at which the property would change hands between a willing buyer and a willing seller, neither being under any compulsion to buy or to sell and both having reasonable knowledge of relevant facts, considering market conditions for the asset being valued, independent of earnings generated by the business in which the property is or will be installed, as of a specific date.

Fair Market Value - Removed is an opinion, expressed in terms of money, at which the property would change hands between a willing buyer and a willing seller, neither being under any compulsion to buy or to sell and both having reasonable knowledge of relevant facts, considering removal of the property to another location, as of a specific date.

Forced Liquidation Value is an opinion of the gross amount, expressed in terms of money, that typically could be realised from a property advertised and conducted public auction, with the seller being compelled to sell with a sense of immediacy on an as-is where-is basis, as of a specific date

Good (G) This term describes those items of equipment which are in good operating condition. They may or may not have been modified or repaired and are capable of being used at or near their full designed and specified utilisation.

Hypothetical condition That which is contrary to what exists but is supposed for the purpose of analysis (USPAP page U-3)

Insurable Value Depreciated The insurance replacement or reproduction cost less accrued depreciation considered for insurance purposes, and as defined in the insurance policy or other agreement, as of a specific date.

Liquidation Value in place is an opinion of the gross amount, expressed in terms of money, that typically could be realized from a properly advertised transaction, with the seller being compelled to sell, as of a specific date, for a failed, non-operating facility, assuming that the entire facility is sold intact.

New (N) This term describes new items that have not been used before

Orderly Liquidation Value An opinion of the gross amount, expressed in terms of money, that typically could be realised from a liquidation sale, given a reasonable period of time to find a purchaser (or purchasers), with the seller being compelled to sell on an as-is, where-is basis, as of a specific date

Poor (P) This term is used to describe those items of equipment which because of their condition can be used only at some point well below their full designed and specified utilization, and it is not possible to realise full capacity in their current condition without extensive repairs and/or the replacement of major elements in the near future.

Replacement cost new Is the current cost of a similar new property having the nearest equivalent utility as the property being appraised, as of a specific date.

Reproduction cost new Is the cost of reproducing a new replica of a property on the basis of current prices with the same or closely similar materials, as of a specific date.

Salvage Value (S) Is an opinion of the amount, expressed in terms of money that may be expected for the whole property or a component of the whole property that is retired from service for possible use elsewhere, as of a specific date.

Scrap Value (X) An opinion of the amount, expressed in terms of money that could be realised for the property if it were sold for its material content, not for productive use, as of a specific date.

Very Good (VG) This term describes an item of equipment in excellent condition capable of being used to its fully specified utilization for its designed purpose without being modified and without requiring any repairs or abnormal maintenance at the time of inspection or within the foreseeable future.

Annexure B. Valuer Credentials & Memberships

Project Team

Fenton Healy

Fenton Healy is responsible for developing liquidity and asset-based solutions for clients across Australia. Fenton brings over 20 years of experience in asset valuation and liquidation. He has deep knowledge and understanding of used equipment markets across Australia and applies this insight in developing capital solutions for clients.

Prior to joining Gordon Brothers, Fenton held numerous sales, senior management, directorial and leadership roles at GraysOnline, where he was one of the original shareholders. Throughout his career, Fenton has worked on some of the region's largest disposition projects, including for Toyota, Procter & Gamble, Alcatel, Sunbeam Victa, Kirby Engineering, Huntsman Chemicals, Solectron, Email Metering, Colgate Palmolive, and Mitsubishi. He has targeted expertise in the mining and transportation sectors.

Ben Gibson

Ben Gibson is responsible for the leadership and oversight of Gordon Brothers' Perth office. Ben has over 23 years of experience in the valuation and auction industry, managing large scale asset valuation and sale projects on behalf of banks, insolvency practitioners and large corporations across many industries.

Prior to joining Gordon Brothers, Ben served as the Executive Director, Restructuring and Finance for Tiger Asset Group, where he was responsible for the Restructuring & Finance service line on a national basis. Before his tenure at Tiger, he was the General Manager for the Western Australian operations of Graysonline, one of Australia's leading industrial equipment e-commerce participants. Ben has experience across a wide range of industry sectors including Mining, Agriculture, Transport, Construction, Earthmoving, Manufacturing, Engineering, and Consumer Retail Products.

Throughout his career, Ben has personally managed over 3,000 valuation and asset disposition projects, both in Australia and internationally. Ben has a Bachelor of Commerce degree from the University of Wollongong, a Diploma of Auctioneering from the Western College of Auctioneering USA, and is a Candidate Member, American Society of Appraisers.

Luke Santostefano

Luke Santostefano is responsible for the delivery of asset advisory, valuation and asset disposition programs for clients across Australia. Luke also focuses on the identification and diligence of asset-based opportunities in the Australian market. Luke has over 5 years of asset disposition and valuation experience and has developed a deep understanding of the Australian equipment market.

Prior to joining Gordon Brothers, Luke was most recently employed by GraysOnline in the role of Valuations Manager – Major Projects where he conducted large and complex valuation matters across a range of sectors. Sectors include manufacturing, transport, mining, civil construction, agriculture, forestry and automotive. Luke holds a Bachelor of Business (Property) from the University of South Australia and is currently an accredited member of the American Society of Appraisers.

Annexure C. Asset Listing & Valuation

Please see attached excel spreadsheet titled "Ora Banda Valuation Report _Gordon Brothers Final Report Updated 030919" for asset listing and attributed values.



Appendix 4 - Independent Valuation Report prepared by CSA Global



CSA Global
Mining Industry Consultants



Independent Technical Specialists' Report on Ora Banda Mining's Mineral Assets in Western Australia

CSA Global Report N° R397.2019
13 September 2019

www.csaglobal.com



Report prepared for

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Project Name/Job Code	OBMITV01
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Executive Summary

CSA Global Pty Ltd (CSA Global) was commissioned by BDO Corporate Finance (WA) Ltd (BDO) to prepare an Independent Technical Assessment Report and Valuation of Ora Banda Mining Limited's (OBM or "the Company") mineral assets in Western Australia. BDO was in turn commissioned by OBM.

This Independent Technical Assessment and Valuation Report ("the Report") was prepared for BDO and provides an opinion to support an Independent Expert's Report to be prepared by BDO. This Report has been prepared as a public document, in the format of an independent technical specialist's report, and has been prepared in accordance with the JORC¹ and VALMIN² codes.

The Report provides a review of OBM's mineral assets and provides a technical valuation of these mineral assets. CSA Global has used a range of valuation methodologies to reach a conclusion on the value of the mineral assets. Note that the valuation is of OBM's mineral assets and not the value of OBM as a company.

The statements and opinions contained in this Report are given in good faith and in the belief that they are not false or misleading. The conclusions are based on the reference date of 22 August 2019 and could alter over time depending on exploration results, mineral prices and other relevant market factors.

CSA Global's valuations are based on information provided by OBM and public domain information. CSA Global has endeavoured, by making all reasonable enquiries, to confirm the authenticity and completeness of the technical data upon which this Report is based. No audit of any financial data has been conducted. The valuations discussed in this Report have been prepared at a valuation date of 22 August 2019. It is stressed that the values are opinions as to likely values, not absolute values, which can only be tested by going to the market.

Background

OBM is a gold exploration and development company and owner of the Davyhurst-Mount Ida Project in the prospective Eastern Goldfields region of Western Australia. The project is located 120 km northwest of Kalgoorlie and is host to multiple gold deposits; total resources are reported to be 1.8 Moz at an average grade of 2.6 g/t Au. The tenements are also considered prospective for nickel and copper deposits by OBM.

OBM has existing processing infrastructure in place, including a 1.2 Mt/a processing plant, two camps (Davyhurst Central and Mount Ida), mains power and working borefields; and potential exploration upside from its significant tenement position (approximately 117 tenements covering 1,342 km², 200 km strike length).

CSA Global's assessment of OBM's projects is an independent technical review and valuation of their operations, to support an Independent Expert's Report. The scope of work includes reviews of:

- The existing Mineral Resources and Ore Reserves, a combination of about 28 different project estimates, variably reported in accordance with the 2004 and 2012 JORC Code
- Any existing mine plans and schedules
- The exploration potential of the tenement package.

OBM has developed a mine plan which prioritises the Golden Eagle underground deposit in the Central Davyhurst Project, and the Sand King and Missouri open pit deposits in the Siberia Project. CSA Global has reviewed the mine plan and is of the view that while the quantum of the inputs and assumptions to the mine plan are consistent with the size and nature of the projects, they have not yet attained a level of

¹ Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, 2012 edition, prepared by the Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia (JORC)

² Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets, 2015 edition, prepared by the VALMIN Committee, a joint committee of the Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists

confidence and certainty that will allow this mine plan to form the basis of a cash flow valuation. Testing and validation of these inputs is underway, and CSA Global anticipates that it may be possible to apply income-based valuation approaches, once Ore Reserves can be declared in accordance with the 2012 Edition of the JORC Code.

The Sand King and Missouri deposits have been assessed as pre-development projects as defined in the VALMIN Code, with Mineral Resources reported in accordance with JORC Code (2012) criteria. CSA Global regards Golden Eagle, Riverina, Callion and Waihi deposits as pre-development projects, and has accepted the current OBM-reported estimates as reasonable proxies for estimates in progress, which are being prepared in accordance with criteria of the JORC Code (2012), but not yet declared. For the purpose of valuation in this Report, these are considered Group 1 assets.

Lower priority projects include the Lady Gladys, Forehand, Silver Tongue, Walhalla, Walhalla North, Mount Banjo, Macedon, Baldock, Meteor, and Whinnen deposits; these have also been assessed as less advanced pre-development projects. For the purpose of valuation in this Report, these are considered Group 2 assets.

The deposits at Lights of Israel Underground, Makai Shoot, Sunraysia, Palmerston/Camperdown, Bewick Moreing, Black Rabbit, Thiel Well, Federal Flag, Salmon Gums, Iguana, and Lizard are considered to be longer term development assets, or advanced exploration projects in terms of the VALMIN Code. For the purpose of valuation in this Report, these are considered Group 3 assets.

Table 1: CSA Global's grouping* of OBM's Mineral Resources

Group	Mineral Resource
1	Sand King, Missouri (reported in accordance of the JORC Code 2012)
	Golden Eagle, Waihi, Callion, Riverina Area (considered to be the equivalent to JORC Code 2012)
2	Lady Gladys, Forehand, Silver Tongue, Walhalla, Walhalla North, Mount Banjo, Macedon, Baldock, Meteor, Whinnen
3	Lights of Israel Underground, Makai Shoot, Sunraysia, Palmerston/Camperdown, Bewick Moreing, Black Rabbit, Thiel Well, Federal Flag, Salmon Gums, Iguana, Lizard

* On the basis of confidence

Tenement information on OBM's tenements was previously provided by independent legal firm, DLA Piper Australia (DLA) with an update on material matters provided by independent legal firm Gilbert + Tobin (G+T). CSA Global relies on the independent opinion of DLA and G+T dated 29 March 2019 and 4 September 2019 respectively (please see Appendix D for summary listing of tenements), with regards to the validity, ownership, and standing of OBM's tenements. CSA Global makes no other assessment or assertion as to the legal title of the tenements and is not qualified to do so.

Golden Eagle

OBM staff are developing a Mineral Resource estimate for Golden Eagle, with the aim to report this model in accordance with the JORC Code (2012) upon completion. The resource interpretation was defined on grade with the quartz-feldspar lode and schist units guiding the shape and orientation of mineralised lodes. The mineralisation envelope was based on a 3.5 g/t cut-off, to reflect underground mining methods.

CSA Global has reviewed Golden Eagle for critical issues that may have an impact on its valuation and has found no material concerns, or fatal flaws. The existing published Golden Eagle estimate has been accepted by CSA Global as a proxy for the internal estimate underway by OBM staff. CSA Global is satisfied that the order of magnitude similarities in tonnage, grade and confidence classification are acceptable in the context of its valuation. CSA Global considered this to be a Group 1 deposit for the purpose of its valuation.

Sand King and Missouri

Both Sand King and Missouri deposits are suited to open pit extraction and have been modelled appropriately to reflect the geological controls on mineralisation. CSA Global has reviewed the 2017 Eastern Goldfields Limited's (EGS) Sand King and 2016 Missouri estimates for critical issues that may have an impact on OBM's valuation and has found no material concerns, or fatal flaws. Both estimates have been accepted by CSA Global as estimates reported in accordance with the requirements of the JORC Code (2012). CSA Global considered these to be Group 1 deposits for the purpose of its valuation.

Callion, Waihi and Riverina

CSA Global has reviewed the unpublished Callion, Waihi and Riverina estimates for critical issues that may impact on its valuation and has found no material concerns, or fatal flaws. The existing published estimates have been accepted by CSA Global as a proxy for the internal unpublished estimates that are currently being reviewed by OBM staff. CSA Global is satisfied that the order of magnitude similarities in tonnage, grade and confidence classification are acceptable in the context of its valuation. CSA Global has considered these to be Group 1 deposits for the purpose of its valuation.

Remaining Deposits

Lower priority projects include the Lady Gladys, Forehand, Silver Tongue, Walhalla, Walhalla North, Mount Banjo, Macedon, Baldock, Meteor, and Whinnen deposits. These have also been assessed as less advanced pre-development projects, where the tonnes and grades reported in OBM's Mineral Resources summary have been considered by CSA Global to be the equivalent to Inferred Mineral Resources for the purpose of its valuation and are considered to be Group 2 deposits.

These estimates have not been reviewed in detail recently by OBM staff, but there are significant numbers of drillholes for each deposit in the database, to support future estimates once the quality and accuracy of the data can be verified and quantified.

The deposits at Lights of Israel Underground, Makai Shoot, Sunraysia, Palmerston/Camperdown, Bewick Moreing, Black Rabbit, Thiel Well, Federal Flag, Salmon Gums, Iguana, and Lizard are considered to be longer term development assets, or advanced exploration projects in terms of the VALMIN Code. These deposits also have data in the database or a history of mining extraction to substantiate the presence of brownfields exploration sites.

Exploration Potential

Exploration opportunities in the greater Davyhurst area include targeting extensions to the known mineralised trends such as the Waihi and Python trends. A greater understanding of the geometry and structural controls of the mineralisation within the previously mined open pits, would allow drill targeting of potential down-plunge extensions. The primary focus for EGS was drilling to validate the substantial historical database over all the tenement holdings, and to improve the confidence of mineral resource definition to allow mineral resource estimates to be updated and reported in accordance with the JORC Code (2012). OBM will continue this focus on its priority targets. Plans for regional exploration and to identify extensions of existing deposits have been a lower priority for exploration expenditure. CSA Global has reviewed OBM's exploration strategy and is satisfied that it is a reasonable approach to adopt for an extensive tenement holding of this nature.

Mining Assessment

CSA Global is satisfied that the proposed mine plans for the deposits which formed the primary focus for the review, Sand King and Missouri deposits in the Siberia mining area and Riverina, Golden Eagle, Waihi and Callion deposits in the Davyhurst mining area, are amenable to mining activities subject to

appropriate engineering and economic considerations, and is satisfied that potential for eventual economic extraction has been demonstrated.

Valuation

The valuation was primarily undertaken using comparable transactions; 33 gold mineral resource transactions were considered. A few of these transactions had old mining plant and infrastructure associated with them; in CSA Global's opinion, the value of the plant in these cases was immaterial due to the time since it had last operated, in most cases being several years. The valuation has not taken the rehabilitation provision liability into account.

CSA Global's opinion on the Market Value of OBM's Australian mineral assets in accordance with ASIC RG111 and the VALMIN Code as at the valuation date, is that it lies within a range of A\$30.4 million to A\$51.7 million with a preferred value of A\$41.1 million (Table 2).

Table 2: Summary market valuation of OBM's mineral assets

Mineral asset	Equity (%)	Valuation (A\$ millions)			Reference table
		Low	Preferred	High	
Mineral Resources	100	23.7	29.6	35.6	Table 7
Brownfields Potential	100	1.5	1.9	2.4	Table 8
Exploration Tenements	100	0.8	2.2	3.6	Table 12
Prospecting Tenements	100	0.3	0.6	1.0	Table 16
Mining Tenements	100	4.1	6.6	9.1	Table 20
Total	100	30.4	41.1	51.7	-

Note: The valuation has been compiled to an appropriate level of precision, values may not add up due to rounding.

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Appendix B: Comparative Transactions

Appendix C: Detailed Yardstick Valuation

Appendix D: Tenement Summary

1 Introduction

1.1 Context, Scope and Terms of Reference

Ora Banda Mining Limited (OBM or the “Company”) is a gold exploration and development company and owner of the Davyhurst-Mount Ida Project in the prospective Eastern Goldfields region of Western Australia. The project is located 120 km northwest of Kalgoorlie and is host to multiple gold deposits; total resources are reported to be 1.8 Moz at an average grade of 2.6 g/t Au. The tenements are also considered prospective for nickel and copper deposits by OBM.

OBM has existing processing infrastructure in place, including a 1.2 Mt/a processing plant, two camps (Davyhurst Central and Mount Ida), mains power and working borefields; and potential exploration upside from its significant tenement position (approximately 112 tenements covering 1,342 km², 200 km strike length).

BDO Corporate Finance (WA) Pty Ltd (BDO) was engaged by OBM to prepare an Independent Expert's Report for inclusion in an Explanatory Memorandum and Notice of Meeting to assist the shareholders of OBM. The purpose of the Notice of Meeting is to seek OBM shareholder approval for the issue of 42.4 million shares to Hawke's Point Holdings I Limited (or its nominee) for the purpose of ASX Listing Rule 10.11.2 and item 7 of section 611 of the Corporations Act 2001 (Cth).

This Independent Technical Assessment and Valuation Report (the “Report”) was prepared for BDO and provides an opinion to support an Independent Expert's Report to be prepared by BDO. This Report has been prepared as a public document, in the format of an independent technical specialist's report, and has been prepared in accordance with the JORC and VALMIN codes.

The Report provides a review of OBM's mineral assets and provides a market valuation of these mineral assets. CSA Global has used a range of valuation methodologies to reach a conclusion on the value of the mineral assets. Note that the valuation is of OBM's mineral assets and not the value of OBM as a company.

1.2 Compliance with the VALMIN and JORC Codes

The Report has been prepared in accordance with the VALMIN Code, which is binding upon Members of the Australian Institute of Geoscientists (AIG) and the Australasian Institute of Mining and Metallurgy (AusIMM), the JORC Code and the rules and guidelines issued by such bodies as the Australian Securities and Investments Commission (ASIC) and the Australian Securities Exchange (ASX) that pertain to Independent Expert's Reports.

The authors have taken due note of the rules and guidelines issued by such bodies as ASIC and ASX, including ASIC Regulatory Guide 111 – Content of Expert Reports, and ASIC Regulatory Guide 112 – Independence of Experts.

1.3 Principal Sources of Information

The Report has been based on information available up to and including 22 August 2019. The information was provided to CSA Global Pty Ltd (CSA Global) by OBM, or has been sourced from the public domain, and includes both published and unpublished technical reports prepared by consultants, and other data relevant to OBM's projects.

The authors have endeavoured, by making all reasonable enquiries within the timeframe available, to confirm the authenticity and completeness of the technical data upon which the Report is based.

Mr Neal Leggo of CSA Global undertook a two-day site visit to the Davyhurst Gold Project from 6 to 7 February 2019 in preparation of a previous independent technical assessment and valuation Report for Eastern Goldfields Limited (EGS) over the same Mineral Assets.

The site visit covered:

- 13 gold deposits with mineral resources: Golden Eagle, Lights of Israel, Makai Shoot, Waihi, Lady Gladys, Riverina, Sand King, Missouri, Thiel Well, Callion, Federal Flag, Walhalla, and Walhalla North.
- Six exploration prospects: Siberia Consols, Dexy, Lady Eileen South, Giles, Red Leaf, and Mulline.
- Four historical mines: The Great Ophir, Golden Pole, Echo and Mulline Rose.

In addition, the run of mine (ROM) pad, ore stockpiles, offices and core shed at Davyhurst were viewed and core from the Waihi deposit (WHDD003) examined. The mill was not inspected but briefly viewed from the perimeter road. The more distant project areas of Lady Ida and Mount Ida were not covered. The findings from the site visit have been incorporated into the project assessments.

Tenement information on OBM's tenements was previously provided by independent legal firm, DLA Piper Australia (DLA) with an update of material matters by independent legal firm, Gilbert + Tobin (G+T). CSA Global relies on the independent opinion of DLA and G+T dated 29 March 2019 and 4 September 2019 respectively (please see Appendix D for summary listing of tenements), with regards to the validity, ownership, and standing of OBM's tenements. CSA Global makes no other assessment or assertion as to the legal title of the tenements and is not qualified to do so.

1.4 Authors of the Report – Qualifications, Experience and Competence

The Report has been prepared by CSA Global, a privately-owned consulting company, and member of the ERM Group of Companies that has been operating for over 30 years; with its headquarters in Perth, Western Australia.

CSA Global provides multidisciplinary services to a broad spectrum of clients across the global mining industry. Services are provided across all stages of the mining cycle from project generation, to exploration, resource estimation, project evaluation, development studies, operations assistance, and corporate advice, such as valuations and independent technical documentation.

The information in this Report that relates to the Technical Assessment of the Mineral Resources reflects information compiled and conclusions derived by Ms Ivy Chen who is a Member of the AusIMM. She is not a related party or employee of OBM. Ms Chen has sufficient experience relevant to the Technical Assessment of Mineral Assets under consideration and to the activity which she is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the JORC Code and the 2015 Edition of the "Australasian Code for the Public Reporting of Technical Assessments and Valuations of Mineral Assets". Ms Chen consents to the inclusion in the Report of the matters based on her information in the form and context in which it appears.

The information in this Report that relates to the Technical Assessment of the Mineral Resources reflects information compiled and conclusions derived by Mr Neal Leggo who is a Member of the AIG. He is not a related party or employee of OBM. Mr Leggo has sufficient experience relevant to the Technical Assessment of Mineral Assets under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the JORC Code and the 2015 Edition of the "Australasian Code for the Public Reporting of Technical Assessments and Valuations of Mineral Assets". Mr Leggo consents to the inclusion in the Report of the matters based on his information in the form and context in which it appears.

The information in this Report that relates to the Technical Assessment of the mining potential reflects information compiled and conclusions derived by Mr Karl van Olden who is a Member of the AusIMM. He is not a related party or employee of OBM. Mr van Olden has sufficient experience relevant to the Technical Assessment of Mineral Assets under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the JORC Code and the 2015 Edition of the "Australasian Code for the Public Reporting of Technical Assessments and Valuations of Mineral



Assets". Mr van Olden consents to the inclusion in the Report of the matters based on his information in the form and context in which it appears.

The information in this Report that relates to the Technical Assessment and Valuation of Mineral Assets reflects information compiled and conclusions derived by Mr Sam Ulrich who is a Member of the AusIMM and AIG. He is not a related party or employee of OBM. Mr Ulrich has sufficient experience relevant to the Technical Assessment and Valuation of the Mineral Assets under consideration and to the activity which he is undertaking to qualify as a Practitioner as defined in the 2015 Edition of the "Australasian Code for the Public Reporting of Technical Assessments and Valuations of Mineral Assets". Mr Ulrich consents to the inclusion in the Report of the matters based on his information in the form and context in which it appears.

The information in this Report that relates to the Technical Assessment of Mineral Resources of OBM's Davyhurst Project was completed by CSA Global Principal Geologist, Neal Leggo (BSc Hons, MAIG, MSEG) and CSA Global Principal Geologist, Ivy Chen (BAppSc (Geology), MAusIMM, GAICD).

Mr Leggo has over 30 years' experience including management, mineral exploration, consulting, resource geology, underground operations, and open pit mining. He has worked in a variety of geological terrains and specialises in copper, gold, silver-lead-zinc, and iron ore for which he has the experience required for code-compliant reporting. Mr Leggo also has experience with uranium, vanadium, manganese, tin, tungsten, nickel, lithium, niobium, gemstones, mineral sands, and industrial minerals. He has the relevant qualifications, experience, competence, and independence to be considered a "Specialist" under the definitions provided in the VALMIN Code and a "Competent Person" as defined in the JORC Code.

Ms Chen is a corporate governance specialist, with over 30 years' experience in mining and resource estimation. She served as the national geology and mining adviser for ASIC from 2009 to 2015. Ms Chen's experience in the mining industry in Australia and China, as an operations and consulting geologist, includes open pit and underground mines for gold, manganese and chromite, and as a consulting geologist she has conducted mineral project evaluation, strategy development and implementation, through to senior corporate management roles. Recent projects completed include listings and other commercial transactions on the Australian, Singapore, Hong Kong, and UK stock exchanges. Ms Chen is a company director in the ASX junior resources listed space and is a member of the VALMIN Committee.

The Mining Assessment of the Davyhurst Project in this Report was completed by CSA Global Mining Manager/Principal Mining Engineer, Karl Van Olden (BSc (Eng) (Mining), Grad Dip Eng (Mineral Economics), MBA, FAusIMM). Mr Van Olden is a mining engineer with more than 25 years' experience in planning, development and operation of a diverse range of open pit and underground resources assets across Africa and Australia. His broad expertise includes mining engineering, business process development, business and mine planning, Ore Reserves, financial analysis and project management.

The valuation of Mineral Resources and Exploration Tenure was completed by CSA Global Principal Consultant, Mr Sam Ulrich (BSc (Hons), GDipAppFin, MAusIMM, MAIG, and FFin). Mr Ulrich has over 20 years' experience in mineral exploration and corporate services. His exploration experience ranges from grassroots to near mine resource development in Australia and Asia. Mr Ulrich is part of CSA Global's corporate team primarily working on transactions. He provides geological due diligence, independent technical reporting for mergers and acquisitions, and company listings, as well as acting as Competent Person under the JORC Code for a range of Exploration Results in gold, base metals, and uranium. Mr Ulrich is a valuation expert and VALMIN specialist, delivering technical appraisals and valuations for independent expert reports, target statements, schemes of arrangement, stamp duty assessments, asset impairments, and due diligence exercises on projects worldwide. He has extensive experience in the exploration and development of Archaean orogenic gold deposits, which combined with his mineral economics research into Australian gold mines, provides him with specialist skills in applying economic/valuation criteria to exploration targeting and ranking, and the valuation of mineral assets. Mr Ulrich has the relevant qualifications, experience, competence, and independence to be considered a



“Specialist” under the definitions provided in the VALMIN Code and a “Competent Person” as defined in the JORC Code.

The reviewer of this Report is CSA Global Principal Geologist – Valuation, Trivindren Naidoo (MSc (Exploration Geology), BSc (Hons) Geology and Applied Geology, Grad Cert (Mineral and Energy Economics), Grad Cert (Business), MAusIMM, FGSSA, Pr.Sci.Nat.).

Mr Naidoo is an exploration geologist with 20 years’ experience in the minerals industry, including 14 years as a consultant, specialising in project evaluations and technical reviews as well as code-compliant reporting (JORC, VALMIN, NI 43-101 and CIMVAL) and valuation. His knowledge is broad-based, and he has wide-ranging experience in the field of mineral exploration, having managed or consulted on various projects ranging from first-pass grassroots exploration to brownfields exploration and evaluation, including the assessment of operating mines. Mr Naidoo has completed independent evaluations and valuations of numerous mineral assets ranging from early-stage exploration properties to multiple operating mines, across various commodities and jurisdictions. He is a Registered Professional Natural Scientist (Pr.Sci.Nat) in the field of Geology with the South African Council for Natural Scientific Professions, as well as a Member of the AusIMM and Fellow of the Geological Society of South Africa (GSSA).

1.5 Prior Association and Independence

The authors of this Report have had a prior association with the Mineral Assets for EGS, prior to the recapitalising and relisting of EGS as OBM, where CSA Global completed an independent technical assessment and valuation of EGS’ Mineral Assets as at the 29 March 2019. Neither CSA Global, nor the authors of this Report, have or have had previously, any other material interest in OBM or the mineral properties in which OBM has an interest. CSA Global’s relationship with OBM is solely one of professional association between client and independent consultant.

CSA Global is an independent geological consultancy. This Report is prepared in return for professional fees based upon agreed commercial rates and the payment of these fees is in no way contingent on the results of this Report. The fee for the preparation of this Report is approximately A\$20,000. This report has drawn upon information in the previous report where unchanged.

No member or employee of CSA Global is, or is intended to be, a director, officer, or other direct employee of OBM. No member or employee of CSA Global has, or has had, any material shareholding in OBM. There is no formal agreement between CSA Global and OBM in relation to CSA Global conducting further work for OBM.

1.6 Declarations

The statements and opinions contained in this Report are given in good faith and in the belief that they are not false or misleading. The Report has been compiled based on information available up to and including the date of the Report.

The statements and opinions are based on the reference date of 22 August 2019 and could alter over time depending on exploration results, mineral prices, and other relevant market factors. In CSA Global’s opinion, nothing material has occurred up to the date of this report, since the valuation date to affect CSA Global’s technical review and valuation opinion.

The opinions expressed in the Report have been based on the information supplied to CSA Global by OBM. The opinions in the Report are provided in response to a specific request from BDO to do so. CSA Global has exercised all due care in reviewing the supplied information. Whilst CSA Global has compared key supplied data with expected values, the accuracy of the results and conclusions from the review are entirely reliant on the accuracy and completeness of the supplied data. CSA Global does not accept responsibility for any errors or omissions in the supplied information and does not accept any



consequential liability arising from commercial decisions or actions resulting from them. Opinions presented in the Report apply to the site conditions and features, as they existed at the time of CSA Global's investigations, and those reasonably foreseeable. These opinions do not necessarily apply to conditions and features that may arise after the date of the Report, about which CSA Global had no prior knowledge nor had the opportunity to evaluate.

CSA Global's valuations are based on information provided by OBM and public domain information. This information has been supplemented by making all reasonable enquiries within the timeframe available, to confirm the authenticity and completeness of the technical data.

No audit of any financial data has been conducted.

The valuations discussed in the Report have been prepared at a valuation date of 22 August 2019. It is stressed that the values are opinions as to likely values, not absolute values, which can only be tested by going to the market.

2 Davyhurst Project Overview

2.1 Location and Access

The bulk of the Davyhurst Project is situated approximately 120 km northwest of Kalgoorlie (Figure 1). The area is connected to Kalgoorlie, a major regional centre, by the sealed Kalgoorlie–Menzies Highway, with good quality gravel roads providing access throughout the project.

The landscape in the project area is relatively flat, with low hills and ridges and a total elevation range of approximately 380 m to 530 m. Hills and ridges are interspersed with gently undulating areas that are locally disrupted by breakaways or scarps. Other landforms include salt lakes, clay pans and sand dunes. The region contains a range of woodland and scrubland assemblages and has a semi-arid climate. An average annual rainfall of 260 mm is recorded in Kalgoorlie, approximately 120 km to the southeast of the project area, fairly evenly distributed throughout the year, with most reliable rain occurring during winter.

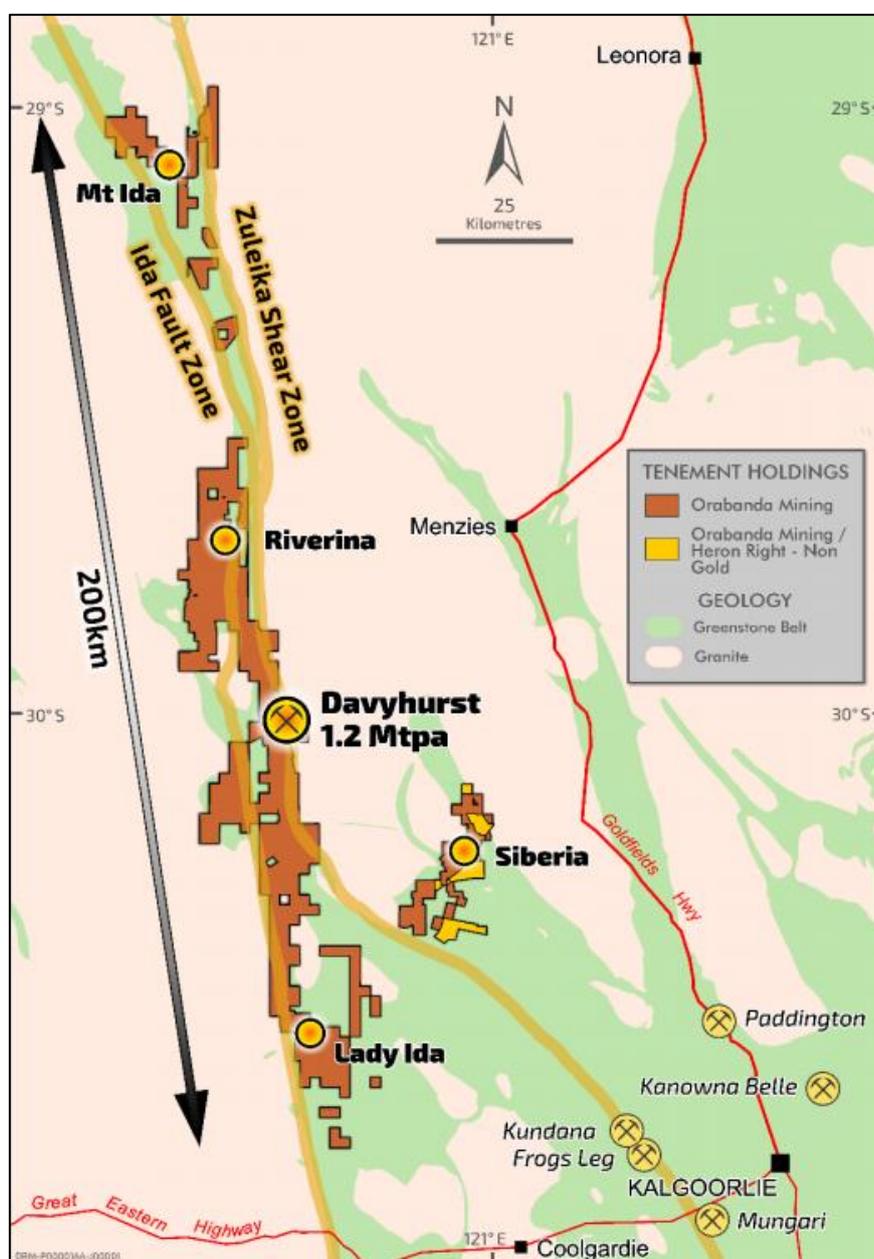


Figure 1: Location plan, showing project areas
 Source: OBM website, 2019

2.2 Ownership and Tenure

The Davyhurst Project consists of 117 licences (26 Exploration Licences, 29 Prospecting Licences, 41 Mining Licences, 19 Miscellaneous Licences and two General Purpose Licences) covering an area of 1,341.6 km². Ownership, tenement status, area, grant and expiry dates are detailed for the exploration, prospecting and mining licences in Appendix D.

Tenement information on OBM's tenements was previously provided by independent legal firm, DLA, with an update of material matters by independent legal firm, G+T. CSA Global relies on the independent opinion of DLA and G+T dated 29 March 2019 and 4 September 2019 respectively, with regards to the validity, ownership and standing of OBM's tenements. Three mining licences M16/262, M16/263 and M16/264 are subject to the Thompson forfeiture proceedings and presently have a low probability of successfully being resolved, based on communication with DLA and G+T.

2.3 Geology

The project is located within the north to north-northwest striking Davyhurst-Mount Ida Greenstone Belt, a western branch of the Norseman-Wiluna Belt. The Project encompasses a group of varied gold deposits spread over an area between Lizard in the south, Riverina in the north, and the Siberia Mining Centre in the east.

The project straddles the boundary between the Eastern Goldfields Province and Southern Cross Province and includes portions of two crustal scale faults: the Ida Fault and Zuleika Shear (Figure 1). The Ida Fault marks the boundary between the Barlee Terrane of the Southern Cross Province and the Kalgoorlie Terrane of the Eastern Goldfields Province (Swager *et al.*, 1990). The Zuleika Shear separates the Coolgardie and Ora Banda domains of the Kalgoorlie Terrane (Swager *et al.*, 1990).

More detailed geology of OBM's Mineral Resources are discussed in the following sections.

OBM has a substantial database for these project areas; the Davyhurst drilling database comprises approximately 110,600 drillholes. These holes were drilled by Western Mining Corporation (WMC), Siberia Mining Corporation (Siberia Mining), Monarch Gold Mining Corporation (Monarch), Swan Gold Mining Ltd (Swan Gold) and EGS over several decades from the 1980s, through to holes drilled by EGS up to 2018.

2.4 Operational History

There is a long history of modern gold exploration in the Davyhurst area. Gold was first discovered in the Davyhurst area in 1897, with significant historical production of gold reported between 1897 and 1937.

WMC Resources built the first modern treatment plant at Davyhurst in 1986 and the project was sold in the following year. After intermittent attempts to mine the area by a number of companies, Cons Gold purchased the mine in 1996, moved the treatment from the Bardoc Gold Mine to Davyhurst, and commenced mining. Cons Gold appointed an administrator in April 1998 and the mine was inherited by NM Rothschild & Sons (Rothschild). Rothschild continued processing until April 1999. The deposit was purchased in mid-2000 by Croesus Mining NL (Croesus) from Rothschild. Croesus made Davyhurst the first new gold mine to open in Western Australia in the new century.

Within less than a year of acquiring the mine, Croesus moved from exploration to mining and opened Giles open pit operation in May 2001. In November 2005, Croesus sold the mine to the Monarch. In June 2006, Croesus went into voluntary administration. Monarch recommenced mining at Davyhurst in June 2007 and announced its first gold pour in the following August.

In 2007, Monarch acquired additional tenure in the district including the Riverina mining centre approximately 40 km north of Davyhurst, the Mount Ida Project, the Siberia and Lady Ida projects. In 2008, Monarch went into administration. In 2010, the company was renamed Swan Gold and an attempt was



made to bring the company out of administration. This attempt failed when the linked capital raising failed.

Following a series of corporate changes between 2010 and 2016, EGS was reinstated to official quotation on the ASX on 24 March 2016, following the completion of a capital raising. EGS continued exploration and resource definition drilling in the Davyhurst, Golden Eagle, Walhalla, Mount Ida and Siberia (Sand King and Missouri) project areas.

The Missouri Mineral Resource was updated in December 2016, and Sand King in January 2017. Refurbishment of the Davyhurst mill continued throughout 2017, with the first carbon-in-pulp (CIP) gold pour completed in August 2017. Surface drilling and open pit mine development work was carried out at the Siberia Project in 2017 and 2018. Underground drilling and mine development work were carried out at the Golden Eagle deposit in 2017 and 2018.

Ferrier Hodgson was appointed as Administrators in November 2018. Following a recapitalisation, EGS was relisted as OBM in June 2019.

3 Mineral Resources

3.1 CSA Global Review and Assessment Process for this Report

The publicly reported OBM Mineral Resources summary is reproduced below in Table 3, as published most recently in an OBM presentation dated 12 August 2019. OBM has stated that, *“All Resources listed above with the exception of the Missouri and Sand King Resources were prepared and first disclosed under the JORC Code 2004 (refer to ASX release “Prospectus”, 30/4/2019). It has not been updated since to comply with JORC Code 2012 on the basis that the information has not materially changed since it was last reported. The Missouri and Sand King Mineral Resources has been updated and complies with all relevant aspects of the JORC code 2012, and initially released to the market on 15 December 2016 (Missouri) 3 January 2017 (Sand King).”*

CSA Global has reviewed the estimates in this summary, as well as work in progress by OBM staff, and in accordance with the requirements of the VALMIN and JORC codes, CSA Global has formed an opinion of the confidence that it is attributing to these estimates in accordance with its findings. CSA Global notes that OBM is in the process of updating several of these estimates and will be publishing updated estimates as soon as the work in progress can be completed and validated. Table 3 summarises CSA Global's assessment of these estimates, for the purpose of the valuation.

CSA Global's assessment has accepted the Missouri and Sand King estimates, reported in accordance with the JORC Code (2012), as being completed to acceptable contemporary industry practices.

OBM staff have completed a substantial body of work to verify older data and estimate Mineral Resources in the case of Golden Eagle, Waihi, Callion and Riverina deposits. CSA Global anticipates that these estimates are of a sufficient quality to be reported in accordance with the JORC Code (2012) but has not so far been disclosed as there remain non-technical issues resulting in failure to finalise and then publish. CSA Global is confident the estimates for Golden Eagle, Waihi, Callion, and Riverina deposits are of sufficiently similar magnitude in terms of grade, tonnage and confidence categorisation, to accept the published estimates as reasonable proxies for the purposes of the valuation process.

3.2 Mineral Resources and Ore Reserves Statement

Missouri, Sand King, Golden Eagle, Waihi, Callion, and Riverina are considered to be Group 1 estimates, and are indicated as (1) in Table 3.

The next category of confidence that CSA Global has applied is to the Lady Gladys, Forehand, Silver Tongue, Walhalla, Walhalla North, Mount Banjo, Macedon, Baldock, Meteor, and Whinnen deposits. These estimates have not seen as much verification and validation by OBM staff and are considered a lower priority. Some of the estimates are over 10 years old, reported in accordance with the 2004 Edition of the JORC Code, and in some instances, the reports accompanying the estimate are brief and do not provide sufficient detail to make a clear assessment of the methods employed. However, there is sufficient detail to allow CSA Global to accept that mineralisation and grade continuity can be reliably inferred. These estimates have been treated as equivalent to Inferred Mineral Resources for the purposes of valuation. These Group 2 estimates are shown as (2) in Table 3.

The final category of estimates has been considered to be of low confidence, having only a low amount of verifiable data with which to assess the estimates. In some cases, there is a significant amount of drilling in these areas completed over several decades spanning the 1980s up to recent drilling by EGS in 2018. This body of data will require validation in terms of twinned drillholes, resurvey of any existing collars that can be located, and the re-assaying of a set of representative samples will be required before a new estimate can be completed. In some deposits, there is a block model, and sufficient data in terms of historical exploration, and production records, to infer that some low confidence mineralisation with a

potential for economic extraction exists. CSA Global has considered these to be Group 3 estimates, with “Brownfields Potential” for eventual economic extraction and has accepted the estimate to be equivalent to Inferred levels of confidence. CSA Global has discounted the value of these resources for the purpose of its valuation to reflect this level of uncertainty. These estimates are shown as (3) in Table 3.

Table 3: Davyhurst Project Mineral Resources statement

PROJECT	MEASURED		INDICATED		INFERRED		TOTAL MATERIAL		
	'000 t	g/t Au	'000 t	g/t Au	'000 t	g/t Au	'000 t	g/t Au	'000 oz
CENTRAL DAVYHURST									
Golden Eagle (1)	0	0.0	345	2.5	311	2.6	656	2.5	54
Lights of Israel Underground (3)	0	0.0	74	4.3	180	4.2	254	4.2	35
Makai Shoot (3)	0	0.0	1,985	2.0	153	1.7	2,138	2.0	136
Waihi (1)	0	0.0	805	2.4	109	2.4	914	2.4	71
Central Davyhurst – Subtotal	0	0.0	3,200	2.2	800	2.6	3,962	2.3	296
RIVERINA/MULLINE									
Lady Gladys (2)	0	0.0	1,858	1.9	190	2.4	2,048	1.9	128
Riverina Area (1)	0	0.0	941	2.4	1,644	2.5	2,585	2.5	205
Forehand (2)	0	0.0	386	1.7	436	1.9	822	1.8	48
Silver Tongue (2)	0	0.0	155	2.7	19	1.3	174	2.5	14
Sunraysia (3)	0	0.0	175	2.1	318	2.0	493	2.0	32
Riverina/Mulline – Subtotal	0	0.0	3,515	2.1	2,607	2.3	6,122	2.2	427
SIBERIA									
Sand King (1)	0	0.0	1,773	3.3	680	3.7	2,453	3.4	272
Missouri (1)	0	0.0	2,022	3.0	409	2.6	2,431	2.9	227
Palmerston/Camperdown (3)	0	0.0	118	2.3	174	2.4	292	2.4	22
Berwick Moreing (3)	0	0.0	0	0.0	50	2.3	50	2.3	4
Black Rabbit (3)	0	0.0	0	0.0	434	3.5	434	3.5	49
Thiel Well (3)	0	0.0	0	0.0	18	6.0	18	6.0	3
Siberia – Subtotal	0	0.0	3,913	3.1	1,765	3.2	5,678	3.1	577
CALLION									
Callion (1)	0	0.0	86	2.8	83	2.3	169	2.6	14
Callion – Subtotal	0	0.0	86	2.8	83	2.3	169	2.6	14
WALHALLA									
Federal Flag (3)	32	2.0	112	1.8	238	2.5	382	2.3	28
Salmon Gums (3)	0	0.0	199	2.8	108	2.9	307	2.8	28
Walhalla (2)	0	0.0	448	1.8	216	1.4	664	1.7	36
Walhalla North (2)	0	0.0	94	2.4	13	3.0	107	2.5	9
Mount Banjo (2)	0	0.0	109	2.3	126	1.4	235	1.8	14
Macedon (2)	0	0.0	0	0.0	186	1.8	186	1.8	11
Walhalla – Subtotal	32	2.0	962	2.1	887	2.0	1,881	2.1	126
LADY IDA									
Iguana (3)	0	0.0	690	2.1	2,032	2.0	2,722	2.0	177
Lizard (3)	106	4.0	75	3.7	13	2.8	194	3.8	24
Lady Ida – Subtotal	106	4.0	765	2.3	2,045	2.0	2,916	2.1	201
Davyhurst – Total	138	3.5	12,441	2.5	8,187	2.4	20,728	2.4	1,641
MOUNT IDA									
Baldock (2)	0	0.0	136	18.6	0	0.0	136	18.6	81
Baldock South	0	0.0	0	0.0	0	0.0	0	0.0	0
Meteor (2)	0	0.0	0	0.0	143	9.3	143	9.3	43
Whinnen (2)	0	0.0	0	0.0	39	13.3	39	13.3	17
Mount Ida – Total	0	0.0	136	18.6	182	10.2	318	13.8	141
COMBINED – TOTAL	138	3.5	12,577	2.7	8,369	2.6	21,046	2.6	1,782

Source: OBM

Note: The number in the brackets reflect CSA Global's assessment for the purpose of valuation: (1) – Group 1; (2) – Group 2; (3) – Group 3.

3.3 Central Davyhurst Area Mineral Resources

3.3.1 Golden Eagle Deposit

Golden Eagle is approximately 1.8 km southwest of the 1.2 Mt/a Davyhurst processing facility and was last mined in the open pit by Croesus in 2003–2004. EGS conducted underground mining in 2017–2018.

The Golden Eagle deposit is hosted within a 10–20 m wide mineralised (quartz, silica, pyrrhotite and pyrite), sub-vertical, siliceous biotite schist. Historically, mining in the Golden Eagle pit has focused on the Central and Northern shoots. In the open pit, the entire mineralised zone was typically bulk mined with average grades of between 2.0 g/t and 2.5 g/t. Both shoots plunge north at between 20° and 30°.

The geology of Golden Eagle deposit was modelled on the basis of the location and extent of the higher-grade quartz-feldspar lode (QFL) which is generally well mineralised, within a broader schistose unit. Solid models of the QFL and schist units were constructed from drill logging. Within the larger biotite schist unit, the high-grade QFL association has been interpreted in the hangingwall position of the Northern Shoot and is the target of the current underground mining plan.

OBM staff are developing a Mineral Resource estimate for Golden Eagle, with the aim to report this model in accordance with the JORC Code (2012) upon completion.

The resource interpretation was defined on grade with the QFL and schist units guiding the shape and orientation of mineralised lodes. Along strike continuity is reasonably consistent and limited to a vertical extent of about 80 m. The mineralisation envelope was broadly based on a 3.5 g/t cut-off, to reflect underground mining methods. Minor ore zones in the hangingwall and footwall were also defined and modelled.

CSA Global has reviewed Golden Eagle for critical issues that may have an impact on its valuation and has found no material concerns, or fatal flaws. The existing published Golden Eagle estimate has been accepted by CSA Global as a proxy for the internal estimate underway by OBM staff. CSA Global is satisfied that the order of magnitude similarities in tonnage, grade and confidence classification are acceptable in the context of its valuation. CSA Global has considered this to be a Group 1 deposit for the purpose of its valuation.

3.3.2 Lights of Israel Deposit

The Lights of Israel deposit is hosted in the same mineralised (quartz, silica, pyrrhotite and pyrite), siliceous biotite schist as the Golden Eagle deposit and located 3 km north along strike of the same structure hosting Golden Eagle.

A substantial amount of data exists for Lights of Israel deposit, over 4,800 drillholes, with over 2,100 drilled between 1984 and 2016 (“modern” data), and over 2,700 drilled prior to the 1980s by WMC and other companies.

CSA Global has reviewed the drilling database and is of the opinion that this body of data will require validation in terms of twinned drill holes, resurvey of any existing collars that can be located, and the re-assaying of a set of representative samples will be required before a new estimate can be completed. However, there is sufficient data in terms of historical exploration and production records, to infer that some low confidence mineralisation with a potential for economic extraction exists. CSA Global has considered this to be a Group 3 deposit for the purpose of its valuation and has treated the entire estimate to be equivalent to an Inferred level of confidence and applied a discount to the value ascribed to the ounces.

3.3.3 Makai Shoot

The Makai Shoot is an up-dip parallel lode to the Lights of Israel Shoot where potential for underground mining and/or cutback of the existing pit was indicated but required further evaluation. Reverse

circulation (RC) drilling by Monarch in 2007 led to an in-house estimate in 2008. This estimate was classified as “Indicated” and “Inferred”, and a small “Probable” ore reserve¹ was estimated. CSA Global considers these estimates to be likely reported in accordance with the JORC Code (2004), but has not sighted any details about the estimate, apart from block model reports from three comparable estimates completed using multiple indicator kriging, ordinary kriging, and inverse distance squared methods.

However, there is sufficient data in terms of historical exploration and production records to infer that some low confidence mineralisation with a potential for economic extraction exists, despite the paucity of other information. CSA Global has considered the Makai Shoot to be a project with “Brownfields Potential”, a Group 3 deposit for the purpose of its valuation and considered the entire estimate to be equivalent to an Inferred level of confidence and applied a discount to the value ascribed to the ounces.

3.3.4 Waihi Deposit

The Waihi deposit is located approximately 1 km west of the old Davyhurst townsite. Gold was discovered at Waihi in 1897 and was mined between 1897 and 1937. Modern exploration commenced in the 1980s with several companies exploring around the historical underground workings. In 1983, WMC commenced exploration around the old Golden Eagle and Waihi workings. Modern mining at the Waihi deposit was between approximately 1987 and 1999; life of mine reconciliation records between the estimated ore reserves³ and the mill were reviewed by CSA Global.

Gold mineralisation at Waihi occurs within both altered tremolite schist and basalts and is characterised by multiple lodes and broad alteration haloes. Higher-grade gold mineralisation was interpreted to be associated with extreme silica flooding and quartz veining. Quartz veining sub-parallel to, or crosscutting the regional fabric was also interpreted within the deposit. These veins appear discontinuous, sometimes forming boudins within the ore zone.

The most recent estimate was completed by Swan Gold in 2013 (Whittle-Herbert, 2013). The estimate was completed by Swan Gold staff, and the database, block model and mineralisation wireframes and interpretation surfaces were provided to CSA Global for review. This estimate was completed using ordinary kriging and based on RC and diamond drilling data composited to 1 m. OBM staff are reviewing this model, before it is published.

CSA Global has reviewed the unpublished Waihi estimate for critical issues that may impact on its valuation and has found no material concerns, or fatal flaws. The existing published Waihi estimate has been accepted by CSA Global as a proxy for the internal unpublished estimate that is currently being reviewed by OBM staff. CSA Global is satisfied that the order of magnitude similarities in tonnage, grade and confidence classification are acceptable in the context of its valuation. CSA Global has considered this to be a Group 1 deposit for the purpose of its valuation.

3.4 Riverina/Mulline Area Mineral Resources

The geology within the Riverina/Mulline area is dominated by thin ultramafic units within a terrane of high magnesian basalt altered by amphibolite facies metamorphism, with schistose fabrics typical. Orogenic lode gold mineralisation has been deposited in a number of structural settings and lithologies. A large proportion of the project area is covered by colluvium, alluvium and laterite.

3.4.1 Lady Gladys Deposit

The Lady Gladys deposit was last mined by open cut by Croesus during the period 2002–2004. The currently published Mineral Resources are based on a resource model completed in 2003 by Croesus. However, this has NOT been depleted for material subsequently extracted by mining, which was not

³ Note: In lower case as these were not reported in accordance with the JORC Code.

completed until November 2004. CSA Global has reduced the contained ounces by 10% to allow for post-mining depletion.

No report for this Croesus resource has been found. However, in 2014 Swan Gold completed a new block model and internal mineral resource estimate for Lady Gladys which reported 1.712 Mt @ 2.08 g/t Au (115 koz) at a gold cut-off grade of 1.0 g/t using the same drill data. This is 13 koz lower than the published resource of 2.048 Mt @ 1.9 g/t Au (128 koz). CSA Global has reviewed the Swan Gold resource report (Whittle-Herbert, 2014) and consider it of adequate quality to support the published Resources and classify the resource as Inferred but not Indicated for valuation purposes; a Group 2 estimate. Additional to the classification downgrade, CSA Global has reduced the contained ounces by 10% to allow for post-mining depletion.

The Lady Gladys pit was inspected by CSA Global in February 2019. The western side of the pit is partially backfilled, but access to the pit floor is possible with the walls in good condition. Construction of a portal to exploit the resources down plunge of the pit using underground mining methods is considered the more promising development pathway, given the high stripping ratio of the cutback option. However, the resource tonnes will drop considerably with the application of a higher cut-off grade applicable to underground mining.

3.4.2 Riverina Deposit

Gold production for Riverina Gold Mine district was 117,000 t @ 14.6 g/t for 55,150 oz. Historical workings date from 1896. A phase of modern underground mining by Riverina Gold and Jann Mining occurred from 1988 to 1989. Open pit mining operation was commenced by Monarch in 2008 and ceased shortly thereafter, when all other operations were suspended. The bulk of the material removed was overburden, with the original resource remaining largely intact.

Gold mineralisation is intimately associated with quartz veining and sulphides within broader mylonite zones that also contain non-mineralised parallel quartz veins. The mylonite zones are typically 1.5 m wide with silica and biotite alteration with minor sericite, ankerite, albite and pyrite replacing pyrrhotite. Lesser amounts of arsenopyrite, galena, sphalerite, and chalcopryrite also occur. Gold occurs as native gold in grains between 0.002 mm and 0.1 mm diameter. Previous underground mining indicates that despite the presence of sulphides this gold is essentially free milling. The hangingwall and footwall rocks that occur adjacent to the mineralised zones are often bleached and silicified, but rarely contain any gold mineralisation. The four separate mineralised mylonite zones that occur are: Riverina (or Main), Murchison (or Central), Reggie, and Durham. The Riverina zone is hosted in meta-basalt and broken up into three main areas: North Area (North and Central shafts), Central Area (centred on the South Shaft) and the South Area. The Reggie zone is broken into the South and North areas.

The published Mineral Resource for the Riverina deposit is based on a resource estimation undertaken by M. Nelson of Monarch in 2008 reported in conformance with the JORC Code (2004). This estimate was documented in a resource report (Nelson, 2004) which has been reviewed by CSA Global. Comprehensive JORC Table 1 commentary was provided in the report (pp12–18). Lodes were interpreted on a nominal 1 g/t cut-off grade, 2 m downhole minimum interval, then wireframed. Previous geological mapping and interpretations were used in conjunction with the orientation of the existing workings as a guide to the sectional-based interpretation undertaken using Micromine software. The wireframes were then expanded by 0.5 m, 0.75 m, 1.0 m and 1.25 m to provide dilution and ore-loss envelopes for oxide, transitional and fresh material respectively. The 0.25 m composited assay data was constrained by the following expanded wireframes. Grade was only assigned to blocks within the relevant wireframe. Grade assignment was dominated by one lode shape at a time. Volumes with drill spacing of predominantly 20 m x 20 m through the mineralised zones were classified as Indicated Resources.

Early estimates of the Riverina resources were made by previous explorers: Aztec Mining in 1991, Riverina Gold Mines NL in 1994, and Riverina Resources in 2005 and 2007. A subsequent in-house estimate was

completed by R. Whittle-Herbert of Swan Gold in 2014 utilising the Multiple Indicator Kriging interpolation method for grade estimation (Whittle-Herbert, 2014). A JORC Table 1 with Sections 1, 2 and 3 was included in the resource report by Whittle-Herbert, but these resource figures are not published.

Considerable drilling exists which was not available for these resource estimates. Grade control drill data exists for the upper benches mined by Monarch in 2008. EGS undertook significant drilling at Riverina including 53 diamond drillholes for 7,750 m and 77 RC drillholes for 4,611 m. Structural measurements from orientated core have been made and these are being utilised in a re-interpretation of the lode geometry currently in progress by OBM. The revised wireframes and additional drill data will be used for a new resource estimation in 2019.

The Riverina deposit was inspected by CSA Global in February 2019.

CSA Global has elected to accept the Riverina Mineral Resources as classified in the OBM published statements (Indicated and Inferred) and has considered this model to be a Group 1 estimate for the purposes of valuation of the mineral asset.

3.4.3 Forehand Deposit

Situated 1 km east of Riverina, the unmined Forehand deposit is hosted within dolerite that is bounded by highly altered and sulphidised basaltic rocks. The geometry and structures controlling this mineralisation have not yet been determined adequately by existing drilling. The saprolite mineralisation appears predominantly supergene, with a flatter, shallow east dipping orientation. The primary gold mineralization dips moderately steeply to steeply to the east, localised in generally narrow, multiple lodes.

The published Mineral Resource for the Forehand deposit is based on a resource estimation undertaken by M. Nelson of Monarch in 2008 reported in conformance with the JORC Code 2004. This estimate was documented in a resource report (Nelson, 2008) which has been reviewed by CSA Global. A reasonably detailed level of JORC Table 1 commentary was provided in the report along with figures, sections, statistical plots, quality assurance and quality control (QAQC) plots, tables and validation graphs. Lodes were interpreted on a nominal 1 g/t cut-off grade, 2 m downhole minimum interval, then wireframed.

Previous geological interpretations were used as a guide to the June 2008 interpretation. The wireframes were then expanded by 0.5 m, 0.75 m, 1.0 m and 1.25 m to provide dilution and ore-loss envelopes for oxide, transitional and fresh material. The 0.25 m composited assay data was constrained by the following expanded wireframes. Grade was only assigned to blocks within the relevant wireframe. Grade was estimated using Inverse distance cubed on ellipsoids oriented parallel to the wireframes. Separate estimation runs were made for the bedrock mineralisation and the supergene mineralisation, with the supergene overwriting the bedrock estimation where applicable.

Drilling data comprised 73 RC holes for 6,957 m, with a mix of historical and relatively recent drilling with corresponding modest and good quality data. A nominal 25 m x 25 m pattern with infill to 25 m x 12.5 m was completed for the shallower mineralisation, with drill coverage below the 360 mRL on a 50 m x 25 m grid. A high-grade cut of 15 g/t Au was applied to the composited samples used in the estimation. The resource estimation is based on a nominal economic open-cut mining cut-off grade of 1 g/t Au.

This deposit was not covered by the site inspection as no recent work had been conducted there.

CSA Global has elected to treat all the Forehand Resources as Inferred, and consider this estimate to be in Group 2, for the purposes of valuation of the mineral asset.

3.4.4 Silver Tongue Deposit

Situated 1 km east of Riverina and north of Forehand, the unmined Silver Tongue deposit is hosted within a single north-northwest striking steep east-dipping quartz reef which lies within an envelope of sheared fine to medium grained mafics exhibiting increased biotite and silica alteration adjacent to the quartz reef.

Two moderately south-plunging high-grade gold shoots have been defined and coincide with the hinge points where the reef changes dip. The northern ore shoot has a strike length of ~50 m and has been defined over 190 m down plunge to 130 m vertical depth. The southern ore shoot has a strike length of ~25 m and has been defined over 60 m down plunge to 80 m vertical depth. Both ore shoots are open down plunge. Gold mineralisation is depleted within the saprolite zone to approximately 30 m and has been remobilised within the saprock into a broad zone of low-grade gold mineralisation between 30 m and 70 m.

The published Mineral Resource for the Silver Tongue deposit is based on a resource estimation undertaken by M. Nelson of Monarch in 2007 reported in conformance with the JORC Code (2004). This estimate was documented in a resource report (Nelson, 2007) which has been reviewed by CSA Global. A basic level of JORC Table 1 commentary was provided in the report (pp11–16). No geological boundaries were interpreted. Wireframes were based on a combination of grade and quartz content for the main “reef” and grade only for the other lodes. Drilling data comprised 47 RC holes for 5,202 m, all post-2002 with good rigs, survey, logging, sampling, fire assay and well documented, but lacking assay QAQC data. Inverse distance cubed was used for grade estimation. Grade assignment was domained one lode wireframe shape at a time. Separate estimation runs were made for the “bedrock” mineralisation and the supergene mineralisation, with the supergene overwriting the bedrock estimation where applicable. The wireframes used for domaining incorporated different dilution parameters for oxide, transitional and fresh material. A high-grade cut of 20 g/t Au was applied to the composited samples used in the estimation. The resource estimation is based on a nominal economic open-cut mining cut-off grade of 1 g/t Au.

This deposit was not covered by the site inspection as no recent work had been conducted there.

CSA Global has elected to treat all the Silver Tongue Resources as Inferred and consider this to be a Group 2 estimate for the purposes of valuation of the mineral asset.

3.4.5 Sunraysia Deposit

The Sunraysia deposit, 25 km north of Davyhurst, was discovered by rotary air blast (RAB) drilling and follow-up RC and diamond drilling. Exploration RC and diamond drilling have defined a mineral resource, estimated by Monarch in 2007. The resource remains open at depth and along strike. The southern extension of the trend remains open for over 200 m to the nearest RAB drillhole. The gold mineralisation is hosted in a main quartz-carbonate-sulphide reef, with free gold identified in diamond core, and one to two subsidiary lodes hosted by strongly altered amphibolite rock. The main reef is continuous for over 400 m and remains open to the south.

This deposit was not assessed during the CSA Global site inspection as no EGS work had been conducted there.

OBM could not locate a resource report to substantiate the stated Mineral Resource estimates for this deposit. OBM only provided a single page report, “Block Model Report” dated May 2007, which was just an output from Surpac. Therefore, CSA Global has elected to treat Sunraysia as a project with “Brownfields Potential”, a Group 3 deposit for the purposes of valuation of the mineral asset. CSA Global has considered this to be equivalent to an Inferred level of confidence and applied a discount to the value ascribed to the ounces to reflect the uncertainty.

3.5 Siberia Area Mineral Resources

The gold deposits in the northern part of the Siberia mining centre can be classified as vein-type deposits, because the highest-grade and most persistent shoots of gold mineralisation are associated with quartz vein arrays. In these zones, quartz veins are surrounded by wall-rock alteration haloes up to 1 m wide. Depending on the vein density, the alteration haloes may overlap or, where the veins are widely spaced,

the haloes may be separated by unaltered basalt. The common mineralisation assemblage has been termed BICA⁴ by Jon Standing.

Metallurgically, the dominant sulphide minerals include pyrrhotite and pyrite, with pyrrhotite often replacing pyrite. Sulphide abundance ranges from 0.1% (trace) to 7%, averaging 1% to 2%. Biotite alteration is also found surrounding porphyry dykes and mineralisation is sometimes recorded in the alteration and on outer margins of the dykes.

Mineralisation associated with the porphyries is not part of the ore feed, but minor amounts may report to the ROM where proximal to the ore zones.

Historical gold production in the Siberia region has principally come from four pits (Sand King, Missouri, Palmerston and Camperdown) sporadically mined by WMC, Siberia Mining and Monarch during the period 1980–2008. A large number of small underground shafts and workings mined in the period from 1897 to 1930 are spread over a number of different reefs and “lines of lode”.

3.5.1 Sand King Deposit

The Sand King deposit is in the Siberia Project area, approximately 40 km southeast of the Davyhurst mill. The deposit was mined predominately by WMC. Significant supergene mineralisation was reported from the WMC mining period.

Two alteration events are reported at Sand King (Thompson, 2017); an initial pervasive greenschist alteration related to metamorphism, and a later hydrothermal alteration related to shearing. The shears are believed to have acted as conduits to hydrothermal fluids causing localised alteration and gold mineralisation. Commonly alteration associated with mineralisation is in the form of an assemblage of minerals namely biotite-carbonate-feldspar-pyrrhotite-pyrite.

Thomson (2017) describes gold mineralisation being characterised by biotite shear zones containing quartz extension veins, occurring as individual planar extension veins, or as arrays of variably sigmoidal extension veins arranged en-echelon within the shear zones, or as shear veins. Gold mineralisation is described as typically occurring in a series of quartz veined, biotite-albite-calcite-pyrite-pyrrhotite lodes, with lode alterations typically extending 1–1.5 m away from the quartz veining. Infrequent zones of alteration up to 5 m from veining were also noted. Thompson (2017) noted that mineralisation at Sand King deposit mirrors that at the Missouri deposit further to the south, with gold located within alteration haloes either side of quartz ± carbonate veining.

As described by Thomson (2017), mineralised lode interpretation was based on a 1 g/t Au cut-off, guided by the presence and intensity of quartz veining and the dominantly biotite-rich alteration, relying on the intensity of alteration to determine the boundary of the mineralised lode.

Only 1 m RC and diamond composites were used to estimate grade; blast holes were used to support interpretation but not used for estimation. Lodes were generally interpreted on oblique northwest-southeast sections. In total, 39 lodes were defined across four main domains: South, Central, North and South Supergene. Top cuts ranging between 10 g/t and 30 g/t Au were applied by lode, following review of domain and lode geometry and statistics. Variography for four main representative lodes was adopted for the smaller lodes, and blocks were estimated using ordinary kriging, in four estimation passes increasing search ranges and decreasing minimum composites for each estimation pass.

The estimate was depleted by applying a mined surface surveyed in 2006 (Thomson, 2017), as this was the most representative “as built” prior to subsequent pit wall collapse and flooding. Where appropriate, the 2006 survey was superseded in part by a drone survey conducted by Arvista in 2016. CSA Global would recommend a check survey be completed prior to detailed mine design work based on this estimate.

⁴ BICA = biotite-calcite-albite (or plagioclase)-sulphide alteration.

CSA Global is of the opinion however, that this surface is of sufficient accuracy to not present a material issue for the purpose of our valuation. Figure 2 illustrates this surface and the mineralisation wireframes.

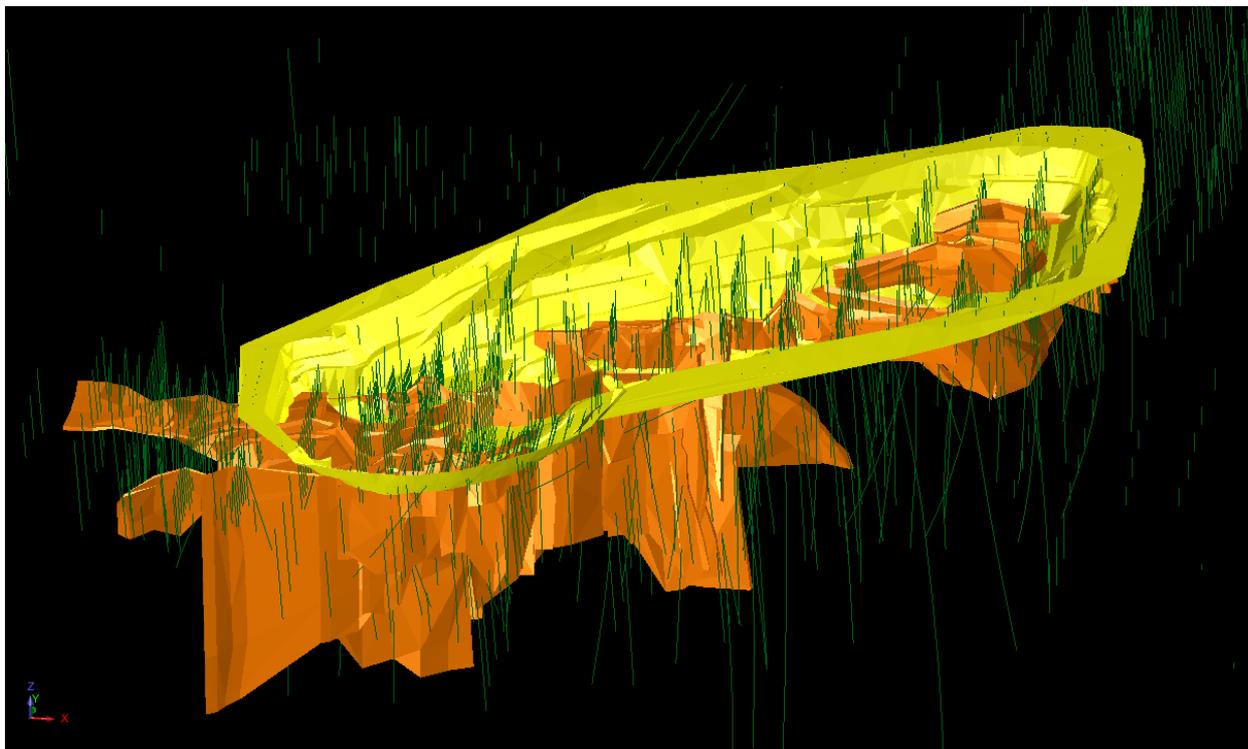


Figure 2: Sand King mineralisation wireframes and mined pit surface, looking north

Thomson (2017) reported only limited testwork completed on density samples and described ongoing testing by EGS to confirm these results. The density values applied in the estimate are reasonable for the lithologies described, and CSA Global endorse the further work underway as critical for improving the confidence classification for future estimates but is of the opinion that the current classification of Indicated and Inferred are appropriate to reflect the current situation.

CSA Global has reviewed the 2017 EGS estimate for critical issues that may have an impact on our valuation and has found no material concerns, or fatal flaws. The Sand King estimate has been accepted by CSA Global as an estimate reported in accordance with the requirements of the JORC Code (2012). CSA Global has considered this to be a Group 1 deposit for the purpose of its valuation.

The Sand King open pit was inspected by CSA Global in February 2019.

3.5.2 Missouri Deposit

The Missouri deposit is located approximately 37 km southeast of the OBM processing plant at Davyhurst. Missouri deposit was discovered by WMC in the 1980s. An extensive drill program was undertaken, resulting in a resource estimate. This resource was mined until 1991. Siberia Mining mined the Missouri deposit between 2004 and 2005, and Monarch completed a short mining episode in early 2008. Mining was concentrated in the north and west of the pit.

Whittle-Herbert (2016) describes the nature of gold mineralisation and alteration at Missouri to be that of a stacked series of biotite-albite (or plagioclase)-calcite-pyrrhotite-pyrite shear lodes and quartz reefs. Pyrrhotite is described as the dominant sulphide, with much of it having a cubic habit suggesting it is replacing pyrite. Whittle-Herbert (2016) notes the quartz veins show a variety of styles ranging from sigmoidal extension veins, shear veins and breccia textured veins. Visible gold is noted within quartz veins as well as associated with disseminated sulphides and pyrite-quartz veinlets. Gold grades appear to increase with the increase in size of sulphide minerals.

Interpretation of the mineralisation lodes were based on a 1 g/t Au cut-off and guided by the presence and intensity of quartz veining and the dominantly biotite-rich alteration. Figure 3 illustrates the interpreted mineralisation lodes.

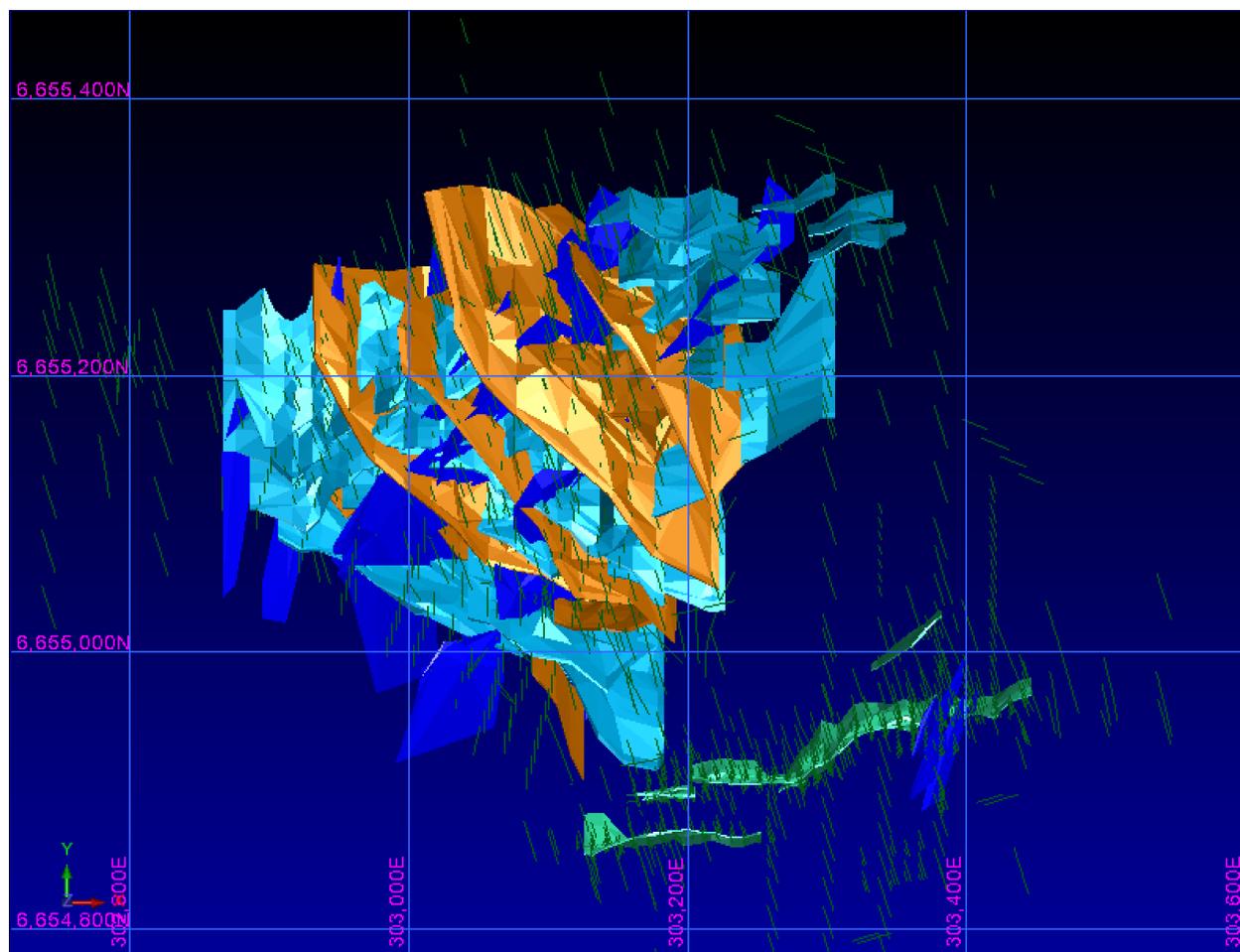


Figure 3: Missouri mineralised lodes

One-metre RC and diamond drilling composites were used to inform the interpretation, with supplementary guidance using blast hole drilling data which was not however used for grade estimation. Lodes were generally interpreted on north-south sections which were then wireframed to produce valid solids. A total of 54 lodes were defined, in four domains, with the greater majority of lodes in the domain oriented east-west and dipping shallowly to the north, and smaller numbers of lodes oriented northwest-southeast, northeast-southwest and to the southeast of the Missouri pit.

Statistical review completed by ESG, by domain and oxidation state, indicated that within the four primary estimation domains, there was no need to further subdivide the estimation domains by oxidation state. A top cut of 30 g/t Au was applied to the estimation composites, impacting 30 out of approximately 4,660 composites.

Variography was examined using data from single lodes with sufficient data to represent the primary domain orientation. In most cases, the variogram parameters derived from these single lodes were applied to the other lodes within the same domain. In some circumstances, the lode orientation dictated the use of parameters from another domain which better reflected the orientation. The smaller lodes where there was insufficient data for variography were assigned parameters suited to their orientation. The variogram parameters modelled, with a moderately high nugget of between 40% and 50%, and first structure ranging approximately between 35 m and 55 m, is typical for this geological setting.

Grades were estimated using hard lode boundaries and ordinary kriging in three estimation passes; with increasing search distances and reduced minimum samples with each pass.

Whittle-Herbert (2016) noted that there had been very little work completed on the bulk density of mineralised and waste material in the Siberia project area, and the density values adopted were primarily based on limited testwork. These values appear to be reasonable for the lithologies involved and are acceptable for the purposes of CSA Global's valuation. CSA Global endorses OBM's intent to complete further testwork to refine the understanding of bulk density value for the Missouri deposit, to support detailed mine planning and design.

Mining depletion was applied using the mined surface digital terrain model (DTM) "sibsite_mined06_2008.dtm" produced by Monarch at the end of mining in 2008. Where appropriate, the 06-08 survey was superseded in part by a drone survey conducted by Arvista in 2016. CSA Global recommends that check surveys be completed prior to mining to test the accuracy of this depletion surface, should a greater level of accuracy be required.

CSA Global has reviewed the 2016 EGS estimate for critical issues that may have an impact on its valuation and has found no material concerns, or fatal flaws. The Missouri estimate has been accepted by CSA Global as an estimate reported in accordance with the requirements of the JORC Code (2012). CSA Global has considered this to be a Group 1 deposit for the purpose of its valuation.

The Missouri open pit was inspected by CSA Global in February 2019.

3.5.3 Palmerston/Camperdown Deposit

The Palmerston pit was mined by WMC in the 1980s with mineralisation continuing northwards across a tenement boundary into the Camperdown deposit, as mined by Julia Mines NL at the same time. The Palmerston deposit was again mined in 2004, by Siberia Mining.

The Palmerston/Camperdown deposit is hosted within mafic lithologies with a very shallow weathering profile. Mineralisation occurs within a steep dipping shear zone 1–10 m wide with associated quartz veining and alteration. The shear zone curves from 090° at the south-western portion of the deposit and changes strike to approximately 030° through the central portion before curving to 070° at the northeast portion of the deposit, in a sigmoidal form. The dip was described to remain reasonably consistent at approximately 70° to the north and west (PCF, 2010).

EGS drilled 10 RC holes in the Palmerston portion of this deposit in 2018, and the remaining 945 holes were drilled between 1987 and 2006 by WMC, Monarch, Siberia Mining and Swan Gold. These were a mixture of what appears to be grade control, RC and RAB holes.

This deposit was not reviewed in detail by CSA Global. Its opinion is based on reviewing the EGS drilling database and a brief description of the project in the 2010 PCF memorandum. The deposit was not assessed during the CSA Global site inspection as only minimal work by EGS had been conducted there.

OBM has located a block model for this estimate, and records indicate it was likely estimated using inverse distance squared in 2004. OBM could not provide a resource report or any substantial data to substantiate the declared Mineral Resource estimates for this deposit, apart from a single spreadsheet, "Block Model Report" dated 28 June 2008, output from the Surpac block model reporting function.

CSA Global has elected to treat the Palmerston/Camperdown deposit as a project with "Brownfields Potential", a Group 3 deposit for the purposes of valuation of the mineral asset. CSA Global has considered this be equivalent to an Inferred level of confidence and applied a discount to the value ascribed to the ounces to reflect the uncertainty.

3.5.4 *Berwick Moreing Deposit*

The Berwick Moreing deposit is part of the Siberia project area but has not seen any recent exploration or development. WMC explored the area for nickel in the 1970s in conjunction with its ground holdings to the west at Davyhurst, which included ground geophysics (transient electromagnetics and induced polarisation) and widely spaced vertical RAB drillholes. Mining by WMC in the 1990s, to the south of the tenement boundary on the north-south striking Invincible Shear produced the Palmerston pit, whilst mining by Julia Mines NL to the north produced the Camperdown and Berwick Moreing pits (PCF, 2010).

OBM was able to locate a brief unattributed memorandum (possibly by M. Rigby of Croesus sometime between 2001 and 2005) in relation to this deposit, which outlined the inverse distance squared estimation technique used, and estimation parameters. This same memo expressed a concern that the data supporting the estimate required verification, for there to be any confidence in the estimate. The deposit was not assessed during the CSA Global site inspection as only minimal work by EGS had been conducted there.

CSA Global has not reviewed this deposit in detail and has elected to treat the Berwick Moreing deposit as a project with “Brownfields Potential”, or a Group 3 deposit for the purposes of valuation of the mineral asset. CSA Global has considered this to be equivalent to an Inferred level of confidence and applied a discount to the value ascribed to the ounces to reflect the uncertainty. CSA Global’s opinion is based on reviewing the EGS drilling database and a brief description of the project in the 2010 PCF memorandum.

3.5.5 *Black Rabbit Deposit*

The Black Rabbit resource is located at the southern extent of the Siberia Mining camp, 40 km from the Davyhurst processing plant. Mineralisation is hosted by mainly ultramafic rocks (Siberia Komatiite), with some production from underlying quartz-biotite-plagioclase schist. The two main mineralised structures approximately follow the contact between komatiitic rocks and underlying felsic schists. The more northerly structure trends 110–120° and dips northeast; the more southerly structure trends 150–160°, and dips 40–60° east. Both shear zones are described as being approximately 12 m wide and containing only minor quartz veins (PCF, 2010).

Four diamond holes were drilled in the Black Rabbit deposit by Swan Gold in 2013. Of the 118 drillholes in total at the Black Rabbit deposit, 111 were RC and the remaining three were RAB holes. Majority of the holes in this deposit were drilled by Siberia Mining in 2003.

Historical production records have not been located for the Black Rabbit deposit. Archived EGS information relating to the deposit indicate that the model was estimated in 2008. PCF (2010) attributes the estimate to Monarch, using data from drilling completed by Siberia Mining in 2003. Due to issues with the drilling database, the resource has been reported as Inferred category only (PCF, 2010).

CSA Global has not reviewed this deposit and has elected to treat the Black Rabbit deposit as a project with “Brownfields Potential”, or a Group 3 deposit for the purposes of valuation of the mineral asset. CSA Global has considered this to be equivalent to an Inferred level of confidence and applied a discount to the value ascribed to the ounces to reflect the uncertainty.

3.5.6 *Thiel Well Deposit*

OBM has not managed to collate much information about the Thiel Well deposit. It was drilled between 1987 to 2001, for a total of 585 drillholes. These are mainly RC holes but include 31 diamond drillholes by WMC in 1989, and 11 unattributed RAB holes.

CSA Global has elected to treat the Thiel Well deposit as a project with “Brownfields Potential”, or a Group 3 deposit for the purposes of valuation of the mineral asset. CSA Global has considered this to be equivalent to an Inferred level of confidence and applied a discount to the value ascribed to the ounces

to reflect the uncertainty. CSA Global's opinion is based on reviewing the drilling database, a Placer Dome Asia Pacific memo (Allen, 2003) and CSA Global's inspection of the Thiel Well deposit in February 2019.

3.6 Callion Area Mineral Resources

3.6.1 Callion Deposit

There has been a substantial amount of drilling completed in the Callion deposit, including 68 holes by EGS, of which nine were diamond drillholes and 59 RC. All told, there were 1,239 holes drilled in the Callion deposit between 1984 and 2017; of these, 691 are grade control holes when the deposit was mined by Croesus in 2004–2005.

Previous exploration drilling in Callion deposit was completed by various companies annotated in the database as: Metallges (Metallgesellschaft of Australia Pty Ltd), Lubbock (Lubbock Nominees), WMC, Lonestar (Lonestar Resources Ltd), Centamin (Centamin plc), Crest (Crest Resources Australia NL), Delta (Delta Gold), Croesus (Croesus Mining), Consgold (?) and Monarch (Monarch Gold Mining Company).

Nelson (2008) observes that gold mineralisation in the Callion area occurs in several sub-parallel, mostly steeply dipping, north to north-northwest striking quartz veins in pillow basalts. Gold distribution at the Callion deposit is interpreted to have an overall north-northwest strike and is sub-vertical to steeply (>80°) east-northeast dipping, with internal north to north-northwest striking mineralisation trends.

Observations by SRK (2006a) at Callion suggest that the overall trend of mineralisation swings from north-northwest in the south to more westerly in the north. There is a series of subsidiary shears dipping 25° to 160°. Mineralisation is in deformed quartz veins dipping 60° to 055°.

Nelson (2008) describes the quartz veins at Callion as complex fault zones associated with felsic rocks, either primary quartzite layers or early recrystallised porphyry intrusions. Mineralisation is in a silicified zone cut by an east-dipping foliation refracted through the mineralised zone. Thin quartz veins were also present parallel to this refracted foliation. Nelson (2008) speculates that these relationships suggested that mineralisation may have been controlled by heterogeneous shearing on the pre-existing fabric, caused partially by the flow state differences between silicified zones and the surrounding basalt. Nelson (2008) describes the Callion deposit as consisting of several sub-parallel quartz vein lodes trending north to north-northwest. The main vein mined in the Callion pit has been traced in intermittent outcrop over a strike length in excess of 1.5 km.

The published estimate in the OBM resources summary was estimated by Nelson (2008). This was an open pit only estimate, which did not examine data below 350 mRL. This estimate reports an Indicated and Inferred resource and describes potential to extend the resource to the south and at depth below the southern extent of the current pit, as well as potential to define an underground resource through additional drilling.

PCF (2010) notes that significant underground mining was undertaken in the late 1980s and early 1990s and the extent of this mining was not clearly determined at the time as no underground survey data was available.

Since then, there has been an underground Mineral Resource estimate completed by Whittle-Herbert (2015) for Swan Gold which incorporated mostly underground face and stope sampling digitised from scanned and registered historical plans and long sections. This resource was classified in accordance with the JORC Code (2012) as an Inferred estimate, and mining depletion was removed in the estimate. This estimate was not publicly released. Whittle-Herbert (2015) concluded that the sample density was sufficient to warrant classification; however, uncertainty in sample and stope/drive locations and underground sample quality limited the resource to an Inferred classification. Further drilling was considered necessary to increase confidence and reduce potential high-grade extrapolation where data is sparser. The method applied to derive this estimate was consistent with other deposits in the Davyhurst

project – a geological envelope was interpreted guided by geology and a nominal 1.0 g/t Au cut-off and including sub-grade material where geological lode continuity was evident. Statistical analysis of domained weathering types and combined composite sample data was completed, and high-grade outliers were identified, requiring the use of a top cut of 45 g/t Au. Grade estimation was completed in three passes using inverse distance squared weighting and the estimate was classified as Indicated and Inferred.

In 2016 and 2017, EGS drilled 68 holes, of which nine were diamond drillholes and 59 were RC, to continue to test the mineralisation at Callion. The current 2018 estimate by OBM staff using this data is in progress and will be signed off and reported in accordance with the JORC Code (2012) in due course, once it is fully checked and validated. The work in progress in terms of database, wireframes, surfaces, and block model were provided to CSA Global for high level review. The review of density data is recommended by CSA Global.

CSA Global has found no material issues that would impact its valuation. The estimate in progress has potential to be larger than the estimate currently declared, and CSA Global has elected to accept the currently declared estimate as an acceptable proxy for the purpose of valuing the Callion deposit as a Group 1 estimate. Any future upside is noted but has not been factored into CSA Global's valuation. The Callion deposit was inspected by CSA Global in its February 2019 site visit.

3.7 Walhalla Area Mineral Resources

The Round Dam Trend hosts the Federal Flag, Walhalla, Walhalla North, Mount Banjo, Macedon and Salmon Gums prospects situated along an overall north-northwest trending contact between a basalt and an ultramafic unit to the east. Lithologies include a sequence of fine-grained clastic sedimentary rocks, dolerite, basalt, felsic volcanic and volcanoclastics. Most rocks are moderately to strongly foliated and regionally metamorphosed to upper greenschist-amphibolite facies.

3.7.1 Federal Flag Deposit

The Davyhurst database contains approximately 1,240 RC and RAB holes, of which the majority (approximately 70%) were drilled by Monarch in 2007. OBM could not locate a resource report to substantiate the stated Mineral Resource estimates for this deposit. OBM only provided a single page report "Block Model Report" which was just an output from Surpac. The "Measured (CLASS=1)" number was 31,000 tonnes higher than the stated resource; however, the IND and INF figures did match. OBM (Todd Tuffin) comment: "Possibly a transcription error of the measured resources from this block model report into the resource spreadsheet. The indicated and inferred resources are correct. Error understates total ounces." CSA Global has elected to treat the Federal Flag deposit as a project with "Brownfields Potential" or a Group 3 deposit for the purposes of valuation of the mineral asset. CSA Global has considered this to be equivalent to an Inferred level of confidence and applied a discount to the value ascribed to the ounces to reflect the uncertainty.

The Federal Flag open pit was inspected by CSA Global in February 2019.

3.7.2 Salmon Gums Deposit

OBM could not locate a resource report to substantiate the stated Mineral Resource estimates for this deposit. The Davyhurst database does however have 446 RAB and RC holes in this deposit drilled by Monarch and Croesus, between 1987 and 2006.

CSA Global has elected to treat Salmon Gums as a project with "Brownfields Potential" (Group 3 estimate) for the purposes of valuation of the mineral asset.

This deposit was not covered by the CSA Global site inspection.

3.7.3 *Walhalla Deposit*

The Walhalla deposit is hosted by talc-chlorite mafic schist. The schist unit is surrounded by moderately massive tholeiitic basalt intercalated with thin dolerite and high magnesium basalt units. The schist is typically between 10 m and 20 m thick and has a strongly developed shear fabric. At Walhalla there appears to be multiple lenses of mineralised schist with the basaltic units to the west and sedimentary and volcanoclastic units to the east. The mineralisation occurs in tabular lodes with an overall north-northwest-trend and steep (>70°) westerly dip with a shallow (~10°) southerly plunge to mineralisation.

The Mineral Resource estimate for Walhalla was reported by Monarch to JORC Code (2004) based on a resource modelling and estimation report: "Davyhurst Gold Project Walhalla - Macedon - Mt Banjo - Walhalla North Deposit Resource Estimation Report" dated November 2007 by M. Nelson. The report adequately covers the various technical requirements and incorporates a JORC Code Table 1 commentary. Based on a review of this report, CSA Global considers that adequate data is available to substantiate the stated mineral resources but not the classification at the Indicated Resource confidence level.

CSA Global has elected to treat all the Walhalla Resources as Inferred (Group 2 estimate) for the purposes of valuation of the mineral asset.

The Walhalla open pit was inspected by CSA Global in February 2019.

3.7.4 *Walhalla North Deposit*

The Mineral Resource estimate for Walhalla North was reported by Monarch to JORC Code (2004) based on a resource modelling and estimation report (Nelson, 2007). The report adequately covers the various technical requirements and incorporates a JORC Code Table 1 commentary. Based on a review of this report, CSA Global considers that adequate data is available to substantiate the stated mineral resources but not the classification at the Indicated Resource confidence level.

CSA Global has elected to treat all the Walhalla Resources as Inferred (Group 2 estimate) for the purposes of valuation of the mineral asset.

The Walhalla North deposit was inspected by CSA Global in February 2019.

3.7.5 *Mount Banjo Deposit*

The Mineral Resource estimate for Mount Banjo was reported by Monarch to JORC Code (2004) based on a resource modelling and estimation report (Nelson, 2007). The report adequately covers the various technical requirements and incorporates a JORC Code Table 1 commentary. Based on a review of this report, CSA Global considers that adequate data is available to substantiate the stated mineral resources but not the classification at the Indicated Resource confidence level.

CSA Global has elected to treat all the Walhalla Resources as Inferred (Group 2 estimate) for the purposes of valuation of the mineral asset.

This deposit was not covered by the site inspection as no recent work had been conducted there.

3.7.6 *Macedon Deposit*

The Mineral Resource estimate for Macedon was reported by Monarch to JORC Code (2004) based on a resource modelling and estimation report (Nelson, 2007). The report adequately covers the various technical requirements and incorporates a JORC Code Table 1 commentary. Based on a review of this report, CSA Global considers that adequate data is available to substantiate the stated mineral resources but not the classification at the Indicated Resource confidence level.

CSA Global has elected to treat all the Walhalla Resources as Inferred (Group 2 estimate) for the purposes of valuation of the mineral asset.

This deposit was not covered by the site inspection as no recent work had been conducted there.

3.8 Lady Ida Area Mineral Resources

The Lady Ida area was not covered in the site inspection by CSA Global as it is located 50 km south of Davyhurst and recent rain had made vehicle access problematic. Little recent work had been conducted at Lady Ida.

3.8.1 Iguana Deposit

The Iguana deposit is located 50 km south of Davyhurst. A historical pit has extracted the bulk of the oxide portion of the deposit. It is hosted in strongly foliated biotite-amphibole schists intruded by quartz-feldspar pegmatite dykes and felsic porphyry. Mineralisation is in a fault zone striking 320°, with abundant quartz veins with variable thickness.

Early drilling was by Delta Gold and Siberia Mining. Monarch undertook further RC drilling to better define the orientation and continuity of the ore zones, and to determine the strike extent of mineralisation, which remains open to the north. Additional drilling is required to determine the northwest extent of mineralisation. Monarch undertook air-core drilling along the eastern margin of the pit to define a laterite resource (PCF, 2010).

Monarch estimated a remnant resource for the Iguana deposit which is the source of the reported JORC Code (2004) Mineral Resource. However, OBM has been unable to find the resource report pertaining to this estimate by Monarch.

CSA Global has elected to treat Iguana as a project with “Brownfields Potential” (Group 3 estimate) for the purposes of valuation of the mineral asset.

3.8.2 Lizard Deposit

The Lizard deposit is located 7 km southeast from Iguana. The lode is north striking with a foliation dipping 65° towards 070° hosted in a thin chlorite-amphibole altered tholeiitic metabasalt within a sequence of chloritic ultramafics. Gold mineralisation is associated with a zone of shearing which has preferentially followed the basalt contacts. Mineralised zones are continuous along strike and down dip, and have a width of 5 m to 10 m. There is a gap in mineralisation at the saddle, between the northern and southern parts of the 500 m long, 75 m wide and 55 m deep Lizard final pit. Mineralisation continues to the south, plunging at about 30°. Mineralisation also remains below the pit, particularly in the south. Potential for parallel zones of mineralisation exist with isolated significant gold intercepts encountered in sterilisation drilling for the waste dump. Delta (Placer Dome) estimated a remnant resource for the Lizard deposit which is the source of the reported JORC Code (2004) Mineral Resource (PCF, 2010). However, OBM has been unable to find the resource report pertaining to this estimate.

OBM has not undertaken any drilling at Lizard. Potential exists to extend the resource, especially to the north where previous RC drilling has intersected ore-grade mineralisation at shallow depth, and below the current base of pit (PCF, 2010).

CSA Global has elected to treat Lizard as a project with “Brownfields Potential” (Group 3 estimate) for the purposes of valuation of the mineral asset.

3.9 Mount Ida Area Mineral Resources

The Mount Ida Project area is located in the northern-most part of the Mount Ida (or Ularring) Greenstone Belt which is the western-most subdivision of the regionally extensive Norseman-Wiluna belt. This Mount Ida area was not covered in the site inspection by CSA Global as it is located 80 km north of Davyhurst and recent rain had made vehicle access problematic. Little recent work had been conducted on the Mount Ida deposits.



All the Mount Ida deposits were reviewed on the basis of a report prepared by Cervojo (2008) which details estimates for Baldock, Meteor, Whinnen and Baldock South, and a memorandum prepared by PCF (2010_a). The estimates are based on a nominal 0.5 g/t Au mineralisation envelope which includes some lower grade material, where geological continuity is warranted. The interpreted deposit geometry is sub-parallel to local grid. A top cut of 50 g/t Au was applied, and ordinary kriging was used to estimate grades.

The estimates reported in the published OBM Mineral Resources summary are slightly different from the estimates detailed in the report by Cervojo (2008) and PCF (2010_a). However, as the difference is not considered to be material, CSA Global has elected to accept the published estimates and consider the estimates to be Group 2 estimates, or the equivalent to an Inferred level of confidence.

4 Exploration Potential

Exploration opportunities in the greater Davyhurst area include targeting extensions to the known mineralised trends such as the Waihi and Python trends. A greater understanding of the geometry and structural controls of the mineralisation within the previously mined open pits, would allow drill targeting of potential down-plunge extensions, which in many instances have been poorly tested to date.

In the Riverina area approximately 45 km to the north of the Davyhurst mill, the location of the Riverina homestead is restricting exploration in its vicinity. Gold mineralisation is known to extend into the area that OBM is presently unable to access. Relocation of the homestead would allow access to this prospective ground for drill testing.

A recent auger geochemistry sampling program has identified an untested gold anomaly greater than 10 km-long trending southwest from the Sand King and Missouri deposits overlying basalt. Previous drilling in the area has largely focused on the basalt ultramafic contact to the east of the anomaly, with sporadic gold mineralisation identified. However, west of the lithological contact little drilling has been undertaken specifically within the basalt, which hosts the Sand King and Missouri deposits.

The Davyhurst project area contains several pegmatites, some are known to contain lepidolite (lithium-bearing mica), at this stage no spodumene (lithium-bearing pyroxene) has been identified; however, no systematic exploration has targeted the lithium potential of the pegmatites. Larger volume pegmatites up to between 50 m and 100 m in width are known to exist in the Lady Ida area, in the southern portion of the greater Davyhurst project area.

The primary focus for OBM has been drilling to validate its substantial historical database over all the tenement holdings, and to improve the confidence of mineral resource definition to allow mineral resource estimates to be updated and reported in accordance with the JORC Code (2012). Plans for regional exploration and to identify extensions of existing deposits have been a lower priority for exploration expenditure. CSA Global has reviewed the OBM exploration strategy and is satisfied that it is a reasonable approach to adopt for an extensive tenement holding of this nature.

5 Assessment of Mining Potential

5.1 Introduction

The proposed mining plan as outlined by OBM has been assessed primarily in line with the Company's stated "conversion drilling and develop" strategy, to confirm that reasonable prospects for eventual economic extraction exists to support the Mineral Resources base, as well as assess the reasonableness of the assumptions and inputs into the proposed mine plan, leading to the possible declaration of Ore Reserves in due course.

CSA Global has reviewed the potential for viable mining operations to be established on the deposits of the OBM Western Australian projects. These include the Davyhurst and Siberia mining areas.

The primary focus for the review is the Sand King and Missouri deposits in the Siberia mining area and the Riverina, Golden Eagle, Waihi and Callion deposits in the Davyhurst mining area (Figure 4).

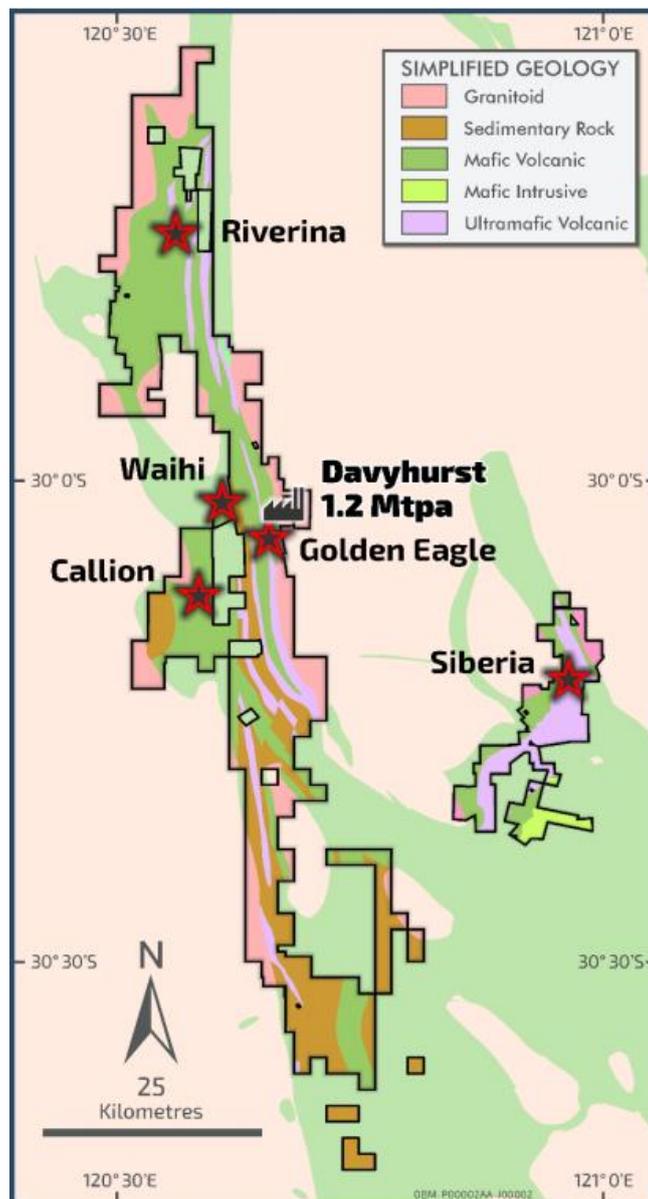


Figure 4: OBM key deposit areas
Source: OBM website

5.2 Davyhurst

The Davyhurst mining area is located approximately 120 km northwest of Kalgoorlie in an established mining region. The advanced projects identified by OBM are Riverina, Waihi, Callion and Golden Eagle.

5.2.1 Golden Eagle

The Golden Eagle underground mine is well established, with capital decline development approaching 150 vertical metres (319 mRL) below the surface and 85 m below the portal. Underground development is well established on four levels, with stope production well established (or complete) on three levels (see Figure 5).

The orientation of the Golden Eagle deposit is amenable to underground mining with in-situ thickness and grade at values aligned with other economic deposits in the region. The viability of a potential future mining operation will depend on favourable economic and technical considerations.

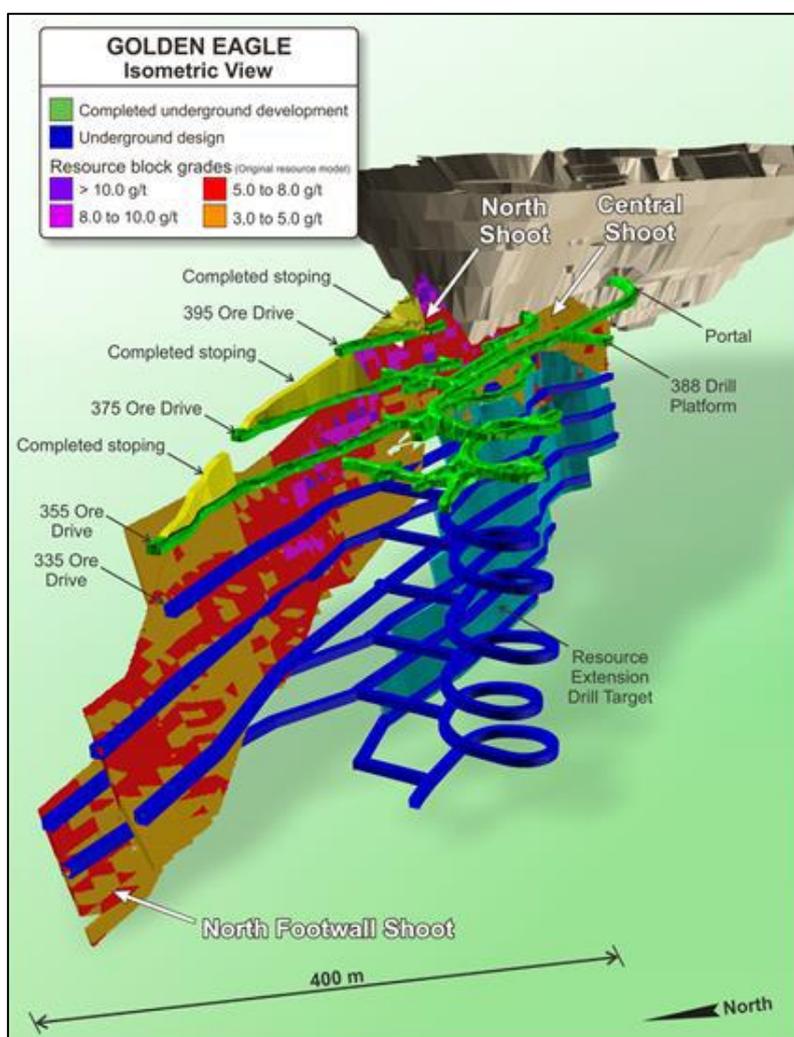


Figure 5: Golden Eagle (isometric view)

5.2.2 Waihi

The Waihi deposit consists of four distinct mineralised lodes within the deposit. These are shown in long section in Figure 6. The lodes consist of multiple steeply dipping mineralised veins that are close to surface.

The orientation and disposition of the Waihi deposit is amenable to open pit mining activities subject to appropriate engineering and economic considerations.

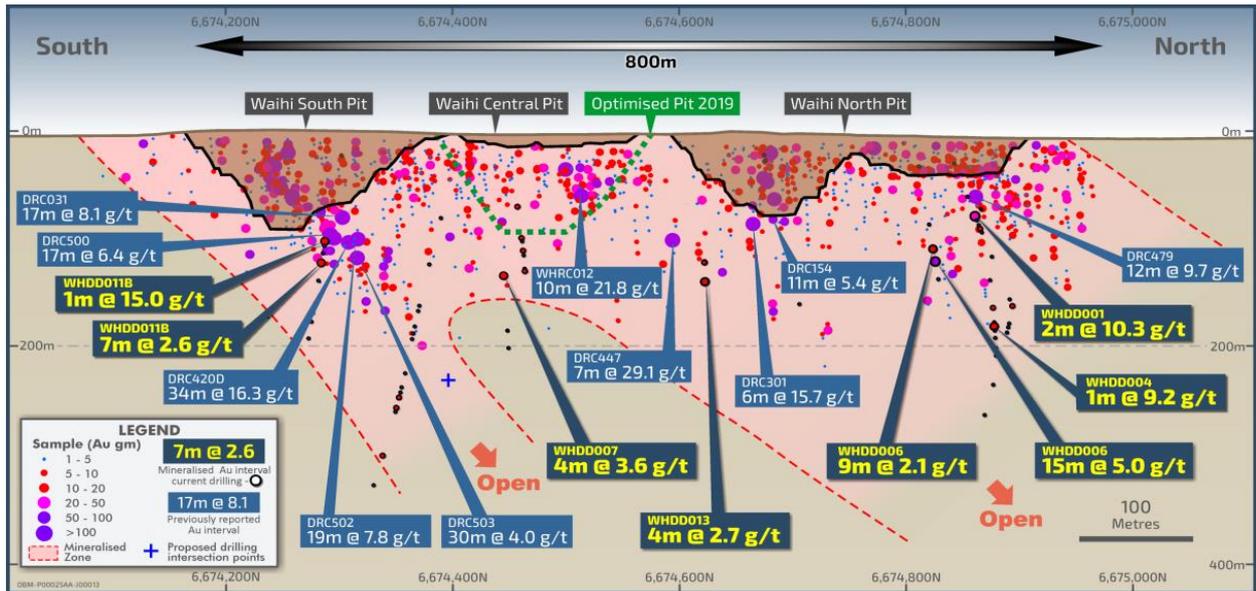


Figure 6: Waihi deposit
Source: Ora Banda Mining ASX announcement, 12 August 2019

5.2.3 Riverina

The Riverina deposit consists of multiple mineralised lodes, outcrops on surface, is steeply dipping, has been defined to a depth of 100 m and is open to depth (see Figure 7).

The orientation and disposition of the Riverina deposit is amenable to open pit mining activities subject to appropriate engineering and economic considerations.

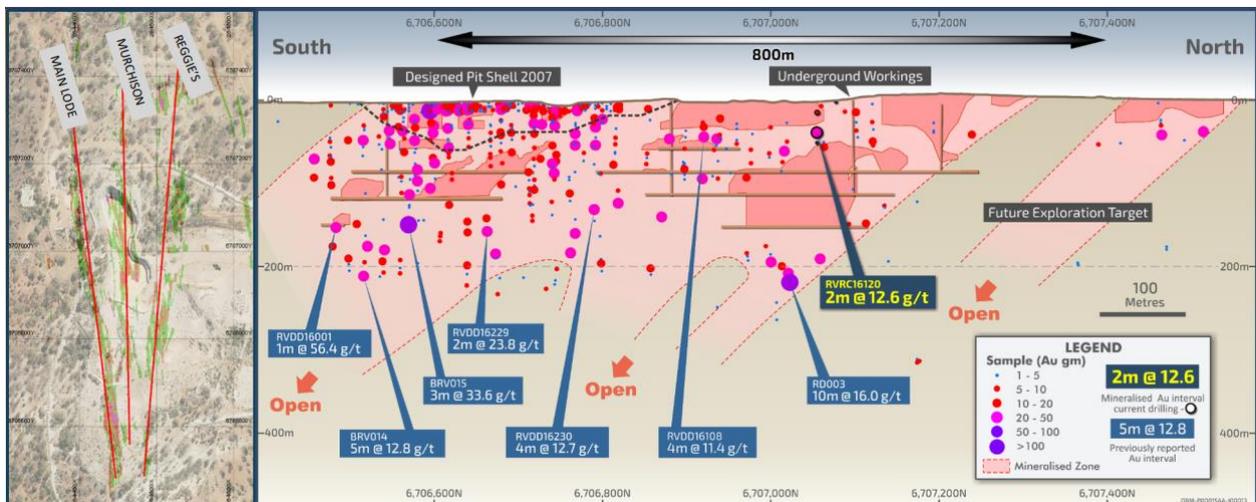


Figure 7: Riverina deposit
Source: Ora Banda Mining ASX announcement, 12 August 2019

5.2.4 Callion

The Callion deposit is a long and narrow deposit, steeply dipping and identified to a depth of 250 m. The deposit is shown in long section in Figure 8.

Callion has previously been mined as an open pit and underground. The potential for a technically and economically viable underground mine has been investigated. No complete mine plan has been developed for this deposit. Before the Callion underground mine can be considered a viable mining target, the economic and technical considerations for the project should be further defined.

Several exploration drillhole intersections have demonstrated grade and widths in the deposit that align with other viable operations in the region. It is considered that Callion should be considered a potential mining target based on these intersections.

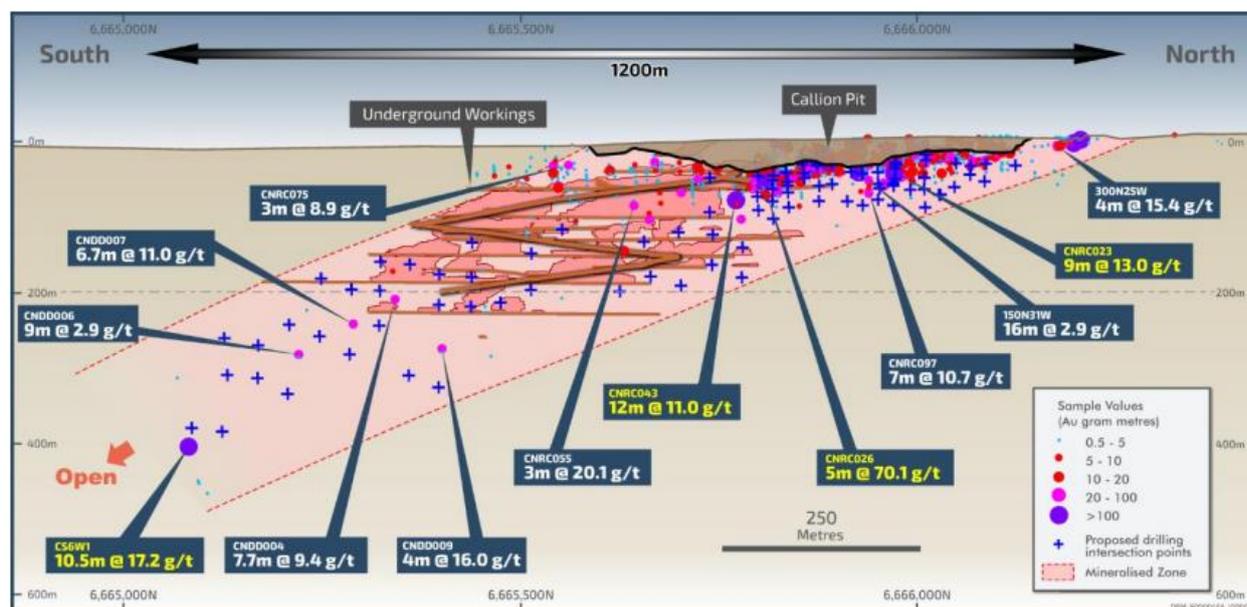


Figure 8: Callion deposit (long section)
Source: Ora Banda Mining ASX announcement, 12 August 2019

5.3 Siberia

Gold production in the Siberia region has principally come from four pits (Sand King, Missouri, Palmerston and Camperdown) sporadically mined by WMC, Siberia Mining and Monarch during the period 1980 to 2008.

Outside of the modern pits are a multitude (~400) of small underground shafts and workings mined in the period 1897 to 1930 and spread over a number of different reefs and “lines of lode”. The largest historical producers include Siberia Consols, Waverley-Bonnie Doon-Golden Leases, Cave Hill, Camperdown-Invincible, and Palmerston.

Sand King has been mined predominantly by WMC with a small cutback to the south started by Monarch, that was not completed, and minimal ore was extracted. Of note, significant supergene mineralisation was reported from the WMC mining event with the oxide material generating a significant number of ounces.

5.3.1 Sand King

The Sand King deposit is amenable to open pit mining operations. Previous mining has been physically viable and safe open pit mining activities have occurred. The deposit is located close to surface and is in a favourable orientation for potential open pit mining operations.

Previous studies completed by Entech have identified a mine design and a mine plan for the Sand King deposit that returned a projected positive cash flow based on the project assumptions at the time. The mine design is shown in Figure 9. The orientation of the mineralised lodes of the deposit in relation to an open pit is shown in Figure 10.

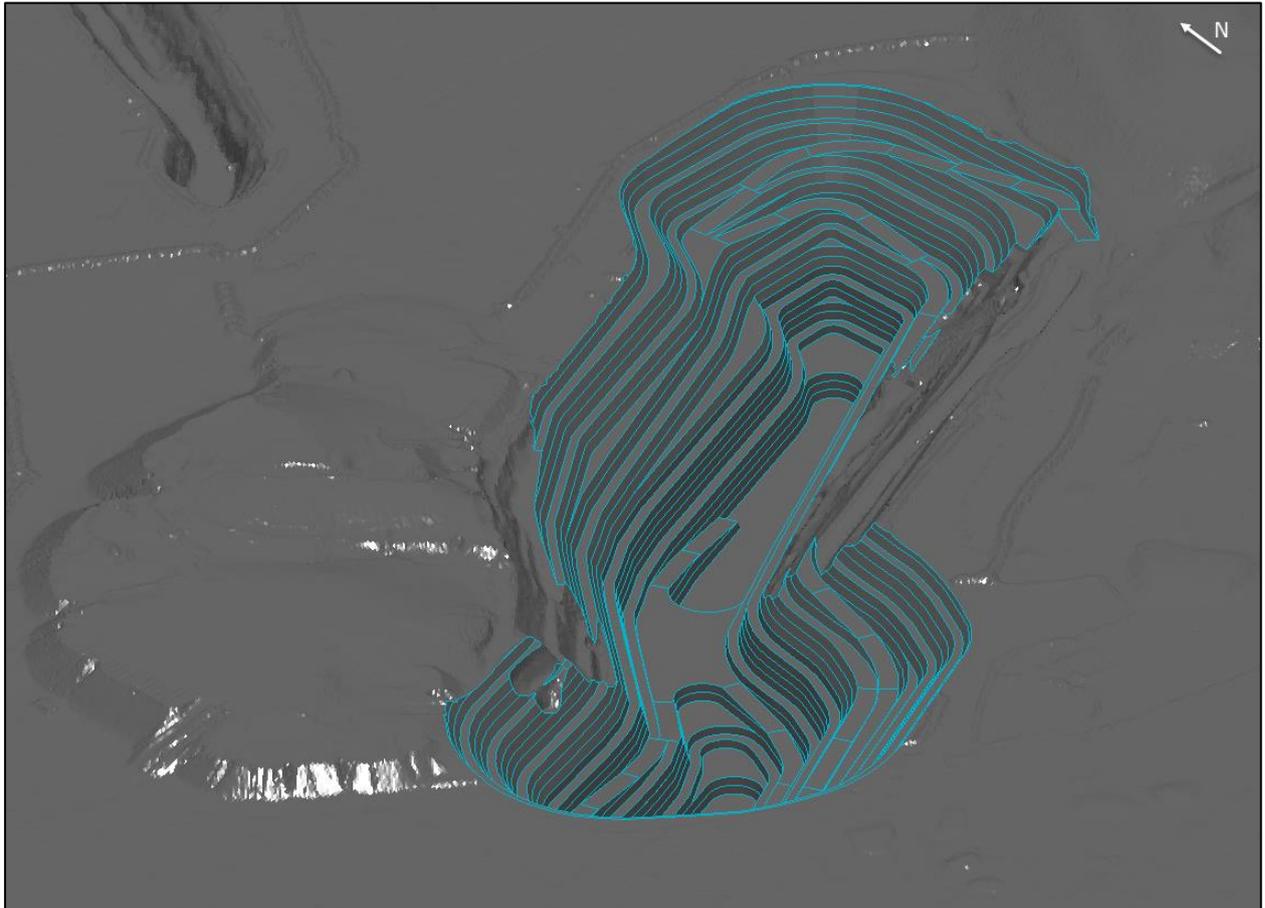


Figure 9: Sand King mine design

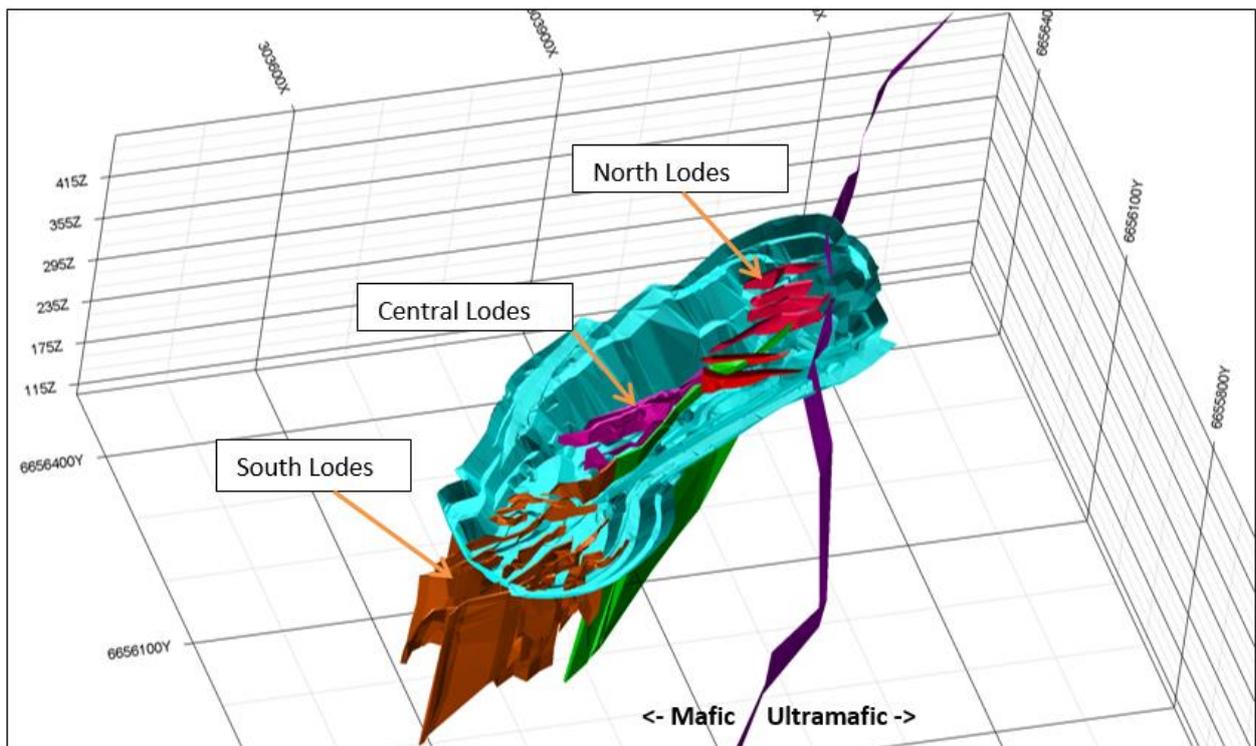


Figure 10: Sand King mineralised lodes

5.3.2 Missouri

The Missouri deposit is amenable to open pit mining operations. The deposit is located close to surface and is in a favourable orientation for potential open pit mining operations.

Previous studies completed by Entech have identified a mine design and a mine plan for the Missouri deposit that returned a projected positive cash flow based on the project assumptions at the time. The mine design is shown in Figure 11.

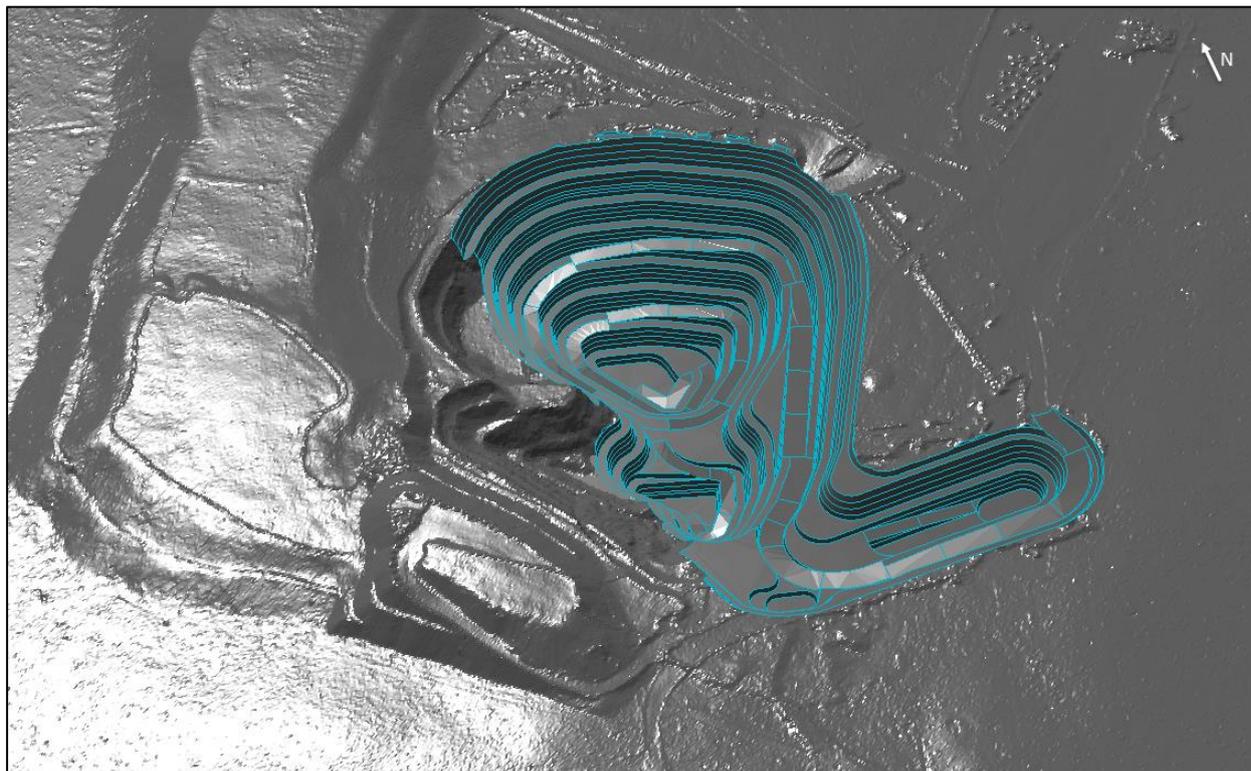


Figure 11: Missouri open pit design

5.4 Conclusion

CSA Global is satisfied that the previously proposed mine plans in the deposits which formed the primary focus for the review (Sand King and Missouri deposits in the Siberia mining area and Riverina, Golden Eagle, Waihi and Callion deposits in the Davyhurst mining area), indicate that the deposits are amenable to mining activities subject to appropriate engineering and economic considerations.

Metallurgical considerations were assessed on the basis of historical performance of the Davyhurst mill, and the generally well-known metallurgical characteristics of the deposits in this project located in the greater Eastern Goldfield and Kalgoorlie region of Western Australia. OBM has planned to complete baseline testwork in the medium term to confirm the processing and metallurgical inputs, as Ore Reserves are developed in due course, as part of the “conversion drilling and develop” strategy. Please note that processing and metallurgy are reviewed separately in the assessment of the value of the plant and associated infrastructure by Gordon Brothers, and does not form part of this technical assessment.

CSA Global has done a high-level review of the potential for mining and processing of the deposits included in the OBM Mineral Resources summary and is satisfied that potential for eventual economic extraction has been demonstrated.

6 Valuation

Valuation of Mineral Assets is not an exact science and a number of approaches are possible, each with varying positives and negatives. While valuation is a subjective exercise, there are several generally accepted procedures for establishing the value of Mineral Assets. CSA Global consider that, wherever possible, inputs from a range of methods should be assessed to inform the conclusions about the Market Value of Mineral Assets.

The valuation is always presented as a range, with the preferred value identified. The preferred value need not be the median value and is determined by the Practitioner based on their experience and professional judgement.

Refer to Appendix A for a discussion of Valuation Approaches and Valuation Methodologies, including a description of the VALMIN classification of Mineral Assets.

6.1 Commodities Market

The gold price history in US\$/oz and A\$/oz for the five years prior to 22 August 2019 is illustrated in Figure 12. The variation in the gold price within Figure 12 over time in US\$ and A\$ terms, highlights the need to normalise transactions to account for variations in commodity prices and foreign exchange rates over time.

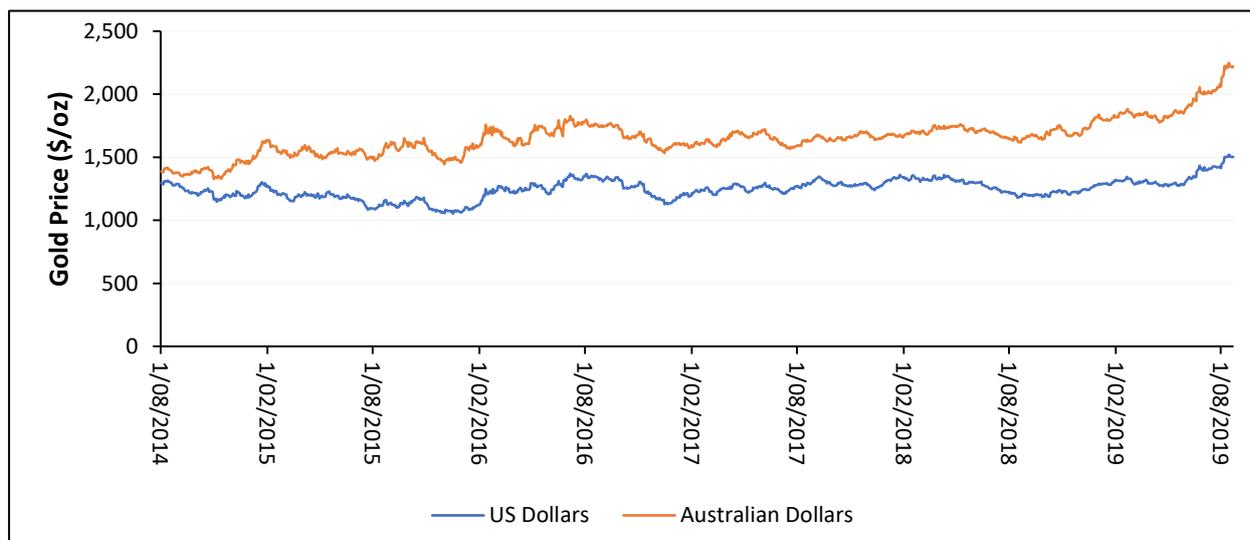


Figure 12: Five-year spot gold price in US\$ and A\$
Source: Data: S&P Global Market Intelligence

6.2 Previous Valuations

CSA Global is aware of one previous valuation over OBM's project tenure in the last five years. CSA Global completed an independent technical assessment and valuation of the Mineral Assets of OBM for EGS as at 29 March 2019 with a value range of A\$25.4 million to A\$41.8 million and a preferred value of A\$33.6 million.

6.3 Valuation Assumptions

The valuation has been undertaken on the assumption that mining licences M16/262 to M16/264, which are subject to the Thompson forfeiture proceedings, have a low probability of successfully being resolved, based on communication with DLA and G+T who undertook the independent tenement reviews. CSA Global, in its professional opinion, has applied a 0–20% probability of a successful resolution

Table 4: Summary statistics of selected transactions of gold Mineral Resources in Australia

Statistic	All transactions		All transactions, less high values	
	Implied (A\$/oz)	Normalised (A\$/oz)	Implied (A\$/oz)	Normalised (A\$/oz)
Number of transactions	33	33	24	24
Minimum	1.78	2.35	1.78	2.35
Maximum	65.22	81.12	27.78	35.84
Median	10.56	12.84	7.07	9.22
Mean	20.63	26.72	10.36	13.67
Weighted average	16.75	21.78	9.47	12.62

CSA Global's analysis of the transactions show a group of higher value transactions, represented in orange in Figure 13, and a larger group of lower value transactions represented in blue, which range from A\$2.35/oz to A\$35.84/oz on a normalised basis. In CSA Global's professional judgement, OBM's Mineral Resources are better reflected by the lower value group of transactions.

CSA Global has split OBM's Mineral Resources into three groups for valuation purposes (Table 5). In CSA Global's opinion, it considers the Group 1 Mineral Resources to be of higher value than Group 2 and Group 3.

Table 5: CSA Global's groupings of OBM's Mineral Resources

Group	Mineral Resource
1	Sand King, Missouri (reported in accordance of the JORC Code 2012)
	Golden Eagle, Waihi, Callion, Riverina Area (considered to be the equivalent to JORC Code 2012)
2	Lady Gladys, Forehand, Silver Tongue, Walhalla, Walhalla North, Mount Banjo, Macedon, Baldock, Meteor, Whinnen
3	Lights of Israel Underground, Makai Shoot, Sunraysia, Palmerston/Camperdown, Bewick Moreing, Black Rabbit, Thiel Well, Federal Flag, Salmon Gums, Iguana, Lizard

Group 1 includes Mineral Resources reported in accordance with the JORC Code (2012), and Mineral Resources for which substantive work has been undertaken and would be of an equivalent confidence as a Mineral Resource reported in accordance with the JORC Code (2012) – see Section 3.1.

Group 2 includes Mineral Resources where the Indicated Mineral Resources were treated as equivalent to Inferred classified Mineral Resources, as there was insufficient substantive data currently available to support the confidence of the initial Indicated classified Mineral Resources – see Section 3.2.

Group 3 contains Mineral Resources where insufficient information was available to substantiate the declared Mineral Resources and therefore have been treated as "Brownfields Potential" – see Section 3.2.

Valuation Considerations

Based on CSA Global's review of the Mineral Resources, the following adjustments and/or discount factors have been applied:

- All the Mineral Resources except Group 1 Mineral Resources reported in accordance with the 2004 Edition of the JORC Code or earlier editions have had a 0.8 discount factor applied, based on CSA Global's professional judgement, due to these Mineral Resources not having had any material work completed on them for some time, which is over 10 years for some resources.
- The Lady Gladys Mineral Resource was depleted by 10% (~12,800 ounces of gold) to account for mining that had taken place, based on OBM's best estimate of material mined, subsequent to the estimation of the Mineral Resource.
- The Indicated classified Mineral Resources in the Group 2 Mineral Resources were valued as equivalent to Inferred classified Mineral Resources, due to the lack of substantive data currently available to support the confidence of the initial Indicated classified Mineral Resources.

- Previously declared mineralisation estimates with insufficient information available to substantiate the declared Mineral Resources, such as the Group 3 Mineral Resources, were treated as Brownfields Potential, where all the declared Mineral Resources were valued as equivalent to Inferred classified Mineral Resources, with an additional 0.5 discount factor applied based on CSA Global's professional judgement to account for the lack of information to substantiate the previously declared Mineral Resources. In CSA Global's opinion, it would be overly severe to write-off the estimates that were previously completed. These estimates were completed between the late 1990s up to late 2000s and are based on more substantial data than an Exploration Target would generally be.

The valuation factors assigned to Group 1 and Group 2 Mineral Resources are presented in Table 6 with a discussion following. Group 3 uses the same valuation factors as Group 2, but an additional discount factor has been applied (see below).

Table 6: Mineral Resource valuation factors

Resource classification	Group 1 – Valuation factors (A\$/oz)			Group 2 – Valuation factors (A\$/oz)		
	Low	Preferred	High	Low	Preferred	High
Measured	-	-	-	-	-	-
Indicated	28	35	42	-	-	-
Inferred	17.60	22	26.40	10	12.50	15

Note: All Measured and Indicated classified Mineral Resources from Group 2 are treated as Inferred Mineral Resources.

Group 1

Based on CSA Global's professional judgement, a preferred value of A\$35.00/oz and A\$22.00/oz were selected for the Group 1 Indicated and Inferred classified Mineral Resources respectively. The preferred factor for the Indicated Mineral Resources was based on the top end of the low group of transactions in Table 4. The preferred value for the Inferred Mineral Resources was selected to lie in upper portion of the range. The value difference between Indicated and Inferred classified Mineral Resources reflects the relative geological understanding and continuity of the gold mineralisation of the different resource classifications. Following common industry practice, CSA Global has derived a valuation range by applying a $\pm 20\%$ factor, giving a range of A\$28.00/oz to \$42.00/oz for Indicated and a range of A\$17.60/oz to A\$26.40/oz for Inferred. These ranges are supported by the value distribution of the transaction set considered, and in CSA Global's opinion, this provides a reliable value range for OBM's Group 1 Mineral Resources. A range greater than 20% creates too broad a range in CSA Global's opinion, and a range less than 20% does not reflect the uncertainty of a pre-development stage project.

Group 2

Based on CSA Global's professional judgement, preferred implied values of A\$12.50/oz were selected for the Group 2 Inferred classified Mineral Resources. The preferred factor for the Inferred Mineral Resources was based on the weighted average (A\$12.62/oz) of the low group of transactions (see Table 4). Following common industry practice, CSA Global has derived a valuation range by applying a $\pm 20\%$ factor, giving a range of A\$10.00/oz to A\$15.00/oz for Inferred. This range is supported by the value distribution of the transaction set considered, and in CSA Global's opinion, this provides a reliable value range for OBM's Group 2 Mineral Resources. A range greater than 20% creates too broad a range in CSA Global's opinion, and a range less than 20% does not reflect the uncertainty of a pre-development stage project.

Group 3

Based on CSA Global's professional judgement, an additional 0.5 discount multiplier was applied to the Group 2 Inferred Mineral Resources value range and preferred value (above) for the material termed "Brownfields Potential" by CSA Global.

CSA Global has valued the Group 1 and Group 2 Mineral Resources separately from the Group 3 Mineral Resources.

Application of the above implied values, resource classification adjustments and discounts resulted in a valuation range for the Group 1 and Group 2 Mineral Resources of A\$23.7 million to A\$35.6 million, with a preferred value of A\$29.6 million (Table 7).

Application of above implied values, resource classification adjustments and discounts resulted in a valuation range for the Brownfields Potential (Group 3) of A\$1.5 million to A\$2.4 million, with a preferred value of A\$1.9 million (Table 8).

Breakdown of Declared Mineral Resources and Valuation Contribution

A breakdown of OBM’s declared Mineral Resources, CSA Global’s grouping classification and the value contribution of each group is presented in Figure 14.

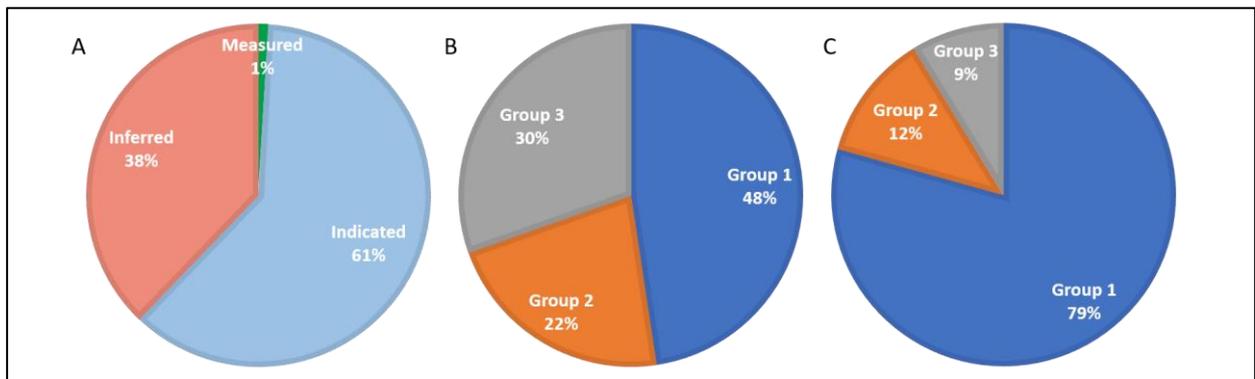


Figure 14: Breakdown of declared Mineral Resource and valuation
 A – OBM’s declared Mineral Resources by contained ounces; B – CSA Global’s groupings of the Mineral Resources for valuation by contained ounces; C – The value contribution of each group.

Table 7: Market value of OBM's Mineral Resources

Resource	Classification	Gold (oz)	Valuation factors (A\$/oz)			JORC discount factor	Valuation (A\$ millions)		
			Low	Preferred	High		Low	Preferred	High
Golden Eagle	Indicated	28,000	28.00	35.00	42.00	1.0	0.78	0.98	1.18
	Inferred	26,000	17.60	22.00	26.40	1.0	0.46	0.57	0.69
Waihi	Indicated	62,000	28.00	35.00	42.00	1.0	1.74	2.17	2.60
	Inferred	9,000	17.60	22.00	26.40	1.0	0.16	0.20	0.24
Lady Gladys	Inferred	115,000	10.00	12.50	15.00	0.8	0.92	1.15	1.38
Riverina Area	Indicated	73,000	28.00	35.00	42.00	1.0	2.04	2.56	3.07
	Inferred	132,000	17.60	22.00	26.40	1.0	2.32	2.90	3.48
Forehand	Inferred	48,000	10.00	12.50	15.00	0.8	0.38	0.48	0.58
Silver Tongue	Inferred	14,000	10.00	12.50	15.00	0.8	0.11	0.14	0.17
Sand King	Indicated	190,000	28.00	35.00	42.00	1.0	5.32	6.65	7.98
	Inferred	82,000	17.60	22.00	26.40	1.0	1.44	1.80	2.16
Missouri	Indicated	194,000	28.00	35.00	42.00	1.0	5.43	6.79	8.15
	Inferred	33,000	17.60	22.00	26.40	1.0	0.58	0.73	0.87
Callion	Indicated	8,000	28.00	35.00	42.00	1.0	0.22	0.28	0.34
	Inferred	6,000	17.60	22.00	26.40	1.0	0.11	0.13	0.16
Walhalla	Inferred	36,000	10.00	12.50	15.00	0.8	0.29	0.36	0.43
Walhalla North	Inferred	9,000	10.00	12.50	15.00	0.8	0.07	0.09	0.11
Mount Banjo	Inferred	14,000	10.00	12.50	15.00	0.8	0.11	0.14	0.17
Macedon	Inferred	11,000	10.00	12.50	15.00	0.8	0.09	0.11	0.13
Baldock	Inferred	81,000	10.00	12.50	15.00	0.8	0.65	0.81	0.97
Meteor	Inferred	43,000	10.00	12.50	15.00	0.8	0.34	0.43	0.52
Whinnen	Inferred	17,000	10.00	12.50	15.00	0.8	0.14	0.17	0.20
TOTAL	All	1,230,000	-	-	-	-	23.71	29.64	35.57

Note: The valuation has been compiled to an appropriate level of precision; values may not add up due to rounding.

Table 8: Market value of OBM's Brownfields Potential

Resource	Classification	Gold (oz)	Valuation factors (A\$/oz)			JORC discount factor	Insufficient data factor	Valuation (A\$ millions)		
			Low	Preferred	High			Low	Preferred	High
Lights of Israel	Inferred	35,000	10.00	12.50	15.00	0.8	0.5	0.14	0.18	0.21
Makai Shoot	Inferred	136,000	10.00	12.50	15.00	0.8	0.5	0.54	0.68	0.82
Sunraysia	Inferred	32,000	10.00	12.50	15.00	0.8	0.5	0.13	0.16	0.19
Palmerston/Camperdown	Inferred	22,000	10.00	12.50	15.00	0.8	0.5	0.09	0.11	0.13
Bewick Moreing	Inferred	4,000	10.00	12.50	15.00	0.8	0.5	0.01	0.02	0.02
Black Rabbit	Inferred	49,000	10.00	12.50	15.00	0.8	0.5	0.20	0.24	0.29
Thiel Well	Inferred	3,000	10.00	12.50	15.00	0.8	0.5	0.01	0.02	0.02
Federal Flag	Inferred	28,000	10.00	12.50	15.00	0.8	1.0	0.22	0.28	0.34
Salmon Gums	Inferred	28,000	10.00	12.50	15.00	0.8	0.5	0.11	0.14	0.17
Iguana*	Inferred	177,000	10.00	12.50	15.00	0.8	0.5	-	0.11	0.21
Lizard*	Inferred	24,000	10.00	12.50	15.00	0.8	0.5	-	0.01	0.03
TOTAL	Inferred	538,000	-	-	-	-	-	1.46	1.95	2.43

Note: The valuation has been compiled to an appropriate level of precision; values may not add up due to rounding.

*An additional 0 to 0.2 discount multiplier factor was applied to the Iguana and Lizard Mineral Resources as per Section 6.3.

6.4.2 Exploration Licences

CSA Global considered the value of OBM exploration licences in terms of the valuation factors derived from CSA Global’s analysis of comparative market transactions of projects with exploration licences prospective for gold in Australia in the two years prior to the valuation date. These transactions are summarised in Table B2 of Appendix B and presented in Figure 15. CSA Global identified 54 transactions of projects consisting solely of exploration licences prospective for gold in Australia after the removal of outliers on the high side. Table 9 presents the summary statistics of all the transactions identified, a subset of 24 transactions of exploration licences with a total area of greater than 200 km² and a subset of 30 transactions of exploration licences with a total area less than 200 km², showing the normalised price in A\$/km² using the 22 August 2019 gold spot price of A\$2,218.78/oz (US\$1,500.70/oz).

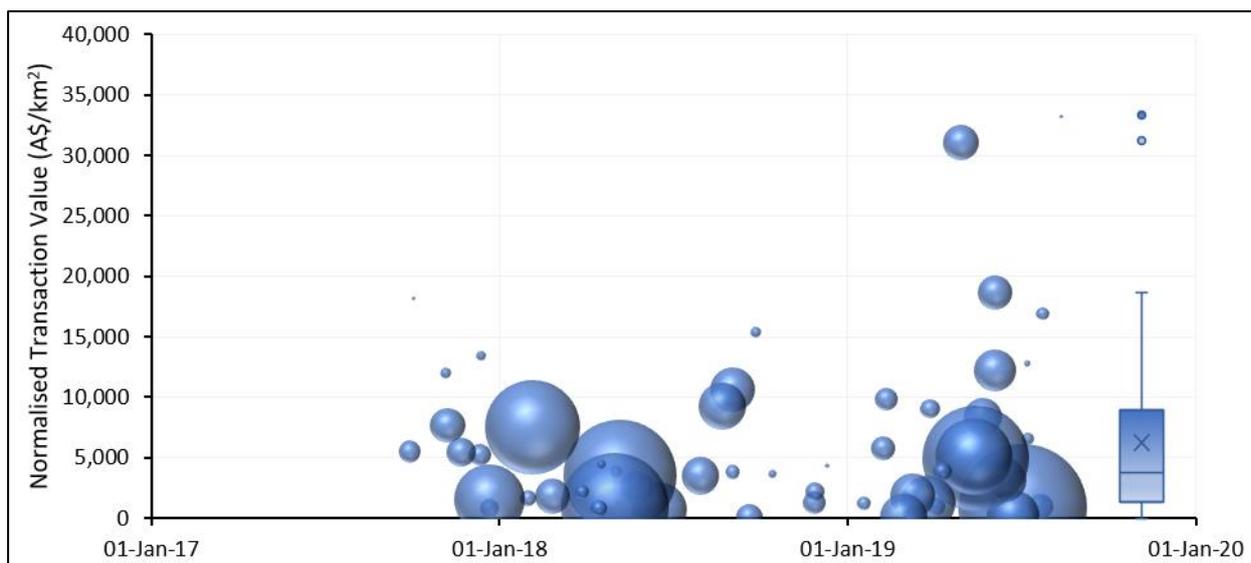


Figure 15: Comparison of exploration licence transactions

Note: Bubble size represents the area of the exploration licences. Graph’s Y axis does not extend to include high outlier.

Table 9: Summary statistics of selected exploration licence transactions prospective for gold

Statistic	All data (A\$/km ²)		Licences >200 km ² (A\$/km ²)		Licences <200 km ² (A\$/km ²)	
	Implied	Normalised	Implied	Normalised	Implied	Normalised
Number of transactions	54	54	24	24	30	30
Minimum	69	92	94	113	69	92
Maximum	33,667	33,209	25,534	31,110	33,667	33,209
Median	3,090	3,850	2,776	3,523	3,263	4,090
Mean	5,264	6,381	4,820	5,957	5,619	6,721

Based on CSA Global’s valuation experience of gold projects in Australia, generally, early exploration projects were found to range from A\$100/km² to A\$1,500/km², average or mature exploration projects ranged from A\$1,500/km² to A\$6,500/km², advanced projects with good prospectivity ranged from A\$6,500/km² to A\$15,000/km², with projects with excellent prospectivity or having a strategic significance to the buyer having values >A\$15,000/km². In general, as the area transacted gets larger, the lower the price paid per square kilometre.

From the above analysis, a summary of the valuation factors suitable for valuing exploration licences within various categories of exploration potential are presented in Table 10.

Table 10: Exploration licence valuation factors

Exploration Potential	Valuation factors (A\$/km ²)		
	Low	Preferred	High
Low	100	800	1,500
Average	1,500	4,000	6,500
Good	6,500	10,750	15,000
Excellent/Strategic	15,000	22,500	30,000

CSA Global has undertaken a high-level assessment of OBM's exploration licences (total area of 997.9 km²) based on publicly available information and data supplied by OBM. CSA Global, in its professional judgement, has selected ranges and preferred values based on the exploration stage and prospectivity of the tenure. Note that CSA Global has included subcategories of prospectivity to more accurately reflect CSA Global's opinion on the prospectivity of the licences.

Table 11: Summary assessment of OBM's exploration licences

Tenements	Comment	Valuation factors (A\$/km ²)		
		Low	Preferred	High
E16/337, E16/344, E16/473, E16/474, E16/475, E16/480, E16/482, E16/483, E16/484, E16/486, E16/487, E24/203, E29/889, E29/955, E30/333, E30/338, E30/490, E30/491, E30/504	Low prospectivity or early stage exploration	100	800	1,500
E29/964, E30454, E30/468	Low to average prospectivity	800	2,400	4,000
E16/456, E30/335	Average prospectivity or mature exploration	1,500	4,000	6,500
E29/640	Average to good prospectivity	4,000	7,375	10,750

In CSA Global's opinion, it considers the market value of OBM's exploration licences to range in value from A\$0.8 million to A\$3.6 million with a preferred value of A\$2.2 million (Table 12).

Table 12: Market value of exploration licences

Tenement prospectivity	Area (km ²)	OBM equity (%)	Valuation factors (A\$/km ²)			Valuation (A\$ millions)		
			Low	Preferred	High	Low	Preferred	High
Low	585.1	100	100	800	1,500	0.06	0.47	0.88
Low-Average	158.2	100	800	2,400	4,000	0.13	0.38	0.63
Average	145.2	100	1,500	4,000	6,500	0.22	0.58	0.94
Average-Good	109.5	100	4,000	7,375	10,750	0.44	0.81	1.18
Total	997.9	100	-	-	-	0.84	2.24	3.63

Note: The valuation has been compiled to an appropriate level of precision, values may not add up due to rounding.

6.4.3 Prospecting Licences

CSA Global considered the value of OBM's prospecting licences in terms of the valuation factors derived from CSA Global's analysis of comparative market transactions of projects with prospecting licences prospective for gold in Western Australia in the five years prior to the valuation date. These transactions are summarised in Table B3 of Appendix B and presented in Figure 16. CSA Global identified 13 transactions of projects comprising prospecting licences prospective for gold in Western Australia, three of which CSA Global considered to be outliers, two on the high side (transactions dated 18 January 2017 and 18 October 2017) and one on the low side (transaction dated 22 June 2017).

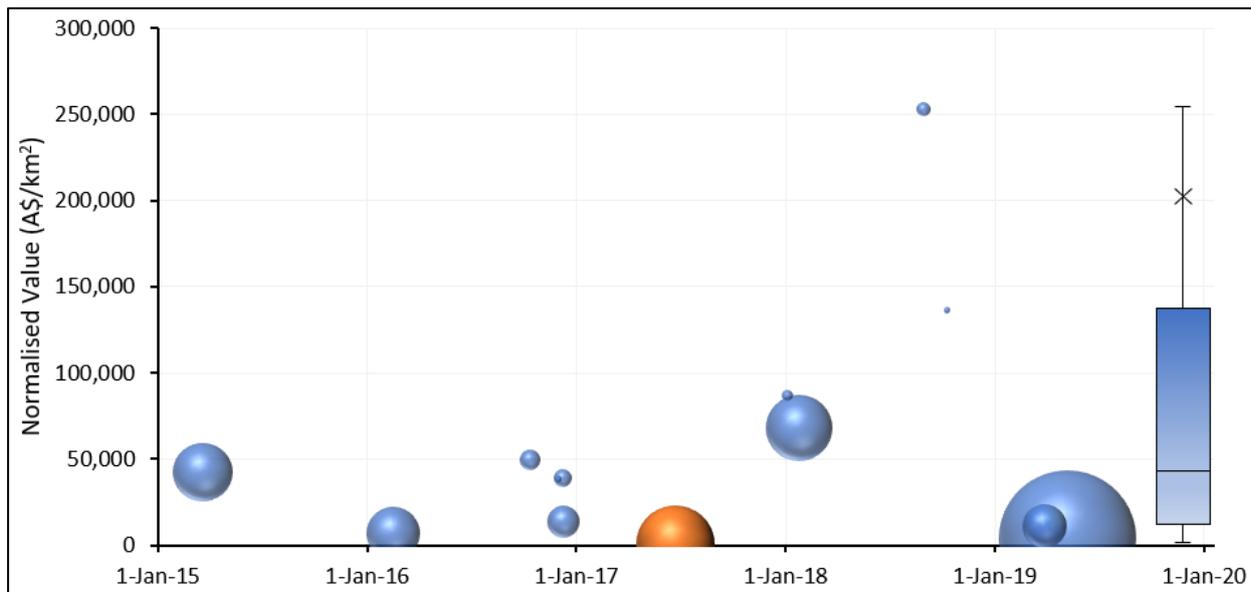


Figure 16: Comparison of prospecting licence transactions

Note: Bubble size represents the area of the prospecting licences. Graph’s Y axis does not extend to include high outliers.

Table 13 presents the summary statistics of all the transactions identified and all transactions less the outliers and a subset of transactions where the area of the prospecting licences greater than 1 km² was transacted, showing the normalised price per km² using the 22 August 2019 gold spot price of A\$2,218.78/oz (US\$1,500.70/oz). In CSA Global’s experience, prospecting licences with an area less than 1 km² can return a very high value per square kilometre due to how the calculation is performed, as the area of the licence is effectively not correlated to the transaction value (i.e. the area does not drive the transaction).

Table 13: Summary statistics of selected prospecting licence transactions prospective for gold

Statistic	All Data (A\$/km ²)		All Data less outliers (A\$/km ²)		Licences >1 km ² (A\$/km ²)	
	Implied	Normalised	Implied	Normalised	Implied	Normalised
Number of transactions	15	15	12	12	7	7
Minimum	507	678	3,061	3,712	3,061	3,712
Maximum	1,316,973	1,787,450	188,356	252,933	51,414	67,906
Median	29,080	42,277	28,260	40,533	9,653	13,722
Mean	148,079	201,066	46,372	62,368	20,667	27,897

From the above analysis, a summary of the valuation factors suitable for valuing prospecting licences within various categories of exploration potential are presented in Table 14.

Table 14: Prospecting licence valuation factors

Exploration Potential	Valuation factors (A\$/km ²)		
	Low	Preferred	High
Low	5,000	12,500	20,000
Average	20,000	27,500	35,000
Good	35,000	42,500	50,000
Excellent	50,000	65,000	80,000

CSA Global has undertaken a high-level assessment of OBM’s prospecting licences (total area of 46.08 km²) based on publicly available information and data supplied by OBM. CSA Global considers the prospectivity of the majority of OBM’s prospecting licences (see Table 15) to be low, primarily due to being at an early stage of exploration, with mostly only surface geochemistry having been undertaken.

The rest are of average prospectivity with some anomalism present or have been well explored and are considered mature.

Table 15: Summary assessment of OBM’s prospecting licences

Tenements	Comment	Valuation factors (A\$/km ²)		
		Low	Preferred	High
P16/2888, P16/2889, P16/2921, P16/2922, P24/4395, P24/4396, P24/4400, P24/4401, P24/4750, P24/4751, P24/4754, P24/5073, P24/5074, P24/5075, P29/2328, P29/2397, P29/2398, P29/2399, P29/2400, P29/2401, P29/2402, P29/2403, P29/2404, P29/2405, P29,2406, P29/2407, P30/1122	Low prospectivity or early stage exploration	5,000	12,500	20,000
P24/4402, P24/4403	Average prospectivity or mature exploration	20,000	27,500	35,000

In CSA Global’s opinion, it considers the market value of OBM’s prospecting licences to range in value from A\$0.3 million to A\$1.0 million with a preferred value of A\$0.6 million (Table 16).

Table 16: Market value of prospecting licences

Tenement prospectivity	Area (km ²)	OBM equity (%)	Valuation factors (A\$/km ²)			Valuation (A\$ millions)		
			Low	Preferred	High	Low	Preferred	High
Low	42.43	100	5,000	12,500	20,000	0.21	0.53	0.85
Average	3.64	100	20,000	27,500	35,000	0.07	0.10	0.13
Total	46.08	100	-	-	-	0.29	0.63	0.98

Note: The valuation has been compiled to an appropriate level of precision, values may not add up due to rounding.

6.4.4 Mining Licences

CSA Global has considered the value of all OBM’s mining licences in terms of the valuation factors derived from CSA Global’s analysis of comparative market transactions of projects with mining licences prospective for gold in Western Australia in the two years prior to the valuation date. These transactions are summarised in Table B4 of Appendix B and presented in Figure 17. CSA Global identified 17 transactions of projects comprising of mining licences prospective for gold in Western Australia, three of the transactions were considered outliers, coloured orange in Figure 17.

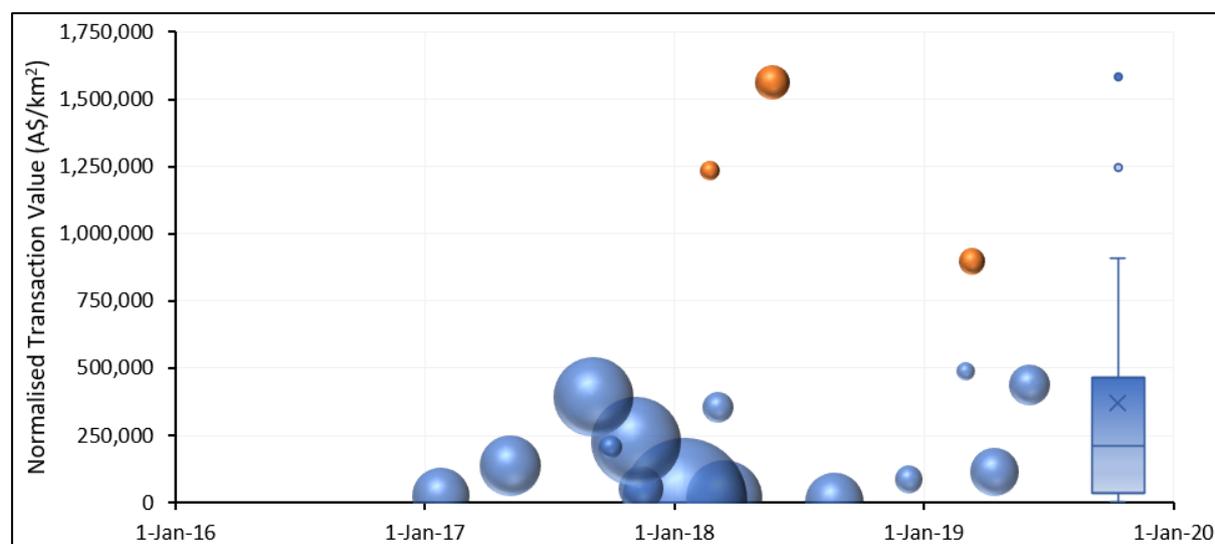


Figure 17: Comparison of mining licence transactions

Note: Bubble size represents the area of the mining licences.

Table 17 presents the summary statistics of all the transactions identified and all the transactions excluding the outliers showing the normalised price per km² using the 22 August 2019 gold spot price of A\$2,218.78/oz (US\$1,500.70/oz).

Table 17: Summary statistics of selected mining licence transactions prospective for gold

Statistic	All Data		All data (excluding outliers)	
	Implied	Normalised	Implied	Normalised
Number of transactions	17	17	14	14
Minimum	1,972	2,675	1,972	2,675
Maximum	1,215,380	1,563,866	398,327	486,771
Median	153,186	207,659	97,302	125,511
Mean	288,844	367,251	143,368	182,077

From the above analysis, a summary of the valuation factors suitable for valuing mining licences within various categories of exploration potential are presented in Table 18.

Table 18: Mining licence valuation factors

Exploration Potential	Valuation factors (A\$/km ²)		
	Low	Preferred	High
Low	7,500	41,250	75,000
Average	75,000	137,500	200,000
Good	200,000	300,000	400,000
Excellent	400,000	575,000	750,000

Note: The Excellent exploration potential range and preferred values are influenced by the outliers.

CSA Global has undertaken a high-level assessment of OBM's mining licences (total granted area of 352 km²) based on publicly available information and data supplied by OBM.

CSA Global has identified a problem with using the valuation factors derived in Table 18 to apply to the interpreted prospectivity based on its high-level assessment of OBM's mining licences. The area of the comparative mining licence transactions ranges from 0.58 km² to 24.25 km², with average and median areas of 5.13 km² and 3.03 km² respectively, which is an order of magnitude smaller than the total area of OBM's mining licences (352 km²). Applying the valuation factors in Table 18 would derive very high values for the mining licences. CSA Global does not believe that this would be appropriate in this case, as the value of declared Mineral Resources, which would generally fall within portions of these mining leases, have been valued elsewhere (see Section 6.4.1).

Table 19 presents the valuation factors applied to the OBM's mining licences (total area 352 km²). CSA Global has reduced the valuation factors in Table 18 by an order of magnitude (divided by 10) in deriving the valuation factors in Table 19.

CSA Global has considered the prospectivity of OBM's mining licences based on its high-level review with the tenure tabulated by prospectivity in Table 19.

Table 19: Summary assessment of OBM's mining licences

Tenements	Comment	Valuation factors (A\$/km ²)		
		Low	Preferred	High
M24/634-I, M24/660, M24/663, M24/664, M24/665, M24/683-I, M24/686, M24/757, M24/772-I, M24/797-I, M24/915-I, M24/916, M30/126, M30/157	Low prospectivity or early stage exploration	750	4,125	7,500
M16/263*, M16/470, M24/39, M24/846, M24/847, M24/973, M30/111, M30/123	Low-average prospectivity, some anomalism identified	4,125	8,938	13,750

Tenements	Comment	Valuation factors (A\$/km ²)		
		Low	Preferred	High
M16/262*, M16/264*, M16/268, M24/115, M24/159, M24/208, M24/376, M24/845, M24/848, M29/2, M29/165, M29/422, M30/102, M30/103, M30/187, M30/253	Average prospectivity along known gold trends, or along strike/down dip of present Mineral Resources	7,500	13,750	20,000
M24/960, M30/255, M30/256	Good prospectivity along known gold trends, or along strike/down dip of present Mineral Resources	20,000	30,000	40,000

*For mining licences M16/262 to M16/264, an additional 0 to 0.2 discount multiplier factor was applied to these tenements as per Section 6.3.

In CSA Global's opinion, it considers the market value of OBM's mining licences to range in value from A\$4.1 million to A\$9.1 million with a preferred value of A\$6.6 million (Table 20).

Table 20: Market value of mining licences

Tenement prospectivity	Area (km ²)	OBM equity (%)	Valuation factors (A\$/km ²)			Valuation (A\$ millions)		
			Low	Preferred	High	Low	Preferred	High
Low	39.77	100	750	4,125	7,500	0.03	0.16	0.30
Low-Average	64.06	100	4,125	8,938	13,750	0.22	0.50	0.77
Average	77.92	100	7,500	13,750	20,000	0.44	0.84	1.24
Good	170.70	100	20,000	30,000	40,000	3.41	5.12	6.83
Total	352.44	100	-	-	-	4.10	6.62	9.14

Note: The valuation has been compiled to an appropriate level of precision, values may not add up due to rounding.

6.5 Yardstick Order of Magnitude Check

CSA Global used the Yardstick method as an order of magnitude check on the OBM Mineral Resources valuation completed using comparative transactions. The Yardstick order of magnitude check is simplistic (e.g. it is very generalised and does not address project specific value drivers but takes an "industry-wide" view). It provides a non-corroborative valuation check on the primary comparative transactions' valuation method, allowing CSA Global to assess the reasonableness of the derived comparative transactions valuation and whether there are any potential issues with the preferred primary valuation method.

For the Yardstick order of magnitude check, CSA Global used the spot price for gold as 22 August 2019 of A\$2,218.78/oz (US\$1,500.70/oz).

In addition, CSA Global utilised the following commonly used Yardstick factors:

- Inferred Mineral Resources: 0.5% to 1% of spot price
- Indicated Mineral Resources: 1% to 2% of spot price
- Measured Mineral Resources: 2% to 5% of spot price.
- Ore Reserves: 5% to 10% of spot price.

The spot price for gold as at 22 August 2019 used for the Yardstick order of magnitude check was consistent with that used for the evaluation of Comparative Transactions data so that the results could be compared.

6.5.1 OBM's Mineral Resources – Yardstick

As with the Comparable Transactions valuation of the Mineral Resources in Section 6.4.1, the Yardstick valuation has been done on OBM's Group 1 and Group 2 Mineral Resources separately from the Brownfields Potential (Group 3).

CSA Global has applied the same updated resource category classifications and discount factors as discussed above in Section 6.4.1.

The Yardstick order of magnitude check for the OBM's Group 1 and Group 2 Mineral Resources based on the Yardstick factors above, resulted in the valuation ranges and preferred values for the Group 1 and Group 2 Mineral Resources summarised in Table 21. Table C1 in Appendix C contains the detailed breakdown for each Group 1 and Group 2 Mineral Resource category based on OBM's attributable equity interest used in deriving Table 21.

Table 21: Summary Yardstick order of magnitude check of OBM's Mineral Resources

Mineral Resource	Gold (oz)	OBM equity (%)	Valuation (A\$M)		
			Low	Preferred	High
All	1,230,000	100	19.0	28.4	37.9

Note: The valuation has been compiled to an appropriate level of precision; values may not add up due to rounding.

The Yardstick order of magnitude check for the OBM's Group 3 Mineral Resources (Brownfields Potential) based on the Yardstick factors above, resulted in the valuation ranges and preferred values for the Brownfields Potential summarised in Table 22. Table C2 in Appendix C contains the detailed breakdown for each Group 1 and Group 2 Mineral Resource category based on OBM's attributable equity interest used in deriving Table 22.

Table 22: Summary Yardstick order of magnitude check of OBM's Brownfields Potential

Mineral Resource	Gold (oz)	OBM equity (%)	Valuation (A\$M)		
			Low	Preferred	High
All	538,000	100	1.6	2.6	3.6

The valuation has been compiled to an appropriate level of precision; values may not add up due to rounding.

6.6 Secondary Valuation Cross-check of OBM Tenure

A secondary valuation method such as the geoscience factor rating method or multiples of exploration expenditure, was not undertaken on the exploration, prospecting and mining licences. Detailed past and future expenditure details were not available making undertaking a valuation by multiples of exploration expenditure not possible.

In CSA Global's opinion, employing the geoscience rating factor method, would not be appropriate as the lack of reliable data relating to these exploration tenements renders the geoscience rating approach to be of little value. The rating factors for this method rely on the valuer having sufficient information about the exploration that has been completed to evaluate the mineralisation potential of the tenement, in conjunction with the analysis and conclusions that have been drawn from the exploration work. The rating factor is then estimated to reflect the valuer's opinion of the value of this work.

Where there is insufficient information available, all the underlying assumptions become hypothetical, and do not provide a reasonable basis to support the resulting valuation. In CSA Global's opinion, efforts to complete a secondary valuation using methods that rely on hypothetical assumptions would not be an appropriate comparison for the primary valuation; and further will not provide any additional benefit to shareholders for the non-trivial expenditure and delay that would be required to complete this largely hypothetical exercise.

A simplified comparative transactions cross-check was undertaken based on the median values of the summary statistics for the exploration, prospecting and mining licences. The following values were used:

- Exploration licences greater than 200 km² in area (A\$3,500 km²) – see Table 9
- Prospecting licences greater than 1 km² in area (A\$13,700 km²) – see Table 13
- Mining licences excluding outliers divided by 10 (A\$12,500 km²) – see Table 17.

A factor of ±30% was applied to median values to create an appropriate range.

In CSA Global’s opinion, it considers the market value of OBM’s exploration, prospecting and mining licences to range in value from A\$5.7 million to A\$10.6 million with a preferred value of A\$8.2 million (Table 23).

Table 23: Market value of exploration, prospecting and mining licences

Tenement type	Area (km²)	OBM equity (%)	Valuation factors (A\$/km²)			Valuation (A\$ millions)		
			Low	Preferred	High	Low	Preferred	High
Exploration	997.9	100	2,450	3,500	4,550	2.44	3.49	4.54
Prospecting	46.1	100	9,590	13,700	16,250	0.44	0.63	0.75
Mining	322.6	100	8,750	12,500	16,250	2.82	4.03	5.24
M29/262–264*	29.8	100	8,750	12,500	16,250	-	0.05	0.10
Total	1,396.5	100	-	-	-	5.71	8.21	10.63

Note: The valuation has been compiled to an appropriate level of precision, values may not add up due to rounding.

*For mining licences M16/262 to M16/264, an additional 0 to 0.2 discount multiplier factor was applied to these tenements as per Section 6.3.

6.7 Valuation Summary

In forming an opinion on the market value of OBM’s exploration, prospecting and mining licences, CSA Global has considered valuations derived from the Comparable Transactions for exploration, prospecting and mining licences in Table 12, Table 16 and Table 20 respectively as the primary valuation method and the secondary simplified Comparative Transactions cross-check valuation in Table 23 as a secondary method (Figure 18).

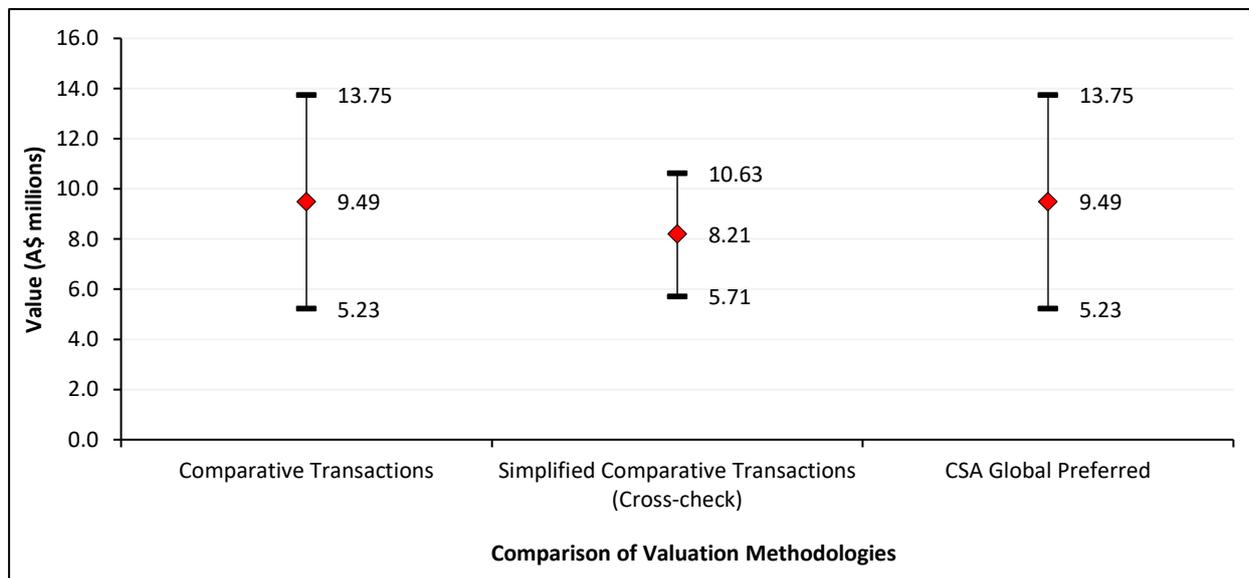


Figure 18: OBM’s tenure – comparison of valuation techniques

CSA Global elected to use the valuation numbers derived by the primary Comparative Transactions valuation as this method took the interpreted prospectivity of each tenement into account based on CSA Global high-level assessment of the tenure. The secondary simplified Comparative Transactions cross-check valuation method is largely in agreement with the primary method.

6.7.1 OBM’s Mineral Resources

In forming an opinion on the market value of OBM’s Group 1 and Group 2 Mineral Resources, CSA Global has considered valuations derived from the Comparable Transactions as a primary method and Yardstick valuation as a secondary method (Figure 19).

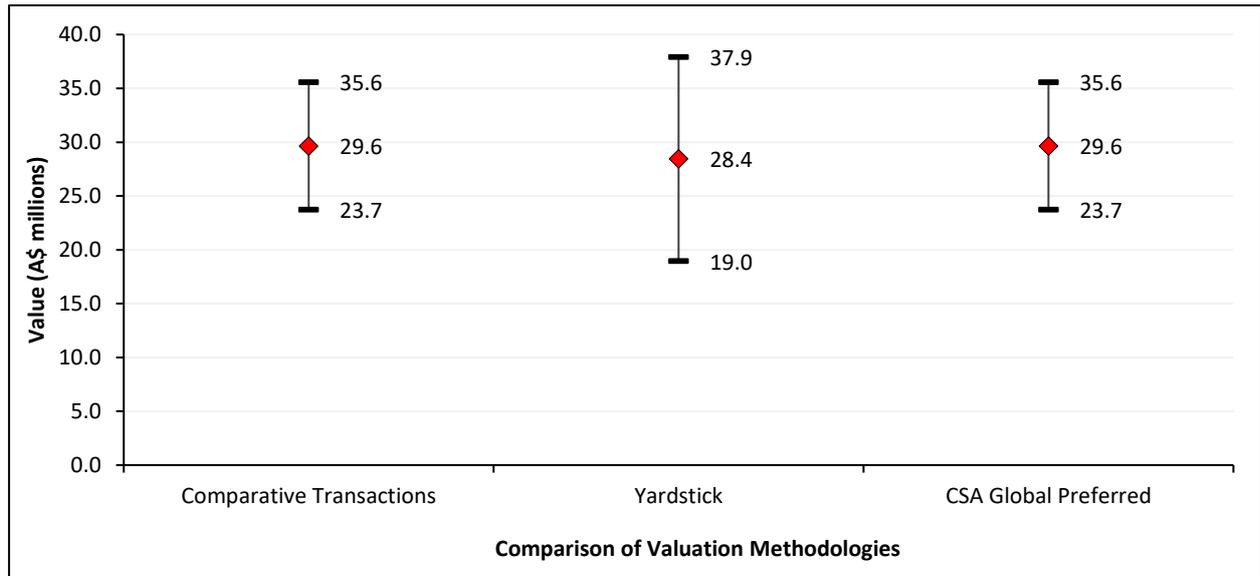


Figure 19: OBM’s Group 1 and Group 2 Mineral Resources – comparison of valuation techniques

CSA Global has elected to use the valuation numbers derived by the Comparative Transaction valuation method to value OBM’s Group 1 and Group 2 Mineral Resources. The secondary valuation by the Yardstick order of magnitude check determined that the Comparative Transactions valuation was reasonable. The Comparative Transactions valuation method is a primary valuation method and a more robust methodology for providing an indication of market value, compared to the Yardstick order of magnitude check, which is a secondary non-corroborative valuation method.

6.7.2 OBM’s Brownfields Potential

In forming an opinion on the market value of OBM’s Brownfields Potential, CSA Global has considered valuations derived from the Comparable Transactions as a primary method and Yardstick valuation as a secondary method (Figure 20).

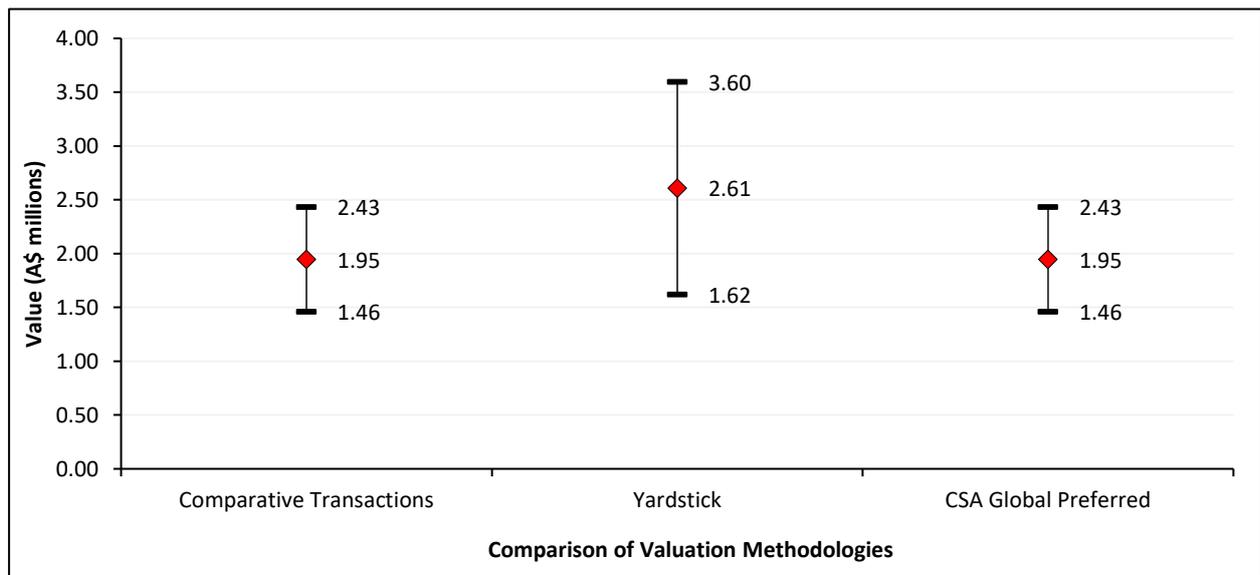


Figure 20: OBM’s Brownfields Potential – comparison of valuation techniques

CSA Global has elected to use the valuation numbers derived by the Comparative Transaction valuation method to value OBM’s Brownfields Potential. The secondary valuation by the Yardstick order of magnitude check determined that the Comparative Transactions valuation was reasonable. The Comparative Transactions valuation method is a primary valuation method and a more robust

methodology for providing an indication of market value, compared to the Yardstick order of magnitude check, which is a secondary non-corroborative valuation method.

6.7.3 CSA Global Valuation Summary

CSA Global's opinion on the Market Value of OBM's Australian mineral assets in accordance of ASIC RG111 and the VALMIN Code as at the valuation date is that it lies within a range of A\$30.4 million to A\$51.7 million with a preferred value of A\$41.1 million (Table 24).

Table 24: Summary market valuation of the OBM's mineral assets

Mineral asset	Equity (%)	Valuation (A\$ millions)			Reference table
		Low	Preferred	High	
Mineral Resources	100	23.7	29.6	35.6	Table 7
Brownfields Potential	100	1.5	1.9	2.4	Table 8
Exploration Tenements	100	0.8	2.2	3.6	Table 12
Prospecting Tenements	100	0.3	0.6	1.0	Table 16
Mining Tenements	100	4.1	6.6	9.1	Table 20
Total	100	30.4	41.1	51.7	-

Note: The valuation has been compiled to an appropriate level of precision, values may not add up due to rounding.

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8 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 Wikipedia (www.wikipedia.org).

amphibolite	A metamorphic crystalline rock consisting mainly of amphiboles and some plagioclase.
Archaean	Widely used term for the earliest era of geological time spanning the interval from the formation of Earth to about 2,500 million years ago.
basalt	Is a mafic extrusive igneous rock formed from the rapid cooling of magnesium-rich and iron-rich lava
colluvium	Is a general name for loose, unconsolidated sediments that have been deposited at the base of hill slopes.
dolerite	Is a mafic, holocrystalline, subvolcanic rock equivalent to volcanic basalt or plutonic gabbro.
felsic	Refers to igneous rocks that are relatively rich in elements that form feldspar and quartz.
gabbro	A large group of dark, often phaneritic (coarse-grained), mafic intrusive igneous rocks chemically equivalent to basalt, being its coarse-grained analogue.
laterite	Is a soil and rock type rich in iron and aluminium and is commonly considered to have formed in hot and wet tropical areas.
mafic	An igneous rock that is rich in magnesium and iron.
pegmatite	Is a holocrystalline, intrusive igneous rock composed of interlocking phaneritic crystals usually larger than 2.5 cm in size.
porphyritic	A texture where rock that has a distinct difference in the size of the crystals, with at least one group of crystals obviously larger than another group.
sandstone	Is a clastic sedimentary rock composed mainly of sand-sized (0.0625 mm to 2 mm) mineral particles or rock fragments.
schist	Is a medium-grade metamorphic rock with medium to large, flat, sheet-like grains in a preferred orientation.
sill	A tabular sheet intrusion that has intruded between older layers of sedimentary rock, beds of volcanic lava or tuff, or along the direction of foliation in metamorphic rock.
tuff	Is a type of rock made of volcanic ash ejected from a vent during a volcanic eruption.

9 Abbreviations and Units of Measurement

%	percent
°	degrees
A\$	Australian dollars
AIG	Australian Institute of Geoscientists
ASIC	Australian Securities and Investments Commission
ASX	Australian Securities Exchange
Au	gold
AusIMM	Australasian Institute of Mining and Metallurgy
BDO	BDO Corporate Finance (WA) Ltd
CIP	carbon in pulp
cm	centimetre
Croesus	Croesus Mining NL
CSA Global	CSA Global Pty Ltd
DLA	DLA Piper Australia
DTM	digital terrain model
EGS	Eastern Goldfields Limited
g	gram
G+T	Gilbert + Tobin
g/t	grams per tonne equivalent to ppm – parts per million
GSSA	Geological Society of South Africa
ha	hectare(s)
km	kilometres
km ²	square kilometres
koz	thousand ounces
m	metre(s)
M	million(s)
mm	millimetres
Monarch	Monarch Gold Mining Corporation
Moz	million ounces
Mt	million tonnes
Mtpa	million tonnes per annum
NQ	diamond core diameter of 47.6 mm
OBM	Ora Banda Mining Limited
oz	troy ounce (31.1035 grams)
ppm	parts per million equivalent to g/t – grams per tonne



QAQC	quality assurance and quality control (for sampling and assaying)
QFL	quartz-feldspar lode
RAB	rotary air blast
RC	reverse circulation
ROM	run-of-mine
Rothschild	NM Rothschild & Sons
Siberia Mining	Siberia Mining Corporation
Swan Gold	Swan Gold Mining Ltd
t	tonne(s)
US\$	United States dollars
WMC	Western Mining Corporation

Appendix A: Valuation Approaches

Valuation of Mineral Assets is not an exact science; and a number of approaches are possible, each with varying strengths and shortcomings. Whilst valuation is a subjective exercise, there are a number of generally accepted methods for ascertaining the value of Mineral Assets. CSA Global consider that, wherever possible, inputs from a range of methods should be assessed to inform the conclusions about the Market Value of Mineral Assets.

The valuation opinion is always presented as a range, with the preferred value identified. The preferred value need not be the median value and is determined by the Practitioner based on their experience and professional judgement.

Background

Mineral Assets are defined in the VALMIN Code⁵ as 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.

Business valuers typically define market value 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.” The accounting criterion for a market valuation is that it is an assessment of “fair value”, which is defined in the accounting standards as “the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm’s length transaction.” The VALMIN Code defines the value of a Mineral Asset as its Market Value, which is “the estimated amount (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 where the parties had each acted knowledgeably, prudently and without compulsion”.

Market Value usually consists of two components, the underlying or Technical Value, and a premium or discount relating to market, strategic or other considerations. The VALMIN Code recommends that a preferred or most-likely value be selected as the most likely figure within a range after considering those factors which might impact on Value.

The concept of Market Value hinges upon the notion of an asset changing hands in an arm’s length transaction. Market Value must therefore consider, inter alia, market considerations, which can only be determined by reference to “comparable transactions”. Generally, truly comparable transactions for Mineral Assets are difficult to identify due to the infrequency of transactions involving producing assets and/or Mineral Resources, the great diversity of mineral exploration properties, the stage to which their evaluation has progressed, perceptions of prospectivity, tenement types, the commodity involved and so on.

For exploration tenements, the notion of value is very often based on considerations unrelated to the amount of cash which might change hands in the event of an outright sale, and in fact, for the majority of tenements being valued, there is unlikely to be any “cash equivalent of some other consideration”. Whilst acknowledging these limitations, CSA Global identifies what it considers to be “comparative transactions” (i.e. transactions that are useful to consider) to be used in assessing the values to be attributed to Mineral Assets.

⁵ *Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets (The VALMIN Code) 2015 Edition*. Prepared by the VALMIN Committee, a joint committee of the Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists.

Valuation Methods for Mineral Assets

The choice of valuation methodology applied to Mineral Assets, including exploration licences, will depend on the amount of data available and the reliability of that data.

The VALMIN Code classifies Mineral Assets into categories that represent a spectrum from areas in which mineralisation may or may not have been found through to Operating Mines which have well-defined Ore Reserves, as listed below:

- **“Early-stage Exploration Projects”** – Tenure holdings where mineralisation may or may not have been identified, but where Mineral Resources have not been identified.
- **“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 (as defined in the JORC⁶ Code) 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.
- **“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.
- **“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 Prefeasibility Study.
- **“Production Projects”** – Tenure holdings – particularly mines, wellfields and processing plants – that have been commissioned and are in production.

Each of these different categories will require different valuation methodologies, but regardless of the technique employed, consideration must be given to the perceived “market valuation”.

The Market Value of Exploration Properties and Undeveloped Mineral Resources can be determined by the following general approaches: Income, Market and Cost (Table A1). The Market Value of Development and Production Projects are best assessed using the Market and Income approaches, whereas the Market Value of Exploration projects are best assessed using the Market and Cost approaches.

Table A1: Valuation approaches for different types of mineral properties (VALMIN, 2015)

Valuation approach	Exploration properties	Mineral Resource properties	Development properties	Production properties
Income	No	In some cases	Yes	Yes
Market	Yes	Yes	Yes	Yes
Cost	Yes	In some cases	No	No

Income

The discounted cash flow (DCF)/net present value (NPV) method.

⁶ Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code) 2012 Edition. Prepared by the Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia (JORC).

The DCF valuation method recognises the time value of money, it is most suitable for Development Projects, where detailed studies have been completed to justify input assumptions and Production Projects, where there is actual historical data to justify input assumptions. Less commonly the DCF methodology is applied to Pre-Development Projects.

The DCF valuation method provides a means of relating the magnitude of expected future cash profits to the magnitude of the initial cash investment required to purchase a mineral asset or to develop it for commercial production. The DCF valuation method determines:

- The NPV of a stream of expected future cash revenues and costs;
- The internal rate of return (IRR) that the expected cash flows will yield on a given cash investment.

The DCF valuation method is a forward-looking methodology, requiring that forecasts be made of technical and economic conditions which will prevail in the future. All future predictions are inherently uncertain. The level of uncertainty reduces as the quality of the data available to project future rates of production and future costs, increases.

It is important to understand certain fundamental attributes of the mining industry in undertaking a DCF such as:

- An Ore Reserve and in some cases Mineral Resource is the basis of any mineral development;
- Costs are determined by the number of tonnes mined and processed, while revenues are determined by the number of tonnes, pounds or ounces of metal produced. The two are related by the recovered grade of the ore;
- Profit is typically more sensitive to changes in revenue than to changes in costs; and
- The commodity price is a principal determinant of revenue but is also the factor with the greatest level of financial risk.

The most significant factors, which must be considered in a DCF valuation of a mineral asset is the reliability of the Mineral Resource and Ore Reserve, particularly with respect to recovered grade, the price at which the product is sold and the risk of not maintaining the projected level of commodity price.

Key inputs into the DCF valuation method for a mineral asset valuation are:

- Life-of-mine planning assumptions;
- Capital cost estimates – can be the initial cost of constructing the project and/or the ongoing cost of sustaining the productive life of the operation;
- Operating cost estimates - costs incurred both on-site in producing the commodity which is shipped from the property, and off site, in the transportation and downstream processing of that commodity into saleable end products;
- Revenue estimates – revenue in the mining context is the product of the following factors:
 - The tonnage of ore mined and processed;
 - The grade of the ore;
 - The metallurgical recovery; and
 - The price of the saleable commodity;
- Taxation and royalty payments; and
- Discount rate – represents the risk adjusted rate of interest expected to be yielded by an investment in the mineral asset.

The Income Approach is not appropriate for properties without Mineral Resources. It should be employed only where enough reliable data are available to provide realistic inputs to a financial model, preferably based on studies at or exceeding a prefeasibility level.

Market

Comparative Transaction Method

The Comparative Transactions Method looks at prior transactions for the property and recent arm's length transactions for comparative properties.

The Comparative Transaction method provides a useful guide where a mineral asset that is generally comparable in location and commodity has in the recent past been the subject of an "arm's length" transaction, for either cash or shares.

For the market approach resources are not generally subdivided into their constituent JORC Code categories. The total endowment or consolidated *in situ* resources are what drives the derivation of value. Each transaction implicitly captures the specific permutation of resource categories in a project. There are too many project specific factors at play to allow any more than a consideration of price paid versus total resource base. Therefore, considering individual project resource permutations is neither practicable nor useful for this valuation approach. To that end CSA Global's discussion of the market approach is predicated on the consolidated resource base, to allow application of the method.

Where a progressively increasing interest is to be earned in stages, it is likely that a commitment to the second or subsequent stages of expenditure will be so heavily contingent upon the results achieved during the earlier phases of exploration that assigning a probability to the subsequent stages proceeding will in most cases be meaningless. A commitment to a minimum level of expenditure before an incoming party can withdraw must reflect that party's perception of minimum value and should not be discounted. Similarly, any upfront cash payments should not be discounted.

The terms of a sale or joint venture agreement should reflect the agreed value of the tenements at the time, irrespective of transactions or historical exploration expenditure prior to that date. Hence the current Value of a tenement or tenements will be the Value implied from the terms of the most recent transaction involving it/them, plus any change in Value as a result of subsequent exploration.

High quality Mineral Assets are likely to trade at a premium over the general market. On the other hand, exploration tenements that have no defined attributes apart from interesting geology or a "good address" may well trade at a discount to the general market. Market Values for exploration tenements may also be impacted by the size of the land holding, with a large, consolidated holding in an area with good exploration potential attracting a premium due to its appeal to large companies.

Yardstick

The Rule-of-Thumb (Yardstick) Method is relevant to exploration properties where some data on tonnage and grade exist, and these properties may be valued by methods that employ the concept of an arbitrarily ascribed current *in situ* net value to any Ore Reserves (or Mineral Resources) outlined within the tenement (Lawrence 2001, 2012).

Rules-of-Thumb (Yardstick) Methods are commonly used where a Mineral Resource remains in the Inferred category and available technical/economic information is limited. This approach ascribes a heavily discounted *in situ* value to the Resources, based upon a subjective estimate of the future profit or net value (say per tonne of ore) to derive a rule-of-thumb.

This Yardstick multiplier factor applied to the Resources delineated (depending upon category) varies depending on the commodity. Typically, a range from 0.4% to 3% of the current spot price is used for base metals and PGM, whereas for gold and diamonds a range of 2% to 5% of the current spot price is used, and typically much lower factors are applied for bulk commodities. The method estimates the *in situ* gross metal content value of the mineralisation delineated (using the spot metal price and appropriate metal equivalents for polymetallic mineralisation as at the valuation date).

The chosen percentage is based upon the valuer's risk assessment of the assigned Mineral Resource category, the commodity's likely extraction and treatment costs, availability/proximity of transport and other infrastructure (particularly a suitable processing facility), physiography and maturity of the mineral field, as well as the depth of the potential mining operation.

This method is best used as a non-corroborative check on the order of magnitude of values derived using other valuation methods that are likely to better reflect project-specific criteria.

Cost

Appraised Value or Exploration Expenditure Method considers the costs and results of historical exploration.

The Appraised Value Method is based on the premise that the real value of an exploration property lies in its potential for the existence and discovery of an economic mineral deposit (Roscoe, 2002). It utilises a Multiple of Exploration Expenditure (MEE), which involves the allocation of a premium or discount to past *relevant and effective expenditure* using the Prospectivity Enhancement Multiplier (PEM). This involves a factor which is directly related to the success (or failure) of the exploration completed to date, during the life of the current tenements.

Guidelines for the selection of a PEM factor have been proposed by several authors in the field of mineral asset valuation (Onley, 1994). Table A2 lists the PEM factors and criteria used in this Report.

Table A2: *Prospectivity Enhancement Multiplier (PEM) factors*

PEM range	Criteria
0.2 to 0.5	Exploration (past and present) has downgraded the tenement prospectivity, no mineralisation identified
0.5 to 1.0	Exploration potential has been maintained (rather than enhanced) by past and present activity from regional mapping
1.0 to 1.3	Exploration has maintained, or slightly enhanced (but not downgraded) the prospectivity
1.3 to 1.5	Exploration has considerably increased the prospectivity (geological mapping, geochemical or geophysical activities)
1.5 to 2.0	Scout drilling (RAB, air-core, reverse circulation percussion) has identified interesting intersections of mineralisation
2.0 to 2.5	Detailed drilling has defined targets with potential economic interest
2.5 to 3.0	A Mineral Resource has been estimated at Inferred JORC category, no concept or scoping study has been completed
3.0 to 4.0	Indicated Mineral Resources have been estimated that are likely to form the basis of a Prefeasibility Study
4.0 to 5.0	Indicated and Measured Resources have been estimated and economic parameters are available for assessment

Geoscience Factors

The *Geoscience Factor* (or Kilburn) method (GFM), as described by Kilburn (1990), provides an approach for the technical valuation of the exploration potential of mineral properties, on which there are no defined resources. It seeks to rank and weight geological aspects, including proximity to mines, deposits and the significance of the camp and the commodity sought.

Valuation is based upon a calculation in which the geological prospectivity, commodity markets, and mineral property markets are assessed independently. The GFM is essentially a technique to define a Value based upon geological prospectivity. The method appraises a variety of mineral property characteristics:

- Location with respect to any off-property mineral occurrence of value, or favourable geological, geochemical or geophysical anomalies



- Location and nature of any mineralisation, geochemical, geological or geophysical anomaly within the property and the tenor of any mineralisation known to exist on the property being valued
- Number and relative position of anomalies on the property being valued
- Geological models appropriate to the property being valued.

The GFM systematically assesses and grades these four key technical attributes of a tenement to arrive at a series of multiplier factors (Table A3).

Table A3: Geoscience Factor Ranking

Rating	Address/Off-property factor	On-property factor	Anomaly factor	Geological factor
0.5	Very little chance of mineralisation; Concept unsuitable to the environment	Very little chance of mineralisation; Concept unsuitable to the environment	Extensive previous exploration with poor results	Generally unfavourable lithology; No alteration of interest
1	Exploration model support; Indications of prospectivity; Concept validated	Exploration model support; Indications of Prospectivity; Concept validated	Extensive previous exploration with encouraging results; Regional targets	Deep cover; Generally favourable lithology/alteration (70%)
1.5	Reconnaissance (RAB/aircore) drilling with some scattered favourable results; Minor workings	Exploratory sampling with encouragement	Several early stage targets outlined from geochemistry and geophysics	Shallow cover; Generally favourable lithology/alteration (50% to 60%)
2	Several old workings; Significant reverse circulation percussion drilling leading to advanced project	Several old workings; reconnaissance drilling or reverse circulation percussion drilling with encouraging intersections	Several well-defined targets supported by recon drilling data	Exposed favourable; Lithology/alteration
2.5	Abundant workings; Grid drilling with encouraging results on adjacent sections	Abundant workings; Core drilling after reverse circulation percussion with encouragement	Several well-defined targets with encouraging drilling results	Strongly favourable lithology, alteration
3	Mineral Resource areas defined	Advanced resource definition drilling (early stages)	Several significant sub-economic targets; No indication of “size”	Generally favourable lithology with structures along strike of a major mine; Very prospective geology
3.5	Abundant Workings/mines with significant historical production; Adjacent to known mineralisation at PFS stage	Abundant workings/mines with significant historical production; Mineral Resource areas defined	Several significant sub-economic targets; Potential for significant “size”; Early stage drilling	
4	Along strike or adjacent to Resources at Definitive Feasibility Study stage	Adjacent to known mineralisation at PFS stage	Marginally economic targets of significant “size” advanced drilling	
4.5	Adjacent to development stage project	Along strike or adjacent to Resources at Definitive Feasibility Study stage	Marginal economic targets of significant “size” with well drilled Inferred Resources	
5	Along strike from operating major mine(s)	Adjacent to development stage project	Several significant ore grade co-relatable intersections	

The Geoscience Rating Factor valuation method is a subjective valuation method and different valuation practitioners are likely to derive different on-off property, anomaly, and geological factors, based on their interpretation and understanding of the project. Different descriptions of the rating factors also exist. However, provided the same rating system of factors and descriptions of their values is used, the results from different practitioners should not be dramatically different.

The Basic Acquisition Cost (BAC) is an important input to the GFM. In essence it is the average cost to acquire and hold an average age tenement in the jurisdiction and it is determined by summing the costs to identify and area of interest, application fees, annual rents and other government costs, work required to facilitate granting (e.g. native title, environmental etc.) and minimum annual statutory expenditures. In other words, the BAC is the total average expenditure per standard unit area (km², hectare, sub-block, etc.) and captures the identification cost and then the application and retention costs. Each factor is then multiplied serially by the BAC to establish the overall technical value of each mineral property. A fifth factor, the market factor, is then multiplied by the technical value to arrive at the market value.

The standard references on the method (Kilburn 1990, Goulevitch and Eupene 1994) do not provide much detail on how the market factor should be ascertained. CSA Global takes the approach of using the implied value range from our selected Comparable Transactions to inform the selection of a GFM market factor. Our presumption is that the comparatives are capturing the market sentiment, so any other valuation method should not be significantly different (order of magnitude).

This is achieved by finding the market factor that produces an average GFM preferred value per unit area for whole project (i.e. total preferred GFM value divided by the total area) that falls within the range of the comparatives implied values per unit area. It is CSA Global's view that this adequately accounts for global market factors on an empirical basis. For example, if the implied value range is \$100/km² to \$2,000/km², then the market factor should give an average GFM preferred value per unit area that falls within that range.

CSA Global generally would select a market factor (rounded to an appropriate number of significant digits) that gives a value closer to the upper end of the range (though this is the valuer's judgement call). This is because the GFM is a tool that addresses the exploration potential of a project and is best suited to informing the upper end of valuation ranges for a project.

Geological Risk Method

In the *Geological Risk* Valuation method, as described by Lord *et al.* (2001), the value of a project at a given stage of knowledge/development is estimated based on the potential value of the project at a later stage of development, discounted by the probability of the potential value of the later stage being achieved, and considering the estimated cost of progressing the project to the next stage.

The relevant stages of exploration are defined in Table A4.

Table A4: Definition of exploration stages

Stage	Description
Stage A	Ground acquisition, project/target generation
Stage B	Prospect definition (Mapping and Geochemistry)
Stage C	Drill testing (systematic RC, DD)
Stage D	Resource Delineation
Stage E	Feasibility

The expected value (E) of a project at a given stage is then dependent on the target value at the next stage (T), the probability of successfully advancing the project to the next stage (P), and the cost of advancing the project (C). This can be expressed as:

$$E = P * (T - C)$$

This valuation method generates an expected value for each project (or prospect) at each of the main exploration stages or decision points, by working back from a project's target value. A project's target value can be based on an expected NPV from a reasonably constrained DCF model, or from a reasonable

approximation of the value of a defined resource, in which case the initial target value will be the value at the end of Stage D, as opposed to the value at the end of Stage E.

Lord *et al.* (2001) concluded that the probability of successfully proceeding from one exploration phase to the following one was as depicted in Table A5, based on a detailed study of gold exploration programs in the Laverton area of Western Australia.

Table A5: *Probability of successfully proceeding from one exploration stage to another*

Stages	Probability of advancing
Generative to reconnaissance	0.54
Reconnaissance to systematic drill testing	0.17
Systematic drill testing to Resource delineation	0.58
Resource delineation to Feasibility	0.87
Feasibility to Mine	0.90

Source: Lord *et al.* (2001)

Valuation Approaches by Asset Stage

Regardless of the technical application of various valuation methods and guidelines, the valuer should strive to adequately reflect the carefully considered risks and potentials of the various projects in the valuation ranges and the preferred values, with the overriding objective of determining the “market value”.

Table A1 shows the valuation approaches that are generally considered appropriate to apply to each type of mineral property.

Appendix B: Comparative Transactions

Table B1: Selected comparative transactions of gold Mineral Resources in Australia

Date	Project	Buyer	Seller	Mineral Resource grade (g/t)	Mineral Resource contained Au (Moz)	Measured and Indicated Resources (%)	Transaction value (100%) A\$M	Implied value A\$/oz	Normalised value A\$/oz
6 Aug 2019	Western Queen	Rumble Resources Ltd	Ramelius Resources Ltd	3.90	0.12	23	1.27	10.56	10.77
9 Jul 2019	Menzies and Goongarrie	Kingwest Resources Ltd	Intermin Resources Ltd	2.40	0.20	33	7.57	38.81	42.67
28 Jun 2019	Spargos Reward	Corona Resources Ltd	Mithril Resources Ltd	3.90	0.13	67	0.33	2.65	2.91
18 Apr 2019	Box Well and Deep South	Saracen Mineral Holdings Ltd	Hawthorn Resources Ltd	1.58	0.21	54	13.50	65.22	81.12
31 Jan 2019	Wilcherry	Alliance Resources Ltd	Tyranna Resources Ltd	5.10	0.18	49	8.07	44.58	54.47
13 Dec 2018	Devon	Matsa Resources Ltd	GME Resources Ltd	2.70	0.04	63	0.10	2.78	3.59
12 Dec 2018	New Hope	Chinova Resources Cloncurry Mines Pty Ltd	Pegmont Mines Ltd	9.42	0.03	89	0.58	20.31	26.12
14 Nov 2018	Snake Well	Adaman Resources Pty Ltd	Kalamazoo Resources Ltd	2.45	0.14	48	6.14	43.53	57.99
14 Nov 2018	Zelica	Matsa Resources Ltd	Anova Metals Ltd	1.63	0.03	63	0.15	4.97	6.62
16 Oct 2018	Penny West	Spectrum Metals Ltd	Patina Resources Pty Ltd and Plateaux Resources Pty Ltd	5.00	0.04	78	1.00	27.78	35.84
13 Sep 2018	Marda	Ramelius Resources Ltd	Black Oak Minerals Ltd	1.96	0.33	76	13.00	38.98	51.69
17 May 2018	Kirkalocka	Adaman Resources Pty Ltd	Shandong Tyan Home Co., Ltd	1.10	0.55	78	12.00	21.90	28.34
29 Jan 2018	Horse Well	Alloy Resources Ltd	Doray Minerals Ltd	2.76	0.08	0	4.55	60.53	81.07
1 Dec 2017	Eureka	Tyranna Resources Ltd	Central Iron ore Ltd	4.40	0.06	0	3.20	49.84	65.41
23 Jun 2017	Tuckabianna	Westgold Resources Ltd	Silver Lake Resources Ltd	2.04	0.52	31	8.50	16.22	21.69
18 May 2017	Kat Gap	Classic Minerals Ltd	Sulphide Resources Pty Ltd	2.90	0.04	Unknown	0.40	9.45	12.43
5 May 2017	Black Cat	Beacon Minerals Ltd	Flinders Exploration Ltd	2.00	0.02	53	0.59	24.80	33.20
24 Apr 2017	Bundarra	Saracen Mineral Holdings Ltd	Bligh Resources Ltd	1.90	0.43	67	9.00	20.88	27.52
8 Mar 2017	Ant Hill	Intermin Resources Ltd	Echo Resources Ltd	1.00	0.16	18	0.30	1.88	2.60
6 Dec 2016	Trojan	Overland Resources Ltd	Westgold Resources Ltd	1.61	0.14	64	0.88	6.10	8.62
1 Nov 2016	Cargo	Agricultural Equity Investments Pty Ltd	Golden Cross Resources Ltd	0.84	0.28	0	0.50	1.78	2.35
3 Aug 2016	Coolgardie	Primary Gold Ltd	MacPhersons Resources Ltd	1.63	0.20	62	9.45	47.11	58.35
21 Jul 2016	Lake Carey	Matsa Resources Ltd	Fortitude Gold Pty Ltd	1.90	0.39	45	1.75	4.54	5.72

Date	Project	Buyer	Seller	Mineral Resource grade (g/t)	Mineral Resource contained Au (Moz)	Measured and Indicated Resources (%)	Transaction value (100%) A\$M	Implied value A\$/oz	Normalised value A\$/oz
12 May 2016	Plutonic Dome	Vango Mining Ltd	Dampier Gold Ltd	3.10	0.82	54	5.50	6.71	8.62
6 May 2016	Zeus	Hanking Gold Mining Pty Ltd	Cazaly Resources Ltd	1.97	0.03	0	0.22	7.42	9.39
4 May 2016	Sandstone	Middle Island Resources Ltd	Black Oak Minerals Ltd	1.38	0.48	4	2.50	5.21	6.77
31 Mar 2016	Gunga West	Metals X Ltd	Kidman Resources Ltd	1.70	0.07	82	1.50	20.55	28.41
27 Jan 2016	Burbanks and Gunga West	Kidman Resources Ltd	Blue Tiger Mines Pty Ltd	2.85	0.17	30	7.50	43.60	61.07
21 Dec 2015	Twin Hills	Melrose Resources Pty Ltd	Golden Deeps Ltd	20.86	0.01	100	0.05	4.25	6.28
18 Dec 2015	Mt Holland	Kidman Resources Ltd	Convergent Minerals Ltd	1.61	0.93	63	3.50	3.77	5.65
16 Dec 2015	Spring Hill	PC Gold Pty Ltd	Thor Mining Plc	1.74	0.39	100	3.36	8.65	12.84
10 Nov 2015	Cheritons Find	Hanking Gold Mining Pty Ltd	Riedel Resources Ltd	2.46	0.11	0	0.70	6.33	9.05
26 Oct 2015	Karlawinda	Malagasy Minerals Ltd	Greenmount Resources Pty Ltd	1.10	0.65	0	6.00	9.22	12.73

Notes: The spot price used for normalising the transactions was A\$2,218.78/oz.

Table B2: Comparative transactions of exploration licences prospective for gold in Australia

Date	Project	Buyer	Seller	Prospective commodities	Transaction type	Transaction value (100%) A\$'000	Implied value A\$/km ²	Normalised value A\$/km ²
14 Aug 2019	Commonwealth	Alkane Resources Ltd	Impact Minerals Ltd	Au	Acquisition – 100%	101	33,667	33,209
25 Jul 2019	Bar and Twenty	Private Buyer	Anova Metals Ltd	Au	Acquisition – 100%	25	1,379	1,500
25 Jul 2019	Balagundi	Black Cat Syndicate Ltd	Pioneer Resources Ltd	Au	Joint Venture – 75%	630	15,527	16,886
23 Jul 2019	Lake Rebecca	Bulletin Resources Ltd	Matsa Resources Ltd	Au	Acquisition – 80%	156	908	991
9 Jul 2019	Marble Bar	Calidus Resources Ltd	Epmindex WA Pty Ltd	Au	Acquisition – 50%	110	11,659	12,820
9 Jul 2019	Bulgera	Norwest Minerals Ltd	Accelerate Resources Ltd	Au	Acquisition – 100%	220	5,977	6,572
4 Jul 2019	South Gawler	Freport-McMoran Exploration Australia Pty Ltd	Terramin Australia Ltd	Au-Cu	Joint Venture – 70%	3,715	821	903
24 Jun 2019	Illaara	Dreadnaught Resources Ltd	Newmont Goldcorp Corp	Au	Acquisition – 100%	120	165	181
14 Jun 2019	Myall Creek	Fortescue Metals Group	Strategic Energy Resources Ltd	Au-Cu	Joint Venture – 80%	1,477	2,757	3,115
5 Jun 2019	Wild Horse	Freeport-McMoran Exploration Australia Pty Ltd	Terramin Australia Ltd	Cu-Au	Joint Venture – 51%	4,861	10,523	12,242
5 Jun 2019	Horn Island	St Barbara Ltd	Alce Queen Ltd	Au	Joint Venture – 70%	4,953	16,036	18,655
23 May 2019	Mt Venn	Woomera Mining Ltd	Cazaly Resources Ltd	Au-Ni-Cu	Joint Venture – 80%	2,740	7,026	8,356
16 May 2019	Tobruk	Newmont Exploration Pty Ltd	Prodigy Gold NL	Au	Joint Venture – 51%	12,664	4,140	4,928
14 May 2019	Tambourah, Hillside, Panorama and Bonnie Scot	Fe Ltd	Macarthur Minerals Ltd	Au-Li	Joint Venture – 25%	6,869	4,293	5,101
1 May 2019	Ned's Creek	Vango Mining Ltd	Lodestar Minerals Ltd	Au	Joint Venture – 51%	8,628	25,534	31,110
11 Apr 2019	Carterton	Syndicated Metals Ltd	Gateway Mining Ltd	Au	Acquisition – 100%	283	3,167	3,866
5 Apr 2019	Rushworth	Dart Mining NL	Ostract Pty Ltd	Au	Acquisition – 100%	66	805	981
29 Mar 2019	Hobbes	Crosspick Resources Pty Ltd	Orecorp Ltd	Au	Joint Venture – 40%	705	7,416	9,016
27 Mar 2019	Pilbara	Thor Mining PLC	Private Seller	Au	Acquisition – 100%	833	1,063	1,273
11 Mar 2019	Pilbara Basin	Monteray Minerals Inc	CTTR Mining Tenements Pty Ltd	Au	Acquisition – 100%	813	1,549	1,875
1 Mar 2019	Chillagoe	Thomson Resources Ltd	Bacchus Resources Pty Ltd	Au	Acquisition – 90%	56	94	113
11 Feb 2019	Sherlock River	Monteray Minerals Inc	Ridge Street Investments Pty Ltd	Au	Acquisition – 100%	1,105	8,185	9,798
8 Feb 2019	Laverton	Global Fortune Investment Ltd	Expose Resources Ltd	Au	Joint Venture – 51%	740	4,836	5,789
18 Jan 2019	Paynes Find	Oakajee Corporation Ltd	Attgold Pty Ltd	Au	Acquisition – 80%	44	974	1,208
11 Dec 2018	Penny West	Spectrum Metals Ltd	Private Seller	Au	Acquisition – 100%	15	3,359	4,314
28 Nov 2018	Kirkalocka	Blaze International Ltd	Iron Clad Prospecting Pty Ltd	Au	Acquisition – 100%	130	981	1,297
28 Nov 2018	Kirkalocka	Blaze International Ltd	Beau Resources	Au	Acquisition – 100%	160	1,662	2,198
15 Oct 2018	Mount Hawthorn	Marindi Metals Ltd	Bar None Exploration Pty Ltd	Au	Acquisition – 100%	41	2,831	3,655

Date	Project	Buyer	Seller	Prospective commodities	Transaction type	Transaction value (100%) A\$'000	Implied value A\$/km ²	Normalised value A\$/km ²
27 Sep 2018	Golden Palm	Pacton Gold Inc.	Private Seller	Au	Acquisition – 100%	280	11,373	15,397
20 Sep 2018	Wallbrook	Nexus Minerals Ltd	Newmont Exploration Pty Ltd	Au	Acquisition – 100%	13	69	92
3 Sep 2018	Mon Ami Area	Great Southern Mining Ltd	Strategic Minerals Plc	Au	Acquisition – 100%	145	2,876	3,833
3 Sep 2018	Drummond	Evolution Mining Ltd	Andormeda Metals Ltd	Au	Joint Venture – 51%	4,153	7,987	10,643
23 Aug 2018	Pilbara	Pacton Gold Inc.	Arrow Minerals Ltd	Au	Acquisition – 49%	4,147	6,809	9,234
31 Jul 2018	Holleton	Ramelius Resources Ltd	Element 25 Ltd	Au	Acquisition – 100%	1,000	2,604	3,515
18 Jun 2018	Ruby Plains	Dampier Gold Ltd	Private Seller	Au	Acquisition – 100%	473	577	743
25 May 2018	South Darlot	Kingwest Resources Ltd	Central Iron Ore Ltd	Au	Acquisition – 100%	580	2,007	2,580
8 May 2018	Euro	Newcrest Mining Ltd	Prodigy Gold NL	Au	Joint Venture – 51%	9,723	2,796	3,531
4 May 2018	Kirkalocka	Bar None Exploration Pty Ltd	Blaze International Ltd	Au	Acquisition – 100%	100	3,012	3,834
2 May 2018	Connors Arc	Evolution Mining Ltd	Orion Minerals Ltd	Au	Acquisition – 100%	2,500	781	996
18 Apr 2018	Slate Dam	Aruma Resources Ltd	Rare Earth Contracting Pty Ltd	Au	Acquisition – 100%	66	3,474	4,440
16 Apr 2018	Ockerburry Hill	Red 5 Ltd	AngloGold Ashanti Australia Ltd	Au	Acquisition – 100%	45	664	849
29 Mar 2018	Warrawoona	Calidus Resources Ltd	Gardner Mining Pty Ltd	Au	Acquisition – 100%	77	1,714	2,204
26 Feb 2018	Queen Lapage	Riversgold Ltd	Alloy Resources Ltd	Au	Joint Venture – 70%	448	1,392	1,818
5 Feb 2018	South Yamarna	Gold Road Resources Ltd	Sumitomo Metal Mining Oceana Pty Ltd	Au	Acquisition – 50%	14,000	5,675	7,480
31 Jan 2018	Mary River	Pantoro Ltd	Private Seller	Au	Acquisition – 100%	80	1,246	1,664
22 Dec 2017	Hacks Well	Matsa Resources Ltd	Australian Potash Ltd	Au	Acquisition – 100%	55	611	821
22 Dec 2017	Omni Projects	Gateway Mining Ltd	OMNI GeoX Pty Ltd	Au-BM	Acquisition – 100%	1,500	1,120	1,506
13 Dec 2017	Pilbara Region	Tando Resources Ltd	Geko-Co Pty Ltd	Au	Option to Acquire – 100%	223	9,935	13,454
12 Dec 2017	Dalgaranga	Gascoyne Resources Ltd	Private Seller	Au	Acquisition – 100%	499	3,868	5,237
22 Nov 2017	Eastman	Peako Ltd	Sandrib Pty Ltd	Au-BM	Joint Venture – 60%	920	4,160	5,428
8 Nov 2017	Croydon Top Camp	Coziron Resources Ltd	Creasy Group Companies	Au	Joint Venture – 70%	1,829	5,768	7,641
6 Nov 2017	Black Hills	Greatland Gold Plc	Private Seller	Au	Acquisition – 100%	225	9,000	12,010
3 Oct 2017	Mertondale East	Magnetic Resources NL	Private Seller	Au	Acquisition – 100%	40	13,333	18,173
29 Sep 2017	Charteris Creek	LMTD Wits Pty Ltd	Riedel Resources Ltd	Au	Acquisition – 100%	500	4,065	5,511

Notes:

- Prospective commodities; Au – gold, BM – base metals, Cu – copper, Li – lithium, Ni – nickel.
- The Joint Venture transaction earn-in percentage is the first earn-in percentage.
- The spot price used for normalising the transactions was A\$2,218.78/oz.

Table B3: Comparative transactions of prospecting licences prospective for gold in Australia

Date	Project	Buyer	Seller	Prospective commodities	Transaction type	Transaction value (100%) A\$'000	Implied value A\$/km ²	Normalised value A\$/km ²
8 May 2019	Bardoc	Bardoc Gold Ltd	Torian Resources Ltd	Au	Acquisition – 100%	150	3,061	3,712
29 Mar 2019	Ulysses	Genesis Minerals Ltd	Private Seller	Au	Acquisition – 100%	45	9,130	11,099
10 Oct 2018	Wombola	Torian Resources Ltd	Private Seller	Au	Acquisition – 100%	10	102,976	136,473
30 Aug 2018	Bonnie Value	Torian Resources Ltd	Private Seller	Au	Acquisition – 100%	99	188,356	252,933
25 Jan 2018	Golden Lode	MinTails Ltd	Investor Group	Au	Acquisition – 100%	600	51,414	67,906
5 Jan 2018	Queenslander	Primary Gold Ltd	Private Seller	Au	Acquisition – 100%	19	65,749	86,866
18 Oct 2017	Blue Moon	De Grey Mining Ltd	Private Seller	Au	Acquisition – 100%	940	1,316,973	1,787,450
22 Jun 2017	Mertondale	Kin Mining NL	Kazoo Nominees Pty Ltd	Au	Acquisition – 100%	8	507	678
18 Jan 2017	Transfield Extended	Southern Gold Ltd	Undisclosed Seller	Au	Option to Acquire – 100%	215	347,241	479,439
9 Dec 2016	Not Stated	Syndicated Metals Ltd	Undisclosed Seller	Au	Acquisition – 100%	25	9,653	13,722
8 Dec 2016	Violet	Navigator Resources Ltd	Undisclosed Seller	Au	Acquisition – 100%	23	27,439	38,789
30 Nov 2016	Not Stated	Western Mining Network Ltd	Redfield Pty Ltd	Au	Acquisition – 100%	3	27,273	38,073
12 Oct 2016	Mainlode East	Primary Gold Ltd	Undisclosed Seller	Au	Acquisition – 100%	39	36,981	49,638
16 Feb 2016	Goongarrie	Intermin Resources Ltd	Cove Resources Ltd	Au	Acquisition – 100%	40	5,353	6,927
20 Mar 2015	Ora Banda South	Siburan Resources Ltd	Western Resources Pty Ltd	Au	Joint Venture – 51%	267	29,080	42,277

Notes:

- Prospective commodities; Au – gold.
- The Joint Venture transaction earn-in percentage is the first earn-in percentage.
- The spot price used for normalising the transactions was A\$2,218.78/oz.
- Transactions highlighted in orange were considered outliers.

Table B4: Comparative transactions of mining licences prospective for gold in Australia

Date	Project	Buyer	Seller	Prospective commodities	Transaction type	Transaction value (100%) A\$'000	Implied value A\$/km ²	Normalised value A\$/km ²
5 Jun 2019	Cox's Find	Great Southern Mining Ltd	Private Seller	Au	Acquisition – 100%	927	376,443	437,938
15 Apr 2019	Currans Find	Rox Resources Ltd and Venus Metals Ltd	Murchison Earthmoving & Rehabilitation Pty Ltd	Au	Acquisition – 90%	333	92,851	114,813
13 Mar 2019	Tambina	First Au Ltd	West Wits Mining Ltd	Au	Joint Venture – 35%	762	746,998	896,972
4 Mar 2019	Penny's Find	Orminex Ltd	Empire Resources Ltd	Au	Acquisition – 100%	200	398,327	486,771
10 Dec 2018	Cannon	Southern Gold Ltd	Northern Star Resources Ltd	Au	Acquisition – 100%	78	66,926	85,592
23 Aug 2018	Jungle Well	PVW Mt Clifford Pty Ltd	Saracen Metals Pty Ltd	Au	Acquisition – 100%	10	1,972	2,675
24 May 2018	Mulwarrie	Spitfire Materials Ltd	Goldfield Argonaut Pty Ltd	Au	Acquisition – 49%	2,184	1,215,380	1,563,866
15 Mar 2018	Trojan	Aruma Resources Ltd	Westgold Resources Ltd	Au	Acquisition – 100%	132	15,086	19,862
6 Mar 2018	Nemesis	Pantoro Ltd	Private Seller	Au	Acquisition – 80%	385	272,173	352,697
22 Feb 2018	Mt Lucky	Forte Consolidated Ltd	Valleybrook Investments Pty Ltd	Au	Acquisition – 100%	550	940,814	1,233,342
17 Jan 2018	Wallbrook	Nexus Minerals Ltd	Saracen Mineral Holdings Ltd	Au	Acquisition – 100%	142	5,837	7,738
13 Nov 2017	Birthday Gift	Barra Resources Ltd	Kidman Resources Ltd	Au	Acquisition – 100%	121	39,888	52,836
6 Nov 2017	Fieldings Gully	Calidus Resources Ltd	Haoma Mining Ltd	Au	Acquisition – 100%	2,113	171,191	228,438
29 Sep 2017	Red Dog	Matsa Resources Ltd	Private Seller	Au	Acquisition – 100%	125	153,186	207,659
5 Sep 2017	Western Queen	Monax Mining Ltd	Ramelius Resources Ltd	Au	Joint Venture – 60%	2,889	294,825	392,681
5 May 2017	Jaurdi	Beacon Minerals Ltd	Flinders Exploration Ltd and JH Mining Ltd	Au	Acquisition – 100%	580	101,754	136,209
24 Jan 2017	Menzies	Intermin Resources Ltd	Private Seller	Au	Acquisition – 30%	83	16,700	23,173

Notes:

- Prospective commodities; Au – gold.
- The Joint Venture transaction earn-in percentage is the first earn-in percentage.
- The spot price used for normalising the transactions was A\$2,218.78/oz.
- Transactions highlighted in orange were considered outliers.

Appendix C: Detailed Yardstick Valuation

Table C1: OBM's Mineral Resources – Detailed Yardstick Valuation

Mineral Resource	Resource category	Gold (oz)	Yardstick factors			JORC discount	Market valuation (A\$M)		
			Low	Preferred	High		Low	Preferred	High
Golden Eagle	Indicated	28,000	1.00%	1.50%	2.00%	1.0	0.62	0.93	1.24
	Inferred	26,000	0.50%	0.75%	1.00%	1.0	0.29	0.43	0.58
Waihi	Indicated	62,000	1.00%	1.50%	2.00%	1.0	1.38	2.06	2.75
	Inferred	9,000	0.50%	0.75%	1.00%	1.0	0.10	0.15	0.20
Lady Gladys	Inferred	115,000	0.50%	0.75%	1.00%	0.8	1.02	1.53	2.04
Riverina Area	Indicated	73,000	1.00%	1.50%	2.00%	1.0	1.62	2.43	3.24
	Inferred	132,000	0.50%	0.75%	1.00%	1.0	1.46	2.20	2.93
Forehand	Inferred	48,000	0.50%	0.75%	1.00%	0.8	0.43	0.64	0.85
Silver Tongue	Inferred	14,000	0.50%	0.75%	1.00%	0.8	0.12	0.19	0.25
Sand King	Indicated	190,000	1.00%	1.50%	2.00%	1.0	4.22	6.32	8.43
	Inferred	82,000	0.50%	0.75%	1.00%	1.0	0.91	1.36	1.82
Missouri	Indicated	194,000	1.00%	1.50%	2.00%	1.0	4.30	6.46	8.61
	Inferred	33,000	0.50%	0.75%	1.00%	1.0	0.37	0.55	0.73
Callion	Indicated	8,000	1.00%	1.50%	2.00%	1.0	0.18	0.27	0.36
	Inferred	6,000	0.50%	0.75%	1.00%	1.0	0.07	0.10	0.13
Walhalla	Inferred	36,000	0.50%	0.75%	1.00%	0.8	0.32	0.48	0.64
Walhalla North	Inferred	9,000	0.50%	0.75%	1.00%	0.8	0.08	0.12	0.16
Mount Banjo	Inferred	14,000	0.50%	0.75%	1.00%	0.8	0.12	0.19	0.25
Macedon	Inferred	11,000	0.50%	0.75%	1.00%	0.8	0.10	0.15	0.20
Baldock	Inferred	81,000	0.50%	0.75%	1.00%	0.8	0.72	1.08	1.44
Meteor	Inferred	43,000	0.50%	0.75%	1.00%	0.8	0.38	0.57	0.76
Whinnen	Inferred	17,000	0.50%	0.75%	1.00%	0.8	0.15	0.23	0.30
TOTAL	All	1,230,000	-	-	-	-	19.0	28.4	37.9

Note: The valuation has been compiled to an appropriate level of precision; values may not add up due to rounding.

Table C2: OBM's Brownfields Potential – Detailed Yardstick Valuation

Mineral Resource	Resource category	Gold (oz)	Yardstick factors			JORC discount	Insufficient data discount	Market valuation (A\$M)		
			Low	Preferred	High			Low	Preferred	High
Lights of Israel	Inferred	35,000	0.50%	0.75%	1.00%	0.8	0.5	0.16	0.23	0.31
Makai Shoot	Inferred	136,000	0.50%	0.75%	1.00%	0.8	0.5	0.60	0.91	1.21
Sunraysia	Inferred	32,000	0.50%	0.75%	1.00%	0.8	0.5	0.14	0.21	0.28
Palmerston/Camperdown	Inferred	22,000	0.50%	0.75%	1.00%	0.8	0.5	0.10	0.15	0.20
Bewick Moreing	Inferred	4,000	0.50%	0.75%	1.00%	0.8	0.5	0.02	0.02	0.03
Black Rabbit	Inferred	49,000	0.50%	0.75%	1.00%	0.8	0.5	0.22	0.32	0.43
Thiel Well	Inferred	3,000	0.50%	0.75%	1.00%	0.8	0.5	0.02	0.02	0.03
Federal Flag	Inferred	28,000	0.50%	0.75%	1.00%	0.8	0.5	0.25	0.37	0.50
Salmon Gums	Inferred	28,000	0.50%	0.75%	1.00%	0.8	0.5	0.12	0.19	0.25
Iguana*	Inferred	177,000	0.50%	0.75%	1.00%	0.8	0.5	-	0.16	0.31
Lizard*	Inferred	24,000	0.50%	0.75%	1.00%	0.8	0.5	-	0.02	0.04
TOTAL	Inferred	538,000	-	-	-	-	-	1.6	2.6	3.6

Note: The valuation has been compiled to an appropriate level of precision; values may not add up due to rounding.

*An additional 0 to 0.2 discount multiplier factor was applied to the Iguana and Lizard Mineral Resources as per Section 6.3.

Appendix D: Tenement Summary

Tenement	Area/(blocks)	Grant date	Expiry date	Registered holder
E16/0337	592 ha	09/04/2008	08/04/2020	Carnegie Gold Pty Ltd
E16/0344	10 BL	29/04/2008	28/04/2020	Siberia Mining Corporation Pty Ltd
E16/0456	4,941 ha	11/07/2014	10/07/2019 (application for extension lodged 09/07/2019)	Siberia Mining Corporation Pty Ltd
E16/0473	13 BL	05/10/2015	04/10/2020	Carnegie Gold Pty Ltd
E16/0474	11 BL	27/01/2017	26/01/2022	Carnegie Gold Pty Ltd
E16/0475	17 BL	05/10/2015	04/10/2020	Carnegie Gold Pty Ltd
E16/0480	2,923 ha	02/05/2016	01/05/2021	Goldstar Resources (WA) Pty Ltd
E16/0482	4,434 ha	07/11/2016	06/11/2021	Goldstar Resources (WA) Pty Ltd
E16/0483	2,955 ha	08/11/2016	07/11/2021	Goldstar Resources (WA) Pty Ltd
E16/0484	1,476 ha	26/08/2016	25/08/2021	Goldstar Resources (WA) Pty Ltd
E16/0486	440 ha	08/11/2016	07/11/2021	Goldstar Resources (WA) Pty Ltd
E16/0487	11 BL	08/11/2016	07/11/2021	Goldstar Resources (WA) Pty Ltd
E24/0203	3 BL	08/08/2017	07/08/2022	Atriplex Pty Limited
E29/0640	41 BL	24/06/2008	23/06/2020 (2 Pending amalgamations: 1. Amalgamation 531265 lodged 28/05/2018. Amalgamating portion of former P29/2319. 2. Amalgamation 531266 lodged 28/05/2018. Amalgamating portion of former P29/2326.)	Mt Ida Gold Pty Ltd
E29/0889	1 BL	25/02/2014	24/02/2024	Heron Resources Limited
E29/0895	2 BL	07/04/2014	06/04/2024 (1 Pending amalgamation: Amalgamation 531270 lodged 28/05/2018. Amalgamating whole of former P29/2323.)	Mt Ida Gold Pty Ltd
E29/0955	5 BL	13/01/2016	12/01/2021	Siberia Mining Corporation Pty Ltd
E29/0964	5 BL	05/05/2016	04/05/2021	Goldstar Resources (WA) Pty Ltd
E30/0333	8 BL	02/09/2008	01/09/2020	Carnegie Gold Pty Ltd
E30/0335	41 BL	19/12/2008	18/12/2020	Carnegie Gold Pty Ltd
E30/0338	2,360 ha	20/05/2008	19/05/2020 (4 Pending amalgamations: 1. Amalgamation 519438 lodged 01/12/2017. Amalgamating whole of P30/1107. 2. Amalgamation 519439 lodged 01/12/2017. Amalgamating whole of P30/1108. 3. Amalgamation 519440 lodged 01/12/2017. Amalgamating whole of P30/1109. 4. Amalgamation 519468 lodged 01/12/2017. Amalgamating whole of P30/1110.)	Carnegie Gold Pty Ltd
E30/0454	478 ha	10/07/2014	09/07/2024 (1 Pending amalgamation: Amalgamation 519441 lodged 01/12/2017. Amalgamating portion of P30/1110.)	Carnegie Gold Pty Ltd
E30/0468	14,162 ha	24/02/2017	23/02/2022	Carnegie Gold Pty Ltd
E30/0490	5 BL	04/07/2017	03/07/2022	Mineral & Gold Resources of Australia Pty Ltd
E30/0491	44 BL	31/08/2017	30/08/2022 (3 Pending amalgamations: 1. Amalgamation 541353 lodged 26/10/2018. Amalgamating whole of former M30/182. 2. Amalgamation 541347 lodged 25/10/2018. Amalgamating whole of former M30/127. 3. Amalgamation 541348 lodged 25/10/2018. Amalgamating whole of former M30/133.)	Mineral & Gold Resources of Australia Pty Ltd
E30/0504	2 BL	25/06/2018	Application pending	Carnegie Gold Pty Ltd

Tenement	Area/(blocks)	Grant date	Expiry date	Registered holder
G30/0006	8.6 ha	20/07/2018	Application pending	Carnegie Gold Pty Ltd
G30/0007	6.7 ha	20/07/2018	Application pending	Carnegie Gold Pty Ltd
L15/0224	163 ha	10/01/2000	09/01/2021	Siberia Mining Corporation Pty Ltd
L16/0058	114.8 ha	13/12/1999	12/12/2020	Siberia Mining Corporation Pty Ltd
L16/0062	42.8 ha	13/12/1999	12/12/2020	Siberia Mining Corporation Pty Ltd
L16/0072	7.14 ha	13/06/2002	12/06/2023	Carnegie Gold Pty Ltd
L16/0073	6.6 ha	13/06/2002	12/06/2023	Carnegie Gold Pty Ltd
L16/0103	14.9809 ha	06/07/2016	05/07/2037	Siberia Mining Corporation Pty Ltd
L24/0085	12 ha	27/10/1987	26/10/2022	Siberia Mining Corporation Pty Ltd
L24/0115	1.041 ha	25/10/1988	24/10/2023	Siberia Mining Corporation Pty Ltd
L24/0170	197.882 ha	14/05/1997	13/05/2022	Carnegie Gold Pty Ltd
L24/0174	98.376 ha	22/12/1997	21/12/2022	Carnegie Gold Pty Ltd
L24/0188	47.76 ha	04/11/2004	03/11/2025	Siberia Mining Corporation Pty Ltd
L24/0224	8 ha	07/07/2016	06/07/2037	Siberia Mining Corporation Pty Ltd
L24/0233	3,660.12 ha	21/03/2017	20/03/2038	Carnegie Gold Pty Ltd
L24/0240	360 ha	13/08/2018	Application pending	Carnegie Gold Pty Ltd
L29/0074	89.18 ha	04/09/2008	03/09/2029	Mt Ida Gold Pty Ltd
L30/0035	41.4 ha	06/11/1992	05/11/2022	Carnegie Gold Pty Ltd
L30/0037	11 ha	14/05/1997	13/05/2022	Carnegie Gold Pty Ltd
L30/0066	91 ha	02/03/2018	01/03/2039	Carnegie Gold Pty Ltd
L30/0069	91 ha	03/05/2018	Application pending	Carnegie Gold Pty Ltd
M16/0262	989.35 ha	12/03/1999	11/03/2041	Siberia Mining Corporation Pty Ltd
M16/0263	999.15 ha	12/03/1999	11/03/2041	Siberia Mining Corporation Pty Ltd
M16/0264	990.95 ha	12/03/1999	11/03/2041	Siberia Mining Corporation Pty Ltd
M16/0268	372.7 ha	10/08/2001	09/08/2022	Carnegie Gold Pty Ltd
M16/0470	576.95 ha	09/12/2003	08/12/2024	Carnegie Gold Pty Ltd
M24/0039	745.75 ha	16/01/1985	15/01/2027	Gardner, Robert Charles
M24/0115	187.35 ha	11/06/1987	10/06/2029	Siberia Mining Corporation Pty Ltd
M24/0159	399.5 ha	09/02/1988	08/02/2030	Siberia Mining Corporation Pty Ltd
M24/0208	416.65 ha	18/05/1988	17/05/2030	Siberia Mining Corporation Pty Ltd
M24/0376	319.2 ha	19/02/1991	18/02/2033	Siberia Mining Corporation Pty Ltd
M24/0634	185.15 ha	25/10/2000	24/10/2021	Heron Resources Limited
M24/0660	174 ha	14/06/2007	13/06/2028	Heron Resources Limited
M24/0663	306 ha	28/01/2011	27/01/2032	Heron Resources Limited
M24/0664	143 ha	28/01/2011	27/01/2032	Heron Resources Limited
M24/0665	825 ha	15/04/2011	14/04/2032	Heron Resources Limited (90%) Impress Energy Pty Ltd (10%)
M24/0683	56 ha	01/02/2011	31/01/2032	Heron Resources Limited
M24/0686	35.6121 ha	03/02/2011	02/02/2032	Heron Resources Limited
M24/0757	591 ha	05/07/2011	04/07/2032	Heron Resources Limited
M24/0772	55.683 ha	01/02/2011	31/01/2032	Heron Resources Limited
M24/0797	396.2659 ha	01/02/2011	31/01/2032	Heron Resources Limited
M24/0845	897 ha	25/03/2004	24/03/2025	Siberia Mining Corporation Pty Ltd
M24/0846	607 ha	25/03/2004	24/03/2025	Siberia Mining Corporation Pty Ltd
M24/0847	812 ha	25/03/2004	24/03/2025	Siberia Mining Corporation Pty Ltd
M24/0848	789 ha	25/03/2004	24/03/2025	Siberia Mining Corporation Pty Ltd
M24/0915	70 ha	01/02/2011	31/01/2032	Heron Resources Limited
M24/0916	277.0803 ha	01/02/2011	31/01/2032	Heron Resources Limited
M24/0960	2,031 ha	02/12/2016	01/12/2037	Siberia Mining Corporation Pty Ltd

Tenement	Area/(blocks)	Grant date	Expiry date	Registered holder
M24/0973 (conversion of P24/4395, 4396, 4400, 4401, 4402, 4403)	1,123 ha	(10/08/2017)	Application pending	Heron Resources Limited
M29/0002	382.85 ha	22/12/1982	21/12/2024	Mt Ida Gold Pty Ltd
M29/0165	160.25 ha	21/12/1994	20/12/2036	Mt Ida Gold Pty Ltd (95%) Hooper, Stuart Leslie (5%)
M29/0422	288.3066 ha	22/11/2013	21/11/2034	Mt Ida Gold Pty Ltd
M30/0102	115.45 ha	11/12/1992	10/12/2034	Carnegie Gold Pty Ltd
M30/0103	219.15 ha	27/01/1993	26/01/2035	Carnegie Gold Pty Ltd
M30/0111	539.6 ha	22/02/1994	21/02/2036	Carnegie Gold Pty Ltd
M30/0123	1000 ha	29/09/2004	28/09/2025	Carnegie Gold Pty Ltd
M30/0126	325.77 ha	13/10/2009	12/10/2030	Carnegie Gold Pty Ltd
M30/0157	535.6352 ha	19/12/2002	18/12/2023	Carnegie Gold Pty Ltd
M30/0187	995.05 ha	02/10/2002	01/10/2023	Carnegie Gold Pty Ltd
M30/0253	267 ha	03/03/2017	02/03/2038	Carnegie Gold Pty Ltd
M30/0255	7,539.219 ha	11/01/2017	10/01/2038	Carnegie Gold Pty Ltd
M30/0256	7500 ha	21/04/2017	20/04/2038	Carnegie Gold Pty Ltd
P16/2888	131.6497 ha	04/06/2015	03/06/2019 (Application for extension lodged 29/05/2019)	Mineral & Gold Resources of Australia Pty Ltd
P16/2889	108.8037 ha	05/06/2015	04/06/2019 (Application for extension lodged 29/05/2019)	Mineral & Gold Resources of Australia Pty Ltd
P16/2921	138 ha	06/05/2016	05/05/2020	Goldstar Resources (WA) Pty Ltd
P16/2922	137 ha	06/05/2016	05/05/2020	Goldstar Resources (WA) Pty Ltd
P24/4395	192 ha	11/08/2009	10/08/2017 (Pending conversion to M24/973)	Heron Resources Limited
P24/4396	164 ha	11/08/2009	10/08/2017 (Pending conversion to M24/973)	Heron Resources Limited
P24/4400	200 ha	11/08/2009	10/08/2017 (Pending conversion to M24/973)	Heron Resources Limited
P24/4401	190 ha	11/08/2009	10/08/2017 (Pending conversion to M24/973)	Heron Resources Limited
P24/4402	172 ha	11/08/2009	10/08/2017 (Pending conversion to M24/973)	Heron Resources Limited
P24/4403	192 ha	11/08/2009	10/08/2017 (Pending conversion to M24/973)	Heron Resources Limited
P24/4750	109.7086 ha	20/01/2014	19/01/2022	Siberia Mining Corporation Pty Ltd
P24/4751	92.265 ha	20/01/2014	19/01/2022	Siberia Mining Corporation Pty Ltd
P24/4754	177 ha	11/02/2014	10/02/2022	Siberia Mining Corporation Pty Ltd
P24/5073	199 ha	03/10/2016	02/10/2020	Siberia Mining Corporation Pty Ltd
P24/5074	180 ha	03/10/2016	02/10/2020	Siberia Mining Corporation Pty Ltd
P24/5075	200 ha	03/10/2016	02/10/2020	Siberia Mining Corporation Pty Ltd
P29/2328	20.8011 ha	01/11/2013	31/10/2021	Mt Ida Gold Pty Ltd
P29/2397	177 ha	20/04/2017	19/04/2021	Mineral & Gold Resources of Australia Pty Ltd
P29/2398	198 ha	20/04/2017	19/04/2021	Mineral & Gold Resources of Australia Pty Ltd
P29/2399	195 ha	20/04/2017	19/04/2021	Mineral & Gold Resources of Australia Pty Ltd
P29/2400	196 ha	20/04/2017	19/04/2021	Mineral & Gold Resources of Australia Pty Ltd
P29/2401	187 ha	20/04/2017	19/04/2021	Mineral & Gold Resources of Australia Pty Ltd
P29/2402	118 ha	20/04/2017	19/04/2021	Mineral & Gold Resources of Australia Pty Ltd
P29/2403	186 ha	20/04/2017	19/04/2021	Mineral & Gold Resources of Australia Pty Ltd
P29/2404	166 ha	20/04/2017	19/04/2021	Mineral & Gold Resources of Australia Pty Ltd



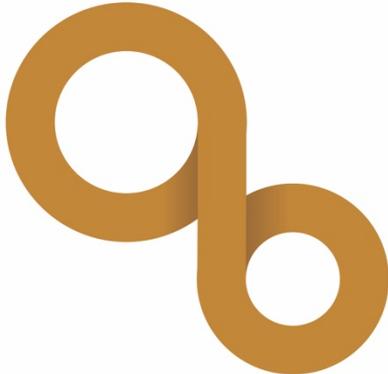
Tenement	Area/(blocks)	Grant date	Expiry date	Registered holder
P29/2405	199 ha	20/04/2017	19/04/2021	Mineral & Gold Resources of Australia Pty Ltd
P29/2406	159 ha	20/04/2017	19/04/2021	Mineral & Gold Resources of Australia Pty Ltd
P29/2407	167 ha	20/04/2017	19/04/2021	Mineral & Gold Resources of Australia Pty Ltd
P30/1122	55 ha	04/12/2013	03/12/2021	Carnegie Gold Pty Ltd



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ORABANDA

Ora Banda Mining Ltd

ABN 69 100 038 266



OBM

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

Need assistance?



Phone:

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



Online:

www.investorcentre.com/contact



YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **10:00am (WST)** Wednesday, 13 November 2019.

Proxy Form

How to Vote on Items of Business

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

APPOINTMENT OF PROXY

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

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

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

A proxy need not be a securityholder of the Company.

SIGNING INSTRUCTIONS FOR POSTAL FORMS

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

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

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

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

ATTENDING THE MEETING

If you are attending in person, please bring this form with you to assist registration.

Corporate Representative

If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Appointment of Corporate Representative" prior to admission. A form may be obtained from Computershare or online at www.investorcentre.com under the help tab, "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.

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 Ora Banda Mining 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 General Meeting of Ora Banda Mining Limited to be held at the Ground Floor Meeting Room, 108 St George's Terrace, Perth, Western Australia on Friday, 15 November 2019 at 10:00am (WST) and at any adjournment or postponement of that meeting.

Step 2 Items of Business

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

	For	Against	Abstain
1 Ratification of Prior Issue under Listing Rule 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Approval to Issue Shares to Hawke's Point and Increase in Voting Power	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

Step 3 Signature of Securityholder(s) *This section must be completed.*

<input type="text"/>	<input type="text"/>	<input type="text"/>	/ /
Sole Director & Sole Company Secretary	Director	Director/Company Secretary	Date

Update your communication details *(Optional)*

<input type="text"/>	<input type="text"/>
Mobile Number	Email Address

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

