

17 December 2024

ASX Announcement

CLASSIC SIGNS A\$ 7 MILLION BINDING AGREEMENT FOR SALE OF KAT GAP TENEMENTS.

Classic Minerals Limited (ASX: CLZ) (**Classic** or **Company**) has entered into a binding agreement for the sale of its Kat Gap tenements to Bain Global Resources Pty Ltd (**Bain**) for **A\$7.0 million (Purchase Price)**. The proposed sale is subject to shareholder approval.

This move by the Board is seen as pivotal for the advancement of Classic as it will provide the required working capital to advance to feasibility studies over all its assets.

Under the terms of the sale agreement, Classic will sell mining tenements M74/249, E74/467, L74/57 and L74/59 along with all related mining information and the camp and ancillary equipment located on these tenements, with the full amount of the Purchase Price to be payable within 5 business days of all conditions precedent having been met. Key terms of the sale agreement are set out in Schedule 1 of this announcement.

The proceeds of sale of the Kat Gap tenements will be used to retire debt, and fund further exploration of the Lady Ada and Lady Magdalene gold project areas.

Bain, in cooperation with its sister company Mega Resources Pty Ltd (**Mega**), a mining contractor, proposes to further develop the Kat Gap gold project and bring it into full production. **Bain managing director Mr Kiran Visireddy said:**

“We are very excited with this opportunity to not only develop Kat Gap but to also advance the presence of Bain and Mega in Australia. We have already invested in the Western Queen Gold Project with Rumble Resources Ltd¹ and look forward to expanding our footprint in Western Australia.”

Classic’s chair, John Lester commented that *“the sale of Kat Gap to Bain confirms the inherent value of our Kat Gap project. We will also upgrade our current plant.”*

Classic will retain the current Kat Gap processing plant and associated equipment and will upgrade the plant to expedite processing capabilities.

Classic also advises that:

- ASX has determined that Listing Rule 11.2 applies to the Proposed Transaction;
- ASX will generally allow for the continued quotation of an entity’s securities for a period of up to six months from the date of agreement to dispose of its main undertaking; and

¹ ASX Announcement – ASX: RTR 28 Nov 2024

- Classic is obliged to satisfy ASX on an ongoing basis that its level of operations going forward is sufficient, and its financial condition is adequate to warrant its continued listing and the continued quotation of its securities

About Bain Global Resources Pty Ltd:

Bain Global Resources Pty Ltd is associated with Indian contractor BGR Mining & Infra Pvt Ltd (**BGR**) and was established to represent BGR in Western Australia. The mandate is to increase the presence of BGR in WA by delivering high quality assets into production and add substantial value to the WA economy while increasing the exposure of BGR and its proven expertise.

About Mega Resources Pty Ltd

MEGA Resources Pty Ltd (**MEGA**) is associated with Indian contractor BGR Mining & Infra Pvt Ltd (BGR) and was established to represent BGR in Western Australia. With its name standing for Mining, Engineering, and Geology Australia; MEGA brings together a team of highly experienced technical and operational personnel who have a strong track record of transforming exploration deposits into successful mining operations. MEGA's unique business model revolves around providing a full turn-key mining solution, covering every aspect of project development, from exploration through to mining production. This flexibility allows MEGA to tailor its approach to suit the specific needs of each project, ensuring a high level of customisation and efficiency at every stage of the process.

On 28 November 2024, Bain and MEGA entered into an indicative non-binding term sheet with Rumble Resources Ltd (ASX: RTR) to develop the open pit resources at RTR's Western Queen Gold Project.

About BGR Mining & Infra Pvt Ltd.

BGR Mining & Infra Pvt Ltd is headquartered in Hyderabad, India, and was founded in 1988 as an engineering contractor. **Today BGR is a formidable force in the Indian mining industry. It has executed more than 50 projects and currently has an order book of US\$10.92 billion.** It has consolidated its services as one of the leading Mining Developer and Operator (MDO) in India, with a keen focus on local issues, R&R activities and the other inherent challenges in mining projects. BGR integrates design, planning and modern operation technologies for safer and more productive mines. From open cast coal mining contracts to MDO projects in India and now mining in Mozambique, BGR is committed to serving every region in the world. Having achieved steady growth since its inception, BGR has now set its eyes on the global stage to deliver mission-critical projects in a timely manner.

This announcement has been authorised by the Board.

ENDS:

Schedule 1 – Key terms of Sale Agreement

The key terms and condition of the agreement for the sale of the Kat Gap tenements and associated assets are as follows:

Parties	<ul style="list-style-type: none"> • Classic Minerals Limited ACN 119 484 016 (as Seller) • Bain Global Resources Pty Ltd ACN 664 564 961 (as Buyer)
Sale Assets	<ul style="list-style-type: none"> • Mining lease M74/249 • Exploration licence E74/467 • Miscellaneous licences L74/57 and L74/59 • Related mining information • Camp accommodation and equipment
Consideration	<ul style="list-style-type: none"> • A\$7,000,000 payable within 5 business days of satisfaction (or waiver) of the conditions precedent
Conditions precedent	<ul style="list-style-type: none"> • Shareholder approval for the purposes of Listing Rule 11.2 (Disposal of main undertaking) • Ministerial consent for the transfer of M74/249 • FIRB approval for the acquisition of M74/249 • Consent of counterparties to relevant commercial agreements encumbering the Kat Gap tenements • Satisfactory due diligence
Completion	<ul style="list-style-type: none"> • To occur by 28 February 2025 or such other date as the parties agree
Warranties and representations	<ul style="list-style-type: none"> • Standard warranties and representations for transactions of this nature
Termination	<ul style="list-style-type: none"> • Standard termination provisions for transactions of this nature

ABOUT THE FORRESTANIA GOLD PROJECT

Classic has inferred and indicated mineral resources of **8.41 Mt at 1.45 g/t for 391,417 ounces of gold**, classified and reported in accordance with the JORC Code (2012), with a Scoping Study (see ASX Announcement released 2nd May 2017) suggesting both the technical and financial viability of the project. The current post- mining Mineral Resource for Lady Ada, Lady Magdalene and Kat Gap is tabulated below. Additional technical detail on the Mineral Resource estimation is provided, further in the text below and in the JORC Table 1 as attached to ASX announcements dated 18 December 2019, 21 January 2020, and 20 April 2020.

Prospect	Indicated			Inferred			Total		
	Tonnes	Grade (Au g/t)	Oz Au	Tonnes	Grade (Au g/t)	Oz Au	Tonnes	Grade (Au g/t)	Oz Au
Lady Ada	257,300	2.01	16,600	1,090,800	1.23	43,100	1,348,100	1.38	59,700
Lady Magdalene				5,922,700	1.32	251,350	5,922,700	1.32	251,350
Kat Gap	254,900	2.5	20,488	886,512	2.11	60,139	1,141,412	2.19	80,367
Total	512,200	2.25	37,088	7,900,012	1.40	354,589	8,412,212	1.45	391,417

Notes:

1. The Mineral Resource is classified in accordance with JORC, 2012 edition
2. The effective date of the mineral resource estimate is 14 June 2023.
3. The mineral resource is contained within FGP tenements
4. Estimates are rounded to reflect the level of confidence in these resources at the present time.
5. Mineral resources for Lady Ada and Lady Magdalene (Ladies) are reported at 0.5 g/t Au cut-off grade, Kat Gap at 0g/t Au.
6. Depletion of the resource from historic open pit mining has been considered for the Ladies deposits. Trial pit mining depletion at Kat Gap has not been accounted for in the block model due to the ore remaining unprocessed.

The Company confirms that it is not aware of any new information or data that materially affects the information included in this market announcement and, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

Forward Looking Statements - Disclaimer

This ASX announcement (Announcement) has been prepared by Classic Minerals Limited ("Classic" or "the Company"). It should not be considered as an offer or invitation to subscribe for or purchase any securities in the Company or as an inducement to make an offer or invitation with respect to those securities. No agreement to subscribe for securities in the Company will be entered into on the basis of this Announcement.

This Announcement contains summary information about Classic, its subsidiaries and their activities which is current as at the date of this Announcement. The information in this Announcement is of a general nature and does not purport to be complete nor does it contain all the information which a prospective investor may require in evaluating a possible investment in Classic.

By its very nature exploration for minerals is a high-risk business and is not suitable for certain investors. Classic's securities are speculative. Potential investors should consult their stockbroker or financial advisor. There are a number of risks, both specific to Classic and of a general nature which may affect the future operating and financial performance of Classic and the value of an investment in Classic including but not limited to economic conditions, stock market fluctuations, gold price movements, regional infrastructure constraints, timing of approvals from relevant authorities, regulatory risks, operational risks and reliance on key personnel.

Certain statements contained in this announcement, including information as to the future financial or operating performance of Classic and its projects, are forward-looking statements that:

- may include, among other things, statements regarding targets, estimates and assumptions in respect of mineral reserves and mineral resources and anticipated grades and recovery rates, production and prices, recovery costs and results, capital expenditures,

and are or may be based on assumptions and estimates related to future technical, economic, market, political, social and other conditions;

- *are necessarily based upon a number of estimates and assumptions that, while considered reasonable by Classic, are inherently subject to significant technical, business, economic, competitive, political and social uncertainties and contingencies; and,*
- *involve known and unknown risks and uncertainties that could cause actual events or results to differ materially from estimated or anticipated events or results reflected in such forward-looking statements.*

Classic disclaims any intent or obligation to update publicly any forward-looking statements, whether as a result of new information, future events or results or otherwise. The words 'believe', 'expect', 'anticipate', 'indicate', 'contemplate', 'target', 'plan', 'intends', 'continue', 'budget', 'estimate', 'may', 'will', 'schedule' and similar expressions identify forward-looking statements.

All forward-looking statements made in this announcement are qualified by the foregoing cautionary statements. Investors are cautioned that forward-looking statements are not guarantees of future performance and accordingly investors are cautioned not to put undue reliance on forward-looking statements due to the inherent uncertainty therein. No verification: Although all reasonable care has been undertaken to ensure that the facts and opinions given in this Announcement are accurate, the information provided in this Announcement has not been independently verified.