



28 May 2026

Dear Shareholder

### **General Meeting – Notice of Meeting and Proxies**

Notice is given that a General Meeting (**Meeting**) of Shareholders of Australian Silica Quartz Group Ltd (ACN 119 699 982) (**Company**) will be held as follows:

**Time and date:** 10.00am (AWST) on Monday 29 June 2026

**Location:** Suite 10, 295 Rokeby Road, Subiaco, Western Australia

### **Notice of Meeting**

In accordance with sections 110C-110K of the *Corporations Act 2001* (Cth) the Company will not be dispatching physical copies of the Notice of Meeting unless individual shareholders have made a valid election to receive documents in hard copy. Instead, the Notice of Meeting and accompanying explanatory statement (**Meeting Materials**) are being made available to shareholders electronically and can be viewed and downloaded from:

- the Company's website at <https://www.asqq.com.au/irm/content/asx-announcements.aspx>; and
- the ASX market announcements page under the Company's code "ASQ".

If you have nominated an email address and have elected to receive electronic communications from the Company, you will receive an email to your nominated email address with a link to an electronic copy of the Notice of Meeting.

### **Voting at the Meeting or by proxy**

**Shareholders are encouraged to vote by lodging a proxy form.**

Proxy forms can be lodged:

- **Online:** <https://investor.automic.com.au/#/loginsah>
- **By mail:** Automic, GPO Box 5193, Sydney NSW 2001
- **In-person:** Automic, Level 5, 126 Phillip Street, Sydney NSW 2000
- **By email:** [meetings@automicgroup.com.au](mailto:meetings@automicgroup.com.au)
- **By fax:** +61 2 8583 3040
- **By mobile:** Scan the QR Code on your Proxy Form and follow the prompts

Your proxy voting instruction must be received by 10.00am (AWST) on 27 June 2026 being not less than 48 hours before the commencement of the Meeting. Any proxy voting instructions received after that time will not be valid for the Meeting.

The Meeting Materials should be read in their entirety. If shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

Authorised for release by:

Sam Middlemas  
Chief Executive Officer and Company Secretary

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**AUSTRALIAN SILICA QUARTZ GROUP LIMITED**  
**ACN 119 699 982**  
**NOTICE OF GENERAL MEETING**

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Notice is given that the Meeting will be held at:

**TIME:** 10.00am (WST)  
**DATE:** 29 June 2026  
**PLACE:** Suite 10, 295 Rokeby Road  
Subiaco, WA 6008

***The business of the Meeting affects your shareholding and your vote is important.***

***This Notice should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.***

***The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 10:00am (WST) on 27 June 2026.***

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## BUSINESS OF THE MEETING

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### AGENDA

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#### 1. RESOLUTION 1 – APPROVAL TO UNDERTAKE THE ACQUISITION OF AUSTRALIAN KAOLIN

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

*“That, for the purpose of ASX Listing Rule 10.1 and for all other purposes, approval is given for the Company to complete the Acquisition of Australian Kaolin, on the terms and conditions set out in the Explanatory Statement.”*

**Short Explanation:** The Company has entered into the Share Purchase Agreement, pursuant to which it has agreed to acquire 100% of the issued capital in Australian Kaolin. The Company is seeking approval to complete the Acquisition of Australian Kaolin for the purposes of Listing Rule 10.1 as a Director of the Company, Mr Luke Atkins, together with his associated entities holds an aggregate of 44.60% of the issued share capital in Australian Kaolin.

Listing Rule 10.1 requires that shareholder approval is obtained for an acquisition of a substantial asset from a related party. A more detailed summary of Listing Rule 10.1 is set out in Section 2.3 of the Explanatory Statement.

**Independent Expert’s Report:** Shareholders should carefully consider the Independent Expert’s Report included with this Notice of Meeting, prepared by the Independent Expert for the purposes of the Shareholder approval required under ASX Listing Rule 10.5.10. The Independent Expert’s report comments on the fairness and reasonableness of the Acquisition the subject of this Resolution to the non-associated Shareholders. The Independent Expert has determined that the Acquisition is **fair and reasonable** to the non-associated Shareholders.

Resolution 1 is an Essential Resolution. If Resolution 1 is not passed, all Essential Resolutions will fail, and the Acquisition will not complete.

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#### 2. RESOLUTION 2 – APPROVAL TO ISSUE CONSIDERATION SHARES TO MR LUKE ATKINS

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

*“That, subject to and conditional upon the passing of the Essential Resolutions, for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 44,643,158 Consideration Shares to Mr Luke Atkins and his associates (or their nominees) on the terms and conditions set out in the Explanatory Statement.”*

Resolution 2 is an Essential Resolution. If Resolution 2 is not passed, all Essential Resolutions will fail, and the Acquisition will not complete.

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#### 3. RESOLUTION 3 – APPROVAL TO ISSUE CONSIDERATION SHARES TO VENDORS

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

*“That, subject to and conditional upon the passing of the Essential Resolutions, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 55,356,842 Consideration Shares to the Vendors (other than Luke Atkins) on the terms and conditions set out in the Explanatory Statement.”*

Resolution 3 is an Essential Resolution. If Resolution 3 is not passed, all Essential Resolutions will fail, and the Acquisition will not complete.

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**4. RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE OF SHARES TO PLACEMENT PARTICIPANTS**

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

*That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 32,750,000 Shares to the Placement Participants, on the terms and conditions set out in the Explanatory Statement."*

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**5. RESOLUTION 5 – APPROVAL TO ISSUE SHARES TO LUKE ATKINS UNDER THE PLACEMENT**

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

*"That, for the purposes of section 195(4) of the Corporations Act, Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 3,750,000 Shares to Luke Atkins (or his nominee/s) on the terms and conditions set out in the Explanatory Statement."*

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**6. RESOLUTION 6 – APPROVAL TO ISSUE SHARES TO ROBERT NASH UNDER THE PLACEMENT**

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

*"That, for the purposes of section 195(4) of the Corporations Act, Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 500,000 Shares to Robert Nash (or his nominee/s) on the terms and conditions set out in the Explanatory Statement."*

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**7. RESOLUTION 7 – APPROVAL TO ISSUE SHARES TO NEIL LITHGOW UNDER THE PLACEMENT**

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

*"That, for the purposes of section 195(4) of the Corporations Act, Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 500,000 Shares to Neil Lithgow (or his nominee/s) on the terms and conditions set out in the Explanatory Statement."*

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**8. RESOLUTION 8 – RATIFICATION OF PRIOR ISSUE OF OPTIONS TO TAYLOR COLLISON PTY LIMITED AND TAURUS CAPITAL GROUP**

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

*"That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 2,000,000 Options to Taylor Collison and Taurus Capital Group, on the terms and conditions set out in the Explanatory Statement."*

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**Dated: 28 May 2026**

## Voting Exclusion Statements

In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of the Resolutions set out below by or on behalf of the following persons:

<b>Resolution 1 – Approval to undertake the Acquisition of Australian Kaolin</b>	Mr Luke Atkins, as a substantial holder in Australian Kaolin and a related party of the Company (or his nominees), who will receive Shares in consideration for the Acquisition, and any other person who will obtain a material benefit as a result of the Acquisition (except a benefit solely by reason of being a holder of ordinary securities in the entity).
<b>Resolution 2 – Approval to Issue Consideration Shares to Mr Luke Atkins</b>	Mr Luke Atkins (or his nominees) who will receive Shares in consideration for the Acquisition, and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.
<b>Resolution 3 – Approval to Issue Consideration Shares to the Vendors</b>	The Vendors (and/or their nominees) or any other person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person (or those persons).
<b>Resolution 4 – Ratification of Prior Issue of Shares to Placement Participants</b>	The Placement Participants that participated in the Placement or any other person who participated in the issue or an associate of that person or those persons.
<b>Resolution 5 – Approval to issue Shares to Luke Atkins under the Placement</b>	Luke Atkins (or his nominee(s)), who will receive Shares under the Placement, and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.
<b>Resolution 6 – Approval to issue Shares to Robert Nash under the Placement</b>	Robert Nash (or his nominee(s)), who will receive Shares under the Placement, and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.
<b>Resolution 7 – Approval to issue Shares to Neil Lithgow under the Placement</b>	Neil Lithgow (or his nominee(s)), who will receive Shares under the Placement, and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.
<b>Resolution 8 – Ratification of Prior Issue of Options to Taylor Collison Pty Limited and Taurus Capital Group</b>	Taylor Collison Pty Limited and Taurus Capital Group or any other person who participated in the issue or an associate of that person or those persons.

However, this does not apply to a vote cast in favour of the Resolutions by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
  - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

## **Voting by proxy**

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To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with Section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the Shareholder appoints two proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with Section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

## **Voting in person**

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To vote in person, attend the Meeting at the time, date and place set out above.

***Should you wish to discuss the matters in this Notice please do not hesitate to contact the Company Secretary on +61 8 9200 8200.***

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## EXPLANATORY STATEMENT

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This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

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### 1. BACKGROUND TO THE ACQUISITION OF AUSTRALIAN KAOLIN

#### 1.1 General Background

On 21 April 2026, the Company announced that it had entered into a binding share purchase agreement with Australian Kaolin Pty Ltd (**Australian Kaolin**) and certain shareholders, as set out at Annexure A (**Major Shareholders**) who together control approximately 90% of the fully paid ordinary shares in the capital of Australian Kaolin (**Share Purchase Agreement**) to acquire the issued capital of Australian Kaolin (**Acquisition**).

The Share Purchase Agreement is conditional on the Company entering into binding share purchase agreements (**Minority SPAs**) with all other Australian Kaolin shareholders other than the Major Shareholders who in aggregate hold the remaining 10% interest in Australian Kaolin (**Minority Shareholders**), unless waived by the Board, for the acquisition of the remaining shares in Australian Kaolin such that the Company has the right to acquire 100% of the issued capital of Australian Kaolin, subject to satisfaction of conditions.

The Major Shareholders and the Minority Shareholders are herein jointly referred to as the **Vendors**.

A summary of the material terms of the Share Purchase Agreement is set out in Section 1.2 below.

Australian Kaolin is the legal and beneficial owner of tenements EL63/2047, EL63/1895 and ML63/688, each of which is located in Western Australia (the **White Swan Kaolin Project**).

The White Swan Kaolin Project is highly prospective for kaolin and presents a near term development opportunity for the Company. Further details on the White Swan Kaolin Project are included in the Independent Expert's Report in Schedule 1.

#### 1.2 Share Purchase Agreement

A summary of the material terms of the Share Purchase Agreement is set out below:

<b>Consideration</b>	<p>In consideration for the acquisition of the Major Shareholders shares in Australian Kaolin, the Company will issue 90,683,754 Shares</p> <p>Pursuant to the Minority SPAs, the Company will issue a total of 9,316,246 Shares to the Minority Shareholders.</p> <p>Accordingly, subject to satisfaction of the Conditions Precedent (outlined below), the Company will issue a total of 100,000,000 Shares to the Australian Kaolin shareholders in consideration for the Acquisition (<b>Consideration Shares</b>).</p>
<b>Conditions Precedent</b>	<p>The Acquisition is conditional upon the satisfaction or waiver of the following conditions precedent within 6 months of signing:</p> <ul style="list-style-type: none"><li>(a) completion of financial, legal and technical due diligence by the Company on Australian Kaolin and the White Swan Kaolin Project, to the absolute satisfaction of the Company;</li><li>(b) the Company completing of a capital raising of at least \$750,000;</li><li>(c) Shareholders approving the Essential Resolutions at the Meeting the subject of this Notice;</li><li>(d) the Minority Shareholders accepting an offer on terms</li></ul>

	<p>consistent with the terms of the Share Purchase Agreement for the sale of their shares in Australian Kaolin and all conditions under the Minority SPAs being satisfied or waived in accordance with their terms, so that the Company has the right to acquire 100% of the shares in Australian Kaolin at completion;</p> <p>(e) the Independent Expert opining that the Acquisition is fair and reasonable to non-associated Shareholders and not changing that opinion prior to completion of the Acquisition;</p> <p>(f) Jamie Cullen entering into a non-executive appointment letter with the Company for his appointment as a non-executive director of the Company with effect from completion of the Share Purchase Agreement;</p> <p>(g) the Major Shareholders agreeing to enter into voluntary escrow agreements under which it is agreed they will not sell, deal with or transfer any of their Consideration Shares for a period of the lesser of 24 months from the date of issue or the signing of a binding Kaolin offtake agreement of at least 50,000 tonnes; and</p> <p>(h) the parties obtaining all necessary regulatory approvals or waivers, and all necessary third-party approvals and consents,</p> <p>(together, the <b>Conditions Precedent</b>).</p>
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### 1.3 Royalty

Pursuant to the original tenement sale agreement for EL63/2047 and EL63/1895 between Australian Kaolin (formerly Industrial Minerals Australia Ltd) and Lake McLeod Gypsum Pty Ltd (**Lake McLeod**), Australian Kaolin is required to pay Lake McLeod a royalty of \$1.10 per metric ton of mineral product extracted from tenements EL63/2047, EL63/1895 and ML63/688 (**Royalty**). The Royalty is payable in arrears within thirty (30) days of the end of each calendar month, with quantities determined on shipment overseas or, if sold locally, within thirty (30) days of the property in the mineral passing to the buyer. Lake McLeod is entitled to inspect the books of the royalty payer to verify the accuracy of royalty payments, with such records to be made available within 7 days of a request being made.

Lake McLeod is an entity owned by Ms Annette Atkins, the spouse of Mr Luke Atkins. Mr Atkins is a related party of the Company for the purposes of Listing Rule 10.1.1. Accordingly, on completion of the Acquisition, the Company will assume Australian Kaolin's obligations under the Royalty, the benefit of which will continue to flow to an associate of Mr Atkins.

### 1.4 Placement

As set out in the Company's announcement on 21 April 2026, in conjunction with the Acquisition, the Company secured firm commitments from unrelated professional and sophisticated investors (**Placement Participants**) and its Directors Luke Atkins, Robert Nash and Neil Lithgow, to raise up to an aggregate of \$750,000 (before costs) at an issue price of \$0.02 per Share (**Placement**).

The Placement will be completed in two tranches, comprising:

- (a) **Tranche 1:** 32,750,000 Shares which were issued on 29 April 2026 to the Placement Participants (or their nominees) under the Company's existing placement capacity pursuant to ASX Listing Rules 7.1 (ratification of which is sought under Resolution 4); and
- (b) **Tranche 2:** Subject to Shareholder approval, up to a further 4,750,000 Shares to Directors of the Company who participated in the Placement on the same

terms as those unrelated Placement Participants, to raise an additional \$95,000 (before costs) (**Director Participation**).

## 1.5 Lead Manager Mandate

The Company engaged Taylor Collison Pty Limited to act as lead manager to the Placement (**Lead Manager Mandate**).

A summary of the material terms of the Lead Manager Mandate are set out below:

<b>Consideration</b>	The Company agreed to pay/issue: <ul style="list-style-type: none"> <li>(a) a 2% management fee on funds raised under the Placement;</li> <li>(b) a 4% selling fee, charged only on the funds procured directly by Taylor Collison Pty Limited and Taurus Capital Group on funds raised under the Placement; and</li> <li>(c) 2,000,000 Options exercisable at \$0.04 and expiring on the date that the two years from the date of issue.</li> </ul>
<b>Out-of-pocket Expenses</b>	The Company has also agreed to: <ul style="list-style-type: none"> <li>(a) reimburse Taylor Collison Pty Limited, without prior written approval, for all reasonable out of pocket expenses (including GST) incurred in connection with the Placement up to \$2,000;</li> <li>(b) reimburse Taylor Collison Pty Limited for all reasonable legal costs incurred in connection with the provision of lead manager services provided under the Placement, up to \$5,000; and</li> <li>(c) pay \$2,000 (excluding GST) for a single tranche DvP settlement and an additional \$1,000 (excluding GST) for any additional tranches settled via DvP.</li> </ul>
<b>Termination</b>	Either party may terminate the Lead Manager Mandate by providing five days prior written notice to the other party.
<b>Right of first refusal</b>	The Company must offer Taylor Collison Pty Limited the right to act as lead manager in any equity capital raising undertaken by the Company within 12 months following completion of the Placement.

Ratification of the issue of Options to Taylor Collison Pty Limited and Taurus Capital Group, as nominee for Taylor Collison Pty Limited, is sought under Resolution 8.

## 1.6 Board appointments

It is proposed that current Australian Kaolin director Jamie Cullen will join the board of the Company following the successful completion of the Acquisition, and James Marsh will continue as a director of Australian Kaolin and provide consulting services to Australian Kaolin. The biographies for Mr Cullen and Mr Marsh are included below.

### Jamie Cullen B.Com

Mr Cullen is currently the Executive Chairman of Frontier Energy Ltd an ASX listed energy development company. He is a highly experienced executive who previously served as CEO of three successful ASX listed mining service companies over the past 27 years, most recently as the Chief Executive Officer of Pacific Energy Ltd, a large Australian power station and renewable energy developer, owner and operator. Prior to joining Pacific Energy in 2015, Mr Cullen served as Chief Executive Officer of Resource Equipment Ltd (2008-2014) and PCH Group (1995-2007). All three companies commenced as ASX-listed micro-cap mining service companies before growing significantly and ultimately being acquired under takeover offers. In addition to his board-level experience, Mr Cullen is a qualified Chartered Accountant with a strong financial and governance background. Mr Cullen is also a Board member of Guide Dogs WA and Ear Science Institute Australia.

## **James Marsh BSc (Hons), MAusIMM**

Mr Marsh is a multi-talented, high-performing business leader with extensive international expertise in a wide range of industrial minerals and specialising in all forms of kaolin. He worked in every facet of the industry from R&D to CEO. James has led high performing teams, overseen key contract negotiations and multimillion dollar agreements. He has established global distributor partnerships, direct-to-market strategies and set up numerous joint ventures. James worked for Imerys for 14 years as the Global Technical Officer, Active Minerals International and more recently as Managing Director of Andromeda Metals progressing their kaolin projects and raising \$60M.

The Directors consider that the appointment of Mr Cullen to the Board as a Non Executive Director will be crucial to the success of the Acquisition and the future development of the White Swan Kaolin Project.

### **1.7 Summary of Essential Resolutions**

The Company is seeking approval for the Acquisition under Listing Rule 10.1 as a Director of the Company, Mr Luke Atkins together with his associates, holds 44.60% of the issued capital in Australian Kaolin.

Luke Atkins fits the category prescribed in Listing Rule 10.1.1 by virtue of being a related party of the Company, as a Director of the Company.

As Luke Atkins is categorised as a Listing Rule 10.1 party, the Company is required to obtain Shareholder approval under Listing Rule 10.1 to complete the Acquisition. Further information on the Shareholder approval sought under Resolution 1 is set out in Section 2 below.

This Notice includes the Resolutions necessary to complete the Acquisition, being Resolutions 1 to 3 and Resolutions 5 to 7 (**Essential Resolutions**). Each of the Essential Resolutions are conditional upon the approval by Shareholders of the other Essential Resolutions. If any of the Essential Resolutions are not approved by Shareholders, all the Essential Resolutions will fail, and the Company will not be able to complete the Acquisition.

A summary of the Essential Resolutions is as follows:

- (a) Resolution 1 seeks Shareholder approval for the purposes of Listing Rule 10.1 and all other purposes to enable the Company to acquire a 'substantial asset' from Luke Atkins;
- (b) Resolution 2 seeks Shareholder approval for the purposes of Listing Rule 10.11 to enable the Company to issue Consideration Shares to Luke Atkins and his associates (or his nominee/s) as consideration for the Acquisition;
- (c) Resolution 3 seeks Shareholder approval for the purposes of Listing Rule 7.1 for the Company to issue Consideration Shares to the Vendors (other than Luke Atkins) as consideration for the Acquisition; and
- (d) Resolutions 5, 6 and 7 seek Shareholder approval for the purposes of section 195(4) and Listing Rule 10.11 for the Company to issue Shares to Directors Luke Atkins, Robert Nash and Neil Lithgow under Tranche 2 of the Placement, which will enable the Company to raise an additional \$95,000 to satisfy the relevant condition precedent under the Share Purchase Agreement requiring the Company to have raised a minimum of \$750,000 in aggregate.

### **1.8 Assessment of the Acquisition**

The Acquisition was introduced to the Company through the board of Australian Kaolin.

The Directors who do not have a material personal interest in the Acquisition, being Robert Nash (Non-Executive Chair) and Neil Lithgow (Non-Executive Director) (**Non-Conflicted Directors**) consider that the project presents an advanced exploration and potential near term development opportunity that will complement the Company's existing portfolio of projects.

The Non-Conflicted Directors view the White Kaolin Project as having the potential to generate significant Shareholder returns, should further exploration and subsequent development of the project prove to be successful. In particular, the Non-Conflicted Directors consider that there is a significant strategic rationale for the Acquisition for the following reasons:

- (a) Western Australia is globally recognised for its resource endowment, established permitting framework and strong mining culture, in particular, the Port of Esperance provides access to established bulk export infrastructure for kaolin;
- (b) the Acquisition provides exposure to large kaolin deposits, across two exploration tenements and one granted mining licence, located 34km's from the Esperance Port; and
- (c) the White Swan Kaolin Project has had considerable historic exploration that's has delineated a JORC compliant Mineral Resources Estimate that will form the basis for the Company's mining studies and potential development activities.

For the reasons set out above, the Non-Conflicted Directors consider that the proposed consideration payable to the Vendors is reasonable given the stage and nature of the assets being acquired.

Further information on the White Swan Kaolin Project is set out in the Company's ASX announcement dated 21 April 2026, the Independent Expert's Report and the Specialist Report included in Schedule 1.

### 1.9 Advantages of the Acquisition

The Directors (other than Luke Atkins) are of the view that the following non-exhaustive list of advantages may be relevant to a Shareholder's decision on how to vote on the Essential Resolutions:

- (a) the Independent Expert has determined that the Acquisition is **fair and reasonable** to the non-associated Shareholders;
- (b) the Acquisition diversifies the Company's portfolio by providing the Company with additional, highly prospective kaolin assets in Western Australia and a near term development opportunity, which may reduce the overall risk profile of the Company;
- (c) the Acquisition provides the Company with exposure to kaolin;
- (d) there is currently no alternative proposal that might offer Shareholders a premium over the value from the Acquisition;
- (e) the conditions precedent ensure that the Company acquires the services of persons experienced in kaolin exploration activities;
- (f) the Acquisition involves no cash consideration, preserving the Company's existing cash balance to be applied toward exploration at the Company's expanded portfolio of projects; and
- (g) there is no additional jurisdictional risk as the White Swan Kaolin Project is located in Western Australia, a jurisdiction in which the Directors reside and the Company is already familiar with the costs of compliance and associated regulatory requirements in Western Australia.

Further information in relation to the advantages of the Acquisition is set out in section 2.3.5 of the Independent Expert's Report.

### 1.10 Disadvantages of the Acquisition

The Directors (other than Luke Atkins) are of the view that the following non-exhaustive list of disadvantages may be relevant to a Shareholder's decision on how to vote on the Essential Resolutions:

- (a) the Acquisition will result in the dilution of Shareholders;

- (b) the Acquisition will result in Shareholders potentially being exposed to a changed risk profile, gaining exposure to kaolin;
- (c) the issue of the Consideration Shares to Mr Luke Atkins will increase his voting power in the Company from 8.56% (based on the number of Shares on issue as at the date of this Notice) to 17.96% (assuming all Shares are issued under the Placement, including those Shares the subject of Shareholder approval under Resolutions 5 to 7), which creates control risks for other Shareholders and the holdings of Mr Luke Atkins will cause a reduction in the free float of the Company which may impact the liquidity of the Company's Shares;
- (d) there is no guarantee that the White Swan Kaolin Project will be able to be developed economically; and
- (e) there is no guarantee that the Company's Shares will not fall in value as a result of completion of the Acquisition.

Further information in relation to the disadvantages of the Acquisition is set out in Section 2.3.5 of the Independent Expert's Report.

### 1.11 Capital Structure

The current capital structure of the Company and the capital structure on completion of the Acquisition and Tranche 2 of the Placement is set out below:

	SHARES	PERFORMANCE SHARES	PERFORMANCE RIGHTS	OPTIONS
Current <sup>1</sup>	314,610,377	1,500,000	7,666,670	2,000,000
Consideration Shares <sup>2,3,4</sup>	100,000,000	Nil	Nil	
Tranche 2 Placement Shares	4,750,000 <sup>5</sup>	-	--	
<b>Total</b>	<b>419,360,377</b>	<b>1,500,000</b>	<b>7,666,670</b>	<b>2,000,000</b>

**Notes:**

1. This includes 32,750,000 Shares issued pursuant to Tranche 1 of the Placement and 2,000,000 Options exercisable at \$0.04 and expiring two years from the date of issue.
2. Refer to Section 1.2 for a summary of the material terms of the Share Purchase Agreement.
3. This includes the 44,643,158 Consideration Shares to be issued to Mr Luke Atkins, subject to Shareholder approval under Resolution 2.
4. The Company notes that, as set out in the announcement dated 21 April 2026:
  - (a) Sam Middlemas, current CEO of the Company owns 11,897,252 Shares in the Company and 11,300,000 Shares (being approximately 14.1%) in the capital of Australian Kaolin; and
  - (b) Nick Algje, the Company's exploration manager, owns 2,011,424 Shares in Company and 266,660 shares in the Capital of Australian Kaolin.
5. Refer to the Director Participation the subject of Resolutions 5 to 7. A summary of which is included at Section 1.4.

### 1.12 Indicative Timetable

EVENT	DATE
General Meeting for approval of the Acquisition	29 June 2026
Completion of the Acquisition	On or before 6 July 2026

The above dates are indicative only and are subject to change at the Board's discretion in accordance with the Corporations Act and Listing Rules.

### 1.13 Board recommendation

For the reasons set out in Sections 1.8 (including the valuation and negotiation process undertaken in respect of the Acquisition) and 1.9 (advantages of the Acquisition), the Non-Conflicted Directors recommend that Shareholders vote in favour of the Essential

Resolutions set out in this Notice to enable completion of the Acquisition to occur. It is also noted that, in the opinion of the Independent Expert, the Acquisition is **fair and reasonable** to non-associated Shareholders.

Notwithstanding the above, Shareholders should be aware of the disadvantages of the Acquisition, including those set out in Section 1.10, in considering a vote on the Essential Resolutions.

Shareholders are encouraged to carefully consider the information in this Notice, including the Independent Expert's Report before the Meeting. If, after reading this Notice, Shareholders have any questions about the Resolutions or any other matter, Shareholders should consult with their professional advisers.

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## **2. RESOLUTION 1 – APPROVAL TO UNDERTAKE THE ACQUISITION OF AUSTRALIAN KAOLIN**

### **2.1 General Background**

As set out at Section 1.1, the Company has entered into the Share Purchase Agreement with Australian Kaolin and the Vendors, pursuant to which, and subject to the satisfaction of the Conditions Precedent outlined in Section 1.2, it will acquire 100% of the issued share capital of Australian Kaolin.

The Acquisition is considered an acquisition of a 'substantial asset' for the purposes of Listing Rules 10.1 and 10.2 as Mr Luke Atkins is a Listing Rule 10.1.1 party and the value of the Consideration Shares proposed to be issued to Mr Luke Atkins and his associates, in aggregate, is greater than 5% of the equity interests of the Company, as set out in the Company's latest accounts published on the ASX (refer to the Company's announcement of 26 February 2026). The Acquisition therefore requires the approval of Shareholders under Listing Rule 10.1.

### **2.2 Independent Expert's Report**

Listing Rule 10.5.10 requires a notice of meeting containing a Resolution to approve a transaction under Listing Rule 10.1 to include a report from an independent expert.

The Independent Expert's Report prepared by Pendragon Capital Ltd (**Independent Expert**) (a copy of which is attached as Schedule 1 to this Notice) sets out a detailed independent examination of the Acquisition to enable non-associated Shareholders to assess the merits and decide whether to approve Resolution 1. The Independent Expert has concluded that the Acquisition is **fair and reasonable** to the non-associated Shareholders of the Company.

Shareholders are urged to carefully read the Independent Expert's Report to understand the scope of the report, methodology of the valuation and the sources of information and assumptions made.

The Independent Expert's Report is also available on the Company's website at [www.asqg.com.au](http://www.asqg.com.au). If requested by a Shareholder, the Company will send to the Shareholder a hard copy of the Independent Expert's Report at no cost.

### **2.3 ASX Listing Rule 10.1**

ASX Listing Rule 10.1 provides that an entity (or any of its subsidiaries) must not acquire a substantial asset from:

- 10.1.1 a related party;
- 10.1.2 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the company;
- 10.1.3 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the company;
- 10.1.4 an associate of a person referred to in Listing Rules 10.1.1 to 10.1.3; or
- 10.1.5 a person whose relationship with the company or a person referred to in Listing Rules 10.1.1 to 10.1.4 is such that, in ASX's opinion, the issue or

agreement should be approved by its shareholders,  
unless it obtains the approval of its shareholders.

As set out in Section 1.6, Luke Atkins, Director of the Company, is also a substantial holder of Australian Kaolin shares. The Listing Rule 10.1 Party is a Listing Rule 10.1 party because Luke Atkins fits the category of Listing Rule 10.1.1 by virtue of being a related party of the Company as Director of the Company.

## 2.4 Technical information required by ASX Listing Rule 10.5

Pursuant to and in accordance with ASX Listing Rule 10.5 the following information is provided in relation to Resolution 1:

- (a) the Company has entered into the Share Purchase Agreement with the Major Shareholders, which includes Luke Atkins;
- (b) Luke Atkins fits within the category under Listing Rule 10.1.1 by virtue of being a Director of the Company;
- (c) the Company will acquire Australian Kaolin under the Acquisition which controls the White Swan Kaolin Project, further details of which are set out in the Company's announcement dated 21 April 2026 and the Independent Expert's Report;
- (d) in accordance with Listing Rule 10.5.8, a summary of the material terms of the Share Purchase Agreement under which the Acquisition is being made, including the consideration payable to the Vendors, is set out in Section 1.2 above;
- (e) the consideration payable to Luke Atkins and his associates (or his nominees) is 44,643,158 Consideration Shares, at a deemed issue price of \$0.02 per Consideration Share. The Consideration Shares proposed will be issued subject to the Company obtaining Shareholder approval under Resolutions 2 and 3;
- (f) an indicative timetable for the Acquisition is set out at Section 1.12;
- (g) a voting exclusion statement is included in Resolution 1 of this Notice; and
- (h) the Independent Expert's Report is included at Schedule 1 of the Notice.

## 2.5 Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The Directors (other than Luke Atkins), consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the Acquisition as the Share Purchase Agreement is on the same or better terms as the Company would otherwise have entered into with non-related parties and as such the giving of the financial benefit is on arm's length terms.

This conclusion has been reached, inter alia, due to the Independent Expert in its Independent Expert's Report confirming that the Acquisition of Australian Kaolin is **fair and reasonable** to the non-associated Shareholders. Accordingly, the Company is not seeking shareholder approval under Chapter 2E of the Corporations Act.

## 2.6 Technical information required by Listing Rule 14.1A

Resolution 1 is an Essential Resolution. If the Essential Resolutions are passed, the Company will be able to proceed with the Acquisition.

If any of the Essential Resolutions are not passed, the Company will not be able to proceed with the Acquisition. In such circumstances, the Company may seek to re-negotiate with the Vendors with a view to putting a revised transaction to Shareholders. However, the Company cannot guarantee that more favourable terms will be available and there is a risk that the Acquisition does not proceed in any form.

## **2.7 Board Recommendation**

After carefully considering all aspects of the Acquisition, including the advantages and disadvantages referred to in Sections 1.9 and 1.10, the Independent Expert's Report and the alternatives available to the Company, each Director (other than Luke Atkins) considers that the Acquisition is in the best interests of Shareholders. Accordingly, each Director (other than Luke Atkins) recommends that Shareholders vote in favour of Resolution 1.

The Directors are not aware of any information other than as set out in this Notice that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass Resolution 1.

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## **3. RESOLUTION 2 – APPROVAL TO ISSUE CONSIDERATION SHARES TO MR LUKE ATKINS**

### **3.1 General**

This Resolution seeks Shareholder approval for the purposes of Listing Rule 10.11 for the issue of 44,643,158 Consideration Shares to Mr Luke Atkins (or his nominees) in consideration for the Acquisition and otherwise on the terms and conditions set out in the Share Purchase Agreement.

The Consideration Shares to be issued to Luke Atkins and his associates (or their nominee/s) will be subject to 12 months ASX imposed escrow from the date of issue pursuant to ASX Listing Rule 10.7 and Appendix 9B. As noted in Section 1.2, the Acquisition is conditional on the Major Shareholders (including Luke Atkins and his associates) agreeing to enter into voluntary escrow agreements under which it is agreed they will not sell, deal with or transfer any of their Consideration Shares for a period of the lesser of 24 months from the date of issue or the signing of a binding Kaolin offtake agreement of at least 50,000 tonnes.

### **3.2 Chapter 2E of the Corporations Act**

A summary of Chapter 2E of the Corporations Act is set out in Section 2.5 above.

The issue of the Consideration Shares constitutes the giving of a financial benefit and Luke Atkins is a related party of the Company by virtue of being a Director.

The Directors (other than Luke Atkins who has a material personal interest in this Resolution) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue because the agreement to issue the Consideration Shares was negotiated on an arm's length basis.

### **3.3 Listing Rule 10.11**

Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, a listed company must not issue or agree to issue equity securities to:

- 10.11.1 a related party;
- 10.11.2 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the company;
- 10.11.3 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the company and who has nominated a director to the board of the company pursuant to a relevant agreement which gives them a right or expectation to do so;
- 10.11.4 an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3; or

10.11.5 a person whose relationship with the company or a person referred to in Listing Rules 10.11.1 to 10.11.4 is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders,

unless it obtains the approval of its shareholders.

The issue falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing Rule 10.12. It therefore requires the approval of Shareholders under Listing Rule 10.11.

### 3.4 Technical information required by Listing Rule 14.1A

If the Essential Resolutions are passed and completion of the Acquisition occurs, the Company will be able to proceed with the issue of the Consideration Shares within one month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules). As approval pursuant to Listing Rule 7.1 is not required for the issue of the Consideration Shares (because approval is being obtained under Listing Rule 10.11), the issue of the Consideration Shares will not use up any of the Company's 15% annual placement capacity.

This Resolution is an Essential Resolution. As such, if this Resolution is not passed, the Company will not be able to proceed with the Acquisition. Refer to Section 2.6 for further detail with respect to the effect of any Essential Resolution not being passed and the Company's intentions should this occur.

### 3.5 Technical Information required by Listing Rule 10.13

REQUIRED INFORMATION	DETAILS
<b>Name of the person to whom Securities will be issued</b>	Luke Atkins and his associates (or their nominees).
<b>Categorisation under Listing Rule 10.11</b>	Luke Atkins falls within the category set out in Listing Rule 10.11.1 as he is a related party of the Company by virtue of being a Director.  Any nominee(s) of Luke Atkins who receive Consideration Shares may constitute 'associates' for the purposes of Listing Rule 10.11.4.
<b>Number of Securities and class to be issued</b>	The Company will issue Luke Atkins and his associates (or their nominees) 44,643,158 Consideration Shares at a deemed issue price of \$0.02 per Consideration Share.
<b>Terms of Securities</b>	The Consideration Shares will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares.
<b>Date(s) on or by which the Securities will be issued</b>	The Company expects to issue the Consideration Shares to Luke Atkins and his associates (or their nominees) shortly after the Meeting. In any event, the Company will not issue any Consideration Shares to Luke Atkins and his associates (or their nominees) later than one month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules).
<b>Price or other consideration the Company will receive for the Securities</b>	The Consideration Shares are being issued in consideration for the Acquisition.
<b>Purpose of the issue, including the intended use of any funds raised by the issue</b>	The Consideration Shares are not being issued to remunerate or incentivise Luke Atkins.  The purpose of the issue of the Consideration Shares is to satisfy the Company's obligations under the Share Purchase Agreement in part, which will allow the

REQUIRED INFORMATION	DETAILS
	Company to complete the Acquisition.
<b>Summary of material terms of agreement to issue</b>	The Consideration Shares are being issued under the Share Purchase Agreement, a summary of the material terms of which is set out in Section 1.2.
<b>Voting exclusion statement</b>	A voting exclusion statement applies to this Resolution.

#### 4. RESOLUTION 3 – APPROVAL TO ISSUE CONSIDERATION SHARES TO THE VENDORS

##### 4.1 General

The background to the Acquisition is set out above in Section 1.1.

Under the Share Purchase Agreement, and subject to satisfaction of the conditions precedents set out in Section 1.2 (including execution of the Minority SPAs with the Minority Shareholders), the Company will issue a total of 100,000,000 Shares to the Vendors (or their nominees) in consideration for the Acquisition.

Of this 100,000,000 Shares, 44,643,158 Consideration Shares will be issued to Luke Atkins, subject to the passing of Resolution 3, with the balance of the 55,356,842 Consideration Shares to be issued to the Vendors (other than Luke Atkins) in consideration for the Acquisition.

This Resolutions seeks Shareholder approval for the purposes of Listing Rule 7.1 for the issue of 55,356,842 Consideration Shares to the Vendors (other than Luke Atkins) in consideration for the Acquisition.

##### 4.2 Listing Rule 7.1

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12-month period to 15% of the fully paid ordinary shares it had on issue at the start of that period.

The proposed issue of the Consideration Shares falls within exception 17 of Listing Rule 7.2. It therefore requires the approval of Shareholders under Listing Rule 7.1.

##### 4.3 Technical information required by Listing Rule 14.1A

If the Essential Resolutions are passed and the Conditions Precedent are satisfied, the Company will be able to proceed with the issue of the Consideration Shares and complete the Acquisition. In addition, the issue of the Consideration Shares will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

This Resolution is an Essential Resolution. As such, if this Resolution is not passed, the Company will not be able to proceed with the Acquisition. Refer to Section 2.6 for further detail with respect to the effect of any Essential Resolution not being passed and the Company's intentions should this occur.

##### 4.4 Technical information required by Listing Rule 7.3

REQUIRED INFORMATION	DETAILS
<b>Names of persons to whom Securities will be issued or the basis on which those persons were or will be identified/selected</b>	<p>The Vendors (other than Luke Atkins) (or their nominees).</p> <p>Other than as set out below, the Company confirms that no Material Persons will be issued more than 1% of the issued capital of the Company under Resolution 3.</p> <p>The following Vendors have been identified as Material Persons and will be issued more than 1% of the issued capital of the Company under Resolution 3:</p> <p>Robert Sam Middlemas and his associates, a Majority</p>

REQUIRED INFORMATION	DETAILS
	<p>Shareholder and the Company's Chief Executive Operator and Company Secretary, will be issued 14,099,153 Consideration Shares, representing approximately 4.48% of the Company's equity securities on issue as at the date of this Notice. Mr Middlemas owns 11,897,252 Shares in the Company and 11,300,000 Shares (being approximately 14.1%) in the capital of Australian Kaolin.</p> <p>In addition Nick Algje, a Minority Shareholder and the Company's exploration manager, owns 2,011,424 Sares in Company and 266,660 shares in the Capital of Australian Kaolin.</p> <p>For the avoidance of doubt, Luke Atkins and his nominees will not receive Consideration Shares under this Resolution, the Consideration Shares to be issued to Luke Atkins are the subject of Resolution 2.</p>
<b>Number of Securities and class to be issued</b>	55,356,842 Consideration Shares will be issued to the Vendors (other than Luke Atkins) at a deemed issue price of \$0.02 per Consideration Share.
<b>Terms of Securities</b>	The Consideration Shares will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares.
<b>Date(s) on or by which the Securities will be issued</b>	The Company expects to issue the Consideration Shares shortly after the Meeting. In any event, the Company will not issue the Consideration Shares later than three months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules).
<b>Price or other consideration the Company will receive for the Securities</b>	The Consideration Shares will be issued in consideration for the Acquisition.
<b>Purpose of the issue, including the intended use of any funds raised by the issue</b>	The purpose of the issue of the Consideration Shares is to satisfy the Company's obligations under the Share Purchase Agreement.
<b>Summary of material terms of agreement to issue</b>	The Consideration Shares are being issued under the Share Purchase Agreement, a summary of the material terms of which is set out in Section 1.2.
<b>Voting exclusion statement</b>	A voting exclusion statement applies to Resolution 3.

## 5. RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE OF SHARES TO PLACEMENT PARTICIPANTS

### 5.1 General

This Resolution seeks Shareholder ratification for the purposes of Listing Rule 7.4 for the issue of 32,750,000 Shares to the Placement Participants, at an issue price of \$0.02 per Share to raise \$655,000.

### 5.2 Listing Rule 7.1

A summary of Listing Rule 7.1 is set out in Section 4.2 above.

The issue does not fit within any of the exceptions set out in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further equity securities

without Shareholder approval under Listing Rule 7.1 for the 12 month period following the date of the issue.

### 5.3 Listing Rule 7.4

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the company's capacity to issue further equity securities without shareholder approval under that rule.

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder ratification pursuant to Listing Rule 7.4 for the issue.

### 5.4 Technical information required by Listing Rule 14.1A

If this Resolution is passed, the issue will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of the issue.

If this Resolution is not passed, the issue will be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities that the Company can issue without Shareholder approval over the 12 month period following the date of the issue.

### 5.5 Technical information required by Listing Rules 7.4 and 7.5

REQUIRED INFORMATION	DETAILS
<b>Names of persons to whom Securities were issued or the basis on which those persons were identified/selected</b>	The Placement Participants, comprising professional and sophisticated investors who were identified through a bookbuild process, which involved Taylor Collison Pty Limited seeking expressions of interest to participate in the capital raising from non-related parties of the Company.  The Company confirms that no Material Persons were issued more than 1% of the issued capital of the Company.
<b>Number and class of Securities issued</b>	32,750,000 Shares were issued.
<b>Terms of Securities</b>	The Shares were fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares.
<b>Date(s) on or by which the Securities were issued</b>	29 April 2026.
<b>Price or other consideration the Company received for the Securities</b>	\$0.02 per Share.
<b>Purpose of the issue, including the intended use of any funds raised by the issue</b>	The purpose of the issue was to raise capital, which the Company intends to apply towards exploration and development of the White Swan Kaolin Project as well as ongoing work on the Company's existing projects.
<b>Summary of material terms of agreement to issue</b>	The Shares were not issued under an agreement.
<b>Voting Exclusion Statement</b>	A voting exclusion statement applies to this Resolution.

REQUIRED INFORMATION	DETAILS
Compliance	The issue did not breach Listing Rule 7.1.

## 6. RESOLUTIONS 5 TO 7 – APPROVAL TO ISSUE SHARES TO DIRECTORS UNDER THE PLACEMENT

### 6.1 General

This Resolution seeks Shareholder approval for the purposes of Listing Rule 10.11 for the issue of up to an aggregate of 4,750,000 Shares under Tranche 2 of the Placement, to raise up to a further \$95,000, to the Company's Directors as set out in the table below.

RECIPIENT	RESOLUTION	PARTICIPATION	
		QUANTUM	FUNDS RAISED
		SHARES	
Luke Atkins (or his nominee(s))	5	3,750,000	\$75,000
Robert Nash (or his nominee(s))	6	500,000	\$10,000
Neil Lithgow (or his nominee(s))	7	500,000	\$10,000
<b>Total</b>		<b>4,750,000</b>	<b>\$95,000</b>

### 6.2 Director Recommendation

Each Director has a material personal interest in the outcome of these Resolutions on the basis that all of the Directors (or their nominee(s)) are to be issued Shares should these Resolutions be passed. For this reason, the Directors do not believe that it is appropriate to make a recommendation on these Resolutions.

### 6.3 Chapter 2E of the Corporations Act

Chapter 2E of the Corporations Act requires that for a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The issue constitutes giving a financial benefit and each of the proposed recipients is a related party of the Company by virtue of being a Director.

The Director Participation will result in the issue of Shares to the Directors which constitutes giving a financial benefit and the Directors are related parties of the Company by virtue of being Directors.

The Directors (other than Mr Atkins who has a material personal interest in Resolution 5) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of Resolution 5 because the Shares will be issued to Mr Atkins on the same terms as the Shares offered to the unrelated Placement Participants under the Placement and as such the giving of the financial benefit is on arm's length terms.

The Directors (other than Mr Nash who has a material personal interest in Resolution 6) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of Resolution 6 because Shares will be issued to Mr Nash on the same terms as the Shares offered to the unrelated Placement Participants under the Placement and as such the giving of the financial benefit is on arm's length terms.

The Directors (other than Mr Lithgow who has a material personal interest in Resolution 7) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not

required in respect of Resolution 7 because the Shares will be issued to Mr Lithgow on the same terms as Shares offered to the unrelated Placement Participants under the Placement and as such the giving of the financial benefit is on arm's length terms.

#### 6.4 Section 195(4) of the Corporations Act

Section 195 of the Corporations Act provides that a director of a public company may not vote or be present during meetings of directors when matters in which that director holds a "material personal interest" are being considered, except in certain limited circumstances. Section 195(4) relevantly provides that if there are not enough directors to form a quorum for a directors meeting because of this restriction, one or more of the directors may call a general meeting and the general meeting may pass a resolution to deal with the matter.

It might be argued (but it is neither conceded nor, indeed, is it thought by the Board to be the case) that all of the Directors comprising the Board have a material personal interest in the outcome of Resolutions 5 to 7. If each does have such an interest, then a quorum could not be formed to consider the matters contemplated by Resolutions 5 to 7 at Board level.

Accordingly, for the avoidance of any doubt, and for the purpose of transparency and best practice corporate governance, the Company also seeks Shareholder approval for Resolutions 5 to 7 for the purposes of section 195(4) of the Corporations Act in respect of the reliance on the arm's length terms exception and the decision not to seek Shareholder approval under Chapter 2E of the Corporations Act.

#### 6.5 Listing Rule 10.11

A summary of Listing Rule 10.11 is set out in Section 3.3 above.

The issue falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing Rule 10.12. It therefore requires the approval of Shareholders under Listing Rule 10.11.

#### 6.6 Technical information required by Listing Rule 14.1A

If these Resolutions are passed, the Company will be able to proceed with the issue within one month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules). As approval pursuant to Listing Rule 7.1 is not required for the issue (because approval is being obtained under Listing Rule 10.11), the issue will not use up any of the Company's 15% annual placement capacity.

If these Resolutions are not passed, the Company will not be able to proceed with the issue and the Company will not raise the additional \$95,000 under Tranche 2 of the Placement. As a result, the Company may not be able to complete the Acquisition as it will not have satisfied the Condition Precedent under the Share Purchase Agreement requiring the Company to have raised a minimum of \$750,000. If these Resolutions are not passed, the Company would have to consider waiving this Condition Precedent.

#### 6.7 Technical information required by Listing Rule 10.13

REQUIRED INFORMATION	DETAILS
<b>Name of the person to whom Securities will be issued</b>	The proposed recipients of the Shares are set out in Section 6.1 above.
<b>Categorisation under Listing Rule 10.11</b>	Each of the proposed recipients falls within the category set out in Listing Rule 10.11.1 as they are a related party of the Company by virtue of being a Director.  Any nominee(s) of the proposed recipients who receive Shares may constitute 'associates' for the purposes of Listing Rule 10.11.4.
<b>Number of Securities</b>	The maximum number of Shares to be issued (being the

REQUIRED INFORMATION	DETAILS
<b>and class to be issued</b>	nature of the financial benefit proposed to be given) and the allocation between the recipients is set out in the table included at Section 6.1 above.
<b>Terms of Securities</b>	The Shares will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares.
<b>Date(s) on or by which the Securities will be issued</b>	The Company expects to issue the Securities within 5 Business Days of the Meeting. In any event, the Company will not issue any Securities later than one month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules).
<b>Price or other consideration the Company will receive for the Securities</b>	\$0.02 per Share.
<b>Purpose of the issue, including the intended use of any funds raised by the issue</b>	The purpose of the issue is to raise capital, which is a Condition Precedent to the Share Purchase Agreement.
<b>Summary of material terms of agreement to issue</b>	The Shares are not being issued under an Agreement.
<b>Voting exclusion statement</b>	A voting exclusion statement applies to this Resolution.

## **7. RESOLUTION 8 – RATIFICATION OF PRIOR ISSUE OF OPTIONS TO TAYLOR COLLISON PTY LIMITED AND TAURUS CAPITAL GROUP**

### **7.1 General**

This Resolution seeks Shareholder ratification for the purposes of Listing Rule 7.4 for the issue of 2,000,000 Options to Taylor Collison Pty Limited and Taurus Capital Group on 29 April 2026 in part consideration for the provision of lead manager services in connection with the Placement.

### **7.2 Listing Rule 7.1**

A summary of Listing Rule 7.1 is set out in Section 4.2 above.

The issue does not fit within any of the exceptions set out in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the date of the issue.

### **7.3 Listing Rule 7.4**

A summary of Listing Rule 7.4 is set out in Section 5.3 above.

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder ratification pursuant to Listing Rule 7.4 for the issue.

### **7.4 Technical information required by Listing Rule 14.1A**

If this Resolution is passed, the issue will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities the Company

can issue without Shareholder approval over the 12 month period following the date of the issue.

If this Resolution is not passed, the issue will be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities that the Company can issue without Shareholder approval over the 12 month period following the date of the issue.

#### 7.5 Technical information required by Listing Rules 7.4 and 7.5

REQUIRED INFORMATION	DETAILS
<b>Names of persons to whom Securities were issued or the basis on which those persons were identified/selected</b>	Taylor Collison Pty Limited and Taurus Capital Group.
<b>Number and class of Securities issued</b>	2,000,000 Options were issued.
<b>Terms of Securities</b>	The Options were issued on the terms and conditions set out in Schedule 2.
<b>Date(s) on or by which the Securities were issued.</b>	29 April 2026.
<b>Price or other consideration the Company received for the Securities</b>	The Options were issued at a nil issue price, in part consideration for lead manager services provided by Taylor Collison Pty Limited in connection with the Placement.
<b>Purpose of the issue, including the intended use of any funds raised by the issue</b>	The purpose of the issue was to satisfy the Company's obligations under the Lead Manager Mandate.
<b>Summary of material terms of agreement to issue</b>	The Options were issued under the Lead Manager Mandate, a summary of the material terms of which is set out in Section 1.5.
<b>Voting Exclusion Statement</b>	A voting exclusion statement applies to this Resolution.
<b>Compliance</b>	The issue did not breach Listing Rule 7.1.

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## GLOSSARY

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**\$** means Australian dollars.

**Acquisition** has the meaning given in Section 1.1.

**ASIC** means the Australian Securities & Investments Commission.

**ASX** means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

**Australian Kaolin** means Australian Kaolin Pty Ltd (ACN 648 396 687).

**Board** means the current board of directors of the Company.

**Business Day** means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

**Chair** means the chair of the Meeting.

**Company** means Australian Silica Quartz Group Ltd (ACN 119 699 982).

**Conditions Precedent** has the meaning given in Section 1.2.

**Consideration Shares** has the meaning given in Section 1.2.

**Constitution** means the Company's constitution.

**Corporations Act** means the *Corporations Act 2001* (Cth).

**Directors** means the current directors of the Company.

**Director Participation** has the meaning in Section 1.4.

**Essential Resolutions** has the meaning given in Section 1.6.

**Explanatory Statement** means the explanatory statement accompanying the Notice.

**Independent Expert** means the independent expert's report prepared by Pendragon Capital Ltd included at Schedule 1 of this Notice.

**Key Management Personnel** has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

**Listing Rules** means the Listing Rules of ASX.

**Majority Shareholders** means those shareholders of Australian Kaolin who, together, hold approximately 90% of the fully paid ordinary shares in the capital of Australian Kaolin and who, together with Australian Kaolin and the Company, are parties to the Share Purchase Agreement, as set out in Section 1.1. and Annexure A.

**Material Person** means a related party of the Company, member of the Key Management Personnel, substantial holder of the Company, adviser of the Company or associate of any of these parties.

**Meeting** means the meeting convened by the Notice.

**Minority Shareholders** means the shareholders of Australian Kaolin, other than the Major Shareholders, who together hold approximately 10% of the fully paid ordinary shares in the capital of Australian Kaolin and with whom the Company is required to enter into Minority SPAs as a condition of the Share Purchase Agreement (unless waived by the Board), as set out in Section 1.1.

**Minority SPAs** has the meaning given in Section 1.1.

**Non-Conflicted Directors** has the meaning given in Section 1.8.

**Notice** means this notice of meeting including the Explanatory Statement and the Proxy Form.

**Option** means an option to acquire a Share.

**Performance Right** means a right to acquire a Share subject to satisfaction of performance milestones.

**Performance Share** means a performance share in the capital of the Company which converts into a Share following satisfaction of a performance milestone.

**Placement Participants** has the meaning given in Section 1.3.

**Placement** has the meaning given in Section 1.3.

**Proxy Form** means the proxy form accompanying the Notice.

**Resolutions** means the resolutions set out in the Notice, or any one of them, as the context requires.

**Section** means a Section of the Explanatory Statement.

**Security** means a Share, Option, Performance Right or Performance Share (as applicable).

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

**Shareholder** means a registered holder of a Share.

**Share Purchase Agreement** has the meaning given in Section 1.1.

**Vendors** has the meaning given in Section 1.1.

**White Swan Kaolin Project** means the kaolin project made up of EL63/2047, EL63/1895 and ML63/688, held by Australian Kaolin.

**WST** means Western Standard Time as observed in Perth, Western Australia.

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**SCHEDULE 1 – INDEPENDENT EXPERT REPORT**

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# **Independent Expert's Report**

## **Australian Silica Quartz Group Limited**

ACN 119 699 982

25 May 2026

### **OPINION: FAIR AND REASONABLE**

Prepared by Pendragon Capital Limited  
Australian Financial Services Licence 237549



## **FINANCIAL SERVICES GUIDE**

Date Prepared: 25 May 2026

Pendragon Capital Limited (ABN 17 008 963 755) (“Pendragon”, “we,” “us” or “our”) has been engaged by Australian Silica Quartz Group Limited (“ASQ” or “the Company”) to provide an Independent Expert’s Report (“Report”) to provide an opinion to Non-associated Shareholders as to whether the issue of 44,643,158 shares in ASQ to Luke Atkins and associates as part of the total consideration of 100,000,000 ASQ Shares for the acquisition of 100% of the issued capital of Australia Kaolin Pty Limited is fair and reasonable to Non-associated Shareholders.

The Report is required because the Proposed Transaction is considered to result in an acquisition of a “substantial asset” for the purposes of ASX Listing Rules 10.1 and 10.2 as Mr Luke Atkins is a Listing Rule 10.1 party and the value of the Consideration Shares proposed to be issued to Mr Atkins and his associates is, in aggregate, greater than 5% of the equity interests of the Company.

A copy of our Report is being provided because you are a Shareholder of ASQ.

### **Financial Services Guide**

This Financial Services Guide has been prepared to assist retail investors:

- to decide whether the general financial product advice in our Report is appropriate to them; and
- to provide important information about us, the financial services we offer, how we are remunerated and our dispute resolution process.

### **Financial services we offer**

Pendragon Capital Limited is the holder of Australian Financial Services Licence (“AFSL”) number 237549. The current AFSL conditions authorise Pendragon Capital Limited to, amongst other things, provide general financial product advice relating to securities to retail and wholesale investors.

### **General Financial Product Advice**

In our Report, we only provide general financial product advice and do not take into account your personal objectives, financial situation or needs.

You should consider the appropriateness of the Report with respect to your own objectives, financial situation and needs before you act on the advice in the Report. Accordingly, it is up to you to determine whether you require any additional financial advice to satisfy your objectives, financial situation or needs.

We are engaged to provide a report in connection with a financial product of another person. Our report will include who has engaged us and a description of the nature of our engagement. Although you have not engaged us, you will be provided with a copy of our report as a retail investor because of your connection to the matters on which we have been engaged to report.

## **Remuneration and other benefits for our services**

You have the right to be told of any remuneration, benefits or other interests Pendragon Capital Limited and your Adviser will receive which may influence the financial services provided.

We charge fees for providing reports. These fees have been agreed with, and will be paid by, the person who engages us to provide the report. Our fees are agreed and charged on an hourly basis or fixed fee basis depending on the engagement. Our fee has been fixed at a maximum of \$25,000 (exclusive of GST) for this Report. This fee is not related in any way to the opinion we express in our Report.

Except for the fee disclosed above, Pendragon, including any of its directors, employees or associated entities will not receive any other fees or benefits, directly or indirectly, for or in connection with the provision of this Report.

## **Complaints process**

As the holder of an AFSL, we are required to have a system for handling complaints from persons to whom we provide financial services.

If you have any complaints about the service provided to you, you should take the following steps:

- a. Contact your Adviser to discuss your complaint.
- b. If your complaint is not satisfactorily resolved within 3 days, please contact the Compliance Manager of Pendragon Capital Limited, on (08) 9426 0666 or put your complaint in writing and send it to PO Box 1288, Subiaco, WA 6904. The Compliance Manager will try to resolve your complaint quickly and fairly.
- c. If, within 28 days of notifying the Compliance Manager, you are not satisfied with the outcome, then you have the right to refer the matter to:

Australian Financial Complaints Authority Limited  
GPO Box 3  
MELBOURNE VIC 3001

Telephone: 1800 931 678  
Fax: (03) 9613 6399  
Email: [info@afca.org.au](mailto:info@afca.org.au)

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25 May 2026

The Directors  
Australian Silica Quartz Group Limited  
Suite 10 / 295 Rokeby Road  
SUBIACO WA 6008

Dear Directors

## **INDEPENDENT EXPERT'S REPORT TO SHAREHOLDERS OF ASQ LIMITED**

### **1. INTRODUCTION**

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#### **1.1 Introductory Statement**

- 1.1.1 You have requested Pendragon Capital Limited ("**Pendragon**", "**we**", "**us**" or "**our**") to prepare an Independent Expert's Report ("**Report**") to provide an opinion to the Non-associated Shareholders of Australian Silica Quartz Group Limited ("**ASQ**", or "**the Company**") whether, for the purposes of Australian Securities Exchange ("**ASX**") Listing Rule 10.1, the issue of a total of 44,643,158 Consideration Shares in ASQ to Luke Atkins and associates as part of the issue of 100,000,000 fully paid ordinary shares ("**Consideration Shares**") in ASQ to Australian Kaolin Pty Limited ("**AKL**") shareholders ("**Proposed Transaction**") is fair and reasonable to Shareholders who are not associated ("**Non-associated Shareholders**").
- 1.1.2 For the purpose of ASX listing rule 10.1, the Proposed Transaction will constitute a 'substantive asset' as the implied value of the Proposed Transaction is greater than 5% of the Company's net assets. Additionally, Luke Atkins is a director of ASQ and is a shareholder in AKL. Therefore, the Proposed Transaction is with a related party.
- 1.1.3 Sam Middlemas is the CEO of ASQ and a shareholder of AKL and Nick Algie is the exploration manager of ASQ and a shareholder of AKL. However, as the value of the proposed consideration for their AKL shares is less than 5% of ASQ's net assets, they are not being treated as related parties under Listing Rule 10.1 and are excluded from associated shareholders for the purpose of this Report.
- 1.1.4 ASQ is a public company listed on the Australian Securities Exchange ('**ASX**').
- 1.1.5 On 17 April 2026, the Company executed a binding Share Purchase Agreement ("**SPA**") to acquire 100% of the issued shares of AKL, for a total consideration of 100,000,000 fully paid ordinary ASQ Shares at a deemed issue price of \$0.02 per Share.
- 1.1.6 Completion of the Proposed Transaction is subject to the satisfaction (or waiver) of a number of conditions precedent, including:
- completion of legal, financial and technical due diligence;
  - the undertaking of a capital raising by ASQ of a minimum of \$750,000 ("**Capital Raise**");

- minority shareholders of AKL accepting an offer for their AKL shares on terms consistent with the SPA;
- the Independent Expert opining that the Proposed Transaction is fair and reasonable to Non-associated Shareholders;
- Jamie Cullen entering into a non-executive appointment letter with ASQ for his appointment as a non-executive director of ASQ with effect from completion of the SPA;
- the Major Shareholders entering into voluntary escrow agreements for their Consideration Shares for a period of the lesser of 24 months from the date of issue or signing of a binding Kaolin offtake agreement of at least 50,000 tonnes;
- the parties obtaining all necessary regulatory approvals or waivers, and all necessary third party approvals and consents; and
- approval by ASQ shareholders as required under the ASX Listing Rules and the Corporations Act.

1.1.7 Following completion of the Proposed Transaction and the Capital Raise, the number of ASQ ordinary shares on issue is expected to increase from 281,860,377 to 419,360,377 shares on an undiluted basis.

1.1.8 The Proposed Transaction involves the acquisition of a substantial asset from parties that include related parties of ASQ and is therefore subject to Shareholder approval under ASX Listing Rule 10.1. The value of the Consideration Shares to be issued to Luke Atkins and his associates constitutes more than 5% of the equity of ASQ and therefore constitutes a substantial asset. Accordingly, the Company has requested an Independent Expert's Report to inform Non-associated Shareholders whether, in the Expert's opinion, the Proposed Transaction is fair and reasonable to Non-associated Shareholders in accordance with ASIC Regulatory Guide 74 ("**RG 74**") and ASIC Regulatory Guide 111 ("**RG 111**").

1.1.9 Terms used in this Report that are not defined in this Report have the same meaning as corresponding terms in the Notice of Meeting ("**NoM**").

1.1.10 The Proposed Transaction involves the acquisition of Australian Kaolin Pty Ltd, which owns the White Swan Kaolin Project in Western Australia. The White Swan Kaolin Project comprises tenements EL63/2047, EL63/1895 and ML63/688, each of which is located in Western Australia. The project hosts an inferred kaolin mineral resource and is located in proximity to established transport infrastructure, including access to the Port of Esperance.

1.1.11 The characteristics of the kaolin industry, including its industrial demand base and relatively stable consumption profile, provide a framework for assessing the potential value of the White Swan Kaolin Project. In particular, factors such as resource quality and scale, proximity to infrastructure and potential access to export markets are relevant considerations in evaluating the commercial prospects of the project.

1.1.12 The ultimate value of the White Swan Kaolin Project will depend on successful progression through exploration, development and production stages, as well as prevailing market conditions for kaolin products.

## 2. SUMMARY AND OPINION

---

### 2.1 Summary

- 2.1.1 Based on our analysis, as outlined further in this Report, we have concluded that the Proposed Transaction is **fair and reasonable** to Non-associated Shareholders of ASQ.
- 2.1.2 This section is a summary of our opinion and does not substitute for a complete reading of this Report.
- 2.1.3 We recommend that Shareholders carefully read all relevant documentation including any explanatory notes, contact their own professional advisors and consider their own specific circumstances before voting for or against the Proposed Transaction.
- 2.1.4 There are benefits and risks associated with implementing or not implementing the Proposed Transaction, the outcomes of which may not suit all Shareholders.

### 2.2 Fairness

- 2.2.1 In Section 0 of this Report, we determined how the value of the Consideration compares to the value of AKL, as summarised below:

	Ref	Low Value \$	Preferred Value \$	High Value \$
Value of 100% of the issued capital in AKL	10.1.7	2,220,943	3,320,943	3,820,943
Value of Consideration	11.2.1	2,230,000	2,470,000	3,390,000

- 2.2.2 In determining if the Proposed Transaction is fair under RG 111.57, we are required to determine if the value of the financial benefit being provided to the related party is equal to or less than the value of consideration being received by ASQ.
- 2.2.3 In the absence of any other relevant information, we have assessed the terms of the Proposed Transaction in accordance with RG 111 and have determined that it is **fair** to the Non-associated Shareholders as the value of Consideration is less than the preferred assessed value of 100% of the share capital in AKL.

### 2.3 Reasonableness

- 2.3.1 By definition, a transaction that is fair is considered reasonable.
- 2.3.2 A transaction that is not considered fair may still be considered reasonable if there are sufficient reasons for security holders to approve the Proposed Transaction.
- 2.3.3 In our analysis outlined in Section 13 of this Report, we detail the advantages and disadvantages of the Proposed Transaction and other considerations relevant to the Proposed Transaction.
- 2.3.4 In our opinion, the situation of Shareholders generally if the Proposed Transaction proceeds is more advantageous than the situation if the Proposed Transaction does

not proceed. Accordingly, we believe that the Proposed Transaction is **reasonable** to the Non-associated Shareholders.

2.3.5 We have also considered it appropriate to provide a summary of the advantages and disadvantages for Non-associated Shareholders to consider when forming a view on whether to vote in favour or against the Proposed Transaction, as follows:

Advantages	Disadvantages
<ul style="list-style-type: none"> <li>the Proposed Transaction expands and diversifies the Company's asset portfolio through the acquisition of the White Swan Kaolin Project, providing exposure to the kaolin sector and a potential near-term development opportunity;</li> <li>the Proposed Transaction may enhance the Company's future growth opportunities through exposure to an additional mineral commodity and project base;</li> <li>there is currently no alternative proposal known that is considered superior to the Proposed Transaction;</li> <li>the consideration payable under the Proposed Transaction is entirely scrip-based, allowing the Company to preserve its existing cash reserves for ongoing exploration and development activities;</li> <li>the White Swan Kaolin Project is located in Western Australia, a jurisdiction familiar to the Company, thereby limiting additional jurisdictional and regulatory risk; and</li> <li>the conditions precedent ensure the Company acquires the services of persons experienced in kaolin exploration activities.</li> </ul>	<ul style="list-style-type: none"> <li>the Proposed Transaction will result in dilution to existing Shareholders through the issue of the Consideration Shares;</li> <li>following completion of the Proposed Transaction, Shareholders will gain exposure to the kaolin sector, which may alter the Company's overall risk profile;</li> <li>the issue of Consideration Shares to Luke Atkins will increase his voting power in the Company from approximately 9.60% to 17.96% on an undiluted basis and 10.13% to 18.18% on a fully diluted basis, thereby increasing his potential influence over the Company and reducing the Company's free float, which may adversely impact the liquidity of ASQ Shares;</li> <li>there is no certainty that the White Swan Kaolin Project will be able to be developed economically; and</li> <li>there is no certainty that the market price of ASQ Shares will increase following completion of the Proposed Transaction and the value of ASQ Shares may decline.</li> </ul>

### 3. SCOPE OF THE REPORT

#### 3.1 Scope

3.1.1 An independent expert must, in certain circumstances, be appointed to meet the requirements of the Corporations Act 2001 ("**the Act**"), the ASX Listing Rules and the regulatory guides published by the Australian Securities and Investments Commission ("**ASIC**").

- 3.1.2 The matters to be considered at the general meeting and additional information regarding those matters are set out in detail in the NoM. This document is important and should be read in conjunction with this Report and any other information provided to the Shareholders by ASQ regarding the Proposed Transaction.
- 3.1.3 This Report contains general financial product advice only and has been prepared without taking into account the objectives, risk profile, financial situation or needs of each individual Shareholder. Before acting in relation to their investment, Shareholders should consider the appropriateness of the advice having regard to their own objectives, financial situation or needs.
- 3.1.4 Approval or rejection of the Proposed Transaction is a matter for individual Shareholders. Shareholders who are in doubt as to the action they should take in relation to the Proposed Transaction should consult their own professional advisor.

## **3.2 Purpose of the Report**

- 3.2.1 The Directors of the Company have engaged Pendragon to prepare an Independent Expert's Report in relation to Resolution 1 of the NoM to provide an opinion whether the Proposed Transaction is fair and/or reasonable to Non-associated Shareholders.
- 3.2.2 ASX Listing Rule 10.1 states that a listed entity must ensure that neither it, nor any of its subsidiaries, acquires or agrees to acquire a substantial asset from, or disposes of or agrees to dispose of a substantial asset to:
- a) A related party of the entity;
  - b) A subsidiary of the entity;
  - c) A person who is, or was at any time in the 6 months before the transaction or agreement, a substantial (>10%) holder in the entity;
  - d) An associate of a person referred to in (a) to (c) above; or
  - e) A person whose relationship to the entity or a person referred to in (a) to (d) above is such that, in ASX's opinion, the transaction should be approved by shareholders, without obtaining its shareholders' approval, unless any of the exceptions in ASX Listing Rule 10.3 apply.
- 3.2.3 Listing Rule 10.1 is based on the premise that a Listing Rule 10.1 party is likely to be in a position to influence whether the entity acquires a substantial asset from them, or disposes of a substantial asset to them, as well as the terms on which the acquisition or disposal take place.
- 3.2.4 An entity that is in a position of significant influence specifically includes any related party to the listed entity and any 'substantial (>10%) holder' (as defined in the ASX Listing Rules). A related party includes directors of an entity and entities controlled by such directors (including directors within the past 6 months), and a 'substantial (>10%) holder' is a person who, together with their associates, holds a relevant interest in at least 10% of the issued voting shares in the listed entity.

- 3.2.5 Under ASX Listing Rule 10.2, an asset is ‘substantial’ if its value, or the value of the consideration for it is, or in ASX’s opinion is, 5% or more of the equity interests of the company as set out in the latest accounts given to ASX. Based on the latest reviewed accounts given to ASX, for the half year ended 31 December 2025, a substantial asset would be an asset of value greater than \$199k (being 5% of ASQ’s equity of \$3,983m).
- 3.2.6 The deemed issue value of the Consideration Shares proposed to be issued to Luke Atkins is \$892,863.16 which exceeds the 5% of the threshold of the Company’s net asset value as at 31 December 2025.
- 3.2.7 Luke Atkins is a Director of ASQ and is a shareholder of AKL which, by definition per ASX Listing Rule 10.1, determines that he is a related party of ASQ.
- 3.2.8 As the Proposed Transaction is classified as an acquisition of a ‘substantial asset’ from a related party of ASQ, the Company is required to seek shareholders’ approval for the Proposed Transaction in accordance with Listing Rule 10.1.
- 3.2.9 The sole purpose of this Report is to express Pendragon’s opinion as to whether, for the purposes of Listing Rule 10.1, the Proposed Transaction is fair and reasonable to Non-associated Shareholders. This Report cannot be used by any other person for any other reason or for any other purpose. A copy of this Report will accompany the NoM to be sent to Shareholders.

### **3.3 Regulatory guidance**

- 3.3.1 In determining whether the transaction is “fair and reasonable”, we have considered ASIC RG 111 – Content of Expert Reports, which sets out how experts should analyse a proposed transaction, the different valuation methodologies used by experts and the treatment of assumptions.

### **3.4 Fair and Reasonable**

- 3.4.1 The term fair and reasonable does not have a legal definition. However, ASIC RG 111 establishes certain guidelines in respect of the preparation of experts’ reports.
- 3.4.2 What is fair and reasonable for Non-associated Shareholders should be judged in all circumstances of the proposal. The report must compare the likely advantages and disadvantages for Non-associated Shareholders if the Proposed Transaction is agreed to and if it is not.
- 3.4.3 As the Proposed Transaction requires shareholder approval under ASX Listing Rule 10.1, the transaction is fair if the post-transaction value of a share on a minority basis is equal to or greater than the value of a share prior to the transaction on a control basis.
- 3.4.4 By definition, a transaction is reasonable if it is fair. However, where a transaction is not fair, it can be reasonable if, after considering other significant factors, the interests of the Shareholders are reasonably balanced.

## 4. PROPOSED TRANSACTION

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### 4.1 Share Purchase Agreement

4.1.1 On 17 April 2026, the Company executed a binding Share Purchase Agreement (“SPA”) with AKL to acquire 100% of the issued capital of AKL (“**Proposed Transaction**”) by issuing 100,000,000 fully paid ordinary shares in ASQ (“**Consideration Shares**”) at a deemed issue price of \$0.02 per share, implying a total consideration value of \$2,000,000.

4.1.2 The completion of the Proposed Transaction is subject to and conditional upon the satisfaction or waiver of a number of conditions precedent, including:

- completion of legal, financial and technical due diligence;
- the undertaking of a capital raising by ASQ of a minimum of \$750,000;
- minority shareholders of AKL accepting an offer for their AKL shares on terms consistent with the SPA;
- the Independent Expert opining that the Proposed Transaction is fair and reasonable to Non-associated Shareholders;
- Jamie Cullen entering into a non-executive appointment letter with ASQ for his appointment as a non-executive director of ASQ with effect from completion of the SPA;
- the Major Shareholders entering into voluntary escrow agreements for their Consideration Shares a period of 24 months from the date of issue or signing of a binding Kaolin offtake agreement of at least 50,000 tonnes;
- the parties obtaining all necessary regulatory approvals or waivers, and all necessary third party approvals and consents; and
- approval by ASQ shareholders as required under the ASX Listing Rules and the Corporations Act.

### 4.2 Royalty Agreement

4.2.1 On 22 June 2021, Lake McLeod Gypsum Pty Ltd (ACN 137 662 714) (“**Lake McLeod**”) entered into a Tenement Sale Agreement (“**TSA**”) for the sale of mining tenements EL63/2047, EL70/5059 and EL63/1895 to Industrial Minerals Australia Ltd (ACN 648 396 687) (now AKL). Under the TSA, AKL is required to pay Lake McLeod a royalty of \$1.10 per metric ton of mineral product extracted from tenements EL63/2047, EL63/1895 and ML63/688 (“**Royalty**”). The Royalty is payable in arrears within thirty (30) days of the end of each calendar month, with quantities determined on shipment overseas or, if sold locally, within thirty (30) days of the property in the mineral passing to the buyer. Lake McLeod is entitled to inspect the books of the royalty payer to verify the accuracy of royalty payments, with such records to be made available within 7 days of a request being made.

4.2.2 Lake McLeod is an entity owned by Ms Annette Atkins, the spouse of Mr Luke Atkins. Mr Atkins is a related party of the Company for the purposes of Listing Rule 10.1.1. Accordingly, on completion of the Acquisition, the Company will assume AKL’s obligations under the Royalty, the benefit of which will continue to flow to an associate of Mr Atkins.

### 4.3 Capital Raise

4.3.1 In conjunction with the Proposed Transaction, ASQ has undertaken a capital raising comprising the issue of 37,500,000 fully paid ordinary shares at an issue price of \$0.02 per share to raise gross proceeds of \$750,000. The placement will be completed in two tranches, comprising:

- Tranche 1: 32,750,000 Shares which were issued on 29 April 2026 to the placement participants under the Company's existing placement capacity pursuant to ASX Listing Rule 7.1; and
- Tranche 2: Subject to Shareholder approval, up to a further 4,750,000 Shares to be issued to the ASQ Directors who participated in the placement on the same terms as unrelated placement participants, to raise an additional \$95,000 ("**Director Participation**").

4.3.2 The Capital Raise incurred a management fee of 2.0% and a selling fee of 4.0% on funds procured by Taylor Collison Pty Ltd and Taurus Capital Group as part of the placement proceeds, and the issue of 2,000,000 options at an exercise price of \$0.04 and an expiry date set two years from issue ("**Broker Options**").

### 4.4 Board Appointments

4.4.1 As part of the Transaction and as conditions precedent, it is proposed that current Australian Kaolin director Jamie Cullen will join the board of the Company following the successful completion of the Acquisition, and James Marsh will continue as a director of Australian Kaolin and to provide consulting services to Australian Kaolin.

#### 4.4.2 Jamie Cullen B.Com

Mr Cullen is currently the Executive Chairman of Frontier Energy Ltd, an ASX listed energy development company. He is a highly experienced executive who has served as CEO of three successful ASX listed mining service companies over the past 27 years, most recently as the Chief Executive Officer of Pacific Energy Ltd, a large Australian power station and renewable energy developer, owner and operator. Prior to joining Pacific Energy in 2015, Mr Cullen served as Chief Executive Officer of Resource Equipment Ltd (2008-2014) and PCH Group (1995-2007). All three companies commenced as ASX-listed micro-cap mining service companies before growing significantly and ultimately being acquired under takeover offers. Mr Cullen is also chairman of Babylon Pump and Power Ltd. In addition to his board-level experience, Mr Cullen is a qualified Chartered Accountant with a strong financial and governance background. Mr Cullen is also a Board member of Guide Dogs WA and Ear Science Institute of Australia.

#### 4.4.3 James Marsh BSc (Hons), MAusIMM

Mr Marsh is a multi-talented, high-performing business leader with extensive international expertise in a wide range of industrial minerals and specialising in all forms of kaolin. He has worked in every facet of the kaolin industry from R&D, marketing and sales to CEO. James has led high performing teams, overseen key contract negotiations and multimillion dollar agreements. He has established global distributor partnerships, direct-to-market strategies and set up numerous joint ventures. James worked for Imerys, one of the world's largest kaolin producers for 14 years as the Global Technical Officer, Active Minerals International and more recently

as Managing Director of Andromeda Metals progressing their kaolin projects and raising \$60M.

## 4.5 Capital Structure

4.5.1 Following the Proposed Transaction, the potential changes in shareholding are summarised in the table below.

	Non-associated Shareholders	Luke Atkins and associates	Total
<b>Current shareholding</b>			
Shares on issue as at 31 December 2025	254,936,314	26,924,063	281,860,377
Capital Raise <sup>1</sup>	33,750,000	3,750,000	37,500,000
<b>Shares on issue pre-Proposed Transaction (undiluted)</b>	<b>288,686,314</b>	<b>30,674,063</b>	<b>319,360,377</b>
<b>% Shareholding (undiluted)</b>	<b>90.40%</b>	<b>9.60%</b>	<b>100.00%</b>
<b>Proposed Transaction</b>			
Consideration Shares <sup>2</sup>	55,356,842	44,643,158	100,000,000
<b>Shares on issue after Proposed Transaction (undiluted)</b>	<b>344,043,156</b>	<b>75,317,221</b>	<b>419,360,377</b>
<b>% Shareholding (undiluted)</b>	<b>82.04%</b>	<b>17.96%</b>	<b>100.00%</b>
<b>Performance Rights at 31 December 2025<sup>3</sup></b>			
Performance Rights at 31 December 2025 <sup>3</sup>	5,500,002	2,666,668	7,666,670
Broker Options <sup>4</sup>	2,000,000	-	2,000,000
<b>Shares on issue pre-Proposed Transaction (fully diluted)</b>	<b>295,686,316</b>	<b>33,340,731</b>	<b>329,027,047</b>
<b>% Shareholding held (fully diluted)</b>	<b>89.87%</b>	<b>10.13%</b>	<b>100.00%</b>
<b>Proposed Transaction</b>			
Consideration Shares <sup>2</sup>	55,356,842	44,643,158	100,000,000
<b>Shares on issue after Proposed Transaction (fully diluted)</b>	<b>351,043,158</b>	<b>77,983,889</b>	<b>429,027,047</b>
<b>% Shareholding (fully diluted)</b>	<b>81.82%</b>	<b>18.18%</b>	<b>100.00%</b>

<sup>1</sup>137,500,000 Shares at an issue price of \$0.02 per Share to raise a gross \$750,000.

<sup>2</sup>For completeness, Sam Middlemas, the current CEO of the Company owns 11,897,252 Shares in the Company and 11,300,000 Shares (being approximately 14.1%) in AKL. Nick Algie, the Company's exploration manager, owns 2,011,424 Shares in Company and 266,660 shares AKL. Both are treated as Non-associated Shareholders for the purpose of this Report.

<sup>3</sup>Performance Rights on issue as at 31 December 2025 comprising of:

7,666,670 Performance Rights vesting upon ASQ's Shares reaching a 30-day VWAP greater than 7.3 cents per share during the period from 10 December 2025 to 10 December 2026, plus continuous service by beneficiaries to 10 December 2026.

We have not assessed the likelihood of the respective hurdles being achieved.

1,500,000 Performance Shares relating to the Netley acquisition, converting into up to \$1.5 million worth of ASQ shares at a minimum share price of \$0.10 per share, subject to resource-based hurdles for gold, nickel, lithium or copper. Based on discussions with management, it is not probable that any of the resource-based hurdles will be achieved. We have therefore excluded these from the fully diluted basis.

<sup>4</sup> Issue of 2,000,000 Broker Options pursuant to the Capital Raise exercisable at \$0.04 each and expiring 2 years from the date of issue.

## 5. PROFILE - ASQ

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### 5.1 Background

- 5.1.1 ASQ was incorporated as Bauxite Resources Limited on 15 May 2006 and listed on the ASX on 22 October 2007. It changed its name to Australian Silica Quartz Group Ltd on 15 February 2019 to reflect a change in activities.
- 5.1.2 ASQ is an Australian-based silica and gold exploration company with projects in Western Australia and Queensland.

### 5.2 Board of Directors

5.2.1 Robert Nash – Non-Executive Chairman (appointed 15 June 2007)

Mr Nash is a lawyer by profession and currently practises as a barrister. He is presently retired from the position of Head of WA Navy Reserve Legal Panel. He has served as a council member of the Law Society of Western Australia for 11 years, a Convenor of the Law Society Education Committee and as a member of the Ethics and Professional Conduct Committees.

5.2.2 Luke Atkins – Non-Executive Director (appointed 15 May 2006)

Mr Atkins previously practised as a lawyer and was the principal of Atkins and Co Lawyers, a Perth based legal firm which he owned and managed for seven years. Mr Atkins brings to the Company extensive experience in capital raising and public listed companies. Mr Atkins was formerly Chairman of ASX listed Altech Batteries Limited (2007 to 2025) and has interests in a number of enterprises including agriculture and property development.

5.2.3 Neil Lithgow – Non-Executive Director (appointed 15 May 2006)

Mr Lithgow is a geologist by profession with over 36 years' experience in mineral exploration, economics and mining feasibility studies covering base metals, coal, iron ore and gold. Mr Lithgow was formerly a non-executive director of Aspire Mining Limited (12 February 2010 to 29 November 2022) and he is a member of the Australian Institute of Mining and Metallurgy.

5.2.4 Pengfei Zhao – Non-Executive Director (appointed 09 October 2020 and resigned 2 January 2026)

Mr Pengfei Zhao B.SC. Grad Cert Mineral Economic, is a director of HD Mining and Investments Pty Ltd, a wholly owned subsidiary of Shandong Bureau No 1 Institute for Prospecting of Geology & Minerals. He has more than 15 years' experience in financial planning and control, mineral titles and project evaluation and has also managed several proprietary companies with interests in mineral exploration, agriculture, entertainment, international trading and investment.

### **5.3 Hard Rock Silica Quartz Project**

- 5.3.1 The Hard Rock Silica Quartz Projects in northern Queensland formed a key focus of activities during the 2025 financial year. During the reporting period, the Company completed a scoping study for the Quartz Hill deposit in conjunction with Quinbrook Infrastructure Partners, based on a Mineral Resource estimate of approximately 17.3Mt at 99.04% SiO<sub>2</sub> in accordance with the JORC Code.
- 5.3.2 Subsequent to completion of the scoping study, Quinbrook advised that quartz grades from the Quartz Hill deposit were not sufficient to satisfy updated specification requirements and the proposed agreement was terminated. The Company continues to assess additional quartz occurrences across its northern Queensland project portfolio, including the Mount Surprise Quartz Ridge prospect, where rock chip sampling has reportedly returned quartz grades of up to 99.98% SiO<sub>2</sub>.

### **5.4 Koolyanobbing Metals Project**

- 5.4.1 The Koolyanobbing Metals Project is located approximately 40 kilometres north-east of Southern Cross in Western Australia and comprises approximately 408km<sup>2</sup> of granted tenure and 91km<sup>2</sup> under application. The project surrounds the Koolyanobbing Iron Ore Mine and covers a substantial portion of the Koolyanobbing Greenstone Belt, which ASQ considers prospective for gold, silica quartz, copper, nickel, lead, zinc and lithium mineralisation.
- 5.4.2 Exploration results reported by the Company included drill intersections of up to 2 metres at 14.2g/t gold from 11 metres at the Golden Wishbone target. The Company advised that mineralisation remains open both along strike and at depth. Historical drilling data compiled for the Golden Wishbone SE prospect also demonstrated widespread shallow gold mineralisation across the broader target corridor.

The Company also reported the recovery of gold nuggets totalling approximately 20.8 grams from the EMU target area through collaboration with a private prospector undertaking metal detecting activities. The Company considers the broader mineralised corridor prospective for further gold discoveries and is currently seeking a joint venture or funding partner to support future exploration activities.

### **5.5 White Hill Silica Sand Project**

- 5.5.1 The White Hill Silica Sand Project is located near Albany in Western Australia and remains one of the Company's key silica sand assets. During the reporting period, the Company continued assessing potential commercial pathways for the project, including infrastructure access options and future bulk silica sand production opportunities.
- 5.5.2 The Company advised that further advancement of the White Hill project remains contingent upon securing suitable off-take arrangements or buyers for the bulk silica sand product.

## **5.6 Other Exploration Activities**

- 5.6.1 In addition to the Company's Queensland quartz and Western Australian gold and silica projects, the Company maintains a broader exploration portfolio targeting high purity quartz and associated mineral opportunities. The Company continues to evaluate the Lake Seabrook Quartz Project within the Koolyanobbing tenure package as part of its broader silica development strategy.
- 5.6.2 In parallel, the Company continued undertaking research and metallurgical test work programs on samples collected from its broader tenement package to assess processing techniques capable of producing high purity silica products from both silica sand and hard rock quartz feedstock.
- 5.6.3 The Company advised that its operational strategy remains focused on advancing exploration opportunities while maintaining a lean corporate structure and preserving available liquidity.

## **5.7 Major Corporate Events**

- 5.7.1 In August 2022, ASQ announced the acquisition of the Koolyanobbing Metals Project in Western Australia, significantly expanding the Company's exposure to gold, lithium, nickel and copper exploration opportunities within the Koolyanobbing Greenstone Belt.
- 5.7.2 Between 2022 and 2025, ASQ undertook multiple exploration campaigns at the Koolyanobbing Metals Project, including soil sampling, RC drilling and aircore drilling programs targeting the Golden Wishbone and associated prospects. The Company reported shallow high-grade gold intersections and expanded the known mineralised footprint along strike and at depth.
- 5.7.3 During 2023, ASQ entered into a collaboration and evaluation process with Quinbrook Infrastructure Partners in relation to the development potential of the Quartz Hill high purity quartz deposit in Queensland. ASQ subsequently announced completion of a scoping study and progressed product qualification discussions before the arrangement was ultimately discontinued following revised product specification requirements from Quinbrook.
- 5.7.4 On 29 April 2026, the Company issued 32,750,000 shares at \$0.02 per share in accordance with the Placement as part of the capital raising prior to the Proposed Transaction. The remaining 4,750,000 are subject to Shareholders approval.

## 5.8 Historical Statement of Financial Position - ASQ

Statement of Financial Position	Reviewed 31/12/2025 Financial Report \$	Audited 30/06/2025 Financial Report \$
<b>Current Assets</b>		
Cash and cash equivalents	1,281,379	836,759
Trade and other receivables	80,796	92,184
<b>Total Current Assets</b>	<b>1,362,175</b>	<b>928,943</b>
<b>Non-Current Assets</b>		
Other financial assets	215,500	213,000
Property, plant and equipment	2,548,602	3,272,597
<b>Total Non-Current Assets</b>	<b>2,764,102</b>	<b>3,485,597</b>
<b>Total Assets</b>	<b>4,126,277</b>	<b>4,414,540</b>
<b>Current Liabilities</b>		
Trade and other payables	74,404	53,773
Provisions	68,551	47,132
<b>Total Current Liabilities</b>	<b>142,955</b>	<b>100,905</b>
<b>Total Liabilities</b>	<b>142,955</b>	<b>100,905</b>
<b>Net Assets</b>	<b>3,983,322</b>	<b>4,313,635</b>
<b>Equity</b>		
Contributed equity	60,299,561	60,299,561
Reserves	3,656,781	3,525,821
Accumulated losses	(59,973,020)	(59,511,747)
<b>Total Equity</b>	<b>3,983,322</b>	<b>4,313,635</b>

Source: ASQ reviewed report for the half-year ended 31 December 2025 and audited report for the financial year ended 30 June 2025

## 5.9 Historical Statement of Comprehensive Income - ASQ

Statement of Comprehensive Income	Reviewed 31/12/2025 Half-Year Financial Report \$	Reviewed 31/12/2024 Half-Year Financial Report \$
<b>Continuing Operations</b>		
Recoupment of exploration costs	57,923	187,742
Other income	24,243	18,216
Interest expense	2,172	32,893
Employee benefits expense	(110,638)	(144,781)
Exploration expenses as incurred	(330,630)	(744,672)
Administration expenses	(323,622)	(389,005)
Depreciation and amortisation expense	(3,995)	(6,465)
Gain on sale of property	354,234	-
Share-based payments expense	(130,960)	(283,630)
<b>Loss before income tax expense</b>	<b>(461,273)</b>	<b>(1,329,702)</b>
<b>Other comprehensive income</b>		
Other comprehensive income for the period, net of tax	-	-
<b>Total comprehensive loss for the period</b>	<b>(461,273)</b>	<b>(1,329,702)</b>
<b>Loss per share attributable to the ordinary equity holders of the Company</b>		
From continuing operations:		
Basic earnings per share (cents)	(0.16)	(0.47)
Diluted earnings per share (cents)	(0.16)	(0.47)

Source: ASQ reviewed financial report for the half-year ended 31 December 2025 and 31 December 2024

## 5.10 Capital Structure

5.10.1 The Ordinary Shares held by the top 20 shareholders of ASQ as at 9 May 2026 are detailed below:

Rank	Name	Ordinary Shares	Percentage of shares held
1	HD MINING & INVESTMENT PTY LTD	19,700,000	6.26%
2	JETOSEA PTY LTD	19,642,855	6.24%
3	BIG FISH NOMINEES PTY LTD	18,095,237	5.75%
4	TAILRAIN PTY LTD <THE CHILDRENS A/C>	17,016,667	5.41%
5	DILKARA NOMINEES PTY LTD <MILLWOOD SMITH FAMILY A/C>	11,300,000	3.59%
6	BNP PARIBAS NOMINEES PTY LTD <CLEARSTREAM>	10,980,485	3.49%
7	MR ROBERT SAMUEL MIDDLEMAS	10,379,075	3.30%
8	NON CORRELATED CAPITAL PTY LTD <INVESTIUS PB MICRO CAP A/C>	7,500,000	2.38%
9	JARHAMCHE PTY LTD	7,340,000	2.33%
10	BNP PARIBAS NOMS PTY LTD	6,683,484	2.12%
11	MR GREGORY ROBERT HACKSHAW	5,149,667	1.64%
12	NETLEY MINERALS PTY LTD	5,000,000	1.59%
13	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT>	4,881,889	1.55%
14	GP SECURITIES PTY LTD	4,405,000	1.40%
15	JETOSEA PTY LTD	4,320,800	1.37%
16	LONGRIDGE PARTNERS PTY LTD	4,150,000	1.32%
17	SYMINGTON PTY LTD	4,000,000	1.27%
18	PUNTERO PTY LTD	3,708,020	1.18%
19	MR ROBERT SAMUEL MIDDLEMAS & MS JULIE ANNE WOLSELEY <MIDDLEMAS SUPER FUND A/C>	3,492,857	1.11%
20	SPECTRAL INVESTMENTS PTY LTD <LITHGOW FAMILY A/C>	3,128,571	0.99%
<b>Total ordinary shares held by top 20 shareholders</b>		<b>170,874,607</b>	<b>54.31%</b>
<b>Remaining shareholders</b>		<b>143,735,770</b>	<b>45.69%</b>

Source: Share registry information as at 9 May 2026

## 5.11 Share Market Performance of ASQ

5.11.1 ASQ Shares are listed on the ASX. The charts below show share price movements and share trading volumes for ASQ for the past 12 months.



Table 5.10.1 ASQ Share Price Movement 5 May 2025 to 6 May 2026

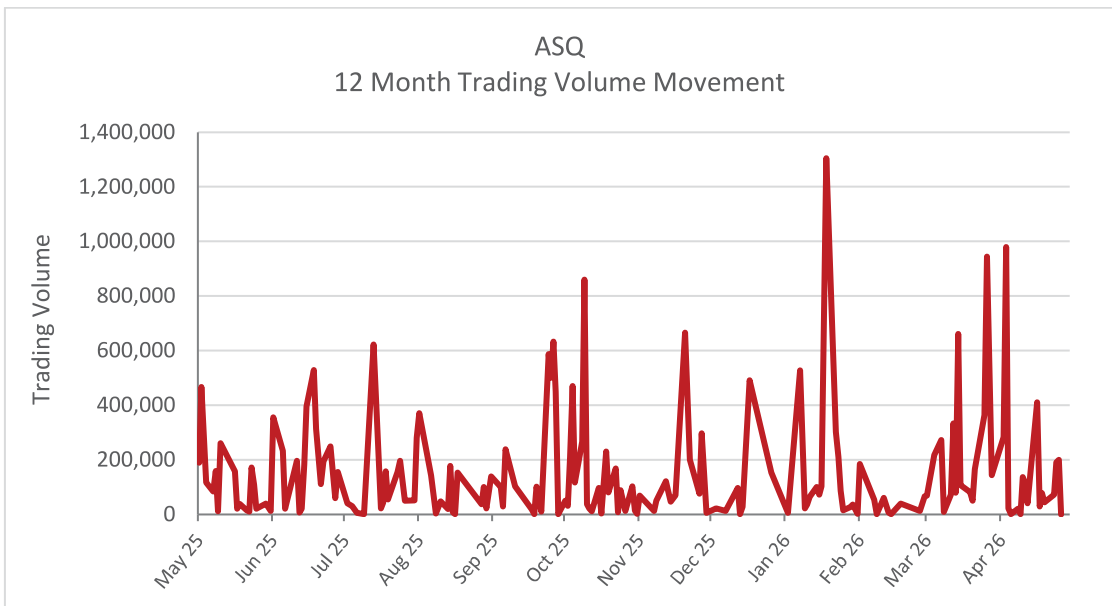


Table 5.10.2 ASQ Trade Volume 5 May 2025 to 6 May 2026

## 6. PROFILE – AKL

### 6.1 Background

6.1.1 AKL is a private company registered at 3 Bay Road, Claremont, Western Australia 6010. AKL was incorporated in 2021. AKL holds the White Swan Kaolin Project located near Esperance in Western Australia.

### 6.2 White Swan Kaolin Project

6.2.1 The White Swan Kaolin Project is located near Esperance in Western Australia, approximately 30 kilometres from the Port of Esperance, providing access to established bulk export infrastructure. The project comprises exploration licences E63/1895 and E63/2047 and mining lease M63/688, covering approximately 5,300 hectares of cleared private farmland with existing land access agreements in place.

6.2.2 The project benefits from favourable logistics, including proximity to heavy haulage roads and port infrastructure, which supports the potential development of a low-cost “dig and ship” operation targeting export markets. The White Swan deposit hosts a maiden JORC Code (2012 Edition) inferred Mineral Resource of approximately 47Mt of kaolin, defined following drilling and geological modelling of near-surface mineralisation.

6.2.3 The Mineral Resource estimate is based on air core drilling programs, including a 40-hole drilling campaign completed in 2022, which expanded the known mineralisation and confirmed extensive kaolin-rich horizons across the project area. Mineralisation extends from surface to depths of approximately 39 to 45 metres, with drilling intersections identifying significant thicknesses of kaolin within the deposit.

### 6.3 Historical Statement of Financial Position – AKL

Statement of Financial Position	Unaudited 31/12/2025 \$	Unaudited 30/06/2025 \$
<b>Current Assets</b>		
Cash and cash equivalents	120,160	175,968
Other financial assets - GST	783	2,262
<b>Total Current Assets</b>	<b>120,943</b>	<b>178,230</b>
<b>Non-Current Assets</b>		
Capitalised mineral exploration expenditure	1,551,682	1,429,641
<b>Total Non-Current Assets</b>	<b>1,551,682</b>	<b>1,449,641</b>
<b>Total Assets</b>	<b>1,672,625</b>	<b>1,607,871</b>
<b>Total Liabilities</b>	<b>-</b>	<b>-</b>
<b>Net Assets</b>	<b>1,672,625</b>	<b>1,627,871</b>
<b>Equity</b>		
Contributed equity	2,787,334	2,532,334
Costs of equity raise – IPO	(26,000)	(26,000)
Accumulated losses	(1,088,709)	(898,463)
<b>Total Equity</b>	<b>1,672,625</b>	<b>1,627,871</b>

Source: AKL unaudited management accounts as at 31 December 2025 and 30 June 2025.

## 6.4 Historical Statement of Comprehensive Income - AKL

Statement of Comprehensive Income <sup>1</sup>	Unaudited 31/12/2025 Half-Year Management Accounts \$
<b>Income</b>	
Interest income	20
<b>Total income</b>	<b>20</b>
<b>Expenses</b>	
Hetherington Tenement Management	(5,420)
Patti Algie Pty Ltd - tenement work	(10,440)
Rates	(26,429)
Drilling and Exploration Costs	(6,603)
Mr Lui/Maslak - marketing costs	(8,004)
Other Expenses	(412)
	<b>(57,288)</b>
<b>Net loss</b>	<b>(57,288)</b>

Source: AKL unaudited 31 December 2025 management accounts

<sup>1</sup> No comparatives were available for AKL for the half year ended 31 December 2024 at the date of our report.

## **7. INDUSTRY OVERVIEW**

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### **7.1.1 Overview of Kaolin**

Kaolin is a naturally occurring clay mineral composed primarily of the mineral kaolinite. It is a soft, white industrial mineral formed through the weathering of feldspar-rich rocks and is widely used across a range of industrial and commercial applications. Kaolin is typically characterised by its brightness, particle size and chemical composition, which determine its suitability for different end uses.

Key applications of kaolin include ceramics and porcelain manufacturing, where it is used as a primary raw material, as well as paper coating and filler, paints and coatings, rubber, plastics and specialty industrial products. The versatility of kaolin and its relatively stable demand profile distinguish it from more cyclical bulk commodities.

### **7.1.2 Global Kaolin Market**

The global kaolin market is driven by demand from industrial manufacturing sectors, particularly ceramics, construction materials and paper products. Demand is generally linked to broader economic activity, including infrastructure development, housing construction and industrial production.

Major kaolin-producing regions include China, the United States, Brazil and the United Kingdom. China is both a significant producer and consumer of kaolin, reflecting its large manufacturing base. Other regions, including Europe and parts of Asia, represent key end markets due to their established ceramics and industrial sectors.

While traditional demand from the paper industry has moderated in some regions due to digital substitution, this has been partially offset by growth in ceramics, paints and coatings, and other industrial applications. As a result, global demand for kaolin is generally considered stable, with moderate growth linked to industrial and construction activity.

### **7.1.3 Australian Kaolin Industry**

Australia hosts a number of kaolin deposits, particularly in Western Australia and South Australia, and is considered an emerging supplier to international markets. The country's proximity to key Asian markets, including China, Japan and South Korea, provides a logistical advantage for export-oriented projects.

In recent years, there has been increased exploration and development activity within the Australian kaolin sector, with a number of ASX-listed companies seeking to advance kaolin projects toward production. These projects are typically focused on supplying high-quality kaolin products for ceramics, industrial fillers and specialty applications.

However, the Australian kaolin industry remains at a relatively early stage of development compared to more established global producers, and many projects are still progressing through exploration, feasibility and development phases.

#### 7.1.4 Pricing Kaolin

Global kaolin prices have historically demonstrated relatively stable long-term growth compared to more volatile commodity minerals. Prior to 2020, pricing remained broadly stable, supported by consistent industrial demand across ceramics, paper coating, paints and coatings, and construction materials. Industry sources including ChemAnalyst and IndexBox indicate that average global kaolin prices were generally within a range of approximately US\$150 to US\$180 per tonne during the mid-2010s.

Following the COVID-19 pandemic, kaolin prices experienced moderate increases due to higher energy costs, freight inflation and broader supply chain disruptions affecting industrial mineral markets. Recent industry pricing data published by ChemAnalyst indicates that average global kaolin prices increased to approximately US\$180 to US\$245 per tonne between 2021 and 2025, depending on product quality, purity and end-use specification. Higher-quality calcined and specialty-grade kaolin products typically achieve premium pricing outcomes relative to standard industrial-grade material.

Looking forward, the outlook for global kaolin pricing is generally considered stable to moderately positive. Industry forecasts published by MarketsandMarkets, Mordor Intelligence and Grand View Research indicate continued demand growth from ceramics, construction materials, paints and coatings, fibreglass and packaging applications, particularly within Asia-Pacific markets. These industry groups forecast the global kaolin market to grow at an estimated compound annual growth rate of approximately 4% to 7% through to 2030. While the kaolin market is not generally expected to experience significant price volatility, moderate long-term price growth is anticipated, supported by steady industrial demand and ongoing energy and logistics cost pressures.

#### 7.1.5 Key Industry Risks

Investment in kaolin projects is subject to a range of risks typical of industrial mineral and resources projects. These include fluctuations in global demand and pricing for kaolin products, which may be influenced by broader economic conditions, industrial activity and changes in end-market demand from sectors such as ceramics, construction materials and paper products.

Project-specific risks include exploration success, resource definition, mine development and the ability to economically extract and process kaolin to required commercial specifications. As kaolin products are typically sold based on characteristics including brightness, purity, particle size and chemical composition, there is also risk associated with metallurgical performance, product quality and processing outcomes. Processing and logistics costs, including energy and freight expenses, may also impact project economics and profitability.

Additional risks include environmental, regulatory and permitting requirements, access to infrastructure, and the ability to secure funding for project development. For export-oriented projects, the ability to establish and maintain customer relationships, secure offtake arrangements and access international markets represents an important commercial consideration. The kaolin industry is also relatively competitive, with established international producers operating in major supplying regions including China, the United States and Brazil.

## **8. VALUATION METHODOLOGY**

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### **8.1 Consideration of Valuation Methodologies**

8.1.1 To estimate the fair market value of ASQ before the Proposed Transaction we have considered common market practice and the valuation methodologies recommended in RG 111. There is a number of methods that can be used to value an entity including those described below.

### **8.2 Discounted Cash Flow Method**

8.2.1 The discounted cash flow method (“**DCF**”) values an entity by discounting the future net cash flows to their present-day value using an appropriate discount rate. The discount rate is representative of the opportunity cost of capital being the expected rate of return that could be obtained by investing in equivalent risk investments. This method is generally appropriate where future cash flows can be projected with a reasonable degree of confidence.

### **8.3 Market Based Methods - Capitalisation of Maintainable Earnings**

8.3.1 This method places a value on the entity by estimating the likely future maintainable earnings capitalised at a rate which reflects business outlook, business risk, investor expectations, future growth prospects and other factors specific to the entity. Use of this method relies on the availability and analysis of comparable market data and the ability to reasonably estimate future earnings and expenses.

### **8.4 Market Based Methods - Industry Specific**

8.4.1 Entities operating in certain industries can apply industry specific assumptions and comparisons to form a valuation.

### **8.5 Market Based Methods - Availability of Alternative Offers**

8.5.1 Where there are other similar offers, a comparison between offers can be used to determine the market value of the entity.

### **8.6 Market Based Methods - Quoted Market Price Basis**

8.6.1 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 may be taken as the market value of a security. Such market value includes all factors and influences that impact upon the ASX. The use of ASX pricing is more relevant where a share displays regular trading in a liquid market.

8.6.2 This method relies on the efficient market hypothesis which states in general terms that the market price at any point in time should fully reflect available information given willing buyers and willing sellers.

### **8.7 Asset Based Methods - Liquidation of Assets**

8.7.1 This method values a company based on the net value of its assets should they be sold in a distressed scenario.

## **8.8 Asset Based Methods - Orderly Realisation of Assets Method**

8.8.1 This method values an entity based on the net value of its assets should the assets be put to market and held out for a fair value sale price given the market and condition of the assets.

## **8.9 Asset Based Methods - Net Tangible Asset Value on a Going Concern Basis**

8.9.1 Net tangible asset value is appropriate where the majority of assets consist of cash or passive investments. The combined market value of the entity's assets and liabilities is used to value the entity.

## **8.10 Selection of Valuation Methodologies**

8.10.1 Each of the methods listed above is appropriate in certain circumstances and often more than one approach is applied. Per RG 111, an expert should, when possible, use more than one valuation methodology.

8.10.2 The choice of methods depends on factors such as the nature of the business being valued, the return on the assets employed in the business, the valuation methodologies usually applied to value such businesses and the availability of the required information.

8.10.3 In accordance with RG 111, use of the DCF methodology involves the use of forward-looking information for a period greater than two years with full disclosure of information to assess the reasonableness.

8.10.4 Given the current activity of ASQ is exploration, we consider the DCF and future maintainable earnings valuation methodologies inappropriate to value ASQ.

8.10.5 As ASQ is a company exploring for potential commercial mineral deposits, the most appropriate primary method for valuing ASQ shares is considered to be an asset-based methodology.

8.10.6 We have also utilised the quoted market price method as the secondary method of valuation, as ASQ shares have been publicly listed on the ASX since 7 December 2020.

## **9. VALUATION OF ASQ SHARE PRIOR TO THE PROPOSED TRANSACTION**

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### **9.1 Net asset valuation of ASQ (primary method)**

9.1.1 The net asset value (“NAV”) methodology estimates the market value of an entity's securities based on the realisable value of its identifiable net assets. There are three net asset value methods:

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

- 9.1.2 The asset-based method we believe is most appropriate to value the net assets of ASQ is the net assets on a going concern method. Under this method, assets and liabilities are valued at market value, and the resulting value of the net assets forms the basis for the entity's valuation.
- 9.1.3 The asset-based methods ignore the possibility the entity's value could exceed the realisable value of its assets as they do not recognise the value of intangible assets. Whilst the Company is currently loss-making, the continuation of exploration activities and the potential for an orderly realisation of the Company's exploration assets is an indication that the value of the Company may exceed the net realisable value implied by asset-based approaches.
- 9.1.4 In assessing the value of ASQ's mineral assets, Paul Dunbar (MSc MINEX, BSc Hons (Geology), F AusIMM, M AIG, M SEGm, the principal of MinVal Pty Ltd ("MinVal") was engaged as an independent valuer to value all existing tenements held by ASQ (excluding AKL). In addition, he was requested to value AKL and its mineral assets held. A copy of the MinVal report is attached at Appendix 2.
- 9.1.5 The estimated net value of ASQ's assets (excluding AKL) on a going concern basis prior to the Proposed Transaction is between \$7,126,943 and \$10,826,943 with a preferred value of \$7,876,943 determined as follows:

	Reviewed 31/12/2025 Half-Year Financial Report \$	Note	Pro-Forma Prior to Proposed Transaction \$		
			Low	Preferred	High
<b>- Current Assets</b>					
Cash and cash equivalents	1,281,379	1	1,650,000	1,650,000	1,650,000
Trade and other receivables	80,796		80,796	80,796	80,796
<b>Total Current Assets</b>	<b>1,362,175</b>		<b>1,730,796</b>	<b>1,730,796</b>	<b>1,730,796</b>
<b>Non-Current Assets</b>					
Plant & Equipment	23,602		23,602	23,602	23,602
Land & Buildings	2,525,000	2	2,700,000	2,750,000	2,800,000
Mineral assets	-	3	2,600,000	3,300,000	6,200,000
Other financial assets	215,500		215,500	215,500	215,500
<b>Total Non-Current Assets</b>	<b>2,764,102</b>		<b>5,539,102</b>	<b>6,289,102</b>	<b>9,239,102</b>
<b>Total Assets</b>	<b>4,126,277</b>		<b>7,269,898</b>	<b>8,019,898</b>	<b>10,969,898</b>
<b>Current Liabilities</b>					
Trade and other payables	74,404		74,404	74,404	74,404
Provisions	68,551		68,551	68,551	68,551
<b>Total Current Liabilities</b>	<b>142,955</b>		<b>142,955</b>	<b>142,955</b>	<b>142,955</b>
<b>Total Liabilities</b>	<b>142,955</b>		<b>142,955</b>	<b>142,955</b>	<b>142,955</b>
<b>Net Asset Value prior to the Proposed Transaction (100% control basis)</b>	<b>3,983,322</b>		<b>7,126,943</b>	<b>7,876,943</b>	<b>10,826,943</b>

Note 1 - Adjustment to cash and cash equivalents following the acquisition of AKL:

Cash and cash equivalents	\$
Movement in cash between 1 Jan 2026 to 31 March 2026	(336,379)
Cash raised via Capital Raise	750,000
Broker fees	(45,000)
<b>Net adjustment to cash and cash equivalents</b>	<b>368,621</b>

Note 2 – Fair value of the Land & Buildings held by ASQ:

This comprises a rural property located at Lot 1 and 2 on 163 Wells Grove Road, Bindoon WA 6084. During the half-year 2025, an offer of approximately \$2.75 million was received by the Company from a prospective buyer, providing observable market-based evidence of value. Given the relatively short period between receipt of the offer in December 2025 and the date of our Report, we made enquiries with John Butler, Principal from Toodyay Real Estate, a local real estate agent in the region with over 37 years of industry experience specialising in quality residential and rural lifestyle properties, on 6 May 2026 to assess whether any material changes in market conditions had occurred since the offer had been made. John has confirmed that the previous offer remains representative of expected market value, noting the property is “readily saleable in the range of \$2.7 million to \$2.8 million”, with continued strong demand for comparable rural properties in the region. As the property is not considered integral to the ongoing operations of the Company, we consider that its market value is indicative of its underlying value to the enterprise.

Based on the above, we have adopted the indicative valuation range set out in the table below for the purposes of assessing the fair value of the land and buildings.

Land & Buildings	Low \$	Preferred \$	High \$
Book value of ASQ’s Land & Buildings	2,525,000	2,525,000	2,525,000
Market value of ASQ’s Land & Buildings	2,700,000	2,750,000	2,800,000
<b>Net adjustment to Land &amp; Buildings</b>	<b>175,000</b>	<b>225,000</b>	<b>275,000</b>

Note 3 - Independent valuation dated 25 May 2026 of the mineral assets held by ASQ (excluding AKL) by Paul Dunbar at MinVal:

Mineral assets	Low \$	Preferred \$	High \$
Book value of ASQ mineral assets	-	-	-
Market value of ASQ mineral assets	2,600,000	3,300,000	6,200,000
<b>Net adjustment to mineral assets</b>	<b>2,600,000</b>	<b>3,300,000</b>	<b>6,200,000</b>

A copy of the full report can be found at Appendix 2.

## 9.2 Sum of Parts Valuation – Undiluted

9.2.1 Using the sum-of-parts methodology, value of an ASQ share prior to the Proposed Transaction on an undiluted basis is between \$0.0223 and \$0.0339, with a preferred value of \$0.0247, indicated in the table below:

	Section Ref	Low value \$	Preferred value \$	High value \$
Net Asset Value of ASQ	9.1.5	7,126,943	7,876,943	10,826,943
<b>Net Asset Value of the Company prior to the Proposed Transaction (control basis)</b>		<b>7,126,943</b>	<b>7,876,943</b>	<b>10,826,943</b>
Number of Shares on issue prior to the Proposed Transaction (undiluted)	4.5.1	319,360,377	319,360,377	319,360,377
<b>Value of a Company share prior to the Proposed Transaction (control basis)</b>		<b>0.0223</b>	<b>0.0247</b>	<b>0.0339</b>

## 9.3 Sum of Parts Valuation – Fully Diluted

9.3.1 Using the sum-of-parts methodology, value of an ASQ share prior to the Proposed Transaction on a fully diluted basis is between \$0.0219 and \$0.0331, with a preferred value of \$0.0242, indicated in the table below:

	Section Ref	Low value \$	Preferred value \$	High value \$
Net Asset Value of ASQ	9.1.5	7,126,943	7,876,943	10,826,943
Broker Options exercise proceeds		80,000	80,000	80,000
<b>Net Asset Value of the Company prior to the Proposed Transaction (control basis)</b>		<b>7,206,943</b>	<b>7,956,943</b>	<b>10,906,943</b>
Number of Shares on issue prior to the Proposed Transaction (fully diluted)	4.5.1	329,027,047	329,027,047	329,027,047
<b>Value of a Company share prior to the Proposed Transaction (control basis)</b>		<b>0.0219</b>	<b>0.0242</b>	<b>0.0331</b>

## 9.4 Quoted Market Basis (secondary method)

9.4.1 The most recent share trading history can normally provide evidence of the fair market value of the shares in a company where it is publicly listed. As ASQ is listed on the ASX, a possible method for valuation of ASQ is the quoted market price basis of valuation.

9.4.2 Market value is influenced by the market’s perception of many factors including the value of assets, profitability, the industry within which a company operates, managerial skills within a company and future expectations for a company. These market perceptions can change significantly over a short period of time. Share price is also influenced by the supply and demand for the shares.

9.4.3 To provide further analysis of the market prices for ASQ Shares, we have considered the volume weighted average market price (“VWAP”) for a 14, 30, 60, 90, 180 and 365 day period to 1 May 2026.

Days*	Low \$	High \$	Cumulative Volume Traded (units)	Cumulative Volume Traded (% of issued shares)	VWAP \$
14	0.020	0.026	1,023,935	0.36%	0.0221
30	0.018	0.031	2,616,991	0.93%	0.0258
60	0.018	0.031	6,251,018	2.22%	0.0237
90	0.017	0.031	6,643,713	2.36%	0.0235
180	0.017	0.032	12,006,441	4.26%	0.0222
365	0.014	0.032	25,460,726	9.03%	0.0213

\*Days are based on calendar days per year not trading days

### ASQ Share Price

9.4.4 Between 5 May 2025 and 4 May 2026, ASQ Shares traded at a high of \$0.032 and a low of \$0.015 with a VWAP of \$0.0213.

9.4.5 Over the last 12 months, 9.03% of the total Shares on issue being traded.

### Control Premium

9.4.6 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.

9.4.7 Per RG 111.25, when considering the value of a company's shares the expert should consider a premium for control. An acquirer could be expected to pay a premium for control due the advantages they will receive should they obtain 100% control of another company.

9.4.8 A control premium is an amount that a buyer is usually willing to pay over the current market price of a publicly traded company in order to acquire a controlling share in that company.

9.4.9 Control premiums are industry specific, and amounts between 10-50% may be applied. It is appropriate to consider all factors when deciding on a control premium that is to be applied.

9.4.10 Under the Corporations Act, control may be deemed to occur when a shareholder or group of associated shareholders control more than 20% of the issued capital of a company.

9.4.11 In accordance with RG 111, when assessing fairness, the expert should calculate the value of a company's shares as if 100% control were being obtained. The expert can then consider an allottee's practical level of control when considering reasonableness.

9.4.12 A minority interest is the inverse of a control premium and is calculated using the formula '1 - [1 / (1 + Control Premium)]'.

### Valuation of ASQ Shares on a non-control minority basis

9.4.13 As outlined in Section 9.4.3 above, the 180-day period indicates a Quoted Market Price VWAP of an ASQ Share of \$0.022. In our opinion, this historical trading history over

180 days is reflective of the underlying pre-Proposed Transaction value of an ASQ share.

9.4.14 As the listed securities price already takes into consideration a non-controlling interest, we consider the valuation of an ASQ Share on a non-control minority quoted market price basis to be \$0.022.

Valuation of ASQ Shares on a control basis

9.4.15 Further to Section 9.4.6 above, we have reviewed the control premiums applied in previous independent expert reports assessing the fairness and reasonableness of similar transactions involving mining companies on the ASX.

9.4.16 The review indicated a range of premiums between 24% and 34%. As a result, we consider an appropriate control premium to apply to our quoted market price valuation of an ASQ share is in the range of 24% and 34%. Consequently, applying the formula contained at Section 8.2.12 above to these control premiums yields a minority interest discount in the range of 19% and 25%.

9.4.17 Using the quoted market price method, our assessed value of an ASQ share on a control basis is between \$0.0276 and \$0.0297 with a preferred value of \$0.0286 outlined in the table below:

Valuation prior to the Proposed Transaction	Low Value \$	Preferred Value \$	High Value \$
Quoted market price per Share (Minority basis)	0.0222	0.0222	0.0222
Control premium	24%	29%	34%
<b>Assessed value per Share (Control basis)</b>	<b>0.0276</b>	<b>0.0286</b>	<b>0.0297</b>

Liquidity of Shares

9.4.18 Using the information in Section 8.2.3 above, the trading history of ASQ Shares does not display characteristics of a deep and liquid market, with 2.22% of the Company's current issued capital being traded over a 60-day period between 5 March 2026 and 1 May 2026.

9.4.19 Per Regulatory Guide 111.69, an expert is to consider the quoted market price for listed securities, when there is a deep and liquid market.

9.4.20 We consider the characteristics of a deep and liquid market to be:

- an active market which always has willing buyers when sellers choose to sell;
- securities can be sold without materially affecting the market price;
- there is regular trading in a company's securities;
- a minimum of approximately 1% of the company's securities are traded on a weekly basis; and
- there are no significant but unexplained movements in the security's price.

9.4.21 Based on the recent trading history of ASQ, we consider there to be insufficient volume in the trading history of ASQ to rely on the Quoted Market Price valuation figure above.

## 9.5 Conclusion as to the value of an ASQ Share prior to the Proposed Transaction – Undiluted

9.5.1 In assessing the value of an ASQ Share, we have considered both the NAV method on an undiluted basis and the Quoted Market Price method. A summary of our primary and secondary methods of valuation is outlined in the table below:

	Ref	Low Value \$	Preferred Value \$	High Value \$
NAV Sum-of-parts (Primary method)	9.2.1	0.0223	0.0247	0.0339
Quoted market price (Secondary method)	9.4.17	0.0276	0.0286	0.0297
<b>Preferred Value of an ASQ Share (undiluted)</b>		<b>0.0223</b>	<b>0.0247</b>	<b>0.0339</b>

## 9.6 Conclusion as to the value of an ASQ Share prior to the Proposed Transaction – Fully diluted

9.6.1 In assessing the value of an ASQ Share, we have considered both the NAV method on a fully diluted basis and the Quoted Market Price method. A summary of our primary and secondary methods of valuation is outlined in the table below:

	Ref	Low Value \$	Preferred Value \$	High Value \$
NAV Sum-of-parts (Primary method)	9.3.1	0.0219	0.0242	0.0331
Quoted market price (Secondary method)	9.4.17	0.0276	0.0286	0.0297
<b>Preferred Value of an ASQ Share (fully diluted)</b>		<b>0.0219</b>	<b>0.0242</b>	<b>0.0331</b>

9.6.2 As ASQ's net asset valuation is based on independent technical assessment of the Company's mineral assets, we believe that the net assets on a going concern methodology is a more appropriate valuation.

9.6.3 Furthermore, as outlined in Section 9.4.21 above, the trading history of ASQ shares indicates there is not a deep and liquid market to rely on for valuation purposes.

**9.6.4** Based on our primary method of valuation, we have determined the preferred value of an ASQ Share prior to the Proposed Transaction on a control basis to be between \$0.0223 and \$0.0339, with a preferred value of \$0.0247 on an undiluted basis and \$0.0219 and \$0.0331 with a preferred value of \$0.0242 on a fully diluted basis.

## 10. VALUATION OF 100% AKL

### 10.1 Net asset valuation of AKL

10.1.1 The NAV methodology estimates the market value of an entity's securities based on the realisable value of its identifiable net assets. There are three net asset value methods:

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

10.1.2 The asset-based method we believe is most appropriate to value the net assets of ASQ is the net assets on a going concern method. Under this method, assets and liabilities are valued at market value, and the resulting value of the net assets forms the basis for the entity's valuation.

10.1.3 The asset-based methods ignore the possibility the entity's value could exceed the realisable value of its assets as they do not recognise the value of intangible assets. Whilst the business is currently operating at a loss, the ability to sell ASQ on a going concern basis is an indication of the Company's ability to dispose of its assets on a going concern basis.

10.1.4 As the nature of AKL's business is exploration activities, we consider the DCF and future maintainable earning valuation methods inappropriate for the purpose of valuing AKL.

10.1.5 As AKL is a company exploring for potential commercial mineral deposits, the most appropriate primary method for valuing AKL shares is considered to be an asset-based methodology.

10.1.6 In assessing the value of AKL's mineral assets, MinVal was engaged as an independent valuer to value all tenements held by AKL. A copy of their report is attached at Appendix 2.

10.1.7 The estimated net value of AKL on a going concern basis prior to the Proposed Transaction is between \$2,220,943 and \$3,820,943 with a preferred value of \$3,320,943 determined as follows:

	Unaudited 31/12/2025 Management Accounts \$	Note	Pro-Forma Prior to Proposed Transaction \$		
			Low	Preferred	High
<b>Current Assets</b>					
Operating account	120,160		120,160	120,160	120,160
GST receivable	783		783	783	783
<b>Total Current Assets</b>	<b>120,943</b>		<b>120,943</b>	<b>120,943</b>	<b>120,943</b>
<b>Non-Current Assets</b>					
Mineral assets	1,551,682	1	2,100,000	3,200,000	3,700,000
<b>Total Non-Current Assets</b>	<b>1,551,682</b>		<b>2,100,000</b>	<b>3,200,000</b>	<b>3,700,000</b>
<b>Total Assets</b>	<b>1,672,625</b>		<b>2,220,943</b>	<b>3,320,943</b>	<b>3,820,943</b>
<b>Net Asset Value prior to the Proposed Transaction (100% control basis)</b>	<b>1,672,625</b>		<b>2,220,943</b>	<b>3,320,943</b>	<b>3,820,943</b>

Note 1 – Independent valuation of the mineral assets of AKL by MinVal dated 25 May 2026<sup>1</sup>:

Mineral assets	Low \$	Preferred \$	High \$
Book value of AKL mineral assets	1,551,682	1,551,682	1,551,682
Market value of AKL mineral assets	2,100,000	3,200,000	3,700,000
<b>Net adjustment to mineral assets</b>	<b>548,318</b>	<b>1,648,318</b>	<b>2,148,318</b>

<sup>1</sup> A copy of the full report can be found at Appendix 2.

## 11. VALUE OF CONSIDERATION PER AKL SHARE FOR THE PROPOSED TRANSACTION

### 11.1 Consideration

11.1.1 As per the SPA, ASQ will acquire 100% of the issued shares of AKL, for a total consideration of \$2,000,000 being 100,000,000 fully paid ordinary ASQ Shares at a deemed issue price of \$0.02 per Share.

11.1.2 In determining whether the consideration paid is at fair market value, we have considered the net asset valuation of ASQ.

### 11.2 Value of Consideration - Undiluted

11.2.1 The implied value of consideration paid to AKL shareholders is between \$2,230,000 and \$3,390,000 with a preferred value of \$2,470,000 as outlined in the table below:

	Section Ref	Low value \$	Preferred value \$	High value \$
Value of an ASQ Share pre-Proposed Transaction (control basis)	9.5.1	0.0223	0.0247	0.0339
Number of shares to be issued to AKL shareholders		100,000,000	100,000,000	100,000,000
<b>Implied value of consideration</b>		<b>2,230,000</b>	<b>2,470,000</b>	<b>3,390,000</b>

### 11.3 Value of Consideration – Fully Diluted

11.3.1 Using the sum-of-parts methodology valuation prior to the Proposed Transaction, the value of a fully diluted ASQ Share before the Proposed Transaction on a minority basis is between \$2,190,000 and \$3,331,000, with a preferred value of \$2,420,000 as outlined in the table below:

	Section Ref	Low value \$	Preferred value \$	High value \$
Value of an ASQ share pre-Proposed Transaction (control basis)	9.6.1	0.0219	0.0242	0.0331
Number of shares to be issued to AKL shareholders		100,000,000	100,000,000	100,000,000
<b>Implied value of consideration paid</b>		<b>2,190,000</b>	<b>2,420,000</b>	<b>3,331,000</b>

## 12. ASSESSMENT OF FAIRNESS

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### 12.1 Valuation Price

12.1.1 An offer is fair if the value of consideration paid is equal to or less than the value of assets being acquired.

12.1.2 We have determined the value of 100% of the issued capital in AKL and the fair value of consideration paid, as detailed below:

Undiluted Basis	Ref	Low Value \$	Preferred Value \$	High Value \$
Value of 100% of the issued capital in AKL	10.1.7	2,220,943	3,320,943	3,820,943
Implied value of consideration paid (undiluted)	11.2.1	2,230,000	2,470,000	3,390,000

12.1.3 As the implied value of consideration on an undiluted basis is higher than on a fully diluted basis, we have not considered the fully diluted basis.

12.1.4 The above values indicate that, in the absence of any other relevant information, we have assessed the terms of the Proposed Transaction in accordance with RG 111 and have determined that the Proposed Transaction is **fair to the Non-associated Shareholders of the Company**, as the value of consideration paid is less than the preferred value of assets being acquired.

## 13. ASSESSMENT OF REASONABLENESS

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### 13.1 Reasonableness in absence of fairness

13.1.1 A transaction that is not considered fair may still be considered reasonable if there are sufficient reasons for security holders to approve the Proposed Transaction.

13.1.2 The remainder of this Section outlines various considerations made in arriving at our determination of whether the Proposed Transaction is reasonable.

### 13.2 Practical level of control

13.2.1 Further to Section 9.4.16 above and in accordance with RG111, when considering the value of a company's shares the expert should consider a premium for control. An acquirer could be expected to pay a premium for control due the advantages they will receive should they obtain 100% control of another company.

13.2.2 Prior to the Proposed Transaction, Luke Atkins and associates will hold 9.60% of the Shares in ASQ on an undiluted basis and 10.13% of the Shares in ASQ on a fully diluted basis and does not hold a controlling interest.

13.2.3 The issue of Consideration Shares to Luke Atkins and associates pursuant to the Proposed Transaction will increase Luke Atkins and associates' shareholding from 17.96% on an undiluted basis and 18.18% on a fully diluted basis.

13.2.4 The issue of the Consideration Shares and the Placement Shares will result in Luke Atkins and associates becoming the largest shareholder of ASQ. It is noted that the top 20 Shareholders other than Luke Atkins and associates control 44.76% pre the Proposed Transaction and 33.58% post the Proposed Transaction on an undiluted basis. Hence, while Luke Atkins and associates are likely to have significant influence, it is not clear that Luke Atkins and associates could exercise control on their own under ASQ's normal operating conditions. It is also unlikely that the issue of Consideration Shares will result in any material change to the level of influence Luke Atkins and associates may have pre-transaction.

### **13.3 Advantages of approving the Proposed Transaction**

13.3.1 We have considered the following advantages to Non-associated Shareholders when assessing whether the Proposed Transaction is reasonable:

- the Proposed Transaction expands and diversifies the Company's asset portfolio through the acquisition of the White Swan Kaolin Project, providing exposure to the kaolin sector and a potential near-term development opportunity;
- the Proposed Transaction may enhance the Company's future growth opportunities through exposure to an additional mineral commodity and project base;
- there is currently no alternative proposal known that is considered superior to the Proposed Transaction;
- the conditions precedent ensure the Company acquires the services of persons experienced in kaolin exploration activities;
- the consideration payable under the Proposed Transaction is entirely scrip-based, allowing the Company to preserve its existing cash reserves for ongoing exploration and development activities; and
- the White Swan Kaolin Project is located in Western Australia, a jurisdiction familiar to the Company, thereby limiting additional jurisdictional and regulatory risk.

### **13.4 Disadvantages of approving the Proposed Transaction**

13.4.1 If the Proposed Transaction is approved, the potential disadvantages to Non-associated Shareholders include, in our opinion:

- the Proposed Transaction will result in dilution to existing Shareholders through the issue of the Consideration Shares;
- following completion of the Proposed Transaction, Shareholders will gain exposure to the kaolin sector, which may alter the Company's overall risk profile;
- the issue of Consideration Shares to Luke Atkins will increase his voting power in the Company from approximately 9.60% to 17.96% on an undiluted basis and 10.13% to 18.18% on a fully diluted basis, thereby increasing his potential influence over the Company and reducing the Company's free float shares, which may adversely impact the liquidity of ASQ Shares; and
- there is no certainty that the market price of ASQ Shares will increase following completion of the Proposed Transaction and the value of ASQ Shares may decline.

## 13.5 Other Considerations

13.5.1 The tenements are subject to ongoing royalty obligations to Lake McLeod (Section 4.2). The valuation provided by MinVal has not considered any royalty obligations due to Lake McLeod given the early-stage nature of AKL's exploration assets. MinVal has assessed that there are insufficient reasonable grounds to prepare reliable forward-looking production or cash flow forecasts regarding the ultimate impact of the royalty arrangement.

13.5.2 We note that, notwithstanding the royalty payment obligation to Lake McLeod, non-associated shareholders may benefit from potential upside should the tenements progress to commercial production.

## 13.6 Assessment of Reasonableness

13.6.1 In accordance with RG 111.60, as the Proposed Transaction is fair it is our opinion that the transaction is **reasonable** to the Non-associated Shareholders.

## 14. CONCLUSION

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### 14.1 Assessment of Fairness & Reasonableness

14.1.1 We have considered the terms of the Proposed Transaction as outlined in the body of this Report and have concluded that the Proposed Transaction is **fair and reasonable to the Non-associated Shareholders** of ASQ.

## 15. SOURCES OF INFORMATION

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### 15.1 Source Documents

15.1.1 This Report has been based on the following information:

- Draft Notice of Meeting
- Reviewed Half-Year Report for ASQ as at 31 December 2025;
- Audited Annual Report for ASQ as at 30 June 2025;
- Management accounts for AKL as at 31 December 2025;
- Management accounts for AKL as at 30 June 2025;
- Binding Share Purchase Agreement between AKL and ASQ dated 17 April 2026;
- Information in the public domain;
- Independent Technical Assessment and Valuation Report prepared by MinVal dated 25 May 2026.
- Discussions and correspondence with the Directors of ASQ; and
- Discussions and correspondence with John Butler from Toodyay Real Estate.

## 16. INDEPENDENCE

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### 16.1 Independence Statement

16.1.1 Pendragon Capital Limited is entitled to receive a maximum fee of \$25,000 (excluding GST) for completion of this Report. The fee is a fixed fee based on the normal charge rates for the professionals involved in the preparation of this Report. The fee is not contingent on the conclusion, content or future use of this Report. Except for this fee,

Pendragon Capital Limited has not received and will not receive any pecuniary or other benefit whether direct or indirect in connection with the preparation of this Report.

- 16.1.2 Pendragon Capital Limited has been indemnified by ASQ in respect of any claim arising from Pendragon Capital Limited's reliance on information provided by ASQ, including the non-provision of material information, in relation to the preparation of this Report.
- 16.1.3 Prior to accepting this engagement Pendragon Capital Limited has considered its independence with respect to ASQ and any of their respective associates with reference to ASIC Regulatory Guide 112 'Independence of Experts'. In Pendragon Capital Limited's opinion it is independent of ASQ and their respective associates.
- 16.1.4 Neither the signatory to this report nor Pendragon Capital Limited has had within the past two years any professional relationship with ASQ, or their associates, other than in connection with the preparation of this Report.
- 16.1.5 A draft of this Report was provided to ASQ and its advisors for confirmation of the factual accuracy of its contents.

## **17. INDEMNITY**

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### **17.1 Indemnity Statement**

17.1.1 Pendragon has been provided with an indemnity from ASQ in the following form:

*"ASQ indemnifies Pendragon and its employees or associates from any claims arising out of any omission or any misstatement in relation to any material provided (or which, being relevant, is not provided) by ASQ".*

## **18. QUALIFICATIONS**

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### **18.1 Australian Financial Services Licence**

18.1.1 Pendragon holds Australian Financial Services Licence number 237549 issued by ASIC. Pendragon has experience in the provision of corporate finance advice. Mr Keith Platel, the director responsible for and signing this Report, is a Fellow of the Institute of Chartered Accountants and has many years' experience in preparing company valuations and reports.

## **19. DISCLAIMERS AND CONSENTS**

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### **19.1 Disclaimer Statement**

- 19.1.1 This Report has been prepared at the request of ASQ for inclusion in its Notice of Meeting for Shareholders to be forwarded to Shareholders in relation to the Proposed Transaction.
- 19.1.2 Pendragon hereby consents to this Report accompanying the Notice of Meeting for ASQ Shareholders. Pendragon takes no responsibility for the contents of the Notice of Meeting other than this Report. This Report has been prepared for the Directors of

ASQ to forward to Shareholders and apart from such use, neither the whole nor any part of this Report may be used for any other purpose.

19.1.3 In providing our opinion, we have relied on information provided by Directors of ASQ. Where financial forecasts have been provided, it should be noted that there are likely to be differences to actual results due to various and unpredictable commercial and external factors.

19.1.4 Pendragon has not independently verified the information supplied to us and it has not conducted anything in the nature of an audit of ASQ. Pendragon has no reason to believe that any information relied on by us is incorrect or incomplete. The opinions and statements in this Report are given in good faith and in the reasonable belief they are not false, misleading or incomplete.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Keith Platel', with a stylized flourish at the end.

**Keith Platel**  
Director

Pendragon Capital Limited

## APPENDIX 1 – GLOSSARY OF TERMS

Reference	Definition
“AFSL”	Australian Financial Services Licence
“ASIC”	Australian Securities and Investments Commission
“ASX”	Australian Securities Exchange
“ASQ” or “the Company”	Australian Silica Quartz Group Limited (ACN 119 699 982)
“AKL”	Australian Kaolin Pty Limited (ACN 648 396 687)
“MinVal”	Paul Dunbar (MSc MINEX, BSc Hons (Geology), F AusIMM, M AIG, M SEG principal of MinVal Pty Ltd
“Capital Raise”	Placement of 37,500,000 ordinary ASQ Shares at a price of \$0.02 each
“Broker Options”	Options issued to the Lead Manager of the Capital Raising, being 2,000,000 at an exercise price of \$0.04 each
“Consideration Shares”	100,000,000 ASQ Shares proposed to be issued to shareholders of AKL as consideration for the purchase of 100% of the issued shares of AKL
“Lead Manager”	Taylor Collison Pty Limited
“NAV”	Net asset value
“Non-associated Shareholders”	Existing shareholders of ASQ who are not associated with Luke Atkins or his associates
“Pendragon”, “we”, “us”, or “our”	Pendragon Capital Limited (ABN 17 008 963 755)
“Placement”	Issue of the Placement Shares
“Report”	This Independent Expert’s Report dated 25 May 2026
“RG 111”	ASIC Regulatory Guide 111
“AKL Acquisition”	Acquisition of 100% of the issued AKL shares
“SPA”	Binding Share Purchase Agreement between AKL and ASQ dated 17 April 2026
“the Act”	Corporations Act 2001
“VWAP”	Volume weighted average price

Other capitalised terms used in this Report are defined throughout the Report or the Notice of Meeting.



INDEPENDENT TECHNICAL ASSESSMENT AND  
VALUATION REPORT OF MINERAL ASSETS OF  
AUSTRALIAN SILICA QUARTZ GROUP LIMITED  
AND AUSTRALIAN KAOLIN PTY LTD

Presented To: Australia Silica Quartz Group Limited



Date Issued: 25/05/2026

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<b>Principal Author</b>	Paul Dunbar MSc MINEX BSc Hons (Geology) F AusIMM M AIG M SEG  Date: 25 May 2026
<b>Contributing Authors</b>	Nathan Sexton BSc Applied Geology M AIG
<b>MinVal Approval</b>	Paul Dunbar  Date: 25 May 2026
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<b>Valuation Date</b>	20 May 2026
<b>Report Prepared by</b>	MinVal Pty Ltd PO Box 1506 West Perth WA 6872  ABN: 24 688 207 507 Tel: 0433 761 500 www.minval.com.au

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## Executive Summary

MinVal Pty Ltd (**MinVal**) was engaged by Pendragon Capital Limited (**Pendragon**, or the **Company**) to prepare an Independent Technical Assessment Report (**ITAR** or **Report**) on the mineral assets of Australian Silica Quartz Group Limited (ASX: ASQ) (**ASQ** or the **Company**) (ABN: 72 119 699 982) and the Mineral Assets of Australian Kaolin Pty Ltd (**AKL**). The ITAR will be prepared to assist Pendragon in completing an Independent Expert Report (**IER**) in relation to the proposed transaction, advising shareholders of ASQ on the proposed acquisition of AKL. The Proposed Transaction was announced by ASQ on 21 April 2026. The valuation date is 20 May 2026 (**Valuation Date**).

The mineral assets owned by ASQ include four hard rock quartz projects, two silica sand projects, three gold and base metal projects and three bauxite mineral resources within a non-contributing Joint Venture. WSP consists of a mining licence, M45/688, and two exploration licences, E63/1895 and E63/2047 located in Western Australia, Australia. AKL owns the White Swan Kaolin Project in Western Australia (White Swan Project or WSP), on recently granted Mining Lease ML 63/688 located 35 km from Esperance. The kaolin resource is located on freehold, cleared broadacre cropping farmland with land access for mining secured.

The Report has been prepared as a public document, in the format of an independent specialist's report and in accordance with the guidelines of the Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets – the 2015 VALMIN Code (**VALMIN**) that incorporates the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves – the 2012 JORC Code (**JORC**). Importantly, as neither the principal author nor MinVal hold an Australian Financial Services Licence, this valuation is not a valuation of the Company but rather an asset valuation of the Project.

As commodity prices, exchange rates and cost inputs fluctuate this valuation is subject to change over time. The valuation derived by MinVal is based on information provided by the Company along with publicly available data including Australian Securities Exchange (**ASX**) releases and published technical information. MinVal has made reasonable endeavours to confirm the accuracy, validity and completeness of the technical data which forms the basis of the Report. The opinions and statements in the Report are given in good faith and under the belief that they are accurate and not false nor misleading.

The default currency is Australian dollars (unless otherwise stated). As with all technical valuations the valuation included in the Report is the likely value of the mineral assets and not an absolute value. As required by VALMIN a range of likely values for the mineral assets is provided with that range indicating the accuracy of the valuation.

### **ASQ's Projects**

#### **Darling Range Bauxite Joint Venture Project**

The Darling Range Bauxite Joint Venture Project (the DRBJV) consists of four granted tenements with these located 100km to the northeast and 120km to the southeast of Perth in the Darling Ranges. All four tenements are currently held as Exploration Licences under Retention status. In 2010 the Company entered into a JV with HD Mining & Investment Pty Ltd (HD Mining) a wholly owned subsidiary of the Shandong Bureau No1 Institute for Prospecting of Geology & Minerals (Shandong) to explore for bauxite at the DRBJV. The DRBJV has the projects Athena, Ceres and Dionysus that have a total Resource Estimate of 78.4Mt of total bauxite.

#### **Albany Silica Sand Project**

The Albany White Sand Hill Silica Project (AWS) consists of a singular Exploration Licence E70/5262 located approximately 75km east-northeast of Albany in the Great Southern region of Western Australia. Access to the deposit is northeast via the South Coast Highway from Albany, and then 20km east along Warriup Road. The deposit falls within Lot 3835, which is a private freehold blue gum plantation property at the end of Warriup Road. In addition to the road network the Albany project is also well serviced by a rail network and access to the deep-water port at Albany. The AWS project has a current Mineral Resource Estimate of 10.7Mt total silica sand.

### **Queensland Hard Rock Quartz Project**

The Queensland Hard Rock Quartz Metallurgical Grade Silicon Quartz and High Purity Quartz (MGSi & HPQ) Project comprises of three project areas; The Quartz Hill Project (QHP), The Douglas Range High Purity Quartz Project, The Pandanus Creek HPQ Project and one application, the Gilbert Range Project. The QHP is a 1,300m-long ridge hosting a high-grade quartz deposit within Paleoproterozoic Einasleigh Metamorphics. Initial ASQ drilling programs in 2023 and 2024 confirmed a total resource of 17.3 Mt with an average silica content of 99.04% SiO<sub>2</sub>, classified as Indicated (7.6 Mt) and Inferred (9.7 Mt) Resources under the JORC 2012 Code.

### **Koolyanobbing Metals Project**

The Koolyanobbing Metals Project (KMP) comprises lease areas of 408km<sup>2</sup> granted tenure and 91km<sup>2</sup> in applications overlying portions of the Koolyanobbing Shear Zone and Koolyanobbing Greenstone Belt. The KMP exploration consists of Golden Wishbone, Golden Wishbone SE, EMU Targets (Au), the Island Gossan (Cu-Au), Seabrook Pegmatites (Li), and the Lake Seabrook HPQ Project. The KMP covers 54% of the Koolyanobbing Greenstone Belt and 38km in strike of the crustal scale Koolyanobbing Shear Zone that runs along the western edge of the greenstone package.

### **Gingin Silica Sand Project**

The Gingin Silica Sand Project consists of one application exploration licence 8 blocks in size and is located 20km north of Perth.

### **AKL's Projects**

The White Swan Project is located approximately 30km north of Esperance, on the south coast of Western Australia. The tenements are accessible via the sealed Fisheries and Dempster Roads through to the Project which sits adjacent to the sealed Dempster Road. Sealed and gravel wide public roads provide excellent access within the Project area. E63/1895 consists of six graticular blocks for an area of 16.75 km<sup>2</sup> located on the Esperance and Merivale 1:100,000 map sheets and the Esperance 1:250,000 map sheet (SI 51-06). E63/1895 was granted on 26 November 2018. An additional surrounding tenement E63/2047 consists of 36 blocks for an area of 100.5km<sup>2</sup> and was granted on 20 August 2020.

The drilling undertaken in that historical program sufficiently determined the validity and potential of White Swan to host a significant kaolin resource with low levels of impurities. Further drilling and trenching were carried out AK1 which has confirmed the presence of kaolin-rich clays on E63/1895.

Approval to mine the White Swan Project was granted by the WA Department of Mines Petroleum and Energy in May 2026 for a project of approximately 36 years' mine life, with the Mine Closure Plan needing to be lodged by 31/05/2033.

The Report documents the technical aspects of the tenure and explains the mineral asset valuations applying the principles and guidelines of the VALMIN and JORC Codes.

## **Conclusions**

In MinVal's opinion the overall valuation range and preferred market valuation for the ASQ Projects is between **\$2.6 million** and **\$6.2 million** with a preferred valuation of **\$3.3 million** and a Market Value for AKL Project is between **\$2.1 million** and **\$3.7 million** with a preferred valuation of **\$3.2 million**.



# 1. Introduction

MinVal Pty Ltd (**MinVal**) was engaged by Pendragon Capital Limited (**Pendragon**) to prepare an Independent Technical Assessment and valuation Report (**ITAR** or the **Report**) to be appended to an Independent Experts Report (**IER**) being prepared by Pendragon. The Report is to document and value the mineral assets of Australia Silica Quartz Group Limited (**ASQ**, or the **Company**) and Australian Kaolin Limited (**AKL**), in particular the White Swan Kaolin Project (**WSP**) owned by AKL. The WSP consists of one mining licence and two exploration licences. On 21 April 2026 ASQ announced it had entered into a Sale and Purchase Agreement to acquire all of the shares in the private company AKL (**Proposed Transaction**). The valuation date is 20 May 2026.

## 1.1. Compliance with the JORC and VALMIN Codes and ASIC Regulatory Guides

In preparing the ITAR, MinVal has applied the guidelines and principles of the Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets – 2015 VALMIN Code (**VALMIN**) and the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves – the 2012 JORC Code (**JORC**). Both industry codes are mandatory for all members of the Australasian Institute of Mining and Metallurgy (**AusIMM**) and the Australian Institute of Geoscientists (**AIG**). These codes are also requirements under Australian Securities and Investments Commission (**ASIC**) rules for Australian businesses and companies.

This ITAR is a Public Report as described in the VALMIN Code (Clause 5) and the JORC Code (Clause 6). It is based on, and fairly reflects, the information and supporting documentation provided by KAI and previous owners and associated Competent Persons as referenced in this ITAR and additional publicly available information.

## 1.2. Scope of Work

MinVal was engaged to undertake an assessment of the value of on the mineral assets of Australian Silica Quartz Group Limited of Australian Kaolin Pty Ltd. This has been undertaken applying the guidelines of the JORC and VALMIN Codes. These require that the Report contains all the relevant information at the date of disclosure, which investors and their professional advisors would reasonably require in making a reasoned and balanced judgement regarding the Project.

MinVal has compiled the Report based on the principle of reviewing and interrogating the documentation of the Project provided by the Company, and other previous exploration within the area. This Report includes a brief summary of the work conducted, completed, and reported by the companies from pegging or acquisition of the Project to 20 May 2026, based on information supplied to MinVal and other information sourced in the public domain to the extent required by the VALMIN and JORC Codes.

MinVal understands that its valuation and report will only be used by the Company to determine a sale value for the Project and in negotiations with potential purchasers of the tenement. As such, it is understood that MinVal's report will be a public report as defined by the VALMIN Code.

## 1.3. Statement of Independence

MinVal was engaged to undertake an ITAR, including a valuation of the exploration potential of both companies. This work was conducted applying the principles of VALMIN and JORC, which in turn

reference ASIC Regulatory guide 111 Content of expert reports (RG111) and ASIC Regulatory guide 112 Independence of Experts (RG112).

MinVal has not, within the past two years had any association with the Company, its individual employees, or any interest in the shares of the Company or potential interest, nor are they expected to be employed by either of the companies after the proposed sale of the Project, which could be regarded as affecting their ability to give an independent, objective, and unbiased opinion. MinVal will be paid a fee for this work based on standard commercial rates for professional services. The fee is not contingent on the results of this review and is estimated to be approximately \$25,000.

#### **1.4. Competent Persons Declaration and Qualifications**

This Report was prepared by Mr Nathan Sexton, under the supervision of Mr Paul Dunbar, Mr Dunbar conducted the valuation. The report was peer reviewed by Ms Ivy Chen (technical) and Mr Triv Naidoo (valuation) and authorised by Mr Paul Dunbar.

The Report and information that relates to geology, Exploration Results, Mineral Resources and Mineral Asset Valuation is based on information compiled or supervised by Mr Paul Dunbar BSc (Hons), MSc, a Competent Person and Specialist who is a fellow of the AusIMM and a member of the AIG. Mr Dunbar is a Director of MinVal and has sufficient experience, which is relevant to the style of mineralisation, geology, and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person under JORC and a Specialist under VALMIN.

The information that relates to geology, Exploration Results, and Mineral Resources is based on information compiled by Mr Nathan Sexton, B Applied Geology a Competent who is a member of the AIG. Mr Sexton is an associate of MinVal and has sufficient experience, which is relevant to the style of mineralisation, geology, and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person under JORC. Mr Sexton consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The technical sections of the report were peer reviewed by Ms Ivy Chen and the valuation sections by Mr Trivindren Naidoo who are both, Competent Persons and Specialists and Members of the AusIMM. They both have sufficient experience, which is relevant to the style of mineralisation, geology, and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Persons under JORC and Specialists under VALMIN. Both Ms Chen and Mr Naidoo are employed by MinVal, and they consent to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The Final version of the report was authorised to be released by Mr Paul Dunbar BSc (Hons), MSc, a Competent Person and Specialist who is a fellow of the AusIMM and a member of the AIG. Mr Dunbar is a Director of MinVal and has sufficient experience, which is relevant to the style of mineralisation, geology, and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person under JORC and a Specialist under VALMIN.

#### **1.5. Reliance on Experts**

The authors of the Report are not qualified to provide extensive commentary on the legal aspects of the tenure of the mineral properties or the compliance with the legislative environment and permitting in Western Australia. In relation to verifying tenement standing as per VALMIN requirements, MinVal has relied on the information publicly available from the Western Australian Department of Mines Petroleum and Exploration (Department of Mines, industry Regulation and Safety at the valuation date) and the Landtracker website ([www.landtracker.com.au](http://www.landtracker.com.au)).

On this basis MinVal has confirmed the tenements which makes up the Project are in good standing. The Company has confirmed this tenement status.

In respect of the information contained in this report, MinVal has relied on technical information and reports obtained from ASQ or the public domain including but not limited to the following:

- Presentation material including maps, sections and images.
- Selected reports by previous owners including exploration results.
- Information provided by the Company.
- Various ASX releases from previous owners and neighbouring companies; and
- Publicly available information including publications on regional geology and tectonic evolution.

All information and conclusions within this Report are based on information that MinVal requested from the Company to assist with the Report and other relevant publicly available data and using information that was available or considered to be available to the Company at the Valuation Date being 20 May 2026. Reference has been made to other sources of information, published and unpublished, including government reports and reports prepared by previous interested parties and joint venturers to the areas, where it has been considered necessary. MinVal has, as far as possible and making all reasonable enquiries, attempted to confirm the authenticity and completeness of the technical data used in the preparation of the Report and to ensure that it had access to all relevant technical information.

MinVal has relied on the information contained within the reports, articles and databases provided by the Company as detailed in the reference list.

## **1.6. Site visit**

A site visit to the Project was not undertaken for this ITAR.

MinVal considers that if a site visit was conducted it would not make a material difference to the valuation or outcome of this report.

Mr Paul Dunbar who approved this report has visited the general area and worked in the adjacent Projects during his >25 years' experience in mineral exploration and evaluation of mineral deposits. Therefore, MinVal does not believe that undertaking a site visit would provide any additional information that would materially change the opinions, conclusions or valuation contained within this report.

## 2. Australian Silica Quartz Group Projects

Australian Silica Quartz Group (**ASQ**) has four major Projects, namely The Darling Range Bauxite Joint Venture Project (**DRBJV**), the Albany Silica Project (**ASP**), the Queensland Hardrock Quartz (**MGSi** and **HPQ**) Project, and the Koolyanobbing Metals Project (**KMP**). ASQ also holds a number of early-mid stage exploration projects in its portfolio; The Gilbert Range Project in Queensland (application) The Lake Seabrook Project in Western Australia, the Gingin Silica Sand Project (application) refer to Figure 1, Figure 2 and Table 1.

The Darling Range Bauxite Joint Venture Project (the **DRBJV**) consists of four granted tenements with these located 100km to the northeast and 120km to the southeast of Perth in the Darling Ranges (Figure 1 & Figure 3). All four tenements are currently held as Exploration Retention licences. MinVal has confirmed the status of the licences from Mineral Titles Online.

In 2010 the Company entered into a JV with HD Mining & Investment Pty Ltd (HD Mining) a wholly owned subsidiary of the Shandong Bureau No1 Institute for Prospecting of Geology & Minerals (Shandong) to explore for bauxite at the DRBJV. The Joint Venture (JV) provides for HD Mining to fund 100% of exploration and feasibility costs for HD Mining to earn a 40% interest in any defined area of exploration on the making a binding commitment by HD Mining to undertake a detailed feasibility study for the commercial mining of the defined area; and a further 20% interest in a defined area upon completion of the feasibility study and the making by the JV committee of a decision to commence mining. While the company holds 100% of the licences due to the JV terms MinVal has assessed the valuations based on a diluted 60% equity in the JV.

The current JV bauxite resource inventory stands at 71.3Mt of Inferred Mineral Resource shown in Table 2. All of the tenements within the DRBJV are currently under retention licences.

The ASP consists of one granted exploration licence 80 km east of the Port of Albany, Western Australia (Figure 1). The Project has an Inferred Mineral Resource Estimate totalling 11.6Mt with >99.9% SiO<sub>2</sub> and <50ppm Fe<sub>2</sub>O<sub>3</sub> (Table 3) The ASP currently has a Scoping Study in progress; however, priority is being given to identifying an offtake partner over the development of the project. Preliminary assessment of metallurgy and process plant design, environmental assessment, water supply, the sand market and port access has given the Company confidence that these aspects of the project are achievable within the expected economic and regulatory constraints.

The Queensland Hardrock Quartz (MGSi and HPQ) Project has one granted exploration licence in Western Australia – The Lake Seabrook Project (Figure 1 and Table 1), six granted exploration permits and one application exploration permit in Far North Queensland, including the Gilbert Range Project (Figure 2 and Table 1) with known quartz occurrences having the potential to contain silica products ranging from metallurgical grade to high purity silica. These leases cover 348km<sup>2</sup> in total. The Quartz Hill MGSi Project has been the main focus of the Project, containing the 17.3Mt MGSi quartz at 99.04% SiO<sub>2</sub> JORC 2012 resource (Table 6).

The Koolyanobbing Metals Project (KMP) (Li, Au, Ni, Cu) comprises lease areas of 408km<sup>2</sup> granted tenure and 91km<sup>2</sup> in applications (Figure 1) overlying portions of the Koolyanobbing Shear Zone and Koolyanobbing Greenstone Belt.

The Gingin Silica Sand Project consists of one application exploration licence located 20km north of Perth (Figure 1 and Table 1).

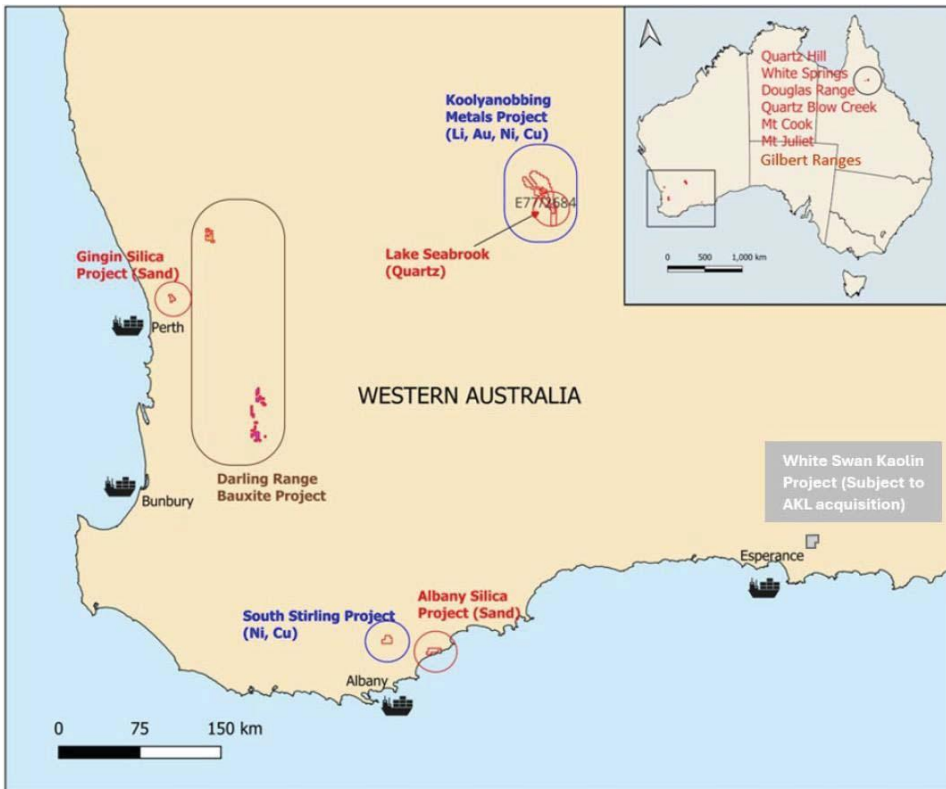


Figure 1: ASQ Project Locations Map

Source: ASX: ASQ March 2026 Quarterly Report

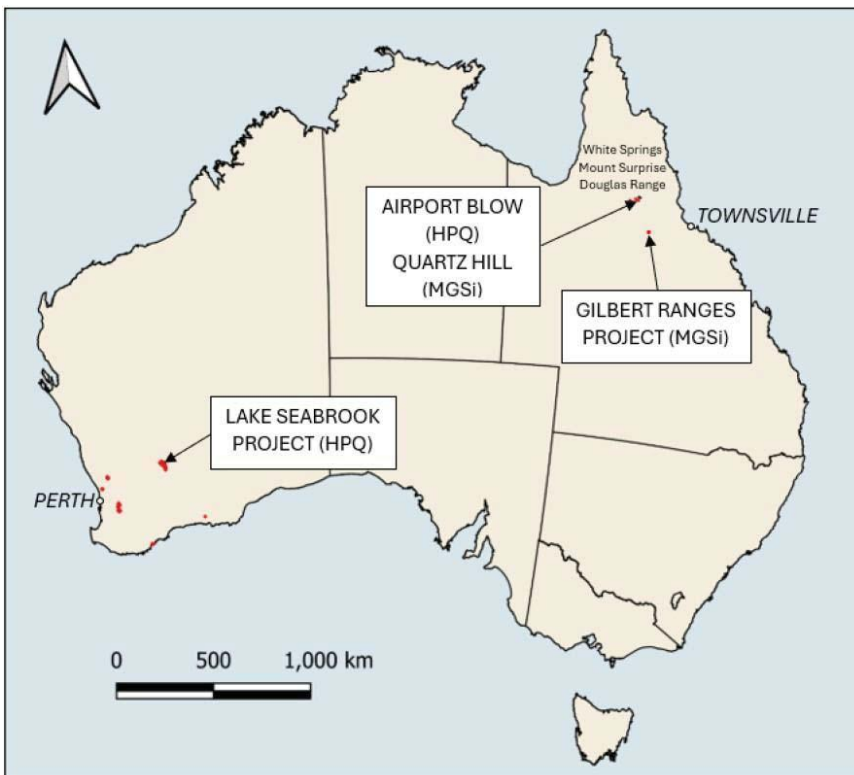


Figure 2: ASQ Hardrock Quartz Project Locations Map

Source: ASX: ASQ March 2026 Quarterly Report

**Table 1: ASQ Tenement Schedule, as of April 2026.**

Lease	Project	Status	Grant / Appl Date	Expiry Date	Area (Bl)	Equity	Holder
<b>E70/3179</b>	Darling Range Bauxite	Granted	26/05/2010	25/05/2026	23	diluting to 40%	ASQ
<b>E70/3180</b>	Darling Range Bauxite	Granted	25/05/2012	24/05/2026	25	diluting to 40%	ASQ
<b>E70/3405</b>	Darling Range Bauxite	Granted	29/04/2011	28/04/2027	19	diluting to 40%	ASQ
<b>E70/3890</b>	Darling Range Bauxite	Granted	29/10/2012	28/10/2026	4	diluting to 40%	DRPL
<b>E70/5144</b>	Gingin Silica Sands	Application	6/03/2018		8	100%	ASQPL
<b>E70/5262</b>	Albany Silica Sands	Granted	8/01/2020	7/01/2030	11	100%	ASQPL
<b>EPMA/26702</b>	QLD Hardrock Silica	Granted	21/12/2018	19/12/2027	21	100%	ASQPL
<b>EPMA/26727</b>	QLD Hardrock Silica	Granted	6/09/2018	5/09/2028	25	100%	ASQPL
<b>EPMA/26741</b>	QLD Hardrock Silica	Granted	6/09/2018	5/09/2028	27	100%	ASQPL
<b>EPMA/28954</b>	QLD Hardrock Silica	Granted	21/11/2024	20/11/2029	11	100%	ASQPL
<b>EPMA/28998</b>	QLD Hardrock Silica	Granted	12/02/2025	11/02/2030	4	100%	ASQPL
<b>EPMA/28999</b>	QLD Hardrock Silica	Granted	12/02/2025	11/02/2030	2	100%	ASQPL
<b>EPMA/29311</b>	QLD Hardrock Silica	Application	PENDING		2	100%	ASQPL
<b>E77/2400</b>	Koolyanobbing Metals Project	Granted	9/03/2017	8/03/2027	1	100%	ASQPL
<b>E77/2644</b>	Koolyanobbing Metals Project	Granted	21/9/2021	2009/20226	70	Gold rights	NMPL
<b>E77/2645</b>	Koolyanobbing Metals Project	Granted	16/03/2021	15/03/2026	51	100%	ASQPL
<b>E77/2675</b>	Koolyanobbing Metals Project	Granted	21/09/2021	20/09/2026	7	100%	ASQPL
<b>E77/2684</b>	Koolyanobbing Metals Project	Granted	29/03/2021	28/03/2026	14	100%	ASQPL
<b>E77/2941</b>	Koolyanobbing Metals Project	Application	26/04/2022		34	100%	ASQPL
<b>E77/3021</b>	Koolyanobbing Metals Project	Application	4/11/2022		14	100%	ASQPL

Notes ASQ - Australian Silica Quartz Group Limited, ASQPL - Australian Silica Quartz Pty Ltd (a subsidiary of ASQ), DRPL - Darling Range Pty Ltd (a subsidiary of ASQ). NMPL - Netley Minerals Pty Ltd ASQ gold rights only.

## 2.1. Darling Range Bauxite Joint Venture Project

Much of the technical information on the Darling Range Bauxite JV has been sourced from various ASX releases along with the following reports

- GSWA Report 33 Hickman et.al. 1992
- GSWA Report 65 Hassan 1998
- RPM Limited March 2014 Mineral Resource Estimate, Dionysus Bauxite Deposit. Full technical report prepared for BRL.
- RPM Limited, June 2014 Mineral Resource Estimate, Athena Bauxite Deposit. Full technical report prepared for BRL.
- Ashmore Advisory Pty Ltd, March 2018 Ceres Bauxite Deposit Mineral Resource Estimate. unpublished technical report prepared for BRL

### 2.1.1. Tenure, Location and Access

The Darling Range Bauxite Joint Venture Project (the **DRBJV**) consists of four granted tenements with these located 100km to the northeast and 120km to the southeast of Perth in the Darling Ranges (Figure 1 & Figure 3). All four tenements are currently held as Exploration licences under Retention status. MinVal has confirmed the status of the licences from Mineral Titles Online.

ASQ, previously Bauxite Resources Limited (BRL), entered into a significant joint venture covering two projects previously controlled by the company, one of these JV's was sold in 2016 to the JV partner while the second JV between ASQ and HD Mining Pty Ltd remains active. Below is a summary of the important aspects of the JV agreement.

The key terms of the agreement include:

- HD Mining are required to maintain the tenements in good standing.
- HD Mining can earn 40% in a defined area of the project by funding 100% of the exploration costs and making a binding commitment to undertake a feasibility study.
- Upon completion of a positive feasibility study and a decision to mine, within the defined area, HD Mining will have earned an additional 20% (to a total of 60%) within the defined area.
- HD Mining will continue to be earning its 40% interest in the project outside the defined area and is required to continue to fund 100% of the exploration costs
- ASQ is not required to provide any funding until the JV has made the decision to mine and is only required to fund 40% of the development costs.

### **2.1.2. Geological Setting and Mineralisation**

The following information on regional geology was sourced from Hickman et.al. (1992)

Bauxite mineralisation has long been identified in the Darling Range to the east of the Darling Fault, western Yilgarn Craton. Figure 4 shows the regional geology and bauxite occurrences for the SW of Western Australia.

The various ASQ deposits are located on the western edge of the Yilgarn Craton, an area that is dominated by Archaean granite and granite gneiss (which is often lateritised) with minor units of metasediment, meta-volcanics and Proterozoic dolerite dykes. The Darling Plateau (underlain by pre-Cambrian igneous and metamorphic rocks) lies between 250m and 350m above sea level and is separated from the Perth Basin by the Darling Fault. The plateau can be sub-grouped into lateritic upland areas (horizontal or very gently dipping), deeply incised valley areas and a large area having wide valleys and low hills to the east.

Compared with the bedrock, the upper part of the laterite profile is strongly enriched by aluminium, and the available alumina content is significantly increased above the basal clay layer. Gibbsite, boehmite, and corundum are the main aluminium-bearing minerals.

### **2.1.3. Exploration**

The Darling Range has had a long history of exploration, development and mining of bauxite with production of alumina commencing in 1963 (Hassan 1998). Up to 1996 136.8Mt of Alumina had been produced from 440Mt of bauxite (Hassan 1998). The total endowment (past production, reserves, resources (measured, indicated and inferred)) as at 1996 was over 3.2Bt (Hassan 1998). The average available  $Al_2O_3$  is 27.5%.

The Company has undertaken multiple exploration programs over the tenements that constitute the DRBJV Project.

The exploration within each of the project tenements has been successful in delineating mineralisation and estimation of Mineral Resources.

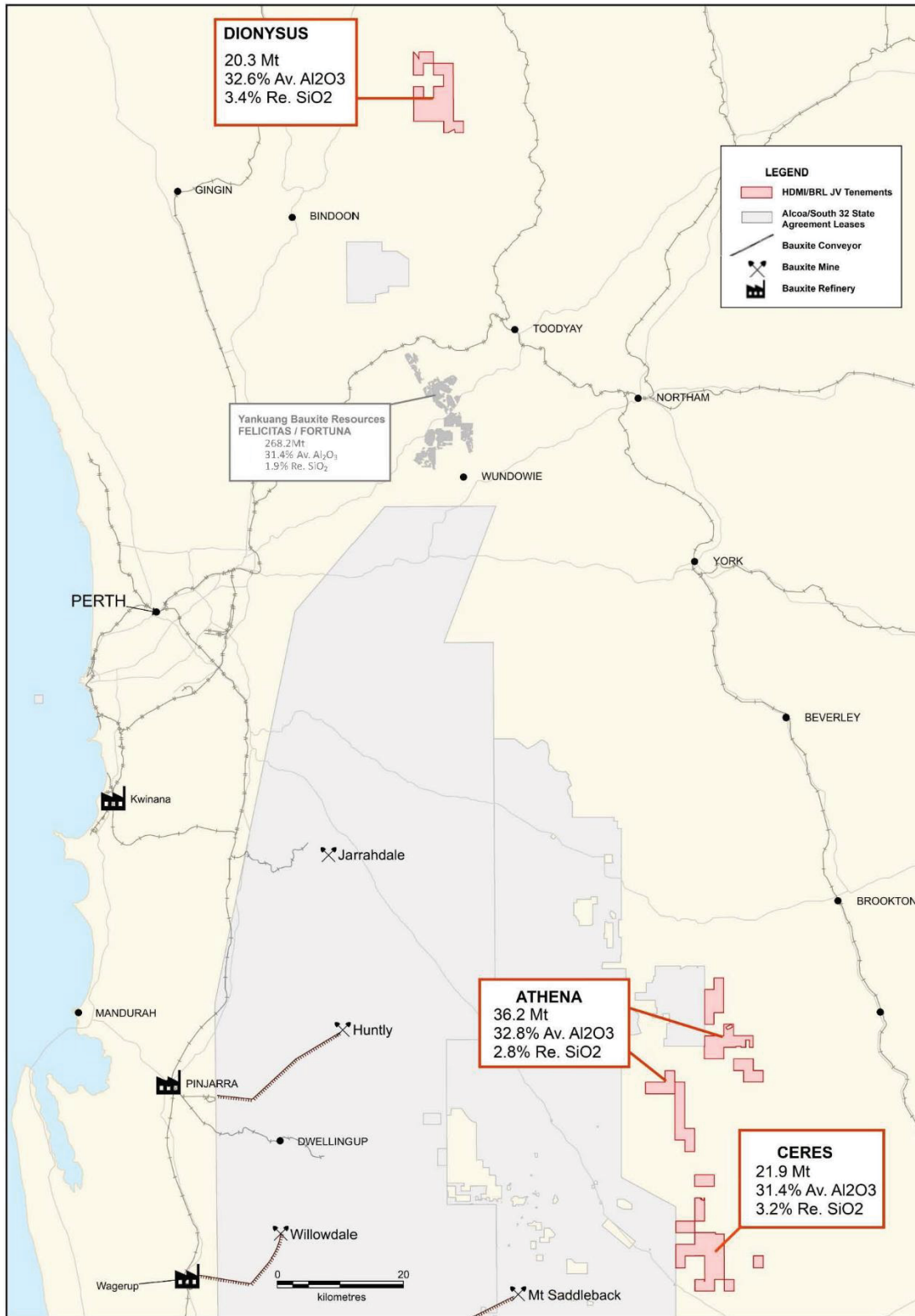


Figure 3: Location of the ASQ Darling Range tenements and bauxite resource locations.  
Source: ASQ Annual Report 2025

### 2.1.4. MinVal Comment on Exploration Data

The drilling, sampling and sample preparation procedures are appropriate for the mineralisation style and thickness. The QA/QC results confirm the suitability of the drilling data for use in the Mineral Resource estimation.

In MinVal's opinion the current methodology of assigning bulk density based on Felicitas measurements is acceptable for Inferred Mineral Resources, but greater certainty will be required to classify any Indicated Mineral Resources.

### 2.1.5. Mineral Resource Estimate – Darling Range Bauxite Joint Venture Project

The current estimates for each deposit are presented in Table 2.

The Mineral Resource estimates are detailed in the following ASX announcements:

- New Bauxite Resource at Dionysus Project, Northern Darling Range (ASQ 24 March 2014)
- 59% Increase in Resource at Athena Deposit in Darling Range, WA (ASQ 15 July 2014)
- 48% Increase in Bauxite Resource at Ceres Deposit in Darling Range, WA (ASQ 23 April 2018).

Table 2: Mineral Resource estimates for ASQ

Deposit	Date	Class	Tonnage	Av Al <sub>2</sub> O <sub>3</sub>	Re SiO <sub>2</sub>
			Mt	%	%
Athena	Jun-14	Inferred	36.2	32.8	2.8
Ceres	Mar-18	Inferred	21.9	31.4	3.2
Dionysus	Mar-14	Inferred	20.3	32.6	3.4

Source: ASQ Annual Report 2025

off when constructing the wireframes. A minimum down hole length of 1m was used with occasional edge dilution.

All samples were taken at 0.5m intervals and no compositing was required. Top cuts were not applied to the data due to the low coefficients of variation.

Block sizes for the Athena and Dionysus deposits were determined based on approximately half the predominant drill hole spacing and block sizes for Ceres deposit were determined as a result of Kriging Neighbourhood Analysis (KNA) conducted by Snowden in 2012.

The Athena and Dionysus deposits were estimated using ID2 interpolation; the Ceres deposits were estimated ordinary kriging (OK) interpolation.

A bulk density value of 2.17t/m<sup>3</sup> was assigned based on results from diamond core samples submitted by BAJV from the Felicitas deposit which is composed of similar Darling Range laterite material to that observed at Athena. The Felicitas deposit is located within the Darling Range approximately 80km northeast of Perth.

The wide spaced drill programs of 160m by 160m down to 80m by 80m were adopted by ASQ to determine if continuous bauxite lodes of sufficient thickness and quality could be modelled. The Mineral Resources were classified based on data quality, sample spacing, and continuity of the interpreted zones. Each deposit has been classified as Inferred Mineral Resource.

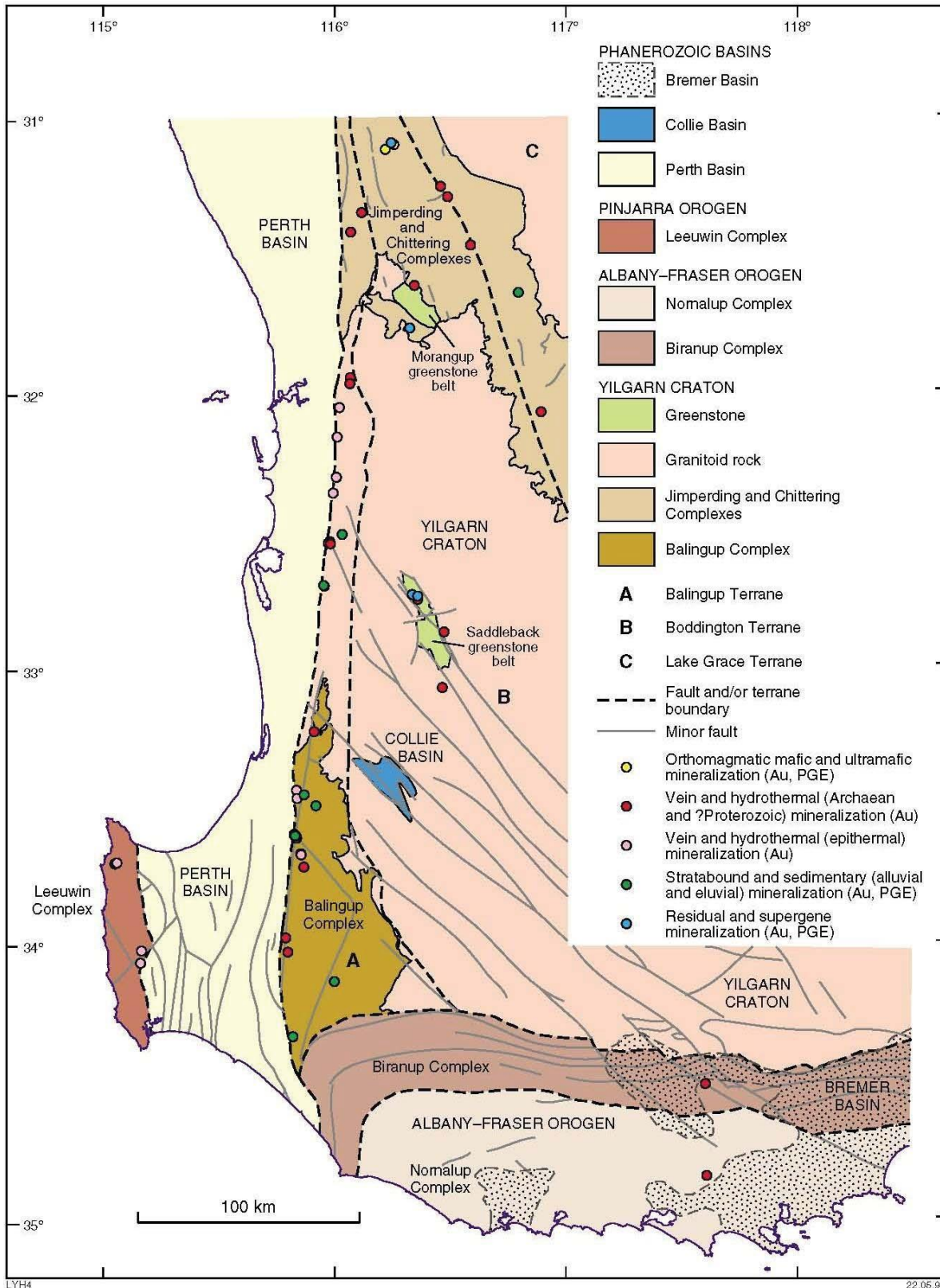


Figure 4: Tectonic Sketch of the SW of WA showing the bauxite occurrences as blue dots  
 Source: GSWA Report 65 Hassan 1998

Wireframes were created from cross sectional interpretations taking into consideration down hole geochemistry and associated lithological logging. 25% available alumina was used as a nominal cut-  
MinVal Resource Review Comments

Overall, the estimation of the ASQ Mineral Resources is conducted within standard industry practices and are appropriate for the classification level of confidence applied.

The mineralisation was proposed to be mined using open pit mining techniques and the Mineral Resources were reported at a 25% available alumina cut-off grade which is appropriate.

MinVal has reviewed the reports prepared by the Competent Persons and finds that the estimation and classification appropriately reflect the level of confidence in the data, interpretation and estimation, The estimates are appropriate to support a valuation.

### **2.1.6. Development Potential**

MinVal notes that the four licences which contain the Mineral Resources are held as Exploration licences under Retention status due to the MRE's not being economically viable to exploit under the current conditions. MinVal considers that the MRE's are unlikely to be economically viable in the near term. Therefore, the Project has not been valued based on the Mineral Resources but rather as a pre resource project.

## **2.2. Albany Silica Sand Project**

The majority of the technical information on the Albany Silica Sand Project is summarised from

- ASQ Preliminary Exploration Results – Albany White Hill Project (ASX: ASQ 2 November 2020)
- ASQ High Grade, Low Iron, Silica Sand Mineral Resource (ASX: ASQ 28 January 2021).
- Unpublished Document: Albany White Sand Hill Silica Sand Deposit Mineral Resource Estimate, by Ashmore Advisory Pty Ltd (22 January 2021).

### **2.2.1. Tenure, Location and Access**

The Albany White Sand Hill Silica Project (AWS) consists of Exploration Licence E70/5262 (Table 1), located approximately 75km east-northeast of the deepwater port of Albany, Western Australia (Figure 5). The Project is accessible via the South Coast Highway then via the sealed Warriup Road. The Project is on freehold land.

### **2.2.2. Geological Setting and Mineralisation**

The underlying basement rocks in the project area are granitic gneiss interlayered with metagabbro. They form the Nornalup Zone of the Proterozoic Albany-Fraser Orogeny.

The shallow marine to shoreline sediments of the Eocene aged Plantagenet Group overlies the basement granitoids. In areas of basement highs, the Plantagenet Group is not always present. This is thought to be the case in the project area.

The flat lying sand dunes are near surface, with minor overburden that follows the undulating topography. The basal extent of the white sand is determined from geochemical changes noted down hole in association with a noted change in sand colour.

Deposits of fine white silica sand such as seen in the project area are considered to be aeolian deposits younger than the Plantagenet Group.

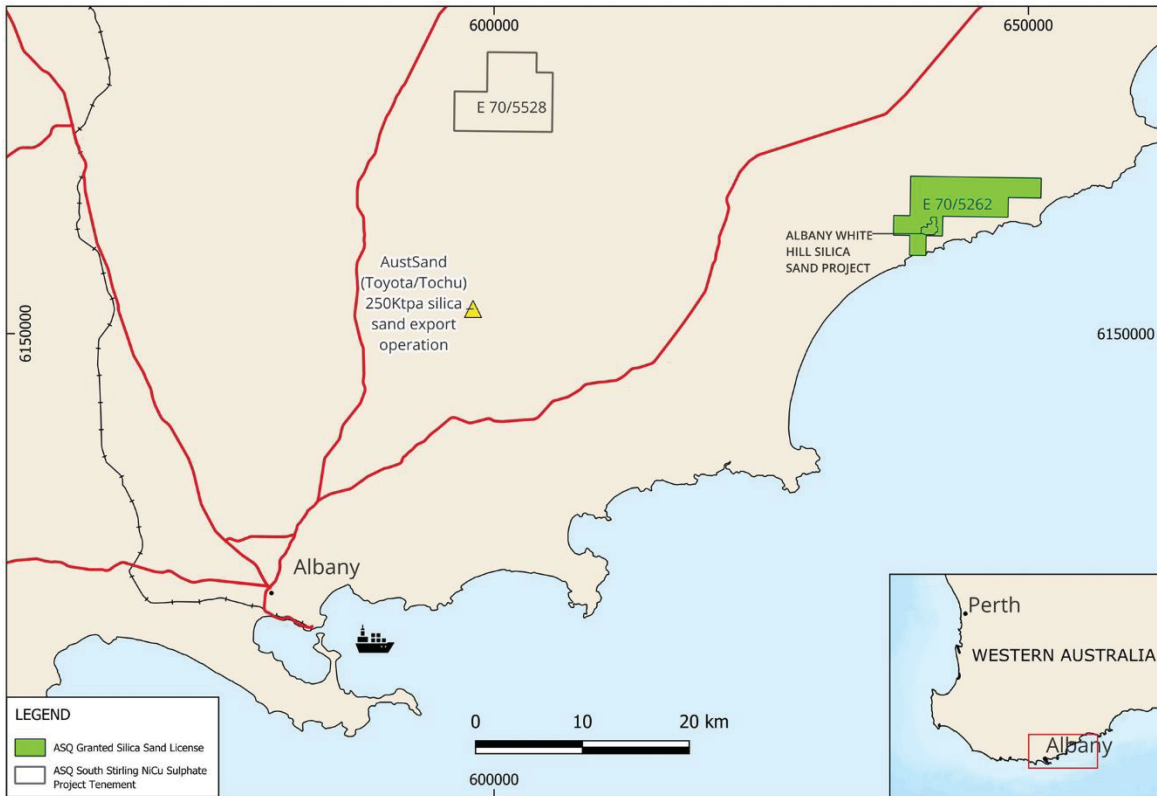


Figure 5: Location of the Project on E70/5262 east of Albany

Source: ASQ Annual Report 2025 Projection is GDA94 Zone 55.

### 2.2.3. Exploration Data

ASQ has carried out numerous exploration activities over the tenement which have resulted in the estimation of a Mineral Resource within the Project.

The company initially completed a small hand auger drill hole program, followed by 76 vertical vacuum drill holes for 489m with a maximum hole depth of 14.5 m were completed in 2020 ( Figure 6). 58 of the 76 vacuum holes intersected clean white silica sand profiles of >2m thick. All intersections occurred below 0.3-1.0 m of topsoil.

Samples from the vacuum drilling were taken on a 0.5m down hole intervals with the entire sample collected. The drilling was spread evenly across the project area with drill hole spacing around 150 to 200m.

The QAQC results confirm the suitability of the drilling data for use in the resource estimation.

Appropriate test work has been conducted that shows clean silica sand product can be produced.

### 2.2.4. MinVal Comment on Exploration Data

MinVal consider the data quality adequate to support mineral resource estimation.

### 2.2.5. Mineral Resource Estimate – Albany Silica Sand Project

The current Mineral Resource Estimate for the Albany Silica Sand Project has been estimated under the guidelines of JORC 2012 and is summarised in Table 3.

Table 3: Albany White Hill Silica Sand Deposit January 2021 Inferred Mineral Resource Estimate

Size Fract <sup>^</sup>	Tonnes*	Yield	Fe <sub>2</sub> O <sub>3</sub>	Al <sub>2</sub> O <sub>3</sub>	TiO <sub>2</sub>	CaO	K <sub>2</sub> O	Na <sub>2</sub> O	MgO	ΣOx.	SiO <sub>2</sub> +LOI <sup>§</sup>
	Mt	(%)	ppm	ppm	ppm	ppm	ppm	ppm	ppm	%	%
<b>Fine</b>	8.2	70.6	46	145	410	12	16	19	10	0.07	99.93
<b>Coarse</b>	3.4	29.1	43	137	668	6	12	19	3	0.09	99.91

Source: ASX: ASQ 28 Jan 2021

The mineralisation was constrained by wireframes prepared using geological logging. Average heavy liquid separation grades for the two size fractions were reported as the silica sand product grades and assigned to blocks. Relative yields and composite grades were reported as a global average for each size fraction using results derived from sizing and heavy liquid separation analysis.

The block dimensions were 100m EW by 100m NS by 2m vertical with sub-cells of 12.5m by 12.5m by 0.5m. A bulk density of 1.52t/m<sup>3</sup> was assigned in the block model based on nuclear densometer measurements at the deposit, based on an average of the four white sand measurements.

No high grade cuts were used.

The deposit was assumed to be potentially mineable using open pit techniques.

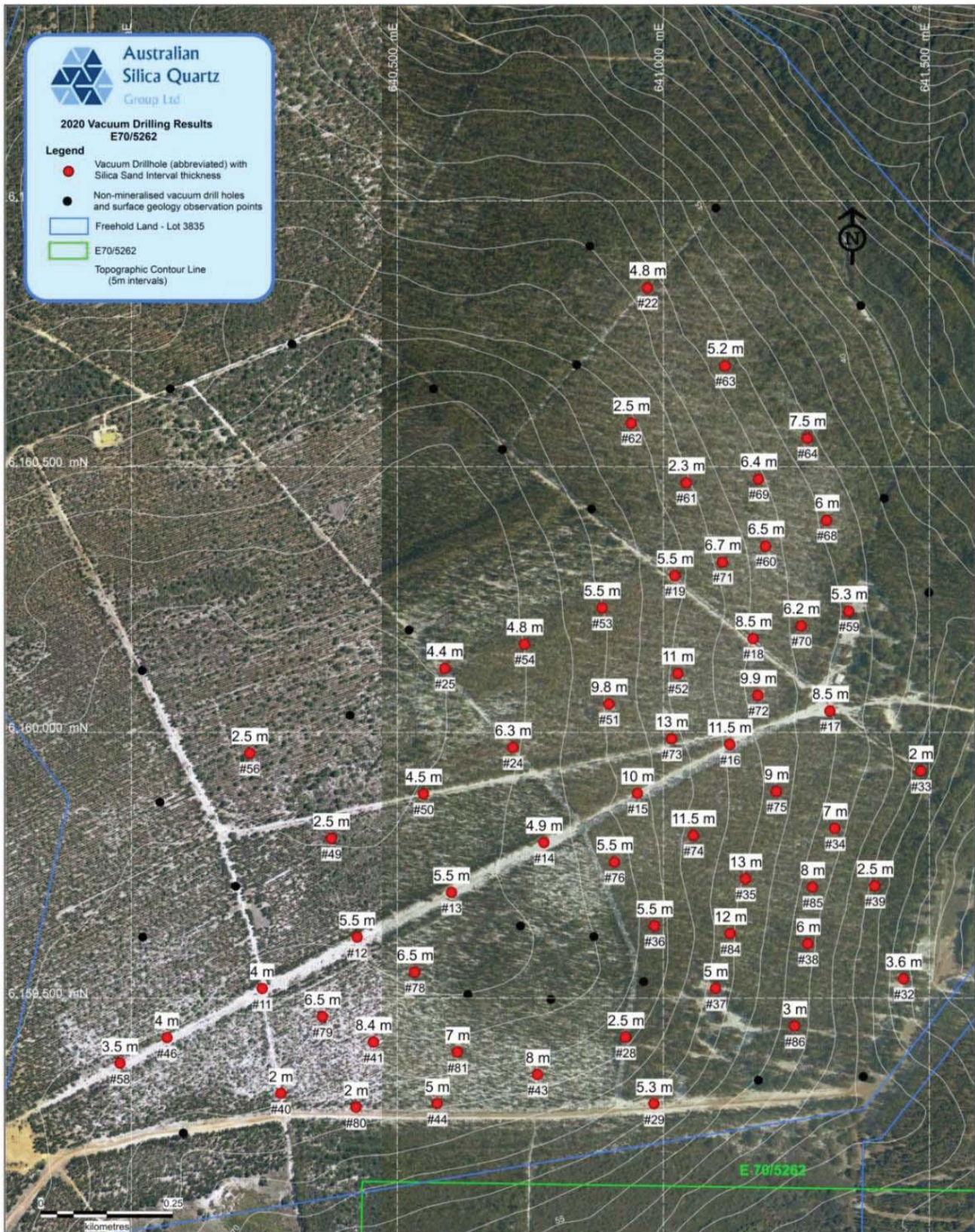
No assumptions have been made regarding metallurgy other than the material could be upgraded to a high purity of more than 99.90% SiO<sub>2</sub> product using heavy liquid separation, which is an industry accepted method for approximating the inclusion of gravity separation elements such as spiral circuits in the recovery processing for a silica sand product.

### 2.2.6. MinVal Resource Review Comments

In MinVal's opinion, the Mineral Resource estimate is appropriately classified and can be used to support a valuation.

### 2.2.7. Development Potential

MinVal notes that ASQ is progressing a Scoping Study investigating the suitability of the deposit for development into a 0.5 – 1.0 Mtpa export operation, and notes that ASQ's preliminary assessments of metallurgy and process plant design, environmental assessment, water supply, the sand market and port access are positive (ASX: ASQ March 2026 Quarterly Report).



## 2.3. Queensland Hard Rock Quartz (MGSi & HPQ) Project

The technical aspects of the Queensland Projects is predominantly sourced from:

- ASQ Maiden 17Mt JORC Resource at 99.04% SiO<sub>2</sub> at Quartz Hill (ASX: ASQ 12 December 2023).
- Unpublished Company Report: Ashmore Advisory Pty Ltd, Quartz Hill MG Silica Deposit Mineral Resource Estimate. (Dec 2023).
- ASQ Quartz Hill Project – Metallurgical Test work Outcomes (ASX: ASQ 19 December 2024).
- ASQ Encouraging Hardrock Quartz Results (ASX: ASQ 22 January 2026).

### 2.3.1. Overview

The Queensland Hard Rock Quartz (MGSi & HPQ) Project comprises of three project areas; The Quartz Hill Project (QHP), The Douglas Range High Purity Quartz Project, The Pandanus Creek HPQ Project and one application, the Gilbert Range Project. The QHP is a 1,300m-long ridge hosting a high-grade quartz deposit within Paleoproterozoic Einasleigh Metamorphics.

Initial ASQ drilling programs in 2023 and 2024 resulted in the estimation of a global mineral resource estimate of 17.3 Mt with an average silica content of 99.04% SiO<sub>2</sub>. The MRE was classified as Indicated (7.6 Mt) and Inferred (9.7 Mt). The QHP has had a Scoping Study completed in March 2025; however, does not have mining applications or environmental approvals in place.

Douglas Range, Pandanus Creek and The Gilbert Ranges have returned rock chips samples with >99% SiO<sub>2</sub>, however the main focus of work has concentrated on Quartz Hill.

### 2.3.2. Tenure, Location and Access

The Quartz Hill Project (QHP) is located on EPM 26702 within Mount Surprise Station, approximately 200km southwest of Cairns, Queensland, Australia. Access from Cairns is on the Gilles Highway then to the project area by the public roads and via station tracks. The QHP is situated at the northern end of EPM 26702, immediately east of the O'Brien's Creek Road, approximately 10km northwest of Mount Surprise (refer to Figure 7 & Figure 8).

In 2023 ASQ entered into a project development heads of agreement (**HoA**) with Private Equity Partners Pty Ltd (PEP), a wholly owned affiliate of the Quinbrook Quartz Hill Project, aiming to establish: a Mineral Resource of at least 10Mt, to complete a scoping study and apply for a mining lease. As part of the HoA, PEP may elect to fund a Definitive Feasibility Study on the Quartz Hill Project and may at its election enter into a binding offtake agreement to purchase 10Mt MGSi Quartz over a period not exceeding 31 years at a 10% discount to the prevailing market price for MGSi Quartz. Following the initial draft of the Scoping Study in late March of 2025, Quinbrook advised ASQ the quartz grades were not suitable to meet its 100% feedstock requirements for their proposed polysilicon manufacturing facility but may be suitable to blend with quartz from another source.

The Douglas Range High Purity Quartz (HPQ) Project is located 10km southwest of Mount Surprise and 280km northwest of Townsville (Figure 7 & Figure 9). The EPM 26741 contains a series of ridges comprising epithermal quartz veins and some clean quartz outcrops on the lower areas of the lease.

The Pandanus Creek HPQ project is within EPM 26727, 30km east of Georgetown and 320km northwest of Townsville (Figure 7& Figure 10).

The Gilbert Ranges Project (GRP) is located 290km west of Townsville (Figure 2 & Figure 11). ASQ has Exploration Permit application, EPM29311, with reported rock chip samples collected under an

interim Prospecting Permit. The project is located close to the bulk export port at Townsville and the proposed Lansdown Critical Minerals Processing site.

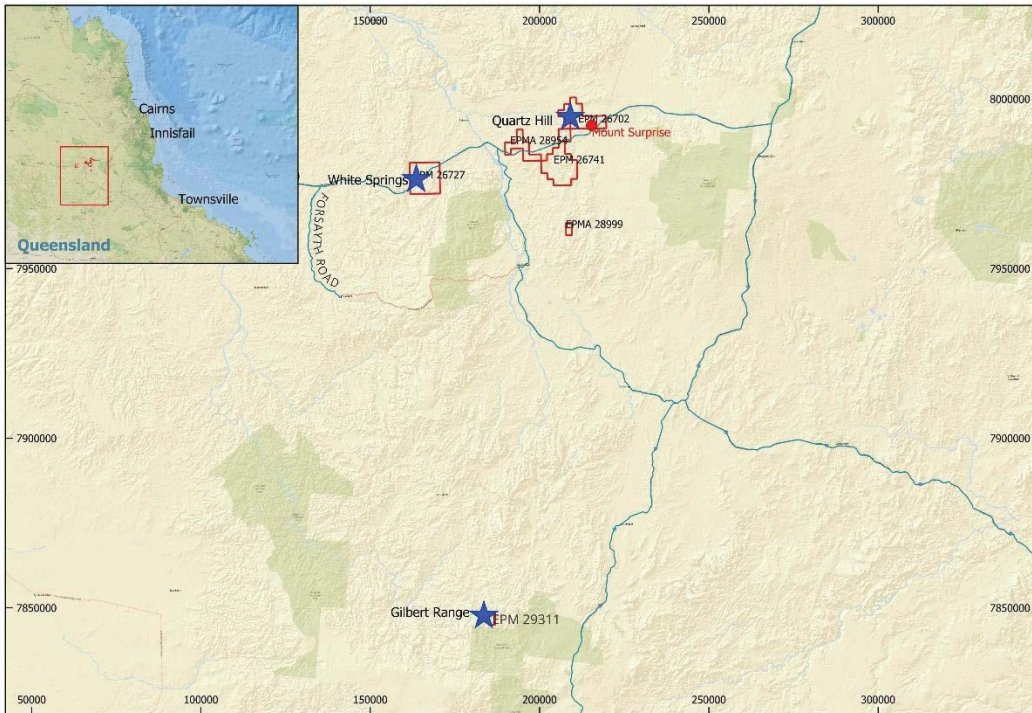


Figure 7: Queensland Hardrock Quartz Project Location Map

Source: ASX: ASQ Annual Report 2025 Projection is GDA94 Zone 55.

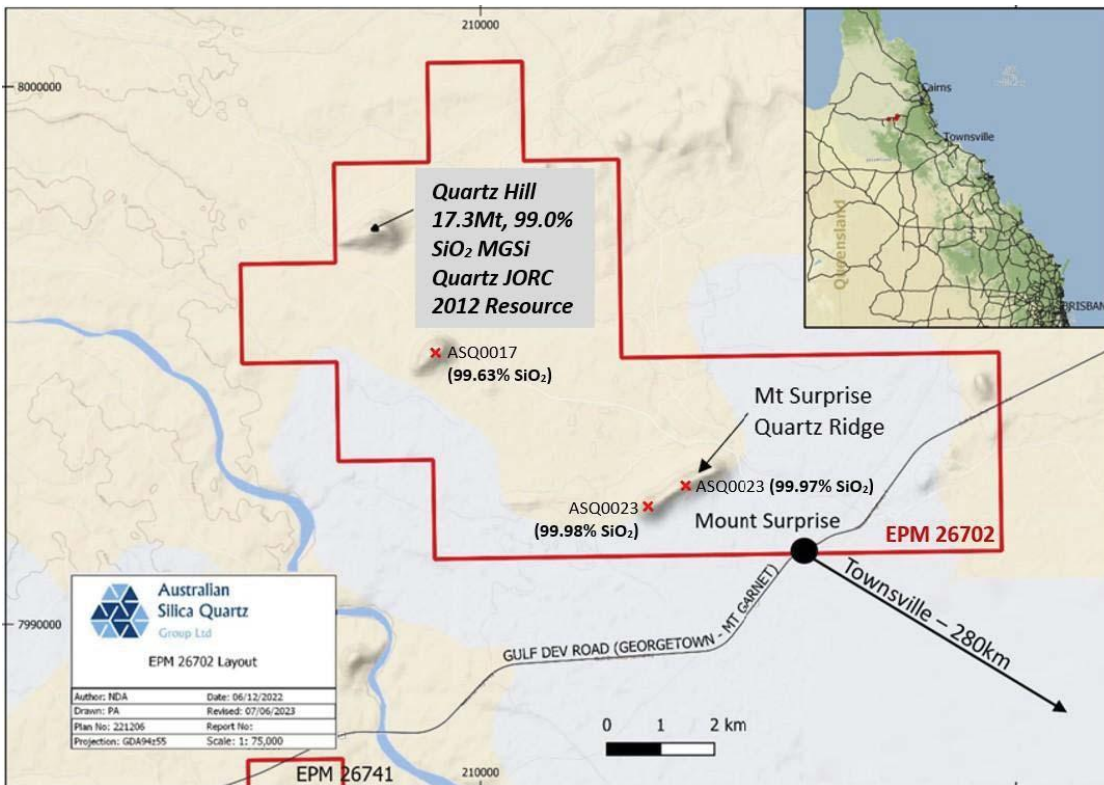


Figure 8: Location Plan of Quartz Hill MGSi Project and Mount Surprise Quartz Ridge.

Note: Rock chips shown are referred to in Table 4. Projection is GDA94 Zone 55.

Source: ASX: ASQ 20 June 2025

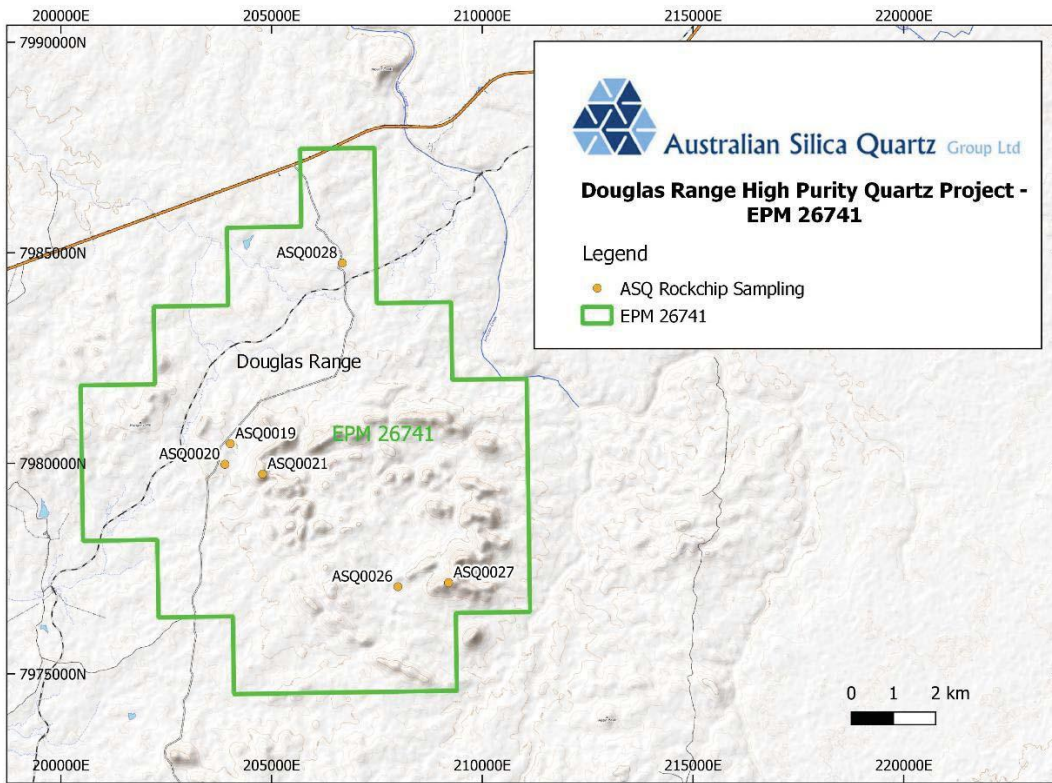


Figure 9: Douglas Range High Purity Quartz Project - EPM 26741.

Note: ASQ rock chip sampling locations, projection is in GDA94 Zone 55.

Source: ASX: ASQ 15 Dec 2021.

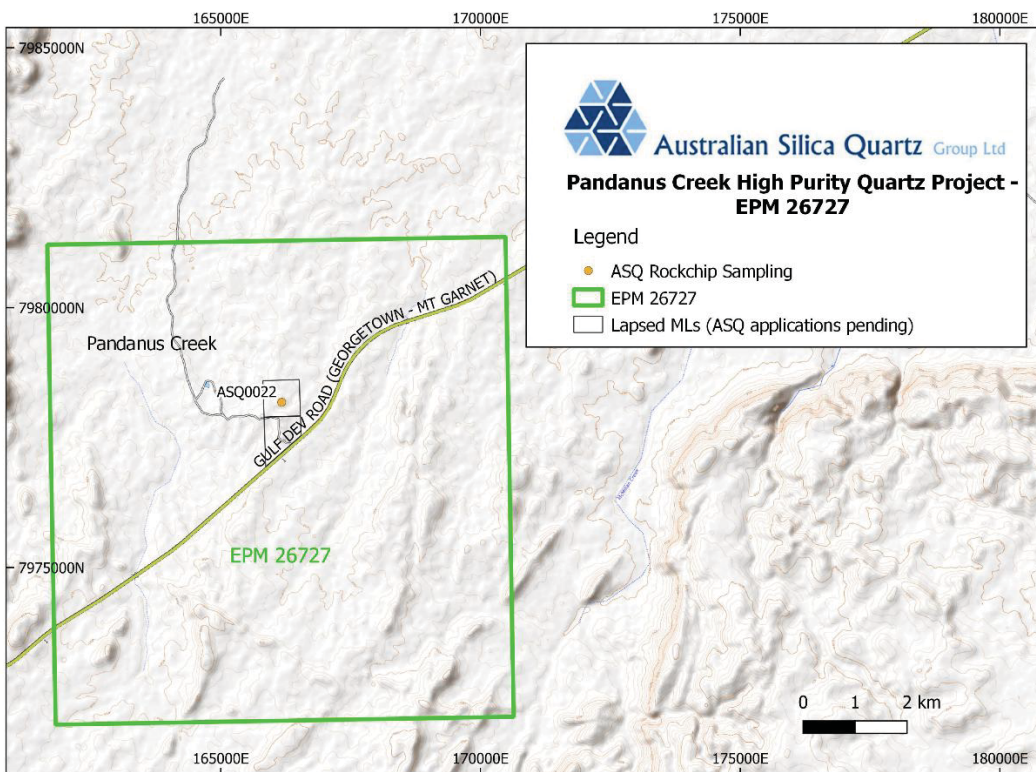


Figure 10: Pandanus Creek High Purity Quartz Project - EPM26727.

Note: ASQ rock chip sampling locations, projection is in GDA94 Zone 55.

Source: ASX: ASQ 15 Dec 2021.

### 2.3.3. Geological Setting and Mineralisation

The outcropping Quartz Hill occurrence is hosted within the Einasleigh Metamorphics which consist of migmatites grading into gneissic granite and schist.

Quartz Hill is a very large, 1,300m long ridge elevated up to 140m in vertical elevation above the surrounding flatter country dominated by continuously outcropping rubbly quartz forming the core of the steep sided ridge. The quartz lodes are thought to have been formed from the processes of metamorphism, due either to pre-existing siliceous rocks being definitively metamorphosed, or quartzitic material being produced by metamorphic processes.

Sandwiched between quartz lodes, mica schist wall rock (partially weathered to clay) tends to predominate, whereas in the footwall of the second (lower) quartz lode the host rocks are of gneiss, amphibolite, and lesser pegmatite and foliated granite. Hence there seems to be a transition from lower amphibolite facies rocks closer to the present surface, to upper amphibolite facies deeper down. As such, the quartz lodes appear to be rooted in migmatite-generating metamorphic rocks at depth and extend up into rocks of somewhat lower-grade metamorphic derivation higher up.

The geological setting is a southerly dipping quartz unit. Geochemistry has been used to assist identification of the rock type applied in the interpretation process. Clear boundaries define the mineralisation.

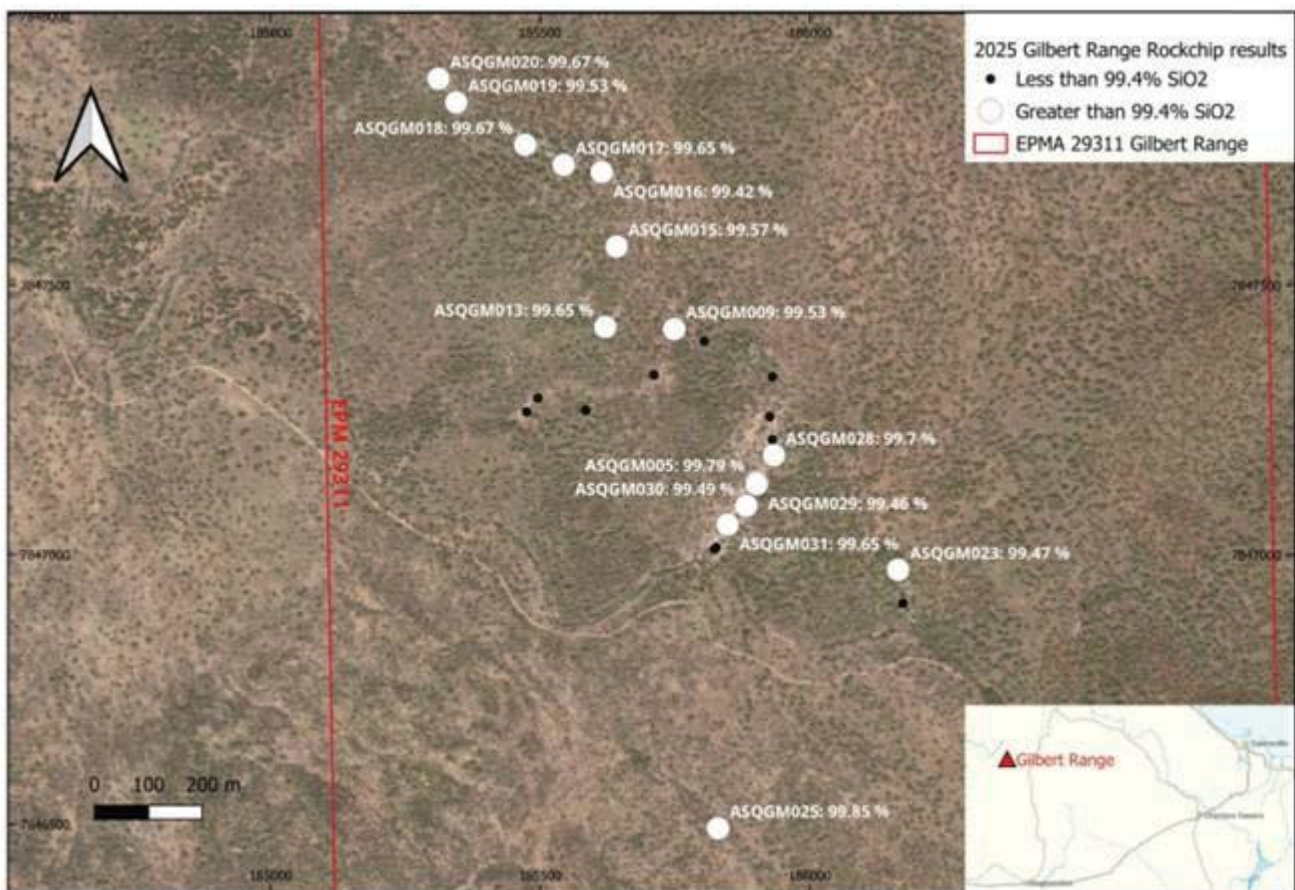


Figure 11: Gilbert Ranges MGSi Quartz Rock chip results (SiO<sub>2</sub>%)

Source: ASX: ASQ 22 Jan 2026. Projection is GDA94 Zone 55.

### 2.3.4. Exploration

During 2010 to 2012, KS Mining Pty Ltd completed rock chip quartz sampling and a historical Inferred resource estimate.

ASQ has carried out numerous exploration activities over the tenement which have resulted in a considerable Mineral Resource estimate. ASQ has collected a number of rock chip samples across its tenure, within the Douglas Range Project Area, Pandanus Creek and at Gilbert Ranges. These samples are shown in Table 4 and for Gilberts Range in Figure 11. Between August and September 2023, ASQ completed 14 reverse circulation (RC) drill holes for 1,499m at Quartz Hill.

In July of 2024, ASQ completed a PQ core diamond drillhole to be used for metallurgical test work (Figure 12 and Figure 13).

Table 4: ASQ Queensland High Purity quartz rock chip sampling results

Sample	Project	East mGDA94 Zone 55	North mGDA94 Zone 55	SiO <sub>2</sub> (%)	Al <sub>2</sub> O <sub>3</sub> (%)	Fe <sub>2</sub> O <sub>3</sub> (%)	TiO <sub>2</sub> (%)
ASQ0016	Mt Eliza	208073	7997356	99.84	0.100	0.009	0.009
ASQ0017	Mt Eliza	208962	7994888	99.63	0.257	0.012	0.013
ASQ0019	Douglas Range	204018	7980466	99.95	0.020	0.016	0.001
ASQ0020	Douglas Range	203894	7979978	99.99	0.007	0.001	0.001
ASQ0021	Douglas Range	204784	7979746	99.17	0.565	0.048	0.037
ASQ0022	Pandanus Creek	166173	7978179	99.98	0.015	<0.001	0.002
ASQ0023	Mt Eliza	212680	7992521	99.98	0.013	<0.001	0.001
ASQ0024	Mt Eliza	213848	7992644	99.97	0.016	0.001	0.001
ASQ0025	Mt Eliza	219361	7994476	99.18	0.591	0.026	0.010
ASQ0026	Douglas Range	207995	7977070	99.98	0.010	0.001	0.001
ASQ0027	Douglas Range	209198	7977166	99.89	0.064	0.005	0.012
ASQ0028	Douglas Range	206679	7984756	99.98	0.008	0.001	0.001

Source: ASX: ASQ 15 Dec 2021.

Table 5: Quartz Hill Ore sorting test work program – outcomes

Note: (\*Yield is the calculated department of the full sample prior to any processing.

	Yield*	SiO <sub>2</sub>	Fe <sub>2</sub> O <sub>3</sub>	Al <sub>2</sub> O <sub>3</sub>
<b>Mineral Resource:</b>				
Quartz Hill 17.3Mt Resource		99.04	0.17	0.70
<b>Metallurgical Testwork Products:</b>				
19-100mm Scrubbed (no sorting)	80%	99.23	0.08	0.47
19-100mm Low Grade Sorted Cut	67%	99.26	0.07	0.46
19-100mm High Grade Sorted Cut + 50-100mm Low Grade Sorted Cut	48%	99.32	0.06	0.42
+19-100mm Medium Grade Sorted Cut	43%	99.32	0.06	0.42
19-100mm High Grade, + 50-100mm Medium Grade Sorted Cut	32%	99.38	0.06	0.38
+19-100mm High Grade Sorted Cut	18%	99.40	0.05	0.37

Source: ASQ Quartz Hill Project – Metallurgical Test work Outcomes

### 2.3.5. Mineral Resource Estimate – Queensland Hard Rock Quartz (MGSi & HPQ) Project

The current estimate for the Quartz Hill deposit is presented below in Table 6. The Quartz Hill MGSi Silica Deposit Mineral Resource was completed by Ashmore Advisory Pty Ltd (Ashmore) for ASQ and reported applying the JORC guidelines. In 2023 ASQ completed 14 reverse circulation (RC) holes for 1,499m.

Table 6: Quartz Hill MGSi Project December 2023 MRE (98% SiO<sub>2</sub> Cut-off)

Class	Total Mineral Resource												
	Tonnage	SiO <sub>2</sub>	Al <sub>2</sub> O <sub>3</sub>	BaO	CaO	Cr <sub>2</sub> O <sub>3</sub>	Fe <sub>2</sub> O <sub>3</sub>	MgO	Mn <sub>3</sub> O <sub>4</sub>	Na <sub>2</sub> O	P <sub>2</sub> O <sub>5</sub>	TiO <sub>2</sub>	ΣOxides
	Mt	%	%	%	%	%	%	%	%	%	%	%	%
Indicated	7.6	99.09	0.67	0.003	0.005	0.001	0.16	0.008	0.005	0.023	0.005	0.033	0.91
Inferred	9.7	99.00	0.73	0.003	0.009	0.001	0.17	0.012	0.006	0.029	0.006	0.033	1.00
<b>Total</b>	<b>17.3</b>	<b>99.04</b>	<b>0.70</b>	<b>0.003</b>	<b>0.007</b>	<b>0.001</b>	<b>0.17</b>	<b>0.010</b>	<b>0.005</b>	<b>0.026</b>	<b>0.006</b>	<b>0.033</b>	<b>0.96</b>

Source: Quartz Hill MG Silica Deposit Mineral Resource Estimate Ashmore Advisory Pty Ltd, 11 December 2023.

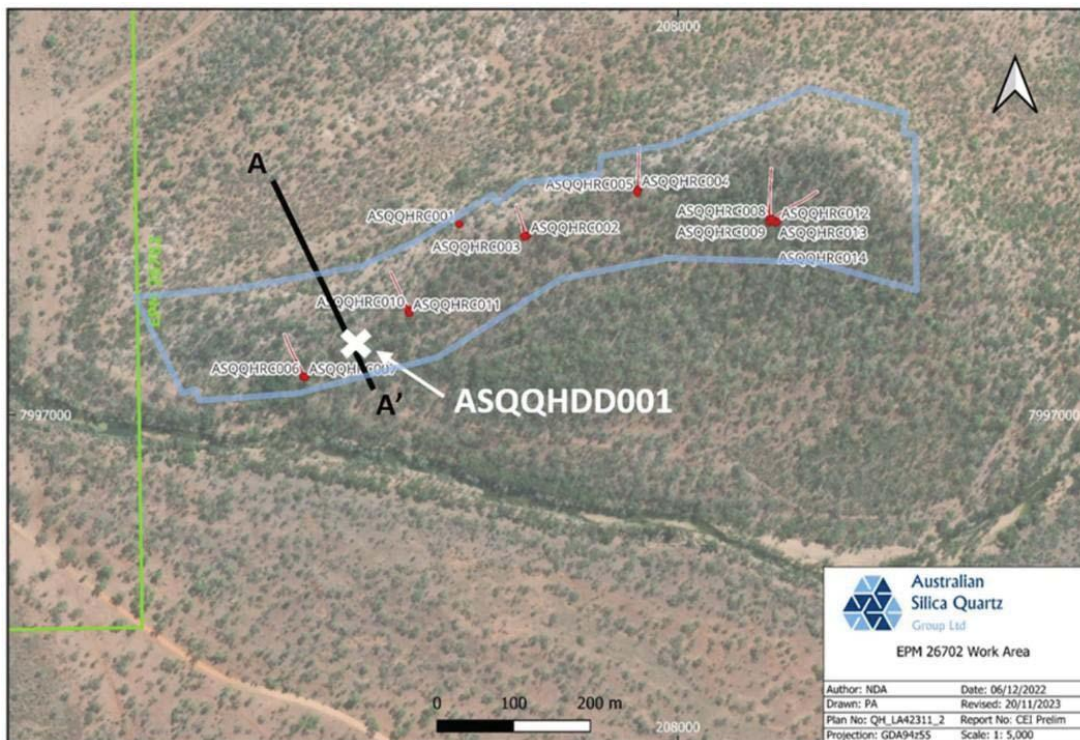


Figure 12: Quartz Hill 2023 RC drillhole locations and DDH Hole

Source: ASQ Annual Report 2025, note grid GDA94 (zone 55)

### 2.3.6. Exploration Data

All technical exploration data that has been reviewed by MinVal is available in various ASQ ASX releases including 12 December 2023, 19 December 2024, and 22 January 2026.

Programs of QAQC have been carried out by ASQ. A non-certified standard was inserted at regular intervals and results have accurately reflected the original assays and expected values. Field duplicates show repeatable results. A recognised laboratory has been used for analysis of samples.

Overall, the QAQC data shows there is no bias and supports data for use in a Mineral Resource.

### 2.3.7. MinVal Comment on Exploration Data

MinVal consider the data appear adequate to use for mineral resource estimation.

Ordinary kriging was used to estimate grade, and the domain wireframes were considered hard boundaries. Bulk density values were assigned in the block based on similar geological terrains, with assigned values of 2.6 to 2.65t/m<sup>3</sup> for the quartz units dependent on weathering.

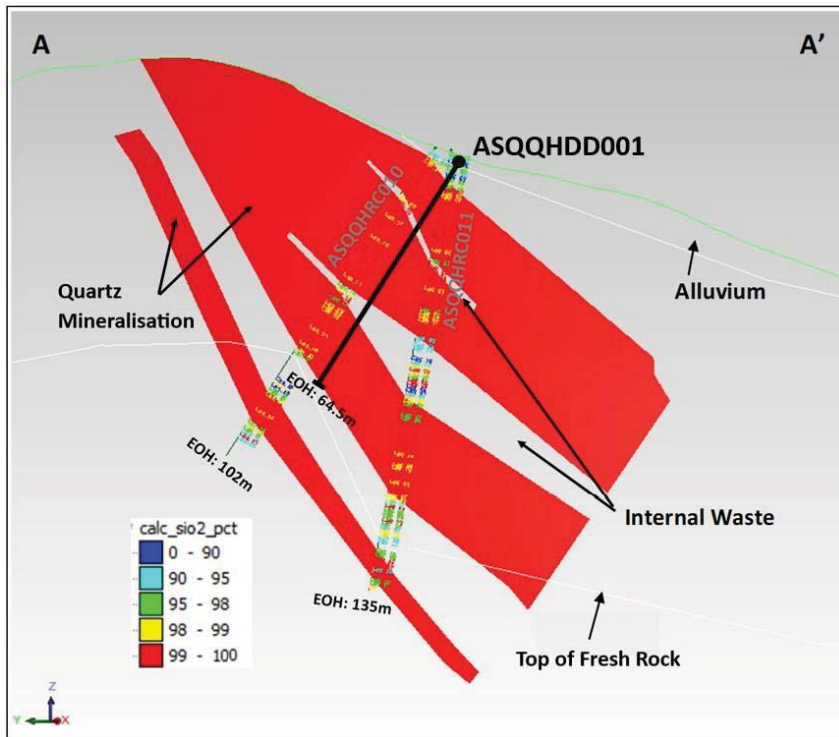


Figure 13: Cross section of Quartz Hill Wireframes – Section A-A'.

Source: ASX: ASQ 19 Dec 2024

The estimate was classified as Indicated and Inferred Mineral Resources based on data quality, sample spacing, and lode continuity. Indicated Mineral Resources were defined within areas of closer spaced RC drilling of less than 200m by 50m, and where the continuity and predictability of the lode positions was considered good. Inferred Mineral Resources were based on drill hole spacing greater than 200m by 50m, where small, isolated pods of mineralisation occur outside the main mineralised zones, and to geologically complex zones.

### 2.3.8. MinVal Resource Review Comments

MinVal considers the very blocky classification coding of the model illustrated in plan and oblique sections presented in the December 2023 ASX release by ASQ, to be adequate for the reporting of global tonnages and grade but cautions that detailed mine planning will likely require greater definition of local variability.

In MinVal's opinion, the use of assigned density is acceptable where there is insufficient density data available to support estimation, and this reduced level of confidence should be reflected in the confidence categorisation applied. The Competent Person has classified some of the resource as Indicated based on the geological continuity and the data spacing. MinVal considers that this classification is optimistic, given the use of assigned density.

### 2.3.9. Exploration and Development Potential

There is less drill coverage in some of the shallow, up-dip projections of the mineralisation, due to drill rig access on steep terrain. Further drilling is required for to improve confidence in the estimate in these areas of the deposit.

Further drilling along strike or down-dip within the Project area may define extensions to known mineralisation or new zones of quartz mineralisation.

Diamond drilling should be considered for gathering bulk density measurements to allow the estimation of density in the model.

Anomalous SiO<sub>2</sub> results from ASQ0023 and ASQ0024, should be investigated with rock chipping along the extent of the Mount Surprise Quartz Ridge located in EPM26702 to test grade continuity, and follow up drilling should the rock chip results be positive.

Further follow-up work at Mount Surprise, Douglas, Pandanus and The Gilber Range Projects, could delineate sources of >99% SiO<sub>2</sub> MGSi quartz targets.

## **2.4. Koolyanobbing Metals Project**

Details geology, exploration history and recent ASQ exploration within the Koolyanobbing Metals Project (KMP) are detailed and sourced from

- ASQ Acquires Li/Au/Ni/Cu Ground (ASX: ASQ 11 August 2022).
- ASQ Encouraging Gold Results from Exploration Drilling (ASX: ASQ 17 October 2024).
- ASQ Koolyanobbing Gold Projects – Exploration Update (ASX: ASQ 31 March 2025)

### **2.4.1. Tenure, Location and Access**

The KMP (Figure 1) comprises lease areas of 408km<sup>2</sup> granted tenure and 91km<sup>2</sup> in applications overlying portions of the Koolyanobbing Shear Zone and Koolyanobbing Greenstone Belt. The KMP exploration consists of Golden Wishbone, Golden Wishbone SE, EMU Targets (Au), the Island Gossan (Cu-Au), Seabrook Pegmatites (Li), and the Lake Seabrook HPQ Project.

The KMP covers 54% of the Koolyanobbing Greenstone Belt and 38km in strike of the crustal scale Koolyanobbing Shear Zone that runs along the western edge of the greenstone package.

### **2.4.2. Geological Setting and Mineralisation**

The KMP covers a portion of the Archaean Koolyanobbing Greenstone Belt (KGB). The KGB is approximately 48km long, 8km wide and strongly elongate in a north-west direction.

A mylonite zone follows the south-western boundary of the greenstones defining part of the Koolyanobbing Shear Zone (KSZ). The KSZ is a crustal-scale feature

The KGB consists of amphibolite, variably altered ultramafic rocks, chert, banded iron formation and minor pelitic and psammitic rocks. The belt was metamorphosed to amphibolite grade with minor greenschist zones. Banded iron formations dominate occurring along two ridges extending through the belt.

At the Lake Seabrook Project ASQ has identified a 5km long quartz vein lying along the southwestern margin of the Youanmi Greenstone Belt at the Koolyanobbing Shear Zone.

Known gold mineralisation within the belt is minimal and documentation is sparse. There are a number of small pits and shafts located along BIF ridges generally associated with quartz veins.

### **2.4.3. Exploration**

The historical drilling was generally shallow with the average hole depth being 24m. The deepest historic hole at Golden Wishbone SE is 71m. Multiple historic holes end in mineralisation.

The Golden Wishbone Gold Trend consists of 7km strike length trend of gold anomalism and occurrences follows an interpreted shear zone on an ultramafic contact (See Figure 14). The Golden

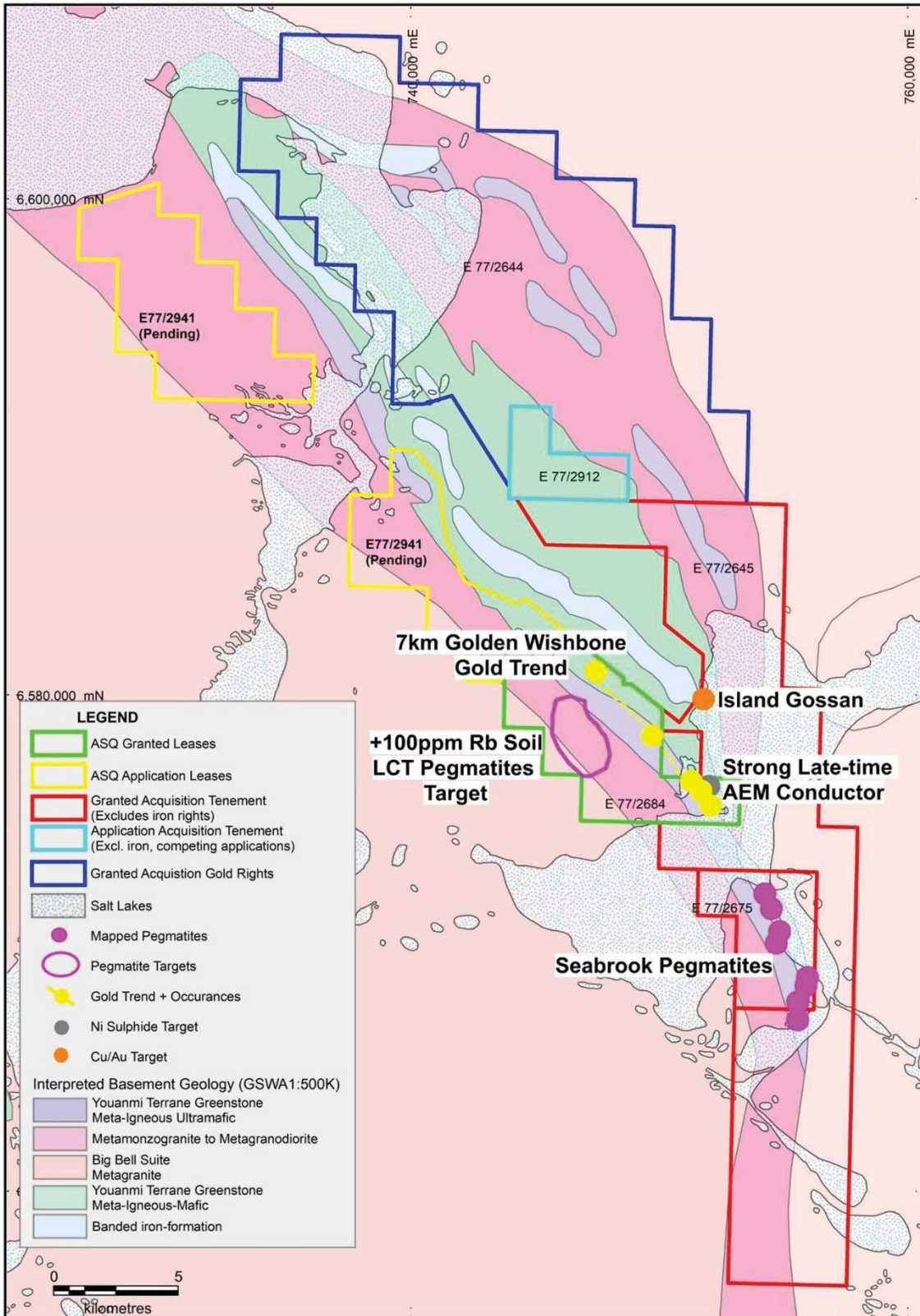


Figure 14: KMP Tenements with ASQ targets

Note: the outline of the tenement applications are not current, Projection AMG94 (Zone 50)

Source: ASQ Annual Report 2022

Wishbone mineshaft lies at the northern end of the trend. At the southern end of the trend previous explorers identified a 1.5km Au in soils anomaly and patchy rock chip samples up to 2.68g/t.

In total, significant intersections were recorded in 39 drill holes at Golden Wishbone SE.

Previous explorers have mapped an extensive swarm of outcropping pegmatites over a strike length of 6.5km at Seabrook Pegmatites within the KMP (Figure 14) with a coherent Rubidium soil anomaly. Historic pegmatite rock chip sampling returned assays up to 470ppm Li/1654ppm Rb and noted the presence of tantalum minerals and lepidolite, indicating a LCT pegmatite potential.

The historical Island Gossan target (Figure 14) consists of an area of outcropping gossan developed within an interlayered sequence of felsic tuff, clastic sediments, chert and banded iron formation. The gossan is over 400m long and 5m wide with pyrite, pyrrhotite and oxidised chalcopyrite identified. Rock chip assays of up to 1150ppm Cu and 0.04ppm Au were reported.

ASQ completed both an aircore and a four hole, 413m RC program partly testing the central the gold target being (ASX: ASQ 31 March 2025).

- ASQAC021: 1m @ 4.4g/t Au from 55m
- ASQAC015: 5m @ 0.5g/t Au from 76m
- ASQRC015: 2m @ 14.2g/t Au from 11m incl. 1m @ 27.7g/t Au
- ASQRC013: 4m @ 1.2g/t Au from 24m

The ASQRC015 mineralisation is located off strike but parallel to the historic workings (Figure 15).

Samples from ASQ's Lake Seabrook HPQ Project (Figure 17) have yielded 99.99% SiO<sub>2</sub> quartz powder (Table 7) after treatment at a commercial laboratory in Perth using a simplified 9 stage purification flowsheet developed by ASQ without the use of hot chlorination or hydrofluoric acid leaching. Whilst the achieved quartz purities are not yet crucible grade (>99.997% SiO<sub>2</sub>) ASQ is targeting improved product purity with adjustments to the flowsheet with the aim of meeting crucible grade product, with metallurgical trials in 2026.

Table 7: Chemical Analysis of the Lake Seabrook sample following simplified purification trials.

	Easting	Northing	Al	Fe	Ca	Na	∑ Impurities	SiO <sub>2</sub>
Units	GDA94 Zone 50		ppm	ppm	ppm	ppm	ppm	%
Subsample A	172143	6578322	31.5	0.9	11.7	10.8	69.9	99.993
Subsample B			34.4	0.4	12.2	11.5	74.9	99.993

Source: ASQ March 2026 Quarterly Report Note: Projection is GDA94 Zone 50.

#### 2.4.4. Exploration Data

Various sampling techniques and methods have been used in the historical data presented, including, rock chip sampling, soil sampling, laterite sampling and auger sampling. The exact sampling methods cannot be determined with confidence from the historical data.

In September and December 2024, ASQ completed two drilling programs, a Reverse Circulation (RC) and Aircore (AC) program respectively.

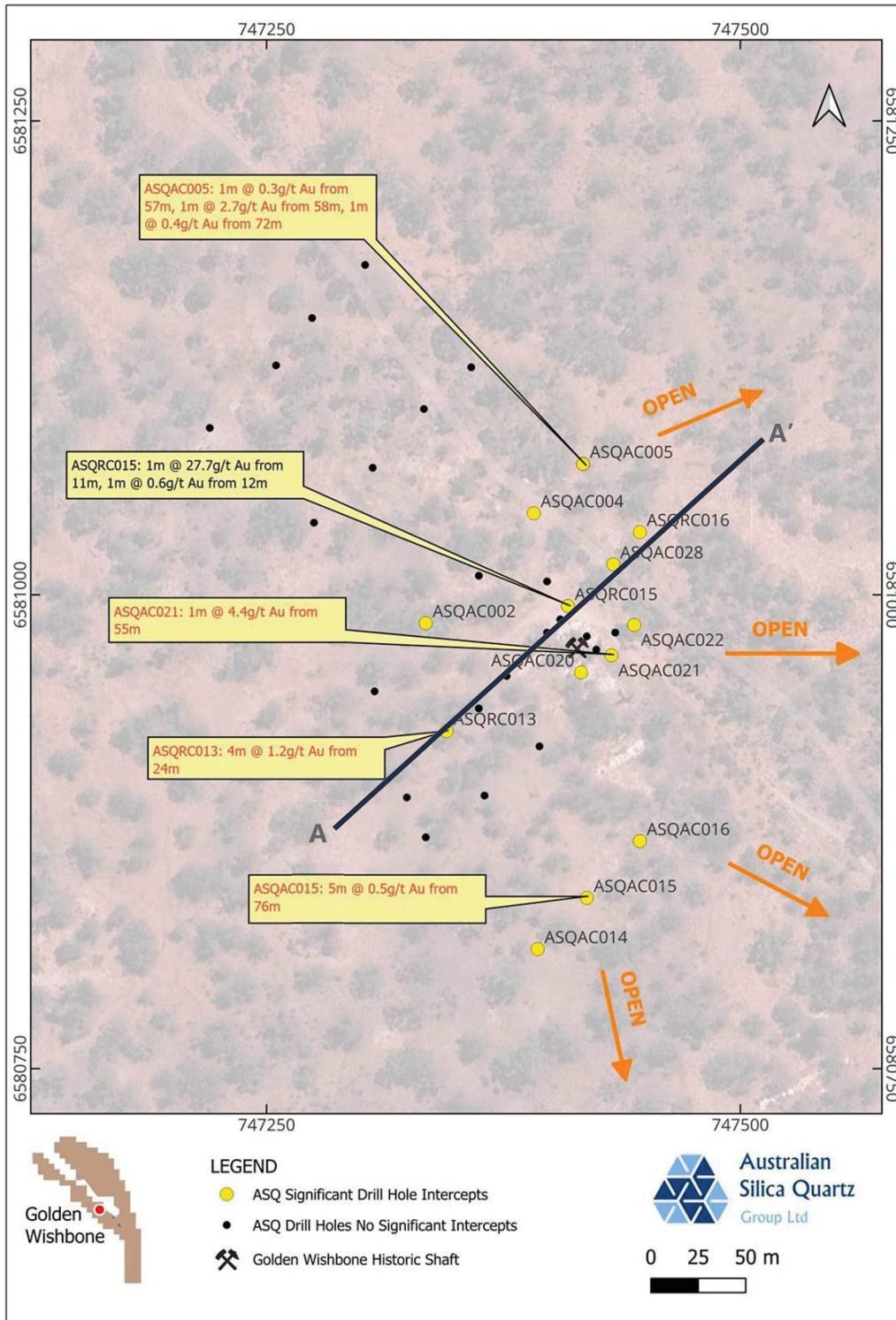


Figure 15: ASQ Drilling Results at Golden Wishbone Target

Source: ASQ Annual Report 2025. Projection is GDA94 Zone 50.

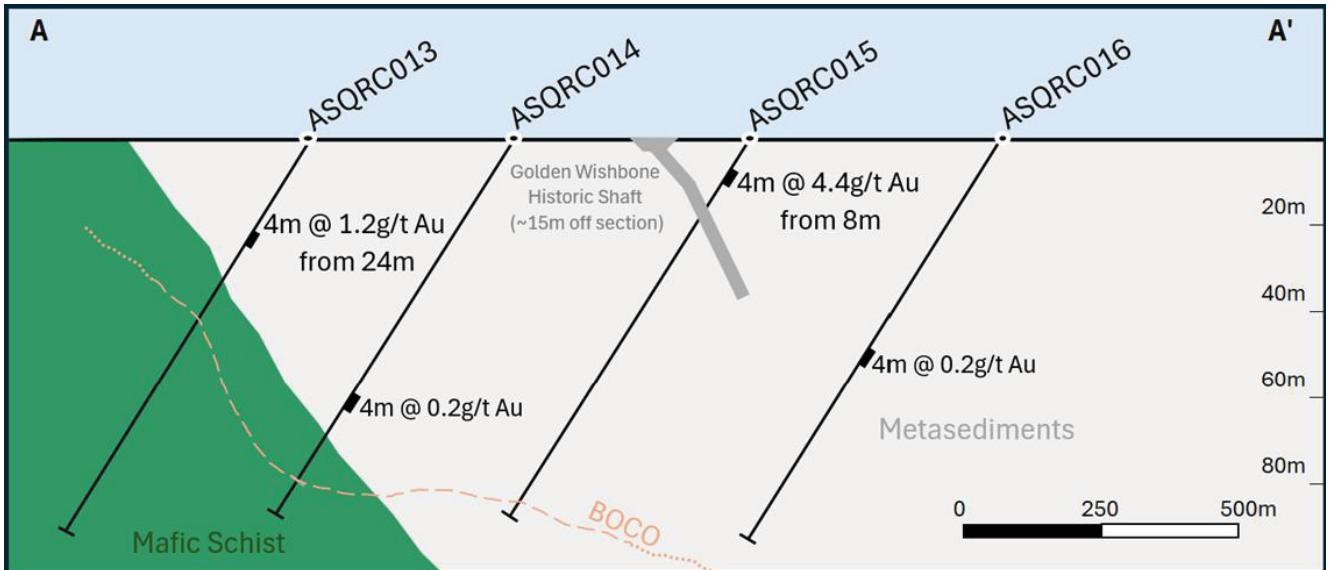


Figure 16: Cross section A-A' of the Golden Wishbone Target with significant intercepts.

Note: Refer to Figure 15 or plan view of section A-A'.

Source: ASX: ASQ 17 October 2024



Figure 17: Lake Seabrook High Purity Quartz Project

Source: ASQ Exploration and Research Update – Hardrock Purity Quartz and Silica. Projection is GDA94 Zone 50

ASX: ASQ 15 Dec 2021

Gold analysis was done using a 50g Fire Assay and ICP-AES finish. There was a high degree of variability between original samples and repeats for a number of the ASQ drilling samples with gold over 0.1g/t Au.

#### 2.4.5. MinVal Comment on Exploration Data

In MinVal's opinion, there is a substantial amount of data in the Koolyanobbing dataset, collected over an extensive period and of a range of reliability. Collectively, the dataset is appropriate for use in valuing the asset.

#### 2.4.6. Development Potential

In MinVal's opinion, step-out drilling along strike and down dip of Golden Wishbone targets have the potential to extend mineralisation and confirm the strike, dip and the extent of the mineralisation, as well as targeting potential parallel lode structures hosting mineralisation.

Additionally, in MinVal's opinion there is potential to target and assess multiple commodities over the KMP. Further drilling should be considered at the Island Gossan, and the numerous late-time conductor targets. Further rock chip sampling should also be considered for the Seabrook Pegmatites.

### 2.5. Gingin Silica Sand Project

#### 2.5.1. Tenure, Location and Access

The Gingin Silica Sand Project consists of one 8 block exploration licence application, located 20km north of Perth (Figure 1).

The following information on regional geology was sourced from the following documents:

- ASQ (BRL) Silica Sand and Hardrock Silica Quartz Project Updates (14 Dec 2017).

#### 2.5.2. Geological Setting and Mineralisation

The Gingin Project lies within the Bassendean sand unit which hosts large deposits of high grade silica sand. The project has dunes up to 15m high and 2km long. Sand in the area has been mined for several decades for use in the glass industry and other high grade uses.

#### 2.5.3. Exploration

Two grab samples were collected from the Project with the samples washed, sized and density separation undertaken by ALS Global then analysed (acid digest and ICP analysis with SiO<sub>2</sub> calculated by difference) at TSW Analytical achieving grades up to 99.94% SiO<sub>2</sub> (Table 8).

Chemical analysis at different size fractions (Table 9) was done on W0001. Assays of 99.948% SiO<sub>2</sub> were received from the -710/+250um fraction sands with recovery of 91.2%.

Table 8: Summary results for washed, screened and density separated sand grab samples.

Sample	Zone	MGA mEast	MGA mNorth	Project	SiO <sub>2</sub> (%)	Al <sub>2</sub> O <sub>3</sub> (ppm)	Fe <sub>2</sub> O <sub>3</sub> (ppm)	TiO <sub>2</sub> (ppm)	CaO (ppm)
W0001	50	401680	6489957	Gingin	99.94	173	50	229	25
W0002	50	402368	6489220	Gingin	99.93	193	71	287	32

Source: Bauxite Resources Limited Silica Sand and Hardrock Silica Quartz Project Updates (14 December 2017).

Table 9: Chemical analysis by size fraction for sample W0001.

Grain Size (Microns)	Mass% Retained	SiO <sub>2</sub> (%)	Sodium (%)	Aluminium (%)	Titanium (%)	Iron (%)
+710um	5.8	99.937	0.004	0.010	0.012	0.006
-710/+500um	30.5	99.952	0.003	0.008	0.010	0.003
-500/+355um	46.5	99.949	0.003	0.008	0.011	0.003
-355/+250um	14.2	99.936	0.003	0.008	0.012	0.004
-250/+180um	2.2	99.930	0.002	0.009	0.016	0.007
-180/+125um	0.2	99.741	0.005	0.026	0.005	0.075
-125/+90um	0.6	99.777	0.006	0.030	0.025	0.031
<b>-1.0mm/+53um</b>		<b>99.966</b>	<b>0.003</b>	<b>0.009</b>	<b>0.014</b>	<b>0.003</b>
<b>-710/+250um</b>	<b>91.2</b>	<b>99.948</b>	<b>0.003</b>	<b>0.008</b>	<b>0.011</b>	<b>0.003</b>

Source: Bauxite Resources Limited Silica Sand and Hardrock Silica Quartz Project Updates (14 December 2017)

#### 2.5.4. Development Potential

Sand from the region has been mined for several decades and used in the glass industry and other high grade uses. There are active mining and processing sand operations in the region.

The tenement has been in application since 2018.

## 3. Australian Kaolin Limited

### 3.1 White Swan Kaolin Project

The details of the White Swan Kaolin Project are largely extracted from the ASQ ASX release detailing the Purchase AKL (ASX: ASQ 21 April 2026). MinVal also reviewed the report detailing the 2023 Mineral Resource estimate titled White Swan Kaolin Deposit Mineral Resource Estimate, by Ashmore Advisory Pty Ltd.

The White Swan Kaolin Project consists of three tenements located just north of Esperance and includes a JORC 2012 kaolin Mineral Resource estimate.

**Table 10:** Australian Kaolin Limited Tenement Schedule, as of 24 April 2026.

Project	Lease	Status	Grant	Exp	Area	Holders
White Swan Kaolin Project	M63/688	Granted	3/11/2025	2/11/2046	419.8 Ha	AKPL
White Swan Kaolin Project	E63/1895	Granted	26/11/2018	25/11/2028	6 Bl	AKPL
White Swan Kaolin Project	E63/2047	Granted	20/08/2020	19/08/2030	12 Bl	AKPL

Source: Internally supplied by ASQ, and verified using Landtracker (<https://www.landtracker.com.au>) AKPL – Australian Kaolin Pty Ltd.

MinVal is not an expert on legal tenure but has verified tenure for the White Swan leases on the Western Australia Department of Mines, Petroleum and Exploration tenements database to satisfy the requirements of the VALMIN Code, in support of our valuation.

#### 3.1.1. Overview

AKL is the owner of the White Swan Kaolin Project located of Esperance (Figure 18 and Figure 19). The White Swan Kaolin Mineral Resource has been reported in accordance with the JORC Code 2012. A mining proposal for a 250,000 tonne per annum, operation at White Swan has been approved by the Department of Mines, Petroleum and Exploration (DMPEs).

There is a \$1.10/t royalty payable on mineral production from the Project which has not been reported in the ASX release associated with the Proposed Transaction.

#### 3.1.2. Tenure, Location and Access

Since 2019 Australian Kaolin Limited has been conducting exploration at the White Swan Project in the Esperance Shire 33km north-northeast of Esperance via Dempster Rd and Fisheries Road. The Project area is accessible all year round via bitumen roads (Figure 18) and Figure 19). The Project is situated on the private freehold farmland.

E63/1895 is a six block licence covering 16.75 km<sup>2</sup>. The surrounding 36 block tenement, E63/2047, is 100.5km<sup>2</sup>. The Mineral Resource estimate is within a recently granted 419.77Ha mining lease (M63/688), within E63/1895. (Figure 19).

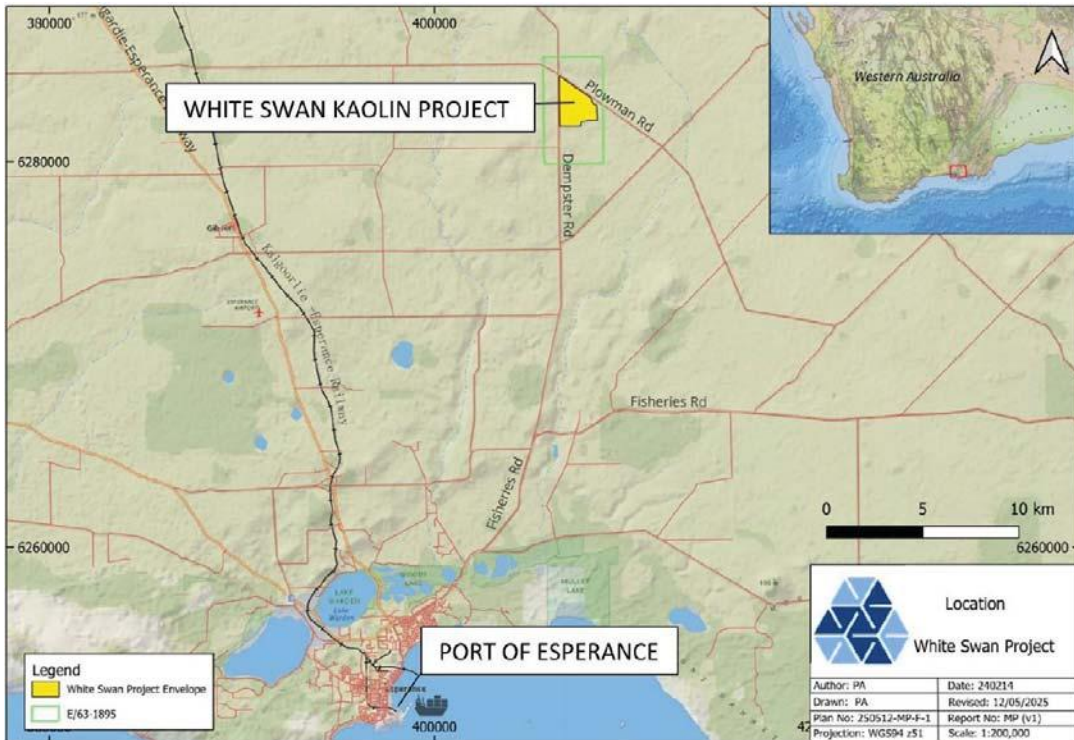


Figure 18: AKL WSP Location, including Tenements M63/688, E63/1895 and E63/2047.  
 Note: Projection is AGD94 Zone 51.  
 Source: ASX ASQ 21 April 2026.

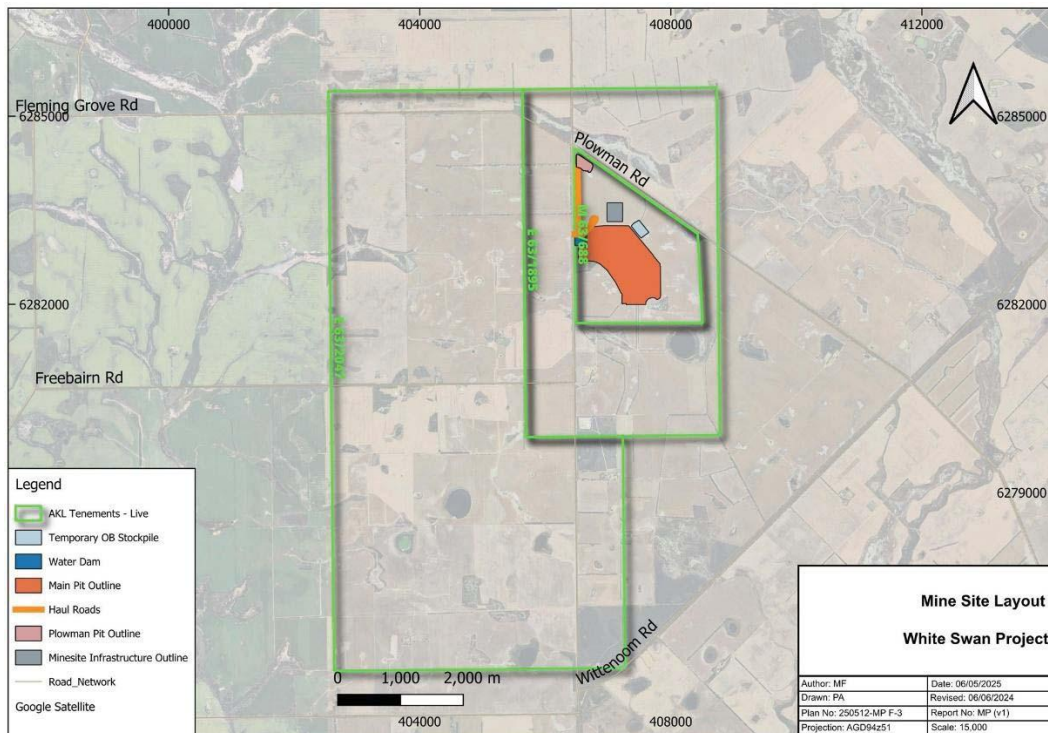


Figure 19: White Swan Kaolin Project Tenement plan and mining proposal layout.  
 Note: Projection is AGD94 Zone 51.  
 Source: Source: ASX ASQ 21 April 2026.

### 3.1.3. Geological Setting and Mineralisation

The basement geology at White Swan is dominated by strongly deformed orthogneiss of the Biranup Zone a part of the Albany-Fraser Belt along the southern and south-eastern margin of the Archean Yilgarn Craton.

Weathering the basement granite resulted in laterite profile with a ferricrete layer underlain by a kaolin dominated zone.

Kaolin dominant zone is formed through weathering of feldspar-rich granitoids. The overlying regolith profile is between 1m and 4m thick.

The confidence in the geological interpretation is considered to be good.

The deposit is tabular in geometry with clear boundaries defining the mineralisation. The flat lying kaolinitic clay units are near surface, with minor overburden that follows the flat topography. The base of the kaolin is determined from geochemistry and a noted change in colour, texture and weathering intensity.

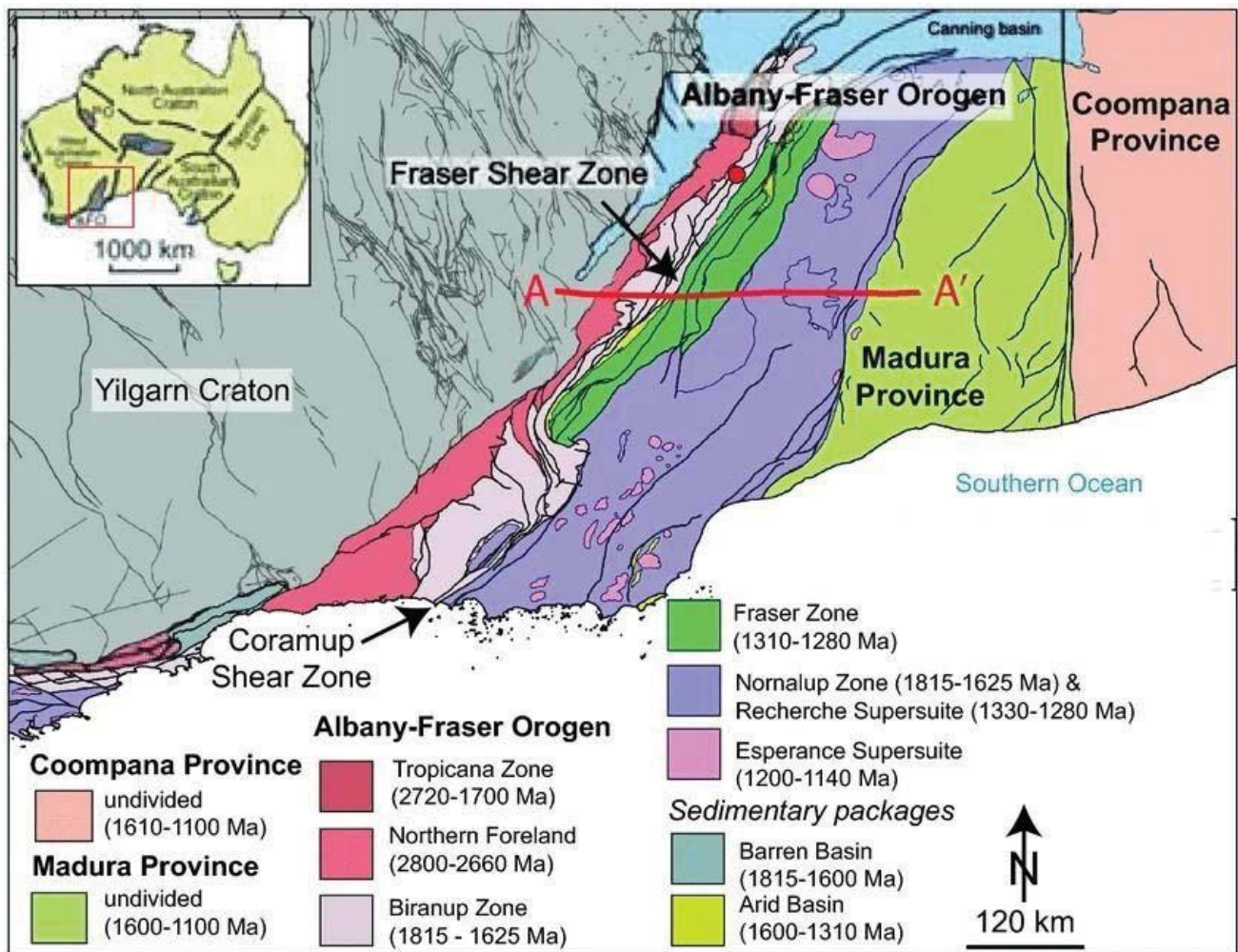


Figure 20: Geological Map of the Albany-Fraser Orogen

Source: Hartnady, et. Al (2019)

### 3.1.4. Exploration

This description of previous exploration is summarised from ASQ ASX Release dated 21 April 2026.

The Project was initially explored by Western Mining Corporation (WMC) between 1989 to 1991. WMC drilled 47 air core holes up to 28m depth for 626m (Figure 21). Samples were prepared from these holes and tested for suitability as a high-quality paper coating clay. Results gave brightness values up to 86% at wavelengths of 457nm and 92% at wavelengths of 570nm. The brightness values were well within paper coating grade specifications. The viscosity was generally variable and below the required specifications for the paper coating market. Testing for kaolin applications other than paper coating was not carried out.

Following a round of near surface auger samples to confirm basic kaolin quality AKL conducted a drill program consisting of 40 air core holes for 613m during 2022 and commissioned a Mineral Resource estimate.

### 3.1.5. Exploration Data

Aircore drilling was undertaken by both WMC and AKL. WMC drilled 47 holes for 626m (ESKC001-ESK047), and AKL drilled 40 holes for 613m (GK001-GK040), refer to Figure 21. All air core samples were visually checked for recovery, moisture and contamination.

WMC visually selected 23 kaolin rich samples from 14 holes tested by CSIRO for a standard range of properties to determine the suitability as a paper coating clay. 156 one metre air core samples were submitted for XRD analysis. WMC QA/QC methodologies were not reported and are unknown.

All AKL drill spoil was collected on 1m intervals which were spear sampled within the kaolin intersection of each of the selected drill holes. Sample composites were taken at variable lengths of 1m, 2m, 3m or 4m. The composite samples were manually homogenised by multiple passes through a 50:50 riffle splitter. The homogenised composite samples were dry screened to  $-45\mu\text{m}$  at the laboratory. AKL experienced the same issues as WMC, with clayey samples clogging the cyclone and water inflows causing a contaminated slurry. No relationship between sample recovery and grade has been detected.

AKL QAQC procedures involved the inclusion of non-certified high purity kaolin reference materials inserted at the laboratory. Recognised laboratories have been used for analysis of samples. Field duplicates were not employed in the AKL program.

AKL samples underwent XRF analysis at Microanalysis Australia Laboratory in Perth WA. Analysis was conducted after screening, on the  $-45\mu\text{m}$  mesh size. Elements analysed included  $\text{Al}_2\text{O}_3$ ,  $\text{SiO}_2$ ,  $\text{Fe}_2\text{O}_3$ ,  $\text{CaO}$ ,  $\text{MgO}$ ,  $\text{TiO}_2$ ,  $\text{P}_2\text{O}_5$ ,  $\text{K}_2\text{O}$ ,  $\text{Na}_2\text{O}$ ,  $\text{Cr}_2\text{O}_3$ ,  $\text{V}_2\text{O}_5$ ,  $\text{ZrO}_2$ ,  $\text{ZnO}$ ,  $\text{BaO}$ ,  $\text{Ga}_2\text{O}_3$ ,  $\text{Mn}_3\text{O}_4$ ,  $\text{SrO}$  and LOI1000 completed using a TGA machine. The QAQC results confirm the suitability of the drilling data for use in the resource estimation.

Ashmore recommended obtaining samples from and assaying every metre drilled within the mineralisation, and also a few metres into waste above and below the mineralisation. Ashmore also recommended using a rig-mounted cone splitter for sample collection directly into calico bags, and the insertion of field standards and duplicate samples at a rate of 1 in 50 and 1 in 25 samples respectively. MinVal endorses Ashmore's recommendations.

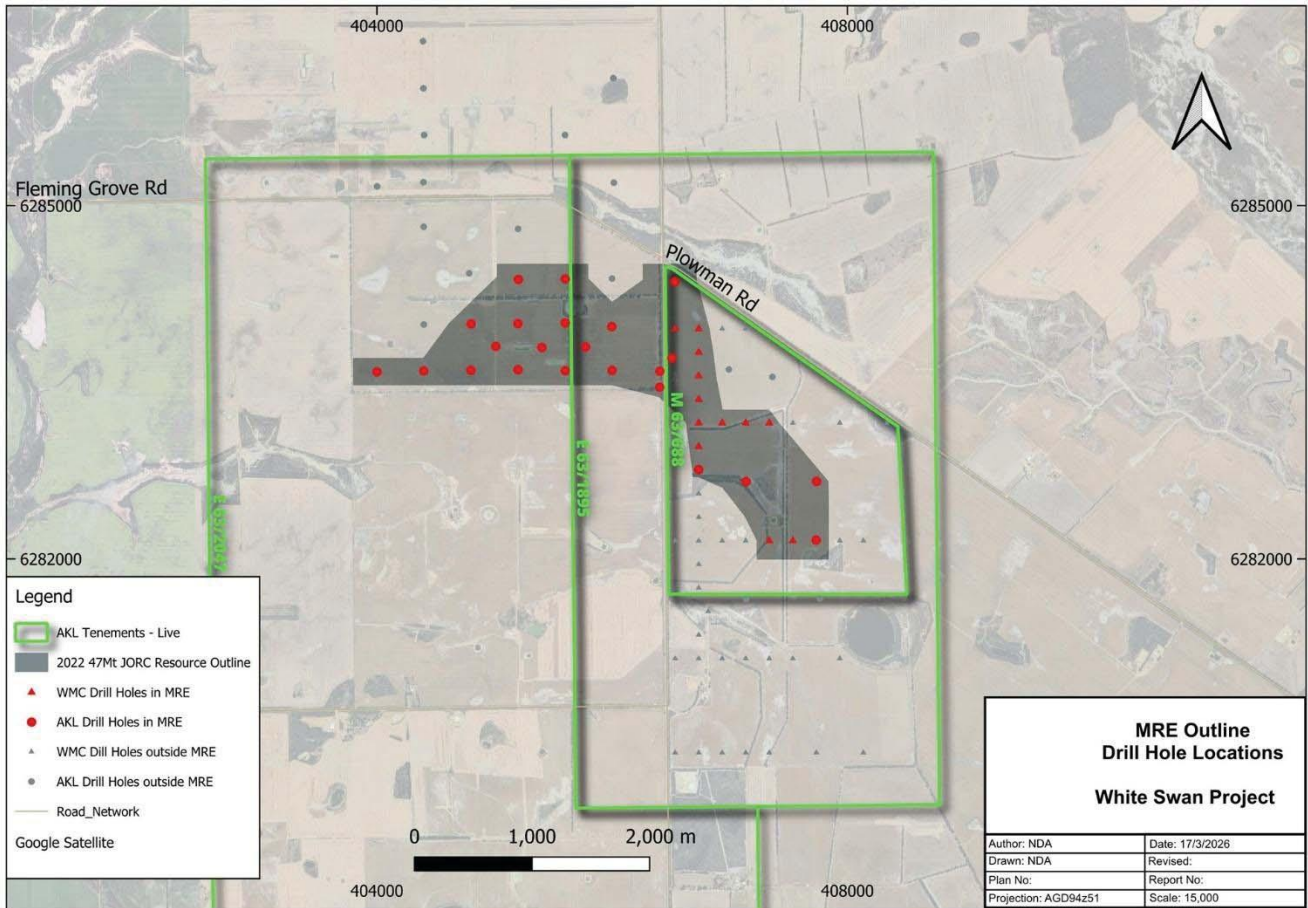


Figure 21: WSP Inferred Mineral Resource Estimate.

Note: Historical and current drilling conducted by WMC and AKL are shown respectively (AGD94 Zone 51).

Source: ASX ASQ 21 April 2026.

### 3.1.6. MinVal Comment on Exploration Data

MinVal has reviewed the exploration data and Ashmore’s recommendations. In MinVal’s opinion, the quality of the exploration data is of low confidence but is acceptable for use in Mineral Resource estimation, provided the classification applied reflects the uncertainty in the data.

### 3.1.7. Mineral Resource Estimate – White Swan Kaolin Project

The current Mineral Resource Estimate for the White Swan Kaolin Project is reported in accordance with the JORC Code 2012 and is summarised in Table 11.

Table 11: WSP August 2023 Inferred Mineral Resource Estimate (>25% Al<sub>2</sub>O<sub>3</sub> Cut-off).

Total Resource (Mt)	-45µm (%)	Product Tonnage (Mt)	Brightness (%)	Yellowness (%)	Al <sub>2</sub> O <sub>3</sub>	SiO <sub>2</sub>	Fe <sub>2</sub> O <sub>3</sub>	K <sub>2</sub> O	Na <sub>2</sub> O	TiO <sub>2</sub>	LOI
47.3	49.2	23.2	71.9	15.5	34.5	49.5	1.05	0.90	0.29	0.76	12.4

Source: ASX ASQ 21 April 2026.

A block model was created following the 2022 AC program which added 40 new drill holes. The mineralisation was constrained by wireframes prepared using logged kaolin clay geology as well as down hole geochemistry where relative yields of -45µm were generally greater than 40% and the

Al<sub>2</sub>O<sub>3</sub> grades were greater than 25%. The wireframes focussed on the portions of the deposit drilled by AK1, using historical WMC holes within those portions to aid the interpretation.

The model block dimensions were 50m NS by 25m EW by 2.5m vertical with sub-cells of 12.5m by 6.25m by 0.625m. The parent block size was selected based on half the closest drill hole spacing, while dimensions in other directions were selected to provide sufficient resolution to the block model in the across strike and vertical direction. Bulk density values were assigned in the block based on similar geological terrains, with assigned values of 1.5t/m<sup>3</sup> for topsoil and 1.6t/m<sup>3</sup> for kaolin clay.

Grade was interpolated into the block model using inverse distance squared (ID<sup>2</sup>). A flat orientated search ellipse consistent with the interpreted geology was used for the estimation. Two passes were used for the estimate. The first pass had a range of 200m, with a minimum of 4 samples. The second pass range was extended to 400m, with a minimum of 2 samples. A maximum of 16 samples was used for each pass with a maximum of 6 samples per hole.

Drilling at the deposit extends to a vertical depth of 45m and the mineralisation was modelled from surface, up to a depth of approximately 39m below surface. The estimate is based on air core drilling. Drill hole spacing is predominantly 400m by 200m or 200m by 200m, with minor infill drilling to a 100m by 100m spacing in portions of the deposit.

Statistical analysis was carried out on data from the kaolin domain on 1m composite data. The use of top cuts was ruled out following a review of the population histograms and log probability plots and noting the low coefficient of variation statistics.

The Mineral Resource is reported above a 25% Al<sub>2</sub>O<sub>3</sub> cut-off grade, however additional tables are included in the non-public Mineral Resource estimate Report at higher Al<sub>2</sub>O<sub>3</sub> cut-off grade of 30% and cutoffs for Fe<sub>2</sub>O<sub>3</sub> of <1% and <0.75% to demonstrate potential higher quality products these higher cut-off estimated are not publicly reported.

### **3.1.8. MinVal Resource Review Comments**

In MinVal's opinion, the Mineral Resource estimate is acceptable for use to support a valuation. The classification appropriately reflects the confidence of the data.

### **3.1.9. Development Potential**

In MinVal's opinion, it is reasonable to assume the mineralisation would be mined via an open pit. Given the proximity to the port along with the shallow nature of the mineralisation the critical aspect for a potential development is a potential offtake option for the mineralisation identified within the Project. While the grades, material nature of the kaolin generally appears to be suitable for several products until a potential market is confirmed then no economic assessments are considered possible.

AKL have an approved Mining Proposal and Mine Closure Plan (MP/MCP) for a 250,000 tonne per annum, free dig, near surface, open pit, direct shipping ore (DSO) mining operation however it is noted that no economic studies have been completed to assess the viability of the approved mining operation.

## 4. Valuation Methodology

The VALMIN Code outlines various valuation approaches that are applicable for Projects at various stages of the development pipeline. These include valuations based on market-based transactions, income or costs as shown in Table 12 and provides a guide as to the most applicable valuation techniques for different assets.

Table 12: VALMIN Code 2015 valuation approaches suitable for mineral Properties.

Valuation Approach	Exploration Projects	Pre-development Projects	Development Projects	Production Projects
Market	Yes	Yes	Yes	Yes
Income	No	In some cases	Yes	Yes
Cost	Yes	In some cases	No	No

In accordance with the definitions used in the VALMIN Code, the Projects are best described as an Advanced Exploration project. There are Mineral Resource estimates, but no Ore Reserve estimates that have been reported in accordance with the current 2012 edition of the JORC Code within the Project, there are identified targets and the nature of the mineralisation is understood.

In MinVal's opinion, the Projects should be valued using a Geoscience approach for the exploration potential. A supporting valuation has been completed using a PEM approach.

### 4.1. Previous Valuations

MinVal is not aware of any previous valuations for the Project that have been undertaken in the last 8 years.

### 4.2. Valuation Subject to Change

The valuation of any mineral property is subject to several critical inputs most of these change over time and this valuation is using information available as of 20 May2026 being the valuation date of this Report and considering information up to 20 May2026. This valuation is subject to change due to updates in the geological understanding, variable assumptions and mining conditions that may impact on the development assumptions, the ability and timing of available funding to advance the properties, the current and future metal prices, exchange rates, political, social, environmental aspects of a possible development, a multitude of input costs including but not limited to fuel and energy prices, steel prices, labour rates and supply and demand dynamics for critical aspects of the potential development like mining equipment. While MinVal has undertaken a review of several key technical aspects that could impact the valuation there are numerous factors that are beyond the control of MinVal.

As at the date of this Report in MinVal's opinion there have been no significant changes in the underlying inputs or circumstances that would make a material impact on the outcomes or findings of this Report.

### 4.3. General Assumptions

The Project has been valued using appropriate methodologies as described in Table 12 and in the following sections. The valuation is based on several specific assumptions detailed above, including the following general assumptions.

- That all information provided to MinVal is accurate and can be relied upon.
- The valuations only relate to the Mineral Assets located within the tenements controlled by the Company, and not their shares or market value.
- That the information relating to mineral rights, tenement security and statutory obligations reviewed by MinVal were fairly stated and that the mineral licenses will remain active.
- That all other regulatory approvals for exploration and mining reviewed by MinVal are either active or will be obtained in the required and expected timeframe.
- That the owners of the mineral assets can obtain the required funding to continue exploration activities.
- The metal prices used in this report and valuation are as of 20 May2026, being.
- The US\$ - AUS\$ exchange rate of 0.7151 on 20 May2026.
- All currency in this Report are Australian Dollars or AUS, unless otherwise noted, if a particular value is in United States Dollars, it is prefixed with US\$.

### 4.4. Market Analysis

The market for high purity silica is opaque, and it was not possible to identify sufficiently reliable data to complete a market analysis.

### 4.5. Exploration Asset Valuation

To generate a value of an early-stage exploration property or the exploration potential away from a mineral deposit, it is important to value all the separate parts of the mineral assets under consideration. In the case of the advanced properties the most significant value drivers for the overall property are the declared Mineral Resources or Ore Reserves, while for earlier stage properties a significant contributor to the property's value is the exploration potential. There are several ways to determine the potential of pre-resource Properties, these being:

- A Geoscientific (Kilburn) Valuation.
- Comparable transactions (purchase) based on the properties' area or Mineral Resource estimates (both current and historic).
- Joint Resolution terms based on the properties' area; and
- A prospectivity enhancement multiplier (PEM).
- A rule of thumb valuation for early-stage pre-resource projects.

The projects are considered to range between early to advanced exploration projects, with the advanced projects hosting Mineral Resource estimates. MinVal considers all the Mineral Resource estimates to be lower confidence estimates, despite the Quartz Hill estimate having portions classified as Indicated Mineral Resources, MinVal considers the Indicated status conferred to parts of the Quartz Hill estimate to be overly optimistic, considering the tonnage estimates are based on assigned average density values derived from interpreted lithology and geological continuity.

## 5. Valuation of the Mineral Assets

The principal mineral assets valued in this Report are the Queensland Hardrock quartz Project, the Gingin and Albany silica sand Projects, the Koolyanobbing Metals Project, including the Seabrook hard rock quartz target and the non-contributing Darling Range Joint Venture which includes three bauxite mineral resources all owned by ASQ and the White Swan Kaolin Project owned by AKL. This valuation has been undertaken applying the guidelines of the VALMIN Code and is on an equity basis.

MinVal has undertaken a valuation based on two techniques suitable for the Project. The exploration potential has been valued using a geoscientific valuation as the primary method with PEM approach used as a supporting or secondary valuation.

### 5.1. Geoscientific Valuation

There are several specific inputs that are critical in determining a valid Geoscientific or Kilburn valuation, these are ensuring that the specialist undertaking the valuation has a complete understanding of the mineralisation styles within the overall region and the tenements and has access to all the exploration and geological information to ensure that the rankings are based on a thorough knowledge of the project. In addition to ensuring the rankings are correct deriving the base acquisition costs (BAC) is critical as that is the primary driver of the final value. In this case the BAC is derived by the current exploration commitment for the tenement. The costs of tenement applications and targeting have not been included.

Based on the previous exploration work within the various Projects MinVal has ranked each of the tenements within each of the Projects.

The Geoscientific ranking criteria were derived for each tenement owned by ASQ and AKL with the Off-Property Criteria considered to be between 1.0 and 2.5, the On-Property Criteria between 1.0 and 2.8, the Anomaly Factor between 1.0 and 3.2 while the Geology criteria are between 1.0 and 2.2. The rankings were made within the overall range for each criteria while making the range as small as is considered reasonable for each tenement. When these ranking criteria are combined with the base acquisition cost, as detailed in Appendix C, this has determined the technical value. A market discount 80% was applied to the Bauxite Projects, within the Koolyanobbing Project a 10% discount was applied to the lithium and nickel targets and a 30% premium for the gold projects, neither a premium nor discount was applied to the other Projects. A 5% discount was applied to all of the Projects due to Western Australian and Queensland regulatory, heritage and environmental approvals. The Technical and Market Values are shown in Appendix A. The Technical Valuation is the company's equity in the tenement multiplied by the base acquisition cost multiplied by each of the ranking factors in series outlined in Appendix B while the Market Value is the Technical Value multiplied by the geopolitical risk and market adjustment.

Appendix A details all of the ranking criteria, and BAC for each of the tenements valued within this report.

This results in a total Market Value for ASQ Projects of between **\$2.6 million** and **\$6.2 million** with a mid-point of **\$4.4 million**. The Market Value for AKL Project is between **\$2.1 million** and **\$3.7 million** with a mid-point of **\$2.9 million**.

To determine the preferred valuations within the valuation range for each of the companies mineral assets MinVal has considered the general market sentiment toward the Projects along with the aspects that have not been included in the geoscientific valuation.

MinVal considers that the preferred valuation of the ASQ Projects is closer to the lower valuation due to the market sentiment toward the commodities in general and the early stage of the projects therefore the MinVal preferred valuation is based on the 20<sup>th</sup> percentile. This results in a preferred valuation of the mineral assets owned by ASQ to be **\$3.3 million**.

The preferred valuation for the AKL Project is based on the 70<sup>th</sup> percentile due to the project having received approvals to commence operations however MinVal does note there is not a completed feasibility study to allow for the estimation of Ore Reserves nor determine the economic viability of the project. This results in a preferred market valuation of the AKL Project of **\$3.2 million**.

Therefore, the overall valuation range and preferred market valuation for the ASQ Projects is between **\$2.6 million** and **\$6.2 million** with a preferred valuation of **\$3.3 million** and a Market Value for AKL Project is between **\$2.1 million** and **\$3.7 million** with a preferred valuation of **\$3.2 million**.

## **5.2. PEM Valuation**

MinVal has sourced the tenement exploration expenditure for the past five years on the various tenements from the Department of Mines, Petroleum and Exploration (**DMPE**) Mineral Titles Online database (**MTO**) and the provided company expenditure for the Queensland tenements. Several adjustments were made to the reported expenditures, for example a significant expenditure was undertaken in a Joint Venture on one of the bauxite tenements in the exploration for layered mafic intrusives however this expenditure was not successful and the work failed to generate any material geological information therefore the high expenditure for three years was adjusted to the minimum commitment on the tenement rather than the actual expenditure. Additionally, there was an allowance for the current year expenditure which was assumed that the company will expend the minimum commitment on the tenement for the current year and the pro rata allowance for the minimum expenditure was included in the current expenditure.

MinVal has assessed effectiveness of the previous expenditure to determine if it has enhanced, maintained or downgraded the exploration, geological knowledge and potential within each of the tenements. The PEM rankings for each of the tenements are between 0.2 and 4.0 with the details for each tenement tabulated in Appendix B.

This approach results in a PEM valuation for the ASQ Projects of between **\$2.8 million** and **\$3.4 million** with a mid-point valuation of **\$3.1 million**. The AKL PEM valuation is between **\$1.7 million** and **\$2.3 million** with a mid-point valuation of **\$2.0 million**.

Both of these valuations overlap with the Geoscientific valuations and therefore are considered by MinVal to be a viable and reasonable supporting valuation of the Projects.

## **5.3. Royalty Valuations**

In undertaking the valuation of the Mineral Assets, MinVal notes that two of the Projects have royalties associated with previous transactions and there is a royalty on the White Swan Kaolin Project associated with the Proposed Transaction.

### **5.3.1. Bauxite Royalty**

As detailed in the ASQ Annual Report (ASX: ASQ Annual Report 18 September 2025) the royalty held by ASQ on the bauxite Projects is 0.9% FOB price payable on the first 100Mt of material mined. The tenements associated with the bauxite projects are either on exploration licenses in retention or tenements were there have been applications for retention status lodged and are being assessed. This indicates that the projects are not currently economic and the timeframe for a potential development is highly uncertain. Therefore, it is considered highly uncertain as to if or when any royalty payments will be received by ASQ.

### **5.3.2. Royalty on E77/2644**

There is a royalty of 1% net smelter royalty payable by ASQ on minerals mined from E77/2644. ASQ only holds the gold rights to E77/2644. E77/2644 is considered a very early stage gold project with minimal previous exploration activities within the tenement. Therefore, in MinVal's opinion it is highly unlikely and uncertain if or when ASQ will be required to pay the royalty. The value of the royalty would therefore be insignificant.

### **5.3.3. White Swan Kaolin Project Royalty**

MinVal has reviewed a tenement sale agreement between two parties which details royalty terms on the tenements associated with the White Swan Kaolin Project. The royalty is \$1.1/t of minerals mined from the Project. As a part of the Proposed Transaction MinVal considers it reasonable that ASQ will be liable to pay the royalty associated with this agreement. The terms of the royalty on the White Swan Kaolin Project have not been included in the ASX release associated with the Proposed Transaction; this is considered to be an administrative oversight by ASQ and is not considered material to the Proposed Transaction.

Importantly as the project is at an early stage, the modifying factors developed in a feasibility study are uncertain and the economic viability of the White Swan Kaolin Project is yet to be determined it is MinVal's opinion that the value of the royalty or its impact on the viability of the White Swan Kaolin Project is not able to be reasonably determined.

### **5.3.4. Royalty Summary**

In MinVal's opinion none of the royalties have a material value as all of the Projects are very early stage to early stage exploration assets. The timeframe and likelihood of ASQ receiving or having to pay any royalty is highly uncertain, and not likely to have a material value to ASQ.

## 6. Preferred Valuations

Based on the valuation techniques detailed above, Table 13 provides a summary of the different valuations derived for the combined projects and preferred valuation for the combined projects and MinVal's preferred valuation.

The preferred valuation approach for the exploration potential within the projects is based on the Geoscientific Valuation method. This is supported by a PEM valuation undertaken as a cross check to the primary valuation approach.

The MinVal preferred valuation range was determined based on the upper and lower valuations as determined by the Geoscientific approach. The preferred valuation within the valuation range is based on different percentiles within the range. The preferred ASQ valuation is based on the 20<sup>th</sup> percentile due to the market sentiment toward the commodities being explored. The preferred AKL valuation is based on the 70<sup>th</sup> percentile of the range due to the advanced nature of the Project and the recently acquired mining approvals for the Project. MinVal considers these preferred valuations to be reasonable within the broader valuation range for the Projects.

On this basis in MinVal's opinion, as detailed in Table 13 the likely market value of the combined projects of ASQ and AKL, based on the geoscientific valuation approach, is between **\$4.6 million** and **\$9.9 million** with a preferred valuation of **\$6.5 million**.

Table 13: Summary valuation of the Project by method (A\$ million)

Company	Asset	Valuation Technique	Priority	Lower Valuation (A\$M)	Preferred Valuation (A\$M)	Upper Valuation (A\$M)
ASQ	Exploration Potential	Geoscientific	Primary	2.6	4.4	6.2
		<b>MinVal Preferred</b>		<b>2.6</b>	<b>3.3</b>	<b>6.2</b>
		PEM	Supporting	2.8	3.1	3.4
AKL	Exploration Potential	Geoscientific	Primary	2.1	2.9	3.7
		<b>MinVal Preferred</b>		<b>2.1</b>	<b>3.2</b>	<b>3.7</b>
		PEM	Supporting	1.7	2.0	2.3
<b>Combined Primary</b>			<b>Primary</b>	<b>4.6</b>	<b>7.3</b>	<b>9.9</b>
<b>Combined MinVal Preferred Valuation</b>				<b>4.6</b>	<b>6.5</b>	<b>9.9</b>

Note the totals may not add due to rounding in the valuations and appropriate rounding has been applied.

## 7. References

The reference list below includes public domain and unpublished company Reports obtained either directly from the Company or ASX releases of previous Joint Resolution holders or previous holders of the tenements.

Ashmore Advisory Pty Ltd, December 2023 Quartz Hill MG Silica Deposit Mineral Resource Estimate. Full technical report prepared for ASQ.

Ashmore Advisory Pty Ltd, August 2023 White Swan Kaolin Deposit Mineral Resource Estimate. Full technical report prepared for AKL.

Ashmore Advisory Pty Ltd, January 2021 Albany White Sand Hill Silica Sand Deposit Mineral Resource Estimate. Full technical report prepared for ASQ.

Ashmore Advisory Pty Ltd, March 2018 Ceres Bauxite Deposit Mineral Resource Estimate. Full technical report prepared for BRL

ASQ March 2026 Quarterly Report (ASX: ASQ 29 April 2026)

ASQ Purchase of Australian Kaolin Pty Ltd. (ASX: ASQ 21 April 2026)

ASQ Encouraging Hardrock Quartz Results (ASX: ASQ 22 January 2026).

ASQ Annual Report 2025 (ASX: ASQ 18 September 2025)

ASQ Queensland MGSi Quartz Projects – Update (ASX: ASQ 20 June 2025)

ASQ Koolyanobbing Gold Projects – Exploration Update (ASX: ASQ 31 March 2025)

ASQ Quartz Hill Project – Metallurgical Test work Outcomes (ASX: ASQ 19 December 2024).

ASQ Encouraging Gold Results from Exploration Drilling (ASX: ASQ 17 October 2024)

ASQ Maiden 17Mt JORC Resource at 99.04% SiO<sub>2</sub> at Quartz Hill Project 12 Dec 2023

ASQ Maiden 17Mt JORC Resource at 99.04% SiO<sub>2</sub> at Quartz Hill (ASX: ASQ 12 December 2023).

ASQ Annual Report 2022 (29 September 2022)

ASQ ASQ Acquires Li/Au/Ni/Cu Ground (ASX: ASQ 11 August 2022)

ASQ Exploration and Research Update – Hardrock High Purity Quartz and Silica (ASX: ASQ 15 December 2021)

ASQ High Grade, Low Iron, Silica Sand Mineral Resource (ASX: ASQ 28 January 2021).

ASQ Encouraging Results from Albany Silica Sand Drilling (ASX: ASQ 9 December 2020)

ASQ Preliminary Exploration Results – Albany White Hill Project (ASX: ASQ 2 November 2020)

BRL 48% Increase in Bauxite Resource at Ceres Deposit in Darling Range, WA (ASX: ASQ 23 April 2018).

BRL Silica Sand and Hardrock Silica Quartz Project Updates (ASX: ASQ 14 December 2017).

BRL 59% Increase in Resource at Athena Deposit in Darling Range, WA (ASX: ASQ 15 July 2014)

BRL New Bauxite Resource at Dionysus Project, Northern Darling Range (ASX: ASQ 24 March 2014)

HASSAN, L. Y., 1998, Mineral occurrences and exploration potential of southwest Western Australia: Western Australia Geological Survey, Report 65, 38p

Hartnady, M.I.H., Kirkland, C., Martin, L., Clark, C, (December 2019); Geological-map-of-the-Albany-Fraser-Orogen-showings-the-different-crustal-provinces from Zircon oxygen and hafnium isotope decoupling during regional metamorphism: implications for the generation of low  $\delta^{18}\text{O}$  magmas. Contributions to Mineralogy and Petrology 175(1)

Joint Ore Reserves Committee, 2012. Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code) [online]. Available from: <http://www.jorc.org> (The Joint Ore Reserves Committee of The Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia).

RPM Limited, June 2014 Mineral Resource Estimate, Athena Bauxite Deposit. Full technical report prepared for BRL.

RPM Limited, March 2014 Mineral Resource Estimate, Dionysus Bauxite Deposit. Full technical report prepared for BRL.

SLR Consulting Limited (31 December 2025), S-K 1300 Report, Technical Report Summary on the Darling Range, Western Australia. Prepared for Alcoa Corporation, 201 Isabella Street, Suite 500, Pittsburgh, Pennsylvania, 15212-5858

Snowden Mining Consultants, April 2012 Bauxite Resources Limited: Ceres Deposit Mineral Resource. Full technical report prepared for BRL.

VALMIN Committee, 2015. Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets (The VALMIN Code) [online]. Available from: <http://www.valmin.org> (The VALMIN Committee of the Australasian Institute of Mining and Metallurgy and Australian Institute of Geoscientists).

## Appendix A Geoscientific Valuation

### Ranking Criteria

Company	Location	Project	Tenement	Area (BL)	Off Property		On Property		Anomaly		Geology	
					Low	High	Low	High	Low	High	Low	High
ASQ	WA	Darling Range Bauxite JV	E70/3179R	23.00	2.0	2.5	1.5	2.0	1.5	1.8	1.3	1.5
ASQ	WA	Darling Range Bauxite JV	E70/3180R	25.00	2.0	2.5	1.5	2.0	1.5	1.8	1.3	1.5
ASQ	WA	Darling Range Bauxite JV	E70/3405R	19.00	2.0	2.5	1.5	2.0	1.5	1.8	1.3	1.5
ASQ	WA	Darling Range Bauxite JV	E70/3890R	4.00	2.0	2.5	1.5	2.0	1.5	1.8	1.3	1.5
		Total										
ASQ	WA	Gingin Silica Sands	E70/5144	8.00	2.0	2.5	1.5	2.0	1.0	1.5	1.3	1.5
		Total										
ASQ	WA	Albany Silica Sands	E70/5262	11.00	1.0	1.5	1.5	2.0	1.5	2.0	1.3	1.5
		Total										
ASQ	QLD	QLD Hardrock Silica	EPMA/2670	21.00	1.0	1.5	1.5	2.0	1.5	2.0	1.3	1.5
ASQ	QLD	QLD Hardrock Silica	EPMA/2672	25.00	1.0	1.5	1.0	1.5	1.0	1.5	1.3	1.5
ASQ	QLD	QLD Hardrock Silica	EPMA/2674	27.00	1.0	1.5	1.5	2.0	1.5	2.0	1.3	1.5
ASQ	QLD	QLD Hardrock Silica	EPMA/2895	11.00	1.0	1.5	1.0	1.5	1.0	1.2	1.3	1.5
ASQ	QLD	QLD Hardrock Silica	EPMA/2899	4.00	1.0	1.5	1.0	1.5	1.0	1.2	1.3	1.5
ASQ	QLD	QLD Hardrock Silica	EPMA/2899	2.00	1.0	1.5	1.0	1.5	1.0	1.2	1.3	1.5
ASQ	QLD	QLD Hardrock Silica	EPMA/2931	2.00	1.0	1.5	1.5	2.0	1.0	1.2	1.3	1.5
		Total										
ASQ	WA	Seabrooks Silica Project	E77/2400	1.00	1.0	1.5	1.5	2.0	1.5	2.0	1.0	1.5
		Total										
ASQ	WA	Koolyanobbing Metals Project	E77/2645	51.00	1.5	1.8	1.8	2.0	1.8	2.2	1.5	1.8
ASQ	WA	Koolyanobbing Metals Project	E77/2675	7.00	1.5	1.8	1.8	2.0	1.8	2.2	1.5	1.8
ASQ	WA	Koolyanobbing Metals Project	E77/2684	14.00	1.5	1.8	1.8	2.0	1.8	2.2	1.5	1.8
ASQ	WA	Koolyanobbing Metals Project	E77/2941	20.00	1.5	1.8	1.8	2.0	1.8	2.2	1.5	1.8
ASQ	WA	Koolyanobbing Metals Project	E77/3021	14.00	1.5	1.8	1.8	2.0	1.8	2.2	1.5	1.8
		Total										
		ASQ Total										
AKL	WA	White Swan Kaolin Project	M63/688		1.5	2.0	2.5	2.8	3.0	3.2	2.0	2.2
AKL	WA	White Swan Kaolin Project	E63/1895	6.00	2.2	2.5	2.2	2.5	1.5	1.8	1.3	1.5
AKL	WA	White Swan Kaolin Project	E63/2047	12.00	2.2	2.5	2.2	2.5	1.5	1.8	1.3	1.5

Note appropriate rounding has been applied. The BAC is based on the exploration commitment for the licence.

## Technical and Market Valuations

Company	Location	Project	Tenement	Technical Valuation			Locational Discount / Premium	Market Discount / Premium	Market Valuation		
				Low	Mid	High			Low	Mid	High
ASQ	WA	Darling Range Bauxite JV	E70/3179R	0.07	0.12	0.16	95%	80%	0.05	0.09	0.12
ASQ	WA	Darling Range Bauxite JV	E70/3180R	0.07	0.12	0.16	95%	80%	0.05	0.09	0.12
ASQ	WA	Darling Range Bauxite JV	E70/3405R	0.07	0.12	0.16	95%	80%	0.05	0.09	0.12
ASQ	WA	Darling Range Bauxite JV	E70/3890R	0.07	0.12	0.16	95%	80%	0.05	0.09	0.12
		Total		0.28	0.46	0.65			0.21	0.35	0.49
ASQ	WA	Gingin Silica Sands	E70/5144	0.04	0.08	0.11	95%	100%	0.04	0.07	0.11
		Total		0.04	0.08	0.11			0.04	0.07	0.11
ASQ	WA	Albany Silica Sands	E70/5262	0.15	0.30	0.45	95%	100%	0.14	0.28	0.43
		Total		0.15	0.30	0.45			0.14	0.28	0.43
ASQ	QLD	QLD Hardrock Silica	EPMA/26702	0.44	0.89	1.35	95%	100%	0.42	0.85	1.28
ASQ	QLD	QLD Hardrock Silica	EPMA/26727	0.10	0.24	0.37	95%	100%	0.09	0.22	0.36
ASQ	QLD	QLD Hardrock Silica	EPMA/26741	0.22	0.44	0.67	95%	100%	0.21	0.42	0.63
ASQ	QLD	QLD Hardrock Silica	EPMA/28954	0.01	0.01	0.02	95%	100%	0.01	0.01	0.02
ASQ	QLD	QLD Hardrock Silica	EPMA/28998	0.01	0.01	0.02	95%	100%	0.01	0.01	0.02
ASQ	QLD	QLD Hardrock Silica	EPMA/28999	0.01	0.01	0.02	95%	100%	0.01	0.01	0.02
ASQ	QLD	QLD Hardrock Silica	EPMA/29311	0.00	0.01	0.01	95%	100%	0.00	0.01	0.01
		Total		0.78	1.62	2.46			0.74	1.54	2.34
ASQ	WA	Seabrooks Silica Project	E77/2400	0.05	0.11	0.18	95%	130%	0.06	0.14	0.22
		Total		0.05	0.11	0.18			0.06	0.14	0.22
ASQ	WA	Koolyanobbing Metals Project	E77/2645	0.74	1.10	1.45	95%	90%	0.64	0.94	1.24
ASQ	WA	Koolyanobbing Metals Project	E77/2675	0.22	0.32	0.43	95%	90%	0.19	0.28	0.37
ASQ	WA	Koolyanobbing Metals Project	E77/2684	0.36	0.54	0.71	95%	130%	0.45	0.67	0.88
ASQ	WA	Koolyanobbing Metals Project	E77/2941	0.07	0.11	0.14	95%	100%	0.07	0.10	0.14
ASQ	WA	Koolyanobbing Metals Project	E77/3021	0.07	0.11	0.14	95%	100%	0.07	0.10	0.14
		Total		1.47	2.18	2.88			1.41	2.09	2.76
		ASQ Total		2.7	4.7	6.6			2.6	4.4	6.2
AKL	WA	White Swan Kaolin Project	M63/688	0.95	1.30	1.66	100%	100%	0.95	1.30	1.66
AKL	WA	White Swan Kaolin Project	E63/1895	0.66	0.92	1.18	100%	100%	0.66	0.92	1.18
AKL	WA	White Swan Kaolin Project	E63/2047	0.47	0.66	0.84	100%	100%	0.47	0.66	0.84

## Appendix B Pem Valuation

Project	Tenement	Company Equity	Total exploration Expenditure	PEM Low	PEM High	PEM Valuation Low	PEM Mid-Point	PEM Valuation High
Darling Range Bauxite JV	E70/3179R	60%	\$45,632.80	2.0	2.5	0.05	0.06	0.07
Darling Range Bauxite JV	E70/3180R	60%	\$294,319.70	2.0	2.5	0.35	0.40	0.44
Darling Range Bauxite JV	E70/3405R	60%	\$354,188.47	2.0	2.5	0.43	0.48	0.53
Darling Range Bauxite JV	E70/3890R	60%	\$18,838.40	2.0	2.5	0.02	0.03	0.03
<b>Total</b>						<b>0.86</b>	<b>0.96</b>	<b>1.07</b>
Gingin Silica Sands	E70/5144	50%	\$8,044.55	1.0	1.3	0.00	0.00	0.01
<b>Total</b>						<b>0.00</b>	<b>0.00</b>	<b>0.01</b>
Albany Silica Sands	E70/5262	100%	\$252,851.00	2.0	2.5	0.51	0.57	0.63
<b>Total</b>						<b>0.51</b>	<b>0.57</b>	<b>0.63</b>
QLD Hardrock Silica	EPMA/26702	100%	\$32,213.31	2.0	2.5	0.06	0.07	0.08
QLD Hardrock Silica	EPMA/26727	100%	\$17,828.58	0.5	1.0	0.01	0.01	0.02
QLD Hardrock Silica	EPMA/26741	100%	\$21,177.70	1.0	1.3	0.02	0.02	0.03
QLD Hardrock Silica	EPMA/28954	100%	\$1,000.00	0.2	0.5	0.00	0.00	0.00
QLD Hardrock Silica	EPMA/28998	100%	\$7,518.11	0.2	0.5	0.00	0.00	0.00
QLD Hardrock Silica	EPMA/28999	100%	\$6,567.95	0.2	0.5	0.00	0.00	0.00
QLD Hardrock Silica	EPMA/29311	50%	\$33,747.78	1.0	1.3	0.02	0.02	0.02
<b>Total</b>						<b>0.11</b>	<b>0.13</b>	<b>0.16</b>
Seabrooke Silica Project	E77/2400	100%	\$98,240.00	1.3	1.5	0.13	0.14	0.15
<b>Total</b>						<b>0.13</b>	<b>0.14</b>	<b>0.15</b>
Kooyanobbing Metals Project	E77/2645	100%	\$506,888.00	1.3	1.5	0.40	0.43	0.46
Kooyanobbing Metals Project	E77/2675	100%	\$307,159.90	1.3	1.5	0.78	0.84	0.90
Kooyanobbing Metals Project	E77/2684	100%	\$601,022.70	1.5	2.0	0.02	0.02	0.02
Kooyanobbing Metals Project	E77/2941	50%	\$10,180.22	1.5	2.0	0.00	0.00	0.00
Kooyanobbing Metals Project	E77/3021	50%	\$2,926.80	1.5	2.0	0.00	0.00	0.00
<b>Total</b>						<b>1.20</b>	<b>1.29</b>	<b>1.39</b>
<b>ASQ Total</b>						<b>2.8</b>	<b>3.1</b>	<b>3.4</b>
White Swan Kaolin Project	M63/688	100%	\$-	2.0	2.5	0.00	0.00	0.00
White Swan Kaolin Project	E63/1895	100%	\$285,704.29	3.0	4.0	0.86	1.00	1.14
White Swan Kaolin Project	E63/2047	100%	\$296,335.76	3.0	4.0	0.89	1.04	1.19
<b>AKL Total</b>				<b>3.0</b>	<b>4.0</b>	<b>1.7</b>	<b>2.0</b>	<b>2.3</b>

Note as M63/688 has only recently been granted the PEM has been determined based on the exploration licences, additionally expenditure for 2021 – 2023 on E70/3405 has been assigned at the minimum commitment, reported expenditure was targeting a different mineral system and did not increase the geological knowledge within the tenement.

## Appendix C MinVal Valuation Methodology

### Valuation of Advanced Properties

There are several valuation methods that are suitable for advanced Properties including the following:

- Financial modelling including discounted cash flow (**DCF**) valuations (generally limited to Properties with published Ore Reserves)
- Comparable Market Based transactions including Resource and Reserve Multiples
- Joint Venture Transactions
- Yardstick valuations

#### Comparable Market Based Transactions – Resource Based

A comparable transactional valuation is a simple and easily understood valuation method which is broadly based on the real estate approach to valuation. It can be applied to a transaction based on the contained metal for projects with Mineral Resource Estimates reported. Advantages of this type of valuation method include that it is easily understood and applied, especially where the resources or tenement area is comparable, and the resource or exploration work is reported according to an industry standard (like the JORC Code or NI43-101).

However, it is not as robust for projects where the resources are either historic in nature, reported according to a more relaxed standard, or are using a cut-off grade that reflects a commodity price that is not justified by the current market fundamentals. If the projects being valued are in the same or a comparable jurisdiction, then it removes the requirement for a geopolitical adjustment. Finally, if the transaction being used is recent then it should reflect the current market conditions.

Difficulties arise when there are a limited number of transactions, where the projects have subtle but identifiable differences that impact the economic viability of one of the projects. For example, the requirement for a very fine grind required to liberate gold from a sulphide rich ore or where the ore is refractory in nature and requires a non-standard processing method.

The information for the comparable transactions is derived from various sources including the ASX and other securities exchange releases associated with these transactions; a database is then compiled by MinVal for exploration stage projects (with resources estimated) and development ready projects.

This valuation method is the primary valuation method for exploration or advanced (pre-development) projects where Mineral Resources have been estimated. More advanced projects would typically be valued using an income approach due to the modifying factors for a mining operation being better defined.

The preference is to limit the transactions and resource multiples to completed transactions from the past two to five years in either the same geopolitical region or same geological terrain. The comparable transactions are compiled where Mineral Resources and in some cases Ore Reserves have been estimated.

## Exploration Asset Valuation

To generate a value of an early-stage exploration Property or the exploration potential away from a mineral deposit it is important to value all the separate parts of the mineral assets under consideration. In the case of the advanced Properties the most significant value drivers for the overall Property are the declared Mineral Resources or Ore Reserves, while for earlier stage Properties a significant contributor to the Property's value is the exploration potential. There are several ways to determine the potential of pre-resource Properties, these being:

- Comparable transactions (purchase) based on the Properties' area or Mineral Resource estimates (both current and historic)
- Joint Venture terms based on the Properties' area
- A Geoscientific (Kilburn) Valuation
- A prospectivity enhancement multiplier (PEM), and
- A rule of thumb valuation for early stage pre resource projects.

The first two methods are more data driven and market based whilst the second two are cost-based and require subjective judgement by the valuer regarding prospectivity and efficacy of prior exploration. Market-based and cost-based methods are appropriate methods for valuing exploration projects as per Section 8.2 and 8.3 of the VALMIN Code. There are specific reasons which are explained in the body of the Report to justify the methods used in each case.

### Comparable Market Based Transactions - Area Based

The methodology to determine the Comparable Transactions valuation is based on a projects area and undertaken using the same methodology as that described for the Comparable Transactions valuation for advanced projects section; however, transactional value is applied to the project area rather than the Mineral Resources or Ore Reserves.

The area based comparable transaction multiples, whilst a useful valuation method, is strongly related to the projects tenement area so can be conservative for small areas and overstated for large areas.

### Joint Venture Terms

The Joint Venture terms valuation is similar to the Comparable Transactions method based on the project area, other than a discount to the Joint Venture terms is applied to account for the time value of money (an appropriate discount rate is applied) and a discount to the earn-in expenditure to account for the chance that the Joint Venture earn-in expenditure is not completed in the agreed timeframe.

### Geoscientific (Kilburn) Valuation

One valuation technique that is widely used to determine the value of a project that is at an early exploration stage without any Mineral Resources or Ore Reserve estimates was developed and is described in an article published by Kilburn (1990). This method is widely termed the geoscientific method where a series of factors within a project are assessed for their potential. This method was

initially developed in Canada where the mineral claims are generally small therefore reducing the potential errors associated with spreading both favourable and unfavourable ranking criteria to be spread over a large tenement.

Goulevitch and Eupene (1994) adapted this method for use in an Australian context, and it is this methodology that MinVal's method is based upon. While this valuation method is robust and transparent it can generate a very wide range in valuations, especially when the ranking criteria are assigned to a large tenement. Further, to account for the large areas inherent in many Australian tenement holdings (as opposed to Canadian holdings), MinVal either values each tenement or breaks down a larger tenement into areas of higher and lower prospectivity.

There are several specific geological inputs that are critical in determining a valid geoscientific or Kilburn valuation. The specialist undertaking the valuation therefore must have a good understanding of the mineralisation styles within the overall region, the tenements and have access to all the exploration and geological information to ensure that the rankings are based on a thorough knowledge of the project. While this technique is somewhat subjective and open to interpretation it is a method that when applied correctly by a suitably experienced specialist enables an accurate estimate of the value of the project.

There are five critical aspects that need to be considered when using a Kilburn or Geoscientific valuation, these are the base acquisition cost (**BAC**), which put simply is the cost to acquire and continue to retain the tenements being valued. The other aspects are the proximity to both adjacent to and along strike of a major deposit (Off Property Factors), the occurrence of a mineral system on the tenement (On Property Factors), the success of previous exploration within the tenement (Anomaly Factors) and the geological prospectivity of the geological terrain covered by the mineral claims or tenements (Geological Factors). In early-stage projects often the anomaly factors and geological factors have limited information.

Table 2 documents the ranking criteria that were used in conjunction with the BAC for the project tenements to determine the technical valuation of the project.

MinVal determines the BAC based on the holding cost of maintaining the tenement for the next year. That cost is determined by the minimum exploration commitment required on the tenement. In addition to ensuring the rankings are correct deriving the BAC is critical as it is the primary driver of the final value.

The technical valuation is determined by multiplying each of the four geoscientific ranking criteria (off-property, on-property, anomaly factor and geological factors) in series with the BAC. This is completed for the lower of the ranked factors and separately with the upper of the rankings to determine the range in the technical valuations.

The technical valuation derived from the ranking factors is also adjusted to reflect the geopolitical risks associated with the location of the project and the current market conditions relating to a specific commodity or geological terrain. These adjustments may increase or decrease the technical value to derive the fair market valuation.

The ranking criteria used are defined in the Table 2 below.

Table 2: Ranking Criteria used to determine the geoscientific technical valuation

Geoscientific Ranking Criteria				
Rating	Off-property factor	On-property factor	Anomaly factor	Geological factor
0.1				Generally unfavourable geological setting
0.5			Extensive previous exploration with poor results	Poor geological setting
0.9			Poor results to date	Generally unfavourable geological setting, under cover
1.0	No known mineralisation in district	No known mineralisation within	No targets defined	Generally favourable geological setting
1.5	Mineralisation identified	Mineralisation identified	Target identified; initial indications positive	Favourable geological setting
2.0	Resource targets identified	Exploration targets identified		
2.5			Significant intersections – not correlated on section	Mineralised zones exposed in prospective host rocks
3.0	Along strike or adjacent to known mineralisation	Mine or abundant workings with significant previous production		
3.5			Several significant ore grade intersections that can be correlated	
4.0	Along strike from a major mine(s)	Major mine with significant historical production		
5.0	Along strike from world class mine			

For early-stage Projects (where there are no Mineral Resources estimated), MinVal considers the Geoscientific (Kilburn) Valuation method to be the most robust due to the interplay between the four geoscientific criteria and is commonly the primary valuation method used for the surrounding exploration potential.

### Prospectivity Enhancement Multiplier (PEM) Valuation

It is the view of MinVal that the PEM method is the least transparent and most subjective valuation method as this method depends only on an assessment of the effectiveness of the previous and recent exploration expenditure. MinVal uses the expenditure for the past five years for a PEM valuation approach as it is sufficient time for a project to advance to a more advanced exploration stage with Mineral Resources estimated which would then be valued using a comparable transaction, resource multiple approach.

Under this method, the previous exploration expenditure is assessed as either improving or decreasing the potential of the Property. The prospectivity enhancement multiplier (**PEM**) involves a factor which is directly related to the success of the exploration expenditure to advance the Property. There are several alternate PEM factors that can be used depending on the specific Property and commodity being evaluated. Onley (1994) included several guidelines for the use and selection of appropriate PEM criteria. The PEM ranking criteria typically used by MinVal are outlined in Table 3 below.

Table 3: Prospectivity Enhancement Multiplier (PEM) ranking criteria

Range	Criteria
<b>0.2 – 0.5</b>	Exploration downgrades the potential
<b>0.5 – 1</b>	Exploration has maintained the potential
<b>1.0 – 1.3</b>	Exploration has slightly increased the potential
<b>1.3 – 1.5</b>	Exploration has considerably increased the potential
<b>1.5 – 2.0</b>	Limited Preliminary Drilling intersected interesting, mineralised intersections
<b>2.0 – 2.5</b>	Detailed Drilling has defined targets with potential economic interest
<b>2.5 – 3.0</b>	A Mineral Resource has been estimated at an Inferred category

MinVal considers the PEM valuation method as a secondary valuation method. MinVal in general prefers to use resource multiples or area-based multiples generated from Comparable Transactions if a JORC 2012 resource has been estimated on the project however, if there are no comparable transactions, then a PEM is considered a viable valuation method.

## Glossary

Below are brief descriptions of some terms used in this Report. For further information or for terms that are not described here, please refer to internet sources such as Webmineral [Mineralogy Database \(webmineral.com\)](http://webmineral.com) and Wikipedia ([Wikipedia](http://Wikipedia)).

The terms listed below are taken from the 2015 VALMIN Code ([The VALMIN Code - 2015 Edition](#)).

**Annual Report** means a document published by public corporations on a yearly basis to provide shareholders, the public and the government with financial data, a summary of ownership and the accounting practices used to prepare the Report.

**Australasian** means Australia, New Zealand, Papua New Guinea and their offshore territories.

**Code of Ethics** means the Code of Ethics of the relevant Professional Organisation or Recognised Professional Organisations.

**Corporations Act** means the *Australian Corporations Act 2001 (Cth)*.

**Experts** are persons defined in the Corporations Act whose profession or reputation gives authority to a statement made by him or her in relation to a matter. A Practitioner may be an Expert. Also see Clause 2.1 of the VALMIN Code.

**Exploration Results** is defined in the current version of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code). Refer to <https://www.jorc.org/> for further information.

**Feasibility Study** means a comprehensive technical and economic study of the selected development option for a mineral project that includes appropriately detailed assessments of applicable Modifying Factors together with any other relevant operational factors and detailed financial analysis that are necessary to demonstrate at the time of Reporting that extraction is reasonably justified (economically mineable). The results of the study may reasonably serve as the basis for a final decision by a proponent or financial institution to proceed with, or finance, the development of the project. The confidence level of the study will be higher than that of a Pre-feasibility Study.

**Financial Reporting Standards** means Australian statements of generally accepted accounting practice in the relevant jurisdiction in accordance with the Australian Accounting Standards Board (AASB) and the *Corporations Act*.

**Independent Expert Report** means a Public Report as may be required by the *Corporations Act*, the Listing Rules of the ASX or other security exchanges prepared by a Practitioner who is acknowledged as being independent of the Commissioning Entity. Also see ASIC Regulatory Guides RG 111 and RG 112 as well as Clause 5.5 of the VALMIN Code for guidance on Independent Expert Reports.

**Information Memoranda** means documents used in financing of projects detailing the project and financing arrangements.

**Investment Value** means the benefit of an asset to the owner or prospective owner for individual investment or operational objectives.

**Life-of-Mine Plan** means a design and costing study of an existing or proposed mining operation where all Modifying Factors have been considered in sufficient detail to demonstrate at the time of Reporting that extraction is reasonably justified. Such a study should be inclusive of all development and mining activities proposed through to the effective closure of the existing or proposed mining operation.

**Market Value** means the estimated amount of money (or the cash equivalent of some other consideration) for which the Mineral Asset should exchange on the date of Valuation between a willing buyer and a willing seller in an arm's length transaction after appropriate marketing wherein the parties each acted knowledgeably, prudently and without compulsion. Also see Clause 8.1 of the VALMIN Code for guidance on Market Value.

**Materiality** or being **Material** requires that a Public Report contains all the relevant information that investors and their professional advisors would reasonably require, and reasonably expect to find in the Report, for the purpose of making a reasoned and balanced judgement regarding the Technical Assessment or Mineral Asset Valuation being Reported. Where relevant information is not supplied, an explanation must be provided to justify its exclusion. Also see Clause 3.2 of the VALMIN Code for guidance on what is Material.

**Member** means a person who has been accepted and entitled to the post-nominals associated with the AIG or the AusIMM or both. Alternatively, it may be a person who is a member of a Recognised Professional Organisation included in a list promulgated from time to time.

**Mineable** means those parts of the mineralised body, both economic and uneconomic, that are extracted or to be extracted during the normal course of mining.

**Mineral Asset** means all property including (but not limited to) tangible property, intellectual property, mining and exploration Tenure and other rights held or acquired in connection with the exploration, development of and production from those Tenures. This may include the plant, equipment and infrastructure owned or acquired for the development, extraction and processing of Minerals in connection with that Tenure.

Most Mineral Assets can be classified as:

- (a) **Early-stage Exploration Projects** – Tenure holdings where mineralisation may or may not have been identified, but where Mineral Resources have not been identified.
- (b) **Advanced Exploration Projects** – Tenure holdings where considerable exploration has been undertaken and specific targets identified that warrant further detailed evaluation, usually by drill testing, trenching or some other form of detailed geological sampling. A Mineral Resource estimate may or may not have been made, but sufficient work will have been undertaken on at least one prospect to provide both a good understanding of the type of mineralisation present and encouragement that further work will elevate one or more of the prospects to the Mineral Resources category.
- (c) **Pre-Development Projects** – Tenure holdings where Mineral Resources have been identified and their extent estimated (possibly incompletely), but where a decision to proceed with development has not been made. Properties at the early assessment stage, properties for which a decision has been made not to proceed with development, properties on care and maintenance and properties held on retention titles are included in this category if Mineral Resources have been identified, even if no further work is being undertaken.
- (d) **Development Projects** – Tenure holdings for which a decision has been made to proceed with construction or production or both, but which are not yet commissioned or operating at design levels. Economic viability of Development Projects will be proven by at least a Pre-Feasibility Study.
- (e) **Production Projects** – Tenure holdings – particularly mines, wellfields and processing plants – that have been commissioned and are in production.

**Mine Design** means a framework of mining components and processes considering mining methods, access to the Mineralisation, personnel, material handling, ventilation, water, power and other technical requirements spanning commissioning, operation and closure so that mine planning can be undertaken.

**Mine Planning** includes production planning, scheduling and economic studies within the Mine Design considering geological structures and mineralisation, associated infrastructure and constraints, and other relevant aspects that span commissioning, operation and closure.

**Mineral** means any naturally occurring material found in or on the Earth's crust that is either useful to or has a value placed on it by humankind, or both. This excludes hydrocarbons, which are classified as Petroleum.

**Mineralisation** means any single mineral or combination of minerals occurring in a mass, or deposit, of economic interest. The term is intended to cover all forms in which mineralisation might occur, whether by class of deposit, mode of occurrence, genesis or composition.

**Mineral Project** means any exploration, development or production activity, including a royalty or similar interest in these activities, in respect of Minerals.

**Mineral Securities** means those Securities issued by a body corporate or an unincorporated body whose business includes exploration, development or extraction and processing of Minerals.

**Mineral Resource** is defined in the current version of the *Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves* (the JORC Code). Refer to <http://www.jorc.org> for further information.

**Mining** means all activities related to extraction of Minerals by any method (e.g. quarries, open cast, open cut, solution mining, dredging, etc.).

**Mining Industry** means the business of exploring for, extracting, processing and marketing Minerals.

**Modifying Factors** is defined in the current version of the *Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves* (the JORC Code). Refer to <https://www.jorc.org/> for further information.

**Ore Reserve** is defined in the current version of the *Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves* (the JORC Code). Refer to <https://www.jorc.org/> for further information.

**Petroleum** means any naturally occurring hydrocarbon in a gaseous or liquid state, including coal-based methane, tar sands and oil-shale.

**Petroleum Resources** and **Petroleum Reserves** are defined in the current version of the Petroleum Resources Management System (PRMS) published by the Society of Petroleum Engineers, the American Association of Petroleum Geologists, the World Petroleum Council and the Society of Petroleum Evaluation Engineers. Refer to [Society of Petroleum Engineers \(SPE\) | Oil & Gas Membership Association](#) for further information.

**Practitioner** is an Expert as defined in the *Corporations Act*, who prepares a Public Report on a Technical Assessment or Valuation Report for Mineral Assets. This collective term includes Specialists and Securities Experts.

**Preliminary Feasibility Study (Pre-Feasibility Study)** means a comprehensive study of a range of options for the technical and economic viability of a mineral project that has advanced to a stage where a preferred mining method, in the case of underground mining, or the pit configuration, in the case of an open pit, is established and an effective method of mineral processing is determined. It includes a financial analysis based on reasonable assumptions on the Modifying Factors and the evaluation of any other relevant factors that are sufficient for a Competent Person, acting reasonably, to determine if all or part of the Mineral Resources may be converted to an Ore Reserve at the time of Reporting. A Pre-Feasibility Study is at a lower confidence level than a Feasibility Study.

**Professional Organisation** means a self-regulating body, such as one of engineers or geoscientists or of both, that:

(a) admits members primarily based on their academic qualifications and professional experience.

(b) requires compliance with professional standards of expertise and behaviour according to a Code of Ethics established by the organisation; and

(c) has enforceable disciplinary powers, including that of suspension or expulsion of a member, should its Code of Ethics be breached.

**Public Presentation** means the process of presenting a topic or project to a public audience. It may include, but not be limited to, a demonstration, lecture or speech meant to inform, persuade or build goodwill.

**Public Report** means a Report prepared for the purpose of informing investors or potential investors and their advisers when making investment decisions, or to satisfy regulatory requirements. It includes, but is not limited to, Annual Reports, Quarterly Reports, press releases, Information Memoranda, Technical Assessment Reports, Valuation Reports, Independent Expert Reports, website postings and Public Presentations. Also see Clause 5 of the VALMIN Code for guidance on Public Reports.

**Quarterly Report** means a document published by public corporations on a quarterly basis to provide shareholders, the public and the government with financial data, a summary of ownership and the accounting practices used to prepare the Report.

**Reasonableness** implies that an assessment which is impartial, rational, realistic and logical in its treatment of the inputs to a Valuation or Technical Assessment has been used, to the extent that another Practitioner with the same information would make a similar Technical Assessment or Valuation.

**Royalty or Royalty Interest** means the amount of benefit accruing to the royalty owner from the royalty share of production.

**Securities** have the meaning as defined in the *Corporations Act*.

**Securities Experts** are persons whose profession, reputation or experience provides them with the authority to assess or value Securities in compliance with the requirements of the *Corporations Act*, ASIC Regulatory Guides and ASX Listing Rules.

**Scoping Study** means an order of magnitude technical and economic study of the potential viability of Mineral Resources. It includes appropriate assessments of realistically assumed Modifying Factors together with any other relevant operational factors that are necessary to demonstrate at the time of Reporting that progress to a Pre-Feasibility Study can be reasonably justified.

**Specialists** are persons whose profession, reputation or relevant industry experience in a technical discipline (such as geology, mine engineering or metallurgy) provides them with the authority to assess or value Mineral Assets.

Status in relation to Tenure means an assessment of the security of title to the Tenure.

**Technical Assessment** is an evaluation prepared by a Specialist of the technical aspects of a Mineral Asset. Depending on the development status of the Mineral Asset, a Technical Assessment may include the review of geology, mining methods, metallurgical processes and recoveries, provision of infrastructure and environmental aspects.

**Technical Assessment Report** involves the Technical Assessment of elements that may affect the economic benefit of a Mineral Asset.

**Technical Value** is an assessment of a Mineral Asset's future net economic benefit at the Valuation Date under a set of assumptions deemed most appropriate by a Practitioner, excluding any premium or discount to account for market considerations.

**Tenure** is any form of title, right, licence, permit or lease granted by the responsible government in accordance with its mining legislation that confers on the holder certain rights to explore for and/or extract agreed minerals that may be (or is known to be) contained. Tenure can include third-party ownership of the Minerals (for example, a royalty stream). Tenure and Title have the same connotation as Tenement.

**Transparency** or being **Transparent** requires that the reader of a Public Report is provided with sufficient information, the presentation of which is clear and unambiguous, to understand the Report and not be misled by this information or by omission of Material information that is known to the Practitioner.

**Valuation** is the process of determining the monetary Value of a Mineral Asset at a set Valuation Date.

**Valuation Approach** means a grouping of valuation methods for which there is a common underlying rationale or basis.

**Valuation Date** means the reference date on which the monetary amount of a Valuation in real (dollars of the day) terms is current. This date could be different from the dates of finalisation of the Public Report or the cut-off date of available data. The Valuation Date and date of finalisation of the Public Report must not be more than 12 months apart.

**Valuation Methods** means a subset of Valuation Approaches and may represent variations on a common rationale or basis.

**Valuation Report** expresses an opinion as to monetary Value of a Mineral Asset but specifically excludes commentary on the value of any related Securities.

**Value** means the Market Value of a Mineral Asset.

## SCHEDULE 2 – TERMS AND CONDITIONS OF OPTIONS

1.	<b>Entitlement</b>	Each Option entitles the holder to subscribe for one Share upon exercise of the Option.
2.	<b>Exercise Price</b>	Subject to paragraph 9, the amount payable upon exercise of each Option will be \$0.04 ( <b>Exercise Price</b> ).
3.	<b>Expiry Date</b>	Each Option will expire at 5:00 pm (AWST) on 29 April 2028 ( <b>Expiry Date</b> ).  An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date
4.	<b>Exercise Period</b>	The Options are exercisable at any time on or prior to the Expiry Date ( <b>Exercise Period</b> ).
5.	<b>Exercise Notice</b>	The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate ( <b>Exercise Notice</b> ) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company. There may be one or more Notices of Exercise
6.	<b>Exercise Date</b>	An Exercise Notice is only effective on and from the later of the date of receipt of the Exercise Notice and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds ( <b>Exercise Date</b> ).
7.	<b>Timing of issue of Shares on exercise</b>	As soon as practicable after receiving funds, the Company will issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;  (a) issue a substitute certificate for any remaining unexercised Options held by the Holder; and  (b) apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.  All Shares issued upon the exercise of Options will upon issue rank pari passu in all respects with other Shares.
8.	<b>Shares issued on exercise</b>	Shares issued on exercise of the Options rank equally with the then issued shares of the Company.
9.	<b>Reorganisation</b>	If there is a reorganisation of the issued share capital of the Company (including any subdivision, consolidation, reduction, return or cancellation of such issued capital of the Company), the rights of the holder will be changed to the extent necessary to comply with the ASX Listing Rules applicable to a reorganisation of capital at the time of the reorganisation.
10.	<b>Participation in new issues</b>	There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.
11.	<b>Change in exercise price/Adjustment for rights issue</b>	An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.
12.	<b>Transferability</b>	The Options are not transferable.
13.	<b>Voting rights</b>	An Option does not entitle the holder to vote on any resolutions proposed at a general meeting of ASQ, subject to any voting rights provided under the Corporations Act or the Listing Rules where such

		rights cannot be excluded by these terms.
14.	<b>Dividend rights</b>	An Option does not entitle the holder to any dividends.
15.	<b>Return of capital rights</b>	The Options do not confer any right to a return of capital or assets, whether in a winding up, upon a reduction of capital or otherwise.
16.	<b>Quotation</b>	Options will not be quoted on ASX. On exercise of Option and conversion into Shares, ASQ will apply for quotation for the Shares.
17.	<b>No other rights</b>	A Option does not give a holder any rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.

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**ANNEXURE A – MAJORITY SHAREHOLDERS**

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<b>MAJORITY SHAREHOLDERS</b>	<b>AUSTRALIAN KAOLIN SHARES HELD</b>	<b>%</b>
Peter Henery Atkins	10,700,000	13.35%
Luke Atkins	9,800,000	12.23%
LF & AM Atkins <ATF The Atkins Superannuation Fund>	3,500,000	4.37%
Annette Atkins	11,780,000	14.70%
Robert Samuel Middlemas	9,800,000	12.23%
RS Middlemas & JA Wolseley <ATF Middlemas Super Fund>	1,500,000	1.87%
Chulu Holdings Pty Ltd <Chulu A/C>	3,200,000	3.99%
Michael Fayne	6,300,000	7.86%
James Edward Marsh	6,100,000	7.61%
Kahala Holdings Pty Ltd <ATF Cullen Family Trust>	10,000,000	12.48%
<b>TOTAL</b>	<b>72,680,000</b>	<b>90.68%</b>

Australian Silica Quartz Group Ltd | ABN 72 119 699 982

Your proxy voting instruction must be received by **10:00am (AWST) on Saturday, 27 June 2026**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

## SUBMIT YOUR PROXY

Complete the form overleaf in accordance with the instructions set out below.

### YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: <https://investor.automic.com.au/#/home> Shareholders sponsored by a broker should advise their broker of any changes.

### STEP 1 - APPOINT A PROXY

If you wish to appoint someone other than the Chair of the Meeting as your proxy, please write the name of that Individual or body corporate. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chair of the Meeting will be appointed as your proxy by default.

### DEFAULT TO THE CHAIR OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chair of the Meeting, who is required to vote these proxies as directed. Any undirected proxies that default to the Chair of the Meeting will be voted according to the instructions set out in this Proxy Voting Form, including where the Resolutions are connected directly or indirectly with the remuneration of Key Management Personnel.

### STEP 2 - VOTES ON ITEMS OF BUSINESS

You may direct your proxy how to vote by marking one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

### APPOINTMENT OF SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

### SIGNING INSTRUCTIONS

**Individual:** Where the holding is in one name, the Shareholder must sign.

**Joint holding:** Where the holding is in more than one name, all Shareholders 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 Proxy Voting Form when you return it.

**Companies:** To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.

**Email Address:** Please provide your email address in the space provided.

**By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.**

### CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at <https://automicgroup.com.au>.

### Lodging your Proxy Voting Form:

#### Online

Use your computer or smartphone to appoint a proxy at <https://portal.automic.com.au/investor/home> or scan the QR code below using your smartphone

**Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting Form.**



#### BY MAIL:

Automic  
GPO Box 5193  
Sydney NSW 2001

#### IN PERSON:

Automic  
Level 5, 126 Phillip Street  
Sydney NSW 2000

#### BY EMAIL:

[meetings@automicgroup.com.au](mailto:meetings@automicgroup.com.au)

#### BY FACSIMILE:

+61 2 8583 3040

#### All enquiries to Automic:

#### WEBSITE:

<https://automicgroup.com.au>

#### PHONE:

1300 288 664 (Within Australia)  
+61 2 9698 5414 (Overseas)

