



Scheme Booklet

In relation to a proposal from Brightstar Resources Limited ABN 44 100 727 491 (**Brightstar**) to acquire all of the issued shares in Alto Metals Limited ABN 62 159 819 173 (**Alto**) by way of a scheme of arrangement.

VOTE IN FAVOUR

Your Directors unanimously recommend¹ that you approve the Scheme by voting in FAVOUR of the Scheme Resolution, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of Alto Shareholders.

The Independent Expert has concluded that, in the absence of a Superior Proposal, the Scheme is not fair but reasonable and therefore in the best interests of Alto Shareholders.

The Scheme Meeting will be held at 1:30pm (AWST) on 19 November 2024 at The Park Business Centre, 45 Ventnor Avenue, West Perth 6005.

This Scheme Booklet is dated 18 October 2024.

This is an important document and requires your attention. You should read the document in full before deciding whether or not to vote in favour of the Scheme Resolution. If you are in any doubt about what action you should take, please consult your broker or financial, taxation, legal or other professional adviser immediately.

If you have any questions about this Scheme Booklet or the Scheme, please contact Alto's Share Registry on 1300 441 597 (within Australia) or +61 2 8072 1465 (outside Australia) between 8:30am and 6:00pm (Sydney time) Monday to Friday, excluding public holidays, or via email at hello@automic.com.au.

Financial Adviser to Alto



Legal Adviser to Alto



¹ In considering the unanimous recommendation and intentions of the Directors to vote in favour of the Scheme, Alto Shareholders should have regard to the interests of the Directors in the outcome of the Scheme vote, as discussed in the section of the Letter from the Chair of Alto titled "Interests of the Directors in the Scheme" and disclosed in detail in section 3.3.

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Important dates and times for the Scheme

Key dates and times relating to the Scheme Meeting	
Date of this Scheme Booklet	18 October 2024
Last date and time for receipt of Proxy Forms or powers of attorney for the Scheme Meeting	1:30pm (AWST) on 17 November 2024
Time and date for determining eligibility to vote at the Scheme Meeting	4:00pm (AWST) on 17 November 2024
Scheme Meeting	1:30pm (AWST) on 19 November 2024
Key dates and times for implementation of the Scheme (if Alto Shareholders approve the Scheme by the Requisite Majority at the Scheme Meeting)	
Second Court Date	10:00am (AWST) on 29 November 2024
<p>Effective Date of Scheme</p> <p>This is the date on which the Court order approving the Scheme is lodged with ASIC and the Scheme becomes Effective.</p> <p>Alto Shares will be suspended from trading on ASX from close of trading.</p>	2 December 2024
Record Date	4:00pm (AWST) 4 December 2024
Implementation Date	9 December 2024

All dates and times after the date of the Scheme Meeting are indicative only and are subject to the Court approval process and the satisfaction or, where applicable, waiver of the Conditions Precedent to the implementation of the Scheme (see section 3.6 of this Scheme Booklet for more information). All dates and times, unless otherwise indicated refer to the date and time in Perth, Western Australia. Any changes to the above timetable will be announced to ASX and notified on the Alto website at www.altometals.com.au.

Corporate Directory

Alto Metals Limited	Financial Adviser	Legal Adviser	Independent Expert	Share Registry
Suite 9, 12-14 Thelma Street West Perth WA 6005	Longreach Capital Level 1, 317 Rokeby Road Subiaco WA 6008	Gilbert + Tobin Level 16, Brookfield Place, Tower 2, 123 St Georges Terrace Perth WA 6000	BDO Corporate Finance Australia Pty Ltd Level 9, Mia Yellagonga Tower 2, 5 Spring Street Perth WA 6000	Automic Registry Services Level 5, 191 St Georges Terrace Perth WA 6000

Important notices

General

This Scheme Booklet is important. Alto Shareholders should carefully read this Scheme Booklet in full before deciding whether or not to vote in favour of the Scheme Resolution required to implement the Scheme.

Defined terms

Capitalised terms used in this Scheme Booklet are defined in section 11 (Definitions and Interpretation) of this Scheme Booklet. Section 11 of this Scheme Booklet also sets out some rules of interpretation which apply to this Scheme Booklet.

All \$ references, are references to Australian Dollars unless otherwise stated.

Purpose of this document

The purpose of this Scheme Booklet is to explain the terms of the proposed scheme of arrangement between Alto and the Alto Shareholders under Part 5.1 of the Corporations Act and the manner in which it will be implemented (if approved by the Requisite Majority of Alto Shareholders and the Court).

This Scheme Booklet includes the explanatory statement required to be sent to Alto Shareholders in relation to the Scheme pursuant to section 412(1) of the Corporations Act.

This Scheme Booklet is not a disclosure document under Chapter 6D of the Corporations Act.

If you have sold all your Alto Shares, please disregard this Scheme Booklet.

ASIC and ASX

A copy of this Scheme Booklet has been provided to ASIC in accordance with section 411(2) of the Corporations Act and registered with ASIC under section 412(6) of the Corporations Act. ASIC has been requested to provide a statement, in accordance with section 411(17)(b) of the Corporations Act, that ASIC has no objection to the Scheme.

If ASIC provides that statement, it will be produced to the Court at the Second Court Hearing. A copy of this Scheme Booklet has also been lodged with ASX. Neither ASIC or ASX nor any of their officers take any responsibility for the contents of this Scheme Booklet.

Court

A copy of the Scheme Booklet has been lodged with the Court to obtain an order of the Court approving the convening of the Scheme Meeting. Orders made by the

Court are made pursuant to section 411 of the Corporations Act.

The fact that, under section 411(1) of the Corporations Act, the Court has ordered that the Scheme Meeting be convened and has approved this Scheme Booklet does not mean that the Court:

- has formed any view as to the merits of the proposed Scheme or as to how Scheme Shareholders should vote; or
- has prepared or is responsible for the contents of the Scheme Booklet.

The order of the Court that the Scheme Meeting be convened is not, and should not be treated as, an endorsement by the Court of, or any other expression of opinion by the Court on, the Scheme.

Notice of Scheme Meeting

The Notice of Scheme Meeting is set out in Appendix 4 to this Scheme Booklet.

Notice of Second Court Date

At the Second Court Date, the Court will consider whether to approve the Scheme following the votes at the Scheme Meeting.

Any Alto Shareholder may appear at the Second Court Date, which is expected to be held at 10:00am (AWST) on 29 November 2024 at the Supreme Court of Western Australia (David Malcolm Justice Centre, 28 Barrack St, Perth WA 6000).

Any Alto Shareholder who wishes to oppose approval of the Scheme at the Second Court Date may do so by filing with the Court and serving on Alto a notice of appearance in the prescribed form, together with any affidavit on which the Alto Shareholder proposes to rely.

The notice of appearance and affidavit must be served on Alto at its address for service at least one day before the Second Court Date.

The address for service is:

Address: Gilbert + Tobin, Level 16, Brookfield Place Tower 2, 123 St Georges Terrace, Perth WA 6000

Attention: Patrick Tydde

Implied value

The Scheme Consideration consists of New Brightstar Shares. Any reference to the implied value of the Scheme Consideration should not be taken as an indication that the implied value is fixed. The implied value of the Scheme

Consideration will vary with the market price of Brightstar Shares.

If you are an Ineligible Shareholder, this also applies to the New Brightstar Shares which will be issued to the Sale Agent and sold on ASX (or another prescribed financial market) by the Sale Agent. Any cash remitted to you from the net proceeds of such sales will depend on the market price of Brightstar Shares at the time of sale by the Sale Agent. Refer to section 3.12(c) of this Scheme Booklet for further information.

Investment decisions

The Scheme Booklet is important and requires your immediate attention. It should be read in its entirety before making a decision on whether or not to vote in favour of the Scheme. This Scheme Booklet is intended for all Scheme Shareholders collectively and does not take into account the investment objectives, financial situation and particular needs of each individual Scheme Shareholder or any other particular person. This Scheme Booklet should not be relied upon as the sole basis for any investment decision in relation to the Scheme or Alto Shares. Before making any investment decision in relation to these matters you should consider, preferably with the assistance of a professional adviser, whether that decision is appropriate in the light of your particular investment needs, objectives and financial circumstances. If you are in any doubt about what you should do, you should seek independent financial and taxation advice before making any decision in relation to the Scheme or Alto Shares.

Responsibility for information

Other than as set out below, the information contained in this Scheme Booklet has been prepared by Alto. Except as outlined below, none of Brightstar, or any of its respective Related Bodies Corporate, directors, officers, employees or advisers assumes any responsibility for the accuracy or completeness of such information.

The Brightstar Information (other than any information provided by Alto to Brightstar or obtained from Alto's public filings on the ASX regarding the Alto Group contained in, or used in the preparation of such information) contained in this Scheme Booklet has been prepared by and is the responsibility of Brightstar. Neither Alto nor any of its Directors, officers, employees or advisers assume or accept any responsibility for the accuracy or completeness of such information.

BDO has prepared the Independent Expert's Report (as set out in Appendix 1 to this Scheme Booklet) and takes responsibility for that report. None of Alto or Brightstar, nor any of their respective Related Bodies Corporate, directors, officers, employees or advisers assumes any responsibility for the accuracy or completeness of the

information contained in the Independent Expert's Report, except in relation to the respective information that each has provided to the Independent Expert.

SRK has prepared, and is responsible for, the SRK Independent Technical Specialist's Report contained in Appendix 4 to the Independent Expert's Report. None of Alto or Brightstar, nor any of their respective Related Bodies Corporate, directors, officers, employees or advisers assumes any responsibility for the accuracy or completeness of the information contained in the Independent Technical Specialist's Report, except in relation to the respective information that each has provided to SRK.

Foreign Jurisdictions

The release, publication or distribution of this Scheme Booklet in jurisdictions other than Australia and its external territories, New Zealand, Germany and China may be restricted by law or regulation in such other jurisdictions, and persons outside of Australia and its external territories, New Zealand, Germany and China who come into possession of this Scheme Booklet should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable laws or regulations.

The Scheme Booklet has been prepared in accordance with Australian law and is subject to Australian disclosure requirements. The information contained in this Scheme Booklet may not be the same as that which would have been disclosed if this Scheme Booklet had been prepared in accordance with the laws and regulations of a jurisdiction outside of Australia and its external territories, New Zealand, Germany or China. Financial information in this Scheme Booklet has been prepared in accordance with Australian Accounting Standards and is presented in an abbreviated form and does not contain all the disclosures that are usually provided in an annual report prepared in accordance with the Corporations Act.

Restrictions in jurisdictions outside of Australia may make it impractical or unlawful for New Brightstar Shares to be issued under the Scheme to, or be received under the Scheme by, Alto Shareholders in those jurisdictions. Alto Shareholders whose registered addresses in the Share Register are outside Australia should refer to section 3.12 of this Scheme Booklet for more information as to how the New Brightstar Shares to which they would otherwise be entitled will be dealt with.

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

No action has been taken to register or qualify the New Brightstar Shares or otherwise permit a public offer of such securities in any jurisdiction outside Australia. Based on the information available, Alto Shareholders whose addresses are shown in the register on the Record Date for the Scheme as being in the following jurisdictions will be entitled to receive the Scheme Booklet and have New Brightstar Shares issued to them under the Scheme subject to any qualifications set out below in respect of that jurisdiction:

- Australia;
- China, where the Alto Shareholder is a: (i) qualified domestic institutional investor as approved by the relevant PRC regulatory authorities to invest in overseas capital markets; (ii) sovereign wealth fund or quasi-government investment fund that has the authorisation to make overseas investment; or (iii) another type of qualified investor that has obtained all necessary PRC governmental approvals, registrations and/or filings (whether statutorily or otherwise);
- Germany, where: (i) the Alto Shareholder is a “qualified investor” (as defined in Article 2(e) of the Regulation (EU) 2017/1129 of European Parliament and the Council of the European Union (the Prospectus Regulation)); or (ii) the number of other Alto Shareholders is less than 150;
- New Zealand; and
- any other person or jurisdiction in respect of which Alto reasonably believes that it is not prohibited and not unduly onerous or impractical to issue New Brightstar Shares to an Alto Shareholder with a registered address in such jurisdiction.

Nominees and custodians who hold Alto Shares on behalf of a beneficial owner resident outside Australia and New Zealand may not forward this Scheme Booklet (or any accompanying document) to anyone outside these countries without the consent of Alto, except nominees and custodians may forward the Scheme Booklet to any beneficial shareholder in Germany who is a “qualified investor” (as defined in Article 2(e) of the Prospectus Regulation).

New Zealand

This Scheme Booklet is not a New Zealand disclosure document and has not been registered, filed with or approved by any New Zealand regulatory authority under or in accordance with the *Financial Markets Conduct Act 2013* or any other New Zealand law.

The offer of New Brightstar Shares under the Scheme is being made to existing shareholders of Alto in reliance

upon the *Financial Markets Conduct (Incidental Offers) Exemption Notice 2021* and, accordingly, this Scheme Booklet may not contain all the information that a disclosure document is required to contain under New Zealand law.

Germany

This Scheme Booklet is not a prospectus under the Prospectus Regulation. Therefore, the Scheme Booklet has not been, and will not be, registered with or approved by any securities regulator in Germany or elsewhere in the European Union. Accordingly, this Scheme Booklet may not be made available, nor may the New Brightstar Shares be offered for sale or exchange, in Germany except in circumstances that do not require the obligation to publish a prospectus under the Prospectus Regulation. In accordance with Article 1(4) of the Prospectus Regulation, an offer of New Brightstar Shares in Germany is limited:

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

China

This Scheme Booklet does not constitute a public offer of New Brightstar Shares, whether by way of sale or subscription, in the People’s Republic of China (excluding, for purposes of this paragraph, Hong Kong Special Administrative Region, Macau Special Administrative Region and Taiwan). The New Brightstar Shares may not be offered or sold directly or indirectly in the PRC to legal or natural persons other than directly to (i) “qualified domestic institutional investors” as approved by a relevant PRC regulatory authority to invest in overseas capital markets; (ii) sovereign wealth funds or quasi-government investment funds that have the authorization to make overseas investments; or (iii) other types of qualified investors that have obtained all necessary PRC governmental approvals, registrations and/or filings (whether statutorily or otherwise).

Forward looking statements

Certain statements in this Scheme Booklet relate to the future. Such forward looking statements are not based solely on historical facts but rather reflect the current expectations of Alto (in relation to the Alto Information) and Brightstar (in relation to the Brightstar Information). Statements that describe the objectives, plans, goals or expectations, estimates of reserves and resources, timelines for development and production and future costs of Alto, Brightstar or the Merged Group, are or may be

forward looking statements. Forward looking statements or statements of intent in relation to future events in this Scheme Booklet (including in the Independent Expert's Report) should not be taken to be forecasts or predictions that those events will occur. Forward looking statements generally may be identified by the use of forward looking words such as 'believe', 'aim', 'expect', 'anticipate', 'intending', 'foreseeing', 'likely', 'should', 'planned', 'may', 'estimate', 'potential', or other similar words. Forward looking statements involve known and unknown risks, uncertainties and assumptions and are subject to a variety of other factors that could cause the actual results or performance of Alto to be materially different from what is expressed by such statements. Some of the risks that Scheme Shareholders may be exposed to are set out in section 8. Forward looking statements are based on numerous assumptions regarding present and future business strategies and the environment in which Alto, Brightstar and/or the Merged Group will operate in the future. Accordingly, undue reliance should not be placed on forward looking statements.

Scheme Shareholders should note that the historical performance of Alto is no assurance of its future performance. Other than what is required by law, none of Alto or Brightstar, or their respective Related Bodies Corporate, directors, officers or advisers, represents that, or gives any assurance or guarantees that, the occurrence of events expressed or implied in any forward looking statements will actually occur.

The forward looking statements in this Scheme Booklet reflect the views held only at the date of this Scheme Booklet. Subject to any continuing obligations under the Listing Rules or the Corporations Act, Alto and Brightstar, and their respective Related Bodies Corporate, officers, directors and advisers, disclaim any obligation or undertaking to distribute after the date of this Scheme Booklet any updates or revisions to any forward looking statements to reflect any change in expectations in relation to such statements or any change in events, conditions or circumstances on which any such statement is based.

Charts, maps and diagrams

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

Privacy

Alto may collect personal information in the process of implementing the Scheme. This information may include the names, contact details and security holdings of Alto Shareholders and the names of persons appointed by Alto

Shareholders to act as proxy, corporate representative or attorney at the Scheme Meeting. The primary purpose of collecting this information is to assist Alto in conducting the Scheme Meeting and to enable the Scheme to be implemented by Alto in the manner described in this Scheme Booklet. Personal information may be disclosed to ASX, the Registry, print and mail service providers, authorised securities brokers, securities authorities and to Related Bodies Corporate of Alto and Brightstar. Alto Shareholders who are individuals, and other individuals in respect of whom personal information is collected, have certain rights to access personal information that has been collected. An Alto Shareholder may contact the Registry if they wish to exercise these rights.

Alto Shareholders who appoint a named person to act as their proxy, corporate representative or attorney at the Scheme Meeting should inform that person of the matters outlined above.

Taxation implications

If the Scheme becomes Effective and is implemented, there will be tax consequences for Scheme Shareholders which may include tax being payable. For further detail about the general Australian tax consequences of the Scheme, refer to section 9 of this Scheme Booklet. The tax consequences may vary depending on the nature and characteristics of each Alto Shareholder and their specific circumstances. Accordingly, Alto Shareholders should seek professional tax advice in relation to their particular circumstances.

Effect of rounding

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

Times and dates

All times referred to in this Scheme Booklet are references to times in Australian Western Standard Time (**AWST**), unless otherwise stated. All dates following the Scheme Meeting referred to in this Scheme Booklet are indicative only and, among other things, are subject to the satisfaction or (if permitted) waiver of the Conditions Precedent to the Scheme.

Websites

Unless expressly stated otherwise, the content of the websites of Alto and Brightstar do not form part of this Scheme Booklet and Alto Shareholders should not rely on any such content.

Competent persons statement

See section 10.21 of this Scheme Booklet for the Competent Persons Statements and other disclosures required under the Listing Rules in respect of all Mineral Resource data contained in this Scheme Booklet.

Letter from the Chair of Alto

18 October 2024

Dear Alto Shareholders

On behalf of the Alto Board, I am very pleased to provide you with this Scheme Booklet which details the proposed Scheme of Arrangement under which Alto is to be acquired by Brightstar.

Scheme proposal from Brightstar

On 1 August 2024, Alto announced that it had entered into a Scheme Implementation Deed with Brightstar under the terms of which Brightstar will acquire all of the issued shares in Alto by way of a Court approved scheme of arrangement between Alto and its shareholders (**Scheme**), for consideration of four (4) New Brightstar Shares for every one (1) Alto Share held by a Scheme Shareholder.² The implied value of the Scheme Consideration is \$0.068³ per Alto Share which represents a significant premium of:

- approximately 106% to the closing Alto Share price of \$0.033 per Alto Share on 30 July 2024 (being the last day on which Alto Shares traded on ASX prior to the Announcement Date); and
- approximately 105% to the 30 day Alto VWAP of \$0.0331 per Alto Share up to and including 30 July 2024.

Contemporaneously with the announcement of the Scheme, Brightstar also announced:

- the acquisition of the Montague Gold Project from Gateway for consideration of \$14 million, comprising cash, scrip and deferred and contingent payments in Brightstar; and
- a two tranche placement to raise \$24 million (before costs), which was completed prior to the date of this Scheme Booklet.

The Scheme is conditional on the satisfaction or waiver of customary conditions, including approval by Alto Shareholders and the Court, which are summarised in section 3.6 of this Scheme Booklet.

Should the Scheme be implemented, Alto Shareholders are expected to hold approximately 29% of the Merged Group on an undiluted basis and approximately 28% of the Merged Group on a fully diluted in the money basis.⁴

The purpose of this Scheme Booklet is to provide you with information about the Scheme to assist you in deciding how to vote on the Scheme at the Scheme Meeting.

Background on the Scheme

Alto's sole asset is the 100% owned Sandstone Gold Project in Western Australia.

While the Board remains confident about Alto's ability to continue to advance exploration over the Sandstone Gold Project, Alto's ability to potentially develop, construct and operate a sustainable

² Other than Ineligible Foreign Shareholders or Non-electing Small Shareholders (who, in the case of Non-electing Small Shareholders only, do not provide an Opt-in Notice to receive New Brightstar Shares), who will receive their respective pro rata proportion of the Sale Proceeds of the New Brightstar Shares which would otherwise have been issued to them under the Scheme.

³ Based on the Brightstar share price as at the Last Practicable Date. The implied value of the Scheme Consideration will change with fluctuations in the Brightstar Share price.

⁴ See section 7.5 of this Scheme Booklet for further detail. Subject to the effects of rounding.

operation as a single asset company is subject to a number of risk factors (see section 8 of this Scheme Booklet).

In considering the Scheme, the Directors of Alto considered the current gold focused exploration strategy and various alternatives to maximise value for Alto Shareholders, including the assessment of standalone value creation opportunities. The Scheme Consideration has also been assessed against a range of valuation benchmarks, and the Alto Board's assessment is that, on balance, the Scheme Consideration is likely to provide better value to Alto Shareholders now than would be available, on a risk adjusted basis, if Alto continued exploration over the Sandstone Gold Project in its own right.

Further, the Scheme will facilitate the consolidation of highly prospective exploration ground in the Sandstone region, which will complement Brightstar's existing production, development and exploration asset portfolio, while allowing Alto Shareholders to enjoy continued exposure and upside from the development of the Sandstone Gold Project.

Accordingly, having considered options available to Alto, the current Scheme proposal is regarded by the Board as the best present outcome for the Alto Shareholders (in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of Alto Shareholders).

The Alto Board unanimously recommends the Scheme

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

Subject to those same qualifications, each Director of Alto will vote, or procure the voting of, all Alto Shares in which they have a Relevant Interest in favour of the Scheme at the Scheme Meeting.

As at the date of this Scheme Booklet, the Alto Board is not aware of any Superior Proposal and has no basis to believe that a Superior Proposal is likely to emerge.

Interests of the Directors in the Scheme

Each of the Directors of Alto consider that, given the importance of the Scheme and their role as Directors of Alto, it is important and appropriate for them to provide a recommendation to Alto Shareholders in relation to voting on the Scheme.

However, when considering the recommendation and intentions above, you should take into account the interests of the Directors of Alto in the outcome of the Scheme.

The Directors of Alto hold, in aggregate, 18,792,735 Alto Shares, being 2.6% of Alto (on an undiluted basis), and will be eligible under the Scheme to receive the Scheme Consideration if held on the Record Date. As at the date of this Scheme Booklet, the individual interests of the Alto Directors in Alto Shares are as follows:

- Mr Mark Connelly: 500,000 Alto Shares (0.07% of Alto Shares on an undiluted basis);
- Mr Matthew Bowles: 9,750,000 Alto Shares (1.35% of Alto Shares on an undiluted basis); and
- Mr Richard Monti: 8,542,735 Alto Shares (1.18% of Alto Shares on an undiluted basis).

At the implied value of the Scheme Consideration \$0.068⁵ per Alto Share, the value of these Alto Shares for each of the Alto Directors is approximately:

- Mr Mark Connelly: \$34,000;
- Mr Matthew Bowles: \$663,000; and
- Mr Richard Monti: \$580,906.

Further, the Directors, in aggregate, hold 12,000,000 Alto Performance Rights. As at the date of this Scheme Booklet, the individual interests of the Alto Directors in Alto Performance Rights are as follows:

- Mr Mark Connelly: 3,000,000 Alto Performance Rights;
- Mr Matthew Bowles: 6,000,000 Alto Performance Rights; and
- Mr Richard Monti: 3,000,000 Alto Performance Rights.

The vesting conditions for those Alto Performance Rights will not be met prior to the Effective Date. However, those Alto Performance Rights were issued in 2022, following Alto Shareholder approval, upon the condition that the Alto Performance Rights immediately convert into Alto Shares upon a 'change of control' event occurring (which includes the Scheme). Therefore, all of these Alto Performance Rights will vest upon the Court approving the Scheme under section 411(4)(b) of the Corporations Act, resulting in the issue of a corresponding number of Alto Shares prior to the Record Date.

Therefore, at the implied value of the Scheme Consideration of \$0.068⁶ per Alto Share, the value of the Alto Shares received upon vesting of the Alto Performance Rights for each of the Alto Directors is approximately:

- Mr Mark Connelly: \$204,000;
- Mr Matthew Bowles: \$408,000; and
- Mr Richard Monti: \$204,000.

The Alto Directors, having carefully reviewed their positions, do not consider that their holding of Alto Performance Rights constitute an interest affecting the recommendation of the Directors on the outcome of the Scheme. Refer to sections 10.2, 10.3 and 10.5 of this Scheme Booklet for further details regarding the interests of the Directors.

The Managing Director of Alto, Mr Matthew Bowles, also has employment related contractual and other legal entitlements arising in connection with any loss of office that may occur as a result of or in connection with the implementation of the Scheme, under which he will receive approximately \$321,000 (excluding statutory entitlements) in connection with his expected redundancy following the implementation of the Scheme (refer to section 10.10 of this Scheme Booklet). Mr Bowles will also join the board of the Merged Group as a non-executive director in connection with the implementation of the Scheme (refer to section 10.9 of this Scheme Booklet).

⁵ Based on the Brightstar share price as at the Last Practicable Date. The implied value of the Scheme Consideration will change with fluctuations in the Brightstar Share price.

⁶ Based on the Brightstar share price as at the Last Practicable Date. The implied value of the Scheme Consideration will change with fluctuations in the Brightstar Share price.

Reasons to vote in favour of the Scheme

The Alto Board, comprised of two non-executive Directors and one executive Director, in consultation with its advisers, has carefully considered the merits of the proposed transaction with Brightstar.

The Alto Board considered the following factors when resolving to unanimously recommend that you vote in favour of the Scheme, in the absence of a Superior Proposal and provided that the Independent Expert continues to conclude that the Scheme is in the best interests of Alto Shareholders:

- the Independent Expert has concluded that, in the absence of a Superior Proposal, the Scheme is not fair but reasonable and therefore in the best interests of Alto Shareholders;
- the Scheme Consideration provides a significant premium to the recent trading of Alto Shares;
- Alto Shareholders will retain ongoing exposure to the exploration over Alto's main asset, the Sandstone Gold Project;
- Brightstar's balance sheet, potential future cash-flows and potential access to additional funding will further underpin and de-risk the development strategy for the Sandstone Gold Project;
- Alto Shareholders will gain exposure to Brightstar's enlarged portfolio to create an emerging gold producer with a significant pipeline to become a meaningful participant in the Western Australian gold sector;
- the Merged Group is expected to have further scale, liquidity and capital markets profile, providing enhanced financial flexibility and the potential for further share price re-rating over time;
- since the Scheme was announced on 1 August 2024, no Superior Proposal has emerged;
- exploration and potential development of the Sandstone Gold Project as a standalone gold project carries a number of risks for a junior company such as Alto;
- potential development of the Sandstone Gold Project would require significant capital;
- the Scheme is supported by Alto's largest shareholder, Windsong Valley Pty Ltd;
- Alto's Shares might trade at a lower price if the Scheme is not implemented and no Superior Proposal emerges, in the absence of more favourable market conditions; and
- CGT rollover relief may be available.

These factors are elaborated upon in section 1.2 of this Scheme Booklet.

Potential disadvantages of the Scheme

In forming their unanimous decision to recommend the Scheme to Alto Shareholders, subject to the qualifications described above, the Directors of Alto also considered the potential disadvantages of the Scheme proceeding, which may provide reasons to vote against the Scheme.

In particular:

- you may disagree with the Directors' unanimous recommendation;

- you may disagree with the Independent Expert’s assessments and/or conclusions and believe that the Scheme is neither fair nor reasonable, and not in your best interests;
- the exact value of the Scheme Consideration is not certain and will depend on the price at which Brightstar’s Shares trade on ASX after the Implementation Date;
- if the Scheme proceeds, you will no longer be an Alto Shareholder and your percentage interest in Brightstar will be less than your current percentage interest in Alto;
- a Superior Proposal for Alto may materialise in the future, though as at the date of this Scheme Booklet, the Alto Board is not aware of any Superior Proposal;
- you may prefer to hold shares in Alto as a means to retain more concentrated exposure to the broader gold market thematic;
- you may believe it is in your best interests to maintain your current investment and risk profile by holding shares in Alto;
- the risk profile and risk of investment for Alto Shareholders will change and you may consider the risk profile and risk of investment of the Merged Group to be disadvantageous relative to that of Alto as a standalone entity; and
- the tax consequences of the Scheme may not suit your own financial position or circumstances.

These factors are elaborated upon in section 1.3 of this Scheme Booklet.

Independent Expert’s conclusion

The Board appointed BDO as the Independent Expert to assess the merits of the Scheme. BDO appointed SRK as the Independent Technical Specialist to prepare the Independent Technical Expert’s Report contained in the Independent Technical Specialist’s Report.

In the Independent Expert’s opinion, the Scheme is not fair because the value of the Scheme Consideration (on a minority basis) is lower than the value of an Alto Share prior to the Scheme (on a controlling basis), when a comparison is made at each of the respective low, preferred and high valuation points.

However, the Independent Expert considers the Scheme to be reasonable because the advantages of the Scheme to Alto Shareholders are greater than the disadvantages. The Independent Expert has noted the following respective advantages and disadvantages of the Scheme in section 13 of the Independent Expert’s Report:

Section of Independent Expert’s Report	Advantages	Section of Independent Expert’s Report	Disadvantages
13.1.1.	Value accretive on a like-for-like basis	13.2.1.	Dilution of Alto Shareholders’ interests and exposure to the Sandstone Project
13.1.2.	Shareholders will gain exposure to Brightstar’s enlarged portfolio whilst retaining exposure to the Sandstone Project	13.2.2.	Change in risk profile

Section of Independent Expert's Report	Advantages	Section of Independent Expert's Report	Disadvantages
13.1.3.	Mitigates risks associated with the development of the Sandstone Project as Alto's standalone project	13.2.3.	The value of the Scheme Consideration is not certain
13.1.4.	Immediate access to capital to fund ongoing exploration programs		
13.1.5.	The Merged Group will have a larger market presence		
13.1.6.	Increased experience in the Board of Directors and management team of the Merged Group		

A complete copy of the Independent Expert's Report is included at Appendix 1 to this Scheme Booklet. You are encouraged to read the Independent Expert's Report in its entirety.

Risk factors

The Alto Board considers that it is appropriate for Alto Shareholders, in considering the Scheme, to be aware that there are a number of risk factors which could materially adversely affect the future operating and financial performance of Alto and the value of Alto Shares. These risk factors are set out in detail in section 8.

If the Scheme proceeds, Alto Shareholders will receive the Scheme Consideration and, from implementation of the Scheme, will cease to be Alto Shareholders and will no longer be directly exposed to some of the risks related to being an Alto Shareholder. However, as the Scheme Consideration consists of New Brightstar Shares, Alto Shareholders will become Brightstar Shareholders and will continue to be indirectly exposed Alto's assets (through their holding of Brightstar Shares) as well as additional risks associated with an investment in the Merged Group through their holding of Brightstar Shares. Some of the risks relating to the Merged Group are entirely different to the risks currently posed by an investment in Alto and Alto Shareholders are encouraged to review these additional risk factors in detail. If the Scheme does not proceed, the Alto Board intends to maintain the current gold focused development strategy, however, note that Alto Shareholders will be exposed to the risks and challenges of delivering future growth and value over the long term.

How to vote

Your vote is important and I encourage you to vote. If you wish for the Scheme to proceed, it is important that you vote in favour of the Scheme.

Please refer to section 4 of this Scheme Booklet and the Notice of Scheme Meeting at Appendix 4 to this Scheme Booklet for instructions on how to attend the Scheme Meeting and how to cast your vote.

Further information

I would again encourage you to read this document carefully and in its entirety as it will assist you in making an informed decision on how to vote. If required, I would encourage you to seek independent

financial, legal and taxation advice before making any investment decision in relation to your Alto Shares.

If you require any further information, please call Alto's Share Registry on 1300 441 597 (within Australia) or +61 2 8072 1465 (outside Australia) between 8:30am and 6:00pm (Sydney time) Monday to Friday, excluding public holidays, or email at hello@automic.com.au.

On behalf of the Alto Board, I would like to thank you for your support of Alto. I look forward to your participation at the Scheme Meeting and encourage you to vote in favour of the Scheme, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of Alto Shareholders.

Yours sincerely,

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

Mark Connelly
Non-Executive Chair
Alto Metals Limited

Letter from the Chair of Brightstar

18 October 2024

Dear Alto Shareholders

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

The Merged Group is expected to realise strategic benefits through the combination of complementary assets. The Merged Group will have the asset base necessary to support the aspirational goal of becoming a significant gold producer.

With a strong pro forma cash position of \$22.7 million,⁷ the Merged Group is expected to be well positioned to realise a number of strategic benefits as outlined below:

- the strategic consolidation of a ~1,100km² landholding in the Sandstone region, which provides a new district scale growth platform to complement Brightstar's existing production, development and exploration asset portfolio;
- a combined portfolio of gold projects, which creates an emerging gold producer with a significant growth pipeline to become a meaningful participant in the Western Australian gold sector;
- a combined JORC (2012) Mineral Resource of ~3.0Moz gold, strategically located within proximity to both Brightstar and third party milling infrastructure;⁸
- combined existing and near-term gold production from Laverton and Menzies Gold Projects can support the expedited exploration and development of the enlarged, consolidated Sandstone hub;
- a pro forma market capitalisation of \$180.6 million⁹ to provide enhanced scale and trading liquidity to drive increased market relevance and grow investor appeal;
- an enhanced resource base, which supports a potential re-rating of the Merged Group, which (if realised) would further increase access to capital markets to deliver a lower cost of capital; and
- strong and engaged Merged Group shareholder base including listed companies St Barbara Limited, Lion Selection Group Limited along with multiple institutional investors and fund managers - all supportive of the Merged Group's strategy.¹⁰

As detailed in section 1.3 of this Scheme Booklet, there are also reasons why you may choose to vote against the Scheme. These include:

- you may disagree with the Alto Directors' unanimous recommendation;

⁷ Refer to section 7.9(c) for further details of the pro-forma financial information of the Merged Group, including the pro-forma cash position of the Merged Group. The pro forma cash position does not include any adjustment for expenditure by Brightstar subsequent to 30 June 2024 (refer to section 11.1.3 of the Independent Expert's Report for further information).

⁸ Inclusive of the unconstrained Mineral Resource estimate for the Sandstone Gold Project of 23.5Mt at 1.4 g/t gold for 1.05Moz. The Sandstone Gold Project currently has an open-pit gold resource of 17.6Mt @ 1.5 g/t gold for 832,000oz, constrained within A\$2,500/oz pit-shells (capturing over 80% of the total unconstrained Mineral Resource). For further information, refer to Alto's ASX announcement titled '*Significant increase in shallow gold resources at Sandstone Gold Project*' dated 3 April 2023.

⁹ Based on pro forma fully diluted in the money shares on issue multiplied by the closing Brightstar Share price on the Last Practicable Date of \$0.017.

¹⁰ Each of St Barbara Limited and Lion Selection Group Limited has given, and not withdrawn prior to the lodgement of this Scheme Booklet with ASIC, their written consent to being named in this Scheme Booklet and the statements in this Scheme Booklet which are attributed to them, in the form and context in which they are included.

- you may disagree with the Independent Expert's assessments and/or conclusions and believe that the Scheme is neither fair nor reasonable, and not in your best interests;
- the exact value of the Scheme Consideration is not certain and will depend on the price at which Brightstar's Shares trade on ASX after the Implementation Date;
- if the Scheme proceeds, you will no longer be an Alto Shareholder and your percentage interest in Brightstar will be less than your current percentage interest in Alto;
- a Superior Proposal for Alto may materialise in the future, though as at the date of this Scheme Booklet, Brightstar has not been informed of the Alto Board being aware of any potential Superior Proposal;
- you may prefer to hold shares in Alto as a means to retain more concentrated exposure to the broader gold market thematic;
- you may believe it is in your best interests to maintain your current investment and risk profile by holding shares in Alto;
- the risk profile and risk of investment for Alto Shareholders will change and you may consider the risk profile and risk of investment of the Merged Group to be disadvantageous relative to that of Alto as a standalone entity; and
- the tax consequences of the Scheme may not suit your own financial position or circumstances.

We are optimistic that the combination of Brightstar and Alto into the Merged Group will benefit all stakeholders and will add value for Alto Shareholders. Of course, when considering whether to vote in favour of the Scheme, Alto Shareholders should have regard to the risks of the Scheme set out in section 8.2 of this Scheme Booklet and the risks of the Merged Group set out in sections 8.3 and 8.4 of this Scheme Booklet.

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

Yours sincerely



Richard Crookes
Non-Executive Chairman
Brightstar Resources Limited

Field Co

1 Key Considerations Relevant To Your Vote

1.1 Summary

This section is a summary only and is not intended to address all of the relevant issues for Alto Shareholders. Alto Shareholders should read the Scheme Booklet in full. This section should be read in conjunction with other sections of this Scheme Booklet.

The reasons to vote in favour of, or against, the Scheme are discussed in more detail in sections 1.2 and 1.3 of this Scheme Booklet. Other considerations relevant to an Alto Shareholder's vote are discussed in section 1.4 below.

1.2 Reasons to vote in favour of the Scheme

- (a) **The Directors unanimously recommend that you vote in favour of the Scheme, in the absence of a Superior Proposal and provided that the Independent Expert continues to conclude that the Scheme is in the best interests of Alto Shareholders.**¹¹

In reaching their unanimous recommendation, the Directors assessed the Scheme having regard to the reasons to vote in favour of, or against, the Scheme, as set out in the Scheme Booklet. The Directors believe the Scheme Consideration proposed under the Scheme is attractive, and fairly recognises the value of both Alto's existing assets and its growth opportunities. In addition, the Scheme provides value, in the form of Brightstar Shares, in the near term which may not be achieved if the Scheme does not proceed.

In the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of Alto Shareholders, each of the Directors intends to vote or procure the voting of, all of the Alto Shares in which they have a Relevant Interest in favour of the Scheme. The interests of the Directors in Alto Shares are set out in section 10.2 of this Scheme Booklet.

As at the date of this Scheme Booklet, the Alto Board is not aware of any Superior Proposal and has no basis to believe that a Superior Proposal will emerge. The Scheme Implementation Deed, entered into with Brightstar, permits Alto to engage with any party in relation to a Competing Proposal, subject to certain conditions.

A summary of the key terms of the Scheme Implementation Deed are provided in section 10.11 of this Scheme Booklet.

- (b) **The Independent Expert has concluded that, in the absence of a Superior Proposal, the Scheme is not fair but reasonable and therefore in the best interests of Alto Shareholders.**

The Alto Board appointed BDO as the Independent Expert to opine on whether the Scheme is in the best interests of Alto Shareholders within an Independent Expert's Report.

¹¹ In considering the unanimous recommendation and intentions of the Directors to vote in favour of the Scheme, Alto Shareholders should have regard to the interests of the Directors in the outcome of the Scheme vote, as discussed in the section of the Letter from the Chair of Alto titled "*Interests of the Directors in the Scheme*" and disclosed in detail in section 3.3.

The Independent Expert has concluded that the Scheme is not fair but reasonable and therefore in the best interests of Shareholders, in the absence of a superior proposal.

In the Independent Expert's opinion, the Scheme is not fair because the value of the Scheme Consideration (on a minority basis) is lower than the value of an Alto Share prior to the Scheme (on a controlling basis), when a comparison is made at each of the respective low, preferred and high valuation points.

However, the Independent Expert considers the Scheme to be reasonable because the advantages of the Scheme to Alto Shareholders are greater than the disadvantages. The Independent Expert has noted the respective advantages and disadvantages of the Scheme in section 13 of the Independent Expert's Report.

The reasons why the Independent Expert reached its conclusion are set out in the Independent Expert's Report, a copy of which is contained in Appendix 1 to this Scheme Booklet. The Directors encourage you to read this report in full.

(c) **The Scheme Consideration provides a premium to the recent trading prices of Alto Shares.**

Under the terms of the Scheme, subject to the Scheme becoming Effective, Alto Shareholders will receive four (4) New Brightstar Shares for every one (1) Alto Share held on the Record Date.

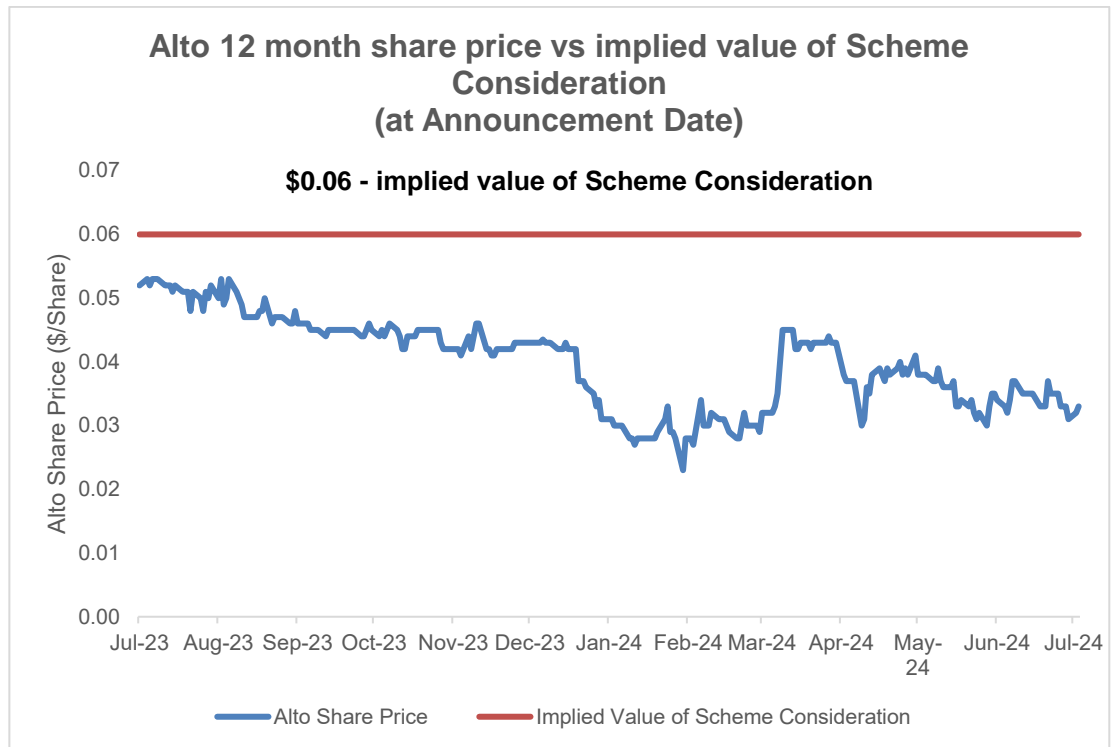
Based on the closing price of Brightstar Shares on the Last Practicable Date, the implied value of the Scheme Consideration is \$0.068 per Alto Share.

The implied value of the Scheme Consideration represents a significant premium to the recent trading prices of Alto Shares prior to the Announcement Date, as set out below:

- approximately 106% to the closing Alto Share price of \$0.033 per Alto Share on 30 July 2024 (being the last day on which Alto Shares traded on ASX prior to the Announcement Date); and
- approximately 105% to the 30 day Alto VWAP of \$0.0331 per Alto Share up to and including 30 July 2024.

Figure 1 below shows the closing price of Alto Shares on ASX over the 12 months prior to the Announcement Date relative to the implied value of the Scheme Consideration. The implied value of the Scheme Consideration will change with changes in the market price of Brightstar Shares.

Figure 1 – Scheme Consideration premia



If the Scheme is not implemented and no Superior Proposal emerges, it is possible the price of Alto Shares may fall from current levels (\$0.064 per Alto Share as at market close on the Last Practicable Date). As at the date of this Scheme Booklet, the Alto Board is not aware of any Superior Proposal and has no basis to believe that a Superior Proposal is likely to emerge.

(d) Alto Shareholders will retain ongoing exposure to the exploration over Alto’s main asset, the Sandstone Gold Project.

If the Scheme is implemented, Scheme Shareholders will receive New Brightstar Shares, meaning that Scheme Shareholders will continue to enjoy exposure to any future development of Alto’s Sandstone Gold Project and its advancement under the stewardship of Brightstar’s experienced management team. Scheme Shareholders will hold approximately a 29% interest in the Merged Group on an undiluted basis and approximately 28% of the Merged Group on a fully diluted in the money basis.¹²

If the Scheme is implemented, Brightstar intends to prioritise advancing the exploration and potential development of the Sandstone Gold Project.

(e) Alto Shareholders will gain exposure to Brightstar’s enlarged portfolio to create an emerging gold producer with a significant pipeline to become a meaningful participant in the Western Australian gold sector.

If the Scheme is implemented, Alto Shareholders will receive New Brightstar Shares and as a result, will gain exposure to Brightstar’s gold projects portfolio,

¹² See section 7.5. Subject to the effects of rounding.

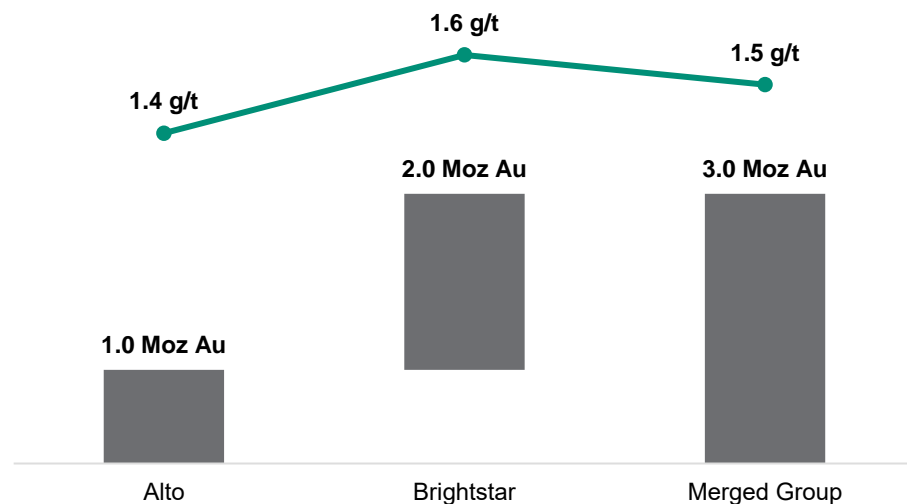
including Brightstar’s Menzies Gold Project, Laverton Gold Project and the Montague Gold Project, mitigating the risk associated with being a single-asset exploration company.

The Scheme consolidates the Sandstone Gold Project with the Montague Gold Project to combine an ~1,100km² landholding in the Sandstone region to provide a new district scale growth platform which will complement Brightstar’s production, development and exploration asset portfolio.

The Merged Group will have combined JORC Mineral Resources of ~3.0Moz gold,¹³ strategically located within proximity to both Brightstar and third party milling infrastructure.

Figure 2 below shows the Mineral Resource base of the Merged Group relative to the Mineral Resource base of Alto.¹⁴

Figure 2 – Merged Entity Mineral Resource Base



The Merged Group will be highly leveraged to the strong gold thematic.

- (f) **Brightstar’s balance sheet, potential future cash-flows and potential access to additional funding will further underpin and de-risk the development strategy for the Sandstone Gold Project.**

The balance sheet capacity of the Merged Group provides enhanced financial flexibility to fund and deliver the Merged Group’s strong exploration and development project pipeline and accelerate projects, if market conditions permit.

Further, existing and near-term production from Brightstar’s Laverton and Menzies hubs can support the expedited exploration and development of the Sandstone hub. Existing Scoping Studies released for the Laverton and Menzies hubs outlined

¹³ Refer to footnote 8.

¹⁴ Figure 2 is a summary only. See sections 5 and 6 for full details of the Mineral Resource Estimate for each entity.

the production of 0.45Moz gold over eight years with a low capital hurdle into production.¹⁵

- (g) **The Merged Group is expected to have further scale, liquidity and capital markets profile, providing enhanced financial flexibility and the potential for further share price re-rating over time.**

If the Scheme is approved and implemented, Scheme Shareholders will be in a position to benefit from the increased scale and financial capability offered by the Merged Group.

The Merged Group is estimated to have a pro forma market capitalisation of approximately \$180.6 million¹⁶ and pro forma cash and cash equivalents as at 30 June 2024 of approximately \$22.7 million.¹⁷

The enlarged scale of the Merged Group may also position it to benefit from additional liquidity, given the Merged Group may satisfy a greater number of minimum investment thresholds for fund managers and qualify for broader research coverage, potentially attracting a larger pool of investors.

The Merged Group also provides an enlarged platform for potential value-accretive growth.

- (h) **Since the Scheme was announced on 1 August 2024, no Superior Proposal has emerged.**

The Scheme has been widely publicised since its announcement on 1 August 2024 and up until the date of this Scheme Booklet, no Superior Proposal has emerged.

As at the date of this Scheme Booklet, the Alto Board is not aware of any Superior Proposal.

If a Superior Proposal emerges, this will be announced to ASX, and your Directors of Alto would carefully consider such a Superior Proposal and advise Alto Shareholders accordingly.

- (i) **Exploration and potential development of the Sandstone Gold Project as a standalone gold project carries a number of risks for a junior company such as Alto.**

If the Scheme is not implemented, Alto will remain an independent entity listed on ASX and will be subject to a number of risks specific to Alto as an independent entity listed on the ASX as outlined in section 8 of this Scheme Booklet.

The Directors of Alto believe the Scheme Consideration appropriately balances the potential value of the Sandstone Gold Project with the risks that Alto would have to address or otherwise mitigate in achieving the value. In particular:

¹⁵ For further information, refer to Brightstar's ASX announcements titled "*Menzies and Laverton Gold Project Mine Restart Study*" dated 6 September 2023 & "*Compelling Scoping Study for Jasper Hills Gold Project*" dated 25 March 2024. All material assumptions underpinning the production targets and forecast financial information derived from the production targets in the previous announcement continue to apply and have not materially changed.

¹⁶ See footnote 9.

¹⁷ See section 7.9.

- while significant work has been undertaken, the Sandstone Gold Project is still relatively early stage. No Scoping Study has been published on the Sandstone Gold Project, and in any event, feasibility studies and evaluation would be required before a potential development decision could be considered by the Directors of Alto;
- the Sandstone Gold Project does not have a published JORC Ore Reserve and so there is still significant risk and uncertainty as to the economics and risk profile of a future mining operation;
- potential development of the Sandstone Gold Project will carry a number of technical, operational and financial risks. Refer to the risks outlined in section 8 of this Scheme Booklet for further information; and
- funding a large-scale capital project brings with it a number of challenges for a company the size of Alto.

(j) **Potential development of the Sandstone Gold Project will require significant capital.**

Alto currently does not have the capital to fully develop its Sandstone Gold Project and will require significant funding to develop the Sandstone Gold Project and other exploration assets, assuming a potential development decision were actually made.

Any additional equity funding may be dilutive to Alto Shareholders and may be undertaken at lower prices than the current market price or implied value of the Scheme Consideration. No assurances can be given that appropriate capital or funding, if and when needed, will be available on terms favourable to Alto or at all.

Should the Scheme not proceed, Alto will evaluate its working capital requirements to determine an appropriate level of funding to ensure it can undertake prefeasibility and/or final feasibility studies and generally advance the Sandstone Gold Project.

(k) **The Scheme is supported by Alto's largest shareholder, Windsong Valley Pty Ltd.**

Alto's largest shareholder, Windsong Valley Pty Ltd, which held 107,155,416 Alto Shares as at the Announcement Date (representing approximately 14.85% of the Alto shares then on issue), has provided a voting intention statement to Alto, under which it confirmed its intention to vote such of those shares that it holds at the time of the Scheme Meeting in favour of the Scheme, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of Alto Shareholders.

As at the Last Practicable Date, Windsong Valley Pty Ltd's shareholding had not changed since the voting intention statement was given.

(l) **Alto's Shares might trade at a lower price if the Scheme is not implemented and no Superior Proposal emerges, in the absence of more favourable market conditions.**

The price at which Alto Shares have traded in the market since the announcement of the Scheme has, in the opinion of the Directors of Alto, been supported by the market expectation that the Scheme will be successfully implemented.

As such, the Directors caution that if the Scheme is not approved and no Superior Proposal emerges, Alto Shares may trade below the current trading levels (and the implied value of the Scheme Consideration).

Over the twelve months prior to the Announcement Date, Alto Shares have traded between a low of \$0.023 per Alto Share on 26 February 2024 and a high of \$0.054 per Alto Share on 5 September 2023. On 30 July 2024, prior to the Announcement Date, Alto Shares closed at \$0.033 per Alto Share.

(m) **CGT rollover relief may be available**

If you are an Australian resident for taxation purposes and receive New Brightstar Shares, capital gains tax (**CGT**) roll-over relief may be available in respect of any capital gains on the disposal of your Alto Shares to Brightstar under the Scheme.

Further details of the tax implications of the Scheme are set out in section 9 of this Scheme Booklet.

All Alto Shareholders are advised to seek independent professional advice about their particular circumstances including, for non-resident Alto Shareholders, foreign tax consequences.

1.3 Potential reasons to vote against the Scheme

The Directors of Alto unanimously recommend that you vote in favour of the Scheme, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of Alto Shareholders.¹⁸ In addition, the Independent Expert has concluded that the Scheme is in the best interests of Alto Shareholders, in the absence of a Superior Proposal. However, there may be reasons which lead you to consider voting against the Scheme, possibly including those set out below.

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

The Directors of Alto unanimously recommend that all Alto Shareholders vote in favour of the Scheme, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of Alto Shareholders. You may disagree with the unanimous recommendation of your Directors of Alto and the reasons for that recommendation.

¹⁸ In considering the unanimous recommendation and intentions of the Directors to vote in favour of the Scheme, Alto Shareholders should have regard to the interests of the Directors in the outcome of the Scheme vote, as discussed in the section of the Letter from the Chair of Alto titled "*Interests of the Directors in the Scheme*" and disclosed in detail in section 3.3.

- (b) **You may disagree with the Independent Expert's assessments and/or conclusions and believe that the Scheme is neither fair nor reasonable and not in your best interests.**

The Independent Expert has concluded that the Scheme is in the best interests of Scheme Shareholders, in the absence of a Superior Proposal. You may disagree with the Independent Expert's assessments and/or conclusions and believe that the Scheme is neither fair nor reasonable and not in your best interests. Refer to Appendix 1 to this Scheme Booklet for a copy of the Independent Expert's Report.

- (c) **The exact value of the Scheme Consideration is not certain and will depend on the price at which Brightstar's Shares trade on ASX after the Implementation Date.**

The value of the Scheme Consideration is not fixed and the exact value that you receive for your Alto Shares may move adversely from the value of the Scheme Consideration on the date of this Scheme Booklet or the Scheme Meeting.

Alternatively, if there is an increase in the relative price of Brightstar Shares, the value you receive for your Alto Shares may move favourably from the value of the Scheme Consideration on the date of this Scheme Booklet or the Scheme Meeting.

In addition, the Sale Agent will be issued the Brightstar Shares that would otherwise be issued to Ineligible Shareholders and will sell them as soon as reasonably practicable after the Implementation Date. Although the quantum of these sales is expected to be limited, it is possible that such sales may exert downward pressure on the share price of Brightstar during the applicable period.

- (d) **If the Scheme proceeds, you will no longer be an Alto Shareholder and your percentage interest in the Merged Group will be less than your current percentage interest in Alto.**

If the Scheme proceeds, you will no longer be an Alto Shareholder and your participation in the potential upside that may result from being an Alto Shareholder (including Alto's interests in Alto's assets) will be diluted, given the proportional shareholding of Alto Shareholders in the Merged Group is expected to be approximately 29% of the Merged Group on an undiluted and approximately 28% of the Merged Group on a fully-diluted in the money basis.¹⁹

- (e) **A Superior Proposal for Alto may materialise in the future.**

It is possible that a Superior Proposal for Alto, which could be more attractive to Alto Shareholders than the Scheme, may materialise in the future. The implementation of the Scheme would mean that Alto Shareholders would not obtain the benefit of any such proposal.

The Board is not currently aware of any such proposal and notes that since Brightstar and Alto announced the Scheme, there has been a significant period of time and ample opportunity for a Superior Proposal for Alto to emerge.

¹⁹ See section 7.5. Subject to the effects of rounding.

If a Superior Proposal emerges, this will be announced to ASX, and your Directors of Alto and their advisers would carefully consider such Superior Proposal and advise Alto Shareholders accordingly.²⁰

(f) **You may believe it is in your best interests to maintain your current investment and risk profile by holding shares in Alto.**

You may prefer to keep your Alto Shares to preserve your investment in a listed public company with the specific characteristics of Alto. In particular, you may consider that despite the risk factors relevant to Alto's potential future options (including those set out in section 8 of this Scheme Booklet), Alto may be able to return greater value from its assets by remaining a standalone entity, or by seeking alternative corporate transactions in the future. You may also consider that it would be difficult to identify or invest in alternative investments that have a similar investment profile to Alto.

In assessing and recommending the Scheme, the Directors and their advisers evaluated the benefits and risks of Alto's continuing operations against its other strategic alternatives.

In deciding that they should unanimously recommend the Scheme,²¹ the Directors determined that, on balance, the value represented by the Scheme would be more favourable to Alto Shareholders than the options and risks that might otherwise be available to or faced by Alto Shareholders if they were to retain their investment in Alto.

Refer to section 3.14 of this Scheme Booklet regarding the consequences for Alto should the Scheme not proceed.

(g) **The risk profile and risk of investment for Alto Shareholders will change and you may consider the risk profile and risk of investment of the Merged Group to be disadvantageous relative to that of Alto as a standalone entity.**

The risk profile and risk of investment for Alto Shareholders will change and you may consider the risk profile and risk of investment of Brightstar, which will include risks relating to both the Brightstar and the Alto business, to be a disadvantage relative to that of Alto as a standalone entity.

The operations and financial performance of Alto, Brightstar and/or the Merged Group and the disposal of Alto Shares in exchange for New Brightstar Shares are subject to various risks that are summarised in section 8 of this Scheme Booklet and that may be beyond the control of Alto, Brightstar and/or the Merged Group.

(h) **The tax consequences of the Scheme may be adverse to your own financial position or circumstances.**

If the Scheme becomes Effective and is implemented, there will be tax consequences for Scheme Participants which may include tax being payable. For further detail about the general Australian tax consequences of the Scheme, refer

²⁰ Shareholders should note that Alto is subject to exclusivity provisions under the Scheme Implementation Deed (see section 10.11(d)). Subject to certain conditions in favour of Brightstar and compliance with the relevant provisions of the Scheme Implementation Deed, Alto is able to take certain actions in relation to a Competing Proposal.

²¹ In considering the unanimous recommendation and intentions of the Directors to vote in favour of the Scheme, Alto Shareholders should have regard to the interests of the Directors in the outcome of the Scheme vote, as discussed in the section of the Letter from the Chair of Alto titled "*Interests of the Directors in the Scheme*" and disclosed in detail in section 3.3.

to section 9 of this Scheme Booklet. The tax consequences may vary depending on the nature and characteristics of each Alto Shareholder and their specific circumstances. Accordingly, Alto Shareholders should seek professional tax advice in relation to their particular circumstances.

(i) **Ineligible Shareholders will not receive New Brightstar Shares.**

You should note that if you are an Ineligible Shareholder (being an Ineligible Foreign Shareholder or Non-electing Small Shareholder), if the Scheme is implemented, you will not receive New Brightstar Shares. Instead, you will receive your portion of the Sale Proceeds from the New Brightstar Shares attributable to you as soon as practicable following payment to Brightstar of the Sale Proceeds by the Sale Agent after the Implementation Date. See section 3.5 of this Scheme Booklet for further details.

1.4 Other considerations relevant to an Alto Shareholder's vote.

In addition to the factors that the Directors have taken into account in recommending the Scheme to Alto Shareholders or which may lead Alto Shareholders to vote against the Scheme, as described above, the other key considerations that the Directors consider may be relevant to an Alto Shareholder's decision on how to vote on the Scheme Resolution are summarised below.

(a) **The Scheme may be implemented even if you vote against it**

Even if you do not vote on, or vote against, the Scheme Resolution at the Scheme Meeting, the Scheme may still be implemented if the Scheme Resolution is approved by the Requisite Majority of Alto Shareholders and, subsequently, the Court.

(b) **Conditions Precedent**

The Scheme is subject to a number of Conditions Precedent that are summarised in section 3.6 of this Scheme Booklet. If these Conditions Precedent are not satisfied (or, if applicable, not waived), the Scheme will not proceed, even if it is approved by the Requisite Majority of Alto Shareholders at the Scheme Meeting.

(c) **Regulatory approvals**

The Scheme is subject to any required regulatory approvals. There are no regulatory approvals expected, other than ASIC and Court approval associated with the Scheme process itself.

(d) **Break fee and reverse break fee**

If the Scheme does not become effective, a 'break fee' of \$440,000 may become payable by Alto, or 'reverse break fee' of \$880,000 may become payable by Brightstar (depending on the circumstances). The circumstances in which such a payment would be payable by Alto or Brightstar (as the case may be) are summarised in sections 10.11(e) and 10.11(f) of this Scheme Booklet.

(e) **Warranties and agreements by Scheme Shareholders**

Under the Scheme, each Scheme Shareholder is taken to have warranted to Alto (and to the extent enforceable, appointed and authorised Alto as its agent to

warrant to Brightstar) certain matters in respect of its Scheme Shares as are detailed in section 3.10 of this Scheme Booklet.

(f) **Risks**

If the Scheme becomes Effective, Scheme Shareholders will receive the Scheme Consideration, cease to be an Alto Shareholder, and will no longer be directly exposed to the existing risks relating to Alto's business and an investment in Alto Shares summarised in section 8 of this Scheme Booklet (and other risks to which Alto may be exposed). However, as the Scheme Consideration consists of New Brightstar Shares, Scheme Shareholders will become Brightstar Shareholders and will continue to be indirectly exposed to Alto's assets (through their holding of Brightstar Shares) as well as additional risks associated with an investment in the Merged Group through their holding of Brightstar Shares.

If the Scheme does not proceed, Alto will continue to operate as a standalone entity listed on ASX, and Alto Shareholders will continue to hold their Alto Shares and be exposed to these risks and any opportunities associated with that investment.

(g) **Implications for Alto if the Scheme is not implemented**

If the Scheme is not implemented, Alto Shareholders will retain their Alto Shares and will not receive the Scheme Consideration. A summary of the key risks for Alto and Alto Shareholders if the Scheme is not implemented is set out in section 8.

Transaction related costs of approximately \$0.7 million (excluding GST) are expected to be incurred by Alto in the event the Scheme does not proceed. Refer to section 10.17 of this Scheme Booklet for more details.

(h) **Exclusivity obligations**

The Scheme Implementation Deed provides that Alto is subject to certain exclusivity obligations and restrictions, including no existing discussions, no shop, no talk, no due diligence and notification obligations, and also provides that Brightstar has a matching right in respect of Competing Proposals. Refer to section 10.11(d) of this Scheme Booklet for further information on these arrangements.

(i) **The opinion of the Independent Expert**

The Alto Board appointed BDO as the Independent Expert to opine on whether the Scheme is in the best interests of Alto Shareholders within an Independent Expert's Report. BDO has appointed SRK as the Independent Technical Specialist to prepare the Independent Technical Specialist's Report contained in the Independent Expert's Report.

The Independent Expert has concluded that, in the absence of a Superior Proposal, the Scheme is not fair but reasonable and therefore in the best interests of Alto Shareholders.

A complete copy of the Independent Expert's Report is attached at Appendix 1 to this Scheme Booklet. You are encouraged to read the Independent Expert's Report in its entirety.

(j) **You may wish to sell your Alto Shares on market**

You may wish to sell your Alto Shares on market before the closing of trading on ASX on the Effective Date (currently expected to be 2 December 2024) at the then prevailing market price (which could include prices at or above the implied value of the Scheme Consideration).

If you sell your Alto Shares on market, you may be required to pay brokerage, and different tax consequences may apply compared to those that would arise if you retained your Alto Shares until the Scheme is implemented.

2 Frequently Asked Questions

This Scheme Booklet contains detailed information on the Scheme. The following section provides summary answers to some basic questions you may have in relation to the Scheme and will assist you to locate further detailed information in this Scheme Booklet.

Question	Answer	More information
Overview of the Scheme		
What is a scheme of arrangement?	<p>A scheme of arrangement is a legal arrangement between a company and its shareholders and involves a company putting forward a proposal to its shareholders for them to consider, and, if thought fit, approve. Before a scheme of arrangement can come into effect, it must be approved by the Requisite Majority of shareholders at a meeting, being:</p> <ul style="list-style-type: none"> • unless the Court orders otherwise, a majority in number (more than 50%) of the shareholders present and voting at the scheme meeting (either in person or by proxy, corporate representative or attorney); and • at least 75% of the total number of votes cast on the resolution at the scheme meeting by shareholders entitled to vote on the resolution. <p>It must also be approved by the Court.</p> <p>Once the scheme of arrangement is approved by the shareholders and the Court, it binds all shareholders to the proposal (including those who may have voted against it or may not have voted at all).</p>	Section 3
What is the Scheme?	The Scheme proposes that Brightstar will acquire all of the issued shares in Alto in exchange for New Brightstar Shares by way of a Court approved scheme of arrangement.	Section 3.1
Who is Brightstar?	<p>Brightstar is a Perth based gold exploration and development company listed on the ASX and currently trades under the ticker code "BTR".</p> <p>Brightstar owns the Brightstar processing plant (currently on care and maintenance), a 60-man accommodation camp and non-processing infrastructure, located 30km south east of Laverton and within 75km of its +850koz gold</p>	Section 6

Question	Answer	More information
	<p>JORC Resources within the Laverton Hub including access to key haul road infrastructure.</p> <p>With a proven strategy of resource growth across its portfolio, Brightstar is aggressively drilling to expand and develop its mineral resource inventory in the Tier-1 gold district of the Eastern Goldfields with the view to becoming a substantial ASX gold producer.</p>	
Who is entitled to participate in the Scheme?	Alto Shareholders who hold Alto Shares on the Record Date (ie, Scheme Shareholders) are entitled to participate in the Scheme.	Sections 3.7(d) and 3.12
Is Brightstar related to Alto?	No, Brightstar does not have any current association, relation or affiliation with Alto outside of the Scheme.	
What are Brightstar's intentions for Alto if the Scheme is implemented?	<p>Upon implementation of the Scheme, Alto will be a wholly owned subsidiary of Brightstar and its wholly owned subsidiary, Sandstone Exploration Pty Ltd, will form part of the Merged Group.</p> <p>Brightstar intends to complete an intensive and thorough review of Alto's operations, covering strategic, financial, and operating matters to determine and implement improvements to deliver the optimal outcomes for the Merged Group. Without the benefit of a detailed review, Brightstar anticipates that Alto's business at an operations level shall continue in its current form at this stage.</p> <p>If the Scheme is implemented, the strategy of the Merged Group will be to continue creating shareholder value through (amongst other things) ensuring ongoing exploration and optimisation of projects, including at the Sandstone Gold Project, to support the development of assets.</p>	Section 7
Is this a takeover?	The Scheme is not a takeover offer, it is a scheme of arrangement. However, if the Scheme is implemented, the outcome will be similar to a successful 100% takeover offer in that all of the Alto Shares on issue will be transferred to Brightstar.	
Scheme Consideration		
What consideration will I receive if the	Scheme Shareholders (other than Ineligible Foreign Shareholders or Non-Electing Small Shareholders) will be entitled to receive four (4)	Sections 3.5 and 3.12(c)

Question	Answer	More information
Scheme is implemented?	<p>New Brightstar Shares for every one (1) Alto Share held at the Record Date.</p> <p>If you are an Ineligible Foreign Shareholder or Non-Electing Small Shareholder, you will not be issued with New Brightstar Shares. Instead, the New Brightstar Shares that would otherwise have been issued to you will be sold via the Sale Agent and dealt with in accordance with the procedure set out in section 3.12(c) of this Scheme Booklet.</p>	
Do I need to sign anything to transfer my Alto Shares?	<p>No. If the Scheme becomes Effective, Alto will have authority to sign a transfer instrument on behalf of Scheme Shareholders.</p>	Section 3.7(f)
Can I choose to receive cash for my Alto Shares?	<p>No, there is no option to elect to receive cash in place of the Scheme Consideration.</p> <p>However, if you are an Ineligible Foreign Shareholder or a Non-electing Small Shareholder, you will receive cash for your Alto Shares (refer section 3.12(a) and 3.12(b) of this Scheme Booklet for further information including as to how Small Shareholders may elect to receive New Brightstar Shares instead of cash).</p>	
What value does the Scheme Consideration imply for my Alto Shares?	<p>Based on the Brightstar Share price prior to Announcement of the transaction of \$0.015 per share, the Scheme Consideration implied a value of \$0.06 per Alto Share. The implied value of the Scheme Consideration will change with changes to the Brightstar Share price.</p> <p>As at the Last Practicable Date, the implied value of the Scheme Consideration is \$0.068 per Alto Share based on a Brightstar Share price of \$0.017 per share.</p>	
When will I be paid the Scheme Consideration?	<p>If the Scheme is approved and becomes Effective, Scheme Shareholders will be issued Brightstar Shares on or about the Implementation Date, which is currently scheduled for 9 December 2024.</p> <p>Ineligible Shareholders (being Ineligible Foreign Shareholders and Non-electing Small Shareholders) will receive their portion of the Sale Proceeds from the New Brightstar Shares attributable to them as soon as practicable following payment to Brightstar of the Sale Proceeds by the Sale Agent after the Implementation Date.</p>	Section 3.5

Question	Answer	More information
	If the Scheme Meeting is adjourned or the Effective Date is otherwise delayed, the timing of the issue of those New Brightstar Shares as Scheme Consideration will also be delayed.	
What premium does the Scheme Consideration represent?	<p>At the time of the Announcement Date of the Scheme, the Scheme Consideration implied a value of \$0.06 per Alto Share. At the time of the Announcement Date, the Scheme Consideration represented a significant premium to the trading prices of Alto Shares prior to the Announcement Date, as set out below:</p> <ul style="list-style-type: none"> • approximately 82% to the closing Alto Share price of \$0.033 per Alto Share on 30 July 2024; and • approximately 81% to the 30 day Alto VWAP of \$0.0331 per Alto Share up to and including 30 July 2024. <p>Based on the closing price of Brightstar Shares on the Last Practicable Date, the implied value of the Scheme Consideration is \$0.068 per Alto Share, which represents an approximately 106% premium to the closing Alto Share price of \$0.033 per Alto Share on 30 July 2024, being the last trading day before the Announcement Date.</p>	Section 1.2(c)
How will the Scheme be implemented?	If the Scheme becomes Effective, no further action is required on the part of Alto Shareholders in order to implement the Scheme. Under the Scheme, Alto is given authority to effect a valid transfer of all Alto Shares to Brightstar. If the Scheme becomes Effective, each Scheme Shareholder (other than Ineligible Shareholders) will be deemed to have agreed to become a holder of New Brightstar Shares in accordance with the Scheme and to have accepted the New Brightstar Shares issued to that holder under the Scheme subject to, and to be bound by, Brightstar's constitution.	Section 3.7
Is Brightstar bound to provide the Scheme Consideration?	<p>Yes. Under the Scheme and the Deed Poll, Brightstar must (subject to the Scheme becoming effective) provide the Scheme Consideration to Scheme Shareholders on or around the Implementation Date (which is currently scheduled for 9 December 2024).</p> <p>Under the Scheme, Scheme Shareholders appoint Alto as their agent and attorney to enforce the Deed Poll on their behalf, with such</p>	

Question	Answer	More information
	appointment to take effect upon the Effective Date.	
What are the tax consequences of the Scheme for me?	<p>The tax implications of the Scheme for each Scheme Shareholder will depend on each Scheme Shareholder's personal circumstances. Section 9 of this Scheme Booklet provides a general description of the Australian tax consequences for Scheme Shareholders.</p> <p>However, as that information is general in nature and as each Scheme Shareholder's circumstances will vary, each Scheme Shareholder should obtain professional tax advice that is relevant to their particular circumstances.</p>	Section 9
Will I have to pay brokerage or stamp duty?	Scheme Shareholders will not be required to pay brokerage or stamp duty on the transfer of their Alto Shares or the issue of the New Brightstar Shares in connection with the Scheme.	Section 9.6
Who is classified as an Ineligible Foreign Shareholder?	A Scheme Shareholder will be an Ineligible Foreign Shareholder if their address as shown in the Share Register on the Record Date is a place outside of Australia and its external territories, New Zealand, Germany and China and any other jurisdictions in respect of which Brightstar reasonably believes that it is not prohibited and not unduly onerous or impractical to implement this Scheme and to issue New Brightstar Shares to a Scheme Shareholder with a registered address in such jurisdiction.	Section 3.12(a)
What are the consequences if I am an Alto Shareholder with an Alto shareholding representing less than \$500 worth of New Brightstar Shares?	<p>If you are a Scheme Shareholder (other than an Ineligible Foreign Shareholder) who, based on your holding of Scheme Shares on the Record Date would, on implementation, be entitled to receive less than a Marketable Parcel of New Brightstar Shares (i.e. less than \$500 worth assessed by reference to the last traded price of Brightstar Shares on ASX on the trading day prior to the Record Date) as Scheme Consideration, you are a Small Shareholder.</p> <p>If you are a Small Shareholder and you wish to receive the Scheme Consideration in the form of New Brightstar Shares, you must provide the Share Registry with a duly completed Opt-in Notice before the Opt-in Notice Cut-Off Date by:</p> <ul style="list-style-type: none"> • electing online by visiting https://investor.automic.com.au/#/home 	Section 3.12(b)

Question	Answer	More information
	<p>or</p> <ul style="list-style-type: none"> • making an email or paper election in accordance with the instructions on the Opt-in Notice. <p>Any Small Shareholder who does not provide the Share Registry with a duly completed Opt-in Notice prior to the Opt-in Notice Cut-Off Date will be a Non-electing Small Shareholder.</p> <p>If you hold one or more parcels of Alto Shares as trustee or nominee for, or otherwise on account of, another person, you may establish separate holdings for each of your beneficiaries and make individual elections for each holding. However, you may not accept instructions from a beneficiary to make an election unless it is in respect of the Scheme Consideration attributable to all parcels of Alto Shares held by you on behalf of that beneficiary.</p> <p>If you are a Non-electing Small Shareholder, the New Brightstar Shares to which you would otherwise be entitled will be issued to the Sale Agent, who will deal with those New Brightstar Shares in accordance with the procedure set out at section 3.12(c) of this Scheme Booklet.</p>	
<p>What will Ineligible Shareholders (being Ineligible Foreign Shareholders and Non-electing Small Shareholders) receive under the Scheme?</p>	<p>Ineligible Shareholder means either:</p> <ul style="list-style-type: none"> • an Ineligible Foreign Shareholder; or • a Non-electing Small Shareholder. <p>Ineligible Shareholders will not receive New Brightstar Shares pursuant to the Scheme. If you are an Ineligible Shareholder, on implementation of the Scheme, all New Brightstar Shares that you would otherwise have been entitled to receive will be issued to the Sale Agent for sale by the Sale Agent on your behalf and at your risk as soon as reasonably practicable after the Implementation Date. You will receive such proportion of the Sale Proceeds in Australian dollars (after deducting any applicable brokerage, foreign exchange, stamp duty and other selling costs, taxes and charges) as is owed to you.</p>	<p>Section 3.12</p>
<p>How will fractional entitlements to New Brightstar Shares be treated?</p>	<p>Where the calculation of the number of New Brightstar Shares to be issued to Scheme Shareholders results in fractional entitlements to a New Brightstar Share, the fractional entitlement:</p>	<p>Section 3.5</p>

Question	Answer	More information
	<ul style="list-style-type: none"> • which is 0.5 or greater will be rounded up to the nearest whole number of New Brightstar Shares; and • which is less than 0.5 will be rounded down to the nearest whole number of New Brightstar Shares. 	
<p>What will be the effect of the Scheme?</p>	<p>If the Scheme is approved by the Requisite Majority of Alto Shareholders and the Court, and if all other conditions of the Scheme are satisfied (or waived, if applicable);</p> <ul style="list-style-type: none"> • all of your Scheme Shares will be transferred to Brightstar with effect from the Implementation Date; • in exchange you will receive the Scheme Consideration for each Scheme Share you hold; and • Alto will become a wholly owned subsidiary of Brightstar. 	<p>Sections 3.1 and 3.7</p>
<p>What do your Directors recommend?</p>	<p>The Directors of Alto unanimously recommend that you vote in favour of the Scheme, in the absence of a Superior Proposal and provided that the Independent Expert continues to conclude that the Scheme is in the best interests of Alto Shareholders.²²</p> <p>Each Alto Director intends to vote the Alto Shares in which they have a Relevant Interest, in favour of the Scheme, in the absence of a Superior Proposal and provided that the Independent Expert continues to conclude that the Scheme is in the best interests of Alto Shareholders.</p> <p>The reasons for the Directors' recommendation and other matters that you may wish to consider are outlined in the Letter from the Chair of Alto, FAQs and in sections 1.2 and 3.3 of this Scheme Booklet.</p>	<p>Chairman's Letter, section 1.2 and 3.3</p>
<p>What is the Independent Expert's conclusion?</p>	<p>BDO, as the Independent Expert, has concluded that, in the absence of a Superior Proposal, the Scheme is not fair but reasonable and therefore in the best interests of Alto Shareholders.</p> <p>The rationale as to why the Independent Expert has reached that conclusion is set out in the</p>	<p>Section 3.4 and Appendix 1</p>

²² In considering the unanimous recommendation and intentions of the Directors to vote in favour of the Scheme, Alto Shareholders should have regard to the interests of the Directors in the outcome of the Scheme vote, as discussed in the section of the Letter from the Chair of Alto titled "Interests of the Directors in the Scheme" and disclosed in detail in section 3.3.

Question	Answer	More information
	<p>Independent Expert's Report at Appendix 1 to this Scheme Booklet.</p> <p>The Directors encourage you to read the Independent Expert's Report in full before deciding on how to vote on the Scheme. If the Independent Expert changes its conclusion (either in the Independent Expert's Report or any update of it), the Board will consider the revised opinion and may change their recommendation. In these circumstances, Alto may terminate the Scheme Implementation Deed.</p>	
<p>What are the risks for me if the Scheme Consideration is implemented?</p>	<p>If the Scheme is implemented, you will be entitled to receive the Scheme Consideration (unless you are an Ineligible Shareholder).</p> <p>There are risks associated with an investment in the Merged Group. The value of your investment in the Merged Group will depend on the financial performance of the Merged Group's business which is subject to both general and specific risks.</p> <p>Scheme Shareholders who receive and retain Brightstar Shares under the Scheme may be subject to certain risks, including as detailed in section 8.2 of this Scheme Booklet.</p>	<p>Section 8.2</p>
<p>What happens if the market price for Brightstar Shares increases or decreases?</p>	<p>The implied value of the Scheme Consideration may increase or decrease prior to the Implementation Date based on movements in the price of Brightstar Shares. Irrespective of movements in the price of Brightstar Shares, on the Implementation Date, you (or the Sale Agent, if you are an Ineligible Shareholder) will receive the Scheme Consideration, being four (4) New Brightstar Shares for every one (1) Alto Share held as at the Record Date.</p>	
<p>Voting Considerations</p>		
<p>What are the key reasons to vote in favour of the Scheme?</p>	<p>Reasons why you may consider voting in favour of the Scheme include:</p> <ul style="list-style-type: none"> The Directors unanimously recommend that you vote in favour of the Scheme, in the absence of a Superior Proposal and provided that the Independent Expert continues to conclude that the Scheme is in the best interests of Alto Shareholders.²³ 	<p>Section 1.2</p>

²³ In considering the unanimous recommendation and intentions of the Directors to vote in favour of the Scheme, Alto Shareholders should have regard to the interests of the Directors in the outcome of the Scheme vote, as discussed in the section of the Letter from the Chair of Alto titled "Interests of the Directors in the Scheme" and disclosed in detail in section 3.3.

Question	Answer	More information
	<ul style="list-style-type: none"> • The Independent Expert has concluded that, in the absence of a Superior Proposal, the Scheme is not fair but reasonable and therefore in the best interests of Alto Shareholders. • The Scheme Consideration provides a premium to the recent trading prices of Alto Shares. • Alto Shareholders will retain ongoing exposure to the exploration over Alto's main asset, the Sandstone Gold Project. • Alto Shareholders will also gain exposure to Brightstar's enlarged portfolio to create an emerging gold producer with a significant pipeline to become a meaningful participant in the Western Australian gold sector. • Brightstar's balance sheet, potential future cash-flows and potential access to additional funding will further underpin and de-risk the development strategy for the Sandstone Gold Project. • The Merged Group is expected to create further scale, liquidity and capital markets profile, providing enhanced financial flexibility and the potential for further share price re-rating over time. • Since the Scheme was announced on 1 August 2024, no Superior Proposal has emerged. • Exploration and potential development of the Sandstone Gold Project as a standalone gold project carries a number of risks for a junior company such as Alto. • Potential development of the Sandstone Gold Project will require significant capital. • The Scheme is supported by Alto's largest shareholder, Windsong Valley Pty Ltd. • Alto's Shares might trade at a lower price if the Scheme is not implemented and no Superior Proposal emerges, in the absence of more favourable market conditions. • CGT rollover relief may be available. 	
<p>What are the possible reasons to</p>	<p>Reasons why you may consider voting against the Scheme include:</p>	<p>Section 1.3</p>

Question	Answer	More information
<p>vote against the Scheme?</p>	<ul style="list-style-type: none"> • You may disagree with the Directors' unanimous recommendation. • You may disagree with the Independent Expert's assessments and/or conclusions and believe that the Scheme is neither fair nor reasonable, and not in your best interests. • The exact value of the Scheme Consideration is not certain and will depend on the price at which Brightstar's Shares trade on ASX after the Implementation Date. • If the Scheme proceeds, you will no longer be an Alto Shareholder and your percentage interest in the Merged Group will be less than your current interest in Alto. • A Superior Proposal for Alto may materialise in the future. • You may believe it is in your best interests to maintain your current investment and risk profile by holding shares in Alto. • The risk profile and risk of investment for Alto Shareholders will change and you may consider the risk profile and risk of investment of the Merged Group to be disadvantageous relative to that of Alto as a standalone entity. • The tax consequences of the Scheme may not suit your own financial position. 	
<p>Are there any other considerations relevant to my vote on the Scheme?</p>	<p>In addition to the factors that the Board has taken into account in recommending the Scheme to Alto Shareholders or which may lead Alto Shareholders to vote against the Scheme, as described above, the other key considerations that the Board considers may be relevant to an Alto Shareholder's decision on how to vote on the Scheme Resolution include:</p> <ul style="list-style-type: none"> • even if you do not vote on, or vote against, the Scheme Resolution at the Scheme Meeting, the Scheme may still be implemented if the Scheme Resolution is approved by the Requisite Majority of Alto Shareholders and, subsequently, the Court; • the Scheme is subject to a number of Conditions Precedent. If these Conditions Precedent are not satisfied (or, if applicable, waived), the Scheme will not 	<p>Section 1.4</p>

Question	Answer	More information
	<p>proceed, even if it is approved by the Requisite Majority of Alto Shareholders at the Scheme Meeting; and</p> <ul style="list-style-type: none"> • there are risks for Alto Shareholders if the Scheme becomes, or does not become, Effective (see section 8). 	
Implementation of the Scheme		
<p>What are the key steps required to implement the Scheme?</p>	<p>The key remaining steps to implement the Scheme are:</p> <ul style="list-style-type: none"> • approval of the Scheme Resolution by the Requisite Majority of Alto Shareholders at the Scheme Meeting; • the satisfaction (or, if applicable, waiver) of the remaining Conditions Precedent; • Court approval of the Scheme at the Second Court Date; and • lodgement of the Court order with ASIC. <p>Following lodgement of the Court order with ASIC, the Scheme will become Effective and will be implemented. If the Scheme is implemented:</p> <ul style="list-style-type: none"> • Scheme Shareholders will receive the Scheme Consideration as at the Record Date; and • all Alto Shares will be transferred to Brightstar. 	<p>Section 3.7</p>
<p>Is the Scheme subject to any conditions?</p>	<p>Implementation of the Scheme is subject to a number of outstanding Conditions Precedent that are summarised in section 3.6 of this Scheme Booklet.</p> <p>The full details of the Conditions Precedent are contained in clause 2.1 of the Scheme Implementation Deed, a summary of which is provided in clause 10.11 of this Scheme Booklet.</p> <p>All of the Conditions Precedent need to be satisfied or waived (where capable of waiver) before the Scheme can become Effective.</p>	<p>Section 3.6</p>
<p>Can all the Conditions Precedent be waived?</p>	<p>No. The Conditions Precedent relating to approval from Alto Shareholders and the Court, and there being no regulatory restraint that restricts or materially prohibits the implementation of the Scheme, cannot be waived. The other Conditions Precedent can only be waived by the party for</p>	<p>Section 3.6</p>

Question	Answer	More information
	whose benefit the condition operates, or where both parties benefit, by consent.	
Where and when will the Scheme Meeting be held?	The Scheme Meeting will be held at 1:30pm (AWST) on 19 November 2024 at The Park Business Centre, 45 Ventnor Avenue, West Perth WA 6005.	Sections and 3.7(a) and 4.2
What happens if the Scheme Resolution is approved at the Scheme Meeting?	If the Scheme Resolution is approved, Alto will apply to the Court for orders approving the Scheme.	Section 3.7(b)
What happens if the Scheme is approved by the Court?	If the Scheme is approved by the Court at the Second Court Date (expected to be held on 29 November 2024), Alto anticipates lodging the orders with ASIC on the day following Court approval, at which time the Scheme will become Effective (this date being, the Effective Date).	Section 3.7(c)
What happens after the Scheme becomes Effective?	<p>Alto Shares will be suspended from further trading on ASX from close of trading on the Effective Date.</p> <p>Subject to obtaining ASX approval, the New Brightstar Shares to be issued as Scheme Consideration will commence trading on ASX on a deferred settlement basis on the trading day after the Scheme becomes Effective (currently expected to be 2 December 2024, however this date may change).</p> <p>Trading on a deferred settlement basis allows Alto Shareholders to trade their entitlement to New Brightstar Shares before those shares are issued.</p> <p>When trading on a deferred settlement basis, the obligation to settle on the normal T+2 basis is deferred until the New Brightstar Shares commence trading on a normal T+2 basis (currently expected to be 10 December 2024, however, this date may change).</p>	Section 3.7(d)
What happens on the Implementation Date?	On the Implementation Date, Brightstar will become the holder of all Scheme Shares and Scheme Shareholders (other than Ineligible Shareholders) will be issued four (4) New Brightstar Shares for every one (1) Alto Share they hold as at the Record Date.	Section 3.7(e)

Question	Answer	More information
<p>Do I have to give any warranties in relation to my Alto Shares?</p>	<p>Yes. Each Scheme Shareholder (including those who vote against the Scheme and those who do not vote) is deemed to have warranted to Alto, in its own right and for the benefit of Brightstar, that:</p> <ul style="list-style-type: none"> • all of their Scheme Shares (including any rights and entitlements attaching to those shares) which are transferred to Brightstar under the Scheme will be transferred to Brightstar free from all mortgages, pledges, charges, liens, encumbrances and security interests and other interests of third parties of any kind, whether legal or otherwise (but acknowledging that a security interest holder may potentially have an interest in the Scheme Consideration in accordance with the terms of such security interest); and • they have full power and capacity to sell and transfer their Scheme Shares to Brightstar (including any rights and entitlements attaching to those Scheme Shares). 	<p>Section 3.10</p>
<p>When can I start trading my New Brightstar Shares on ASX?</p>	<p>Subject to obtaining ASX approval, the New Brightstar Shares to be issued as Scheme Consideration will commence trading on ASX on a deferred settlement basis on the trading day after the Scheme becomes Effective (currently expected to be 2 December 2024, however this date may change).</p> <p>Trading on a deferred settlement basis allows Scheme Shareholders to trade their entitlement to New Brightstar Shares before those shares are issued.</p> <p>When trading on a deferred settlement basis, the obligation to settle on the normal T+2 basis is deferred until the New Brightstar Shares commence trading on a normal T+2 basis (currently expected to be 10 December 2024, however, this date may change).</p>	<p>Section 3.11</p>
<p>Voting Details</p>		
<p>What vote is required to approve the Scheme?</p>	<p>Approval of the Scheme requires at least 50% of the Alto Shareholders who vote on the Scheme Resolution to vote in favour of that resolution and that their votes must be at least 75% of the total number of votes cast on the Scheme Resolution.</p>	<p>Section 3.7(a)</p>

Question	Answer	More information
Is voting compulsory?	No, voting is not compulsory. However, your vote is important. If you cannot attend the Scheme Meeting, you should complete and return the Proxy Form enclosed with this Scheme Booklet.	Section 4
Can Brightstar vote?	No. Brightstar and its associates do not hold any interest in Alto Shares at the date of this Scheme Booklet. However, if it (or its associates) were to hold any interest, neither Brightstar nor any of its Related Bodies Corporate can vote at the Scheme Meeting.	
What is the voting intention statement given by Windsong Valley Pty Ltd to Alto?	Alto's largest shareholder, Windsong Valley Pty Ltd, which held 107,155,416 Alto Shares as at the Announcement Date (representing approximately 14.85% of the Alto Shares then on issue), has provided a voting intention statement to Alto, under which it confirmed its intention to vote such of those shares that it holds at the time of the Scheme Meeting in favour of the Scheme, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of Alto Shareholders. As at the Last Practicable Date, Windsong Valley Pty Ltd's shareholding had not changed since the voting intention statement was given.	
How do I vote?	If you are registered as a holder of Alto Shares at 4:00pm (AWST) on 17 November 2024, you can vote on the Scheme by doing one of the following: <ul style="list-style-type: none"> • by attending and voting at the Scheme Meeting in person; • by appointing a proxy (including by lodging your Proxy Form online) or attorney to attend and to vote on your behalf; or • in the case of a corporation which is an Alto Shareholder, by appointing an authorised corporate representative to attend and vote on your behalf. <p>If you choose to vote by proxy or power of attorney, your completed proxy or power of attorney needs to be received by the Registry by no later than 1:30pm (AWST) on 17 November 2024.</p>	Section 4.4

Question	Answer	More information
What happens if I do not vote?	<p>If the Scheme is implemented, your Alto Shares will be transferred to Brightstar in exchange for the Scheme Consideration. This will be the case even if you did not attend the Scheme Meeting or did not vote or you voted against the Scheme at the Scheme Meeting.</p> <p>If the Scheme is not implemented, you will not receive the Scheme Consideration and you will remain an Alto Shareholder.</p>	Section 4.3
When will the results of the Scheme Meeting be available?	<p>The results of the Scheme Meeting will be announced on ASX's website (www.asx.com.au) shortly after its conclusion and will also be made available on Alto's website (www.altometals.com.au).</p>	
What are my options?	<p>You may:</p> <ul style="list-style-type: none"> • vote for or against the Scheme at the Scheme Meeting (in person or by proxy, attorney or, if applicable, corporate representative); • sell your Alto Shares on market at any time before the close of trading on ASX on the Effective Date; • sell your Alto Shares privately following the Effective Date provided that the transfer is lodged with the Share Registry by no later than 4:00pm (AWST) on the day of the Record Date; or • do nothing, in which case, if the Scheme becomes Effective and is implemented, your Alto Shares will be transferred to Brightstar and you will receive the Scheme Consideration, or, if the Scheme does not become Effective and is not implemented, you will continue to hold your Alto Shares. 	
Can I keep my Alto Shares?	<p>If the Scheme is implemented, your Alto Shares will be transferred to Brightstar. This will be the case even if you did not attend the Scheme Meeting or did not vote or you voted against the Scheme at the Scheme Meeting. You will receive the Scheme Consideration when your Alto Shares are transferred to Brightstar.</p> <p>If the Scheme does not become Effective and is therefore not implemented, you will continue to hold your Alto Shares.</p>	Section 3.7(f)

Question	Answer	More information
<p>Can I sell my Alto Shares on ASX?</p>	<p>Yes, you can sell your Alto Shares on ASX up to and including the Effective Date (currently expected to be 2 December 2024). Trading in Alto Shares on ASX will be suspended following close of trading on the Effective Date, so you will not be able to sell your Alto Shares on ASX after that time.</p> <p>If you sell your Alto Shares on ASX:</p> <ul style="list-style-type: none"> • you may pay brokerage on the sale; and • you will not receive the Scheme Consideration. <p>Alto Shareholders will also be able to sell their Alto Shares privately following the Effective Date provided that the transfer is lodged with the Share Registry by no later than 4:00pm on the day on which the Record Date occurs.</p>	
Other		
<p>What happens if a Competing Proposal emerges?</p>	<p>Until the Scheme becomes Effective, there is nothing preventing a Third Party from making an unsolicited approach to Alto. However, the ability to respond, and the degree of any such response by Alto will be determined having regard to the provisions of the Scheme Implementation Deed (amongst other matters).</p> <p>If, during the Exclusivity Period, Alto or any of its Related Bodies Corporate or representatives receives a Competing Proposal and the Directors of Alto determine to take action in reliance on the 'fiduciary exception' to the 'no talk' restriction, 'no due diligence' restriction or notification obligations in the Scheme Implementation Deed:</p> <ul style="list-style-type: none"> • (Notification of approaches) Alto must promptly notify Brightstar in writing of the identity of the competing bidder and the material terms and conditions of the Competing Proposal (subject to the fiduciary carve-out); • (Matching right) if the Alto Board determines that the Competing Proposal is, or could reasonably be expected to lead to, a Superior Proposal, Brightstar will be given a period (three Business Days after the provision of the material terms and conditions of the Competing Proposal) during which Brightstar may make a matching or superior proposal to the terms 	<p>Section 10.11(d)</p>

Question	Answer	More information
	<p>of the Competing Proposal (Counterproposal), and during this period Alto must not enter into, or agree to enter into, any binding documentation to give effect to the Competing Proposal; and</p> <ul style="list-style-type: none"> • (Brightstar Counterproposal) if the Alto Board determines that Brightstar's Counterproposal would provide a demonstrably more favourable outcome for Alto Shareholders than that offered under the Competing Proposal, Alto and Brightstar must agree and enter into such documentation (or amendments to documentation) to give effect to Brightstar's Counterproposal (and not recommend the applicable Competing Proposal). <p>If a Competing Proposal for Alto emerges prior to the Second Court Hearing, the Directors of Alto, in conjunction with their advisers, will carefully consider the Competing Proposal and determine whether it is a Superior Proposal. The Directors of Alto will keep you informed of any material developments regarding Superior Proposals (if any). Further details about the exclusivity provisions in the Scheme Implementation Deed are set out in section 10.11(d) of this Scheme Booklet.</p>	
<p>Who will manage the Merged Group following the implementation of the Scheme?</p>	<p>Following implementation of the Scheme, Brightstar will continue to be managed by the current board of directors and senior management of Brightstar, the details of which are provided in section 6.5 of this Scheme Booklet.</p> <p>Mr Matthew Bowles, Managing Director of Alto, will join the board of directors of Brightstar as a non-executive director of Brightstar.</p>	<p>Sections 6.5 and 7.8</p>
<p>Could a break fee or reverse break fee become payable?</p>	<p>Yes, in certain specific circumstances a 'break fee' of \$440,000 may become payable by Alto to Brightstar, or 'reverse break fee' of \$880,000 may become payable by Brightstar to Alto. These specific circumstances are detailed in sections 10.11(e) and 10.11(f) of this Scheme Booklet.</p> <p>Relevantly however, Alto will not be required to pay the 'break fee' to Brightstar if the Scheme becomes Effective, notwithstanding the occurrence of an event which would otherwise require the payment of such a fee to Brightstar.</p>	<p>Sections 10.11(e) and 10.11(f)</p>

Question	Answer	More information
<p>What are the prospects of receiving a Superior Proposal?</p>	<p>Since the Scheme was announced on 1 August 2024, no Superior Proposal has emerged.</p> <p>Given the time that has elapsed since the announcement of the Scheme, the Directors' view is that a Superior Proposal is unlikely to emerge prior to the Scheme Meeting. It is possible that, if Alto were to continue as an independent company, a Superior Proposal for Alto may emerge in the future. There is, however, no guarantee that this will occur.</p>	
<p>How was the Independent Expert appointed?</p>	<p>The Alto Board considered potential independent experts, having regard to their expertise and previous experience in similar transactions.</p> <p>BDO was selected as the Independent Expert and has confirmed its independence and ability to act as Independent Expert on the transaction.</p> <p>BDO appointed SRK, who has likewise confirmed its independence and ability to act, as the Independent Technical Specialist to prepare the Independent Technical Specialist's Report included in this Scheme Booklet according to a scope of work determined by BDO.</p>	
<p>Who can I contact if I have further questions about this Scheme Booklet or the Scheme?</p>	<p>If you have any further questions about this Scheme Booklet or the Scheme, please call Alto's Share Registry on 1300 441 597 (within Australia) or +61 2 8072 1465 (outside Australia) between 8:30am and 6:00pm (Sydney time) Monday to Friday, excluding public holidays, or via email at hello@automic.com.au. Please note that Alto's Share Registry cannot provide any financial, taxation or investment advice and cannot give an opinion on the merits of the Scheme. If you have any questions about your individual financial or taxation circumstances, please consult your broker or financial, taxation, legal or other professional adviser immediately.</p>	

3 Outline of the Scheme

3.1 Introduction

This outline identifies key features of the Scheme and must be read in conjunction with the additional detailed information for Alto Shareholders set out in this Scheme Booklet and the appendices to it. You are urged to read this Scheme Booklet in its entirety.

On 1 August 2024, Alto announced to ASX that it had entered into the Scheme Implementation Deed with Brightstar under which it is proposed that Brightstar will acquire all of the issued Alto Shares in Alto by way of a Court approved scheme of arrangement under Part 5.1 of the Corporations Act, for an offer consideration of four (4) New Brightstar Shares for every one (1) Alto Share held at the Record Date (**Scheme Consideration**).²⁴

In accordance with the Scheme Implementation Deed, the Scheme and the Deed Poll, Brightstar will acquire all of the Scheme Shares in exchange for providing the Scheme Consideration to Scheme Shareholders. Each of Alto and Brightstar has agreed to the due and punctual performance of all of its respective obligations under or in connection with the Scheme Implementation Deed, the Scheme (in respect of Alto only) and the Deed Poll (in respect of Brightstar only), including the provision of the Scheme Consideration by Brightstar pursuant to the Deed Poll.

If the Scheme is implemented, Brightstar will acquire all of the Scheme Shares held by Alto Shareholders and Alto will become a wholly owned subsidiary of Brightstar. Subject to the Scheme becoming Effective, Alto will request that ASX remove Alto from the official list of ASX on the Business Day after the Implementation Date. The Scheme is subject to various Conditions Precedent, including (among other things), approval by the Requisite Majority of Alto Shareholders at the Scheme Meeting, and approval by the Court pursuant to section 411(4)(b) of the Corporations Act on the Second Court Date.

3.2 Directors' unanimous recommendation and voting intentions

The Directors unanimously recommend that Alto Shareholders vote in favour of the Scheme, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of Alto Shareholders.²⁵

Each of the Directors will (in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of Alto Shareholders) vote or cause the voting of all Alto Shares in which they have a Relevant Interest at the time, in favour of the Scheme.

The reasons to vote in favour of or against the Scheme, as considered by the Directors, are set out in section 1. The implications for Alto Shareholders if the Scheme does not proceed are set out in section 3.14 of this Scheme Booklet.

²⁴ Ineligible Foreign Shareholders and Non-electing Small Shareholders will receive their respective pro rata proportion of the Sale Proceeds of the New Brightstar Shares which would otherwise have been issued to them under the Scheme.

²⁵ In considering the unanimous recommendation and intentions of the Directors to vote in favour of the Scheme, Alto Shareholders should have regard to the interests of the Directors in the outcome of the Scheme vote, as discussed in the section of the Letter from the Chair of Alto titled "*Interests of the Directors in the Scheme*" and disclosed in detail in section 3.3.

Before making a decision about the Scheme, you should read the Scheme Booklet in its entirety and if you are in doubt about what action you should take, contact your professional adviser.

3.3 Interests of Directors in the Scheme

Each of the Directors consider that, given the importance of the Scheme and their role as Directors of Alto, it is important and appropriate for them to provide a recommendation to Alto Shareholders in relation to voting on the Scheme.

However, when considering the recommendation and intentions above, you should take into account the interests of the Directors of Alto in the outcome of the Scheme.

The Directors of Alto hold, in aggregate, 18,792,735 Alto Shares, being 2.6% of Alto (on an undiluted basis), and will be eligible under the Scheme to receive the Scheme Consideration for those Alto Shares if held on the Record Date.

The Directors of Alto hold, in aggregate, 18,792,735 Alto Shares, being 2.6% of Alto (on an undiluted basis), and will be eligible under the Scheme to receive the Scheme Consideration if held on the Record Date. As at the date of this Scheme Booklet, the interests of the Alto Directors in Alto Shares are as follows:

- Mr Mark Connelly: 500,000 Alto Shares (0.07% of Alto Shares on an undiluted basis);
- Mr Matthew Bowles: 9,750,000 Alto Shares (1.35% of Alto Shares on an undiluted basis); and
- Mr Richard Monti: 8,542,735 Alto Shares (1.18% of Alto Shares on an undiluted basis).

At the implied value of the Scheme Consideration \$0.068²⁶ per Alto Share, the value of these Alto Shares for each of the Alto Directors is approximately:

- Mr Mark Connelly: \$34,000;
- Mr Matthew Bowles: \$663,000; and
- Mr Richard Monti: \$580,905.

Further, the Directors, in aggregate, hold 12,000,000 Alto Performance Rights. As at the date of this Scheme Booklet, the interests of the Alto Directors in Alto Performance Rights are as follows:

- Mr Mark Connelly: 3,000,000 Alto Performance Rights;
- Mr Matthew Bowles: 6,000,000 Alto Performance Rights; and
- Mr Richard Monti: 3,000,000 Alto Performance Rights.

The vesting conditions for those Alto Performance Rights are not expected to be met prior to the Effective Date. However, those Alto Performance Rights were issued in 2022,

²⁶ Based on the Brightstar share price as at the Last Practicable Date. The implied value of the Scheme Consideration will change with fluctuations in the Brightstar Share price.

following Alto Shareholder approval, upon the condition that the Alto Performance Rights shall immediately convert into Alto Shares upon a 'change of control' event occurring (which includes the Scheme). Therefore, all of these Alto Performance Rights will vest upon the Court approving the Scheme under section 411(4)(b) of the Corporations Act, and will convert to Alto Shares prior to the Record Date. Therefore, at the implied value of the Scheme Consideration of \$0.068²⁷ per Alto Share, the value of the Alto Shares received upon vesting of the Alto Performance Rights for each of the Alto Directors is approximately:

- Mr Mark Connelly: \$204,000;
- Mr Matthew Bowles: \$408,000; and
- Mr Richard Monti: \$204,000.

The Managing Director of Alto, Mr Matthew Bowles, also has employment related contractual and other legal entitlements arising in connection with any loss of office that may occur as a result of or in connection with implementation of the Scheme, under which he will receive approximately \$321,000 (excluding statutory entitlements) in connection with his expected redundancy following the implementation of the Scheme (refer to section 10.10 of this Scheme Booklet). Mr Bowles will also join the board of the Merged Group as a non-executive director following the implementation of the Scheme (refer to section 10.9 of this Scheme Booklet).

3.4 Independent Expert

Alto has engaged BDO as the Independent Expert to prepare a report to ascertain whether the Scheme is in the best interests of Alto Shareholders. The Independent Expert has concluded that, in the absence of a Superior Proposal, the Scheme is not fair but reasonable and therefore in the best interests of Alto Shareholders.

In the Independent Expert's opinion, the Scheme is not fair because the value of the Scheme Consideration (on a minority basis) is lower than the value of an Alto Share prior to the Scheme (on a controlling basis), when a comparison is made at each of the respective low, preferred and high valuation points.

However, the Independent Expert considers the Scheme to be reasonable because the advantages of the Scheme to Alto Shareholders are greater than the disadvantages. The Independent Expert has noted the following respective advantages and disadvantages of the Scheme in section 13 of the Independent Expert's Report:

Section of Independent Expert's Report	Advantages	Section of Independent Expert's Report	Disadvantages
13.1.1.	Value accretive on a like-for-like basis	13.2.1.	Dilution of Alto Shareholders' interests and exposure to the Sandstone Project
13.1.2.	Shareholders will gain exposure to Brightstar's	13.2.2.	Change in risk profile

²⁷ Based on the Brightstar share price as at the Last Practicable Date. The implied value of the Scheme Consideration will change with fluctuations in the Brightstar Share price.

Section of Independent Expert's Report	Advantages	Section of Independent Expert's Report	Disadvantages
	enlarged portfolio whilst retaining exposure to the Sandstone Project		
13.1.3.	Mitigates risks associated with the development of the Sandstone Project as Alto's standalone project	13.2.3.	The value of the Scheme Consideration is not certain
13.1.4.	Immediate access to capital to fund ongoing exploration programs		
13.1.5.	The Merged Group will have a larger market presence		
13.1.6.	Increased experience in the Board of Directors and management team of the Merged Group		

The full report can be found in Appendix 1 to this Scheme Booklet.

3.5 Scheme Consideration

If the Scheme becomes Effective and subject to the paragraphs below, Scheme Shareholders will receive four (4) New Brightstar Shares for every one (1) Alto Share held on the Record Date.

If you are an Ineligible Shareholder, you will not be issued with any New Brightstar Shares. Instead, the New Brightstar Shares that would otherwise have been issued to you will be sold by the Sale Agent and you will receive your portion of the Sale Proceeds (refer section 3.12(c) of this Scheme Booklet for further information).

Where the calculation of the Scheme Consideration to be provided to a particular Scheme Shareholder would result in the Scheme Shareholder becoming entitled to a fraction of a New Brightstar Share, the fractional entitlement:

- (a) which is 0.5 or greater will be rounded up to the nearest whole number of New Brightstar Shares; and
- (b) which is less than 0.5 will be rounded down to the nearest whole number of New Brightstar Shares.

The details regarding fractional entitlements are set out in full in clause 5.5 of the Scheme of Arrangement.

All New Brightstar Shares issued to Scheme Shareholders under the Scheme will rank equally in all respects with all existing Brightstar Shares on issue as at the Implementation Date. See section 6.10 of this Scheme Booklet for more information regarding the rights attaching to the New Brightstar Shares.

3.6 Conditions to the Scheme

The Scheme becoming effective is subject to a number of Conditions Precedent which are set out in full in clause 2.1 of the Scheme Implementation Deed.

(a) Outstanding Conditions Precedent

The Conditions Precedent that remain outstanding as at the date of this Scheme Booklet are summarised as follows:

- (i) All ASIC and ASX consents, confirmations, approvals, modifications or waivers required to implement the Scheme are obtained (if any).
- (ii) All regulatory approvals required to implement the Scheme are obtained (if any).
- (iii) No judgment, order, decree, statute, law, ordinance, rule of regulation, or other temporary restraining order, preliminary or permanent injunction, restraint or prohibition, entered, enacted, promulgated, enforced or issued by any court or other Government Agency of competent jurisdiction remains in effect that prohibits, materially restricts, makes illegal or restrains the completion of the Scheme.
- (iv) Alto Shareholders approving the Scheme by the necessary Requisite Majority at the Scheme Meeting (or any adjournment or postponement of the Scheme Meeting).
- (v) The Independent Expert, having issued its report which concludes that the Scheme is in the best interests of Alto Shareholders, not changing its conclusions or withdrawing its conclusions.
- (vi) The Court approving the Scheme under section 411(4)(b) of the Corporations Act.
- (vii) No Material Adverse Change occurring in respect of Alto and no Brightstar Material Adverse Change occurring in respect of Brightstar.
- (viii) No Prescribed Event occurring in respect of Alto and no Brightstar Prescribed Event occurring in respect of Brightstar.
- (ix) The representations and warranties of Alto contained in the Scheme Implementation Deed being true and correct in all material respects.
- (x) The representations and warranties of Brightstar contained in the Scheme Implementation Deed being true and correct in all material respects.

Each of the outstanding Conditions Precedent (with the exception of Court approval and Alto Shareholder approval at the Scheme Meeting by the Requisite Majorities) must be satisfied or (if applicable) waived before 8:00am (AWST) on the Second Court Date. The Conditions Precedent relating to approval of Alto

Shareholders, approval by the Court and regulatory approvals (if any) cannot be waived. If these Conditions Precedent are not satisfied, the Scheme will not proceed. The other Conditions Precedent may be waived by the party for whose benefit the condition operates, or where the condition operates for the benefit for both parties, by consent.

If a Condition Precedent has not been fulfilled or waived by the relevant date, or the Effective Date has not occurred or is incapable of occurring by the End Date, the parties will consult in good faith to determine whether the Scheme may proceed by way of alternative means or methods, and may agree to extend the relevant date or the End Date or both.

Either party can terminate the Scheme Implementation Deed if:

- (i) before the relevant date, a Condition Precedent solely or jointly for its benefit cannot be satisfied and is not waived by the time required in the Scheme Implementation Deed for it to be satisfied or waiver; and
- (ii) after the relevant date, if a Condition Precedent solely or jointly for its benefit has not been satisfied or waived at that time.

As at the date of this Scheme Booklet, the Directors of Alto are not aware of any reason why a Condition Precedent referred to above is not likely to be satisfied in the time required by the Scheme Implementation Deed.

(b) Conditions Precedent that have already been satisfied

One of the Conditions Precedent, being the Brightstar Capital Raising receiving all necessary approvals from Brightstar Shareholders and completing such that Brightstar has raised a minimum of \$10 million (before costs), has already been satisfied.

3.7 Key steps for implementing the Scheme

The key steps to implement the Scheme and relevant information concerning these steps are set out below. Key dates and times in relation to the Scheme are set out at the beginning of this Scheme Booklet. These dates are indicative only and subject to change. Alto will announce to ASX any change to the dates in the timetable set out in the “*Important dates and times for the Scheme*” section of this Scheme Booklet.

(a) Scheme Meeting

The Scheme Meeting to approve the Scheme is scheduled to be held at The Park Business Centre, 45 Ventnor Avenue, West Perth WA 6005 on 19 November 2024 at 1:30pm (AWST). Voting eligibility for the Scheme Meeting will be determined as at 4:00pm (AWST) on 17 November 2024.

At the Scheme Meeting, Alto Shareholders will be asked to approve the Scheme by voting in favour of the Scheme Resolution. The terms of the Scheme Resolution to be considered at the Scheme Meeting are contained in the Notice of Scheme Meeting set out in Appendix 4 to this Scheme Booklet. The fact that the Court has ordered that the Scheme Meeting be convened is no indication that the Court has a view as to the merits of the Scheme or as to how Alto Shareholders should vote on the Scheme Resolution. On these matters, Alto Shareholders must reach their own decision.

For the Scheme to proceed, votes “in favour of” the Scheme Resolution at the Scheme Meeting must be received from the Requisite Majority of Alto Shareholders. The Requisite Majority for the Scheme Resolution is:

- (i) **(Headcount Test)** a majority in number (more than 50%) of Eligible Alto Shareholders who are present and voting at the Scheme Meeting (either in person or by proxy, attorney or, in the case of a corporation, its duly appointed corporate representative), unless the Court orders otherwise; and
- (ii) **(Voting Test)** at least 75% of the total number of votes cast on the Scheme Resolution by Eligible Alto Shareholders.

The Court has the power to approve the Scheme even if the ‘Headcount Test’ has not been satisfied. For example, the Court may do so if there is evidence that the result of the vote has been unfairly influenced by activities such as share splitting. However, there is no guarantee that the Court will grant such a waiver.

Voting at the Scheme Meeting will be conducted by poll. Alto Shareholders who are registered on the Share Register at 4:00pm (AWST) on 17 November 2024 will be entitled to vote at the Scheme Meeting. Instructions on how to vote at the Scheme Meeting are set out in section 4.4 of this Scheme Booklet and the Notice of Scheme Meeting at Appendix 4 to this Scheme Booklet.

The results of the Scheme Meeting will be available as soon as possible after the conclusion of the Scheme Meeting and announced to the ASX. Please note that the Scheme Meeting may be postponed or adjourned if for example, satisfaction or waiver (where permitted) of a Condition Precedent is delayed. Any postponement or adjournment of the Scheme Meeting will be announced to ASX.

(b) Second Court Date and Court approval of the Scheme

In the event that:

- (i) the Scheme Resolution is approved by the Requisite Majority of Alto Shareholders at the Scheme Meeting; and
- (ii) all other Conditions Precedent (other than Court approval of the Scheme) have been satisfied (or, if applicable, waived),

then Alto will apply to the Court for orders approving the Scheme on the Second Court Date, which is expected to be held on or around 29 November 2024. Any change to this date will be announced to ASX.

The Court has a wide, overriding discretion whether or not to approve the Scheme under section 411(4)(b) of the Corporations Act and may refuse to approve the Scheme even if the Scheme Resolution is passed by the Requisite Majorities of Alto Shareholders.

(c) Effective Date

If the Court makes orders approving the Scheme, Alto will lodge with ASIC an office copy of the Court orders given under section 411(4)(b) of the Corporations Act approving the Scheme and the Scheme will then become Effective (being the Effective Date). It is likely this lodgement will occur the day after the Court approves the Scheme.

If the Scheme becomes Effective, Alto and Brightstar will become bound to implement the Scheme in accordance with the terms of the Scheme Implementation Deed, the Deed Poll and the Scheme. Only Alto Shareholders who qualify as 'Scheme Shareholders' will be bound by and have the benefit of the Scheme.

(d) Record Date and Suspension from trading in Alto Shares on ASX

If the Scheme becomes Effective, Alto intends to apply to ASX for Alto Shares to be suspended from trading on ASX from the close of trading on the Effective Date.

Those Alto Shareholders on the Share Register on the Record Date (which is currently expected to be 4:00pm (AWST) on 4 December 2024) will be the Scheme Shareholders and will be entitled to receive the Scheme Consideration in respect of the Alto Shares they hold at that time.

(e) Transfer and registration of Scheme Shares

Under the Scheme, Scheme Shareholders irrevocably authorise Alto to transfer all the Scheme Shares, together with all rights and entitlements attaching to the Scheme Shares, to Brightstar and Alto will enter Brightstar in the Share Register as the holder of the Scheme Shares.

Under the Scheme, each Scheme Shareholder, without the need for any further act, irrevocably appoints Alto as that Scheme Shareholder's attorney and agent for the purpose of executing any document necessary to give effect to the Scheme, including (without limitation) the proper instrument of transfer of all or part of the Scheme Shares.

On the Implementation Date, the Scheme Shares held by Scheme Shareholders will be transferred to Brightstar without the need for any further act by any Scheme Shareholder, by Alto executing and delivering valid transfers of the Scheme Shares to Brightstar under the Corporations Act.

In consideration of the transfer of the Scheme Shares to Brightstar, Brightstar will provide the Scheme Consideration to each Scheme Shareholder, in accordance with the provisions of the Scheme.

See sections 3.7(f) to 3.7(i) inclusive of this Scheme Booklet for further details on the provision of the Scheme Consideration.

(f) Issue of New Brightstar Shares

Alto Shareholders will be entitled to receive consideration under the Scheme if they are registered as the holders of Scheme Shares at 4:00pm (AWST) on the Record Date (and are therefore Scheme Shareholders). The Record Date is the date which is two Business Days after the Effective Date, and is currently expected to be 4:00pm (AWST) on 4 December 2024. In this Scheme Booklet, those Alto Shareholders and the Alto Shares that they hold are referred to as Scheme Shareholders and Scheme Shares, respectively.

The obligation of Brightstar to issue New Brightstar Shares to Scheme Shareholders will be satisfied by Brightstar taking the following steps (among other things):

- (i) on the Implementation Date, entering the name of each Scheme Shareholder into Brightstar's register of members as the holder of the applicable number of New Brightstar Shares; and
- (ii) Brightstar will procure the dispatch to Scheme Shareholders and to the Sale Agent of a holding statement (or equivalent document) reflecting the number of New Brightstar Shares to be issued to them under the Scheme.

Each Scheme Shareholder to whom New Brightstar Shares are issued under the Scheme:

- (i) agrees to the transfer of their Scheme Shares to Brightstar together with all rights and entitlements attaching to those Scheme Shares in accordance with the Scheme; and
- (ii) acknowledges that the Scheme binds Alto and all of the Scheme Shareholders (including those who do not attend the Scheme Meeting, do not vote at that meeting or vote against this Scheme).

Each Scheme Shareholder, without the need for any further act, irrevocably appoints Alto and each of its Directors and officers, jointly and severally, as that Scheme Shareholder's attorney and agent for the purpose of executing any document or form or doing any act necessary to give effect to the terms of the Scheme including, without limitation, the execution of the Scheme Transfer.

See section 3.12(c) of this Scheme Booklet for further information regarding the provision of Scheme Consideration to Ineligible Shareholders.

Except for an Alto Shareholder's tax file number/ABN, any binding instructions or notifications by an Alto Shareholder to Alto or its Share Registry relating to the Alto Shares (including any email addresses, instructions relating to communications from Alto, whether dividends are to be paid by cheque or into a specific bank account, to the extent feasible) will be deemed from the Implementation Date (except to the extent determined otherwise by Brightstar in its sole discretion), by reason of the Scheme, to be made by the Alto Shareholder to Brightstar until that instruction, notification or election is revoked or amended in writing addressed to Brightstar or its Share Registry.

(g) Determination of Scheme Shareholders

To establish the identity of the Scheme Shareholders, dealings in Alto Shares or other alterations to the Share Register will only be recognised by Alto provided that:

- (i) in the case of dealings of the type to be effected using CHES, the transferee is registered in the Share Register as the holder of the relevant Alto Shares at the Record Date; and
- (ii) in all other cases, registrable transmission applications or transfers in registrable form in respect of those dealings are received at or before the Record Date at the place where the Share Register is kept,

and Alto will not accept for registration or recognise for any purpose any transmission applications or transfers in respect of Alto Shares received after the

Record Date, other than a transfer to Brightstar in accordance with the Scheme and any subsequent transfer by Brightstar or its successors in title.

If the Scheme becomes Effective, each Scheme Shareholder, and any person claiming through any Scheme Shareholder, must not dispose of or purport or agree to dispose of any Scheme Shares or any interest in them after the Record Date.

Alto will, until the Scheme Consideration has been provided to the Scheme Shareholders and Brightstar has been entered in the Share Register as the holder of all of the Scheme Shares, maintain the Share Register in accordance with the provisions of section 7.2 of the Scheme.

All certificates and holding statements for Scheme Shares (other than holding statements in favour of Brightstar and its successors in title after the Implementation Date) will cease to have any effect from the Record Date as documents of title in respect of those Scheme Shares. Subject to provision of the Scheme Consideration by Brightstar and registration of the transfer to Brightstar of the Scheme Shares, after the Record Date, each entry current at that date on the Share Register relating to Scheme Shares will cease to be of any effect other than as evidence of entitlement to the Scheme Consideration in respect of the Scheme Shares relating to that entry.

(h) **Joint holders**

In the case of Scheme Shares held in joint names, any holding statements for New Brightstar Shares to be issued to Scheme Shareholders will be issued in the names of the joint holders and will be forwarded to the holder whose name appears first in the Share Register on the Record Date.

(i) **Ineligible Shareholders**

Brightstar will be under no obligation to issue, and will not issue, any New Brightstar Shares to Ineligible Shareholders.

Instead, the New Brightstar Shares which would otherwise be required to be issued to Ineligible Shareholders under the Scheme will be issued instead to the Sale Agent on the Implementation Date.

Brightstar will procure that, as soon as reasonably practicable after the Implementation Date, the Sale Agent:

- (i) sells on ASX all of the New Brightstar Shares issued to it under the Scheme in such manner, at such price and on such terms as the Sale Agent determines in good faith (and at the risk of the Ineligible Shareholders); and
- (ii) subject to the receipt of the Sale Proceeds, remits or procures to be remitted to Brightstar such proceeds for payment by Brightstar to the Ineligible Shareholders.

None of Brightstar, Alto or the Sale Agent gives any assurance as to the price that will be achieved for the sale of the New Brightstar Shares by the Sale Agent.

Further details are provided below at section 3.12(c) of this Scheme Booklet.

3.8 Delisting of Alto

If the Scheme becomes Effective, Alto will apply for termination of the official quotation of Alto Shares on ASX, and the removal of Alto from ASX's official list immediately following the Implementation Date.

3.9 End Date

If the Scheme has not become Effective on or before the End Date (being 1 February 2025, or such other date as is agreed in writing between the parties), either party is able to terminate the Scheme Implementation Deed. If the Scheme Implementation Deed is terminated, the Scheme will not proceed.

3.10 Warranties by Scheme Shareholders

Alto Shareholders' attention is drawn to the warranties that Scheme Shareholders will be taken to have given if the Scheme takes effect, as contained in clause 6.5 of the Scheme (see Appendix 3 to this Scheme Booklet).

Pursuant to clause 6.5 of the Scheme, each Scheme Shareholder (including those who vote against the Scheme and those who do not vote) is deemed to have warranted to Alto, in its own right and for the benefit of Brightstar, that:

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

The Scheme is set out in full in Appendix 3 to this Scheme Booklet.

3.11 Trading of New Brightstar Shares on ASX

(a) Deferred settlement market

Trading on ASX of New Brightstar Shares issued as Scheme Consideration is expected to commence initially on a deferred settlement basis and thereafter on an ordinary (T+2) settlement basis on or about 10 December 2024.

Trading on a deferred settlement basis allows Scheme Shareholders to trade their entitlement to New Brightstar Shares before those shares are issued. When trading on a deferred settlement basis, the obligation to settle on the normal T+2 basis is deferred until the New Brightstar Shares commence trading on a normal T+2 basis.

Brightstar will apply to ASX after the date of this Scheme Booklet for official quotation of the New Brightstar Shares to be issued on implementation of the Scheme.

It is the responsibility of each Scheme Shareholder to confirm their allocation of New Brightstar Shares before trading in those securities, to avoid selling New Brightstar Shares they do not own. Any Scheme Shareholder who sells New Brightstar Shares before receiving confirmation of their allocation does so at their own risk.

Brightstar and Alto disclaim all liability, whether in negligence or otherwise, to any Scheme Shareholder who trades New Brightstar Shares before receiving their holding statement, whether on the basis of a confirmation of allocation provided by Brightstar or otherwise.

(b) **CHESSESS and holding statements**

Following the issue of New Brightstar Shares to Scheme Shareholders and, in any event, on the second business day after the Implementation Date, they will receive an initial statement of holding that sets out the number of New Brightstar Shares which have been allocated to them under the Scheme. This statement will also provide details of a Shareholder's HIN in the case of a holding on the CHESSESS sub-register or SRN in the case of holding on the issuer-sponsored sub-register.

Scheme Shareholders receiving New Brightstar Shares under the Scheme will be required to quote their HIN or SRN, as applicable, in all dealings with a stockbroker or Brightstar share registry.

3.12 Ineligible Shareholders

(a) **Ineligible Foreign Shareholders**

Restrictions in certain foreign countries may make it impractical or unlawful for New Brightstar Shares to be offered or issued under the Scheme to Scheme Shareholders in those countries.

Brightstar has determined that Ineligible Foreign Shareholder means a Scheme Shareholder whose address in the Share Register is a place outside Australia and its external territories, New Zealand, Germany and China and any other jurisdictions in respect of which Brightstar reasonably believes that it is not prohibited and not unduly onerous or impractical to implement this Scheme and to issue New Brightstar Shares to a Scheme Shareholder with a registered address in such jurisdiction.

Brightstar will not issue any New Brightstar Shares to Ineligible Foreign Shareholders and this Scheme Booklet should be read accordingly.

Brightstar is not obliged to issue, and will not issue, any New Brightstar Shares to any Ineligible Foreign Shareholder. Instead, Brightstar must procure that the New Brightstar Shares which would otherwise be required to be issued to any Ineligible Foreign Shareholders are instead issued to the Sale Agent on the Implementation Date and dealt with in accordance with the procedure set out in section 3.7(i) of this Scheme Booklet.

(b) **Small Shareholders**

Scheme Shareholders (other than an Ineligible Foreign Shareholder) who, based on their holding of Scheme Shares on the Record Date would, on implementation, be entitled to receive less than a Marketable Parcel of New Brightstar Shares (i.e.

less than \$500 worth assessed by reference to the last traded price of Brightstar Shares on ASX on the trading day prior to the Record Date) as Scheme Consideration, are Small Shareholders.

Small Shareholders who provide the Share Registry with a duly completed Opt-in Notice before the Opt-in Notice Cut-Off Date will be eligible to receive the Scheme Consideration in the form of New Brightstar Shares.

For an Opt-in Notice to be effective, it must be duly completed and returned to the Share Registry by:

- (i) electing online by visiting <https://investor.automic.com.au/#/home>; or
- (ii) making an email or paper election in accordance with the instructions on the Opt-in Notice,

by the Opt-in Notice Cut-Off Date.

Brightstar is not obliged to issue, and will not issue, any New Brightstar Shares to any Non-electing Small Shareholder. Instead, Brightstar must procure that the New Brightstar Shares, which would otherwise be required to be issued to any Non-electing Small Shareholder, are issued to the Sale Agent on the Implementation Date and dealt with in accordance with the procedure set out in section 3.7(i) of this Scheme Booklet.

(c) **Provision of Scheme Consideration to Ineligible Shareholders**

An **Ineligible Shareholder** means an Ineligible Foreign Shareholder or a Non-electing Small Shareholder.

Brightstar must procure that:

- (i) the New Brightstar Shares which would otherwise be required to be issued to any Ineligible Shareholder under the Scheme are issued to a Brightstar account held with the Sale Agent on the Implementation Date;
- (ii) as soon as reasonably practicable after the Implementation Date, that the Sale Agent sells on ASX (or another prescribed financial market) all of the New Brightstar Shares issued to it under the Scheme in such a manner, at such price and on such terms as the Sale Agent determines in good faith (and at the risk of the Ineligible Shareholders); and
- (iii) that the Sale Agent, subject to the receipt of the Sale Proceeds, remits or procures to be remitted to Brightstar such proceeds for payment by Brightstar (or its agent) to the Ineligible Shareholders.

None of Brightstar, Alto or the Sale Agent gives any assurance as to the price that will be achieved for the sale of the New Brightstar Shares by the Sale Agent.

Promptly after receipt of the Sale Proceeds, Brightstar will pay, or procure the payment, in Australian dollars to each Ineligible Foreign Shareholder and Non-electing Small Shareholder such proportion of the Sale Proceeds as the number of New Brightstar Shares which would have been issued to that Ineligible Foreign Shareholder or Non-electing Small Shareholder (if they were eligible to receive New Brightstar Shares) represents as a portion of all New Brightstar Shares which

would have been issued to all Ineligible Foreign Shareholders and Non-electing Small Shareholders (if they were eligible to receive New Brightstar Shares) in full satisfaction of Brightstar's obligations to those Ineligible Foreign Shareholders and Non-electing Small Shareholders under the Scheme in respect of the Scheme Consideration. Interest will not be paid on the net Sale Proceeds.

The Sale Proceeds owing to each Ineligible Shareholder as Scheme Consideration following the process set out above will be paid by Brightstar (or its agent) to that Shareholder by:

- (i) dispatching, or procuring the dispatch, to that Ineligible Shareholder by prepaid post to that Ineligible Shareholder's Registered Address (at the Record Date), a cheque in the name of that Ineligible Shareholder; or
- (ii) making a deposit in an account with any ADI (as defined in *the Banking Act 1959* (Cth)) in Australia notified by that Ineligible Shareholder to Alto (or the Share Registry) and recorded in or for the purposes of the Share Register at the Record Date,

for the relevant amount, with that amount being denominated in Australian dollars.

If an Ineligible Shareholder has a registered address in Papua New Guinea and has not provided their bank account details to Alto or its Share Registry by the Record Date, the Sale Proceeds will be withheld pending the provision of valid bank account details to the Share Registry or dealt with in accordance with applicable unclaimed money legislation.

3.13 Foreign Resident Capital Gains Withholding Tax

If Brightstar determines (acting reasonably) that it is required to pay a CGT withholding amount to the Commissioner of Taxation with respect to the acquisition of the Scheme Shares, it is entitled to do so under the Scheme Implementation Deed. However, prior to exercising any such rights, Brightstar must first use reasonable endeavours to notify the relevant Scheme Shareholder of its intention to withhold so that the Scheme Shareholder has the opportunity to provide a Declaration.

3.14 Consequences if the Scheme is not approved at the Scheme Meeting or is not approved by the Court

If the Scheme is not approved by the Requisite Majority of Alto Shareholders at the Scheme Meeting or, having been approved at the Scheme Meeting, is not approved by the Court, Brightstar will not acquire your Alto Shares under the Scheme and you will not receive the Scheme Consideration. In addition, if the Scheme does not proceed:

- (a) Alto will continue to be listed on ASX;
- (b) decisions in relation to the future of Alto will continue to be made by the Alto Board; and
- (c) Alto will continue to be exposed to the risk factors outlined in section 8.

The Directors caution that if the Scheme is not approved, the price of the Alto Shares may fall.

If the Scheme does not proceed, the Board intends to continue to operate Alto as a listed public company. Alto will continue to pursue its exploration, development and strategic growth objectives focused on the creation of value for all Alto Shareholders.

If the Scheme does not proceed, the Board has not formed any plans to make any significant changes to the business of Alto and in particular:

- (d) there will not be any immediate impact on Alto employees. Alto intends to use its best endeavours to retain its current employees; and
- (e) to the extent economically feasible, there will not be any immediate impact on Alto's continuing activities and plans to continue to advance its primary asset, being the Sandstone Gold Project.

If the Scheme does not proceed, Alto will continue to be faced with exploration and project development risks typical for a junior resources sector company (refer to section 8.5 of this Scheme Booklet for more information on the risks).

For further details, please also refer in particular to section 13.4 of the Independent Expert's Report (set out in Appendix 1 to this Scheme Booklet).

3.15 Tax consequences for Scheme Shareholders

If the Scheme becomes Effective and is implemented, there will be tax consequences for Scheme Participants which may include tax being payable. For further detail about the general Australian tax consequences of the Scheme, refer to section 9 of this Scheme Booklet. The tax consequences may vary depending on the nature and characteristics of each Alto Shareholder and their specific circumstances. Accordingly, Alto Shareholders should seek professional tax advice in relation to their particular circumstances.

3.16 What to do next

Read the remainder of this Scheme Booklet in full before making any decision on the Scheme.

Alto Shareholders should refer to section 1 of this Scheme Booklet for further guidance on reasons to vote in favour for or against the Scheme and section 8 of this Scheme Booklet for guidance on the risk factors associated with the Scheme.

4 Scheme Meeting and Voting Information

4.1 Read this Scheme Booklet carefully

This Scheme Booklet provides information necessary for you to make a decision as to how to vote on the Scheme at the Scheme Meeting. The Directors recommend that you read this Scheme Booklet in its entirety.

Alto Shareholders should refer to sections 1.1, 1.2 and 1.3 of this Scheme Booklet for further guidance on the reasons to vote in favour of or against the Scheme, and to section 1.4 of this Scheme Booklet for other important considerations relating to your vote. The Scheme Booklet does not take into account the investment objectives, financial situation and particular needs of any individual Alto Shareholder.

4.2 Scheme Meeting

The Scheme Meeting will be held at The Park Business Centre, 45 Ventnor Avenue, West Perth WA 6005 on 19 November 2024 at 1:30pm (AWST).

At the Scheme Meeting, the Scheme Resolution will be proposed to the Alto Shareholders.

4.3 Exercising your vote

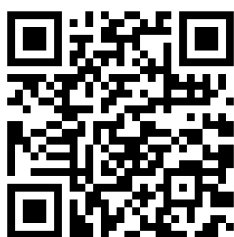
Alto Shareholders eligible to vote at the Scheme Meeting may vote by attending the Scheme Meeting in person, or by proxy, attorney or, in the case of a corporation which is an Alto Shareholder, by a corporate representative.

Alto Shareholders may elect not to vote at the Scheme Meeting. If the Scheme is implemented, such Scheme Shareholders will have their Scheme Shares transferred to Brightstar by operation of the Scheme and receive the Scheme Consideration. If the Scheme is not implemented, such Alto Shareholders will retain their Alto Shares.

4.4 Voting

Alto Shareholders may vote:

- (a) **in person**, by attending the Scheme Meeting. Alto Shareholders who wish to attend and vote at the Scheme Meeting in person will be admitted to the Scheme Meeting by properly identifying themselves;
- (b) **by proxy**:
 - (i) use your computer or smartphone to appoint a proxy at <https://investor.automic.com.au/#/loginsah> or by scanning the QR code below using your smartphone:



(Note: Login & Click on 'Meetings'. Use the Holder Number as shown at the top of the Proxy Form); or

- (ii) by completing, signing and lodging a Proxy Form for the Scheme Meeting in accordance with the instructions set out in the form. Proxy Forms should be submitted to the Registry as indicated on the Proxy Form and must be received by the Registry not less than 48 hours before the time for holding the Scheme Meeting or adjourned meeting as the case may be. A validly appointed proxy will be admitted to the Scheme Meeting upon providing evidence of their name and address;
- (c) **by attorney**, by appointing an attorney to attend and vote at the Scheme Meeting on your behalf and providing a duly executed power of attorney to the Registry. Powers of attorney and authorities should be sent to the Registry as indicated in the Proxy Form and must be received by the Registry not less than 48 hours before the time for holding the Scheme Meeting or adjourned meeting, as the case may be. An attorney will be admitted to the Scheme Meeting upon identifying themselves and providing written evidence of their appointment and the identity of the appointer; or
- (d) **by corporate representative**, in the case of a body corporate which is an Alto Shareholder, by appointing a corporate representative to attend and vote at the Scheme Meeting on behalf of that Alto Shareholder and providing a duly executed certificate of appointment (in accordance with section 250D and 253B of the Corporations Act) prior to admission to the Scheme Meeting.

4.5 Voting entitlement

Each Alto Shareholder who is registered on the Share Register at 4:00pm (AWST) on 17 November 2024 is entitled to attend and to vote at the Scheme Meeting. Accordingly, registrable transmission applications or transfers registered after this time will be disregarded in determining entitlements to vote at the Scheme Meeting.

Where Alto Shares are held by joint holders, only one of the joint holders is entitled to vote. If more than one holder votes in respect of jointly held Alto Shares, only the vote of the holder whose name appears first in the Share Register will be counted.

4.6 Your vote is important

For the Scheme to proceed, the Scheme Resolution must be approved by the Requisite Majority at the Scheme Meeting. The Directors unanimously recommend that you vote in favour of the Scheme, in the absence of a Superior Proposal and subject to the

Independent Expert continuing to conclude that the Scheme is in the best interests of Alto Shareholders.²⁸

If you are unable to attend the Scheme Meeting, the Directors recommend that you lodge your Proxy Form via one of the methods noted above in section 4.4 of this Scheme Booklet and otherwise in accordance with the instructions on the Proxy Form.

4.7 Selling your Alto Shares

The Scheme does not preclude Alto Shareholders from selling some or all of their Alto Shares on market, provided they do so before close of trading on ASX on the Effective Date.

Alto Shareholders who are considering selling some or all of their Alto Shares should have regard to the prevailing trading prices of Alto Shares and compare those to the Scheme Consideration. Alto Shareholders may ascertain the current trading prices of Alto Shares through ASX's website (www.asx.com.au).

Alto Shareholders who are considering selling some or all of their Alto Shares should also contact their stockbroker for information on how to effect the sale, and should also contact their financial, taxation, legal and professional advisers.

Alto Shareholders who sell some or all of their Alto Shares on the market may:

- (a) receive payment (which may vary from the Scheme Consideration) for the sale of their Alto Shares sooner than they would receive the Scheme Consideration;
- (b) may incur a brokerage charge; and
- (c) may be liable for tax on the disposal of their Alto Shares.

Alto Shareholders who sell some or all of their Alto Shares on the market will not be able to participate in the Scheme or, if one emerges, a Superior Proposal, in respect of those Alto Shares that they have sold.

4.8 Further information

There are answers to questions that you may have in section 2 of this Scheme Booklet.

If you have any questions or require further information, please contact Alto's Share Registry on 1300 441 597 (within Australia) or +61 2 8072 1465 (outside Australia) between 8:30am and 6:00pm (Sydney time) Monday to Friday, excluding public holidays, or via email at hello@automic.com.au.

If you are in any doubt about anything in this Scheme Booklet, please contact your legal, taxation, financial or other professional adviser.

²⁸ In considering the unanimous recommendation and intentions of the Directors to vote in favour of the Scheme, Alto Shareholders should have regard to the interests of Alto Directors in the outcome of the Scheme vote, as discussed in the section of the Letter from the Chair of Alto titled "*Interests of the Directors in the Scheme*" and disclosed in detail in section 3.3.

5 Overview of Alto

5.1 History and background

Alto Metals Limited (ASX: AME) is a Western Australian based company focused on the exploration and development of its 100% owned gold project, located in the East Murchison Mineral Field of Western Australia (**Sandstone Gold Project**). The Sandstone Gold Project comprises over 740km² of granted tenure over the vast majority of the Archaean Sandstone Greenstone Belt (Figure 1).



Figure 1. Location of Sandstone Gold Project within the East Murchison Gold Field, WA.

Detailed information about Alto is available on its website www.altometals.com.au and on the ASX website www.asx.com.au (ASX: AME).

The Alto Group includes parent company, Alto Metals Limited and its single wholly-owned subsidiary, Sandstone Exploration Pty Ltd.

5.2 Overview of Alto's Sandstone Gold Project

The tenements that form the Sandstone Gold Project are held by Alto's wholly owned subsidiary, Sandstone Exploration Pty Ltd.

Since acquiring the Sandstone Gold Project in 2016, Alto has compiled and reviewed a large legacy database and undertaken a series of focused exploration drilling campaigns which have defined a current optimised, open-pit constrained Mineral Resource estimate of 17.6 Mt @1.5 g/t gold for 832,000oz (using a \$2,500 gold price), capturing over 80% of

the unconstrained total Mineral Resource estimate of 23.5Mt @ 1.4 g/t gold for 1.05Moz²⁹ (Figure 2).

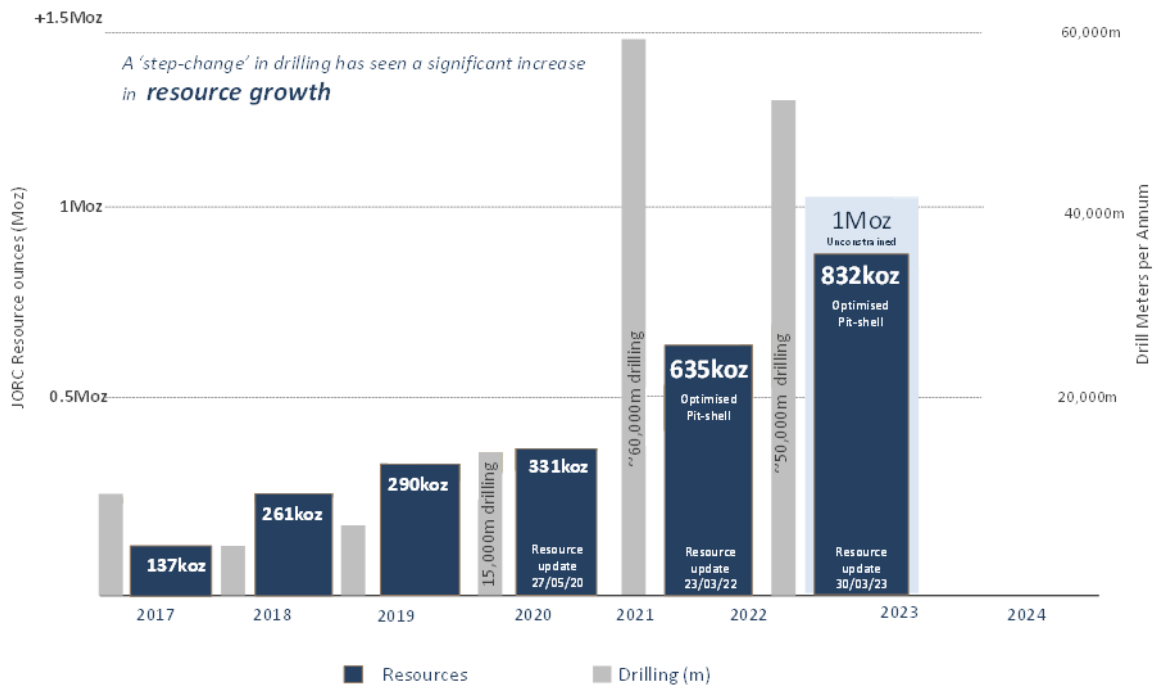


Figure 2. Resource growth over time.

Importantly, the Mineral Resources are shallow, with over 90% within 150m from surface (Figure 3). Alto is currently focused on growing these resources through continued exploration and new discoveries.

²⁹ For further information, refer to Alto's ASX announcement titled "Significant increase in shallow gold resources at Sandstone Gold Project" dated 3 April 2023. Alto confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

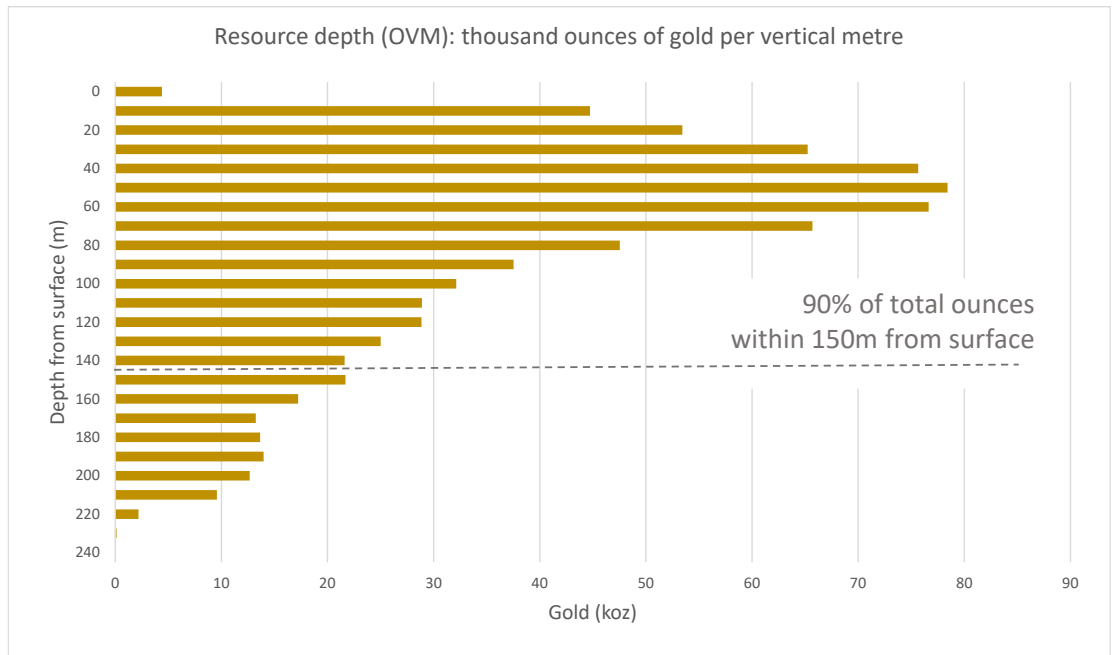


Figure 3. Resource depth (OVM): thousand ounces of gold per vertical metre.

Alto's immediate exploration strategy has been focused on targeting new discoveries and resource growth within the Alpha Domain which hosts all the current Mineral Resources. Based on the success of the systematic approach to exploration to date, Alto is continuing to review the multiple other early greenfield and advanced brownfield targets outside the Alpha Domain (Figure 4).

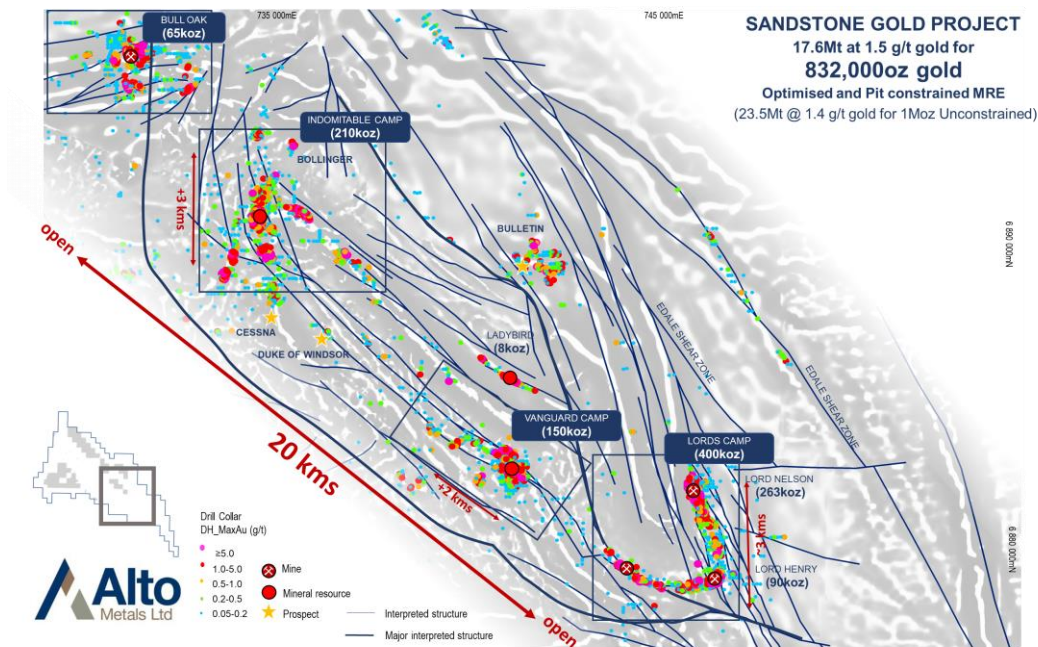


Figure 4. Location of total current mineral resources for Sandstone Gold Project.

Alto remains focused on growing the existing core resource base within the Alpha Domain, while continuing to review and progress the multiple advanced brownfield prospects, as part of Alto's longer-term strategy to support a stand-alone operation at the Sandstone Gold Project (Figure 5). See also Figure 6.

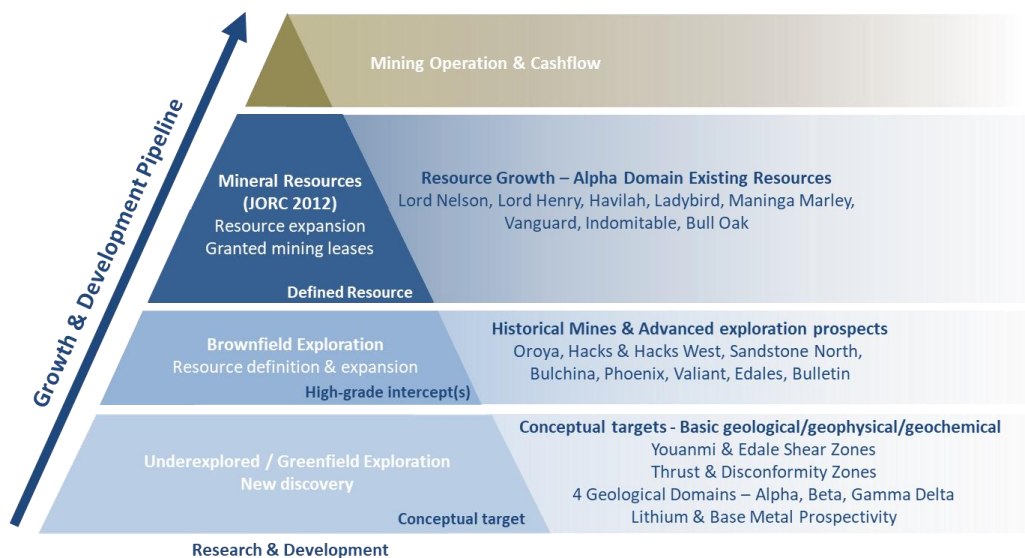


Figure 5. Growth and development pipeline.

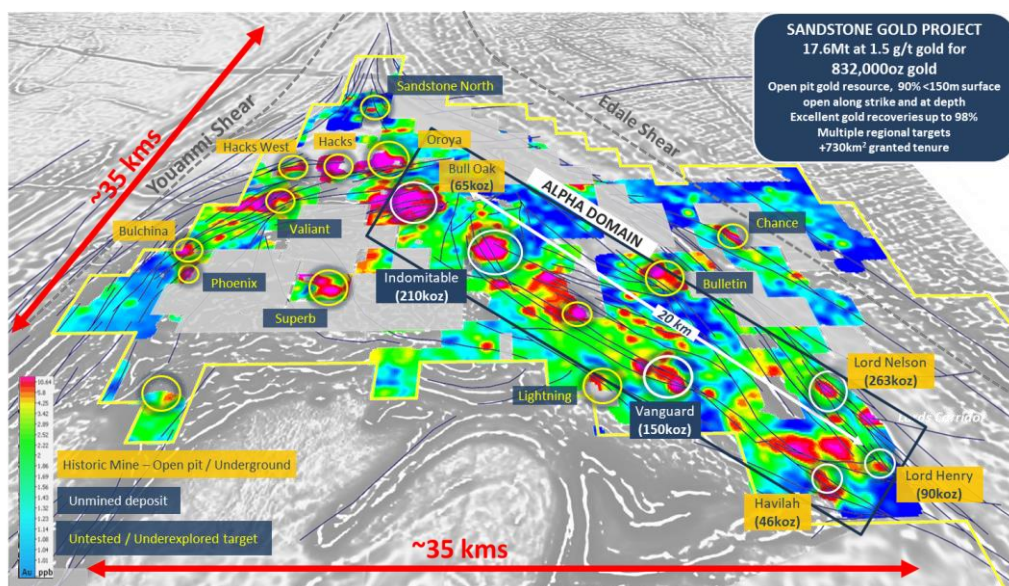


Figure 6. Sandstone Gold Project, Alpha Domain and regional targets.

5.3 Mineral Resource Estimates

Refer to Appendix 7 of this Scheme Booklet for a table containing the Alto Tenements.

Tables 1 and 2 below set out the optimised and pit constrained Mineral Resource Estimate for the Sandstone Gold Project. Table 3 sets out the unconstrained Mineral Resource Estimate for the Sandstone Gold Project.³⁰

³⁰ The references in this section 5.3 to Mineral Resource estimates for the Sandstone Gold Project were reported in the following announcements: (a) Lord Nelson, Indomitable, Bull Oak ASX announcement titled: "Significant increase in shallow gold resources at Sandstone Gold Project" dated 3 April 2023; (b) Vanguard Camp, Havilah Camp, Lord Henry: ASX announcement titled: "Sandstone Mineral Resource increases to 635,000oz gold" dated 23 March 2022; (c) Indomitable Camp

(a) **Table 1: Total Mineral Resource Estimate for Sandstone Gold Project**

Mineral Resource Estimate for the Sandstone Gold Project				
Classification	Cut-off grade (g/t gold)	Tonnes (Mt)	Grade (g/t gold)	Contained gold (koz)
Total Indicated	0.5	4.3	1.6	226
Total Inferred	0.5	13.3	1.4	606
TOTAL	0.5	17.6	1.5	832

Note: Updated Mineral Resources reported at a cut-off grade of 0.5 g/t gold. Mineral Resources for Indomitable are reported at a cut-off grade of 0.3 g/t gold. Minor discrepancies may occur due to rounding of appropriate significant figures.

(b) **Table 2: Total Mineral Resource Estimate for Sandstone Gold Project (by deposit)**

Mineral Resource Estimate for the Sandstone Project										
Prospect	Cut -Off	Indicated			Inferred			TOTAL		
		Tonnes (Mt)	Grade (g/t)	Gold Ounces (koz)	Tonnes (Mt)	Grade (g/t)	Gold Ounces (koz)	Tonnes (Mt)	Grade (g/t)	Gold Ounces (koz)
Lord Nelson	0.5	1.5	2.1	100	3.5	1.4	163	5.0	1.6	263
Lord Henry	0.5	1.6	1.5	77	0.3	1.2	13	1.9	1.4	90
Havilah	0.5				0.9	1.4	38	0.9	1.4	38
Maninga Marley	0.5				0.1	2.6	8	0.1	2.6	8
Havilah Camp	0.5				1.0	1.5	46	1.0	1.5	46
Vanguard	0.5	0.4	2	26	1.5	1.6	77	1.9	1.7	103
Vanguard North	0.5				0.4	3.8	47	0.4	3.8	47
Vanguard Camp	0.5	0.4	2	26	1.9	1.6	124	2.3	2.0	150
Musketeer	0.5				0.8	1.5	40	0.8	1.5	40
Indomitable	0.5	0.8	0.9	23	2.2	1.2	81	3.0	1.1	104

(Piper & Tiger Moth deposits): ASX announcement titled "Maiden Gold Resource at Indomitable & Vanguard Camps, Sandstone WA" dated 25 September 2018; and (d) Ladybird: ASX announcement titled "Alto increases Total Mineral Resource Estimate to 290,000oz, Sandstone Gold Project" dated 11 June 2019. Alto confirms that it is not aware of any new information or data that materially affects the information included in the previous market announcements noted in this footnote and that all material assumptions and technical parameters underpinning the Mineral Resource estimates in the previous market announcements in this footnote continue to apply and have not materially changed.

Mineral Resource Estimate for the Sandstone Project										
Prospect	Cut-Off	Indicated			Inferred			TOTAL		
		Tonnes (Mt)	Grade (g/t)	Gold Ounces (koz)	Tonnes (Mt)	Grade (g/t)	Gold Ounces (koz)	Tonnes (Mt)	Grade (g/t)	Gold Ounces (koz)
Indomitable East	0.5				1.0	1.1	34	1.0	1.1	34
Tiger Moth	0.5				0.5	1.7	28	0.5	1.7	28
Piper	0.5				0.1	1	4	0.1	1.0	4
Indomitable Camp	0.5	0.8	0.9	23	4.6	1.1	187	5.4	1.2	210
Bull Oak	0.5				1.9	1.1	65	1.9	1.1	65
Ladybird	0.5				0.1	1.9	8	0.1	1.9	8
Total	0.5	4.3	1.6	226	13.3	1.4	606	17.6	1.5	832

Note: Updated Mineral Resources reported at a cut-off grade of 0.5 g/t gold and are constrained within a A\$2,500/oz optimised pit shells based on mining parameters and operating costs typical for Australian open pit extraction deposits of a similar scale and geology. Mineral Resources for Lord Henry, Vanguard Camp, Havilah Camp, Piper, Tiger Moth and Ladybird deposits have not been updated. Minor discrepancies may occur due to rounding of appropriate significant figures.

(c) **Table 3: Unconstrained Mineral Resources for Sandstone Gold Project**

Unconstrained Mineral Resources for the Sandstone Gold Project				
Classification	Cut-off grade (g/t gold)	Tonnes (Mt)	Grade (g/t gold)	Contained gold (koz)
Total Indicated	0.5	4.3	1.6	227
Total Inferred	0.5	19.2	1.4	819
TOTAL	0.5	23.5	1.4	1,046

Note: Unconstrained Mineral Resources reported at a cut-off grade of 0.5 g/t gold. Minor discrepancies may occur due to rounding of significant figures.

5.4 Directors and senior management of Alto

(a) Directors

The Directors of Alto as at the date of the Scheme Booklet are as follows:

Name	Biography
Mark Connelly	Mr Connelly has a proven track record in the mining industry and over thirty years' experience. In recent years he was the CEO of Papillon Resources and Adamus Resources. Both

Name	Biography
<p><i>Non-Executive Chairman</i></p>	<p>companies were acquired in by way of takeovers with Papillon valued at over USD570m. Papillon was developing the Fekola gold deposit in Mali and Adamus Resources was a gold production company based in Ghana.</p> <p>Prior to this Mr Connelly worked held senior management roles at Inmet Mining and Newmont Mining and also as COO at Endeavour Mining following its acquisition of Adamus Resources.</p> <p>Mr Connelly is a Director of Astral Resources NL, Tesoro Gold Ltd, Calidus Resources Limited, Nickel Search Limited, Omnia Metals Limited, BeMetals Corp Inc, Warriedar Resources Limited and Renegade Exploration Limited.</p> <p>Mr Connelly is a Member at Australian Institute of Company Directors a Member of the Australian Institute of Management and a Member of the Society of Mining, Metallurgy and Exploration.</p>
<p>Matthew Bowles <i>Managing Director and Chief Executive Officer</i></p>	<p>Mr Bowles is a senior corporate finance executive with extensive corporate advisory, private equity and capital markets experience within the resources sector. He has a depth of experience in domestic and cross border financing, joint venture and M&A transactions in Africa, the Americas and Australia.</p> <p>Mr Bowles was previously the Chief Development Officer for a West African focused gold company. He commenced his career with Rio Tinto where he worked for nine years in various corporate and commercial roles, before moving to London to work in resources banking and finance. Since his return to Australia he has held senior roles with global advisory firms focused on the resources sector.</p> <p>Mr Bowles holds a Bachelor of Business, is a member of CPA Australia and a Fellow of the Financial Services Institute of Australia.</p>
<p>Richard Monti <i>Non-Executive Director</i></p>	<p>Mr Monti is a geologist with a successful career of over 30 years in the international mineral resource industry, resulting in broad industry knowledge and strong strategic planning capabilities. He has first-hand working knowledge of all aspects of the industry. He has been a Director on 15 ASX and TSX listed companies, covering exploration and mining activities. Directorships include four as Chairman and sitting on numerous sub-committees. Mr Monti has held roles at several international and Australian companies including Anaconda Nickel, Azimuth Resources Limited, The North Group and The Normandy Group. He was a founding Director of Azimuth Resources and the architect of Azimuth's eventual take over for A\$190m in 2013. Mr Monti was Principal of Ventnor Capital from 2005 to 2010, a corporate advisory business supplying advice across the commercial and corporate spectrum to junior and mid-size companies.</p> <p>Mr Monti also holds directorships in the following listed entities: Boab Metals Ltd, Caravel Minerals Ltd and Nickel X Limited.</p>

(b) **Alto senior management**

The senior management personnel of Alto as at the date of the Scheme Booklet are:

- (i) Graeme Smith – Company Secretary and Chief Financial Officer; and
- (ii) Michael Kammermann – Exploration Manager.

5.5 Alto securities and capital structure

(a) **Alto securities on issue**

As at the date of this Scheme Booklet, the capital structure of Alto comprised of the following securities:

Type of security	Number on issue
Alto Shares	721,523,172
Alto Performance Rights	18,250,000

See section 10.3 and 10.5 of this Scheme Booklet for further information about the terms and treatment of the Alto Performance Rights in connection with the Scheme.

(b) **Substantial Alto Shareholders**

Based on publicly available information, as at the Last Practicable Date, Alto has the following substantial shareholder(s):

Name	Number of Alto Shares	Percentage shareholding
Windsong Valley Pty Ltd	107,155,416	14.85%
Horizon Gold Ltd	60,764,746	8.42%
GS Group Australia Pty Ltd	57,390,520	7.95%
Deutsche Balaton Aktiengesellschaft (& associated companies)	65,200,000	9.04%
Acorn Capital Limited	36,421,560	5.05%

(c) **Top 20 Alto Shareholders**

Based on the Share Register as at the Last Practicable Date, the top 20 Alto Shareholders held approximately 65.16% of the Alto Shares, as set out in the following table:

	Name	Number of Alto Shares	Percentage shareholding
1.	Windsong Valley Pty Ltd	107,155,416	14.85%
2.	Deutsche Balaton Aktiengesellschaft	65,200,000	9.04%
3.	Horizon Gold Limited	60,764,746	8.42%
4.	GS Group Australia Pty Ltd	57,390,520	7.95%
5.	Lion Selection Group Ltd	19,230,769	2.67%
6.	Citicorp Nominees Pty Limited	18,648,637	2.58%
7.	BNP Paribas Nominees Pty Ltd	17,698,551	2.45%
8.	Sinotech (Hong Kong) Corporation Limited	17,291,250	2.40%
9.	Olgen Pty Ltd	15,899,998	2.20%
10.	J P Morgan Nominees Australia Pty Limited	12,456,493	1.73%
11.	Silverlight Holdings Pty Ltd	11,182,781	1.55%
12.	Atlantic Capital Pty Ltd	9,750,000	1.35%
13.	HSBC Custody Nominees (Australia) Limited	9,473,295	1.31%
14.	Greatcity Corporation Pty Ltd	8,542,735	1.18%
15.	Wersman Nominees Pty Ltd	8,243,589	1.14%
16.	Crownluxe Investment Ltd	7,500,000	1.04%
17.	Delphi Unternehmensberatung Aktiengesellschaft	6,872,222	0.95%
18.	Netwealth Investments Limited	6,335,467	0.88%
19.	Wersman Nominees Pty Ltd	5,343,589	0.74%
20.	Hardrock Capital Pty Ltd	5,160,000	0.72%

5.6 Financial profile of Alto

(a) Historical financial information

This section 5.6 contains financial information relating to Alto extracted from the audited financial statements of Alto for the years ending 30 June 2022, 30 June 2023 and 30 June 2024.

The historical financial information in this section 5.6 is a summary only and has been prepared and extracted for the purposes of this Scheme Booklet only.

The historical financial information of Alto presented in this section 5.6 is in an abbreviated form and does not contain all the disclosures, presentations, statements or comparatives that are usually provided in an annual report prepared in accordance with the Corporations Act. Alto considers that for the purposes of this Scheme Booklet the historical financial information presented in an abbreviated form is more meaningful to Alto Shareholders.

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

Further detail about Alto's historical financial performance can be found in Alto's financial statements for the financial years ended 30 June 2022 (which are included in the Annual Report in respect of that financial year, which Alto released to ASX on 30 September 2022), 30 June 2023 (which are included in the Annual Report in respect of that financial year, which Alto released to ASX on 29 September 2023) and the year ended 30 June 2024 (which are included in the Annual Report in respect of that financial year, which Alto released to ASX on 30 September 2024).

Copies of these documents can be obtained, free of charge, from ASX's website (www.asx.com.au) or from the Alto website (www.altometals.com.au).

(b) Historical consolidated statement of financial position for full year ended 30 June 2024, 30 June 2023 and 30 June 2022

	Consolidated		
	Year ended 30 Jun 2024 \$	Year ended 30 Jun 2023 \$	Year ended 30 Jun 2022 \$
Current Assets			
Cash and cash equivalents	1,916,608	1,075,068	3,256,340
Trade and other receivables	95,516	70,133	267,105
Prepayments	-	15,430	19,502
Total Current Assets	2,012,124	1,160,631	3,542,947

	Consolidated		
	Year ended 30 Jun 2024 \$	Year ended 30 Jun 2023 \$	Year ended 30 Jun 2022 \$
Non-Current Assets			
Equity instruments at fair value	7,500	10,000	20,000
Property, plant and equipment	161,362	187,071	213,817
Right of Use Assets	151,689	233,462	131,370
Exploration and evaluation	30,892,526	28,720,181	23,481,586
Total Non-Current Assets	31,213,077	29,150,714	23,846,773
TOTAL ASSETS	33,225,201	30,311,345	27,389,720
Current Liabilities			
Trade and other payables	678,945	1,162,043	1,710,479
Lease liability	111,405	89,036	35,910
Provisions	146,337	172,890	150,565
Total Current Liabilities	936,687	1,423,969	1,896,954
Non-Current Liabilities			
Lease liability	62,832	151,496	98,237
Total Non- Current Liabilities	62,832	151,496	98,237
TOTAL LIABILITIES	999,519	1,575,465	1,995,191
NET ASSETS	32,225,682	28,735,880	25,394,529
Equity			
Issued capital	53,688,200	48,105,200	42,563,659
Reserves	924,023	1,436,858	1,156,523
Accumulated losses	(22,386,541)	(20,806,178)	(18,325,653)
TOTAL EQUITY	32,225,682	28,735,880	25,394,529

(c) **Historical consolidated statement of profit or loss and other comprehensive income for full year ended 30 June 2024, 30 June 2023 and 30 June 2022**

	Consolidated		
	Year ended 30 Jun 2024 \$	Year ended 30 Jun 2023 \$	Year ended 30 Jun 2022 \$
Other income	71,907	95,457	150,746
Consulting expense	(124,162)	(80,421)	(102,109)
Depreciation	(138,694)	(85,077)	(51,240)
Employee benefits expense	(769,165)	(646,481)	(868,221)
Exploration & Evaluation expenses	(77,338)	(78,853)	(19,535)
Investor relations	(86,826)	(193,809)	(169,176)
Office rental and occupation expenses	(56,495)	(88,591)	(108,956)
Share based payments	(319,052)	(987,953)	(631,186)
Share registry and listing fees	(100,095)	(110,267)	(87,956)
Other expenses	(296,829)	(352,149)	(408,463)
Loss before income tax	(1,896,749)	(2,528,144)	(2,296,096)
Income tax (expense) / benefit	-	-	-
Loss for the year	(1,896,749)	(2,528,144)	(2,296,096)
Other comprehensive income, net of tax			
Items not to be reclassified to profit or loss in subsequent periods			
Changes in the fair value of equity instruments carried at fair value through other comprehensive income	(2,500)	(10,000)	(20,000)
Other comprehensive income / (loss) for the period	(2,500)	(10,000)	(20,000)
Total comprehensive loss attributable to members of the parent entity	(1,899,249)	(2,538,144)	(2,316,096)
Basic loss per share (cents per share)	(0.27)	(0.44)	(0.47)

(d) **Historical consolidated statement of cash-flows for full year ended 30 June 2024, 30 June 2023 and 30 June 2022**

	Consolidated		
	Year ended 30 Jun 2024 \$	Year ended 30 Jun 2023 \$	Year ended 30 Jun 2022 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Interest received	6,821	18,017	3,591
Interest paid	-	-	(3,703)
Payments to suppliers and employees	(1,602,135)	(1,459,793)	(1,674,640)
Other receipts	65,086	77,440	147,155
Net cash used in operating activities	(1,530,228)	(1,364,336)	(1,527,597)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment	(1,544)	(1,928)	(70,157)
Payments for exploration and evaluation expenditure	(2,125,643)	(5,691,679)	(6,922,679)
Net cash used in investing activities	(2,127,187)	(5,693,607)	(6,992,836)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares during the period	4,952,000	5,088,070	7,000,000
Costs associated with shares issued during the period	(346,000)	(152,528)	(309,873)
Payment of lease liabilities	(107,045)	(58,871)	(21,408)
Net cash provided by financing activities	4,498,955	4,876,671	6,668,719
Net increase in cash and cash equivalents held	841,540	(2,181,272)	(1,851,714)
Cash and cash equivalents at beginning of the period	1,075,068	3,256,340	5,108,054
Cash and cash equivalents at the end of the half-year	1,916,608	1,075,068	3,256,340

(e) **Material changes in Alto's financial position**

Other than:

- (i) the accumulation of losses in the ordinary course of trading; and
- (ii) as disclosed in this Scheme Booklet or as otherwise disclosed to ASX by Alto,

to the knowledge of the Directors, the financial position of Alto has not changed materially since 30 June 2024, being the last date of the period to which the financial statements for the year ended 30 June 2024 relate.

Copies of Alto's periodic reports can be obtained from Alto's website (www.altometals.com.au), ASX's website (www.asx.com.au) and from Alto free of charge following a request in writing via email: admin@altometals.com.au, or, by post: Suite 9, 12-14 Thelma Street, West Perth, WA 6005, to be received before the Scheme is approved by the Court.

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

5.7 Directors' intentions for the business

The Corporations Regulations require a statement by the Directors of their intentions regarding Alto's business. If the Scheme is implemented, Brightstar has stated that it intends to reconstitute the Board as appropriate for such an entity. It is for the reconstituted Board to determine its intentions as to:

- (a) the continuation of the business of Alto or how the existing business will be conducted; and
- (b) any major changes to be made to the business of Alto,

and accordingly, it is not possible for the Directors to provide such a statement at this time. Alto Shareholders should refer to section 7.4 of this Scheme Booklet as to the intentions of Brightstar.

5.8 Publicly available information about Alto

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

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

6 Overview of Brightstar

6.1 Introduction

This section 6 forms part of the Brightstar Information and has been prepared by Brightstar. The information concerning Brightstar and the intentions, views and opinions contained in this section are the responsibility of Brightstar.

Alto and its Directors, officers, employees and advisers do not assume any responsibility for the accuracy or completeness of the information in this section.

The Independent Expert's Report set out in Appendix 1 to this Scheme Booklet contains further information about Brightstar.

6.2 History and Background

Brightstar is a public ASX listed gold mining company focused on the exploration and development of gold projects in Western Australia. Brightstar was incorporated on 29 May 2002 and listed on the ASX on 5 December 2003 and currently trades under the ticker code "BTR".

Brightstar's major development and production projects are:

- (a) Jasper Hills Gold Project;
- (b) Cork Tree Well Project;
- (c) Second Fortune Project;
- (d) Beta Project;
- (e) Alpha Project;
- (f) Montague Gold Project;
- (g) Menzies Gold Project; and
- (h) Goongarrie Gold Project,

(collectively, **Brightstar Key Projects**).

The Brightstar Key Projects host a total Mineral Resource estimate of 38Mt at 1.6 g/t gold for 2.0Moz gold.³¹

As outlined in Brightstar's ASX announcement of 10 July 2024, following positive results from drilling and feasibility workstreams,³² Brightstar elected to upgrade its previously

³¹ Based on the consolidated Mineral Resource Estimates of the Brightstar Group projects. Refer to section 6.3 of this Scheme Booklet for further information.

³² For further information, refer to Brightstar's ASX announcements titled "+30,000M Drilling Program to Commence across Brightstar's enlarged 1.45Moz Au portfolio" and "High grade gold assays from RC drilling at Menzies Gold Project" dated 8 May 2024 and 8 July 2024 (respectively).

announced Pre-Feasibility Study³³ into a Definitive Feasibility Study (**DFS**), which is anticipated to be completed in early CY2025.

This decision was based on the advanced nature of current drilling programs which are anticipated to provide the requisite geological, metallurgical and geotechnical information to complete the DFS on the Brightstar Key Projects.

The DFS will also evaluate potential monetisation of previously mined existing stockpiles at Brightstar's Beta and Jasper Hills projects in Laverton to potentially provide an important low-cost ore source for blending with ore generated from the operating Second Fortune mine.

Engagements with suppliers including mining contractors, accommodation camp builders and camp service providers remain ongoing to support advanced timelines. Ongoing proactive interactions with local stakeholders in the Laverton and Menzies areas including Shires, Traditional Owners and Pastoralists and regulatory bodies ensure Brightstar is well positioned on permitting and approvals to make a Final Investment Decision in the first half of calendar year 2025.

Brightstar also holds a portfolio of mining leases and exploration licences which are historically underexplored.

In addition to the above, Brightstar, via a newly incorporated wholly owned special purpose vehicle, Montague Gold Project Pty Ltd (**MGP**), pursuant to a tenement sale agreement with Gateway and its wholly owned subsidiary, Gateway Projects Pty Ltd (**GPWA**) recently acquired Gateway and GPWA's interests held in certain mining tenure in respect of Gateway's Montague East Gold Project, with MGP obtaining 100% of the gold mineral rights and Gateway retaining all other mineral rights (ie, the Montague Acquisition).

The Montague Acquisition completed on 1 October 2024.

A summary of the outstanding material terms of the Montague Acquisition is set out in section 6.11(a) of this Scheme Booklet.

The figure below illustrates the location of Brightstar's Key Projects.

³³ For further information, refer to Brightstar's ASX announcement titled "*Menzies and Laverton Gold Project Mine Restart Study*" dated 6 September 2023.

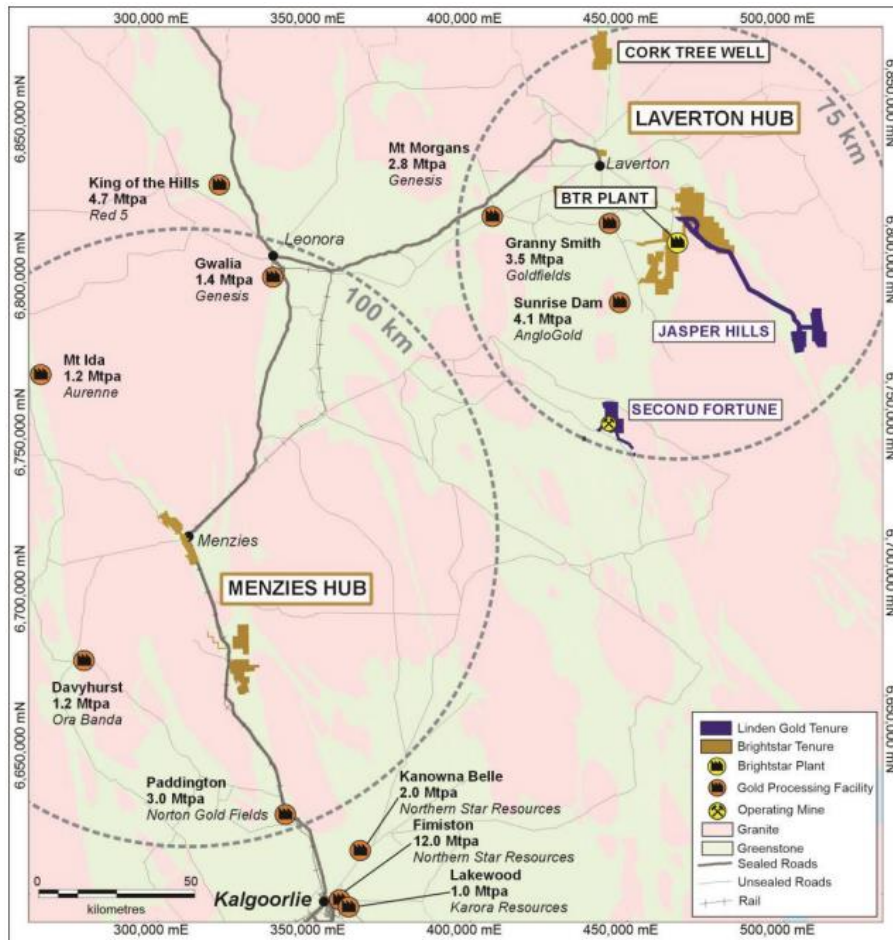


Figure 7. Location map of Brightstar's Key Projects.

6.3 Overview of Brightstar's projects

Brightstar holds approximately 521km² of highly prospective tenure north and south of the Laverton township in the prolific Laverton greenstone belt (**Laverton Gold Project**) and 67.3km² covering the Menzies greenstone belt (**Menzies Gold Project**).

Historical exploration at the Laverton Gold Project consisted primarily of minor drilling programs until Brightstar's more fulsome reverse circulation drilling campaigns from 2021 to 2024. Significant exploration potential exists across the portfolio, both from growth at the existing Mineral Resources as well as regional targets that have potential to delineate further mineralisation due to the underexplored and prospective nature of the project areas.

Brightstar's Laverton Gold Project tenements are located within 75km of its processing plant, currently on care and maintenance (**Brightstar Plant**). Brightstar is looking to refurbish and expand the Brightstar Plant to commence production and expand on its existing gold resources at each of its project sites.

Each of Brightstar's projects are further detailed below.

(a) **Jasper Hills Gold Project**

Brightstar, as the ultimate holding company of Lord Byron Mining Pty Ltd, is the 100% owner of the development-stage Jasper Hills Gold Project which is approximately 100km south-east of Laverton, Western Australia and contains a total of 4.9Mt @ 1.8g/t gold for 293koz Mineral Resource Estimate (as defined in the JORC Code).³⁴ As outlined in the Jasper Hills Scoping Study (released by Brightstar to the ASX on 25 March 2024), the Jasper Hills Gold Project has the potential to deliver 35koz per annum production, with an initial mine production target of 2.4Mt @ 1.84g/t gold for 141,958oz mined over approximately 3.75 years.³⁵

Mining has previously occurred at the Lord Byron deposit, with 280,150t @ 1.5g/t gold for 13,510oz gold produced from two shallow laterite pits from February to May 2012 with 8% dilution and 5% ore loss recorded from Crescent Gold Ltd reports. In addition, Crescent Gold Ltd additionally mined the Fish deposit from 2011 to 2012 in two campaigns with 350,000t @ 3.83g/t depleted from the reserve, with processing at the Granny Smith Gold Mine. Post 2012, Blue Cap Mining completed a further cutback at the Lord Byron deposit with 190,400t @ 2.04g/t (consisting of supergene and oxide ore) sold to AngloGold Ashanti Limited for processing at the Sunrise Dam Gold Mine.

Mineral Resource Estimate for the Jasper Hills Project (cut-off grade of 0.5g/t gold) ³⁶			
Classification	Tonnes (Mt)	Grade (g/t gold)	Contained gold (koz)
Measured	0.5	2.1	33
Indicated	1.3	2.1	87
Inferred	3.1	1.7	173
Total	4.9	1.9	293

Note: Rounding discrepancies may occur.

As outlined in a drilling update released by Brightstar to the ASX on 27 August 2024, initial assays from the ~8,000m Lord Byron infill drilling program at the Jasper Hills Gold Project returned positive results as part of a reverse circulation and diamond drill-out at Jasper Hills, which was designed to infill the Mineral Resource, improve the JORC classification and provide information for mine

³⁴ For further information, refer to Brightstar's ASX announcement titled "*Brightstar Makes Recommended Takeover Offer For Linden Gold Alliance Limited*" dated 25 March 2024. Brightstar confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

³⁵ For further information, refer to Brightstar's ASX announcement titled "*Compelling Scoping Study For Jasper Hills Gold Project*" dated 25 March 2024. All material assumptions underpinning the production targets and forecast financial information derived from the production targets in the previous announcement continue to apply and have not materially changed.

³⁶ Refer to footnote [3433](#).

planning at the proposed Lord Byron Open Pit and Fish Underground mines announced in the Jasper Hills Scoping Study.

Intercepts returned at Lord Byron include:³⁷

- (i) LBRC24034: 32m @ 1.25 g/t gold from 53m;
- (ii) LBRC24007: 24m @ 1.53 g/t gold from 53m;
- (iii) LBRC24037: 19m @ 1.34 g/t gold from 73m;
- (iv) LBRC24001: 14m @ 1.44 g/t gold from 77m;
- (v) LBRC24015: 12m @ 1.73 g/t gold from 177m;
- (vi) LBRC24016: 15m @ 1.47 g/t gold from 178m; and
- (vii) LBRC24008: 5m @ 4.29 g/t gold from 92m.

As at the date of this Scheme Booklet, 54 reverse circulation holes (all of which have previously been announced by Brightstar) and 13 diamond drill holes have been drilled at Lord Byron. Assay results from the diamond drill holes remain outstanding and will be analysed and reported in accordance with the Company's continuous disclosure obligations.

In addition to the above, 30 reverse circulation holes and 8 diamond drill holes have been completed at the Fish deposit, with numerous intercepts returned, including:³⁸

- (i) FHRCD2403:
 - (A) 7m @ 9.50 g/t gold from 176m, including 1m @ 45.3 g/t gold from 177m; and
 - (B) 2m @ 6.74 g/t gold from 195m;
- (ii) FHRCD2420:
 - (A) 8m @ 8.01 g/t gold from 180m, including 1m @ 36.4g/t gold from 186m; and
 - (B) 4m @ 11.9 g/t gold from 259m, including 1m @ 37.4 g/t gold from 260m;
- (iii) FHRCD2426: 7m @ 5.80 g/t gold from 174m, including 1m @ 14.5 g/t gold from 175m;

³⁷ Investors are cautioned that these selected intercepts are not intended to be representative of all results taken from the deposit and should refer to Brightstar's ASX announcement titled "*Wide Zones Of Mineralisation Results Returned From Lord Byron Infill Drilling*" dated 27 August 2024 for more detailed results.

³⁸ Investors are cautioned that these selected intercepts are not intended to be representative of all results taken from the deposit and should refer to Brightstar's ASX announcement titled "*Continued Excellent Results From Jasper Hills With Initial Fish Deposit Assays Up To 45 G/T Gold*" dated 23 September 2024 for more detailed results.

- (iv) FHRCD2404: 4m @ 9.70 g/t gold from 274m, including 1m @ 30.2 g/t gold from 274m;
- (v) FHRCD2430: 5m @ 6.54 g/t gold from 148m, including 1m @ 21.0g/t gold from 148m; and
- (vi) FHRCD2428: 4m @ 3.14 g/t gold from 121m.

Investors are cautioned that these intercepts (or pending assays) are not yet factored into the Jasper Hills Mineral Resource Estimate which is due to be updated ahead of delivery of the DFS.

(b) Cork Tree Well Project

Brightstar owns a 100% interest in the tenements comprising the Cork Tree Well Project. The Cork Tree Well Project is located approximately 35km north of Laverton, within the narrow greenstone belt linking the Laverton and Duketon greenstone belts, and 60km from the Brightstar Plant. The Cork Tree Well Project was formerly an operating mine that produced 46koz of gold, with operations ceasing in 1988.

Following several successful reverse circulation drilling programs, Brightstar announced a 20% increase in the Mineral Resource estimate to 6.4Mt @ 1.4g/t gold for 303koz gold at Cork Tree Well in June 2023.³⁹ The results of the drilling programs highlight the significant growth potential that still exists at the Cork Tree Well Project, with mineralisation remaining open at depth and along strike.

In Q1 2024, Brightstar commenced and successfully completed its maiden diamond drilling program at the Cork Tree Well Project. This drilling provided samples for metallurgical testing and geotechnical assessment with 20 holes completed for 2,050m of HQ and PQ drill core. Once results are analysed, the information from these holes will be incorporated into the definitive feasibility study currently underway.

The current Mineral Resource estimate for the Cork Tree Well Project is as follows:

Mineral Resource Estimate for the Cork Tree Well Project (cut-off grade of 0.5g/t gold) ⁴⁰			
Classification	Tonnes (Mt)	Grade (g/t gold)	Contained gold (koz)
Measured	-	-	-
Indicated	3.0	1.6	157
Inferred	3.5	1.3	146

³⁹ For further information, refer to Brightstar's ASX announcement titled "*Brightstar Achieves +1 Million Ounces In Resources With Cork Tree Well Mineral Resource Upgrade*" dated 23 June 2023. Brightstar confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

⁴⁰ Refer to footnote [39](#).

Mineral Resource Estimate for the Cork Tree Well Project (cut-off grade of 0.5g/t gold) ⁴⁰			
Classification	Tonnes (Mt)	Grade (g/t gold)	Contained gold (koz)
Total	6.5	1.4	303

Note: Rounding discrepancies may occur.

As outlined in a drilling update released by Brightstar to the ASX on 23 July 2024, Brightstar received assays from eight geotechnical diamond holes completed at the Cork Tree Well with gold assays up to 40.15g/t gold, located near CTWMET003 which returned 27.6m at 17.77g/t gold from 51m (this drill hole having been reported in Brightstar's ASX announcement dated 27 February 2024).⁴¹

Intercepts returned include 4.0m @ 17.32g/t gold from 78.0m (CTWGT004), including:⁴²

- (i) 1.0m at 40.15 g/t gold from 78.0m;
- (ii) 0.59m at 37.4 g/t gold from 81.0m; and
- (iii) 0.41m at 11.62 g/t gold from 81.59m.

An additional lode within CTWGT004 returned 3.0m at 3.46 g/t gold from 68m including 1.0m at 8.48 g/t gold from 70m.

High-grade results at the base of current pit shell design provides confidence for continuous mineralisation extensions at depth with historically defined significant intercepts. Investors are cautioned that these intercepts are not yet factored into the Cork Tree Well Mineral Resource Estimate which is due to be updated ahead of delivery of the DFS.

(c) **Second Fortune Gold Project**

Brightstar, as the ultimate holding company of Second Fortune Gold Project Pty Ltd, is the 100% owner of a tenement package covering an area of approximately 32km² and the operational Second Fortune underground mine (**Second Fortune Gold Project**) situated at the southern end of the Laverton Tectonic Zone, south-east of Laverton, Western Australia. The Laverton Tectonic Zone is host to multiple world class gold deposits including Wallaby, Granny Smith, Red October, and Sunrise Dam.

Linden Gold Alliance Limited (**Linden**) acquired the Second Fortune Gold Project in 2020 and moved quickly to bring the project back into production, achieving its first gold pour within seven months in April 2021.

⁴¹ Investors are cautioned that this selected result is not intended to be representative of all results taken from the deposit and should refer to Brightstar's ASX announcement titled "Further High-Grade Gold Results Received From Cork Tree Well Geotechnical Drilling" dated 23 July 2024 for more detailed results.

⁴² Refer to footnote [4140](#).

Mineral Resource Estimate for the Second Fortune Project (cut-off grade of 2.5g/t gold) ⁴³			
Classification	Tonnes (Mt)	Grade (g/t gold)	Contained gold (koz)
Measured	0.02	16.9	9.0
Indicated	0.08	8.2	21.0
Inferred	0.07	12.3	28.0
Total	0.17	10.9	58.0

(d) **Beta Project**

Brightstar owns a 100% interest in the tenements comprising the Beta Project.

The Beta Project is located 30km south of Laverton, and immediately adjacent to the Brightstar Plant. The Mineral Resource estimate is centred on the Burtville Shear that trends from near Sunrise Dam to Burtville. It hosts a combined Mineral Resource estimate of 1.9Mt @ 1.7g/t gold for 102koz.⁴⁴

Brightstar is assessing exploration programs for Beta, that will initially comprise of a detailed review of historical geological information and mining records. The Beta Project hosts historically mined open pits immediately adjacent to the Brightstar Plant.

The current Mineral Resource estimate for the Beta Project is as follows:

Mineral Resource Estimate for Beta Project (cut-off grade of 0.5g/t gold) ⁴⁵			
Classification	Tonnes (Mt)	Grade (g/t gold)	Contained gold (koz)
Measured	0.35	1.7	19
Indicated	0.58	1.6	29
Inferred	0.96	1.7	54
Total	1.9	1.7	102

⁴³ Refer to footnote 3433.

⁴⁴ For further information, refer to Brightstar's ASX announcement titled "Stone Resources Australia completes review of JORC 2012 Mineral Resources Estimate (MRE)" dated 10 September 2020. Brightstar confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

⁴⁵ Refer to footnote 4443.

Note: Rounding discrepancies may occur.

(e) **Alpha Project**

Brightstar owns a 100% interest in the tenements comprising the Alpha Project.

The Alpha Project is located 35km west of Laverton and 15km from the Brightstar Plant. It hosts a combined Mineral Resource estimate of 1.4Mt @ 2.3g/t gold for 106koz.⁴⁶

In June 2022, Brightstar completed a reverse circulation drilling program, comprising 12 reverse circulation holes for 1,260m, located 500m northwest of the main Alpha ore body (Alpha West). The results from the drilling program confirmed the existence of mineralisation in the fresh rock below the supergene halo in the regolith and significantly increases the potential for a larger mineralised system. In areas where the intersections were not ore grade, there is anomalous material demonstrating the continuity of the mineralised structure that indicates exploration upside exists at Alpha.

Brightstar is expecting to continue its exploration activities at Alpha, targeting growth in the Mineral Resource estimate and an increase in the confidence category of the existing mineralisation.

The current Mineral Resource estimate for the Alpha Project is as follows:

Mineral Resource Estimate for Alpha Project (cut-off grade of 0.5g/t gold) ⁴⁷			
Classification	Tonnes (Mt)	Grade (g/t gold)	Contained gold (koz)
Measured	0.62	1.6	33
Indicated	0.37	2.1	25
Inferred	0.46	3.3	48
Total	1.45	2.3	106

Note: Rounding discrepancies may occur.

(f) **Montague East Gold Project**

The Montague Acquisition completed on 1 October 2024. The Montague Acquisition provides for the grant of certain non-gold mineral rights in respect of those tenements to Gateway or a Related Body Corporate of Gateway.

The Montague East Gold Project hosts a combined Mineral Resource Estimate of 10.0Mt @ 1.6g/t gold for 526koz gold.⁴⁸ The Montague East Gold Project consists

⁴⁶ Refer to footnote 4443.

⁴⁷ Refer to footnote 4443.

⁴⁸ For further information, refer to Brightstar's ASX announcement titled "Brightstar To Drive Consolidation Of Sandstone District" dated 1 August 2024. Brightstar confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

of several deposits comprising: Montague Boulder, Whistler (OP) / Whistler (UG), Evermore, Achilles Nth / Airport and Julias.⁴⁹ It should be noted that the Julias deposit is located on M57/427, which is a 75%:25% joint venture between Gateway and Estuary Resources Pty Ltd (a wholly owned subsidiary of Red 5 Ltd (ASX:RED)). As such, the Mineral Resource for Julias is presented on both a deposit level, as well as a Gateway attributable level.

The areas of interest are centred on the Montague Granodiorite Dome, an elliptical pluton of enriched dioritic to granodioritic composition which forms the core of an open north-plunging anticline. The granodiorite has dimensions of approximately 8.5km x 2.6km and has intruded into a sequence of metamorphosed basalts and volcano-sedimentary rocks. Steeply east dipping, the granodiorite contacts are discordant with the immediate surrounding basalt stratigraphy which on western side is shallow west dipping between 30-45 degrees and in the east, steeply east dipping. Mineralisation at the Montague Project shares a strong spatial relationship with the margin of the Montague Granodiorite and occurs predominantly as NNW striking lodes within moderate dipping shear zones laterally continuous (Montague-Boulder/Evermore/Julias) as well as steep faulting and veining (Whistler) within the sedimentary/volcanic sequence, as well as the basalt and granitoid lithologies.

Mineral Resource Estimate for the Montague Gold Project ⁵⁰										
Location		Indicated			Inferred			Total		
	Cut-off (g/t)	Kt	g/t Au	Koz	Kt	g/t Au	Koz	Kt	g/t Au	Koz
Montague-Boulder	0.6	522	4.0	67	2,556	1.2	96	3,078	1.7	163
Whistler (OP) / Whistler (UG)	0.5 / 2.0	-	-	-	1,700	2.2	120	1,700	2.2	120
Evermore	0.6	-	-	-	1,319	1.6	67	1,319	1.6	67
Achilles Nth / Airport	0.6	221	2.0	14	1,847	1.4	85	2,068	1.5	99
Julias ¹ (Resource)	0.6	1,405	1.4	61	503	1.0	16	1,908	1.3	77

⁴⁹ The Whistler, Montague-Boulder, Evermore and Achilles Nth/Airport Mineral Resources have not been re-estimated by Brightstar and investors should refer to Gateway's ASX announcements titled "Maiden 240,000oz Resource Sets Strong Foundation For Next Phase Of Growth At Gidjee Gold Project, WA" and "Gidjee Mineral Resource Increases 87% To 449,000oz" dated 3 October 2019 and 14 December 2021 (respectively). Brightstar confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

⁵⁰ Refer to footnotes [4847](#) and [4948](#).

Mineral Resource Estimate for the Montague Gold Project ⁵⁰										
Location		Indicated			Inferred			Total		
	Cut-off (g/t)	Kt	g/t Au	Koz	Kt	g/t Au	Koz	Kt	g/t Au	Koz
Julias ² (Attributable)	0.6							1,431	1.3	58
Global Resource²		2,148	2.1	142	7,925	1.5	384	10,073	1.6	526
Attributable Resource²								9,596	1.6	502

(g) **Menzies Gold Project**

Brightstar owns a 100% interest of a 67.3km² tenement package comprising the Menzies Gold Project, which is centred on the town of Menzies approximately 130km north of Kalgoorlie. The Menzies Gold Project includes the high-grade Menzies gold field which has historically produced 787koz at 18.9g/t gold between 1895-1995. More recently, Brightstar completed a successful mining campaign at the Selkirk deposit, with first gold achieved in March 2024.

The Menzies gold Project covers an area from about 10km to the north and 10km to the south of Menzies wholly within a NNW trending greenstone belt encompassing the Menzies Shear Zone, where there is 1.3Moz gold of known gold endowment (past historical production and current Brightstar Mineral Resources).

The major (+100koz gold) deposits include Lady Shenton and Yunndaga which are described further below, with the Aspacia, Lady Harriet, Link Zone, Selkirk and Lady Irene deposits hosting a combined 151koz gold. The Lady Shenton System and Yunndaga were the primary deposits assessed to be extracted within the Menzies and Laverton Gold Project Restart Study released by Brightstar, with open pit and underground mining methods investigated for extracting the Lady Shenton and Yunndaga mineralisation respectively.

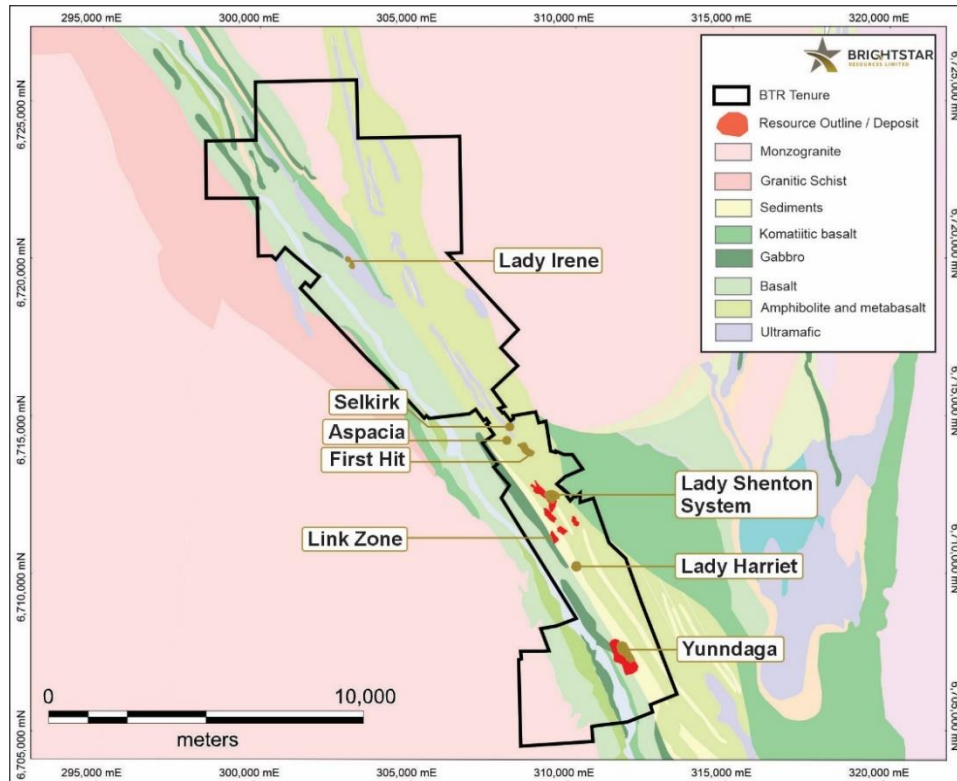


Figure 8. Location of Menzies Gold Project.

(i) **Lady Shenton System**

The Lady Shenton system, comprising the Pericles, Lady Shenton and Stirling deposits, was initially found at the turn of the 20th century. Historically some 191koz was mined from 1896 to 1939 from underground mining, with a further 30koz mined from an open pit to 80m depth between 1995 and 1999. Current resources are approximately 7Mt at 1.2g/t gold for 287koz gold.⁵¹

Mineral Resource Estimate for Lady Shenton (cut-off grade of 0.5g/t gold) ⁵²			
Classification	Tonnes (Mt)	Grade (g/t gold)	Contained gold (koz)
Measured	-	-	-
Indicated	2.77	1.3	119
Inferred	4.20	1.3	171
Total	6.97	1.2	287

⁵¹ For further information, refer to Kingwest's ASX announcements titled "Menzies JORC gold resources surpass 500,000 ounces" and "High grade drilling results and high grade resource estimation from the Menzies Goldfield" dated 26 April 2022 and 13 December 2022 (respectively). Brightstar confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

⁵² Refer to footnote 5150.

Note: Rounding discrepancies may occur.

(ii) **Yunndaga**

The Yunndaga deposit, located 7km south of Menzies, is the largest deposit in the Menzies Gold Project with past production of 335koz comprised of 271koz from underground mining from 1896 to 1943 and a further 64koz mined in the 1990's from a single large open pit. Current resources at Yunndaga are 144koz (at a 0.5g/t gold cut off) and a further 12koz (at a 2.0g/t gold cut off) representing potential open-pit and underground mining scenarios.⁵³

Mineral Resource Estimate for Yunndaga ⁵⁴			
Classification (Cut-off grade)	Tonnes (Mt)	Grade (g/t gold)	Contained gold (koz)
Open pit			
Measured (0.5g/t gold)	-	-	-
Indicated (0.5g/t gold)	1.27	1.3	53
Inferred (0.5g/t gold)	2.05	1.4	90
Underground			
Measured (2.0g/t gold)	-	-	-
Indicated (2.0g/t gold)	-	-	-
Inferred (2.0g/t gold)	0.11	3.3	12
Total	3.42	1.4	156

⁵³ For further information, refer to Kingwest's ASX announcements titled "Menzies JORC gold resources surpass 500,000 ounces" dated 26 April 2022. Brightstar confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

⁵⁴ Refer to footnote [5352](#).

Note: Rounding discrepancies may occur.

Mineral Resource Estimate for remaining MGP (cut-off grade of 0.5g/t gold)			
Classification	Tonnes (Mt)	Grade (g/t gold)	Contained gold (koz)
Measured	-	-	-
<u>Indicated</u>			
Aspacia	0.14	1.7	7
Lady Harriet	0.52	1.3	22
Link Zone	0.15	1.2	6
Selkirk	0.03	6.3	6
Lady Irene	-	-	-
<u>Inferred</u>			
Aspacia	1.24	1.6	62
Lady Harriet	0.59	1.1	21
Link Zone	0.47	1.0	16
Selkirk	0.14	1.2	5
Lady Irene	0.10	1.7	6
Total	3.37	1.4	151

Note: Rounding discrepancies may occur.

(h) **Goongarrie Gold Project**

Brightstar owns a 100% interest in the tenements comprising the Goongarrie Gold Project (**GGP**), which is located approximately 40km south of the Menzies Gold Project and 90km north of Kalgoorlie. The GGP is a contiguous land package covering approximately 57.8km² over a 25km strike length of the Bardoc Tectonic Zone.

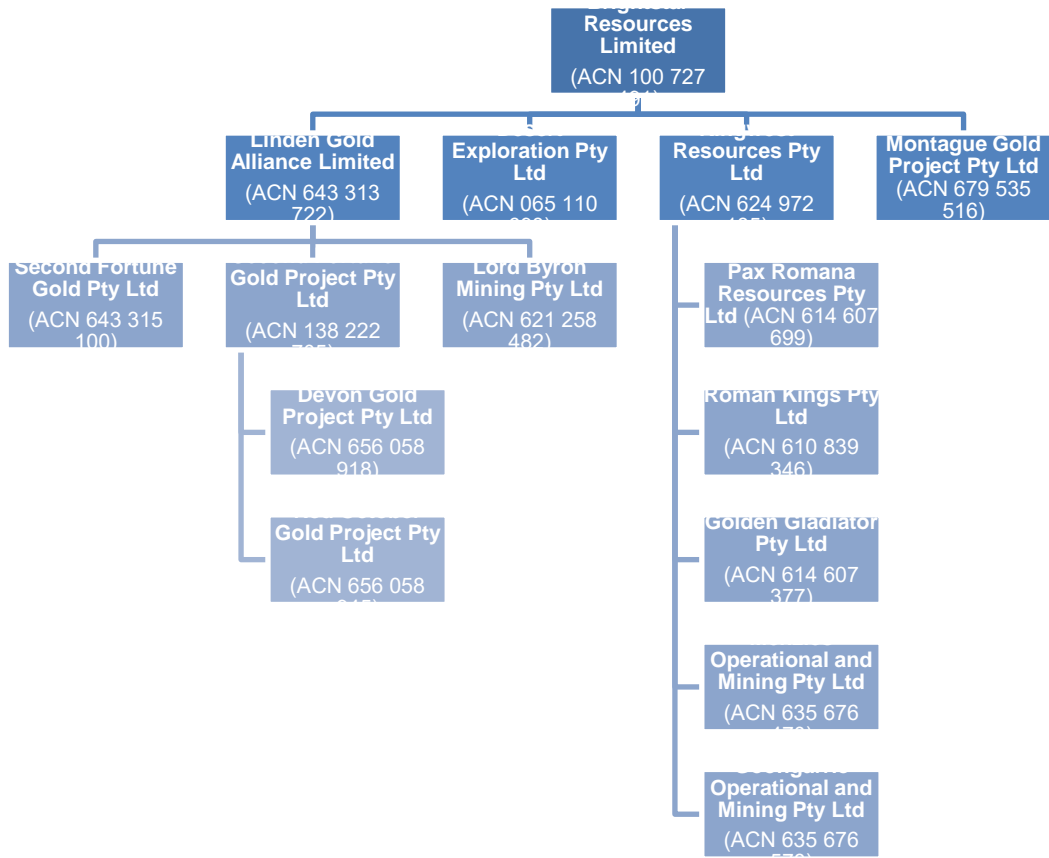
6.4 Brightstar Group corporate structure

As at the Last Practicable Date, Brightstar had the following subsidiaries:

Name	Country of incorporation	Percentage owned
Linden Gold Alliance Limited	Australia	100%
Desert Exploration Pty Ltd	Australia	100%
Kingwest Resources Pty Ltd	Australia	100%

Name	Country of incorporation	Percentage owned
Second Fortune Gold Pty Ltd	Australia	100%
Second Fortune Gold Project Pty Ltd	Australia	100%
Lord Byron Mining Pty Ltd	Australia	100%
Pax Romana Resources Pty Ltd	Australia	100%
Roman Kings Pty Ltd	Australia	100%
Golden Gladiator Pty Ltd	Australia	100%
Menzies Operational and Mining Pty Ltd	Australia	100%
Goongarrie Operational and Mining Pty Ltd	Australia	100%
Devon Gold Project Pty Ltd	Australia	100%
Red October Gold Project Pty Ltd	Australia	100%
Montague Gold Project Pty Ltd	Australia	100%

The corporate structure of the Brightstar Group is as follows:



6.5 Directors and senior management of Brightstar

(a) Directors

As at the Last Practicable Date, the Brightstar Board comprised the following members:

Name	Biography
Richard Crookes <i>Non-Executive Chairman</i>	<p>Mr Crookes has over 35 years' experience in the resources and investments industries. He is a geologist by training having previously worked as the Chief Geologist and Mining Manager of Ernest Henry Mining in Australia.</p> <p>Mr Crookes is Managing Partner of Lionhead Resources, a Critical Minerals Investment Fund and formerly an Investment Director at EMR Capital. Prior to that he was an Executive Director in Macquarie Bank's Metals Energy Capital division where he managed all aspects of the bank's principal investments in mining and metals companies.</p> <p>Mr Crookes is currently non-executive Chairman of ASX-listed graphite developer Black Rock Mining Limited (ASX:BKT) and Rare Earth company Vital Metals Limited (ASX:VML).</p>
Alexander Rovira	<p>Mr Rovira holds a Bachelor of Science (Geology) and Bachelor of Commerce (Corporate Finance) from the University of</p>

Name	Biography
<i>Managing Director</i>	<p>Western Australia and for the past nine years prior to his appointment to Brightstar in 2023, had been working as an investment banker at a global financial services company that focused on the metals and mining sector.</p> <p>Mr Rovira holds no directorships in other listed companies in Australia.</p>
<p>Andrew Rich <i>Executive Director</i></p>	<p>Mr Rich has 14 years' experience as a mining engineer and underground manager across gold and nickel. He has successfully led the delivery of three underground mining projects through construction and into production including Paddy's Flat (Westgold Resources Ltd), Shannon Underground (Ramelius Resources Ltd) and the Second Fortune Gold Project (Linden Gold Alliance Limited). He holds a Bachelor of Engineering (WASM), first class Mine Manager's Certificate of Competency, and he is an alumnus of the WA School of Mines.</p> <p>Mr Rich is currently on the board of ASX-listed Javelin Minerals Limited (ASX:JAV).</p>
<p>Jonathan Downes <i>Non-Executive Director</i></p>	<p>Mr Downes has over 25 years' experience in the minerals industry and has worked in various geological and corporate capacities. Experienced with gold and base metals, he has been intimately involved with the exploration process through to production.</p> <p>Mr Downes is on the board of several ASX-listed companies; he is currently the Managing Director of high-grade gold miner Kaiser Reef Limited (appointed September 2019) and non-executive director of Cazaly Resources Ltd (appointed November 2021).</p>
<p>Ashley Fraser <i>Non-Executive Director</i></p>	<p>Mr Fraser is an experienced mining and heavy industries executive with over 30 years' of mining engineering, operational and executive experience in gold, copper, manganese and coal. He was the founder of Orionstone Pty Ltd (now Emeco Holdings Limited), Blue Cap Mining (gold and mine development company) and Blue Capital Equites Pty Ltd (a resources private equity fund).</p> <p>Mr Fraser holds no directorships in other listed companies in Australia.</p>

(b) **Senior management**

Name	Description
<p>Nicola Martin <i>Chief Financial Officer</i></p>	<p>Mrs Martin holds accounting and financial qualifications and is an experienced financial leader having held previous senior management roles at Pilbara Minerals Limited and Mincor Resources NL.</p>
<p>Dean Vallve <i>Chief Operating Officer</i></p>	<p>Mr Vallve holds technical qualifications in geology & mining engineering from the WA School of Mines, an MBA, and a WA First Class Mine Managers Certificate.</p>

Name	Description
	Mr Vallve was previously in senior mining and study roles at ASX listed mid-cap resources companies Hot Chili Ltd and Calidus Resources Ltd.

6.6 Interests of Brightstar directors in Brightstar securities

As at the Last Practicable Date, the interests of Brightstar directors in Brightstar securities is set out below:

Director	Brightstar Shares	Brightstar Options	Brightstar Performance Rights
Alexander Rovira	61,759,500	-	60,000,000
Jonathan Downes	10,831,813	1,973,684	-
Andrew Rich	23,797,749	1,078,125	51,750,000
Richard Crookes	-	50,000,000	-
Ashley Fraser	142,423,998	-	-

Note: In addition to the above, and pursuant to the LBM SSSA Variation Agreement, Blue Capital Equities Pty Ltd (**BCE**) <BLUE CAPITAL A/C NO 2> (an entity of which Mr Fraser is the sole director and shareholder), has the right to be issued LBM Deferred Consideration Shares, subject to the satisfaction of certain milestones and the receipt of shareholder approval (which may be cash settled at the election of BCE in the event shareholder approval is not obtained). For further information, refer to section 6.11(b).

6.7 Historical financial information

(a) Basis of preparation

This section 6.7 contains financial information relating to Brightstar extracted from the audited financial statements of Brightstar for the years ending 30 June 2024, 30 June 2023 and 30 June 2022.

The historical financial information in this section 6.7 is a summary only and has been prepared and extracted for the purposes of this Scheme Booklet only.

The historical financial information of Brightstar presented in this section 6.7 is in an abbreviated form and does not contain all the disclosures, presentations, statements or comparatives that are usually provided in an annual report prepared in accordance with the Corporations Act. Brightstar considers that for the purposes of this Scheme Booklet the historical financial information presented in an abbreviated form is more meaningful to Alto Shareholders.

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

Further detail about Brightstar's historical financial performance can be found in Brightstar's financial statements for the financial years ended 30 June 2022 (which

are included in the Annual Report in respect of that financial year, which Brightstar released to ASX on 27 October 2022), 30 June 2023 (which are included in the Annual Report in respect of that financial year, which Brightstar released to ASX on 29 September 2023) and the year ended 30 June 2024 (which are included in the Annual Report in respect of that financial year, which Brightstar released to ASX on 30 September 2024).

Copies of these documents can be obtained, free of charge, from ASX's website (www.asx.com.au) or from the Brightstar website (www.brightstarresources.com.au/).

(b) **Historical consolidated statement of financial position for full year ended 30 June 2024, 30 June 2023 and 30 June 2022**

	Consolidated		
	Year ended 30 Jun 2024 \$	Year ended 30 Jun 2023 \$	Year ended 30 Jun 2022 \$
Current Assets			
Cash and cash equivalents	7,961,484	425,707	1,601,324
Trade and other receivables	1,993,700	299,562	51,545
Inventory	3,666,149	-	-
Total Current Assets	13,621,333	725,269	1,652,869
Non-Current Assets			
Property, plant and equipment	39,511,439	599,459	101,091
Deferred exploration and evaluation expenditure	53,654,532	38,007,360	13,270,922
Devon profit interest	3,392,000	-	-
Total Non-Current Assets	96,557,971	38,606,816	13,372,013
Total Assets	110,179,304	39,332,085	15,024,882
Current Liabilities			
Trade and other payables	19,635,954	1,614,687	2,040,334
Lease liabilities	103,860	45,941	14,907
Borrowings	108,737	-	-
Provisions	3,125,085	196,593	145,225
Other liabilities	3,733,496	-	-
Total Current Liabilities	26,707,132	1,857,221	2,200,466
Non-Current Liabilities			
Other payables and accruals	933,509	848,644	-
Lease liabilities	213,757	275,775	-

	Consolidated		
	Year ended 30 Jun 2024	Year ended 30 Jun 2023	Year ended 30 Jun 2022
	\$	\$	\$
Borrowings	2,206,818	-	628,736
Provisions	10,596,059	2,926,920	3,111,668
Other financial liabilities	438,263	-	4,434,667
Total Non-Current Liabilities	14,388,406	4,051,339	8,175,071
Total Liabilities	41,095,538	5,908,560	10,375,537
Net Assets	69,083,766	33,423,525	4,649,345
Equity			
Issued capital	108,861,315	68,981,082	43,254,388
Accumulated losses	(49,318,275)	(42,926,520)	(44,870,886)
Reserve	9,540,726	7,368,963	6,265,842
Total Equity	69,083,766	33,423,525	4,649,345

(c) **Historical consolidated statement of profit or loss and other comprehensive income for full year ended 30 June 2024, 30 June 2023 and 30 June 2022**

	Consolidated		
	Year ended 30 Jun 2024	Year ended 30 Jun 2023	Year ended 30 Jun 2022
	\$	\$	\$
Revenue	1,054,317	-	-
Cost of sales	(4,852,894)	(366,466)	(366,813)
Gross profit	(3,798,577)	(366,466)	(366,813)
Interest	58,105	9,217	385
Other income	6,732,321	5,062,823	150,188
Remeasurement of Rehabilitation Provision	-	450,832	-
Exploration expenditure	(416,983)	(125,512)	(673,934)
Depreciation and amortisation expense	(128,048)	(43,383)	(394,942)
Impairment expenses	(151,579)	(700,755)	(47,828)
Finance costs	(432,642)	(363,340)	(957,128)
Administration expenses	(3,192,332)	(1,760,676)	(1,236,859)
Share based payments	(2,311,170)	(218,374)	(237,626)
Other expenses	(2,750,850)	-	(215,693)

	Consolidated		
	Year ended 30 Jun 2024 \$	Year ended 30 Jun 2023 \$	Year ended 30 Jun 2022 \$
Profit / (loss) before income tax	(6,391,757)	1,944,366	(3,950,250)
Income tax	-	-	-
Net profit / (loss) for the year attributable to members of the parent	(6,391,755)	1,944,366	(3,950,250)
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive profit / (loss) for the year	(6,391,755)	1,944,366	(3,950,250)
Total comprehensive income / (loss) for the year attributable to members of the parent	(6,391,755)	1,944,366	(3,950,250)
Basic (loss)/earnings per share per share (cents per share)	(0.27)	0.24	(0.73)
Diluted (loss)/earnings per share (cents per share)	(0.27)	0.22	(0.73)

(d) **Historical consolidated statement of cash-flows for full year ended 30 June 2024, 30 June 2023 and 30 June 2022**

	Consolidated		
	Year ended 30 Jun 2024 \$	Year ended 30 Jun 2023 \$	Year ended 30 Jun 2022 \$
Cash flows from operating activities			
Receipts from customer	1,054,317	-	-
Payments to suppliers and employees	(7,385,361)	(804,705)	(1,391,789)
Interest received	57,063	8,900	523
Interest on lease liabilities	(195,701)	(2,432)	(392)
Other receipts – Selkirk JV	6,600,000	-	-
Net cash (used in) operating activities	130,318	(798,237)	(1,391,658)

	Consolidated		
	Year ended 30 Jun 2024 \$	Year ended 30 Jun 2023 \$	Year ended 30 Jun 2022 \$
Cash flows from investing activities			
Proceeds from sale of assets	-	764	10,000
Payments for property, plant and equipment	(2,675,345)	(58,900)	(27,559)
Payments for exploration and evaluation expenditure	(6,070,514)	(2,553,794)	(2,453,136)
Payments for acquisition of exploration assets	-	(2,000)	(60,000)
Payments for acquisition of subsidiary	(2,425,723)	-	-
Net cash inflow from acquisition of Kingwest Resources Ltd	-	699,482	-
Transaction costs related to acquisition of entity	-	(544,037)	-
Net cash provided by / (used in) investing activities	(11,171,582)	(2,458,485)	(2,530,695)
Cash flows from financing activities			
Repayment of lease liabilities	(65,373)	(18,918)	(17,838)
Repayment of borrowings	(840,875)	-	-
Proceeds from capital raising	20,500,000	2,260,000	4,847,318
Transaction costs on issue of equity securities	(1,016,711)	(126,172)	(290,839)
Payment of deposit and bank guarantee	-	(33,805)	-
Net cash provided by / (used in) financing activities	18,557,041	2,081,105	4,538,641
Net (decrease) / increase in cash held	7,535,777	(1,175,004)	616,288
Cash and cash equivalents at beginning of period	425,707	1,601,324	985,035
Cash and cash equivalents at end of period	7,961,484	425,707	1,601,323

6.8 Material changes in Brightstar's financial position

Other than:

- (a) the accumulation of losses in the ordinary course of trading; and
- (b) as disclosed in this Scheme Booklet or as otherwise disclosed to ASX by Brightstar,

to the knowledge of the Brightstar directors, the financial position of Brightstar has not changed materially since 30 June 2024. Copies of Brightstar's periodic reports can be obtained from Brightstar's website at <https://www.brightstarresources.com.au/>, ASX's website at www.asx.com.au (ASX: BTR) and from Brightstar, free of charge, following a request in writing via email to info@brightstarresources.com.au or post to Level, 2/36 Rowland Street, Subiaco WA 6008.

6.9 Capital structure and substantial shareholders

(a) Capital structure

As at the date of this Scheme Booklet, Brightstar had the following securities on issue:

Security	Total on issue
Brightstar Shares	7,132,725,055
Brightstar Options	395,515,373
Brightstar Performance Rights	137,625,000

Note: The above table does not include the deferred consideration obligations assumed by Brightstar pursuant to LBM SSSA Variation Agreement and the SBM CPA Termination Deed. For further information, refer to sections 6.11(b) and 6.11(c).

(b) Brightstar Options and Brightstar Performance Rights

Class	Exercise price	Expiry date	Number
Unlisted Performance Rights			
BTRAS	Nil	31 March 2026	60,000,000
BTRAS	Nil	3 June 2031	77,625,000
Unlisted Options			
BTRAAD	0.02	4 August 2025	40,000,000
BTRAAE	0.03	7 July 2026	15,000,000
BTRAAF	0.02	7 July 2026	15,000,000

Class	Exercise price	Expiry date	Number
BTRAR	Nil	30 November 2026	10,000,000
BTRAF	0.05	1 December 2024	2,200,000
BTRAG	0.05	31 December 2024	20,000,000
BTRAT	0.076	21 October 2024	21,052,631
BTRAV	0.108	15 February 2025	4,473,685
BTRAX	0.095	28 April 2025	3,289,474
BTRAZ	0.023	16 January 2026	3,289,474
BTRAAA	0.038	16 January 2026	3,947,368
BTRAAC	0.106	7 October 2024	7,815,789
BTRAAG	Nil	30 June 2026	13,800,000
BTRAAH	0.023	30 June 2026	4,221,944
BTRAAI	0.036	25 February 2025	91,425,008
BTRAAJ	0.03	19 July 2027	25,000,000
BTRAAO	0.04	19 July 2028	25,000,000
BTRAAK	0.025	7 July 2026	25,000,000
BTRAAK	0.035	7 July 2026	25,000,000
BTRAAAL	0.025	1 July 2027	20,000,000
BTRAAAM	0.035	1 July 2027	20,000,000

(c) **Brightstar substantial holders**

The substantial holders of Brightstar Shares as at the date of this Scheme Booklet are as follows based on the substantial holder notices lodged with Brightstar.

Substantial shareholder	Brightstar Shares	Voting power ⁽¹⁾
St Barbara Limited	638,947,071	8.96%
Jack Yetiv	600,722,944	8.42%
Lion Selection Group Ltd	529,523,810	7.42%

Substantial shareholder	Brightstar Shares	Voting power ⁽¹⁾
Gateway Mining Limited	466,666,667	6.54%
Collins St and associated entities	380,206,378	5.33%
Brightstar Resources Limited ⁽²⁾	940,078,381	13.18%

Notes:

1. Based on 7,132,725,055 Brightstar Shares on issue as of the date of this Scheme Booklet.
2. Brightstar holds a Relevant Interest in 940,078,381 Brightstar Shares as a result of having control of the exercise of the power to dispose of those shares held by persons that have entered in escrow arrangements with Brightstar. Refer to the Form 603 lodged with the ASX on 20 June 2024 for further information regarding the escrow arrangements.

6.10 Rights and liabilities attaching to Brightstar Shares

A summary of the significant rights and liabilities attaching to Brightstar Shares is set out below. This summary is not exhaustive and is not a definitive statement of the rights and liabilities of Brightstar Shareholders. Such rights and liabilities involve complex questions of law arising from the interaction of the Brightstar constitution, Corporations Act, ASX Listing Rules, ASX Settlement Operating Rules and general law.

(a) General meetings

Subject to the rights of the holders of Brightstar Shares issued on special terms and conditions, Brightstar Shareholders are entitled to receive:

- (i) notice of every annual general meeting, or general meeting or meeting; and
- (ii) all notices, accounts and other documents required to be sent under the constitution or the Corporations Act.

(b) Voting rights

Subject to any rights or restrictions for the time being attached to any class or classes of Brightstar Shares, at a general meeting of Brightstar, every Brightstar Shareholder who is entitled to vote and who is present in person or by proxy, attorney or representative has one vote on a show of hands and one vote on a poll for each Brightstar Share held by that Brightstar Shareholder. Voting at meetings will be on a show of hands, unless a poll is demanded either before the vote or immediately upon the declaration of the result of the vote on a show of hands. A poll may be demanded by:

- (i) at least five Brightstar Shareholders, who are present in person or by proxy, attorney or representative and entitled to vote;
- (ii) any one or more Brightstar Shareholders who are present holding Brightstar Shares constituting at least 5% of the total votes that may be cast on the resolution to be passed; or

- (iii) the chairman of the meeting. The chairman has a casting vote in addition to any votes to which the chairman may be entitled as a Brightstar Shareholder, proxy, attorney or representative.

(c) **Dividend rights**

Subject to and in accordance with the Corporations Act, the ASX Listing Rules, the rights of any preference Brightstar Shareholders and to the rights of the holders of any Brightstar Shares created or raised under any special arrangement as to dividend, the Brightstar directors may from time to time decide to pay a dividend to the Brightstar Shareholders entitled to the dividend which shall be payable on all Brightstar Shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such Brightstar Shares. The Brightstar directors may rescind a decision to pay a dividend if they decide, before the payment date, that Brightstar's financial position no longer justifies the payment.

The Brightstar directors may from time to time pay to the Brightstar Shareholders any interim dividends that they may determine.

No dividend shall carry interest as against Brightstar.

(d) **Winding-up**

In a winding up, the liquidator may, with the authority of a special resolution of Brightstar, divide among Brightstar Shareholders in kind the whole or any part of the property of Brightstar and may for that purpose set aside such value as the liquidator considers fair on any property to be so divided and may determine how the division is to be carried out as between the Brightstar Shareholders or different classes of Brightstar Shareholders.

(e) **Transfer of Brightstar Shares**

Subject to the Corporations Act, ASX Listing Rules and ASX Settlement Operating Rules, Brightstar Shareholders may transfer all or any Brightstar Shares by a written transfer form in the usual form or in any form approved by the Brightstar directors. In certain circumstances, the Brightstar directors may refuse to register a transfer of Brightstar Shares, including where the transfer is not registrable or where the refusal is permitted or required by the Listing Rules or the transfer is a transfer of restricted securities which is or might be in breach of the Listing Rules or any escrow agreement entered into by Brightstar in relation to such restricted securities pursuant to the Listing Rules.

(f) **Issue of further shares and other securities**

Subject to any restrictions imposed by the Corporations Act or the ASX Listing Rules, the Brightstar directors may issue Brightstar Shares with any preferential, deferred or special rights, privileges or conditions or with any restrictions (whether in regard to dividend, voting, return of share capital or otherwise) as the Brightstar directors determine.

(g) **Variation of rights**

Subject to the Corporations Act, the ASX Listing Rules and their terms of issue, the rights attaching to any class of Brightstar Shares may be varied with the written

consent of holders of at least 75% of the Brightstar Shares issued in that class or with the approval of a special resolution passed at a meeting of the holders of the Brightstar Shares of that class.

(h) **Alteration of Brightstar constitution**

The Constitution may only be amended by a special resolution passed by at least 75% of the votes cast by Brightstar Shareholders entitled to vote on the resolution. At least 28 days' written notice specifying the intention to propose the resolution must be given to Brightstar Shareholders.

6.11 Material contracts

(a) **Montague Acquisition**

As noted above, the Montague Acquisition completed on 1 October 2024.

The outstanding material obligations of Brightstar pursuant to the Montague Acquisition are detailed below:

- (i) **(Deferred Consideration)**: \$2 million in Brightstar Shares, conditional upon the earlier to occur of either:
- (A) Brightstar announcing the commencement of commercial production of gold at Montague East Project; and
 - (B) the delineation of a 1,000,000oz JORC compliant gold Mineral Resource at the Montague East Project above a lower cut-off grade of 0.6g/t gold for open pit mining or 2.00g/t gold for underground mining,

(Gateway Deferred Consideration Shares).

The issue of the Deferred Consideration Shares is subject to Brightstar Shareholder approval (within 90 days of the vesting date) and if Shareholder approval is not obtained, then the Deferred Consideration Shares will be cash settled.

The tenement sale agreement for the Montague Acquisition contains various other warranties, indemnities and other rights and obligations that are considered standard for a transaction of this nature.

(b) **LBM SSSA and LBM SSSA Variation Agreement**

Pursuant to the LBM SSSA, Linden issued 93,750,000 performance rights to the LBM Sellers.

In accordance with the LBM SSSA Variation Agreement, Brightstar granted the LBM Sellers (in their respective proportions) the rights to deferred shares in consideration for the forfeiture of their respective performance rights (**LBM Deferred Consideration Shares**).

The LBM Deferred Consideration Shares will comprise three tranches with each tranche valued at \$5,000,000 and, in respect to each tranche and upon the satisfaction of the relevant milestone, Brightstar will issue the number of shares that (in aggregate) have a value of \$5,000,000.

The issues of the LBM Deferred Consideration Shares are subject to shareholder approval and if such approval is not obtained, the LBM Sellers may elect to receive a cash payment in lieu of the issue of the LBM Deferred Consideration Shares in respect of that tranche or defer the issue of the LBM Deferred Consideration Shares.

The relevant milestones of each tranche of the LBM Deferred Consideration Shares are set out below:

- (i) **Tranche A:** A JORC 2012-compliant Mineral Resource Estimate for the Jasper Hills Project exceeding a total of 400,000oz gold at a grade of no less than 1.4g/t gold, utilising a cut-off grade of 0.5g/t gold.
- (ii) **Tranche B:** An Ore Reserve Estimate for the Jasper Hills Project exceeding a total of 120,000oz gold at a grade of no less than 1.4g/t gold, utilising a cut-off grade of 0.5g/t gold as determined with the then JORC 2012-compliant Mineral Resource Estimate.
- (iii) **Tranche C:** The first commercial production derived from the Jasper Hills Project.

The LBM Deferred Consideration Shares are subject to further terms and conditions, including the issue of all LBM Deferred Consideration Shares upon a change of control of Brightstar or sale of any of the tenements comprising the Jasper Hills Project which alone or together host 40% or more of the JORC 2012-compliant Mineral Resource Estimate at that point in time in aggregate (including any prior sale, assignment or disposal).

(c) **SBM Contingent Payment Agreement**

Pursuant to the SBM Contingent Payment Agreement, SBM had the right to receive a payment of \$2,500,000 subject to the satisfaction of a particular milestone. In accordance with the terms of the SBM CPA Termination Deed:

- (i) Linden and SBM agreed that all rights and obligations pertaining to or under the SBM Contingent Payment Agreement, whether present or future, actual or contingent, are terminated and extinguished without the need for any further act by Linden or SBM;
- (ii) Brightstar agreed to, on satisfaction of the Milestone (defined below):
 - (A) transfer to SBM \$2,500,000 (**SBM Cash Consideration**); or
 - (B) subject to the receipt of shareholder approval, issue to SBM the number of Brightstar Shares that, in aggregate, have a value of \$2,500,000 based on the 20-day VWAP of Brightstar Shares on the trading days immediately prior to the satisfaction of the Milestone, at the Brightstar's election (**SBM Share Consideration**); and
 - (C) if the Company:
 - makes an election to pay the SBM Cash Consideration;

- holds an extraordinary general meeting for the purposes of issuing the share consideration and does not obtain shareholder approval to issue the SBM Share Consideration; or
- does not hold an extraordinary general meeting within 3 months of the satisfaction of the Milestone, the Company must pay SBM the SBM Cash Consideration.

“**Milestone**” means achieving a JORC 2012-compliant Mineral Resource Estimate on Linden tenements-only exceeding a total of 500,000oz gold at a grade of no less than 1.4g/t gold, utilising a cut-off grade of 0.5g/t gold prior to 2 August 2026.

(d) **Services Agreement**

On 30 October 2023, Linden and Blue Cap Mining Pty Ltd (**BCM**) (an entity associated with Mr Ashley Fraser) entered into a services agreement pursuant to which Linden engaged BCM to provide mining services to Linden and its subsidiaries in connection with its operations (**Services Agreement**).

The Services Agreement commenced on 2 November 2023 and expires on the sixth anniversary following the commencement date.

Pursuant to the Services Agreement, Linden agreed to (amongst other things) grant BCM a right to match any third party offer in respect to the provision of open pit mining or earthmoving services to Linden or any of its subsidiaries. BCM has a 15 Business Day period in which to match any third party offer following the receipt of notice in writing from Linden.

The Services Agreement may be terminated by either party:

- if a party breaches the Services Agreement and the breach is either incapable of remedy or is not remedied within 14 days of receipt of a notice requiring the breach to be remedied; or
- immediately if the other party becomes insolvent, bankrupt or is placed into external administration.

The Services Agreement contains various other rights and obligations that are considered standard for an agreement of this nature.

(e) **Topdrill Agreement**

On 13 September 2024, Brightstar announced that it had entered into a drill for equity agreement with Topdrill (**Topdrill Agreement**). The Topdrill Agreement allows Brightstar, at Brightstar’s election, to satisfy up to 50% of Topdrill’s drilling costs by the issue of Brightstar Shares, up to a maximum value of \$4,000,000. Any issue of Brightstar Shares pursuant to the Topdrill Agreement will be subject to and conditional on the receipt of prior shareholder approval under ASX Listing Rule 7.1. Brightstar retains the flexibility to utilise the facility or pay for the drilling services in cash, and there is no obligation to issue any equity.

The issue price will be referenced to the VWAP for the 20 days prior to the date of invoice and will be subject to a voluntary 6-month escrow period.

The Topdrill Agreement contains various other rights and obligations that are considered standard for an agreement of this nature.

6.12 Corporate governance disclosures

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

Details of Brightstar's key policies and the charters for the Brightstar Board are available on Brightstar's website at <https://www.brightstarresources.com.au/corporate-governance/>.

6.13 Brightstar employee securities incentive plan

Brightstar operates an employee incentive plan to provide incentive compensation to eligible employees, consultants or contractors of Brightstar and its subsidiaries as well as to assist Brightstar and its subsidiaries attract, motivate and retain qualified management personnel, employees and consultants.

6.14 Interests of Brightstar directors in Alto securities

Other than as set out below, no Brightstar director:

- (a) holds a Relevant Interest in any Alto securities; or
- (b) has acquired or disposed of a Relevant Interest in any Alto Shares in the four month period on the date immediately before the date of this Scheme Booklet.

In the four month period on the date immediately before the date of this Scheme Booklet, Mr Andrew Rich acquired or disposed of the following Alto securities:

- (a) On 13 August 2024, an entity associated with Mr Rich acquired 461,384 Alto Shares by way of an on-market trade at an average price of \$0.06.
- (b) On 13 August 2024, an entity associated with Mr Rich acquired 72,727 Alto Shares by way of an on-market trade at an average price of \$0.06.
- (c) On 26 August 2024, an entity associated with Mr Rich disposed of 534,111 Alto Shares by way of an on-market trade at an average price of \$0.06.

As at the date of this Scheme Booklet, Mr Rich does not have a Relevant Interest in any Alto securities.

6.15 Dealings in Alto securities in the previous four months

Except for the Scheme Consideration to be provided under the Scheme, none of Brightstar nor any of its Related Bodies Corporate (or any of their respective Associates) has provided, or agreed to provide, consideration for any Alto Shares or other Alto securities under any transaction during the period of four months before the date of this Scheme Booklet.

6.16 Disclosure of fees and other benefits

Except as otherwise provided in this Scheme Booklet, no:

- (a) Brightstar director or proposed director of Brightstar;

(b) person named in this Scheme Booklet as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Scheme Booklet for on behalf of Brightstar; or

(c) promoter, stockbroker or underwriter of Brightstar or the Merged Group,

(together, the **Interested Persons**) holds or held at any time during the two years before the Last Practicable Date any interests in:

(d) the formation or promotion of Brightstar or the Merged Group;

(e) property acquired or proposed to be acquired by Brightstar in connection with the formation or promotion of Brightstar or the Merged Group or the offer of Brightstar Shares under the Scheme; or

(f) the offer of the Brightstar Shares under the Scheme.

Brightstar has not paid or agreed to apply any fees or provided any benefit:

(a) to a director or proposed director of Brightstar to induce them to become or qualify as a director of Brightstar;

(b) for services provided by any Interested Persons or the Merged Group; or

(c) in relation to the offer of the Brightstar Shares under the Scheme.

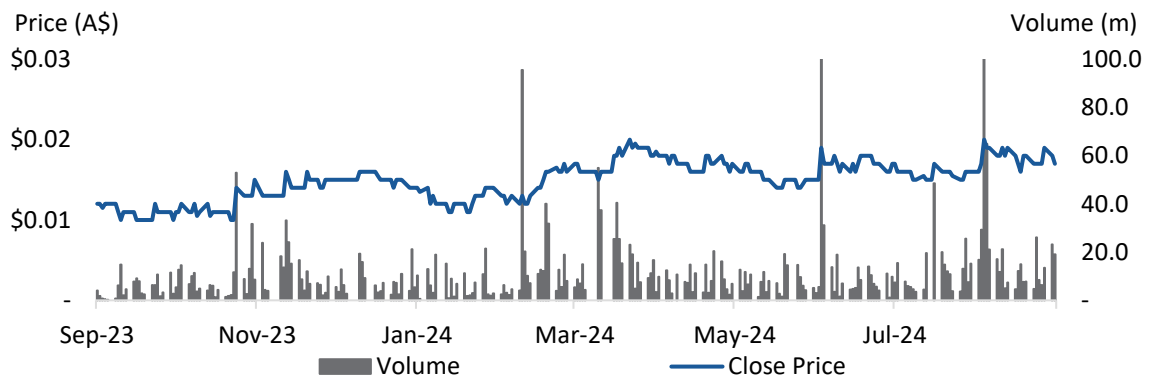
In the four months before the date of this Scheme Booklet, neither Brightstar nor any of its Associates has given or offered to give or agreed to give a benefit to another person where the benefit was likely to induce the other person, or an Associate, to vote in favour of the Scheme or to dispose of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

6.17 Share price performance

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

Description	\$
Closing price of Brightstar Shares on 30 July 2024 (being the last trading day prior to the announcement of the Scheme)	\$0.015
Closing price for Brightstar Shares on the ASX at the Last Practicable Date	\$0.017
Highest recorded daily closing price for Brightstar Shares during the three months ended on the Last Practicable Date	\$0.020
Lowest recorded daily closing price for Brightstar Shares during the three months ended on the Last Practicable Date	\$0.015

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



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

6.18 Publicly available information about Brightstar

As a disclosing entity, Brightstar is subject to the periodic and continuous disclosure and reporting requirements of the Corporations Act and ASX Listing Rules. Specifically, as a listed company, Brightstar is subject to the ASX Listing Rules which require continuous disclosure of any information Brightstar has concerning it that a reasonable person would expect to have a material effect on the price or value of its securities.

Brightstar announcements are available on its website (<http://www.brightstarresources.com.au/>) as well as ASX's website (www.asx.com.au). Further announcements concerning developments at Brightstar may be made and placed on these websites after the date of this Scheme Booklet.

In addition, Brightstar is also required to lodge various documents with ASIC. Copies of documents lodged with ASIC in relation to Brightstar may be obtained from, or inspected at, an ASIC office.

Brightstar will provide a copy of each of the following documents, free of charge, to any person on request prior to the Scheme Meeting. Alternatively, these documents can be obtained from ASX's website (www.asx.com.au) or from the Brightstar website (www.brightstarresources.com.au):

- (a) the annual financial report of Brightstar for the year ended 30 June 2024 (being the annual financial report most recently lodged with ASIC by Brightstar before the Last Practicable Date); and
- (b) any continuous disclosure announcements made by Brightstar after the date of the lodgement of the annual financial report referred to above and before the lodgement of a copy of this Scheme Booklet with ASIC for registration.

6.19 Litigation

As at the Last Practicable Date, the Brightstar Group is not currently subject to any material litigation proceedings.

6.20 No other material information

Other than as contained or referred to in this Scheme Booklet, there is no other information material to the making of a decision by an Alto Shareholder whether or not to vote in favour of the Scheme, being information that is known to Brightstar and which has

not previously been disclosed to Alto Shareholders.

7 Profile of the Merged Group

7.1 Introduction

This section contains information in relation to the Merged Group if the Scheme is implemented.

The Independent Expert's Report set out in Appendix 1 to this Scheme Booklet contains further information about the Merged Group.

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

The pro-forma historical financial information in this section 7 relates to the Merged Group and does not include any ongoing effects that may arise in connection with the Scheme.

7.2 Background

(a) Strategic rationale for the Scheme

The Scheme will allow Alto Shareholders to gain meaningful exposure to an emerging gold producer with a significant growth pipeline to become a meaningful participant in the Western Australian gold sector.

The Merged Group is expected to be positioned to realise a number of strategic benefits including:

- (i) the logical combination of landholdings in the Sandstone region;
- (ii) creation of a substantial Mineral Resource;
- (iii) the potential ability for existing and near-term production to fund exploration and development;
- (iv) the potential for the Merged Group to become a significant gold producer;
- (v) enhanced balance sheet strength; and
- (vi) an engaged shareholder base and enhanced market relevance and investor appeal.

(b) Highlights of the Merged Group and its assets

The transactions proposed by the Scheme and Montague Acquisition creates an emerging and advanced gold development company with the requisite assets, resources and team to deliver accretive growth to Merged Group shareholders.

The location of the Merged Group's assets is shown in Figure 9.

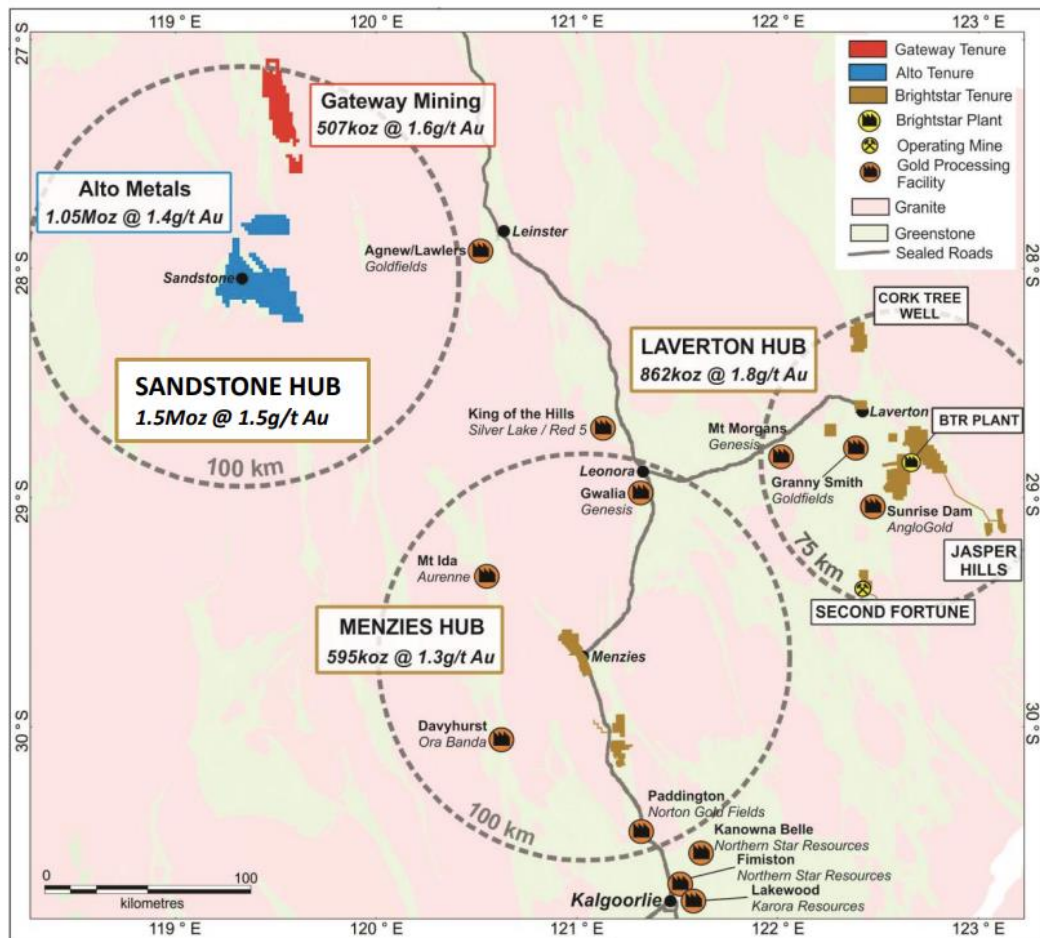


Figure 9. Merged Group assets.

Assuming completion of the Scheme, the Merged Group will be positioned to deliver value through these key drivers:

- (i) **Logical combination of landholdings in the Sandstone region**
 - (A) The consolidation of a ~1,100km² landholding in the Sandstone region provides a new district-scale growth platform to complement existing Brightstar production, development and exploration asset portfolio.
 - (B) Combined portfolio creates an emerging gold producer with a significant growth pipeline to become a meaningful participant in the Western Australian gold sector.
 - (C) Highly leveraged to strong gold thematic.
- (ii) **Substantial Mineral Resource base**
 - (A) Combined JORC (2012) Mineral Resources of ~3.0Moz gold strategically located within proximity to both Brightstar and third party milling infrastructure.⁵⁵

⁵⁵ Refer to footnote 87.

- (B) Scale of Mineral Resource base coupled with a definitive feasibility study currently under way, is expected to facilitate the declaration of maiden Ore Reserves at Menzies and Laverton differentiates the Merged Group from ASX listed gold exploration companies.
 - (C) Two complementary assets in the Sandstone region, Sandstone Gold Project and Montague, together host a JORC (2012) Mineral Resource of 1.5Moz @ 1.5g/t gold, providing the foundations for the potential development of Brightstar's third production hub.⁵⁶
- (iii) **Existing and near term production to fund exploration and development**
- (A) Combined existing and near-term production from Laverton and Menzies Hubs potentially supports the expedited exploration and development of the Sandstone Hub.
- (iv) **Potential to become a significant gold producer**
- (A) The Merged Group will have the asset base necessary to support the aspirational goal of becoming a significant gold producer in four to five years.
 - (B) Existing Scoping Studies released for the Laverton and Menzies Hubs outlined the production of 0.45Moz gold over eight years with a low capital hurdle into production.⁵⁷
 - (C) Longer term opportunities for further strategically aligned inorganic growth across the Merged Group's three resource hubs to further leverage existing assets and infrastructure.
- (v) **Enhanced balance sheet strength**
- (A) Merged Group will have a pro-forma cash position of \$22.7 million.⁵⁸
 - (B) Potential finance facility (which remains non-binding as at the date of this Scheme Booklet) from AustKor Mineral Co., Ltd of \$36.0m to fund the refurbishment and expansion of Brightstar's existing processing infrastructure south of Laverton.
- (vi) **Engaged shareholder base and enhanced market relevance and investor appeal**
- (A) The Merged Group is expected to have a strong and engaged shareholder base including listed companies St Barbara Limited and

⁵⁶ Refer to footnotes [3029](#), [4948](#) and [5049](#).

⁵⁷ Refer to footnote [1514](#).

⁵⁸ Refer to section 7.9(c) for further details of the pro-forma financial information of the Merged Group, including the pro-forma cash position of the Merged Group. The pro forma cash position does not include any adjustment for expenditure by Brightstar subsequent to 30 June 2024 (refer to section 11.1.3 of the Independent Expert's Report for further information).

Lion Selection Group Limited along with multiple institutional investors and fund managers supportive of the Merged Group's strategy.⁵⁹

- (B) A pro-forma market capitalisation of \$180.6 million provides the Merged Group with enhanced scale and trading liquidity to drive increased market relevance and grow investor appeal.⁶⁰
- (C) Enhanced resource base supports a potential re-rating of the Merged Group, which (if realised) would further increase access to capital markets to deliver a lower cost of capital.
- (D) Scale, diversification and growth profile increases attractiveness to other gold sector participants.

7.3 Corporate governance of the Merged Group

The corporate governance policies and practices of the Merged Group will be the same as Brightstar's existing policies and practices as set out in section 6.12.

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

7.4 Intentions of Brightstar and the Merged Group

(a) Overview

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

- (i) the continuation of the business of Alto;
- (ii) any major changes to the business of Alto and any redeployment of the fixed assets of Alto; and
- (iii) the future employment of the present employees of Alto.

Decisions on these matters will only be reached in light of all material facts and circumstances as these become known. Accordingly, the statements set out in this section 7.4 are statements of intentions only which may vary as new information becomes available or circumstances change over time.

⁵⁹ Each of St Barbara Limited and Lion Selection Group Limited has given, and not withdrawn prior to the lodgement of this Scheme Booklet with ASIC, their written consent to being named in this Scheme Booklet and the statements in this Scheme Booklet which are attributed to them, in the form and context in which they are included.

⁶⁰ See footnote 98.

(b) **Continuation of Brightstar’s and Alto’s business**

If the Scheme is implemented:

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

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

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

The Merged Group will continue as “Brightstar Resources Limited”, with its corporate office unchanged and will continue to trade on the ASX under the ticker “BTR”.

(d) **Future employment of present Alto Group employees**

If the Scheme is implemented, Brightstar will undertake a detailed review of the combined business. This will include a review of human resource requirements to determine the best way to utilise Alto employees for the benefit of the Merged Group. Without having conducted the abovementioned review, Brightstar cannot formulate a view in relation to employee numbers, other than that it is expected that the role of Managing Director of Alto will become redundant. Aside from this, the objective is to retain all key staff members in both organisations. See also section 10.10.

7.5 Capital structure and ownership of the Merged Group

The table below summarises the share capital structure of the Merged Group on implementation of the Scheme, assuming that no other Brightstar Shares or Alto Shares are issued between the date of this Scheme Booklet and the Implementation Date.

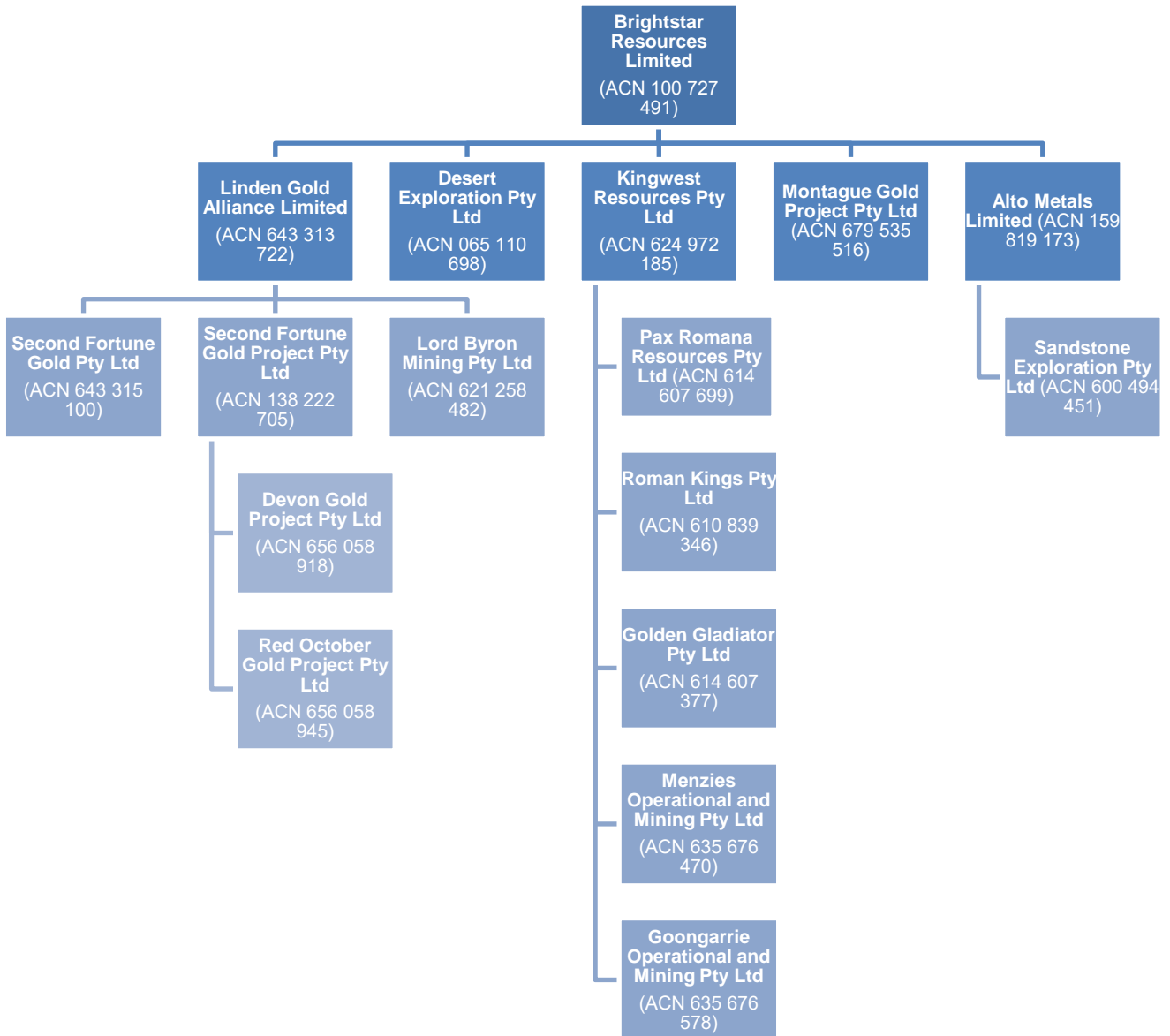
Description	Number of Brightstar Shares
Brightstar Shares on issue as at the date of this Scheme Booklet	7,132,725,055
Brightstar Shares to be issued under the Scheme	2,959,092,688
Pro forma issued capital of the Merged Group on implementation on an undiluted basis	10,091,817,743
Pro forma issued capital of the Merged Group on implementation on a fully diluted in the money basis	10,624,958,116

Note: Subject to the effects of rounding.

On implementation of the Scheme, Alto Shareholders are expected to hold approximately 29% of the Merged Group on an undiluted basis and approximately 28% of the Merged Group on a fully diluted in the money basis.

7.6 Merged Group corporate structure

Following completion of the Scheme, the corporate structure of the Merged Group will be as set out below.



7.7 Substantial shareholdings

Based on the respective shareholdings in Brightstar and Alto as at the Last Practicable Date, the following persons are expected to have voting power of 5% or more of the issued shares of the Merged Group on an undiluted basis if the Scheme is implemented:

Name	Number of Brightstar Shares	Percentage shareholding ⁽¹⁾
St Barbara Limited	638,947,071	6.33%
Jack Yetiv	600,722,944	5.95%
Lion Selection Group Ltd	529,523,810	5.25%
Brightstar Resources Limited ⁽²⁾	940,078,381	9.32%

Notes:

1. Assumes the pro forma issued capital of the Merged Group on implementation on an undiluted basis is 10,091,817,743 Brightstar Shares.
2. Brightstar holds a Relevant Interest in 940,078,381 Brightstar Shares as a result of having control of the exercise of the power to dispose of those shares held by persons that have entered in escrow arrangements with Brightstar. Refer to the Form 603 lodged with the ASX on 20 June 2024 for further information regarding the escrow arrangements.

7.8 Board and management of the Merged Group

On the Implementation Date, Alto must procure that each director and company secretary of Alto and each subsidiary of Alto resigns from their office as a director or company secretary (as applicable).

On or before the Implementation Date, Brightstar must procure that Matthew Bowles be appointed to the Brightstar Board as a non-executive director.

Following implementation of the Scheme, the Brightstar Board will comprise:

- (a) existing Brightstar directors:
 - (i) Managing Director – Alex Rovira;
 - (ii) Non-Executive Chairman – Richard Crookes;
 - (iii) Executive Director – Andrew Rich;
 - (iv) Non-Executive Director – Jonathan Downes;
 - (v) Non-Executive Director – Ashley Fraser; and
- (b) existing Alto director:
 - (i) Non-Executive Director – Matthew Bowles.

7.9 Merged Group pro forma historical financial information

(a) Introduction

The Merged Group pro forma historical financial information provided in this Scheme Booklet comprises a pro forma consolidated reviewed Statement of Financial Position as at 30 June 2024, which is based on:

- (i) Brightstar's audited consolidated Statement of Financial Position as at 30 June 2024; and
- (ii) Alto's audited consolidated Statement of Financial Position as at 30 June 2024.

The pro forma historical financial information is provided for illustrative purposes and is prepared on the assumption that the Scheme has been implemented on 30 June 2024 and Alto becomes a wholly owned subsidiary of Brightstar.

(b) Basis of preparation

The Merged Group pro forma historical financial information has been prepared by the management of Brightstar with input from the management of Alto. The information is based on Brightstar's and Alto's audited financial statements as at 30 June 2024. The pro forma historical financial information has been prepared in accordance with the recognition and measurement principles of the Australian Accounting Standards and in accordance with Brightstar's accounting policies, as set out in Brightstar's annual report for the financial year ended 30 June 2024.

The Merged Group pro forma historical financial information is presented in an abbreviated form and does not contain all the disclosures that are usually provided in an annual report prepared in accordance with the Corporations Act. In particular, it does not include the notes to and forming part of the financial statements of Brightstar and Alto.

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

(c) Pro Forma Historical Financial Information

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

	Note	Brightstar	AME Group	Subsequent Events	Pro Forma Adjustments	Pro Forma BTR Group post Scheme
		Audited	Audited	Unaudited	Unaudited	Unaudited
		30-Jun-24	30-Jun-24	30-Jun-24	30-Jun-24	30-Jun-24
		\$	\$	\$	\$	\$
Current assets						
Cash and cash equivalents	1	7,961,484	1,916,608	16,127,836	(3,320,000)	22,685,928
Trade and other receivables		1,753,268	-	-	-	1,753,268
Financial assets		60,945	95,516	-	-	156,461
Prepayments		179,487	-	-	-	179,487

	Note	Brightstar	AME Group	Subsequent Events	Pro Forma Adjustments	Pro Forma BTR Group post Scheme
		Audited	Audited	Unaudited	Unaudited	Unaudited
		30-Jun-24	30-Jun-24	30-Jun-24	30-Jun-24	30-Jun-24
		\$	\$	\$	\$	\$
Inventories		3,666,149	-	-	-	3,666,149
Total Current Assets		13,621,333	2,012,124	16,127,836	(3,320,000)	28,441,292
Non current assets						
Property, plant and equipment		15,720,711	161,362	(420,000)	-	15,967,361
Right of Use Asset		281,527	151,689	-	-	433,216
Mine properties		23,509,202	-	-	-	23,003,913
Exploration, evaluation and development expenditure	2	53,654,532	30,892,526	14,362,536	14,380,709	113,290,303
Investments		3,392,000	7,500	-	-	3,399,500
Total Non Current Assets		96,557,971	31,213,077	13,942,536	14,380,709	156,094,293
TOTAL ASSETS		110,179,304	33,225,201	30,070,372	11,060,709	184,535,585
Current liabilities						
Trade and other payables	3	19,635,954	678,945	(2,055,721)	-	18,259,179
Securities to be issued	4	2,283,584	-	(2,283,584)	-	-
Lease liabilities		103,860	111,405	-	-	215,265
Provisions	5	3,125,085	146,337	(2,567,558)	-	703,864
Borrowings		108,737	-	-	-	108,737
Other liabilities		1,449,911	-	-	-	1,449,911
Total Current Liabilities		26,707,132	936,687	(6,906,863)	-	20,736,956
Non current liabilities						
Other payables and accruals		933,509	-	-	-	933,509
Lease liabilities non-current		213,757	62,832	-	-	276,589
Borrowings non-current		2,206,818	-	-	-	2,206,818
Provisions non-current		10,596,059	-	-	-	10,596,059
Other liabilities non-current		438,263	-	-	-	438,263
Total Non Current Liabilities		14,388,406	62,832	-	-	14,451,238
TOTAL LIABILITIES		41,095,538	999,519	(6,906,863)	-	35,188,195
NET ASSETS		69,083,766	32,225,682	36,977,234	11,060,709	149,347,391
Equity						
Issued Capital	6	108,861,315	53,688,200	37,439,367	(9,301,810)	190,687,072
Accumulated losses	7	(49,318,275)	(22,487,629)	(462,132)	21,387,629	(50,880,408)
Reserves	8	9,540,726	1,025,111	-	(1,025,111)	9,540,726

	Note	Brightstar	AME Group	Subsequent Events	Pro Forma Adjustments	Pro Forma BTR Group post Scheme
		Audited	Audited	Unaudited	Unaudited	Unaudited
		30-Jun-24	30-Jun-24	30-Jun-24	30-Jun-24	30-Jun-24
		\$	\$	\$	\$	\$
TOTAL EQUITY		69,083,766	32,225,682	36,977,235	11,060,709	149,347,391

(d) **Commentary on pro forma Consolidated Statement of Financial Position**

Subsequent Events

The following pro forma adjustments to the historical financial information have been made in relation to material events subsequent to 30 June 2024:

- (i) the issue of 20,000,000 Brightstar Shares on vesting of Brightstar Performance Rights on 8 August 2024, which as at 30 June 2024 had been fully expensed and therefore no accounting adjustments were required in relation to this share issue;
- (ii) the issue of 1,600,000,001 Brightstar Shares to various institutional investors at \$0.015 per Share, to raise \$24,000,000 before costs of \$850,000. The share placement was undertaken in two tranches, tranche 1 consisting of 1,166,666,667 shares issued on 8 August 2024. Tranche 2 was issued on 23 September 2024;
- (iii) the acquisition by Brightstar of 100% of the gold mineral rights in the tenements that consist of the Montague Gold Project from Gateway and GPWA. Consideration paid was made up of: (i) \$5,000,000 in cash; (ii) 466,666,667 Brightstar Shares; and (iii) contingent consideration of up to \$2,000,000 in Brightstar Shares which was fair valued at nil, as management have assessed the milestones payment targets as highly unlikely to be met;
- (iv) on completion of Brightstar's off-market takeover of Linden, Brightstar inherited a liability consisting of a share obligation owing to SBM. The liability was settled through the issue of 110,218,875 Brightstar Shares on 9 July 2024;
- (v) conversion of a \$2.6 million liability owing to Genesis Minerals Limited into 177,168,135 Brightstar Shares at a price of \$0.015. A loss on settlement of \$267,132 was incurred as the fair value of the Brightstar Shares issued exceeded the carrying value of the liability being settled;
- (vi) agreement with Topdrill Pty Ltd (**Topdrill**) for \$1,000,000 of drilling costs to be repaid in Brightstar Shares. As at 30 June 2024, amounts owing to Topdrill were \$855,721. Subsequent to year end this balance has been repaid by way of \$581,387 in cash and \$274,333 in Brightstar Shares. Additional drilling expenses incurred subsequent to 30 June 2024 have been repaid by way of \$1,665,777 in cash and \$696,759 in Brightstar Shares. These costs have been capitalised to exploration, evaluation and development expenditure;

- (vii) sale of non-core camp infrastructure for \$840,000 (excluding GST). \$420,000 of which was applied to the sale of non-current assets and the additional \$420,000 recognised as a gain on sale;
- (viii) conversion of \$1.2 million of trade credit to Brightstar shares at \$0.015 per Brightstar share; and
- (ix) \$615,000 (excluding GST) has been assumed as a subsequent event to reflect Brightstar's anticipated costs in relation to the Scheme.

Pro Forma Adjustments

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

- (x) the acquisition and consolidation of Alto. Consideration paid consisted of 2,959,092,688 New Brightstar Shares at a deemed issue price of \$0.015. Alto's share capital, accumulated losses and reserves have been eliminated upon consolidation;
- (xi) transaction costs in connection with the Scheme of approximately \$1,100,000 (excluding GST). Please see section 10.17 for a breakdown of these costs; and
- (xii) a provisional \$2.2 million has been assumed as a stamp duty expense payable to the Office of State Revenue in relation to the Scheme. This expense is capitalised to Exploration, Evaluation and Development on the basis the transaction will be deemed an asset acquisition with respect to AASB 3.

Notes to pro forma Consolidated Statement of Financial Position

1. Cash and cash equivalents

Commentary ref	Audited 30-Jun-24 \$	Pro forma Unaudited 30-Jun-24 \$
Cash and cash equivalents	9,878,092	22,685,928
Cash and cash equivalents as at 30 June 2024		9,878,092
<i>Subsequent events are summarised as follows:</i>		
Proceeds from share placement (ii)		24,000,000
Capital raising costs (ii)		(850,000)
Montague Acquisition - cash consideration (iii)		(5,000,000)
Genesis GIC Provision settlement (v)		-
Topdrill drill-for-equity & supplier conversion (vi)		(2,247,164)
Camp sale (vii)		840,000
Brightstar transaction costs (ix)		(615,000)

		16,127,836
<i>Adjustments arising in the preparation of the pro forma statement of financial position are summarised as follows:</i>		
Transaction costs associated with the scheme	(xi)	(1,100,000)
Stamp duty provision	(xii)	(2,220,000)
		<u>(3,320,000)</u>
Pro forma cash and cash equivalents		<u>22,685,928</u>

2. Exploration, evaluation and development expenditure

	Audited	Pro forma
Commentary ref	30-Jun-24	Unaudited
	\$	\$
Exploration, evaluation and development expenditure	84,547,058	113,290,303
Exploration, evaluation and development expenditure as at 30 June 2024		84,547,058
<i>Subsequent events are summarised as follows:</i>		
Montague Acquisition	(iii)	12,000,000
Topdrill drill-for-equity & supplier conversion	(vi)	2,362,536
		<u>14,362,536</u>
<i>Adjustments arising in the preparation of the pro forma statement of financial position are summarised as follows:</i>		
Alto Metals Ltd acquisition	(x)	12,160,709
Capitalisation of stamp duty	(xii)	2,220,000
		<u>14,380,709</u>
Pro forma exploration, evaluation and development expenditure		<u>113,290,303</u>

3. Trade & Other Payables

	Audited	Pro forma
Commentary ref	30-Jun-24	Unaudited
	\$	\$
Trade & Other Payables	20,314,899	18,259,179
Trade & Other Payables as at 30 June 2024		20,314,899

Subsequent events are summarised as follows:

Topdrill drill-for-equity & supplier conversion	(vi)	(855,721)
Creditor conversion	(viii)	(1,200,000)
		<u>(2,055,721)</u>
Pro forma trade & other payables		<u>18,259,179</u>

4. Securities to be issued

		Audited	Pro forma
	Commentary ref	30-Jun-24	Unaudited
		\$	30-Jun-24
			\$
Securities to be issued		2,283,584	-
Securities to be issued as at 30 June 2024			2,283,584
<i>Subsequent events are summarised as follows:</i>			
Shares to be issued to St Barbara Limited	(iv)		(2,283,584)
			<u>(2,283,584)</u>
Pro forma securities to be issued			<u>-</u>

5. Provisions

		Audited	Pro forma
	Commentary ref	30-Jun-24	Unaudited
		\$	30-Jun-24
			\$
Provisions		3,271,422	703,864
Provisions as at 30 June 2024			3,271,422
<i>Subsequent events are summarised as follows:</i>			
Genesis Provision settlement	(v)		(2,567,558)
			<u>(2,567,558)</u>
Pro forma provisions			<u>703,864</u>

6. Issued Capital

		Audited	Pro forma
	Commentary ref	30-Jun-24	Unaudited
		\$	30-Jun-24
			\$
Issued Capital		162,549,515	190,687,072
Issued Capital as at 30 June 2024			162,549,515
<i>Subsequent events are summarised as follows:</i>			

Proceeds from share placement	(ii)	24,000,000
Capital raising costs	(ii)	(850,000)
Montague acquisition - equity consideration	(iii)	7,000,000
Shares to be issued to St Barbara Limited	(iv)	2,283,584
Genesis GIC Provision settlement	(v)	2,834,690
Topdrill drill-for-equity & supplier conversion	(vi)	971,093
Creditor conversion	(viii)	1,200,000
		<u>37,439,367</u>
<i>Adjustments arising in the preparation of the pro forma statement of financial position are summarised as follows:</i>		
Eliminate Alto Metals Ltd share capital	(x)	(53,688,200)
Alto Metals Ltd share consideration	(x)	44,386,390
		<u>(9,301,810)</u>
Pro forma issued Capital		<u>190,687,072</u>

7. Accumulated losses

	Commentary ref	Audited 30-Jun-24 \$	Pro forma Unaudited 30-Jun-24 \$
Accumulated losses		(71,805,904)	(50,880,408)
Accumulated losses as at 30 June 2024			<u>(71,805,904)</u>
<i>Subsequent events are summarised as follows:</i>			
Genesis GIC Provision settlement - loss on settlement	(v)		(267,132)
Brightstar transaction costs	(ix)		(615,000)
Gain on camp sale	(vii)		420,000
			<u>(462,132)</u>
<i>Adjustments arising in the preparation of the pro forma statement of financial position are summarised as follows:</i>			
Eliminate Alto Metals Ltd accumulated losses	(x)		22,487,629
Transaction costs associated with the scheme	(xi)		(1,100,000)
			<u>21,387,629</u>
Pro forma accumulated losses			<u>(50,880,408)</u>

8. Reserves

	Commentary ref	Audited 30-Jun-24 \$	Pro forma Unaudited 30-Jun-24 \$
Reserves		10,565,837	9,540,726
Reserves as at 30 June 2024			<u>10,565,837</u>
<i>Adjustments arising in the preparation of the pro forma statement of financial position are summarised as follows:</i>			

Eliminate Alto Metals Ltd reserves	(x)	<u>(1,025,111)</u>
		<u>(1,025,111)</u>
Pro forma reserves		<u>9,540,726</u>

7.10 Financial forecasts

Brightstar and Alto have given careful consideration to whether forecast financial statements (including any internally created valuation models) can and should be included in the Scheme Booklet in respect of the Merged Group. In particular, Brightstar and Alto have considered whether there is a reasonable basis for the preparation and disclosure in the Scheme Booklet of reliable and useful forecast financial statements in this regard. Brightstar and Alto have concluded that forecast financial statements cannot be provided in the Scheme Booklet as they do not have a reasonable basis for such forecasts as required by applicable law and practice, and therefore the forecasts would not be meaningful or material to Alto Shareholders.

8 Summary of Key Risks

8.1 Introduction

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

- (a) specific risks relating to the Scheme (refer to section 8.2 of this Scheme Booklet);
- (b) specific risks relating to the Merged Group (refer to section 8.3 of this Scheme Booklet);
- (c) general risks relating to the Merged Group (refer to section 8.4 of this Scheme Booklet); and
- (d) specific risks to Alto Shareholders if the Scheme does not proceed (refer to section 8.5 of this Scheme Booklet).

The risks outlined in this section 8 are not exhaustive and do not take into account the investment objectives, financial situation, position or particular needs of Alto Shareholders. No assurances or guarantees are given in relation to the future performance of, profitability of, or payment of dividends by Alto, Brightstar or the Merged Group.

You should carefully consider the risks summarised in this section 8, as well as the other information contained in this Scheme Booklet generally, before voting on the relevant Scheme Resolution. You should consult your legal, financial, taxation or other professional adviser if you are unclear or uncertain about any matter mentioned in this section 8 or elsewhere in this Scheme Booklet.

8.2 Specific risks relating to the Scheme

The following risk have been identified as being key risks specific to the Scheme.

(a) **The market value of the Scheme Consideration is not certain**

Under the terms of the Scheme, Scheme Shareholders (excluding Ineligible Foreign Shareholders and Non-electing Small Shareholders) will receive four (4) New Brightstar Shares for every one (1) Alto Share they hold at the Record Date. The implied value of the Scheme Consideration that would be realised by individual Scheme Shareholders will be dependent on the price at which the Brightstar Shares trade on ASX after the Implementation Date and is not fixed.

Following implementation of the Scheme, the price of New Brightstar Shares will continue to rise or fall based on market conditions and the Merged Group's financial and operating performance.

In addition, the Sale Agent (and/or a nominee of the Sale Agent) will be issued New Brightstar Shares attributable to certain Ineligible Foreign Shareholders and Non-electing Small Shareholders and will sell them on market as soon as reasonably practicable after the Implementation Date.

It is possible that such sales may exert downward pressure on the Merged Group's share price during the applicable period. In any event, there is no guarantee regarding the prices that will be realised by the Sale Agent (and/or a nominee of the Sale Agent) or the proceeds of sale that are ultimately delivered to those Scheme Shareholders after deducting any reasonable brokerage or other selling costs, taxes and charges. There is no guarantee regarding the or the future market price of Brightstar Shares. Future market prices may be either above or below current or historical market prices.

(b) **Implementation of the Scheme is subject to Conditions Precedent that must be satisfied or waived (where permitted)**

Implementation of the Scheme is subject to the satisfaction or waiver (where permitted) of a number of outstanding Conditions Precedent. There can be no certainty, nor can Alto provide any assurance, that these Conditions Precedent will be satisfied or waived (where permitted), or if satisfied or waived (where permitted), when that will occur. A number of outstanding Conditions Precedent are outside the control of Alto and Brightstar, including, but not limited to, approval of the Scheme by Alto Shareholders and approval by the Court of the Scheme. If, for any reason, a Condition Precedent is not satisfied or waived (where permitted) and the Scheme is not implemented, there may be adverse consequences for Alto and Alto Shareholders, including that the market price of Alto Shares may be adversely affected.

(c) **Scheme Implementation Deed may be terminated by Alto or Brightstar in certain circumstances in which case the Scheme will not be implemented (including in relation to a material adverse change)**

Alto and Brightstar each have the right to terminate the Scheme Implementation Deed in the circumstances described in section 10.11(i) of this Scheme Booklet. As such, there is no certainty that the Scheme Implementation Deed will not be terminated before the Scheme is implemented.

If the Scheme Implementation Deed is terminated, there is no assurance that the Alto Board will be able to find a party willing to offer an equivalent or greater price for Alto Shares than the price to be paid under the terms of the Scheme Implementation Deed and the Scheme. This may adversely affect the future market price of Alto Shares.

In addition, some circumstances which cause the Scheme not to proceed may result in the payment of a break fee by Alto or Brightstar to the other party. See sections 10.11(e) and 10.11(f) of this Scheme Booklet for a summary of those circumstances.

(d) **Risks of trading during deferred settlement trading period**

Alto Shareholders will not necessarily know the exact number of New Brightstar Shares (due to rounding) that they will receive (if any) as Scheme Consideration until a number of days after those shares can be traded on the ASX on a deferred settlement basis. Scheme Shareholders who trade New Brightstar Shares on a deferred settlement basis, without knowing the number of New Brightstar Shares they will receive as Scheme Consideration may risk adverse financial consequences if they purport to sell more New Brightstar Shares than they receive.

(e) **Tax consequences**

If the Scheme becomes Effective, there will be tax consequences for the Scheme Shareholders which may include tax being payable. For further details regarding the general Australian tax consequences of the Scheme refer to section 9 of this Scheme Booklet. The tax consequences may vary depending on the nature and characteristics of Scheme Shareholders and their specific circumstances. Accordingly, you should seek professional tax advice in relation to your specific circumstances.

(f) **Transaction costs**

If the Scheme is implemented, external costs of approximately \$1.1 million (excluding GST) are expected to be paid by Alto. This includes financial advisory, legal, accounting, Independent Expert, tax and administration fees, Scheme Booklet design, printing and distribution, share registry and other expenses. In addition, additional external costs of approximately \$615,000 (excluding GST) are expected to be paid by Brightstar. This includes financial advisory, legal, accounting and administration fees and other expenses. Therefore, total transaction costs of approximately \$1,715,000 (excluding GST) excluding stamp duty are expected to be incurred by the Merged Group if the Scheme is implemented.

Transaction related costs of approximately \$0.7 million (excluding GST) are expected to be incurred by Alto irrespective of whether or not the Scheme is implemented. Further details of the estimated costs are set out in section 10.17 of this Scheme Booklet.

8.3 Specific risks in relation to the Merged Group

The following risk have been identified as being key risks specific to an investment in the Merged Group. These risks have the potential to have a significant adverse impact on the Merged Group and may affect the Merged Group's financial position, prospects and price of its listed securities.

(a) **Change in risk profile and risks of investment**

If the Scheme is implemented, Scheme Shareholders will be exposed to risk factors relating to Brightstar, and to certain additional risks relating to the Merged Group and the integration of the two businesses.

In particular, the asset portfolio, capital structure and size of the Merged Group will be different from that of Brightstar on a stand-alone basis. These changes in risk and investment profile may be considered a disadvantage by some Scheme Shareholders.

(b) **Failure to realise benefits of the Scheme**

After implementation of the Scheme, the Merged Group will seek to pursue those strategies, operational objectives and benefits contemplated by this Scheme Booklet. There is a risk that the Merged Group may be unable to realise these strategies, operational objectives and benefits (in whole or in part) or that they will not materialise, or will not materialise to the extent that the Merged Group anticipates (for whatever reason, including matters beyond the control of the

Merged Group), or that the realisation of the strategies, operational objectives and benefits are delayed.

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

(c) **Integration risks**

The success of the Merged Group will depend, amongst other things, on the ability to integrate the respective businesses of Alto and Brightstar. Successful integration will depend on a range of factors, including organisational and cultural compatibility and operational integration. While Brightstar expects to successfully integrate with Alto's operations, integration may take longer than expected (so that integration is achieved over a longer than expected time period), or that integration may cost more than anticipated. Potential factors influencing a successful integration include:

- (i) disruption to the ongoing operations of both businesses;
- (ii) higher than anticipated integration costs;
- (iii) unforeseen costs relating to integration of operational systems, IT systems and financial and accounting systems of both businesses; and
- (iv) unintended loss of key personnel or expert knowledge or reduced employee productivity due to uncertainty arising as a result of the Scheme.

If the integration is not achieved in an effective manner, the full benefits of the combination of the businesses may be achieved only in part, or not at all. This could adversely impact the Merged Group's financial performance and position, and the future prospects of the Merged Group.

(d) **Additional requirements for capital**

The Merged Group's capital requirements depends on numerous factors. Depending on Merged Group's ability to generate income from development of its projects and its operations, the Merged Group may require additional financing in the future (in addition to Brightstar's non-binding indicative arrangement with AustKor Mineral Co., Ltd as announced to ASX on 1 August 2024).

Any additional equity financing may dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. The terms on which debt financiers are willing to offer financing may vary from time to time depending on macro-economic conditions, the performance of the Merged Group, and an assessment of the risk of the intended use of funds. There is no guarantee that the Merged Group will be able to secure additional financing on terms favourable to the Merged Group.

Further, loan agreements and other financing arrangements such as debt facilities, convertible note issues and finance leases (and any related guarantee and security) that may be entered into by the Merged Group may contain covenants, undertakings and other provisions which, if breached, may entitle lenders to accelerate repayment of loans and there is no assurance the Merged Group will be

able to repay such loans in the event of an acceleration. Enforcement of any security granted by the Merged Group or default under a finance lease could also result in the loss of assets.

If the Merged Group is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and scale back its exploration programmes as the case may be.

(e) **Key personnel**

The Merged Group will be dependent on the experience of its current directors, executives, and key management personnel. The future direction of the Merged Group, including the plans proposed to be implemented, are dependent on the continuation of the Merged Group's key management personnel. Although the Merged Group has sought, and will continue to ensure, that its current directors, executives and key management personnel are appropriately remunerated and incentivised, their continued services cannot be guaranteed. The loss of any of the Merged Group's directors, executives or key management personnel's services may have an adverse effect on the performance of the Merged Group, pending replacements being identified and retained or appointed by the Merged Group.

(f) **Regulatory risk**

The Merged Group's potential development activities are subject to extensive laws and regulations relating to numerous matters including resource licence consents, conditions including environmental compliance and rehabilitation, taxation, employee relations, health and worker safety, waste disposal, protection of the environment, native title and heritage matters, protection of endangered and protected species and other matters.

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

(g) **Development and operating risk**

If the Scheme proceeds, there is no guarantee that the Merged Group will achieve commercial viability through the development or operation any or all of its projects.

Future development activities of the Merged Group may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns, unanticipated operational and technical difficulties, industrial and environmental accidents, native title process, labour force disruption, the unavailability of materials and plant and equipment, mechanical failure or plant breakdown, removal of access rights to property, personal injury or death,

environmental damage, changing government regulations and many other factors beyond the Merged Group's control.

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

(h) **Gold price volatility**

If the Merged Group achieves success leading to gold production, the Merged Group's financial performance will be sensitive to the spot gold price. Gold prices, like all commodity prices, are affected by numerous factors and events that are beyond the Merged Group's control. These factors and events include general economic activity, world demand, forward selling activity, gold reserve movements at central banks, costs of production by other gold producers and other matters such as inflationary expectations, interest rates, currency exchange rates (particularly the strength of the US dollar) as well as general global economic conditions and political trends.

If gold prices should fall below or remain below the Merged Group's costs of production for any sustained period due to these or other factors and events, the Merged Group's exploration and production could be delayed or even abandoned. A delay in exploration or production or the abandonment of one or more of the Merged Group's projects may require the Merged Group to write-down its gold reserves and may have a material adverse effect on the Merged Group's production, earnings, and financial position.

(i) **Potential merger and acquisition activity**

The Merged Group may make acquisitions or divestments of, or significant investments in, companies, products, technologies or assets as part of its business strategy. The Merged Group may also be the subject of a change of control transaction in the future. Any such future merger and acquisition activity would be accompanied by the risks commonly encountered in making acquisitions or divestments.

(j) **Joint venture risk**

The Merged Group may in the future become a party to joint venture agreements governing the exploration and development of its projects. As with any joint venture, there is a risk that one or more of the Merged Group's joint venture partners may default in their joint venture obligations or not act in the best interests of the joint venture. This may have an adverse effect on the interests and prospects of the Merged Group.

(k) **Decarbonisation risk**

The Merged Group may be required in the future to transition its mining operations to decarbonised mining operations. Such a transition may be required by changing environmental legislation or regulations, changing economic conditions or changing investor or lender sentiment. Decarbonisation may require changes to the Merged

Group's actual or planned mining activities and may affect the continuing viability or profitability of those activities.

(l) **Environmental risk**

Brightstar's and Alto's operations and activities are subject to the environmental laws and regulations of Australia. As with most mining and exploration projects, the Merged Group's operations and activities are expected to have an impact on the environment, particularly if advanced development proceeds at any one of the Merged Group's existing or potential future projects.

The Merged Group will attempt to conduct its operations and activities to the highest standard of environmental obligation, including compliance with all environmental laws and regulations. However, non-compliance with or breach of any conditions attached to Merged Group's mining or environmental licences, or the occurrence of an environmental incident, may lead to penalties or revocation of licences, a delay to the Merged Group's operations or an increase in operating costs, and significant liability could be imposed on the Merged Group for damages, rehabilitation and clean-up costs or penalties in the event of certain environmental damage. This would require the Merged Group to incur significant costs and may result in an adverse impact on the Merged Group's cash flows, financial position and performance.

Following closure of operations at any of the Merged Group's mines the Merged Group will incur costs for rehabilitation of the relevant mine site. The rehabilitation costs that are incurred following closure of a mine may exceed the Merged Group's previous estimates of those rehabilitation costs. The Merged Group also has ongoing rehabilitation obligations in relation to its operations at the Merged Group mines, which may change in the future including the rehabilitation costs that are incurred.

Further, the Merged Group is unable to predict the effect of additional or more onerous environmental laws and regulations which may be adopted in the future, including whether any such laws or regulations would materially increase the Merged Group's cost of doing business or affect its operations in any area. There can be no assurances that new environmental laws, regulations or stricter enforcement policies, once implemented, will not oblige the Merged Group to incur significant expenses and undertake significant investments which could have a material adverse effect on the Merged Group's operations, financial position and performance.

(m) **Water management**

Water is a scarce commodity in much of regional Australia, and particularly in the areas in which the Merged Group will have existing or potential future operations. Water is a significant input into mine development and processing activities and access to sufficient water to support current and future activities is critical. There can be no guarantee that the cost of ensuring sufficient access to water at the Merged Group's operations will not substantially increase in future. Reduced access to water may result in the reduction or suspension of the Merged Group's operations.

(n) **Mineral Resource and Ore Reserve estimates**

Mineral Resource and Ore Reserve estimates must comply with the JORC (2012), and are expressions of judgements based on knowledge, experience and industry practice. Estimates that are valid when made may change significantly when new information becomes available through drilling, sampling and other similar examinations. In addition, Mineral Resource and Ore Reserve estimates reported in accordance with JORC (2012) are necessarily imprecise and depend to some extent on geological interpretations, as well as various economic, commercial, technical, environmental and legal assumptions which may prove to be inaccurate or invalid due to the passage of time.

Should the Merged Group encounter mineralisation or formations different from those predicted, Mineral Resource estimates may have to be adjusted and mining plans may have to be altered in a way which could adversely affect the Merged Group's operations.

(o) **Labour costs and availability**

For the Merged Group's business of providing mining services to remain productive and competitive depends on the Merged Group's ability to attract and retain skilled labour. A shortage of skilled labour could limit growth prospects or lead to a decline in productivity and an increase in training costs and could adversely affect safety records and materially adversely impact revenues and, if costs increase or productivity declines, operating margins.

(p) **Cost escalation, inflation and price increase risks**

The mining industry, particularly in Western Australia, is currently experiencing impacts related to cost escalation and price increases for inputs, services, equipment and labour. There can be no certainty that costs, and prices will not increase (including due to inflation in the ordinary course).

(q) **Metallurgical risks**

The economic viability of mineralisation depends on a number of factors such as the development of an economic process route for concentrates, which may or may not ultimately be successful. Further, changes in mineralogy may result in inconsistent or lower recovery rates.

(r) **Exploration risk**

Exploration is an inherently speculative and high-risk activity that requires significant amounts of expenditure over extended periods of time to present a reasonable probability of success. The Merged Group's exploration activities are subject to all the hazards and risks normally encountered in the exploration of minerals, including climatic conditions, hazards of operating vehicles and plant, technical difficulties, lack of sufficient water or power sources, industrial and environmental accident, adverse changes in government policy or legislation, lack of access to sufficient funding, lack of access to sufficient infrastructure, risks associated with operating in remote areas and other similar considerations.

Conclusions drawn during mineral exploration are subject to all the uncertainties associated with all sampling techniques and to the risk of incorrect interpretation of geological, geochemical, geophysical, drilling and other data.

No assurance can be given that during the exploration process mineral resources will be defined with preferred or desirable tonnages and/or grades that would result in feasible economic extraction. Substantial expense may be incurred without the requisite or expected degree of reward.

Further, the costs of the Merged Group's exploration activities may materially differ from its estimates and assumptions. No assurance can be given that the Merged Group's cost estimates and the underlying assumptions will be realised in practice, which may materially and adversely affect the value of the Merged Group's shares.

(s) **Tenure and forfeiture**

Mining and exploration tenements are subject to periodic renewal. There is no guarantee that current or future tenements or future applications for production tenements will be approved. Tenements are subject to the applicable mining acts and regulations of the relevant jurisdiction (including Western Australia). The renewal of the term of a granted tenement is also subject to the discretion of the relevant Minister. Renewal or conversion conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the tenements comprising the Merged Group's projects. The imposition of new conditions or the inability to meet those conditions may adversely affect the operations, financial position and/or performance of the Merged Group.

Several of Brightstar's tenements are subject to extension of term applications that have been lodged with the relevant Government Agency to renew the term of those tenements (for further information, refer to Appendix 7). These extension of term applications have not yet been approved. If sufficient grounds cannot be provided for the renewals, these tenements may expire at the end of the current term unless retention status is applied for. Whilst Brightstar has no reason to believe these extension of term applications will not be granted, there is a risk that the applications may not be granted or only granted on conditions unacceptable to Brightstar.

In Western Australia, tenements may also be forfeited or cancelled during the term pursuant to an application by any party, or by the relevant Department. Irrespective of the Merged Group's compliance with the conditions of the tenements, and applicable mining acts and regulations, there is no guarantee that applications for forfeiture or cancellation will not be made against the tenements. Further, any exemptions from tenement conditions (if available) are subject to the discretion of the Minister and objections by third parties.

If any application for forfeiture or objection to the grant of an exemption is lodged, the Merged Group may be required to defend such applications or objections in the Warden's Court and incur significant costs.

(t) **Access and co-operation arrangements**

Tenements are often subject to third party interests which may require rights of access to be granted to the Merged Group. Where the Merged Group wishes to undertake further exploration or production works on a tenement, it may need to negotiate access over land which is the subject of a third-party interest. If access arrangements cannot be agreed, or are agreed on conditions which are unfavourable to the Merged Group, this may adversely affect the Merged Group's ability to explore and develop its tenements.

The Merged Group may already have existing access arrangements which may need to be renewed or renegotiated as access to and use of the tenements changes. Renegotiation of these agreements may be costly, or adversely affect the Merged Group's ability to explore and develop its tenements.

The Merged Group may be required to pay costs or provide guarantees to third parties under any access and/or co-operation arrangements that currently exist or are entered into in the future in respect of its projects. Any termination of or failure to renew existing access and/or co-operation arrangements, or renewal of existing arrangements on terms or conditions that are unfavourable to the Merged Group, may adversely affect the Merged Group's ability to explore and develop its projects.

(u) **Native title**

Where native title has not been extinguished, the grant of a mining tenement attracts procedures under the *Native Title Act 1993* (Cth) (**NT Act**). In order for a grant of the mining tenement to be valid, the relevant procedures under the NT Act need to be complied with (as noted below).

There is a risk to the validity of the Merged Group's tenure where the relevant procedures have not been complied with or where validity is challenged in the context of native title claims. Native title (and compliance with the relevant procedures) could also potentially impact the status, renewal and conversion of existing tenements held by the Merged Group and may impact the future grant of new or renewable tenements.

If there are native title rights to possession, use and occupation of the land the subject of the Merged Group's tenements, the native title holder's consent to the grant of tenure may be required which may be conditional on entering an agreement which may limit the type or manner of activities to be carried out on the tenements. There may be additional entry or access arrangements agreed or required to be agreed with the native title party (particularly if there are areas of land subject to native title rights of exclusive possession). Entry could in these circumstances only be granted on specific terms and conditions, and the Merged Group may have to pay compensation to the native title party. Depending on the extent of third party or overlapping interests, additional access arrangements may need to be considered. If the Merged Group is required to negotiate and enter into a native title or land access agreement, there could be delays to activities commencing until such time as an agreement is reached.

There may be circumstances in which the Merged Group might be found liable to pay native title compensation in relation to its tenure its operations (including compensation for past native title impacts before the relevant tenure was acquired by the Merged Group, including where tenure is acquired from a third party and the Merged Group was not the original grantee). No assurance can be given that the Merged Group will be successful in defending any compensation claims or mitigating any native title compensation awards. The probability and potential quantum of native title compensation risk is uncertain.

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

(v) **Aboriginal cultural heritage**

Legislation in each State and Territory of Australia (and at a Commonwealth level) governs the protection of Aboriginal cultural heritage, and regulates proposed impacts of development where site avoidance will not be possible.

Aboriginal cultural heritage matters may impact on the Merged Group's operations and future plans (legally, and from a social licence to operate/external affairs perspective, as there may be Aboriginal cultural heritage in or near the vicinity of the Merged Group's current, planned, proposed or future operations). In particular, Aboriginal heritage legislation in the jurisdictions in which the Merged Group operates may affect the Merge' Group's ability to gain access to prospective exploration areas or obtain required permits or licences, as Aboriginal heritage sites or objects may exist in the areas covered by the Merged Group's tenements.

In most jurisdictions in Australia, causing harm to Aboriginal cultural heritage, or damaging or altering an Aboriginal site or object on or under an Aboriginal site, is an offence carrying significant penalties (including imprisonment). Even when the necessary regulatory approvals have been obtained (which allow activities to proceed where there is a risk of harm to Aboriginal cultural heritage), there may be additional risks from a reputational (social licence to operate) and operational perspective, such as where heritage may be harmed even though conditions of such approvals have been complied with.

(w) **Industrial relations**

Industrial relations issues may be faced by the Merged Group in connection with employees and the employees of suppliers, including strikes, work stoppages, work slowdowns, grievances, complaints and claims of unfair practices or other industrial activity. Any such activity could cause production delays, increased labour costs and adversely impact the ability to fulfil existing contracts or win new contracts for the Merged Group's projects. As a result, operating results may be materially adversely affected. The Merged Group's workforces are regulated by common law contract arrangements, awards, federal, state, and local legislation.

(x) **Litigation risk**

The Merged Group is subject to litigation risks. All industries, including the minerals exploration industry, are subject to legal claims, with and without merit. Defence and settlement costs of legal claims can be substantial, even with respect to claims that have no merit. Due to the inherent uncertainty of the litigation process, the resolution of any particular legal proceeding to which the Merged Group is or may become subject could have a material effect on its financial position, results of operations or the Merged Group's activities.

(y) **Unforeseen expenses**

The Merged Group may be subject to significant unforeseen expenses or actions. This may include unplanned operating expenses, future legal actions or expenses in relation to future unforeseen events. The directors of the Merged Group expect that the Merged Group will have adequate working capital to carry out its stated objectives however there is the risk that additional funds may be required to fund the Merged Group's future objectives.

(z) **Accounting risk**

In accounting for the Scheme, the Merged Group will need to perform a fair value assessment of all of Alto's assets, liabilities and contingent liabilities, which will include the identification and valuation of intellectual property and intangible assets. As a result of this fair value assessment, the Merged Group's depreciation and amortisation charges may be substantially greater than the depreciation and amortisation charges of Alto and Brightstar as separate businesses and to that extent may significantly reduce the future earnings of the Merged Group.

To the extent goodwill is recognised in respect of accounting for the acquisition of Alto by Brightstar, it will be subject to annual impairment testing. If the recoverable amount of goodwill is impaired, this will result in a charge against future earnings.

The Merged Group will be subject to the usual business risk that there may be changes in accounting policies which may have an adverse impact on the Merged Group.

(aa) **Contractual risk**

As in any contractual relationship, the exercise of the Merged Group's rights are dependent upon the Merged Group's ability to comply with its obligations, and the relevant counterparty complying with its contractual obligations. The Merged Group is unable to predict the risk of:

- (i) financial failure or default by a participant in any joint venture to which the Merged Group is or may become a party;
- (ii) insolvency or other managerial failure by any of the contractors used by the Merged Group in any of its activities; or
- (iii) insolvency or other managerial failure by any of the other service providers used by the Merged Group for any activities.

(bb) **Dividends**

Any future payment of dividends by the Merged Group will be at the discretion of the board and will depend on the financial position of the Merged Group, future capital requirements, business operations and other factors considered relevant by the board at the time. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Merged Group and the Merged Group does not anticipate a payment of dividends in the short term.

8.4 General investment risks in relation to the Merged Group

A list of some of the general investment risks associated with the Merged Group is set out below.

(a) **Changes in commodity price**

The Merged Group's possible future revenues, based on its existing assets, will be from the sale of gold. Consequently, the Merged Group's potential future earnings could be closely related to the price of gold.

Fluctuations in the market price of gold could have a material impact on the value of the Merged Group. Commodity prices react to a variety of forces that are outside of the control of the Merged Group including demand for minerals, forward selling by producers, production cost levels in major producing regions and macroeconomic factors, e.g. inflation, interest rates, currency exchange rates and global and regional demand for, and supply of minerals. Accordingly, the value of the Merged Group can be influenced by price fluctuations.

If the market price of gold were to fall below the costs of production and remain at such a level for any sustained period, the Merged Group may curtail or suspend some or all of its potential future exploration and/or mining activities.

(b) Foreign exchange risk

Gold prices and potential future capital equipment purchases, operating inputs and services relating to the Merged Group's projects will likely be denominated in US dollars. Alto's income and expenditure are and will be taken into account in Australian dollars. This exposes the Merged Group to the fluctuations and volatility of the rate of exchange between these currencies as determined by international currency markets.

(c) Securities price fluctuations

The New Brightstar Shares to be issued under the Scheme carry no guarantee in respect of profitability, dividends, return of capital, or the price at which they may trade on ASX. The value of the New Brightstar Shares will be determined by the stock market and will be subject to a range of factors beyond the control of the Merged Group.

The market price of a publicly traded stock is affected by many variables not directly related to the success of the Merged Group. These factors include, but are not limited to, the demand for, and availability of, Brightstar Shares, movements in domestic interest rates, exchange rates, fluctuations in the Australian and international stock markets and general domestic and economic activity. Securities markets can experience high levels of price and volume volatility, and the market price of securities of many companies can experience wide fluctuations which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that such fluctuations will not affect the price of the Merged Group's securities going forward.

(d) Economic risks

As with any entity with listed securities, share market conditions may affect the value of the Merged Group's quoted securities regardless of the Merged Group's operating performance. Share market conditions are affected by many factors which may include;

- (i) changes in investor sentiment and overall performance of Australian and international stock markets;
- (ii) changes in general business, industry cycles and economic conditions including inflation, interest rates, exchange rates, commodity prices, employment levels and consumer demand;

- (iii) economic and political factors in Australia and internationally, including economic growth;
- (iv) changes in legislation and government, fiscal, monetary and regulatory policies including foreign investment and government or political intervention in export and import markets;
- (v) uncertainty around the likelihood, timing, franking or quantum of future dividends;
- (vi) failure to make or integrate any future acquisitions or business combinations (including the realisation of synergies), significant one-time write-offs or restructuring charges, and unanticipated costs and liabilities;
- (vii) changes in accounting or financial reporting standards; and
- (viii) changes in taxation laws (or their interpretation).

The Merged Group's future revenues and the Merged Group's share price may be affected by these factors, which are beyond the Merged Group's control.

(e) **Pandemic risk**

Supply chain disruptions resulting from pandemics (such as COVID-19) and measures implemented by governments around the world to limit the transmission of such viruses may adversely affect the Merged Group's operations, financial position and prospects. Travel bans may also lead to shortages of skilled personnel. Pandemics and the implementation of travel restrictions as a consequence may also have the potential to restrict access to the Merged Group's assets.

(f) **Force majeure**

Events may occur within or outside the jurisdictions in which the Merged Group operates that could impact upon the global economy, the economy of the jurisdictions in which the Merged Group operates, the Merged Group's operations and the price of the Merged Group's shares. These events include, but are not limited to, acts of terrorism, an outbreak of international hostilities, fires, floods, earthquakes, labour strikes, civil wars, natural disasters, outbreaks of disease (including pandemics) or other natural or man-made events or occurrences that can have an adverse effect on the demand for the Merged Group's products and its ability to operate its assets or may otherwise adversely impact the Merged Group's operations, financial performance and financial position. The Merged Group only has a limited ability to insure against some of these risks.

(g) **Change in laws**

The Merged Group (including the operations of the Merged Group) will be subject to various federal, state and local laws (including the Commonwealth of Australia and the State of Western Australia). Changes to current laws in the jurisdictions within which the Merged Group operates or may in the future operate, could have a material adverse impact on the Merged Group's operations, financial performance and financial position.

(h) **Competing and new technologies**

The introduction and adoption of new technologies by competitors means that the Merged Group must stay current with technological trends in the mining industry to remain competitive, particularly in respect to its mining services business. The failure to identify and appropriately respond to emerging technological innovations by competitors could cause revenues to decline. If the Merged Group fails to effectively address the changing demands of clients and to maintain its competitive advantage, the Merged Group's mining services business, results of operations and financial condition could be materially adversely impacted.

(i) **ESG risks**

There is an increasing vigilance by investors, shareholders and other interested third parties regarding environmental, social and governance (**ESG**) issues.

An increased focus on ESG issues may:

- (i) impact the implementation, interpretation or enforcement of legislation, regulations or formal and informal policies which affect the Merged Group;
- (ii) influence the investment criteria, sentiment or assumptions applied by investors and lenders dealing with the Merged Group; or
- (iii) influence the policies and negotiating positions of third parties currently contracting with the Merged Group or who would otherwise be likely to contract with the Merged Group in the future.

(j) **Insurance and uninsurable risks**

The Merged Group will ensure that it conducts its operations in accordance with industry best practice. However, in certain circumstances, the Merged Group's insurance may not be of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Merged Group.

Insurance against all the risks associated with construction and engineering is not always available and, where available, costs can be prohibitive. The occurrence of an event not fully insured or indemnified against, or the failure of a third party or an insurer to meet its indemnification or insurance obligations, could result in substantial losses, which may adversely affect financial position and performance. In addition, insurance may not be available to cover any or all of these risks, or, even if available, may not be adequate. Insurance premiums or other costs may rise significantly in the future, so as to make such insurance prohibitively expensive or uneconomic.

(k) **Liquidity and realisation risk**

There can be no guarantee that an active market in the Merged Group's shares will develop or continue, or that the market price of the Merged Group's shares will increase. If a market does not develop or is not sustained, it may be difficult for investors to sell their shares, as there may be relative few, if any, potential buyers or sellers of the Merged Group's shares on ASX at any time.

(l) **Tax**

Future changes in taxation law, including changes in the interpretation or application of the law by the courts or taxation authorities, may affect taxation treatment of an investment in the Merged Group's shares or the holding and disposal of those shares. Further, changes in tax law, or changes in the way tax law is expected to be interpreted, in the various jurisdictions in which the Merged Group operates, may impact the future tax liabilities and performance of the Merged Group.

In addition, an investment in New Brightstar Shares involves tax considerations which may differ for each Alto Shareholder (who is not Ineligible Foreign Shareholder or Non-electing Small Shareholder). Each Alto Shareholder (who is not an Ineligible Foreign Shareholder or Non-electing Small Shareholder) is encouraged to seek professional tax advice in connection with any investment in New Brightstar Shares.

(m) **Share market risk**

The market price of the Merged Group's shares could fluctuate significantly. The market price of the Merged Group's shares may fluctuate based on a number of factors including the Merged Group's operating performance and the performance of competitors and other similar companies, the public's reaction to the Merged Group's press releases, other public announcements and the Merged Group's filings with the various securities regulatory authorities, changes in earnings estimates or recommendations by research analysts who may track the Merged Group's shares or the shares of other companies in the resource sector, changes in general economic conditions, the number of the Merged Group's shares publicly traded and the arrival or departure of key personnel, acquisitions, strategic alliances or joint ventures involving the Merged Group or its competitors. In addition, the market price of the Merged Group's shares will be affected by many variables not directly related to the Merged Group's success and are therefore not within the Merged Group's control, including other developments that affect the market for all resource sector shares, the breadth of the public market for the Merged Group's shares, and the attractiveness of alternative investments.

(n) **Other risks**

Additional risks and uncertainties not currently known to Alto or Brightstar may also have a material adverse effect on Alto, Brightstar or the Merged Group and the information set out above does not purport to be, nor should it be construed as representing, an exhaustive list of the risks faced by Alto, Brightstar or the Merged Group.

The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of Brightstar, Alto and the Merged Group and the value of the Scheme Consideration and Brightstar Shares generally.

8.5 Risks to Alto Shareholders if the Scheme does not proceed

There are a range of business-specific risks associated with an investment in Alto Shares, as set out below. If the Scheme does not proceed and you retain your Alto Shares, your exposure to these risks will be more concentrated than if the Scheme proceeds and you received New Brightstar Shares as consideration. While Alto has in place what it considers are appropriate policies and procedures to help manage these

risks, there is no guarantee that Alto will be able to manage or mitigate these risks completely. Furthermore, certain aspects of these risks (or Alto's ability to respond to and manage them) may be partly or wholly outside of Alto's control.

(a) **Alto Shareholders will not receive the Scheme Consideration**

If the Scheme is not implemented, Alto Shareholders will retain their Alto Shares and will not receive the Scheme Consideration. Alto will remain listed on ASX as a stand-alone entity and the current Alto Board and Alto's senior management team will continue to operate Alto's business. In these circumstances, Scheme Shareholders will continue to be subject to all risks currently associated with an investment in Alto (and to which Alto Shareholders are necessarily already exposed to).

(b) **The benefits associated with the Merged Group will not be realised**

If the Scheme is not implemented, Alto will remain listed on ASX as a stand-alone entity and the benefits anticipated from the Merged Group will not be realised. More information about these anticipated benefits is set out in section 1.2.

(c) **The price of Alto Shares may fall below its recent trading price, in the absence of a superior proposal**

Fluctuations in the trading price of Alto Shares are affected by many variables, including national and global economic financial conditions, the market's response to the Scheme, changes in uranium and other commodity prices, market perceptions of Alto, regulatory changes affecting Alto's operations and the liquidity of financial markets. There can be no assurance that such fluctuations will not affect the price of Alto Shares in the future if the Scheme does not proceed. If the Scheme is not implemented and no Superior Proposal emerges, it is possible that the trading price of Alto Shares will fall to below the level at which it has been trading since the Scheme was announced, to the extent that the market price reflects an assumption that the Scheme will be implemented (although this is difficult to predict with any degree of certainty).

(d) **Sandstone Gold Project potential development risk**

The future value of Alto is materially dependent on the success or otherwise of the activities directed towards the continued exploration and potential development of the Sandstone Gold Project. New mining operations (particularly sole development projects) can often experience a range of issues during planning, development, construction and mine start-up, which could delay the commencement of production. Risks include uncertainties associated with projected continuity of mineralisation, fluctuations in grades and value of gold being mined, and a range of potential unforeseen operational and technical problems.

Developments may also be adversely affected or hampered by a variety of non-technical issues such as limitations on activities due to land access, power and water infrastructure and supply, seasonal changes, indigenous, heritage and environmental legislation, supply chain issues, mining legislation and many other factors, including capital cost increases, beyond the control of Alto. Accordingly, there is no certainty the Sandstone Gold Project will progress to a profitable mining operation.

(e) **Estimate risk in Mineral Resources**

Alto has estimated an Indicated and Inferred Mineral Resource at its Sandstone Gold Project. The Mineral Resource is an estimate only and is based on interpretations, knowledge, experience and industry practice which may change when new techniques or information becomes available. You should be aware that inclusion of material in a Mineral Resource estimate does not require a conclusion that material may be economically extracted at the tonnages indicated, or at all. Estimates that are valid when made may change significantly when new information becomes available.

In addition, gold price fluctuations, as well as increased production costs or reduced throughput and/or recovery rates, may render reserves and resources uneconomic and so may materially affect the estimates.

(f) **Project approvals and permitting**

Alto's activities are subject to various legislation, regulation and approvals. The introduction of any new legislation, be it amendments, the application of developments in existing common law or policies or the interpretation of those laws or policies could have a material adverse effect on Alto. Changes in government regulations may adversely affect the financial performance or the current and proposed operations generally of Alto.

In addition, Alto's projects may require from time to time various regulatory approvals by government for their operation and accordingly must comply with those approvals, applicable laws, regulations, guidelines and policies.

Specifically, Alto may require licences and approvals in relation to environmental matters, exploration, development and production of gold. There is a risk that Alto may not obtain, or may be delayed in obtaining the necessary licences and approvals in relation to its operations. This may affect the timing and scope of Alto's operations. The loss of granted tenements or concessions or the delay in obtaining lease or concession renewals may have a material adverse effect on Alto.

(g) **Title**

All of the permits and licences in which Alto has an interest, will be subject to applications for grant of subsequent permits or licences (as the case may be). The renewal or grant of the terms of each permit or licence is usually at the discretion of the relevant government authority.

Additionally, permits are subject to a number of government specific legislative conditions. The inability to meet these conditions could affect the standing of a permit or restrict its ability to be renewed.

If a permit or licence is not renewed or granted, Alto may suffer significant damage through opportunity to Brightstar and discover any Mineral Resources on that permit.

(h) **Joint venture risk**

Alto may in the future become a party to joint venture agreements governing the exploration and development of its projects. As with any joint venture, there is a

risk that one or more of Alto's joint venture partners may default in their joint venture obligations or not act in the best interests of the joint venture. This may have an adverse effect on the interests and prospects of Alto.

(i) **Access to personnel and labour market risk**

Retaining and recruiting qualified personnel is critical to Alto's success. Competition for suitably qualified personnel is very strong and Alto, as with other entities in the mining industry, is exposed to challenges associated with attracting and retaining appropriately qualified personnel. If Alto cannot attract, motivate and retain suitably qualified personnel, and if those personnel do not operate effectively, it could adversely affect Alto's current exploration, development and future production operations and its future growth plans.

(j) **Financing risk**

Alto's continued ability to operate its business and effectively implement its business plan over time will depend in part on its ability to raise additional funds for future operations and to repay or refinance debts as they fall due. There is risk that Alto may not be able to access equity or debt capital markets to support its business objectives.

If additional funds are raised through the issue of equity securities, the capital raising may be dilutive to Alto Shareholders (if Alto determines that a pro rata entitlement offer is not the most appropriate method of equity fundraising or Alto Shareholders elect not to participate in such entitlement offers) and such securities may, subject to requisite shareholder approval, have rights, preferences or privileges senior to those holding Alto Shares.

If sufficient funds are not available from capital markets to satisfy Alto's short, medium and long-term capital requirements, then this may adversely impact on Alto's operational, financial performance and financial position.

(k) **Exploration, evaluation and development risks**

Mineral exploration, development and production are high-risk undertakings. While Alto believes it has a quality asset, even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited.

Development and mining activities will be subject to numerous operational risks, many of which are beyond Alto's control. Operations may be curtailed, delayed or cancelled as a result of factors such as adverse weather conditions, mechanical difficulties, shortages in or increases in the costs of consumables, spare parts, plant and equipment, external services failure (such as energy and water supply), industrial disputes and action, difficulties in commissioning and operating plant and equipment, IT system failures, mechanical failure or plant breakdown, and compliance with governmental requirements.

Hazards incidental to the development and mining of mineral properties such as unusual or unexpected geological formations may be encountered, seismic activity, wall failure, cave-ins or slides, burst dam banks, flooding, fires, interruption to, or the increase in costs of, services (such as water, fuel or transport), sabotage, community, government or other interference and interruption due to inclement or hazardous weather conditions. Industrial and environmental accidents could lead to substantial claims against Alto for injury or loss of life, and damage or

destruction to property, as well as regulatory investigations, clean up responsibilities, penalties and the suspension of operations.

Alto will endeavour to take appropriate action to mitigate these operational risks (including by ensuring legislative compliance, properly documenting arrangements with counterparties, and adopting industry best practice policies and procedures) or to insure against them, but the occurrence of any one or a combination of these events may have a material adverse effect on the Alto Group's performance and the value of its assets.

9 Tax Implications for Scheme Shareholders

9.1 Scope

The following is a general summary of the key Australian income tax, goods and services tax (**GST**) and stamp duty implications for Scheme Shareholders disposing of their Alto Shares under the Scheme. This summary has been prepared based on Australian tax laws and administrative practices of the ATO as at the date of this Scheme Booklet (to the extent that those practices are publicly known), which may be subject to change periodically (including with retrospective effect).

This summary is general in nature and is not intended to be authoritative or a complete statement of the law applicable to the particular individual circumstances of any of the Scheme Shareholders. All Scheme Shareholders should consult their own tax advisers regarding the tax consequences of participating in the Schemes.

This summary is relevant to Scheme Shareholders who hold their Alto Shares on capital account for Australian income tax purposes. This summary does not apply to Scheme Shareholders who:

- (a) hold their Alto Shares on revenue account, as trading stock or as assets used in carrying on a business;
- (b) are subject to the “taxation of financial arrangements” rules in Division 230 of the ITAA 1997 in relation to gains and losses on their Alto Shares;
- (c) are subject to special tax rules applicable to certain classes of entities such as tax-exempt organisations, insurance companies, superannuation funds with accounts in a tax-free pension phase or dealers in securities;
- (d) are partnerships or individuals who are partners of such partnerships;
- (e) are temporary residents of Australia for Australian tax purposes;
- (f) changed or change their tax residence while holding Alto Shares;
- (g) are non-residents for Australian tax purposes and who currently hold, or have at any time held, Alto Shares through a permanent establishment in Australia;
- (h) acquired their Alto Shares or any rights in relation to the Alto Shares, pursuant to an employee share or option scheme subject to Division 83A of the ITAA 1997;
- (i) are under a legal disability;
- (j) are taken to have acquired their Alto Shares before 20 September 1985; or
- (k) are subject to the investment manager regime under Subdivision 842-I of the ITAA 1997 in relation to their Alto Shares.

This summary does not take into account or anticipate changes in Australian tax laws or future judicial or administrative interpretations of those tax laws after the date of this Scheme Booklet. This outline also does not take into account the tax laws of any country other than Australia.

9.2 Disposal of Alto Shares – Australian resident Alto Shareholders

This section applies to Alto Shareholders who are residents of Australia for Australian tax purposes and hold their Alto Shares on capital account.

(a) CGT event

Under the Scheme, Alto Shareholders will transfer their Alto Shares to Brightstar. This will result in a disposal of the Alto Shares, which will trigger a CGT event for Australian tax purposes. The CGT event will happen on the date on which the transfer of Alto Shares occurs, which will be on the Implementation Date.

(b) Calculation of capital gain or loss

Subject to the availability of roll-over relief (discussed below), Alto Shareholders should make a capital gain from the disposal of their Alto Shares to the extent that the capital proceeds (see below) received exceed the cost base of their Alto Shares.

Conversely, Alto Shareholders should make a capital loss from the disposal of their Alto Shares to the extent that the capital proceeds received are less than the reduced cost base of their Alto Shares. A capital loss may be used to offset a capital gain made in the same income year or may be carried forward to offset a capital gain made in future income years, subject to the satisfaction of certain loss recoupment tests. Capital losses cannot reduce or offset other income or non-capital gains.

Any resulting net capital gain after the application of any available capital losses and any available CGT discount (discussed below) should be included in an Alto Shareholder's assessable income and will be subject to Australian income tax at the Alto Shareholder's applicable tax rate.

(c) Capital proceeds

The capital proceeds received for the disposal of the Alto Shares will be the market value of the Scheme Consideration on the Implementation Date (or cash in the case of an Ineligible Shareholder) that you receive under the Scheme.

(d) Cost base and reduced cost base

The cost base of an Alto Shareholder's Alto Shares will generally include the amount of money paid, or the value of any property given, in respect of the acquisition of the shares plus certain non-deductible incidental costs (such as brokerage fees) relating to the acquisition, holding and disposal of the Alto Shares.

The reduced cost base of the Alto Shares would usually be determined in a similar, but not identical, manner.

(e) CGT discount

Alto Shareholders that are individuals, complying superannuation entities or trusts who have held their Alto Shares for at least 12 months (disregarding the date of acquisition and the date of disposal) may be entitled to apply the CGT discount to reduce the amount of a capital gain resulting from the disposal of their Alto Shares (after being reduced by any current year capital losses and prior year capital

losses). The CGT discount rate for individuals and trustees is 50% and the CGT discount rate for complying superannuation entities is 33 $\frac{1}{3}$ %. The CGT discount is not available to Alto Shareholders that are companies or trusts that are taxed like companies.

The availability of the CGT discount to beneficiaries of the trusts will depend on the tax profile of the beneficiaries. Trustees should seek their own advice on how the CGT discount provisions will apply to them and beneficiaries.

(f) Availability of CGT roll-over relief

An Alto Shareholder who disposes of their Alto Shares in exchange for New Brightstar Shares, and who would otherwise make a capital gain in respect of the disposal of their Alto Shares, may be able to make a choice whether or not to seek CGT roll-over relief to defer some or all of that gain referable to the Scheme Consideration to the extent that the Alto Shareholder received replacement New Brightstar Shares, in accordance with Subdivision 124-M of the ITAA 1997, and if Brightstar does not make a choice under subsection 124-795(4) of the ITAA 1997 to deny CGT roll-over relief. CGT roll-over relief is not available in respect of Alto Shares for which an Alto Shareholder realises a capital loss on disposal.

Alto Shareholders must make a choice to apply CGT roll-over relief before lodging their income tax return for the income year in which the Implementation Date occurs. An Alto Shareholder will provide evidence of having made a choice to apply CGT roll-over relief by the way they prepare their income tax return (i.e. by excluding the disregarded capital gain from assessable income). There is no need for an Alto Shareholder to lodge a separate notice with the ATO. Under clause 16.2(b) of the Scheme Implementation Deed, Brightstar undertakes to not make a choice under subsection 124-795(4) of the ITAA 1997 to deny CGT roll-over.

If an Alto Shareholder elects to apply CGT roll-over relief, the capital gain that they would otherwise make on the disposal of their Alto Shares will be disregarded.

If CGT roll-over relief is available and chosen, the first element of the tax cost base and reduced tax cost base of the New Brightstar Shares received by the Alto Shareholder should equal the Alto Shareholder's tax cost base and reduced tax cost base (respectively) of their Alto Shares for which CGT roll-over relief is obtained. Alto Shareholders will be taken to have acquired their New Brightstar Shares on the same date as they acquired their Alto Shares.

(g) Where CGT roll-over relief is not chosen or available

Where an Alto Shareholder is not eligible for CGT roll-over relief or does not elect to apply CGT roll-over relief, as outlined above, any capital gain or capital loss made by the Alto Shareholder from the disposal of their Alto Shares will be taken into account in calculating their net capital gain for the income year (as discussed in section 9.2(b) of this Scheme Booklet).

The first element of the tax cost base and reduced tax cost base of each New Brightstar Share that the Alto Shareholder receives should be equal to the market value of the New Brightstar Share on the Implementation Date.

9.3 Disposal of Alto Shares – non-residents of Australia Alto Shareholders

This section 9.3 applies to Alto Shareholders who hold their Alto Shares on capital account, are not residents of Australia for Australian tax purposes and who have not held their Alto Shares at any time in carrying on business through a permanent establishment in Australia.

(a) Capital gains tax

Alto Shareholders who are non-residents at the Implementation Date and who have not held their Alto Shares at any time in carrying on business through a permanent establishment in Australia should only be subject to the Australian CGT rules if their Alto Shares are 'indirect Australian real property interests'.

Alto Shares may be characterised as 'indirect Australian real property interests' if both of the following requirements are satisfied:

- (i) the Alto Shareholder and its 'associates' hold a combined interest of at least 10% in Alto either at the time the Alto Shares are disposed of (or are taken to have been disposed of) or for at least 12 months during the 24 months before the Alto Shares are disposed of (for CGT purposes); and
- (ii) at the time the Alto Shares are disposed of, more than 50% of the value of Alto's assets is attributable to direct or indirect interests in 'taxable Australian real property', being Australian real property (including leases of Australian land) or Australian mining, quarrying or prospecting rights over minerals, petroleum or quarrying materials situated in Australia.

The CGT discount is generally not available to non-resident Alto Shareholders, but may be available in part to those non-resident Alto Shareholders who acquired, or are taken to have acquired, their Alto Shares before 9 May 2012.

(b) CGT withholding

Broadly, where a non-resident disposes of an asset that is an 'indirect Australian real property interest' (discussed above), the purchaser may be required to withhold an amount equal to 12.5% of the first element of the cost base of the asset to the purchaser (which would usually equal the total consideration paid to acquire the asset, i.e. the Scheme Consideration).

If Brightstar determines (acting reasonably) that it is required to pay a CGT withholding amount to the Commissioner of Taxation with respect to the acquisition of the Scheme Shares, it is entitled to do so under the Scheme Implementation Deed. However, prior to exercising any such rights, Brightstar must first use reasonable endeavours to notify the relevant Scheme Shareholder of its intention to withhold so that the Scheme Shareholder has the opportunity to provide a Declaration.

9.4 Implications of holding New Brightstar Shares – Australian residents

(a) Subsequent disposal of New Brightstar Shares

If a Scheme Shareholder sells their New Brightstar Shares after the Implementation Date, any gain or loss should be subject to CGT as the New

Brightstar Shares received by the Scheme Shareholder will be an asset for CGT purposes.

For Alto Shareholders who elect for CGT roll-over relief to apply, the first element of the tax cost base or reduced tax cost base for the New Brightstar Shares they own will equal the tax cost base or reduced tax cost base referred to in section 9.2(d) of this Scheme Booklet.

For the purposes of determining whether the CGT discount applies on any subsequent disposal of the New Brightstar Shares, the acquisition date for Alto Shareholders who elect for CGT roll-over relief to apply will be the date on which they acquired (or are taken to have acquired) their original Alto Shares.

If an election for CGT roll-over relief is not made or roll-over relief is otherwise not available, the tax cost base of the New Brightstar Shares is equal to the market value of the New Brightstar Shares at the Implementation Date. The CGT discount is only available for eligible shareholders once the Alto Shareholder has held their New Brightstar Shares for at least 12 months.

(b) Dividends from Brightstar

Any dividends received from Brightstar and any franking credits attached to those dividends should be included in the assessable income of the Alto Shareholder. If the Alto Shareholder is an Australian resident individual or complying superannuation fund, to the extent that the shareholder's entitlement to franking credits exceeds their tax liability for the income year, those excess franking credits may be refunded to the shareholder.

Corporate shareholders are not eligible to receive a refund of excess franking credits, to the extent the corporate shareholder's entitlement to franking credits exceeds their tax liability for the income year.

Shareholders are generally required to have held their shares 'at risk' for 45 days (not including the day of the share's acquisition or disposal) in order to be eligible for the franking benefits. Alto Shareholders should obtain their own advice on the application of these rules to their personal circumstances.

9.5 Australian Goods and Services Tax

No GST will generally be payable by Scheme Shareholders in respect of the disposal of their Alto Shares under the Scheme.

However, GST may be incurred by a Scheme Shareholder on transaction costs incurred such as fees charged by a professional adviser that they have engaged to advise them on the Scheme. In these circumstances, there may be restrictions imposed upon Scheme Shareholders in respect of their ability to recover any GST paid in the form of tax input credits on such costs incurred. Scheme Shareholders should seek independent GST advice based on their individual circumstances.

9.6 Stamp duty

No Australian stamp duty should be payable by Scheme Shareholders in respect of a disposal of their Alto Shares under the Scheme.

10 Other Information

10.1 Introduction

This section includes additional information that the Directors consider may be material to a decision on how to vote on the Scheme Resolution to be considered at the Scheme Meeting to approve the Scheme.

10.2 Interests of the Directors in Alto Shares

As at the date of this Scheme Booklet, the Directors have the following Relevant Interests in Alto Shares:

Director	Number of Alto Shares	Percentage Interest in Alto Shares (undiluted basis)
Mark Connelly (Independent Non-Executive Chair)	500,000	0.07%
Matthew Bowles (Managing Director)	9,750,000	1.35%
Richard Monti (Independent Non-Executive Director)	8,542,735	1.18%

Each Director will vote or procure the voting of their Director Shares in favour of the Scheme at the Scheme Meeting, in the absence of a Superior Proposal and provided that the Independent Expert continues to conclude that the Scheme is in the best interests of the Alto Shareholders.

No Director has acquired or disposed of a Relevant Interest in any Alto Share or other security in the four month period ending on the date immediately before the date of this Scheme Booklet.

10.3 Interests of the Directors in Alto Performance Rights

The table below show the Alto Performance Rights held directly or indirectly by the Directors.

Director	Number of Alto Performance Rights
Mark Connelly (Independent Non-Executive Chair)	3,000,000
Matthew Bowles (Managing Director)	6,000,000 ⁶¹
Richard Monti (Independent Non-Executive Director)	3,000,000 ⁶²

⁶¹ Held via Atlantic Capital Pty Ltd, in which Mr Bowles is a director and shareholder.

⁶² Held via Greatcity Corporation Pty Ltd, in which Mr Monti is a director and shareholder.

The Alto Performance Rights identified in the table above will be treated as described in section 10.5 below in connection with the Scheme.

10.4 Alto incentive and equity arrangements

The Alto Performance Rights currently on issue are governed by the terms of the 'Alto Metals Limited Employee Securities Incentive Plan'.

A summary of that incentive plan is contained in the Alto notice of annual general meeting released to ASX on 2 November 2022.

10.5 Treatment of Alto Performance Rights in connection with the Scheme

Clause 5.4 of the Scheme Implementation Deed requires that Alto take such action as is necessary to ensure that subject to the Scheme becoming Effective, prior to the Record Date, all Alto Performance Rights will vest or lapse in accordance with their terms and be exercised (if applicable).

As noted in section 5.5 of this Scheme Booklet, there are 18,250,000 Alto Performance Rights on issue. All of those Alto Performance Rights expire on 12 December 2026. Further, the relevant vesting conditions for the Alto Performance Rights are as follows:

- (a) The Performance Rights will vest, subject to the satisfaction of the following performance milestones being met before the Expiry Date (**Milestone**) and the relevant holder being an employee, office-bearer or consultant of Alto at the time of the Milestone being satisfied, or as otherwise determined by the Board.
- (b) Performance Rights will vest upon Alto announcing a Mineral Resource in accordance with JORC (2012) within the Sandstone Gold Project, as follows:

	% of Alto Performance Rights eligible for vesting
JORC (2012) compliant Mineral Resource of 1.5 million ounces, located within the Sandstone Gold Project	50%
Completion of a Feasibility Study	50%

It is not expected that these hurdles will be met before the Effective Date. However, the terms of the performance rights also provide, relevantly, that:

- (a) subject to compliance with applicable law (including the ASX Listing Rules as they apply to Alto), Alto Performance Rights shall immediately convert to Shares upon a 'Change of Control Event' occurring; and
- (b) 'Change of Control Event' is defined to include, relevantly, where a court approves under section 411(4)(b) of the Corporations Act, a proposed compromise arrangement for the purpose of, or in connection with, a scheme for the reconstruction of Alto or its amalgamation with any other company or companies.

Therefore, all unvested Alto Performance Rights will automatically vest upon, the Court approving the Scheme under section 411(4)(b) of the Corporations Act on the Second Court Date.

Alto confirms that it already has in place arrangements with the holders of all Alto Performance Rights, such that Alto Shares will be issued as soon as practicable after such vesting and in any event prior to the Record Date.

10.6 Securities in Brightstar held by, or on behalf of, the Directors

As at the date of this Scheme Booklet, no securities in Brightstar are held by, or on behalf of, any of the Directors.

10.7 Directors' interest in any contract with Brightstar

Other than as set out in this Scheme Booklet, no Director or their Associate has entered into, or otherwise has any interest, in any contract with Brightstar or any Related Body Corporate of Brightstar.

10.8 Other interests of the Directors

(a) Interests of the Directors

As at the date of this Scheme Booklet, no Alto Director has any interest, whether as a director, member or creditor of Alto or otherwise, which is material to the Scheme, other than;

- (i) in their capacity as a holder of Alto Shares or Alto Performance Rights;
- (ii) in connection with the D&O Deeds, as described in section 10.8(b) of this Scheme Booklet; and/or
- (iii) as otherwise disclosed in this Scheme Booklet.

(b) D&O Deeds

Alto has entered into deeds of indemnity, insurance and access with the Directors on customary terms (**D&O Deeds**). Under the Scheme Implementation Deed, Brightstar acknowledges and agrees that:

- (i) Brightstar will procure that Alto complies with the D&O Deeds and pays all premiums and other costs of such insurance for run off directors' and officers' liability cover put in place in accordance with the SID (**Run Off Cover**); and
- (ii) the Run Off Cover will cover claims made up to 7 years after the Implementation Date in respect of conduct or matters occurring on or before the Implementation Date.

10.9 Directors' interest in agreements connected with or conditional on the Scheme

Other than the deeds of release or fees described below or as otherwise described in this Scheme Booklet, as at the date of this Scheme Booklet, there is no agreement or arrangement made between any Alto Director and any other person, including Brightstar, in connection with or conditional on the outcome of this Scheme.

(a) **Matthew Bowles – incoming non-executive director of Merged Group**

Alto's Managing Director, Mr Matthew Bowles, will be appointed to the board of the Merged Group as a non-executive director from implementation of the Scheme.

(b) **Deeds of release**

In accordance with clause 6.7 of the Scheme Implementation Deed, each relevant member of the Alto Group has entered or will enter into a deed of (variously) resignation or termination and release with each relevant Director and secretary of that member of the Alto Group. Each of these deeds provide that each party releases the other from all claims against the other, subject to law, from the Implementation Date.

10.10 Payments or benefits to the Directors, secretary or officers

Paragraph 8302(d) of Part 3 of Schedule 8 of the Corporations Regulations requires this Scheme Booklet to set out particulars of any payment or benefit made or given to any Director, secretary or executive officer (as defined in the Corporations Act) of Alto or a Related Body Corporate as compensation for loss of, or consideration for or in connection with his or her retirement from, office in Alto or a Related Body Corporate.

Pursuant to the terms of his employment arrangements, upon loss of his office Mr Matthew Bowles, Managing Director of Alto shall receive the average of 12 months' salary across the last three years in lieu of notice, as permitted by and subject to law (equal to approximately \$321,000 excluding statutory entitlements).

Pursuant to the terms of his service arrangements, upon loss of his role, Mr Graeme Smith, Company Secretary and Chief Financial Officer of Alto, shall receive the equivalent of three months' fees (based on the average of the previous 12 months of services) (equal to approximately \$21,000).

Aside from the foregoing, there is no payment or other benefit that is proposed to be made or given to any Director, secretary or executive officer of Alto (or any of its Related Bodies Corporate) as compensation for the loss of, or consideration for or in connection with his or her retirement from, office in Alto (or any of its Related Bodies Corporate) in connection with, or that is materially affected by the implementation of, the Scheme.

10.11 Key terms of the Scheme Implementation Deed

On 1 August 2024, Alto and Brightstar entered into the Scheme Implementation Deed, which governs the conduct of the parties in implementing the Scheme.

A summary of the key terms of the Scheme Implementation Deed is set out below. A full copy of the Scheme Implementation Deed was released to ASX on the Announcement Date, being 1 August 2024 and can be obtained at www.asx.com.au.

Capitalised terms used in this section 10.11 of this Scheme Booklet which are not otherwise defined have the meaning given to them in the Scheme Implementation Deed.

(a) **Conditions Precedent**

Implementation of the Scheme is subject to the Conditions Precedent summarised in section 3.6 of this Scheme Booklet and set out in full in clause 2.1 of the Scheme Implementation Deed.

(b) **Board recommendation**

The Scheme Implementation Deed requires that Alto procure that the Board unanimously recommend that Alto Shareholders vote in favour of the Scheme in the absence of a Superior Proposal and subject to the Independent Expert concluding (and continuing to conclude) in the Independent Expert's Report that the Scheme is in the best interests of Alto Shareholders.

Further, the Scheme Implementation Deed provides the Board collectively and individually, must not change, withdraw or modify their recommendation in favour of the Scheme, or support or endorse a Competing Proposal, unless:

- (i) the Independent Expert concludes in the Independent Expert's Report that the Scheme is not in the best interests of Alto Shareholders;
- (ii) there is a Superior Proposal and, after taking relevant steps, the Board determines that it no longer considers the Scheme to be in the best interests of Alto Shareholders;
- (iii) the Board has received written financial and legal advice that the Board is, by virtue of its directors duties, required to change, withdraw or modify its recommendation;
- (iv) Brightstar has materially breached the Scheme Implementation Deed and Alto has provided notice of termination; or
- (v) there is a failure to satisfy a Condition Precedent by the relevant date and that condition is for the benefit of Alto or both parties, other than as a result of a breach by Alto.

(c) **Obligations to implement the Scheme**

Alto and Brightstar must take all necessary steps to implement the Scheme as soon as reasonably practicable in accordance with the indicative timetable set out in Schedule 2 of the Scheme Implementation Deed.

(d) **Exclusivity provisions**

The Scheme Implementation Deed provides for exclusivity provisions. These restrictions apply to Alto from the date of the Scheme Implementation Deed (being 1 August 2024) until the earlier of the End Date, and the termination of the Scheme Implementation Deed (**Exclusivity Period**).

The Scheme Implementation Deed contains the following customary exclusivity provisions (see clause 12 of the Scheme Implementation Deed):

- (i) *no shop*: Alto is not permitted to solicit, invite, encourage or initiate a Competing Proposal with any Third Party, or assist, encourage, procure or induce any person to do so on its behalf.
- (ii) *no talk*: Alto must not:
 - (A) enter into or continue negotiations or discussions with any Third Party in relation to a Competing Proposal;

- (B) negotiate, accept or enter into, or offer or agree to negotiate, accept or enter into, any agreement, arrangement or understanding regarding a Competing Proposal; or
 - (C) communicate any intention to do the above or assist, encourage, procure or induce any person to do the above on its behalf.
- (iii) *no due diligence*: Alto must not make available to any Third Party or permit any Third Party (other than a Government Agency) to receive any non-public information relating to the Alto Group that may reasonably be expected to assist such Third Party in formulating, developing or finalising a Competing Proposal, or assist, encourage, procure or induce any person to do so on its behalf.
- (iv) *notification of approaches*: Alto must give Brightstar written notification of:
- (A) any approach, inquiry or proposal made by any person to initiate any discussions or negotiations that concern a Competing Proposal; and
 - (B) any request made by any person for any non-public information relating to the Alto Group or any of their businesses and operations, in connection with such person formulating, developing or finalising, or assisting in the formulation, development or finalisation of, a Competing Proposal.
- (v) *matching right*: Brightstar has the right, but not the obligation, at any time within 3 Business Days after the day on which Alto provides the relevant notice of a potential Competing Proposal, to propose to amend the terms of the Scheme including to increase the amount of consideration offered under the Scheme or propose any other form of transaction (**Counter Proposal**). If the Directors of Alto determine the Counter Proposal would be demonstrably more favourable to Alto Shareholders than the Competing Proposal, then Alto must recommend the Counter Proposal to Alto Shareholders.
- (vi) *fiduciary exception*: the 'no talk', 'no due diligence' and notification of approaches obligations will not apply to the extent they restrict Alto or any Director of Alto from taking or refusing to take any action with respect to a Competing Proposal (in relation to which there has been no contravention of clause 12 of the Scheme Implementation Deed), provided that:
- (A) the Competing Proposal is bona fide and is made by or on behalf of a person that the Directors of Alto consider is of sufficient commercial standing to implement the Competing Proposal; and
 - (B) the Directors of Alto have determined in good faith after consultation with its legal and financial advisers that the Competing Proposal is or may be expected to lead to a Superior Proposal, or failing to take the action or refusing to take the action with respect to the Competing Proposal would likely constitute a breach of the Board's fiduciary or statutory obligations.
- (e) **Break fee**

The Scheme Implementation Deed contains a customary break fee of \$440,000 payable by Alto to Brightstar which will be triggered if:

- (i) prior to the earlier of the Effective Date or the End Date, one or more of the Directors withdraws or adversely modifies his support of the Scheme or his recommendation that Alto Shareholders vote in favour of the Scheme, or makes a public statement indicating that they no longer support the Scheme or that they support a Competing Proposal, other than as a result of:
 - (A) a matter giving Alto the right to terminate the Scheme Implementation Deed for material breach by Brightstar;
 - (B) failure of a Condition Precedent which is for the benefit of Alto or both parties (other than as a result of a breach by Alto); or
 - (C) the Independent Expert provides a report to Alto (either initially or in an updated report) which concludes that the Scheme is not in the best interests of Alto Shareholders, other than because of a Competing Proposal;
- (ii) during the Exclusivity Period, Alto directly or indirectly, was aware of, becomes aware of or receives from a Third Party an approach in relation to an actual, proposed or potential Competing Proposal and that Competing Proposal (or any related Competing Proposal or Competing Proposal arising out of that Competing Proposal) is completed at any time prior to the first anniversary of the date of the public announcement of such Competing Proposal; or
- (iii) Brightstar terminates the Scheme Implementation Deed for material breach by Alto.

(f) **Reverse break fee**

The Scheme Implementation Deed contains a reverse break fee of \$880,000 payable by Brightstar to Alto which will be triggered if Alto terminates the Scheme Implementation Deed for material breach by Brightstar.

(g) **Representations and warranties**

The Scheme Implementation Deed contains customary representations and warranties given by each of Alto and Brightstar to each other.

These representations and warranties are set out in Schedule 3 (in the case of Brightstar) and Schedule 4 (in the case of Alto) of the Scheme Implementation Deed.

(h) **Conduct of Alto's business**

Clause 6.3 of the Scheme Implementation Deed requires Alto carry on its business and operations in the ordinary and usual course generally consistent with the manner in which Alto has conducted its business and operations in the 12 months prior to the Scheme Implementation Deed.

Alto will be able to take actions expressly permitted or required to be done by Alto under the Scheme or Scheme Implementation Deed.

(i) **Termination rights**

Brightstar may terminate the Scheme Implementation Deed at any time before 8:00am (AWST) on the Second Court Date if:

- (i) before the relevant date, a Condition Precedent solely or jointly for Brightstar's benefit cannot be satisfied and is not waived by the time required in the Scheme Implementation Deed for it to be satisfied or waived;
- (ii) if, after the relevant date applicable to a Condition Precedent solely or jointly for Brightstar's benefit, that Condition Precedent has not been satisfied or waived at that time;
- (iii) if the Effective Date has not occurred by the End Date;
- (iv) Alto is in material breach of the Scheme Implementation Deed and that breach remains unremedied within 10 Business Days;
- (v) a Director of Alto withdraws, changes or modifies his support of the Scheme or his recommendation that Alto Shareholders vote in favour of the Scheme (other than in certain circumstances), or recommends, endorses or supports any Competing Proposal;
- (vi) a Competing Proposal for Alto is received or announced and a majority of the Directors of Alto make a public statement to the effect that they no longer recommend the Scheme or that they recommend the Competing Proposal;
or
- (vii) a Third Party that does not have a Relevant Interest in 20% or more of Alto at the date of the Scheme Implementation Deed, obtains a Relevant Interest in Alto of 20% or more.

Alto may terminate the Scheme Implementation Deed at any time before 8:00am (AWST) on the Second Court Date if:

- (i) before the relevant date, a Condition Precedent solely or jointly for Alto's benefit cannot be satisfied and is not waived by the time required in the Scheme Implementation Deed for it to be satisfied or waived;
- (ii) if, after the relevant date applicable to a Condition Precedent solely or jointly for Alto's benefit, that Condition Precedent has not been satisfied or waived at that time;
- (iii) if the Effective Date has not occurred by the End Date;
- (iv) Brightstar is in material breach of the Scheme Implementation Deed and that breach remains unremedied within 10 Business Days;
- (v) a majority of Directors of Alto withdraw or adversely change their recommendation that Alto Shareholders vote in favour of the Scheme or recommend a Competing Proposal, in either case provided that either:
 - (A) the Board has determined that the Competing Proposal is a Superior Proposal and Brightstar's matching rights have been fully exhausted;
or

- (B) the Independent Expert has concluded that the Scheme is not in the best interests of Alto Shareholders, or having previously concluded that the Scheme is in the best interests of Alto Shareholders, withdraws or changes that conclusion;
- (vi) a Third Party that does not have a Relevant Interest in 20% or more of Brightstar at the date of the Scheme Implementation Deed, obtains a Relevant Interest in Brightstar of 20% or more.

10.12 Brightstar Loan Agreement

Alto notes that as announced on 1 August 2024, Brightstar and Alto entered into the Brightstar Loan Agreement under which Brightstar will provide Alto with a standby unsecured \$2,000,000 facility to assist Alto with working capital until implementation of the Scheme. The loan will be repayable 12 months after the date of the Scheme Implementation Deed, but with an obligation to repay the amounts early in full:

- (a) within 30 days if there is a change of control in Alto (other than in pursuant to the Scheme); or
- (b) within four calendar months if a condition to the Scheme (other than those relating to Alto Shareholder approval, the report of the independent expert, and completion of the Brightstar Capital Raising), is not satisfied by the End Date for the Scheme; or
- (c) upon demand following an event of default (which is to include, in addition to customary events of default, the Scheme Implementation Deed being terminated by Brightstar as a result of Alto's material breach of an obligation under, or a representation or warranty given under, the Scheme Implementation Deed).

Interest will be payable on amounts drawn down at the rate of Secured Overnight Financing Rate plus 5% per annum.

10.13 Waivers, relief and exceptions

(a) **ASX Waivers**

Alto does not consider any waivers from ASX are required in connection with the Scheme.

(b) **ASIC relief and exceptions**

Paragraph 8302(h) of Part 3 of Schedule 8 of the Corporations Regulations requires that the Scheme Booklet set out whether, within the knowledge of the Directors, the financial position of Alto has materially changed since the date of the last balance sheet laid before Alto in general meeting or sent to Alto Shareholders in accordance with section 314 or 317 of the Corporations Act and, if so, to provide full particulars of any such change.

ASIC has granted relief from this requirement so that Alto need only state in the Scheme Booklet whether, within the knowledge of the Directors, the financial position of Alto has materially changed since the date of the financial statements of Alto for the year ended 30 June 2024, rather than since the financial statements of Alto for the full year ended 30 June 2023, and, if so, to provide full particulars of any such change. A copy of the financial statements of Alto for the full year ended

30 June 2024 (together with all other periodic reports) can be obtained in accordance with the directions in section 5.6(e) of this Scheme Booklet.

10.14 Consents and disclaimer of advisers and experts

Gilbert + Tobin has given its written consent to be named in the Scheme Booklet, and for the provision of the summary in section 9 of this Scheme Booklet, as the solicitors to Alto in the form and context in which it is named and has not withdrawn its consent prior to lodgement of the Scheme Booklet with ASIC and the Supreme Court of Western Australia.

Longreach Capital has given its written consent to be named in the Scheme Booklet as the financial adviser to Alto in the form and context in which it is named and has not withdrawn its consent prior to lodgement of the Scheme Booklet with ASIC and the Supreme Court of Western Australia.

Automatic Registry Services, as the Registry, has given its written consent to be named in the Scheme Booklet as the Registry in the form and context in which it is named and has not withdrawn its consent prior to lodgement of the Scheme Booklet with ASIC and the Supreme Court of Western Australia.

BDO, as the Independent Expert, has given its written consent to:

- (a) to be named in the Scheme Booklet as the independent expert appointed by Alto in the form and context in which it is named; and
- (b) the inclusion of the Independent Expert's Report in this Scheme Booklet and to the references to the Independent Expert's Report in this Scheme Booklet in the form and context in which they are made,

and has not withdrawn its consent prior to lodgement of the Scheme Booklet with ASIC and the Supreme Court of Western Australia.

SRK, as the Independent Technical Specialist, has given its written consent to the inclusion of its Independent Technical Specialist's Report in this Scheme Booklet and to the references to its Independent Technical Specialist's Report in this Scheme Booklet being made in the form and context in which each such reference is included and has not withdrawn its consent prior to lodgement of the Scheme Booklet with ASIC and the Supreme Court of Western Australia.

Each of the above persons:

- (a) has not authorised or caused the issue of this Scheme Booklet and does not otherwise make or purport to make any statement in this Scheme Booklet;
- (b) does not make, or purport to make, any statement in this Scheme Booklet or any statement on which a statement in this Scheme Booklet is based other than, in the case of the statement or report included in this Scheme Booklet with the consent of that party;
- (c) to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Scheme Booklet, other than a reference to its name or statement or report, if any, which has been included in this Scheme Booklet with the consent of that party; and

- (d) will be entitled to receive professional fees charged in accordance with their normal basis of charging or as otherwise disclosed in the Scheme Booklet.

10.15 Independent advice

Alto Shareholders should consult their own independent financial, legal, taxation or other professional adviser if they have any queries regarding;

- (a) the Scheme;
- (b) the taxation implications for them if the Scheme is implemented;
- (c) the recommendations of the Directors in this Scheme Booklet and intentions in relation to the Scheme as set out in this Scheme Booklet; and
- (d) any other aspects of this Scheme Booklet.

10.16 No unacceptable circumstances

The Directors believe that the Scheme does not involve any circumstances in relation to the affairs of Alto that could reasonably be characterised as constituting “unacceptable circumstances” for the purposes of section 657A of the Corporations Act.

10.17 Fees and expenses

The aggregate amount of the fees and expenses expected to be incurred by Alto in connection with the Scheme is approximately \$1.1 million (excluding GST). This includes the following amounts (all excluding GST):

- (a) fees and expenses paid or payable (excluding GST) to Alto’s professional advisers (including its financial, legal, accounting, communications and tax advisers) of approximately \$0.9 million if the Scheme becomes effective or \$0.5 million if it does not become effective;
- (b) fees paid or payable to the Independent Expert and the Independent Technical Specialist of approximately \$0.2 million in aggregate; and
- (c) Share Registry costs, fees and expenses associated with the Court proceedings, costs relating to design, printing and dispatch of this Scheme Booklet, expenses associated with convening and holding the Scheme Meeting and other general and administrative expenses in connection with the Scheme, of approximately \$0.04 million in aggregate.

Of this, approximately \$0.7 million will be paid irrespective of whether the Scheme becomes Effective (and is implemented).

These amounts do not include the transaction costs that may be incurred by Brightstar in relation to the Scheme.

10.18 Other material information

Except as set out in this Scheme Booklet, in the opinion of the Board, there is no other information material to the making of a decision in relation to the Scheme, being information that is within the knowledge of any Director or of any Related Body Corporate of Alto which has not been previously disclosed to the Alto Shareholders.

10.19 Continuous disclosure

Alto is subject to regular reporting and disclosure obligations under the Corporations Act and Listing Rules. Alto has an obligation (subject to limited exceptions) to notify ASX immediately upon becoming aware of any information which a reasonable person would expect to have a material effect on the price or value of Alto Shares. Copies of documents filed with ASX may be obtained from ASX's website.

In addition, Alto is also required to lodge various documents with ASIC. Copies of documents lodged with ASIC in relation to Alto may be obtained from, or inspected at, an ASIC office.

10.20 Supplementary information

If between the date of lodgement of this Scheme Booklet for registration with ASIC and the Second Court Date Alto becomes aware of any of the following:

- (a) a material statement in this Scheme Booklet becomes false and misleading;
- (b) a material omission from this Scheme Booklet;
- (c) a significant change affecting a matter included in this Scheme Booklet; or
- (d) a significant new matter arising which would have been required to be included in this Scheme Booklet if it has arisen before the date of lodgement of this Scheme Booklet for registration by ASIC,

then Alto intends to publish supplementary material by releasing that material at www.asx.com.au) and posting the supplementary document on Alto's website www.altometals.com.au).

The form which the supplementary material may take, and whether a copy will be sent to Alto Shareholders, will depend on the nature and timing of the new or changed circumstances and the supplementary material. In each case, Alto will obtain any necessary regulatory or court approvals prior to release or dispatch of the supplementary material.

10.21 Competent Persons Statements

- (a) **Compliance Statement – Menzies & Laverton Gold Projects (Exploration & Mineral Resources)**

With reference to previously reported Exploration Results and Mineral Resources, Brightstar confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. Brightstar confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

(b) **Competent Person Statement – Mineral Resources (Jasper Hills)**

With reference to the information in this Scheme Booklet that relates to Mineral Resources at the Jasper Hills Gold Project, Brightstar confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. Brightstar confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

(c) **Competent Person Statement – Mineral Resources (Second Fortune)**

With reference to the information in this Scheme Booklet that relates to Mineral Resources at the Second Fortune Gold Project, Brightstar confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. Brightstar confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

(d) **Competent Person Statement – Mineral Resources (Sandstone)**

The Mineral Resource estimate for the Sandstone Project referred to in this Scheme Booklet was first reported in accordance with Listing Rule 5.8 in Alto's ASX announcement dated 3 April 2023. Alto confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. Alto confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

(e) **Competent Person Statement – Exploration (Montague East Gold Project)**

The information in this report that relates to Exploration Results is based on and fairly represents information compiled or reviewed by Mr Stuart Stephens who is a full-time employee of Gateway Mining Ltd and is a current Member of the Australian Institute of Geoscientists. Mr Stephens owns options in Gateway Mining Ltd. Mr Stephens has sufficient experience, which is relevant to the style of mineralisation and types of deposit under consideration and to the activities undertaken, to qualify as a Competent Person as defined in the JORC Code. Mr Stephens consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

(f) **Competent Person Statement – Mineral Resources (Montague East Gold Project)**

The information in this Scheme Booklet that relates to the Estimation and Reporting of the Julias, Montague-Boulder, Evermore and Achilles North/Airport Mineral Resources is based on and fairly represents information compiled and reviewed by Ms Elizabeth Haren of Haren Consulting Pty Ltd who is an independent consultant to Gateway Mining Limited and is a current Fellow and

Chartered Professional of the Australasian Institute of Mining and Metallurgy and Member of the Australian Institute of Geoscientists. Ms Haren has sufficient experience, which is relevant to the style of mineralisation and types of deposits under consideration and to the activities undertaken, to qualify as a Competent Person as defined in the JORC Code. Ms Haren consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

(g) **Competent Person Statement – Mineral Resources (Montague East Gold Project)**

The information in this Scheme Booklet that relates to the Estimation and Reporting of the Whistler Mineral Resources is based on and fairly represents information compiled and reviewed by Mr Peter Langworthy who is a full time employee of Gateway Mining Limited and is a current Member of the Australasian Institute of Mining and Metallurgy. Mr Langworthy has sufficient experience, which is relevant to the style of mineralisation and types of deposits under consideration and to the activities undertaken, to qualify as a Competent Person as defined in the JORC Code. Mr Langworthy consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

10.22 Directors' statement

The issue of this Scheme Booklet has been authorised by the Board, and this Scheme Booklet has been signed by or on behalf of the Directors. The Board has given (and not withdrawn) its consent to lodgement of this Scheme Booklet with ASIC.

Signed for and on behalf of Alto Metals Limited:



Mark Connelly
Non-Executive Chair
Alto Metals Limited

11 Definitions and Interpretation

11.1 Definitions

In this Scheme Booklet (including the appendices) except where the context otherwise requires, the following terms shall bear the following meanings:

A\$, \$ or AUD\$ means Australian dollars.

Alto means Alto Metals Limited ABN 62 159 819 173.

Alto Group means Alto and each of its Related Bodies Corporate.

Alto Information means all information included in this Scheme Booklet and all information provided by or on behalf of Alto to the Independent Expert to enable the Independent Expert's Report to be prepared and completed, but does not include the Brightstar Information, the Independent Expert's Report or any other expert report (including the Independent Technical Specialist's Report).

Alto Performance Rights means a performance right as set out in the table in section 5.5(a) of this Scheme Booklet.

Alto Shares means fully paid ordinary shares in Alto.

Alto Shareholders means the holders of Alto Shares as recorded in the Share Register.

Alto Tenements means the tenements listed in Part A of Appendix 7 to this Scheme Booklet.

Announcement Date means 1 August 2024, being the date upon which Alto and Brightstar jointly announced the Scheme to ASX.

ASIC means the Australian Securities and Investments Commission.

Associate in relation to each party, has the meaning given in sections 11, 12 and 16 of the Corporations Act.

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

ATO means the Australian Taxation Office.

AWST means Australian Western Standard Time.

BCM means Blue Cap Mining Pty Ltd (ACN 133 660 045).

BDO means BDO Corporate Finance Australia Ltd (ACN 050 038 170, AFSL No 247 420).

Board means the board of Directors of Alto from time to time.

Brightstar means Brightstar Resources Limited ABN 44 100 727 491.

Brightstar Capital Raising means the two-tranche \$24 million placement (before costs) to professional and sophisticated investors at \$0.015 per Brightstar Share, as announced on 1 August 2024.

Brightstar Group means Brightstar and each of its Related Bodies Corporate at the date of this Scheme Booklet.

Brightstar Information means all information regarding the Brightstar Group and the Merged Group Information, provided by or on behalf of Brightstar to Alto or the Independent Expert to enable the Scheme Booklet to be prepared and completed including all of the information in section 6 and section 7 of this Scheme Booklet.

Brightstar Key Projects has the meaning given to the term in section 6.2 of this Scheme Booklet.

Brightstar Loan Agreement means the \$2 million loan facility agreement between Brightstar and Alto dated 1 August 2024.

Brightstar Material Adverse Change means an event or circumstance that occurs, is announced or becomes known (in each case whether or not it becomes public) after the execution of the Scheme Implementation Deed that:

- (a) has or could reasonably be expected to have individually or when aggregated with all such events or circumstances the effect of diminishing the net assets of the Brightstar Group (excluding any reduction in cash incurred in the ordinary course of business or in the course of implementing the Scheme) by \$1,000,000 or more;
- (b) gives rise to the suspension, revocation, invalidity, unenforceability, materially adverse variation, premature lapse or premature termination of all or any material rights under any Brightstar Tenement (other than planned relinquishment or abandonment), the effect of which is or may be (individually or in aggregate) material to the Brightstar Group as a whole; or
- (c) involves the grant of mining or other rights or interests of any kind over all or part of any area covered by or the subject of a Brightstar Tenement to any person other than the holder(s) of that Brightstar Tenement (in that capacity) which materially conflict or could reasonably be expected to materially conflict with the enjoyment of the rights conferred or purported to be conferred by that Brightstar Tenement;

but does not include any event or circumstance:

- (d) required to be done or procured by Brightstar pursuant to the Scheme Implementation Deed or the Scheme;
- (e) done with the express prior written consent of Alto;
- (f) to the extent that it was fully and fairly disclosed in the due diligence materials;
- (g) to the extent that it was fully and fairly disclosed in public filings of Brightstar with ASX since 31 December 2023;
- (h) resulting from changes in the general economic or business conditions (including commodity prices and exchange rates) which impact on the Brightstar Group members and their competitors in substantially the same way;

- (i) arising as a result of any generally applicable change in law or governmental policy in any of the jurisdictions in which a Brightstar Group member operates; or
- (j) resulting from changes in generally accepted accounting principles or the interpretation of them by any professional body or Government Agency.

Brightstar Options means an option issued by Brightstar to acquire a Brightstar Share as set out in section 6.9(b) of this Scheme Booklet.

Brightstar Performance Rights means a performance right issued by Brightstar as set out in section 6.9(b) of this Scheme Booklet.

Brightstar Prescribed Event means except as required or specifically acknowledged by or disclosed in the Scheme Implementation Deed or by the Scheme, or with the prior written consent of Alto, the occurrence of any of the following between the date of the Scheme Implementation Deed and 8:00am (AWST) on the Second Court Date:

- (a) Brightstar converting all or any of its shares into a larger or smaller number of shares;
- (b) any member of the Brightstar Group (other than a direct or indirect wholly owned subsidiary of Brightstar) resolving to reduce its share capital in any way or reclassifying, combining, splitting or redeeming or repurchasing directly or indirectly any of its shares;
- (c) any member of the Brightstar Group (other than a direct or indirect wholly owned subsidiary of Brightstar):
 - (i) entering into a buy-back agreement; or
 - (ii) resolving to approve the terms of a buy-back agreement;
- (d) any member of the Brightstar Group declaring, paying or distributing any dividend, bonus or other share of its profits or assets or returning or agreeing to return any capital to its shareholders (other than a direct or indirect wholly owned subsidiary of Brightstar declaring, paying or distributing any dividend, bonus or other share of its profits or assets or returning or agreeing to return any capital to Brightstar or to another direct or indirect wholly owned subsidiary of Brightstar);
- (e) a member of the Brightstar Group issuing securities, including without limitation shares, or granting an option over its shares, or agreeing to make such an issue or grant such an option, including pursuant to a dividend reinvestment or other share plan, other than an issue of any shares or other securities:
 - (i) as a result of the exercise of options over unissued Brightstar Shares, or the conversion or exercise of other rights to acquire Brightstar Shares, that are on issue as at the date of the Scheme Implementation Deed;
 - (ii) by a direct or indirect wholly owned subsidiary of Brightstar to Brightstar or to another direct or indirect wholly owned subsidiary of Brightstar; or
 - (iii) where Alto consents in writing (in its absolute discretion);

- (f) a member of the Brightstar Group issuing or agreeing to issue securities convertible into shares, including pursuant to a dividend reinvestment or other share plan;
- (g) Brightstar making any change to its constitution without the consent of Alto (such consent not to be unreasonably withheld or delayed);
- (h) a member of the Brightstar Group charging or agreeing to charge any material asset;
- (i) a member of the Brightstar Group incurs any financial indebtedness or issues any debt securities, other than in the ordinary course of business or pursuant to advances under its credit facilities in existence as at the date of the Scheme Implementation Deed where the funds drawn pursuant to those advances are used in the ordinary course of business;
- (j) a member of the Brightstar Group makes any loans, advances or capital contributions to, or investments in, any other person (other than to or in Brightstar or to another direct or indirect wholly owned subsidiary of Brightstar in the ordinary course of business or to Alto), other than in the ordinary course of business (excluding, for the avoidance of doubt, any advances under the Brightstar Loan Agreement);
- (k) a member of the Brightstar Group entering, varying or terminating any contract, joint venture, partnership or other commitment which is material in the context of the business of the Brightstar Group as a whole, other than in the ordinary course of business;
- (l) a member of the Brightstar Group entering into or resolving to enter into a transaction with a related entity of Brightstar as defined in the Corporations Act, but excluding transactions between members of the Brightstar Group;
- (m) a member of the Brightstar Group settling or compromising a material dispute;
- (n) an insolvency event occurs; or
- (o) any member of the Brightstar Group authorising, committing, announcing or agreeing to take any of the actions referred to in the paragraphs above,

but excludes the transactions contemplated by the Scheme Implementation Deed (including the Brightstar Capital Raising and Montague Acquisition) and matters fully and fairly disclosed by Brightstar.

Brightstar Shares means fully paid ordinary shares in Brightstar.

Brightstar Shareholder means a holder of Brightstar Shares.

Brightstar Tenements means the tenements listed in Part B of Appendix 7 to this Scheme Booklet.

Business Day has the meaning given to the term in the Scheme Implementation Deed.

CGT means capital gains tax.

CHESS means the clearing house electronic subregister system for the electronic transfer of securities operated by ASX Settlement Pty Limited ABN 49 008 504 532.

Competing Proposal means a transaction or arrangement pursuant to which a Third Party (or Third Parties) will, if the transaction or arrangement is entered into or completed:

- (a) acquire (whether directly or indirectly) or become the holder of, or otherwise acquire, have a right to acquire or have an economic interest in all or a substantial part of the business of the Alto Group;
- (b) acquire control (as determined in accordance with section 50AA of the Corporations Act) of Alto or any member of the Alto Group;
- (c) otherwise acquire or merge with Alto or any member of the Alto Group; or
- (d) enter into any agreement, arrangement or understanding requiring Alto to abandon, or otherwise fail to proceed with, the Scheme,

whether by way of takeover offer, scheme of arrangement, shareholder approved acquisition, capital reduction or buy back, sale or purchase of shares or assets, joint venture, dual-listed company structure (or other synthetic merger), or other transaction or arrangement.

Conditions Precedent has the meaning given to the term 'Condition' in the Scheme Implementation Deed and as summarised in section 3.6 of this Scheme Booklet.

Constitution means the constitution of Alto as approved by Alto Shareholders on 25 November 2020.

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

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

Court means the Supreme Court of Western Australia.

D&O Deeds has the meaning given to the term in section 10.8(b) of this Scheme Booklet.

Declaration means a declaration provided by a Scheme Shareholder in accordance with section 14-225 and section 14-210(3) of Schedule 1 to the Taxation Administration Act.

Deed Poll means the deed poll dated 1 August 2024, which was executed by Brightstar prior to the First Court Date, a copy of which is set out in Appendix 2 to this Scheme Booklet.

DFS means Definitive Feasibility Study.

Directors mean the directors of Alto from time to time.

Effective means the coming into effect, pursuant to section 411(10) of the Corporations Act, of the order of the Court made under section 411(4)(b) of the Corporations Act in relation to the Scheme.

Effective Date means the date on which the Scheme becomes Effective, which is currently expected to be 2 December 2024.

Eligible Alto Shareholders means Scheme Shareholders other than Ineligible Shareholders.

End Date means the date that is six months after the date of the Scheme Implementation Deed, or such other date as Alto and Brightstar agree.

First Court Date means the date of the first hearing of the application made to the Court for an order pursuant to section 411(1) of the Corporations that the Scheme Meeting be convened, which occurred on 11 October 2024.

Gateway means Gateway Mining Limited (ACN 008 402 391).

Gateway Deferred Consideration Shares has the meaning given to the term in section 6.11(a) of this Scheme Booklet.

GPWA means Gateway Projects Pty Ltd (ACN 060 638 057).

Government Agency means any foreign or Australian government or governmental semi-governmental, administrative, fiscal or judicial body, department, commission, authority, tribunal, agency or entity, or any minister of the Crown in right of the Commonwealth of Australia or any other federal, state, provincial, local or other government (foreign or Australian).

GST has the meaning given to the term in section 9.1 of this Scheme Booklet.

GST Law has the meaning given to that term in *A New Tax System (Goods and Services Tax) Act 1999* (Cth).

Implementation Date means the third Business Day following the Record Date.

Independent Expert means BDO.

Independent Expert's Report means the Independent Expert's report dated 8 October 2024 as set out in Appendix 1 to this Scheme Booklet including the Independent Technical Specialist's Report.

Ineligible Foreign Shareholder means a Scheme Shareholder whose address as shown in the Share Register is located outside Australia and its external territories, New Zealand, Germany or China as at the Record Date unless Brightstar is satisfied that it is permitted to allot and issue New Brightstar Shares to that Scheme Shareholder pursuant to the Scheme by the laws of that place, without having to comply with any governmental approval or other consent or registration, filing or other formality which Brightstar regards as unduly onerous.

Ineligible Shareholders means Ineligible Foreign Shareholders and Non-electing Small Shareholders.

Independent Technical Specialist means SRK.

Independent Technical Specialist's Report means the report of SRK dated 8 October 2024 contained within the Independent Expert's Report.

ITAA 1997 means the *Income Tax Assessment Act 1997* (Cth).

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

Last Practicable Date means 5.00pm (AWST) on 10 October 2024, being the last practicable date before the date of this Scheme Booklet.

Laverton Gold Project has the meaning given to the term in section 6.3 of this Scheme Booklet.

LBM Deferred Consideration Shares has the meaning given to that term in section 6.11(b) of this Scheme Booklet.

LBM Sellers means each of the ‘Sellers’ as defined in the LBM SSSA.

LBM SSSA means the share sale and subscription agreement between Linden, Lord Byron Mining Pty Ltd (ACN 621 258 482) and the LBM Sellers dated 31 October 2023.

LBM SSSA Variation Agreement means, in respect to the LBM SSSA, a variation agreement entered into between (amongst others) Linden, Brightstar, Lord Byron Mining Pty Ltd (ACN 621 258 482) and the LBM Sellers.

Linden has the meaning given to the term in section 6.3 of this Scheme Booklet.

Listing Rules means the official listing rules of ASX.

Marketable Parcel has the meaning given to that term in the Listing Rules.

Material Adverse Change means an event or circumstance that occurs, is announced or becomes known (in each case whether or not it becomes public) after the execution of the Scheme Implementation Deed that:

- (a) has or could reasonably be expected to have individually or when aggregated with all such events or circumstances the effect of diminishing the net assets of the Alto Group (excluding any reduction in cash incurred in the ordinary course of business or in the course of implementing the Scheme) by \$500,000 or more;
- (b) gives rise to the suspension, revocation, invalidity, unenforceability, materially adverse variation, premature lapse or premature termination of all or any material rights under any Alto Tenement (other than planned relinquishment or abandonment), the effect of which is or may be (individually or in aggregate) material to the Alto Group as a whole; or
- (c) involves the grant of mining or other rights or interests of any kind over all or part of any area covered by or the subject of an Alto Tenement to any person other than the holder(s) of that Alto Tenement (in that capacity) which materially conflict or could reasonably be expected to materially conflict with the enjoyment of the rights conferred or purported to be conferred by that Alto Tenement,

but does not include any event or circumstance:

- (d) required to be done or procured by Alto pursuant to the Scheme Implementation Deed or the Scheme;

- (e) done with the express prior written consent of Brightstar;
- (f) to the extent that it was fully and fairly disclosed in the due diligence materials;
- (g) to the extent that it was fully and fairly disclosed in public filings of Alto with ASX since 31 December 2023;
- (h) resulting from changes in the general economic or business conditions (including commodity prices and exchange rates) which impact on the Alto Group members and their competitors in substantially the same way;
- (i) arising as a result of any generally applicable change in law or governmental policy in any of the jurisdictions in which an Alto Group member operates; or
- (j) resulting from changes in generally accepted accounting principles or the interpretation of them by any professional body or Government Agency.

Menzies Gold Project has the meaning given to the term in section 6.3 of this Scheme Booklet.

Merged Group means the Brightstar Group following implementation of the Scheme, when the Alto Group members will become wholly owned subsidiaries of Brightstar.

Merged Group Information means the information regarding the Merged Group following implementation of the Scheme, including any pro forma financial information relating to the Merged Group contained in the Scheme Booklet and the adjustments made to the relevant historical financial information to generate such pro forma financial information.

MGP has the meaning given to the term in section 6.2 of this Scheme Booklet.

Mineral Resource has the meaning given in the JORC Code.

Montague Acquisition means Brightstar's acquisition of 100% of the tenements underlying the Montague Gold Project (subject to the grant of certain non-gold mineral rights in respect of those tenements to Gateway or a Related Body Corporate of Gateway) from Gateway, as announced on 1 August 2024.

Montague Gold Project means the Montague Gold Project located approximately 70km north of the township of Sandstone, Western Australia.

New Brightstar Share means a Brightstar Share to be issued under the Scheme.

Non-electing Small Shareholder means a Small Shareholder who has not provided the Share Registry with an Opt-in Notice by the Opt-in Notice Cut-Off Date.

Notice of Scheme Meeting means the notice in relation to the Scheme Meeting, as set out in Appendix 4 to this Scheme Booklet.

Opt-in Notice means a notice by a Small Shareholder requesting to receive the Scheme Consideration as New Brightstar Shares, as set out in Appendix 6 to this Scheme Booklet.

Opt-in Notice Cut-Off Date means the latest time and date by which a completed Opt-in Notice must be received by the Share Registry, being 4:00pm (AWST) on the Business Day prior to the Record Date.

Prescribed Event means except as required or specifically acknowledged by or disclosed in the Scheme Implementation Deed or by the Scheme, or with the prior written consent of Brightstar, means the occurrence of any of the following between the date of the Scheme Implementation Deed and 8:00am (AWST) on the Second Court Date:

- (a) Alto converting all or any of its shares into a larger or smaller number of shares;
- (b) any member of the Alto Group (other than a direct or indirect wholly owned subsidiary of Alto) resolving to reduce its share capital in any way or reclassifying, combining, splitting or redeeming or repurchasing directly or indirectly any of its shares;
- (c) any member of the Alto Group (other than a direct or indirect wholly owned subsidiary of Alto):
 - (i) entering into a buy-back agreement; or
 - (ii) resolving to approve the terms of a buy-back agreement;
- (d) any member of the Alto Group declaring, paying or distributing any dividend, bonus or other share of its profits or assets or returning or agreeing to return any capital to its shareholders (other than a direct or indirect wholly owned subsidiary of Alto declaring, paying or distributing any dividend, bonus or other share of its profits or assets or returning or agreeing to return any capital to Alto or to another direct or indirect wholly owned subsidiary of Alto);
- (e) a member of the Alto Group issuing securities, including without limitation shares, or granting an option over its shares, or agreeing to make such an issue or grant such an option, including pursuant to a dividend reinvestment or other share plan, other than an issue of any shares or other securities:
 - (i) as a result of the exercise of options over unissued Alto Shares, or the conversion or exercise of other rights to acquire Alto Shares, that are on issue as at the date of the Scheme Implementation Deed;
 - (ii) by a direct or indirect wholly owned subsidiary of Alto to Alto or to another direct or indirect wholly owned subsidiary of Alto; or
 - (iii) where Brightstar consents in writing (in its absolute discretion);
- (f) a member of the Alto Group issuing or agreeing to issue securities convertible into shares, including pursuant to a dividend reinvestment or other share plan;
- (g) Alto making any change to its constitution without the consent of Brightstar (such consent not to be unreasonably withheld or delayed);
- (h) a member of the Alto Group charging or agreeing to charge any material asset;
- (i) a member of the Alto Group incurs any financial indebtedness or issues any debt securities, other than in the ordinary course of business or pursuant to advances under its credit facilities in existence as at the date of the Scheme Implementation

Deed where the funds drawn pursuant to those advances are used in the ordinary course of business;

- (j) a member of the Alto Group makes any loans, advances or capital contributions to, or investments in, any other person, other than to or in Alto or to another direct or indirect wholly owned subsidiary of Alto in the ordinary course of business or to Alto;
- (k) a member of the Alto Group entering, varying or terminating any contract, joint venture, partnership or other commitment which is material in the context of the business of the Alto Group as a whole, other than in the ordinary course of business;
- (l) a member of the Alto Group entering into or resolving to enter into a transaction with a related entity of Alto as defined in the Corporations Act, but excluding transactions between members of the Alto Group;
- (m) a member of the Alto Group settling or compromising a material dispute;
- (n) an insolvency event occurs; or
- (o) any member of the Alto Group authorising, committing, announcing or agreeing to take any of the actions referred to in the paragraphs above,

but excludes the transactions contemplated by the Scheme Implementation Deed and matters fully and fairly disclosed by Alto.

Proxy Form means the proxy form for the Scheme Meeting enclosed with this Scheme Booklet.

Record Date means 4:00pm AWST time on the second Business Day following the Effective Date or such other date and time as Alto and Brightstar agree in writing (acting reasonably, taking account of ASX requirements).

Register or **Share Register** means the register of members of Alto.

Registered Address means in relation to a Shareholder, the address shown in the Share Register.

Registry or **Share Registry** means Automic Registry Services.

Related Body Corporate has the meaning given to that term in the Corporations Act.

Relevant Interest has the meaning given in the Corporations Act.

Requisite Majority means the threshold for approval of a resolution on a scheme of arrangement between a body and its members under Part 5.1 of the Corporations Act, being 'in favour' of the resolution received from:

- (a) unless the Court orders otherwise, a majority in number (more than 50%) of the members who are present and voting, either in person or by proxy, attorney or in the case of a corporation its duly appointed corporate representative; and
- (b) at least 75% of the votes cast on the resolution.

Run Off Cover has the meaning given to the term in section 10.8(b) of this Scheme Booklet.

Sale Agent means a person appointed by Brightstar to sell the New Brightstar Shares that would otherwise be issued to or for the benefit of Ineligible Foreign Shareholders and Non-electing Small Shareholders under the terms of the Scheme.

Sale Proceeds means the proceeds of the sale referred to in clause 5.7(b)(ii) of the Scheme after the Sale Agent or Brightstar (as applicable) has deducted any applicable brokerage, foreign exchange, stamp duty and other selling costs, taxes and charges.

Sandstone Gold Project has the meaning given to the term in section 5.1 of this Scheme Booklet.

SBM means St Barbara Limited (ACN 009 165 066).

SBM Cash Consideration has the meaning given to that term in section 6.11(c) of this Scheme Booklet.

SBM Contingent Payment Agreement means the contingent payment agreement between Linden and SBM dated 2 August 2023.

SBM CPA Termination Deed means the contingent payment agreement termination deed entered into between Linden, SBM and Brightstar terminating the SBM Contingent Payment Agreement, among other things.

SBM Share Consideration has the meaning given to that term in section 6.11(c) of this Scheme Booklet.

Scheme or **Scheme of Arrangement** means the proposed scheme of arrangement between Alto and the Alto Shareholders under Part 5.1 of the Corporations Act in the form of Appendix 3 to this Scheme Booklet, subject to any alterations or conditions made or required by the Court under section 411(6) of the Corporations Act and agreed in writing by Brightstar and Alto with the approval of the Court.

Scheme Booklet means this document and the appendices hereto.

Scheme Consideration means the consideration to be provided by Brightstar to each Scheme Shareholder (other than an Ineligible Foreign Shareholder and Non-electing Small Shareholder) for the transfer of each Alto Share under the Scheme, being, four (4) New Brightstar Shares for every one (1) Alto Share held by a Scheme Shareholder.

Scheme Implementation Deed means the deed dated 1 August 2024 between Alto and Brightstar, a full copy of which was jointly announced to ASX by Alto and Brightstar on 1 August 2024, and a summary of which is provided in section 10.11 of this Scheme Booklet.

Scheme Meeting means a meeting of Alto Shareholders ordered by the Court under section 411(1) of the Corporations Act to be convened for the purposes of the Scheme.

Scheme Resolution means the resolution in relation to the Scheme to be voted on at the Scheme Meeting, as set out in the Notice of Scheme Meeting.

Scheme Shareholders or **Scheme Shareholder** means each holder of Alto Shares as at the Record Date.

Scheme Share means an Alto Share on issue as at the Record Date.

Scheme Transfer means one or more proper instruments of transfer in respect of the Scheme Shares for the purposes of section 1071B of the Corporations Act, which may be or include a master transfer of all or part of the Scheme Shares.

Second Court Date means the first date of the hearing of the application made to the Court for an order pursuant to section 411(4) of the Corporations Act approving the Scheme (or, if the hearing is adjourned for any reason, the date of the adjourned hearing).

Second Fortune Gold Project has the meaning given to the term in section 6.3 of this Scheme Booklet.

Services Agreement has the meaning given to that term in section 6.11(d) of this Scheme Booklet.

Small Shareholder means a Scheme Shareholder (other than an Ineligible Foreign Shareholder) who, based on their holding of Scheme Shares on the Record Date would, on implementation of the Scheme, be entitled to receive less than a Marketable Parcel of New Brightstar Shares (assessed by reference to the last traded price of Brightstar Shares on ASX on the trading day prior to the Record Date) as Scheme Consideration.

SRK means SRK Consulting (Australasia) Pty Ltd (ACN 074 271 720).

Superior Proposal means a bona fide Competing Proposal (and not resulting from a breach of obligations under the Scheme Implementation Deed including, without limitation, clause 12 of the Scheme Implementation Deed), which the Board, acting in good faith, and after taking written advice from its legal and (if applicable) financial advisers, determines:

- (a) is reasonably capable of being valued and completed on a timely basis, taking into account all aspects of the Competing Proposal and the person making it, including without limitation having regard to legal, regulatory and financial matters and any conditions precedent; and
- (b) is more favourable to the Alto Shareholders (as a whole) than the Scheme taking into account all terms and conditions of the Competing Proposal.

Taxation Administration Act means the *Taxation Administration Act 1953* (Cth).

Third Party has the meaning given to that term under the Scheme Implementation Deed.

Topdrill means Topdrill Pty Ltd (ACN 118 519 609).

Topdrill Agreement has the meaning given to that term in section 6.11(e) of this Scheme Booklet.

VWAP has the meaning given to that term in the Listing Rules.

11.2 Interpretation

In this Scheme Booklet (including the appendices), except where the context otherwise requires:

- (a) a reference to any legislation or legislative provision includes any statutory modification or re-enactment of, or legislative provision substituted for, and any statutory instrument issued under, that legislation or legislative provision;
- (b) a word denoting the singular number includes the plural number and vice versa;
- (c) a word denoting an individual or person includes a corporation, firm, authority, government or governmental authority and vice versa;
- (d) a word denoting a gender includes all genders;
- (e) a reference (other than in the appendices) to a section is to a section of this Scheme Booklet; a reference to an appendix is to an appendix to this Scheme Booklet; and appendices to this Scheme Booklet form part of this Scheme Booklet;
- (f) a reference to any agreement or document is to that agreement or document (and, where applicable, any of its provisions) as amended, novated, supplemented or replaced from time to time;
- (g) a reference to any party to the Scheme, or any other document or arrangement, includes that party's executors, administrators, substitutes, successors and permitted assigns;
- (h) a reference to a "subsidiary" of a body corporate is to a body corporate which is a subsidiary of the first-mentioned body corporate under section 46 of the Corporations Act;
- (i) a reference to "\$" or to "cents" is (unless otherwise specified) to an amount in Australian currency;
- (j) a reference to the "holder" of Shares at a particular time includes a reference to a person who, as a result of a dealing received by Alto or its Registry on or before that time, is entitled to be entered in the register of members as the holder of Alto Shares;
- (k) words and phrases defined elsewhere in this Scheme Booklet shall have the meaning there ascribed to them;
- (l) words and phrases defined in the Corporations Act shall have the meaning there ascribed to them;
- (m) the word "includes" in any form is not a word of limitation;
- (n) headings are for convenience of reference only and do not affect interpretation;
and
- (o) where an expression is defined, another part of speech or grammatical form of that expression has a corresponding meaning.

Appendix 1 Independent Expert's Report

Alto Metals Limited

Independent Expert's Report

8 October 2024



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FINANCIAL SERVICES GUIDE

Dated: 8 October 2024

This Financial Services Guide (FSG) helps you decide whether to use any of the financial services offered by BDO Corporate Finance Australia Pty Ltd (BDO Corporate Finance, we, us, our).

The FSG includes information about:

- Who we are and how we can be contacted
- The services we are authorised to provide under our Australian Financial Services Licence, Licence No: 247420
- Remuneration that we and/or our staff and any associates receive in connection with the financial services
- Any relevant associations or relationships we have
- Our complaints handling procedures and how you may access them.

FINANCIAL SERVICES WE ARE LICENSED TO PROVIDE

We hold an Australian Financial Services Licence which authorises us to provide financial product advice to retail and wholesale clients about securities and certain derivatives (limited to old law securities, options contracts and warrants). We can also arrange for customers to deal in securities, in some circumstances. Whilst we are authorised to provide personal and general advice to retail and wholesale clients, we only provide *general* advice to retail clients.

Any general advice we provide is provided on our own behalf, as a financial services licensee.

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Our general advice is typically included in written reports. In those reports, we provide general financial product advice that is prepared without taking into account your personal objectives, financial situation or needs. You should consider the appropriateness of the general advice having regard to your own objectives, financial situation and needs before you act on the advice. Where the advice relates to the acquisition or possible acquisition of a financial product, you should also obtain a product disclosure statement relating to the product and consider that statement before making any decision about whether to acquire the product.

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We charge fees for providing reports. These fees are negotiated and agreed to with the person who engages us to provide the report. Fees will be agreed on an hourly basis or as a fixed amount depending on the terms of the agreement. In this instance, the Company has agreed to pay us \$95,000 for preparing the Report.

Except for the fees referred to above, neither BDO Corporate Finance, nor any of its directors, employees or related entities, receive any pecuniary benefit or other benefit, directly or indirectly, for or in connection with the provision of general advice.

All our employees receive a salary. Our employees are eligible for bonuses based on overall company performance but not directly in connection with any engagement for the provision of a report.

OTHER ASSIGNMENTS

On 16 January 2023, BDO Corporate Finance (WA) Pty Ltd was engaged to prepare an independent expert's report for the acquisition of Kingwest Resources Limited by Brightstar Resources Limited via a Scheme of Arrangement. The fee received for our work was approximately \$55,000.

REFERRALS

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

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

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To make a formal complaint, please use the Complaints Form. For more on this, including the Complaints Form and contact details, see the [BDO Complaints Policy](#) available on our website.

BDO Corporate Finance is a member of AFCA (Member Number 11843). Where you are unsatisfied with the resolution reached through our Internal Dispute Resolution process, you may escalate this complaint to the Australian Financial Complaints Authority (AFCA) using the below contact details:

Australian Financial Complaints Authority
GPO Box 3, Melbourne VIC 3001
Email: info@afca.org.au
Phone: 1800 931 678
Fax: (03) 9613 6399
Interpreter service: 131 450
Website: <http://www.afca.org.au>

COMPENSATION ARRANGEMENTS

BDO Corporate Finance and its related entities hold Professional Indemnity insurance for the purpose of compensating retail clients for loss or damage suffered because of breaches of relevant obligations by BDO Corporate Finance or its representatives under Chapter 7 of the Corporations Act 2001. These arrangements and the level of cover held by BDO Corporate Finance satisfy the requirements of section 912B of the Corporations Act 2001.

CONTACT DETAILS

You may provide us with instructions using the details set out at the top of this FSG or by emailing - cf.ecp@bdo.com.au



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Appendix 1 - Glossary and copyright notice

Appendix 2 - Valuation Methodologies

Appendix 3 - Control Premium

Appendix 4 - Independent Specialist Report prepared by SRK

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8 October 2024

The Directors
Alto Metals Limited
Suite 9/12-14 Thelma Street
WEST PERTH WA 6005

Dear Directors

INDEPENDENT EXPERT'S REPORT

1. Introduction

On 1 August 2024, Alto Metals Limited ('Alto' or 'the Company') and Brightstar Resources Limited ('Brightstar') announced that they had entered into a Scheme Implementation Deed ('SID') under which Brightstar will acquire 100% of the Alto shares on issue via a Scheme of Arrangement ('Scheme'). Under the terms of the Scheme, each Alto shareholder will receive four new Brightstar shares for every fully paid ordinary Alto share held on the record date ('Scheme Consideration') and Alto will become a wholly owned subsidiary of Brightstar.

Concurrently, Brightstar entered into a Tenement Sale Agreement with Gateway Mining Limited ('Gateway') under which Brightstar agreed to acquire 100% of the gold rights at the Montague East Project ('Montague East Gold Rights') (with Gateway to retain all non-precious metal rights) for consideration of up to \$14 million comprising cash, scrip and contingent payments ('Montague Acquisition'). Completion of the Montague Acquisition was announced on 2 October 2024.

Upon completion of the Scheme and Montague Acquisition, Alto and Brightstar will combine to form the merged group continuing as Brightstar ('Merged Group').

Brightstar also announced it has received firm commitments to raise approximately \$24 million (before costs) in a two tranche share placement to professional and sophisticated investors at \$0.015 per share ('Placement').

The Scheme is conditional on completion of the Placement, however neither the Placement nor the Montague Acquisition are conditional on completion of the Scheme.

A draft of our report was provided to Alto on 17 September 2024. As a result of subsequent events and updates to financial information, our report and that of the Technical Specialist, SRK, were updated. This did not result in a change in our opinion.

Currencies in this report are quoted in Australian Dollars ('\$' or 'A\$' or 'AUD') and United States Dollars ('US\$' or 'USD')

2. Summary and opinion

2.1 Requirement for the report

The directors of Alto have requested that BDO Corporate Finance Australia Pty Ltd ('BDO') prepare an independent expert's report ('our Report') to express an opinion as to whether the Scheme is in the best interests of Alto shareholders ('Shareholders').

Our Report is prepared pursuant to section 411 of the *Corporations Act 2001* (Cth) ('Corporations Act' or 'the Act') and is to be included in the Scheme Booklet for Alto to assist Shareholders in their decision whether to approve the Scheme.

2.2 Approach

Our Report has been prepared having regard to Australian Securities and Investments Commission ('ASIC') Regulatory Guide 60 'Schemes of arrangements' ('RG 60'), Regulatory Guide 111 'Content of expert reports' ('RG 111') and Regulatory Guide 112 'Independence of experts' ('RG 112').

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

- How the value of an Alto share prior to the Scheme on a control basis compares to the value of the Scheme Consideration on a minority basis.
- Other factors which we consider to be relevant to the Shareholders in their assessment of the Scheme.
- The position of Shareholders should the Scheme not proceed.

2.3 Opinion

We have considered the terms of the Scheme as outlined in the body of this Report and have concluded that, in the absence of a superior proposal, the Scheme is not fair but reasonable, and therefore, in the best interests of Shareholders.

2.4 Fairness

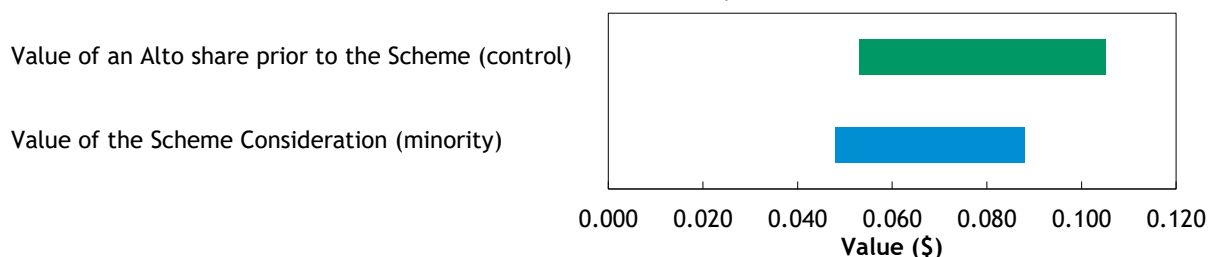
In Section 12, we determined that the Scheme Consideration compares to the value of an Alto share, as detailed below.

	Ref	Low \$	Preferred \$	High \$
Value of an Alto share prior to the Scheme (control)	10.3	0.053	0.079	0.105
Value of the Scheme Consideration (minority)	11.4	0.048	0.068	0.088

Source: BDO analysis

The above valuation ranges are graphically presented below:

Valuation Summary



The above pricing indicates that, in the absence of any other relevant information, and a superior proposal, the Scheme is not fair for Shareholders.

2.5 Reasonableness

We have considered the analysis in Section 13 of this Report, in terms of the following:

- Advantages and disadvantages of the Scheme.
- Other considerations, including the position of Shareholders if the Scheme does not proceed and the consequences of not approving the Scheme.

In our opinion, the position of Shareholders if the Scheme is approved is more advantageous than the position if the Scheme is not approved. Accordingly, in the absence of any other relevant information, and/or a superior proposal, we consider that the Scheme is reasonable for Shareholders.

The respective advantages and disadvantages considered are summarised below:

ADVANTAGES AND DISADVANTAGES			
Section	Advantages	Section	Disadvantages
13.1.1.	Value accretive on a like-for-like basis	13.2.1.	Dilution of Alto Shareholders' interests and exposure to the Sandstone Project
13.1.2.	Shareholders will gain exposure to Brightstar's enlarged portfolio whilst retaining exposure to the Sandstone Project	13.2.2.	Change in risk profile
13.1.3.	Mitigates risks associated with the development of the Sandstone Project as Alto's standalone project	13.2.3.	The value of the Scheme Consideration is not certain
13.1.4.	Immediate access to capital to fund ongoing exploration programs		
13.1.5.	The Merged Group will have a larger market presence		
13.1.6.	Increased experience in the Board of Directors and management team of the Merged Group		

Other key matters we have considered include:

Section	Description
13.3	Alternative proposal
13.4	Consequences of not approving the Scheme
13.5	Other considerations

3. Scope of the Report

3.1 Purpose of the Report

The Scheme is to be implemented pursuant to section 411 of the Corporations Act. Part 3 of Schedule 8 to the Corporations Act Regulations 2001 (**'Regulations'**) prescribes the information to be sent to shareholders in relation to schemes of arrangement pursuant to section 411 of the Act (**'Section 411'**).

An independent expert's report must be obtained by a scheme company if:

- There is one or more common directors; or
- The other party to the scheme holds 30% or more of the voting shares in the scheme company.

The expert must be independent and must state whether or not, in his or her opinion, the proposed scheme is in the best interest of the members of the company the subject of the scheme and set out the reasons for that opinion.

Brightstar, or its associates, do not hold more than 30% of the voting shares in Alto and there are no common directors between Alto and Brightstar. Accordingly, an independent expert's report is not required under the Corporations Regulations.

Notwithstanding the fact that there is no requirement to engage an independent expert to report on the Scheme, the directors of Alto have requested that BDO prepare this report as if it were an independent expert's report and to provide an opinion as to whether the Scheme is fair and reasonable and in the best interests of Shareholders.

The requirement for an independent expert's report is also a condition precedent in the SID, which states that, for the Scheme to proceed, the independent expert must conclude that the Scheme is in the best interest of Shareholders.

3.2 Regulatory guidance

Neither the Act nor the Regulations defines the term 'in the best interests of'. In determining whether the Scheme is in the best interests of Shareholders, we have had regard to the views expressed by ASIC in RG 111. This regulatory guide provides guidance as to what matters an independent expert should consider to assist security holders to make informed decisions about transactions.

A key matter under RG 111 that an expert needs to consider when determining the appropriate form of analysis is whether or not the effect of the transaction is comparable to a takeover bid and is therefore representative of a change of 'control' transaction.

In the circumstance of a scheme that achieves the same outcome as a takeover bid, RG 111 suggests that the form of the analysis undertaken by the independent expert should be substantially the same as for a takeover. Independent expert reports required under the Act in the circumstance of a takeover are required to provide an opinion as to whether or not the takeover bid is 'fair and reasonable'. While there is no definition of 'fair and reasonable', RG 111 provides some guidance as to how the terms should be interpreted in a range of circumstances.

RG 111 suggests that an opinion as to whether transactions are fair and reasonable should focus on the purpose and outcome of the transaction, that is, the substance of the transaction rather than the legal mechanism to effect the transaction.

Schemes of arrangement pursuant to Section 411 can encompass a wide range of transactions. Accordingly, 'in the best interests' must be capable of a broad interpretation to meet the particular

circumstances of each transaction. This involves a judgment on the part of the expert as to the overall commercial effect of the transaction, the circumstances that have led to the transaction and the alternatives available. The expert must weigh up the advantages and disadvantages of the proposed transaction and form an overall view as to whether shareholders are likely to be better off if the proposed transaction is implemented than if it is not. This assessment is the same as that required for a 'fair and reasonable' assessment in the case of a takeover. If the expert would conclude that a proposal was 'fair and reasonable'; if it was in the form of a takeover bid, the expert will also be able to conclude that the scheme is in the best interests of shareholders. An opinion of 'in the best interests' does not imply the best possible outcome for shareholders.

3.3 Adopted basis of evaluation

RG 111 states that a transaction is fair if the value of the offer price or consideration is equal to or greater than the value of the securities subject of the offer. This comparison should be made assuming a knowledgeable and willing, but not anxious, buyer and a knowledgeable and willing, but not anxious, seller acting at arm's length. Further to this, RG 111 states that a transaction is reasonable if it is fair. It might also be reasonable if despite being 'not fair' the expert believes that there are sufficient reasons for security holders to accept the offer in the absence of any higher bid.

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

- A comparison between the value of an Alto share including a premium for control and the value of the Scheme Consideration on a minority interest basis (fairness - see Section 12 'Is the Scheme Fair?').
- An investigation into other significant factors to which Shareholders might give consideration, prior to approving the Scheme, after reference to the value derived above (reasonableness - see Section 13 'Is the Scheme Reasonable?').
- A consideration of whether the Scheme is in the best interests of Shareholders.

RG 111 states that if a transaction is fair and reasonable then the expert can conclude that the transaction is in the best interests of shareholders; if a transaction is not fair but reasonable an expert can still conclude that the transaction is in the best interests of shareholders; if a transaction is neither fair nor reasonable then the expert would conclude that the transaction is not in the best interests of shareholders.

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

A Valuation Engagement is defined by APES 225 as follows:

'an Engagement or Assignment to perform a Valuation and provide a Valuation Report where the Valuer is free to employ the Valuation Approaches, Valuation Methods, and Valuation Procedures that a reasonable and informed third party would perform taking into consideration all the specific facts and circumstances of the Engagement or Assignment available to the Valuer at that time.'

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

4. Outline of the Scheme

4.1 Key terms of the Scheme

On 1 August 2024, Alto announced it had entered into a binding SID, under which Brightstar proposes to acquire the entire issued capital of Alto by way of a court-approved scheme of arrangement. Under the terms of the Scheme, each Shareholder will receive four Brightstar shares for every Alto share held on the Scheme record date.

The implementation of the Scheme is conditional on various conditions precedent, as set out in Clause 3.1 of the SID, with key conditions including the following:

- Completion of the Placement (approved by Brightstar shareholder on 17 September 2024);
- Approval of the Scheme by a majority in number of Shareholders who vote at the Scheme Meeting and 75% of all votes cast at the Scheme Meeting;
- The independent expert concluding (and continuing to conclude) that the Scheme is in the best interests of Shareholders;
- No material adverse change, prescribed occurrence, or regulated event (each as defined in the SID) occurring in respect of either Brightstar or Alto;
- Court approval; and
- Other customary conditions for a public transaction of this nature.

The Scheme is not conditional on completion of the Montague Acquisition.

Upon completion of the Scheme, the Merged Group will continue with current Managing Director, Alex Rovira, and current Non-Executive Chairman, Richard Crookes. Alto's Managing Director, Matthew Bowles, will be appointed to the Brightstar Board of Directors as a non-executive director.

The Merged Group's Board of Directors will consist of six directors as follows:

- Existing Brightstar directors:
 - Managing Director - Alex Rovira;
 - Non-Executive Chairman - Richard Crookes;
 - Executive Director - Andrew Rich;
 - Non-Executive Director - Jonathan Downes;
 - Non-Executive Director - Ashley Fraser; and
- Existing Alto director:
 - Non-Executive Director - Matthew Bowles.

4.2 Montague Acquisition

Following completion of the Montague Acquisition on 2 October 2024, Brightstar, via its wholly owned subsidiary, Montague Gold Project Pty Ltd ('MGP'), acquired the interests held by Gateway and its wholly owned subsidiary Gateway Projects Pty Ltd in certain mining tenements at Gateway's Montague East Project, with Brightstar obtaining 100% of the Montague East Gold Rights and Gateway retaining all other mineral rights.

The total consideration paid by Brightstar as part of the Montague Acquisition comprised the following:

- Cash consideration of \$5.0 million ('Montague Cash Consideration');
- \$7.0 million in Brightstar shares, with a deemed share price calculated at the lower of a 15-day volume weighted average price ('VWAP') prior to the announcement of the acquisition, and the

issue price of Brightstar shares under the Placement (being 466,666,667 shares) ('**Montague Share Consideration**'); and

- \$2.0 million contingent consideration payable in Brightstar shares (subject to receiving Brightstar shareholder approval, and otherwise payable in cash if shareholder approval is not received), upon the commencement of commercial mining operations in respect of the gold mineral rights, or the delineation of a JORC Mineral Resource on the tenements exceeding 1.0 million ounces ('**Moz**') ('**Montague Contingent Consideration**');

(Collectively, the '**Montague Consideration**').

The Montague Acquisition was conditional on the following:

- Brightstar obtaining shareholder approval to the issue of the Montague Consideration Shares (obtained at the Extraordinary General Meeting ('**EGM**') held on 17 September 2024); and
- Certain third parties that hold an interest in some of the tenements, or lithium rights in some of the tenements, waiving their pre-emption right and entering into deeds of covenant with Gateway and Brightstar.

Following completion of the Montague Acquisition:

- the sale by Gateway of the Gateway Consideration Shares will be subject to orderly sales restrictions; and
- Brightstar and Gateway will enter into formal mineral rights sharing agreements governing the coordination of the gold rights and the other mineral rights and, if required, co-ordination agreements with the third parties that (subject to an earn-in) hold lithium mineral rights on certain of the noncore tenements.

4.3 Placement

Brightstar received firm commitments under the Placement to raise approximately \$24 million (before costs) in a two-tranche share place to professional and sophisticated investors at \$0.015 per share.

Tranche One of the Placement raised approximately \$17.5 million (before costs) has been conducted within Brightstar's available placement capacity. A total of 1,166,666,667 new Brightstar shares were issued. 700,000,000 of these new Brightstar shares were issued pursuant Brightstar's placement capacity under ASX Listing Rule 7.1 and 466,666,667 new Brightstar shares were issued pursuant Brightstar's placement capacity under ASX Listing Rule 7.1A.

Tranche Two of the Placement raised approximately \$6.5 million (before costs) and was approved by Shareholders at the EGM held on 17 September 2024. Tranche Two equates to the remaining 433,333,334 new Brightstar shares issued as part of the Placement.

4.4 Concurrent Financing

Brightstar will provide Alto with a standby unsecured \$2.0 million facility to assist Alto with working capital until implementation of the Scheme. The loan will be repayable 12 months after the date of the SID, but with an obligation to repay the amounts early in full:

- Within 30 days if there is a change of control in Alto (other than in pursuant to the Scheme); or
- Within four calendar months if a condition to the Scheme (other than those relating to Alto shareholder approval, the report of the independent expert, and completion of the Placement), is not satisfied by the end date for the Scheme (being six months after the date of the SID); or

- Upon demand following an event of default (which is to include, in addition to customary events of default, the SID being terminated by Brightstar as a result of Alto's material breach of an obligation under, or a representation or warranty given under, the SID).

Interest will be payable on amounts drawn down at the rate of secured overnight financing rate plus 5% per annum.

4.5 NBIO for Strategic Debt and Equity Investment

Brightstar has executed a non-binding indicative offer ('NBIO') with a South Korean strategic investor, AustKor Mineral Co., Ltd for a \$40.0 million gold offtake financing arrangement ('Offtake Facility'). Subject to binding documentation, the completion of Brightstar's consolidated definitive feasibility study ('DFS') and Brightstar declaring final investment decision (detailed further in Section 6 of this Report), the Offtake Facility funds are to be directly applied to the refurbishment of the Brightstar processing plant in Laverton.

4.6 Additional Share Issues for Service Providers

Brightstar has executed a drill-for-equity agreement with Topdrill, whereby Topdrill will commit to converting \$1.0 million of drilling expenses into fully paid ordinary shares in Brightstar, on the same terms and conditions of the Placement, equating to 66,666,667 Brightstar shares ('Topdrill Shares'). The issue of the Topdrill Shares was subject to Brightstar shareholder approval which was approved at the EGM held on 17 September 2024. Topdrill has agreed to a six month voluntary escrow from the date of issue.

Subsequently, Topdrill has agreed to extend the drill-for-equity agreement for an additional \$4.0 million of drilling expenses at the election of Brightstar. This is subject to shareholder approval to be sought at a later date.

Brightstar has agreed with Genesis Minerals Limited ('Genesis') to convert approximately \$2.70 million of processing fees into fully paid ordinary shares in Brightstar, on the same terms and conditions of the Placement, equating to 177,168,135 Brightstar shares ('Genesis Shares').

Brightstar has also agreed with key suppliers to convert \$1.2 million of trade credit into Brightstar shares at a price of no lower than \$0.015 per Brightstar share, equating to 80,000,000 shares ('Creditor Shares').

4.7 Alto Performance Rights and Options

Under the SID, Alto is required to take such action or exercise any such discretion as is necessary to ensure that all of the Alto performance rights either lapse or vest and convert into Alto shares prior to the Scheme record date, so those holders can effectively participate in the Scheme.

4.8 Capital Structure

The capital structure of the Merged Group is set out in the table below.

Capital structure following the Scheme	
Alto shares on issue as at date of our Report	721,523,172
Alto Performance Rights outstanding to be converted to Alto shares	18,250,000
Total Alto shares to receive Scheme Consideration	739,773,172
<i>Brightstar shares that Alto Shareholders will receive for every share held in Alto</i>	<i>4:1</i>
Brightstar shares to be issued to Alto Shareholders as Scheme Consideration	2,959,092,688
Brightstar shares on issue (including the Montague Share Consideration issued to Gateway)	7,132,725,055
Total Merged Group shares on issue following the Scheme	10,091,817,743
<i>Percent of the Merged Group to be held by Brightstar shareholders</i>	<i>66%</i>
<i>Percent of the Merged Group to be held by Alto shareholders</i>	<i>29%</i>
<i>Percent of the Merged Group to be held by Gateway</i>	<i>5%</i>
Notional conversion of Brightstar Options and Performance Rights:	
Brightstar Options	395,515,373
Brightstar Performance Rights	137,625,000
Total Merged Group shares on issue following the Scheme (fully diluted basis)	10,624,958,116
<i>Percent of the Merged Group to be held by Brightstar shareholders</i>	<i>68%</i>
<i>Percent of the Merged Group to be held by Alto shareholders</i>	<i>28%</i>
<i>Percent of the Merged Group to be held by Gateway shareholders</i>	<i>4%</i>

Source: Scheme Booklet, BDO analysis

We have not included the vesting and conversion to Brightstar shares of the following tranches:

- Montague Contingent Consideration pursuant to Gateway,
- the contingent payment to be paid by Brightstar to St Barbara Limited ('SBM') ('SBM Contingent Payment'). The SBM Contingent Payment were transferred to Brightstar through the acquisition of Linden Gold Alliance Limited ('Linden') in July 2024.

We consider there to be no reasonable basis to assume the milestones upon which the Montague Contingent Consideration and the SBM Contingent Payment are subject to will or will not be met. This is discussed further in Section 11.1.6 of our Report.

4.9 Break Fees

If the Scheme does not become effective, a 'break fee' of \$440,000 may become payable by Alto, or 'reverse break fee' of \$880,000 may become payable by Brightstar (depending on the circumstances). The circumstances in which such a payment would be payable by Alto or Brightstar (as the case may be) are summarised in Section 10 of the Scheme Booklet.

5. Profile of Alto

5.1 History

Alto is an Australian Securities Exchange ('ASX') listed gold exploration company focused on the development of its wholly owned flagship Sandstone Gold Project located approximately 600 kilometres ('km') north of Perth in the East Murchison Mineral Field. Formerly known as Enterprise Uranium Limited, Alto began trading on the ASX in December 2012 and changed its name to Alto Metals Limited in May 2016. The Company's head office is located in West Perth, Western Australia ('WA').

The Company's board of directors comprise:

- Mark Connelly - Non-Executive Chairman
- Matthew Bowles - Managing Director
- Richard Monti - Non-Executive Director.

5.2 Projects

The Sandstone Gold Project comprises over 740 square kilometres ('km²') of tenements in the Archaean Sandstone Goldfield, which includes both brown-field and green-field sites. Centred on the small township of Sandstone, the Sandstone Gold Project is made up of numerous former open pits, underground mines, historic workings (Hacks mine and old shares), prospects and gold occurrences, including the Lord Nelson, Lord Henry, Maninga Marley, Havilah Camp, Vanguard, Vanguard North, Vanguard Camp, Musketeer, Indomitable, Indomitable East, Tiger Moth, Piper, Indomitable Camp, Bull Oak and Ladybird.

Since acquiring the Sandstone Gold Project in June 2016, and commenced a series of exploration drilling campaigns in November 2016.

In June 2024, drill rigs were mobilised in the Alpha Domain, which hosts the Lord Helson, Lord Henry, Vanguard, Indomitable and Bull Oak deposits, in preparation to commence drilling. Alto also completed a Maiden Exploration Target for the Bull Oak deposit in June 2024.

In July 2024, the mining lease applications over the Bull Oak and Indomitable Camps were granted. The Company's planned exploration program for the September and December quarter of 2024 includes the following:

- Continued extensional and infill soil sampling at the Lightning deposit to define targets for upcoming reverse circulation ('RC') drilling.
- Commencing a targeted soil sampling program at the Vanguard North deposit to confirm the location of the lag anomaly, followed by a targeted RC drilling program.
- Planning an RC drilling program to test extensions to the mineralisation at the Bollinger deposit.
- Commencing a ~10,000m air-core drilling program to test the shallow extensions of known mineralisation at the Indomitable Camp, in preparation to follow up with deeper RC drilling.
- Testing the interpreted extensions of mineralisation at Bull Oak and the validity of the exploration target through RC drilling.
- Continuing the structural interpretation and fieldwork at Hacks West, including geochemical sampling work. Additional geophysical work is currently being assessed, including detailed ground gravity, to assist with improving the quality of the dataset and further assist in targeting for drill testing.

Further information on Alto's mineral assets, including the Company's JORC (2012) Mineral Resource Estimate, can be found in the Independent Specialist Report in Appendix 4 of our Report.

5.3 Recent Corporate Events

Capital raising

On 24 July 2023, Alto announced that it had received firm commitments to raise \$5 million placement (before costs) through the issue of approximately 96 million shares at an issue price of \$0.052 per share. The proceeds from the placement were used to support ongoing exploration within the Sandstone Gold Project, including ongoing extensional and resource drilling at both Indomitable and Vanguard. The placement was supported by existing shareholders as well as new leading resource-focused funds, including Lion Selection Group which invested \$1 million.

Acquisition of M57/659

On 22 April 2024, Alto announced that the Company signed a binding option and tenement sale agreement with a private vendor to acquire a 100% interest in granted mining lease M57/659, which hosts the Lightning gold prospect, located 3km west of the Vanguard Camp. The key terms of the option agreement are as follows:

- Alto will pay the vendor a cash option fee of \$20,000.
- Alto can exercise the option to acquire M57/659 at any time within two years from the option agreement date by notifying the vendor and paying \$100,000.
- During the option period, Alto will meet the minimum expenditure commitment and maintain the licences in good standing.
- No royalties are payable to the vendor.

5.4 Historical Statement of Financial Position

Statement of Financial Position	Reviewed as at 31-Dec-23 \$	Audited as at 30-Jun-23 \$	Audited as at 30-Jun-22 \$
CURRENT ASSETS			
Cash and cash equivalents	3,428,762	1,075,068	3,256,340
Trade and other receivables	167,610	70,133	267,105
Prepayments	-	15,430	19,502
TOTAL CURRENT ASSETS	3,596,372	1,160,631	3,542,947
NON-CURRENT ASSETS			
Equity instruments at fair value	7,500	10,000	20,000
Property, plant and equipment	172,953	187,071	213,817
Right of Use Assets	201,122	233,462	131,370
Exploration and evaluation	30,301,038	28,720,181	23,481,586
TOTAL NON-CURRENT ASSETS	30,682,613	29,150,714	23,846,773
TOTAL ASSETS	34,278,985	30,311,345	27,389,720
CURRENT LIABILITIES			
Trade and other payables	916,904	1,162,043	1,710,479
Lease liability	107,632	89,036	35,910
Employee Provisions	177,836	172,890	150,565
TOTAL CURRENT LIABILITIES	1,202,372	1,423,969	1,896,954
NON-CURRENT LIABILITIES			
Lease liability	119,762	151,496	98,237
TOTAL NON-CURRENT LIABILITIES	119,762	151,496	98,237
TOTAL LIABILITIES	1,322,134	1,575,465	1,995,191

Statement of Financial Position	Reviewed as at 31-Dec-23 \$	Audited as at 30-Jun-23 \$	Audited as at 30-Jun-22 \$
NET ASSETS	32,956,851	28,735,880	25,394,529
EQUITY			
Issued capital	53,688,200	48,105,200	42,563,659
Reserves	935,727	1,436,858	1,156,523
Accumulated losses	(21,667,076)	(20,806,178)	(18,325,653)
TOTAL EQUITY	32,956,851	28,735,880	25,394,529

Source: Alto's audited financial statements for the years ended 30 June 2023 and 30 June 2022, and reviewed for the half year ended 31 December 2023

Commentary on Historical Statement of Financial Position

- Cash and cash equivalents decreased from \$3.3 million as at 30 June 2022 to \$1.1 million in the year ended 30 June 2023. The decrease of approximately \$2.2 million was primarily due to payments for exploration and evaluation expenditure of \$5.7 million combined with payments to suppliers and employees of \$1.5 million, which was partially offset by the proceeds received from a capital raising of \$5.1 million (before costs).
- Cash and cash equivalents increased to \$3.4 million as at 31 December 2023, primarily as a result of proceeds received from the capital raising of approximately \$5 million (before costs) detailed in Section 5.3 above. This was partly offset by payments for exploration and evaluation expenditure of \$1.46 million and payments to suppliers of \$0.77 million.
- Exploration and evaluation assets of \$30.3 million as at 31 December 2023 relates to the capitalised expenditure incurred in respect of each mineral asset held by Alto. The capitalised balance is expected to be recouped through the successful development of the area or remain at a stage where assessing the existence of economically recoverable reserves is not yet reasonable. During the period ended 31 December 2023, Alto capitalised \$1.6 million in exploration expenditure.

5.5 Historical Statement of Profit or Loss and Other Comprehensive Income

Statement of Profit or Loss and Other Comprehensive Income	Reviewed half-year ended 31-Dec-23 \$	Audited year ended 30-Jun-23 \$	Audited year ended 30-Jun-22 \$
Other income	36,053	95,457	150,746
Consulting expense	(54,523)	(80,421)	(102,109)
Depreciation	(76,125)	(85,077)	(51,240)
Employee benefits expense	(342,607)	(646,481)	(868,221)
Exploration & Evaluation expenses	(29,563)	(78,853)	(19,535)
Investor relations	(93,043)	(193,809)	(169,176)
Office rental and occupation expenses	(50,086)	(88,591)	(108,956)
Share-based payments	(212,751)	(987,953)	(631,186)
Share registry and listing fees	(80,632)	(110,267)	(87,956)
Other expenses	(156,003)	(352,149)	(408,463)
Loss before income tax	(1,059,280)	(2,528,144)	(2,296,096)
Income tax benefit	-	-	-
Loss for the year attributable to members of the parent entity	(1,059,280)	(2,528,144)	(2,296,096)
Other comprehensive income, net of tax			

Statement of Profit or Loss and Other Comprehensive Income	Reviewed half-year ended 31-Dec-23 \$	Audited year ended 30-Jun-23 \$	Audited year ended 30-Jun-22 \$
Items not to be reclassified to profit or loss in subsequent periods			
Changes in the fair value of equity instruments carried at fair value through other comprehensive income	(2,500)	(10,000)	(20,000)
Other comprehensive income / (loss) for the period	(2,500)	(10,000)	(20,000)
Total comprehensive loss attributable to members of the parent entity	(1,061,780)	(2,538,144)	(2,316,096)

Source: Alto's audited financial statements for the years ended 30 June 2023 and 30 June 2022, and reviewed for the half year ended 31 December 2023

Commentary on Historical Statement of Profit or Loss and Other Comprehensive Income

- Other income decreased from \$150,746 for the year ended 30 June 2022 to \$95,457 for the year ended 30 June 2023, primarily due to the expiration of the Western Australian Government Exploration Incentive Scheme co-funding grant ('EIS Grant') which Alto received in April 2021. The EIS Grant covered 50% of the direct deep diamond drilling costs at the Sandstone Gold Project, up to \$150,000. Other income for the year ended 30 June 2023 relates to interest received of \$18,017 and gold sales of \$77,440 from refining gold nuggets obtained through a royalty agreement, which are not considered ongoing or material.

5.6 Capital structure

The share structure of Alto as at 27 August 2024 is outlined below:

	Number
Total ordinary shares on issue	721,523,172
Top 20 shareholders	442,577,726
Top 20 shareholders - % of shares on issue	61.34%

Source: Alto's share registry

The range of shares held in of Alto as at 27 August 2024 is as follows:

Range of Shares Held	No. of Ordinary Shareholders	No. of Ordinary Shares	Percentage of Issued Shares (%)
1 - 1,000	323	143,171	0.02%
1,001 - 5,000	437	1,169,388	0.16%
5,001 - 10,000	278	2,277,699	0.32%
10,001 - 100,000	664	28,483,068	3.95%
100,001 - and over	466	689,449,846	95.55%
TOTAL	2,168	721,523,172	100.00%

Source: Alto's share registry

The ordinary shares held by the most significant shareholders as at 27 August 2024 are detailed below:

Name	No. of Ordinary Shares	Percentage of Issued Shares (%)
Windsong Valley Pty Ltd	107,155,416	14.85%
Horizon Gold Limited	60,764,746	8.42%
GS Group Australia Pty Ltd	57,390,520	7.95%
Deutsche Balaton Aktiengesellschaft	50,000,000	6.93%
Subtotal	225,310,682	31.23%
Others	496,212,490	68.77%
Total ordinary shares on Issue	721,523,172	100.00%

Source: Alto's share registry

Alto has 18,250,000 performance rights on issue as at 27 August 2024, all of which expire on 12 December 2026. Per the terms, the performance rights automatically vest in the event of a change of control event. Therefore, if the Scheme is approved by a Court under s 411(4)(b) of the Act, each of the Alto performance rights shall immediately convert into Alto shares upon the Scheme. No Alto Board discretion is required to be exercised in this circumstance.

6. Profile of Brightstar

6.1 History

Brightstar Resources Limited is an ASX-listed mineral exploration and development company with gold tenements located approximately 350km northeast of Kalgoorlie in both the Laverton and Menzies Gold Fields. Formerly known as Stone Resources Australia Limited, Brightstar commenced trading on the ASX in December 2003. Brightstar is headquartered in Subiaco, WA.

Brightstar's current board of directors comprise:

- Mr. Alex Rovira - Managing Director
- Mr. Richard Crookes - Non-Executive Chairman
- Mr. Jonathon Downes - Non-Executive Director
- Mr. Ashley Fraser - Non-Executive Director
- Mr. Andrew Rich - Executive Director.

6.2 Laverton Projects

The Laverton Hub comprises the Alpha, Beta, Second Fortune, Cork Tree Well, and Jasper Hills deposits, as well as the Brightstar processing plant ('**Brightstar Processing Plant**').

The Brightstar Processing Plant was recommissioned by Brightstar in 2014, however, it is currently under care and maintenance. The Brightstar Processing Plant is located 33km south-east of Laverton and has a 485,000 tonnes per annum carbon in-leach processing capacity. Supporting infrastructure surrounding the Brightstar Processing Plant includes a tailings storage facility, as well as a 60-person camp, vehicles and equipment.

In Laverton, Brightstar produces gold from the Second Fortune mine, which was acquired along with Jasper Hills in July 2024 through the acquisition of Linden. Second Fortune is located 75km south of the Beta Deposit and adjacent to the Brightstar Processing Plant.

Jasper Hills is located 50km southeast of the Brightstar Processing Plant, along a wholly owned haul road. A mine restart study for Jasper Hills was completed in March 2024, which outlined:

- An initial mine production target of approximately 2.4Mt at 1.84g/t of gold for 141,958 oz mined over approximately 3.75 years.
- The average recovered oz is estimated at 35koz per annum, with the potential to increase the production profile and life of mine.
- A restart would be possible with the first gold within six months of the final investment decision.

Alpha is located approximately 15km from the Brightstar Processing Plant. No significant exploration activities had been undertaken at Alpha since 2014 until September 2022 when Brightstar completed an RC drilling program, for which 12 holes were drilled for 1,260m. The assay results from the drilling campaign indicated the potential for further extensions of the project into areas that have not previously been mined. In Brightstar's upcoming three-year plan, an exploration programme for Alpha will be included to capitalise on its proximity to both the Beta project and the Brightstar Processing Plant, with the aim of returning the plant to production.

The Cork Tree Well Project is located 35km north of Laverton on the Bandy Station Road. In December 2020, Brightstar commenced a sub-audio magnetics survey on Cork Tree Well to identify additional near-surface drilling targets. The results revealed further mineralisation within the Cork Tree Well, leading Brightstar to commence a drilling program in September 2021.

Beta is located immediately adjacent to the Brightstar Processing Plant. No significant activities have been undertaken at Beta in recent years.

6.3 Menzies Gold Project

The Menzies Gold Project consists of the Lady Shenton, Yunnadaga, Aspacia, Lady Harriet System, Link Zone, Selkirk, and Lady Irene deposits. Most of these deposits are contained along the Menzies Shear Zone and located adjacent to the Goldfields Highway in Menzies, approximately 130km north of Kalgoorlie. All deposits are within granted Mining Leases and are 100% owned by Brightstar.

A scoping study in September 2023 showed the possibility of simultaneously developing the open pit mine at Lady Shenton and the underground mine at Yunnadaga.

In late 2023 and early 2024, a joint venture ('JV') between Brightstar and BML Ventures Pty Ltd ('BML Ventures') produced 7,468 oz of gold and 5,651 oz of silver from mining operations at the Selkirk deposit. In March 2024, Brightstar completed a maiden gold pour from the Selkirk deposit, which was processed at Genesis' Gwalia processing plant near Leonora, WA. The processing of the remaining ore from the Selkirk mining JV concluded in late March 2024, with the net project income to be split evenly between Brightstar and BML Ventures.

For further information on Brightstar's mineral assets, including the Mineral Resource Estimates, please refer to the Independent Specialist Report in Appendix 4 of our Report.

6.4 Recent Corporate Events

Acquisition of Gateway

On 1 August 2024, Brightstar announced that it had entered into the Montague Acquisition with Gateway. As detailed in Section 4 of our Report, Brightstar, through its wholly owned subsidiary, MGP, finalised the acquisition of 100% of the Montague East Gold Rights held by Gateway and its wholly owned subsidiary Gateway Projects Pty Ltd. Gateway has retained all other mineral rights.

Gateway is an Australian ASX-listed gold company focused on the exploration at its Montague East Project located 800km north-east of Perth in the North Murchison region of WA. The Montague East Project spans almost 1000km² and is located central to several operating gold mines and 70km north of the township of Sandstone. It is comprised of several deposits including the Montague-Boulder, Evermore, Achilles North, and Airport deposits, and the Whistler open pit. Within the Montague East Project is the Flametree and Duplex target. Gateway also has an interest in several former projects through a series of Farm-out and JV agreements that provide exposure to discovery opportunities.

The Montague-Boulder deposit is located at the north-western contact of the Montague Granodiorite and was previously mined as an open pit during the 1990s. Toward the end of 2023, air-core drilling was completed at the Montague Boulder East target area to test the potential to extend near-surface supergene-type mineralisation east of the existing mineralisation.

In early 2024, Gateway began drilling at Flametree which is an emerging copper-nickel-platinum group element target that was identified through a review of exploration undertaken in the area in 2013 and 2014. Additionally, site preparations are underway for the next stage of drilling at the Duplex discovery. In March 2024, Gateway announced that follow-up RC drilling confirmed a new zone of bedrock gold mineralisation. As of May 2024, site preparation works had commenced ahead of the next phase of RC drilling.

Funding

On 1 August 2024, alongside the Scheme, Brightstar announced the Placement to raise \$24 million at \$0.015 per share via a two-tranche placement, as detailed in Section 4 of our Report.

Tranche One of the Placement raised approximately \$17.5 million (before costs) and was conducted within Brightstar's available placement capacity. A total of 1,166,666,667 new Brightstar shares were issued. 700,000,000 of these new Brightstar shares were issued pursuant Brightstar's placement capacity under ASX Listing Rule 7.1 and 466,666,667 new Brightstar shares were issued pursuant Brightstar's placement capacity under ASX Listing Rule 7.1A.

Tranche Two of the Placement was approved by shareholders at the EGM be held on 17 September 2024, raising approximately \$6.5 million (before costs). Tranche Two equates to the remaining 433,333,334 new Brightstar shares to be issued.

Brightstar also announced it had signed a non-binding indicative offer with a strategic South Korean investor for a \$40 million multi-tranche investment to fund the Brightstar mill refurbishment, as detailed in Section 4 of our Report.

Acquisition of Linden

On 30 May 2024, Brightstar closed its offers in relation to its off-market takeover of Linden, acquiring a relevant interest in 96.75% of Linden's shares and 96.81% of Linden's options. With a relevant interest of more than 90%, Brightstar exercised its right to acquire the remaining shares and options on issue via the compulsory acquisition process. On 10 July 2024, Brightstar announced the completion of the compulsory acquisition of Linden, acquiring 100% of Linden's shares and options on issue.

As part of the acquisition, Brightstar agreed to assume Linden's responsibilities associated with the SBM Contingent Payment.

Acquisition of Kingwest

On 26 May 2023, Brightstar completed the merger with Kingwest Resources Limited ('Kingwest') via a Scheme of Arrangement. Under the terms of the scheme, Brightstar issued all eligible Kingwest security holders one new Brightstar share for every 0.38 Kingwest shares held on the record date, along with one new option in Brightstar for every 0.38 options held in Kingwest on the record date. On 29 May 2023, Kingwest securities terminated official quotation and were removed from the official list of the ASX.

6.5 Historical Statement of Financial Position

Statement of Financial Position	Reviewed as at 31-Dec-23 \$	Audited as at 30-Jun-23 \$	Audited as at 30-Jun-22 \$
CURRENT ASSETS			
Cash and cash equivalents	4,816,740	425,707	1,601,324
Trade and other receivables	189,122	134,447	403
Other financial assets	50,943	50,943	25,000
Prepayments	107,126	114,172	26,142
TOTAL CURRENT ASSETS	5,163,931	725,269	1,652,869
NON-CURRENT ASSETS			
Property, plant and equipment	334,113	297,376	86,183
Right-of-use asset	271,363	302,083	14,908
Deferred exploration and evaluation expenditure	41,226,513	38,007,360	13,270,922
TOTAL NON-CURRENT ASSETS	41,831,989	38,606,816	13,372,013
TOTAL ASSETS	46,995,920	39,332,085	15,024,882

Statement of Financial Position	Reviewed as at 31-Dec-23 \$	Audited as at 30-Jun-23 \$	Audited as at 30-Jun-22 \$
CURRENT LIABILITIES			
Trade and other payables	2,388,139	1,614,687	2,040,334
Lease liabilities	49,783	45,941	14,907
Provisions	185,510	196,593	145,225
TOTAL CURRENT LIABILITIES	2,623,432	1,857,221	2,200,466
NON-CURRENT LIABILITIES			
Other payables and accruals	884,888	848,644	-
Lease liabilities	247,293	275,775	-
Borrowings	-	-	628,736
Provisions	3,073,266	2,926,920	3,111,668
Other financial liabilities	-	-	4,434,667
TOTAL NON-CURRENT LIABILITIES	4,205,447	4,051,339	8,175,071
TOTAL LIABILITIES	6,828,879	5,908,560	10,375,537
NET ASSETS	40,167,041	33,423,525	4,649,345
EQUITY			
Issued capital	77,268,508	68,981,082	43,254,388
Accumulated losses	(45,425,517)	(42,926,520)	(44,870,886)
Reserves	8,324,050	7,368,963	6,265,842
TOTAL EQUITY	40,167,041	33,423,525	4,649,345

Source: Brightstar's audited financial statements for the years ended 30 June 2023 and 30 June 2022, and reviewed for the half year ended 31 December 2023

Commentary on Historical Statement of Financial Position

- Cash and cash equivalents increased from \$425,707 as at 30 June 2023 to \$4.8 million as at 31 December 2023. The increase of \$4.4 million was primarily driven by the inflow of cash from the capital raising of \$8.5 million (before costs). This was partially offset by \$3.2 million in payments for exploration and evaluation expenditure.
- Deferred exploration and evaluation expenditure of \$41.2 million as at 31 December 2023 relates to the capitalisation of costs carried forward in relation to areas of interest in the exploration and evaluation phases. Brightstar impaired the balance of expenditure for the Goongarrie Project, which was acquired through the acquisition of Kingwest, from \$5,997 to nil as drilling ceased in September 2022 and no future funds have been allocated to an exploration program. Mining in Beta and Alpha reached its designed pit depth in prior periods, and Brightstar is currently evaluating the future viability of these areas. However, Brightstar has treated the balance for Beta and Alpha mines of \$31,597 as impaired until the mining recommences in these tenements.
- Non-current provisions of \$3.1 million as at 31 December 2023 relate solely to rehabilitation and represent the present value of estimated costs for site and pit rehabilitation, based on expected costs at the date the rehabilitation is required and the area of currently distributed ground subject to rehabilitation is required and the area of currently disturbed ground subject to rehabilitation.

6.6 Historical Consolidated Statement of Profit or Loss and Other Comprehensive Income

Consolidated Statement of Profit or Loss and Other Comprehensive Income	Reviewed for the half-year ended 31-Dec-23 \$	Audited for the year ended 30-Jun-23 \$	Audited for the year ended 30-Jun-22 \$
Interest income	12,891	9,217	385
Other income	100,000	5,062,823	150,188
Remeasurement of Rehabilitation Provision	-	450,832	-
Mine site expenses	(168,525)	(366,466)	(336,813)
Exploration expenditure	(161,259)	(125,512)	(673,934)
Depreciation and amortisation expense	(53,745)	(43,383)	(394,942)
Impairment expense	(37,594)	(700,755)	(47,828)
Finance costs	(198,977)	(363,340)	(957,128)
Administration expenses	(238,947)	(310,700)	(186,516)
Corporate advisory and consulting fees	(174,870)	(39,000)	(380,338)
Director Fees	(94,806)	(292,878)	(255,707)
Employee benefits expenses	(187,713)	(1,132,112)	(651,924)
Share-based payment expense	(955,087)	-	-
Other expenses	(340,364)	(204,360)	(215,693)
Profit/(loss) before income tax	(2,498,997)	1,944,366	(3,950,250)
Income tax	-	-	-
Net profit/(loss) for the period attributable to members of the parents	(2,498,997)	1,944,366	(3,950,250)
Other comprehensive income for the period, net of tax	-	-	-
Total comprehensive income/(loss) for the period	(2,498,997)	1,944,366	(3,950,250)

Source: Brightstar's audited financial statements for the years ended 30 June 2023 and 30 June 2022, and reviewed for the half year ended 31 December 2023

Commentary on Historical Statement of Profit or Loss and Other Comprehensive Income

- Other income increased from \$150,188 for the year ended 30 June 2022 to \$5.1 million for the year ended 30 June 2023, primarily due to a gain from the extinguishment of the following debt arrangements:
 - Brightstar settled a \$630,000 loan from Great Cortex International Limited ('Cortex') in October 2022 by issuing 19,090,909 Brightstar shares at an issue price of \$0.33 per share, to a party nominated by Cortex, fully discharging the liability under the loan agreement.
 - Brightstar settled a \$5,400,000 deferred payment, which served as consideration for shares bought back, in October 2022 by granting a 1.5% net smelter return royalty on six tenements.
- Brightstar remeasured the present value of the rehabilitation provision as at 30 June 2023 using a pre-tax discount rate of 10% and, as a result, recorded a reduction of \$450,832.
- The impairment expense recorded for the years ended 30 June 2022 and 30 June 2023, and the half-year ended 31 December 2023, relates to the impairment of certain deferred exploration and evaluation expenditure assets. The impairment expense of \$37,594 for the half-year ended 30 June 2023 relates to the Goongarrie Project, and the Alpha and Beta Project, as detailed in Section 6.5 above.

6.7 Capital structure

The share structure of Brightstar as at 23 August 2024 is outlined below:

	Number
Total ordinary shares on issue	5,908,890,252
Top 20 shareholders	3,402,423,779
Top 20 shareholders - % of shares on issue	57.58%

Source: Brightstar's share registry as at 23 August 2024

The range of shares held in Brightstar as at 23 August 2024 is as follows:

Range of Shares Held	No. of Ordinary Shareholders	No. of Ordinary Shares	Percentage of Issued Shares (%)
1 - 1,000	167	24,708	0.0004%
1,001 - 5,000	214	653,545	0.01%
5,001 - 10,000	275	2,217,885	0.04%
10,001 - 100,000	1,971	93,243,791	1.58%
100,001 - and over	2,049	5,812,750,323	98.37%
TOTAL	4,676	5,908,890,252	100.00%

Source: Brightstar's share registry as at 23 August 2024

The ordinary shares held by the most significant shareholders as at 23 August 2024 are detailed below:

Name	No. of Ordinary Shares	Percentage of Issued Shares (%)
St Barbara Limited	638,947,071	10.81%
Lion Selection Group Limited	396,190,476	6.70%
Jack Yetiv	360,389,611	6.10%
Subtotal	1,395,527,158	23.62%
Others	4,513,363,094	76.38%
Total ordinary shares on Issue	5,908,890,252	100.00%

Source: Brightstar's share registry as at 23 August 2024

The options and performance rights on issue in Brightstar as at 8 August 2024 are outlined below:

Description	No. of Options/Rights	Exercise price (\$)	Expiry Date
Options	7,815,789	0.106	07-Oct-24
Options	21,052,631	0.076	21-Oct-24
Options	2,200,000	0.050	01-Dec-24
Options	20,000,000	0.050	31-Dec-24
Options	4,473,685	0.108	15-Feb-25
Options	91,425,008	0.036	25-Feb-25
Options	3,289,474	0.095	28-Apr-25
Options	40,000,000	0.020	04-Aug-25
Options	3,289,474	0.023	16-Jan-26
Options	3,947,368	0.038	16-Jan-26
Options	13,800,000	Nil	30-Jun-26
Options	4,221,944	0.024	30-Jun-26
Options	15,000,000	0.030	07-Jul-26
Options	15,000,000	0.020	07-Jul-26
Options	25,000,000	0.025	07-Jul-26
Options	25,000,000	0.035	07-Jul-26
Options	10,000,000	Nil	30-Nov-26
Options	20,000,000	0.025	01-Jul-27
Options	20,000,000	0.035	01-Jul-27
Options	25,000,000	0.030	19-Jul-28
Options	25,000,000	0.040	19-Jul-28
Performance Rights	137,625,000	Nil	n/a
Total number of options and performance rights	533,140,373		
Cash raised if options are exercised	13,952,416		

Source: Brightstar's application for quotation of securities announced on 8 August 2024

7. Economic analysis

Alto and Brightstar are primarily exposed to the risks and opportunities of the Australian market, through their listing on the ASX and the geographical location of their mineral assets. As such, we have presented an analysis on the Australian economy to the extent that it relates to considerations for our assessment.

7.1 Australia

As at the August 2024 Monetary Policy Decision meeting, the Reserve Bank of Australia ('RBA') left the cash rate unchanged at 4.35%. Since the November 2023 meeting, the Board of the RBA has kept interest rates at the highest since April 2022, in line with the post COVID 19 deflationary policy. The current monetary policy is aimed at returning inflation to the RBA's target of 2-3% within a reasonable timeframe, noting that indicators such as a strengthening of the labour market and growing labour and non-labour costs pose upside risks to inflation. In line with the June 2024 meeting, progress in disinflation appears to be slowing, with inflation sitting outside the target band. For the year ended June 2024, the trimmed mean consumer price index ('CPI') rose by 3.9%, 0.1% more growth than the prior period, which was forecast in the May 2024 Statement of Monetary Policy.

At the August 2023 meeting, in a slight adjustment to the May 2024 forecast, the RBA predicted inflation to approach, and sit within, the target 2-3% range by late 2025, with a focus on gradually approaching the midpoint through 2026. The adjustment to the inflation forecast represents the RBA Board's assessment that the economy is weaker than previously forecast based on less capacity to meet economic demand. In addition, indicators of household consumption and economic activity appear to be slowing where the unemployment rate is gradually rising.

Economic recovery appears to be slower than estimated headlined by disruptions to the economic position of Australia's trading partners, specifically China and the United States. In China, property woes have led to weaker consumption and commodity prices such iron ore, where in the United States, an unexpectedly weaker labour market and higher than expected inflation have had a dampening effect on economic growth.

Based on the most recent data, household and public consumption led to a strengthening of domestic demand, greater than forecast in May 2024, although the net effect of import growth and softer exports have had a negative effect on gross domestic product ('GDP') growth. For the year ended June 2024, GDP growth was 0.9%, which is lower than the forecasted outcome from May 2024 of 1.2%.

Since late 2022, equity prices in Australia have continued to increase, following suit from the United States equity market. The rise in equity prices has largely been driven by increased expectations of future earnings growth, most notably in the technology sector, although in the recent weeks, markets have seen significant pullbacks due to lower than expected earnings of some large technology companies and scepticism over the convertibility of investment in artificial intelligence into earnings. More recently, global equities were significantly set back by a rise in interest rates by the Bank of Japan as the policy setters looked to support a struggling Yen, causing a sell off of both Japanese and global equities, including in Australia.

Among other major economies around the world, the rebound from the COVID-19 pandemic waned throughout 2022 which contributed to a significant slowdown in the global economy. In Australia, as in many advanced economies, persistent systematic inflation and energy prices have weighed on demand. For the remainder of 2024, it is anticipated that GDP growth in Australia's key trading partners will continue to fall below expectations. As Chinese domestic consumption struggles and the property sector continues to face significant challenges, China's growth is expected to remain subdued over the remainder of 2024 and 2025.

Outlook

The economic outlook remains uncertain, and according to the RBA Board, recent data indicates that the process of returning inflation to target is unlikely to be smooth and may take longer than previously expected. To date, medium-term inflation expectations have been consistent with the inflation target and the RBA Board emphasised the importance of this remaining the case. Inflation is easing but at a slower pace than previously expected. Returning inflation to target within a reasonable timeframe remains the RBA Board's highest priority, however, they expect it will take some time. Services price inflation remains high, as observed overseas, however, it is expected to gradually decline as domestic inflationary pressures moderate and growth in labour and non-labour costs ease.

Conditions in the labour market are expected to further ease to align broadly with full employment conditions that can be sustained over time without contributing to inflationary pressures in the coming years. Nominal wage growth is expected to remain strong in the near term and then gradually decline in line with labour market easing.

Economic growth in Australia is forecast to remain subdued as earlier interest rate hikes and inflation continue to weigh on consumption, albeit at a gradual pace. Growth is expected to gradually increase from late 2024 as inflation declines and household income pressure eases. However, the full impact of policy tightening on household consumption is uncertain and seems to be lagging behind. Household consumption is expected to experience growth to levels seen pre-pandemic by around mid-2025 supported by increases in real income growth due to tax cuts and declining inflation.

Considering that economic growth of Australia's trading partners has been slower than expected, domestic growth expectations have been pushed out. However, there remains a high level of uncertainty around the Chinese economic outlook and the implications of the conflicts in Ukraine and the Middle East, which may have significant implications for supply chains.

Source: www.rba.gov.au Statement by the Reserve Bank Board: Monetary Policy Decision dated 6 August 2024 and prior periods, www.rba.gov.au Minutes of the Monetary Policy Meeting of the Reserve Bank Board 6 August 2024 and prior periods.

8. Industry analysis

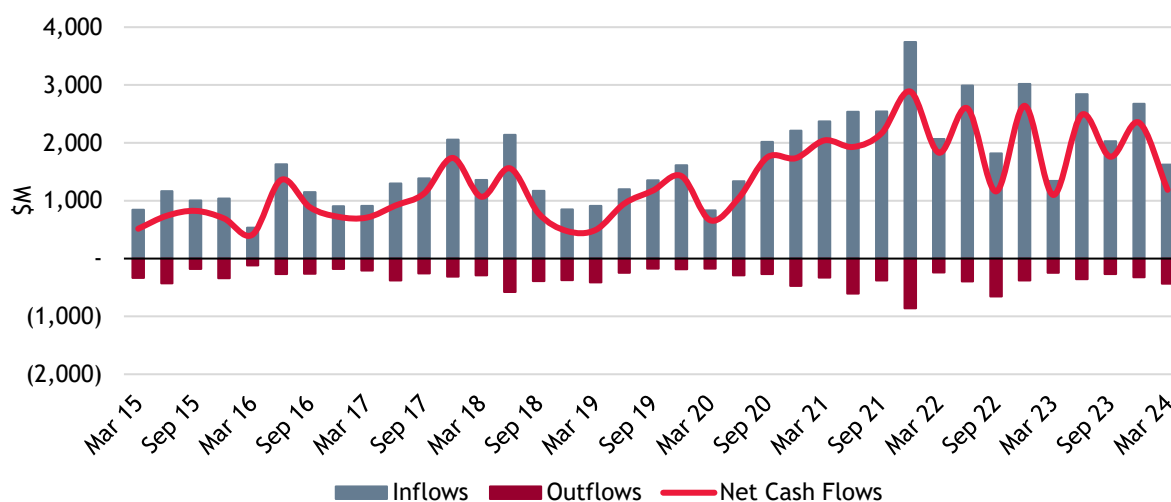
Alto is a gold exploration company, whilst Brightstar produces gold with its Second Fortune mine. As such, we have presented an overview of the gold mining industries to the extent that it relates to considerations for our assessment.

8.1 Exploration sector

BDO reports on the financial health and cash positions of ASX-listed exploration companies based on the quarterly Appendix 5B reports lodged with the ASX. ASX-listed mining and oil and gas exploration companies are required to lodge an Appendix 5B report each quarter, outlining the company's cash flows, their financing facilities available and management's expectation of future funding requirements. BDO's report for the March quarter of 2024 suggests a slowdown in activity by explorers during a period of market stabilisation. However, despite lingering economic uncertainties, explorers were supported by strong commodity prices, particularly in the uranium sector, and the continued high demand for minerals essential to the global energy transition.

In the March 2024 quarter, financing cash inflows fell to \$1.62 billion, representing a 39% decrease to the \$2.68 billion of funds raised in the previous quarter. In addition, financing inflows averaged \$2.08 million per company, which is 29% lower than the two-year average of \$2.92 million (since March 2022). The decrease in financing inflows, coupled with a 34% increase in financing cash outflows, resulted in a 49% decrease in net financing cash flows from the December 2023 quarter. While we acknowledge the influence of seasonality on this trend, with the March quarter often being a quiet period for capital raises, interest rate increases and elevated inflation has contributed to a softening in capital markets, resulting in reduced funding availability, particularly for smaller explorers.

ASX Explorers' Financing Cash Flows (\$M)



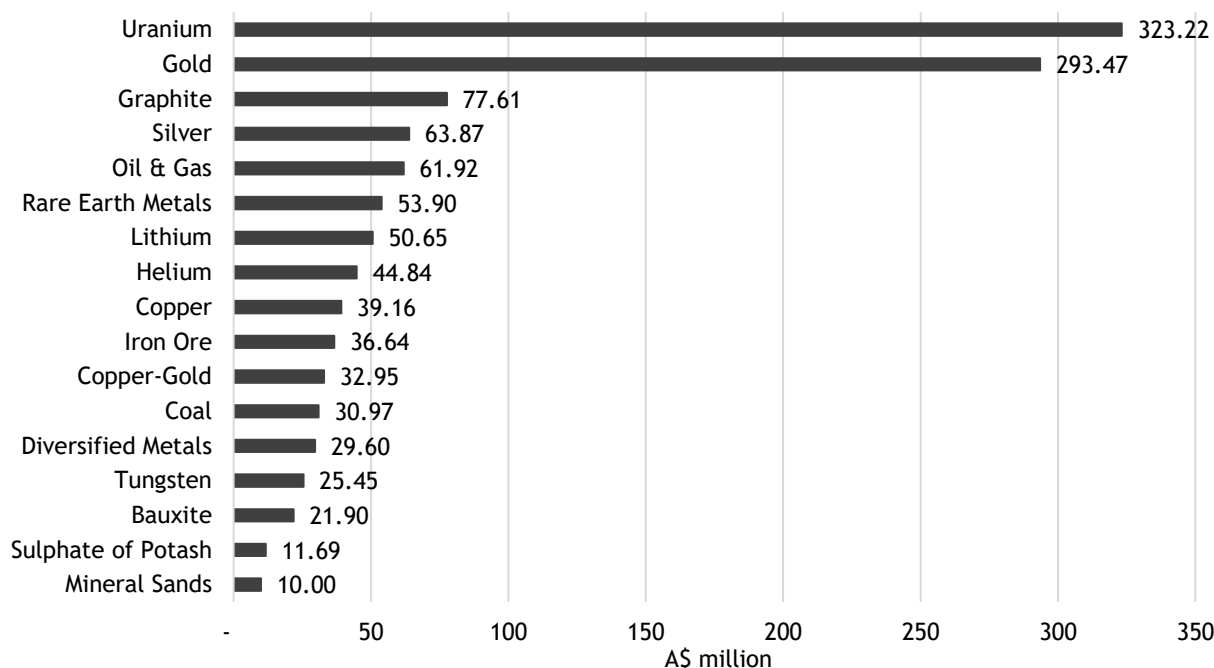
The number of companies which raised capital exceeding \$10 million (which we have termed 'Fund Finders') reduced in the March 2024 quarter with 38 companies raising \$1.21 billion compared to the 43 companies raising \$2.01 billion in the December 2023 quarter. On average, the Fund Finders of the March 2024 quarter raised \$31.8 million each and contributed to 74% of the total financing inflows in the March 2024 quarter.

Uranium explorers raised the most funds over the March 2024 quarter, with seven uranium companies accounting for 27% of funds raised during the quarter, raising a total of \$323.22 million. This marked a 50% increase from the previous quarter, which featured only two uranium companies. Uranium prices have

doubled over the past twelve-month period, hitting a 16-year high of US\$106 per pound early in the quarter. The key factors driving this price shift were supply chain disruptions, sparked by geopolitical tensions with Russia, which is projected to hold 42% of the world’s enrichment capacity by 2025, coupled with renewed interest, which indicates there are both demand and supply factors driving investment in uranium.

Gold, previously dominant since June 2022, was overtaken by lithium in late 2023. Despite falling behind uranium this quarter, gold remains popular, with the gold price hitting a record high of US\$2,230 in March, and accounting for 24% of the \$1.21 billion raised by Fund Finders. Graphite explorer Syrah highlighted graphite’s importance in the advancement of battery technology during the quarter, securing the commodity a podium finish in the Fund Finder analysis. And interestingly, lithium fundraising dropped to \$50.65 million in the March 2024 quarter, reflecting a 93% decrease from the previous quarter’s \$756.39 million.

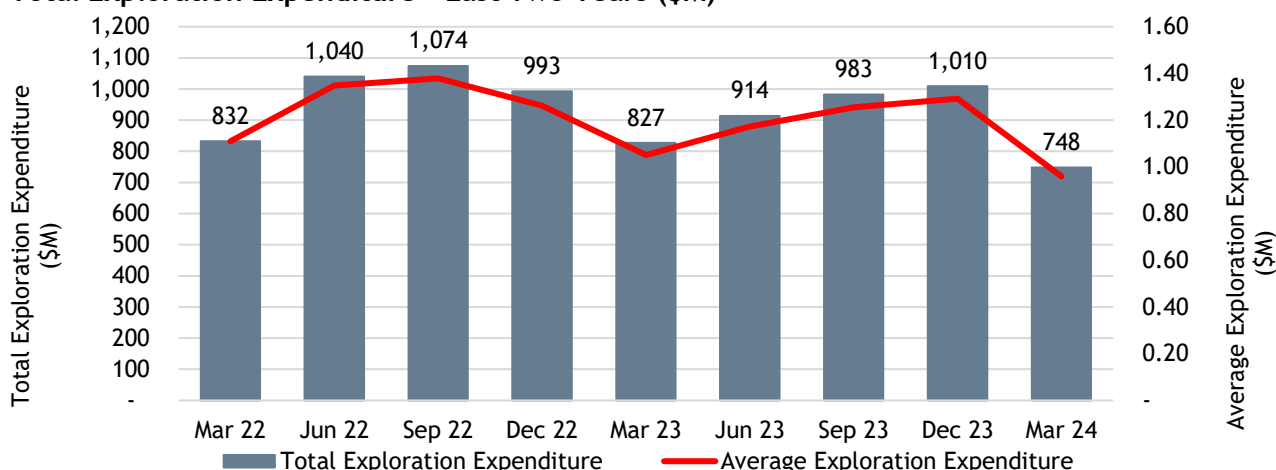
Financing Inflow by Commodity - Top 38 Explorers March Quarter 2024



Following a large December 2023 quarter in terms of activity, total exploration spending dropped by 26% to \$748 million in the March 2024 quarter, hitting a two-year low not seen since March 2022. Additionally, the average exploration spends per company reached a new low of \$0.96 million, the lowest since the average in March 2021 of \$0.83 million. This decline in exploration activity was primarily driven by explorers adopting a cash preservation strategy in response to the softening capital markets and therefore the uncertainty around when explorers can next achieve a capital raise.

The top 10 exploration spends, totalling \$179 million, comprised four lithium companies, three oil and gas companies, two gold companies and one copper-gold company. Typically, gold and oil and gas constitute the largest portion of the top 10 exploration spends. However, similar to the previous quarter, we have observed growth in exploration spending for lithium. Notably, lithium players such as Galan Lithium Limited (who recorded the second largest exploration spend of \$25 million), Loneer Limited, Latin Resources Limited and Delta Lithium Limited have collectively spent \$62 million on exploration during the March 2024 quarter.

Total Exploration Expenditure - Last Two Years (\$M)



The results from the March 2023 quarter show that despite the noticeable industry wide slowdown due to deteriorating global macroeconomic conditions and softening capital markets, the sector remained resilient, supported by strong commodity prices and sustained demand for minerals critical to the clean energy transition. Uranium has emerged as the top Fund Finder of the quarter for the first time since our analysis began in 2014, with funds raised by uranium explorers increasing by 50% on the December 2023 quarter.

Source: BDO Explorer Quarterly Cash Update: March 2024 and prior releases.

8.2 Gold

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

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

The mining and mineral processing techniques applied to gold is determined by the nature of the ore deposit. Gold contained in oxide ore deposits are typically of low grade and are simple to extract and readily amenable by cyanidation. Consequently, highly disseminated gold can be contained within sulphide minerals which require mining, crushing, grinding and to be followed by gravity separation to recover the gold, subject to flotation to concentrate the sulphide mineral fraction containing the gold. Inherently, the costs associated with the treatment of oxide ore are significantly less than of sulphide ores.

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

Gold supply (tonnes)	2017	2018	2019	2020	2021	2022	2023
Mine production	3,576	3,656	3,596	3,482	3,589	3,625	3,644
Net producer hedging	(26)	(12)	6	(39)	(7)	(13)	17
Recycled gold	1,112	1,132	1,276	1,293	1,136	1,140	1,237
Total supply	4,662	4,776	4,878	4,736	4,718	4,752	4,899

Source: World Gold Council Statistics, 31 January 2024

The World Gold Council expects gold to remain supported with the development of new mines in North America, Asia and Australia scheduled for 2024. Heightened geopolitical tension during a key election year for many major economies and ongoing financial uncertainty from weakening global economic conditions should see gold experience persisting strong demand. Continued purchases by major central banks and concerns about a global recession is anticipated to offer further backing for the commodity. However, the risk of tighter monetary policy or an economic soft landing, particularly concerning the USA economy, could result in gold divestment.

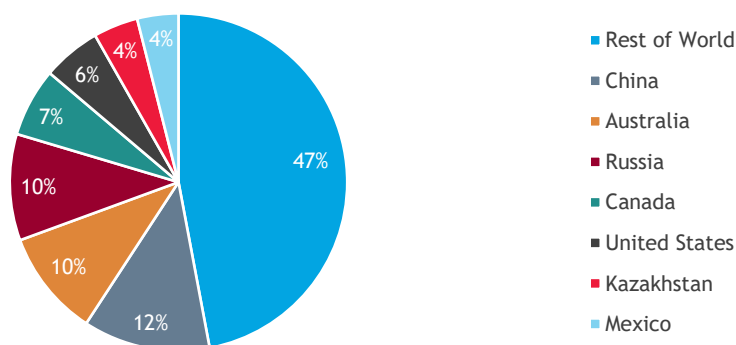
Gold ore mining is a capital intensive and high-cost process, which becomes increasingly difficult and more expensive as the quality of ore reserves diminish. The industry also incurs many indirect costs related to exploration, royalties, overheads, marketing, and native title law. Typically, many of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

The gold industry is geographically diverse as China, Australia and Russia lead global gold production. According to the USGS, total estimated global gold ore mined for 2023 was approximately 3,000 metric tonnes. The charts below illustrate the estimated global gold production and reserves by country for 2023.

Gold production and reserves

The USGS estimates that overall global gold production in 2023 remained relatively unchanged from 2022 as production decreases in Peru and Mali were more than offset by production increases in Kazakhstan, South Africa and Tanzania.

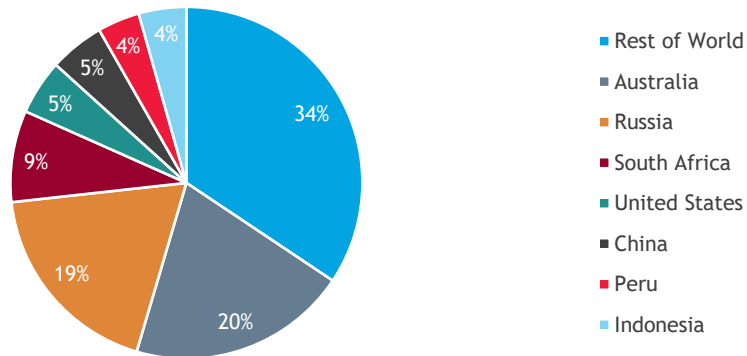
Gold Production by Country, 2023



Source: U.S. Geological Survey, January 2024

Despite China leading global gold production in 2023, Australia, Russia and South Africa hold the largest known gold reserves globally. As depicted below, the USGS estimates that collectively, these three countries account for approximately 48% of global gold reserves.

Gold Reserves by Country, as at January 2024



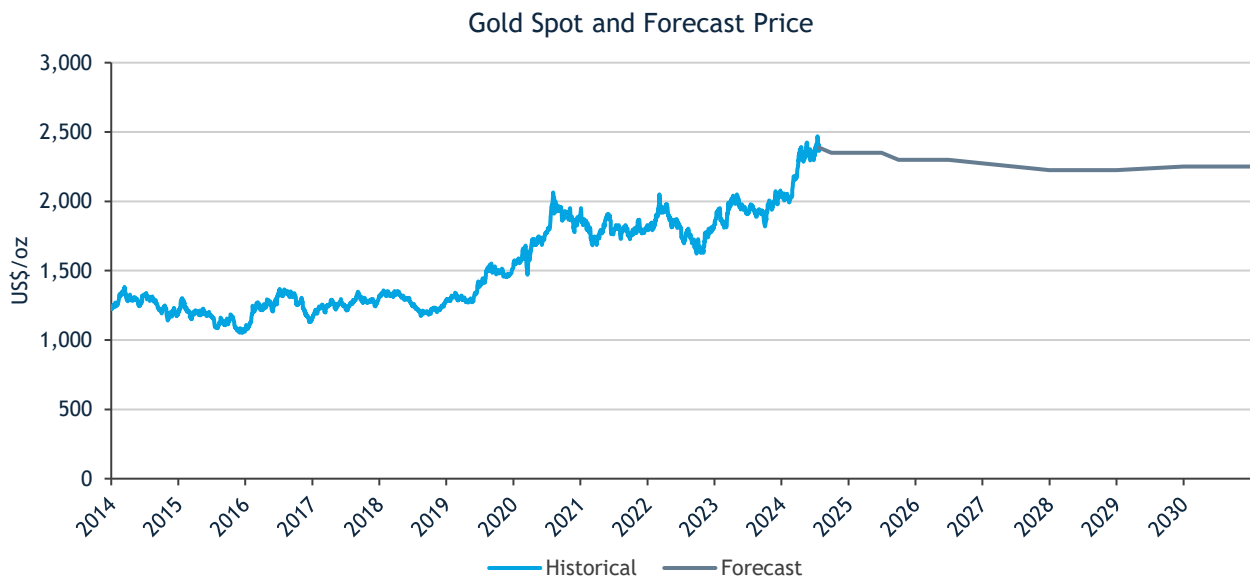
Source: U.S. Geological Survey, January 2024

According to USGS, Australia’s gold reserves amount to 12,000 tonnes, representing over 20% of global reserves and the largest held by any one country.

Australian gold producers

The Australian gold mining industry exhibits a moderate concentration comprising several large producers such as Newmont Corporation (Australia), Gold Fields and Northern Star Resources Limited, as well as many mid-tier gold producers.

Gold prices



Source: Bloomberg, Consensus Economics Survey dated 15 July 2024, and BDO analysis

The figure above illustrates the historical fluctuations in the gold spot prices from January 2014 to July 2024 as well as forecasts for copper prices from the remainder of 2024 to 2030 based on forecast data from Bloomberg, Consensus Economics and BDO analysis.

Over the period from 2014 through to 2019, the gold price fluctuated primarily between US\$1,100/oz and US\$1,400/oz. Throughout 2020, gold prices fluctuated significantly. Demand for gold increased in response to the uncertainty created by the pandemic, as investors prioritised safe haven assets. In late March 2020, the increasing demand for gold was interrupted by a panic selloff as investors began to realise their profits

amidst growing uncertainty. Gold spot prices fell to a yearly low of US\$1,471/oz, before rallying in late July and early August to exceed US\$2,000/oz. COVID-19 was the primary driver of the increase in gold price, as central banks injected billions of dollars into financial markets and investors flocked to safe asset. Additionally, the prevailing low interest rate environment at the time increased access to capital, which further spurred investment in gold.

Through to early January 2021, the price of gold increased due to further fallout from the US Election, climbing back over US\$1,900/oz after remaining in the US\$1,800s/oz through most of December 2020. For the rest of 2021, the price of gold traded between US\$1,600/oz and US\$1,900/oz as demand fluctuated throughout the year. Rising US treasury yields initially threatened gold's appeal as an inflation hedge by increasing the opportunity cost of holding the precious metal. However, concerns regarding the spread of the Delta Variant of COVID-19 increased gold's appeal as a safe-haven asset. The price of gold exceeded US\$1,800/oz in early July 2021. However, this was quickly reversed in the following months as the US Federal Reserve signalled policy tightening, which coming sooner than anticipated, drove US treasury yields and a stronger US dollar. Towards the end of the year, gold prices strengthened following the US Federal Reserve's announcement to reduce purchases of Government bonds, as well as the release of US inflation data which revealed an annualised inflation rate of 6.2%, its highest level since 1990.

The invasion of Ukraine by Russia in February 2022 saw gold prices climb above US\$1,900/oz and peak at US\$2,039/oz during March, in response to several economic sanctions on Russia and the release of US inflation data which indicated an annualised inflation rate of 8.5%. In May 2022, the price of gold weakened to US\$1,800/oz following the US Federal Reserve's aggressive monetary tightening to control rising inflation. The gold price continued to decline until September 2022, before it staged a recovery driven by a combination of slowing US inflation, depreciation of the US dollar, and increased gold demand by central banks for reserve diversification.

In the first quarter of 2023, several financial institutions, such as the Credit Suisse Group AG and the Silicon Valley Bank, faced liquidity and investor confidence issues. A lack of confidence in some parts of the banking sector supported the gold price. Early April 2023 saw gold prices surpass US\$2,000/oz as investors speculated a nearing of the end of interest rate tightening in the US.

During January and February of 2024, gold continued to largely trade above US\$2,000/oz. However, in March, the gold price rapidly increased to over US\$2,400/oz in May, reaching a record high. The rise in the gold price was attributed to several factors including geopolitical instability from conflicts in Ukraine and the Middle East, global inflation, and an increased holding in gold by central banks in developing countries. Although the price of gold in June retreated from its highs set in May, it continues to remain resilient, supported by US economic data which support the case for interest rate cuts.

According to Consensus Economics, Bloomberg forecasts and BDO analysis, the gold price is expected to continue to trade around current levels in the near term before gradually weakening over 2026 to 2029. From 2026 to 2029, the gold price is expected to range between around US\$2,200/oz and US\$2,300/oz. The long term nominal forecast from 2030 onwards is within this range, at approximately US\$2,250/oz.

Source: Bloomberg, Consensus Economics, IBISWorld, World Gold Council and Reuters

9. Valuation approach adopted

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

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

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

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

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

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

9.1 Valuation of an Alto share prior to the Scheme

In our assessment of the value of an Alto share prior to the Scheme, we have chosen to employ the following methodologies:

- Sum-of-Parts as our primary methodology, which estimates the fair market value of a company by assessing the realisable value of its identifiable assets and liabilities. The value of each asset and liability may be determined using different methods and the component parts are then aggregated using the NAV methodology. The value derived from this methodology reflects a control value;
- QMP as our secondary methodology, as this represents the value that an Alto Shareholder may receive for a share if it were sold on market prior to the announcement of the Scheme. The value derived from this methodology reflects a minority interest value.

We have chosen the above methodologies to value an Alto share prior to the Scheme, with reasons for utilising those methodologies as set out below:

- As Alto's mineral assets are currently non-producing, and there is no revenue or cash flows currently generated by those assets, we have commissioned an independent technical specialist to value Alto's mineral assets prior to the Scheme. Therefore, we consider the Sum-of-Parts approach to be an appropriate methodology to use in assessing the value of an Alto share prior the Scheme.
- We have adopted the QMP as our secondary approach. The QMP basis is a relevant methodology to consider because the shares of Alto are listed on the ASX, and therefore, reflect the value that an Alto Shareholder will receive for a share sold on the market. This means there is a regulated and observable market where the shares of Alto can be traded. However, for the QMP methodology to

be considered appropriate, the listed shares should be liquid, and the market should be fully informed on the Company's activities.

- Alto's mineral assets do not currently generate any income, nor are there any historical profits that could be used to represent future earnings; therefore, we do not consider the application of the FME approach to be appropriate.
- In order for a valuation to be performed based on future net cash inflows sufficient reasonable grounds must exist to allow the expert to rely on those future cash flows. Guidance on this in the context of an IER is provided in Regulatory Guide 170 'Prospective Financial Information' ('RG 170') and Information Sheet 214: Mining and Resources: Forward-looking Statements ('IS 214'). IS 214 states that 'Forward-looking statements underpinned by ore reserves provide the greatest comfort to an independent expert providing a valuation, and the least risk that the valuation will be misleading'. Alto's mineral assets are exploration projects, and as such, have no foreseeable future net cash inflows which we would have sufficient grounds to rely on. Therefore, we do not consider the application of the DCF approach to be appropriate. A DCF approach would require Alto to produce cash flow forecasts, which would be highly speculative in nature.

We consider the Sum-of-Parts approach to be an appropriate primary methodology to use in assessing the value of an Alto share prior to the Scheme.

We have employed the Sum-of-Parts methodology in estimating the fair value of Alto prior to the Scheme by aggregating the estimated fair market values of its underlying assets and liabilities, having consideration to the following:

- The value of Alto's mineral assets, applying the comparable transaction and geoscientific ratings approach;
- The value of Alto's other assets and liabilities, adjusting to fair market value under the NAV methodology; and
- Transaction costs incurred as part of the Scheme process borne by Alto regardless of the outcome of the Scheme.

Technical Expert

In performing our valuation of Alto's mineral assets, we have relied on the Independent Specialist Report, which includes an assessment of the market value of Alto's mineral assets.

SRK's Independent Specialist Report has been prepared in accordance with the Australasian Code for Public Reporting of Technical Assessments and Valuation of Mineral Assets (2015 Edition) ('VALMIN Code') and the JORC Code. We are satisfied with the valuation methodologies adopted by SRK, which we believe are in accordance with industry practices and are compliant with the requirements of the VALMIN Code. The specific valuation methodologies used by SRK are referred to in the respective sections of our Report and in further detail in the Independent Specialist Report contained in Appendix 4.

9.2 Valuation of the Merged Group

In our assessment of the value of the Merged Group, following the implementation of the Scheme, we have chosen to employ the following approaches:

- Sum-of-Parts of the Merged Group as our primary methodology. The value derived from this methodology reflects a control value, to which we then apply a minority interest discount; and

- QMP as our secondary methodology, utilising post-announcement pricing of Brightstar. The value derived from this methodology reflects a minority interest value.

We have employed the Sum-of-Parts method in estimating the fair market value of the Merged Group by aggregating the estimated fair market values of its underlying assets and liabilities, having consideration to the:

- value of the Merged Group's assets, applying the comparable transactions and geoscientific ratings approach;
- value of the Merged Group's other assets and liabilities, adjusting to fair market value under the NAV method; and
- transaction costs incurred as part of the Scheme process.

We have chosen the following methodologies to value the Merged Group following the implementation of the Scheme, and in turn, the Scheme Consideration, with the reasons for utilising those methodologies set out below:

- The Merged Group's mineral assets do not have a stable history of profits that could be used to represent future earnings; therefore, we do not consider the application of the FME approach to be appropriate.
- As the Merged Group's mineral assets are currently non-producing, and there is no revenue or cash flows currently generated by the mineral assets of the Merged Group, we have commissioned an independent technical specialist to value these mineral assets. The independent technical specialist has used a resource based valuation approach for valuing the mineral assets. Therefore, we consider the Sum-of-Parts approach to be an appropriate methodology to use in assessing the value of the Merged Group.
- We have adopted the QMP as our secondary approach. The QMP basis is a relevant methodology to consider because the shares of Brightstar are listed on the ASX, and therefore, reflect the value that an Alto Shareholder will receive for a share sold on the market. This means there is a regulated and observable market where the shares of Brightstar can be traded. However, for the QMP methodology to be considered appropriate, the listed shares should be liquid, and the market should be fully informed on the Company's activities.
- In order for a valuation to be performed based on future net cash inflows sufficient reasonable grounds must exist to allow the expert to rely on those future cash flows. Guidance on this in the context of an IER is provided in RG 170 and IS 214. IS 214 states that 'Forward-looking statements underpinned by ore reserves provide the greatest comfort to an independent expert providing a valuation, and the least risk that the valuation will be misleading'. Brightstar's mineral assets are currently in a stage of exploration and do not have current JORC compliant ore reserves. As such, Brightstar has no foreseeable future net cash inflows which we would have sufficient grounds to rely on. Therefore, we do not consider the application of the DCF approach to be appropriate. A DCF approach would require Brightstar to produce cash flow forecasts, which would be highly speculative in nature.
- We consider the Sum-of-Parts approach to be an appropriate primary methodology to use in assessing the value of the Merged Group following the implementation of the Scheme, and in turn, the Scheme Consideration as it incorporates the independent technical specialist's valuation of the mineral assets of the Merged Group.

Technical Expert

In performing our valuation of Brightstar's mineral assets, as well as the Gold Rights at the Montague East Gold Project, we have relied on the Independent Specialist Report prepared by SRK, which includes an assessment of the market value of the mineral assets of the Merged Group.

We are satisfied with the valuation methodologies adopted by SRK, which we believe are in accordance with industry practices and are compliant with the requirements of the VALMIN Code.

The specific valuation methodologies used by SRK are referred to in the respective sections of our Report and in further detail in the Independent Specialist Report contained in Appendix 4.

10. Valuation of Alto prior to the Scheme

10.1 Sum-of-Parts Valuation

We have employed the Sum-of-Parts methodology in estimating the fair market value of an Alto share on a controlling interest basis prior to the Scheme, by aggregating the estimated fair market values of its underlying assets and liabilities, having consideration to the following:

- the value of Alto's mineral assets;
- the value of Alto's other assets and liabilities; and
- the transaction costs that will be incurred by Alto if the Scheme is not implemented.

Our Sum-of-Parts valuation is set out in the table below:

Valuation of Alto prior to the Scheme	Ref	Low \$	Preferred \$	High \$
Value of Alto's mineral assets	10.1.1	38,000,000	56,800,000	75,500,000
Value of Alto's other assets and liabilities	10.1.2	911,842	911,842	911,842
Transaction costs	10.1.3	(700,000)	(700,000)	(700,000)
Total value of Alto prior to the Scheme (control)		38,211,842	57,011,842	75,711,842
Total number of shares on issue	10.1.4	721,523,172	721,523,172	721,523,172
Value per Alto share prior to the Scheme (control) (\$/share)		0.053	0.079	0.105

Source: SRK Independent Specialist Report, Alto's audited financial statements for the year ended 30 June 2024 and BDO analysis

We have assessed the value of an Alto share prior to the Scheme on a controlling interest basis to be in the range of \$0.053 to \$0.105, with a preferred value of \$0.079.

10.1.1. Valuation of Alto's mineral assets

In performing our valuation of Alto's mineral assets, we have relied on the Independent Specialist Report prepared by SRK, which includes the assessment of the market value of the Company's mineral assets. We instructed SRK to provide an independent market valuation of the mineral assets held by Alto. SRK considered a number of different valuation methods when using the mineral assets of Alto. SRK applied the comparable transactions approach in valuing Alto's mineral assets.

The range of values for Alto's mineral assets as determined by SRK is set out below:

	Low \$	Preferred \$	High \$
Resources	26,200,000	40,200,000	54,100,000
Exploration Potential	11,800,000	16,600,000	21,400,000
Value of Alto's mineral assets	38,000,000	56,800,000	75,500,000

Source: SRK's Independent Specialist Report

The table above indicates a range of rounded values between \$38.0 million and \$75.5 million, with a preferred value of \$56.8 million. For further information on SRK's approach and conclusions, refer to the SRK report which is included as Appendix 4 of our Report.

10.1.2. Valuation of Alto's other assets and liabilities

Alto's other assets and liabilities represent those not specifically addressed elsewhere in our Sum-of-Parts valuation. Based on our discussions with Alto and analysis of the other assets and liabilities, as outlined in the table below, we do not consider there to be a material difference between book value and fair value, except where an adjustment is noted below.

The table below represents a summary of the assets and liabilities identified:

	Notes	Audited as at 30-Jun-24 \$	Adjusted \$
CURRENT ASSETS			
Cash and cash equivalents	a)	1,916,608	1,495,294
Trade and other receivables		95,516	95,516
TOTAL CURRENT ASSETS		2,012,124	1,590,810
NON-CURRENT ASSETS			
Equity instruments at fair value		7,500	7,500
Property, plant and equipment		161,362	161,362
Right of Use Assets		151,689	151,689
Exploration and evaluation	b)	30,892,526	-
TOTAL NON-CURRENT ASSETS		31,213,077	320,551
TOTAL ASSETS		33,225,201	1,911,361
CURRENT LIABILITIES			
Trade and other payables		678,945	678,945
Lease liability		111,405	111,405
Employee Provisions		146,337	146,337
TOTAL CURRENT LIABILITIES		936,687	936,687
NON-CURRENT LIABILITIES			
Lease liability		62,832	62,832
TOTAL NON-CURRENT LIABILITIES		62,832	62,832
TOTAL LIABILITIES		999,519	999,519
NET ASSETS		32,225,682	911,842

Source: Alto's audited financial statements for the half year ended 30 June 2024.

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

We have been advised that there has not been any other significant change in the net assets of Alto since 30 June 2024 apart from the adjustments detailed below and the above assets and liabilities represent their fair market values. Where the above balances differ materially from the position at 30 June 2024, we have obtained supporting documentation to validate the values used, which provides reasonable grounds for reliance on the unaudited financial information.

We note the following in relation to the above valuation of Alto's other assets and liabilities:

Note a) Cash and cash equivalents

We received bank statements from Alto confirming the current cash and cash equivalents balance as at 31 August 2024 is approximately \$1.50 million, as outlined in the table above. We have adjusted the cash and cash equivalents balance accordingly.

Note b) Exploration and evaluation

We have adjusted the book value of exploration and evaluation expenditure of \$30.9 million as at 30 June 2024 to nil, as it is reflected in the valuation of Alto's mineral assets, which has been valued separately in Section 10.1.1 of our Report.

10.1.3. Transaction costs

We adjusted our valuation of Alto to reflect the transaction costs that are expected to be incurred by Alto regardless of the outcome of the approval of the Scheme. The transaction costs to be incurred by Alto have been estimated to be \$700,000, as detailed in Section 10.17 of the Scheme Booklet.

10.1.4. Number of shares outstanding

As detailed in Section 5.6 of our Report, the current number of Alto shares on issue as at the date of our Report is 721,523,172.

10.2 QMP for Alto securities

To provide a comparison to the valuation of Alto in Section 10.1, we have also assessed the QMP for an Alto share.

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

RG 111.43 suggests that when considering the value of a company's shares for the purposes of a control transaction, the expert should consider a premium for control. An acquirer could be expected to pay a premium for control due to the advantages they will receive should they obtain 100% control of another company. These advantages include the following:

- Control over decision making and strategic direction.
- Access to underlying cash flows.
- Control over dividend policies.
- Access to potential tax losses.

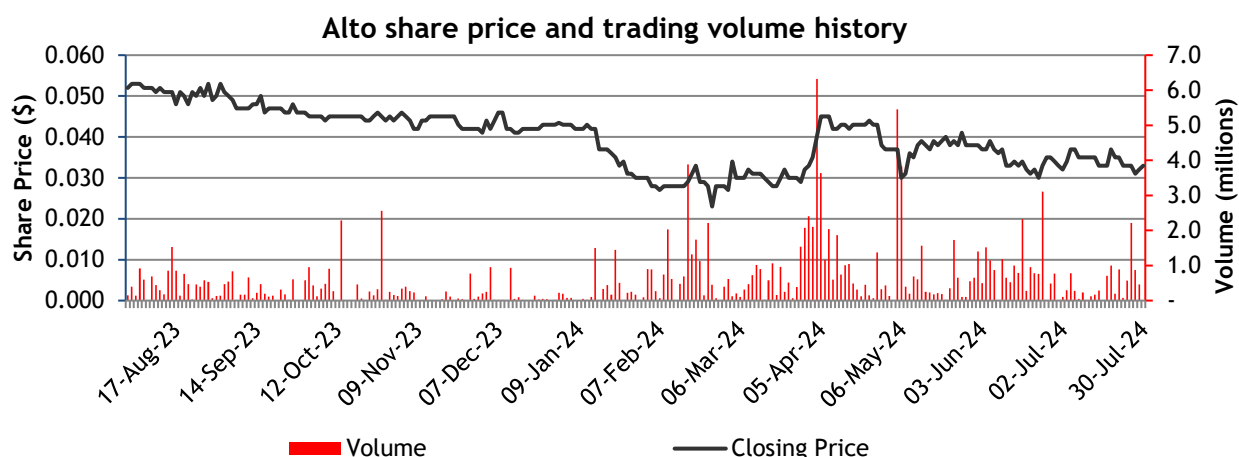
Under the scheme, Brightstar seeks to obtain 100% of Alto and therefore should pay a premium for control. Therefore, our calculation of the QMP of an Alto share including a premium for control has been prepared in two parts. The first part is to calculate the QMP on a minority interest basis. The second part is to add a premium for control to the minority interest value to arrive at a QMP value that includes a premium for control.

Minority interest value

Our analysis of the QMP of an Alto share is based on the pricing prior to the announcement of the Scheme. This is because the value of an Alto share after the announcement may include the effects of any change

in value as a result of the Scheme. However, we have considered the value of an Alto share following the announcement when we have considered reasonableness in Section 13 of our Report.

The Scheme was announced to the market on 1 August 2024. We note that Alto was in a trading halt on 31 July 2024. Therefore, the following chart provides a summary of the share price movement over the 12 months to 30 July 2024 which was the last trading day prior to the announcement.



Source: Bloomberg

The daily price of Alto shares from 1 August 2023 to 30 July 2024 has ranged from a low of \$0.023 on 26 February 2024 to a high of \$0.053 on 2 August 2023, 3 August 2023, 4 August 2023, 29 August 2023, and 1 September 2023. The largest single day of trading over the assessed period was 5 April 2024 with approximately 6,322,720 shares traded.

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

Date	Announcement	Closing Share Price Following Announcement \$ (movement)		Closing Share Price Three Days After Announcement \$ (movement)	
25/07/2024	New mining leases granted at Bull Oak and Indomitable Camps	0.033	▶ 0.0%	0.033	▶ 0.0%
19/06/2024	Exploration Target for the Bull Oak Gold Deposit	0.032	▼ 5.9%	0.030	▼ 6.3%
17/06/2024	Sandstone Update Near Term Growth and Regional Exploration	0.033	▼ 2.9%	0.031	▼ 6.1%
29/04/2024	Quarterly Activities/Appendix 5B Cash Flow Report	0.038	▼ 11.6%	0.037	▼ 2.6%
22/04/2024	Alto Secures Option Over Lightning Mining Lease	0.043	▶ 0.0%	0.043	▶ 0.0%
08/04/2024	Drilling underway at Sandstone Gold Project	0.045	▶ 0.0%	0.042	▼ 6.7%
25/03/2024	Infill soils define gold targets at Sandstone North	0.030	▶ 0.0%	0.032	▲ 6.7%
24/01/2024	Quarterly Activities/Appendix 5B Cash Flow Report	0.034	▲ 3.0%	0.030	▼ 11.8%
06/12/2023	Major new 6km long gold target defined at Sandstone North	0.044	▲ 4.8%	0.042	▼ 4.5%
20/11/2023	Multiple high-grade gold results up to 38 g/t at Bull Oak	0.045	▶ 0.0%	0.043	▼ 4.4%
27/10/2023	Quarterly Activities/Appendix 5B Cash Flow Report	0.045	▼ 2.2%	0.044	▼ 2.2%
25/10/2023	Alto intersects thick gold mineralisation at Bull Oak	0.045	▲ 2.3%	0.044	▼ 2.2%

Date	Announcement	Closing Share Price Following Announcement \$ (movement)		Closing Share Price Three Days After Announcement \$ (movement)	
03/10/2023	RC drilling underway at Sandstone Gold Project	0.045	▼ 2.2%	0.045	▶ 0.0%
19/09/2023	Outstanding growth potential identified at Bull Oak Mine	0.047	▲ 2.2%	0.047	▶ 0.0%
12/09/2023	New mining lease granted over Lords Corridor	0.047	▶ 0.0%	0.050	▲ 6.4%
28/08/2023	More significant gold results from Indomitable	0.050	▼ 3.8%	0.050	▶ 0.0%
04/08/2023	Indomitable continues to deliver high-grade gold	0.053	▶ 0.0%	0.052	▼ 1.9%

Source: Bloomberg

On 12 September 2023, Alto announced that it received notification that its Mining Lease Application over the Lords Corridor had been granted. On the date of the announcement, the closing share price remained unchanged at \$0.047. However, over the following three day trading period, Alto's share price increased 6.4% to close at \$0.050.

On 6 December 2023, the Company reported a 6 km-long gold and pathfinder element anomaly defined by recent fine fraction soil geochemical sampling over the Sandstone North area. On the date of the announcement, the share price increased 4.8% to close at \$0.044, before decreasing 4.5% over the subsequent three day trading period to close at \$0.042.

On 24 January 2024, Alto released its Quarterly Activities/Appendix 5B Cash Flow Report, which highlighted the identification of a new gold target at Sandstone North and the intersection of further gold from drilling activities at Bull Oak. On the date of the announcement, the share price increased 3.0% to close at \$0.034 before decreasing 11.8% over the subsequent three-day trading period to close at \$0.030.

On 29 April 2024, Alto released its Quarterly Activities/Appendix 5B Cash Flow Report which identified the potential for growth and new discoveries at the Sandstone Gold Project. The Company's share price declined 11.6% on the date of the announcement to close at \$0.038 before decreasing a further 2.6% over the subsequent three-day trading period to close at \$0.037.

On 17 June 2024, Alto provided an exploration update, revealing multiple near-term targets and preparations for the next phase of drilling. On the date of the announcement, Alto's share price decreased 2.9% to close at \$0.033. Over the subsequent three-day period, the Company's share price decreased a further 6.1% to close at \$0.031.

On 19 June 2024, Alto announced that it was targeting significant near-term resource growth at its Sandstone Gold Project, following successful extensional drilling. On the date of the announcement, the share price declined 5.9% to close at \$0.032. Over the subsequent three-day trading period, Alto's share price decreased a further 6.3% to close at \$0.030.

To provide further analysis of the market prices for an Alto share, we have also considered the weighted average market price for 10-, 30-, 60- and 90-day periods to 30 July 2024.

Share Price per unit	30-Jul-24	10 Days	30 Days	60 Days	90 Days
Closing price	\$0.033				
Volume weighted average price (VWAP)		\$0.033	\$0.033	\$0.035	\$0.037

Source: Bloomberg and BDO analysis

The above weighted average prices are prior to the date of the announcement of the Scheme, to avoid the influence of any increase in price of Alto shares that has occurred since the Scheme was announced.

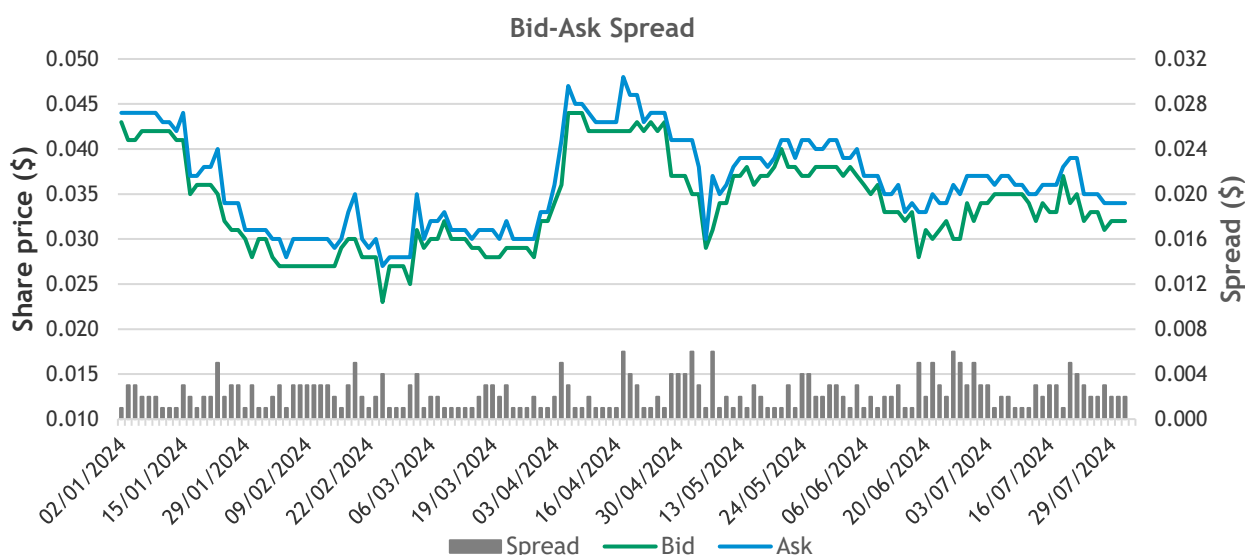
An analysis of the volume of trading in Alto shares for the twelve months to 30 July 2024 is set out below:

Trading days	Share price low	Share price high	Cumulative volume traded	As a % of Issued capital
1 Day	\$0.031	\$0.034	459,999	0.06%
10 Days	\$0.031	\$0.040	6,977,917	0.97%
30 Days	\$0.027	\$0.040	18,772,784	2.60%
60 Days	\$0.027	\$0.041	40,880,829	5.67%
90 Days	\$0.027	\$0.050	78,903,952	10.94%
180 Days	\$0.023	\$0.050	113,550,398	15.74%
1 Year	\$0.023	\$0.054	141,490,888	19.61%

Source: Bloomberg, BDO analysis

This table indicates that Alto’s shares display a low level of liquidity, with 19.61% of the Company’s current issued capital being traded in a twelve month period. RG 111.86 states that for the QMP methodology to be an appropriate methodology there needs to be a ‘liquid and active’ market in the shares and allowing for the fact that the quoted price may not reflect their value should 100% of the securities not be available for sale.

Additionally, we have considered the bid-ask spread of Alto shares for the seven month period prior to the announcement of the Scheme, outlined in the graph below.



Source: Bloomberg, BDO analysis

We calculated the average spread over the period from 1 January 2024 to 31 July 2024 to be \$0.00229, which equates to approximately 6.31% of the prevailing share price over that period.

We consider the following characteristics to be representative of a liquid and active market:

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

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

In the case of Alto, we consider the shares to display a low level of liquidity, on the basis that less than 1% of securities have been traded weekly on average, with 15.74% and 19.61% of Alto's current issued capital being traded over a 180-day and twelve-month period, respectively, prior to the announcement of the Scheme. Of the 52 weeks in which our analysis is based on, the trading volume of the Company's securities exceeded 1% of total issued capital on four separate weeks. We also noted the average spread over the period from 1 January 2024 to 31 July 2024 to be approximately 6.31% of the prevailing share price over that period.

We assess that a range of values for Alto's shares based on market pricing, after disregarding post-announcement pricing, is between \$0.033 and \$0.037.

QMP including control premium

Applying a control premium, as detailed in Appendix 3 of our Report, to Alto's quoted market share price results in the following QMP value including a premium for control:

QMP valuation of an Alto share	Low \$	High \$
QMP	\$0.033	\$0.037
Control premium	25%	35%
QMP valuation including a premium for control (rounded)	\$0.041	\$0.050

Source: BDO analysis

Therefore, our valuation of an Alto share based on the QMP method and including a premium for control is between \$0.041 and \$0.050, with our preferred QMP value of an Alto share being a rounded midpoint value of \$0.046. We have selected the midpoint between the low and high values as a preferred value as there is no reason for us to select a value on either end of the assessed range above.

10.3 Assessment of Alto value

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

	Ref	Low \$	Preferred \$	High \$
Sum-of-Parts (control)	10.1	\$0.053	\$0.079	\$0.105
QMP (control)	10.2	\$0.041	\$0.046	\$0.050

Source: BDO analysis

We note that the value range derived under the QMP approach supports the low end of our value range in our primary Sum-of-Parts valuation on a controlling interest basis.

We consider the Sum-of-Parts approach to be most appropriate methodology to value Alto as the core value of the Company lies in its mineral assets, which have been independently valued an Independent Specialist per the VALMIN Code.

Further, the QMP is appropriate for reliance where there is a liquid and active market for the company's shares and, in this case, the liquidity analysis in Section 10.2 indicates a low range of liquidity. As such, we have placed reliance on our Sum-of-Parts valuation in determining an appropriating value of Alto prior to the Scheme.

Based on the results above, we consider the value of an Alto share prior to the Scheme to be between \$0.053 and \$0.105, with a preferred value of \$0.079.

11. Valuation of the Merged Group

The Scheme Consideration comprises four shares in Brightstar for every Alto share currently held. In valuing the Scheme Consideration, we have applied the Sum-of-Parts approach to assess the value of a share in the Merged Group on a minority interest basis.

This is because, when assessing non-cash consideration in control transactions, RG 111.31 suggests that a comparison should be made between the value of the securities being offered (allowing for a minority discount) and the value of the target entity's securities, assuming 100% of the securities are available for sale. This comparison reflects the fact that:

- (a) The acquirer is obtaining or increasing control of the target; and
- (b) The security holders in the target will be receiving scrip constituting minority interest in the combined entity.

Our Sum-of-Parts valuation of the Merged Group, and QMP cross-check methodology, are discussed in the following sections.

RG 111.32 suggests that if we use the QMP of securities to value the offered consideration, then we must consider and comment on:

- (a) the depth of the market for those securities;
- (b) the volatility of the market price; and
- (c) whether or not the market value is likely to represent the value if the takeover bid is successful.

Under RG 111.34 it is noted that if, in a scrip bid, the target is likely to become a controlled entity of the bidder, the bidder's securities can also be valued using a notionally combined entity. However, it should still be noted that the accepting holders are likely to hold minority interests in that combined entity. Therefore, we have assessed the QMP for a share in the Merged Group on a minority interest basis.

11.1 Sum-of-Parts Valuation of the Merged Group

We have valued the Merged Group using a Sum-of-Parts approach, with our valuation including:

- the value of Alto as determined in Section 10.1 of our Report;
- the value of Brightstar's mineral assets, as well as the value of the Montague East Gold Rights;
- the value of the other assets and liabilities of Brightstar; and
- the transaction costs.

The summary of the Sum-of-Parts valuation is set out in the table below.

Valuation of Alto following the Scheme	Ref	Low \$	Preferred \$	High \$
Value of Alto	10.1.1	38,211,842	57,011,842	75,711,842
Value of Brightstar's mineral assets	11.1.1	107,800,000	142,800,000	177,600,000
Value of Montague East Gold Rights	11.1.2	17,200,000	25,900,000	34,400,000
Value of Brightstar's other assets and liabilities	11.1.3	351,225	351,225	351,225
Transaction costs	11.1.4	(3,775,000)	(5,150,000)	(6,510,000)
Total value of Brightstar following the Scheme (control)		159,788,067	220,913,067	281,553,067
Number of Brightstar shares on issue following the Scheme	11.1.5	10,091,817,743	10,091,817,743	10,091,817,743
Value per Brightstar share following the Scheme (control) (\$/share)		0.016	0.022	0.028
Minority interest discount	11.1.6	26%	23%	20%
Value per Brightstar share following the Scheme (minority) (\$/share)		0.012	0.017	0.022

Source: BDO analysis

We have assessed the value of a share in the Merged Group on a minority interest basis to be in the range of \$0.012 to \$0.022, with a preferred value of \$0.017.

11.1.1. Valuation of Brightstar's mineral assets

In performing our valuation of Brightstar's mineral assets, we have relied on the Independent Specialist Report prepared by SRK, which includes the assessment of the market value of Brightstar's mineral assets. We have instructed SRK to provide an independent market valuation of Brightstar's mineral assets. SRK applied the comparable transaction in valuing Brightstar's mineral assets.

The range of values for Brightstar's mineral assets as determined by SRK is set out below:

	Low \$	Preferred \$	High \$
Laverton Hub			
Resources	54,100,000	67,300,000	80,500,000
Exploration Potential	11,000,000	16,900,000	22,800,000
Total	65,100,000	84,200,000	103,300,000
Menzies Hub			
Resources	25,500,000	34,400,000	43,200,000
Exploration Potential	9,200,000	14,300,000	19,300,000
Total	34,700,000	48,700,000	62,500,000
Stockpiles	8,000,000	9,900,000	11,800,000
Value of Brightstar's mineral assets	107,800,000	142,800,000	177,600,000

Source: SRK's Independent Specialist Report

The table above indicates a range of values between \$107.8 million and \$177.6 million, with a preferred value of \$142.8 million. For further information on SRK's approach and conclusions, refer to the Independent Specialist Report which is included in Appendix 4 of our Report.

11.1.2. Valuation of the Montague East Gold Rights

To determine the value of the Montague East Gold Rights, we have relied on the Independent Specialist Report prepared by SRK, which includes the assessment of the market value of the Montague East Gold Rights. We have instructed SRK to provide an independent market valuation of the Montague East Gold Rights. SRK applied the comparable transaction and yardstick methodology in valuing the Montague East Gold Rights.

The range of values for the Montague East Gold Rights as determined by SRK is set out below.

	Low \$	Preferred \$	High \$
Resources	13,300,000	19,700,000	26,000,000
Exploration Potential	3,900,000	6,200,000	8,400,000
Value of Montague East Gold Rights	17,200,000	25,900,000	34,400,000

Source: SRK's Independent Specialist Report

The table above indicates a range of values between \$17.2 million and \$34.4 million, with a preferred value of \$25.9 million. For further information on SRK's approach and conclusions, refer to the Independent Specialist Report which is included in Appendix 4 of our Report.

11.1.3. Valuation of Brightstar's other assets and liabilities

Brightstar's other assets and liabilities represent the assets and liabilities that have not been specifically addressed elsewhere in our Sum-of-Parts valuation. We do not consider there to be a material difference between book value and fair value, except where an adjustment has been noted below.

The table below represents a summary of the assets and liabilities identified:

	Notes	Audited as at 30-Jun-24 \$	Adjusted \$
CURRENT ASSETS			
Cash and cash equivalents	a)	7,961,484	9,945,278
Trade and other receivables		1,753,270	1,753,270
Other financial assets		60,943	60,943
Prepayments		179,487	179,487
Inventories		3,666,149	3,666,149
TOTAL CURRENT ASSETS		13,621,333	15,605,127
NON-CURRENT ASSETS			
Property, plant and equipment	b)	15,720,711	1,991,000
Right-of-use asset		281,526	281,526
Mine properties	b)	23,509,202	-
Exploration, evaluation and development expenditure	b)	53,654,532	-
Investments		3,392,000	3,392,000
TOTAL NON-CURRENT ASSETS		96,557,971	5,664,526
TOTAL ASSETS		110,179,304	21,269,653
CURRENT LIABILITIES			
Trade and other payables	c)	19,635,954	14,906,045
Securities to be issued	d)	2,283,584	-
Lease liabilities		103,860	103,860
Provisions	e)	3,125,085	557,527
Borrowings		108,737	108,737
Other liabilities		1,449,912	1,449,912
TOTAL CURRENT LIABILITIES		26,707,132	17,126,081
NON-CURRENT LIABILITIES			
Other payables and accruals		933,509	933,509
Lease liabilities non-current		213,757	213,757
Borrowings non-current		2,206,818	2,206,818
Provisions non-current	b)	10,596,059	-
Other liabilities non-current		438,263	438,263
TOTAL NON-CURRENT LIABILITIES		14,388,406	3,792,347
TOTAL LIABILITIES		41,095,538	20,918,428
NET ASSETS		69,083,766	351,225

Source: Brightstar's audited financial statements as at 30 June 2024 and BDO analysis

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

We have been advised that there has not been any other significant change in the net assets of Brightstar since 30 June 2024 apart from the adjustments detailed below and the above assets and liabilities represent their fair market values. Where the above balances differ materially from the position at 30 June 2024, we have obtained supporting documentation to validate the values used, which provides reasonable grounds for reliance on the unaudited financial information.

We note the following in relation to the above valuation to Brightstar’s other assets and liabilities:

Note a) Cash and cash equivalents

We have adjusted the value of cash and cash equivalents to \$9.95 million as outlined in the table below:

Cash and cash equivalents	\$
Cash and cash equivalents as at 30 June 2024	7,961,484
Add: Monies received from Tranche One of the Placement	17,000,000
Less: Placement fee for Tranche One	(350,000)
Add: Proceeds received from the sale of camp assets	840,000
Less: Payment of outstanding creditors from 30 June 2024	(4,220,863)
Less: FY25 expenditure paid	(12,785,343)
Add: Monies received from Tranche Two of the Placement	7,000,000
Less: Remaining Placement fee	(500,000)
Less: Montague Cash Consideration	(5,000,000)
Cash and cash equivalents following implementation of the Scheme	9,945,278

Source: Brightstar’s audited financial statements as at 30 June 2024 and BDO analysis

The following events incurred subsequent to 30 June 2024, or will be incurred as part of the Scheme:

- Receipt of \$24 million Placement funding, consisting of Tranche One and Tranche Two. Total Placement fees are \$0.85 million;
- Brightstar agreed to sell non-core camp assets to Fenix Resources Limited for \$840,000;
- Payment of trade creditor outstanding at 30 June 2024 totalling \$4.22 million;
- Payment of operational expenditure incurred subsequent to 30 June 2024 totalling \$12.79 million; and
- Montague Cash Consideration to be paid totalling \$5.0 million.

Note b) Property, plant and equipment, mine properties, deferred exploration and evaluation, and non-current provisions

We have adjusted the book values of property, plant and equipment, mine properties, deferred exploration and evaluation and non-current provisions (consisting of mining rehabilitation provisions) as at 30 June 2024 to nil, as they are reflected in the valuation of Brightstar’s mining properties, which has been valued separately in Section 11.1.1 of our Report.

The remaining \$1.99 million in the balance of property, plant and equipment relates to the fleet of mobile plant and equipment acquired by Brightstar as part of the acquisition of Linden. This value represents the fair market value of the plant and equipment as at the acquisition date calculated as part of the Linden acquisition. This plant and equipment was not included in the valuation of mining properties undertaken by SRK.

Note c) Trade and other payables

We have adjusted the trade and other payables balance of \$19.6 million as at 30 June 2024 to \$14.9 million as outlined in the table below.

Trade and other payables	\$
Trade and other payables as at 30 June 2024	19,635,954
Less: Payment of outstanding creditors from 30 June 2024	(4,220,863)
Less: Creditor Shares in consideration to key suppliers	(1,200,000)
Add: FY25 expenses incurred	13,476,297
Less: FY25 expenditure paid	(12,785,343)
Trade and other payables following implementation of the Scheme	14,906,045

Source: Brightstar's audited financial statements as at 30 June 2024 and BDO analysis

The following events incurred subsequent to 30 June 2024, or will be incurred as part of the Scheme:

- Payment of trade creditor outstanding at 30 June 2024 totalling \$4.22 million;
- As outlined in Section 4 of this Report, 80 million Creditor Shares have been issued in lieu of payment of certain creditors outstanding, equating to payment of \$1.20 million of creditor balances;
- Since 30 June 2024, Brightstar has incurred approximately \$13.5 million
- Payment of operational expenditure incurred subsequent to 30 June 2024 totalling \$12.79 million.

We note as at 30 June 2024, Brightstar has Topdrill accrued expenses totalling \$0.86 million sitting in trade and other payables. This has since been settled through the payment of cash and issue of Brightstar shares.

Note d) Securities to be issued

We adjusted the securities to be issued of \$2.3 million as at 30 June 2024, which related to the share obligation owing to SBM, to nil as Brightstar issued shares to SBM on 9 July 2024, as part of the off-market Linden takeover.

Note e) Current provisions

We adjusted the current provisions of \$3.1 million as at 30 June 2024 to \$0.56 million as Brightstar settled the Genesis provision through the issue of 177,168,135 Brightstar shares.

11.1.4. Transaction costs

We have adjusted our valuation of the Merged Group to reflect the transaction costs that will be incurred in the event that the Scheme is implemented, as outlined below.

	Low \$	Preferred \$	High \$
Stamp Duty on Alto's mineral assets and Montague East Gold Rights			
Total value of Alto's mineral assets	38,000,000	56,800,000	75,500,000
Total value of Montague East Gold Rights	17,200,000	25,900,000	34,400,000
Stamp duty payable (5%)	2,760,000	4,135,000	5,495,000
Legal and administrative fees payable by Alto	400,000	400,000	400,000
Legal and administrative fees payable by Brightstar	615,000	615,000	615,000
Total transaction costs	3,775,000	5,150,000	6,510,000

Source: Scheme Booklet and BDO Analysis

We have assumed that Brightstar will be liable to pay stamp duty on the acquisition of Alto’s mineral assets and the Montague East Gold Rights. We have estimated the stamp duty payable to be approximately 5% of Alto’s mineral asset valuation and the Montague East Gold Rights valuation, as detailed in Section 10.1.1 of our Report.

The total transaction costs to be incurred by Alto have been estimated to be approximately \$1.1 million, as detailed in the Scheme Booklet. However, we note that \$700,000 of these fees have been included in our valuation of Alto prior to the Scheme. Therefore, we have only included the remaining transaction costs to be paid of \$400,000 in our valuation of the Merged Group.

The legal and administrative fees to be incurred by Brightstar, as detailed in the Scheme Booklet, have been estimated to be approximately \$615,000 payable by Brightstar.

11.1.5. Minority discount

The value of a Merged Group share derived under the Sum-of-Parts approach is reflective of a controlling interest. This suggests that the acquirer obtains an interest in the company which allows them to have an individual influence on the operations and value of that company. However, if the Scheme is approved, Shareholders will be minority holders in the Merged Group. This means that their individual holding will not be considered significant enough to have an individual influence on the operations of that company.

Therefore, we have adjusted our valuation of a Merged Group share following the Scheme to reflect the minority interest holding. The minority discount is based on the inverse of the control premium and is calculated using the formula $1 - (1 / (1 + \text{control premium}))$.

Based on our analysis in Appendix 3, we consider an appropriate control premium to be in the range of 25% to 35%, with a midpoint of 30%. This assessed control premium range gives rise to a rounded minority discount in the range of 20% to 26%, with a rounded midpoint of 23%.

11.1.6. Number of shares outstanding

In calculating the number of Merged Group shares on issue following the implementation of the Scheme, we have considered the conversion of Alto’s current shares on issue into Brightstar Shares. As outlined in Section 4.8 of our Report, the total shares on issue in the Merged Group will be 10,091,817,743 following the implementation of the Scheme. The share structure of the Merged Group following the implementation of the Scheme is summarised below.

Capital structure following the Scheme	
Brightstar shares on issue (including the Montague Share Consideration issued to Gateway)	7,132,725,055
Brightstar shares to be issued to Alto Shareholders as Scheme Consideration	2,959,092,688
Total Merged Group shares on issue following the Scheme	10,091,817,743

Source: Scheme Booklet and BDO analysis

Brightstar shareholders approved the issue of the above tranches of shares at the EGM held on 17 September 2024.

As detailed in Section 4.8 of our Report, we have not included the share issues associated with the Montague Contingent Consideration or the SBM Contingent Payment in the capital structure of the Merged Group following the implementation of the Scheme. We consider there to be no reasonable grounds to assume the milestones upon which they are contingent will be met. However, if the milestones were met at some future date, we consider that this may increase the value of each associated project, which is likely to result in an uplift in the share price. We also note that if the Montague Contingent Consideration and the SBM Contingent Payment vested today, were converted into Brightstar shares, and did not increase the value of the respective projects, our opinion would not change.

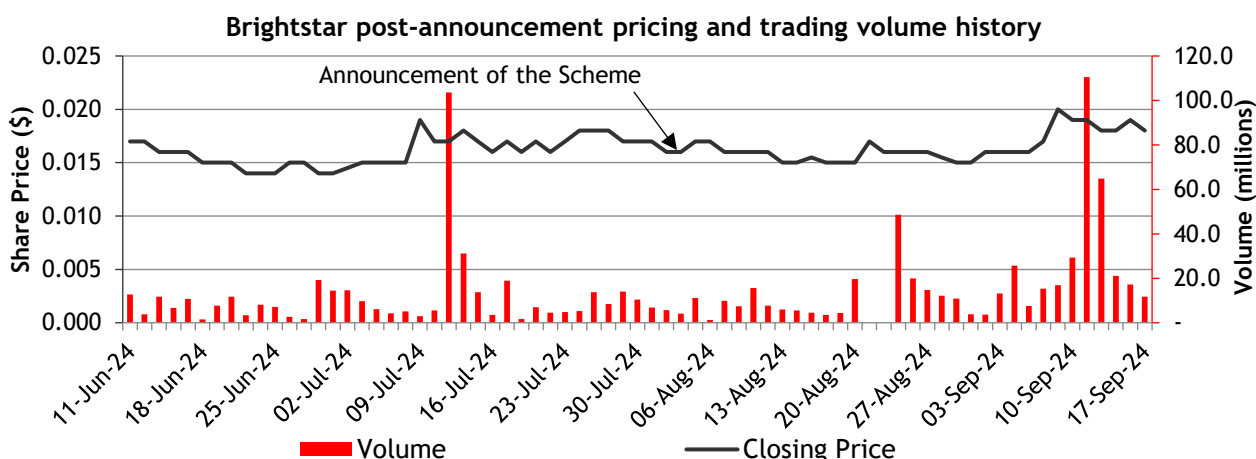
We note that Brightstar currently has 395,515,373 options on issue with various exercise prices, expiring at various dates, as detailed in Section 6.7 of our Report. We consider the dilutive impact of the exercise of the in-the-money options, based on our assessed Sum-of-Parts valuation on a minority interest basis, to be immaterial. As such, we have not considered the potential dilution from the notional exercise of Brightstar’s options on total shares outstanding and cash raised.

We also note that 137,625,000 Brightstar performance rights remain unvested. We have not made any adjustments concerning the performance rights that remain unvested in our valuation of the Merged Group on the basis that there are insufficient reasonable grounds on which to assess the likelihood of the conditions for vesting being met or to quantify any value accretion should the vesting conditions be met.

11.2 QMPs of a Brightstar share based on post announcement pricing

Given that we are valuing the Scheme Consideration, being the shares in the Merged Group that are to be received by Shareholders, we have considered the market pricing of Brightstar following the announcement of the Scheme. The market price of Brightstar in the period following the announcement of the Scheme can be considered as an indicator of the value of the Merged Group because market participants are fully informed as to the terms of the Scheme, with the price reflecting the market’s view of the value of a share in the Merged Group following the implementation of the Scheme.

We have analysed movements in Brightstar’s share price since the Scheme was announced. A graph of Brightstar’s share price and trading volume leading up to, and following the announcement of the Scheme is set out below.



Source: Bloomberg

Brightstar announced the Scheme on 1 August 2024. On the day following the Scheme announcement, the share price closed at \$0.017, up 13.3% from the closing price of \$0.015 on the previous trading day. On that day, 48,605,001 shares were traded, representing approximately 0.82% of Brightstar’s issued capital. Following the announcement of the Scheme, the closing share price of Brightstar has fluctuated between a low of \$0.015 on 13 August 2024 to a high of \$0.020 on 21 August 2024.

To provide further analysis of the market prices for a Brightstar share following the announcement of the Scheme, we have also considered the weighted average market price for the below periods following the announcement up to 29 August 2024:

Share Price per unit	02-Aug-24	5 Days	10 Days	20 Days
Closing price	\$0.017			
Volume weighted average price (VWAP)		\$0.016	\$0.016	\$0.018

Source: BDO analysis

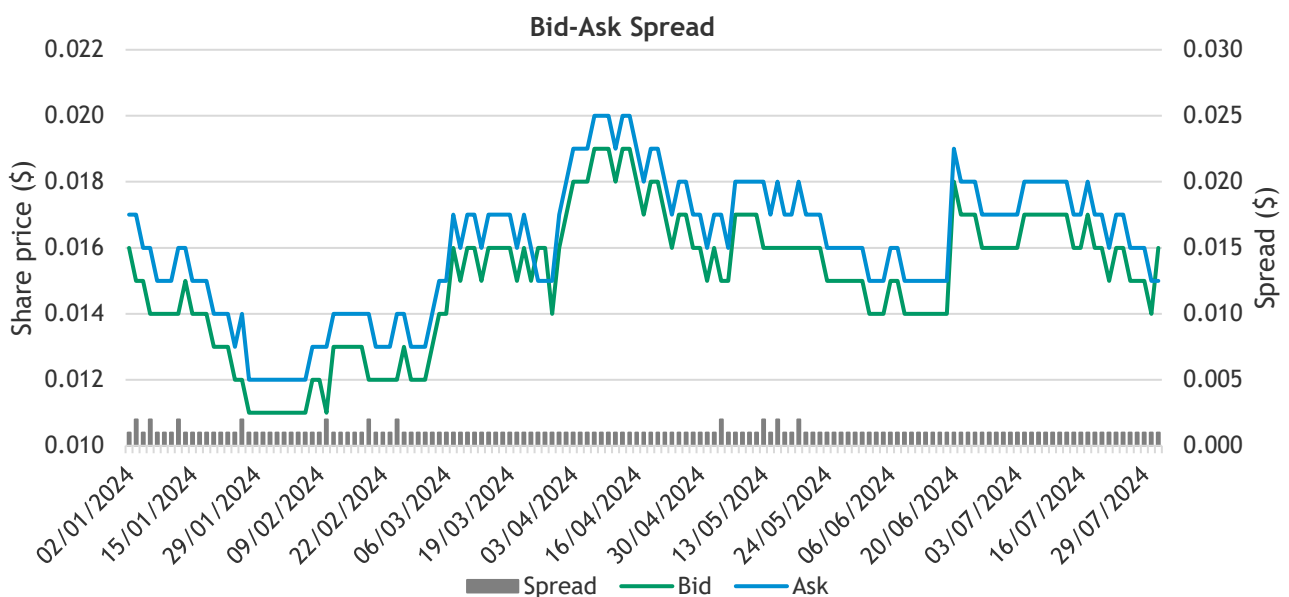
In accordance with the guidance in RG111, we also consider it appropriate to assess the liquidity of Brightstar shares before using the QMP basis. The table below outlines the liquidity of Brightstar shares as proxied by the volume traded as a percentage of the number of shares on issue. We have conducted this analysis over the twelve months prior to the announcement of the Scheme to determine whether there has been sufficient trading in Brightstar shares historically in order to rely on a QMP approach. We note that the percentage of issued capital in the table below is measured using Brightstar’s current shares on issue of 5.9 billion. We note the number of Brightstar shares on issue has increased by approximately 4 billion since 1 August 2023, potentially understating our liquidity analysis. However, Brightstar’s pre-announcement pricing is irrelevant in our valuation.

Trading days	Share price low	Share price high	Cumulative volume traded	As a % of Issued capital
1 Day	\$0.015	\$0.015	19,635,321	0.33%
10 Days	\$0.015	\$0.018	74,285,358	1.26%
30 Days	\$0.015	\$0.020	353,617,903	5.98%
60 Days	\$0.014	\$0.020	595,133,511	10.07%
90 Days	\$0.014	\$0.020	1,016,094,280	17.20%
180 Days	\$0.011	\$0.020	1,951,319,006	33.02%
1 Year	\$0.010	\$0.020	2,365,059,853	40.03%

Source: S&P Capital IQ and BDO analysis

The table above indicates that Brightstar’s shares display a moderate level of liquidity, with 1.26% of the Company’s current issued capital being traded in an approximately 10 day period prior to the announcement of the Scheme. RG 111.86 states that for the QMP methodology to be an appropriate methodology there needs to be a ‘liquid and active’ market in the shares and allowing for the fact that the quoted price may not reflect their value should 100% of the securities not be available for sale.

Additionally, we have considered the bid-ask spread of Brightstar shares for the seven month period prior to the announcement of the Scheme, outlined in the graph below.



Source: Bloomberg, BDO analysis

We calculated the average spread over the period from 1 January 2024 to 31 July 2024 to be \$0.00107, which equates to approximately 6.69% of the prevailing share price over that period.

We consider the following characteristics to be representative of a liquid and active market:

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

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

In the case of Brightstar, we consider the shares to display a moderate level of liquidity. In forming this view, we have considered that approximately 1% of securities have been traded weekly on average, with 40.03% of Brightstar’s current issued capital being traded over an approximately twelve-month period, prior to the announcement of the Scheme. In addition, of the 52 weeks in which our analysis is based on, more than 1% of the Company’s securities had only been traded in nine of those weeks.

We have also analysed the liquidity of Brightstar shares, considering volume traded as a percentage of the number of shares on issue, over the post-announcement period up to 29 August 2024. We have conducted this analysis in order to determine whether we consider the Brightstar shares to be liquid and active in the period following the announcement of the Scheme.

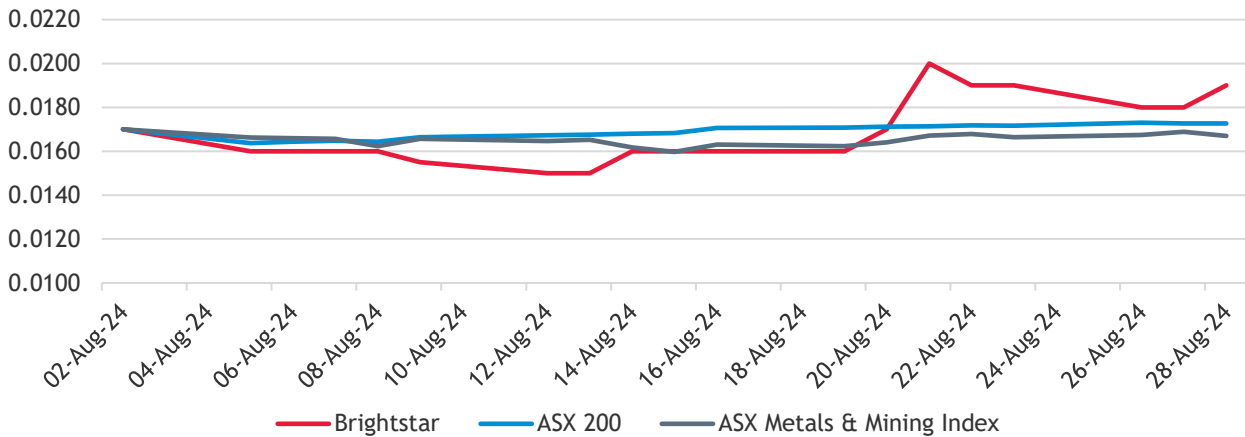
Trading days	Share price low	Share price high	Cumulative volume traded	As a % of Issued capital
1 Day	\$0.015	\$0.018	48,605,001	0.82%
5 Days	\$0.015	\$0.018	106,239,071	1.80%
10 Days	\$0.015	\$0.018	160,039,827	2.71%
20 Days (from announcement to 29-Aug-2024)	\$0.015	\$0.022	473,042,152	8.01%

Source: Bloomberg and BDO analysis

We consider the trading following the announcement of the Scheme to show high levels of liquidity with 8.01% of Brightstar’s shares being traded in the period (20 trading days) following the announcement of the Scheme. However, we consider the share price over the period following the announcement of the Scheme to display high levels of volatility, with the closing share price ranging from \$0.015 to \$0.022 in the period up to 29 August 2024, reflecting an approximate 46.7% movement in the closing share price. We consider this may indicate uncertainty in the market about the potential effect on the valuation of Brightstar that may arise following the implementation of the Scheme.

We have also considered if there are other market factors that could influence Brightstar’s share price following the announcement by analysing movements in the S&P/ASX 200 (‘ASX 200’) and the S&P/ASX Metals & Mining Index (‘ASX Metals & Mining’) (collectively, ‘the Indices’), as a proxy for the market, over the same post-announcement period. Our analysis is depicted in the graph below, with the Indices rebased to Brightstar’s share price following the announcement of the Scheme in order to illustrate the relative performance of the index and Brightstar.

Post-Announcement Pricing of Brightstar and Indices



Source: Bloomberg and BDO Analysis

We note that the performance of the Indices has remained relatively stable over the period following the announcement of the Scheme. Therefore, we consider the Brightstar share price is unlikely to have been affected by market conditions outside the operations of Brightstar in the period following the announcement of the Scheme.

Based on the above analysis, although there appears to be high liquidity in Brightstar’s shares, in order to utilise post-announcement pricing as an approach to valuing the Scheme Consideration, we note that the high volatility in the Brightstar share price over the post-announcement period may indicate uncertainty in the market about the potential effect of the Scheme on the valuation of Brightstar as a proxy for the Merged Group.

Our assessment of the QMP valuation for Brightstar’s shares based on post-announcement market pricing is between \$0.016 and \$0.019, with a preferred value of \$0.018.

11.3 Assessment of Merged Group value

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

	Ref	Low \$	Preferred \$	High \$
Sum-of-Parts (minority)	11.1	\$0.012	\$0.017	\$0.022
QMP (minority)	11.2	\$0.016	\$0.018	\$0.019

Source: BDO analysis

We consider the Sum-of-Parts approach to be the most appropriate methodology to value the Merged Group as the core value lies in the Alto and Brightstar's mineral assets, as well as the Montague East Gold Rights, which has been independently valued by SRK, an independent technical specialist in accordance with the VALMIN Code.

Further, the QMP approach is only appropriate where there is a liquid and active market for the company's shares. However, our liquidity analysis in Section 11.2 indicates that Brightstar shares display a high level of liquidity post announcement of the Scheme, and therefore, we consider the QMP approach to be relevant for the purposes of a broad cross-check of our valuation under the Sum-of-Parts approach. We consider the QMP approach to broadly support our valuation under the Sum-of-Parts approach which has been adopted for both pre and post transaction as the primary approach.

Based on the above results, we consider the value of a Merged Group share to be between \$0.012 and \$0.022, with a preferred value of \$0.017.

11.4 Assessment of Scheme Consideration

Based on the value of a share in the Merged Group, on a minority interest, we have calculated the Scheme Consideration, as outlined below:

	Ref	Low \$	Preferred \$	High \$
Sum-of-Parts	11.1	\$0.012	\$0.017	\$0.022
<i>Brightstar shares that Shareholders will receive for every share held in Alto</i>	11.2	4	4	4
Value of Scheme Consideration		\$0.048	\$0.068	\$0.088

Source: BDO analysis

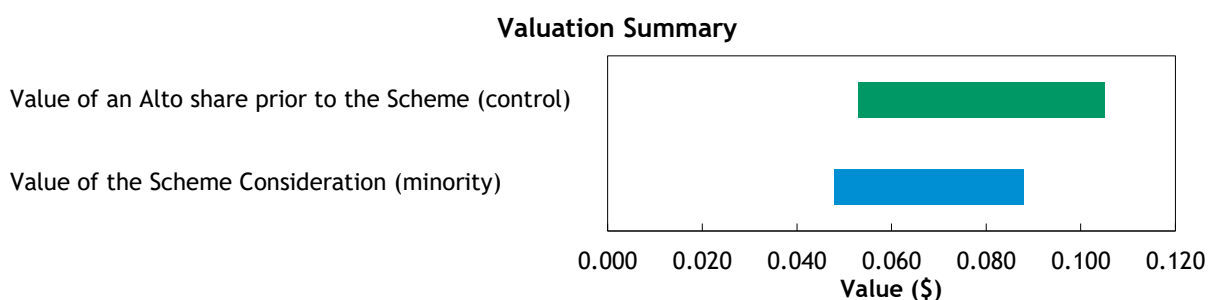
12. Is the Scheme fair?

The value of a share in Alto prior to the implementation of the Scheme on a controlling interest basis and the value of the Scheme Consideration, being four shares in the Merged Group, following the implementation of the Scheme on a minority interest basis is compared below:

	Ref	Low \$	Preferred \$	High \$
Value of an Alto Share prior to the Scheme (control)	10.3	0.053	0.079	0.105
Value of the Scheme Consideration (minority)	11.3	0.048	0.068	0.088

Source: BDO analysis

The above valuation ranges are graphically presented below:



The above pricing indicates that, in the absence of any other relevant information, the Scheme is not fair for Shareholders. We consider the Scheme to be not fair for Shareholders because the value of the Scheme Consideration on a minority interest basis is less than the value of an Alto share prior to the Scheme on a controlling interest basis when a direct comparison is made between the corresponding low, preferred and high values. Therefore, we consider the Scheme to be not fair for Shareholders.

13. Is the Scheme reasonable?

We have considered the analysis below, in terms of the following:

- Advantages and disadvantages of the Scheme.
- Other considerations, including the position of Shareholders if the Scheme does not proceed and the consequences of not approving the Scheme.

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

13.1 Advantages of approving the Scheme

We have considered the following advantages in our assessment of whether the Scheme is reasonable.

13.1.1. Value accretive on a like-for-like basis

In our assessment of whether the Scheme is fair, we have assessed the value of an Alto share prior to the Scheme on a control basis compared to the value of the Scheme Consideration on a minority interest basis. However, we note that on a like-for-like basis, where the value of an Alto share and the Scheme Consideration are both measured on a minority basis, the Scheme is value accretive under our low, preferred and high valuations, as outlined below:

	Low \$	Preferred \$	High \$
Value of an Alto Share prior to the Scheme (minority)	0.039	0.061	0.084
Value of the Scheme Consideration (minority)	0.048	0.068	0.088

Source: BDO analysis

This analysis also indicates that whilst Brightstar is paying a premium for control of Alto, it is not a full control premium. Our analysis of control premiums is detailed further in Appendix 3 and is based on historical premiums paid by ASX-listed companies as well as company-specific factors.

13.1.2. Shareholders will gain exposure to Brightstar's enlarged portfolio whilst retaining exposure to Alto's flagship mineral asset, the Sandstone Gold Project

If the Scheme is implemented, Shareholders will gain exposure to Brightstar's portfolio of gold projects, including the Menzies Gold Project, Second Fortune Gold Mine and, subject to the completion of the Montague Acquisition, the Montague East Gold Rights. The Scheme will consolidate two complementary assets in the Sandstone region: Alto's Sandstone Gold Project and Gateway's Montague East Project. The combined JORC (2012) Mineral Resources of approximately 1.5 Moz gold at 1.5g/t is located near both the Brightstar Processing Plant and third-party milling infrastructure, providing foundations for the potential development of a third hub for Brightstar.

Upon implementation of the Scheme, Shareholders will become shareholders in the Merged Group, retaining exposure to future development of Alto's flagship Sandstone Gold Project. However, we note that Shareholders' ownership in the Sandstone Gold Project will be diluted from 100% to a collective 28% of a company that holds 100% of the Sandstone Gold Project. Therefore, Shareholders' exposure to the potential upside of the Sandstone Gold Project will be diluted as a result of the Scheme.

13.1.3. Mitigates risks associated with the development of the Sandstone Gold Project as Alto's standalone gold project

If the Scheme is implemented, Alto's exposure to the following risks, as a single-asset exploration company, will be mitigated:

- The Sandstone Gold Project is still in early stage exploration, and Alto has not yet published a Scoping Study. In any event, feasibility studies and evaluation would be required before the Directors could consider a potential development decision. Such investments bear significant cost and risk to Alto Shareholders.
- Without a published JORC Ore Reserve, the Sandstone Gold Project faces uncertainty as to the economics and risk profile of future mining operations.
- Developing the Sandstone Gold Project would involve various technical, operational and financial risks. Refer to Section 8 of the Scheme Booklet for further information on these risks.
- Securing funding for a large-scale capital project poses several challenges for a company of Alto's size.

13.1.4. Immediate access to capital to fund ongoing exploration programs

Alto currently does not have sufficient capital to continue the development of the Sandstone Gold Project and will require additional funding to develop the Sandstone Gold Project and other exploration assets, assuming a development decision is to be made. If the Scheme is implemented, Shareholders will hold shares in a Merged Group with a pro-forma cash balance of approximately of \$10 million. This financial strength provides the Merged Group with a working capital buffer and allocated funds for ongoing exploration and development of the Sandstone Gold Project.

We note that implementing the Scheme will likely enable the Merged Group to avoid sourcing funds required through equity markets in the short to medium term, mitigating the effects of future potential dilution for Shareholders.

13.1.5. The Merged Group will have a larger market presence

If the Scheme is implemented, the Merged Group's enlarged scale positions it to benefit from increased analyst coverage and improved liquidity. As noted in Section 10, Alto's shares prior to the announcement of the Scheme display a low level of liquidity, whilst Brightstar's shows in the post-announcement period display a high level of liquidity. Alto's Shareholders will benefit from the improved liquidity of the Merged Group. The Merged Group is likely to satisfy a greater number of minimum investment thresholds for fund managers and may be included in relevant ASX or gold-specific indices, attracting a larger pool of investors.

Increased analyst coverage and improved liquidity may increase the attractiveness of the Merged Group's shares and strengthen its ability to raise capital and assist in securing project financing. The larger market presence of the Merged Group may improve access to government, export agencies and private sector financing. Additionally, if the Scheme is approved, the Merged Group may experience increased appeal to strategic investors or corporates compared to Alto as a stand-alone entity.

13.1.6. Increased experience in the Board of Directors and management team of the Merged Group

As detailed in Section 4 of our Report, if the Scheme is implemented, it is intended that Alto's Managing Director, Matthew Bowles, will be appointed as a non-executive director on the Board of the Merged Group. The Merged Group's Board of Directors will comprise:

- Alex Rovira - Managing Director
- Richard Crookes - Non-Executive Chairman
- Andrew Rich - Executive Director
- Jonathon Downes - Non-Executive Director
- Ashley Fraser - Non-Executive Director
- Matthew Bowles - Non-Executive Director.

The Merged Group will be led by a credentialed Board of Directors and an experienced management team with experience in exploration and mining operations, and capital markets. The management team of Alto have progressed the Sandstone Gold Project to its current position. However, if the Scheme is approved, Alto will benefit from access to a management team with expertise in the development and production of gold products in the Menzies and Laverton area.

13.2 Disadvantages of approving the Scheme

We have considered the following disadvantages in our assessment of whether the Scheme is reasonable.

13.2.1. Dilution of Alto's Shareholders' interest and exposure to the Sandstone Gold Project

Following the implementation of the Scheme, Shareholders' interests will be diluted from a 100% interest in the issued capital of Alto to approximately 28% of the issued capital in the Merged Group on a fully-diluted basis. Therefore, the Shareholder's ability to participate in the potential upside of the Sandstone Gold Project and the Company's other mineral assets, should they materialise, will be considerably reduced upon implementation of the Scheme. However, Shareholders will gain exposure to Brightstar's projects and the Montague East Gold Rights. We note that the Merged Group will have a shareholder register where there are no shareholders with greater than a 10% and potential exists that a premium for control may be realised by the Merged Group in the future.

13.2.2. Change in risk profile

If the Scheme is implemented, the Merged Group will have a different risk profile to that of Alto on a standalone basis, and the Shareholders will be exposed to the risks of Brightstar's mineral assets. The risks of the Merged Group may not be aligned with Shareholders' investment objectives and risk preferences.

13.2.3. The value of the Scheme Consideration is not certain

As the Scheme Consideration is in the form of Brightstar shares (rather than cash which would offer certainty), the final monetary value of the Scheme Consideration is not certain and will be dependent on the price at which Brightstar's shares trade on the ASX following the Scheme implementation date. Shareholders will receive shares in the Merged Group, the value of which will fluctuate as Brightstar continues to trade on the ASX. However, Shareholders may be able to sell their shares to realise cash and achieve certainty should they wish to realise their investment. Alternatively, they may choose to keep the Brightstar shares they receive to retain exposure to any potential increase in value that may arise.

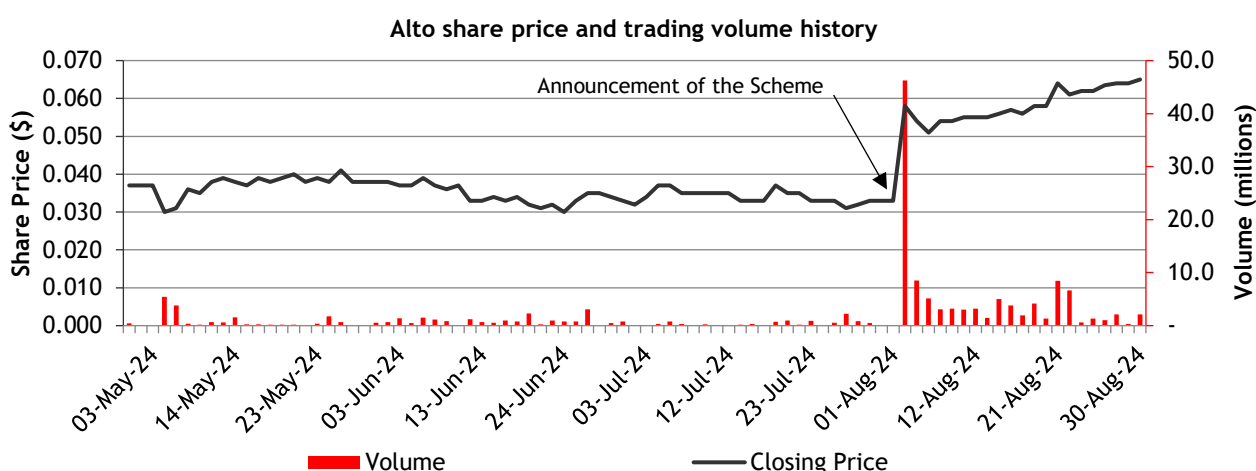
13.3 Alternative proposal

We are unaware of any alternative proposal that might offer the Shareholders of Alto a premium over the value resulting from the Scheme.

13.4 Consequences of not approving the Scheme

13.4.1. Potential decline in share price

We have analysed movements in Alto's share price since the Scheme was announced. A graph of Alto's share price and trading volume leading up to and following the announcement of the Transaction is set out below.



Source: Bloomberg

The closing share price of an Alto share from 1 May 2024 to 30 August 2024 ranged from a low of \$0.030 on 24 June 2024 to a high of \$0.065 on 30 August 2024.

Alto announced the Scheme on 1 August 2024. On the date following the announcement, the Company's share price closed at \$0.058, up from \$0.033 on the most recent trading day before the announcement. On the date following the announcement, 46,242,987 shares were trading representing approximately 1.68% of Alto's issued capital. Following the announcement of the Scheme, the share price of Alto has fluctuated from a low of \$0.051 to a high of \$0.070.

Given the above analysis, it is possible that if the Scheme is not approved then Alto's share price may decline to pre-announcement levels.

13.4.2. Transaction costs will be incurred by Alto, and a break fee may be payable to Brightstar

As part of the Scheme implementation, or cessation, transaction costs of approximately \$1.1 million will be borne by Alto. In addition to this, there is a potential 'break fee' of \$440,000 that may be payable to Brightstar, depending on the circumstances under which the Scheme does not proceed.

We note that the break fee is not payable to Brightstar as a result of Alto not obtaining the requisite approval level from Shareholders. The conditions around the payment of the break fee are set out in Section 10.11(e) of the Scheme Booklet.

13.5 Other considerations

13.5.1. Tax implications

Shareholders are directed to Section 9 of the Scheme Booklet for a detailed explanation of tax implications of the Scheme for Shareholders. We emphasise that the tax circumstances of each Shareholder can differ significantly, and individual shareholders are advised to obtain their own specific advice.

14. Conclusion

We have considered the terms of the Scheme as outlined in the body of this report and have concluded that the Scheme is not fair but reasonable and in the best interests of the Shareholders of Alto.

15. Sources of information

This report has been based on the following information:

- Draft Scheme Booklet on or about the date of this report
- Audited financial statements of Alto for the years ended 30 June 2024, 30 June 2023 and 30 June 2022
- Reviewed financial statements of Alto for the half year ended 31 December 2023
- Audited financial statements of Brightstar for the years ended 30 June 2024, 30 June 2023 and 30 June 2022
- Reviewed financial statements of Brightstar for the half year ended 31 December 2023
- Independent Specialist Report of Alto and Brightstar's mineral assets, and the Montague East Gold Rights performed by SRK
- Capital Structure information of Alto and Brightstar
- Information in the public domain
- Discussions with Directors and Management of Alto.

16. Independence

BDO Corporate Finance Australia Pty Ltd is entitled to receive a fee of \$95,000 (excluding GST). The fee is not contingent on the conclusion, content or future use of this Report. Except for this fee, BDO Corporate Finance Australia Pty Ltd has not received and will not receive any pecuniary or other benefit whether direct or indirect in connection with the preparation of this report.

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

Prior to accepting this engagement BDO Corporate Finance Australia Pty Ltd has considered its independence with respect to Alto and Brightstar and any of their respective associates with reference to ASIC Regulatory Guide 112 'Independence of Experts'. In BDO Corporate Finance Australia Pty Ltd's opinion it is independent of Alto, and Brightstar, and their respective associates.

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

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17. Qualifications

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

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

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

Adam Myers is a Fellow of Chartered Accountants Australia & New Zealand and the Joint Ore Reserves Committee. Adam's career spans over 25 years in the audit and corporate finance areas. Adam is a CA BV Specialist and has considerable experience in the preparation of independent expert reports and valuations in general for companies in a wide number of industry sectors.

Sherif Andrawes is a Fellow of the Institute of Chartered Accountants in England & Wales and a Fellow of Chartered Accountants Australia & New Zealand. He has over 35 years' experience working in the audit and corporate finance fields with BDO and its predecessor firms in London and Perth. He has been responsible for over 700 public company independent expert's reports under the Corporations Act or ASX Listing Rules and is a CA BV Specialist. These expert's reports cover a wide range of industries in Australia with a focus on companies in the natural resources sector. Sherif Andrawes is the Corporate Finance Practice Group Leader of BDO in Western Australia, the Global Head of Natural Resources for BDO and a former Chairman of BDO in Western Australia.

18. Disclaimers and consents

This report has been prepared at the request of Alto for inclusion in the Scheme Booklet which will be sent to all Alto Shareholders. Alto engaged BDO Corporate Finance Australia Pty Ltd to prepare an independent expert's report to consider the proposed acquisition by Brightstar via a Scheme of Arrangement.

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

BDO Corporate Finance Australia Pty Ltd takes no responsibility for the contents of the Scheme Booklet other than this report.

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

Brightstar. BDO Corporate Finance Australia Pty Ltd provides no warranty as to the adequacy, effectiveness, or completeness of the due diligence process.

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

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

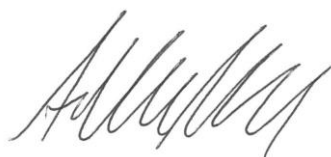
BDO Corporate Finance Australia Pty Ltd has also considered and relied upon independent valuations for mineral assets held by Alto and Brightstar. The valuer engaged for the mineral asset valuation, SRK, possess the appropriate qualifications and experience in the industry to make such assessments. The approaches adopted and assumptions made in arriving at their valuation are appropriate for this report. We have received consent from the valuer for the use of their valuation report in the preparation of this report and to append a copy of their report to this report.

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

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

Yours faithfully

BDO CORPORATE FINANCE AUSTRALIA PTY LTD



Adam Myers
Director



Sherif Andrawes
Director

Appendix 1 - Glossary of Terms

Reference	Definition
A\$	Australian Dollars
ABS	Australian Bureau of Statistics
AFCA	Australian Financial Complaints Authority
Alto	Alto Metals Limited
APES 225	Accounting Professional & Ethical Standards Board professional standard APES 225 'Valuation Services'
ASIC	Australian Securities and Investments Commission
ASX	Australian Securities Exchange
ASX 200	S&P/ASX 200
ASX Metals & Mining	S&P/ASX Metals & Mining
AUD	Australian Dollars
BDO	BDO Corporate Finance Australia Pty Ltd
BML Ventures	BML Ventures Pty Ltd
Brightstar	Brightstar Resources Limited
Brightstar Processing Plant	The Brightstar processing plant located 33km south-east of Laverton and has a 485,000 tonnes per annum carbon in-leach processing capacity
Corporations Act	The Corporations Act 2001 Cth
Cortex	Great Cortex International Limited
CPI	Consumer price index
DCF	Discounted Future Cash Flows
DFS	Definitive Feasibility Study
EGM	Extraordinary General Meeting
EIS Grant	The Western Australian Government Exploration Incentive Scheme co-funding grant
FME	Future Maintainable Earnings
FSG	Financial Services Guide
g/t	Grams per tonne
Gateway	Gateway Mining Limited
GDP	Gross Domestic Product
Genesis	Genesis Minerals Limited
Genesis Shares	The fully paid ordinary shares in Brightstar issued to Genesis Minerals Limited under an agreement where Genesis will convert approximately \$2.7 million of processing fees into 177,168,135 Brightstar shares, provided on the same terms and conditions as the Placement.
Indices	The S&P/ASX 200 and S&P/ASX Metals & Mining collectively
IS 214	Information Sheet 214: Mining and Resources: Forward-looking Statements

Reference	Definition
JV	Joint venture
Kingwest	Kingwest Resources Limited
km	Kilometres
km ²	Square kilometres
Linden	Linden Gold Alliance Limited
Merged Group	The merged group comprising of Alto and Brightstar upon completion of the Scheme and Montague Acquisition.
MGP	Montague Gold Project Pty Ltd
Montague Acquisition	Brightstar's acquisition of 100% of the gold rights at the Montague East Project held by Gateway for consideration of up to \$14 million comprising cash, scrip and contingent payments.
Montague Cash Consideration	Cash consideration of \$5 million as part of the Montague Consideration
Montague Consideration	Montague Cash Consideration, Montague Share Consideration and Montague Contingent Consideration collectively
Montague Contingent Consideration	\$2.0 million contingent consideration payable in Brightstar Shares (subject to receiving Brightstar shareholder approval, and otherwise will be payable in cash if shareholder approval is not received), upon the commencement of commercial mining operations in respect of the gold mineral rights, or the delineation of a JORC Mineral Resource on the tenements exceeding 1.0 million ounces
Montague East Gold Rights	The gold rights at the Montague East Project
Montague Share Consideration	\$7.0 million in Brightstar shares, with a deemed share price calculated at the lower of a 15-day volume weighted average price prior to the announcement of the acquisition, and the issue price of Brightstar shares under the Placement
Moz	Million ounces
NAV	Net Asset Value
NBIO	Non-binding indicative offer
Offtake Facility	\$40.0 million gold offtake financing agreement between Brightstar and AustKor Mineral Co., Ltd
our Report	This Independent Expert's Report prepared by BDO
oz	Ounces
Placement	The two tranche share placement to raise \$24 million (before costs) at \$0.15 per share
QMP	Quoted market price
RBA	Reserve Bank of Australia
RC	Reverse circulation
Regulations	Corporations Act Regulations 2001
RG 111	Content of expert reports (March 2011)
RG 112	Independence of experts (March 2011)

Reference	Definition
RG 170	Prospective Financial Information
RG 60	Schemes of arrangements (September 2020)
SBM	St Barbara Limited
SBM Contingent Payment	The contingent payment to be paid by Brightstar to St Barbara Limited, which was transferred to Brightstar through the acquisition of Linden Gold Alliance Limited in July 2024.
Scheme	The acquisition of 100% of Alto's shares on issue by Brightstar via a Scheme of Arrangement
Scheme Consideration	Under the terms of the Scheme, each Alto shareholder will receive four (4) new Brightstar shares for every fully paid ordinary Alto share held on the record date.
Section 411	Section 411 of the Corporations Act 2001 (Cth)
Shareholders	Shareholders of Alto not associated with the Scheme
SID	Scheme Implementation Deed
SOFR	Secured overnight financing rate
Sum-of-Parts	The combination of different methodologies to be used together to determine an overall value where separate assets and liabilities are valued using different methodologies.
The Act	The Corporations Act 2001 (Cth)
the Company	Alto Metals Limited
Topdrill Shares	The fully paid ordinary shares in Brightstar issued to Topdrill under a drill-for-equity agreement, whereby Topdrill will commit to converting \$1.0 million of drilling expenses into 66,666,667 Brightstar shares, provided on the same terms and conditions as the Placement.
US\$	United States Dollars
USD	United States Dollars
VALMIN Code	Valuation of Mineral Assets (2015 Edition)
VWAP	Volume weighted average price
WA	Western Australia

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Appendix 2 - Valuation Methodologies

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

1 Net asset value

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

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

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

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

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

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

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

2 Quoted market price basis

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

3 Capitalisation of future maintainable earnings

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

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

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

4 *Discounted future cash flows*

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

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

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

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

5 *Market-based assessment*

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

The resource multiple is a market based approach which seeks to arrive at a value for a company by reference to its total reported resources and to the enterprise value per tonne/lb/oz of the reported resources of comparable listed companies. The resource multiple represents the value placed on the resources of comparable companies by a liquid market.

Appendix 3 - Control Premium

Control premium

We have reviewed the control premiums on completed transactions, paid by acquirers of ASX-listed gold mining companies, ASX-listed general mining companies, and all ASX-listed companies over the ten-year period from 2014 to August 2024. In assessing the appropriate sample of transactions from which to determine an appropriate control premium, we have excluded transactions where an acquirer obtained a controlling interest (20% and above) at a discount (i.e., less than a 0% premium) and at a premium in excess of 100%. We have summarised our findings below:

ASX-listed gold mining companies

Year	Number of Transactions	Average Deal Value (\$m)	Average Control Premium (%)
2024	4	245.64	20.67
2023	4	184.59	25.33
2022	4	3,792.50	17.46
2021	4	1,520.23	35.98
2020	1	2,748.89	10.10
2019	1	219.98	56.41
2018	2	31.26	21.77
2017	2	13.74	41.04
2016	4	23.31	47.88
2015	3	48.26	57.90
2014	7	135.05	47.96

Source: Bloomberg, BDO analysis

ASX-listed general mining companies

Year	Number of Transactions	Average Deal Value (\$m)	Average Control Premium (%)
2024	9	597.39	30.20
2023	14	162.16	30.31
2022	9	1,929.90	22.67
2021	6	1,235.14	29.89
2020	5	592.06	35.90
2019	9	182.08	41.27
2018	6	68.30	28.27
2017	4	9.28	39.86
2016	10	72.56	50.15
2015	6	318.69	58.37
2014	13	79.54	41.48

Source: Bloomberg, BDO analysis

All ASX-listed companies

Year	Number of Transactions	Average Deal Value (\$m)	Average Control Premium (%)
2024	28	996.45	25.87
2023	35	421.28	27.41
2022	39	3,199.03	23.39
2021	28	1,095.24	35.17
2020	16	367.97	40.43
2019	29	4,165.55	32.83
2018	26	1,571.79	30.07
2017	24	1,168.71	36.75
2016	28	490.46	38.53
2015	28	948.39	33.53
2014	35	394.93	38.31

Source: Bloomberg, BDO analysis

The mean and median of the entire data sets comprising control transactions from 2014 onwards for ASX-listed gold mining companies, ASX-listed general mining companies, and all ASX-listed companies, are set out below:

Entire Data Set Metrics	ASX-listed Gold Mining Companies		ASX-listed Mining Companies		All ASX-listed Companies	
	Average Deal Value (\$m)	Average Control Premium (%)	Average Deal Value (\$m)	Average Control Premium (%)	Average Deal Value (\$m)	Average Control Premium (%)
Mean	777.15	35.85	457.06	36.82	1,405.93	32.29
Median	49.58	36.29	55.26	32.29	132.66	28.41

Source: Bloomberg, BDO analysis

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

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

When performing our control premium analysis, we considered completed transactions where the acquirer held a controlling interest, defined at 20% or above, pre-transaction or proceeded to hold a controlling interest post-transaction in the target company.

We have removed transactions for which the announced premium was in excess of 100%. We have removed these transactions because we consider it likely that the acquirer in these transactions would be paying for special value and/or synergies in excess of the standard premium for control. Whereas the purpose of this analysis is to assess the premium that is likely to be paid for control, not specific strategic value to the acquirer.

The table above indicates that the long-term average control premium by acquirers of ASX-listed gold mining companies, ASX-listed general mining companies, and all ASX-listed companies is approximately

35.85%, 36.82% and 32.29% respectively. However, in assessing the transactions included in the table above, we noted that control premiums appeared to be positively skewed.

In a population where the data is skewed, the median often represents a superior measure of central tendency compared to the mean. We note that the median announced control premium over the assessed period was approximately 36.29% for ASX-listed gold mining companies, 32.29% for ASX-listed general mining companies, and 28.41% for all ASX-listed companies.

Appendix 4 - Independent Specialist Report

Final

Independent Specialist Report on the mineral assets of Alto Metals Limited and Brightstar Resources Limited

Prepared for BDO Corporate Finance Australia Pty Ltd and Alto Metals Limited



SRK Consulting (Australasia) Pty Ltd ■ BDO034 ■ 8 October 2024

Final

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Drilling at the Sandstone Project

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Useful definitions

This list contains definitions of symbols, units, abbreviations, and terminology that may be unfamiliar to the reader.

°C	degrees Celsius
A\$	Australian dollars
AC	aircore drilling
AIG	Australian Institute of Geoscientists
AMEC	Association of Mining and Exploration Companies
ASX	Australian Securities Exchange
AusIMM	Australasian Institute of Mining and Metallurgy
BAC	base acquisition cost
BDO	BDO Corporate Finance Australia Pty Ltd
BDO Report	Independent Expert's Report
CNG	Compressed Natural Gas
DBCA	Department of Biodiversity, Conservation and Attractions
DCCEEW	Department of Climate Change, Energy, the Environment and Water
DCF	discounted cashflow
DIDO	drive-in drive-out
DEMIRS	Department of Energy, Mines, Industry Regulation and Safety
DWER	Department of Water and Environmental Regulation
EBIT	earnings before interest and tax
EBITDA	earnings before interest, tax, depreciation, and amortisation
ELs	exploration licences
EP Act	<i>Environmental Protection Act 1986</i>
EPA	Environmental Protection Authority
EPBC	<i>Environment Protection and Biodiversity Conservation Act 1999</i>
EV	Enterprise Value
FIFO	fly-in fly-out
FY	financial year
GSWA	Geological Survey of Western Australia
ha	hectares
IP	induced polarity
ISBD	in situ bulk density
ISR	Independent Specialist Report
IVSC	International Valuation Standards Committee
JORC	Joint Ore Reserves Committee
JV	joint venture
K	potassium
kg	kilograms
km ²	square kilometres
kt/a	kilo/thousand tonnes per annum
L	litres
LNG	liquid natural gas
LOM	Life-of-Mine
M	million

m ³	cubic metres
mAHD	metres above Australian Height Datum
MCP	Mine Closure Plan
MEE	multiples of exploration expenditure
mg	milligrams
ML	megalitres
ML/s	Mining Lease/s
Model(s)	All financial models provided to SRK by Alto and Brightstar for review. Models refers to the collective group of associated models unless stated specifically to an individual model.
MRF	Mining Rehabilitation Fund
Mt	million tonnes
MTO	Mineral Titles Online
Mt/a	million tonnes per annum
MTR	metal transaction ratio
NMR	nuclear magnetic resonance
NPV	net present value
OK	ordinary kriging
P&L	profit and loss
PFS	Pre-feasibility Study
PLs	prospecting licences
PPE	processing plant and equipment
QA/QC	quality assurance/quality control
RAB	rotary air blast
RC	reverse circulation
Report	Independent Technical Assessment and Valuation Report
RICS	Royal Institution of Chartered Surveyors
ROM	Run-of-Mine
S	sulfur
S&P	Standard & Poor's
SRK	SRK Consulting (Australasia) Pty Ltd
SRK Scope	Independent Technical Assessment and Valuation Report providing its opinion on matters to which BDO are not the Specialist
t	tonnes
t/a	tonnes per annum
TSF	tailings storage facility
US\$	United States dollars
WA	Western Australia
10 ⁶	mega, million

Executive summary

BDO Corporate Finance Australia Pty Ltd (BDO) has been engaged by Alto Metals Limited (Alto or the Company) to prepare an Independent Expert Report (IER or the BDO Report) commenting on the fairness and reasonableness of the proposed merger between Alto and Brightstar Resources Limited (Brightstar), whereby the companies will merge via a Scheme of Arrangement (the Scheme). Under the terms of the Scheme, Brightstar has agreed to acquire 100% of the fully paid ordinary shares in Alto and each Alto shareholder will receive four new Brightstar shares for each Alto share held at the record date for the Scheme.

Concurrently, Brightstar has entered into a tenement sale agreement with Gateway Mining Limited (Gateway) under which Brightstar has agreed to acquire a 100% interest in the Montague East Gold Project gold rights (Montague Acquisition). The Montague Acquisition is not conditional on the Scheme completing and will proceed independently of the Scheme.

BDO subsequently contracted SRK Consulting (Australasia) Pty Ltd (SRK) to prepare an Independent Specialist Report (Report) incorporating a technical assessment and valuation of certain mineral assets and providing its opinion on matters to which BDO is not a Specialist (SRK Scope).

The mineral assets to be considered by SRK are primarily located in Western Australia's Eastern Goldfields and include:

- Alto's 100% interest in the several gold projects comprising its Sandstone Project
- Brightstar's 100% interest in the gold projects comprising the Laverton and Menzies Hubs.

In addition, Brightstar is to acquire a 100% interest in the precious metal rights to Gateway's Montague East Gold Project in the North Murchison region of the Eastern Goldfields, which are also to be considered.

Based on discussions with BDO, the SRK Scope comprises:

1. An independent opinion on the market value of the following assets:
 - a. Alto's interest in the Sandstone Project in Western Australia
 - b. Brightstar's interest in the gold projects comprising the Laverton and Menzies hubs in Western Australia
 - c. the Gold Rights to be acquired by Brightstar at Gateway's Montague East Gold Project
 - d. any other mineral assets held by Alto that SRK considers are likely to have a material value
 - e. any other mineral assets held by Brightstar that SRK considers are likely to have a material value, including any residual plant and equipment, for example, the Brightstar mill that has been placed on care and maintenance.

This Report has been prepared in accordance with the guidelines outlined in the *Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets* (VALMIN Code, 2015), which incorporates the *Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves* (JORC Code, 2012).

SRK's recommended valuation ranges and preferred values are detailed in Section 8 of this Report (Valuation) and are summarised in Table ES.1. The valuation represents the Market Value of the Mineral Assets as at the Valuation Date, this being 20 September 2024.

Based on its technical assessment and valuation, Table ES.1 summarises SRK's market value assessment of the defined Mineral Resources (inclusive of any Exploration Targets) and Exploration Potential at each of the relevant projects in accordance with its mandate. The values have been derived using comparable transaction analysis with support provided through the industry yardstick (for defined Mineral Resources) and geoscientific rating (for exploration potential) methods. SRK has adopted the midpoint of its derived range as its preferred value as it has no strong inclination towards either end of its range based on the information available in relation to each of the project areas.

Table ES.1: Summary valuation

Project	Low (A\$ M)	High (A\$ M)	Preferred (A\$ M)
Alto (Sandstone Project)	38.1	75.5	56.8
Brightstar (Laverton and Menzies Hubs)	107.8	177.6	142.7
Montague East Gold Rights	17.2	34.4	25.8

Note: Any discrepancies between values in the tables are due to rounding.

Based on its analysis, SRK considers the Market Value of the Mineral Assets of Alto resides between A\$38.1 M and A\$75.5 M, with a preferred valuation of A\$56.8 M. SRK considers the Market Value of the Mineral Assets of Brightstar resides between A\$107.8 M and A\$177.6 M, with a preferred valuation of A\$142.7 M. The Market Value of the Montague East Gold Rights to be acquired by Brightstar is estimated to reside between A\$17.2 M and A\$34.4 M with a preferred value of A\$25.8 M as at the Valuation Date.

In defining its valuation ranges, SRK notes that there are inherent risks involved when conducting any arm's length valuation exercise. These factors can ultimately result in significant differences in valuations over time. By applying narrower confidence ranges, a greater degree of certainty regarding these assets is being implied than may be the case. Where possible, SRK has endeavoured to narrow its valuation range.

1 Introduction

On 1 August 2024, Brightstar Resources Limited (Brightstar) and Alto Metals Limited (Alto or the Company) jointly announced they had entered into a Scheme Implementation Deed, under which Alto agreed to propose a Scheme of Arrangement in accordance with the *Corporations Act 2001* (Cth) (the Scheme) for the acquisition of 100% of Alto, subject to a number of conditions precedent to the Scheme, including Alto shareholder and Court approval of the Scheme.

Concurrently, Brightstar has entered into a tenement sale agreement with Gateway Mining Limited (Gateway) under which Brightstar has agreed to acquire a 100% interest in the Montague East Gold Project gold rights (Montague Acquisition). The Montague Acquisition is not conditional on the Scheme completing and will proceed independently of the Scheme.

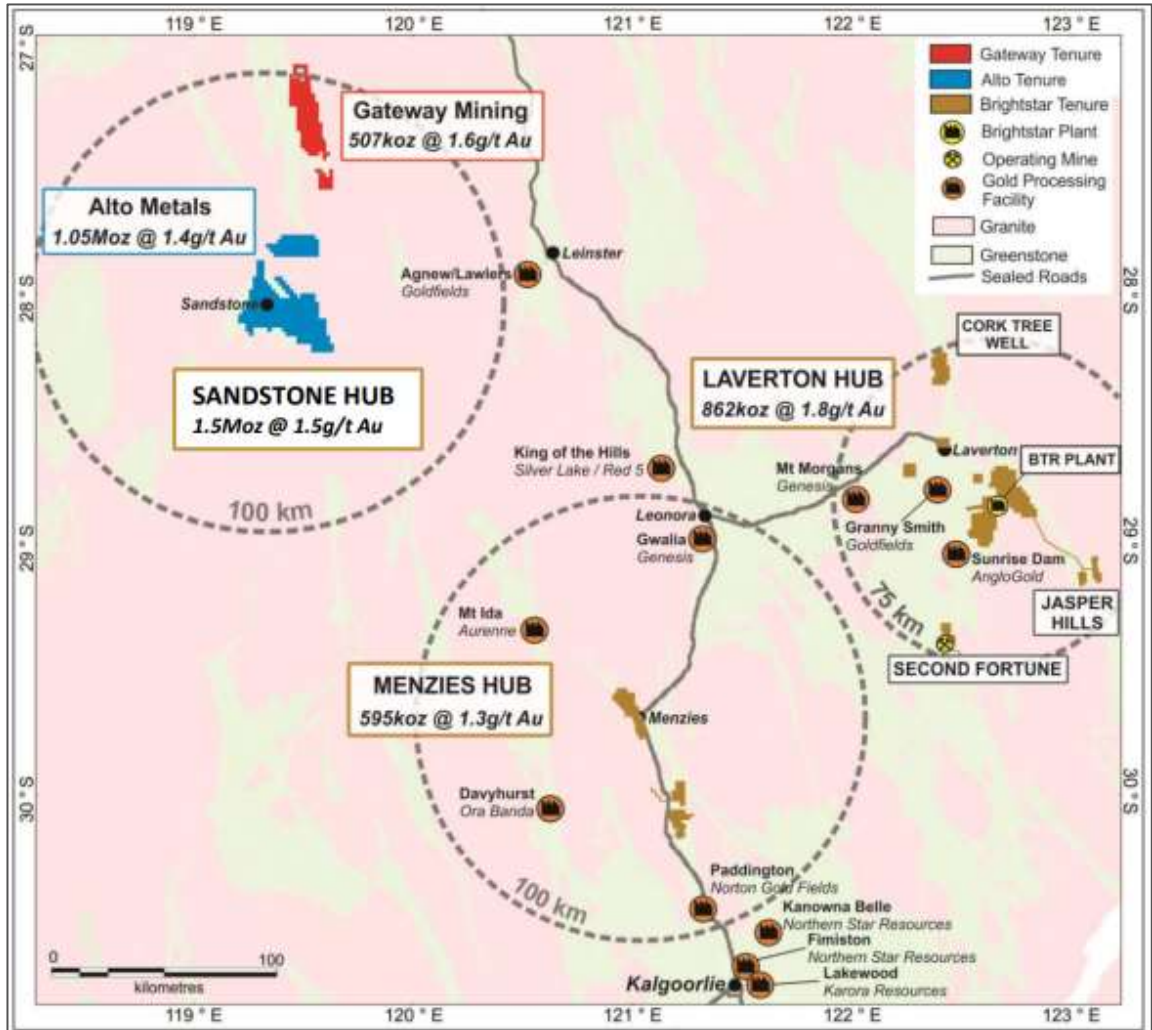
BDO Corporate Finance Australia Pty Ltd (BDO) was engaged by Alto to prepare an Independent Expert Report (BDO Report) relating to the Company's mineral assets, as well as those of Brightstar (including the Montague Acquisition).

Mr Adam Myers, Partner at BDO, subsequently contracted SRK Consulting (Australasia) Pty Ltd (SRK) to provide an Independent Specialist Report (Report) incorporating a technical assessment and valuation of the mineral assets of both Alto and Brightstar, as well as precious metal rights (the Gold Rights) associated with Gateway's Montague East Project (SRK Scope). SRK understands its Report is to accompany the BDO Report.

The mineral assets to be considered by SRK are predominantly located in the Laverton, Menzies and Sandstone regions of Western Australia's Eastern Goldfields (Figure 1.1) and include:

- Alto's 100% interest in the Sandstone Project
- Brightstar's 100% interest in the gold projects comprising the Laverton and Menzies Hubs, as well as the precious metal rights to Gateway's Montague East Gold Project in the North Murchison region of the Eastern Goldfields, which are to be acquired by Brightstar in a separate transaction.

Figure 1.1: Location of the subject mineral assets



Source: Brightstar ASX announcement 'Building a growing West Australian Gold Producer,' dated 1 August 2023

1.1 Scope

Under its Letter of Instructions from BDO dated 10 August 2024, SRK is to provide:

1. An independent opinion on the market value of the following assets:
 - a. Alto's interest in the Sandstone Project in Western Australia
 - b. Brightstar's interest in the gold projects comprising the Laverton and Menzies hubs in Western Australia
 - c. the Gold Rights to be acquired by Brightstar at Gateway's Montague East Gold Project
 - d. any other mineral assets held by Alto that SRK considers are likely to have a material value
 - e. any other mineral assets held by Brightstar that SRK considers are likely to have a material value, including any residual plant and equipment, for example, the Brightstar mill that has been placed on care and maintenance.

1.2 Site visit

To meet the requirements set out in Section 11.1 of the VALMIN Code (2015), a site inspection to the material Mineral Assets may be required. Given SRK's understanding of the key project in production (i.e. the Second Fortune mine) and SRK's recent valuation experience in the Eastern Goldfields of Western Australia, SRK does not currently envisage that site visits are required.

For the avoidance of doubt, SRK's recent experience in the Eastern Goldfields includes the preparation of Independent Specialist Reports (ISRs) relating to the mineral assets of NTM Gold Limited, Dacian Gold Limited, Genesis Minerals Limited (Genesis), St Barbara Limited, Gascoyne Resources Limited, Red 5 Limited and Silver Lake Resources Limited, as well as technical reviews for financial reporting and corporate debt financing purposes for Pantoro Limited, Tulla Resources plc, Barto Gold Pty Ltd, Northern Star Limited and Genesis.

On two prior occasions (i.e. its assessment of the Hoover House transaction in 2023, which was ultimately modified prior to SRK's report being issued, and a 2024 review of Genesis' operations), SRK assessed the production and toll treatment arrangements (the details of which remain confidential) relating to both the Second Fortune and Selkirk projects.

1.3 Reporting standard

As noted previously, the Report has been prepared in accordance with the guidelines outlined in the *Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets* (VALMIN Code, 2015), which incorporates the *Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves* (JORC Code, 2012).

A first draft of the Report was supplied to BDO, Alto and Brightstar to check for material errors, factual accuracy and omissions before the final report was issued.

For the purposes of this Report, value is defined as 'market value', being the amount of money (or the cash equivalent or some other consideration) for which a mineral asset should change hands on the Valuation Date 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.

The SRK Report does not comment on the 'fairness and reasonableness' of any transaction between Alto and any other parties.

For this Report, SRK has classified the mineral assets of Alto and Brightstar in accordance with the categories outlined in the VALMIN Code (2015), these being:

- **Early-Stage Exploration Projects** – Tenure holdings where mineralisation may or may not have been identified, but where Mineral Resources have not been identified.
- **Advanced Exploration Projects** – Tenure holdings where considerable exploration has been undertaken and specific targets have been 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.

- **Pre-development Projects** – Tenure holdings where Mineral Resources have been identified and their extent estimated (possibly incompletely), but where a decision to proceed with development has not been made. Properties at the early assessment stage, properties for which a decision has been made not to proceed with development, properties on care and maintenance and properties held on retention titles are included in this category if Mineral Resources have been identified, even if no further work is being undertaken.
- **Development Projects** – Tenure holdings for which a decision has been made to proceed with construction or production or both, but which are not yet commissioned or operating at design levels. Economic viability of Development Projects will be proven by at least a pre-feasibility study (PFS).
- **Production Projects** – Tenure holdings – particularly mines, borefields and processing plants that have been commissioned and are in production.

As discussed further in this Report, SRK has classified Alto's Sandstone Project and Brightstar's Laverton and Menzies Hubs as Advanced Exploration to Pre-development Projects (with Second Fortune a Production Project), while the Montague East Gold Project is classified as an Advanced Exploration Asset.

SRK has used valuation approaches that are typically used for mineral assets at each of these respective stages. Additional details are provided in Section 8 of this Report.

1.4 Legal matters

SRK has not been engaged to comment on any legal matters. SRK notes that it is not qualified to make legal representations as to the ownership and legal standing of the mineral tenements that are the subject of this valuation. SRK has not attempted to confirm the legal status of the tenements with respect to joint venture (JV) agreements, local heritage or potential environmental or land access restrictions. In accordance with section 7.2 of the VALMIN Code (2015), SRK has satisfied itself regarding the legal status of the Company's projects by reviewing the WA TENGRAPH online website that outlines the status of the project tenures.

1.5 Valuation date

The Valuation Date adopted for this Report is 20 September 2024.

1.6 Project team

This Report has been prepared by a team of consultants from SRK's offices in Australia. Details of the qualifications and experience of the consultants who have carried out the work in this Report, who have extensive experience in the mining industry and are members in good standing of appropriate professional institutions, are set out in Table 1.1.

1.7 Limitations, independence, indemnities, and consent

1.7.1 Limitations and reliance

SRK's opinion contained herein is based on information provided to SRK by Alto and Brightstar throughout the course of SRK's investigations as described in this Report, which in turn reflects various technical and economic conditions at the time of writing. SRK has sought and been provided with the results of previous public reports commissioned by Brightstar and Alto. Such technical information as provided by Alto and Brightstar was taken in good faith by SRK. SRK has not recalculated Mineral Resource or Ore Reserve Estimates but has independently assessed the reasonableness of the estimates.

This Report includes technical information, which requires subsequent calculations to derive subtotals, totals, averages, and weighted averages. Such calculations may involve a degree of rounding. Where such rounding occurs, SRK does not consider it to be material.

As far as SRK has been able to ascertain, the information provided by Alto and Brightstar was complete and was not incorrect, misleading, or irrelevant in any material aspect. The information on which SRK has relied is noted throughout this report and in the References section at the back of this report.

1.7.2 Statement of SRK independence

Neither SRK, nor any of the authors of this Report, have any material present or contingent interest in the outcome of this Report, nor any pecuniary or other interest that could be reasonably regarded as capable of affecting their independence or that of SRK. SRK has no beneficial interest in the outcome of this Report capable of affecting its independence.

SRK has not previously prepared any public reports relating to the mineral assets or entities that are the subject of this report.

1.7.3 Indemnities

As recommended by the VALMIN Code (2015), Alto and Brightstar have represented in writing to SRK that full disclosure has been made of all material information and that, to the best of their knowledge and understanding, such information is complete, accurate and true.

Alto and Brightstar have advised SRK whether any of the information provided is deemed to be confidential and any restrictions as to its use. Where warranted, SRK confirms it has taken any such information into account in its value deliberations and has provided appropriate summary information and context to assist readers of its report without compromising the commercially sensitive nature of such information.

In line with the VALMIN Code (2015), Alto has also provided SRK with an indemnity letter under which SRK is to be compensated for any liability and/or expenditure resulting from any additional work required which:

- results from SRK's reliance on information provided by Alto and Brightstar, or Alto and/or Brightstar not providing material; or

- relates to any consequential extension of workload through queries, questions or public hearings arising from this report.

1.7.4 Consent

SRK understands that this Report will be provided to Alto's shareholders. SRK provides its consent for this Report to be included in the BDO Report on the basis that the technical assessment and valuation expressed in the Executive summary and in the individual sections of this Report is considered with, and not independently of, the information set out in the complete Report.

The information in this report that relates to the technical assessment and valuation of Mineral Assets is based on, and fairly reflects information compiled and conclusions derived by a team of technical specialists under the supervision of Mr Jeames McKibben, who is a Competent Person and Fellow of the Australasian Institute of Mining and Metallurgy (AusIMM) and Member of the Australian Institute of Geoscientists (AIG). Mr McKibben is employed by SRK, an independent mining consultancy. Mr McKibben has sufficient experience that is relevant to the technical assessment and valuation of the mineral assets under consideration and to the activity being undertaken to qualify as a Practitioner as defined in the VALMIN Code (2015) and a Competent Person as defined in the JORC Code (2012). Mr McKibben consents to the inclusion in the Report of the matters based on the information in the form and context in which it appears.

1.7.5 Consulting fees

SRK's estimated fee for completing this Report is based on its normal professional daily rates plus reimbursement of incidental expenses. The fees are agreed based on the complexity of the assignment, SRK's knowledge of the assets and availability of data. The fee payable to SRK for this engagement is estimated at approximately A\$90,000. The payment of this professional fee is not contingent on the outcome of this Report.

1.8 Structure of the Report

This Report adopts the following structure:

Part A: Mineral Assets held by Alto and Brightstar – Sections 2 to 5.

Part B: Mineral Assets to be acquired by Brightstar – Section 6

Part C: Valuation – Sections 7 to 9.

Table 1.1: Details of qualifications and experience of consultants

Specialist	Position, Company	Responsibility	Length and type of experience	Site inspection	Professional designation
Jeames McKibben	Principal Consultant, SRK	Project Manager, Valuation	+30 years: 20 years in valuation and corporate advisory, 2 years as an analyst and 8 years in exploration and project management roles	None	BSc (Hons), MBA, FAusIMM(CP), MAIG, MRICS
James Carpenter	Senior Consultant, SRK	Mineral Resources – Sandstone	23 years: 12 years in mineral resource estimation, audit, and consulting	None	BAppSc, MGeostats, MAusIMM(CP)
Danny Kentwell	Principal Consultant, SRK	Mineral Resources – Menzies	+30 years: geostatistician with +20 years in consulting and resource estimation.	None	MSc, FAusIMM
Ian de Klerk	Principal Consultant, SRK	Mineral Resources – Laverton	>35 years: +20 years in exploration, evaluation and assessment of Mineral Resources, 15 years in geological modelling and resource consulting	None	BSc (Hons), MSc, GradDip Eng (Mining), MAusIMM
Chris Faast	Senior Consultant, SRK	Mining and Processing	15 years in mining and consulting and 10 years in business and project management	None	BE (Mining) (Hons), MAusIMM
Steve Howard	Associate Principal Consultant	Capital Infrastructure	35 years of design, estimation and construction management experience and operational expertise involving mine process plants and other infrastructure	None	
Kate Vershinina	Principal Consultant, SRK	ESG – Australia	+20 years international experience in ESG management and sustainability, including 12 years in consulting and 12 years in operations management	None	MEng, BEnv Mgt, EIANZ, CEnvP, ALGA, MAusIMM
Mathew Davies	Senior Consultant, SRK	Transaction analysis	12 years: 9 years in consulting specialising in valuation and corporate advisory and 3 years as an exploration geologist	None	BSc (Hons), MAusIMM
Philip Ashley	Principal Consultant, SRK	Peer Review	>45 years: +30 years in mine engineering, +10 project financing, 5 years in consulting	None	BEng (Mining) (Hons), MAusIMM, SME

Part A: Mineral Assets held by Alto and Brightstar

2 Introduction

2.1 Overview of Alto

Alto is an Australian Securities Exchange (ASX) listed mineral exploration and development company based in West Perth, Australia. The Company owns a 100% interest in the Sandstone Project located in the East Murchison Mineral Field of Western Australia (Figure 2.1).

The Sandstone Project comprises over 739 km² of granted tenure over the Archaean aged Sandstone Greenstone Belt approximately 600 km north of Perth and centred on the small township of Sandstone. The Sandstone Project is an advanced stage exploration project, which comprises both brownfield and greenfield exploration assets. The area covered by the Sandstone Project was formerly part of Troy Resources Limited (Troy) Sandstone Gold Operations, which was a highly profitable gold venture until the cessation of mining in late 2007. Alto’s open pits, prospects and gold targets include Lord Nelson and Lord Henry, Havilah and Maninga Marley, Ladybird, Indomitable, Tiger Moth, Vanguard and Vanguard North, Oroya and Hacks, Bull Oak, Sandstone North, and Bulchina.

Figure 2.1: Location of Alto’s Sandstone Project



Source: Alto Annual Report 2023.

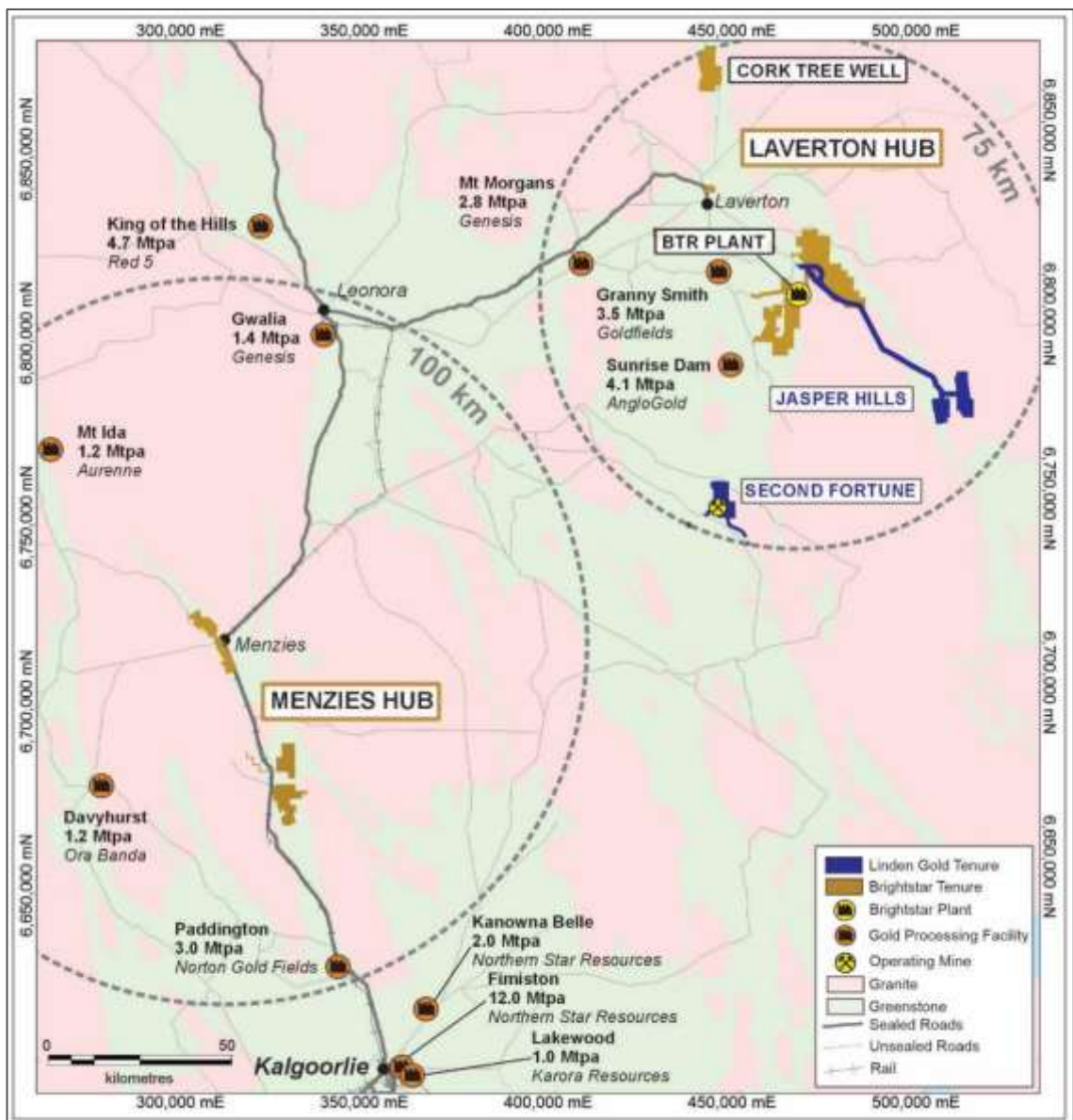
Since acquiring the Sandstone tenures in June 2016, Alto has compiled and reviewed a large legacy database ahead of a series of focused exploration drilling campaigns that have subsequently defined a Mineral Resource base of 1.05 Moz at 1.4 g/t Au and numerous drill ready targets using a systematic approach.

The Company was formerly known as Enterprise Uranium Limited and changed its name to Alto Metals Limited in May 2016. Alto was incorporated in 2012 and listed on the ASX in November 2012.

2.2 Overview of Brightstar

Brightstar is also an ASX listed gold exploration and development company, which owns a 100% interest in the Laverton and Menzies Hubs in Western Australia’s Eastern Goldfields. It holds interests in the Alpha, Beta, Cork Tree Well (Delta), Jasper Hills and Second Fortune Projects within the Laverton Hub and the Menzies and Goongarrie Projects with the Menzies Hub (Figure 2.2).

Figure 2.2: Location of Brightstar’s mineral assets at Laverton and Menzies



Source: Brightstar’s corporate website, August 2024

Collectively, the Laverton Hub hosts a Mineral Resource base of 862 koz at 1.8 g/t Au, with ongoing production at Second Fortune and near-term development opportunities at Jasper Hills, Cork Tree Well and Beta projects.

The Beta Project is immediately adjacent to the Company's 485 kt/a Brightstar processing plant and centres on the Burtville Shear approximately 30 km south of Laverton. Its Alpha Project is located approximately 35 km west of Laverton, and 15 km from the Brightstar plant. The Cork Tree Well Project is located approximately 35 km north of Laverton within a narrow greenstone belt linking the Laverton and Duketon greenstone belts.

Its Jasper Hills Project is located 50 km from Brightstar's existing processing facility and was last mined in 2020.

Its Second Fortune Project is 75 km south of the Brightstar processing plant. Underground mining commenced at Second Fortune in 2021 with ore processed via the Gwalia processing plant in Leonora, initially owned by St Barbara Limited (St Barbara) until 30 June 2023, and subsequently by Genesis Minerals Limited (Genesis).

The Menzies Gold Project is centred on the town of Menzies and located along the western margin of the Menzies greenstone belt. The Menzies Gold Project covers a contiguous land package extending over a strike length in excess of 15 km along the Menzies Shear Zone. The Menzies Hub hosts a Mineral Resource base of 595 koz at 1.3 g/t Au derived from 11 deposits, with the Selkirk deposit being the most recent asset in production (now ceased).

Brightstar was formerly known as Stone Resources Australia Limited (Stone) and changed its name to Brightstar Resources Limited in December 2020. It was incorporated in 2002 and listed on the ASX on 5 December 2003. It is based in Subiaco, Australia.

2.3 Location, access, and climate

Alto and Brightstar's mineral assets are entirely located in the Eastern Goldfields of Western Australia (Figure 2.3). Key gold projects that are the subject of this Report comprise:

- Alto's 100% owned Sandstone Project, surrounding the township of Sandstone approximately 550 km northeast of Perth
- Brightstar's 100% owned Laverton Hub centred approximately 30 km southeast of Laverton and 728 km east-northeast of Perth
- Brightstar's 100% owned Menzies Hub located adjacent to the sealed Goldfields Highway approximately 2 km west of Menzies. Menzies is approximately 120 km north of Kalgoorlie and 730 km by road east-northeast of Perth.

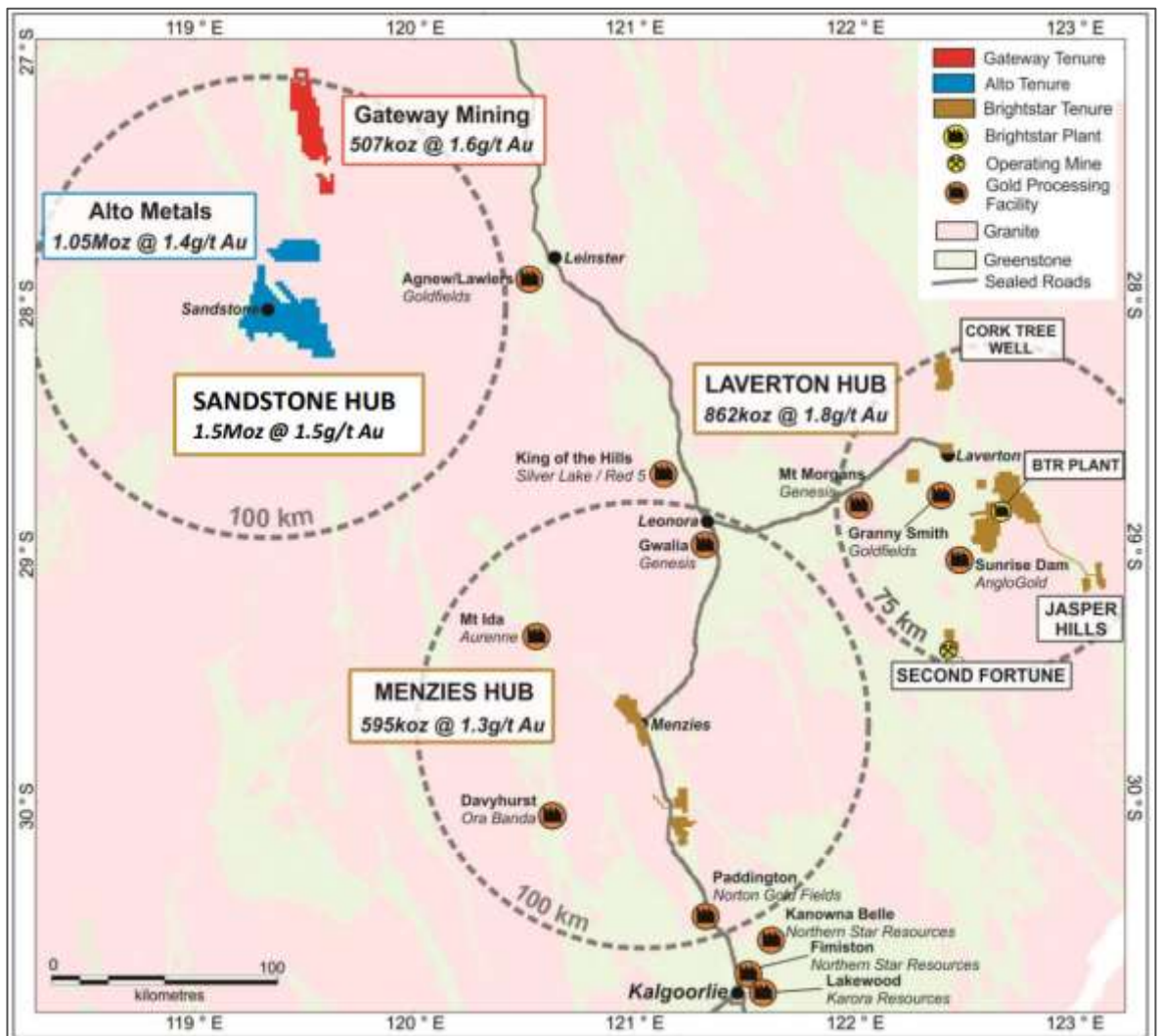
Additionally, each company maintains a regional exploration portfolio within the Eastern Goldfields region.

Key population centres in proximity to Alto and Brightstar's mineral assets include Laverton, Menzies, and Sandstone.

- Laverton is a small mining town located on the western edge of the Great Victoria Desert, with an estimated residential population of 1,150 and fly-in fly-out (FIFO) or drive-in drive-out (DIDO) population of approximately 3,000 (Laverton Draft Strategic Resource Plan 2020–2035,

2020). As a local centre, the types and levels of services and facilities available are limited compared to larger regional hubs, but include a small hospital and medical centre, a variety of accommodation options, supermarkets and convenience stores, primary and secondary schooling, post office, bank, petrol stations and recreation facilities (library, aquatic centre, racecourse, parks and community centre). The town is frequently serviced by flights from Perth and can also be accessed from Leonora along the Leonora-Laverton Road, taking approximately 1.5 hours. Nearby gold projects include AngloGold Ashanti’s Sunrise Dam mine, Gold Fields’ Granny Smith mine, Northern Star’s Carosue Dam mine and Regis Resources’ Duketon gold project.

Figure 2.3: Location of the mineral assets that are the subject of this Report



Source: Brightstar ASX announcement 'Building a growing West Australian Gold Producer,' dated 1 August 2023.

- Menzies is a historical gold mining town located between Leonora to the north, and the City of Kalgoorlie–Boulder approximately 120 km to the south. Kalgoorlie is the region’s main mining and services centre. Menzies has a population of approximately 235 persons, with a small, but diverse economy based on tourism, agriculture, and mining. The town is supported by limited regional services including accommodation, shopping, primary schooling, transportation, administration, and community facilities including sporting and emergency services.
- Sandstone is a small township located between Mount Magnet and Leinster in the east Murchison region of Western Australia with an estimated population of approximately 100 persons. Local industries include tourism, agriculture, and mining. Facilities available at Sandstone include the shire offices, remote community school, telephone, mobile telephone network, grid electricity, potable water, post office, newsagent, groceries, transport, gas, fuel depot, banking, equipment hire (small), meals, accommodation, library, swimming pool, mechanic, welding, general hardware, medical facilities and two airstrips.

Collectively, the subject mineral assets are well located with respect to existing regional infrastructure including sealed roads (e.g. the Goldfields Highway, Leonora–Laverton Road, Leinster – Mount Magnet Road), an operational standard gauge rail line connecting Leonora to Kalgoorlie and then on to either Esperance, Perth or the eastern states of Australia, and the Goldfields gas pipeline (including adjacent spurs). In addition, good shire-maintained unsealed roads connect the major mining centres and pastoral properties. Public airstrips are located at Laverton and Leonora, with scheduled commercial and private chartered flights most days. These are used for FIFO requirements. There are several other private airstrips in the surrounding area, including at the multiple established mining operations.

The regional workforce predominantly operates on a FIFO basis to and from Perth to either Menzies, Laverton, Sandstone or Kalgoorlie, although some personnel work on a DIDO basis from Kalgoorlie–Boulder, Mount Magnet, Leinster, Leonora, Laverton, or reside locally. Goods and services and skilled labour are typically sourced from Kalgoorlie–Boulder or Geraldton and unskilled labour is sourced locally.

The Goldfields region is semi-arid to arid with two main seasons: hot and dry in summer and cool to mild in winter. Summer maximum temperatures may exceed 40°C, but average around 33°C, while winter temperatures average around 22°C but may fall as low as 5°C, occasionally falling below freezing at night. Rainfall is evenly distributed throughout the year and averages approximately 260 mm per annum. The most reliable rains occur in winter and June is typically the wettest month, with approximately 32 mm. Summer rainfall usually occurs during thunderstorms and occasionally through decaying tropical cyclones from the northwest. At such times, annual rainfall can exceed 500 mm. Evapotranspiration is high, particularly during summer from November to April (source: Bureau of Meteorology).

The physiography of the region is characterised by broad plains and playas with areas of low ridges and hills, with generally subdued topography with relief of between 6 m and 30 m and localised elevations ranging between 300 m and 560 m above Australian Height Datum (mAHD). Resistant greenstone belts (mafic basement rocks and banded iron formations) form prominent hills and ridges. Broad valleys are occupied by saline playa lakes, with some connectivity to palaeochannels (buried former river channels present during the Tertiary when climate conditions were wetter). There are no permanent rivers, with intermittent flow only occurring after major

rainfall and with surface water runoff flowing into playa lakes. Current surface drainage is poorly defined by ephemeral floodways, which typically have no flow for several consecutive years.

Other than the summer thunderstorms, mining and exploration activities in the region are largely unimpeded by climate and topography throughout the year.

The area is too arid to support broadacre agriculture, but there is a substantial pastoral industry (mainly cattle) on the marginal grazing provided by acacia scrub and spinifex grasslands. Natural vegetation comprises mainly low eucalypt woodland or sparsely vegetated areas with mulga growing on granitoid rocks and alluvium, and saltbush and samphire growing on most of the gypsum dune country surrounding the salt playas.

2.4 Tenure and land access

2.4.1 Mineral tenure – Alto

Alto’s mining leases (MLs), exploration licences (ELs) and prospecting licences (PLs) at Sandstone extend over a combined area of approximately 73,853 ha (not including tenements that have been applied for but not yet granted or held under option at the time of report preparation). Overall, the Alto package comprises 9 granted ELs, 9 granted MLs (including 1 under option), 1 granted PL and 1 EL application for a combined area of approximately 920 km².

SRK has received representations from Alto that the schedule detailed in Table 2.1 is to be relied upon for the purpose of this Report. SRK has made all reasonable enquiries with Alto and crosschecked with the TENGRAPH online database, (https://www.dmp.wa.gov.au/Tengraph_online.aspx), into the status of this tenure as at 30 August 2024.

Table 2.1: Alto’s Sandstone Project tenure summary – as at 30 August 2024

Tenement type	Number	Area (ha)
EL granted	9	69,574.29
ML granted	8	4,271.98
PL granted	1	7.37
EL application	1	17,895.2
ML application	-	-
PL application	-	-
<i>ML (under option)*</i>	1	131.67
Total	20	91,880.51

Source: Alto, Government of Western Australia (TENGRAPH)

Note: Alto holds an option to M57/659 held by James Allison.

2.4.2 Mineral tenure – Brightstar

Brightstar’s EL, ML, PL, miscellaneous (L) and general purpose (G) tenures at Laverton and Menzies extend over a combined area of approximately 521 km². Overall, the Brightstar package comprises 19 granted ELs and 3 EL applications, 31 granted MLs, 50 granted PLs, 22 granted Ls and 1 L application and 1 granted G.

SRK has received representations from Brightstar that the schedule detailed in Table 2.2 is to be relied upon for the purpose of this Report. SRK has made all reasonable enquiries with Brightstar and crosschecked with the TENGRAPH online database (https://www.dmp.wa.gov.au/Tengraph_online.aspx) into the status of this tenure as at 30 August 2024.

Table 2.2: Brightstar tenement summary – as at 30 August 2024

Tenement type	Laverton		Menzies	
	Number	Area (ha)	Number	Area (ha)
EL granted	14	20,121.38	5	9,309.93
ML granted	23	7,594.42	8	5,039.21
PL granted	16	1,796.74	34	4,326.50
Miscellaneous (L)	19	1,755.85	3	0.27
General Purpose (G)	1	140.53	-	-
EL application	3	2,097.64	-	-
L application	1	12.75	-	-
Total	76	33,506.56	50	18,675.93

Source: Brightstar, Government of Western Australia (TENGRAPH)

2.4.3 Native title

Sandstone

According to a Federal Court of Australia determination of 2019, the existence of Native Title was not established over the area covered by tenures of the Sandstone Project. The original claim was brought by the Wutha People (Federal Court number WAD6064/1998).

Prior to this determination in June 2016 (varied in September 2018 to include additional tenures), Alto's subsidiary, Sandstone Exploration Pty Ltd, had entered into a Heritage Agreement with the Wutha People whereby both parties committed to cooperate in order to ensure the proper identification, management and preservation of Aboriginal sites within the Sandstone tenures.

In addition, there are 5 registered sites and 10 lodged places on the Sandstone Project tenures. A 'lodged place' represents an application for a site to be registered that has not yet been assessed under the *Aboriginal Heritage Act 1972 (WA)* (AHA). It is an offence under the AHA to excavate, destroy, damage, conceal or in any way alter any registered Aboriginal site unless approval has been obtained. Additional sites are listed in internal documentation supplied by Alto, which lists the results of the previous surveys (including the Gateway tenements), but these are not registered sites or lodged places.

Laverton

Tenements surrounding, and to the south of, the town of Laverton within the Laverton Hub are the subject of the Nyalpa Pirniku Native Title determination that was finalised in 2023 and recognises both exclusive and non-exclusive native title rights and interests in favour of the Nyalpa People.

The existence of native title (or native title claims) in the project area is not likely to significantly impede future mining operations, as the native title rights are non-exclusive, meaning that there is an expectation that shared land use will occur. However, it will be necessary for the project owner to maintain constructive relations with the native title holders/claimants and to actively demonstrate that any commitments made through engagement with these groups are being delivered.

Tenements to the north of the town of Laverton within the Laverton Hub are the subject of the Tjalkadjara Native Title application.

The Second Fortune and Jasper Hills (Lord Byron and Fish) MLs sit on vacant crown land and were issued prior to Native Title determination becoming a matter for consideration. As a result, there is no current Native Title agreement in place. Apart from one small corner of M39/139, the tenements all fall within the Nyalpa Pirniku NT registered area.

Claimants of registered claims and holders of Native Title under determinations are afforded certain procedural rights under the *Native Title Act 1993* (Cth) (NTA) including the 'right to negotiate' in relation to the future grant of certain tenure. This may result in the execution of an Indigenous Land Use Agreement (ILUA), which are agreements with Native Title parties that provide for the conduct of certain activities that might otherwise attract the requirement for approvals under the NTA.

Searches did not identify any ILUAs over the Laverton Hub tenements.

In addition, there are 5 registered sites and 18 lodged places on the Laverton Hub tenures.

Menzies

The Menzies Project tenures are the subject (in full or in part) of two Native Title determinations (the Nyalpa Pirniku and/or Darlot determinations) which were finalised in 2023 and 2022, respectively, each recognising both exclusive and non-exclusive native title rights and interests in favour of the Nyalpa and Darlot people.

The Goongarrie Project tenures are the subject (in full or in part) of overlap of two Native Title applications (Kakarra Part A WC2020/005 and/or Marlinya Ghoorlie application WC2017/007).

Searches did not identify any ILUAs over the Menzies Hub tenements.

In addition, there are five registered sites and three lodged places on the Menzies tenures and one lodged place on the Goongarrie tenures.

2.4.4 Other land uses

Sandstone

The tenements of the Sandstone Project cover parts of the Black Hill, Booylgoo Spring and Dandaraga Pastoral Leases, which are used for agricultural purposes as well as Vacant Crown Land and residential allotments within the Sandstone township.

Laverton

The tenements of the Laverton Hub cover parts of the Erlistoun, Glenhorn, Mount Weld and Yundamindra Pastoral Leases, which are used for agricultural purposes and Vacant Crown Land.

Menzies

The tenements of the Menzies Hub cover parts of the Adelong, Jeedamya and Mount Vettors Pastoral Leases, which are used for agricultural purposes as well as Vacant Crown Land and residential allotments within the Menzies township.

Montague East

The tenements of the Montague East Gold Project cover parts of the Youno Downs and Gidgee Pastoral Leases, which are used for agricultural purposes and Vacant Crown Land.

2.5 Regional geological setting and gold mineralisation

The Sandstone mineral assets are geologically located within the Youanmi Terrane, while the Menzies, and Laverton mineral assets lie within the Eastern Goldfields Superterrane (EGS) of the Yilgarn Craton (Figure 2.4).

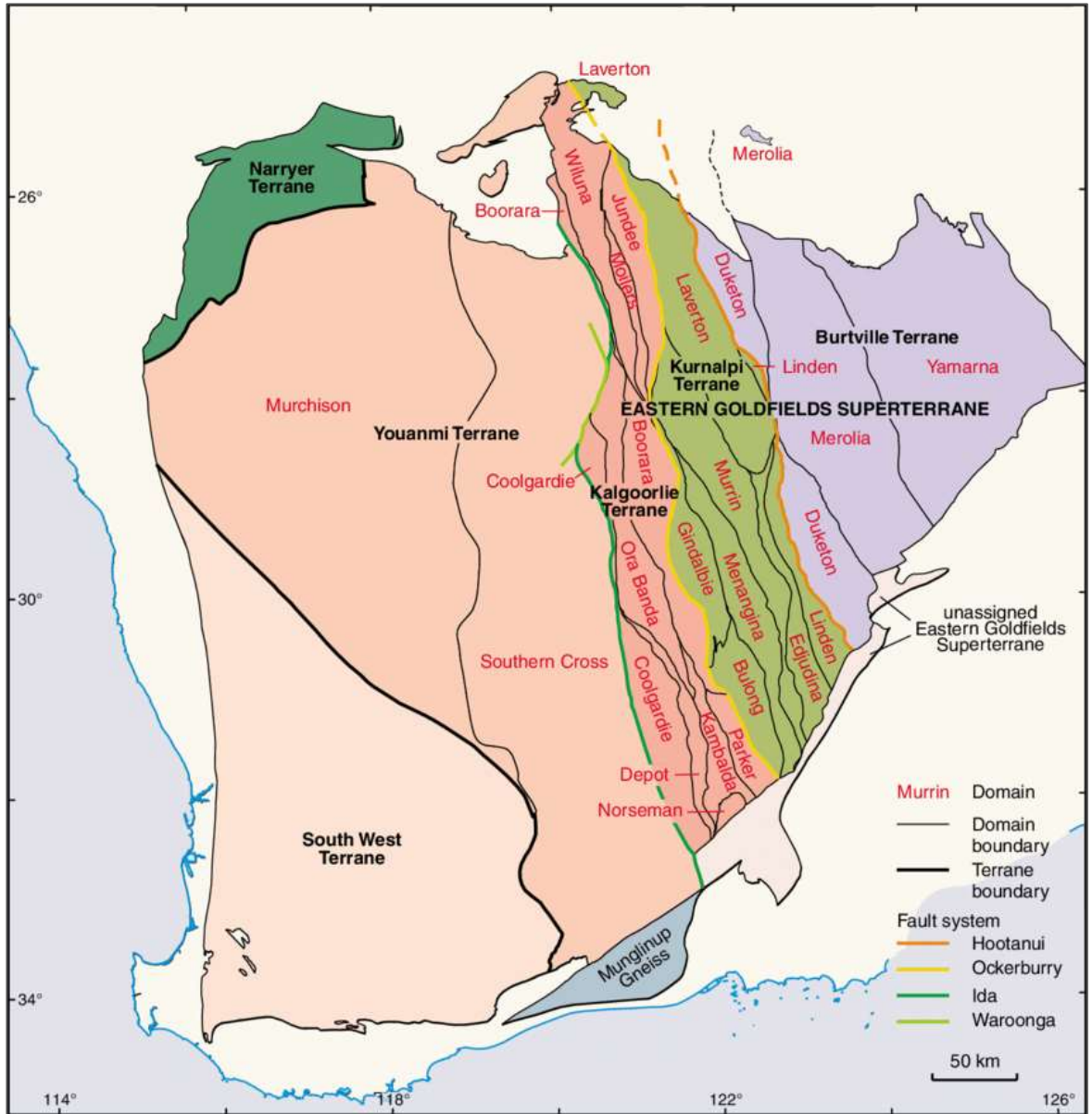
The Yilgarn Craton consists of a series of accretionary terranes, where continental collision has added to, or thickened, the continental crust. It is characterised by numerous linear, north-northwest trending greenstone belts of Archaean age comprising metamorphosed volcanic and sedimentary rocks, with intervening areas of granitoid intrusive bodies. Proterozoic mafic and felsic dykes cut both the greenstone and granitoid rocks.

The greenstone belts of the Yilgarn Craton contain metamorphosed and deformed sequences of mafic and ultramafic volcanic rocks; felsic volcanic and volcanoclastic rocks; sedimentary rocks and minor chert and banded iron formations (BIFs). A variety of granitoid rocks, generally foliated, has extensively deformed the greenstone belts, resulting in complex structures. The granite-greenstone contacts are generally strongly deformed, with localised high-grade metamorphism and interleaving of granitoid and greenstone rocks. As a result, the greenstones are highly sheared and fractured, while the granitoids are generally massive, except for jointing and local fracturing developed adjacent to the greenstone contacts.

Gold mineralisation can form at all stages of orogenic evolution and, as a result, evolving metamorphic belts typically contain a diverse range of gold deposit types that may be juxtaposed or overprint each other (Goldfarb et al., 2005).

Most of the Archaean gold deposits in the Yilgarn Craton belong to a group of structurally controlled orogenic gold deposits. At the regional scale, most of the orogenic gold deposits are spatially associated with regional shear zones. In the greenstone belts of the EGS, significant vein-hosted gold deposits are typically distributed along specific regional structures formed under compressional to transpressional regimes. Due to their association with regional structures, such gold prospects are typically located at the boundaries of contrasting lithologies or age domains within the greenstone belts. Within these prospects, the gold deposits commonly cluster along structures, where they are localised at bends or at the intersection of two or more faults (Goldfarb et al., 2005; Robert et al., 2005).

Figure 2.4: Regional geological setting



Source: Modified from Cassidy et al., 2006

The Youanmi Terrane is separated from the EGS to the east by the Ida Fault and is divided into the Murchison and Southern Cross domains, which are characterised by broadly similar stratigraphic and tectonic histories. The lower succession is characterised by mafic and ultramafic rocks and BIF, with minor felsic volcanic rocks and quartzite. The upper succession is composed of felsic-intermediate volcanic rocks and clastic sedimentary rocks. This sequence was intruded by granite and granitic gneiss which has substantially modified the geometry of the greenstone successions and their structure. The terrane is cut by a network of late-orogenic, large-scale anastomosing shear zones more than 100 km long and 2–10 km wide.

Alto's Sandstone Project lies within the Sandstone Greenstone Belt in the central northern part of the Southern Cross domain and at its boundary with the Murchison domain of the Youanmi Terrane. The Sandstone Greenstone Belt is bounded to the northwest by the dextral (right lateral) Youanmi Shear Zone and to the northeast by the sinistral (left lateral) Edale Shear Zone. The belt has a triangular form comprising a broad east–west oriented refolded synform that is about 40 km wide on its southern margin and 35 km north to south. It hosts a lower succession of mafic dominated rocks intercalated with clastic sedimentary rocks, which are locally intruded by gabbroic sills. These are overlain by BIF and chert units with intercalated clastic sediments and gabbro sills. There are several kilometre-wide high strain zones, with all structures known to host gold mineralisation. Outcrop is poor, with a thin cover of shear wash and partly lateritised alluvial sediments (known as the 'Murchison Hardpan').

The EGS is divided, from west to east, into the Kalgoorlie, Kurnalpi and Burtville terranes. In turn, these terranes are divided into a number of fault-bound geologically continuous domains (Figure 2.4).

- The Kalgoorlie Terrane is exposed over a width between 50 km and 120 km and a length of approximately 500 km. It is bound to the west by the east-dipping Ida Fault and to the east by the Ockerbury Fault. The Kalgoorlie Terrane comprises ten structural domains (Wiluna, Moilors, Jundee, Boorara, Ora Banda, Coolgardie, Depot, Kambalda, Parker, and Norseman) which contain metamorphosed and dismembered units of the dominantly mafic-ultramafic volcanic Kambalda Sequence, the volcanoclastic Kalgoorlie Sequence and siliciclastic sedimentary rocks of the Kurrawang and Merougil Sequences (Vielreicher et al., 2016).
- The Kurnalpi Terrane lies immediately adjacent and to the east of the Kalgoorlie Terrane. Like the Kalgoorlie Terrane, it forms a north-northwest trending strip ranging from 50 km to 150 km in width and is sporadically exposed over a 650 km strike length. It is bound to the west by the east dipping Ockerbury Fault and to the east by the Hootanui Fault. The terrane is composed of seven internal structural domains (Laverton, Linden, Edjudina, Murrin, Menangina, Gindalbie and Bulong). It comprises several calc-alkaline volcanic centres and associated sedimentary sequences, primarily divided into the Laverton (mafic volcanic), Kurnalpi (calc-alkaline volcanic and volcanoclastic sedimentary), Minerie (mafic volcanic) and Basinal (siliciclastic) sequences.
- The Burtville Terrane comprises three poorly defined structural domains (from west to east these are Duketon, Merolia and Yamarna). The Duketon domain includes intermediate and felsic rocks and associated mafic – ultramafic rocks in the central and eastern parts. The Merolia and Yamarna domains contain variably deformed and metamorphosed mafic and felsic rocks and sedimentary sequences of undetermined age.

Brightstar's Menzies Hub is located within the Menzies – Broad Arrow greenstone belt, which forms part of the Kalgoorlie Terrane. The project tenures straddle the Ora Banda Domain to the west and the Coolgardie and Boorara domains to the east and are separated by the Menzies and Bardoc regional scale faults or tectonic zones (Swager, 1995; Swager 1997; and Groenewald et al., 2000). The north-northwest trending greenstone belt is a northern extension of the sequence comprising the Bardoc Tectonic Zone, which lies to the south of the Comet Vale Monzogranite. Outcropping Archaean rocks comprise a minor part of the landscape, whilst much of the area is covered by regolith and Cainozoic sedimentary deposits.

Brightstar's Laverton Hub tenures span the eastern portion of the Laverton Domain of the Kurnalpi Terrane and the western zone of the Duketon Domain of the Burtville Terrane.

- The Laverton Domain represents the strongly deformed eastern margin of the Kurnalpi Terrane and consists of mafic-ultramafic successions, BIF and basalt intruded by dolerite and dolerite dykes overlain by a complex succession of BIF, basalt, and sedimentary rocks. Key structures include the overturned western limb of the Mount Margaret Anticline and proximity to the Celia Tectonic Zone, which represents the boundary between the Laverton domain and the Kurnalpi Terrane.
- The Duketon domain includes intermediate and felsic volcanic rocks and associated mafic to ultramafic rocks in the central and eastern part of the Duketon greenstone belt as well as greenstone assemblages dominated by mafic and ultramafic volcanic and fine-grained sedimentary rocks (Barley et al, 2003). Key structures include in this area include the Comet Well Shear Zone in the west and the Granite Well Shear zone in the east.

Further information on the local geology and gold mineralisation within each of the projects is provided in sections 3.5 (Sandstone), 4.5 (Laverton) and 5.5 (Menzies), respectively.

3 Alto's Sandstone Project

3.1 Project description and background

Alto's 100% owned Sandstone Project is centred on the small township of Sandstone approximately 550 km northeast of Perth in the east Murchison region of Western Australia. The town of Sandstone is located at 27 59' 23" S and 119 17' 41" E. The Sandstone shire has a history dating back more than 100 years and is an established agricultural and gold mining centre.

Both Sandstone and the Project are accessible via three main routes that include the Great Northern Highway from Perth to Mount Magnet, then east for 160 km to the town of Sandstone; a graded gravel road provides access from Paynes Find (235 km to the Sandstone town site) or from Kalgoorlie via the Menzies–Sandstone graded road or the Leinster–Sandstone sealed road. Pastoral station tracks and graded roads provide access between and within the tenements.

The project location is shown in Figure 3.1.

Figure 3.1: Location of Sandstone Project



Source: Alto Annual Report 2023.

3.1.1 Tenure

Alto holds a 100% interest in the Sandstone tenure through its wholly owned subsidiary company, Sandstone Exploration Pty Ltd. The Sandstone Project comprises 20 tenements: 9 granted ELs and 1 EL application, 8 granted MLs and 1 granted PL; an additional granted ML is under an option agreement.

Mining leases, M57/650, M57/651 and M57/652 cover Alto's Havilah, Lord Henry, and Lord Nelson Mineral Resource areas. Alto's M57/646 and M57/647 cover the Indomitable and Vanguard Camp Mineral Resources, respectively, while the Bull Oak deposit is within M57/663 and the Indomitable East and Musketeeer deposits are within M57/665. SRK notes that the Sandstone Project area is described as being +740 km² in size¹; this refers to the contiguous tenements within which the key Mineral Resources are located. The total tenement holding area is approximately 920 km², as listed in Table 3.1.

SRK has received representation from Alto that the schedule detailed in Table 3.1 is to be relied upon for the purpose of this Report. SRK has made all reasonable enquiries into the status of this tenure as at 30 August 2024 and crosschecked with the WA online database, TENGRAPH (https://www.dmp.wa.gov.au/TENGRAPH_online.aspx).

Table 3.1: Alto's Sandstone Project tenure summary – as at 30 August 2024

Tenement type	Number	Area (ha)
EL granted	9	69,574.29
ML granted	8	4,271.98
PL granted	1	7.37
EL application	1	17,895.2
ML application	-	-
PL application	-	-
<i>ML (under option)*</i>	1	131.67
Total	20	91,880.51

Source: ASX: BTR 1 August 2024 'Brightstar to drive consolidation of Sandstone District', Government of Western Australia (TENGRAPH)

Note: Alto holds an option to M57/659 held by James Allison – refer next section.

Option Agreement

On 22 April 2024, Alto announced that it had entered into a binding option agreement with a private and unrelated vendor, to acquire a 100% interest in granted mining lease M57/659, which sits within its exploration licence E57/1033. Key terms include a A\$20,000 cash payment (as an option fee), payment of A\$100,000 upon exercising at any time within 2 years of signing the option agreement and meeting of the minimum expenditure commitment within the option period. There is no associated royalty payable upon future production from the tenure.

M57/659 hosts the Lightning prospect where historical RAB drilling has intersected shallow, broad (+5 m) zones of gold mineralisation associated with quartz veining in BIF units.

¹ Brightstar ASX Announcement, 'Building a Growing West Australian Gold Producer' dated 1 August 2024

SRK notes that at the time of its review, Alto was continuing to compile and validate the historical data over the lease and surrounding Lightning area. As such, Alto had not exercised its option to acquire and hence held a 0% interest in the tenement. On this basis, SRK has elected to assign nil value to Alto's interest in this tenement as at the Valuation Date.

Royalties

State royalties are distributed to the Western Australian Government at the ad valorem rate of 2.5% of the royalty value of any gold produced from Alto's Sandstone Project as defined under the Mining Regulations 1981.

In addition, third party royalties relating the Sandstone Project tenures include:

- A 2.0% gross revenue royalty is payable to the Vendors, Stone and Legendre, and applies to the entirety of the following tenures: E57/1029, E57/1030, E57/1031, E57/1033, E57/1044, M57/646, M57/647, M57/650, M57/651, M57/652, M57/658, M57/663 and M57/665.
- A 1% net smelter return (NSR) royalty payable to Gateway on E57/1108. Alto has the right to extinguish the NSR by paying Gateway A\$2.5 M at a decision to mine; and Alto retains pre-emptive rights in relation to the NSR.

3.2 Infrastructure

Previous production from the Sandstone area was supported by installed infrastructure on third party owned tenure, most notably a 600 kt/a processing plant and a 100-person camp. Only the third party-owned processing plant (under care and maintenance) and camp remain in the Sandstone area.

Alto holds only limited infrastructure at the Sandstone Project, namely:

- two houses in the town of Sandstone used for accommodation purposes with connections to the state electrical network and potable water supply
- historical infrastructure (former open pits, mine shafts, stockpiles, waste rock dumps, etc.).

Alto has common access to public infrastructure, including:

- the sealed highway to the Sandstone township and thereafter gravel roads (including former haul roads) and tracks
- mobile telephone coverage
- the local airstrip.

SRK has been advised that all drill core and chips are processed and stored at the Company's facilities in Perth.

3.3 Permitting

3.3.1 Environmental permitting

Environmental aspects of mining and related activities at the Sandstone Project are primarily regulated under the following Western Australian legislation:

- *Mining Act 1978*
- *Environmental Protection Act 1986*
- *Rights in Water and Irrigation Act 1914.*

A summary of the most recent approvals issue under these Acts is provided in Table 3.2.

None of the activities that form part of Alto's Sandstone Project are considered by Alto to be 'environmentally significant' and none have been referred to the Federal Government or to the Western Australian Environmental Protection Authority (EPA) for environmental impact assessment under (respectively) the *Environment Protection and Biodiversity Conservation Act 1999* (Cth) or the *Environmental Protection Act 1986* (WA).

Mining and related activities

Commitments made in approved mining proposals and mine closure plans are legally binding and remain as legal obligations unless explicitly altered or superseded by subsequent *Mining Act 1978* approvals. Environmental obligations remain with mining tenure and are binding on successive tenement holders.

There are several mining proposals that have previously been approved in connection with tenements that now form part of Alto's Sandstone Project and relate to the Sandstone/Alto Project (Project Code: J02278). However, among the tenements included in this review, only one Mining Proposal has an approved Mining Lease (and forms part of the Allison option agreement area) as shown in Table 3.2.

There are no permits granted for clearing of native vegetation. SRK understands that any ongoing clearing activity is the subject of an exemption due to the exploration stage of the project development and small area of the clearing (less than 10 ha) required for the current activity.

Groundwater extraction and use

Water allocations are approved under the *Rights in Water and Irrigation Act 1914* (RIWI Act). The Groundwater Licence has been granted for ML57/651. Approvals to extract water under Section 5C of the RIWI Act do not automatically entitle licence holders to discharge water to the environment. Discharge of water to the environment (including disposal of water to mine pit voids) is regulated as a 'prescribed activity' under Part V of the *Environmental Protection Act 1986* (EP Act).

Table 3.2: Environmental authorisations – Sandstone Project (as at August 2024)

Statutory instrument	Tenement	Date approved (or most recently amended)	Regulated activities
<i>Mining Act 1978</i>			
Mining Proposal and Mine Closure Plan for Small Mining Operations - Lightning Patch Project - M 57/659	ML57/659	3 May 2024	
<i>Part V of Environmental Protection Act 1986</i>			
No licences granted for Sandstone Project operations			
<i>Rights in Water and Irrigation Act 1914</i>			
Groundwater licence 206821 (valid till 13 January 2032)	M57/651	14 January 2022	Extraction of 20,000 kL

Note: It is not possible to transfer or assign clearing permits issued under the *Environmental Protection Act 1986*.

3.4 History

The Sandstone district has been a mining and prospecting centre since the discovery of gold about 20 km southwest of the present township by Ernest Shillington in 1894. The Sandstone goldfield was discovered in 1895 but production was limited until advanced geophysical and geochemical exploration techniques combined with deep diamond drilling and three-dimensional modelling were used in the 1990s.

In total, the Sandstone Greenstone Belt has produced approximately 1 Moz of gold from numerous underground and open pit mining operations. Of this, some 612 koz were produced between 1999 and 2010 from the open pit mining of shallow oxide ore. The majority of historical production was derived from the Black Range and Oroya Black Range mines located immediately to the south of the Sandstone town site.

Numerous former open pits, prospects and gold occurrences have been developed and include Lord Nelson, Lord Henry, Havilah, Bull Oaks Reef, Vanguard, Lady Bird, Maninga, Marley, Sandstone North, Oroya, Tiger Moth, Musketeer, Piper and Bulchina.

Until recently the Sandstone tenures were held by a number of individual prospectors and several mining syndicates, as well as a number of junior and major mining companies including Cambrian Resources Limited (Cambrian), Monarch Group (Monarch), Spargos NL (Spargos), Elmina NL (Elmina), Kennecott Exploration Inc (Kennecott), Western Mining Corporation (WMC), Herald Resources Limited (Herald), Troy Resources Limited (Troy), Southern Cross Goldfields (SGX) and Enterprise Uranium Limited (Enterprise).

The most significant of these previous exploration phases were conducted by the following:

- WMC conducted significant regional exploration throughout the Sandstone district from the late 1970s through to the 1990s, both on a standalone basis and via several farm-in agreements with Spargos and Monarch. Key areas evaluated by WMC over this period include the Oroya, Hacks, Bull Oak, Ladybird, Vanguard, Iron Knob, and Sandstone North prospects. WMC completed a number of internal company estimates based on extensive drilling programs at these target areas before offering its interests for tenders with Herald being the successful bidder.
- Herald acquired the Maninga Marley and Havilah tenements in February 1995, prior to conducting further RAB drilling at Havilah, Havilah West, and Maninga Marley in 1996 and 1997 testing for strike extensions. In July 1996, Herald formalised a joint venture agreement with Elmina over the Vanguard tenures and completed auger and RAB drilling between 1996 and 1999 prior to resource estimation. Ground induced polarisation (IP) and airborne magnetic geophysical surveys were also undertaken.
- Troy acquired the Bulchina project from Cambrian in 1998 and in 1999 purchased the Sandstone treatment plant from Herald before commencing mining at Bulchina. In 2004, Troy announced the discovery of the Lord Henry and Lord Nelson deposits following extensive soil geochemical sampling programs and reconnaissance RAB drilling programs. Open pit mining commenced at Lord Nelson in early 2005 and continued to 2010 to produce approximately 207 koz of gold. Open pit mining occurred at Lord Henry between 2005 and 2010 to produce approximately 48 koz of gold. At Indomitable, Troy initially focused on the Indomitable East soil anomalies with subsequent rock chip geochemical sampling, ground gravity and RAB, aircore and RC drilling which defined the Indomitable, Musketeer and Tiger Moth prospects. Troy

completed RAB and RC drilling at Vanguard before publishing a Mineral Resource Estimate in 2007.

Alto commenced exploration at Sandstone in late 2016 and since that time has completed the following:

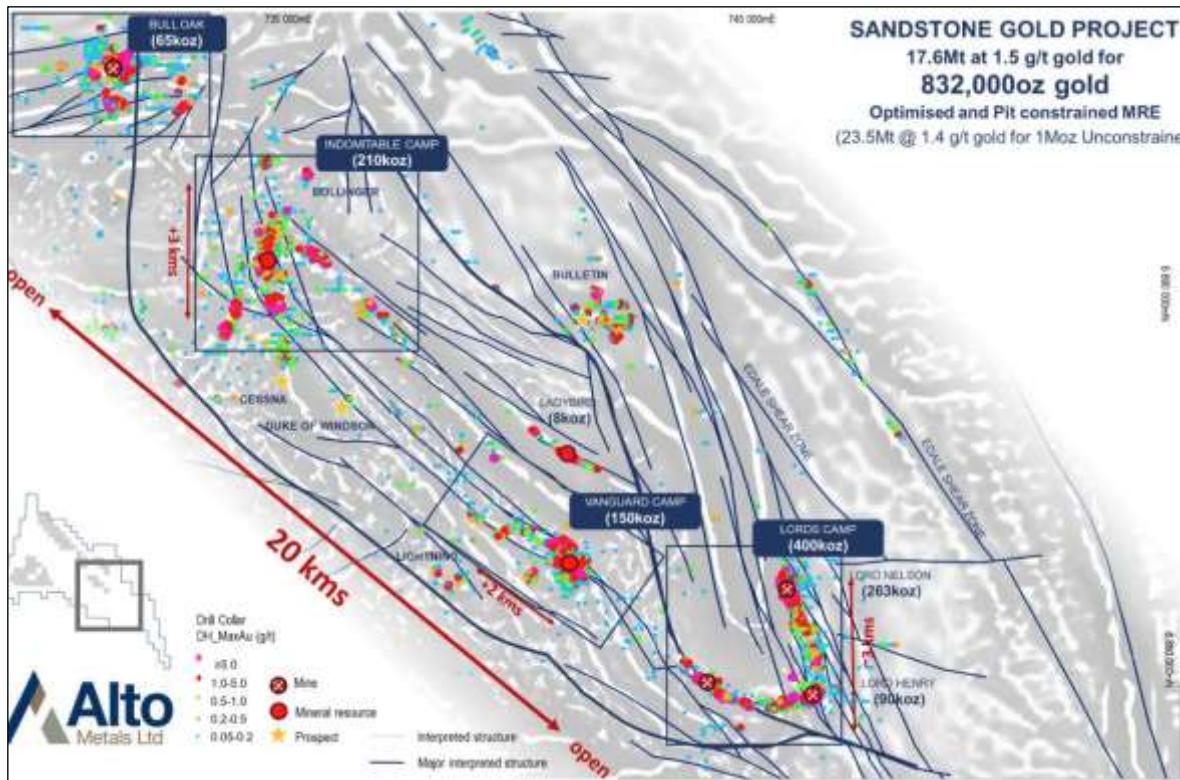
- Drilling along the northern, southern, and down-dip extensions to the historical Lord Nelson open pit. This confirmed a new zone of deeper primary mineralisation below the Lord Nelson open pit and shallow mineralisation along strike to the south of the open pit (named Orion). With further drilling during 2020 and 2021, Alto discovered the Juno lode interpreted to be an extension of the Lord Nelson and Orion mineralisation further to the south of the pit.
- Further aircore and RC drilling in the Indomitable area to test the grade and quantity of gold previously reported by Troy. This resulted in the definition of shallow laterite gold mineralisation in the Indomitable North area and completion of Mineral Resources areas for Indomitable and Indomitable North areas in 2018. At Indomitable East, further aircore drilling in 2016 and 2017 was followed by infill RC drilling in June 2022 and resulted in a Mineral Resource Estimate. Recent exploration at Indomitable has defined shallow oxide gold mineralisation over a 3.5 km strike length which remains open.
- Step out RC drilling at the Bull Oak prospect has highlighted the potential for additional resource growth potential along extensions to the Kohinoor North Reef, with multiple shallow high-grade gold zones encountered. Alto has reported an Exploration Target at the Bull Oak gold deposit of between 4.6 Mt and 8.8 Mt, with a grade range from 1.0–1.3 g/t Au, containing between 0.2 Moz and 0.3 Moz of gold (ASX announcement, 19 June 2024 'Exploration Target for the Bull Oak Gold Deposit'). This target is in addition to the reported Mineral Resource at Bull Oak as stated in Table 3.5, for the estimate unconstrained by an optimiser pit shell, and Table 3.6 for the estimate constrained by a A\$2,500/oz optimiser pit shell. A full description of the difference between the Mineral Resources reported in Table 3.5 and Table 3.6 is provided in Section 3.6, Mineral Resources.
- At Sandstone North, a 6 km-long gold geochemical anomaly has been identified from soil sampling with high-grade gold mineralisation intersected in limited drilling below historical workings.
- At Ladybird, Alto has only completed a single RC drill hole given the extensive RAB, aircore and RC programs previously completed by Troy. The purpose of this hole was to confirm the previous geological logging, obtain metallurgical samples and confirm a high-grade intercept evident in previous drilling in order to support an updated Mineral Resource Estimate in 2019.
- At Tiger Moth, Alto completed further aircore and RC drilling to test the grade and quantity of oxide gold mineralisation reported by Troy, which ultimately led to an updated Mineral Resource Estimate in 2018.
- At Piper, Alto completed additional aircore drilling to test for potential extensions to the deposit and to test beneath the shallow gold mineralisation. This resulted in an updated Mineral Resource Estimate in 2018.

3.5 Local geology and mineralisation styles

The regional geological context is provided in Section 2.5 of this Report.

Table 3.3 summarises the key characteristics associated with the main mineral resources at Alto's Sandstone Project, as illustrated in Figure 3.2.

Figure 3.2: Mineral Resources at the Sandstone Gold Project



Source: Alto June Quarterly Report, dated 31 July 2024.

Table 3.3: Summary of the main deposits at Alto's Sandstone Project

Area	Geological overview
Lord Nelson	<p>Lord Nelson is hosted at the northern tip of a large granodiorite intrusion measuring 3 km in strike and up to 800 m wide. The granodiorite has intruded mafic rocks to the west (within the hanging wall) and ultramafic rocks to the east (footwall). The mineralisation is hosted within the granodiorite intrusion, with a high-grade zone on the contact between the granodiorite and the ultramafic.</p> <p>The gold mineralisation trends north-northwest, dipping approximately 50° to the west while increasing in dip to 70° at depth (~200 m below surface) and plunges to the south. Mineralisation is characterised by a zone of pyrite + silica+ biotite ± quartz veining that follows the ultramafic footwall contact. The mineralised zone covers an area of 1,300 m along strike, 400 m across strike and extends 250 m below surface. The mineralisation is interpreted to extend around 180 m down-dip from the base of the current (historically mined) pit.</p> <p>The Orion lode, a part of the Lord Nelson deposit, was discovered by Alto. It is located approximately 200 m south of the existing Lord Nelson open pit (which is characterised as a zone of intermixed high magnesium basalt and granodiorite intrusive rocks above a footwall ultramafic unit). The Orion lode is a repeat of the previously mined portion of the deposit.</p> <p>The Juno lode is an extension of the mineralised zone extending below and south from the Lord Nelson pit. Juno has a gentle southerly plunge and remains open up and down dip, and along strike.</p>
Lord Henry	<p>The Lord Henry deposit occurs along the southern end of the granodiorite intrusion bounded to the south and west by a sheared ultramafic contact. Mineralisation is characterised as a series of stacked, 20° to 30° north dipping lodes characterised by quartz + sericite + chlorite + pyrite alteration and is hosted within the granodiorite body. Higher grade gold intersections are associated with sulfide-rich quartz veins and stringers.</p> <p>The Lord Henry deposit covers an area of around 400 m along strike by 250 m across strike and extends to approximately 150 m below surface. The mineralisation is interpreted to extend between 60 m and 140 m down-dip from the base of the current pit. The mineralisation is open along strike and down-dip.</p>
Havilah	<p>The Havilah deposit is underlain by a northwest striking dolerite unit, bounded to the northeast by pillowed and amygdaloidal basalt, and to the southwest by ultramafic rocks. Mineralisation is confined to the dolerite close to the dolerite/basalt contact and is associated with quartz veins and stockworks within a north-dipping, northwest striking mineralised shoot with a plunge of approximately 20° to the northwest. The mineralised zones are surrounded by a chlorite alteration envelope approximately 1 km wide and at least 6 km long. Carbonate alteration is intimately associated with the mineralisation both in stockwork and shear-controlled zones.</p> <p>Quartz-carbonate veins up to 0.5 m wide have been intersected in drill core with recognisable selvages to the mineralisation up to 10 m in width. Sulfides occur in the veins and the adjacent wall rocks and consist of dominant pyrite and arsenopyrite with minor pyrrhotite and trace chalcopyrite.</p> <p>The Havilah mineralisation covers an area of 400 m along strike by 150 m across strike and extends 140 m below surface. The main mineralisation is open along strike and up and down dip.</p> <p>Havilah West is offset to the northwest by 400 m from the main Havilah deposit. Havilah West mineralisation extends approximately 200 m along strike and 50 m across strike in plan projection extending to 70 m below surface.</p>

Area	Geological overview
Maninga Marley	<p>The Maninga Marley deposit is underlain by a northwest striking dolerite unit, bounded to the northeast by pillowed and amygdaloidal basalt, and to the southwest by ultramafic rocks. Mineralisation at the Maninga Marley mine is mostly within sheared talc carbonate rocks (ultramafic) close to the dolerite contact.</p> <p>The Maninga Marley gold mineralisation comprises small discontinuous, offset veins that cover an area of 900 m along strike by 30 m across strike and extends to 140 m below surface.</p> <p>The mineralised zones are represented as a series of shoots within an east–west trending shear zone. The mineralised lodes extend up to 25 m in length, dip steeply to the north and plunge approximately 45° to the east-northeast.</p>
Vanguard	<p>The Vanguard mineralisation is hosted predominantly within the local mafic units (dolerite). The structures which host the mineralisation are interpreted from drilling to strike and have a shallow plunge to the northeast. Gold mineralisation is mainly associated with sulfidic quartz veins which occur as plunging shoots. The average depth of weathering varies from 30–70 m over the extent of the deposit.</p> <p>The Vanguard gold mineralisation covers an area of 900 m along strike by 400 m across strike and extends to a depth of 220 m below surface. The mineralisation is open along strike and down-dip.</p>
Vanguard North	<p>The Vanguard North gold mineralisation covers an area of 600 m along strike by 350 m across strike and extends to a depth of 140 m below surface. The mineralisation is open along strike to the southeast and down-dip.</p> <p>The Vanguard North mineralisation is hosted predominantly within mafic lithologies with an average depth of weathering over the deposit varying from 50–70 m below surface.</p> <p>Gold mineralisation is mainly associated with high-grade, narrow sulfidic quartz veins that strike approximately 300° and dip approximately 20° to the southwest. The historical workings at the western end of the mineralised area at Vanguard North are in a sequence of northwest trending mafic and ultramafic rocks with minor intercalated BIF units.</p>
Indomitable	<p>The Indomitable deposit covers an area of 1,200 m (strike) by 250 m (dip) and is located within an area of alluvium covering deeply weathered, high magnesium basalts, differentiated basalts and ultramafic units. The Indomitable deposit is entirely below cover.</p> <p>Gold mineralisation is associated with stockwork quartz veining within the saprolitic cover sequence, although supergene processes are interpreted to have redistributed the mineralisation envelope laterally. The other mineralised horizons, in general, dip at a shallow angle to the west. A gold-bearing pisolitic horizon is located above the saprolite hosted deposits at a depth of 10 m below the surface, separated from the main mineralised bodies by a zone of gold depletion about 10 m thick.</p> <p>Gold mineralisation at Indomitable is grouped into three styles, being a deeply weathered Archaean ultramafic and high-magnesium and differentiated basalts containing stockwork veining with mineralisation associated with secondary chalcedonic silica, fuchsite and disseminated sulphides, and a higher-grade sub-vertical mineralisation with a north–south orientation, with a sub-vertical dip to the northeast, and the gold bearing pisolitic horizon located above the saprolite which is overlain by transported cover.</p>

Area	Geological overview
Indomitable East	<p>The Indomitable East deposit covers an area of 850 m (strike) by 180 m (dip). The stratigraphy is subvertical and has an east–west strike. The two main geological units are a northern deeply weathered ultramafic unit, and a southern unit comprising interlayered BIF within deeply weathered ultramafic. Weathered BIF is exposed on the surface. Elsewhere there is no outcrop.</p> <p>Six lithological BIF units has been identified at Indomitable East with the surrounding country rock being an Archaean ultramafic. A deep weathering profile has developed over the deposit. One vein set appears bedding parallel with the BIF marker, striking 300°, dipping 70–80° to the north. The second, a steeper dipping (85°) vein set appears to crosscut the BIF unit. RC drill chips indicates an occurrence of sulfide mineralisation coincident with gold mineralisation and it is observed that not all quartz veins appear mineralised in the Indomitable East system. The mineralisation lodes are interpreted to be offset (<10 m throw) by north–south trending vertical structures, creating three fault blocks. Two laterite zones were interpreted in the east of the deposit, terminating on the base of alluvial surface</p>
Tiger Moth	<p>The Tiger Moth deposit is located within an area of alluvium covering deeply weathered, high magnesium basalts and differentiated basalt units. The Tiger Moth deposit is entirely under cover.</p> <p>Gold mineralisation is related to stockwork quartz veining within saprolite and although supergene processes have laterally redistributed the mineralisation envelope, the mineralised horizons in general, dip at a shallow angle to the west. A gold-bearing pisolitic horizon is located above the saprolite hosted deposits at a depth of 10 m below the surface, separated from the main mineralised bodies by a zone of gold depletion about 10 m thick.</p> <p>The Tiger Moth deposit strikes northwest and dips approximately 20° to the west.</p>
Piper	<p>The Piper deposit is located within an area of alluvium and the deposit is entirely under cover.</p> <p>Mineralisation occurs within pisolitic alluvial material adjacent to a west dipping jaspilitic BIF. Drilling has intersected a 3–5 m thick mineralised zone of pisolitic alluvium and transported BIF fragments beneath 5–7 m of transported lateritic clay. Mineralisation is interpreted as a single, horizontal lens.</p>
Bull Oak	<p>The Bull Oak gold mineralisation covers an area of around 330 m along strike by 650 m across strike and extends to approximately 290 m below surface. The mineralisation interpretation extends 220 m below the base of the current pit.</p> <p>The Bull Oak deposit is hosted in the Bull Oak granite, a porphyritic intrusion, which has a northwest strike and dips to the northeast approximately 30°, with a strike length of approximately 500 m and a width of up to 150 m. The intrusion has a depth of at least 250 m and has relatively steep dipping boundaries. The intrusion cuts across mafic rocks between the BIF units. The granite does not outcrop and is intensely kaolinised to clay plus quartz to a depth of approximately 60 m below surface. The fresh granite is a medium-grained, pale grey, biotite granodiorite with traces of pyrite.</p> <p>Mineralisation is associated with northwest trending quartz reefs, which dip approximately 30° to the northeast. The Bull Oak granite is itself cut by three main gold reefs (Bull Oak, Faugh-A-Ballagh, and Kohinoor North) with a fourth reef (Monarch) between the Faugh-A-Ballagh and Kohinoor North and two additional reefs overlying the main Bull Oak reef.</p> <p>Depth of weathering is interpreted to be approximately 60 m below surface. The water table is approximately 35 m below surface.</p>

Area	Geological overview
Ladybird	<p>The Ladybird deposit has a strike length of 500 m oriented to the northwest and a true width of 20 m.</p> <p>The Ladybird deposit is characterised by mafic and ultramafic units intercalated with thin sedimentary marker beds of chert and banded iron formation. The stratigraphy strikes northwest to southeast with a subvertical dip over a distance of 1.5 km. The greenstone sequence is weathered and lateritised with the quartz-magnetite BIF/chert horizons forming prominent outcrops as low hills.</p> <p>Mineralisation occurs within a subvertical dipping BIF/chert unit striking 300° (northwest). The BIF/chert unit is located at or near the contact between a mafic unit to the southwest and an ultramafic unit to the northeast. A parallel BIF/chert unit occurs approximately 10–15 m away to the southwest. A meta basalt separates the two chert units, with drilling indicating that the southwest chert unit contains only limited gold mineralisation. Mineralisation is associated with quartz veining, however, there appears to be no cross-cutting structural control on the deposit. Depth of weathering is interpreted from drilling data to be approximately 45–65 m. The water table is reported as between 9 m and 19 m below surface.</p>

Sources: Adapted from Alto ASX announcements dated 27 September 2023

3.6 Mineral Resource Estimates

The current Mineral Resource Estimate for the Sandstone Project was reported to the ASX on:

- 3 April 2023 ('Significant increase in shallow gold resources at Sandstone Gold Project')
 - for the Indomitable, Indomitable East, Musketeer, Lord Nelson, and Bull Oak Mineral Resources
- 23 March 2022 ('Sandstone Mineral Resource increases by 92% to 12.4 Mt @ 1.6 g/t gold for 635,000 ounces')
 - for the Lord Henry, Havilah, Maninga Marley, Vanguard, and Vanguard North Mineral Resources
- 11 June 2019 ('Alto increases total Mineral Resource Estimate to 290,000 oz Sandstone Gold Project')
 - for the Ladybird Mineral Resource
- 25 September 2018 ('Maiden Gold Resource at Indomitable and Vanguard Camps, Sandstone, WA')
 - for the Piper and Tiger Moth Mineral Resources.

The Mineral Resource Estimates were reported on the mining surfaces to 30 June 2023; no mining has occurred since the originally reported Mineral Resources outlined at the above dates. Previously mined areas (dating back over 100 years) have been depleted from the reported Mineral Resources.

An important aspect of Alto's Sandstone Project Mineral Resource is the reporting of both an 'unconstrained' Mineral Resource (Table 3.5), which totals approximately 1.05 Moz Au, and a 'constrained within optimiser pit shells' Mineral Resource totalling 0.83 Moz Au within an A\$2,500/oz Au pit shell (Table 3.6). This raises an issue for valuation purposes of which estimate to use, as both reported Mineral Resources are considered by the Competent Persons to be valid and suitable for public reporting.

The unconstrained reported Mineral Resource of 1.05 Moz Au is considered to meet 'reasonable prospects for economic extraction' due to its shallow nature (90% of gold at a depth of less than 150 m below surface with the remainder extending to 220 m below surface) and amenable to open cut mining methods. For this reason, SRK considers that the larger Mineral Resource (i.e. 1.05 Moz Au, total project) should be used for valuation purposes.

The application of the constraining pit optimiser shells reduces the reported estimate to a number which, in SRK's opinion, is likely to be closer to the final mineable volume or Ore Reserve volume. This is also insightful information as it demonstrates that, as stated, the mineralisation is shallow and amenable to open pit mining. However, the economic and mining assumptions in-built to the optimiser shell generating software are based on current estimates of local mining costs and revenue together with physical factors (e.g. pit slope angles). The result of using the most recent revenue assumptions is a potentially over-constrained reported Mineral Resource Estimate, which does not reflect the immediately adjacent gold mineralisation present directly below the floor of the optimiser shells.

In considering the gold ounces contained within the defined Mineral Resources to be adopted for valuation purposes, SRK notes that Brightstar's reported Mineral Resources have not been constrained by pit optimiser shells. As the preparation of an ISR is in part a comparative exercise, if SRK was to consider Alto's gold ounces on a constrained basis, then these gold ounces would be unduly penalised relative to those of Brightstar, as they have not been estimated on a 'like-for-like' basis. To this end, SRK has elected to evaluate Alto's unconstrained gold ounces for valuation purposes as in its view this is the approach that would be reasonably adopted by a market participant.

SRK notes that it has not performed the role, nor does it accept the responsibilities, of a Competent Person as defined by the JORC Code (2012) with respect to the Mineral Resource Estimate. The Competent Persons taking responsibility for the Mineral Resource Estimates are:

- Jan Graham, for Indomitable, Indomitable East, Musketeer, Lord Nelson, Lord Henry, Vanguard, Vanguard North, Havilah, Maninga Marley, and Bull Oak Mineral Resource Estimates
- Dr Spero Carras, for the Ladybird, Piper, and Tiger Moth Mineral Resource Estimates.

SRK considers that all individuals have the requisite experience to act as Competent Persons.

Competent Persons' Statements

The information that relates to the Indomitable East, Musketeer, Lord Nelson, Lord Henry, Vanguard, Vanguard North, Havilah, Maninga Marley and Bull Oak Mineral Resource Estimates is based on information compiled by Jan Graham, who is a Member of the AIG (MAIG) and a Member of the AusIMM (MAusIMM) and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity to which she is undertaking to qualify as a Competent Person as defined in the 2012 edition of the *Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves*. Jan Graham is a Principal Consultant and a full-time employee of Snowden Optiro.

The information that relates to the Ladybird, Piper and Tiger Moth Mineral Resources is based on estimation performed by Dr Spero Carras of Carras Mining Pty Ltd. Dr Carras has disclosed that a related party of his is a very minor security holder of the Company. Dr Carras is a Fellow of the AusIMM (FAusIMM) and has over 40 years of experience relevant to the style of mineralisation and type of deposit under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the JORC Code (2012).

Alto's current Mineral Resource Estimate for the Sandstone Project are summarised in Table 3.5 and Table 3.6.

Data collection has been conducted using industry standard methods and SRK considers that the data are broadly appropriate for use in estimation studies. A summary of the key Mineral Resource data is given in Table 3.6.

Based on the analysis performed by SRK below, there are no material issues identified with Alto's Mineral Resource Estimates. SRK recommends using the estimates as stated for valuation purposes (with consideration given to the constrained/unconstrained reported numbers as described above in Section 3.6).

3.6.2 Exploration Target

Alto announced to the ASX an Exploration Target at Bull Oak of between 0.2 Moz and 0.3 Moz of gold, which is in addition to the reported Mineral Resource (Table 3.4).

Table 3.4: Exploration Target for Bull Oak as at 19 June 2024

Tonnes (Mt) low	Tonnes (Mt) high	Gold grade (g/t) low	Gold grade (g/t) high	Gold (koz) low	Gold (koz) high
4.6	8.8	1.0	1.3	205	295

Sources: ASX announcement, 19 June 2024 'Exploration Target for the Bull Oak Gold Deposit'

Notes: The Exploration Target can be considered to be equivalent to being reported above a 0.5 g/t Au cut-off grade based on similarity with the reported Bull Oak Mineral Resource, and is unconstrained by a pit shell optimiser. The maximum depth of reported mineralisation is 260 m below surface.

- ¹ The Competent Person for the Bull Oak Exploration Target is Mr Michael Kammermann, who is an employee and shareholder of Alto, and he is also entitled to participate in Alto's Employee Incentive Scheme. Mr Kammermann is a Member of the AIG and has sufficient experience of relevance to the styles of mineralisation and the types of deposits under consideration, and to the activities undertaken, to qualify as a Competent Person as defined in the JORC Code (2012).
- ² Alto is planning an approximately 5,000 m RC drill program in late 2024 to further test the June 2024 Exploration Target.

Table 3.5: Alto's Sandstone Project Mineral Resources as at 30 June 2023, unconstrained

June 2023	Measured Mineral Resources			Indicated Mineral Resources			Inferred Mineral Resources			Total Mineral Resources		
	Tonnes (kt)	Grade (g/t Au)	Ounces (koz)	Tonnes (mt)	Grade (g/t Au)	Ounces (koz)	Tonnes (kt)	Grade (g/t Au)	Ounces (koz)	Tonnes (kt)	Grade (g/t Au)	Ounces (koz)
Lord Nelson	-	-	-	1,500	2.1	100	4,100	1.4	191	5,600	1.6	291
Lord Henry	-	-	-	1,600	1.5	78	600	1.1	20	2,200	1.4	98
Havilah Camp												
Havilah	-	-	-	-	-	-	1,000	1.3	42	1,000	1.3	42
Maninga Marley	-	-	-	-	-	-	200	2.1	12	200	2.1	12
Subtotal	-	-	-	-	-	-	1,200	1.3	54	1,200	1.3	54
Vanguard Camp												
Vanguard	-	-	-	400	2	26	2,700	1.4	119	3,100	1.5	145
Vanguard North	-	-	-	-	-	-	700	3.3	72	700	3.3	72
Subtotal	-	-	-	400	2	26	3,400	1.4	191	3,800	1.5	217
Indomitable Camp												
Musketeer	-	-	-	-	-	-	1,400	1.3	59	1,400	1.3	59
Indomitable	-	-	-	800	0.9	23	3,200	1.1	110	4,000	1	133
Indomitable East	-	-	-	-	-	-	2,100	0.9	64	2,100	0.9	64
Tiger Moth	-	-	-	-	-	-	500	1.7	28	500	1.7	28
Piper	-	-	-	-	-	-	100	1	4	100	1	4
Subtotal	-	-	-	800	0.9	23	7,300	0.9	265	8,100	0.9	288
Bull Oak	-	-	-	-	-	-	2,500	1.1	90	2,500	1.1	90
Ladybird	-	-	-	-	-	-	100	1.9	8	100	1.9	8
Total	-	-	-	4,300	1.6	227	19,200	1.3	819	23,500	1.4	1,046

Source: Adapted from Alto ASX announcement dated 3 April 2023, titled 'Significant increase in shallow gold resources at Sandstone Gold Project', page 4

Table 3.6: Alto's Sandstone Project Mineral Resources as at 30 June 2023, constrained to a A\$2,500/oz pit shell

June 2023	Measured Mineral Resources			Indicated Mineral Resources			Inferred Mineral Resources			Total Mineral Resources		
	Tonnes (kt)	Grade (g/t Au)	Ounces (koz)	Tonnes (mt)	Grade (g/t Au)	Ounces (koz)	Tonnes (kt)	Grade (g/t Au)	Ounces (koz)	Tonnes (kt)	Grade (g/t Au)	Ounces (koz)
Lord Nelson	-	-	-	1,500	2.1	100	3,500	1.4	163	5,000	1.6	263
Lord Henry	-	-	-	1,600	1.5	77	300	1.2	13	1,900	1.4	90
Havilah Camp												
Havilah	-	-	-	-	-	-	900	1.4	38	900	1.4	38
Maninga Marley	-	-	-	-	-	-	100	2.6	8	100	2.6	8
Subtotal	-	-	-	-	-	-	1,000	1.5	46	1,000	1.5	46
Vanguard Camp												
Vanguard	-	-	-	400	2	26	1,500	1.6	77	1,900	1.7	103
Vanguard North	-	-	-	-	-	-	400	3.8	47	400	3.8	47
Subtotal	-	-	-	400	2	26	1,900	1.6	124	2,300	2	150
Indomitable Camp												
Musketeer	-	-	-	-	-	-	800	1.5	40	800	1.5	40
Indomitable	-	-	-	800	0.9	23	2,200	1.2	81	3,000	1.1	104
Indomitable East	-	-	-	-	-	-	1,000	1.1	34	1,000	1.1	34
Tiger Moth	-	-	-	-	-	-	500	1.7	28	500	1.7	28
Piper	-	-	-	-	-	-	100	1	4	100	1	4
Subtotal	-	-	-	800	0.9	23	4,600	1.1	187	5,400	1.2	210
Bull Oak	-	-	-	-	-	-	1,900	1.1	65	1,900	1.1	65
Ladybird	-	-	-	-	-	-	100	1.9	8	100	1.9	8
Total	-	-	-	4,300	1.6	226	13,300	1.4	606	17,600	1.5	832

Source: Adapted from Alto ASX announcement dated 3 April 2023, titled 'Significant increase in shallow gold resources at Sandstone Gold Project', page 4

Table 3.7: Summary of key Mineral Resource estimation data for Alto's Sandstone Project

Prospect	Estimation overview
Lord Nelson	<p>The Lord Nelson Mineral Resource is based on 443 Reverse Circulation (RC) and 26 diamond drill (DD) holes (HQ3 and NQ2 diameter core, 61.1 mm and 50.6 mm diameter) totalling 63,548 m and 3,745 m in length, respectively. Rotary Air Blast (RAB) and Aircore (AC) drill holes were not used for estimation due to being an unreliable sampling method. Of the total metres used for the estimate, Alto (the company reporting this Mineral Resource) drilled 57% of the RC metres and 38% of the DD metres, with the remaining metres considered to be 'historical'.</p> <p>Assaying was primarily by 50 g fire assay with quality assurance and quality control, an appropriate method. Gold is the only element assayed at Lord Nelson; other potentially economic or deleterious elements are not known to exist in significant quantities based on historical mining and processing.</p> <p>Within the defined resource area, drill sections are spaced 20 m apart with drill holes spaced at about 20 m on section, with some infill to 10 m. To the south, the drill spacing increases to approximately 40 m. The drill orientation is typically -60° dip, 090° azimuth, which intersect mineralisation perpendicular to the interpreted orientation.</p> <p>Thirty-two mineralised domains were modelled using a nominal gold grade of 0.2 to 0.3 g/t Au using 1 m long composite samples. Top-capping is used in 15 domains to prevent extreme grades from smearing high grades through the estimate.</p> <p>The block model with parent cell dimensions of 5 by 10 by 5 m (X, Y and Z, true orientation in GDA 94 Zone 50) with 1 by 2 by 1 m sub-cells was estimated by Ordinary Kriging for gold only using hard boundaries and dynamic anisotropy. Model validation was performed using swath plots (together with an inverse distance check estimate), visual comparisons, statistical comparisons (both naïve and declustered). No issues were noted.</p> <p>Classification is defined as:</p> <ul style="list-style-type: none"> ■ Measured: there are no Measured Mineral Resources ■ Indicated: mineralisation is geologically continuous, supported by 20 m by 20 m drilling data and estimated in the first or second pass. Extrapolation beyond the drilling is limited to approximately one drill section. ■ Inferred: mineralisation is geologically continuous, supported by drilling data and estimated in the third pass. Extrapolation beyond the drilling is limited to approximately one drill section. <p>Mineral Resources are reported above a gold-only cut-off grade of 0.5 g/t Au, based on cut-off grades used at other local open pit gold projects and historical production. Reasonable prospects for economic extraction include the current permissions to mine (within a Mining Lease) and the shallow nature of the mineralisation.</p>
Lord Henry	<p>The Lord Henry Mineral Resource is based on 276 RC drill holes and 6 DD drill holes (HQ3 and NQ2 diameter core, 61.1 and 50.6 mm diameter) totalling 25,810 m. 28% of the metreage used in the estimate was drilled by Alto, while the remaining 72% is considered as 'historical' drilling. The 'historical' drilling has been twin drilled with recent drilling and the results confirm a sufficient degree of similarity considering the mineralisation style. Rotary air blast (RAB) and aircore (AC) drill holes were not used for estimation.</p> <p>Assaying was primarily by 50 g fire assay with quality assurance and quality control, an appropriate method. Gold is the only element assayed at Lord Henry; other potentially economic or deleterious elements are not known to exist in significant quantities based on historical mining and processing.</p> <p>Within the defined resource area, sections are spaced 20 m apart, with drill holes spaced at about 20 m on section with infill to 10 m. To the east and west, the drill spacing increases to 40 m.</p>

Prospect	Estimation overview
	<p>The interpreted mineralisation domains are based on a nominal 0.2 to 0.3 g/t Au cut-off which appears as a break in the grade distribution. Thirty-nine mineralised domains have been interpreted. The estimate used Ordinary Kriging with top-capped 1 m long composites. Dynamic anisotropy was used to account for locally varying mineralisation orientations.</p> <p>Classification is defined as:</p> <ul style="list-style-type: none"> ■ Measured: there are no Measured Mineral Resources ■ Indicated: mineralisation is geologically continuous, supported by 20 m by 20 m drilling data and estimated in the first or second pass. ■ Inferred: mineralisation is geologically continuous, supported by drilling data and estimated in the third pass. <p>Verification of the estimates has been performed using swath plots (including an inverse distance squared check estimate), statistical comparisons and visual checks. Mineral Resources are reported above a gold-only cut-off grade of 0.5 g/t Au, based on cut-off grades used at other local open pit gold projects and historical production. Reasonable prospects for economic extraction include the current permissions to mine (within Mining Lease M 57/652) and the shallow nature of the mineralisation.</p>
Havilah Camp	<p>The Havilah Camp Mineral Resources are based on:</p> <ul style="list-style-type: none"> ■ Havilah deposit, 166 RC drill holes and 5 DD drill holes (HQ3 and NQ2 diameter core, 61.1 mm, and 50.6 mm diameter) totalling 7,598 m. 22% of the metreage used in the estimate was drilled by Alto, while the remaining 78% is considered as 'historical' drilling performed mostly by Troy. ■ Maninga Marley deposit, 68 RC drill holes and 9 DD drill holes (HQ3 and NQ2 diameter core, 61.1 mm, and 50.6 mm diameter) totalling 6,637 m. 53% of the metreage used in the estimate was drilled by Alto, while the remaining 47% is considered as 'historical' drilling performed mostly by Troy. <p>RAB and AC drill holes were not used for estimation due to being an unreliable sampling method for gold estimation.</p> <p>Assaying was primarily by 50 g fire assay with quality assurance and quality control, an appropriate method. Gold is the only element assayed at the Havilah Camp; other potentially economic or deleterious elements are not known to exist in significant quantities based on historical mining and processing.</p> <p>At the Havilah deposit, drill sections are predominantly spaced 25 to 40 m apart with drill holes spaced at 20 m on section with some infill drilling to a 10 m spacing. At the Maninga Marley deposit, sections are predominantly spaced 40 m apart, with some infill drilling to 20 m. At the Havilah deposit, the mineralisation has been modelled using visual interpretations with no specific gold cut-off grade. These discontinuous mineralisation domains dip steeply to the north. Ten mineralised domains have been modelled. At the Maninga Marley deposit, the mineralisation has been modelled using visual interpretations with no specific gold cut-off grade. Mineralisation has been modelled as a series of offset small discontinuous veins. In total, Sixteen mineralised domains have been interpreted.</p> <p>Estimation at the Havilah Camp was performed using Ordinary Kriging with top-capped 1 m long composites, with top capping ranging from 2 to 25 g/t Au. Dynamic anisotropy was used at the Havilah deposit while a fixed anisotropy vector could be used for Maninga Marley.</p> <p>Historical underground mining shapes were constructed from old plans and reports and used to deplete the Havilah deposit model.</p> <p>Model validation was performed using swath plots (together with an inverse distance check estimate), visual comparisons, statistical comparisons (both naïve and declustered). No issues were noted.</p>

Prospect	Estimation overview
Vanguard Camp	<p>Classification is defined at the Havilah deposit as:</p> <ul style="list-style-type: none"> ■ Measured: there are no Measured Mineral Resources ■ Indicated: there are no Indicated Mineral Resources ■ Inferred: drilling data is on at least a 40 m by 40 m spacing. Extrapolation beyond the drilling is limited to approximately one drill section. <p>Classification is defined at the Maninga Marley deposit as:</p> <ul style="list-style-type: none"> ■ Measured: there are no Measured Mineral Resources ■ Indicated: there are no Indicated Mineral Resources ■ Inferred: drilling data is on at least a 50 m by 50 m spacing. Extrapolation beyond the drilling is limited to approximately one drill section. <p>Verification of the estimates has been performed using swath plots (including an inverse distance squared check estimate), statistical comparisons and visual checks. Mineral Resources are reported above a gold-only cut-off grade of 0.5 g/t Au, based on cut-off grades used at other local open pit gold projects and historical production. Reasonable prospects for economic extraction include the fact that the camp is located within M57/647, and the shallow nature of the mineralisation.</p> <hr/> <p>The Vanguard Camp Mineral Resources are based on 261 RC drill holes and 5 DD drill holes (HQ3 and NQ2 diameter core, 61.1 mm, and 50.6 mm diameter) totalling 38,820 m. 93% of the metreage used in the estimate was drilled by Alto, while the remaining 7% is considered as 'historical'.</p> <p>Assaying was primarily by 50 g fire assay with quality assurance and quality control, an appropriate method. Gold is the only element assayed at the Vanguard Camp; other potentially economic or deleterious elements are not known to exist in significant quantities.</p> <p>Drill sections are predominantly spaced 40 m apart, with holes spaced 40 m on section and with some infill drilling to a 10 m spacing. Four crosscutting faults have been modelled in the Vanguard Camp area, which post-date the mineralisation and modelled domains are truncated by the faults.</p> <p>Estimation at the Vanguard Camp was performed using Ordinary Kriging with top capped 1 m long composites, with top capping ranging from 3.8 to 25 g/t Au. Dynamic anisotropy was used to account for locally varying mineralisation orientations.</p> <p>Classification is defined at the Vanguard deposit as:</p> <ul style="list-style-type: none"> ■ Measured: there are no Measured Mineral Resources ■ Indicated: mineralisation is geologically continuous, supported by 20 m by 20 m drilling data and estimated in the first pass. ■ Inferred: supported by drilling data and estimated in the second or third pass. Extrapolation beyond the drilling is limited to approximately one drill section. <p>Classification is defined at the Vanguard North deposit as:</p> <ul style="list-style-type: none"> ■ Measured: there are no Measured Mineral Resources ■ Indicated: there are no Indicated Mineral Resources. ■ Inferred: mineralisation is geologically continuous and supported by 40 m by 40 m drilling data. <p>Verification of the estimates has been performed using swath plots (including an inverse distance squared check estimate), statistical comparisons and visual checks. Mineral Resources are reported above a gold-only cut-off grade of 0.5 g/t Au, based on cut-off grades used at other local open pit gold projects and historical production. Reasonable prospects for economic extraction include the fact that the camp is located within M57/647, and the shallow nature of the mineralisation.</p>

Prospect	Estimation overview
Indomitable Camp	<p>The Mineral Resource Estimate for Indomitable is based on 313 drill holes (44 AC, five DD and 264 RC) for a total of 37,497 m drilling. The Indomitable East estimate is based on 75 RC drill holes for a total of 9,317 m drilling. The Musketeeer estimate is based on 84 RC drill holes totalling 8,327 m in length.</p> <p>Assays were for gold only with a 50 g fire assay for most samples, and a PhotonAssay analysis for more recent samples (500 g sample mass, uses a high intensity x-ray fluorescence method). Both assay methods are suitable. Gold is the only element assayed for the Indomitable Camp Mineral Resource Estimates.</p> <p>RC holes drilled by previous companies have been twinned with Alto RC drill holes and the results were considered satisfactory.</p> <p>No previous mining has occurred at the Indomitable Camp and a topographic surface was created using the surveyed collar locations. Gold mineralisation domains were modelled using 1 m long composites (average sample length for all samples of 1.03 m at Indomitable, 1.02 m at Indomitable East and 1.03 m at Musketeeer). Base of alluvial/transported cover, bottom of complete oxidation and top of fresh rock were modelled using lithological and weathering logging codes.</p> <p>Estimation was performed using Ordinary Kriging on parent block volumes using top capped 1 m long composites, an appropriate method. Top capping was applied on a domain-by-domain basis by analysing the statistics, log-probability plots, and mean-variance plots. Block dimensions were 20 m by 20 m by 2.5 m (X, Y and Z) at Indomitable and 10 m by 2.5 m by 10 m (X, Y and Z) at Indomitable East, with sub-blocking to 0.5 m by 0.5 m by 0.5 m at both deposits. The Ordinary Kriged estimate was performed using three passes with a yield restriction used in one domain at Indomitable (i.e. a distance from a block at which the composite used in the interpolation is limited to a capped value, otherwise is uncapped).</p> <p>Classification:</p> <p>Indomitable</p> <ul style="list-style-type: none"> ■ Measured: There are no Measured Mineral Resources. ■ Indicated: Applied to the lateritic domain, where drill spacing is 40 m by 40 m spacing and the mineralisation shows geological and grade continuity. ■ Inferred: 40 m by 40 m drill spacing. <p>Indomitable East</p> <ul style="list-style-type: none"> ■ Measured: There are no Measured Mineral Resources. ■ Indicated: There are no Indicated Mineral Resources. ■ Inferred: 40 m by 40 m drill spacing. <p>Musketeeer</p> <ul style="list-style-type: none"> ■ Measured: There are no Measured Mineral Resources. ■ Indicated: There are no Indicated Mineral Resources. ■ Inferred: 40 m by 40 m drill spacing. <p>Verification of the estimates has been performed using swath plots (including an inverse distance squared check estimate), statistical comparisons and visual checks. Mineral Resources are reported above a gold-only cut-off grade of 0.5 g/t Au, based on cut-off grades used at other local open pit gold projects and historical production. Reasonable prospects for economic extraction include the fact that the camp is located within M57/646 and the contiguous surrounding M57/665, and the shallow nature of the mineralisation.</p>
Bull Oak	<p>The Bull Oak Mineral Resource Estimate is based on 292 RC drill holes and 2 DD drill holes totalling 14,627 m in length. 99% of the metres drilled are considered historical, having been drilled by the previous owners of the project, Troy Resources Limited.</p> <p>Assaying was primarily by 50 g fire assay with quality assurance and quality control, an appropriate method. Gold is the only element assayed.</p>

Prospect	Estimation overview
	<p data-bbox="539 322 1461 483">Mineralisation at Bull Oak is associated with northwest trending quartz reefs, which dip approximately 30° to the northeast and are hosted within the Bull Oak granite intrusion. The drill orientation was vertical or dipping -60° to the southwest, which is appropriate given the orientation of mineralisation. Estimation was performed using Ordinary Kriging on parent block volumes using top capped 1 m long composites, an appropriate method.</p> <p data-bbox="539 504 687 526">Classification:</p> <ul data-bbox="539 546 1453 651" style="list-style-type: none">■ Measured: There are no Measured Mineral Resources.■ Indicated: There are no Indicated Mineral Resources.■ Inferred: 40 m by 40 m or less drill spacing, which is appropriate given the nature of the historical drill data. <p data-bbox="539 672 1469 777">Verification of the estimates has been performed using swath plots (including an inverse distance squared check estimate), statistical comparisons and visual checks. Mineral Resources are reported above a gold-only cut-off grade of 0.5 g/t Au, based on cut-off grades used at other local open pit gold projects and historical production.</p> <p data-bbox="539 797 1442 875">The Bull Oak Exploration Target reported to the ASX on 19 July 2024 is based on 18 RC holes totalling 2,364 m. The drilling targeted mineralisation around the existing shallow open pit, and at depth below the current Mineral Resource.</p> <p data-bbox="539 896 986 918">The Exploration Target was generated by:</p> <ul data-bbox="539 938 1469 1267" style="list-style-type: none">■ Updating the Bull Oak mineralisation wireframes with the new RC drill holes by creating a vein system in Leapfrog Geo software at a modelling cut-off grade of 0.2–0.3 g/t Au with a maximum 2 m interval of internal dilution – an appropriate approach.■ Extrapolating the mineralisation wireframes by 40–80 m from the last drill hole intersection.■ Coding a block model for weathering, dry bulk density and the mineralisation wireframes.■ Wireframed mineralisation outside of the Bull Oak Mineral Resource estimate was assigned a grade of 1 g/t Au for the low-grade scenario (based on a value below the existing reported Mineral Resource grade of 1.1 g/t Au), and 1.3 g/t was assigned as a high-grade scenario based on the length-weighted average gold grades of the new drill intercepts. <p data-bbox="539 1288 1382 1337">The Exploration Target has been reported to a maximum depth of 260 m below surface.</p> <p data-bbox="539 1357 1469 1406">In SRK's opinion, the Bull Oak Exploration Target has been prepared appropriately and can be used as stated for valuation purposes.</p>

Prospect	Estimation overview
Ladybird	<p>The Ladybird Mineral Resource Estimate is based on 72 RC drill holes and 3 AC drill holes totalling 4,426m in length. 99% of the metres drilled are considered historical, having been drilled by the previous owners of the project.</p> <p>Assaying was primarily by 50 g fire assay with quality assurance and quality control, an appropriate method. Gold is the only element assayed. Mineralised domains were modelled based on geology and a 0.5 g/t Au nominal cut-off grade.</p> <p>Estimation was performed using inverse distance weighting to a power of 3 with length-weighted samples of typically 1 m length. This is a relatively basic method of estimation, however SRK has concluded this method is acceptable for a reasonably tightly drilled Inferred Mineral Resource. SRK recommends using a more widely accepted estimation method, such as Ordinary Kriging, for future Mineral Resource updates (as was used at all other Sandstone Mineral Resources).</p> <p>Density is based on regional average values for oxide material (there is no transitional or fresh rocks modelled at Ladybird). SRK does not consider the assigning of density values to be a material issue for the Inferred at Ladybird, however future Mineral Resource updates should include dry bulk density testing.</p> <p>Classification:</p> <ul style="list-style-type: none"> ■ Measured: There are no Measured Mineral Resources. ■ Indicated: There are no Indicated Mineral Resources. ■ Inferred: 15 m by 35 m or less drill spacing. <p>Mineral Resources are reported above a gold-only cut-off grade of 0.5 g/t Au, based on cut-off grades used at other local open pit gold projects and historical production. Reasonable prospects for economic extraction include the future permissions to mine (Ladybird is located within a granted Exploration Licence, E57/1031) and the shallow nature of the mineralisation.</p>

Source: Adapted from Alto ASX announcements dated 03 April 2023, 23 March 2022, 11 June 2019 and 25 September 2018 and associated documentation (JORC Code 2012) Table 1, and on reports supplied in the data room and accessed in August 2024.

SRK reviewed the input data, construction, estimation and reporting of the Mineral Resources as described in Table 3.5 and Table 3.6 and finds that the global quantum of the Mineral Resources is appropriate for valuation purposes.

3.6.3 Reconciliation and applicability of Mineral Resources to Ore Reserve and LOM Plan

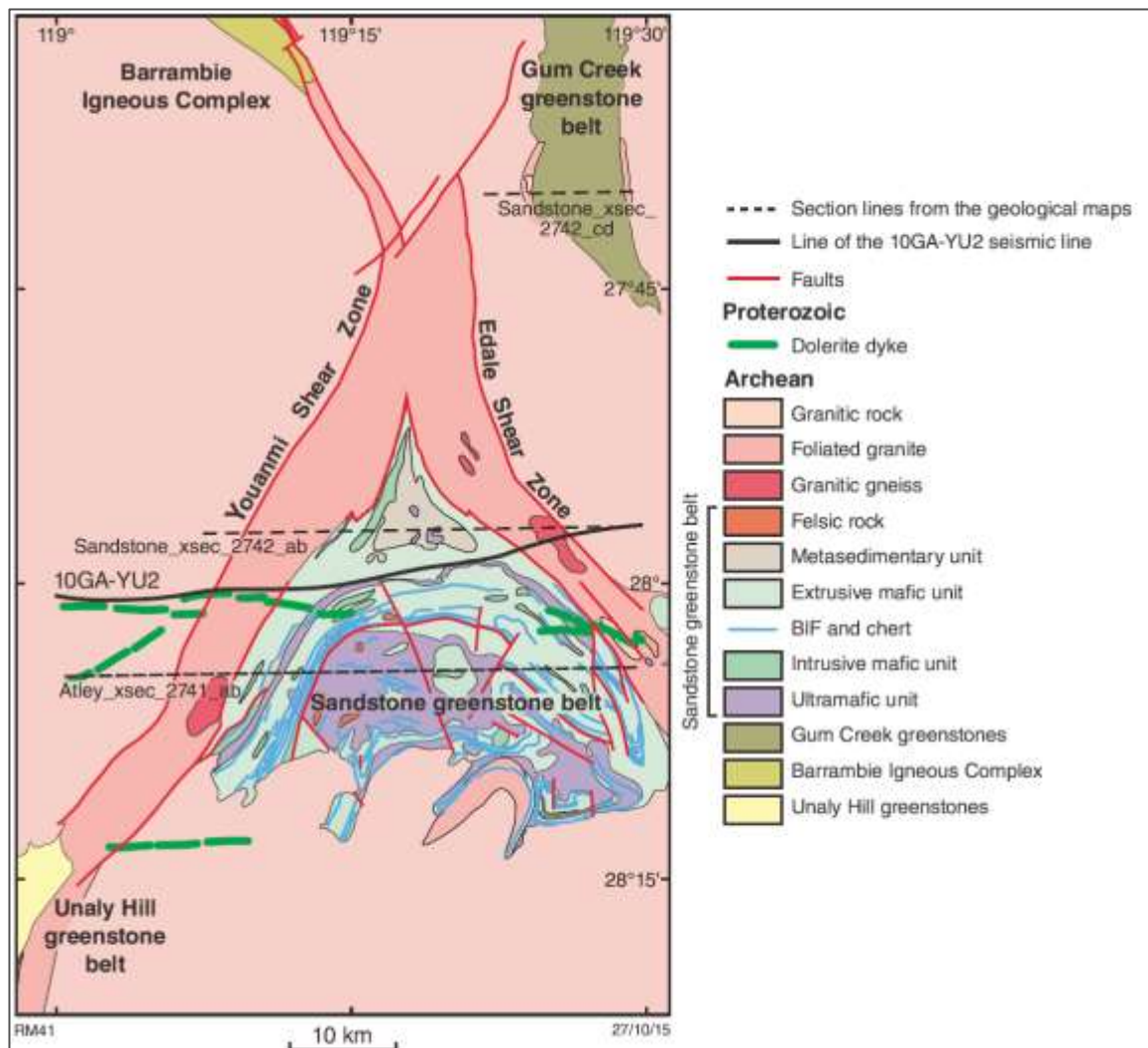
There are no Ore Reserves reported for the Sandstone Project. Historical production has been sourced from records, however, has limited to no value for the purposes of reconciliation for the Sandstone Mineral Resource.

3.6.4 Prospectivity

SRK notes that there are several growth opportunities for additional Mineral Resources to be defined at Alto's Sandstone Project. In general, most deposits are open in some way (i.e. at depth, along strike or both). The Sandstone district has proven to be a prospective region and in 2015, the Geological Survey of Western Australia generated a three-dimensional geological model of the entire Sandstone Greenstone Belt (GSWA Record 2015/11, 2015, refer Figure 3.3), which is an aid to exploration below the generally covered bedrock.

In general, the exploration potential of the greenstone belt should be considered to be high and ongoing discoveries of smaller deposits within the Sandstone district have prospects of becoming economic when combined with a central processing hub.

Figure 3.3: Simplified map of the interpreted geology of the GSWA modelling area



Source: GSWA Record 2015/11, 2015, from 1:100 000 Geological series maps

Ongoing resource definition and extensional drilling at the Sandstone deposits is likely to deliver increased confidence in the continuity of the known high-grade mineralised lodes and, in SRK's opinion, there is potential for further expansion of the defined Mineral Resource base and conversion to Ore Reserves.

3.7 Metallurgy and processing

There are currently no active mining operations within the Sandstone Hub and no ore processing is occurring.

Historically, processing recoveries ranging between 93–96% gold were reported for the Lord Nelson deposit by Troy², with the material processed at Troy's Sandstone plant (Sandstone Mill).

² Alto ASX Announcement titled "Excellent Gold Recoveries at Lord Nelson, Sandstone Gold Project" dated 2 October 2020.

The Sandstone Mill had a conventional design flow sheet described by Troy as typical of other gold plants in the Western Australian goldfields.

During preliminary metallurgical testwork undertaken by Alto in 2020, an overall recovery of 94% was determined and used as the basis for the economic analysis of the Mineral Resource Estimate (MRE, Snowden Optiro, 2023).

3.7.1 Metallurgical testwork

Leach amenability testwork was conducted by Independent Metallurgical Operations Pty Ltd (IMO) in December 2023³ on composites from six generic samples from across the Sandstone deposits, which provided an indication of the gold recovery as per Table 3.8.

Table 3.8: Gold recovery from Sandstone samples at different grind sizes

Sample ID	Units	Composite 1	Composite 1
Grind Size (P ₈₀)	µm	75 µm	150 µm
Calc'd Head Grade	g/t	4.89	4.80
Assayed Head Grade	g/t	7.26	7.26
0 Hour Extracted Au	%	62.9%	64.8%
2 Hour Extracted Au	%	90.2%	89.4%
4 Hour Extracted Au	%	95.7%	94.3%
8 Hour Extracted Au	%	98.3%	96.1%
24 Hour Extracted Au	%	97.7%	97.0%
48 Hour Extracted Au	%	96.9%	95.8%
Gravity Recovery	%	62.9%	64.8%
Overall Recovery	%	96.9%	95.8%
Residue Grade	g/t	0.15	0.20
Lime Consumption	kg/t	0.00	0.12
Cyanide Consumption	kg/t	0.19	0.42

Source: Sandstone Leach Amenability Memo Report, IMO, Dec 2023

IMO's recommendations included:

- conduct gravity testwork on a larger sample (15 kg) to confirm gravity efficiency
- undertake additional leach testwork on multiple composite samples representing the variability in grade, ore type and depth throughout the Sandstone Hub.

Other notable testwork was carried out for the Sandstone Project in 2018 and 2019 and is summarised in Table 3.9 below. In general, recoveries above 93% Au are noted for the oxide and

³ Sandstone Leach Amenability Memo Report, December 2023

transitional rock types, and overall, an average gold recovery of >92% was reported, indicating the mineralisation in these deposits is also amenable to conventional cyanide extraction methods.

Table 3.9: Summary of accelerated cyanide leach testwork at other Alto deposits

Deposit	Hole ID	From (m)	To (m)	Head Grade ¹ (g/t Au)	Leach Grade ² (g/t Au)	Tail Grade ³ (g/t Au)	Recovery (%)	Rock Type
Tiger Moth (Indomitable Camp)	SRC115	32	36	0.14	0.17	0.01	94%	Oxide
		52	56	5.11	6.99	0.36	95%	Oxide
		56	60	2.7	2.6	0.21	93%	Oxide
		92	96	0.26	0.14	0.01	93%	Oxide
Indomitable (Indomitable Camp)	SRC086	30	32	0.46	0.43	0.05	90%	Oxide
		32	34	0.21	0.23	0.02	92%	Oxide
		34	36	1.81	1.15	0.08	93%	Oxide
		88	90	0.48	0.39	0.02	95%	Oxide
		90	92	2.11	2.54	0.18	93%	Oxide
		92	94	0.83	1.14	0.07	94%	Oxide
Vanguard	SRC114	28	32	0.1	0.13	0.01	93%	Oxide
		80	84	4.45	4.16	0.21	95%	Fresh
		84	88	7.73	5.96	0.25	96%	Fresh
		88	92	0.96	0.78	0.12	87%	Fresh
		92	96	1.92	1.45	0.05	97%	Fresh
Havilah	SRC118	36	40	2.255	2.69	0.17	94%	Transitional/ Fresh
		40	44	0.610	0.74	0.05	94%	Transitional/ Fresh
		44	48	0.235	0.30	0.03	91%	Transitional/ Fresh
		48	52	0.279	0.35	0.03	92%	Transitional/ Fresh
		52	56	0.262	0.26	0.02	93%	Transitional/ Fresh
		60	62	0.757	0.78	0.10	89%	Transitional/ Fresh
		68	72	0.045	0.02	X		Transitional/ Fresh
Ladybird	SRC119	52	56	3.648	3.86	0.50	89%	Oxide/ Transitional
		56	60	1.042	1.10	0.08	93%	Oxide/ Transitional

Source: ASX Announcement, Excellent Gold Recoveries at Lord Nelson, Sandstone Gold Project, Alto, October 2020

3.7.2 Lord Nelson metallurgical testwork

During 2020, Alto collected four RC drill samples within primary zone mineralisation of the Lord Nelson deposit with gold grades ranging from 3.0 g/t Au to 11.0 g/t Au. These samples were provided to Intertek Genalysis (Intertek) for Accelerated Cyanide Leach LeachWELL™ testwork. The preliminary testwork was carried out to determine the cyanide extractable gold and to provide an indication of potential gold recovery in metallurgical processes and circuits involving the Lord Nelson primary mineralisation.

All four samples reported >95% gold recovery with an average gold recovery of 96%, suggesting the gold within the Lord Nelson primary zone mineralisation is amenable to conventional cyanide extraction methods.

Table 3.10: Summary of accelerated cyanide leach testwork at Lord Nelson

Deposit	Hole ID	From (m)	To (m)	Head Grade ¹ (g/t Au)	Leach Grade ² (g/t Au)	Tail Grade ³ (g/t Au)	Recovery (%)	Rock Type
Lord Nelson	SRC169	36	40	7.14	7.88	1.67	82.5%	Oxide
	SRC168	116	120	4.28	5.39	0.17	96.9%	Fresh
	SRC175	211	215	10.1	9.24	0.14	98.5%	Fresh
	SRC176	240	244	10.5	11.5	0.52	95.7%	Fresh
	SRC188	248	250	3.21	3.08	0.15	95.4%	Fresh

Source: ASX Announcement, Excellent Gold Recoveries at Lord Nelson, Sandstone Gold Project, Alto, October 2020.

A further sample was collected within oxide zone mineralisation at Lord Nelson and submitted to Intertek for the same testwork (refer Table 3.10). This sample returned a gold recovery of 82.5%. More rigorous metallurgical testwork was previously carried out at Lord Nelson by Troy as part of initial feasibility study work on both oxide and transitional ore. This testwork determined:

- Lord Nelson ore was free milling.
- Gravity gold recovery was required to prevent coarse gold entering the leach circuit and being partially lost to the tailings. It was estimated that over 20% of total gold could be recovered as concentrate from the oxide ore and close to 40% for the transitional ore.
- Acceptable gold recoveries of >93% for oxide and transitional ores were obtained after 24 hours of direct cyanide leaching.

3.8 Ore Reserves and mine planning

3.8.1 Historical mining

At the date of this Report, there are no active mining operations within the Sandstone Project. Historical workings are evident at several of the sites, including the following:

- Lord Nelson open pit, 90 m depth
- Lord Henry open pit, approximately 50 m depth
- Havilah underground mine, workings extending to approximately 120 m below surface
- Hacks underground mine, workings extending to approximately 200 m below surface
- Oroya open pit (60 m deep) and underground mine, down to 140 m below surface
- Bulchina open pit, 100 m depth
- Bull Oak pit, 50 m depth.

3.8.2 Mine planning

In 2022, Alto updated its Mineral Resource Estimates for six gold deposits, with further updates for four of the same deposits in 2023. In total, seven gold deposits are supported by recent pit optimisation exercises, namely: Lord Nelson (2023), Indomitable Camp (2023), Indomitable East (2023), Musketeer (2023), Bull Oak (2023), Havilah (2022) and Maninga Marley (2022).

The optimisation takes account of historical mining for each deposit, with the exception of the Maninga Marley (Snowden Optiro, 2022) given the underground workings are not accessible at Maninga Marley and there are no historical mining shapes available.

SRK considers the optimisation parameters and results to be suitable, based on the processing testwork, geological models, and historical pit information used. Increases in mining costs or detrimental changes in the geotechnical or mining factors are deemed not to outweigh the upside from the current gold price being significantly higher than the A\$2,500/oz price used in the previous pit optimisations.

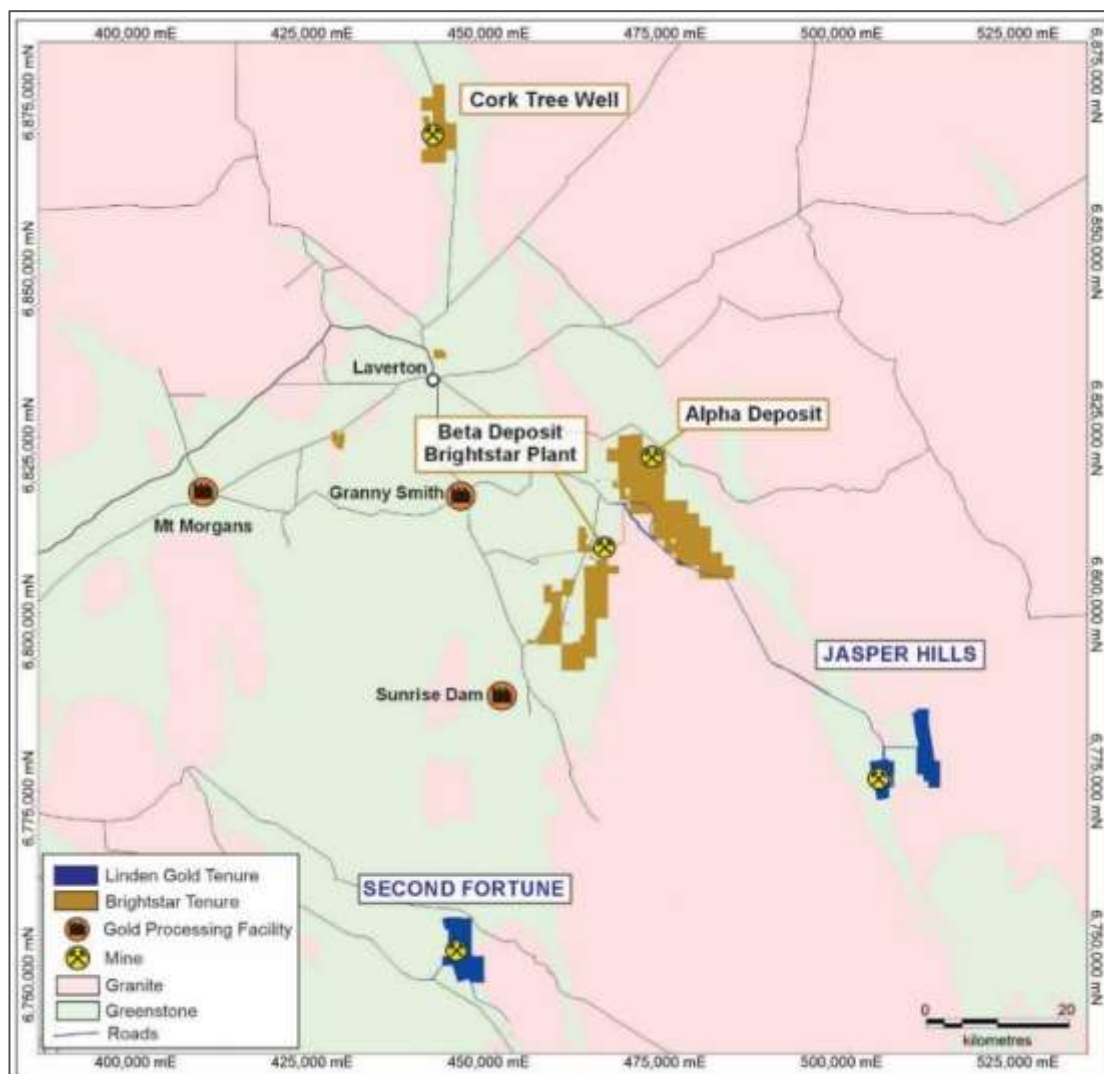
4 Brightstar's Laverton Hub

4.1 Project description and background

Brightstar's Laverton Hub is situated in the northwest Yilgarn region of Western Australia and, following the completion of the Linden Gold Alliance Limited (Linden Gold) transaction in May 2024, now incorporates a 100% interest in the following project areas (Figure 4.1):

- Alpha Project
- Beta Project
- Cork Tree Well Project
- Jasper Hills Project
- Second Fortune Project (including the Second Fortune underground gold mine).

Figure 4.1: Location of the Laverton Hub and associated projects



Source: Brightstar ASX announcement 'Lodgement of Bidder's Statement' dated 29 April 2024

The tenures are located on the Laverton (SH 51-2) and Minigwal (SH51-7) 1:250,000 scale and Burtville (3440), Laverton (3340) and Lightfoot (3539) 1:100,000 scale topographic sheets.

The Hub can be accessed via a sealed road from Kalgoorlie via Menzies and Leonora to Laverton and then by unsealed gravel roads (such as the Yarrie, Pinjin, Mount Celia, Linden and Burtville to Merolia roads) with most being gazetted roads that are maintained by the Laverton Shire. Access within the project tenures is limited to station and exploration tracks. Most of the unsealed roads are well maintained but may be closed after high rainfall events. Overall, the projects are well supported by infrastructure including the shire roads listed and mining company-maintained haul roads. The area is serviced by regular flights from Perth.

The Laverton area has a long history of gold exploration, development and production and is host to multiple world-class gold deposits including Wallaby, Granny Smith, Red October, and Sunrise Dam. Historical exploration within the confines of Brightstar's tenures has primarily consisted of conventional geological mapping, geochemical and geophysical programs with limited drilling campaigns prior to Brightstar's more extensive RC drilling campaigns from 2021 to 2024. Brightstar's Laverton tenures are located within a 60–100 km radius of its processing plant, which is currently on care and maintenance (Brightstar Plant). Brightstar is currently evaluating the refurbishment and expansion of the Brightstar Plant to commence production and expand its existing Mineral Resource base within each of its project sites.

The Alpha Project is located 35 km west of Laverton and 15 km from the Brightstar Plant. Brightstar's recent exploration activities at Alpha have comprised RC drilling campaigns focused on expanding the presently defined Mineral Resource base and increasing confidence in the classification of the existing mineralisation.

The Beta Project is located 30 km south of Laverton and immediately adjacent to the Brightstar Plant. The defined Mineral Resource is centred on the Burtville Shear, a regional scale structure that trends from Sunrise Dam to Burtville. The Beta project hosts historically mined open pits adjacent to the Brightstar Plant and the Company is currently undertaking detailed data review to assess the opportunity for additional exploration targets located in relative proximity to this processing facility.

The Cork Tree Well Project is located approximately 35 km north of Laverton and 60 km from the Brightstar Plant within the narrow greenstone belt linking the Laverton and Duketon greenstone belts. The Cork Tree Well Project was previously an operating mine that produced 46 koz of gold prior to closing in 1988. In June 2023, Brightstar announced a significant expansion to the defined Mineral Resource, which was followed by further diamond drilling campaigns for metallurgical testing and geotechnical assessment in 2024.

In March 2024, Brightstar announced the merger with Linden Gold, the holder of the Second Fortune and Jasper Hills projects⁴.

- The Second Fortune Project comprises a tenure package covering an area of approximately 32 km² and covering the Second Fortune gold mine at the southern end of the Laverton Tectonic Zone to the southeast of Laverton. Linden Gold acquired the Second Fortune gold mine in 2020 and quickly moved to return the project into production, achieving its first gold pour within seven months in April 2021. Up until June 2024, Second Fortune had produced in

⁴ Completed July 2024, as per Brightstar's ASX announcement "Completion of Linden Gold Acquisition" dated 10 July 2024, Source: <<https://announcements.asx.com.au/asxpdf/20240710/pdf/065g2ks6nmwl0d.pdf>>.

excess of 42 koz of gold (at a reconciled parcel grade of 3.6 g/t Au and parcel recovery of 96.8%)⁵ with ore processing through Genesis' Gwalia processing facility at Leonora.

- The Jasper Hills Project is a development stage asset located approximately 100 km southeast of Laverton. The Project encompasses the Lord Byron, Fish and Gilt Key gold deposits. The project has previously been mined by Crescent Gold Limited (Crescent) at the Lord Byron deposit with 13,510 oz of gold produced (at 1.5 g/t Au) from two shallow laterite open pits from February to May 2012. Crescent also mined the Fish deposit from 2011 to 2012 extracting 350 kt at 3.83 g/t Au, with processing at the nearby Granny Smith Mine. Post-2012, Blue Cap Mining completed a further cutback at the Lord Byron deposit with 190.4 kt at 2.04 g/t Au (consisting of oxide and supergene ores) sold to AngloGold Ashanti for processing at the Sunrise Dam Mine. In March 2024, Brightstar announced the results of the Jasper Hills Scoping Study based on the defined Mineral Resources (refer Section 4.6) and an initial mine production target of 2.4 mt at 1.84 g/t Au for 141,958 oz mined over approximately 3.75 years.

In July 2024⁶, Brightstar announced that, following the integration of the Linden Gold assets with those of Brightstar, it had identified an opportunity to fast-track gold production via an expedited development of the Fish underground deposit ahead of open pit mining complexes at Lord Byron, Lady Shenton and Cork Tree Well, which led the company to upgrade its previously announced Pre-Feasibility Study into a Definitive Feasibility Study due for completion with a Final Investment Decision in early 2025.

4.1.1 Tenure

Brightstar's Laverton Hub tenements cover a total area of approximately 335 km², comprising 23 granted MLs (75.9 km²) and 17 granted ELs (201.2 km²). A further 19 Miscellaneous Licences cover approximately 17.5 km². All tenements are 100% held by Brightstar or its subsidiary companies, namely Second Fortune Gold Project Pty Ltd, Lord Byron Mining Pty Ltd and Desert Exploration Pty Ltd.

Key tenures supporting ongoing and near-term mining and processing opportunities include: M38/346 at Cork Tree Well, M38/968 at Alpha, M38/9 at Beta, and plant, M39/139, which hosts the Fish deposit, M39/185 contains the Lord Byron and Gilt Key deposits and M39/255, which hosts the Second Fortune mine.

SRK has received representation from Brightstar that the schedule detailed in Table 4.1 is to be relied upon for the purpose of this Report. SRK has made all reasonable enquiries into the status of this tenure as at 30 August 2024 and crosschecked with the WA online database, TENGRAPH (https://www.dmp.wa.gov.au/TENGRAPH_online.aspx).

⁵ Based on figures provided by Brightstar in file 'SF Processing Reconciliation.xls'.

⁶ Brightstar ASX Announcement, "Brightstar Fast-tracks Development timeline with Decision to proceed to Definitive Feasibility Study" dated 10 July 2024, source: <https://announcements.asx.com.au/asxpdf/20240710/pdf/065g3p7np8n7dz.pdf>.

Table 4.1: Brightstar's Laverton Hub tenure summary – as at 30 August 2024

Tenement type	Number	Area (ha)
EL granted	14	20,121.38
ML granted	23	7,594.42
PL granted	16	1,796.74
Miscellaneous Licence (L)	19	1,755.85
General Purpose Licence (G)	1	140.53
EL application	3	2,097.64
L application	1	12.75
Total	76	33,506.56

Source: ASX:BTR 01 August 2024 'Brightstar to drive consolidation of Sandstone District', Government of Western Australia (TENGRAPH)

Royalties

State royalties are distributed to the Western Australian Government at the ad valorem rate of 2.5% of the value of any gold produced from Brightstar's Laverton Hub, with the Second Fortune operations being the only production centre at the time of reporting.

In addition, third party royalties relating the Laverton Hub tenures include:

- A 1.5% NSR royalty is payable for each ounce of gold produced in excess of 75,000 cumulative ounces of gold, capped at a total payable royalty of A\$1 M from the tenures recently acquired from Linden Gold (M39/794, M39/255, M39/650, M39/649, P39/5599, E39/2081, E39/1977 and E39/1539), and which is payable to Anova Metals Limited (Anova) – since renamed Warriedar Resources Limited (Warriedar). Following total royalty payments of A\$1 M, the NSR will reduce to 1.0% NSR for every ounce of gold produced.
- A 2% of gross revenue royalty relating to gold generated from mining operations on M39/138, M39/139, M39/185 and M39/262 within the Jasper Hills Project is payable to Indago Resources Limited (Indago).
- A royalty of A\$0.50 per tonne of gold-bearing ore mined and treated from M38/346 (within the Cork Tree Well Project) is payable to BHP Billiton Royalty Investments Pty Ltd (BHP).
- A 2% gross production royalty on all refined gold or minerals produced from M38/968 (within the Alpha Project area) is payable to Golden Cross Operations Pty Ltd (Gold Cross).
- A 1% gross royalty on revenue from M38/241 (part of the Beta Project) is payable to Mr Trevor Dixon.
- Brightstar is entitled to receive from Barrick (PD) Australia Limited (Barrick PD), Barrick (Granny Smith) Pty Ltd and Barrick (GSM) Pty Limited, a 0.025% NSR royalty on doré and any other gold-bearing product derived from, or ore mined from a mutually agreed exploration area within M38/1056, M38/1057 and M38/1058 (part of the Beta Project). Furthermore, Brightstar has granted Barrick PD an option to purchase a 70% legal and beneficial interest in these tenures, exercisable on the identification of a +250 koz Mineral Resource (as defined in the JORC Code 2012) on any one tenement or a continuous body on two or more tenements (Resource Condition). Barrick PD must exercise the option no later than 45 days after

Brightstar provides Barrick PD with a bankable feasibility study with respect to the Resource Condition.

- Brightstar is entitled to receive from Regis Resources Limited (Regis) a 1% NSR royalty on gold in any form and gold equivalent (being the gold equivalent of silver or other platinum group metal ounces) that has been extracted and recovered, processed and is capable of being sold or otherwise disposed of from M38/339 (part of the Cork Tree Well Project) , up to an aggregate sum of A\$5 M (the First Period) and thereafter reverting to a 0.0025% NSR royalty for a period of 4 years commencing upon the date following the end of the First Period. Brightstar subsequently agreed to assign the benefits associated with this royalty to Stone Resources (HK) Limited (SRHK), which only commences on the date that extraction and recovery of gold commences from the area of the tenements.
- A 3% NSR royalty is payable to SRHK on gold in any form that has been extracted and recovered, processed and that is capable of being sold or otherwise disposed of from E38/2411, E38/2452, E38/2894, *E38/3034*, E38/3298, E38/3293, E38/3331, L38/100, L38/123, L8/154, L3/168, L38/169, L38/171, L38/185, L38/188, L38/205, *L38/206*, M38/1056, M38/1057, M38/1058, M38/241, M38/314, M38/346, M38/381, M38/549, M38/9, M38/917, M38/918, M38/94, M38/95, M38/984, *P38/4108*, P38/4377, P38/4385, P38/4431, 38/4432, P38/4433, P38/4444, *P38/4445*, P38/4446, P38/4447, P38/4448, P38/4449, P38/4450 and M38/968 (part of the Beta Project)⁷.
- A 1.5% NSR royalty is payable to SRHK on gold in any form that has been extracted and recovered, processed and that is capable of being sold or otherwise disposed of from E38/3279, E38/3434, E38/3500, E38/3504 and P38/4508 (part of the Beta Project); up to an aggregate sum of A\$16.2 M.
- A 1.0% NSR royalty is payable to Mining Equities Pty Ltd on any minerals sold from E38/3438 (part of the Beta Project).
- A 1.0% NSR royalty is payable to Mr Peter Gianni on any minerals sold from E38/3279 (part of the Alpha Project).
- A 1.0% NSR royalty is payable to Heelmo Holdings Pty Ltd (split 0.9%) and Milford Resources Pty Ltd (split 0.1%) on any ore, concentrates or other products extracted, sold, removed, or otherwise disposed of from E38/3500 and E38/3504 (part of the Alpha Project).

Deferred consideration

The former vendors of Lord Byron Mining Pty Ltd (LBM) are entitled to receive the following deferred considerations in relation to the Jasper Hills Project tenures (M39/185, M39/262, M39/138 and M39/139):

- Upon the announcement of a Mineral Resource Estimate exceeding a total of 400,000 oz of contained gold at a grade of no less than 1.4 g/t Au, using a 0.5 g/t Au cut-off grade prior to 2 November 2028 (the LBM Milestone 1), Brightstar will issue the number of Brightstar shares that (in aggregate) have a value of A\$5 M based on the 20-day volume weighted average price (VWAP) over the trading days immediately prior to the date of the LBM Milestone 1 being met.

⁷ Note – tenements shown in italics are no longer held nor reported by Alto.

- Upon the announcement of an Ore Reserve Estimate exceeding a total of 120,000 oz of contained gold at a grade of no less than 1.4 g/t Au, using a 0.5 g/t Au cut-off grade prior to 2 November 2028 (the LBM Milestone 2), Brightstar will issue the number of Brightstar shares that (in aggregate) have a value of A\$5 M based on the 20-day VWAP over the trading days immediately prior to the date of the LBM Milestone 2 being met.
- Upon the announcement of the first commercial production derived from the Jasper Hills tenures prior to 2 November 2028 (the LBM Milestone 3), Brightstar will issue the number of Brightstar shares that (in aggregate) have a value of A\$5 M based on the 20-day VWAP over the trading days immediately prior to the date of the LBM Milestone 3 being met.

Contingent payment

The Linden Gold tenements are also subject to a milestone payment upon the delineation of a JORC Code (2012) compliant Mineral Resource Estimate exceeding a total of 500,000 oz of contained gold at a grade of no less than 1.4 g/t Au, using a 0.5 g/t Au cut-off grade prior to 2 August 2026 (the SBM Milestone). If this milestone is achieved, then an amount of A\$2.5 M in cash is payable to SBM, or at the Company's election, the equivalent number of Brightstar shares based on the 20-day VWAP over the trading days immediately prior to the date the milestone is achieved.

4.2 Infrastructure

As open pit and underground mining and processing operations have previously occurred within the Laverton Hub tenures, the surface infrastructure includes the 485 kt/a Brightstar Plant, tailings storage facility (TSF), process water ponds, a 60-person accommodation camp, and some mobile plant from the processing facility.

The Brightstar Plant has been on care and maintenance since 2014 following a partial plant upgrade, which commenced with the purchase of a new secondary crusher, 450 kw ball mill, gravity circuit and elution circuit, which was completed and partially installed. The power generation capacity was also refurbished at this time.

There is no current infrastructure onsite at Jasper Hills and hence all future facilities would need to be transported to site and are currently envisaged to be temporary in nature. The site of the previous FIFO camp is located in relative proximity to the Fish deposit and would be used for any future mining operations at Jasper Hills.

The Second Fortune underground mine is supported by the Second Fortune open pit, portal and decline to provide access to the mine. Surface infrastructure includes a decommissioned processing plant, waste/TSF, haulage roads, mining workshops, a power plant, mine camp, core yard, waste rock dumps, stockpiles, evaporation ponds and airstrip.

4.3 Permitting

Environmental aspects of mining and related activities at the Laverton Hub are primarily regulated under the following Western Australian legislation:

- the Commonwealth *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act) if a Matter of National Significance is impacted

- the EP Act
- the *Mining Act 1978*
- the *Aboriginal Heritage Act 1972*
- the RIWI Act.

A summary of the most recent approvals issue under these Acts is provided in Table 4.2.

None of the activities that form part of Laverton Hub are considered by the company to be 'environmentally significant' and none have been referred to the Federal Government or to the Western Australian EPA for environmental impact assessment under (respectively) the *Environment Protection and Biodiversity Conservation Act 1999* (Cth) or the *Environmental Protection Act 1986* (WA).

None of the mining activities that form part of Brightstar's Second Fortune operations appear to have been referred to the federal government for environmental impact assessment under (respectively) the *Environment Protection and Biodiversity Conservation Act 1999* (Cth) as well. It is not compulsory to refer projects for assessment under this legislation, although there is an expectation that 'environmentally significant' projects will be referred and assessed. A licence under the *Environmental Protection Act 1986* (WA) was granted for the Second Fortune Gold Mine for activities on M39/255, M39/649 and M39/650.

Mining and related activities

Commitments made in approved mining proposals and mine closure plans are legally binding and remain as legal obligations unless explicitly altered or superseded by subsequent *Mining Act 1978* approvals. Environmental obligations remain with mining tenure and are binding on future tenement holders. The recent mining proposals and closure plans related to the Laverton Hub are listed in Table 4.2.

There are no permits granted for clearing of native vegetation. SRK understands that the current clearing activity is the subject of the exemption due to the exploration stage of the project development and small area of the clearing (less than 10 ha) required for the current activity. There are no clearing permits granted for the Second Fortune project.

Groundwater extraction and use

Water allocations are approved for the Laverton Hub under the *Rights in Water and Irrigation Act 1914* (RIWI Act). Three groundwater licences have been granted for the tenements included into the Laverton Hub for extraction of 900,000 kL, 75,000 kL and 50,000 kL. SRK notes that GWL161781 expired on 6 August 2024.

Approvals to extract water under Section 5C of the RIWI Act do not automatically entitle licence holders to discharge water to the environment. Discharge of water to the environment (including disposal of water to mine pit voids) is regulated as a 'prescribed activity' under Part V of the *Environmental Protection Act 1986* (EP Act).

Table 4.2: Environmental authorisations – Laverton Hub (as at August 2024)

Statutory instrument	Date approved (or most recently amended)	Regulated activities
<i>Mining Act 1978</i>		
Mining proposal REG ID 62615 (Second Fortune Gold project <i>Mining Proposal Amendment</i>)	9 February 2017	Mining and related activities – Second Fortune
Mining proposal REG ID 70772 (Second Fortune Gold project Minor Infrastructure <i>Mining Proposal</i>)	15 December 2017	
Mine Closure Plan REG ID 72158 (Second Fortune Gold project Mine Closure Plan – Mineral Field 39 – S0230330)	23 May 2018	
Mining proposal REG ID 115582 (<i>Second Fortune WRD Expansion Mining Proposal</i>)	8 June 2023	
Mine Closure Plan REG ID 62523 (Mine Closure Plan – Laverton Gold Operations Version 3 (J00238))	13 July 2018	Mining and related activities – Lord Byron and Fish deposits
Mine Closure Plan REG ID 118903 (Mine Closure Plan Lord Byron and Fish Gold Projects Version 1 Revision A – J055770)	23 August 2023	
Mining proposal REG ID 34304 (<i>Brightstar Beta Project Revised Mining Proposal</i>)	24 December 2019	Mining and related activities – Beta deposits
<i>Part V of Environmental Protection Act 1986</i>		
Licence L9012/2016/1 (valid to 10 April 2037) – Second Fortune Gold Mine	19 May 2022	<ul style="list-style-type: none"> ■ Processing or beneficiation of metallic or non-metallic ore of 156,000 tpa ■ Mine dewatering of 420,000 tpa ■ Class II or III putrescible Landfill site
<i>Rights in Water and Irrigation Act 1914</i>		
GWL161781(M38/9, L38/171, L38/123, L38/169, L38/185, L38/100 and L38/188 – Beta) – Expired 6 August 2024	7 August 2014	Authorises extraction of 900,000 kL in the Minigwal groundwater subarea.
GWL168358 (M38/346 – Cork Tree Well) – Expires 22 December 2032	23 December 2022	Authorises extraction of 75,000 kL in the Lake Carey groundwater sub area.
GWL204018 (M39/185, M39/262)	20 February 2020	Authorises extraction of 50,000 kL

4.4 History

The Laverton area has a relatively long exploration history. The exploration methods include geological mapping, geophysical surveying, geochemical sampling, auger sampling, rock chip sampling and drilling. A variety of drill methods were used to explore the current Laverton Hub tenures. RAB and aircore drilling were the major drilling methods. RC drilling was carried out on a lesser extent and only a few diamond holes have been completed.

Recent works at the Laverton Hub include the following:

- Between July 2019 and June 2020, Stone (Brightstar's former name) conducted sampling assaying on E38/2361, P38/4108, P38/4114, P38/4115, M38/3198, M38/3199 and P38/4364; data review, geotechnical assessment and environmental assessment on M38/917 and M38/918; drone survey and imagery, resource modelling and pit optimisation and design on M38/160 and M38/346. Soil sampling was also completed over E38/2394.
- Between July 2020 and June 2021, Brightstar conducted trial soil sampling programs on E38/2411, and rock chip sampling from outcrop or mullock on M38/549, where quartz veining was exposed, in addition to data compilation and review and geological interpretation. At Cork Tree Well, soil sampling was conducted on E38/2452 and a Sub-Audio Magnetic geophysical survey was conducted in M38/346, which outlined several targets for subsequent follow-up.
- Between July 2021 and June 2022, most of the work was focused on the Cork Tree Well area (89 RC holes for over 12,800 m leading to an updated Mineral Resource in August 2022), as well as the largest defined Mineral Resource areas within Brightstar's portfolio. In addition, aircore drilling was conducted at Brightstar South (Jubilee, Rowena, Sailor Prince, and Queen of Hearts prospects), pit sampling at Alpha (384 rock chip samples along both sides of the pit ramp to assess cut-back potential with further drilling recommended) and preliminary bedrock testing at Delta 2.
- Between July 2022 and June 2023, Brightstar conducted further RC drilling at Cork Tree Well to assess the down-dip potential to the known mineralisation and increase confidence in the defined resources. This resulted in two upgrades to the Mineral Resource Estimate in August 2022 and June 2023. First pass RC drilling was also completed at the Delta 2 prospect, which outlined a new mineralised system over 300 m of strike and remaining open at depth and along strike. RC drilling was also completed at Alpha West and confirmed the presence of gold mineralisation below the supergene halo. Brightstar also commenced studies into the refurbishment and expansion of the Brightstar Plant together with mining optimisations and schedules associated with the extraction of mineral resources at Laverton and Menzies.

More recent exploration success and diligent acquisition by Brightstar has strategically positioned the Laverton Hub for near term development. Key to this have been the following:

- In September 2023, Brightstar released a scoping study for the development of its 100% owned Menzies and Laverton Hubs. Then in March 2024 and subsequent to its proposed merger with Linden Gold, Brightstar released a scoping study for the development of the Jasper Hills Project. Both scoping studies outlined potentially economic development scenarios driven by low capital requirements associated with the existence of readily available infrastructure in the area as well as the Brightstar Plant (currently on care and maintenance).
- Brightstar has commenced a +30,000 m RC and DD drilling program across its portfolio targeting resource upgrades and extensions in conjunction with feasibility workstreams at

Menzies and Laverton as well as the recently acquired Jasper Hills and Second Fortune projects.

- Brightstar is currently working on completing a feasibility study for the combined development of its Menzies and Laverton Hubs. Given the ready access to existing infrastructure, an abundance of under-utilised gold processing plants is within trucking distance of Brightstar's fully licenced deposits, thus providing optionality regarding future development scenarios.

4.4.1 Alpha and Beta

Both Alpha and Beta have historically been mined by open pit but there are no official production records available for each deposit on a standalone basis. Brightstar has estimated that approximately 22 koz of gold has been produced from the combined Alpha and Beta deposits.

More recent exploration at Alpha has included the following:

- In May 2012, Stone reported the results of an underground scoping study at Alpha. The study envisaged a potential recovery of inferred resources over a mine life of 23 months.
- In April 2013, Stone announced a JORC Code-compliant Mineral Resource update at Brightstar, following the completion of a 312-hole, 38,355-m RC program focused on the Alpha, Ben Hur (Epsilon), and Delta deposits.
- In FY15, Stone reported an updated Mineral Resource Estimate which included the Beta deposit.
- In November 2020, Stone announced it planned to undertake updated mining studies on the Cork Tree Well, Beta and Alpha deposit.
- In September 2022, Brightstar completed a 12-hole, 1,260 m RC drilling program at Alpha.

4.4.2 Cork Tree Well

In the period 1987–89, Cork Tree Well produced 700 kt at 2.3 g/t for 51.7 koz of contained gold.

More recent exploration at Cork Tree Well includes:

- In August 2022, Brightstar outlined an updated mineral resource estimation for Cork Tree Hill based on RC drilling completed since January 2022 following an updated geological and orebody interpretation around the same time.
- Since February 2023, Brightstar has been actively drilling at the Cork Tree Well Project reporting an updated mineral resource estimation in June 2023, the results of a scoping study in September 2023 and the commencement of pre-feasibility study works in April 2024.
- In June 2024, a 20-hole metallurgical and geotechnical DD program was completed at Cork Tree Well.
- In July 2024, Brightstar announced, following positive drilling results and early pre-feasibility study works, it had elected to upgrade its study to a Definitive Feasibility Study due for completion in early 2025.

4.4.3 Jasper Hills

Various companies have completed drilling campaigns at the Lord Byron, Fish and Gilt Key deposits, which inform the most recent Mineral Resource Estimates. These companies include Blue Cap Mining, Sons of Gwalia (1987, 1996–99), Crescent Gold (2005–12), Focus (2013–15), WMC (1988–89, 2000), AngloGold (2001–04) and most recently Linden Gold (2020–24). Drilling contractors have included Topdrill, JSW Drilling, Strange Drilling, Premium Drilling, Ausdrill, Challenge Drilling, Drillcorp, On Q Drilling and Connector Drilling.

Mining previously occurred at both the Lord Byron and Fish deposits between 2010 and 2012. At Lord Byron, 280,150 t at 1.5 g/t Au for approximately 13,510 oz of gold was produced by Crescent Gold Limited (Crescent) from two shallow laterite pits between February and May 2012, with 8% dilution and 5% ore loss recorded. In addition, Crescent mined the Fish deposit from 2011 to 2012 during two campaigns, with 350,000 t at 3.83 g/t Au extracted (with processing at the Granny Smith gold mine). After 2012, Blue Cap Mining Pty Ltd (Blue Cap) complete a further cutback at Lord Byron, with 190,400 t averaging 2.04 g/t Au (consisting of both supergene and oxide ore types) sold to Anglo Ashanti Limited for processing at the Sunrise Dam gold mine.

In March 2024, Brightstar Resources reported positive results for the Jasper Hills scoping study targeting initial mine production of 142 koz at 1.84 g/t Au, which was proposed to be mined via open pit and underground mining methods over a four-year mine life, with processing to an as yet undefined regional third party processing facility under a toll treatment arrangement.

4.4.4 Second Fortune

The Second Fortune tenure comprises the majority of the Linden Goldfield, which has historically produced over 34.5 koz of gold from a number of shallow high-grade gold mines.

Prior to the recommencement of current mining operations in 2021, the Second Fortune deposit had been mined over several periods from 1908–16, 1937–53, 1980–82 and 1985–86, with estimated production of between 3,729–5,465 oz of gold⁸. The site consists of a single open pit, an underground shaft, waste rock dumps, a decommissioned processing plant site, tailings storage facility, evaporation pond, airstrip, camp, and other supporting infrastructure. The site is highly disturbed with little vegetation re-establishment within the project footprint.

Exploration within the surrounding area has been limited since gold mining ceased in 1988, with no drilling at the Second Fortune deposit between the late 1980s and 2011.

From 2011 to 2017, Exterra Resources Limited (Exterra) conducted further drilling with Mineral Resource Estimates prepared for the deposit in July 2012 and March 2013. In March 2016, a further resource update was completed following an infill diamond drilling program in late 2015 consisting of 17 holes for a total of 2,688 m. A Feasibility Study was completed in May 2017 based on Ore Reserves generated in December 2016.

Between 2017 and 2018, Anova Metals Limited (Anova) developed an underground mine with a new portal and decline from the base of the open pit, to provide access to Levels 1 and 2 of the

⁸ VRM, 2022, Independent Technical Assessment Report for Linden Gold Alliance Limited dated 06 April 2022.

historical underground workings at 48 m and 64 m below the surface, respectively. The development strategy included the use of ore sorter technology to pre-concentrate ore prior to haulage off site and processing at a conventional CIL toll treatment facility. Following the conclusion of this mining program, the underground mine was placed on care and maintenance while further evaluation was carried out.

In August 2020, Linden Gold acquired the Second Fortune Gold Mine and the surrounding mineral tenures. Shortly thereafter, Linden Gold returned the project into production, achieving its first gold pour within seven months in April 2021.

Between April 2021 and June 2024, Second Fortune produced in excess of 42 koz of gold (at a reconciled parcel grade of 3.6 g/t Au and parcel recovery of 96.8%)⁹ with parcels of ore processed through Genesis's Gwalia processing facility at Leonora.

4.5 Local geology and mineralisation styles

The regional geological context is provided in Section 2.5 of this Report.

4.5.1 Cork Tree Well

The Cork Tree Well Project occurs within the Duketon Greenstone Belt and lies along the western limb of the Erlistoun syncline, approximately 35 km north of Laverton. The geological sequence includes mafic volcanic lavas, tuffs, and tuffaceous sediments with minor interflow graphitic shales and banded iron formation. Outcrop is poor with alluvial, eluvial and aeolian cover to the north and south of the open pit areas. The cover is up to 20 m thick in the northern part of the tenement.

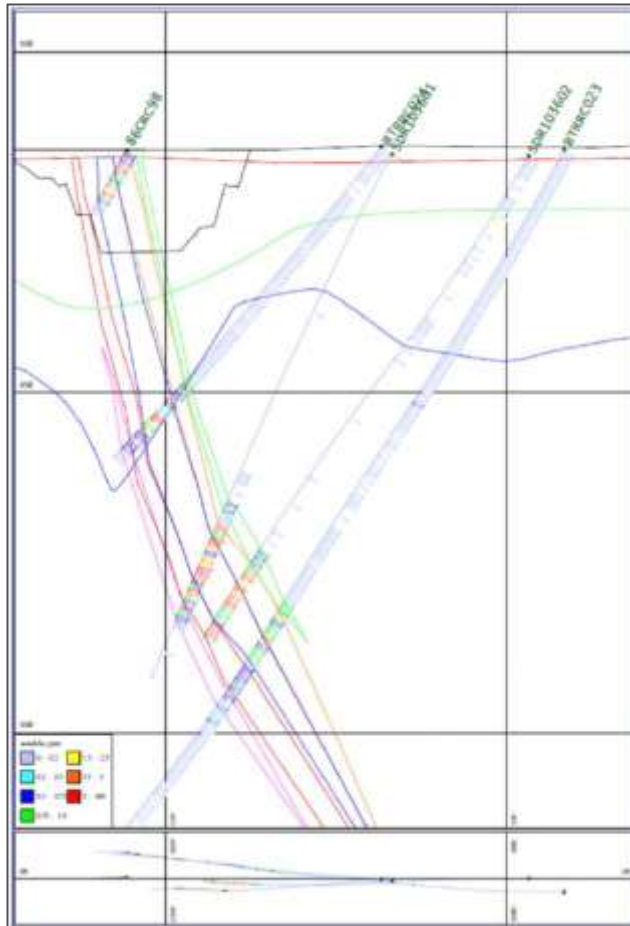
Gold mineralisation in the Cork Tree pits is associated with steep east dipping sedimentary units (Figure 4.2), in particular, a chert horizon located on the footwall of the sediment sequence. The mine area consists of footwall, high magnesium basalts altered to chlorite schist, overlain by graphitic shales containing chert and banded iron beds and younger hanging wall tholeiitic pillow basalts.

The mineralisation at the Cork Tree Well mine is contained within interflow cherts and sediments which contained pervasive pyrite, pyrrhotite and magnetite mineralisation. The sediments which host the gold mineralisation have been intruded by concordant porphyry sills which extend the length of the mineralised zone. The sediment sequence has been traced south of the existing pits where it is truncated south of the tenement boundary by granite intrusive bodies.

To the north of the pits the interflow sediments pinch out and are truncated by north-northeast to northeast (030° to 040°) trending shears. The mineralisation at Cork Tree North is associated with a sheared quartz dolerite within a talc chlorite schist host. Gold is associated with quartz stringers within the quartz dolerite. However, not all vein orientations are mineralised.

⁹ Based on figures provided by Brightstar in file 'SF Processing Reconciliation.xls'.

Figure 4.2: Cross section through Southern Pit area



Source: Cork Tree Well MRE, May 2023

4.5.1 Alpha

The Alpha Project is located 15 km northeast of the Brightstar Plant and the Beta deposit. Local geology at the Alpha Project is dominated by weathered foliated basalt and mafic schist. The upper portion of the weathering profile can be up to 10 m thick and includes soil or hardpan up to 4 m above a soft saprolite which is machine rippable and indurated in places. Basement rock within the area comprises mafic volcanic rocks with interleaved narrow units of ultramafic rocks, some dolerite and interflow volcanogenic sediments.

4.5.2 Beta

The Beta deposit occurs along the eastern margin of the Laverton Tectonic Zone, which hosts the major gold occurrences at Granny Smith, Sunrise Dam, Keringal, and Red October (all owned by third parties). The Beta Project is centred locally on the Mikado Shear, which trends from near Sunrise Dam to the historical mining centre of Burtville. The dominant rock types include a sequence of metamorphosed ultramafic units, high magnesian basalt, tholeiitic basalts, dolerite, gabbro, plus minor greywacke, and siltstone. Lithological contacts are generally intensely sheared and altered. Small granodioritic stocks locally intrude the greenstone.

The mineralisation is present in moderate to steep northeast dipping quartz veins hosted within a shear zone within an altered ultramafic lithology in the greenstone sequence, adjacent to a buried granitoid.

4.5.1 Jasper Hills

The Jasper Hills Project hosts three separate deposits known as Lord Byron, Fish and Gilt Key hosted by a sequence of amphibolite units, interbedded with chert and BIF of the Irwin Hills Greenstone Belt.

The Lord Byron deposit is hosted within a thick sequence of amphibolite and interbedded chert/BIF. At the southern extent, the deposit is north trending. There is an abrupt change in strike within the deposit, which is coincident with a northwest–southeast trending structure identified in outcrop and diamond core, which is locally called the Bicentennial Shear Zone (BSZ). There are three zones of mineralisation:

- the supergene zones
- the central zone with a northwest strike
- the southern zone with a north strike.

The Fish deposit is an orogenic style Archaean lode gold deposit hosted by a series of narrow quartz-magnetite-amphibole BIFs with coarse granoblastic texture, interbedded with amphibolite derived from basalt and dolerite. Granitoids also occur, and are texturally diverse ranging from pegmatite, through coarse- to fine-grained biotite-granite and aplite to biotite-granite gneiss. The granitoids intrude at all levels of the stratigraphy.

The Gilt Key deposit is an orogenic style Archaean lode gold deposit. The stratigraphy is mafic volcanic rock (greenstone) with interbedded banded iron formation trending in lenses in a northwest direction. There is one main lode striking northwest with a small footwall lode.

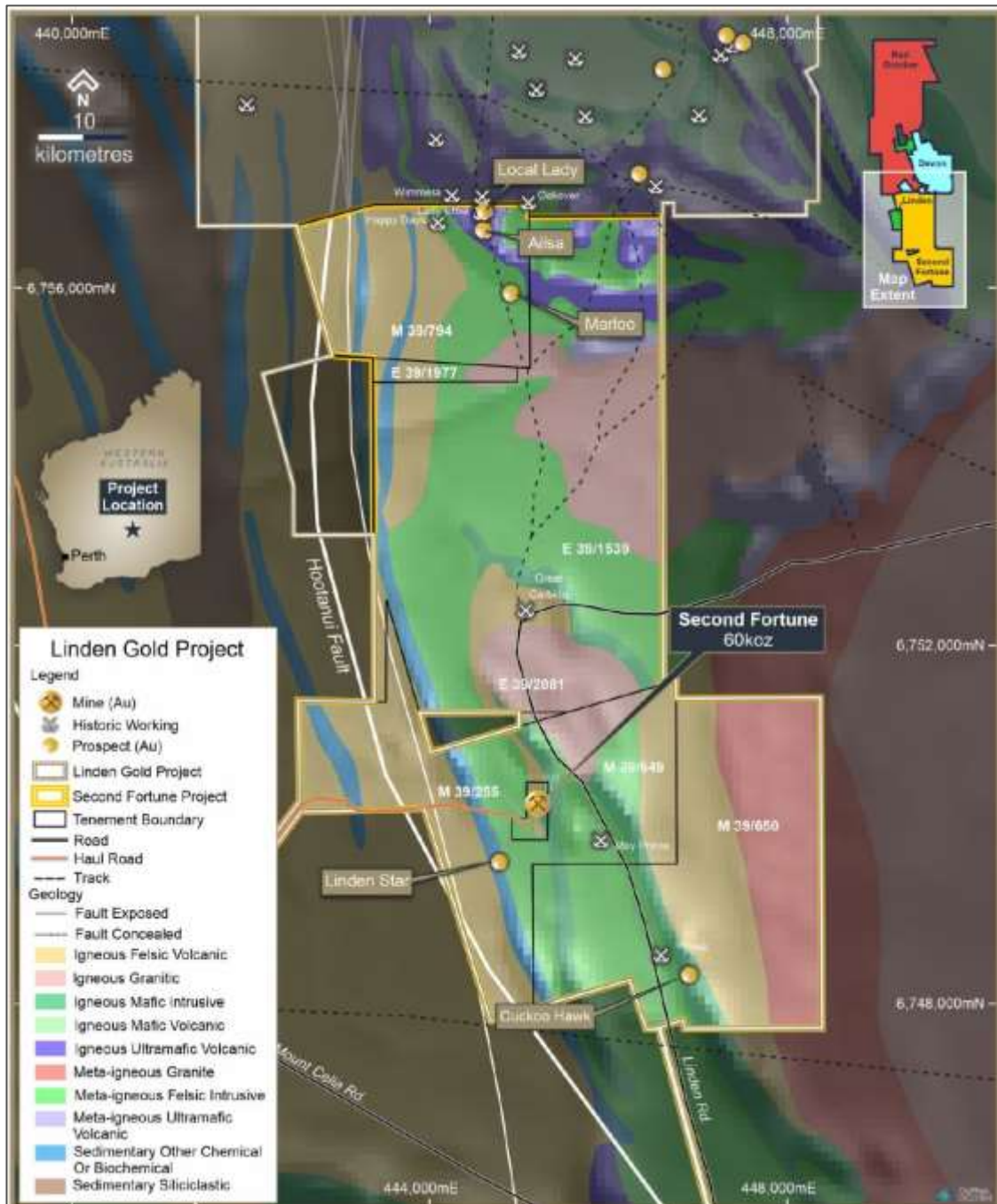
4.5.1 Second Fortune

The Second Fortune Gold Project, acquired by Brightstar in March 2024, is located 109 km south of Laverton and consists of four mining leases, one prospecting licence, three exploration licences and four miscellaneous licences for a total of 32 km² (Figure 4.3). The Second Fortune underground gold mine has been in production since April 2021.

The Second Fortune Project lies at the southern end of the Laverton Tectonic Zone, along the eastern margin of the Norseman-Wiluna Belt. Gold mineralisation occurs within a north to northwest striking sequence of intermediate to felsic volcanoclastic rocks and subordinate shales, intruded by irregular, narrow, porphyry bodies. Gold mineralisation is structurally controlled within a narrow quartz vein (0.2 m to 2 m in width) that strikes north–south and dips steeply to the west. Gold mineralisation has been delineated over a strike length of more than 600 m and to a depth of 350 m. The vein pinches and swells both along strike and down-dip. Locally abundant pyrite is associated with the vein mineralisation and the wall rock alteration comprised of sericite and chlorite. The quartz vein is interpreted to have intruded into an extensional structural environment either from dilation zones within a regionally extensive shear or associated with normal faulting.

Sedimentary features indicate the sequence is west facing with steep dips to the west. Clastic lithologies range from shale and fine-grained to coarse-grained tuffs through to conglomerate. There are rapid facies changes suggesting the sediments were deposited in a very high energy environment. The conglomerate consists of matrix-supported, well-rounded clasts of felsic volcanic material exposed in the pit wall. The mineral extension lineation plunges to the north, parallel to the regional foliation.

Figure 4.3: Second Fortune Project area



Source: VRM Independent Technical Assessment Report, 6 April 2022

Despite rapid lateral and vertical facies changes, four main lithological units are evident:

- Hanging wall sequence – comprising fine grained felsic tuffs, with local and minor development of shale and tuffaceous shale. Includes a gold bearing quartz zone associated with a shale horizon (hanging wall lode structure).
- Reef Sequence – characterised by numerous quartz veins and quartz stringer development within conglomerate, adjacent and parallel to thin (0.5–1.0 m) carbonaceous shale horizons.
- Footwall Sequence – consisting of a coarse matrix-supported conglomerate with minor tuff.
- Mafic basal unit – several holes have indicated a mafic (possibly tholeiitic basalt) unit. The unit appears to be massive and blocky and appears to be of a competent nature.

The tuffaceous rocks, shales, and metasediments dip westerly at 85°, or less commonly easterly, and strike 350° to 360°. There is a pervasive sub-vertical foliation which strikes approximately 330°, sub-parallel to one of the directions of minor cross faulting. Another cross-fault set is vertical and strikes east–west (270°).

Historical gold production has been principally from the Main Lode. Minor lodes, consisting of the Hanging wall and Footwall lodes are located within ~10 m of the Main lode, while the West Lode is located some 40 m to the west of the Main Lode (Exterra, 2017).

4.6 Mineral Resource Estimates

The current Mineral Resource Estimates for Brightstar's Laverton Hub were reported to the ASX on 10 July 2024 in an announcement entitled "Brightstar fast-tracks development timeline with decision to proceed to Definitive Feasibility Study". The effective dates of the relevant estimates are detailed in the notes to Table 4.3.

SRK notes that it has not performed the role, nor does it accept the responsibilities, of a Competent Person as defined by the JORC Code (2012) with respect to the Mineral Resource Estimate. The named Competent Persons taking responsibility for the Mineral Resource Estimates are disclosed in the notes to Table 4.3. SRK considers that the individuals have the requisite experience to act as Competent Persons.

Brightstar's current Laverton Hub Mineral Resource Estimates are summarised in Table 4.3, with estimation methodologies summarised in Table 4.4.

SRK has reviewed the data collection, quality assurance and quality control (QA/QC), model construction, estimation methodologies and reporting of the Mineral Resources and finds that, while some local refinement is possible, the overall quantum of the reported Mineral Resources at Brightstar's Laverton Hub is appropriate for valuation purposes.

Table 4.3: Brightstar's Laverton Hub Mineral Resources as at 30 June 2024

	Cut-off (g/t Au)	Measured Mineral Resources			Indicated Mineral Resources			Inferred Mineral Resources			Total Mineral Resources		
		Tonnes (kt)	Grade (g/t Au)	Ounces (koz)	Tonnes (kt)	Grade (g/t Au)	Ounces (koz)	Tonnes (kt)	Grade (g/t Au)	Ounces (koz)	Tonnes (kt)	Grade (g/t Au)	Ounces (koz)
Alpha¹	0.5	623	1.6	33	374	2.1	25	455	3.3	48	1,452	2.3	106
Beta¹	0.5	345	1.7	19	576	1.6	29	961	1.7	54	1,882	1.7	102
Cork Tree Well²	0.5	-	-	-	3,036	1.6	157	3,501	1.3	146	6,537	1.4	303
Jasper Hills³													
Lord Byron	0.5	453	1.8	26	1,141	1.6	58	2,929	1.7	160	4,523	1.7	244
Fish	0.6	26	7.7	6	149	5.8	28	51	4.3	7	226	5.7	41
Gilt Key	0.5	-	-	-	15	2.2	1	153	1.3	6	168	1.3	8
Subtotal		479	2.1	33	1,306	2.1	87	3,133	1.7	173	4,918	1.9	293
Second Fortune (UG)⁴	2.5	17	16.9	9	78	8.2	21	71	12.3	28	165	10.9	58
Total		1,464	2.0	93	5,369	1.8	319	8,121	1.7	449	14,953	1.8	862

Source: ASX: BTR announcement dated 10 July 2024

Notes:

¹ ASX: BTR announcement dated 10 September 2020. Stone Resources Australia completes review of JORC 2012 Mineral Resource Estimate. Competent Person: Richard Maddocks.

² ASX: BTR announcement dated 23 June 2023. Brightstar achieves +1 million ounces in resources with Cork Tree Mineral Resource upgrade. Competent Person: Kevin Crossling.

³ January 2023. Jasper Hills Mineral Resource Review. Competent Person: Lynn Widenbar.

⁴ Cube Consulting dated 23 February 2023. Second Fortune Mineral Resource Estimate Review and sign-off. Effective date 30 December 2022. Competent Person: Michael Job.

SRK notes that mine production has continued at Second Fortune since the January 2023 Mineral Resource review, which constitutes the most recent Mineral Resource Estimate. Based on the technical information supplied, it is not possible to reconcile tonnes mined with in situ resource tonnes, though approximately 12 koz of gold have been transported and batch treated at the Gwalia plant between January 2023 and June 2024. In SRK's opinion, it is reasonable to assume that this material has been derived from the previously stated Measured and Indicated Resource components, implying that the remaining Mineral Resource at Second Fortune (and that available for valuation purposes) comprises 18 koz Au in the Indicated category and 28 koz Au in the Inferred category. It is not known how much, if any, of the remaining Mineral Resource has been sterilised by ongoing mining activities.

Data collection has been conducted using industry standard methods and SRK considers that the data are broadly appropriate for use in estimation studies.

Table 4.4: Summary of Mineral Resource estimation at Brightstar's Laverton Hub

Prospect	Estimation overview
Cork Tree Well	<p>After a comprehensive QA/QC analysis, a total of 1,359 boreholes, totalling 93,071 m, were selected for domaining and estimation. Mineralised domains were modelled based on elevated gold grades (>0.25 g/t Au) and lithological controls, sourced from drilling within the area of gold mineralisation. Top-cuts have been applied to composites based on a top-cut analysis performed in Snowden Supervisor software. A 1 m composite dataset for the deposit was used for variography analysis, Kriging Neighbourhood Analysis (KNA) and grade estimation.</p> <p>This Mineral Resource model from which the resources are reported is based on a block model created using 5 mE by 5 mN by 5 m RL parent blocks and 1.25 mE by 1.25 mN by 1.25 mRL sub-blocks. Ordinary Kriging in conjunction with dynamic anisotropy was used to estimate block grades for gold. Validation consisted of volume checks and swath plots. Default densities were applied according to rock type. The Mineral Resource Estimation has been classified by sample spacing and with the ranges associated with the variogram used for estimation.</p>
Alpha and Beta	<p>QA/QC processes and results have been previously audited (Auralia Mining Consulting) for sampling and assaying. Fire assaying using a 40 g charge was completed initially. Screen Fire Assaying was conducted on some drill core samples at Kalgoorlie Assay Laboratories and independently in Perth for intervals where high grade, interpreted 'nuggety' gold previously had been reported in fire assay results. Screen fire results were generally similar or higher than the fire assay results. The presence of visible gold in diamond drill core was the reason for conducting Screen Fire assays.</p> <p>The results for standards, blanks and duplicates analysis are within the accuracy limits for these analytical techniques and, overall, show the quality of the analytical work to be satisfactory.</p> <p>A total of 1,395 RC and 3 diamond drill holes in Alpha area and 1,736 RC and 15 diamond drill holes in Beta area were used in the resource modelling. The exploration drilling for the deposits was primarily on a 20 m by 20 m drilling spacing, grading to a 25 m by 60 m spacing at depth. The mineralisation constraints have been based on sectional interpretations generated on approximate 20 m sections and is based on a 0.3 g/t Au nominal lower cut-off grade.</p> <p>All samples were flagged according to the mineralised domains they fall into based on the constructed wireframes. Most of the samples are 1 m length. Compositing to 1 m length has no effect on the variability of the grade distribution. For the resource estimation, the current model has individually assessed the high-grade outliers. Top-cuts were used to treat the high-grade gold outliers based on a review of the domain histogram and log probability plot.</p>

Prospect	Estimation overview
Lord Byron	<p>Evaluation of suitable estimation parameters based on the variogram models were undertaken based on 1 m composites. The variography indicates that moderate levels of short-range variability exist, which is consistent with a vein and stockwork mineralisation style.</p> <p>A block model was created using 5.0 mE × 10.0 mN × 5.0 mRL parent blocks. Sub-cells were generated down to 0.5 mE × 2.0 mN × 0.5 mRL as appropriate to honour wireframe lodes and regolith interpretations during model construction. KNA was used to optimise parameters for the Kriging search strategies. Ordinary Kriging (OK) was used to estimate grade into 3D blocks.</p> <p>Resource classification is based using confidence in the mapping, geological interpretation, drill spacing, QA/QC analysis results and geostatistical measures. Resources were classified as Inferred if the average weighted sample distance was greater than 50 m and the number of samples was less than 8. The resource was classed as Indicated if the average weighted sample distance was between 30 m and 50 m and the number of samples was greater than 8. The resource was classified as Measured if the average weighted sample distance was less than 30 m and the number of samples was greater than eight. If the numbers of drill holes used was less than two then the Measured and Indicated resources were downgraded one classification category.</p> <p>Borehole database total 809 holes comprising mainly RC and DD holes. Samples were composited to 1 m lengths. Appropriate top-cuts were applied where necessary. Default bulk densities (g/cm³) at Lord Byron were set as follows: Upper Oxide 1.75, Lower Oxide 2.05, Transition 2.25 and Fresh 2.80.</p> <p>Preliminary variography showed that it was not possible to generate robust variograms, mainly because of the relatively small amount of data in most domains. This supports the use of Inverse Distance Squared (ID2) interpolation for grade estimation.</p> <p>The parent block model size is 10 m E × 10 m N × 2.5 m RL, with sub-cells to 0.5 m × 0.5 m × 0.2 m. Estimation was carried out in Datamine Studio RM software using Inverse Distance Squared (ID2) interpolation. The search ellipse used dynamic anisotropy, changing orientation as required by dip/strike changes. Drill section comparisons and swath plots showed good validation results.</p> <p>Drill hole spacing conforms to the following minimum expectations for the resource classification. Measured material is generally drilled at 10 m × 10 m drill spacing; Indicated material is up to 20 m × 20 m drill spacing and Inferred material is typically 20 m to 40 m section spacing by up to 40 m to 50 m down-dip.</p>
Fish	<p>Borehole database total 1,015 holes comprising mainly RC and DD holes. Samples were composited to 1 m lengths. Appropriate top-cuts were applied where necessary. Default bulk densities (g/cm³) at Fish were set as follows: Oxide 1.8, Transition 2.3 and Fresh 2.9.</p> <p>Preliminary variography resulted in reasonably robust variograms.</p> <p>The parent block model size is 10 mE × 10 mN × 2.5 mRL, with sub-cells to 0.5 m × 0.5 m × 0.8 m. Interpolation was carried out using OK using Datamine software. The search ellipse was oriented with strike 30° and a dip of 70° east.</p> <p>Drill section comparisons and swath plots showed good validation results.</p> <p>Drill hole location plots have been reviewed to ensure that local drill spacing conforms to the minimum expected for the resource classification. Measured material is generally drilled at 10 m × 10 m drill spacing; Indicated material is up to 20 m × 20 m drill spacing and Inferred material is typically 20 m to 40 m and up to 40 m to 50 m down-dip.</p>

Prospect	Estimation overview
Gilt Key	<p>Borehole database total 1,913 holes comprising mainly RC and DD holes. Samples were composited to 1 m lengths. Appropriate top-cuts were applied where necessary. Default bulk densities (g/cm^3) at Fish were set as follows: Oxide 1.75, Transition 2.25 and Fresh 2.8.</p> <p>Preliminary variography showed that it was not possible to generate robust variograms, mainly because of the relatively small amount of data in most domains. This supports the use of ID2 interpolation for grade estimation.</p> <p>The parent block model size is 10 mE \times 10 mN \times 2.5 mRL, with sub-cells to 0.5 m \times 0.5 m \times 0.2 m. The mineralised block model maximum size is 4 mE \times 5.5 mN \times 2.5 mRL, with sub-cells to 0.5 m \times 0.5 m \times 0.2 m.</p> <p>Estimation was carried out in Datamine software using ID2 interpolation. The search ellipse used dynamic anisotropy, changing orientation as required by dip/strike changes.</p> <p>Drill section comparisons and swath plots showed good validation results. Drill hole location plots have been reviewed to ensure that local drill spacing conforms to the minimum expected for the resource classification. Measured material is generally drilled at 10 m \times 10 m drill spacing; Indicated material is up to 20 m \times 20 m drill spacing and Inferred material is typically 20 m to 40 m and up to 40 m to 50 m down-dip.</p>
Second Fortune	<p>The Second Fortune Mineral Resource was performed using a 2D accumulation OK approach, except for the southern lode, which utilised a 2D accumulation ID2 approach. The 2D interpolated grades were then migrated into a conventional 3D resource block model. This estimation technique was considered appropriate for the deposit due to the narrow lode nature of the mineralisation. The mineralisation has been defined by regularly spaced drill intersections and mine development. These domains were used as hard boundaries in the grade interpolation. Variograms were developed using Supervisor software with the grade interpolation performed using SURPAC software. Top-cuts were applied to high-grade outliers with the assignment of a top-cut by utilising log probability plots, histograms, and mean/variance plots in Supervisor software. Extrapolation distance for lode end points was either a defined geological structure or half a drill hole spacing. Two estimation passes were used for the Second Fortune resource. The first pass had a maximum search radius of 100 m and for the second pass it was set at 150 m. The parent block size for the 2D modelling was 5 m \times 5 m \times 5 m with no sub blocking allowed. In regard to the face data in the database, this spacing was appropriate. For the 3D model parent blocks were 5 m \times 5 m \times 5 m with subblocks to 2.5 m in both Northing and elevation and to 0.078 m in Easting.</p> <p>The Second Fortune resource has been classified based on a combination of quantitative and qualitative factors including geological continuity and confidence, data quality, sample spacing, lode continuity and estimation parameters. The input data is comprehensive in its coverage of the mineralisation and does not favour or misrepresent in situ mineralisation. The definition of the mineralised zones is based on an elevated level of geological understanding from high quality data, producing models of continuous lodes. The Second Fortune resource has been reported using a cut-off grade of 2.5 g/t. This grade was selected to reflect the economic conditions and considerations applied by the current underground mining operations.</p> <p>Second Fortune is an operating mine with all legal and regulatory compliances in place. All approvals have been granted for underground mining. The material Modifying Factors are listed in Table 4.5.</p>

Table 4.5: Second Fortune mining modifying factors

Parameter	Value	Justification
Operating Assumptions		
Stope Dilution	22%	Stopes are designed at 1.5mW with 0.1m planned dilution applied to footwall and hanging wall, giving final stope width of 1.7mW. Historical stoping performance average 1.2mW - 2mW. The reserve mine plan has ore drive widths designed from 3.0mW to 2.5mW to reduce brow width and subsequently stope dilution.
Stoping Recovery	86%	Recovery is based on each 30m stope shape including a 3m high rib pillar and 1.5m sill pillar that is left in-situ and not recovered
Development Recovery	100	All ore recovered from development driving
Development Dilution	13% for operating 15% for capital	Based on historical survey reconciled monthly overbreak
Split Fire Assumption	55% of fired ore drive claimed as ore tonnes	Based on ore position, percentage of drive face fired as waste and ore splits and considering waste dilution from incomplete waste bogging. Keyhole pattern used for ore driving.
Cut-off grades	Development: 1.5g/t Stope: 1.6g/t	Based on gold price of AUD\$2,500 and cut of grade calculations for stoping and development that considers currently used costs for mining, haulage, processing, and administrative costs. Development cut-off grade accounts for split firing of ore drives.
Stope design	30m strike 13m height 1.5m sillpillar 3m rib pillar	These parameters are based on geotechnical management plan completed in September 2020 and applying a conservative approach to the recommendations for stope strike and pillar placement.
Longhole Rise Drill Metres	Slot rise metres * 42	The standard longhole drill pattern used at Second Fortune is 42m of drilling per vertical metre of rise which includes reaming
Production Drill Metres	Stope tonnes/2.8	The drilling factor is based on a reconciliation of 2021 stopes, taking into account average drill metres designed per stope using a standard zipper pattern and also including a contingency for cable bolt drilling
TKM	Variable	Assumes all material from 1190 Level and below trucked from 1190 level access to the ROM/waste dump, all levels above 1190 trucked from level access. Haulage distance calculated from level access to surface and are based on Survey pickups for RL and length
Scheduling Rates		
Single Development	Boom 2m/day	2m is average cut length for Tamrock H104 single boom Jumbo, assuming heading turnover of once per day, varying based on number of available headings. Based on historical performance at Second Fortune
Production Drilling	250mSCH/day	Based on historical reconciled drilling rates at Second Fortune
Longhole Rise Drilling	6SRmSCH/day	6 Slot Rise meters per day, Equates to 250m drilling per day, variable based on length of slot rise
Production Bogging	300tSCH/day	Based on expected bogging rates for a combination of Toro 151 and CAT 1300 loader

Source: VRM Independent Technical Assessment Report, 06 April 2022

4.6.1 Reconciliation and applicability of Mineral Resources to Ore Reserve and LOM Plan

No Ore Reserve has been reported for any of the Laverton Hub deposits.

4.6.2 Prospectivity

The exploration potential associated with all deposits described over Brightstar's Laverton Hub tenements is for modest tonnages of medium grade >1.5 g/t Au fresh mineralisation in shallow to moderately plunging shoots below the oxide resources. It is important to note that the Brightstar Plant, and proposed upgrade as currently described only contemplates the treatment of oxide material. Hence, any new down plunge resources that are delineated through future exploration programs would not be able to be treated within the Brightstar Plant. It is not known what tonnages of oxide material remain.

4.7 Metallurgy and processing

Currently, the Second Fortune mine is the only operating asset within the Laverton Hub. Having only recently acquired this asset from Linden Gold, the Second Fortune ores are processed in parcels at Genesis's Gwalia gold processing plant in Leonora under an ore purchase arrangement.

The Brightstar Plant has been under care and maintenance for at least five years and requires refurbishment to return it to operation. Two reviews of the existing Brightstar Plant have been conducted, the first by Como Engineers in 2021, which provided a cost estimate to refurbish and expand the plant from 485 kt/a to 650 kt/a (based on treatment of oxide ore) and the second by GR Engineering in February 2023 (and later updated in August 2023). This latter study evaluated several aspects associated with the existing plant including preliminary grinding capacity assessment for the Project (oxide, transition and fresh ore types), the capital estimate for replacement of the existing plant with a new facility with capacity in the range 1.0–1.5 Mt/a, as well as a high-level cost estimate to relocate the existing plant, including the plant expansion alternative, to a greenfields site at Menzies.

4.7.1 Gwalia gold processing plant

Second Fortune

Given its previous production history, there is significant information regarding the performance of the Second Fortune ores when processed through carbon-in-leach (CIL) facilities.

Historical testwork was conducted by ALS on behalf of Exterra in 2017. ALS's metallurgical toll treatment testwork consisted of testing two composite and four individual samples in CIL cyanidation. For all samples tested, the percentage of coarse gravity recoverable gold present was high, ranging from 61% to 81% (Table 4.6). When combined with the remaining cyanidable gold component, all the samples exhibited high overall gold recoveries ranging from 94% to 98.5%. The calculated gold head grades from the CIL tests compared well with the original head grades for all samples tested.

Run-of-Mine (ROM) ore from the Second Fortune mine is currently being toll treated in parcels at Genesis's Gwalia gold processing plant in Leonora. Between April 2021 and June 2024, an average of 96.8% Au recovery has been attained from the parcels of ore sent (22 in total), for a total of 380 kt at 3.6 g/t Au processed¹⁰.

¹⁰ Brightstar spreadsheet 'SF processing reconciliations.xlsx'.

Table 4.6: Second Fortune metallurgical testwork

	Head g/t	Gravity Recovery %	Total Recovery %	Residue g/t	CN kg/t	Lime addition
Second Fortune North drill core	13.22	81.19	98.49	0.20	0.30	6.49
Second Fortune South drill core	13.59	85.44	93.97	0.82	0.31	6.19
Second Fortune Sorter Concentrate	10.13	70.14	94.23	0.59	0.24	2.23
Second Fortune Sorter Reject	0.99	61.16	94.97	0.05	0.28	6.97
Second Fortune Average	9.48	69.49	95.41	0.41	0.28	5.47
Mullock Dumps 1 Sorted Concentrate	13.83	71.37	95.88	0.57	0.35	5.97
Mullock Dumps 2 Sorted Mid	5.49	70.40	96.63	0.19	0.35	7.91

Source: Exterra Scheme Booklet, ASX announcement dated 14 August 2017.

Jasper Hills

Multiple metallurgical testwork programs have been completed on the deposits within the Jasper Hills Project. The most recent study was conducted by ALS AMMTEC in 2011, which was commissioned by the previous owner, Crescent, prior to the commencement of open pit mining at the Lord Byron and Fish deposits¹¹.

In addition, Lord Byron Mining Pty Ltd (a wholly owned subsidiary of Linden Gold) achieved a reasonable level of knowledge of the metallurgical properties of the different material types (transitional states) and lithologies during the open pit mining campaign. The Lord Byron ore was successfully processed achieving gold recoveries of 93%, 93% and 92% for oxide, transitional and fresh rock, respectively. These recoveries were used as the basis for the assumed recoveries adopted for the Lord Byron deposit in Brightstar's 2024 Jasper Hills Scoping Study.

For the Fish deposit, total recoveries of 94%, 94% and 94% for oxide, transitional and fresh rock have been assumed in Brightstar's 2024 Jasper Hills Scoping Study based on previous open pit mining experience and metallurgical testwork. SRK notes that, despite Fish having recorded robust ore hardness properties with a Bond Work Index (BWi) of 18.9 kWh/t and Abrasion Index of 0.2105, a high gold recovery is noted with a strong gravity gold component.

The recoveries for both the Lord Byron and Fish deposits are considered to be in line with those achieved at many other deposits in the surrounding region, namely a strong gravity component with excellent leaching characteristics. Further testwork is planned by Brightstar once new drilling is completed.

4.7.2 Other Laverton deposits

Historical processing of ore from the Cork Tree Well and Alpha deposits was carried out by Austwhim Resources NL, between 1985 and 1988. From its reported production statistics (Cork Tree Well M38/20, Final Report, A25448, 1988) a gold recovery of 95.3% can be inferred.

¹¹ Brightstar, 2024 - Jasper Hills Scoping Study, 2024

A1 Minerals Ltd (ASX announcement, First JORC Ore Reserve for the Brightstar Gold Project, 21-4-2009) stated that using conventional crushing, grinding and CIP technology, '*adequate testing applied to all orebodies as well as previous production data indicates an average metallurgical recovery of 96%*'. Although there is no reporting available to substantiate this recovery, it is a reasonable assumption to use at this stage, with further testwork being required for future scoping and feasibility studies.

4.7.3 Brightstar Plant

The Brightstar Plant is located immediately adjacent to Brightstar's Beta Project, and processing infrastructure consists of the CIL processing plant (oxide rock type only) which last operated in mid-2011 and currently remains on care and maintenance (VRM, 2023). The Brightstar Plant configuration includes two ball mills, a power station, and gravity and elution circuits. Supporting infrastructure includes a TSF and process water ponds on site. Other nearby assets include an operational 60-person accommodation camp, vehicles and equipment including a 30-tonne crane, a forklift, a bobcat, two front end loaders and light vehicles.

The Brightstar Plant reportedly requires in the order of A\$12.3 M ($\pm 35\%$) in further upgrade expenditures in order to be restarted¹². Under the current configuration and upon recommencement, it is expected to operate at a throughput of 300 kt/a (VRM, 2023), or through further expansion to 480 kt/a at a cost of approximately A\$18.5 M ($\pm 35\%$).

To support the 480 kt/a throughput option, a three-stage modular crushing plant is required, and replacement of one of the smaller of the two existing ball mills. Regarding the ball mills, alongside the existing 350 kW primary mill, the 260 kW mill would need to be replaced by a 3.1 m diameter \times 4.9 m long EGL mill fitted with a 570 kW motor. The total combined mill power required would then be 900 kW.

Brightstar has announced that metallurgical studies are underway as part of the definitive feasibility study¹³. The studies include samples from four diamond holes at Cork Tree Well drilled specifically for metallurgical testwork, along with additional holes at Jasper Hills – these deposits will form the basis of ore feed to the Brightstar plant.

4.8 Ore Reserves and mine planning

There are no Ore Reserves currently declared for any of the deposits (including Second Fortune) within Brightstar's Laverton Hub.

Despite the lack of an Ore Reserve Estimate, mining is ongoing at Second Fortune and has been since April 2021.

Other stockpile inventory is available outside of the presently defined Mineral Resources at the Laverton Hub in the form of ROM stockpiles, including those at Lord Byron (Jasper Hills Project), Beta Project and the Second Fortune operating mine. These stockpiles are discussed below.

¹² GR Engineering, 2023 "Brightstar Gold Project – Mill Restart or Expansion Study"

¹³ ASX: BTR announcement dated 10 July 2024

4.8.1 Stockpiles

Second Fortune ROM Stockpile

SRK has been advised that the ROM stockpile at Second Fortune as at 12 September 2024 was estimated to comprise 8,402 t at an average 3.68 g/t Au, for approximately 994 oz of contained gold. In support of this estimate, SRK was provided with the Second Fortune mining schedule (and costs model) spanning the period from January 2024 until October 2025 and production records. Based on an advised mining rate of 10–15 kt per month at Second Fortune, this ROM stockpile represents less than one month's ore production, with more than 20 batches previously sent by Brightstar for third-party toll treatment.

Beta stockpile

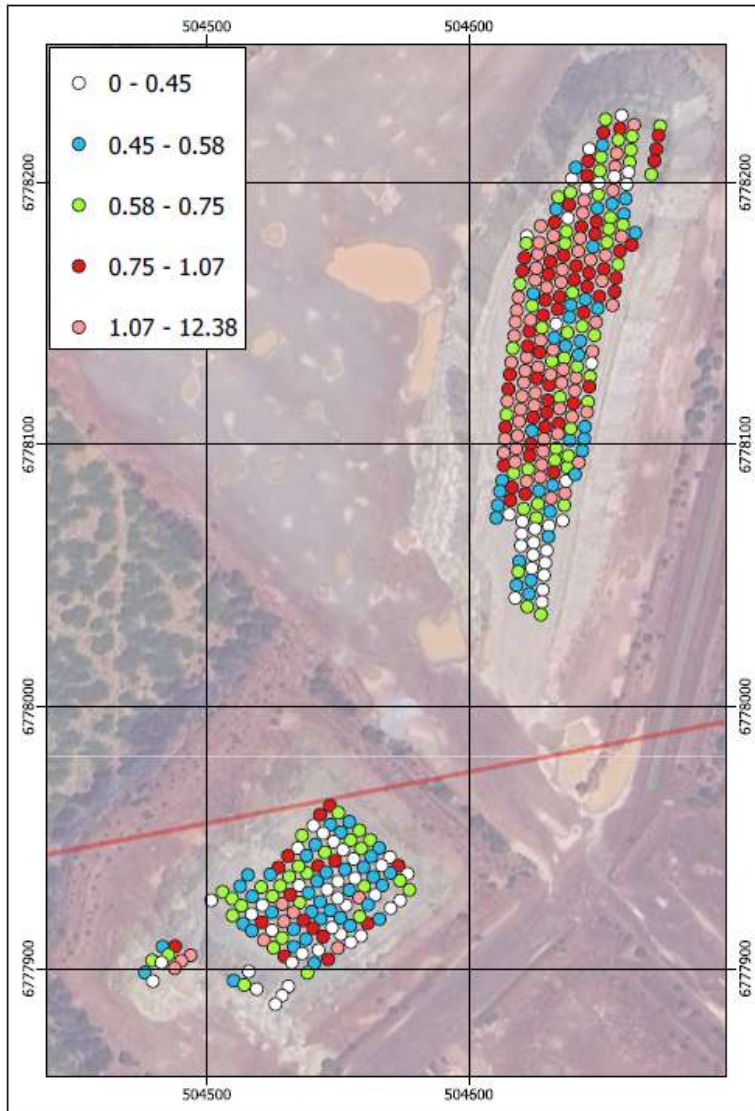
In addition to the Second Fortune ROM stockpile there are three historical stockpiles evident on the ROM pad at the Brightstar processing plant. These stockpiles host material derived from the Beta and Alpha open pits and are approximately 10–12 years old following the placement of the Brightstar plant into care and maintenance. Brightstar has advised SRK that these stockpiles contain 10,000 t at an average grade of 1.97g/t Au for approximately 633 oz of contained gold. Based on satellite imagery and historical mining records, SRK considers this estimate to be reasonable.

Lord Byron (Jasper Hills Project)

Two stockpiles are present at the Lord Byron Project, namely the Main and Southern stockpiles and are approximately 12 years old, given the Lord Byron and Fish deposits were mined from 2010 to 2012. Both stockpiles have been independently assayed, and their volumes measured using modern survey techniques. The stockpiles are shown in Figure 4.4 along with the reported average gold assay values for each hole. According to Brightstar, the surveyed volume and assay results compare well to historical mining records.

Brightstar records the Lord Byron stockpiles as comprising 191,000 t at an average grade of 0.90 g/t Au, for approximately 5,517 ounces of contained gold, which constitutes the majority (90% of the gold ounces) held by Brightstar within stockpile material. Based on its review of the available independent information relating to the Lord Byron stockpiles and the Lord Byron scoping study documents, SRK considers these estimated gold ounces to be reasonable and appropriate for valuation purposes.

Figure 4.4: Assay results from Lord Byron ROM stockpiles



Source: Brightstar/Mitchell River Group, September 2024.

4.8.2 Current operations – Second Fortune

Second Fortune is an operating mine; however, there is no current Ore Reserve declared for the mine. The most recent Ore Reserve Estimate was prepared in February 2022 and was estimated 89,020 t at 4.12 g/t Au for 11,790 oz of contained gold (VRM, 2022, Figure 4.5). Ongoing production since this time has depleted this estimate, such that neither Brightstar or Linden Gold reported updated Ore Reserves for Second Fortune in their most recent public reports (i.e. the 2024 Bidder's Statement and Target Statement for Linden Gold dated 29 April 2024 and subsequent supplementary documents dated 13 May 2024 in both instances).

Brightstar provided SRK with its current high-level mining schedule (for the period September 2024–October 2025), including the supporting cost model, that collectively demonstrates a profitable underground operation with a total of 13,672 oz being recovered after processing over the next 12 months at an average grade of 3.7 g/t Au.

Recent mining at Second Fortune

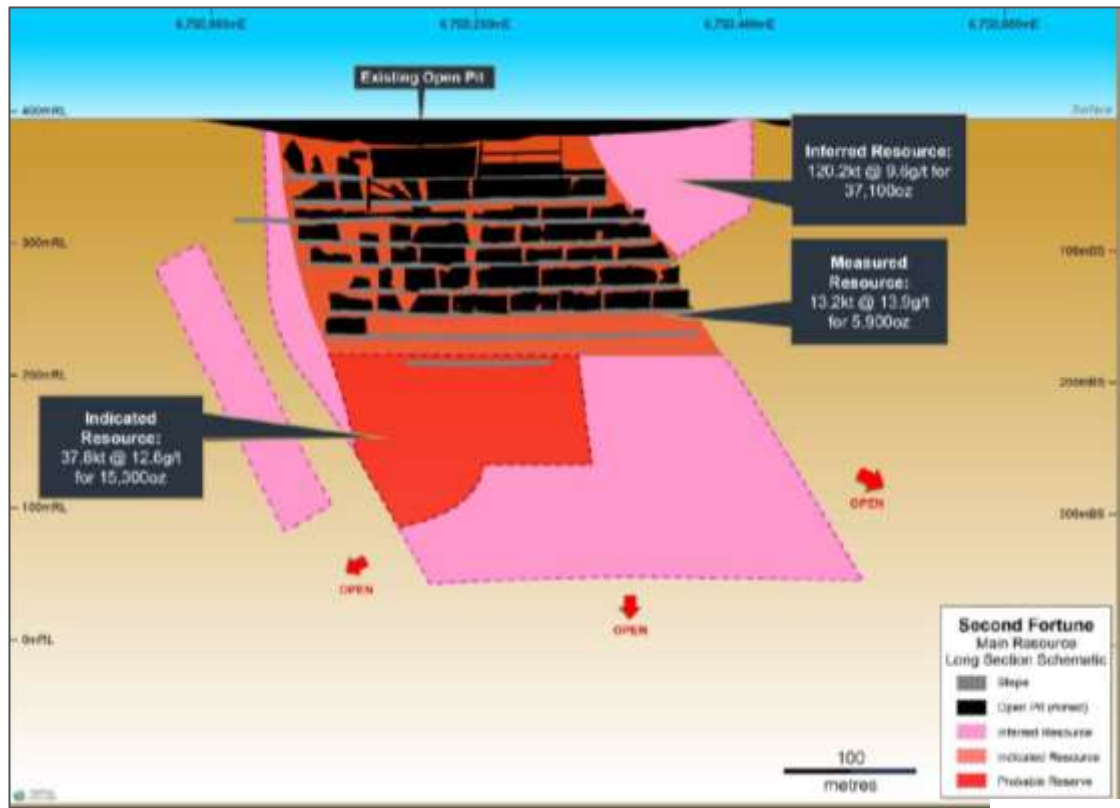
Since April 2021, the Second Fortune underground mine has been producing more than 10,000 t/month on average, which is trucked to the Gwalia gold processing plant in Leonora for processing. These parcels are processed in batches (Brightstar, 2024). In total, 22 parcels of ore have been processed at Gwalia to June 2024, for a total of 42,752 recovered ounces, and there is currently stockpiled ore at the mine site (totalling 8,402 t at 3.68 g/t Au as at 12 September 2024). SRK has been advised by Brightstar, and has been provided with evidence, that:

- Linden Gold developed an internal LOM plan that currently extends to October 2025 in monthly periods, and Brightstar intends to continue mining in Second Fortune for the foreseeable future.
- Brightstar is undertaking further drilling targeting depth extensions and infilling of areas at Second Fortune to support an expanded resource base and updates to the LOM plan¹⁴.
- SRK has investigated the processing method, gold recoveries and results of the batch processing, and considers the operation is being run in a sensible manner.

SRK notes that as at 20 September 2024, a new processing contract remains to be established for ongoing processing of Second Fortune ores at the Gwalia gold processing plant. SRK has been advised by Brightstar that commercial negotiations remain ongoing, and are expected to underpin continued processing of the Second Fortune ores, as well as the potential processing of the existing Lord Byron stockpiles and to support a near-term re-start of the Fish mine (within the Jasper Hills Project).

¹⁴ ASX: BTR announcement dated 10 July 2024

Figure 4.5: Second Fortune 2022 resource long section



Source: Adapted from Linden Gold (as cited in ITAR Linden Gold Alliance Ltd, VRM, 2022)

Mining method

The Second Fortune mine uses conventional methods for underground development and stope extraction as commonly found in other Eastern Goldfields narrow vein underground operations. This method consists of mechanised mining for development, ground support and stope extraction, including two load-haul-dump (LHD) vehicles, a longhole production rig, and a single boom development jumbo (VRM, 2022). Stopes are extracted using longhole up-hole bench stoping, with a stope height of 13 m and strike length of 30 m. As per the geotechnical management plan (September 2020), a 3 m wide rib pillar and 1.5 m sill pillar are left for hanging wall support, so that stopes can be left open after extraction. Stope backfilling is not required at Second Fortune.

The current mine design incorporates all required capital infrastructure including access and haulage decline, ventilation fans, escape way ladders, electrical and dewatering reticulation, and mine services, with major capital infrastructure completed including primary fans, power station and primary pump station.

The modifying factors used in the internal LOM plan are deemed suitable by SRK. Notably, a gold price of A\$2,500/oz was used for planning purposes in 2022, and mine planning parameters including stope dilution of 22% and recovery of 86% are typical for narrow vein gold deposits.

4.8.3 Jasper Hills Scoping Study

As noted previously, Brightstar completed a scoping study in March 2024 (the 2024 Jasper Hills Scoping Study) relating to the conceptual restart of mining at the Lord Byron and Fish deposits, using open pit and underground mining methods, respectively. Brightstar engaged external consultants (MineComp Pty Ltd) to complete open pit optimisations, with Lord Byron and Fish both generating economic shells.

Upon further analysis, Fish was assessed for underground mining, which was the ultimate mining method selected as it provided a better economic return. The total planned mined material assumed in Brightstar's 2024 Scoping Study is 2.4 Mt at 1.84 g/t Au, containing 142 koz of gold. However, this production scenario is absent of a formal Ore Reserve being declared. Total subsequent gold production after applying various applicable metallurgical recovery rates was estimated by Brightstar at 131 koz of gold.

Brightstar's 2024 Jasper Hills Scoping Study identified a future mining operation as requiring a 100-person accommodation facility, open pit mining complex (including offices and workshops), an underground mining complex (including offices, workshops and changerooms), and shared infrastructure such as magazines and fuel facilities.

Lord Byron open pit

Pit slope angles have been selected for open pit optimisation at Lord Byron, and mining dilution and mining recovery rates adopted. In SRK's opinion, the proposed parameters used for optimisation purposes are suitable. In addition to this, SRK notes the block model has been calculated on a 10 m × 10 m × 5 m minimum block size, representing the minimum mining unit (MMU). Combined with the dilution and recovery allowances, SRK considers Brightstar's approach to be conservative and low risk.

Table 4.7: Optimisation parameters used for Lord Byron

Item	Unit	Value
Revenue Factor (Gold Price)	\$/oz	\$2,800
Royalty	%	2.5% Govt + 2% third party
Mining recovery	%	95%
Dilution	%	10%
Overall slope angles		Oxide 40°, Transitional 50°, Fresh 60°
Metallurgical recovery	%	93 / 93 / 92%; o/t/f
Mining cost (top of pit)	\$/BCM	\$5.60 at top of pit +\$0.15 per 10 m increment
D&B Cost	\$/BCM	\$1.88 (OX) \$2.52 (TR) \$3.80 (FR)
Haulage cost	\$/t	\$8.99
Processing cost	\$/t	\$35.00

Source: Jasper Hills Scoping Study, 2024

Pit design was undertaken over the selected ultimate pit shell. A gold price of A\$2,800/oz was selected taking a long-term and conservative view of the Australian dollar gold price.

Open pit operational assumptions

Based on its review of the available technical data, SRK considers Brightstar's 2024 Jasper Hills Scoping Study adopts acceptable assumptions for the proposed future mining of the Lord Byron open pit:

- Proposed mining via conventional WA Goldfields style operations, whereby drilling and blasting of material is subsequently followed by load and haul activities using equipment shown in Table 4.8.
- Blasting will be undertaken on 5 m benches, selective mining in 2.5 m high flitches, in conjunction with dedicated grade control drilling to ensure ore/waste separation.
- Open pit mining activities are proposed to be conducted by an experienced third-party contractor.
- Supervision is provided by contractors and direction provided by Brightstar technical personnel.
- Operations will run on a FIFO basis working 24/7.
- Access to the pit will be via a two-lane ramp running from pit rim to 30 m above the final pit floor, with a single lane ramp at the base.
- Open pit minimum mining width (MMW) is 20 m.
- Ore is hauled to the existing ROM and waste to an extension of the current waste dump.

Table 4.8: Open pit mining equipment assumed for Lord Byron

Item	Number (Peak)	Machine Model and Type
Excavator	2	Komatsu PC1250 (120 t) – Liebherr 9150 (150 t)
Rigid Dump Truck	9	CAT 777 or Komatsu 785
Dozer	2	CAT D10
Grader	1	CAT 14M
Water Truck	1	4WD Rigid (50 kL capacity)
Service Vehicle	1	Medium Rigid (e.g. Hino)
Drill Rig	2	DP1500i
Explosive Truck	1	Supplier Built MMU

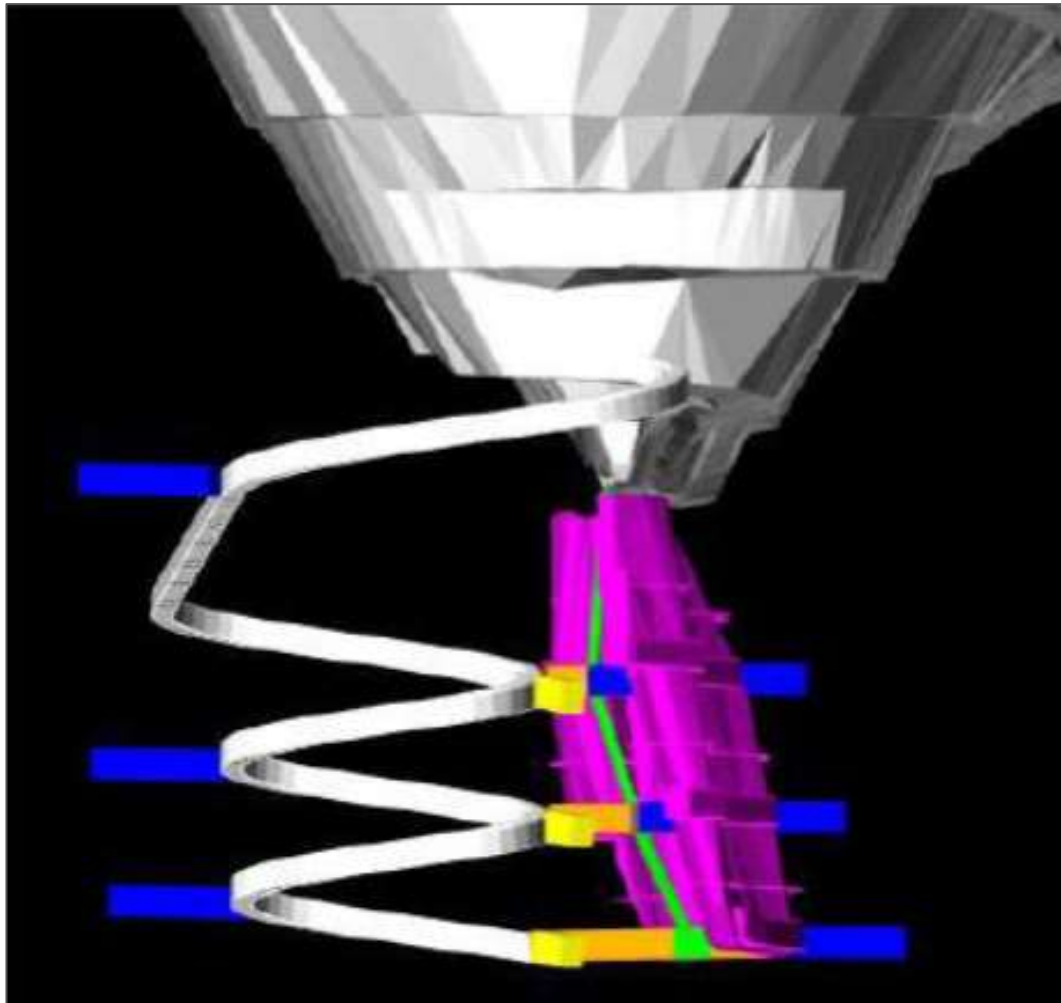
Source: Jasper Hills Scoping Study, 2024

Fish underground mine

The Fish deposit comprises a steep, single ore structure that has previously been mined by open pit methods down to a depth of approximately 60 m below surface. A decline portal off the side of the pit was deemed to provide a significantly quicker and more cost-efficient method for mining the orebody than alternative access methods. The 2024 Scoping Study outlines a single decline driven in the footwall and looping back and forth to provide close access to the orebody at three intervals (see Figure 4.6). The development from the decline would drive through to the orebody and then follow strike in both directions, with orebody strike length defined as up to 300 m.

The stope extraction method chosen is up-hole retreat stoping, with 3 m-wide rib pillars retained to ensure regional stability. Standard development drive sizes, ground support and a ventilation system have been selected to complete the underground operational design and costing based on the current actual costs being achieved from the Second Fortune underground mine.

Figure 4.6: Cross sectional view of Fish underground development (stopes shown in purple)



Source: Jasper Hills Scoping Study, 2024

Key operational assumptions outlined in the 2024 Scoping Study for the Fish underground mine include:

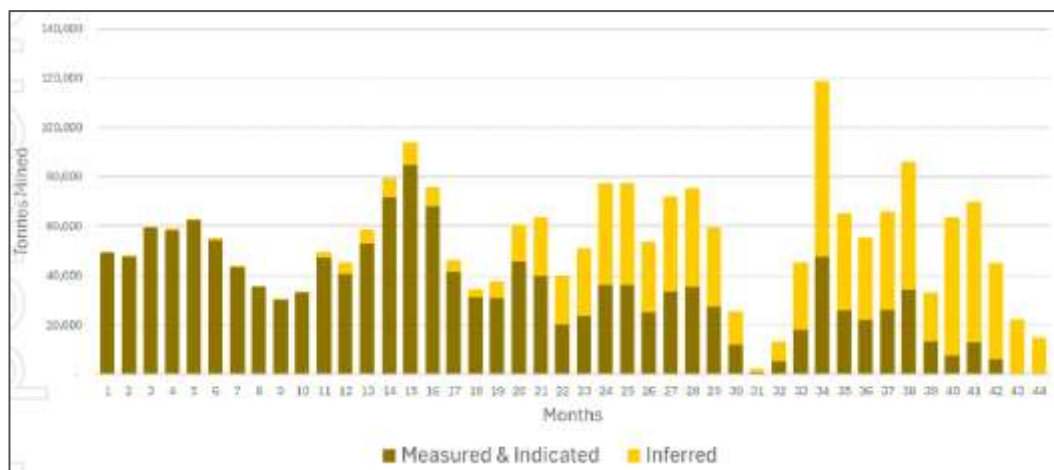
- Dilution factors of 20% for stoping and 10% for development, all dilution at 0 g/t Au.
- Mining recovery factor of 90% to account for pillars and ore loss.
- Workforce to share the Lord Byron camp and some of the open pit infrastructure.
- Owner-operator (as per Second Fortune) for mining, technical services, and administrative functions.
- Ore haulage via road train to a regional processing plant for toll treatment.

Jasper Hills production schedule

The 2024 Scoping Study targets the Fish underground mine as being the main ore source for the first 14 months of the project (Figure 4.7 and Table 4.9), mixing high-grade ore from Fish with

existing low-grade stockpiles of around 1.0 g/t Au. Over this time, the Lord Byron open pit ramps up and is completed over 31 months in total.

Figure 4.7: Jasper Hills production by JORC resource category



Source: Jasper Hills Scoping Study, 2024

Table 4.9: Proposed LOM physicals for the Jasper Hill mines

Physicals	Unit	LOM study at \$3,000/oz
Lord Byron Open Pit		
Total material movement	Mbcm	12.42
Ore mined	Mt	2.21
Head grade	g/t Au	1.62
Gold contained	oz	115,463
Strip ratio	W : O	11.6: 1
Fish Underground		
Ore mined	Mt	0.19
Head grade	g/t Au	4.38
Gold contained	oz	26,497
Totals		
Process plant feed	Mt	2.40
Head grade	g/t	1.84

Source: Jasper Hills Scoping Study, 2024

Note: A\$3,000/oz Au was used for the financials, whereas A\$2,800/oz was used for the optimisations.

Based on its review of the available technical information, SRK is confident that the assumptions and mine planning outlined in the Jasper Hills 2024 Scoping Study are appropriate and reasonable for these styles of deposits.

4.8.4 Cork Tree Well

Existing pits at Cork Tree Well are South 1 and South 2. Brightstar has undertaken open pit optimisations based on expansions to these pits, which were used in its Mineral Resource Estimates during 2023. The optimisations were carried out by ABGM Pty Ltd (ABGM) using Datamine's NPVS software, and a gold price of A\$2,750/oz was selected.

Open pit designs were created assuming a 22 m-wide double-lane ramp, and a single lane (10 m) wide ramp in the bottom of the pit where total movement mining volumes are much lower. Appropriate geotechnical wall angles have been used, which all form standard assumptions for small open pit mines in the WA goldfields.

Designs were constructed in such a way that the bulk of the open pit material would be mined via a 22 m double-lane ramp with minor volumes hauled with a single lane (10 m) wide ramp typically at the base or bottom third of the pit. A wider deposit in Cork Tree Well pits facilitates larger mining equipment, anticipated to be 200–250 t class excavators matched with 150 t class dump trucks. A mining contractor will be engaged with personnel and common items shared across the open pit operations.

4.9 Mine closure planning and provisioning

4.9.1 Second Fortune

The Second Fortune site is highly disturbed with little vegetation re-establishment within the project footprint.

The most recent mine closure plan (MCP), mine rehabilitation fund (MRF) and 2023 Annual Environment Report (AER) for Second Fortune operations consist of:

- 2023 Second Fortune Gold Mine, Mine Closure Plan, Site Code: S0230330, Site Name: Linden Environmental Group Site/Exterra, Version 5, Rev.D, 05/06/2023
- Annual Environment Report, May 2023 Reference: AER-423-53040, Project: J02325 Linden Gold
- Mining Rehabilitation Fund, Reference ID: MRF-478-65789, June 2024.

The AER (2023) notes there is no bond being held for the Second Fortune Gold Project on the tenements L39/12, L39/230, M39/255, M39/649 and M39/650.

The MRF totals A\$1,757,340 across the tenements disturbed within the Second Fortune Gold Project.

A mining proposal submitted in January 2023 sought approval to expand the footprint of the existing main waste rock dump (WRD), construct a new haul road, and establish a new topsoil stockpile. The mining proposal was approved on 8 June 2023.

Overall, the project disturbance footprint is 68.22 ha, of which 1.37 ha is under rehabilitation (self-revegetation). Exploration activities have been included in the 2023 MRF and progressive rehabilitation of exploration disturbances is ongoing, though exploration rehabilitation reports have not yet been submitted.

4.9.2 Jasper Hills

At both the Lord Byron and Fish sites within the Jasper Hills Project, waste rock dumps from previous mining activities are partially rehabilitated and there has been no evidence of any deleterious effect on the environment identified. The sites in their current state are cleared of infrastructure and services. No tailings from processing are stored at site.

Lord Byron and Fish are supported by approved Mining Proposals and an MCP.

The most recent MCP and closure cost estimate for the Jasper Hills projects consist of:

- 2023 Lord Byron & Fish Gold Projects, Mine Closure Plan, Site Code: S0237689, Site Name: Jasper Hills Environment Group for Blue Cap Mining Pty Ltd, Version 1, Rev.A, 01/06/2023
- Mining Rehabilitation Fund, Reference ID: MRF-433-64941, June 2024.

For the Jasper Hills mines, the single closure task are earthworks to complete the cover for waste dumps, and this is estimated at A\$904,740. SRK notes that the design and location for the material balance required for close, and topsoil, has not been identified. In addition, geotechnical assessment of the open pits to determine their stability and location of abandonment bunds is also still outstanding.

A closure monitoring program is provided and estimated at A\$325,000. Contingency for potential delays, extreme weather events and other factors is costed at 10% resulting in the overall estimated total required for closure and post closure being A\$1,352,714.

Tenements within the Lord Byron MRF include: L38/120, L38/163, L38/164, L39/124, L39/214, M39/138, M39/139, M39/185 and M39/262. The MRF identifies A\$7,015,998 is required for rehabilitation across these tenements (MRF Report, June 2024).

SRK has reviewed Brightstar's closure costing and generally considers that the rates used are appropriate. The description of closure concepts presented in the most recent mine closure plans generally reflects conventional practice in the Western Australia at the time of preparation, but may require additional updates going forward.

4.9.3 Cork Tree Well

The most recent MCP and AER for the Cork Tree Well project consist of:

- 2019 Cork Tree Well Mt Margaret Mineral Field Mine Closure Plan M38/346, Stone Resources Australia Ltd, Version 1, Reg ID 29519, 31/05/2019
- Annual Environment Report, August 2023 Reference: AER-479-55067, Project: J00075 Cork Tree Well – Delta, Brightstar Resources.

Previously, an environmental performance bond was maintained by Stone Resources for a total bond liability of A\$529,000, being for the waste landform and PW Dams. In 2013, the waste landform was noted to be a high risk due to acid forming materials (Stone Resources, 2019). In 2016, an inspection by the Department of Mines and Petroleum identified a large area of PAF (potentially acid forming) material on the top surface of the dump. Stone was required to undertake waste characterisation studies (CTW) of the Delta waste rock landform (WRL) to determine the extent of the PAF, and noted the current state was unacceptable. Stone constructed a satisfactory

cover over this oxidising PAF material by the next inspection in 2017. In 2018 further rehabilitation was conducted as detailed in an 'as-built report' provided to the Department of Energy, Mines, Industry Regulation and Safety (DEMIRS).

As at August 2023, there was no bond being held. Closure costs are estimated to total A\$1,811,250.

4.9.4 Alpha and Beta

The most recent MCP and AER for the Alpha and Beta projects consist of:

- 2019 Brightstar Alpha Project, Mt Margaret Mineral Field Mine Closure Plan M38/968 & L38/123, Stone Resources Australia Ltd, 30/09/2019
- 2019 Brightstar Beta Project, Mt Margaret Mineral Field Mine Closure Plan M38/009, L38/100, L38/185 & L38/188, Stone Resources Australia Ltd, 29/11/2019
- Annual Environment Report, Jan 2024 Reference: AER-407-55472, Project: J00233 Brightstar Stone Beta (Mikado) Group, Brightstar Resources.

There is no current environmental performance bond being held for either the Alpha or Beta deposits. As at 2019, closure costs were estimated at A\$197,800 for Alpha and A\$1,925,000 for Beta. Negligible rehabilitation has been undertaken to date given potential restart optionality being assessed, but Brightstar has detailed closure objectives identified for these sites, which substantiate the 2019 closure cost estimate.

5 Brightstar's Menzies Hub

5.1 Project description and background

Brightstar's 100% owned Menzies Hub is centred on the township of Menzies, approximately 130 km north of the City of Kalgoorlie–Boulder. The Project comprises two discrete tenure packages, namely:

- The Menzies Project is a large, coherent tenure package that surrounds the town of Menzies to the northwest, west and south.
- The Goongarrie Project is a separate tenure package located near the abandoned town of Goongarrie approximately 40 km south of Menzies and to the east of the Goldfields Highway.

These tenures lie within the Menzies (SH 51-5) and Kalgoorlie (SH51-09) 1:250,000 scale and the Menzies (3138) and Bardoc (3137) 1:100,000 scale map sheet areas.

Access to the tenures is gained via the Goldfields Highway and thereafter along unsealed gravel shire roads as well as station, exploration, and mining tracks. The vegetation is mainly semi-arid scrubland with areas of spinifex. Stream run-off is minimal.

The advanced Menzies Project includes several gold deposits within granted mining leases that cover parts of the high-grade Menzies gold field. The Menzies Goldfield has historically produced 787 koz of gold at 18.9 g/t Au from intermittent production between 1895 and 1995, with further open pit mining between 1995 and 1999. In 2023, Brightstar commenced and subsequently completed a successful mining campaign at the Selkirk deposit via a profit share joint venture with BML Ventures Pty Ltd (BML), with first gold achieved in March 2024.

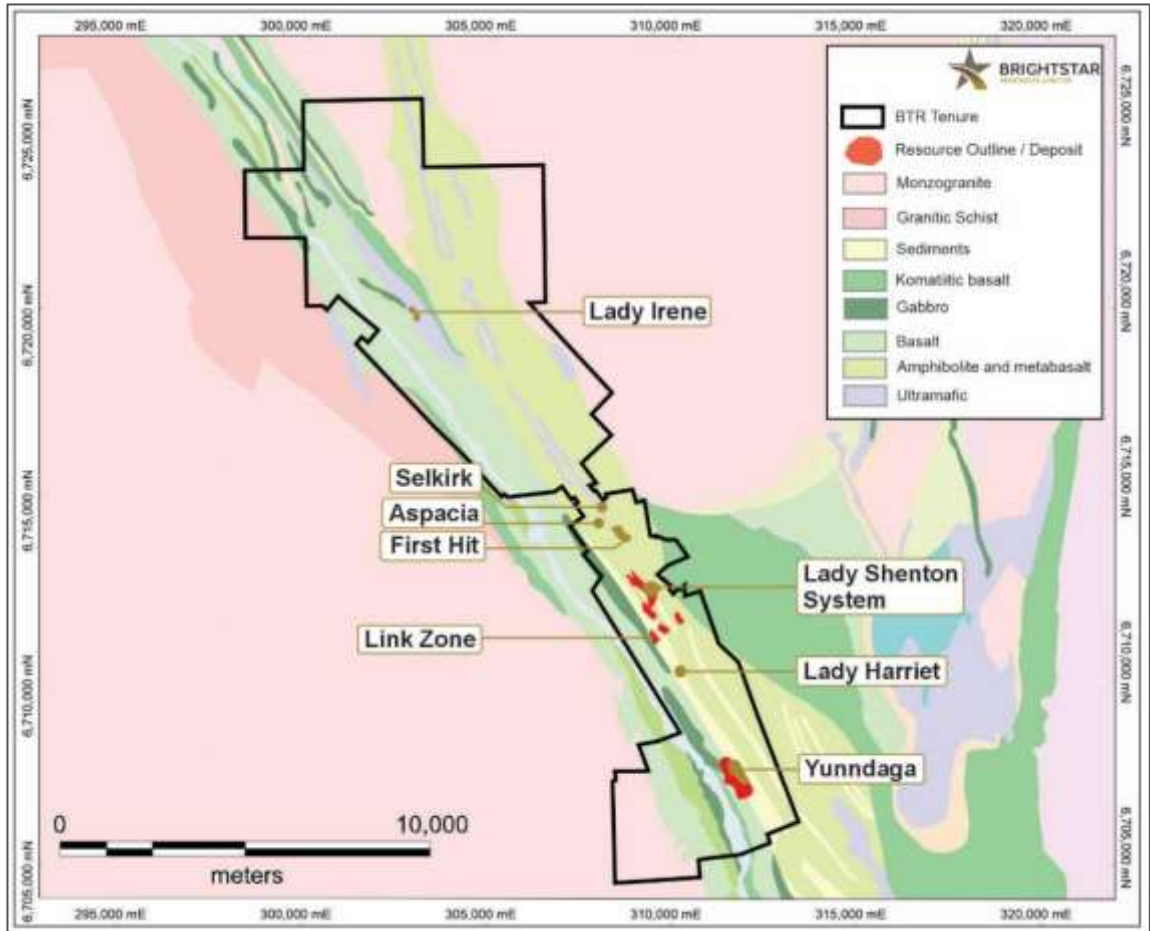
The Menzies Project covers an area extending from 10 km north to 10 km south of Menzies and covering a north-northwest trending greenstone sequence encompassing the Menzies Shear Zone, which has a regional gold endowment of 1.3 Moz (past historical production and Brightstar's current Mineral Resource base) – refer Figure 5.1.

The major (+100 koz Au) deposit include Lady Shenton and Yunndaga, with the Aspacia, Lady Harriet, Link Zone, Selkirk, and Lady Irene deposits hosting a combined 151 koz Au.

In July 2022, Kingwest Resources Limited (Kingwest) announced it had entered into an agreement with BML Ventures Pty Ltd for open pit and underground mining of the Selkirk deposit. This mining venture has now been completed and mining ceased by early 2024 with gold ore processed at Genesis' Gwalia plant located near Leonora.

The Lady Shenton System and Yunndaga were the primary deposits extracted within the Menzies and Laverton Gold Project Restart Study released by Brightstar in September 2023, with open pit and underground mining methods investigated from the Lady Shenton and Yunndaga mineralised systems, respectively.

Figure 5.1: Locations of the Menzies deposits



Source: Brightstar ASX announcement titled 'Lodgement of Bidder's Statement' dated 29 April 2024

The greenfields Goongarrie Project is a contiguous land package extending over a 25 km strike length along the Bardoc Tectonic Zone. It was acquired by Brightstar from Kingwest in 2023, which had previously acquired the project from Intermin Resources Limited (Intermin) in July 2019.

The original Goongarrie historical mining centre produced 19,384 oz of gold from underground mines plus a further 6,340 oz from alluvial workings in the 1890s and 1900s, and then a further 128,600 oz of gold from seven shallow open pit mines held by Julia Mines NL (Julia) between 1987 and 1989. Julia's operations were prematurely closed following cyclonic flooding in May 1989 and since that time there has only been limited gold exploration and no further mining.

Kingwest carried out various exploration activities at Goongarrie between 2019 and 2022 including geological review, aeromagnetic geophysical surveying passive seismic surveying, surface pitting and aircore, RC and diamond drilling, before ceasing further exploration in late 2022 and seeking a potential third party. Brightstar acquired Kingwest in May 2023.

5.1.1 Tenure

Brightstar holds a 100% interest in the Menzies Hub tenure through its wholly owned subsidiary companies, Menzies Operational & Mining Pty Ltd, Goongarrie Operational & Mining Pty Ltd and Kalgoorlie Nickel Pty Ltd. The Menzies Hub tenure comprises 5 granted ELs (93 km²), 8 granted

MLs (50 km²) and 34 granted PLs (43.3 km²) covering a combined area of approximately 186.8 km². A summary tenement schedule is shown in Table 5.1.

Key tenements include M29/14 (Aspacia deposit), M29/88 (Yunndaga deposit), M29/153 (Lady Shenton, Pericles, Stirling, Warrior, Lady Harriet, Bellenger, and Link Zone deposits), M29/154 (Selkirk and First Hit deposits), M29/212 (Lady Irene deposit) and P29/2532 (Goongarrie deposit).

SRK has received representation from Brightstar that the schedule detailed in Table 5.1 is to be relied upon for the purpose of this Report. SRK has made all reasonable enquiries into the status of this tenure as at 30 August 2024 and crosschecked with the WA online database, TENGRAPH (https://www.dmp.wa.gov.au/TENGRAPH_online.aspx).

Table 5.1: Brightstar Menzies Hub tenure summary – as at 30 August 2024

Tenement type	Number	Area (ha)
EL granted	5	9,309.93
ML granted	8	5,039.21
PL granted	34	4,326.50
L granted	3	0.27
Total	50	18,675.93

Source: ASX:BTR 01 August 2024 'Brightstar to drive consolidation of Sandstone District', Government of Western Australia (TENGRAPH)

Other land uses

The majority of the leases are located on Menzies Crown Reserve Common (Menzies Shire Common). The Adelong Station (Menzies Aboriginal Corporation) is located on the outer tenements. M29/153 is partially located on the Menzies Water Reserve. Other Reserves in the area include Reserve 7986, Unnumbered Reserve 50, and Mineral Processing Reserve 24145.

Royalties

State royalties are distributed to the Western Australian Government at the rate of 2.5% of the royalty value of any gold produced from Brightstar's Menzies Hub tenures. This rate is the ad valorem rate that applies to gold metal as defined under the Mining Regulations 1981.

In addition, third party royalties relating the Menzies Hub tenures include:

- A 2% NSR royalty payable on any lithium extracted and sold from E29/981 payable to Kalgoorlie Nickel Pty Ltd (KNPL).

5.2 Infrastructure

Brightstar holds only limited infrastructure at the Menzies Hub, namely:

- two houses in the town of Menzies (53 Mercer St and 21 Onslow St) used for accommodation purposes
- historical infrastructure (former open pits, mine shafts, stockpiles, tailings storage facilities, waste rock dumps, battery, buildings, etc.)
- sealed highway to the Menzies township and thereafter gravel roads (including former haul roads) and tracks

- mobile telephone coverage
- local airstrip.

SRK has been advised that all drill core and chips are processed at the Mercer St property, which has a work yard.

5.3 Permitting

5.3.1 Environmental permitting

Environmental aspects of mining and related activities at the Menzies Hub are primarily regulated under the following Western Australian legislation:

- the Commonwealth *Environment Protection and Biodiversity Conservation Act 1999* if a Matter of National Significance is impacted
- the WA *Environmental Protection Act 1986*
- the *Mining Act 1978*
- the *Aboriginal Heritage Act 1972*
- the *Rights in Water and Irrigation Act 1914*.

A summary of the most recent approvals issue under these Acts is provided in Table 5.2.

None of the activities that form part of Menzies Hub are considered by the company to be 'environmentally significant' and none have been referred to the Federal Government or to the Western Australian EPA for environmental impact assessment under (respectively) the *Environment Protection and Biodiversity Conservation Act 1999* (Cth) or the *Environmental Protection Act 1986* (WA).

It is not compulsory to refer projects for assessment under this legislation, although there is an expectation that 'environmentally significant' projects will be referred and assessed.

SRK has been provided with documentation from Brightstar which was submitted to DEMIRS on 12 September 2024 as the relevant Mining Proposal and Mine Closure Planning documentation for a small mining operation at Menzies Link Zone.

Mining and related activities

Commitments made in approved mining proposals and mine closure plans are legally binding and remain as legal obligations unless explicitly altered or superseded by subsequent *Mining Act 1978* approvals. Environmental obligations remain with the mining tenure and are binding on future tenement holders. A number of Mining Proposals were approved for the tenements that formed the hub during the 1980s and 1990s. The recent mining proposals and closure plans related to the Menzies Hub are listed in Table 5.2.

There are no permits granted for clearing of native vegetation. SRK understands that the current clearing activity is the subject of the exemption due to the exploration stage of the project development and small area of the clearing (less than 10 ha) required for the current activity. There are no clearing permits granted for Menzies Hub tenements.

Groundwater extraction and use

Water allocations approved for the Menzies Hub under the RIWI Act. The groundwater licence GWL208206 has been granted for mining lease M29/154 for extraction of 1,500 kL. SRK notes that GWL208206 expires on 21 December 2024.

Approvals to extract water under Section 5C of the RIWI Act do not automatically entitle licence holders to discharge water to the environment. Discharge of water to the environment (including disposal of water to mine pit voids) is regulated as a 'prescribed activity' under Part V of the *Environmental Protection Act 1986*.

Table 5.2: Environmental authorisations – Menzies Hub (as at August 2024)

Statutory instrument	Date approved (or most recently amended)	Regulated activities
<i>Mining Act 1978</i>		
Mining proposal REG ID 122766 (<i>Mining Proposal and Mine Closure Plan Rev 4</i>)	15 March 2024	Mining, mineral processing and related ancillary activities.
Mining proposal REG ID 120035 (<i>Selkirk Cutback</i>)	17 August 2023	
Mining proposal REG ID 114013 (<i>Selkirk Cutback</i>)	8 November 2022	
Mine Closure Plan REG ID 64383 (<i>Menzies Mine Closure Plan Version 1</i>)	8 June 2018	
Mine Closure Plan for small mining operations – Menzies (Ballarat) Project REG ID 97454	7 September 2021	
<i>Part V of Environmental Protection Act 1986</i>		
No licences under the EP Act		
<i>Rights in Water and Irrigation Act 1914</i>		
GWL208206 (M29/154 – Selkirk) – Expires 21 December 2024	22 December 2022	Authorises extraction of 1,500 kL of the Rebecca groundwater subarea.

Note ¹: It is not possible to transfer or assign clearing permits issued under the *Environmental Protection Act 1986*.

5.4 History

Previous operators in the area include Pancontinental Mining's subsidiary, Paddington Gold Pty Ltd (Paddington), Julia, Rox Resources Limited (Rox), Regal, Goldfields, Heron Resources and Intermin.

More recent exploration success by Brightstar has strategically positioned the Menzies Hub for future development. Key to this have been the following:

- In September 2023, Brightstar released a scoping study for the development of its 100% owned Menzies and Laverton Hubs. This scoping study outlined potentially economic development scenarios driven by low capital requirements associated with the existence of readily available infrastructure in the area.
- A +30,000 m RC and DD drilling program across its portfolio targeting resource upgrades and extensions in conjunction with feasibility workstreams at Menzies and Laverton.
- Brightstar has recently revealed assays results for the +30 holes completed at the Link Zone, comprising the Westralian Menzies, Meriyulah and Gold Dicks deposits. This drilling was focused on small discrete areas with information to be used ahead of potential resource estimation, technical studies, and a potential development of a small-scale mining operation. The recent infill drilling returned significant shallow gold-bearing intersections. The shallow and oxide nature of the Link Zone deposits, as well as their proximity to existing processing infrastructure, increases their attractiveness for a small-scale toll-treatment campaign similar to that at Selkirk
- A feasibility study is underway targeting the combined development of its Menzies and Laverton Hubs.

5.4.1 Menzies

Significant past production from high grade open pit and underground gold mines has occurred in the Menzies area. Up until World War 1, approximately 653 koz, was mined from the tenements, mostly from the First Hit, Lady Shenton and Yunndaga underground mines. More recent open cut mining in the 1990s delivered an additional 143 koz, with most of the ore being treated at the Paddington mill to the south. Historical production figures for both underground and open pit production were reported in Pieters (2016).

Mine	Past Underground Production			Recent Open Pit Production			Total Gold Ounces
	Tonnes	Gold (g/t)	Gold (ounces)	Tonnes	Gold (g/t)	Gold (ounces)	
Yunndaga	526,000	16.0	270,580	800,000	2.50	64,301	334,881
Lady Shenton ¹	185,000	32.0	190,332	314,000	2.62	26,164	216,496
First Hit ²	165,000	32.0	169,756	325,000	2.40	25,078	194,834
Lady Harriet	12,000	22.0	8,488	160,000	2.80	14,404	22,892
Selkirk	5,000	24.0	3,858	42,000	4.60	6,212	10,070
Aspacia	9,000	37.1	10,731	-	-	-	10,731
Lady Irene	-	-	-	42,721	4.77	6,552	6,552
Total	902,000	22.5	653,745	1,682,721	2.64	142,710	796,456³

More recent exploration at Menzies includes:

- After being held since 2008, Intermin reported an updated Mineral Resource Estimate for the Menzies deposits and initiated drilling at the Selkirk prospect in March 2016. In September 2016, Eastern Goldfields Limited (EGS) entered into a joint venture with Intermin for the Menzies and Goongarrie projects with a focus of delineating potential feed ores for the Davyhurst processing facility.
- Following data compilation and review throughout 2017, further drilling was commenced at the historical Yunndaga mine prior to EGS suspending all operations in early September 2018. On 7 February 2019, Intermin announced it had entered into a Deed of Settlement and Termination with the administrators of EGS. Following the execution of the Deed, Intermin held a 100% interest in both the Menzies and Goongarrie projects.
- Intermin commenced a drill program at Lady Irene and Yunndaga in February 2019, which was subsequently expanded to include the Lady Shenton, Pericles, and Selkirk deposits.
- In September 2019, Intermin completed the divestment of the Menzies and Goongarrie projects to Kingwest.
- In mid-February 2020, Kingwest reported an updated Mineral Resource Estimate at Pericles prior to commencing further RC and diamond drilling programs resulting in a further updated Mineral Resource Estimate in March 2020. Further resource definition and exploration drilling was carried out over the remainder of 2020.
- In March 2021, Kingwest announced an updated Mineral Resource Estimate for all deposits at the Menzies Project and the results of its scoping study.
- In October 2021, Kingwest and FMR Investments Pty Ltd (FMR) agreed to form a mining and processing joint venture to recommence underground mining at the Yunndaga deposit. Following further drilling an updated Mineral Resource Estimate for the Lady Shenton, Pericles and Stirling deposits was announced in April 2022, and for the Pericles and Stirling deposits in December 2022.
- In August 2022, an infill drilling program was conducted at the Selkirk deposit, which encountered narrow, high-grade gold intervals at shallow depths, which led to the submission of a Mining Proposal.
- On 8 November 2022, the Selkirk mine was approved by DEMIRS. The mining proposal was subsequently revised and approved on 17 August 2023. First blast occurred on the 21 August 2023 and mining commenced on 25 August 2023. Waste material was transported and dumped in the approved waste rock dump. Ore was stockpiled on the ROM for later transport via road trains to the Gwalia processing plant in Leonora. The Selkirk campaign was concluded in March 2024 and produced 7,468 oz of gold, which were sold to Perth Mint.
- Also in 2022, two infill drilling programs were conducted at the Stirling and Pericles deposits to assess the opportunity for high-grade extensions not tested in previous drilling programs.
- In late March 2023, Kingwest reported that St Barbara Limited (SBM) had fully executed documentation for toll milling of ore from the Selkirk Mining Joint Venture.
- In May 2023, the proposed merger between Brightstar and Kingwest became effective, with Brightstar commencing resource definition and brownfields exploration programs shortly thereafter.

- In the June quarter 2023, Brightstar commenced its inaugural RC drilling campaign at Menzies with initial drilling at the Lady Irene deposit followed by the Aspacia deposit with a small program also completed at the Lady Shenton – Lady Irene ‘Link Zone’, testing shallow oxide mineralisation potential. Narrow high-grade gold intercepts have been reported at shallow depths from the Aspacia and Lady Irene prospects.
- In September 2023, Brightstar reported scoping study results to restart Menzies and Laverton Hubs.
- In November 2023, Brightstar reported a maiden Mineral Resource Estimate at Link Zone, which was followed by the maiden Mineral Resource Estimate for Aspacia in April 2024.
- In the June 2024 quarter, Brightstar commenced an extensive RC and diamond drilling program across its Menzies Hub, with initial RC drilling focused on infilling areas for resource confidence at the Lady Shenton System and diamond drilling of Link Zone to generate metallurgical and geotechnical information.

5.4.2 Goongarrie

Historically, there have been two periods of exploration and mining at Goongarrie.

- The first period began with the discovery of gold in 1893 and resulted in the establishment of several high-grade, narrow vein underground gold mines. Most of these had ceased production and closed by 1918, but the New Boddington mine continued until 1942.
- The second period began following rising gold prices in the 1980s, which prompted a re-evaluation of the former underground mining operations for shallow, lower grade oxide gold deposits. This resulted in the establishment of seven open pit gold mines by Julia between 1987 and 1989 (refer Table 5.3). Julia’s operations ceased abruptly in May 1989 as a result of cyclonic flooding and since that time there has only been intermittent gold exploration and no further mining. All of the early prospect and underground mining and almost all of the modern exploration and open pit mining has been limited to outcropping areas on the western side of Lake Goongarrie.

Table 5.3: Production from the five open pits within the Goongarrie Project

PIT	PIT DEPTH M	ORE MINED T	MINED GRADE G/T	
			AU	OZ AU
Frank's Dam	81	64,548	2.97	6,170
New Boddington	82	56,783	2.60	4,746
Hick's Line North	26	34,109	2.70	2,961
Hick's Line South	34	16,677	2.60	1,393
Caledonian	na	15,009	1.80	869
TOTAL		187,126	2.68	16,125

Source: Cove Resources Limited Prospectus, dated 16 December 2010.

Recent history at Goongarrie includes the following:

- In February 2016, Intermin acquired the Goongarrie Project from the administrators of Cove Resources Limited (Cove).
- In June 2017, Intermin entered into a joint venture with EGS for both the Menzies and Goongarrie projects, which continued until EGS entered administration in 2019.
- During 2019, Intermin completed regional AC drilling and follow-up RC drilling programs at Goongarrie before divesting the asset to Kingwest in September 2019.
- In January 2021, Kingwest completed its inaugural drilling program at Goongarrie, with further extensional aircore drilling programs completed throughout that year and resulted in the discovery of the Sir Laurence prospect, with further infill drilling completed well into 2022.
- In 2022, Kingwest continued to assess the source of the gold anomaly in Lake Goongarrie.
- In mid-2023, Kingwest and Brightstar completed its proposed merger via a scheme of arrangement.
- In July 2023, Brightstar entered into an agreement with DevEx Resources Limited (Devex) whereby Devex is able to earn up to a 75% interest in the non-gold mineral rights associated with exploration licences (E29/966 and E29/996) on Lake Goongarrie. In the December 2023 quarter, Devex completed a SQUID electromagnetic geophysical survey at the Highway nickel deposit.
- In the June 2024 quarter, Devex provided notice to Brightstar that it had completed the option period activity at Highway and intended to move to the Stage 1 earn-in. Devex reported that it had identified a number of geophysical conductors of merit and planned to drill test these targets.

5.5 Local geology and mineralisation styles

The regional geological context is provided in Section 2.5 of this Report.

Project tenements at Menzies are located within the Menzies Shear Zone, which is a broad zone of strongly deformed and interleaved mafic, ultramafic, and sedimentary rocks. The sediments consist of slates and fine to coarse grained quartz plagioclase and biotite schist, with granite clasts up to 10 cm.

Gold mineralisation is broadly associated with mafic rocks in the north of this field to metasedimentary rocks in the southern portion of the field. Historical mines lie on a trend from St Albans through Lady Shenton to Yunnadaga, toward the centre of the Menzies Shear Zone, and are located on banded shears.

Lenticular, pipe-like ore bodies within the banded shears plunge consistently 30–40°S, consistent with observed stretching lineations and slickensides. Either side of this central zone, mineralisation is mainly associated with quartz veined and brecciated shear zones. Sulfides associated with the veining typically are pyrrhotite, pyrite and arsenopyrite (Woodward 1906) with biotite(-garnet) alteration of the mafic rocks.

Gold mineralisation can be summarised as occurring within a broad range of host rocks in three general styles that are intricately linked:

- single, larger quartz veins (i.e. quartz reefs)
- closely spaced sheeted quartz vein zones
- sulfidic biotitic shear zones.

5.5.1 Main deposits

Table 5.4 summarises the key characteristics associated with the main gold deposits at Brightstar's Menzies Hub.

Table 5.4: Summary of main deposits at Brightstar's Menzies Hub

Prospect	Geological overview
Lady Shenton System	<p>The Lady Shenton-Pericles System is situated in the central portion of the Menzies Tectonic Zone where the layered sequence is dominated by fine-grained amphibolite derived from a basalt protolith, ultramafic schists (amphibole-dominant), felsic schists likely of sedimentary origin and quartzite. The layered sequence has been intruded by plugs of medium to coarse-grained amphibolite (meta dolerite) and by sheets of granodiorite. All these rocks are intensely deformed and have been metamorphosed.</p> <p>The layered sequence strikes northwest (average 320° to 330°) and dips at about 45–55° towards the southwest, with foliation mostly parallel to layering but bedding cleavage relationships indicate that the sequence has been tightly folded, with fold axes sub-parallel to the dominant foliation, i.e. dipping at moderate angle towards the southwest.</p> <p>The granodiorite (and to some extent the meta-dolerite) are boudinaged, with boudins plunging south, and mineral lineations that plunge south are also present. These are stretching lineations and suggestive of oblique west-side down sinistral shear throughout the Menzies Tectonic Zone.</p> <p>The gold mineralisation occurs as shoots which plunge towards the south, coincident with the stretching lineations, suggesting that this plunging elongation towards the south is a structural control upon the mineralisation. Textural features of the mineralisation indicate that the mineralisation was introduced into active ductile shears and that continued deformation attenuated the mineralised zones, resulting in distinct lenticular shoots plunging south.</p> <p>All of the mineralised lodes have been affected by broadly east–west cross faults, commonly dipping towards the north and usually displacing the southern continuation of mineralisation towards the east.</p>
Yunndaga	<p>The Yunndaga deposit is situated in the western portion of the Menzies Tectonic Zone dominated by fine-grained felsic schists, likely of sedimentary origin but possibly volcanoclastic. All the rocks are intensely deformed, including over-turned folds and shearing.</p> <p>Gold mineralisation is contained within shears that are typically parallel with the overall layering of the sequence and commonly occur at the contacts of different rock types.</p> <p>the mineralised bodies (shears or veins within shears) dip at about 55° to 60° towards the west-southwest. Within the shears, there are distinct higher-grade zones (shoots) that plunge south at a moderate angle and the Princess May Lode also has the same southerly plunge.</p>

	<p>The Princess May Lode is a major mineralised structure and probably formed as a dilatant fracture within a shear that was localised to the ultramafic rock. In this situation, the host fracture typically pinches and swells along strike and down-dip, having a segmented nature. This characteristic is shared by the Princess May Lode, as the outcropping lode appears to have extended down to about level 10, with another segment worked from levels 11 to 13 (level 14 had very little ore) and another from levels 15 to 19. The mineralisation in levels 20 and 21 may be the upper part of a deeper segment.</p> <p>Another characteristic of this structural setting is the presence of veins in the footwall or hanging wall sub-parallel to the main lode.</p>
Aspacia	See general description at the start of this section.
Lady Harriet	See general description at the start of this section.
Link Zone	See general description at the start of this section.
Selkirk	<p>The First Hit-Selkirk System is situated in the eastern portion of the Menzies Tectonic Zone where the layered sequence is comprised of fine-grained amphibolite derived from a basalt protolith and ultramafic schists that include talc-rich layers. All these rocks are intensely deformed and have been metamorphosed.</p> <p>The layered sequence strikes about northwest (average 320° to 330°) and dips at about 45–55° towards the southwest with foliation mostly parallel to layering but bedding cleavage relationships indicate that the sequence has been tightly folded, with fold axes sub-parallel to the dominant foliation, i.e. dipping at moderate angle towards the southwest.</p> <p>Mineral lineations that plunge south are present and these stretching lineations are suggestive of oblique west-side down sinistral shear, in common with the rest of the Menzies Tectonic Zone.</p> <p>A major control upon the development of mineralised structures within the First Hit-Selkirk System is the competency contrast between the amphibolite and ultramafic schists. Although all the rocks are deformed, the amphibolite was more competent while the ultramafic rocks, some of which are talc-rich, are intensely sheared. The amphibolite is commonly the host rock although some mineralisation is within ultramafic rocks.</p> <p>The typical mineralised setting of the First Hit-Selkirk System consists of mineralised shears within a block of amphibolite flanked by ultramafic rock. In this setting, dilatancy is focused within the amphibolite blocks with development of shears and fractures at various orientations influenced by the thickness and orientation of the amphibolite block.</p> <p>The majority of the known gold mineralisation presents as banded altered rock composed of quartz veinlets within a sulfidic schistose matrix. In some locations the veinlets coalesced into larger markedly lenticular quartz bodies which, in some cases attained thicknesses of up to about 3 m but typically had an overall average thickness of about 0.5–1 m. These quartz bodies (veins or 'reefs') typically did not exceed 30 m in length and about 10m in breadth and have the same southerly plunge as the mineral lineations of the enclosing schist. They contain high-grade gold mineralisation and occur as sub-parallel more-or-less <i>en échelon</i> veins at varying degrees of separation within sulfidic schist that is a portion of a shear zone. The mineralised portion of the shear zone constitutes a lode.</p>
Lady Irene	See general description at the start of this section.

Source: Spitanly 2020 Memo: MGP Mineralised Systems Summary, Part 1: The known major producers

5.6 Mineral Resource Estimates

The current Mineral Resource Estimates for Brightstar's Menzies Hub were originally reported to the ASX on:

- 8 March 2021 (Lady Shenton complex, Yunndaga, Lady Harriet, Selkirk, and Lady Irene)
- 15 November 2023 (Link Zone)
- 17 April 2024 (Aspacia).

These were restated in Brightstar's ASX release 1 August 2024.

SRK notes that it has not performed the role, nor does it accept the responsibilities, of a Competent Person as defined by the JORC Code (2012) with respect to the Mineral Resource Estimate.

The named Competent Persons taking responsibility for the Mineral Resource Estimates are:

- Mr Mark Zammit of Cube Consulting for Lady Shenton complex, Yunndaga, Lady Harriet, Selkirk, and Lady Irene as at 8 March 2021
- Mr Kevin Crossling of ABGM Pty Ltd for Link Zone as at 15 November 2023 and for Aspacia as at 17 April 2024.

SRK considers that Mr Zammit and Mr Crossling have the requisite experience to act as Competent Person.

Table 5.5 shows the Menzies Hub Mineral Resources as published. Table 5.6 shows the SRK adjusted Mineral Resources to account for mining depletion at Selkirk. To the best of SRK's knowledge no mining has taken place at any of the other Menzies Mineral Resources since the original publication dates.

SRK has reviewed the input data, construction, estimation and reporting of the Mineral Resources as described in Table 5.7 and finds that the global quantum of the Mineral Resources is appropriate for valuation purposes.

Table 5.5: Menzies Hub Mineral Resources – as reported August 2024

Deposit	Cut-off	Measured		Indicated			Inferred			Total			
	g/t	kt	g/t	koz	kt	g/t	koz	kt	g/t	koz	kt	g/t	koz
Lady Shenton Complex	0.5				2,770	1.3	119	4,200	1.3	171	6,970	1.2	287
Yunndaga (OP)	0.5				1,270	1.3	53	2,050	1.4	90	3,320	1.3	144
Yunndaga (UG)	2.0							110	3.3	12	110	3.3	12
Aspacia	0.5				137	1.7	7	1,238	1.6	62	1,375	1.6	70
Lady Harriet	0.5				520	1.3	22	590	1.1	21	1,110	1.2	43
Link Zone	0.5				145	1.2	6	470	1.0	16	615	1.1	21
Selkirk ¹	0.5				30	6.3	6	140	1.2	5	170	2.1	12
Lady Irene	0.5							100	1.7	6	100	1.7	6
Total					4,872	1.4	213	8,898	1.3	383	13,770	1.3	595

Source: Brightstar ASX release August 2024 Building a growing West Australian Gold Producer

Note: ¹This Selkirk Mineral Resource is pre mining as at 08 March 2021.

Table 5.6: Menzies Hub Mineral Resources – SRK adjusted for Selkirk depletion

Deposit	Cut-off	Measured		Indicated			Inferred			Total			
	g/t	kt	g/t	koz	kt	g/t	koz	kt	g/t	koz	kt	g/t	koz
Lady Shenton Complex	0.5				2,770	1.3	119	4,200	1.3	171	6,970	1.2	287
Yunndaga (OP)	0.5				1,270	1.3	53	2,050	1.4	90	3,320	1.3	144
Yunndaga (UG)	2.0							110	3.3	12	110	3.3	12
Aspacia	0.5				137	1.7	7	1,238	1.6	62	1,375	1.6	70
Lady Harriet	0.5				520	1.3	22	590	1.1	21	1,110	1.2	43
Link Zone	0.5				145	1.2	6	470	1.0	16	615	1.1	21
Selkirk ¹	0.5							130	1.1	5	170	2.1	12
Lady Irene	0.5							100	1.7	6	100	1.7	6
Total					4,842	1.3	207	8,888	1.3	382	13,730	1.3	589

Sources: Brightstar ASX release August 2024 Building a growing West Australian Gold Producer

Note: ¹This Selkirk Mineral Resource is depleted for 2023/24 mining.

Table 5.7: Summary of Mineral Resource estimation at Brightstar's Menzies hub

Prospect	Estimation overview
Lady Shenton complex	<p>Ordinary Kriging estimation method was used to estimate gold into 3D models.</p> <p>All estimates were completed within a 3D block model rotated toward 322.50° (-37.5°) to honour the strike direction of mineralisation. Parent block size of either 20 mY × 5 mX × 10 mZ or 10 mY × 2.5 mX × 5 mZ was used based on data spacing and these were sub-blocked to 2.5 mY × 0.625 mX × 1.25 mZ for volume resolution.</p> <p>Validation was completed by a number of methods for comparing the grade estimate to the informing composite data including visual 3D inspection, global statistical comparison, and local swath plot comparisons by northing, easting, and elevation. Limited historical information is available for previous open pit and underground mining and therefore no reconciliation analysis was able to be completed.</p>
Yunndaga	<p>Localised Uniform Conditioning (LUC) which is a non-linear method was used for grade estimation of gold into 3D block model. LUC is a post-processed approach based on an OK estimate and is able to produce SMU scale block grade estimates that are not over-smoothed. Over-smoothing is a problem when using standard linear methods such as OK for positively skewed and highly variable gold grade distributions, where the data spacing is relatively wide such as Yunndaga.</p> <p>LUC estimation was undertaken using a Panel block size of 20 mN × 10 mE × 10 mRL. The final SMU estimation block size for the LUC was set at 5 mN × 2.5 mE × 2.5 mRL. Selection of the Panel was used based on data spacing which includes 10 m spaced GC drilling and variable RD data ranging from 20 m to greater than 75 m.</p> <p>Validation was completed by a number of methods for comparing the grade estimate to the informing composite data including visual 3D inspection, global statistical comparison, and local Swath plot comparisons by northing, easting, and elevation.</p>
Aspacia	<p>Grades were estimated using OK techniques; further to this dynamic anisotropy was applied to deal with the observable variations of dip and strike. A deposit-scale representative variogram was produced from all the domain composites associated with the deposit. This variogram model was applied to all domains within that deposit.</p> <p>A parent block size of 8 mE × 8 mN × 8 mRL was used resulting in approximately three parent blocks between the average drill spacing of ~25 m.</p> <p>The 14 wireframe solids were modelled with hard boundaries with only blocks and samples within each domain used for grade estimation.</p>
Lady Harriet	As for Lady Shenton
Link Zone	<p>Grades were estimated using OK techniques, further to this dynamic anisotropy was applied to deal with the observable variations of dip and strike. A representative variogram was produced from the composites associated with each deposit per mineralisation style. Each deposit variogram model was applied to all domains within that deposit. The estimation ranges, where based on the average ranges of all the variograms, as they were similar.</p> <p>The parent block size was 10 mX, 10 mY, 10 mZ and compares to the dominant drill spacing of 10 m. Sub-blocks of 1.25 mX × 1.25 mY × 1.25 mZ were applied to adequately delineate wireframe solids and surfaces.</p> <p>The 26 wireframe mineralised solids were modelled with hard boundaries with only blocks and samples within each domain used for grade estimation.</p>
Selkirk	As for Lady Shenton
Lady Irene	As for Lady Shenton

Sources: Cube 2021 - Mineral Resource Estimate Menzies Gold Project, Western Australia; Brightstar 15 November 2023 - AMENDED ANNOUNCEMENT – BRIGHTSTAR REPORTS MAIDEN MINERAL RESOURCE AT MENZIES' LINK ZONE; Brightstar 17 April 2024 ASX release ASPACIA DEPOSIT RECORDS MAIDEN MINERAL RESOURCE AT THE MENZIES GOLD PROJECT.

5.7 Metallurgy and processing

Independent Metallurgical Operations Pty Ltd (IMO) was engaged by Kingwest in 2021 to carry out initial gold recovery testwork on a selection of samples from drilling in the Menzies Hub. The 24-hour leach testwork was carried out using a pulverised grind size, tap water, and a 40% solid mixture. There were 16 samples tested in total, all taken from RC chip samples with weights from 2.7 kg to 4.7 kg. The calculated gold recovery rates ranged from 93.6% to 99.2% (Menzies Laverton Restart Study, Brightstar, 2023) as summarised in Table 5.8.

Table 5.8: 2021 metallurgical testwork summary for Menzies

Material type	Lady Shenton	Yunndaga
Oxide	96.0%	Ref: Fresh
Transitional	94.5%	Ref: Fresh
Fresh	96.0%	96.0%

Source: Jasper Hills Scoping Study, BTR, 2024.

Brightstar has advised SRK that it is not aware of any new information or data that materially affects the information quoted in Table 5.8.

5.8 Ore Reserves and mine planning

There are no Ore Reserves currently declared for any of the deposits within Brightstar's Menzies Hub, or active mines in the region.

5.8.1 Selkirk open pit

The Selkirk open pit is located adjacent and north of the Lady Shenton System in the Menzies Hub. The pit was mined during 1997, and in 2023/24, Brightstar mined a narrow cutback to extract approximately 15 kt of ore at a grade of 15 g/t Au. The cutback was nominally 15 m wide and enabled the extraction of an additional 5 m bench beyond the historical pit extents, and a 'goodbye cut' from the base of the pit. Approximately 125,000 BCM of waste is estimated to be mined from a cutback along strike to the southeast and northwest.

Mining used 40 t articulated dump trucks and a 90 t excavator; with initial pre-strip conducted using 100 t trucks.

Selkirk open pit walls have been stable since mining ceased, and SRK sees no impediments to the plan as per the 2022 geotechnical review (Operational Geotechs, 2022).

5.8.2 Lady Shenton System

The Lady Shenton System has a mine plan that consists of expanding the current Lady Shenton pit with a cutback, and establishing a later-adjointing pit, Pericles, and a third open pit adjacent to Lady Shenton, Stirling (Brightstar, 2023).

As per Cork Tree Well, in the Menzies and Laverton Restart Study (Brightstar, 2023), Brightstar undertook open pit optimisations which were used in its Mineral Resource Estimates.

The optimisations were carried out by ABGM using Datamine's NPVS software, and a gold price of A\$2,750/oz was selected.

Open pit designs were created assuming a 22 m-wide double-lane ramp, and a single lane (10 m) wide ramp in the bottom of the pit where total movement mining volumes are much lower. Appropriate geotechnical wall angles have been used, which all reflect standard assumptions for small open pit mines in the WA goldfields.

5.8.3 Yunndaga

The closed Yunndaga open pit and underground mine is 5 km to the south of the Lady Shenton System, and Brightstar intends to mine the deposit using underground methods. Yunndaga has historical underground mining on the southern end, which extends down to approximately 600 m below surface, with a total of 270 koz mined with an average grade of 16 g/t Au.

Mine planning has been carried out with assumptions typical to W.A. narrow vein gold mines, including dual decline access from the existing open pit and levels spaced 15 m apart vertically. Mechanised mining equipment is assumed, and a reputable mining contractor is planned to be engaged for the project. Ore will be transported offsite for third party processing as per the Second Fortune underground mine.

5.9 Life of Mine Plan

Brightstar discusses a plan (Restart Study, Sep 2023) to restart mining in the Menzies Hub area, consisting of the Lady Shenton, Pericles, and Stirling pits, and the Yunndaga underground mine. The plan is described as follows:

- At the Lady Shenton Hub, mining will be undertaken with a 100 t class truck fleet moving approximately 300–350 kbcm per month.
- Simultaneously, mining will be carried out in the Yunndaga underground mine to provide a high-grade stream of ore for blending with the Lady Shenton ROM before processing at a third-party processing plant.
- As the open pit and underground mining in the Menzies area wind down, Brightstar intends to ramp up development and production from the Laverton Hub consisting of four pits in Cork Tree Well, and the Alpha underground mine.
- The two existing pits (South 1 and South 2) will have cutbacks, and two new open pits will be established to the north (Central and Delta).
- The four open pits will be scheduled together to enable efficiencies between the pits, and ensure utilisation rates are high.
- Movement rates between 400 kbcm/month and 450 kbcm/month are planned from the Laverton region.
- Brightstar's Plant is planned to be restarted for processing of the ore in the Laverton region.

SRK has reviewed the mining approach to Brightstar's Menzies assets and considers the proposed development methodology is sound and suitable for the deposits.

Part B: Mineral Assets to be acquired by Brightstar

6 Montague East Gold Rights

6.1 Project description and background

Gateway's Montague East project is in the Gidgee region of the east Murchison Mineral Field in the Eastern Goldfields region of Western Australia. This region is located approximately 630 km northeast of Perth and 70 km north of Sandstone on the eastern central portion of the Gum Creek Greenstone Belt. The Project is situated within the Sandstone (SG50-16) 1:250,000 scale and Montague (2843) 1:100,000 scale map sheets and primarily upon Crown Reserve 9959 and upon the Gidgee and Lake Mason pastoral stations.

Access to the area is facilitated by the Sandstone–Wiluna Road with local tracks providing direct access to the Project tenures.

6.1.1 Tenure

The Gateway East Project to be acquired by Brightstar comprises 39 tenements spanning a combined area of approximately 433 km² (refer Table 6.1). All tenements are registered to Gateway Mining Limited (Gateway) or its wholly owned subsidiary, Gateway Projects WA Pty Ltd. In addition, the following joint ventures are currently in place:

- M57/429 and M57/485 are held under a joint venture with Estuary Resources Pty Ltd (Estuary) (75% Gateway and 25% Estuary), with Gateway as the manager of the joint venture. Under the terms of the joint venture agreement, Estuary has a free carry interest until such time as a bankable feasibility study is completed.
- E57/1060 is held under a joint venture with E25 Limited (E25) (80% Gateway and 20% E25). Under the terms of the joint venture agreement, E25 has a 20% free carry interest to decision to mine.
- Premier 1 Lithium Limited (P1L) has the right to earn an 80% interest in the lithium rights to E57/1005, E57/405, E57/687, E57/793, E57/823, E57/824, E57/875, E57/888, M57/217, M57/48, M57/485, M57/98, M57/99, P57/1409, P57/1410, P57/1411 and P57/1413.

Key tenements include M57/98 (Montague–Boulder deposit), M57/99 (Achilles North/Airport deposits), M57/217 (Whistler deposit), M57/429 (Julius deposit) and E57/888 (Evermore prospect).

Table 6.1: Montague East project tenure summary – as at 30 August 2024

Tenement type	Number	Area (ha)
EL granted	20	32,298.39
ML granted	6	2,422.56
PL granted	6	656.66
EL application	4	7,318.02
PL application	3	195
Total	39	43,334.63

Source: ASX:BTR 1 August 2024 'Brightstar to drive consolidation of Sandstone District', Government of Western Australia (TENGRAPH)

6.1.2 Native Title

No Native Title claims are lodged over the tenures.

Both M57/429 and M57/485 were referred to native title on 22 January 2001 and 07 July 2003 and remain in progress.

E57/1144 and E57/1145 were included in a Land Access and Mineral Exploration Deed or Agreement between Gateway and Tjiwarl dated 1 July 2022.

6.1.3 Royalties and levies

State royalties are distributed to the Western Australian Government at the ad valorem rate of 2.5% of the royalty value of any gold produced from Gateway's Montague East project as defined under the Mining Regulations 1981.

In addition, third-party royalties relating the Montague East tenures include:

- a 0.7% gross revenue royalty payable to E25, which is capped at the production of either 100 koz of gold or 25 kt of copper from E57/1060
- a 1% gross revenue royalty in relation to all minerals extracted and produced from the eventual tenement that is created from tenement application E57/1145.

6.2 Infrastructure

SRK understands there is only limited infrastructure associated with the Montague East Project tenures, namely an all-weather gravel access road system. Therefore, future development will be required the installation of new facilities, which are likely to be temporary in nature.

6.3 Permitting

6.3.1 Environmental permitting

Environmental aspects of mining and related activities at the Montague East Project are primarily regulated under the following Western Australian legislation:

- *Mining Act 1978*
- EP Act
- RIWI Act.

A summary of the most recent approvals issue under these Acts is provided in Table 6.2.

None of the activities that form part of Gateway's Montague East are 'environmentally significant' and none have been referred to the Federal Government or to the Western Australian EPA for environmental impact assessment under (respectively) the *Environment Protection and Biodiversity Conservation Act 1999* (Cth) or the *Environmental Protection Act 1986* (WA).

Mining and related activities

Commitments made in approved mining proposals and mine closure plans are legally binding and remain as legal obligations unless explicitly altered or superseded by subsequent *Mining Act 1978* approvals. Environmental obligations remain with mining tenure and are binding on future tenement holders.

There are several mining proposals that have been approved between 1988 and 2009 in connection with tenements now forming part of Gateway's Montague East Project. However, among the tenements included in this review only four Mining Proposals have approved Mining Leases as shown in Table 6.2.

There are no permits granted for clearing of native vegetation. SRK understands that any ongoing activity is the subject of an exemption due to the exploration stage of the project development and small area of the clearing (less than 10 ha) required for the current activity.

Groundwater extraction and use

Water allocations are approved under the RIWI Act. No groundwater licences are relevant to the Montague East project. Approvals to extract water under Section 5C of the RIWI Act do not automatically entitle licence holders to discharge water to the environment. Discharge of water to the environment (including disposal of water to mine pit voids) is regulated as a 'prescribed activity' under Part V of the EP Act.

Table 6.2: Environmental authorisations – Montague East Project (as at August 2024)

Statutory instrument	Tenement	Date approved (or most recently amended)	Regulated activities
<i>Mining Act 1978</i>			
Whistler Gold Project Mining Proposal	ML57/217	19 October 1990	
Whistler Gold Project: Pit Extension	ML57/217	22 August 1991	
Montague/Boulder Satellite Mining Proposal	ML57/98	30 June 1988	
Montague Rosie Castle and Tails Dam Raise Mining Proposal	ML57/99	11 February 1993	
<i>Part V of Environmental Protection Act 1986</i>			
No licences granted for Montague East Project			
<i>Rights in Water and Irrigation Act 1914</i>			
No licences granted for Montague East Project			

Note: It is not possible to transfer or assign clearing permits issued under the *Environmental Protection Act 1986*.

6.4 History

Gold was discovered in the Montague district during the gold rush era, with first records of gold won from small-scale, high-grade workings including the Montague Mining Centre (1904 to 1913).

Renewed interest in the late 1960s included base metals exploration carried out within the exposed stratigraphy of the Montague Ranges (Bungarra Ranges), exploration interest that broadened with the release of the Sandstone 1:250,000 aeromagnetic sheet in 1970 resulting in the staking of favourable magnetic geophysical anomalies by various exploration companies. Early explorers in the Montague Ranges included Anaconda Australia Inc (1966–67), followed by International Nickel Australia (1971–75) evaluating a gabbro-banded differentiated basic complex interpreted to be prospective for copper and nickel mineralisation. Strong geophysical and mineralised anomalism was encountered, however copper–zinc enrichment was also encountered in adjacent felsic stratigraphy at Ed’s Bore, which was followed up by CRA Exploration (1983–90) to intersect polymetallic volcanic hosted sulfide enrichments at the Bevan prospect.

At Montague, WMC (1976) conducted investigations for copper and gold including soil sampling and IP surveying which was followed by CRA Exploration (1984–89), working concurrently with AMOCO Minerals Australia Company (1984) and Clackline Refractories Ltd (from 1985 to later become Herald Resources) assessing/purchasing historical mine areas from local prospectors. RAB drilling into transported cover areas resulted in the virgin discoveries of NE Pit by AMOCO and Whistler deposit by CRA. Later noted explorers included Dalrymple Resources (1987–90) intersecting gold at the Armada (Twister) prospect and Arimco Mining (1990–98) intersecting gold at the Lyle prospect, Victory West prospect and copper at the Cup prospect.

The Montague Mining Centre produced approximately 150 koz of gold commencing in 1986 at the Caledonian and NE Pits (Clackline) and continued at Montague–Boulder from 1988 (Herald) and was to close in 1993 after completion of the Rosie Castle open cut (Herald). Whistler open cut was mined from November 1990 (Polaris Pacific NL) and ore treated through the Herald Mill. Little attention was paid to mineralisation other than gold. Gateway in joint venture with Herald Resources continued exploration of the Montague Mining Centre, Gateway targeting polymetallic intrusion related models in the district from 2006.

The Airport, Airport South, S Bend, Rosie North, Rosie South mineralisation was discovered by Gateway between 2007 and 2011 in RAB drilling and later defined by RC drilling.

More recent exploration has comprised aircore drilling at the Season Well prospect.

6.5 Geology and mineralisation styles

6.5.1 Local geology and mineralisation summary

Table 6.3 describes the local geology and mineralisation styles that has enabled domains for estimation to be constructed.

Table 6.3: Summary of main deposits at the Montague East Project

Prospect	Geological overview
Montague–Boulder	<p>The Montague–Boulder deposit is located at the northwestern contact of the Montague Granodiorite with the adjacent shallow dipping basalt stratigraphy and was previously mined as an open cut pit during the 1990s.</p> <p>Mineralisation is associated with the laterally extensive and well-developed Montague–Boulder shear structure, one of several parallel shallow west dipping shears (interpreted as thrust faults) that extend along the western margin of the Montague Granodiorite occurring between basalt flow boundaries. Two zones of gold mineralisation are recognised; the western west-southwest dipping mafic hosted lodes that host the main gold mineralisation, and the eastern granodiorite hosted gold lodes.</p> <p>Shearing and alteration is strongly developed, up to tens of metres thick and continuous for several kilometres along the margin of the granodiorite. Alteration is typically zoned from outer chlorite to inner biotite-carbonate + quartz veining, most pronounced within the basalt stratigraphy. Mineralisation is present within quartz veining and shear zone alteration. Gold mineralisation is locally concentrated in areas interpreted to intersect with northeast oriented cross-cutting structures, and in areas where the primary Montague–Boulder shear zone alters geometry.</p>
Whistler	<p>The Whistler deposit/open pit was the pit to be discovered and mined in the Montague project area during the active mining years due to the lack of a geochemical signature at surface.</p> <p>The geology at Whistler comprises a basalt-granodiorite contact with granodiorite to the west and basalt and minor gabbro dykes to the east. The mafic rocks are weathered to saprock above the water table. The mineralisation is concentrated in the contact zone, which dips steeply west and strikes 345°. The contact is undeformed at both ends of the pit.</p> <p>The ore zone at Whistler consists of an <i>en échelon</i> array of north-northeast-striking veins that cut across a north–south striking 70° west-dipping foliation, hosted in the granodiorite unit. The basalt on the east wall is intruded by two gabbro dykes oriented 55–90° to 095°. The granodiorite is intruded by a swarm of 1 m to 15 m thick biotite-lamprophyre dykes which are oriented 85–90° to 110–115°.</p>
Evermore	<p>The Evermore deposit is located approximately 800 m along strike of the Montague–Boulder Resource and hosted in shearing within the western mafic stratigraphy, believed to be a continuation of structures hosting the Montague–Boulder mineralisation.</p> <p>The distribution of gold mineralisation within the shear zone is interpreted to be a combination of the varying dip of the primary shear and subsidiary splay shears, host lithology, and proximity to cross-cutting northeast trending structures. Mineralisation is like Montague–Boulder, exhibiting a zoned outer chlorite and inner biotite-carbonate alteration and associated quartz veining withing shearing.</p> <p>The majority of Evermore mineralisation is associated with a shallow dipping structure and flat subsidiary shear, which splays from the main primary shear at a consistent level of 400–420 m below sea level, and is continuous for over 1 km. The highest tenor mineralisation is where the flat structure passes through a gabbro unit (altered to talc-carbonate) adjacent to the Montague Granodiorite. The intersection of the flat structure and gabbro unit creates a linear north-northeast trending, shallow plunging lode geometry which extends over 1 km in length. North-northeast trending faults with minor offset occur north and south of the resource area, which may also have had an effect in mineralisation distribution in the lode.</p>
Achilles North/Airport	<p>The Achilles North/Airport deposit is located north of the historical Rosie open pit and is interpreted to an extension of the known mineralised zones along a strike distance of 500 m.</p> <p>The gold mineralisation is associated with the sheared western margin of the Montague Granodiorite, forming a north-northeast trending structural corridor which also hosts the LA International deposit and other historical gold prospects.</p>

Prospect	Geological overview
Julias	<p>Supergene gold is in shallow oxide zone above a series of moderately (55° to 60°) east dipping shear structures and quartz veining. Primary mineralisation occurs within the contact zone between granodiorite, dolerite, and basalt lithologies. The Airport deposit is hosted entirely within the Montague Granodiorite within the same NNW-trending structural corridor as the Achilles/Rosie deposits and located approximately 500 m south along strike. North-northeast trending cross-cutting faults are believed to have localised mineralisation at Airport within the greater Achilles corridor.</p> <p>Most of the mineralisation occurs at shallow depths within the oxide zone forming three stacked supergene blankets between 9 m and 28 m below surface which overprints a primary network of shallow and steep dipping, quartz stringers with associated weak shearing.</p> <p>The Julias deposit consists of mostly supergene mineralisation hosted in a heavily weathered sedimentary and felsic volcanic rocks package consisting of siltstones, greywackes, and minor shale units. The supergene mineralisation is associated with a moderately west dipping gossanous quartz-breccia unit, interpreted to be a remnant massive sulfide.</p> <p>Gold mineralisation is at shallow depths striking 500 m in a north–south orientation. In the unweathered portion of the deposit, mineralisation is hosted within a massive sulfide horizon consisting of mostly pyrite with minor chalcopyrite, and minor felsic volcanic rocks with common quartz veining. High grade-mineralisation is preferentially located within the transition and oxide zones where the massive sulfide-shale horizon weathers to gossanous chert and shale. Late-stage north-northeast trending faulting is associated with higher grade zones within the mineralisation.</p>

Source: Brightstar ASX announcement titled 'Brightstar to drive consolidation of Sandstone District' dated 1 August 2024 and associated documentation (JORC Code 2012) Table 1

6.6 Mineral Resource Estimates

The current Mineral Resource Estimates for the Montague East Gold Project were reported to the ASX on 1 August 2024 ('Brightstar to drive consolidation of Sandstone District'). The Mineral Resource Estimates were reported at the mining surfaces to 30 June 2023.

SRK notes that it has not performed the role, nor does it accept the responsibilities, of a Competent Person as defined by the JORC Code (2012) with respect to the Mineral Resource Estimate. There are three Competent Persons taking responsibility for the Montague East Exploration and Mineral Resources, and in all cases the Competent Persons have declared they have sufficient experience, which is relevant to the style of mineralisation and types of deposit under consideration and to the activities undertaken, to qualify as a Competent Person as defined in the 2012 edition of the *Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves*.

The Competent Persons are:

- Mr Stuart Stephens, for matters relating to exploration at the Montague East Gold Project
- Ms Elizabeth Haren, for matters relating to the Mineral Resources of the Montague–Boulder, Julias, Evermore and Achilles North/Airport deposits at the Montague East Gold Project
- Mr Peter Langworthy, for matters relating to the Mineral Resources of the Whistler deposit at the Montague East Gold Project.

The information in the Brightstar ASX report dated 1 August 2024 that relates to Exploration Results is based on and fairly represents information compiled or reviewed by Mr Stuart Stephens who is a full-time employee of Gateway Mining Ltd and is a current Member of the Australian Institute of Geoscientists. Mr Stephens owns options in Gateway Mining Ltd.

The information in the Brightstar ASX report dated 1 August 2024 that relates to the estimation and reporting of Mineral Resources of the Julias, Montague–Boulder, Evermore and Achilles North/Airport Mineral Resources is based on and fairly represents information compiled and reviewed by Ms Elizabeth Haren of Haren Consulting Pty Ltd, who is an independent consultant to Gateway Mining Limited and is a current Fellow and Chartered Professional of the Australasian Institute of Mining and Metallurgy and Member of the Australian Institute of Geoscientists.

The information in the Brightstar ASX report dated 1 August 2024 that relates to the estimation and reporting of Mineral Resources of the Whistler deposit is based on and fairly represents information compiled and reviewed by Mr Peter Langworthy, who is a full-time employee of Gateway Mining Limited and is a current Member of the Australasian Institute of Mining and Metallurgy.

Gateway's current Mineral Resource Estimate is shown in Table 6.4.

Table 6.4: Montague East Mineral Resources as at 30 June 2023

June 2023	Measured			Indicated			Inferred			Total		
	Tonnes (kt)	Grade (g/t Au)	Ounces (koz)	Tonnes (kt)	Grade (g/t Au)	Ounces (koz)	Tonnes (kt)	Grade (g/t Au)	Ounces (koz)	Tonnes (kt)	Grade (g/t Au)	Ounces (koz)
Montague – Boulder (open pit)	-	-	-	522	4.0	67	2,556	1.2	96	3,078	1.7	163
Whistler (open pit/underground)	-	-	-	-	-	-	1,700	2.2	120	1,700	2.2	120
Evermore (open pit)	-	-	-	-	-	-	1,319	1.6	67	1,319	1.6	67
Achilles North/Airport (open pit)	-	-	-	221	2	14	1,847	1.4	85	2,068	1.5	99
Julias (100% basis) (open pit)	-	-	-	1,405	1.4	61	503	1	16	1,908	1.3	77
Julias (75% basis)	-	-	-							1,431	1.3	58
Total (100% basis)	-	-	-	2,184	2.1	142		1.5	384	10,073	1.6	526
Attributable total (75% Julias)										9,596	1.6	507

Source: Alto ASX announcement titled 'Brightstar to drive consolidation of Sandstone District' dated 1 August 2024. Cut-off grades are: 0.6 g/t Au for Montague–Boulder, Evermore, Achilles North/Airport, and Julias; and 0.5 g/t Au for Whistler Open Pit and 2.0 g/t Au for Whistler Underground

Data collection has been conducted by industry standard methods and SRK considers that the data are broadly appropriate for use in estimation studies.

Table 6.5: Summary of Mineral Resource estimation at the Montague East Project

Prospect	Estimation overview
Montague – Boulder open pit	<p>The drill data used for Mineral Resource estimation was RC and DD with a spacing of 40 m by 20 m across the entire Montague–Boulder deposit, with sections surrounding higher grade lodes shoots drilled to 20 m by 20 m. The Montague deposit extends approximately 1,220 m from north to south, 900 m east to west and is currently known to a depth of 340 m below surface.</p> <p>For drilling completed by Gateway, the RC drill samples were 1 m length collected via cyclone to an inline cone splitter. RC field duplicates were collected at a ratio of 1:50. Certified reference materials were inserted at a ratio of 1:50. The DD samples were half core sawn from NQ2 sized core (50.6 mm diameter). Samples were selected based on geology, with lengths ranging from 0.3 to 1.3 m. Drill samples were submitted to ALS (Perth) and analysed by a 50 g fire assay with an atomic absorption spectroscopy finish, an appropriate method. Historical drill sampling and assay results were analysed by the Competent Person and, while lacking in detail, were considered sufficient for use in Mineral Resource estimation. Historical samples were assayed using either aqua regia digest – AAS, fire assay or a screen fire assay. The use of screen fire assays is considered by SRK to be good practice as it quantifies the proportions of fine and coarse gold. RC and DD sample recoveries were monitored and are noted as good.</p> <p>The Mineral Resource was estimated by Ordinary Kriging using 1 m long composites with top capping, an appropriate method. Domain boundaries were treated as hard, with soft boundaries between weathering horizons. Grade extrapolation was limited to a maximum of 40 m from the nearest drill hole. Check estimates were performed for both domaining (using a different method, categorical indicator) and grade. The block model was constructed using a parent cell size of 4 m by 10 m by 4 m (X, Y and Z), approximately one-third or greater than the nominal drill hole spacing. A top cap of between 15 to 50 g/t Au were used to limit grade smearing in the estimate. Dry bulk densities were assigned based on lithology and weathering state and are based on water immersion method density tests on core samples. Transported and oxide material have been assigned 1.8 t/m³, transitional 2.3 t/m³, fresh basalt 2.9 t/m³, fresh dolerite and granodiorite 2.8 t/m³ and fresh diorite and biotite schist 2.70 t/m³. The density values are considered by SRK to be appropriate.</p> <p>Classification:</p> <ul style="list-style-type: none"> ■ Measured: there are no Measured Mineral Resources ■ Indicated: drill spacing is 25 m by 25 m or closer ■ Inferred: mineralisation continuity and the drill hole spacing allow connectivity between drill holes. Single drill hole intercept areas are unclassified. <p>Reasonable prospects for economic extraction are based on the Montague–Boulder Mineral Resource being located within an existing Mining Lease, M57/98, and a history of previous mining (with gold being extracted using standard gravity recovery and carbon-in-leach processing methods). A cut-off grade for open pit mining of 0.6 g/t Au has been used.</p>
Whistler open pit/underground	<p>The drill data used for Mineral Resource estimation was RC and DD with a spacing of 50 m by 25 m, with sections surrounding existing mining operations drilled to 25 by 25 m. The Whistler deposit has a strike extent of 400 m and a down-dip extent of 200 m.</p> <p>The drilling methods (RC and DD), sampling, assaying and quality assurance/quality control are the same as described for Montague – Boulder. They are considered by the Competent Person to be of a nature and quality sufficient to report an Inferred Mineral Resource at Whistler, with which SRK concurs.</p>

Prospect	Estimation overview
Evermore open pit	<p>Like the Montague–Boulder estimate, the Mineral Resource was estimated by OK using 1 m long composites with top-capping. The 29 domains were used as hard boundaries, with soft boundaries between weathering horizons. The block model was constructed using a parent cell size of 12 m by 12 m by 5 m (X, Y and Z) and sub-blocks at 0.5 m by 0.5 m by 0.5 m, which SRK considers appropriate given the potential hybrid open cut/underground mining methods. Dry bulk densities were assigned based on lithology and weathering state and are based on water immersion method density tests on core samples.</p> <p>Classification:</p> <ul style="list-style-type: none"> ■ Measured: there are no Measured Mineral Resources ■ Indicated: there are no Indicated Mineral Resources ■ Inferred: mineralisation continuity and the drill hole spacing allow connectivity between drill holes. Single drill hole intercept areas are unclassified. <p>Reasonable prospects for economic extraction are based on the Whistler Mineral Resource being located within an existing Mining Lease, M57/217, and a history of previous mining (with gold being extracted using standard gravity recovery and carbon-in-leach processing methods). A cut-off grade for open pit mining of 0.5 g/t Au and 2.0 g/t for underground mining has been used. Whilst additional details of the nature of underground mining are uncertain, SRK considers the level of classification (Inferred) as sufficient for disclosing the low level of grade and tonnage certainty for the Whistler deposit.</p>
	<p>The drill data used for Mineral Resource estimation was RC and DD with a spacing of 40 m by 40 m, with wider drilling out to 80 m by 80 m in the distal parts of the deposit. The Evermore deposit extends 680 m from north to south, 900 m east to west and is currently explored to a depth of 240 m.</p> <p>The drilling methods (RC and DD), sampling, assaying and quality assurance/quality control are the same as described for Montague – Boulder. They are considered by the Competent Person to be of a nature and quality sufficient to report an Inferred Mineral Resource at Evermore, with which SRK concurs.</p> <p>Like the Montague–Boulder estimate, the Mineral Resource was estimated by OK using 1 m long composites with top-capping values ranging from 10–17 g/t Au. The mineralisation domains were used as hard boundaries, with soft boundaries between weathering horizons. The block model was constructed using a parent cell size of 6 m by 10 m by 6 m (X, Y and Z) for mineralised material, approximately one-third or greater than the nominal drill hole spacing. This size was selected with consideration made to the geometry of the mineralisation, which SRK considers appropriate. Dry bulk densities were assigned based on lithology and weathering state and are based on water immersion method density tests on core samples.</p> <p>Classification:</p> <ul style="list-style-type: none"> ■ Measured: there are no Measured Mineral Resources ■ Indicated: there are no Indicated Mineral Resources ■ Inferred: mineralisation continuity and the drill hole spacing allow connectivity between drill holes. Single drill hole intercept areas are unclassified. <p>Reasonable prospects for economic extraction are based on the Evermore Mineral Resource being located within an existing Exploration Licence, E57/888, and a history of previous mining (with gold being extracted using standard gravity recovery and carbon-in-leach processing methods). A cut-off grade for open pit mining of 0.6 g/t Au has been used.</p>
Achilles North/Airport open pit	<p>The drill data used for Mineral Resource estimation was RC and DD with a spacing of 50 m by 25 m, with some infilled areas spaced at 25 m by 25 m. The Achilles deposit extends 1,100 m from north to south, 600 m from east to west and is currently known to extend to a depth of 120 m below surface. The Airport deposit extends 1,100 m from north to south, 700 m east to west and is currently known to extend to a depth of 300 m below surface.</p>

Prospect	Estimation overview
Julias open pit	<p>The drilling methods (RC and DD), sampling, assaying and quality assurance/quality control are the same as described for Montague–Boulder. They are considered by the Competent Person to be of a nature and quality sufficient to report an Inferred Mineral Resource at Evermore, with which SRK concurs.</p> <p>Like the Montague–Boulder estimate, the Mineral Resource was estimated by OK using 1 m long composites with top capping values ranging from 10–20 g/t Au. The mineralisation domains were used as hard boundaries, with soft boundaries between weathering horizons. The block model was constructed using a parent cell size of 4 m by 10 m by 4 m (X, Y and Z), which SRK considers appropriate. Dry bulk densities were assigned based on lithology and weathering state and are based on water immersion method density tests on core samples.</p> <p>Classification:</p> <ul style="list-style-type: none"> ■ Measured: there are no Measured Mineral Resources ■ Indicated: drill spacing is 25 m by 25 m or closer ■ Inferred: mineralisation continuity and the drill hole spacing allow connectivity between drill holes. Single drill hole intercept areas are unclassified. <p>Reasonable prospects for economic extraction are based on the Achilles North/Airport Mineral Resources being located within an existing Mining Lease, M57/99, and a history of previous mining within the tenement and area (with gold being extracted using standard gravity recovery and carbon-in-leach processing methods). A cut-off grade for open pit mining of 0.6 g/t Au has been used.</p> <p>The drill data used for Mineral Resource estimation was RC and DD with a spacing of 25 m by 25 m. The Julias deposit extends 500 m from north to south, 200 m from east to west and is currently known to extend to a depth of 100 m below surface.</p> <p>The drilling methods (RC and DD), sampling, assaying and quality assurance/quality control are the same as described for Montague–Boulder. They are considered by the Competent Person to be of a nature and quality sufficient to report an Inferred Mineral Resource at Evermore, with which SRK concurs.</p> <p>Like the Montague–Boulder estimate, the Mineral Resource was estimated by OK using 1 m long composites with top-capping values ranging from 9.02–19.45 g/t Au. The mineralisation domains were used as hard boundaries, with soft boundaries between weathering horizons. The block model was constructed using a parent cell size of 5 m by 5 m by 5 m (X, Y and Z), which SRK considers appropriate. Dry bulk densities were assigned based on lithology and weathering state and are based on water immersion method density tests on core samples, with an additional step taken at Julias to wireframe the higher density massive sulfide zone, where densities are higher in all oxidation horizons.</p> <p>Classification:</p> <ul style="list-style-type: none"> ■ Measured: there are no Measured Mineral Resources ■ Indicated: drill spacing is 25 m by 25 m or closer ■ Inferred: drill spacing no more than 40 m. Single drill hole intercept areas are unclassified. <p>Reasonable prospects for economic extraction are based on the Julias Mineral Resources being located within an existing Mining Lease, M57/429, and a history of previous mining within the area (with gold being extracted using standard gravity recovery and carbon-in-leach processing methods). A cut-off grade for open pit mining of 0.6 g/t Au has been used.</p>

Source: Alto ASX announcement titled ‘Brightstar to drive consolidation of Sandstone District’ dated 01 August 2024 and associated documentation (JORC Code 2012) Table 1

SRK reviewed the construction (as described in Table 6.5) and reporting of the Mineral Resources and finds while significant local refinement of estimated grade and tonnage is possible the global quantum of the Mineral Resources are appropriate for valuation purposes.

Part C: Valuation

7 Other considerations

7.1 Gold markets and pricing

SRK has carried out a limited analysis of the gold markets. This analysis reflects the prevailing conditions as at 30 August 2024 and is considered reasonable to support the opinions and conclusions presented in this Report.

Unlike other commodities whose fundamentals are supply and demand driven, gold is regarded by many as a store of wealth and is not consumed like other industrial metals, with much of the gold historically produced remaining readily available. Gold is a monetary asset as it is considered less volatile than world currencies and therefore provides a safe haven investment during periods of economic uncertainty. Because of this, the supply and demand argument that can be made for other metal commodities in general, does not hold well for gold.

The gold available 'above ground' remains fairly liquid. While total annual demand for gold is around 4,000–4,500 t, approximately two-thirds of annual gold demand is destined for the jewellery market. Jewellery in many countries represents liquid wealth. Gold used for personal adornment often makes its way back into circulation after a few years or a few generations. A small amount of gold (approximately 330 t) each year is destined for medical and industrial applications and the remainder goes into investments and exchange-traded gold funds.

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

The gold industry is geographically diverse as China, Australia and Russia lead global gold production. According to the United States Geological Survey, total estimated global gold ore mined in 2023 was approximately 3,000 t. Despite China leading global gold production in 2023, Australia, Russia and South Africa hold the largest known gold reserves, and collectively account for approximately 48% of global gold reserves.

Gold prices fluctuated over the past 5 years as demand for gold increased in response to the uncertainty created by the COVID-19 pandemic as central banks injected billions of dollars into financial markets and investors flocked to safe haven assets. Additionally, the prevailing low interest rate environment increased access to capital, United States inflation data reached its highest level since 1990, Russia's invasion of Ukraine and severe liquidity and investor confidence issues in the United States banking sector were all supportive of gold.

In 2024, gold has continued to trend higher reaching US\$2,505.28/oz (or A\$3,701.05/oz) on 30 August 2024. Gold continues to be a safe haven asset relied upon during times of volatility.

Figure 7.1: Gold price in US\$ and A\$ per ounce terms – 2019 to 2024



Source: S&P Capital IQ Pro

Consensus Economics Inc. (Consensus Economics) forecasts the price of gold to exhibit a small declining trend over the current period to late 2028, from which point it is expected to stabilise and remain high in comparison to historical levels. According to Consensus Economics, the medium-term forecast gold price from 2026 to 2028 is expected to range between US\$1,700/oz and US\$2,100/oz. The long-term (2029–36) real gold price forecast is US\$1,700/oz.

7.2 Previous valuations

The VALMIN Code (2015) requires that an Independent Valuation Report should refer to other recent valuations or Expert Reports undertaken on the mineral assets under consideration.

Having requested such notification from Alto and Brightstar, SRK is aware of several previous valuation exercises involving the subject mineral assets. These previous valuations are detailed in Sections 7.2.1 and 7.2.2.

Except for the Kingwest IER, SRK considers that these previous valuations are no longer current as the Projects are substantially more advanced, through ongoing drilling and technical assessment studies, which has rendered these previous valuation reports obsolete.

Therefore, these previous valuation reports are summarised only for information purposes.

7.2.1 Alto

2013

In June 2013, BDO issued an IER commenting on a proposed merger between SGX and Polymetals Mining Limited (Polymetals) by way of a scheme of arrangement under which SGX

would offer 11 SXG shares for each Polymetals share on issue. BDO's IER included a valuation of the Sandstone project (collectively forming the basis of Alto's Sandstone Project), as well as an ISR by AMC Consultants Pty Ltd (AMC).

BDO valued the Sandstone project using a Sum-of-Parts (being the Net Assets Value (NAV) methodology incorporating the discounted cashflow method) and Quoted Market Price methodologies. In performing its valuation of SGX's and Polymetals' mineral assets, BDO relied on the AMC ISR, which included a technical assessment and valuation of certain elements encompassed by these mineral assets.

In the AMC ISR accompanying the BDO IER, AMC valued a 100% interest in the stated Mineral Resources and exploration potential associated with the Sandstone Project at between A\$3.4 M and A\$8.3 M without assigning a preferred value. These values were derived using a combination of the comparable transaction and yardstick methodologies. The stated Global Mineral Resource assessed by AMC at Sandstone comprised 720 koz of contained gold and a total project area of around 985 km².

7.2.2 Brightstar

2024

SRK is aware that an independent valuation report relating to the mineral assets of Linden Gold has been prepared for accounting purposes (purchase price allocation), after the completion of Brightstar's merger with Linden Gold in May 2024 (the PPA Report). SRK has not sighted a full copy of the PPA Report (but has been provided with extracts noting the associated plant and equipment), which has not been publicly disclosed, and hence is unable to comment on, or reconcile its derived values for the Jasper Hills and Second Fortune Projects against those outlined in, the PPA Report.

2023

In April 2023, BDO issued an IER commenting on a scheme of arrangement under which Brightstar would acquire all the issued shares in Kingwest. BDO's IER included a valuation of the Menzies and Goongarrie projects (collectively forming the basis of Brightstar's Menzies Hub), as well as an ISR by Valuation and Resource Management Pty Ltd (VRM).

BDO valued Menzies and Goongarrie projects using Sum-of-Parts and Quoted Market Price methodologies. In performing its valuation of Kingwest's and Brightstar's mineral assets, BDO relied on the VRM ISR, which included an assessment of the market value of these mineral assets.

In the VRM ISR accompanying the BDO IER, VRM valued a 100% interest in the stated Mineral Resources and exploration potential associated with the Menzies and Goongarrie Projects at between A\$16.1 M and A\$30.7 M with a preferred value of A\$22.8 M. These values were derived using a combination of the comparable transaction and yardstick methodologies for the stated Mineral Resources and the geoscientific rating and multiples of exploration expenditures methodologies for assessment of the value of the exploration potential. The stated Global Mineral Resource assessed by VRM at Menzies and Goongarrie comprised 505.2 koz of contained gold at 1.33 g/t Au (40% Indicated and 60% Inferred) from nine deposits and a total project area of around 160 km².

In addition, VRM also valued a 100% interest in the stated Mineral Resources and exploration potential associated with Brightstar's Laverton Hub (encompassing the Alpha, Beta, Cork Tree Well and Brightstar South/Comet Well Projects at the time). VRM assigned a value of A\$17.2 M and A\$31.4 M with a preferred value of A\$24.3 M. These values were derived using the same valuation methodologies as for the Kingwest mineral assets. The stated Global Mineral Resource assessed by VRM at Laverton comprised 463.0 koz of contained gold at 1.6 g/t Au (43% Measured and Indicated and 57% Inferred) within a total project area of approximately 300 km².

2020

In September 2020, BDO issued an IER commenting on a Debt and Equity Compromise Agreement between Stone Resources Australia Limited and its major debt provider and shareholder, Stone, and associated sale purchase agreement with Regis. BDO's IER included a valuation of the North Brightstar (covering the Cork tree Well deposit) and South Brightstar (covering the Alpha and Beta deposits, and Brightstar processing plant which is on Care and Maintenance) projects (collectively forming part of Brightstar's Laverton Hub), as well as an ISR by VRM.

BDO valued the North Brightstar and South Brightstar projects using Sum-of-Parts and Quoted Market Price methodologies. In performing its valuation of Stone's mineral assets, BDO relied on the VRM ISR, which included an assessment of the market value of these mineral assets.

In the VRM ISR accompanying the BDO IER, VRM valued a 100% interest in the stated Mineral Resources and exploration potential associated with the North Brightstar and South Brightstar projects at between A\$12.5 M and A\$18.8 M with a preferred value of A\$15.7 M. These values were derived using a combination of the comparable transaction and yardstick methodologies for the stated Mineral Resources and the geoscientific rating and multiples of exploration expenditures methodologies for assessment of the value of the exploration potential. The stated Global Mineral Resource assessed by VRM at the North Brightstar and South Brightstar projects comprised 451.0 koz of contained gold at 1.9 g/t Au (54% Measured and Indicated and 46% Inferred) from three deposits.

2019

In April 2019, BDO issued an IER commenting on the proposed merger of MacPhersons Resources Limited (MacPhersons) and Intermin by way of a scheme of arrangement. BDO's IER included a valuation of Intermin's Menzies and Goongarrie JV Projects (collectively forming part of Brightstar's Menzies Hub), as well as an ISR by Dunbar Resource Management Pty Ltd (DRM).

BDO valued the Menzies and Goongarrie JV projects using a NAV and Quoted Market Price methodologies. In performing its valuation of Intermin's mineral assets, BDO relied on the DRM ISR, which included an assessment of the market value of these mineral assets.

In the DRM ISR accompanying the BDO IER, DRM valued a 100% interest in the stated Mineral Resources and exploration potential associated with the Menzies and Goongarrie JV projects at between A\$2.2 M and A\$8.1 M with a preferred value of A\$4.8 M. These values were derived using a combination of the comparable transaction and yardstick methodologies for the stated Mineral Resources and the geoscientific rating method for assessment of the value of the exploration potential. The stated Global Mineral Resource assessed by DRM at the North Menzies and

Goongarrie JV projects comprised 171.3 koz of contained gold at 2.2 g/t Au (36% Indicated and 64% Inferred) from 4 deposits.

2017

In August 2017, BDO issued an IER commenting on the proposed merger of Exterra and Anova by way of a scheme of arrangement. BDO's IER included a valuation of Exterra's Linden (inclusive of the Second Fortune mine) Project (collectively forming part of Brightstar's Laverton Hub), as well as an ISR by DRM.

BDO valued the Linden (inclusive of the Second Fortune mine) Project using NAV and Quoted Market Price methodologies. In performing its valuation of Intermin's mineral assets, BDO relied on the DRM ISR, which included an assessment of the market value of these mineral assets.

In the DRM ISR accompanying the BDO IER, DRM valued a 100% interest in the exploration potential associated with the Linden (inclusive of the Second Fortune mine) Project at between A\$6.1 M and A\$17.8 M with a preferred value of A\$11.9 M. These values were derived using a combination of the comparable transaction and geoscientific rating methods. The stated Global Mineral Resource assessed by DRM at the Linden (inclusive of the Second Fortune mine) Project comprised 75.8 koz of contained gold at 9.6 g/t Au (36% Indicated and 64% Inferred) from four deposits.

8 Valuation

The objective of this section is to provide BDO and the shareholders of Alto with SRK’s opinion regarding the valuation of the Mineral Assets of Alto, as well as the value of the mineral assets of Brightstar. SRK has not valued Alto or Brightstar, these being the corporate entities that are the beneficial owners of the respective Mineral Assets.

SRK has relied on information provided by Alto, as well as information provided by Brightstar, sourced from the public domain, SRK’s internal databases and SRK’s subscription databases.

The VALMIN Code (2015) outlines three accepted valuation approaches:

1. Market Approach
2. Income Approach
3. Cost Approach.

The **Market Approach** is based primarily on the principle of substitution and is also called the Sales Comparison Approach. The mineral asset being valued is compared with the transaction value of similar mineral assets under similar time and circumstance on an open market (VALMIN Code, 2015). Methods include comparable transactions, metal transaction ratio (MTR) and option or farm-in agreement terms analysis.

The **Income Approach** is based on the principle of anticipation of economic benefits and includes all methods that are based on the anticipated benefits of the potential income or cashflow generation of the mineral asset (VALMIN Code, 2015). Valuation methods that follow this approach include discounted cashflow (DCF) modelling, capitalised margin, option pricing and probabilistic methods.

The **Cost Approach** is based on the principle of cost contribution to value, with the costs incurred providing the basis of analysis (VALMIN Code, 2015). Methods include the appraised value method and multiples of exploration expenditure (MEE), where expenditures are analysed for their contribution to the exploration potential of the Mineral Asset.

The applicability of the various valuation approaches and methods varies depending on the stage of exploration or development of the mineral asset and hence the amount and quality of the information available on the mineral potential of the assets.

Table 8.1 presents the valuation approaches for the valuation of mineral properties at the various stages of exploration and development.

Table 8.1: Suggested valuation approaches according to Development status

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

Source: VALMIN Code (2015)

The market approach to valuation can be used for the valuation of Mineral Assets regardless of development status but is typically applied as a primary approach for Exploration to Development projects.

An income-based method, such as a DCF model is commonly adopted for assessing the value of a tenure containing a deposit where an Ore Reserve has been produced following appropriate level of technical studies and to accepted technical guidelines such as the JORC Code (2012). However, an income-based method is generally not considered appropriate for deposits that are less advanced or where technical risk is not quantified (i.e. no declared Ore Reserve and/or supporting mining and related technical studies).

The use of cost-based methods, such as considering suitable MEE is best suited to exploration projects, where Mineral Resources remain to be reliably estimated.

In general, these methods are accepted analytical valuation approaches that are in common use for determining the value of mineral assets. Given its direct reference to values paid in the market and ability to be actively observed, the market approach provides a direct link to Market Value. In contrast both income-based and cost-based methods derive a Technical Value (as defined below) which typically require the application of various adjustments to account for market considerations to convert these values to a Market Value.

The **Market Value** is defined in the VALMIN Code (2015) as, in respect of a mineral asset, the amount of money (or the cash equivalent of some other consideration) for which the Mineral Asset should change hands on the Valuation date 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. The term Market Value has the same intended meaning and context as the International Valuation Standards Committee (IVSC) term of the same name. This has the same meaning as Fair Value in RG111. In the 2005 edition of the VALMIN Code, this was known as Fair Market Value.

The **Technical Value** is defined in the VALMIN Code (2015) as 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. The term Technical Value has an intended meaning that is like the IVSC term Investment Value.

Under prevailing industry norms, regulatory guidance and as required by the VALMIN Code (2015), Practitioners are required to estimate Market Value. There is no requirement to report Technical Value, which is only generally estimated as a step to report Market Value.

Valuation methods are, in general, subsets of valuation approaches and for example the Income Approach comprises several methods. Furthermore, some methods can be primary methods for valuation while others are secondary methods or rules of thumb considered suitable only to benchmark valuations completed using primary methods.

Methods traditionally used to value exploration and development projects include:

- MEE (expenditure-based)
- JV Terms Method (expenditure-based)
- Geoscientific Rating Methods (e.g. Kilburn – area-based)

- Comparable Transactions Method (market based)
- MTR analysis (ratio of the transaction value to the gross dollar metal content, expressed as a percentage – market based)
- Yardstick/Rule of Thumb Method (e.g. cost/resource or production unit, percentage of an in situ value)
- Geological risk method.

In summary, however, the various recognised valuation methods are designed to provide an estimate of the mineral asset or project value in each of the various categories of development. In some instances, a particular mineral asset or project may comprise assets which logically fall under more than one of the previously discussed development categories.

8.1 Valuation basis

Noting there are no defined Ore Reserves held by either Alto or Brightstar, SRK has considered the defined Mineral Resources, Exploration Targets, as well as the areal extent and exploration potential of the granted tenure held by Alto and Brightstar (Table 8.2).

Table 8.2: SRK’s adopted valuation basis

Project	Development Stage	Description	Valuation basis
Alto’s Sandstone Project	Early to Advanced Exploration	Defined Mineral Resources	Market: Comparable Transactions Market: Yardstick Factors
Brightstar’s Laverton Hub (Second Fortune)	Production	Defined Mineral Resources	Market: Comparable Transactions Market: Yardstick Factors
Brightstar’s Laverton Hub (Other)	Pre-development	Defined Mineral Resources	Market: Comparable Transactions Market: Yardstick Factors
Brightstar’s Menzies Hub	Pre-development	Defined Mineral Resources	Market: Comparable Transactions Market: Yardstick Factors
Montague East Gold Rights	Early to Advanced Exploration	Regional tenure portfolio	Market: Comparable Transactions Cost: Geoscientific Rating

Source: SRK analysis

SRK notes that the VALMIN Code (2015) cautions in ascribing value to tenures under application. In considering these, SRK in its professional judgement has elected to apply a 20% discount to reflect uncertainty in the timing and likely conditions associated with grant.

8.2 SRK’s valuation technique

In estimating the value of the projects as at the Valuation Date, SRK has considered various valuation methods within the context of the VALMIN Code (2015).

Under sections 670A(2), 728(2) and 769C of the *Corporations Act 2001* and section 12BB(1) of the *ASIC Act 2001*, any statement about future matters within a public report must be based on reasonable grounds as at the date the statement is made, or it will be considered to be misleading.

For mining or exploration companies, income-based valuations are forward-looking statements as they comprise, or are based on, statements about future matters including projections of likely ore tonnages, grades, and metallurgical recoveries to be achieved, as well as capital and operating costs to be incurred. In order to establish reasonable grounds for the use of income-based valuations in public reports in the Australian context, regulators and industry bodies regard the minimum requirement is for a project to be supported by an Ore Reserve which has been established through a completed techno-economic study to at least a pre-feasibility study level. This level of study is deemed to be required to demonstrate the robust nature of the defined mineralisation and provide sufficient confidence in the underlying modify factors used to convert defined Mineral Resources to Ore Reserves.

As at the Valuation Date, neither Alto nor Brightstar had defined Ore Reserves or had completed pre-feasibility level studies at any of their projects (albeit Brightstar had commenced such studies), despite Brightstar having recently completed production at the Selkirk JV (part of the Menzies Hub) and there was ongoing production at Second Fortune (part of the Laverton Hub). As such, SRK does not consider it has reasonable grounds to adopt income-based valuation methods for the assessment of value associated with the mineral assets of either Alto or Brightstar. Instead, for the valuation of the defined Mineral Resources held by Alto and Brightstar, SRK has elected to adopt comparable transaction analysis, as its primary valuation approach. The derived values determined using this approach were then crosschecked against values determined using the Yardstick Valuation method.

For the valuation of the exploration potential outside of the defined Residual Resource areas, SRK elected to adopt values implied by comparable transactions analysis which have been crosschecked using a geoscientific rating approach.

SRK notes the valuation methodologies adopted, as outlined above, are consistent with those used by other practitioners in previously assessing Brightstar's scheme of arrangement with Kingwest (and other of the subject mineral assets under transactions with Stone Resources Australia, Macphersons/Intermin and Exterra/Anova as disclosed in Section 7.2), and are also aligned with SRK's and other practitioners recent valuation practice in relation to other third-party ISRs pertaining to mineral assets in Western Australia, in particular those in the Kalgoorlie-Leonora-Laverton region.

8.3 Valuation of stated Mineral Resources

8.3.1 Mineral Resources

For the purposes of valuation, SRK has reviewed the stated Mineral Resources for the Alto and Brightstar assets, as well as those to be acquired by Brightstar at Montague East (Table 8.3). These Mineral Resources comprise a 100% interest in Alto's Sandstone Project, and a 100% interest in Brightstar's Laverton and Menzies hubs, as well as the Montague East Gold Rights area.

Table 8.3: Summary of stated Mineral Resources and SRK adjustments

Mineral Resources	Stated ounces (oz)	Modified ounces (oz)⁵
Alto's Sandstone Project ¹	1,046,000	1,046,000
Bull Oak Exploration Target ²	250,000	250,000
Alto total	1,296,000	1,296,000
Brightstar's Laverton Hub ³	862,000	850,000
Alpha Project	106,000	106,000
Beta Project	102,000	102,000
Cork Tree Well Project	303,000	303,000
Jasper Hills Project	293,000	293,000
Second Fortune Project	58,000	46,000
Brightstar's Menzies Hub ⁴	595,000	589,000
Brightstar total	1,457,000	1,439,000
Montague East Gold Rights	507,000	507,000
Montague East Gold Rights total	507,000	507,000

Source: SRK analysis based on Alto-Brightstar joint ASX announcement dated 01 August 2024

Notes: Rounding errors may occur.

¹ Represents an estimate of Alto's unconstrained (April 2023) Mineral Resource based on an applied cut-off grade of 0.5 g/t Au. Refer to the joint announcement for further details.

² Midpoint of the contained ounces in the Exploration Target range at Bull Oak

³ Open pit cut-off grade of 0.5 g/t Au and underground cut-off grade of 2.5 g/t Au applied to Second Fortune only.

⁴ Open pit cut-off grade of 0.5 g/t Au and underground cut-off grade of 2.0 g/t Au applied to Yunddaga underground only.

⁵ Accounts for depletion due to previous and ongoing mining at Selkirk and Second Fortune, respectively.

In addition, Brightstar has provided SRK with information relating to various stockpiles associated with historical and ongoing mining operations in the Laverton Hub. These stockpiles have not been formally reported within the Company's Mineral Resource estimate and total 7,133 oz of contained gold as shown in Table 8.4. As outlined in Section 4.8.1 of this Report, SRK has reviewed the available information and considers it reasonable to include these ounces for valuation purposes given Brightstar's near-term development plans (as outlined in its scoping studies of October 2023 and March 2024).

Table 8.4: Summary of stockpiles not included in the stated Mineral Resources within Brightstar's Laverton Hub

Stockpile Inventory	Contained gold (oz)
Brightstar's Laverton Hub	
Beta Project	633
Jasper Hills Project	5,517
Second Fortune Project	983
Stockpile total	7,133

¹ Source: SRK analysis based on Brightstar information

Notes: Beta project stockpiles consist of three low-grade stockpiles located on the Brightstar process plant ROM. Jasper Hills project stockpiles consist of two stockpiles adjacent to the Lord Byron open pit. Second Fortune Project stockpile consists of ROM from the operating underground mine as at 12 September 2024.

SRK has reviewed the reasonableness of the Mineral Resource (including the Bull Oak Exploration Target and Laverton Hub stockpiles) and based on the information provided it has estimated a modified Mineral Resource (Modified Resource) for valuation purposes, which takes account of the depletion to the stated Mineral Resource due to previous production at Selkirk and ongoing production at Second Fortune. Based on its review of the underlying information, nothing has come to SRK's attention to suggest the quantities included in the stated Mineral Resources (including the Bull Oak Exploration Target and Laverton Hub stockpiles) are not reasonable.

In allocation, SRK has exercised its professional judgement in assigning the stated tonnages to the relative resource categories in line with Alto's and Brightstar's ASX disclosures, as well as those of Gateway (where necessary).

8.3.2 Actual transactions

SRK notes the following mineral asset transactions involving assets held by either Alto or Brightstar within the preceding 5 years to the Scheme:

Sandstone

Alto secures option over Lightning Mining Lease M57/659 – 22 April 2024

In April 2024, Alto announced that it had entered an option agreement to acquire a 100% interest in E57/659 for an option fee of A\$20,000 cash and a further payment upon exercise of A\$100,000 within 2 years of signing the agreement, in addition to meeting the leases' minimum expenditure commitment. There are no royalties payable to the vendor. The lease covers 131.67 ha and sits within Alto's E57/1033, 3 km west of the Vanguard deposit. Assuming the option is exercised, the implied area multiple is A\$90,909.09/km² on a raw basis and A\$90,626.54/km² on a normalised basis.

Alto acquires M57/1108 from Gateway – 8 February 2021

In February 2022, Gateway announced that it had entered an agreement to divest a 100% interest in E57/1108 to Alto for a consideration comprising A\$50,000 in Alto shares (upon transfer) and the grant of a 1% NSR royalty over the tenement. Alto retained pre-emptive rights in relation to the NSR royalty and had the right to extinguish the royalty by paying Gateway A\$2.5 M at decision to mine. As outlined in the announcement, E57/1108 covers 115 km² and lies immediately southeast and along strike of the Lord Henry deposit and covers a 15 km strike length of the Edale Shear Zone. Based on the value of shares alone, the implied area multiple is A\$434.78/km² on a raw basis and A\$660.26/km² on a normalised basis.

Laverton

Brightstar acquires strategic landholding at Cork Tree Well – 7 March 2022

In March 2022, Brightstar announced the acquisition of E38/3434 strategically located immediately adjacent to its Cork Tree Well deposit. The purchase was completed for A\$10,000 cash, with no conditions precedent. The granted EL covers a total area of 11.914 km². The implied area multiple is A\$839.63/km² on a raw basis and A\$1,120.96/km² on a normalised basis.

Brightstar acquires prospective ELs in Laverton – 25 October 2021

In October 2021, Brightstar announced the acquisition of a 120 km² land package comprising E38/3500 and E3504 from Milford Resources Pty Ltd. These tenures are located adjacent and contiguous to Brightstar's existing EL areas at Alpha and Beta. Key terms include A\$50,000 cash payment 15 million Brightstar shares (at a deemed price of A\$0.046 per share) and 20 million unlisted options exercisable at A\$0.05 with an expiry date of 31 December 2024 (at a deemed price of A\$0.0001 per option) and a 1% NSR over the tenements. Excluding any royalty payments the combined consideration is A\$742,000 which implies an area multiple of A\$6,166.67/km² on a raw basis and A\$9,051.92/km² on a normalised basis.

Brightstar acquires EL38/3279 – 6 April 2021

In February 2021, Brightstar announced the acquisition of E38/3279 from private investor Mr Peter Gianni in exchange for A\$50,000 in cash. This tenement covers an area of 2.9 km². The implied area multiple is A\$17,241 km² on a raw basis and A\$ 26,836.57/km² on a normalised basis.

Brightstar acquires EL38/3438 – 8 February 2021

In February 2021, Brightstar announced the acquisition of E38/3438 from Mining Equities Pty Ltd in exchange for A\$200,000 in Brightstar shares and A\$50,000 worth of unlisted options plus a 1% NSR royalty over the tenement. This tenement covers an area of 15.99 km². Excluding any royalty payments and the options, the implied area multiple is A\$12,500/km² on a raw basis and A\$18,982.42/km² on a normalised basis.

Stone divests the Ben Hur Project – 12 August 2020

In August 2020, Stone announced the divestment of the Ben Hur Project near Laverton to Regis for A\$10 M in Regis Shares and a 1% NSR royalty on M38/339 commencing after production of 100 koz. After A\$5 M has been paid under the royalty it will revert to a 0.0025% NSR for 4 years. The transaction included the Ben Hur Measured, Indicated and Inferred Mineral Resource of 290 koz at 1.6 g/t Au (41.4% Measured, 27.6% Indicated and 31% Inferred) and three granted MLs, two granted ELs, three granted PLs and a granted L covering a combined area of 50 km². Excluding any royalty payments, the implied area multiple is A\$34.79/oz on a raw basis and A\$45.33/oz on a normalised basis.

Linden acquires the Second Fortune Project – 26 August 2020

In August 2020, Linden Gold Alliance Pty Ltd (Linden) agreed to acquire the entity (Anova Metals Australia Pty Ltd) holding the Second Fortune Gold Mine (and tenements comprising the greater Linden Gold Project) from Anova Metals Limited (Anova) for a total cash consideration of A\$9 million, comprising of A\$5 million in upfront cash consideration and A\$4 million in deferred cash consideration (in 18 months and 24 months). Anova will also receive an NSR royalty of 1.5% of each ounce of gold produced after a total of 75,000 oz (cumulative) of gold have been produced, capped at a total royalty payable of A\$1 million. Following total royalty payments of A\$1 million, the NSR will reduce to 1.00% NSR on every gold ounce produced. Anova reported that mining undepleted Indicated and Inferred Mineral Resources at Second Fortune total 488 kt at 8.3 Au for 130.6 koz of gold, including a pre-2018 mining undepleted Probable Ore Reserve of 339 kt at 6.0 g/t Au for 65 koz of contained gold. Excluding any contingent royalty payments, the implied

multiple associated with the undepleted Mineral Resource is A\$68.91/oz on a raw basis and A95.06/oz on a normalised basis.

Menzies

Brightstar expands the Menzies tenure – 17 July 2023

In July 2023, Brightstar announced that it had entered a binding term sheet with Ardea Resources Limited (Ardea) for a tenement swap of exploration tenure from the Menzies and Goongarrie Gold Projects. The only consideration involved was the grant of a 2.0% NSR royalty payable on any lithium extracted and sold from E29/981. The implied value of this transaction cannot be meaningfully estimated currently.

Kingwest sells non-core assets at Goongarrie and Leonora – 10 August 2020

In August 2020, Kingwest agreed to sell its Goongarrie Lady ML (M29/420) for a total consideration comprising A\$1.9 M in cash and a A\$20/oz (plus GST) in uncapped royalties on gold produced after the initial 15 koz of production. At the time of the transaction Goongarrie Lady and a small Indicated and Inferred Mineral Resource totalling 25 koz at 2.86 g/t Au (85% Indicated) above a 1 g/t Au cut-off grade. Based only on the cash portion of the consideration (given the royalty payments remain contingent upon future production being achieved), the implied resource multiple is A\$76.27/oz on a raw basis and A\$99.38/oz on a normalised basis.

Kingwest acquires the Menzies Project – 9 July 2019

In July 2019, Kingwest agreed to acquire a 100% interest in the Menzies and Goongarrie Projects from Intermin for A\$8 M in cash and shares to be paid over 18 months. Key terms included an initial cash deposit of A\$750,000 and further A\$1 M on settlement and 20 million Kingwest shares at a deemed issue price of A\$0.15 per share and subject to voluntary escrow, and a deferred payment no later than 18 months after settlement of A\$1.625 M in cash and A\$1.625 M in value of ordinary Kingwest shares. At the time the projects were estimated to contain an Indicated and Inferred Mineral Resource of 171,310 oz of gold at 2.2 g/t Au (above a 1 g/t Au cut-off grade) (36.4% Indicated and 63.6% Inferred). Without accounting for the time value of money, the implied resource multiple is A\$46.75/oz on a raw basis and A\$82.70/oz on a normalised basis.

8.3.3 Comparable market transactions

For its evaluation of the Modified Resources as outlined in Table 8.6, SRK compiled gold resource transactions using its internal databases, as well as the S&P Capital IQ Pro subscription database. The raw data relied on for the Modified Mineral Resource valuation are presented in Appendix C (Comparable Market Transactions).

After compiling the relevant data, SRK reviewed transactions involving gold projects in Western Australia (at various development stages) that occurred between 2020 and 2024. SRK identified 47 transactions that it considered sufficiently relevant and for which sufficient information was available to calculate a resource multiple.

The implied transaction multiple for resources was then expressed in A\$/oz terms. This implied multiple was calculated using the transaction value (at the implied 100% acquisition cost) and the total contained Mineral Resources supporting the transaction. Given the gold price volatility and future price uncertainty, SRK elected to use the August 2024 average Australian dollar gold price of A\$3,805.92/oz to normalise the implied multiples and inform its market analysis. SRK has used the A\$ gold price as the proposed transaction involves Australian gold projects. Therefore, it is considered most relevant in determining the price that acquirers are willing to pay for the subject mineral assets.

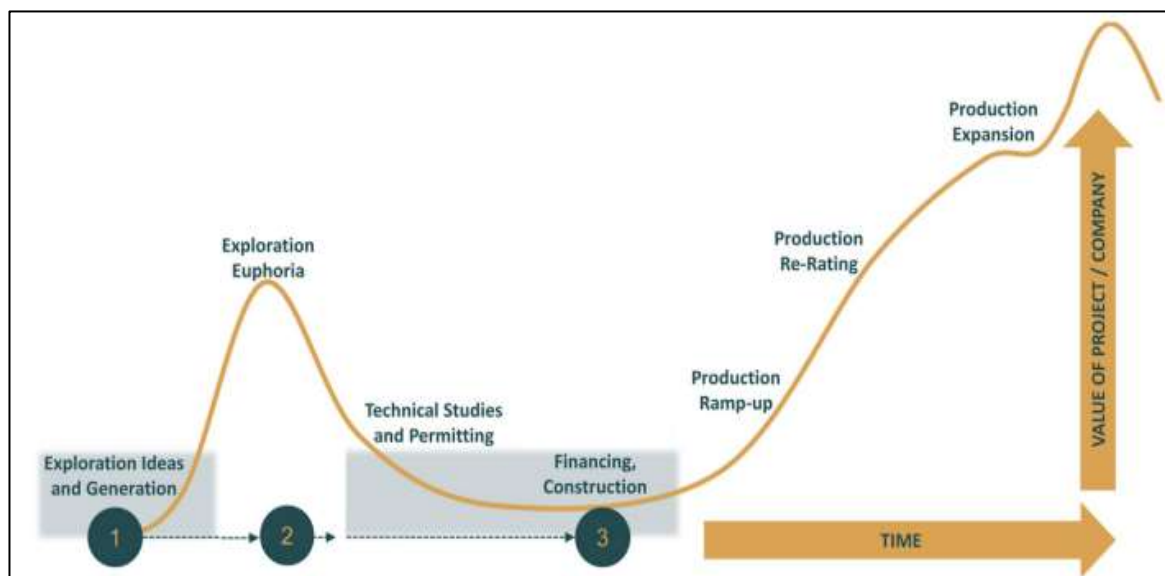
Importantly, while transaction multiples are widely used in valuation, they rely on the assumption that the reported Mineral Resources have been appropriately reported and can be taken at face value. The method assumes that differences in reporting regimes, between different Competent Persons, Mineral Resource classification, metal recovery and adopted cut-off grades (which may change between assets and/or companies) do not materially influence the implied multiple. The method implicitly assumes total recoverability of all metal tonnes/ounces, as reliable and accurate data are not disclosed or available around the time of most transactions or for all companies. Importantly, SRK's implied value calculations are for the purposes of its valuation and do not attempt to estimate or reflect the metal likely to be recovered as required under the JORC Code (2012).

SRK notes that there is a clear relationship between the development stage of the assets that host defined Mineral Resources and their implied multiples with the average, median and weighted average values decreasing in line with earlier development stages. When considering the weighted average normalised multiples for Western Australia only, SRK notes its analysis implies the following normalised transaction multiples (based on weighted averages as set out in Table 8.5):

- projects in operation or construction – A\$241.04/oz
- projects in care and maintenance – A\$37.24/oz
- projects at pre-development stage (only one transaction) – A\$32.05/oz
- projects at feasibility stage – A\$146.69/oz
- projects at scoping and pre-feasibility stage – A\$73.98/oz
- projects at advanced exploration stage – A\$41.99/oz.

The value price curve identified by this metric is in alignment with prevailing theory on value through a mining project's life cycle (Figure 8.1).

Figure 8.1: Project value curve



Source: SRK Consulting

Table 8.5: Resource-based transaction multiple analysis – Western Australia

	Resource Multiple – Raw (A\$/oz)	Resource Multiple – Normalised (A\$/oz)
All		
Count	47	47
Minimum	1.84	2.54
Median	39.99	54.98
Average	79.98	116.42
Maximum	797.53	1,272.51
Weighted average	115.23	170.25
25th percentile	18.88	26.70
75th percentile	86.11	106.43
90th percentile	165.69	234.81
Projects in Operation or under Construction		
Count	7	7
Minimum	51.12	65.00
Median	105.88	151.38
Average	165.01	251.17
Maximum	393.82	648.95
Weighted average	189.74	301.36
25th percentile	90.54	133.05
75th percentile	211.60	313.37
90th percentile	314.76	483.42

	Resource Multiple – Raw (A\$/oz)	Resource Multiple – Normalised (A\$/oz)
Projects in Care and Maintenance		
Count	4	4
Minimum	15.01	22.64
Median	33.76	46.79
Average	37.76	52.68
Maximum	68.52	94.52
Weighted average	28.27	37.24
25th percentile	27.59	35.41
75th percentile	43.94	64.06
90th percentile	58.69	82.34
Projects at Pre-Development stage		
Count	1	1
Minimum	23.23	32.05
Median	23.23	32.05
Average	23.23	32.05
Maximum	23.23	32.05
Weighted average	23.23	32.05
25th percentile	23.23	32.05
75th percentile	23.23	32.05
90th percentile	23.23	32.05
Projects at Feasibility Stage		
Count	3	3
Minimum	76.27	105.21
Median	77.68	122.50
Average	121.95	187.79
Maximum	211.88	335.66
Weighted average	94.16	146.69
25th percentile	76.98	113.86
75th percentile	144.78	229.08
90th percentile	185.04	293.02
Project at the Scoping/Pre-feasibility stage		
Count	6	6
Minimum	4.34	6.25
Median	44.98	63.01
Average	46.72	63.96
Maximum	89.48	130.63
Weighted average	56.25	73.98
25th percentile	17.74	23.64

	Resource Multiple – Raw (A\$/oz)	Resource Multiple – Normalised (A\$/oz)
75th percentile	77.18	98.50
90th percentile	87.86	119.14
Project at the Advanced Exploration stage		
Count	26	26
Minimum	1.84	2.54
Median	24.85	33.29
Average	68.71	98.98
Maximum	797.53	1,272.51
Weighted average	31.62	41.99
25th percentile	14.34	18.37
75th percentile	56.10	77.68
90th percentile	109.74	144.00

Source: SRK analysis

Note: The weighted average is determined based on the contained gold ounces in the defined Mineral Resource, which SRK considers to be an appropriate metric in the evaluation of large datasets.

Mineral Resources – Comparable market transactions only

Table 8.5 summarises the multiples implied by recent transactions involving similar assets to those held by Alto and Brightstar. SRK has used these implied multiples to establish the value of the Modified Resources held by Alto and Brightstar on a net attributable basis.

SRK's multiples for the Australian assets are based on the stage of development, mine type and grade considered against the statistical analysis of the Australian comparable market transactions. When selecting an appropriate transaction multiple for the Modified Resources associated with Second Fortune (which toll treats its ores at Genesis's Gwalia plant), SRK has adopted a multiple lower than that implied by comparable transactions relating to producing assets to exclude the value associated with the plant and equipment required to operate the site. The same applies to a mine on care and maintenance, the selected multiple excludes the likely value of the plant and equipment.

When selecting an appropriate transaction multiple for Brightstar's Laverton Hub, SRK has been cognisant as to whether the selected multiple captures the value of the plant and equipment net of all expenses including remediation.

Certain of the Alto and Brightstar mineral tenures are subject to third-party royalty agreements which may require payments to be made upon the commencement of gold production. However, in many cases, the eventual timing associated with these future royalty payments remains highly uncertain. Furthermore, several of the transactions considered as potentially comparable to the mineral assets of Alto and/or Brightstar include royalties as part of the consideration and thus are included in the implied multiple adopted for SRK's valuation of the Alto and Brightstar projects.

Furthermore, SRK notes that Brightstar has previously announced the potential for lithium bearing pegmatites within its Menzies tenures¹⁵, however this remains at an early stage of assessment. Therefore, SRK considers the implied multiples adopted for gold will also account for the value associated with other metals (such as lithium, which trades at a discount to gold on a relative pricing basis) within these tenures.

SRK notes that the selection of implied multiples is a subjective assessment.

Alto

In considering the appropriate multiples to be applied to Alto's Sandstone Project tenures, SRK is cognisant of the following:

- The Sandstone Project is best categorised as an advanced stage exploration project, with a number of early-stage exploration tenures.
- The defined Mineral Resources are in relative proximity to the town of Sandstone and its surrounding infrastructure. However, other than former haul roads and exploration tracks, there is limited installed infrastructure remaining within the Hub tenures, with third-party processing plants typically at 100–150 km to the project.
- There has been extensive historical open pit and underground mining totalling 1.3 Moz of gold at the Sandstone Project up until the mid-2000s. Associated metallurgical testwork and processing activities demonstrated that the mostly oxide ores offer excellent gold recoveries (averaging 93% across all rock types, but up to 98% in fresh ores), with gold amenable to conventional cyanide extraction.
- Granted MLs cover most of the defined resources (except for Lady Bird, Indomitable East, Musketeer and Bull Oak), with the deposits being in close proximity to one another.
- Most of the defined Mineral Resources are shallow, with approximately 90% at depths of less than 150 m below surface, in part reflecting the limited density of historical deeper drilling across the greenstone belt.
- In total, Mineral Resources of 1.05 Moz of gold are defined at the Sandstone Project (based on the unconstrained model). No Measured Mineral Resources are presently defined with 21.7% of the defined gold ounces in the Indicated category and 78.2% in the Inferred category. The defined Mineral Resources account for depletion due to previous mining.
- Defined gold grades range from 0.9 g/t Au at Indomitable East to 3.3 g/t Au at the Vanguard North deposit, with the Hub averaging 1.4 g/t Au.
- No mining has occurred at the Sandstone Project since the Mineral Resources were defined, and all defined Mineral Resources are based on mining parameters and costs of similar Australian open pit extractable deposits of similar scale and geology.
- Preliminary metallurgical testwork indicates overall recoveries average 93%, with Lord Nelson primary zone mineralisation averaging 96% recovery.
- In addition, an Exploration Target of between 4.6–8.8 Mt and 1.0–1.3 g/t Au for 205–295 koz Au (mid-point 250 koz) based on limited deeper and widely spaced drilling which defined

¹⁵ Brightstar ASX announcement 'Lithium Exploration in Menzies uncovers multiple outcropping pegmatites' dated 14 December 2023.

repeating gold structures at depth below the established resource at Bull Oak in June 2024. The defined mineralisation is relatively deep and low grade and as such has not been constrained within a pit shell. Further metallurgical testwork is also required to demonstrate the potential for high gold recoveries to continue at depth.

- No recent techno-economic studies have been completed at the Sandstone Project.

Based on its assessment of the available technical data and the multiples set out in Table 8.5, SRK has adopted a resource multiple range of between of A\$15/oz and A\$75/oz for its valuation of the Modified Resources at Alto's Sandstone Project. This range reflects the Advanced Exploration development stage of the assets and is informed by the 25th percentile, median, weighted average and 75th percentile of the comparable transaction dataset for Advanced Exploration projects (of which a majority occur in the Eastern Goldfields region of Western Australia).

For the avoidance of doubt, SRK has applied the following multiples according to Mineral Resource category:

- Maninga Marley and Vanguard North
 - Indicated Resources: A\$50–A\$75/oz
 - Inferred Resources: A\$25–A\$50/oz
- Lord Nelson, Lord Henry, Vanguard, Havilah, Musketeer, Tiger Moth, Bull Oak, and Ladybird
 - Indicated Resources: A\$45–A\$70/oz
 - Inferred Resources: A\$20–A\$45/oz
- Indomitable, Indomitable East and Piper
 - Indicated Resources: A\$40–A\$65/oz
 - Inferred Resources: A\$15–A\$40/oz
- Bull Oak
 - Exploration Target: A\$1–A\$5/oz

Further details are outlined in Appendix C.

Based on this comparable transaction analysis, SRK considers the implied value of the Residual Resources held by Alto lies in the range A\$26.2 M to A\$54.1 M, with a preferred valuation of A\$40.2 M on a 100% basis (Table 8.6).

Table 8.6: Comparable transactions valuation of Alto's Modified Resources

Deposit	Total (koz)	Value multiple Low (A\$/oz)	Value multiple High (A\$/oz)	Value multiple Preferred (A\$/oz)	Value Low (A\$ M)	Value High (A\$ M)	Value Preferred (A\$ M)
Lord Nelson	291	28.6	53.6	41.1	8.32	15.60	11.96
Lord Henry	98	39.4	64.2	51.8	3.87	6.29	5.08
Vanguard	145	24.5	49.5	37.0	3.55	7.18	5.36
Vanguard North	72	25.0	50.0	37.5	1.80	3.60	2.70
Havilah	42	20.0	45.0	32.5	0.84	1.89	1.37
Maninga Marley	12	25.0	50.0	37.5	0.30	0.60	0.45
Musketeer	59	20.0	45.0	32.5	1.18	2.66	1.92
Indomitable	133	19.3	45.2	32.3	2.57	6.01	4.29
Indomitable East	64	15.0	40.0	27.5	0.96	2.56	1.76
Tiger Moth	28	20.0	45.0	32.5	0.56	1.26	0.91
Piper	4	15.0	40.0	27.5	0.06	0.16	0.11
Bull Oak	90	20.0	45.0	32.5	1.80	4.05	2.93
Ladybird	8	20.0	45.0	32.5	0.16	0.36	0.26
Total (excl. Ex Target), 100% basis	1,046	24.8	49.9	37.4	25.97	52.21	39.09
Bull Oak Exploration Target	250 ¹	1.0	7.5	4.3	0.25	1.88	1.06
Total (incl. Ex Target), 100% basis	1,296²	20.2	41.7	31.0	26.22	54.08	40.15

Source: SRK analysis

Note: Numbers may not reconcile due to rounding.

¹ Midpoint of the contained ounces at the Bull Oak Exploration Target.

² Based on unconstrained Mineral Resource model as discussed in Section 3.6.

Brightstar

In considering the appropriate multiples to be applied to Brightstar's Menzies Hub Mineral Resources, SRK is cognisant of the following:

- Overall, the Menzies Project is best classified as a Pre-development project, albeit the tenures at the Goongarrie Project (given no Mineral Resources were defined as at the Valuation Date) are at an earlier stage than those at Menzies.
- The Menzies Project contains several deposits within granted mining leases offering potential for near-surface, oxide material potentially representing a low-cost mining and processing opportunity for low risk, high margin ounces similar to those at Selkirk.
- In total, Mineral Resources of 595 koz of gold are defined at the Menzies Hub (or 588 koz of gold once mining depletion at Selkirk is taken into account). No Measured Mineral Resources are presently defined with 35.2% of the defined gold ounces in the Indicated category and 65.1% in the Inferred category.

- Defined gold grades range from 1.1 g/t Au at Link Zone (comprising the Westralian Menzies, Merriyulah and Gold Dicks deposits) and Selkirk to 3.3 g/t Au at the Yunndaga underground deposit, with the Hub averaging 1.3 g/t Au.
- Considerable information, including detailed metallurgical studies, was completed by Kingwest (now a wholly owned subsidiary of Brightstar) in 2021 as part of a scoping study for the Menzies Project. This study proposed open pit mining at Menzies and ore haulage to third-party processing facilities.
- Mining has only recently concluded¹⁶ at the Selkirk open pit within M29/154 (with ores mined under a 50:50 JV arrangement prior to transport to Genesis' Gwalia processing plant for toll treatment), with the ores enabling high productivities and delivered into a high gold price environment resulting in mining operations being completed ahead of schedule in 2024.
- In November 2023, Brightstar announced its maiden Mineral Resource at the Menzies Link Zone, in an area which continues to be the focus of ongoing exploration activity supporting pre-feasibility work streams due for delivery in late 2024/ early 2025. Work is ongoing to determine whether the Link Zone can be developed under a similar small-scale mining structure to that at the Selkirk mine in the near term, or alternatively developed in conjunction with other open pit mining options at Menzies as proposed by Brightstar.
- On 6 September 2023, Brightstar announced the positive results from its scoping level study evaluating the viability of open pit and underground mining at its Menzies and Laverton Hubs, with processing undertaken at either the upgraded Brightstar processing plant (on care and maintenance) or third-party toll treatment of select deposits. Of relevance to the Menzies Hub, this study evaluated the development of a single large open pit within the Lady Shenton system and shallow underground mining at Yunndaga within relative proximity to established third-party processing facilities for toll treatment, thus providing a low capital option capable of providing early cashflow to support the restart of the Laverton Hub. Yunndaga has existing underground development and mining levels in place to <200 m depth. The concept relied on previous metallurgical testwork completed to support Kingwest's 2021 Menzies scoping study. Based on the outcome of its 2023 scoping study, Brightstar's board approved the progression of the Menzies and Laverton Hubs to a preliminary feasibility study (PFS) assessment, which was further upgraded in July 2024 to a definitive feasibility study (FS) follow the receipt of positive drilling and PFS work stream results¹⁷. The FS remained ongoing as at the Valuation Date.
- Brightstar considers that the results of recent drilling programs will provide sufficient geological, metallurgical, and geotechnical information to enable Ore Reserves to be declared at the Lady Shenton System, representing one of the first mines to be developed by Brightstar under its FS development concept. As at the Valuation Date, no Ore Reserves or LOM plan for Lady Shenton had been reported.
- In September 2024, Brightstar submitted a Mining proposal and mine closure plan (MCP) to DEMIRS for the development of one new underground mine at Yunndaga, a single cutback of

¹⁶ Brightstar ASX Announcement "Mining completed at Selkirk, toll-treatment of ore processing at Gwalia Gold Mine imminent", dated 29 February 2024, source <<https://announcements.asx.com.au/asxpdf/20240229/pdf/060yzhg2dj8zpd.pdf>>.

¹⁷ Brightstar ASX Announcement "Brightstar fast-tracks development timeline with decision to proceed to definitive feasibility study", dated 10 Jul 2024, source <<https://announcements.asx.com.au/asxpdf/20240710/pdf/065g3p7np8n7dz.pdf>>.

an existing open pit (Pericles) and the development of four new open pits (Stirling, Westralia, Merriyulah and Golden Dicks) within the Menzies Project. This proposal remained to be approved as at the Valuation Date.

- Resource drilling campaigns have been completed at Lady Irene and the Lady Shenton–Lady Harriet Link Zone. This resource work supports ongoing metallurgical studies, geotechnical studies, and resource definition upgrades. Resource drilling is expected to continue into 2025 prior to the planned commencement of mining (pending successful outcomes from the ongoing FS).
- There are currently limited infrastructure items on site at Menzies which are held by Brightstar. Any future mining operational facilities are likely to be temporary and removed on completion of mining and haulage activities.
- Recent exploration activities have included ongoing drilling at the Link Zone, including diamond drilling for metallurgical and geotechnical testwork purposes.

Based on its assessment of the available technical data, SRK has adopted a resource multiple range of between of A\$30/oz and A\$95/oz for its valuation of the Modified Resources at Brightstar's Menzies Hub. This range reflects the Pre-development status of the Hub and is informed by the 25th percentile, median, average, 75th percentile of the comparable transaction dataset for Scoping/Pre-feasibility level projects (of which a majority occur in the Kalgoorlie region of the Eastern Goldfields region of Western Australia).

For the avoidance of doubt, SRK has applied the following multiples according to Mineral Resource category:

- Lady Shenton System (comprising Pericles, Lady Shenton, and Stirling), Yunndaga underground and Link (comprising Westralia Menzies, Merriyulah and Golden Dicks):
 - Indicated Resources: A\$65–A\$95/oz
 - Inferred Resources: A\$35–A\$65/oz
- Yunndaga (shallow oxide), Aspacia, Lady Harriet System (Warrior, lady Harriet, Bellenger), Selkirk (remnant mineralisation), and Lady Irene:
 - Indicated Resources: A\$60–A\$90/oz
 - Inferred Resources: A\$30–A\$60/oz
- Further details are outlined in Appendix C.

In considering the appropriate multiples to be applied to Brightstar's Laverton Hub Mineral Resources, SRK is cognisant of the following:

- Overall, the Laverton Project is best classified as a Pre-development Project, albeit the Second Fortune mine was in production as at the Valuation Date.
- Previous mining has largely depleted the near-surface, oxide material within the Hub, with future development dependent on deeper transition and sulfide ores within the granted mining leases and thus requiring reconfiguration of the existing Brightstar plant (or third-party toll treatment), resulting in a higher capital development concept than at Menzies.
- In total, Mineral Resources of 862 koz of gold are defined at the Laverton Hub (or 850 koz once mining depletion at Second Fortune is taken into account). Measured Mineral Resources

account for 10% of the defined gold ounces, with a further 37.2% in the Indicated category and 52.8% in the Inferred category.

- Defined gold grades range from 1.4 g/t Au at Cork Tree Well to 10.9 g/t Au at Second Fortune, with the Hub averaging 2.0 g/t Au.
- Mining is ongoing at the Second Fortune mine within M29/154 (with ores mined via underground techniques prior to transport to Genesis' Gwalia processing plant for toll treatment).
- On 6 September 2023, Brightstar announced the positive results from its scoping level study evaluating the viability of open pit and underground mining at its Menzies and Laverton Hubs with processing undertaken at either the Brightstar processing plant (at the Beta Project) or third-party toll treatment of select deposits. Of relevance to the Laverton Hub, this study evaluated the development of four open pit operations at Cork Tree Well (two cutbacks and two new open pit developments) and a shallow underground mine at Alpha. Under the development concept, mined ores from Cork Tree Well and Alpha were to be transported to the Brightstar processing plant for processing. Both the Alpha and Cork Tree Well deposits have been previously mined, with mine records informing the gold recovery assumptions to the scoping level study. Further drilling was proposed (and subsequently completed) to evaluate the potential for further upside. Based on the outcome of this study, Brightstar's board approved the progression of the Menzies and Laverton Hubs to a PFS assessment.
- On 25 March 2024, Brightstar announced the positive results from the Jasper Hills scoping study evaluating the viability of open pit (Lord Byron) and shallow underground mining (at Fish to <150 m depth) within the Jasper Hills Project, with off-site haulage and toll treatment of ores at proximal third-party processing facilities. At the time of the announcement, Jasper Hills was wholly owned by Linden Gold Alliance, which was the subject of an off-market takeover offer by Brightstar (completed July 2024¹⁸). With only 48% of the defined resources included in the development concept, further upside remained including opportunities to increase the production rate, use of the upgraded Brightstar processing plant, further infill, and extensional exploration to expand defined resource base and additional regional exploration. Based on the outcome of this study, Brightstar's board approved the progression of the Jasper Hills Project to a PFS assessment.
- On 10 July 2024, Brightstar announced its intention to upgrade the Menzies and Laverton PFS to a definitive feasibility study (FS) following the receipt of positive drilling and PFS work stream results¹⁹. As per this announcement, Brightstar considers that the results of recent drilling programs will provide sufficient geological, metallurgical, and geotechnical information to enable Ore Reserves to be declared at the Lord Byron and Fish deposits, representing two of the first mines to be developed by Brightstar under its FS development concept. As at the Valuation Date, the FS remained ongoing, with no Ore Reserves or LOM plan for the Lord Byron and Fish deposits publicly reported.

¹⁸ Brightstar ASX Announcement, "Completion of Linden Gold Acquisition and Vesting of MD performance Rights", dated 10 July 2024, source <<https://announcements.asx.com.au/asxpdf/20240710/pdf/065g2ks6nmw10d.pdf>>.

¹⁹ Brightstar ASX Announcement "Brightstar fast-tracks development timeline with decision to proceed to definitive feasibility study", dated 10 July 2024, source <<https://announcements.asx.com.au/asxpdf/20240710/pdf/065g3p7np8n7dz.pdf>>.

- On 10 October 2023, Brightstar announced that the results of an independent valuation of the Brightstar mill and associated site infrastructure for insurance purposes, which returned a value of A\$60.9 million²⁰.
- As noted previously there are additional historical and ROM stockpiles available at Second Fortune, Lord Byron, and Beta, which are outside of the defined Mineral Resources and provide a low-cost option for near-term gold processing. The Second Fortune stockpile is associated with the ongoing mining operation, while the Lord Byron and Beta stockpiles are historical having been in place for more than 10 years. These stockpiles have been valued separately (refer Section 8.6).
- Recent exploration activities have included face sampling and ongoing diamond drilling at Second Fortune (from both open pit and underground positions), infill RC/diamond drilling at Lord Byron and Fish deposits designed to infill the stated resources, improve classification, and provide information for mine planning purposes and RC/diamond drilling at Cork Tree Well.
- According to Brightstar's ASX announcement regarding the takeover offer for Linden Gold²¹, the offer implies a A\$67.52/oz Au on a fully diluted equity basis (i.e. A\$23.7 M/357 koz Au).

For the evaluation of the Laverton Hub, SRK has adopted a resource multiple range of between of A\$150/oz and A\$300/oz for its valuation of the Modified Resources at the Second Fortune Project and a range of between A\$40/oz and A\$130/oz for its valuation of all other assets at the Laverton Hub (i.e. Alpha, Beta, Cork Tree Well and Jasper Hills). This range reflects the Pre-development to Production status of the Hub and is informed by the 25th percentile, median, average, 75th and 90th percentiles of the comparable transaction dataset for Scoping/Pre-feasibility and the median, average and 75th percentile of Production level projects (of which a majority occur in the Kalgoorlie regional of the Eastern Goldfields region of Western Australia).

For the avoidance of doubt, SRK has applied the following multiples according to Mineral Resource category:

- Second Fortune:
 - Measured Resources: A\$250–A\$300/oz
 - Indicated Resources: A\$200–A\$250/oz
 - Inferred Resources: A\$150–A\$200/oz
- Alpha and Jasper Hills (Lord Byron and Fish):
 - Measured Resources: A\$100–A\$130/oz
 - Indicated Resources: A\$70–A\$100/oz
 - Inferred Resources: A\$45–A\$75/oz

²⁰ Brightstar ASX Announcement “Brightstar processing plant valued at over A\$60 million replacement cost”, dated 10 October 2024, source <https://announcements.asx.com.au/asxpdf/20231010/pdf/05vwgn818c9k5j.pdf>.

²¹ Brightstar – Alto ASX Announcements “Brightstar to drive consolidation of Sandstone district”, and “Brightstar ASX announcement “Building a Growing West Australian Gold producer; Sandstone/Gum Creek Consolidation” dated 1 August 2024, pages 1 and Slide 4, source <https://announcements.asx.com.au/asxpdf/20240801/pdf/0666qbqhlypsnp.pdf> and <https://announcements.asx.com.au/asxpdf/20240801/pdf/0666qh9m31k3kk.pdf>.

- Beta and Cork Tree Well:
 - Measured Resources: A\$95–A\$125/oz
 - Indicated Resources: A\$65–A\$95/oz
 - Inferred Resources: A\$40–A\$70/oz.

Further details are outlined in Appendix C.

Based on comparable transaction analysis, SRK considers the implied value of the Modified Resources held by Brightstar lies in the range A\$81.4 M to A\$126.3 M, with a preferred valuation of A\$103.9 M on a net attributable basis (Table 8.7).

Table 8.7: Comparable transactions valuation of Brightstar’s Modified Resources

Deposit/Project	Total (koz)	Value multiple Low (A\$/oz)	Value multiple High (A\$/oz)	Value multiple Preferred (A\$/oz)	Value Low (A\$ M)	Value High (A\$ M)	Value Preferred (A\$ M)
Alpha	106	68.0	98.0	83.0	7.21	10.39	8.80
Beta	102	57.4	87.4	72.4	5.85	8.91	7.38
Cork Tree Well	303	53.0	83.0	68.0	16.05	25.14	20.59
Jasper Hills	293	58.6	88.6	73.6	17.18	25.97	21.57
Second Fortune	46	169.6	219.6	194.6	7.80	10.10	8.95
Laverton Hub	850	61.9	93.0	77.4	54.08	70.50	67.29
Lady Shenton System (Pericles, Lady Shenton, Stirling)	287	47.8	78.1	63.0	13.72	22.42	18.07
Yunndaga	144	40.8	70.6	55.7	5.88	10.17	8.03
Yunndaga (UG)	12	35.0	65.0	50.0	0.42	0.78	0.60
Aspacia	70	32.6	62.1	47.4	2.28	4.35	3.32
Lady Harriet System (Warrior, Lady Harriet, Bellenger)	43	45.3	75.3	60.3	1.95	3.24	2.60
Link Zone	21	45.2	76.7	61.0	0.95	1.61	1.28
Selkirk	5	30.0	60.0	45.0	0.15	0.30	0.23
Lady Irene	6	30.0	60.0	45.0	0.18	0.36	0.27
Menzies Hub	588	43.4	73.5	58.5	25.53	43.23	34.38
Total, 100% basis	1,445	55.3	86.4	70.9	81.44	126.37	103.91

Source: SRK analysis

Note: Numbers may not reconcile due to rounding.

Montague East Gold Rights

Based on its assessment of the available technical data, SRK has adopted a resource multiple range of between of A\$20/oz and A\$70/oz for its valuation of the Modified Resources at the Montague East Gold rights area. This range is consistent with that applied to Alto’s Sandstone Project and reflects the Advanced Exploration development stage of the assets and is informed by the 25th percentile, median, weighted average and 75th percentile of the comparable transaction dataset for Advanced Exploration projects (of which a majority occur in the Eastern Goldfields region of Western Australia).

For the avoidance of doubt, SRK has applied the following multiples according to Mineral Resource category:

- Whistler underground:
 - Inferred Resources: A\$25–A\$50/oz
- Montague-Boulder, Evermore, Archilles North/Airport and Julius:
 - Indicated Resources: A\$45–A\$70/oz
 - Inferred Resources: A\$20–A\$45/oz.

Further details are outlined in Appendix C.

In considering the appropriate multiples to be applied to the Montague East Project's Mineral Resources, SRK is cognisant of the following:

- The Montague East Project is best categorised as an advanced stage exploration project, with a number of early-stage exploration tenures.
- The defined Mineral Resources are located to the northeast of the town of Sandstone and thus have a similar infrastructure setting to that at Alto's Sandstone Project.
- Granted MLs cover the majority of the defined resources, with most known mineralisation being relatively shallow.
- In total, Mineral Resources of 507 koz of gold are defined at Montague East. No Measured Mineral Resources are presently defined, with 25.0% of the defined gold ounces in the Indicated category and 75.0% in the Inferred category.
- Defined gold grades range from 1.3 g/t Au at Julius to 2.2 g/t Au at the Whistler underground deposit, with the Hub averaging 1.6 g/t Au.
- No recent techno-economic studies have been completed at the Project.

Based on this comparable transaction analysis, SRK considers the implied value of the Minerals Resources at the Montague East Gold Rights area lies in the range A\$13.3 M to A\$26.0 M, with a preferred valuation of A\$19.7 M (Table 8.8).

Table 8.8: Comparable transactions valuation of the Montague East Resources

Deposit/Project	Total (koz)	Value multiple Low (A\$/oz)	Value multiple High (A\$/oz)	Value multiple Preferred (A\$/oz)	Value Low (A\$ M)	Value High (A\$ M)	Value Preferred (A\$ M)
Montague–Boulder	163	30.3	55.3	42.8	4.94	9.01	6.97
Whistler	120	20.0	45.0	32.5	2.40	5.40	3.90
Evermore	67	20.0	45.0	32.5	1.34	3.02	2.18
Archilles North/Airport	99	23.5	48.5	36.0	2.33	4.81	3.57
Julias (75% attributable)	58	39.8	64.8	52.3	2.31	3.76	3.04
Total, net attributable basis	507	26.3	51.3	38.8	13.32	25.99	19.65

Source: SRK analysis

Note: Numbers may not reconcile due to rounding.

8.3.4 Industry Yardstick crosscheck

As a crosscheck to the values implied by market multiples, SRK has also considered standard industry yardsticks. Under the Yardstick method of valuation, specified percentages of the spot price are used to assess the likely value. Commonly used Yardstick factors range between 0.5% and 5.0% of the prevailing spot price as set out below.

- Measured Mineral Resources: 2.0% to 5.0% of the spot price
- Indicated Mineral Resources: 1.0% to 2.0% of the spot price
- Inferred Mineral Resources: 0.5% to 1.0% of the spot price
- Exploration Target: 0.1% to 0.5% of the spot price.

To determine the relevant Yardstick factors for use, SRK adopted the spot Australian dollar gold price as at 20 September 2024 (A\$3,852.59/oz). On this basis, the implied value range multiples using the yardstick factors are summarised in Table 8.9.

Table 8.9: Industry Yardstick factors value range

Resource	Percentage of the spot price	Value Range	
		Low (A\$/oz)	High (A\$/oz)
Measured	2.0% to 5.0%	77.05	192.63
Indicated	1.0% to 2.0%	38.53	77.05
Inferred	0.5% to 1.0%	19.26	38.53
Exploration Target	0.1% to 0.5%	3.85	19.26

Source: SRK analysis

Modified Resources – Industry Yardstick only

Alto

Table 8.10 summarises the Yardstick values of the Modified Resources (inclusive of the Bull Oak Exploration Target) of Alto on a 100% attributable basis. Based on its derived Yardstick factors, SRK considers the implied value of Modified Resources (inclusive of the Bull Oak Exploration Target) of Alto lies in the range A\$25.5 M to A\$53.97 M, with a preferred valuation of A\$39.7 M.

Table 8.10: Yardstick valuation of Alto Modified Resources (including Bull Oak Exploration Target)

Deposit	Total (koz)	Ounces in Indicated %	Ounces in Inferred %	Value Low (A\$ M)	Value High (A\$ M)	Value Preferred (A\$ M)
Lord Nelson	291	34.4	65.6	7.53	15.06	11.30
Lord Henry	98	78.6	20.4	3.35	6.70	5.03
Vanguard	145	17.9	82.1	3.29	6.59	4.94
Vanguard North	72	0.0	100.0	1.39	2.77	2.08
Havilah	42	0.0	100.0	0.81	1.62	1.21
Maninga Marley	12	0.0	100.0	0.23	0.46	0.35
Musketeer	59	0.0	100.0	1.14	2.27	1.70
Indomitable	133	17.3	82.7	3.01	6.01	4.51
Indomitable East	64	0.0	100.0	1.23	2.47	1.85
Tiger Moth	28	0.0	100.0	0.54	1.08	0.81
Piper	4	0.0	100.0	0.08	0.15	0.12
Bull Oak	90	0.0	100.0	1.73	3.47	2.60
Ladybird	8	0.0	100.0	0.15	0.31	0.23
Total (excl. Ex Target), 100% basis	1,046	21.7	78.3	24.52	49.04	36.78
Bull Oak Exploration Target	250 ¹	-	-	0.96	4.82	2.89
Total (incl. Ex Target), 100% basis	1,296²	21.7	78.3	25.48	53.86	39.67

Source: SRK analysis

Note: Numbers may not reconcile due to rounding.

¹ Midpoint of the contained ounces at the Bull Oak Exploration Target.

Brightstar

Table 8.11 summarises the Yardstick values of the Brightstar Modified Resources on an attributable basis. Based on its derived Yardstick factors, SRK considers the implied value of Modified Resources of Brightstar lies in the range A\$42.7 M to A\$88.7 M, with a preferred valuation of A\$65.7 M.

Table 8.11: Yardstick valuation of Brightstar Modified Resources

Deposit/Project	Total (koz)	Ounces in Measured (%)	Ounces in Indicated (%)	Ounces in Inferred (%)	Value Low (A\$ M)	Value High (A\$ M)	Value Preferred (A\$ M)
Alpha	106	31.1	23.6	45.3	4.43	10.13	7.28
Beta	102	18.6	28.4	52.9	3.62	7.97	5.80
Cork Tree Well	303	0.0	51.8	48.2	8.86	17.72	13.29
Jasper Hills	293	11.3	29.7	59.0	9.23	19.73	14.48
Second Fortune	46	0.0	39.1	60.9	1.23	2.47	1.85
Laverton Hub	850	10.0	37.2	52.8	27.37	58.02	42.70
Lady Shenton System (Pericles, Lady Shenton, Stirling)	287	0.0	41.5	59.6	7.88	15.76	11.82
Yunnadaga	144	0.0	36.8	62.5	3.78	7.55	5.66
Yunnadaga (UG)	12	0.0	0.0	100.0	0.23	0.46	0.35
Aspacia	70	0.0	10.0	88.6	1.46	2.93	2.20
Lady Harriet System (Warrior, Lady Harriet, Bellenger)	43	0.0	51.2	48.8	1.25	2.50	1.88
Link Zone	21	0.0	28.6	76.2	0.54	1.08	0.81
Selkirk	5	0.0	0.0	100.0	0.10	0.19	0.14
Lady Irene	6	0.0	0.0	100.0	0.12	0.23	0.17
Menzies Hub	588	0.0	35.2	65.1	15.35	30.71	23.03
Total, 100% basis	1,445	5.9	36.4	57.9	42.73	88.73	65.73

Source: SRK analysis

Note: Numbers may not reconcile due to rounding.

Montague East Gold Rights

Table 8.12 summarises the Yardstick values of the Modified Resources associated with the Montague East Gold Rights area. Based on its derived Yardstick factors, SRK considers the implied value of Modified Resources of the Montague East Gold Rights lies in the range A\$12.2 M to A\$24.4 M, with a preferred valuation of A\$18.3 M.

Table 8.12: Yardstick valuation of Montague East Gold Rights Modified Resources

Deposit/Project	Total (koz)	Ounces in Measured (%)	Ounces in Indicated (%)	Ounces in Inferred (%)	Value Low (A\$ M)	Value High (A\$ M)	Value Preferred (A\$ M)
Montague–Boulder	163	-	41.1	58.9	4.43	8.86	6.65
Whistler	120	-	0.0	100.0	2.31	4.62	3.47
Evermore	67	-	0.0	100.0	1.29	2.58	1.94
Archilles North/Airport	99	-	14.1	85.9	2.18	4.35	3.27
Julias (75% attributable)	58	-	79.3	20.7	2.00	4.01	3.01
Total, net attributable basis	507	-	25.0	75.0	12.21	24.43	18.32

Source: SRK analysis

Note: Numbers may not reconcile due to rounding.

8.3.5 Valuation summary of Modified Resources

Alto

SRK considers the values implied by the comparable transactions analysis to be reasonable given the values implied by the industry yardsticks and hence has adopted these values as the basis for its valuation range of Alto's Modified Resources (Table 8.13).

Table 8.13: Summary of SRK's valuation of Alto's Modified Resources

Method	Low (A\$ M)	High (A\$ M)	Preferred (A\$ M)
Comparable transactions	26.2	54.1	40.2
Yardstick	25.5	53.9	39.7
Alto Sandstone Project assets on a 100% basis	26.2	54.1	40.2

Source: SRK analysis

Based on this analysis, the implied value of the Alto Modified Resources is estimated to reside between A\$26.2 M and A\$54.1 M, with a preferred valuation of A\$40.2 M on an attributable basis.

Brightstar

SRK considers the values implied by the comparable transactions analysis to be reasonable given the values implied by the industry yardsticks and hence has adopted these values as the basis for its valuation range of the Modified Resources at Brightstar's Laverton and Menzies hubs (Table 8.14).

Table 8.14: Summary of SRK's valuation of Brightstar's Modified Resources

Hub	Method	Low (A\$ M)	High (A\$ M)	Preferred (A\$ M)
Laverton	Comparable transactions	54.1	80.5	67.3
	Yardstick	27.4	58.0	42.7
	Selected – Laverton Hub	54.1	80.5	67.3
Menzies	Comparable transactions	25.5	43.2	34.4
	Yardstick	15.4	30.7	23.0
	Selected – Menzies Hub	25.5	43.2	34.4
All	Brightstar assets on a 100% basis	79.6	123.7	101.7

Source: SRK analysis

Based on this analysis, the implied value of the Brightstar Modified Resources at Laverton and Menzies Hubs is estimated to reside between A\$79.6 M and A\$123.7 M, with a preferred valuation of A\$101.7 M on an attributable basis.

Montague East Gold Rights

SRK considers the values implied by the comparable transactions analysis to be reasonable given the values implied by the industry yardsticks and hence has adopted these values as the basis for

its valuation range of the Modified Resources within the Montague East Gold Rights area (Table 8.15).

Table 8.15: Summary of SRK’s valuation of Montague East Gold Rights

Method	Low (A\$ M)	High (A\$ M)	Preferred (A\$ M)
Comparable transactions	13.3	26.0	19.7
Yardstick	12.2	24.4	18.3
Montague East Gold Rights	13.3	26.0	19.7

Source: SRK analysis

Based on this analysis, the implied value of the Modified Resources within the Montague East Gold Rights area is estimated to reside between A\$13.3 M and A\$26.0 M, with a preferred valuation of A\$19.7 M on an attributable basis.

8.4 Valuation of exploration potential

8.4.1 Comparable market transactions

In addition to its assessment of the Modified Resources, SRK has also considered the value associated with the mineral tenure surrounding the currently defined Mineral Resource areas held by the parties.

To this end, SRK has also reviewed transactions involving early to advanced stage gold exploration projects in Western Australia (i.e. those without defined gold Mineral Resources). In Australia, SRK has identified and compiled data and statistics for 118 transactions occurring between 2021 and 2024 (Figure 8.2) for which sufficient information was available to calculate an area-based multiple (i.e. A\$/km² or A\$/ha). SRK’s analysis of the implied multiples was based on the reported areal extent of mineral tenure.

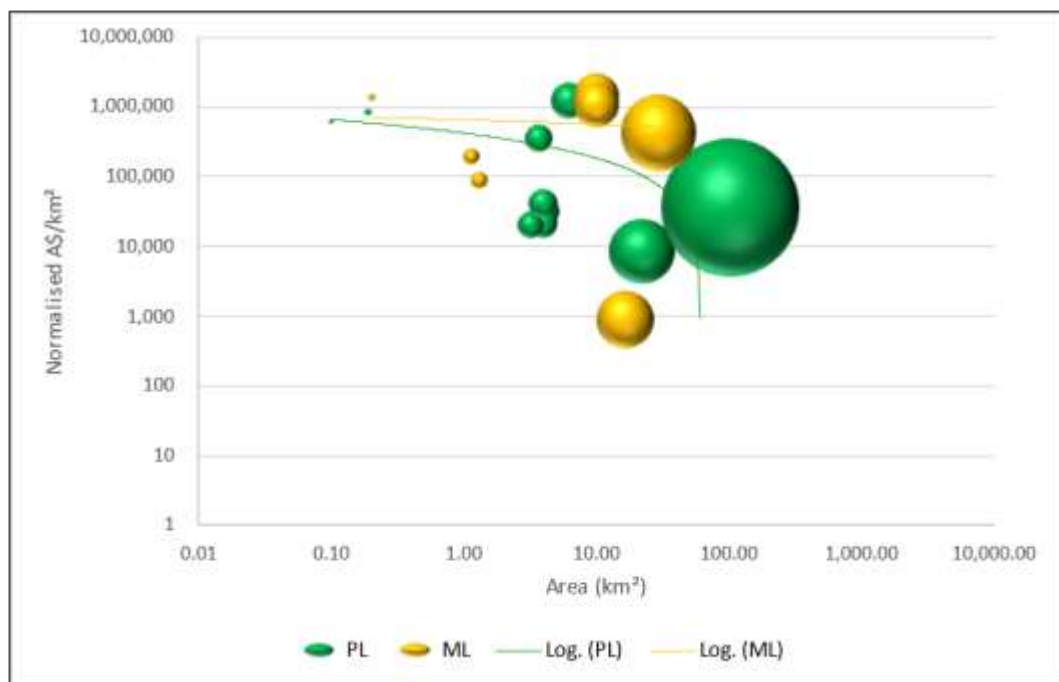
SRK has expressed the area-based transaction multiple in A\$/km² terms. The value has been calculated using the transaction value (at the implied 100% acquisition cost) and the total area of the project tenure acquired at the time of the transaction. Given the gold price volatility and future price uncertainty, SRK elected to use the average Australian dollar gold price of A\$3,805.92/oz, being the average spot gold price for the month of August 2024, to normalise the implied multiples and inform its market analysis.

SRK has also considered the transaction dataset in terms of the type of tenure acquired (Figure 8.2 and Figure 8.3). There is a clear distinction between the implied price paid for MLs, PLs, ELs and mixed tenure projects. For example, on a normalised basis and considering the normalised average only, ELs transacted for A\$16,384/km², PLs transacted for A\$314,641/km², while MLs transacted for A\$645,284/km². Mixed tenure projects typically transacted between the values implied by ELs and PLs on a standalone basis, with an implied average transaction multiple of A\$42,853/km².

SRK notes there is also a clear relationship between the size of tenure acquired and the implied value (in A\$/km² terms). MLs (and PLs) are generally smaller than ELs, and are also generally more advanced in terms of the exploration completed. Consequently, MLs generally attract higher

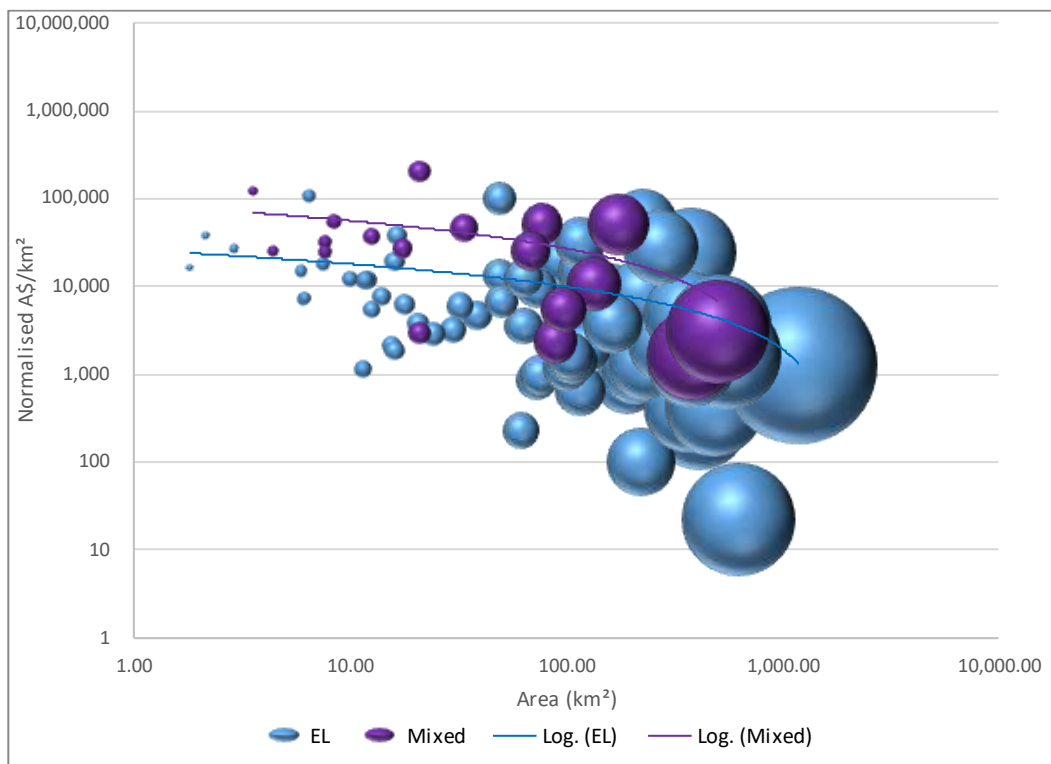
transaction prices and thus implied multiples. The relationship also holds true when these datasets are reviewed exclusively from each other (Figure 8.2 and Figure 8.3). SRK considers this to be reasonable and in line with industry practice for, as exploration progresses on a tenure, explorers will, in accordance with regulatory requirements, intermittently relinquish those areas of lower perceived potential and retain only those areas considered to be the most prospective.

Figure 8.2: Area-based resource multiples for ML and PL tenure types – Australia



Source: SRK analysis

Figure 8.3: Area-based resource multiples for EL and mixed tenure types – Australia



Source: SRK analysis

Table 8.16: Area-based transaction multiple analysis

	Area Multiple (A\$/km ²)	Normalised Area Multiple (A\$/km ²)
All		
Count	118	118
Minimum	16.1	23.2
Median	6,944.4	10,158.3
Average	61,932.5	90,863.1
Maximum	1,078,234.7	1,577,240.9
Weighted average	11,180.6	15,582.2
25th percentile	2,149.3	3,197.91
75th percentile	28,236.4	37,947.49
90th percentile	86,762.8	119,682.80
Gold – projects with only Exploration Licences		
Count	81	81
Minimum	16.1	23.2
Median	4,113.4	6,235.8
Average	11,542.1	16,384.5
Maximum	84,813.6	115,759.5
Weighted average	8,337.3	11,347.3

	Area Multiple (A\$/km ²)	Normalised Area Multiple (A\$/km ²)
25th percentile	1,392.6	2,005.52
75th percentile	10,090.8	15,822.35
90th percentile	31,775.7	40,503.44
Gold – projects with only Prospecting Licences		
Count	11	11
Minimum	6,818.2	8,945.1
Median	30,481.8	38,953.2
Average	207,032.4	314,641.8
Maximum	831,982.7	1,318,006.8
Weighted average	64,137.4	95,127.6
25th percentile	15,528.0	22,480.00
75th percentile	335,710.7	519,945.46
90th percentile	631,578.9	910,564.77
Gold – projects with only Mining Leases		
Count	8	8
Minimum	605.3	953.8
Median	241,977.7	329,856.2
Average	443,028.7	645,284.3
Maximum	1,078,234.7	1,577,240.9
Weighted average	416,753.0	591,869.3
25th percentile	133,253.6	179,553.52
75th percentile	824,455.2	1,223,790.33
90th percentile	999,547.7	1,511,915.77
Gold – projects with a mix of Prospecting Licences, Exploration Licences and Mining Leases		
Count	18	18
Minimum	1,351.1	1,712.2
Median	20,568.5	27,984.8
Average	30,640.6	42,853.9
Maximum	168,283.5	215,052.0
Weighted average	11,583.8	17,299.3
25th percentile	5,068.8	7,112.07
75th percentile	33,931.2	52,331.76
90th percentile	57,540.9	79,262.25

Source: SRK analysis

Based on its review of the available technical information, SRK has assessed the value of the regional exploration holdings for the relevant parties. All values were estimated on an attributable basis. SRK's adopted ranges for the tenure are based on the mixed tenure projects, as the tenures outside of the defined Mineral Resource areas largely comprise a mixture of tenure types.

In SRK’s opinion, applying values based on the ranges indicated by either ELs or MLs only does not reflect the large and coherent nature of the respective party’s project tenure and its position relative to the surrounding Mineral Resources (which have been valued separately). SRK has further selected ranges for exploration-stage tenures based on the size of the tenure and selected its preferred value based on the perceived prospectivity of each tenement.

Where relevant, SRK has estimated the area covered by the currently stated Mineral Resource and removed this from the remaining area for valuation purposes and to avoid double counting. For small MLs containing defined Mineral Resources, this has resulted in little or no remaining area and consequently, these have been assigned no value on an area basis.

Summary of comparable market transactions

The implied values of a 100% interest in the exploration potential of Alto’s and Brightstar’s mineral tenures using the comparable transactions method are provided in Table 8.17 and Table 8.18. The detailed workings are presented in Appendix B.

Alto

Using the comparative transactions – area-based method, SRK considers the Market Value of the exploration potential (excluding the areas containing the defined Mineral Resources) associated with Alto’s mineral tenures resides between A\$11.8 M and A\$21.4 M, with a preferred value of A\$16.6 M.

Table 8.17: Alto’s exploration potential value – comparable transactions analysis – attributable basis

Project	Area (km ²)	Average ¹ multiples by area (A\$/km ²)			Market value (A\$ M)		
		Low	High	Preferred	Low	High	Preferred
Sandstone	914.1	12,953	23,444	18,204	11.84	21.43	16.64
Alto assets on an attributable basis					11.84	21.43	16.64

Source: SRK analysis

Note:

¹ Based on tenures that convey the rights to minerals; may include a 20% discount for tenures in application and therefore indicates the average value of the tenure by total project area. A detailed breakdown of the multiples used for each licence is provided in Appendix B.

Brightstar

Using the comparative transactions – area-based method, SRK considers the Market Value of the exploration potential (excluding the areas containing the defined Mineral Resources) associated with Brightstar’s mineral tenures resides between A\$20.2 M and A\$42.1 M, with a preferred value of A\$31.1 M.

Table 8.18: Brightstar’s exploration potential value using comparable transaction analysis – attributable basis

Project	Area (km ²)	Average ¹ multiples by area (A\$/km ²)			Market value (A\$ M)		
		Low	High	Preferred	Low	High	Preferred
Laverton Hub	316.09	57,482	121,286	89,384	10.98	22.75	16.87
Menzies Hub	182.88	51,745	118,000	84,872	9.21	19.33	14.27
Brightstar assets on an attributable basis					20.19	42.08	31.14

Source: SRK analysis

Note:

¹ Based on tenures that convey the rights to minerals; may include a 20% discount for tenures in application and therefore indicates the average value of the tenure by total project area. A detailed breakdown of the multiples used for each licence is provided in Appendix B.

Montague East Gold Rights

Using the comparative transactions – area-based method, SRK considers the Market Value of the exploration potential (excluding the areas containing the defined Mineral Resources) associated with the Montague East Gold Rights resides between A\$3.9 M and A\$8.4 M, with a preferred value of A\$6.2 M.

Table 8.19: Montague East Gold Rights – exploration potential value using transactions analysis – attributable basis

Project	Area (km ²)	Average ¹ multiples by area (A\$/km ²)			Market value (A\$ M)		
		Low	High	Preferred	Low	High	Preferred
Montague East	434.68	8,903	19,417	14,171	3.87	8.44	6.16
Montague East Gold Rights					3.87	8.44	6.16

Source: SRK analysis

Note:

¹ Based on tenures that convey the rights to minerals; may include a 20% discount for tenures in application and therefore indicates the average value of the tenure by total project area. A detailed breakdown of the multiples used for each licence is provided in Appendix B.

8.4.2 Geoscientific rating method

As a crosscheck to the values implied by market multiples, SRK has also considered the Geoscientific Rating method, a cost-based method. The Geoscientific Rating or modified Kilburn method of valuation attempts to quantify the relevant technical aspects of a property through appropriate multipliers (factors) applied to an appropriate base (or intrinsic) value and is considered to be a cost-based method of valuation. The intrinsic value is referred to as the base acquisition cost (BAC), which represents the ‘average cost to identify, apply for and retain a base unit of area of title’ for 1 year.

Multipliers are considered for 1) off-property aspects, 2) on-property aspects, 3) anomaly aspects, and 4) geology aspects. These multipliers are applied sequentially to the BAC to estimate the Technical Value for each tenement. A further market factor is then considered to derive a Market Value.

A BAC has been assumed in this valuation, which incorporates annual rental, administration and application fees in addition to nominal indicative minimum expenditure on acquisition and costs of identification (Table 8.20) to be the following:

- A\$492/km² (A\$5/ha) for an EL in Western Australia
- A\$12,569/km² (A\$126/ha) for a PL in Western Australia
- A\$12,384/km² (A\$124/ha) for an ML in Western Australia.

Table 8.20: Underlying assumption for base acquisition cost – Western Australia

Exploration Licence BAC in Western Australia		
Metric	Unit	Value
Average licence size	km ²	67.7
Average licence age	years	4
Application fee	A\$ per licence	1,580
Annual rent Years 1–3	A\$ per km ²	45.82
Annual rent Year 4	A\$ per km ²	38.67
Minimal annual expenditure Years 1–3	A\$ per km ²	324.96
Minimal annual expenditure Year 4	A\$ per km ²	243.72
Costs of identification, legal costs and negotiations and compensation agreements	A\$ per licence	35,132
Annual rates	A\$ per licence	2,000
BAC of average exploration licence	A\$ per km²	492
BAC of average exploration licence	A\$ per ha	4.92
Prospecting Licence BAC in Western Australia		
Average licence size	ha	126
Average licence age	years	3.3
Application fee	A\$ per licence	374
Annual rent per year	A\$ per ha	3.00
Minimal annual expenditure	A\$ per ha	40.00
Costs of identification, legal costs and negotiations and compensation agreements	A\$ per licence	35,132
Annual rates	A\$ per licence	500
BAC of average prospecting licence	A\$ per km²	12,569
BAC of average prospecting licence	A\$ per ha	125.69
Mining Lease BAC in Western Australia		
Average lease size	ha	467
Average lease age	years	21
Application fee	A\$ per lease	551
Annual rent per year	A\$ per ha	20.00
Minimal annual expenditure	A\$ per ha	100.00
Costs of identification, legal costs and negotiations and compensation agreements	A\$ per lease	35,132
Annual rates	A\$ per lease	2,000
BAC of average mining lease	A\$ per km²	12,384
BAC of average mining lease	A\$ per ha	123.84

In converting its implied technical values to a market value, SRK considers that market participants would apply a premium to the technical value in the current market sentiment and recent gold price performance. SRK has therefore applied a 10% premium.

In addition, SRK considers that any tenures in application would attract a 20% discount to reflect the uncertainty in likely timing of the grant, as well as approval conditions associated with the grant.

The geoscientific rating criteria are presented in Table 8.21.

Table 8.21: Modified property rating criteria

Rating	Off-property factor	On-property factor	Geological factor	Anomaly factor
0.1			Unfavourable geological setting	No mineralisation identified – area sterilised
0.5	Unfavourable district/basin	Unfavourable area	Poor geological setting	Extensive previous exploration provided poor results
0.9			Generally favourable geological setting, under cover or complexly deformed or metamorphosed	Poor results to date
1.0	No known mineralisation in district	No known mineralisation on lease	Generally favourable geological setting	No targets outlined
1.5	Minor workings	Minor workings or mineralised zones exposed		Target identified; initial indications positive
2.0	Several old workings in district	Several old workings or exploration targets identified	Multiple exploration models being applied simultaneously	Significant grade intercepts evident but not linked on cross or long sections
2.5			Well-defined exploration model applied to new areas	
3.0	Mine or abundant workings with significant previous production	Mine or abundant workings with significant previous production	Significant mineralised zones exposed in prospective host rock	
3.5				
4.0	Along strike from a major deposit	Major mine with significant historical production	Well-understood exploration model, with valid targets in structurally complex area, or under cover	
5.0	Along strike for a world class deposit		Well-understood exploration model, with valid targets in well understood stratigraphy	
6.0			Advanced exploration model constrained by known and well-understood mineralisation	
10.0		World-class mine		

Source: Modified after Xstract, 2009 and Agrícola Mining Consultants, 2011.

Summary of geoscientific rating method

Alto

Using the geoscientific rating method (calculations presented as Appendix C), SRK considers a 100% interest in the exploration potential of the Mineral Assets of Alto resides between A\$10.6 M and A\$27.3 M, with a preferred value of A\$18.9 M.

Table 8.22: Summary of exploration potential value using the geoscientific rating (Kilburn) method – Alto attributable basis

Project	Area (km ²)	Market Value (A\$ M)		
		Low	High	Preferred
Sandstone Project	914.10	10.60	27.27	18.90
Alto assets on an attributable basis		10.60	27.27	18.90

Source: SRK analysis (Total is rounded)

Note:

¹ Based on tenures that convey the rights to minerals; may include a 20% discount for tenures in application and therefore indicates the average value of the tenure by total project area. A detailed breakdown of derivation of value for each licence is provided in Appendix C.

Brightstar

Using the geoscientific rating method (calculations presented as Appendix C), SRK considers a 100% interest in the exploration potential of the Mineral Assets of Brightstar resides between A\$15.4 M and A\$47.1 M, with a preferred value of A\$31.3 M.

Table 8.23: Summary of exploration potential value using the geoscientific rating (Kilburn) method – Brightstar attributable basis

Project	Area (km ²)	Market Value (A\$ M)		
		Low	High	Preferred
Laverton Hub	316.09	7.78	24.2	15.99
Menzies Hub	182.88	7.60	22.94	15.27
Brightstar assets on an attributable basis		15.38	47.14	31.26

Source: SRK analysis (Total is rounded)

Note:

¹ Based on tenures that convey the rights to minerals; may include a 20% discount for tenures in application and therefore indicates the average value of the tenure by total project area. A detailed breakdown of derivation of value for each licence is provided in Appendix C.

Montague East Gold Rights

Using the geoscientific rating method (calculations presented as Appendix C), SRK considers a 100% interest in the exploration potential of the Montague East Gold Rights resides between A\$1.4 M and A\$5.7 M, with a preferred value of A\$3.6 M.

Table 8.24: Summary of exploration potential value using the geoscientific rating (Kilburn) method – Brightstar attributable basis

Project	Area (km ²)	Market Value (A\$ M)		
		Low	High	Preferred
Montague East	434.68	1.44	5.66	3.55
Montague East Gold Rights on an attributable basis		1.44	5.66	3.55

Source: SRK analysis (total is rounded)

Note:

¹ Based on tenures that convey the rights to minerals; may include a 20% discount for tenures in application and therefore indicates the average value of the tenure by total project area. A detailed breakdown of derivation of value for each licence is provided in Appendix C.

8.4.3 Summary of exploration potential valuation

In estimating the value of the exploration potential outside the defined Mineral Resource areas, SRK has considered the values implied by comparable transactions analysis and geoscientific rating methods.

In considering the overall value of the mineral assets, SRK has given equal weighting to both valuation methods, as it has no strong inclination to the values implied by one method over another. SRK has adopted the midpoint or average as its preferred value.

Selected values

Alto

SRK considers the Market Value of the exploration potential of the Mineral Assets of Alto resides between A\$11.8 M and A\$21.4 M, with a preferred value of A\$16.6 M (Table 8.25). SRK's preferred value represents the midpoint of the adopted range, as it has no strong inclination towards either end of the range.

Table 8.25: SRK valuation summary – exploration potential for Alto

Method	Low (A\$ M)	High (A\$ M)	Preferred (A\$ M)
Comparable transactions	11.8	21.4	16.6
Geoscientific rating	10.6	27.3	18.9
Selected Alto – Sandstone Project	11.8	21.4	16.6

Source: SRK analysis (Total is rounded)

Brightstar

SRK considers the Market Value of the exploration potential of the Mineral Assets of Brightstar resides between A\$20.2 M and A\$42.1 M, with a preferred value of A\$32.1 M (Table 8.26). SRK's preferred value represents the midpoint of the adopted range, as it has no strong inclination towards either end of the range.

Table 8.26: SRK valuation summary – exploration potential for Brightstar

Method	Low (A\$ M)	High (A\$ M)	Preferred (A\$ M)
Comparable transactions	11.0	22.8	16.9
Geoscientific rating	7.8	24.2	16.0
Selected Laverton Hub	11.0	22.8	16.9
Comparable transactions	9.2	19.3	14.3
Geoscientific rating	7.6	22.9	15.3
Selected Menzies Hub	9.2	19.3	14.3
Total Selected Brightstar	20.2	42.1	31.1

Source: SRK analysis (Total is rounded)

Montague East Gold Rights

SRK considers the Market Value of the exploration potential of the Montague East Gold Rights resides between A\$3.9 M and A\$8.4 M, with a preferred value of A\$6.2M (Table 8.27). SRK's preferred value represents the midpoint of the adopted range, as it has no strong inclination towards either end of the range.

Table 8.27: SRK valuation summary – exploration potential for Montague East

Method	Low (A\$ M)	High (A\$ M)	Preferred (A\$ M)
Comparable transactions	3.9	8.4	6.2
Geoscientific rating	1.4	5.7	3.6
Selected Montague East Gold Rights	3.9	8.4	6.2

Source: SRK analysis (Total is rounded)

8.5 Value of the Brightstar plant and other infrastructure

In considering the likely value attributable to the Brightstar plant and other infrastructure, SRK notes the following:

- Infrastructure associated with the Beta Project includes the Brightstar processing plant, a 60-person accommodation camp and non-processing infrastructure.
- The Brightstar plant has a design capacity of 486 ktpa of oxide ores and has been on care and maintenance since 2012. Subsequent maintenance activities on the processing plant include the refurbishment of various items including generators, replacement of a new 450 kW ball mill and the addition of a brand-new gravity gold circuit and elution circuit.
- The current plant is not optimally configured for the ore types available at the Laverton Hub (previously oxide ores now transitioning to sulphide ores) and hence requires a refurbishment/upgrade to accommodate the likely ores from Alpha, Beta, Cork Tree Well, Jasper Hills (Lord Byron + Fish) and Second Fortune.

- In the meantime, Brightstar continues to evaluate third-party toll treatment at other regional plants as its preferred processing option, pending the completion of refurbishment and upgrades to the Brightstar plant.
- In August 2023, GR Engineering Services provided updated pricing scenarios for the refurbishment of the Brightstar plant under three scenarios: plant restart, plant upgrade & refurbishment and plant move to Menzies. Brightstar elected the plant upgrade & refurbishment solution which proposes a capital cost of A\$18.5 M for a 480 kpta (fresh ore) throughput rate). The refurbishment and expansion include a new 3-stage crushing circuit (to replace the existing 2-stage circuit) and a new larger 550 kW ball mill to complement the existing 450 kW ball mill on site. Service upgrades include power reticulation, electrics, and instrumentation.
- In October 2023, Brightstar released the results of an independent valuation of the Brightstar plant and associated site infrastructure for insurance purposes, which returned a value of A\$60.9 M on an 'as new' basis. This valuation would be after Brightstar has spent the A\$18.5 M on refurbishment and upgrade.
- In early December 2023, Brightstar raised cash to purchase a 52-room accommodation village for A\$0.42 M and six 6 m × 6 m CIL tanks for A\$0.11 M delivered to the Brightstar plant in order to decrease capital expenditures and fast-track development.
- The Brightstar plant on 'an as-is, where-is' basis offers some optionality with respect to the future toll-treatment of third-party ores upon recommencement of processing operations.
- However, any value attributable to the processing plant is derived from its 'value-in-use', on an 'as-is' basis. To this end, SRK notes that the Brightstar plant remains on care and maintenance (hence unable to toll treat third-party ores) and is not configured optimally with respect to the currently available ores held by Brightstar. As such, the plant is unlikely to have material value in its current form as at the Valuation Date.
- The current market for Australian processing plants demonstrates they are unlikely to have significant sale/salvage value; earthworks, concrete, electrical, and structural steel, and fixed infrastructure rarely have any recoverable value, outside the mechanical items and these run at best, at around 15% of the original cost. Additional costs to be considered include removal and transport of salvageable materials, and rehabilitation/site clearing/clean-up and should be deducted from any sale proceeds. These costs, as well as having money tied up in inventory (that may sit for a very long time), will ultimately influence buyer's decision and willingness to purchase second-hand plant and infrastructure.
- Concrete all sunk costs, earthworks all sunk costs, structure, and steel may have a value if transport and reclaim costs associated with sending to a recycling plant are not more than the recoverable value, which they usually are.
- A plant of this age, if very well maintained, may have a potential value of A\$3 M to A\$5 M, if the salvageable material is in good order and mechanically sound; this could be more if the purchaser has a buyer or use already secured. However, distance defeats salvage on bulks; in SRK's recent experience several large companies have given away their recyclable materials (such as steel, cable, tyres, and poly pipes) to recyclers, often at a loss for environmental and moral reasons.

- Given these factors SRK considers there is negligible value associated with the Brightstar plant and infrastructure on an 'as-is, where-is' basis, pending completion of the refurbishment/upgrade works and a return to production.
- As such SRK considers the value of the infrastructure at the Laverton Hub is accommodated in the multiples assigned (which are based on transactions involving projects with similar installed plant and associated infrastructure (including liabilities)).
- SRK notes that this approach is consistent with that adopted by VRM (as the Independent Specialist to BDO) in its evaluation of Brightstar's mineral assets in the scheme of arrangement with Kingwest in April 2023.

8.6 Value of stockpiles

As noted in Section 4.8, in addition to the defined Mineral Resources within the Laverton Hub, there are the following stockpiles available for near-term processing:

- Second Fortune ROM Stockpile estimated to comprise 8,402 t at an average 3.68 g/t Au, for approximately 994 oz of contained gold.
- Beta stockpile estimated to contain 10,000 t at an average grade of 1.97g/t Au for approximately 633 oz of contained gold.
- Lord Byron stockpiles estimated to contain 191,000t at an average grade of 0.90 g/t Au, for approximately 5,517 oz of contained gold.

To estimate the value of the recoverable gold in these stockpiles, SRK has assumed the following:

- Revenue is based on average spot gold price for August 2024 at A\$3,805.92/oz.
- Given Brightstar has a toll treatment agreement in place for the processing of Second Fortune ores at Gwalia, SRK has assumed all stockpiles will be treated at Gwalia and that there is sufficient capacity available when needed.
- Gold recoveries are assumed as 96% (Second Fortune), 95% (Beta) and 92% Lord Byron.
- Stockpiles to be treated near term (so no time delay included).
- Distances to Gwalia are 144 km (Second Fortune), 162 km (Beta) and 160 km (Lord Byron).
- Costs to treat the stockpiles are based on a gross revenue / cost recovery profile with ores purchased at the gate and exclude haulage costs. The assumed gate price ranges from A\$45/t to A\$55/t (based on similar contract terms of which SRK is aware) and haulage costs range from A\$0.12 to A\$0.17/t/km (based on SRK's understanding of prevailing industry costs).

SRK considers the Market Value of the stockpiles at the Laverton Hub resides between A\$8.0 M and A\$11.8 M, with a preferred value of A\$9.9 M (Table 8.28). SRK's preferred value represents the midpoint of the adopted range, as it has no strong inclination towards either end of the range.

Table 8.28: SRK valuation summary – Laverton Hub Stockpiles

Deposit/Project	Recovered Gold (koz)	Cost Low (A\$/t)	Cost High (A\$/t)	Value Low (A\$ M)	Value High (A\$ M)	Value Preferred (A\$ M)
Second Fortune (ROM)	0.95	62.3	79.5	2.95	3.09	3.02
Beta	0.60	64.4	82.5	1.45	1.63	1.54
Lord Byron	5.07	64.2	82.2	3.60	7.04	5.32
Stockpiles (Laverton)	7.12			8.00	11.77	9.88

Source: SRK analysis

Notes: Table subject to rounding.

9 Valuation summary

Based on its technical assessment presented in the earlier sections of this Report, SRK has completed a valuation of the Mineral Assets of Alto and Brightstar in accordance with its mandate.

SRK has elected to adopt the values implied by the comparable transaction analysis to inform its valuation range for the Modified Resources (Table 9.1), which have been crosschecked using industry yardsticks.

In estimating the value of the exploration potential of each party's mineral tenures outside the defined Mineral Resource areas, SRK has considered the values implied by comparable transaction analysis and geoscientific rating methods.

In considering the overall value of the exploration potential, SRK has adopted the values implied by the comparable transaction method. SRK has adopted the midpoint as its preferred value.

SRK has also considered actual transactions involving the assets that are the subject of this report. SRK notes in many cases the assets have significantly changed since these transactions occurred and as such these precedent transactions support the current valuation outcomes by providing an indication of the lower cap to the valuation range.

9.1 Valuation summary

Alto

Based on its analysis, SRK considers the Market Value of the Mineral Assets of Alto resides between A\$38.1 M and A\$75.5 M, with a preferred valuation of A\$56.8 M (Table 9.1), which represents the midpoint of the adopted range.

Table 9.1: Summary of the Market Value of the Mineral Assets of Alto

Project	Method	Low (A\$ M)	High (A\$ M)	Preferred (A\$ M)
Sandstone Project	Modified Resources	26.2	54.1	40.2
	Exploration Potential	11.8	21.4	16.6
	Total Alto	38.1	75.5	56.8

Note: Any discrepancies between values in the tables are due to rounding.

Brightstar

Based on its analysis, SRK considers the Market Value of the Mineral Assets of Brightstar resides between A\$107.8 M and A\$177.6 M, with a preferred valuation of A\$142.7 M (Table 9.2), which represents the midpoint of the adopted range.

Table 9.2: Summary of the Market Value of the Mineral Assets of Brightstar

Project	Method	Low (A\$ M)	High (A\$ M)	Preferred (A\$ M)
Laverton Hub	Modified Resources	54.1	80.5	67.3
	Exploration Potential	11.0	22.8	16.9
	Total Laverton	65.1	103.3	84.2
Menzies Hub	Modified Resources	25.5	43.2	34.4
	Exploration Potential	9.2	19.3	14.3
	Total Menzies	34.7	62.6	48.7
Stockpiles		8.0	11.8	9.9
Brightstar	Modified Resources	79.6	123.7	101.7
	Exploration Potential	20.2	42.1	31.1
	Stockpiles	8.0	11.8	9.9
	Brightstar Total	107.8	177.6	142.7

Note: Any discrepancies between values in the tables are due to rounding.

Montague East Gold Rights

Based on its analysis, SRK considers the Market Value of the Montague East Gold Rights to be acquired by Brightstar resides between A\$17.2 M and A\$34.4 M, with a preferred valuation of A\$25.8 M (Table 9.3), which represents the midpoint of the adopted range.

Table 9.3: Summary of the Market Value of the Montague East Gold Rights

Project	Method	Low (A\$ M)	High (A\$ M)	Preferred (A\$ M)
Montague East	Modified Resources	13.3	26.0	19.7
	Exploration Potential	3.9	8.4	6.2
	Selected Montague East	17.2	34.4	25.8

Note: Any discrepancies between values in the tables are due to rounding.

In defining its valuation ranges, SRK notes that there are always inherent risks involved when deriving any arm's length valuation. These factors can ultimately result in significant differences in valuations over time. By applying narrower confidence ranges, a greater degree of certainty regarding these assets is being implied than may be the case. Where possible, SRK has endeavoured to narrow its valuation range.

9.2 Discussion on SRK's valuation range

In assigning its valuation range and preferred value, SRK is mindful that the valuation range is also indicative of the uncertainty associated with exploration, development, and production assets.

The range in value is driven by the confidence limits placed around the size and quality of the metal occurrences assumed to occur within each project area. Typically, this means that as exploration progresses and a prospect moves from an early to advanced stage exploration prospect, through

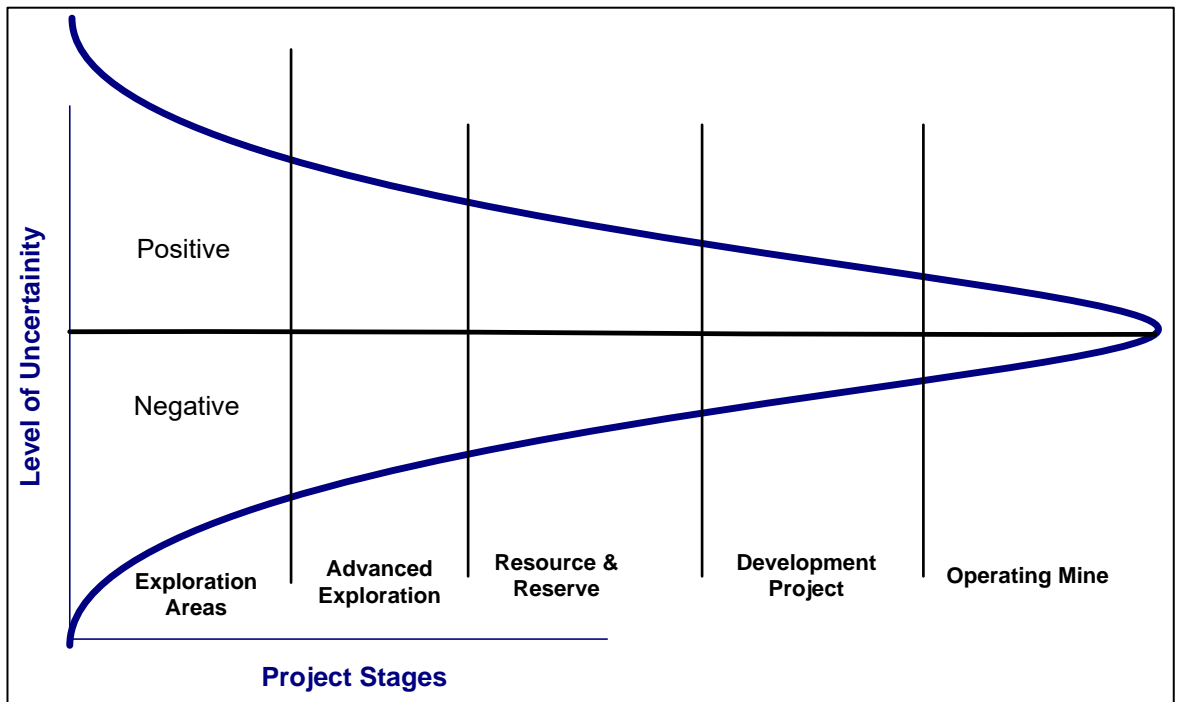
Inferred, Indicated or Measured Resource categories to Reserve status, there is greater confidence around the likely size and quality of the contained base metals and the potential to extract them profitably. Table 9.4 presents a general guide of the confidence in targets, resource, and reserve estimates, and hence value, referred to in the mining industry (Bouchard, 2001; Snowden et al., 2002; Mackenzie et al., 2007; Macfarlane, 2007).

Table 9.4: General guide regarding confidence for target and Resource/Reserve Estimates

Classification	Estimate range (90% confidence limit)
Proven/Probable Reserves	±5% to ±10%
Measured Resources	±10% to ±20%
Indicated Resources	±30% to ±50%
Inferred Resources	±50% to ±100%
Exploration Target	+100%

This level of uncertainty with advancing project stages is shown graphically in Figure 9.1.

Figure 9.1: Uncertainty by advancing exploration stage



Estimated confidence of plus or minus 60% to 100% or more are not uncommon for exploration areas and are within acceptable bounds given the level of uncertainty associated with early-stage exploration assets. By applying narrower confidence ranges, one is implying a greater degree of certainty regarding these assets than may be the case in reality.

Most tenements held by Alto and Brightstar are exploration assets in the early to advanced stages of exploration or technical assessment. Therefore, there are significant uncertainties around their

attributes – this results in a wide valuation range. Where possible, SRK has endeavoured to narrow its valuation range. In recognising this wide range, SRK has also indicated a preferred value for each project.

9.3 Valuation risks

SRK is conscious of the risks associated with valuing exploration and production assets, which impacts on the valuation range. In defining its valuation range, SRK notes that there are always inherent risks involved when deriving any arm's length valuation for exploration properties given the level of uncertainty present for each of the variables that impact on prospects and their valuation. These factors can ultimately result in significant differences in valuations over time. The key risks include but are not limited to the following.

9.3.1 Information and data risk

The preparation of technical assessment and valuation reports in accordance with the VALMIN Code requirements involves the compilation of data from both private and public sources. It is important to understand the risks associated with such information and the associated uncertainties. Uncertainties may include that material information may not have been identified, reliance on historical information, timely release of exploration data, lack of disclosure, transposition or compilation errors and the confidential nature of certain information.

9.3.2 Exploration and resource risk

The business of metals exploration, project development and production are by nature high risk. The exploration potential of tenements where resources are not yet defined may vary considerably as further exploration is undertaken. Industry wide exploration success rates indicate that it is possible no economically viable mineralisation may be located or delineated within any of the Project tenures, beyond that currently known. Furthermore, even if significant mineralisation does exist within the project, it may not be either identified or developed due to a variety of factors including those outside of the control of the company.

The exploration for and production of metals deposits involves various operating hazards including, but not limited to, adverse weather conditions, shortages, or delays in the availability of drilling rigs, or other critical equipment or personnel.

Mineral Resources prepared under the JORC Code are best estimates based on individual judgement and reliance upon knowledge and experience using industry standards and the available database. Based on SRK's review of the available information these estimates appear reasonable at this time. However, this may change over time as more information comes to hand.

9.3.3 Mining and production risk

The projects discussed in this report are at a relatively early stage of evaluation and none of assets have a defined Ore Reserve. Forecasting cash flows for these assets are less certain and therefore riskier than for base metals projects in production, development or with a feasibility study completed.

The successful development of a mining operation is dependent upon geological interpretation to define mineable blocks and an appropriate schedule to meet expected sales volumes. Actual precious metals mined may be different in quality and tonnage that estimates, and the overburden ratios and geological mining conditions anticipated may prove to be different. Operating costs can be adversely affected by disruptions due to geological conditions, equipment failure or industrial disputes. Development of a new mining operation is dependent upon the provision of rail for transport and port facilities for international shipping while an adequate supply of water is also important.

9.3.4 Environmental risk

Environmental conditions will be attached to future mining and exploration tenements which if not deemed compliant by the relevant authorities could result in the forfeiture of these rights.

Successful project development requires widespread consultation and negotiation with a variety of stakeholders, as well as an evaluation of environmental, social and governance considerations. As projects advance, these interactions may become more complex and are required to be evaluated and integrated into successive techno-economic studies, during which potential flaws may be uncovered and derail the development process.

Mining title has not been granted on a majority of the tenements discussed in this report. Native title claims and heritage issues may arise in the future and thus delay the development of any future mining operation and/or production from areas where freehold land or mining leases have not been obtained. These issues are likely to be addressed in future should the future exploration be successful and warrant the conversion of exploration permits to mining leases.

Substantial costs can be encountered for environmental rehabilitation, damage, control, and losses, which can vary over the life of the mining operation. Conditions attached to the mining and exploration rights may also vary over the life of the project and in response to any change in the size or type of operation that cannot be anticipated at this time.

9.3.5 Economic risk

The mining industry is highly dependent on the global geopolitical and economic environment. Factors such as access to market, commodity prices, inflation, interest rates, technological advances and investor sentiment all have a bearing on the development of a mineral project. Many of these factors are outside the control of the proponent and are broader societal issues, but nonetheless present both risk and opportunity to a mineral developer.

9.3.6 Financing risk

Further funds may be required to further explore and develop the projects. Failure to obtain sufficient financing for the projects may result in a delay or indefinite postponement of exploration and development on the properties or even a loss of a property interest. Additional financing may not be available when needed or, if available, the terms of such financing might not be favourable to the Company.

Closure

This Report, Independent Specialist Report on the mineral assets of Alto Metals Limited and Brightstar Resources Limited, was prepared by a team of consultants under the direction of:

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Appendix A Tenure data

Alto

Tenement type	Tenement number	Project	Registered holder and interests	Date granted	Expiry date	Hectares	Royalty	Status
E	57/1029	Sandstone	Sandstone Exploration Pty Ltd (100%)	20/09/2016	19/09/2026	12,450.91	Stone/Legendre	Live
E	57/1030	Sandstone	Sandstone Exploration Pty Ltd (100%)	20/09/2016	19/09/2026	9,478.78	Stone/Legendre	Live
E	57/1031	Sandstone	Sandstone Exploration Pty Ltd (100%)	20/09/2016	19/09/2026	10,732.72	Stone/Legendre	Live
E	57/1033	Sandstone	Sandstone Exploration Pty Ltd (100%)	20/09/2016	19/09/2026	4,697.06	Stone/Legendre	Live
E	57/1044	Sandstone	Sandstone Exploration Pty Ltd (100%)	20/09/2016	19/09/2026	2,721.82	Stone/Legendre	Live
E	57/1072	Sandstone	Sandstone Exploration Pty Ltd (100%)	11/03/2019	10/03/2029	159.93		Live
E	57/1101	Sandstone	Sandstone Exploration Pty Ltd (100%)	07/06/2019	06/06/2024	8,779.48		Live
E	57/1108	Sandstone	Sandstone Exploration Pty Ltd (100%)	01/07/2019	30/06/2024	11,487.87		Live
E	57/1228	Sandstone	Sandstone Exploration Pty Ltd (100%)	20/12/2022	19/12/2027	9,065.72		Live
E	57/1402	Sandstone	Sandstone Exploration Pty Ltd (100%)			17,895.20		Pending
M	57/646	Sandstone	Sandstone Exploration Pty Ltd (100%)	05/06/2019	04/06/2040	365.00	Stone/Legendre	Live
M	57/647	Sandstone	Sandstone Exploration Pty Ltd (100%)	17/12/2019	16/12/2040	749.85	Stone/Legendre	Live
M	57/650	Sandstone	Sandstone Exploration Pty Ltd (100%)	23/03/2020	22/03/2041	408.02	Stone/Legendre	Live
M	57/651	Sandstone	Sandstone Exploration Pty Ltd (100%)	23/03/2020	22/03/2041	185.44	Stone/Legendre	Live
M	57/652	Sandstone	Sandstone Exploration Pty Ltd (100%)	23/03/2020	22/03/2041	287.01	Stone/Legendre	Live
M	57/658	Sandstone	Sandstone Exploration Pty Ltd (100%)	01/09/2023	31/08/2044	305.52	Stone/Legendre	Live
M	57/659	Sandstone	James David Allison (100%)	10/05/2023	9/05/2044	131.67	Option agreement	Live
M	57/663	Sandstone	Sandstone Exploration Pty Ltd (100%)	18/07/2024	17/07/2045	865.23	Stone/Legendre	Live
M	57/665	Sandstone	Sandstone Exploration Pty Ltd (100%)	07/06/2024	06/06/2045	1,105.91	Stone/Legendre	Live
P	57/1529	Sandstone	Sandstone Exploration Pty Ltd (100%)	02/07/2024	01/07/2028	7.37		Live

Notes: Data sourced from Alto tenements register dated 27 October 2023. Data have not been independently verified except to confirm that tenements listed as 'pending' had not been granted as at 17 March 2024.

Brightstar

Tenement type	Tenement number	Project	Registered holder and interests	Date granted	Expiry date	Hectares	Royalty	Status
E	38/2411	Laverton	Brightstar Resources Ltd (100%)	30/11/2010	29/11/2024	526.45	First Stone HK	Live
E	38/2452	Laverton	Brightstar Resources Ltd (100%)	29/03/2011	28/03/2025	252.95	First Stone HK	Live
E	38/2894	Laverton	Brightstar Resources Ltd (100%)	30/05/2014	29/05/2026	342.20	First Stone HK	Live
E	38/3198	Laverton	Brightstar Resources Ltd (100%)	11/07/2017	10/07/2027	906.13	First Stone HK	Live
E	38/3279	Laverton	Brightstar Resources Ltd (100%)	03/05/2018	02/05/2028	289.85	New Stone HK and Gianni	Live
E	38/3331	Laverton	Brightstar Resources Ltd (100%)	23/01/2019	22/01/2029	1,695.79	First Stone HK	Live
E	38/3434	Laverton	Brightstar Resources Ltd (100%)	24/11/2020	23/11/2025	1,191.40	New Stone HK	Live
E	38/3438	Laverton	Brightstar Resources Ltd (100%)	08/12/2020	07/12/2025	1,599.02	New Stone HK and Mining Equities	Live
E	38/3500	Laverton	Brightstar Resources Ltd (100%)	09/06/2021	08/06/2026	9,867.44	New Stone HK and Milford	Live
E	38/3504	Laverton	Brightstar Resources Ltd (100%)	09/06/2021	08/06/2026	1,804.58	New Stone HK and Milford	Live
E	38/3673	Laverton	Brightstar Resources Ltd (100%)	05/12/2022	04/12/2027	176.59		Live
E	39/1539	Laverton	Second Fortune Gold Project Pty Ltd (100%)	18/11/2010	17/11/2024	1,429.36	Anova Deed	Live
E	39/1977	Laverton	Second Fortune Gold Project Pty Ltd (100%)	05/01/2017	04/01/2027	35.33	Anova Deed	Live
E	39/2081	Laverton	Second Fortune Gold Project Pty Ltd (100%)	03/10/2018	02/10/2028	4.29	Anova Deed	Live
E	39/2385	Laverton	Lord Byron Mining Pty Ltd (100%)			599.27		Pending
E	39/2386	Laverton	Lord Byron Mining Pty Ltd (100%)			299.83		Pending
E	39/2387	Laverton	Lord Byron Mining Pty Ltd (100%)			1,198.54		Pending
G	38/39	Laverton	Brightstar Resources Ltd (100%)	28/03/2024	27/03/2045	140.53		Live
L	38/100	Laverton	Brightstar Resources Ltd (100%)	05/02/2004	04/02/2025	37.00	First Stone HK	Live
L	38/120	Laverton	Lord Byron Mining Pty Ltd (100%)	15/04/2008	14/04/2029	281.15		Live
L	38/123	Laverton	Brightstar Resources Ltd (100%)	02/04/2008	01/04/2029	60.00	First Stone HK	Live
L	38/154	Laverton	Brightstar Resources Ltd (100%)	05/07/2011	04/07/2032	5.52	First Stone HK	Live
L	38/163	Laverton	Lord Byron Mining Pty Ltd (100%)	10/02/2010	09/02/2031	24.10		Live
L	38/164	Laverton	Lord Byron Mining Pty Ltd (100%)	21/01/2010	20/01/2031	141.20		Live
L	38/168	Laverton	Brightstar Resources Ltd (100%)	25/02/2011	24/02/2032	364.10	First Stone HK	Live
L	38/169	Laverton	Brightstar Resources Ltd (100%)	25/02/2011	24/02/2032	497.17	First Stone HK	Live

Tenement type	Tenement number	Project	Registered holder and interests	Date granted	Expiry date	Hectares	Royalty	Status
L	38/171	Laverton	Brightstar Resources Ltd (100%)	12/05/2010	11/05/2031	164.60	First Stone HK	Live
L	38/185	Laverton	Brightstar Resources Ltd (100%)	11/11/2011	10/11/2032	2.22	First Stone HK	Live
L	38/188	Laverton	Brightstar Resources Ltd (100%)	16/03/2012	15/03/2033	19.30	First Stone HK	Live
L	38/205	Laverton	Brightstar Resources Ltd (100%)	22/02/2012	21/02/2033	10.50	First Stone HK	Live
L	38/384	Laverton	Brightstar Resources Ltd (100%)			12.75		Pending
L	39/12	Laverton	Second Fortune Gold Project Pty Ltd (100%)	26/05/1988	25/05/2028	30.00		Live
L	39/124	Laverton	Lord Byron Mining Pty Ltd (100%)	17/05/2002	16/05/2044	40.00		Live
L	39/13	Laverton	Second Fortune Gold Project Pty Ltd (100%)	26/05/1988	25/05/2028	1.00		Live
L	39/14	Laverton	Second Fortune Gold Project Pty Ltd (100%)	26/05/1988	25/05/2028	0.24		Live
L	39/214	Laverton	Lord Byron Mining Pty Ltd (100%)	28/10/2010	27/10/2031	39.00		Live
L	39/230	Laverton	Second Fortune Gold Project Pty Ltd (100%)	03/12/2014	02/12/2035	26.00		Live
M	38/1056	Laverton	Brightstar Resources Ltd (100%)	08/10/2009	07/10/2030	300.80	Mt McKenna and First Stone HK	Live
M	38/1057	Laverton	Brightstar Resources Ltd (100%)	08/10/2009	07/10/2030	300.75	Mt McKenna and First Stone HK	Live
M	38/1058	Laverton	Brightstar Resources Ltd (100%)	14/05/2008	19/05/2029	300.85	Mt McKenna and First Stone HK	Live
M	38/241	Laverton	Brightstar Resources Ltd (100%)	05/07/1989	09/07/2031	5.03	Dixon and First Stone HK	Live
M	38/314	Laverton	Brightstar Resources Ltd (100%)	26/07/1991	01/08/2033	205.35		Live
M	38/346	Laverton	Brightstar Resources Ltd (100%)	29/09/1992	29/09/2034	725.00	Cork Tree Well and First Stone HK	Live
M	38/381	Laverton	Brightstar Resources Ltd (100%)	26/04/1994	26/04/2036	9.70	First Stone HK	Live
M	38/549	Laverton	Brightstar Resources Ltd (100%)	28/04/2009	27/04/2030	6.20	First Stone HK	Live
M	38/9	Laverton	Brightstar Resources Ltd (100%)	09/05/1983	24/05/2025	87.35	First Stone HK	Live
M	38/917	Laverton	Brightstar Resources Ltd (100%)	18/07/2008	23/07/2029	7.87	First Stone HK	Live
M	38/918	Laverton	Brightstar Resources Ltd (100%)	18/07/2008	23/07/2029	6.05	First Stone HK	Live
M	38/94	Laverton	Brightstar Resources Ltd (100%)	13/09/1987	20/09/2029	19.02	First Stone HK	Live
M	38/95	Laverton	Brightstar Resources Ltd (100%)	13/09/1987	20/09/2029	87.84	First Stone HK	Live

Tenement type	Tenement number	Project	Registered holder and interests	Date granted	Expiry date	Hectares	Royalty	Status
M	38/968	Laverton	Desert Exploration Pty Ltd (100%)	09/08/2004	09/08/2025	300.55	Golden Cross and First Stone HK	Live
M	38/984	Laverton	Brightstar Resources Ltd (100%)	18/07/2008	23/07/2029	4.86	First Stone HK	Live
M	39/138	Laverton	Lord Byron Mining Pty Ltd (100%)	8/08/1988	7/08/2030	949.55		Live
M	39/139	Laverton	Lord Byron Mining Pty Ltd (100%)	8/08/1988	7/08/2030	945.15		Live
M	39/185	Laverton	Lord Byron Mining Pty Ltd (100%)	26/12/1988	16/01/2031	987.45		Live
M	39/255	Laverton	Second Fortune Gold Project Pty Ltd (100%)	01/05/1991	07/05/2033	19.40	Anova Deed	Live
M	39/262	Laverton	Lord Byron Mining Pty Ltd (100%)	20/08/1991	01/09/2033	307.20		Live
M	39/649	Laverton	Second Fortune Gold Project Pty Ltd (100%)	06/07/2008	07/07/2029	754.85	Anova Deed	Live
M	39/650	Laverton	Second Fortune Gold Project Pty Ltd (100%)	06/07/2008	07/07/2029	846.45	Anova Deed	Live
M	39/794	Laverton	Second Fortune Gold Project Pty Ltd (100%)	06/07/2008	07/07/2029	417.15	Anova Deed	Live
P	38/4377	Laverton	Brightstar Resources Ltd (100%)	26/07/2017	25/07/2025	58.00	First Stone HK	Live
P	38/4385	Laverton	Brightstar Resources Ltd (100%)	26/07/2017	25/07/2025	2.50	First Stone HK	Live
P	38/4431	Laverton	Brightstar Resources Ltd (100%)	14/06/2018	13/06/2026	11.24	First Stone HK	Live
P	38/4432	Laverton	Brightstar Resources Ltd (100%)	14/06/2018	13/06/2026	92.72	First Stone HK	Live
P	38/4433	Laverton	Brightstar Resources Ltd (100%)	14/06/2018	13/06/2026	193.92	First Stone HK	Live
P	38/4444	Laverton	Brightstar Resources Ltd (100%)	13/12/2018	12/12/2026	168.00	First Stone HK	Live
P	38/4446	Laverton	Brightstar Resources Ltd (100%)	13/12/2018	12/12/2026	191.00	First Stone HK	Live
P	38/4447	Laverton	Brightstar Resources Ltd (100%)	13/12/2018	12/12/2026	75.00	First Stone HK	Live
P	38/4448	Laverton	Brightstar Resources Ltd (100%)	13/12/2018	12/12/2026	144.00	First Stone HK	Live
P	38/4449	Laverton	Brightstar Resources Ltd (100%)	13/12/2018	12/12/2026	144.00	First Stone HK	Live
P	38/4450	Laverton	Brightstar Resources Ltd (100%)	13/12/2018	12/12/2026	124.00	First Stone HK	Live
P	38/4508	Laverton	Brightstar Resources Ltd (100%)	02/06/2021	01/06/2025	79.59	New Stone HK	Live
P	38/4545	Laverton	Brightstar Resources Ltd (100%)	15/08/2022	14/08/2026	47.47		Live
P	38/4546	Laverton	Brightstar Resources Ltd (100%)	15/08/2022	14/08/2026	96.90		Live
P	38/4558	Laverton	Brightstar Resources Ltd (100%)	24/04/2023	23/04/2027	168.40		Live
P	39/5599	Laverton	Second Fortune Gold Project Pty Ltd (100%)	07/09/2016	06/09/2024	200.00	Anova Deed	Live

Tenement type	Tenement number	Project	Registered holder and interests	Date granted	Expiry date	Hectares	Royalty	Status
E	29/1062	Menzies	Goongarrie Operational & Mining Pty Ltd (100%)	13/03/2020	12/03/2025	2,182.51		Live
E	29/966	Menzies	Goongarrie Operational & Mining Pty Ltd (100%)	06/09/2016	05/09/2026	3,243.93		Live
E	29/981	Menzies	Kalgoorlie Nickel Pty Ltd (100%)	26/04/2017	25/04/2027	2,721.40		Live
E	29/984	Menzies	Menzies Operational & Mining Pty Ltd (100%)	24/02/2017	23/02/2027	187.77		Live
E	29/996	Menzies	Goongarrie Operational & Mining Pty Ltd (100%)	09/08/2018	08/08/2028	973.78		Live
L	29/42	Menzies	Menzies Operational & Mining Pty Ltd (100%)	22/02/1989	21/02/2029	0.09		Live
L	29/43	Menzies	Menzies Operational & Mining Pty Ltd (100%)	22/02/1989	21/02/2029	0.09		Live
L	29/44	Menzies	Menzies Operational & Mining Pty Ltd (100%)	22/02/1989	21/02/2029	0.09		Live
M	29/14	Menzies	Menzies Operational & Mining Pty Ltd (100%)	02/05/1984	13/05/2026	102.80		Live
M	29/153	Menzies	Menzies Operational & Mining Pty Ltd (100%)	17/11/1992	17/11/2034	989.55		Live
M	29/154	Menzies	Menzies Operational & Mining Pty Ltd (100%)	17/11/1992	17/11/2034	345.30		Live
M	29/184	Menzies	Menzies Operational & Mining Pty Ltd (100%)	12/03/1997	12/03/2039	591.85		Live
M	29/212	Menzies	Menzies Operational & Mining Pty Ltd (100%)	27/02/2001	26/02/2043	923.55		Live
M	29/410	Menzies	Menzies Operational & Mining Pty Ltd (100%)	02/10/2012	01/10/2033	499.00		Live
M	29/445	Menzies	Menzies Operational & Mining Pty Ltd (100%)	5/04/2024	4/04/2045	1,551.96		Live
M	29/88	Menzies	Menzies Operational & Mining Pty Ltd (100%)	25/07/1988	27/07/2030	35.20		Live
P	29/2346	Menzies	Menzies Operational & Mining Pty Ltd (100%)	04/01/2018	03/01/2026	70.61		Live
P	29/2380	Menzies	Goongarrie Operational & Mining Pty Ltd (100%)	05/02/2019	04/02/2027	57.00		Live
P	29/2381	Menzies	Goongarrie Operational & Mining Pty Ltd (100%)	05/02/2019	04/02/2027	76.00		Live
P	29/2412	Menzies	Goongarrie Operational & Mining Pty Ltd (100%)	05/02/2019	04/02/2027	183.00		Live
P	29/2413	Menzies	Goongarrie Operational & Mining Pty Ltd (100%)	01/02/2019	31/01/2027	133.00		Live
P	29/2450	Menzies	Menzies Operational & Mining Pty Ltd (100%)	07/02/2019	06/02/2027	136.06		Live

Tenement type	Tenement number	Project	Registered holder and interests	Date granted	Expiry date	Hectares	Royalty	Status
P	29/2467	Menzies	Goongarrie Operational & Mining Pty Ltd (100%)	21/09/2020	20/09/2024	191.48		Live
P	29/2468	Menzies	Goongarrie Operational & Mining Pty Ltd (100%)	21/09/2020	20/09/2024	153.90		Live
P	29/2511	Menzies	Kalgoorlie Nickel Pty Ltd (100%)	03/07/2019	02/07/2027	121.00		Live
P	29/2512	Menzies	Kalgoorlie Nickel Pty Ltd (100%)	03/07/2019	02/07/2027	120.00		Live
P	29/2513	Menzies	Kalgoorlie Nickel Pty Ltd (100%)	03/07/2019	02/07/2027	93.00		Live
P	29/2514	Menzies	Kalgoorlie Nickel Pty Ltd (100%)	03/07/2019	02/07/2027	192.00		Live
P	29/2515	Menzies	Kalgoorlie Nickel Pty Ltd (100%)	03/07/2019	02/07/2027	50.00		Live
P	29/2530	Menzies	Goongarrie Operational & Mining Pty Ltd (100%)	30/07/2020	29/07/2024	189.35		Live
P	29/2531	Menzies	Goongarrie Operational & Mining Pty Ltd (100%)	30/07/2020	29/07/2024	187.59		Live
P	29/2532	Menzies	Goongarrie Operational & Mining Pty Ltd (100%)	30/07/2020	29/07/2024	151.06		Live
P	29/2533	Menzies	Goongarrie Operational & Mining Pty Ltd (100%)	01/10/2020	30/09/2024	193.07		Live
P	29/2538	Menzies	Kalgoorlie Nickel Pty Ltd (100%)	25/02/2020	24/02/2028	157.62		Live
P	29/2539	Menzies	Kalgoorlie Nickel Pty Ltd (100%)	25/02/2020	24/02/2028	156.38		Live
P	29/2578	Menzies	Menzies Operational & Mining Pty Ltd (100%)	25/08/2020	24/08/2024	120.67		Live
P	29/2579	Menzies	Menzies Operational & Mining Pty Ltd (100%)	25/08/2020	24/08/2024	120.01		Live
P	29/2580	Menzies	Menzies Operational & Mining Pty Ltd (100%)	25/08/2020	24/08/2024	119.97		Live
P	29/2581	Menzies	Menzies Operational & Mining Pty Ltd (100%)	16/08/2021	15/08/2025	119.98		Live
P	29/2582	Menzies	Menzies Operational & Mining Pty Ltd (100%)	25/08/2020	24/08/2024	120.06		Live
P	29/2583	Menzies	Menzies Operational & Mining Pty Ltd (100%)	16/08/2021	15/08/2025	112.98		Live
P	29/2584	Menzies	Menzies Operational & Mining Pty Ltd (100%)	25/08/2020	24/08/2024	117.24		Live
P	29/2585	Menzies	Menzies Operational & Mining Pty Ltd (100%)	25/08/2020	24/08/2024	120.01		Live
P	29/2588	Menzies	Goongarrie Operational & Mining Pty Ltd (100%)	23/11/2021	22/11/2025	3.01		Live
P	29/2649	Menzies	Kalgoorlie Nickel Pty Ltd (100%)	26/04/2022	25/04/2026	193.13		Live

Tenement type	Tenement number	Project	Registered holder and interests	Date granted	Expiry date	Hectares	Royalty	Status
P	29/2650	Menzies	Kalgoorlie Nickel Pty Ltd (100%)	26/04/2022	25/04/2026	194.28		Live
P	29/2651	Menzies	Kalgoorlie Nickel Pty Ltd (100%)	26/04/2022	25/04/2026	188.13		Live
P	29/2675	Menzies	Goongarrie Operational & Mining Pty Ltd (100%)	28/11/2023	27/11/2027	9.95		Live
P	29/2676	Menzies	Goongarrie Operational & Mining Pty Ltd (100%)	28/11/2023	27/11/2027	9.89		Live
P	39/2656	Menzies	Goongarrie Operational & Mining Pty Ltd (100%)	28/11/2023	27/11/2027	165.07		Live

Notes: Data sourced from document number 07.07.03.01 (Brightstar Ltd tenements, 20 November 2023). Data have not been independently verified except to confirm that tenements listed as 'pending' had not been granted as at 19 March 2024.

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Tenement type	Tenement number	Project	Registered holder and interests	Date granted	Expiry date	Hectares	Royalty	Status
E	53/2108	Montague East	Gateway Mining Ltd (100%)	21/11/2022	20/11/2027	3,689.58		Live
E	53/2340	Montague East	Gateway Mining Ltd (100%)			610.01		Pending
E	57/1004	Montague East	Gateway Mining Ltd (100%)	10/09/2015	09/09/2025	2,709.09		Live
E	57/1005	Montague East	Gateway Mining Ltd (100%)	04/10/2017	03/10/2027	2,651.96		Live
E	57/1060	Montague East	Gateway Mining Ltd (80%) Element 25 Limited (20%)	15/06/2018	14/06/2028	3,960.57		Live
E	57/1095	Montague East	Gateway Mining Ltd (100%)	18/02/2020	17/02/2025	5,472.59		Live
E	57/1113	Montague East	Gateway Mining Ltd (100%)	22/08/2019	21/08/2024	304.89		Live
E	57/1145	Montague East	Gateway Mining Ltd (100%)	22/11/2022	21/11/2027	6,243.85		Live
E	57/1147	Montague East	Gateway Mining Ltd (100%)	04/08/2020	03/08/2025	1,038.72		Live
E	57/1215	Montague East	Gateway Mining Ltd (100%)	10/10/2022	09/10/2027	1,827.93		Live
E	57/1423	Montague East	Gateway Mining Ltd (100%)			2,133.81		Pending
E	57/1424	Montague East	Gateway Mining Ltd (100%)			3,964.64		Pending
E	57/1441	Montague East	Gateway Mining Ltd (100%)			609.56		Pending
E	57/405	Montague East	Gateway Mining Ltd (100%)	20/02/2012	19/02/2025	352.04		Live
E	57/417	Montague East	Gateway Mining Ltd (100%)	27/04/2006	26/04/2025	666.75		Live
E	57/687	Montague East	Gateway Mining Ltd (100%)	26/03/2008	25/03/2026	266.52		Live
E	57/793	Montague East	Gateway Mining Ltd (75%) Estuary Resources Pty Ltd (25%)	04/02/2010	03/02/2026	938.63		Live
E	57/807	Montague East	Gateway Mining Ltd (100%)	22/06/2010	21/06/2024	736.96		Live
E	57/823	Montague East	Gateway Mining Ltd (100%)	03/03/2011	02/03/2025	304.36		Live
E	57/824	Montague East	Gateway Mining Ltd (100%)	03/03/2011	02/03/2025	297.00		Live
E	57/874	Montague East	Gateway Mining Ltd (100%)	06/03/2012	05/03/2026	304.41		Live
E	57/875	Montague East	Gateway Mining Ltd (100%)	06/03/2012	05/03/2026	303.21		Live
E	57/888	Montague East	Gateway Mining Ltd (100%)	06/03/2012	05/03/2026	255.02		Live
E	57/945	Montague East	Gateway Mining Ltd (100%)	02/01/2014	01/01/2026	74.31		Live
M	57/217	Montague East	Gateway Mining Ltd (100%)	22/09/1992	23/09/2034	34.46		Live

Tenement type	Tenement number	Project	Registered holder and interests	Date granted	Expiry date	Hectares	Royalty	Status
M	57/429	Montague East	Gateway Mining Ltd (75%) Estuary Resources Pty Ltd (25%)	01/07/2005	05/07/2026	981.70		Live
M	57/48	Montague East	Gateway Mining Ltd (100%)	10/05/1986	14/05/2028	119.40		Live
M	57/485	Montague East	Gateway Mining Ltd (75%) Estuary Resources Pty Ltd (25%)	28/01/2005	02/02/2026	914.65		Live
M	57/98	Montague East	Gateway Mining Ltd (100%)	11/05/1988	18/05/2030	121.15		Live
M	57/99	Montague East	Gateway Mining Ltd (100%)	11/05/1988	18/05/2030	251.20		Live
P	57/1409	Montague East	Gateway Projects WA Pty Ltd (100%)	10/01/2018	09/01/2026	44.90		Live
P	57/1410	Montague East	Gateway Projects WA Pty Ltd (100%)	10/01/2018	09/01/2026	65.45		Live
P	57/1411	Montague East	Gateway Projects WA Pty Ltd (100%)	10/01/2018	09/01/2026	162.28		Live
P	57/1413	Montague East	Gateway Projects WA Pty Ltd (100%)	10/01/2018	09/01/2026	2.03		Live
P	57/1455	Montague East	Gateway Mining Ltd (100%)	16/05/2019	15/05/2027	200.00		Live
P	57/1456	Montague East	Gateway Mining Ltd (100%)	16/05/2019	15/05/2027	182.00		Live
P	57/1494	Montague East	Gateway Mining Ltd (100%)			191.00		Pending
P	57/1495	Montague East	Gateway Mining Ltd (100%)			153.00		Pending
P	57/1496	Montague East	Gateway Mining Ltd (100%)			195.00		Pending

Notes: Data sourced from Gateway's tenements register dated 20 August 2024. Data have not been independently verified except to confirm that tenements listed as 'pending' had not been granted as at 20 August 2024.

Appendix B Comparable transactions data and valuation

Resource multiples – Comparable transactions – Western Australia

Project	Announcement date	Purchaser	Vendor	Region	Development stage	Consideration (100% basis) (A\$ M)	Equity acquired (%)	Resource (Mt)	Resource grade Au (g/t)	Resource Au only (Moz)	Resource transaction multiple (raw) (A\$/oz)	Resource transaction multiple (normalised) (A\$/oz)
Mt Olympus project	Jun-20	Kalamazoo Resources Limited	Northern Star Resources Limited	Western Australia	Advanced Exploration	5.00	100%	20.79	2.47	1.65	3.03	4.52
Ashburton Project	Feb-24	De Grey Mining Limited	Kalamazoo Resources Limited	Western Australia	Advanced Exploration /Scoping?	31.00	100%	16.19	2.74	1.43	21.74	26.84
Mt Clement project	Jul-20	Northern Star Resources Limited	Artemis Resources Limited	Western Australia	Advanced Exploration	0.43	80%	2.44	1.01	0.08	5.41	7.71
City of Melbourne mine	Dec-20	Firefly Resources Limited	Undisclosed seller	Western Australia	Advanced Exploration	2.91	100%	2.75	1.57	0.14	20.96	31.65
Albury Heath project	Apr-20	Westgold Resources Limited	Cervantes Corporation Limited	Western Australia	Advanced Exploration	1.30	100%	0.39	2.17	0.03	47.79	65.71
Lindsays project	Dec-20	Nu-Fortune Gold Ltd	KalNorth Gold Mines Limited	Western Australia	Care and Maintenance	5.00	100%	3.97	1.69	0.22	23.14	34.93
Tumblegum South deposit	Mar-21	Star Minerals Limited	Bryah Resources Limited	Western Australia	Advanced Exploration	2.30	100%	0.60	2.20	0.04	54.20	93.07
Grade Gnows Nest project	Sep-20	Emu NL	Undisclosed seller	Western Australia	Advanced Exploration	1.84	100%	0.11	3.78	0.01	133.51	194.92
Millrose project	Jun-23	Northern Star Resources Limited	Strickland Metals Limited	Western Australia	Advanced Exploration	59.45	100%	6.00	1.79	0.34	172.49	222.23
Wilki project	Feb-20	Newcrest Mining Limited	Antipa Minerals Limited	Western Australia	Early to Advanced Exploration	80.00	75%	2.40	1.30	0.10	797.53	1,272.51
Hobbes Exploration Licence E31/1117	Apr-24	Northern Star (Carosue Dam) Pty Limited	Solstice Minerals Limited	Western Australia	Advanced Exploration	12.50	80%	4.60	1.20	-	70.43	74.33
Hobbes Exploration Licence E31/1117	Apr-24	Northern Star (Carosue Dam) Pty Limited	Minority Shareholder	Western Australia	Advanced Exploration	13.25	20%	4.60	1.20	-	74.66	78.79
Leonora project tenements	Aug-20	Specrez Pty Ltd	Kingwest Resources Limited	Western Australia	Advanced Exploration	0.19	100%	3.34	0.96	0.10	1.84	2.54
Paris project	Jul-20	Torque Metals Limited	Austral Pacific Pty Ltd	Western Australia	Advanced Exploration	1.85	100%	0.31	3.23	0.03	56.73	80.77
Malcolm project	Jul-20	GoldLake Two Pty Ltd.	Anova Metals Limited	Western Australia	Early to advanced	0.10	100%	0.14	8.30	0.04	2.64	3.75
Citadel Project	Sep-24	Rio Tinto Exploration Pty Limited	Antipa Minerals Limited	Western Australia	Advanced Exploration	53.13	32%	127.0	0.71	2.90	18.33	18.33
Palm Springs Gold Project	Sep-24	WIN Metals Ltd	Meteoric Resources NL	Western Australia	Advanced Exploration	3.75	100%	5.60	1.97	0.35	10.57	10.57
Mining tenements, associated information, and infrastructure & improvements	Jul-21	Metrovex Pty Ltd	Extension Hill Pty Ltd.	Western Australia	Advanced Exploration	39.60	100%	79.70	0.80	2.05	19.32	30.41
Horse Well project	May-21	Strickland Metals Limited	Silver Lake Resources Limited	Western Australia	Advanced Exploration	4.73	37%	5.70	1.40	0.26	18.43	29.20
Millrose project	Jun-21	Strickland Metals Limited	Investor group	Western Australia	Advanced Exploration	10.00	100%	6.00	1.79	0.34	29.01	46.72
Gold rights of Eastern Montague Project	Aug-24	Brightstar Resources Limited	Gateway Mining Limited	Western Australia	Advanced Exploration	14.00	100.00%	10.07	1.63	-	26.55	26.55
Six Prospecting Licences of Kario	Aug-24	Investor Group	Kairos Minerals Limited	Western Australia	Advanced Exploration	20.00	100.00%	6.16	1.17	-	85.97	85.97
Monument Project	Aug-20	Six Sigma Metals Limited	DiscovEx Resources Limited	Western Australia	Advanced Exploration	0.55	100%	0.86	1.80	0.05	11.12	15.33
Kookynie project	Jun-20	Genesis Minerals Limited	Investor group	Western Australia	Advanced Exploration	13.50	100%	8.53	1.48	0.41	33.29	49.57

Project	Announcement date	Purchaser	Vendor	Region	Development stage	Consideration (100% basis) (A\$ M)	Equity acquired (%)	Resource (Mt)	Resource grade Au (g/t)	Resource Au only (Moz)	Resource transaction multiple (raw) (A\$/oz)	Resource transaction multiple (normalised) (A\$/oz)
Fingals and Rowe's Find projects	May-20	Black Cat Syndicate Limited	Silver Lake Resources Limited	Western Australia	Advanced Exploration	5.44	100%	5.20	2.50	0.42	13.01	18.50
Nine mining tenements (Ben Hur	Aug-20	Regis Resources Limited	Stone Resources Australia Limited	Western Australia	Advanced Exploration	10.00	100%	5.80	1.54	0.29	34.79	47.99
Blue Spec project	Sep-20	Calidus Resources Limited	Novo Resources Corporation	Western Australia	Pre-feasibility/Scoping	19.50	100%	0.42	16.33	0.22	89.48	130.63
Trojan, Slate Dam and Clinker Hill projects	Oct-20	Black Cat Syndicate Limited	Aruma Resources Limited	Western Australia	Advanced Exploration/Pre-feasibility?	0.50	100%	2.12	1.69	0.12	4.34	6.25
Bruno Lewis and Raeside	Dec-23	Genesis Minerals Limited	Kin Mining NL	Western Australia	Scoping Study?	53.50	100%	15.62	1.24	0.62	86.24	107.65
Mining Tenements at Forrestania Gold Project	Oct-23	Classic Minerals Limited	Hannans Limited	Western Australia	Scoping Study/construction started	4.05	20%	8.41	1.45	0.39	10.32	13.19
Great Western (M37/54)	Apr-20	Darlot Mining Company Pty Limited	Terrain Minerals Limited	Western Australia	Pre-feasibility/Scoping	2.50	100%	0.71	2.74	0.06	39.99	54.98
Spargos Reward project	May-20	Karora Resources Inc.	Corona Resources Limited	Western Australia	Pre-feasibility/Scoping	6.53	100%	0.94	4.34	0.13	49.97	71.04
Goongarrie Lady Mining lease (M29/420)	Aug-20	Resource Mining Pty Ltd	Kingwest Resources Limited	Western Australia	Feasibility complete	1.90	100%	0.27	2.87	0.02	76.27	105.21
Mount Ida project	Sep-21	Red Dirt Metals Limited	Ora Banda Mining Limited	Western Australia	Feasibility	11.00	100%	0.32	13.85	0.14	77.68	122.50
Bulong South, Glandore and Cowarna projects	May-21	Horizon Minerals Limited	Aurenne Group Holdings Pty Ltd	Western Australia	Feasibility Started, Target Outline	5.00	100%	0.14	5.16	0.02	211.88	335.66
Eureka project	Aug-20	Warriedar Mining Pty Ltd	Tyranna Resources Limited	Western Australia	Pre-production	1.00	100%	0.76	1.76	0.04	23.23	32.05
Sandstone Project	Dec-21	Aurumin Limited	Middle Island Resources Limited	Western Australia	Care and Maintenance	12.00	100%	22.14	1.12	0.80	15.01	22.64
Nullagine Gold Project	Dec-23	Calidus Resources Limited	Novo Resources Corp.	Western Australia	Care and Maintenance	45.25	100%	26.73	1.66	-	31.78	39.67
Penny's Find project	Dec-21	Horizon Minerals Limited	Labyrinth Resources Limited	Western Australia	Care and Maintenance?	1.50	50%	0.25	5.22	0.04	35.74	53.91
Linden project	Aug-20	Linden Gold Alliance Pty Ltd	Anova Metals Limited	Western Australia	Care and Maintenance	9.00	100%	0.65	6.32	0.13	68.52	94.52
Penny's Find project	Nov-20	Black Mountain Gold Ltd	Orminex Limited	Western Australia	Construction?	5.00	50%	0.25	7.04	0.06	89.07	127.35
Coogee project	Jul-20	Victory Mines Limited	Investor group	Western Australia	Residual Production	2.75	40%	0.10	3.40	0.01	262.05	373.06
Coogee project	Nov-20	Victory Mines Limited	Ramelius Resources Limited	Western Australia	Residual Production	1.11	90%	0.10	3.40	0.01	105.88	151.38
Leonora Assets	Apr-23	Genesis Minerals Limited	St Barbara Limited	Western Australia	Expansion	540.00	100%	124.31	2.64	10.56	51.12	65.00
Kundana Assets	Jul-21	Evolution Mining Limited	Northern Star Resources Limited	Western Australia	Operating, Advanced Exploration?	400.00	100%	18.83	4.10	2.48	161.15	253.68
Telfer/Havieron	Sep-24	Greatland Gold PLC	Newmont Corp	Western Australia	Operating, Advanced Exploration?	748.35	100%	231.14	1.13	8.43	88.78	88.78
Tropicana Mine	Apr-21	Regis Resources Limited	IGO Limited	Western Australia	Operating	3,010.00	30%	145.06	1.64	7.64	393.82	648.95

Area based – Comparable transactions – Western Australia

Project	Announcement date	Purchaser	Vendor	Region	Development stage	Tenure type	Consideration (100% basis) (A\$ M)	Equity acquired (%)	Area (km ²)	Area multiple (raw) (A\$/km ²)	Area multiple (normalised) (A\$/km ²)
King prospect	Mar-21	Image Resources NL	Undisclosed sellers	Western Australia	Advanced Exploration	PL	0.83	40%	3.70	222,972.97	382,921.74
Tenements P25/2597, P25/2688 & P26/4470	Nov-22	Orange Minerals NL	Rocky Reef Mining Pty Ltd	Western Australia	Early Exploration	PL	0.05	100%	3.22	15,527.95	21,855.84
P47/1812 Tenement	Dec-22	Cyclone Metals Limited	Stonefield Developments Pty Ltd	Western Australia	Early Exploration	PL	0.12	100%	0.19	631,578.95	910,564.77
Nine Prospecting Licences	Aug-23	Great Boulder Resources Limited	Wanbanna Pty Ltd	Western Australia	Early Exploration	PL	0.15	80%	22.00	6,818.18	8,945.14
P15/6314	Feb-23	Greenstone Resources Limited	British Hill Pty Ltd	Western Australia	Early Exploration	PL	0.04	100%	0.10	448,448.45	656,969.18
Central Menzies project	May-21	Empire Metals Limited	Philips Exploration Pty Ltd.	Western Australia	Early Exploration	PL	5.13	75%	6.17	831,982.71	1,318,006.78
62 Tenements	Oct-23	Northern Star Resources Limited	Horizon Minerals Limited	Western Australia	Early Exploration	PL	3.10	100%	101.70	30,481.81	38,953.16
Three Additional Tenements	Jun-24	Cosmo Metals Limited	Private Investor Jake Wilson	Western Australia	Early Exploration	#REF!	0.13	100%	4.08	30,642.51	33,337.30
Additional tenure	Sep-22	IRIS Metals Limited	Private Investor-Craig Dixon	Western Australia	Advanced Exploration	PL, PLA	0.06	100%	3.99	15,037.59	23,104.17
Tenements P25/2597, P25/2688 & P26/4470	Nov-22	Orange Minerals NL	Rocky Reef Mining Pty Ltd	Western Australia	Early Exploration	PL	0.05	100%	3.22	15,527.95	21,855.84
Leeds project	Jan-21	Ragnar Metals Limited	Loki Exploration	Western Australia	Advanced Exploration	PL only\	0.11	80%	3.97	28,337.53	44,545.58
Harrier tenements	Mar-21	Hammer Metals Limited	Undisclosed seller	Western Australia	Early Exploration	EL	0.02	100%	15.41	1,297.86	2,228.87
Albion project	Nov-21	Mt Monger Resources Ltd.	Glen Tyrrell Bulldozing Pty Lt	Western Australia	Early Exploration	EL	0.09	100%	11.58	7,772.02	12,246.10
Golden star deposit (surrounding tenure)	Feb-21	Great Southern Mining Limited	GC Explore Pty Ltd	Western Australia	Early Exploration	EL	0.08	100%	412.00	182.04	292.66
Yandal project	Jun-21	Strickland Metals Limited	Renegade Exploration Limited	Western Australia	Early Exploration	EL?	2.67	75%	320.00	8,333.33	13,419.67
E39/2073 tenement	Oct-21	Western Mines Group Ltd	Pvt investors - Mr. Thomas Williams and Neelesh Bhasin	Western Australia	Early Exploration	EL	0.12	100%	38.75	3,187.10	4,952.76
Oldham Range property	Apr-21	Meryllion Resources Corp.	Undisclosed seller	Western Australia	Early Exploration	EL	0.52	100%	147.00	3,556.17	5,860.02
E31/1186	Jul-21	OzAurum Resources Limited	Revolution Mining Pty Ltd	Western Australia	Early Exploration	EL	0.08	100%	17.83	4,206.39	6,621.63
Pinnacle Well project	Nov-21	Ozz Resources Limited	Private Investor - Allan Pellegrini	Western Australia	Early Exploration	EL	1.23	75%	95.00	12,947.37	20,400.71
Rocky Dam project	Jun-21	Lycaon Resources Ltd	Dreadnought Resources Limited	Western Australia	Advanced Exploration	EL and ELA	0.10	100%	190.00	526.32	847.56
Two Tenements	Dec-22	Equinox Resources Limited	Acme Resources Pty Ltd	Western Australia	Early Exploration	EL	0.02	100%	220.00	74.20	106.98
Karramindie Project	Aug-23	Lithium Resources Investments Pty Ltd	Aurumin Limited	Western Australia	Early Exploration	EL	0.50	100%	16.38	30,525.03	40,047.41
Canegrass Tenement	Oct-22	Zuleika Gold Limited	Olympio Metals Limited	Western Australia	Early Exploration	EL	0.50	80%	72.00	6,944.44	10,158.33
Kenya project	Jan-21	Ragnar Metals Limited	Jindalee Resources Limited	Western Australia	Advanced Exploration	EL	0.09	100%	7.50	12,000.00	18,863.57
Tenements of Kirgella and Pinjin South	May-23	Kalgoorlie Gold Mining Limited	Undisclosed sellers	Western Australia	0	EL	4.07	75%	48.90	83,162.92	105,392.92

Project	Announcement date	Purchaser	Vendor	Region	Development stage	Tenure type	Consideration (100% basis) (A\$ M)	Equity acquired (%)	Area (km²)	Area multiple (raw) (A\$/km²)	Area multiple (normalised) (A\$/km²)
Padbury Gold Tenements	May-24	Parbo Resources	Black Dragon Gold Corp.	Western Australia	Early Exploration	EL	0.15	100%	365.26	410.67	432.89
Jubilee Well project	Apr-21	Lodestar Minerals Limited	Undisclosed seller	Western Australia	Early Exploration?	EL	0.05	100%	20.64	2,422.48	3,991.87
Laverton Gold Project	Jan-23	Rincon Resources Limited	Investor Group	Western Australia	Early Exploration	EL	0.15	100%	32.00	4,687.50	6,397.82
Fairy Well tenement	Oct-22	Westar Resources Limited	Vendors Mining Equities Pty Ltd	Western Australia	Early Exploration	EL	0.03	100%	6.00	5,208.33	7,618.75
E38/3279 (Ophir Bore)	Apr-21	Brightstar Resources Limited	Private investor - Mr. Peter Gianni	Western Australia	Early Exploration?	EL	0.05	100%	2.90	17,241.38	28,411.13
E15/1801 and E63/2199	Jun-24	Auric Mining Limited	Private Investors	Western Australia	Early Exploration	EL	1.10	100.00%	343.90	3,199.98	3,481.39
Cosmo Newbery Project	Jun-24	Sarama Resources Ltd	Investor Group	Western Australia	Early Exploration	EL	0.98	100.00%	580.00	1,684.48	1,832.62
Exploration Licence E38/3438	Feb-21	Brightstar Resources Limited	Mining Equities Pty Ltd	Western Australia	Early Exploration	EL	0.20	100%	16.00	12,500.00	20,096.16
E39/2040	Dec-21	Legacy Iron Ore Limited	Investor group	Western Australia	Early Exploration	EL	0.10	100%	12.00	8,333.33	12,568.50
Comet Well project	Oct-21	Brightstar Resources Limited	Milford Resources Pty Limited	Western Australia	Early Exploration	EL	0.72	100%	120.00	6,000.00	9,324.02
Ninghan project	Jul-21	Power Metals Pty Ltd	Legend Resources Pty Ltd.	Western Australia	Early Exploration	ELA	0.06	100%	29.83	2,145.49	3,377.39
Elephant Project	Aug-23	Tempest Minerals Limited	Mac3 Pty Ltd	Western Australia	Early Exploration	EL	0.75	80%	194.00	3,865.98	5,071.98
Murchison Project	Aug-23	Ora Gold Limited	Sipa Resources Limited	Western Australia	Early Exploration	EL, ELA	1.40	100%	460.00	3,043.48	3,992.90
Two exploration tenements	Sep-21	Odyssey Gold Limited	Private investor - Thomas Peter Sanders	Western Australia	Early Exploration	EL	0.06	100%	5.88	10,034.01	15,822.35
Garden Gully project	Feb-21	Sipa Resources Limited	Miramar Resources Limited	Western Australia	Early Exploration	EL only	0.15	100%	207.00	724.64	1,164.99
E51/1995 Mine	Dec-22	Great Boulder Resources Limited	Empire Resources Limited	Western Australia	Early Exploration	EL	0.01	100%	61.00	163.93	236.35
E59/2584	Feb-23	Cooper Metals Limited	DiscovEx Resources Limited	Western Australia	Early Exploration	EL	0.05	100%	24.05	2,079.00	3,045.70
Ninghan Project	Jan-23	Everest Metals Corporation Ltd	Investor group	Western Australia	Early Exploration	EL	0.23	100%	228.00	986.84	1,346.91
Gold and Mineral Rights E51/1681	Sep-22	E79 Gold Mines Limited	Gascoyne Resources Limited	Western Australia	Early Exploration	EL	0.17	100%	122.34	1,392.59	2,139.62
Fairy Well tenement	Oct-22	Westar Resources Limited	Vendors Mining Equities Pty Ltd	Western Australia	Early to Advanced Exploration	EL	0.03	100%	6.11	5,319.15	7,780.85
Exploration tenement E57/1108	Feb-21	Alto Metals Limited	Gateway Mining Limited	Western Australia	Early Exploration	EL	0.05	100%	115.00	434.78	699.00
E57/1140	Jun-22	Aurumin Limited	Mining Equities Pty Ltd	Western Australia	Early Exploration	EL	0.08	100%	13.84	5,419.08	8,056.68
Stanley project	Apr-22	Ausgold Limited	Cygnus Gold Ltd.	Western Australia	Advanced Exploration	EL	0.98	51%	161.00	6,089.39	8,972.40
Bullabulling project	Jan-22	Belararox Limited	Investor group	Western Australia	Early Exploration	EL	0.45	100%	48.84	9,213.76	14,026.91
Padbury Gold And Ivan Well Projects	Jul-22	Black Dragon Gold Corp.	Undisclosed Seller	Western Australia	Early Exploration	EL	0.15	100%	481.00	311.85	465.73

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E 28/3135 and E 28/3136	May-23	Kalgoorlie Gold Mining Limited	Private Investor-Mr A Lynch	Western Australia	Early Exploration	EL	0.10	100%	9.91	10,090.82	12,788.16
E51/1995 Mine	Dec-22	Great Boulder Resources Limited	Empire Resources Limited	Western Australia	0	EL	0.01	100%	621.00	16.10	23.22
Exploration licence E38/3434	Mar-22	Brightstar Resources Limited	Regis Resources Ltd.	Western Australia	Early Exploration	EL	0.01	100%	11.91	839.63	1,186.73
Mining lease M27/158	Feb-22	Empire Metals Limited	Maher Mining Contractors Pty L	Western Australia	Early Exploration	ML	0.50	100%	6.43	77,760.50	113,570.48
Tenement E77/2637	Feb-22	Forrestania Resources Limited	Undisclosed seller	Western Australia	Early Exploration	EL	0.10	100%	11.57	8,643.04	12,623.31
Halls Creek project	Feb-22	Hexagon Energy Materials Limited	Undisclosed Sellers	Western Australia	Early Exploration	ELA	0.05	100%	12.57	3,977.72	5,809.53
Five Tenements	Oct-23	Trek Metals Limited	Undisclosed Seller	Western Australia	Early Exploration?	EI, ELA	1.25	100%	1,183.00	1,056.64	1,350.29
E 29/1095	Feb-22	Javelin Minerals Limited	Fleet Street Holdings Pty Ltd	Western Australia	Early Exploration	EL	0.05	100%	72.06	624.48	912.06
Ironstone Wel, Monarch and Normandy Tenements	Jan-22	Kin Mining NL	Golden Mile Resources Ltd.	Western Australia	Advanced Exploration, Target Outline	0	1.25	60%	120.00	10,416.67	15,858.20
Mt Magnet South project	Mar-22	Musgrave Minerals Limited	Eastern Goldfields Exploration	Western Australia	Early Exploration	0	0.50	100%	294.00	1,700.68	2,403.73
Albany Fraser project	Feb-22	Omnia Metals Group Ltd	GTT Metals Group Pty Ltd	Western Australia	Early Exploration	EL	1.37	100%	222.90	6,123.82	8,943.94
E37/1287 & E37/1355 tenements	Jan-22	Ozz Resources Limited	Anglo Australian Resources NL	Western Australia	Early Exploration	EL	0.16	100%	63.00	2,460.32	3,745.56
Wyloo Dome Gold project	Mar-22	Woomera Mining Limited	Nanjilgardy Resources Pty Ltd	Western Australia	Early Exploration	0	6.82	60%	378.98	17,986.88	25,422.52
Tenement E45/6471	Oct-23	Infinity Mining Limited	Hawker Geological Services Pty Ltd	Western Australia	Early Exploration	EL	0.03	100%	15.93	1,569.37	2,005.52
Three exploration licences	Sep-21	Bryah Resources Limited	Rilukin Holdings Pty Ltd.	Western Australia	Early Exploration	EL	0.22	100%	50.00	4,480.00	7,064.38
Pascalle and Taunton tenement	Sep-21	Greatland Gold plc	Province Resources Ltd	Western Australia	Early Exploration	EL	0.05	100%	75.14	665.42	1,049.29
Mumbakine Well Project	May-22	Capricorn Metals Ltd	Gascoyne Resources Ltd.	Western Australia	Advanced Exploration	EL	1.25	100%	361.00	3,462.60	5,036.52
7 Exploration Tenements	Dec-23	Peregrine Gold Limited	Fortescue Ltd	Western Australia	Early Exploration	EL	0.10	100%	99.79	1,002.10	1,250.81
E45/5484	Jan-21	Trek Metals Limited	Redstone Metals Pty Ltd (50%) & Territory Prospecting Pty Ltd (50%).	Western Australia	Early Exploration	EL	0.10	100%	106.47	962.71	1,513.35
E47/3373	Apr-21	Undisclosed buyer	Artemis Resources Limited	Western Australia	Early Exploration?	EL	0.50	100%	63.26	7,903.89	13,024.39
Mt Cecelia project	Dec-21	Rio Tinto Group	West Wits Mining Limited	Western Australia	Early Exploration	EL	8.14	51%	225.00	36,165.58	54,545.65
Prospecting licence P30/1126	Jan-21	Viking Mines Limited	AUSTRALIA MENZIES EMERALD PTY LTD	Western Australia	Early Exploration	PL	0.02	100%	1.80	11,111.11	17,466.27
Two Licences- P59/2088 and P59/2089	Mar-21	Firefly Resources Limited	Private investor - Mr. Jason Gill	Western Australia	Early Exploration	PL	0.05	100%	2.12	23,584.91	40,503.44
Julimar North Project	Jun-21	Tambourah Metals Limited	Baracus Pty Ltd	Western Australia	Early Exploration	EL&ELA	1.16	80%	508.28	2,280.36	3,672.20
Tenement E77/2691	Aug-23	Golden Horse Minerals Limited	Private Investors-Vernon & McClaren	Western Australia	0	EL	3.00	10%	116.00	25,862.07	33,929.82

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Polelle and Wanganui Projects	Nov-23	Great Boulder Resources Limited	Castle Minerals Limited	Western Australia	Early Exploration	EL	0.53	75%	162.90	3,273.99	4,012.05
Ennuin West Exploration Licence 77/2652	Mar-22	Enterprise Metals Limited	NXT1 Pty Ltd.	Western Australia	Early Exploration	EL	0.13	100%	103.00	1,213.59	1,715.28
Bullfinch project	Jun-23	Altan Rio Minerals Limited	Torque Metals Limited	Western Australia	Early Exploration	EL, ELA	0.75	100%	556.00	1,348.92	1,737.92
Southern Cross North Project	Dec-22	Altan Rio Minerals Limited	Surveyor Resources Pty Ltd	Western Australia	Early Exploration	EL	5.44	20%	270.00	20,153.78	29,056.26
3 Tenements and 1 Gold rights	Aug-22	Australian Silica Quartz Group Ltd.	Netley Minerals Pty Ltd	Western Australia	Early Exploration	EI, ELA	0.35	100%	378.00	925.93	1,403.69
Becher project	Jun-23	De Grey Mining Limited	Novo Resources Corp.	Western Australia	Early Exploration	EL's?	50.00	50%	1,034.00	48,355.90	62,300.68
Little Gap Well and Mt Opal Projects	May-23	Desert Metals Limited	Diversified Asset Holdings Pty Ltd	Western Australia	Early Exploration	EL	0.42	60%	180.34	2,310.45	2,928.05
Tenement E51/1766	Jan-23	Everest Metals Corporation Ltd	MSCS Infrastructure Pty Ltd	Western Australia	Early Exploration	EL	3.14	51%	36.99	84,813.60	115,759.46
Tenement E51/1770	Jan-23	Everest Metals Corporation Ltd	MSCS Infrastructure Pty Ltd	Western Australia	Early Exploration	EL	0.61	51%	8.77	69,309.37	94,598.22
Bald Hill/Foghorn	Nov-22	Black Cat Syndicate Limited	Duketon Mining Limited	Western Australia	Early Exploration	EL	0.48	100%	203.00	2,364.53	3,328.12
Mount Lucky Project	Jul-22	Mindax Limited	Undisclosed Seller	Western Australia	Early Exploration	EL	0.08	100%	19.74	4,052.68	6,052.49
Louise Project And Three Exploration Licence Applications	Aug-22	Victory Goldfields Limited	Mining Equities Pty Ltd	Western Australia	Early Exploration	EL	0.31	100%	75.85	4,113.38	6,235.83
Anketell Project	Aug-22	Wishbone Gold Plc	Undisclosed Seller	Western Australia	Early Exploration	EL	0.67	100%	10.00	67,449.43	102,252.32
Canegrass Tenement	Oct-22	Zuleika Gold Limited	Olympio Metals Limited	Western Australia	Exploration	EL	0.50	80%	72.00	6,944.44	10,158.33
Laverton Gold Project	Jan-23	Rincon Resources Limited	Investor Group	Western Australia	Exploration	EL	0.15	100%	32.00	4,687.50	6,397.82
Exploration Licence 38/3666	May-24	Magnetic Resources NL	Rincon Resources Limited	Western Australia	Early Exploration	EL	0.17	100%	5.35	31,775.70	33,495.49
Smokebush Gold Project	Dec-22	Terrain Minerals Limited	0	Western Australia	Early Exploration	EL	0.10	20%	2.99	33,444.82	48,218.31
Tenure South of Battler Gold Mine and Blackbourne Mine	Aug-23	Golden Horse Minerals Limited	Private Investors - Vernon Strange and Kym McClaren	Western Australia	0	EL, PL	0.09	100%	4.40	20,454.55	26,835.41
5 Tenements	Feb-23	Tempest Minerals Limited	Private Investor - Mr. Darren McAulay	Western Australia	Early Exploration	EL, PL, ELA	0.05	100%	20.82	2,160.89	3,165.66
Smokebush Gold Project	Dec-22	Terrain Minerals Limited	Private Investor - Watts-Butler	Western Australia	Early Exploration	EL, PL	0.35	20%	17.32	20,207.85	29,134.22
Kanowna East, Emu Lake and Fraser South projects	May-23	Metal Hawk Limited	IGO Limited	Western Australia	Early to Advanced Exploration	EL, PL	0.51	51%	377.34	1,351.05	1,712.19
Smokebush Gold Project	Dec-22	Terrain Minerals Limited	Private Investor - Watts-Butler	Western Australia	Early Exploration	EL, PL	0.35	20%	12.53	27,932.96	40,271.72
Xanadu	Jun-21	Platina Resources Limited	Investor group	Western Australia	Early to advanced Exploration	EI and PL	1.02	100%	498.00	2,045.92	3,294.67
Four tenements and camp infrastructure	Mar-22	Ozz Resources Limited	United Mines Pty Ltd	Western Australia	Early to Advanced Exploration	EL, PL	0.19	100%	7.62	24,713.91	34,930.46
E37/1234, E37/1235 and 37/8573	Sep-23	United Mines Pty Ltd	Ozz Resources Limited	Western Australia	Early to Advanced Exploration	EL, PL	0.16	100%	7.62	20,682.41	26,540.07

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Niagara project	Feb-22	Regener8 Resources NL	GTI Resources Ltd.	Western Australia	Early to Advanced Exploration	EL, PL	1.15	100%	33.31	34,527.28	50,427.65
Cuddingwarra and Big Bell South projects	Jul-21	Caprice Resources Limited	Golden State Mining Limited	Western Australia	Early Exploration	EL and PL?	0.94	80%	133.00	7,048.87	11,096.20
Austin project	Apr-21	Silver City Minerals Limited	Gardner Mining Pty Ltd.	western Australia	Early Exploration	ML, PL, and EL	5.63	80%	175.00	32,142.86	52,966.46
Yandicoogina Project	May-23	LW Resources Pty Ltd	Raiden Resources Limited	Western Australia	Early Exploration	EL, ML	0.18	90%	88.81	2,001.79	2,536.88
Birthday mine/ Ennuin Tenement/Newfield East project	Aug-23	Golden Horse Minerals Limited	Private Investors - Vernon Strange and Kym McClaren	Western Australia	0	ML, PL, EL	0.43	100%	96.40	4,408.71	5,784.03
6 Prospecting Licences and 2 ML	May-23	Nelson Resources Limited	Rock Mining Australia Pty Ltd	Western Australia	Early Exploration	PL, ML	0.39	100%	8.41	45,778.83	58,015.82
Phoenix and Kangaroo Hill Projects	Aug-22	Greenstone Resources Limited	Horizon Minerals Limited	Western Australia	Advanced Exploration	ML, PL	0.30	100%	3.53	84,985.84	128,837.26
Mangaroon (E09/2290, M09/146, M09/147 and M09/175)	Sep-22	Dreadnought Resources Limited	Undisclosed seller	Western Australia	Early Exploration	EL, ML	2.70	100%	76.80	35,157.12	54,016.35
Warriedar Gold project	Aug-22	Anova Metals Limited	Red Dirt Metals Limited	Western Australia	Early to Advanced Exploration	EL, PL, ML	1.20	100%	68.00	17,647.06	26,752.68
Mt Dimer mining tenements	Oct-23	Beacon Minerals Limited	Aurumin Limited	Western Australia	Reserves Development	ML, PL	3.50	100%	20.80	168,283.53	215,052.05
Geko tenements	Oct-22	Beacon Minerals Limited	Geko Pit Pty Ltd	Western Australia	Operating? Care and Maintenance?	ML	10.75	100%	9.97	1,078,234.70	1,577,240.95
Mangaroon (M09/174)	Sep-22	Dreadnought Resources Limited	Undisclosed seller	Western Australia	Early Exploration	ML	0.20	100%	0.20	965,824.67	1,483,919.26
Non-core Lady Ida tenements	Mar-23	Investor group	Ora Banda Mining Limited	Western Australia	Advanced Exploration?	MLs	10.00	100%	29.71	336,587.01	452,288.94
M57/352 tenement	Nov-22	Aurumin Limited	Westar Resources Limited	Western Australia	Target Outline	ML	0.17	100%	1.14	147,368.42	207,423.42
M57/352 tenement	Nov-22	Aurumin Limited	Westar Resources Limited	Western Australia	Early Exploration	ML	0.17	100%	1.14	147,368.42	207,423.42
Geko tenements	Oct-22	Beacon Minerals Limited	Geko Pit Pty Ltd	Western Australia	Care and Maintenance	ML	7.75	100%	9.97	777,332.00	1,137,080.68
Lightning mining lease	Apr-24	Undisclosed Buyer	Alto Metals Limited	Western Australia	Advanced Exploration	ML	0.12	100%	1.32	90,909.09	95,943.81

Area based – Comparable market transactions – Alto

Permit	Area* (km ²)	Equity Interest	Application Factor	Selected Multiples (A\$/km ²)			Market Value (A\$)		
				Lower	Upper	Preferred	Lower	Upper	Preferred
Sandstone Project									
SS_E57/1029	124.51	100	1	10,000	20,000	15,000	1.25	2.49	1.87
SS_E57/1030	94.79	100	1	10,000	20,000	15,000	0.95	1.90	1.42
SS_E57/1031	107.2552	100	1	10,000	20,000	15,000	1.07	2.15	1.61
SS_E57/1033	46.97	100	1	2,000	6,000	4,000	0.09	0.28	0.19
SS_E57/1044	27.22	100	1	2,000	6,000	4,000	0.05	0.16	0.11
SS_E57/1072	1.6	100	1	2,000	6,000	4,000	0.00	0.01	0.01
SS_E57/1101	87.79	100	1	2,000	6,000	4,000	0.18	0.53	0.35
SS_E57/1108	114.88	100	1	2,000	6,000	4,000	0.23	0.69	0.46
SS_E57/1228	90.66	100	1	20,000	6,000	13,000	1.81	0.54	1.18
SS_E57/1402	178.95	100	0.8	2,000	6,000	4,000	0.29	0.86	0.57
SS_M57/646	2.93	100	1	150,000	300,000	225,000	0.44	0.88	0.66
SS_M57/647	6.835	100	1	150,000	300,000	225,000	1.03	2.05	1.54
SS_M57/650	3.83	100	1	150,000	300,000	225,000	0.57	1.15	0.86
SS_M57/651	1.68	100	1	150,000	300,000	225,000	0.25	0.50	0.38
SS_M57/652	2.17	100	1	150,000	300,000	225,000	0.33	0.65	0.49
SS_M57/658	3.06	100	1	150,000	300,000	225,000	0.46	0.92	0.69
SS_M57/663	8.33	100	1	150,000	300,000	225,000	1.25	2.50	1.87
SS_M57/665	10.57	100	1	150,000	300,000	225,000	1.59	3.17	2.38
SS_P57/1529	0.07	100	1	20,000	35,000	27,500	0.00	0.00	0.00

Area based – Comparable market transactions – Brightstar

Permit	Area* (km ²)	Equity Interest	Application Factor	Selected Multiples (A\$/km ²)			Market Value (A\$ M)		
				Lower	Upper	Preferred	Lower	Upper	Preferred
Laverton Hub									
Alpha_E38/3500	98.67	100	1	2,000	6,000	4,000	0.20	0.59	0.39
Alpha_E38/3504	18.05	100	1	2,000	6,000	4,000	0.04	0.11	0.07
Alpha_M38/1056	3.01	100	1	150,000	300,000	225,000	0.45	0.90	0.68
Alpha_M38/1057	3.01	100	1	75,000	150,000	112,500	0.23	0.45	0.34
Alpha_M38/1058	3.01	100	1	75,000	150,000	112,500	0.23	0.45	0.34
Alpha_M38/968	3.01	100	1	75,000	150,000	112,500	0.23	0.45	0.34
Alpha_M38/984	0.05	100	1	75,000	150,000	112,500	0.00	0.01	0.01
Alpha_P38/4377	0.58	100	1	35,000	90,000	62,500	0.02	0.05	0.04
Alpha_P38/4385	0.03	100	1	35,000	90,000	62,500	0.00	0.00	0.00
Alpha_P38/4431	0.11	100	1	35,000	90,000	62,500	0.00	0.01	0.01
Alpha_P38/4508	0.8	100	1	35,000	90,000	62,500	0.03	0.07	0.05
Alpha_P38/4545	0.47	100	1	35,000	90,000	62,500	0.02	0.04	0.03
Alpha_P38/4546	0.97	100	1	35,000	90,000	62,500	0.03	0.09	0.06
Beta_E38/2411	5.26	100	1	2,000	6,000	4,000	0.01	0.03	0.02
Beta_E38/3279	2.9	100	1	2,000	6,000	4,000	0.01	0.02	0.01
Beta_E38/3331	16.96	100	1	2,000	6,000	4,000	0.03	0.10	0.07
Beta_E38/3438	15.99	100	1	2,000	6,000	4,000	0.03	0.10	0.06
Beta_M38/241	0.05	100	1	150,000	300,000	225,000	0.01	0.02	0.01
Beta_M38/549	0.06	100	1	150,000	300,000	225,000	0.01	0.02	0.01
Beta_M38/9	0.87	100	1	150,000	300,000	225,000	0.13	0.26	0.20
Beta_P38/4432	0.93	100	1	35,000	90,000	62,500	0.03	0.08	0.06
Beta_P38/4433	1.94	100	1	35,000	90,000	62,500	0.07	0.17	0.12
Beta_P38/4444	1.68	100	1	35,000	90,000	62,500	0.06	0.15	0.11
Beta_P38/4446	1.91	100	1	35,000	90,000	62,500	0.07	0.17	0.12

Permit	Area* (km ²)	Equity Interest	Application Factor	Selected Multiples (A\$/km ²)			Market Value (A\$ M)		
				Lower	Upper	Preferred	Lower	Upper	Preferred
Beta_P38/4447	0.75	100	1	35,000	90,000	62,500	0.03	0.07	0.05
Beta_P38/4448	1.44	100	1	35,000	90,000	62,500	0.05	0.13	0.09
Beta_P38/4449	1.44	100	1	35,000	90,000	62,500	0.05	0.13	0.09
Beta_P38/4450	1.24	100	1	35,000	90,000	62,500	0.04	0.11	0.08
Beta_P38/4558	1.68	100	1	35,000	90,000	62,500	0.06	0.15	0.11
CTW_E38/2452	2.53	100	1	2,000	6,000	4,000	0.01	0.02	0.01
CTW_E38/2894	3.42	100	1	2,000	6,000	4,000	0.01	0.02	0.01
CTW_E38/3198	9.06	100	1	2,000	6,000	4,000	0.02	0.05	0.04
CTW_E38/3434	11.91	100	1	2,000	6,000	4,000	0.02	0.07	0.05
CTW_M38/346	7.25	100	1	75,000	150,000	112,500	0.54	1.09	0.82
CTW_M38/917	0.08	100	1	75,000	150,000	112,500	0.01	0.01	0.01
CTW_M38/918	0.06	100	1	75,000	150,000	112,500	0.00	0.01	0.01
JH_E39/2385	5.99	100	0.8	2,000	6,000	4,000	0.01	0.03	0.02
JH_E39/2386	3	100	0.8	2,000	6,000	4,000	0.00	0.01	0.01
JH_E39/2387	11.99	100	0.8	2,000	6,000	4,000	0.02	0.06	0.04
JH_M39/138	9.5	100	1	150,000	300,000	225,000	1.43	2.85	2.14
JH_M39/139	9.45	100	1	150,000	300,000	225,000	1.42	2.84	2.13
JH_M39/185	9.87	100	1	150,000	300,000	225,000	1.48	2.96	2.22
JH_M39/262	3.07	100	1	150,000	300,000	225,000	0.46	0.92	0.69
SF_E39/1539	14.29	100	1	2,000	6,000	4,000	0.03	0.09	0.06
SF_E39/1977	0.35	100	1	2,000	6,000	4,000	0.00	0.00	0.00
SF_E39/2081	0.04	100	1	2,000	6,000	4,000	0.00	0.00	0.00
SF_M39/255	0.19	100	1	150,000	300,000	225,000	0.03	0.06	0.04
SF_M39/649	7.55	100	1	150,000	300,000	225,000	1.13	2.27	1.70
SF_M39/650	8.46	100	1	150,000	300,000	225,000	1.27	2.54	1.90
SF_M39/794	4.17	100	1	150,000	300,000	225,000	0.63	1.25	0.94
SF_P39/5599	2	100	1	35,000	90,000	62,500	0.07	0.18	0.13

Permit	Area* (km ²)	Equity Interest	Application Factor	Selected Multiples (A\$/km ²)			Market Value (A\$ M)		
				Lower	Upper	Preferred	Lower	Upper	Preferred
West_M38/314	2.05	100	1	75,000	150,000	112,500	0.15	0.31	0.23
West_M38/381	0.1	100	1	75,000	150,000	112,500	0.01	0.02	0.01
West_M38/94	0.19	100	1	75,000	150,000	112,500	0.01	0.03	0.02
West_M38/95	0.88	100	1	75,000	150,000	112,500	0.07	0.13	0.10
North_E38/3673	1.77	100	1	2,000	6,000	4,000	0.00	0.01	0.01
Menzies Hub									
Goon_E29/966	32.44	100	1	10,000	20,000	15,000	0.32	0.65	0.49
Goon_E29/996	9.74	100	1	10,000	20,000	15,000	0.10	0.19	0.15
Goon_E29/1062	21.83	100	1	10,000	20,000	15,000	0.22	0.44	0.33
Goon_P29/2380	0.57	100	1	35,000	90,000	62,500	0.02	0.05	0.04
Goon_P29/2381	0.76	100	1	35,000	90,000	62,500	0.03	0.07	0.05
Goon_P29/2412	1.83	100	1	35,000	90,000	62,500	0.06	0.16	0.11
Goon_P29/2413	1.33	100	1	35,000	90,000	62,500	0.05	0.12	0.08
Goon_P29/2467	1.91	100	1	35,000	90,000	62,500	0.07	0.17	0.12
Goon_P29/2468	1.54	100	1	35,000	90,000	62,500	0.05	0.14	0.10
Goon_P29/2530	1.89	100	1	35,000	90,000	62,500	0.07	0.17	0.12
Goon_P29/2531	1.88	100	1	35,000	90,000	62,500	0.07	0.17	0.12
Goon_P29/2532	1.51	100	1	35,000	90,000	62,500	0.05	0.14	0.09
Goon_P29/2533	1.93	100	1	35,000	90,000	62,500	0.07	0.17	0.12
Goon_P29/2588	0.03	100	1	35,000	90,000	62,500	0.00	0.00	0.00
Goon_P39/2656	1.65	100	1	35,000	90,000	62,500	0.06	0.15	0.10
Goon_P29/2675	0.1	100	1	35,000	90,000	62,500	0.00	0.01	0.01
Goon_P29/2676	0.1	100	1	35,000	90,000	62,500	0.00	0.01	0.01
Men_E29/981	27.21	100	1	2,000	6,000	4,000	0.05	0.16	0.11
Men_E29/984	1.88	100	1	10,000	20,000	15,000	0.02	0.04	0.03
Men_M29/14	0.35	100	1	150,000	300,000	225,000	0.05	0.11	0.08
Men_M29/88	0.05	100	1	150,000	300,000	225,000	0.01	0.02	0.01

Permit	Area* (km ²)	Equity Interest	Application Factor	Selected Multiples (A\$/km ²)			Market Value (A\$ M)		
				Lower	Upper	Preferred	Lower	Upper	Preferred
Men_M29/153	7.14	100	1	150,000	300,000	225,000	1.07	2.14	1.61
Men_M29/154	3.39	100	1	150,000	300,000	225,000	0.51	1.02	0.76
Men_M29/184	5.92	100	1	150,000	300,000	225,000	0.89	1.78	1.33
Men_M29/212	9.16	100	1	150,000	300,000	225,000	1.37	2.75	2.06
Men_M29/410	4.99	100	1	150,000	300,000	225,000	0.75	1.50	1.12
Men_M29/445	15.52	100	1	150,000	300,000	225,000	2.33	4.66	3.49
Men_P29/2346	0.71	100	1	35,000	90,000	62,500	0.02	0.06	0.04
Men_P29/2450	1.36	100	1	35,000	90,000	62,500	0.05	0.12	0.09
Men_P29/2511	1.21	100	1	35,000	90,000	62,500	0.04	0.11	0.08
Men_P29/2512	1.2	100	1	35,000	90,000	62,500	0.04	0.11	0.08
Men_P29/2513	0.93	100	1	35,000	90,000	62,500	0.03	0.08	0.06
Men_P29/2514	1.92	100	1	35,000	90,000	62,500	0.07	0.17	0.12
Men_P29/2515	0.5	100	1	35,000	90,000	62,500	0.02	0.05	0.03
Men_P29/2538	1.58	100	1	35,000	90,000	62,500	0.06	0.14	0.10
Men_P29/2539	1.56	100	1	35,000	90,000	62,500	0.05	0.14	0.10
Men_P29/2578	1.21	100	1	35,000	90,000	62,500	0.04	0.11	0.08
Men_P29/2579	1.2	100	1	35,000	90,000	62,500	0.04	0.11	0.08
Men_P29/2580	1.2	100	1	35,000	90,000	62,500	0.04	0.11	0.08
Men_P29/2581	1.2	100	1	35,000	90,000	62,500	0.04	0.11	0.08
Men_P29/2582	1.2	100	1	35,000	90,000	62,500	0.04	0.11	0.08
Men_P29/2583	1.13	100	1	35,000	90,000	62,500	0.04	0.10	0.07
Men_P29/2584	1.17	100	1	35,000	90,000	62,500	0.04	0.11	0.07
Men_P29/2585	1.2	100	1	35,000	90,000	62,500	0.04	0.11	0.08
Men_P29/2649	1.93	100	1	35,000	90,000	62,500	0.07	0.17	0.12
Men_P29/2650	1.94	100	1	35,000	90,000	62,500	0.07	0.17	0.12
Men_P29/2651	1.88	100	1	35,000	90,000	62,500	0.07	0.17	0.12

Area based – Comparable market transactions – Montague East

Permit	Area* (km ²)	Equity Interest	Application Factor	Selected Multiples (A\$/km ²)			Market Value (A\$)		
				Lower	Upper	Preferred	Lower	Upper	Preferred
Montague East									
SSN_E53/2108	36.9	100	1	2,000	6,000	4,000	0.07	0.22	0.15
SSN_E53/2340	6.1	100	0.8	2,000	6,000	4,000	0.01	0.03	0.02
SSN_E57/1004	27.09	100	1	2,000	6,000	4,000	0.05	0.16	0.11
SSN_E57/1005	26.52	100	1	2,000	6,000	4,000	0.05	0.16	0.11
SSN_E57/1060	39.61	80	1	2,000	6,000	4,000	0.06	0.19	0.13
SSN_E57/1095	54.73	100	1	2,000	6,000	4,000	0.11	0.33	0.22
SSN_E57/1113	3.05	100	1	2,000	6,000	4,000	0.01	0.02	0.01
SSN_E57/1145	62.44	100	1	2,000	6,000	4,000	0.12	0.37	0.25
SSN_E57/1147	10.39	100	1	2,000	6,000	4,000	0.02	0.06	0.04
SSN_E57/1215	18.28	100	1	2,000	6,000	4,000	0.04	0.11	0.07
SSN_E57/1423	21.34	100	0.8	2,000	6,000	4,000	0.03	0.10	0.07
SSN_E57/1424	39.65	100	0.8	2,000	6,000	4,000	0.06	0.19	0.13
SSN_E57/1441	6.1	100	0.8	2,000	6,000	4,000	0.01	0.03	0.02
SSN_E57/405	3.52	100	1	2,000	6,000	4,000	0.01	0.02	0.01
SSN_E57/417	6.67	100	1	2,000	6,000	4,000	0.01	0.04	0.03
SSN_E57/687	2.67	100	1	2,000	6,000	4,000	0.01	0.02	0.01
SSN_E57/793	9.39	75	1	2,000	6,000	4,000	0.01	0.04	0.03
SSN_E57/807	7.37	100	1	2,000	6,000	4,000	0.01	0.04	0.03
SSN_E57/823	3.04	100	1	2,000	6,000	4,000	0.01	0.02	0.01
SSN_E57/824	2.97	100	1	2,000	6,000	4,000	0.01	0.02	0.01
SSN_E57/874	3.04	100	1	2,000	6,000	4,000	0.01	0.02	0.01
SSN_E57/875	3.03	100	1	2,000	6,000	4,000	0.01	0.02	0.01
SSN_E57/888	2.55	100	1	2,000	6,000	4,000	0.01	0.02	0.01
SSN_E57/945	0.74	100	1	2,000	6,000	4,000	0.00	0.00	0.00

Permit	Area* (km ²)	Equity Interest	Application Factor	Selected Multiples (A\$/km ²)			Market Value (A\$)		
				Lower	Upper	Preferred	Lower	Upper	Preferred
SSN_M57/217	0.34	100	1	150,000	300,000	225,000	0.05	0.10	0.08
SSN_M57/429	9.82	75	1	150,000	300,000	225,000	1.10	2.21	1.66
SSN_M57/48	1.19	100	1	150,000	300,000	225,000	0.18	0.36	0.27
SSN_M57/485	9.15	75	1	150,000	300,000	225,000	1.03	2.06	1.54
SSN_M57/659	1.32	0	1	150,000	300,000	225,000	-	-	-
SSN_M57/98	1.21	100	1	150,000	300,000	225,000	0.18	0.36	0.27
SSN_M57/99	2.51	100	1	150,000	300,000	225,000	0.38	0.75	0.56
SSN_P57/1409	0.45	100	1	20,000	35,000	27,500	0.01	0.02	0.01
SSN_P57/1410	0.65	100	1	20,000	35,000	27,500	0.01	0.02	0.02
SSN_P57/1411	1.62	100	1	20,000	35,000	27,500	0.03	0.06	0.04
SSN_P57/1413	0.02	100	1	20,000	35,000	27,500	0.00	0.00	0.00
SSN_P57/1455	2	100	1	20,000	35,000	27,500	0.04	0.07	0.06
SSN_P57/1456	1.82	100	1	20,000	35,000	27,500	0.04	0.06	0.05
SSN_P57/1494	1.91	100	0.8	20,000	35,000	27,500	0.03	0.05	0.04
SSN_P57/1495	1.53	100	0.8	20,000	35,000	27,500	0.02	0.04	0.03
SSN_P57/1496	1.95	100	1	20,000	35,000	27,500	0.03	0.05	0.04

Appendix C Comparable Transactions Analysis

Sandstone Project

Deposit	Measured			Indicated			Inferred			Total		
	Gold (koz)	Multiple (A\$/oz)	Implied Value (A\$M)	Gold (koz)	Multiple (A\$/oz)	Implied Value (A\$ M)	Gold (koz)	Multiple (A\$/oz)	Implied Value (A\$M)	Gold (koz)	Multiple (A\$/oz)	Implied Value (A\$M)
Lord Nelson				100	45 - 70	4.5 – 7.0	191	20 - 45	3.8 – 8.3	263	31.6 -59.3	8.3 - 15.6
Lord Henry				77	45 - 70	3.5 – 5.4	20	20 - 45	0.4 – 0.9	90	42.9 – 69.9	3.9 – 6.3
Vanguard				26	45 - 70	1.2 – 1.8	119	20 - 45	2.4 - 5.4	145	24.5 – 49.5	3.6 – 7.2
Vanguard North							72	25 - 50	1.8 – 3.6	72	25.0 – 50.0	1.8 – 3.6
Havilah							42	20 - 45	0.8 – 1.9	42	20.0 – 45.0	0.8 – 1.9
Maninga Marley							12	25 - 50	0.3 – 0.6	12	25.0 – 50.0	0.3 – 0.6
Musketeer							59	20 - 45	1.2 – 2.7	59	20.0 – 45.0	1.2 – 2.7
Indomitable				23	40 -65	0.9 – 1.6	110	15 - 40	1.7 – 4.4	133	15.0 – 40.0	2.6 – 6.0
Indomitable East							64	15 - 40	1.0 – 2.6	64	15.0 – 40.0	1.0 – 2.6
Tiger Moth							28	20 - 45	0.6 – 1.3	28	20.0 – 45.0	0.6 – 1.3
Piper							4	15 - 40	0.1 – 0.2	4	15.0 – 40.0	0.1 – 0.2
Bull Oak							90	20 - 45	1.8 – 4.1	90	20.0 – 45.0	1.8 – 4.1
Ladybird							8	20 - 45	0.2 – 0.4	8	20.0 – 45.0	0.2 – 0.4
Alto Total (ex. Ex Target)				227		10.1 – 15.8	819		15.9 – 36.4	1,046	24.8 – 49.9	26.0 - 52.2
Bull Oak Exploration Target										250	1.0 – 7.5	0.3 – 1.9
Alto Total (in. Ex Target)				227		10.1 – 15.8	819		15.9 – 36.4	1,296	24.8 – 49.9	20.2 – 41.7

Table subject to rounding

Leonora and Menzies Hubs

Deposit	Measured			Indicated			Inferred			Total		
	Gold (koz)	Multiple (A\$/oz)	Implied Value (A\$M)	Gold (koz)	Multiple (A\$/oz)	Implied Value (A\$ M)	Gold (koz)	Multiple (A\$/oz)	Implied Value (A\$M)	Gold (koz)	Multiple (A\$/oz)	Implied Value (A\$M)
Alpha	33	100 - 130	3.3 – 4.3	25	70 - 100	1.8 – 2.5	48	45 - 75	2.2 – 3.6	106	68.0 – 98.0	7.2 – 10.4
Beta	19	95 -125	1.8 – 2.4	29	65 - 95	1.9 – 2.8	54	40 - 70	2.2 – 3.8	102	57.4 – 87.4	5.9 – 8.9
Cork Tree Well				157	65 - 95	10.2 – 14.9	146	40 - 70	5.8 – 10.2	303	53.0 – 83.0	16.0 – 25.1
Jasper Hills	33	100 - 130	3.3 – 4.3	87	70 - 100	6.1 – 8.7	173	45 - 75	7.8 – 13.0	293	58.6 – 88.6	17.2 – 26.0
Second Fortune*				18	200 - 250	3.6 – 4.5	28	150 - 200	4.2 - 5.6	46	169.6 – 219.6	7.8 – 10.1
Laverton Hub	85		8.4 – 11.0	316		23.5 – 33.7	449		22.1 – 36.2	850	61.9 – 93.0	54.1 – 80.5
Lady Shenton System (Pericles, Lady Shenton, Stirling)				119	65 - 95	7.7 – 11.3	171	35 - 65	6.0 – 11.1	287	47.8 – 78.1	13.7 – 22.4
Yunndaga				53	60 - 90	3.2 – 4.8	90	30 -60	2.7 – 5.4	144	40.8 – 70.6	5.9 – 10.2
Yunndaga (UG)							12	35 -65	0.4 - 0.8	12	35.0 – 65.0	0.4 – 0.8
Aspacia				7	60 - 90	0.4 – 0.6	62	30 -60	1.9 – 3.7	70	32.6 – 62.1	2.3 – 4.4
Lady Harriet System (Warrior, Lady Harriet, Bellenger)				22	60 - 90	1.3 – 2.0	21	30 -60	0.6 -1.3	43	45.3 – 75.3	2.0 – 3.2
Link Zone				6	65 - 95	0.4 – 0.6	16	35 -65	0.6 – 1.0	21	45.2 – 76.7	1.0 – 1.6
Selkirk*							5	30 -60	0.2 – 0.3	5	30.0 – 60.0	0.2 – 0.3
Lady Irene							6	30 -60	0.2 – 0.4	6	30.0 – 60.0	0.2 – 0.4
Menzies Hub				207		36.1 – 52.2	383		12.5 – 24.0	588	43.4 – 73.5	25.5 – 43.2
Brightstar Total	85		8.2 – 10.8	523			832			1,438	55.4 – 86.0	79.6 – 123.7

Table subject to rounding, *modified by SRK to account for mining depletion

Montague East

Deposit	Measured			Indicated			Inferred			Total		
	Gold (koz)	Multiple (A\$/oz)	Implied Value (A\$M)	Gold (koz)	Multiple (A\$/oz)	Implied Value (A\$ M)	Gold (koz)	Multiple (A\$/oz)	Implied Value (A\$M)	Gold (koz)	Multiple (A\$/oz)	Implied Value (A\$M)
Montague - Boulder				67	45 - 70	3.0 – 4.7	96	20 - 45	1.9 – 4.3	163	30.3 – 55.3	4.9 – 9.0
Whistler							120	25 - 50	2.4 – 5.4	120	25.0 – 50.0	2.4 – 5.4
Evermore							67	20 - 45	1.3 – 3.0	67	20.0 – 45.0	1.3 – 3.0
Archilles North/Airport				14	45 - 70	0.6 – 1.0	85	20 - 45	1.7 - 3.8	99	23.5 – 48.5	2.3 – 4.8
Julias (75% attributable basis)				46	45 - 70	2.1 – 3.2	12	20 - 45	0.2 – 0.5	58	39.8 – 64.8	2.3 – 3.8
Total				127		5.7 – 8.9	380		7.6 - 17.1	507	26.3 – 51.3	13.3 – 26.0

Table subject to rounding

Appendix D Geoscientific Rating Valuation

Area based – Geoscientific – Alto

Permit	Area* (km ²)	BAC (A\$)	Equity interest	Off-property		On-property		Geology		Anomaly		Market factor	Application factor	Valuation (A\$ M)		
				Low	High	Low	High	Low	High	Low	High			Preferred		
Sandstone																
E57/1029	124.51	61,258.92	100	2.5	3	2.5	3	2	2.5	2	2.5	1.1	1	1.68	3.79	2.74
E57/1030	94.79	46,636.68	100	2.5	3	2.5	3	2	2.5	2	2.5	1.1	1	1.28	2.89	2.08
E57/1031	107.2552	52,769.56	100	2	2.5	2	2.5	2	2.5	1.5	2	1.1	1	0.70	1.81	1.26
E57/1033	46.97	23,109.24	100	2	2.5	1.5	2	2	2.5	1	1.5	1.1	1	0.15	0.48	0.31
E57/1044	27.22	13,392.24	100	2	2.5	1.5	2	2	2.5	1	1.5	1.1	1	0.09	0.28	0.18
E57/1072	1.6	787.2	100	2	2.5	1.5	2	2	2.5	1	1.5	1.1	1	0.01	0.02	0.01
E57/1101	87.79	43,192.68	100	1	1.5	1	1.5	1	1.5	1	1.5	1.1	1	0.05	0.24	0.14
E57/1108	114.88	56,520.96	100	1	1.5	1	1.5	1	1.5	1	1.5	1.1	1	0.06	0.31	0.19
E57/1228	90.66	44,604.72	100	1	1.5	1	1.5	1	1.5	1	1.5	1.1	1	0.05	0.25	0.15
E57/1402	178.95	88,043.40	100	1	1.5	1	1.5	1	1.5	1	1.5	1.1	0.8	0.08	0.39	0.23
M57/646	2.93	36,285.12	100	2	2.5	2	2.5	2	2.5	1.5	2	1.1	1	0.48	1.25	0.86
M57/647	6.835	84,644.64	100	2	2.5	2	2.5	2	2.5	1.5	2	1.1	1	1.12	2.91	2.01
M57/650	3.83	47,430.72	100	2	2.5	2	2.5	2	2.5	1.5	2	1.1	1	0.63	1.63	1.13
M57/651	1.68	20,805.12	100	2	2.5	2	2.5	2	2.5	1.5	2	1.1	1	0.27	0.72	0.49
M57/652	2.17	26,873.28	100	2	2.5	2	2.5	2	2.5	1.5	2	1.1	1	0.35	0.92	0.64
M57/658	3.06	37,895.04	100	2	2.5	2	2.5	2	2.5	1.5	2	1.1	1	0.50	1.30	0.90
M57/663	8.33	103,158.72	100	2	2.5	2	2.5	2	2.5	1.5	2	1.1	1	1.36	3.55	2.45
M57/665	10.57	130,898.88	100	2	2.5	2	2.5	2	2.5	1.5	2	1.1	1	1.73	4.50	3.11
P57/1529	0.07	879.83	100	2	2.5	2	2.5	2	2.5	1.5	2	1.1	1	0.01	0.03	0.02

Area based – Geoscientific – Brightstar

Permit	Area* (km ²)	BAC (A\$)	Equity interest	Off-property		On-property		Geology		Anomaly		Market factor	Application factor	Valuation (A\$ M)		
				Low	High	Low	High	Low	High	Low	High			Preferred		
Laverton Hub																
Alpha_E38/3500	98.67	48,545.64	100	1.5	2	1.5	2	1	1.5	1.5	2	1.1	1	0.18	0.64	0.41
Alpha_E38/3504	18.05	8,880.60	100	1.5	2	1.5	2	1	1.5	1	1.5	1.1	1	0.02	0.09	0.05
Alpha_M38/1056	3.01	37,275.84	100	1.5	2	1.5	2	1	1.5	1.5	2	1.1	1	0.14	0.49	0.32
Alpha_M38/1057	3.01	37,275.84	100	1	1.5	1	1.5	1	1.5	1	1.5	1.1	1	0.04	0.21	0.12
Alpha_M38/1058	3.01	37,275.84	100	1.5	2	1.5	2	1	1.5	1.5	2	1.1	1	0.14	0.49	0.32
Alpha_M38/968	3.01	37,275.84	100	1.5	2	1.5	2	1	1.5	1.5	2	1.1	1	0.14	0.49	0.32
Alpha_M38/984	0.05	619.2	100	2.5	3	1	1.5	1	1.5	1.5	2	1.1	1	0.00	0.01	0.01
Alpha_P38/4377	0.58	7,290.02	100	1	1.5	1	1.5	1	1.5	1	1.5	1.1	1	0.01	0.04	0.02
Alpha_P38/4385	0.03	377.07	100	1.5	2	1	1.5	1	1.5	1	1.5	1.1	1	0.00	0.00	0.00
Alpha_P38/4431	0.11	1,382.59	100	1	1.5	1	1.5	1	1.5	1.5	2	1.1	1	0.00	0.01	0.01
Alpha_P38/4508	0.8	10,055.20	100	1.5	2	1	1.5	1	1.5	1.5	2	1.1	1	0.02	0.10	0.06
Alpha_P38/4545	0.47	5,907.43	100	1	1.5	1	1.5	1	1.5	1	1.5	1.1	1	0.01	0.03	0.02
Alpha_P38/4546	0.97	12,191.93	100	1	1.5	1	1.5	1	1.5	1	1.5	1.1	1	0.01	0.07	0.04
Beta_E38/2411	5.26	2,587.92	100	1	1.5	1	1.5	1	1.5	1	1.5	1.1	1	0.00	0.01	0.01
Beta_E38/3279	2.9	1,426.80	100	1	1.5	1	1.5	0.9	1.2	1	1.5	1.1	1	0.00	0.01	0.00
Beta_E38/3331	16.96	8,344.32	100	1	1.5	1	1.5	1	1.5	1	1.5	1.1	1	0.01	0.05	0.03
Beta_E38/3438	15.99	7,867.08	100	1	1.5	1	1.5	1	1.5	1	1.5	1.1	1	0.01	0.04	0.03
Beta_M38/241	0.05	619.2	100	2	2.5	2	2.5	2	2.5	1.5	2	1.1	1	0.01	0.02	0.01
Beta_M38/549	0.06	743.04	100	1.5	2	1.5	2	1	1.5	1	1.5	1.1	1	0.00	0.01	0.00
Beta_M38/9	0.87	10,774.08	100	2.5	3	2.5	3	1	1.5	1.5	2	1.1	1	0.11	0.32	0.22
Beta_P38/4432	0.93	11,689.17	100	1	1.5	1	1.5	1	1.5	1	1.5	1.1	1	0.01	0.07	0.04
Beta_P38/4433	1.94	24,383.86	100	1	1.5	1	1.5	1	1.5	1	1.5	1.1	1	0.03	0.14	0.08
Beta_P38/4444	1.68	21,115.92	100	1	1.5	1	1.5	1	1.5	1.5	2	1.1	1	0.03	0.16	0.10
Beta_P38/4446	1.91	24,006.79	100	1	1.5	1	1.5	1	1.5	1	1.5	1.1	1	0.03	0.13	0.08
Beta_P38/4447	0.75	9,426.75	100	1	1.5	1	1.5	1	1.5	1	1.5	1.1	1	0.01	0.05	0.03
Beta_P38/4448	1.44	18,099.36	100	1	1.5	1	1.5	1	1.5	1	1.5	1.1	1	0.02	0.10	0.06
Beta_P38/4449	1.44	18,099.36	100	1	1.5	1	1.5	1	1.5	1	1.5	1.1	1	0.02	0.10	0.06
Beta_P38/4450	1.24	15,585.56	100	1	1.5	1	1.5	1	1.5	1	1.5	1.1	1	0.02	0.09	0.05
Beta_P38/4558	1.68	21,115.92	100	1	1.5	1	1.5	1	1.5	1	1.5	1.1	1	0.02	0.12	0.07
CTW_E38/2452	2.53	1,244.76	100	1	1.5	1	1.5	1	1.5	1	1.5	1.1	1	0.00	0.01	0.00
CTW_E38/2894	3.42	1,682.64	100	1.5	2	1	1.5	1	1.5	1	1.5	1.1	1	0.00	0.01	0.01
CTW_E38/3198	9.06	4,457.52	100	1.5	2	1	1.5	1	1.5	1.5	2	1.1	1	0.01	0.04	0.03
CTW_E38/3434	11.91	5,859.72	100	1.5	2	2	2.5	2	2.5	1.5	2	1.1	1	0.06	0.16	0.11
CTW_M38/346	7.25	89,784.00	100	1	1.5	1	1.5	1	1.5	1	1.5	1.1	1	0.10	0.50	0.30
CTW_M38/917	0.08	990.72	100	1	1.5	1	1.5	1	1.5	1	1.5	1.1	1	0.00	0.01	0.00
CTW_M38/918	0.06	743.04	100	1	1.5	1	1.5	1	1.5	1	1.5	1.1	1	0.00	0.00	0.00
JH_E39/2385	5.99	2,947.08	100	1.5	2	2.5	3	2	2.5	1.5	2	1.1	0.8	0.03	0.08	0.05
JH_E39/2386	3	1,476.00	100	1	1.5	1	1.5	2	2.5	1	1.5	1.1	0.8	0.00	0.01	0.01
JH_E39/2387	11.99	5,899.08	100	1	1.5	1	1.5	2	2.5	1	1.5	1.1	0.8	0.01	0.04	0.03

Permit	Area* (km ²)	BAC (A\$)	Equity interest	Off-property		On-property		Geology		Anomaly		Market factor	Application factor	Valuation (A\$ M)		
				Low	High	Low	High	Low	High	Low	High			Low	High	Preferred
JH_M39/138	9.5	117,648.00	100	1.5	2	2.5	3	2	2.5	1.5	2	1.1	1	1.46	3.88	2.67
JH_M39/139	9.45	117,028.80	100	1	1.5	2	2.5	2	2.5	1.5	2	1.1	1	0.77	2.41	1.59
JH_M39/185	9.87	122,230.08	100	2	2.5	2	2.5	2.5	3	1.5	2	1.1	1	2.02	5.04	3.53
JH_M39/262	3.07	38,018.88	100	1.5	2	1	1.5	1.5	2	1.5	2	1.1	1	0.14	0.50	0.32
SF_E39/1539	14.29	7,030.68	100	2	2.5	1.5	20	1.5	2	1	1.5	1.1	1	0.03	1.16	0.60
SF_E39/1977	0.35	172.2	100	1	1.5	1	1.5	1	1.5	1	1.5	1.1	1	0.00	0.00	0.00
SF_E39/2081	0.04	19.68	100	1	1.5	1	1.5	1	1.5	1	1.5	1.1	1	0.00	0.00	0.00
SF_M39/255	0.19	2,352.96	100	1	1.5	2	2.5	2	2.5	1.5	2	1.1	1	0.02	0.05	0.03
SF_M39/649	7.55	93,499.20	100	1.5	2	2	2.5	2	2.5	1.5	2	1.1	1	0.93	2.57	1.75
SF_M39/650	8.46	104,768.64	100	2	2.5	1.5	2	1.5	2	1.5	2	1.1	1	0.78	2.30	1.54
SF_M39/794	4.17	51,641.28	100	1.5	2	1.5	2	1.5	2	1.5	2	1.1	1	0.29	0.91	0.60
SF_P39/5599	2	25,138.00	100	1	1.5	1	1.5	1	1.5	1	1.5	1.1	1	0.03	0.14	0.08
West_M38/314	2.05	25,387.20	100	1.5	2	1	1.5	1	1.5	1	1.5	1.1	1	0.04	0.19	0.12
West_M38/381	0.1	1,238.40	100	1	1.5	1.5	2	0.9	1.2	1	1.5	1.1	1	0.00	0.01	0.00
West_M38/94	0.19	2,352.96	100	1	1.5	1	1.5	1	1.5	1	1.5	1.1	1	0.00	0.01	0.01
West_M38/95	0.88	10,897.92	100	1	1.5	1	1.5	1	1.5	1	1.5	1.1	1	0.01	0.06	0.04
North_E38/3673	1.77	870.84	100	1.5	2	1	1.5	1.5	2	1	1.5	1.1	1	0.00	0.01	0.01
Menzies Hub																
Goon_E29/966	32.44	15,960.48	100	2.5	3	2	2.5	1.5	2	2.5	3	1.1	1	0.33	0.79	0.56
Goon_E29/996	9.74	4,792.08	100	2.5	3	2	2.5	1.5	2	1.5	2	1.1	1	0.06	0.16	0.11
Goon_E29/1062	21.83	10,740.36	100	2.5	3	2	2.5	1.5	2	2.5	3	1.1	1	0.22	0.53	0.38
Goon_P29/2380	0.57	7,164.33	100	2.5	3	1	1.5	1	1.5	1.5	1.5	1.1	1	0.03	0.08	0.05
Goon_P29/2381	0.76	9,552.44	100	0	3	1	1.5	1	1.5	1	1.5	1.1	1	0.00	0.11	0.05
Goon_P29/2412	1.83	23,001.27	100	2.5	3	1	1.5	1	1.5	1	1.5	1.1	1	0.06	0.26	0.16
Goon_P29/2413	1.33	16,716.77	100	2.5	3	1	1.5	1	1.5	1	1.5	1.1	1	0.05	0.19	0.12
Goon_P29/2467	1.91	24,006.79	100	2.5	3	1	1.5	1	1.5	1	1.5	1.1	1	0.07	0.27	0.17
Goon_P29/2468	1.54	19,356.26	100	2.5	3	1	1.5	1	1.5	1	1.5	1.1	1	0.05	0.22	0.13
Goon_P29/2530	1.89	23,755.41	100	2.5	3	1	1.5	1	1.5	1	1.5	1.1	1	0.07	0.26	0.16
Goon_P29/2531	1.88	23,629.72	100	2.5	3	1	1.5	1	1.5	1	1.5	1.1	1	0.06	0.26	0.16
Goon_P29/2532	1.51	18,979.19	100	2.5	3	1	1.5	1	1.5	1	1.5	1.1	1	0.05	0.21	0.13
Goon_P29/2533	1.93	24,258.17	100	2.5	3	1	1.5	1	1.5	1	1.5	1.1	1	0.07	0.27	0.17
Goon_P29/2588	0.03	377.07	100	2.5	3	1	1.5	1	1.5	1	1.5	1.1	1	0.00	0.00	0.00
Goon_P39/2656	1.65	20,738.85	100	2.5	3	1	1.5	1	1.5	1	1.5	1.1	1	0.06	0.23	0.14
Goon_P29/2675	0.1	1,256.90	100	2.5	3	1	1.5	1	1.5	1	1.5	1.1	1	0.00	0.01	0.01
Goon_P29/2676	0.1	1,256.90	100	2.5	3	1	1.5	1	1.5	1	1.5	1.1	1	0.00	0.01	0.01
Men_E29/981	27.21	13,387.32	100	1.5	2	1.5	2	1.5	2	1.5	2	1.1	1	0.07	0.24	0.16
Men_E29/984	1.88	924.96	100	2.5	3	1.5	2	1.5	2	2.5	3	1.1	1	0.01	0.04	0.03
Men_M29/14	0.35	4,334.40	100	2.5	3	1.5	2	1.5	2	2	2.5	1.1	1	0.05	0.14	0.10
Men_M29/88	0.05	619.2	100	2.5	3	1.5	2	1.5	2	1.5	2	1.1	1	0.01	0.02	0.01
Men_M29/153	7.14	88,421.76	100	2.5	3	1.5	2	1.5	2	1.5	2	1.1	1	0.82	2.33	1.58
Men_M29/154	3.39	41,981.76	100	2.5	3	1.5	2	1.5	2	1.5	2	1.1	1	0.39	1.11	0.75

Permit	Area* (km ²)	BAC (A\$)	Equity interest	Off-property		On-property		Geology		Anomaly		Market factor	Application factor	Valuation (A\$ M)		
				Low	High	Low	High	Low	High	Low	High			Preferred		
Men_M29/184	5.92	73,313.28	100	2.5	3	1.5	2	1.5	2	1.5	2	1.1	1	0.68	1.94	1.31
Men_M29/212	9.16	113,437.44	100	2.5	3	1.5	2	1.5	2	1.5	2	1.1	1	1.05	2.99	2.02
Men_M29/410	4.99	61,796.16	100	2	2.5	1.5	2	1.5	2	1.5	2	1.1	1	0.46	1.36	0.91
Men_M29/445	15.52	192,199.69	100	2.5	3	1.5	2	1.5	2	1.5	2	1.1	1	1.78	5.07	3.43
Men_P29/2346	0.71	8,923.99	100	2	2.5	1.5	2	1	1.5	1	1.5	1.1	1	0.03	0.11	0.07
Men_P29/2450	1.36	17,093.84	100	2	2.5	1.5	2	1	1.5	1	1.5	1.1	1	0.06	0.21	0.13
Men_P29/2511	1.21	15,208.49	100	2	2.5	1.5	2	1	1.5	1	1.5	1.1	1	0.05	0.19	0.12
Men_P29/2512	1.2	15,082.80	100	2	2.5	1.5	2	1	1.5	1	1.5	1.1	1	0.05	0.19	0.12
Men_P29/2513	0.93	11,689.17	100	2	2.5	1.5	2	1	1.5	1	1.5	1.1	1	0.04	0.14	0.09
Men_P29/2514	1.92	24,132.48	100	2	2.5	1.5	2	1	1.5	1	1.5	1.1	1	0.08	0.30	0.19
Men_P29/2515	0.5	6,284.50	100	2	2.5	1.5	2	1	1.5	1	1.5	1.1	1	0.02	0.08	0.05
Men_P29/2538	1.58	19,859.02	100	2	2.5	1.5	2	1	1.5	1	1.5	1.1	1	0.07	0.25	0.16
Men_P29/2539	1.56	19,607.64	100	2	2.5	1.5	2	1	0	1	1.5	1.1	1	0.06	0.00	0.03
Men_P29/2578	1.21	15,208.49	100	2	2.5	1.5	2	1	1.5	1	1.5	1.1	1	0.05	0.19	0.12
Men_P29/2579	1.2	15,082.80	100	2	2.5	1.5	2	1	1.5	1	1.5	1.1	1	0.05	0.19	0.12
Men_P29/2580	1.2	15,082.80	100	2	2.5	1.5	2	1	1.5	1	1.5	1.1	1	0.05	0.19	0.12
Men_P29/2581	1.2	15,082.80	100	2	2.5	1.5	2	1	1.5	1	1.5	1.1	1	0.05	0.19	0.12
Men_P29/2582	1.2	15,082.80	100	2	2.5	1.5	2	1	1.5	1	1.5	1.1	1	0.05	0.19	0.12
Men_P29/2583	1.13	14,202.97	100	2	2.5	1.5	2	1	1.5	1	1.5	1.1	1	0.05	0.18	0.11
Men_P29/2584	1.17	14,705.73	100	2	2.5	1.5	2	1	1.5	1	1.5	1.1	1	0.05	0.18	0.12
Men_P29/2585	1.2	15,082.80	100	2	2.5	1.5	2	1	1.5	1	1.5	1.1	1	0.05	0.19	0.12
Men_P29/2649	1.93	24,258.17	100	2	2.5	1.5	2	1	1.5	1	1.5	1.1	1	0.08	0.30	0.19
Men_P29/2650	1.94	24,383.86	100	2	2.5	1.5	2	1	1.5	1	1.5	1.1	1	0.08	0.30	0.19
Men_P29/2651	1.88	23,629.72	100	2	2.5	1.5	2	1	1.5	1	1.5	1.1	1	0.33	0.79	0.56

Area based – Geoscientific – Montague East

Permit	Area* (km ²)	BAC (A\$)	Equity interest	Off-property		On-property		Geology		Anomaly		Market factor	Application factor	Valuation (A\$ M)		
				Low	High	Low	High	Low	High	Low	High			Preferred		
Montague East																
E53/2108	36.9	18,154.80	100	1.5	2	1	1.5	0.9	1	1	1.5	1.1	1	0.03	0.09	0.06
E53/2340	6.1	3,001.20	100	1	1.5	1	1.5	1	1.5	1	1.5	1.1	0.8	0.00	0.01	0.01
E57/1004	27.09	13,328.28	100	2	2.5	1	1.5	1.5	2	1.5	2	1.1	1	0.07	0.22	0.14
E57/1005	26.52	13,047.84	100	1	1.5	1.5	2	1.5	2	1	1.5	1.1	1	0.03	0.13	0.08
E57/1060	39.61	19,488.12	80	1	1.5	1.5	2	1.5	2	1.5	2	1.1	1	0.06	0.21	0.13
E57/1095	54.73	26,927.16	100	1	1.5	1	1.5	1	1.5	1.5	2	1.1	1	0.04	0.20	0.12
E57/1113	3.05	1,500.60	100	1	1.5	1	1.5	1.5	2	1.5	2	1.1	1	0.00	0.01	0.01
E57/1145	62.44	30,720.48	100	1	1.5	1	1.5	1.5	2	1.5	2	1.1	1	0.08	0.30	0.19
E57/1147	10.39	5,111.88	100	1	1.5	1	1.5	1.5	2	1.5	2	1.1	1	0.01	0.05	0.03
E57/1215	18.28	8,993.76	100	1	1.5	1	1.5	1.5	2	1.5	2.5	1.1	1	0.02	0.11	0.07
E57/1423	21.34	10,499.28	100	1	1.5	1	1.5	1	1.5	1	1.5	1.1	0.8	0.01	0.05	0.03
E57/1424	39.65	19,507.80	100	1.5	2	1	1.5	1.5	2	1.5	2	1.1	0.8	0.06	0.21	0.13
E57/1441	6.1	3,001.20	100	1	1.5	1	1.5	1	1.5	1	1.5	1.1	0.8	0.00	0.01	0.01
E57/405	3.52	1,731.84	100	1	1.5	1	1.5	1	1.5	1	1.5	1.1	1	0.00	0.01	0.01
E57/417	6.67	3,281.64	100	1	1.5	1	1.5	1	1.5	1	1.5	1.1	1	0.00	0.02	0.01
E57/687	2.67	1,313.64	100	1	1.5	1	1.5	1	1.5	1	1.5	1.1	1	0.00	0.01	0.00
E57/793	9.39	4,619.88	75	1	1.5	1	1.5	1	1.5	1	1.5	1.1	1	0.00	0.02	0.01
E57/807	7.37	3,626.04	100	1	1.5	1	1.5	1	1.5	1	1.5	1.1	1	0.00	0.02	0.01
E57/823	3.04	1,495.68	100	1	1.5	1	1.5	1	1.5	1	1.5	1.1	1	0.00	0.01	0.00
E57/824	2.97	1,461.24	100	1	1.5	1	1.5	1	1.5	1	1.5	1.1	1	0.00	0.01	0.00
E57/874	3.04	1,495.68	100	1	1.5	1	1.5	1	1.5	1	1.5	1.1	1	0.00	0.01	0.00
E57/875	3.03	1,490.76	100	1	1.5	1	1.5	1	1.5	1	1.5	1.1	1	0.00	0.01	0.00
E57/888	2.55	1,254.60	100	1.5	2	1	1.5	1	1.5	1.5	2	1.1	1	0.00	0.01	0.01
E57/945	0.74	364.08	100	1	1.5	1.5	2	1	1.5	1	1.5	1.1	1	0.00	0.00	0.00
M57/217	0.34	4,210.56	100	1	1.5	1	1.5	1	1.5	1	1.5	1.1	1	0.00	0.02	0.01
M57/429	9.82	121,610.88	75	1.5	2	1.5	2	1	1.5	1.5	2	1.1	1	0.34	1.20	0.77
M57/48	1.19	14,736.96	100	1.5	2	1.5	2	1.5	2	1.5	2	1.1	1	0.08	0.26	0.17
M57/485	9.15	113,313.59	75	1	1.5	1	1.5	1	1.5	1.5	2	1.1	1	0.14	0.63	0.39
M57/98	1.32	16,346.88	0	1	1.5	1.5	2	1.5	2	1	1.5	1.1	1	-	-	-
M57/99	1.21	14,984.64	100	1.5	2	1.5	2	1.5	2	1.5	2	1.1	1	0.08	0.26	0.17
P57/1409	2.51	31,083.84	100	1.5	2	1.5	2	1.5	2	1.5	2	1.1	1	0.17	0.55	0.36
P57/1410	0.45	5,656.05	100	1	1.5	1	1.5	1	1.5	1.5	2	1.1	1	0.01	0.04	0.03
P57/1411	0.65	8,169.85	100	1	1.5	1	1.5	1	1.5	1.5	2	1.1	1	0.01	0.06	0.04
P57/1413	1.62	20,361.78	100	1	1.5	1	1.5	1	1.5	1.5	2	1.1	1	0.03	0.15	0.09
P57/1455	0.02	251.38	100	1	1.5	1	1.5	1	1.5	1.5	2	1.1	1	0.00	0.00	0.00
P57/1456	2	25,138.00	100	1	1.5	1	1.5	1	1.5	1.5	2	1.1	1	0.04	0.19	0.11
P57/1494	1.82	22,875.58	100	1	1.5	1	1.5	1	1.5	1.5	2	1.1	1	0.04	0.17	0.10
P57/1495	1.91	24,006.79	100	1	1.5	1	1.5	1	1.5	1.5	2	1.1	0.8	0.03	0.14	0.09
P57/1496	1.53	19,230.57	100	1	1.5	1	1.5	1	1.5	1.5	2	1.1	0.8	0.03	0.11	0.07

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Appendix 2 Deed Poll



Scheme Deed Poll

Brightstar Resources Limited
(ACN 100 727 491)

and

Each holder of AME Shares at the Record Date

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Date: 1 August 2024

By

BTR	Name	Brightstar Resources Limited
	ACN	100 727 491
	Address	Level 2, 36 Rowland Street, Subiaco WA 6008
	Email	alex@brightstarresources.com.au
	Attention	Alex Rovira

In favour of:

Scheme Shareholders Each holder of AME Shares at the Record Date

Background

- A. BTR and AME have entered into the Scheme Implementation Deed.
- B. Pursuant to the terms of the Scheme Implementation Deed, AME has agreed to propose the Scheme.
- C. Under the Scheme, all Scheme Shares held by Scheme Shareholders will be transferred to BTR for the Scheme Consideration.
- D. BTR enters into this deed poll to covenant in favour of Scheme Shareholders to perform its obligations under the Scheme.

Operative provisions

1. Definitions and interpretation

1.1 Definitions

In this deed poll:

AME means Alto Metals Limited (ACN 159 819 173).

AME Registry means Automic Pty Ltd (ACN 152 260 814).

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

AME Shareholder means each person who is registered as the holder of an AME Share.

AME Share Register means the register of members of AME maintained in accordance with the Corporations Act.

ASX means ASX Limited (ACN 008 624 691).

BTR means Brightstar Resources Limited (ACN 100 727 491).

BTR Group means BTR and each of its subsidiaries and a reference to a 'BTR Group Member' or a 'member of the BTR Group' is to BTR or any of its subsidiaries.

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

Business Day means a day in Perth, Western Australia that is not a Saturday, Sunday or public holiday and on which banks and ASX are open for trading.

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

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

Court means the Supreme Court of Western Australia or such other Court of competent jurisdiction under the Corporations Act agreed in writing between AME and BTR.

Effective means, when used in relation to the Scheme, the coming into effect under section 411(10) of the Corporations Act of the order of the Court made under section 411(4)(b) in relation to the Scheme.

Effective Date means the date on which the Scheme becomes Effective in accordance with section 411(10) of the Corporations Act.

End Date means the date that is six months after the date of the Scheme Implementation Deed or as otherwise agreed between AME and BTR in writing.

Excluded Shareholder means any AME Shareholder who is a member of the BTR Group or any AME Shareholder who holds any AME Shares on behalf of or for the benefit of, any member of the BTR Group.

First Court Date means the first day of the hearing by the Court for an order under section 411(1) of the Corporations Act convening the Scheme Meeting is heard.

Implementation Date means the third Business Day following the Record Date or such other date as ordered by the Court and agreed between AME and BTR in writing.

Independent Expert means the independent expert appointed by AME and agreed by BTR to express an opinion on whether the Scheme is in the best interests of AME Shareholders in accordance with the Corporations Act and ASIC policy and practice.

Independent Expert's Report means the report to be issued by the Independent Expert in connection with the Scheme.

Ineligible Foreign Shareholder means a Scheme Shareholder whose address as shown in AME's Share Register is located outside Australia and its external territories or New Zealand unless BTR is satisfied that it is permitted to allot and issue New BTR Shares to that Scheme Shareholder pursuant to the Scheme by the laws of that place, without having to comply with any governmental approval or other consent or registration, filing or other formality which BTR regards as unduly onerous.

New BTR Shares means a share in the capital of BTR to be issued to Scheme Shareholders under the Scheme.

Non-electing Small Shareholder means a Small Shareholder who has not provided the AME Registry with an Opt-in Notice in accordance with the terms of the Scheme.

Opt-in Notice means a notice by a Small Shareholder requesting to receive the Scheme Consideration as New BTR Shares.

Record Date means 5.00pm on the second Business Day after the Effective Date.

Sale Agent means a person appointed by BTR to sell BTR Shares that would otherwise be issued to or for the benefit of Ineligible Foreign Shareholders and Non-electing Small Shareholders under the terms of the Scheme.

Scheme means the scheme of arrangement under Part 5.1 of the Corporations Act between AME and the Scheme Shareholders, under which Scheme Shareholders will receive the Scheme Consideration, subject to any alterations or conditions made or required by the Court under section 411(6) of the Corporations Act and agreed to by BTR and AME.

Scheme Booklet means the information to be approved by the Court and despatched to AME Shareholders in relation to the Scheme, including an explanatory statement in relation to the Scheme complying with the requirements of the Corporations Act, the Corporations Regulations and RG60, the Independent Expert's Report, notices of meetings and proxy forms.

Scheme Consideration means the number of New BTR Shares to be issued to Scheme Shareholders (other than Ineligible Foreign Shareholders and Non-electing Small Shareholders) as consideration under the terms of the Scheme, for the transfer of their Scheme Shares to BTR, determined in accordance with the Scrip Exchange Ratio.

Scheme Implementation Deed means the scheme implementation deed between AME and BTR dated 1 August 2024.

Scheme Meeting means the meeting of AME Shareholders (other than Excluded Shareholders) ordered by the Court to be convened under section 411(1) of the Corporations Act.

Scheme Share means an AME Share held by a Scheme Shareholder at the Record Date.

Scheme Shareholder means a holder of AME Shares (other than an Excluded Shareholder) recorded in the AME Share Register as at the Record Date.

Scrip Exchange Ratio means four (4) New BTR Shares for every one (1) AME Share held, which will be equitable adjusted in the event of any consolidation or division of the share capital of either BTR or AME prior to the Implementation Date.

Second Court Date means the first day on which an application made to the Court for an order under section 411(4)(b) of the Corporations Act approving the Scheme is heard.

Small Shareholder means a Scheme Shareholder (other than an Ineligible Foreign Shareholder) who based on their holding of Scheme Shares on the Record Date, would on implementation of the Scheme, be entitled to receive less than a marketable parcel (as that term is defined in the ASX Listing Rules) of New BTR Shares (assessed by reference to the last traded price of BTR Shares on ASX on the trading day prior to the Record Date) as Scheme Consideration.

1.2 Interpretation

- (a) Unless the contrary intention appears, a reference in this deed poll to:
 - (i) this deed poll or another document includes any variation or replacement of it despite any change in the identity of the parties;
 - (ii) one gender includes the others;
 - (iii) the singular includes the plural and the plural includes the singular;

- (iv) a person, partnership, corporation, trust, association, joint venture, unincorporated body, Government Body or other entity includes any other of them;
 - (v) an item, recital, clause, subclause, paragraph, schedule or attachment is to an item, recital, clause, subclause, paragraph of, or schedule or attachment to, this deed poll and a reference to this deed poll includes any schedule or attachment;
 - (vi) a party includes the party's executors, administrators, successors, substitutes (including a person who becomes a party by novation) and permitted assigns;
 - (vii) any statute, ordinance, code or other law includes regulations and other instruments under any of them and consolidations, amendments, re-enactments or replacements of any of them;
 - (viii) money is to Australian dollars, unless otherwise stated; and
 - (ix) a time is a reference to Western Australia time unless otherwise specified.
- (b) The words include, including, such as, for example and similar expressions are not to be construed as words of limitation.
 - (c) Where a word or expression is given a particular meaning, other parts of speech and grammatical forms of that word or expression have a corresponding meaning.
 - (d) Headings and any table of contents or index are for convenience only and do not affect the interpretation of this deed poll.
 - (e) A provision of this deed poll must not be construed to the disadvantage of a party merely because that party or its advisers were responsible for the preparation of this deed poll or the inclusion of the provision in this deed poll.

1.3 Business Days

- (a) If anything under this deed poll must be done on a day that is not a Business Day, it must be done instead on the next Business Day.
- (b) If an act is required to be done on a particular day, it must be done before 5.00pm on that day or it will be considered to have been done on the following day.

2. Nature of deed poll

BTR acknowledges that:

- (a) this deed poll may be relied on and enforced by any Scheme Shareholder in accordance with its terms, even though Scheme Shareholders are not party to it; and
- (b) under the Scheme, each Scheme Shareholder irrevocably appoints AME and any of AME's directors as its agent and attorney, inter alia, to enforce this deed poll against BTR.

3. Conditions precedent and termination

3.1 Conditions precedent

The obligations of BTR pursuant to this deed poll are subject to the Scheme becoming Effective.

3.2 Termination of deed poll

If:

- (a) the Scheme Implementation Deed is terminated in accordance with its terms; or
- (b) the Scheme does not become Effective on or before the End Date,

BTR's obligations under this deed poll will automatically terminate, unless BTR and AME otherwise agree in writing in accordance with the Scheme Implementation Deed.

3.3 Consequences of termination

If this deed poll is terminated under clause 3.2 then, in addition and without prejudice to any other rights, power or remedies available to Scheme Shareholders:

- (a) BTR is released from any obligation to further perform this deed poll; and
- (b) each Scheme Shareholder retains any rights, power or remedies it has against BTR in respect of any breach of this deed poll by BTR which occurred before termination of this deed poll.

4. Certificate in relation to conditions

BTR must provide to the Court on the Second Court Date a certificate which is signed by at least one director of BTR (or such other evidence as the Court may request) stating, to the best of its knowledge, whether or not the conditions precedent to the Scheme have been satisfied or waived, subject to the terms of the Scheme Implementation Deed as at 8.00am on the Second Court Date.

5. Scheme Consideration

5.1 Performance of obligations generally

Subject to clause 3, BTR must comply with its obligations under the Scheme Implementation Deed and must do all things necessary or desirable on its part to implement the Scheme.

5.2 Provision of Scheme Consideration

Subject to clauses 3, 5.3, 5.4, 5.55.4, 5.6 and 5.7, in consideration of the transfer of the Scheme Shares to BTR, BTR must:

- (a) acquire all of the Scheme Shares from Scheme Shareholders, in accordance with the provisions of the Scheme;
- (b) issue and allot the Scheme Consideration to each Scheme Shareholder; and
- (c) otherwise do all things necessary or expedient on its part to implement the Scheme, including:

- (i) on the Implementation Date, entering in the register of members of BTR the name of each Scheme Shareholder, in relation to the New BTR Shares issued to each Scheme Shareholder as Scheme Consideration in accordance with the Scheme; and
- (ii) within 10 Business Days after the Implementation Date, dispatching to each Scheme Shareholder, if their New BTR Shares are held on the issuer sponsored subregister of BTR, to his or her address as recorded in the AME Share Register at the Record Date, an uncertificated holding statement in the name of that Scheme Shareholder representing the number of New BTR Shares issued to that Scheme Shareholder.

5.3 Joint holders

In the case of Scheme Shares held by Scheme Shareholders in joint names:

- (a) any entry in the register of members of BTR required to be made will record the names and registered addresses of the joint holders; and
- (b) any uncertificated holding statement for New BTR Shares will be issued to Scheme Shareholders in the names of the joint holders and will be forwarded to the holder whose name first appears in the AME Share Register at the Record Date.

5.4 Fractional entitlements

If the number of Scheme Shares held by a Scheme Shareholder at the Record Date is such that the aggregate entitlement of the Scheme Shareholder to Scheme Consideration results in a fractional entitlement to a New BTR Share, then the entitlement of that Scheme Shareholder will be rounded up or down to the nearest whole New BTR Share (with any such fractional entitlement of less than 0.5 being rounded down to the nearest whole number and any such fractional entitlement of 0.5 or more being rounded up to the nearest whole number).

5.5 Share splitting or division

If BTR is of the opinion (acting reasonably) that two or more Scheme Shareholders (each of whom holds a number of Scheme Shares which results in rounding in accordance with clause 5.4) have, before the Record Date, been party to shareholding splitting or division in an attempt to obtain unfair advantage by reference to such rounding, BTR may give the notice and take the action referred to in the Scheme in relation to those Scheme Shareholders.

5.6 Ineligible Foreign Shareholders and Non-electing Small Shareholders

BTR will be under no obligation under the Scheme to issue, and will not issue, any New BTR Shares to an Ineligible Foreign Shareholder or Non-electing Small Shareholder, and instead where a Scheme Shareholder is an Ineligible Foreign Shareholder or Non-electing Small Shareholder, the number of New BTR Shares to which the Ineligible Foreign Shareholder or Non-electing Small Shareholder would otherwise be entitled will be allotted to the Sale Agent who will, in accordance with the Scheme, sell those New BTR Shares as soon as practicable (at the risk of that Ineligible Foreign Shareholder or Non-electing Small Shareholder) and pay (or procure the payment of) the proceeds received, after deducting any applicable brokerage, stamp duty and other taxes and charges, to that Ineligible Foreign Shareholder or Non-electing Small Shareholder in full satisfaction of that Ineligible Foreign Shareholder's or Non-electing Small Shareholder's rights under the Scheme to Scheme Consideration.

5.7 Withholding

BTR shall be entitled to deduct or withhold any amounts required under applicable law that

become due under the Scheme in accordance with the Scheme.

6. Status of New BTR Shares

BTR covenants in favour of each Scheme Shareholder that the New BTR Shares which are issued in accordance with the Scheme will:

- (a) rank equally with all existing BTR Shares; and
 - (b) be issued fully paid and free from any mortgage, charge, lien, encumbrance or other security interest.
-

7. Quotation of New BTR Shares

BTR will use its best endeavours to procure that the New BTR Shares are quoted on ASX as soon as reasonably practicable after the Implementation Date.

8. Representations and warranties

BTR represents and warrants that:

- (a) it is a company limited by shares and validly existing under the Corporations Act;
 - (b) it has full legal capacity and power to enter into this deed poll and to carry out the transactions that this deed contemplates;
 - (c) it has taken all corporate action that is necessary or desirable to authorise its entry into this deed poll and it carrying out the transactions this deed contemplates;
 - (d) this deed poll constitutes its legal, valid and binding obligations, enforceable against it in accordance with its terms (except to the extent limited by equitable principles and laws affecting creditor's rights generally) subject to any necessary stamping;
 - (e) the execution and performance by it of this deed poll and each transaction contemplated under this deed poll does not and will not violate in any respect:
 - (i) any writ, order or injunction, judgment, law, rule or regulation to which it is party, or by which it is bound; or
 - (ii) its constitution or any material term or provision of any of its material agreements; and
 - (f) it is solvent and no resolution has been passed nor has any other step been taken or legal action or proceedings commenced or threatened against it for its winding up or dissolution or for the appointment of a liquidator, receiver, administrator or other similar officer of any or all of its assets.
-

9. Continuing obligations

This deed poll is irrevocable and, subject to clause 3, remains in full force and effect until BTR has completely performed its obligations under this deed poll or the earlier termination of this deed poll under clause 3.2.

10. Notices

10.1 Form

Any notice or other communication to BTR must be:

- (a) in writing and in the English language;
- (b) addressed to the address of the recipient in clause 10.4 or to any other address as the recipient may have notified the sender; and
- (c) be signed by the party or by an authorised officer of the sender.

10.2 Manner

In addition to any other method of service authorised by law, the notice may be:

- (a) personally served on BTR;
- (b) left at BTR's current address for service;
- (c) sent to BTR's current address for service by prepaid ordinary mail or if the address is outside Australia by prepaid airmail; or
- (d) sent by electronic mail to BTR's electronic mail address.

10.3 Time

If a notice is sent or delivered in the manner provided in clause 10.2 it must be treated as given to or received by the addressee in the case of:

- (a) delivery in person, when delivered;
- (b) delivery by post:
 - (i) in Australia to an Australian address, the second Business Day after posting; or
 - (ii) in any other case, on the tenth Business Day after posting; or
- (c) electronic mail, when the sender's computer reports that the message has been delivered to the electronic mail address of the addressee,

but if delivery is made after 5.00pm on a Business Day it must be treated as received on the next Business Day in that place.

10.4 Initial details

The address for service is initially:

BTR:

Address: Level 2, 36 Rowland Street, Subiaco WA 6008

Electronic Mail: alex@brightstarresources.com.au

Attention: Alex Rovira

10.5 Changes

BTR may from time to time change its address or numbers for service by notice to each other party.

11. Governing law and jurisdiction

11.1 Governing law

This deed poll is governed by and construed in accordance with the laws of Western Australia.

11.2 Jurisdiction

BTR irrevocably:

- (a) submits to the non-exclusive jurisdiction of the courts of Western Australia and the courts competent to determine appeals from those courts, with respect to any proceedings which may be brought at any time relating to this deed poll; and
 - (b) waives any objection it may now or in the future have to the venue of any proceedings, and any claim it may now or in the future have that any proceedings have been brought in an inconvenient forum, if that venue falls within paragraph 11.2(a).
-

12. Miscellaneous

12.1 Exercise rights

A single or partial exercise or waiver by a person of any right under or relating to this deed poll will not prevent any other exercise of that right or the exercise of any other right.

12.2 Merger

If the liability of a person to pay money under this deed poll becomes merged in any deed poll, judgment, order or other thing, the person liable must pay interest on the amount owing from time to time under that deed poll, judgment, order or other thing at the higher of the rate payable under this deed poll and that fixed by or payable under that deed poll, judgment, order or other thing.

12.3 Moratorium legislation

Any law which varies prevents or prejudicially affects the exercise by a person of any right, power or remedy conferred on it under this deed poll is excluded to the extent permitted by law.

12.4 No assignment

A person must not assign, transfer or novate all or any part of its rights or obligations under or relating to this deed poll or grant, declare, create or dispose of any right or interest in it, without the prior written consent of each other person.

12.5 Remedies cumulative

The rights and remedies under this deed poll are cumulative and not exclusive of any rights or remedies provided by law.

12.6 Severability

If a provision of this deed poll is illegal, invalid, unenforceable or void in a jurisdiction it is severed for that jurisdiction and the remainder of this deed poll has full force and effect and the validity or enforceability of that provision in any other jurisdiction is not affected.

12.7 Further assurance

BTR must promptly at its own cost do all things (including executing and delivering all documents) necessary or desirable to give full effect to this deed poll and the transactions contemplated by it.

12.8 Stamp duty

BTR will pay or procure the payment of all stamp duties and any related fines and penalties in respect of this deed poll, the performance of this deed poll and each transaction effected by or made under this deed poll and indemnify each Scheme Shareholder against any liability arising from failure to comply with this clause 12.8.

12.9 Taxes

BTR must:

- (a) pay all taxes which may be payable or determinable in connection with the execution, delivery, performance or enforcement of this deed or any payment or receipt or of any transaction contemplated by this deed; and
- (b) indemnify AME against any liabilities resulting from any delay or omission by BTR to pay any taxes.

12.10 Time

- (a) Time is of the essence of this deed poll.
- (b) If AME and BTR agree to vary a time requirement, the time requirement so varied is of the essence of this deed poll.
- (c) An agreement to vary a time requirement must be in writing.

12.11 Variation

A provision of this deed poll must not be varied unless:

- (a) before the First Court Date, the variation is agreed to in writing by AME and BTR; or
- (b) on or after the First Court Date, the variation is agreed to in writing by AME and BTR and the Court indicates that the variation would not preclude approval of the Scheme,

in which event BTR will enter into a further deed poll in favour of the Scheme Shareholders giving effect to such variation.

12.12 Waiver

- (a) A person's waiver of a right under or relating to this deed poll, whether prospectively or retrospectively, is not effective unless it is in writing and signed by that person giving the waiver.
- (b) No other act, omission or delay of a person will constitute a waiver of a right.

12.13 Whole agreement

This deed poll, together with the Scheme Implementation Deed and the Scheme:

- (a) is the entire agreement and understanding between AME, BTR and the Scheme Shareholders relating to the subject matter of this deed poll; and
- (b) supersedes any prior agreement, representation (written or oral) or understanding on anything connected with that subject matter.

12.14 Consent

BTR consents to AME producing this deed poll to the Court.



Executed as a deed poll

Signed, sealed and delivered by)
Brightstar Resources Limited)
ACN 100 727 491)
pursuant to Section 127 of the)
Corporations Act 2001 (Cth):)

Signed by:

67B9406F2A274C1...

Signature of Director

Alex Rovira

Name of Director (print)

Signed by:

FBB62E5A066034F7...

Signature of Director/Secretary

Andrew Rich

Name of Director/Secretary (print)

Appendix 3 Scheme of Arrangement

Scheme of Arrangement

Alto Metals Limited
(ACN 159 819 173)

and

Holders of AME Shares at the Record Date

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Parties

AME	Name	Alto Metals Limited
	ACN	159 819 173
	Address	Suite 9, 12-14 Thelma Street, West Perth WA 6005
	Email	mbowles@altometals.com.au
	Attention	Matthew Bowles
Scheme Shareholders	Holders of AME Shares at the Record Date	

Background

- A. AME is a public company limited by shares incorporated in Australia and admitted to the official list of ASX.
- B. BTR is a public company limited by shares incorporated in Australia and admitted to the official list of ASX.
- C. AME and BTR have entered into the Scheme Implementation Deed, pursuant to which, amongst other things, AME has agreed to propose the Scheme to Scheme Shareholders, and each of AME and BTR have agreed to take certain steps to give effect to the Scheme.
- D. If this Scheme becomes Effective, then:
- (a) all the Scheme Shares will be transferred to BTR and the Scheme Consideration will be provided to the Scheme Shareholders in accordance with the terms of the Scheme; and
 - (b) AME will enter the name and address of BTR in the AME Share Register as the holder of the Scheme Shares.

Operative provisions

1. Definitions and interpretation

1.1 Definitions

In this Scheme:

AME means Alto Metals Limited (ACN 159 819 173).

AME Performance Rights means the performance rights which convert to AME Shares specified in item 2.1 of Schedule 5 of the Scheme Implementation Deed.

AME Registry means Automic Pty Ltd (ACN 152 260 814).

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

AME Shareholder means each person who is registered as the holder of an AME Share.

AME Share Register means the register of members of AME maintained in accordance with the Corporations Act.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691).

BTR means Brightstar Resources Limited (ACN 100 727 491).

BTR Group means BTR and each of its subsidiaries and a reference to a 'BTR Group Member' or a 'member of the BTR Group' is to BTR or any of its subsidiaries.

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

BTR Share Register means the register of members of BTR maintained in accordance with the Corporations Act.

Business Day means a day in Perth, Western Australia that is not a Saturday, Sunday or public holiday and on which banks and ASX are open for trading.

CHESS means the Clearing House Electronic Sub-register System, which facilitates electronic security transfers in Australia, operated by ASX Settlement Pty Limited (ACN 008 504 532).

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

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

Court means the Supreme Court of Western Australia or such other Court of competent jurisdiction under the Corporations Act agreed in writing between AME and BTR.

Effective means, when used in relation to the Scheme, the coming into effect under section 411(10) of the Corporations Act of the order of the Court made under section 411 (4)(b) in relation to the Scheme.

Effective Date means the date on which the Scheme becomes Effective in accordance with section 411(10) of the Corporations Act.

End Date means the date that is six months after the date of the Scheme Implementation Deed, or such other date as agreed between AME and BTR in writing.

Excluded Shareholder means any AME Shareholder who is a member of the BTR Group or any AME Shareholder who holds any AME Shares on behalf of or for the benefit of, any member of the BTR Group.

Government Agency means any foreign or Australian government or governmental semi-governmental, administrative, fiscal or judicial body, department, commission, authority, tribunal, agency or entity, or any minister of the Crown in right of the Commonwealth of Australia or any other federal, state, provincial, local or other government (foreign or Australian).

GST has the meaning given to that term in the *A New Tax System (Goods & Services Tax) Act 1999* (Cth).

Implementation Date means the third Business Day following the Record Date or such other date as ordered by the Court and agreed between AME and BTR in writing.

Independent Expert means the independent expert appointed by AME and agreed by BTR to express an opinion on whether the Scheme is in the best interests of AME Shareholders in accordance with the Corporations Act and ASIC policy and practice.

Independent Expert's Report means the report to be issued by the Independent Expert in connection with the Scheme.

Ineligible Foreign Shareholder means a Scheme Shareholder whose address as shown in AME's Share Register is located outside Australia and its external territories or New Zealand unless BTR is satisfied that it is permitted to allot and issue New BTR Shares to that Scheme Shareholder as at the Record Date, pursuant to the Scheme by the laws of that place, without having to comply with any governmental approval or other consent or registration, filing or other formality which BTR regards as unduly onerous.

New BTR Shares means a share in the capital of BTR to be issued to Scheme Shareholders under the Scheme.

Non-electing Small Shareholder means a Small Shareholder who has not provided the AME Registry with an Opt-in Notice in accordance with the terms of the Scheme.

Opt-in Notice means a notice by a Small Shareholder requesting to receive the Scheme Consideration as New BTR Shares.

Record Date means 5.00pm on the day which is two Business Days following the Effective Date or such other date as ordered by the Court and agreed between AME and BTR in writing.

Registered Address means the address of the Scheme Shareholder shown in the AME Share Register.

RG60 means Regulatory Guide 60 issued by ASIC relating to schemes of arrangement.

Sale Agent means a person appointed by BTR to sell BTR Shares that would otherwise be issued to or for the benefit of Ineligible Foreign Shareholders and Non-electing Small Shareholders under the terms of the Scheme.

Scheme means the scheme of arrangement under Part 5.1 of the Corporations Act between AME and the Scheme Shareholders, under which Scheme Shareholders will receive the Scheme Consideration, subject to any alterations or conditions made or required by the Court under section 411(6) of the Corporations Act and agreed to by BTR and AME.

Scheme Booklet means the information to be approved by the Court and despatched to AME Shareholders in relation to the Scheme, including an explanatory statement in relation to the Scheme complying with the requirements of the Corporations Act, the Corporations Regulations and RG60, the Independent Expert's Report, notices of meetings and proxy forms.

Scheme Consideration means the number of New BTR Shares to be issued to Scheme Shareholders (other than Ineligible Foreign Shareholders and Non-electing Small Shareholders) as consideration under the terms of the Scheme, for the transfer of their Scheme Shares to BTR, determined in accordance with the Scrip Exchange Ratio.

Scheme Deed Poll means a deed poll, the form of which is agreed between BTR and AME, under which BTR covenants in favour of the Scheme Shareholders to perform its obligations under the Scheme.

Scheme Implementation Deed means the scheme implementation deed between AME and BTR dated 1 August 2024.

Scheme Meeting means the meeting of AME Shareholders (other than Excluded Shareholders) ordered by the Court to be convened under section 411(1) of the Corporations Act.

Scheme Order means the order of the Court made for the purposes of section 411(4)(b) of the Corporations Act in respect of the Scheme.

Scheme Share means an AME Share held by a Scheme Shareholder at the Record Date.

Scheme Shareholder means a holder of Scheme Shares (other than an Excluded Shareholder) recorded in the AME Share Register as at the Record Date.

Scheme Transfer means for each Scheme Shareholder, a proper instrument of transfer of the Scheme Shares for the purposes of section 1071B of the Corporations Act, in favour of BTR as transferee, which may be a master transfer of all Scheme Shares.

Scrip Exchange Ratio means four (4) New BTR Shares for every one (1) AME Share held.

Second Court Date means the first day on which an application made to the Court for an order under section 411(4)(b) of the Corporations Act approving the Scheme is heard.

Small Shareholder means a Scheme Shareholder (other than an Ineligible Foreign Shareholder) who based on their holding of Scheme Shares on the Record Date, would on implementation of the Scheme, be entitled to receive less than a marketable parcel (as that term is defined in the ASX Listing Rules) of New BTR Shares (assessed by reference to the last traded price of BTR Shares on ASX on the trading day prior to the Record Date) as Scheme Consideration.

Tax means any tax, levy, excise, duty, charge, surcharge, contribution, withholding tax, impost or withholding obligation of whatever nature, whether direct or indirect, by whatever method collected or recovered, together with any fees, penalties, fines, interest or statutory charges in any country or jurisdiction.

Taxation Administration Act means the *Taxation Administration Act 1953* (Cth).

1.2 Interpretation

- (a) Unless the contrary intention appears, a reference in this Scheme to:
- (i) this Scheme or another document includes any variation or replacement of it despite any change in the identity of the parties;
 - (ii) one gender includes the others;
 - (iii) the singular includes the plural and the plural includes the singular;
 - (iv) a person, partnership, corporation, trust, association, joint venture, unincorporated body, Government Agency or other entity includes any other of them;
 - (v) an item, recital, clause, subclause, paragraph, schedule or attachment is to an item, recital, clause, subclause, paragraph of, or schedule or attachment to, this Scheme and a reference to this Scheme includes any schedule or attachment;
 - (vi) a party includes the party's executors, administrators, successors, substitutes (including a person who becomes a party by novation) and permitted assigns;
 - (vii) any statute, ordinance, code or other law includes regulations and other instruments under any of them and consolidations, amendments, re-enactments or replacements of any of them;
 - (viii) money is to Australian dollars, unless otherwise stated; and

- (ix) a time is a reference to Perth time unless otherwise specified.
- (b) The words include, including, such as, for example and similar expressions are not to be construed as words of limitation.
- (c) Where a word or expression is given a particular meaning, other parts of speech and grammatical forms of that word or expression have a corresponding meaning.
- (d) Headings and any table of contents or index are for convenience only and do not affect the interpretation of this Scheme.
- (e) A provision of this Scheme must not be construed to the disadvantage of a party merely because that party or its advisers were responsible for the preparation of this Scheme or the inclusion of the provision in this Scheme.

1.3 Business Days

- (a) If anything under this Scheme must be done on a day that is not a Business Day, it must be done instead on the next Business Day.
- (b) If an act is required to be done on a particular day, it must be done before 5.00pm on that day or it will be considered to have been done on the following day.

1.4 Parties

- (a) If a party consists of more than one person, this Scheme binds each of them separately and any two or more of them jointly.
- (b) An agreement, covenant, obligation, representation or warranty in favour of two or more persons is for the benefit of them jointly and each of them separately.
- (c) An agreement, covenant, obligation, representation or warranty on the part of two or more persons binds them jointly and each of them separately.

2. Preliminary

2.1 AME

- (a) AME is a public company limited by shares under section 112(1) of the Corporations Act.
- (b) AME was incorporated in Western Australia on 8 August 2012 and has its registered office at Suite 9, 12-14 Thelma Street, West Perth WA 6005.
- (c) As at the date of the Scheme Implementation Deed, AME had the following securities on issue:
 - (i) 721,523,172 AME Shares; and
 - (ii) 18,250,000 AME Performance Rights.

2.2 BTR

- (a) BTR is a public company limited by shares under section 112(1) of the Corporations Act.
- (b) BTR was incorporated in Western Australia on 29 May 2002 and has its registered office at Level 2, 36 Rowland Street Subiaco WA 6008.

2.3 Scheme Implementation Deed

BTR and AME have agreed, by executing the Scheme Implementation Deed, to implement the terms of the Scheme and to perform their respective obligations under the Scheme. Under the Scheme Implementation Deed, BTR irrevocably guarantees the due and punctual performance of all of its obligations under or in connection with the Scheme.

2.4 Scheme Deed Poll

BTR has executed the Scheme Deed Poll in favour of Scheme Shareholders pursuant to which BTR has covenanted to perform its obligations under the Scheme, including to provide to each Scheme Shareholder the Scheme Consideration to which the Scheme Shareholder is entitled under the Scheme, and to carry out its other obligations under the Scheme Implementation Deed and do all things necessary or expedient on its part to implement the Scheme.

2.5 Effect of the Scheme

If the Scheme becomes Effective, but subject to clauses 3.1, 3.5, 3.6 and 3.7 then:

- (a) BTR will provide to each Scheme Shareholder the Scheme Consideration in accordance with the terms of the Scheme;
- (b) subject to BTR's compliance with its obligations in clause 2.5(a), all of the Scheme Shares will be transferred to BTR; and
- (c) AME will enter the name and address of BTR in the AME Share Register as the holder of the Scheme Shares transferred to BTR in accordance with the terms of the Scheme.

3. Conditions

3.1 Conditions of the Scheme

The Scheme is conditional upon:

- (a) all of the conditions precedent in clause 2.1 of the Scheme Implementation Deed (other than clause 2.1(f) of the Scheme Implementation Deed) having been satisfied or waived in accordance with the terms of the Scheme Implementation Deed as at 8.00am on the Second Court Date;
- (b) neither the Scheme Implementation Deed nor the Scheme Deed Poll having been terminated in accordance with their terms;
- (c) the Scheme having been approved at the Scheme Meeting, with or without modification, by the requisite majority of AME Shareholders in accordance with section 411(4)(a) of the Corporations Act or, if the Scheme is not agreed to by the requisite majority of AME Shareholders, the Court orders otherwise in accordance with section 411(4)(a) of the Corporations Act; and
- (d) the Court having approved the Scheme pursuant to section 411(4)(b) of the Corporations Act, without modification or with modifications which are acceptable to both AME and BTR.

3.2 Effect of conditions

The fulfilment of the conditions in clause 3.1 is a condition precedent to the operation of the provisions of clauses 4, 5, 5.9, and 7 of this Scheme.

3.3 Certificate

AME and BTR must provide to the Court on the Second Court Date a certificate signed by at least one of its respective directors (or such other evidence as the Court may request) stating (to the best of its knowledge) whether or not all the conditions precedent in clauses 3.1(a) to 3.1(c) (inclusive) have been satisfied or waived (subject to the terms of the Scheme Implementation Deed) as at 8.00am on the Second Court Date.

3.4 Conclusive evidence

The giving of a certificate by each of AME and BTR in accordance with clause 3.3 will, in the absence of manifest error, be conclusive evidence of the matters referred to in the certificate.

3.5 Termination of Scheme Implementation Deed

Without limiting any rights under the Scheme Implementation Deed, if the Scheme Implementation Deed is terminated in accordance with its terms before 8.00am on the Second Court Date, AME and BTR are each released from:

- (a) any further obligation to take steps to implement the Scheme; and
- (b) any liability with respect to the Scheme,

provided that AME and BTR retain the rights they have against each other in respect of any prior breach of the Scheme Implementation Deed.

3.6 Effective Date

The Scheme will take effect on the Effective Date.

3.7 End Date

The Scheme will lapse and be of no further force or effect if the Effective Date has not occurred on or before the End Date.

4. Scheme implementation

4.1 Lodgement of Court order

Following the approval of the Scheme by the Court in accordance with section 411(4)(b) of the Corporations Act, AME will, on the following Business Day, lodge with ASIC an office copy of the Scheme Order in accordance with section 411(10) of the Corporations Act.

4.2 Provision of Scheme Consideration

In consideration for the transfer of each Scheme Share to BTR, BTR must, on the Implementation Date, issue to each Scheme Shareholder the number of New BTR Shares due to that Scheme Shareholder as Scheme Consideration in accordance with, and subject to, the terms of this Scheme and the Scheme Deed Poll.

4.3 Transfer of Scheme Shares

On the Implementation Date, in consideration of and subject to the provision by BTR of the Scheme Consideration, all of the Scheme Shares, together with all rights and entitlements attaching to the Scheme Shares as at that date, will be transferred to BTR without the need for any further acts by any Scheme Shareholder (other than acts performed by AME as attorney and agent for Scheme Shareholders under clause 6.3) by:

- (a) AME duly executing and delivering to BTR a Scheme Transfer for all of the Scheme Shares, executed by AME as attorney for Scheme Shareholders; and
- (b) BTR duly executing and delivering the Scheme Transfer back to AME.

4.4 Transfer documentation

As soon as practicable after receipt by AME of the Scheme Transfer duly executed by BTR as transferee pursuant to clause 4.3(b), but in any event on the Implementation Date, AME must register BTR in the AME Share Register as the holder of all of the Scheme Shares.

4.5 Beneficial entitlement by BTR

From the time of the provision of the Scheme Consideration to Scheme Shareholders in accordance with clause 4.2, BTR will be beneficially entitled to the Scheme Shares (together with all rights and entitlements attached to the Scheme Shares) to be transferred to it under the Scheme pending the registration of BTR in the AME Share Register as the holder of the Scheme Shares.

4.6 Enforcement of Scheme Deed Poll

AME undertakes in favour of each Scheme Shareholder to enforce the Scheme Deed Poll against BTR on behalf of and as agent for the Scheme Shareholders.

5. Scheme Consideration

5.1 Provision of Scheme Consideration

Subject to clauses 5.4, 5.5, 5.6, 5.7 and 5.8:

- (a) on the Implementation Date, in consideration of the transfer to BTR of the Scheme Shares, each Scheme Shareholder will be entitled to receive the Share Scheme Consideration in respect of each of their Scheme Shares in accordance with, and subject to the terms of this Share Scheme and the Share Scheme Deed Poll; and
- (b) BTR will issue to each Scheme Shareholder the number of New BTR Shares due to that Scheme Shareholder as consideration under the Scheme by:
 - (i) on the Implementation Date, issuing each Scheme Shareholder the Scheme Consideration, which obligation will be satisfied by causing the name and Registered Address (at the Record Date) of the Scheme Shareholder to be entered into BTR's Share Register as the holder of New BTR Shares issued to that Scheme Shareholder; and
 - (ii) within 10 Business Days after the Implementation Date, procuring the dispatch to that Scheme Shareholder, if their New BTR Shares are held on the issuer sponsored sub-register of BTR, to their Registered Address (as at the Record Date), an uncertified holding statement in the name of the Scheme Shareholder relating to the number of New BTR Shares issued to that Scheme Shareholder.

5.2 Status of New BTR Shares

The New BTR Shares to be issued in accordance with this Scheme will:

- (a) be validly issued;
- (b) be fully paid;

- (c) rank equally in all respects with all other BTR Shares then on issue (other than in respect of any dividend already declared and not yet paid by BTR, where the record date for entitlement to that dividend occurred prior to the Implementation Date); and
- (d) be free from any mortgage, charge, lien, encumbrance or other security interest or third-party rights.

5.3 Quotation of New BTR Shares

BTR will use its best endeavours to procure that the New BTR Shares are quoted on ASX as soon as reasonably practicable after the Implementation Date.

5.4 Joint holders

In the case of Scheme Shares held in joint names, any uncertificated holding statements for New BTR Shares to be issued to Scheme Shareholders will be issued in the names of the joint holders and will be forwarded to the holder whose name appears first in the AME Share Register on the Record Date.

5.5 Fractional entitlements

If the number of Scheme Shares held by a Scheme Shareholder at the Record Date is such that the aggregate entitlement of the Scheme Shareholder to Scheme Consideration results in a fractional entitlement to a New BTR Share, then the entitlement of that Scheme Shareholder must be rounded up or down to the nearest whole New BTR Share (with any such fractional entitlement of less than 0.5 being rounded down to the nearest whole number and any such fractional entitlement of 0.5 or more being rounded up to the nearest whole number).

5.6 Share splitting or division

If BTR is of the opinion (acting reasonably) that two or more Scheme Shareholders (each of whom holds a number of Scheme Shares which results in rounding in accordance with clause 5.5) have, before the Record Date, been party to shareholding splitting or division in an attempt to obtain unfair advantage by reference to such rounding, BTR may give notice to those Scheme Shareholders:

- (a) setting out their names and registered addresses as shown in the AME Share Register;
- (b) stating that opinion; and
- (c) attributing to one of them specifically identified in the notice the Scheme Shares held by all of them,

and, after such notice has been given, the Scheme Shareholder specifically identified in the notice as the deemed holder of all of the specified Scheme Shares will, for the purposes of the other provisions of this Scheme, be taken to hold all of those Scheme Shares and each of the other Scheme Shareholders whose names and registered addresses are set out in the notice will, for the purposes of the other provisions of this Scheme, be taken to hold no Scheme Shares. BTR in complying with the other provisions of this Scheme relating to it in respect of the Scheme Shareholder specifically identified in the notice as the deemed holder of all of the specified Scheme Shares, will be taken to have satisfied and discharged its obligations to the other Scheme Shareholders named in the notice under the terms of this Scheme.

5.7 Ineligible Foreign Shareholders and Non-electing Small Shareholders

- (a) BTR will allow Small Shareholders to elect, by providing an Opt-in Notice to the AME Registry on or before the Record Date, to be treated as a Scheme Shareholder under the Scheme. A Small Shareholder who does not provide an Opt-in Notice to the AME Registry on or before the Record Date will be treated as a Non-electing Small Shareholder.
- (b) BTR will be under no obligation under this Scheme to issue, and will not issue, New BTR Shares to Ineligible Foreign Shareholders and Non-electing Small Shareholders, and instead:
 - (i) all New BTR Shares which would otherwise be required to be issued to any Ineligible Foreign Shareholder and Non-electing Small Shareholders under the Scheme, if they were eligible to receive them, will be issued to the Sale Agent;
 - (ii) BTR will procure that, as soon as reasonably practicable (and in any event not more than 30 Business Days on which BTR Shares are capable of being traded on ASX after the Implementation Date), the Sale Agent sells on ASX all BTR Shares issued to the Sale Agent pursuant to clause 5.7(b)(i) in such manner, at such price and on such other terms as the Sale Agent determines in good faith (and at the risk of the Ineligible Foreign Shareholders and Non-electing Small Shareholders), and remits to BTR the proceeds of sale (after deducting any applicable brokerage and other selling costs, taxes and charges) (**Proceeds**); and
 - (iii) BTR will pay or procure the payment to each Ineligible Foreign Shareholder and Non-electing Small Shareholders such fraction of the Proceeds as is equal to the number of New BTR Shares which would have been issued to that Ineligible Foreign Shareholder or Non-electing Small Shareholder (if they were eligible to receive New BTR Shares) divided by the total number of New BTR Shares issued to the Sale Agent under clause 5.7(b)(i), promptly after the last sale of the New BTR Shares by the Sale Agent,

in full satisfaction of BTR's obligations to those Ineligible Foreign Shareholders and Non-electing Small Shareholders under the Scheme in respect of the Scheme Consideration.

- (c) BTR will pay the relevant fraction of the Proceeds to each Ineligible Foreign Shareholder and Non-electing Small Shareholder by either:
 - (i) dispatching, or procuring the dispatch, to that Ineligible Foreign Shareholder or Non-electing Small Shareholder by prepaid post to that Ineligible Foreign Shareholder's or Non-electing Small Shareholder's Registered Address (at the Record Date), a cheque in the name of that Ineligible Foreign Shareholder or Non-electing Small Shareholder; or
 - (ii) making a deposit in an account with any ADI (as defined in the *Banking Act 1959* (Cth)) in Australia notified by that Ineligible Foreign Shareholder or Non-electing Small Shareholder to AME (or the AME Registry) and recorded in or for the purposes of the AME Share Register at the Record Date,

for the relevant amount, with that amount being denominated in Australian dollars.

- (d) Each Ineligible Foreign Shareholder and Non-electing Small Shareholder appoints AME as its agent to receive on its behalf any financial services guide or other notices (including any updates of those documents) that the Sale Agent is required to provide

to Ineligible Foreign Shareholders or Non-electing Small Shareholder (as applicable) under the Corporations Act.

- (e) Each Ineligible Foreign Shareholder and Non-electing Small Shareholder acknowledges that none of BTR, AME or the Sale Agent gives any assurance as to the price that will be achieved for the sale of the BTR Shares described in clause 5.7(b) and that BTR, AME and the Sale Agent expressly disclaim any fiduciary duty to the Ineligible Foreign Shareholders and Non-electing Small Shareholders which may arise in connection with this clause 5.7.

5.8 Withholding

- (a) For the purpose of this clause 5.8:

Declaration means a declaration provided by a Scheme Shareholder in accordance with section 14-225 and section 14-210(3) of Schedule 1 to the Taxation Administration Act.

- (b) BTR shall be entitled to deduct or withhold any amounts (including Taxes) required under applicable law that become due under the Scheme.
- (c) If BTR determines (acting reasonably) that it is required to pay an amount to the Commissioner of Taxation pursuant to Subdivision 14-D of Schedule 1 to the Taxation Administration Act (a **CGT Withholding Amount**) with respect to the acquisition of the Scheme Shares from each Scheme Shareholder unless that Scheme Shareholder provides a Declaration:
 - (i) BTR will:
 - (A) determine the amount of the CGT Withholding Amount;
 - (B) determine the number of New BTR Shares as is necessary in the reasonable opinion of BTR to account for the CGT Withholding Amount (taking into account potential fluctuations in share price and an amount necessary to cover costs associate with the share sale facility described in clause 5.7(b)(ii)) that would otherwise have been issued to a Scheme Shareholder to be sold via the share sale facility described in clause 5.7(b)(ii);
 - (ii) the Sale Agent will then pay to BTR the CGT Withholding Amount from the Proceeds, after deducting any applicable fees, brokerage, taxes and charged (reasonably incurred by the Sale Agent) and BTR will then pay the CGT Withholding Amount to the Commissioner of Taxation within the time required under Subdivision 14-D of Schedule 1 to the Taxation Administration Act. Alternatively, where BTR remits the CGT Withholding Amount to the Commissioner of Taxation pursuant to Subdivision 14-D of Schedule 1 to the Taxation Administration Act, BTR will be entitled to retain as reimbursement an amount equal to the CGT Withholding Amount paid to the Commissioner from the Proceeds; and
 - (iii) be deemed to have satisfied its obligations to pay the CGT Withholding Amount to the Scheme Shareholder for the purposes of the Scheme.
- (d) Prior to exercising its rights under this clause 5.8, BTR must use reasonable endeavours to notify the Scheme Shareholder of its intention to withhold so that the Scheme Shareholder has the opportunity to provide a Declaration.

5.9 Scheme Shareholders bound

Each Scheme Shareholder who is to receive New BTR Shares under this Scheme agrees (for all purposes, including section 231 of the Corporations Act) to:

- (a) become a member of BTR and to accept the New BTR Shares issued to them under this Scheme subject to, and to be bound by, BTR's constitution and other constituent documents; and
 - (b) have their name and Registered Address entered into the BTR Share Register.
-

6. Scheme Shareholders

6.1 Authority given to AME

Each Scheme Shareholder will be deemed (without the need for any further act) to have irrevocably authorised AME (and each of its directors and officers, jointly and severally) as agent and attorney to do and execute all acts, matters, things and documents on the part of each Scheme Shareholder necessary to implement and give full effect to this Scheme and the transactions contemplated by it, including (without limitation):

- (a) executing a proper instrument of transfer (including for the purposes of section 1071B of the Corporations Act) of their Scheme Shares in favour of BTR, which may be a master transfer of some or all Scheme Shares; and
- (b) where Scheme Shares are held in a CHESS holding, causing a message to be transmitted to ASX Settlement in accordance with the ASX Settlement Operating Rules to transfer the Scheme Shares held by the Scheme Shareholder from the CHESS sub-register to the issuer sponsored sub-register operated by AME and subsequently completing a proper instrument of transfer under paragraph 6.1(a) above.

6.2 Appointment of sole proxy

Upon the Scheme Consideration being issued by BTR, and until BTR is registered as the holder of all Scheme Shares in the AME Share Register, each Scheme Shareholder:

- (a) is deemed to have appointed BTR as attorney and agent (and directed BTR in such capacity) to appoint any director, officer, secretary or agent nominated by BTR as its sole proxy and, where applicable, corporate representative, to attend shareholders' meetings, exercise the votes attaching to the Scheme Shares registered in their name and sign any shareholders' resolution, and no Scheme Shareholder may itself attend or vote at any of those meetings or sign any resolutions, whether in person, by proxy or by corporate representative (other than pursuant to this clause 6.2(a)); and
- (b) must take all other actions in the capacity of a registered holder of Scheme Shares as BTR reasonably directs.

6.3 Appointment of AME as sole attorney and agent

Each Scheme Shareholder, without the need for any further act, irrevocably appoints AME and each of the directors and officers of AME, jointly and severally, as the Scheme Shareholder's attorney and agent for the purpose of executing any document necessary or expedient to give effect to the Scheme (including executing a Scheme Transfer and any instrument appointing BTR as sole proxy for or, where applicable, corporate representative of each Scheme Shareholder as contemplated by clause 6.2) or doing any other act necessary or desirable to give full effect to the Scheme and the transactions contemplated by it.

6.4 Scheme Shareholder's consent

Each Scheme Shareholder:

- (a) consents to AME doing all things and executing all deeds, instruments, transfers or other documents as may be necessary, incidental or expedient to the implementation and performance of the Scheme and AME, as agent of each Scheme Shareholder, may sub-delegate its functions under this clause 6.4 to any of its directors and officers, severally; and
- (b) agrees to the transfer of their Scheme Shares, together with all rights and entitlements attaching to those Scheme Shares to BTR, in accordance with the Scheme.

6.5 Warranties by Scheme Shareholders

- (a) Each Scheme Shareholder is deemed to have warranted to AME, in its own right and for the benefit of BTR, that:
 - (i) all of their Scheme Shares (including any rights and entitlements attaching to those shares) which are transferred to BTR under the Scheme will be transferred to BTR free from all mortgages, pledges, charges, liens, encumbrances and security interests and other interests of third parties of any kind, whether legal or otherwise (but acknowledging that a security interest holder may potentially have an interest in the Scheme Consideration in accordance with the terms of such security interest); and
 - (ii) they have full power and capacity to sell and transfer their Scheme Shares to BTR (including any rights and entitlements attaching to those Scheme Shares).
 - (b) AME undertakes that it will provide the warranties in clause 6.5(a) to BTR as agent and attorney of each Scheme Shareholder.
-

7. Dealings in AME Shares

7.1 Determination of Scheme Shareholders

- (a) For the purpose of establishing the persons who are Scheme Shareholders, dealings in Scheme Shares will only be recognised if:
 - (i) in the case of dealings of the type to be effected using CHES, the transferee is registered in the AME Share Register as the holder of the relevant AME Shares at the Record Date; and
 - (ii) in all other cases, registrable transmission applications or transfers in registrable form in respect of those dealings are received at or before the Record Date at the place where the AME Share Register is kept.
- (b) AME must register registrable transmission applications or transfers of the kind referred to in clause 7.1(a)(ii) by the Record Date.
- (c) AME will not accept for registration or recognise for any purpose any transmission applications or transfers in respect of AME Shares received after the Record Date, other than a transfer to BTR in accordance with the Scheme and any subsequent transfer by BTR, or its successors in title.

- (d) If the Scheme becomes Effective, a holder of AME Shares (and any person claiming through that holder) must not dispose of or purport to agree to dispose of any AME Shares or any interest in them after the Effective Date and any such disposal will be void and of no legal effect whatsoever.

7.2 Maintenance of AME Share Register

- (a) For the purpose of determining entitlements to the Scheme Consideration, AME will, until the Scheme Consideration has been provided, maintain the AME Share Register in accordance with the provisions of this clause 7.2 and the AME Share Register in this form will solely determine entitlements to the Scheme Consideration.
- (b) All certificates and holding statements for Scheme Shares (other than holding statements in favour of BTR and its successors in title after the Implementation Date) will cease to have any effect from the Record Date as documents of title in respect of those Scheme Shares. Subject to provision of the Scheme Consideration by BTR and registration of the transfer to BTR of the Scheme Shares contemplated by clauses 4.2 and 4.3, after the Record Date, each entry current at that date on the AME Share Register relating to Scheme Shares will cease to be of any effect other than as evidence of entitlement to the Scheme Consideration in respect of the Scheme Shares relating to that entry.

7.3 Information to be made available to BTR

AME will procure that, as soon as reasonably practicable after the Record Date, details of the names, Registered Addresses and holdings of Scheme Shares of every Scheme Shareholder as shown in the AME Share Register as at the Record Date are made available to BTR in such form as BTR reasonably requires.

7.4 Instructions and elections

If not prohibited by law (and including where permitted or facilitated by relief granted by a Government Agency), all instructions, notifications or elections by a Scheme Shareholder to AME that are binding or deemed binding between the Scheme Shareholder and AME relating to AME or AME Shares, including instructions, notifications or elections relating to:

- (a) whether dividends are to be paid by cheque or into a specific bank account;
- (b) payments of dividends on AME Shares; and
- (c) notices or other communications from AME (including by email),

will be deemed from the Implementation Date (except to the extent determined otherwise by BTR in its sole discretion), by reason of the Scheme, to be made by the Scheme Shareholder to BTR and to be a binding instruction, notification or election to, and accepted by, BTR in respect of the New BTR Shares issued to that Scheme Shareholder until that instruction, notification or election is revoked or amended in writing addressed to BTR at its registry.

8. Notices

8.1 General

Any notice, transfer, transmission, application, direction, demand, consent or other communication (**Notice**) given or made under this document must be in writing in English and signed by the sender or a person duly authorised by the sender.

8.2 Communications by post

Subject to clause 8.3, where a Notice referred to in this document is sent by post to AME, it will not be deemed to have been received in the ordinary course of post or on a date other than the date (if any) on which it is actually received at AME's registered office or at the AME Registry.

8.3 After hours communications

If a Notice is given:

- (a) after 5.00pm in the place of receipt; or
- (b) on a day which is a Saturday, Sunday or bank or public holiday in the place of receipt, it is taken as having been given at 9.00am on the next day which is not a Saturday, Sunday or bank or public holiday in that place.

9. General

9.1 No liability when acting in good faith

Neither BTR nor AME nor any director, officer, secretary or employee of any of those companies will be liable for anything done or omitted to be done in the performance of this Scheme or the Scheme Deed Poll when the relevant entity or person has acted in good faith.

9.2 AME and Scheme Shareholders bound

The Scheme binds AME and all Scheme Shareholders (including Scheme Shareholders who do not attend the Scheme Meeting, do not vote at that meeting or vote against the Scheme) and will, for all purposes, to the extent of any inconsistencies and permitted by law, have effect notwithstanding any provision in the constitution of AME.

9.3 Further assurances

Subject to clause 9.4, AME will execute all documents and do all acts and things (on its own behalf and on behalf of each AME Shareholder) necessary or expedient for the implementation of, and performance of its obligations under, the Scheme.

9.4 Alterations and conditions

AME may, with the consent of BTR, by its counsel consent on behalf of all Scheme Shareholders to any modifications or conditions which the Court thinks fit to impose.

9.5 Costs and tax

Any costs, tax and any stamp duty and any related fines, interest or penalties, which are payable on or in respect of this document or on any document referred to in this document will be paid as provided for in the Scheme Implementation Deed. For the avoidance of doubt, Scheme Shareholders do not have to pay any stamp duty, related fines, interest or penalties which are payable on or in respect of this document or any document referred to in this document.

9.6 Governing law and jurisdiction

- (a) This document is governed by and is to be construed in accordance with the laws applicable in Western Australia.

- (b) Each party irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts exercising jurisdiction in Western Australia and any courts which have jurisdiction to hear appeals from any of those courts and waives any right to object to any proceedings being brought in those courts.

Appendix 4 Notice of Scheme Meeting

Notice of Court Ordered Scheme Meeting

Notice is given that, by an order of the Supreme Court of Western Australia (**Court**) made on 11 October 2024 pursuant to section 411(1) of the *Corporations Act 2001* (Cth) (**Corporations Act**), a meeting of the holders of ordinary shares in Alto Metals Limited (**Alto**) will be held at The Park Business Centre, 45 Ventnor Avenue, West Perth WA 6005 on 19 November 2024 at 1:30pm (AWST).

Purpose of the meeting

To consider and, if thought fit, pass the following Scheme Resolution agreeing to a Scheme (with or without modification) proposed to be made between Alto and the holders of shares in Alto as at the Record Date pursuant to Part 5.1 of the Corporations Act.

A copy of the Scheme and a copy of the explanatory statement required by section 412 of the Corporations Act in relation to the Scheme are contained in the Scheme Booklet of which this notice forms part. Unless otherwise specified, terms defined in this notice have the meaning given to them in the Scheme Booklet.

A copy of the Scheme Booklet will also be made available on Alto's website (www.altometals.com.au). You can request a hard copy of the Scheme Booklet by contacting Alto's Share Registry on 1300 441 597 (within Australia) or +61 2 8072 1465 (outside Australia) between 8:30am and 6:00pm (Sydney time) Monday to Friday, excluding public holidays, or via email at hello@atomic.com.au.

Scheme Resolution

The meeting will be asked to consider and, if thought fit, to pass (with or without amendment) the following Scheme Resolution:

*"THAT, pursuant to and in accordance with section 411 of the Corporations Act 2001 (Cth), the scheme of arrangement (**Scheme**) proposed to be entered into between Alto Metals Limited (**Alto**) and the holders of its fully paid ordinary shares, as contained in and more particularly described in the booklet of which the notice convening this meeting forms part, is agreed to (with or without modification as approved by the Supreme Court of Western Australia (**Court**) to which Alto and Brightstar Resources Limited agree) and FURTHER that, the directors of Alto are authorised to agree to such alterations or conditions as are thought fit by the Court and, subject to approval of the Scheme by the Court, the directors of Alto are authorised to implement the Scheme with any such alterations or conditions".*

Chair

The Court has appointed Mr Mark Connelly, or failing him, Mr Graeme Smith, to be the chair of the Scheme Meeting (**Chair**) and to report the result of the Scheme Meeting to the Court.

Dated: 18 October 2024

The Board of Directors

Alto Metals Limited

Notes to the Notice of Court Ordered Scheme Meeting

Required voting majority

In accordance with section 411(4)(a)(ii) of the Corporations Act, the resolution to approve the Scheme must be passed at the Scheme Meeting by:

- (a) unless the Court orders otherwise, a majority in number of Alto Shareholders present and voting (either in person or by proxy, attorney, or, in the case of bodies corporate, body corporate representative) at the Scheme Meeting; and
- (b) at least 75% of the votes cast on the resolution.

The Court has a discretion under section 411(4)(a)(ii)(A) of the Corporations Act to approve the Scheme if it is approved by at least 75% of the votes cast on the resolution, but not by a majority in number of Alto Shareholders present and voting at the Scheme Meeting.

Court Approval

In accordance with section 411(4)(b) of the Corporations Act, the Scheme (with or without modification) is subject to the approval of the Court. If the resolution put to the Scheme Meeting is passed by the requisite majority and the other conditions precedent to the Scheme (other than approval by the Court) are satisfied or waived by the time required under the Scheme, Alto intends to apply to the Court for the necessary orders to give effect to the Scheme.

Entitlement to vote

Under section 411 of the Corporations Act and all other enabling powers, the Court has determined that the time for determining eligibility to vote at the Scheme Meeting is 4:00pm (AWST) on 17 November 2024. Only those Alto Shareholders entered on the Share Register at that time will be entitled to attend and vote at the Scheme Meeting. The remaining comments in these explanatory notes are addressed to Alto Shareholders entitled to attend and vote at the Scheme Meeting.

How to vote

Voting will be on a poll. You may vote at the Scheme Meeting by:

- (a) attending and voting in person;
- (b) appointing one or two proxies to attend and vote on your behalf, using the Proxy Form that accompanied the Scheme Booklet;
- (c) appointing an attorney to attend and vote on your behalf, using a power of attorney; or
- (d) in the case of a body corporate, appointing a body corporate representative to attend and vote on your behalf, using a certificate of appointment of body corporate representative.

Participation in, and voting at, the Scheme Meeting in person

To vote in person, you must attend the Scheme Meeting.

Alto Shareholders who are eligible and wish to attend and vote at the Scheme Meeting in person will be admitted and given a voting card at the point of entry to the Scheme Meeting, once they have disclosed their name and address.

Voting by proxies and representatives

You may appoint one proxy (or, if you are entitled to cast two or more votes at the Scheme Meeting, two proxies) to attend and vote at the Scheme Meeting on your behalf. Your proxy need not be another Alto Shareholder. Each proxy will have the right to vote on the poll and also to speak at the Scheme Meeting.

To appoint a proxy, you should complete and return the Proxy Form that accompanied this Scheme Booklet in accordance with the instructions on that form. You must deliver the signed and completed Proxy Form to the Alto Share Registry by 1:30pm (AWST) on 17 November 2024 (or, if the Scheme Meeting is adjourned or postponed, no later than 48 hours before the resumption of the Scheme Meeting in relation to the resumed part of the Scheme Meeting) in any of the following ways:

(a) Online:

Use your computer or smartphone to appoint a proxy at

<https://investor.automic.com.au/#/loginsah>

or scan the QR code below using your smartphone:



Login & Click on 'Meetings'.

Use the Holder Number as shown at the top of the Proxy Form.

(b) By mail:

Automic
GPO Box 5193
Sydney NSW 2001

(c) In person:

Automic
Level 5, 126 Phillip Street
Sydney NSW 2000

(d) By email:

meetings@automicgroup.com.au

(e) By facsimile:

+61 2 8583 3040

Proxy Forms received after this time will be invalid.

If a Proxy Form is completed under power of attorney or other authority, the power of attorney or other authority, or a certified copy of the power of attorney or other authority, must accompany the completed Proxy Form unless the power of attorney or other authority has previously been noted by the Alto Share Registry.

A vote given in accordance with the terms of a proxy appointment is valid despite the revocation of that appointment, unless notice in writing of the revocation has been received by the Alto Share Registry at least 48 hours before the start of the Scheme Meeting (or, if the Scheme Meeting is adjourned or postponed, at least 48 hours before the resumption of the Scheme Meeting in relation to the resumed part of the Scheme Meeting, or any lesser time that the Directors of Alto or Chair of the Scheme Meeting decide) in any of the ways above.

If you are entitled to cast two or more votes at the Scheme Meeting and you appoint two proxies, you should complete two separate Proxy Forms and specify the percentage of votes or number of securities for each proxy on the Proxy Form. If you do not specify the proportions in the Proxy Forms, each proxy may exercise half of your votes with any fractions of votes disregarded. You must return both Proxy Forms together. Replacement or additional Proxy Forms can also be obtained from the Alto Share Registry.

If you hold Alto Shares jointly with one or more other persons, all securityholders must sign the Proxy Form.

You should consider how you wish your proxy to vote. That is, whether you want your proxy to vote 'for' or 'against', or abstain from voting on, the Resolution, or whether to leave the decision to the proxy after he or she has considered the matters discussed at the Scheme Meeting.

If you do not direct your proxy how to vote on an item of business, the proxy may vote, or abstain from voting, as he or she thinks fit. If you instruct your proxy to abstain from voting on an item of business, he or she is directed not to vote on your behalf, and the shares the subject of the proxy appointment will not be counted in computing the required majority.

If you return your Proxy Form:

- (a) without identifying a proxy on it, you will be taken to have appointed the Chair of the Scheme Meeting as your proxy to vote on your behalf; or

- (b) with a proxy identified on it but your proxy does not attend the Scheme Meeting, the Chair of the meeting will act in place of your nominated proxy and vote in accordance with any directions on your Proxy Form.

The Chair of the Scheme Meeting intends to vote all available valid undirected proxies in favour of the Resolution, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of Alto Shareholders.

Proxies of eligible Alto Shareholders will be admitted to the meeting and given a voting card on providing at the point of entry to the Scheme Meeting written evidence of their name and address.

Your appointment of a proxy does not preclude you from attending in person, revoking the proxy and voting at the Scheme Meeting.

Voting by attorney

You may appoint not more than two attorneys to attend and vote at the Scheme Meeting on your behalf. Your attorney need not be another Alto Shareholder. Each attorney will have the right to vote on the poll and also to speak at the Scheme Meeting.

The power of attorney appointing your attorney to attend and vote at the Scheme Meeting must be duly executed by you and specify your name, the company (that is, Alto), and the attorney, and also specify the meetings at which the appointment may be used. The appointment may be a standing one.

The power of attorney, or a certified copy of the power of attorney, should be lodged with the Share Registry before 1:30pm (AWST) on 17 November 2024 (or, if the Scheme Meeting is adjourned or postponed, no later than 48 hours before the resumption of the Scheme Meeting relation to the resumed part of the Scheme Meeting) in any of the following ways:

(a) By mail:

Automic
GPO Box 5193
Sydney NSW 2001

(b) In person:

Automic
Level 5, 126 Phillip Street
Sydney NSW 2000

(c) By email:

meetings@automicgroup.com.au

(d) By facsimile:

+61 2 8583 3040

Attorneys of eligible Alto Shareholders will be admitted to the Scheme Meeting and given a voting card on providing at the point of entry to the Scheme Meeting, written evidence of their appointment, their name and address, and the name of their appointors.

If you appoint two attorneys, each attorney should be appointed to represent a specified proportion of your voting rights. If you do not specify the proportions in the power of attorney, each attorney may exercise half of your votes with any fractions of votes disregarded.

Your appointment of an attorney does not preclude you from attending in person and voting at the Scheme Meeting.

Voting by corporate representative

If you are a body corporate, you may appoint an individual to act as your body corporate representative. The appointment must comply with the requirements of section 250D of the Corporations Act, meaning that Alto will require a certificate of appointment of body corporate representative to be executed by you in accordance with the Corporations Act. A form of certificate may be obtained from the Alto Share Registry by calling 1300 441 597 (within Australia) or +61 2 8072 1465 (outside Australia) or via email at hello@automic.com.au.

The certificate of appointment may set out restrictions on the representative's powers. The certificate should be lodged with the Alto Share Registry before the meeting (or, if the Scheme Meeting is adjourned or postponed, before the resumption of the Scheme Meeting in relation to the resumed part of the meeting) in any of the following ways:

(a) By mail:

Automic
GPO Box 5193
Sydney NSW 2001

(b) In person:

Automic
Level 5, 126 Phillip Street
Sydney NSW 2000

(c) By email:

meetings@automicgroup.com.au

(d) By facsimile:

+61 2 8583 3040

Alternatively, the certificate can be brought to the Scheme Meeting (or, if the Scheme Meeting is adjourned or postponed, the resumed Scheme Meeting).

If a certificate is completed under power of attorney or other authority, the power of attorney or other authority, or a certified copy of the power of attorney or other authority, must accompany the completed certificate unless the power of attorney or other authority has previously been noted by the Alto Share Registry.

Body corporate representatives of eligible Alto Shareholders will be admitted to the Scheme Meeting and given a voting card on providing at the point of entry to the Scheme Meeting, written evidence of their appointment, their name and address and the name of their appointors.

Questions about voting at the Scheme Meeting

Alto Shareholders should contact the Share Registry on 1300 441 597 (within Australia) or +61 2 8072 1465 (outside Australia) or via email at hello@automic.com.au, with any queries regarding the number of Alto Shares held, how to vote at the Scheme Meeting, or how to vote by proxy.

Jointly held securities

If you hold shares jointly with one or more other persons, only one of you may vote. If more than one of you attempts to vote, only the vote of the holder whose name first appears on the Share Register will be counted.

Any inquiries in relation to the Resolution or the Scheme Booklet should be directed to the Company Secretary, Mr Graeme Smith: gsmith@altometals.com.au

Alto Metals Limited

Appendix 5 Sample Proxy

If you are attending the meeting in person, please bring this with you for Securityholder registration.

Holder Number:

Your proxy voting instruction must be received by **1:30pm (AWST) on Sunday, 17 November 2024** being **not later than 48 hours** before the commencement of the Scheme Meeting. Any Proxy Form instructions received after that time will not be valid for the scheduled Scheme Meeting.

This document should be read in conjunction with the Alto Metals Limited Scheme Booklet dated 18 October 2024 (Scheme Booklet), which is available online on Alto's website (<https://altometals.com.au>) and on the ASX website (<https://www.asx.com.au>). If you are in any doubt as to how to deal with this Proxy Form, you should consult your professional adviser. Capitalised terms in this Proxy Form have the meaning given to them in the Scheme Booklet.

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 Alto'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>. Alto 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 Scheme Meeting as your proxy, please write the name of that individual or body corporate. A proxy need not be an Alto Shareholder.

DEFAULT TO THE CHAIR OF THE MEETING

If you leave this box blank, the Chair of the Scheme Meeting will be appointed as your proxy by default. The Chair of the Scheme Meeting intends to vote all valid undirected proxies which appoint (or are taken to appoint) the Chair in favour of the Scheme Resolution.

STEP 2 - VOTES ON SCHEME RESOLUTION

You may direct your proxy how to vote by marking one of the boxes opposite the Scheme Resolution. All your Alto 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

If you are entitled to cast two or more votes at the Scheme Meeting, you may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy 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 Forms together. If you require an additional Proxy Form, contact Automic Registry Services.

SIGNING INSTRUCTIONS

Individual: Where the holding is in one name, the Alto Shareholder must sign.

Joint holding: Where the holding is in more than one name, all Alto 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 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 Alto electronically (where legally permissible) such as a Notice of Meeting, Proxy 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 Share Registry online at <https://automic.com.au>.

Lodging your Proxy Voting Form:

Online:

Use your computer or smartphone to appoint a proxy at <https://investor.automic.com.au/#/login>

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

BY FACSIMILE:

+61 2 8583 3040

All enquiries to Automic:

WEBSITE: <https://automicgroup.com.au/>

PHONE: 1300 441 597 (Within Australia)

+61 2 8072 1465 (Overseas)

Appendix 6 Opt-in Notice

Appendix 7 Tenement Schedule

Part A – Alto's Tenements

The following table summarises the details of each of the tenements in which Alto holds an interest as at the Last Practicable Date.

Tenement Type	Tenement	Status	Project	Grant Date	Expiry Date	Reg. Holder*	Ownership
Exploration	57/1029	Live	Sandstone	20/09/2016	19/09/2026	SEPL	100%
Exploration	57/1030	Live	Sandstone	20/09/2016	19/09/2026	SEPL	100%
Exploration	57/1031	Live	Sandstone	20/09/2016	19/09/2026	SEPL	100%
Exploration	57/1033	Live	Sandstone	20/09/2016	19/09/2026	SEPL	100%
Exploration	57/1044	Live	Sandstone	20/09/2016	19/09/2026	SEPL	100%
Exploration	57/1072	Live	Sandstone	11/03/2019	10/03/2029	SEPL	100%
Exploration	57/1101	Live	Sandstone	07/06/2019	06/06/2029	SEPL	100%
Exploration	57/1108	Live	Sandstone	01/07/2019	30/06/2024 2029	SEPL	100%
Exploration	57/1228	Live	Sandstone	20/12/2022	19/12/2027	SEPL	100%
Exploration	57/1402	Pending	Sandstone	-	-	SEPL	100%
Mining	57/646	Live	Sandstone	05/06/2019	04/06/2040	SEPL	100%
Mining	57/647	Live	Sandstone	17/12/2019	16/12/2040	SEPL	100%
Mining	57/650	Live	Sandstone	23/03/2020	22/03/2041	SEPL	100%
Mining	57/651	Live	Sandstone	23/03/2020	22/03/2041	SEPL	100%
Mining	57/652	Live	Sandstone	23/03/2020	22/03/2041	SEPL	100%
Mining	57/658	Live	Sandstone	01/09/2023	31/08/2044	SEPL	100%
Mining	57/663	Live	Sandstone	18/07/2024	17/07/2045	SEPL	100%
Mining	57/665	Live	Sandstone	07/06/2024	06/06/2045	SEPL	100%
Prospecting	57/1529	Live	Sandstone	02/07/2024	01/07/2028	SEPL	100%

*SEPL means Sandstone Exploration Pty Ltd.

Notes

- 1 M57/659 has not been included in Part A of this Appendix 7. However, SEPL holds an option to acquire M57/659 upon payment of a \$100,000 option fee, which expires on 9 May 2026.

Part B – Brightstar’s Tenements

The following table summarises the details of each of the tenements in which Brightstar holds an interest as at the date of this Scheme Booklet.

Tenement type	Tenement	Status	Project	Grant Date	Expiry Date	Reg. Holder*	Ownership
Exploration	29/966	Live	Menzies	06/09/2016	05/09/2026	GOMPL	100%
Exploration	29/981	Live	Menzies	26/04/2017	25/04/2027	KNPL ⁽¹⁾	100%
Exploration	29/984	Live	Menzies	24/02/2017	23/02/2027	MOMPL ⁽³⁾	100%
Exploration	29/996	Live	Menzies	09/08/2018	08/08/2028	GOMPL	100%
Exploration	29/1062	Live	Menzies	13/03/2020	12/03/2025	GOMPL ⁽⁴⁾	100%
Exploration	38/2411	Live	Laverton	30/11/2010	29/11/2024	BTR	100%
Exploration	38/2452	Live	Laverton	29/03/2011	28/03/2025	BTR	100%
Exploration	38/2894	Live	Laverton	30/05/2014	29/05/2026	BTR	100%
Exploration	38/3198	Live	Laverton	11/07/2017	10/07/2027	BTR	100%
Exploration	38/3279	Live	Laverton	03/05/2018	02/05/2028	BTR	100%
Exploration	38/3331	Live	Laverton	23/01/2019	22/01/2029	BTR	100%
Exploration	38/3434	Live	Laverton	24/11/2020	23/11/2025	BTR	100%
Exploration	38/3438	Live	Laverton	08/12/2020	07/12/2025	BTR	100%
Exploration	38/3500	Live	Laverton	09/06/2021	08/06/2026	BTR	100%
Exploration	38/3504	Live	Laverton	09/06/2021	08/06/2026	BTR	100%
Exploration	38/3673	Live	Laverton	05/12/2022	04/12/2027	BTR	100%
Exploration	39/1539	Live	Laverton	18/11/2010	17/11/2024	SFGP	100%
Exploration	39/1977	Live	Laverton	05/01/2017	04/01/2027	SFGP	100%
Exploration	39/2081	Live	Laverton	03/10/2018	02/10/2028	SFGP	100%
Exploration	39/2385	Pending	Laverton	-	-	LBM	100%
Exploration	39/2386	Pending	Laverton	-	-	LBM	100%
Exploration	39/2387	Pending	Laverton	-	-	LBM	100%
Miscellaneous	29/42	Live	Menzies	22/02/1989	21/02/2029	MOMPL	100%
Miscellaneous	29/43	Live	Menzies	22/02/1989	21/02/2029	MOMPL	100%
Miscellaneous	29/44	Live	Menzies	22/02/1989	21/02/2029	MOMPL	100%
Miscellaneous	38/100	Live	Laverton	05/02/2004	04/02/2025	BTR	100%
Miscellaneous	38/120	Live	Laverton	15/04/2008	14/04/2029	LBM	100%

Tenement type	Tenement	Status	Project	Grant Date	Expiry Date	Reg. Holder*	Ownership
Miscellaneous	38/123	Live	Laverton	02/04/2008	01/04/2029	BTR	100%
Miscellaneous	39/124	Live	Laverton	17/05/2002	16/05/2044	LBM	100%
Miscellaneous	38/154	Live	Laverton	05/07/2011	04/07/2032	BTR	100%
Miscellaneous	38/163	Live	Laverton	10/02/2010	09/02/2031	LBM	100%
Miscellaneous	38/164	Live	Laverton	21/01/2010	20/01/2031	LBM	100%
Miscellaneous	38/168	Live	Laverton	25/02/2011	24/02/2032	BTR	100%
Miscellaneous	38/169	Live	Laverton	25/02/2011	24/02/2032	BTR	100%
Miscellaneous	38/171	Live	Laverton	12/05/2010	11/05/2031	BTR	100%
Miscellaneous	38/185	Live	Laverton	11/11/2011	10/11/2032	BTR	100%
Miscellaneous	38/188	Live	Laverton	16/03/2012	15/03/2033	BTR	100%
Miscellaneous	38/205	Live	Laverton	22/02/2012	21/02/2033	BTR	100%
Miscellaneous	38/384	Pending	Laverton	-	-	BTR	100%
Miscellaneous	39/12	Live	Laverton	26/05/1988	25/05/2028	SFGP	100%
Miscellaneous	39/13	Live	Laverton	26/05/1988	25/05/2028	SFGP	100%
Miscellaneous	39/14	Live	Laverton	26/05/1988	25/05/2028	SFGP	100%
Miscellaneous	39/124	Live	Laverton	17/05/2002	16/05/2044	LBM	100%
Miscellaneous	39/214	Live	Laverton	28/10/2010	27/10/2031	LBM	100%
Miscellaneous	39/230	Live	Laverton	03/12/2014	02/12/2035	SFGP	100%
Mining	29/14	Live	Menzies	02/05/1984	13/05/2026	MOMPL	100%
Mining	29/88	Live	Menzies	25/07/1988	27/07/2030	MOMPL	100%
Mining	29/153	Live	Menzies	17/11/1992	17/11/2034	MOMPL	100%
Mining	29/154	Live	Menzies	17/11/1992	17/11/2034	MOMPL	100%
Mining	29/184	Live	Menzies	12/03/1997	12/03/2039	MOMPL	100%
Mining	29/212	Live	Menzies	27/02/2001	26/02/2043	MOMPL	100%
Mining	29/410	Live	Menzies	02/10/2012	01/10/2033	MOMPL	100%
Mining	38/1056	Live	Laverton	08/10/2009	07/10/2030	BTR	100%
Mining	38/1057	Live	Laverton	08/10/2009	07/10/2030	BTR	100%
Mining	38/1058	Live	Laverton	14/05/2008	19/05/2029	BTR	100%
Mining	38/241	Live	Laverton	05/07/1989	09/07/2031	BTR	100%
Mining	38/314	Live	Laverton	26/07/1991	01/08/2033	BTR	100%

Tenement type	Tenement	Status	Project	Grant Date	Expiry Date	Reg. Holder*	Ownership
Mining	38/346	Live	Laverton	29/09/1992	29/09/2034	BTR	100%
Mining	38/381	Live	Laverton	26/04/1994	26/04/2036	BTR	100%
Mining	38/549	Live	Laverton	28/04/2009	27/04/2030	BTR	100%
Mining	38/917	Live	Laverton	18/07/2008	23/07/2029	BTR	100%
Mining	38/918	Live	Laverton	18/07/2008	23/07/2029	BTR	100%
Mining	38/968	Live	Laverton	09/08/2004	09/08/2025	DEPL	100%
Mining	38/984	Live	Laverton	18/07/2008	23/07/2029	BTR	100%
Mining	39/185	Live	Laverton	26/12/1988	16/01/2031	LBM	100%
Mining	39/262	Live	Laverton	20/08/1991	01/09/2033	LBM	100%
Mining	39/255	Live	Laverton	01/05/1991	07/05/2033	SFGP	100%
Mining	39/649	Live	Laverton	06/07/2008	07/07/2029	SFGP	100%
Mining	39/650	Live	Laverton	06/07/2008	07/07/2029	SFGP	100%
Mining	39/794	Live	Laverton	06/07/2008	07/07/2029	SFGP	100%
Prospecting	29/2346	Live	Menzies	04/01/2018	03/01/2026	MOMPL	100%
Prospecting	29/2380	Live	Menzies	05/02/2019	04/02/2027	GOMPL ⁽⁵⁾	100%
Prospecting	29/2381	Live	Menzies	05/02/2019	04/02/2027	GOMPL	100%
Prospecting	29/2412	Live	Menzies	05/02/2019	04/02/2027	GOMPL	100%
Prospecting	29/2413	Live	Menzies	01/02/2019	31/01/2027	GOMPL	100%
Prospecting	29/2450	Live	Menzies	07/02/2019	06/02/2027	MOMPL	100%
Prospecting	29/2467 ⁽⁶⁾	Live	Menzies	21/09/2020	20/09/2024	GOMPL ⁽⁵⁾	100%
Prospecting	29/2468 ⁽⁶⁾	Live	Menzies	21/09/2020	20/09/2024	GOMPL ⁽⁵⁾	100%
Prospecting	29/2511	Live	Menzies	03/07/2019	02/07/2027	KNPL ⁽³⁾	100%
Prospecting	29/2512	Live	Menzies	03/07/2019	02/07/2027	KNPL ⁽³⁾	100%
Prospecting	29/2513	Live	Menzies	03/07/2019	02/07/2027	KNPL ⁽³⁾	100%
Prospecting	29/2514	Live	Menzies	03/07/2019	02/07/2027	KNPL ⁽³⁾	100%
Prospecting	29/2515	Live	Menzies	03/07/2019	02/07/2027	KNPL ⁽³⁾	100%
Prospecting	29/2531 ⁽⁶⁾	Live	Menzies	30/07/2020	29/07/2024	GOMPL	100%
Prospecting	29/2533 ⁽⁶⁾	Live	Menzies	01/10/2020	30/09/2024	GOMPL	100%
Prospecting	29/2538	Live	Menzies	25/02/2020	24/02/2028	KNPL ⁽³⁾	100%
Prospecting	29/2539	Live	Menzies	25/02/2020	24/02/2028	KNPL ⁽³⁾	100%

Tenement type	Tenement	Status	Project	Grant Date	Expiry Date	Reg. Holder*	Ownership
Prospecting	29/2578 ⁽⁶⁾	Live	Menzies	25/08/2020	24/08/2024	MOMPL	100%
Prospecting	29/2579 ⁽⁶⁾	Live	Menzies	25/08/2020	24/08/2024	MOMPL	100%
Prospecting	29/2580 ⁽⁶⁾	Live	Menzies	25/08/2020	24/08/2024	MOMPL	100%
Prospecting	29/2581	Live	Menzies	16/08/2021	15/08/2025	MOMPL	100%
Prospecting	29/2582 ⁽⁶⁾	Live	Menzies	25/08/2020	24/08/2024	MOMPL	100%
Prospecting	29/2583	Live	Menzies	16/08/2021	15/08/2025	MOMPL	100%
Prospecting	29/2584 ⁽⁶⁾	Live	Menzies	25/08/2020	24/08/2024	MOMPL	100%
Prospecting	29/2585 ⁽⁶⁾	Live	Menzies	25/08/2020	24/08/2024	MOMPL	100%
Prospecting	29/2588	Live	Menzies	23/11/2021	22/11/2025	GOMPL	100%
Prospecting	29/2649	Live	Menzies	26/04/2022	25/04/2026	KNPL ⁽³⁾	100%
Prospecting	29/2650	Live	Menzies	26/04/2022	25/04/2026	KNPL ⁽³⁾	100%
Prospecting	29/2651	Live	Menzies	26/04/2022	25/04/2026	KNPL ⁽³⁾	100%
Prospecting	29/2675	Pending	Menzies	28/11/2023	27/11/2027	GOMPL	100%
Prospecting	29/2676	Pending	Menzies	28/11/2023	27/11/2027	GOMPL	100%
Prospecting	38/4377	Live	Laverton	26/07/2017	25/07/2025	BTR	100%
Prospecting	38/4385	Live	Laverton	26/07/2017	25/07/2025	BTR	100%
Prospecting	38/4431	Live	Laverton	14/06/2018	13/06/2026	BTR	100%
Prospecting	38/4432	Live	Laverton	14/06/2018	13/06/2026	BTR	100%
Prospecting	38/4433	Live	Laverton	14/06/2018	13/06/2026	BTR	100%
Prospecting	38/4444	Live	Laverton	13/12/2018	12/12/2026	BTR	100%
Prospecting	38/4446	Live	Laverton	13/12/2018	12/12/2026	BTR	100%
Prospecting	38/4447	Live	Laverton	13/12/2018	12/12/2026	BTR	100%
Prospecting	38/4448	Live	Laverton	13/12/2018	12/12/2026	BTR	100%
Prospecting	38/4449	Live	Laverton	13/12/2018	12/12/2026	BTR	100%
Prospecting	38/4450	Live	Laverton	13/12/2018	12/12/2026	BTR	100%
Prospecting	38/4508	Live	Laverton	02/06/2021	01/06/2025	BTR	100%
Prospecting	38/4545	Live	Laverton	15/08/2022	14/08/2026	BTR	100%
Prospecting	38/4546	Live	Laverton	15/08/2022	14/08/2026	BTR	100%
General	38/39	Live	Laverton	28/03/2024	27/03/2045	BTR	100%
Mining	38/9	Live	Laverton	25/05/1983	24/05/2025	BTR	100%

Tenement type	Tenement	Status	Project	Grant Date	Expiry Date	Reg. Holder*	Ownership
Mining	38/94	Live	Laverton	21/09/1987	20/09/2029	BTR	100%
Mining	38/95	Live	Laverton	21/09/1987	20/09/2029	BTR	100%
Mining	39/138	Live	Laverton	8/08/1988	7/08/2030	LBM	100%
Mining	39/139	Live	Laverton	8/08/1988	7/08/2030	LBM	100%
Prospecting	29/2656	Live	Menzies	28/11/2023	27/11/2027	GOMPL	100%
Prospecting	38/4558	Live	Laverton	24/04/2023	23/04/2027	BTR	100%
Exploration	53/2108	Live	Sandstone	21/11/2022	21/11/2027	MGP ⁽⁷⁾	100%
Exploration	53/2340	Pending	Sandstone	-	-	MGP ⁽⁷⁾	100%
Exploration	57/1004	Live	Sandstone	10/09/2015	09/09/2025	MGP ⁽⁷⁾	100%
Exploration	57/1005	Live	Sandstone	04/10/2017	03/10/2027	MGP ⁽⁷⁾	100%
Exploration	57/1060	Live	Sandstone	15/06/2018	14/06/2028	MGP ⁽⁷⁾	80%
Exploration	57/1095	Live	Sandstone	18/02/2020	17/02/2025	MGP ⁽⁷⁾	100%
Exploration	57/1113 ⁽⁶⁾	Live	Sandstone	22/08/2019	21/08/2024	MGP ⁽⁷⁾	100%
Exploration	57/1145	Live	Sandstone	22/11/2022	21/11/2027	MGP ⁽⁷⁾	100%
Exploration	57/1147	Live	Sandstone	04/08/2020	03/08/2025	MGP ⁽⁷⁾	100%
Exploration	57/1215	Live	Sandstone	10/10/2022	09/10/2027	MGP ⁽⁷⁾	100%
Exploration	57/1423	Pending	Sandstone	-	-	MGP ⁽⁷⁾	100%
Exploration	57/1424	Pending	Sandstone	-	-	MGP ⁽⁷⁾	100%
Exploration	57/1441	Pending	Sandstone	-	-	MGP ⁽⁷⁾	100%
Exploration	57/405	Live	Sandstone	20/02/2012	19/02/2025	MGP ⁽⁷⁾	100%
Exploration	57/417	Live	Sandstone	27/04/2006	26/04/2025	MGP ⁽⁷⁾	100%
Exploration	57/687	Live	Sandstone	26/03/2008	25/03/2026	MGP ⁽⁷⁾	100%
Exploration	57/793	Live	Sandstone	04/02/2010	03/02/2026	MGP ⁽⁷⁾	75%
Exploration	57/807	Live	Sandstone	22/06/2010	21/06/2026	MGP ⁽⁷⁾	100%
Exploration	57/823	Live	Sandstone	03/03/2011	02/03/2025	MGP ⁽⁷⁾	100%
Exploration	57/824	Live	Sandstone	03/03/2011	02/03/2025	MGP ⁽⁷⁾	100%
Exploration	57/874	Live	Sandstone	06/03/2012	05/03/2026	MGP ⁽⁷⁾	100%
Exploration	57/875	Live	Sandstone	05/03/2012	05/03/2026	MGP ⁽⁷⁾	100%
Exploration	57/888	Live	Sandstone	06/03/2012	05/03/2026	MGP ⁽⁷⁾	100%
Exploration	57/945	Live	Sandstone	02/01/2014	01/01/2026	MGP ⁽⁷⁾	100%

Tenement type	Tenement	Status	Project	Grant Date	Expiry Date	Reg. Holder*	Ownership
Mining	57/217	Live	Sandstone	22/09/1992	23/09/2034	MGP ⁽⁷⁾	100%
Mining	57/429	Live	Sandstone	06/07/2005	05/07/2026	MGP ⁽⁷⁾	75%
Mining	57/48	Live	Sandstone	15/05/1986	14/05/2028	MGP ⁽⁷⁾	100%
Mining	57/485	Live	Sandstone	03/02/2005	02/02/2026	MGP ⁽⁷⁾	75%
Mining	57/98	Live	Sandstone	19/05/1988	18/05/2030	MGP ⁽⁷⁾	100%
Mining	57/99	Live	Sandstone	19/05/1988	18/05/2030	MGP ⁽⁷⁾	100%
Prospecting	57/1409	Live	Sandstone	10/01/2018	09/01/2026	MGP ⁽⁷⁾	100%
Prospecting	57/1410	Live	Sandstone	10/01/2018	09/01/2026	MGP ⁽⁷⁾	100%
Prospecting	57/1411	Live	Sandstone	10/01/2018	09/01/2026	MGP ⁽⁷⁾	100%
Prospecting	57/1413	Live	Sandstone	10/01/2018	09/01/2026	MGP ⁽⁷⁾	100%
Prospecting	57/1455	Live	Sandstone	16/05/2019	15/05/2027	MGP ⁽⁷⁾	100%
Prospecting	57/1456	Live	Sandstone	16/05/2019	15/05/2027	MGP ⁽⁷⁾	100%
Prospecting	57/1494	Pending	Sandstone	-	-	MGP ⁽⁷⁾	100%
Prospecting	57/1495	Pending	Sandstone	-	-	MGP ⁽⁷⁾	100%
Prospecting	57/1496	Pending	Sandstone	-	-	MGP ⁽⁷⁾	100%

* **GOMPL** means Goongarrie Operational & Mining Pty Ltd; **KNPL** means Kalgoorlie Nickel Pty Ltd; **MOMPL** means Menzies Operational & Mining Pty Ltd; **SFGP** means Second Fortune Gold Project Pty Ltd; **LBM** means Lord Byron Mining Pty Ltd; **DEPL** means Desert Exploration Pty Ltd; and **MGP** means Montague Gold Project Pty Ltd.

Notes:

- 1 Brightstar holds gold and lithium rights in relation to this tenement.
- 2 Brightstar holds all rights in relation to these tenements.
- 3 Kalgoorlie Nickel Pty Ltd holds all rights in relation to these tenements.
- 4 Kalgoorlie Nickel Pty Ltd holds tenement infrastructure rights in relation to this tenement.
- 5 Kalgoorlie Nickel Pty Ltd holds all rights in relation to these tenements other than gold rights, which are held by Goongarrie Operational and Mining Pty Ltd.
- 6 Application for extension of term has been submitted with approval pending.
- 7 Brightstar holds all gold rights in relation to this tenement.