

**THIS DOCUMENT AND ANY ACCOMPANYING DOCUMENTS ARE IMPORTANT AND REQUIRE YOUR IMMEDIATE ATTENTION.**

If you are in any doubt as to what action you should take, you are recommended to seek immediately your own financial advice from your stockbroker, bank manager, solicitor, accountant, fund manager or other appropriate independent financial adviser (being in the case of shareholders in Ireland, an entity or firm authorised or exempted under the Investment Intermediaries Act 1995 or the European Union (Markets in Financial Instruments) Regulations 2017 or in the case of shareholders in the United Kingdom, an adviser authorised under the Financial Services and Markets Act 2000, as amended ("**FSMA**") or from another appropriately authorised independent financial adviser if you are in a territory outside Ireland or the United Kingdom).

This document comprises (i) a circular prepared in accordance with the Listing Rules of the Financial Conduct Authority (the "**FCA**") made under section 73A of FSMA and (ii) a prospectus relating to IMC Exploration Group PLC ("**IMC**" or the "**Company**") and, together with its consolidated subsidiaries from time to time, the "**Group**" or the "**IMC Group**") prepared in accordance with Regulation (EU) 2017/1129 of the European Parliament and Council of 14 June 2017 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "**Prospectus Regulation**") and the Prospectus Regulation Rules made under section 73A of FSMA (the "**Prospectus Regulation Rules**"). This document has been approved by the FCA and has been made available to the public for the purposes of section 85 of FSMA. This document together with the documents incorporated into it by reference (as set out in Part XIV (*Documents Incorporated by Reference*) of this document) will be made available to the public in accordance with Article 19 of the Prospectus Regulation by the same being made available, free of charge, at <https://www.imcexploration.com>.

This prospectus has been approved by the FCA, as competent authority under the Prospectus Regulation. The FCA only approves this prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the issuer that is the subject of this prospectus or an endorsement of the quality of the securities that are the subject of this prospectus. Shareholders should make their own assessment as to the suitability of investing in the securities.

This document has not been prepared, for the purposes of the laws of any EU Member State or EEA treaty adherent state, in accordance with Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 or any measures made under that Regulation or the laws of Ireland or of any EU Member State or EEA treaty adherent state that implement that Regulation or those measures, has not been reviewed, prior to its being issued, by any regulatory authority in Ireland or in any other EU Member State or EEA treaty adherent state, and therefore may not contain all the information required where a document is prepared pursuant to that Regulation or those laws.

If you sell or have sold or have otherwise transferred all of your Shares, please send this document and any accompanying documents at once to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for delivery to the purchaser or transferee except that such documents should not be sent to any jurisdiction where to do so might constitute a violation of local securities laws or regulations, including but not limited to the Excluded Territories. If you sell or have sold or otherwise transferred only part of your holding of Shares, you should retain this document and any accompanying documents and consult with the bank, stockbroker or other agent through whom the sale or transfer was effected as to the action you should take.

This prospectus is not an offer or invitation to the public to subscribe for Ordinary Shares and has been prepared in order to satisfy Article 3 of the Prospectus Regulation and section 85(2) of FSMA. This prospectus is not, and should not be construed as, an inducement or encouragement to buy or sell any Ordinary Shares. Any investment decision relating to the Ordinary Shares should be based on a consideration of this prospectus as a whole by the investor. This prospectus is issued solely for the purposes of the Admission of the New Ordinary Shares to the Official List and to trading on the London Stock Exchange's regulated market for listed securities.

The distribution of this document into jurisdictions other than the UK and Ireland may be restricted by law and therefore persons into whose possession this document comes should inform themselves about and observe any such restrictions. Any failure to comply with any such restrictions may constitute a violation of the securities laws or regulations of such jurisdictions. In particular, subject to certain exceptions, this document, together with the documents incorporated into it by reference and any other such documents should not be distributed, forwarded to or transmitted into the Excluded Territories.

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**IMC EXPLORATION GROUP PLC**

*(Incorporated and registered in Ireland with registered number 500487)*

**Acquisition of MVI Ireland s.r.o.**

**Proposed issue of 349,399,716 Ordinary Shares in connection with the Acquisition and application for admission to the standard listing segment of the Official List and trading on the London Stock Exchange's main market for listed securities**

**Waiver of Rule 9 of the Irish Takeover Rules**

**Notice of Extraordinary General Meeting**

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The Company, the IMC Directors and the Proposed Directors, whose names appear on page 17 of this document in the section entitled "IMC Directors, Company Secretary, Registered Office and Advisers", accept responsibility for the information contained in this document. To the best of the knowledge of IMC and the Directors, the information contained in this document is in accordance with the facts and makes no omission likely to affect its import. No material changes have occurred since the date of the IMC CPR the omission of which would make the IMC CPR, dated June 2023, misleading. No material changes have occurred since the date of the MVI CPR, dated 16 August 2023, the omission of which would make the MVI CPR, misleading.

A Notice of Extraordinary General Meeting of the Company, to be held at the Ashling Hotel, 10-13 Parkgate Street, Dublin 8, D08 P38N, Ireland at 10:00a.m. on 26 October 2023, is set out at the end of this document. Whether or not you intend to be present at the Extraordinary General Meeting, you are asked to complete and return the enclosed Form of Proxy in accordance with the instructions

printed on it as soon as possible and, in any event, so as to be received by Avenir Registrars Limited, by not later than 10:00a.m. on 24 October 2023 (or, in the case of an adjournment, not later than 48 hours before the time fixed for the holding of the adjourned meeting).

This document relates to the proposed acquisition by the Company of the entire issued share capital of MVI Ireland s.r.o. ("**MVI**") from Mineral Ventures Invest spol. s r.o. (the "**Seller**"), (the "**Acquisition**"), which is a reverse takeover pursuant to the FCA Listing Rules meaning that it is subject to and conditional upon approval of the Shareholders. Application will be made to the FCA and the LSE, respectively, for 349,399,716 New Ordinary Shares to be allotted and issued by the Company to the Seller as consideration pursuant to the Acquisition (the "**Consideration Shares**") to be admitted to the standard listing segment of the Official List of the FCA and to trading on the LSE's main market for listed securities (together, the "**Admission**"). Further Ordinary Shares may be allotted and issued by the Company to the Seller as deferred consideration for the Acquisition on the achievement of certain milestones specified in the framework agreement entered into in connection with the Acquisition (the "**Framework Agreement**"). It is currently expected that Admission will become effective following the closing of the Acquisition pursuant to the Framework Agreement ("**Completion**") and that dealings in the first tranche of Consideration Shares will commence at 8:00a.m. on the second Business Day after the date of Completion, whereupon an announcement will be made by the Company to a Regulatory Information Service.

**Your attention is drawn to the letter of recommendation from the Chairman which is set out in Part I ("Letter from the Chairman") on pages 18 to 25 of this document. You should read the entire document but your attention is also drawn to the section of this document headed "Risk Factors" which sets out certain risks and other factors that should be considered by Shareholders when deciding on what action to take in relation to the Acquisition.**

Keith, Bayley, Rogers & Co. Limited, which is regulated in the United Kingdom by the Financial Conduct Authority, is acting for the Company and for no one else in connection with the matters described in this document, including the Rule 9 Waiver, and accordingly will not be responsible to any person other than the Company for providing the protections afforded to customers of Keith, Bayley, Rogers & Co. Limited, or for providing advice to any other person in relation to the arrangements described in this document, including the Rule 9 Waiver.

Keith, Bayley, Rogers & Co. Limited has assisted IMC in the submission of this document to the FCA for approval as a prospectus and in applying to the FCA for Admission to the Official List. Keith, Bayley, Rogers & Co. Limited is not responsible for the contents of this document and accepts no liability whatsoever for the accuracy of any information or opinions contained in this document, or for the omission of any material information, for which the Directors are solely responsible. Keith, Bayley, Rogers & Co. Limited is acting for the Company and no one else in relation to the Admission and will not be responsible to anyone other than the Company for providing the protections afforded to clients of Keith, Bayley, Rogers & Co. Limited, or for advising any other person in connection with the Admission.

#### **Notice to all Shareholders**

Any reproduction or distribution of this document, in whole or in part, and any disclosure of its contents or use of any information contained in this document for any purpose other than considering the Acquisition is prohibited.

**This document does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, any securities by any person in any circumstances in which such offer or solicitation is unlawful.** The distribution of this document into jurisdictions other than the UK may be restricted by law. Persons into whose possession this document comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

In particular, this document should not be distributed, forwarded to or transmitted in or into the Excluded Territories. No action has been taken by the Company or by Keith, Bayley, Rogers & Co. Limited that would permit possession or distribution of this document or any other offering or publicity material in any jurisdiction where action for that purpose is required, other than the UK.

No person has been authorised to give any information or make any representations other than those contained in this document and, if given or made, such information or representations must not be relied upon as having been authorised by the Company or by the Financial Advisers. The delivery of this document shall not, under any circumstances, create any implication that there has been no change in the affairs of the Group since the date of this document or that the information in this document is correct as at any time subsequent to its date.

Shareholders and prospective shareholders acknowledge that they have not relied on Keith, Bayley, Rogers & Co. Limited or any person affiliated with Keith, Bayley, Rogers & Co. Limited in connection with any investigation of the accuracy of any information contained in this document or their decision in connection with the Acquisition or any investment decision. In making a decision in connection with the Acquisition or any investment decision, each Shareholder or prospective shareholder must rely on their own examination, analysis and enquiry of the Company.

The contents of the website of the Company do not form part of this document unless that information is incorporated by reference into this document.

Capitalised terms used in this document have the meanings ascribed to them, and certain technical terms are explained, in Part XV (*Definitions*) of this document.

**THE CONTENTS OF THIS DOCUMENT ARE NOT TO BE CONSTRUED AS LEGAL, FINANCIAL OR TAX ADVICE. EACH SHAREHOLDER AND PROSPECTIVE SHAREHOLDER SHOULD CONSULT HIS, HER OR ITS OWN SOLICITOR, INDEPENDENT FINANCIAL ADVISER OR TAX ADVISER FOR LEGAL, FINANCIAL OR TAX ADVICE.**

The date of this document is 29 September 2023.

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## SUMMARY

### A. Introduction and Warnings

#### ***Name and international securities identifier number (ISIN) of the securities***

Ordinary shares of €0.001 each in the capital of the IMC Exploration Group plc having ISIN code IE00B6WC2H62.

#### ***Identity and contact details of the issuer, including its Legal Entity Identifier ("LEI")***

IMC Exploration Group PLC was incorporated on 27 June 2011 in Ireland with registered number 500487 and operates under the Companies Act 2014. The Company is a public limited company domiciled in Ireland and is subject to the laws of Ireland. The Company's registered office is 70 Ballybough Road, Ballybough, Dublin 3, Ireland, and may be contacted on the following telephone number: +353 87 6183024. The LEI of the Company is 2138006RYVS4BRW33C48. At the date of Admission, the Company will be operating in conformity with its Constitution.

#### ***Identity and contact details of the competent authority approving the prospectus***

This prospectus has been approved by the FCA as competent authority in accordance with the Prospectus Regulation; the FCA only approves this prospectus meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation; such approval should not be considered as an endorsement of the issuer that is the subject of this prospectus. The head office of the FCA is at 12 Endeavour Square, London E20 1JN, UK.

This document has not been reviewed or approved by any regulatory authority in Ireland or in any other EU Member State or EEA treaty adherent state, and therefore may not contain all the information required where a document is prepared pursuant to Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 or the laws of Ireland or of any EU Member State or EEA treaty adherent state that implement that Regulation.

#### ***Date of approval of the prospectus***

This Prospectus was approved on 29 September 2023.

This summary has been prepared in accordance with Article 7 of the Prospectus Regulation and should be read as an introduction to this document. This prospectus is not an offer or invitation to the public to subscribe for Ordinary Shares and has been prepared in order to satisfy Article 3 of the Prospectus Regulation and s85(2) of FSMA. This prospectus is not, and should not be construed as an inducement or encouragement to buy or sell any Ordinary Shares. Any investment decision relating to the Ordinary Shares should be based on a consideration of this prospectus as a whole by the investor. This prospectus is issued solely for the purposes of the Admission of the New Ordinary Shares to the Official List and to trading on the London Stock Exchange's regulated market for listed securities. Risks and uncertainties that are not presently known, or which are currently deemed immaterial, may have an adverse effect on the business, results of operations and financial condition of IMC and, following Completion, the Enlarged Group. If any such risks were to materialise, the price of the Ordinary Shares could decline as a consequence and investors could lose all or part of their investment.

Without prejudice to the fact that no offer or invitation to the public to subscribe for Ordinary Shares is being made, where a claim relating to the information contained in this prospectus is brought before a court, the plaintiff shareholder might, under the national law, have to bear the costs of translating the prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary, including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of the document or if it does not provide, when read together with the other parts of the document, key information in order to aid prospective shareholders to decide whether to invest the Company's Ordinary Shares.

### B. Key Information on the Issuer

#### ***Who is the issuer of the securities?***

##### *Domicile, legal form, LEI, jurisdiction of incorporation and country of operation*

IMC Exploration Group PLC was incorporated on 27 June 2011 in Ireland and operates under the laws of Ireland. The Company is a public limited company domiciled in Ireland. The LEI of the Company is 2138006RYVS4BRW33C48.

##### *Principal activities*

The Company's principal activity is prospecting for gold, silver, base metals and barytes in Ireland, in accordance with the terms of the Group's six exploration licences.

##### *Major shareholders*

Insofar as it is known to the Company as at the Latest Practicable Date, the following persons have interests in Ordinary Shares which are notifiable under Rule 5.1.2 of the Disclosure and Transparency Rules and Regulation 14 of the Transparency Directive Regulations:

<i>Name</i>	<i>Number of Ordinary Shares</i>	<i>Per cent. Of Ordinary Shares in issue</i>
CREST INTERNATIONAL NOMINEES	75,682,771	23.19%
DAVYCREST NOMINEES	37,338,138	11.44%
KBC BANK NV	27,330,167	8.38%
ITI CAPITAL LIMITED	23,074,772	7.07%
PERSHING SECURITIES INTERNATIONAL LIMITED	21,444,500	6.57%
EAMON O'BRIEN	14,459,398	4.43%
LISA MCDONNELL	17,578,130	5.39%
WILHAN LIMITED	13,712,612	4.20%

Upon Admission a minimum of 10% of the Ordinary Shares will be in public hands.

*Key managing directors*

Eamon O'Brien – Executive Chairman, Andrew Laz Fleming

*Identity of the statutory auditors*

The statutory auditor of the Company is Lowry & Associates of 70 Northumberland Road Ballsbridge Dublin 4, which is a member of Chartered Accountants Ireland and registered on the Register of Auditors in Ireland under auditor number AI222890.

**What is the key financial information regarding the issuer?**

*Selected historical financial information*

The table below sets out the summary audited financial information of the Group for the years ended 30 June 2020, 2021 and 2022. The information has been prepared in accordance with International Financial Reporting Standards as adopted by the EU.

	<b>Year Ended 30 June</b>		
	<b>2022</b>	<b>2021</b>	<b>2020</b>
	€	€	€
<b>Operating Statement</b>			
Revenue	-	-	-
Loss for the period	<b>(260,796)</b>	(336,433)-	(251,947)-
Loss per share	(0.10)	(0.10)	(0.10)
<b>Statement of Financial Position</b>			
Equity Attributable to the owners of the company	15,867	276,663	346,728
Intangible Assets	627,791	435,803	472,487
Net financial debt	624,761	175,590	239,914
<b>Statement of Cash flows</b>			
Net cash flow from operating activities	163,264	(170,310)	(312,570)

The table below sets out the summary audited financial information of the Group for the six month period ended 31 December 2022 and the audited financial information of the Group for the six month period ended 31 December 2021. The information has been prepared in accordance with International Financial Reporting Standards as adopted by the EU.

	<b>Six months 31 December</b>	
	<b>2022</b>	<b>2021</b>
	€	€
<b>Operating Statement</b>		
Revenue	-	-
Loss for the period	(11,015)	(57,586)
Loss per share	(0.10)	(0.10)
<b>Statement of Financial Position</b>		
Equity Attributable to the owners of the company	4,852	219,077

	<b>Six months 31 December</b>	
	<b>2022</b>	<b>2021</b>
	€	€
Intangible Assets	635,291	603,232
Net Financial Debt	666,284	425,177
<b>Statement of Cash flows</b>		
Net cash flow from operating activities	85,521	284,193

### Principal Investments

The following table sets out, for each of the three years ended 30 June 2022, 2021 and 2020, the carrying value of IMC's principal investments, which comprise mineral PLs in Ireland. It further discloses interim financial information as at December 2022 and December 2021:

	<b>Year Ended 30 June (Audited)</b>			<b>Six months ended 31st December</b>	
				<b>(Audited)</b>	<b>(Audited)</b>
	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2022</b>	<b>2021</b>
	€	€	€	€	€
Intangible Assets	627,791	435,803	472,487	635,291	603,232

During the above mentioned periods, there has been expenditure on the PLs. Sufficient expenditure on the PLs has resulted in the successful renewal and review of the Company's PLs by the Minister.

### **What is the key financial information regarding MVI?**

#### *Selected historical financial information*

The table below sets out the summary audited financial information of the Group for the years ended 31 December 2022 and 31 December 2021. The information has been prepared in accordance with International Financial Reporting Standards ("IFRSs") as issued by the International Accounting Standards Board.

<b>In thousand Euros</b>	<b>Year Ended 31 December</b>	
	<b>2022</b>	<b>2021</b>
	€	€
<b>Operating Statement</b>		
Revenue	2	982
Operating Profit/(loss)	(325)	(672)
Profit/(Loss) for the period	<b>731</b>	(155)
<b>Statement of Financial Position</b>		
Equity Attributable to the owners of the company	5,632	4,074
Intangible Assets	3,880	3,265
Net financial debt	945	1,010
<b>Statement of Cash flows</b>		
Net cash flow from operating activities	(611)	(387)

### Principal Investments

The following table sets out, for each of the two years ended 31 December 2022 and 31 December 2021, the carrying value of MVI's principal investments, which comprise mineral PLs in Armenia.

In thousand Euros	<b>Year Ended 31 December</b>	
	<b>(Audited)</b>	<b>(Audited)</b>
	<b>2022</b>	<b>2021</b>
	€	€
Intangible Assets	3,880	3,265

### Key pro forma financial information

The following pro forma statement of financial position of the Enlarged Group sets out the consolidated financial position of IMC as audited by Lowry and Associates and the MVI Group as audited by Grant Thornton as at 31 December 2022. The pro forma financial information has been prepared for illustrative purposes only and is to illustrate the financial position if the Transaction was to have taken place on the 31 December 2022 (last audited accounts date). The hypothetical financial position or results included in the pro forma financial information may differ from the entity's actual financial position or results.

	Year Ended 31 December 2022			Consolidated
	IMC	MVI	Capital Elimination	
	€	€	€	
<b>Non-current Assets</b>				
Mining/Exploration Licences	635,291	3,880,000	-	4,515,291
Property, plant and equipment	1,398	2,000	-	3,398
Investments	-	-	-	-
<b>Total Non-Current Assets</b>	<b>636,689</b>	<b>3,882,000</b>	-	<b>4,518,689</b>
<b>Current Assets</b>				
Trade and other receivables	34,447	1,410,000	-	1,444,447
Inventories	-	283,000	-	283,000
Cash and cash equivalents	101,420	57,000	-	158,420
<b>Total Current Assets</b>	<b>135,867</b>	<b>1,750,000</b>	-	<b>1,885,867</b>
<b>Total Assets</b>	<b>772,556</b>	<b>5,632,000</b>	-	<b>6,404,556</b>
<b>Equity</b>				
Share Capital	349,589	1,000	(1,000)	349,589
Share Premium/Other Capital Funds	4,164,633	3,810,000	(3,810,000)	4,164,633
Retained deficit	(4,509,370)	819,000	3,811,000	120,630
<b>Attributable to owners of the Company</b>	<b>4,852</b>	<b>4,630,000</b>	-	<b>4,634,852</b>
<b>Total Equity</b>	<b>4,852</b>	<b>4,630,000</b>	-	<b>4,634,852</b>
<b>Liabilities – Current</b>				
Trade and other payables	273,854	402,000	-	675,854
Current tax liabilities	-	-	-	-
<b>Total Current Liabilities</b>	<b>273,854</b>	<b>402,000</b>	-	<b>675,854</b>
<b>Liabilities – Non-Current</b>				
<b>Loan</b>	<b>493,850</b>	<b>30,000</b>	-	<b>523,850</b>
Trade and other payables	-	29,000	-	29,000
Non-Current tax liabilities	-	541,000	-	541,000
<b>Total Non-Current Liabilities</b>	<b>493,850</b>	<b>600,000</b>	-	<b>1,093,850</b>
<b>Total Equity and Liabilities</b>	<b>772,556</b>	<b>5,632,000</b>	-	<b>6,404,556</b>

The statement of financial position for IMC is from the audited six-month period to 31 December 2022, which were published on the IMC LSE Webpage – <https://www.londonstockexchange.com/news-article/IMC/2022-23-interim-results/15854999> and which is also incorporated by reference into this Prospectus.

The statement of financial position for MVI Group is from the audited year end to 31 December 2022, which is published at <https://or.justice.cz/ias/ui/vypis-sl-firma?subjektId=1086880> and included at Part VIII. (Historical financial information relating to MVI) of the Prospectus.

The statements of financial position have been properly compiled and prepared on the historical cost basis consistent with the accounting policies of IMC Exploration Group plc. The accounting policies have been applied consistently by both IMC and the MVI Group.

#### Qualifications in the audit report relating to the historical financial information

Not applicable. The audit reports on the historical financial information relating to IMC incorporated by reference into this document are not qualified.

*What are the key risks that are specific to the issuer?*

- The Group's earnings and any profits from operations will be derived from the sale of metals which whose prices can fluctuate significantly. Gold will be one of the primary metals that the Enlarged Group will explore and mine, and gold's price per troy ounce has fluctuated between \$1,177 and \$2,070 in the five year period June 2018 to June 2023.
- Geopolitical risks generally: The impact of war in Ukraine and conflict in the Nagorno-Karabakh region, where tension has continued to be high into 2023, could have a materially adverse effect on the profitability, the ability to finance, or in extreme cases, the viability of commercial operations located in Armenia.
- Pandemics and other force majeure events may affect IMC's activities: The Group's activities could be impacted by events outside of its control, including acts of God, pandemics, forces of nature or other natural and unavoidable catastrophes that interrupt the expected course of events, the occurrence of which could prevent, restrict or delay the ability of the Group to fulfil its strategy and thereby having a negative impact on Group. As the operations of IMC require an active workforce and/or use of contractors, should the Covid-19 pandemic flare up again due to variants of the Covid-19 virus or should a new pandemic emerge, it would most likely slow down IMC's operations.
- There are operational risks and hazards associated with the mining industry: The Group's exploration activities are, and will be, subject to risks and hazards inherent in the mining industry relating to geological problems, mechanical, technical and practical delays, surges in the cost of services and supplies and unanticipated regulatory changes,
- Requirement for substantial capital expenditure and further financing with operational risks and hazards associated with the mining industry.
- Mineral exploration and mining are speculative in nature.
- Permits and environmental issues: While all planning and environmental requirements have been met to date by both IMC and MVI., and should the Admission be approved, there is no guarantee that planning and environmental approvals will be received for other possible projects that the Enlarged Group may wish to proceed with.  
There can be no assurance that the Group's business model will be commercially viable.
- Dependence on directors: IMC will be dependent on its directors' experience and expertise in the transition from being a purely junior mining exploration company to being a precious metals mining company.

**C. Key Information on the Securities**

***What are the main features of the securities?***

*Type, class and ISIN*

This prospectus relates to the application for 358,806,572 New Ordinary Shares to be admitted to the standard segment of the FCA Official List and trading on the London Stock Exchange's regulated market for listed securities.

When admitted to trading, the New Ordinary Shares will be registered with ISIN IE00B6WC2H62.

As at Admission, the Ordinary Shares will: (1) conform with the laws of Ireland; (2) have been duly authorised according to the requirements of the Company's Constitution; and (3) will have any necessary statutory or other consents.

*Currency, denomination, par value, number of securities issued and duration*

The Ordinary Shares are denominated in euro. As at the Latest Practicable Date, the Company has in issue 326,290,907 Ordinary Shares of €0.001 each which are issued fully paid and 50,000 A Ordinary Shares of €1.00 each which are issued fully paid.

*Description of rights attaching to the securities*

The Ordinary Shares rank equally for voting purposes. On a show of hands, each shareholder has one vote, and on a poll, each shareholder has one vote per Share held.

Each Ordinary Share ranks equally for any dividend declared. Each Ordinary Share ranks equally for any distributions made on a winding up of the Company.

As set out in the Company's Articles of Association, the calculation of dividends is at the discretion of the Directors in such amount as appears to the Directors to be justified by the profits of the Company.

Each Ordinary Share ranks equally in the right to receive a relative proportion of shares on the event of a capitalisation of reserves.

The 'A' Ordinary Shares entitle the holders thereof to receive notice of, attend but not vote at any general meeting of the Company, and carry no right to receive dividends. They are entitled to a return of the capital paid up on asset distribution relating to winding-up or otherwise.



*Rank of securities in the issuer's capital structure in the event of insolvency*

Holders of Ordinary Shares are entitled to participate in the assets of the Company attributable to their shares in a winding up of the Company or other return of capital.

*Restrictions on the free transferability of the securities*

Not applicable; there are no restrictions on the free transferability of the Ordinary Shares.

***Dividend or payout policy***

The Company has never declared or paid a dividend. Neither Irish company law nor the constitution of the Company obliges the Company to declare or pay a dividend to its shareholders. The Board anticipates that the Company's cash resources will be retained for the development of the Company's business.

***Where will the securities be traded?***

Applications will be made to the FCA and to the London Stock Exchange for New Ordinary Shares to be admitted to the standard listing segment of the Official List and to trading on the London Stock Exchange's main market for listed securities. It is expected that Admission will become effective on 6 November 2023 and that dealings in the New Ordinary Shares will commence on 6 November 2023.

***Is there a guarantee attached to the securities?***

There is no guarantee attached to the securities.

***What are the key risks that are specific to the securities?***

The Group may not be able to pay cash dividends to its shareholders for the foreseeable future, and any decision to pay dividends will depend on the Group's future profitability, cash availability and other factors.

The market price of the Ordinary Shares, including the New Ordinary Shares, could be subject to significant fluctuations.

Any future issue of Ordinary Shares will further dilute the holdings of current Shareholders and could adversely affect the market price of Ordinary Shares.

**D. Key Information on the Admission to Trading on a Regulated Market**

***Under which conditions and timetable can I invest in this security?***

Not applicable. This prospectus does not constitute an offer or an invitation to any person to subscribe for or purchase any shares in the Company. The New Ordinary Shares are being issued to the Seller in connection with the Acquisition and are not being offered to the public.

***Expected timetable of Principal Events***

The following dates assume the satisfaction of the conditions to Completion set forth in the Framework Agreement by the Long Stop Date (other than those conditions that are intended to be satisfied at or shortly prior to Completion) but are indicative only and subject to change.

<b>Event</b>	<b>Expected date/time</b>
Announcement of completion of the Acquisition	2 November 2023
Publication, posting and despatch of this document and the Form of Proxy	3 October 2023
Latest time and date for receipt of Forms of Proxy for the Extraordinary General Meeting	10:00a.m. on 24 October 2023
Extraordinary General Meeting	10:00a.m. on 26 October 2023
Expected date of Completion	2 November 2023
Cancellation of the current listing of the Existing Ordinary Shares on the Official List of the FCA	6 November 2023
Admission of New Ordinary Shares and readmission of Existing Ordinary Shares to the Official List of the FCA	8.00 a.m. on a Business Day within the first 5 Business Days following the date of completion

Notes:

- (1) The times and dates set out in the expected timetable of principal events above and mentioned throughout this document, by announcement through a Regulatory Information Services may be adjusted by the Company, in which event details of the new dates will be notified to the FCA and to the LSE and, where appropriate, to Shareholders.
- (2) References to times in this document are to Irish time unless otherwise stated.

### *Delivery of Ordinary Shares*

Subject to Completion, it is expected that Admission will become effective and that dealings on the London Stock Exchange in the New Shares will commence, at 8:00a.m. on 6 November 2023.

### *Dilution*

Subject to the Acquisition becoming effective, 349,399,716 New Ordinary Shares will immediately be issued to the Seller. Furthermore, the Company has agreed to issue 9,406,856 New Ordinary Shares in consideration for professional services rendered by members of the existing Board and others as below in aggregate as follows:

3,951,042 to Eamon O'Brien, Executive Chairman, in consideration for professional services and in lieu of payments of salary and directors fees.

2,326,295 to Lisa McDonnell, Administrator, for administration services and in lieu of payments of fees.

1,043,173 to director Kathryn Byrnes, for professional services and in lieu of payments of director's fees.

1,043,173 to director Andrew Fleming, for professional services and in lieu of payments of director's fees.

1,043,173 to director Glen Millar, for professional services and in lieu of payments of director's fees.

The allotment of 358,806,572 New Ordinary Shares by the Company will result in an increase in the Company's issued share capital of 109.96% relative to the number of Existing Ordinary Shares in issue as at the Latest Practicable Date, which will result in an immediate dilution of the Existing Ordinary Shareholders of 51.71%. Up to the following number of shares may also be allotted to the Seller, resulting in the following dilution:

<b>Milestone</b>	<b>Number of Ordinary Shares to be allotted to the Seller</b>	<b>Percentage of Ordinary Shares, based on the number of Ordinary Shares in issue at the Latest Practicable Date</b>
Completion of the Acquisition	349,399,716	51%
*First Additional Consideration Event: Once IMC has reached a total market capitalisation of £100 million and substantially retained that value for 90 days	68,509,748	4.45%
*Second Additional Consideration Event: Once IMC has reached a total market capitalisation of £200 million and substantially retained that value for 90 days	68,509,748	3.71%

The number of Ordinary Shares to be allotted to the Seller in relation to the First Additional Consideration Event and the Second Additional Consideration Event (as described above) may be adjusted as provided for in the Framework Agreement arising from an increase in the Market Capitalisation of IMC that can be fully attributed to either (i) IMC's business activities commenced prior to the Closing Date, and such events occurring between the Closing Date and the First Adjustment Date and between the First Adjustment Date and the Second Adjustment Date, as the case may be, in particular but not limited to ore body discoveries on IMC's Irish exploration licence territories which IMC holds before the Closing Date or (ii) is based on other equity measures, such as the issue of shares to shareholders other than MVI (or any of its controlled entities). Defined terms used in this paragraph have the meanings given to them in the Framework Agreement.

The Preference Shares, if converted into Ordinary Shares, would result in a further maximum of 21,092,903 Ordinary Shares being allotted to MVI resulting in its total percentage holding of voting shares in the Company reaching a maximum of 60.19%.

### *Estimated Expenses*

The total costs, charges and expenses are estimated to be approximately €900,000.

### ***Why is this prospectus being produced?***

#### *The admission of New Ordinary Shares to trading on a regulated market*

On 15 April 2021, IMC announced the proposed acquisition of the entire issued share capital of MVI from the Seller. The entire consideration to be paid for the Acquisition will be satisfied by allotment of New Shares in the Company to the Seller. This prospectus is being produced in connection with Admission as contemplated by the terms of the Acquisition. It is expected that Admission of the New Shares will become effective, and that dealings in the New Ordinary Shares on the London Stock Exchange will commence, at 8:00a.m. on the second Business Day following the Completion Date.

#### *Most material conflicts of interest*

There are no conflicting interests that are material to the Acquisition or Admission.

## RISK FACTORS

*The Acquisition and any investment in IMC and Ordinary Shares (including New Ordinary Shares) carries a number of risks. Shareholders should review this document carefully and in its entirety (together with any documents incorporated by reference into it) and consult with their professional advisers. You should carefully consider the risks and uncertainties described below, together with all other information in this document and the information incorporated into this document by reference, before making any investment decision. Without prejudice to the fact that no offer or invitation to the public to subscribe for Ordinary Shares is being made, Shareholders and prospective shareholders should note that the risks relating to the IMC Group, its industry and the Ordinary Shares (including New Ordinary Shares summarised in the section of this document headed 'Summary' are the risks that the Board believes to be most essential to an assessment by a prospective shareholder of whether to consider an investment in the Ordinary Shares (including New Ordinary Shares).*

*A number of factors affect the business, results of operations and financial condition of IMC and, following Completion, will affect the Enlarged Group. This section describes risk factors considered to be material in relation to the IMC Group and the MVI Group as discrete groups based on information known at the date of this document. Each of these risks will continue to be relevant to the Enlarged Group following Completion.*

*However, these should not be regarded as a complete and comprehensive statement of all potential risks and uncertainties. Additional risks and uncertainties that are not presently known, or which are currently deemed immaterial, may also have an adverse effect on the business, results of operations and financial condition of IMC and, following Completion, the Enlarged Group. If any such risks were to materialise, the price of the Ordinary Shares could decline as a consequence and investors could lose all or part of their investment.*

*The information given is as of the date of this document and, except as required by the FCA, the London Stock Exchange, the Listing Rules, the Prospectus Rules or any other applicable law, will not be updated. Any forward-looking statements are made subject to the reservations specified under 'Forward-Looking Statements' on page 14 of this document.*

### **A. RISKS RELATING TO THE BUSINESS AND INDUSTRY IN WHICH IMC OPERATES AND, FOLLOWING THE ACQUISITION, IN WHICH THE ENLARGED GROUP WILL OPERATE**

#### **A.1 Volatility of Mineral Pricing and market fluctuations**

. The Group's earnings or other companies that the Group may invest in from time to time may be derived from the mining and sale of metals and may, therefore, be related to the market price for those metals. The prices of metals can fluctuate significantly and are affected by numerous factors which the Group is unable to control or predict including world production levels, international economic trends, the availability of substitute minerals or metals for industrial uses, sales and purchases of a particular mineral, forward sales by producers and speculators, levels of mineral production and short-term changes in international level of supply and demand because of speculative hedging activities. Gold will be one of the primary metals that the Enlarged Group will explore and mine, and gold's price per troy ounce has fluctuated between \$1,177 and \$2,070 in the five year period June 2018 to June 2023.

In addition, the profitability of any future mining operations by the Group shall be directly related to the prevailing price of the minerals produced. If prices decline for a substantial period below the cost of production at any future mines of the Group, it may not be economically feasible to continue production at such mines. A decline in the prevailing price of minerals may also require the Group to write-down any mineral resources or mineral reserves, which would have a material and adverse effect on future earnings and profitability.

#### **A.2 Geopolitical risks generally**

Russia launched a large-scale invasion of Ukraine on February 24, 2022. The extent and duration of the resulting war, resulting sanctions and resulting future market disruptions are impossible to predict. Furthermore, the war in Ukraine, and should it spread beyond Ukraine's borders, elsewhere, or other associated or concurrent conflicts, if they emerge, could have a localised or widespread adverse effect, including negative impacts on the economy of any affected region and the markets for certain securities and commodities, as well as other sectors. It is not possible to predict how materially and adversely the Company would be affected by any such factors.

### **A.3 *Pandemics and other force majeure events may affect IMC's activities.***

The Group's activities could be impacted by events outside of its control, including acts of God, pandemics, forces of nature or other natural and unavoidable catastrophes that interrupt the expected course of events, the occurrence of which could prevent, restrict or delay the ability of the Group to fulfil its strategy and thereby having a negative impact on Group.

The particular pandemic that is Covid-19 also brings associated risks. While Covid-19 vaccines have enabled economies to return to normal function in many respects, there is nevertheless the possibility that variants of the virus may be resistant to vaccines in the short to medium term or that another pandemic may emerge. Restrictions on travel in particular have delayed the ability of the Company to conduct the in-person meetings and site visits that would be typical in the case of a transaction of the nature of the Acquisition. These factors and continuing restrictions could lead to a slowdown in the Company's exploration and mining operations that are dependent on the ability of its future workforce and sub-contractors to operate which would have a material and adverse effect on future earnings and profitability.

### **A.4 *There are operational risks and hazards associated with the mining industry***

The Group's exploration activities are, and will be, subject to risks and hazards inherent in the mining industry, including but not limited to, variations in grade, deposit size, density, unusual or unexpected rock formations and other geological problems, structural cave-ins or slides, seismic activity, flooding, fires, explosions, periodic interruptions due to inclement or hazardous weather conditions, environmental hazards, hydrological conditions, delays in installing and commissioning plant and equipment, metallurgical and other processing problems, mechanical equipment performance problems and other technical problems, the unavailability of materials and equipment including fuel, labour force disruptions or shortage of skilled workers, unanticipated interruptions or significant changes in the costs of services and supplies including but not limited to water, transport, fuel and power, and unanticipated regulatory changes. Should any of these risks and hazards affect any of the Group's exploration activities, it may cause the cost of exploration to increase and may result in a requirement for greater capital or operating expenditure. The cost of exploration may also increase to a point where it would no longer be economic to carry out these activities which would have a material and adverse effect on the financial condition of the Group.

Problems may also arise due to the quality or failure of locally obtained equipment or interruptions to services (such as power, water, fuel or transport or processing capacity) or technical support which results in failure to achieve expected target dates for drilling or production activities and/or result in a requirement for greater expenditure.

### **A.5 *Requirement for Capital Expenditure and further financing***

The Company may be unable to obtain needed capital or financing on satisfactory terms or otherwise outside the period referred to under "Working capital statement" in Part XIII of this document, which could materially adversely affect the business, prospects and financial condition of the Company after the execution of its plans which have been factored into the working capital needs projected by the Company as referred to in Paragraph 9 Part XIII of this Prospectus. The successful extraction of mineral resources requires significant capital investment. Delays in the development of any of the Group's mining projects or drilling projects or other technical difficulties may result in projected target dates for related production being delayed and/or further capital expenditure being required.

The Group's ability to raise further funds will depend on the success of existing and future operations. The Group may not be successful in procuring the requisite funds and, if such funding is unavailable, the Group may be required to reduce the scope of its operations or anticipated expansion and ultimately the Company may cease to be a going concern. In particular, the inability to finance expenditure requirements under the terms of the Group's PLs could result in the forfeiture of some, or all, of them. In the event that financing is successful it may mean that new Ordinary Shares need to be issued thus diluting the interests of shareholders at that time.

Significant capital investment will be required to achieve commercial production from the Group's existing exploration projects and from successful exploration effects. There is no assurance that the Company will be able to raise the required funds to continue these activities and there can be no guarantee that such funding will ultimately be available.

### **A.6 *Mineral exploration and mining are speculative in nature***

The business of exploring for and mining minerals involves a degree of risk and only a small proportion of properties that are explored worldwide are ultimately developed into producing mines. No success in this

respect can be guaranteed.

Where exploration has led to increased mineral resources or reserves, the economics of developing mineral properties is affected by many factors including the cost of operations, variations of the grade of ore mined, quality and availability of geological expertise and such other factors as government regulations.

Due to the speculative nature of exploration and production it may not always be possible for the Group to accurately forecast cash flow, operating costs and economic returns. Further, and other than as set out in the Competent Persons Reports that are appended at Annexes 2 and 3 of this Prospectus, no assurances can be given that any minerals will be discovered in economically viable quantities in the geographical locations in which the Group is interested, nor that any such reserves can be brought into profitable production.

#### **A.7 *Permits and Environmental Issues***

Under different legislation there are separate but complementary procedures and agencies responsible for land use planning control and environmental issues. Whilst the Group has received all necessary environmental and permits for its current and past operations, it should be noted that each proposed future drill-hole that the Group may wish to drill will be subject to separate environmental permissions on a case-by-case basis and there can be no guarantee that permissions will be granted in the future.

#### **A.8 *There can be no assurance that the Group's business model will be commercially viable***

The success or otherwise of the Group's business model can be affected by changes to the industry and/or general economic factors. The nature of the business and industry in which IMC currently operates is in mineral exploration and following Completion, the nature of the business and industry in which the Enlarged Group will operate will be expanded into both mineral exploration and mineral mining. The Board have a defined strategy and are optimistic about the Group's development prospects; however there is no guarantee that the Group's objectives will be achieved. In addition, actual results of operations may require significant modifications to all or part of such strategy model.

#### **A.9 *Dependence on Directors***

The Group is dependent on its current Directors, and following Completion, it will also be dependent on the Proposed Directors. The Proposed Directors will guide the Enlarged Group with the benefit of their local geological and operational knowledge in the transition of the Company from being a junior mining exploration company to being a precious metals mining company. The Group's business activity and ability to fulfil its strategy could be adversely affected by the loss of any Directors.

#### **A.10 *The result of the UK withdrawal from the European Union may materially adversely affect the business, results of operations and financial condition of IMC and, following Completion, the Enlarged Group.***

Following the decision in the national referendum held on 23 June 2016, the UK Government formally served notice under Article 50 of the Lisbon Treaty on 29 March 2017 triggering the process for the UK to withdraw from the European Union (commonly known as **Brexit**). The terms of withdrawal, the on-going negotiations between the UK and the European Union and the political climate in the UK surrounding Brexit have created significant uncertainty around the future relationship between the UK and the EU and the consequences for the UK economy. If economic conditions in the UK and the EU weaken as a result of Brexit, and because IMC is listed on the LSE, and consequently IMC's share price, are often reflective of the general economic conditions, this may materially adversely impact the business and financial condition of IMC.

#### **A.11 *IMC and, following Completion, the IMC Group's results can be materially adversely affected by weather conditions or external events.***

As part of the operation of the Karaberd Mine involves open-pit mining, then following the Acquisition there is always the possibility that prolonged adverse weather conditions could slow down or delay mining operations in the Karaberd Mine.

A.12 ***The IMC Group will enter into arrangements with third parties in the normal course of its business, and failure by such parties to meet their obligations or to continue to participate in such arrangements could have a material adverse effect on its business, results of operations and financial condition.***

The IMC Group may from time to time enter into arrangements with drilling contractors and crushed ore processing facilities in relation to the operation of the Karaberd Mine. While the Board is confident that it can replace any non performing parties to those arrangements, nevertheless, failure to perform by such parties may delay operations.

B. **RISKS RELATING TO THE ACQUISITION**

B.1 ***In-country regulatory and other risks in Armenia***

The Karaberd Mine and related ore crushing facility is located in northern Armenia. Upon completion of the Acquisition the Enlarged Group will be subject to the risks associated with operating in that country, including various levels of political, sovereign, economic and other risks and uncertainties.

These risks and uncertainties also include, but are not limited to, the risks of war or civil unrest, renegotiation or nullification of existing concessions, licences, permits and contracts, changes in taxation policies, restrictions on foreign exchange and repatriation and changing political conditions, currency controls and governmental regulations that favour or require the awarding of contracts to local contractors or require foreign contractors to employ citizens of, or purchase supplies from, a particular jurisdiction. Changes, if any, in mining or investment policies or shifts in political attitude in Armenia may adversely affect the operations or profitability of the Enlarged Group. Operations may be affected in varying degrees by government regulations with respect to, but not limited to, restrictions on production, price controls, export controls, foreign currency remittance, income taxes, expropriation of property, foreign investment, maintenance of claims, environmental legislation, land use, land claims of local people, water use and mine safety.

Failure to comply strictly with applicable laws, regulations and local practices relating to mineral rights applications and tenure, could result in loss, reduction or expropriation of entitlements.

The mining licence for the Karaberd Mine is due to expire in June 2024. While in the normal course of operations an application for renewal has been submitted to the relevant authority to extend the licence for another 11 years and the Seller has complied with all conditions of the existing licence, failure to have the mining licence renewal approved would affect the viability and profitability of the Enlarged Group.

Any material adverse changes in government policies, legislation, political, legal and social environments in Armenia or any other country that the Enlarged Group has economic interests in that affect mineral exploration activities, may affect the viability and profitability of the Enlarged Group.

B.2 ***Background information and risks of conflict affecting Armenia***

***Military conflict in Nagorno Karabakh.*** On 27 September 2020, Azerbaijan launched a military offensive in the disputed territory commonly known as Nagorno- Karabakh, a largely ethnic Armenian enclave in the south of Azerbaijan. This latest armed conflict in that region was ended by a ceasefire agreement on 10 November 2020. The Nagorno-Karabakh conflict is an ongoing ethnical and territorial conflict, mostly between Armenia and Azerbaijan, that resulted in the First Nagorno-Karabakh War (1988-1994) and subsequent border clashes. Conflict over Nagorno-Karabakh in the period since the dissolution of the Soviet Union, which region was administered during the Soviet period as the Nagorno-Karabakh Autonomous Oblast (within the Azerbaijan Soviet Socialist Republic), has had serious repercussions for Armenia, limiting in particular Armenia's access to international trade routes.

***Military conflict in Ukraine.*** The conflict broke out in February 2022 in Ukraine that has evolved rapidly and had significant impact around the world. The United States and the European countries have imposed severe sanctions against the Russian Federation. The Western countries are discussing widening existing sanctions. The Russian Federation is a significant trading partner of the Republic of Armenia, hence sanctions imposed on Russia as of the date of these financial statements, as well as the escalation of those sanctions had a radical effect on the economy and financial markets of the Republic of Armenia. The immediate global implications were higher inflation, lower growth, and some disruption to financial markets. This resulted in increased inflows of foreign currency into the Armenian market, which led to a significant appreciation of the Armenian dram relative to the US dollar and Euro. On the other hand, the Central Bank of Armenia did not take any measures to weaken the Armenian national currency.

The impact of conflict in the Nagorno-Karabakh region, where tension has continued to be high into 2023, and in the Ukraine could have a materially adverse effect on the profitability, the ability to finance, or in extreme cases, the viability of commercial operations located in Armenia.

**B.3 *The Enlarged Group may require additional funding for further capital investment or growth plans over the long-term, and such funding may result in further restrictions on the Enlarged Group's business operations.***

The Enlarged Group may require additional funding for further capital investment or growth plans over the long-term after the execution of its plans which have been factored into the working capital needs projected by the Company as referred to in Paragraph 9 of Part XIII of this Prospectus. However, disruptions in the capital and credit markets as a result of uncertainty, geopolitical events, changing or increased regulation of financial institutions, reduced alternatives or failures of significant financial institutions could adversely affect the Enlarged Group's access to such liquidity. Failure to obtain such additional funding could result in delays in the development and exploitation of the Karaberd Mine.

The Enlarged Group may incur substantial debt from time to time to finance working capital, capital expenditures, investments or acquisitions or for other purposes. If the Group does so, the risks related to the Enlarged Group's indebtedness could intensify, including: (i) increased difficulty in satisfying existing debt obligations; (ii) limitations on the ability to obtain additional financing, or imposed requirements to make non-strategic divestitures; (iii) imposed hedging requirements, (iv) imposed restrictions on the Group's cash flows, for debt repayment; (v) increased vulnerability to general adverse economic and industry conditions; (vi) interest rate risk exposure as borrowings may be at variable rates of interest; (vii) decreased flexibility in planning for and reacting to changes in the mining industry; (viii) reduced competitiveness as compared to less leveraged competitors; and (ix) increased cost of borrowing.

The Enlarged Group's ability to make scheduled payments on or refinance its future debt obligations, depends on the Group's financial condition and operating performance which are subject to prevailing economic and competitive conditions and to various external and other risks as indicated above.

**C. RISKS RELATING TO AN INVESTMENT IN ORDINARY SHARES**

**C.1 *Dividend Payments***

No dividend has ever been paid by the Group and future profits may be retained for operations to the extent necessary to fulfil the Group's business plan. The Group may not be able to pay cash dividends to its shareholders for the foreseeable future, and any decision to pay dividends will depend on the Group's future profitability, cash availability and other factors. The Group has no plans to pay a dividend in the immediate future and no assurance can be given that there will ever be any such cash dividend or distribution in future. Any shareholders who anticipate a need for immediate income from their investment should therefore not, purchase any Ordinary Shares.

**C.2 *Share price volatility and limited liquidity associated with the Ordinary Shares***

Shareholders should recognise that the price of securities and the income from them can go down as well as up and may not reflect underlying asset values at any time. The price at which the Ordinary Shares may trade and the price which the shareholders may realise for their Ordinary Shares will be influenced by a large number of factors, some specific to the Company, such as its exposure to volatility in metals prices and operational and regulatory risks of mining and geopolitical risk associated with the area in which the Karaberd Mine is located and some which may affect quoted companies generally. These factors could include the performance of the Group's operations, large purchases or sales of Ordinary Shares, liquidity (or absence of liquidity) in the Ordinary Shares, currency fluctuations, legislative or regulatory changes and general economic conditions. The value of the Ordinary Shares will therefore fluctuate and may not reflect their underlying asset value.

The nature of the Company may result in little or no trading in Ordinary Shares, which may result in shareholders being unable to dispose of their shareholdings.

**C.3 *The ability of Overseas Shareholders to bring actions or enforce judgments against the Enlarged Group or its directors or officers may be limited.***

The ability of an Overseas Shareholder to bring an action against the Company may be limited under Irish law. The Company is a public limited company incorporated in Ireland. The rights of holders of Ordinary Shares which are set out in the Articles are governed by Irish law. These rights may differ from the rights of shareholders in non-Irish corporations. An Overseas Shareholder may not be able to enforce a

judgment against some or all of the Directors and executive officers. It may not be possible for an Overseas Shareholder to effect service of process upon the Directors and executive officers within the Overseas Shareholder's country of residence or to enforce against the Directors and executive officers judgments of courts of the Overseas Shareholder's country of residence based on civil liabilities under that country's securities laws. There can be no assurance that an Overseas Shareholder will be able to enforce any judgments in civil and commercial matters or any judgments under the securities laws of countries other than Ireland against the Directors or executive officers who are residents of Ireland or countries other than those in which judgment is made. In addition, Ireland or other courts may not impose civil liability on the Directors or executive officers in any original action based solely on foreign securities laws brought against the Company or the Directors in a court of competent jurisdiction in Ireland or other countries.



## **IMPORTANT NOTICES**

### **DISCLAIMER**

In considering whether to approve the Acquisition and the Rule 9 Waiver, Shareholders must rely on their own examination, analysis and enquiry of IMC and the terms of the Acquisition and the Rule 9 Waiver, including the merits and risks involved. Neither IMC nor any of its representatives is making any representation to any Shareholder or prospective shareholder regarding the legality or advisability of an investment in the securities of IMC or related or other securities or instruments under the laws applicable to such Shareholder or prospective shareholder. The contents of this document are not to be construed as legal, business, tax or financial advice. Each Shareholder or prospective shareholder should consult with its, his or her own adviser as to the legal, tax, business, financial and related aspects.

Any decision in connection with the Acquisition and the Rule 9 Waiver should be made solely on the basis of the information contained in this document. Without limitation to the foregoing, reliance should not be placed on any information in any announcements released by IMC prior to the date of this document, except to the extent that such information is repeated or incorporated by reference into this document and not superseded or revised.

Recipients of this document acknowledge that they have relied only on the information contained in or incorporated by reference into this document, and that no person has been authorised to give any information or to make any representation concerning IMC, any other member of the IMC Group or the Ordinary Shares (other than as contained in or incorporated by reference into this document) and, if given or made, any such other information or representation should not be relied upon as having been authorised by IMC.

No person has been authorised to give any information or make any representations other than those contained in this document or incorporated by reference herein and, if given or made, such information or representations must not be relied upon as having been authorised by IMC. IMC does not take any responsibility for, and cannot provide assurance as to the reliability of, other information that you may be given. Subject to the Prospectus Regulation and the Market Abuse Regulation, neither the delivery of this document nor any subscription or sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of IMC since the date of this document or that the information in this document is correct as at any time subsequent to its date. Without limitation, the contents of IMC's website do not form part of this document unless that information is incorporated by reference into this document.

### **FORWARD-LOOKING STATEMENTS**

This document contains or incorporates by reference "forward-looking" statements. All statements other than statements of historical fact included in this document may be forward-looking statements. Generally, words such as "will", "may", "would", "should", "could", "estimates", "continues", "believes", "expects", "aims", "targets", "projects", "intends", "anticipates", "plans", "prepares", "seeks" or, in each case, their negative or other variations or similar or comparable expressions identify forward-looking statements.

These forward-looking statements appear in a number of places throughout this document and/or the information incorporated by reference into this document, and reflect the intentions, beliefs or current expectations of the Board and other members of senior management, as well as assumptions made by them and information currently available to them. Although the Board and other members of senior management believe that these beliefs and assumptions are reasonable, by their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future and may be beyond the Company's ability to control or predict. Forward-looking statements are not guarantees of future performance.

The Company's actual performance, operating results, internal rate of return, financial condition, distributions to Shareholders and the development of its financing strategies may differ materially from the impression created by the forward-looking statements contained in this document and/or the information incorporated by reference into this document. In addition, even if the Company's actual performance, operating results, internal rate of return, financial condition, distributions to Shareholders and the development of its financing strategies are consistent with the forward-looking statements contained in this document and/or the information incorporated by reference into this document, those results or developments may not be indicative of results or developments in subsequent periods. Important factors that could cause these differences include, but are not limited to, general economic and business conditions, industry trends, competition, changes in government and other regulation, including in relation

to taxation, labour relations and work stoppages, changes in political and economic stability and changes in business strategy or development plans and other risks, including those described in the section of this document headed "Risk Factors".

Shareholders should carefully review the section of this document entitled "Risk Factors" for a discussion of factors that could cause the Company's actual results to differ materially from those expected before making an investment decision. In light of these risks, uncertainties and assumptions, the events described in the forward-looking statements in this document and/or the information incorporated by reference into this document may not occur. For the avoidance of doubt, nothing in this document constitutes a qualification of the working capital statement contained in Section 9 of Part XIII (*Additional Information*) of this document.

Forward-looking statements contained in this document apply only as at the date of this document. To the extent required by the Listing Rules, the Prospectus Regulation, the Transparency Directive Regulations and other applicable regulations, the Company will update or revise the information in this document. Otherwise, the Company undertakes no obligation publicly to update or revise any forward-looking statement, whether as a result of new information, future developments or otherwise.

**Forward-looking statements contained in this document do not in any way seek to qualify the working capital statement contained in Section 9 of Part XIII (*Additional Information*) of this document.**

## **PRESENTATION OF FINANCIAL INFORMATION**

Shareholders should consult their own professional advisers to gain an understanding of the financial information contained in this document. An overview of the basis for presentation of financial information in this document is set out below.

The historical financial information contained in this document has been presented in accordance with IFRS.

### *Roundings*

Certain data in this document, including financial, statistical, and operating information, has been rounded. As a result of the rounding, the totals of data presented in this document may vary slightly from the actual arithmetic totals of such data. Percentages in tables have been rounded and accordingly may not add up to 100 per cent.

In addition, certain percentages presented in the tables in this document reflect calculations based upon the underlying information prior to rounding, and, accordingly, may not conform exactly to the percentages that would be derived if the relevant calculations were based upon the rounded numbers.

### *Currency presentation and abbreviations*

Unless otherwise indicated, all references in this document to "Euro", "€", or "cents" are to the lawful currency of Ireland. IMC prepare their financial statements in Euros.

The abbreviations "€m" or "€ million" represent millions of Euro, and references to "cents" and "c" represent cents in Euro.

### *No profit forecasts or estimates*

No statement in this document is intended as a profit forecast or estimate and no statement in this document should be interpreted to mean that earnings per share for the most recent, current or future financial years would necessarily match or exceed the historical published earnings per share.

## **NO INCORPORATION OF WEBSITE INFORMATION**

Neither the content of IMC's website nor the Seller's website nor the content of any website accessible from hyperlinks on IMC's website or the Seller's website, is incorporated into, or forms part of, this document and prospective shareholders should not rely on them, without prejudice to the documents specifically incorporated by reference into this document which will be made available on IMC's website.

## EXPECTED TIMETABLE OF PRINCIPAL EVENTS

The following dates assume the satisfaction of the conditions to Completion set forth in the Framework Agreement by the Long Stop Date (other than those conditions that are intended to be satisfied at or shortly prior to Completion) but are indicative only and subject to change.

<b>Event</b>	<b>Expected date/time</b>
Publication, posting and despatch of this document and the Form of Proxy	3 October 2023
Latest time and date for receipt of Forms of Proxy for the Extraordinary General Meeting	10:00a.m., 24 October 2023
Extraordinary General Meeting	10:00a.m., 26 October 2023
Expected date of Completion	2 November 2023
Cancellation of the current listing of the Existing Ordinary Shares on the Official List of the FCA	6 November 2023
Admission of New Ordinary Shares and readmission of Existing Ordinary Shares on the Official List of the FCA	8.00 a.m. on a Business Day within the first five Business Days following the date of Completion

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### Notes:

- (1) The times and dates set out in the expected timetable of principal events above and mentioned throughout this document, by announcement through a Regulatory Information Services may be adjusted by the Company, in which event details of the new dates will be notified to the FCA and to the LSE and, where appropriate, to Shareholders.
- (2) References to times in this document are to Irish time unless otherwise stated.

## **IMC DIRECTORS, COMPANY SECRETARY, REGISTERED OFFICE AND ADVISERS**

<b>IMC Directors</b>	Eamon O'Brien Kathryn Byrne Andrew (Laz) Fleming	(Chairman)
<b>Company Secretary</b>	McClure Corporate Services Limited	
<b>IMC Directors following the Acquisition</b>	Eamon O'Brien Kathryn Byrne Andrew (Laz) Fleming Gagik Gevorgyan Vahagn Marukhyan	(Chairman)
<b>Registered office</b>	70 Ballybough Road Dublin D03 F9P7 Ireland	
<b>Financial Adviser</b>	Keith, Bayley, Rogers & Co. Limited	
<b>Legal Advisers to IMC as to English Law</b>	Gowling GWLG	
<b>Legal Advisers to IMC as to Irish Law</b>	Mason Hayes & Curran LLP	
<b>Auditor and Reporting Accountants to IMC</b>	Lowry & Associates	
<b>Registrar</b>	Avenir Registrars Limited	

## PART I. LETTER FROM THE CHAIRMAN

### IMC EXPLORATION GROUP PLC

(Incorporated and registered in Ireland with registered number 500487)

#### Directors

Eamon O'Brien (Chairman)  
Kathryn Byrne  
Andrew (Laz) Fleming

#### Registered office

70 Ballybough Road  
Dublin  
D03 F9P7  
Ireland

29 September 2023

Dear Shareholder,

#### **Proposed acquisition of MVI Ireland s.r.o., Approval of a waiver of Rule 9 of the Irish Takeover Rules and Notice of Extraordinary General Meeting**

### 1. INTRODUCTION

On 15 April 2021, IMC announced the proposed acquisition of the entire issued share capital of MVI Ireland s.r.o. ("**MVI**") from Mineral Ventures Invest spol. s r.o. (the "**Seller**"). MVI holds the entire issued share capital in Assat, LLC ("**Assat**"). Assat holds the Karaberd Operating Licence in respect of the Karaberd Mine, located in northern Armenia, together with ore crushing facilities located between Vanadzor and Karaberd.

The entire consideration to be paid for the Acquisition will be satisfied by allotment of New Shares in the Company to the Seller. Upon Completion of the Acquisition, the Company will hold the entire issued share capital in MVI. Up to the following number of shares may also be allotted to the Seller, resulting in the following dilution.

Milestone	Number of Ordinary Shares to be allotted to the Seller	Percentage of Ordinary Shares, based on the number of Ordinary Shares in issue at the time of Completion and after each subsequent allotment milestone
Completion of the Acquisition	349,399,716	51%
*First Additional Consideration Event: Once IMC has reached a total market capitalisation of £100 million and substantially retained that value for 90 days	68,509,748	4.45%
*Second Additional Consideration Event: Once IMC has reached a total market capitalisation of £200 million and substantially retained that value for 90 days	68,509,748	3.71%

Furthermore, the number of Ordinary Shares to be allotted to the Seller in relation to the First Additional Consideration Event (as described above) and the Second Additional Consideration Event (as described above) may be adjusted as provided for in the Framework Agreement arising from an increase in the Market Capitalisation of IMC that can be fully attributed to either (i) IMC's business activities commenced prior to the Closing Date and such events occurring between the Closing Date and the First Adjustment Date and between the First Adjustment Date and the Second Adjustment Date, as the case may be, in particular but not limited to ore body discoveries on IMC's Irish exploration licence territories which IMC holds before the Closing Date or (ii) is based on other equity measures, such as e.g. issuance of shares to shareholders other than MVI (or any of its controlled entities). In addition, the Preference Shares to be allotted to the Seller as referred to in paragraph 11 below, if converted into Ordinary Shares, would result in a further maximum of 21,092,903 Ordinary Shares being allotted to MVI resulting in its total percentage holding of voting shares in the Company reaching a maximum of 60.19%.

For further details of the Acquisition, see Part II (*Terms and conditions of the Acquisition*).

Under Rule 9 of the Irish Takeover Rules, on completion of the Acquisition, the Seller would be obliged to make a general offer under Rule 9 for the remaining shares in the Company as a result of the allotment and issue of the New Ordinary Shares in accordance with the Framework Agreement. The Panel has agreed to waive this obligation subject to the approval (on a poll) of the Shareholders of the Waiver Resolution. The

Acquisition is therefore conditional to the approval of that resolution by the Shareholders. Your attention is drawn to paragraph 6 of this Part I which contains further information on the Irish Takeover Rules and the proposed waiver of Rule 9 of the Irish Takeover Rules.

The Acquisition is also conditional upon the approval of the Resolutions at the EGM that will grant the directors the authority to allot the New Ordinary Shares and that will approve the Acquisition as a reverse takeover pursuant to the FCA Listing Rules. The Resolutions are set out in the Notice of General Meeting at the end of this document.

## 2. **BACKGROUND AND REASONS FOR THE ACQUISITION**

To date, the IMC Group's principal activity has been prospecting for gold, silver, base metals and barytes in Ireland. The Group's main focus and objective of such prospecting is on the discovery of gold, silver and base metals with a view to establishing the existence or otherwise of economically recoverable quantities of such metals.

The Directors consider that the acquisition of the Karaberd Mine and the development of the Karaberd ore crushing facility would serve the existing strategic direction of IMC while expanding the geographic scope of its operations.

The Directors believe the Acquisition will deliver the following strategic and financial benefits to the IMC Group:

- It will be transformational for the Company, taking it from being an exploration company to being both a mining exploration company and a mining company.
- It enlarges the geographical base of the Group and will give the Group access to other potential exploration and mining opportunities, thus facilitating accelerated growth of the Group.
- It will greatly enhance the expertise within the Group, with the addition of personnel with vast experience in exploration and mining.
- It will give the Group the benefit of access to a poly-metal eco-production facility provider which in turn may be of value when seeking to engage an eco-production processor for the Group's spoils and tailings poly-metals project in Avoca.
- Following initial and successful production of crushed ore from the Karaberd mine, the Group would then have a source of cash-flow.
- Having a source of cash-flow should markedly improve the Group's ratings in financial markets and accordingly enhance the Group's growth prospects with greater access to capital.
- An immediate financial benefit to the Group's working capital will be the provision by the Seller of €20,000 per month over 24 months totalling €480,000 over the period.
- The Group will have the benefit of a deposit of \$650,000 paid to China National Geological and Mining Corporation ("**CGM**") by the Seller should the Group wish to either complete or vary a proposed provision of an Eco-Production Facility at Karaberd by CGM.

## 3. **SUMMARY INFORMATION ON THE IMC GROUP**

IMC was incorporated on 27 June 2011 in Ireland and operates under the laws of Ireland with registered number 500487. The Company is a public limited company domiciled in Ireland. The legal entity identifier of the Company is 2138006RYVS4BRW33C48.

IMC Exploration Limited, a wholly owned subsidiary of IMC, holds six PLs in southeast Ireland, issued by the GSRO. Each of the PLs is licensed for base metal and gold exploration.

IMC has developed a strategic licence holding in the southeast of Ireland based on corporate understanding of precious and base metal occurrences. The Company develops exploration strategies based on reviews of historical data complemented by follow-up exploration and drilling programmes to define, test and upgrade geological targets. IMC views its licences to be amongst the most prospective exploration licences currently available in Ireland and is working with research institutes to expand its geological knowledge, especially in relation to mineralisation. This approach has and will continue to provide quality targets for drill testing and discovery.

### **Gold**

IMC Exploration Limited holds six PLs (with 100% interest in each) in the southeast of Ireland that are

highly prospective for gold (and base metal) mineralisation.

Three of these licences (PLs 3849, 3850 and 3857) are within, or cover the strike extent of, the Avoca VMS mineralized belt in Co. Wicklow, an area having highly anomalous gold (Au) values in bedrock, soils and stream sediments. Historic extraction of alluvial gold was undertaken in this area and gold occurrences have been found in exploratory trenches with grades of up to 42.5g/t Au. It is therefore considered that the Avoca area has excellent exploration potential.

IMC Group has established an Inferred Resource of c. 20,000 ounces of gold on part of the spoils and tailings from the historic East Avoca Mine (CSA Global, 2019) within the eastern zone. Further potential remains within the spoils and tailings at West Avoca, where work is currently underway to estimate the mineral resources.

The remaining three licences are located in north Co. Wexford. Two of these are prospective for gold and VMS mineralisation (PLs 1199 and 1200) and an adjacent licence (PL 2251) is prospective for orogenic gold mineralisation. Analyses of quartz veins in PL 2251 have returned grades of 0.6m grading 18.24g/t Au (Irish Marine Oil, 1999), 0.7m grading 35.04g/t (Deevy, 2002) and 1.5m grading 354g/t Au (IMC, 2012).

### **Base Metals**

IMC Exploration Limited's Avoca licences in southeast Ireland are prospective for VMS mineralisation.

Mining at Avoca dates from at least the 1700s, with the most recent production in the years 1958 to 1962 and 1969 to 1982, respectively. Within the mine area, mineralisation is known to extend over a surface area of approximately 4km x 500m and to a depth of over 500m. In the latter period of mining, massive sulphide was mined at a grade of 1.0% Cu to 1.2% Cu and stringer sulphide at 0.8% Cu to 1.0% Cu.

Historical production from the Avoca Mine is estimated to have totalled 16Mt grading c. 0.6% Cu from banded, vein and disseminated sulphides hosted by the upper Ordovician Duncannon Group. The total in situ copper resource at Avoca is reported to have exceeded 100Mt at 0.2% Cu.

A stockwork, feeder or stringer pipe crosscutting acid volcanic and volcanoclastic rocks is capped by a zoned volcanogenic massive sulphide orebody. The massive sulphide comprises an underlying Cu-pyrite zone and an overlying Pb-Zn-Cu zone. Two licences in the Kilmichael Block are also prospective for VMS deposits.

In conclusion, given the exploration friendly policies promoted by the Irish Government, the country's infrastructure, the previous success of other operators in Ireland together with the materials, criteria and rationale used by IMC for the selection of these PLs, IMC considers that these licences have sound and proper potential for the discovery of economic precious and base metal deposits.

The executive directors are Eamon O'Brien – Chairman, Andrew Fleming. Non- executive director Kathryn Byrne completes the Board of the Company.

IMC is currently listed on the London Stock Exchange (Ticker: IMC).

## **4. SUMMARY INFORMATION ON MVI**

MVI was incorporated on 3 June 2020 in the Czech Republic and operates under the laws of Czech Republic. It is a limited liability company domiciled in the Czech Republic with its registered seat at Ovocný trh 572/11, Staré Město, 110 00 Prague 1, Czech Republic, ID no. 09215077, registered in the Czech Commercial Register maintained by the Municipal Court in Prague under file no. C 332686.

MVI which is the sole shareholder of Assat has been established as special purpose vehicle which holds 100% shares in Assat. This means that the transfer of MVI to IMC is governed by Czech law rather than Armenian law. MVI's only material asset is its ownership of 100% of the issued shares in Assat.

Assat is the sole owner of the mineral resources (not the land) deposited within the Karaberd mine and the Karaberd Mine Operating Licence granted by Armenian Ministry of Territorial Management and Infrastructures, which authorises Assat to conduct exploration and mining operations in the Karaberd Mine.

The Seller is the sole shareholder of MVI. The Seller is a Czech mining company with activities in eastern Europe and west Asia and has, among others, various interests in several other mining projects in Armenia. The activities of the Seller consist of exploration of prospective gold and silver deposits and extraction of precious metals and copper. The Seller is a member of a Czech mining group controlled by the Holding Company, which is a leading bullion dealer on the Czech market.

## 5. FINANCIAL INFORMATION ON MVI

MVI was incorporated in June 2020. The turnover, net profit, charge for taxation of MVI, extraordinary items, minority interests and dividends for the year ended 31 December 2022 are as set out in Part VI (*Operating and Financial Review of MVI*).

The assets and liabilities of MVI as at 31 December 2022 were as set out in section 2 of Part VI (*Operating and Financial Review of MVI*).

A cash flow statement of MVI in respect of the year ended 31 December 2022 is set out in section 4 of Part VI (*Operating and Financial Review of MVI*).

There have been no material changes to the financial or trading position of MVI.

The significant accounting policies of MVI are set out in section 3 of Part VIII (*Historical Financial Information relating to MVI and Assat*). The executive director of MVI is Mrs Radka Krčmářová.

The nature of MVI's business and its financial and trading prospects are as set out at section 4 of Part IV (*Information on MVI*).

The material contracts of MVI are further described at section 7.2 of Part XIII (*Additional Information*).

## 6. THE RULE 9 WAIVER

The Irish Takeover Rules applies to the Company and governs, inter alia, transactions which may result in a change of control of a company to which the Irish Takeover Rules applies.

Under Rule 9 of the Irish Takeover Rules, any person who acquires, whether by a series of transactions over a period of time or not, an interest (as defined in the Irish Takeover Rules) in shares which, taken together with shares in which he, she or it is already interested, or in which persons acting in concert with him, her or it are interested, carry 30 per cent or more of the voting rights of a company which is subject to the Irish Takeover Rules, is normally required to make a general offer to all the remaining shareholders to acquire their shares. Similarly, Rule 9 of the Irish Takeover Rules also provides that when any person, together with persons acting in concert with him, is interested in shares which, in aggregate, carry more than 30 per cent of the voting rights of such company, but does not hold shares carrying 50 per cent or more of such voting rights, a general offer will normally be required if any further interest in shares is acquired by any such person. An offer under Rule 9 must be in cash and must be at the highest price paid by the person required to make the offer, or any person acting in concert with him, for any interest in shares of the company in question during the 12 months prior to the announcement of the offer.

The Company has applied to the Panel for a waiver of Rule 9 in order to permit the Acquisition, the allotment and issue of the New Ordinary Shares in accordance with the terms of the Framework Agreement without triggering an obligation on the part of the Seller to make a general offer to Shareholders to acquire their Ordinary Shares.

The Panel has agreed, subject to the Waiver Resolution being passed on a poll of the Shareholders at the EGM, to waive the requirement which might otherwise arise for the Seller to make a general offer under Rule 9 for the remaining shares in the Company as a result of the allotment and issue of the New Ordinary Shares in accordance with the Framework Agreement. To be passed, the Waiver Resolution (Resolution 2) will require a simple majority of the votes cast on a poll by the Shareholders. Accordingly, Shareholders should also be aware that, immediately following completion of the Transaction, the Seller will be interested in shares carrying over 50% of the Company's voting share capital as described in more detail in paragraph 2 of Part I (*Letter from the Chairman*) and Part II (*Terms and conditions of the Acquisition*). **Therefore, the Seller will be permitted to acquire further shares in the Company without the obligation to make an offer to the remaining shareholders under Rule 9.1 of the Irish Takeover Rules.**

In the event that the Resolutions are approved at the General Meeting, the Seller will not be restricted from making an offer for the Company unless the Seller either makes a statement that it does not intend to make an offer or enters into an agreement with the Company not to make an offer. No such statement has been made or agreement entered into as at the date of this document.

### Concert parties

The Seller does not believe that there are any parties who are acting in concert with it except its directors and to the extent relevant, its advisers.



## 7. THE INTENTIONS OF THE SELLER

### 7.1 Intentions regarding the future business of IMC and its subsidiaries

With regard to future business with IMC, MVI and the Seller intend to focus on two following areas concerning the (i) development of the Karaberd Mine and opportunities in Armenia and (ii) development of IMC's mining sites in Ireland.

The first area of focus concerns the development of the Karaberd Mine, where there is potential to substantially expand the licensed territory and to explore and develop other mining opportunities in Armenia.

The second area of focus is the further development of IMC's ventures in Ireland. MVI and the Seller are very impressed with the quality of IMC's current assets in Ireland especially its spoils and tailings on the Avoca license and its gold prospects in Kilmacoo and North Wexford. Therefore, the Seller as the future major shareholder of IMC would promote continuance of IMC's current development of these assets leading in the first instance to an upgrading of the existing inferred mineral resource estimate for the spoils and tailings to an indicated resource estimate. The Seller would also encourage continuation of the existing collaboration with Trinity College Dublin especially in relation to further research work and analysis of the North Wexford and Kilmacoo gold prospects.

Additionally, and in relation to both the Irish and Armenian assets, the Seller would enable the enlarged IMC Group to benefit from Seller's existing relationship with **CGM** whereby both CGM's technological and geological skill sets will be made available to the Enlarged Group. Indeed, as set out in the Framework Agreement, MVI have already agreed, subject to approval and completion of the Transaction, to provide to IMC the benefit of its previously paid deposit of \$650,000 to CGM. This is the intention on the exploration and geological level.

To enable the Enlarged Group to generate cash-flow quickly and as a temporary measure, in relation to the Karaberd Mine, and without having to incur large capital expenditure to get the Karaberd Mine into production, MVI's 100% owned subsidiary company Assat, which holds the Karaberd Operating Licence and which will be transferred to the IMC as part of the Transaction, concluded a short term refining contract with the company GeoProMining ("**GPM**") in March 2021 in their Ararat plant in Armenia which expired in December 2021 which was not renewed.

Entering into the refining contract with GPM was, however, only a temporary solution. The Seller had already closed in September 2019 an Eco-Production Facility contract with CGM to construct an eco-leaching plant in Armenia. Those plans were delayed however, due to the impact of the COVID-19 pandemic and closure of Chinese, Georgian (port Poti) and Armenian borders, whereby delivery of the intended parts for the plant from China to Armenia have been delayed. This delay has given MVI, which during the COVID-19 period was in negotiations with IMC, a chance to review the future Eco-Production Facility needs and options for the Enlarged Group. Accordingly, MVI have recently entered further discussions with CGM where the intention is to construct, in phases, an even bigger capacity (processing up to 300,000, and later on even 500,000 tons, of ore per annum) and polymetallic plant in Armenia, in 2024/2025.

The mining activities in the Karaberd Mine commenced on April 2021 and to end December 2021 MVI was able to refine 35,700 tons of ore which yielded 46.2 kg of 999 grade gold and in 2022 stockpiled another 10,770 tons of ore with a value of £1,200,000.

On the production level in Ireland, there is strong will from both the Seller and IMC given that the exploration and geological works have confirmed by way of an inferred mineral resource estimate, prepared by CSA Global (available for inspection on the IMC Exploration Group website), the potential, to also engage CGM to propose, design and construct a plant to extract the gold, copper and silver metals from the spoils and tailings heaps from the old Avoca mine in Wicklow in a project that would form part of a major environmental rehabilitation of the Avoca area in which the spoils and tailings are located. Furthermore, we believe given the recent surge in the value of Copper up to circa \$7,563 a ton, it would be worth exploring if there is a residual valuable resource of copper remaining in the Avoca copper mines that ceased production in 1982.

It is not expected that the locations of IMC's places of business will change other than by possible expansion to new locations.

On 21 April 2021, MVI, IMC and CGM concluded a Memorandum of Understanding for Cooperation relating to EPC contract and further cooperation in the Karaberd project.

## **7.2 Strategic plans for IMC, and their likely repercussions on the locations of IMC's places of business**

The Seller's strategic plans for IMC are as set out above under *Intentions with regard to the future business of IMC and its subsidiaries*. The Seller expects significant benefits arising from the fact that IMC is listed on the LSE Standard Market and headquartered in Dublin Ireland. The Seller, as the major shareholder following the completion of the Transaction, intends to keep the IMC's headquarters in Dublin and retain its listing on the LSE. The locations of IMC's places of business are not expected to change save that IMC will additionally focus on development of the Karaberd Mine.

Other than as set out above in relation to progressing extraction of metals from the Avoca spoils and tailings heaps which the Seller believes IMC would do regardless of the proposed Transaction, the Seller has no particular strategic intentions in regard to how IMC operates in Ireland following the completion of the Transaction. Considering the value and prospects of the Karaberd Mine and benefits that will flow from the MVI's relationship with CGM being passed on to IMC as already set out, it is the ambition of both the Seller and IMC that the Enlarged Group will achieve real growth and as a result the market capitalisation of IMC will also increase following the completion of the Transaction.

## **7.3 Intentions with regard to any redeployment of the fixed assets of IMC**

MVI and/or the Seller has no intentions with regard to any redeployment of the fixed assets of IMC.

## **7.4 Long term commercial justification for the Transaction**

Thus, from a commercial viewpoint, the long-term justification for the Transaction resides in the prospect of IMC evolving from being a junior mining company totally dependent on fundraising in order to be able to continue with its operations to a company that adds a mining operation to its activities with consequent cash-flow and reduced dependency on the financial markets, but at the same time being able to acquire resources from those markets on better terms if necessary. The Seller being the major shareholder in IMC following the completion of the Transaction will enable the Seller to bring projects, including the Karaberd Mine, to the Enlarged Group that can be financed/resourced through the financial markets and as a result of the accelerated consequent growth of the Enlarged Group, the Seller as the major shareholder can benefit from IMC being a public company listed on the London Stock Exchange Standard Market.

## **7.5 Intentions with regard to safeguarding the employment of the employees and management of IMC and of its subsidiaries including any material change in the conditions of employment**

Currently, IMC has one employee, myself, as executive chairman. IMC is managed by a board of directors that sub-contracts any services it requires such as drilling for exploration purposes. To facilitate the development of the enlarged group, which we expect will evolve from being a junior mining exploration company to also being a mining company we would expect and support the employment by IMC of skilled staff for the Dublin office. As part of the Framework Agreement relating to the proposed Transaction, the Seller as the major shareholder will appoint two directors, who will have experience and knowledge of mining in Armenia to the Board of IMC bringing the total number of directors of IMC board to five directors. In that regard we believe that the enlarged Board will have the skill set required to manage operations in Ireland and in Armenia.

## **7.6 Intentions with regard to the continued employment of the employees and management of the Seller and of its subsidiaries**

MVI and/or the Seller has no intentions to change the continued employment of the employees and management of the Seller and of its subsidiaries.

## **7.7 Affect of the Transaction on the Seller**

Save for increased employment and investment at the Karaberd Mine which the Seller expects to take place following the Transaction for the reasons described in *Long term commercial justification for the Transaction* above and otherwise as described in the foregoing paragraphs, the Seller does not consider that it will be affected by the factors listed at paragraphs 7.1 to 7.6 above.

## **8. OTHER MATTERS TO BE CONSIDERED AT THE EXTRAORDINARY GENERAL MEETING**

In order to complete the Acquisition, the Directors require the authority of the Shareholders to issue and allot the New Ordinary Shares. In addition, the Company has agreed in accordance with the Framework

Agreement that the articles of association of the Company will be amended to include the following provisions:

- An amendment to the share capital clause at article 3 to provide for the increased number of Ordinary Shares and the Preference Shares;
- Provisions relating to the rights attaching to the Preference Shares at article 3;
- Provision for conversion of the Preference Shares into Ordinary Shares in new article 6(b);
- A substitution of new article 7(b) for the corresponding authority given by resolution 6 passed at the Company's 2020 annual general meeting held on 29 December 2020;
- A substitution of new article 7(c) to update legislative references in respect of the disapplication of pre-emption rights; and
- A substitution of new article 140 (a) - (c) to include provision for notices to be delivered in electronic form to an electronic address.

## 9. THE EXTRAORDINARY GENERAL MEETING

There is set out at the end of this document a notice convening the Extraordinary General Meeting to be held at 10:00a.m. on 26 October 2023 at the Ashling Hotel, 10-13 Parkgate Street, Dublin 8, D08 P38N, Ireland at which the Resolutions will be proposed. The Resolutions will be taken on a poll of the Shareholders voting in person or by proxy at the EGM. The Resolutions will address the following matters:

- **Resolution 1** is an ordinary resolution to approve the Acquisition as a reverse takeover pursuant to the FCA Listing Rules;
- **Resolution 2** is an ordinary resolution to approve the Rule 9 Waiver;
- **Resolution 3** is an ordinary resolution to approve an increase in the authorised share capital of the company to ensure that there are sufficient authorised shares to enable the directors to allot, if Resolution 1 and 2 are approved, the new Ordinary Shares for the purposes of the Acquisition and the Preference Shares for the purposes of the Share Subscription;
- **Resolution 4** is a special resolution to approve the increase of the authorised share capital of the Company by the creation of a new class of share, being preference shares of €1.00 each in the capital of the Company;
- **Resolution 5** is a special resolution to approve the amendment to the Articles of Association of the Company in light of the resolutions at Resolution 3 and Resolution 4, if the resolutions at Resolution 3 and Resolution 4 are approved, to make certain changes agreed with MVI as referred to at paragraph 8 above and to make a small number of changes to update legislative references, including a substitution of new article 7(b) for the corresponding authority given by resolution 6 passed at the Company's 2020 annual general meeting held on 29 December 2020;
- **Resolution 6** is an ordinary resolution authorising the directors to allot and issue new Ordinary Shares for the purposes of the Acquisition; and
- **Resolution 7** is an ordinary resolution authorising the directors to allot and issue new Preference Shares following the Acquisition, if the resolutions at Resolution 4 and Resolution 5 are approved.
- **Resolution 8** is a special resolution empowering the Directors to allot the preference shares as if Section 1022(1) of the Companies Act 2014 did not apply to any such allotment in connection with the issue of the Preference Shares, if the resolutions at Resolutions 1 to 7 are approved.
- **Resolution 9** is a special resolution to approve the amendment to the memorandum of association of the Company to amend the share capital clause, if the resolutions at Resolutions 1 to 8 are approved.

## 10. ACTION TO BE TAKEN

You will find a Form of Proxy for use in connection with the EGM accompanying this document. The Form of Proxy should be completed in accordance with the instructions, whether or not you intend to be present at the EGM, and returned to the Company's Registrar, Avenir Registrars Limited, No. 1 Main Street, Blessington, Co. Wicklow, W91 V82T, Ireland, as soon as possible and in any event so that it is received not later than 10.00 a.m. on 24 October 2023. Completion and return of the Form of Proxy will not

prevent you from attending the EGM and voting in person, if you so wish.

#### 11. **POST-ACQUISITION SHARE SUBSCRIPTION**

Further to paragraph 9 of this letter, it is proposed that the share capital of the Company be amended by the creation of a new class of preference share of €1.00 each in the capital of the Company, to facilitate the subscription by the Seller for 1,500,000 Preference Shares on a phased basis of €250,000 per month for the first six months after completion of the Acquisition for an aggregate subscription amount of €1,500,000 pursuant to the Subscription Agreement. The purpose of the proposed Share Subscription is to provide the Company with sufficient working capital to give the confirmation in Paragraph 9 of Part XIII (Additional Information) of this Prospectus.

The Preference Shares, if allotted and issued, will entitle the holder thereof to a preferential return of capital, in priority to any other class of shares in the capital of the Company, on a return of capital or in the event of a change of control in the Company. If allotted and issued, the Preference Shares shall not entitle the holder thereof to vote or to a dividend. The Preference Shares may be converted into Ordinary Shares at the option of either the Seller or IMC. The Preference Shares, if converted into Ordinary Shares, would result in a further maximum of 21,092,903 Ordinary Shares being allotted to MVI resulting in its total percentage holding of voting shares in the Company reaching a maximum of 60.19%.

#### 12. **RECOMMENDATION**

The Directors, who have been so advised by Keith, Bayley, Rogers & Co. Limited, consider the Proposals to be in the best interests of the Company and the Shareholders as a whole. In providing its advice on the Proposals, Keith, Bayley, Rogers & Co. Limited has taken account of the commercial assessment of the Directors. Accordingly, the Directors unanimously recommend that Shareholders vote in favour of the Acquisition and all of the Resolutions, as they have undertaken to do in respect of the 17,584,398 Ordinary Shares held by them.

Yours faithfully

**Eamon O'Brien**  
Chairman

## **PART II. TERMS AND CONDITIONS OF THE ACQUISITION**

### **1. Framework Agreement**

On 14 April 2021, IMC and the Seller entered into the Framework Agreement under which IMC has agreed, on the terms and subject to the conditions of the Framework Agreement, to acquire the entire issued share capital of MVI for the consideration set out below. The Framework Agreement is governed by Irish law and subject to the jurisdiction of the Irish courts.

The closing date of the Acquisition will be on or as soon as practicable after the date on which IMC and the Seller notify each other of the satisfaction or waiver of the Conditions (as set out below), and in any event by the fifth business day following such notification.

The Karaberd Mine is located in the Lori Marz province in the Republic of Armenia and the mining rights belong exclusively to Assat.

Assat is a 100% subsidiary of MVI, which is a Czech-based limited liability company established in 2020 for the purposes of the transaction contemplated by the Framework Agreement, which does not own any other assets than 100% of the issued shares in Assat.

MVI is a wholly-owned subsidiary of the Seller, which is a Czech law limited liability company established in 2018 with gold exploration activities in the region of eastern Europe and west Asia.

The Seller is a member of a Czech mining group controlled by the Czech joint-stock holding company Zlato a.s. which is a leading bullion dealer in the Czech market.

### **2. Consideration**

In summary, the Acquisition involves the issue of several tranches of shares to the Seller, each tranche being conditional on the occurrence of certain milestones, as described below:

- the issue by IMC for that number of new ordinary shares in IMC that will equate to 51% of the issued shares in IMC following the Acquisition to be allotted and issued by IMC to the Seller as the initial consideration pursuant to the Acquisition; and
- further tranches may be issued which could result in the Seller holding up to 59.17% of the issued share capital of IMC.

### **3. Shareholder approvals**

As noted above, since the Acquisition is classified as a reverse takeover under the Listing Rules and the Irish Takeover Rules, the Acquisition is conditional upon, among other matters, the approval of IMC's shareholders at the Extraordinary General Meeting.

### **4. Conditions**

The obligation of the parties to complete the Acquisition as set out in the Framework Agreement is subject to the satisfaction or the waiver of certain conditions and their continuing satisfaction as at Completion, as summarised below:

- (1) There being no warranty breaches which constitute a Material Adverse Change (as defined below) with respect to IMC or MVI.
- (2) IMC having obtained a conditional waiver from the Irish Takeover Panel from the obligation to make a general offer under Rule 9.
- (3) An announcement of the Acquisition having been made by IMC.
- (4) The publication of this document, having been filed with, and approved, to the extent necessary by the Irish Takeover Panel and by the FCA.
- (5) The Directors and the Proposed Directors having signed and delivered responsibility statements and having been approved for appointment to the board of directors of IMC by IMC's financial advisers.
- (6) IMC having made applications for Admission.
- (7) Certain fees for such admission having been paid by IMC.
- (8) IMC having obtained approval from its shareholders for (i) the issue and allotment of the

Consideration Shares to the Seller on a non-preemptive basis, (ii) the waiver of the requirement for the Seller to make a general offer pursuant to Rule 9 of the Takeover Rules, and (iii) the adoption of new articles of association on the closing date.

- (9) The Board having resolved to (i) issue and allot the Consideration Shares to the Seller, (ii) appoint two persons nominated by the Seller, the Proposed Directors, as directors of IMC with effect from the closing date.
- (10) MVI continuing to be sole shareholder of Assat.
- (11) Assat continuing to be the sole owner of the Karaberd Mine, free from encumbrances and to hold the Karaberd operating licence which shall be current and in full force and effect and not subject to any action by Armenian Ministry of Territorial Management and Infrastructures seeking revocation or any qualification.
- (12) MVI's due diligence having been carried out to the satisfaction of MVI (i.e. that no adverse finding gives rise to a Material Adverse Change with respect to IMC).
- (13) IMC's due diligence having been carried out to the satisfaction of IMC (i.e. that no adverse finding gives rise to a Material Adverse Change with respect to MVI or the Karaberd Mine).
- (14) No Material Adverse Change having occurred with respect to IMC or MVI.
- (15) The Seller having procured, to the extent necessary, that the CPR is updated to a date which satisfies the requirements of the FCA Listing Rules.

A "Material Adverse Change" is defined in the Framework Agreement as, inter alia, an event causing a material and adverse effect to the combined Enlarged Group which cannot be remedied within a period of 180 days or without the expenditure of €1,000,000 or less, excluding certain pandemic- related events.

#### 5. **Amendment Agreement**

On 2 December 2022, IMC and the Seller entered into the third Amendment Agreement. Under the Amendment Agreement, IMC and the Seller agreed to extend the "*Long-Stop Date*" for the satisfaction or waiver of certain conditions of the Framework Agreement (as summarised in paragraph 4 above) from nine months from the date of the Framework Agreement to 30 months from the date of the Framework Agreement. Accordingly, the extended 'Long-Stop-Date' is 14th October 2023. The Amendment Agreement is governed by Irish law and subject to the jurisdiction of the Irish courts. On 29 September 2023, IMC and the Seller entered into the Fourth Amendment Agreement, pursuant to which IMC and the Seller agreed to further extend the "Long-Stop Date" to 30<sup>th</sup> November 2023.

## **PART III. INFORMATION ON IMC**

### **1. Introduction**

IMC is a mining exploration company that is listed on the standard list of the main market of the London Stock Exchange. IMC listed in July 2019.

To date, and based on the knowledge and experience of its existing directors with strong geological backgrounds, IMC has focused on acquiring what it considered highly prospective exploration licences in Ireland. This has resulted in the Company having two major projects that it has focused on, namely its spoils and tailings poly metal project in Avoca, Wicklow, and its gold exploration project in North Wexford. IMC has an MRE prepared by CSA Global confirming 20,000 ozs. gold, circa 2,619 tons copper and circa 600,000 ozs. silver on part of the spoils and tailings from the historic Avoca Mine confirming, its additional exploration potential.

In addition to the mineral resource estimation, IMC engaged International Geoscience Services Ltd to prepare an updated competent person's report, dated June 2023, on the prospecting licences held by IMC Exploration Limited (a wholly owned subsidiary of IMC) in the Republic of Ireland (being the IMC CPR). The IMC CPR is a document included at Annex 2 of this Prospectus.

The IMC CPR has been prepared on behalf of IGS by qualified person Professor Garth Earls, PGeo EurGeolFSEG.

Professor Earls is the Executive Chairman of IGS and has over 40 years of professional experience in mineral exploration and mining in Ireland and internationally. He was part of the team that discovered the 6 million ounce Curraghinalt gold deposit in Northern Ireland and has worked extensively on gold and base metal deposits and mineralization in Ireland and the UK. He is a former Director of the Geological Survey of Northern Ireland and a past chairman of the Geosciences Committee of the Royal Irish Academy. He delivers the Economic Geology course in University College Cork, Ireland.

Professor Earls' relevant experience includes:

- Mineral exploration and mining, Ireland and UK, Europe, Africa, South America, North America, Central and Eastern Asia.
- Gold and base metals appraisal and assessment.
- Competent Person work on a range of gold and base metal projects.
- Directorships and governance roles in a variety of public and private companies and organizations.

Other than for the purposes of completing the IMC CPR, neither IGS nor any IGS staff involved in its preparation has any commercial interest in IMC. Neither IGS nor any IGS staff will receive any interest in IMC or its associated companies as a result of undertaking the IMC CPR. IGS will be paid normal professional rates for preparing the IMC CPR for IMC as laid down in the 30th May 2023 IGS Assignment Quotation. Fees paid to IGS will not be influenced by the content of the IMC CPR.

The IMC CPR established that historical production from the Avoca Mine is estimated to have totalled 16Mt grading 0.6% Cu from banded, vein and disseminated sulphides hosted by the upper Ordovician Duncannon Group. It also states that a previously estimated total in-situ copper resource at Avoca exceeds 100Mt at 0.2% Cu.

The Company is also collaborating with the Raw Materials Group, Trinity College, Dublin, in relation to characterising the gold-rich Kilmacoo zone at IMC's Avoca Mine property in Co. Wicklow.

The Board of IMC wish to grow the Company and believe that acquiring a project that would deliver cash-flow to the Company would best facilitate its growth objective. To that end the Board engaged with the Seller in Prague to acquire a mining asset known as the Karaberd Mine in Armenia and consequently have now produced this Prospectus and Circular to enable the IMC shareholders and the respective statutory authorities to assess the merits of the proposal and, if thought fit, to approve same.

### **2. History and development**

IMC Exploration Group PLC was incorporated on 27 June 2011 in Ireland with registered number 500487 and operates under the Companies Act 2014. The Company is a public limited company domiciled in Ireland and is subject to the laws of Ireland. The primary object of the Company includes exploring for, producing and selling precious metals and ores of every description. The Company's registered office is 70 Ballybough Road, Ballybough, Dublin 3, Ireland and may be contacted on the following telephone number:

+353 87 6183024. The legal entity identifier of the Company is 2138006RYVS4BRW33C48.

The Company's website is <https://www.imcexploration.com>. Without limitation, the contents of the Company's website do not form part of this document unless that information is incorporated by reference into this document.

On 10 August 2011 IMC Exploration Group PLC acquired 100% of the entire share capital of IMC Exploration Limited, a company incorporated in Ireland on 6 October 2010 with registered number 489863. IMC Exploration Limited, a wholly-owned subsidiary of IMC Exploration Group PLC, acquired 13 PLs from the Irish government in 2011: ten PLs for base metal exploration in the Irish Base Metal Province and three PLs for gold exploration in Wicklow/Wexford.

In February 2012 and March 2012 the Group was awarded a further eight PLs, which it relinquished in January 2015. On 14 February 2013 the Company announced that it had been awarded two additional PLs in Co. Wicklow.

On 9 September 2015 the Directors announced the completion of an earn-in agreement with Koza Limited, a subsidiary of Koza Altin Isletmeleri A.S., following the approval by the Minister. This agreement related to IMC's five precious metal exploration licences PL 2551 (Wexford) and PL 3849, PL 3850, PL 3857 and PL 2239 (Wicklow). This joint-venture lapsed on 30th March 2017.

On 22 January 2018 a Heads of Agreement was concluded with Trove Metal Limited (see section 2.1 hereunder) that led to an agreement on PL3850, subject to the approval by the Minister (upon submission of the agreement). Subsequently, IMC engaged CSA Global Limited (UK) to carry out an MRE in accordance with the JORC Code to report on and detail the potential for a reprocessing project which would extract much of the remaining metal from the spoils and tailings heaps.

In January and February 2018 IMC Exploration Limited relinquished eight PLs; PL 3668, PL 3460, PL2103, PL3550, PL 3806, PL 3870, PL 3426 and PL 3677, leaving the Company in possession of five precious metal licences and two base metal licences.

In October 2018 IMC Exploration Limited was awarded a further two licences in Wexford PL1199 and PL1200. In November 2018 IMC Exploration Limited relinquished two PLs, PL 3644 and PL 2239. In March 2019 IMC relinquished one further PL, PL 3729 leaving the Group in possession of six precious metal and base metal licences as detailed in section 6 (Investments) below.

IMC Exploration Limited holds its six PLs in southeast Ireland, issued by the GSRO. Each of the PLs is licensed for base metal and gold exploration.

IMC has developed a strategic licence holding in the southeast of Ireland based on corporate understanding of precious and base metal occurrences. The Company develops exploration strategies based on reviews of historical data complemented by follow-up exploration and drilling programmes to define, test and upgrade geological targets. IMC views its licences to be amongst the most prospective exploration licences currently available in Ireland and is working with research institutes to expand its geological knowledge, especially in relation to mineralisation. This approach has and will continue to provide quality targets for drill testing and discovery.

The IMC CPR is a document which is included at Annex 2 of this Prospectus. The IMC CPR reviews and outlines the conclusions and criteria used by IMC in the selection of PLs and associated work programmes. The updated CPR was prepared by International Geoscience Services in accordance with JORC 2012 guidelines.

## 2.1 Gold

IMC Exploration Limited holds six PLs (with 100% interest in each) in the southeast of Ireland that are highly prospective for gold (and base metal) mineralisation.

Three of these licences (PLs 3849, 3850 and 3857) are within, or cover the strike extent of, the Avoca VMS mineralized belt in Co. Wicklow, an area having highly anomalous gold (Au) values in bedrock, soils and stream sediments. Historic extraction of alluvial gold was undertaken in this area and gold occurrences have been found in exploratory trenches with grades of up to 42.5g/t Au. It is therefore considered that the Avoca area has excellent exploration potential.

IMC Group has established an inferred resource of c. 20,000 ounces of gold on part of the spoils and tailings from the historic East Avoca Mine (CSA Global, 2019) within the eastern zone. Further potential remains within the spoils and tailings at West Avoca, where work is currently underway to estimate the mineral resources.



The remaining three licences are located in north Co. Wexford. Two of these are prospective for gold and VMS mineralization (PLs 1199 and 1200) and an adjacent licence (PL 2251) is prospective for orogenic gold mineralization. Analyses of quartz veins in PL 2251 have returned grades of 0.6m grading 18.24g/t Au (Irish Marine Oil, 1999), 0.7m grading 35.04g/t Au (Deevy, 2002) and 1.5m grading 354g/t Au (IMC, 2012).

## 2.2 Base Metals

IMC's Avoca licences in southeast Ireland are prospective for volcanogenic massive sulphide (VMS) mineralization.

Mining at Avoca dates from at least the 1700s, with the most recent production in the years 1958 to 1962 and 1969 to 1982, respectively. Within the mine area, mineralization is known to extend over a surface area of approximately 4km x 500m and to a depth of over 500m. In the latter period of mining, massive sulphide was mined at a grade of 1.0% Cu to 1.2% Cu and stringer sulphide at 0.8% Cu to 1.0% Cu.

Historical production from the Avoca Mine is estimated to have totalled 16Mt grading c. 0.6% Cu from O. The total in situ copper resource at Avoca is reported to have exceeded 100Mt at 0.2% Cu .

A stockwork, feeder or stringer pipe crosscutting acid volcanic and volcanoclastic rocks is capped by a zoned volcanogenic massive sulphide orebody. The massive sulphide comprises an underlying Cu-pyrite zone and an overlying Pb-Zn-Cu zone. Two licences in the Kilmichael Block are also prospective for VMS deposits.

In conclusion, given the exploration friendly policies promoted by the Irish Government, the country's infrastructure, the previous success of other operators in Ireland together with the materials, criteria and rationale used by IMC for the selection of these prospecting licences, it is considered that these licences have sound and proper potential for the discovery of economic precious and base metal deposits.

## 3. Organisational structure

IMC is the holding company of the IMC Group. A full list of IMC's subsidiaries is set out in Section 6 of Part XIII (*Additional Information*) of this document. Following Completion, MVI will be a wholly-owned direct subsidiary of IMC. Further information on MVI is set out in Part IV (*Information on MVI*) of this document.

## 4. Principal activities and principal markets

The Company's principal activity is prospecting for gold, copper, silver, other base metals and barytes in Ireland, in accordance with the terms of the Group's six exploration licences. The focus and objective of such prospecting is the discovery of gold, silver and base metals with a view to establishing the existence or otherwise of economically recoverable quantities of such metals.

The Company does not sell products or provide services.

The Company does not compete in any market for products or services.

The Company has not made any statements regarding its competitive position.

To implement its plans with respect to its exploration activities the Company needs to maintain one or more of its licences listed below under Section 6 'Investments'. Such licences are issued by the Minister for periods of 2 years and, following the provision of a report to and deemed satisfactory by the GSRO relating to the works carried out by the Company within the PL, may be reviewed for further periods of 2 years up to 6 years and thereafter renewed subject again to sufficient expenditure having been spent on the exploration of the licence area.

Since the end of the period covered by the last published audited financial statements, the Company has not introduced any new products or services, and there have not been material changes in the Company's regulatory environment. There have been no significant changes impacting the issuer's operations and principal activities since the end of the period covered by the latest published audited financial statements.

## 5. Strategy and objectives

Upon Completion of the Acquisition, the Company's business strategy and objectives will be to pursue full commercialisation of the Karaberd Mine while maximising opportunities from its Irish exploration licences. To achieve this, the Company and MVI have engaged with third party consultants in relation to best practices and opportunities to exploit the current resources at its disposal including:

- 5.1 in Ireland, the Avoca spoils and tailings heaps, the Wexford Gold licences and an assessment to determine if there are further copper resources in the old Avoca copper mine; and

5.2 in Armenia, the exploitation of the Karaberd mine both through open-pit and underground mining. Based on the Inferred Mineral resource report included in the IMC CPR the Company has circa €80m in metals including, c. 20,000 Ozs of Gold, in its Avoca spoils and tailings heaps which of course are above ground. The Company intends to put a project together to get a mining licence to exploit this in an eco-friendly way and at the same time bring about a clean-up of the Avoca area where the metals have been leaching in to the surroundings for many years.

In terms of future projects, the Company's objective will be to acquire further mining licenses and to do further drilling to prove up resources in those licenses but with a focus on projects that already have very promising potential based on prior existing reports. The Company will concentrate on projects that are likely to add to its cash-flow.

Financially, the enlarged Company, will immediately have the benefit of €20,000 per month for 24 months from the Seller in addition to the benefit of a deposit of \$650,000 already paid by the Seller for the future construction of a processing plant. In addition, the Company will continue to crush ore from the Karaberd Mine for future processing and extraction of gold and silver.

The challenges in doing so are to overcome the risks and challenges described in the section Risk Factors on pages 8 to 12 of this document, including those applicable to junior mining companies generally bringing a resource to production such as volatility in commodities markets, operational risk and hazards and the need to provide capital and those applicable to the Company specifically, including political risks associated with its area of operation in respect of the Karaberd Mine. The prospects of the Company are positive given the quality of the Karaberd Mine asset and its Irish exploration assets if those risks and challenges can be navigated successfully.

## 6. Investments

The following table sets out, for each of the three years ended 30 June 2022, 2021 and 2020, the carrying value of IMC's principal investments, which comprise mineral PLs in Ireland. It further discloses interim financial information as at 31 December 2021 and 31 December 2020:

As at 31 December

	June 2022	June 2021	June 2020	December 2022	December 2021
	Audited	Audited	Audited	Audited	Audited
Intangible assets	627,791	435,803	472,487	635,291	603,232

During the above-mentioned periods, direct expenditure on the PLs has not been material. However, sufficient expenditure on the PL's has resulted in the successful renewal and review of the Company's PLs by the Minister.

### Summary of IMC's current licences

The following table shows the location of IMC Group's PLs with reference numbers (PL area No.) as defined by the GRSO, together with exploration blocks (groups of licences). Please also see Appendix 1 for a summary of the assets held by IMC Group.

#### IMC Group licences in Ireland (source: GSRO and IMC)

PL No.	Block	County	Km2	Centre X	Centre Y	Commodity	Issue Date	Renewal Date	Expenditure required per PL per year
3849	Avoca	Wicklow	45.3	324291	184059	Bm, b, s, g	07/02/2013	06/02/2025	€ 30,000
3850	Avoca	Wicklow	27.6	320661	182961	Bm, b, s, g	07/02/2013	06/02/2025	€ 30,000
3857	Goldmines River	Wicklow	49.9	315075	176136	Bm, b, s, g	12/05/2011	11/05/2029	€ 30,000
2551	Kilmichael	Wexford	36.8	308340	159731	Bm, b, s, g	12/05/2011	11/05/2029	€ 30,000
1199	Kilmichael	Wexford	21.3	310525	153374	Bm, b, s, g	09/10/2018	08/10/2024	€ 10,000
1200	Kilmichael	Wexford	32.6	313064	156231	Bm, b, s, g	09/10/2018	08/10/2024	€ 10,000

Legend: Bm: Base Metals; b: Barytes; s: Silver; g: Gold

The Avoca Block, consisting of PLs 3849 and 3850, is located wholly in Co. Wicklow. The licences cover the historic Avoca copper mines and associated mine structures, workings and spoil heaps. PL 3849 and PL 3850 have been reviewed by the GSRO. The GSRO has renewed PL 3849 and PL 3850 and extended

their validity to 6th February 2025.

PLs 3857 and 2551 are currently undergoing renewal as part of the statutory process. IMC has been informed by the GSRO that letters of offer of renewal for both licences are in the process of being issued to IMC and IMC will accept the supplementary financial conditions included in the renewal process. In order to make good historical expenditure shortfalls, arising from disruption to exploration activities due to Covid-19, IMC has agreed to spend €49,400 on PL 3857 and €57,500 on PL 2551 by end August 2023.

The Goldmines River Licence, PL 3857, is contiguous with the Avoca Block. The geology of the licence is the same as that of the Avoca Block. PL 3857 covers some of the areas of historic alluvial gold production in Ireland. Records indicate that up to 9,600 ounces of gold were extracted in the late nineteenth century from the East and West Gold Mines Rivers (GSRO, 2003). The renewal date for PL 3857 is 11/05/2023.

A further two PLs, PL1199 and PL1200, have been acquired in the south-eastern cluster by the Group and add a further 53.98 km<sup>2</sup> to the Group's prospecting footprint. The two additional licences are adjoining licences to PL2551. We applied for these additional licences because of the positive results to date from PL2551. PL 2551 has returned some high gold grades and several moderate to low grades from the limited drilling undertaken to date, as well as one significant base metal intersection. As set out in the IMC CPR on page 30 (a copy of which is included at Annex 2 of this Prospectus), there is potential for orogenic-style gold mineralisation on the PL 2551 licence, particularly along a postulated mineralised zone/structure that may underlie both the Kilmichael and Boley prospects on the licence. PLs 2551, 1199 and 1200 are located in north Co. Wexford, 4km southwest of Gorey town and some 10km southwest of the Avoca block. Following assessment of historic data, it was apparent to IMC that the licence block clearly had untested potential for primary gold mineralisation. Drilling and float sampling indicates that the Kilmichael area contains significant gold grades in a structurally complex setting.

IMC does not have other material investments which are in progress or for which firm commitments have been made.

IMC does not hold a proportion of the capital of any joint ventures or undertakings which would be likely to have a significant effect on the assessment of its own assets and liabilities, financial position, or profits and losses.

### **Environmental issues**

All development of minerals governed by the Minerals Development Acts is subject to environmental impact assessment through the planning process. Therefore, any planning applications for such developments must be accompanied by an Environmental Impact Statement.

In addition, all mining developments require an 'Integrated Pollution Prevention and Control Licence' which is obtained from the Environmental Protection Agency.

Increasingly, under the Minerals Development Acts, there is a requirement for appropriate stakeholder engagement in advance of exploration or mine development, in accordance with the principles of the international Aarhus Convention, of which Ireland is a signatory.

## 7. Selected financial information

### *Summary Consolidated Statement of Profit or Loss Summary Consolidated Statement of Financial Position*

The consolidated statement of comprehensive income for the three years ended 30 June 2021, 2020 and 2019 and six months to 31 December 2021 and 2020 is as follows:

	Year Ended 30 June (Audited)			Six months ended 31 December	
	2022	2021	2020	Audited 2022	Audited 2021
	€	€	€	€	€
Revenue	-	-	-	-	-
Administrative Expenses	(260,796)	(294,996)	(251,947)	(11,015)	(57,586)
<b>Operating Loss for the period</b>	<b>(260,796)</b>	<b>(294,996)</b>	<b>(251,947)</b>	<b>(11,015)</b>	<b>(57,586)</b>
Finance Income	-	-	-	-	-
Amount Written off Intangible Assets	-	(43,484)	-	-	-
Amount written off investment	-	-	-	-	-
<b>Loss for period before tax</b>	<b>(260,796)</b>	<b>(338,480)</b>	<b>(251,947)</b>	<b>(11,015)</b>	<b>(57,586)</b>
Income tax expenses	-	2,047	-	-	-
<b>Total comprehensive loss for the period</b>	<b>(260,796)</b>	<b>(336,433)</b>	<b>(251,947)</b>	<b>(11,015)</b>	<b>(57,586)</b>

The consolidated statement of financial position for each of the three years ended 30 June 2022, 2021 and 2020 and the two six month periods ended 31 December 2022 and 2021 are as follows:

	Year Ended 30 June (Audited)			Six months ended 31 December	
	2022	2021	2020	Audited 2022	Audited 2021
	€	€	€	€	€
<b>Assets</b>					
Intangible Assets	627,791	435,803	472,487	635,291	603,232
Property, plant and equipment	1,850	2,754	1,291	1,398	2,302
Investments	-	-	-	-	-
<b>Total Non-Current Assets</b>	<b>629,641</b>	<b>438,557</b>	<b>473,778</b>	<b>636,689</b>	<b>605,534</b>
<b>Current Assets</b>					
Trade and other receivables	10,987	13,696	112,864	34,447	38,720
Cash and cash equivalents	23,399	52,123	(34,767)	101,420	168,887
<b>Total Current Assets</b>	<b>34,386</b>	<b>65,819</b>	<b>78,097</b>	<b>135,867</b>	<b>207,607</b>
<b>Total Assets</b>	<b>664,027</b>	<b>504,376</b>	<b>551,875</b>	<b>772,556</b>	<b>813,141</b>
<b>Equity</b>					
Share Capital	349,589	349,589	322,839	349,589	349,589
Share Premium	4,164,633	4,164,633	3,925,015	4,164,633	4,164,633
Retained deficit	(4,498,355)	(4,237,559)	(3,901,126)	(4,509,370)	(4,295,145)
<b>Attributable to owners of the Company</b>	<b>15,867</b>	<b>276,663</b>	<b>346,728</b>	<b>4,852</b>	<b>219,077</b>
<b>Total Equity</b>	<b>15,867</b>	<b>276,663</b>	<b>346,728</b>	<b>4,852</b>	<b>219,077</b>
<b>Liabilities - Current</b>					
Trade and other payables	295,017	227,713	203,100	273,854	594,064
Current tax liabilities	-	-	2,047	-	-
<b>Total Liabilities - Current</b>	<b>295,017</b>	<b>227,713</b>	<b>205,147</b>	<b>273,854</b>	<b>594,064</b>
<b>Liabilities – Non Current Loan</b>	<b>353,143</b>			<b>493,850</b>	
<b>Total Equity and Liabilities</b>	<b>664,027</b>	<b>504,376</b>	<b>551,875</b>	<b>772,556</b>	<b>813,141</b>

## 8. Recent trading and prospects (exploration activities)

IMC is not trading in goods or services.

As IMC already has a significant spoils and tailings resource in Avoca it is the intention of IMC to position itself as an eco-conscious processor using environmentally safe leaching reagents for the extraction of metals from such spoils and tailings.

**Increase in the price of Gold, Silver and Copper** – IMC is transitioning from being a purely mining exploration company to being both an exploration and a mining company at a time when the price of Gold, Silver and Copper are at or near their 5-Year highs. Gold prices have increased over 62% in the last 5 years as the following graph, sourced from BullionbyPost (<https://www.bullionbypost.ie/>), shows. Copper has increased to circa €7,563 a ton and as the green economy is increasing the demand for metals the prospects for mining companies is positive.



There has been no significant change in the financial performance of the Company since the last financial period, being end December 2022, for which financial information has been published.

## 9. Property, plant and equipment

The Group has Computers and Office Equipment with a net book value of €1,398 as at 31 December 2022. The Group's principal assets which are its licences and accumulated data and knowledge about its licenses are described in paragraph 6 above Investments and in the IMC CPR.

## **PART IV. INFORMATION ON MVI**

### **1. Introduction**

#### **1.1 MVI**

MVI Ireland s.r.o. was incorporated on 3 June 2020 in the Czech Republic with identification number 09215077, registered in the commercial register maintained by the Municipal Court in Prague under file no. C 332686. MVI is a limited liability company domiciled in Czech Republic and is subject to the laws of Czech Republic. MVI's registered office is Ovocný trh 572/11, Staré Město, 110 00 Prague 1, and may be contacted on the following telephone number: +420 800 585 585.

MVI is a SPV holding 100% shares in Assat.

#### **1.2 The Seller**

Mineral Ventures Invest spol. s r.o. was incorporated on 10 April 2018 in the Czech Republic with identification number 07028750, registered in the commercial register maintained by the Municipal Court in Prague under file no. C 293313. The Seller is a limited liability company domiciled in Czech Republic and is subject to the laws of Czech Republic. Sellers registered office is 70 Ovocný trh 572/11, Staré Město, 110 00 Prague 1, and may be contacted on the following telephone number: +420 800 585 585.

The headquarters of the Seller is located in Prague, Czech Republic with an affiliate office in Verin, Antairain 127, Yerevan, 0010, Armenia. The Seller has an experienced team of 45 of in-country professionals.

The Seller is a Czech mining company with activities in eastern Europe and west Asia and has, among others, various interests in several mining projects in Armenia. The activities of the Seller consist of exploration of prospective gold and silver deposits and extraction of precious metals.

The Seller is a member of a Czech mining group controlled by the Holding Company, which is a leader in gold trading on the Czech market.

#### **1.3 Assat**

Assat, LLC, was incorporated as a limited liability company on 22 April 1999 in the Republic of Armenia with identification number 03807664, with its registered office at Davita Ladojana St., building 27, Darakert, ARARAT.

Assat holds the Karaberd Operating License and performs mining activities in the Karaberd Mine with the financial and administrative support from the Seller and MVI.

### **2. History and development**

#### **2.1 MVI**

MVI was incorporated in June 2020. On 08 December 2020, MVI acquired 100% shares in Assat and become sole shareholder thereof. MVI's principal asset is the shares it owns in Assat which in turn owns the Karaberd mining licence.

MVI has been established in order to simplify the transaction structure and to enable application of Czech law in the closing of the Transaction. Initial draft of the Framework Agreement envisaged that the Consideration Shares will be issued against transfer of 100 % shares in Assat. Later it was agreed between IMC and the Seller, that MVI will be incorporated and shall serve as a special purpose vehicle to acquire 100% of the issued shares in Assat. As part of the closing of the Transaction, the Seller and IMC will enter into a Czech law governed ownership interest purchase agreement, a template of which is attached to the signed Framework Agreement, pursuant to which the ownership interest in MVI will be transferred from the Seller to IMC.

#### **2.2 The Seller**

The Seller is a geological exploration and mining company operating in Armenia since 2018.

Mercamroc LLC, which is a subsidiary of the Seller, filed a request for consent for the regional geological-geophysical study in the Getik mineral region of the RA Gegharkunik region. The purpose of the planned works is to study the structure of Spitakaberd and its adjacent areas in Getik mineral region of Gegharkunik region, including their structural nature according to distribution, depth, connection of structures with tectonic structures and intrusive complexes. It is planned to use the method of satellite imagery and

remote sensing, which will allow to separate the rocks enclosing the aerial structures. In this regard, the contract has been concluded between the Seller and SRK Consulting. For this purpose, it is also planned to use geophysical magnetic exploration and gravity exploration methods, which will allow to determine the boundaries of geological structures and to imagine the state of their volumetric placement in the subsoil.

On 6 September 2019 Assat entered into the EPC Contract (since assigned to the Seller with effect from 1 January 2023) with China National Geological & Mining Corporation, and intends to have its own eco-bio-leaching (i.e., no-cyanide use) – 100,000 kt ore/year production facility built by Q2 2024, being the Karaberd Production Facility. The production facility will further enhance the potential and commercialisation of the Karaberd Mine and other deposits of the MVI Group in Armenia.

Upon construction of the Karaberd Production Facility, Assat will be entitled to operate the Karaberd Production Facility under the agreement on financial leasing with a subsequent purchase entered into between the Seller and Assat in March 2023 (the “**Leasing Agreement**”). Following the end of the leasing term, Assat has the option to purchase the Karaberd Production Facility for a residual acquisition price calculated as the difference between the paid leasing instalments and the initial acquisition price of the Karaberd Production Facility.

### 2.3 Assat

Assat was incorporated in the Republic of Armenia on 22 April 1999 in the legal form of a limited liability company under state registration number 77.110.00569. The full name of Assat is "Assat" Limited Liability Company. Assat's taxpayer identification number is 03807664. Assat's legal address is Darakert community, 0808, Ararat region, Republic of Armenia. Assat's current director is Mr. Mher Poghosyan.

Assat was founded by decision of its sole founder-participant, Mr. Aram Osikyan, adopted on 21 April 1999. Pursuant to the charter of Assat registered on 22 April 1999, the initial charter capital of Assat amounted to AMD 2,000,000 (two million) divided into 200 (two hundred) shares with a nominal value of AMD 10 000 (ten thousand) each.

Currently, the charter capital of Assat is equal to AMD 2,200 (two thousand two hundred) divided into 200 (two hundred) shares, with a nominal value of AMD 11 (eleven) each.

According to the declaration on real beneficiaries of Assat published on 21 April 2021 on the website of the State Register Agency of Legal Entities of the Republic of Armenia (which entry is still current and accurate), the ultimate beneficial owners of the issued shares in Assat are:

No	Name	Surname	Participation size	Type of participation	Date of gaining RB status
1	Radka	Krčmářová	24 %	Indirect	04.02.2019
2	Daniel	Trnovec	24 %	Indirect	Not mentioned
3	Petr	Vašítk	24 %	Indirect	Not mentioned
4	Mher	Poghosyan	20 %	Indirect	Not mentioned

Assat undertook a corporate reorganisation by way of separation registered on 3 June 2021. In accordance with the provisions of Article 50.4 of the Law of the Republic of Armenia "On limited liability companies", separation is one of the types of company reorganisation pursuant to which a new legal entity is created and a part of the rights and responsibilities of the reorganised company is transferred to the new legal entity without discontinuation of the reorganised company; i.e. in the case of separation, the reorganised company will continue to operate, meanwhile, a part of its rights and responsibilities is transferred to the newly established legal entity in accordance with a separation balance sheet.

Assat's reorganisation was implemented on the basis of the decision of the sole participant of Assat, MVI, adopted on 18 May 2021. Pursuant to this decision, it was resolved to reorganize Assat through separation of a new legal entity to be established under the firm name "Assat-M" Limited Liability Company and to approve the separation balance sheet.

In accordance with the approved separation balance sheet, as a result of Assat's reorganisation, its assets and liabilities were split between the former company and "Assat-M" LLC at a ratio of 1:1000. In other words, 99.9% of Assat's assets and liabilities were transferred to the newly established company - "Assat-M" LLC, and 0.1% were left with Assat.

The subsoil use right to the Karaberd gold mine in the Lori region, Republic of Armenia (which was granted to Assat under Minerals extraction permit № SHAT-29/366, Mine allotment act № L-366 (both issued by the Ministry of Energy and Natural Resources of the Republic of Armenia on of 06 June 2013) and Subsoil use agreement № P-366 (entered into between the Ministry of Energy and Natural Resources of the Republic



of Armenia and Assat on 6 June 2013)) was not included in the list of assets to be transferred to "Assat-M" LLC. In accordance with the data published on the website of the Ministry of Territorial Administration and Infrastructure as of 31 January 2023, the said subsoil use right belongs to Assat.

In accordance with the legislation of the Republic of Armenia during the period between 31 May 2021 and 25 June 2021 Assat underwent a tax inspection initiated in connection with the reorganisation process. As a result of inspection Act № 3004683 was drawn up on 30 June 2021 which confirmed that no violations of Armenian tax legislation were found against Assat.

Furthermore, while there had been some adverse publicity in regard to Assat, much of which related to the period prior to the corporate reorganisation, Assat has received confirmation, by way of letter dated 26 July 2023 from the Armenian Deputy Minister of Environment, that as of 21 July 2023 Assat has no liabilities in terms of allocations to the environmental protection fund for remediation of disturbed lands of Karaberd (Central area) gold deposit (PV-366, ShATV-29/366) and for the monitoring of the mining area, location of the tailings dam, as well as safety and health of the affected communities' population. Accordingly the Directors believe that Assat is in good standing with the Armenian Department of the Environment.

Additionally, Assat has voluntarily contributed 30,000,000 AMD (c.Stg £62,729) to the local Pambak Municipality being 15,000,000 on 3 October 2022 and 15,000,000 AMD on 4 April 2023.

### 3. **Organisational structure**

MVI is the sole shareholder of Assat and the 100% subsidiary of the Seller.

### 4. **Principal activities and principal markets**

#### 4.1 **MVI**

MVI is an SPV established only in connection with the Transaction and has no direct business activities. MVI does not sell products or provide services and does not compete in any market for products or services.

#### 4.2 **Seller**

The Seller operates in Armenia in geological exploration and mining through the following Armenian subsidiaries:

- Assat;
- Lusadjur Ventures Invest LLC (identification no: 87.110.1015394);
- Lusadjur Mineral LLC (identification no: 87.110.1015392); and
- Mercamroc LLC (identification no: 87.110.1015142).

#### 4.3 **Assat**

Assat, being the target company in the transaction, has no other business activities outside the Republic of Armenia. Karaberd Mine together with the Karaberd Operating Licence represents the main assets of Assat.

#### 4.4 **The Karaberd Mine**

The principal activity of Assat is extraction of gold in the Karaberd Mine, in accordance with the terms of the Karaberd Operating License. The Karaberd mine is already in operating mode. The mining activities in the Karaberd Mine commenced on April 2021 and up to end December 2021 MVI was able to refine 35,700 tons of ore which yielded 46.2 kg of 999 grade gold.

The Karaberd Mine is located in the Lori Marz (province) of Armenia, 70 km north of the capital, Yerevan, and about 5 km northeast of Vanadzor, the third-largest city in Armenia. The city has an estimated population (2016) of around 82,000.

The total area of the Karaberd Mine is approx. 3.9 hectares (ha). As the Assat Karaberd exploration licence extends to 20.3 hectares Assat has now applied to extend the mining licence to cover all 20.3 hectares.

Map showing the location of the Karaberd Mine (sourced from the MVI CPR (Figure 2.1)):



The Karaberd Operating License has been granted on 6 June 2013 for a period of 11 years by the Ministry of Energy and Natural Resources (now the Ministry of Energy infrastructures and Natural Resources) of the Republic of Armenia. In the normal course of operations, Assat applied for extension of the Karaberd Operation License for a further 11 years at the Ministry of Energy infrastructures and Natural Resources.

The Karaberd Mine deposit was discovered by the Geological survey of Armenia in 1969-1971 during regional prospecting. Prospect evaluation using trenches and audits was undertaken in 1972-1974 and resulted in the delineation and exposure of mineralised zones. Some limited exploration work was

conducted between 1993 and 2002, by the state-owned Pambak Exploration Expedition.

From 2003 to 2005, a private company, Vallex, undertook further exploration and it is understood that this work (although the data for this is not available) formed the basis for Assat's investment into the project and ongoing exploration activities on the project from 2007 to 2012. An internal initial MRE was carried out in 2009.

In 2013, the initial exploration licence was converted to a Karaberd Operating License, and pilot mining was undertaken by Assat in 2015. In 2020, verification drilling was undertaken by the Seller (executed by local subsidiary Lusadjur Ventures Invest LLC) to validate the drilling carried out by Assat.

According to the MVI CPR, which is included at Annex 3 of this Prospectus, the mineral resource in the Karaberd Mine is following:

Oxidation	Classification	Tonnes kt	Au		Ag	
			g/t	koz	g/t	koz
Oxidized	<i>Indicated</i>	452	4.2	61	9	131
	<i>Inferred</i>	192	4.0	24	10	65
	<i>Total</i>	643	4.1	86	9	196
Fresh	<i>Indicated</i>	565	5.1	92	11	200
	<i>Inferred</i>	436	4.9	69	12	174
	<i>Total</i>	1,001	5.0	161	12	375
Total	<i>Indicated</i>	1,016	4.7	153	10	331
	<i>Inferred</i>	628	4.6	93	12	239
	<i>Total</i>	1,644	4.7	246	11	570

Notes:

- The Mineral Resource Estimate is classified according to JORC Code
- The Mineral Resource Estimate is reported at a 0.8 g/t Au cut-off grade as of 1 December 2022
- Mineral Resources are not Ore Reserves and do not have demonstrated economic viability
- A bulk density value of 2.50 t/m<sup>3</sup> was used for the estimate of in situ tonnes for oxidized zone and 2.63 t/m<sup>3</sup> for fresh zone
- Discrepancies in calculations may be present due to rounding
- Kt refers to kilo-tonnes (i.e. one thousand tonnes)
- Koz refers to kilo-ounces (i.e. one thousand troy ounces)

Slight differences in total due to rounding.

Detailed information and data regarding the Karaberd Mine and the Karaberd Operating License are stated in the MVI CPR, which is included at Annex 3 of this Prospectus.

## 5. Strategy and objectives

The intention of the MVI Group is to maximize the potential and commercialisation of its existing deposits in Armenia while exploring other exploration opportunities in Armenia and west Asia.

The main objective of the Seller is to arrange for completion of the Karaberd Production Facility together with the China National Geological & Mining Corporation which has been delayed due to impacts of the COVID-19 pandemic and related issues in delivery of necessary material from China.

## 6. Investments

The Seller provides working capital financing to its subsidiaries (including Assat) through direct investment and through intragroup loans to finance exploration and mining operations in Armenia. The Holding Company provides necessary financial and administrative support in this regard.

### *Karaberd Production Facility*

The Seller paid the deposit of \$650,000 to China National Geological and Mining Corporation under the EPC contract for the construction of the Karaberd Production Facility. The Karaberd Production Facility is intended to be commissioned and operational by Q2 2024 at an estimated cost of EUR 4,600,000, which as well as the amount of the deposit, is intended to be financed via fundraising by the Seller after the Completion. The Karaberd Production Facility will be leased to Assat under the Leasing Agreement.

MVI does not have material investments which are in progress or for which firm commitments have been made.

MVI does not hold a proportion of the capital of any joint ventures or undertakings which would be likely to have a significant effect on the assessment of its own assets and liabilities, financial position, or profits and losses.

## 7. Selected financial information

7.1 *The consolidated statement of comprehensive income for the 12 months ended 31 December 2022 and 31 December 2021 is as follows:*

	<b>2022 Audited</b>	<b>2021 Audited</b>
	€	€
Revenue	2,000	982,000
Cost of Sales	(309,000)	(1,597,000)
<b>Gross Loss</b>	<b>(307,000)</b>	<b>(615,000)</b>
Administrative expenses	(153,000)	(209,000)
Other expenses	(87,000)	(11,000)
<b>Results from operating activities</b>	<b>(547,000)</b>	<b>(835,000)</b>
<i>Other Income</i>	155,000	(6,000)
Other Income / (expenses)		
<b>Profit/(Loss) before income tax</b>	<b>(392,000)</b>	<b>(841,000)</b>
Foreign exchange gain / (loss)		15,000
Income tax (expense) / recover	4,000	154,000
<b>Loss for the year from continuing operations</b>	<b>64,000</b>	<b>(672,000)</b>
<i>Discontinued operations</i>		
Loss for the period from discontinued operations	(325,000)	0
<b>Profit / (Loss) for the year</b>	<b>(325,000)</b>	<b>(672,000)</b>
Foreign exchange gain / (loss)	1,056,000	517,000
Income tax (expense) / recovery		0
<b>Total comprehensive income for the year</b>	<b>731,000</b>	<b>(155,000)</b>

7.2 *The consolidated statement of financial position as at 31 December 2022 and 31 December 2021 is as follows:*

	As at 31 December		
	2022	2021	2020
	( Audited)		(unaudited)
	€	€	€
<i>Non-current assets</i>			
Property and Equipment	2,000	1,000	-
Mining License	3,880,000	3,265,000	2,984,000
<b>Total Non-current assets</b>	<b>3,880,000</b>	<b>3,265,000</b>	<b>2,984,000</b>
<i>Current Assets</i>			
Inventories	283,000	-	-
Trade and other receivables	1,410,000	759,000	-
Other current assets	-	44,000	1,000
Cash and bank balances	57,000	5,000	-
<b>Total Current Assets</b>	<b>1,750,000</b>	<b>808,000</b>	<b>1,000</b>
<b>Non-current assets classified as held for sale</b>	<b>-</b>	<b>-</b>	<b>674,000</b>
<b>Total assets</b>	<b>5,632,000</b>	<b>4,0740,000</b>	<b>3,659,000</b>
<b>Equity and liabilities</b>			
<i>Capital and reserves</i>			
Share capital	1,000	1,000	1,000
Other capital funds	3,810,000	2,970,000	1,763,000
Accumulated profit / (loss)	(772,000)	(447,000)	(1,393,000)
Foreign currency translation reserve	1,591,000	536,000	18,000
<b>Total Capital and Reserves</b>	<b>4,630,000</b>	<b>3,059,000</b>	<b>389,000</b>
<i>Non-current liabilities</i>			
Loans and Borrowings	30,000	-	408,000
Asset retirement obligation	29,000	21,000	18,000
Deferred tax liability	541,000	472,000	536,000
<b>Total Non-current liabilities</b>	<b>600,000</b>	<b>493,000</b>	<b>962,000</b>
<i>Current liabilities</i>			
Loans and borrowings	-	17,000	-
Trade and other payables	402,000	505,000	9,000
<b>Total current liabilities</b>	<b>402,000</b>	<b>522,000</b>	<b>9,000</b>
<b>Liabilities included in disposal group classified as held for sale</b>	<b>-</b>	<b>-</b>	<b>2,299,000</b>
<b>Total equity and liabilities</b>	<b>5,632,000</b>	<b>4,074,000</b>	<b>3,659,000</b>

8. Current trading and prospects

"ASSAT" LLC started working on the Karaberd gold mine site in the Lori region on 18 January 2021. According to the mining development plan, the works of preparation of 450 m of new soil road, 1300 m of soil roads cleaning and servicing, and 140,000 m<sup>3</sup> of stripping work were carried out. In 2021, 1386 m of drilling work programme was carried out, as a result of which new gold deposits were found.

The mining activities in the Karaberd Mine commenced on April 2021 under a contract with GPM, and since then MVI was able to refine 35,700 tons of ore which yielded 46.2 kg of 999 grade gold and in 2022 stockpiled another 10,770 tons of ore with value of €1,403,850.

The contract with GPM has now expired and Assat is currently stockpiling crushed ore both for refining the rich ore at a local facility in 2023 and for processing the remaining stockpiled ore in the new production facility in 2024. Negotiations and planning in relation to the building of a new production facility for extraction of metals including Gold and Silver are ongoing with CGM and it is expected that metals extraction will commence late in Q2 2024.

## 9. **Property, plant and equipment**

Equipment and machinery necessary for Assat to perform mining activities in Karaberd Mine are provided by a subsidiary of the Seller, the company Lusadjur Minerals LLC under a lease agreement entered on 1 July 2021. The equipment and machinery which are subject of the lease agreement include:

- UAZ PATRIOT
- A221214-126-20, (VrN)XT A2r2r Q6r8r5 42
- HOWO SINOTRUK (dump truck) (VIN)LZZSELND0AW526907
- HOWO SINOTRUK (dump truck) (VIN)LZZ5ELNDXAN443281
- HOWO SINOTRUK (dump truck) (VIN)LZZ5ELND0AB027581
- HOWO SiNOTRUK (dump truck) (VIN)LZZ5ELND1AN443282
- GAZ66-15
- GAZ53 9
- KAMAZ 5410
- Services provided / jaw crusher
- Excavator /Hundai210
- Excavator /Hundai 210/
- Excavator /Hundai 360/
- Lift /32-56L5/
- Bulldozer 132-58LSI

## 10. **Environmental issues**

There are no material environmental, legal or physical impediments to the operations in the Karaberd Mine.

## **PART V. OPERATING AND FINANCIAL REVIEW OF IMC**

*The following review of IMC's financial condition and operating results should be read in conjunction with the historical financial information on IMC and the notes related thereto set out in Part VII (Historical Financial Information relating to IMC) and incorporated by reference in this document in accordance with Part XIV (Documents incorporated by reference) of this document and the other financial information included elsewhere in this document. The selected historical financial information of IMC has been extracted from the IMC audited consolidated financial statements incorporated by reference in this document, with the exception of that outlined below.*

*The discussion and analysis of historical periods does not reflect the significant impact that the Acquisition will have on IMC. The historical financial information has been prepared in accordance with IFRS.*

Some of the information in the review below and elsewhere in this document includes forward-looking statements based on current expectations that involve risks and uncertainties. See "Forward-Looking Statements" on page 14 of this document for a discussion of important factors that could cause actual results to differ materially from the results described in the forward-looking statements contained in this document.

## *Overview*

The IMC Group has been involved in mining exploration exclusively in Ireland since its incorporation in 2011. Over the last three years the Company has narrowed its focus to explorations in the South East of Ireland and its current licences reflect a focus on two major projects as follows:

1. the Avoca Copper Mine with its c. 2 million tons of spoils and tailings with an inferred resource estimate of \$80 million in Gold, Silver, Copper and other metals, and given the current price of c. €8,500 a ton for copper, exploration for potential further finds of an economic resource of copper in the vicinity of the old copper mine; and
2. the North Wexford Gold project.

## *Key trends and factors affecting IMC's operations and financial condition*

Over the period of the last 3 years IMC's operations were particularly affected by the restrictions brought about by Covid. This led to there being less exploration work carried out as might otherwise have been the case and as a consequence less fund raising was required.

Nevertheless, given that the Company is involved in both precious and base metals explorations, the Company has noted the continued interest in this sector by potential investors largely due to metals required for battery manufacture and because the commodity price of Gold, Silver and Copper is at or close to a five-year high.

## *Cost base*

The Company's cost base has been kept low as it uses contractors for drilling and targeting purposes and also its collaboration with Trinity Colleges Geology department has resulted in reports on aspects of the Company's PLs being prepared largely at the colleges expense.



### Consolidated statement of comprehensive income

The consolidated statement of comprehensive income for the three years ended 30 June 2022, 2021 and 2020 and six months to 31 December 2022 and 2021 is as follows:

	Year Ended 30 June (Audited)			Six months ended 31 December Audited)	
	2022	2021	2020	2022	2021
	€	€	€	€	€
Revenue	-	-	-	-	-
Administrative Expenses	(260,796)	(294,996)	(251,947)	(11,015)	(57,586)
<b>Operating Loss for the period</b>	<b>(260,796)</b>	<b>(294,996)</b>	<b>(251,947)</b>	<b>(11,015)</b>	<b>(57,586)</b>
Finance Income	-	-	-	-	-
Amount Written off Intangible Assets	-	(43,484)	-	-	-
Amount written off investment	-	-	-	-	-
<b>Loss for period before tax</b>	<b>(260,796)</b>	<b>(338,480)</b>	<b>(251,947)</b>	<b>(11,015)</b>	<b>(57,586)</b>
Income tax expenses	-	2,047	-	-	-
<b>Total comprehensive loss for the period</b>	<b>(260,796)</b>	<b>(336,433)</b>	<b>(251,947)</b>	<b>(11,015)</b>	<b>(57,586)</b>
Loss Attributable to:					
<b>Equity holders of the Company</b>	<b>(260,796)</b>	<b>(336,433)</b>	<b>(251,947)</b>	<b>(11,015)</b>	<b>(57,586)</b>
Total Comprehensive Loss attributable to:					
<b>Equity holders of the Company</b>	<b>(260,796)</b>	<b>(336,433)</b>	<b>(251,947)</b>	<b>(11,015)</b>	<b>(57,586)</b>
Earnings per share					
From continuing operations					
Basic and Diluted loss per share (cent)	(0.10)	(0.10)	(0.10)	(0.00)	(0.00)

During the period covered by the financial information set out in the table above, the Directors have continued to evaluate the Company's PLs and carried out drilling on the most prospective targets, with a view to establishing increased value for the PLs, and producing sufficient data to add to the prospectivity of its PLs.

#### Administrative expenses

The following table shows, for the three years ended 30 June 2022, 2021 and 2020, certain items comprised in the Group's administrative expenses, as disclosed in the financial statements for each of those years and the balance of other administrative expenses.

	2022	2021	2020
	€	€	€
Depreciation of tangible assets	452	905	431
Auditors remuneration	20,000	20,000	20,000
Other administrative expenses	240,344	274,091	231,516
	<b>260,796</b>	<b>294,996</b>	<b>251,947</b>

Year end 2022 administrative expenses consists of legal, professional and consultancy (€130,027), costs including travel, rent and rates and other (€130,769), totalling €260,796.

Year end 2021 administrative expenses consists of legal, professional and consultancy (€172,916), costs including travel, rent and rates and other (€122,080), totalling €294,996

Year end 2020 administrative expenses consists of legal, professional and consultancy (€70,397), costs including travel, rent and rates and other (€181,550), totalling €251,9476.

### Consolidated statement of financial position

The consolidated statement of financial position for each of the three years ended 30 June 2022, 2021 and 2020 and the two six month periods ended 31 December 2022 and 2021 are as follows:

	Year Ended 30 June (Audited)			Six months ended 31 December (Audited)	
	2022 €	2021 €	2020 €	2022 €	2021 €
<b>Assets</b>					
Intangible Assets	627,791	435,803	472,487	635,291	603,232
Property, plant and equipment	1,850	2,754	1,291	1,398	2,302
Investments	-	-	-	-	-
<b>Total Non-Current Assets</b>	<b>629,641</b>	<b>438,557</b>	<b>473,778</b>	<b>636,689</b>	<b>605,534</b>
<b>Current Assets</b>					
Trade and other receivables	10,987	13,696	112,864	34,447	38,720
Cash and cash equivalents	23,399	52,123	(34,767)	101,420	168,887
<b>Total Current Assets</b>	<b>34,386</b>	<b>65,819</b>	<b>78,097</b>	<b>135,867</b>	<b>207,607</b>
<b>Total Assets</b>	<b>664,027</b>	<b>504,376</b>	<b>551,875</b>	<b>772,556</b>	<b>813,141</b>
<b>Equity</b>					
Share Capital	349,589	349,589	322,839	349,589	349,589
Share Premium	4,164,633	4,164,633	3,925,015	4,164,633	4,164,633
Retained deficit	(4,498,355)	(4,237,559)	(3,901,126)	(4,509,370)	(4,295,145)
<b>Attributable to owners of the Company</b>	<b>15,867</b>	<b>276,663</b>	<b>346,728</b>	<b>4,852</b>	<b>219,077</b>
<b>Total Equity</b>	<b>15,867</b>	<b>276,663</b>	<b>346,728</b>	<b>4,852</b>	<b>219,077</b>
<b>Liabilities – Current</b>					
Trade and other payables	295,017	227,713	203,100	273,854	594,064
Current tax liabilities	-	-	2,047	-	-
<b>Total Liabilities -Current</b>	<b>295,017</b>	<b>227,713</b>	<b>205,147</b>	<b>273,854</b>	<b>594,064</b>
<b>Liabilities – Non- Current</b>					
Loan	353,143	-	-	493,850	-
<b>Total Equity and Liabilities</b>	<b>664,027</b>	<b>504,376</b>	<b>551,875</b>	<b>772,556</b>	<b>813,141</b>

### Intangible Assets

The Group held 6 exploration licences at the beginning of the year ended 30 June 2022. Additional expenditure on these licences during the year ended 30 June 2022 amounted to €191,988. Licence 3729 in Co. Clare was returned on 23<sup>rd</sup> April 2021. Additional expenditure on the remaining 6 licences for the six months ending 31 December 2022 was €7,500. The 6 remaining licences were still held by the Group at 31<sup>st</sup> December 2022.

### Trade and other receivables

The following table analyses the component elements of the Group's trade and other receivables for the three years ended 30 June 2022, 2021 and 2020.

	Year Ended 30 June			Six months ended 31 December	
	(Audited)			(Audited)	
	2022	2021	2020	2022	2021
	€	€	€	€	€
Other receivables	-	-	96,440	-	-
Directors Accounts	-	-	8,189	3,624	-
VAT	10,987	13,696	8,235	30,823	38,720
<b>Total</b>	<b>10,987</b>	<b>13,696</b>	<b>112,864</b>	<b>34,447</b>	<b>38,720</b>

Trade and other receivables mainly comprise VAT recoverable

### Cash and cash equivalents

	Year Ended 30 June			Six months ended 31st December	
	(Audited)			(Audited)	(Unaudited)
	2022	2021	2020	2022	2021
	€	€	€	€	€
Cash and cash equivalents	23,399	52,123	(34,767)	101,420	168,887

The net increase in cash and cash equivalents between 30 June 2022 and 31 December 2022 of €78,021 is largely due to the additional drawdown of a loan facility of €140,707 (cash), being partly offset by payments in relation to administrative expenses and creditors.

The balance at year end 30 June 2022 of €23,399 represents a decrease in cash and cash equivalents of €28,128 between 30 June 2021 and 30 June 2022. Proceeds from the loan drawdown for the amount of €353,143 (cash) were offset by payments in relation to administrative expenses and creditors.

The balance at year end 30 June 2021 of €52,123 represents an increase in cash and cash equivalents of €86,890 between 30 June 2020 and 30 June 2021. Proceeds from the issue of new shares for the amount of €266,368 (cash) were offset by payments in relation to administrative expenses and creditors.

### Retained deficit

The retained deficit at the end of the three years ended 30 June 2022 and at the end of the two six-month periods ended 31 December 2022 and 2021 are as follows:

	Year Ended 30 June			Six months ended 31st December	
	(Audited)			(Audited)	(Unaudited)
	2022	2021	2020	2022	2021
	€	€	€	€	€
Balance at beginning of the period	(4,237,559)	(3,901,126)	(3,649,179)	(4,295,145)	(4,237,559)
Total loss for the period	(260,796)	(336,433)	(251,947)	(11,015)	(122,744)
<b>Balance at the end of the period</b>	<b>(4,498,355)</b>	<b>(4,237,559)</b>	<b>(3,901,126)</b>	<b>(4,306,160)</b>	<b>(4,295,145)</b>

The movements in the retained deficit are generated by the loss for each of the three years ended 30 June 2022 and six months to 31 December 2022, the components of which are discussed in detail above in this section under the heading "Consolidated statement of income".

### Share Capital and Share Premium

In the year ended 30 June 2020 the Company issued 29,731,706 new Ordinary Shares at an aggregate

amount of €269,754 for cash consideration (26,092,000 shares) and €39,822 for non- cash consideration (3,639,706 shares).

In the year ended 30 June 2021 the Company issued 26,750,000 new Ordinary Shares at an aggregate amount of €266,368 for cash consideration.

In the six months ended 30 June 2022 the Company issued no new shares.

In the six months ended 31 December 2022 the Company issued no new shares.

### *Current Liabilities*

The current liabilities at the end of the three years ended 30 June 2022 and at the end of the two six month periods ended 31 December 2022 and 2021 are as follows:

	Year Ended 30 June			Six months ended 31st December	
	(Audited)			(Audited)	
	2022	2021	2020	2022	2021
	€	€	€	€	€
Corporation tax	-	-	2,047	-	-
Other payables	176,254	116,829	153,100	258,854	566,984
Accruals	118,763	110,884	50,000	15,000	27,080
<b>Total</b>	<b>295,017</b>	<b>227,713</b>	<b>205,147</b>	<b>273,854</b>	<b>594,064</b>

Corporation tax charges in year ended 30 June 2020 are in relation to a charge on outstanding directors' loan accounts during this year.

The increase in other payables from €116,829 at year ended 30 June 2021 to €176,254 at year ended 30 June 2022 relates primarily to an increase in operational and professional fee payments outstanding as at 30 June 2022.

Accrual amounts of, €50,000 for the year ended 30 June 2020 €110,884 for the year ended 30 June 2021, and €118,763 for the year ended 30 June 2022 relates to accrued expenses for unbilled invoices at the year ends in relation to audit and other professional and legal fees. As at 31 December 2022 accruals amounted to €15,000.

### Consolidated statement of cash flows

The consolidated statements of cash flows for each of the three years ended 30 June 2022 are as follows:

	Year Ended 30 June		
	2022	2021	2020
	€	€	€
<b>Cash flows from operating activities</b>			
Loss for the year	(260,796)	(336,433)	(251,947)
Adjustments for:			
Income tax recognised in profit and loss		(2,047)	-
Depreciation	904	905	431
Intangible Assets Write Off	-	43,484	-
<b>Cash from operations before changes in working capital</b>	<b>(259,892)</b>	<b>(294,091)</b>	<b>(251,516)</b>
Movement in trade and other receivables	2,709	99,168	(73,490)
Movement in trade and other payables	420,447	24,613	12,436
<b>Net cash flow from operating activities</b>	<b>163,264</b>	<b>(170,310)</b>	<b>(312,570)</b>
<b>Cash flows from investing activities</b>			
Interest received	-	-	-
Proceeds from sale of investments	-	-	-
Taxation	-	-	-
Acquisitions and disposals	(191,988)	(9,168)	(1,370)
<b>Net cash used in investing activities</b>	<b>(191,988)</b>	<b>(9,168)</b>	<b>(1,370)</b>
Cash flows from financing activities			
Proceeds from the issue of new shares	-	266,368	309,576
Finance income/(expense)			-
<b>Net cash generated by financing activities</b>	<b>-</b>	<b>266,368</b>	<b>309,576</b>
<b>Movement in cash and cash equivalents</b>	<b>(28,724)</b>	<b>86,890</b>	<b>(4,364)</b>
Cash and cash equivalents at beginning of year	52,123	(34,767)	(30,403)
<b>Cash and cash equivalents at end of year</b>	<b>23,399</b>	<b>52,123</b>	<b>(34,767)</b>

Losses have been reduced by non-cash items included in the consolidated statement of comprehensive income for the years ended 30 June 2020, 30 June 2021 and 30 June 2022.

For the year ended 30 June 2022 there was a depreciation charge of €904 in relation to depreciation of fixtures and fittings.

For the year ended 30 June 2021 there was a depreciation charge of €905 in relation to depreciation of fixtures and fittings. For the year ended 30 June 2020 there was a depreciation charge of €431 in relation to depreciation of fixtures and fittings.

For the year ended 30 June 2021 there was an intangible asset write off of €43,484 which was in relation to costs previously capitalised on Licence 3729 which was relinquished on 23 April 2021.

The following tables give a breakdown of the changes in working capital during the three years ended 30 June 2022.

	Year Ended 30 June		
	2022	2021	2020
	€	€	€
<b>Movement in trade and other receivables</b>			
Other receivables	-	96,440	(65,255)
Directors' Accounts	-	8,189	-
VAT	2,709	(5,461)	(8,235)
	<b>2,709</b>	<b>99,168</b>	<b>(73,490)</b>

The significant decrease in movement in trade and other receivables from the year ended 30 June 2020 and the year ended 30 June 2021 was for the movements in other receivables (€96,440 for the year ended 30 June 2020 and nil for the year ended 30 June 2021). The movement on the VAT recoverable was brought about through ordinary course of business.

	Year Ended 30 June		
	2022	2021	2020
	€	€	€
<b>Movement in trade and other payables</b>			
Other payables	59,425	(36,271)	(18,400)
Trade Creditors/Accruals	7,879	60,884	30,836
	<b>67,304</b>	<b>24,613</b>	<b>12,436</b>

Increase in trade and other payables for the year ended 30 June 2021 and the year ended 30 June 2022 reflects an increase in outstanding fees at the year-end in relation to operational costs and professional fees

#### *Cash flows from investing activities*

During the year ended 30 June 2020 the Group invested €1,370 in the acquisition and development of exploration PLs. During the year ended 30 June 2021 the Group invested €9,168 in the acquisition and development of exploration PLs, and for the year ended 30 June 2022 the Group invested a further €191,988 in the acquisition and development of exploration PLs.

#### *Cash flows from financing activities*

In the year ended 30 June 2020 €269,754 (cash) was raised and €39,822 (non-cash) from the issue of new Ordinary Shares. In the year ended 30 June 2021 €266,368 (cash) was raised from the issue of new Ordinary Shares. In the year ended 30 June 2022 there was no issue of new Ordinary Shares. Non-cash share issues relate to shares issued in lieu of services provided for shares.

1. Trends
  - 1.1 As the Company does not produce any products, there have been no trends in production, sales and inventory and costs and selling prices since the end of the last financial year.
  - 1.2 There has been no significant change in the financial performance of the IMC Group since the end of the last financial year.
  - 1.3 The key trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Enlarged Group's prospects relate to the market price of gold (as explained at pages 8 and 9, Risk Factor A.2 of Risk Factors) and the risks to which the Enlarged Group is subject and in particular the force majeure (as explained at page 9, Risk Factor A.3 of Risk Factors).

## 2. Capitalisation and indebtedness

The following table sets the capitalisation and indebtedness of the Group as at 31 December 2022. Since 31 December 2022, there has been no material change in the information set out below. Following the cash funds raised as detailed heretofore the Group is now in the position to state that, in its opinion, the Enlarged Group has sufficient working capital for its present requirements and obligations over the next twelve months.

	€
Total Current debt	767,704
Of which:	-
- Guaranteed	-
- Secured	-
- Unguaranteed and unsecured	767,704
Shareholders Equity:	
Share Capital at 31 December 2022	4,514,222
Retained deficit at 31 December 2022	(4,509,370)
Total capitalisation and indebtedness	4,852

Net indebtedness is as follows:

	€
A. Cash	101,420
B. Cash Equivalent	-
C. Trading securities	-
D. Liquidity (A) + (B) + (C)	101,420
E. Current Financial Receivable	34,447
F. Current Bank Debt	-
G. Current portion on non-current debt	-
H. Other current financial debt	767,704
I. Current Financial Debt (F) + (G) + (H)	767,704
J. Net Current Financial Indebtedness (I) – (E) – (D)	631,837
K. Non-current Bank Loans	-
L. Bonds Issued	-
M. Other non-current Loans	-
N. Non-current Financial Indebtedness (K) + (L) + (M)	-
O. Net Financial Indebtedness (J) + (N)	631,837

#### *Disclosure of Indirect and Contingent Indebtedness*

The Group is aware of indirect and contingent indebtedness as follows:

PLs are awarded by the Department for a six year period. When being offered to the Group, the Department sets out various conditions under which the PLs may be awarded. Acceptance of these conditions is necessary before the PL will issue. One of the conditions, which vary with each PL, is an agreed minimum expenditure for the first two year phase of each PL. The expenditure requirement under each of IMC's PLs is set out in the IMC CPR page 12 and totals €140,000. The review/renewal of IMC's current PLs is contingent on these amounts being spent. Added to these amounts, due to shortfalls on spending on PL's 2551 and 3857, arising due to inability to work on the PL's during the Covid restriction period, is a further €106,900 and therefore we would consider that the Group has a contingent indebtedness in respect of these PLs of €246,900. €106,900 of this required spend is projected to be satisfied by end August 2023. Currently available cash resources amount to €356,051 as at 15 July 2023. Under the terms of the acquisition of MVI the Company will have the option to receive up to €1,500,000 by way of the Share Subscription during the period and this together with projected revenue will be sufficient to more than offset all indirect and contingent liabilities.

No material change has occurred regarding the capitalisation and indebtedness of the Group between 31 December 2022 and the date of this prospectus.

### **3. Capital Resources**

At 30 June 2022 IMC's balance sheet showed shareholders' equity of €15,867. Its principal source of capital is share issue, which has been provided through the London Stock Exchange (since 08th July 2019) and prior to this the NEX Exchange Growth Market (formerly the ISDX Growth Market).\*

\*ISDX changed its name to NEX Exchange on 31 October 2016.

During the three years to 30 June 2022, the Company has issued shares as follows:

- 30 June 2020: 29,731,706 shares issued with net proceeds €309,576, €269,754 (cash), €39,822 (non-cash)
- 30 June 2021: 26,750,000 shares issued with net proceeds of €266,368, €266,368 (cash)



- 30 June 2022: No shares issued

Net cash flows for the last three financial years are as follows:

	Year Ended 30 June		2021
	2022	2022	
	€	€	€
Net cash flow from operating activities	163,264	(170,310)	(312,570)
Cash flow from investing activities		-	-
Acquisitions and disposals	(191,988)	(9,168)	(1,370)
Cash flow from financing activities	-	266,368	309,576
<b>Total</b>	<b>(28,724)</b>	<b>86,890</b>	<b>(4,364)</b>

Cash flow from financing activities in the years ended 30 June 2020, 2021 and 2022 represents funds raised through the issue of new Ordinary Shares for cash and non-cash during those periods.

The Board objectives in respect of funding and treasury activities are to maximise returns on cash balances within the limits of acceptable risk parameters. Where applicable and when determined to be economically viable, the Board will mitigate risks arising in the ordinary course of business from foreign exchange rate and interest rate movements. The Board reviews the Group's exposure to foreign exchange rate and interest rate movements on at least a quarterly basis. To date, the Board is satisfied that the Group's interest rate exposure, being in euro and minimal and that the Group has no material foreign exchange exposure. Therefore, the Board has determined that the materiality of the exposure does not warrant mitigation by way of risk limiting mechanisms at this stage. However, the policy is, as stated, reviewed on a regular basis. The Group's financial instruments and financial risk management are further described in Note 28 to the Financial Statements for the year ended 30 June 2022, and Note 28 to the Financial Statements for the year ended 30 June 2022 are included in this document.

The Directors, taking into consideration, amongst other things, the requirement to fund the exploration work currently being undertaken by the Group and the Group's spending obligations under the terms of its PLs, are of the opinion that the Enlarged Group has sufficient working capital for its present requirements and obligations over the next twelve months from the date of this prospectus. Therefore, the Directors consider that the Group's minimum expenditure obligations in respect of the ongoing exploration work (€246,900) in Ireland, and its total ongoing administrative and operational expenses (€5,555,650), mostly associated with the Karaberd mining operations in Armenia, until at least June 2024 can be financed from currently held funds plus revenue generated from the Karaberd mining operations plus funds received as a result of the Share Subscription during this period.

## Working Capital

### Directors

The Directors have considered the working capital requirements of the Enlarged Group post-Acquisition on a monthly basis over the next 12 months. The Directors, taking into consideration the requirement to fund the exploration work currently being undertaken by the Group and the Group's spending obligations under the terms of its PLs, are of the opinion that the Enlarged Group has sufficient working capital for its present requirements.

Currently available cash resources amount to €356,051 as at 15 July 2023. Under the terms of the **Acquisition** of MVI the Company will have the option to receive up to €1,500,000 by way of the Share Subscription during the period. When the statutory spending commitment of €246,900 on the PLs and €5,555,650 on its total administrative and operational costs, mostly associated with the Karaberd mining operation, until June 2024 is deducted this will leave a projected surplus balance.

Therefore, the Directors consider that the Group's minimum expenditure obligations in respect of its ongoing exploration work, the minimum expenditure requirements under the terms of the six PLs held and its ongoing operational expenses until at least 31 December 2024 can be financed from currently held funds.

For PL 3849 there is a requirement by the Department and Environment to incur expenditure on this PL of €30,000 by February 2025. The Group has projected expenditure of at least €30,000 by 31 December 2024.

For PL 3850 there is a requirement by the Department to incur expenditure on this PL of €30,000 by February 2025. The Group has projected expenditure of €15,00 by 31 December 2024.

For PL 2551 there is a requirement by the Department to incur expenditure on this PL of €57,500 by end August 2023 and a further €30,000 by May 2025. The Group has projected expenditure of at least €57,500 by end August 2023 and a further €15,000 by 31 December 2024.

For PL 3857 there is a requirement by the Department to incur expenditure on this PL of €49,400 by end August 2023 and a further €30,000 by May 2025. The Group has projected expenditure of at least €49,400 by end August 2023 and a further €15,000 by 31 December 2024.

For PL 1199 there is a requirement by the Department to incur expenditure on this PL of €10,000 by October 2024. The Group has projected expenditure of at least €15,000 by 31 December October 2023.

For PL 1200 there is a requirement by the Department to incur expenditure on this PL of €10,000 by October 2024. The Group has projected expenditure of at least €3,750 by 31 December 2023.

Up to now IMC has accessed funding primarily through the issue of shares through its London brokers, who specialise in promoting and raising capital on behalf of exploration companies. The Directors have continued to source funding through this source, as evidenced by the fundraising round in September 2020. This funding has given the Group sufficient cash for the expenditure commitments described heretofore.

The Directors can state that access to senior capital markets has facilitated implementation of a comprehensive works programme to date, up to and including the completion of the IMC CPR on June 2023.

#### **4. Operating Results**

There have been no significant factors, including unusual or infrequent events or new developments, which have materially affected the issuer's income from operations.

## **PART VI. OPERATING AND FINANCIAL REVIEW OF MVI**

*The following review of MVI's financial condition and operating results should be read in conjunction with the historical financial information on MVI and the notes related thereto set out in Part VIII (Historical Financial Information relating to MVI) and the other financial information included elsewhere in this document. The selected historical financial information of MVI has been extracted from the MVI audited consolidated financial statements, with the exception of that outlined below.*

*The discussion and analysis of historical periods does not reflect the significant impact that the Acquisition will have on MVI. The historical financial information has been prepared in accordance with IFRS.*

*Some of the information in the review below and elsewhere in this document includes forward- looking statements based on current expectations that involve risks and uncertainties. See "Forward- Looking Statements" on page 14 of this document for a discussion of important factors that could cause actual results to differ materially from the results described in the forward-looking statements contained in this document.*

## Overview

MVI was incorporated in the Czech Republic in June 2020. MVI was founded, in contemplation of the Transaction, with the purpose of purchasing 100% of the shares in Assat (an Armenian company), whose shares were purchased, with the approval of the relevant Armenian Government department, in November 2020. Assat is the holder of the Karaberd mining licence and the accounting period under review covers the first year of operation of the Karaberd mine under the ownership of MVI.

### Key factor affecting comparability

MVI only commenced trading, through its Armenian subsidiary Assat, in 2021. Assat was re-structured with the approval of the relevant Armenian Government department in 2021 to in the main retain only the Karaberd Mining Licence as its principal asset.

### Income and Costs

As with all mining operations, initial costs are incurred with set-up and site preparations. Both to prove that economic grades of ore containing Gold existed and could be processed and to generate income MVI, although hampered by restrictions due to Covid, commenced operations quickly and successfully and in the year to end December 2021 generated revenue of €982,000. Since commencement of the Karaberd Mine Operations MVI was able to refine 35,700 tons of ore which yielded 46,2 kg of 999 grade gold and in 2022 stockpiled another 10,770 tons of ore with a value of €1,305,718.

MVI had a loss of €325,000 in 2022 from continuing operations and when this is adjusted for a foreign exchange gain of €1,056,000 MVI shows a comprehensive income of EUR 731,000 in 2022.

#### 1. Consolidated statement of comprehensive income

The consolidated statement of comprehensive income for the 12 months ended 31 December 2021 is as follows:

	2022 Audited €	2021 Audited €
Revenue	2,000	982,000
Cost of Sales	(309,000)	(1,597,000)
<b>Gross Loss</b>	<b>(307,000)</b>	<b>(615,000)</b>
Administrative expenses	(153,000)	(209,000)
Other expenses	(87,000)	(11,000)
<b>Results from operating activities</b>	<b>(547,000)</b>	<b>(835,000)</b>
<i>Other Income</i>	155,000	(6,000)
Other Income / (expenses)		
<b>Profit/(Loss) before income tax</b>	<b>(392,000)</b>	<b>(841,000)</b>
Foreign exchange gain / (loss)	4,000	15,000
Income tax (expense) / recovery	64,000	154,000
<b>Loss for the year from continuing operations</b>	<b>(325,000)</b>	<b>(672,000)</b>
<i>Discontinued operations</i>		
Loss for the period from discontinued operations	0	0
<b>Profit / (Loss) for the year</b>	<b>(325,000)</b>	<b>(672,000)</b>
Foreign exchange gain / (loss)	1,056,000	517,000
Income tax (expense) / recovery	0	0
<b>Total comprehensive income for the year</b>	<b>731,000</b>	<b>(155,000)</b>

## 2. Consolidated statement of financial position

The consolidated statement of financial position as at 31 December 2022, 31 December 2021 and 31 December 2020 is as follows:

	As at 31 December		
	2022	2021	2020
	(Audited)	(unaudited)	
	€	€	€
<i>Non-current assets</i>			
<b>Property &amp; Equipment</b>	2	1	-
<b>Mining licence</b>	3,880,000	3,265,000	2,984,000
<b>Total Non-current assets</b>	3,882,000	3,266,000	2,984,000
<i>Current Assets</i>			
Inventories	283,000	-	-
Trade and other receivables	1,410,000	759,000	-
Other current assets	-	44,000	1,000
Cash and bank balances	57,000	5,000	-
<b>Total Current Assets</b>	1,750,000	808,000	1,000
<b>Non-current assets classified as held for sale</b>	-	-	674,000
<b>Total assets</b>	<b>5,632,000</b>	<b>4,074,000</b>	<b>3,659,000</b>
<b>Equity and liabilities</b>			
<i>Capital and reserves</i>			
Share capital	1,000	1,000	1,000
Other capital funds	3,810,000	2,970,000	1,763,000
Accumulated profit / (loss)	(772,000)	(447,000)	(1,393,000)
Foreign currency translation reserve	1,591,000	536,000	18,000
<b>Total Capital and Reserves</b>	4,630,000	3,059,000	389,000
<i>Non-current liabilities</i>			
Loans and Borrowings	30,000	-	408,000
Asset retirement obligation	29,000	21,000	18,000
Deferred tax liability	541,000	472,000	536,000
<b>Total Non-current liabilities</b>	<b>600,000</b>	<b>493,000</b>	<b>962,000</b>
<i>Current liabilities</i>			
Loans and borrowings	-	17,000	-
Trade and other payables	402,000	505,000	9,000
<b>Total current liabilities</b>	<b>402,000</b>	<b>522,000</b>	<b>9,000</b>
<b>Liabilities included in disposal group classified as held for sale</b>	-	-	<b>2,299,000</b>
<b>Total equity and liabilities</b>	<b>5,632,000</b>	<b>4,074,000</b>	<b>3,659,000</b>

### 3. Trade and other receivables

The following table analyses the component elements of the Group's trade and other receivables for the periods ended 31 December 2022, 31 December 2021 and 31 December 2020.

	Period Ended 31 December (Audited)		Period Ended 31 December (Unaudited)
	2022	2021	2020
	€	€	€
Trade Receivables	28,000	186,000	1,000
Shareholder Receivables	521,000	518,000	-
Allowances for Credit Losses	(28,000)	(16,000)	-
Advances and Prepayments	798,000	15,000	-
Receivables from the State Budget	91,000	56,000	-
			-
<b>Total</b>	<b>1,410,000</b>	<b>759,000</b>	<b>1,000</b>

By end 2022 the most significant change in Trade and other receivables is a reduction of €160,000 due to the fact that Assat stockpiled it's ore rather than sold it in 2022 and an increase in payables mostly due to a deposit of €597,928 (\$650,000) deposit paid to CGM.

### 4. Cash and cash equivalents

	Period Ended 31 December (Audited)		Period Ended 31 December (Unaudited)
	2022	2021	2020
	€	€	€
Cash and cash equivalents	57,000	5,000	-

Cash and cash equivalents increased to €52,000 during the year ended 31 December 2022

### 5. Retained deficit

The retained deficit at the end of the years ended 31 December 2022 and 31 December 2021 are as follows:

	Period Ended 31 December (Audited)	
	2022	2020
	€	€
Balance at beginning of the period	(447,000)	(1,393,000)
Transfer of Loss as a result of reorganisation	-	1,618,000
Total loss for the period	(325,000)	(672,000)
<b>Balance at the end of the period</b>	<b>(772,000)</b>	<b>(447,000)</b>

The movements in the retained deficit are generated by the loss for each of the periods ended 31 December 2022 and 31 December 2021 and the transfer of Loss as a result of the reorganisation of Assat.

### 6. Share capital and share premium

The MVI Group has one class of ordinary shares, which carry no right to fixed income.

### 7. Trends

As the MVI Group does not produce any products, there have been no trends in production, sales and inventory and costs and selling prices since the end of the last financial year.

## 8. Capitalisation and indebtedness

The following table sets the capitalisation and indebtedness of the MVI Group as at 31 December 2022. Since 31 December 2022, there has been no material change in the information set out below. The MVI Group is now in the position to state that, in its opinion, the Enlarged Group has sufficient working capital for its present requirements and obligations over the next twelve months.

	€
Total Current debt	402,000
Of which:	-
- Guaranteed	-
- Secured	-
- Unguaranteed and unsecured	402,000
Shareholders Equity:	
Share Capital at 31 December 2021	3,811,000
Retained deficit at 31 December 2021	819,000
Total capitalisation and indebtedness	4,630,000

Net indebtedness is as follows:

	€
A. Cash	57,000
B. Cash Equivalent	-
C. Trading securities	-
D. Liquidity (A) + (B) + (C)	57,000
E. Current Financial Receivable	1,693,000
F. Current Bank Debt	-
G. Current portion on non-current debt	-
H. Other current financial debt	402,000
I. Current Financial Debt (F) + (G) + (H)	402,000
J. Net Current Financial Indebtedness (I) – (E) – (D)	(1,348,000)
K. Non-current Bank Loans	-
L. Bonds Issued	-
M. Other non-current Loans	-
N. Non-current Financial Indebtedness (K) + (L) + (M)	-
O. Net Financial Indebtedness (J) + (N)	1,348,000

## 9. Capital Resources

As stated above, MVI does not perform any financial operations. Operations of Assat are directly funded by the Seller and the Holding Company.

### **Directors**

The Seller has the following two executive directors acting jointly on behalf of the company:

- (i) Mr David Marášek, born on 17 March 1970, residing in Svatý Jan 199/2, Únětice, Postal Code 252 62 ("Mr David Marášek"); and
- (ii) Mr, Lumír Vašík born on 28 January 1969, residing in Čs. armády 1063, Nový Bohumín, Postal Code 735 81. ("Mr Lumír Vašík ").

Executive director of MVI is Mrs Radka Krčmářová.

Executive director of Assat is Mr Lumír Vašík.

The directors of the Holding Company are:

- (i) Mr Pavel Lukeš, Czech citizen, born on 18 April 1967, residing in Kostelecká 736/1, Ďáblice, Prague 8, Postal Code 182 00;
- (ii) Mr Daniel Trnovec, Czech citizen, born on 22 May 1977, residing in Kovanecká 2105/4, Libeň, Prague 9, Postal Code 190 00; and
- (iii) Ms Radka Krčmářová, born on 25 November 1973, residing in Švejdova 569/9, Heřmanice, Ostrava, Postal Code 713 00.

### **Nature of business of the MVI Group**

The nature of business of the Seller, MVI and Assat is outlined in Section 4 of Part IV (*Information on MVI*).

The Holding Company is the biggest trader with precious metals in the Czech Republic.

### **Financial statements**

Companies incorporated in the Czech Republic are obliged to file the annual financial statements with the Collection of Deed of the Commercial Registry. MVI and Seller are not subject to audit requirement. The Holding Company is required to provide audited financial statements. The Holding Company is a joint stock company incorporated in September 2015 in the Czech Republic. The Holding Company's revenue for the year ended 31 December 2022 was EUR 9,930,678 and for the year ended 31 December 2021 was EUR 4,953,469. Net Assets as at 31 December 2022 were EUR 23,868,132.

The total assets of MVI as shown in its last audited accounts were €5,632,000. Its turnover for the year was €2,000 and loss for the year was €325,000 which when combined with a foreign exchange gain of €1,056,000 resulted in a comprehensive income for the year of €731,000.

The Seller is a limited liability company incorporated in April 2018 in the Czech Republic. The Seller's Net Assets as at 31 December 2022 were EUR 12,556,230.

In particular, under the legislation of the Republic of Armenia small organisations and groups and micro-organisations are not obliged to publish their annual financial statements. Micro-organisations and small organisations are defined to be those organisations the indicators of which do not exceed the following thresholds as of the end of the respective financial year or only one indicator is exceeded:

- balance sheet total – AMD 2 billion;
- revenues – AMD 4 billion; and
- average number of employees (calculated for statistical purposes) – 100 employees.

## **10. Operating Results**

Significant factors which could materially affect MVI's income are market prices of gold, interest rates, prices of energy and inflation.

### **11. Valuation Analysis of MVI that will become a 100% subsidiary of the Enlarged Group post RTO**

The FCA in December 2021 increased the market capitalisation threshold from £700,000 to 30,000,000 for companies being listed on the standard segment of the FCA's Official List. For this reason, IMC and MVI decided it would be prudent to commission in advance an independent valuation of MVI in order to assist in meeting this threshold.

On 29 May 2023 Alvarez & Marsal, based on a contract signed in September 2022 with the Holding Company, issued a comprehensive **Valuation Analysis** of MVI, evidencing that on Acquisition the Enlarged Group will meet the market capitalisation threshold following the RTO.

The Valuation has been performed in relation to the acquisition of MVI by IMC for a consideration



represented by majority of shares in IMC issued and allotted by IMC in favour of the Seller resulting in the Seller becoming the majority shareholder of IMC.

The Valuation was *'performed in relation to the market value of MVI as at 31 December 2022 in the context of the application to the Financial Conduct Authority of the United Kingdom and was made in accordance with the International Valuation Standards (IVS2020)'* Pg 4 - Valuation Analysis.

The Valuation is based on management forecasts to 2033 which is the estimated life of the mine. The current mining licence is due for renewal in June 2024 and in the normal course of operations an application to extend the licence for a further 11 years has been completed. The Valuation estimates the equity value of MVI to be **£42,000,000**, as a mid-point estimate between **£35,000,000** and **£49,000,000**, as at 31 December 2022.

The main conclusions of the Valuation are set out below, which are extracted from the cover page and page 7 of the Alvarez & Marsal *'Valuation of MVI Ireland s.r.o. in relation to a proposed reverse takeover as at 31 December 2022'*:



# Valuation Conclusion

## Work conducted and valuation conclusion

Based on the information provided and work performed, we have estimated the equity value of MVI Ireland to be £42m, as a midpoint estimate between £35m and £49m, as at the Valuation Date. This value range is based on the results derived from our two primary valuation approaches, the income and market approaches, and the valuation of inventory as at the Valuation Date.

The graph to the right illustrates our equity valuation conclusions ("Equity Value") based on these methods:

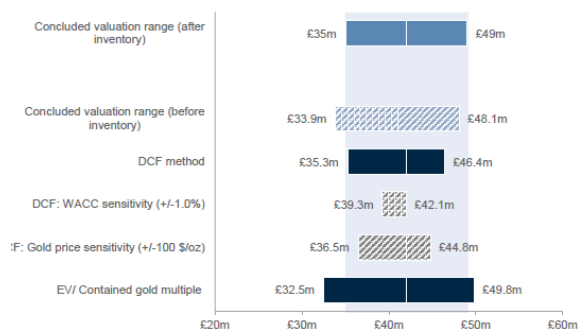
- Income approach:** Based on forecasts to FY33, provided by Management, and a weighted average cost of capital ("WACC") of 13.2% (mid-point), we conclude on an equity value range of between £35.3m to £46.4m (£40.6m mid-point). The equity value is estimated based on the DCF method outlined in Section 6, Discounted Cashflow Analysis, sensitised against the WACC (+/-1.0%) and the gold price (+/-100 \$/oz) to yield the concluded low to high range;
- Market approach:** Based on operational metrics provided by Management and the AMC mineral resource estimate report, we conclude on an equity value range of between £32.5m and £49.8m (£41.1m mid-point) as at the Valuation Date. The equity value estimated is based on the comparable company method outlined in Section 7, Comparable Company Analysis. We have selected an EV/ Contained gold multiple of between 167.2x and 254.2x based on the mid-point of the median and upper quartile (low) and the upper quartile (high) to yield the concluded low to high range.

By placing equal weighting to the two approaches discussed above, we estimate a valuation range of £33.9m to £48.1m (before inventory).

We were informed by Management that, as at the Valuation Date, there was 10,770 dmt of ore in inventory. We performed a valuation of this inventory using the net realisable value ("NRV") method. This yields an estimated fair value of inventory of £1.2m.

After adding the value of inventory to the valuation range based on the income and market approach, we conclude on a valuation range of £35m to £49m (mid-point £42m) rounded to the nearest £million.

## Valuation Conclusions - Equity Value



Source: A&M analysis.

## PART VII. HISTORICAL FINANCIAL INFORMATION RELATING TO IMC

### *Historical financial information*

The following audited consolidated financial statements of IMC together with the audit reports thereon, are incorporated by reference into this Prospectus and are published at <https://www.imcexploration.com/corporate/corporate-documents>:

1. the Company's audited consolidated Financial Statements for the year ended 30 June 2022 and Auditor's report thereon;
2. the Company's audited consolidated Financial Statements for the year ended 30 June 2021 and Auditor's report thereon; and
3. the Company's audited consolidated Financial Statements for the year ended 30 June 2020 and Auditor's report thereon.

The audited financial information of IMC for the six-month period to 31 December 2022 is also incorporated by reference into this Prospectus.

### *Identity of the statutory auditors*

The Company's auditors for the years ended 30 June 2022, 30 June 2021 and 30 June 2020 were Lowry & Associates, 70 Northumberland Road, Ballsbridge, Dublin 4, Ireland with Auditor Number: AI222890. Lowry & Associates is a member of Chartered Accountants Ireland.

### *Auditor's reports*

#### *The Company's audited consolidated Financial Statements for the year ended 30 June 2022 and Auditor's report thereon (the "2022 Audited Consolidated Financial Statements")*

The opinion section on the financial statements of the Auditor's Report which is not modified highlighted the following matters to be communicated:

1. The adequacy of disclosures made in Note 13 to the financial statements in relation to the Directors' assessment of the carrying value of the Group's intangible assets amounting to €607,155. There is a risk that the Group's exploration and evaluation assets will not be recovered due to the inherent uncertainties which exist with exploration activities. The valuation of these assets requires management to assess whether there are indicators of impairment based on consideration of factors such as the status of licences and the Group's intention to proceed with future work programmes for each licence area.
2. there is a risk that the Company's subsidiary undertaking will not be able to repay the amounts due to the Company of €1,324,287(2020: €1,159,382) which has provided finance to this entity to fund its activities. This has no impact on the Group's financial position.
3. A material uncertainty exists in relation to the ability of the Group to realise the exploration and evaluation assets capitalised to intangible assets and in relation to the ability of the Company to realise amounts owed by the Company's subsidiary undertaking.

#### *The Company's audited consolidated Financial Statements for the year ended 30 June 2021 and Auditor's report thereon (the "2021 Audited Consolidated Financial Statements")*

The opinion section on the financial statements of the Auditor's Report which is not modified highlighted the following matters to be communicated:

1. the adequacy of disclosures made in Note 10 to the financial statements in relation to the Directors' assessment of the carrying value of the Group's intangible assets amounting to €415,167. There is a risk that the Group's exploration and evaluation assets will not be recovered due to the inherent uncertainties which exist with exploration activities. The valuation of these assets requires management to assess whether there are indicators of impairment based on consideration of factors such as the status of licences and the Group's intention to proceed with future work programmes for each licence area.
2. there is a risk that the Company's subsidiary undertaking will not be able to repay the amounts due to the Company of €1,159,382 (2020: €1,010,780) which has provided finance to this entity to fund its activities. This has no impact on the Group's financial position.

3. A material uncertainty exists in relation to the ability of the Group to realise the exploration and evaluation assets capitalised to intangible assets and in relation to the ability of the Company to realise amounts owed by the Company's subsidiary undertaking.

*The Company's audited consolidated Financial Statements for the year ended 30 June 2020 and Auditor's report thereon (the "2020 Audited Consolidated Financial Statements")*

The opinion section on the financial statements of the Auditor's Report which is not modified highlighted the following matters to be communicated.

1. the adequacy of disclosures made in Note 10 to the financial statements in relation to the Directors' assessment of the carrying value of the Group's intangible assets amounting to €451,851. There is a risk that the Group's exploration and evaluation assets will not be recovered due to the inherent uncertainties which exist with exploration activities. The valuation of these assets requires management to assess whether there are indicators of impairment based on consideration of factors such as the status of licences and the Group's intention to proceed with future work programmes for each licence area.
2. there is a risk that the Company's subsidiary undertaking will not be able to repay the amounts due to the Company of €1,010,780 (2019: €1,002,188) which has provided finance to this entity to fund its activities. This has no impact on the Group's financial position.
3. We draw attention to note 1 in the financial statements, which indicates that the Group incurred a loss in the financial year of €251,947 and that the company is dependent on the continued funding from its directors and shareholders to cover ongoing expenses for the coming 12 months. As stated in note 1, these events or conditions indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. We also draw attention to note 19 in the financial statements which details the potential impact of Covid-19 on the Group and its ability to raise further funding.

The 2022 Audited Consolidated Financial Statements, 2021 Audited Consolidated Financial Statements and 2020 Audited Consolidated Financial Statements (the "**IMC Financial Statements**") have been prepared in accordance with International Financial Reporting Standards (IFRS's) as adopted by the EU in accordance with the Companies Act 2014.

The IMC Financial Statements have been prepared on the historical cost basis. The accounting policies have been applied consistently by IMC Group entities.

The IMC Financial Statements have been prepared on the going concern basis, which assumes that IMC Exploration Group Public Limited Company will continue in operational existence for the foreseeable future.

*Dividend policy*

The Company has never declared or paid a dividend. Neither Irish company law nor the constitution of the Company obliges the Company to declare or pay a dividend to its shareholders. The Board anticipates that the Company's cash resources will be retained for the development of the Company's business.

*Legal and arbitration proceedings*

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware), which may have, or have had, during the 12 months preceding the date of this document significant effects on the Group's financial position or profitability.

*No significant change*

There has been no significant change in the financial or trading position of the Company since 31 December 2022, being the end of the last financial period of the Company for which historical financial information is included in this document.

## PART VIII. HISTORICAL FINANCIAL INFORMATION RELATING TO MVI

### *Historical financial information*

The MVI Group's audited consolidated Financial Statements for the years ended 31 December 2021 and 31 December 2022 together with the audit reports thereon are set out below.

### *Identity of the statutory auditors*

MVI's auditor for the years ended 31 December 2021 and 31 December 2022 was Grant Thornton Audit s.r.o. with its registered office at Pujmanove 1753/10a, 140 00 Praha 4-Nusle, Czechia with Licence Number: 603.

### A. INDEPENDENT AUDITORS REPORTS

To the Shareholder of

MVI Ireland s.r.o.  
limited liability company with registered capital of CZK 12,000.00  
Registered Address: Ovocny trh 572/11, Stare Mesto, 110 00 Praha 1  
Company Identification Number (IC): 092 15 077

#### A.1 Auditor's opinion

We have audited the accompanying consolidated financial statements of MVI Ireland s.r.o. (hereinafter also the "Company") prepared in accordance with International Financial Reporting Standards adopted by the European Union, showing a total assets of 5 632 ths. EUR and a profit of 731 ths. EUR. These consolidated financial statements comprise statement of financial position as at 31 December 2022, income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows for the period then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

**We, Grant Thornton Audit s.r.o, confirm that we are responsible for the consolidated financial statements of MVI. It is our responsibility to form an opinion as to whether this financial information gives a true and fair view for the purposes of this Prospectus. In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Company as at 31 December 2022 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards adopted by the European Union.**

#### A.2 Basis for Opinion

We conducted our audit in accordance with the Act on Auditors, and Auditing Standards of the Chamber of Auditors of the Czech Republic, which are International Standards on Auditing ("ISAs"), as amended by the related application clauses. Our responsibilities under this law and regulation are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Company in accordance with the Act on Auditors and the Code of Ethics adopted by the Chamber of Auditors of the Czech Republic and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### A.3 Responsibilities of the Company's Managing Directors (hereinafter also "Company's statutory body") for the Financial Statements

Company's statutory body is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRSs adopted by the European Union and for such internal control as the statutory body determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Company's statutory body is responsible for assessing the Company's ability to continue as a going concern, disclosing in the notes to the financial statements, as applicable, matters related to going concern and using the going concern basis of accounting unless the Company's statutory body either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

#### A.4 Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the above mentioned regulations will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the above law and regulation, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Company's statutory body in the notes to the financial statements.
- Conclude on the appropriateness of the statutory body's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Prague on 23 May 2023

Grant Thornton Audit s.r.o.

Audit Firm

Pujmanove 1753/1 0a, Praha 4

Licence No. 603



A rectangular stamp with a dashed border. At the top, there is a handwritten signature in blue ink. Below the signature, the text reads "Ing. Jan Vácha" and "Auditor, Licence No. 2379".

## INDEPENDENT AUDITORS REPORT

To the Shareholder of

MVI Ireland s.r.o.  
limited liability company with registered capital of CZK 12,000.00  
Registered Address: Ovocny trh 572/11, Stare Mesto, 110 00 Praha 1  
Company Identification Number (IC): 092 15 077

### Auditor's opinion

We have audited the accompanying consolidated financial statements of MVI Ireland s.r.o. (hereinafter also the "Company") prepared in accordance with International Financial Reporting Standards adopted by the European Union, showing a total assets of 4 074 ths. EUR and a loss of 155 ths. EUR. These consolidated financial statements comprise statement of financial position as at 31 December 2021 income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows for the period then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

**We, Grant Thornton Audit s.r.o, confirm that we are responsible for the consolidated financial statements of MVI. It is our responsibility to form an opinion as to whether this financial information gives a true and fair view for the purposes of this Prospectus. In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Company as at 31 December 2021 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards adopted by the European Union.**

### Basis for Opinion

We conducted our audit in accordance with the Act on Auditors, and Auditing Standards of the Chamber of Auditors of the Czech Republic, which are International Standards on Auditing ("**ISAs**"), as amended by the related application clauses. Our responsibilities under this law and regulation are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Company in accordance with the Act on Auditors and the Code of Ethics adopted by the Chamber of Auditors of the Czech Republic and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Responsibilities of the Company's Managing Directors (hereinafter also "Company's statutory body") for the Financial Statements

Company's statutory body is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRSs adopted by the European Union and for such internal control as the statutory body determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Company's statutory body is responsible for assessing the Company's ability to continue as a going concern, disclosing in the notes to the financial statements, as applicable, matters related to going concern and using the going concern basis of accounting unless the Company's statutory body either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the above mentioned regulations will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the above law and regulation, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may

involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

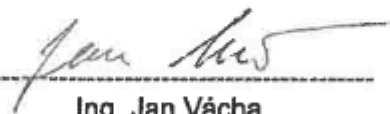
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Company's statutory body in the notes to the financial statements.
- Conclude on the appropriateness of the statutory body's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Prague on 21 April 2022



**Grant Thornton Audit s.r.o.**  
Audit Firm  
Pujmanové 1753/10a, Praha 4  
Licence No. 603

  
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**Ing. Jan Vácha**  
Auditor, Licence No. 2379



## B. Consolidated statement of financial position

In thousand Euros	Note	As of 31 December 2022	As of 31 December 2021	As of 31 December 2020 (unaudited)
<b>Assets</b>				
<i>Non-current assets</i>				
Property and equipment		2	1	-
Mining license	3.3	3,880	3,265	2,984
Investment		-	-	-
		3,882	3,266	2,984
<i>Current assets</i>				
Inventories		283	-	-
Trade and other receivables	4	1,410	759	1
Other current assets		0	44	-
Cash and bank balances		57	5	-
		1,750	808	1
Non-current assets classified as held for sale				
		-	-	674
		-	-	-
Total assets		5,632	4,074	3,659
<b>Equity and liabilities</b>				
<i>Capital and reserves</i>				
Share capital	6	1	1	1
Other capital funds		3,810	2,970	1,763
Accumulated profit /- loss		(772)	(447)	(1,393)
Foreign currency translation reserve		1,591	535	18
		4,630	3,059	389
<i>Non-current liabilities</i>				
Loans and borrowings	13.2	30	-	408
Asset retirement obligation		29	21	18
Deferred tax liability		541	472	536
		600	493	962
<i>Current liabilities</i>				
Loans and borrowings		0	17	-
Trade and other payables	7	402	505	9
		402	522	9
Liabilities included in disposal group classified as held for sale				
	5	-	-	2,299
Total equity and liabilities		5,632	4,074	3,659

C. **Consolidated Statement of profit or loss and other comprehensive income**

In thousand Euros	Note	Twelve months to 31 December 2022	Twelve months to 31 December 2021
Revenue	8	2	982
Cost of sales	9	(309)	(1597)
Gross loss		(307)	(615)
Administrative expenses		(153)	(209)
Other expenses		(87)	(11)
Impairment loss of financial asset			
Results from operating activities		(547)	(835)
<i>Other income</i>			
Finance income/ (expenses)		155	(6)
Profit/ (loss) before income tax		(392)	(841)
Foreign exchange gain/ (loss)		4	15
Income tax (expense)/ recovery		64	154
Loss for the year from continuing operations		(325)	(672)
<i>Discontinued operations</i>			
Loss for the period from discontinued operations		0	0
Profit/ (loss) for the year		(325)	(672)
Translation reserve		1,056	517
Deferred tax liability		0	0
Total comprehensive income for the year		731	(155)

The statement of profit or loss and other comprehensive income is to be read in conjunction with the notes to and forming part of the financial statements set out below.

D. **Consolidated Statement of changes in equity**

<b>In thousand Euros</b>	<b>Share (Charter) capital</b>	<b>Other capital funds</b>	<b>Accumulated profit/(loss)</b>	<b>Translation reserve</b>	<b>Total</b>
as of January 1, 2022	1	2,970	(447)	535	3,059
Shareholder contribution	-	840	-	-	840
Transfer of loss as a result of reorganization	-	-	-	-	-
Profit/(loss) for the year	-	-	(325)	-	(325)
Other comprehensive income	-	-	-	1,056	1,056
Total comprehensive income for the year	-	-	(325)	1,056	731
as of December 31, 2022	1	3,810	(772)	1,591	4,630

The statement of changes in equity is to be read in conjunction with the notes to and forming part of the financial statements set out below.

## E. Consolidated Statement of cash flows

<b>In thousand Euros</b>	<b>Twelve months to 31 December 2022</b>	<b>Twelve months to 31 December 2021</b>
Cash flows from operating activities		
Profit for the year	(380)	(715)
<i>Adjustments for:</i>	-	-
Depreciation and amortization	316	238
Bad debt expense	26	-
Accrued interest expense	-	-
Interest expense	-	-
Income tax expense/(recovery)	(14)	(111)
Cost of sales of inventories written off	-	-
Foreign exchange gain	(4)	(15)
<i>Operating profit before working capital changes</i>	(56)	(603)
Change in trade and other receivables	(176)	(242)
Changes in other assets	10	(44)
Change in inventories	(283)	-
Change in trade and other payables	(106)	502
<i>Cash generated from operations</i>	(611)	(387)
Interest paid	-	-
Income tax paid	-	-
Cash flows from operating activities – discontinued operations	-	-
<i>Net cash from operating activities</i>	(611)	(387)
<i>Cash flows from investing activities</i>		
Acquisition of PPE	(1)	-
Acquisition of Intangible assets	-	-
Change in other non-current assets	-	-
Proceeds from disposal of property and equipment	-	-
Cash flows from investing activities – discontinued operations	-	-
<i>Net cash used in investing activities</i>	(1)	-
<i>Cash flows from financing activities</i>		
Proceeds from loans and borrowings	445	444
Repayment of loans and borrowings	(13)	(25)
Cash flows from financing activities – discontinued operations	-	-
<i>Net cash from/(used in) financing activities</i>	432	419
Net increase/(decrease) in cash and bank balances	(180)	32
Foreign currency translation effect on cash	232	(27)
Cash and bank balances at the beginning of the year	5	-
Cash and bank balances at the end of the year	57	5

## Notes to the consolidated financial statements

### 1. Nature of operations and general information

MVI Ireland s.r.o. (“MVI”) is a company founded in the Czech Republic in June 2020. The company is a special purpose vehicle (SPV) company founded for the purpose of the purchase of 100% of the share capital in Assat. The share capital in Assat was purchased in November 2020.

Assat has been engaged in trading activities since its foundation in 1999, and operates in the mining industry.

In 1999 Assat received permission to operate the Onyx marble mine in the Masis region of the Republic of Armenia. In 2008 Assat was forced to refuse from this permission due to mining difficulties. In 2003 Assat purchased 85% of A.D.H.G OJSC’s shares. In 2003-2005, Assat received permits to explore the gold mines of Voskedzor and Bardzavan in the Syunig region of the Republic of Armenia. In 2010 Assat started to operate a gold recovery plant in the city of Masis, the operational process of which has been terminated later on.

In 2007 Assat received a permit to explore the gold mine of Karaberd in the Lori region of Armenia. The mine site was completed in 2012.

In June 2013 Assat received an operating permit of the Karaberd mine, and commenced mining works at the end of 2014. In three years, about 2,200 tons of ore have been mined. Subsequently, in 2017, due to the low prices of gold, Assat ceased exploitation of the mine.

In 2021 Assat was restructured by means of separation (a legal process whereby the company Assat retained only the Karaberd mine) and the exploitation of the mine has resumed. In 2022 Assat extracted 10,791 tons of oxide ore which has been warehoused for processing when the new metals extraction facility is built. In 2021 33,447 tons of oxide ore was extracted and processed at a third-party facility.

The average number of employees of MVI during 2022 was 16 employees (2021 16 employees).

### Business environment

The conflict broke out in February 2022 in Ukraine that evolved rapidly and had significant impact around the world. The United States and the European countries have imposed severe sanctions against the Russian Federation. The Western countries are discussing widening existing sanctions. The Russian Federation is a significant trading partner of the Republic of Armenia, hence sanctions imposed on Russia as of the date of these financial statements, as well as the escalation of those sanctions had a radical effect on the economy and financial markets of the Republic of Armenia. The immediate global implications were higher inflation, lower growth, and some disruption to financial markets. This resulted in increased inflows of foreign currency into the Armenian market, which led to a significant appreciation of the Armenian dram relative to the US dollar and Euro. On the other hand, the Central Bank of Armenia did not take any measures to weaken the Armenian national currency. Management does not expect that there will be any further appreciation of the Armenian dram relative to the US dollar and Euro. However, the continuing conflict in Ukraine may result in inflows of still more foreign currency into Armenia, which may have a negative impact on the financial sustainability of the Company.

In 2022 the political situation in the Republic of Armenia continued remaining relatively unstable, and the consequences of the 44-day Artsakh war are still having significant effect on the country overall and economic entities particularly. Since December 2022, the main road connecting Armenia with Artsakh remains closed, with relevant humanitarian effects and both political and economic pressures implied. Despite international condemnation of the blockade, and presence of the Russian Peacekeeping forces, an unstable situation exists.

However, as at June 2023 the peace talks between Armenia and Azerbaijan significantly progressed as Armenia seems to be ready to recognise Azerbaijan’s 86,600 km<sup>2</sup> territorial integrity which includes Nagorno Karabakh. Therefore, according to the Armenian government officials, the signing of a peace treaty or an agreement on normalising the relations between Armenia and Azerbaijan is not far away.

### 2. Basis of preparation

#### 2.1 Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRSs”) as issued by the International Accounting Standards Board (“IASB”). They have been prepared under the assumption that Assat and MVI (together, the “MVI Group”) operate on a going

concern basis.

The financial statements are for the twelve months ended 31 December 2022.

## 2.2 Basis of measurement

The financial statements have been prepared on an accruals basis and under the historical cost convention.

## 2.3 Functional and presentation currency

The national currency of The Czech Republic is the Czech koruna (“**koruna**”), which is MVI’s functional currency, since this currency best reflects the economic substance of the underlying events and transactions of MVI.

The national currency of Armenia is the Armenian dram (“**dram**”), which is Assat’s functional currency, since this currency best reflects the economic substance of the underlying events and transactions of Assat.

These consolidated financial statements are presented in Euros (unless otherwise stated), since management believes that this currency is more useful for the users of these consolidated financial statements. All financial information presented in Euros has been rounded to the nearest thousand.

## 2.4 Use of estimates and judgment

The preparation of financial statements in conformity with IFRSs requires management to make critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 11 to the financial statements.

## 2.5 Adoption of new and revised standards

In 2021 the MVI Group adopted all of the new and revised Standards and Interpretations issued by the International Accounting Standards Board (the “**IASB**”) and International Financial Reporting Interpretations Committee (the “**IFRIC**”) of the IASB that are relevant to its operations and effective for annual reporting periods beginning on 1 January 2022.

The nature and the effect of these changes are disclosed below.

### **New and revised standards and interpretations that are effective for annual periods beginning on or after 1 January 2022**

New standards and amendments described below and applied in 2022 did not have a material impact on the annual financial statements of the MVI Group:

<b>Standard</b>	<b>Title of Standard or Interpretation</b>
IFRS 3	References to the conceptual framework (Amendments to IFRS 3)
IAS 16	Proceeds before intended use (Amendments to IAS 16)
IAS 37	Onerous contracts - costs of fulfilling a contract (Amendments to IAS 37)

IFRS 1, IFRS 9, IAS 41, IFRS 16 Annual improvements to IFRS Standards 2018-2021 cycle (Amendments to IFRS 1, IFRS 9, IAS 41, IFRS 16)

### **Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted early by MVI**

At the date of authorization of these financial statements, certain new standards, amendments and interpretations to existing standards have been published by the IASB but are not yet effective, and have not been adopted early by the MVI Group.

Management anticipates that all of the relevant pronouncements will be adopted in MVI’s accounting policies for the first period beginning on or after the effective date of the pronouncement.

Management does not anticipate a material impact on the financial statements from these Standards and Amendments, they are presented below:

<b>Standard</b>	<b>Title of Standard or Interpretation</b>	<b>Effective for reporting periods beginning on or after</b>
<i>IFRS 17</i>	<i>Amendments to IFRS 17 Insurance Contracts including the Extension of the Temporary Exemption from Applying IFRS 9 (Amendments to IFRS 4)</i>	1 January 2023
<i>IFRS 12</i>	<i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12)</i>	1 January 2023
<i>IFRS 17</i>	<i>Initial application of IFRS 17 and IFRS 9 - Comparative information (Amendment to IFRS 17)</i>	1 January 2023
<i>IAS 8</i>	<i>Definition of Accounting Estimates (Amendments to IAS 8)</i>	1 January 2023
<i>IAS 1</i>	<i>Disclosure of Accounting Policies (Amendments to IAS 1 and Practice Statement 2)</i>	1 January 2023
<i>IAS 1</i>	<i>Classification of Liabilities as Current or Non-current (Amendments to IAS 1)</i>	1 January 2024
<i>IAS 16</i>	<i>Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)</i>	1 January 2024
<i>IAS 1</i>	<i>Non-current Liabilities with Covenants (Amendments to IAS 1)</i>	1 January 2024

### 3. Significant accounting policies

#### 3.1 General conditions and first-time adoption of IFRSs

These financial statements are the first that the MVI Group has prepared in accordance with International Financial Reporting Standards (“**IFRSs**”). The concepts of accounting policy were applied to each period presented in the financial statements.

#### 3.2 Foreign currencies

Foreign currency transactions

In preparing the financial statements, transactions in currencies other than the functional currency are recorded at the rates of exchange defined by the Central Banks of the Czech Republic (for MVI) and Armenia (for Assat) prevailing on the dates of the transactions. At each reporting date, monetary items denominated in foreign currencies are retranslated at the rates defined by the Central Banks of the Czech Republic and of Armenia prevailing on the reporting date, which is 24.115 Czech koruna resp. 420.06 Armenian drams for 1 Euro as of 31 December 2022 and 24.86 Czech koruna resp. 542.61 Armenian drams for 1 Euro as of 31 December 2021.

Translation of financial statements

The assets and liabilities of the MVI Group are translated from Czech koruna and Armenian dram into Euro at the exchange rate at the end of the reporting period. Revenues and expenses are translated into Euro using average rate for the period, whereas equity accounts are translated using historic rates, ruling at the dates of the transactions. The resulting exchange difference is recorded in other comprehensive income and credited to equity in the foreign currency translation reserve.

#### 3.3 Mining license

On 6 June 2013 Assat received a mineral extraction permit № SHAT-29/366 from the Ministry of Energy and Natural Resources of the Republic of Armenia for a period of 11 years for the exploitation of the gold mine located in Darakert village of the Ararat region of Armenia (state registration certificate number 03A 075209 dated 23 March 2012) and in the normal course of operations an application to extend the licence for a further 11 years has been completed.

Assat expensed all costs related to the development and exploitation of the mine project in previous years.

In November 2021, Assat hired an independent professional valuation body and estimated the fair value of the mining license. The mining license is presented in the financial statements in value stated by the professional valuation body as of 1 January 2020 in the amount of 1,925,000,000 Armenian dram.

The value of mining license is depreciated on the linear basis over the 163 months from December 2020 to June 2034, when the mining license is expected to expire.

For fair valuation of the mining license, considering that it is fundamental to the business and has a scarce nature, the Greenfield method with discounted cash flows has been selected, which then has been complimented by the Market approach based on Enterprise Value/Ore indicated and inferred resources multiple derived from peer companies. The Greenfield method constructs a start-up scenario, which assumes, that the license to be valued is the only asset Assat owns as of the date of analysis and that Assat has to develop an operation comparable to the one already in place. Cash flows related to the license have been forecasted and discounted to the present value. An interest rate corresponding to the risks associated with the license is used for the purpose of discounting. Resulting present value of future cash flows is adjusted by non-current fixed assets and net working capital, in order to calculate the value of the license.

### **3.4 Loans and borrowings**

Loans and borrowings are recognized initially at fair value, net of issuance costs associated with the borrowing. The difference between fair value and nominal value is recognized in profit or loss, except when the borrowing was received from the owners. In this instance the borrowing was received from owners. Subsequent to initial recognition, loans and borrowings are stated at amortized cost with any difference between cost and redemption value recognized in profit or loss over the period of the borrowings on an effective interest basis. Interest and other costs incurred in connection with borrowings are expensed as incurred as part of finance expenses, except for the borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset, which are capitalized as part of that asset.

### **3.5 Asset retirement obligation**

Asset retirement obligations represent management's best estimate of the present value of the future expenditures required to settle the obligation, which reflects estimates of future costs, inflation rates, changes in foreign exchange rates and assumptions of risks associated with the future expenditures, using a pre-tax interest rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

Changes in the above factors can result in a change to the provision being recognized. An asset retirement obligation to incur decommissioning and reclamation costs generally occurs when an environmental disturbance is caused by exploration, evaluation or development. Costs are estimated on the basis of a closure plan and are subject to periodic review. Decommissioning and site reclamation costs are discounted to present value when the obligation to incur such costs arises.

### **3.6 Trade and other payables**

Trade and other payables are initially recognized at fair value and subsequently stated at amortized cost.

### **3.7 Non-current assets classified as held for sale**

If MVI intends to sell non-current assets or groups of assets, and if the sale is highly probable to be carried out within 12 months, the asset or group of assets is classified as held for sale and presented as such in the statement of financial position.

Assets classified as held for sale are measured at the lower of their carrying amounts, immediately prior to their classification as held for sale and their fair value less costs to sell. They are not subject to depreciation or amortization. Held for sale assets, however, such as financial assets or deferred tax assets, are measured as usual.

Any profit or loss arising from the sale or revaluation of held for sale assets is included in "other income" or "other expense", respectively, in the statement of profit or loss and other comprehensive income. Any revaluation surplus remaining in equity on disposal of the asset is transferred to the accumulated profit.

### **3.8 Equity**

Equity instruments issued by MVI are recorded at the proceeds received.



Share capital represents the nominal value of shares that have been issued by MVI.

Foreign currency translation reserve comprises foreign currency translation differences arising from the translation of the financial statements of the MVI Group into the presentation currency.

Accumulated profit/(loss) include all current and prior period retained profits or losses.

All transactions with owners are recorded separately within equity.

### 3.9 Income tax

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

### 3.10 Revenue

Revenue arises mainly from the sale of mineral oxide ore by Assat. MVI had no revenues in the period for which the Consolidated Statement of profit or loss and other comprehensive income is prepared.

Assat enters into transactions involving sale of Assat's mineral oxide ore products. The transaction price for a contract excludes any amounts collected on behalf of third parties.

Revenue is recognized at a point in time, when (or as) Assat satisfies performance obligations by transferring the promised goods to its customers.

Contract price for extracted gold is defined based on the prices prevailing in the London Metal Exchange on the previous day of the sales invoice and discounts applied based on the proportion of gold in oxide ore per gram in a ton.

## 4. Trade and other receivables

<b>In thousand Euros</b>	<b>As of 31 December 2022</b>	<b>As of 31 December 2021</b>	<b>As of 31 December 2020</b>
<i>Financial assets</i>			
Trade receivables	28	186	1
Shareholder receivables	521	518	-
Allowances for credit losses	(28)	(16)	-
	521	688	-
<i>Non-financial assets</i>			
Advances and prepayments	798	15	-
Receivables from the State budget	91	56	-
	889	71	-
Trade and other receivables	1,410	759	-

All amounts are short-term. The net carrying value of trade receivables is considered a reasonable approximation of fair value. No interest is charged on the trade receivables. The majority of shareholder receivables is related to capital contribution.

## 5. Inventories

Inventories are assets held for sale in the ordinary course of business or in the form of materials or supplies to be consumed in the production process or in the rendering of services. Items such as spare parts, stand-by equipment and servicing equipment are also recognized as inventories unless they meet the definition of property and equipment.

Inventories are stated at the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. The cost of inventories is based on the first-in first-out principle and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition.

<b>In thousand Euros</b>	<b>As of 31 December 2022</b>
<i>Inventories held</i>	
Raw Materials	1
Ore oxide	277
Processed Gold	5
Inventory Total	283

## 6. Capital and reserves

### 6.1 Share capital

MVI has one class of ordinary shares, which carry no right to fixed income.

## 7. Trade and other payables

<b>In thousand Euros</b>	<b>As of 31 December 2022</b>	<b>As of 31 December 2021</b>	<b>As of 31 December 2021</b>
Trade payables	370	353	7
Employee compensation	23	11	-
Taxes and duties payable	9	140	2
	402	504	9

No interest is charged on the trade payables. The MVI Group has financial risk management policies to ensure that all payables are paid within the credit timeframe.

## 8. Revenue

The decrease in revenue is due to termination of the purchase and sale agreement signed with "Geopromining Gold" LLC on 2 March 2021 for the sale of oxide ore of Karaberd gold mine that formed 94% of the total revenue of MVI in 2021. MVI through its subsidiary Assat that owns the Karaberd mine deemed it more effective to stockpile/warehouse it's oxide ore to be processed when the new extraction facility is completed.

## 9. Cost of sales

<b>In thousand Euros</b>	<b>Twelve months to 31 December 2022</b>	<b>Twelve months to 31 December 2021</b>
Mining technical service fee	-	1 108
Employee compensation	-	54
Rental expenses	-	189
Other	1	8
Depreciation	308	238
	309	1 597

## 10. Subsequent events

MVI's ultimate parent plans to sell its investment in MVI to IMC, which is an Irish incorporated company with a standard listing on the London Stock Exchange. The transaction will be a reverse takeover for listing

purposes, that is planned to take place in 2023.

## 11. **Critical accounting estimates and judgments**

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

### 11.1 **Critical accounting estimates**

The Companies make estimates and assumptions concerning the future. The resulting accounting estimates may be different from the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

#### *Asset retirement obligation*

Assat's calculation of asset retirement obligations relies on estimates of costs required to rehabilitate and restore land to appropriate post-operation condition according to Annex 2 of the Mining Contract N P-366 dated 6 June 2013. Key assumptions are reviewed regularly and adjusted to reflect current assumptions used to calculate these estimates. Significant judgment is required in determining the asset retirement obligation as there are many transactions and other factors that will affect the ultimate costs required to rehabilitate the mine site. Factors that will affect this liability include future development and operating activity, changes in technology, price, inflation rate, and interest rate changes.

Asset retirement obligation has been first recognized on 1 January 2020 upon the first-time adoption of IFRSs and has been calculated on the initial contractual value of 12,709 Armenian drams, which is the estimated cost that Assat will incur to close the mine site. Average inflation rate has been estimated to be 2.5% annually and the spot rate on yield curves defined by the Central Bank of Armenia effective on each reporting date has been taken as a discount rate (3-year yield as of 30 June 2021: 8.36% and 2-year yield ad of 31 December 2021: 9.45%). During the reporting period a significant change in the inflation rate occurred, and as of 31 December 2022 the average inflation rate taken into consideration for calculations was defined at 8.60%. For each reporting date the fair values are being recalculated with corresponding changes recognized in profit or loss. In the reporting period an expense of 1,000 Euros has been recognized under the other expenses.

## 12. **Contingencies**

### 12.1 **Taxes**

On 1 January 2020, the chapter on the regulation of transfer pricing of the Tax Code of the Republic of Armenia came into force, which defines the peculiarities of transactions between related parties, defines the procedure for considering those transactions as controlled by the tax authority, as well as the procedure for submitting notification and documentation. The purpose of the mentioned regulations is to determine whether the financial performance of transactions between related parties is consistent with the arm's length principle, and in the event of inconsistency, the adjustment procedure for tax base computation purpose is established. The application of these regulations is subject to separate inspection by the tax authority, and the absence of required documentation or improper submission can result in significant consequences.

The mentioned chapter of the Tax Code contains many uncertainties, and similar regulations have not been applied in the Republic of Armenia in the past. As a result, there is no sufficient experience in interpreting and applying such regulations.

As of the date of these financial statements MVI carried out analysis consistent with regulations of transfer pricing, as a result of which concluded that the impact of this change on financial statements is not significant.

## 13. **Related parties**

The related parties include its parent and entities under common control, key management and others as described below.

### 13.1 **Control relationships**

Assat is controlled by MVI, which owns 100% of Assat's shares and is the parent of Assat.

MVI is controlled by Mineral Ventures Invest spol. s r.o. (the “**Seller**”) incorporated in the Czech Republic and located at Ovocný trh 572/11, Old Town, 110 00 Prague, which owns 100% of MVI's shares and is the parent of MVI.

### 13.2 Transactions with related parties

During the reporting year MVI had the following transactions with the related parties and as of the reporting date had the following outstanding balances.

<b>In thousand Euros</b>	<b>Twelve months to 31 December 2022</b>
<b>Transactions</b>	
Entities under common control	
Acquisition of services	0
Provision of borrowings	0
Repayment of borrowings	0
<b>In thousand Euros</b>	<b>As of 31 December 2022</b>
<b>Outstanding balances</b>	
Entities under common control	
Borrowings provided	-
Services acquired	0

### 13.3 Transactions with management and close family members

Directors of the MVI Group and their close family members as of 31 December 2022 and 31 December 2021 had no significant shares in the Companies.

## **PART IX. UNAUDITED PRO FORMA FINANCIAL INFORMATION**

The following pro forma statement of financial position and pro forma profit and loss statement of the Enlarged Group sets out the consolidated financial position of IMC as audited by Lowry and Associates and the MVI Group as audited by Grant Thornton as at 31 December 2022. The pro forma financial information has been prepared for illustrative purposes only and is to illustrate the financial position if the Transaction was to have taken place on the 31 December 2022 (last audited accounts date). The hypothetical financial position or results included in the pro forma financial information may differ from the entity's actual financial position or results.

A report on the pro forma financial information has been prepared by Lowry and Associates and is included in full below. This report confirms that the pro forma financial information has been properly compiled on the basis stated in that report and that such basis is consistent with the accounting policies of IMC.

### ***Report from Lowry and Associates***

The Directors  
IMC Exploration PLC  
70 Ballybough Road  
Dublin  
D03 F9P7

**14<sup>th</sup> August 2023**

Dear Sir or Madam:

### **IMC Exploration PLC**

We report on the pro forma financial information (the 'Pro forma financial information') set out in Part IX (Unaudited Pro Forma Financial Information of the Combined Group) of the Company's Prospectus dated 29 September 2023, which has been prepared on the basis described in the notes thereto, for illustrative purposes only, to provide information about how the proposed acquisition of MVI Ireland s.r.o. by IMC Exploration PLC ('the Company') might have affected the financial information presented on the basis of the accounting policies adopted by the Company in preparing the financial statements for the year ended 31 December 2022. This report is required by Section 3 of Annex 20 of Commission Delegated Regulation (EU) 2019/980 (the 'PR Regulation') as applied by paragraph 13.3.3R of the Listing Rules of the Financial Conduct Authority (the 'FCA') (the 'UK Listing Rules') and is given for the purpose of complying with those paragraphs and for no other purpose.

### **Responsibilities**

It is the responsibility of the directors of the Company to prepare the Pro forma financial information in accordance with Section 3 of Annex 20 of the PR Regulation as applied by paragraph 13.3.3R of the UK Listing Rules.

It is our responsibility to form an opinion, as required by Section 3 of Annex 20 of the PR Regulation as applied by paragraph 13.3.3R of the UK Listing Rules, as to the proper compilation of the Pro forma financial information and to report that opinion to you.

In providing this opinion we are not updating or refreshing any reports or opinions previously made by us on any financial information used in the compilation of the Pro forma financial information, nor do we accept responsibility for such reports or opinions beyond that owed to those to whom those reports or opinions were addressed by us at the dates of their issue.

Save for any responsibility which we may have to those persons to whom this report is expressly addressed and which we may have to ordinary shareholders as a result of the inclusion of this report in the Prospectus, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with UK Listing Rule 13.4.1R(6), consenting to its inclusion in the Prospectus and authorising its contents for the purposes of Prospectus Regulation Rule 5.3.2R(2)(f) and item 1.3 of Annex 1 of Commission Delegated Regulation (EU) 2019/980 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018.

### **Basis of Opinion**

We conducted our work in accordance with the Standards for Investment Reporting issued by the Auditing

Practices Board of the United Kingdom and Ireland. The work that we performed for the purpose of making this report, which involved no independent examination of any of the underlying financial information, consisted primarily of comparing the unadjusted financial information with the source documents, considering the evidence supporting the adjustments and discussing the Pro forma financial information with the directors of the Company.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with reasonable assurance that the Pro forma financial information has been properly compiled on the basis stated and that such basis is consistent with the accounting policies of the Company.

**Opinion**

In our opinion:

- the Pro forma financial information has been properly compiled on the basis stated; and
- such basis is consistent with the accounting policies of the Company.

Yours faithfully

Lowry & Associates  
70 Northumberland Road  
Ballsbridge  
Dublin 4  
Ireland

**Pro Forma Statement of financial position**

	Year Ended 31 December 2022			Consolidated €
	IMC	MVI	Capital Elimination	
	€	€	€	
<b>Non-current Assets</b>				
Mining/Exploration Licences	635,291	3,880,000		4,515,291
Property, plant and equipment	1,398	2,000		3,398
Investments	-	-		-
<b>Total Non-Current Assets</b>	<b>636,689</b>	<b>3,882,000</b>	<b>-</b>	<b>4,518,689</b>
<b>Current Assets</b>				
Trade and other receivables	34,447	1,410,000		1,444,447
Inventories	-	283,000		283,000
Cash and cash equivalents	101,420	57,000		158,420
<b>Total Current Assets</b>	<b>135,867</b>	<b>1,750,000</b>	<b>-</b>	<b>1,885,867</b>
<b>Total Assets</b>	<b>772,556</b>	<b>5,632,000</b>	<b>-</b>	<b>6,404,556</b>
<b>Equity</b>				
Share Capital	349,589	1,000	(1,000)	349,589
Share Premium/Other Capital Funds	4,164,633	3,810,000	(3,810,000)	4,164,633
Retained deficit	(4,509,370)	819,000	3,811,000	120,630
<b>Attributable to owners of the Company</b>	<b>4,852</b>	<b>4,630,000</b>	<b>-</b>	<b>4,634,852</b>
<b>Total Equity</b>	<b>4,852</b>	<b>4,630,000</b>		<b>4,634,852</b>
<b>Liabilities – Current</b>				
Trade and other payables	273,854	402,000		675,854
Current tax liabilities	-	-		-
<b>Total Current Liabilities</b>	<b>273,854</b>	<b>402,000</b>		<b>675,854</b>
<b>Liabilities – Non-Current</b>				
Loans	493,850	30,000		523,850
Trade and other payables	-	29,000		29,000
Non-Current tax liabilities	-	541,000		541,000
<b>Total Non-Current Liabilities</b>	<b>493,850</b>	<b>600,000</b>		<b>1,093,850</b>
<b>Total Equity and Liabilities</b>	<b>772,556</b>	<b>5,632,000</b>		<b>6,404,556</b>

## Pro-Forma Profit & Loss

	Year Ended 31 December 2022		
	IMC €	MVI €	Consolidated €
Revenue	-	2,000	2,000
Cost of Sales	-	(309,000)	(309,000)
<b>Gross Loss</b>	-	<b>(307,000)</b>	<b>(307,000)</b>
Administrative expenses	(214,225)	(153,000)	(367,225)
Other expenses	-	(87,000)	(87,000)
<b>Results from operating activities</b>	<b>(214,225)</b>	<b>(547,000)</b>	<b>(761,225)</b>
<i>Other Income</i>	-	155,000	155,000
Other Income / (expenses)	-	-	-
<b>Profit/(Loss) before income tax</b>	<b>(214,225)</b>	<b>(392,000)</b>	<b>(606,225)</b>
Foreign exchange gain / (loss)	-	4,000	4,000
Income tax (expense) / recovery	-	64,000	64,000
<b>Loss for the year from continuing operations</b>	<b>(214,225)</b>	<b>(324,000)</b>	<b>(538,225)</b>
<i>Discontinued operations</i>	-	-	-
Loss for the period from discontinued operations	-	-	-
<b>Profit / (Loss) for the year</b>	<b>(214,225)</b>	<b>(324,000)</b>	<b>(538,225)</b>
Foreign exchange gain / (loss)	-	1,056,000	1,056,000
Income tax (expense) / recovery	-	-	-
<b>Total comprehensive income for the year</b>	<b>(214,225)</b>	<b>732,000</b>	<b>517,775</b>

The statement of financial position for IMC is from the audited six-month period to 31 December 2022, which were published on the IMC LSE Webpage – <https://www.londonstockexchange.com/news-article/IMC/2022-23-interim-results/15854999> and, which is also incorporated by reference into this Prospectus.

The statement of financial position for MVI Group is from the audited year end to 31 December 2022, which is published at <https://or.justice.cz/ias/ui/vypis-si-firma?subjektId=1086880> and included at Part VIII. (*Historical financial information relating to MVI*) of the Prospectus.

The statements of financial position have been properly compiled and prepared on the historical cost basis consistent with the accounting policies of IMC Exploration Group plc. The accounting policies have been applied consistently by both IMC and the MVI Group.

The Capital Elimination adjustment refers to the elimination of Share Capital held by the MVI Group as at 31 December 2022.



## PART X. TAXATION

### Irish taxation

The following paragraphs are intended as a general guide only for shareholders who are resident and ordinarily resident in Ireland for tax purposes, holding Ordinary Shares as investments and not as securities to be realised in the course of a trade, or by reason of their or another person's employment or as collective investment schemes, or as insurance companies, and are based on current legislation and Irish Revenue Commissioners practice. Any prospective purchaser of Ordinary Shares who is in any doubt about his/her tax position or who is subject to taxation in a jurisdiction other than Ireland should consult his own professional adviser immediately.

### Withholding tax

Withholding tax at the standard rate of income tax (currently 20 per cent) applies to dividend payments and other profit distributions by an Irish resident company. Certain categories of Irish resident shareholder are exempt from withholding tax if they make an appropriate declaration of entitlement to exemption to the Company in advance of payment of any relevant distribution, including (but not limited to):

- An Irish resident company
- An Irish pension fund or an exempt Irish charity approved by the Irish Revenue Commissioners;
- A qualifying fund manager in an approved retirement fund or an approved minimum retirement fund or qualifying savings manager in accordance with section 172C (2) (ba) of the Irish Taxes Consolidation Act 1997 ("**TCA**"), who is receiving the relevant distribution as income arising in respect of assets held;
- A Personal Retirement Savings Account ("**PRSA**") administrator who is receiving the relevant distribution as income arising in respect of PRSA assets;
- A qualifying employee share ownership trust;
- A collective investment undertaking;
- A designated broker receiving the distribution for a special portfolio account;
- A person who is entitled to exemption from income tax under Schedule F on dividends in respect of an investment in whole or in part of payments received in respect of a civil action or from the Personal Injuries Assessment Board for damages in respect of mental or physical infirmity;
- Certain qualifying trusts established for the benefit of an incapacitated individual and/or persons in receipt of income from such a qualifying trust;
- A person entitled to exemption to income tax under Schedule F by virtue of section 192 (2) of the TCA; and
- A unit trust to which section 731(5)(a) of the TCA applies.

Certain categories of non-resident shareholders are exempt from withholding tax if they make an appropriate declaration of entitlement to exemption to the Company in advance of payment of any dividend, including (but not limited to):

- Persons (other than a company) who (i) are neither resident or ordinarily resident in Ireland and (ii) are resident for tax purposes in (a) a country which has in force a tax treaty with Ireland (a "tax treaty country") or (b) an EU Member State other than Ireland;
- Companies not resident in Ireland which are resident in an EU Member State or a tax treaty country, by virtue of the law of a tax treaty country or an EU Member State, and are not controlled, directly or indirectly, by Irish residents;
- Companies not resident in Ireland which are directly or indirectly controlled by a person or persons who are, by virtue of the law of a tax treaty country or an EU Member State, resident for tax purposes in a tax treaty country or an EU Member State other than Ireland and who are not controlled, directly or indirectly, by persons who are not residents for tax purposes in a tax treaty country or an EU Member State;
- Companies not resident in Ireland the principal class of shares of which is substantially and regularly traded on a stock exchange in Ireland, on one or more than one recognised stock exchange in a tax treaty country or in another EU Member State or such other stock exchange as may be approved of by the Minister for Finance; or

- Companies not resident in Ireland that are 75 per cent subsidiaries of a single company, or are wholly-owned by two or more companies, in either case the principal class(es) of shares of which is/are substantially and regularly traded on a stock exchange in Ireland, on one or more than one recognised stock exchange in a tax treaty country or in another EU Member State or such other stock exchange as may be approved of by the Minister for Finance.

In the case of a non-resident shareholder resident in an EU Member State or tax treaty country, with the exception of corporate shareholders, the declaration must be accompanied by a current certificate of residence from the revenue authorities in the shareholder's country of residence.

The Company will assume responsibility for the withholding of taxes at source for UK and Irish shareholders who do not qualify for the exemptions set out above or fail to provide the relevant certification.

### **Taxation of dividends**

Irish resident shareholders who are individuals will be subject to income tax, PRSI and Universal Social Charge (USC) on the aggregate of the net dividend received and the withholding tax deducted. The withholding tax deducted will be available for offset as a credit against the individual's income tax liability. A shareholder may claim to have the withholding tax refunded to him to the extent it exceeds his income tax liability.

An Irish resident shareholder which is a company will not be subject to Irish corporation tax on dividends received from the Company and tax will not be withheld at source by the Company provided the appropriate declaration is made. A company, which is a close company as defined under Irish legislation, may be subject to a corporation tax surcharge on dividend income to the extent that it is not distributed.

### **Capital gains tax**

The Company's Ordinary Shares constitute chargeable assets for Irish capital gains tax purposes and accordingly shareholders who are resident or ordinarily resident in Ireland, depending on their circumstances, may be liable to Irish tax on capital gains on a disposal of Ordinary Shares. The Irish capital gains tax rate is currently 33 per cent.

Shareholders of the Company who are neither resident or ordinarily resident in Ireland and who do not hold the Ordinary Shares for the purposes of a trade carried on in Ireland should not be subject to Irish tax on capital gains arising on the disposal of the Ordinary Shares, on the basis that the shares will be quoted on a stock exchange. An Irish resident individual, who is a shareholder who ceases to be an Irish resident for a period of less than five years and who disposes of Ordinary Shares during that period, may be liable, on a return to Ireland, to capital gains tax on any gain realised.

### **Stamp duty**

Irish stamp duty will be charged at the rate of 1 per cent on the amount or value of the consideration on any conveyance or transfer on sale or voluntary disposition of Ordinary Shares. In relation to a conveyance or transfer on sale or voluntary disposition of Ordinary Shares under the CREST System, Irish stamp duty at the rate of 1 per cent will be payable on the amount or value of the consideration.

The person accountable for the payment of stamp duty is generally the transferee. Stamp duty is normally payable within 30 days following the date of execution of the transfer. Late or inadequate payments of stamp duty will result in a liability for interest, penalties and surcharges.

No stamp duty or capital duty will generally be payable on the issue of new Ordinary Shares by the Company.

### **Irish Capital Acquisitions Tax**

Irish Capital Acquisitions Tax ("**CAT**") applies to gifts and inheritances.

- (i) where either the person making or receiving the gift or inheritance is resident or ordinary resident in Ireland at the date of the gift or inheritance; or
- (ii) to the extent that the property of which the gift or inheritance consists is situated in Ireland at the date of the gift or inheritance.

CAT is primarily payable by the person who receives the gift or inheritance. All taxable gifts in the same class relationship (see below) are aggregated and only the excess over a certain tax free threshold is taxed. The tax free threshold is dependent on the relationship between the donor and donee and the cumulative previous gifts and inheritances from the donors of the same class. The tax free threshold

amounts currently in force are:

- (i) 320,000 in the case of gifts and inheritances received from a parent and in the case of certain inheritances received by a parent from a child.
- (ii) 32,500 in the case of gifts and inheritances received from a brother, sister or from a brother or sister of a parent or from a grandparent; and
- (iii) 16,250 in the case of persons who are not related to one another.

CAT is charged at a rate of 33 per cent in the case of gifts and inheritances. Gifts and inheritances passing between spouses are exempt from CAT.

Ordinary Shares will be regarded as located in Ireland if the Company is required to maintain its ordinary share register in Ireland which is and will continue to be the case. Accordingly, a liability to CAT may arise on the gift or inheritance of an ordinary share notwithstanding the fact that the holder may be domiciled and/or resident outside of Ireland.

### **United Kingdom - taxation for UK investors**

The following paragraphs are intended as a general guide only for shareholders who are resident and ordinarily resident in the UK for tax purposes, holding Ordinary Shares as portfolio investments and not as securities to be realised in the course of a trade. They do not purport to be comprehensive nor to describe all potential relevant considerations. They are based on current legislation and HM Revenue & Customs' practice relating to the taxation of foreign source dividends at the date of this Document.

Any shareholder who is in any doubt about his tax position or who is subject to taxation in a jurisdiction other than the UK should consult his or her own professional adviser immediately.

### **UK tax on capital gains**

If an individual shareholder disposes of all or some of his Ordinary Shares, a liability to tax on chargeable gains may arise, depending on the shareholder's circumstances and available exemptions and reliefs. In the absence of any exemptions and reliefs the current rate of tax on gains made by individuals resident in the UK is 10 per cent for basic rate tax payers and 20 per cent for higher rate tax payers.

In general, gains of companies, as reduced by indexation relief (which increases the cost of the asset by reference to the movement in the RPI index over the period of ownership), are subject to corporation tax at the Company's relevant rate.

### **UK Stamp duty and stamp duty reserve tax**

Other than in respect of arrangements for depositary receipts and clearance services (to which special rules apply) no UK stamp duty or stamp duty reserve tax ("SDRT") will generally be payable on the issue of new Ordinary Shares by the Company.

A charge to stamp duty will arise only on the transfer of Ordinary Shares where there is a matter or thing to be done in the UK or where the document or transfer is executed in the UK. Where the transfer is within the charge to stamp duty the rate of tax is 0.5 per cent. of the actual consideration paid (rounded up to the nearest multiple of £5). Where a stamp duty liability arises, this is payable within 30 days of the date on which the stampable transfer is executed. Interest and penalties are normally charged if stamp duty is paid after the due date.

On the basis that the Ordinary Shares are not registered in a register which is kept in the United Kingdom then no SDRT will be charged on the transfer of Ordinary Shares. (see section on Irish taxation for details of Irish stamp duty).

### **Dividend withholding taxes in Ireland**

Dividends paid to investors resident for tax purposes in the UK may be subject to a reduced withholding tax of 15 per cent of the gross dividend in Ireland in accordance with the provisions of the UK and Ireland Double Taxation Treaty. For most UK individual investors this withholding tax should be creditable against their UK tax liability. For both individuals and companies having insufficient taxable income to give rise to a UK tax charge, investors should be able to elect to treat Irish withholding tax as an expense to be deducted from the gross dividend so that the taxable receipt is reduced to the amount of the dividend net of withholding tax.

It is possible for most non-Irish resident persons to claim exemption from Irish Dividend Withholding Tax

on making an appropriate declaration to the Company (see section on Irish taxation).

### **Non UK domiciled individuals**

Where the individual is resident but not domiciled in the UK it is recommended that such individuals should consult his or her own professional adviser in relation to the UK taxation of dividends received from the Company.

### **UK taxation of foreign dividend income Dividend**

Dividends paid by a Company resident for tax purposes in Ireland will constitute "relevant foreign income" for UK income tax purposes when received by individuals or trustees of a discretionary trust who are tax resident in the UK. Dividends received by a UK tax resident corporate investor will form part of that Company's profits chargeable to corporation tax.

Individual shareholders who are resident in the UK for tax purposes will be taxed on the aggregate of the gross dividend received (net dividend plus any withholding tax deducted in Ireland) plus its associated tax credit. Such tax credit is 10 per cent of the combined amount of the gross dividend and the tax credit (i.e. the tax credit will be one-ninth of the gross dividend). This dividend income will be treated as the top slice of an individual's income and will be subject to tax at a rate of 32.5 per cent where the individual is liable at the higher rate or 10 per cent where liable at other rates (the lower or basic rate). The tax credit will discharge in full the income tax liability of any taxpayer other than a higher rate or additional rate taxpayer, who will have an additional liability. The special rate of tax for higher rate taxpayers who receive dividends is 32.5 per cent., this rate being applied to the combined amount of the gross dividend and the tax credit. Any withholding tax deducted on payment of the dividend will be credited against the resulting UK income tax liability. After taking into account the 10 per cent tax credit and Irish withholding tax deducted at 15 per cent of the gross dividend, such a taxpayer would have to account for an additional 10 per cent of the combined amount of the gross dividend and tax credit. Unutilised withholding tax is not repayable.

A tax rate of 45 per cent will apply to dividend income for individuals with income in excess of £150,000.

Corporate shareholders will be liable to UK corporation tax on foreign dividends unless the dividends fall within an exempt class.

Subject to the rules applying to the first £1,000 of income, UK resident trustees of discretionary or accumulation trusts are liable to income tax on UK company dividends at 42.5 per cent. of the gross dividend. Any withholding tax deducted will be credited against this liability resulting in a net income tax liability equivalent to 27.5 per cent. of the gross dividend.

### **UK Inheritance Tax**

UK domiciled individuals are chargeable to UK Inheritance Tax in respect of property situated anywhere in the world. Non-UK domiciled individuals are chargeable only to UK inheritance tax in respect of property situated in the UK.

The UK Inheritance Tax legislation contains no specific rules for determining where property is situated therefore the normal situs rules apply. As regards registered shares, they are generally situated where they are registered unless they are transferable to more than one jurisdiction and in such cases they are situated in the country in which they are likely to be dealt with in the normal course of affairs.

Where property is regarded as situated in the UK for UK Inheritance Tax purposes, a gift of such property by, or on the death of an individual holder of such property may (subject to certain exemptions and reliefs in particular, Business Property relief) give rise to a liability to UK Inheritance Tax. This is regardless of whether or not the individual holder is domiciled or deemed to be domiciled in the UK and whether or not the holder is resident and/or ordinarily resident in the UK for tax purposes. For Inheritance Tax purposes a transfer of assets at less than full market value may be treated as a gift and particular rules apply where the donor reserves or retains some interest or benefit in the property being transferred. Subject to any exemptions or reliefs, a gift of an asset is potentially exempt from UK Inheritance Tax and falls outside the individual's estate provided the donor lives for 7 years.

## PART XI. DIRECTORS, RESPONSIBLE PERSONS, CORPORATE GOVERNANCE AND EMPLOYEES

### 1. Persons responsible

The Company, the IMC Directors and the Proposed Directors accept responsibility for the information contained in this document. To the best of the knowledge of the Company, the IMC Directors and the Proposed Directors, such information is in accordance with the facts and makes no omission likely to affect its import.

### 2. IMC Directors

The following table sets out information relating to each of the IMC Directors as at the date of this document:

Name	Age	Function	Date of appointment
Eamon O'Brien MBA	68	Chairman	11 May 2018
Kathryn Byrne	56	Director / Public Relations	11 May 2018
Andrew (Laz) Fleming	74	Director / Geologist	28 June 2011

The business address of the IMC Directors is 70 Ballybough Road, Ballybough, Dublin 3, Ireland.

### 3. The Proposed Directors

The following table sets out information relating to each of the Proposed Directors who will be appointed to the Board on Completion:

Name	Age	Function
Gagik Gevorgyan, MSc.	67	Director
Vahagn Marukhyan, PhD	38	Director

The business address of the Proposed Directors is 70 Ballybough Road, Ballybough, Dublin 3, Ireland.

### 4. IMC Directors' profiles

#### Eamon O'Brien B.Sc. H.D.E., MBA (68)

Eamon O'Brien, after graduating with an MBA, worked on Wall Street with Colin, Hochstin and Co. who were later acquired by Quick & Reilly, a specialised U. S. stockbroking firm. On returning to Ireland, he joined NCB Stockbrokers in Dublin before moving to Davy Stockbrokers. He has since served as a consultant on various projects, including retail management, software projects and property development.

He was a founding member and CFO of Eurocommerce, a payments processing company, now owned by Mastercard. Between 1999 and 2008 other positions of responsibility held at that company included Board Chairman, Acting CEO, and Company Secretary.

#### Kathryn Byrne (56)

Kathryn Byrne is a Director of a communications consultancy company based in Dublin. Taking a lead role in project management and event management, her expertise includes PR both corporate and consumer, media relations and public affairs. Kathryn takes an active role in the wider business and civic community. Kathryn served as a government appointed board member of An Board Altranais and as a council member of Gaisce – the President's Award. She is involved in the Networks for Women in Business.

Kathryn is a Fellow of the Public Relations Institute of Ireland (PRII). She is former Honorary Secretary and board member of the PRII. She is also a Global Affiliate of the Chartered Institute of Public Relations. Kathryn holds an honours post-graduate diploma in public relations and is a member of the Institute of Chartered Secretaries & Administrators.

#### Andrew (Laz) Fleming (74)

Laz Fleming BSc, H.Dip. Ed., P. Geo, has 40 years' experience in various sectors of the minerals and mining industry, covering a wide spectrum, including 27 years' experience in Brazil. He has acted as country manager of Canadian companies (South Western Gold Corp and Hillsborough Resources Corp.) during the 90's and Irish company (Ovoca Resources plc) during the 80's and early 90's.

Laz has directed and supervised exploration programmes in Brazil, leading to the discovery of additional diamond and gold resources in Mato Grosso, Minas Gerais and Goias States. Laz has carried out, as an independent consultant, geological due diligence investigations on various mineral properties in Brazil, Bolivia, Angola, Guinea, Portugal and Turkey. Presently Laz is active in project generation identifying various mineral investment and exploration opportunities in Brazil, Portugal and Ireland.

Laz is a Euro Geologist (EurGeol) and a professional member of the Institute of Geologists of Ireland (IGI). He is also a founding member in 1973 of the Irish Association for Economic Geology (IAEG). Laz has been a competent person for the Canadian standard for reporting on mineral resources and reserves (National Instrument 43/101 – Standards of Disclosure for Mineral Projects), AIM, a market operated by London Stock Exchange plc, and NEX Exchange Growth Market. He is fluent in Portuguese and has a good working knowledge of Spanish.

## **5. Proposed Directors' profiles**

### **Gagik Gevorgyan, MSc. (67)**

Gagik Gevorgyan, MSc. is a leading Armenian geologist with over 45 years of experience in mining and quarrying. Gagik previously served as Director of Geological Exploration in Armenia, head of research projects of international importance.

Gagik is one of Armenia's most respected experts in geological exploration, mining and downstream processing technology.

### **Vahagn Marukhyan, PhD.(38)**

Vahagn Marukhyan holds a PhD degree in economics and is an investment director at Amber capital Armenia, managing the EU-Armenia SME Fund, a private equity fund supported by the European Union and the European Bank for Reconstruction and Development. He is an acting member of the investment committee and responsible for the management of all aspects of deal structuring and execution.

Previously Vahagn held a leading position at EY in Armenia, he served as a head of Strategy and Transactions practice, supporting Armenian and international clients across a wide spectrum of professional consulting services. Vahagn also was a board member of the European Business Association in Armenia.

## **6. Board Committees**

### **6.1 Board Committees**

The Board has established a formal Audit, Remuneration and Risk Committees, with specific delegated powers, duties and responsibilities and written terms of reference. The terms of reference for each of these committees are available for inspection at the Company's registered office address. The Board has not established a formal Nomination Committee, though the establishment of such a committee is under continuous review.

Any revision of the composition of the various board committees will only take place after Completion.

### **6.2 Audit Committee**

The Audit Committee is a committee of the Board from which it derives its authority and to which the committee regularly reports. The Audit Committee comprises Kathryn Byrne (Chair) and Andrew Laz Fleming. It may examine any matters relating to the financial affairs of the Group and the Group's audits. This includes reviewing the annual financial statements and announcements, internal control procedures, accounting procedures, accounting policies, the appointment, independence, objectivity, terms of reference and fees of external auditors and such other related functions as the Board may require.

### **6.3 Remuneration Committee**

The Remuneration Committee is a committee of the Board from which it derives its authority and to which the committee regularly reports. The Remuneration Committee comprises Kathryn Byrne (Chair) and Andrew Laz Fleming. It determines the terms and conditions of employment and annual remuneration of the executive directors. It consults with the Chief Executive Officer, takes into consideration external data and comparative third party remuneration and has access to professional advice outside the Company.

The key policy objectives of the Remuneration Committee in respect of the Company's executive directors are:

- to ensure that individuals are fairly rewarded for their personal contributions to the Company's overall performance; and
- to act as the independent committee ensuring that due regard is given to the interests of the Company's shareholders and to the financial and commercial health of the Company.

#### 6.4 Risk Committee

A Risk Committee, which during the year comprised the Chairman, Eamon O'Brien and Executive Director Andrew Laz Fleming is charged with the review of the key risks inherent in the business and the systems of control necessary to manage such risks and presents its findings to the Board. Exploration risk, the main corporate risk to which the Group is exposed, is monitored and reviewed regularly by the Board. The Board considers exploration risk to be acceptable for the Group taking into account the industry in which it operates.

### 7. Corporate Governance

7.1 IMC complies with the following corporate governance codes of conduct and requirements applicable to it:

7.1.1 The Company applies and complies with the 2018 UK Corporate Governance Code (the "**Code**"). The Code sets out the principles the Board should apply in order to promote the purpose, values and future success of the Company. The Code sets out expected standards of good practice in relation to issues such as board leadership and company purpose, division of responsibilities, composition, succession and evaluation, audit, risk and internal control, and remuneration. The current version of the Code was published by the Financial Reporting Council.

7.1.2 As a consequence of the Transaction, the Company does not anticipate any material impacts on the corporate governance of the Group. Following Completion, the Proposed Directors will be appointed to the Board. Any revision of the composition of the various committees of the Board will only take place after Completion.

### 8. Employees

8.1 The average number of employees (including Directors) since 30 June 2022 is 4 Directors and one employee.

8.2 The average number of employees (including Directors) in each of the last three financial years was as follows:

	Year Ended 30 June		
	2022	2021	2020
Directors	4	4	4
Employees	0	0	0

The Company has one employee.

### 9. Interests of the IMC Directors in Ordinary Shares

As at the Latest Practicable Date, the interests of the IMC Directors, their immediate families and (so far as is known to them or could with reasonable diligence be ascertained by them) the persons closely associated with them (within the meaning of the Market Abuse Regulation) in Ordinary Shares, including those arising pursuant to transactions notified to IMC pursuant to the Market Abuse Regulation are set out in paragraph 4.2.1 of Part XIII (*Additional Information*).

The average number of employees (including Directors) since 30 June 2022 is 4 Directors and one employee.

The average number of employees (including Directors) in each of the last three financial years was as follows:

	Year Ended 30 June		
	2022	2021	2020
Directors	4	4	4
Employees	0	0	0

#### Directors' Interests

The interests of the Directors in the Ordinary Shares as at the Latest Practicable Date are as follows:

	Number of Ordinary Shares	Percentage of Ordinary Shares in issue
Eamon O'Brien	14,459,398	4.43%
Kathryn Byrne	1,025,000	0.31%
Andrew (Laz) Fleming	2,100,000	0.64%

Name	Ordinary Shares of €0.001 each	'A' Ordinary Shares of €1.00 each
Eamon O'Brien MBA	14,459,398	0
Kathryn Byrne	1,025,000	0
Andrew (Laz) Fleming	2,100,000	0

The Company has not established any employee share schemes and none of the Directors nor any manager has any interests in shares other than as set out in the foregoing table.

#### 10. Remuneration and benefits

The amount of remuneration paid (including any contingent or deferred compensation), and benefits in kind granted to the persons referred to above by the Company and its subsidiaries for services in all capacities to the Company and its subsidiaries by any person in the three years ended 30 June 2022 was as follows:

	Year Ended 30 June		
	2022	2021	2020
	€	€	€
Eamon O'Brien	24,000	39,374	0
Kathryn Byrne	-	-	-
Andrew (Laz) Fleming	-	-	-

Other than Eamon O'Brien who received €20,000, none of the executive or non-executive Directors received any remuneration or other emoluments from the Company during the six month period to 31 December 2022. There were no amounts set aside or accrued by the Company or its subsidiaries to provide for pension, retirement or similar benefits for Directors during the six month period to 31 December 2022.

The total amounts set aside or accrued by the Company or its subsidiaries to provide pension, retirement or similar benefits is €nil.

#### 11. Directors' service contracts and letters of appointment

	Contract date	Expiry date	Notice period
<b>Directors</b>			
Eamon O'Brien MBA	14 June 2022	13 February 2025	12 months
Kathryn Byrne			
Andrew (Laz) Fleming			

With the exception of Eamon O'Brien, no service contracts have been entered into nor have any existing



service contracts been amended during the period of six months prior to the date of this document.

## 12. **Directors' confirmations**

Save as disclosed below, as at the date of this document, none of the IMC Directors has, during the 5 years prior to the date of this document:

- (A) been convicted in relation to a fraudulent offence
- (B) been associated with any bankruptcies, receiverships or liquidations while acting in the capacity of a member of the administrative, management or supervisory bodies or as a partner, founder or senior manager of any partnership or company.
- (C) been subject to any official public incrimination and/or sanctions by any statutory or regulatory authorities (including any designated professional bodies); or
- (D) been disqualified by a court from acting as a director of a company or from acting as a member of the administrative, management or supervisory bodies of any company or from acting in the management or conduct of the affairs of any company.

## 13. **Conflicts of interest**

In respect of any IMC Director, there are no actual or potential conflicts of interests between any duties they have to the Company, either in respect of the Acquisition or otherwise, and the private interests and/or other duties they may also have. Save as disclosed in Section 4 of this Part XI, there are no interests, including conflicting ones, that are material to the Acquisition<sup>1</sup>.

No IMC Director has or had a material interest in any significant contract with IMC or any of its subsidiaries other than those arrangements referred to in Part XIII (*Additional Information*) of this document.

No IMC Director has been selected to be a Director pursuant to any arrangement or understanding with any major shareholder, customer, supplier or other person having a business connection with the IMC Group.

No restrictions have been agreed by any IMC Director on the disposal within a certain period of time of his or her holdings in IMC securities.<sup>1</sup>

There are no family relationships between any of the IMC Directors<sup>2</sup>.

## 14. **Other directorships and partnerships**

The details of those companies and partnerships outside the IMC Group in which the IMC Directors and the Proposed Directors are, or have been, members of the administrative, management and supervisory bodies or partners at any time during the 5 years prior to the date of this document are as follows:

### **Eamon O'Brien:**

GCI Administration Services Limited

GAA Supporters Limited

### **Kathryn Byrne**

Limelight Public Relations Ltd

### **Andrew (Laz) Fleming**

N/A

### **Gagik Gevorgyan**

N/A

### **Vahagn Marukhyan, PhD.**

Amber Capital Armenia - investment director and member of the investment committee.

EY Armenia (Ernst and Young) - Head of Strategy and Transactions practice in EY Armenia.

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<sup>1</sup> Pros

<sup>2</sup> Prospectus Annex 1 Requirement 12.1 – Details of family relationships – IMC to clarify if list needs to be expanded

European Business Association in Armenia - board member."

## **PART XII. REGULATORY OVERVIEW**

### **1. Regulatory overview of IMC's operations in Ireland**

IMC's exploration operations in Ireland operate under the provisions of the Minerals Development Acts, pursuant to which the Minister is empowered to issue PLs and subsequently, when an economic deposit has been defined, a State Mining Facility. Under different Irish statutes there are separate but complementary procedures and agencies responsible for land use planning control and environmental issues, namely the relevant Local Planning Authorities and the Environmental Protection Agency (EPA). Environment in this context means emissions to air and water, noise including vibration, waste storage and disposal. Planning Permission (from the Local Planning Authority) and an Integrated Pollution Control Licence (from the EPA) must be obtained before the commencement of commercial extraction.

While the economic benefits of mining are clearly recognised in Ireland, concern about the impact of mining on the natural environment has increased in recent years. Both the Irish government and the mining industry have recognised this concern and have acknowledged the importance of their environmental responsibilities by adopting a range of protective measures.

Towards this end the Irish government has implemented the suite of legislation referred to above, which aims to secure an expanding future for the mining industry in the context of sustainable development.

#### **1.1 Process of issue and maintenance of a Licence**

The Minerals Development Act enacted in 2017 consolidated previous legislation and regulatory conditions to provide additional clarity to exploration and mining legislation in Ireland.

PLs are issued for a period of six years for specified minerals with a required minimum expenditure. A minimum work programme is required, the details of which are agreed by the GSRO, with the licensee. Work reports are required every two years and are held confidentially for six years or until surrender of the licence (if earlier). Third party insurance is required for the period of the licence, but need not be licence specific in that the same insurance policy may cover all ground held by the licensee.

#### **1.2 Permitting of minerals development**

Minerals in Ireland can either be owned by the State or privately. Regardless of ownership, minerals development in Ireland requires a State Mining Facility from the Minister. As a matter of policy, the Minister will only accept an application for a State Mining Licence or Permission from the holder of a valid PL over the area in question.

Fees are payable as part of the permitting process:

- there is an application fee of €190 for each PL area; and
- For each six-year licence, a Consideration Fee (holding charge) is payable in instalments of between €375 and €1,500 (depending on the status of the ground – incentive or non-incentive).

#### **1.3 Environmental and social issues**

The Irish licensing system has evolved over many years from being principally concerned with economic development to a greater consideration of the need for environmental and social protection.

All development of minerals governed by the Minerals Development Acts is subject to environmental impact assessment through the planning process. Therefore, any planning applications for such developments must be accompanied by an Environmental Impact Statement.

In addition, all mining developments require an 'Integrated Pollution Prevention and Control Licence' which is obtained from the Environmental Protection Agency.

Increasingly, under the Minerals Development Acts, there is a requirement for appropriate stakeholder engagement in advance of exploration or mine development, in accordance with the principles of the international Aarhus Convention, of which Ireland is a signatory.

### **2. Regulatory overview of MVI's operations in Armenia**

Currently, the principles and procedure for use of natural resources in the territory of the Republic of Armenia, the relations connected with management and conversion of waste of subsoil use, environmental protection from harmful effects in the process of subsoil management, work safety, and protection of the rights and legitimate interests of the state and persons during use of natural resources are principally

regulated in accordance with the Mining Code of the Republic of Armenia adopted on 28 November 2011 (hereinafter referred as to the "**Mining Code**") and the by-laws adopted for the purpose of regulation of certain matters set by the Mining Code.

Under the Mining Code, the subsoil of the Republic of Armenia is the exclusive property of the Armenian state, and any parts of subsoil may not be subject to purchase and sale, pledging, or alienation in any other form. Concurrently, in accordance with the Mining Code, the subsoil may be allotted for use only for the purposes of geological exploration and mineral resources extraction. The subsoil use right is provided by the authorized body in accordance with the provisions of the Mining Code and other appropriate legal acts on the general grounds or on a competitive basis for the timeframes defined thereunder.

According to the provisions of Article 27 of the Mining Code the subsoil right for extraction of metallic mineral resources could be granted for a period of 25 (twenty five) years in accordance with the mining plan/project having passed an examination in the prescribed manner, which may be extended for a maximum period of 25 (twenty five) years in accordance with the procedure established by the Mining Code.

## 2.1 **Assat's subsoil use right**

As already mentioned in Part IV of Section 2.3 (*History and development*) of this document, currently Assat holds subsoil use right for extraction of metallic mineral resources in Karaberd Mine. In the light of the provisions of Article 54 of the Mining Code, Assat's subsoil use right is being certified by the following documents:

- (a) Minerals extraction permit № SHAT-29/366 (hereinafter referred to as the "**Permit**") and Mine allotment act № L-366 (hereinafter referred to as the "**Allotment Act**") issued by the Ministry of Energy and Natural Resources of the Republic of Armenia on 06 June 2013;
- (b) Subsoil use agreement № P-366 entered into between Assat and the Ministry of Energy Infrastructures and Natural Resources (hereinafter referred to as the "**Subsoil Use Agreement**") on 06 June 2013; and
- (c) Mineral extraction project of the central part of Karaberd Mine (open pit, underground) (hereinafter referred to as the "**Mining Plan**"). The Mining Plan has passed an expertise for environment impact assessment as a result of which positive expertise opinion № BP 64 was issued on 26 July 2012. In addition, as the place where mining activities for the purpose of extraction of minerals are to be carried out is considered under the Armenian legislation as a hazardous production facility, its design documents have been also subject to technical expertise as a result of which positive expertise opinion № 1022 was issued by "National center of technical safety" SNCO on 02 May 2012.

Pursuant to the Permit and the Subsoils Use Agreement, the subsoil use right is granted to Assat for 11 (eleven) years starting from 06 June 2013 until 06 June 2024. In respect of the extension of the term of Assat's subsoil use right, it is worth noting that under the provisions of Article 55 of the Mining Code Assat is entitled, at any time, but no later than 2 (two) years prior to the expiry date of the Permit, to apply to the authorized body for extension.

Therefore, considering the foregoing, it follows that Assat is entitled to apply for the extension of subsoil use right prior to 6 June 2022 provided that the latter meets all the requirements defined by the Mining Code in that respect.

Regarding the exploitation mode of the Karaberd Mine, it is worth noting that under the Permit, the Subsoils Use Agreement and the Mining plan the Mine should be exploited in 2 (two) phases, particularly:

- (i) within the first 3 (three) years Assat will conduct the exploitation of the Karaberd Mine through an open-pit. The total value of the depleted natural resources within this period should be 308,480 (three hundred and eight thousand four hundred and eighty) tons, from which 36,894 (thirty six thousand eight hundred and ninety four) Oz gold and 110,330 (one hundred and ten thousand three hundred and thirty three) Oz silver are recovered. The annual volume of the depleted natural resources should be 150,000 (one hundred and fifty thousand) tons;
- (ii) after the first phase the exploitation of the Karaberd Mine will be continued through underground mining method for a period of 7.8 (seven and eight tenths) years. Accordingly, the total value of the depleted natural resources of this phase should be 1,369,520 (one million three hundred and sixty nine thousand five hundred and twenty) tons, from which 147,810 (one hundred and forty seven thousand eight hundred and ten) Oz gold and 347,169 (three hundred and forty seven thousand

one hundred and sixty seven) Oz silver are recovered. The annual volume of the depleted natural resources should be 153,158 (one hundred and fifty three thousand one hundred and fifty eight) tons.

According to the annual reports on the reserves flow submitted by Assat for 2018 and 2019 no extraction was carried out by Assat in 2018 and it was also limited in 2020. Concurrently, in 2021 Assat took certain steps aimed at re-starting the exploitation of the Karaberd Mine. In particular, on 18 August 2021 Assat concluded a contract on performing drilling activities with "ATA Mining" LLC, according to which the latter undertook to carry out the columnar (extracting) drilling, as well as geological services in the Karaberd Mine during the period from 23 August 2021 up to 23 September 2021.

Concurrently, on 02 March 2021 an ore supply contract was agreed between Assat and "Geopromining Gold" LLC. Under the said supply contract, Assat undertook, starting from the date of the agreement, until 31.12.2021 to supply "Geopromining Gold" LLC with 5,000 (five thousand) tons of ore each month.

## 2.2 Mining allotment area

The Karaberd Mine is located 4.5 km north-east of Vanadzor city and the coordinates of the boundaries of the territory of the Karaberd Mine are as follows:

1.	X=4522176.0	Y=8459129.9
2.	X=4522186.6	Y=8459229.1
3.	X=4522015.7	Y=8459472.5
4.	X=4522082.0	Y=8459476.8
5.	X=4521965.6	Y=8459522.1
6.	X=4521908.8	Y=8459625.7
7.	X=4521875.4	Y=8459646.3
8.	X=4521947.4	Y=8459499.1
9.	X=4521850.9	Y=8459502.8
10.	X=4521775.0	Y=8459481.7
11.	X=4521828.0	Y=8459465.4
12.	X=4521982.8	Y=8459462.1
13.	X=4522044.5	Y=8459646.8
14.	X=4522153.2	Y=8459233.1
15.	X=4522176.0	Y=8459129.9

Under the Allotment Act for the purpose of installation of a mineral extraction complex Assat is granted with subsoil area of 20.3 (twenty and 3 tenths) ha (hereinafter referred as the "**Mining Allotment Area**"), the boundary coordinates (CK-42 coordinate system) of which are set forth as follows (per CK-42 coordinate system):

1.	X=4522169	Y=8459072	H=1730.0 (h=-70.0)
2.	X=4522235	Y=8459086	H=1730.0 (h=-70.0)
3.	X=4522233	Y=8459480	H=1790.0 (h=-130.0)
4.	X=4521934	Y=8459737	H=1730.0 (h=-70.0)
5.	X=4521706	Y=8459627	H=1705.0 (h=-45.0)
6.	X=4521728	Y=8459463	H=1740.0 (h=-80.0)

In accordance with the Mining Code, Assat has exclusive right to operate within the boundaries of Mining Allotment Area. It should be noted that the Mining Allotment Area is community owned land and belongs to Karaberd community. Therefore, in order to have access to and use the territory defined by the Allotment Act, on 18 November 2014 lease agreement was entered into between Assat and Karaberd community in respect of the Mining Allotment Area (with actual area of 19.7119 (nineteen and seven thousand one hundred nineteen ten thousandths) ha). The lease agreement was concluded for 25-year period. In addition, on 01 July 2019 the head of Karaberd community adopted decision № 11 and reaffirmed the position of Karaberd community to grant Assat with lease right to the said area for a period of 25 (twenty five) years. The lease right of Assat to the said land plot was registered with the cadastral register on 09 July 2019.

In the official letter dated 05 August 2021 the Ministry of Territorial Administration and Infrastructure of the Republic of Armenia confirmed that the subsoil area provided to Assat with the right of subsoil use, including the Mining Allotment Area, does not coincide with the allotment areas of other subsoil users and are not encumbered with the right of other subsoil users.

## 2.3 Rights and Obligations of Assat

As a subsoil user of metallic mineral resources Assat has rights and bears obligations defined under the Mining Code in respect of such right holders. In addition, some specific matters related to Assat's subsoil use right are regulated by the Permit and the Subsoils Use Agreement.

In connection with Assat's general rights, it should be noted that in accordance with the provisions of the 1st part of Article 59 of the Mining Code, Assat is entitled:

- (a) to (exclusively) carry out geological research within the boundaries of mountain allocation and/or reassessment of mineral resources of the mine and mineral extraction in the allocated subsoil area;
- (b) to enter the subsoil site and carry out all the necessary works envisaged by the project/plan for extraction and study of mineral resources;
- (c) for the purpose of conducting mineral extraction works to implement the construction of necessary buildings, structures, communication routes, install equipment, transfer and enrich the minerals extracted during the extraction of mineral resources;
- (d) to dispose the extracted minerals;
- (e) in compliance with the requirements of the Mining Code, to use the production dumps generated at a result of own activity during the subsoil use right;
- (f) to involve third parties in the execution of works carried out within the framework of the provided mineral extraction right, through concluding contracts with them;
- (g) to apply to the authorized state body for making changes to the terms of the subsoil use contract, if substantially new, previously unforeseen circumstances arise; and
- (h) to preliminarily renounce the subsoil use right by fulfilling the obligations stipulated by the agreement and the law.

Concurrently, in accordance with the provisions of the 3rd part of Article 59 of the Mining Code, Assat is obliged to:

- (i) carry out the works in accordance with the terms of the project/plan and agreement on the mineral extraction,
- (ii) perform the instructions given by the authorized state body on the observance of the requirements of the legislation;
- (iii) comply with the requirements of standards, norms and rules adopted in the Republic of Armenia during the extraction, transportation and processing of mineral resources;
- (iv) ensure performance of the requirements defined under the mineral extraction project/plan;
- (v) maintain geological, surveying and other documentation and keep them during all the works of subsoil use;
- (vi) maintain a registry book on the daily movement of the mineral resources;
- (vii) submit quarterly and annual reports on the movement of mineral resources to the authorized body;
- (viii) submit the received geological information to the authorized state body;
- (ix) collect, store and provide the authorized body with data on the mineral resources studied, extracted and lost in the subsoil, on their components, quality and quantity;
- (x) ensure the safety of subsoil use works;
- (xi) ensure the protection of the subsoil, atmosphere, soil, forests, water and other objects of the environment, as well as buildings and other structures from the harmful effects of subsoil use works;
- (xii) ensure the protection of natural, historical and cultural monuments from the harmful effects of subsoil use works;
- (xiii) rehabilitate and improve the lands damaged by subsoil use (reclamation), as well as make them suitable for use in the economy or bring them to a safe condition in accordance with the project/plan and the agreement on minerals extraction;

- (xiv) inform the authorized body on the detection of accumulations of mineral resources not mentioned in the agreement on minerals extraction within 14 (fourteen) days following their detection;
- (xv) store newly detected minerals in accordance with the manner set by the Government of the Republic of Armenia;
- (xvi) implement mine closure plan and ensure the fulfilment of the conditions stipulated in the decision of the authorized state body on the closure of mine, the requirements of the expertise opinions and the conditions for checking their implementation;
- (xvii) make allocations for monitoring of the mining areas and dumps of the subsoil use waste aimed at ensuring healthy and secure conditions for the people living in the adjacent communities;
- (xviii) implement the activities envisaged by the subsoil waste management plan, and in the cases envisaged by the Mining Code, by the subsoil waste recycling plans;
- (xix) inform the authorized state body on the changes to Assat's financial and technical capacity and resources, as well as financial offers and guarantees within 14 (fourteen) days following such changes;
- (xx) submit information on real beneficiaries or changes of already registered information on real beneficiaries to the appropriate state body conducting state registration of legal entities in the manner and within the timeframe established by the law and within 14 (fourteen) days after the relevant state registration of such information, inform the authorized body on such registration by submitting an extract containing information on real beneficiaries;
- (xxi) submit to the authorized state body in the field of environment quarterly and annual (till 20th of February of the following year) reports on results estimated by the accredited laboratories in respect of the monitoring planned for the purpose of reducing environmental losses and preventing the irreversible impact as a result of subsoil use (in case of availability of a website the annual report shall be published);
- (xxii) every five years, review the program of works planned for the reduction of environmental losses and prevention of irreversible impact due to subsoil use, as well as the indicators for monitoring of their implementation;
- (xxiii) submit to the authorized state body annual statistical reports;
- (xxiv) carry out mine re-exploration and exploitation works in parallel with the mineral extraction works;
- (xxv) keep all the samples taken during the extraction, exploitation and re-exploration works, as well as those taken for the purpose of determining the quality, quantity and other properties of the concentrate or foundry for at least 10 (ten) years;
- (xxvi) provide the samples for control analysis in accordance with the manner and cases provided by the Armenian legislation;
- (xxvii) carry out the calculation of the redemption of the balance reserves of the minerals in accordance with the calculation method fixed specified by the authorized body;
- (xxviii) ensure that within the mountain allocation area all underground mountain excavations which are not exploited, are concreted with a thickness of at least 1 (one) meter; and
- (xxix) no later than once every 10 (ten) years, re-assess the standards and resources available at the site (mine) and submit to the authorized body for re-approval.

In addition, among the above listed general obligations defined by the Mining Code, it is noteworthy, that based on the Law HO-161-N of the Republic of Armenia "On making amendments and supplements to the Mining Code" adopted on 18 October 2016 and entered into force on 4 May 2017, the Mining Code was supplemented with new chapter 5.1, defining obligations for the subsoil users to implement subsoil waste management and in the cases envisaged by the Mining Code, subsoil waste recycling. More specifically, under the abovementioned law the subsoil users are obliged, within 60 (sixty) months after the entry into force of the abovementioned Law, to comply with the requirements of the law and at the same time to submit to the authorized state body in the field of environment protection the subsoil waste management, and in the case provided for by the Mining Code, subsoil waste processing plans and financial guarantees.

In this connection, it should be emphasized that, the subsoil waste management plan should be developed and submitted to the authorized state body in the field of environment by all subsoil users, unlike the plan

for the processing of subsoil waste, which is subject to be developed and submitted to the authorized state body only by those subsoil users, who intend to recycle subsoil waste.

Therefore, prior to 4 May 2022, Assat was obliged to develop and submit to the respective authorized state body subsoil waste management plan and in case of having intention of subsoil waste recycling, subsoil waste recycling plan.

In addition, based on the Subsoils Use Agreement, Assat has undertaken several obligations, including financial obligations. In particular, according to Appendix 1 to the Subsoils Use Agreement, Assat has:

- (a) financial investment responsibilities, where currently (1,000,000 AMD = \$2,590, in connection with the Karaberd Mine exploitation, as well as payment obligation in respect of the subsoil use fees. Especially, Assat should invest:
  - AMD 13,120,000 (thirteen million one hundred twenty thousand Armenian drams) within 2 (two) years for the operation of the Karaberd Mine and implementation of the mountain capital works;
  - AMD 10,000,000 (ten million Armenian drams) each year for covering operational expenses;
- (b) annual state duty payment liabilities in the amount of AMD 10,000,000 (ten million Armenian drams);

The said state duty shall be paid for each upcoming year before its beginning, no later than till the issuance date of the Permit (the 06th of June of the respective year) in accordance with Article 34 of the RA Law "On State Duty";
- (c) environmental protection tax for installation and storage of waste and royalty payment liabilities in accordance with the procedure and terms established by the Armenian tax legislation. *The amount of such obligatory payments depends on the weight of the wastes and on the volume of the extracted minerals;*
- (d) payment liabilities to the fund of nature and environment in the amount and in the manner defined by the Armenian legislation; and
- (e) payment liability of monitoring fees in the amount and in the manner defined by the Armenian legislation.

In an official letter dated 5 August 2021, the Ministry of Territorial Administration and Infrastructure of the Republic of Armenia confirmed that Assat has no outstanding liability in respect of state duty, payments to the fund of nature and environment, as well as in connection with the monitoring fees.

In addition to an asset retirement obligation of \$1,000,000 relating to the closure of the mine, concurrently, under Appendix 2 to the Subsoils Use Agreement, Assat among other obligations has also undertaken the following payment liabilities in connection with the closure of the mine, particularly:

- (i) one-time payment for the purpose of monitoring the area of open pit mine in the amount of AMD 500,000 (five hundred thousand Armenian drams);
- (ii) investment in the amount of AMD 1,000,000 (one million Armenian drams) for placing precautionary barrier along the periphery of the open-pit mine at the length of the sanitation stream after completion of the exploitation works;
- (iii) investment in the amount of AMD 1,500,000 (one million five hundred thousand Armenian drams) for de-installation of the mechanical equipment from the working area and trimming of the latter to be implemented within 10 (ten) day period following the mine closure;
- (iv) compensation of the damages caused to the land resources in the amount of AMD 2,709,000 (two million seven hundred nine thousand Armenian drams); and
- (v) implementation of project for the purpose of social mitigation of the workforce in the amount of AMD 7,000,000 (seven million Armenian drams).

In addition, under Appendix 3 to the Subsoils Use Agreement, Assat has undertaken a number of payment liabilities in the sphere of social-economic development of the community, more specifically:

- (A) execute periodic measurements of qualitative and quantitative parameters of atmospheric pollutants emissions with a frequency of once every 3 (three) months;
- (B) implement the regular monitoring of the working condition of mining and transport equipment, in particular the serviceable condition of the neutralizing equipment with a frequency of once every 3 (three) months; and



- (C) implement the regular monitoring of land pollution from the place intended for the storage of used machine oils and lubricating oils for the purpose of avoiding the possible pollution of the lands with a frequency of once every 6 (six) months.

It is worth noting that the legal regulation of subsoil use in Armenia is in the process of reforms, due to which the legislation regulating this area is being subject to amendments and supplements from time to time. Therefore, the above-mentioned obligations and rights of the subsoil users might be changed or supplemented in the nearest future.

#### 2.4 **Warning and suspension/termination of subsoil use right**

In terms of the legal consequences, which might occur as a result of violation by Assat of the obligations undertaken under the Mining Code and the Subsoils Use Agreement, it is worth noting that in accordance with the provisions of Article 30 of the Mining Code the authorized state body may issue a written warning to Assat, as well as in the cases provided for in Code suspend the subsoil use right for a maximum period of 120 (one hundred twenty) calendar days. More specifically the authorized state body is entitled to issue a written warning to Assat, in case that Assat:

- (a) does not fulfil the obligations provided by the Mining Code;
- (b) does not fulfil the conditions of the subsoil use right, including the conditions related to the fulfilment of its obligations under the subsoil use right provided for in the subsoil use agreement, program or project, except for in case of strikes, interruptions of services for reasons beyond the control of the operator (electricity, water supply and other cases), force majeure (fires, floods, earthquakes, storms or other natural disasters), as well as explosions, war, terrorism, civil war, riots, rebellion, nationalisation, etc., which make the work impossible within 90 (ninety) days, and the documents provided the relevant facts have been submitted to the authorized state body;
- (c) has not paid the fees provided by law within 1 (one) month from the date set;
- (d) has not provided the authorized state body with the information on the change of financial and technical capacity and resources, as well as of financial offers and guarantees within 14 (fourteen) days following such change; and
- (e) has not submitted information on real beneficiaries or submitted false information about the real beneficiary or has concealed the data to be submitted within the period defined by law, and has not eliminated the violation within 30 (thirty) days following the entry into force of the judicial act or the date when the respective administrative act becomes unappealable, or in cases provided by the Mining Code, has not submitted to the authorized state body an extract containing information on the real beneficiaries.

It is especially worth noting, that in accordance with the provisions of Article 30 of the Mining Code, the authorised state body has no right to make a decision on the termination of the subsoil use right, if the right holder eliminates the mentioned grounds within 90 (ninety) days after receiving the warning or in case receiving notice of suspension of subsoil use right before the expiration of the term for suspension. It means that Assat in case of receiving a warning or a notice of suspension of the subsoil use right is obliged to eliminate the grounds of warning within 90 (ninety) days following its receipt or in case of receiving a notice of suspension of subsoil use right the grounds thereof within the terms provided by the authorized state body. Otherwise, in case the subsoil user fails to eliminate the grounds of the issued warning within the timeframe provided by the authorised state body, the latter would be entitled in accordance with the provisions of Code initiate respective procedure and terminate the right of subsoil use.

## PART XIII. ADDITIONAL INFORMATION

### 1. The Company

The Company was incorporated on 27 June 2011 in Ireland with registered number 500487. The Company is a public limited company domiciled in Ireland and is subject to the laws of Ireland. The Company's registered office is 70 Ballybough Road, Ballybough, Dublin 3, Ireland. The principal legalisation under which the Company operates, and pursuant to which the New Ordinary Shares will be created, is the Companies Act 2014.

The Existing Ordinary Shares are listed on the Official List of the London Stock Exchange. The ISIN of the Existing Ordinary Shares is IE00B6WC2H62.

IMC Exploration Limited, a company incorporated in Ireland on 6 October 2010 with registered number 489863, is a wholly owned subsidiary of the Company. IMC Exploration Limited holds the current PLs of the IMC Group.

The Operating History is as set out in (i) Part III, Section 8 (Recent trading and prospects (exploration activities)) of this prospectus and (ii) the IMC Competent Persons Report.

**The IMC Group holds 2 main projects in Ireland as follows:**

#### (i) **AVOCA, Co Wicklow (PL 3849 and PL 3850 and PL 3857)**

The Avoca mines have left a legacy of spoil heaps on the landscape with gold, silver, copper, lead and zinc.

The IMC Group completed a JORC Code compliant MRE report on the spoil heaps at Avoca. That report showed, inter alia, significant tonnage (1,871,000t) of pre crushed rock and grades of gold (0.3g/t), copper (.14%), silver (9ppm) and lead (0.42%) in the spoil heaps on the eastern half of the site. This equates to c.20,000 ozs. of gold, 2.6k tonnes of copper and 7.8k tonnes of lead and 600,000 ozs. of silver.

The Goldmines River Licence, PL 3857, is contiguous with the Avoca Block. The geology of the licence is the same as that of the Avoca Block. PL 3857 covers some of the areas of historic alluvial gold production in Ireland. Records indicate that up to 9,600 ounces of gold were extracted in the late nineteenth century from the East and West Gold Mines Rivers (GSRO, 2003).

#### (ii) **IMC's North Wexford, Gold Project (PL 2551, PL 1200 & PL 1199)**

Bonanza grade gold discovered during IMC drilling at Boley (PL 2551): 1.5 m grading 354 g/t within a 13.5 m interval averaging 3.5 g/t Au (applying 20 g/t top cut). Notable drill intercepts at PL 2551 of 0.72m @ 10g/t Au; 1.3m @ 3.81 g/t Au; 1.2m @8.3 g/t Au and 5m @ 2.4 g/t Au.

The IMC Group now holds three adjacent licence areas in North Wexford. PL 1200 and PL 1199 which will add a further 53.98 Km sq to IMC's prospecting footprint in North Wexford.

The Group is also collaborating with Trinity College Dublin, on a number of developments including clarifying and understanding the paragenesis of gold at IMC's Avoca VMS deposit.

The executive directors of the Company are Eamon O'Brien – Chairman and Andrew Laz Fleming. Non-executive director Kathryn Byrne completes the IMC Board.

### 2. Share capital

#### **Authorised and issued share capital**

As at the date of this Prospectus, the Company has two classes of shares in issue, namely Ordinary Shares of €0.001 each and 'A' Ordinary Shares of €1.00 each.

### Share Capital

The authorised and issued share capital of the Company as at close of business on 31 December 2022 (being the date of the most recent balance sheet included in the historical financial information) and the changes in the issued share capital during the preceding three years are as follows:

#### Authorised share capital (as at 31 December 2022)

	Amount €	Number of Shares
Ordinary Shares of €0.001 each, fully paid	400,000	400,000,000
"A" Ordinary Shares of €1.00 each, paid up as to €0.25 per share	50,000	50,000

#### Issued and fully paid Ordinary Shares of €0.001 each (as at 31 December 2022)

	Amount €	Number of Shares
As at 30 June 2018	240,014	240,014,285
Issued during the year ended 30 June 2019	15,000	15,000,000
As at 30 June 2019	255,014	255,014,285
Issued during the year ended 30 June 2020	29,732	29,731,706
As at 30 June 2020	284,746	284,745,991
Issued during the year ended 30 June 2021	26,750	26,750,000
As at 30 June 2021	311,496	311,495,991
Issued during the year ended 30 June 2022	-	-
As at 30 June 2021	311,496	311,495,991
Issued during the period ended 31 December 2022	-	-
As at 31 December 2022	311,496	311,495,991

#### Issued and fully paid 'A' Ordinary Shares of €1.00 each (as at 31 December 2022)

	Amount €	Number of Shares
	38,093	38,093
Issued during the year ended 30 June 2019	-	-
Issued during the year ended 30 June 2020	-	-
Issued during the year ended 30 June 2021	-	-
Issued during the year ended 30 June 2022	-	-
Issued during the period ended 31 December 2022	-	-
As at 31 December 2022	38,093	38,093

No application has been made for the 'A' Ordinary Shares to be admitted to trading on any recognised investment exchange nor has any application for Admission been made nor are there intended to be any other arrangements for there to be dealings in the 'A' Ordinary Shares.

## Share Placement and Warrant

### Year Ended 30 June 2019

On 3 October 2018 the Company raised £120,000 by way of a placing of 10,000,000 new ordinary shares of €0.001 each in the company at 1.2p sterling per share. The Executive Chairman Eamon O'Brien purchased 4,340,000 of these shares.

On 12 December 2018 the Company raised £50,000 by way of a placing of 5,000,000 new ordinary shares of €0.001 each in the company at 1p sterling per share. Attached is a warrant for 1,000,000 ordinary shares at a price of 1p sterling per share which is exercisable for three years from 12 December 2018.

### Year Ended 30 June 2020

On 22 July 2019 the Company raised £100,000 by way of a placing of 10,000,000 new ordinary shares of €0.001 each in the company at 1p sterling per share. Alongside each placing share is a warrant to subscribe for one further ordinary share at a price of 1p sterling per share which is exercisable for one year from 22 July 2019.

On 20 August 2019 the Company raised £150,000 by way of a placing of 15,000,000 new ordinary shares of €0.001 each in the company at 1p sterling per share. Alongside each placing share is a warrant to subscribe for one further ordinary share at a price of 1p sterling per share which is exercisable for one year from 20 August 2019. On 27 September 2019 IMC raised £20,000 through the exercise of 2,000,000 of the shares by the holder of the warrant at a price of 1p sterling per share.

On 20 August 2019 the Company issued 2,731,706 new ordinary shares of €0.001 each in the company at 1p sterling per share in lieu of professional fees due to a third party.

### Period Ended 30 June 2021

On 8 September 2020 the Company announced the raising of £267,500 before expenses by way of a placing of 26,750,000 new ordinary shares of €0.001 each in the company at 1p sterling per share. Alongside each placing share will be issued a warrant to subscribe for one further Share at a price of 2p sterling per share, exercisable for one year from the date of issue.

Periods Ended 31 December 2021, June 30 2022 and December 31 2022: No new ordinary shares were issued.

The Directors of IMC state that all new issues of securities have been, and always will be, formally approved by resolution at a properly constituted meeting of the Board of Directors. Following Board approval, a signed extract from the Board meeting, showing the resolution and allottee details, is forwarded to our registrars (Avenir Registrars Limited, No.1 Main Street, Blessington, Co. Wicklow), who then issue the share certificates, update the register and confirm same to the Company. This procedure is in line with Company policy as well as the registrar requirements. The announcement to the market takes place simultaneously.

As at the Latest Practicable Date, the authorised and issued share capital of the Company, all of which is fully paid up, is as follows:

<b>Class of shares</b>	<b>Authorised number</b>	<b>Issued and fully paid number</b>
Ordinary Shares of €0.001 each	400,000,000	326,290,907
'A' Ordinary Shares of €1.00 each	50,000	50,000

More than 10% of the capital has not been paid for with assets other than cash with the period covered by the historical financial information.

IMC does not hold any shares in itself, and no Group company holds any shares in IMC.

No shares in the Company are held by or on behalf of the Company itself or by subsidiaries of the Company.

The Ordinary Shares are capable of being held in uncertificated form via the central securities depository operated by Euroclear Bank SA/NV, registered in the name of Euroclear Nominees Limited. A majority of the Ordinary Shares are held in uncertificated form. Ordinary Shares are also capable of being held in certificated form.

The securities are registered in both certificated and electronic form. The registrars of the company are

Avenir Registrars - No. 1 Main Street, Blessington, Co. Wicklow, W91 V82T, Ireland.

No capital of any member of the Group is under option or has been agreed conditionally or unconditionally to be put under option.

At the Latest Practicable Date, none of the Ordinary Shares or 'A' Ordinary Shares were held in treasury.

### **Authorised and issued share capital after Completion**

Assuming there is no change to the authorised share capital of the Company after the date of this Prospectus other than the allotment and issue of up to 349,399,716 New Ordinary Shares in connection with Completion and 9,406,856 New Ordinary Shares in connection with staff remuneration and directors fees, following Admission, the authorised and issued share capital of the Company, all of which will be fully paid up on issue, is expected to be as follows:

<b>Class of shares</b>	<b>Authorised number</b>	<b>Issued and fully paid number</b>
Ordinary Shares of €0.001 each	1,125,000,000	685,097,482
'A' Ordinary Shares of €1.00 each	50,000	50,000
Preference Shares of €1.00 each	1,500,000	0

The Ordinary Shares rank equally for voting purposes. On a show of hands, each shareholder has one vote, and on a poll, each shareholder has one vote per Ordinary Share held.

Each Ordinary Share ranks equally for any dividend declared. Each Ordinary Share ranks equally for any distributions made on a winding up of the Company. The Ordinary Shares carry no rights to a fixed dividend. The Company in general meeting may declare dividends, but no dividends shall exceed the amount recommended by the Directors. The Directors may from time to time pay to the members such interim dividends as appear to the Directors to be justified by the profits of the Company.

As set out in the Company's Articles of Association, the calculation of dividends is at the discretion of the Directors in such amount as appears to the Directors to be justified by the profits of the Company. Periodicity is not relevant, as the payment of dividends is subject to the profits of the Company and the judgement of the Directors at the time. It is not in the nature of dividends declared on equity share capital to be cumulative.

A shareholder may not claim unclaimed dividends more than six years after the dividend is declared and the amount of any unclaimed dividends shall revert to the benefit of the Company.

The 'A' Ordinary Shares entitle the holders thereof to receive notice of, attend but not vote at any general meeting of the Company. The 'A' Ordinary Shares shall not carry a right for the holders thereof to receive any dividend.

On a distribution of assets arising out of the winding-up of the Company or otherwise the holders of the 'A' Ordinary Shares shall be entitled to a return of the capital paid up thereon but shall not be entitled to participate further in any distribution of surplus assets of the Company.

The Ordinary Shares are freely transferable.

The Ordinary and 'A' Ordinary rights are otherwise as provided for in the Constitution.

### **Convertible, exchangeable securities and capital increases**

The Company has not issued or allotted any convertible securities, exchangeable securities or securities with warrants. The Company has entered into the Framework Agreement, pursuant to which it has agreed to issue Ordinary Shares as described in more detail in Part II (*Terms and Conditions of the Acquisition*).

## 2.1 Dilution

Subject to the Acquisition becoming effective, 349,399,716 New Ordinary Shares will immediately be issued to the Seller and 9,406,856 New Ordinary Shares will be issued to existing IMC staff and directors in lieu of remuneration and directors fees. This will result in an increase in the Company's issued share capital of 110% relative to the number of Existing Ordinary Shares 326,290,907 in issue as at the Latest Practicable Date, which will result in an immediate dilution of the Existing Ordinary Shareholders of 52.37%. Up to the following number of shares may be allotted to the Seller, resulting in the following dilution:

<i>Milestone</i>	<i>Number of Ordinary Shares to be allotted to the Seller</i>	<i>Percentage of Ordinary Shares, based on the number of Ordinary Shares in issue at the Latest Practicable Date plus staff &amp; Director remuneration shares</i>
Completion of the Acquisition	349,399,716	51%
Once IMC has reached a total market capitalisation of £100 million and substantially retained that value for 90 days	68,509,748	4.45%
Once IMC has reached a total market capitalisation of £200 million and substantially retained that value for 90 days	68,509,748	3.71%

The Preference Shares, if converted into Ordinary Shares, would result in a further maximum of 21,092,903 Ordinary Shares being allotted to MVI resulting in its total percentage holding of voting shares in the Company reaching a maximum of 60.19%.

## 2.2 New Ordinary Shares

It is expected that 358,806,572 New Ordinary Shares will be admitted to the Official List, the London Stock Exchange's main market for listed securities, and that they will trade under UK ISIN IE00B6WC2H62.

The New Ordinary Shares will be issued on the Completion Date and will be issued credited as fully paid and will rank *pari passu* in all respects with the Existing Ordinary Shares in issue, including in relation to dividends or other distributions. It is expected that the New Ordinary Shares, when allotted and issued, will be capable of being held and transferred by means of CDIs and/or Euroclear Bank. They will be freely transferable, free from all liens and free from any restriction on the right of transfer.

## 2.3 Share allotment authorities

At the EGM, Shareholders will be asked to consider and vote on the Resolutions, which (inter alia) authorise the IMC Directors to allot up to 349,399,716 Ordinary Shares, representing approximately 51% of the Company's issued share capital (excluding treasury shares) on Completion. This authority and power will expire at the close of business on 26 October 2028.

Accordingly, the New Ordinary Shares to be issued in connection with the Acquisition and staff and director remuneration will be created, allotted and issued pursuant to the authority conferred on the Company under the Resolution proposed at the EGM.

## 3. The Constitution

The following is a summary of the Constitution, which was adopted by a special resolution of the Company on 12 February 2021 in connection with the migration of settlement of the Shares pursuant to the Migration of Participating Securities Act 2019, a copy of which is available for inspection at the addresses specified in paragraph 17 of this Part XIII (*Additional Information*).

### 3.1 The Memorandum

The principal object of the Company as set out in clause 3 of the Memorandum is "to explore for, obtain, produce, exploit, develop, refine, store, render suitable for market or trade, smelt, calcine, blend, handle, carry away, sell and otherwise distribute merchant petroleum and other mineral oils, natural gas, and hydrocarbons of all kinds and their products, geo-thermal energy, uranium, precious metals, ores, fuels and mineral and vegetable substances of every description in any part of the world". The listed objects of

the Company are extended by a general object “to do all such other things as are incidental or conducive to the attainment of the above objects”.

The authorized share capital of the Company is €450,000 divided into 400,000,000 Ordinary Shares of €0.001 each and 50,000 'A' Ordinary Shares of €1.00 each.

## 3.2 The Articles

### 3.2.1 Share Capital

The Ordinary shares and the 'A' Ordinary Shares rank *pari passu* in most respects, save in particular that: (i) the holders of 'A' Ordinary are entitled to receive notice of, attend but not vote at general meetings of the Company; (ii) the 'A' Ordinary shares do not carry a right for the holders to receive a dividend; and (iii) in a distribution of assets the holders of 'A' Ordinary are entitled to participate in a return of capital only in the amount paid up thereon.

### 3.2.2 Migration

The Articles contain provisions that facilitated the migration of Shares pursuant to the statutory process involving the replacement of CREST with Euroclear Bank for electronic settlement of trading in the Shares pursuant to the Migration of Participating Securities Act 2019.

The Company is not obliged to issue any share certificates to Euroclear Nominees (or their nominee(s) of Euroclear Bank) following the migration. Notwithstanding anything in the Articles to the contrary and subject to the rules of the applicable central securities depository, the Directors may permit any class of shares to be held, and trades in those shares to be settled, through a securities settlement system operated by a central securities depository. The Articles contain further provisions which are intended to facilitate the holding and settlement of Shares via Euroclear Bank following migration.

### 3.2.3 Allotment of shares and rights of pre-emption

The Directors have authority to allot, grant options or warrants over or otherwise dispose of shares in the capital of the Company.

The allotment of shares in the capital of the Company is subject to statutory rights of pre-emption under the Companies Act 2014, which rights are disapplied in respect of a specified proportion of the issued share capital by way of annual resolution proposed at each Annual General Meeting of the Company.

### 3.2.4 Alteration of capital

If at any time the share capital of the Company is divided into different classes of shares, the rights attached to any class may, whether or not the Company is being wound up, be varied or abrogated with the consent in writing of the holders of three-fourths of the issued shares in that class, or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class, having a quorum of two persons at least holding or representing by proxy one-third of the issued shares of that class.

### 3.2.5 Transfer of shares

Transfers of shares held in certificated form are effected by instrument of transfer in any usual form or in any other manner which the Directors may approve and any such instrument must be executed by or on behalf of the transferor and unless the share is fully paid, by or on behalf of the transferee.

Title to shares held in uncertificated form is transferred by means of the Euroclear Bank system and accordingly no requirement for a written instrument of transfer applies. The Directors are empowered to make such arrangements as they think fit in relation to evidencing of title to and transfer of shares held in uncertificated form.

The Directors may decline to register any transfer of shares upon which the Company has a lien and in the case of shares not fully paid up may refuse to register a transfer to any transferee of whom they do not approve without assigning any reason for such refusal, subject to the following condition that a transfer of title to shares held in uncertificated form is required to be registered where such registration is required under the terms of the relevant regulations.

The Directors may decline to recognise any instrument of transfer unless:

3.2.5.1 the instrument of transfer is accompanied by the certificate of the shares to which it relates, and

such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer; and

3.2.5.2 the instrument of transfer is in respect of one class of share only.

### 3.2.6 **General Meetings**

The Company is obliged under the Articles and the Companies Act 2014 to hold a general meeting in each year as its Annual General Meeting, such that not more than fifteen months will elapse between the date of one Annual General Meeting and the next.

#### *Notice of General Meetings*

Subject to the provisions of the Acts allowing a general meeting to be called by shorter notice, an annual general meeting and an extraordinary general meeting shall be called by at least twenty one clear days' notice, except that an extraordinary general meeting that is not called for the passing of a special resolution may, subject to compliance with all applicable provisions of the Acts, be called by at least fourteen clear days' notice.

#### *Proceedings at General Meetings*

The quorum for general meetings is three members present in person or by proxy and entitled to vote.

At any general meeting, a resolution put to the vote of the meeting will be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded.

Where there is an equality of votes, either on a show of hands or on a poll, the Chairman of the meeting is entitled to a second or casting vote.

### 3.2.7 **Directors**

The number of Directors must not be less than two. The Company may by Ordinary Resolution from time to time increase the minimum number and likewise may by Ordinary Resolution fix and from time to time vary the maximum number of Directors.

The remuneration of the Directors shall from time to time be determined by an Ordinary Resolution of the Company and shall (unless such resolution otherwise provides) be divisible among the Directors as they may agree or, failing agreement, equally, except that any Director who shall hold office for part only of the period in respect of which such remuneration is payable shall be entitled to rank in such division for a proportion of the remuneration related to the period during which he has held office. The Directors may also be paid all travelling, hotel and other expenses properly incurred by them in attending and returning from meetings of the Directors or any committee of the Directors or general meetings of the Company or in connection with the business of the Company.

If any Director shall be called upon to perform extra services which in the opinion of the Directors are outside the scope of the ordinary duties of a Director, the Company may remunerate such Director either by a fixed sum or by a percentage of profits or otherwise as may be determined by a resolution passed at a meeting of the Directors and such remuneration may be either in addition to or in substitution for any other remuneration to which he/she may be entitled as a Director.

A Director of the Company may be or become a Director or other officer of or otherwise interested in any company promoted by the Company or in which the Company may be interested as shareholder or otherwise, and no such Director shall be accountable to the Company for any remuneration or other benefits received by him as a Director or officer of, or from his interest in, such other company unless the Company otherwise directs.

#### *Powers and duties of the Directors*

A Director who is anyway, whether directly or indirectly, interested in a contract or proposed contract with the Company shall declare the nature of his interest at a meeting of the Directors in accordance with section 194 of the Act.

Subject to certain exceptions, a Director shall not vote in respect of any contract or arrangement or any other proposal whatsoever in which he has any material interest otherwise than by virtue of his interests in shares or debentures or other securities of or otherwise in or through the Company. A Director shall not be counted in the quorum at a meeting in relation to any resolution from which he is debarred from voting.



A Director may hold and be remunerated in respect of any other office or place of profit under the Company or any other company in which the Company may be interested ( other than the office of auditor of the Company or any subsidiary thereof) in conjunction with his office of Director for such period and on such terms as to remuneration and otherwise as the Directors may determine, and no Director or intending Director shall be disqualified by his office from contracting or being interested, directly or indirectly, in any contract or arrangement with the Company or any such other company either with regard to his tenure of any such other office or place of profit or as vendor, purchaser or otherwise nor shall any Director so contracting or being so interested be liable to account to the Company for any profits and advantages accruing to him from any such contract or arrangement reason of such Director holding that office or of the fiduciary relationship thereby established.

The Directors may exercise the voting powers conferred by shares of any other company held or owned by the Company in such manner in all respects as they think fit and, in particular, they may exercise their voting powers in favour of any resolution appointing the Directors or any of them as Directors or officers of such other company providing for the payment of remuneration or pensions to the Directors on officers of such other company.

Any Director may act by himself or his firm in a professional capacity for the Company, and he or his firm shall be entitled to remuneration for professional services as if he were not a Director, but nothing herein contained shall authorise a Director or his firm to act as auditor to the Company.

#### *Rotation of Directors*

At every Annual General Meeting of the Company one-third of the Directors (other than the Managing Director and any Director holding an executive office with the Company) or, if their number is not three or a multiple of three, then the number nearest one-third shall retire from office. A Director retiring at a meeting shall retain office until the close or adjournment of the meeting.

The Directors to retire in every year shall be those who have been longest in office since their last election but as between persons who become Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by lot. A retiring Director shall be eligible for re-election.

#### *Proceedings of Directors*

The Directors may meet together for the dispatch of business, adjourn and otherwise regulate their meetings as they may think fit. The quorum necessary for the transaction of the business of the Directors shall be two or such higher number as may be fixed by the Directors. Questions arising at any meeting shall be decided by a majority of votes. In the case of an equality of votes, the Chairman of the meeting shall have a casting vote.

Each Director present and voting shall have one vote and shall in addition to his own vote be entitled to one vote in respect of each other Director nor present at the meeting who shall have authorised him in respect of such meeting to vote for such other Director in his absence.

#### *Managing Director*

The Directors may from time to time appoint one or more of themselves to the office of Managing Director for such period and on such terms as to remuneration and otherwise as they think fit, and, subject to the terms of any agreement entered into in any particular case, may revoke such appointment. A Director so appointed shall not, whilst holding that office, be subject to retirement by rotation or be taken into account in determining the rotation of retirement of Directors but (without prejudice to any claim he may have for damages for breach of any contract of service between him and the Company), his appointment shall be automatically determined if he ceases from any cause to be a Director.

A Managing Director shall receive such remuneration whether by way of salary, commission, or participation in the profits, or partly in one way and partly in another, as the Directors may determine.

The Directors may entrust to and confer upon a Managing Director any of the powers exercisable by them upon such terms and conditions and with such restrictions as they may think fit, and either collaterally with or to the exclusion of their own powers, and may from time-to-time revoke, withdraw, alter or vary all or any of such powers.

#### **3.2.8 Dividends and Reserve**

The Company in general meeting may declare dividends, but no dividends shall exceed the amount

recommended by the Directors.

The Directors may from time to time pay to the members such interim dividends as appear to the Directors to be justified by the profits of the Company.

The Company may pay dividend, interest or other moneys payable in cash in respect of shares, by direct debit, bank transfer, cheque, dividend warrant or money order. In respect of shares in uncertificated form, where the Company is authorized to do so by or on behalf of the holder or joint holders in such manner as the Company shall from time to time consider sufficient, the Company may also pay any such dividend, interest or other moneys by means of the relevant system concerned (subject always to the facilities and requirements of that relevant system).

The Directors may deduct from any dividend payable to any member all sums of money (if any) immediately payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.

Any general meeting declaring a dividend or bonus may direct payment of such dividend or bonus wholly or partly by the distribution of specific assets and in particular of paid up shares, debentures or debenture stocks of any other company or in any one or more of such ways, and the Directors shall give effect to such resolution, and where any difficulty arises in regard to such distribution, the Directors may settle the same as they think expedient, and in particular may issue fractional certificates and fix the value for distribution of such specific assets or any part thereof and may determine that cash payments shall be made to any members upon the footing of the value so fixed, in order to adjust the rights of all the parties, and may vest any such specific assets in trustees as may seem expedient to the Directors.

#### **4. Disclosure of interests and dealings**

##### **4.1 Definitions and interpretation**

For the purposes of this paragraph 4:

- (a) Two or more persons are deemed to be acting in concert if they co-operate on the basis of an agreement, either express or tacit, either oral or written, aimed at:
  - (i) either:
    - (A) the acquisition by any one or more of them of securities in the relevant company concerned; or
    - (B) the doing, or the procuring of the doing, of any act that will or may result in an increase in the proportion of securities in the relevant company concerned held by any one or more of them; or
  - (ii) either:
    - (A) acquiring control of the relevant company concerned; or
    - (B) frustrating the successful outcome of an offer made for the purpose of the acquisition of control of the relevant company concerned;and "acting in concert" shall be construed accordingly;
- (b) a company is an "associated company" of another company if that other company owns or controls 20% or more of the equity share capital of the first-mentioned company;
- (c) "arrangement" means any indemnity or option arrangement and any agreement or understanding, formal or informal, of whatever nature, between two or more persons relating to relevant securities which is or may be an inducement to deal or refrain from dealing in such securities;
- (d) "control" means the holding, whether directly or indirectly, of securities in a company that confer in aggregate not less than 30% of the voting rights in that company;
- (e) "derivative" includes any financial product whose value, in whole or in part, is determined directly or indirectly by reference to the price of an underlying security;
- (f) "disclosure date" means the Latest Practicable Date;
- (g) "Disclosure Period" means the period commencing on 14 April 2020 (being the date 12 months before the commencement of the Offer Period) and ending on the disclosure date;
- (h) "exempt fund manager" means a discretionary fund manager which has been recognised by the

Panel as an exempt fund manager for the purposes of the Irish Takeover Rules, has been notified in writing of that fact by the Panel and has not been notified by the Panel of the withdrawal of such recognition;

(i) "exempt principal trader" means a principal trader who is recognised by the Panel as an exempt principal trader for the purposes of the Irish Takeover Rules, has been notified in writing of that fact by the Panel and has not been notified by the Panel of the withdrawal of such recognition;

(j) "interest in" or "interested in" a relevant security means:

(i) for the purpose of determining whether a person has an "interest in a relevant security" or is "interested in a relevant security":

(A) that person shall be deemed to have an "interest," or to be "interested," in a relevant security if and only if he or she has a long position in that security; and

(B) a person who has only a short position in a relevant security shall be deemed not to have an interest, nor to be interested, in that security;

(ii) A person shall be deemed to have a "long position" in a relevant security for the purposes of paragraph (ii) if he or she directly or indirectly:

(I) owns that security; or

(II) has the right or option to acquire that security or to call for its delivery; or

(III) is under an obligation to take delivery of that security; or

(IV) has the right to exercise or control the exercise of the voting rights (if any) attaching to that security,

or to the extent that none of sub-paragraphs (I) to (IV) above applies to that person, if he or she:

(i) will be economically advantaged if the price of that security increases; or

(ii) will be economically disadvantaged if the price of that security decreases, irrespective of:

- how any such ownership, right, option, obligation, advantage or disadvantage arises and including, for the avoidance of doubt and without limitation, where it arises by virtue of an agreement to purchase, option or derivative; or

- whether any such ownership, right, option, obligation, advantage or disadvantage is absolute or conditional and,

where applicable, whether it is in the money or otherwise,

provided that a person who has received an irrevocable commitment to accept an offer (or to procure that another person accept an offer) shall not, by virtue only of sub-paragraph (II) or (III) above, be treated as having an interest in the Relevant Securities that are the subject of the irrevocable commitment;

(iii) A person shall be deemed to have a short position in a relevant security for the purposes of paragraph (iii) if he or she directly or indirectly:

(I) has the right or option to dispose of that security or to put it to another person; or

(II) is under an obligation to deliver that security to another person; or

(III) is under an obligation either to permit another person to exercise the voting rights (if any) attaching to that security or to procure that such voting rights are exercised in accordance with the directions of another person,

or to the extent that none of sub-paragraphs (I) to (III) above applies to that person if he or she:

(I) will be economically advantaged if the price of that security decreases; or

(II) will be economically disadvantaged if the price of that security increases, irrespective of:

- how any such right, option, obligation, advantage or disadvantage arises and including, for the avoidance of doubt and without limitation, where it arises by virtue of an agreement to sell, option or derivative; or
- whether any such right, option, obligation, advantage or disadvantage is absolute or conditional and, where applicable, whether it is in the money or otherwise;

where applicable, whether it is in the money or otherwise, provided that a person who has received an irrevocable commitment to accept an offer (or to procure that another person accept an offer) shall not, by virtue only of sub- paragraph (II) or (III) above, be treated as having an interest in the Relevant Securities that are the subject of the irrevocable commitment.

## 4.2 Interests in relevant securities of IMC

4.2.1 As at the close of business on the last day of the Disclosure Period, the interests, rights to subscribe and short positions of the Directors, their immediate families and persons connected with them in the share capital of IMC, together with any options in respect of such share capital (all of which holdings are beneficially held unless otherwise stated) required to be notified to the Company or which are required to be entered into the Company's register of members, are as follows:

Name	Ordinary Shares of €0.001 each	'A' Ordinary Shares of €1.00 each
Eamon O'Brien MBA	14,459,398	0
Kathryn Byrne	1,025,000	0
Andrew (Laz) Fleming	2,100,000	0
Claire O'Brien Hees (Eamon O'Brien's sister)	7,650,000	0
Liam O'Brien (Eamon O'Brien's brother)	5,064,449	0

4.2.2 The Company has not established any employee share schemes and none of the Directors, nor any of their immediate families or persons connected with them has any interests in shares in the capital of IMC other than as set out in the foregoing table.

4.2.3 The Proposed Directors do not have any interests in shares in the capital of IMC.

## 4.3 Dealings in relevant securities of IMC

4.3.1 None of the Directors, nor any member of their immediate families or related trusts (so far as the Directors are aware having made due enquiry), dealt in relevant securities of the Company during the Disclosure Period.

4.3.2 As at the date of this Prospectus, neither the Seller nor any of its concert parties (nor any members of their immediate families, any related trust, nor any connected persons (within the meaning of section 220 of the Companies Act 2014), nor any person acting in concert with such persons, nor any member of their immediate families or related trusts (so far as the directors of the Seller are aware having made due enquiry) had interests, rights to subscribe and short positions in relevant securities of IMC. None of such parties (so far as the directors of the Seller are aware having made due enquiry) dealt in relevant securities of the Company during the Disclosure Period. There are no persons with whom the Seller or any person acting in concert with the Seller has an arrangement to which Rule 8.7 applies.

## 4.4 Interests in relevant securities of the Seller

4.4.1 As at the last day of the Disclosure Period, neither IMC nor any of the Directors had any interest in, or right to subscribe for, relevant securities of the Seller or had any short position in relevant

securities of the Seller. Interests in relevant securities of the Seller in which persons acting in concert with the Seller have an interest are set out in Part I Paragraph 9 of this Prospectus.

#### 4.5 Dealings in relevant securities of the Seller

4.5.1 During the Disclosure Period, there were no dealings in relevant securities of the Seller by IMC or any of the Directors or the directors of the Seller or any persons acting in concert with the Seller.

#### 4.6 Irrevocable Undertakings

4.6.1 Irrevocable undertakings to exercise voting rights and to vote in favour of the Resolutions, including the Waiver Resolution, have been given by the Independent Directors in respect of the following holdings of Ordinary Shares:

<b>Name of Director</b>	<b>Number of Ordinary Shares</b>
Eamon O'Brien MBA	14,459,398
Kathryn Byrne	1,025,000
Andrew (Laz) Fleming	2,100,000

4.6.2 These undertakings represent 5.39% of the issued Ordinary Shares of the Company as at the last day of the Disclosure Period. The undertakings remain binding until either the Admission has been completed or the Resolutions have failed to be passed at the EGM.

### 5. Major Shareholders

Insofar as it is known to the Company as at the Latest Practicable Date, the following persons have interests in Ordinary Shares which are notifiable under Rule 5.1.2 of the Disclosure and Transparency Rules and Regulation 14 of the Transparency Directive Regulations:

The Company is aware of the following persons who, directly or indirectly, are interested in 3 per cent or more of the Ordinary Shares at the date of this document:

<i>Name</i>	<i>Number of Ordinary Shares</i>	<i>Per cent. Of Ordinary Shares in issue</i>
CREST INTERNATIONAL NOMINEES	75,682,771	23.19%
DAVYCREST NOMINEES	37,338,138	11.44%
KBC BANK NV	27,330,167	8.38%
ITI CAPITAL LIMITED	23,074,772	7.07%
PERSHING SECURITIES INTERNATIONAL LIMITED	21,444,500	6.57%
EAMON O'BRIEN	14,459,398	4.43%
LISA MCDONNELL	17,578,130	5.39%
WILHAN LIMITED	13,712,612	4.20%

Save as disclosed above, the Company is not aware of any person who had a notifiable interest under Regulation 14 of the Transparency Directive Regulations.

All shareholders have the same voting rights. As at the Latest Practicable Date, the Company was not aware of any person or persons who directly or indirectly, jointly or severally, exercise or are entitled to exercise control over the Company, nor is it aware of any arrangement, other than the arrangements described in detail in Part II (*Terms and Conditions of the Acquisition*), the operation of which may at a subsequent date result in a change in control of the Company.

None of the Company's major Shareholders has or will have different voting rights attached to the shares they hold in the Company.

### 6. Significant subsidiaries

IMC is the parent company of the IMC Group. The following table contains a list of the principal subsidiaries and associated undertakings of IMC and MVI (each of which is considered to be likely to have a significant effect on the assessment of the assets, liabilities, financial position and/or profits and losses of the Enlarged Group).

<b>Name</b>	<b>Nature of activities</b>	<b>Country of incorporation</b>	<b>Percentage ownership</b>
<b>IMC Group</b>			
IMC Exploration Limited	Holder of IMC's six prospecting mining licences	Ireland	100%
GCI Administration Services Limited	Administration Services	Ireland	100%
<b>MVI Group</b>			
Assat, LLC	Holder of mining licence	Armenia	100%

## 7. Material contracts

### 7.1 IMC's material contracts

The following is a summary of each contract (not being a contract entered into in the ordinary course of business) which has been entered into by members of the IMC Group: (i) within the two years immediately preceding the date of this document and which is, or may be, material; or (ii) which contains any provision under which any member of the IMC Group has any obligation or entitlement which is material to the IMC Group as at the date of this document.

#### 7.1.1 Framework Agreement

The Company has entered into the Framework Agreement for the purpose of the Acquisition and pursuant to which it has agreed to issue Ordinary Shares upon Completion and subsequent milestones. The Framework Agreement is described in more detail in Part II (*Terms and Conditions of the Acquisition*).

#### 7.1.2 Subscription Agreement

To provide the Enlarged Group with sufficient working capital for the next 12 months, the Seller will subscribe for 1,500,000 Preference Shares on a monthly phased basis at €250,000 per month for the first six months after completion of the Acquisition. In connection with the Share Subscription:

- the Seller and the Company will enter into a Subscription Agreement;
- the Share Subscription will be conditional on the Acquisition taking place and will complete on a monthly phased basis following completion of the Acquisition; and
- the Company will provide warranty protection to the Seller in respect of (a) the validity of the allotment and issuance of the Preference Shares to the Seller and (b) the content of this Prospectus.

#### 7.1.3 Loan agreement between the Company and the Seller

In 2022, the Seller agreed to provide an unsecured loan of up to €500,000 to the Company. The amount outstanding for the loan as at 30 June 2022 amounted to €353,143 as referred to at note 18 to the Company's accounts on page 43. The annual interest rate of the loan is 6%. The loan is repayable by 31 December 2024. Interest accrued on the loan for the year ended 30 June 2022 amounted to €15,143. The loan has not been documented by means of an executed loan agreement.

### 7.2 MVI's material contracts

The following is a summary of each contract (not being a contract entered into in the ordinary course of business) which has been entered into by members of the MVI Group: (i) within the two years immediately preceding the date of this document and which is, or may be, material; or (ii) which contains any provision under which any member of the MVI Group has any obligation or entitlement which is material to the MVI Group as at the date of this document.

#### 7.2.1 Framework Agreement

The Seller has entered into the Framework Agreement for the purpose of the Acquisition and pursuant to which it has agreed to issue Ordinary Shares upon Completion and subsequent milestones. The Framework Agreement is described in more detail in Part II (*Terms and Conditions of the Acquisition*).

#### 7.2.2 EPC Contract and agreement on the assignment of an agreement

In September 2019, Assat and China National Geological and Mining Corporation ("**CGM**") entered into the Engineering and Procurement Contract ("**EPC**") in order to build the Karaberd Production Facility. The scope of works under the EPC is engineering of construction drawing, equipment procurement,

equipment installation & process flow connection, production commissioning & hand-over, and operation of the 100,000 t/a gold processing plant. The total contract price to be paid by Assat is EUR 4,530,000 and deposit of ca EUR 430,000 has already been paid. CGM shall complete the construction of the Karaberd Production Facility by Q2 2024. Warranty period is 24 months. EPC is governed by the laws of Hong Kong and all disputes shall be settled by the Hong Kong International Arbitration Center. In the case that the construction is delayed CGM shall pay for each day of such postponement a late fee of 0.5% of the total contract price, the sum of which shall not exceed 20% of the total contract price. The EPC Contract was assigned to the Seller with effect from 1 January 2023 by means of an agreement for the assignment of an agreement dated 20 December 2022 between Assat, the Seller and CGM.

### **7.2.3 Lease Agreement with Lusajur Ventures Invest LLC**

Lusajur Ventures Invest LLC, as a lessor and Assat, as a lessee concluded a Car rental Contract (Lease Agreement) dated 1 July 2021. On the basis of this contract, 14 vehicles used for mining activities have been rented to Assat. The term of the contract is one year and will be prolonged for another year following termination. The rent for the term of the lease agreement amounted to EUR 101,482.

### **7.2.4 Financial leasing agreement**

In March 2023 the Seller and Assat entered into the agreement on financial leasing with a subsequent purchase. The agreement provides Assat with the right to operate the Karaberd Production Facility for a consideration represented by semi-annual leasing instalments. At the end of the lease term, Assat granted with call option for purchase of the Karaberd Production Facility for residual value which is calculated as the original acquisition value paid by the Seller to CGM after deduction of paid leasing instalments. The agreement is valid and becomes effective upon construction of the Karaberd Production Facility.

### **7.2.5 Loan agreement between the Company and the Seller**

In 2022, the Seller agreed to provide an unsecured loan of up to €500,000 to the Company. The amount outstanding for the loan as at 30 June 2022 amounted to €353,143 as referred to at note 18 to the Company's accounts on page 43. The annual interest rate of the loan is 6%. The loan is repayable by 31 December 2024. Interest accrued on the loan for the year ended 30 June 2022 amounted to €15,143. The loan has not been documented by means of an executed loan agreement.

## **8. Related party transactions**

### **8.1 IMC**

In the three years and six months period ended 31 December 2022 the following related party transactions were entered into by the Company or its subsidiary:

- 8.1.1 During the 12 month period ended 30 June 2022 the Executive Chairman Eamon O'Brien provided professional services for the amount of €24,000.
- 8.1.2 During the 6 month period ended 30 June 2021 the Executive Chairman Eamon O'Brien provided professional services for the amount of €19,374.
- 8.1.3 During the 6 month period ended 31 December 2020 the Executive Chairman Eamon O'Brien provided professional services for the amount of €20,000.
- 8.1.4 During the year ended 30 June 2019, the Company raised £120,000 by way of a placing of 10,000,000 new ordinary shares of €0.001 each in the company at 1.2p sterling per share. The Executive Chairman Eamon O'Brien purchased 4,340,000 of these shares.
- 8.1.5 During the year ended 30 June 2019, the Executive Chairman Eamon O'Brien was provided with a loan of €8,189 from the Company. The loan was repaid in full on 7 December 2020. The loan was interest free and repayable on demand.

### **8.2 MVI**

In the year ended 31 December 2022 no related party transactions were entered into by members of the MVI Group:

## **9. Working capital statement**

IMC is of the opinion that the working capital available for the Enlarged Group is sufficient for its present requirements, that is, for at least the next 12 months following the date of publication of this document.

The Company has also considered its working capital requirements beyond that 12 month period and is of the opinion that that it will be in a position to address such requirements, based on the performance of the Mine and the business environment in which the Group will operate.

## 10. **Litigation**

### 10.1 **IMC**

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which IMC is aware) during the period covering the 12 months preceding the date of this document which may have, or have had in the recent past, significant effects on the financial position or profitability of the IMC Group.

### 10.2 **MVI**

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which MVI is aware) during the period covering the 12 months preceding the date of this document which may have, or have had in the recent past, significant effects on the financial position or profitability of the MVI Group.

## 11. **No significant change**

### 11.1 **IMC**

There has been no significant change in the financial or trading position of the IMC Group since 31 December 2022, being the end of the last financial period of the IMC Group for which unaudited interim financial information has been provided.

### 11.2 **MVI**

There has been no significant change in the financial or trading position of the MVI Group since 31 December 2022, being the end of the last financial period of the MVI Group for which audited financial information has been provided.

## 12. **Mandatory bids and compulsory acquisition rules relating to Ordinary Shares**

The Company is subject to the Irish Takeover Rules. Other than as provided by the Companies Act 2014 and the Irish Takeover Panel, there are no rules or provisions relating to mandatory bids and/or squeeze out and sell out rules in relation to the Ordinary Shares.

### 12.1 **Mandatory Bids**

Rule 5 of the Irish Takeover Rules restricts the acquisition of securities or rights over securities in IMC by any person (or any person acting in concert with that person within the meaning of the Irish Takeover Rules) holding, in aggregate, less than 30% of the voting rights in the Company if, following such acquisition, the aggregate of that person's initial voting rights, the voting rights carried by any acquired securities and the voting rights conferred by securities the subject of any such rights which have been acquired, if any, would amount to 30% or more of the voting rights of the Company. Any such acquisition is prohibited save in certain limited circumstances specified in the Irish Takeover Rules, including purchases of securities or rights over securities from a single holder of securities (in the circumstances permitted by the Irish Takeover Rules) or purchases immediately before a person announces a firm intention to make an offer for the purposes of the Irish Takeover Rules which has been recommended for acceptance by the Company. Acquisitions by and holdings of concert parties must be aggregated for these purposes.

In addition, under Rule 5, any person holding securities or rights over securities which in the aggregate carry 30% or more of the voting rights of the Company is also restricted from acquiring securities carrying 0.05% or more of the voting rights, or rights over such securities, in a 12-month period, save as expressly permitted under the Irish Takeover Rules. This latter prohibition does not apply to the extent a person already holds securities, or rights over securities, which represent in excess of 50% of the voting rights of the Company.

Rule 9 of the Irish Takeover Rules provides that, where a person acquires securities in IMC which, when taken together with any securities held by concert parties, amount to 30% or more of the voting rights of the Company, that person will be required to make a general offer (a "mandatory offer") to the holders of each class of equity share capital carrying voting securities of the Company to acquire their securities. The obligation to make a mandatory offer under Rule 9 is also imposed on any person (or persons



acting in concert) who holds securities conferring 30% or more of the voting rights in the Company and who increases that stake by 0.05% or more in any 12-month period. Again, a single holder of securities (including persons regarded as such under the Irish Takeover Rules) who holds securities conferring in excess of 50% of the voting rights in the Company may purchase additional securities without incurring an obligation to make a Rule 9 mandatory offer.

## 12.2 **Squeeze-out**

Under the Companies Act 2014, if an offeror were to acquire 80% of the issued share capital of a company within four months of making a general offer to shareholders, it could then compulsorily acquire the remaining 20%. In order to effect the compulsory acquisition, the offeror would send a notice to outstanding shareholders telling them that it would compulsorily acquire their shares. Unless determined otherwise by the High Court of Ireland, the offeror would execute a transfer of the outstanding shares in its favour after the expiry of one month. Consideration for the transfer would be paid to the company, which would hold the consideration on trust for the outstanding shareholders.

Where an offeror already owned more than 20% of an offeree at the time that the offeror made an offer for the balance of the shares, compulsory acquisition rights would only apply if the offeror acquired at least 80% of the remaining shares that also represented at least 75% in number of the holders of those shares.

The Companies Act 2014 also gives minority shareholders a right to be bought out in certain circumstances by an offeror who has made a takeover offer. If a takeover offer related to all of the issued share capital, and at any time before the end of the period within which the offer could be accepted, the offeror held or had agreed to acquire not less than 80% of the issued share capital, any holder of shares to which the offer related who had not accepted the offer could, by a written communication to the offeror, require it to acquire those shares. The offeror would be required to give any shareholders notice of their right to be bought out within one month of that right arising.

## 12.3 **Substantial acquisition rules**

The Substantial Acquisition Rules are designed to restrict the speed at which a person may increase a holding of voting securities (or rights over such securities) of a company which is subject to the Irish Takeover Rules, including IMC. The Substantial Acquisition Rules prohibit the acquisition by any person (or persons acting in concert with that person) of shares or rights in shares carrying 10% or more of the voting rights in IMC within a period of seven calendar days if that acquisition would take that person's holding of voting rights to 15% or more but less than 30% of the voting rights in IMC.

## 12.4 **Public takeover bids**

There have been no public takeover bids by third parties in respect of the share capital of IMC during the previous financial year or the current financial year and no such public takeover bids are outstanding as at the Latest Practicable Date.

## 13. **Third-party information**

Certain information has been obtained from external publications and is sourced in this document where the information is included. IMC confirms that this information has been accurately reproduced and, so far as IMC is aware and is able to ascertain from the information published by third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading. Unless otherwise stated, such information has not been audited.

## 14. **Market Price Quotations**

The following table shows the Closing Price of an Ordinary Share (i) on the first Trading Day in each of the six months prior to the date of this document and (ii) on the Latest Practicable Date.

Date	Closing Price (Pence £)
3 April 2023	0.49
2 May 2023	0.44
1 June 2023	0.44
3 July 2023	0.32
1 August 2023	0.31
1 September 2023	0.44

Date	Closing Price (Pence £)
The Latest Practicable Date	0.45

## 15. Seller Agreements

Save as disclosed in this document:

- 15.1 no arrangement exists in relation to a transfer or otherwise between the Seller or any person acting in concert with it or any associate of it and any of the Directors, recent directors, Shareholders or recent Shareholders in the Company, or any person interested or recently interested in shares in the Company, having any connection with or dependence upon the Proposals; and
- 15.2 there is no agreement, arrangement or understanding whereby the beneficial ownership of the New Ordinary Shares to be issued to the Seller pursuant to the Proposals will be transferred to any other person

## 16. Consents

- 16.1 Lowry & Associates of 70 Northumberland Road Ballsbridge Dublin 4, which is a member of Member of Chartered Accountants Ireland and registered on the Register of Auditors in Ireland under auditor number AI222890 has given and, has not withdrawn, its written consent to the inclusion in this Prospectus of the pro forma statement of financial position and pro forma profit and loss statement of the Enlarged Group and the report on the Unaudited Pro Forma Information on the Enlarged Group set out in Part IX of this Prospectus and to the references to its name in the form and context in which they appear and it has authorised the contents of the pro forma statement of financial position and pro forma profit and loss statement of the Enlarged Group and the report on the Unaudited Pro Forma Information on the Enlarged Group set out in Part IX of this Prospectus as part of this Prospectus for the purposes of Prospectus Regulation Rule 5.3.2R(2)(f) and item 1.3 of Annex 1 of Commission Delegated Regulation (EU) 2019/980 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018.
- 16.2 Grant Thornton Audit s.r.o. of Pujmanové 1753/10a, Praha 4, Czech Republic, which is registered in the List of Statutory Auditors of The Chamber of Auditors of the Czech Republic under Licence No. 603 has given and, has not withdrawn, its written consent to the inclusion in this Prospectus of the consolidated financial statements of MVI as set out in Part VIII of this Prospectus and to the references to its name in the form and context in which they appear and it has authorised the contents of the consolidated financial statements of MVI as part of this Prospectus for the purposes of Prospectus Regulation Rule 5.3.2R(2)(f) and item 1.3 of Annex 1 of Commission Delegated Regulation (EU) 2019/980 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018.
- 16.3 IGS has given and, has not withdrawn, its written consent to the inclusion in this Prospectus of the IMC CPR (which is included at Annex 2 of this Prospectus) and to the references to its name in the form and context in which they appear and it has authorised the contents of the IMC CPR as part of this Prospectus for the purposes of Prospectus Regulation Rule 5.3.2R(2)(f) and item 1.3 of Annex 1 of Commission Delegated Regulation (EU) 2019/980 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018. For the purposes of item 5.3.2R(2)(f) of the Prospectus Regulation Rules, IGS is responsible for the IMC CPR as part of the Prospectus and IGS declares that, to the best of its knowledge the information contained in the IMC CPR is in accordance with the facts and that the IMC CPR makes no omission likely to affect its import. This declaration is in compliance with item 1.2 of Annex 1 to the PR Regulation.
- 16.4 AMC has given and, has not withdrawn, its written consent to the inclusion in this Prospectus of the MVI CPR (which is included at Annex 3 of this Prospectus) and to the references to its name in the form and context in which they appear and it has authorised the contents of the MVI CPR as part of this Prospectus for the purposes of Prospectus Regulation Rule 5.3.2R(2)(f) and item 1.3 of Annex 1 of Commission Delegated Regulation (EU) 2019/980 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018.
- 16.5 Keith, Bayley, Rogers & Co. Limited has given and has not withdrawn its written consent to the inclusion in this Prospectus of the references to its name in the form and context in which they appear.

- 16.6 Alvarez & Marsal has given and, has not withdrawn, its written consent to the inclusion in this Prospectus of information relating to the Valuation Analysis of MVI as set out in Part VI, paragraph 11 of this Prospectus and to the references to its name in the form and context in which they appear and it has authorised the contents of the information relating to the Valuation Analysis of MVI as part of this Prospectus for the purposes of Prospectus Regulation Rule 5.3.2R(2)(f) and item 1.3 of Annex 1 of Commission Delegated Regulation (EU) 2019/980 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018.
- 16.7 CSA Global Limited (UK) has given and, has not withdrawn, its written consent to the inclusion in this Prospectus of information relating to the Mineral Resource Estimate in accordance with the JORC Code as set out in Part III of this Prospectus and to the references to its name in the form and context in which they appear and it has authorised the contents of the information relating to the Mineral Resource Estimate in accordance with the JORC Code as part of this Prospectus for the purposes of Prospectus Regulation Rule 5.3.2R(2)(f) and item 1.3 of Annex 1 of Commission Delegated Regulation (EU) 2019/980 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018.

#### 17. Documents available for inspection/Documents on display

Copies of the following documents are available at <https://www.imcexploration.com> and will be available for inspection during normal business hours on any Business Day, free of charge, at the offices of the Company at 70 Ballybough Road, Ballybough, Dublin 3, Ireland from the date of this document up to and including the Admission:

- (A) the Constitution;
- (B) the Framework Agreement;
- (C) the Amendment Agreement;
- (D) the historical financial information of the IMC Group set out in Part VII (*Historical Financial Information relating to IMC*) of this document;
- (E) the auditor's reports on the historical financial information on IMC set out in Part VII (*Historical Financial Information relating to IMC*) of this document;
- (F) the historical financial information of the MVI Group set out in Part VIII (*Historical Financial Information relating to MVI*) of this document;
- (G) the auditor's reports on the historical financial information on MVI Group set out in Part VIII (*Historical Financial Information relating to MVI*) of this document;
- (H) the accountant's report on the Unaudited Pro Forma Information on the Enlarged Group set out in Part IX (*Unaudited pro forma financial information*) of this document;
- (I) the MVI CPR;
- (J) the IMC CPR;
- (K) the letters of consent referred to in section 16 of this Part XIII;
- (L) a copy of this document and the Form of Proxy;
- (M) the terms of reference for the Audit, Remuneration and Risk Committees of the Board; and
- (N) Valuation Analysis of MVI conducted by Alvarez & Marsal dated 29 May 2023.

#### 18. Application of the Listing Rules

The Acquisition is classified as a reverse takeover of IMC pursuant to the Listing Rules. As a result IMC will apply to the FCA and to the London Stock Exchange for: (A) the current listing of the Existing Ordinary Shares to be cancelled or suspended and the Existing Ordinary Shares to be readmitted upon Completion to the standard listing segment of the Official List and to trading on the main market for listed securities of the London Stock Exchange and (B) the New Ordinary Shares to be admitted upon Completion to the standard listing segment of the Official List and to trading on the main market for listed securities of the London Stock Exchange. The Acquisition, due to its classification as a reverse takeover of IMC pursuant to the Listing Rules, requires the approval of the Shareholders.

19. **No Material Change**

There has been no material change in the information previously published by IMC since the date of the announcement of the Acquisition.

## **PART XIV. DOCUMENTS INCORPORATED BY REFERENCE**

This document should be read and construed in conjunction with the following documents which shall be deemed to be incorporated in, and form part of, this document. No information or documentation referred to within the following documents which are incorporated by reference in the Prospectus is itself intended to be incorporated by reference in the Prospectus (for the purposes of the PR Prospectus Rules):

- The Group's audited consolidated financial statements for the financial years ended 30 June 2020, 30 June 2021 and 30 June 2022, together with audit reports thereon, and audited financial information for the six-month period to 31 December 2022: <https://www.imcexploration.com/corporate/corporate-documents>
- Statement of financial position for IMC from the audited six-month period to 31 December 2022: <https://www.londonstockexchange.com/news-article/IMC/2022-23-interim-results/15854999>

## PART XV. DEFINITIONS

The following definitions apply throughout this document unless the context requires otherwise:

\$	United States dollar.
Acquisition	the proposed acquisition of the entire issued share capital of MVI by the Company;
acting in concert	shall have the meaning given to that term in the Irish Takeover Rules;
Admission	admission of the New Ordinary Shares to the standard listing segment of the Official List and to trading on the London Stock Exchange's main market for listed securities;
AMC	AMC Consultants Pty Ltd of Level 1, 1100 Hay Street, West Perth, WA 6005, Australia;
AMD	Armenian dram, the lawful currency of Armenia;
Amendment Agreement	the amendment agreement to the Framework Agreement dated 2 December 2022 between the Company and the Seller pursuant to which the parties agreed to amend clause 3.4 ( <i>Long-Stop Date</i> ) of the Framework Agreement, a summary of which is contained in Part II ( <i>Terms and Conditions of the Acquisition</i> ) of this document;
Articles	the articles of association of the Company as at the Latest Practicable Date;
Assat	Assat, LLC, a limited liability company incorporated and existing under the laws of the Republic of Armenia, with its registered office at Davita Ladojana St., building 27, Darakert, ARARAT province, Republic of Armenia, identification no.: 03807664;
Barytes	a colourless or white mineral consisting of barium sulphate;
Base metals	zinc, lead, copper, nickel, cobalt, manganese, cadmium, molybdenum, vanadium, chromium, tantalum, tin, tungsten, gallium, indium, thallium, bismuth, arsenic, antimony, tellurium and germanium;
Board or IMC Board	the board of directors of the Company from time to time;
Business Day	any day (excluding Saturdays, Sundays and public holidays in England and Wales) on which banks are generally open for business in London;
certificated or in certificated form	in relation to a share or other security, a share or other security title to which is recorded in the relevant register of the share or other security concerned as being held in certificated form;
Closing Price	the closing middle market quotation of an Existing Ordinary Share as derived from the daily official list published by the London Stock Exchange;
CMG	China National Geological & Mining Corporation;
Companies Act 2014 or the Act	the Companies Act 2014, as amended from time to time;
Company or IMC	IMC Exploration Group plc, a public limited company incorporated in Ireland with registered number 500487, with its registered office at 70 Ballybough Road, Dublin, D03 F9P7, Ireland;
Completion	completion of the Acquisition;
Completion Date	the date on which Completion occurs;

Conditions	the approval of the Resolutions by Shareholders at the General Meeting and Admission having occurred;
Constitution	the constitution of the Company comprising the Articles and the Memorandum;
CREST	the paperless settlement procedure operated by Euroclear enabling system securities to be evidenced otherwise than by certificates and transferred otherwise than by written instrument;
CREST Manual	the rules governing the operation of CREST as published by Euroclear;
CREST member	a person who has been admitted by Euroclear as a system member (as defined in the CREST Regulations);
CREST Proxy Instruction	the message used for a proxy appointment made by means of CREST;
CREST Regulations or Uncertificated Securities Regulations	the Companies Act, 1990 (Uncertificated Securities) Regulations 1996;
CSA Global	CSA Global Pty Ltd of Level 2, 3 Ord Street, West Perth, WA 6005, Australia;
CSD	a central securities depository;
Dealing Day	a day upon which dealings in domestic securities may take place on the London Stock Exchange (and Dealing Days shall be construed accordingly);
Department	the Department for the Environment, Climate and Communications, and any successor or predecessor thereof;
Directors or IMC Directors	the directors of the Company, and <b>Director</b> or <b>IMC Director</b> shall mean any one of them;
Disclosure and Transparency Rules	the disclosure guidance and transparency rules produced by the FCA;
EEA	the European Economic Area;
EEA States	the member states of the European Economic Area (and EEA State shall be construed accordingly);
EMD	the Exploration and Mining Division of the Department;
Enlarged Group	the IMC Group as enlarged by the Acquisition upon Completion;
EU	the European Union;
EUR, euro or €	the lawful currency of the EU;
EURIBOR	the euro interbank offered rate;
Euro, EUR or €	the single currency unit provided for in Council Regulation (EC) No. 974/98 of 8 May 1998, the lawful currency of Ireland;
Euroclear	Euroclear UK & Ireland Limited, the operator of CREST;
Euroclear Bank	Euroclear Bank SA/NV, an international CSD based in Belgium and part of the Euroclear Group;

Exchange Act	United States Securities and Exchange Act of 1934, as amended;
Excluded Territories	any jurisdiction other than the United Kingdom and Excluded Territory shall be construed accordingly;
Existing Ordinary Shareholders	the holders of the Existing Ordinary Shares;
Existing Ordinary Shares	the Ordinary Shares of €0.001 each in the capital of the Company in issue immediately prior to Completion;
Extraordinary General Meeting or EGM	the extraordinary general meeting of the Company proposed to be held at the Ashling Hotel, 10-13 Parkgate Street, Dublin 8, D08 P38N, Ireland at 10:00a.m. on 26 October 2023 to approve the Resolutions, the notice of which is contained in this document;
FCA	the Financial Conduct Authority;
Form of Proxy	the form of proxy enclosed with this document for use in connection with the General Meeting;
Framework Agreement	the framework agreement relating to purchase of shares dated 14 April 2021 between the Company and the Seller pursuant to which the Company has agreed to acquire the entire issued share capital of MVI on the terms and subject to the conditions thereof, a summary of which is contained in Part II ( <i>Terms and Conditions of the Acquisition</i> ) of this document;
FSMA	the Financial Services and Markets Act 2000, as amended from time to time;
GPM	GeoProMining Gold LLC of 21 Proshyan Street, Yerevan 0015, Armenia;
Group or IMC Group	the Company together with its subsidiaries and subsidiary undertakings, as at before the Acquisition;
GSRO	the GeoScience Regulation Office of the Irish Department for the Environment, Climate and Communications;
Holding Company	means Zlato, a.s. a joint-stock company incorporated and existing under the laws of the Czech Republic, with its registered office at Ovocný trh 572/11, Staré Město, 110 00 Prague 1, identification no.: 044 03 231, registered in the Commercial Register maintained by the Municipal Court in Prague under file no. B 20936;
IFRS	International Financial Reporting Standards as adopted by the European Union;
IMC CPR	Competent Persons Report issued by ISG dated June 2023 concerning the PLs held by the IMC Group in Ireland;
Ireland	Ireland, excluding Northern Ireland;
IGS	International Geoscience Services Ltd of Hill House, 1 Little New Street, London, United Kingdom, EC4A 3TR;
ISIN	international securities identification number;
JORC Code	the Australasian code for reporting of exploration results, mineral resources and ore reserves;
Karaberd Mine	the gold mine located at Karaberd, Lori Marz, Armenia;
Karaberd Operating Licence	the operating licence awarded to Assat on 6 June 2013 for 1.5 t Au. at the Karaberd Mine;



Karaberd Production Facility	the proposed production facility to be located at the site of the Karaberd Mine;
Latest Practicable Date	28 September 2023;
Leasing Agreement	the agreement on financial leasing with a subsequent purchase relating to the Karaberd Production Facility entered into between the Seller and Assat in March 2023;
Listing Rules	the listing rules made by the FCA under section 73A of FSMA, as amended from time to time;
London Stock Exchange or LSE	London Stock Exchange plc;
Long Stop Date	14 October 2023;
Market Abuse Regulation	Regulation (EU) No. 594/2014 of the European Parliament and the Council of 16 April 2014 on market abuse as it forms part of retained EU law as defined in the European Union (Withdrawal) Act 2018;
Memorandum	the memorandum of association of the Company as at the Latest Practicable Date;
Minerals Development Acts	the Irish Minerals Development Acts 1979 and 2017;
Minister	the Minister for the Environment, Climate and Communications and any successor or predecessor thereof;
MRE	Mineral Resource Estimate;
MVI	MVI Ireland s.r.o. a limited liability company incorporated and existing under the laws of the Czech Republic, with its registered office at Ovocný trh 572/11, Staré Město, 110 00 Prague 1, identification no.: 092 15 077, registered in the Commercial Register maintained by the Municipal Court in Prague under file no. C 332686;
MVI CPR	Competent Persons Report (AMC Project 0223064_2) issued by AMC with a report date of 16 August 2023 and an effective date of 1 December 2022 concerning the Karaberd Mine;
MVI Group	MVI and its subsidiaries, including Assat;
New Ordinary Shares or Consideration Shares	new Ordinary Shares to be allotted and issued to the Seller as consideration for the Acquisition;
Notice of Extraordinary General Meeting or Notice of EGM	the notice of the Extraordinary General Meeting contained in this document;
Official List	the official list of the FCA;
Ordinary Shares	the ordinary shares with a nominal value of €0.001 each in the capital of the Company including, if the context requires, the Consideration Shares;
Overseas Shareholders	Shareholders who are resident in, ordinarily resident in, or citizens of, jurisdictions outside Ireland and the United Kingdom, and <b>Overseas Shareholder</b> shall be

	construed accordingly;
Panel or Irish Takeover Panel	The Irish Takeover Panel established under the Takeover Panel Act 1997 of Ireland;
PL	a prospecting licence granted under the Minerals Development Acts;
Pounds Sterling, Sterling, GBP, pence or £	the lawful currency of the United Kingdom;
Preference Shares	the preference shares with a nominal value of €1.00 each in the capital of the Company to be allotted and issued to the Seller, subject to the requisite resolutions being passed, on a phased basis following completion of the Acquisition;
Proposals	the Acquisition, the Rule 9 Waiver, the Resolutions and the application for Admission;
Proposed Directors	Mr Gagik Gevorgyan, MSc. and Mr Vahagn Marukhyan PhD, the proposed additional directors of the Company with effect from Admission, details of whom are set out in paragraph 3 of Part XI ( <i>Directors, Responsible Persons, Corporate Governance and Employees</i> );
Prospectus Delegated Regulation	Commission Delegated Regulation (EU) 2019/980 of 14 March 2019 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council as regards the format, content, scrutiny and approval of the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market;
Prospectus Regulation	Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018;
Registrars or Company Registrars	Avenir Registrars Limited;
regulatory authority	any central bank, ministry, governmental, quasi-governmental (including the EU), supranational, statutory, regulatory or investigative body or authority (including any national or supranational antitrust or merger control authority), national, state, municipal or local government (including any subdivision, court, administrative agency or commission or other authority thereof), private body exercising any regulatory, taxing, importing or other authority, trade agency, association, institution or professional or environmental body or any other person or body whatsoever in any relevant jurisdiction, including for the avoidance of doubt, the Takeover Panel, the FCA and the London Stock Exchange;
Resolutions	the resolutions set out in the Notice of EGM and <b>Resolution</b> shall be construed accordingly;
Rule 9	Rule 9 of the Irish Takeover Rules;
Rule 9 Waiver	the waiver granted by the Irish Takeover Panel (subject to the passing of the Waiver Resolution) in respect of the obligation of the Seller to make a mandatory offer under Rule 9 in connection with the Acquisition, as more particularly described in paragraph 6 of Part I of this document;
Securities Act	the United States Securities Act of 1933, as amended;
Seller	Mineral Ventures Invest spol. s r.o., a limited liability company incorporated and

existing under the laws of the Czech Republic, with its registered office at Ovocný trh 572/11, Staré Město, 110 00 Prague 1, identification no.: 070 28 750, registered in the Commercial Register maintained by the Municipal Court in Prague under file no. C 293313;

Share Subscription	the subscription by the Seller for 1,500,000 Preference Shares; , on a phased basis, to meet Working Capital requirements
Subscription Agreement	an agreement dated 29 September 2023 between MVI and IMC under which, conditional on the Acquisition being completed, MVI agreed to subscribe for 1,500,000 Preference Shares at €1 per Preference Share on a phased basis of €250,000 per month for the first six months after completion of the Acquisition for an aggregate subscription amount of €1,500,000. IMC has provided certain warranties to MVI about the valid allotment and issuance of the Preference Shares under the Subscription Agreement.
Shareholders	holders of shares in the Company;
Trading Day	means any day on which the LSE is open for business;
Transaction	the Acquisition and the Rule 9 Waiver;
Transparency Directive Regulations	the Transparency (Directive 2004/109/EC) Regulations 2007;
“uncertificated or in uncertificated form”	in relation to a share or other security, a share or other security title to which is recorded in the relevant register of the share or other security concerned as being held in uncertificated form;
Uncertificated Securities Regulations	the Uncertificated Securities Regulations 2001 as amended from time to time;
United Kingdom or UK	the United Kingdom of Great Britain and Northern Ireland;
Valuation Analysis	Alvarez & Marsal – Valuation of MVI Ireland s.r.o. in relation to the proposed reverse takeover as at 31 December 2022
VMS	volcanogenic massive sulphide; and
Waiver Resolution	the resolution to approve the Rule 9 Waiver numbered 2 in the Notice of Extraordinary General Meeting.

In this Prospectus any reference to any EU directive, EU regulation, EU decision, EU tertiary legislation or provision of the EEA agreement (an "EU **Matter**") which forms part of domestic law by application of the European Union (Withdrawal) Act 2018 shall be read as a reference to that EU Matter as it forms (by virtue of the European Union (Withdrawal) Act 2018) part of domestic law and as modified by domestic law from time to time. For the purposes of this paragraph:

- (i) "domestic law" shall have the meaning given in the European Union (Withdrawal) Act 2018; and
- (ii) any other words and expressions shall, unless the context otherwise provides, have the meanings given in the European Union (Withdrawal) Act 2018.

**NOTICE OF EXTRAORDINARY GENERAL MEETING**  
**OF IMC EXPLORATION GROUP PLC**  
*(Incorporated and registered in Ireland with registered number 500487)*

**NOTICE IS HEREBY GIVEN** that an **EXTRAORDINARY GENERAL MEETING ("EGM")** of IMC Exploration Group plc ("**IMC**" or the "**Company**") will be held at the Ashling Hotel, 10-13 Parkgate Street, Dublin 8, D08 P38N, Ireland on 26 October 2023, commencing at 10:00a.m., for the purpose of considering and, if thought fit, passing the following resolutions.

In each of the resolutions below, terms defined in the prospectus and circular to Shareholders published by the Company dated 29 September 2023 ("**Prospectus and Circular**") of which this notice forms part shall have the same meanings.

**1. Ordinary Resolution: Approval of the Acquisition**

That the proposed Acquisition described in the Prospectus and Circular of the Company which accompanies this notice be and is hereby approved on the terms set out in such Prospectus and Circular (with such non-material amendments thereto as may be approved by the Directors (or any duly constituted committee thereof) and that all such acts, agreements and steps which the directors or any such committee may consider necessary or appropriate to enter into, do or take in connection therewith be and they are hereby approved) for all purposes, including for the purposes of Listing Rule 5.6 of the FCA Listing Rules.

**2. Ordinary Resolution: Approval of the Rule 9 Waiver**

Subject to Resolution 1 in the notice of this meeting being passed, that the waiver granted by the Irish Takeover Panel described in the Prospectus and Circular of any obligation which might fall on the Seller to make a general offer to the shareholders of the Company pursuant to Rule 9 of the Irish Takeover Rules as a result of the allotment and issue to them of ordinary shares in the capital of the Company pursuant to the Acquisition be and it is hereby approved.

**3. Ordinary Resolution: Increase in the authorised share capital**

Subject to Resolution 1 and 2 in the notice of this meeting being passed, that the authorised share capital of the Company is increased from €450,000 divided into 400,000,000 ordinary shares of €0.001 each and 50,000 'A' ordinary shares of €1.00 each to €1,175,000 divided into 1,125,000,000 ordinary shares of €0.001 each and 50,000 'A' ordinary shares of €1.00 each by the creation of an additional 725,000,000 ordinary shares of €0.001 each.

**4. Special Resolution: Creation of Preference Shares**

Subject to Resolutions 1 to 3 and Resolution 5 in the notice of this meeting being passed, that the share capital of the Company be increased from €1,175,000 to €2,675,000 by the creation of 1,500,000 preference shares of €1.00 each in the capital of the Company, such shares having the rights and being subject to the liabilities ascribed to them in the Company's articles of association as amended by Resolution 5 in the notice of this meeting.

**5. Special Resolution: Amendment to the Articles of Association**

Subject to Resolutions 1 to 4 in the notice of this meeting being passed, that the Company's articles of association in the form appended at Annex 1 to the Prospectus and Circular be and are hereby adopted as the articles of association of the Company in substitution for and to the exclusion of the existing articles of association of the Company.

**6. Ordinary Resolution: Authority to allot Ordinary Shares**

Subject to Resolutions 1 to 5 in the notice of this meeting being passed, that the Directors be and they are hereby generally and unconditionally authorised in accordance with section 1021 of the Companies Act 2014, to exercise all the power of the Company to allot relevant securities (as defined by that section) of the Company in connection with the Acquisition up to a maximum aggregate nominal amount equal to €500,000, such authority (unless previously revoked, varied or extended by the Company in a general meeting) to expire on 26 October 2028.

**7. Ordinary Resolution: Authority to allot Preference Shares**

Subject to Resolutions 1 to 6 in the notice of this meeting being passed, that the Directors be and they are hereby generally and unconditionally authorised in accordance with section 1021 of the Companies Act 2014, to exercise all the power of the Company to allot relevant securities (as defined by that section) of the Company in connection with the Share Subscription up to a maximum aggregate nominal amount equal to €1,500,000 following the Acquisition, such authority (unless previously revoked, varied or extended by the Company in a general meeting) to expire on 26 October 2028.

**8. Special Resolution: Power to allot Preference Shares**

Subject to resolutions 1 to 7 in the notice of this meeting being passed, that the Directors be and are hereby empowered pursuant to and Sections 1022 and 1023 of the Companies Act, 2014 to allot equity securities (within the meaning of the said Section 1023) for cash, to include the reissue of treasury shares, if any, as if Section 1022(1) of the said Act did not apply to any such allotment in connection with the issue of the Preference Shares created pursuant to Resolution 4 in the notice of this meeting , provided that this power shall be limited to allotments of up to an aggregate nominal amount of €1,500,000 and that this power shall expire on 26 October 2028.

**9. Special Resolution: Amendment to the Memorandum of Association**

That, subject to resolutions 1 to 8 in the notice of this meeting being passed, that paragraph 5 in the memorandum of association of the Company be and it is hereby deleted and replaced by the following new paragraph 5: "The Authorized Share Capital of the Company is €2,675,000 divided into 1,125,000,000 Ordinary shares of €0.001 each, 50,000 'A' Ordinary shares of €1.00 each and 1,500,000 Preference Shares of €1.00 each."

By order of the Board of Directors

Eamon O'Brien  
Chairman, IMC Exploration Group plc  
70 Ballybough Road, Dublin, D03 F9P7, Ireland

Dated: 29 September 2023

## Statement of procedures

### Availability of documents and information in connection with the EGM on the Company's website

- (i) Information regarding the EGM, including the full, unabridged text of the documents and resolutions to be submitted to the EGM, will be available at <https://www.imcexploration.com>.

### Attending in person

- (i) The EGM will be held at the Ashling Hotel, 10-13 Parkgate Street, Dublin 8, D08 P38N, Ireland on 26 October 2023 commencing at 10:00a.m. If you are a Shareholder of record and you wish to attend the EGM in person, you are recommended to attend at least 15 minutes before the time appointed for the holding of the EGM to allow time for registration. You will be entitled to be admitted to the meeting as a Shareholder of record only if your shareholder status may be verified by checking your name against the Register of Members of IMC.

### Appointment of Proxies by Certificated Holders

- (i) Holders of shares in certificated form ("**Certificated Holders**") who wish to appoint a proxy should complete the Form of Proxy in accordance with the instructions printed thereon and return it to the Company's Registrar, Avenir Registrars Limited, No. 1 Main Street, Blessington, Co. Wicklow, W91 V82T, Ireland, or by email to [proxy@avenir-registrars.ie](mailto:proxy@avenir-registrars.ie) to be received not later than 10:00a.m. on 24 October 2023 or, in the case of an adjournment of the EGM, 48 hours (excluding any part of such 48-hour period falling on a non-working day) before the time appointed for the adjourned meeting.
- (ii) To appoint a proxy electronically via the website of the Registrar, please email the scanned, executed form of proxy to [proxy@avenir-registrars.ie](mailto:proxy@avenir-registrars.ie). For an electronic proxy appointment to be valid, the appointment must be received by the Registrar no later than 10:00a.m. on 24 October 2023 (or, in the case of adjournment(s), not later than 48 hours (excluding any part of such 48-hour period falling on a non-working day) before the time fixed for the adjourned EGM).
- (iii) Shareholders entitled to attend and vote at the EGM may vote in person at the EGM or they may appoint another person or persons, whether a member of the Company or not, as their proxy or proxies, to exercise all or any of their rights to attend, speak and vote at the EGM.

### Proxy voting by CDI Holders

- (i) In respect of holders of CREST Depository Instruments ("**CDI Holders**"), Euroclear UK & Ireland Limited ("**EUI**"), the operator of the CREST system ("**CREST**"), has arranged for voting instructions relating to CREST Depository Instruments ("**CDIs**") held in CREST to be received via Broadridge. Further details on this service are set out on the "All you need to know about SRD II in Euroclear UK & Ireland" webpage of the Euroclear Bank website (<https://www.euroclear.com/>) which is accessible to CREST participants (see section CREST International Service – Proxy voting).
- (ii) If you are a CDI Holder, you will be required to use the EUI proxy voting service facilitated by the Broadridge Global Proxy Voting service in order to receive meeting announcements and send back voting instructions, as required. To facilitate client set up, if you hold CDIs and wish to participate in the proxy voting service, you will need to complete a Meetings and Voting Client Set-up Form (CRT408), a copy of which is available on the Euroclear Bank website (<https://www.euroclear.com/>) which is accessible to CREST participants. Completed application forms should be returned to EUI by an authorised signatory with another relevant authorised signatory copied in for verification purposes using the following email address: [eui.srd2@euroclear.com](mailto:eui.srd2@euroclear.com).
- (iii) Fully completed and returned application forms will be shared with Broadridge by EUI. This will enable Broadridge to contact you, share further detailed information on the service offering, and initiate the process for granting your access to the Broadridge platform.
- (iv) Once CDI Holders have access to the Broadridge platform, they can complete and submit proxy appointments (including voting instructions) electronically. Broadridge will process and deliver proxy voting instructions received from CDI Holders by the Broadridge voting deadline date to Euroclear Bank, by its cut-off and to agreed market requirements. Alternatively, a CDI Holder can send a third party proxy voting instruction through the Broadridge platform in order to appoint a third party (who may be a corporate representative or the CDI Holder itself) to attend and vote at the meeting in respect of the number of Ordinary Shares specified in the proxy instruction (subject

to the Broadridge voting deadline). There is no facility to offer a letter of representation/appoint a corporate representative other than through the submission of third party proxy appointment instructions through Broadridge.

- (v) Broadridge's voting deadline is expected to be 6:00pm on 20 October 2023, which is earlier than Euroclear Bank's voting instruction deadline as set out below.

**CDI Holders should pay close attention to any notices specifically relating to this EGM and are strongly encouraged to familiarise themselves with Broadridge's arrangements, including the voting deadlines and procedures, and requirements in relation to nationality declarations, and to take any further actions required by Broadridge in order to avail of the Broadridge voting service.**

**CDI holders are additionally advised that any purchases which are expected to settle after the Broadridge voting deadline but before the record date will be settled on the basis that the purchaser may be unable to exercise any underlying voting or attendance rights. It is understood that Broadridge will use best endeavours to accept late votes, changes and cancellations from a CDI Holder after the voting deadline but there is no guarantee that these will be processed within the requisite timeframes.**

### **Proxy voting by EB Participants**

- (i) Participants in Euroclear Bank ("**EB Participants**") can submit proxy appointments (including voting instructions) electronically in the manner described in the document issued by Euroclear Bank in February 2021 and entitled "Euroclear Bank as issuer CSD for Irish corporate securities" (the "**EB Services Description**"), which is available on the Euroclear Bank website (<https://www.euroclear.com/>).
- (ii) EB Participants can either send:
- (i) electronic voting instructions to instruct Euroclear Nominees Limited ("**Euroclear Nominees**") to either itself, or by appointing the Chair of the EGM as a proxy:
- (a) vote in favour of all or a specific resolution(s);
- (b) vote against all or a specific resolution(s);
- (c) abstain in respect of all or a specific resolution(s); or
- (d) give a discretionary vote to the Chair of the EGM for all or a specific resolution(s); or
- (ii) a proxy voting instruction to appoint a third party (other than Euroclear Nominees or the Chair of the EGM), who may be a corporate representative or the EB Participant themselves, to attend the meeting and vote the number of Ordinary Shares specified in the proxy voting instruction by providing Euroclear Bank with the proxy details as requested in its notification (for example: proxy first name, proxy last name and proxy address). There is no facility to offer a letter of representation or to appoint a corporate representative other than through submission of third-party proxy appointment instructions.
- (iii) Euroclear Bank's voting instruction deadline is expected to be 9:00am on 24 October 2023. It is not expected that it will be possible to change or cancel voting instructions after Euroclear Bank's voting deadline.

### **Voting Record Time**

- (i) Entitlement to attend, speak and vote at the EGM or any adjournment thereof and the number of votes which may be cast at the EGM, will be determined by reference to the register of members of the Company at 6:00p.m. on 22 October 2023 or, if the EGM is adjourned, 6:00p.m. on the date which is two days (excluding non-working days) before the date fixed for the adjourned meeting. Changes to the register of members after the relevant time shall be disregarded in determining the rights of any person to attend, speak and vote at the EGM.

### **Joint Holders**

- (i) In the case of joint holders of Ordinary Shares, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the vote(s) of the other joint holder(s). For this purpose, seniority will be determined by the order in which the names stand in the register

of members of the Company in respect of the joint holding.



## NOTES

### 1. ENTITLEMENT TO ATTEND AND VOTE

- (a) Pursuant to the Companies Act 2014 (as amended), entitlement to attend and vote at the EGM and the number of votes which may be cast thereat will be determined by reference to the register of members of the Company at 6.00p.m. on the day before the day which is 72 hours before the scheduled time of the EGM ( October 2023) (or in in the case of an adjournment of the EGM at 6.00p.m. on the day immediately preceding the date which falls 72 hours before the date of the adjourned meeting). Changes to entries on the Register of Members after that time shall be disregarded in determining the rights of any person to attend and vote at the EGM.

### 2. APPOINTMENT OF PROXIES

- (a) The process for appointing a proxy depends on the manner in which you hold your interest in the Company. Persons who hold their interests in ordinary shares through the Euroclear Bank system or as CDIs should see 4.1 to 4.4 below and consult with their stockbroker or other intermediary at the earliest opportunity for further information on the processes and timelines for submitting proxy appointments and voting instructions for the EGM through the respective systems
- (b) A member who is entitled to attend, speak, ask questions and vote at a general meeting of the Company is entitled to appoint a proxy to attend, speak,ask questions, vote and to demand or join in demanding a poll on his or her or its behalf at the EGM and may appoint more than one proxy to attend on the same occasion in respect of ordinary shares held in different securities accounts. Only ordinary shareholders shall have the right to appoint a proxy to attend, speak,ask questions, vote and to demand or join in demanding a poll on his/her/its behalf at the EGM and at any adjournment thereof. Such a member acting as an intermediary on behalf of one or more clients may grant a proxy to each of its clients or their nominees and such intermediary may cast votes attaching to some of the ordinary shares differently from other ordinary shares held by it. The appointment of a proxy will not preclude an ordinary shareholder from attending, speaking,asking questions, voting, demanding or join in demanding a poll at the general meeting should such ordinary shareholder subsequently wish to do so. A proxy shall be bound by the constitution of the Company. A proxy need not be a member of the Company. Any ordinary shareholder wishing to appoint more than one proxy should contact the Registrars of the Company, Avenir Registrars on +353 (0)1 2530873 or at proxy@avenir-registrars.ie.

### 3. CERTIFICATED (PAPER) SHAREHOLDERS:

- (a) A form of proxy for use by shareholders whose name appears on the Register of Members of the Company (usually shareholders who hold shares in the Company in certificated (paper)form i.e. not those persons holding interests in the Company's shares via Euroclear Bank or CREST)is enclosed with the Notice of EGM. Subject to the constitution of the Company and provided it is received (together with any original power of attorney or other authority under which it is executed, or a copy of such authority certified notarially or by a solicitor practising in the Republic of Ireland) not less than 48hours before the time appointed for the holding of the EGM or adjourned EGM or (in the case of a poll taken otherwise than at or on the same day as the EGM or adjourned EGM) at least 48 hours before the taking of the poll at which it is to be used, the appointment of a proxy may be submitted by post to Avenir Registrars No 1 Main Street Blessington Co. Wicklow W91 V82T Ireland or by email to proxy@avenir-registrars.ie.
- (b) In the case of a body corporate member, the Form of Proxy must be either executed under its common seal,signed on its behalf by a duly authorised officer or attorney, or submitted electronically in accordance with note 4(a).
- (c) On any other business which may properly come before the EGM, or any adjournment thereof, and whether procedural or substantive in nature (including without limitation any motion to amend a resolution or adjourn the meeting) not specified in this Notice of EGM, the proxy will act at his/her discretion.
- (d) In the case of joint holders the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other registered ordinary

shareholders and for this purpose seniority shall be determined by the order in which the names stand in the Register of Members in respect of the joint holding.

4. **UNCERTIFICATED (ELECTRONIC) SHAREHOLDERS:**

(a) Persons who hold their interests in ordinary shares as Belgian law rights through the Euroclear System or as CDIs should consult with their stockbroker or other intermediary at the earliest opportunity for further information on the processes and timelines for submitting proxy votes for the EGM via the respective systems. Further information is also provided on the Company's website [www.imcexploration.com](http://www.imcexploration.com). For voting services offered by custodians holding Irish corporate securities directly with Euroclear Bank, please contact your custodian directly.

(b) *Further information for Euroclear Bank Participants*

Holders of interests in the Company's shares held through the Euroclear System (other than as CDIs) are advised to consult with their custodian, stockbroker or other intermediary at the earliest opportunity for further information on the processes and timelines for submitting proxy appointments or voting instructions for the EGM. Further information is also available on the Company's website <https://www.imcexploration.com/>

(c) *Further information for CREST members holding CDIs*

Euroclear UK & International Limited (EUI), the operator of the CREST system has arranged for voting instructions relating to CDIs held in CREST to be received via a third party service provider, Broadridge Financial Solutions Limited (**Broadridge**). CREST members can complete and submit electronic voting instructions or proxy appointment instructions electronically through Broadridge.

If you hold CDIs, and you wish to submit electronic voting instructions or proxy appointment instructions you must use the Broadridge Global Proxy Voting service Set-up Form (CRT408) prescribed by Broadridge. Completed application arrangement documentation should be returned to EUI by an authorised signatory with another relevant authorised signatory copied in for verification purposes using the following email address: [eui.srd2@euroclear.com](mailto:eui.srd2@euroclear.com). Fully completed and returned applications forms will be shared with Broadridge by EUI. This will enable Broadridge to contact you and share further detailed information on the service offering and initiate the process for granting your access to the Broadridge platform.

The voting service will process and deliver proxy voting instructions received in respect of CDIs on the Broadridge voting deadline date to Euroclear Bank by its cut-off and to a greed market requirements. The same voting options as described above for EB Participants will be available (i.e. electronic votes by means of chair proxy appointments or appointing a third party proxy). Broadridge's voting instruction submission deadline will accordingly be earlier than the Euroclear Bank voting instruction submission deadline as set out above. Voting instructions cannot be changed or cancelled after Broadridge's voting deadline. Neither is there a facility to offer a letter of representation or appoint a corporate representative other than through the submission of third party proxy appointment instructions.

CREST members with holdings of CDIs are strongly encouraged to familiarise themselves with the arrangements with Broadridge, they can avail of this voting service.

(d) *Proxy voting instruction deadlines for all shareholders*

All proxy voting instructions (whether submitted directly or through the Euroclear System or the CREST system (for those holding CDIs)) must be received by the Company's Registrar not less than 48 hours before the time appointed for the EGM or any adjournment of the EGM. However, persons holding through the Euroclear System or the CREST system will also need to comply with any additional voting deadlines imposed by the respective service offerings. All persons affected are recommended to consult with their stockbroker or other intermediary at the earliest opportunity.

5. **GENERAL INFORMATION**

- (a) Should you not receive a Form of Proxy, you may request this by emailing the Company's Registrar on [proxy@avenir-registrars.ie](mailto:proxy@avenir-registrars.ie) or by writing to the Company Secretary at:

Stephen McClure  
McClure Corporate Services,  
Leeson Chambers,  
28 Lower Leeson Street,  
Dublin 2,  
Ireland.

- (b) The Chair of the meeting shall be entitled to take, or to direct that there be taken on behalf of the Company, any action he considers appropriate before and during the meeting for ensuring the safe, proper and orderly conduct of the meeting including, without limitation, the removal of any shareholder or other person from the meeting, and refusing re-entry by any such shareholder or other person to the meeting. The Company may take additional procedures or limitations on meeting attendees, including limiting seating, requiring health screenings and other reasonable or required measures in order to enter the building.
- (c) A member entitled to attend and vote at the EGM is entitled to appoint a proxy as an alternate to attend, speak, ask questions, vote and demand or join a demand for a poll instead of him/her/it and may appoint more than one proxy to attend on the same occasion in respect of shares held in different securities accounts. A member acting as an intermediary on behalf of one or more clients may grant a proxy to each of its clients or their nominees and such intermediary may cast votes attaching to some of the shares differently from other shares held by it. The appointment of a proxy will not preclude a member from attending, speaking, asking questions and voting at the meeting or at any adjournment thereof should the member subsequently wish to do so. A proxy need not be member of the Company. If you wish to appoint more than one proxy, please contact the Registrars of the Company, Avenir Registrars, by sending an email to [proxy@avenir-registrars.ie](mailto:proxy@avenir-registrars.ie) during normal business hours.

6. **VOTING RIGHTS AND TOTAL NUMBER OF ISSUED SHARES IN THE COMPANY**

- (a) As a member, you have a number ways of exercising your vote: (a) by attending the EGM in person; or (b) by appointing a proxy to vote on your behalf. In the case of joint holders the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other registered holders, and for this purpose seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.
- (b) The total number of issued ordinary shares on the date of this Notice of EGM is 326,290,907 ordinary shares. The 50,000 A ordinary shares in issue do not confer any voting rights on their holders. On a vote on a show of hands, every member present in person and every proxy has one vote (but no individual shall have more than one vote). On a poll every member shall have one vote for every share carrying rights of which he is the holder.
- (c) Where a poll is taken at an EGM any member, present in person or by proxy, holding more than one share is not obliged to cast all his/her votes in the same way.
- (d) Ordinary resolutions are required to be passed by a simple majority of members voting in person or by proxy. Special resolutions are required to be passed by a majority of not less than 75% of votes cast by those who vote either in person or in proxy.
- (e) On any other business which may properly come before the EGM, or any adjournment thereof, and whether procedural or substantive in nature (including without limitation any motion to amend a resolution or adjourn the meeting) not specified in this Notice of EGM, the proxy will act at his/her discretion.

## **ANNEX 1**

### **1. The new constitution of the Company**

The form constitution of the Company to be adopted as the constitution of the Company in substitution for and to the exclusion of the existing constitution of the Company.

**CONSTITUTION**

**OF**

**IMC Exploration**

**Group Public Limited**

**Company**

Company No: 500487

Incorporated On: 27th day of June 2011

**CONSTITUTION**  
**of**  
**IMC EXPLORATION GROUP PUBLIC LIMITED**  
**COMPANY**

*(as amended October 2023)*

**Memorandum of Association**

1. The name of the Company is IMC EXPLORATION GROUP PUBLIC LIMITED COMPANY.
2. The Company is a public limited company, under part 17 of the Companies Act 2014.
3. The objects for which the Company is established are:
  - (1) (a) To explore for, obtain, produce, exploit, develop, refine, store, render suitable for market or trade, smelt, calcine, blend, handle, carry away, sell and otherwise distribute merchant petroleum and other mineral oils, natural gas, and hydrocarbons of all kinds and their products, geo-thermal energy, uranium, precious metals, ores, fuels and mineral and vegetable substances of every description in any part of the world.
    - (b) To carry on any or all of the businesses of contractors for operating, working, promoting, managing, supervising, drilling and repairing oil, gas and geo thermal wells, mines and mineral claims.
    - (c) To enter into any arrangement with any government or authority, supreme, municipal, local or otherwise in any area of the former Soviet Union or in any other part of the world or any of them and to obtain from any such government or authority any rights, privileges and concessions which the Company may think it desirable to obtain and to carry out, exercise and comply with any such arrangements, rights, privileges and concessions.
  - (2) (a) To construct, hire, purchase, lease or otherwise acquire, operate and work ships and vessels of any class, in whole or in part and to establish and maintain lines or regular services of ships or other vessels and generally to carry on the business of ship owners, and to enter into contracts or shipping pools for the carriage of wails, passengers, cattle, materials or substances or every kind by any means and either by its own vessels and other forms of transportation, or by or over the vessels, and modes of transportation of others in any part of the world.
    - (b) The construct, purchase take on lease or otherwise acquire operate and work any railway or tramway, wharf, pier, dock, transport terminal, buildings, or works capable of the Company as a shipping company and in connection with any of the objects aforesaid to carry on the business of a transport company, railway company, railway contractors, ship builders, engineers, manufacturers of machinery and railway wagon and coach builders.

MHC-32583339-1

- (c) To acquire concessions or licenses for the establishment and working of lines of ships or other vessels between any ports of the world, or for the formation or working of any railway or tramway, wharf, pier, dock or other works, or for the working of any coaches or other public conveyances, with the benefit of any subsidy attached to any such concession or licence or otherwise and to insure the vessels and any property of the Company, in any manner, and to grant loans on ships and vessels or on goods and merchandise carried or to be carried in any vessels and to buy and sell merchandise for freighting the ships and vessels of the Company, and to resell or sublet any concession or licence obtained or contract entered into.
- (3) To carry on the business of financiers, financial agents discounters, company promoters, underwriters and sub-underwriters of public and private issues of shares and dealers in stocks, shares, loans, annuities and other securities and to undertake and carry on any business transaction or operation commonly undertaken or carried on by financiers, company promoters, underwriters, concessionaries, contractors, capitalists or merchants and to do all things necessary for the flotation of enterprises in the capital markets of the United Kingdom and elsewhere in the world whether as principals or agents or in any other capacity and generally to enter into assist or participate in financial, commercial, mercantile, industrial and other undertakings and businesses of all kinds, and to carry on, develop and extend the same; or sell, dispose of and deal with or otherwise turn the same to account.
- (4) To carry on the business of a trust and investment company, and to invest the funds of the company in or upon or otherwise acquire, hold and dispose of property real or personal of every kind, which, without limiting the generality of such description shall be deemed to include:
- (a) Shares, stocks, rights to new issues, debentures, debenture stocks, bond, mortgages and securities of every kind issued or guaranteed by any company constituted or carrying on business in Ireland or elsewhere, and
  - (b) debentures, debenture stocks, bonds and securities of every kind issued or guaranteed by any government, commissioners municipal, local statutory or other authority, undertaking or body of whatever nature in Ireland or elsewhere, and
  - (c) Land of any tenure, or other property real or personal in Ireland or elsewhere or any estate, share or interest therein.
- (5) To acquire any such shares, stocks, rights to new issues, debentures, debenture stocks, bonds, mortgages, securities or other property real or personal, or estate, share or interest therein, by original subscription, purchase, exchange or otherwise upon such terms and conditions and in such manner in all respects as may be expedient
- (6) To pay for any such shares, stocks, rights to new issues, debentures, debenture stocks, bonds, mortgages, securities or other property real or personal, or estate, share or interest therein so acquired by the Company in cash by instalments or by the issue of shares (whether fully or partly paid up and with or without

preferential, special, qualified or deferred rights, privileges or conditions as to capital, dividends, voting or otherwise), stocks, debentures, debenture stocks or other securities in or of the Company upon such terms and conditions and in such manner in all respects as may be expedient, and to charge or secure

any such debentures, debenture stocks or other securities or any property real or personal of the Company or any part thereof, or otherwise howsoever.

- (7) To sell, exchange or otherwise dispose of any shares, stocks, rights to new issues, debentures, debenture stocks, bonds, mortgages, securities or other property real or personal) or any estate, shares or interest therein, for the time being held, owned by or registered in the name of the Company upon such terms or conditions and in such manner in all respect as may be expedient.
- (8) To accept payment for any shares, stocks, tights to new issues, debentures, debenture stocks, bonds mortgages, securities or other property real or personal, or any estate, share or interest therein, sold exchanged or otherwise disposed of in cash, by instalments, or by the issue of shares (whether fully or partly paid up) or stocks in any company (with or without preferred or guaranteed rights in respect of dividend, repayment of capital or otherwise) or of debentures, debenture stocks or other securities of any company, or partly in the one mode and partly in the other, and generally on such terms and conditions and in such manner in all respects as may be expedient.
- (9) To allow the purchase money or any part thereof payable in respect of any such shares, stacks, rights to new issues, debentures, debenture stocks, bonds, mortgages, securities or other property real or personal, or any estate share or interest therein, to remain owing on the security thereof for such period arid on such terms and conditions as may be expedient
- (10) To enter into any exchange relating to any land, shares, stocks, rights to new issues debentures, debenture stocks, bonds, mortgages, securities or other property real or personal, or any estate, share or interest therein for the time being held, owned by or registered in the name of the Company upon or subject to such terms or conditions as may be expedient with or without the payment of any' moneys, or the grant or reservation of any mortgages or charges by way of equality of exchange or otherwise, and for this purposeto ascertain and agree the value of any such land, stocks, shares, debentures, debenture stocks, bonds, mortgages, securities or property real or personal, or of any estate share or interest therein, as may be expedient.
- (11) To let, sublet, license or bail any land, building, chattel or other property real or personal for the time being held, owned by or registered in the name of the Company, or any estate, share or interest therein, to any person or corporation for such term, for such premium, rent or other consideration, and upon such terms and conditions as may be expedient, and to renew, vary, extend or accept surrenders of any leases, subleases or bailments, and generally to manage the same as may be expedient.
- (12) To take on lease, sublease, licence or bailment any land, building, chattel or other property real or personal, or any estate, share or interest therein, from



any person or corporation for such term and for such premium, rent or other consideration, and upon such terms and conditions as may be expedient, and to vary, extend, surrender or obtain the renewal of any lease, sublease, licence or bailment as may be expedient.

- (13) To raise or borrow or secure the payment of money, upon such terms and conditions and in such manner as may be expedient, and in particular by the issue of debentures, debenture stock or other securities charged or secured on the property of the Company (both present and future), or any part thereof, or otherwise howsoever, and to repay and redeem any such money or securities.
- (14) To enter into, or join in entering into, any guarantee, contract of indemnity of other agreement relating to the payment of any sum of money, or the performance or observance of any covenant, contract, agreement or undertaking by any person or corporation upon such terms and conditions as may be expedient, and in connection therewith to mortgage or charge any land, shares, stocks rights to new issues, debentures debenture stocks, bonds, mortgages, securities or other property real or personal, or any estate, share or interest therein, held, owned by or registered in the name of the Company, and to issue any debentures, debenture stocks or other securities charged or secured on the property of the Company (both present and future), or any part thereof, or otherwise howsoever.
- (15) To advance or lend money to any person or corporation upon such terms and conditions with or without security as may be expedient.
- (16) To promote, or take part or assist in the promotion of any company for the purpose of acquiring and holding any land, shares, stocks, rights to new issues, debentures, debenture stocks, bonds, mortgages, securities or other property real or personal, or any estate, share or interest therein, for the time being paid, owned by or registered in the name of the Company, or for any other purpose directly or indirectly calculated to benefit the Company, and to subscribe for, take up or otherwise acquire any shares, stocks, rights to new issues, debentures, debenture stocks or other securities in or of any such company as may be expedient.
- (17) To issue or redeem any shares, stocks, debentures, debenture stocks or other securities in or of the Company at par or at a premium as may be expedient.
- (18) To make, draw, accept, endorse, issue, discount or otherwise deal with promissory notes, bills of exchange, bills of lading, warrants, debentures, cheques, letters of credit and other mercantile, negotiable or transferable instruments.
- (19) To commence, make, enter into, execute and vary any negotiations, contracts, agreements, arrangements, deeds or other documents, and to take, commence, prosecute, defend, compromise or settle all legal or other steps or proceedings as may be expedient.
- (20) To undertake or take part in the management, supervision or control of the business, affairs or operations of any company or undertaking, and for that purpose to appoint and remunerate and directors, accountants, managers or other experts or agents.
- (21) To undertake and hold the office of trustee, of any superannuation fund or registered friendly society, or otherwise act as trustee, executor, administrator, committee, manager, secretary, registrar, delegate, substitute,

- treasurer, attorney, agent or other office of trust or confidence, and to perform and discharge the duties thereof gratuitously or otherwise.
- (22) To constitute, undertake and execute any trust in connection with the issue or redemption or any shares, stocks, rights to new issues, debentures, debenture stocks or other securities, and in the execution thereof to issue, dispose of or hold the same upon such terms and conditions as may be expedient.
  - (23) To vest land, shares, stocks, rights to new issues, debentures, debenture stocks, bonds, mortgages, securities or other property real or personal of the Company or any estate, share or interest therein, in any trustee or nominee upon such terms and conditions as may be expedient.
  - (24) To remunerate any person, firm or corporation rendering services to the Company upon such terms and conditions and in such manner as may be expedient, including the issue of shares, stocks, options, warrants, rights to new issues, debentures, debenture stocks or other securities in or of the Company.
  - (25) To pay any costs, charges and expenses incidental to the promotion, formation and registration of the Company or the allotment and issue then or subsequently of any shares, stocks, rights to new issues, debentures, debenture stocks, and other securities in or of the Company.
  - (26) To create maintain, vest, apply or dispose of any reserve or sinking fund for the repayment or discharge of any liabilities of the Company, or the acquisition, improvement, maintenance, development or replacement of any asset, or for any purpose which may be expedient.
  - (27) To distribute in specie among the members of the Company, according to their respective rights and interests therein, any land, shares, stocks, rights to new issues, debentures, debenture stocks, bonds, mortgages securities or other property real, or personal, or any estate, share or interest therein, for the time being held, owned by or registered in the name of the Company, or the proceeds of the sale or disposal thereof, upon such terms and conditions and in such manner in all respects as may be expedient.
  - (28) To effect insurances or assurances of every kind relating to any building, chattel or other property real or personal or on the life of any person, in which or in whom the company has an insurable interest, upon such terms and conditions as to the payment of premiums or otherwise as may be expedient, and to vary or otherwise deal with the same, and to claim and uplift the proceeds thereof but so that nothing herein contained shall empower the Company to carry on the business of insurance within the meaning of the Insurance Acts, 1909 to 1978, as amended and extended, or to re-insure any risks under any class of assurance to which the said Insurance Acts as amended and extended apply.
  - (29) To procure the Company to be registered or recognised in any member state of the European Union and any other foreign country or place.
  - (30) To issue any of the shares in the capital of the Company, whether original or increased, with such preferential, special, qualified or deferred rights privileges

or conditions as to capital, dividends, voting or otherwise as may be expedient, and to dividethe same into several classes.

- (31) To place money on deposit and to invest any moneys of the company in such investments and in such manner as may from time to time be determined, and to hold, sell or deal with such investments.
- (32) To employ the funds of the Company in the development and expansion of the business of the Company and all or any of its subsidiary or associated companies and in any other company whether now existing or hereafter to be formed and engaged in any like business of the Company or of any other industry ancillary thereto or which can conveniently be carried on in connection therewith.
- (33) To adopt such means of making known the products of the Company as may seem expedient and in particular by advertising in the press, by circulars, by purchase and exhibition of works of art or interest, by publication of books and periodicals and by granting prizes, rewards and donations.
- (34) To obtain any Act of the Oireachtas or provisional order for enabling the Company to carry any of its objects into effect or for effecting any modification of the Company's constitution or for any other purpose which may seem expedient and to oppose any proceedings or applications which may seem calculated directly or indirectly to prejudice the Company's interests.
- (35) To do all or any of the above things as principals, agents, contractors, trustees or otherwise, and by or through trustees, agents or otherwise, and either alone or in conjunction with others.
- (36) To do all such other things as are incidental or conducive to the attainment of the above objects.

The objects set forth in any sub-clause of this clause shall not, except, where the context expressly so requires be in any way limited or restricted by reference to or inference from the terms of any other sub-clause, or by the name of the Company. None of such sub-clauses or the objects therein specified or the powers thereby conferred shall be deemed subsidiary or auxiliary merely to the objects mentioned in the first sub-clause of this clause, but the Company shall have full power to exercise all or any of the powers conferred by any part of this clause in any part of the world notwithstanding, that the business, property or acts proposed to be transacted, acquired or performed do not fall within the objects of the first sub-clause of this clause.

NOTE; It is hereby declared that the word Company in this clause, except where used in reference to this Company shall be deemed to include any partnership or other body of persons whether incorporated or not incorporated and whether domiciled in Ireland or elsewhere and the intention is that the objects specified in each paragraph of this clause shall except where otherwise expressed in such paragraph be in no way limited or restricted by reference to or inference from the terms of any other paragraph.

- 4. The liability of the members is limited,

5. The Authorized Share Capital of the Company is €2,675,000 divided into 1,125,000,000 Ordinary shares of €0.001 each, 50,000 'A' Ordinary shares of €1.00 each and 1,500,000 Preference Shares of €1.00 each.
6. The shares forming the capital, increased-or reduced, may be increased or reduced and bedelivered into such classes and issued with any special rights, privileges and conditions or with such qualifications as regards preference dividend, capital, voting or other special incidents, and be held upon such terms, as may be attached thereto or as may from time to time be provided by the original or any substituted or amended Articles of Association and Regulations of the Company for the time being, but so that where shares are issued with any preferential or special rights attached thereto such rights shall not be alterable otherwise than pursuant to the provisions of the Company's Articles of Association for the time being.

**COMPANIES ACT 2014**  
**PUBLIC COMPANY LIMITED BY SHARES**  
**ARTICLES OF ASSOCIATION**  
**OF**  
**IMC EXPLORATION GROUP PUBLIC LIMITED COMPANY**  
**(as adopted by special resolution passed on October 2023)**

I. The following regulations shall apply to the Company.

2. (a) In these Articles:

"The Act" means the Companies Acts, 1963, (No. 33 of 1963);

"The Acts" means the Companies Acts, 1963 to 2009 and every modification or re-enactment thereof for the time being in force;

"the Company" means the company whose name appears in the heading to these articles;

"The Directors" means the Directors for the time being of the Company or the Directors present at a meeting of the board of Directors and includes any person occupying the position of Director by whatever name called (other than alternate directors);

"The Group" means the Company and its subsidiaries for the time being,

"The register" means the register of members to be kept as required by section 116 of the Act as amended;

"The Secretary" means any person appointed to perform the duties of the Secretary of the Company;

"The office" means the registered office for the time being of the Company;

"The seal" means the common seal of the Company.

"Cash Memorandum Account" means an account so designated by the Operator of the Relevant System concerned;

"Regulations" means the Companies Act, 1990 (Uncertificated Securities) Regulations, 1996 (S.J. No.68/1996) including any modification thereof or any regulations in substitution thereof under Section 239 of the 1990 Act and for the time being in force;

"Relevant System" means a computer-based system and procedures which enables title to shares to be evidenced and transferred without a written instrument and which facilitates supplementary and incidental matters and which is an "operator system" within the meaning of the Regulations;

"Uncertificated form" in respect of any share means a share the title to which is recorded on the Register as being held in uncertificated form and title to which by virtue of the Regulations may be transferred by means of the Relevant System.

"central securities depository" has the meaning given to that term by the CSD Regulation;

"CSD Regulation" means Regulation (EU) No. 909/2014 of the European Parliament and of the Council of 23 July 2014 on improving securities settlement in the European Union and on central securities depositories;

"electronic" and "person" shall have the same meaning as in Section 2 of the Electronic Commerce Act 2000, or as that section may be amended by subsequent legislation;

"electronic address" means any address or number used for the purposes of sending or receiving documents or information by electronic means;

"electronic means" has the meaning given to such expression by the Act;

"Euroclear Bank" means Euroclear Bank SA/NV, a company incorporated in Belgium;

"Euroclear Nominees" means Euroclear Nominees Limited, a wholly owned subsidiary of Euroclear Bank, registered in England and Wales;

"intermediary" has the meaning given to that term in Directive 2007/36/EC on the exercise of certain rights of shareholders in listed companies, as amended from time to time, including by Directive 2017/828;

the "Migration Act" means the Migration of Participating Securities Act 2019;

"Migration" is the process involving the replacement of CREST with Euroclear Bank for electronic settlement of trading in IMC's ordinary shares through migrating the shares which are held in uncertificated form from the Crest System to the Euroclear System;

"Preference Amount" means, in respect of a Preference Share, €1.00;

"Preference Shares" means preference shares of €1.00 each in the capital of the Company and "Preference Share" means any one of them;

"securities settlement system" means a securities settlement system (as defined in the CSD Regulation) operated by a central securities depository;

Unless the contrary intention appears, words or expressions contained in these Articles shall bear the same meaning as in the Act or in any statutory modification thereof in force at the date on which these Articles

become binding on the Company all words and expressions used in the Regulations shall have the same

meaning when used in these Articles.



- (b) Expressions referring to writing shall, unless the contrary intention appears, be construed as including references to printing, lithography, photography, and any other modes of representing or reproducing words in a visible form.
- (c) Unless the contrary intention appears, words or expressions contained in these Articles shall bear the same meaning as in the Acts or in any statutory modification thereof in force at the date at which these articles become binding on the Company.
- (d) References herein to any enactment shall mean such enactment as the same may be amended and may be from time to time and for the time being in force.

### SHARE CAPITAL AND VARIATIONS OF RIGHTS

3. The Authorised Share Capital of the Company is €2,675,000 divided into 1,125,000,000 Ordinary shares of €0.001 each, 50,000 'A' Ordinary shares of €1.00 each and 1,500,000 Preference Shares of €1.00 each. Except as hereinafter set out the Ordinary shares, the 'A' Ordinary shares and the Preference Shares shall rank *pari passu* in all respects;
- (a) The 'A' Ordinary shares and the Preference Shares shall entitle the holders thereof to receive notice of, attend but not vote at any general meeting of the Company.
  - (b) The 'A' Ordinary shares and the Preference Shares shall not carry a right for the holders thereof to receive any dividend.
  - (c) On a distribution of assets on a liquidation or a return of capital (other than a conversion, redemption or purchase of shares in the capital of the Company) the surplus assets of the Company remaining after payment of or provisioning for its liabilities ("**Surplus Assets**") shall be applied (to the extent that the Company is lawfully permitted to do so), first, in distributing to each of the holders of Preference Shares, in priority to the Ordinary shares and the "A" Ordinary shares, an amount per Preference Share held equal to the Preference Amount;
  - (d) On a distribution of assets arising out of the winding-up of the Company or otherwise the holders of the 'A' Ordinary' shares shall be entitled to a return of the capital paid up thereon but shall not be entitled to participate further in any distribution of Surplus Assets.
  - (e) The Preference Shares are not transferable. The Directors shall decline to register the transfer of any of the Preference Shares.
4. (a) Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares, any share in the Company may be issued with such preferred, deferred or other special rights or such restrictions, whether in regard to dividend, voting, return of capital or otherwise, as the Company may from time to time by Ordinary Resolution determine.
- (b) Without prejudice to the power conferred on the Company by paragraph (a) of this Article, the Directors may on the allotment and issue of any shares impose restrictions on the transferability or disposal of the shares comprised in a particular allotment as may be considered by the Directors to be in the best interests of the shareholders as a whole.
4. (c) To give effect to the Migration, each Holder of the Migrating Shares is deemed to have consented and agreed to the following:

- (i) the Company is irrevocably instructed to appoint any person (including any officer or employee of the Company, the Registrar, Euroclear Bank and/or EUI) as attorney or agent for the Holders of the Migrating Shares to do everything necessary to complete the transfer of the Migrating Shares to Euroclear Nominees (or such other nominee(s) of Euroclear Bank as it may notify the Company in writing) and do all such other things and execute and deliver all such documents and electronic communications as may be required by Euroclear Bank or as may, in the opinion of such attorney or agent, be necessary or desirable to vest the Migrating Shares in Euroclear Nominees (or such other nominee(s) of Euroclear Bank as it may notify the Company in writing) and, pending such vesting, to exercise all such rights attaching to the Migrating Shares as Euroclear Bank may direct.
- (ii) the Registrar may complete the registration of the transfer of the Migrating Shares as described in this Article by registering the Migrating Shares in the name of Euroclear Nominees (or such other nominee(s) of Euroclear Bank as it may notify the Company in writing) without having to furnish the former Holder of the Migrating Shares with any evidence of transfer or receipt;
- (iii) that once registered in the name of Euroclear Nominees (or such other nominee(s) of Euroclear Bank as it may notify the Company in writing):
  - (A) the Migrating Shares are to be held on a fungible basis so that a Holder of any of the Migrating Shares shall not be entitled to require the return of exactly the same participating securities as are transferred on its behalf as part of the Migration; and
  - (B) Euroclear Bank and Euroclear Nominees are authorised to credit its interests in the Migrating Shares (i.e. the Belgian Law Rights representing the Migrating Shares to which such Holder was entitled) to the account of the CREST Nominee (CIN (Belgium) Limited) in the Euroclear System, as nominee and for the benefit of the CREST Depository (or the account of such other nominee(s) of the CREST Depository as it may determine);
  - (C) Euroclear Bank and Euroclear Nominees are authorised to take any action necessary or desirable to enable the CREST Depository to hold the interests in the Migrating Shares referred to in sub-paragraph (B) above on trust pursuant to the terms of the CREST Deed Poll or otherwise and for the benefit of the holders of the CDIs; and
  - (D) Euroclear Bank and Euroclear Nominees are authorised to take any action necessary or desirable to enable the issuance of CDIs by the CREST Depository to the relevant Holders of the Migrating Shares, including any action necessary or desirable in order to authorise Euroclear Bank, Euroclear Nominees, the CREST Nominee and/or any other relevant entity to instruct the CREST Depository and/or EUI to issue the CDIs to the relevant Holders of the Migrating Shares pursuant to the terms of the CREST Deed Poll or otherwise;

- (iv) the Registrar releasing such personal data of the Holder of the Migrating Shares as is required by Euroclear Bank, the CREST Depository and/or EUI to effect the Migration and the issue of the CDIs;
- (v) the attorney or agent appointed pursuant to this Article is empowered to do all or any of the following on behalf of the Holders of the Migrating Shares:
  - (A) to procure the issue by the Registrar of such instructions in the Euroclear System or otherwise as are necessary or desirable to give effect to the Migration and the related admission of the Migrating Shares to the Euroclear System referred to in the Circular (including the procedures and processes described in the EB Migration Guide) in order for:
    - (1) the interests in the Migrating Shares referred to in Article 4(c) (iii)(B) to be credited to the account of the CREST Nominee (CIN (Belgium) Limited) in the Euroclear System, as nominee and for the benefit of the CREST Depository (or the account of such other nominee(s) of the CREST Depository as it may determine);
    - (2) Euroclear Bank and/or Euroclear Nominees to be authorised to take any action necessary or desirable to enable the CREST Depository to hold the interests in the Migrating Shares referred to in sub-paragraph (1) above on trust pursuant to the terms of the CREST Deed Poll or otherwise and for the benefit of the holders of the CDIs; and
    - (3) Euroclear Bank and/or Euroclear Nominees to be authorised to take any action necessary or desirable to enable the issuance of CDIs by the CREST Depository to the relevant Holders of the Migrating Shares, including any action necessary or desirable in order to authorise Euroclear Bank, Euroclear Nominees, the CREST Nominee and/or any other relevant entity to instruct the CREST Depository and/or EUI to issue the CDIs to the relevant Holders of the Migrating Shares pursuant to the terms of the CREST Deed Poll or otherwise;
  - (B) to withdraw any participating securities from CREST and to instruct EUI to do all that is necessary so that the Register shall record such participating securities as no longer being in uncertificated form;
  - (C) to execute and deliver a form or forms of transfer or other instrument(s) or instruction(s) of transfer on behalf of the Holders of the Migrating Shares in favour of Euroclear Nominees or such other nominee(s) of Euroclear Bank as it may notify the Company in writing; and
  - (D) to execute and deliver such agreements or other documentation, electronic communications and instructions as may be required in connection with the admission of the Migrating Shares to the Euroclear System.

Notwithstanding any contrary provision in these Articles, the Company shall not be obliged to issue any share certificates to Euroclear Nominees (or such other nominee(s) of Euroclear Bank as it may notify the Company in writing) following such transfers.

4(d) Notwithstanding anything in these Articles to the contrary and subject to the rules of the applicable central securities depository, the Directors may permit any class of shares to be held, and trades in those shares to be settled, through a securities settlement system operated by a central securities depository. Without prejudice to the generality and effectiveness of the foregoing:

- (i) the Directors may make such arrangements or regulations (if any) as they may from time to time in their absolute discretion think fit for the purpose of implementing and/or supplementing the provisions of this Article and the Migration Act and the facilities and requirements of the securities settlement system and such arrangements and regulations (as the case may be) shall have the same effect as if set out in this Article;
- (ii) the Directors may utilise the securities settlement system to the fullest extent available from time to time in the exercise of the Company's powers or functions under the Acts or these Articles or otherwise in effecting any actions;
- (iii) for the purposes of Article 120, any payment in the case of shares held through a securities settlement system may be made by means of the securities settlement system (subject always to the facilities and requirements of the securities settlement system) and without prejudice to the generality of the foregoing the making of a payment in accordance with the facilities and requirements of the securities settlement system concerned shall be a good discharge to the Company;
- (iv) where any class of shares in the capital of the Company is held through a securities settlement system and the Company is entitled under any provisions of the Acts, or the rules made and practices instituted by the central securities depository or under these Articles, to dispose of, forfeit, enforce a lien or sell or otherwise procure the sale of any such shares, such entitlement (to the extent permitted by the Acts and the rules made and practices instituted by the central securities depository):
  - (A) shall include the right to require the central securities depository of such securities settlement system to take such steps as may be necessary to sell or transfer such shares and/or to appoint any person to take such other steps in the name of the central securities depository (or its nominee(s)) as may be required to effect a transfer of such shares and such steps shall be as effective as if they had been taken by the central securities depository (or its nominee(s)); and
  - (B) shall be treated as applying only to such shares held by the central securities depository or its nominee(s) and not to any other shares held by the central securities depository or its nominee(s);

4.(e) The Holders of the Migrating Shares agree that neither the Company, the Directors nor the Registrars shall be liable in any way in respect of any loss or damage caused to the Holders of Migrating Shares in connection with:

- (i) any of the actions taken in respect of the Migrating Shares in connection with the Migration and/or the matters in connection with the Migration referred to in the Circular (including the procedures and processes described in the EB Migration Guide), whether pursuant to the authorities granted by the Holders of the Migrating Shares pursuant to this Article, the resolutions passed at the extraordinary general meeting of the Company held on 19 February 2021 (or any adjournment thereof) or otherwise; and/or
- (ii) any failures and/or errors in the systems, processes or procedures of Euroclear Bank and/or EUI which adversely affect the implementation of the Migration and/or the matters in connection with the Migration referred to in the Circular (including the procedures and processes described in the EB Migration Guide).

4.(f) For the purposes of this Article:

- (i) words and expressions shall have the same respective meanings as in the Regulations except where the context otherwise requires and, in particular, where sub-paragraph (ii) below applies
- (ii) in Articles 4(d), (e) and (f), “Belgian Law Rights”, “CDI”, “CREST”, “CREST Deed Poll”, “CREST Nominee”, “CREST Depository”, “EB Migration Guide”, “EB Services Description”, “EUI”, “Euroclear System”, “Live Date”, “Migrating Shares”, “Migration”, “participating securities” and “Registrars” have the meanings given to those terms in the circular issued by the Company to its shareholders dated 19th January 2021 (the “Circular”).

5. If at any time the share capital is divided into different classes of shares the rights attached to any class may, whether or not the Company is being wound up, be varied or abrogated with the consent in writing of the holders of three-fourths of the issued shares in that class, or with the sanction of a Special Resolution passed at a separate general meeting of the holders of the shares of that class. To every such separate general meeting the provisions of these regulations relating to general meetings shall apply but so that the necessary quorum shall be two persons at least holding or representing by proxy one-third of the issued shares of that class. If at any adjourned meeting of such holders a quorum as above defined is not present within thirty minutes of the time appointed for the adjournment meeting those members who are present in person or by proxy shall be a quorum. Any holders of shares of that class present in person or by proxy may demand a poll.

6. (a) The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.

(b) All (but not some only) of the Preference Shares in issue may be converted into Ordinary shares of €0.001 each at the option of either the holder thereof or the Company. The party opting to convert the Preference Shares must provide prior notice in writing to the other party

(the “**Conversion Notice**”), and all Preference Shares must be converted simultaneously. The Preference Shares shall be converted on the basis of the following formula and the resulting Ordinary Shares of €0.001 each shall be allotted as soon as reasonably practicable after such notice is deemed to have been received:

Formula

$$X / (£42,000,000/Y)$$

Where

X = The nominal value in Euro of the Preference Shares to be converted, as converted into Sterling (£) at the rate quoted by the Central Bank of Ireland on the date of the Conversion Notice; and

Y = the number of Ordinary Shares in issue on a fully diluted basis (on the basis that all unexercised options shall be deemed to have been exercised).

- 7.(a) Subject to the provisions of these Articles relating to new shares, the shares shall be at the disposal of the Directors, and they may (subject to the provisions of the Acts) allot, grant options or warrants over or otherwise dispose of them to such persons, on such terms and conditions and at such times as they may consider to be in the best interests of the Company and its shareholders, but so that no share shall be issued at a discount to par value and so that, in the case of shares offered to the public for subscription the amount payable on application on each share shall not be less than one- quarter of the nominal amount of the share and the whole of any premium thereon.
- (b) The Directors are generally and unconditionally authorised to exercise all powers of the Company to allot relevant securities (as defined for the purposes of Section 1021 of the 2014 Act) up to an amount equal to the authorised but as yet unissued share capital of the Company provided that the authority conferred by this article will expire on the earlier of the conclusion of the Company’s annual general meeting held in 2024 and close of business on 19 December 2024 unless and to the extent that it is renewed, revoked or extended prior to such date, save that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry, and the Directors may allot equity securities in pursuance of such an offer or agreement as if such power had not expired.
- (c) . In substitution for the resolution of the Company passed on 22 December 2020, the Directors be and are hereby empowered pursuant to Sections 1022 and 1023 of the Companies Act, 2014 to allot equity securities (within the meaning of the said Section 1023) for cash as if Section 1022(1) of the said Act did not apply to any such allotment, provided that the authority conferred by this article will expire on the earlier of the conclusion of the Company’s annual general meeting held in 2024 and close of business on 19 December 2024 unless and to the extent that it is renewed, revoked or extended prior to such date, save that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry, and the Directors may allot equity securities in pursuance of such an offer or agreement as if such power had not expired.

8. Without prejudice to the generality of the powers conferred on the Directors by Article 7, the Directors may from time-to-time grant options or warrants to subscribe for the unissued shares in the capital of the Company to directors of the Company, whether executive or non-executive and to persons in the service or employment of the Group (including the Secretary) on such terms and subject to such conditions as the members of the Company in general meeting may from time to time approve.
9. The Company may exercise the powers of paying commissions conferred by section 59 of the Act, provided that the rate per cent and the amount of the Commission paid or agreed to be paid shall be disclosed in the manner required by that section, and the rate of the commission required by that section, and the rate of the commission shall not exceed the rate of 10 per cent of the price at which the shares in respect whereof the same is paid are issued or an amount equal to 10 per cent of such price (as the case may be). Such commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in one way and partly in the other. The Company may also, on any issue of shares, pay such brokerage as may be lawful.
10. Except as required by law, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by or be compelled in any way to recognise (even when having notice hereto) any equitable, contingent, future or partial interest in any share or any interest in any fractional part of a share or (except only as by these Articles or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder: this shall not preclude the Company from requiring the members or a transferee of shares to furnish the Company with information as to the beneficial ownership of any share when such information is reasonably required by the Company.
11. (a) Except in respect of an allotment or transfer in accordance with the Regulations, every person whose name is entered as a holder of any share in the register (except a Stock Exchange nominee in respect of whom the Company is not by law required to complete and have ready for delivery a certificate) shall be entitled without payment to receive within two months after allotment or lodgement of a transfer to him of the shares in respect of which he is so registered (or within such other period as the conditions of issue shall provide) one certificate for all such shares or several certificates each for one or more of such shares upon payment of 1.00 euro for every certificate after the first or such lesser sum as the Directors shall from time to time determine, so, however, that in respect of a share or shares held jointly by several persons the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders. Every certificate shall be under the common seal of the Company or under the official seal kept by the Company by virtue of section 3 of the Companies (Amendment) Act, 1977 and shall specify the number and class of shares to which it relates and the amount paid up thereon. The Company shall not be bound to register more than four persons as joint holders of any share (except in the case of executors or trustees of a deceased member). Where a person has transferred some but not all of the shares registered in his name then he shall be entitled without payment to receive a certificate for the balance of the shares registered in his name.
- (b) The Company may issue share warrants to bearer in respect of any fully paid-up shares of the Company stating that the bearer of the warrant is entitled to the shares therein specified. Such warrants shall be issued upon such terms and subject to such conditions as may be

resolved by the Directors, A share warrant shall entitle the bearer thereof to the Shares therein specified, and the shares may be transferred by delivery of the warrant,

12. If a share certificate be defaced, lost or destroyed, it may be renewed on such terms (if any) as to evidence and indemnity and the payment of out-of-pocket expenses of the Company of investigating evidence as the Directors think fit.
13. The Company shall not give, whether directly or indirectly and whether by means of a loan, guarantee, the provision of security or otherwise, any financial assistance for the purpose of or in connection with a purchase or subscription made or to be made by any person of or for any shares in the Company or in its holding company, except as permitted by section 60 of the Act.

#### **LIEN**

14. The Company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys whether immediately payable or not) called or payable at a fixed time in respect of that share, and the Company shall also have a first and paramount lien on all shares (other than fully paid shares) standing registered in the name of any member (whether solely or jointly with others for all moneys immediately payable by him or his estate to the company, but the Directors may at any time declare any share to be wholly or in part exempt from the provisions of this regulation. The Company's lien on a share shall extend to all dividends payable thereon.
15. The Company may sell, in such manner as the Directors think fit, any shares on which the Company has a lien, but no sale shall be made unless a sum in respect of which the lien exists is immediately payable, nor until the expiration of 14 days after a notice in writing, stating and demanding payment of such part of the amount in respect of which the lien exists is immediately payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or bankruptcy.
16. To give effect to any such sale, the Directors may authorise some person to transfer the shares sold to the purchaser thereof. The purchaser shall be registered as the holder of the shares comprised in any such transfer, and he shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
17. The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as immediately payable, and the residue, if any, shall (subject to a like lien for sums not immediately payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale.

#### **CALLS ON SHARES**

18. The Directors may from time to time make calls upon the members in respect of any moneys unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not be the conditions of allotment thereof made payable at fixed times, and each member shall (subject to receiving at least 14 days notice specifying the time or times and place of payment) pay to the Company at the time or times and place so specified the amount called on his shares, A call may be revoked or postponed as the Directors may determine.
19. A call shall be deemed to have been made at the time when the resolution of the Directors authorising the call was passed and may be required to be paid by instalments.
20. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.



21. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest on the sum from the day appointed for payment thereof to the time of actual payment at such rate, not exceeding 20 per cent per annum, as the Directors may determine, but the Directors shall be at liberty to waive payment of such interest wholly or in part.
22. Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall for the purpose of these regulations be deemed to be a call duly made and payable on the date on which, by the terms of issue, the same becomes payable; and in case of non-payment all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise, shall apply as if such sum had become payable by virtue of a call duly made and notified.
23. The Directors may, on the issue of shares, differentiate between the holders as to the amount of calls to be paid and the time of payment.
24. The Directors may, if they think fit, receive from any member willing to advance the same all or any part of the moneys uncalled and unpaid upon any shares held by him, and upon all or any of the moneys so advanced may (until the same would, but for such advance, become payable) pay interest at such rate not exceeding (unless the Company in general meeting otherwise directs) 15 per cent per annum, as may be agreed upon between the Directors and the member paying such sum in advance.

## **TRANSFER OF SHARES**

25. (a) Transfers of shares held in certificated form shall be effected by instrument of transfer in any usual form or in any other manner which the Directors may approve and in any such instrument shall be executed by or on behalf of the transferor and unless the share is fully paid, by or on behalf of the transferee.
  - (b) Title to any share which is held in uncertificated form shall be transferred by means of the Relevant System, in accordance with the Regulations and accordingly, no provision of these Articles which requires a written instrument of transfer and the lodging of a share certificate with the Company shall apply to such a transfer. The Directors may make such arrangements as they think fit in relation to evidencing of title to and transfer of shares held in uncertificated form subject always to the Regulations.
  - (c) Where shares are registered in the name of a nominee of a central securities depository acting in its capacity as operator of a securities settlement system (including, without limitation, where shares are held by Euroclear Nominees as nominee of Euroclear Bank) all rights attaching to such shares may be exercised on the instructions of the central securities depository and the Company shall have no liability to the nominee where its acts in response to such instructions.
26. The transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the Register of Members in respect thereof.
  27. (1) Subject to paragraph (2) below, the Directors may decline to register any transfer of shares upon which the Company has a lien and in the case of shares not fully paid up may refuse to register a transfer to any transferee of whom they do not approve without assigning any reason for such refusal.
  - (2) Notwithstanding paragraph (1) above, a transfer of title to shares held in uncertificated form in accordance with an Operator-instruction, as defined by the Regulations, shall be

registered where such registration is required under the terms of the Regulations. No transfer of title to shares held in uncertificated form shall be registered except in accordance with the provisions of the Regulations.

28. The Directors may decline to recognise any instrument of transfer unless:
  - (a) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer; and
  - (b) The instrument of transfer is in respect of one class of share only.
29. The registration of transfers may be suspended at such times and for such period, not exceeding in the whole 30 days in each year, as the Directors may from time to time determine but only with the prior written consent of the operator (as defined in the Regulations) if any shares shall be held in uncertificated form.

### **TRANSMISSION OF SHARES**

30. In the case of the death of a member, the survivor where the deceased was a joint holder, and the personal representative of the deceased where he was a sole holder, shall be the only persons recognised by the Company as having any title to his interest in the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.
31. Any person becoming entitled to a share in consequence of the death or bankruptcy of a member may, upon such evidence being produced as may from time to time properly be required by the Directors and subject as herein provided, elect either to be registered himself as holder of the share or to have some person nominated by him registered as the transferee thereof but the Directors shall, in either case, have the same right to decline or suspend registration as they would have had in the case of a transfer of the shares by that member before his death or bankruptcy, as the case may be.
32. If the person so becoming entitled elects to be registered himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. If he elects to have another person registered, he shall testify his election by executing to that person a transfer of the share. All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or bankruptcy of the member had not occurred and the notice of transfer were a transfer signed by that member.
33. A person becoming entitled to a share by reason of the death or bankruptcy of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to the meetings of the Company, so, however, that the Directors may at any time give notice requiring such person to elect either to be registered himself or to transfer the share, and if the notice is not complied within 90 days, the Directors may thereupon withhold payment of all dividends, bonuses or other moneys payable in respect of the share until the requirements of the notice have been complied with.

### **FORFEITURE OF SHARES**

34. If a member fails to pay any call or instalment of a call on the day appointed for payment thereof, the Directors may, at any time thereafter during such time as any part of the call or

instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid together with any interest which may have accrued,

35. The notice shall name a further day (not earlier than the expiration of 14 days from the date of service of the notice) on or before which the payment required by the notice is to be made, and shall state that in the event of non-payment at or before the time appointed the shares in respect of which the call was made will be liable to be forfeited.
36. If the requirements of any such notice as aforesaid are not complied with any shares in respect of which the notice has been given may at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Directors to that effect.
37. A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Directors think fit, and at any time before a sale or disposition the forfeiture may be cancelled on such terms as the Directors think fit.
38. A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding, remain liable to pay to the Company all moneys which, at the date of forfeiture, were payable by him to the Company in respect of the shares, but his liability shall cease if and when the Company shall have received payment in full of all such moneys in respect of the shares.
39. A statutory declaration that the declarant is a Director or the Secretary of the Company, and that a share in the Company has been duly forfeited on the date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share. The Company may receive the consideration, if any, given for the share on any sale or disposition thereof and may execute a transfer of the share in favour of the person to whom the share is said or disposed of and he shall thereupon be registered as the holder of the share, and shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.
40. The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

#### **CONVERSION OF SHARES INTO STOCK**

41. The Company may by Ordinary Resolution convert any paid-up shares into stock, and reconvert any stock into paid up shares of any denomination.
42. The holders of stock may transfer the same or any part thereof, in the same manner, and subject to the same regulations, as and subject to which the shares from which the stock arose might previously to conversion have been transferred, or as near thereto as circumstances admit; and the Directors may from time to time fix the minimum amount of stock transferable but so that such minimum shall not exceed the nominal amount of each share from which the stock arose.
43. The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages in relation to dividends, voting at meetings of the Company and other matters as if they held the shares from which the stock arose, but no such right, privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that right, privilege or advantage.

44. Such of the regulations of the Company as are applicable to paid up shares shall apply to stock, and the words 'share' and 'shareholder' therein shall include 'stock' and 'stockholder'.
45. The Company may from time to time by Ordinary Resolution increase the share capital by such sum, to be divided into shares of such amount, as the resolution shall prescribe.
46. The Company may by Ordinary Resolution:
  - (a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
  - (b) subdivide its existing shares, or any of them, into shares of smaller amount than is fixed by the Memorandum of Association subject, nevertheless, to section 68 (I)(d) of the Act;
  - (c) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.
47. The Company may by Special Resolution reduce its share capital, any capital redemption reserve fund or any share premium account in any manner and with and subject to any incident authorised, and consent required, by law.

## **GENERAL MEETINGS**

48. The Company shall in each year hold a general meeting as its Annual General Meeting in addition to any other meeting in that year, and shall specify the meeting as such in the notices calling it; and not more than fifteen months shall elapse between the date of one Annual General Meeting of the Company and that of the next. The location of the Annual General Meeting shall be within the State unless agreed otherwise by shareholders at the previous Annual General Meeting.
49. All general meetings other than Annual General Meetings shall be called Extraordinary General Meetings.
50. The Directors may, whenever they think fit, convene an Extraordinary General Meeting, and Extraordinary General Meetings shall also be convened on such requisition, or in default, may be convened by such requisition, as provided in section 132 of the Act.

## **NOTICE OF GENERAL MEETINGS**

51. (a) Subject to the provisions of the Acts allowing a general meeting to be called by shorter notice, an annual general meeting and an extraordinary general meeting shall be called by at least twenty one (21) Clear Days' notice, except that an extraordinary general meeting that is not called for the passing of a special resolution may, subject to compliance with all applicable provisions of the Acts, be called by at least fourteen (14) Clear Days' notice.
- (b) Any notice convening a general meeting shall specify the time and place of the meeting, the general nature of the business to be transacted at the meeting, in the case of a proposed special resolution, the text or substance of that proposed special resolution and, in reasonable prominence, a statement that a member entitled to attend and vote is entitled to appoint a proxy to attend, speak and vote in his place, that a proxy need not be a member of the Company and of the time by which the proxy must be received at the Office or some other place within the State as is specified in the statement for that purpose. It shall also give particulars of any Directors who are to retire by rotation or otherwise at the meeting and of any persons who are recommended by the Directors for appointment or re-appointment as Directors at the meeting, or (provided that the Company has received notice of the intention

to propose any person or persons for appointment or re-appointment as a Director or Directors at the meeting in sufficient time for it to be included in the notice) in respect of whom notice has been duly given, in accordance with the terms of Article 94, to the Company of the intention to propose them for appointment or re-appointment as Directors at the meeting. Subject to any restrictions imposed on any shares, the notice shall be given to all the members and to the Directors, the Secretary and the Auditors and any other person entitled to receive notice under the Acts.

- (c) The Directors may determine, in the case of members, that only members whose names are entered on the Register at the close of business on a particular day chosen by the Directors are entitled to receive notice of a general meeting, subject to complying with any minimum periods prescribed by the Acts.
- (d) The Directors may specify in the notice of a general meeting a time by which a person's name shall be entered on the Register in order for that person to have the right to attend or vote at the meeting. The time specified shall not be more than forty eight (48) hours before the time fixed for the meeting.
- (e) The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at the meeting.
- (f) Where, by any provision contained in the Acts, extended notice is required of a resolution, the resolution shall not be effective (except where the Directors of the Company have resolved to submit it) unless notice of the intention to move it has been given to the Company not less than twenty eight (28) days (or such shorter period as the Acts permits) before the meeting at which it is moved, and the Company shall give to the members notice of any such resolution as required by and in accordance with the provisions of the Acts.
- (g) Subject to the Acts and to such requirements and restrictions as the Directors may, in accordance with the Acts, specify, the Company at its discretion may provide for participation and voting in a general meeting by electronic means.

52. The accidental omission to give notice of a meeting to or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at the meeting.

## **PROCEEDINGS AT GENERAL MEETINGS**

- 53. All business shall be deemed special that is transacted at an Extraordinary General Meeting, and also all that is transacted as an Annual General Meeting, with the exception of declaring a dividend, the consideration of the accounts, balance sheets and the reports of the Directors and auditors, the election of directors in the place of those retiring, the re-appointment of the retiring auditors and the fixing of the remuneration of the auditors.
- 54. No business shall be transacted at any general meeting unless a quorum is present at the time when the meeting proceeds to business. Three members present in person or by proxy and entitled to vote shall be a quorum.
- 55. If within half-an-hour from the time appointed for a general meeting (or such longer interval as the Chairman may think fit to allow) a quorum is not present; the meeting, if convened upon the requisition of members, shall be dissolved; in any other case it shall stand adjourned to the same day in the next week, at the same time and place or to such other day and at such other time and

place as the Chairman at the meeting may determine, and if at such adjourned meeting a quorum is not present Within half-an-hour from the time appointed for the meeting, the meeting shall be dissolved except that if a meeting to consider a resolution or resolution for the winding up of the Company and the appointment of a Liquidator be adjourned for want of a quorum and if at such adjourned meeting such a quorum is nor present within 30 minutes from the time appointed for the adjourned meeting, any one or more members present in person or by proxy shall constitute a quorum for the purposes of considering and if thought fit passing such resolution or resolutions but no other business may be transacted.

56. The Chairman, if any, of the board of Directors shall preside as Chairman at every general meeting of the Company, or if there is no such Chairman, or if he is not present within fifteen minutes after the time appointed for the holding of the meeting or is unwilling to act, the directors present shall elect one of their number to be Chairman of the meeting.
57. If at any meeting no Director is willing to act as Chairman or if no Director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their number to be Chairman of the meeting.
58. The Chairman may, with the consent of any meeting at which a quorum is present, and shall if so directed by the meeting, adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for thirty days or more, not less than seven days notice of the adjourned meeting shall be given in like manner as in the case of the original meeting. Save as aforesaid it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
59. At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded by:
  - (a) The Chairman; or
  - (b) by at least 3 members present in person or by proxy;OR
  - (c) by any member or members present in person or by proxy and representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or
  - (d) by a member or members holding shares in the Company conferring the right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.

Unless a poll is so demanded, a declaration by the Chairman that a resolution has on a show of hands, been carried or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the book containing the minutes of the proceedings of the Company, shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.

The demand for poll may be withdrawn.

60. Except as provided in Article 62, if a poll is duly demanded, it shall be taken in such manner as the Chairman directs, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
61. Where there is an equality of votes, ether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a second or casting vote.

62. A poll demanded on the election of the Chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such time as the Chairman of the meeting directs, and any business other than that on which a poll has been demanded may be proceeded with pending the taking of the poll.

## **VOTES OF MEMBERS**

63. Subject to any special rights or restrictions as to voting for the time being attached by or in accordance with these Articles to any class of shares, on a show of hands every member present in person and every proxy shall have one vote, but so that no one member shall on a show of hands have more than one vote in respect of the aggregate number of shares of which he is the holder, and on a poll every member who is present in person or by proxy shall have one vote for each share of which he is the holder.
64. When there are joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose, seniority shall be determined by the order in which the names stand in the register.
65. A member of unsound mind or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee, receiver, guardian or other person appointed by that court and any such committee receiver, guardian or other person may vote by proxy on a show of hands or on a poll.
66. No member shall be entitled to vote at any general meeting unless any calls or other sums immediately payable by him in respect of shares in the Company have been paid.
67. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairman of the meeting, whose decision shall be final and conclusive.
68. Every member entitled to attend and vote at a general meeting may appoint a proxy or (subject to the following provisions) proxies to attend, speak and vote on his behalf provided, however, that:
- (a) a member may appoint more than one proxy provided that each proxy is appointed to exercise the rights attached to a different share or shares held by him; and
  - (b) a member acting as an intermediary on behalf of a client in relation to shares may appoint that client or any third party designated by that client as a proxy in relation to those shares, subject to such requirements and restrictions as the Directors may from time to time specify.
69. The instrument appointing a proxy shall be in writing in any usual form or in any other form which the Directors may approve (subject to the requirements of the Act) and shall be executed by or on behalf of the appointor. The signature on such instrument need not be witnessed. A body corporate may execute a form of proxy under its common seal or under the hand of a duly authorised officer thereof. A proxy need not be a member of the Company.
70. The instrument appointing a proxy and the power of attorney or other authority, if any under which it is signed, or a notarially certified copy of that power or authority, shall be deposited at the office or at such other place in Ireland as is specified for that purpose in the notice convening the meeting, not less than 48 hours before the time for holding the meeting or

adjourned meeting at which the person named in the instrument proposes to vote, or in the case of a poll, not less than 48 hours before the time appointed for the taking of the poll, and, in default, the instrument of proxy shall not be treated as valid.

71. An instrument appointing a proxy shall be in following form or a form as near thereto as circumstances permit;

**IMC EXPLORATION GROUP PUBLIC LIMITED COMPANY**

I/We

of

being (a) member(s) of the above Company HEREBY APPOINT:

of or failing him

of or failing him

the Chairman of the meeting, to be my/our proxy to vote for me/us and on my/our behalf at the (Annual or Extraordinary, as the case may be) General Meeting of the Company

convened for the day of 20 and at any adjournment thereof.

I/We direct the proxy to vote for/against\* the resolution to be proposed thereat.

Dated this day of 20

Signature(s)

This instrument of proxy to be valid must be lodged at the registered office of the Company (or, at such other place as is specified for that purpose in the notice convening the meeting) not less than 48 hours before the time fixed for the meeting.

In the case of a corporation this instrument may be either under the common seal or under the hand of an officer or attorney authorised in that behalf.

\*Strike out for or against. If you do not do so the proxy will vote or abstain as he thinks fit

72. The instrument appointed a proxy shall be deemed to confer authority to demand or join in demanding a poll.
73. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or of the authority under which the proxy was executed or the transfer of the share in respect of which the proxy is given, if no intimation in writing of such death, insanity, revocation or transfer as aforesaid is received by the Company at the office before the commencement of the meeting or adjourned meeting at which the proxy is used.

**BODIES CORPORATE ACTING BY REPRESENTATIVE AT MEETINGS**

74. Any body corporate which is a member of the Company may by resolution of its directors or other governing body authorise such persons as it thinks fit to act as its representative at any meeting of the Company or of any class of members of the Company, and the persons so authorised shall be entitled to exercise the same powers on behalf of the body corporate which



he represents as that body corporate could exercise if it were an individual member of the Company.

## **DIRECTORS**

75. The number of Directors shall not be less than two. The Company may by Ordinary Resolution from time to time increase the minimum number and likewise may by Ordinary Resolution fix and from time to time vary the maximum number of Directors.
76. The remuneration of the Directors shall from time to time be determined by an Ordinary Resolution of the Company and shall (unless such resolution otherwise provides) be divisible among the Directors as they may agree or, failing agreement, equally, except that any Director who shall hold office for part only of the period in respect of which such remuneration is payable shall be entitled to rank in such division for a proportion of the remuneration related to the period during which he has held office. The Directors may also be paid all travelling, hotel and other expenses properly incurred by them in attending and returning from meetings of the Directors or any committee of the Directors or general meetings of the Company or in connection with the business of the Company.
77. If any Director shall be called upon to perform extra services which in the opinion of the Directors are outside the scope of the ordinary duties of a Director, the Company may remunerate such Director either by a fixed sum or by a percentage of profits or otherwise as may be determined by a resolution passed at a meeting of the Directors and such remuneration may be either in addition to or in substitution for any other remuneration to which he/she may be entitled as a Director.
78. The shareholding qualification for Directors may be fixed by the Company in general meeting and, unless and until so fixed, no qualification shall be required. A Director who is not a member of the Company shall nevertheless be entitled to attend and speak at general meetings.
79. A Director of the Company may be or become a Director or other officer of, or otherwise interested in, any company promoted by the Company or in which the Company may be interested as shareholder or otherwise. and no such Director shall be accountable to the Company for any remuneration or other benefits received by him as a Director or officer of, or from his interest in, such other company unless the Company otherwise directs.

## **BORROWING POWERS**

80. Subject to Part III of the Companies Amendment Act, 1983 The Directors may exercise all the powers of the Company to borrow money, and to mortgage or charge its undertaking, property, assets, and uncalled capital or any part thereof and to issue debentures, debenture stock and other securities whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

## **POWERS AND DUTIES OF THE DIRECTORS**

81. The business of the Company shall be managed by the Directors, who may pay all expenses incurred in promoting and registering the Company and may exercise all such powers of the Company as are not, by the Acts or by these Articles, required to be exercised by the Company in general meeting, subject, nevertheless, to any of these Articles, to the provisions of the Acts and to such directions, being not inconsistent with the aforesaid Articles or provisions, as may be given by the Company in general meetings but no direction given by the Company in general

meeting shall invalidate any prior act of the Directors which would have been valid if that direction had not been given.

82. The Directors may from time to time and at any time by power of attorney appoint any company, firm or person or body or persons, whether nominated directly or indirectly by the Directors, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these Articles) and for such period and subject to such conditions as they may think fit, and any such power of attorney may contain such provisions for the protection of persons dealing with any such attorney as the Directors may think fit, and may also authorise any such attorney to delegate all or any of the powers, authorities and discretions vested in him.
83. The Company may exercise the powers conferred by section 41 of the Act with regard to having an official seal for use abroad, and such powers shall be vested in the Directors.
84. A Director who is anyway, whether directly or indirectly, interested in a contract or proposed contract with the Company shall declare the nature of his interest at a meeting of the Directors in accordance with section 194 of the Act as amended.
85. (1) Save as herein provided, a Director shall not vote in respect of any contract or arrangement or any other proposal whatsoever in which he has any material interest otherwise than by virtue of his interests in shares or debentures or other securities of or otherwise in or through the Company. A Director shall not be counted in the quorum at a meeting in relation to any resolution from which he is debarred from voting.  
(2) A Director shall (in the absence of some other material interest than is indicated below) be entitled to vote (and be counted in the quorum) in respect of any resolutions concerning any of the following matters, namely:-
  - (a) The giving of any security or indemnity to him in respect of money lent or obligations incurred by him at the request of or for the benefit of the Company or any of its subsidiaries.
  - (b) The giving of any security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which he himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security.
  - (c) Any proposal concerning an offer of shares or debentures or other securities of or by the Company for subscription or purchase in which offer he is or is to be interested as a participant in the underwriting or sub-underwriting thereof.
  - (d) Any proposal concerning any other Company in which he is interested, directly or indirectly and whether as an officer or shareholder or otherwise howsoever, provided that he is not the holder of or beneficially interested in one per cent, or more of the issued shares of any class of the equity share capital or such a company (or of any third company through which his interest is derived) or of the voting rights available to members of the relevant companies (any such interest being deemed for the purpose of this Article to be a material interest in all circumstances.
  - (e) Any proposal concerning the adoption, modification or operation of a superannuation fund or retirement benefits scheme under which he may benefit and which has been approved by or is subject to and conditional upon approval by the Revenue Commissioners for taxation purposes.
- (3) Where proposals are under consideration concerning the appointment (including fixing or varying the terms of appointment) of two or more Directors to offices or employment of the

Company or any company in which the Company is interested, such proposals may be divided and considered in relation to each Director separately and in such case each of the Directors concerned (if not debarred from voting under paragraph (2) (d) of this Article) shall be entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment.

(4) If any question shall arise at any meeting as to the materiality of a Director's interest or as to the entitlement of any Director to vote and if such question is not resolved by his voluntarily agreeing to abstain from voting, such question shall be referred to the Chairman of the meeting and his ruling and in relation to any other Director shall be final and conclusive except in a case where the nature or extent of the interest of the Director concerned have not been fairly disclosed.

(5) The Company may by Ordinary Resolution suspend or relax the provisions of this Article to any extent or ratify any transaction not duly authorised by reason of a contravention of this Article.

86. A Director may hold and be remunerated in respect of any other office or place of profit under the Company or any other company in which the Company may be interested (other than the office of auditor of the Company or any subsidiary thereof) in conjunction with his office of Director for such period and on such terms as to remuneration and otherwise as the Directors may determine, and no Director or intending Director shall be disqualified by his office from contracting or being interested, directly or indirectly, in any contract or arrangement with the Company or any such other company either with regard to his tenure of any such other office or place of profit or as vendor, purchaser or otherwise nor shall any Director so contracting or being so interested be liable to account to the Company for any profits and advantages accruing to him from any such contract or arrangement reason of such Director holding that office or of the fiduciary relationship thereby established.

87. The Directors may exercise the voting powers conferred by shares of any other company held or owned by the Company in such manner in all respects as they think fit and in particular they may exercise their voting powers in favour of any resolution appointing the Directors or any of them as Directors or officers of such other company providing for the payment of remuneration or pensions to the Directors or officers of such other company.

88. Any Director may act by himself or his firm in a professional capacity for the Company, and he or his firm shall be entitled to remuneration for professional services as if he were not a Director, but nothing herein contained shall authorise a Director or his firm to act as auditor to the Company.

89. All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments and all receipts for money paid to the Company shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be by such person or persons and in such manner as the Directors shall from time to time by resolution determine.

90. The Directors shall cause minutes to be made in books provided for the purpose:

(a) of all appointments of officers made by the Directors;

(b) of the names of the Directors present at each meeting of the Directors and of any Committee of the Directors; and

(c) of all resolutions and proceedings at all meetings of the Company and of the Directors and of committees of Directors.

91. The Directors may procure the establishment and maintenance of or participate in, or contribute to any non-contributory or contributory pension or superannuation fund, scheme or arrangement

or life assurance scheme or arrangement for the benefit of, and pay, provide for or procure the grant of donations, gratuities, pensions, allowances, benefits or emoluments to any persons (including Directors or other officers) who are or shall have been at any time in the employment or service of the Company or of any company which is or was a subsidiary of the Company or of the predecessor in business of the Company or any such subsidiary or holding Company and the wives, widows, families, relatives or dependants of any such persons. The Directors may also procure the establishment and subsidy of or subscription to and support of any institutions, associations, clubs, funds or trusts calculated to be for the benefit of any such persons as aforesaid or otherwise to advance the interests and well being of the Company or of any such other Company as aforesaid, or its members, and payments for or towards the insurance of any such persons' as aforesaid and subscriptions or guarantees of money for charitable or benevolent objects or for any exhibition or for any public, general or useful object. Provided that any Director shall be entitled to retain any benefit received by him hereunder, subject only, where the Act requires, to disclosure to the members and the approval of the Company in general meeting.

#### **ALTERNATE DIRECTORS**

92. (a) Any Directors may at any time appoint any person who is approved by the majority of Directors to be an alternate or substitute Director and may at any time terminate such appointment. Any such appointment or termination of appointment shall be effected by notice in writing under the hand of the Director making or terminating such appointment sent to or left at the office. The same person may be appointed as alternate director of more than one Director.
- (b) The appointment of an alternate director shall ipso facto determine on the happening of any event which if he were a Director would cause him to vacate such office and shall also determine ipso facto if the Director concerned (below called 'his principal') ceases for any reason to be a Director. An alternate director shall not automatically vacate his office if his principal retires by rotation or otherwise and is re-elected at the same general meeting at which such retirement took effect.
- (c) An alternate director shall be entitled to receive notices of meetings of the Directors and of any committee of the Directors of which his principal is a member and shall be entitled to attend and vote as a Director and be counted in the quorum at any such meeting at which his principal is not personally present and generally at such meeting to perform all functions of his principal as a Director in the absence of such principal.

If his principal is for the time being absent from the State or temporarily unable to act through ill-health or disability his signature to any resolution in writing of the Directors shall be as effective as the signature of his principal. An alternate director shall not (save as aforesaid) have power to act as a Director nor shall he be deemed to be a Director for the purposes of these Articles.

- (d) An alternate director shall be entitled to contract and be interested in and benefit from contracts or arrangements and to be repaid expenses and to be indemnified to the same extent mutatis mutandis as if he were a Director but he shall not be entitled to receive from the Company in respect of his appointment as alternate director any remuneration except only such part (if any) of the remuneration otherwise payable to his principal as his appointer may by notice in writing to the Company from time to time direct.

## **DISQUALIFICATION OF DIRECTORS**

93. The office of the Director shall be vacated if the Director:

- (a) ceases to be a Director or is prohibited or disqualified from being a Director by reason of any order made under provision of the Articles or the Acts; or
- (b) is adjudged bankrupt in Ireland or in Northern Ireland or in Great Britain or makes any arrangement of composition with his creditors generally; or;
- (c) in the State or elsewhere has an order made by any court claiming jurisdiction in that behalf on the ground (howsoever formulated) of mental disorder for his detention or for the appointment of a guardian or for the appointment of a receiver or other person (by whatsoever name called) to exercise powers with respect to his property or affairs; or
- (d) resigns his office by notice in writing to the Company or in writing offers to resign and the Directors resolve to accept such offer; or
- (e) is convicted of any indictable offence unless the Directors otherwise determine; or
- (f) is removed from office under Article 101.

## **ROTATION OF DIRECTORS**

94. At every Annual General Meeting of the Company one-third of the Directors (other than the Managing Director and any Director holding an executive office with the Company) or, if their number is not three or a multiple of three, then the number nearest one-third shall retire from office. A Director retiring at a meeting shall retain office until the close or adjournment of the meeting.
95. The Directors to retire in every year shall be those who have been longest in office since their last election but as between persons who become Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by lot.
96. A retiring Director shall be eligible for re-election.
97. the Company, at the meeting at which a Director retires in manner aforesaid, may fill the vacated office by electing a person thereto, and in default the retiring Director shall, if offering himself for re-election, be deemed to have been re-elected, unless at such meeting it is expressly resolved not to fill such vacated office, or unless a resolution for the re-election of such Director has been put to the meeting and lost.
98. No person other than a Director retiring at the meeting shall, unless recommended by the Directors, be eligible for election to the office of Director at any general meeting unless not less than seven days before the day appointed for the meeting there shall have been left at the office notice in writing signed by a member duly qualified to attend and vote at the meeting for which such notice is given, of his intention to propose such person for election and also notice in writing signed by that person of his willingness to be elected
99. The Company may from time to time by Ordinary Resolution increase or reduce the number of Directors and may also determine in what rotation the increased or reduced number is to go out of office.
100. The Directors shall have power at any time and from time to time to appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Directors, but so that the total number of Directors shall not at any time exceed the number fixed in accordance with these Articles. Any Director so appointed shall hold office only until the next following Annual

General Meeting, and shall then be eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation at such meeting.

101. The Company may, by Ordinary Resolution, which extended notice has been given in accordance with section 142 of the Act, remove any Director before the expiration of his period of office notwithstanding anything in these regulations or in any agreement between the Company and such Director. Such removal shall be without prejudice to any claim such Director may have for damages for breach of any contract of service between him and the Company.
102. The Company may, by Ordinary Resolution, appoint another person in place of a Director removed from office under Article 101 and without prejudice to the powers of the Directors under Article 100 the Company in general meeting may appoint any person to be a Director either to fill a casual vacancy or as an additional Director, A person appointed in place of a Director so removed or to fill such a vacancy shall be subject to retirement at the same time as if he had become a Director on the day on which the Director in whose place he is appointed was last elected a Director.

### **PROCEEDINGS OF DIRECTORS**

103. (a) The Directors may meet together for the dispatch of business, adjourn and otherwise regulate their meetings as they may think fit. The quorum necessary for the transaction of the business of the Directors shall be two or such higher number as may be fixed by the Directors. Questions arising at any meeting shall be decided by a majority of votes. In the case of an equality of votes, the Chairman of the meeting shall have a casting vote.
  - (b) Each Director present and voting shall have one vote and shall in addition to his own vote be entitled to one vote in respect of each other Director nor present at the meeting who shall have authorised him in respect of such meeting to vote for such other Director in his absence. Any such authority may relate generally to all meetings of the Directors or to any specified meeting or meetings and must be in writing or by cable or radiogram or telegram or telex message, which must be delivered to the Secretary for filing prior to or must be produced at the first meeting at which a vote is to be cast pursuant thereto.
  - (c) Any Director may participate in a meeting of the Directors by means of telephonic or other similar communication whereby all persons participating in the meeting can hear each other speak; and participation in a meeting in this manner shall be deemed to constitute presence in person (or as the case may be, by alternate) at such meeting and any director (or his alternate) may be situated in any part of the world for any meeting and such meeting shall be initiated at all times from the State.
104. A Director may, and the Secretary on the requisition of a Director shall, at any time summon a meeting of the Directors.
105. The continuing Directors may act notwithstanding any vacancy in their number but, if and so long as their number is reduced below the number fixed by or pursuant to these Articles as the necessary quorum of Directors, the continuing Directors or Director may act to the purpose of increasing the number of Directors to that number of summoning a general meeting of the Company but for no other purpose.
106. The Directors may elect a Chairman of their meetings and determine the period for which he is to hold office. Any Director may be elected no matter by whom he was appointed but if no such Chairman is elected, or if at any meeting the Chairman is not present within five minutes after the time appointed for holding the same, the Directors present may choose one of their number to be Chairman of the meeting.

107. The Directors may delegate any of their powers to committees consisting of such member or members of the board as they think fit; any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Directors, and the provisions of Articles 103 and 104 hereof shall apply mutatis mutandis to the meetings of committees.
108. A committee may elect a Chairman of its meetings; if no such Chairman is elected, or if at any meeting the Chairman is not present within five minutes after the time appointed for holding the same the members present may choose one of their number to be Chairman of the meeting.
109. All acts done by any meeting of the Directors or of a committee of Directors or by any person acting as a Director shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such Director or person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be a Director.
110. Notwithstanding anything in these Articles or in the Act which might be construed as providing to the contrary, notice of every meeting of the Directors of the Company shall be given to all Directors including those for the time being or from time to time absent from Ireland but so that in the event of a Director having appointed an alternate, notice given to such alternate who is in Ireland shall be sufficient notice to such Director.
111. A resolution in writing signed by all the Directors shall be as effective as if it had been duly passed at a meeting of the Directors. Any such resolution may consist of several documents in the like form, each signed by one or more of the Directors. For the purpose of this Article the signature of an alternate director shall suffice in lieu of the signature of the Director whom he represents.

#### **MANAGING DIRECTOR**

112. The Directors may from time to time appoint one or more of themselves to the office of Managing Director for such period and on such terms as to remuneration and otherwise as they think fit, and, subject to the terms of any agreement entered into in any particular case, may revoke such appointment. A Director so appointed shall not, whilst holding that office, be subject to retirement by rotation or be taken into account in determining the rotation of retirement of Directors but (without prejudice to any claim he may have for damages for breach of any contract of service between him and the Company), his appointment shall be automatically determined if he ceases from any cause to be a Director.
113. A Managing Director shall receive such remuneration whether by way of salary, commission or participation in the profits, or partly in one way and partly in another, as the Directors may determine.
114. The Directors may entrust to and confer upon a Managing Director any of the powers exercisable by them upon such terms and conditions and with such restrictions as they may think fit, and either collaterally with or to the exclusion of their own powers, and may from time-to-time revoke, withdraw, alter or vary all or any of such powers.

#### **SECRETARY**

115. The Secretary shall be appointed by the Directors for such term, at such remuneration and upon such conditions as they may think fit; and any Secretary so appointed may be removed by them.

116. A provision of the Act or these Articles requiring or authorising a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as Director and as, or in place of the Secretary.

#### **THE SEAL**

117. (a) The seal shall be used only by the authority of the Directors or of a committee of Directors authorised by the Directors in that behalf, and every instrument of which the seal shall be affixed shall be signed by a Director (or alternate director) and shall be counter signed by the Secretary or by a second Director (or alternate director) or by some other person appointed by the Directors for that purpose.
- (b) Every certificate of title of shares, stocks, debenture stock or any other security of the Company (other than letters of allotment) shall be issued under the seal or under the official seal kept by the Company by virtue of section 3 of the Companies (Amendment) Act, 1977 and shall be signed autographically by at least two persons appointed by the Directors for the purpose so that the Directors may by resolution determine either generally or in any particular case where the signature of any such appointed person may be affixed by some mechanical means to be specified in such resolution or that such certificate shall bear no signatures provided that the method is used only for certificates which have first been approved for sealing by the Secretary, registrar, auditors or bankers of the Company in writing.

#### **DIVIDENDS AND RESERVE**

118. The Company in general meeting may declare dividends, but no dividends shall exceed the amount recommended by the Directors.
119. The Directors may from time to time pay to the members such interim dividends as appear to the Directors to be justified by the profits of the Company.
120. The Company may pay dividend, interest or other moneys payable in cash in respect of shares, by direct debit, bank transfer, cheque, dividend warrant or money order. In respect of shares in uncertificated form, where the Company is authorized to do so by or on behalf of the holder or joint holders in such manner as the Company shall from time to time consider sufficient, the Company may also pay any such dividend, interest or other moneys by means of the relevant system concerned (subject always to the facilities and requirements of that relevant system)
121. No dividend or interim dividend shall be paid otherwise than in accordance with the provisions of Part IV of the Companies (Amendment) Act, 1983 which apply to the Company.
122. The Directors may, before recommending any dividend, set aside out of the profits of the Company such sums as they think proper as a reserve or reserves which shall, at the discretion of the Directors, be applicable for any purpose to which the profits of the Company may be properly applied, and pending such application may at the like discretion either be employed in the business of the Company or be invested in such investments as the Directors may lawfully determine. The Directors may also, without placing the same to reserve, carry forward any profits which they may think it prudent not to divide.
123. Subject to the rights of person, if any, entitled to shares with special rights as to dividend, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but no amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this Article as paid on the share. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid



on the shares during any portion or portions of the period in respect of which the dividend is paid but if any share is issued on terms providing that it shall rank for dividend as from a particular date, such share shall rank for dividend accordingly.

124. The Directors may deduct from any dividend payable to any member all sums of money (if any) immediately payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.
125. Any general meeting declaring a dividend or bonus may direct payment of such dividend or bonus wholly or partly by the distribution of specific assets and in particular of paid up shares, debentures or debenture stocks of any other company or in any one or more of such ways, and the Directors shall give effect to such resolution, and where any difficulty arises in regard to such distribution, the Directors may settle the same as they think expedient, and in particular may issue fractional certificates and fix the value for distribution of such specific assets or any part thereof and may determine that cash payments shall be made to any members upon the footing of the value so fixed, in order to adjust the rights of all the parties, and may vest any such specific assets in trustees as may seem expedient to the Directors.
126. Any dividend, interest or other moneys payable in cash in respect of any shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder, or, where there are joint holders, to the registered address of that one of the joint holders who is first named on the register or to such person and to such address as the holder or joint holders may in writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent. Any one or two or more joint holders may give effectual receipts for any dividends, bonuses or other moneys payable in respect of the shares held by them as joint holders.
127. Every such payment made by direct debit or bank transfer shall be made to the holders or joint holders or to or through such other person as the holder or joint holders may in writing direct. In respect of shares in uncertificated form, every such payment made by means of the relevant system referred to in paragraph number 120 of this Article shall be made in such manner as may be consistent with the facilities and requirements of the relevant system concerned. Without prejudice to the generality of the foregoing, in respect of shares in uncertificated form, such payment may include the sending by the Company or by any person on its behalf of an instruction to the Operator of the relevant system to credit the cash memorandum account of the holder or joint holder.
128. The Company shall not be responsible for any loss of any such cheque, warrant or order and any payment made by direct debit, bank transfer or by means of a relevant system shall be at the sole risk of the holder or joint holders. Without prejudice to the generality of the foregoing, if any such cheque, warrant or order has or shall be alleged to have been lost, stolen or destroyed, the Directors may, on request of the person entitled thereto, issue a replacement cheque, warrant or order subject to compliance with such conditions as to evidence and indemnity and the payment of out of pocket expenses of the Company in connection with the request as the Directors see fit,
129. Payment of such cheque, warrant or order; the collection of funds from or transfer of funds by a bank in accordance with such direct debit or bank transfer or, in respect of shares in uncertificated form, the making of payment by means of the relevant system concerned, shall be a good discharge to the company
130. No dividend shall bear interest against the Company.

## **ACCOUNTS**

131. The Directors shall cause proper books of account to be kept relating to:

- (a) all sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure takes place; and
  - (b) all sales and purchases of goods by the Company; and
  - (c) the assets and liabilities of the Company.
132. Proper books shall not be deemed to be kept if there are not kept such books of account as are necessary to give a true and fair view of the state of the Company's affairs and to explain its transactions.
133. The books of account shall be kept at the office, or, at such other place in accordance with the Acts as the Directors think fit, and shall at all reasonable times be open to the inspection of the Directors.
134. The Directors shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounts and books of the Company or any of them shall be open to the inspection of members, not being Directors, and no member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by statute or authorised by the Directors or by the Company in general meeting.
135. The Directors shall from time to time, in accordance with the Acts cause to be prepared and to be laid before the Annual General Meeting of the Company such profit and loss accounts, balance sheets, group accounts and reports as are required by those sections to be prepared and laid before the Annual General Meeting of the Company.
136. A copy of every balance sheet (including every document required by law to be annexed thereto) which is to be laid before the Annual General Meeting of the Company together with a copy of the Director's report and auditor's report shall, not less than twenty-one days before the date of the Annual General Meetings be sent to every person entitled under the provisions of the Act to receive them.

## **CAPITALISATION OF PROFITS**

137. (a) The Company in general meeting may upon the recommendation of the Directors resolve that any sum for the time being standing to the credit of any of the Company's reserves (including any capital redemption reserve fund or share premium account) or to the credit of profit and loss account be capitalised and applied on behalf of the members who would have been entitled to receive the same if the same had been distributed by way of dividend and in the same proportions either in or towards paying up amounts for the time being unpaid on any shares held by them respectively or in paying up in full unissued shares or debentures of the Company of a nominal amount equal to the sum capitalised (such shares or debentures to be allotted and distributed credited as fully paid up to and amongst such holders in the proportions aforesaid) or partly in one way and partly in another, so, however, that the only purposes for which sums standing to the credit of the capital redemption reserve fund or the share premium account shall be applied shall be those permitted by the provisions of the Acts.
- (b) The Company in general meeting may on the recommendation of the Directors resolve that it is desirable to capitalise any part of the amount to the time being standing to the credit of any of the Company's reserve accounts or to the credit of the profit and loss account which is not available for distribution by applying such sum in paying up in full unissued shares to be allotted as fully paid bonus shares to those members of the Company who would have been

entitled to that sum if it were distributed by way of dividend (and in the same proportions), and the Directors shall give effect to such resolution.

138. Whenever a resolution shall have been passed pursuant to Article 137, the Directors shall make all appropriations and applications of the undivided profits resolved to be capitalised thereby and all allotments and issues of fully paid shares or debentures, if any, and generally shall do all acts and things required to give effect thereto with full power to the Directors to make such provision as they shall think fit for the case of shares or debentures becoming distributable fractions (and, in particular, without prejudice to the generality of the foregoing, to sell the shares or debentures represented by such fractions and distribute the net proceeds of such sale amongst the members otherwise entitled to such fractions in due proportions) and also to authorise any person to enter on behalf of all the members concerned into an agreement with the Company providing for the allotment to them respectively credited as fully paid up of any further shares or debentures to which they may become entitled on such capitalisation or, as the case may require, for the payment up by the application thereto of their respective proportions of the profits resolved to be capitalised of the amounts remaining unpaid on their existing shares and any agreement made under such authority shall be effective and binding on all such members.

#### **AUDIT**

139. Auditors shall be appointed and their duties regulated in accordance with the Acts.

#### **NOTICES**

- 140(a) Subject to the Act and except where otherwise expressly provided in these Articles, any notice, document or information to be given, sent, served or delivered by the Company pursuant to these Articles shall be in writing in paper copy or electronic form and may be given to, sent, served on or delivered to any member by the Company (i) by handing same to him or his authorised agent, (ii) by leaving the same at his registered address, (iii) by sending the same by the post or other delivery service in a pre-paid cover addressed to him at his registered address; or (iv) by sending the notice, the document (other than a share certificate) or the information in electronic form to such electronic address as may from time to time be authorised by the member or by making it available on a website PROVIDED THAT any shareholder may require the Company to send him a physical copy of the notice or document by requesting the Company to do so PROVIDED FURTHER HOWEVER that such request is made after the date of adoption of this Article and it may not take effect until 5 days after written notice of the request is received by the Company.
- (b) Where a notice, document or information is given, served or delivered pursuant to article 140(a)(i), the giving, service or delivery thereof shall be deemed to have been effected at the time the same was handed to the member or his authorised agent, or left at his registered address (as the case may be).
- (c) Where a notice, document or information is given, served or delivered pursuant to article 140(a)(ii), the giving, service or delivery thereof shall be deemed to have been effected at the expiration of 24 hours after the cover containing it in paper copy form was posted or given to delivery agents (as the case may be). In proving such giving, service or delivery, it shall be sufficient to prove that such cover was properly addressed, pre-paid and posted or given to delivery agents.

- (d) Where a notice, document or information is given, served or delivered pursuant to article 140(a)(iv), the giving, service or delivery thereof shall be deemed to have been effected if sent in electronic form to an electronic address, at the expiration of 24 hours after the time it was sent or if made available on a website, at the expiration of 24 hours after the time when it was first made available on the website, provided that if the Company receives a delivery failure notification following the sending of a notice, document or other information in electronic form to an electronic address in accordance with article 140(a)(iv) above, the Company shall give, serve or deliver the notice, document or information in paper copy to the member either personally or by post addressed to the member at his registered address or (as applicable) by leaving it at that address. This shall not affect when the notice, document or information was deemed to be received in accordance with this article.

- 141. A notice may be given by the Company to the joint holders of a share by giving the notice to the joint holder first named in the register in respect of the share.
- 142. A notice may be given by the Company to the persons entitled to a share in consequence of the death or bankruptcy of a member by sending it through the post in a prepaid letter addressed to them by name or by title or representatives of the deceased or Official Assignee in bankruptcy or by any like description at the address supplied for the purpose by the persons claiming to be so entitled, or (until such an address has been so supplied) by giving the notice in any manner in which the same might have been given if the death or bankruptcy had not occurred.
- 143. Notice of every general meeting shall be given in any manner hereinbefore authorised to:
  - (a) every member; and
  - (b) every person upon whom the ownership of a share devolves by reason of his being a personal representative or the Official Assignee in bankruptcy of a member, where the member but for his death or bankruptcy would be entitled to receive notice of the meeting; and
  - (c) the auditor for the time being of the Company.

No other person shall be entitled to receive notices of general meetings.

## **WINDING UP**

- 144. If the Company is wound up, the liquidator may, with the sanction of a Special Resolution of the Company and any other sanction required by the Act, divide among the members in specie or kind the whole or any part of the assets of the Company (whether they shall consist of property of the same kind or not) and may, for such purpose, set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories as the liquidator, with the like sanction, shall think fit, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

## **INDEMNITY**

- 145. Subject to the provisions of and so far as may be admitted by the Acts, every Director, Managing Director, agent, auditor, Secretary and other officer for the time being of the Company Shall be indemnified out of the assets of the Company against any liability incurred

by him in defending any proceedings, whether civil or criminal, in relation to his acts while acting in such office, in which judgment is given in his favour or in which he is acquitted. The Directors shall have the power to purchase and maintain for any Director or officer of the Company insurance against any liability as referred to in Section 200 of the Act.

#### **SURROGATE EXECUTIVE FUNCTIONS OFFICER**

146. The Directors may from time to time appoint one or more persons as Surrogate Executive Functions Officers to perform and carry out such duties and tasks as may be assigned to them, from time to time, by the Directors but notwithstanding the generality of the foregoing a Surrogate Executive Function Officer shall not conclude any agreement or contract or pledge the credit or assets of the Company save with the prior permission and approval of the Directors and the Directors shall have power to agree the remuneration of and to pay the costs and expenses of any such Surrogate Executive Functions Officer.
147. The Company shall be entitled to sell at the best price reasonably obtainable any share or stock of a member or any share or stock to which a person is entitled by transmission if and provided that:
- (a) for a period of twelve years (not less than three dividends having declared and paid) no cheque or warrant sent by the Company through the post in a prepaid letter addressed to the member or to the person entitled by transmission to the share or stock at his address on the register or other the last known address given by the member or the person entitled by transmission to which cheques and warrants are to be sent has been cashed and no communication has been received by the Company from the member or the person entitled by transmission; and
  - (b) at the expiration of the said period of twelve years the Company has given notice by advertisement in a leading Dublin newspaper and a newspaper circulating in the area in which the address referred to in paragraph (a) of this article is located of its intention to sell such share or stock;
  - (c) the Company has not during the further period of three months after the date of the advertisement and prior to the exercise of the power of sale received any communication from the member or person entitled by transmission, and
  - (d) If any shares in the Company are listed or dealt in on the Irish Stock Exchange, the Company has first given notice in writing to the Irish Stock Exchange of its intention to sell such shares and stock.

To give effect to any such sale the Company may appoint any person to execute as transferor an instrument of transfer of such share or stock and such instrument of transfer shall be as effective as if it had been executed by the registered holder of or person entitled by transmission to such share or stock. The Company shall account to the member or other person entitled to such share or stock for the net proceeds of such sale by carrying all monies in respect thereof to a separate account which shall be a permanent debt of the Company and the Company shall be deemed to be a debtor and not a trustee in respect thereof for such member or other person. Monies carried to such separate account may either be employed in the business of the Company or invested in such investments (other than shares of the Company or its holding company if any) as the Directors may from time-to-time think fit.

#### **DESTRUCTION OF DOCUMENTS**

148. The Company may destroy:

- (i) any share certificate which has been cancelled, at any time after the expiry of one year from the date of such cancellation;
- (ii) any dividend mandate or any variation or cancellation thereof or any notification of change of name or address, at any time after the expiry of two years from the date such mandate variation, cancellation or notification was recorded by the Company;
- (iii) any instrument of transfer of shares which has been registered, at any time after the expiry of six years from the date of registration; and
- (iv) any other document on the basis of which any entry in the register was made, at any time after the expiry of six years from the date an entry in the register was first made in respect of it;

and it shall be presumed conclusively in favour of the Company that every share certificate so destroyed was a valid certificate duly and properly sealed and that every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered and that every other document destroyed hereunder was a valid and effective document in accordance with the recorded particulars thereof in the books or records of the Company provided always that:

- (a) the foregoing provisions of this article shall apply only to the destruction of a document in good faith and without express notice to the Company that the preservation of such document was relevant to a claim;
- (b) nothing contained in this article shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as aforesaid or in any case where the conditions of proviso (a) above are not fulfilled; and
- (c) references in this article to the destruction of any document include references to its disposal in any manner.

We the persons whose names, addresses and descriptions are subscribed, wish to be formed into a Company in pursuance of this Memorandum of Association, and we agree to take the number of shares in the capital of the Company set opposite our respective names.

Name(s), Address(es) and Description of Subscriber(s)	Number of Shares taken by each subscriber
Stembridge Limited 22 Northumberland Road Ballsbridge Dublin 4- Corporate Body	ONE ORDINARY SHARE
Porema Limited 22 Northumberland Road Ballsbridge Dublin 4- Corporate Body	ONE ORDINARY SHARE
Joanne Browne 85 Fairyhill Bray Co Wicklow -Production Assistant	ONE ORDINARY SHARE
Sue Jesper 29 Connolly Square	ONE ORDINARY SHARE

Bray  
Co Wicklow - Company Secretarial Supervisor

Aleksandra Rabenda  
Apartment No 9  
Richmond House  
Richmond Hill  
Monkstown  
Co Dublin - Production Assistant

ONE ORDINARY SHARE

Stephanie Corcoran  
9 The Glen  
Blessington Abbey  
Blessington  
Co Wicklow - Credit Controller

ONE ORDINARY SHARE

Sean Kavanagh  
5 Cairn Manor  
Ratoath  
Co Meath - Managing Director

ONE ORDINARY SHARE

---

TOTAL NUMBER OF SHARES TAKEN UP  
SHARES

SEVEN ORDINARY

---

Dated this 14<sup>th</sup> Day of June 2011

Witness to the above signature(s)

Aneta Capiga, 22 Northumberland Road, Ballsbridge, Dublin 4









## ANNEX 2

# COMPETENT PERSONS' REPORT ON PROSPECTING LICENCES HELD IN THE REPUBLIC OF IRELAND

*Prepared for*

**IMC Exploration Group plc**



[www.igsint.com](http://www.igsint.com)



**Professor Garth Earls EurGeol PGeo, FSEG  
June 2023**

## BASIS OF REPORT

This document has been prepared by **International Geoscience Services Ltd (IGS)** with reasonable skill, care and diligence, and taking account of the manpower, timescales and resources devoted to it by agreement with **IMC Exploration Group plc (IMC, the Client)** as part or all of the services it has been appointed by the Client to carry out. It is subject to the terms and conditions of that appointment.

IGS shall not be liable for the use of or reliance on any information, advice, recommendations and opinions in this document for any purpose by any person other than the Client. Reliance may be granted to a third party only in the event that IGS and the third party have executed a reliance agreement or collateral warranty.

Information reported herein may be based on the interpretation of public domain data collected by IGS, and/or information supplied by the Client and/or its other advisors and associates. These data have been accepted in good faith as being accurate and valid.

The copyright and intellectual property in all drawings, reports, specifications, bills of quantities, calculations and other information set out in this report remain vested in IGS unless the terms of appointment state otherwise.

This document may contain information of a specialized and/or highly technical nature and the Client is advised to seek clarification on any elements which may be unclear to it.

Information, advice, recommendations, and opinions in this document should only be relied upon in the context of the whole document and any documents referenced explicitly herein and should then only be used within the context of the appointment.

The Directors

**IMC Exploration Group plc,**  
70 Ballybough Road  
Ballybough  
Dublin 3  
Ireland

**Competent Persons' Report on Prospecting Licences held by IMC Exploration Limited (a wholly owned subsidiary of IMC Exploration Group plc) in the Republic of Ireland**

**SCOPE AND PURPOSE OF THE REPORT**

International Geoscience Services Ltd ('IGS') of Cabourn House, Station Street, Bingham, Nottingham, United Kingdom, NG13 8AQ has been commissioned by IMC Exploration Group plc ('IMC') to complete a Competent Person's Report (the 'June 2023 CPR') on IMC's exploration properties in the Republic of Ireland.

The June 2023 CPR has been prepared on behalf of IGS by qualified person Professor Garth Earls, PGeo EurGeol FSEG.

Professor Earls is the Executive Chairman of IGS and has over 40 years of professional experience in mineral exploration and mining in Ireland and internationally. He was part of the team that discovered the 6 million ounce Curraghinalt gold deposit in Northern Ireland and has worked extensively on gold and base metal deposits and mineralization in Ireland and the UK. He is a former Director of the Geological Survey of Northern Ireland and a past chairman of the Geosciences Committee of the Royal Irish Academy. He delivers the Economic Geology course in University College Cork, Ireland.

Professor Earls' relevant experience includes:

- Mineral exploration and mining, Ireland and UK, Europe, Africa, South America, North America, Central and Eastern Asia.
- Gold and base metals appraisal and assessment.
- Competent Person work on a range of gold and base metal projects.
- Directorships and governance roles in a variety of public and private companies and organizations.

Pursuant to its engagement, IGS has relied upon and assumed the accuracy and fair representation of all third-party geological notes, reports and information supplied by IMC, many of which come from publicly available sources. Subject to the exercise of professional judgement and as expressly described herein, Garth Earls has independently verified all geological work undertaken by IMC since 2016 through site visits, core logging, analytical studies and discussions with IMC.

**INDEPENDENCE OF IGS**

Other than for the purposes of completing the June 2023 CPR, neither IGS nor any IGS staff involved in its preparation has any commercial interest in IMC. Neither IGS nor any IGS staff will receive any interest in IMC or its associated companies as a result of undertaking the June 2023 CPR. IGS will be paid normal professional rates for preparing the June 2023 CPR for IMC as laid down in the 30th May 2023 IGS Assignment Quotation. Fees paid to IGS will not be influenced by the content of the June 2023 CPR.

Yours faithfully

**IGS (International Geoscience Services) Limited**



**Peter K. Zawada**  
Managing Director

## Executive Summary

IMC Exploration Limited (IMC) holds six prospecting licences (PLs) in southeast Ireland, issued by the Geoscience Regulation Office (GSRO) of the Department of Environment, Climate and Communications (DECC) of the Government of Ireland. Each of the PLs is licensed for base metal and gold exploration.

IMC has developed a strategic licence holding in the southeast of Ireland based on corporate understanding of precious and base metal occurrences. The Company develops exploration strategies based on reviews of historical data complemented by follow-up exploration and drilling programmes to define, test and upgrade geological targets. IMC views its licences to be amongst the most prospective exploration licences currently available in Ireland and is working with research institutes to expand its geological knowledge, especially in relation to mineralization. This approach has and will continue to provide quality targets for drill testing and discovery. This Competent Person's Report (CPR) reviews and outlines the conclusions and criteria used by IMC in the selection of prospecting licences and associated work programmes.

### Gold

IMC holds six prospecting licences (with 100% interest in each) in the southeast of Ireland that are highly prospective for gold (and base metal) mineralization.

Three of these licences (PLs 3849, 3850 and 3857) are within, or cover the strike extent of, the Avoca volcanogenic massive sulphide (VMS) mineralized belt in Co. Wicklow, an area having highly anomalous gold (Au) values in bedrock, soils and stream sediments. Historic extraction of alluvial gold was undertaken in this area and gold occurrences have been found in exploratory trenches with grades of up to 42.5g/t Au. It is therefore considered that the Avoca area has excellent exploration potential.

IMC has established an Inferred Resource of c. 20,000 ounces of gold on part of the spoils and tailings from the historic East Avoca Mine (CSA Global, 2019) within the eastern zone. Further potential remains within the spoils and tailings at West Avoca, where work is currently underway to estimate the mineral resources.



*Pit sampling of the East Avoca spoil materials, undertaken in 2019 by IMC  
(Scale shows 4m depth of sampling)*

The remaining three licences are located in north Co. Wexford. Two of these are prospective for gold and VMS mineralization (PLs 1199 and 1200) and an adjacent licence (PL 2251) is prospective for orogenic gold mineralization. Analyses of quartz veins in PL 2251 have returned grades of 0.6m grading 18.24g/t Au (Irish Marine Oil, 1999), 0.7m grading 35.04g/t Au (Deevy, 2002) and 1.5m grading 354g/t Au (IMC, 2012).

### Base Metals

IMC's Avoca licences in southeast Ireland are prospective for volcanogenic massive sulphide (VMS) mineralization.

Mining at Avoca dates from at least the 1700s, with the most recent production in the years 1958 to 1962 and 1969 to 1982, respectively. Within the mine area, mineralization is known to extend over a surface area of approximately 4km x 500m and to a depth of over 500m. In the latter period of mining, massive sulphide was mined at a grade of 1.0% Cu to 1.2% Cu and stringer sulphide at 0.8% Cu to 1.0% Cu.

Historical production from the Avoca Mine is estimated to have totalled 16Mt grading c. 0.6% Cu from banded, vein and disseminated sulphides hosted by the upper Ordovician Duncannon Group. The total in situ copper resource at Avoca is reported to have exceeded 100Mt at 0.2% Cu (Sheppard, 2007)<sup>1</sup>.

A stockwork, feeder or stringer pipe crosscutting acid volcanic and volcanoclastic rocks is capped by a zoned volcanogenic massive sulphide orebody. The massive sulphide comprises an underlying Cu-pyrite zone and an overlying Pb-Zn-Cu zone. Two licences in the Kilmichael Block are also prospective for VMS deposits.

In conclusion, given the exploration friendly policies promoted by the Irish Government, the country's infrastructure, the previous success of other operators in Ireland together with the materials, criteria and rationale used by IMC for the selection of these prospecting licences, it is considered that these licences have sound and proper potential for the discovery of economic precious and base metal deposits.

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<sup>1</sup> Sheppard, W.A. (2007). The Avoca Mine, a Volcanic Hosted Massive Sulphide Deposit in the Southwest of the European Caledonides. SGA Field Guide. LiaMin Rpt 171.07. <http://citeseerx.ist.psu.edu/viewdoc/summary?doi=10.1.1.580.8305>

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## APPENDICES

Appendix 1: Summary Table of IMC Assets

Appendix 2: CSA Global: Summary of Resources by Status (2019)

Appendix 3: Glossary of Abbreviations and Terminology

Appendix 4: Photographic record of sampling at historic Avoca Mine (East and West)

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## 1.0 Introduction and Scope

This report revises and updates with newly acquired data after the April 2021 CPR (which was prepared by SLR Consulting Ireland for IMC Exploration Limited (IMC)) and includes work completed by IMC until the end of February 2023. Professor Garth Earls has been an author of all SLR CPR reports for IMC since 2016 and has the approval of SLR to update the April 2021 report. IGS has undertaken the task of providing the June 2023 CPR (and previously the June 2022 CPR) to IMC as SLR is now conflicted and not able to provide consultancy services to companies with licences in Ireland. Professor Garth Earls has been involved with all aspects of IMC exploration work and has independently verified all geological work undertaken by IMC since 2016 through site visits, core logging, analytical studies and discussions with IMC.

Ireland is a stable Republic where the government encourages mineral exploration through security of tenure, simple regulatory framework, low regulatory overheads and the provision of free historical exploration data through an online 'Open File' system, administered by the Geoscience Regulatory Office (GSRO) of the Department of Environment, Climate and Communications (DECC). This is recognized by the annual independent survey by Canada's Fraser Institute, where Ireland ranked first globally in the Policy Perception category and consistently ranks in the top international jurisdictions for mining investment and for exploration policy<sup>1</sup>. Ireland has a long mining tradition that continues to the present day, with a diverse geology and excellent mineral potential, together with a highly developed infrastructure.

Since 2016, IMC had acquired two (2) and surrendered eleven (11) prospecting licences and had focused attention on the **Avoca Block** (see Section 5.2), where it believes that there is potential for a reprocessing operation on the spoil heaps of the historic Avoca copper mine. Furthermore, exploration drilling on the Avoca Block, **Goldmines River Licence** and on the **Kilmichael Block** to the southeast has provided new geological information to update the company's knowledge of the mineralization occurring in the licences. This work has been guided through an ongoing collaboration between IMC and the School of Natural Sciences (Geology) of Trinity College Dublin, Ireland.

IMC holds six Prospecting Licences (PLs), issued by GRSO and all are licensed for base metal, barytes, silver and gold exploration. IMC has been undertaking an exploration programme that includes historical data compilation and review, geochemical soil sampling, geophysical data capture/reprocessing and drilling based on interpretation of the aforementioned datasets.

IMC had entered into a joint venture (JV) with Koza Ltd on certain licences permitted for gold exploration. This joint venture was set aside on 30th March 2017.

In January 2018, IMC commenced working with Trove Metal Ltd<sup>2</sup> to establish an environmental clean-up operation to remove metals from the existing mine waste at the Avoca Project site.

Ireland is host to one of the great base metal ore fields of the world. Since 1960, 16 significant zinc-lead (Zn-Pb) deposits of greater than 1 million tonnes (>1 Mt) have been discovered in the Carboniferous carbonate succession of the Irish Midlands. Large tracts of Ireland are also underlain by metasediments and metavolcanics of Proterozoic and Lower Palaeozoic age which contain significant volcanogenic massive sulphide (VMS) mineralization, (e.g. Avoca, 16Mt grading 0.6% Cu; Williams et. al., 1986) and orogenic gold quartz veins (e.g. Curraghinalt, Cavanacaw and Clontibret).

The suitability of Ireland for mineral exploration and development is proven by the development of five world class deposits and the discovery of numerous other smaller base metal deposits since the early 1960s.

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<sup>1</sup> <https://www.fraserinstitute.org/studies/annual-survey-of-mining-companies-2021>

<sup>2</sup> <http://www.trovetmetal.com/>

Data verification of the work carried out since the 2016 CPR has taken place as follows:

- Field visits to validate exploration drill hole locations and sampling sites;
- Geological logging of all IMC exploration drill holes drilled since 2016;
- Drill core sample mark up and supervision of core splitting;
- Validation of chain of custody for samples from core store to laboratory;
- Reconciliation of analytical data received with intervals sampled;
- Insertion of blanks, duplicates and standards into sample sequences;
- Selected reanalysis of samples and comparison with initial data;
- Relogging of historical drill core from newly acquired IMC licences;
- Open File validation of IMC geological interpretation;
- Validation of IMC's drill hole permitting process;
- Review of IMC government reports;
- Confirmation that all IMC's licences are in good standing with the Geoscience Regulation Office of Department of Environment, Climate and Communications (DECC) of the Government of Ireland.

Having examined and validated the above items and procedures, IGS is satisfied that IMC undertakes its exploration programmes to a high logistical and technical standard, with due consideration of environmental and social responsibility, in full consultation with Department of the Environment, Climate and Communications in Ireland (DECC).

The following sections include logistical and technical discussions with, and information provided by, IMC officers of the exploration programme carried out over the term of IMC's licences from 2016 to the end of February 2023.

## 2.0 Geography and Infrastructure

Ireland is, in logistical terms, a relatively easy jurisdiction in which to conduct exploration, given its temperate climate, accessible terrain and infrastructure.

### 2.1 Physical Features

The Republic of Ireland is located in Western Europe, occupying five-sixths of the island of Ireland in the North Atlantic Ocean, west of Great Britain. The total area is 70,273km<sup>2</sup>, comprising 68,883km<sup>2</sup> land and 1,390km<sup>2</sup> water. Elevation ranges from Atlantic sea level to the summit of Carrauntoohil (1,041m) in County Kerry in the southwest of the country.

The Irish Base Metal Province is characterized by a terrain that is a level to rolling interior plain. This land is mostly in use for agriculture. The central plain is surrounded by rugged hills and low mountains in which the Irish Gold Province is located. All areas are easily accessed by a well-developed network of regional and local roads.



*Typical rolling landscape in Ireland, comprising till covered limestone plains and Lower Palaeozoic hills  
View westwards to Lough Derg, Co. Tipperary and Slieve Aughty in Co. Clare*

## 2.2 Climate

Ireland's climate is classified as temperate maritime, due to modifications by the North Atlantic Gulf Stream with mild winters and cool summers. The mean annual temperature is around 10°C. The temperature drops below freezing only intermittently during winter, and snow is scarce. The coldest months are January and February, when daily temperatures range from 4° to 8°C, with 7°C the average. In summer, temperatures during the day are a comfortable 15° to 20°C. During the warmest months, July and August, the average is 16°C. There are about 18 hours of daylight daily during June and July. Ireland receives significant precipitation, some areas having as many as 270 days of rain during the year. The southeast is the driest, enjoying a more continental climate.

## 2.3 Transportation

Ireland is situated in a strategic location on major air and sea routes between North America and northern Europe. The island is easily accessible internationally on a daily basis.

Ireland has 40 airports, 16 having paved runways and 24 unpaved, the majority of the latter being less than 900m long. All of IMC's gold licences areas in the east are easily accessible through Dublin airport.

Transportation is facilitated by:

- An excellent road network with over 96,000km of paved roadways. Individual licence areas have good road access;
- Three principal ports, from where ore and infrastructure can be shipped, include Cork in the south, Dublin in the east and Shannon Foynes in the west;
- Over 3000km of railways, the majority of which are broad gauge.

## 2.4 Communications

Ireland's telecommunications network<sup>3</sup> is a modern digital system connected by an extensive national fibre optic network with multiple high-capacity fibre optic links to the UK, Continental Europe, North America and with dedicated capacity on routes to Asia and other parts of the globe. There is an open and competitive regulated telecommunications market, while the fixed-line market is still dominated by the incumbent operator (Eir).

Several companies operate national fibre optic networks including Eir, BT Ireland, ESB Group and Virgin Media Ireland. Eir's fibre network is the most extensive covering most parts of the country with 12,000km of fibre routes (>40,000 km of fibres) Eir's Next Generation Network upgrade rolled out Dense Wavelength Division Multiplexing (DWDM) which is capable of delivering up to 320 Gbit/s along a single fibre route. This upgrade also sees Eir's core infrastructure moving to an all-IP network. It has major aggregation nodes at 140 locations around Ireland and onward fibre connections to another 470 central office sites.

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<sup>3</sup> [https://en.wikipedia.org/wiki/Telecommunications\\_in\\_the\\_Republic\\_of\\_Ireland](https://en.wikipedia.org/wiki/Telecommunications_in_the_Republic_of_Ireland)

## 3.0 Exploration and Development Licensing Regulations

Exploration and mining legislation in Ireland is clear, and the Mining Development Act enacted in 2017 has consolidated previous legislation and regulatory conditions to provide further clarity.

### 3.1 Prospecting Licences

Prospecting Licences (PLs) are issued for a period of six years for specified minerals with a required minimum expenditure. A minimum work programme is required, the details of which are agreed by the Geoscience Regulation Office (GSRO), part of the Department of Environment, Climate and Communications (DECC), with the licensee. Work reports are required every two years and are held confidentially for six years or until surrender of the licence (if earlier). Third party insurance is required for the period of the licence, but need not be licence specific in that the same insurance policy may cover all ground held by the licensee.

### 3.2 Fees

Fees are payable as part of the permitting process:

- there is an application fee of €190 for each PL area; and
- For each six-year licence, a Consideration Fee (holding charge) is payable in installments of between €375 and €1,500 (depending on the status of the ground – incentive or non-incentive).

### 3.3 Permitting of Minerals Development

Minerals can be in State ownership or privately owned. Regardless of ownership, minerals development requires a State Mining Facility from the Minister. As a matter of policy, the Minister will only accept an application for a State Mining Licence or Permission from the holder of a valid PL over the area in question.

### 3.4 Environmental and Social Issues

The Irish system has evolved over many years following a typical progression from concern mainly with economic development to a greater consideration of the need for environmental and social protection. It is emphasized in the Minerals Development Regulations, as set out by the Minister for Environment, Climate and Communications, that environmental and increasingly social issues are a priority during exploration and extraction of minerals.

All development of minerals governed by the Minerals Development Acts is subject to environmental impact assessment through the planning process. Therefore, any Planning Applications for such developments must be accompanied by an Environmental Impact Statement.

In addition, all mining developments require an 'Integrated Pollution Prevention and Control Licence' which is obtained from the Environmental Protection Agency.

Increasingly, under the Minerals Development Acts, there is a requirement for appropriate stakeholder engagement in advance of exploration or mine development, in accordance with the principles of the international Aarhus Convention, of which Ireland is a signatory.

## 4.0 Mineral Potential in Ireland

The Republic of Ireland has a notably diverse geology that is prospective for a range of mineral deposits (see Figure 4.1 overleaf). Technical references and abbreviations used in the following sections are presented in full in Appendix 3.

Large tracts of Ireland are underlain by metasediments and metavolcanics of Proterozoic and Lower Palaeozoic age. These lithologies contain significant volcanogenic massive sulphide (VMS) mineralization (e.g. *Avoca*, 16Mt grading 0.6% Cu) and auriferous orogenic quartz vein deposits (e.g. *Cavanacaw*, *Curraghinalt* and *Clontibret*).

The latter style of mineralization has been the focus of extensive exploration efforts across the island of Ireland and in 1999, an opencast gold mine was established at Cavanacaw in Co. Tyrone. The 2014 JORC-compliant resource at Cavanacaw is 32,202 ounces grading 7.24g/t Au (Measured), 147,784 ounces grading 6.78g/t Au (Indicated) and 341,123 grading 7.71g/t Au (Inferred)<sup>4</sup>. Cavanacaw is currently operating as an underground mine.

To the northeast of Cavanacaw, the Curraghinalt deposit in Co. Tyrone has NI 43-101-compliant Measured and Indicated Resource of 3,061,000 ounces grading 15.01g/t Au and an Inferred Resource of 3,038,000 ounces grading 12.24g/t Au<sup>5</sup>.

In the Ordovician-Silurian Longford-Down terrane the *Clontibret* deposit in Co. Monaghan has a JORC-compliant Indicated Resource of 320,000 ounces and an Inferred Resource of 197,000 ounces (total 517,000 ounces) at an overall grade of 2.0g/t Au<sup>6</sup>.

The Lower Carboniferous carbonate rocks of the Irish Midlands are host to one of the great ore fields of the world, the 'Irish Base Metal Province' (see Figure 4.1). Since 1960, sixteen significant (recorded tonnage<sup>7</sup> >1Mt) Zn-Pb deposits have been discovered, including the world-class ore body at *Navan* (>112Mt grading 9.8% Zn+Pb; Ashton et al., 2016).

Ireland is ranked first in the world in terms of zinc discovered per square kilometre, and second in the world with respect to lead. The high grade, shallow occurrence and clean metallurgy of the ore bodies result in a relatively low cost of mining for the Irish-type Zn-Pb deposits.

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<sup>4</sup> [www.galantas.com](http://www.galantas.com)

<sup>5</sup> [www.dalradian.com](http://www.dalradian.com)

<sup>6</sup> [www.conroygoldandnaturalresources.com](http://www.conroygoldandnaturalresources.com)

<sup>7</sup> Compliance with mineral reporting codes not stated



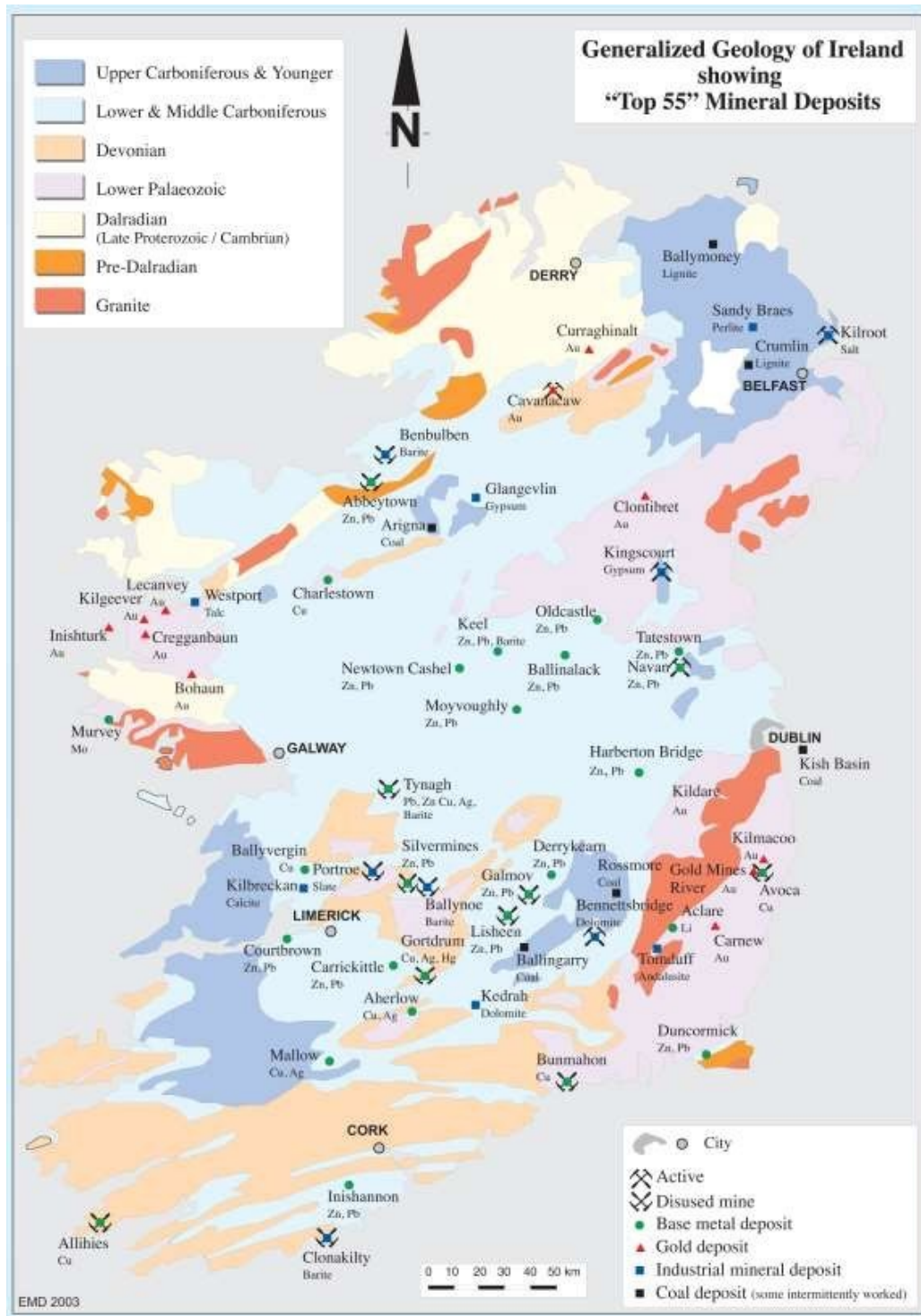


Figure 4.1: Geology of Ireland showing Mineral Deposits (Geoscience Regulation Office, DECC, Ireland)

## 4.1 Geology of Irish Gold Mineralization

In 1795, the discovery of gold nuggets near Woodenbridge in Co. Wicklow precipitated Ireland's only indigenous gold rush. The Geoscience Regulation Office (GSRO) of the DECC records that some 9,600 ounces of gold were recovered from the gravels of what became known as the Gold Mines River. The most prolific location was below Ballinagore Bridge at the 'Red Hole'. Gold was recovered here from an ancient river channel exposed beneath a capping of glacially derived material. Prospectors failed to find a convincing bedrock source.

Exploration companies have found many gold occurrences throughout Ireland since the mid-1980s. Up to 300 gold occurrences are documented by the Geological Survey of Ireland (GSI) 'Minlocs' database<sup>8</sup>.

Gold has been known in Ireland since the Neolithic period and occurs mainly in the coastal regions, within pre-Devonian basement rocks.

### 4.1.1 Southeast Ireland

In the Lower Palaeozoic rocks of southeast Ireland, gold is associated both with VMS mineralization in Co. Wicklow and with metasedimentary and metavolcanic sequences in Co. Wexford. IMC's exploration strategy is focusing on the gold potential of this region.

Mining records at the historic *Avoca* deposit go back to the mid 18<sup>th</sup> Century and the area remains highly prospective for VMS and associated gold mineralization. Some 16Mt have been mined from banded, vein and disseminated sulphides hosted by the upper Ordovician Duncannon Group. A mineralogical assessment of sulphides at the *Avoca* deposit indicates that Au contents in primary epigenetic stockwork (Cu-resource) and syngenetic exhalative sulphides (Zn-Pb- resource) are low overall. However, drilling in Ordovician metasediments at *Kilmacoo*, adjacent to *Avoca*, has confirmed significant bedrock gold mineralization. Although no compliant resource has been published, up to 0.5Mt grading 1.5 to 2g/t Au over a strike length of 125m has been suggested by geologists (Milner and McArdle, 1992).

IMC with Trinity College Dublin, Ireland (TCD), entered into a study to characterize the form and distribution of gold elucidating the siting of precious metals in the *Avoca* deposit and *Kilmacoo* Au occurrence to assess the extent of syn-tectonic enrichment during the Caledonian Orogeny. The project applied a *state-of-the-art* micro-analytical approach to a historically significant yet under-explored deposit. The application of this expertise to the study of metal zonation and sulphide paragenesis within the *Avoca* orebodies and *Kilmacoo* Au occurrence has refined the mineral deposit model for gold mineralization across the *Avoca* District. The project also contributes important mineral chemical data on sulphide phases hosting Au, greatly benefiting exploration and support of any future metallurgical work on the orebodies at *Avoca* and *Kilmacoo*, as well as possible remediation of historical tailings and spoils (McClenaghan, 2019).

The Goldmines River area has historically produced ~300kg of gold and shows elevated and clustered historic geochemical results in Au, As, Mg, V, Sc, Th, U, Y, Mo, Be, Sn, Sb, Cu, Mn (in soils, streams, rock and trenching). The area has proximity to a plausible hydrothermal or heat driver in the Croaghan granite and also shows structural conduits along the Duncannon Group lithological contacts, as well as a favourable potential geochemical sink for gold deposition in high-Fe (doleritic / basaltic) greenstone lithologies (Healy, 2017).

In 2012 at the Boley prospect, IMC intercepted a near surface quartz-gold vein that graded 354g/t Au over a 1.5m interval.

<sup>8</sup> <http://www.gsi.ie/Programmes/Minerals/Databases/Minerals+Inventory+MinLocs+Database.htm>

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#### 4.1.2 West of Ireland

In the Lower Palaeozoic rocks of the west of Ireland, in Co. Mayo, gold is found both in quartz veins at *Lecanvey* and in a major shear zone at *Cregganbaun*. The east-west trending Cregganbaun Shear Zone (CSZ) in south Co. Mayo crosses tuffs and metasediments of Ordovician age. Following the discovery of gold in bedrock in 1988, gold has been found at many localities along the 33km length of the CSZ. Drilling at Cregganbaun East Zone of the CSZ has outlined a non-compliant resource of 530,000t at 6g/t Au to a depth of 80 metres<sup>9</sup>. At Lecanvey a non-compliant resource of 498,000t<sup>10</sup> grading 9.94g/t Au has been outlined.

At *Bohaun*, northwest of Galway, visible gold with values ranging from 40 - 190g/t Au over widths of up to one metre have been found in a silicified breccia in Silurian metasediments. In the same area, an intersection of 0.17oz/t Au over 4.6m (15 feet) was drilled in massive pyrrhotite amphibolite pods in a Dalradian volcano-sedimentary sequence (Ovoca Gold, 1987, *Gold in Ireland*, EMD publication 2004<sup>11</sup>).

#### 4.1.3 County Monaghan

At *Clontibret* in Co. Monaghan, gold is found associated with arsenopyrite-stibnite veining in Lower Palaeozoic greywackes adjacent to the Orlock Bridge Fault. The most recent JORC-compliant resource (2017) is an Indicated and Inferred total 517,000 ounces grading 2.00 g/t Au (Conroy Gold and Natural Resources). Significant gold mineralization occurring in a sequence of argillites and arenites with quartz stockwork has been discovered in a drilling programme northeast of Clontibret at *Clay Lake*, Co. Armagh, with 98.6m grading 0.57 g/t Au (including 11.5m grading 1.44g/t Au) reported (Conroy Gold and Natural Resources).

#### 4.1.4 County Kildare

In Co. Kildare southwest of Dublin, the 1993 discovery of visible gold in quartz float has stimulated interest in this new target area of Lower Palaeozoic greywackes. Drilling intersected a number of auriferous shear zones, the best being 1.3m grading 3.33 g/t Au at 52m depth (Colthurst, 1999).

#### 4.1.5 Northern Ireland

Exploration has proved the presence of bedrock gold in two adjoining geological terranes (Dalradian metasediments and Ordovician volcanics). Exploration has largely been focused on vein-hosted quartz veins and shear zone targets in the Dalradian (Pre-Cambrian) metasediments with subordinate attention given to the island arc Ordovician volcanics to the southeast. The discovery of gold deposits at *Curraghinalt* in Co. Tyrone in 1983 and *Cavanacaw* in 1987 resulted in an upsurge of gold exploration. Significant gold values also occur in the Ordovician volcanic rocks of Co. Tyrone (3.63m grading 30.51g/t Au; Clifford et al., 2002).

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<sup>9</sup> *Gold in Ireland*, EMD, 2004, <http://www.mineralsireland.ie/Publications.htm>

<sup>10</sup> Aherne et al., 1992

<sup>11</sup> <http://www.mineralsireland.ie/Publications.htm>

The most recent (2014) JORC-compliant resource at Cavanacaw is 32,202 ounces grading 7.24g/t Au (Measured), 147,784 ounces grading 6.78g/t Au (Indicated) and 341,123 grading 7.71g/t Au (Inferred)<sup>12</sup>.

Curraghinalt has a NI 43-101 compliant Measured and Indicated Resource of 3,061,000 ounces grading 15.01g/t Au and an Inferred Resource of 3,038,000 ounces grading 12.24g/t Au<sup>13</sup>.

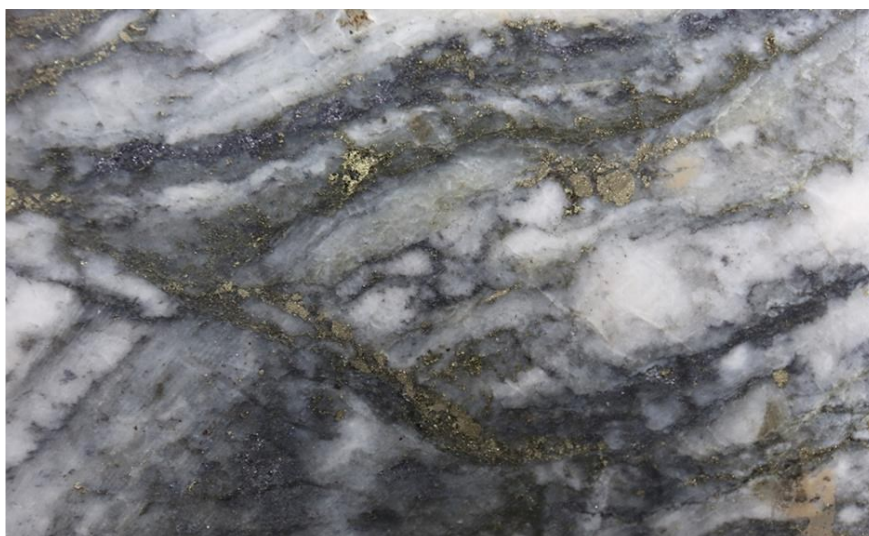
## 4.2 Geology of Irish Base Metal Mineralization

Within the Irish Midlands, the Lower Carboniferous carbonate rocks occur in a number of sub-basins where mineralization exhibits well-constrained stratigraphic and structural controls. Significant potential exists for both base metal and precious metal mineralization in the pre-Devonian basement rocks, including the Avoca belt in Co. Wicklow (Figure 4.).

Mining at Avoca dates from at least the 1700s, with the most recent production in the years 1958 to 1962 and 1969 to 1982, respectively. Within the mine area, mineralization is known to extend over a surface area of approximately 4km x 500m and to a depth of over 500m. In the latter period of mining, massive sulphide was mined at a grade of 1.0% Cu to 1.2% Cu and stringer sulphide at 0.8% Cu to 1.0% Cu.

Historical production from the Avoca Mine is estimated to have totalled 16Mt grading c. 0.6% Cu from banded, vein and disseminated sulphides hosted by the upper Ordovician Duncannon Group. The total *in situ* copper resource at Avoca is reported to have exceeded 100Mt at 0.2% Cu (Sheppard, 2007)<sup>2</sup>.

**Figure 4.2 Copper mineralisation in drill core, Avoca, Co. Wicklow**



Scale: width of view 4cm

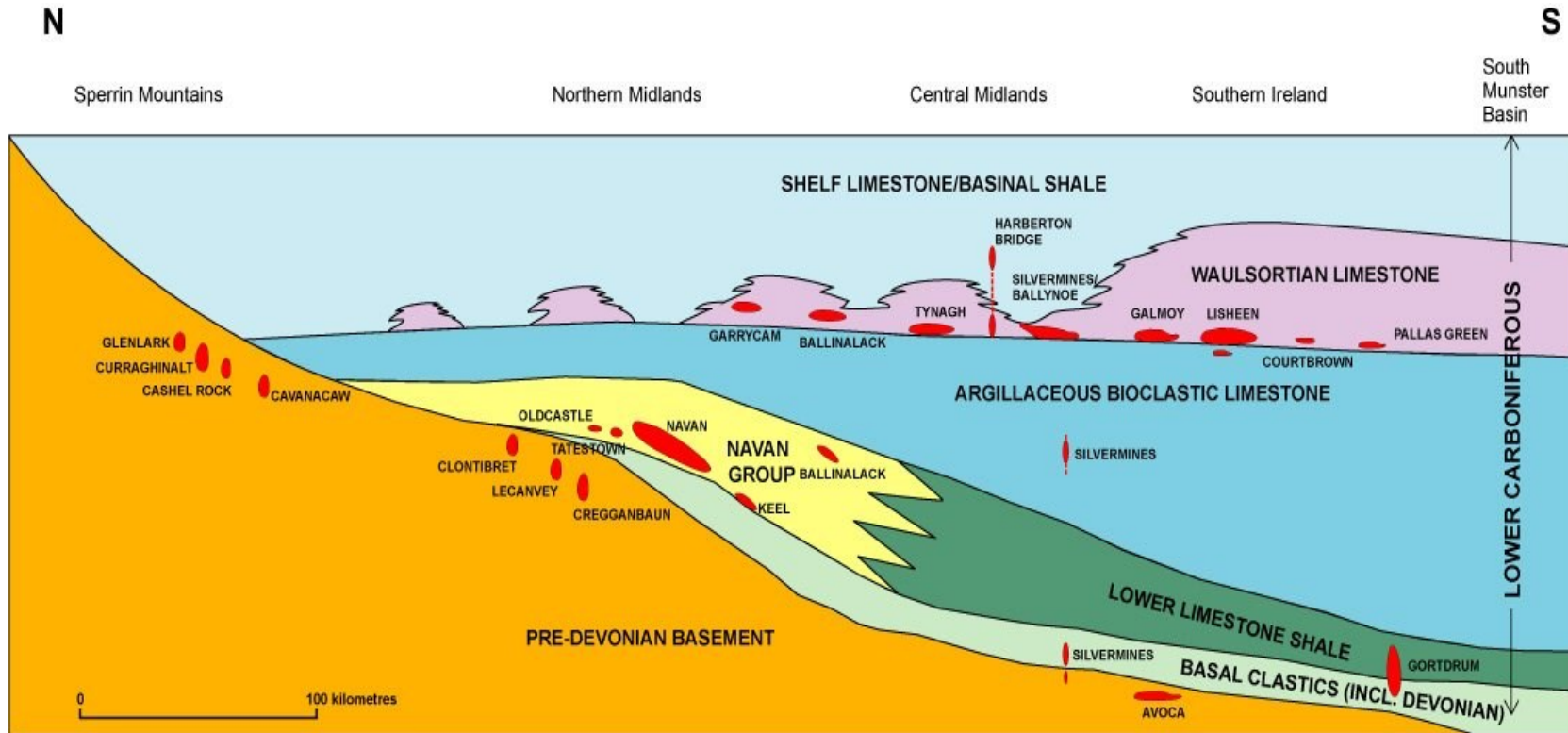
Figure 4.3 overleaf presents the associations between the main base and precious metal mineralization-containing sequences and their regional occurrence.

The figures and many of the resource estimates for the mineral occurrences and deposits are available

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<sup>2</sup> Sheppard, W.A. (2007). The Avoca Mine, Volcanic Hosted Massive Sulphide Deposit in the Southwest of the European Caledonides. SGA Field Guide. LiaMin Rpt 171.07

Figure 4.3: Schematic Cross-Section through the Basement and Carboniferous Stratigraphy of Ireland showing locations of base and precious metal deposits



## 5.0 Prospecting Licence areas currently held by IMC

IMC currently holds six PLs in southeast Ireland that are licensed for gold, silver, base metals and barytes exploration.

The following table and maps show the location of IMC's PLs with reference numbers (PL area No.) as defined by the GRSO, together with exploration blocks (groups of licences) as defined by IMC (see Table 5.1). Please also see Appendix 1 for a summary of the assets held by IMC.

**Table 5.1: IMC licences in Ireland (source: GSRO and IMC)**

PL No.	Block	County	Km <sup>2</sup>	Centre X	Centre Y	Commodity	Issue Date	Renewal Date	Expenditure requirement per two-year period
3849	Avoca	Wicklow	45.3	324291	184059	Bm, b, s, g	07/02/2013	06/02/2025	€ 30,000
3850	Avoca	Wicklow	27.6	320661	182961	Bm, b, s, g	07/02/2013	06/02/2025	€ 30,000
3857	Goldmines River	Wicklow	49.9	315075	176136	Bm, b, s, g	12/05/2011	11/05/2029	€ 30,000
2551	Kilmichael	Wexford	36.8	308340	159731	Bm, b, s, g	12/05/2011	11/05/2029	€ 30,000
1199	Kilmichael	Wexford	21.3	310525	153374	Bm, b, s, g	09/10/2018	08/10/2024	€ 10,000
1200	Kilmichael	Wexford	32.6	313064	156231	Bm, b, s, g	09/10/2018	08/10/2024	€ 10,000

Legend: Bm: Base Metals; b: Barytes; s: Silver; g: Gold

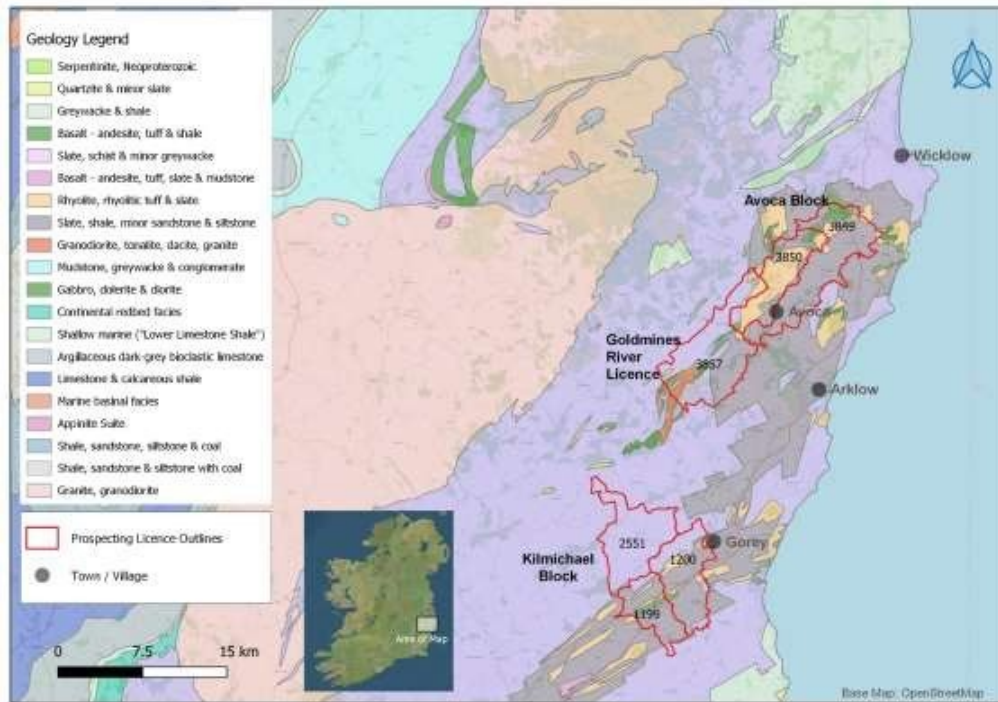
Figure 5.1 shows the position of the PL areas relative to major Irish cities and topographical features, while Figure 5.2 shows the PL areas overlain on a simplified bedrock geological map (EMD, 2003).

PLs 3857 and 2551 are currently undergoing renewal as part of the statutory process. IGS has been informed by the GSRO that letters of offer of renewal for both licences are in the process of being issued to IMC and have ascertained that IMC will accept the supplementary financial conditions included in the renewal process. In order to make good historical expenditure shortfalls, IMC has agreed to spend an additional €49,400 on PL 3857 and €57,500 on PL 2551 by end August 2023. A review by IGS of documentation held by IMC demonstrated that the remaining four IMC licences are in goodstanding – see also Appendix 1.

**Figure 5.1: Location Map of the PLs currently held by IMC Exploration**



Figure 5.2: Location of PLs held by IMC relative to simplified Geology of East Ireland



### 5.1 Drilling by IMC post January 2016

IMC has drilled 17 drillholes (totaling 3065.4m) on licences currently held since the issuance of the January 2016 SLR CPR and this CPR (June 2023), see Table 5.2 for details. IGS have examined all of these drillholes and validated locations through field visits and discussions with IMC geologists (when COVID-19 restrictions did not permit travel).

Table 5.2 Drillhole location and depths: drilled by IMC (January 2016 – December 2021).

Hole ID	Block	PL	GR	Easting	Northing	Azi	Dip (deg)	Depth (m)
15-3850-03	Avoca	3850	IG	321476	183908	309	-55	217.95
15-3850-04	Avoca	3850	IG	321452	183821	309	-55	189.1
15-3850-05	Avoca	3850	IG	321271	184013	129	-50	201.0
15-3850-06	Avoca	3850	IG	321134	182969	309	-55	131.85
15-3850-07	Avoca	3850	IG	321478	183947	309	-55	186.0
18-3849-01	Avoca	3849	IG	324950	188050	315	-50	149.4
18-3849-02	Avoca	3849	IG	325257	187981	315	-50	149.4
18-3849-03	Avoca	3849	IG	325814	186999	315	-50	149.4
19-2551-01	Kilmichael	2551	IG	311259	160169	145	-50	65.0
19-2551-02	Kilmichael	2551	IG	311231	160201	145	-50	104.0
19-3857-01	Gold Mines River	3857	IG	314008	174927	290	-50	62.0
19-3857-02	Gold Mines River	3857	IG	314040	174857	030	-50	152.0
20-1200-01	Kilmichael	1200	IG	311259	160169	315	-50	137.3
21-3850-01	Avoca	3850	ITM	718862	681040	N/A	-90	266.5
21-3850-02	Avoca	3850	ITM	718899	681062	320	-70	314.5
21-3850-03	Avoca	3850	ITM	718949	680997	N/A	-90	254.5
21-3850-04	Avoca	3850	ITM	718805	680789	320	-58	335.5



*Goldmines River Valley, Co. Wicklow*

## 5.2 The Avoca Block - Prospecting Licences 3849 and 3850

The Avoca Block, consisting of PLs 3849 and 3850 (see Figure 5.3 below), is located wholly in Co. Wicklow. The licences cover the historic Avoca copper mines and associated mine structures, workings and spoil heaps.

In the opinion of IMC, the licences had untested potential for primary gold mineralization. Since the SLR 2016 CPR, IMC have completed twelve drillholes on this block, to the northeast and southwest of the historic mine site which intersected significant base metal mineralization and alteration interpreted as associated with volcanogenic massive sulphide mineralization.

In 2019, IMC engaged CSA Global ([www.csaglobal.com](http://www.csaglobal.com)) to undertake Mineral Resource Estimate (MRE) studies at the Avoca mine spoils and tailings. CSA Global reported a JORC (2012) compliant Inferred Mineral Resource of the equivalent of c. 20,000 ozs of gold, as well as a complement of copper, lead, zinc and silver metal (see details in Section 5.2.3.5 and Table 5.3 below).

In IMC's opinion, there is potential for a reprocessing project which would extract much of the remaining metal from the waste piles. IMC believes that this option is deserving of further investigation, particularly as it could have the added benefit of reducing the environmental hazard on the historic mine site and downstream in the Avoca River.





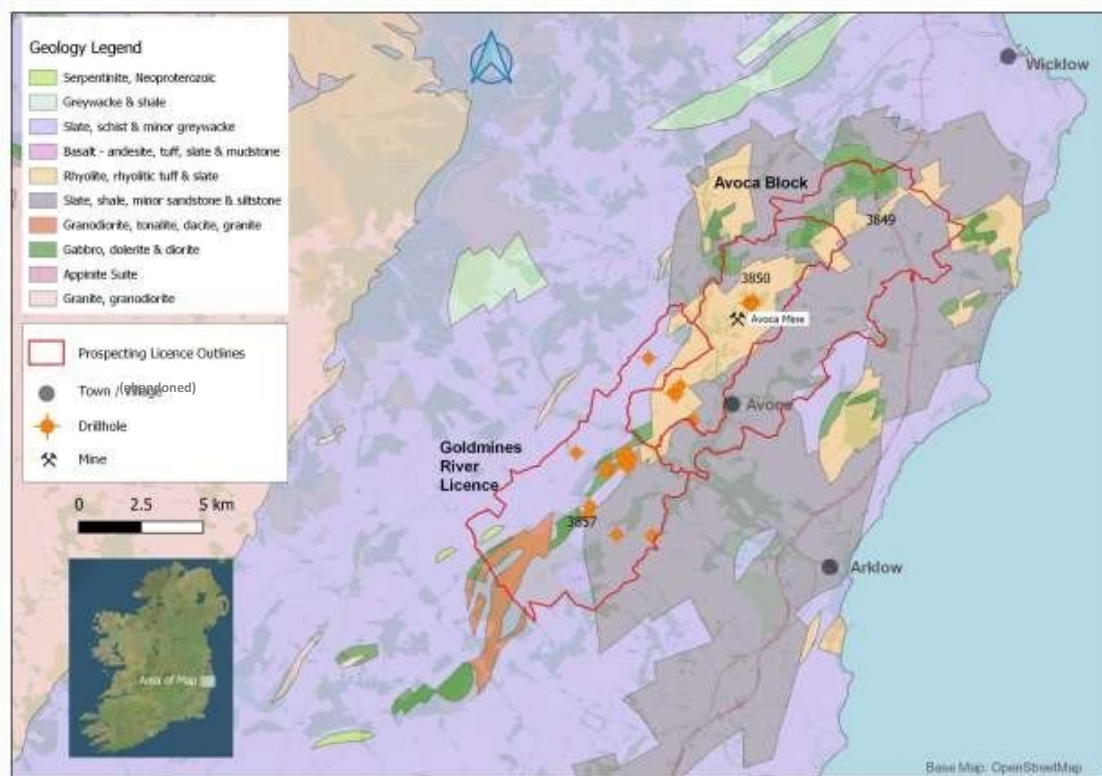
*Spoil heap (foreground) Tigrooney Lower East, looking to West Avoca past historic Engine House  
Photo: SLR, March 2021*

### 5.2.1 Avoca Block Geology/ Structure

The primary stratigraphic and structural features of the Avoca Block are as follows (see Figure 5.3):

- The licence block lies on the Avoca mineralized belt, and on its interpreted southwest extension located in the core of the Caledonian para-tectonic belt of southeast Ireland;
- The Lower Palaeozoic rocks of the region were deposited in the major northeast-trending Leinster depositional basin;
- The rocks of the Avoca district have undergone a complex structural history, largely or exclusively during the Caledonian Orogeny of late Silurian to early Devonian age;
- The dominant geological structure present is a penetrative cleavage which affects all lithologies and is accompanied by low grade regional metamorphism which attains greenschist facies in many places;
- The potential exists for vein, shear-hosted and stratabound gold mineralization; and
- The gold mineralization is associated with tuff units of mid-Ordovician age, consisting of chloritic tuffs, sericitic tuffs and coarse pyritic/ chalcopyritic felsic tuffs.
- Significant Zn-Pb intersections prove that potential for discovery of VMS style mineralization remains.

Figure 5.3 Geology of the Avoca Block and Goldmines River Licence, Co. Wicklow



### 5.2.2 Avoca Block Mineralization

In the opinion of IMC, the anomalous bedrock zones of interest have considerable untested strike potential.

The mineralization in the block is summarized below:

- Grab samples from trenches returned values of between 3.45 to 42.5g/t Au.
- Rock chip sampling of two zones of primary gold mineralization at the McLaren zone resulted in values in the range 1.18g/t Au to 12.55g/t Au. (McKillen, Tyler and Associates, 2009); and
- Two shallow holes, DDH1 to 46.2m and DDH2 to 32.0m, were drilled. Neither of these holes reached their target due to equipment failure (Brotzen, 1999).

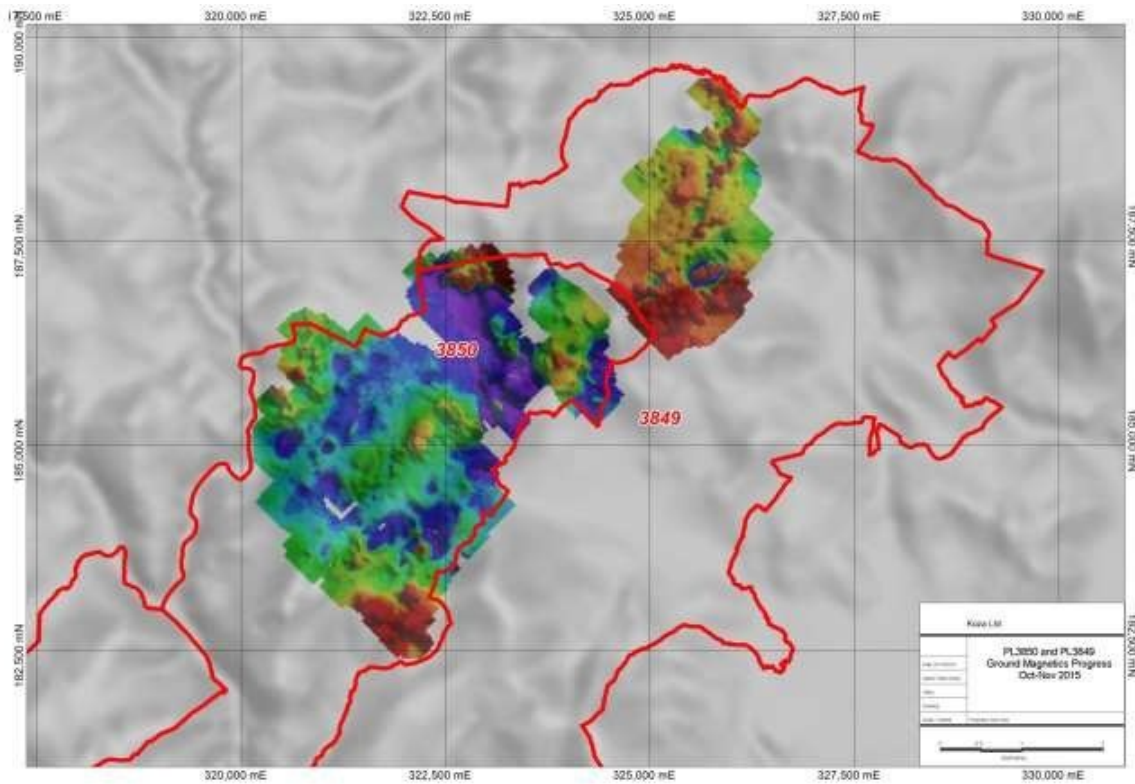
### 5.2.3 Avoca Block – IMC Work Highlights

#### 5.2.3.1 Geophysics

A ground magnetic survey over parts of both prospecting licences in the Avoca Block was undertaken (Grieve, 2015b). A map showing the coverage and magnetic values reduced to pole is presented in Figure 5.4 below.

A legend was not supplied with the map (Figure 5.4 taken from Grieve (2015b)). It is assumed, based on standard practice, that red indicates relatively high magnetic values and blue, low magnetic values, respectively.

Figure 5.4 Overview of magnetic surveying carried out on the Avoca Block



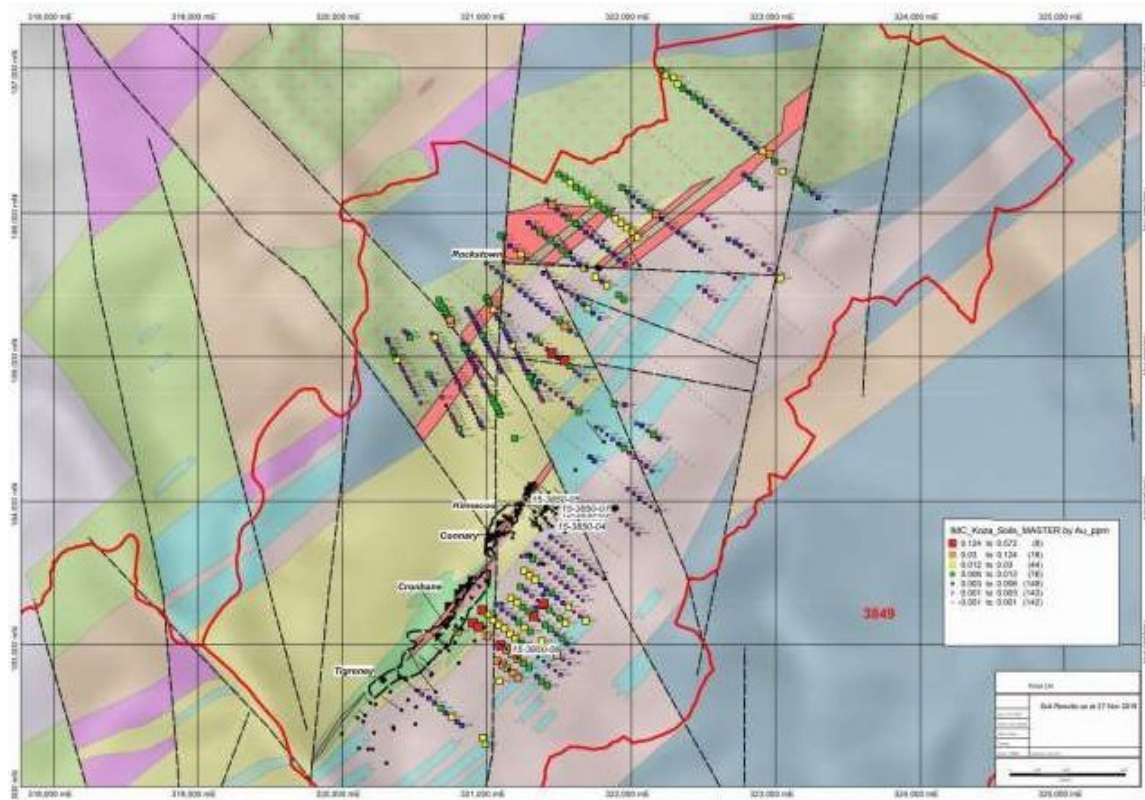
### 5.2.3.2 Shallow Soil Geochemical Surveying

A detailed shallow soil geochemical survey was carried out on both Avoca licences. Highlights of the sampling include:

- up to 0.57 ppm Au, southeast and northeast of the historic mine workings (see Figure 5.5 below);
- up to 2360 ppm Cu, southeast of the historic mine workings; and
- up to 13,900 ppm Pb, southeast and north of the historic mine workings.

Interpretation of the shallow soil sampling results, allied with geological mapping, formed the basis for the 2018 drilling programme.

Figure 5.5 Shallow gold in soil geochemical results in PL 3850 Avoca Block



### 5.2.3.3 Drilling in the Avoca Block

An independent expert report (Sheppard, 2013) on PL 3850 in the northeast of the area at Kilmacoo (*East Avoca*), confirmed the details of very significant historical drill gold intersections. These included:

- 19.8m grading 5.03g/t Au (KG-01)
- 10.0m grading 12.95g/t Au (KG-08)
- 10.2m grading 3.31g/t Au (KG-12)

The report concluded that significant potential for gold exploration success remains within the Kilmacoo area, particularly to the southwest of the previous intersections.

- Seven drillholes tested parts of PL 3850 to a maximum depth of 218m, near the village of Connary to the northeast of the historic East Avoca workings (Figure 5.6). Selected sections of each drillhole were sampled and analysed.
- Drillhole 15-3850-01 intersected a 11m zone (26-37m) grading 3.16g/t Au, including a 6m interval (31-37m) grading 4.4g/t Au and a 1m interval (31-32m) grading 12g/t Au.

With regards to base metal VMS-style mineralization at Kilmacoo, Sheppard (2013) reports the following intersections:

- 8.3m grading 10.1% Zn, 5.7% Pb, 0.5% Cu, 284g/t Ag and 4.5g/t Au (KG-08)
- 4.15m grading 15.9% Zn, 7.5% Pb, 0.8% Cu, 64g/t Ag and 0.1g/t Au (KG-11)

Furthermore, exploration drilling by Jadebay-Strongbow Resources (Canulli, 2003) proved economic grade extensions of VMS mineralization 1km to the southwest of Ballymurtagh (*West Avoca*). Selected base metal intercepts are reported in the Open File records as:

- 3.53m grading 11.9% Zn, 5.4% Pb and 119 g/t Ag (AV-00-1)
- 9.0m grading 10.3%Zn, 4.8% Pb and 142 g/t Ag (AV-00-5)

**Figure 5.6 Drillhole locations at Connary, East Avoca (15-3850 series)**



In 2018, three holes were drilled in PL 3849 to test areas of elevated gold-in-soil geochemistry. A substantial number of soil samples proved anomalous for Au and an elongated trend extends northeast from the Avoca mine. Significant alteration (silicification, chlorite–sericite and up to 5% pyrite) was intersected. This is typical of association with VMS systems. Although gold values no greater than 0.1g/t Au were returned to date, the area merits further exploration.

In 2021 four drillholes targeted the western end of the Avoca mineralization (total of 1171m). The concept was to test mineralization southwest of the known historic mined out areas as indicated by the mine plans and to establish if the West Avoca area could be incorporated into a mineral resource estimate. Studies indicated that there were areas Zn-Pb and Cu mineralization that had been targeted by precious operators that could be extended down dip and along strike. The 2021 programme was designed to test these areas and to ascertain the veracity of the 1950s Avoca mine drilling (which is not JORC compliant).

Drill hole 21-3850-01 tested the down dip extent of an historic intercept (9m grading 10.3% zinc and 4.8% lead) and intercepted 18.7m (158.7-177.4m) of mineralization grading 4.7% zinc and 1.8% lead (6.5% zinc+lead). The 18.7m interval includes 2.8m grading 9.3% zinc and 3.3% lead (12.6% zinc+lead). A further 2.2m section assayed 70.3 g/t silver.

A deeper, 13m wide (193.4-206.4m) intercept, assayed 1.6% zinc+lead. Both the upper and lower intervals have a gold grade of 0.1g/t over the respective widths (maximum 0.43m grading 0.64 g/t gold).

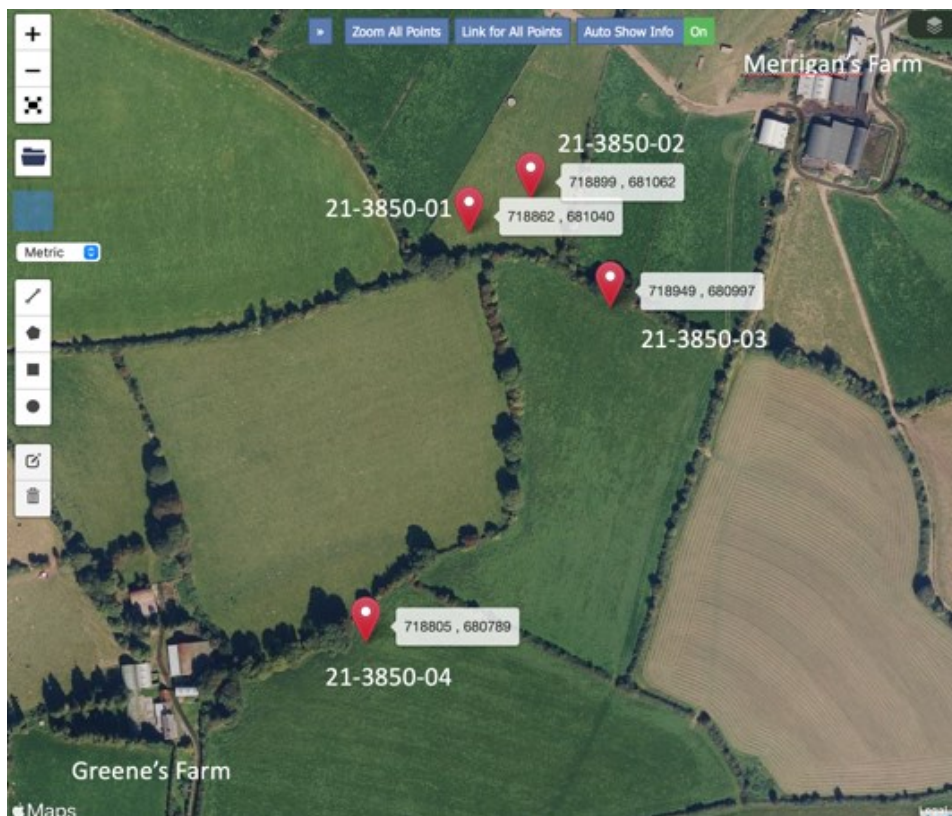
Drillholes 21-3850-02 and -03 were drilled on the same section and represented a 50m northeasterly step out from 21-3850-01. The mineralized section in 21-3850-02 from 143.5-147.5m (4.0m grading 7.7% zinc+lead) is interpreted as the along-strike and up-dip projection of the 18.7m intercept grading 6.5% zinc+lead in 21-3850-01.

Drillhole 21-3850-03 tested 150m downdip from the intercept in 21-3850-02 and encountered copper mineralization suggestive of either metal variation along strike within the system or possible faulting to juxtapose the zinc-lead mineralized horizon with the deeper copper horizon. The section from 202.75-211.70m graded 8.95m at 0.5% copper. The 7.05m between 210.75m-217.8m analysed 0.23g/t Au. From 252m drilling difficulties were encountered and the drill hole was not able to test the projected deepest copper horizon.

Drillhole 21-3850-04 tested the mineralization c. 300m along strike to the southwest of 21-3850-03. Extensive zones of sulphide mineralization were encountered with the best zinc grades from 181.0-184.0m (3m grading 2.2% zinc+lead) and copper grades from 206.0 – 210.0m (4m grading 0.3% copper). A section from 240.3-240.8m assayed 1.5% copper. Grades of up to 0.23 g/t gold over a 1m interval are present.

Mineralization has now been successfully traced over a strike length of 300m between the first and fourth holes of the 2021 programme. Furthermore, historical drilling 700m to the southwest of 21-3850-04 encountered 3.0m grading 0.7% Cu indicating that the mineralizing system remains open. This represents a minimum strike length of c. 1000m, most of which remains to be drill tested.

**Figure 5.7 Drillhole locations at West Avoca (21-3850 series)**



#### 5.2.3.4 Gold Mineralization Study with Trinity College Dublin

A study by Trinity College Dublin, Ireland (TCD) into the mineralogy, zonation and paragenesis of mineral occurrences on the IMC licences, addressed three questions:

1. Do mineralized sequences at the Avoca Cu-Zn deposit and Kilmacoo Au occurrence exhibit any classic metal zonation with respect to their footwall - hanging wall contacts and the host volcanic stratigraphy?
2. What is the mineralogical distribution of Au in sulphides, both among different sulphide phases and within individual pyrite grains that show multiple generations of growth?
3. What is a feasible genetic model for Au mineralization in the Avoca District and how does the timing relate to the known Duncannon volcanic stratigraphy and wider geodynamics of the Caledonian Orogeny?

The highlights of the study include:

- Volcanogenic massive sulphides (at Avoca) are prospective for Au mineralization as a chemical and structural trap for late auriferous fluids. Furthermore, occurrences of iron formation across the Avoca belt exhibit the effects of metamorphic hydrothermal fluids resulting in partial replacement by chalcopyrite with anomalous Au.
- Kilmacoo consists of varied mineralization including auriferous pyrite veins with chalcopyrite, a banded silica unit with sulphides and visible Au and massive Zn-Pb sulphides (VMS) that appear to be overprinted by the former vein assemblages. The Zn-Pb sulphides intersected in drill holes appear to be an equivalent exhalative facies to massive sulphides outlined along strike at the Connary zone.
- Au has not been concentrated during the synthesis of VMS mineralization and places Au mineralization in the region as post-early deformation, related to late cross-cutting shear structures.
- Late-orogenic Au enhancement of syngenetic massive sulphides has far-reaching implications for exploration strategies along the entire Avoca Belt. Orogenic gold and stratiform VMS form two diverse mineralization styles that require different strategies for exploration in a metallogenic terrane. The disparate styles of mineralization between the Avoca VMS deposit and the Kilmacoo Au occurrence with visible phases of native Au, highlights the differing ore-forming processes, and timing of emplacement. There are significant implications for exploration in the understanding of Au genesis in southeast Ireland. Late sulphide-bearing shear structures are targets for structurally hosted Au mineralization.

#### 5.2.3.5 Avoca – Tailings and Spoils Sampling

In January 2018, IMC commenced working with Trove Metal Ltd to establish an environmental clean-up operation to extract metals from the historic mine tailings and spoils at the Avoca Historic Mine Site Project (“the Project”) located in County Wicklow, Ireland.

In 2019, IMC commissioned CSA Global to complete a Mineral Resource Estimate (MRE) on part of the **East Avoca** Project tailings and spoils (see Table 5.3 and Figure 5.7 overleaf).

CSA Global report that *‘The Mineral Resource is based upon sample data obtained from 14 pits dug into the surface of the spoil heaps to a maximum depth of 4m. Excavation of the pits and sampling took place in April 2018. The excavated material from each 1m sample interval were deposited in separate piles adjacent to the pit and a representative sample taken from the pile. Samples were dispatched to ALS Laboratory, Loughrea,*

*Co Galway, Ireland for chemical analyses, with field duplicates, certified reference materials and blanks used to monitor the quality control of the sampling and assaying'.*

The MRE for the combined Tigroney East - Mt Platt - Cronebane zones is presented in Table 5.3 below, suggesting an Inferred Mineral Resource of 1,871,000 t grading 0.14% Cu, 0.42% Pb, 0.14% Zn, with 0.3 g/t Au and 9 ppm Ag, according to the JORC (2012) classification of mineral resources and reserves ((see also Appendix 2).

**Table 5.3 Inferred Mineral Resource Estimate (MRE, CSA Global, 2019)**

Spoil Heap	Tonnes (kt)	Cu (%)	Pb (%)	Zn (%)	Au (g/t)	Ag (ppm)
Forest of Gold	2	0.57	4.31	0.83	5.2	64
Tigroney Lower East	19	0.44	0.68	0.37	0.6	13
Tigroney North	158	0.18	0.12	0.04	0.1	3
<b>Subtotal (Tigroney East)</b>	<b>178</b>	<b>0.29</b>	<b>0.62</b>	<b>0.20</b>	<b>0.7</b>	<b>11</b>
<b>Mt Platt</b>	<b>852</b>	<b>0.13</b>	<b>0.37</b>	<b>0.12</b>	<b>0.2</b>	<b>7</b>
<b>Cronebane</b>	<b>841</b>	<b>0.13</b>	<b>0.43</b>	<b>0.16</b>	<b>0.4</b>	<b>10</b>
<b>TOTAL</b>	<b>1,871</b>	<b>0.14</b>	<b>0.42</b>	<b>0.14</b>	<b>0.3</b>	<b>9</b>

*Source: CSA Global report for IMC Exploration Group plc (2019)*

*Note: all tonnages reported with no cut-off grade applied by CSA Global*

**Notes:**

- Forest of Gold, Tigroney Lower East and Tigroney North spoil heaps are collectively Tigroney East.
- Rounded volumes presented.
- Tonnes are rounded to reflect uncertainty in the spoil heap volumes.

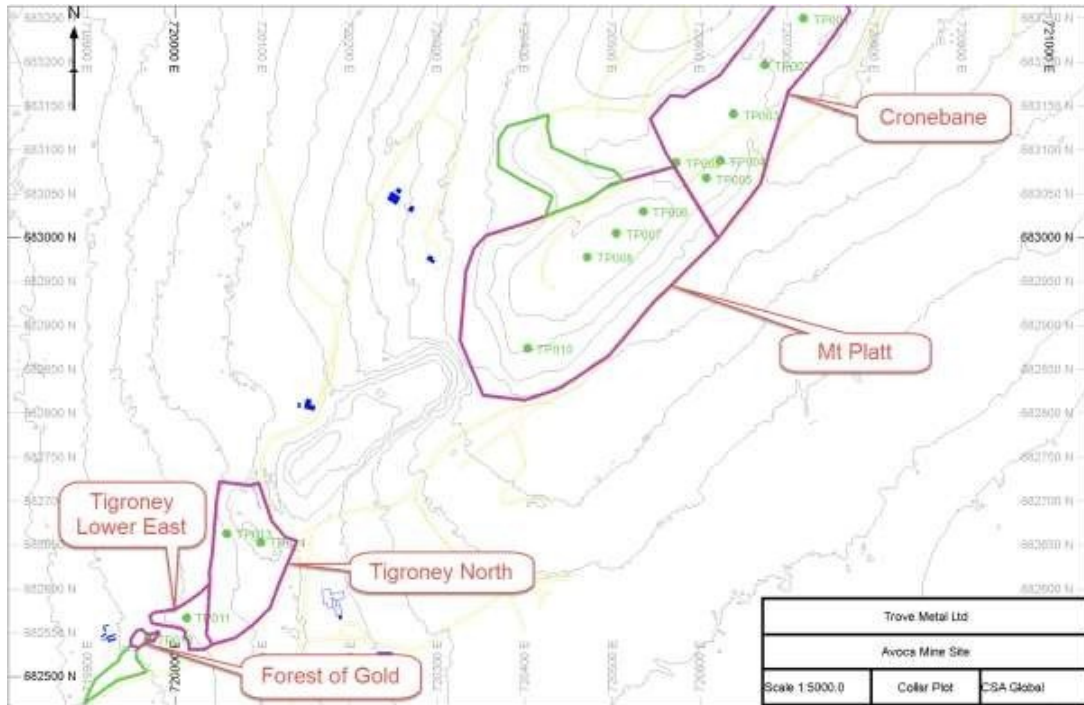
SLR inspected the site of the tailings/ spoil sampling at the combined Tigroney East - Mt Platt - Cronebane zones at East Avoca on 4<sup>th</sup> March 2021 and verified the locations of the sample points and sampling methodologies used (see also Appendix 4).



*Stratified spoil material at Mt Platt, East Avoca - Photo: SLR, March 2021*



Figure 5.8 CSA Global: Plan of Avoca Mineral Resource surface, showing contours, roads, buildings, trial pits



(Mineral Resource spoil heap limits shown in magenta, others in green)



Sample point of spoil heap at Cronebane, immediately east of Mt Platt, East Avoca (Photo: SLR, March 2021)

In December 2020, IMC excavated 12 trial pits at **West Avoca** to allow updated tonnage and grade calculations over the spoils and tailings in that area. The best grades returned from the sampling programme were 1m grading 1.14 g/t Au and 0.27% Cu. IMC believe this reinforces the potential for elevated gold grades to occur within the spoil heaps.

### 5.3 The Goldmines River Licence – PL 3857 (Co. Wicklow)

The Goldmines River Licence, PL 3857, is contiguous with the Avoca Block (see Figure 5.3 above). The geology of the licence is the same as that of the Avoca Block and is described in Section 5.2.1 above.

PL 3857 covers some of the areas of historic alluvial gold production in Ireland. Records indicate that up to 9,600 ounces of gold were extracted in the late nineteenth century from the East and West Gold Mines Rivers (EMD, 2003).

Since the SLR 2016 CPR, IMC has completed a programme of shallow soil geochemical sampling (122 samples), undertaken prospecting and drilled two holes.

In the opinion of IMC, the licences have untested potential for primary gold mineralization.

#### 5.3.1 Goldmines River Licence Mineralization – IMC Work Highlights

In 2017, Robert Healy, of Orr Geo Consulting (Australia) reviewed the mineralization potential of the licence. Healy noted that of all the historic exploration undertaken across the area, the highest spatial concentration of gold values in mine dump, rock chip and soils (stream sediments not included) have been derived from locations within or more commonly at the margins of the elevated magnetic lithologies on the Croaghan-Moneyteige-Ballycoog ridge, particularly at the Croaghan granite end. It is also observed that streams that rise on both sides of the Croaghan granite/Duncannon Group saddle at Moneyteige/Goldmines Valley are coincident with elevated gold in stream sediments (Coolbawn, Goldmines, Weavers Ditch etc.). Indeed, all streams which drain from this source have shown anomalous gold samples (for example, see Figure 5.8). The suggestion is that there could be a correlation between acid magmatism and gold mineralization in the area.

Figure 5.9 Rock sample (No. 1507) from prospecting at Goldmines River, PL 3897



IMC prospected around the recorded sites of historical mining and sample 1507 (above) assayed 0.4 g/t Au and 3.9 g/t Ag. The sample also has elevated geochemistry which may be interpreted as related to a (granitic) magmatic fluid source (anomalous As, Bi, Co and Mo).

IMC drilled two holes to test the areas of interpreted old workings (19-3857-01 and -02). Both drill holes intercepted either significant shear zones and / or several metre-wide voids interpreted as related to old workings. In two of these voids, washed sand was encountered and assayed background levels of gold associated with silver, nickel and significant tungsten. This elemental assemblage is again supportive of mineralization associated with a magmatic fluid source. IMC's future exploration will focus on projecting

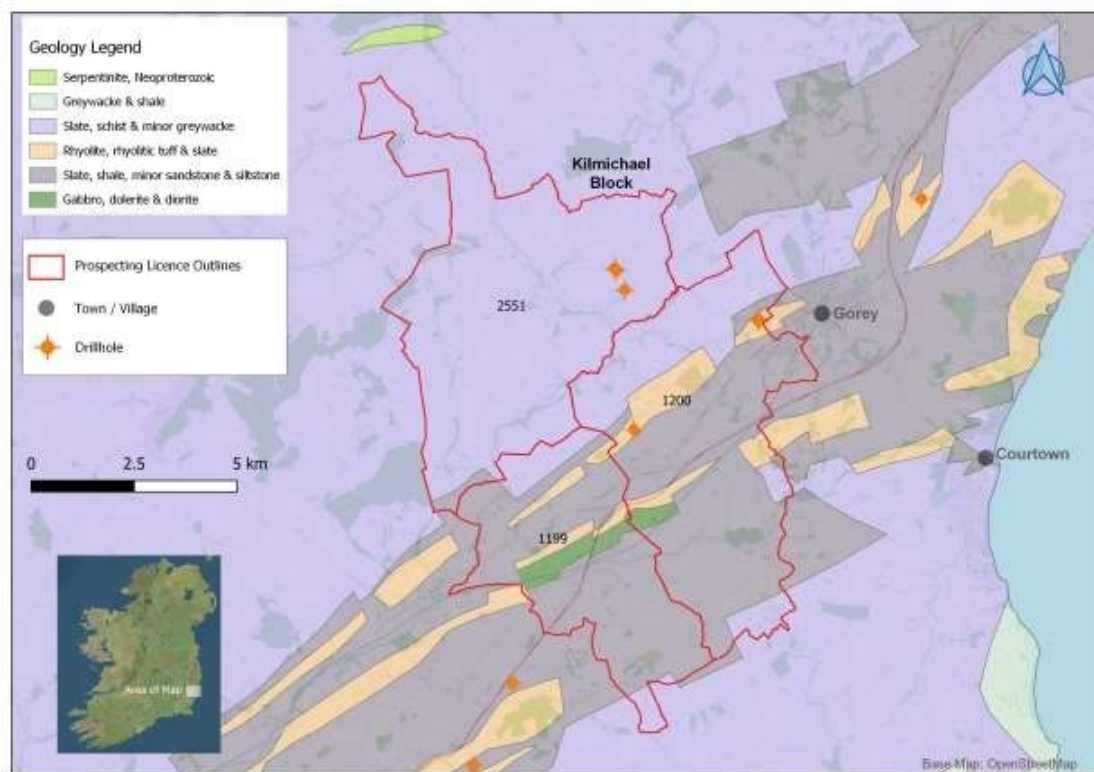
and locating unmined extensions of the mineralization that are apparent in the licence as evidenced by the old workings. Allied with increasing knowledge of gold mineralization in the area, and integrated with IMC's work to date, such extensions of known workings could represent quality drill targets.

#### 5.4 The Kilmichael Block – PLs 2551, 1199 and 1200

PLs 2551, 1199 and 1200 (Figure 5.9) are located in north Co. Wexford, 4km southwest of Gorey town and some 10km southwest of the Avoca block. Following assessment of historic data, it was apparent to IMC that the licence block clearly had untested potential for primary gold mineralization. Drilling and float sampling indicates that the Kilmichael area contains significant gold grades in a structurally complex setting (Deevy, 2002). IMC has completed eight drillholes with highly positive results.

Since 2016, Robert Healy of Orr Geo Consulting reviewed PL 2551 and a synopsis of his report is presented below (Healy, 2017).

Figure 5.10: Geology of the Kilmichael Block, Co Wexford



##### 5.4.1 Kilmichael Block Geology and Structure

The licences are underlain mainly by the Ribband Group metasediments of Tremadoc Arenig age (Lower Ordovician). The Group is named after the ribbon-like banding which can be seen in many outcrops on the property. The banding is intensely folded and crenulated in many of the outcrops and in drill core. The Ribband Group (Middle Cambrian – Llandeilo) consists of a succession of distal turbidites, mainly siltstones with minor intermediate and basic volcanics. Several subdivisions of the Ribband Group are present on the licence.

The regional trend is the northeast-southwest Caledonian trend, with the rocks younging to the southeast and the Leinster Granite lying to the west of the project area.

A study by Leeds University (for a previous licence holder) covering part of the Kilmichael Block specified the following highlights:

- Associations between placer gold abundance and bedrock geology suggest that volcanic rocks are spatially associated with alluvial gold at the two sites at which placer gold is most abundant within the licence area.
- At the two sites (i.e. Ballygarret and Boley Lower) with relatively abundant placer gold located north of the licence area (but within the IMC licence PL 2551), the heavy mineral assemblages are distinctly different to other sampled sites.
- The angular external morphology of gold grains from some sites, including sites with high abundances, also suggests proximity to bedrock sources. While it is difficult to deduce the distances that bedrock sources may be from sampling sites, it seems likely that these distances are in the order of 1km or less.
- Studies of both the heavy mineral assemblages and the gold grains indicate that local stream sediments reflect local bedrock geology, and there has been no pervasive influence of glaciation in transporting gold and other minerals across the area.
- Panned concentrate values outlining an area that is down stream and downslope of the southern rhyolitic horizon in PL 1199 are suggestive that gold mineralization may be related with these felsic rocks and the associated subvolcanic basic intrusion.

#### 5.4.2 Kilmichael Block Mineralization

Gold mineralization in the licence is described as follows:

- Previous operators undertook trenching and completed three drillholes, totalling approximately 275m at Kilmichael (Deevy, 2002);
- Sampling at Kilmichael demonstrated values at surface following the discovery of a mineralised quartz vein 0.6m in width, which graded 18.24g/t Au (Irish Marine Oil, 1999);
- Drilling (DDH 2551-1) intersected a quartz vein with visible gold at 26m depth which assayed 35.04g/t Au over 0.7m (Deevy, 2002);
- DDH 2551-2 intersected a shallow (15.6m – 16.3m) quartz vein, assaying 3.81g/t Au over 1.3m (Deevy, 2002);
- BGD-1 drilled in the Ballygarrett area reported an intersection (117.45m – 118.17m) of 10g/t Au over 0.72m (Tear, 1992);
- In 2019, follow up drilling by IMC indicated the probable continuity of the Ballyowen vein some 200m northeast of the last proven location.

#### 5.4.3 IMC Work Highlights at Kilmichael Block

The highlights of work carried out to date are:

- Prospecting located samples assaying up to 76.8g/t Au, from grab samples;
- A study by Brighton University determined range of sizes and angularity of abundant gold grains recovered in the lower reaches of the Ballygarret Stream, suggesting a nearby upstream bedrock source of gold-bearing vein type rather than disseminated bedrock gold mineralization. In contrast, grains from an upstream site have a similar size range, but are angular to sub-angular, indicating a longer transport distance;
- Gold grains recovered from the Ballygarrett Stream suggest a range of transport distances supporting interpretation that the Ballygarrett Stream appears to cut across multiple sources of gold; and

- Healy (2017) identified three significant prospects within the licence, named as (i) Target Area 2, (ii) Boley and (iii) Knockbrandon:
  - Target Area 2 is described as a 'high tenor geochemical footprint with elevated Au, Sb and As with accompanying advanced phyllic alteration';
  - the Boley Prospect is 'interpreted as a zone of high K hydrothermal alteration, possibly associated with intersection of NE-SW gold trend and NW-SE trending regional faults'. The prospect contains well-developed phyllic alteration; and
  - the Knockbrandon prospect is described as being lower priority. Surface geophysical surveys are recommended, with magnetics and radiometrics the preferred methods.

IMC has completed nine drillholes on the Kilmichael Block, three of which were drilled in 2019 and 2020. Drilling to date is summarised below:

- Drillhole 2551-1 intersected 2.85m averaging 1.68g/t Au, including a 1.05m section at 3.09g/t Au;
- Drillhole 2551-2 intersected 5.80m averaging 1.08g/t Au, including 1.15m at 1.37g/t Au, 0.74m at 2.49g/t Au and 1.00m at 2.38g/t Au. In addition to this a 4.50m interval at a deeper level in the same hole has intersected base metal and associated 0.18g/t Au;
- Drillhole 2551-3 intersected 0.25m at 9.64g/t Au and 3.7g/t Ag;
- Drillhole 12-2551-04 intersected 354g/t Au from 11.50 to 13.00m. Core from this interval comprises vuggy vein quartz and oxidized siltstone;
- Further work identified three mineralized zones in drillhole 12-2551-04:
  - Zone 1: 4.50m (10.00m-14.50m), including 1.50m grading 354g/t Au; 1.50m grading 2.32g/t Au and 1.50m grading 1.13g/t Au;
  - Zone 2: 5.00m (18.50m-23.50m), including 0.50m grading 6.16g/t Au and 1.50m grading 2.97g/t Au;
  - Zone 3: 7.10m (149.60m-156.70m), including 0.80m grading 2.39 g/t Au and 1.00m grading 1.63g/t Au.
- Drillhole 12-2551-05 intersected a maximum value of 0.69 g/t Au;
- Drillhole 12-2551-06 intersected a 6.80m interval (52.20m - 59.00m) that included 2.05m grading 0.23g/t Au, 0.50m grading 6.43g/t Au and 1.00m grading 0.23g/t Au;
- Drillholes 19-2251-01 and -02 tested the northeast extension of the Ballyowen vein. The Ballyowen vein structure was intersected at the predicted locations but poor drill core recovery meant that no vein was recovered for assay;
- Drillhole 20-1200-01 tested the downdip extent of gold mineralization present in historic drillhole GQ1 and intersected 1m grading 0.4 g/t Au.

IMC's studies, together with the historical work undertaken in the Kilmichael Block, dealt with several sub areas, Ballygarret, Ballyowen, Kilmichael, Knockbrandon and Boley.

It is IMC's opinion that the excellent results obtained from these sub areas allied with the regional geophysics and trend interpretation is suggestive of a 2km wide northeast-trending prospective area covering (at least) the southeastern part of PL 2551. Furthermore, the two newly awarded licences increase the prospectivity of the block as a further 25km strike length of acid volcanics are present in PLs 1199 and 1200. This is demonstrated by historical values grading 0.7 g/t Au over 1.5m and supported by IMC's drilling.

#### 5.4.4 Planned 2023 Exploration at the Boley Prospect PL 2551

Concept. Test mineralization 150m along strike to NE of 12-2551-01. Suggested minimum drill depth is 200m – this tests both mineralized zones encountered in 12-2551-01. If results are encouraging, then consideration will be given to drilling to 300m testing the interpreted structure around 250m depth. This drillhole has been approved by the GSRO and can proceed as soon as the formal licence renewal documentation is received.

Collar 307111E, 156386N  
 Azimuth 315°  
 Dip -50°  
 Projected mineralization – c. 55m, 145m and 250m.

Figure 5.11: Planned drillhole 23-2551-01 location

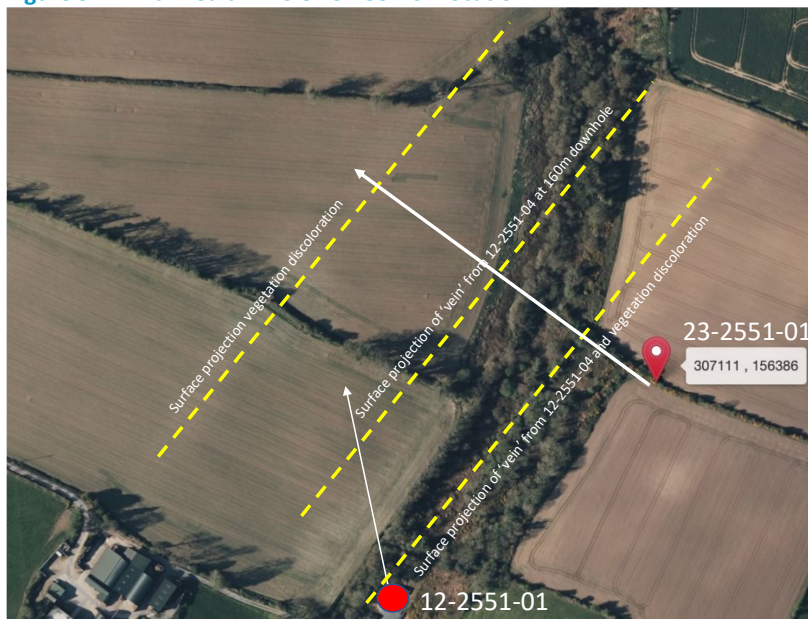
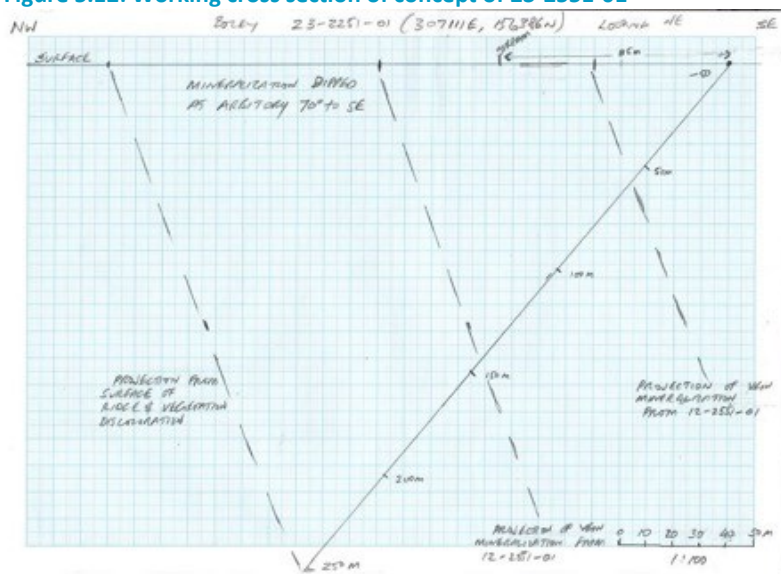


Figure 5.12: Working cross section of concept of 23-2551-01



## 6.0 Conclusions

IMC has developed a strategic licence holding in the southeast of Ireland based on corporate understanding of precious and base metal occurrences. The Company develops exploration strategies based on reviews of historical data complemented by followed up exploration and drilling programmes to define, test and upgrade geological targets. IMC views its licences to be amongst the most prospective exploration licences currently available in Ireland and is working with research institutes to expand its geological knowledge, especially in relation to mineralization. This approach has and will continue to provide quality targets for drill testing and discovery. This Competent Person's Report (CPR) reviews and outlines the conclusions and criteria used by IMC in the selection of prospecting licences and associated work programmes to end-2020.

### The Avoca Block – Goldmines River Block (PLs 3849, 3850 – PL 3587)

- Soil and stream geochemical sampling at the Avoca Block returned positive results for base metals and gold. Geophysical surveys indicate zones of magnetic enrichment on PLs 3849 and 3850 within the Avoca block. An independent expert report (Sheppard, 2013) on PL 3850 in the northeast of the area at Kilmacoo, confirmed reports of very significant previous drill intersections of base metals and gold.
- In 2018, three holes were drilled in PL 3849 to test areas of elevated gold-in-soil geochemistry. A substantial number of soil samples proved anomalous for Au and an elongated trend extends northeast from the Avoca mine. Significant alteration (silicification, chlorite–sericite and pyrite) was intersected, typical of association with VMS systems, suggesting potential also for base metals.
- The 2021 drill programme has confirmed the prospectivity of the West Avoca area and when allied with historical information extends the strike length of Cu-Pb-Zn-Au-Ag mineralization to c. 1000m to the southwest from the old mine workings.
- Research by Trinity College Dublin on IMC's licences at Avoca has distinguished disparate styles of mineralization between the Avoca VMS deposit and the Kilmacoo Au occurrence to the northeast, highlighting the differing ore-forming processes and timing of emplacement. Gold mineralization appears to post-date the VMS mineralization in the post-early deformation stages, related to late cross-cutting shear structures. Late-orogenic Au enhancement of syngenetic massive sulphides has far-reaching implications for exploration strategies along the entire Avoca Belt. Orogenic gold and stratiform VMS form two diverse mineralization styles that will require different strategies for exploration in a metallogenic terrane.
- IMC commenced working with Trove Metal Ltd to establish the viability of extraction of metals from the mine tailings and spoils at the Avoca Historic Mine. Sampling of the tailings/spoil heaps provided promising results for the recovery of both base metals and gold allowing a mineral resource estimate (MRE) to be undertaken:
  - The MRE was carried out on **East Avoca** by CSA Global in September 2019 on behalf of IMC. CSA reported an Inferred Mineral Resource of 1,871,000 t grading 0.14% Cu, 0.42% Pb, 0.14% Zn, with 0.3 g/t Au and 9 ppm Ag, according to the JORC (2012) classification of mineral resources and reserves.
  - In December 2020, IMC excavated 12 trial pits at **West Avoca** to allow updated tonnage and grade calculations over the spoils and tailings in that area. The values returned from the sampling programme were 1m grading 1.14 g/t Au and 0.27% Cu. IMC believe this reinforces the potential for elevated gold grades to occur within the spoil heaps.

At the **Goldmines River PL 3587** to the southwest of Avoca, IMC's review of mineralization potential suggests:

- The highest spatial concentration of soil, stream and rock gold values are derived from within or along the margins of elevated magnetic lithologies on the Croaghan-Moneyteige-Ballycoog ridge, suggesting a correlation between acid magmatism and gold mineralization in the area.
- Prospecting around sites of historical mining returned anomalous gold values with elevated values for As, Bi, Co and Mo, which supports the relationship to a (granitic) magmatic fluid source.

- IMC's future exploration will focus on unmined extensions of mineralization that are apparent in the licence as evidenced by the old workings. Allied with increasing knowledge of gold mineralization in the area, and integrated with IMC's work to date, such extensions of known workings could represent quality drill targets.

The **Kilmichael Block (PLs 2551, 1199, 1200)** in north County Wexford has been recognised historically as having associations between placer gold abundance and bedrock volcanic rocks within the licence area.

- Two sites, Ballygarret and Boley Lower, have relatively abundant placer gold located within PL 2551, where heavy mineral assemblages are distinctly different to other sampled sites. The angularity of gold grains suggests proximity to primary bedrock sources, likely within distances in the order of 1km or less. Panned concentrate values on PL 1199 suggest that gold mineralization may be related to felsic rocks and associated subvolcanic basic intrusions in the area.
- Recent drilling (2019-2020) and studies by IMC, together with the historical work undertaken in the Kilmichael Block, confirm the potential for primary gold mineralization at Ballygarret, Ballyowen, Kilmichael, Knockbrandon and Boley.
- It is IMC's opinion that promising gold results obtained from these sub areas, allied with the regional geophysics and trend interpretation, are suggestive of a 2km wide northeast-trending prospective area covering (at least) the southeastern part of the licence.
- The two newly awarded licences (PLs 1199, 1200) increase the prospectivity of the block as a further 25km strike length of acid volcanics are present in those licences. This is demonstrated by historical values grading 0.7 g/t Au over 1.5m and supported by IMC's recent drilling.

### Gold Potential

IMC holds six prospecting licences (with 100% interest in each) in the southeast of Ireland that are highly prospective for gold (and base metal) mineralization.

Three of these licences (PLs 3849, 3850 and 3857) are within, or cover the strike extent of, the Avoca volcanogenic massive sulphide (VMS) mineralized belt in Co. Wicklow, an area having highly anomalous gold (Au) values in bedrock, soils and stream sediments. Historic extraction of alluvial gold was undertaken in this area and gold occurrences have been found in exploratory trenches with grades of up to 42.5g/t Au. It is therefore considered that the Avoca area has excellent exploration potential.

IMC has established an Inferred Resource of c. 20,000 ounces of gold on part of the spoils and tailings from the historic East Avoca Mine (CSA Global, 2019). Further work is continuing by IMC to investigate the potential resources available within the spoils and tailings at the historic West Avoca Mine.

The remaining three licences are located in north Co. Wexford. Two of these are prospective for gold and VMS mineralization (PLs 1199 and 1200) and an adjacent licence (PL 2251) is prospective for orogenic gold mineralization. Analyses of quartz veins in PL 2251 have returned grades of 0.6m grading 18.24g/t Au (Irish Marine Oil, 1999), 0.7m grading 35.04g/t (Deevy, 2002) and 1.5m grading 354g/t Au (IMC, 2012).

### Base Metals Potential

IMC's Avoca licences in southeast Ireland are prospective for VMS mineralization. At Avoca, c. 16Mt have been mined from banded, vein and disseminated sulphides hosted by the upper Ordovician Duncannon Group. A stockwork, feeder or stringer pipe crosscutting acid volcanic and volcanoclastic rocks is capped by a zoned volcanogenic massive sulphide orebody. The massive sulphide comprises an underlying Cu-pyrite zone and an overlying Pb-Zn-Cu zone. Two licences in the Kilmichael Block are also prospective for VMS deposits.

In conclusion, given the exploration friendly policies promoted by the Irish Government, the country's infrastructure, the previous success of other operators in Ireland together with the materials, criteria and rationale used by IMC for the selection of these prospecting licences, it is considered by IGS that these licences have sound and proper potential for the discovery of economic precious and base metal deposits.



## 7.0 Qualifications of Competent Persons

IGS (international Geoscience Services) Ltd (IGS) of Cabourn House, Station Street, Bingham, Nottingham, United Kingdom, NG13 8AQ was commissioned by IMC Exploration Group plc ('IMC') to complete a Competent Persons Report (the 'June 2023 CPR') on IMC's exploration properties in the Republic of Ireland.

Professor Garth Earls of IGS has extensive experience of independent expert studies and has completed Expert Reports for companies listed on the London, Dublin, Toronto and Vancouver Stock Exchanges.

Other than for the purposes of completing the June 2023 CPR, neither IGS nor any IGS staff involved in its preparation has any commercial interest in IMC. Neither IGS nor any IGS staff will receive any interest in IMC or its associated companies as a result of undertaking the June 2023 CPR. IGS will be paid normal professional rates for preparing the June 2023 CPR for IMC as laid down in IGS Assignment Quotation. Fees paid to IGS will not be influenced by the content of the June 2023 CPR.

### 7.1 Competent Persons' Statements

The June 2023 CPR has been prepared on behalf of IGS by competent person, **Professor Garth Earls**, PGeo EurGeol FSEG.

Professor Earls is the Executive Chairman of IGS and has over 40 years of professional experience in mineral exploration and mining in Ireland and internationally. He was part of the team that discovered the 6 million ounce Curraghinalt gold deposit in Northern Ireland and has worked extensively on gold and base metal deposits and mineralization in Ireland and the UK. He is a former Director of the Geological Survey of Northern Ireland and a past chairman of the Geosciences Committee of the Royal Irish Academy. He delivers the Economic Geology course in University College Cork, Ireland.

Professor Earls' relevant experience includes:

- Mineral exploration and mining, Ireland and UK, Europe, Africa, South America, North America, Central and Eastern Asia;
- Gold and base metals appraisal and assessment;
- Competent Person work on a range of gold and base metal projects;
- Directorships and governance roles in a variety of public and private companies and organizations.

To the best of Professor Garth Earls and IGS's knowledge, the information contained in this Competent Persons Report is in accordance with the facts and this report makes no omission likely to affect its import.

### 7.2 Site Inspection

Pursuant to its engagement, IGS has relied upon and assumed the accuracy and fair representation of all third-party geological notes, reports and information supplied by IMC, many of which come from publicly available sources. Subject to the exercise of professional judgement and as expressly described herein, IGS has independently verified all geological work undertaken by IMC since 2016 through site visits, core logging, analytical studies and discussions with IMC.

Professor Garth Earls as Competent Person verified the IMC drilling sites, sampling procedures, methodologies and analytic chain of custody, as well as the IMC core storage facilities.

## 8.0 Closure

This report has been prepared by IGS (international Geoscience Services) Ltd (IGS) with all reasonable skill, care and diligence, and taking account of the manpower and resources devoted to it by agreement with the client. Information reported herein is based on the interpretation of data collected and has been accepted in good faith as being accurate and valid.

This report is for the exclusive use of IMC Exploration Group plc; no warranties or guarantees are expressed or should be inferred by any third parties. This report may not be relied upon by other parties without written consent from IGS.

IGS disclaims any responsibility to the client and others in respect of any matters outside the agreed scope of the work.

## 9.0 References and Bibliography

### Acknowledgements

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## APPENDIX 1: SUMMARY TABLE OF IMC ASSETS

Asset (Prospecting Licence – PL)*	Holder	Interest %	Status	Licence Expiry Date	Licence Area (km <sup>2</sup> )	Metals Sought	Comment
<b>PL 3849 Avoca, Co. Wicklow, Ireland</b>	IMC Exploration Group Limited	100	Exploration	06/02/2025	45.3	Bm, b, s, g	Soil & stream geochemistry; geophysics; prospecting; Research; 3 DDH for 448.2m; sample analyses; Mineral Resource Estimate
<b>PL 3850 Avoca, Co Wicklow, Ireland</b>	IMC Exploration Group Limited	100	Exploration	06/02/2025	27.6	Bm, b, s, g	Soil & stream geochemistry; geophysics; prospecting; Research; 9 DDH for 2096.9m; sample analyses
<b>PL 3857 Goldmines River, Wicklow, Ireland</b>	IMC Exploration Group Limited	100	Exploration	11/05/2029	49.9	Bm, b, s, g	122 soil samples; prospecting; Research; 2 DDH for 214.0m; sample analyses
<b>PL 2551 Kilmichael, Co. Wexford, Ireland</b>	IMC Exploration Group Limited	100	Exploration	11/05/2029	36.8	Bm, b, s, g	Prospecting; 2 DDH for 169.0m sample analyses
<b>PL 1199 Kilmichael, Co. Wexford, Ireland</b>	IMC Exploration Group Limited	100	Exploration	08/10/2024	21.3	Bm, b, s, g	Prospecting; Research
<b>PL 1200 Kilmichael, Co. Wexford, Ireland</b>	IMC Exploration Group Limited	100	Exploration	08/10/2024	32.6	Bm, b, s, g	Prospecting; Research; 1 DDH for 137.3m; sample analyses
<b>Total (m) DDH</b>							<b>3065.4m</b>
* All PLs are licenced for exploration for: <b>Bm</b> : Base Metals; <b>b</b> : Barytes; <b>s</b> : Silver; <b>g</b> : Gold DDH = diamond drill hole							

## APPENDIX 2: CSA GLOBAL - SUMMARY OF RESOURCES BY STATUS (2019)

In 2019, IMC commissioned CSA Global to complete a Mineral Resource Estimate (MRE) on part of the East Avoca tailings and spoils on PL 3849 centred around the historic mine workings (see Table 5.3).

CSA Global report that:

*'The Mineral Resource is based upon sample data obtained from 14 pits dug into the surface of the spoil heaps to a maximum depth of 4m. Excavation of the pits and sampling took place in April 2018. The excavated material from each 1m sample interval were deposited in separate piles adjacent to the pit and a representative sample taken from the pile. Samples were dispatched to ALS Laboratory, Loughrea, Co Galway, Ireland for chemical analyses, with field duplicates, certified reference materials and blanks used to monitor the quality control of the sampling and assaying'.*

The MRE for the combined Tigroney East - Mt Platt - Cronebane zones is presented below, suggesting an Inferred Mineral Resource of 1,871,000 t grading 0.14% Cu, 0.42% Pb, 0.14% Zn, with 0.3 g/t Au and 9 ppm Ag, according to the JORC (2012) classification of mineral resources and reserves.

### Inferred Mineral Resource Estimate (MRE, CSA Global, 2019)

Spoil Heap	Tonnes (kt)	Cu (%)	Pb (%)	Zn (%)	Au (g/t)	Ag (ppm)
Forest of Gold	2	0.57	4.31	0.83	5.2	64
Tigroney Lower East	19	0.44	0.68	0.37	0.6	13
Tigroney North	158	0.18	0.12	0.04	0.1	3
Subtotal (Tigroney East)	178	0.29	0.62	0.20	0.7	11
Mt Platt	852	0.13	0.37	0.12	0.2	7
Cronebane	841	0.13	0.43	0.16	0.4	10
<b>TOTAL</b>	<b>1,871</b>	<b>0.14</b>	<b>0.42</b>	<b>0.14</b>	<b>0.3</b>	<b>9</b>

*Source: CSA Global report for IMC Exploration Group plc (2019)  
- all tonnages reported with no cut-off grade as applied by CSA*

**Notes:**

- Forest of Gold, Tigroney Lower East and Tigroney North spoil heaps are collectively Tigroney East.
- Rounded volumes presented.
- Tonnes are rounded to reflect uncertainty in the spoil heap volumes.

Volumes were calculated for each spoil heap using survey data provided by Trove. The basal topography of the spoil heaps is largely unknown, and the volumes were calculated based upon known surface areas and estimated depths, using the surrounding topography to guide the decision making.

Samples were taken from each sample pit sample stockpile and used to calculate in-situ bulk densities. An average bulk density of 1.59 t/m<sup>3</sup> is calculated from all the samples, and this is assumed to be a wet bulk density. The full CSA report is available at:  
<https://www.imcexploration.com/media/attachments/2019/09/11/r406.2019-imctmmre01-avoca-mineral-resource-estimate1.pdf>

### APPENDIX 3: GLOSSARY AND ABBREVIATIONS

<b>%</b>	Weight percent
<b>ABL</b>	Argillaceous bioclastic limestone, a rock unit containing clay, carbonate and fossil debris. Lies stratigraphically below the Waulsortian
<b>Alteration</b>	The conversion of the mineralogy of a rock unit.
<b>Arenite</b>	Sedimentary rocks with particle size between 0.06 and 2mm diameter
<b>Argillaceous</b>	A rock or sediment containing clay minerals
<b>Arsenopyrite</b>	An iron arsenic sulphide, FeAsS.
<b>Arundian</b>	A period of time within the Lower Carboniferous which post-dates the Chadian.
<b>Auriferous</b>	Contains gold
<b>Barite</b>	The ore bearing mineral of Barium
<b>Basin</b>	In geological terms, a regional scale topographical depression filled with sediments
<b>Basinal</b>	Pertaining to a Basin
<b>Biomicrite</b>	A micrite containing fossil fragments.
<b>Black Matrix Breccia</b>	Often termed "BMB" Broken rock units containing fine grained dolomite between the rock fragments. Often intimately associated with base metal mineralization.
<b>c.</b>	Circa (approximately)
<b>Calp</b>	Fine-grained bedded limestone of Lower Carboniferous age.
<b>Carbonate</b>	A rock or sediment containing carbonate minerals
<b>Chadian</b>	A period of time within the Lower Carboniferous which post-dates the Courcayan.
<b>Chalcopyrite</b>	An ore bearing mineral of copper
<b>Chert</b>	Very fine-grained silica forming layers or nodules within a rock unit.
<b>Cu</b>	The chemical symbol for copper
<b>Dextral</b>	Movement on a fault in which the opposite side of the fault has moved to the right.
<b>Diamond drill</b>	Annular drill faced with boart diamonds and used for rock boring
<b>Dinantian</b>	European term for the Lower Carboniferous time period
<b>Dipole- dipole</b>	A type of IP survey
<b>Dolomite</b>	A mineral containing magnesium and carbonate
<b>Dolomitization</b>	The conversion to dolomite of other carbonate minerals in rock units. Often associated with base metal mineralization
<b>facies (sedimentary)</b>	The aspects of a rock unit reflecting the conditions of its origin.
<b>facies (metamorphic)</b>	The aspects of a rock unit reflecting the conditions of its metamorphic history.
<b>Fault</b>	A planar fracture or discontinuity in a volume of rock, along which there has been movement
<b>Float</b>	Boulders on surface likely to have moved from their bedrock source
<b>Fluid</b>	In this report, the term fluid refers to hydrothermal fluid, a deep seated fluid which has flowed through rocks and can often form metal deposits
<b>g/t</b>	grammes per tonne
<b>Galena</b>	The ore bearing mineral of Lead
<b>Geochemistry</b>	the study of the earth's chemical properties and of the chemical processes acting upon, above, and within the earth
<b>Geophysics</b>	the study of the earth's physical properties and of the physical processes acting upon, above, and within the earth
<b>Grab Samples</b>	Rock samples taken without relationship to a grid

<b>Gradient Array</b>	A type of IP survey
<b>Greywacke</b>	Immature arenaceous rock mostly found in turbidites
<b>Gravity</b>	In this report, the term gravity refers to a type of geophysical survey which measures the gravitational signature of the geology in an area.
<b>Greenschist facies</b>	A type of metamorphism which has been caused by low temperatures and pressures.
<b>Haematization</b>	To change existing minerals within a rock unit into Iron Oxide minerals, or to introduce Iron oxide minerals.
<b>Horizon</b>	A specific level in the stratigraphy.
<b>Hydrothermal</b>	Of, relating to, or denoting the action of heated water in the earth's crust.
<b>Igneous</b>	Rocks formed from magma (molten rock below the earth's surface) or lava (molten rock above the earth's surface)
<b>Inlier</b>	An area of rock formations surrounded by rock formations of a younger age.
<b>IP</b>	"Induced polarisation" A type of geophysical survey which measures the conductivity and chargeability of rock units.
<b>Linear</b>	A lineation interpreted from geophysical surveys
<b>Lithochemical</b>	Pertaining to the chemical composition of rock.
<b>Lithostratigraphy</b>	The order and relative position of rock units.
<b>Lower Carboniferous</b>	Belonging to, or denoting a geologic division of the Paleozoic Era following the Devonian and preceding the Permian, including the Dinantian Period.
<b>Lower Palaeozoic rocks</b>	Denoting, or relating to an era of geological time that began 600 million years ago with the Cambrian period and lasted until the Devonian period.
<b>m</b>	metres
<b>Mt</b>	Million tonnes
<b>Magnetic</b>	In this report, the term magnetic refers to a type of geophysical survey which measures the magnetic signature of the geology in an area.
<b>Metamorphism</b>	Alteration of the composition or structure of a rock
<b>Metasedimentary</b>	Sedimentary rocks which have experienced mineralogy changes
<b>Metavolcanic</b>	Volcanic rocks which have experienced mineralogy changes
<b>Micrite</b>	A limestone constituent formed of calcareous particles formed by the recrystallisation of lime mud.
<b>Mineralization</b>	The formation of minerals, in this report the term mineralization refers to the formation of base metal, and iron bearing minerals, and of free gold.
<b>Navan Group</b>	The sequence of rocks which host the Navan deposit
<b>Ordovician</b>	Belonging to the geologic time, system of rocks, or sedimentary deposits of the second period of the Paleozoic Era, characterized by the appearance of primitive fishes.
<b>Oz</b>	Ounce
<b>Pb</b>	The chemical symbol for lead
<b>PL</b>	Prospecting Licence
<b>Pyrite</b>	A mineral formed from Iron and Sulphur, often related to gold and base metal mineralization
<b>Primary gold mineralization</b>	Gold in bedrock
<b>Reef</b>	See Waulsortian
<b>regional dolomite</b>	The conversion to dolomite of other carbonate minerals in a rock unit over a large area.
<b>Shear</b>	Fracturing and deformation of rock due to the movement of adjacent rock units.
<b>Shelf</b>	A gently sloping shallow-water marine platform.





<b>Silicification</b>	To convert into or to impregnate with silica
<b>Sinistral</b>	Movement on a fault or shear-zone, in which the opposite side of the structure has moved to the left.
<b>Sphalerite</b>	The ore bearing mineral of Zinc, formed from zinc and sulphur
<b>Stibnite</b>	Antimony sulphide ore
<b>Sulphide</b>	A metallic compound of sulphur.
<b>Stratigraphy</b>	The branch of geology concerned with the order and relative position of strata and their relationship to the geological time scale.
<b>Structure</b>	Layers of sedimentary rocks which have been displaced from their normal horizontal position by the forces of nature into folds, fractures and faults
<b>Throw</b>	The displacement along a fault
<b>Trend</b>	A postulated alignment of mineral deposits.
<b>Tuff</b>	rock formed from volcanic ash
<b>Turbidite</b>	Sedimentary rocks formed by deposition from rapidly moving turbidity currents resulting in thick graded sequences of arenaceous and argillaceous rocks
<b>VMS</b>	Volcanogenic Massive Sulphide. A type of base metal deposit associated with Volcanic rocks.
<b>Waulsortian</b>	Mud mounds of carbonate material, and associated sediments, formed during the upper Courcayan period. This formation hosts the majority of the Irish Type base metal deposits.
<b>Zn</b>	The chemical symbol for Zinc

## APPENDIX 4: PHOTOGRAPHIC RECORD OF SAMPLING AT AVOCA MINE

### A4.1 SAMPLING AT EAST AVOCA HISTORIC MINE

The sampling of historic tailings and spoil heaps at East Avoca was undertaken in 2018 and the 14 sample sites were closed and made safe following the sampling procedures. A site visit was carried out by SLR Consulting on 4 March 2021 to verify the sample locations and appropriate closure. The following provides a record of the sampling at Tigrooney East, Mt Platt and Cronebane at East Avoca.

	<p><b>Spoil heaps at East Avoca – prior to sampling, 2018</b></p> <p><i>photo: Trove Metal</i></p>
	<p><b>Spoil heaps at East Avoca – each site was surveyed prior to sampling by digger</b></p> <p><i>photo: Trove Metal</i></p>



**Sampling of spoils to 4m depth, with sample taken at 1m intervals within each of 14 pits**

*photo: Trove Metal*



**Sampling at 1m intervals within 4m depth pit. Observe stratified spoil materials.**

*photo: Trove Metal*



**Tigroney East (Lower)**

**Spoil heaps – post sampling**

**March 2021**

*photo: IMC*




**Site of sample pit at Mt Platt/  
Cronebane, East Avoca,**

**March 2021**

**Note pit was refilled post-sampling  
and materials have settled.**

#### A4.2 SAMPLING AT WEST AVOCA HISTORIC MINE

The sampling of historic tailings and spoil heaps at West Avoca was undertaken in 2018 and sample sites were closed and made safe following the sampling procedures. The following provides a photographic record of the sampling at West Avoca during the sampling phase by Trove Metal Limited.

	<p><b>View to West Avoca across the valley from East Avoca</b></p> <p><b>showing spoil heaps on hillside</b></p> <p><b>March, 2021</b></p> <p><i>photo: SLR Consulting</i></p>
	<p><b>Sampling at Ballymurtagh, West Avoca historic mine site</b></p> <p><b>(East Avoca in background)</b></p> <p><b>each site was surveyed prior to sampling by digger</b></p> <p><i>photo: Trove Metal</i></p>



**Sampling of spoils to 4m depth, using bucket to recover samples at West Avoca**

*photo: Trove Metal*



**Sampling of spoils to 4m depth, with sample taken at 1m intervals within each pit at West Avoca**

*photo: Trove Metal*



**Each sample point  
was recorded and  
surveyed for  
accurate resource  
estimation.**

**Ballymurtagh,  
West Avoca**



## ANNEX 3

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# Report

## Karaberd Gold Deposit Competent Person's Report Update

Mineral Ventures Invest spol s.r.o

AMC Project 0223064\_4  
16 August 2023



## Executive summary

Mineral Ventures Invest spol s.r.o. (MVI) commissioned AMC Consultants Pty Ltd (AMC) to prepare this independent Competent Person's Report (CPR) on the Karaberd Gold Project (the Project or Karaberd). AMC understands from its communications with MVI that this CPR will be included in admission documents submitted to the UK Financial Conduct Authority seeking approval of a Reverse Take Over by MVI of the IMC Exploration Group plc which is listed on the London Stock Exchange (LSE).

The Project is located in the Lori province, northern Armenia.

Information provided by MVI to AMC for the purposes of preparing this CPR includes:

- The Project comprises a Mineral Allotment (366/2013), inclusive of a permitted exploitation area, which is valid until 2024.
- The Mineral Allotment, inclusive of an approved exploitation permit, are held by Assat LLC (Assat), a 100% owned subsidiary of MVI. The Project is considered an early-stage exploration project and has been periodically explored since the late 1960s, with the most substantive period of exploration occurring in the 2000s and 2010s.
- No significant environmental or legal impediments are known to exist to further development of the Project, although the seismically active nature of the region, along with the mapping of known landslides and mudflows peripheral to the deposit, indicate risk associated with seismicity that requires further quantification and will need to be considered in any future development of the Project.

The Karaberd deposit occurs within the Lesser Caucasian segment of the Tethyan orogenic belt which extends through 33 countries from Europe to eastern Asia and is a globally significant gold and base metals repository. The Lesser Caucasus was formed by the collision of Eurasia, several Gondwana-derived terranes and Arabia and it evolved from a Jurassic subduction-related magmatic arc to a post-collisional tectonic environment in the Neogene. The deposit lies immediately to the south of the Sevan-Akera suture zone which represents the late Cretaceous collision between Eurasia and the South Armenia crustal block. Common mineralization types in the Lesser Caucasus include porphyry, epithermal, volcanogenic massive sulfides and skarn deposits, and the deposit displays characteristic of low to intermediate sulfidation epithermal deposits. Mineralization is hosted in mid- to late-Eocene volcano-sedimentary rocks which have been intruded by numerous late-stage (late Eocene to mid Oligocene) intermediate to felsic intrusives.

Two main mineralized zones are present at the Project and account for majority of the gold in the Project's Mineral Resource estimate (MRE). Gold mineralization occurs in quartz-carbonate (and subordinate malachite) veins, typically characterized by widths up to approximately 5 m. Alteration styles are consistent with the epithermal mineralization environment and the deposit is characterized by a silver to gold ratio of approximately 2:1 which is characteristic of the deposit style. The main mineralized zone (Zone 1) strikes northwest-southeast and dips toward the southwest at between 50° and 90°. It occurs in a 20–60 m wide zone fault zone characterized by hydrothermal alteration and the presence of fault gouge material. The zone is known to extend for approximately 700 m along strike and may be continuous at depth. The other significant zone (Zone 3) strikes north-south and intersects Zone 1 at a high angle.

Three major phases of exploration have been conducted on the Project. In the late 1960s to early 1970s, the Geological Survey of Armenia carried out surface trenching, limited drilling and developed a series of underground adits to access the mineralized zones. From 2003 to 2008, Vallex (a private company) and Assat (the current licence holder) carried out 1,210 m of diamond core drilling in 22 holes as well as a significant amount of trenching. From 2008 to 2012, a further 26 diamond drillholes were completed, for 2,895 m. Eight verification holes were drilled in 2020 and two infill holes in 2021 and four infill holes were drilled in the second half of 2021 with some test mining. The last exploration programme included 26 trenches for 169 m of trenching and 19 additional diamond holes completed between June and December of 2022 for

the total of 2,400 m, which were used to update the MRE. A statement of the MRE, which has been classified and reported in accordance with the JORC Code<sup>1</sup>, is presented in Table I in this CPR.

None of the drilling campaigns prior to 2020 have any routinely documented quality assurance/quality control (QAQC) procedures or results, nor is the core available. As a result, a verification exploration programme was undertaken in early 2020 under the supervision of an independent consultant and a further 10 trenches were excavated and a further eight diamond drillholes (for 661 m) were drilled. QAQC procedures and results from this verification programme are available and indicate that analytical performance was satisfactory. That verification exploration programme provide sufficient confidence in the results of the extensive historical work which was carried out under Russian standards to support the MRE stated in this CPR. In the 2022 exploration programme the QA/QC programme included blanks, Certified Reference Material (CRM), and duplicates. Results were obtained both for gold and silver. No issues were revealed with the laboratory results.

For the MRE stated in Table I, AMC reviewed the provided analytical data and produced updated MRE which was estimated with historical and recent data comprising the following:

- 48 diamond drillholes for 4,058 m of drilling and 241 sampled intervals.
- 159 trenches for 1,036 m of trenching and 464 trench samples.
- 133 underground channels for 1,212 m of channels and 735 samples.
- Eight verification holes for 641 m of drilling and 110 sampled intervals drilled in 2020.
- Two infill holes for 55 m of drilling and 45 sampled intervals drilled in the first half of 2021.
- Four infill holes for 365 m of drilling and 6 sampled intervals drilled in the second half of 2021.
- 19 diamond drillholes for 2,400 m of drilling and 166 sampled intervals drilled between June and December of 2022.
- 26 trenches for 169 m of trenching and 147 trench samples.

The MRE has been constrained and reported to a reasonable distance from data points. The MRE is classified as Inferred and Indicated according to JORC Code guidelines and reported with a cut-off grade of 0.8 g/t Au. At this cut-off grade, the MRE is deemed to have reasonable prospects for eventual economic extraction.

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1 Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. The JORC Code, 2012 Edition. Prepared by: The Joint Ore Reserves Committee of The Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia (JORC). < <http://www.jorc.org> >

Table I Mineral Resource estimate for the Karaberd Gold Project as of 1 December 2022 at a 0.8 g/t Au cut-off grade

Oxidation	Classification	Tonnes kt	Au		Ag	
			g/t	koz	g/t	koz
Oxidized	Indicated	452	4.2	61	9	131
	Inferred	192	4.0	24	10	65
	<b>Total</b>	<b>643</b>	<b>4.1</b>	<b>86</b>	<b>9</b>	<b>196</b>
Fresh	Indicated	565	5.1	92	11	200
	Inferred	436	4.9	69	12	174
	<b>Total</b>	<b>1,001</b>	<b>5.0</b>	<b>161</b>	<b>12</b>	<b>375</b>
<b>Total</b>	Indicated	1,016	4.7	153	10	331
	Inferred	628	4.6	93	12	239
	<b>Total</b>	<b>1,644</b>	<b>4.7</b>	<b>246</b>	<b>11</b>	<b>570</b>

Notes:

- The Mineral Resource estimate is classified according to JORC Code guidelines.
- The Mineral Resource estimate is reported at a 0.8 g/t Au cut-off grade as of 1 December 2022.
- Mineral Resources are not Ore Reserves and do not have demonstrated economic viability.
- A bulk density value of 2.50 t/m<sup>3</sup> was used for the estimate of in situ tonnes for oxidized zone and 2.63 t/m<sup>3</sup> for fresh zone.
- Discrepancies in calculations may be present due to rounding.
- kt refers to kilo-tonnes (i.e. one thousand tonnes).
- koz refers to kilo-ounces (i.e. one thousand troy ounces).

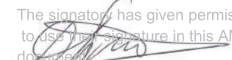
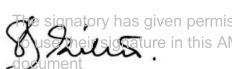
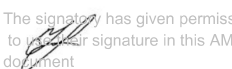
Limited and insufficiently documented metallurgical testwork has been carried out at the Project. An investigation into gravity recovery followed by flotation returned gold recoveries in the region of 80% and silver recoveries in the region of 50%; however, the head grade of the sample was approximately 3.5 times the gold and silver grade of the MRE. A cyanidation study, carried out in 2008 on more representative bulk samples with grades analogous to the MRE grades, returned gold recoveries exceeding 95%. Importantly, information on the proportion of gold that is recoverable by gravity techniques is not available.

MVI commenced trial mining at Karaberd in May 2021. The mineralized material was mined at the deposit and loaded to small trucks by excavator, then transported to Kirovakan where it was crushed and stockpiled. The mineralized material was then transported to the processing plant in Ararat (GeoPro Mining Gold LLC) by railway using 65-tonne wagons. The total reported results for seven months of trial mining included 33,324 tonnes of mineralized material with an average grade of 1.39 g/t Au. The total recovered metal between April and December 2021 was 46 kg of gold.

Further exploration is warranted on the Project and should include a combination of trenching and infill and extensional drilling. The deposit is considered by MVI and AMC to be open along strike (although limited by the current boundaries of the exploitation licence) and down dip. Infill drilling is considered critical to not only upgrade the classification of the MRE, but also to reduce the reliance on the only partly verified historical data. Implementation of industry standard operating protocols, as have been implemented in the 2020 verification exploration programme, will provide a more robust dataset to support advancing the Project. Geotechnical data needs to be collected from an oriented drilling campaign in order to inform potential pit or underground mine design parameters. In addition to further considered and well-documented metallurgical testwork being required, a trade-off study should be undertaken to determine at a high-level the optimal potential mining method for the deposit which will, in turn, optimize the exploration strategy. Acquiring of additional ground along strike of the deposit should be considered a priority to potentially increase the scale of the deposit.

## Quality control

The signing of this statement confirms this report has been prepared and checked in accordance with the AMC Peer Review Process.

<b>Project Manager</b>	The signatory has given permission to use their signature in this AMC document 	<u>16 August 2023</u> Date
	Dmitry Pertel	
<b>Peer Reviewer</b>	The signatory has given permission to use their signature in this AMC document 	<u>16 August 2023</u> Date
	Lawrie Gillett	
<b>Author</b>	The signatory has given permission to use their signature in this AMC document 	<u>16 August 2023</u> Date
	Serik Urbisinov	

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## Appendices

Appendix A JORC Table 1

### Distribution list

1 e-copy to Mineral Ventures Invest spol s.r.o  
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230816	1430

## 1 Introduction

### 1.1 Background, context, scope and terms of reference

Mineral Ventures Invest spol s.r.o. (MVI) commissioned AMC Consultants Pty Ltd (AMC) to prepare this independent Competent Person's Report (CPR) on the Karaberd Gold Project (the Project or Karaberd). AMC understands from its communications with MVI that this CPR will be included in admission documents submitted to the UK Financial Conduct Authority seeking approval of a Reverse Take Over by MVI of the IMC Exploration Group plc which is listed on the London Stock Exchange (LSE).

This report has been prepared in accordance with the requirements set out in the JORC Code<sup>2</sup>.

The Project is located in the Lori Province, northern Armenia.

Information provided by MVI to AMC for the purposes of preparing this CPR includes:

- The Project comprises a Mineral Allotment (366/2013), inclusive of a permitted exploitation area, which is valid until 2024.
- The Mineral Allotment, inclusive of an approved exploitation permit, are held by Assat LLC (Assat), a 100% owned subsidiary of MVI. The Project is considered an early-stage exploration project and has been periodically explored since the late 1960s, with the most substantive period of exploration occurring in the 2000s and 2010s.
- No significant environmental or legal impediments are known to exist to further development of the Project, although the seismically active nature of the region, along with the mapping of known landslides and mudflows peripheral to the deposit, indicate risk associated with seismicity that requires further quantification and will need to be considered in any future development of the Project.

In the absence of a scoping study, the Project is considered by AMC to be at an early-stage exploration project but has been extensively explored periodically since the late 1960s, with the most substantive period of exploration occurring in the 2000s and 2010s.

This CPR does not include a valuation of any of MVI tenements or Projects.

AMC Principal Geologist, Mr Dmitry Pertel undertook site visit to the Project between 15 March and 20 March 2020 for a total of three days at the site. Mr Pertel visited the deposit site, inspected drill core, and inspected core logging and sampling facilities. No drilling activity was being undertaken at the time of the site visit.

This CPR is addressed to MVI.

AMC is responsible for this CPR and declares that it has taken all reasonable care to ensure that the information contained in this CPR is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import that would require any amendment to this CPR.

---

<sup>2</sup> Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. The JORC Code, 2012 Edition. Prepared by: The Joint Ore Reserves Committee of The Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia (JORC). <<http://www.jorc.org>>

The mandate extended to AMC includes:

- Prepare the CPR in accordance with JORC Code using all relevant analytical information and data available as at 1 December 2022.
- The Mineral Resource estimate (MRE) for the Project presented herein has been signed off by AMC.
- Provide recommendations around development of the Project, including remedial actions where these are deemed necessary.

In preparing this CPR, AMC:

- Relied on the accuracy and completeness of the data provided to it by MVI, and MVI made AMC aware of all material information in relation to the Project. For the purposes of Prospectus Rule 5.5.3R(2)(f) from the Financial Conduct Authority, AMC accepts responsibility for the information contained in this CPR. AMC declares that to the best of its knowledge and belief, having taken all reasonable care to ensure that such is the case, the information contained herein is in accordance with the facts and does not omit anything likely to affect the import of such information.
- Relied on MVI's representation that it will hold adequate security of tenure for exploration and assessment of the Project to proceed; an Independent Solicitor's Report included elsewhere in the IMC Exploration Group's Prospectus Document provides a detailed discussion of MVI's tenements.

AMC consents to the inclusion of this CPR, and reference to any part of this CPR, in the IMC Exploration Group's Prospectus Document that is required to facilitate the planned reverse takeover of the IMC Exploration Group, which is a company listed on the main market of the LSE, by MVI. This CPR presents the following key technical information as at the effective date of this CPR which is 1 December 2022 (Effective Date):

- Statement of the MRE as of 1 December 2022 prepared by AMC.
- Comments on the reliability of data acquisition, geological interpretation, and Mineral Resource estimation.
- Comment on compliance with the JORC Code.
- Comment on exploration potential.
- A summary of the key technical risks and opportunities.

Certain units of measurements, abbreviations, and technical terms are defined in the glossary of this CPR. Unless otherwise explicitly stated, all quantitative data as reported in this CPR are reported on a 100% basis.

### **1.2 Adherence to the JORC Code guidelines**

The report has been prepared in accordance with the JORC Code and the rules and guidelines issued by the LSE for the requirements of a CPR and takes cognisance of the European Securities and Markets Authority requirements for technical reports accompanying prospectuses.

### **1.3 Technical information and effective date**

The effective date of this CPR is 1 December 2022 (Effective Date).

The MRE and the technical information presented in this CPR rely on information provided to AMC by MVI at the time of the site visit to Karaberd in March 2020 and submission of exploration data collected during the 2021-22 drilling campaigns.

All currency in this CPR is expressed on a cash basis in terms of United States dollars (US\$).

#### **1.4 Principal sources of information and reliance on other experts**

AMC has based its review of the Project on information made available to the principal authors by MVI, along with technical reports prepared by consultants, government agencies and previous tenement holders, and other relevant published and unpublished data. AMC has also relied upon discussions with MVI's management and consultants for information contained within this assessment and a site visit to the Project in Armenia by one of the authors of the CPR who is a Competent Person for the style of mineralization and nature of activities being reported on here. This report has been based upon information available up to and including 1 December 2022, with an effective date of the MRE reported herein set at 1 December 2022.

AMC has endeavoured, by making all reasonable enquiries, to confirm the authenticity, accuracy and completeness of the technical data upon which this report is based. Unless otherwise stated, information and data contained in this technical report or used in its preparation has been provided by MVI in the form of documentation and electronic data.

MVI was provided a final draft of this report and requested to identify any factual errors or material omissions prior to its lodgement.

Descriptions of the mineral tenure; tenure agreements, encumbrances and environmental liabilities were provided to AMC by MVI or its technical consultants. MVI has warranted to AMC that the information provided for preparation of this report correctly represents all material information relevant to the Project. Full details on the tenements are provided in the Independent Solicitor's Report included elsewhere in the IMC Exploration Group's Prospectus Document.

#### **1.5 Independence**

Neither AMC, nor the authors of this CPR, has or has had previously, any interest in MVI or the mineral properties in which MVI has an interest. AMC's relationship with MVI is solely one of professional association between client and independent consultant.

AMC will receive a fee for the preparation of this CPR in accordance with normal professional consulting practices. This fee is not dependent on the findings of this CPR and AMC will receive no other benefit for the preparation of this CPR. AMC does not have any interests that could reasonably be regarded as capable of affecting its ability to provide an unbiased opinion in relation to MVI's projects and assumptions included in the various technical studies completed by MVI, opined upon by AMC and reported herein.

While some employees of AMC and its subconsultants may have small direct or beneficial shareholdings in MVI or associated companies, neither AMC nor the contributors to this CPR nor members of their immediate families have any interests in MVI that could be reasonably construed to affect their independence. AMC has no pecuniary interest, association, or employment relationship with Celsius.

Neither AMC nor the contributors to this CPR nor members of their immediate families have any interests in MVI that could be reasonably construed to affect their independence. AMC has no pecuniary interest, association, or employment relationship with MVI.

#### **1.6 Consent**

AMC will give its written consent to the inclusion of this CPR in admission documents to the UK Financial Conduct Authority seeking approval of a Reverse Take Over by MVI of the IMC Exploration Group, that is listed on the LSE and all of the information to be contained in that document which has been extracted directly from this CPR.

#### **1.7 Qualifications of consultants and Competent Persons**

AMC is a firm of independent geological, geotechnical, hydrogeological, mining engineering, metallurgical engineering, and business improvement consultants offering expertise and

professional advice to exploration, mining, and mining finance industries from our offices in Australia, Canada, Singapore, and the United Kingdom.

AMC's experience-base covers all facets of mining from exploration and planning through to production and senior management roles. AMC has conducted a substantial number of evaluations of open-pit and underground mining projects and operations over a wide range of mineral commodities and is widely recognized as a technical leader in the global mining industry.

The independent Competent Person who conducted the site visit and prepared the MRE is Mr Dmitry Pertel, AMC Principal Resource Geologist. Dmitry Pertel has more than 34 years geological experience in mining, exploration and field work, office and operations establishment and management together with specific skills in mining and geological computer applications using Datamine, Micromine and other software. He has been involved in database management, resource modelling and evaluation, economic analysis, consulting, due diligence studies, audits, software promotion and sales. He has a strong working knowledge of exploration and mining projects around the world. Dmitry Pertel is a Member of the Australian Institute of Geoscientists.

This CPR has been peer reviewed in accordance with AMC's peer review policy. The peer reviewers was Mr Lawrie Gillett.

Lawrie Gillett, AMC Principal Mining Engineer and Practice Leader – Corporate, peer reviewed in accordance with AMC's peer review policies and procedures. Lawrie has more than 40 years of experience in the mining industry. His primary expertise is in technical audits, due diligence reviews, public reports, technical inputs to mineral asset valuations, and technical expert witness roles. His broad experience includes open pit design, scheduling and management, underground and open pit operations, and Reserve and mining costs estimation.

In preparing this CPR, AMC has relied on the accuracy and completeness of the data provided to it by MVI or its subsidiaries. MVI has undertaken that it has made AMC aware of all material information in relation to the projects. The CPR presents a review of the mineral asset of MVI but should not be considered an audit.

AMC has not conducted verification of the standing of the tenure for exploration at any of the projects and has relied on MVI that it will hold adequate security of tenure for exploration and assessment of the projects to proceed. Full details on the tenements are provided elsewhere in the IMC Exploration Group's Prospectus Document.

### **1.8 Declarations**

#### **1.8.1 Purpose of this document**

This CPR has been prepared by AMC at the request of and for the benefit of MVI and potential investors. Its purpose is to provide an independent assessment of the Karaberd Project in Armenia.

The report is to be included in its entirety or in summary form within admission documents to the UK Financial Conduct Authority seeking approval of a Reverse Take Over by MVI of the IMC Exploration Group, that is listed on the LSE and in connection with the future commercial development of MVI. It is not intended to serve any purpose beyond that stated and should not be relied upon for any other purpose.

The statements and opinions contained in this report are given in good faith and in the belief that they are not false or misleading. The conclusions are based on the reference date of 1 December 2022 and could alter over time depending on exploration results, mineral prices, and other relevant market factors.

### 1.8.2 Competent Person's statements

The information in this report that relates to the Technical Assessment of Mineral Resources has been prepared by Mr Dmitry Pertel. Mr Pertel is a Member of the Australian Institute of Geoscientists. Mr Pertel has sufficient experience relevant to the style of mineralization and type of deposit under consideration and to the activity which he is undertaking to qualify as Competent Persons as defined in the 2012 Edition of the Australasian Code for the Reporting of Exploration Results, Mineral Resources, and Ore Reserves (JORC Code). Mr Pertel consents to the inclusion in this CPR of the matters based on his information in the form and context in which it appears.

To the best of our knowledge, the information in this report is in accordance with the facts and the report makes no omission likely to affect its import.

Mr Pertel is a full-time employee of AMC.

### 1.8.3 Site inspection

A site visit was conducted by the Competent Person (CP), Dmitry Pertel, who was a full-time employee of CSA Global Pty Ltd at the time of the visit, from 15 to 20 March 2020. The purpose of the site visit was to review the Karaberd deposit site and assess the geology and mineralization geometry, drill core and channel samples. Drilling at Karaberd was not ongoing during the site visit and there were no rigs at the site.

The local geological team were also involved in the visit, as the company has an office in Sevan. The local geologists were well able to explain the protocols and methods employed in the 2020 validation drilling programme, including quality assurance/quality control (QA/QC), which are considered appropriate and consistent with industry good practice.

Some drill collars and surface trenches were checked in the field (Figure 1.1), although most of the surface was under snow and it was difficult to review the deposit geology.

Figure 1.1 Marked drill collar on site (2020 drill programme)



The drill core and sample storage area for the 2020 exploration holes (2020 verification programme) were visited. The sample storage facility is considered secure. The drill core was examined and noted that it was well marked with tags and logged (Figure 1.2). Sampling was completed by splitting the core into two halves. It was noted by the CP that all mineralized intervals were oxidized.

Figure 1.2 Core with sampled intersections



The sample preparation and analytical laboratories were not visited. Sampling and sample preparation procedures implemented for the 2020 verification programme are considered by AMC to be industry standard. Data, drilling and geological records, including recovered historical reports and logs, were found by AMC to be well maintained in the storage at the office in Sevan.

### 1.9 About this report

This CPR describes the geology, exploration activities and Mineral Resources at Karaberd. The regional and local geology of the Project is reviewed in the context of the style of mineralization present at the Project, and the MRE is reported in accordance with the JORC Code.

No valuation has been requested from or determined by AMC for the Project.

#### 1.9.1 Conventions used in this report

Unless otherwise indicated, the following conventions/units of measurement are used in this report:

- Coordinate system is Pulkovo 1942, Gauss Conform Zone 8:
  - Projection: Gauss Kruger.
  - False easting: 8500000.0.
  - False northing: 0.0.
  - Central meridian: 45.0.
  - Scale factor: 1.0.
  - Latitude of origin: 0.0.
  - Linear unit: Metre (1.0).
- Gold and silver assays are given in grams per tonne (g/t) and base metal assays in parts per million (ppm) or weight percent (%).
- North is to the top of the page on all maps.
- Financial information is reported in either US dollar (US\$) or Armenian dram (֏).

## 2 Karaberd Project overview

### 2.1 Location and access

The Karaberd deposit is located in the Lori province, northern Armenia, 70 km north of the capital, Yerevan, and about 5 km northeast of Vanadzor, the third-largest city in Armenia. The city has an estimated population (2016) of around 82,000. The international border with Georgia is approximately 40 km to the north.

Access to the Project site is via a 4.5 km road which connects with the M3 highway north of the Pambak River east of Vanadzor. The drive to Yerevan (about 115 km by road on the M3) takes around two hours. International airports in Armenia are located at Yerevan and Gyumri, which are approximately 70 km west of Vanadzor (Figure 2.1).

Figure 2.1 Location map



Source: MVI

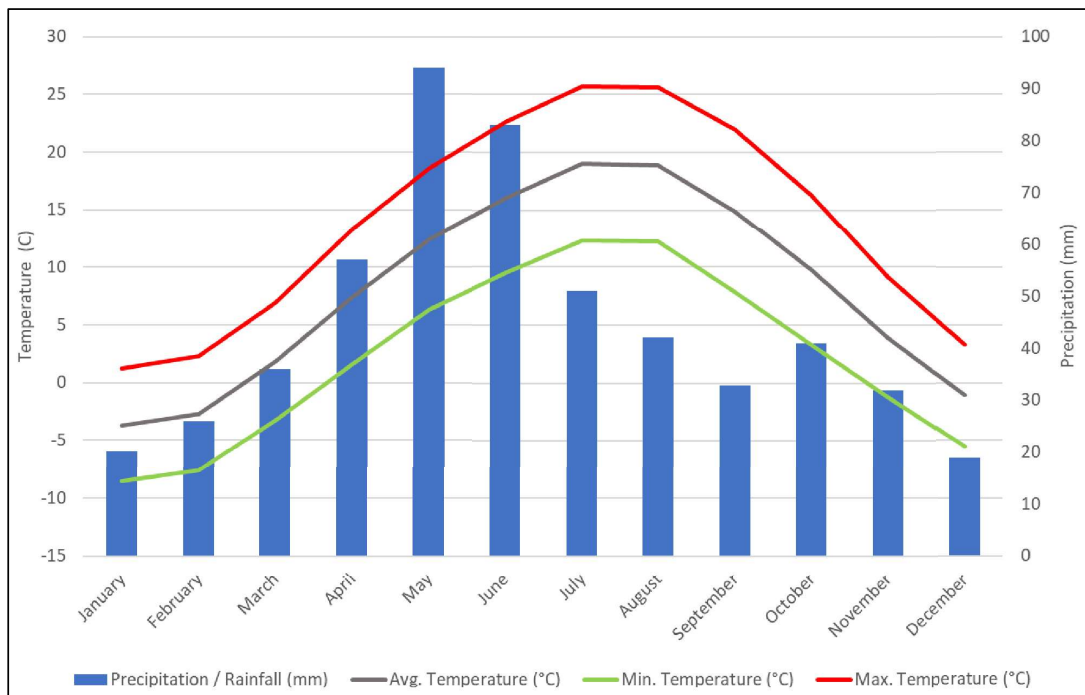


**2.2 Physiography and climate**

The Project is located in the Pambak River basin at the south-eastern edge of the Bazum Mountains which extend from northwest to southeast in northern Armenia. Local topography at the Project area is undulating to steep, and elevations range from about 1,300 m in Vanadzor to over 1,800 m on the main ridge immediately east of the deposit. The topography is heavily dissected by streams flowing from the ridgelines.

The Pambak River is located 1.5 km south of the central project area and water levels rise sharply in spring (April). The climate is characterized as "humid-continental", corresponding to the Koppen Dfb class. Average temperatures range from -5°C in winter to 20°C in summer (Figure 2.2). Annual precipitation is around 600 mm per year, and snowfalls up to around 20 cm are regularly recorded during the winter months.

Figure 2.2 Climatic data for Vanadzor



Source: <https://en.climate-data.org/asia/armenia/lori/vanadzor-2019/>

The landscape around Vanadzor is classified as "low and middle mountain forest" and the area is characterized by open woodlands, meadows, and forests. In the immediate vicinity of the Project, subalpine grassland dominates and there are no timber resources that could be used for construction at the Project site.

**2.3 Seismicity**

Armenia is a seismically active country and the area around the Project site is characterized as moderate to high seismic risk. Several mudflows and landslides are reported in proximity to the Project.

**2.4 Ownership and tenure**

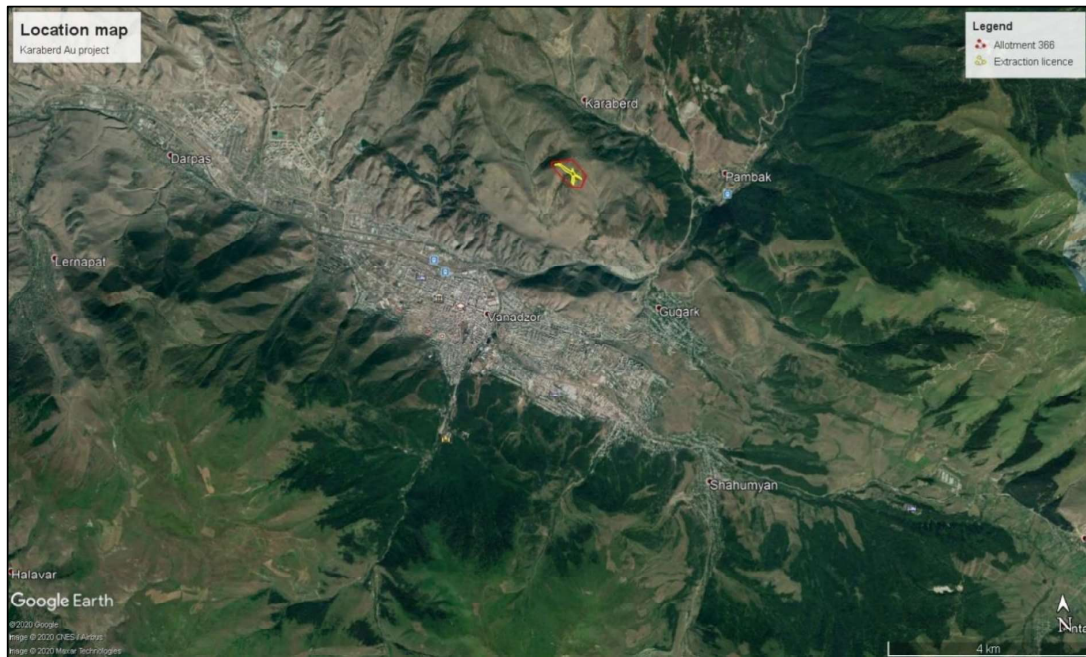
The Project falls under a Mine Allotment (N366 dated 6 June 2013) granted for a period of 11 years (valid until 6 June 2024) by the Ministry of Energy and Natural Resources (now the Ministry of Energy Infrastructures and Natural Resources) of the Republic of Armenia. The licence

coordinates are provided below (Table 2.1) and the allotment comprises a total area of 20.3 hectares (ha).

Table 2.1 Mining Allotment N366 coordinates

Point	Northing	Easting
1	4522169	8459072
2	4522235	8459086
3	4522233	8459480
4	4521934	8459737
5	4521706	8459627
6	4521728	8459463

Figure 2.3 Location of Allotment N366 and the extraction permit, located northeast of Vanadzor



Source: MVI

Within the allotment, an area of 3.96 ha is currently licenced for Mineral Extraction (Figure 2.3 and Table 2.2). An application has been submitted for the expansion of this area to cover the entire 20.3 ha allotment. It is understood this process is straightforward.

Figure 2.4 Organization structure chart showing the entities comprising MVI

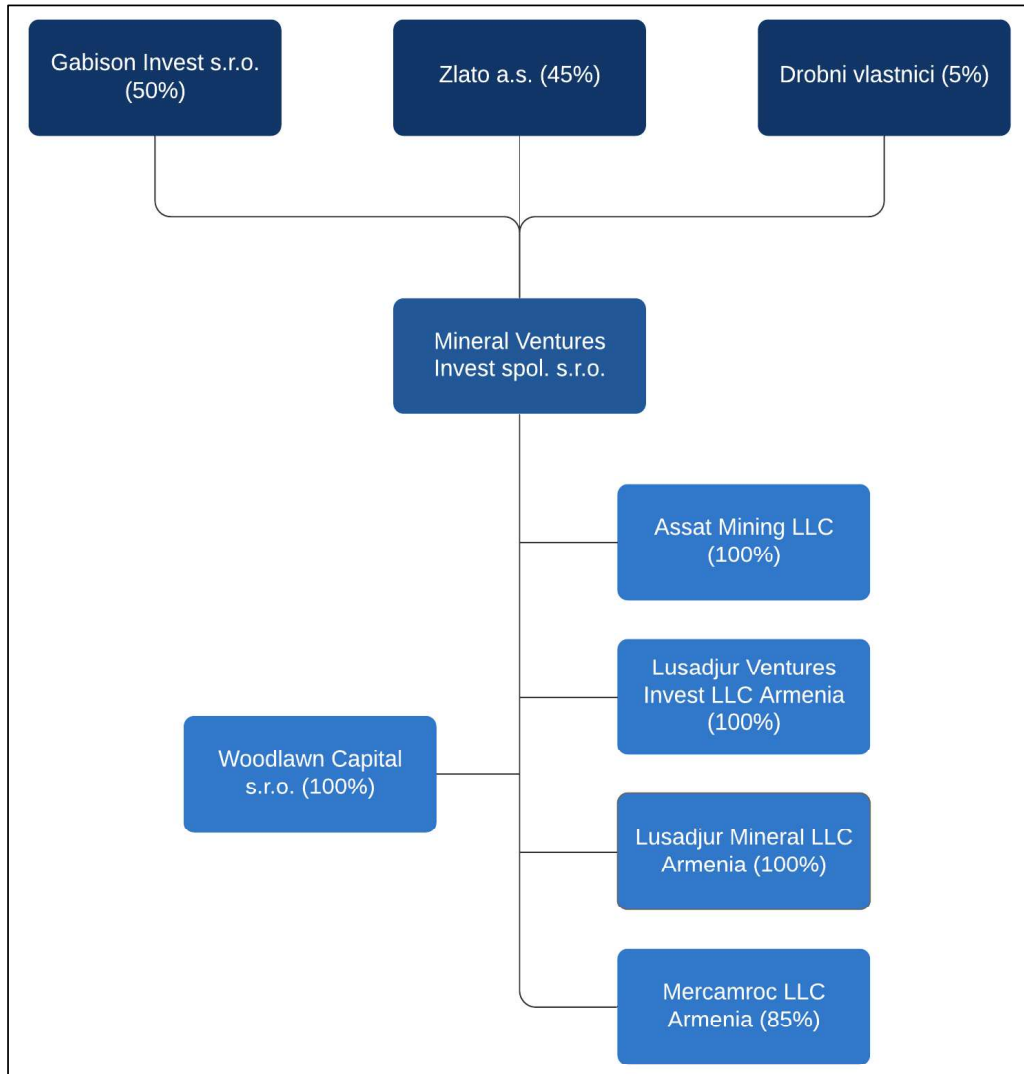


Table 2.2 Coordinates for the Extraction area within Allotment N366

Corner Point	Coordinates		Corner Point	Coordinates		Corner Point	Coordinates	
	North	East		North	East		North	East
1	4522176.0	8459129.9	6	4521908.8	8459625.7	11	4521828.0	8459465.4
2	4522186.6	8459229.1	7	4521875.4	8459646.3	12	4521982.8	8459462.1
3	4522015.7	8459472.5	8	4521947.4	8459499.1	13	4522044.5	8459346.8
4	4522082.0	8459476.8	9	4521850.9	8459502.8	14	4522153.2	8459233.1
5	4521965.6	8459522.1	10	4521775.0	8459481.7	15	4522176.0	8459129.9

The mining licence is owned by Assat LLC (Assat) which is wholly owned by MVI. The ownership structure of MVI is provided in Figure 2.4.

While AMC has had sight of the relevant licence documentation, it provides no warranty on the legality of Assat's tenure.

## 2.5 Legislative framework in Armenia and legal obligations

An annual subsoil use permit of ₺10,000,000 (around US\$26,000, based on the exchange rate as of the report issue date) is payable annually. There is also a size-determined land use fee, which amounts to US\$737 per annum for the Project.

An amount of US\$3,576 has been set aside for remediation (as documented in the Project's Environmental Impact Assessment – EIA), although this is a preliminary amount and is subject to revision during the mine closure planning phase.

Relevant applicable mining and environmental legislation in Armenia is summarized below.

### 2.5.1 Legislative framework

The key piece of regulation of the Armenian mining industry is the Code on Subsoil of the Republic of Armenia ("the Mining Code") effective from 2012. The Mining Code replaced the Code on Subsoil, adopted 25 February 1992, and the Law of Concessions for Subsoil Assets for the Purposes of Exploration and Mining of Minerals, adopted 5 November 2002. Since 2012, a number of additional acts regulating mining operations have been adopted, sometimes inconsistent or conflicting with other regulations. The Mining Code is regulated by the Ministry of Energy Infrastructures and Natural Resources (who grant permissions and supervision of activity) and the Ministry of Nature Protection (for environmental issues and supervision of "re-cultivation works").

Various other laws also affect the mining industry:

- The Law on Payments for Nature Protection and Nature Usage.
- The Law on Wastes.
- The Law on Environmental Protection.
- The Land Code.
- The Water Code.
- The Forestry Code.
- The Tax Code.

Environmental and social regulation of the mineral sector is primarily based on the Law on Environmental Impact Assessment and Expert Examination, 2014 and the RA Mining Code, 2012 (World Bank, 2016).

The mineral (subsoil) rights reside with the state and surface rights with the relevant landowner, with provisions 10 and 33.2 of the Constitution of Armenia declaring that the State shall:

- Ensure the protection of the environment and its remediation.
- Allow reasonable use of natural resources while ensuring a person's right to live in a healthy and safe environment.

The 2012 Mining Code regulates the following:

- Standards and conditions for allowing exploitation on natural resources, as well as limitations to exploitation.
- Geological information and procedures in place in order to be granted permission to exploit these resources.
- The management of mining waste.
- The management of property rights/tenure issues.
- Pit closure and re-cultivation as well as management of social responsibility and accountability.
- The tariffs in place for exploitation on natural resource.
- Environmental protection and management measures.

- Ongoing supervision and monitoring of mining sites by the State.

### 2.5.2 Exploration (prospecting) rights in Armenia

Armenian law does not require any permits/rights for reconnaissance work, except permission from the landowners and the registration of minerals identified and nature of the work undertaken (Orbelyan and Badasyan, 2018).

In order to conduct systematic exploration, an application must be submitted to the Ministry of Energy Infrastructures and Natural Resources for no more than three years and may be extended pursuant the procedure specified in the Mining Code for three consecutive periods of two years (Sargsyan and Babalyan, 2020). Applications are granted on a first come, first serve basis and are open to both local and foreign investors (Sargsyan and Babalyan, 2020), with the State's role being regulatory in nature. The application needs to be accompanied by a work plan, timelines, area to be explored and the financial and technical abilities of the applicant. Applications need to be accompanied by a project-specific EIA and final approval for the exploration right is provided by the Ministry of Environment on the strength of the EIA (Orbelyan and Karapetyan, 2019).

Prior to commencing exploration or mining, the rights holder must obtain permissions from the surface owner or make representation to the Ministry of Territorial Management and Infrastructures of a land usage agreement. The surface can be used under the land purchase, usage, lease or servitude agreement. At the same time, foreign entities can only use the land, but cannot have any ownership rights in relation to it (Orbelyan and Karapetyan, 2019).

For renewals, the rights holder needs to apply to the Ministry of Territorial Management and Infrastructures and include reasons for the extension, additional work required and the amended work plan. Relinquishments of exploration rights can be done, according to Article 45 of the Code for Subsoil, totally or partially with three months' prior notice. The application must include the work completed and supporting documentation. In the case of a partial relinquishment, an updated exploration plan needs to be submitted.

Exploration (and mining) rights can be transferred from one entity to another with permission from the Ministry. Submission of the work already completed to be included with the application and the Ministry has 30 days within which to make a decision. There is no provision for the subdivision of rights (Orbelyan and Badasyan, 2018).

The annual State fee for exploration is 750,000 (around US\$130, based on the exchange rate as of the report issue date) (Orbelyan and Karapetyan, 2019).

### 2.5.3 Mining rights in Armenia

Companies that have discovered deposits under an Exploration Right have priority when applying for exploitation/mining permits. Mining rights are granted for the full period of exploitation, but not longer than 50 years.

The rights give the holder the right to mine and explore within the licence boundaries. Where breaches in the regulations and mining laws are remedial, the licence holder has a 90-day period in which to remedy the breach before the State can revoke the mining right.

When applying for a mining right, the applicant must apply for a preliminary environmental assessment prior to submitting an application for the mining right. Following this, they must submit documentation covering how the project will operate, the minerals to be extracted, what must be exploited, closure programme and the financial and technical abilities of the applicant (Orbelyan and Badasyan, 2018).

The applicable fees for a mining right depend on the mineral being exploited and is payable within five days of notification that the right has been granted (Orbelyan and Karapetyan, 2019):

- Precious metal mines, the annual State fee is ₺10 million.
- Fossil fuel mines, the annual State fee is ₺50,000.
- Building material mines, the annual State fee is ₺500,000.
- Gemstone mines, the annual State fee is ₺10 million.
- Obsidian (Vanakat) mines, the annual State fee is ₺100,000.

#### 2.5.4 Royalties and taxes

Rights holders are expected to pay general taxes which include, but are not limited to, profit (corporate) tax (20%), value-added tax (VAT) (20%), property tax (where applicable) and social payments for employees (2.5% of gross salary) (Sargsyan and Babalyan, 2020).

Licence royalties are also payable and consist of two parts:

- 4% royalty based on the costs of metal extracted at the mine with a deduction allowed for smelting costs – effectively similar to a net smelter return (NSR).
- A second calculation that considers the profitability of the operation. This calculation is determined as follows:

$$\text{Royalty} = 4 * \left( \frac{P}{S * 8} \right) * 100$$

Where P is income in ₺ before taxation – i.e. income less deductibles allowable under law and S is the income from product sales, less VAT.

Additional fees payable include:

- Reclamation and closure fund contributions. This is an upfront payment (paid within one month of signing of the mining agreement) and then an ongoing yearly payment.
- Environmental (nature protection) tax for emissions and waste dumping. The rate is dependent on the level of emissions the mining activity is generating and higher if the prescribed limits are exceeded.
- Monitoring payments for monitoring by the state of factors adversely affecting the environment and health and safety of the affected communities.
- Nature utilization fees (for use of water, and bio-resources).

Although Armenian law does not distinguish between taxing of national and foreign investors, foreign investors can benefit from grandfather clauses in the Law on Foreign Investors which state that a foreign investor can rely on legislation in force for three years after the investment was made. Practical implementation of this clause, however, has never been tested. Armenian law may provide for different regimes of taxation as compared to residents and several Double Taxation Avoidance Treaties may apply for foreign entities with different results (Sargsyan and Babalyan, 2020).

#### 2.5.5 Environmental liabilities

EIAs are required prior to conducting exploration and/or mining and need to be assessed on an ongoing basis. The Mining of Nature Protection is the regulatory body responsible and has final sign-off on issuing of any exploration and mining rights (Sargsyan and Babalyan, 2020).

#### 2.5.6 Risks and legal deficiencies

Several risks and deficiencies have been identified:

- The Mining Code does not prescribe any localization shareholder criteria. However, since the granting of a mining right is a discretionary process, a shareholder structure perceived not to be in the nation's interests/security may fail (Sargsyan and Babalyan, 2020).
- Changes in the tax regime and legislation poses a risk to investors/mining companies. However, this is mitigated by that fact that foreign entities are covered by the legislation

for three years after the investment was made by the grandfathering clause referred to above.

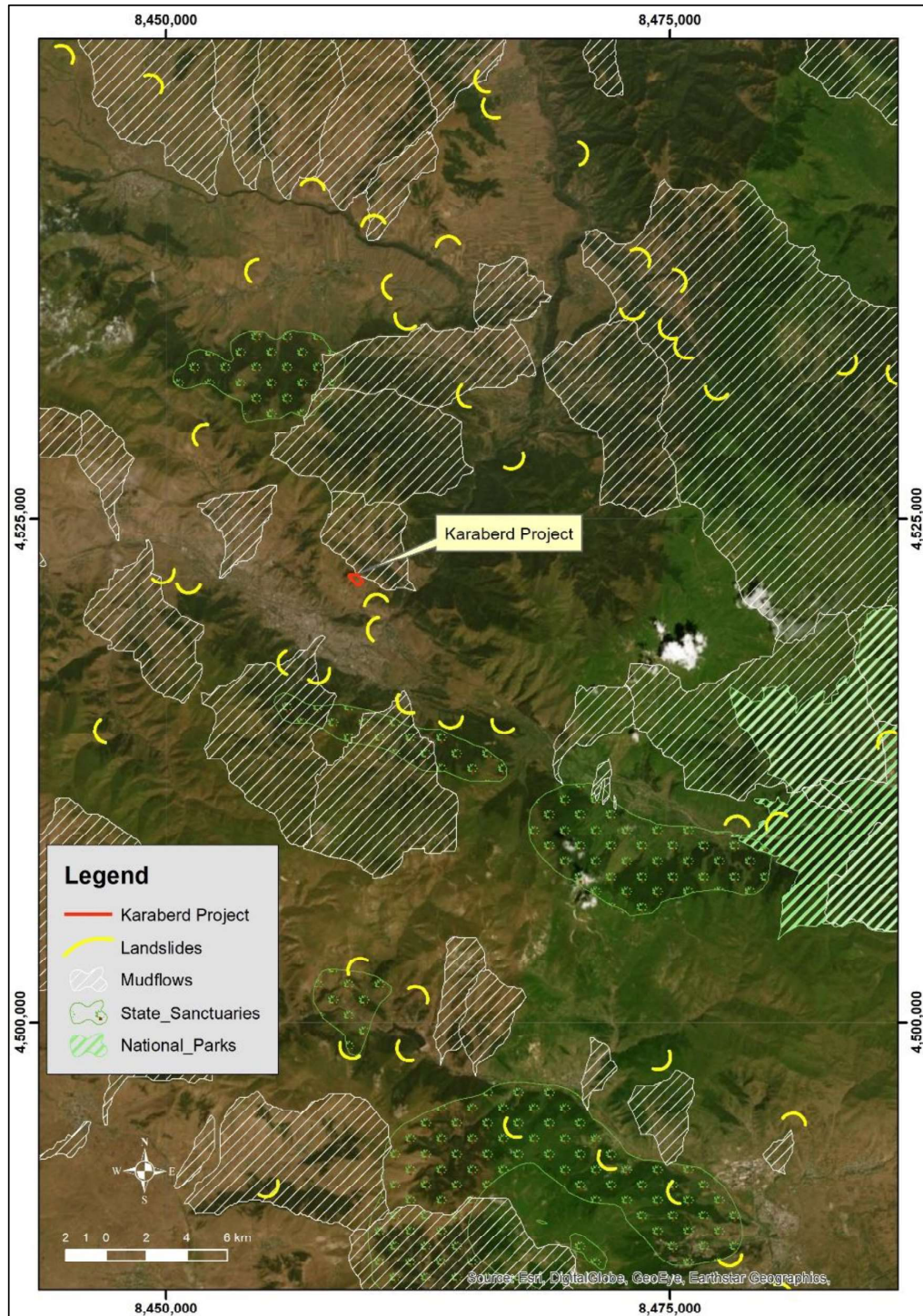
- There are gaps in the Mining Code around waste management as waste dumps become exclusive property of the State from the moment of their formation. However, such dumps can only receive legal status once they have undergone a statutory geological and economic appraisal, but there is no procedure set out in the Mining Code for doing this. Prior to this appraisal, the status of dumps is unclear. Toxic tailings can be classified as an industrial waste site, absolving the subsoil permit holder of any payment of ecological tariffs.
- Restrictions on extraction at sites of historical and cultural monuments, natural landmarks or areas characterized by endangered fauna and flora are set out in Article 26 of the Mining Code but tariffs designed to protect these elements are not presented in the Mining Code. Accordingly, many sites of significance are ignored on many projects.

## **2.6 Environmental considerations and other impediments to development**

AMC is not aware of any material environmental, legal or physical impediments to the development of the Project. The Project site is not located on protected land (Figure 2.5). Seismic risk is a consideration in Armenia and may provide challenging operational conditions for an underground mine. Mudflows are widely mapped around the Project but the slope which underlies the Project site has not been affected by mudflows or landslides.

Based on information presented to AMC, the Project carries the required documentation for potential open pit and underground development and the construction of waste dumps and operational areas, although this has not been independently verified. MVI is considering the installation of a mobile crushing and gravity recovery gold processing system, with the non-gravity recovery gold reporting to tailings. They are currently investigating options for bioleaching of the fine gold from the tailings. Permits associated with the provision of power, water and the construction of tailings dams have not yet been applied for.

Figure 2.5 Map showing the distribution of protected areas and natural hazards in the vicinity of the Project



Source: www.ace.aua.am



## 2.7 Project history

The summary of the Project history presented here is largely drawn from reports by independent consultants prepared for MVI prior to preparation of this CPR. A summary is provided below.

The deposit was discovered by the Geological Survey of Armenia in 1969–1971 during regional prospecting. Prospect evaluation using trenches and adits was undertaken in 1972–1974 and resulted in the delineation and exposure of mineralized zones. Some limited exploration work was conducted between 1993 and 2002, by the State-owned Pambak Exploration Expedition.

From 2003 to 2005, a private company, Vallex, undertook further exploration and it is understood this work (although the data for this is not available) formed the basis for Assat's investment into the Project and ongoing exploration activities on the Project from 2007 to 2012. An internal initial MRE was carried out in 2009.

In 2013, the Exploration Licence was converted to a Mining Licence (Allotment N366), and it is understood pilot mining was undertaken by Assat in 2015. No data pertaining to the pilot mining has been made available.

In 2020, verification drilling was undertaken by MVI (executed by local subsidiary Lusadjur) to validate the drilling carried out by Assat. This data has been used purely in a validation capacity and has not been used in the previous MRE.

In 2021, two additional holes were drilled by MVI and 543 surface channel and grab samples were collected.

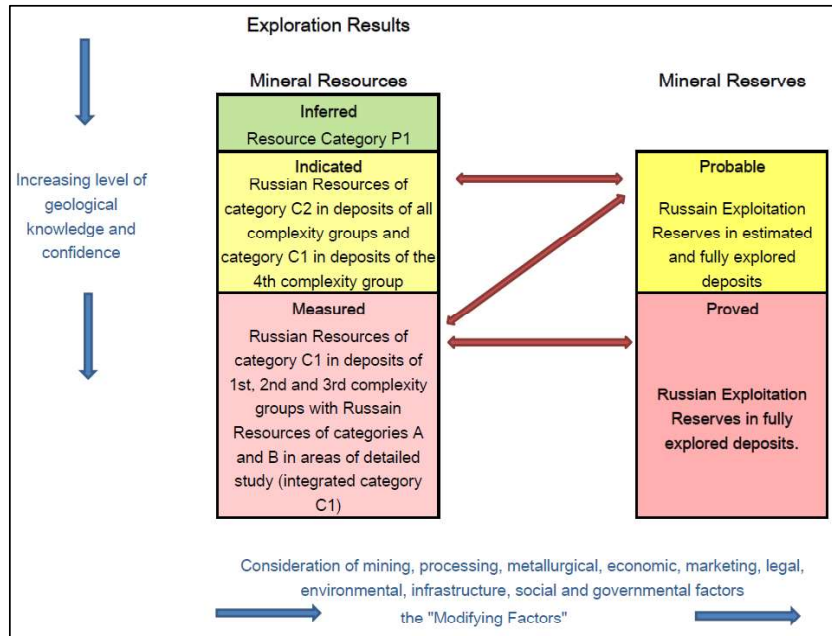
In 2022, 19 drillholes and 26 trenches were completed at the deposit. The current MRE update included all this data.

### 2.7.1 Previous Mineral Resource estimates

#### 2.7.1.1 2009 GKZ estimate

Mineral Resources for the Karaberd Project were reported in 2009, in accordance with the Russian GKZ code (Russian State Commission for Reserves) which is the official reporting frameworks for the reporting of Resources and Reserves within Armenia. There is no direct correlation of the GKZ framework with CIM or JORC Code classification guidelines, but a broad correlation between the GKZ standard and "western" classification (i.e. JORC Code, CIM, SAMREC) is shown in Figure 2.6. Category C<sub>2</sub> is broadly comparable to Indicated and Inferred Mineral Resources and Category C<sub>1</sub> with Measured and Indicated Mineral Resources.

Figure 2.6 Correlation of GKZ classification with industry-standard Mineral Resource and Reserve classifications



Source: <https://www.micon-international.com/mineral-resource-reporting-differences-between-cim-iorc-and-others/>

It is understood that the 2009 estimate was calculated using a sectional approach in AutoCAD, and that no justification was provided for the selected cut-off grade. GKZ approved cut-off grades of 2.3 g/t for underground mining and 0.83 g/t for open pit mining were used. Data used to inform the estimate included sampling plans for underground adits, surface sampling, assays associated with these sampling layouts, geological cross-sections and long-sections. The methodology associated with the estimation is documented in Bagdasaryan et al. (2009). The resource estimate was approved by the Committee of the Ministry of Energy and Natural Resources in bulletin 32 (29 March 2012) and is presented in Table 2.3.

Table 2.3 Previous GKZ "resources" for the Karaberd Project

	Unit	C <sub>1</sub> Resources	C <sub>2</sub> Resources	C <sub>1</sub> + C <sub>2</sub>
Tonnage	kt	186.9	116.2	303.2
Gold grade	g/t	5.11	5.82	-
Silver grade	g/t	9.28	10.23	-
Gold (contained)	kg	956	676	1,632
Gold (contained)	koz	30.7	21.7	52.5
Silver	t	1.73	1.19	2.92

The aforementioned estimate has not been validated by AMC, and no reliance is being placed on it by either AMC or MVI.

### 2.7.1.2 2020 estimate

The 2020 MRE was based on 48 drillholes, 321 trenches, and 133 channels. The effective date of the MRE was 1 May 2019 and estimation and classification was in accordance with the CIM Definition Standards for Mineral Resources and Mineral Reserves, and the guidelines set out by NI 43-101. The 2020 estimate preceded the completion of the verification drilling described in Section 4.8 but the outcomes of the verification programme were deemed sufficient for the

consultant to formally report the 2019 MRE in its 2020 technical report. Only gold was stated, as it was deemed there was insufficient evidence to support the recovery of silver. A nominal cut-off grade of 0.5 g/t was used, and the Mineral Resource was constrained down dip to 35–40 m below the deepest data point, and 25–50 m along strike (half the data spacing). The Mineral Resource was classified as an Inferred Mineral Resource on the basis of geological knowledge, spatial continuity of mineralization, data density, source data quality and the assessment of its reliability and grade interpolation parameters and is shown in Table 2.4.

Table 2.4 Mineral Resources for the Karaberd Project (1 May 2019)

Classification	Tonnage (kt)	Au grade (g/t)	Au contained (kg)	Au contained (koz)
Inferred Mineral Resources	1,580	5.4	8,490	270

Notes:

- Mineral Resources classification is based on the definitions provided in the CIM Definition Standards for Mineral Resources and Mineral Reserves.
- The Mineral Resource is based on a cut-off grade of 0.5 g/t.
- A bulk density value of 2.50 t/m<sup>3</sup> was used for all the blocks in the model.
- Discrepancies in columns and rows may be due to rounding.

The 2019 MRE was reviewed and restated by a Perth based independent consulting company in June 2020, in accordance with the JORC Code. The review and restatement of the 2019 MRE is provided in Table 2.5.

Table 2.5 MRE for the Karaberd Gold Project as of 20 May 2020 at a 0.8 g/t cut-off grade

Mineral Resource Classification Category	Tonnes (kt)	Bulk Density (t/m <sup>3</sup> )	Au grade (g/t)	Ag Grade (g/t)	Au Content (koz)	Ag Content (koz)
Inferred	1,271.3	2.5	5.4	10.6	221	434

Notes:

- The Mineral Resource is classified according to JORC Code guidelines.
- The Mineral Resource is reported at a 0.8 g/t Au cut-off grade as of 20 May 2020.
- Mineral Resources are not Ore Reserves and do not have demonstrated economic viability.
- A bulk density value of 2.5 t/m<sup>3</sup> was used for the estimate of in situ tonnes.
- Discrepancies in calculations may be present due to rounding.
- kt refers to kilo-tonnes (i.e. one thousand tonnes).
- koz refers to kilo-ounces (i.e. one thousand troy ounces).

Some parts of the mineralized bodies were reclassified, reduced the total tonnage of the Inferred material, and reported above 0.8 g/t Au cut-off grade.

### 2.7.1.3 2021 estimate

Following drilling of eight infill and two verification holes, and some initial results of trial mining that affected the topography surface, the 2020 MRE was updated by an independent consulting company on 1 July 2021, in accordance with the JORC Code. The updated estimate is provided in Table 2.6.

Table 2.6 MRE for the Karaberd Gold Project as of 1 July 2021 at a 0.8 g/t cut-off grade

Mineral Resource Classification Category	Tonnes (kt)	Bulk density (t/m <sup>3</sup> )	Au grade (g/t)	Ag grade (g/t)	Au content (koz)	Ag content (koz)
Inferred	1,290	2.5	5.4	11	225	450

Notes:

- The Mineral Resource is classified according to JORC Code guidelines
- The Mineral Resource is reported at a 0.8 g/t Au cut-off grade as of 1 July 2020
- Mineral Resources are not Ore Reserves and do not have demonstrated economic viability
- A bulk density value of 2.5 t/m<sup>3</sup> was used for the estimate of in situ tonnes
- Discrepancies in calculations may be present due to rounding
- kt refers to kilo-tonnes (i.e. one thousand tonnes)
- koz refers to kilo-ounces (i.e. one thousand troy ounces).

#### 2.7.1.4 2022 estimate

Following drilling of four infill holes for 365 m of drilling and six sampled intervals drilled in the second half of 2021, the 2021 MRE was updated by an independent consulting company on 1 June 2022, in accordance with the JORC Code. The updated estimate is provided in Table 2.6.

Table 2.7 MRE for the Karaberd Gold Project as of 1 June 2022 at a 0.8 g/t cut-off grade

<b>Mineral Resource Classification Category</b>	<b>Tonnes (kt)</b>	<b>Bulk density (t/m<sup>3</sup>)</b>	<b>Au grade (g/t)</b>	<b>Ag grade (g/t)</b>	<b>Au content (koz)</b>	<b>Ag content (koz)</b>
Inferred	1,260	2.5	5.3	10	214	426

Notes:

- The Mineral Resource estimate is classified according to JORC Code guidelines.
- The Mineral Resource estimate is reported at a 0.8 g/t Au cut-off grade as of 1 June 2022.
- Mineral Resources are not Ore Reserves and do not have demonstrated economic viability.
- A bulk density value of 2.5 t/m<sup>3</sup> was used for the estimate of in situ tonnes.
- Discrepancies in calculations may be present due to rounding.
- kt refers to kilo-tonnes (i.e. one thousand tonnes).
- koz refers to kilo-ounces (i.e. one thousand troy ounces).

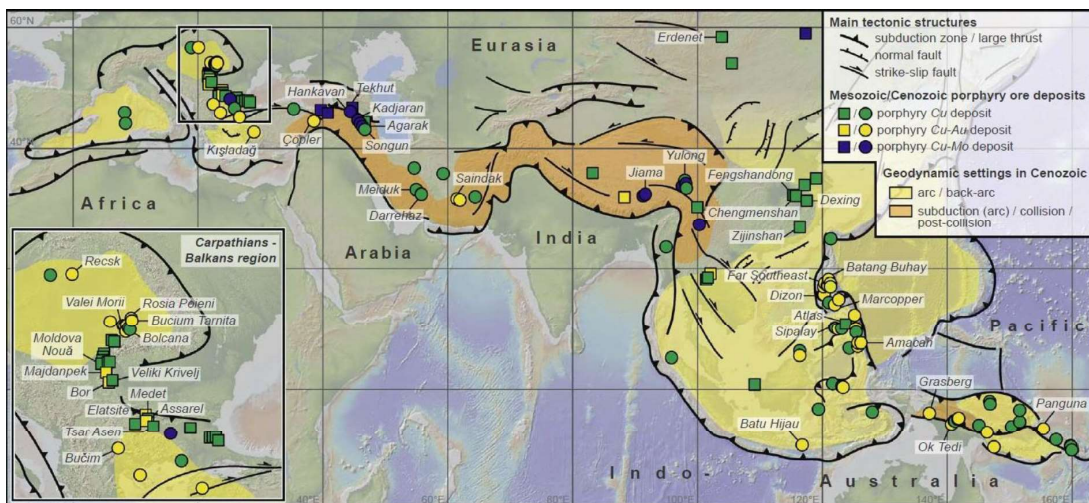
### 3 Geological setting and mineralization

#### 3.1 Regional geology

The Karaberd deposit occurs within the Lesser Caucasian segment of the Tethyan orogenic belt which extends through 33 countries from Europe to eastern Asia and is a globally significant gold and base metals repository. Common mineralization types include porphyry, epithermal, volcanogenic massive sulfides (VMS) and skarn deposits (Minex, 2016).

The Tethyan belt stretches from the Alps in western Europe, through the Carpathians and Balkans, Taurides and Caucasus, Zagros, Makran and Himalayas and eastwards into "Indochina" and the southwest Pacific Ocean (Figure 3.1). It is considered to represent a complete Wilson Cycle, commencing with the opening and closure of the original Paleotethys Ocean (mid Palaeozoic to Late Triassic), opening of the Neotethys Ocean in the Permian-Early Triassic and its subsequent closure during the late Mesozoic and Cenozoic. All convergence styles are preserved in various parts of the belt, including active subduction, continental collision and syn- to post-collisional readjustment. The belt is globally unique in that it is the best preserved collisional orogen and provides, in some places, the opportunity to observe near real-time, or recent collisional events (Richards, 2015).

Figure 3.1 Simplified tectonic map of the Tethyan belt, showing tectonic setting and major porphyry deposits



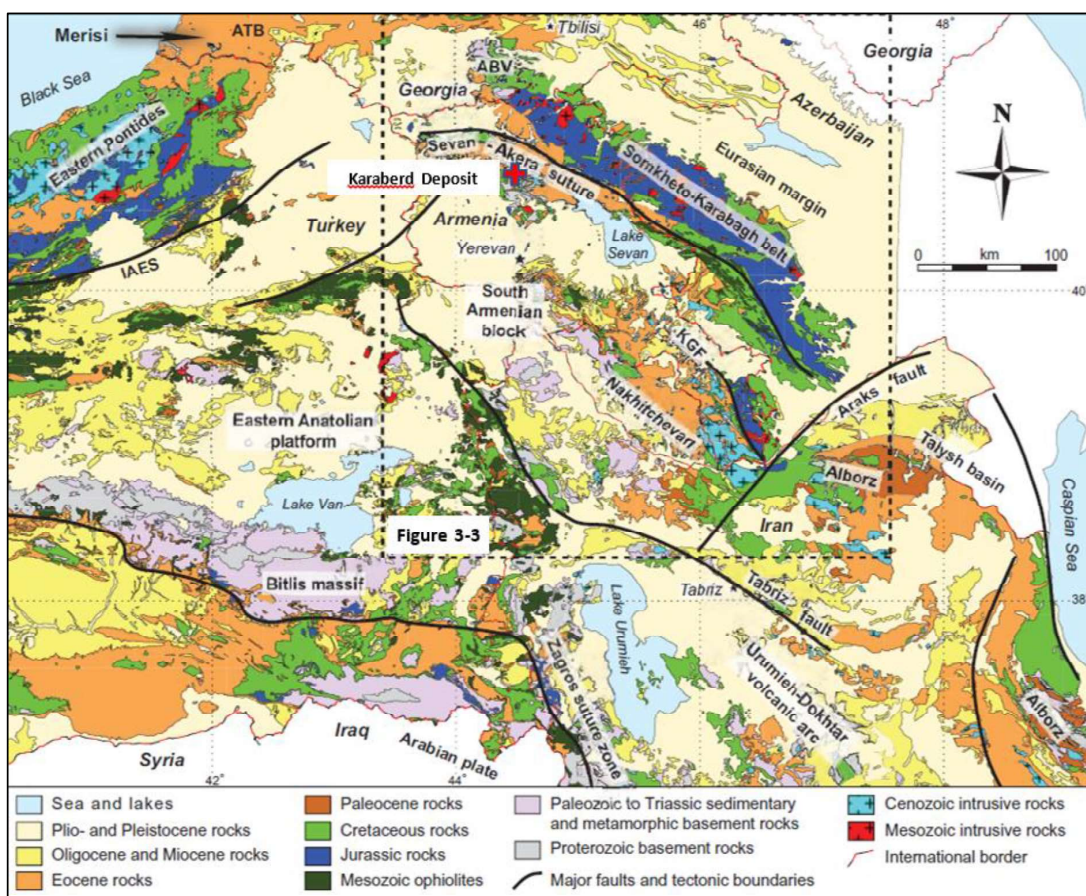
Source: MVI

The Lesser Caucasus region, in which the Karaberd deposit is located, stretches from the Black Sea to the Caspian Sea. The Lesser Caucasus was formed by the collision of Eurasia, several Gondwana-derived terranes and Arabia and it evolved from a Jurassic subduction-related magmatic arc to a post-collisional tectonic environment in the Neogene. This temporal geodynamic evolution resulted in episodic mineralization events associated with specific tectonic and magmatic events (Moritz et al., 2018), Figure 3.2.

The Karaberd deposit lies immediately to the south of the Sevan-Akera suture zone which represents the late Cretaceous collision between Eurasia and the South Armenia crustal block. The Karaberd region is located within the Sevano-Amasia fold zone in which Lower Cretaceous and Tertiary sediments are folded. This arcuate fold zone trends broadly east-west in the Project area, swinging to northwest-southeast further to the southeast, and is predominantly synformal in nature but is characterized by second order synclines and anticlines. Also preserved in this region, although partially obscured by younger cover sequences, are the Amasia ophiolites, which represent Jurassic-aged oceanic crust that was obducted over the South Armenian block

during the collisional phase (Hassig et al., 2013). These rocks are all variably overlain by a sequence of Palaeocene to Oligocene sedimentary, volcanic and volcanoclastic rocks into which various intrusive rocks have been emplaced. These include porphyritic flows, tuffs and tuff breccias, tuffites, tuffaceous sandstones, limestones, andesites, rhyolites as well as by various intrusive rocks. The intrusive rocks comprise late Eocene gabbro and gabbroic-diorite, late Eocene to early Oligocene granodiorite and quartz diorite, late Eocene to early Oligocene granite and porphyritic granodiorite, and late Oligocene to early Miocene granite-syenite (Bagdasryan et al., 2009).

Figure 3.2 Regional geological map showing the configuration of the Tethyan belt between Turkey and the Caspian Sea



Source: MVI

The regional stratigraphy can be summarized as follows:

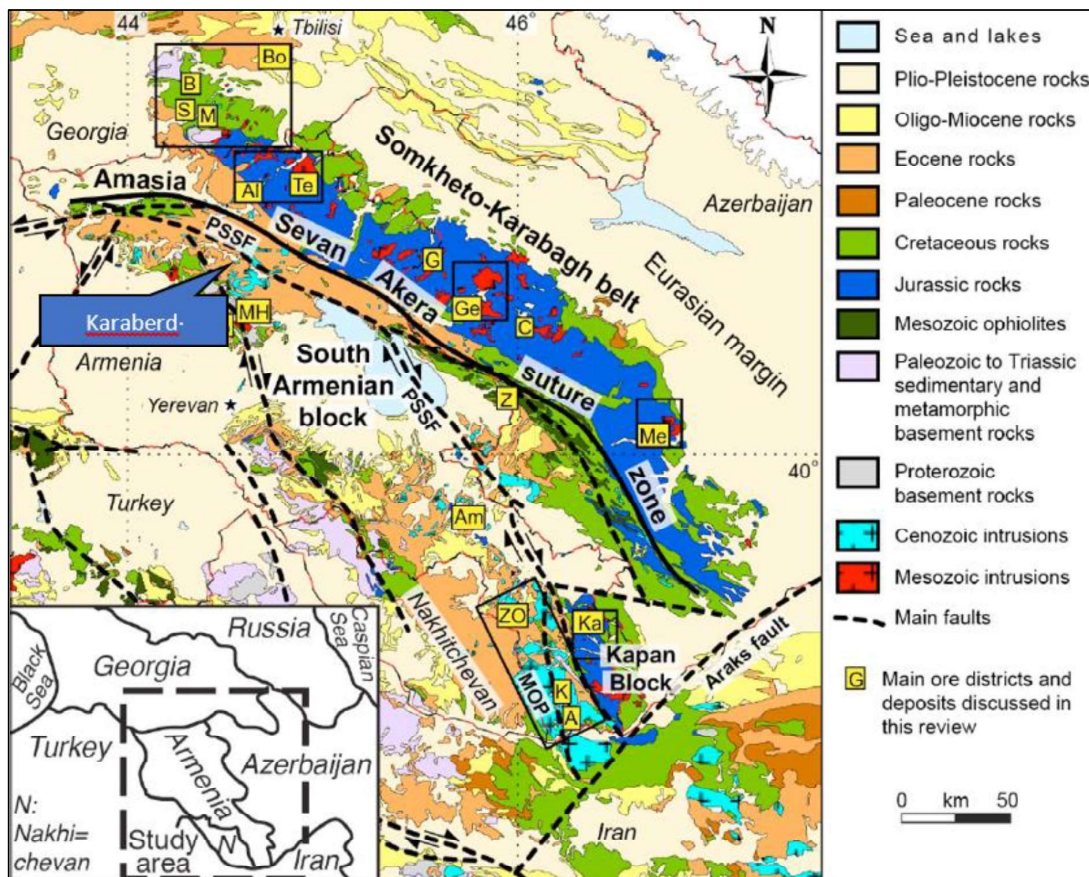
- Shirak Group (Middle Eocene) – Fine and medium-grained dark grey tuff sandstones, dark grey and greenish-grey tuffites, limestone, quartz porphyry and porphyrite, quartz tuff sandstone and felsite tuffs, individual sandstone layers. The Shirak Group locally includes nummulitic limestone of the Lower Eocene. It is overlain by the Bazum Group and it overlies Lower Eocene rocks and Upper Cretaceous carbonates, locally by transgressive onlap.
- Bazum Group (Middle Eocene) – Porphyritic flows, tuffaceous sandstones and breccias which conformably overlie the Shirak Group.
- Tsaghkounyats Group (Upper Miocene-Lower Pliocene) – Andesites, andesite-basalts, dacites, pumice-ash formations unconformably overlying the older lithologies.

A variety of intrusive rocks, ranging in age from late Eocene to early Oligocene, are present in the area. Compositionally these range from diorites to granites and syenogranites.

Recent alluvial-diluvial formations have a thickness of up to 5–10 m. The diluvium is composed of angular, poorly rounded, rubbly material with a sandy-clay cementing substance, and the alluvium is composed of pebbles and sandy-clay sediments of the Garpi and Pambak river valleys.

The Project is proximal to the regional scale, dextral Pambak-Sevan-Sunik Fault (PSSF) system (Figure 3.3), which generally parallels the Sevan-Akera suture. At over 400 km in length, the PSSF is Armenia's longest active fault. The related Nakhitchevan fault is a dextral splay of the PSSF. The Karaberd deposit is located along a PSSF-related structure, the Maymet-Megrut fault, that strikes parallel to the PSSF and dips steeply northwards.

Figure 3.3 Regional geological map of Armenia and surrounds, showing major lithological units and regional structures



Source: MVI

Numerous mineral occurrences are associated with the multiple phases of tectonism and magmatism in the region. These include gold (Margaovit, Tandzut, Karaberd, Archut, Darpas, Zhdanov), copper (Vanadzor), base metals (Pambak, Vanadzor), manganese (Megrut), pyrite (Tandzut), and iron (Koshasar, Gedjalinsky, Margaovit).

Mineralization within the Lower Caucasus can generally be related to igneous intrusions, with porphyry, intrusion-related, epithermal, VMS and skarn-type mineralization styles common. Three main metallogenic "epochs" are noted within the Lesser Caucasus (Mederer et al., 2014):

- Middle Jurassic to Early Cretaceous: porphyry, skarn and epithermal deposits related to Late Jurassic to Early Cretaceous intrusive events
- Late Cretaceous VMS deposits which exhibit features transitional to epithermal deposits
- Cenozoic (Eocene to Miocene) world-class porphyry and epithermal deposits.

The Karaberd deposit falls into the last of these "epochs" (i.e. Eocene to Miocene epithermal deposits). Mineralization is associated with the abundant Eocene and post-Eocene magmatic rocks which were generated during the final subduction of the southern Neotethys ocean and the collision between Arabia and Eurasia (Moritz et al., 2017). The closest of the major deposit "ore-field" to the Karaberd Project is the Meghradzor-Hanqavan district, which occurs just south of the PSSF. The Meghradzor deposit lies about 25 km southeast of the Karaberd Project and is a low sulfidation epithermal deposit hosted by middle Eocene mafic to intermediate volcanics and volcanoclastics.

### 3.2 Local geology

The Karaberd deposit is located on the northwest-trending fold axis of the broad Bazum-Megrut-Lermonovskaya anticline. Regionally, the limbs dip to the northeast and southwest at 55–75° but majority of the Project area is characterized by southwest dips. The Project is underlain by Middle Eocene subvolcanic rhyolites, tuffites, tuffaceous sandstones, tuffaceous conglomerates, plagioclase porphyries and various hydrothermally altered rocks. The youngest unit exposed on the licence is the Bazum Group.

The central and north-eastern part of the fold structure is underlain by plagioclase porphyritic flows, tuffaceous sandstones and tuffaceous breccia. The porphyritic rocks have a grey, greenish-grey colour with clearly defined segregations of feldspar and dark-coloured minerals. The tuffites and tuffaceous sandstones are fine- and medium-grained grey and dark grey rocks. Tuffaceous sandstones and tuffaceous breccias are greenish-grey rocks with pebble-sized angular clasts of predominantly porphyritic origin. Middle Eocene andesitic formations constitute the southwestern part of the fold structure and dip at 55–80° to the southwest.

Hydrothermally altered rocks are widespread within the deposit area. Hydrothermal alteration is expressed by silicification, sericitisation and kaolinisation which is accompanied by strong shearing and crushing of rocks. Some areas demonstrate intense recrystallisation and associated silicification although locally the texture of the parent rock is preserved. These zones of silicification are resistant to weathering and form isolated ridges and pronounced country rock contacts.

Locally, small-scale faulting (throws <100 m), associated with the dextral PSSF, is inferred from contact offsets and displays both extensional (normal) and compression (reverse) apparent geometries. These faults are considered to represent Riedel-style shears and associated flower structures that are secondary to the PSSF.

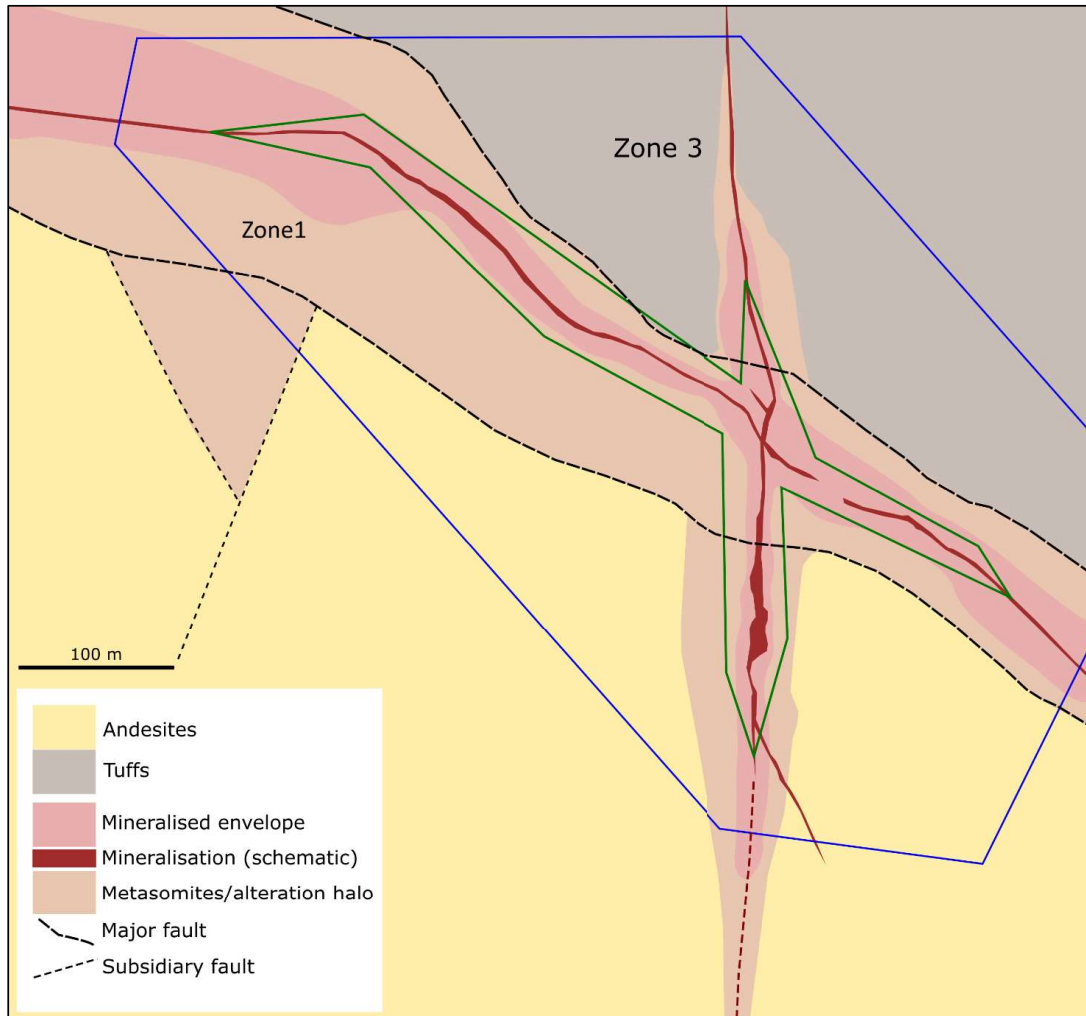
### 3.3 Mineralization styles

#### 3.3.1 Mineralization at Karaberd

Two major mineralized structures, termed Zones 1 and 3, account for majority of the known gold mineralization at the Project. These structures intersect and may potentially be conjugate dilational structures (Figure 3.4).



Figure 3.4 Simplified geological map of the Karaberd deposit showing the main mineralized zones (north is to the top of the map)



Source: Modified after Assat mapping

Zone 1 strikes northwest-southeast and dips toward the southwest at 50–90°. The mineralization occurs in a 20–60 m wide fault zone comprising hydrothermally altered andesites, tuffs and porphyritic units and is associated with significant fault gouge development. Mineralization is hosted within quartz, quartz carbonate and quartz malachite veins and pods and gold and base metal oxide mineralization is non-uniformly distributed within this zone. Mineralized widths are typically in the range of 1–5 m. Zone 3 intersects Zone 1 and strikes north-south and is traceable on surface for approximately 650 m and ranges in width between 1 m and 10 m. Towards the south, the zone widens significantly and then appears to pinch out.

The predominant sulfide minerals include pyrite, chalcopyrite, galena, and sphalerite. Secondary copper minerals (malachite and azurite) are reported, as are sulfosalts and hessite (a silver telluride). Native gold is rare and has only been reported from mineralized intersections at depth. The sulfides are restricted to the carbonate-quartz gangue material in the mineralized zone. Oxidation is reported to extend to approximately 70 m and this was confirmed during the borehole inspection carried out by the Competent Person in March 2020.

Some photographic examples of typical mineralized zones at the Project are provided below (Figure 3.5 and Figure 3.6).

Figure 3.5 Zone 1 quartz-carbonate mineralized zone; 1 m tape for scale (centre)



Source: MVI

Figure 3.6 Zone 1 exposed in historical trench; 1 m tape for scale (left)

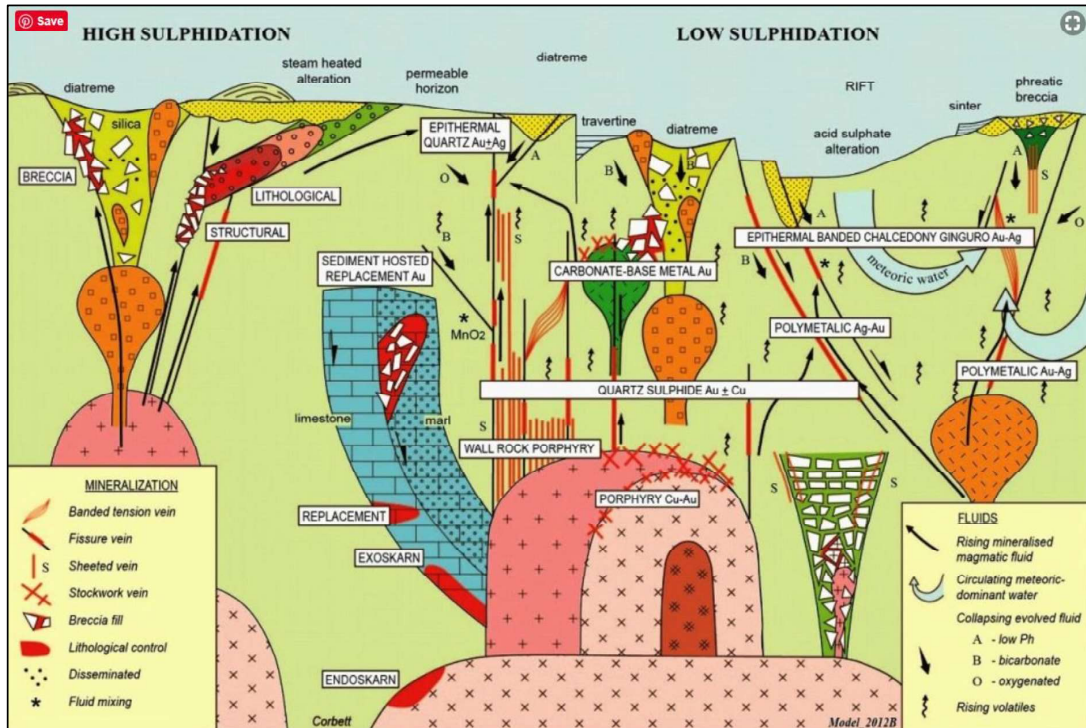


Source: MVI

### 3.3.2 Genetic model

AMC agrees with previous studies, that the deposit is an epithermal gold deposit characterized by intermediate sulfidation levels. Deposits of this type are now more commonly referred to as the carbonate base metal gold-silver subgroup of low sulfidation epithermal deposits and are characterized by gold and silver in association with pyrite, galena, sphalerite, chalcopyrite and occasionally tetrahedrite-tennantite. Mineralization usually occurs within a quartz-carbonate gangue and is associated with an extensional tectonic environment (late orogenic collapse) and felsic magmatic activity. Epithermal deposits form at shallower crustal levels than porphyry systems and are deposited as the result of the interaction of ore forming fluids with host rocks and groundwater. They are generally associated with underlying intrusive bodies. Carbonate base metal gold epithermal deposits are characterized by irregular gold grade, and structural control is implied, with extensional (dilational) structures allowing for vein extension and filling. Salient features are summarized in Figure 3.7.

Figure 3.7 Schematic overview of epithermal deposits



Source: MVI

The Karaberd deposit exhibits classic features aligned with the general epithermal deposit style, including:

- Intermediate to felsic intrusive rocks
- Mineralized zones comprising quartz, quartz-carbonate and quartz-malachite.
- Strong structural control on mineralization.
- Extensive alteration attesting to high fluid flows – manifest as silicification, sericitisation and kaolinisation of the rocks.
- The mineral paragenesis comprises pyrite, chalcopyrite, galena, sphalerite, sulfosalts, and native gold.

### 3.4 Prospectivity assessment by Competent Person

AMC considers the Karaberd prospect to be reasonably prospective for epithermal gold and silver mineralization. Base metal prospectivity is also considered high, although the limited size of the allotment and smaller size of the contained exploitation permit suggests there may be insufficient strike length for a base metals target of interest. A detailed structural study of the licence has not been undertaken, which may assist in further defining mineralization styles and potential high-grade trends.

## 4 Sampling techniques and data

This section addresses the requirements of JORC Code, Table 1, Section 1.

### 4.1 Data collection cut-off date

The Mineral Resource block model was prepared using the historical data, the 2020 verification exploration drilling, two infill holes drilled in the first half of 2021, four infill holes drilled in the second half of 2021, and 19 infill diamond holes drilled by the end of 2022. The data collection cut-off date is 1 December 2022.

### 4.2 Exploration

Exploration was carried out in four stages: prospecting and discovery, prospect evaluation, preliminary exploration, and detailed exploration. Exploration work was undertaken between 1969 and 2021. Any work carried out before 2003 is considered historical work.

#### 4.2.1 Historical exploration

Between 1969 and 1971, the Geological Survey of Armenia undertook topographic and geological surveys at a 1:1,000 scale. This work included surface trenches and test pits across the mineralized body, spaced between 25 m and 70 m along strike. Two diamond drillholes were completed for a total depth of 515 m.

Prospect evaluation was undertaken between 1972 and 1974 by the Geological Survey of Armenia. Further surface excavations were completed and a total of 1,920 m of underground exploration workings were undertaken comprising four adits, drifts and crosscuts. Mine workings were across four levels: 1740 mRL, 1680–1700 mRL and 1610 mRL.

Preliminary exploration work was undertaken during 1993 and 2002 by Pambak Exploration. The data was poorly documented and has not been used to support the Mineral Resource.

#### 4.2.2 Recent exploration

Between 2003 and 2008, Vallex Groups and Assat completed detailed exploration work over the area, including 22 diamond drillholes between 10 m and 68 m deep, further surface trenching, resampling of the underground workings and metallurgical testwork.

Further exploration was undertaken between 2008 and 2012 by Assat. A total of 26 holes were drilled and 17 trenches were excavated.

Verification drilling of eight holes in 2020 and drilling of two infill holes in the first half of 2021 and drilling of four infill holes in the second half of 2021 were completed by MVI. Surface channel and grab sampling in 2021 (543 assays) was not included into the model update due to the unknown nature of sampling techniques.

Additional exploration was completed by MVI in 2022, resulting in drilling of additional 19 diamond holes (172 assays for gold and silver) and development of 26 surface trenches with 147 channel samples analysed for gold and silver.

A summary of all exploration work is provided in Table 4.1.

Table 4.1 Summary of exploration work

Type of work	1972–1974	2003–2008	2008–2012	2020	2021 (Q1 & Q2)	2021 (Q3 & Q4)	2022
	Geological Survey of Armenia	Vallex & Assat	Assat	MVI	MVI	MVI	MVI
Mechanized trenching (m3)	4,904.40	2,150	-	-	-	-	-
Manual trenching (linear m)	2,924	1,020	-	-	-	-	-
Underground mine workings	595	-	-	-	-	-	-
Surface core drilling (holes/m)	4 holes for 1,203m	22 holes for 1,210m	26 holes for 2,985m	8 holes for 641m	2 holes for 55m	4 holes for 365m	19 holes for 2,402m
Channel sampling (channels)	1,500	995	51	-	-	543	147
Core sampling (samples)	63	145	116	110	45	6	166

### 4.3 Exploration techniques

The exploration techniques described below pertain to the pre-2020 exploration activities carried out by Vallex, and Vallex and Assat from 2003 to 2012. It is understood earlier exploration carried out by the Geological Survey of Armenia was carried out in a similar fashion although this has not been conclusively established.

#### 4.3.1 Trenching and pitting

Surface trenching was undertaken by multiple operators, but very limited information regarding the trenching and sampling practices is available.

Trenches were 2 m deep and 0.8 m wide, test pits were up to 10 m deep with a cross section of 1.25 m.

In softer rocks, trenches and test pits were dug manually, in harder rocks they were excavated using small-scale drill and blast techniques.

#### 4.3.2 Underground channels

Underground mine workings were driven towards the northwest to intersect mineralization. Levels were separated by 40 vertical metres in the southeast and 60 vertical metres in the northwest. Once mineralization was intersected, drifts and crosscuts were used to explore along the mineralized body.

Underground workings were manually excavated to an area of 5.1 m<sup>2</sup>. Face advance along drifts was at between 8 m and 15 m along strike.

#### 4.3.3 Diamond drilling

Information for drilling between 2007 and 2012 undertaken by Assat is provided below.

Surface drilling was performed using a SKB-4 drill rig. Core diameter ranged between 76 mm and 93 mm (assumed to be external diameter and to correlate with HQ and NQ core tubes). No drilling documentation was available for review.

#### 4.4 Sampling techniques and recovery

##### 4.4.1 Trenching

Samples were collected by chip sampling along the bottom surface of the trench. This was undertaken manually using chisels, wedges, and sledgehammers. Mineralized zones were sampled over their full width, along with unmineralized material at the margins.

##### 4.4.2 Underground channel sampling

Underground channel sampling was performed on each face advance at a 1 m height from the floor. Channel sampling was undertaken manually using chisels, wedges, and sledgehammers. Mineralized zones were sampled over their full horizontal width, along with unmineralized material at the margins. The channel cross section was 0.1 m x 0.05 m, sample intervals were 1 m in length.

##### 4.4.3 Diamond core (DD) drilling

Mineralized intervals were sampled as whole core. No information about how samples were collected or split at terminations were provided.

No information on recovery was provided, and due to whole-core sampling, recovery data cannot be collected retrospectively.

#### 4.5 Logging

No information about the logging of surface trenches or underground channels was available. Geological logging of drillholes was undertaken and recorded on paper logs in Armenian. Systematic photography of the core before sampling was not undertaken, resulting in no visual record of the core or samples being available for review.

Some of the original hard copy logs are available; however, some have been lost.

#### 4.6 Subsampling techniques and sample preparation

Subsampling and crushing of all samples were undertaken at a crushing and grinding facility onsite.

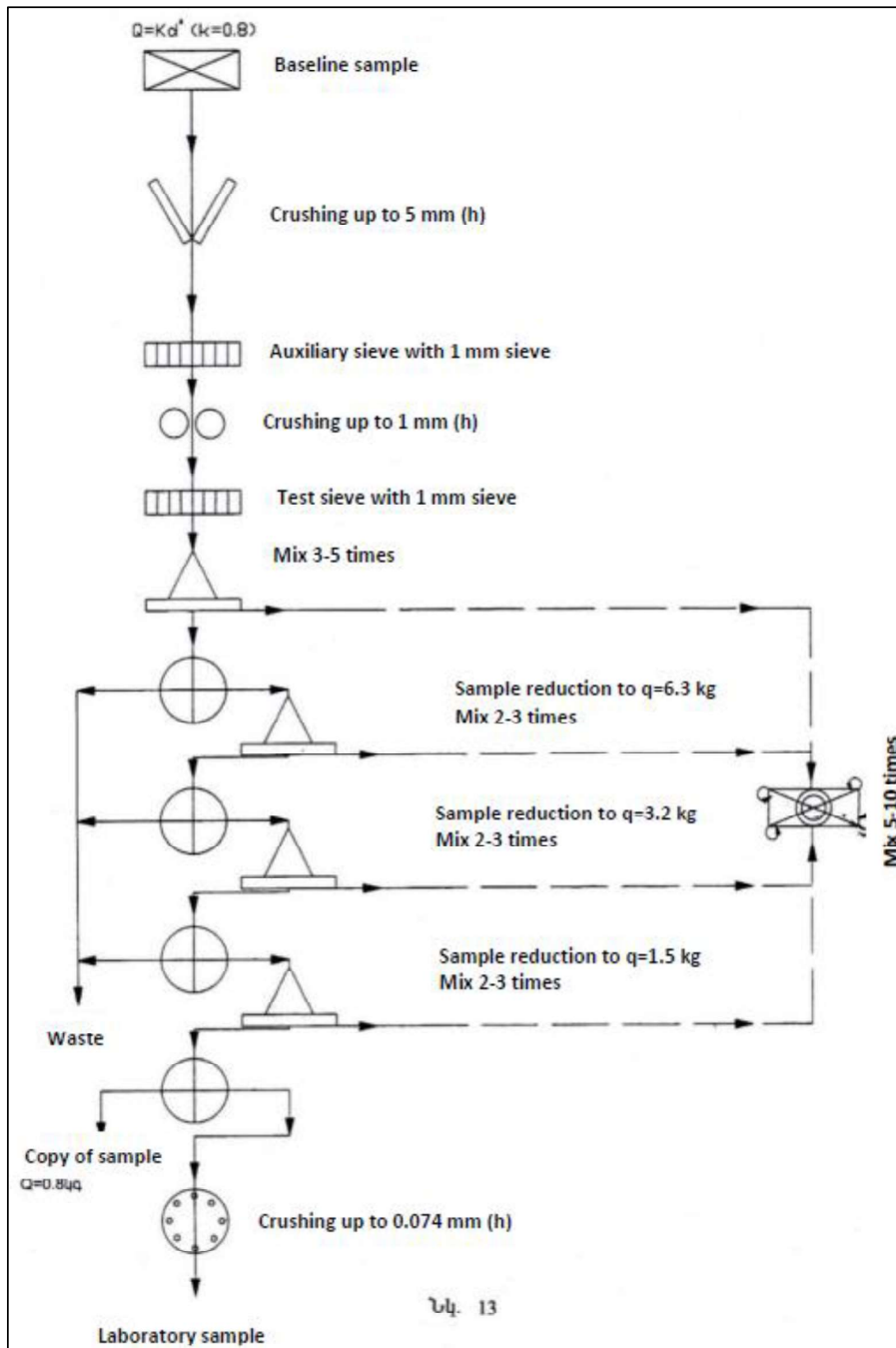
Samples were dried and weighed initially, with sample preparation being performed in a multistage cycle according to the Richards-Chechott formula, using a mineral irregularity coefficient of  $K=0.8$ . This resulted in a final particle size of 0.074 mm.

Sample preparation procedure is described below and in Figure 4.1:

- Crushed to 5 mm.
- Sieved to 1 mm.
- Crushed the +1 mm.
- Sieved again.
- Mixed 3–5 times.
- Sample reduction to 6.3 kg.
- Mixed 3–5 times.
- Sample reduced to 3.2 kg.
- Mixed 3–5 times.
- Reduced to 1.5 kg.
- Mixed 3–5 times, split into two samples (one retained as a duplicate).
- Crushed to pass 0.074 mm.
- Sent to the laboratory for assaying (750 g).

Samples were split at each sample reduction phase using a splitter; the make and model were not documented.

Figure 4.1 Sample preparation flowsheet



Source: Assat



#### 4.7 Analytical methods

Analysis of samples collected during the preliminary state exploration campaign between 1993 and 2002 was by fire assay with atomic absorption (AA) finish at JSC Analytics. This data has not been used in the MRE.

Analysis of samples collected during detailed exploration by Assat between 2007 and 2022 were determined by 50 g fire assay with AA finish, performed by JSC Analytics and JSC Lernametallurgical Institute in Yerevan (Lernametallurgical Institute).

#### 4.8 Verification sampling and assaying

Due to a lack of supporting information regarding the exploration undertaken onsite during 2007 and 2012, verification exploration work was carried out in 2020. Verification of trenches and drillholes was completed for the two larger mineralized bodies.

##### 4.8.1 Twin trenching

Verification sampling in 10 trenches was completed in 2020. This was performed by excavating the previous trenches and determining the intersection of the mineralization.

Table 4.2 Coordinates of verification trenches (Pulkovo 1942 Coordinate system, Baltic elevation system)

Trench ID	X	Y	Z	Target zone*
Tr-1	8,459,225.42	4,522,159.36	1,755.42	3
Tr-2	8,459,240.14	4,522,175.19	1,758.34	3
Tr-3	8,459,266.28	4,522,143.49	1,735.68	3
Tr-4	8,459,305.36	4,522,114.17	1,725.80	3
Tr-5	8,459,334.55	4,522,082.68	1,722.65	3
Tr-6	8,459,370.08	4,522,050.18	1,722.10	3
Tr-8	8,459,481.46	4,522,056.38	1,738.85	4
Tr-10	8,459,493.47	4,522,016.71	1,732.80	4
Tr-9	8,459,495.20	4,521,855.35	1,749.75	4
Tr-7	8,459,392.18	4,522,043.27	1,720.30	3

Note: These zones refer to the nomenclature adopted by previous consultants for the resource estimation. Zone/Body 3 corresponds to geology Zone 1, Zone/Body 4 to geology Zone 3.

##### 4.8.2 Twin drilling

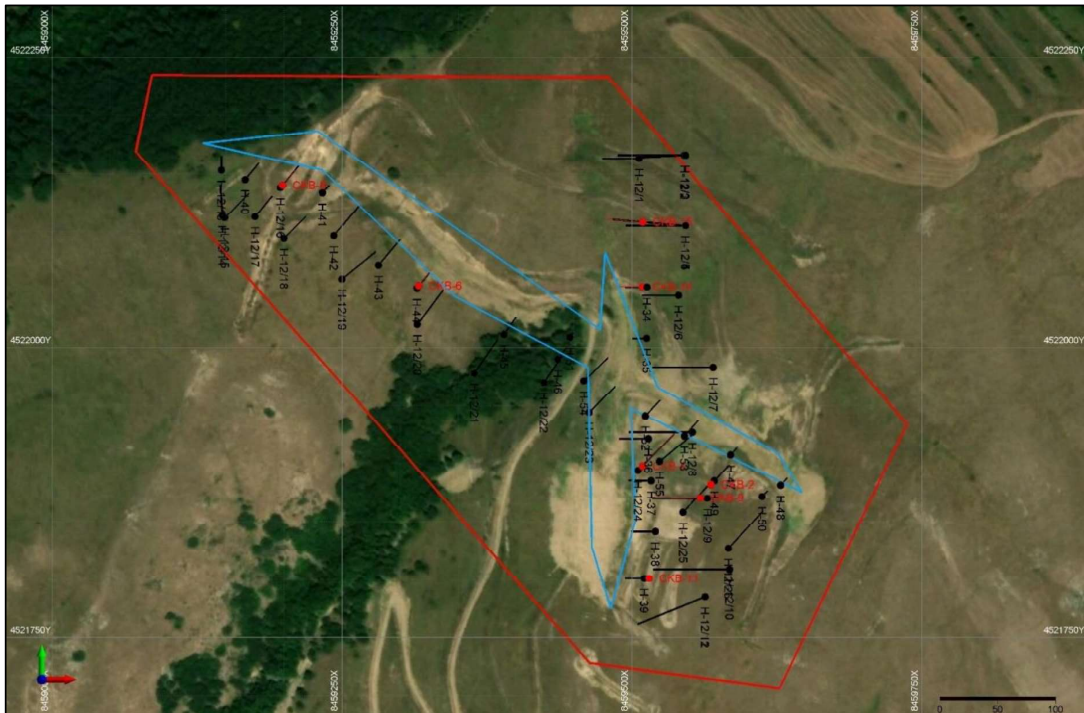
Eight verification drillholes were completed, located in close proximity to the existing mine workings and drillholes to verify the presence, thickness, grade and three-dimensional (3D) location of mineralized intervals (Figure 4.2).

Drillholes were oriented orthogonal to strike and drill depths were extended past the expected location of mineralization. Twin hole collars are provided in Table 4.3.

Table 4.3 Verification drilling (Pulkovo 1942 coordinate system, Baltic elevation system)

Hole ID	East	North	RL	Azimuth	Dip	Length
Hole_1	8,459,509	4,521,898	1,751	45	-70	128
Hole_2	8,459,568	4,521,882	1,764	43	-74	85
Hole_8	8,459,199	4,522,140	1,758	40	-73	57
Hole_6	8,459,316	4,522,053	1,714	39	-61	40
Hole_9	8,459,559	4,521,870	1,764	271	-69	141
Hole_11	8,459,515	4,521,801	1,754	270	-72	68
Hole_14	8,459,509	4,522,052	1,748	270	-70	59
Hole_15	8,459,509	4,522,108	1,765	275	-68	83

Figure 4.2 Plan view of original drilling and verification drilling



Note: Black traces represent original drilling and red traces the verification holes. The Exploitation Permit is shown by the blue polygon and the Allotment by the red polygon.

Drilling was performed by ATAD Drilling LLC using Atlas Copco CS-14 drill rigs, using HQ diameter core. Core orientation data was not collected. Drilling was supervised by a geologist, core was stored in clearly marked 40 cm x 60 cm core boxes, covered with lids.

Following drilling, the collars were cased and plugged. The collars were clearly marked and surveyed by a surveyor.

#### 4.8.3 Sampling techniques and recovery

Drill core recovery was monitored by the supervising geologist and was determined using a continuous (linear) method for solid rock and gravimetric (weight) method for fractured rock.

Average continuous core recovery was 97%, ranging between 87% and 100% in the mineralized intervals. Drillers made use of drilling fluids and shortened drill runs to maximize core recovery in areas of broken ground.

#### 4.8.4 Subsampling, sample preparation and analytical methods

Sampling was undertaken on mineralized rock, and the surrounding unmineralized host rock. Sample length was dictated by the thickness of the mineralized intersection, ranging between 0.3 m and 1.4 m, with an average of 1.0 m.

Core was cut along its axis using a diamond saw, following a cut line drawn by the geologist to ensure unbiased sampling. One half was sent for analysis, the other being stored as a duplicate at the core storage facility. Fines from the cutting process were divided, with half being used as the sample, the other half being retained with the core as a record.

The half core and fines selected for analysis were placed in a plastic sample bag and sent to the crushing facility.

All collected core was logged and photographed after sawing. The process included observations of:

- Rock type.
- Texture.
- Structural features.
- Hydrothermal and metasomatic alteration and its intensity.
- Vein disseminated mineralization.
- Number and composition of sulfides.
- Hypergene alteration.

Sample preparation was undertaken at the sample preparation facility at the Lernametallurgical Institute. The samples were split with one half undergoing assay, the other half being kept as a preparation duplicate. Samples were milled to 0.074 mm. Following the processing of each sample, the crushing and milling equipment was thoroughly cleaned by brush and pressurized air to minimize contamination between samples.

Analysis for gold and silver was undertaken by the Central Analytical and Assay Laboratory of the Lernametallurgical Institute. Analytical determinations were performed in compliance with GOST RF 32221-2013 copper concentrates. The method of analysis MKS 73.060.99. is effective as of 2015/01/01. The fire assay for gold and silver was performed in compliance with ISO 11426:2014 "determination of gold in jewellery alloys – Cupellation method (Fire Assay)". The laboratory procedures comply with international standard ISO/IEC 17025-2017 "general requirements for the competence of testing and calibration laboratories".

#### **4.8.5 Quality Assurance and Quality Control**

QA/QC activities included the following work:

- Measurement of core recovery during exploration.
- Internal lab analysis at the Central Analytical Laboratory of the Lernametallurgical Institute, with company inserted QA/QC samples, including:
  - Analytical duplicates.
  - Blanks.
  - Certified reference materials (CRMs).
- Secondary external laboratory analysis, at Alex Stewart international, Loughrea, County Galway, Ireland, with company inserted QA/QC samples, including:
  - Analytical duplicates.
  - Blanks.
  - CRMs.

#### **Core recovery**

Average core recovery for mineralized intervals was reportedly 97%, ranging between 87% and 100%. There was no direct relationship observed between core recovery and grade, gold is finely dispersed and associated with sulfides.

#### **Quality control**

The QA/QC is summarized here and discussed in more detail in Section 5.3.

- Laboratory sample preparation:
  - Sieve tests (crushing and pulverization)
  - Blanks (contamination).

- Internal samples – Client QC results:
  - Blanks (contamination)
  - Duplicates (precision)
  - CRM (accuracy).
- External samples – Client QC results:
  - Blanks (contamination)
  - Duplicates (precision)
  - CRM (accuracy).

#### 4.8.6 Discussion of results of verification drilling and trenching work

##### 4.8.6.1 Surface trenching

Of the ten trenches completed, results of six were supplied for AMC to review (Table 4.4).

Table 4.4 Verification trench results

Trench ID	Sample Number	Sample Length (m)	2008 Grade (Au g/t)	2008 Section Number	Interval Length (m)	2020 Grade (Au g/t)	Comparison of Length (%)	Comparison of Grade (%)
TR-3	T-3-19-1	1	0.74	1-4	2	3.2	0	-65
	T-3-19-2	1	0.79					
TR-4	T-4-19-1	2	1.85	1-9	2	4.1	0	122
TR-5	5-Jan	1.3	3.61	1-12	1.3	3.4	0	-6
TR-7	T-7-19-1	1.5	1.62	1-19	1.5	2.8	0	73
TR-8	8-Feb	1.2	6.68	3-1	1.2	6.7	0	0.3
TR-10	8-Jan	1.9	8.66	3-4	2	3.7	5	-57

The width of identified mineralization within the trenches in the original dataset and the 2020 verification dataset were similar with the exception of TR-10 where the 2020 verification trench identified mineralization that was 0.1 m wider than the original trench indicated.

The grades in the trenches were variable, with a general trend for the 2020 verification trench grades to be higher than those in the original trenches. Some variation in grade is to be expected when the style of mineralization and the nuggety nature of gold is considered.

##### 4.8.6.2 Twin drilling

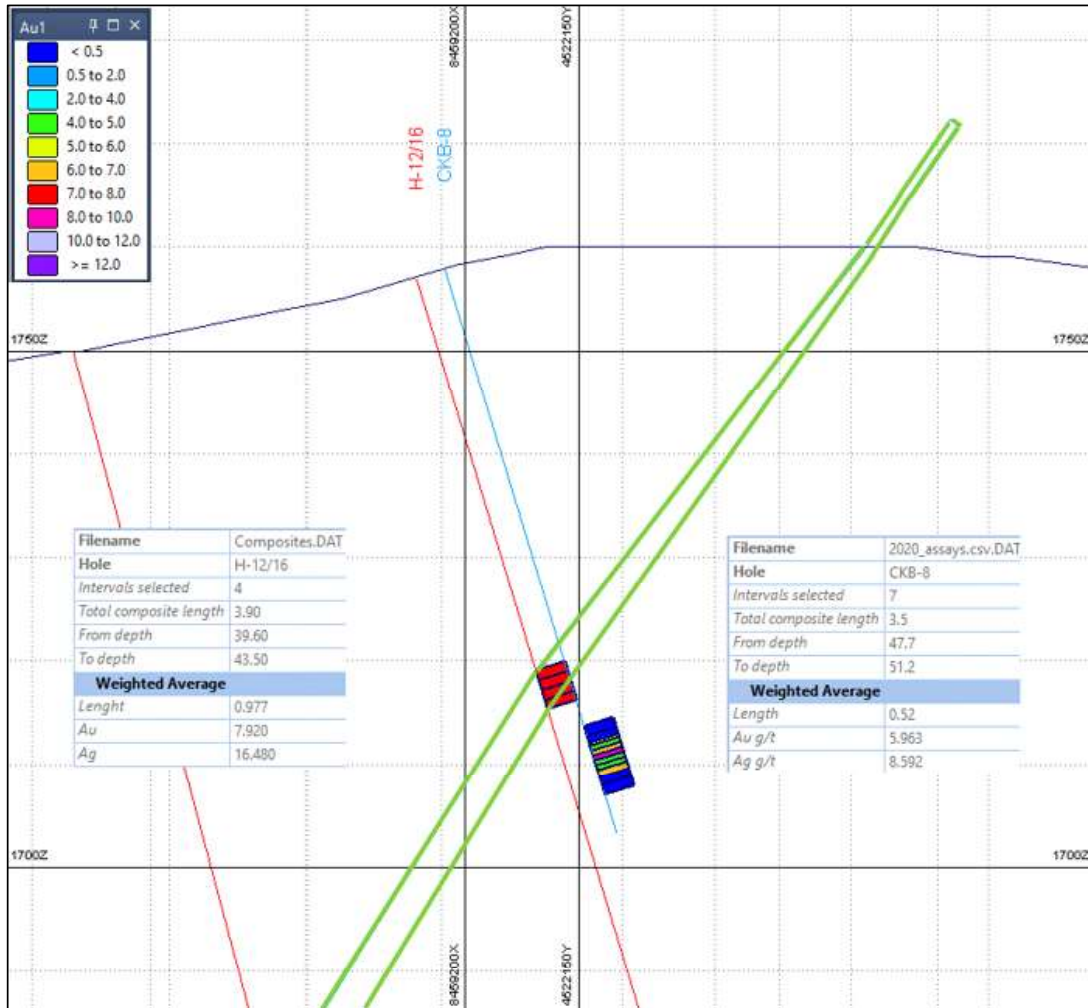
Results of the 2020 verification drilling and a comparison to the original drilling are presented in Table 4.5 with example cross sections, on which visual review has been based, provided in Figure 4.3 to Figure 4.6.

Table 4.5 Verification drilling results

2020 verification intersections				Historical drilling intersections				% Difference		
Drillhole	Length (m)	Au (g/t)	mg/t	Drillhole	Length (m)	Au (g/t)	mg/t	Length (m)	Au (g/t)	mg/t (%)
CKB-1	9.8	2.62	25.65	H-12/24	11	2.48	27.33	-11%	6%	-6
CKB-2	3.8	1.35	5.15	H-49	2.8	1.48	4.14	36%	-9%	24
CKB-6	1.5	2.24	3.36	H-44	1.4	1.3	1.82	7%	72%	85
CKB-8	3.5	5.96	20.87	H-12/16	3.9	7.92	30.89	-10%	-25%	-32
CKB-9	4	6.2	24.79	H-12/9	5.7	7.55	43.03	-30%	-18%	-42
CKB-11	4.8	6.63	31.83	H-39	4.4	6.95	30.58	9%	-5%	4
CKB-14	4.5	3.5	15.75	H-34	2.7	3.38	9.12	67%	4%	73
CKB-15	6	3.67	21.99	H-12/4	4.6	5.24	24.12	30%	-30%	-9
<b>Average*</b>	<b>4.7</b>	<b>3.58</b>	<b>18.67</b>	<b>Average*</b>	<b>4.6</b>	<b>4.12</b>	<b>21.38</b>	<b>4%</b>	<b>-13%</b>	<b>-13</b>

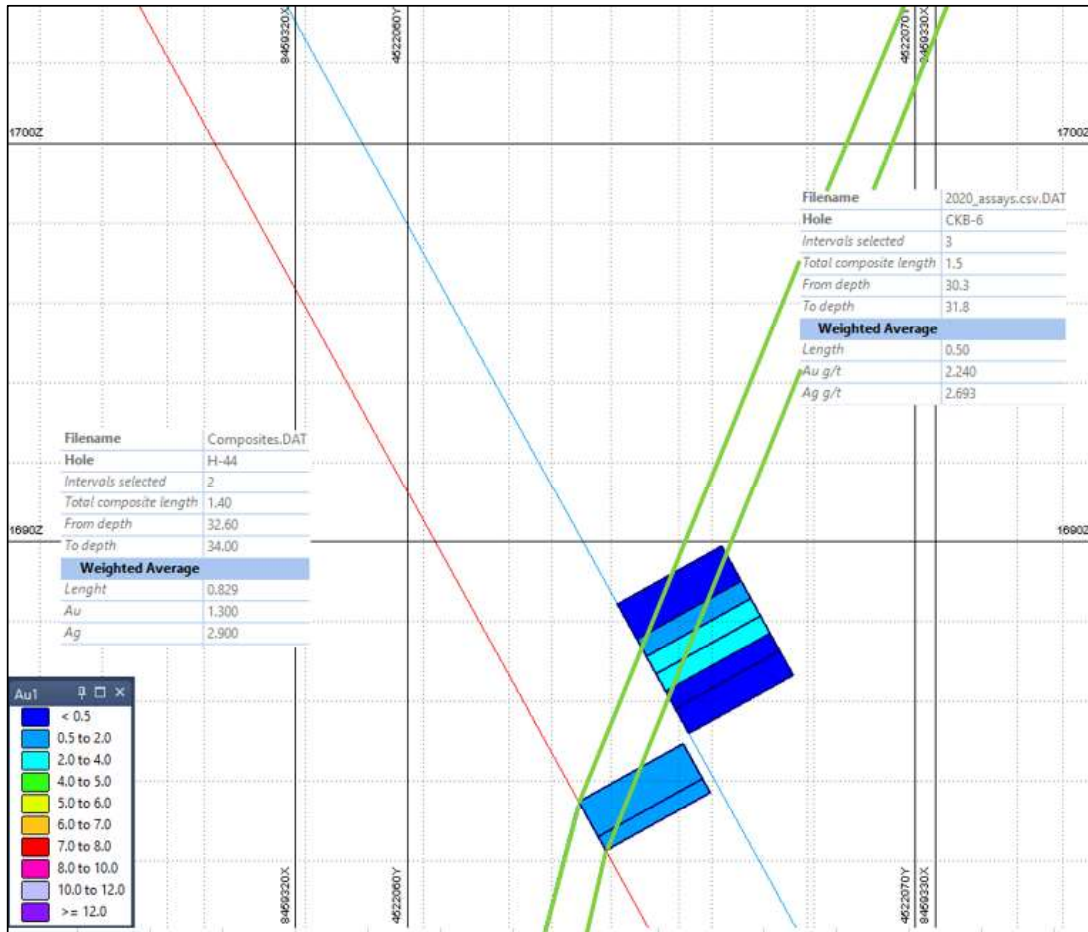
\*Average grade is length weighted

Figure 4.3 Cross-section comparison of H-12/16 and CKB-8 verification drillhole



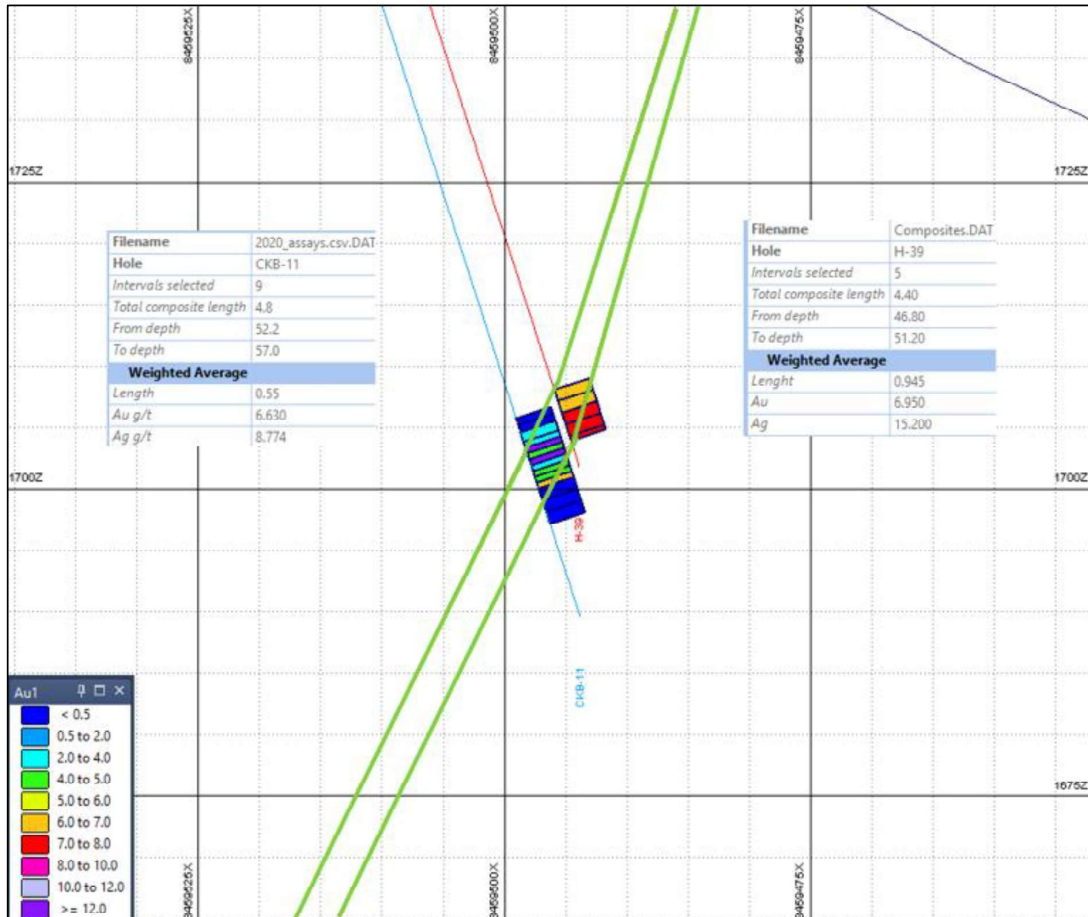
Note: Drillholes coloured by Au g/t; green line indicates mineralized wireframe in 2D, Source: MVI

Figure 4.4 Cross-section comparison of H-44 (red trace) and CKB-6 verification drillhole (blue trace)



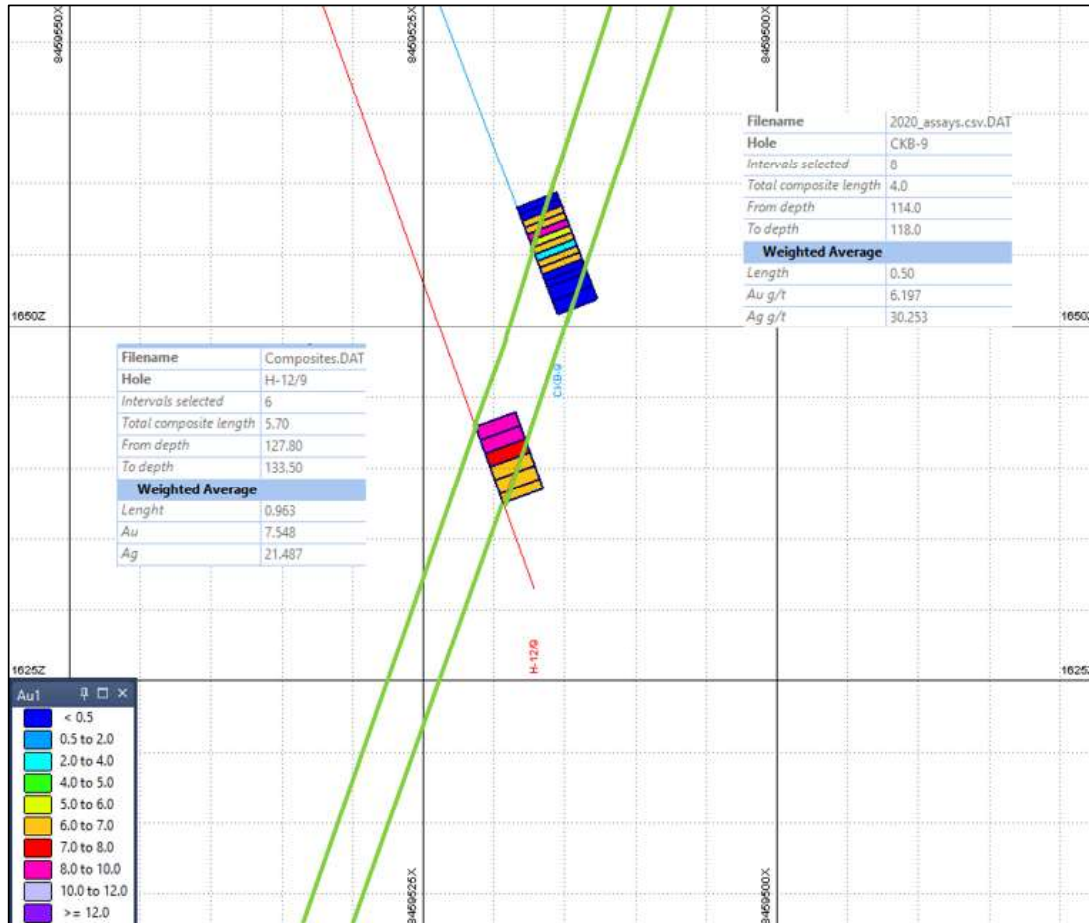
Note: Drillholes coloured by Au g/t; green line indicates mineralized wireframe in 2D, Source: MVI

Figure 4.5 Cross-section comparison of H-39 and CKB-11 verification drillhole



Notes: Drillholes coloured by Au g/t; green line indicates mineralized wireframe in 2D, Source: MVI

Figure 4.6 Cross-section comparison of H-12/9 and CKB-9 verification drillhole



Notes: Drillholes coloured by Au g/t; green line indicates mineralized wireframe in 2D, Source: MVI

The two-dimensional (2D) sectional review of intersections shows that all but one of the 2020 verification drill intersections are within 2 m of the original intersections. The 2020 verification drilling fits within the geological wireframes that support the MRE. Intersections in holes H-12/16 and CKB-8 identified mineralization 6.5 m away from each other; this may be due to a collar survey issue or due a lack of downhole survey information from the earlier drilling programmes.

Both grade and intersection length downhole varied between the original and 2020 verification data. Intersection length was generally higher in the 2020 verification drilling; this is in part caused by analysis being limited to mineralization in the original dataset, missing some lower grade mineralized selvages identified in the 2020 verification drilling. The 2020 verification drilling used smaller sample intervals, which gave better edge resolution of the mineralization.

Short-scale grade variability is expected in a gold deposit due to the relatively high nugget effect. The effects of different sample intervals, sample sizes and sample preparation procedures must also be considered. Overall, there is a decrease in grade observed in the 2020 verification results of approximately 16%. Whist a drop in grade is observed, it is considered within expected reporting tolerances for Inferred Mineral Resources.

The general grade tenor, interval length and 3D location of mineralization in the 2020 verification drilling supports the original drilling.



#### 4.9 AMC opinion of the verification sampling

AMC's summary opinion is:

- The verification work has been completed to industry standards, with appropriate survey control and documentation for both trenches and drillholes.
- Sample preparation appears to be streamlined. Sample preparation should be considered with reference to the mineralization style and gold particle size with pulverizing the entire sample to 75 micron.
- Analysis was undertaken at accredited national and international laboratories and supported by a suitable QA/QC programme.
- Validation trench results verified the original trench data. Trenches were well spaced along strike on the two main orebodies and indicated that mineralized widths and grades were reproducible, with some variation between grade expected when the style of mineralization is considered.
- Only results from six of the 10 verification trenches completed in 2020 were provided. AMC cannot comment on the results of the remaining four trenches or why they were omitted from the results.
- Verification drilling confirms the presence of mineralization and supports the mineralized downhole thicknesses and 3D location. A decrease in grade is observed in the 2020 verification drilling when compared to the original drilling. It is problematic to make a reasonable comparison of grade when sample intervals, sample sizes and the inherent short-scale grade variability of gold mineralization is considered.
- As exploration progresses, AMC recommends the verification drilling is used in preference to the original drilling, and that any future drilling is performed to industry standards and is well documented.
- The 2021 and 2022 holes intersected mineralized bodies, with average thickness and grades confirming historical results.

Whilst these items should be considered and investigated in any future work; AMC does not consider it likely that these would have a material impact on the Inferred Mineral Resource. As such, AMC is of the opinion that the verification drilling provides a suitable level of confidence in the pre-2020 drilling and trenching data which has been used to support the estimate.

#### 4.10 Location of data points

No information about the surveying of data points for topography, trench location, collar location or underground sample location was available. Downhole surveying of drillholes from the pre-2020 programmes, as well as for the recent holes drilled in 2021 was not undertaken.

Verification work, including trench start points and drillhole collars were surveyed by ATAD Drilling LLC using a Leica TPS 1200+ system and Leica TCR tachometer.

It was reported by MVI, that directional downhole surveys were completed for all verification holes (the 2020, 2021, and 2022 programmes) using a MIR-36 survey tool at 10 m (holes 2, 6, 8, 14a and 15) or 20 m (hole 1 and 9) intervals. However, the provided database for all holes drilled before 2022 had only straight downhole traces without any measured deviations. All holes drilled in 2022 were supported by downhole measurements.

Control measurements amounted to 15%, with measurement error in azimuth not exceeding  $\pm 0.2^\circ$ . The tool was calibrated and set at the Laboratory of the National Institute of Standards, Ministry of Economy of the Republic of Armenia in October 2019.

#### 4.11 Data spacing and distribution

Holes are spaced at nominal 50 m spacings on sections, perpendicular to the strike of the mineralization.

Trench samples are spaced at regular 2.5 m intervals along the surface strike extent for the two main mineralized bodies, extending to 25 m and then 50 m spacing at the peripheries of the deposit.

#### **4.12 Orientation in relation to geological structures**

The Karaberd deposit was drilled in two main directions (044° and 270°) and at dips ranging from 51° to 84° to intersect the mineralized zones as close to perpendicular as possible.

#### **4.13 Sample and data security**

The core receiver consisted of two halves and the core was removed after the opening of the core receiver lock and then inserted into the core boxes. The length of the core receiver was 1.5 m. Core was stored in plastic trays with 4 m or 5 m of core in each tray. All trays with core were then transported to the core storage facility of the enterprise in Vanadzor, where core was logged and sampled by a leading geologist. After sampling, core boxes with remaining unsampled core or second halves of core were transported to the core shed and stored. All samples were transported to Yerevan for assaying.

#### **4.14 Audits and reviews**

The results of the previous work on Mineral resource estimation and technical reports prepared by others prior to AMC's preparation of this CPR were reviewed by AMC, and used as a basis for this report where it was possible.

#### **4.15 Site and laboratory inspections**

Details of the site visit undertaken by the Competent Person are presented in Section 1.8.3.

#### **4.16 AMC's opinion on sampling techniques and data**

AMC's summary opinion is:

- Insufficient documentation was provided regarding early exploration, although majority of these data were superseded by more recent exploration.
- The MRE is based upon diamond drillhole data only. All surface trench and underground channel data that were collected between 2003 and 2022 were excluded from the MRE and used only to assist with interpretation of mineralized bodies. That was decided due to substantial gaps in the supporting information regarding data quality collected for the channel samples and QA/QC data for channels. There is also a concern that channel sampling could be biased if samples are collected manually using hammer and chisel instead of a diamond saw. Most of the supporting information for channel sampling is anecdotal at best, some has been lost, and some was not available for review. As a result, the confidence in this data is low and makes it unsuitable to support a MRE without subsequent verification work being performed. Thus, AMC decided that all channel sampling results from all surface trenches and all underground workings from all exploration stages, including 2022, can be used for interpretation of mineralized bodies, but the analytical results are excluded from grade interpolation process due to the lack of QA/QC procedures and poorer confidence in the channel sampling methodology, that could potentially result in biased analytical results.
- Verification sampling in 2020 and infill drilling in 2021 were undertaken to industry standards and are well-documented, they verify the presence of mineralization, its 3D location, thickness, and grade tenor. This information was included in the current MRE update.
- Verification collars were compared to the topography supplied, to test its accuracy. Verification collars were within 0.4 m of the topographic surface, indicating a reasonable confidence in the topography provided.

- The most recent drilling programme, which was completed in 2022 in line with international standards, allows increase in MRE confidence with reclassifying of the central parts of the main mineralized bodies to Indicated Mineral Resource according to the JORC Code.

Whilst these items should be considered and investigated in any future work, AMC does not consider it likely that these would have a material impact on the Indicated and Inferred Mineral Resource.

## 5 Quality assurance and quality control

### 5.1 Summary of procedures

No QA/QC data or procedures were available to review. The previous technical reports were reviewed, but information was limited and therefore no conclusions regarding QA/QC results could be made.

### 5.2 Original drilling QA/QC

#### 5.2.1 Quality control results

No quality control data were available, and the following was summarized from the previous technical reports and relates to QA/QC in the 2007–2008 exploration work:

- No information regarding blanks was included and therefore there was no control on cross contamination.
- No information regarding CRM was included and there is therefore no control on assay bias.
- No information regarding field, preparation or laboratory duplicates was included.
- Internal (n=134) and external (n=96) samples were analysed for gold and silver and results of the internal duplicate analysis appear to indicate acceptable precision (within GKZ limits) with a slight bias to the duplicate results. External duplicate results were not reported, and no CRM information was available for the internal or external samples.

The following relates to QA/QC in the 2012 exploration programme:

- The only quality control was external duplicate analysis (gold and silver) which appear to indicate acceptable precision. No information about CRM or blanks included with the external checks was provided.

### 5.3 Verification and infill drilling QA/QC

#### 5.3.1 Introduction

Blanks, CRM and duplicates were included with both the internal and external laboratory samples and sieve tests were performed on the internal samples. Due to a lack of provided data, an independent analysis of results by AMC was not possible and the following is summarized from previous work by other independent consultants. Results were available for gold only for the programme before 2022 and for both gold and silver for the 2022 programme.

#### 5.3.2 Internal samples – laboratory quality control results

##### *Sieve Tests (Crushing and Pulverization)*

Crushed and pulp samples were sieved with 95% used as a pass rate (i.e. 95% of the sample passing through the sieve). No failures were noted.

##### *Blanks (Contamination)*

Preparation blanks were included (5% of the sample population) and passed if assay results did not exceed the lower detection limit. No failures were noted.

#### 5.3.3 Internal samples – client quality control results

##### *Blanks (Contamination)*

Preparation blanks were included (8% of the sample population for the 2020 and 2021 programmes) and passed if assay results did not exceed the lower detection limit. No failures were noted.

25 blank quartz sand samples were inserted as part of the field duplicate programme in 2022 (15% of the sample population).

One sample returned gold grade of 0.02 g/t Au, and all other samples were equal or less than the detection limit. Two samples returned silver grades of 0.2 g/t Au, and all the rest had values close to the detection limit.

The results indicated that there was no contamination in the sample preparation laboratory.

*Duplicates (Precision)*

Analytical duplicates (8% of the samples) were analysed, and precision determined. It is unclear as to what type of duplicates were analysed, but precision appears to be acceptable.

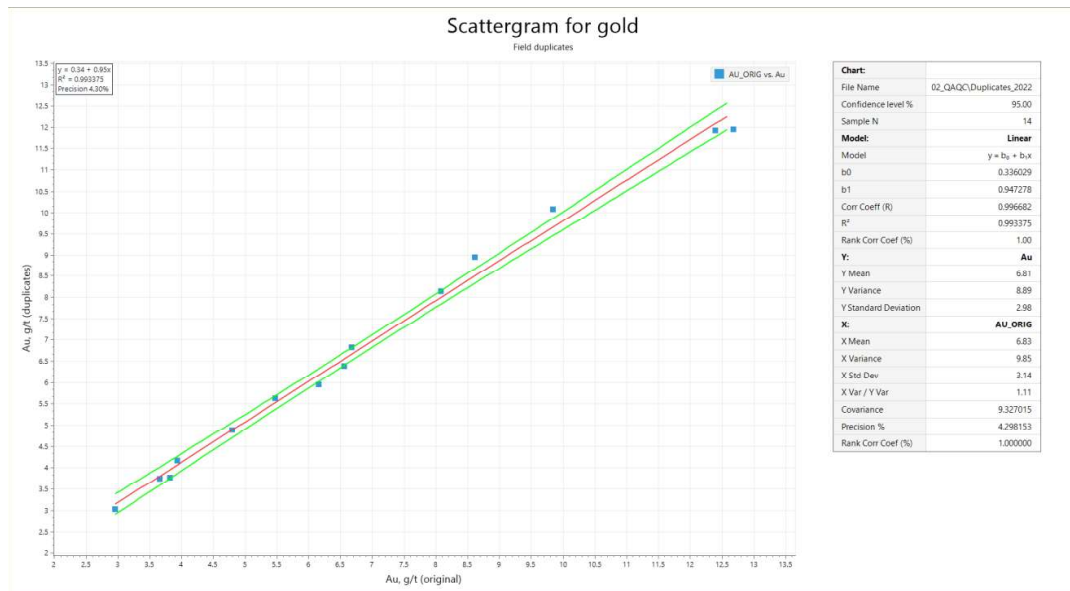
*Certified Reference Material (Accuracy)*

Analytical duplicates (8% of the samples) were analysed in 2020 and 2021, and precision determined. It is unclear as to what type of duplicates were analysed, but precision appears to be acceptable.

Sampling precision was checked by MVI in the 2022 exploration programme by submitting field duplicates from core samples to the main laboratory. The data provided to AMC for field duplicate assays included 14 repeat assays for gold and silver, which is 8.1% of the analytical database for the 2022 exploration programme (total of 172 core samples).

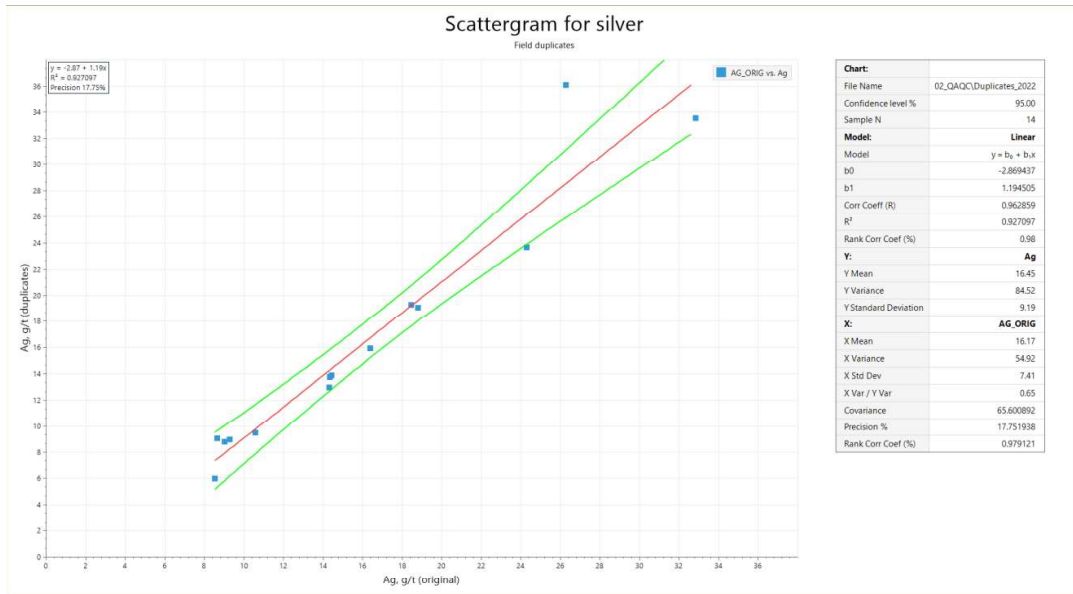
The scattergrams for core field duplicates for gold demonstrated that the repeatability of analyses was within 4.3% precision and a 0.99 coefficient of correlation with no outliers. Results of the field duplicates are shown in Figure 5.1. The average grade for the original core samples was 6.83 g/t Au, and for repeat samples it was 6.81 g/t Au, which is 0.3% lower on a relative basis.

Figure 5.1 Field duplicates for gold (2022)



The scattergrams for core field duplicates for silver demonstrated that the repeatability of analyses was within 17.7% precision and a 0.96 coefficient of correlation one outlier. Results of the field duplicates are shown in Figure 5.2. The average grade for the original core samples was 16.17 g/t Ag, and for repeat samples it was 16.45 g/t Ag, which is 1.7% higher on a relative basis.

Figure 5.2 Field duplicates for silver (2022)



AMC concludes that the control of the sample preparation laboratory using field duplicates returned acceptable results.

### Certified reference material (accuracy)

Three types of reference material were obtained from Ore Research and Exploration in Australia and included with the primary samples (5% of samples). Bias was reported in 2020 and 2021 exploration programmes as low (< 0.5%) and therefore results should be accurate.

MVI inserted two commercial CRMs to the main laboratory sourced from Ore Research & Exploration Pty Ltd (OREAS) in 2022.

The analytical database supplied by MVI from the main laboratory contains 12 CRM results for gold and silver submitted to the main laboratory (7.0% of the analytical database collected in 2022). Table 5.1 summarizes all CRMs submitted and analysed at the main laboratory in 2022.

Table 5.1 List of standards used by MVI (2022)

CRM	Company	Au, g/t	Au SD	Ag, g/t	Ag SD
OREAS 602	Ore Research & Exploration P/L	1.95	0.066	115	5.0
OREAS 603	Ore Research & Exploration P/L	5.18	0.151	284	15.9

SD – Standard deviation

AMC analysed all results for each CRM separately. Results are summarized below:

- Standard OREAS 602 was submitted to the main laboratory four times. The average gold grade was 1.95 g/t Au which is the same as the expected CRM grade. The average silver grade was 119 g/t Ag, which is 3.3% higher (relative) than the expected CRM grade of 115 g/t Ag. There were no grades below or above the upper or lower action limits for this CRM.
- Standard OREAS 603 was submitted to the main laboratory eight times. The average gold grade was 5.10 g/t Au, which is 1.6% lower (relative) than the expected CRM grade of 5.18 g/t Au. The average silver grade was 299 g/t Ag, which is 5.5% higher (relative) than

the expected CRM grade of 284 g/t Ag. There were no Au or Ag grades below or above the upper or lower action limits for this CRM.

Figure 5.3 Shewhart control chart, gold, OREAS 602

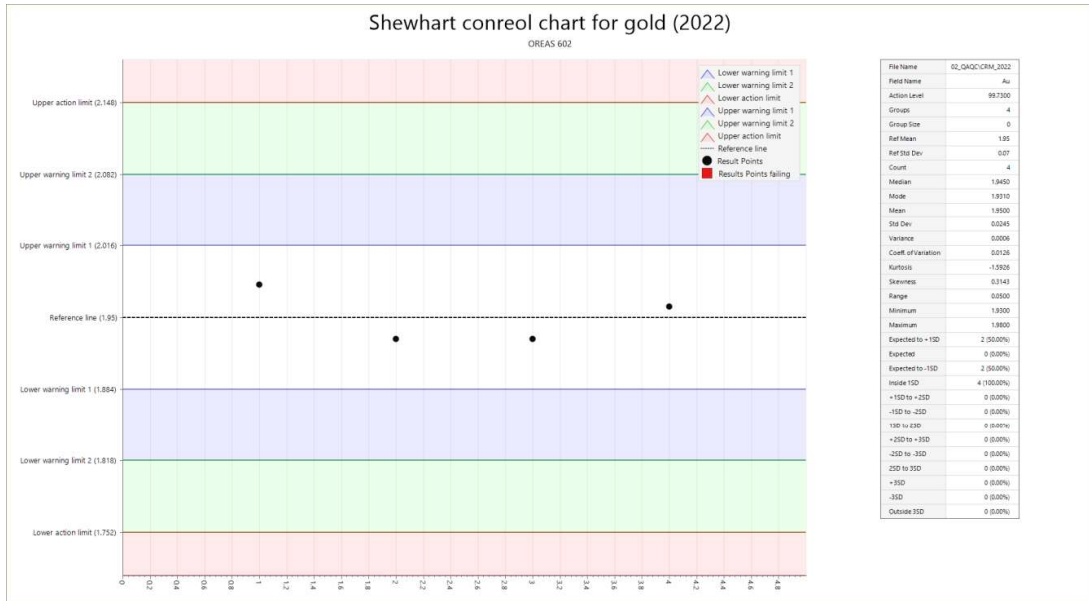


Figure 5.4 Shewhart control chart, gold, OREAS 603

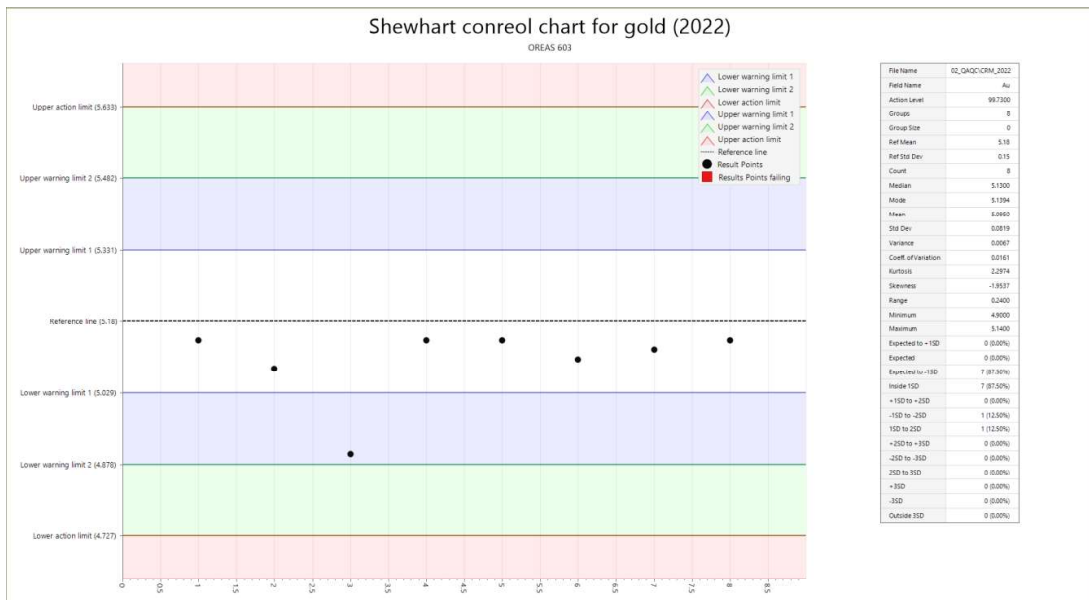


Figure 5.5 Shewhart control chart, silver, OREAS 602

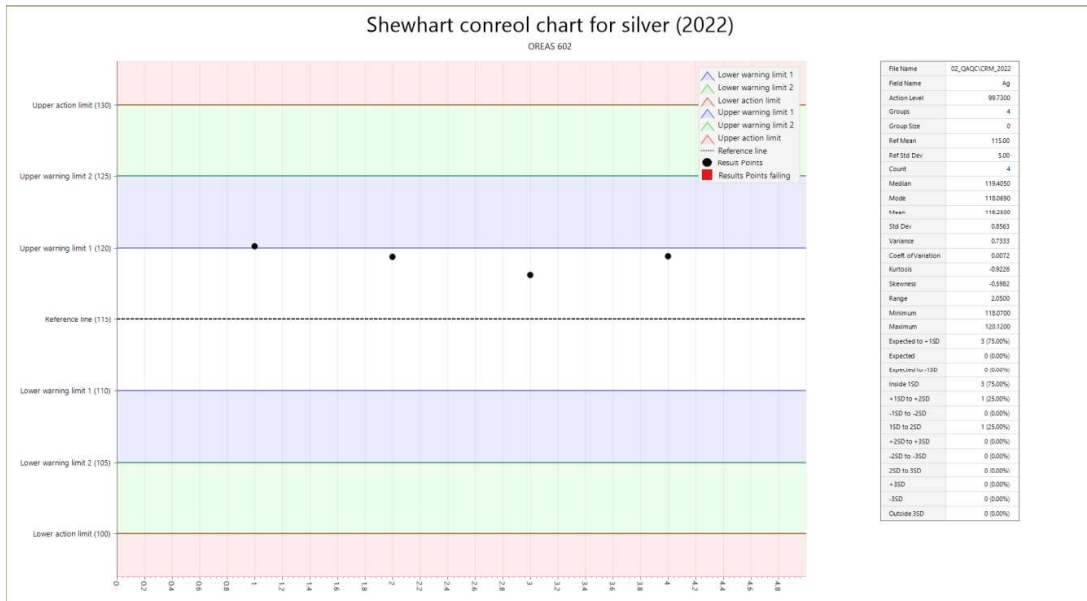
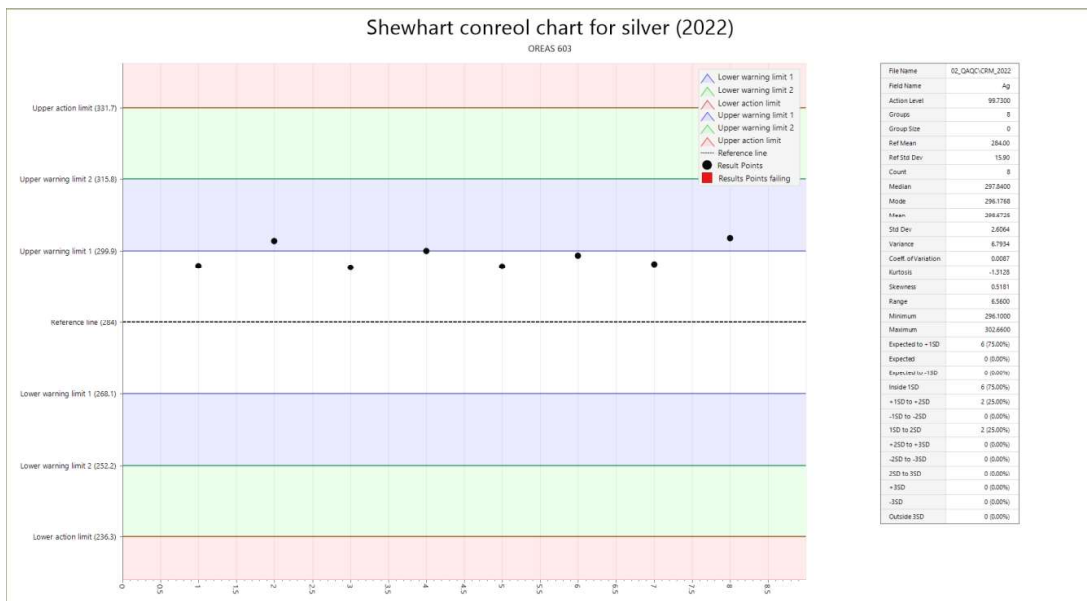


Figure 5.6 Shewhart control chart, silver, OREAS 603



The review of CRM results for gold and silver indicates generally acceptable results. Results were, on average, either similar or slightly lower for gold (1.6% relative), and 3% to 5% higher for silver on a relative basis than the grades of the CRMs. This means that the main laboratory was likely to slightly underestimate gold grades and overestimate silver grades. However, the overall difference between the certified and estimated grades was insignificant and within the acceptable limits.



Analysis of the CRMs demonstrated that there were no samples outside of the upper or lower warning limits; and the analysis did not reveal any significant bias that could be introduced by the main laboratory for the 2022 exploration programme.

#### **5.3.4 External samples – client quality control results**

##### *Blanks (Contamination)*

No blank failures were noted.

##### *Duplicates (Precision)*

Analytical duplicates (8% of the samples) were analysed, and precision determined. It is unclear as to what type of duplicates were analysed, but precision appears to be acceptable.

##### *Certified Reference Material (Accuracy)*

Two CRMs were included with the external check samples and a negative bias of two to three percent was noted (i.e. assay results under reported by 2% to 3%).

#### **5.4 Data assessment by AMC**

The primary Mineral Resource estimation samples do not have any controls on cross contamination or assay accuracy and therefore the reliability of these data is uncertain. Verification drilling included quality control samples and their results indicated that these assay data should be reliable. Verification drilling assay results were significantly lower (average grade -16% lower) than the original assay results, which could indicate that there were contamination or accuracy issues with the primary assay results.

## 6 Geological modelling

AMC's preparation of the MRE is summarized in the following sections.

### 6.1 Software

Geological modelling was undertaken by AMC using Micromine 2023 (23.0.300.1) Software.

All interpreted strings were "snapped" to drillholes based on chemical assays. The strings were then triangulated to construct 3D wireframes.

### 6.2 Data import and validation

The drillhole, surface trenches and underground channel sampling databases were supplied by MVI in Excel and Micromine formats and contained:

- A collar coordinate file with local grids for historical drilling programmes.
- A collar coordinate file with local grids for 2020 drilling programme.
- A collar coordinate file with local grids for 2021 drilling programme.
- A collar coordinate file with local grids for 2022 Q1 and Q2 drilling programme.
- A collar coordinate file with local grids for 2022 Q2 and Q3 drilling programme.
- An assay data file with analytical results for Au, Ag and Cu variables (historical programme).
- An assay data file with analytical results for Au and Ag grades (2020 programme).
- An assay data file with analytical results for Au and Ag grades (2021 programme).
- An assay data file with analytical results for Au and Ag grades (2022 Q1 and Q2 programme).
- Files with downhole surveys for the 2021 and 2022 drilling programmes.
- An assay data file with analytical results for Au and Ag grades (2022 Q3 and Q3 programme).
- File with trench traces for historical exploration programmes.
- An assay data file with analytical results for Au and Ag assays (historical trenching).
- File with underground channels for historical exploration programmes.
- An assay data file with analytical results for Au and Ag assays (historical underground channels).
- File with trench traces for 2022 exploration programmes.
- An assay data file with analytical results for Au and Ag assays (2022 trenching).

Validation of the data was then completed, which included checks for:

- Duplicate drillhole or trench names.
- One or more drillhole collar coordinates missing in the collar file.
- FROM or TO missing or absent in the assay file.
- FROM > TO in the assay file.
- Sample intervals not contiguous in the assay file (gaps exist between the assays).
- Sample intervals overlap in the assay files.
- First sample is not equal to 0 m in the assay file.
- First depth is not equal to 0 m in the survey file.
- Total depth of holes less than the depth of the last sample.

No critical errors were identified. All grade values equal to zero or with negative grade values were replaced with 0.005 g/t Au values. AMC did not introduce any other corrections during the validation process.

In addition to the analytical database, MVI provided the following data files:

- Digital terrain model (DTM) for the deposit area as of 1 December 2022.
- Results of the QA/QC sample analyses (CRMs, blanks and field duplicates for 2022 programme).
- Results of bulk density measurements for both oxide and fresh zones.
- Data points with logged state of oxidation.

The topographic DTM surface was validated to make sure that it covered the area of the modelled deposit. Most of drillhole collars were found to match the topography surface, with some discrepancies for several holes (these were considered to be within the acceptable limits). Some surface trenches were found to be 30 m to 40 m above the current topographic surface, but they were excluded from the MRE.

The supplied databases compiled by MVI are summarized in Table 6.1.

Table 6.1 Summary of supplied data

Category	Historical data			2020 DD	2021 DD	2022 Q1&2 DD	2022 Q2&3 data		Total
	DD	TR	UG channels				DD	TR	
Drill holes/trenches	48	159	133	8	2	4	19	26	399
Metres drilled/channelled	4,058	1,036	1,212	641	55	365	2,402	169	9,938
Downhole/channel surveys	0	321	294	0	4	8	153	52	832
Assay intervals	310	498	1,904	110	60	6	166	147	3,201
<b>Including:</b>									
Au assays	241	464	735	110	45	6	166	147	1,914
Ag assays	241	465	735	110	45	6	166	147	1,915

DD – diamond drillholes  
TR – surface trenches

AMC decided that all samples from surface trenches and underground working could be used for interpretation of mineralized bodies but excluded from the grade interpolation process due to uncertainties related to the location of some trenches and lack of documented QA/QC procedures and data. The analytical data that was used for the grade interpolation process are summarized in Table 6.2.

Table 6.2 Summary of data used for MRE

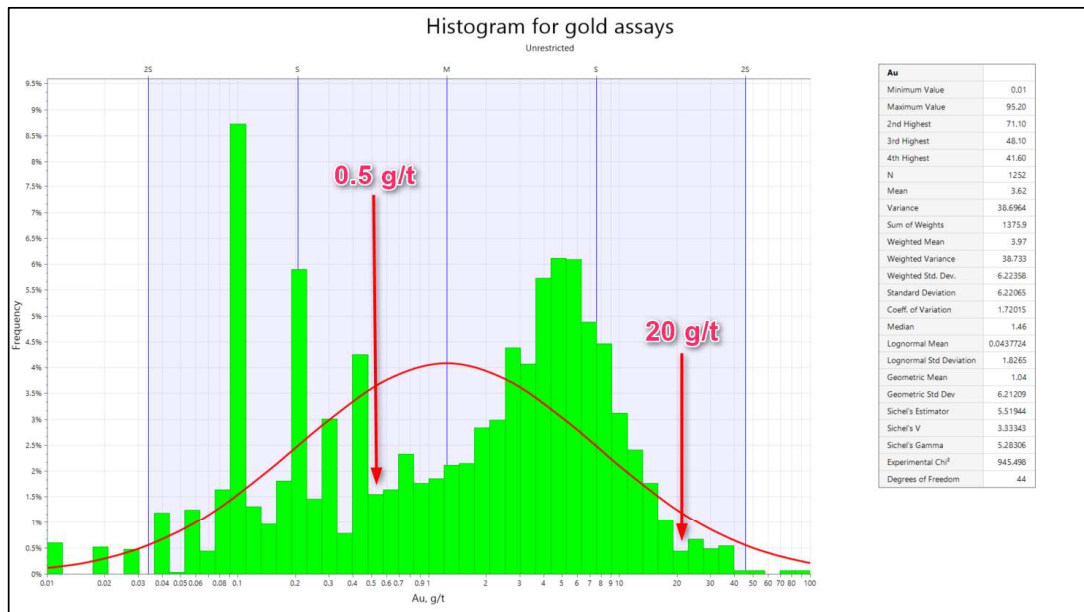
Category	Historical Drillholes	2020 Drillholes	2021 Drillholes	2022 Q1&2 Drillholes	2022 Q2&3 Drillholes	Total
Drill holes	48	8	2	4	19	81
Metres drilled	4,058	641	55	365	2,402	7,521
Downhole surveys	0	0	4	8	153	165
Assay intervals	310	110	60	6	166	652
<b>Including:</b>						
Au assays	241	110	45	6	166	568
Ag assays	241	110	45	6	166	568

The Competent Person determined that the available analytical drillhole databases were suitable for the MRE update and comply with the required standards.

### 6.3 Preliminary statistical assessment

Histograms and cumulative probability plots were generated for unrestricted gold grades and reviewed for a natural mineralization threshold between mineralization and surrounding material (Figure 6.1).

Figure 6.1 Histogram of gold values



The following observations were made:

- The gold grade data has a logarithmic distribution.
- Multiple populations, probably due to multiple mineralized bodies being present, were observed. Threshold values between populations were observed at 0.5 g/t Au and possibly 20 g/t Au.
- Only low and background gold values were observed below 0.5 g/t Au.

Visual review of the assay data in 3D showed a clear boundary at 0.5 g/t Au, with a sharp transition between background values and values >0.5 g/t Au.

### 6.4 Lithology, structure and alteration

Lithological and structural features were defined from logging and used to generate 2D cross sections. No interpreted strings or 3D wireframes of geology, structure or alteration were created.

### 6.5 Mineralization

Cross sections spaced along drill traces were displayed in Micromine software with drillhole, trench, and channel traces colour coded by gold values. Separate strings were interpreted for each mineralized zone (i.e. Body1 to Body17 and two apophyses – branching structures). Body3 and Body4 (Zones 1 and 3 shown in the geological map, respectively) and one branching body were the only mineralized bodies interpreted from drillhole data; the remaining 16 mineralized bodies were supported by channel or trench data only.

A total of 31 differently oriented vertical cross-sections were used during interpretation. Horizontal sections along surface trenches and underground channels were also interpreted.

Grade composites were used to define mineralized intersections (these composites were not used for grade estimation). Samples were composited using the following rules:

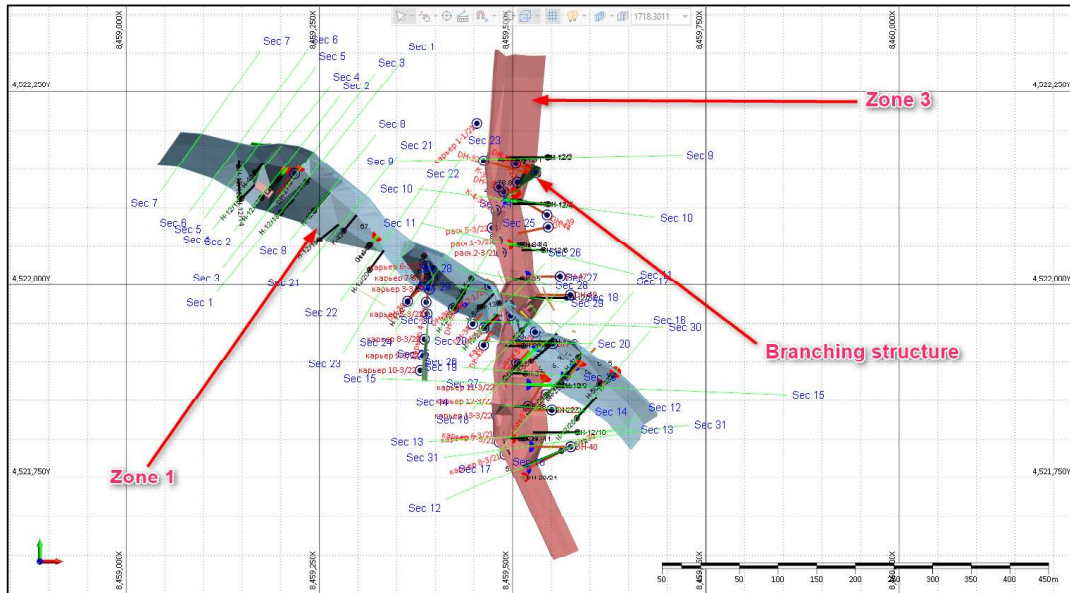
- Lower gold threshold = 0.5 g/t Au.
- Minimum composite grade to be considered as mineralization = 0.5 g/t Au.
- Maximum internal waste (including unassayed material) = 2 m.
- Minimum thickness = 1 m.
- $0.5 \text{ g/t Au} \times \text{thickness (m)} = \text{g/t Au}$ .

The following procedures were used to interpret the mineralization:

- Each cross section was displayed on screen with a clipping window equal to half the distance from the adjacent section.
- Interpretation was also performed on two levels of underground workings and surface trenches. Horizontal and vertical interpretations were connected to each other, snapping to common points.
- All interpreted strings were snapped to drillhole, channel or trench intervals, using grade composites as a guide.
- Internal waste within the mineralized envelopes was not interpreted and modelled, some amount of internal waste was included in the compositing process.
- Where the mineralized body did not extend to the adjacent drillhole section, it was projected halfway to the next section and terminated with a flat end. The general thickness, direction and dip of the body was maintained.
- Where mineralized bodies terminate down dip, the wireframe was terminated halfway between the barren and mineralized intersections with no reduction in thickness.
- Extrapolations down dip and along strike at the deposit extremities were made over distances of 20 m to 50 m for the main bodies (Body3 and Body4) to maintain the lateral and vertical extents. An extrapolation distance of 20 m was used for smaller secondary bodies (Body1, Body2 and Body5–17).
- If the mineralized body was interpreted to extend to surface, the wireframe was extended above the topography at the same width as the last mineralized intersection. Extending the wireframe above the topography was to ensure there would be no gap between the mineralized body and the topography when the block model was built.
- Wireframing was undertaken in 3D to ensure that interpretation of the mineralized bodies between the sections and plans was accurate. Figure 6.2 shows a plan view of all wireframes and their construction strings. Figure 6.3 shows a typical cross section.

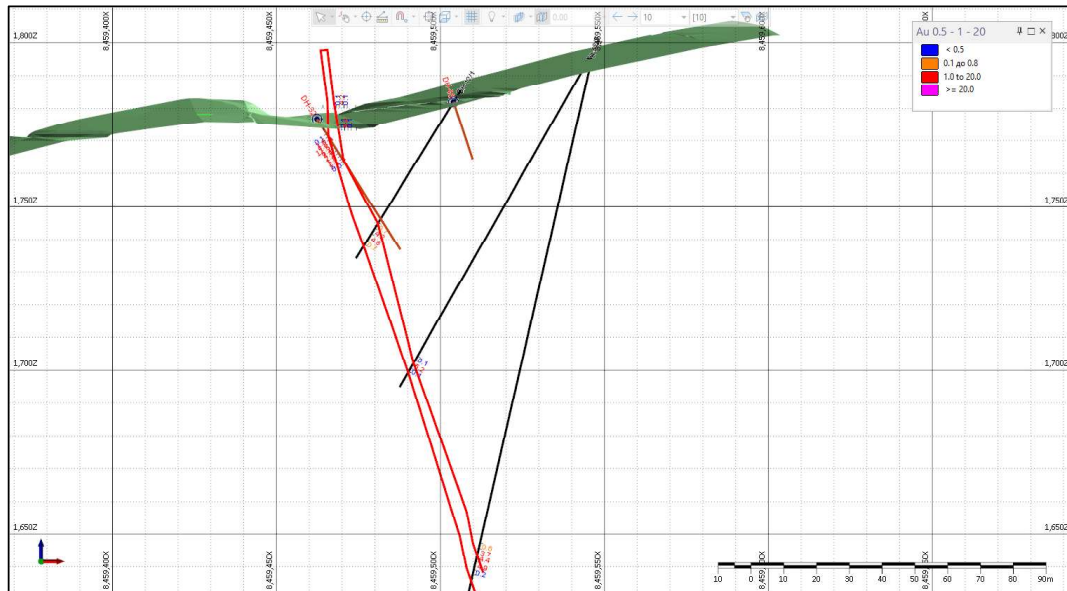
Mineralization wireframes were constructed for 19 mineralized bodies and saved as Body1 to Body17 and branching Body\_AP and AP2.

Figure 6.2 Plan view of wireframe interpretation



Note: "Zone 1" corresponds to wireframe "Body3", "Zone 3" corresponds to wireframe "Body4".

Figure 6.3 Typical cross section



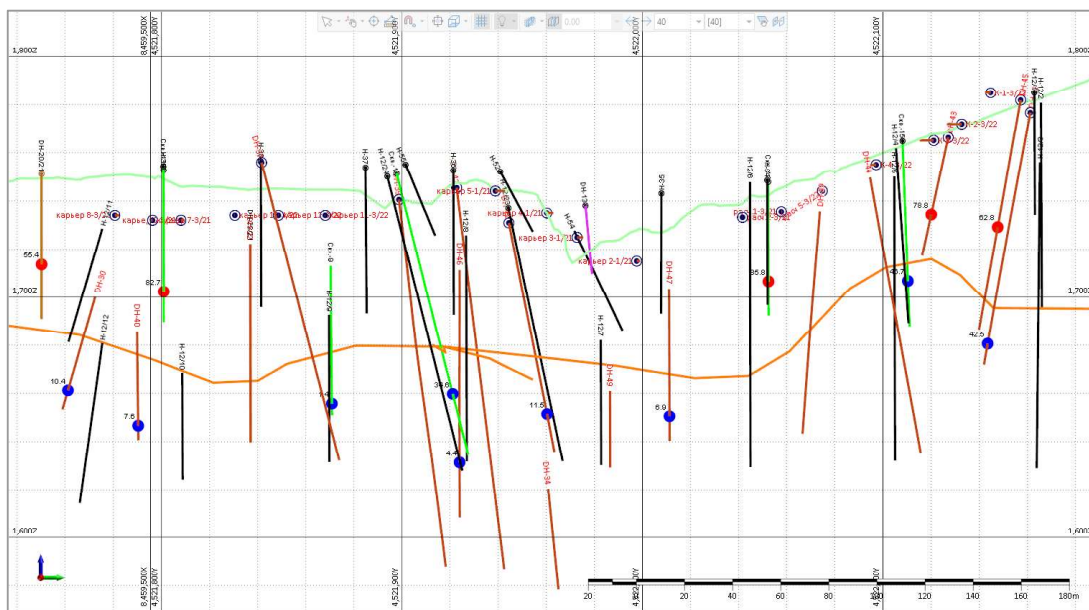
## 6.6 Topography

A topographic of the original surface as well as the surface after the trial mining in 2022 were supplied by MVI. The 2022 topography surface was used to deplete the block model. MVI reported that the topography contours were generated using Leica instrument with automatic data acquisition using special software. The provided topographic contours were used by AMC to generate the topography DTM.

### 6.7 Weathering

MVI supplied AMC with data for 28 logged points of observation for the state of oxidation. AMC calculated coordinates for those points and displayed it in 3D. All points were colour coded using 50% oxidation level. Strings for the base of the oxidation zone were then digitised on the long sections for the main mineralized bodies and then wireframed. The resultant surface was used to code the block model for the oxidized and fresh zones. Example of interpreted base of oxidation zone is shown on Figure 6.4, where red points have oxidation >50%, and blue points <50%.

Figure 6.4 Interpreted base of oxidation zone



### 6.8 AMC opinion on geological modelling

In AMC's opinion, the following items should be addressed or investigated in any future scopes of work:

- Logging information for lithology, structure and alteration were not available with the drilling database. The original geological logs were however provided in PDF format in Armenian and Russian. AMC recommends that the data is translated into English and added to the drilling database. It was reported that no alteration or structural logging was undertaken. AMC recommends that alteration and geological logging is collected on all available core, and all future core collected at the Project. Any planned drilling should be oriented to better understand the structural controls on mineralization.
- The smaller secondary bodies were modelled and wireframed, but they were subsequently left unclassified and excluded from the MRE. It is recommended that recently identified branching structures are drilled and explored as that should result in an increase of the resource base.
- AMC recommends that an updated topographic survey is regularly carried out to reflect the ongoing test production at the deposit. Whilst the current topographic surface is adequate for the level of Mineral Resource reported (Indicated and Inferred), it is of poor resolution and should be improved using modern techniques (e.g. drone survey). The current surface is not of a suitable resolution for mine planning or design work.
- The base of oxidation zone should be logged for all holes, as the resolution and quality of the current surface of oxidation is of poor quality and based on just 28 points of observation.

Whilst these items should be considered and investigated in any future scopes of work, AMC does not consider these to have any material impact on the MRE which is classified as Indicated and Inferred Mineral Resource.



## 7 Mineral Resource

### 7.1 Data analysis

Prior to undertaking the MRE, statistical assessment of the data was completed to understand how the estimate should be carried out. Exploration sample data were statistically reviewed, and variograms were calculated to determine spatial continuity for gold and silver.

Statistical analysis was performed by AMC in Micromine 2023 software.

#### 7.1.1 Data coding

Drillhole coding is a standard procedure which ensures the correct samples are used in classical statistics, geostatistical analyses, and grade estimation. For this purpose, solid wireframes for each mineralized body were used to select drillhole, trench and channel samples. Samples were then coded according to the mineralized body in which they were located. Samples were assigned a code in the field "WF1". A summary of the WF1 codes used to distinguish the data during geostatistical analysis and estimation is shown in Table 7.1.

Table 7.1 Domain field codes and description

Wireframe name	WF1 code	Description
Body 1	Body1	Secondary body
Body 2	Body2	Secondary body
Body 3	Body3	Primary body
Body 4	Body4	Primary body
Body 5	Body5	Secondary body
Body 6	Body6	Secondary body
Body 7	Body7	Secondary body
Body 8	Body8	Secondary body
Body 9	Body9	Secondary body
Body 10	Body10	Secondary body
Body 11	Body11	Secondary body
Body 12	Body12	Secondary body
Body 13	Body13	Secondary body
Body 14	Body14	Secondary body
Body 15	Body15	Secondary body
Body 16	Body16	Secondary body
Body 17	Body17	Secondary body
Body_AP	Body_AP	Branching structure
Body_AP2	Body_AP2	Branching structure

#### 7.1.2 Treatment of outliers

A review of grade outliers was undertaken to ensure that extreme grades were treated appropriately during grade estimation. Although extreme grade outliers within the grade populations are real, they are potentially not representative of the volume they inform during estimation. If these values were not cut, they have the potential to result in significant grade over-estimation on a local basis.

After coding the samples and after length compositing, the global grade data was reviewed for outliers (Table 7.2).

Table 7.2 Gold and silver grade statistical comparison (weighted by sample length)

Element	Minimum (g/t)	Maximum (g/t)	Number of Samples	Mean (g/t)	Variance	Standard Deviation	Coefficient of Variation	Median (g/t)
<b>All Samples</b>								
Au	0.005	48.1	1,773	2.56	23	4.8	2.08	0.14
Ag	0.02	43,498	1,774	29.13	993,390	996.7	34.13	2.60
<b>Samples within Mineralized Envelopes</b>								
Au	0.005	16.63	216	4.50	9	2.9	0.73	3.57
Ag	0.1	44.87	216	9.41	42	6.5	0.79	7.18

The grade data by mineralized body was also reviewed for top cutting. It was decided that a top-cut of 50 g/t Au be applied to the sample composites for the Body4 (COV = 1.2), and no top-cuts were required for the Body3 (COV = 1.0) and the branching structure (COV = 0.2).

Top-cuts were not required for estimation as the coefficients of variation for the samples within the mineralized envelopes Body3 and BodyAP was low, indicating a lack of significant outliers within the dataset. Histograms for the modelled and reported Body3, Body4 and one branching structure are displayed in Figure 7.1 to Figure 7.3.

Figure 7.1 Body3 Au g/t histogram

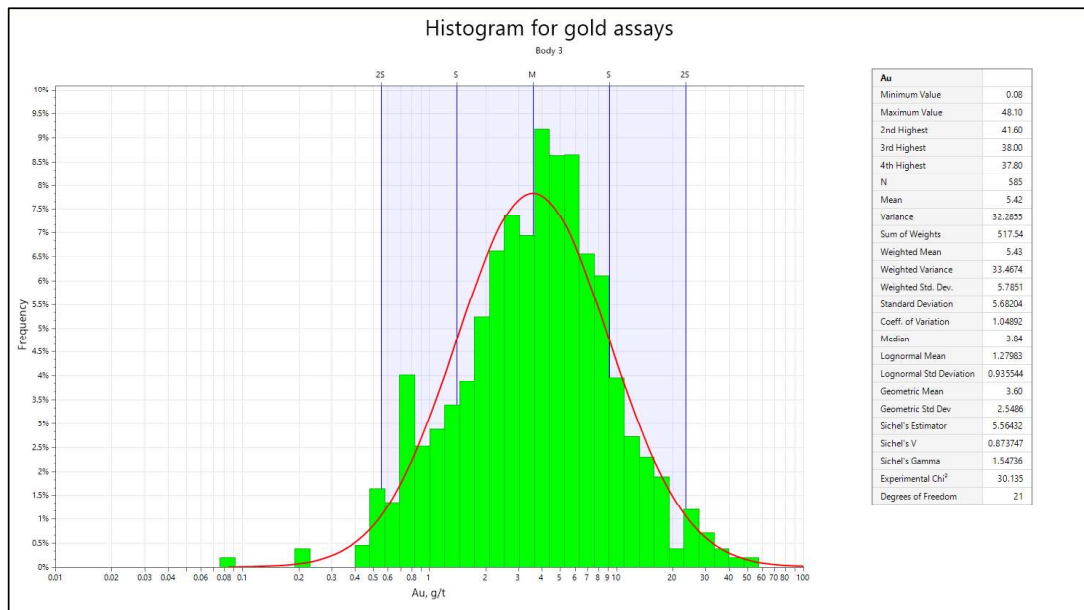


Figure 7.2 Body4 Au g/t histogram

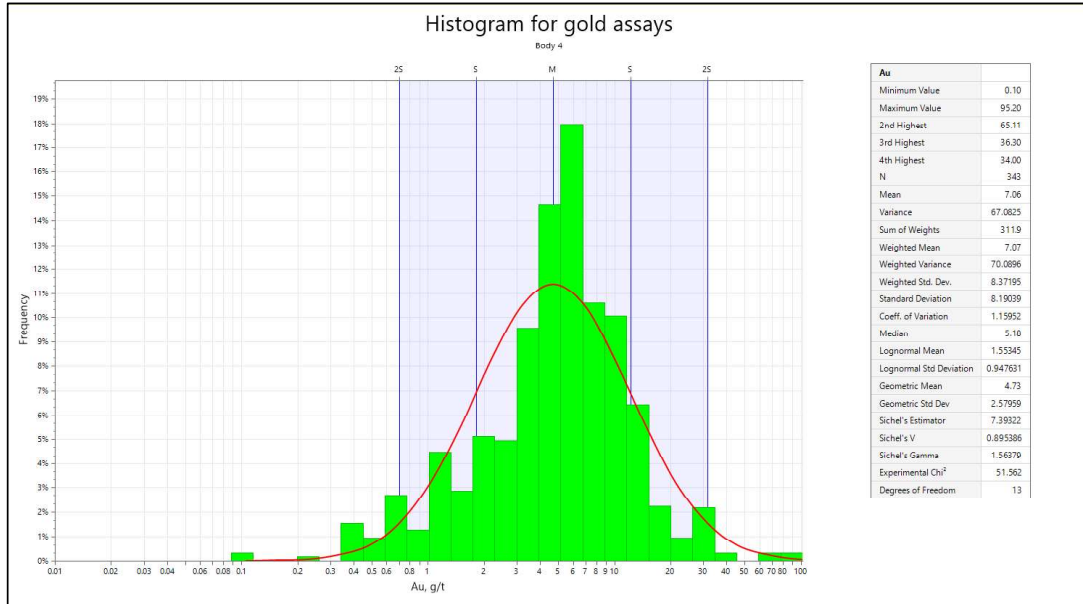
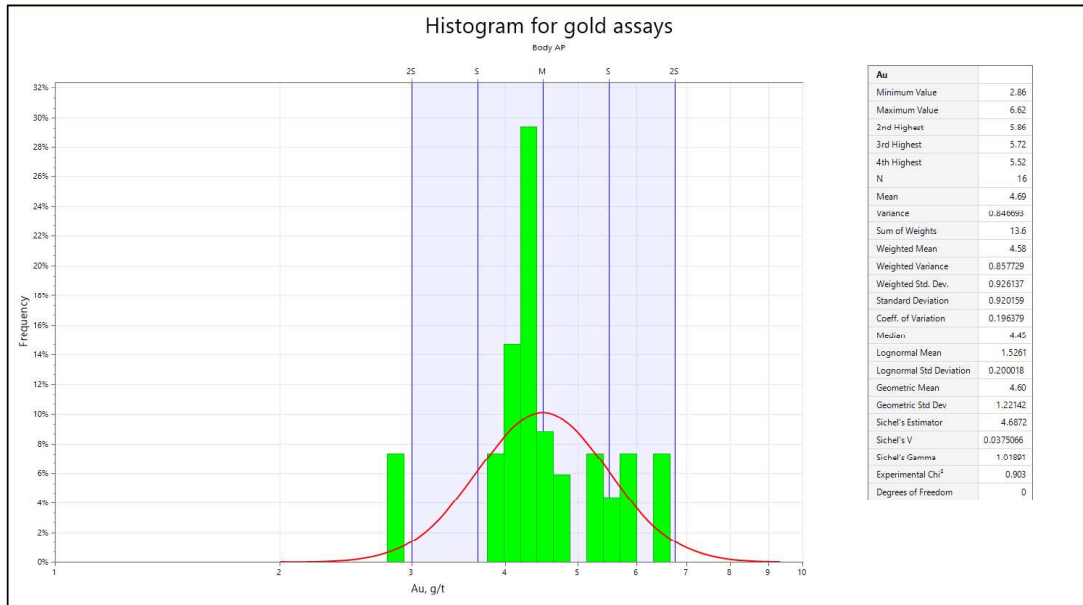


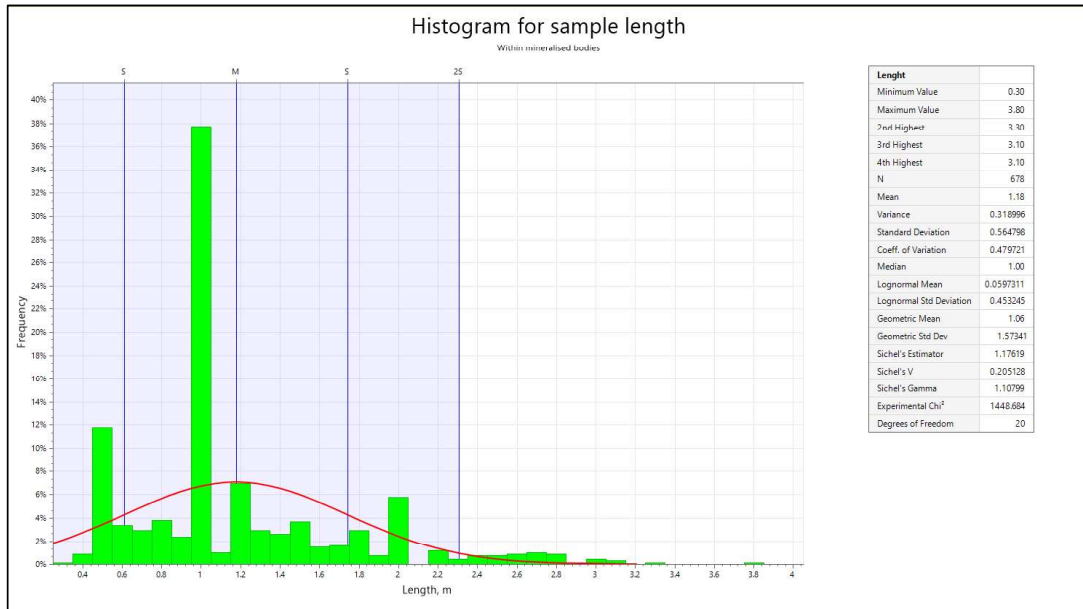
Figure 7.3 BodyAP Au g/t histogram



### 7.1.3 Composite length selection

Samples within the mineralized wireframes were used to conduct a sample length analysis. Most of the sample intervals are 1 m in length, as shown in Figure 7.4.

Figure 7.4 Histogram of sample lengths



Based on this review, a 1 m composite length was selected. AMC observed that a number of sample lengths >1 m are also present in the data, and some even >2 m in length. The selected 1 m composite length would therefore in some cases result in repeated grades in adjacent composites. This will have minor implications in the spatial analyses of grade data.

Table 7.3 Sample versus composite data

Element	Minimum (g/t)	Maximum (g/t)	Number of Samples	Mean (g/t)	Variance	Standard Deviation	Coefficient of Variation	Median (g/t)
Samples within Mineralized Envelopes								
Au	0.005	16.63	216	4.50	9	2.9	0.73	3.57
Ag	0.1	44.87	216	9.41	42	6.5	0.79	7.18
Composites within Mineralized Envelopes								
Au	0.005	14.84	414	4.96	8	2.9	0.59	4.66
Ag	0.1	37.83	414	10.91	52	7.2	0.66	8.63

### 7.1.4 Geostatistical analysis

Variography (spatial analysis) is carried out to understand how sample values relate to each other in space, and thus reflects the average spatial continuity for a variable. The variogram is used to determine the weight to apply to each sample during kriging (estimation) and takes into consideration the average spatial characteristics of the underlying grade distribution. It can help to infer possible similarities between known samples and points that have not been sampled.

Variograms for the Karaberd deposit were modelled using 1 m composited data. Variography was undertaken on Body3 and Body4 only, as the data populations for the other secondary and branching bodies were too small to support meaningful variography.

Nugget effects were obtained from the downhole variograms, where the lag distance was set at the composite length of 1 m. Variography was undertaken on data without any transformation required.

After determining the main directions, semi-variogram models were calculated and modelled in Micromine 2023 software for two main mineralized bodies, gold and silver were modelled separately. Two spherical structures for gold and silver were modelled (Table 7.4).

Table 7.4 Variography parameters

Element	Type	Axis	Azimuth	Dip	Nugget (%)	Partial Sill 1 (%)	Partial Sill 2 (%)	Range1 (m)	Range2 (m)
Au, Body 3	Relative spherical	Main	123	0	36.4	31.4	32.2	5	118
		Second	213	71				63	101
		Third	33	19				0	1
Ag, Body 3	Relative spherical	Main	123	0	10.1	33.7	56.2	4	140
		Second	213	71				81	144
		Third	33	19				1	6
Au, Body 4	Relative spherical	Main	176	0	17.4	50.2	32.4	37	79
		Second	266	-75				100	111
		Third	266	15				1	3
Ag, Body 4	Relative spherical	Main	176	0	32.2	16.5	51.3	32	136
		Second	266	-75				32	120
		Third	266	15				1	3

The semi-variogram modelled for Body1 was used during estimation for the branching body with the orientation adjusted to best suit the orientation of the mineralized body in question (Figure 7.5, Figure 7.6).

Variogram ellipses were visually checked against the wireframe during modelling.

Figure 7.5 Main direction variograms for Body1, Au

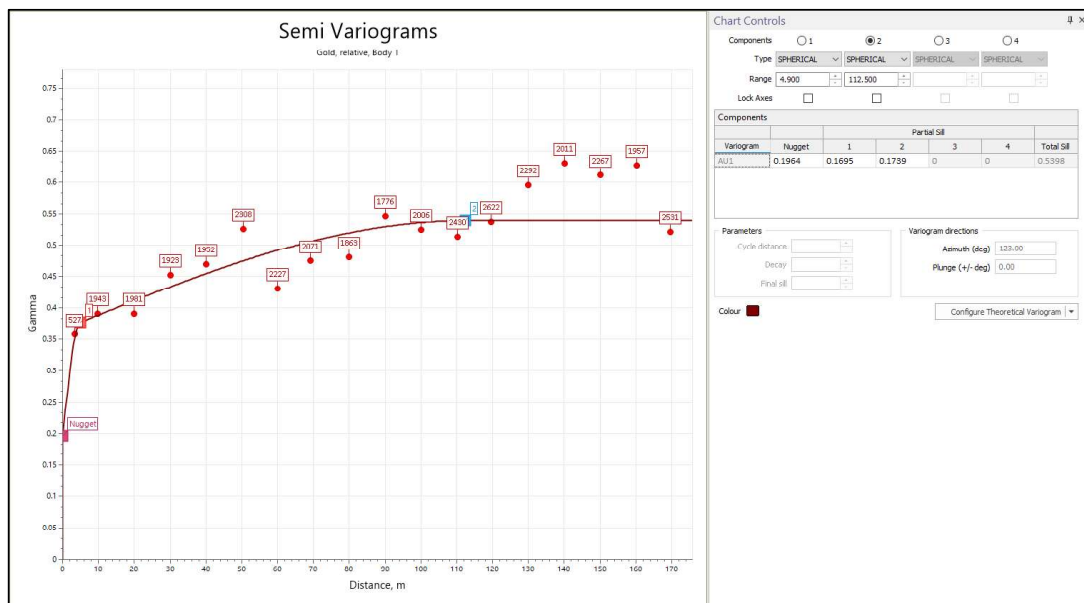
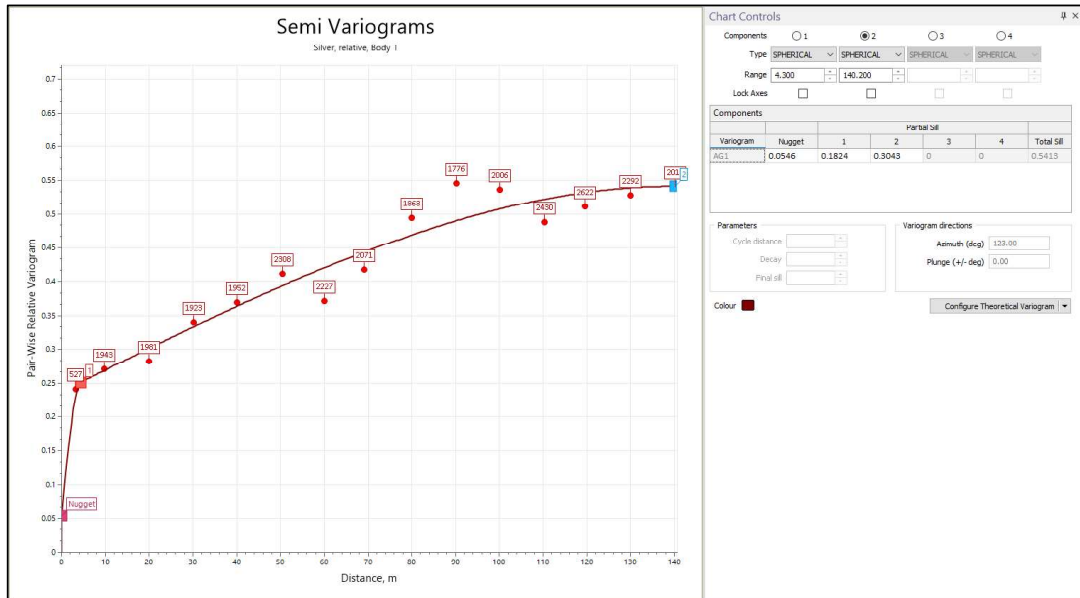


Figure 7.6 Main direction variograms for Body1, Ag



### 7.1.5 AMC opinion on data analysis

Consideration of the data types, the understanding of how the samples were collected, and any limitations of the data should be considered as part of any future work. AMC recommends that any further surface sampling and trenching should be documented and logged so that the analytical results could be verified and included in any subsequent updates of the MRE. The 2021 and 2022 surface sampling were excluded from the MRE update due to the lack of provided documentation to support the quality of work.

A global comparison of mean gold and silver grade was made between raw and composited data. Whilst any compositing strategy will be limited by the constraints of the data, and the effects of long sample intervals, a review of different compositing strategies and a discussion about the effects of compositing should be made. Any future work should include twin drilling of holes with mineralized intervals longer than 2 m, with sampling and assaying undertaken on 1 m intervals, guided by the mineralization or geology of the deposit. Longer sample intervals can then be discarded from the dataset.

Whilst these items should be considered and investigated in any future work, AMC does not consider that they would have a material impact on the Mineral Resource.

## 7.2 Bulk density

### 7.2.1 Methodology

AMC used data from two phases of test work to assign density to the Karaberd block model.

Bulk density data was collected during the exploration work completed by Lusadjur. In addition to the data collected during exploration, further density test work was undertaken on underground pillars collected in 2008 for metallurgical sampling.

The bulk density of the mineralized material in 2021 was determined in the field from bulk samples from the surface, by sawing the material from the outcrops or trenches using a diamond saw, after which the volume of the resulting "void" was measured, and then the mineralized material was weighed on electronic scales with an accuracy of 0.01 kg. After weighing, the

collected material was dried on a gas stove until completely dried and re-weighed with an accuracy of 0.01 kg. Moisture was calculated as the difference between the two weights.

In 2022, the volume mass and moisture were determined in the laboratory at CJSC "Analytic" (earlier Central Laboratory of Geology Management), according to a commonly used Archimedes methodology.

### 7.2.2 Quality assurance

No quality assurance data was provided for the density determination work undertaken.

### 7.2.3 Analysis and results

The data for the determination of average bulk density values are tabulated below (Table 7.5 to Table 7.8).

Table 7.5 Bulk density determinations in the field

Exploration Working	Sample Interval		Parameters		Depth (m)	Volume (m <sup>3</sup> )	Weight (kg)	Bulk density (t/m <sup>3</sup> )
	From (m)	To (m)	Length (m)	Width (m)				
chram-3	14.0	17.0	3.0	0.3	0.2	0.19	455.4	2.53
chram-3a	6.0	8.0	2.0	0.4	0.3	0.24	604.8	2.52
chram-4	4.0	5.5	1.5	0.3	0.3	0.14	333.4	2.47
chram-1	5.0	7.0	2.0	0.4	0.2	0.16	403.2	2.52
chram-2	8.0	10.5	2.5	0.3	0.2	0.15	382.5	2.55
chram-5	4.0	5.5	1.5	0.4	0.2	0.12	304.8	2.54
chram-6	11.0	13.0	2.0	0.4	0.3	0.24	602.4	2.51
trench-2	2.0	3.0	1.0	0.2	0.1	0.03	63.2	2.43
trench-7	2.5	4.0	1.5	0.2	0.1	0.04	90.3	2.51
trench-8	3.0	4.3	1.3	0.3	0.2	0.07	159.2	2.45

Table 7.6 Bulk density determinations in the laboratory

Sample	Mine Working	Volume (m <sup>3</sup> )	Sample weight (kg)		Moisture (%)	Bulk density (t/m <sup>3</sup> )	
			Natural Sample	Dry Sample		Natural Sample	Dry Sample
om-1	hole-34	0.1353	0.344	0.341	0.87	2.52	2.52
om-2	hole-25	0.1342	0.343	0.341	0.58	2.56	2.54
om-3	hole-36	0.1226	0.316	0.314	0.63	2.58	2.56
om-4	hole-37	0.1412	0.366	0.363	0.82	2.59	2.57
om-5	hole-38	0.1586	0.397	0.395	0.50	2.50	2.49
om-6	hole-39	0.1688	0.429	0.427	0.47	2.54	2.53
om-7	hole-40	0.1661	0.420	0.417	0.71	2.53	2.51
om-8	hole-41	0.1432	0.370	0.368	0.54	2.58	2.57
om-9	hole-42	0.1289	0.323	0.321	0.62	2.51	2.49
om-10	hole-43	0.1166	0.299	0.295	1.34	2.56	2.53
om-11	hole-44	0.1700	0.431	0.425	1.39	2.53	2.50
om-12	hole-45	0.1746	0.428	0.426	0.47	2.45	2.44
om-13	hole-46	0.1558	0.403	0.402	0.25	2.59	2.58
om-14	hole-47	0.1429	0.367	0.363	1.09	2.57	2.54
om-15	hole-48	0.1704	0.423	0.421	0.47	2.48	2.47
om-16	hole-49	0.1447	0.356	0.353	0.84	2.46	2.44
om-17	hole-50	0.1809	0.456	0.454	0.44	2.52	2.50
om-18	hole-51	0.1921	0.467	0.465	0.43	2.43	2.42
om-19	trench-6	0.1868	0.472	0.469	0.63	2.53	2.51
om-20	trench-5	0.1741	0.441	0.437	0.91	2.53	2.51
om-21	trench-4	0.1577	0.391	0.388	0.77	2.48	2.46
om-22	trench-78	0.1514	0.850	0.383	0.52	2.54	2.53
om-23	trench-32	0.1427	0.356	0.354	0.01	2.49	2.48
om-24	trench-78	0.1767	0.422	0.440	0.56	2.50	2.49
om-25	trench-8	0.1873	0.475	0.472	0.45	2.54	2.52

Table 7.7 Bulk density determinations for mineralized underground pillars

Sample	Volume (m <sup>3</sup> )	Sample weight (kg)		Moisture (%)	Bulk density (t/m <sup>3</sup> )	
		Natural Sample	Dry Sample		Natural Sample	Dry Sample
chram-3/1	0.27	0.683	0.678	0.73	2.53	2.51
chram-3a/1	0.34	0.857	0.853	0.47	2.52	2.51
chram-4/1	0.90	0.716	0.710	0.84	2.47	2.46
chram-1/1	0.32	0.794	0.788	0.76	2.52	2.50
chram-2/1	0.40	1.020	1.012	0.78	2.55	2.53
chram-5/1	0.42	1.067	1.058	0.84	2.54	2.52
chram-6/1	0.38	0.954	0.946	0.83	2.51	2.49
trench-2/1	0.30	0.729	0.723	0.82	2.43	2.42
trench-7/1	0.39	0.979	0.971	0.82	2.51	2.49
trench-8/1	0.26	0.637	0.632	0.78	2.45	2.43



Table 7.8 Bulk density determinations for primary mineralization

Drillhole	Volume (dm <sup>3</sup> )	Sample Weight (kg)		Moisture (%)	Bulk Density (t/m <sup>3</sup> )	
		Natural Sample	Dry Sample		Natural Sample	Dry Sample
DH-35	0.2463	0.719	0.71	1.28	2.68	2.65
DH-39	0.1944	0.525	0.518	1.42	2.7	2.66
DH-36	0.1836	0.5	0.492	1.64	2.72	2.68
DH-37	0.2455	0.673	0.662	1.73	2.74	2.7
DH-38	0.1973	0.529	0.521	1.52	2.68	2.64
DH-40	0.2684	0.719	0.711	1.08	2.68	2.65
DH-41	0.2835	0.773	0.758	1.96	2.71	2.67
DH-42	0.2607	0.691	0.685	0.94	2.65	2.63
DH-44	0.2602	0.692	0.682	1.43	2.66	2.62
DH-49	0.2315	0.597	0.588	1.58	2.58	2.54
DH-47	0.201	0.521	0.514	1.33	2.59	2.56
DH-46	0.2135	0.572	0.564	1.55	2.68	2.64
<b>Total</b>	-	-	-	<b>17.46</b>	<b>32.07</b>	<b>31.64</b>
<b>Average</b>	-	-	-	<b>1.455</b>	<b>2.67</b>	<b>2.636</b>

#### 7.2.4 AMC opinion on bulk density

In AMC's opinion, the bulk density data is of sufficient quantity to estimate the average values for block modelling. However, little is understood about the size, location and nature of the physical samples, therefore assumptions about their representativity are problematic.

The data has a narrow and consistent range of values, indicating that in situ bulk density is consistent for the deposit.

AMC recommends that as part of any further exploration, well-spaced representative density samples are collected for all material types (geological units, weathering, oxidation, alteration, and mineralization) and that they are analysed using a suitable method.

Whilst these items should be considered and investigated in any future work; AMC does not consider it likely that these would have a material impact on the MRE.

After all the available data were analysed, it was decided that bulk density values of 2.50 t/m<sup>3</sup> and 2.63 t/m<sup>3</sup> be applied to the model cells for the oxide and fresh zones respectively.

### 7.3 Block Modelling

#### 7.3.1 Software

Block modelling was undertaken in Micromine 2023 software.

#### 7.3.2 Block model construction

A block model (Model\_Krig\_Dec\_2022.dat) was constructed to include the full extent of the Karaberd deposit. Block model parameters are shown in Table 7.9 and block model attributes in Table 7.10.

The block model used a parent cell size of 10 m(E) by 10 m(N) by 10 m(RL) with sub-celling to 1 m in all directions to account for the resolution of the mineralized bodies. The size of the parent blocks was chosen based on the exploration grid density, the morphology of mineralized bodies, and the overall size of the model. Following sub-celling, the model was optimized, a process whereby sub-cells are combined into larger blocks within the parent cells, where possible. The model was coded below the topographic surface, with all blocks above the surface removed, and

then by the modelled surface for the base of oxidation. Only mineralized blocks, within the mineralized body wireframes, were present in the block model, a waste model was not generated.

Table 7.9 Block model parameters

Axis	Extent		Block size (m)	Sub-cell size (m)	Number of parent blocks
	Minimum	Maximum			
Easting	8,458,795	8,460,005	10	1	121
Northing	4,521,395	4,522,605	10	1	121
RL	1,495	1,855	10	1	36

Table 7.10 Block model attributes

Field	Type	Description
X	Numeric	Block centroid X coordinates.
Y	Numeric	Block centroid Y coordinates.
Z	Numeric	Block centroid Z coordinates.
_X	Numeric	X Block size increment.
_Y	Numeric	Y Block size increment.
_Z	Numeric	Z Block size increment.
DENSITY	Numeric	Bulk density – 2.50 t/m3 assigned to all blocks in the oxide zone and 2.63 t/m3 for the fresh zone.
CLASS	Numeric	Resource classification. 1 = Measured, 2 = Indicated, 3 = Inferred, 9 = Unclassified.
WF1	Alphanumeric	Mineralized body name. Estimation domain code.
AU1	Numeric	Estimated Au grade.
AG1	Numeric	Estimated Ag grade.

### 7.3.3 Grade estimation

Gold and silver grades were estimated into each parent cell using ordinary kriging (OK) algorithm. Grades were estimated into all blocks within the mineralized wireframes. The estimation was completed using Micromine 2023 software. Hard boundaries were applied between the mineralized bodies during estimation. The WF1 field was used define the estimation domains. Variography modelled for domains Body3 and Body4 were used to estimate both main domains and one branching domain, although the orientations of search ellipse and variography were edited manually to best fit the orientation of the mineralized body being estimated (Table 7.11).

Table 7.11 Orientation parameters for estimation domains

Body	Wireframe*	Axis	Azimuth	Plunge
1	Body3	axis 1	123	0
		axis 2	213	71
		axis 3	33	0
3	Body4	axis 1	176	0
		axis 2	266	-75
		axis 3	266	15
Branching	Body_AP	axis 1	211	0
		axis 2	301	85
		axis 3	121	5

Note: The wireframing naming convention "Bodyxx" was inherited from the previous technical reports – these should be termed "zones" or a similar term which does not imply they constitute Mineral Resource.

Estimation was undertaken in successive search passes, for each pass the search ranges were multiplied by a factor and the sample selection parameters became less stringent (Table 7.12). This method ensures that blocks that are not estimated in the first search pass are estimated in subsequent search passes. The search ellipse axes were informed by the ranges from variography, with the along-strike value being 118 m, the down-dip value being 118 m and the across-dip value being 3.2 m.

Table 7.12 Grade estimation parameters

Parameter	Search Pass 1	Search Pass 2	Search Pass 3	Search Pass 4
Search radii	78 x 78 x 2 m	118 x 188 x 3 m	236 x 236 x 6 m	472 x 472 x 13 m
Minimum number of composites	3	3	1	1
Maximum number of composites	12	12	12	12
Minimum number of holes	2	2	1	1

To manage data clustering, the search ellipse was divided into four sectors for grade estimation. A maximum of three composites per sector was allowed. No limit to the number of composites per hole was used, therefore three samples from a single hole could be used to inform the grade of a block.

A block discretisation of 5 x 5 x 5 points was used for estimation.

Grade estimation was also undertaken using the same search strategy, but for inverse distance weighting estimation to the power of 2 (IDW<sup>2</sup>) and 3 (IDW<sup>3</sup>) for comparison and validation against the OK estimate.

### 7.3.4 Block model validation

Validation of the grade estimate was accomplished by:

- Visual checks in cross section and plan view to ensure that the block model grades honour the local composite grades.
- Statistical comparison of composite and block grades.
- Generation of swath plots to compare input and output grades in a semi-local sense, by easting, northing and elevation.
- Comparison of wireframe volume against block model volume.
- Comparison between the IDW<sup>2</sup>, IDW<sup>3</sup> and OK estimates.

#### 7.3.4.1 Visual validation

The visual validation, undertaken by comparing the grades in the block model to the grades in the composites showed a satisfactory correlation (Figure 7.7 and Figure 7.8).

Figure 7.7 Long section of Body3 looking north (blocks and composites coloured by Au grade)

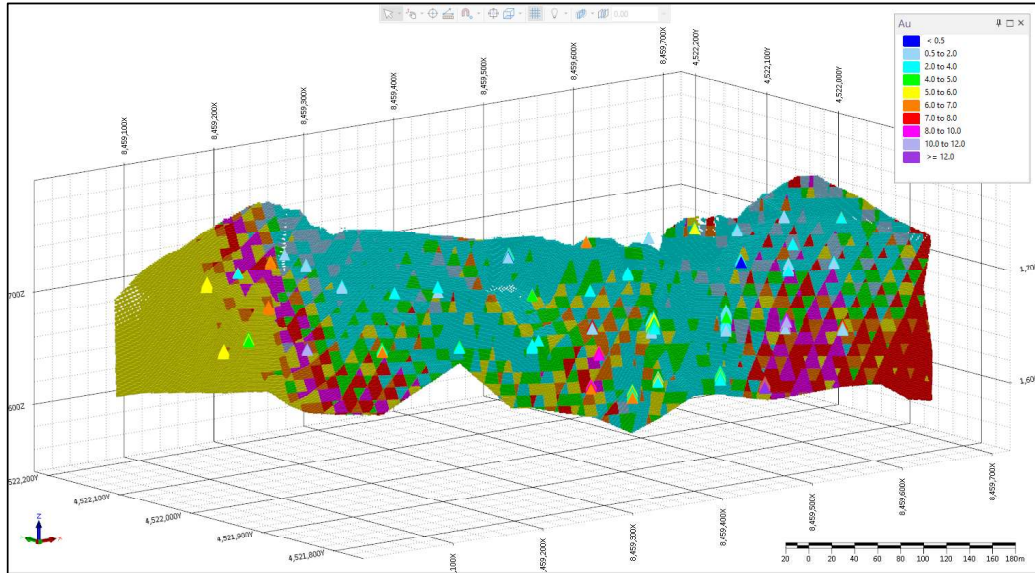
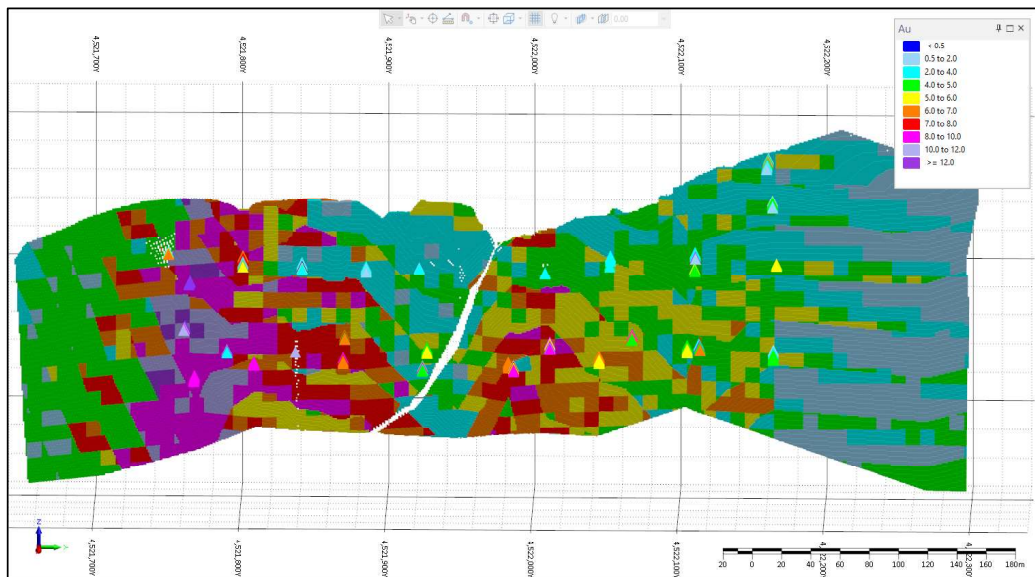


Figure 7.8 Long section of Body4 looking west (blocks and composites coloured by Au grade)



### 7.3.5 Statistical validation

Global statistical validation revealed a slight reduction in average gold grade in the model when compared to the composites (Table 7.13).

Table 7.13 Global mean grade comparison

Global Mean Grade	Input Composites (g/t)	Output Blocks (g/t)	Relative Difference (%)
Mean Au grade	4.96	4.65	-6.12%
Mean Ag grade	10.91	10.77	-1.32%

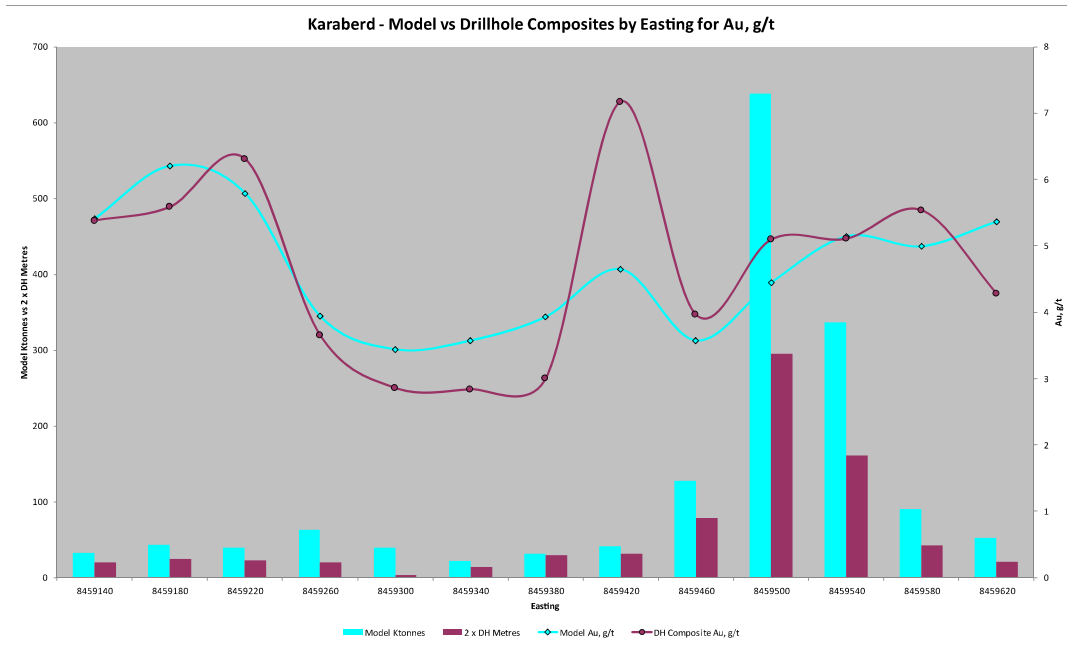
These differences are to be expected, as the mean grade of the composite data is affected by data clustering in places.

### 7.3.6 Swath plots

Swath plots were constructed as part of the validation process, by comparing the estimated parent block grades against the input composites, in spatial increments. These plots display northing, easting, and elevation slices at 50 m, 50 m and 20 m increments respectively, throughout the deposit (Figure 7.9).

The plots show that the spatial distribution of block grades honour the spatial distribution of input composite grades. There is a minor degree of smoothing evident, which is expected from the estimation method used, with block grades showing lower overall variance. The general trend of the composite grades is represented by the block model.

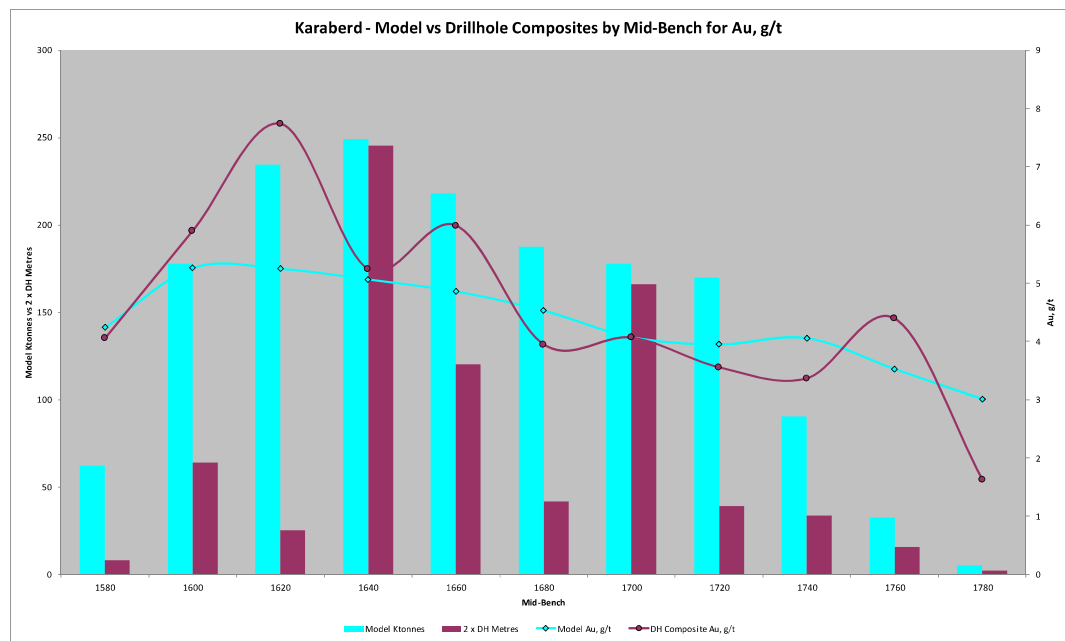
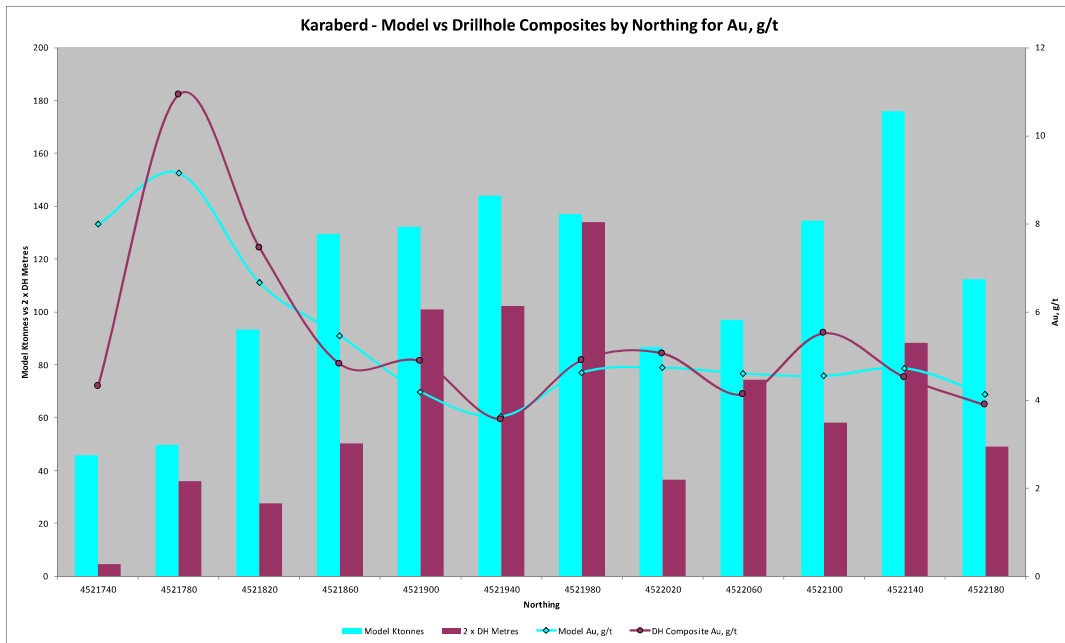
Figure 7.9 Global swath plots



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### 7.3.7 Model volume comparison

The total volume of the mineralized wireframes was compared to the total volume of mineralized blocks (Table 7.14). A difference of 10% was identified, which results from the wireframes protruding through the topographic surface and surface of excavation and is therefore acceptable.

Table 7.14 Volume comparison

Wireframe Volume (m <sup>3</sup> )	Block Model Volume (m <sup>3</sup> )	Difference (%)
717,372	646,409	-9.9

### 7.3.8 Comparison with check estimates

Gold and silver grades were estimated using two alternative methods, IDW<sup>2</sup> and IDW<sup>3</sup>. The grades from these estimates were used as a check against the OK estimate. The analysis showed that the OK estimate produced very similar results as the IDW methods. Both IDW methods had average gold and silver grades not exceeding 1% relative difference below 2.5 g/t Au cut-off grade than the OK method. A comparison of estimates at differing cut-off grades is provided in (Table 7.15).

Table 7.15 OK versus IDW estimates

Cut-off Au (g/t)	OK		IDW <sup>3</sup>		IDW <sup>2</sup>		OK versus IDW <sup>3</sup>		OK versus IDW <sup>2</sup>	
	Au (g/t)	Au (koz)	Au (g/t)	Au (koz)	Au (g/t)	Au (koz)	Grade (%)	Metal (%)	Grade (%)	Metal (%)
0.5	4.66	242	4.65	242	4.66	242	0.3	0.3	0.2	0.2
1	4.69	242	4.67	241	4.68	242	0.3	0.3	0.2	0.2
1.5	4.74	241	4.72	241	4.72	241	0.4	0.2	0.3	0.1
2	4.99	233	5.05	232	5.03	232	-1.1	0.6	-0.7	0.3
2.5	5.19	226	5.27	224	5.25	225	-1.6	0.9	-1.2	0.6
3	5.44	215	5.51	214	5.48	215	-1.4	0.5	-0.8	0.1
3.5	5.68	202	5.76	202	5.75	201	-1.4	0.1	-1.1	0.2
4	5.94	186	6.00	188	5.97	188	-1.0	-0.7	-0.6	-0.8
4.5	6.44	155	6.36	164	6.33	165	1.3	-6.2	1.8	-6.5
5	6.83	134	6.94	132	6.91	132	-1.7	0.9	-1.2	1.4

### 7.4 Mineral Resource classification

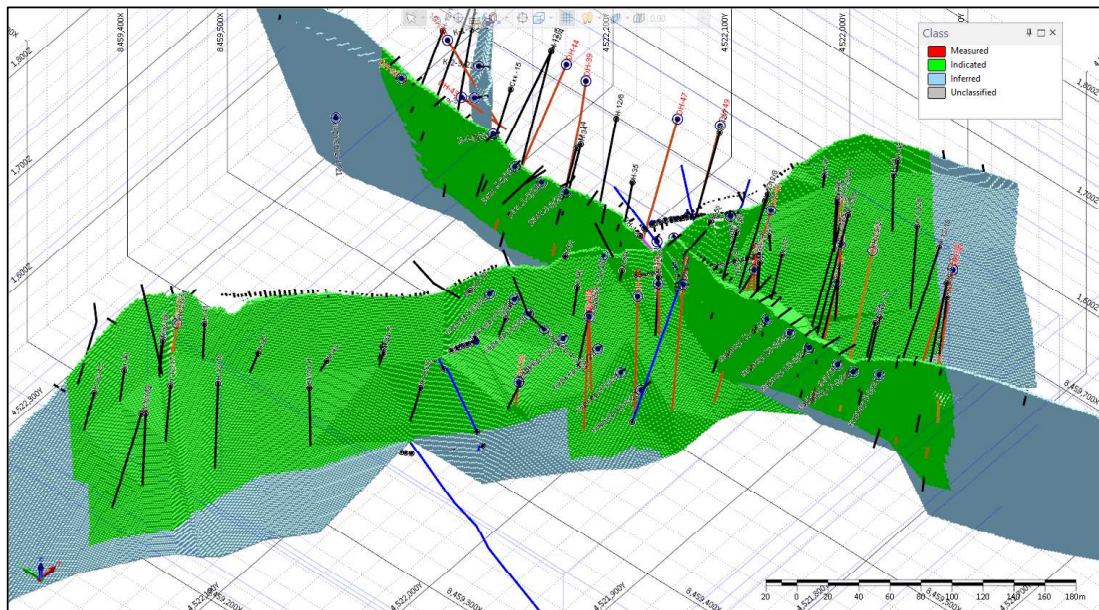
The MRE is classified according to JORC Code. The classification is based on an assessment of the geological understanding of the deposit, geological and grade continuity, drillhole spacing, QA/QC data and results, search and interpolation parameters, and an analysis of available bulk density information.

Based on the observed geological and grade continuity, it was decided to classify deposit areas with exploration grid density not exceeding 50 m by 50 m as Indicated Mineral Resource, and all other deposit areas as Inferred Mineral Resource. Geological evidence is sufficient to imply and also to verify geological and grade continuity for the areas classified as Indicated Mineral Resource, which were also supported by channel sampling and trial mining results. Geological evidence is sufficient to imply but not verify geological and grade continuity for the areas classified as Inferred Mineral Resource. It is based on exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings, and drillholes (Figure 7.10).

An Inferred Mineral Resource has a lower level of confidence than that applying to an Indicated Mineral Resource and must not be converted to an Ore Reserve. It is reasonably expected majority of the Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration.

The classification process involved manual interpretation of the deposit areas and coding the block model.

Figure 7.10 3D view showing the extent of the Indicated and Inferred Mineral Resource



Body3, Body4 and one branching structure are the only mineralized bodies considered for Mineral Resource classification. Other smaller bodies are supported by a maximum of two data points and are not supported by higher confidence drillhole data, hence their exclusion.

## 7.5 Mineral Resource statement

The Mineral Resource is reported in accordance with JORC Code. The Mineral Resource discussed herein may be affected by subsequent assessments of mining, environmental, processing, infrastructure, permitting, taxation, socio-economic, political and other factors. AMC deems the gold mineralization interpreted from exploration trenching, channel sampling and drilling to be potentially amenable to open pit and underground extraction.

The Mineral Resource has been classified in accordance with JORC Code, by the Competent Person, Mr Dmitry Pertel. Mr Pertel is an independent consultant and full-time employee of AMC and is wholly independent of MVI.

The Mineral Resource was estimated by generally accepted industry practices. Mineral Resources are not Ore Reserves and therefore do not have demonstrated economic viability.

The Mineral Resource is reported as of 1 December 2022 at a 0.8 g/t Au cut-off grade (Table 7.16). At a 0.8 g/t Au cut-off, the Mineral Resource is deemed to have reasonable prospects for eventual economic extraction as it is within the range of currently reported deposits of a similar nature.



Table 7.16 Mineral Resource for the Karaberd Gold Project as of 1 December 2022 at a 0.8 g/t Au cut-off grade

Oxidation	Classification	Tonnes	Au		Ag	
		kt	g/t	koz	g/t	koz
Oxidized	Indicated	452	4.2	61	9	131
	Inferred	192	4.0	24	10	65
	<b>Total</b>	<b>643</b>	<b>4.1</b>	<b>86</b>	<b>9</b>	<b>196</b>
Fresh	Indicated	565	5.1	92	11	200
	Inferred	436	4.9	69	12	174
	<b>Total</b>	<b>1,001</b>	<b>5.0</b>	<b>161</b>	<b>12</b>	<b>375</b>
Total	Indicated	1,016	4.7	153	10	331
	Inferred	628	4.6	93	12	239
	<b>Total</b>	<b>1,644</b>	<b>4.7</b>	<b>246</b>	<b>11</b>	<b>570</b>

Notes:

- The Mineral Resource estimate is classified according to JORC Code.
- The Mineral Resource estimate is reported at a 0.8 g/t Au cut-off grade as of 1 December 2022.
- Mineral Resources are not Ore Reserves and do not have demonstrated economic viability.
- A bulk density value of 2.50 t/m<sup>3</sup> was used for the estimate of in situ tonnes for oxidized zone and 2.63 t/m<sup>3</sup> for fresh zone.
- Discrepancies in calculations may be present due to rounding.
- kt refers to kilo-tonnes (i.e. one thousand tonnes).
- koz refers to kilo-ounces (i.e. one thousand troy ounces).

The estimate was calculated at a range of cut-off grades separately for the oxide and primary zones and is represented in the grade-tonnage graphs (Figure 7.11 and Figure 7.12). The Mineral Resource classification is applied for the 0.8 g/t cut-off grade and may not apply to the higher cut-offs shown in the graphs as the geological and grade continuity may be poorer at the higher cut-off grades.

Figure 7.11 Grade-tonnage curve showing gold grades for Karaberd Gold Project

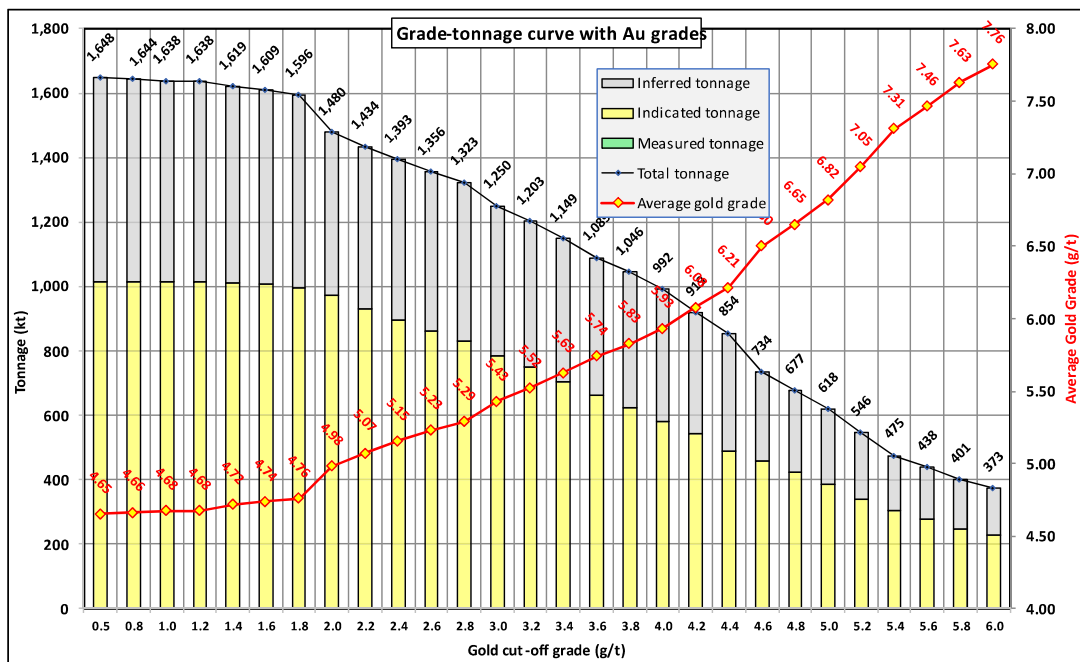
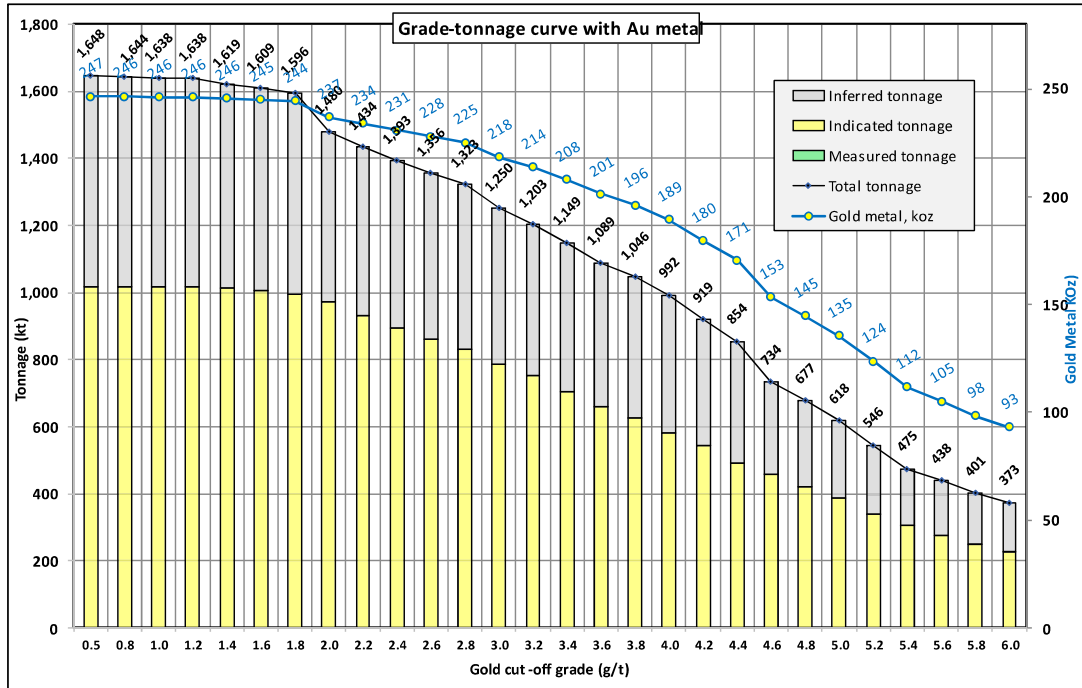


Figure 7.12 Grade-tonnage curve showing gold metal for Karaberd Gold Project



## 8 Metallurgy

### 8.1 Summary of testwork

Metallurgical studies were completed at the Project in 2005 and 2008 by Assat, summarized by AMC as follows.

#### 8.1.1 2005 metallurgical study

The 2005 study was performed at the Lernametallurgical Institute. Testwork was carried out on an above average grade sample; gold 17.57 g/t and silver 35.53 g/t. Details regarding the nature of the sample, its collection methodology and original location are not known. Flotation testwork carried out indicated average gold recoveries in the region of 80%, silver recoveries of 45% and copper recoveries of around 40%. Conceptual flowsheets were constructed on the basis of initial gravity recovery followed by flotation although the proportion of gravity recoverable gold is not known.

It was considered likely that the Project would be developed in two stages:

- Stage 1 focusing on gold recovery by intensive gravity concentration, recovering free gold.
- Stage 2 focusing on gold recovery using gravity extraction of associated gold into bulk gold containing gravity concentrates, which could be sold as concentrates or further refined into gold.

#### 8.1.2 2008 metallurgical study

Testwork in 2008 focused on two bulk oxide samples of material from the central zone at Karaberd, undertaken by Masis Plant of Assat.

The samples were blended to ensure average gold grades. The first sample from Body3 was 45 tonnes with an average gold grade of 4.1 g/t, the second sample from Body4 was 113 tonnes with an average gold grade of 5.2 g/t. These grades are considered representative of the mineralization.

The combined samples were ground to 0.77 mm, subjected to cyanidation with the ratio of solid mass and liquid assumed to be 1:1. The sodium chloride (NaCl) concentration was between 0.04% and 0.06%. Reportedly, gold recovery was 96.5% and the gold grade in tailings was 0.27 g/t.

### 8.2 AMC's Opinion on metallurgical testwork

In AMC's opinion, the metallurgical testwork completed is limited and poorly documented.

The 2005 testwork is questionable, as they have based the work on a sample that is anomalously high grade, and the extent of gravity recoverable gold is not known.

The 2008 testwork lacks substantive supporting data and returns significant higher gold recoveries.

These tests indicated that gold and silver can be extracted from the mineralization, although only gold recoveries were reported in the 2008 study. Silver recoveries reported from the 2005 study are low and further study work is required to understand the recovery characteristics.

There is a significant disparity between gold recoveries reported from the 2005 study and the 2008 study (flotation versus cyanidation, respectively), highlighting the need for further controlled metallurgical testwork and the quantification of the proportion of gravity recoverable gold is critical as this represents the lower hurdle in terms of capital expenditure for the development of processing options on site.

## 9 Trial mining

MVI commenced trial mining at Karaberd in May 2021 (Figure 9.1). The mineralized material was loaded to small trucks by excavator (Figure 9.2), then transported to Kirovakan (Figure 9.3) where it was crushed (Figure 9.4) and stockpiled (Figure 9.5). The mineralized material was then transported to the processing plant in Ararat (GeoPro Mining Gold LLC) by railway using 65-tonne wagons.

Figure 9.1 Test mining operation at Karaberd



Figure 9.2 Ore loading at Karaberd



Figure 9.3 Trucks used to transport ore from Karaberd site to Kirovakan



Figure 9.4 Crusher at Kirovakan



Figure 9.5 Stockpile at Kirovakan



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The processing plant reported that it processed 4,350 t of mineralized material in two shifts on 22 April 2021 (2,490 t at the first shift with an average gold grade of 2.73 g/t and 1,860 t of ore at the second shift with an average gold grade of 2.41 g/t). Thus, the average gold grade was 2.59 g/t and the recovered metal was 11,279 g Au.

The second batch was delivered in May 2021. The processing plant reported that it processed 4,908 t of mineralized material in three shifts on 26 and 27 May 2021 (2,623 t at the first shift with an average gold grade of 1.71 g/t, 1,128 t of ore at the second shift with an average gold grade of 1.64 g/t, and 11,157 t of ore during the third shift with an average gold grade of 1.49 g/t). Thus, the average gold grade was 1.64 g/t and the recovered metal was 8,059 g Au.

The third batch was delivered to the processing plant in June 2021. The processing plant reported that it processed 4,996 t of mineralized material in two shifts on 22 and 25 June 2021 (2,452 t at the first shift with an average gold grade of 1.60 g/t, and 2,247 t of ore at the second shift with an average gold grade of 1.20 g/t). Thus, the average gold grade was 1.41 g/t and the recovered metal was 6,620 g Au.

With regards to the batch delivered to the processing plant in July, the processing plant reported that it processed 4,585 t of mineralized material in two shifts on 15 and 22 July 2021 (2,488 t at the first shift with an average gold grade of 1.27 g/t, and 2,423 t of ore at the second shift with an average gold grade of 0.80 g/t). Thus, the average gold grade was 1.04 g/t and the recovered metal was 4,750 g Au.

With regards to the batch delivered to the processing plant in August, the processing plant reported that it processed 5,058 t of mineralized material in two shifts on 19 and 26 August 2021 (2,843 t at the first shift with an average gold grade of 1.01 g/t, and 2,216 t of ore at the second shift with an average gold grade of 1.00 g/t). Thus, the average gold grade was 1.01 g/t and the recovered metal was 5,086 g Au.

With regards to the batch delivered to the processing plant in September, the processing plant reported that it processed 5,200 t of mineralized material in two shifts on 16 and 24 September 2021 (2,678 t at the first shift with an average gold grade of 0.80 g/t, and 2,523 t of ore at the second shift with an average gold grade of 0.89 g/t). Thus, the average gold grade was 0.84 g/t and the recovered metal was 4,387 g Au.

With regards to the batch delivered to the processing plant in December, the processing plant reported that it processed 4,524 t of mineralized material in two shifts on 10 and 14 December 2021 (2,253 t at the first shift with an average gold grade of 1.08 g/t, and 2,271 t of ore at the second shift with an average gold grade of 1.58 g/t). Thus, the average gold grade was 1.33 g/t and the recovered metal was 6,017 g Au.

The processing plant provided summaries period between April and December 2021 (Table 9.1 to Table 9.7).

Table 9.1 Summary of processed ore, April 2021

Date	Rail wagons	Tonnage wet (t)	Moisture (%)	Tonnage dry (t)
9-Apr-21	20	845.8	6.4	791.6
13-Apr-21	20	1,265.2	7.3	1,172.8
20-Apr-21	20	1,382.5	6.8	1,288.5
22-Apr-21	20	1,197.1	8.4	1,096.6
<b>Total</b>	<b>80</b>	<b>4,690.6</b>	<b>7.27</b>	<b>4,349.5</b>

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Table 9.2 Summary of processed ore, May 2021

Date	Rail wagons	Tonnage wet (t)	Moisture (%)	Tonnage dry (t)
18-May-21	40	2,790.7	4.6	2,662.4
26-May-21	20	1,242.6	7	1,155.6
27-May-21	20	1,178.6	7.5	1,090.2
<b>Total</b>	<b>80</b>	<b>5,211.9</b>	<b>5.83</b>	<b>4,908.2</b>

Table 9.3 Summary of processed ore, June 2021

Date	Rail wagons	Tonnage wet (t)	Moisture (%)	Tonnage dry (t)
22-Jun-21	40	2,613.1	6.16	2,452.1
25-Jun-21	40	2,383.1	5.7	2,247.3
<b>Total</b>	<b>80</b>	<b>4,996.2</b>	<b>5.94</b>	<b>4,699.4</b>

Table 9.4 Summary of processed ore, July 2021

Date	Rail Wagons	Tonnage wet (t)	Moisture (%)	Tonnage dry (t)
15-Jul-21	40	2,488.4	7.40	2,304.2
22-Jul-21	40	2,423.2	5.90	2,260.2
<b>Total</b>	<b>80</b>	<b>4,911.7</b>	<b>6.66</b>	<b>4,584.6</b>

Table 9.5 Summary of processed ore, August 2021

Date	Rail Wagons	Tonnage wet (t)	Moisture (%)	Tonnage dry (t)
19-Aug-21	40	2,979.9	4.60	2,842.8
26-Aug-21	40	2,376.5	6.77	2,215.6
<b>Total</b>	<b>80</b>	<b>5,356.3</b>	<b>5.56</b>	<b>5,058.4</b>

Table 9.6 Summary of processed ore, September 2021

Date	Rail Wagons	Tonnage wet (t)	Moisture (%)	Tonnage dry (t)
16-Sep-21	40	2,857.7	6.30	2,677.7
24-Sep-21	40	2,724.2	7.40	2,522.6
<b>Total</b>	<b>80</b>	<b>5,581.9</b>	<b>6.84</b>	<b>5,200.3</b>

Table 9.7 Summary of processed ore, December 2021

Date	Rail Wagons	Tonnage wet (t)	Moisture, %	Tonnage dry (t)
10-Dec-21	40	2,470.6	8.80	2,253.2
14-Dec-21	40	2,457.4	7.60	2,270.7
<b>Total</b>	<b>80</b>	<b>4,928.0</b>	<b>8.20</b>	<b>4,523.9</b>

The total trial production resulted in recovery of 46.2 kg of gold metal. No other information was made available with regards to the test mining operation at the deposit.

The test mining confirmed the presence of mineralization, though the reported average grades were lower than those estimated in the model. That should be investigated, as the average grades could be significantly diluted during mining operation. It is not known how the mining operation was planned and whether any grade control procedures were in place.

## 10 Conclusions and recommendations

### 10.1 Conclusions and technical risks

#### Sampling techniques and data:

- There are substantial gaps in the supporting information regarding geological logging, poorly documented oxidation state of material, survey control for surface trenches and underground workings. Most of the supporting information for channel sampling is not sufficient, some has been lost, some was not made available for review. As a result, the confidence in the data with regards to both surface and underground channel sampling is low and makes it unsuitable to support the grade estimation for MRE.
- The historical drilling is also poorly documented. This is however mitigated by the 2020 verification programme and 2021 and 2022 infill and twin drilling.
- Verification sampling in 2020 was undertaken to industry standards and is well documented, it verifies the presence of mineralization, its 3D location, thickness, and grade. This information is fundamental to the formal reporting of the MRE.
- Whilst the MRE is mostly based upon data collected between 2003 and 2012, the 2020 verification drilling and 2021-2022 infill drilling was included into the MRE update, and it is possible to report Indicated and Inferred Mineral Resources according to JORC Code.
- All of the 2021 and 2022 surface grab and channel samples were excluded from the MRE due to the unknown procedures of how they were collected.

#### QA/QC:

- The primary samples do not have any controls on cross contamination or assay accuracy and therefore the reliability of these data is uncertain. Verification drilling included quality control samples and the results indicated that these assay data should be reliable. Verification drilling assay results were relatively lower (average grade -16% lower) than the original assay results which could indicate that there were contamination or accuracy issues with the primary assay results.

#### Geological model:

- The geological model was constructed based on grade alone. It is well constructed and honours the trends seen in the data and the interpreted cross-sections provided. No models for geology or alteration were constructed, though weathering surface was generated using limited data available. Only two of the 17 mineralized bodies and one of two branching structures were supported by drilling, the remaining bodies were constructed using trench or channel data, often from a single intersection. AMC considered these smaller bodies to be of lower confidence than the two main and one branching bodies and were not considered to be part of the reported Mineral Resource.

#### Data analysis:

- Data analysis was undertaken with consideration of the three exploration methods (drillhole, surface trench and underground channel) and data for both surface and underground channel sampling were not analysed nor included into the grade estimation. However, channel sampling was used to support geological interpretation of mineralized bodies.

#### Density:

- In AMC's opinion, the bulk density data is of reasonable quality and supports data for both oxide and primary zones of the deposit. However, little is understood about the size, location and nature of the physical samples, therefore assumptions about their representativity are problematic.
- The 2005 test work is questionable, as the work was based on a sample that is anomalously high grade. Processing by gravity concentration may only be beneficial for small parts of



the mined material where free gold is present. With the current lack of logging data, it is unclear what proportion of the deposit is included in this category.

- The 2008 test work is also questionable due to paucity of substantiating data and returned very high gold recoveries.
- These tests indicated that gold and silver can be extracted from the mineralization, although the range of recovery between the different methods is substantial and further test work is required.

#### **Metallurgy:**

- In AMC's opinion, the metallurgical testwork completed is limited and poorly documented.
- The 2005 testwork is questionable, as the work was based on a sample that is anomalously high grade. Processing by gravity concentration may only be beneficial for small parts of the mined material where free gold is present. With the current lack of logging data, it is unclear what proportion of the deposit is included in this category.
- The 2008 testwork is also questionable due to paucity of substantiating data and returned very high gold recoveries.
- These tests indicated that gold and silver can be extracted from the mineralization, although the range of recovery between the different methods is substantial and further testwork is required.

#### **Grade estimation:**

- The grade estimation strategy employed was robust and the resultant block model validates well against the input composite data.

#### **Test mining:**

- The test mining which was commenced in May 2021 and finished in December 2021. It confirmed the presence of mineralization, though the reported average grades were lower than the ones estimated in the model. That should be investigated, as the average grades could be significantly diluted during mining operation. It is not known how the mining operation was planned and whether any grade control procedures were in place.

### **10.2 Recommendations**

AMC recommends the following work be undertaken:

- Regular topographic survey, with focus on ongoing surface excavations. This could potentially be carried out as a drone survey to reduce costs.
- A depletion volume model should be created to define the underground workings, to allow for detailed depletion of any future MRE, and to allow for proper consideration of potential voids during mine planning and production.
- All exploration work should be carried out to industry standards with all documentation captured digitally and stored securely.
- Standard operating procedures should be generated for any future work, to ensure that all processes are well documented and can be audited by external consultants. Including but not limited to exploration activities (planning and executing drillholes, trenches and channel samples), geological logging of excavations and drillholes, sampling of drillholes and trenches, sample preparation, analysis and QA/QC.
- Geological logging should include as a minimum, lithology, alteration, weathering, structure, texture and mineralization information. All core should be logged and photographed wet and dry before sampling is undertaken. Oriented core should be considered to better define the orientation of mineralized structures.
- Geotechnical data should be routinely collected during the logging to begin to inform potential pit or underground mining designs.

- A relational database should be created to store all available data. Templates for standardized data capture should be generated and followed for all future work that is carried out on site.
- Reliance on the pre-2020 exploration data should be phased out as soon as new drilling and surface trenching is complete. AMC recommends the drill pattern be infilled to a regular spaced 25 m grid of drillholes with supplementary surface trenching at 25 m spacing along strike. Strike extensions should also be drill tested as both major zones (1 and 3) are open along strike. Mapping of the surface expression of mineralization should be undertaken and could be used to interpret the mineralization between trenches. Further testing of downdip extensions of mineralization should be undertaken should the trade-off study referred to below indicate the potential for underground mining. Additional drilling will also allow for the numerous wireframes to be assessed in terms of improved data density and potential inclusion as Mineral Resources.
- Multi-element geochemical assay data should be collected routinely, to inform not only grades of the precious and base metals but also to identify potential contaminant risks (i.e. arsenic, uranium, heavy metals, and acid mine drainage). The collection of multi-element assay data would allow for the estimation of not only gold (and silver, subject to additional metallurgical test work) but also copper, zinc and lead as there are indications of base metal mineralization at the Project.
- It would be prudent to start considering whether a geometallurgical model would be of benefit, and if so, analysis of a subset of the drillhole data by four-acid ICP-MS and collection of handheld infrared spectral data should be incorporated into future exploration programmes.
- Density test work of a representative amount of waste and mineralized intervals should be collected throughout future exploration. Where these samples relate to specific intervals downhole or sample trenches on surface, this should be recorded so the density data can be reviewed in 3D. Density test work should be of a method that appropriately honours the textural, pore space and void space in the natural rock mass.
- Once new exploration data is available, the 3D model and resource estimation should be updated to reflect this new data.
- A structural geological assessment should be undertaken to further ascertain the structural controls on mineralization and to assess any high-grade trends.
- A trade-off concept or scoping study should be undertaken to determine the optimum mining method/s. Currently there is insufficient data to ascertain whether the deposit could be mined via open pit, underground or potentially even both methods. This study will also aid in guiding exploration drilling depths (i.e. whether drilling deep holes is justified). A key component of this study will be a detailed seismic risk assessment as this may also have a bearing on the likely mining method.
- The deposit is open along strike and down dip; however, additional exploration along strike may be hindered by the small size of both the allotment and the contained exploitation permit. Consideration should be given to the acquisition of geologically similar ground along strike from the deposit to potentially increase the size of the deposit.
- Recently identified branching structures have potential for further exploration and an increase in MRE.
- The current tenements possibly are not large enough to accommodate the mine infrastructure including waste dumps etc.
- Establishment of the mine geology system should be considered well in advance of mining. Systems to ensure development of the geological model, high-quality sampling, rapid capture and storage of data, quality control assessment, robust ore block interpretation, minimization of ore loss and dilution, production tracking and reporting, and reconciliation should be established. That should help to optimized average mined grade.

### 10.2.1 Use of funds

MVI advised AMC that the budget shown in Table 10.1 for the continued development of the Project over the next 12 to 18 months. AMC has reviewed the proposed work programme and budget and believes it to be an appropriate deployment of funding with the aim of advancing the Project in a risk-mitigative manner.

Table 10.1 Proposed work programmes

Item	Description/Rationale	Approximate Cost (US\$)
Infill drilling	Upgrade classification of Mineral Resources, obtain geotechnical information, obtain multi-element assay data, generate samples for detailed metallurgical testwork. Topographical survey.	1,200,000
Updated MRE	Based on infill programme. Attempt to improve classification of Mineral Resources to allow potential conversion to Ore Reserves. Assess upside potential of other metals.	40,000
Metallurgical testwork	Undertake liberation testwork on samples generated during infill programme.	100,000
Trade-off study	Utilize updated MRE, geotechnical data and metallurgical testwork to support a trade-off or Scoping-level assessment to investigate potential mining method and commence more detailed planning.	200,000
<b>Total</b>		<b>1,540,000</b>

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## 12 Consent forms

### **Competent Person's Consent Form**

Pursuant to the requirements of Australian Securities Exchange (ASX) Listing Rules 5.6, 5.22, and 5.24 and Clause 9 of the JORC Code (Written Consent Statement)

#### **Report name:**

**AMC023064 Competent Person's Report - Karaberd** ("Report"), prepared for:

**Mineral Ventures Invest spol s.r.o.** ("MVI") covering:

**Mining allotment N366 (2013)**, dated **1 December 2022** with an effective date of **1 December 2022**.

**12.1 Statement – Dmitry Pertel**

I, **Dmitry Pertel**, confirm that I am the Competent Person for the Mineral Resource estimate in the Report and:

I have read and understood the requirements of the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code, 2012 Edition).

I am a Competent Person as defined by the JORC Code, 2012 Edition, having five years' experience that is relevant to the style of mineralization and type of deposit described in the Report, and to the activity for which I am accepting responsibility.

I am a Member of the Australian Institute of Geoscientists.

I have reviewed the Report to which this Consent Statement applies subject to the review of MVI's listing documents.

I am a full-time employee of **AMC Consultants Pty Ltd** and have been engaged by **Mineral Ventures Invest spol s.r.o.** to prepare the documentation for **Allotment N366** on which the Report is based, for the period ended **1 December 2022**.

I have disclosed to the reporting company the full nature of the relationship between myself and the company, including any issue that could be perceived by investors as a conflict of interest.

I verify that the Report is based on and fairly and accurately reflects in the form and context in which it appears, the information in my supporting documentation relating to Exploration Targets and Mineral Resources.

**12.2 Consent – Dmitry Pertel**

I consent to the release of the Report and this Consent Statement by the directors of **Mineral Ventures Invest spol s.r.o.**

SIGNATURE OF COMPETENT PERSON:  	DATE: 27 June 2023
PROFESSIONAL MEMBERSHIP: MAIG (AUSTRALIA)	MEMBERSHIP NUMBER:  2248
SIGNATURE OF WITNESS:  	PRINT WITNESS NAME AND RESIDENCE: Serik Urbisnov Western Australia

### 13 Abbreviations and units of measurements

֏	Armenian dram
°	degrees
°C	degrees Celsius
2D	two-dimensional
3D	three-dimensional
AAS	atomic absorption spectroscopy
Ag	silver
AMC	AMC Consultants Pty Ltd
Assat	Assat LLC
Au	gold
cm	centimetres
CPR	Competent Person's Report
CRM	certified reference material
EIA	environmental impact assessment
ERM	Environmental Resources Management
g	grams
g/t	grams per tonne
ha	hectare(s)
ICP-MS	inductively coupled plasma mass spectrometry
IDW2	inverse distance weighting to the power of two
IDW3	inverse distance weighting to the power of three
kg	kilograms
km	kilometres
koz	kilo-ounces (thousand ounces)
kt	kilo-tonnes (thousand tonnes)
LSE	London Stock Exchange
m, m <sup>2</sup> , m <sup>3</sup>	metre(s)
square metre(s), cubic metre(s)	
mg/t	milligrams per tonne
mm	millimetres
MRE	Mineral Resource estimate
MVI	Mineral Ventures Invest spol s.r.o.
NaCl	sodium chloride
NSR	net smelter return
OK	ordinary kriging
ppm	parts per million
PSSF	Pambak-Sevan-Sunik Fault
QA/QC	quality assurance/quality control
t	tonne(s)
t/m <sup>3</sup>	tonnes per cubic metre
UK	United Kingdom
US\$	United States dollar
VAT	value-added tax
VMS	volcanogenic massive sulfides



## 14 Glossary

Term	Explanation
adits	An adit (from Latin aditus, entrance) is an entrance to an underground mine which is horizontal or nearly horizontal, by which the mine can be entered, drained of water, ventilated, and minerals extracted at the lowest convenient level. Adits are also used to explore for mineral veins.
Ag	Chemical symbol for silver.
alluvial	Alluvium is loose, unconsolidated (not cemented together into a solid rock) soil or sediment that has been eroded, reshaped by water in some form, and redeposited in a non-marine setting. Alluvium is typically made up of a variety of materials, including fine particles of silt and clay and larger particles of sand and gravel.
analytical duplicates	Analytical duplicates are subsamples that are analyzed to compare results against the original analysis. If significant differences are noted, it may indicate sample mix ups, analytical procedural issues or calibration issues. Precious metal duplicates may differ due to the nugget effect.
andesite	Andesite is an extrusive igneous volcanic rock of intermediate composition, with aphanitic to porphyritic texture. In a general sense, it is the intermediate type between basalt and rhyolite.
anticline	The inverse of a syncline.
Au	Chemical symbol for gold.
basalt	Basalt is a mafic extrusive igneous rock formed from the rapid cooling of magnesium-rich and iron-rich lava.
base metals	A base metal is a common and inexpensive metal, as opposed to a precious metal such as gold or silver. In geological terms, typically refers to copper, lead, zinc, and nickel.
bioleaching	The process of extracting metals from ores or waste by using microorganisms to oxidize the metals, producing soluble compounds.
blanks	Blanks are material which is guaranteed not to contain any of the mineral being assayed for. This will determine if potential contamination at the lab setting is taking place. If a known non-mineralized sample shows a positive result to a mineral – a red flag is raised.
block model	A set of specifically sized, regular blocks in the shape of the mineralization. Each block will have an assigned density, grade, Mineral Resource classification and potentially a variety of other factors and interrogation of the block model is used to determine the MRE.
breccias	Breccia is a rock composed of broken fragments of minerals or rock cemented together by a fine-grained matrix that can be similar to or different from the composition of the fragments.
carbonates	rocks comprising mainly carbonate minerals i.e. calcite, dolomite and aragonite.
Cenozoic	The Cenozoic Era meaning “new life” is the current and most recent of the three geological eras of the Phanerozoic Eon. It follows the Mesozoic Era and extends from 66 million years ago to the present day.
certified reference materials	Certified reference materials (or standards) are prepared samples which have a known grade of mineral to be tested for. They can be high, low or even median grade standards. The purpose of the standards is to test for calibration errors at the lab level. Proper procedure is to have standards of varying grades to best represent close to expected grades in the samples being tested. A standard which is returned with a value outside the accepted range (given by standard source lab) could indicate poor mixing of the sample, or a calibration error of the equipment/personnel handling the samples
chalcopyrite	Chalcopyrite is a copper iron sulfide mineral that crystallizes in the tetragonal system. It has the chemical formula CuFeS <sub>2</sub> .
conformable	Aa contact between two rock units in which there was no time gap between their deposition – i.e. the deposition of the younger unit occurred immediately after the deposition of the older unit, with no hiatus.
conglomerate	Conglomerate is a coarse-grained clastic sedimentary rock that is composed of a substantial fraction of rounded to subangular gravel-size clasts, e.g. granules, pebbles, cobbles and boulders, larger than 2 mm (0.079 inches) in diameter. Conglomerates form by the consolidation and lithification of gravel.
conjugate	Paired structures with identical movement senses that form in relation to a faulting event. Typically, these intersect each other at angles of between 60° and 120°.
core recovery	The amount of borehole core recovered from a drilling run. For example, if the total length of core recovered during a 3 m drilling run is 2.8 m, the core recovery is 93%.

## Karaberd Gold Deposit Competent Person's Report Update

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Term	Explanation
Cretaceous	The Cretaceous is a geological period that lasted from about 145–66 million years ago. It is the third and final period of the Mesozoic Era, as well as the longest.
cyanidation	A process whereby gold is extracting from ore by converting the gold to a water-soluble complex. The gold in solution is removed through precipitation.
dacite	Dacite is an igneous, volcanic rock. It has an aphanitic to porphyritic texture and is intermediate in composition between andesite and rhyolite.
dextral fault	Right-lateral motion on a fault plane, i.e. the top fault block (in plan view) has moved to the right relative to the bottom block.
diamond drillhole	Diamond drilling uses a hollow bit to extract a solid rock core from depth. The hollow bit is impregnated with industrial diamonds to allows for the cutting of hard rock formations.
dilational	With reference to mineralizing systems, dilational refers to the creation of space through an extensional event that allows structures to be invaded by mineralizing fluids.
diluvial	Deposits created as a result of catastrophic outbursts of Pleistocene giant glacier-dammed lakes in intermontane basins, and more generally refers to surficial deposits associated with flooding events.
Eocene	The Eocene Epoch is a geological epoch that lasted from about 56–33.9 million years ago. It is the second epoch of the Paleogene Period in the modern Cenozoic Era.
epithermal	Epithermal deposits are gold and base metal deposits in which metals were deposited from fluids and shallow to intermediate crustal levels, at temperatures between 50°C and 300°C.
fault gouge	Fault gouge is a tectonite (a rock formed by tectonic forces/brittle deformation) with a very small grain size. Fault gouge has no cohesion, and it is normally an unconsolidated rock type, unless cementation took place at a later stage. A fault gouge forms in the same way as fault breccia, the latter also having larger clasts.
fire assay	The industry standard assay technique for gold, whereby a sample is fused under high temperature in reducing conditions to form a metal bead which is weighed to determine gold content. Also used for other precious metals.
flotation	A chemical process whereby sulfide-hosted mineraliation is frothed and collected for extraction, in comparison to the waste material that remains in solution or sinks.
flower structure	In areas where strike-slip faults occur in converging crust, or transpression, rocks are faulted upward in a positive flower structure. In areas of strike-slip faulting in diverging crust, or transtension, rocks drop down to form a negative flower structure. The term "flower structure" reflects the resemblance of the structure to the petals of a flower in cross section.
gabbro	Gabbro is a phaneritic (coarse-grained), mafic intrusive igneous rock formed from the slow cooling of magnesium-rich and iron-rich magma into a holocrystalline mass deep beneath the Earth's surface. Slow-cooling, coarse-grained gabbro is chemically equivalent to rapid-cooling, fine-grained basalt.
gabbro-diorite	A plutonic igneous rock of mafic to intermediate composition. Compositionally it is between a gabbro and a diorite, which is the intrusive equivalent of andesite.
galena	Galena, also called lead glance, is the natural mineral form of lead (II) sulfide (PbS).
gangue	In mining, gangue is the commercially worthless material that surrounds, or is closely mixed with, a wanted mineral in an ore deposit.
Gondwana	Gondwana or Gondwanaland was a supercontinent that existed from the Neoproterozoic (about 550 million years ago) until the Jurassic (about 180 million years ago).
granite	Granite is a common type of felsic intrusive igneous rock that is granular and phaneritic in texture. Granites can be predominantly white, pink, or grey in colour, depending on their mineralogy
granodiorite	Granodiorite is a phaneritic-textured intrusive igneous rock similar to granite but containing more plagioclase feldspar than orthoclase feldspar.
gravity recovery	The exploitation of gold's very high density in order to separate it from less dense minerals/particles with no economic interest. Typically, water is the media of choice, but air/wind spirals and dense media can also be used to preferentially concentrate gold.
hydrothermal alteration	Alteration of the original mineral assemblage of a rock due to the introduction of heated, aqueous fluids.
intrusive	Intrusive rock is formed when magma penetrates existing rock, crystallises, and solidifies underground to form intrusions (e.g. plutons, batholiths, dykes, sills, laccoliths, and volcanic necks).

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Term	Explanation
Jurassic	The Jurassic (from the Jura Mountains) is a geologic period and system that spanned 56 million years from the end of the Triassic Period 201.3 million years ago to the beginning of the Cretaceous Period 145 million years ago. The Jurassic constitutes the middle period of the Mesozoic Era.
kaolinization	As for sericitization, but where the predominant alteration product is kaolin, a white clay mineral.
landslides	The term landslide or less frequently, landslip, refers to several forms of mass wasting that include a wide range of ground movements, such as rockfalls, deep-seated slope failures, mudflows, and debris flows.
limestone	Limestone is a carbonate sedimentary rock that is often composed of the skeletal fragments of marine organisms such as coral, foraminifera, and molluscs. Its major materials are the minerals calcite and aragonite, which are different crystal forms of calcium carbonate (CaCO <sub>3</sub> ).
magmatic	Refers to rocks that have crystallized from magma (molten rock) – volcanic and intrusive/plutonic rocks.
malachite	Malachite is a copper carbonate hydroxide mineral, with the formula Cu <sub>2</sub> CO <sub>3</sub> (OH) <sub>2</sub> .
Mesozoic	The Mesozoic Era is an interval of geological time from about 252–66 million years ago. The Mesozoic ("middle life") is one of three geologic eras of the Phanerozoic Eon, preceded by the Paleozoic ("ancient life") and succeeded by the Cenozoic ("new life"). The era is subdivided into three major periods: the Triassic, Jurassic, and Cretaceous, which are further subdivided into a number of epochs and stages.
metallogenic	Metallogeny is the study of the genesis and regional-to-global distribution of mineral deposits, with emphasis on their relationship in space and time to regional petrologic and tectonic features of the Earth's crust.
metasomatic	Metasomatism is the chemical alteration of a rock by hydrothermal and other fluids. It is the replacement of one rock by another of different mineralogical and chemical composition. The minerals which compose the rocks are dissolved and new mineral formations are deposited in their place. Dissolution and deposition occur simultaneously and the rock remains solid.
Miocene	The Miocene is the first geological epoch of the Neogene Period and extends from about 23.03 million years ago to 5.333 million years ago.
mudflows	A mudflow or mud flow is a form of mass wasting involving "very rapid to extremely rapid surging flow" of debris that has become partially or fully liquified by the addition of significant amounts of water to the source material.
Neogene	The Neogene (informally Upper Tertiary or Late Tertiary) is a geologic period and system that spans 20.45 million years from the end of the Paleogene Period 23.03 million years ago to the beginning of the present Quaternary Period 2.58 million years ago. The Neogene is subdivided into two epochs, the earlier Miocene and the later Pliocene.
Neotethys Ocean	The Tethys Ocean, also called the Tethys Sea or the Neotethys, was an ocean during much of the Mesozoic Era located between the ancient continents of Gondwana and Laurasia, before the opening of the Indian and Atlantic oceans during the Cretaceous Period.
normal fault	In a normal fault, the hangingwall moves downward, relative to the footwall.
nummulitic	Limestones comprising nummulite fossils, which are large, lenticular fossils characterized by numerous coils.
obduction	Obduction is the over-thrusting of continental crust by oceanic crust or mantle rocks at a convergent plate boundary, such as closing of an ocean or a mountain building episode. This process is uncommon because the denser oceanic lithosphere usually subducts underneath the less dense continental plate.
Oligocene	The Oligocene is a geologic epoch of the Paleogene Period and extends from about 33.9 million to 23 million years before the present (33.9±0.1 to 23.03±0.05 Ma).
open pit	Open-pit, open-cast or open-cut mining is a surface mining technique of extracting rock or minerals from the earth by their removal from an open pit.
ophiolites	An ophiolite is a section of the Earth's oceanic crust and the underlying upper mantle that has been uplifted and exposed above sea level and often emplaced onto continental crustal rocks.

## Karaberd Gold Deposit Competent Person's Report Update

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Term	Explanation
orogenic/orogeny	An orogeny is an event that leads to both structural deformation and compositional differentiation of the Earth's lithosphere (crust and uppermost mantle) at convergent plate margins. An orogen or orogenic belt develops when a continental plate crumples and is pushed upwards to form one or more mountain ranges; this involves a series of geological processes collectively called orogenesis. It is the primary mechanism for the development of mountain belts.
oxidized	The process whereby original minerals in a rock are converted to oxide minerals through the addition of oxygen. In the current context, this refers to rocks that have been altered from their original state due to their proximity to surface and their interaction with the atmosphere and surface waters.
Palaeocene	The Paleocene or Palaeocene is a geological epoch that lasted from about 66–56 million years ago. It is the first epoch of the Paleogene Period in the modern Cenozoic Era.
Paleotethys Ocean	The Paleo-Tethys or Palaeo-Tethys Ocean was an ocean located along the northern margin of the paleocontinent Gondwana that started to open during the Middle Cambrian, grew throughout the Paleozoic, and finally closed during the Late Triassic; existing for about 400 million years.
Paleozoic	The Paleozoic (or Palaeozoic) Era, meaning "ancient life", is the earliest of three geologic eras of the Phanerozoic Eon. It is the longest of the Phanerozoic eras, lasting from 541 to 251.902 million years ago, and is subdivided into six geologic periods (from oldest to youngest): the Cambrian, Ordovician, Silurian, Devonian, Carboniferous, and Permian. The Paleozoic comes after the Neoproterozoic Era of the Proterozoic Eon and is followed by the Mesozoic Era.
Permian	The Permian is a geologic period and system which spans 47 million years from the end of the Carboniferous Period 298.9 million years ago to the beginning of the Triassic Period 251.902 million years ago.
pilot mining	Early stage and small-scale mining that is carried out prior to the complete development of a mining project, usually to assist in assessing the economic viability of a mining project.
plagioclase	Plagioclase refers to the sodium and/or calcium-rich series of silicate minerals known as feldspars.
porphyritic	Porphyritic is an adjective used in geology, specifically for igneous rocks, for a rock that has a distinct difference in the size of the crystals, with at least one group of crystals obviously larger than another group.
porphyry	Porphyry deposits are copper and gold dominated mineral deposits in which mineralization is associated with porphyritic igneous rocks.
pumice	Pumice, called pumicite in its powdered or dust form, is a volcanic rock that consists of highly vesicular rough textured volcanic glass, which may or may not contain crystals.
pyrite	The mineral pyrite or iron pyrite, also known as fool's gold, is an iron sulfide with the chemical formula FeS <sub>2</sub> (iron (II) disulfide). Pyrite is considered the most common form of sulfide minerals.
quality assurance/quality control (QA/QC)	QA/QC is the combination of quality assurance and quality control, which collectively are a set of measures put in place to ensure the quality of assay results.
recrystallization	A metamorphic process in which atoms of a mineral are reorganized. Mineral compositions generally remain unchanged but the texture of the rock changes.
reverse fault	In a reverse fault, the hangingwall moved upward, relative the footwall.
rhyolite	Rhyolite is an igneous, volcanic rock, of felsic (silica-rich) composition.
Richards-Chechautte formula	A formula for the determination of the representative mass of a sample to be analyzed.
riedel shear	Riedel shears are pairs of strike slip faults that form at acute angles to strike slip faults.
sandstone	Sandstone is a clastic sedimentary rock composed mainly of sand-sized (0.0625 to 2 mm) mineral particles or rock fragments (clasts) or organic material.
sedimentary	Sedimentary rocks are types of rock that are formed by the accumulation or deposition of small particles and subsequent cementation of mineral or organic particles on the floor of oceans or other bodies of water at the Earth's surface. Less commonly, sediments may be deposited in glacial environments or by wind.

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Term	Explanation
seismic	A crustal event related to an earthquake.
sericitization	An alteration process in which certain minerals, predominantly feldspars, are altered to fine-grained sericite mica.
shearing	The response of a rock to (usually) compressive deformation in the brittle and ductile states, resulting in shear zones indicative of rock masses being moved relative to each other.
silicification	A hydrothermal alteration process in which the host rocks and constituent minerals are replaced, or partially replaced, by silica (i.e. quartz).
skarn	Skarns are coarse-grained metamorphic rocks formed, in the most part, of calc-silicate minerals during the interaction of hydrothermal, intrusion-related fluids with the country rock. Skarn deposits, rich in copper, gold, molybdenum and tungsten, are commonly formed when igneous intrusions are emplaced into carbonate layers and are associated with collisional tectonics.
sphalerite	Sphalerite ((Zn, Fe)S) is a mineral that is the chief ore of zinc.
stratigraphy	The stacking of sedimentary and layered volcanic rocks. In undeformed stratigraphic sequences, the oldest rocks are found at the bottom of the sequence.
strike	The strike line of a bed, fault, or other planar feature, is a line representing the intersection of that feature with a horizontal plane.
subduction	Subduction is a geological process that takes place at convergent boundaries of tectonic plates where one plate moves under another and is forced to sink due to high gravitational potential energy into the mantle. Regions where this process occurs are known as subduction zones.
sulfosalts	Sulfosalt minerals are those complex sulfide minerals with the general formula: AmBnSp; where A represents a metal such as copper, lead, silver, iron, and rarely mercury, zinc, vanadium; B usually represents semi-metal such as arsenic, antimony, bismuth, and rarely germanium, or metals like tin and rarely vanadium; and S is sulphur or rarely selenium and/or tellurium.
suture zone	A suture is a joining together along a major fault zone, of separate terranes, tectonic units that have different plate tectonic, metamorphic and paleogeographic histories. The suture is often represented on the surface by an orogen or mountain range.
swath plot	The swath plot is a one-dimensional graph in a specific direction of interest. A swath is a sectional slice through the block model with a specified thickness. The swath plot shows the average grade for the blocks in the swath, along with the averaged sample values in the swath and is used to assess the quality of the estimate.
syenite	Syenite is a coarse-grained intrusive igneous rock with a general composition similar to that of granite, but deficient in quartz, which, if present at all, occurs in relatively small concentrations (<5%).
syncline	A trough-shaped fold in which the youngest rocks are on top of the folded sequence i.e. towards the centre of the fold structure.
synform/al	A downward (U or V-shaped) fold, i.e. a trough, in which the younging direction of the folded rocks is not known.
tailings	Tailings are the materials left over after the process of separating the valuable fraction from the uneconomic fraction (gangue) of an ore.
telluride	A telluride mineral is a mineral that has the telluride anion as a main component.
terrane	A terrane in geology, in full a tectonostratigraphic terrane, is a fragment of crustal material formed on, or broken off from, one tectonic plate and accreted or "sutured" to crust lying on another plate. The crustal block or fragment preserves its own distinctive geologic history, which is different from that of the surrounding areas—hence the term "exotic" terrane. The suture zone between a terrane and the crust it attaches to is usually identifiable as a fault.
Tertiary	Tertiary is a widely used, but obsolete term for the geologic period from 66 million to 2.6 million years ago. The period began with the demise of the non-avian dinosaurs in the Cretaceous–Paleogene extinction event, at the start of the Cenozoic Era, and extended to the beginning of the Quaternary glaciation at the end of the Pliocene Epoch. The time span covered by the Tertiary has no exact equivalent in the current geologic time system, but it is essentially the merged Paleogene and Neogene periods, which are informally called the Lower Tertiary and the Upper Tertiary, respectively.
tetrahedrite-tennantite	Tetrahedrite is a copper antimony sulfosalt mineral with formula: (Cu,Fe)12Sb4S13. It is the antimony endmember of the continuous solid solution series with arsenic-bearing tennantite.

## Karaberd Gold Deposit Competent Person's Report Update

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<b>Term</b>	<b>Explanation</b>
top cut	The capping or cutting of high assay results so as to reduce the potentially disproportionate influence isolated high-grade samples may have on a grade estimate.
transgressive onlap	where younger rocks extend progressively further across an erosional surface cut into older underlying rocks, formed during a marine transgression (rise in sea levels).
Triassic	The Triassic is a geologic period and system which spans 50.6 million years from the end of the Permian Period 251.9 million years ago, to the beginning of the Jurassic Period 201.3 million years ago. The Triassic is the first and shortest period of the Mesozoic Era.
tuffite	Tuffite is a tuff containing both pyroclastic (volcanic) and detrital materials, but predominantly pyroclasts.
tuffs	Tuff (from the Italian tufo), also known as volcanic tuff, is a type of rock made of volcanic ash ejected from a vent during a volcanic eruption. Following ejection and deposition, the ash is compacted into a solid rock in a process called consolidation.
variography	A method of describing the spatial correlation of assay grades.
volcanic	Formed by a volcanic eruption.
volcanoclastic	Volcanoclastic rocks are sedimentary rocks formed from the reworking and redeposition of clastic material derived from volcanic rocks.
volcanogenic massive sulfides (VMS)	Also known as VMS ore deposits, are a type of metal sulfide ore deposit, mainly copper-zinc which are associated with and created by volcanic-associated hydrothermal events in submarine environments.
Wilson Cycle	The Wilson Cycle is a model where a continental rift breaks up a continent, leading to the formation of an ocean basin between two lithospheric plates. The separation of the two plates is followed later by convergence that leads to the closure of the ocean basin, and eventually to the collision of the two continental blocks.
wireframe	A 3D volume that is used to general a geological or mineralization model.

## Appendix A JORC Table 1

### Section 1: Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<p>Nature and quality of sampling (e.g. cut channels, random chips, or specific specialized industry standard measurement tools appropriate to the minerals under investigation, such as downhole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.</p> <p>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</p> <p>Aspects of the determination of mineralization that are Material to the Public Report.</p> <p>In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverized to produce a 30 g charge for fire assay'). In other cases, more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralization types (e.g. submarine nodules) may warrant disclosure of detailed information.</p>	<p>DD – Diamond drillholes. Samples are of varied length. Core diameter was 76–93 mm diameter (i.e. NQ or HQ core). Core was available only for the 2020 verification drilling and 2021 and 2022 infill drilling programmes.</p> <p>TR – Trenches dug by hand or excavated using blasting techniques. Trenches are 2 m deep and 0.8 m wide. Where possible, the trenches were dug by hand, but in areas of harder rock they were excavated by drilling and blasting. Chip sampling was performed manually under direct supervision of a geologist on the bottom surface of the mainline trenches. Chisels, wedges, sledgehammers, and a hammer were used as sampling tools.</p> <p>CH – Channel samples were taken from underground faces. A 10 cm wide x 5 cm deep channel was excavated and sampled the mineralization across its full thickness. Chisels, wedges, sledgehammers and a hammer were used as sampling tools.</p>
Drilling techniques	<p>Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.).</p>	<p>Diamond core drilling only. Core diameter was 76–93 mm diameter (NQ or HQ). Holes were drilled using a SKB-4 drill rig before 2021 and using Atlas Copco CS-14 rig starting from 2021.</p> <p>Core was not oriented. No information was available regarding a standard tube or triple tube set up before 2021. Triple tube was used from 2021.</p>

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Criteria	JORC Code explanation	Commentary
Drill sample recovery	<p>Method of recording and assessing core and chip sample recoveries and results assessed.</p> <p>Measures taken to maximize sample recovery and ensure representative nature of the samples.</p> <p>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</p>	<p>DD recovery was not recorded for the historical drilling, and core is not available to measure recovery. DD recovery was recorded for the verification drilling and reported 97% recovery for mineralized intersections.</p> <p>No information is available regarding how recovery was maximized for the historical drilling. For the verification drilling drillers made use of drilling fluids and shortened drill runs to maximize core recovery in areas of broken ground.</p> <p>Any relationship between grade and recovery cannot be investigated for the historical data.</p>
Logging	<p>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</p> <p>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.</p> <p>The total length and percentage of the relevant intersections logged.</p>	<p>Core was geologically logged, but logging is only partially preserved and is in Armenian and in Russian.</p> <p>Geotechnical logging was not undertaken.</p> <p>It is not possible to define the nature of logging as qualitative or quantitative, nor is it possible to define the total length logged, as useful logging data was unavailable for historical drilling while some had been lost. All recent verification and infill drilling was reasonably logged.</p>



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Criteria	JORC Code explanation	Commentary
<p>Subsampling techniques and sample preparation</p>	<p>If core, whether cut or sawn and whether quarter, half or all core taken.</p> <p>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</p> <p>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</p> <p>Quality control procedures adopted for all subsampling stages to maximize representivity of samples.</p> <p>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</p> <p>Whether sample sizes are appropriate to the grain size of the material being sampled.</p>	<p>Whole core was sampled for the programmes before 2020 and half the core was sampled from 2020. No information was available regarding how the sample intervals were separated (e.g. cut or broken). All sampled material from site underwent the same sample preparation procedures onsite:</p> <p>Crush to 5 mm, sieved 1 mm, crushed the +1 mm, sieved again, mixed 3–5 times, sample reduction to 6.3 kg, mixed 3–5 times, sample reduced to 3.2 kg, mixed 3–5 times, reduced to 1.5 kg, mixed 3–5 times, split into two samples (one retained as a duplicate), crushed to pass 0.074 mm, sent to the laboratory for analysis (750 g).</p> <p>Samples were split at the sample reduction phase using a splitter, although the make and model were not recorded.</p> <p>This process is suitable for the sample types, ideally sample splitting at the reduction stages would be undertaken with a riffle splitter. Similar processes, with fewer sample reduction steps are undertaken at internationally accredited labs currently.</p> <p>No information about the sample representativity was provided.</p> <p>Sample sizes were appropriate to the grain size of the material being sampled.</p>
<p>Quality of assay data and laboratory tests</p>	<p>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</p> <p>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</p>	<p>Analysis for gold and silver were performed by 50 g fire assay at JSC Analytics and Lernametallurgical Institute.</p> <p>Gold and silver analysis undertaken according to ISO 11426:2014 "Determination of gold in gold jewelry alloys - Cupellation method (fire assay with atomic absorption finish)". The laboratory procedures comply with International Standard ISO/IEC 17025-2017 "General requirements for the competence of testing and calibration laboratories".</p>

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Criteria	JORC Code explanation	Commentary
	<p>Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.</p>	<p>No QA/QC samples were provided as part of the historical dataset. Reportedly the following QA/QC data were reviewed for the 2007 and 2008 drilling:</p> <p>Blanks – no blank samples were inserted to check on sample contamination during sample preparation.</p> <p>Certified reference material (CRM) – no CRM samples; therefore, no control on assay accuracy.</p> <p>Analytical duplicates – no information or data available.</p> <p>Internal and external duplicates – these were analysed and showed acceptable precision.</p> <p>2012 drilling. Internal and external duplicates only, but these indicated acceptable precision. No other quality control samples.</p> <p>2020 verification drilling and 2021-2022 infill drilling. Quality control samples were included with the primary and external samples:</p> <p>Sieve tests (crush and pulverization) – Samples were sieved, and no failures were noted (95% passing sieve).</p> <p>Blanks – Preparation blanks passed if assay results did not exceed the lower detection limit. No failures noted.</p> <p>Duplicates (Precision) – Analytical duplicates (unknown type) were analysed, and precision determined. Precision was acceptable.</p> <p>CRM (Accuracy) – Three types of reference material were obtained from Ore Research and Exploration in Australia and included with the samples (0.78, 1.90 and 5.18 g/t Au). Results were acceptable.</p>

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<p>Verification of sampling and assaying</p>	<p>The verification of significant intersections by either independent or alternative company personnel.</p> <p>The use of twinned holes.</p> <p>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</p> <p>Discuss any adjustment to assay data.</p>	<p>Verification exploration was undertaken by Assat LLC (Assat) in 2019 and 2020, and two infill holes in 2021. This included sampling historical mine workings and twin drilling.</p> <p>Ten verification trenches were excavated.</p> <p>Eight verification and two infill diamond holes were drilled. Drilling was performed using an Atlas Copco CS-14 drill rig. Drill diameter was HQ, core was not oriented. In addition, 19 infill holes were drilled in the second half of 2022.</p> <p>Core recovery was reportedly 97%.</p> <p>Drill collars were surveyed using Leica TPS 1200+Systems and Leica TCR tachometer. Downhole surveys using a MIR-36 survey tool with a survey interval of 10 m downhole.</p> <p>Core was sampled at 1 m intervals or shorter depending on geological contacts, with half core being sent for sample processing.</p> <p>Sample preparation was performed in the sample preparation facility of Lernametallurgical Institute. Samples were milled to 0.074 mm; one half of the sample was sent for assay and the other half was kept as a duplicate. After processing each sample, the crushing and milling equipment was thoroughly cleaned by mechanical (brush) method and air blasting (with compressed air).</p> <p>All core was logged and included a description of the type of rock, textural and structural features, hydrothermal and metasomatic alteration and its intensity, vein-disseminated mineralization, number and composition of sulfides, hypergenic alteration and fissure tectonics.</p> <p>Gold and silver fire assays were conducted at the Central Analytical and Assay Laboratory of Lernametallurgical Institute. Fire assay for gold and silver was performed according to ISO 11426:2014 Determination of gold in gold jewelry alloys – Cupellation method (fire assay).</p> <p>The laboratory procedures comply with International Standard ISO/IEC 17025-2017 General requirements for the competence of testing and calibration laboratories.</p> <p>QA/QC for these samples included:</p> <p>Sample size fraction check.</p> <p>Blanks samples during sample preparation.</p> <p>Analytical duplicates (8%).</p> <p>CRM (5%); three CRMs were used.</p> <p>External laboratory check sampling at Alex Stewart International, Ireland.</p>
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Criteria	JORC Code explanation	Commentary
Location of data points	<p>Accuracy and quality of surveys used to locate drillholes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</p> <p>Specification of the grid system used.</p> <p>Quality and adequacy of topographic control.</p> <p>Data spacing for reporting of Exploration Results.</p>	<p>Verification work, including trench start points and drillhole collars were surveyed by ATAD Drilling LLC using a Leica TPS 1200+ system and Leica TCR tachometer.</p> <p>Coordinate system was Pulkovo 1942, Gauss Conform Zone 8. Gauss Kruger projection.</p> <p>Topographic surveying was done using Leica TCR tachometer.</p>
Data spacing and distribution	<p>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</p>	<p>Drillhole intersections are spaced at 40 m x 50 m along strike and down dip.</p> <p>Trench samples are spaced at 3 m intervals on strike, with this spacing increasing to 30 m at the margins of mineralization.</p> <p>Channel sampling is spaced at 3 m intervals along strike. Channels were collected on four levels underground, the majority were collected at 1700 mRL and 1740 mRL, with limited sampling at 1684 mRL and 1614 mRL.</p> <p>Sample spacing is acceptable to establish reasonable grade continuity. No geological information was available therefore AMC could not comment on the geological continuity.</p>
Orientation of data in relation to geological structure	<p>Whether sample compositing has been applied.</p> <p>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</p> <p>If the relationship between the drilling orientation and the orientation of key mineralized structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</p>	<p>Compositing of samples was not undertaken in the field.</p> <p>The Karaberd deposit has two main mineralized bodies, Body3 and Body4, and one branching structure. Drilling was planned perpendicular to the dip and strike of the mineralized bodies. Drillholes were angled with the purpose of intersecting the steeply dipping veins at as close to a 90° angle as possible, within the practical constraints of the drill method.</p> <p>Channel samples were taken across strike of the mineralization. Trench samples were taken across strike of the mineralization. No material sampling bias has been identified due to sample orientation.</p>
Sample security	<p>The measures taken to ensure sample security.</p>	<p>The core receiver consisted of two halves and the core was removed after the opening of the core receiver lock and then inserted into the core boxes. The length of the core receiver was 1.5 m. Core was stored in plastic trays</p>

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Criteria	JORC Code explanation	Commentary
Audits or reviews	The results of any audits or reviews of sampling techniques and data.	<p>with 4 or 5 m of core in each tray. All trays with core were then transported to the core storage facility of the enterprise in Vanadzor, where core was logged and sampled by a leading geologist. After sampling, core boxes with remaining unsampled core or second halves of core were transported to the core shed and stored. All samples were transported to Yerevan for assaying.</p> <p>Verification exploration was undertaken by Assat in 2019 and 2020. This included sampling historical mine workings and twin drilling. The verification exploration generally supported the historical data for use in Mineral Resource estimation and reporting.</p>

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### Section 2: Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section)

Criteria	JORC Code explanation	Commentary																															
Mineral tenement and land tenure status	<p>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</p> <p>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</p>	<p>The Karaberd property has a current mining licence according to the Mine Allotment Act No. L-366 dated 6 June 2013, granted for a period of 11 years (valid until 6 June 2024) by the Ministry of Energy and Natural Resources (now the Ministry of Energy Infrastructures and Natural Resources) of the Republic of Armenia.</p> <p>The Karaberd Mine Allotment has an area of 20.3 hectares (ha). The Armenian Mine Allotment Act confirms that open and underground method exploitation of the central plot of Karaberd Gold Mine is given to Assat.</p> <p style="text-align: center;"><i>Table 3: Mine Allotment corner point coordinates, Source: ASSAT LLC.</i></p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th rowspan="2">Corner point</th> <th colspan="3">Coordinates (coordinate system Pulkovo 1942)</th> </tr> <tr> <th>Northing</th> <th>Easting</th> <th>H/h</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>4522169</td> <td>8459072</td> <td>1730.0 (h=-70.0)</td> </tr> <tr> <td>2</td> <td>4522235</td> <td>8459086</td> <td>1730.0 (h=-70.0)</td> </tr> <tr> <td>3</td> <td>4522233</td> <td>8459480</td> <td>1790.0 (h-130.0)</td> </tr> <tr> <td>4</td> <td>4521934</td> <td>8459737</td> <td>1730.0 (h=-70.0)</td> </tr> <tr> <td>5</td> <td>4521706</td> <td>8459627</td> <td>1705.0 (h=-45.0)</td> </tr> <tr> <td>6</td> <td>4521728</td> <td>8459463</td> <td>1740.0 (h=80.0)</td> </tr> </tbody> </table> <p>Permission of the Mineral Extraction N SHAT-29/366. The current area under Permission of the Mineral Extraction is 3.96 ha. However, Assat has already applied (on behalf of Lusadjur) for expansion from prospecting to Mining Licence, this process to obtain the mining right is reportedly a straightforward process in Armenia.</p>	Corner point	Coordinates (coordinate system Pulkovo 1942)			Northing	Easting	H/h	1	4522169	8459072	1730.0 (h=-70.0)	2	4522235	8459086	1730.0 (h=-70.0)	3	4522233	8459480	1790.0 (h-130.0)	4	4521934	8459737	1730.0 (h=-70.0)	5	4521706	8459627	1705.0 (h=-45.0)	6	4521728	8459463	1740.0 (h=80.0)
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Criteria	JORC Code explanation	Commentary																																																		
		<p data-bbox="379 533 400 1131">Permission of the Mineral Extraction corner points coordinates, Source: ASSAT LLC.</p> <table border="1" data-bbox="406 629 954 1144"> <thead> <tr> <th rowspan="2">Corner point</th> <th colspan="2">Coordinates (coordinate system Pulkovo 1942)</th> </tr> <tr> <th>Northing</th> <th>Easting</th> </tr> </thead> <tbody> <tr><td>1</td><td>4522176.0</td><td>8459129.9</td></tr> <tr><td>2</td><td>4522186.6</td><td>8459229.1</td></tr> <tr><td>3</td><td>4522015.7</td><td>8459472.5</td></tr> <tr><td>4</td><td>4522082.0</td><td>8459476.8</td></tr> <tr><td>5</td><td>4521965.6</td><td>8459522.1</td></tr> <tr><td>6</td><td>4521908.8</td><td>8459625.7</td></tr> <tr><td>7</td><td>4521875.4</td><td>8459646.3</td></tr> <tr><td>8</td><td>4521947.4</td><td>8459499.1</td></tr> <tr><td>9</td><td>4521850.9</td><td>8459502.8</td></tr> <tr><td>10</td><td>4521775.0</td><td>8459481.7</td></tr> <tr><td>11</td><td>4521828.0</td><td>8459465.4</td></tr> <tr><td>12</td><td>4521982.8</td><td>8459462.1</td></tr> <tr><td>13</td><td>4522044.5</td><td>8459346.8</td></tr> <tr><td>14</td><td>4522153.2</td><td>8459233.1</td></tr> <tr><td>15</td><td>4522176.0</td><td>8459129.9</td></tr> </tbody> </table> <p data-bbox="979 1066 1000 1153"><b>Royalties</b></p> <p data-bbox="1002 443 1129 1153">4% royalty based on the cost of metal extracted at the mine with a net deduction allowed for smelting costs of expenses. Royalty is paid to the State. A royalty based upon operational profitability. Royalty amount is calculated by multiplying gross income (with the deduction of processing expenses) at a computed interest rate of the second royalty. Royalty interest rate is calculated in the following way:</p> $R = 4 * (P / (S * 8)) * 100$ <p data-bbox="1158 1084 1179 1153">Where:</p> <p data-bbox="1181 900 1201 1153">R is royalty rate in percent.</p> <p data-bbox="1203 443 1265 1153">P is income (in drams) before taxation, i.e. income minus deductibles allowed by the Armenian law "On Business Profits Taxation" (with the exception of financial expenses and tax losses for previous years).</p> <p data-bbox="1267 546 1287 1153">S is the income from products sales minus value-added tax (VAT).</p> <p data-bbox="1289 893 1310 1153">Royalty = R x gross income.</p> <p data-bbox="1311 443 1353 1153">The following procedures and approvals, all of which are required for mining in Armenia, have also been received as noted below:</p>	Corner point	Coordinates (coordinate system Pulkovo 1942)		Northing	Easting	1	4522176.0	8459129.9	2	4522186.6	8459229.1	3	4522015.7	8459472.5	4	4522082.0	8459476.8	5	4521965.6	8459522.1	6	4521908.8	8459625.7	7	4521875.4	8459646.3	8	4521947.4	8459499.1	9	4521850.9	8459502.8	10	4521775.0	8459481.7	11	4521828.0	8459465.4	12	4521982.8	8459462.1	13	4522044.5	8459346.8	14	4522153.2	8459233.1	15	4522176.0	8459129.9
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Criteria	JORC Code explanation	Commentary
		<p>Expert commission's positive conclusion on the environmental impact No. 64 dated 26 July 2012.</p> <p>The resolution of the territorial authorities on re-zoning of the land from agricultural to intended subsoil use No. P-366 dated 6 July 2013.</p> <p>The contract for the lease of the mining agreement dated 18 November 2014.</p> <p>No information on joint ventures, partnerships, native title interests, historical sites and wilderness or national park settings were provided.</p>



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<b>Criteria</b>	<b>JORC Code explanation</b>	<b>Commentary</b>
<p>Exploration done by other parties</p>	<p>Acknowledgment and appraisal of exploration by other parties.</p>	<p>Companies and related work completed by years.                      Discovery and initial exploration by the Geological Survey of Armenia, 1969 to 1974. Including topographic and geological surveys at 1:1000 scale.                      Mineralized areas were studied by a series of trenches and test pits spaced at 25–70 m along strike. Two diamond drillholes were completed, with a total depth of 515 m. Four underground adits were excavated with drifts and crosscuts at levels 1740 mRL, 1680–1700 mRL and 1610 mRL with a total length of 1,920 m.                      Exploration by the Pambak Exploration Expedition (state-owned), 1993 to 2002; no data available for review.                      Additional exploration by the private Vallex Group CJSC, 2003 to 2005; no data available for review.                      Geological exploration by Assat, 2007 to 2012. Surface trenches, 22 drillholes and resampling of underground workings were undertaken. MRE according to Russian reporting standard was produced at this time, reporting C1 resources. Exploration Licence converted to Mining Licence in 2013.                      Pilot mining by Assat, 2015; no data available for review.                      No other exploration work has been identified.</p>

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<b>Criteria</b>	<b>JORC Code explanation</b>	<b>Commentary</b>
<b>Geology</b>	Deposit type, geological setting and style of mineralization.	<p>Karaberd is interpreted to be an intermediate sulfidation epithermal type deposit (also known as carbonate base-metal epithermal), probably related to a deeper porphyry system.</p> <p>The deposit is located within the Lesser Caucasian segment of the Tethyan orogenic belt. Situated adjacent to the major regional dextral, north-west trending Pambak-Sevansunik fault system and immediately south of the Akera Suture zone, which marks the boundary and late cretaceous collision between the Eurasian and south Armenian blocks.</p> <p>Country rocks comprise middle Eocene subvolcanic rocks and plagioclase porphyries. Hydrothermal alteration is pervasive, reportedly reaching 60-70 m depth, expressed as silicification, sericitization and kaolinization accompanied by string sharing and crushing of rocks.</p> <p>Mineralization is hosted within two conjugate structures. The first trending north-west to south-east, dipping steeply (60-89°) towards the south-west with a mean thickness between 1 m and 4.5 m. The second structure trends north-south, steeply dipping (60-89°) to the east with a mean thickness of 1-10.4 m.</p> <p>Mineralization is hosted within a crushed zone dominated by clay gouge and slicken-sided fault contacts. Mineralization is composed of quartz, quartz-carbonate and quartz-malachite streaks and pickets with gold and copper oxides.</p> <p>Sulfide mineralization is composed of pyrite, chalcopyrite, galena, sphalerite, sulfosalts, secondary copper minerals (malachite and less frequently azurite), and hematite. Sulfide content is as follows: 70-80% sphalerite, 7-8% chalcopyrite, 7-8% sulfosalts, 5-7% pyrite, 0.5% galena, native gold - rare particles. The silver:gold ratio is very close to 2:1 and is typical of carbonate-base metal gold epithermal deposits.</p> <p>The oxidized zone (to approximately 60-70 m depth) contains minerals of iron, copper and manganese, limonite, psilomelane, goethite, hydrogoethite, lepidocrocite, malachite, tenorite, covellite, bornite, azurite. Secondary minerals of iron are common and form earthy aggregations and fill the voids in the quartz-carbonate mass of the mineralized zones. Native gold has not been visually observed.</p>

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<p><b>Drillhole information</b></p>	<p>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drillholes:</p> <ul style="list-style-type: none"> <li>• Easting and northing of the drillhole collar</li> <li>• Elevation or RL (Reduced Level – elevation above sea level in metres) of the drillhole collar</li> <li>• Dip and azimuth of the hole</li> <li>• Downhole length and interception depth</li> <li>• Hole length.</li> </ul> <p>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</p>	<p>Included in the report Tables 3, 4 and 5. Section 4.2.2.</p>
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<b>Criteria</b>	<b>JORC Code explanation</b>	<b>Commentary</b>
<b>Data aggregation methods</b>	In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.	Exploration Results are not being reported as part of this work.
<b>Data aggregation methods Relationship between mineralization widths and intercept lengths</b>	Where aggregate intercepts incorporate short lengths of high-grade results and longer lengths of low-grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.  The assumptions used for any reporting of metal equivalent values should be clearly stated.	No data aggregation has been used.  No metal equivalents have been applied.
<b>Diagrams</b>	These relationships are particularly important in the reporting of Exploration Results.  If the geometry of the mineralization with respect to the drillhole angle is known, its nature should be reported.  If it is not known and only the downhole lengths are reported, there should be a clear statement to this effect (e.g. 'downhole length, true width not known').  Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drillhole collar locations and appropriate sectional views.	Trenches and channel samples represent the horizontal width of mineralization, which due to the steep dip is close to the true dip.  Drillholes have been oriented and drilled to maximize the drill intersection within the practical constraints of drilling.  Relevant figures are provided in this report.

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<b>Criteria</b>	<b>JORC Code explanation</b>	<b>Commentary</b>
<b>Balanced reporting</b>	Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	No reporting of Exploration Results.
<b>Other substantive exploration data</b>	Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	No other exploration data to report.
<b>Further work</b>	The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).  Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	No further work is planned at the time of writing this report.

### Section 3: Estimation and Reporting of Mineral Resources

(Criteria listed in Section 1, and where relevant in Section 2, also apply to this section)

<b>Criteria</b>	<b>JORC Code explanation</b>	<b>Commentary</b>
<b>Database integrity</b>	Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.	The integrity of the database was tested by means of importing the data into Micromine software. No overlaps were noted and since only assay data was considered, no logging errors were identified.

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<b>Criteria</b>	<b>JORC Code explanation</b>	<b>Commentary</b>
	Data validation procedures used.	<p>The assay data was verified by means of an exploration programmes in 2020, 2021 and 2022 which included trench check samples, infilled and twinned drillholes.</p> <ul style="list-style-type: none"> <li>• The following error checks were carried out during final database creation: <ul style="list-style-type: none"> <li>- Missing collar coordinates.</li> <li>- Missing values in fields FROM and TO.</li> <li>- Cases when FROM values equal or exceed TO ones (FROM≥TO).</li> <li>- Data availability. The data availability was checked for each drillhole in the tables:</li> <li>- Collar coordinates</li> <li>- Sampling data</li> <li>- Duplicate drillhole numbers in the table of the drillhole collar coordinates.</li> <li>- Duplicate sampling intervals.</li> <li>- Sample "overlapping" (when the sample TO value exceeds FROM value of the next sample).</li> <li>- Negative-grade samples.</li> </ul> </li> </ul> <p>All identified errors were not critical and were corrected by AMC. The databases are believed to be industry standard and applicable for the MRE.</p>
<b>Site visits</b>	<p>Comment on any site visits undertaken by the Competent Person and the outcome of those visits.</p> <p>If no site visits have been undertaken indicate why this is the case.</p>	<p>A site visit was undertaken by Dmitry Pertel (Competent Person) from 15 to 20 March 2020. The work undertaken on the site visit included the verification of a selection of drill collars in the field, inspection of drill core from the 2020 drilling campaign, and inspection of mineralized outcrops in the field.</p>
<b>Geological interpretation</b>	<p>Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.</p> <p>Nature of the data used and of any assumptions made.</p>	<p>Geological logging was not available as digital data files and was therefore not considered in the Mineral Resource.</p> <p>During the site visit, Dmitry Pertel reviewed the eight validation holes on site and confirmed the geology and mineralization style described in the available report. Collars were validated, insofar as possible, given the snow cover at the time. A reasonable amount of confidence can be placed in the geological interpretation. All drillholes contain mineralized grades with majority of surface trenches and underground channel samples intersecting mineralized material.</p>
	The effect, if any, of alternative interpretations on Mineral Resource estimation.	AMC is not aware of any alternative interpretations.

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<b>Criteria</b>	<b>JORC Code explanation</b>	<b>Commentary</b>
	The use of geology in guiding and controlling Mineral Resource estimation.	Geology and structural interpretations from cross sections were used along with grade, to construct the mineralized model.
	The factors affecting continuity both of grade and geology.	Drilling data is broadly spaced; however, surface trench sampling shows reasonable grade continuity along strike.
<b>Dimensions</b>	The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.	Body3 – 710 m along strike, 190 m down dip from surface, 1–4.5 m horizontal width. Body4 – 665 m along strike, 220 m down dip from surface, 1–10.4 m horizontal width. Branching structure – branching from Body4, 55 m along strike, 150 m down dip, 2-3 m horizontal width.
<b>Estimation and modelling techniques</b>	The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, dominating, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.	Gold and silver grades were estimated using ordinary kriging (OK) into parent cells. Variograms were calculated and modelled as an input to the OK process. OK is appropriate for estimation of this style of mineralization and available data. Data was not top cut as the variability of the dataset was low, indicating the effect of high-grade outliers was minimal.
	The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.	Seventeen domains were created; domains Body3, Body4 and one branching body were the only three supported by adequate drill data.
	The assumptions made regarding recovery of by-products.	
	Estimation of deleterious elements or other non-grade variables of economic significance (e.g. sulphur for acid mine drainage characterization).	Data was composited to 1 m intervals, which was the dominant interval length for the drilling database.
	In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.	Domains were estimated with hard boundaries.
	Any assumptions behind modelling of selective mining units.	Micromine 2023 software was used to estimate the resource.

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	Any assumptions about correlation between variables.	Interpolation was undertaken with multiple passes; each successive pass had a larger search ellipse with decreased sample selection requirements.																																						
	Description of how the geological interpretation was used to control the resource estimates.	Search ellipse ranges – 78 m x 78 m x 2 m for major, semi-major and minor axes, respectively.																																						
	Discussion of basis for using or not using grade cutting or capping.	Search ellipse orientations are listed below: <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>Body</th> <th>Wireframe*</th> <th>Axis</th> <th>Azimuth</th> <th>Plunge</th> </tr> </thead> <tbody> <tr> <td rowspan="3">1</td> <td rowspan="3">Body3</td> <td>axis 1</td> <td>123</td> <td>0</td> </tr> <tr> <td>axis 2</td> <td>213</td> <td>71</td> </tr> <tr> <td>axis 3</td> <td>33</td> <td>0</td> </tr> <tr> <td rowspan="3">3</td> <td rowspan="3">Body4</td> <td>axis 1</td> <td>176</td> <td>0</td> </tr> <tr> <td>axis 2</td> <td>266</td> <td>-75</td> </tr> <tr> <td>axis 3</td> <td>266</td> <td>15</td> </tr> <tr> <td rowspan="3">Branching</td> <td rowspan="3">Body_AE</td> <td>axis 1</td> <td>211</td> <td>0</td> </tr> <tr> <td>axis 2</td> <td>301</td> <td>85</td> </tr> <tr> <td>axis 3</td> <td>121</td> <td>5</td> </tr> </tbody> </table>	Body	Wireframe*	Axis	Azimuth	Plunge	1	Body3	axis 1	123	0	axis 2	213	71	axis 3	33	0	3	Body4	axis 1	176	0	axis 2	266	-75	axis 3	266	15	Branching	Body_AE	axis 1	211	0	axis 2	301	85	axis 3	121	5
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	The process of validation, the checking process used, the comparison of model data to drillhole data, and use of reconciliation data if available.	Sample selection criteria and search pass multiplication factors are tabulated below. <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>Parameter</th> <th>Search Pass 1</th> <th>Search Pass 2</th> <th>Search Pass 3</th> <th>Seal</th> </tr> </thead> <tbody> <tr> <td></td> <td>78 x 78 x 2 m</td> <td>118 x 188 x 3 m</td> <td>236 x 236 x 6 m</td> <td>472</td> </tr> <tr> <td>number of composites</td> <td>3</td> <td>3</td> <td>1</td> <td></td> </tr> <tr> <td>number of composites</td> <td>12</td> <td>12</td> <td>12</td> <td></td> </tr> <tr> <td>number of workings</td> <td>2</td> <td>2</td> <td>1</td> <td></td> </tr> </tbody> </table>	Parameter	Search Pass 1	Search Pass 2	Search Pass 3	Seal		78 x 78 x 2 m	118 x 188 x 3 m	236 x 236 x 6 m	472	number of composites	3	3	1		number of composites	12	12	12		number of workings	2	2	1														
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		Four sectors were used in the search ellipse to manage data clustering.																																						
		Discretisation was used during estimation: 5 by 5 by 5 points (X by Y by Z).																																						



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Criteria	JORC Code explanation	Commentary
		<p>Inverse distance weighting to the power of two (IDW<sup>2</sup>) and inverse distance weighting to the power of three (IDW<sup>3</sup>) estimates were undertaken with the same search parameters as a check on the OK estimate.</p>
		<p>It was not possible to generate underground depletion solids as no information was available regarding the size of workings. As a result, the model has not been depleted for underground mining. Underground mining was a small volume, being used for exploration purposes where no stopping or bulk mining was undertaken.</p>
		<p>During the site visit Dmitry Pertel observed surface workings to an approximate depth of 5 m. To reflect this surface mining, CAMC depleted the top 5 m of the block model. A current topography surface with existing excavations was supplied and used to deplete the model.</p>
		<p>It has been assumed that silver can also be recovered during the metallurgical processes, which is reasonable and commonly undertaken.</p>
		<p>No assaying of deleterious elements was done; therefore, it is not possible to estimate these. Some amount of sulfide should be expected, and acid mine drainage studies should be undertaken as part of future work.</p>
		<p>Parent block size was 10 m by 10 m by 10 m (X by Y by Z) sub-celled to 1 m by 1 m by 1 m. When the different orientations of the orebodies are considered, one oriented north-south, the others oriented east-west, a regular block size is reasonable. Surface data is spaced 4 m apart, drill data is spaced approximately 40 m apart.</p>
		<p>Domain wireframes were created with a minimum mining width of 3 horizontal metres. This width honours the minimum thickness of the mineralization.</p>
		<p>Selective mining units were not modelled.</p>
		<p>The domain wireframes were used to code the assay data, with only assay data from a specific domain being available during estimation of that domain.</p>

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Criteria	JORC Code explanation	Commentary
		<p>Grade capping of 50 g/t was used for the Body4. The data was reviewed it had a low CV for all modelled bodies.</p> <p>The estimate was validated in several ways:</p> <ul style="list-style-type: none"> <li>• Visual checks in cross section and plan view to ensure that the block model grades honour the local composite grades.</li> <li>• Statistical comparison of composite and block grades.</li> <li>• Generation of swath plots to compare input and output grades in a semi-local sense, by easting, northing and elevation.</li> <li>• Comparison of wireframe volume against block model volume.</li> <li>• Comparison between the IDW2, IDW3 and OK estimates.</li> </ul> <p>All validation methods returned acceptable results.</p>
<b>Moisture</b>	Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.	<p>Tonnages are estimated dry and dry bulk density was used for the estimation of tonnages.</p> <p>Moisture content was determined during laboratory testing and concentrate processing. Moisture content ranged 0.67-0.77% with an average of 0.72%.</p> <p>The bulk density and moisture were determined in the laboratory at CJSC "Analytic" (earlier Central Laboratory of Geology Management), according to a commonly used Archimedes methodology.</p>
<b>Cut-off parameters</b>	The basis of the adopted cut-off grade(s) or quality parameters applied.	A 0.8 g/t Au cut-off was applied for the reporting of Mineral Resources. The cut-off is in line with other similar, shallow gold deposits.
<b>Mining factors or assumptions</b>	Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.	<p>Assumed open pit extraction would be optimal. However small-scale underground mining by long-hole open stoping or cut could be considered.</p> <p>The Mineral Resource model will require consideration of dilution and ore loss parameters in accordance with any proposed grade control and mining scenarios as part of any mining studies.</p> <p>The model has been constructed with a 1 m minimum thickness. No mining dilution has been added for Mineral Resource estimation and reporting.</p>

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<b>Criteria</b>	<b>JORC Code explanation</b>	<b>Commentary</b>
<p><b>Metallurgical factors or assumptions</b></p>	<p>The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.</p>	<p>Two metallurgical campaigns have been carried in (in 2005 and 2008, respectively). The 2005 campaign investigated the recoveries associated with a conventional flotation flowsheet and returned gold recoveries in the region of 80% and silver recoveries in the region of 45%. This work was however undertaken on a sample with a head grade in excess of 15 g/t Au (i.e. not representative of the grade of the deposit).</p> <p>The 2008 work used representative bulk samples to determine gold recovery by cyanidation. Very good recoveries, in excess of 95%, are reported but the work is poorly documented and is consequently viewed as unreliable. No quantification of gold recovery by gravity methods has been seen by the authors.</p>
<p><b>Environmental factors or assumptions</b></p>	<p>Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.</p>	<p>It is understood that Assat may be considering having run-of-mine material treated at a nearby processing facility, on a toll treatment basis which would obviate the requirement for on-site waste rock dumps.</p> <p>For the purposes of reasonable prospects of eventual economic extraction, it has been assumed that no environmental impediments exist to the development of the project although this has not been independently assessed as part of this study and requires significantly more work.</p>

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<b>Criteria</b>	<b>JORC Code explanation</b>	<b>Commentary</b>
<b>Bulk density</b>	<p>Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.</p> <p>The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc.), moisture and differences between rock and alteration zones within the deposit.</p> <p>Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.</p>	<p>Bulk density has been determined by laboratory testwork and concentrate processing. Industry standard Archimedes method was used.</p> <p>Bulk density was determined dry, moisture content was recorded as part to the dataset. The density values for both oxide and primary zones are deemed reasonable for the type of material under consideration.</p> <p>No information about sample size was available, therefore commentary on the frequency of measurements, their nature, size, representativeness and void spaces was not possible.</p> <p>A single bulk density value of 2.5 t/m<sup>3</sup> was used to estimate in situ tonnages for the oxide zone and 2.63 t/m<sup>3</sup> for the primary zone and are considered reasonable for the style of mineralization, host lithology and weathering present.</p>
<b>Classification</b>	<p>The basis for the classification of the Mineral Resources into varying confidence categories.</p> <p>Whether appropriate account has been taken of all relevant factors (i.e. relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).</p> <p>Whether the result appropriately reflects the Competent Person's view of the deposit.</p>	<p>The Mineral Resource is classified as Indicated and Inferred due to it being largely supported by historical data. Indicated category was used for the areas supported by at least 50 by 50 m exploration grid density.</p> <p>A comparison between historical drillholes and 2020 verification drilling shows a 14% decrease in grade. This may indicate that historical assay methods were inadequate or not precise and accurate. The lack of QA/QC data for the historical data means its accuracy and precision cannot be checked.</p> <p>The data shows reasonable mineralization and grade continuity along strike and down dip.</p>
<b>Audits or reviews</b>	<p>The results of any audits or reviews of Mineral Resource estimates.</p>	<p>The Mineral Resource block model was peer reviewed internally in accordance with AMC procedures.</p> <p>No audit or review has been completed by another group independent of both AMC and MVI.</p>

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<b>Criteria</b>	<b>JORC Code explanation</b>	<b>Commentary</b>
<p><b>Discussion of relative accuracy/confidence</b></p>	<p>Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.</p> <p>The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.</p> <p>These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.</p>	<p>The Mineral Resource is classified as Indicated and Inferred based on the use and spacing of historical data.</p> <p>Geological evidence is sufficient to imply and also to verify geological and grade continuity for the areas classified as Indicated, which were also supported by channel sampling and trial mining results. Geological evidence is sufficient to imply but not verify geological and grade continuity for the areas classified as Inferred. It is based on exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings, and drillholes</p> <p>Inferred Mineral Resources are the lowest confidence Mineral Resource, and therefore have relatively low accuracy when local estimates are considered. Inferred Resources can however be considered as fairly accurate global estimates of a deposit, which is true for the Karaberd Gold Project.</p>

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