EVOLUTION CAPITAL

TAM | INITIATION REPORT | RESOURCES

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The Groundrush Gold Rush

Tanami Gold NL

We initiate coverage on Tanami Gold NL (ASX:TAM) with a **12-month target price of A$0.240/sh**, implying a **total shareholder return (TSR) of ~118%**.

The Central Tanami Project is situated in Australia's Northern Territory — a proven, multi-deposit gold camp with ~2.1Moz of historic production, existing CIL processing infrastructure, and a 2,108 km² tenement holding encompassing 52 known gold deposits across granted mining leases.

Base-case model (Resource only): ~12-year LOM; 16.3Mt mining inventory at 1.5Mtpa across five ore sources (Groundrush UG, Ripcord OP, Jims OP/UG, stockpiles) underpins ~1.4Moz recovered gold, ramping to ~135koz p.a. steady state by 2032. Post-tax unrisked NPV_8 of ~A$1.4bn at A$5,500/oz gold, with peak EBITDA of ~A$450M p.a. at ~60% margin.

Cheap on unit-value vs peers: On implied EV of ~A$101M (50% att.), TAM screens at ~A$73/oz against an ASX gold developer peer average of ~A$146/oz — a 50% discount despite a 2.8Moz resource and 2.1Moz proven production history. Currently trading at 0.18x risked NAV versus the 0.30–0.40x range typical at equivalent study stage.

Proven geology with high-grade anchor: Groundrush produced 611koz at 4.0 g/t from open pit (2001–05) with 98.9% mill recovery, establishing orebody continuity and metallurgical predictability. The updated MRE of 11Mt at 3.3 g/t for 1.2Moz now extends the deposit at depth, with mineralisation open down plunge.

Low-cost, margin-rich with gold-price leverage: Model a conventional free-milling CIL circuit (85–95% recovery); delivers cumulative FCF of ~A$2.8bn (100% JV). Revenue peaks at ~A$745m p.a. against ~A$320M AISC, preserving substantial upside if spot holds.

Material resource upside (not in base case): Model captures only ~1.5Moz of a 31Mt @ 2.8 g/t, 2.8Moz global MRE. The remaining ~1.29Moz across Hurricane-Repulse (250koz, 0.5km from mill), Carbine, ML33760 satellites, could extend LOM ~15-20+ years at 1.5Mtpa with minimal incremental infrastructure. Principal additional capital: ~A$40M flotation circuit for refractory material (~45% of excluded ounces).

Existing infrastructure de-risks capex: Historic CIL facility, TSF, 120+ person camp, gravel airstrip, and established haul roads underpin scoping-level start-up capex of ~A$272M (100% JV) — materially below a greenfield equivalent and decline development staging over multiple years. Groundrush free-milling recoveries of 94-95% are consistent with the 98.9% achieved during historic operations.

Well-capitalised incoming JV partner: MGX Resources (ASX:MGX; A$460M market cap, ~A$497M cash, nil debt) is acquiring Northern Star's 50% CTPJV interest. FIRB approval received December 2025; completion expected ahead of the 31 March 2026 long-stop date. MGX brings development-ready capital depth, complementing TAM's pro-forma liquid assets of ~A$28M (A$14.4M cash + A$3.1M CTPJV share + ~A$10.3M in NST shares).

Experienced board with mining pedigree: Chairman Arthur Dew leads a board with deep mining and corporate experience, supported by Director Neale Edwards (Fellow AIG, Competent Person for exploration results) and Director Brett Smith, who sits on both the TAM and MGX boards, providing continuity across both JV partners.

Evolution Capital's Internal Tanami Project Model

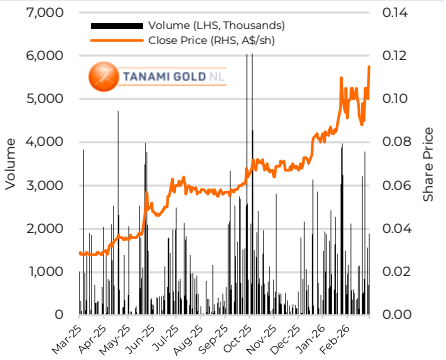
Parameter	Base Case
Resource Base Grade Contained Au	16.3 Mt 2.88 g/t 1.51 Moz
Pre-Production CAPEX (100% Basis) Processing Capacity Construction Start Date First Pour	A$272m 1.5 Mtpa (CIL Plant) 1/7/2027 1/1/2029 (1.5 Year Build)
LOM LOM Avg. Production LOM Avg. EBITDA LOM Avg. EBITDA Margin	12 Years 117kozpa A$424m 65%
NPV8 (50% Ownership, 85% PoD) Payback (FFP) IRR	A$608m 1.4 years 66%
12m Target Price (@ 0.40x P/NAV) TSR	A$0.240/sh 118%

Recommendation	**Spec. Buy**
Share Price	**A$0.110/sh**
12m Target Price	**A$0.240/sh**
TSR	**118%**

Company Profile

Market Cap	A$129M
Enterprise Value	A$101M
Cash (Est.)	~A$28M
52-Week Range	$0.027-$0.135

Price Performance



Company Overview

Tanami Gold NL (ASX:TAM) holds a 50% interest in the Central Tanami Project Joint Venture, located in the NT's Tanami Desert. The CTPJV hosts 31Mt @ 2.8 g/t Au for 2.8Moz across 30+ deposits, anchored by Groundrush (611koz historical production at 4.0 g/t).

A Scoping Study was completed in October 2023, with DFS underway and first ore targeted January 2029. We model 1,500koz; a further ~1,290koz in satellite deposits represents unmodelled upside.

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Majority Shareholders

APAC Resources Ltd	43.39%
Perth Select Seafoods P/L	3.83%
Charles Arve	3.62%
Metals X Ltd	2.93%
Johnston Ross	1.77%

Upcoming Catalysts

JV restructure finalised	H1-CY26
GR Exploration decline start	Mid-CY26
Drill results (GR, Rip, Jims)	H2-CY26
Updated MRE	Q1-CY27
Env. & Govt. approvals	H2-CY27
Final Investment Decision	H2-CY27

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1. Valuation Summary

1.1 Valuation Target Summary

1.1.1 Thesis

TAM is positioned for a 12-month re-rate as the project advances through a set of near-dated, value-accretive de-risking milestones, including:

- **Finalisation of the JV structure** following MGX's acquisition of Northern Star's 50% interest, and
- **2026 resource definition drilling** targeting conversion of the Groundrush deep plunge (660koz at 3.5 g/t) and Jims UG extension (170koz at 3.0 g/t), which together represent ~60% of the modelled mine plan,
- **Commencement of the Groundrush exploration decline**, providing underground platforms for infill drilling and geotechnical data critical to DFS mine design,
- **Advancement of environmental and government approvals** ahead of a targeted FID in mid-2027.

The stock currently trades at ~0.18x risked NAV, a discount to ASX-listed gold developer peers which typically trade at 0.30–0.40x at equivalent study stage. We expect this discount to compress over the next 12 months as drill results and decline development de-risk the resource base, and the JV partnership uncertainty is resolved.

We further note that our DCF gold price assumption of A$5,500/oz — well below current spot of A$7,000/oz — provides substantial margin expansion relative to the Scoping Study's A$2,500/oz base, bringing the broader 2.8Moz resource base (of which we model only 1.5Moz) further into economic contention and reinforcing optionality value not captured in our target price.

1.1.2 Project and funding strategy

Our DCF models five ore sources:

1. Groundrush UG (1,192koz)
2. Ripcord OP (89koz)
3. Jims OP (53koz),
4. Jims UG (166koz)
5. and surface stockpiles (31koz)

The deposits underpinned by the October 2023 Scoping Study mine designs with detailed Deswik stope optimisations and Whittle pit shells.

We exclude Hurricane-Repulse (249koz at the mill), Carbine (270koz, 120koz Indicated), Ripcord UG (24koz), Legs (98koz at 4.0 g/t), Crusade (111koz, 95% M+I), and ~520koz across smaller ML33760 and MLS167 satellite deposits. Total excluded resource of ~1,272koz represents material upside not captured in our target price.

We note that these excluded resources could extend the modelled mine life from ~12 years to 20+ years at 1.5Mtpa with minimal incremental infrastructure given the proximity of several deposits to the existing mill (Hurricane-Repulse is 0.5km north; the ML33/60 satellites are within 2km).

The principal additional capital required would be a ~ A$40M flotation circuit to process refractory fresh material, which accounts for approximately 45% of the excluded ounces.

1.1.3 Valuation framework

We value TAM on a risked NAV basis to explicitly separate three distinct layers of risk and attribution:

- **Attributable NAV:** TAM holds a 50% economic interest in the Central Tanami Project Joint Venture, with the remaining 50% currently held by Northern Star Resources and subject to acquisition by MGX Resources (MGX).

- **Probability of development (PoD):** We apply an 85% PoD to TAM's attributable project NPV, reflecting our confidence that the Central Tanami Project will proceed to development. We consider 85% appropriate given (i) the Groundrush deposit has a demonstrated production history of 611koz at 4.0 g/t, establishing orebody continuity and metallurgical amenability; (ii) a positive Scoping Study has been completed with robust economics even at the conservative A$2,500/oz gold price assumption used at the time; and (iii) both modelled deposits (Groundrush and Jims) have Deswik mine designs, stope optimisations, and detailed cost estimates. We discount from 100% for the absence of a completed DFS, the requirement to convert modelled ounces from Inferred to Indicated, and the lack of committed project financing. We would revisit our PoD upward to 90-95% upon completion of a DFS and announcement of a committed funding package.

- **Market discount / residual execution:** We apply a 12-month target P/NAV multiple of 0.40x to the risked equity NAV, capturing residual risks not addressed by the PoD adjustment. Our 0.40x multiple sits deliberately below the 0.50–0.65x range typically ascribed to permitted, funded gold developers on the ASX, reflecting four specific discount factors:

    1. **Funding gap and dilution risk:** TAM's pro-forma liquid assets of ~A$28M (comprising A$14.4M cash on balance sheet, A$3.1M attributable share of A$6.1M CTPJV cash, and ~A$10.3M in 500k Northern Star shares at A$20.66/sh) fall materially short of the ~A$136M required to fund TAM's 50% share of pre-production capital. This implies a future equity raise, project-level debt package, or asset disposal — any of which is likely to be dilutive to existing shareholders at current trading levels,

    2. **Non-operator status:** TAM is a non-operating JV partner with limited control over development timing, capital allocation, or operational decisions. While the incoming MGX partnership brings development-ready capital depth, TAM's influence over the pace and sequencing of project milestones remains structurally constrained,

    3. **Construction and commissioning risk:** The ~18-month construction period from FID (targeted mid-2027) to first ore (targeted January 2029) introduces execution risk typical of remote greenfield underground developments, including contractor availability, wet-season scheduling constraints, and commissioning ramp-up, and

    4. **Small-cap liquidity discount:** TAM's ~A$129M market capitalisation and limited daily trading volumes constrain institutional participation and increase the cost of establishing or exiting positions, warranting a structural discount to larger-cap peers at equivalent study stage.

1.1.4 Key valuation inputs (12-month basis)

- Unrisked Total NPV (100%): A$1,432m
- Risked Total NPV (50% Att., 85% PoD): A$608m
- Risked Attributable NAV: A$701m
- Risked NAV per share: A$701m/ 1,175m = A$0.600/sh
- Target P/NAV: 0.40x
- Current P/NAV (risked): ~0.18x

We view this as a discount developer multiple given the project's near-dated milestone set and improving jurisdiction backdrop.

1.1.5 12-month target multiple and price

We have not modelled an explicit equity raise in our valuation. The ~A$108M funding gap between TAM's pro-forma liquid assets (~A$28M) and its estimated ~A$136M share of pre-production capital is instead captured through our 0.40x P/NAV target multiple.

- **Unmodelled Resource Optionality:** 1.29 Moz residual valued at A$40/oz in-situ, conservative vs peer transactions of A$50-80/oz on granted MLs with existing infrastructure and clear process pathway via flotation.

- **PV of Tax Losses:** $200M operating losses at TAM level, Via Yr1/Yr2 TAM 50% share consumption (~$112M / ~$156M), the ~1.56yr exhaustion period, the 3.6yr midpoint discounting.

- **Net Cash (PF):** TAM's pro-forma liquid assets of ~A$28M (comprising A$14.4M cash on balance sheet, A$3.1M attributable share of A$6.1M CTPJV cash, and ~A$10.3M in 500k Northern Star shares at A$20.66/sh)

We note that the raise price, quantum, and mix of equity versus project debt remain uncertain at this stage and represent a key sensitivity to our NAV/sh estimate.

Sum-of-Parts Valuation	Method	Risking (PoD)	Value (A$M)	NAV/Share (A$)
50% Att. Tanami NPV8	DCF (Post-Tax)	85%	608	0.518
(+) Unmodelled Resource Optionality	A$40/oz	100%	25.4	0.022
(+) PV of Tax Losses	—	100%	45.6	0.039
(+) Net Cash (PF)	—	100%	27.8	0.024
- Corporate Adjustments	—	100%	(7.1)	(0.006)
Equity NAV (Risked, 12- month)			700	0.600
Current P/NAV (Risked) @ A$0.12/sh				0.18x
12-month Target P/NAV (Risked)				0.40x
12-month Target Price				0.240

Table 1.1.5.1 — Sum-of-Parts (SoP) Valuation

The tables below frame valuation sensitivity to our assumed 12-month P/NAV re-rating. We apply a range of 0.25–0.55x & A$4000-7,000/oz to our risked NAV:

Target P/NAV	0.25x	0.30x	0.35x	0.40x	0.45x	0.50x	0.55x
P/NAV Derived Target Price	0.150	0.180	0.210	**0.240**	0.270	0.300	0.330
TSR	36%	64%	91%	**118%**	145%	173%	200%

Table 1.1.5.2 — Target Price Sensitivity: P/NAV Multiple

Gold Price (A$/oz)	A$4,000/oz	A$4,500/oz	A$5,000/oz	A$5,500/oz	A$6,000/oz	A$6,500/oz	A$7,000/oz
NAV/sh (Un-Risked)	0.318	0.410	0.502	**0.600**	0.686	0.778	0.870
NAV/sh (0.40x P/NAV)	0.127	0.164	0.201	**0.240**	0.275	0.311	0.348
TSR	16%	49%	83%	**118%**	150%	183%	216%

Table 1.1.5.3 — Target Price Sensitivity: Gold Price (A$/oz)

1.2 Modelled Resource

Our model draws on five ore sources across the Central Tanami Project, processing approximately 16.5Mt of material over a 12-year mine life from 2029 to 2040. The mining inventory is anchored by

1. 11.2Mt from Groundrush UG (5.3Mt Indicated at 3.1 g/t and 5.9Mt Inferred at 3.5 g/t),
2. 1.4Mt from Ripcord OP (2.00 g/t, 90% recovery),
3. 0.72Mt from Jims OP (Measured/Indicated at 2.0-2.4 g/t, 85% recovery),
4. 1.82Mt from Jims UG (Indicated/Inferred at 2.2-3.0 g/t, 92% recovery), and
5. 1.4Mt of existing surface stockpiles (0.7 g/t, 93% recovery).

Groundrush, Ripcord, Jims & Stockpiles —MRE as of 30 September 2025 (A$3,500/oz)							
Deposit Name	**Mining Lease**	**Mining Method (OP/UG)**	**Confidence**	**COG (g/t)**	**Deposit Breakdown**		
					Tonnes (t)	**Grade (g/t)**	**Ounces (oz)**
Groundrush (ML22934) — Underground Mining							
Groundrush	**ML22934**	UG	Indicated	1.6	5,300,000	3.10	528,000
Groundrush	**ML22934**	UG	Inferred		5,900,000	3.50	664,000
Groundrush Total					**11,200,000**	**3.30**	**1,192,000**
Ripcord (ML22934) — Open Pit + Underground							
Ripcord	**ML22934**	OP	Indicated	0.6	1,200,000	2.00	77,000
Ripcord	**ML22934**	OP	Inferred		200,000	1.80	12,000
Ripcord OP					**1,400,000**	**2.00**	**89,000**
Jims (ML(S)168) — Open Pit + Underground (excl. Camel Bore & Stockpiles)							
Jims	**ML(S)168**	OP	Measured	0.6-0.7	145,000	2.00	9,000
Jims	**ML(S)168**	OP	Indicated		540,000	2.40	42,000
Jims	**ML(S)168**	OP	Inferred		30,000	1.60	2,000
Jims OP					**715,000**	**2.30**	**53,000**
Jims	**ML(S)168**	UG	Indicated	1.6	140,000	2.20	10,000
Jims	**ML(S)168**	UG	Inferred		1,680,000	2.90	157,000
Jims UG					**1,820,000**	**2.80**	**167,000**
Combined Total — Groundrush + Ripcord + Jims							
Insitu MRE (excl. Stockpiles)					**15,135,000**	**3.10**	**1,501,000**
Stockpiles (ML33760, MLS167, MLS168, MLS180) — Surface Stockpiles							
Stockpile Total					**1,400,000**	**0.70**	**32,000**
Grand Total					**16,535,000**	**2.90**	**1,533,000**

Table 1.2.1 — Model Summary Tab

1.3 Full Mine Production Schedule Breakdown

Over the full LOM, the plan delivers ~1,530 koz of gold at an average ROM grade of 2.90 g/t and 93.3% LOM avg. Recovery. Our model draws on five ore sources across the Central Tanami Project, processing approximately 16.5Mt of material over a 12-year mine life from 2029 to 2040. A distinguishing feature of the mine plan is the improving grade profile - from 1.86 g/t in Year 1 to 3.20 g/t in Year 12 - driven by the progressive transition from lower-grade open pit and stockpile feed to higher-grade underground sources at both Groundrush and Jims.

This is unusual among gold development projects, where declining grade over time is the norm, and provides a natural margin buffer as the operation matures. We structure the mine plan around three distinct operational phases, each with different risk profiles, ore source contributions, and mill utilisation characteristics.

Tanami LOM PRODUCTION SCHEDULE — OPTIMISED (OP Overlap + Jims UG Forward + Stockpiles)																		
Year		Groundrush UG			Mill Gap	Ripcord OP		Jims OP		Jims UG		Stockpiles		MILL SUMMARY				
		Planned	Reman	Milled		Remain	Milled	Remain	Milled	Remain	Milled	Remain	Milled	Total	Blend	Milled	Recov.	Mill
		(kt)	(kt)	(kt)	(kt)	(kt)	(kt)	(kt)	(kt)	(kt)	(kt)	(kt)	(kt)	(kt)	(g/t)	(koz)	(koz)	Util %
1	2029	400	11,200	400	875	1,400	-	715	275	1,820	-	1,385	600	1,275	1.86	76	70	85%
2	2030	700	10,800	700	725	1,400	-	440	275	1,820	-	785	450	1,425	2.29	105	97	95%
3	2031	1,000	10,100	1,000	500	1,400	-	165	165	1,820	-	335	335	1,500	2.61	126	117	100%
4	2032	1,150	9,100	1,150	350	1,400	350	-	-	1,820	-	-	-	1,500	3.00	145	135	100%
5	2033	1,150	7,950	1,150	350	1,050	350	-	-	1,820	-	-	-	1,500	3.00	145	135	100%
6	2034	1,150	6,800	1,150	350	700	350	-	-	1,820	-	-	-	1,500	3.00	145	135	100%
7	2035	1,150	5,650	1,150	350	350	350	-	-	1,820	-60	-	-	1,440	3.00	139	130	96%
8	2036	1,000	4,500	1,000	420	-	-	-	-	1,880	420	-	-	1,420	3.17	145	135	95%
9	2037	1,000	3,500	1,000	500	-	-	-	-	1,460	420	-	-	1,420	3.17	145	135	95%
10	2038	1,000	2,500	1,000	500	-	-	-	-	1,040	420	-	-	1,420	3.17	145	135	95%
11	2039	800	1,500	800	700	-	-	-	-	620	420	-	-	1,220	3.15	123	115	81%
12	2040	700	700	700	800	-	-	-	-	200	200	-	-	900	3.20	93	87	60%
LOM		11,200	-	11,200	-	-	1,400	-	715	-	1,820	-	1,385	16,520	2.90	1,529	1,425	93%

Table 1.3.1 - Mine Production Schedule

1.3.1 Phase 1 — Ramp-Up (Years 1-3, 2029-31)

Mill feed scales from 1,275kt (85% utilisation) to 1,500kt (100%) as the recommissioned CIL plant progresses through commissioning to nameplate. Year 1 throughput is constrained by the mill, not ore supply - stockpiles provide 47% of feed at zero mining cost while Groundrush UG ramps through the partially completed Central Decline. This is a critical de-risking feature: the most uncertain element of any underground mine plan (the ramp-up) is backed by the most certain ore source available (surface stockpiles requiring only load-haul-process).

Groundrush UG contribution increases from 31% of feed in Year 1 to 67% by Year 3 as stoping access expands across multiple decline fronts. The Central Decline benefits from pre-existing exploration development past five levels - a material acceleration not captured in the original Scoping Study - allowing ore drive and stope access materially earlier than a fresh-start decline build. Jims open pit contributes 22% of Year 1 feed from cutback mining of the existing pit void on MLS168, a previously disturbed tenement with a demonstrated mining history of 1.38Mt at 2.62 g/t.

Recovered production ramps from 70koz at 1.86 g/t to 117koz at 2.61 g/t across this phase as higher-grade underground ore progressively displaces lower-grade stockpile and open pit feed.

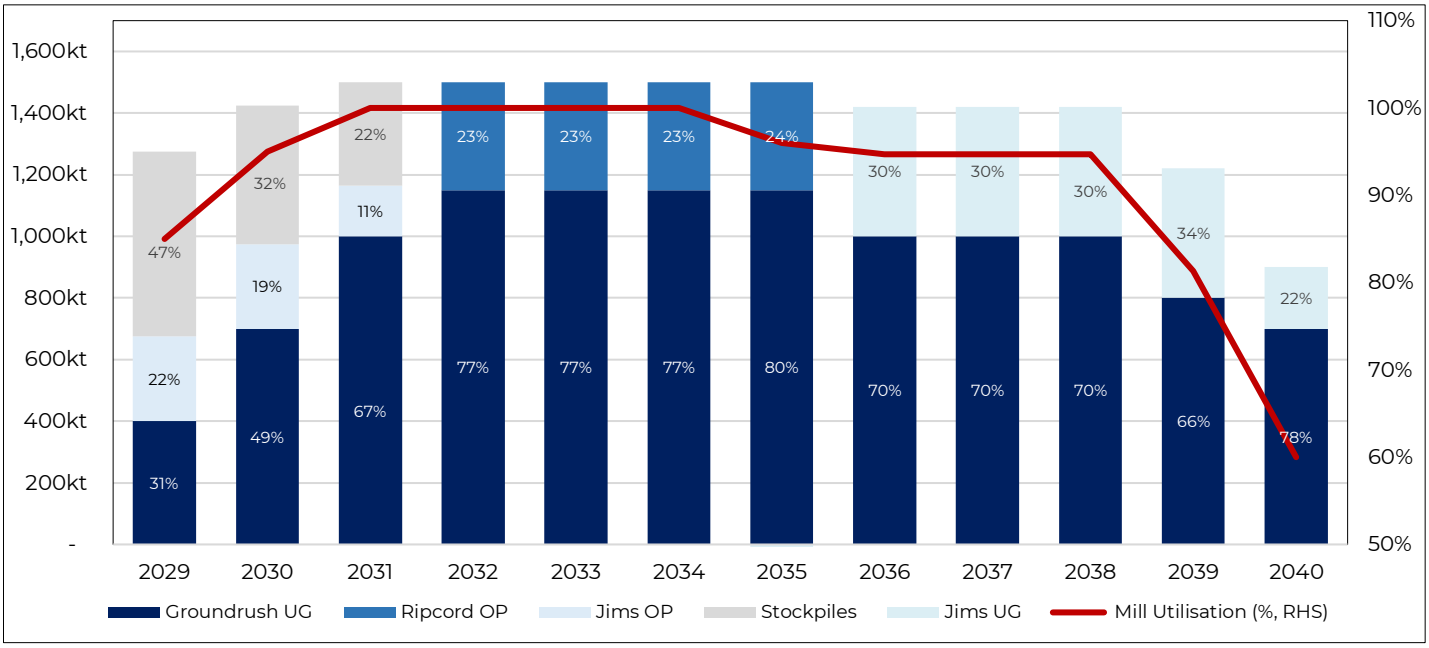


Figure 1.3.1.1 – ROM Processing Schedule

1.3.2 Phase 2 — Steady State (Years 4-10, 2032-38)

This is the value engine of the mine plan. The mill operates at 95-100% utilisation with Groundrush UG providing 70-80% of feed at 3.0-3.2 g/t. The 7- year production plateau at 135kozpa is a key bankability feature - debt providers require consistent cash flow to service repayments, and a flat, predictable profile from Year 4 through Year 10 delivers exactly that. The steady state divides into two sub-phases with a notable grade step-up at the transition:

Years 4-7 (2032-35): Groundrush UG at ~1,150ktpa plus Ripcord OP at ~350ktpa. Blended grade of 3.0 g/t. Ripcord enters from Year 4 once environmental approvals are obtained, we anticipate a longer approval timeline than Jims given Ripcord's status as undisturbed ground on ML22934. While Ripcord's 1.93 g/t grade is the lowest of any in-situ modelled ore source, it fulfils a critical scheduling function - maintaining full mill utilisation during the period between open pit exhaustion and Jims UG ramp-up.

Years 8-10 (2036-38): Groundrush UG at ~1,000ktpa plus Jims UG at ~420ktpa. Blended grade lifts to 3.17 g/t as Jims UG (2.9 g/t) replaces Ripcord (1.93 g/t). This transition also reduces haulage costs - Jims is 23km from the mill versus Groundrush/Ripcord at 45km. The grade step-up from the Ripcord-to-Jims UG swap is visible in the ROM grade curve and flows directly to the EBITDA line.

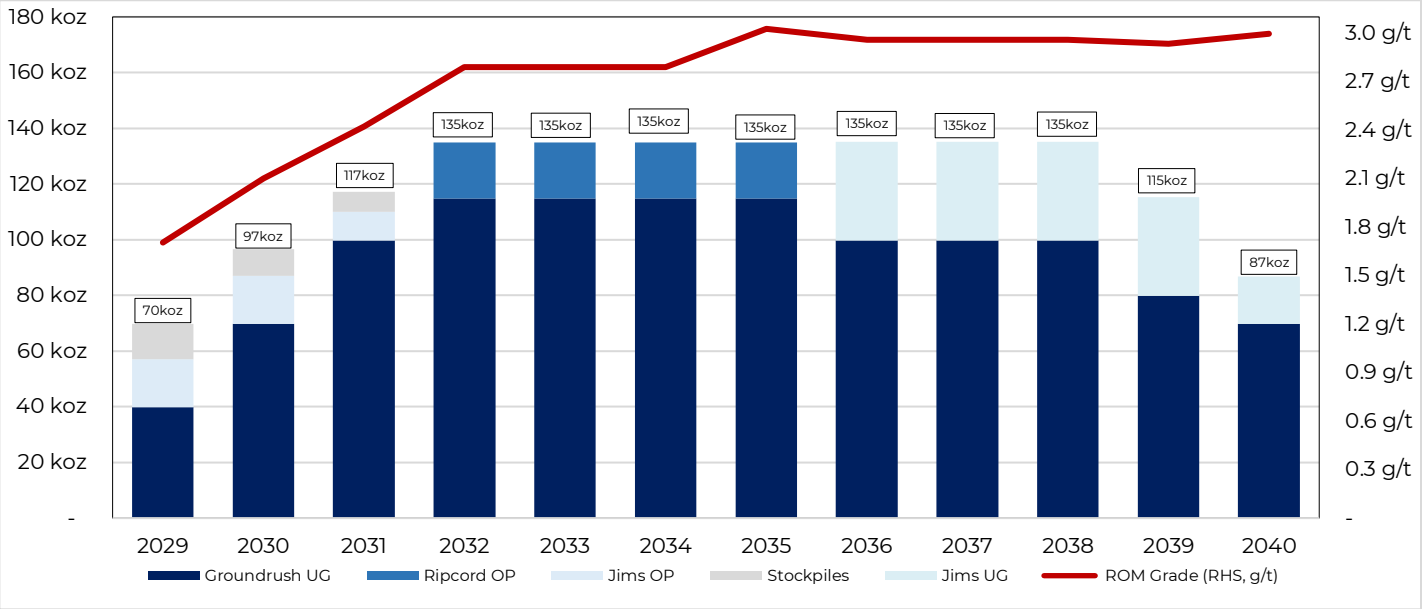


Figure 1.3.2.1 — LOM Gold Production Profile (100% JV Basis)

1.3.3 Phase 2 — Phase 3 - Depletion (Years 11-12, 2039-40)

Production tapers to 115koz and 87koz as Groundrush upper stopes deplete and remaining ore is drawn from deeper levels alongside Jims UG tail feed. Mill utilisation falls to 81% and 60% respectively. Critically, however, ROM grade peaks at 3.15-3.20 g/t in these years - the deeper Groundrush Inferred stopes carry higher grades (3.5 g/t versus 3.1 g/t for Indicated), partially offsetting the throughput decline on margins.

The spare mill capacity in Years 11-12 represents a natural entry point for unmodelled satellite deposits. Hurricane-Repulse (249koz, 0.5km from mill), Carbine (270koz, 7km, 120koz Indicated), Legs (98koz at 4.0 g/t), Crusade (111koz, 95% M+I), and ~520koz across ML33/60 deposits within 2km of the mill collectively represent 1.3Moz of resource available to extend the mine life and sustain throughput. The mine does not close in 2040 because it runs out of ore — it closes in our model because we have deliberately excluded these deposits from the base case. Any successful development of satellite resources would extend the LOM to 15-20+ years at 1.5Mtpa with minimal incremental infrastructure (~A$40m Flotation Plant).

1.3.4 Ore Source Concentration and Risk

From Year 4 onwards, Groundrush UG represents 66-70% of mill feed. We acknowledge this as ore source concentration risk but note that it is structurally typical of UG gold operations in the Tanami region. Newmont's adjacent Tanami mine (Callie deposit) operated as effectively a single-source UG operation at over 500kozpa for more than 15 years. Jundee, Sunrise Dam, and Wallaby provide comparable precedents. The multi-decline design at Groundrush (South, North, and Central declines accessing three distinct zones of the orebody) provides operational redundancy - if one decline encounters a ground control or water issue, the remaining two continue producing. This is a structural advantage over single-decline operations.

We further note that Groundrush has a demonstrated production history of 611koz at 4.0 g/t from OP mining by Normandy/Newmont (2001-5). The orebody is geologically well-understood, with consistent PA structural controls, proven metallurgical amenability through the existing CIL circuit, and a current block model that reconciles to within 4% of historical production on tonnes and 10% on ounces. The resource classification (59% Inferred) reflects drill spacing, not geological uncertainty about whether mineralisation exists at depth — the 2024-2025 drilling campaigns have consistently intersected the orebody where the model predicted.

1.4 Resource Classification and Conversion Risk

Approximately 65% of the modelled resource base is classified as Inferred under the 2012 JORC Code. While our base case models full MRE tonnes (consistent with the September 2025 Mineral Resource Estimate), we have prepared a two-scenario tonnage discount sensitivity to quantify the impact of conversion risk on the mine plan. Discounts are applied to tonnes only - not grade - reflecting the geological reality that risk at structurally continuous, shear-hosted deposits is predominantly a tonnage issue (whether the stope exists at all) rather than a grade issue (if it exists, the grade is as modelled).

CTP Tonnage Discount Framework — Resource Risk Sensitivity						
Source: Sep 2025 MRE (ML22934, MLS168). Discounts applied to tonnes only — grade held constant.						
Source	Classification	MRE (kt)	g/t	koz	Base Case	Bear Case
GR UG	Indicated	5,300	3.10	528	0%	10%
GR UG	Inferred	5,900	3.50	664	0%	40%
GR UG	**Subtotal**	**11,200**	**3.31**	**1,192**		
Jims OP	Measured	145	2.00	9	0%	5%
Jims OP	Indicated	540	2.40	42	0%	10%
Jims OP	Inferred	30	1.60	2	0%	25%
Jims OP	**Subtotal**	**715**	**1.88**	**53**		
Jims UG	Indicated	140	2.20	10	0%	15%
Jims UG	Inferred	1,680	2.90	157	0%	40%
Jims UG	**Subtotal**	**1,820**	**2.85**	**167**		
Ripcord OP	Indicated	1,200	2.00	77	0%	15%
Ripcord OP	Inferred	200	1.80	12	0%	30%
Ripcord OP	**Subtotal**	**1,400**	**1.97**	**89**		

Table 1.4.1 — LOM Gold Production Profile (100% JV Basis)

1.4.1 Downside Scenario – Resource Discounting

In our bear case, we apply tonnage discounts ranging from 10% on Groundrush Indicated material to 40% on Jims UG Inferred, representing a scenario where conversion drilling materially underperforms expectations across all deposits simultaneously. This is deliberately punitive — it assumes outcomes worse than historical conversion rates at comparable Tanami deposits and should be interpreted as a floor valuation rather than a probability-weighted expectation. Total mined tonnage falls ~23% from ~16,535kt to ~12,693kt, reducing LOM recovered ounces from ~1,430koz to ~1,053koz and shortening the mine life by 3 years to ~9 productive years.

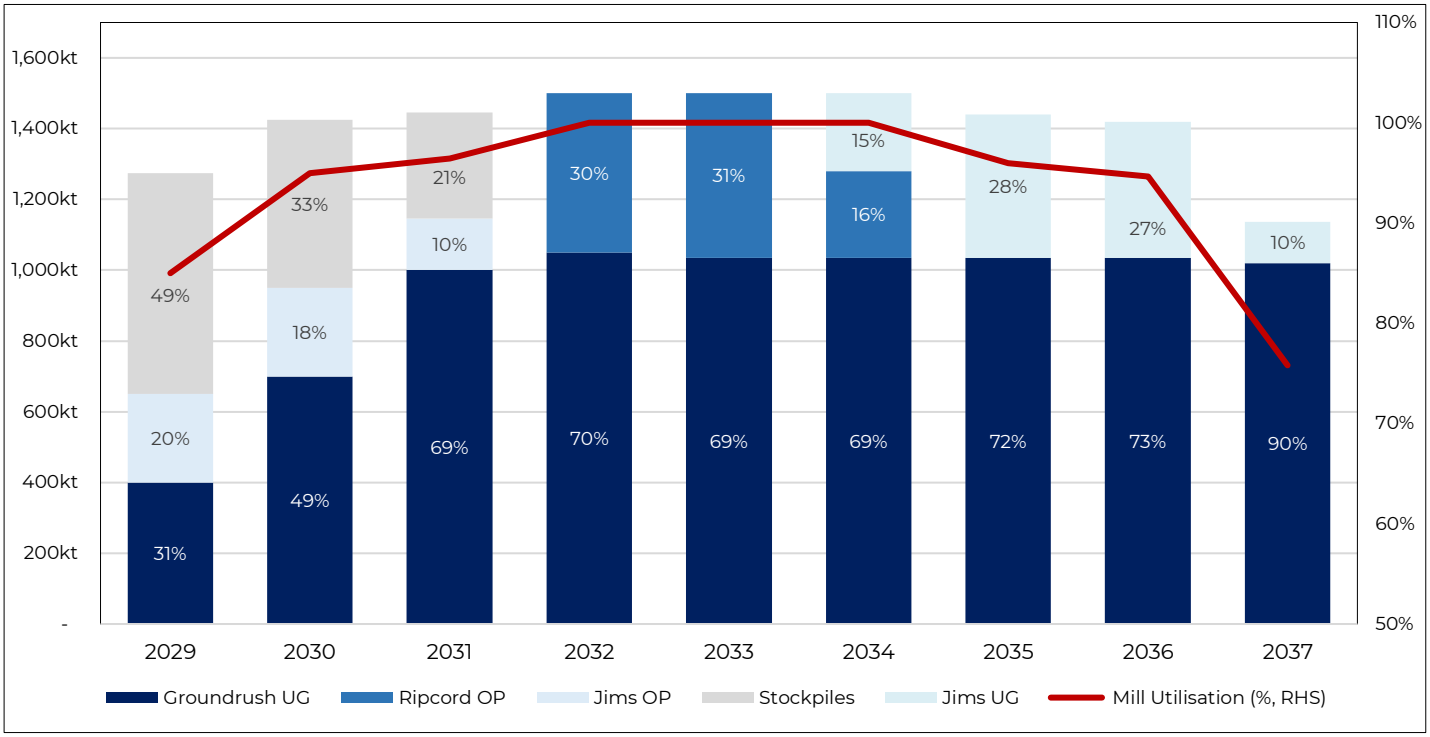


Table 1.4.1.1 — LOM Risked ROM Schedule

The risk-adjusted resource base under the bear case is shown in the table below. Discounts are calibrated to deposit-specific risk factors identified in the September 2025 MRE JORC tables: Groundrush UG and Jims UG Inferred receives the heaviest discounts of (40%) given confidence as the considerable weighting in the ROM plan.

Deposit	Classification	Risk Adj. MRE				
		kt	g/t	koz	%	Rec. koz
GR UG	Indicated	4,770	3.10	475	94%	447
GR UG	Inferred	3,540	3.50	398	94%	374
Jims OP	Measured	138	2.00	9	85%	8
Jims OP	Indicated	486	2.40	38	85%	32
Jims OP	Inferred	23	1.60	1	85%	1
Jims UG	Indicated	119	2.20	8	92%	8
Jims UG	Inferred	1,008	2.90	94	92%	86
Ripcord OP	Indicated	1,020	2.00	66	90%	59
Ripcord OP	Inferred	140	1.80	8	90%	7
Stockpiles	Measured	1,200	0.70	27	93%	25
Stockpiles	Indicated	250	0.70	6	93%	5
Total – Bear Case		12,693	2.77	1,130	93%	1,053

Table 1.4.1.1 — Risked MRE

The bear case demonstrates the structural resilience of the mine plan's front-loaded design. The 135kozpa production plateau through Y4–7 is fully intact — these are the bankability years that matter for debt service and payback, and the resource discounts do not touch them. The impact concentrates in the tail: Y8 onwards sees progressive tonnage shortfalls as discounted GR UG and Jims UG resources exhaust earlier than in the base case. Mill utilisation drops to ~75% by Y9 as 2,890kt of missing GR UG tonnes and 434kt of missing Jims UG manifest as empty mill capacity.

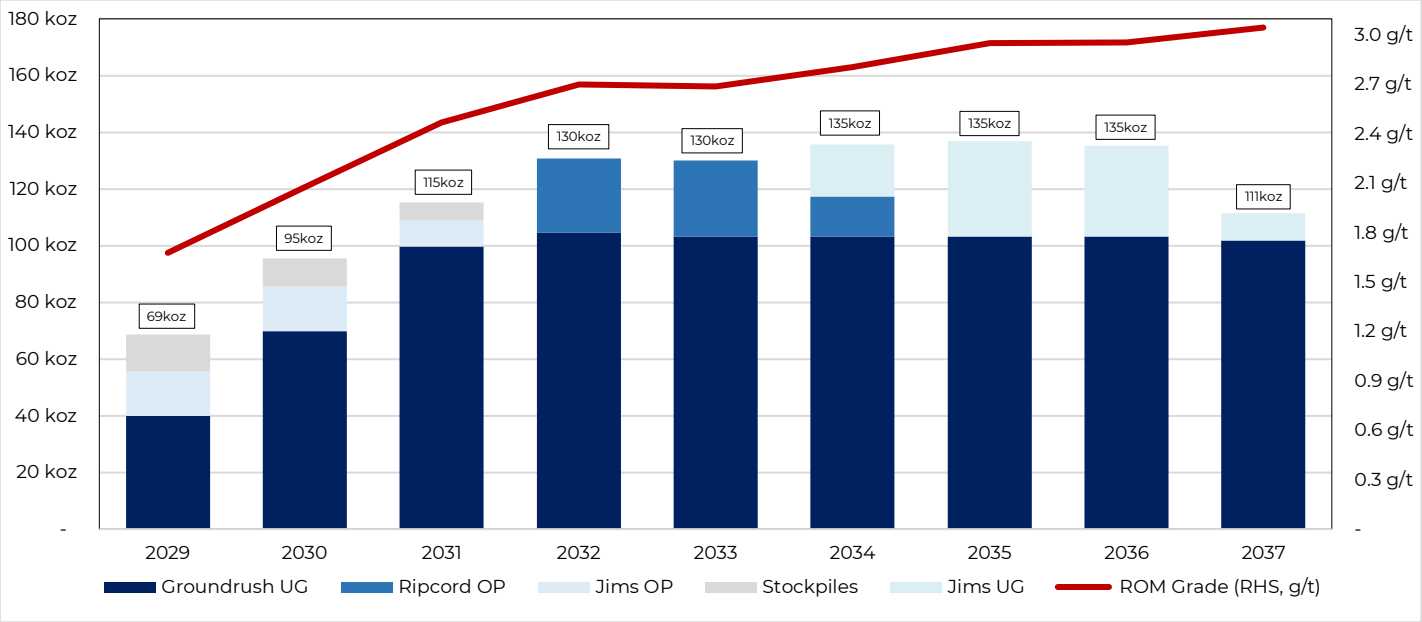


Figure 1.4.1.2 — LOM Risked Ounce Schedule

By sequencing higher-confidence material into the early and mid-life years, the schedule ensures that resource conversion risk manifests as a shortened tail rather than a collapsed plateau. Of the ~377koz of lost recovered production, the majority comes from Years 10–12 — the lowest-NPV years of the mine life — which are effectively eliminated as GR UG and Jims UG exhaust their discounted resource base. The high-value Y4–8 window, which generates over 60% of LOM NPV, delivers 132–135kozpa even under 35–40% Inferred tonnage haircuts.

We note that these resource-level discounts layer on top of two additional valuation-level risk adjustments: an 85% probability-of-development adjustment and a 0.40× P/NAV target multiple. The cumulative effect of all three layers is substantial — the market is being compensated for Inferred conversion risk through multiple independent mechanisms. At current trading levels of ~A$0.110/sh (~0.18× risked NAV), the market is pricing in a scenario materially worse than even our bear case.

The impact on key valuation metrics is summarised in the table below.

Metric	Base	Downside	Δ
ROM Tonnes (kt)	16,535	12,693	(23%)
ROM Grade (kt)	2.88	2.77	(4%)
ROM Gold (koz)	1,531	1,130	(26%)
Recovered Gold (koz)	1,430	1,053	(26%)
LOM Avg. Mill Util.	12 Years	9 Years	3 Years
LOM (years)	12 Years	9 Years	3 Years
Plateau (kozpa)	135	135	**Unchanged**
100% NPV (A$m)	**1,432**	**1,105**	**(23%)**
Target Price (A$/sh) @ 0.4x PNAV	**0.240**	**0.190**	**(20%)**
TSR	**118%**	**73%**	**(38%)**

Table 1.4.1.2 — MRE Risk Scenario Analysis

The 2026 resource definition drilling campaign, targeting conversion of the Groundrush deep plunge (660koz at 3.5 g/t) and Jims UG extension (170koz at 3.0 g/t), represents the critical near-term catalyst for de-risking the Inferred resource base. Historical conversion rates at structurally continuous deposits in the Tanami region run 80–90%. Successful conversion of even half the Inferred material at Groundrush would neutralise the majority of the bear case impact. We note an important nuance from the NPV sensitivity analysis: Groundrush grade is the second-largest valuation lever (±A$329m for ±15%), exceeded only by gold price.

This means the risk is not simply about whether tonnes convert — it is equally about what grade they convert at. The current Inferred resource at Groundrush sits at 3.5 g/t, materially above the Indicated grade of 3.1 g/t. As infill drilling converts Inferred to Indicated, there is a realistic risk that the converted grade settles closer to 3.0–3.1 g/t rather than maintaining the 3.5 g/t Inferred estimate. This grade dilution on conversion — even if all tonnes convert successfully — would reduce LOM recovered ounces and compress margins in the back half of the mine life.

Management will need to be disciplined about maintaining stope design parameters and avoiding excessive dilution as mining progresses into the deeper Inferred zones. This grade sensitivity reinforces our view that the 2026 drilling campaign is the single most important near-term catalyst: it will simultaneously resolve both the tonnage conversion question and the grade confirmation question, providing the data needed to de-risk both the mine plan and the valuation.

1.5 Cash Flow Analysis

The charts underscore a clear earnings trajectory anchored by Groundrush's high-grade UG feed. Throughput builds from ~1.28Mtpa in 2029 to the 1.5Mtpa nameplate by 2031, with gold production scaling from ~ 70koz in Year 1 to a sustained ~135koz p.a. plateau from 2032-2038. EBITDA rises from A$223m in Year 1 to ~A$425m p.a. through the steady-state window (2032- 35), stepping up further to ~A$446m p.a. from 2036-38 as Jims UG replaces lower-grade Ripcord feed and the blended ROM grade lifts from 3.0 to 3.17 g/t. Cumulative free cash flow accelerates to ~A$2.8bn by end-of-mine in 2040.

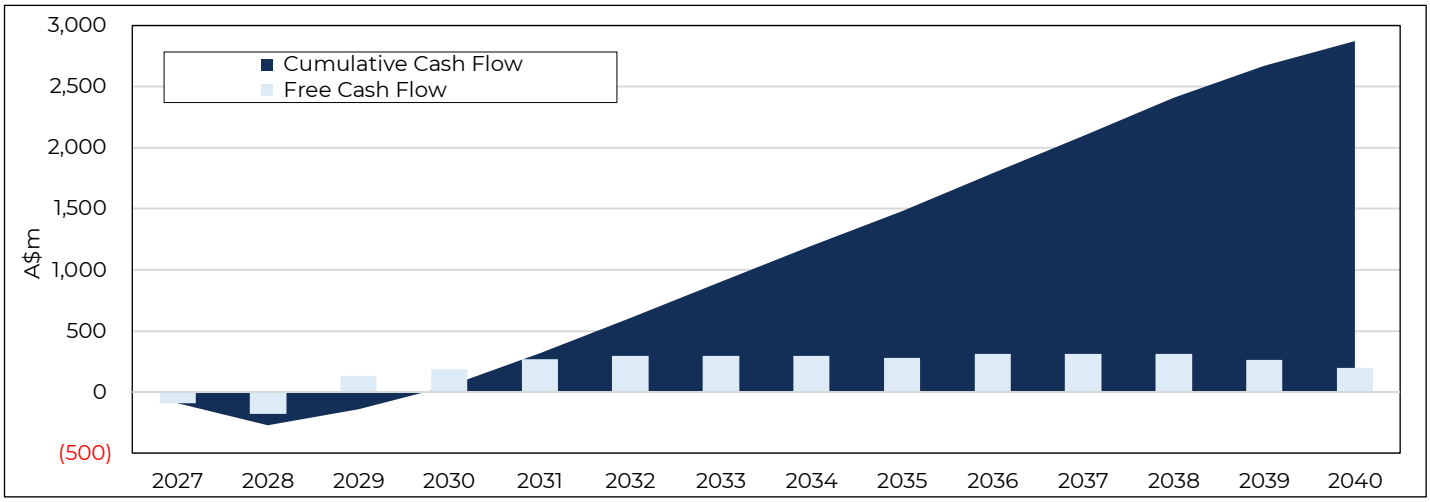


Figure 1.5.1 — LOM Cash Flow Analysis

Margins remain structurally robust through mid-life. Revenue peaks at ~A$750m p.a. (2032-38) against ~A$320m AISC, implying a ~60% EBITDA margin at steady state.

This stability reflects: (i) consistent 1.5Mtpa CIL throughput at ~92-94% recovery on Groundrush free-milling ore, (ii) an improving grade profile that lifts from 1.86 g/t in Year 1 to 3.20 g/t by Year 12, providing a natural margin buffer as the operation matures, and (iii) contained haulage costs as the ore source mix transitions from distant Ripcord (45km) to proximal Jims UG (23km) in the second half of the mine life.

From 2039, production enters a natural tail as Groundrush UG tapers and Jims UG depletes, driving a natural revenue and EBITDA taper - reflecting ore source mix rather than cost blowouts or throughput underperformance - before mine completion in 2040. EBITDA of A$380m in Year 11 and A$287m in Year 12 remains substantial despite falling throughput, supported by elevated ROM grades of 3.15-3.20 g/t. Valuation is most sensitive to gold price realisation during the 2032-38 peak window, execution of the Groundrush underground ramp through 2029-32, and the pace of Inferred-to-Indicated conversion to extend mine life beyond the current 12-year schedule.

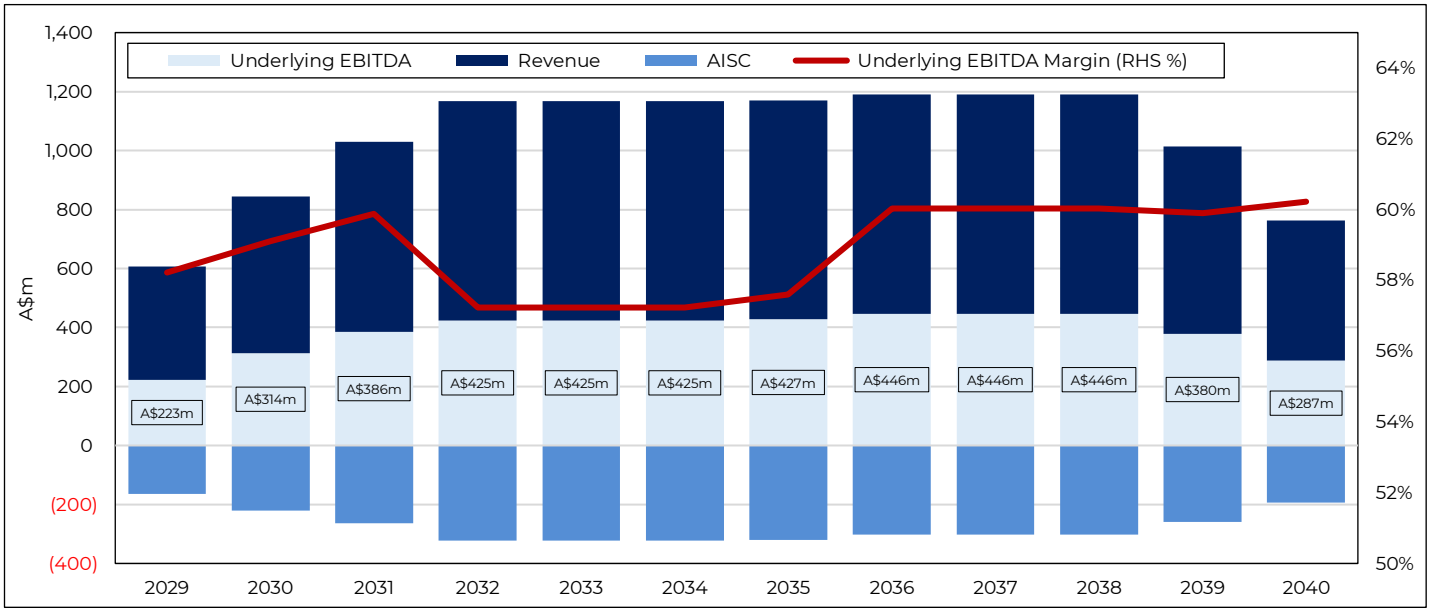


Figure 1.5.2 — LOM Cost Breakdown

1.6 Sensitivity Analysis – NPV

Valuation is overwhelmingly a gold-price-and-grade story. Gold price is the dominant lever (±A$419m for 15%), followed by Groundrush grade (±A$329m) - together accounting for >60% of the total NPV swing range. This is intuitive: Groundrush UG delivers ~78% of LOM recovered ounces, so grade and price per ounce compound directly through the revenue line.

Discount rate ranks third (A$237m for ±2pp), reflecting the back-ended cash flow profile and, critically, making every de-risking milestone — DFS, FID, permitting - a direct re-rating catalyst independent of commodity price. Groundrush recovery (±A$93m) and cost inputs (UG stope ±A$78m;throughput ±A$56m; process ±A$38m) are second-order**.**

This is not a cost-optimisation story — it is a gold price and resource conversion story. At spot gold of ~A$7,000/oz vs our A$5,500/oz assumption, the embedded NPV buffer is >A$400m, providing substantial margin for cost overrun and schedule slippage without impairing the investment case. We note sensitivities are presented on a 100% JV basis; NAV/sh impact is amplified through TAM's ~A$135m funding requirement.

Funding And Dilution

We have not modelled an explicit equity raise in our base case valuation. The ~A$108m funding gap between TAM's pro-forma liquid assets (~A$28m) and its estimated share of pre-production capital is instead captured through our 0.40x P/NAV target multiple. However, we anticipate three staged capital raises aligned to project milestones, with dilution concentrated in the pre-FID period:

Raise Scenario	Use of Funds	Estimated Date	Equity Raised (A$m)
Raise #1	Exploration/Decline Dev	Apr – May 2026	50
Raise #2	Feasibility/Engineering	Apr – May 2027	50
Raise #3	FID/Construction start (50% Att.)	June – July 2027	135

The staged approach aligns capital deployment with de-risking events:

1. Raise #1 – funds the exploration decline (which converts to the Central production decline, providing stoping access from near day-one of mining — a material acceleration not captured in the original Scoping Study);

2. Raise #2 – funds DFS completion and detailed engineering; and

3. Raise #3 – funds TAM's 50% attributable share of construction capital at FID. We project total equity raised of ~A$235m across the three tranches. Dilution-adjusted scenarios will follow post-DFS once raise pricing and structure are confirmed.

Investment takeaway: The sensitivity skew - gold price first, grade second, discount rate third - is constructive. Infill drilling and feasibility advancement compress the discount rate and de-risk grade simultaneously, while spot gold at A$7,000/oz versus our A$5,500/oz assumption provides ~A$400m of embedded NPV buffer. The catalyst set is near-dated and within management's control.

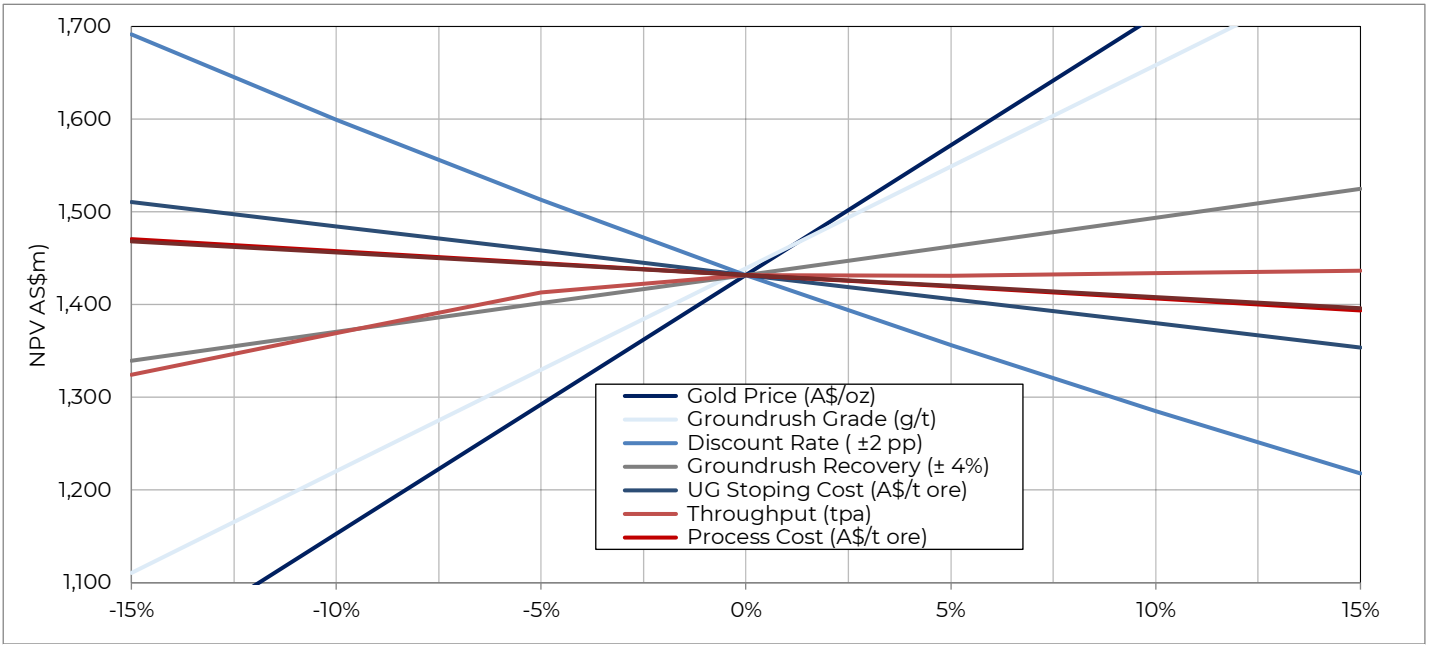


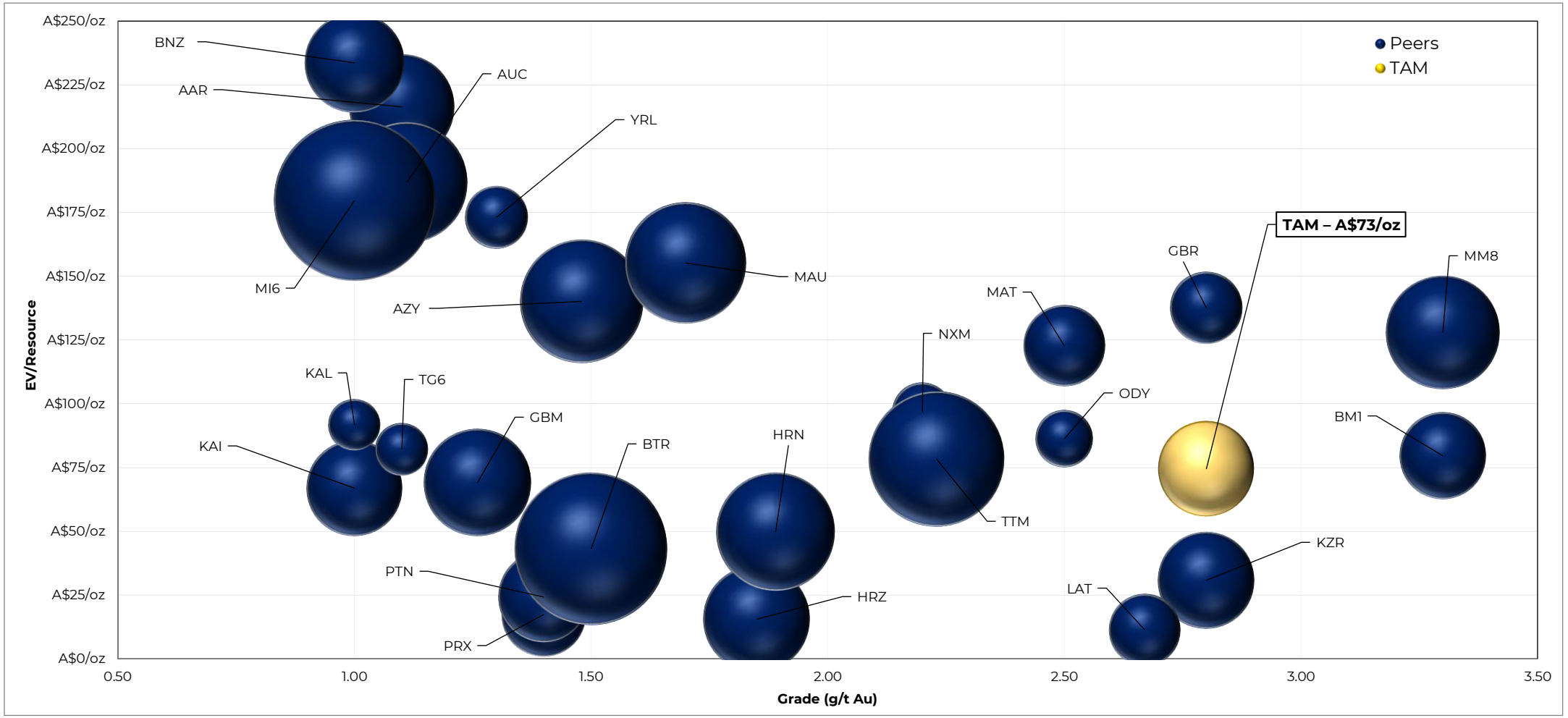
Figure 1.6.1 — NPV Sensitivity Analysis: Tornado Chart

Δ (%)	-15%	-10%	-5%	0%	5%	10%	15%	Range (±Δ) (A$M)
Gold Price (A$/oz)	1,013	1,153	1,292	1,432	1,572	1,712	1,851	**± 419**
Groundrush Grade (g/t)	1,111	1,220	1,330	1,432	1,549	1,658	1,768	**± 329**
Discount Rate (±2 pp)	1,692	1,599	1,513	1,432	1,356	1,285	1,218	**± 237**
Groundrush Recovery (± 4%)	1,339	1,370	1,401	1,432	1,463	1,494	1,525	**± 93**
UG Stoping Cost (A$/t ore)	1,511	1,484	1,458	1,432	1,406	1,380	1,354	**± 78**
Throughput (tpa)	1,324	1,369	1,413	1,432	1,431	1,434	1,437	**± 56**
Process Cost (A$/t ore)	1,471	1,458	1,445	1,432	1,419	1,407	1,394	**± 38**

Table 1.6.1 — NPV Sensitivity Analysis: Tornado Chart (100% JV Basis)

1.7 EV/Resource Valuation

TAM screens at A$73/oz at 2.8 g/t - bottom-right quadrant, high grade, low multiple. Grade comparables GBR (A$170/oz) and MM8 (A$155/oz) trade at more than double. ODY (~A$75/oz, 2.7 g/t) is the nearest comp on both metrics. The premium names (BNZ, AAR, AUC > A$200/oz) are all sub-1.5 g/t — the market is pricing advancement and jurisdiction over grade. The discount end (PRX, HRZ, PTN < A$25/oz) reflects low-grade, early-stage risk. TAM's discount is structural: 50% JV, NT location, semi-refractory met, ~ 50% Inferred, no Reserve. A PFS or Reserve declaration is the most direct catalyst to narrow the gap. At spot gold above A$7,000/oz versus the scoping study's A$2,500/oz assumption, the re-rate potential is significant if the project advances.



**Bubble size uses contained metal (Moz). Contained Moz formula: Tonnage (Mt) × Grade (g/t) ÷ 31.1035*

Figure 1.7.1 — EV/Resource Multiple: ASX Gold Developer Peer Comparison

2. Tanami Gold

2.1 Company Overview

Tanami Gold Ltd (ASX:TAM) is a gold exploration company focused on developing its Central Tanami Project (CTP) located 650km northwest of Alice Springs in The Northern Territory. The project comprises a substantial 2,108km² tenement package spanning ~135km of strike within the highly prospective Tanami Gold Province — a region renowned for large-scale gold endowment and long-life production history.

The CTP is held under a 50:50 joint venture between MGX Resources Ltd (ASX:MGX) and Tanami, positioning the partners to advance exploration and development across one of Australia's most underexplored yet historically productive gold provinces.

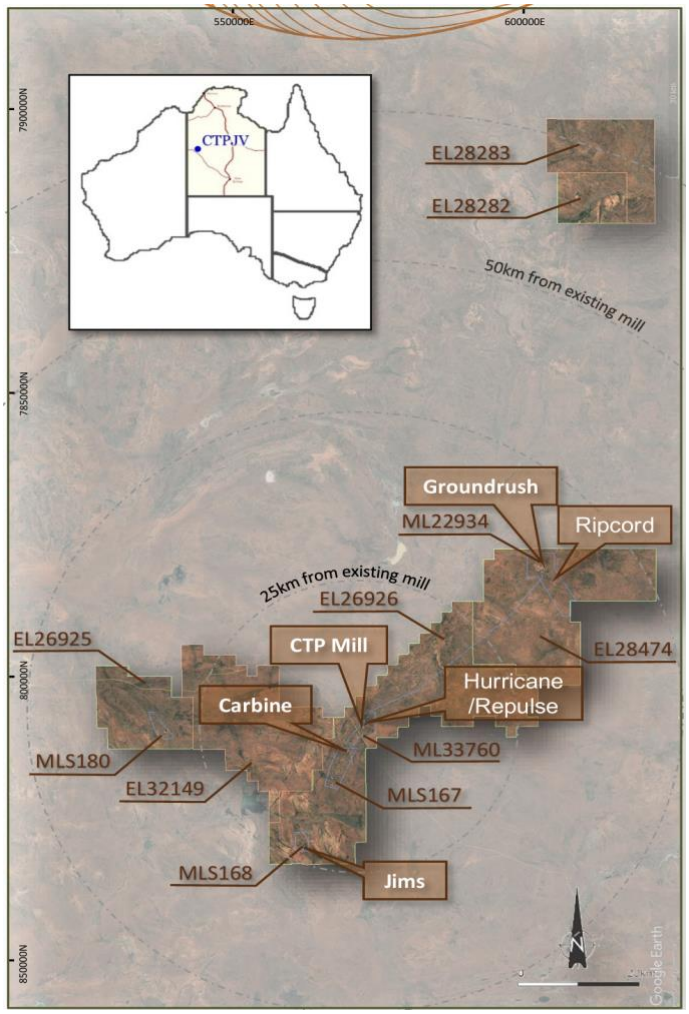


Figure 2.1.1 — Central Tanami Project: Tenement Map

The CTP joint venture ground hosts 52 known gold deposits and prospects and is situated within a proven gold-producing corridor that includes Newmont's world-class Callie operations and the nearby Oberon deposit (MRE 25.1Moz). The broader CTP region has produced approximately 2Moz of gold since the 1980s, including >600koz at ~4 g/t Au from the historical Groundrush open pit, highlighting the district's demonstrated grade and production credentials.

Resources and key prospects are distributed across five principal areas, with the majority located on granted mining leases, providing a strong permitting foundation. The project benefits from established site and regional infrastructure, enhancing potential development optionality.

2.2 Central Tanami Project Joint Venture

MGX Resources Ltd entered into a binding agreement in July 2025 to acquire Northern Star Resources' 50% interest in the Central Tanami Project Joint Venture (CTPJV), together with ~3,600km² of adjacent wholly owned exploration tenure, for total cash consideration of A$50m. Post-transaction, the CTPJV remains a 50:50 unincorporated joint venture between MGX and Tanami Gold NL.

Importantly, MGX outlined an intention to fast-track technical studies and permitting activities with a view to positioning the project for a development decision within 12–18 months, with near term priorities including:

- Defining the optimal development plan (including processing strategy and infrastructure refurbishment options),
- Progressing feasibility-level technical updates on key deposits (Groundrush, Ripcord, Jims),
- Securing relevant regulatory and stakeholder approvals, and
- Accelerating brownfields drilling to expand and upgrade resources.

2.3 Existing Infrastructure

The CTPJV benefits from substantial legacy infrastructure, anchored by a 1.2Mtpa CIL processing plant located on site. While the plant has been on care and maintenance since September 2005, it has been minimally maintained and remains within its original footprint. A 2023 Pre-Feasibility Study assessed refurbishment of the existing facility, with a proposed upgrade to ~1.5Mtpa capacity, providing a clear pathway to re-establish centralised processing without the need for greenfield construction.

Figure 2.3.1 — Existing Infrastructure, Central Tanami Project

Supporting infrastructure includes established site facilities, process plant equipment, tanks and associated services, significantly reducing development lead times and potential capital intensity relative to standalone builds. The project also hosts an operational accommodation camp, comprising 72 active rooms that have been maintained since 2005, with upgrade and refurbishment planning currently underway.

Collectively, the existing mill and camp infrastructure position CTPJV with meaningful brownfields advantages, underpinning capital efficiency and accelerating potential restart and development timelines.

2.4 Central Tanami Gold Deposits

2.4.1 Mineral Resource Estimate

The CTP hosts a total Mineral Resource Estimate (MRE) of 31Mt @ 2.8 g/t Au for 2.8Moz of contained gold – 50% of which is attributable to TAM under the Joint Venture Agreement.

The MRE is spread across 5 mining licences and 3 exploration licences, with most of these licences containing multiple gold deposits. The MRE was updated in November 2025 – with this delivering a 9% increase in contained ounces. Deposit specific cut-off grades based on a A$3,500/oz gold price were assumed, compared to the A$2,500/oz gold price used for the Scoping Study in April 2023.

Mining/Exploration Licence	Measured			Indicated			Inferred			Total		
	Tonnes (000's)	Grade (g/t)	Contained Gold (koz)	Tonnes (000's)	Grade (g/t)	Contained Gold (koz)	Tonnes (000's)	Grade (g/t)	Contained Gold (koz)	Tonnes (000's)	Grade (g/t)	Contained Gold (koz)
ML33760	11	1.5	1	2,100	2.5	170	3,300	2.8	290	5,400	2.7	460
EL26926	-	-	-	6	1.7	1	210	1.8	12	210	1.8	13
ML(S)167	480	0.7	10	3,800	3	370	2,400	3.1	240	6,800	2.9	630
ML(S)168	700	1	22	730	2.3	54	1,800	2.9	170	3,200	2.4	250
ML(S)180 & EL26925	160	0.6	3	640	2.9	59	520	5.7	45	1,300	2.5	110
EL28282	-	-	-	1,500	2.2	110	80	1.5	4	1,600	2.2	110
ML22934	-	-	-	6,500	2.9	610	6,100	3.4	670	13,000	3.2	1,300
Total Open Pit	**170**	**2**	**10**	**7,500**	**2.6**	**640**	**2,700**	**2.6**	**230**	**10,000**	**2.6**	**880**
Total Underground	**-**	**-**	**-**	**7,600**	**3**	**730**	**12,000**	**3.2**	**1,200**	**19,000**	**3.1**	**1,900**
Total Stockpiles	**1,200**	**0.7**	**25**	**250**	**0.7**	**6**	**-**	**-**	**-**	**1,400**	**0.7**	**31**
Total	**1,300**	**0.8**	**36**	**15,000**	**2.8**	**1,400**	**14,000**	**3**	**1,400**	**31,000**	**2.8**	**2,800**

Table 3.1.1 — Central Tanami Project Mineral Resource Estimate (September 2025)

2.4.2 Groundrush

The Groundrush Gold Deposit, previously mined via open pit methods producing 611koz - is located on ML22934 approximately 41km north of the existing Central Tanami Project (CTP) Mill, is the cornerstone asset within the CTP Joint Venture. The deposit hosts a Mineral Resource Estimate (MRE) of 11Mt @ 3.3 g/t Au for 1.2Moz, reflecting a substantial, high-grade inventory underpinned by extensive drilling.

Figure 3.2.1 - Long Section of Groundrush with MRE Wireframes

Groundrush is a free-milling CIL project, enhancing processing simplicity and recovery potential. The mineralisation extends over a significant strike length and remains open down plunge, highlighting clear scope for further resource growth at depth. The combination of scale, grade, established infrastructure proximity and underground optimisation positions Groundrush as the key development driver within the Central Tanami Project.

During the December 2025 quarter, final assay results were received from a 27-hole RC and RCD drilling program targeting the southern extent of the Groundrush Deposit. The program was designed to increase confidence in the Mineral Resource ahead of future updates and mining studies and delivered several high-grade intercepts, including:

- 2m @ 20.02 g/t Au from 130.0m,
- 0.72m @ 25.40 g/t Au from 253.49m,
- 0.90m @ 29.30 g/t Au from 227.10m, and
- 3m @ 6.91 g/t Au from 214.0m.

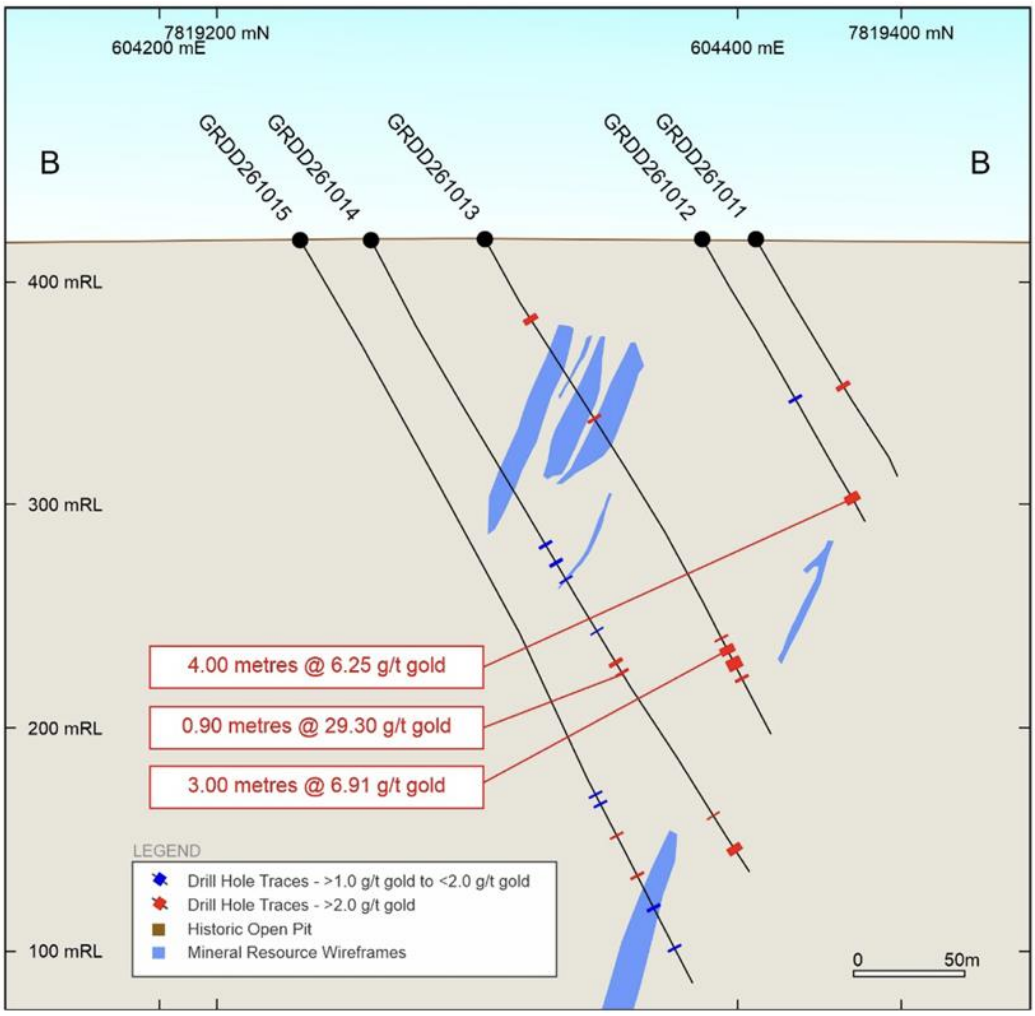


Figure 3.2.2 — Groundrush Deposit: Long Section

2.4.3 Exploration Decline

An exploration decline is planned at Groundrush to facilitate an underground infill drilling campaign aimed at upgrading approximately 430koz of Inferred Resources to the Indicated category. The proposed program comprises around 3.4km of lateral underground development, providing access to roughly 370 metres below surface, and includes 33,000 metres of underground diamond drilling. Estimated capital required for the decline (including underground exploration drilling) is projected to be ~A$80m.

2.4.4 Jims

The Jims Gold Deposit, located on MLS168 approximately 23km south of the existing CTP Mill, represents a complementary satellite deposit within the Central Tanami Project portfolio. Jims hosts a Mineral Resource Estimate (MRE) of 2.6Mt at 2.7 g/t gold for 220koz, providing a meaningful high-grade inventory near existing infrastructure.

The resource is constrained within an open pit shell at a 0.6–0.7 g/t gold cut-off grade and underground mineable stope optimisations at a 1.6 g/t gold cut-off grade, based on a gold price of A$3,500/oz. The estimate is supported by approximately 14.4km of drilling across 1,751 holes, underpinning geological confidence across both open pit and underground domains.

Figure 3.3.1 — Jims Deposit: Long Section with MRE Wireframes

Jims is a free-milling CIL project, supporting straightforward processing flowsheet assumptions. Importantly, mineralisation remains open down plunge and along strike, with a recently concluded drilling campaign returning several strong intercepts:

- 4m @ 29.12 g/t Au from 282m,
- 0.70m @ 28.94 g/t Au from 256m,
- 5.11m @ 10.89 g/t Au from 558.29m, and
- 22.58m @ 3.50 g/t Au from 533.69m.

Results confirm the continuity of mineralisation both down dip and along strike to the north, with gold now defined over an approximate 900m strike length and to a vertical extent of 500m. Importantly, mineralisation remains open to the north and at depth, reinforcing Jims' potential for further resource growth and its growing significance within the Central Tanami Project.

2.4.5 Ripcord Deposit

The Ripcord Deposit is located ~3km southeast of Groundrush and ~41km north of the CTP Mill and hosts a current MRE of 1.4Mt @ 2.0 g/t Au for 92koz, defined from ~1.7km of drilling across 170 holes. It provides both a near-surface and underground extraction opportunity – however, it has not been included in our base case due to the prioritisation of Groundrush & Jims. Ripcord is interpreted as a free-milling CIL project, supporting conventional processing routes through existing regional infrastructure.

Mineralisation remains open down dip, underpinning potential for further resource growth and underground expansion beyond the current optimisation envelopes. Recent drilling has reinforced the continuity and grade tenor of the system, with standout intercepts including:

- 2.0m @ 4.77 g/t Au from 111m,
- 6.0m @ 3.13 g/t Au from 156m, and
- 3.0m @ 2.85 g/t Au from 153m.

2.4.6 Hurricane & Repulse Deposits

The Hurricane & Repulse Deposits are located just ~0.5km north of the existing CTP Mill and host a combined MRE of 2.5Mt @ 3.10 g/t Au for 249koz. Mineralisation remains open down dip and along strike, supporting further resource growth potential while also demonstrating strong open pit-to-underground continuity immediately adjacent to established infrastructure.

Recent RC drilling targeting northern extensions of the basalt–sediment contact has delivered high-grade intercepts, including:

- 3.0m @ 9.74 g/t Au from 98m,
- 1.0m @ 28.60 g/t Au from 200m, and
- 8.0m @ 2.69 g/t Au from 67m.

While material is semi-refractory fresh rock, the scale, grade and immediate proximity to the existing CIL plant position Hurricane–Repulse as a cornerstone asset within the Central Tanami portfolio.

2.4.7 Carbine Deposit

The Carbine Deposit hosts a significant MRE of 2.6Mt @ 3.3 g/t Au for 270koz, with this supporting both open pit and underground configurations. Although the ore is semi-refractory fresh rock, the combination of solid grade (~3.3 g/t), established underground shapes and close proximity to existing processing infrastructure (~7km south of the CTP Mill) supports its importance within the broader Central Tanami portfolio.

3. Project Design

3.1 Underground Mine Plan

The Groundrush Scoping Study outlines a conventional underground mining operation designed to maximise recovery of the high-grade orebody while leveraging existing infrastructure, including decline access from the current open pit. The proposed mining strategy centres on longitudinal long hole open stoping with paste fill, supported by selective modified Avoca stoping in structurally complex areas.

Design parameters and cost assumptions have been benchmarked against Northern Star operations and adjusted for Northern Territory conditions, with cut-off grade sensitivities assessed to optimise production rates and development sequencing.

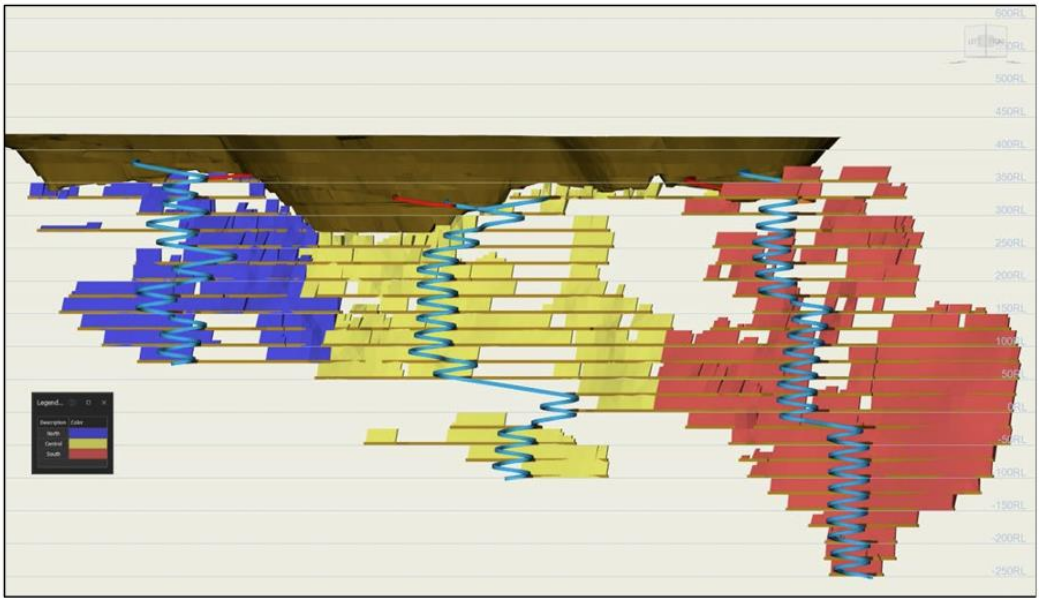


Figure 4.1.1 — Groundrush Underground Mine Design (Base Case)

Key Mine Design Parameters:

- **Mining Method:** Predominantly Underhand (top-down) Longitudinal Long Hole Open Stoping (LHOS) with paste fill; Modified Avoca (bottom-up) with unconsolidated rock fill in the northern footwall fault zone.
- **Access & Development:** Underground access via three separate spiral declines developed off the existing Groundrush open pit, designed to minimise level access and optimise mining fronts. Development includes ventilation drives, decline stockpiles, sumps, pump stations, escapeways and vertical development.
- **Backfill & Ventilation Strategy:** Paste fill utilised across the majority of stopes to maximise recovery; unconsolidated rockfill (from development waste) in footwall zones. Each mining zone designed with independent fresh and return air circuits, with detailed ventilation modelling to be completed at feasibility stage.

3.2 Metallurgy & Processing

All five modelled ore sources are free-milling and amenable to conventional carbon-in-leach (CIL) processing through the existing CTP plant. This is a material advantage: free-milling deposits require no flotation circuit, no concentrate export logistics, and no smelter negotiations — reducing both capital intensity and processing risk relative to refractory or semi-refractory alternatives within the broader CTP resource base.

The existing CTP plant was originally commissioned at 1.2Mtpa and operated until approximately September 2005 when it was placed on care and maintenance. A 2023 Pre-Feasibility Study assessed refurbishment within the existing footprint, proposing an upgrade to 1.5Mtpa nameplate capacity. The Scoping Study estimated mill capital at A$83.7m for the 1.5Mtpa configuration, selected as the optimal throughput rate from five scenarios appraised (1.2, 1.5, 2.0, 2.5 and 3.0 Mtpa). The 1.5Mtpa rate sustains full production for seven years on base-case ore sources alone; larger throughput scenarios require inclusion of satellite deposits to maintain feed rates.

Processing recoveries used in our model are sourced from the Scoping Study and MRE JORC tables, calibrated to historical metallurgical testwork: Groundrush UG at 94% (fresh rock CIL, supported by 611koz of historical production through the same circuit at comparable grades), Ripcord OP at 90% (blended oxide/transitional/fresh), Jims OP at 85% (reflecting lower oxide recovery of 76% in the upper benches blended with 95% transitional and 92% fresh), Jims UG at 92% (fresh rock CIL), and stockpiles at 93% (predominantly oxide material with high cyanide-soluble gold). These are conservative assumptions anchored in actual plant performance data, not theoretical bench-scale results.

An important operational nuance: the early-year ore blend (Y1–2) is dominated by stockpile and Jims OP material — both predominantly oxide/transitional. Oxide ore is softer, has a lower bond work index, and mills faster than fresh underground rock. This is metallurgically advantageous during commissioning: a recommissioned grinding circuit with fresh liners processes softer material more efficiently, partially offsetting the throughput constraint from plant ramp-up. As the ore blend transitions to predominantly fresh Groundrush UG from Year 3 onwards, the grinding circuit is fully worn in and optimised for harder feed.

We note that the broader CTP resource base of 2.8Moz includes approximately 1.1Moz of semi-refractory material (predominantly on ML33760, MLS167, and north of Groundrush) characterised by arsenian pyrite and arsenopyrite mineralogy. These deposits — including Hurricane, Carbine, Legs and several ML33/60 satellites — achieve only 10–35% gold recovery via direct CIL in fresh rock and require an additional flotation circuit to produce a gold concentrate for export.

A 2025 scoping study by MineScope and AFX Commodities estimated the incremental capital at ~A$34m for a flotation circuit addition, with an additional operating cost of A$3.95/t of plant feed. We have excluded all refractory material from our base case mine plan. However, the flotation circuit represents a logical Phase 2 expansion pathway that would unlock the excluded 1.3Moz of satellite resource and extend the mine life to 20+ years — an optionality not captured in our target price.

4. Project Risks

We identify the following material risks to our investment thesis, ranked by estimated NPV impact. Investors should consider these alongside the three-layer risk framework (tonnage discounts, 85% PoD, 0.40× P/NAV) already embedded in our valuation.

4.1 Resource Conversion Failure

Approximately 59–65% of the modelled resource base is classified as Inferred. If the 2026 drilling campaign fails to convert sufficient Inferred material to Indicated, the mine plan shortens and NPV compresses. Our tornado analysis shows GR UG Inferred accounts for ~64% of total downside NPV risk (~A$236m).

Mitigant: Groundrush has a demonstrated production history of 611koz reconciling within 4% of the block model; the mineralisation is structurally continuous along a well-defined plunge; and historical conversion rates at comparable Tanami shear-hosted deposits run 80–90%.

4.2 Gold Price Decline

Gold price is the single largest NPV sensitivity (±A$419m for ±15%). Our base case assumes A$5,500/oz versus spot of ~A$7,000/oz, providing ~A$400m of embedded NPV buffer. However, a sustained reversion to A$4,000–4,500/oz — while unlikely given current macro conditions — would materially compress margins, particularly in the lower-grade early years (Y1–3 at 1.86–2.61 g/t).

Mitigant: even at A$4,250/oz (a 23% discount to our assumption), the project generates a positive NPV; the Scoping Study demonstrated robust economics at A$2,500/oz.

4.3 Funding and Dilution

TAM's PF liquid assets of ~A$28m fall materially short of the ~A$136m required to fund its 50% share of pre-production capital. We project three staged equity raises totalling ~A$235m (including exploration decline, DFS, and construction capital), with dilution concentrated in the pre-FID period. The raise price, quantum, and mix of equity versus project debt remain uncertain and represent a key sensitivity to our NAV/sh estimate.

Mitigant: MGX's strong cash position (~A$497m, nil debt) provides the JV with credible access to development capital without reliance on TAM's balance sheet alone. MGX's stated intention to "fast-track technical studies and permitting" signals capital commitment.

4.4 Groundrush UG ramp-up execution

The mine plan assumes Groundrush UG ramps from 400ktpa in Year 1 to 1,150ktpa by Year 4 across three declines. UG ramp-ups in remote locations are inherently uncertain: ground conditions, ventilation requirements, dewatering, and contractor availability in the Northern Territory can delay development schedules by 6–18 months. The partially completed Central Decline (exploration development past five levels) mitigates some of this risk by providing early stoping access, but conversion from exploration-grade to production-grade infrastructure (ventilation, power, escape ways) introduces execution risk not fully resolved until the DFS.

Mitigant: the OP-overlap strategy fills the mill during the ramp-up with stockpiles and Jims OP, insulating the cash flow profile from UG delays.

4.5 Mill Recommissioning Risk

The CTP mill has been on care and maintenance for approximately 20 years. While the 2023 PFS assessed refurbishment within the existing footprint, the condition of major mechanical components (ball mill, CIL tanks, pumps, elution circuit, gold room) will not be fully understood until detailed inspection and engineering studies are completed at DFS stage. Cost overruns of 15–25% on refurbishment capital are common in brownfield restarts where equipment condition has degraded beyond initial assessment. Our model assumes A$108m mill capital (A$72/t).

Mitigant: The refurbishment pathway is materially cheaper than greenfield which estimated at A$138m+ for a new 1.5Mtpa plant, or A$92/t based on other CIL comps, with the existing footprint retains all approvals and earthworks.

4.6 Non-Operator Status

TAM holds a 50% economic interest but is a non-operating JV partner with limited control over development timing, capital allocation, or operational decisions. While the incoming MGX partnership brings development-ready capital depth, TAM's influence over the pace and sequencing of project milestones remains structurally constrained. Disagreements between JV partners on study scope, capital deployment, or development strategy could delay FID.

Mitigant: MGX's public statements regarding an accelerated development timeline are aligned with TAM's interests; both parties benefit from advancing the project

4.7 Permitting And Environmental

Mining approvals in the Northern Territory involve both federal (EPBC Act) and NT Government regulatory processes. Jims sits on a previously disturbed tenement (MLS168) and is expected to receive approvals relatively quickly. Ripcord, however, is on undisturbed ground (ML22934) and has not been previously mined — the CTPJV General Manager anticipates approvals will take 1–2 years longer than Jims. Any broader environmental objections, Native Title complications, or heritage issues could delay FID.

Mitigant: most CTP deposits sit on granted mining leases with extensive existing environmental baseline data; the project has operated historically with demonstrated environmental management.

4.8 Grade Dilution on Resource Conversion

Groundrush Inferred material is currently estimated at 3.5 g/t, materially above the Indicated grade of 3.1 g/t. As infill drilling converts Inferred to Indicated, the converted grade may settle closer to 3.0–3.1 g/t. While our tonnage discount framework holds grade constant, the NPV sensitivity analysis shows Groundrush grade is the second-largest valuation lever (±A$329m for ±15%). A 10% grade decline on conversion (3.5 to 3.15 g/t) would reduce recovered ounces by ~50koz and NPV by ~A$110m.

Mitigant: grade dilution is partially offset by the structural controls at Groundrush, where mineralisation is hosted in well-defined, steeply-dipping lodes with consistent grade tenor across multiple drilling campaigns.

4.9 Remoteness And Logistics

The CTP is located 650km northwest of Alice Springs in a remote region with limited local infrastructure. Wet season access constraints (December–March) affect road freight and drilling operations. Contractor availability, fuel costs, and fly-in/fly-out labour premiums are structurally higher than for Goldfields-based operations.

Mitigant: these are known and quantifiable costs already reflected in our opex assumptions (NT 10% contingency applied to all mining costs); Newmont's adjacent Tanami operation has demonstrated that world-class gold mining is operationally viable in this region at scale.

4.10 Geotechnical And Water Risk

Historical open pit mining at several CTP deposits experienced pit wall failures and water inflows (notably at Beaver, Bonsai and Jims Central, which was abandoned due to reconciliation failures). Underground mining at Groundrush will encounter different geotechnical conditions than the historic open pit. While the multi-decline design provides redundancy, significant ground control issues in one or more declines could disrupt production. No comprehensive geotechnical study for underground mining has been completed — this is a DFS deliverable.

Mitigant: the exploration decline will provide critical geotechnical data from actual underground exposure, informing the DFS mine design before production commitments are made.

5. Management

Arthur Dew, Chairman & Non-Executive Director

Arthur Dew is a University of Sydney–qualified lawyer and non-practising Barrister with extensive public company governance experience across Australia and Hong Kong. He currently serves as Chairman and Non-Executive Director of HKEX-listed Allied Group Ltd, APAC Resources Ltd and Dragon Mining Ltd, and has previously held senior board roles with Tian An Australia Ltd (ASX: TIA), Allied Properties (H.K.) Ltd and SHK Hong Kong Industries Ltd. His background reflects deep capital markets, regulatory and cross-border corporate expertise.

Brett Smith, Non-Executive Director

Brett Smith is a chemical engineer (Hons, University of Melbourne) with an MBA (Henley, UK) and over 32 years' international experience in engineering, construction and mineral processing across coal, iron ore, and base and precious metals projects. He is Executive Director of Metals X Limited (ASX: MLX) and Dragon Mining Limited (HKEX: 1712), and a Non-Executive Director of Prodigy Gold NL (ASX: PRX), Nico Resources Limited (ASX: NC1) and Elementos Limited (ASX: ELT).

Brett Montgomery, Non-Executive Director

Brett Montgomery brings extensive experience in ASX-listed mining companies, having previously served as Managing Director of Kalimantan Gold NL, Director of Grants Patch Mining Limited, and Chairman and Joint Managing Director of Eurogold Limited. He is currently a Non-Executive Director of AIC Mines Limited (ASX: A1M) and Non-Executive Chairman of Asara Resources Limited (ASX: AS1) and Director of Phoenix Gold Fund Ltd.

Carlisle Procter, Non-Executive Director

Carlisle Procter holds Bachelor's and Master's degrees in Economics from the University of Sydney and is a Fellow of the Financial Services Institute of Australasia (FFin.). He spent over 30 years at the Reserve Bank of Australia in senior management roles before consulting to the International Monetary Fund, the Asian Development Bank and private clients across Southeast Asia and the Pacific. He has served on several public company boards and is currently a Non-Executive Director of Dragon Mining Ltd.

Neale Edwards, Non-Executive Director

Neale Edwards is a geologist with over 30 years' experience in mineral exploration and mining, holding a Bachelor of Applied Science (Applied Geology), a Bachelor of Science (Hons) and Fellowship of the Australian Institute of Geoscientists. His experience spans grassroots exploration through to mine development across Australia, the Pacific Rim, northern Africa and northern Europe. He was responsible for significant gold discoveries in Western Australia's Southern Cross Province and played a key role in establishing Dragon Mining Limited (HKEX: 1712) as a Nordic gold producer. He is currently Chief Geologist of Dragon Mining and a Non-Executive Director of Prodigy Gold NL (ASX: PRX).

Daniel Broughton, Chief Financial Officer

Daniel Broughton has served as Chief Financial Officer since September 2014, overseeing financial reporting, corporate compliance and statutory obligations. He brings over 18 years' experience in the financial management of listed mining companies. Mr Broughton holds a Bachelor of Commerce from Murdoch University and a GradDipCA from Chartered Accountants Australia and New Zealand. He is also a Non-Executive Director of Elementos Ltd (ASX: ELT) and a Director of the Bluestone Mines Tasmania Joint Venture (50% owned by Metals X Ltd).

Evolution Capital Ratings System

Recommendation Structure	• **Buy:** The stock is expected to generate a total return of >10% over a 12-month horizon. For stocks classified as 'Speculative', a total return of >30% is expected. • **Hold:** The stock is expected to generate a total return between -10% and +10% over a 12-month horizon. • **Sell:** The stock is expected to generate a total return of <-10% over a 12-month horizon.
Risk Qualifier	• **Speculative:** This qualifier is applied to stocks that bear significantly above-average risk. These can be pre-cash flow companies with nil or prospective operations, companies with only forecast cash flows, and/or those with a stressed balance sheet. Investments in these stocks may carry a high level of capital risk and the potential for material loss.
Other Ratings:	• **Under Review (UR):** The rating and price target have been temporarily suppressed due to market events or other short-term reasons to allow the analyst to more fully consider their view. • **Suspended (S):** Coverage of the stock has been suspended due to market events or other reasons that make coverage impracticable. The previous rating and price target should no longer be relied upon. • **Not Covered (NC):** Evolution Capital does not cover this company and provides no investment view.

Expected total return represents the upside or downside differential between the current share price and the price target, plus the expected next 12-month dividend yield for the company. Price targets are based on a 12-month time frame.

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