

ASX RELEASE // 15 January 2024

MetalsTech Receives First Offer Sturec Gold Mine, Slovakia Multiple Parties Remain in Data Room

HIGHLIGHTS

- MTC has received a non-binding offer from Canadian private equity group 'Trans Metal Fund' to acquire all the issued capital of Ortac Resources (UK) Limited, a wholly owned subsidiary of MetalsTech that holds 100% ownership of the Sturec Gold Project in Slovakia
- Proposed consideration includes US\$36 million cash (~A\$53.6 million) on completion, US\$20 million cash payable upon receipt of an underground mining activity permit (which the Company expects to have granted in Q1 this year) and a further deferred US\$25 million lump sum cash payment in lieu of a retained royalty following the restart of commercial production at Sturec for a total offer of US\$81 million (~A\$120.7 million)
- MTC makes no comment in respect of the offer other than to advise that it is considering all its options and prudently navigating the very strong interest that has been generated from the strategic process being undertaken by Minmetals Securities Co., Ltd
- MTC has 188,954,590 fully paid ordinary shares on issue and the 52-week high for the MTC Share price is A\$0.52

MetalsTech Limited (ASX: MTC) (the **Company** or **MTC**) advises that it has received a non-binding offer from Trans Metal Fund LP (**TMF**), a private equity fund focusing on global natural resource opportunities headquartered in Toronto, Canada, to acquire the Sturec Gold Project via the acquisition of all the issued capital of the Company's wholly owned subsidiary, Ortac Resources (UK) Limited (**Target**).

This offer is the first to emerge from the Company's strategic process being undertaken in conjunction with Minmetals Securities Co., Ltd and various discussions with potential transaction counterparties.

About Trans Metal Fund LP

TMF is a private equity fund focusing on global natural resource opportunities headquartered in Toronto, Canada, backed by Canadian and Asian based institutional investors and managed by a group of well-known mining experts all with more than 20 years of experience as mining executives and a strong operational track record.

TMF currently manages approximately US\$500 million in total assets, including two large-scale operating polymetallic mines in Canada.



The Company will continue to update shareholders on the progress of discussions with TMF and the strategic process generally.

Proposed Transaction Summary

Subject to proceeding to Definitive Agreements (and the terms of such agreements) as well as any required regulatory approvals (including MTC shareholder approval), TMF proposes to acquire all issued and outstanding shares of the Target for the following consideration:

- an upfront cash payment of **US\$36,000,000** in cash on closing (equivalent to approximately A\$0.284 per Share);
- a further **US\$20,000,000** in cash upon the granting of an underground mining activity permit on reasonable terms and conditions as set forth in the Definitive Agreement (equivalent to approximately A\$0.158 per Share); and
- MTC will also retain a 2% gross overriding royalty on the revenue of the Project (the Royalty) which MTC may at its sole discretion elect to convert to a further lump sum cash payment of **US\$25,000,000 (Royalty Conversion Amount)** following commencement of Commercial Production at the Project (later defined), less any Royalty payments already made (equivalent to approximately A\$0.197 per Share).

The total offer, as described above, equates to US\$81 million (A\$120.7 million) or approximately A\$0.639 per Share on a nominal look-through basis.

For the purpose herein, the **Commercial Production** of the Project shall be deemed to have been achieved when at least 150,000 tonnes of material has been mined from the Project.

After closing, TMF would use all reasonable endeavors to pursue the permitting for the Project and conduct the remaining studies for reserves estimation in order to restart the Commercial Production at the Project as planned. MTC may provide necessary support and supervision to the permitting and development activities.

Offer Financing Conditions

TMF obligations under the Definitive Agreements will not be subject to any financing conditions and would be funded from internal cash reserves.

Other Terms & Conditions

Customary for a transaction of this nature.

The Company will continue to keep the market informed of any material developments in accordance with its continuous disclosure requirements.

The Company notes that its dividend policy is to consider returning to shareholders, 85% of any significant funds received from any transaction that emerged from the strategic process.

ENDS

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ASX: MTC

This announcement has been authorised by the Board of Directors of MetalsTech Limited.

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CAUTION REGARDING FORWARD-LOOKING STATEMENTS

This document contains forward-looking statements concerning MetalsTech. Forward-looking statements are not statements of historical fact and actual events and results may differ materially from those described in the forward-looking statements as a result of a variety of risks, uncertainties and other factors. Forward-looking statements are inherently subject to business, economic, competitive, political and social uncertainties and contingencies. Many factors could cause the Company's actual results to differ materially from those expressed or implied in any forward-looking information provided by the Company, or on behalf of, the Company. Such factors include, among other things, risks relating to additional funding requirements, metal prices, exploration, development and operating risks, competition, production risks, regulatory restrictions, including environmental regulation and liability and potential title disputes.

Forward looking statements in this document are based on the company's beliefs, opinions and estimates of MetalsTech as of the dates the forward-looking statements are made, and no obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.

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