

27 November 2025

Boab Metals agrees Binding Terms for A\$236 million Debt Facility to develop the Sorby Hills Project

Boab Metals Limited (ASX: BML) ("**Boab**" or "**the Company**") is pleased to announce that it has entered a binding commitment with Merricks Capital Pty Limited ("**Merricks Capital**") and Davidson Kempner Capital Management LP ("**Davidson Kempner**") to provide a A\$236 million debt facility to fund the development of the Sorby Hills Silver-Lead Project located in Western Australia ("**Sorby Hills**", the "**Project**").

HIGHLIGHTS

- **Binding commitment executed for a project finance debt facility of up to A\$236 million to develop the Sorby Hills Project.**
- **Clean debt structure - with no warrants, royalties, production linked payments or equity-like features.**
- **The Company is targeting a Final Investment Decision in Q4 2025.**
- **First drawdown of the facility is expected to occur in the second half of 2026.**

Boab Managing Director and CEO, Simon Noon, stated:

"Securing this substantial binding commitment from Merricks Capital and Davidson Kempner is a transformative milestone for the Company and a strong endorsement of the Sorby Hills Project, following a rigorous and thorough due diligence process.

Importantly, the clean debt structure limits shareholder dilution and allows investors to retain full exposure to further silver price upside and associated Project cashflow.

With onsite Early Works having commenced last month, and the tender for the dismantling, relocation and rebuilding of the DeGrussa Processing Plant well in train, we are on track for a Final Investment Decision at Sorby Hills and the ramp-up of project execution activities."

Next Steps

The Company intends to announce the results of the tender for the contract to dismantle, relocate, rebuild and refurbish the DeGrussa Processing Plant in the coming weeks, and subsequently proceed to a Final Investment Decision on the Sorby Hills Project during the balance of this current calendar quarter (Q4 2025).

The debt facility commitment is subject to conditions precedent which are expected to be completed in Q1 2026 with first drawdown expected to occur in the second half of 2026.

Key Terms

Facility Limit	Up to A\$236 million Term Facility, including capitalised interest, fees and cost overrun tranche.
Borrower	Sorby Hills Pty Ltd (a wholly-owned subsidiary of Boab).
Tenor	5 years from Financial Close.
Fixed Interest Rate	12% p.a., paid quarterly and capitalised during construction.
Amortisation	Interest-only for the first 6 months following Project Completion, then quarterly instalments each equal to 5% of the Facility outstanding at Project Completion with the remaining amount paid as a bullet at maturity.
Establishment Fee	3.2% of the Facility Limit.
Conditions to First Drawdown	<ul style="list-style-type: none"> • Customary for facilities of this nature including full form documentation and cost to complete testing.
Financial Covenants	Customary of facilities of this nature including the debt service, loan life and project life cover ratios, maximum gearing ratio and minimum cash balance.
Security	Senior secured over the Project and relevant Project related entities, with guarantees provided by Boab and the relevant Project related entities.
Other Terms	<ul style="list-style-type: none"> • Refinancing / final repayment subject to a 'make whole' of 30 months from execution of full form documentation. • Facility Fee of 2.5% p.a. payable on the outstanding debt balance. • Agreed hedging strategy, to be executed on a rolling 24-month basis.

BurnVoir Corporate Finance is acting as Boab's financial adviser. MinterEllison is acting as Legal Counsel for the Company.



About Merricks Capital

Merricks Capital is an Australian private credit fund manager 100% owned by Regal Partners Limited (RPL:ASX) an ASX listed alternative investment manager with over \$20bn in funds under management (at October 2025). Merricks Capital operates within Regal's income strategies platform providing private credit solutions secured by real assets across Australia and New Zealand. Merricks Capital has expertise spanning mining and resources, energy transition and other specialised infrastructure projects alongside its commercial real estate and agriculture capabilities. Its team structures flexible, asset-backed funding across the project lifecycle, supporting borrowers with timely capital and disciplined risk management.

About Davidson Kempner

Davidson Kempner Capital Management LP is a global investment management firm with over 40 years of experience and a focus on fundamental investing with a multi-strategy approach. Davidson Kempner has more than \$37 billion in assets under management and over 500 employees across eight offices: New York, Philadelphia, London, Dublin, Hong Kong, Shenzhen, Mumbai and Abu Dhabi.

Additional information is available at: www.davidsonkempner.com.

This announcement has been authorised for release by the Board of Boab Metals Limited.

FOR FURTHER INFORMATION, PLEASE CONTACT:

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About Boab Metals Limited

Boab Metals Limited ("**Boab**", ASX: **BML**) is a Western Australian (WA) based exploration and development company. The Company is focused on developing the Sorby Hills Project in WA. Sorby Hills is located 50km from Kununurra in the East Kimberley and has access to existing sealed roads to transport concentrate the 150km from site to the facilities at Wyndham Port. Boab owns a 75% interest in the Project with the remaining 25% interest held by Henan Yuguang Gold & Lead Co. Ltd. Boab holds an option to acquire Yuguang's interest in the Project upon reaching a Final Investment Decision.

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