

16 February 2024

Joint Agreement to Term Sheet Extension for \$11M Sale of Lewis Ponds

- **Extension of time to execute definitive agreements, agreed jointly between the parties**
- **Sale price remains \$11,000,000**
- **Additional non-refundable \$50,000 deposit received by Godolphin**
- **\$2,900,000 initial upfront cash payment is expected to be received by Godolphin in Q1 2024**

Godolphin Resources Limited (ASX: GRL) (**'Godolphin'** or the **'Company'**) advises that it executed a term sheet variation with Minerals Pty Ltd (**Minerals**) to extend the period for execution of the definitive agreements for Minerals' proposed purchase of all of the shares issued by the Company's wholly owned subsidiary, TriAusMin Pty Ltd, the holder of the Company's Lewis Ponds Project (EL5583). The sale includes the Mt Bulga Project (EL8966) in NSW. Further details are in Godolphin's market announcements dated 20 December 2023¹ and 21 December 2023.²

Minerals has paid Godolphin an additional non-refundable cash deposit of \$50,000 (which has been received), resulting in fully paid non-refundable total cash deposits of \$100,000 received by Godolphin.

The extension has been agreed to allow both parties additional time to execute the binding Share Sale and Purchase Agreement (**'SPA'**) and ancillary security documentation.

Total consideration for the sale remains \$11,000,000 in cash, payable in, two (2) non-refundable cash deposits and three (3) other instalments, commencing with an initial upfront payment of \$2,900,000 due in Q1 2024. The proceeds are intended to be used for advancement of the Company's suite of prospective exploration assets, including its flagship Narraburra Rare Earths Project (**'Narraburra'**), and working capital.

The Term Sheet remains subject to various Conditions Precedent, including execution of a binding Share Sale and Purchase Agreement (**'SPA'**) and ancillary security documentation to secure the deferred consideration. Apart from the changes reported by this announcement, there are no changes to the Term Sheet. Further details are contained in the Key Term Summary contained in this announcement.

Management commentary:

Managing Director of Godolphin Resources Ms Jeneta Owens said: *"This transaction represents a major milestone for the Company and provides Godolphin with exceptional staged funding flexibility to support our stated exploration and development strategy. We are working collaboratively with Minerals to complete the necessary sale and security documents as efficiently as possible. We look forward to providing additional updates as due diligence and the binding sale agreements are completed."*

Key Terms Summary:

The key terms of the Term Sheet are:

1. Consideration

¹ (ASX: GRL) 20 December 2023 "Godolphin to Sell Lewis Ponds and Mt Bulga for \$11 Million".

² (ASX: GRL) 21 December 2023 "Term Sheet Supplementary Announcement".



A purchase price of \$11,000,000 which shall be paid in the following instalments:

- (a) \$50,000 non-refundable cash deposit (which has been paid);
- (b) \$50,000 non-refundable cash deposit on signing the variation of term sheet (which has been paid)
- (b) \$2,900,000 cash, expected in Q1 2024
- (c) \$3,000,000 cash, to be paid within twelve (12) months of the date of the SPA;
- (d) \$3,000,000 cash, to be paid within twenty-four (24) months of the date of the SPA; and
- (e) \$2,000,000 cash, to be paid on the earlier of:
 - (i) the date that is five (5) years after the date of the SPA; and
 - (ii) the date that construction starts for a minerals processing plant pertaining to the Lewis Ponds Project or any earlier commercialisation of EL5583 or EL8966.

2. Conditions Precedent

Completion under the SPA will be subject to various Conditions Precedent usual for a transaction of this sort, including:

- (a) execution of definitive legal documentation with the terms of the Proposed Sale, including a Share Sale and Purchase Agreement (SPA) and an appropriate security package to secure payment of the deferred purchase price; and
- (b) the parties having obtained any necessary shareholder, statutory and regulatory approvals and/or waivers (if any) required to undertake the Proposed Sale, including, relevant NSW Ministerial approval for the transfer of effective control in TriAusMin and the transfer of tenements.

<<ENDS>>

This market announcement has been authorised for release to the market by the Board of Godolphin Resources Limited.

For further information regarding Godolphin, please visit <https://godolphinresources.com.au/>

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About Godolphin Resources

Godolphin Resources (ASX: GRL) is an ASX listed resources company, with 100% controlled Australian-based projects in the Lachlan Fold Belt (“LFB”) NSW, a world-class gold-copper province. A strategic focus on critical minerals and green metals through ongoing exploration and development in central west NSW. Currently the Company’s tenements cover over 3,500km² of highly prospective ground focussed on the Lachlan Fold Belt, a highly regarded province for the discovery of Rare Earth Elements, Copper, Gold and Base Metal deposits. Additional prospectivity attributes of GRL tenure include the McPhillamys gold hosting Godolphin Fault and the Boda gold-copper hosting Molong Volcanic Belt.

Godolphin is exploring for clay hosted REE’s in both NSW and QLD, structurally hosted & epithermal gold, base-metal deposits and large, gold-copper Cadia style porphyry deposits in the Lachlan Fold Belt. It is pleasing to be continuing a focus of exploration efforts to define new targets for unlocking the potential of its East Lachlan tenement holdings. Dedicated and systematic exploration efforts across the tenement package is the key to discovery and represents a transformational stage for the Company and its shareholders.