

ASX/ NEWS RELEASE

3 June 2024

UPDATE ON SNOWY RIVER GOLD PROJECT

Fitzroy River Corporation Ltd (**Fitzroy** or the **Company**) is pleased to provide an update on the Snowy River Gold Mine Project (formerly known as the Blackwater Gold Mine Project) (**Snowy River Project**), being developed by Federation Mining Pty Ltd (**Federation**). The Snowy River Project is located near Reefton, on the West Coast of the South Island of New Zealand.

Fitzroy confirms that it has executed documents (**Transaction Documents**) that consent to the transfer of a gold royalty (**Snowy River Royalty**, previously known as the **Blackwater Royalty**) upon the closing of the acquisition, by Tasman Mining Limited (a New Zealand registered Company which is wholly owned by Federation) (**Tasman**), of the Snowy River Project from Oceana Gold (New Zealand) Limited (a New Zealand registered Company which is wholly owned by OceanaGold Corporation (TSX: OGC)) (**OceanaGold**), which is scheduled to close in June 2024. The acquisition by Tasman of the Snow River Project was triggered by the exercise of an option by Tasman to purchase the Snowy River Project from OceanaGold, as announced by Federation on 17 January 2024¹ and by OceanaGold Corporation on 31 January 2024².

The transfer of the Snowy River Royalty is an important step in Federation's work to move the Snowy River Project forward to a decision to mine and gold production within the next two years.

The Snowy River Royalty is a variable 1-3% royalty which, contains a buy-out option that can be exercised by Tasman at any time prior to a decision to mine. The price to acquire the Snowy River Royalty is calculated under a pricing formula which has a baseline value of approximately A\$11.6m at 31 March 2024 (**Buyout Price**) and adjusted quarterly for CPI to the date of payment of the buy-out option. The baseline value in the Transaction Documents having been adjusted for movements in CPI indexed from an initial cost of A\$5.0m from 14 May 1991.

A decision to mine the Snowy River Project is defined in the Transaction Documents as being a date which is 20 business days after the date on which Tasman:

- has access to sufficient funds to complete the development of the Snowy River Project (including construction of the Plant) and to proceed to commercial production; and
- holds in its bank account sufficient funds to pay the Buyout Price.

If the buy-out option is not exercised and the Snowy River project proceeds to commercial production, the operative provisions of the 1-3% royalty deed apply.

There is no guarantee that Tasman will ever make a decision to mine or exercise the buy-out option.

¹ - Federation media release dated 17 January 2024 - (<https://federationmining.com.au/wp-content/uploads/2024/01/FED-Media-Release-January-2024.pdf>)

² - OceanaGold announcement dated 31 January 2024 - <https://investors.oceanagold.com/2024-01-31-OceanaGold-Announces-Sale-of-the-Blackwater-Project-for-US-30M>

Chair of Fitzroy Malcolm McComas said

"This new royalty documentation gives increased certainty to Federation's project economics and funding plans. Fitzroy is impressed with the speedy and safe development of the Snowy River Project by the experienced Federation team."

This announcement has been authorised for release by the Board of Fitzroy.

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