

CONFIDENTIAL

**Keras (Gold) Australia Pty Ltd (Administrators Appointed)
Deed of Company Arrangement Proposal dated 13 September 2024**

Item	Details	
1 Company or Keras Gold	Keras (Gold) Australia Pty Ltd (Administrators Appointed) (ACN 152 080 110)	
	Address:	c/- FTI Consulting Level 47, 152 – 158 St Georges Terrace Perth WA 6000
	Attention:	Hayden White Daniel Woodhouse
	Email:	hayden.white@fticonsulting.com daniel.woodhouse@fticonsulting.com
2 Voluntary Administrators	Hayden White and Daniel Woodhouse in their capacities as joint and several voluntary administrators of the Company	
	Address:	c/- FTI Consulting Level 47, 152 – 158 St Georges Terrace Perth WA 6000
	Attention:	Hayden White Daniel Woodhouse
	Email:	hayden.white@fticonsulting.com daniel.woodhouse@fticonsulting.com
3 Proponent	West Coast Metals Pty Ltd (ACN 680 364 550) or its nominee	
	Address:	c/- Lavan Level 18, 1 William Street Perth WA 6000
	Attention:	Joseph Abberton Carlyn Tan
	Email:	joseph.abberton@lavan.com.au carlyn.tan@lavan.com.au
4 Definitions	4.1	The terms in this term sheet, unless expressly defined otherwise, have the meanings set out in Schedule 1.
5 Status of this Term Sheet	5.1	This Term Sheet sets out the in-principle terms and conditions of a proposed DOCA in respect of the Company. The DOCA will also include provisions that are customary to deeds of company arrangement.
	5.2	This Term Sheet forms the basis of negotiations and agreements to be concluded by the relevant parties in order to formalise the relationship and principles of agreement between the parties.
	5.3	The terms set out in this Term Sheet are not exhaustive and are subject to (among other things): (a) the approval of the terms of this DOCA at a second meeting of each of the creditors of the Company held pursuant to section 439A of the Act; and (b) the agreement and signing by the relevant parties of detailed legally binding documentation in respect of the proposed DOCA.
	5.4	The terms of this Term Sheet are binding.

Item	Details
6 Objects of the DOCA	<p>6.1 The objects of the DOCA are (without limitation):</p> <ul style="list-style-type: none"> (a) to comply with the Act and the resolution of creditors of the Company by which the Company executes the DOCA; (b) to maximise the chance of the Company continuing in existence; (c) to retain as many of the employees of the Company as possible; (d) to facilitate an orderly and cost effective transition of control of the Company to the Proponent; and (e) to provide a better return to the creditors of the Company than would be available to those creditors in a liquidation scenario.
7 Commencement	<p>7.1 The operation of the DOCA will commence from the time the deed is executed by all parties to it.</p>
8 Voluntary Administrators	<p>8.1 The Voluntary Administrators were appointed as voluntary administrators of the Company on the Appointment Date.</p> <p>8.2 If the DOCA is approved at a meeting of the Company's creditors by majority in value and in number, the Voluntary Administrators on execution of the DOCA will become the Deed Administrators of the DOCA.</p>
9 Deed Administrators of the deed (powers, obligations, rights and indemnities)	<p>9.1 The Company appoints the Deed Administrators as deed administrators of the DOCA and they will remain so appointed until the DOCA is terminated or until they are removed in accordance with the DOCA or the Act.</p> <p>9.2 Subject to clause 9.3, during the term of the DOCA the Deed Administrators will also have the power to (amongst other things):</p> <ul style="list-style-type: none"> (a) remove or appoint any officer or director of the Company as provided for under the terms of the DOCA or as otherwise agreed by the Proponent; (b) provide such information concerning the Company to the creditors of the Company as they see fit; (c) at such time, and in such manner as they see fit, gain access to the Company's books, records, or premises as they see fit, and require such information and documents as they see fit from the Company's directors, officers, and employees; and (d) do any thing necessary or convenient for the purpose of exercising their powers to administer the DOCA (including prosecuting and defending any claims in the name of the Company). <p>9.3 Notwithstanding the Prescribed Provisions, during the term of the DOCA, the Deed Administrators will not have the power to:</p> <ul style="list-style-type: none"> (a) sell, assign, transfer or otherwise dispose or part with possession of the issued share of the Company (unless the Proponent consents to such sale, assignment, transfer or disposal); or (b) raise or borrow any money in the Company's name or in their own name on behalf of the Company (unless the Proponent consents to such raising or borrowing). <p>9.4 The Deed Administrators will as far as reasonably practicable (and amongst other things):</p> <ul style="list-style-type: none"> (a) ensure the Company's compliance with the DOCA; and (b) facilitate the establishment of a Creditors' Trust.

Item	Details
	<p>9.5 During the term of the DOCA and Creditors' Trust, the Deed Administrators' and Trustees' obligations are:</p> <ul style="list-style-type: none"> (a) to administer the DOCA and the Creditors' Trust and otherwise to collect, receive, safeguard and administer the Trust Fund prior to its distribution to creditors; (b) to call for and adjudicate upon creditors' proofs of debt in the manner and within the timeframe specified in the DOCA and the Creditors' Trust; (c) to distribute the Trust Fund to creditors in accordance with the DOCA and the Creditors' Trust; and (d) subject to clause 19.2(a), to apply the Trust Fund in payment of any fees owed to or expenses incurred by the Trustees. <p>9.6 In executing the DOCA, exercising the powers conferred by the DOCA and carrying out the duties arising under the DOCA, the Voluntary Administrators and the Deed Administrators are taken to act as agents for and on behalf of the Company.</p> <p>9.7 To the maximum extent permitted by law, the Voluntary Administrators, the Deed Administrators and the Trustees (and any of their agents, partners and employees) shall not be personally liable for (without limitation):</p> <ul style="list-style-type: none"> (a) any debts incurred or claims, demands, actions, loss, damage, costs, charges, expenses or liabilities caused by any act, omission or default on behalf of: <ul style="list-style-type: none"> (i) the Deed Administrators or the Trustees (and any of their agents, partners and employees) in administering the DOCA or the Creditors' Trust or exercising their duties under the DOCA or Creditors' Trust; and (ii) the Company; (b) any other agreements entered into by the parties on or around the date of the DOCA or creation of the Creditors' Trust; or (c) any debts incurred or claims, demands, actions, loss, damage, costs, charges, expenses or liabilities suffered or sustained or incurred by any directors of the Company, officers of the Company, shareholders of the Company or creditors of the Company. <p>9.8 The Proponent agrees to indemnify the Deed Administrators against all debts or claims, demands, actions, loss, damage, costs, charges, expenses or liabilities incurred or arising during the period commencing from the date when control of the Company's affairs reverts to the board pursuant to clause 12.1 and ending on Effectuation or termination of the DOCA (whichever is earlier):</p> <ul style="list-style-type: none"> (a) caused by any act, omission or default by or on behalf of the Company; (b) arising under any agreements entered into by the Company; and (c) suffered or sustained or incurred by any directors of the Company, officers of the Company, shareholders of the Company or creditors of the Company. <p>9.9 The Voluntary Administrators, Deed Administrators and Trustees are to be indemnified out of the assets of the Company and Trust Fund for the Administrators' Liabilities, the Deed Administrators' Liabilities and the Trustees' Liabilities.</p> <p>9.10 The Voluntary Administrators, Deed Administrators and Trustees have a lien over the assets of the Company and Trust Fund to secure their right of indemnity under the DOCA Creditors' Trust and otherwise at law.</p>

Item	Details
	9.11 For the avoidance of doubt, the Deed Administrators may apply to Court in relation to the DOCA.
10 Initial Conditions precedent	<p>10.1 The Initial Conditions Precedent are set out in Schedule 2.</p> <p>10.2 The parties must use all reasonable endeavours to ensure that the Initial Conditions Precedent are satisfied.</p> <p>10.3 Save in respect of the Initial Conditions Precedent numbered 6, 11 and 16, each of the Initial Conditions Precedent in Schedule 2 are for the benefit of the Proponent and can be waived at the discretion of the Proponent.</p> <p>10.4 All of the Initial Conditions Precedent must be satisfied or waived by 30 September 2024 (which date may be extended by the Deed Administrators upon written request from the Proponent).</p>
11 Cash Contribution	<p>11.1 As soon as practicable after execution of the DOCA the Proponent must pay the Cash Contribution to the Deed Administrators to be held on trust.</p> <p>11.2 Upon the satisfaction or waiver of the Initial Conditions Precedent, the Deed Administrators are irrevocably instructed to release the Cash Contribution from trust.</p>
12 Deed Administrators' powers and role after satisfaction of Initial Conditions Precedent	<p>12.1 After satisfaction of the Initial Conditions Precedent and subject to clause 9.8:</p> <p>(a) Control of the Company's affairs will revert to the board of the Company (as reconstituted in accordance with Schedule 2); and</p> <p>(b) The powers and role of the Deed Administrators will be limited to:</p> <p>(i) approving and attending to the appointment of new directors to the Company as instructed by the Proponent; and</p> <p>(ii) doing all things necessary to effectuate the DOCA.</p>
13 Final Conditions Precedent	<p>13.1 Completion of the DOCA will be subject to the satisfaction of the Final Conditions Precedent.</p> <p>13.2 The Final Conditions Precedent are:</p> <p>(a) The satisfaction or waiver of all the Initial Conditions Precedent.</p> <p>(b) The Keras Gold Creditors' Trust Deed being duly executed and the Keras Gold Creditors' Trust being created.</p> <p>(c) The Deed Administrators of Keras Gold capitalising the Keras Gold Creditors' Trust in accordance with the terms of the Keras Gold DOCA.</p> <p>(d) The Calidus Administrators executing and dating the share transfer form to transfer of all of the shares in Keras Gold to the Proponent or its nominee.</p> <p>(e) Execution of the Keras Gold Funding Agreement.</p> <p>(f) Execution of the Keras Gold Debt Reduction Deed.</p> <p>13.3 All of the Final Conditions Precedent must be satisfied by 7 October 2024 (which date may be extended by the Deed Administrators upon written request from the Proponent).</p>
14 Trustees	<p>14.1 The Deed Administrators will become the Trustees of the Creditors' Trust following the execution of the Creditors' Trust Deed.</p> <p>14.2 The purpose of the Creditors' Trust will be to enable certain tasks ordinarily undertaken by the Deed Administrators (including but not limited to, the calling</p>

Item	Details
	<p>for and adjudication of creditors' proofs of debt) to be performed by the Trustees of the Creditors' Trust in order to:</p> <ul style="list-style-type: none"> (a) facilitate the Effectuation and termination of the DOCA according to its terms as efficiently as possible; and (b) allow the Company to be released from external administration and returned to the control of the Proponent as efficiently as possible.
15 Employees	<p>15.1 The Continuing Employees and their entitlements will be preserved and continue to be a liability of the Company following Effectuation.</p> <p>15.2 The Deed Administrators and Proponent will ensure that the financial position of the Company immediately post completion of the DOCA is such that it can satisfy all preserved employee entitlements of the Continuing Employees.</p> <p>15.3 The Company will advise the Deed Administrators of any Non-Continuing Employees prior to Effectuation.</p> <p>15.4 For the avoidance of doubt, and for the purposes of section 444DA(1) of the Act, any eligible employee creditors will be entitled to a priority at least equal to what they would have been entitled to if property were applied in accordance with sections 556, 560 and 561 of the Act.</p>
16 Participating Creditors	<p>16.1 The Participating Creditors are as follows:</p> <ul style="list-style-type: none"> (a) a class of creditors to comprise of any Non-Continuing Employees (Class A); (b) a class of creditors to comprise the creditors set out at Schedule 4 (Class B); and (c) a class of creditors to comprise the creditors set out at Schedule 5 (Class C). <p>16.2 Unless otherwise agreed in writing by the Proponent, the Secured Creditors will be restricted from realising or otherwise dealing with their security interests if they vote in favour of the DOCA.</p>
17 Non-Participating Creditors	<p>17.1 The Non-Participating Creditors are the Secured Creditors.</p> <p>17.2 Except as provided under any Debt Reduction Deed, the Claims of the Non-Participating Creditors will otherwise be uncompromised and remain on the balance sheet of the Company post-Effectuation of the DOCA and will not be discharged or forgiven.</p>
18 Available Property	<p>18.1 The Available Property that will be immediately capitalised on execution of the DOCA to deliver the returns to creditors of the Company outlined in clause 19 below, comprising of the following:</p> <ul style="list-style-type: none"> (a) a contribution by the Proponent in the amount necessary to deliver the returns contemplated by this Term Sheet, comprising the Cash Contribution; (b) any Intercompany Distributions; (c) any cash at bank held by the Administrators on their appointment; (d) any debtors or receipts collected by the Administrators during the administration; (e) forgiveness of all Outstanding Monies under the Loan Facility Agreement; and (f) an amount to reflect the value of the employee entitlements of any continuing employees who are terminated during the administration of the Company;

Item	Details
	<p>18.2 The Available Property will be distributed in the following order of priority:</p> <p>(a) first, to the Deed Administrators, cash of \$203,600, and the forgiveness of all Outstanding Monies owed by the Company to the Proponent under the Loan Facility Agreement to discharge the Administrators' Liabilities and the Deed Administrators' Liabilities;</p> <p>(b) next, the balance to the Trust Fund to be distributed in accordance with clause 19.</p>
19 Trust Fund	<p>19.1 A Creditors' Trust will be established and a fund (the Trust Fund) is to be held by the Trustees which amount will be paid from the funds of the Company following the satisfaction of the Final Conditions Precedent set out in clause 13.</p> <p>19.2 The Trust Fund will be applied in the following order of priority:</p> <p>(a) first, to the Trustees for any amount which they are entitled to be paid or indemnified for under section 443D of the Act estimated to be \$17,500 (exclusive of GST and disbursements); and</p> <p>(b) second, the amount of \$50,000 to any intercompany loan creditors (Class B) to pay up to 2.5 cents for every \$1 owed on a pro rata basis; and</p> <p>(c) third, the amount up to \$15,000 to Class C creditors to pay up to 25 cents for every \$1 owed on a pro rata basis.</p> <p>19.3 Any unclaimed moneys shall be dealt with by the Trustees in accordance with section 544 of the Act as if references in that section to the liquidators were references to the Trustees.</p> <p>19.4 For the avoidance of doubt, no distributions will be made in respect of a Trust Creditor's Claim unless that Trust Creditor's Claim is an Admitted Claim (as defined in the Creditors' Trust).</p> <p>19.5 For the avoidance of doubt, the Trustees will be entitled to remuneration, fees, costs and expenses in addition to the estimated amount stated in clause 19.2(a).</p>
20 Adjustments	<p>20.1 The Voluntary Administrators shall be reimbursed by the Proponent for pre-payments and/or purchase orders they have paid and/or committed to prior to Effectuation that financially benefit the Company post Effectuation.</p>
21 Effectuation of the DOCA	<p>21.1 Upon the date of Effectuation:</p> <p>(a) the DOCA will terminate; and</p> <p>(b) the Participating Creditors' Claims against the Company will be released and forever extinguished.</p> <p>21.2 Following Effectuation, control of the Company will revert to the Proponent and the Deed Administrators will not have any residual obligation or responsibility for the affairs of the Company.</p>
22 Reporting to Creditors	<p>22.1 Except as required by law and clause 9.5(a), the Deed Administrators are not required to report to Creditors. However, the Deed Administrators will advise all Creditors of this Deed becoming effective and may, in their absolute discretion, otherwise report to Creditors at such times as the Deed Administrators consider appropriate and on matters which the Deed Administrators consider ought to be brought to the attention of Creditors.</p>
23 Deed Administrators' Remuneration	<p>23.1 An amount will be made available to make a distribution to the Deed Administrators for their remuneration, fees, expenses and liabilities incurred in respect of (among other things):</p>

Item	Details
	<p>(a) the administration and deed administration of the Company, pursuant to their appointment under section 436A of the Act;</p> <p>(b) the preparation, stamping, execution and administration of the DOCA, pursuant to the provisions of the DOCA; and</p> <p>(c) the transfer of the Trust Fund by the Deed Administrators to the Creditors' Trust (for distribution in accordance with the terms of the Creditors' Trust Deed).</p>
24 Business as usual	24.1 The Voluntary Administrators will use reasonable endeavours to maintain the Company's business on a "business as usual" basis subject to the voluntary administration until Effectuation.
25 Good Faith and Continuing Obligations	<p>25.1 Each of the parties to this Term Sheet agree that they will act in good faith and use all reasonable endeavours to give effect to the transaction contemplated by this Term Sheet.</p> <p>25.2 The Proponent will continue to provide reasonable assistance to the Company in their continued trading operations.</p>
26 Creditors' claims	26.1 All creditors' Claims will be extinguished, except for the Claims of the Non-Participating Creditors.
27 Moneys available for distribution	27.1 Save as set out in clause 18, no money or other property of the Company is available for distribution to the creditors under the DOCA.
28 Moratorium	<p>28.1 Subject to section 444D of the Act, and the terms of the DOCA, during the term of the DOCA each creditor must not, in relation to a Claim against the Company:</p> <p>(a) take or concur in the taking of any steps to wind up the Company;</p> <p>(b) join, or allow to be joined, the Company to any proceedings in which liability may be imposed on the Company (including as a concurrent wrongdoer);</p> <p>(c) exercise any right of set off or cross action to which the creditor would not have been entitled had the Company been wound up (with the winding up taken to have begun on the 'relevant date');</p> <p>(d) institute or prosecute any legal proceedings or enforcement processes in relation to the Company or the Company's property;</p> <p>(e) take any further step (including any step by way of legal or equitable execution) in any proceedings pending against or in relation to the Company at execution of the DOCA; or</p> <p>(f) commence or take any further step in any arbitration commenced prior to the execution of the DOCA against the Company or to which the Company is a party.</p> <p>28.2 During the term of the DOCA, the Company, their members, their directors and their officers must not make or proceed with any application for an order to wind up the Company or pass any resolution pursuant to section 491 of the Act and the Company directors and officers must not act inconsistently with the terms and objects of the DOCA.</p>
29 Taxation and superannuation liability	29.1 The Company shall at all times, whilst the DOCA remains on foot, ensure that all liabilities under any Commonwealth or State legislation that imposes a taxation liability on the Company and includes but is not limited to the <i>Income Tax Assessment Act 1936</i> (Cth) and the <i>Taxation Administration Act 1953</i> (Cth) and Superannuation Legislation accruing during the period of administration and deed administration are met. .

Item	Details
30 Bar to creditors' Claims and discharge of debt	<p>30.1 Subject to the terms of the DOCA and section 444D of the Act, the DOCA may be pleaded by the Company against any creditor in bar to the creditors' Claims.</p> <p>30.2 Each creditor must accept its entitlements under the DOCA in full satisfaction of any Claims against the Company.</p> <p>30.3 The DOCA may be pleaded as a set-off or in answer to any creditor's Claim against the Company as fully and effectively as if the creditor had executed a binding covenant under seal not to sue.</p>
31 Termination of the DOCA	<p>31.1 Effectuation of this DOCA will occur on the date on which each of the Conditions Precedent have been satisfied (or waived) in accordance with clause 13.3 above, subject to the Deed Administrators' confirmation in writing.</p> <p>31.2 Following:</p> <ul style="list-style-type: none"> (a) Effectuation in accordance with clause 31.1; and (b) satisfaction of the Deed Administrators' right of indemnity at law and pursuant to the DOCA as administrators and deed administrators, <p>and subject to the Deed Administrators' duties and obligations under the DOCA and otherwise, the Deed Administrators may lodge a notice of termination with the ASIC in respect of the DOCA in the form to be specified in the DOCA.</p> <p>31.3 This DOCA will terminate upon the earliest of any of the following:</p> <ul style="list-style-type: none"> (a) the lodgement of a notice pursuant to the terms of the DOCA (and as described above); (b) the passing of a resolution under section 445E of the Act by the Company' creditors to terminate the DOCA at a meeting convened for that purpose; (c) the making of an order by the Court under section 445D of the Act terminating the DOCA; (d) the Deed Administrators, in their discretion, forming the view that there has been a material breach of the DOCA by a party other than the Deed Administrators, which is unable to be remedied within a reasonable time; or (e) if the Final Conditions Precedent are not satisfied or waived by 7 October 2024 (or such later period as agreed by the Proponent by agreement in writing by both the Proponent and the Deed Administrators). <p>31.4 Where, at any meeting, the creditors of the Company resolve to terminate the DOCA and that the Company be wound up, then:</p> <ul style="list-style-type: none"> (a) the DOCA is terminated as at the date of that resolution; and (b) sub-sections 446A(3), and (5) to (7) of the Act shall apply as if the Company were being wound up under section 446A of the Act. <p>31.5 In the event of early termination pursuant to clauses Error! Reference source not found. to 31.3(e):</p> <ul style="list-style-type: none"> (a) liquidators will be appointed to the Company and the Company will be wound up; (b) the Deed Administrators may use the Cash Contribution to discharge the Administrators' Liabilities and the Deed Administrators' Liabilities; and (c) the balance (if any) of the Cash Contribution will be refunded to the Proponent.

Item	Details
	<p>31.6 The termination of the DOCA will not affect:</p> <ul style="list-style-type: none"> (a) the previous operation of the DOCA; or (b) the enforceability of any accrued obligation under the DOCA owed to the Deed Administrators, which the liquidators may enforce as if the liquidators had been party to the DOCA at the execution of the DOCA in the place of the Deed Administrators.
<p>32 Superannuation contribution debts</p>	<p>32.1 The Deed Administrators must determine that the whole of a debt by way of a superannuation contribution is not admissible to prove against the Company if:</p> <ul style="list-style-type: none"> (a) a Superannuation Guarantee Charge: <ul style="list-style-type: none"> (i) has been paid; or (ii) is, or is to be, admissible to prove against the Company; and (b) the Deed Administrators are satisfied that the Superannuation Guarantee Charge is attributable to the whole of the first-mentioned debt. <p>32.2 The Deed Administrators must determine that a particular part of a debt by way of a superannuation contribution is not admissible to prove against the Company if:</p> <ul style="list-style-type: none"> (a) a debt by way of Superannuation Guarantee Charge: <ul style="list-style-type: none"> (i) has been paid; or (ii) is, or is to be, admissible to prove against the Company; and <p>32.3 the Deed Administrators are satisfied that the Superannuation Guarantee Charge is attributable to that part of the first-mentioned debt.</p>
<p>33 Variation</p>	<p>33.1 Save as provided in clauses 10.4, 13.3 and 31.3(e), the DOCA may only be varied:</p> <ul style="list-style-type: none"> (a) by a resolution passed at a meeting of the Creditors convened in accordance with Division 75-10 of the IPS, but only if the variation is not materially different from a proposed variation set out in a notice of meeting; and (b) with written agreement of the parties to the DOCA. <p>33.2 Nothing in the varied DOCA shall limit the operation of sections 445D and 445E of the Act.</p>
<p>34 Meetings</p>	<p>34.1 The Deed Administrators:</p> <ul style="list-style-type: none"> (a) may convene a meeting of Creditors from time to time in accordance with Division 75-10 of the IPS; and (b) must convene such a meeting when required to do so under sections 75-15 or 75-20 of the IPS. <p>34.2 Meetings of creditors of the Company are subject to the rules set out in Division 75 of the IPR, with such modifications as are necessary, to meetings of creditors held under this deed as if references to the 'external administrator' or chairperson, as the case may be, were references to the Deed Administrators.</p>
<p>35 DOCA to supersede</p>	<p>35.1 The terms of the DOCA will supersede this proposal.</p>

Item	Details
36 Governing law of Transaction Documents	36.1 The laws of Western Australia apply and the parties submit to the exclusive jurisdiction of the courts in that State.

Schedule 1 – Definitions

Schedule 2 – Initial Conditions Precedents

Schedule 3 – Employees

No.	Employee name
1.	
2.	
3.	

Schedule 4 – Creditors (Intercompany)

No.	Creditor name
1.	Calidus Resources Limited (Receivers and Managers Appointed) (Administrators Appointed)
2.	Keras (Pilbara) Gold Pty Ltd (Receivers and Managers Appointed) (Administrators Appointed)

Schedule 5 – Creditors (All other creditors)

No.	Creditor name
1.	

Plus any other unsecured creditors not named in any other schedule

Schedule 6 – Notices