



SILICA RESOURCES
A U S T R A L I A

Sustainability Report

Responsibly mining and
manufacturing Australian
critical minerals to power
the global energy
transition and drive
technological innovation

2023-2024



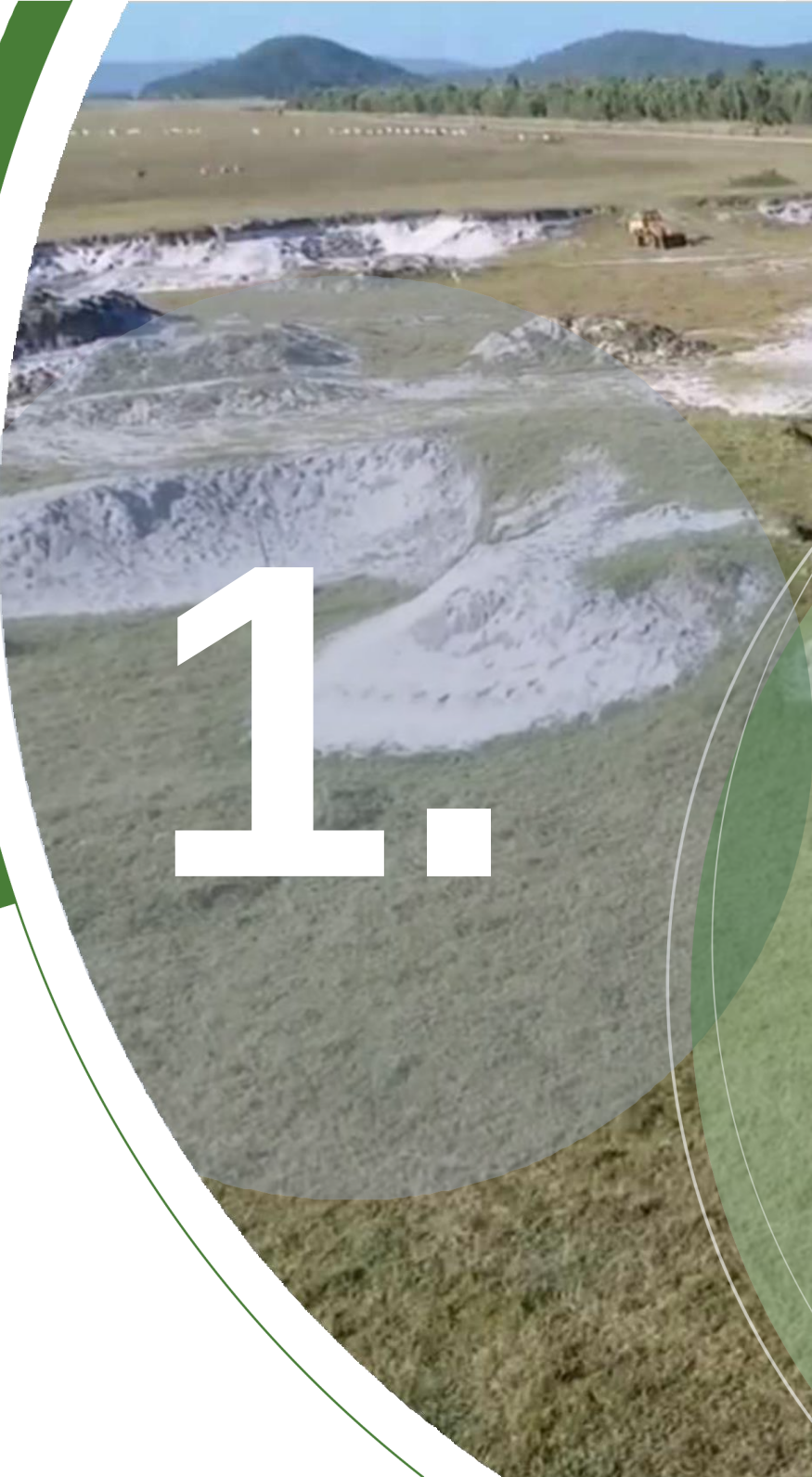
Silica – critical mineral for a sustainable future

Silica Resources Australia respectfully acknowledges the Mamu People, the traditional custodians of the lands that encompass the Mourilyan Silica Sands Project. We pay our respects to their Elders past, present and emerging.

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An aerial photograph of a volcanic crater, likely Mount Merapi in Indonesia, showing a large, dark, and rugged crater floor. The surrounding landscape is a mix of green grass and brownish soil. In the background, there are rolling hills and a clear blue sky. A large, white, stylized number '1.' is overlaid on the center of the image. The image is framed by a thick green curved line on the left and a thinner green curved line on the right, both curving around the central image. The right side of the page is a solid light gray.

1.

An aerial photograph of a large, vibrant green pond, likely a wetland or reservoir. The pond's surface is covered in dense green vegetation. In the background, a line of trees and a clear blue sky are visible. A semi-circular graphic with a green fill and a white outline is positioned over the lower half of the pond. The word "INTRODUCTION" is written in large, white, bold, sans-serif capital letters across the middle of the green area.

INTRODUCTION

About this Report

Silica Resources Australia (SRA ~~or the Company~~) is pleased to present ~~its~~^{our} inaugural sustainability report, ~~which details~~^{ing} our approach and plans for integrating sustainability throughout our business.

This report has been reviewed and approved by SRA's Executive Management and Board of Directors, and covers the period from January 1, 2023 to June 30, 2024.

No external third-party assurance was sought for the contents of this report.

A cautionary note about forward-looking information and statements is presented at the end of this report.

Unless otherwise indicated, all dollar amounts in this report are expressed in Australian dollars.

We look forward to your feedback and invite you to ~~contact~~^{all} us at 1-800-174-542 (1-800-1-SILICA) or info@silicareresources.com.au.

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Letter from the CEO

When we established SRA in 2021, we were drawn by the great potential of the Mourilyan Silica Sands Project (MSSP) in North Queensland to address some of the greatest challenges faced around the globe and within the region. Now that we are on the cusp of bringing this pProject into production, we are excited by the prospect that soon, we will begin to realise this potential and contribute to sustainable ~~the~~ energy transition in a meaningful way.

A high-grade silica deposit with material properties ~~that are~~ inherently suited for producing solar PV cells and fine grain silica flours from a naturally occurring resource, is a rare find. Rarer still is a silica mine site that is as perfectly located as the MSSP. Situated on land that was cleared decades ago for quarrying and agriculture, with existing roads, power, rail lines and the Port of Mourilyan in close proximity means we can keep our environmental footprint low and avoid large, costly construction projects. At the same time, Tropical North Queensland's long and rich history of sugarcane farming and processing gives us an opportunity to recruit talented and skilled individuals from local communities, providing them with stable long-term employment and growth prospects, and to work with local contractors, vendors and industries, thus contributing to the resilience, capacity building, and economic and social development of the region.

The plast two years have been a period of intense activity and development for SRA, and we are proud of what we have accomplished with the support of our team, traditional owners, ~~our~~ consultants, partners, investors, regulators, governments, local communities, and regional development groups. During this time, we have engaged deeply and worked closely with local stakeholders such as ~~like~~ the Mamu People and local farming landowners; completed a Definitive Feasibility Study (DFS) and started design; achieved fully permitted status for Stage 1 of the pProject; and commenced construction at the MSSP site. In preparation for the beginning of operations, we have also developed ~~been developing~~ robust governance structures, policies and practices ~~that~~ which are grounded in the ethos of sustainability. This is the best way to build a stable and solid foundation for the company as it advances through its next periods of rapid growth and change.

Our corporate vision is to responsibly mine and manufacture Australian critical minerals to power the global energy transition and drive technological innovation. Why is this important? The Australian Government has designated silicon, found within silica sand, as a critical mineral. This, making securing a stable long-term supply of silica a national priority. This is because large quantities of silicon will be needed to address the threat of climate change through rapid deployment of renewable energy technologies such as solar power. We believe that a just energy transition must be powered by responsibly-produced raw materials using sustainable methods and practices, which is exactly what SRA has committed to doing. At the same time, our vision includes not just mining, but also producing high-grade silica flour within Queensland, thus building capacity for a made-in-Australia solar PV supply chain – something the country needs to secure a sustainable future. Our silica products, which we anticipate will be used in the production of high-end glass applications, lithium-ion batteries, semiconductors and high performance, low GHG footprint glass, will be custom designed to drive technological innovation over the projected 50-year life of mine and beyond.

We are pleased to share with you the work that we have been doing over the past 16 months to bring that vision to life in this, our very first Sustainability Report. It is our intention to continue to keep you updated on our progress, challenges and achievements through our annual sustainability reporting program as we continue to grow, learn and develop the Mourilyan Silica Sands Project.



Rob Tindall
CEO



Why the Mourilyan Silica Sands Project?

1.



Rare world-class critical mineral deposit located in Queensland, Australia:

- Rare naturally occurring high-grade silicasand
- Will provide a stable, high quality supply of silica needed for the energy transition over the next 50 years
- Could help position Australia as a leading supplier of responsibly produced critical minerals to the rest of the world
- Supports the development of an Australian solar power industry and supply chains
- Protects Australia's energy sovereignty

2.



Unique material properties for urgently advancing the energy transition from fossil fuels to renewables:

- High quality silica with low iron content ~~that~~which is uniquely suited for use in renewable solar power technology
- Raw materials for future-facing technologies such as high-end glass and silicon wafers for microchips and semiconductors
- Low-carbon and low-energy intensive glass products

3.



Low environmental impact:

- No mining within Environmentally Sensitive Areas, Matters of State Environmental Significance and Matters of State Environmental Significance
- Designed to minimize direct impacts to any nearby protected areas and waterways through the use of protective buffer zones and setbacks
- Situated primarily on already cleared agricultural and quarry land
- Close proximity to existing infrastructure such as roads, power, and rail lines (no major construction required)
- Only 27-km away from the Port of Mourilyan to facilitate ease of transport and reduce transport-related GHG emissions
- Shallow pit mining without the use of explosives or underground mining
- Simple processing without the introduction or generation of hazardous materials or chemicals
- Closed-loop water balance using recycled water to minimize fresh water withdrawals
- Zero tailings, with waste stored in innovative geotubes and sold as an industrial product

4.



Potential for transformative social and economic impacts for the Tropical North Queensland Region:

- Expected to generate more than \$100 million in annual revenues and more than over \$45 million in State royalties over the life of mine
- Long-term year-round employment – 50 direct and 130 indirect FTE positions
- \$6 million total income generation during construction and \$14 million annual income during operation
- Opportunities for training, skills development, contracting, and procurement from local contractors and vendors
- Boost to regional economic development, attracting local investment and entrepreneurship
- Investment in proposed common-user infrastructure at the Port of Mourilyan will benefit other industries in the region and increase export capacity
- Exploring net positive reclamation planning through participatory stakeholder engagement

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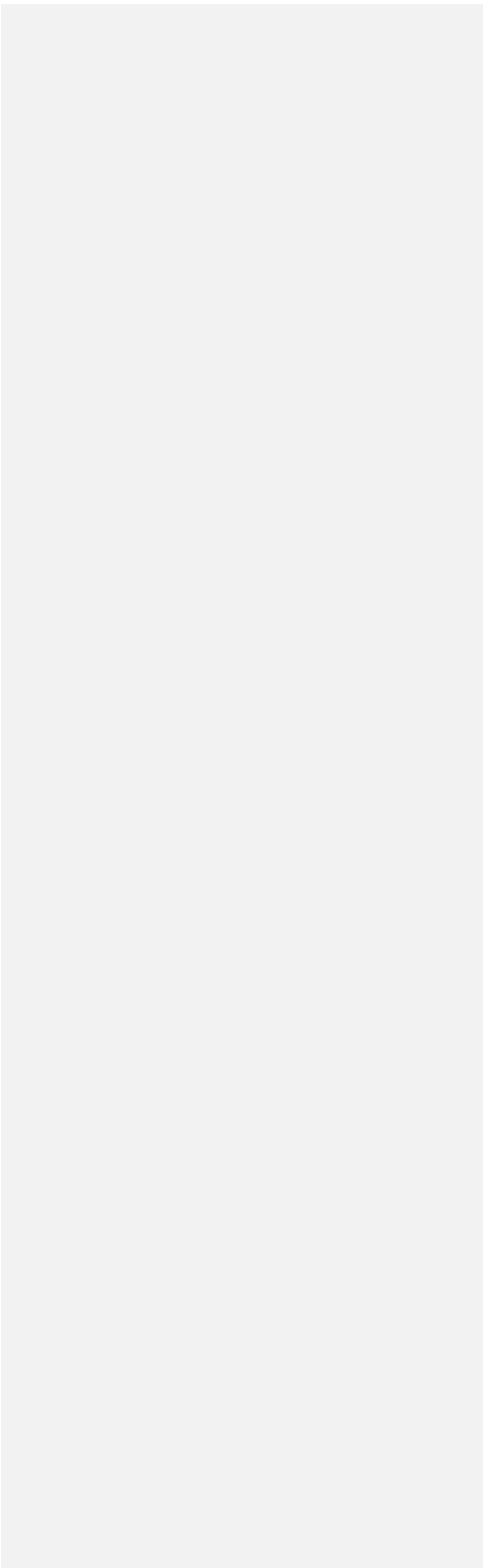
5.



Shovel ready:

- Stage 1 fully permitted
- Advanced construction
- Definitive Feasibility Study completed
- Anticipated to be in operation by end of 2024

SRA is working towards building a legacy that is net positive – leaving the land and community stronger and more resilient than we found it.

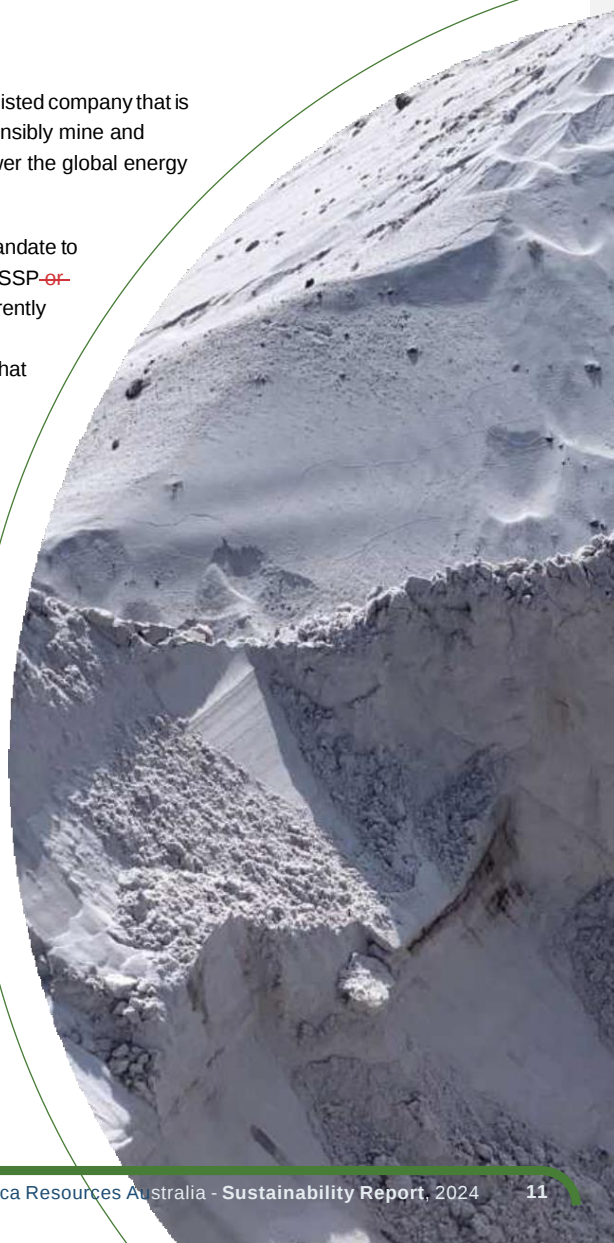


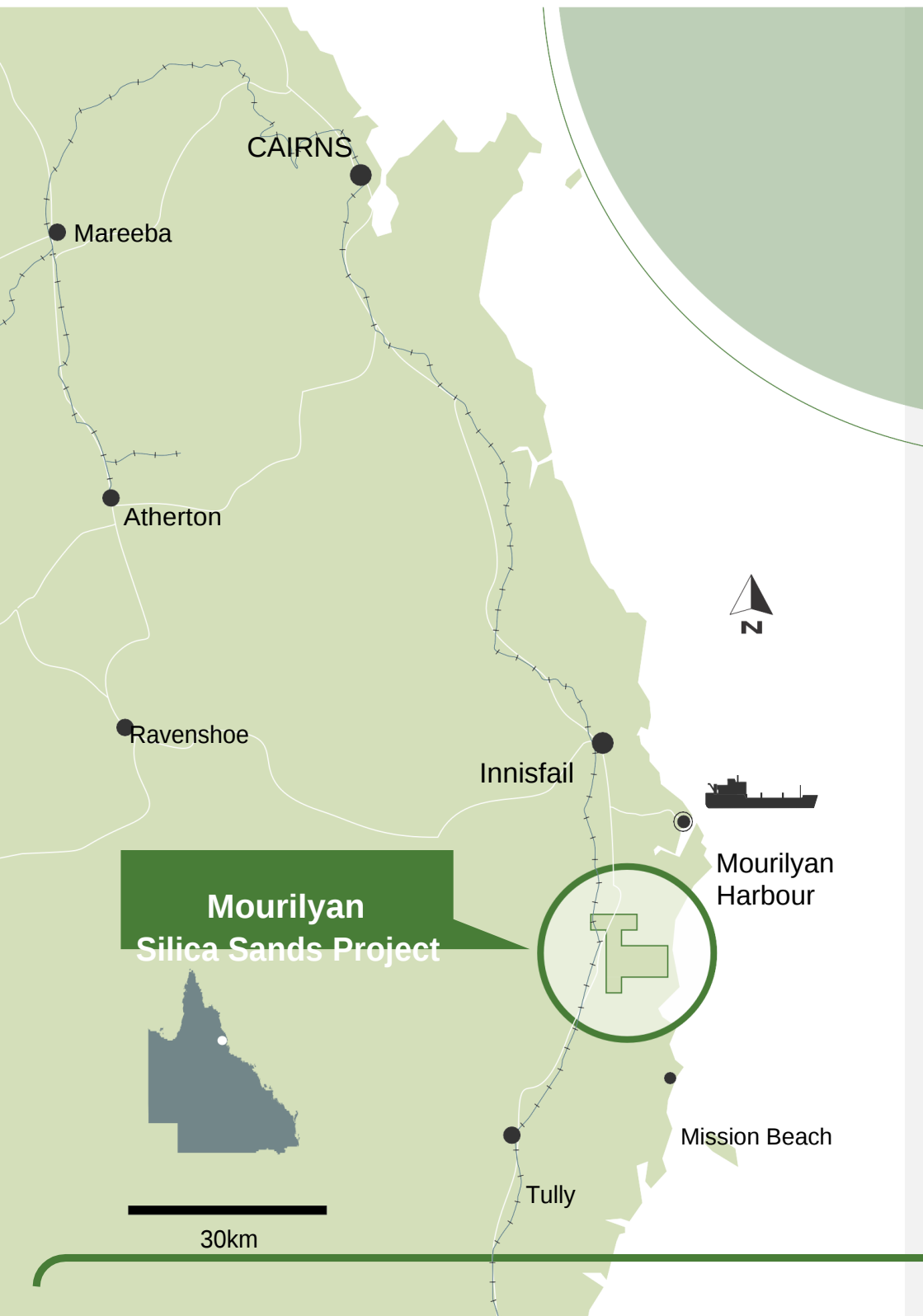
About Silica Resources Australia

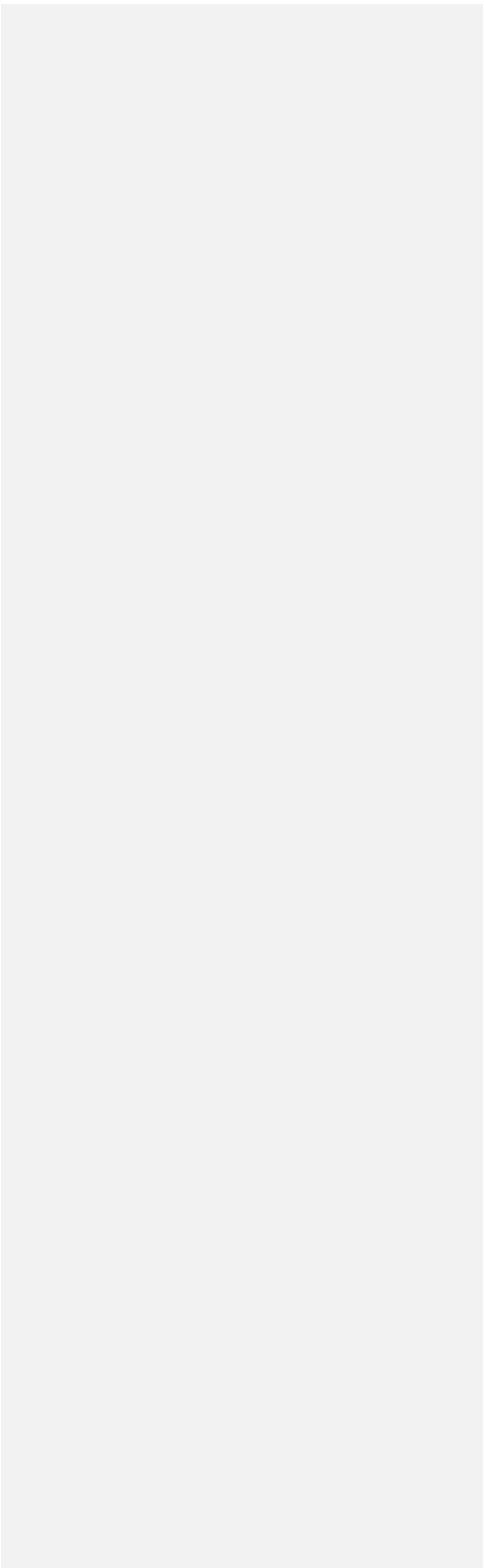
Silica Resources Australia (SRA) is a public, unlisted company that is 100% Australian-owned. Our vision is to responsibly mine and manufacture Australian critical minerals to power the global energy transition and drive technological innovation.

SRA was established in 2021 with a specific mandate to develop the Mourilyan Silica Sands Project (MSSP-~~of the Project~~) in Northern Queensland. SRA currently owns 100% of the shares of Mourilyan Silica Resources (MSR), which holds all the assets that comprise the MSSP.

Under the leadership of a seasoned ~~Board~~ and ~~management~~ team with deep experience in natural resource investment, development and operations, SRA aims to become a leader in responsible mining through respectful and constructive engagement with key stakeholders so that our activities lead to shared value for all parties.







The Mourilyan Silica Sands Project

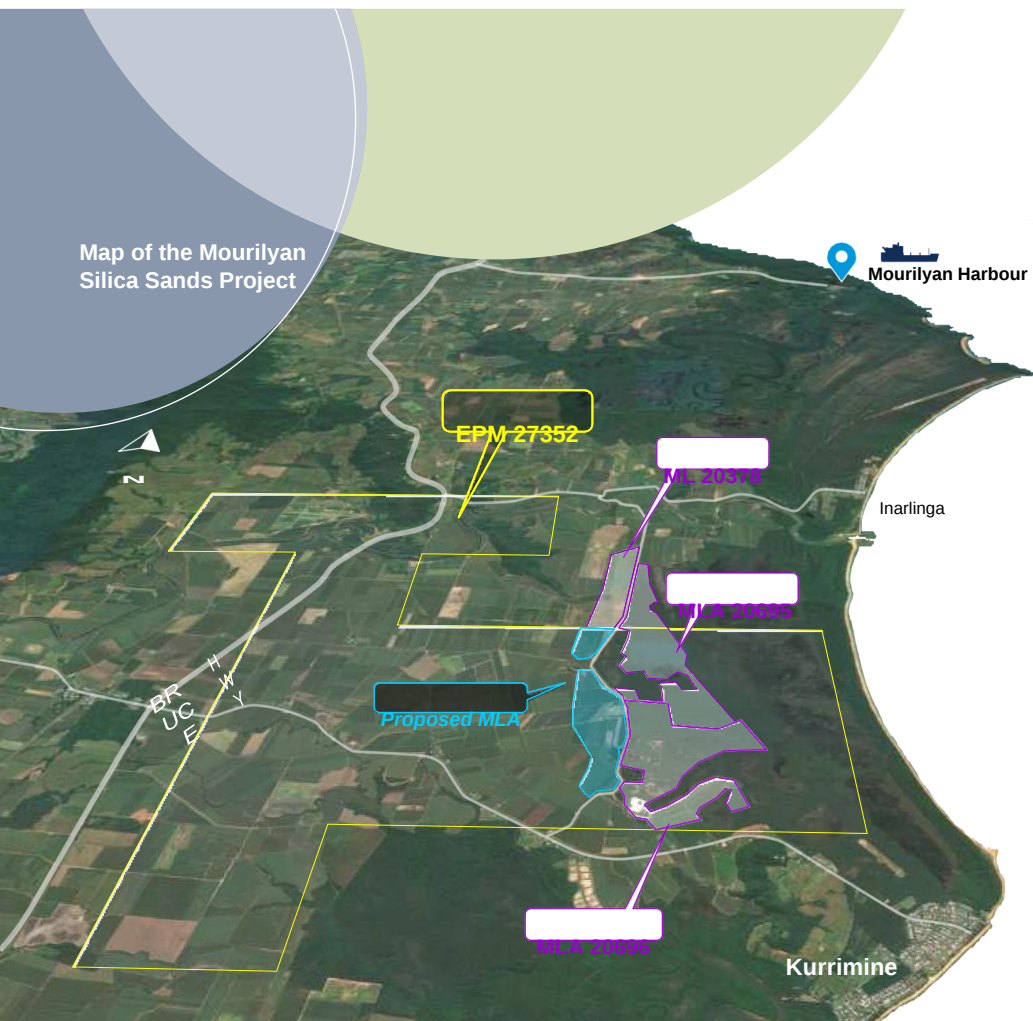
The Mourilyan Silica Sands Project is a high-grade silica sand project located 100-km south of Cairns and 20-km south of the community of Innisfail in North Queensland, Australia. The pProject is currently in construction, having completed a Definitive Feasibility Study (DFS) in March 2024.

Located between Mourilyan Harbour and Kurrimine Beach in the Cassowary Coast Regional Council area, the majority of the site is situated on agricultural land that has previously been cleared for sugarcane cultivation and cattle farming. The unique location of the deposit brings some distinct advantages to the pProject including ready access via the Bruce Highway, well developed local infrastructure including roads, power, and rail lines, and an experienced local workforce with transferable skills from the sugarcane industry. Additionally, the close proximity of the site to the under-utilised Port of Mourilyan, located only 27-km away, provides a convenient way to ship our final silica sand products to both domestic and export markets.

The Mourilyan silica sand deposit was discovered in 1970. For the pLast twenty years, the site has been used as a quarry for construction sand. SRA's exploration activities in the area began in September 2022 through its wholly-owned subsidiary Mourilyan Silica Resources (MSR).

The project is located on freehold land and state land which is the traditional land of the Mamu People. There are several permits and licencses that form the pProject (See Permitting and Compliance Section):

- Mining Licence (ML) 20378 (freehold land)
- Mining Lease Application (MLA) 20695 (Crown Reserve)
- Mining Lease Application (MLA) 20696 (Gravel Reserves)
- Exploration Permit (EPM) 27352
- Environmental Authority (EA) 0001918



The MSSP will comprise of a high-grade silica mine and silica flour processing facility, with an estimated mine life of 50 years. The pProject will take place in two stages:

STAGE 1

Silica will be mined from a permitted site that was formerly a construction sand quarry on freehold land. With a mining licence and all mining

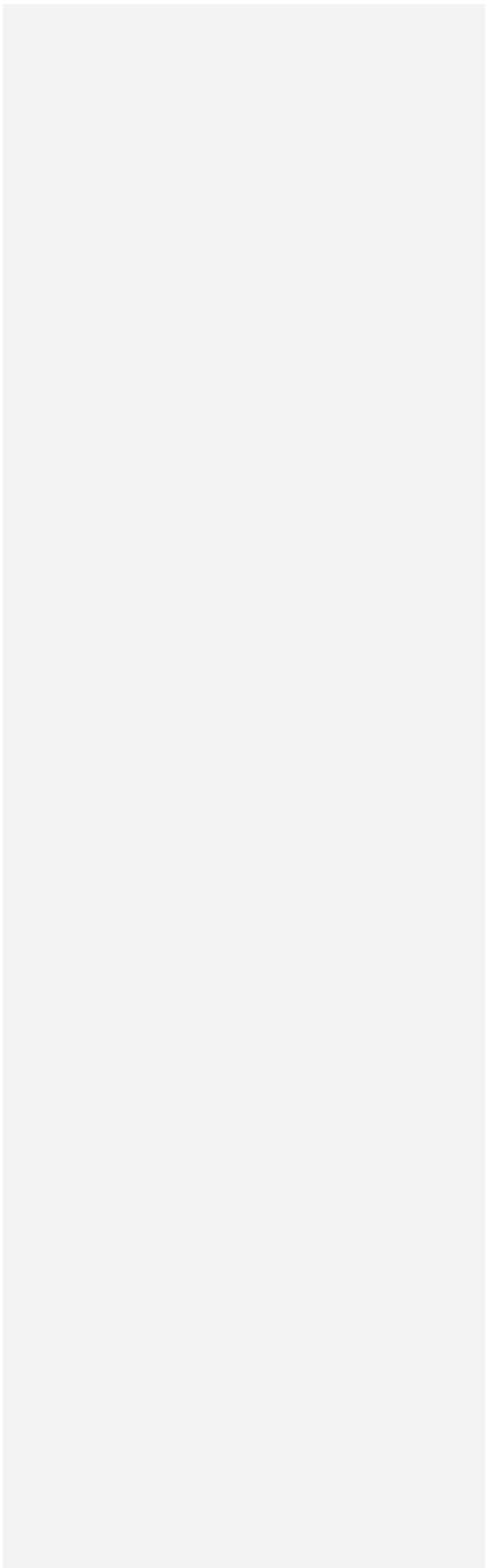
permits already in place, Stage 1 is expected to commence before the end of 2024 and last for nine years. Production is planned to ramp up to approximately 360,000 tonnes per annum (tpa) within the first few years of mining.



SRA has begun the application process for the mining licences for freehold and state land adjacent to the Stage 1 operation. We are working to obtain all appropriate government approvals and conduct all environmental consultations, technical studies, and landholder discussions required before expanding



operations into this area. Stage 2 is anticipated to commence in 2028, subject to approvals and a final investment decision.

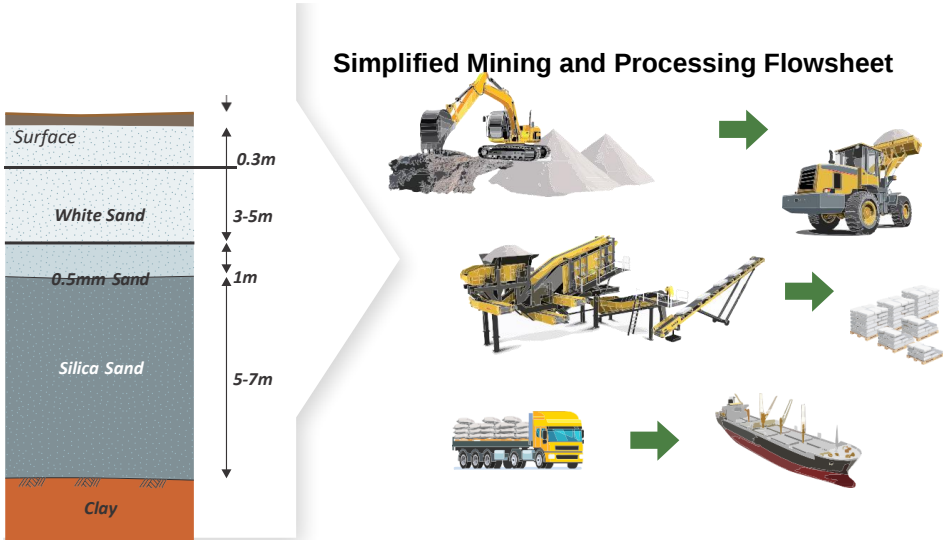


During Stage 1 of the Project, the silica flour and high-purity silica products from the MSSP will be transported by truck to the Port of Mourilyan. Initially, we plan to use a mobile, covered conveyor, on-wharf equipment and ship cranes to load the bulk sand and bags into vessels. Stage 2 may involve the building of common-user infrastructure at the Port of Mourilyan, which would create additional capacity for bulk product loading, thus simultaneously benefiting SRA, the Port of Mourilyan, local communities and other industries in the region.

The mining of silica sand deposits is simpler and has a smaller environmental impact than the mining of precious metals such as gold, silver, platinum or diamonds, or base metals and other critical minerals such as copper, lithium, cobalt, lead or zinc. This is because silica mining doesn't typically require deep underground mining, the use of explosives, or hazardous chemicals such as cyanide.

When mining begins at the MSSP, a topsoil layer of 0.3-m will be carefully removed and stored for use in the progressive rehabilitation of the mine site. The deposit will be mined from the surface using conventional machinery such as excavators and create shallow pits up to 7m deep. Dump trucks and front-end loaders will transport the silica sand to the on-site process plant. In accordance with our environmental approval (EA), we will rehabilitate mined areas on a continuous basis so that any land disturbance is limited to a maximum of five5 hectares-(ha) at a time during the first four years of operation (see Rehabilitation and Legacy Planning Section).

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At the process plant, the sand will be washed to remove impurities and screened to separate different particles and purities of silica. Some higher-purity silica will be ground to make products of different size fractions. These products will be used in a range of future-facing energy transition technologies including solar and IT applications (See Silica and SRA Section).

At the end of the processing stage, there will be a wet, fine, sand by-product. This fine sand will be placed inside geotube bags which are very effective at filtering out water. The filtered water will be circulated back into the processing plant, while the sand in the geotube bags will be sold to produce a heavy mineral concentrate containing ilmenite, rutile, and zircon. This will result in a mining operation with effectively zero mine waste, avoiding the requirement to build and maintain the type of costly permanent on-site tailings storage facility ~~that you would find~~found at most mining operations (see Environmental Section).





Silica and SRA

What is Silica

Silicon dioxide (SiO₂), commonly known as silica, is a naturally occurring oxide of silicon. It is commonly found within quartz deposits and sand deposits around the world. Although silica sand is abundant, high-grade silica sand, such as that found within the MSSP, is a relatively rare occurrence. High-grade silica sand is highly sought after due to its unique properties that make it ideal for use in solar photovoltaic (PV) technology, high-end glass, and silicon wafers for microchips and other technologies.

Silica's Strategic Importance

Silicon, which is the key building block of silica, has been identified as a critical mineral by the governments of Australia, the European Union, Japan and India.

In Australia, a mineral is listed as critical if it is:

- Essential in enabling modern technologies, economies or national security. This includes minerals that are essential to the energy transition.
- Potentially at risk due to geological availability or supply chain factors which may threaten a steady source of supply such as disruptions to global shipping routes, logistics, geopolitics, trade issues, global conflicts, or pandemics.

The Australian Government has designated 26 minerals as critical, including silicon, lithium, cobalt, titanium, graphite and rare earths. The growing demand for critical minerals around the world presents a significant economic opportunity for Australia and Australian producers of these important raw materials.

[Australia's 2021 Critical Energy Minerals Roadmap](#) aims to secure these critical minerals for domestic use, while positioning the country as a leading global supplier of responsibly-produced critical minerals for the rest of the world.

While silica is commonly used in the construction, food, cosmetic, and pharmaceutical industries, it is the pivotal role that it plays in the production of glass, ceramics, fibre-optics, and semiconductors that makes it critical. Silica is a primary ingredient in manufacturing components used in solar panels, IT equipment, and automobiles. These silica-driven technologies will play a major role in addressing the most challenging issues of our times.

Where will SRA's Silica Products be Used

SRA was established ~~specifically~~ with a mandate to responsibly extract and process high-grade Australian silica sand for critical future-facing technologies. Central to our mission is ensuring a stable, high quality, domestic supply of ethically produced raw materials over the next 50 years. These raw materials will be essential for addressing major societal issues such as the transition to renewable energy, the scaling up of beneficial technological advancements, and protecting national interests during periods of geopolitical instability.

The MSSP deposit is a rare find. The following unique characteristics of the MSSP present an unparalleled opportunity for Australia to contribute to the energy transition:

- Solar PV glass requires high quality silica with a low iron content. The Mourilyan silica sand deposit is ideal for ~~the~~ manufacturing ~~of~~ PV glass components.
- The Mourilyan deposit is located on land that is easily accessible. The Stage 1 land has already been cleared due to its long history of agricultural use. Most other high grade silica sand deposits, particularly in Australia, are located in environmentally sensitive and protected areas, and therefore, would be inaccessible for mining or incur a very high environmental toll.
- The existing infrastructure around the site means that the ~~p~~Project can be developed with a smaller environmental footprint (i.e., no additional clearing for building of roads, etc. is required) than a remote greenfield site.
- The close proximity of the site to the Port of Mourilyan results in relatively short transport distances, which translates into lower GHG emissions and costs associated with trucking, and with shipping to nearby Asian markets.

These silica-driven technologies will play a major role in addressing the most challenging issues of our times

- The inherent characteristics of various MSSP products have the potential to reduce the carbon footprint of glass manufacturing processes. For example, the low iron, low chromite content and fine grain size of the MSSP glass sand means glass manufacturers can reduce melting times, thus using less energy and reducing associated GHG emissions and costs associated with glass production.

It is envisaged that, once in operation, the MSSP will produce a range of products including the following:

- Low Iron Thin Film Transistor (TFT) glass sand and flour used in glass manufacturing in the automotive and technology industries.
- Low Iron Photovoltaic (PV) sand used for manufacturing solar PV cells.
- 75 – 150 micron silica flour used for ceramics, paints, fibreglassing and high end optical glass.
- Fine grind silica flour for specialty uses such as solar wafers, solid state ~~and~~ lithium-ion batteries and semiconductors.
- Industrial (waste) sands used to produce heavy metal concentrates.

The size, strength and shape of the MSSP sand will make SRA the only sand producer in Australia qualified to API Standard 19C for proppants used in hydraulic fracturing and gravel packing operations. It is expected that on average, no more than 15% of the MSSP product will be supplied into the oil and gas markets in Queensland and the Northern Territory as proppant sand. Being able to purchase the sand locally from SRA instead of importing the sand from international suppliers has the potential to reduce GHG emissions associated with the transportation of the proppant material to Australian sites. It will also result in lower costs for the natural gas industry which should ultimately reduce energy costs for Australian gas consumers. We see natural gas as a lower-emitting source of energy which will play a critical transitional role in enabling the shift from high carbon fossil fuels ~~such as~~ oil to 100% renewable energy.

SRA is focusing on establishing relationships with reputable companies within Australia and the broader Asia-Pacific region who are aligned with our values and manufacture products that work towards creating sustainable and healthy societies for present and future generations.

Once in operation, the MSSP will ensure that Australia has a ready supply of a much-needed critical mineral and will position the country as a major exporter of silica flour to the Asia-Pacific region. We are also actively exploring ways in which we can help Australia to build domestic capacity and control over its own solar PV supply chain in the near future. SRA is engaged in the Federal Government's recently announced Sunshot Solar Program which is aimed at providing ~~g~~Government assistance to support the development of the solar power industry and supply chains within Australia.

The flexibility of the MSSP design also means that SRA will be able to readily adapt the mix of products it generates to continuously meet the needs of society and domestic and global markets as they evolve over time.



2.



An aerial photograph of a tropical resort. In the background, a large, steep hill covered in dense green forest rises against a blue sky with scattered white clouds. In the middle ground, a long, low building with a light-colored roof and dark walls stretches across the frame. To the right of this building are several smaller, similar structures. In the foreground, a calm body of water, possibly a lake or a large pool, reflects the sky. A small pier or dock extends into the water, with a yellow boat moored nearby. The entire image is overlaid with a semi-transparent green circular shape and two thin white curved lines that sweep across the top and sides. The word "GOVERNANCE" is written in large, white, bold, sans-serif capital letters across the center of the image.

GOVERNANCE

From its inception, SRA has worked to establish a strong foundation based on ethical and transparent governance structures and policies. To us, good governance means being clear and direct in our communications and disclosures, engaging respectfully and fairly with all key stakeholders, and managing resources in a responsible manner that takes into consideration the past, present and future.

Our corporate policies and procedures guide our work and keep us aligned with our vision to responsibly mine and manufacture Australian critical minerals to power the global energy transition and drive technological innovation.

We believe that embedding environmental and social considerations into our governance model is the best way to balance economic, social and environmental sustainability for the following reasons:



Compliance:

Ensures that we comply with all relevant laws, regulations, and best practice industry standards, thus reducing the risk of legal or reputational damage.

Risk Management:

Helps us to identify and mitigate potential environmental, social and governance (ESG) risks before they have an impact on the Company's financial performance and reputation.

Opportunities:

Highlights areas of opportunity that may help the Company to secure a competitive advantage or take a leadership position in the industry.

Long-Term Sustainability:

Encourages us to prioritize long-term sustainability and ESG considerations over short-term gains.

Accountability:

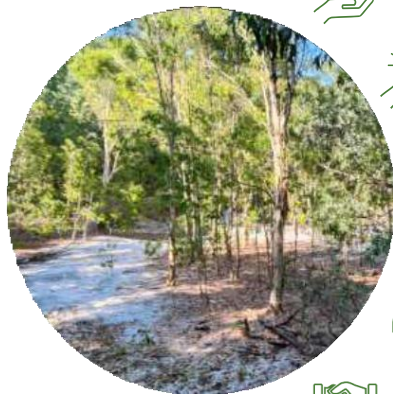
Holds SRA accountable for the Company's actions, thus ensuring transparency and responsible conduct.

Investor Trust:

Builds trust with investors, who have increasingly been demanding ESG considerations in their investment decisions.

Relationships:

Builds relationships with communities and other stakeholders who may be impacted by, or benefit from our operations.



Sustainability at SRA

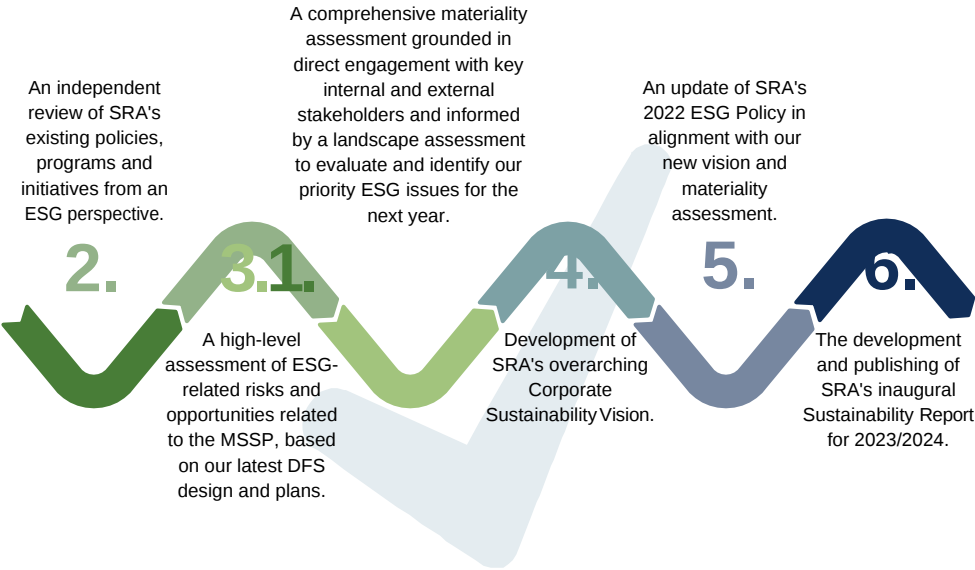
SRA has a corporate mandate to become a leading supplier of ethically-produced critical silica products that will contribute to the creation of a strong, resilient and sustainable future. Our commitment to long-term environmental, social and economic sustainability is central to our decision-making. The ultimate responsibility for embedding sustainability in our operations lies with the Board of Directors.

We are focused on the development of sustainable projects that will:

- Benefit ~~both~~ internal and external stakeholders in a meaningful way over the long-term-
- Minimize or mitigate impacts to the environment-
- Uplift and empower local communities-
- Leave behind positive legacies-

While we ~~have~~already had a Corporate Environmental, Social and Governance (ESG) Policy in place since June 2022, we made a decision in 2023 to embark on a new program to expand our sustainability knowledge and implement best practices in ESG. In 2024, we worked with a specialized third-party sustainability consultant to develop a foundational corporate sustainability program for SRA.

The program included the following elements:



Over the course of the next year, as we transition into construction and then operations at the MSSP, our focus will shift to developing a robust and meaningful ESG reporting program through which we will build a clear understanding of our baseline impacts, develop ambitious targets and strategies to achieve them, and establish effective systems to track our progress ~~so we can continue to improve over time~~for continual improvement.

This work will entail the following:



Materiality Assessment

In 2024, SRA conducted its first ESG Materiality Assessment, with the guidance and assistance of an independent sustainability specialist team and a range of internal and external stakeholders.

A materiality assessment is a process that helps companies ~~to~~ identify and prioritise the ESG issues that matter most to its business and its stakeholders. An ESG issue is considered to be material if it can significantly impact a company's financial performance or reputation, influence the decision-making of its internal and external stakeholders, or have a significant impact on its various stakeholder groups.

Our inaugural materiality assessment was a rigorous, multi-faceted process ~~that~~^{which} considered both internal and external perspectives and was guided by an independent third-party specialist.

SRA's materiality assessment process included the following steps:

1. An independent third-party baseline review of our existing sustainability-related policies, processes, reports, communications and initiatives to develop a list of 21 ESG topics that are relevant to our business and future operations. This included a review of 56 documents such as corporate policies and governance documents, permitting documents, and our 2024 Definitive Feasibility Study Report.
2. A series of one-on-one interviews with a cross-section of our internal and external stakeholders representing senior leadership, board members, management, investors, shareholders, consultants and industry groups, conducted by the independent consultant to encourage unbiased feedback.
3. The qualitative data collected during the interviews and the review of our existing baseline were analysed in a quantitative manner against the list of 21 ESG topics to provide an objective assessment of key areas of focus for SRA versus its stakeholders. This helped us to visuali~~se~~^{size} how perspectives may differ, and identify any blind spots.
4. A high-level ESG landscape assessment was prepared by the consultant to summaris~~e~~^{ize} relevant political, environmental, social, technological, and economic contexts for SRA to take into consideration while determining materiality and during strategy development. These included looking at regional, state and national policies and priorities such as critical minerals, labour and health and safety; international mega-trends such as climate change, diversity, equity and inclusion, and biodiversity; rising industry priorities such as innovation and access to capital; and increasing social expectations around licen~~se~~^{ce} to operate, mental health, and positive legacycreation.
5. A facilitated workshop was held with members of SRA's leadership and management team to rank each of the 21 ESG issues with respect to their importance to SRA and their importance to SRA's stakeholders. The workshop was informed by the results of the baseline analysis, interviews and landscape assessment, and was conducted over a full day with detailed discussions and thoughtful engagement around each of the ESG issues.

SRA believes that all of the 21 ESG topics identified are important ~~for us~~ to consider as we continue to build a socially, environmentally and economically ~~responsible~~ company over the next few years. As it is impossible and unwise for a company to deeply focus on too many issues at the same time, the materiality assessment process assisted us in identifying the highest priority issues ~~for us~~ to focus on over the next year, based on our current stage of development. The results are reflected in our materiality assessment matrix.

SRA's 2024 Materiality Assessment Matrix



The results of our 2024 materiality assessment will be used to:

- Guide our sustainability reporting, ensuring that we report on what is most material to SRA-
- Inform our sustainability strategy development, ~~so that we can~~ focus on what is most at stake-
- Engage in dialogue with our internal and external stakeholders ~~so that we can~~ to get to know them better and strengthen our relationships-
- Look beyond economic drivers to uncover new opportunities and partnerships that create shared value-
- Align our internal and external communications ~~to so we can~~ continue to building the sustainability culture we envision for SRA-
- Prepare for upcoming regulatory and public disclosures-
- Meet and exceed stakeholder expectations-

The next few years will be a time of immense growth for SRA as we ramp up construction and production at the MSSP. As a result, we anticipate that some of our material topics will see a significant shift in prioritisation over time, with some becoming more important as we begin mining and others becoming less important once we establish additional policies and procedures. We plan to revisit and update our materiality assessments on a regular basis as conditions change, to ensure that we always have a good understanding of what is important for our business and where we need to focus.

Board Governance

SRA's Board of Directors bring to the ~~c~~Company a wealth of experience in funding, developing, and operating natural resource projects in Australia and around the world. The ~~b~~Board comprises of an executive ~~c~~Chair, an executive ~~d~~irector who also serves as SRA's Managing Director and CEO, and three non-executive ~~d~~irectors.

The ~~b~~Board is guided by the overarching SRA Board Charter which outlines its roles and responsibilities and the way in which the ~~b~~Board and ~~m~~Management interact.

A board-level Nomination and Remuneration Committee has been established to ensure that the composition of the ~~b~~Board reflects the appropriate skills, expertise and diversity to provide a sound foundation for decision-making. The ~~c~~Committee is also entrusted with reviewing the performance of the ~~b~~Board and overseeing the ~~b~~Board and ~~m~~Management's remuneration and succession planning, in accordance with the Nomination and Remuneration Committee's Charter.

Corporate Ethics

Maintaining the highest ethical standards in all our business activities is of the utmost importance to SRA. We promote an ethical corporate culture that encourages all employees, management, and bEoard members to interact with each other and all our stakeholders with fairness, honesty and integrity at all times.

Our ethics are reflected in our corporate values:

Values



Our Employee Handbook includes a range of policies to guide ethical behaviour within the **cCompany**. These include, but are not limited to:

- **Code of Conduct** which stipulates that employees must comply with all company policies and procedures, treat colleagues with courtesy and respect, work safely at all times, and adhere to the highest ethical standards in the conduct of their professional and personal affairs-
- **Grievance Policy** which outlines the right of every employee to lodge a complaint if they believe any decision, behaviour or action affecting their employment is unfair-
- **Privacy Policy** which outlines how SRA handles and protects the personal information of employees-
- **Whistleblower Policy** which encourages and provides guidance on the reporting of any instances of suspected unethical, illegal, corrupt, fraudulent, or undesirable conduct involving SRA's business and provides protections and measures to any individual who makes such a disclosure without fear of reprisal-

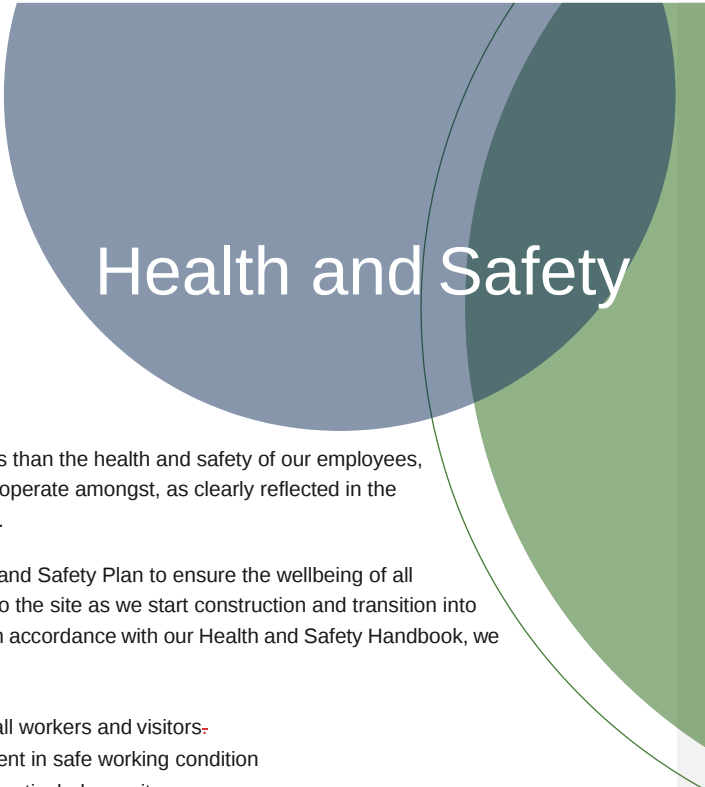
Human Rights

SRA has pledged to uphold the human rights of all individuals who are directly or indirectly impacted by our work. We comply with all applicable local laws and regulations and respect internationally declared human rights.

Our Human Rights Statement outlines the measures we will take to prevent human rights abuses through our business activities. These include:

- Zero tolerance for forced, involuntary, or child labour in our operations and our supply chain-
- Complying with the Workplace Relations Act and other relevant employment laws, as well as drawing on internationally recognised labour principles in how we conduct our business-
- Protecting the health and safety of our employees-
- Ensuring that our work with other parties will not contribute to human rights violations-

Included in our Employee Handbook is our Discrimination, Harassment and Bullying Policy. In accordance with the **pPolicy**, SRA will not tolerate any form of unlawful discrimination, harassment, vilification or victimisation from or towards any employee, contractor or visitor to the workplace. The **pPolicy** defines different forms of discrimination, harassment and bullying to ensure that its intent is well understood by all SRA employees, contractors and visitors. Employees found in breach of the **pPolicy** will be subject to disciplinary action up to and including termination of employment, while contractors and visitors in breach may be removed from the workplace.



Health and Safety

Nothing is of greater importance to us than the health and safety of our employees, contractors and the communities we operate amongst, as clearly reflected in the results of our materiality assessment.

SRA has developed a robust Health and Safety Plan to ensure the wellbeing of all employees, contractors and visitors to the site as we start construction and transition into the operational phase of the MSSP. In accordance with our Health and Safety Handbook, we commit to the following:

- Providing a safe environment for all workers and visitors-
- Maintaining buildings and equipment in safe working condition
- Managing risks in the workplace, particularly on-site
- Developing, implementing and monitoring safe work practices
- Providing adequate information, instruction and supervision
- Supporting the ongoing training and assessment of workers
- Continuously improving health and safety standards in the workplace-

Our Health and Safety Management System is focused on preventing hazards before they become an issue and includes protocols for clear delineation of responsibilities, consultation, risk management, reporting and management of injuries and incidents, emergency procedures, first aid, training, and inspection.

Dust and Silicosis

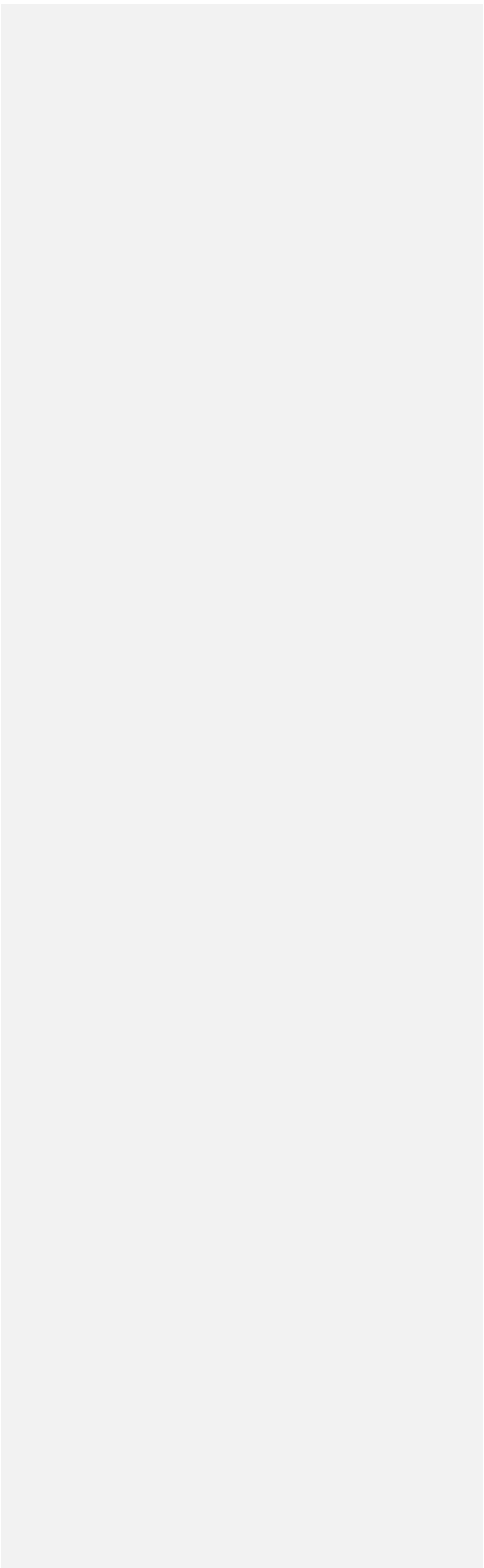
Silicosis is an occupational lung disease caused by the inhalation of crystalline silica dust over a period of time. Silicosis typically occurs in processes where individuals are exposed to very fine silica dust (in the range of 4 microns or smaller) such as during the crushing, cutting, drilling, grinding, sawing or polishing of natural or artificial stone containing silica. In mining, exposure to fine silica usually occurs during pneumatic drilling and during the use of mine explosives. Starting in July 2024, engineered stone will be banned across most of Australia in order to reduce the risk of workers getting silicosis, ~~making~~ Australia ~~is~~ the first country in the world to take this precaution.

Silicosis is entirely preventable through the use of appropriate workplace controls and knowledge. SRA is acutely aware of the serious health risks associated with silicosis and ~~has~~

designed the ~~p~~Project to proactively eliminate and mitigate these risks. By adhering to the most stringent dust management and health and safety standards, we aim to eliminate the risk of silicosis in our operations.

The MSSP will incorporate several key measures to effectively manage dust and mitigate the risk of silicosis throughout the operation. These measures include the following:

- On-site roads and stockpiles will be regularly sprayed with water for dust suppression
- Silica flour will be produced within a controlled environment ~~to which will~~ ensure that any fine particles generated are contained and managed to prevent airborne contamination.
- To further minimise risk, the ~~p~~Project will employ a wet processing method. This approach not only reduces dust generation but also ensures that any small silica particles are captured in a slurry, thus reducing airborne exposure.
- Indoor spaces will be appropriately ventilated and include bag houses to capture and confine any fine particles.
- Routine testing will be conducted to ensure particle sizes remain within acceptable limits.
- Proactive air monitoring will be implemented to ensure compliance with safety standards.
- All ~~of~~ the bulk sand product from the MSSP will be 75 microns or larger, which is too large to be inhaled into the lungs.
- Any products that may have grains finer than 75 microns will be bagged and shipped in containers.



In addition to the engineered controls and Health and Safety Handbook, SRA has developed a Silica Flour Handling Policy and a Silica Dust Management Plan, which will provide detailed guidelines and procedures to ensure the safety of all employees involved in handling silica materials. These plans are based on leading best-practice standards including ISO 45001:2018 for Occupational Health and Safety Management Systems and the Workplace Exposure Standards for Airborne Contaminants set by Safe Work Australia. Key components of the Silica Dust Management Plan include the use of Personal Protective Equipment (PPE) and Respiratory Protective Equipment (RPE) where required. Disposable coveralls and gloves will be used to prevent contamination of clothing, footwear and hands, and half-face negative respirators or powered air-purifying respirators compliant with AS/NZS 1716 standards will be employed as an additional precaution.

SRA is dedicated to maintaining the highest health and safety standards, particularly with respect to silica dust, and continually monitoring and improving dust management practices. By implementing these comprehensive measures, we will ensure a safe and healthy working environment for everyone at the MSSP and mitigate the avoidable risks associated with exposure to silica dust.



The MSSP has been designed to proactively eliminate and mitigate any risks associated with dust and silicosis.

Diversity, Equity and Inclusion

We strongly believe that fostering a culture that values and strives for diversity, equity and inclusion across all levels and functions of the organisation is fundamentally good business. As we grow over the next few years, our aim is to build a strong, diverse, professional and empowered workforce that authentically represents the community we serve.

By creating an environment where every member of our team feels valued and safe, we will be able to truly learn from each other and benefit from the unique skills, ideas, perspectives, and backgrounds that each individual brings. We recognise that differences in cultural backgrounds, race, ethnicity, disability, age, gender identity and sexual orientation will make us stronger and more innovative as the cCompany grows.

As outlined in our Diversity and Inclusion Policy Statement, SRA has committed to:

- Creating an environment in which Aboriginal and Torres Strait Islander people can find success. In particular, we are committed to working positively with the Mamu Traditional Owners.
- Creating a supportive and enabling culture that recognises the contribution of all genders, and provides opportunities for leadership, career development, flexible work and equal participation.
- Promoting an environment that welcomes, supports, and encourages an inclusive workplace for people with disability or those who are neurodivergent.
- Continuing to build a workforce that respects and values the contributions of our culturally and linguistically diverse staff, who bring a vast range of individual experiences and capabilities valuable to the work we do.
- Promoting value-based behaviours by acting with integrity, respecting each other and appreciating the contribution each person makes to our organisation.
- Providing a safe, open and accepting environment that supports people of all sexualities and gender identities, where staff can bring their authentic selves to work.
- Engaging in ways to retain the corporate knowledge and career experience of our mature workforce, while increasing representation and developing the skills of our younger workforce.

SRA has established a target ~~of to achieve~~ 50% gender equality across all levels of the ~~c~~Company by the time we are fully operational. Our Workplace Gender Equality Strategy outlines a series of actions and targets aligned to the Workplace Gender Equality Act. The ~~s~~Strategy aims to increase opportunities for women throughout SRA's operations and to tackle the chronic lack of female representation in the mining industry.

Key Focus Areas and Objectives of SRA's Workplace Gender Equality Strategy



SRA is dedicated to promoting the inclusion and success of Aboriginal and Torres Strait Islander people within the ~~c~~Company. We aim to ensure that there is at least 10% representation of Indigenous peoples throughout all levels of the ~~c~~Company, when we are in operations.

As outlined in our Australian Indigenous Reconciliation Statement, our vision for a reconciled Australia is a place where the Aboriginal and Torres Strait Islander people of the country are restored to a state of equity, respect and dignity. We will work to deepen our understanding of reconciliation and try to take steps to progress reconciliation as set out by ~~Reconciliation~~ Australia. As a starting point, this will include:

- Building knowledge and relationships with local Indigenous communities around our mining operations to help us understand the importance of reconciliation-
- Implementing cultural competence training for staff and leadership-
- Celebrating National Reconciliation Week (NRW) by providing information and materials to staff and encouraging senior leaders to participate in external events-
- Giving staff the option to work on Australia Day if they wish and taking a day off in lieu. We know that many people have different views about January 26, and we want to respect these different views and attitudes-

Talent Attraction, Retention and Development

Over the next year as SRA enters the construction and production phase of the MSSP, we look forward to growing our team in Queensland.

SRA seeks to establish a culture and practices which will:

Attract

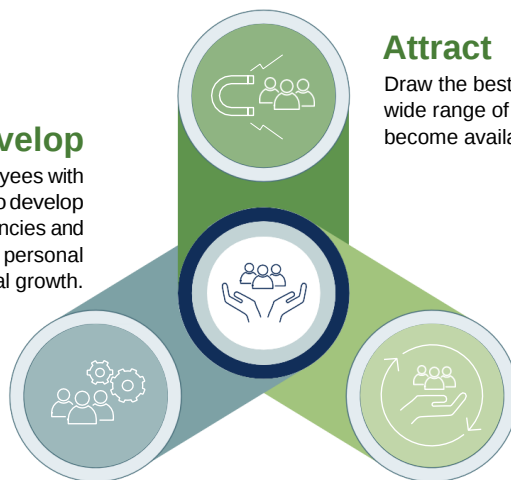
Draw the best candidates for the wide range of positions that will become available.

Retain

Foster an inclusive environment which allows employees to be authentic and participate fully within the cCompany.

Develop

Provide employees with opportunities to develop new skills and competencies and explore new avenues of personal and professional growth.



By employing candidates based on merit and competence, we will build a strong, diverse and capable team that is well-aligned with SRA's values of safety, teamwork, quality and sustainability. We strongly encourage applications from Aboriginal and Torres Strait Islander peoples and local community members for all positions and will promote job postings through the relevant networks.

We believe that employees who are motivated, fulfilled and well-trained are what enables a high performing, successful, effective, and safe operation. Consequently, we will strive to provide ample opportunities for employees to engage in continuous learning and capacity building, and to explore new avenues of growth within the cCompany.



Sustainable Innovation and Circular Economy

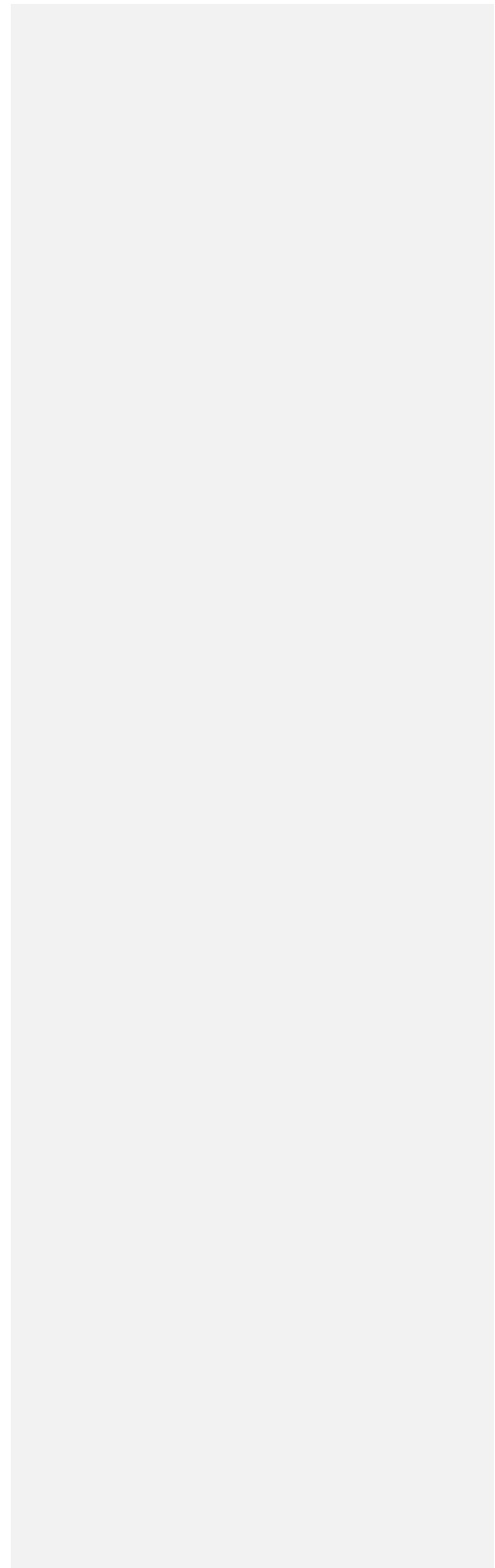
As a natural resource company, it is our responsibility to be good stewards of the resources that we produce and consume. To us,

this means maximizing efficiency, minimizing waste, and finding ways to re-use and re-purpose the resources available to us.

SRA has made a conscious effort to harness sustainable innovation and integrate circular economy principles into the design of the MSSP wherever possible.

- Our innovative use of geotube technology, not typically used in silica mining operations, is a prime example. Using geotubes to capture the fine waste sand at the end of our process serves a multitude of purposes. It eliminates the requirement for an on-site tailings storage facility which is often the largest liability at a conventional mining operation. Avoiding tailings improves operational safety, reduces risk, lowers capital and operating costs, and simplifies mine closure. The water filtered out of the geotubes will be recovered and re-used within the process plant, reducing both freshwater withdrawals and discharges. Selling the fine sand captured in the geotubes to producers of heavy metal concentrates for specialized industrial applications will provide us with additional revenue while supplying local industries with a reliable, nearby source of repurposed raw materials, reducing the demand for newly extracted raw materials and long supply chains, and minimizing transportation-related emissions.
- Another way in which we plan to conserve water is by designing a closed-loop site water balance, which will recycle water to the maximum extent possible. A small on-site make-up water pond will be created to replenish water that is lost to evaporation.
- Leveraging the advantages of our brownfield site, we plan to restore and reuse existing on-site buildings, and utilize pre-existing infrastructure such as roads and transmission lines with the appropriate upgrades, instead of new construction projects.
- Our products are also tailored for use within sustainable technologies and applications, such as glass for solar PV cells. Lab tests have shown that because of the low iron, low chromite content and fine average grain size of our glass sand product, it requires shorter melting times during glass manufacturing. This has immense potential to reduce costs, energy, and GHG emissions for our glass manufacturing customers.
- The use of recyclable polyethylene bags to ship our products to overseas markets allows us to maintain supply chain traceability and high product quality, while mitigating the risk of product contamination.

We are continuously exploring opportunities to contribute to innovative solutions that improve social and/or environmental outcomes.





3.

A photograph of a sand dune, likely at a beach, with a dense line of trees in the background. A semi-transparent green circular overlay covers the lower two-thirds of the image. Two thin white curved lines arc over the top of the dune. The word "SOCIAL" is printed in large, white, sans-serif capital letters across the middle of the green overlay.

SOCIAL



SRA has been working in close partnership with our stakeholders so that together we can build a thriving hub that is socially, economically and environmentally sustainable in the heart of Tropical North Queensland.

With a projected mine life of 50 years, we recognise that the MSSP presents a unique opportunity to contribute meaningfully to the long-term development and revitalisation of the Cassowary Coast Region. SRA has been working in close partnership with our stakeholders so that together we can build a thriving hub that is socially, economically and environmentally sustainable in the heart of Tropical North Queensland.

Our relationships with local and regional stakeholders are central to the work that we do. This includes a broad range of groups with various interests who will impact or be impacted by the Project including neighbouring landowners; traditional owners and local Indigenous communities; local communities in Innisfail, Mourilyan, and along the Cassowary Coast; regional, state and federal government departments; elected government representatives; industry groups; civil society; conservation organisations; academic institutions; employees, contractors, and suppliers; and shareholders and investors.

Our guiding principles for stakeholder engagement, are straightforward:



The MSSP has the potential to be transformative for the region in many ways:

1.



The pProject is expected to ramp up and generate more than \$100 million in revenues each year, and more thanover \$45 million in sState royalties over the life of mine.
2.



The MSSP will position Australia as a major exporter of silica flour, which is required for critical technologies to advance the energy transition such as PV glass, PV wafers and semiconductors, while boosting Australia's onshore mineral processing capability.
3.



The pProject will provide direct and indirect employment, contracting, and supplier opportunities, attract investment in the region, and boost the local economy.
4.



The proposed common-user infrastructure at the Port of Mourilyan will benefit other industries within the region and increase export capacity through the pPort.

Shared value to us means using the MSSP as a vehicle to support the local community; contribute to the economic development of the region; progress First Nations engagement and gender equality in the mining sector; and provide long-term, stable and enriching opportunities for individuals to work and live in Far North Queensland.



Indigenous Relations

SRA acknowledges that the Mamu People are the traditional owners of the land on which the MSSP will be situated.

SRA has been undertaking early, respectful, and constructive engagement with the Mamu People since 2016. We are currently in the process of formalising a Cultural Heritage Management Plan and Native Title Agreement with the Mamu Board and peoples.

The Cultural Heritage Management Plan assesses the potential impact of the MSSP on Aboriginal cultural heritage and outlines the measures that will be taken before, during and after the mining activities to protect Aboriginal cultural heritage within the **pP**roject area.

The Native Title Agreement formalises SRA's commitments to the Mamu People to provide all pertinent information related to the **pP**roject for informed decision-making, and to ensure that the Mamu People are able to participate in, and benefit from, the activities of the **pP**roject.

As per our [Australian Indigenous Reconciliation Statement](#), our vision is for a future where Aboriginal and Torres Strait Islander cultures are fully valued across Australian society and existing social inequalities are eradicated. Working towards this objective, we have made several commitments to ensure that the **pP**roject will benefit the Mamu People in a tangible and sustainable manner and play a constructive role in facilitating their long-term success.

These include:



Economic Participation – Ensuring that the Mamu People benefit directly through royalties on silica production.



Employment Opportunities – Striving to ensure that the Mamu People will comprise at least 10% of the workforce at the MSSP when we are operating. With the support and assistance of the Mamu People, SRA will be able to reach out directly to the Mamu community to promote employment opportunities at the MSSP.



Capacity Building – Establishing scholarship programs and ongoing apprenticeship positions specifically allocated for the Mamu People.



Contracting Opportunities – Developing procurement and contracting policies that encourage increased participation and opportunities for Mamu People beyond our operations – throughout our regional supply chain.

SRA is working to create a workplace culture that facilitates a supportive environment for Aboriginal and Torres Strait people where they are valued, respected, and able to practice and protect their culture in ways that are meaningful to them.



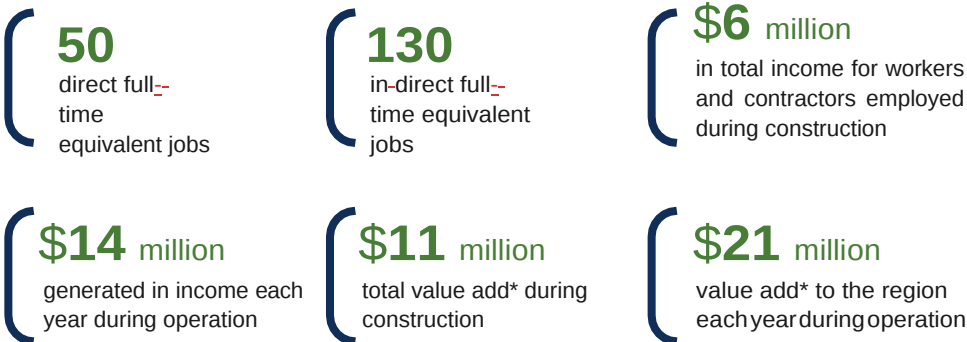
Community Relations

We believe that by working respectfully and constructively with local stakeholders we can support thriving, resilient and future-ready communities.

The **pP**roject is located between Mourilyan Harbour and Kurrimine Beach in the Cassowary Coast Regional Council, near the town of Innisfail. The Mourilyan area has a long and rich agricultural history, with a large portion of the population still involved in the farming and processing of sugarcane. Some of our most important stakeholders are the cane farmers and landowners in and around the MSSP. SRA has been engaging closely with local landowners, famers, and stakeholders with respect to land rights to develop agreements that are mutually beneficial for all parties involved.

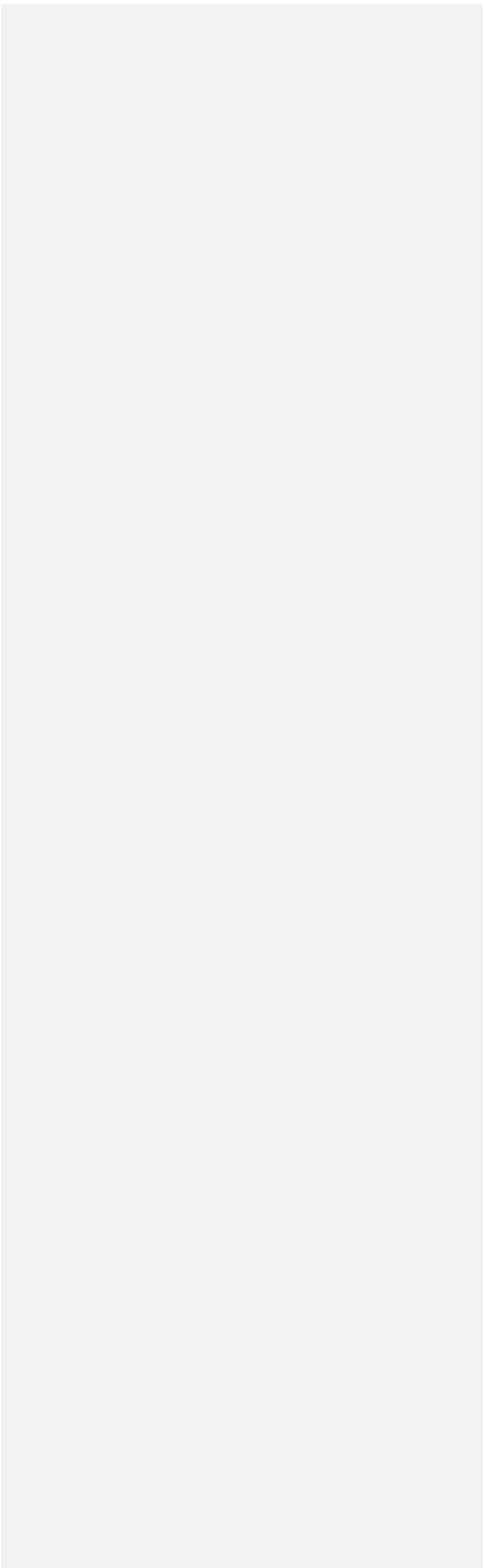
As one of the largest industrial projects to be developed within the Mourilyan region, the MSSP will provide a wide range of opportunities to the local community in the form of direct and indirect employment, procurement, and contracting. The economic and social ripple effects of the mining and processing facilities are expected to extend far beyond the operation itself, creating a wide array of opportunities for local investment and entrepreneurship. With the increased mechanis~~sz~~ation in the sugarcane industry over the ~~p~~last few decades, the MSSP will provide stable long-term opportunities to the currently underutilis~~sz~~ed and often underemployed local workforce who have highly transferable skills.

SRA expects the **pP**roject to generate the following economic and labour benefits across the Cassowary Coast and surrounding areas:



*Value Add was calculated as the value of goods and services produced, after deducting the cost of goods and services used. This represents the incomes and profits generated as a result of economic activity.

We are highly focused on maximis~~sz~~ing the participation of local employees, suppliers, contractors and vendors so that local communities can fully partici~~pateake~~ate in shaping the **pP**roject and in the economic and social benefits of the **pP**roject over the 50-year life of the mine and beyond.



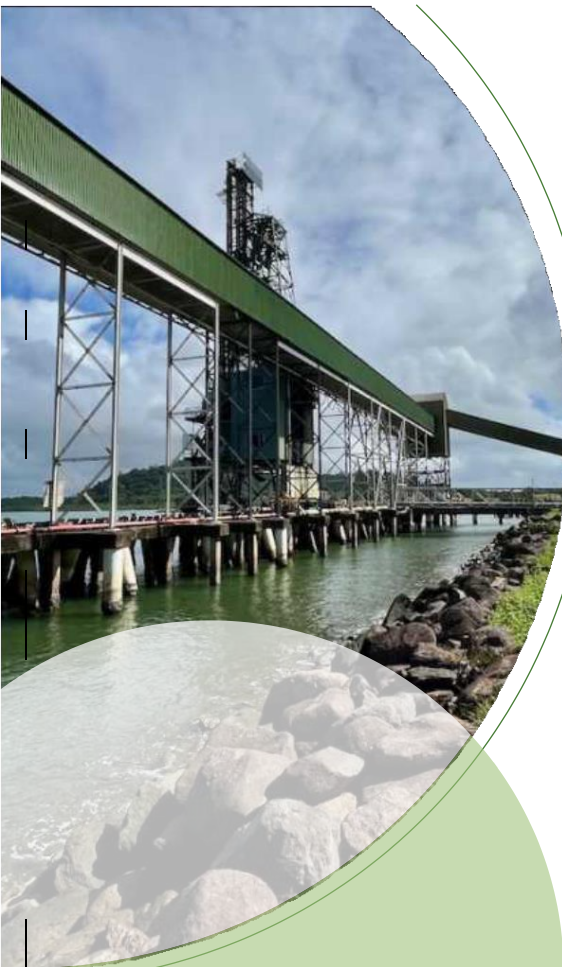


Stakeholder Engagement

As a multigenerational project, the MSSP has the potential to create shared value far beyond the boundaries of the mine and the mine life.

As a multigenerational project, the MSSP has the potential to create shared value far beyond the boundaries of the mine and the mine life. By actively exploring opportunities for collaboration with a multitude of local and regional stakeholders including the local sugar industry, local businesses, the Port of Mourilyan, academic institutions, environmental experts, and other local industries, we are working to build a stronger future for Queensland.

One of our key regional stakeholders is Ports North, a ~~g~~Government-Owned ~~c~~Corporation responsible for the development and management of the Port of Mourilyan, located only 27-km-~~away~~ from the ~~p~~Project site. Currently, the ~~p~~Port is primarily used to transport sugar on a seasonal basis, about six months of the year. As a year-round operation, the MSSP may be able to share underutili~~z~~ed resources at the ~~p~~Port including infrastructure, equipment, and labour, ~~thus~~ providing stable income for local ~~p~~Port workers and lowering operating costs for the ~~p~~Port. While our plan is to use the existing infrastructure at the ~~p~~Port -during the first stage of the ~~p~~Project, our plans for the second stage include a potentially significant investment in the development of a new common-user high-speed conveyor, shed storage facilities and conveyor loader at the ~~p~~Port. Implementing this joint venture with other stakeholders would allow us to streamline our ~~p~~Port operations and increase the volume of our exports. At the same time, it would benefit the entire Far North Queensland region by providing increased capacity at the ~~p~~Port for other industries and businesses ~~that~~~~who~~ need to export bulk commodities.



We continue to engage with local businesses, industries, environmental experts, and Indigenous stakeholders to find ways to strengthen local and regional capacity and build a strong foundation for the future.

SRA ~~isare a~~ members of Advance Cairns, the peak independent, non-governmental, advocacy and economic development organisation ~~-for~~ Tropical North Queensland. We share Advance Cairn's vision for long-term sustainable growth across the region and our membership allows us to connect with other regional businesses and institutions so ~~that~~ we can work together to advance initiatives to achieve this common purpose.

SRA is actively exploring potential collaborations with ~~the~~ Central Queensland University, ~~hopefully which we hope will lead~~ing to research and development, and knowledge sharing. We continue to engage with local businesses, industries, environmental experts, and Indigenous stakeholders to find ways to strengthen local and regional capacity and build a strong foundation for the future.

At the same time, we have been working to establish a strong network of potential customers. We seek to work with like-minded companies ~~that~~who are interested in securing responsibly ~~-~~produced silica from a stable jurisdiction for use in future-facing technologies geared towards building healthy and resilient societies. We have a Memorandum of Understanding in place for an offtake agreement with a large, world ~~-~~class glass manufacturer in Japan and are also in discussions with local industries such as foundries and cement plants. Providing customers with a long-term, secure supply of raw materials manufactured to the highest standards in Australia with full supply chain transparency will help our customers to ensure ~~that~~ they are meeting their ESG obligations and targets, while helping us to achieve our mission to provide responsibly ~~-~~produced silica to power the global energy transition and drive technological innovation.



Government Relations

As a company established for the purpose of extracting and producing critical minerals in Australia, SRA will play an important role in the execution of Australia's Critical Minerals Strategy. Since its inception, SRA has engaged constructively and proactively with governmental stakeholders at the regional, state and federal levels to ensure that we are in alignment with their regulations and goals.

The Cassowary Coast Regional Councils Economic Development Strategy for 2023 - 2033 identifies projects that have the potential to play a transformational role in the economic expansion of the region. We are proud that the MSSP has been recognised as being one of these priority projects that can bring about much-needed positive change to the Cassowary Coast Region.

In addition to the Cassowary Coast Regional Council, we have also been in contact with representatives at the Federal and State levels.

As part of our engagement, SRA has applied for government grants at both federal and state levels through the Federal Government's Critical Minerals Development Program and the Queensland Government's Industry Participation Program (IPP). We believe that being part of the IPP would allow SRA to play a greater role in developing programs that bring businesses, researchers, and industry together in innovative ways to enhance the growth and resilience of Queensland.



4.



ENVIRONMENTAL

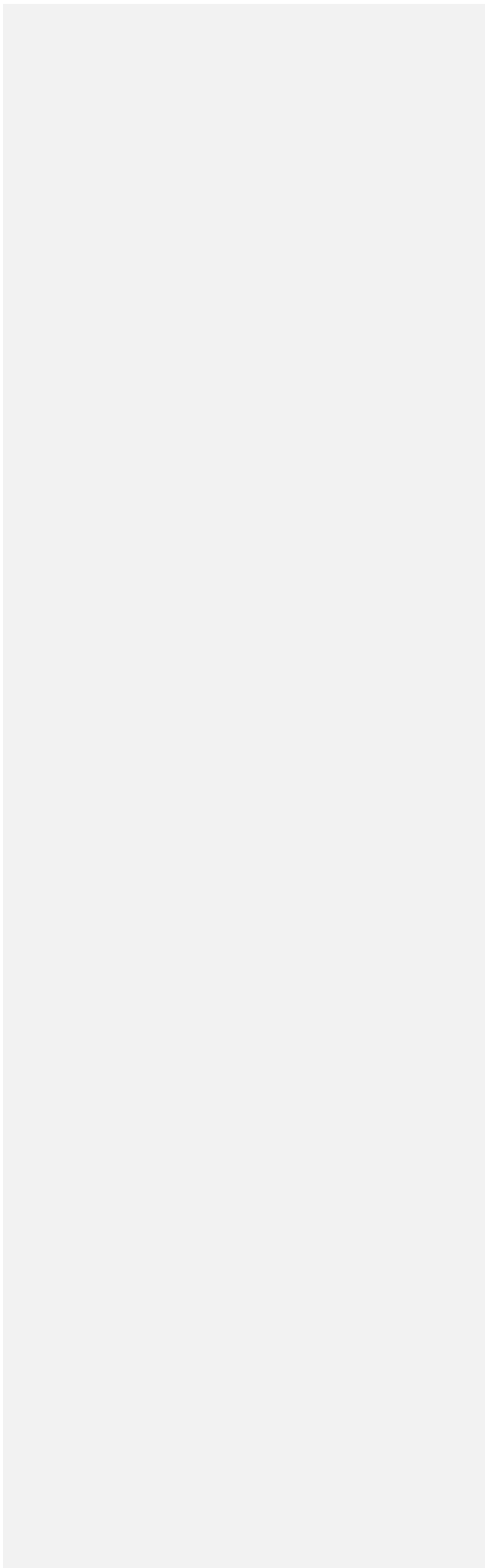
The Cassowary Coast is a remarkable part of the world, nestled between two World Heritage areas – the Wet Tropics Rainforest and the Great Barrier Reef. It is named after the Cassowary, a rare species of bird that is native to the tropical forests of New Guinea and north-eastern Australia. SRA recognizes how important and exceptional this region is and we are deeply committed to protecting and preserving its biodiversity and natural ecosystems for future generations.

Our approach to the design and planning of the Project has been to focus on environmental stewardship and adopt a mitigation hierarchy approach. This means that we first prioritize the avoidance of negative environmental impacts through engineering and planning wherever we can, then work to minimize any impacts that cannot be avoided through the implementation of mitigation strategies, and finally turn to restoration and/or offsetting if neither avoidance, nor mitigation, are possible.

The MSSP has been strategically designed to minimize the environmental impacts associated with mining and processing operations. Some of these strategies include:

- Employing an open-cut dry mining method utilizing a truck and shovel excavation technique, which avoids the use of explosives for extraction.
- The majority of the mining activity will occur on land that has already been cleared for agricultural use and is therefore not ecologically sensitive and does not host critical habitats for threatened species, such as the cassowary.
- In order to minimize waste, emissions and up-front capital expenditure, SRA intends to utilize or expand existing resources and infrastructure wherever possible, including existing on-site buildings, 3-phase electrical power, and water bores and pumps.
- Leveraging the under-utilised truck haulage capacity, bulk storage capacity, material handling facilities, mobile ship loaders, and wharf facilities at the Port of Mourilyan.
- Eliminating mine tailings and minimizing waste by employing the principles of circularity and finding alternative uses for byproducts generated by the operation.





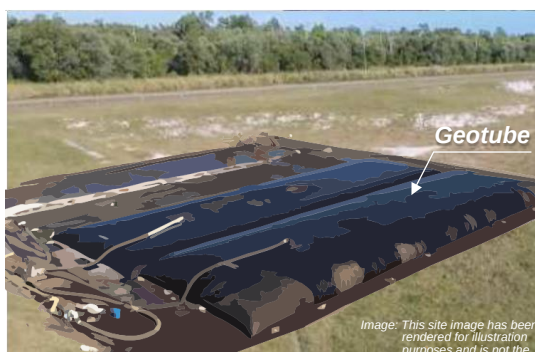


SRA recognizes how important and exceptional this region is and we are deeply committed to protecting and preserving its biodiversity and natural ecosystems for future generations.

Waste Management and Geotube Technology

The MSSP will not generate any waste rock or mine tailings as is typical in conventional base metal and precious metal mining operations. Instead, the waste sand slurry which is left after processing will be pumped into a series of geotubes arranged on a fully lined pad. Geotubes are essentially bags made of high-strength permeable synthetic fabrics which provide a very efficient means of dewatering the sand slurry so that the process water can be recovered and recycled, while securely containing the sand byproduct so that it can be shipped and sold to produce a heavy mineral concentrate or used to backfill the shallow pit after mining.

Typical Geotube Arrangement



Geotubes are a cost-effective, low-maintenance and versatile solution for handling the mine waste from the MSSP.

Permitting and Compliance

We take compliance very seriously. Working and planning in accordance with all the relevant laws, guidance and regulations not only keeps our operations safe but enhances our reputation and builds trust with our stakeholders.

The pProject area currently encompasses three mining tenements (ML20378, MLA20695 and MLA20696) located within the Cassowary Coast Regional Council area in Far North Queensland (see The Mourilyan Silica Sands Project Section). ML20378, which will be mined in Stage 1 of the Project has been fully permitted.

SRA has begun the process to apply for authorization to mine within MLA20695 and MLA20696, which would occur in Stage 2 of the pProject, anticipated to begin around 2028. We will be seeking approval for the work in Stage 2 from the regulatory bodies in the State of Queensland. This process will require additional ecological, technical, social and water resources studies, as defined by the regulations. The results of the environmental and technical studies will determine whether the pProject will require Environment Protection Biodiversity Conservation Act 1999 (EPBC) referral and approval. In the event that EPBC approval is required, SRA is committed to taking all the necessary steps to follow and comply with the EPBC.

The project is currently in full compliance with all relevant environmental regulatory requirements including regular water monitoring and reporting.



Permitting Status

Mining Leases

ML 20378

MLA 20695 (application)

MLA 20696 (application)

Exploration Permits

EPM 27352

Environmental Approvals

EPVL00591713

EA0001918

JORC Resources

2012 JORC Resource (January 2024)



Management

The MSSP is situated within one of the wettest regions in Australia, rich with tropical rainforests and wetlands, and gateway to the Great Barrier Reef. SRA is acutely aware of the importance of water, particularly within this area, and we are committed to protecting and managing water effectively as a matter of priority.

We will be implementing various measures within the MSSP to ensure that we manage water efficiently and responsibly:

- Establishing a 50-metre ~~tree~~ buffer zone alongside Wanda Creek, which extends along the western boundary of the existing ~~pP~~Project site to avoid impacts to the creek.
- Undertaking additional hydrogeological studies to better understand the groundwater regime and its relationship to surface water and associated ecosystems. This knowledge will inform impact avoidance and mitigation measures for Stage 2. Studies within the Stage 1 area have indicated that groundwater generally flows west, away from the Kurrimine Beach National Park and towards the mine site.
- In accordance with licence conditions, SRA has been conducting monthly monitoring of ~~both~~ surface water and groundwater to develop a greater understanding of local environmental conditions.
- The site water balance has been designed as a closed-loop system which will require a minimal amount of freshwater recharge, primarily to counterbalance evapotranspiration. A small water pond will be established on site to provide make-up water as needed.
- Using geotube technology to maximise water retrieval from the waste sand slurry and filter the water so that it can be re-used within the process plant.
- No chemicals are required to refine the product; the process plant uses gravity separation and magnetic screening to improve product yield.
- The primary erosion and sediment control measure used for Stage 1 will be diversion bunding, minimal disturbance practices, and progressive revegetation.
- A potential acid sulfate soils monitoring plan for the ~~pP~~Project has been prepared to determine and quantify the extent of acid sulfate soils on the site and ensure that they are dealt with appropriately.

The limited scale and extent of the current ~~pP~~Project, the nature of the ore and processing method, and the planning and associated design approach that has been adopted combine to minimise the likelihood of unacceptable impacts. Planning for the expansion of the ~~pP~~Project is advancing by implementing a thorough assessment of the sensitive environment to inform planning, design, construction and ultimately, the operation of the MSSP.

By developing and implementing a comprehensive Water Management Plan, following best practice guidance, engaging with local communities, complying with regulations, and investing in innovation, the MSSP will work to safeguard water resources for the wellbeing of local ecosystems and communities.

Climate Change and Energy Management



The growing impacts of climate change on the planet have made it clear that the world needs to transition urgently to more sustainable and renewable forms of energy. If we are to meet the Paris Agreement targets to limit global warming to less than 2°C, we will also need to shift to more circular models of production and consumption and be as energy efficient as possible.

SRA was established to produce a custom range of high-purity and high-demand silica sand products, which will be focused on supporting local economies and the global energy transition. Silicon has been identified as a critical mineral which is important for protecting Australia's energy sovereignty. The inherent nature of the Mourilyan silica sand deposit also makes it an ideal raw material for the production of solar PV technologies which will play an essential role in the shift from fossil fuels to sources of renewable energy. In addition, our low iron, low chromite glass sand product has the potential to dramatically reduce the energy consumption and GHG footprint of glass manufacturing (see [Sustainable Innovation and Circular Economy Section](#)).

In addition to the contribution we hope to make towards facilitating the global energy transition, we are also mindful that we need to keep our energy consumption and GHG footprint to a minimum. It should be noted that the MSSP will not be a power-intensive operation due to the simplicity of the mining and processing equipment and processes that will be employed on the [pProject](#). While the site is currently designed to be powered by grid electricity from Ergon Energy, SRA is actively investigating options to reduce GHG emissions across the [pProject](#). This includes looking at opportunities related to renewable energy, lower-carbon logistics arrangements, and other sustainable technologies. The MSSP's close proximity to [the](#) Port of Mourilyan will also result in reduced GHG emissions associated with the transportation and distribution of the products from the site to the [pPort](#) and beyond.



Biodiversity

SRA is committed to preserving, protecting and enhancing the biodiversity and natural habitats within the vicinity of the **P**roject. We understand and respect the importance of these ecosystems for the region, the reefs, the rainforests and local communities.

No mining activity will take place within areas that have been designated as Environmentally Sensitive Areas, Matters of State Environmental Significance and Matters of State Environmental Significance. The **p**roject has been designed to minimise direct impacts to any nearby protected areas and waterways through the use of protective buffer zones and setbacks.

The land around the MSSP is a combination of agricultural (sugarcane and cattle grazing), extractive, and conservation land. The currently permitted Stage 1 area has been assessed as containing non-native vegetation and having a moderate or low likelihood of hosting any threatened or near-threatened fauna species. It is, however, expected that the majority of the listed fauna will preferentially choose to inhabit the available and naturally vegetated areas near the site such as Kurrimine Beach National Park, an area of higher ecological value.

The areas identified for Stage 2 of the **p**roject may contain suitable habitats for **t**hreatened **e**cological **c**ommunities and diverse **r**egional **e**cosystems. SRA will be undertaking a range of studies in accordance with all regulatory requirements to determine whether there are any threatened species that occur in these areas. We will ensure that all legal requirements are met and develop a holistic and adaptive approach to land management that includes conservation, restoration, and community engagement through consultation with Indigenous, local and regional stakeholders.



The transport route from the MSSP to the **pPort** has been identified as an area of risk with respect to biodiversity. As this is an existing road, already used to transport sugar to the **pPort**, this risk cannot be entirely eliminated but can be mitigated through the implementation of rigorous driving protocols.

In accordance with our permit conditions and to reduce our overall environmental impact on the land, SRA has committed to progressive rehabilitation, meaning no more than **five5** hectares of land will be disturbed due to mining activities at any given time. This will allow for the restoration and/or creation of new habitats and ecosystems to support local biodiversity on a continuous basis throughout the life of mine.

SRA will work to safeguard all ecological values of regional significance by adhering rigorously to environmental protocols, conducting ongoing monitoring, and implementing adaptive management strategies at the MSSP.



We will ensure that all legal requirements are met and develop a holistic and adaptive approach to land management that includes conservation, restoration, and community engagement through consultation with Indigenous, local and regional stakeholders.



The Southern Cassowary

The Southern Cassowary is a remarkable flightless bird that is native to the tropical rainforests of New Guinea and north-eastern Australia, including the aptly named Cassowary Coast. It is the third tallest and second heaviest bird in the world. Unfortunately, the Southern Cassowary is currently identified as an endangered species in Queensland, primarily due to habitat loss and fragmentation, and interactions with vehicles, attacks from domestic and wild dogs and wild boars and pigs.

The rainforest near the MSSP is not considered to be a primary or continuous habitat for the Southern Cassowary and the bird has not been observed around the vicinity of the [pProject](#) area or nearby Kurrimine Beach National Park.

Dr Graham Lauridsen BVSc has been engaged as an independent scientific cassowary specialist. Dr Graham is a veterinarian by training and is well known to the Cassowary Coast community for his many decades of work with the cassowary. This includes being instrumental in setting up the Garners Beach and Lake Barrine Cassowary Rehabilitation Centres, conducting cassowary behavioural studies (including movement patterns) and providing veterinary care to injured cassowaries. Dr Graham won the 2016 Citizen of the Year award for the Cassowary Coast Regional Council area.

With Dr Graham's guidance, SRA is developing a Cassowary Management Plan to minimise interactions with and impacts to the cassowary. A few of these measures include:

- Instituting a no dogs policy at the site, in recognition of the fact that dogs and vehicles are the most common cause of cassowary fatalities.
- Implementing and enforcing safe driving habits and speed limits through monitoring of site and product transport vehicles.
- Ensuring that no large fences are built around the project site to restrict cassowary movements. Large fences can cause stress to the cassowary by forcing them to change their preferred route over the landscape or by injuring the birds as they try to penetrate the fencing. We intend to retain the existing wire cattle fencing instead, which cassowaries are known to pass through with limited concern.
- Including a focus on vegetation corridors and habitats for the Southern Cassowary during the development of the progressive mine rehabilitation plan.
- Educating workers and contractors on how to interact or limit interaction with cassowaries including the importance of not feeding cassowaries (which will help keep them away from roads and humans), keeping to the speed limit, and the correct protocols for reporting and handling cassowary interactions or injuries.



It is a pleasure to work with a company that holds the environment and specifically the iconic Cassowary in such a high regard. SRA are planning on leaving the land they are working on in a better condition than it is currently. I commend them on their environmental stewardship.

-Dr. Graham Lauridsen

Rehabilitation and Legacy Planning

Although we are yet to start any mining activities, we have been actively engaging with various stakeholders to determine the most appropriate plan for the rehabilitation and closure of the mine. As the ~~p~~Project will undertake ongoing progressive rehabilitation, disturbing no more than ~~five~~5 hectares at a time, it is important that we have a good understanding of what the mining area will look like post-closure and to develop a careful and meticulous plan to achieve that vision. SRA is working towards building a legacy that is net positive – leaving the land and community stronger and more resilient than we found it.

An Estimated Rehabilitation Cost decision (ERC) notice for the Stage 1 mining lease area has been issued under the Environmental Protection Act. As per the conditions associated with the ERC for our Stage 1 mining lease area, we are required to implement progressive rehabilitation throughout the first four years of operation. As a first step, this will involve placing the topsoils ~~that~~~~which~~ were removed and stored prior to mining activities, over ~~the~~ top of the mined areas.

We consider the current Rehabilitation Plan to be a “live” document ~~that~~~~which~~ will adapt and respond to changes in the mine plan and stakeholder priorities. We are currently working with various stakeholders to study the feasibility of developing a nature-~~p~~positive, biodiverse wetland environment as part of the mine rehabilitation. This includes exploring the generation of reef credits as a means to empower local communities to operate and care for the wetland in perpetuity.

The final post-closure land-~~u~~se plans will be determined through early consultation with a broad range of impacted and expert stakeholders including local communities, Indigenous communities, civil society groups, universities, local government, regulators, the Barrier Reef Marine Foundation and the Commonwealth Scientific and Industrial Research Organisation (CSIRO). By working together and co-creating a plan for the future, we hope to leave behind a positive legacy that enriches the region, ~~both~~ socially and environmentally.





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Forward Looking Statements



Certain information and statements in this Sustainability Report are considered "forward-looking information" or "forward-looking statements" as those terms are defined under the Australian Corporations Act. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, identified by words or phrases such as "believes", "anticipates", "expects", "is expected", "scheduled", "estimates", "pending", "intends", "plans", "forecasts", "targets", or "hopes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "will", "should", "might", "will be taken", or "occur" and similar expressions) are not statements of historical fact and may be forward-looking statements. By their nature, forward-looking statements and information involve assumptions, inherent risks, and uncertainties, many of which are difficult to predict, and are usually beyond the control of management, that could cause actual results to be materially different from those expressed by these forward-looking statements and information. Silica Resources Australia believes that the expectations reflected in this forward-looking information are reasonable, but no assurance can be given that these expectations will prove to be correct. Forward-looking information should not be unduly relied upon. This information speaks only as of the date of this Sustainability Report, and the cCompany will not necessarily update this information, unless required to do so by securities laws.

Silica Resources Australia's actual results could differ materially from those anticipated. Factors that could cause actual results to differ materially from any forward-looking statement or that could have a material impact on the cCompany include: risks associated with the cCompany's community relationships; risks related to political and economic instability; risks related to estimates of production, cash flows and costs; the impacts of a pandemic virus outbreak; risks inherent to mining operations; failure of the cCompany to maintain its obligations under its debt facilities; shortages of critical supplies; control of the cCompany's largest shareholders; risks related to Silica Resources Australia's compliance with environmental laws and liability for environmental contamination; the lack of or availability of infrastructure; the cCompany's reliance on one mine; exploration and development risks; risks related to the cCompany's ability to obtain, maintain or renew regulatory approvals, permits and licences; uncertainty with the tax regime in Australia; risks related to the cCompany's workforce and its labour relations; volatility in the price of silica; the reliance of the cCompany on its information systems and the risk of cyber-attacks on those systems; deficient or vulnerable title to concessions, easements and surface rights; inherent safety hazards and risk to the health and safety of the cCompany's employees and contractors; the imprecision of Mineral Reserve and Resource estimates; key talent recruitment and retention of key personnel; measures to protect endangered species and critical habitats; social media and reputation; the cost of non-compliance and compliance costs; risks related to illegal mining; the adequacy of the cCompany's insurance; risks relating to the declaration of dividends; uncertainty as to reclamation and decommissioning; the ability of Silica Resources Australia to ensure compliance with anti-bribery and anti-corruption laws; the uncertainty regarding risks posed by climate change; limits of disclosure and internal controls; security risks to the cCompany, its assets and its personnel; the potential for litigation; and risks due to conflicts of interest.



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