

Ore Supply Agreement Executed with SMGM

Highlights

- ✓ **Binding ore supply agreement entered into with Société Minière Georges Montagnat (“SMGM”), a significant New Caledonian mining company, for up to 200,000 wmt per annum.**
- ✓ **Targeting a typical limonite ore specification of 1.5% Ni and 0.18% Co.**
- ✓ **Ten year ore supply term.**
- ✓ **Additional diversification to existing ore supply agreements with Société Le Nickel (“SLN”) and Société des Mines de la Tontouta (“SMT”).**

Queensland Pacific Metals Ltd (ASX:QPM) (“QPM” or “the Company”) is pleased to announce that it has entered into a binding ore supply agreement (“Agreement”) with SMGM.

SMGM was one of the original supporters of QPM and the TECH Project and QPM is delighted to have formalised this agreement with SMGM. QPM previously had its ore supply tonnage covered in contracts with SLN (see ASX announcement 1 March 2022) and SMT (see ASX announcement 2 June 2022). However, this agreement with SMGM adds further diversification to QPM’s ore suppliers, providing additional comfort to financiers with regards to security of ore supply.

Key Terms

The key terms of the Agreement are detailed in the table below:

Area	Terms
Term	10 year ore supply agreement, indicatively commencing in 2024 (6 month notice period required by QPM ahead of first cargo)
Tonnage	Up to 200,000 wmt per annum
Specification	Limonite ore 1.3 – 1.65% Ni (typical 1.5%) 0.1 – 0.22% Co (typical 0.18%) 35.0 – 50.0% Fe (typical 42%) 1.5 – 7.0% MgO (typical 4%) 1.0 – 6.0% Al ₂ O ₃ (typical 3%) 28.0 – 40.0% moisture (typical 35%)

Pricing	Commercial in confidence, linked to underlying price of Ni (LME exchange) and Co (Metal Bulletin) on an FOB basis
Termination	Typical termination clauses including Force Majeure, material breach and insolvency.
Conditions	QPM making a final investment decision to build the TECH Project. Exports from SMGM to QPM will be subject to prior authorization by the New Caledonian government.

QPM Managing Director Dr Stephen Grocott commented,

"I am pleased to enter into this agreement with SMGM. We now have agreements with three mining companies in New Caledonia, strengthening our ties to the country and increasing our security of ore supply. SMGM has been a strong supporter of the TECH Project for a long time and we look forward to having a long term partnership that delivers value to both companies."

SMGM Managing Director Mr. Xavier Gravelat commented,

"Our Company is pleased to provide its ore to a modern and innovative project designed to produce good quality nickel that is respectful of environmental issues. It is a great satisfaction to be able to contribute to the development of a clean and sustainable nickel."

About SMGM

Société Minière Georges Montagnat (SMGM) was founded in 1956 by Georges-Louis MONTAGNAT. The company's activities are related to mining in particular discovering new deposits, ore extraction, transport, stock piling, lighterage, and ship loading. SMGM also works as a subcontractor for the Société Le Nickel (SLN).

SMGM operates on mining centers located in Koumac, Tontouta and Ouinné, a lateritic deposit.

The company's major buyers are in New Caledonia, Japan and in China. Laterite ore was also exported to Australia from 2000 to 2013.



(L-R) Thomas Sev tre – Deputy General Manager SMGM, Corinne Bufnoir – General Manager New Caledonia QPM and Xavier Gravelat – General Manager SMGM

This announcement has been authorised for release by the Stephen Grocott .



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