

PROPOSED SALE OF COBAR PROJECT TENEMENTS TO AUSTRALIAN GOLD AND COPPER

Eastern Metals Limited (ASX: EMS) (**EMS**) has executed a binding tenement sale agreement (**Agreement**) with Australian Gold and Copper Ltd (ASX: AGC) (**AGC**) for the sale of its Browns Reef Project, located adjacent to AGC's existing South Cobar Project in NSW.

The Browns Reef Project comprises four NSW tenements (EL6321, EL9136, EL9180 and EL9565).

EMS anticipates that this sale will require the approval of shareholders under Chapter 11 of the ASX Listing Rules and expects to put this resolution to shareholders at the general meeting to be convened to approve the Raptor Transaction. Details of Raptor Transaction were announced to the market on 24 April 2025 and updated on 11 July 2025.

Under the terms of the Agreement, AGC will pay to EMS an immediate cash deposit of A\$200,000 with the balance of A\$1,300,000 in AGC ordinary shares paid on completion of the Agreement (**Completion Date**), at an issue price equivalent to AGC's 5-day VWAP prior to the Completion Date.

The cash deposit is non-refundable unless EMS fails to hold a general meeting to approve the tenement sale before 31 October 2025.

Following completion, EMS will make an in-specie distribution of AGC shares to the value of A\$700,000 to existing EMS shareholders, ahead of the capital raising associated with the Raptor Transaction.

The sale is expected to provide an immediate benefit of approximately 0.5 cents per share for existing EMS shareholders, while retaining their exposure to the Browns Reef Project and any synergies from the combination of this Project with AGC's existing South Cobar Project assets.

EMS will retain the balance of A\$600,000 in AGC shares, as an ongoing strategic investment which EMS expects will be escrowed for six months.

The sale is expected to complete following the approval of EMS shareholders at an EMS general meeting to consider this and the Raptor Transaction. This meeting is expected to take place in the second half of September 2025.

EMS remains committed to the Raptor Transaction (in the absence of a superior proposal) which values EMS shares at 1.0 cent per share (prior to an anticipated two for one share consolidation) which was the last price that EMS shares were traded prior to suspension and the price at which EMS recently raised A\$250,000 on 9 May 2025.

Authorisation for this Announcement

This announcement has been authorised for release by the Company's Disclosure Officers in accordance with its Disclosure and Communications Policy which is available on the Company's website, www.easternmetals.com.au.

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