Strata To Unlock Value From Biranup Through Proposed ASX IPO

Highlights

- Strata Minerals has entered into a legally binding Tenement Option and Sale Agreement with unlisted public company Manta Minerals Limited for the proposed acquisition of an 80% interest in the Biranup Gold Project, Western Australia.
- The agreement is subject to Manta completing an initial public offering and listing on the ASX, as well as other customary conditions
- Transaction consideration includes 2,500,000 shares in Manta (indicative value of $500,000 assuming an IPO price of $0.20 per share) and $235,000 cash (subject to ASX confirmation)
- Strata to retain a 20% interest in Biranup Gold Project, maintaining exposure to future exploration and development upside.
- Strata will also receive a 1% Net Smelter Return (NSR) royalty, increasing to 2% should it retained joint venture interest dilute below 5%
- Strata shareholders to receive priority access to Manta's proposed IPO, with an allocation of up to 20% of the total capital raised available to eligible Strata shareholders in aggregate
- Manta Minerals is targeting an Initial Public Offering (IPO) and ASX listing in Q1 2027, providing a potential pathway for Biranup to be advanced within a separately funded exploration company
- The transaction represents an opportunity to crystallise value for Strata from a non-core asset and provides Strata shareholders with an opportunity to retain exposure to Biranup through Strata's retained 20% interest, NSR and ability to participate directly in Manta Minerals' proposed IPO.
- Proposed divestment supports Strata's strategic focus on its Zelica Gold Project where pre-development activities and exploration continues to advance.

Strata Minerals Limited (ASX: SMX) (Strata or the Company) is pleased to announce that it has, together with its wholly owned subsidiary, Ventnor Gold Pty Ltd, executed a legally binding Tenement Option and Sale Agreement with Manta Minerals Limited (Manta), through Manta's wholly owned subsidiary, MM Gold Pty Ltd, in relation to the Biranup Gold Project in Western Australia.

Under the Agreement, Manta has been granted an exclusive option to acquire an 80% beneficial and, to the extent possible, legal interest in the Biranup Gold Project, with Strata retaining the remaining 20% interest. It is a condition precedent to the transaction that Manta undertakes an IPO and is admitted to the Official List of the ASX.

The proposed transaction represents an opportunity for Strata to unlock value from the non-core Biranup Gold Project through a dedicated vehicle seeking independent ASX listing and funding. The Agreement provides for cash and equity consideration to Strata, while its retained project interest and NSR royalty would provide ongoing exposure to future exploration and development success.

Strata shareholders are also afforded priority access to participate in Manta's proposed IPO capital raising for up to 20% of the total funds raised. The proposed divestment would allow Strata to focus on its exploration and pre-development activities across its remaining projects.

Agreement Terms

Under the binding agreement, Manta has been granted an exclusive option to acquire an 80% interest in the Biranup Gold Project tenements from Strata's wholly owned subsidiary Ventnor Gold Pty Ltd (holder of the Biranup Project) in return for the following consideration:

- 2,500,000 shares at a deemed issue price of $0.10 (pre-IPO raise price) with an indicative value of $500,000 assuming an IPO price of $0.20; which are expected to be subject to escrow as determined by ASX under the ASX Listing Rules;
- $235,000 cash as a reimbursement of prior expenditure on the asset to date, subject to ASX confirming that it is a reimbursement of expenditure for the purposes of ASX Listing Rule 1.1 condition 11 (failing which the relevant amount will be paid in Manta shares at $0.10 per share);
- 1% Net Smelter Return Royalty (NSR) that will automatically convert to an additional 1% over the tenements if Strata's joint venture interest dilutes below 5%, resulting in 2% NSR.
- Strata shareholders to be offered a priority allocation in the proposed Manta Minerals IPO capital raising of up to 20% in aggregate

Manta Minerals Proposed IPO and ASX Listing

The Agreement contemplates and is subject to Manta Minerals undertaking an IPO, seeking and gaining admission to the Official List of ASX.

As part of the proposed listing process, Manta is required to undertake a pre-IPO capital raising of a minimum of $350,000 and subsequently complete an IPO, subject to the applicable regulatory and ASX requirements.

Completion of the Biranup acquisition is conditional upon, among other things:

- Manta completing its due diligence investigations to its satisfaction;
- Completion of the required pre-IPO capital raising;
- Manta receiving a conditional admission letter from ASX on terms acceptable to the parties (acting reasonably);
- Execution of a Joint Venture Agreement between Strata and Manta;
- The relevant tenements being in good standing and free of encumbrances at Completion;
- The parties obtaining all necessary regulatory approvals or waivers, where applicable.

The Agreement provides for an exclusive option period ending on 28 February 2027 (Option Period), during which Manta will seek to list on the ASX and may exercise its option by providing written notice to Strata. $35,000 cash has already been paid to Strata for the exclusivity, and Manta may extend the Option Period and End Date by a further six (6) weeks by written notice to Strata before the end of the Option Period.

The parties will work cooperatively towards satisfying the conditions precedent and progressing the proposed IPO and acquisition.

Priority Offer for Existing Strata Shareholders

An important feature of the proposed transaction is the inclusion of a dedicated priority offer for existing Strata shareholders under Manta's proposed IPO.

Pursuant to the Agreement, Manta must procure that the lead manager to its IPO makes available a priority offer to shareholders of Strata Minerals, allowing them to subscribe for, in aggregate, up to 20% of the total amount raised under the IPO. This provides existing Strata shareholders with an opportunity to directly participate in Manta Minerals as it seeks to list on ASX and advance the Biranup Gold Project.

Further details regarding the proposed IPO, including the offer price, total capital raising, timetable, eligibility requirements and application process, will be provided by Manta Minerals and Strata Minerals in due course.

The priority offer will be conducted in accordance with the applicable Corporations Act and ASX requirements, and the terms of Manta's IPO offer documentation.

Any offer of Manta shares (including under the priority offer) will be made in, or accompanied by, a copy of Manta's prospectus, and anyone who wishes to acquire Manta shares will need to complete the application form that will be in or will accompany the prospectus. This announcement does not constitute an offer of Manta shares.

Retained Interest and Future Project Exposure

Following completion of the proposed transaction, Strata will retain a 20% interest in the Biranup Gold Project through an unincorporated joint venture with Manta Minerals. The parties will enter into a Joint Venture Agreement at Completion, which will govern their respective rights and obligations in relation to the Project.

The retained interest, together with the NSR royalty, provides Strata with ongoing exposure to the exploration and development potential of Biranup while transferring the majority interest and future project advancement responsibilities to Manta.

The transaction also provides Strata with an opportunity to realise value from a non-core asset through cash and equity consideration, while maintaining exposure to potential future value creation.

Manta's Board and Management

Manta's proposed board is Pedro Kastellorizos as Managing Director, Warrick Hazeldine as Non-Executive Chairman and Scott North as Non-Executive Director.

Pedro Kastellorizos is a geologist with more than 26 years' experience in mineral exploration, mining and corporate roles across gold, copper, base metals, uranium, rare earths and bulk commodities. He founded Genesis Resources Limited and, as Managing Director, took it through its IPO and ASX listing in 2009. More recently, he was Managing Director and Chief Executive Officer of Argent Minerals Limited (ASX: ARD) from 2022 to 2026, advancing its flagship Kempfield Project in New South Wales. He is currently a Non-Executive Director of Western Yilgarn NL. His other listed company roles include Chief Executive Officer of MinRex Resources Limited and Non-Executive Director of Mount Ridley Mines Limited and Javelin Minerals

Limited. He has also been both an Executive and a Non-Executive Director of Eclipse Metals Limited (ASX: EPM), and Technical Director of Regency Mines Plc in London. He also ran Kastellco Geological Consultancy for 17 years, advising private and listed companies from grassroots exploration through to mining projects.

Warrick Hazeldine is the former Chair of Global Lithium Resources Limited (ASX: GL1), which he chaired from its IPO, and is a Non-Executive Director of Argent Minerals Limited (ASX: ARD). He has served on the boards of ASX-listed companies across a range of commodities, including lithium and base and precious metals. He co-founded Purple, through which he has advised boards on investor relations, corporate strategy, mergers and acquisitions, and crisis and reputational management.

Scott North is the founder and Managing Director of Kamoa Capital, a Sydney-based resources advisory firm working with ASX and TSX-listed mining companies on capital markets, corporate strategy and investor engagement. He was previously Corporate Development Manager at Kingsrose Mining Limited. He has more than 15 years' experience in the resources sector, spanning early-stage exploration, capital markets, business development, corporate strategy and government engagement.

Facilitation Agreement

This transaction was facilitated by The Minexchange Pty Ltd (MXE), widely regarded as the world's largest database of transactable mining assets (www.theminexchange.com). MXE is entitled to a fee equal to 4% of the consideration received by Strata in respect of the transaction.

Next Steps

Manta Minerals will progress its pre-IPO capital raising, due diligence and preparations for its proposed IPO and ASX listing, including preparation and submission of a Prospectus.

The parties will work towards satisfying the conditions precedent under the Agreement, including the execution of the Joint Venture Agreement and obtaining the necessary regulatory and ASX approvals.

Further updates will be provided to shareholders as material milestones are achieved, including details of Manta's proposed IPO and the priority offer available to Strata shareholders.

Authorised for ASX release by the Board of the Company.

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ABOUT STRATA MINERALS LIMITED

Strata Minerals Limited is an Australian, ASX-listed, exploration company with a strategic focus on acquiring, exploring and developing mineral projects in world-class jurisdictions. The Company is advancing a portfolio of high-potential gold assets in Western Australia, led by the Zelica and Penny South and Biranup Gold Projects. Strata has entered into a Mining Services and Profit Share Agreement with BML Ventures to advance Zelica's development, providing a capital-light pathway to potential production.

Forward Looking Statements

Some statements in this announcement regarding estimates or future events are forward-looking statements. Forward-looking statements include, but are not limited to, statements preceded by words such as "planned", "expected", "projected", "estimated", "may", "scheduled", "intends", "anticipates", "believes", "potential", "could", "nominal", "conceptual" and similar expressions. Forward-looking statements, opinions and estimates included in this announcement are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions. Statements regarding plans with respect to the Company's mineral properties may also contain forward looking statements.

Forward-looking statements are provided as a general guide only and should not be relied on as a guarantee of future performance. Forward-looking statements may be affected by a range of variables that could cause actual results to differ from estimated results expressed or implied by such forward-looking statements. These risks and uncertainties include but are not limited to liabilities inherent in exploration and development activities, geological, mining, processing and technical problems, the inability to obtain exploration and mine licenses, permits and other regulatory approvals required in connection with operations, competition for among other things, capital, undeveloped lands and skilled personnel; incorrect assessments of prospectivity and the value of acquisitions; the inability to identify further mineralisation at the Company's tenements, changes in commodity prices and exchange rates; currency and interest rate fluctuations; various events which could disrupt exploration and development activities, operations and/or the transportation of mineral products, including labour stoppages and severe weather conditions; the demand for and availability of transportation services; the ability to secure adequate financing and management's ability to anticipate and manage the foregoing factors and risks and various other risks. There can be no assurance that forward-looking statements will prove to be correct.