

ASX Release 13 March 2025

Broken Hill Mines Executes Term Sheet to Replace Existing ~A\$17m Cash Backed Environmental Bond with a Surety Bond

Highlights

- Broken Hill Mines has executed a binding conditional term sheet with a major North American insurer for replacement of Rasp Mine's existing A\$17m fully cash back environmental bond with a conventional surety bond
- The surety bond will allow Broken Hill Mines to utilise the previously quarantined cash for growth activities at the Rasp and Pinnacles Mines and general working capital
- Surety Bond key terms include:
 - **Facility Term:** 4 years
 - **Interest Rate:** 2.5%
 - **Facility Replacement:** Progressively cash covered over the Facility Term
- The binding term sheet remains subject to completion of long form documentation and customary approvals (targeted completion June 2025)

Coolabah Metals Limited (Coolabah or the Company, to be renamed Broken Hill Mines Limited, ASX: BHM) is pleased to advise that Broken Hill Mines Pty Ltd (BHM) has entered a binding conditional term sheet with a major North American insurer (market capitalisation of US\$7.6 Billion and credit rating A+) for a surety bond to replace the existing ~A\$17m cash backed environmental bond over the Rasp Mine.

The Surety Bond terms include a four year ~A\$17m facility at an interest rate of 2.5%. The facility is progressively cash covered over the Facility Term, initially 20% on completion, followed by annual installments. Cash coverage requirements can be waived subject to consideration of development and financial achievements of BHM over the Facility Term.

The Surety Bond is proposed to be senior secured by BHM and Coolabah, or pari passu with other secured lending relating to offtake finance (if applicable).

The Surety Bond remains subject to the satisfaction of development of long form documentation and final approvals, which are targeted to be achieved by June 2025.

In accordance with ASX Compliance Update no. 02/25, Coolabah confirms that:

- it does not consider the identity of the North American insurer, which is a counterparty to the term sheet, to be information that a reasonable person would expect to have a material effect on the price or value of the Company's securities on the basis:
 - o the surety bond is a standardised financial product provided by a well capitalised insurer with an A+ credit rating (as set out in this announcement); and
 - o the binding term sheet remains subject to completion of long form documentation, upon which, the name of the insurer will be provided; and
- this announcement contains all material information relevant to assessing the impact of the term sheet on the price or value of the Company's securities, and is not misleading by omission.

-Ends-

The Board of Directors of Coolabah Metals Limited authorised the release of this announcement.

Further information:

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