

# \$220 million Strategic Funding Agreement with Franco-Nevada to Accelerate Development of the Bullabulling Gold Project

Minerals 260 Limited (ASX:MI6) (“**Minerals 260**” or “**the Company**”) is pleased to announce that it has signed a \$220 million strategic funding package with Franco-Nevada Corporation (“**Franco-Nevada**”) to accelerate and de-risk the development of the 4.5Moz Bullabulling Gold Project (“**Project**”), located 65km from Kalgoorlie in Western Australia.

*(Unless otherwise stated, all dollar values are in Australian dollars.)*

## Highlights

- **Franco-Nevada's wholly-owned subsidiary, Franco-Nevada Australia Pty Ltd, will pay \$170 million in exchange for increasing its total royalty over the Project to 2.45% (currently a 1.00% royalty exists over certain Project tenements)<sup>1</sup>.**
- **Franco-Nevada will also invest \$50 million** by subscribing for 111,111,111 fully paid ordinary shares (“**Shares**”) in Minerals 260 at an issue price of 45 cents per share, a 7% premium to Minerals 260’s last closing price. Franco-Nevada will hold 4.9% of shares on issue following this investment.
- **Funding secured on highly attractive terms**, validating the quality of Bullabulling as one of Australia’s leading gold development projects.
- **Represents the largest ever investment in Australia by Franco-Nevada** following extensive due diligence completed on the resource, metallurgy, hydrology, project development and permitting.
- **Transformational funding package for Minerals 260** by securing significant funds ahead of the completion of the Pre-Feasibility Study (“**PFS**”) and de-risks the outlook for future Project financing.
- **Funds will be used to accelerate and de-risk the development of Bullabulling.** Construction of an initial 400-room village, procurement of long lead items, commencement of site early works, commencement of DFS activities and expansion of the drilling program will all be accelerated.

## Management Comments

**Commenting on the Funding Package, Minerals 260 Managing Director, Luke McFadyen, said:** *“This is a fantastic outcome for Minerals 260 and our shareholders. Securing a \$220 million funding package with the world’s leading gold royalty company at this early stage of Bullabulling’s development is a major endorsement of the project and a milestone that will allow us to accelerate the Project towards production, expand our exploration strategy and de-risk our funding pathway. Franco-Nevada is an existing royalty holder and expanding our relationship with this financing is highly value accretive relative to other available funding options. Their extensive due diligence across all areas of the Project validates Bullabulling as one of the leading gold projects in Australia.”*

<sup>1</sup> Franco-Nevada currently holds a 1.0% royalty over some (but not all) of the Project tenements, which will remain. A new 1.45% royalty will be provided over these tenements, and a new 2.45% royalty has been granted over Project tenements on which Franco-Nevada has no existing royalty. On Completion, Franco-Nevada will have a combined royalty of 2.45% over the Project tenements.

**Paul Brink, Franco-Nevada's President & Chief Executive Officer, commented:** "Bullabulling is a large and growing orebody and one of the most attractive gold development projects in Australia. After a full review by our team of the rapid and impressive progress made by Minerals 260, we are excited to increase our exposure to the Project".

"This represents Franco-Nevada's largest ever royalty acquisition in Australia and adds to the extensive royalty coverage we have in the country. Our equity investment demonstrates our confidence in the Minerals 260 team's ability to deliver the Project and unlock value for shareholders. We look forward to a long-term partnership with Minerals 260 for the development of Bullabulling and beyond".

## Details of Funding

The Company has entered into the following agreements:

### 1) Royalty Deed

Minerals 260, through its wholly owned subsidiary Bullabulling Operations Pty Ltd, has entered into a royalty deed with Franco-Nevada pursuant to which Franco-Nevada has agreed to provide total royalty funding of \$170 million in consideration for the granting of an additional gross royalty over the Project (the "**Royalty Deed**").

#### \$170m Royalty Funding

- \$75 million upfront payment ("**First Tranche**") payable on 26 February 2026; and
- \$95 million payment ("**Second Tranche**"), payable upon Franco-Nevada obtaining FIRB approval to take security over the Bullabulling Project tenements.

#### Royalty Rate

The royalty will be payable on gold produced from the 'Royalty Area' based on the average monthly 'London PM Fix Price' quoted by London Bullion Market Association, at the following rates:

- **Initial royalty rates**<sup>2</sup>:
  - Additional 1.45% on the Project tenements over which Franco-Nevada currently holds a 1.00% royalty (the "**Existing Royalty Tenements**").
  - 2.45% on all other tenements within the Royalty Area.
- **Stepped-down royalty rates** (after cumulative gold production from the Royalty Area reaches 4Moz)<sup>3</sup>:
  - 0.63% on the Existing Royalty Tenements (in addition to the 1.00% current royalty).
  - 1.63% on all other tenements within the Royalty Area.

<sup>2</sup> The Second Tranche is payable on Franco-Nevada obtaining FIRB approval for its royalty security arrangements, and subject to the Royalty Area tenements remaining in good standing and under ownership of Bullabulling Operations Pty Ltd at that time. Until the payment of the Second Tranche, the initial royalty rates will be 0.64% on the Existing Royalty Tenements and 1.08% and on all other tenements within the Royalty Area.

<sup>3</sup> In a scenario where Franco-Nevada has not obtained FIRB approval at this point and the Second Tranche has not been paid, these stepped-down royalty rates will instead be 0.28% on the Existing Royalty Tenements and 0.72% and on all other tenements within the Royalty Area

## Royalty Area (Figure 2)

The "**Royalty Area**" comprises the Project tenements which contain the Mineral Resource and any additional tenements already owned or acquired within a 2.5km zone surrounding these tenements.

### Other terms

The Royalty Deed includes customary provisions for royalty transactions of this nature.

Franco-Nevada will be granted a right of first refusal ("**ROFR**") over any future royalty or streaming arrangements which Minerals 260 proposes to enter into in relation to the Royalty Area, and Minerals 260 have a ROFR should Franco-Nevada propose to transfer all or part of its royalty interest in the future.

### Security Arrangements

- Franco-Nevada will be granted a mortgage over the tenements within the Royalty Area.
- The mining mortgage is conditional on FIRB approval in respect of certain tenements and includes a negative pledge which permits senior secured project, and other financing, subject to priority arrangements being entered into, and other customary provisions.

## 2) Equity Subscription

Franco-Nevada has agreed to invest \$50 million in Minerals 260 through the issue of 111,111,111 Shares in Minerals 260 at an issue price of \$0.45 per share ("**Issue Price**").

The Issue Price represents a:

- 7% premium to the last close price of Minerals 260 on 20 February 2026; and
- 6% premium to the 10-day volume-weighted average price for Minerals 260 shares up to 20 February 2026.

The proceeds for the Equity Subscription will be paid by Franco-Nevada contemporaneously with the First Tranche of the Royalty Funding on 26 February 2026.

Upon completion of the Equity Subscription, Franco-Nevada will hold approximately 4.9% of the outstanding Shares of Minerals 260.

Franco-Nevada's Shares will be subject to a 12-month voluntary escrow period and a 12-month orderly market restriction thereafter.

Greenhill, a Mizuho affiliate, acted as financial adviser to the Company. Allens acted as legal adviser to the Company.

## About Franco-Nevada

Franco-Nevada Corporation is the leading gold-focused royalty and streaming company with the largest and most diversified portfolio of cash-flow producing assets. Its business model provides investors with gold price and exploration optionality while limiting exposure to cost inflation. Franco-Nevada is debt-free and uses its free cash flow to expand its portfolio and pay dividends. It trades under the symbol FNV on both the Toronto and New York stock exchanges.

## About Royalties

A gold royalty is a financial interest in a gold mine where the holder receives a percentage of revenue from the mine when it is operational. Selling a royalty provides non-dilutive financing - capital without issuing equity - helping fund exploration, development and construction. It improves balance sheet flexibility, reduces funding risk, accelerates project timelines, and preserves operational control. A royalty does not impose production obligations, and it does not affect the way the owner operates the mine.

## Project Development Update

Minerals 260 is on track to release the PFS in July 2026. In conjunction with the PFS, a Maiden Ore Reserve will also be declared. The PFS will consider an initial scale of capacity which will then be the basis for an expansion.

The signing of the strategic funding Agreement with Franco-Nevada will enable the acceleration of several key project development activities, including:

- Construction of a 400-bed accommodation village expected to commence mid this year, following the receipt of government approvals;
- Procurement of long lead items;
- Commencement of early site works;
- Expansion of drilling program to convert more resource ounces into reserves;
- A grade control drilling program to commence shortly aiming to derisk the initial 3 – 5 years of mineral inventory;
- Definitive Feasibility Study (“DFS”) works for geotechnical and metallurgy; and
- Water bore development to support construction and well in advance of production.

Other activities underway or recently completed include:

### **Heritage**

Heritage surveys commenced in October 2025 and have covered the majority of the Project area, including areas identified for mining activities and critical infrastructure.

### **Approvals**

The Company is undertaking environmental and technical assessments to support the preparation of key statutory approvals. These studies are designed to inform project design, mitigate environmental impacts and facilitate timely progression through regulatory processes.

### **Water**

Water exploration activities have identified multiple suitable paleochannel sources as well as hard rock sources.

### **Processing Plant**

Design and engineering of the Bullabulling processing plant has commenced, in collaboration with GR Engineering. Studies are focused on optimising plant configuration, performance and capital efficiency. The objective of this work is to deliver a scalable processing solution aligned with the PFS mine plan, long term production objectives and the potential for further MRE growth.

**Metallurgy**

Metallurgical test work and reporting to inform the PFS is complete, and as previously reported +95% gold extraction has been achieved in laboratory test work at industry-typical grind sizes for samples with grades similar to the current resource.

**Tailings Storage Facility**

TSF design and engineering activities are underway following the identification of a suitable location and preferred construction methodology. The natural topography of the selected location is expected to support capacity expansions, providing operational flexibility and scalability.

**Geotechnical**

Geotechnical work for the PFS has identified the opportunity to incorporate an increase to the maximum overall slope angle compared with previous analysis. The opportunity for increased slope angles applies to all geological domains (oxide, transitional and fresh rock) and could lead to a reduction in strip ratio.

**Accommodation**

In December 2025, Minerals 260 submitted a Mining Development and Closure Plan and Works Approval application for the construction of an initial accommodation village. The Village will be established to support exploration, early works, construction activities and eventually operational activities at Bullabulling. The village will initially consist of 400 rooms and supporting infrastructure.

**Exploration and Resource Drilling**

The recently announced 30,000m drilling program will now be expanded following the signing of the funding Agreement with Franco-Nevada, with further details to be announced in due course. (Figure 1)

Drilling results from February to May will support an updated MRE planned for mid-CY2026 which will be incorporated into the DFS, scheduled for release in early-2027.

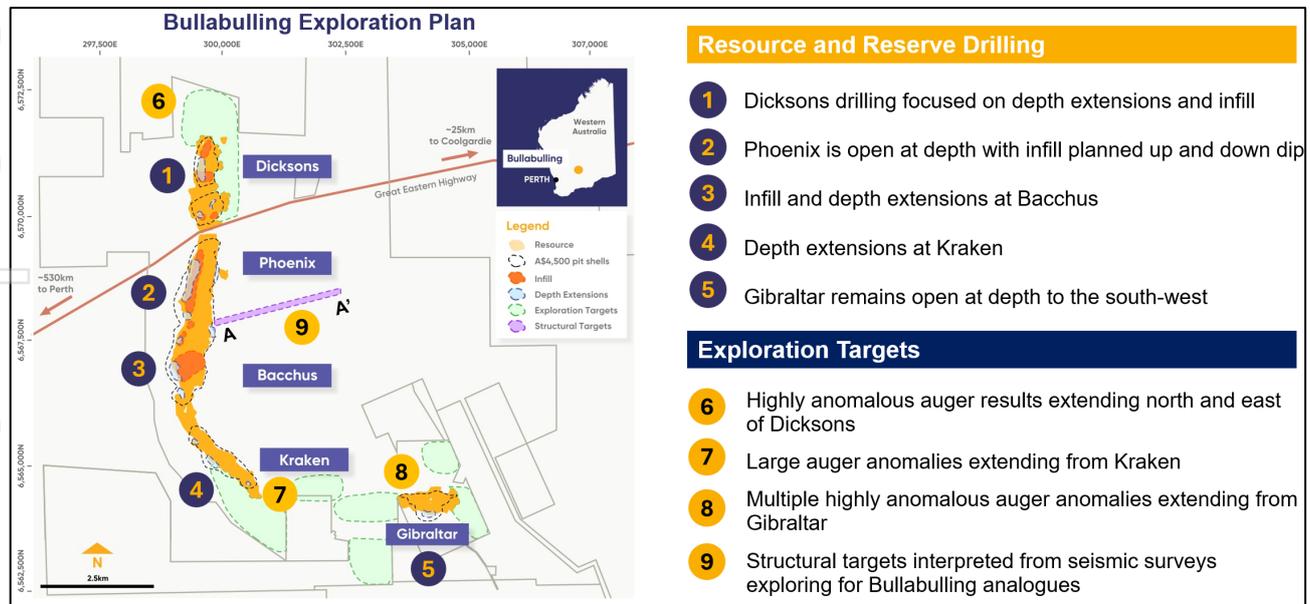


Figure 1 - Bullabulling resource and exploration drilling targets

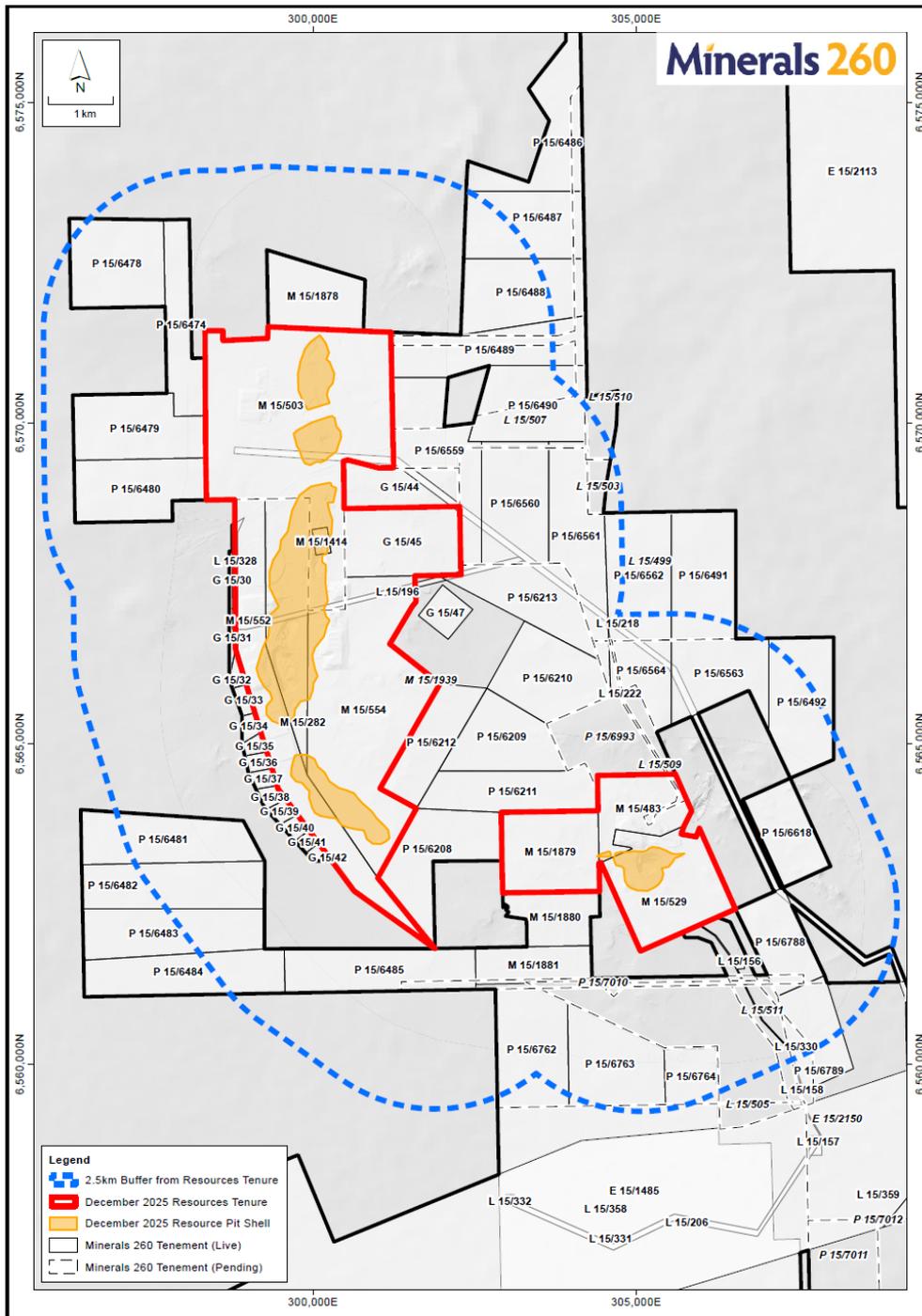


Figure 2 - Bullabulling Gold Project Tenements and Royalty Area (shown in blue)

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## Bullabulling Gold Project Overview

Bullabulling Gold Project is a potential open pit mining operation located 25km south-west of Coolgardie in the Eastern Goldfields region of Western Australia. The Project hosts a JORC 2012 Mineral Resource Estimate of 130Mt @ 1.0g/t Au for 4.5Moz of gold, on granted mining leases and is located within a largely contiguous 587sq km tenement package (Tables 1 and 2).

Table 1 - Bullabulling Mineral Resource Estimate as of December 2025 by deposit

Deposit	Indicated			Inferred			Total Resource		
	Tonnes (Mt)	Grade Au (g/t)	Metal Au (koz)	Tonnes (Mt)	Grade Au (g/t)	Metal Au (koz)	Tonnes (Mt)	Grade Au (g/t)	Metal Au (koz)
Dicksons	12	1.0	390	6.5	1.0	220	18	1.0	610
Phoenix	45	0.98	1,400	12	1.1	400	57	1.0	1,800
Bacchus	32	1.0	1,100	14	1.2	530	46	1.1	1,600
Kraken	2.9	1.2	120	5.9	1.2	220	8.8	1.2	340
Gibraltar	1.7	0.85	47	3.7	1.1	130	5.4	1.0	180
<b>Total</b>	<b>93</b>	<b>1.0</b>	<b>3,000</b>	<b>42</b>	<b>1.1</b>	<b>1,500</b>	<b>130</b>	<b>1.0</b>	<b>4,500</b>

Table 2 - Bullabulling Mineral Resource Estimate as of December 2025 by domain

Domain	Indicated			Inferred			Total Resource		
	Tonnes (Mt)	Grade Au (g/t)	Metal Au (koz)	Tonnes (Mt)	Grade Au (g/t)	Metal Au (koz)	Tonnes (Mt)	Grade Au (g/t)	Metal Au (koz)
Oxide	3.1	0.95	96	1.5	0.93	44	4.6	0.94	140
Transitional	23	0.99	720	3.2	1.1	110	26	1.0	830
Fresh	67	1.0	2,200	37	1.1	1,300	104	1.1	3,600
<b>Total</b>	<b>93</b>	<b>1.0</b>	<b>3,000</b>	<b>42</b>	<b>1.1</b>	<b>1,500</b>	<b>130</b>	<b>1.0</b>	<b>4,500</b>

This announcement has been authorised for release by the Board of Minerals 260 Limited.

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**Competent Person Statements**

The information in this announcement that relates to the Mineral Resource Estimate for the Bullabulling Gold Project is extracted from the Minerals 260 Limited ASX announcement titled "Bullabulling Gold Project Mineral Resource Doubles to 4.5Moz" dated 1 December 2025. This announcement is available on [www.minerals260.com.au](http://www.minerals260.com.au).

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original announcement and that all material assumptions and technical parameters underpinning the estimates in the previous announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Persons findings are presented have not been materially modified from the original market announcement.

**Forward Looking Statements**

This announcement may contain forward-looking statements, guidance, forecasts, estimates, prospects, projections or statements in relation to future matters that may involve risks or uncertainties and may involve significant items of subjective judgement and assumptions of future events that may or may not eventuate (Forward Statements).

Forward Statements can generally be identified by the use of forward-looking words such as "anticipates", "estimates", "will", "should", "could", "going", "may", "expects", "plans", "forecast", "target" or similar expressions. Forward Statements including references to updating or upgrading mineral resource estimates, future or near-term production and the general prospectivity of the deposits at the Bullabulling Gold Project (Project), likelihood of permitting the Project and taking a financial investment decision, among other indications, guidance or outlook on future revenues, distributions or financial position and performance or return or growth in underlying investments are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance.

In addition, these Forward Statements are based upon certain assumptions and other important factors that, if untrue, could materially affect the future results, performance or achievements expressed or implied by such information or statements. There can be no assurance that such information or statements will prove to be accurate.

Key assumptions upon which the Company's forward-looking information is based include, without limitation, assumptions regarding the exploration and development activities, receipt of timely approvals and permits, ability to obtain timely finance on reasonable terms when required in the future and contracting for development, construction and commissioning of any future mining operation on terms favourable to the Company, the current and future social, economic and political conditions and any other assumption generally associated with the mining industry. To the extent that certain statements contained in this announcement may constitute 'Forward Statements' or statements about forward looking matters, then the information reflects the Company's (and no other party's) intent, belief or expectations as at the date of this announcement. No independent third party has reviewed the reasonableness of any such statements or assumptions. None of the Company, its related bodies corporate and their respective officers, directors, employees, advisers, partners, affiliates and agents (together, the MI6 Parties) represent or warrant that such Forward Statements will be achieved or will prove to be correct or gives any warranty, express or implied, as to the accuracy, completeness, likelihood of achievement or reasonableness of any Forward Statement contained in this announcement.

Forward Statements are not guarantees of future performance and involve known and unknown risk, uncertainties and other factors, many of which are beyond the control of the Company, and their respective officers, employees, agents and advisors, that may cause actual results to differ materially from those expressed or implied in such statements. Except as required by law or regulation, the Company assumes no obligation to release updates or revisions to Forward Statements to reflect any changes. Recipients should form their own views as to these matters and any assumptions on which any of the Forward Statements are based and not place reliance on such statements.