

CORPORATE UPDATE

ACN 617 729 521

2 November 2022

Agreement to advance Atex Lithium-Tantalum Project

Earn-in agreement to advance Côte d'Ivoire's first lithium project towards production

Ricca Resources Limited ("Ricca" or "the Company"), the Africa-focused, diversified mineral exploration company, is pleased to announce that it has entered into binding and definitive agreements (together the "Agreement") with Firering Strategic Minerals plc ("Firering"), an AIM-listed critical minerals exploration company, to advance the Atex Lithium-Tantalum Project ("Atex") and the adjacent Alliance exploration licence (once granted) (together the "Atex and Alliance Lithium-Tantalum Projects", "AALTP" or the "Project") in Côte d'Ivoire.

HIGHLIGHTS:

- Agreement entered into with Firering Strategic Minerals plc to fund the advancement of the Atex Project and adjacent Alliance licence (once granted) in Côte d'Ivoire for up to US\$18.6m.
- The Agreement will combine Ricca and Firering's shared exploration and in-country expertise to accelerate the development of the Project towards production, including defining a maiden Mineral Resource Estimate ("MRE") and feasibility studies.
- A total of US\$18.6m to be paid by Ricca, pursuant to the Agreements, which includes consideration paid to Firering:
 - US\$1m upfront cash consideration;
 - Ricca shares to a value of US\$0.6m upon the Company's intended IPO on the ASX; and
 - Ricca to complete a four-stage earn-in of up to 50% of the Project through funding of up to US\$17m, with the aim of achieving a Definitive Feasibility Study ("DFS") on the Project.
- Ricca has agreed to fund a further US\$2m, beyond the US\$17m, to also be spent to advance the Project, if the JORC inferred MRE surpasses 20Mt @ 1.0% Li₂O.
- Any additional expenditure beyond the earn-in funding to be spent on the Project will be funded equally between Ricca and Firering.
- The partnership marks the Company's first investment into green metals, increasingly critical to the growing electric vehicle ("EV") sector, diversifying beyond its extensive gold portfolio.
- The Company's Board and Management team possesses extensive experience in lithium and exploration in Côte d'Ivoire.

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- Côte d'Ivoire to benefit from the development of its first lithium project.

Commenting, Stu Crow, Chairman of Ricca Resources, said:

"Today's Agreement and strategic investment mark a pivotal moment in Ricca Resources' strategy to enhance, de-risk and diversify our portfolio into green commodities, particularly lithium.

"We are delighted to be partnering with Firering, which is now awaiting assay results following the recently completed 3,000m drilling programme that has identified visible spodumene. Working with Firering and applying proven exploration methods, we will accelerate the advancement of the Project to identify a maiden resource to take through studies and develop.

"I'd like to thank our new partner Firering for providing us with the opportunity to be part of this compelling project. Our team brings extensive experience operating in West Africa, particularly in Côte d'Ivoire, and in lithium exploration and we, therefore, believe that the partnership can drive significant value for both companies.

"We look forward to playing our part in Côte d'Ivoire's first lithium project and working with Youval and his team as we undertake grassroots exploration and move to define our resource."

Commenting, Youval Rasin, Chairman of Firering, said:

"Firering is pleased to be partnering with Ricca to unlock the maximum potential of our Atex Lithium-Tantalum Project, which demonstrates the potential to be a stand-out lithium asset. This accelerated exploration pathway with an experienced partner, in the form of Ricca, removes funding risks for Firering and its shareholders, while de-risking project delivery through the use of proven lithium exploration methods.

"I would like to thank Yuval Cohen and our team on the ground in Côte d'Ivoire and all of our supportive stakeholders for their efforts and ongoing support in the exploration of this project. We will continue to update the market on this exciting new phase in due course."

Summary of Commercial Terms

Ricca has the right to acquire up to 50% of Firering's interests in the Atex and Alliance Lithium-Tantalum Projects ("AALTP") in Côte d'Ivoire, which currently stand at 77% of Atex and 51% of Alliance, via a four-phase earn-in.

This will be executed by Firering transferring up to 50% of its holdings in Atex and Alliance into Firering's wholly-owned subsidiary, FH Coltan III SARL ("SPV") in Côte d'Ivoire, which will form the partnership vehicle.

The consideration payable to Firering and four phases of the earn-in pursuant to the Agreement are;

Consideration

- Ricca to pay an up-front payment of US\$1m to Firering within 14 days of entry into the Agreement; and



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- AUD\$1m (US\$0.6m) in shares in Ricca to be issued to Firering upon Ricca's intended IPO on the ASX occurring, provided that, if the Ricca IPO has not occurred by 31 December 2023, Ricca will issue shares to Firering at the latest valuation of Ricca used in a private fundraise at that time.

Phase 1: Mineral Resource Estimate ("MRE")

Ricca will earn an initial 25% interest in the AALTP, via shares in the SPV, on the earlier of:

- Ricca obtaining AALTP's inferred JORC mineral resource estimate ("MRE"); or
- completion of funding to the amount of US\$4.5m

Phase 2: Scoping Study ("SS") Funding

Ricca will earn a further 10% interest in the AALTP (taking its interest to 35%), via shares in the SPV on the earlier of:

- completing a Scoping Study in respect of the Project; or
- completion of funding to the amount of US\$0.9m

If Ricca does not proceed with Phase 2, or otherwise fails to complete Phase 2, it will be deemed to have withdrawn from the earn-in and will relinquish its interests in the SPV.

Phase 3: Pre-Feasibility Study ("PFS") Funding

Ricca will earn a further 10% interest in the AALTP (taking its interest to 45%), via shares in the SPV on the earlier of:

- completing a Pre-Feasibility Study in respect of the Project; or
- completion of funding of US\$5.9m

If Ricca does not proceed with Phase 3, or otherwise fails to complete Phase 3, it will be deemed to have withdrawn from the earn-in however will retain its 35% interest in the SPV.

Phase 4: Definitive Feasibility Study ("DFS") Funding

Ricca will earn a further 5% interest in the AALTP (taking its interest to 50%), via shares in the SPV on the earlier of:

- completing a Definitive Feasibility Study; or
- completion of funding of US\$3.4m.

If Ricca does not proceed with Phase 4, or otherwise fails to complete Phase 4, it will be deemed to have withdrawn from the earn-in however will retain its 45% interest in the SPV.



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Other Key Terms:

- The four phases of the earn-in are estimated to cost \$US14.7m, however, Ricca will provide funding for all expenditure of the Project up to US\$17m. This expenditure amount will be increased by US\$2m if the MRE surpasses 20Mt @ 1.0% Li₂O.
- After the earn-in expenditure funding is completed, any expenditure commitments will be shared equally between Ricca and Firering.
- Ricca and Firering to establish a joint operating committee to approve the relevant works programme and budgets for the Project.
- Ricca will contribute 50 per cent of the amount payable by Firering to exercise the Atex Option (to increase Firering's holding from 77% to 100%) or the Alliance Option (to increase Firering's holding from 51% to 80%).

Project Background

The Atex Lithium-Tantalum Project ("Atex") and the adjacent Alliance exploration licence ("Alliance"), together the "Atex and Alliance Lithium-Tantalum Projects", "AALTP" or the "Project", are located within the Baoulé-Mossi domain, which is host to multiple base metal, columbite-tantalite and lithium deposits.

The Atex Project covers an area of 134.96 km² and is located 40 km north of the town of Boundiali and approximately 100 km northwest of the city of Korhogo. Firering holds a 77% stake in the Atex Project.

One of the features of the Atex Project is the Spodumene Hill Target, where a number of grab samples and channel samples collected by Atex Mining Resources in 2019 returned highlight Li₂O values of 1.42% Li₂O, 1.56% Li₂O and 2.01% Li₂O, confirming the presence of pegmatite-hosted lithium mineralisation.

On 13 October 2022, Firering announced the results and completion of its Phase 1 diamond drill programme at the Project. The programme comprised a total of 19 holes drilled and 3,039m of drilling, with pegmatite intersected in all 19 drill holes and visual identification of lithium mineralisation in 18 of the 19 drill holes.

Firering is expecting to receive the assay and X-ray diffraction results from the drilling programme during Q4 2022. A second auger drilling and soil sampling campaign is also due to commence in Q4 2022.

Adjacent to the Atex Project, Firering has applied for the 365 km² Alliance exploration licence, which offers the potential of an extension to the Atex pegmatites or a secondary deposit.

Related Party Note

Neil Herbert is a Non-Executive Director of both Ricca Resources Limited and Firering Strategic Minerals plc and holds securities in both companies. Neil immediately identified and informed the Board of Ricca Resources Limited of his potential conflict of interest and material personal interest in the transaction and both abstained from participation in any discussions regarding this transaction and abstained from voting when the directors of the Company decided to proceed with this transaction.

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Notes to Editors:**About Ricca Resources**

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Ricca Resources is an Africa-focused, diversified mineral exploration company with extensive gold portfolios in prospective birimian terrains in Côte d'Ivoire, a potential new gold province discovery in Chad, a drill-ready gold target in Liberia and a strategic partnership to advance a lithium-tantalum project also in Côte d'Ivoire.

The Company was formed as the entity to hold and advance the Atlantic Lithium Limited (formerly IronRidge Resources Limited) suite of demerged gold projects. Ricca's strategy is to further grow, diversify and de-risk its asset portfolio across gold and green metals, driving value for the Company and its shareholders through mineral deposit discovery, development and investment.

Firering Strategic Minerals

Firering Strategic Minerals plc is an AIM-quoted mining company focused on exploring and developing a portfolio of mines producing critical minerals in the Côte d'Ivoire focused on lithium and tantalum to support the global transition to net zero emissions. It operates the Atex Lithium-Tantalum Project in northern Côte d'Ivoire, which is prospective for both lithium and tantalum. Firering's main focus is working together with Ricca Resources to advance development at Atex, with a view to establishing a maiden lithium resource and then progressing a lithium project through to DFS. Firering is also assessing pilot scale production of ethically sourced tantalum and niobium to generate early revenues and support further exploration work. Should pilot production be successful, a large-scale tantalum production facility may be developed, which will be supported by a debt facility of FCFA 5,057,000,000 (approximately €7,500,000) currently under negotiation to fund the entire scale-up plan to develop a portfolio of ethically sourced mineral projects in the Côte d'Ivoire, supplying EV batteries, high-tech electronics and other fast-growing end markets.

More information on Firering and the Project can be found on Firering's website: www.fireringplc.com.

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