

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

BROCKMAN
BROCKMAN MINING LIMITED
布萊克萬礦業有限公司*
(incorporated in Bermuda with limited liability)
(SEHK stock code: 159)
(ASX stock code: BCK)

**(1) FARM-IN AND JOINT VENTURE AGREEMENT WITH
POLARIS METALS PTY LTD**
(2) COOPERATION ON OPHTHALMIA PROJECT

Brockman Mining Limited (“Brockman” or “the Company”) and Mineral Resources Limited (“MRL”) have on 22 April 2021 signed an Amended and Restated FJV Agreement and Deed of Amendment and Restatement (“Agreement”) through their subsidiaries, Brockman Iron and Polaris. Both Brockman and MRL conclude that the Farm-In Obligations under the Agreement has been satisfied and to progress on the projects as soon as possible the parties shall form the Joint Venture immediately. As such, 50% interest in the Marillana Project (the Farm-In Interest) will be transferred to Polaris and the Joint Venture will be established according to the terms of the FJV Agreement.

The Company and MRL also agreed that in addition to the Marillana Project, Brockman’s Ophthalmia Project will now be included in the Farm-In Interest, such that a 50% interest in the Ophthalmia Project will be transferred to Polaris. The transfer of 50% of the Ophthalmia Project to Polaris does not constitute a notifiable transaction of the Company under Chapter 14 of the Listing Rules.

To date MRL has submitted Indicative Development Proposals, which include the following:

1. Development of Marillana Project and Ophthalmia Project into an iron ore mining hub capable of producing a minimum of 25Mtpa of final product for export.
2. Following the establishment of the Joint Venture, MRL (or its Related Party) agrees to provide the Joint Venturers with funding by way of a project loan sufficient to allow the Joint Venturers to fund the forecast project capital costs for each development.
3. A build own and operate arrangement between the Joint Venturers and MRL for certain non processing infrastructure at Marillana Project.

* *For identification purposes only*

4. A build own and operate arrangement for the crushing plant at Ophthalmia Project .
5. A proposed logistics system to transport the ore from the mines to the port stockyard at Port Hedland. This logistics system is to be constructed and operated by MRL (or a subsidiary).
6. Construction of a berth at a dedicated location in Port Hedland subject to the approval from the State Government of Western Australia (the “Government”).
7. A current market based estimate for project capital and operating costs, including the logistics services cost for transporting the ore from mine to ship.

Initial Development Works

Upon the formation of the Joint Venture, MRL (or a subsidiary) will immediately commence initial development works at Marillana Project and Ophthalmia Project mine sites, as well as on the prospective transport corridor and port area. The Initial Development Works are to be funded by MRL and the cost is estimated to be around A\$105 million. The immediate commencement of these Initial Development Works is intended to speed up the development timeframe of both Marillana Project and Ophthalmia Project, which is currently estimated to be around 42 months from the formation of the Joint Venture.

Farm-in and Joint Venture Agreement

1. Following the establishment of the Joint Venture, Project Loan from MRL (or its Related Party) will be available for the development of both Marillana Project and Ophthalmia Project.
2. Polaris will release to Brockman Iron the remaining A\$5 million of the A\$10 million loan available to Brockman Iron under the FJV Agreement.
3. The sunset dates for commencing construction of the proposed transportation and port systems and for commencing operations along with buy-back rights from Brockman are now removed.
4. The Joint Venturers have the right to dissolve the Joint Venture when the projects are not able to be progressed due to factors beyond their control.
5. A Joint Venture Committee shall be established immediately upon the formation of the Joint Venture.

DEFINITIONS

“Amended and Restated Date”	means the date of the amendments to the FJV Agreement pursuant to the Deed of Amendment and Restatement
“ASX”	ASX Limited (trading as the Australian Securities Exchange)
“Board”	the board of Directors
“Brockman East”	Brockman East Pty Ltd, a wholly-owned subsidiary of the Company
“Brockman Iron”	Brockman Iron Pty Ltd, a wholly-owned subsidiary of the Company
“Company”	Brockman Mining Limited, the shares of which are listed on the Stock Exchange and ASX
“Deed of Amendment and Restatement”	means the deed of amendment and restatement between the FJV Agreement parties dated 22 April 2021
“FJV Agreement”	the farm-in and joint venture agreement dated 26 July 2018 entered into between Brockman Iron and Polaris in relation to the Transaction, and as amended by the subsequent variation agreements
“Group”	The Company and/or its subsidiaries
“Joint Venture”	the unincorporated joint venture to be established between Brockman Iron and Polaris pursuant to the terms of the FJV Agreement
“Joint Venturer”	a party which holds a JV Interest, which as at the date of the FJV Agreement means each of Brockman Iron and Polaris
“JV Interest(s)”	the rights, liabilities and obligations under the FJV Agreement in relation to the Joint Venture
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“Marillana Project”	The iron ore project currently 100% owned by Brockman Iron located in the Hamersley Iron Province within the Pilbara region of Western Australia
“MRL”	Mineral Resources Limited, the shares of which are listed on ASX

“Ophthalmia Project”	The iron ore project currently 100% owned by Brockman East located within the East Pilbara region of Western Australia
“Polaris”	Polaris Metals Pty Ltd, a wholly-owned subsidiary of MRL
“Project Loan”	provision of loan to the Joint Venture from MRL (or its Related Party) for the development of the Marillana Project and Ophthalmia Project
“Related Party”	in respect of a party, means any of the following: (a) an entity that controls the party; (b) a wholly owned subsidiary of the party; and (c) an entity that is under common control with the party,
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Transactions”	the transactions contemplated under the FJV Agreement including the Disposal and the establishment of the Joint Venture

By order of the Board
Brockman Mining Limited
Kwai Sze Hoi
Chairman

Hong Kong, 22 April 2021

As at the date of this announcement, the Board comprises Mr. Kwai Sze Hoi (Chairman), Mr. Liu Zhengui (Vice Chairman) and Mr. Ross Stewart Norgard as non-executive directors; Mr. Chan Kam Kwan, Jason (Company Secretary), Mr. Kwai Kwun, Lawrence and Mr. Colin Paterson as executive directors; and Mr. Yap Fat Suan, Henry, Mr. David Rolf Welch and Mr. Choi Yue Chun, Eugene as independent non-executive directors.