TARANAKI VTM PROJECT

RESPONSES ON BEHALF OF TRANS-TASMAN RESOURCES LIMITED TO REQUEST FOR INFORMATION IN MINUTE 30 OF THE EXPERT PANEL

10 December 2025

This response addresses the requests for information in Minute 30 of the Expert Panel. The information contained in the response has been compiled by TTR and Siecap. TTR has also requested NZIER to confirm whether any of the matters covered in this response alter any of the assessments they have provided, and that is addressed in the NZIER letter dated 10 December 2025 which accompanies this response.

Request

NZIER treat 100% of OPEX costs (direct operational expenditure provided by TTR) as spend occurring in New Zealand. That is, they adopt the same total OPEX cost as stated in the Siecap Pre-feasibility Study (PFS) (once converted to NZ$). According the Siecap PFS, annual lease costs for the FSO vessel form part of the annual OPEX estimates (US$7.0/tonne/annum or US$34.3m/annum). The Panel would like to understand whether this component of total OPEX should or should not have been included in NZIER's assumptions of direct operational expenditure in New Zealand. Please confirm if the FSO is being leased from a New Zealand based business (and if so, where that business is based) or an overseas business.

Response

The FSO lease component in the OPEX estimate reflects the commercial hire of a Floating Storage and Offload (FSO) transshipment vessel dedicated to ongoing offshore operations. At present, CSL Shipping's concept and pricing have formed the basis for the OPEX calculation used in the Pre-Feasibility Study. However, the market signal has since broadened. A joint venture between McCallum Bros Ltd and Nova Marine Carriers SA (MBL JV) has now expressed interest in providing a New Zealand based FSO service and has already taken a notable step into the New Zealand coastal shipping sector through its recent award of the Chatham Islands Shipping contract.

This evolving interest shows that more than one capable international operator is prepared to commit to a long-term FSO arrangement. Irrespective of which supplier is ultimately selected, the operational model will require the vessel to be New Zealand flagged and operated by a New Zealand crew, with compliance to New Zealand maritime oversight and local employment conditions. Given the scale and duration of the service contract, it is both logical and commercially efficient that the successful

proponent would establish a New Zealand-based operating entity to hold the contract for FSO services and to manage day-to-day operation and compliance.

In short, while the commercial lessor may ultimately be international, the operational presence, flagging requirements, crewing arrangements and FSO Opex lease payments would all be direct operational expenditure in New Zealand.

Request

The Project is stated as extracting 50MT/annum of seabed material with 10% retained as the ore concentrate and 45MT/annum discharged back to the seabed. This makes the ore concentrate 5MT/annum (otherwise stated as 4.9MT less rounded). The PFS (page 19) also states that 50MT/annum of mined material is a wet-basis measure, and it equates to 39MT/annum dry-basis. For all these figures/relationships to hold true, it implies that the 4.9MT/annum of ore concentrate is a wet-basis figure.

(a) Please confirm if 4.9MT/annum is wet-basis (as it appears) or dry-basis.

(b) If 4.9MT/annum is wet-basis, what is the dry-basis equivalent? (i.e., for every 4.9MT of concentrate extracted per annum, how many dry tonnes are exported)

(c) Please confirm if iron ore and vanadium commodity pricing (e.g. US$90/MT and US$5.45/pound adopted) are dry-basis rates?

(d) The projected cash flow model in the PFS calculates revenue based on 4.9MT/annum. Based on your answers above, please explain (with reasons) if the annual revenue calculations in the cash flow model are reliable.

Response

The wet basis figure on page 19 of the PFS is stated as a minimum capability indicator rather than an expected yield. The same section of the PFS states that the processing facility is expected to produce around 4.9 Mtpa of iron-ore VTM concentrate, after allowing for mining losses and dilution, which is a dry-basis figure.

For the avoidance of doubt:

- The Project design throughput is 50 Mt/annum on a dry basis: i.e the extraction system, process plant and material handling are all designed to handle 50 Mt/annum on a dry basis (and the corresponding limits in proposed condition 3 are also on a dry basis).
- The concentrate production of 4.9–5 Mt/annum is also on a dry basis.
- Page 110 of the PFS, the Process Flow Diagram, shows the dry basis of the system design i.e. 8,000tph of dry solids being extracted and 800tph of dry VTM concentrate product being produced. (Nb. The 4-box matrices throughout the

Diagram show tonnes-per-hour solids in the upper left quadrant. The extraction figure of 8000tph is shown adjacent to the dredge crawler on the left-hand side of the figure. The concentrate production figure of 800tph is shown after the "Additional Dewatering" on the right-hand side of the figure). Also see page 5 of 6 of the DRA Process Design Criteria (attachment 7.2 to the DRA Process Plan Review at Appendix 19.23 of the PFS), which records on page 3 of 6 that all units are dry metric tons unless otherwise specified, and on page 5 of 6 that the average ROM Feed Rate is 8,000tph, and the average annual capacity is 50.7Mtpa.

Accordingly, the responses to questions (a)-(d) are:

a) 4.9 Mt/annum (rounded to 5 Mt/annum) is a dry-basis figure.
b) Because 4.9–5 Mt/annum is already on a dry basis, no conversion is required for the economic model.
c) Yes. The iron-ore price (e.g. US$90 tonne) is on a dry-tonne basis, consistent with industry practice; the vanadium pricing is also applied to contained (dry) V_2O_5 rather than any wet-tonnage measure.
d) The cash-flow model in the PFS calculates revenue on 4.9–5 Mt/annum dry concentrate using dry-basis commodity pricing and is therefore internally consistent and reliable with respect to wet vs dry basis.

Request

There is still not sufficient detail to understand the proposed $10.86m of Capex expenditure that NZIER have attributed to the Central Government sector. By assigning this spend to the Central Government sector, it is essentially saying that TTR will be purchasing $10.86m of central government services. In response to Minute 20 you stated that this spend relates to "the cost associated with consenting, approvals and mining permit retention". We do not find this sufficiently helpful to verify both the spend volume and its attribution to the Central Government sector. We have not found any further information to assist with understanding this in the PFS. Can you please provide a breakdown of this money expected to be paid to Central Government in the set-up stage so that we can understand the components and purpose of that spending.

Response

The expenditure associated with central government for TTR's offshore development reflects the statutory, regulatory and safety obligations. These cost allocations represent level of expenditure necessary to establish, approve, and operate the project.

The breakdown for the $10.86m is as follows and is Capex expenditure mainly related to the bankable feasibility study phase (BFS):

Central Government	$NZD (Estimated)	Comment
Offshore mineral permits and licences	$ 3,258,000.00	This covers prospecting, exploration and mining permits under the Crown Minerals Act (administered by MBIE), including initial application fees, annual holding fees, and the historical retention of tenements during the pre-mining period.
Worksafe NZ / Maritime Safety	$ 868,800.00	This includes the preparation, submission and independent verification of safety cases, certification of hazardous works offshore, and ongoing audit obligations.
MPI / Customs (biosecurity, import inspections)	$ 629,000.00	Importation of large offshore production equipment requires biosecurity clearance and inspection to avoid marine pest introduction and ensure compliance with NZ's strict biosecurity controls.
EPA (EEZ consents, assessment, monitoring)	$ 4,344,000.00	This reflects the EPA's cost-recovery model for marine consents, application reviews, public-hearing processes, independent expert assessment, cultural consultation requirements, and pre-monitoring assessments and approvals.
Maritime NZ (vessel certification & offshore safety)	$ 760,200.00	Costs arising from vessel classification, certification, flag requirements, crew competency standards, and emergency response planning in accordance with New Zealand maritime legislation.
Other statutory reporting / compliance	$ 1,000,000.00	This category includes additional reporting obligations, monitoring plans, independent verification, approval updates, and statutory documentation required across multiple agencies

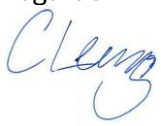
All the estimates above are for future expenses, dependant on the grant of marine consents, with one exception: the estimate for offshore mineral permits and licences includes NZ$1.3M of costs to date.

10 December 2025

Statement

NZIER confirms Siecap's responses to Minute 30 make no difference to the NZIER Economic Impact Assessment 12 March 2025 or our Net Economic Benefits Analysis 13 October 2025 outcomes.

Regards



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