



Creating Australia's leading 24/7 renewable energy solution

Bringing clean geothermal energy:
Renewable, Reliable, Ready

Geothermal Energy Acquisition
October 2023

Disclaimer

FORWARD LOOKING STATEMENT

Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause actual results to be materially different from those expressed or implied by such forward-looking information, including risks associated with investments in private and publicly listed companies such as Cradle Resources Limited (Cradle or Company); risks associated with general economic conditions; the risk that further funding may be required but unavailable for the ongoing development of the Company's projects or future acquisitions; changes in government regulations, policies or legislation (whether in Australia or elsewhere); unforeseen expenses; fluctuations in commodity prices; fluctuation in exchange rates; litigation risk; the inherent risks and dangers of development operations in general; risk of continued negative operating cashflow; the possibility that required permits may not be obtained; environmental risks; general risks associated with the feasibility and development of the Company's projects; future actions by government whether in Australia or elsewhere and whether or not they could have reasonably be foreseen or not; breach of any of the contracts through which the Company holds property rights; defects in or challenges to the Company's property interests; uninsured hazards; disruptions to the Company's supplies or service providers; reliance on key personnel, retention of key employees and the impact of the COVID-19 pandemic on the Company's business and operations.

Forward-looking information is based on the reasonable assumptions, estimates, analysis and opinions of management of the Company made in light of their experience and their perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date that such statements are made, but which may prove to be incorrect. The Company believes that the assumptions and expectations reflected in such forward-looking information are reasonable.

Assumptions have been made regarding, among other things: the energy market, the Company's peers, the Company's ability to carry on its future development works, construction and production activities, the timely receipt of required approvals, the price of electricity, the ability of the Company to operate in a safe, efficient and effective manner and the ability of the Company to obtain financing as and when required and on reasonable terms. Readers are cautioned that the foregoing list is not exhaustive of all factors and assumptions which may have been used.

Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause the Company's results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information. The Company does not undertake to update any forward-looking information, except in accordance with applicable securities laws.

NO LIABILITY/SUMMARY INFORMATION

Cradle has prepared this presentation material (Presentation) based on information available to it at the time of preparation. No representation or warranty, express or implied, is made as to the fairness, accuracy or completeness of the information, opinions and conclusions contained in the Presentation. To the maximum extent permitted by law, the Company, its related bodies corporate (as that term is defined in the Corporations Act 2001 (Commonwealth of Australia)) and the officers, directors, employees, advisers and agents of those entities do not accept any responsibility or liability including, without limitation, any liability arising from fault or negligence on the part of any person, for any loss arising from the use of the Presentation or its contents or otherwise arising in connection with it.

ACKNOWLEDGEMENT OF COUNTRY

Cradle Resources Limited acknowledges the traditional custodians throughout Australia and their continuing connection to the land, waters and community. We pay our respects to all members of the Aboriginal communities and their cultures; and to Elders both past and present.

One of the most prospective and advanced geothermal portfolios in Australia

Cradle has entered into binding agreements to acquire Volt Geothermal Pty Ltd (“Volt”) and Within Energy Pty Ltd (“Within”)¹, with the aim to become Australia’s leading geothermal company

Transformational transaction into the renewable energy industry

- **First mover in Australia** - Assembled prospective and advanced geothermal opportunities across both Queensland and SA
- **Existing infrastructure** – Portfolio of assets is near existing infrastructure and customers for early commercialisation
- **Proven team** - Established a high calibre team of energy industry leaders

Why Geothermal?

- Differentiated from other renewables by **24/7 renewable energy production**, and already used in over 30 countries
- **Proven technology** - Binary Cycle Power Plants have operated for +70yrs and represent >58% of global capacity²
 - *Can utilise lower temperature geothermal reservoir water of 80-180°C*
 - *Significant **technology development** over the last 10 years, including closed loop technology*
- **Major industry support** from both Federal and State Governments for a rapid energy transition



1 - ASX Announcement – 7 July 2023

2 - IRENA, Global Geothermal Market and Technology Assessment, 2023

Capital Structure and timetable¹

	Number of shares	Ownership (%)
Existing securities on issue	229.9m	30.6%
Consideration shares to vendors of Volt and Within	220.3m	29.4%
Issue of Shares at \$0.02 under the Capital Raising Offer ¹	300.0m	40.0%
Total	750. 3m	100%
Market Capitalisation (post transaction at \$0.02 per share)	15.0m	
Cash Position	\$6.0m	
Enterprise Valuation	\$9m	

Event	Indicative Date
Dispatch Notice of Meeting to shareholders & Lodge Prospectus with ASIC and ASX	October 2023
Public Offer opens & General Meeting	October 2023
Completion of the Acquisition & Satisfaction of Chapters 1 and 2 of the Listing Rules	November 2023
Recommence trading on the ASX	December 2023



Geothermal is essential for the global energy transition towards net zero carbon

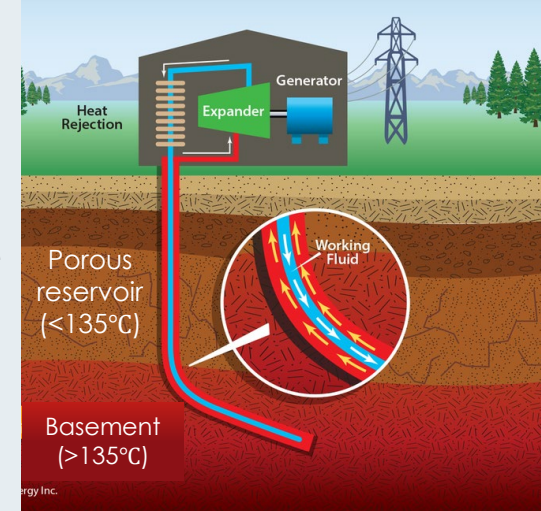
Why is geothermal energy important?

- Geothermal energy is proven, reliable and one of few renewable solutions available 24/7
- Geothermal power generation is used in 30 countries with 16 GW of installed capacity¹
 - *USA is the largest geothermal producer with 93 plants in operation and 3.7 GW capacity*
- Geothermal operates at >80% capacity and has the lowest levelised cost of electricity for dispatchable technologies in the USA at US\$37.30 per MWh²

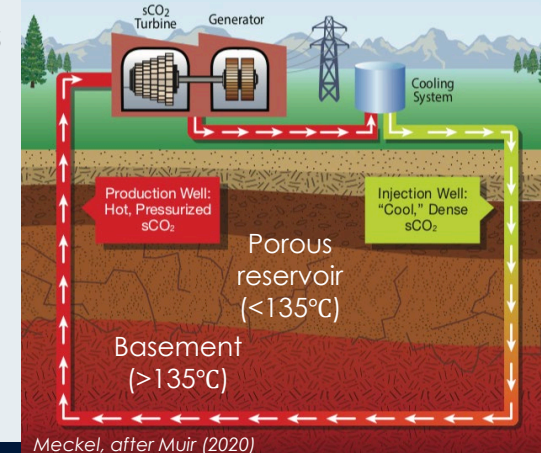
Technological advancements - binary cycle principle power plants and closed loop technology

- Historically the global industry (including Australia) focused on “hot dry rocks”
 - *>200°C in tectonically and volcanically active areas, e.g. Pacific Ring of Fire*
- Technological advancements have seen a global shift to Binary Cycle Power Plants using geothermal fluids at lower temperatures (80 °C - 180°C) and shallower depths
 - *Binary plants have been in operation since 1967; more than 150 operate worldwide*
- In a closed cycle, 100% of fluid is returned to reservoir, an emission-free operation
 - *Does not require permeability of hot rocks*
 - *Technology has been proven, is currently being scaled*

Single Well Closed Loop System





Dual Well Closed Loop System



1 - Global Industry Analysts, Global Geothermal Power Generation Industry, May 2022

2 - U.S. Energy Information Administration, Annual Energy Outlook 2022

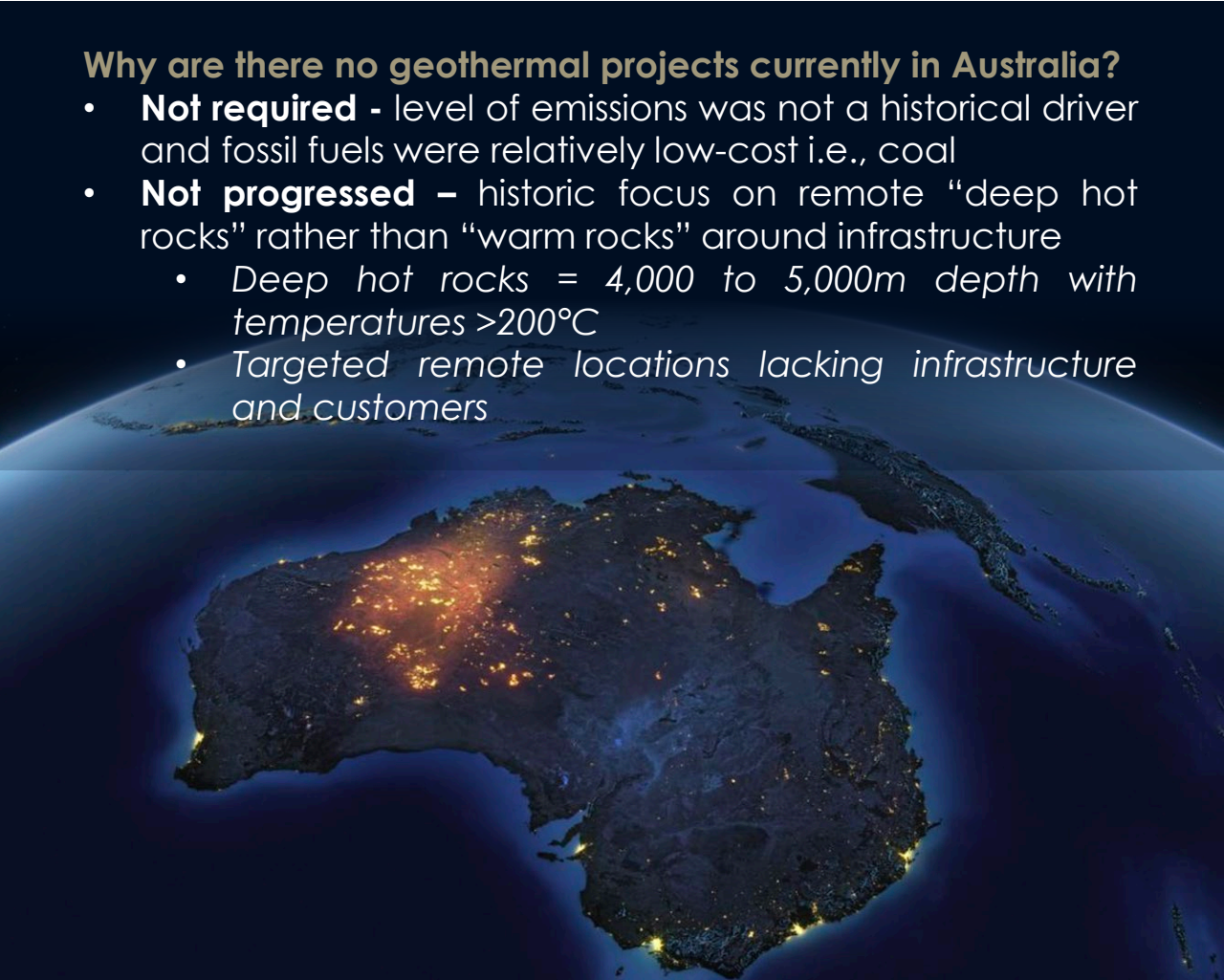
Geothermal provides a pathway for junior companies to participate in the renewable energy transition

<div>  </div>		<div>  </div>
Barrier to entry	Barriers for entry for other renewable energy solutions	Geothermal Benefit
Access to existing Infrastructure	<ul style="list-style-type: none"> Lack of access to key and essential infrastructure (terminals & lines) with sufficient capacity 	<ul style="list-style-type: none"> Binary Cycle Power Plants are typically developed at smaller size between 5MW – 30MW Accessing smaller transmission lines/sub stations allows smaller operations
Land	<ul style="list-style-type: none"> Other renewable energy solutions (wind & solar) require access to significant ground at surface 	<ul style="list-style-type: none"> Geothermal has a significantly smaller surface footprint than other renewable energy solutions Established tenement structure in place for geothermal energy through most Australian states
Capital intensive	<ul style="list-style-type: none"> Competing renewable energy developments require large scale to be economic and are capital intensive for direct energy production and/or infrastructure 	<ul style="list-style-type: none"> 10MWe project is expected to cost less than \$50m and less than 20% of capex is prior to FID, i.e., minimal spend during the riskier phase ¹
Revenue Uncertainty due to Intermittent Energy production	<ul style="list-style-type: none"> Most renewable energy generation (wind, solar) is intermittent over a 24 hour cycle, and can vary significantly from season to season Excess energy supply from these sources typically occurs during lower energy demand period (eg: “solar duck curve”), putting downward pressure on energy price achievable by intermittent renewable generators 	<ul style="list-style-type: none"> Geothermal by virtue of providing 24/7 base load, benefits from high peak energy prices irrespective of the period of the day and the time of the year

Australia needs geothermal to be a part of its renewable energy solution

Why are there no geothermal projects currently in Australia?

- **Not required** - level of emissions was not a historical driver and fossil fuels were relatively low-cost i.e., coal
- **Not progressed** – historic focus on remote “deep hot rocks” rather than “warm rocks” around infrastructure
 - Deep hot rocks = 4,000 to 5,000m depth with temperatures >200°C
 - Targeted remote locations lacking infrastructure and customers



Australia has the right building blocks in place for geothermal

- **Renewable target** of 82% renewable energy power by 2030
 - *in 2022 we were only at 35% ¹*
- **Financial assistance** is available from Federal and State governments to support energy transition
 - *Regional Communities Reliability Fund, National Clean Energy Fund, Commonwealth Capacity Mechanism, etc.*
- **Geology** is well understood and generally supported by legacy oil and gas well and seismic data
- **Technology is proven** when focused on warm geothermal temperatures for Binary Cycle Power Plants to unlock opportunities close to infrastructure (closed cycle technology has been proven and is currently being scaled)
- **Infrastructure** is in place
 - *The East Coast has the world's longest interconnected power system (NEM), allowing direct access to market*
- **Capability** is readily available, with an overlap between geothermal and the existing resources sector;
 - *Can be supported by proven international geothermal expertise as required*

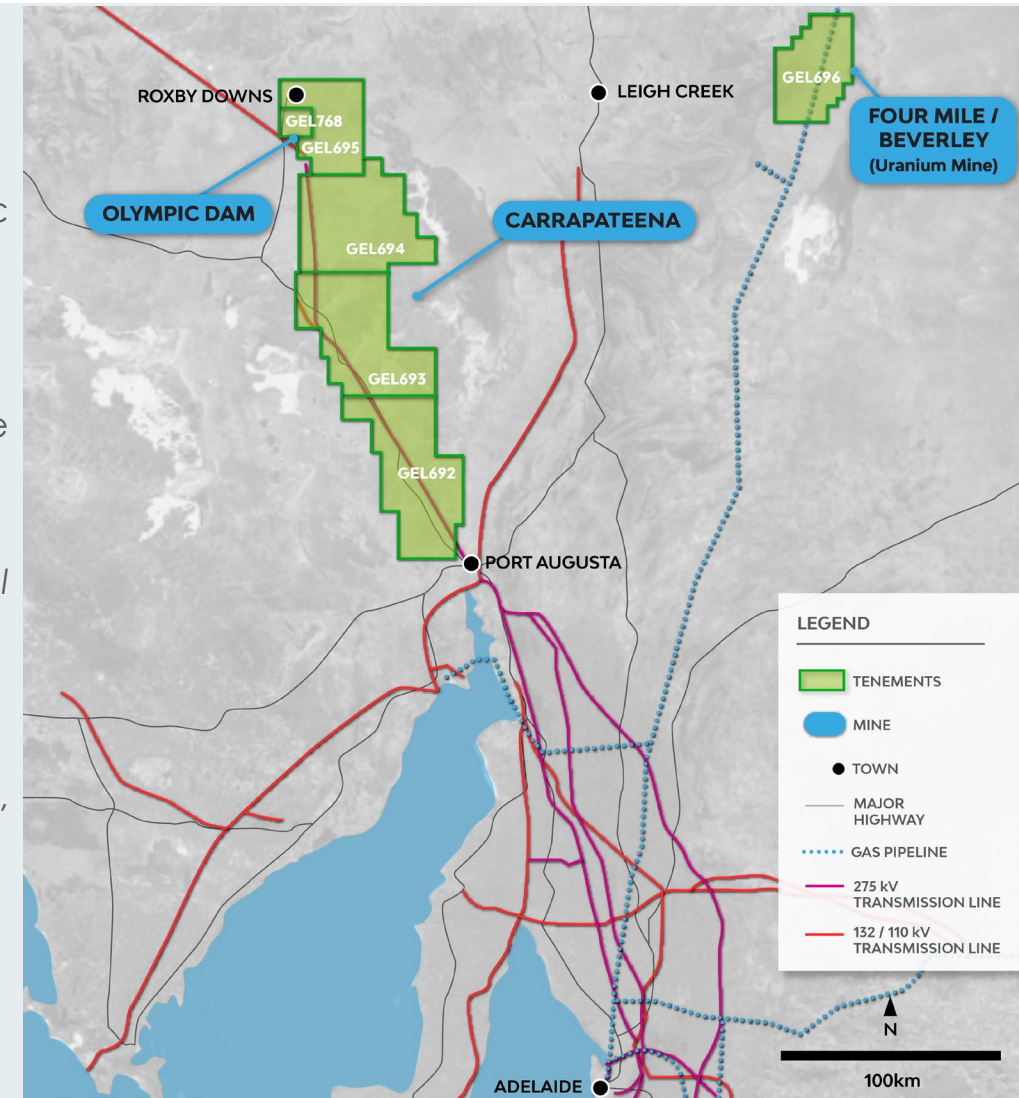
South Australia

The leading renewable energy transition State

- South Australia is the leading Australian state for renewable energy transition
- Cradle has secured blocks totalling over 12,300 km²
- Located on trend with major transmission lines and mines including Olympic Dam, Carrapateena and Four Mile / Beverley

Significant geothermal resource potential

- Geothermal offset well data, available seismic and indicative, regional-scale geophysical mapping were applied by Competent Person¹
- In GEL696, G1 + G2 (P50) resources of 7.6PJ thermal delineated
 - *For reference, a 10MW plant would require approximately 1.5 PJ thermal of geothermal resource per annum¹*
 - *Exploration potential in GEL696 of 563 PJ thermal.*
 - *P-Mean Electrical-Power Resources² estimated 6,600MWe⁴*
- Along the Western flank, aligned with the power lines and major mining centers, combined exploration potential 2,423 PJ thermal
 - *P-Mean Electrical-Power Resources³ estimated at 22,100MWe⁴*



1 – Competent Person - these analyses have been performed by Dr. Arnout JW Everts who holds a PhD in Geology from VU University Amsterdam and has 33 years of industry experience – see Competent Person's Statement included in this presentation

2 - assuming a plant load-factor of 0.9 and a range (P90 to P10) 1.9 – 7.9MWe/km² (Megawatt electrical per square kilometer) for GELA696

3 - assuming a plant load-factor of 0.9 and a range (P90 to P10) 1.1 – 6.9MWe/km² for GELA692/693/694/695/768

4 - The estimates of Electric Power-Resource Potential are strictly indicative and should not be construed to be compliant with UNFC

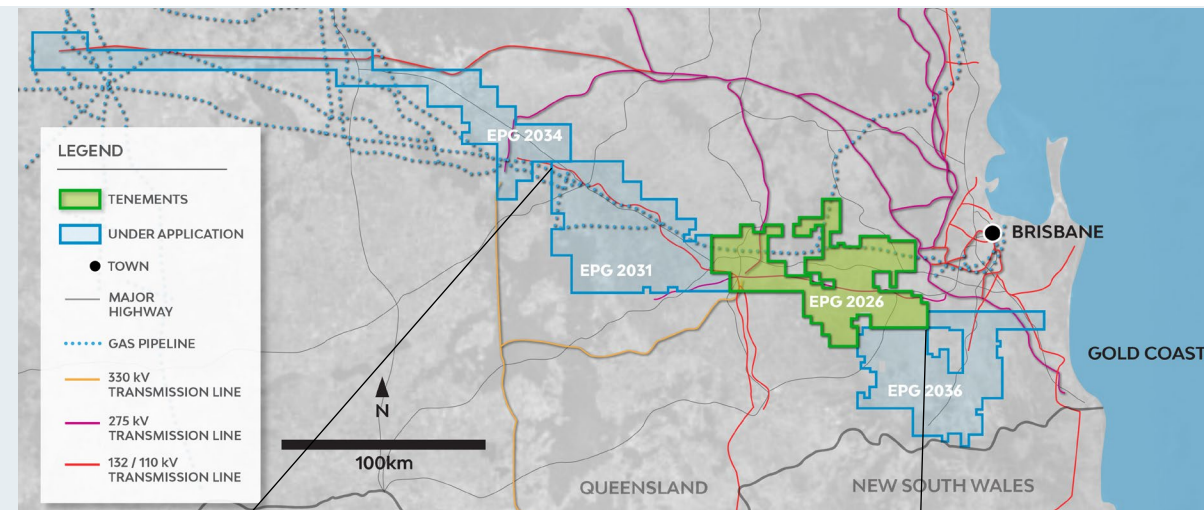
Queensland

Government supporting renewable energy

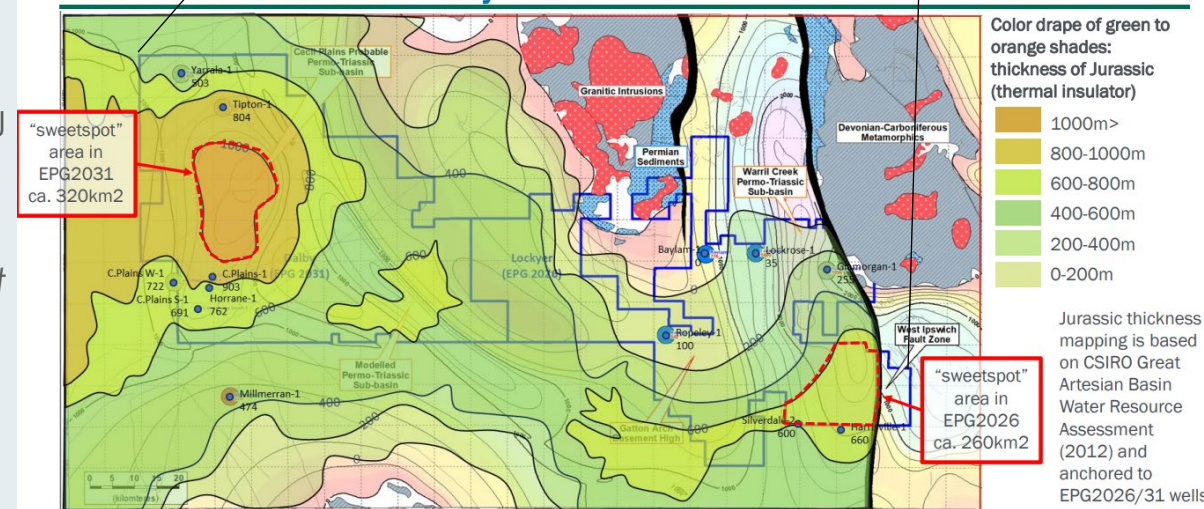
- State Government announced \$19bn budget to be spent over 4 years to support renewable energy, storage and transmission
- One tenement granted and three under application
 - Located near Brisbane metro, with major transmission lines located on tenements
- EPG2026, located near Brisbane metro, provides access to grid supplying >75% of QLD population.
 - Tenements under application are located near major industrial activity in the Bowen and Surat Basin mining areas

Significant geothermal resource potential

- Exploration potential¹ of 62.2 PJ thermal on EPG2026, and 101.2PJ thermal EPG2031
- Energy potential 'sweet spots' identified on 2026 and 2031
 - P-Mean Electrical-Power Resources are estimated at 1,500MWe² in these sweet spots³



EPG2026 & 2031 map showing Basement Depth / Geology with Jurassic Thickness overlay



1 – Competent Person - these analyses have been performed by Dr. Arnout JW Everts who holds a PhD in Geology from VU University Amsterdam and has 33 years of industry experience – see Competent Person's Statement included in this presentation

2 - assuming a plant load-factor of 0.9 and a range (P90 to P10) 1.1 – 3.7 MWe/km2 (Megawatt electrical per square kilometer) for EPG2026 and 1.2 – 4.6 MWe/km2 for EPG2031

3 - The estimates of Electric Power-Resource Potential are strictly indicative and should not be construed to be compliant with UNFC

Key targets for 2023 - 2024

- 2023 ✓ **Secure fit for purpose team including Board**
- ✓ **Secure Australian acreage under application**
- ✓ **Completed Competent Persons Report on Queensland and South Australia Resource Potential**

- 2024 Complete Environmental, Native Title and Cultural Heritage approvals
- Conduct geological and geophysical studies
- Define highly ranked subsurface areas
- Complete infrastructure tie-in assessment
- Complete market studies
- Define preferred drilling/development locations
- Secure international technology partner
- Progress potential government funding/support
- Assess strategic partner farm-in potential
- Conduct Business Development growth assessment
- Drilling program ready



Competent Person's Statement

The information in this release that relates to resource estimates through the mapping of prospective areas and gross rock volumes, review of reservoir temperature and properties of rock formations, pore fluids and fracture systems within the metasediments and basement rocks of CRADLE Energy's South Australian assets is based on analysis of data provided by CRADLE and sourced from open-domain databases. These analyses have been performed by Dr. Arnout JW Everts who holds a PhD in Geology from VU University Amsterdam and has 33 years of industry experience and a proven track record of technical leadership, project management, and technical task and project delivery. His areas of expertise include techno-commercial project due-diligence, field (re)development, oil & gas reserve and resource assessments, geothermal resources and exploitation viability, underground storage of CO₂ (CCS) and hydrogen. Through his career, Dr Everts has participated in and/or led over 100 energy projects spanning the entire project life-cycle, from frontier exploration to late field-life including unconventional. In recent years his focus has shifted to renewables, i.e., geothermal and CCS. Dr Everts is an Active Member of AAPG (American Association of Petroleum Geologists), EAGE (European Association of Geoscientists and Engineers) and GSM (Geological Society of Malaysia), a Professional Member of AGA (Australian Geothermal Association) and he has contributed as lead author or co-author to around 30 research papers and extended abstracts in international scientific journals including papers on geothermal resource potential and assessment. As EuroGeologist title holder (registration no 1435) Dr Everts is entitled to sign off on Company Reserves and Resources reports submitted to regulatory bodies.

Dr. Everts has consented in writing to the inclusion in this release to the matters based on his information in the form and context in which it appears. Dr. Everts is engaged by CRADLE as an independent consultant and is not employed by the Company.



For more information contact

Matt Kay
Managing Director Designate

0401 988 824
Mattk@cradleresources.com.au

cradleresources.com.au | ASX: CXX