CLASS RULING FOR IN-SPECIE DISTRIBUTION OF GATEWAY SHARES

Introduction

Strickland Metals Limited (**Strickland** or the **Company**) refers to its announcement on 25 August 2025, whereby Strickland announced that it had completed its In-Specie Distribution of 1,200,000,000 convertible preference shares in Gateway Mining Limited (ASX:GML) (**Gateway CP Shares**) to eligible Strickland shareholders[1] (**In-specie Distribution**).

The Gateway CP Shares automatically converted into fully paid ordinary shares in Gateway on 26 August 2025.

Each eligible Strickland shareholder received approximately 53 Gateway CP Shares for every 100 Strickland shares held.[2]

The Company is now pleased to announce that Class Ruling 2026/37 (**Class Ruling**) has been issued by the Australian Taxation Office (**ATO**) clarifying certain Australian income tax implications of the In-specie Distribution of the Gateway shares.

The Class Ruling only applies to Australian tax resident Shareholders (**Affected Shareholders**) that were registered on the Strickland share register at the record date of 22 August 2025 (**Record Date**) and received Gateway CP Shares on 25 August 2025 (**Payment Date**).

ATO Class Ruling

In summary, the Class Ruling confirms that for Australian tax resident Affected Shareholders:

<u>CGT Event G1</u>

- The receipt of Gateway CP Shares on 25 August 2025 (through the in-specie distribution);
  - is not an assessable dividend;
  - however, does represent a capital gains tax (**CGT**) event.
- A CGT event happened on the Payment Date when shareholders were paid the Capital Return in respect of each Strickland share held by the shareholder (**CGT Event G1**).
- The capital return is $0.014852 per Strickland share owned (**Capital Return**).
- Affected Shareholders made a capital gain from the CGT Event G1 if the Capital Return was more than the cost base of the Strickland share owned (the amount of the capital gain is equal to the excess).
- Affected Shareholders can treat a capital gain they made from CGT Event G1 as a discount capital gain provided that they satisfy relevant requirements of the Income Tax Assessment Act 1997, in particular they must have acquired their Strickland shares at least 12 months before the Payment Date (excluding the date of acquisition and Payment Date).

---

[1]Capitalised terms in this announcement have the same meaning as in the Notice of Meeting to Strickland shareholders dated 18 July 2025.
[2]Based on the shares on issue in Strickland at the Record Date being 22 August 2025.

- If the Capital Return was equal to or less than the cost base of the Strickland share, an Affected Shareholder does not make a capital gain from the CGT Event G1. Instead, the Affected Shareholder reduces the cost base and the reduced cost base of the Strickland share by $0.014852 per share.

- An Affected Shareholder cannot make a capital loss from the CGT Event G1 happening.

Capital Gains Event C2

- For some Affected Shareholders a CGT event occurred when Strickland paid the Capital Return to Affected Shareholders in respect of the Strickland shares they owned on the Record Date but ceased to own before the Payment Date (**CGT Event C2**), as those Affected Shareholders retained the right to receive the Capital Return until the payment was made.

- The capital gain is equal to the Capital Return per share.

- Affected Shareholders can treat a capital gain they made from CGT Event C2 as a discount capital gain provided that they satisfy relevant requirements of the Income Tax Assessment Act 1997, in particular they must have acquired their Strickland shares at least 12 months before the Payment Date (excluding the date of acquisition and Payment Date).

For the purposes of determining whether a shareholder can make a discount capital gain on the subsequent disposal of Gateway ordinary shares, the Gateway ordinary shares should be taken to have been acquired on the date the Gateway CP Shares were converted into fully paid ordinary shares in Gateway being 26 August 2026. The first element of the cost base/reduced cost base of each Gateway ordinary share is the cost base/reduced cost base of each Gateway CP Share acquired on the Payment Date i.e. $0.028 per Gateway CP Share (as outlined in the Class Ruling).

Affected Shareholders should read the Class Ruling in its entirety when considering the tax implications of the In-Specie Distribution. This announcement is a summary only and does not constitute tax advice or take into account the individual circumstances of each Affected Shareholder. Affected Shareholders are encouraged to seek independent taxation advice relevant to their particular circumstances. To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability or responsibility with respect to the taxation consequences of the In-Specie distribution outlined above.

The Class Ruling is available on the ATO website at the following link: STK ATO Class Ruling. A copy of the Class Ruling is also attached to this announcement.

Adjustment to Exercise Price of Unlisted Options

Following the in-specie distribution of Gateway shares to Strickland shareholders, in accordance with Listing Rule 7.22.3, the exercise price of the following unlisted options has been reduced by $0.014852 per option.

ASX Security Code	Number of Options	Expiry Date	Exercise Price (Pre In-Specie Distribution)	Exercise Price (Post In-Specie Distribution)
STKAB	50,000,000	1 July 2029	$0.135	$0.1201

This release has been authorised by the Company's Managing Director Mr Paul L'Herpiniere.

— Ends —

For further information, please contact:

Paul L'Herpiniere
Managing Director

Meredith Schwarz
Investor Relations / Business Development Manager
Phone: +61 (8) 6256 8200
info@stricklandmetals.com.au
stricklandmetals.com.au

Forward-Looking Statements

This announcement may contain certain 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-Looking Statements). Forward-Looking Statements can generally be identified by the use of forward-looking words such as "anticipate", "estimates", "will", "should", "could", "may", "expects", "plans", "forecast", "target" or similar expressions and may include, without limitation, statements regarding plans, strategies and objectives of management, anticipated production and expected costs. Indications of, and guidance on future earnings, cash flows, costs, financial position and performance are also Forward Looking Statements.

Persons reading this announcement are cautioned that such statements are only predictions, and that actual future results or performance may be materially different. Forward-Looking Statements, opinions and estimates included in this announcement are based on assumptions and contingencies which are subject to change, without notice, as are statements about market and industry trends, which are based on interpretation of current market conditions. Forward-Looking Statements are provided as a general guide only and should not be relied on as a guarantee of future performance.

No representation or warranty, express or implied, is made by Strickland that any Forward-Looking Statement will be achieved or proved to be correct. Further, Strickland disclaims any intent or obligation to update or revise any Forward-Looking Statement whether as a result of new information, estimates or options, future events or results or otherwise, unless required to do so by law.