

ASX Announcement
May 25, 2022

Develop starts work at Bellevue Gold Mine

Develop (ASX: DVP) is pleased to advise that it has started underground work at Bellevue Gold's (ASX: BGL) Bellevue Mine in Western Australia in line with the terms of the agreement signed last month (see ASX release dated April 14, 2022).

Under the contract, Develop's Underground Services division will undertake construction, development and production activities at the underground mine.

The agreement is valued at ~A\$400 million and covers a period of almost four years.

Develop Managing Director Bill Beament said: "We have established a world-class team of highly experienced underground mining specialists.

"Our team includes leading managers in their respective areas and an enviable group of underground mining and maintenance personnel, backed up by the latest mobile equipment.

"Our people, combined with the outstanding management team at Bellevue, will ensure we maximise the huge opportunity offered by the high-grade Bellevue orebody".



LOI to acquire the Premium Group

Develop is also pleased to advise that it has entered into a letter of intent (**LOI**) pursuant to which it has agreed to acquire Premium Mining & Civil Pty Ltd and Premium Mining Personnel Pty Ltd (together, the **Premium Group**) for total consideration of \$7.46 million less net debt, to be satisfied by \$300,000 in cash and the balance in Develop shares.

The Premium Group is a well-established provider of specialist mining personnel and equipment to the underground mining industry. This acquisition bolsters Develop's capabilities in providing underground expertise and equipment, both of which are in extremely high demand and will play critical roles in helping Develop achieve its goals as a mine owner/developer and mining services business partner.

Under the LOI, the parties have agreed to negotiate and enter into a formal share sale agreement to formalise the acquisition, which will incorporate customary terms and conditions (**Formal Agreement**).

\$3.5 million in value of the equity consideration will be subject to voluntary escrow for 12 months with the balance of the equity consideration to be subject to voluntary escrow for 24 months.

The issue of the equity consideration will be subject to Develop shareholder approval.

The Premium Group is controlled by Paul Allison (through associated entities).

Bill Beament, the Managing Director of Develop, is a minority shareholder of Premium Mining Personnel Pty Ltd (through an associated entity) and will receive approximately 10% of the total consideration for the acquisition. No up-front cash consideration will be payable to Mr Beament (or his associated entity).

The LOI is also conditional on regulatory approvals.

A Notice of Meeting in respect to this transaction which will set out further details on the acquisition of the Premium Group will be sent to Develop shareholders in coming weeks following execution of the Formal Agreement.

This announcement is authorised for release to the ASX by the Develop Board of Directors.

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About Develop

Develop (ASX: DVP) has a twin-pronged strategy for creating value. The first of these centres on the exploration and production of future-facing metals. As part of this, the Company owns the Sulphur Springs copper-zinc-silver project in WA's Pilbara region. This project is currently the focus of ongoing exploration to grow the inventory and various development studies. Develop also owns the Woodlawn zinc-copper project in NSW. Woodlawn, which is on care and maintenance, comprises an underground mine and a new processing plant. The second plank of Develop's strategy centres on the provision of underground mining services. As part of this, Develop has an agreement with Bellevue Gold (ASX: BGL) to provide underground mining services at its Bellevue Gold Project in WA.