



Bonshaw Gold Group

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Bonshaw Gold Group Ltd ABN 89 005 583 031

8 September 2026

Dear Shareholder ,

Welcome to Spring ! These letters have been rather sparse in recent years, for the simple reason that progress on both of our projects has been much slower than we had expected. Nevertheless, as with a swan swimming, there is plenty of action 'below the water'.

Glenfine Gold Tailings Project

You will remember that the tailings are residues from mining nearby more than 100 years ago, and the gold lodes mined had a significant content of arsenic. Several other Victorian gold lodes have a relatively high arsenic content, notably those at Maldon. The rather simple processing in those days recovered most of the gold, and so the arsenic content remained in the mine residues (tailings). The five short processing campaigns at Glenfine, between 2016 and 2023, recovered gold, but did not endeavour to extract the arsenic. However, towards the end of 2023 the State government determined that all mining and tailings operations with significant arsenic would in future be obliged to reduce the arsenic content of their final residues to meet stringent EPA specifications.

Our joint venture partners, EcoMetallix Pty Ltd, are proving extremely professional and thorough, and at the start of this year initiated a program of detailed metallurgical testing, at independent laboratories, and have designed a new flowsheet which maximises the recovery of both gold and arsenic. The tailings have a rather wide size range, from coarse to fine, and an issue in the past has been that some of the coarse quartz grains have tiny particles of gold wholly enclosed within them – as a result that gold escapes extraction by the cyanide solution ! And a proportion of the arsenic is also 'trapped' inside large quartz grains. So to maximise the recovery of both they will need to employ fine grinding of all of the tailings. That creates another expense, as the resulting slurry will require additional equipment for dewatering, to render the material suitable for use in the final rehabilitation of the site. The alternative would be an expensive new tailings dam. Both the arsenic extraction procedure and dewatering of the slurry involve capital and operating costs not required in our previous Glenfine campaigns.

The government administrative process to obtain formal approval to resume work at Glenfine requires a flood of minor and major reports by independent experts. By way of example, we have just sent a report of over 20 pages to the Golden Plains Shire seeking their approval to resume tailings reprocessing.

EcoMetallix have had up to three professionals working almost full time for much of 2026 on these reports ! With Government approval, we anticipate that a resumption operations at Glenfine will be around November this year.

Clunes and a major new drilling program

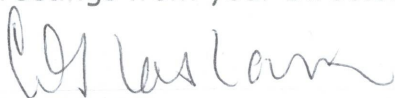
Preparations for this extremely exciting campaign have also been disappointingly slow. You will recall that in December an agreement was executed with a new funding partner, whereby they will finance a substantial core drilling program to thoroughly appraise the very attractive and high-grade gold targets defined by the outstanding geological interpretation of the entire Clunes Goldfield prepared by their consultant in mid-2024. Esploratore Pty Ltd has the right to acquire our three exploration licences at Clunes for a figure in excess of 1.4 million dollars, and a royalty of 1.5% on future gold production from within the current area of those licences. However the chief executive of our funding partner was overseas until March, and there have been lengthy and unexpected delays since then. The delays primarily result from access to the preferred drilling site, which is on Hepburn Shire owned land just north of the township. In the early months of this year, as a result of unrelated litigation, five of the seven Shire Councillors were stood down, resulting in the loss of a quorum. At around the same time the Shire CEO resigned, meaning that the Shire was unable to make a decision on our application to drill from that land. Last month the litigation was withdrawn. I understand the Councillors have been reinstated, and a temporary CEO appointed, so a decision should be forthcoming soon.

Given the advanced status of both projects, you can expect the next letter from me around the end of October.

From the above you can see that your three Directors are 'kicking potential goals' on your behalf, and have been doing so, unpaid, for over five years.

At the AGM last November I had indicated my intention to retire from the Board in mid-2026. That was based on advice from our new funding partners that diamond drilling at Clunes, and also the processing of gold-bearing tailings at Glenfine, were expected to be well under way by that time. As explained above, progress at both projects has been slowed by unexpected delays in approval by the authorities, at State level with regard to Glenfine, and local government in the case of Clunes. Accordingly, I now expect to retire in November, at the close of the next AGM, by which time both projects should be 'up and running'.

Greetings from your Directors ,



Chris Haslam
Chairman