

FROM THE TRANSACTION TABLE

What Sophisticated Capital Looks For When Assessing A Public Resources Company

A practical guide to transaction readiness issues for boards and management teams in the energy and resources sector to consider.

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Introduction

Recently, I posted a short series on LinkedIn exploring something that, over the years, I have found myself discussing again and again with boards and management teams across the energy and resources sector: what sophisticated investors, acquirers and capital providers actually look at when they assess whether a company is ready to transact. This guide expands on that series and captures it in one place.

I am not an investor or a broker. But as an experienced transactions lawyer, I have sat across enough capital raises, acquisitions and joint venture processes to develop a clear view of the filter sophisticated capital runs across a target company, and, more importantly, of how much of that filter has a legal dimension that companies can address well before a process ever begins.

When a sophisticated investor, acquirer or capital provider looks at a mining or exploration company, they are assessing far more than the asset itself. Geology matters, obviously. But so does the capital structure, the tenure position, the management track record, the cash runway, the commercial arrangements sitting over the project, and the regulatory position the company occupies. In my view, each of these shapes whether a company is genuinely investable at the relevant time.

What is less well understood, even by experienced boards, is that many of the criteria capital providers actually assess are structural or contractual problems in disguise: issues that can be identified and, in almost every case, fixed well before a capital raise or transaction process is contemplated. The problem is timing, not difficulty. Once a company is in a live process, the leverage has already shifted to the other side of the table.

This paper works through those criteria one by one: resource quality, tenure, governance, capital structure, cash position, commercial arrangements and regulatory position. For each, I have set out what capital providers are actually assessing, the legal issues that most commonly surface, and, where a clear, current and non-confidential example exists, a short case study grounding the point in something real rather than theoretical.

The thread running through all of it is the same: preparation. A company that has done this work is not just a better investment. It is a company that can move quickly and on its own terms when an opportunity arrives.

KEY TAKEAWAY *The window between knowing a transaction might be coming and being in a formal process is where most transaction value is protected or lost, and it is usually shorter than boards expect.*

SECTION 1

The Quality of Your Resource Statement

In my experience, the first thing a sophisticated investor looks at is the resource. Not just the headline number, but the category behind it.

Under the JORC Code, mineral resources are classified as Inferred, Indicated or Measured, reflecting increasing levels of geological confidence. This distinction matters enormously for capital.

Exploration capital will often back an Inferred resource on the strength of the story. Equity investors typically want to see a meaningful proportion of Indicated tonnage before committing serious capital. Debt providers and project financiers generally will not engage seriously until the resource underpinning the project reaches Measured status, or reserve level Proved and Probable.

A company with a large Inferred resource and nothing else has a story, sometimes a compelling one, but not yet a project. Sophisticated capital knows the difference, and prices accordingly.

Where the legal dimension bites

The legal dimension sharpens considerably once a transaction is contemplated. A resource statement that works well for an ASX announcement is not necessarily one that survives transaction-level scrutiny. Buyers and their technical advisers will ask for the competent person's report, the underlying drill and assay data, and confirmation that the estimate remains current.

Where the competent person has since moved on, the supporting data is incomplete, or the estimate has not been revisited since a material drilling program, the resource becomes a negotiating point, and sometimes a repricing event. These problems compound: a resource statement prepared years ago under different assumptions, by a competent person no longer associated with the project, without adequate supporting data, is exactly the kind of issue an experienced buyer's technical and legal team identifies quickly, and prices into an offer.

CASE STUDY

Resource confidence and the cost of capital

A pattern that plays out repeatedly on the ASX: a junior explorer runs a strong drilling campaign and releases an impressive Inferred resource, attracting genuine market attention and a share price re-rating. The company then approaches debt or project-finance providers to fund development, only to be told the resource categorisation itself is the blocker, independent of commodity price or project economics.

The reason is structural, not sentimental: project financiers lend against Measured resources and Proved and Probable reserves because those categories carry the geological confidence a lending model requires. An Inferred resource, however large, simply cannot support that kind of capital. The company's next twelve to eighteen months of work (infill drilling, resource upgrade, a feasibility study) is not just a technical program. It is the company converting its resource into a form that a different, and usually much larger, pool of capital can actually engage with.

KEY TAKEAWAY *Treat your resource statement as a living document, not a historical one. By the time a buyer is in your data room, it is too late to fix a resource statement that has not been maintained. That work needs to happen well before a transaction is contemplated.*

What Investors See in Your Tenure Position

A resource in the ground is only as valuable as the legal right to extract it. Investors know this and look carefully at tenure.

For an ASX-listed resources company, the key questions are straightforward in principle but often complicated in practice. Are the tenements in good standing? Are renewals current? Are there third-party interests, encumbrances or consent requirements that would affect a transfer? Have native title and cultural heritage obligations been met? What investors are really asking is simple: if we buy this company or project, do we get clean title to what we are paying for?

Good standing is a term of art in mining due diligence. It broadly means the tenement has maintained compliance with its conditions, expenditure obligations and the applicable regulatory regime, such that neither the tenement nor the holder's ability to convert it to the next phase of title is at risk. A tenement not in good standing may be exposed to forfeiture, and that risk shapes everything else in a diligence review.

Where the issues actually surface

The legal issues that surface most often in a tenure review are not always the obvious ones. Renewal dates falling within the transaction window create timing risk that needs to be actively managed, not merely noted. Access agreements, native title agreements or ILUAs containing transfer restrictions can stall a deal if they are not reviewed and flagged early. Caveators with an undisclosed agenda are sometimes only discovered when a buyer requests a formal withdrawal. And rehabilitation bonds are frequently underfunded relative to the true liability. In Western Australia, for example, DEMIRS describes its Rehabilitation Liability Estimate as indicative only, dependent on self-reported disturbance data, meaning a buyer cannot simply assume the reported figure reflects the actual rehabilitation cost.

Two less obvious issues are worth calling out specifically. First, in Western Australia and Victoria, an exploration licence generally cannot be transferred without ministerial consent within the first year of its term, and this restriction is not limited to outright transfers. It can also capture farm-ins, joint ventures, options and split-commodity arrangements. There are established ways to manage this, but the constraint needs to be identified early so the correct mechanisms are built into the transaction documentation from the outset, rather than discovered once terms have already been agreed.

Second, a titles register search does not tell the whole story. Interests created under farm-in agreements, option agreements and similar arrangements are frequently unregistered. What appears on the public register may not reflect the full set of third-party interests actually affecting a tenement. Caveats help, but are not always in place. A thorough tenure review has to go beyond the register itself.

Farm-ins add a further layer: back-in rights

Farm-in arrangements introduce their own tenure-adjacent complexity, and back-in rights are the clearest example. A back-in right gives the original project owner (the farmor) the right, but not the obligation, to re-acquire an equity interest after the farminee has earned theirs, typically by reimbursing a multiple of the farminee's pro-rata expenditure.

The practical effect can materially dilute the interest an investor believed it had earned, right at the point the project looks most attractive, precisely when the original owner is most likely to exercise the right. The back-in price is rarely a genuine market valuation; it is usually pegged to historical spend, which can sit well below the interest's true value once a discovery has been made. Some back-in rights also flip operatorship back to the original owner on exercise, compounding the effect further. A farm-in is not simply "earn your interest and you are done"; the existence, trigger and cost of any back-in right needs to be checked before the earn-in begins, not after. It is also worth being precise about how common this actually is: a back-in right is not a mechanic most standard-form farm-in agreements include by default. It is a bespoke addition parties layer onto a farm-in structure, usually at the farmor's insistence, which makes it easier, not harder, to miss. Because it is not boilerplate, it will not show up in every agreement, and a party working from a mental model of how farm-ins usually work may simply not think to check for it.

KEY TAKEAWAY *A tenure audit conducted before a process begins is one of the most cost-effective pieces of legal work a company approaching a transaction can commission. It surfaces the issues while there is still time to fix them, rather than while a buyer's lawyers are watching the clock run down on an exclusivity period.*

What Investors See in Your Board

Soon after looking at the resource, investors turn their attention to the people running it. A great asset run by the wrong team is a genuine problem. A modest asset run by an exceptional team is often an opportunity in waiting.

The signals investors actually read are not always the ones companies expect. A board that looks well-credentialed on paper can still draw scrutiny if the substance underneath the labels does not match.

Independence is tested, not assumed

“Independent” is a label worth checking closely. The ASX Corporate Governance Council’s criteria provide that a director who is, or has recently been, an officer of, or otherwise associated with, a substantial shareholder should not be classified as independent, regardless of how the board’s own governance statement describes them. A board where every director technically qualifies as “non-executive”, but where several share long-standing ties to the same major shareholder, looks materially different to a sophisticated investor than its org chart suggests.

On-market dealing by directors is the more familiar signal, but it is worth being precise about what it actually shows. Buying signals that the people closest to the asset believe it is undervalued, and are willing to back that view with their own capital. Selling, particularly early in a project’s life, sends the opposite signal, regardless of how it is explained afterwards.

Related party arrangements draw the closest scrutiny

This is true whether the company is listed or still pre-IPO. Chapter 2E of the Corporations Act requires shareholder approval before a public company gives a financial benefit to a related party, and ASX Listing Rule 10.1 imposes a parallel requirement for substantial asset transactions with persons in a position of influence. Neither obligation applies to a private company, which is exactly why founder-era arrangements, management fees, tenement leases and option grants so often need to be formalised as part of IPO preparation, before they become live disclosure obligations on listing.

Disclosure itself is a broader duty again. Section 191 of the Corporations Act requires any director on a multi-director board, public or private, to tell the board when they have a material personal interest. Section 195 then adds a public-company-specific layer on top, barring that director from being present or voting while the conflict is unresolved. This is what allows a board to govern through a conflict rather than be compromised by it, and it is invariably one of the first things tested in due diligence.

CASE STUDY

Group 6 Metals: a related party transaction missed by internal processes

Group 6 Metals Limited (ASX: G6M), developer of the Dolphin Mine tungsten project on King Island, Tasmania, disclosed on 2 June 2026 that ASX had directed it to remedy breaches of Listing Rule 10.1. The breaches arose from ongoing commercial arrangements, for mining equipment, spare parts and rental agreements, with entities controlled by Dale Elphinstone, who had been appointed a director in December 2024, making those entities related parties from that date.

The trigger was not the related party relationship itself, which the company had been managing, but a change in the company's own balance sheet: on lodging its FY24 annual report, G6M reported consolidated negative equity of approximately A\$57.4 million. Under Listing Rule 10.1, a negative equity position means any acquisition of assets from a person in a position of influence is automatically deemed a substantial asset acquisition requiring prior shareholder approval, regardless of the dollar value involved. The company's internal compliance processes did not pick up that this threshold had been crossed, and the arm's-length, operationally necessary transactions proceeded without the approval the rule now required. The remedy, an Independent Expert's Report and shareholder approval sought retrospectively at a general meeting, illustrates how a related party framework that was properly managed at the outset can still be tripped by a financial threshold nobody was monitoring for that specific purpose.

KEY TAKEAWAY *Arrangements built up over time, often for perfectly legitimate reasons, can look very different from the outside than they felt at the time they were made. Rationalising them before a raise, IPO or transaction, with proper board approval and disclosure, is almost always preferable to explaining them for the first time once a buyer has already found them.*

What Investors See in Your Capital Structure

The capital structure of an ASX-listed resources company tells a story, and investors read it carefully. What they are looking for is simplicity, alignment and room to move.

The key metrics are familiar: shares on issue, options and performance rights outstanding, any convertible notes or other hybrid instruments, and the relationship between all of those and the current share price. A clean capital table (a manageable number of shares on issue, with options that are either deeply out of the money or were recently issued at a meaningful premium) signals a company that has been disciplined about dilution. A messy one, layered with historic options, performance rights struck at various prices, and convertible notes with conversion mechanics that are genuinely hard to follow, signals the opposite.

Complexity almost always has a history

From a legal perspective, capital structure complexity is rarely the product of a single bad decision. Each fundraising event, each management incentive grant, each convertible note issuance added a layer at the time, and few of those decisions were necessarily wrong when they were made. But the cumulative effect can make a company genuinely difficult to value, and genuinely difficult to transact.

The encouraging news is that the legal tools to simplify a capital structure do exist. Cleaning it up before a major capital raise or transaction requires careful analysis, board approval and, in some cases, shareholder approval, along with proper ASX disclosure as the changes are made. The earlier this work is done, the more options remain available, and the less pressure there is on timing when a real opportunity arrives.

KEY TAKEAWAY *Investors will find the complexity regardless of whether a company addresses it first. The only real question is whether the company gets to explain it on its own terms, ahead of time, or whether it surfaces as an unplanned due diligence issue in the middle of a live process.*

What Investors See in Your Cash Position

Cash runway is existential for a junior resources company, and it is one of the first things an investor, acquirer or capital provider looks at when assessing whether a company is genuinely ready to transact.

The key document is the Appendix 5B lodged with ASX each quarter. It shows cash at the start of the quarter, outflows across operating, investing and financing activities, and cash at the end. Dividing the closing cash balance by the average quarterly outflow gives a rough runway figure. Less than two quarters of cash, with a major work program still ahead, is a serious red flag, not only financially, but transactionally.

What a sophisticated investor is really assessing is not just how much cash a company currently holds, but what decisions management will be forced into in the near term, and whether those decisions will cut across the transaction being contemplated. A farm-in partner or acquirer conducting diligence asks a sharper version of the same question: can this counterparty actually fund its obligations through to completion without a distressed raise that reprices, or derails, what has already been agreed?

Two legal issues arrive earlier than boards expect

Continuous disclosure comes first. A material deterioration in cash runway can itself be a disclosable event under the ASX Listing Rules, if it would be likely to influence the decisions of those who commonly invest in a company's securities. That obligation does not wait for the next quarterly filing cycle, and a failure to disclose ahead of a raise or a deal announcement can expose the company and its directors to liability at precisely the moment they can least afford it.

Directors' duties are the second. Most directors know that personal liability can follow from continuing to trade while insolvent. What is less widely understood is that the broader duty to act in the best interests of the company begins shifting toward creditor protection well before that point is actually reached. A transaction that might have been executed cleanly six months earlier can become genuinely difficult, or impossible, once a company has drifted into that zone.

For companies sitting in a strong cash position, the discipline runs the other way but matters just as much. Investors are not passive about idle cash in a rising commodity price environment. If a board cannot clearly articulate where that cash is going and why, the market will draw its own conclusions, and those conclusions are rarely generous.

KEY TAKEAWAY *The Appendix 5B is one of the most revealing documents a junior resources company produces every quarter. Companies that manage their cash position as a transaction-readiness issue, not merely a financial reporting one, are the companies that get to transact on their own terms rather than someone else's.*

What Investors See in Your Commercial Arrangements

Most investors in resources companies do not read every key contract. Sophisticated investors and acquirers do, and what they find in the key commercial arrangements sitting over a project can materially affect valuation, and sometimes whether they proceed at all.

The contracts that matter most are joint venture agreements, offtake arrangements, royalty agreements, streaming and pre-pay arrangements, financing and facility agreements, and agreements with governments, native title parties, infrastructure providers or strategic partners. Where the project interest is held through a private company, the shareholders' agreement matters just as much: it is a separate layer of consent, pre-emption and reserved-matter provisions sitting on top of whatever the joint venture agreement says, and a buyer can clear the JV agreement cleanly and still hit a wall there.

Change of control and pre-emption reset economics, not just ownership

A joint venture agreement that requires a co-venturer's consent before any transfer of interest, or grants a right of first offer on any proposed sale, can constrain a transaction significantly, or reset its economics entirely.

CASE STUDY

Woodside's Browse pre-emption

Woodside's exercise of its pre-emption right over PetroChina's stake in the Browse LNG joint venture is a clean, high-profile illustration of the point. Woodside matched the terms Inpex had agreed with PetroChina and took the stake for itself. Commentators noted the price was well short of what PetroChina had valued the same interest at back in 2012, when it paid roughly A\$1.63 billion to acquire it.

The pre-emption mechanism did not just decide who ended up owning the interest. It reset what the market understood that interest to actually be worth. For parties of Woodside's and PetroChina's scale, that mechanism will have been priced in from the outset of the original deal. Smaller companies frequently agree the same style of pre-emption and consent provisions at term sheet stage, without fully weighing what those provisions mean at exit, which is exactly when they matter most.

A related and increasingly common pattern is the change-of-control condition sitting inside an offtake arrangement itself, rather than the joint venture agreement. A scheme of arrangement or takeover can require an offtake counterparty's consent, or the termination of an existing offtake, as a condition of completion, which means the offtake counterparty effectively holds a seat at the negotiating table even though it is not a party to the transaction itself.

CASE STUDY

Carnaby Resources: an offtake counterparty's seat at the table

Carnaby Resources' scheme of arrangement with Evolution Mining, announced 27 July 2026, illustrates the pattern directly. Evolution's acquisition of Carnaby required the termination of Carnaby's existing tolling and offtake agreements with Glencore International AG, settled through an issue of roughly 28.6 million Carnaby shares (worth approximately A\$22 million) to Glencore, conditional on the scheme itself becoming effective.

Glencore was not a party to the scheme and held no vote on it, yet its consent to unwind the offtake and tolling arrangements was a necessary step for the acquisition to proceed on the terms agreed. That is the pattern in practice: a counterparty with no formal role in a change-of-control transaction can still hold real leverage over its terms and timing, simply by virtue of what its underlying commercial agreement says.

Royalty and streaming obligations cut the other way

A royalty granted to fund early-stage development can be exactly the right structure for a junior company at the time, and this style of funding is becoming more common in the current market, not less. But a royalty priced against yesterday's commodity assumptions becomes a materially different instrument at today's prices. What looked like a modest funding cost when granted can turn into a real drag on project economics that a buyer will price aggressively at exit.

Joint venture governance: percentage is not the same question as control

A recurring pattern worth stating expressly: there are many transactions announced on the ASX platform each year where the majority equity holder in a joint venture is not the operator. A majority stake sits with the party providing the capital, while a minority partner runs the project on the ground. This is a deliberate structure, not an accident: capital and operating expertise do not always sit with the same party. But it is exactly why the governance deed, not the equity percentage, is what actually determines who controls what.

The reason this matters so much in an Australian context is structural. Most mining joint ventures in Australia are unincorporated, and an unincorporated joint venture is a creature of contract, full stop. There is no separate legal entity, and no default statutory governance regime sitting behind it the way there is for a company. If a right, a protection or a control mechanism is not written into the agreement, it simply does not exist; there is no fallback to fall back on. A majority holder relying on its percentage, rather than the governance deed itself, to protect its position has not actually protected anything. It is also worth being precise about where the gap actually opens up. In most standard-form mining JV agreements, day-to-day voting is deliberately tied to equity, so "percentage doesn't equal control" is not quite right as a blanket statement. The real exposure sits in two narrower places: the reserved matters schedule, where only a limited, specifically listed set of decisions requires unanimous rather than majority consent; and, less obviously, the default rule for appointing the operator, which in many standard forms sits with whichever party holds the largest interest unless the parties have specifically negotiated otherwise.

Funding mechanics: cash calls and cross-border timing

A pattern worth knowing, particularly on cross-border joint ventures: a cash call notice period of ten to fourteen business days is fairly standard in Australian mining JV agreements. That is a comfortable window for a domestically based participant. It is a genuinely tight one for an offshore investor, because the funds first need internal approval in the home jurisdiction, then in some structures a foreign exchange approval before the money can even leave the country, and only then does it reach an Australian bank account in time to meet the call. Each of those steps can individually take several business days. Stacked together, a ten-day notice period can be effectively exhausted before the participant's own treasury process has even finished, not because they could not fund the call, but because the mechanics of getting the money out were never mapped against the joint venture's actual notice period.

KEY TAKEAWAY *A review of all key contracts before a transaction process begins, with specific focus on change of control provisions, consent requirements, pre-emption rights, governance mechanics and ongoing payment or funding obligations, is straightforward legal work. It only has value if it happens early.*

What Investors See in Your Regulatory Position

Jurisdiction matters to investors, and it matters more than some companies appreciate.

For ASX-listed companies operating in Australia, the starting assumption is a positive one. Australia is consistently ranked among the most attractive mining jurisdictions globally, with stable rule of law, transparent tenure systems and established regulatory frameworks. That sovereign premium is real, and it directly affects the cost of capital.

But within Australia, regulatory position varies significantly between companies and projects. A company with all permits in place, rehabilitation bonds properly lodged, environmental approvals current and a clear path to the next development decision is a fundamentally different investment proposition to one facing pending approvals, land access, heritage or native title disputes, or an open environmental review. Investors price that difference, whether or not a company articulates it clearly itself.

The FIRB and ACCC frameworks are both live and both changing

Foreign investment into Australian resources sits across two regulatory tracks, and it is important not to conflate them. FIRB breaches can carry criminal liability for individuals in serious cases. Breach of the ACCC's mandatory merger clearance regime, in force since 1 January 2026, is civil only: with significant penalties applying for an individual, and the transaction itself can be voided, but there is no criminal offence except in relation to false or misleading statements made to the ACCC.

The FIRB framework itself is under active reform. The Government's May 2026 package is explicitly dual-track: low-risk investors get a 30-day decision target and streamlined conditions, while critical minerals (alongside critical infrastructure, critical technology and data centres) remains firmly in the higher-scrutiny lane. The Treasurer is also gaining the power to expand mandatory notification requirements to additional sensitive sectors rapidly, without needing to amend legislation, meaning the list of what counts as sensitive can change with comparatively little warning.

The scope of what gets caught is also expanding

Two changes matter specifically for parties structuring inbound investment through farm-ins, JVs or staged acquisitions, rather than a single completed transaction. First, mandatory notification requirements are being expanded to cover a broader range of mining tenement acquisitions, some of which currently fall outside the mandatory approval requirement altogether. Second, and more significant for structuring purposes, the reforms propose oversight of commercial arrangements that could pose national security risks through foreign control without ownership (offtake agreements and lending arrangements are named specifically), with the Treasurer able to call in for review, in limited circumstances, non-ownership arrangements that could be used to exert foreign control.

Read together with a broadened definition of “associate”, intended to capture additional parties capable of exercising influence, including direct interest holders and persons whose debt arrangements allow them to exercise influence, the practical effect is this: the old assumption that

FIRB triggers only on completion of a formal acquisition is becoming less reliable. Funding commitments, offtake rights and operational control obtained during a farm-in's earn-in phase, well before any equity actually changes hands, could each independently attract a notification obligation under the reformed framework. No exposure draft legislation has been released at the time of writing, so this remains reform intent rather than settled law, but it is the direction of travel, and it is worth planning around now rather than after the legislation lands.

For Chinese investors specifically, a parallel approval chain applies

Australian-side clearances are only half the picture for a Chinese counterparty. Outbound investment from China typically also requires approval or recording from the National Development and Reform Commission and the Ministry of Commerce, and separately, registration with the State Administration of Foreign Exchange before funds can actually be remitted. All the Australian-side approvals in the world do not help if the money cannot legally leave China. This needs to sit inside the completion timetable alongside FIRB and ACCC, not as an afterthought once the Australian conditions are satisfied.

Post-completion scrutiny is real, not theoretical

CASE STUDY

Northern Minerals and ongoing compliance

Several China-linked investors in Northern Minerals were ordered by Treasury to divest their holdings, with a deadline of 2 July 2026. When those investors did not comply, the company's share price fell sharply, Treasury opened an investigation, and the matter drew public criticism from China, illustrating that FIRB conditions do not end at completion.

The clearest lesson for boards and investors alike: Treasury has begun actively reviewing conditions on existing approvals in 2026, not just screening new transactions at the point of entry, and has shown genuine willingness to act where an ownership structure has drifted out of step with what was originally approved. A clean approval at completion is not the end of the compliance obligation; it is the start of an ongoing one.

KEY TAKEAWAY *A company that understands its regulatory position, has addressed the issues within its control, and can explain clearly what approvals remain outstanding and what remains compliant, is a company that capital can engage with seriously, and one far less likely to be caught out by a reform package still landing in real time.*

The Thread Running Through All of It

Resource quality, tenure, management conduct, capital structure, cash runway, commercial arrangements and regulatory position: seven different criteria, assessed by seven different kinds of capital provider, for seven different reasons. But the thread running through all of them is the same: preparation.

A company that has a strong resource statement, clean tenure, a well-governed board, a disciplined capital structure, adequate cash, well-drafted commercial arrangements and a clear regulatory position is not just a better investment. It is a company that can move quickly when an opportunity arrives, whether that is a capital raise, a joint venture, a strategic investment or a corporate transaction.

The companies that lose value in transaction processes are rarely the ones with bad assets. They are the ones that surface problems mid-process, under time pressure, in front of a counterparty who has leverage. A change of control provision that was not picked up, or a rehabilitation bond that has not kept pace with the actual liability. An option structure creating a dilution overhang at exactly the wrong moment. A joint venture with no deadlock mechanism, discovered only when a counterparty wants to move and the agreement offers no way through. These are not always fatal problems. But they are problems that are far more expensive to solve during a transaction than before one.

The window between knowing a transaction might be coming and being in a formal process is where most of the value is either protected or lost. That window is usually shorter than boards expect.

How this maps to a structured review

Each of the seven criteria in this paper corresponds directly to one of the six areas we assess in a Transaction Readiness Review, a board and executive-focused diagnostic designed for exactly this purpose.

- Corporate Structure: group structure, subsidiary architecture and asset holding entities
- Asset Ownership & Tenure: tenements, licences, regulatory approvals and third-party interests
- Key Contracts: joint ventures, offtake, royalties, supply arrangements, change of control and consent rights
- Governance & Decision-Making: board processes, approval thresholds and shareholder dynamics
- Funding & Capital Structure: debt arrangements, covenants, equity structure and convertibles
- Transaction Readiness: data room preparation, documentation quality and identified approvals

This is not sell-side due diligence, and it is not a full legal audit. It is a structured diagnostic that surfaces the issues that matter, with a traffic light status, plain-language findings and a recommended action for each area, and gives a board the time to address them on its own terms, before a counterparty finds them first.

For more information on a Transaction Readiness Review please download the product overview located in the download section of my website, otherwise please reach out via email.

KEY TAKEAWAY *If anything in this paper has resonated with you, or you think your company might benefit from a Transaction Readiness Review, I would welcome a conversation.*

About Michael Brady

Michael Brady is a Partner in Energy & Resources at Squire Patton Boggs, based in Perth. His practice focuses on mining M&A, joint ventures, capital raising, FIRB advisory and corporate governance, with deep experience advising Japanese trading houses and Chinese state-owned enterprises on Australian resources transactions, including several world-first deal structures.

Michael is the current President of ER Law (the Energy and Resources Law Association) and is recommended in Doyle's Guide's Leading Business & Commercial Lawyers, Western Australia, in both 2025 and 2026.

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