

RAGUSA MINERALS LIMITED

[ABN 39 143 194 165]

("the Company")

CLEANSING PROSPECTUS

An offer of up to 100 fully paid ordinary shares (**New Shares**) at an issue price of \$0.065 (6.5 cents) per New Share (**Cleansing Offer**).

The Cleansing Offer is only made to and able to be accepted by invitees determined by the Company who receive a personalised Application Form.

The Cleansing Offer closes at 5:00pm (WST time) on 10 September 2021 (which date may change without notice) (**Closing Date**).

This Prospectus has been prepared primarily for the purposes of section 708A(11) of the Corporations Act 2001 (Cth) to facilitate secondary trading of the Placement Shares.

THIS DOCUMENT IS IMPORTANT AND SHOULD BE READ IN ITS ENTIRETY

It is important that you read this Prospectus carefully before deciding to accept the Cleansing Offer. If you do not understand the content of this Prospectus you should consult your stockbroker, accountant or other professional adviser.

The securities offered under this Prospectus are considered speculative

This Prospectus also contains the following offers of securities:

- 3,807,692 New Shares and 2,000,000 unlisted options (**MC Vendor Securities**) to Iridium Resources Pty Ltd (**Iridium**) and/or its nominee(s) (**MC Vendor Offer**).
- 3,076,923 New Shares and 1,000,000 unlisted options (**BH Vendor Securities**) to Carlo Puca and/or his nominee(s) (**BH Vendor Offer**).
- An aggregate of 2,000,000 unlisted options (**Director Options**) to Directors of the Company (and/or their nominee(s)) (**Director Option Offer**).

The Cleansing Offer, MC Vendor Offer, BH Vendor Offer and Director Option Offer are referred to collectively in this Prospectus as the **Offers**.

CORPORATE DIRECTORY

Ragusa Minerals Limited
[ABN 39 143 194 165]

Directors

Jerko Peter Zuvela – Chairperson
Melanie Jane Ross – Non-Executive Director
Olaf Sven Frederickson – Non-Executive Director

Company Secretary

Melanie Jane Ross

Registered Office

Level 2, 22 Mount Street
Perth WA 6000

Telephone: (08) 6188 8181
Facsimile: (08) 6188 8182

ASX Code

RAS

Web Site

www.ragusaminerals.com.au

IMPORTANT NOTICES

This prospectus (**Prospectus**) is dated 30 August 2021. A copy of this Prospectus was lodged with the Australian Securities & Investments Commission (**ASIC**) on the same date. Neither ASIC nor ASX Limited (**ASX**) nor their respective officers take any responsibility as to the contents of this Prospectus.

Subject to the Corporations Act, the ASX Listing Rules and other applicable laws, the Company reserves the right to close the Offers (or any of them) early, to extend the Closing Date for one or more of the Offers, or not to proceed with the Offers (or any of them).

The Offers closes at 5:00pm (WST) on 10 September 2021, which date may change without notice.

This Prospectus is for offers of continuously quoted securities and of convertible securities to acquire continuously quoted securities and accordingly is not required by the Corporations Act to contain all the information normally required to be set out in a document of this type.

This Prospectus incorporates by reference certain information contained in documents lodged with ASIC. A document incorporated by reference in this Prospectus in this manner may be obtained free of charge from the Company during the application period.

This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties. These statements are based on an assessment of past and present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are expected to take place. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, its Directors and management. Although the Company believes that the expectations reflected in the forward looking statements included in this Prospectus are reasonable, none of the Company, its Directors or officers, or any person named in this Prospectus can give, or gives, any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur or that the assumptions on which those statements are based will prove to be correct or exhaustive beyond the date of its making. Investors are cautioned not to place undue reliance on these forward-looking statements.

Except to the extent required by law, the Company has no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus.

The forward-looking statements contained in this Prospectus are subject to various risk factors that could cause actual results to differ materially from the results expressed or anticipated in these statements. The key risk factors of investing in the Company are set out in Section 5 of this Prospectus.

No account has been taken of particular objectives, financial situation or needs of recipients of this Prospectus. Recipients of this Prospectus should have regard to their own objectives, financial situation and needs. Recipients of this Prospectus should make their own independent investigation and assessment of the Company, its business, assets and liabilities, prospects and profits and losses, and risks associated with investing. Independent advice should be sought before any decision is made to apply for securities under this Prospectus.

All monetary amounts in this Prospectus are in Australian dollars unless otherwise stated. All dates and times are dates and times in Perth, Western Australia unless otherwise stated.

The securities offered under this Prospectus are considered speculative.

TIMETABLE

Lodgement of Prospectus	30 August 2021
Offer Period opens for all Offers	31 August 2021
Closing Date	10 September 2021 at 5:00pm

*The above Closing Date should be regarded as **indicative only and may change without notice**. All dates and times are Western Standard Time. Subject to the Corporations Act 2001 (Cth), the ASX Listing Rules and other applicable laws, the Company reserves the right to change the above dates, close the Offers (or any of them) before the date stated above, extend the Closing Date and subsequent dates or not proceed with the Offers (or any of them). The Company reserves the right to extend the Closing Date for one or more of the Offers by making an announcement of the extension to ASX.*

No securities will be issued on the basis of this Prospectus after 30 September 2022, being the expiry date of this Prospectus.

CONTENTS

1.	Details of the Offers.....	9
2.	Purpose and effect of the Offers and the Capital Raising	12
3.	Financial effect of the Offers and the Capital Raising	12
4.	Effect on the Capital Structure of the Company	13
5.	Risks	15
6.	Acceptance Instructions	20
7.	Continuous Disclosure Obligations.....	21
8.	ASX Announcements	22
9.	Terms of securities offered.....	23
10.	Director's interests	25
11.	Taxation	26
12.	Overseas Investors.....	26
13.	Privacy.....	26
14.	Electronic Prospectus	27
15.	Investment Decisions.....	27
16.	Future Performance.....	27
17.	Enquiries	27

KEY INVESTMENT RISKS – SUMMARY

Please read and consider this Prospectus in full and in conjunction with any matters which have or may be referred to in the Company's ASX announcements before deciding to apply for New Shares.

Section 5 of this Prospectus contains a summary of some of the key risks associated with investment in the Company, including but not limited to risks associated with the Offers as set out below:

- Value of securities and share market conditions, including effects and potential effects of the current COVID-19 pandemic.
- Taxation consequences for the acquisition and/or exercise of securities.
- Dilution risk for existing shareholders of the Company.

Section 5 also includes specific business risks of the Company, a selection of which are set out below:

- Risks inherent in mining and exploration including the inherent uncertainties in locating a mineral deposit of sufficient size and/or scale to warrant production, and if the Company locates such a deposit, whether the Company will be able to commence production activities in a reasonable period of time.
- Risks associated with the extension, renewal and maintenance of the title in tenements.
- Risks inherent in mining operations, including complying with environmental laws and regulations associated with safety and damage to the environment and the disposal of waste products.
- Risks associated with operating in Zimbabwe, including economic, social or political changes or instability as well as potential changes in government regulation and control.
- Risks associated with identifying third-party contractors domiciled in Zimbabwe for the provision of plant and equipment to proceed with production of a mineral deposit.
- Risks associated with obtaining additional future capital, including access to such capital and the consequences to the Company's operations if such capital cannot be obtained.
- Risks associated with the Company potentially being involved in disputes with other parties which result in litigation that arise in relation to future business operations and claims related to historic activities of the Company.
- Risks associated with completion of transactions the Company is currently progressing.

In addition, there are other business risks, industry risks and risks of a more general nature, such as economic and market conditions.

A more detailed overview of some of the key risks associated with the Company and its operations are set out in section 5 of this Prospectus.

ABOUT THE OFFER - SUMMARY

The following summary provides only a limited overview of the Offers being made by the Company. Further detail is set out in this Prospectus. Please read and consider this Prospectus in full before making any decision regarding applying for securities under the Offers, exercising existing options or investing in the Company.

Topic	Summary	For more information see:
What is the Cleansing Offer?	An offer of up to 100 New Shares at \$0.065 (6.5 cents) to invitees determined by the Company. Up to \$6.50 before costs will be raised under the Cleansing Offer.	Section 1.1
What is the MC Vendor Offer?	An Offer of 3,807,692 New Shares and 2,000,000 unlisted options (being the MC Vendor Securities) to Iridium and/or its nominee(s).	Section 1.2
What is the BH Vendor Offer?	An Offer of 3,076,923 New Shares and 1,000,000 unlisted options (being the BH Vendor Securities) to Carlo Puca and/or his nominee(s).	Sections 1.2
What is the Director Option Offer?	An offer of an aggregate of 2,000,000 unlisted options to Directors of the Company and/or their nominee(s).	Section 1.2
What is the purpose of the Offers?	The purpose of the Offers are to facilitate the secondary trading of the Placement Shares, New Shares and fully paid ordinary shares (if any) issued on exercise of unlisted options issued under the Offers made in this Prospectus.	Section 2
What are the terms of the New Shares?	All New Shares will be fully paid ordinary shares that rank equally in all respects with the Company's shares already on issue.	Section 9.1 & 9.3
What are the terms of unlisted options?	<p>Unlisted options under the Offers have the following exercise price and expiry dates:</p> <ul style="list-style-type: none"> • MC Vendor Offer: <ul style="list-style-type: none"> ○ 1,000,000 options: \$0.16 (16 cents) exercise price, expire 3 years from issue. ○ 1,000,000 options: \$0.16 (16 cents) exercise price, expire 5 years from issue. Vest upon and subject to the delineation by the Company on the Monte Cristo Gold Project of an independently verified JORC classified Inferred Mineral Resource of a minimum of at least 1m oz Au. Unvested options are not able to be exercised. • BH Vendor Offer: 1,000,000 options, \$0.16 (16 cents) exercise price, expire 3 years from issue. • Director Options Offer: 2,000,000 options, \$0.12 (12 cents) exercise price, expire 2 years from issue. <p>Unlisted options otherwise have the common terms in section 9.2.</p>	Sections 1.2, 4.1, 9.2 & 9.3
Are the Offer underwritten?	No, the Offers are not underwritten.	Section 1.3
Is there a minimum subscription?	There is no minimum subscription amount.	Section 1.4
Are there risks associated with investment in the Company?	<p>There are risks associated with investment in the Company. These include risks relating to the Company, risks relating to the Offer and risks associated with financial investment generally.</p> <p>Please carefully consider the risks and the information contained in this Prospectus in conjunction with any specific matters which have or may be referred to in the Company's ASX announcements before making any decision regarding applying for or acquiring shares or otherwise making an investment in the Company.</p>	Section 5
How do I accept the Offer?	Only named participants who receive a written invitation and personalised application form from the Company may apply for securities under the Offers.	Section 6

Topic	Summary	For more information see:
What are the taxation implications of participating in the Offers?	Taxation implications will vary depending upon the specific circumstances of the investor. You should obtain professional advice as to taxation treatment.	Section 11
How and when will I know if my application was successful?	Holding statements confirming any issue of securities are anticipated to be dispatched on or about 13 September 2021. Anyone who trades securities before receiving holding statements does so at their own risk.	Section 6
Where can I find more information about the Company?	For more information on the Company please see the Company's website (www.ragusaminerals.com.au) or refer to the Company's ASX announcements (available on the ASX's website www2.asx.com.au).	Section 17
What if I have questions about the Offers or how to apply?	You should consult your stockbroker, accountant, solicitor or other professional adviser before making any decision regarding applying for securities. Questions can also be directed to the Company on (08) 6188 8181.	Section 17

1. Details of the Offers

1.1 The Cleansing Offer

Ragusa Minerals Limited [ABN 39 143 194 165] (**RAS** or **the Company**) offers up to 100 New Shares at \$0.065 (6.5 cents) per New Share (the **Cleansing Offer**). The Cleansing Offer is only made to and capable of acceptance by investors determined by the Company who receive an invitation to participate in the Cleansing Offer.

The Cleansing Offer closes on 10 September at 5:00pm WST (unless closed early or extended).

The purpose of the Cleansing Offer is to facilitate secondary trading of the Placement Shares (defined below).

1.2 Background to the other Proposed Transactions and the Capital Raising

On 5 July 2021, the Company announced that it had entered into two binding but conditional Heads of Agreement to acquire the following projects:

- 100% of the issued capital of Stradun Australia Pty Ltd (**Stradun**), an Australian propriety company that holds 100% of the issued capital of Stradun Alaska, LLC (**Stradun Alaska**), a corporate entity incorporated in Alaska in the USA that holds the claims forming the **Monte Cristo Gold Project**; and
- Exploration licence applications E77/2774 and E70/5708, which collectively form the **Burracoppin Halloysite Project** located 300 kilometers west of Perth in Western Australia.

The proposed acquisition(s) of the Monte Cristo Gold Project and the Burracoppin Halloysite Project are collectively referred to in this Prospectus as the **Proposed Transactions**.

ASX advised that, for the Proposed Transactions (or either of them) to proceed, the Company must:

- Obtain shareholder approval to undertake the Proposed Transactions, severally. Shareholder approval was obtained at the shareholder meeting held on 23 August 2021.
- Raise not less than an aggregate of \$400,000 before costs to fund initial exploration activities at the Monte Cristo Gold Project and the Burracoppin Halloysite Project (**Capital Raising**). The Capital Raising has been conducted as a placement of fully paid ordinary shares at \$0.065 (6.5 cents) per share that completed on 25 August 2021.

The Company also obtained shareholder approval at the shareholder meeting on 23 August 2021 to issue an aggregate of 2,000,000 unlisted options to Directors of the Company and/or their nominee(s).

The Offers are made to facilitate the secondary trading of Placement Shares, New Shares and shares issued on exercise (if any) of unlisted options issued under the Offers.

MC Vendor Offer

The MC Vendor Offer is an offer of an aggregate of 3,807,692 New Shares and 2,000,000 unlisted options (collectively being the MC Vendor Securities) to Iridium (who holds all the issued capital of Stradun) and/or its nominee(s), as consideration for the Company acquiring Stradun as the method by which the Company acquires the Monte Cristo Gold Project. The Company will also pay \$215,174 in cash to Iridium (and/or its nominee(s)) as reimbursement for tenement staking costs and associated expenses incurred in connection with the Monte Cristo Gold Project, including claim maintenance.

1,000,000 of the options under the MC Vendor Offer have an exercise price of \$0.16 (16 cent) and expire 3 years from issue. The remaining 1,000,000 options under the MC Vendor Offer have an exercise price of \$0.16 (16 cent) expire 5 years from issue and vest upon and subject to the delineation by the Company on the Monte Cristo Gold Project of an independently verified JORC classified Inferred Mineral Resource of a minimum of at

least 1m oz Au. Unvested options are not able to be exercised.

The full terms of the options other than the exercise price and expiry date are set out in Section 9.2.

A summary of the Monte Cristo Gold Project agreement was set out in Annexure A of the Notice of General Meeting of the Company released to ASX on 23 July 2021. The Company, Iridium and Dennis Fry (the key stakeholder) subsequently entered into a supplementary document that provided for warranties by Iridium and Dennis Fry (including in respect of Stradun, Stradun Alaska and the claims forming the Monte Cristo Gold Project) and the parties generally (including in respect of title and power) that were underpinned by indemnities and key provisions with respect to completion.

BH Vendor Offer

The BH Vendor Offer is an offer of an aggregate of 3,076,923 New Shares and 1,000,000 unlisted options (collectively being the BH Vendor Securities) to Carlo Puca and/or its nominee(s), as consideration for the Company acquiring the Burracoppin Halloysite Project. The Company will also pay \$15,568 (plus nominal additional tenement admin costs to be confirmed) in cash to Carlo Puca as reimbursement for tenement pegging expenses incurred by Carlo Puca in connection with the Burracoppin Halloysite Project, as well as granting Carlo Puca and/or his nominee(s) a royalty of 1% of any revenues from all sales of product and minerals sold from the Burracoppin Halloysite Project.

Options under the BH Vendor Offer have an exercise price of \$0.16 (16 cent) and expire 3 years from issue. The full terms of the options other than the exercise price and expiry date are set out in Section 9.2.

A summary of the Burracoppin Halloysite Project agreement was set out in Annexure B of the Notice of General Meeting of the Company released to ASX on 23 July 2021. The Company and Carlo Puca subsequently entered into a supplementary document that provided for warranties by Carlo Puca (including in respect of the tenements forming the Burracoppin Halloysite Project) and the parties generally (including in respect of title and power) that were underpinned by indemnities and key provisions with respect to completion.

Director Option Offer

The Director Option Offer is an offer of 2,000,000 options to Directors (and/or their nominee(s)).

As noted above, on 23 August 2021 the Company received shareholder approval to issue an aggregate of 2,000,000 unlisted options (each with an exercise price \$0.12 (12 cents) and expiring 2 years from issue) to the existing Directors of the Company (and/or their nominee(s)). Further details are set out in the table below:

RECIPIENT*	Number of options
Jerko Zuvela	975,000
Olaf Frederickson	775,000
Melanie Ross	250,000
TOTAL	2,000,000

**options may be issued to nominee(s) as advised to the Company*

The full terms of the options other than the exercise price and expiry date are set out in Section 9.2.

Capital Raising

As noted above, as a condition of the Proposed Transactions the Company was required to raise \$400,000 before costs to fund initial exploration activities at the Monte Cristo Gold Project and the Burracoppin Halloysite Project. The Capital Raising was conducted by way of the issue of 6,153,847 fully paid ordinary shares

at \$0.065 (6.5 cents) per share. The Company engaged Vert Capital Pty Ltd (**Vert**) to act as lead manager of the Capital Raising. Vert was to receive at fee of 6% (plus GST) of funds raised under the Capital Raising (which Vert could elect to receive in shares at \$0.065 (6.5 cents) per share) and 2,000,000 unlisted options with an exercise price of \$0.012 (12 cents), expiring 3 years from issue and having an issue price of \$0.00001 per option. A summary of the Vert mandate was set out in the notice of general meeting released to ASX on 23 July 2021.

On 25 August 2021, the Company issued 6,153,847 shares under the Capital Raising and 369,231 shares and 2,000,000 unlisted options to Vert (and/or its nominee(s)) as part consideration for the fee payable to Vert for acting as lead manager. An Appendix 2A and Appendix 3G for the issues was released to ASX on that date.

The 6,153,847 shares under the Capital Raising and the 369,231 shares issued to Vert (and/or its nominee(s)) are referred to in this Prospectus as the **Placement Shares**. The purposes of the Cleansing Offer is to qualify the Placement Shares for secondary trading in accordance with section 708A(11) of the Corporations Act.

For the avoidance of doubt the 2,000,000 unlisted options to Vert (and/or its nominee(s)) are not offered under this Prospectus and accordingly, if a holder exercises such options, the Company will either need to issue a cleansing notice under section 708A(5)(e) of the Corporations Act or, if the Company is not able to issue a cleansing notice, a prospectus in order to qualify the shares issued on exercise for secondary trading.

1.3 **No Underwriting**

No, the Offers are not underwritten.

1.4 **Minimum subscription**

There is no minimum subscription for New Shares under the Offers.

1.5 **ASX Listing**

New Shares

The Company will apply to ASX for admission of the New Shares to official quotation within 7 days of the date of this Prospectus. The fact that ASX may grant official quotation of the New Shares is not to be taken in any way as an indication of the merits of the Company or those securities.

If ASX does not grant permission for the Official Quotation of New Shares within 3 months after the date of issue of this Prospectus (or such period as is permitted by the Corporations Act), the Company, in its absolute discretion, will either repay the application monies to Applicants without interest or (subject to any necessary ASIC or ASX waivers or consents being obtained) issue a supplementary or replacement Prospectus and allow applicants one month to withdraw their application and be repaid their application monies without interest.

Options

Options offered under this Prospectus will not be quoted (listed). Official quotation of options offered under this Prospectus is not being applied for at this time and is not a condition of the Offers (or any of them). It is expressly not stated or implied that permission will be sought for official quotation of any options offered under this Prospectus, or that official quotation of options offered under this Prospectus will be granted within three months or any other period after the date of this Prospectus.

The Company will apply to ASX for admission of shares issued on exercise of options (if any) to official quotation within 7 days of the issue of such shares. The fact that ASX may grant official quotation of such shares is not to be taken in any way as an indication on the merits of the Company or those securities.

1.6 **Prohibition on exceeding 20% voting threshold**

Recipients of securities under the Offers (or any of them) must have regard to, any comply with, the takeovers

prohibition (the 20% voting power threshold) and substantial holder disclosure requirements of the Corporations Act, in particular when acquiring New Shares and/or exercise options offered under this Prospectus.

The Company expressly disclaims any responsibility for ensuring that recipients do not breach the takeovers prohibition and/or the substantial holder disclosure requirements under the Corporations Act.

The Company may refuse to issue New Shares and/or act upon the exercise of options where such issue and/or exercise would constitute a breach of the 20% voting power threshold under the Corporations Act.

Recipients of securities under this Prospectus should seek their own professional advice regarding if they may be at risk of breaching the takeovers prohibition or be required to comply with the substantial holder disclosure requirements under the Corporations Act as a result of the issue of New Shares or exercise of options.

1.7 **Cleansing Notice**

On 25 August 2021, the Company released a cleansing notice purporting to be under Section 708A(5)(e) of the Corporations Act to ASX (**Cleansing Notice**). The Cleansing Notice was issued erroneously by the Company, which was not able to issue the Cleansing Notice at that time as the shares of the Company had been suspended from trading on the ASX for more than five trading days in the 12-month period prior to 25 August 2021. None of the shares the subject of the Cleansing Notice were traded between the date of the issue of the Cleansing Notice and the date of this Prospectus. This Prospectus has been issued in part to qualify the Placement Shares to which the Cleansing Notice related for secondary trading.

2. **Purpose and effect of the Offers and the Capital Raising**

The purpose of this Prospectus, and the Offers made under it, is to comply with section 708A(11) of the Corporations Act so that certain fully paid ordinary shares can be offered for sale within 12 months of issue. Specifically, this Prospectus will facilitate the secondary trading of the Placement Shares, the New Shares and any fully paid ordinary shares issued on exercise of options offered under this Prospectus.

The purpose of the Capital Raising was to raise \$400,000 before costs to meet the costs of the Proposed Transactions and for initial exploration of the Monte Cristo Gold Project and the Burracoppin Halloysite Project.

3. **Financial effect of the Offers and the Capital Raising**

The Offers will have a negligible impact on the financial position of the Company, with the maximum raising being \$6.50 if the Cleansing Offer is fully subscribed. No funds will be raised under the other Offers. As noted above, this Prospectus has been prepared primarily to facilitate the secondary trading of the Placement Shares, the New Shares and any fully paid ordinary shares issued on exercise of options offered under this Prospectus.

As noted above, \$400,000 before costs was raised from the Capital Raising. Funds raised are to be utilised to meet the costs of the Proposed Transactions and for initial exploration of the Monte Cristo Gold Project and the Burracoppin Halloysite Project.

The anticipated costs of the Offers and the Capital Raising in combination are set out below:

Particulars	Amount (\$)
Lead Manager Fee *	\$26,400
Legal, printing and postage **	\$4,000
ASIC and ASX Fees ***	\$8,000
TOTAL	\$38,400

* includes \$25,755 which was due Vert (and/or its nominee(s)) and was settled through the issue of 396,231 shares in lieu of cash

** does not include legal fees incurred by the Company in connection with the Proposed Transactions

*** includes anticipated quotation costs of 13,407,693 ordinary shares (being the Placement Shares and New Shares under the Offers) and the lodgement fee payable to ASIC

The Capital Raising increased the cash reserves of the Company by approximately \$387,000, being \$400,000 less the costs noted in the table above (noting that approximately \$25,400 of the Lead Manager Fee was paid via the issue of 396,341 fully paid ordinary shares on 25 August 2021).

As at the date of this Prospectus, the Company has cash on hand of approximately \$4,274,039, which includes the funds raised under the Capital Raising. The Company has existing creditors of \$31,552. Payments due to creditors are within trading terms and are expected to be settled in the ordinary course of business.

Other than the increase of the cash reserves of the Company as set out above and increasing the equity of the Company by a commensurate amount, the Offers and the Capital Raising are not otherwise anticipated to have an impact upon the financial position of the Company other than as set out in this section 3.

4. Effect on the Capital Structure of the Company

4.1 Shares and Options

Capital Structure

The tables below set out the existing capital structure of the Company and the effect on the Company's capital structure of the Offers and the Capital Raising in combination. These tables assume that no further securities are issued by the Company other than as provided for under the Offers and the Capital Raising and that no convertible securities convert to fully paid ordinary shares. For the avoidance of doubt the Placement Shares and options issued to Vert (and/or its nominee(s)) were issued on 25 August 2021 and are included as separate items in the below tables for information purposes only.

SHARES

	Number	% of total*
Ordinary shares prior to the Capital Raising **	114,098,057	89.48%
<i>Shares under the Capital Raising</i>	<i>6,153,847</i>	<i>4.83%</i>
<i>Shares issued to Vert and/or its nominee(s)</i>	<i>369,231</i>	<i>0.29%</i>
Total Placement Shares	6,523,078	5.12%
Shares currently on issue	120,621,135	94.60%
Shares under the Cleansing Offer (maximum)	100	0.00%
Shares under the MC Vendor Offer	3,807,692	2.99%
Shares under the BH Vendor Offer	3,076,923	2.41%
TOTAL	127,505,850	100%

* percentages are rounded to two decimal places

** includes 9,483,027 shares currently subject to mandatory ASX escrow

OPTIONS

	Number	Exercise Price	Expiry date
Unlisted options	1,000,000	\$0.12 (12 cents)	31 December 2022
Unlisted options	9,589,075	\$0.09 (9 cents)	31 December 2022
Unlisted options	45,000,000	\$0.12 (12 cents)	31 December 2022
Unlisted options to Vert and/or nominee(s)	2,000,000	\$0.12 (12 cents)	25 August 2024
Unlisted options – MC Vendor Offer	1,000,000	\$0.16 (16 cents)	3 years from issue
Unlisted options – MC Vendor Offer *	1,000,000	\$0.16 (16 cents)	5 years from issue
Unlisted options – BH Vendor Offer	1,000,000	\$0.16 (16 cents)	3 years from issue
Unlisted options – Director Option Offer	2,000,000	\$0.12 (12 cents)	2 years from issue
TOTAL	62,589,075	-	-

** Vest upon and subject to the delineation by the Company on the Monte Cristo Gold Project of an independently verified JORC classified Inferred Mineral Resource of a minimum of at least 1m oz Au. Unvested options are not able to be exercised.*

MILESTONE SHARES

	Number	Milestone	Expiry date
First Milestone Shares	6,666,666	Announcement by the Company of the delineation of an Inferred Mineral Resource (as defined in the JORC Code) of at least 20,000 ounces of gold at a cutoff grade of not less than 0.5 gram per tonne.	29 March 2022
Second Milestone Shares	6,666,666	Announcement by the Company of the delineation of an Inferred Mineral Resource (as defined in the JORC Code) of at least 20,000 ounces of gold at a cutoff grade of not less than 0.5 gram per tonne.	29 September 2023

4.2 Dilution and control

The percentage shareholding in the Company of existing shareholders will be diluted through the issue of the Placement Shares and the issue of the New Shares under the Offers in combination. The dilutive effect outlined below does not consider New Shares and/or Placement Shares applied for and received by an existing shareholder (if any). Examples of the impact of dilution on existing shareholders are set out below:

Shareholder (example)	Example holding	% of total pre-Capital Raising (114,098,057 shares)	% of total post-Capital Raising (120,621,135 shares)	% post issue of New Shares (127,505,850 shares)
A	500,000	0.44%	0.41%	0.39%
B	1,000,000	0.88%	0.83%	0.78%
C	2,000,000	1.75%	1.66%	1.57%
D	4,000,000	3.51%	3.32%	3.14%
E	8,000,000	7.01%	6.63%	6.27%

Notes to Table:

- All percentages are rounded to two decimal places
- It is assumed the notional Shareholders in the example above does not acquire or dispose of shares.
- The above does not take into account the conversion of any convertible securities.

5. Risks

The New Shares offered under this Prospectus are considered highly speculative. An investment in the Company carries risk. The Directors strongly recommend potential investors consider the risk factors described below, together with information contained elsewhere in the Prospectus. This section identifies circumstances the Directors regard as major risks associated with investment in the Company and which may have a material adverse impact on the financial performance of the Company if they were to arise.

Specifically:

- the securities under the Offers are subject to specific risks (refer to section 5.1);
- the business, assets and operations of the Company are subject to specific risk factors that could potentially influence the performance of the Company in the future (refer Section 5.2);
- there are general investment and market risks (refer Section 5.3).

Where possible, the Board aims to manage these risks by carefully planning the Company's activities and implementing risk control measures. However, as noted above, some of the risks identified below are highly unpredictable and the Company is limited to the extent to which it can effectively manage them. The following risk factors are not intended to be an exhaustive list of risks to which the Company is, or will be, exposed.

5.1 Risks with the Offers

(a) Value of securities and share market conditions

The market price of the Company's securities is subject to varied and unpredictable influences on the market for equities in general and with respect to resources stocks in particular. Market conditions and lack of liquidity

may affect the value of the Company's securities regardless of the performance of the Company.

In particular, the extent of the effects of the COVID-19 pandemic is uncertain and evolving. The COVID-19 pandemic is having, and is expected to continue to have, an influence on the volatility of equity markets generally and may continue to impact and influence the market price of the Company's securities.

(b) Exercise price

No guarantee can be given that the price of fully paid ordinary shares of the Company will be greater than the exercise price prior to the expiry date. Accordingly, there is a risk that options, including options issued under the Offers, will be out of the money for the entire exercise period.

(c) Taxation consequences

The issue of New Shares and Placement Shares may have taxation consequences, depending on the particular circumstances of the recipient. In addition, the issue of fully paid ordinary shares on exercise of options, including options issued under the Offers, may have taxation consequences depending on the particular circumstances of the recipient. You should seek your own professional advice before investing in the Company.

(d) Dilution

The issue of New Shares and Placement Shares will dilute existing shareholders. In addition, although the issue of New Options will not result in the dilution of the holdings of existing shareholders of the Company, any exercise of options into shares will result in existing shareholders being diluted. An example of the potential dilutive impact of the issue of New Shares, Placement Shares and shares on exercise of options offered under this Prospectus is set out in Section 4.2.

5.2 Specific Risks

(a) Operating in Zimbabwe

The tenements forming the Lonely Mine are located in Zimbabwe and the Company is subject to risks associated with conducting its operations in Zimbabwe. Such risks could include economic, social or political instability or change, or instability and changes to laws affecting foreign ownership, government participation and labour relations. Further specific risks with respect to operating in Zimbabwe are set out below.

(b) Political and economic risk

Government policy in Zimbabwe has the potential to be unpredictable and the institutions of government and market economy may become unstable and subject to rapid and/or unpredictable change across a variety of potential laws and regulations impacting the Company. Such changes, were they to occur, could materially adversely affect the operations of the Company.

The Company could potentially be subject to risks arising from changes in government control over mineral properties or government regulations. Changes to Zimbabwe mining or investment policies and legislation, or an adverse shift in political attitude, may adversely affect the operations of the Company. There is also a risk that policy may change in respect of the grant and renewal of mining rights, which could adversely impact the ability of the Company to explore and develop its projects at an acceptable cost, if at all.

(c) Zimbabwe's legal environment

Zimbabwe's legal system is less developed than more established countries and this could result in difficulties in obtaining effective legal redress from courts, a higher degree of discretion held by government officials or agencies, lack of political or administrative guidance, conflicts and inconsistencies between various laws and/or relative inexperience of the judiciary and/or courts in matters affecting the Company. There is a risk that, if the policy in the legal environment of Zimbabwe were to change, the Company would be adversely impacted.

(d) Mineral exploration

Mineral exploration, by its nature, is inherently uncertain. The Lonely Mine and the projects the subject of the Proposed Transactions are at an early stage of the exploration process and mining and development such as that being proposed by the Company is a high-risk undertaking. There can be no assurance that exploration of the tenements held by the Company will result in the discovery of one or more mineral deposits.

Furthermore, the discovery of a mineral deposit does not guarantee that the mining of that deposit would be economically viable. The size of the deposit, location, grade, access to infrastructure including equipment, development and operating costs, commodity prices and recovery rates are all key factors in determining commercial viability. Accordingly, there is a high risk the Company's expenditure of funds on its proposed exploration programs will not lead to the discovery and development of an economically viable resource. Such an outcome would be adverse to the Company's financial position and prospects and would potentially result in the Company scaling back its activities to conserve cash reserves and pay its creditors.

The activities, plans and strategies of the Company are dependent on the results of its exploration activities. Accordingly, such activities, plans and strategies are subject to change depending on the receipt and analysis of results of the planned exploration activities of the Company.

(e) Title in tenements

The tenements which the Company currently holds and may in future hold following completion of the Proposed Transaction may be subject of applications for extension/renewal in future. If the tenement are not extended/renewed, the Company may suffer significant damage or loss of opportunity to discover and/or develop any mineral resource. This in turn would likely adversely affect the financial condition, operations and prospect of the Company. In addition, permits and other approvals the Company may need to proceed with development of the tenements may not be issued, maintained or renewed, either in a timely fashion or at all.

The decision to renew mining rights rests with the relevant government authority. In granting renewal of tenements, authorities may impose conditions including requirements to pay maintenance costs and/or satisfy expenditure requirements in connection with the tenements. If the Company fails to meet such requirements it could lose title to the tenements.

(f) Mine development

In the event the Company identifies an economically viable mineral deposit on its tenements, its capacity to proceed to develop a mine in respect of that mineral deposit will be dependent upon a number of factors. These factors include obtaining approvals from all relevant authorities and parties (including the grant of a mining lease), seasonal weather issues, construction issues, cost overruns, plant and equipment availability, skilled consultants and labour availability, funding needs and other matters. These factors may create risks in respect of successful development of any project. The development of a mine may also be subject to arrangements between the Company and third parties.

(g) Environmental

The proposed activities of the Company will likely be subject to various laws and regulations concerning the environment. Mining operations have inherent risks and liabilities associated with safety and damage to the environment and disposal of waste products occurring as a result of mining exploration and production. The occurrence of any such safety or environmental incident could delay production, increase production costs or result in a substantial liability being accrued against the Company.

Proceeding with a mining operation would be expected to create significantly enhanced environmental risks, particularly with respect to environmental damage through construction activities, disposal of waste products and/or water contamination. Such occurrences could delay production or increase costs of operations.

(h) Operations

Operations of the Company predominantly comprise exploration activities. These activities may be adversely affected by a range of factors including lack of access to suitable personnel, lack of access to drill rigs or other equipment, mechanical failure or breakdowns, adverse weather, industrial accidents or disputes, shortages or increased costs of consumables, and other factors outside the Company's control. Such factors would detrimentally affect the Company's prospects and activities.

(i) Additional capital requirements

The Company will in future require additional capital for its activities, including for the future development of the Lonely Mine Project and the projects the subject of the Proposed Transactions. The Company may incur unexpected costs in implementing its exploration plans, including engaging contractors.

There can be no guarantee that further financing will be available on commercially acceptable terms, or at all. Any additional financing through equity issues would be dependent upon the ability of the Company to raise funds in the securities market, which in turn is dependent on there being sufficient identifiable appetite from investors for equity in the Company. If successfully conducted, such issues would also be dilutive to the current equity holders in the Company. Furthermore, debt financing may not be available to support the scope and extent of the proposed activities of the Company.

(j) Litigation

The Company is exposed to possible litigation risks including contractual disputes, occupational health and safety claims and employee claims. Further, the Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Company's operations, financial performance and financial position.

As noted in the Company's prospectus dated 3 August 2020 (**Re-Compliance Prospectus**), the Company had historically received a demand from a third-party claiming entitlements to alleged profits from past business operations (refer ASX releases 17 May 2017, 1 June 2017 and 19 December 2017). As disclosed in the Re-Compliance Prospectus, the approximate quantum of the demand (excluding costs and any interest) was \$400,000. This Company has recently received a writ issued in the Supreme Court of Victoria issued by Aurora Funds Management Limited relating to the subject matter disclosed in the Re-Compliance Prospectus (**Claim**). The Claim also identifies a past director as a co-defendant. The Company is seeking advice in relation to the Claim however its position, as stated in its Re-Compliance Prospectus, is unchanged. The Company denies any liability in respect of the Claim and intends to lodge a fulsome defence, updates will be provided in due course.

The Company also understands that claims have been alleged and/or pursued against former directors of the Company in relation to the alleged misappropriation of funds of approximately \$700,000. No demands have been made against the Company in respect of this matter.

(k) Transaction risk

As noted in section 1.2, the Company is pursuing the Proposed Transactions to acquire the Monte Cristo Gold Project and the Burracoppin Halloysite Project. Completion of the Proposed Transactions or either of them is subject to risks, including the Company satisfying the conditions of the Proposed Transactions.

(l) Change in strategy

The medium to long term plans and strategies of the Company may evolve over time due to review, analysis and assessment of results from planned exploration activities. This is consistent with other entities conducting mineral exploration similar to the Company. The plans and strategies of the Company at the date of this Prospectus may not reflect the plans and strategies following review, analysis and assessment of results.

Any such changes have the potential to expose the Company to heightened or additional risks.

In addition, any development up to and including commercial operations will expose the Company to further risks associated with such activities. Nothing in this Prospectus is to be taken to indicate that the Company will commence development at a specific time, if at all.

(m) Third-party risks

The Company will likely be reliant on third parties for the furtherance of its exploration plans in respect of the tenements. This includes if the Company identifies a mineral deposit located on the tenements and determines to proceed to production, at which point the Company will likely be reliant on third parties, including those domiciled in Zimbabwe for the Lonely Mine, for the provision of relevant plant and equipment for production.

Such counterparties may include service contractors, consultants, suppliers and landowners. There is a risk that counterparties may fail to perform their obligations under such agreements. This could lead to delays, increased costs, disputes and even litigation. All these factors could negatively affect the Company's operations and there can be no assurance that the Company would be successful in seeking remedies or enforcement of its rights through legal action.

5.3 General Risks

(a) COVID-19

The outbreak of COVID-19 is impacting global economic markets. The nature and extent of the effect of the outbreak on the performance of the Company remains uncertain. The Company's share price may be adversely affected in the short to medium term by the economic uncertainty caused by COVID-19. Further, any governmental or industry measures taken in response to COVID-19 may adversely impact the operations of the Company and are likely to be beyond the control of the Company. There is also a risk that restrictions on movement imposed by Governmental entities may impede access to project sites and labour availability.

The Directors are monitoring the situation closely and have considered the impact of COVID-19 on the Company's business and financial performance. However, the situation is continuing to evolve and the consequences are uncertain. In compliance with its continuous disclosure obligations, the Company will update the market as and when COVID-19 has a material impact on the Company and its business and finances.

(b) Economic Risks

General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's activities, as well as on its ability to fund those activities. Furthermore, share market conditions may affect the value of the Company's securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:

- general economic outlook;
- interest rates and inflation rates;
- currency fluctuations;
- changes in investor sentiment toward particular market sectors;
- the demand for, and supply of, capital; and
- terrorism, instability or other hostilities causing political instability.

(c) *Currency*

The Company will be subject to currency risks. The Zimbabwean currency has been historically volatile and the Company would expect that its operations will be subject to currency conversion risks. A change in taxation, rates of control, exchange control, duties, repatriation of income or return of capital could adversely affect the operations of the Company, in particular, if it commences production on the tenements (or any of them) and begins to receive revenue (although this is not anticipated to occur in the short to medium term).

(d) *Commodity price volatility*

If the Company achieves successes leading to mineral production, the revenue it may derive through the sale of commodities exposes the potential income of the Company to commodity price and exchange rate risks. Commodity prices fluctuate and are affected by many factors beyond the control of the Company. Such factors include supply and demand fluctuations for precious and base metals, technological advancements, forward selling activities and other macro-economic factors.

(e) *Reliance on key management*

The responsibility of overseeing the day-to-day operations and the strategic management of the Company will depend substantially on its senior management and Directors. There can be no assurance there will be no detrimental impact on the performance of the Company or its growth potential if one or more of these senior managers or directors cease their employment with the Company and suitable replacements are not identified and engaged in a timely manner.

5.4 Speculative Investment

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above risk factors, and other risks not specifically referred to above, may materially affect the future financial performance of the Company and the value of the securities offered under this Prospectus.

New Shares, Placement Shares and shares issued on exercise of options offered pursuant to this Prospectus therefore carry no guarantee with respect to the payment of dividends, returns of capital or market value. The Company does not expect to declare any dividends for the foreseeable future.

Potential investors should consider that investment in the Company is highly speculative and should consult their professional advisors before deciding whether to apply for securities under this Prospectus.

6. Acceptance Instructions

6.1 Completing an application form

Applications for securities under this Prospectus must only be made by recipients of a personalised application form from the Company to participate in one or more of the Offers. The Company may determine at its discretion whether to accept any or all applications for securities under the Offers. Applications forms and payment (if any) must be delivered to the Company in accordance with instructions on the application form.

6.2 General

This Prospectus does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer. Persons resident in countries outside Australia should consult their professional advisers as to whether governmental or other consent are required or whether formalities need to be observed for them to acquire securities. Return of a personalised application form will be taken by the Company to constitute a representation that there has been no breach of such requirements.

No account has been taken of the objectives, financial situation or needs of recipients of this Prospectus and recipients of this Prospectus should have regard to their own objectives, financial situation and needs.

Recipients of this Prospectus should make their own independent investigations and assessment of the Company, its business, assets and liabilities, prospects and profits and losses, and the risks associated with investing in the Company. Independent expert advice should be sought before any decision is made to accept the Offers (or any of them) and/or to apply for securities under this Prospectus.

If you have any questions please contact the Company on (08) 6188 8181.

7. Continuous Disclosure Obligations

This Prospectus is issued by the Company in accordance with the provisions of the Corporations Act applicable to a prospectus for continuously quoted securities or options over continuously quoted securities.

Section 713 of the Corporations Act enables a company to issue a special prospectus where the securities under that prospectus are continuously quoted securities, or options over continuously quoted securities, within the meaning of the Corporations Act. This generally means that the relevant securities are in a class of securities, or options over a class of securities, that were quoted enhanced disclosure securities at all times during the 3 months before the date of this Prospectus and other requirements relating to the Company not being subject to various exemptions and orders under the Corporations Act within the last 12 months are met.

In summary, special prospectuses are required to contain information in relation to the effect of the offer of securities on the company and the rights and liabilities attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company. Accordingly, this Prospectus does not contain the same level of disclosure as a prospectus of an unlisted company or an initial public offering prospectus.

Having taken such precautions and having made such enquiries as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the 12 months before the date of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

For the purpose of satisfying section 713(5) of the Corporations Act a prospectus must incorporate information that:

- (a) has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules; and
- (b) is information that investors and their professional advisors would reasonably require for the purpose of making an informed assessment of:
 - the assets and liabilities, financial position and performance, profit and losses and prospects of the Company; and
 - the rights and liabilities attaching to the securities being offered.

The prospectus must contain this information only to the extent to which it is reasonable for investors and their professional advisors to expect to find such information in the prospectus. The Company is not aware of any matters that need to be disclosed under this section of the Corporations Act that have not been previously disclosed or which have not been set out in this Prospectus.

As a disclosing entity under the Corporations Act, the Company is subject to regular reporting and disclosure obligations. Copies of documents lodged with ASX and ASIC in relation to the Company may be obtained from or inspected by accessing the respective web sites.

Any person may request, and the Company will provide free of charge, a copy of each of the following documents during the acceptance period of this Prospectus:

- (a) The annual financial report of the Company for the financial year ended 30 June 2020 (released to ASX on 30 October 2020), being the most recent annual financial report of the Company before the lodgement of this Prospectus with ASIC;
- (b) The Interim Financial Report of the Company for the six months ended 31 December 2020 (released to ASX on 11 March 2021); and
- (c) Any continuous disclosure notices given by the Company since the lodgement of the Annual Financial Report referred to in (a) above before lodgement of this Prospectus. Continuous disclosure notices given by the Company since the lodgement of the Annual Financial Report to the date of this Prospectus are listed in Section 8 of this Prospectus.

Such documents are also available online from the ASX website at www2.asx.com.au.

8. ASX Announcements

The following announcements (continuous disclosure notices) have been made by the Company to ASX since lodging its annual financial report for the year ended 30 June 2020 with ASIC:

Date	Headline
30/08/2021	Retraction of Cleansing Notice
26/08/2021	Trading Halt
26/08/2021	Pause in Trading
25/08/2021	Cleansing Notice
25/08/2021	Notification regarding unquoted securities – RAS
25/08/2021	Application for quotation of securities – RAS
23/08/2021	Results of Meeting
23/08/2021	Drilling to Continue at Lonely Mine Gold Project
28/07/2021	Quarterly Activities Report
28/07/2021	Quarterly Cashflow Report
23/07/2021	Notice of General Meeting/Proxy Form
23/07/2021	Lonely Mine – Drilling to Commence at Tiberius Prospect
16/07/2021	Change of Share Registry Details
14/07/2021	Lonely Mine Gold Project Underground Sampling Results
06/07/2021	Initial Director's Interest Notice
06/07/2021	Final Director's Interest Notice
06/07/2021	Director Appointment/Resignation
05/07/2021	Proposed issue of securities - RAS
05/07/2021	Proposed issue of securities - RAS
05/07/2021	Proposed issue of securities - RAS
05/07/2021	New Project Acquisitions
01/07/2021	Trading Halt
15/06/2021	Lonely Mine Gold Project Update
18/05/2021	Lonely Mine Gold Project Update
30/04/2021	Quarterly Activities Report
30/04/2021	Quarterly Cashflow Report

11/03/2021	Half Yearly Report and Accounts
24/02/2021	Change of Auditor
16/02/2021	Company Update
29/01/2021	Quarterly Activities Report
29/01/2021	Quarterly Cashflow Report
18/12/2020	Change of Director's Interest Notice
17/12/2020	Results of Meeting
08/12/2020	Addendum to AGM Notice of Meeting and Proxy Form
07/12/2020	Addendum to AGM Notice of Meeting
07/12/2020	Lonely Mine Gold Project Update
01/12/2020	Final Director's Interest Notice
01/12/2020	Director Resignation
13/11/2020	Notice of Annual General Meeting/Proxy Form
13/11/2020	Date of Annual General Meeting
30/10/2020	Annual Report to shareholders
30/10/2020	Corporate Governance Statement
30/10/2020	Appendix 4G
30/10/2020	Quarterly Activities Report
30/10/2020	Quarterly Cashflow Report

Any person may request, and the Company will provide free of charge, a copy of any of the above announcements during the application period of this Prospectus.

The Company may make further announcements to ASX from time to time. Announcements are released by ASX on its website, www2.asx.com.au under the Company's ASX code "RAS" and copies of announcements can be obtained from the Company upon request and are available on the Company's website www.ragusaminerals.com.au. Prospective investors are advised to refer to ASX's website for updated releases about events or matters affecting the Company.

In making statements in this Prospectus, it is noted that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.

9. Terms of securities offered

9.1 Shares

New Shares will be fully paid ordinary shares in the capital of the Company, which will rank equally with, and will have the same voting and other rights as existing issued shares of the Company. The rights attaching to the Company's shares are set out in the Company's constitution, the Listing Rules of ASX and the Corporations Act. The Company's constitution has been lodged with ASIC. The constitution contains provisions of the kind common for public companies in Australia and are taken to be included in this Prospectus by operation of Section 712 of the Corporations Act. Any person may request a copy of the constitution during the application period of the Prospectus, which the Company will provide free of charge.

9.2 Options

Options offered under this Prospectus have the vesting conditions (if any), exercise prices and expiry dates as set out in Sections 1.2 and 4.1. References to the vesting condition, exercise price and expiry date in this Section 9.2 are those terms that apply to the relevant tranche of options as set out elsewhere in this Prospectus.

- A holder is not able to exercise an option that is subject to a vesting condition (if any) that has not been satisfied.
- Each vested option (**Option**) entitles the holder to acquire one ordinary fully paid share (**Share**) in the capital of the Company.
- The Options expire at 5pm (Perth time) on the expiry date. The Options can be exercised by completing an option exercise form and delivering it together with the payment of the exercise price for the number of Shares in respect of which the options are exercised to the Company's share registry.
- Any Option that has not been exercised prior to the expiry date automatically lapses.
- Holders shall not be entitled to exercise their Options (and the Company will not be required to issue shares upon such exercise) if it would be unlawful to do so.
- The exercise price is payable in full on exercise.
- Where an Option holder determines to exercise some, but not all, of their held Options, the total aggregate amount payable to exercise the Options must be a minimum of \$1,000.
- Subject to applicable law (including without limitation the ASX Listing Rules as they apply to the Company), Options are freely transferable.
- All Shares issued upon exercise of Options will rank pari passu in all respects with, and will have the same terms as, the Company's then issued ordinary fully paid shares. The Company will apply for official quotation by ASX of all Shares issued upon exercise of Options, subject to any restriction obligations imposed by ASX. The Options will not give any right to participate in dividends until shares are issued pursuant to the exercise of the relevant Options.
- There are no participation rights or entitlements inherent in the Options. Option holders are not entitled to participate in new issues of securities offered to shareholders without first exercising the Options. The Company will send notices to option holders at least five (5) business days prior to the record date (or such shorter period as allowed by the ASX Listing Rules) applying to offers of securities made to shareholders during the currency of the Options.
- In the event of any reconstruction (including consolidation, subdivision, reduction or return) of the issued capital of the Company prior to the expiry date, the number of Options or the exercise price of the Options or both shall be reconstructed in accordance with the ASX Listing Rules applying to a reorganisation of capital at the time of the reconstruction.
- Shares issued upon the exercise of Options will be fully paid ordinary shares and will have the same voting and other rights as the existing shares of the Company.

9.3 **General**

The Offers under this Prospectus and any application concerning the issue of securities under this Prospectus shall be governed and construed in accordance with the laws in the State of Western Australia, Australia.

10. Director's interests

10.1 Securities

The Directors' direct and indirect interests in securities of the Company as at the date of this Prospectus and the effect of the Offer on the direct and indirect share holdings of Directors are set out in the following table. The table assumes full subscription of the Offer:

Director/Shareholder (and/or associate(s))	Existing Shares		Shares upon completion of the Offers		Existing Options
	Number	%	Number	%	
Jerko Peter Zuvela	2,083,332	1.73%	2,083,332	1.63%	Nil
Melanie Jane Ross	83,334	0.07%	83,334	0.07%	Nil
Olaf Sven Frederickson	1,000,000	0.83%	1,000,000	0.78%	500,000
TOTAL:	3,166,666	2.63%	3,166,666	2.48%	500,000

Notes to Table:

- All percentages are rounded to two decimal places.
- Assumes all New Shares are issued under the Offers and that no convertible securities, including options offered under this Prospectus, convert to shares.
- Jerko Peter Zuvela holds 1,666,667 milestone 1 shares and 1,666,667 milestone 2 shares.
- Each of the Directors (and/or their nominee(s)) are proposed to receive the following options under the Director Option Offer: Jerko Peter Zuvela: 975,000 options; Melanie Jane Ross: 250,000 options; Olaf Frederickson: 775,000 options.

10.2 Remuneration & Payments to Directors

Directors are entitled to receive directors' fees and other remuneration (which may include consulting fees) from the Company in relation to services provided to the Company.

Details of the cash remuneration paid or agreed to be paid to Directors in the two years prior to the lodgement of this Prospectus (excluding GST if applicable and inclusive of superannuation) are as follows:

Director	August 2019 - July 2020	August 2020 – July 2021
Jerko Peter Zuvela	Nil	\$30,000
Melanie Jane Ross	Nil	\$30,300
Olaf Sven Frederickson	Nil	\$30,000

Notes to table:

- The remuneration set out above reflects cash paid to Directors only and includes base salaries paid in connection with director engagements and compulsory contributions toward director nominated superannuation funds as required by Australian employment law.

- *Jerko Peter Zuvela (appointed 29 September 2020) and Melanie Jane Ross (appointed 6 July 2021) did not receive any payments from the Company for acting as Directors prior to their appointment date. Melanie Jane Ross received \$30,300 for acting as secretary of the Company on and from her appointment to that position on 29 September 2020.*
- *As noted in the prospectus dated 3 August 2020, Olaf Sven Frederickson did not receive any remuneration until completion of the acquisition of Balancing Rocks Zim Pty Ltd on 29 September 2020. Blackfynn Pty Ltd, an entity associated with Olaf Sven Frederickson, received fees of \$500 for providing consulting services to the Company in the two years prior to the date of this Prospectus.*

Other

Except as disclosed in this Prospectus:

- (a) no person has paid or agreed to pay any amount to any Director or has given or agreed to give any benefit to any Director, to induce the Director to become, or to qualify as, a Director of the Company or otherwise for services rendered by the Director in connection with the formation or promotion of the Company or the Offer.
- (b) no Director or proposed Director has, or has had within two years of lodgement of this Prospectus, any interest in:
 - the formation or promotion of the Company; or
 - any property acquired or proposed to be acquired by the Company in connection with its formation or promotion of the Offer or the Placement; or
 - the Offer or the Placement.

11. Taxation

Recipients of the Offer should seek and obtain their own taxation advice before applying for securities so that they may first satisfy themselves of any taxation implications associated with acquiring securities.

12. Overseas Investors

This Prospectus and any application form do not constitute an offer in any jurisdiction in which, or to any persons to whom, it would not be lawful to make such an offer.

This Prospectus does not constitute an offer for securities in any place where, or to any person whom, it would be unlawful to make such an offer. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law, and persons outside Australia who comes into possession of this Prospectus should seek advice on, and observe any, such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. No action has been taken to register or qualify the Shares or the Offer or otherwise to permit a public offering of the securities in any jurisdiction outside Australia.

The Offer has not been, and will not be, registered under the US Securities Act and has not been made in the United States of America or to persons resident in the United States of America.

13. Privacy

Personal information is collected on application forms by the Company and the Share Registry for processing applications, maintaining registers of security holders, facilitating distribution payments and other corporate actions and communications. Acceptances might not be processed efficiently, or at all, if the information requested is not provided. Personal information about recipients may be disclosed to external service providers such as print or mail service providers as required or permitted by law. A recipient who would like details of their personal information held by the Company or its Share Registry, or who would like to correct information

that is incorrect or out of date, should contact the Company by email, by telephone or at the address shown in the Corporate Directory. In accordance with the Corporations Act, recipients may be sent material (including marketing material) in addition to general corporate communications. Recipients may elect not to receive marketing material by contacting the Share Registry's Privacy Officer. Recipients can also request access to, or corrections of, personal information held by the Company by writing to the Company.

14. Electronic Prospectus

This Prospectus is available in electronic format via the ASX website, www2.asx.com.au and via the Company's website at www.ragusaminerals.com.au.

Persons having received this Prospectus in electronic form may, during the offer period, obtain a paper copy of this Prospectus (free of charge) by contacting the Company on (08) 6188 8181.

Applications for securities may only be made on the personalised application form which will be provided to invitees and which will form part of or will be accompanied by the complete and unaltered electronic version of this Prospectus. The Corporations Act prohibits any person from passing on to another person a personalised application form unless it is attached to or accompanied by a hard copy of this Prospectus or by the complete and unaltered electronic version of this Prospectus.

The Company reserves the right not to accept an application form from a person if it has reason to believe that when that person was given access to the electronic application form, it was not provided together with the complete and unaltered electronic version of this Prospectus.

15. Investment Decisions

The information in this Prospectus does not constitute financial product advice. This Prospectus does not take into account the investment objectives, financial situation, tax position and particular needs of individual investors. Investors should obtain their own independent advice and consider the appropriateness of the Offers having regard to their own objectives, financial situation, tax position and needs.

16. Future Performance

Except as required by law, and only then to the extent so required, neither the Company nor any other person warrants the future performance of the Company, or any return on any investment made pursuant to this Prospectus. An investment through applying for and receiving securities under the Offers (or any of them) made by this Prospectus should be considered speculative.

17. Enquiries

You should contact your stockbroker, accountant or independent professional financial adviser before making any decision regarding applying for securities under this Prospectus.

If you have any questions please contact the Company on (08) 6188 8181.

No person is authorised to give information or make any representation in connection with this Prospectus which is not contained in this Prospectus. Any such information not so contained may not be relied on as having been authorised by the Company in connection with this Prospectus.

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors of the Company have authorised the lodgement of this Prospectus with ASIC.



Jerko Peter Zuvela
Chairperson