

FELIX GOLD LIMITED (ACN 645 790 281)

OPTIONS PROSPECTUS

An offer of up to 10,000 options (**New Options**) at nil consideration per New Option (**Offer**). Each New Option has an exercise price of \$0.15 (15 cents) (**Exercise Price**), an expiry date of 19 June 2026 (**Expiry Date**) and upon its exercise, entitle the holder to one fully paid ordinary share in the Company (**Share**).

The Offer is only made to and capable of acceptance by invitees determined by the Company. The Offer closes at 5 PM on 3 August 2023.

This Prospectus has also been prepared for the purposes of section 708A(11) of the Corporations Act 2001 (Cth) to facilitate the secondary trading of the Existing Options (as defined in this Prospectus).

IMPORTANT NOTICE

This document is important and should be read in its entirety. If after reading this Prospectus you have any questions about the Securities being offered under this Prospectus or any other related matter, then you should consult your professional advisers without delay.

The Securities offered by this Prospectus should be considered as highly speculative.

Important Information

This Prospectus is dated 2 August 2023 and was lodged with the ASIC on that date. The ASIC, ASX and their respective officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

The Offer

The Offer closes at 5 pm on 3 August 2023. **Subject to the Corporations Act, the ASX Listing Rules and other applicable laws, the Company reserves the right to close the Offer early, to extend the Closing Date, or not to proceed with the Offer.**

No Securities may be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

Application by invitation only

The Company will only distribute this Prospectus to those specific investors invited by the Directors to subscribe for the New Options pursuant to this Prospectus. Accordingly, if you have not been invited by the Directors to subscribe for the New Options pursuant to this Prospectus, you cannot subscribe for New Options pursuant to this Prospectus.

It is important that investors read this Prospectus in its entirety and seek professional advice where necessary. The Securities offered by this Prospectus should be considered as highly speculative.

Applications for Securities offered pursuant to this Prospectus can only be made by an original Application Form.

Conditional Offer

The making of the Offer is conditional upon the ASX having agreed to list the Existing Options for quotation.

Disclosure

This Prospectus is a transaction specific prospectus for an offer of convertible securities to acquire continuously quoted securities (as defined in the Corporations Act) and has been

prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus and is only required to contain certain information in relation to the effect of the issue of the New Options by the Company, and the rights and liabilities attaching to the New Options and the Shares which will be issued upon the exercise of the New Options. The Prospectus does not need to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the Company.

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

Representations contained in this Prospectus are made taking into account that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters are publicly available information or may reasonably be expected to be known to investors and professional advisers whom prospective investors may consult.

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

Continuous disclosure obligations

The Company is a “disclosing entity” (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Securities.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

Having taken such precautions and having made such enquires 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 three months before the issue 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.

Please refer to Section 6.2 for further details.

No Investment Advice

The information contained in this Prospectus is not financial product advice or investment advice and does not take into account your financial or investment objectives, financial situation or particular needs (including financial or taxation issues). You should seek professional advice from your accountant, financial adviser, stockbroker, lawyer or other professional adviser before deciding to subscribe for Securities under this Prospectus to determine whether it meets your objectives, financial situation and needs.

Forward-looking statements

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 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, the Directors and the Company's management.

The Company cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward- looking statements contained in this Prospectus will actually occur and investors are cautioned not to place undue reliance on these forward- looking statements.

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, except where required by law.

These forward-looking statements are subject to various risk factors that could cause the Company's actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 5.

Electronic Prospectus

This Prospectus will be made available in electronic form. Persons having received a copy of this Prospectus in its electronic form may obtain an additional copy of this Prospectus (free of charge) by contacting the Company. If you are accessing the electronic version of this Prospectus for the purpose of making an investment in the Company, you must be an Australian or New Zealand resident and must only access this Prospectus from within Australia or New Zealand.

The Corporations Act prohibits any person passing onto another person an Application Form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered 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 electronic Prospectus and any relevant supplementary or replacement

prospectus or any of those documents were incomplete or altered.

Company Website

No documents or other information available on the Company's website is incorporated into this Prospectus by reference.

Definitions and Time

Unless the contrary intention appears or the context otherwise requires, words and phrases contained in this Prospectus have the same meaning and interpretation as given in the Corporations Act and capitalised terms have the meaning given in the Glossary in Section 7.

All references to time in this Prospectus are references to Australian Eastern Standard Time.

Privacy statement

If you complete an Application Form, you will be providing personal information to the Company. The Company collects, holds and will use that information to assess your application, service your needs as a Shareholder and facilitate distribution payments and corporate communications to you as a Shareholder.

The information may also be used from time to time and disclosed to persons inspecting the register, including bidders for your securities in the context of takeovers, regulatory bodies including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the share registry.

You can access, correct and update the personal information that we hold about you. If you wish to do so, please contact the share registry at the relevant contact number set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act 1988* (Cth) (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required on the application for Securities, the Company may not be able to accept or process your application.

Enquiries

If you are in any doubt as to how to deal with any of the matters raised in this Prospectus, you should consult with your broker or legal, financial or other professional adviser without delay. Should you have any questions about the Offers or how to accept the Offer please call the Company Secretary on +61 7 3054 7108.

Corporate Directory

Directors	Share Registry*
Anthony Reilly Managing Director and Chief Executive Officer	Automic Pty Ltd Level 5, 126 Phillip Street Sydney NSW 2000
Ronnie Beevor Non-Executive Chairman	Telephone (within Australia): 1300 288 664
Andrew Browne Non-Executive Director	Telephone (outside Australia): +61 2 9698 5414 email: hello@automic.com.au
Joseph Webb Non-Executive Director	
Company Secretary	Legal Advisers
Craig McPherson	GRT Lawyers Level 27, 111 Eagle Street Brisbane QLD 4000
Registered office	Auditor*
Level 1, 371 Queen Street Brisbane QLD 4000	PKF Brisbane Audit Level 6, 10 Eagle Street Brisbane QLD 4000
Telephone: +61 7 3054 7108 Email: contact@felixgold.com.au Website: www.felixgold.com.au	

*This entity is included for information purposes only. It has not been involved in the preparation of this Prospectus and has not consented to being named in the Prospectus.

Table of Contents

1	KEY OFFER INFORMATION	7
2	DETAILS OF THE OFFER	9
3	PURPOSE AND EFFECT OF THE OFFER	10
4	RIGHTS AND LIABILITIES ATTACHING TO SECURITIES	13
5	RISK FACTORS	16
6	ADDITIONAL INFORMATION	23
7	GLOSSARY	29

1 KEY OFFER INFORMATION

1.1 Timetable

Event	Date*
Lodgement of Prospectus with ASIC	2 August 2023
Lodgement of Appendix 2A and Prospectus with ASX	2 August 2023 (before 12PM Sydney time)
Official quotation of Options	3 August 2023
Offer opening date as at 9:00am	3 August 2023
Closing Date as at 5:00pm**	3 August 2023

*These dates are indicative only and subject to change. Subject to the Corporations Act and Listing Rules, the Directors reserve the right to vary these dates.

1.2 About the offer – summary

The following summary provides only a limited overview of the Offer 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 New Options, exercising any Existing Options, exercising any Options which are on issue as at the date of this Prospectus other than Existing Options, or investing in the Company's fully paid ordinary shares (**Shares**).

Question	Answer	Reference
What is the Offer?	An offer of up to 10,000 options (New Options) to invitees determined by the Company at nil consideration per New Option (the Offer).	See Section 2.1 for further information.
Is the Offer subject to any conditions?	Yes, the making of the Offer is conditional upon the ASX having agreed to list the Existing Options for quotation.	See Section 2.4 for further information.
What are the terms of the New Options?	Each New Options has an exercise price of \$0.15 (15 cents) (the Exercise Price), expiry date of 19 June 2026 (the Expiry Date) and, upon exercise, entitle the holder to one fully paid ordinary share in the capital of the Company (Share). Full terms of the New Options are set out in Section 4.1.	See Section 2.1 for further information.
What is the purpose of the Offer?	The purpose of the Offer is to facilitate secondary trading of the	See Section 3.1 for further information.

	New Options (if any) and the Existing Options (defined in Section 2.6).	
Is the Offer underwritten?	No, the Offer is not underwritten.	See Section 2.2 for further information.
Are there any risks associated with investments in the company?	There are risks associated with investment in the Company. These include risks relating to the Offer and the New Options, risks relating to the Company and risks associated with financial investment generally. 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 deciding to apply for or acquire New Options or otherwise making an investment in the Company.	See Section 1.3 and Section 5 for further information.
How and when will I know if my application is successful?	Holding statements confirming the issue of New Options (if any) are anticipated to be dispatched on or about 7 August 2023.	See Section 2.3 for further information.
Are there any taxation implications of participating in the offer?	Taxation implications will vary depending upon the specific circumstances of the investor. You should obtain professional advice as to the taxation treatment applicable to you.	See Section 5.4(e) for further information.
Where can I find more information about the company?	For more information on the Company please see the Company's website (www.felixgold.com) or refer to the Company's ASX announcements (available on the ASX's website www2.asx.com.au , search code "FXG").	See the Important Information section above for further information.
What if I have any further questions about the Offer or how to apply?	You may contact the Company Secretary at +61 7 3054 7108	See the Important Information section above for further information.

1.3 Key Risk Factors

Prospective investors should be aware that subscribing for securities issued by the Company involves a number of risks and an investment in the Company should be considered as highly speculative. The future performance of the Company and the value of any securities issued by (including the New Options) may be influenced by a range of factors, many of which are largely beyond the control of the Company and the Directors. The key risks associated with the Company's business, the industry in which it operates and general risks applicable to all investments in listed securities and financial markets generally are set out in Section 5.

2 DETAILS OF THE OFFER

2.1 The Offer

Felix Gold Limited (ACN 645 790 281) (**FXG** or the Company) offers up to 10,000 New Options at nil consideration each (**Offer**). The Offer is only made to and capable of acceptance by those investors determined by the Company who receive from the Company directly, a personalised application form to participate in the Offer (**Invitees**).

Each New Option has an exercise price of \$0.15 (15 cents), expiry date of 19 June 2026 and, upon exercise, entitles the holder to one fully paid ordinary share in the capital of the Company.

The full terms of the New Options are set out in Section 4.1.

The rights and liabilities of Shareholders are identified in Section 4.2.

2.2 No underwriting

The Offer is not underwritten.

2.3 How to accept the Offer

Applications for the New Options must only be made by investors who receive directly from the Company, a personalised application form to participate in the Offer. The Company may, in its discretion, determine whether to accept any or all Application Forms.

Completed Application Forms must be delivered to the Company at the following address:

Level 1, 371 Queen Street
Brisbane QLD 4000

Completed Application Forms must reach the address set out above no later than the Closing Date.

2.4 The Offer is conditional on ASX Listing

The Offer is conditional on quotation of the Existing Options being granted by ASX.

The Company proposes applying for quotation of the New Options to be issued (if any) and the Existing Options (defined in Section 2.6). The Company has lodged an Appendix 2A applying for quotation of any New Options to be issued (if any) and the Existing Options on the date of this Prospectus.

The New Options and Existing Options have common terms as set out in Section 4.1.

The Existing Options will remain unquoted (unlisted), and the New Options (if any) will not be issued, until such time as the ASX has notified the Company that the Existing Options will be quoted.

The quotation requirements of ASX, include:

- (a) there being at least 100,000 Existing Options on issue;
- (b) the Existing Options are held by at least 50 holders each with a marketable parcel (being if all options held by a holder are exercised in full, the underlying Shares would be a parcel of not less than \$500 based on the trading price of Shares); and
- (c) the terms of issue of the Existing Options meeting the requirements of Chapter 6 of the Listing Rules

The Company believes that as at the date of this Prospectus the above requirements have been met.

If quotation is not granted, the New Options will not be issued. The Existing Options are already on issue and are currently unlisted. The fact that ASX may grant Official Quotation of the New Options to be issued (if any) and/or the Existing Options is not to be taken in any way as an indication of the merits of the Company or of the New Options to be issued (if any) and/or the Existing Options.

2.5 Minimum subscription

There is no minimum subscription.

2.6 Existing Options

The Company currently has 16,190,000 unlisted options on issue (the **Existing Options**) that have identical terms to the New Options, being an exercise price of \$0.15 (15cents), and expiry date of 19 June 2026, and upon the exercise, entitle the holder to one Share. All of these were issued pursuant to shareholder approval granted at a general meeting of the Company held on 13 June 2023.

3 PURPOSE AND EFFECT OF THE OFFER

3.1 Purpose of the offer

The purposes of this Prospectus and the Offer made under it are to comply with section 708A(11) of the Corporations Act to qualify the New Options (if any), and the Existing Options for secondary trading, such that the New Options (if any) and Existing Options can be offered for sale within 12 months of issue.

3.2 Financial Effect of the Offer

The Offer will have a no effect on the financial position of the Company as the New Options will be issued from nil consideration and consequently the Company will receive no subscription monies upon the issue. As referred to above, this Prospectus has been prepared for the purposes of qualifying the Existing Options for secondary trading.

The anticipated costs of the Offer are set out in the table below:

Anticipated cost	Amount
Legal fees	\$18,000 + disbursements + GST
ASIC and ASX Fees	\$14,000
Total	\$32,000

*** includes anticipated quotation costs of maximum number of New Options that may be issued, the 16,190,000 Existing Options, and the lodgement fee payable in connection with lodging this Prospectus with ASIC.*

3.3 Effect on capital structure

The Offer will have a negligible effect on the capital structure of the Company, as only 10,000 in New Options may be issued pursuant to the Offer. The rights of the holders of Existing Options to exercise those Existing Options will not be impacted by the Offer, nor by any subsequent quotation of the New Options or the Existing Options on the ASX. The rights of holders of Performance Rights will not be impacted by the Offer.

Shares and Convertible Securities before the Offer

Prior to the issue of any New Options, the capital structure of the Company is as set out in the following table:

Security on issue	Number
Shares currently on issue	199,815,113
Existing Options*	16,190,000
Unlisted options other than Existing Options (detailed in the table below under the heading " <u>Unlisted Options other than Existing Options</u> ")**	11,545,786
Performance Rights***	6,500,000
Total number of Shares that would be on issue assuming that all of the Existing Options and other unlisted options were exercised, and all Performance Rights vested	234,505,899

**, ** Upon (and assuming) their exercise, each of these options will be replaced by one fully paid ordinary share, and the total of Shares on issue will increase accordingly*

**** Upon their vesting, each performance rights will be replaced by one fully paid ordinary share, and the total of Shares on issue will increase accordingly*

Shares and Convertible Securities following the Offer (and assuming full take-up of the offer)

Following the issue of the New Options, the capital structure of the Company will be as set out in the following table:

Security on issue	Number
Shares currently on issue	199,815,113
Existing Options*	16,190,000
New Options**	10,000
Unlisted options other than Existing Options (detailed in the table below under the heading " <u>Unlisted Options other than Existing Options</u> ")***	11,545,786
Performance Rights****	6,500,000
Total number of Shares that would be on issue assuming that all of the Existing Options and other unlisted options were exercised, and all Performance Rights vested	234,060,899

* , ** , *** Upon (and assuming) their exercise, each of these options will be replaced by one fully paid ordinary share, and the total of Shares on issue will increase accordingly

**** Upon their vesting, each performance rights will be replaced by one fully paid ordinary share, and the total of Shares on issue will increase accordingly

Unlisted Options other than Existing Options

	Number
Options currently on issue (other than the Existing Options):	
FAGAE: Option Expiring 09 October 2024 Restricted	5,000,000
FAGAF: Option Expiring 24 January 2025 Restricted	1,250,000
FAGAG: Option Expiring 24 January 2025 Restricted	1,250,000
FAGAJ: Option Expiring 08 June 2024 Restricted	900,000
FAGAK: Option Expiring 17 July 2024 Restricted	550,000
FAGAL: Option Expiring 09 October 2024	500,000
FAGAM: Option Expiring 31 December 2024	1,047,893
FAGAN: Option Expiring 31 December 2024	1,047,893
Total Options on Issue	11,545,786

3.4 Dilutionary effect of the Offer, and effect on control

The percentage shareholding in the Company of existing shareholders will not be diluted through the issue of New Options. Existing Shareholders will however, be diluted through the issue of Shares upon exercise of the Existing Options, any New Options issued, any unlisted options on issue other than the Existing Options, and the vesting of any Performance Rights (together the **Convertible Securities**). The dilutive effect of the potential issue of Shares on exercise of 50% and 100% of the Convertible Securities (assuming that 100 New Options are issued) is illustrated in the table below. However this is provided for indicative purposes only, and is not to be taken as a representation that a certain number of Convertible Securities will be exercised, if any.

Shareholder (example)	Number of shares held (example)	Percentage of current total fully paid ordinary share capital on issue (199,815,113)	Percentage of total Shares assuming 50% of Convertible Securities are issued	Percentage of total Shares assuming 100 % of Convertible Securities are issued
A	10,000,000	5.00%	4.61%	4.27%
B	20,000,000	10.01%	9.22%	8.55%
C	30,000,000	15.01%	13.83%	12.82%
D	40,000,000	20.02%	18.44%	17.09%
E	50,000,000	25.02%	23.05%	21.36%

3.5 Details of substantial holders

As at the date of this Prospectus, the persons who (together with their associates) have a relevant interest in 5% or more of the Company's securities are set out below:

Shareholder	Shares	%
Mine Discovery Fund Pty Ltd	35,152,852	20.10

4 RIGHTS AND LIABILITIES ATTACHING TO SECURITIES

4.1 Rights and liabilities attaching to New Options and Existing Options

The following are the terms of the New Options being offered pursuant to this Prospectus, and of the Existing Options. For the purposes of sections 4.1 and 4.2, references to "Options" means both Existing Options and New Options as the case may be, unless the context requires otherwise.

1. Each Option entitles the holder to subscribe for one Share upon exercise of the relevant Option.
2. The Options shall be issued for nil consideration.
3. The amount payable upon exercise of each New Option will be \$0.15 (**Exercise Price**).

4. Each Option will expire on 19 June 2026 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
5. The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.
6. The Options may be exercised at any time wholly or in part by delivering a duly completed form of notice of exercise (**Exercise Notice**) together with payment for the Exercise Price per Option to the Company, at any time on or after the date of issue of the Options, and on or before the Expiry Date. Payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.
7. The number of Options that may be exercised at one time must be not less than 50,000, unless the holder of the Options (**Option Holder**) holds less than 50,000 Options in which case all Options held by that Option Holder must be exercised at one time.
8. Upon the valid exercise of the New Options and payment of the Exercise Price, the Company will issue fully paid ordinary Shares ranking *pari passu* with the then issued Shares within 15 Business Days after the later of the following:
 - a) the date of the Exercise Notice (the **Exercise Date**); and
 - b) when excluded information in respect to the Company (as defined in section 708A(7) of the Corporations Act) (if any) ceases to be excluded information,but in any case no later than 20 Business Days after the Exercise Date, the Company will:
 - c) allot and issue the number of Shares required under these terms and conditions in respect of the number of New Options specified in the Exercise Notice and for which cleared funds have been received by the Company; and
 - d) if admitted to the official list of ASX at the time, apply for Official Quotation on ASX of Shares issued pursuant to the exercise of the New Options.
9. Option Holders do not have any right to participate in new issues of securities in the Company made to Shareholders generally. The Company will, where and only to the extent required pursuant to the Listing Rules, provide Option Holders with notice prior to the books record date (to determine entitlements to any new issue of securities made to Shareholders generally) to exercise the Options, in accordance with the requirements of the Listing Rules.
10. Option Holders do not participate in any dividends unless the Options are exercised and the resultant Shares of the Company are issued prior to the record date to determine entitlements to the dividend.
11. In the event of any reorganisation (including consolidation, subdivision, reduction or return) of the issued capital of the Company:
 - a) the number of Options, the Exercise Price of the Options, or both will be reorganised (as appropriate) in a manner consistent with the Listing Rules as applicable at the time of reorganisation, but with the intention that such reorganisation will not result in any benefits being conferred on the Options holders are not conferred on Shareholders; and

- b) subject to the provisions with respect to rounding of entitlements as sanctioned by a meeting of Shareholders approving a reorganisation of capital, in all other respects the terms for the exercise of the Options will remain unchanged.

12. If there is a pro rata issue (except a bonus issue), the Exercise Price of Option may be reduced according to the following formula:

$$O_n = \frac{O - E [P - (S + D)]}{N + 1}$$

Where:

- O_n = the new exercise price of the Option;
- O = the old exercise price of the Option;
- E = the number of underlying securities into which one Option is exercisable;
- P = the volume weighted average market price per security of the underlying securities during the 5 trading days ending on the day before the ex-right date or the ex-entitlements date;
- S = the subscription price for a security under the pro rata issue;
- D = dividend due but not yet paid on the existing underlying securities (except those to be issued under the pro rata issue);
- N = the number of securities with rights or entitlements that must be held to receive a right to one new security.
13. If there is a bonus issue to the Shareholders of the Company, the number of Shares over which the Option is exercisable may be increased by the number of Shares which the Option Holder would have received if the Option had been exercised before the record date for the bonus issue.
14. The terms of the Options shall only be changed if the Shareholders (whose votes are not to be disregarded) of the Company approve of such a change. However, unless all necessary waivers of the Listing Rules are obtained, the terms of the Options shall not be changed to reduce the Exercise Price, increase the number of Options or change any period for the exercise of the Options.
15. The Options do not confer the right to a change in the Exercise Price or a change in the number of underlying securities over which the New Options can be exercised.
16. The Company may apply for listing of the Options on the ASX, subject to meeting the quotation requirements under the ASX Listing Rules in.
17. The Company shall apply for listing on the ASX of the resultant Shares of the Company issued upon exercise of any New Option.

4.2 Rights and liabilities attaching to Shares

Shares issued on exercise of the Options 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.

4.3 General

The Offer and any application concerning the issue of New Options under this Prospectus, shall be governed and construed in accordance with the laws in the State of Queensland.

5 RISK FACTORS

5.1 Introduction

The New Options offered under this Prospectus should be considered speculative. There are risks and uncertainties, both specific to the Company and of a general nature, which may affect the future operating, financial performance, financial position or prospects of the Company, its tenements, and the value of the New Options. Many of the circumstances giving rise to these risks are beyond the control of the Company, its Directors and management and cannot be mitigated.

This Section describes certain specific areas that the Company believes to be the key risks associated with an investment in the Company. Investors should specifically consider the factors contained in this Section in light of their own investment objectives and financial circumstances, and should consider seeking professional advice from their accountant, stockbroker, lawyer or other professional advisors before deciding whether to invest in the Company. Neither the New Options, the Existing Options nor any Shares issued on the exercise carry any guarantee with respect to the payment of dividends, the return of capital or the market value of those Securities.

Prospective investors should note that this Section is not an exhaustive list of the risks associated with an investment in the Company and it should be considered in conjunction with other information disclosed in this Prospectus. Additional risks and uncertainties that the Company is unaware of, or that it currently does not consider to be material, may also become important factors that may have an adverse effect on the Company's future financial performance, financial position and prospects.

There can be no guarantee that the Company will achieve its stated objectives or that forward-looking statements will be realised.

5.2 Specific risks relating to the Company and its operations

(a) Future capital requirements

At the date of this prospectus, the Company has no income producing assets and will generate losses for the foreseeable future.

There is no guarantee that the Company will be able to raise the additional funds either at all or on commercial terms and conditions or on conditions that do not result in material dilution of the interests of the then existing Shareholders. If the Company is unable to raise adequate funds, it may need to suspend or terminate its operations and may not be able to continue as a going concern.

(b) Major Shareholder

Mine Discovery Fund Pty Ltd and its related parties will hold a relevant interest of approximately 20% of the Shares on issue and is the Company's major Shareholder.

Mine Discovery Fund Pty Ltd could have a significant influence on the Company, and its interests may not be aligned with other Shareholders' interests.

5.3 Specific risks related to the industry

(a) Exploration risk

The exploration for mineral deposits is speculative and involves significant inherent risk that is present despite careful evaluation, experience and knowledge. There is no assurance that any discovery will be made and even if made that it will be economic or can be commercially exploited.

The current and future operations of the Company, including exploration, appraisal, development and possible production activities may be affected by a range of exploration and operating factors, including:

- (i) geological conditions including the particular attributes of the deposit, such as size, quality and proximity to infrastructure;
- (ii) limitations on activities due to seasonal or adverse weather patterns;
- (iii) unanticipated operational and technical difficulties encountered in geophysical surveys, drilling, metallurgical laboratory work and production activities;
- (iv) to complete exploration and metallurgical test work;
- (v) quality of geological data collected and recognition of quality of data;
- (vi) mechanical failure of operating plant and equipment, industrial and environmental accidents;
- (vii) industrial action, disputation or disruptions;
- (viii) unavailability of transport or drilling equipment to allow access and geological and geophysical investigations;
- (ix) unavailability of suitable laboratory facilities to complete metallurgical test work investigations;
- (x) failure of metallurgical testing to determine a commercially viable product;
- (xi) shortages or unavailability of labour or appropriately skilled labour;
- (xii) unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment;
- (xiii) prevention or restriction of access by reason of inability to obtain consents or approvals;
- (xiv) commodity prices which are highly cyclical;
- (xv) government regulations, including regulations relating to prices, taxes, royalties, land tenure, ability to explore, land use, importing and exporting of minerals and environmental protection; and
- (xvi) a pandemic that restricts economic activity and travel.

The exact effect of these factors cannot be accurately predicted, but one or more or a combination of these factors may result in the Company not receiving an adequate, or any, return on invested capital for any exploration activities that may be undertaken in the future.

The Company's exploration costs are also based on certain assumptions with respect to the method and timing of exploration. These estimates and assumptions are subject to uncertainties and, accordingly, the actual costs may materially differ from these estimates and assumptions. There is no guarantee that the cost estimates and the underlying assumptions will be realised in practice, which may materially and adversely affect the prospects of the Company's business and operations.

(b) Early stage exploration

The prospects that the Company is focussing on are in the early stages of exploration and, with the exception of an inferred mineral resource at the Grant Mine, do not contain any resources that are consistent with the JORC Code. There can be no assurance that the exploration activities of the Company will result in an increase in the existing mineral resource or establishment of new resources or reserves in accordance with the JORC Code.

(c) Estimation of mineral resources

Resource estimates are expressions of judgement based on knowledge, experience and industry practice. Accordingly, resource estimates are inherently imprecise and depend to some extent on interpretations and geological assumptions, the application of sampling techniques, estimates of commodity prices, cost assumptions, and statistical inferences which may ultimately prove to have been unreliable.

Resource estimates are subject to change based on new information. Furthermore, should the Company encounter mineralisation or formations different from those predicted by past drilling, sampling and similar examinations, resource estimates may have to be adjusted in a way that could adversely affect the Company's operations.

(d) Development risk

If the Company proceeds with developing any of its mining claims to the production stage, the process of developing and constructing the mine will be subject to additional risks.

While the Company would make a decision to proceed to production only after completing feasibility studies, there will remain a risk that economic and technical estimates and assumptions will prove to be inaccurate, and unforeseen factors will result in outcomes that are materially less favourable than those estimated or assumed in any feasibility study.

There are many uncertainties that are inherent in developing a mining project, including:

- (i) availability of capital to finance feasibility studies, construction and development activities;
- (ii) timing and cost of constructing mining and processing facilities and related infrastructure;
- (iii) availability and cost of skilled labour, power, water and transport; and

(iv) obtaining necessary governmental permits and the timing of those permits.

As with any mining project, the Company may experience unexpected problems and delays during development, construction and mine start-up.

(e) **Title risk**

Title to exploration rights and mineral property rights held by the Company is one of the core assets of the business. Mining claims are subject to periodic renewal.

The title to mining claims in Alaska can be subject to a number of complex considerations, including establishment of a chain of title over many years. The Company has undertaken due diligence in respect of the mining claims in respect of which it has an interest, and full chain of title due diligence on those mining claims material to its proposed exploration, and is satisfied that it has or will acquire good title to those mining claims, but there is a risk that if there are any historic deficiencies in the mining claims not detected by the Company's due diligence, a third party may challenge the Company's rights to those mining claims.

(f) **Licences and permits**

The Company is required under applicable laws and regulations to seek governmental concessions, permits, authorisations, licenses and other approvals, including in connection with its exploration and development activities. Obtaining, retaining or renewing the necessary governmental concessions, permits, authorisations, licenses and approvals can be a complex and time-consuming process and may involve substantial costs or the imposition of unfavourable conditions. There can be considerable delay in obtaining the necessary permits and other authorisations, including as a result of third-party objections or litigation and in certain cases the relevant government agency may be unable to issue a required permit or other authorisation in a timely manner.

The duration and success of permit applications are contingent on many factors that are outside the Company's control. Accordingly, there is no assurance that such permit applications or renewals will be given at all, or without being subject to onerous conditions.

(g) **Local communities and landowners**

Gaining the support of the community and landowners is critical to the ongoing viability and success of the Company's activities. Stakeholder engagement will be important. Assessing the relevant interests, issues and concerns of the community and landowners will be important. How the Company manages, and acts on, any feedback will be critical.

(h) **First Nations heritage**

In relation to tenements which the Company has an interest in or will in the future acquire such an interest, there may be areas over which legitimate First Nations claims exist. If First Nations rights do exist, the Company's ability to gain access to tenements (through obtaining consent of any relevant landowner), or to progress from the exploration phase to the development and mining phases of operations may be affected.

The Company will closely monitor the potential effect of First Nation claims involving tenements in which the Company has or may have an interest.

Exploration for mineral activities also carries with it the potential for unintended damage to cultural heritage sites.

(i) **Insurance**

The Company has insured its operations in accordance with industry practice. However, insurance of all risks associated with exploration and mining operations is not always available and, where it is available, the cost may be high. The Company will have insurance in place considered appropriate for the Company's needs.

The business of the Company is subject to a number of risks and hazards generally, including adverse environmental conditions, industrial accidents, labour disputes, unusual or unexpected geological conditions, ground or slope failures, cave-ins, changes in the regulatory environment and natural phenomena such as extreme weather conditions, cyclones, floods and earthquakes. Such occurrences could result in damage to mineral properties, buildings, personal injury or death, environmental damage to properties of the Company or others, delays in mining, monetary losses and possible legal liability.

Although the Company maintains insurance to protect against certain risks in such amounts as it considers reasonable, its insurance will not cover all the potential risks associated with its operations and insurance coverage may not continue to be available or may not be adequate to cover any resulting liability.

It is not always possible to obtain insurance against all such risks and the Company may decide not to insure against certain risks because of high premiums or other reasons. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration and production is not generally available to the Company or to other companies in the mining industry on acceptable terms.

The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company. In addition, there is a risk that an insurer defaults in the payment of a legitimate claim by the Company.

(j) **Commodity prices**

Commodity prices fluctuate and are affected by numerous factors beyond the control of the Company. These factors include worldwide and regional supply, physical and investment demand for the specific commodity, prevailing commodity trading terms, general world economic conditions and the outlook for interest rates, inflation and other economic factors on both a regional and global basis. These factors may have a positive or negative effect on the Company's exploration or project development plans and activities, together with the ability to fund those plans and activities.

(k) **Currency volatility**

International prices of various commodities, including gold, are denominated in United States dollars. The Company will incur expenditure in United States dollars and Australian dollars and will account in Australian dollars. Consequently, the Company is exposed to fluctuations and volatility in the rate of exchange between the United States dollar and the Australian dollar as determined by the international markets.

(l) **Environmental matters**

There is a risk that owners' rights and environmental requirements may restrict or prevent the Company from carrying out its exploration and development activities. The Company intends to conduct its activities in an environmentally responsible manner and in accordance with applicable laws and industry standards. However, there are certain risks

inherent in the Company's activities which could subject the Company to environmental liability.

(m) **Climate change**

There are a number of climate-related factors that may affect the operations and proposed activities of the Company including new or expanded regulations associated with the transitioning to a lower-carbon economy and market changes related to climate change mitigation, changes to local or international compliance regulations related to climate change, increased severity and incidence of weather patterns and extreme weather events, longer-term physical risks such as shifting climate patterns, and adverse weather events which may disrupt field work and exploration activities. While the Company will endeavour to manage these risks where possible and limit any impacts, there can be no guarantee that the Company will not be impacted by these occurrences.

(n) **Health and safety**

The Company's operations have inherent risks and liabilities associated with the health and safety of employees and contractors. The occurrence of any industrial accidents, workplace injuries or fatalities may result in workers' compensation claims, related common law claims and potential occupational health and safety prosecutions.

(o) **Regulatory and legislative changes**

Laws and government policies are subject to review and changes from time to time. Such changes may be beyond the control of the Company and have an effect on industry profitability and the Company's capacity to explore, mine and engage in production activities.

5.4 **General risks**

(a) **Stock market fluctuations and economic conditions**

Share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:

- (i) general economic outlook in both Australia and internationally;
- (ii) introduction of tax reform or other new legislation, regulation, or policy;
- (iii) changes in exchange rates, interest rates and inflation rates;
- (iv) changes in investor sentiment toward particular market sections;
- (v) the demand for, and supply of, capital; and
- (vi) the global security situation and the possibility of terrorist disturbances or other hostilities.

Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

(b) **Dilution risk**

No immediate dilution will occur as a result of the issue of New Options under this Prospectus. Subsequent exercise of any or all of the New Options will result in negligible dilution.

However, subsequent exercise or vesting of all of the Convertible Securities will result in some dilution of existing Shareholders. See Section 3.4 for further information. It is not possible to predict what the value of the Company, a Share or an Option will be following the completion of the Offer being implemented and the Directors do not make any representation as to such matters.

(c) **Dependence on key personnel**

The Company's future success depends in part, on its ability to attract and retain key personnel. The Company has entered into agreements with its key executives whose expertise and experience are important to the Company. The loss of key personnel and the failure to replace them could have a material adverse effect on the Company's future performance.

(d) **Legal proceedings**

Legal proceedings may arise from time to time in the course of the business of the Company. Legal proceedings brought by third parties including but not limited to customers, business partners or employees could negatively impact the business in the case where the impact of such litigation is greater than or outside the scope of the Company's insurance. As at the date of this Prospectus, there are no material legal proceedings affecting the Company and the Directors are not aware of any legal proceedings pending or threatened against or affecting the Company.

(e) **Tax**

The acquisition and disposal of Securities will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Securities from a taxation viewpoint.

To the extent permitted by law, the Company, its officers and each of their respective advisors accept no liability and responsibility with respect to the taxation consequences of subscribing for the New Options under this Prospectus.

(f) **Wars, terrorism, political and environmental events**

Events may occur within or outside Australia that could impact upon the world economy, commodity prices, the operations of the Company and the price of the Securities. These events include war, acts of terrorism, civil disturbance, political intervention and natural events such as earthquakes, cyclones, floods, landslides, fires and poor weather affecting roadways, mining and processing of minerals. The Company has only a limited ability to insure against some of these risks.

(g) **Speculative investment**

Potential investors should consider an investment in the Company as speculative and should consult their professional advisers before deciding whether to apply for the New Options under this Prospectus.

The risks set out in this Section 5 are not to be taken as an exhaustive list of the risks faced by the Company. There may be other risks of which the Directors are unaware at the time of issuing this Prospectus which may impact on the Company and its operations, and on the valuation and performance of the Company's Securities.

6 ADDITIONAL INFORMATION

6.1 Litigation

As at the date of this Prospectus, the Company is not involved in any legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against the Company.

6.2 Continuous disclosure obligations

As set out in the **Important Information** at the beginning of this Prospectus, the Company is a disclosing entity for the purposes of section 713 of the Corporations Act. Accordingly, information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:
 - (i) the annual financial report most recently lodged by the Company with the ASIC; and
 - (ii) any continuous disclosure documents given by the Company to ASX in accordance with the ASX Listing Rules as referred to in section 674(1) of the Corporations Act after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC.

Copies of all documents lodged with the ASIC in relation to the Company can be inspected at the registered office of the Company during normal office hours.

Details of documents lodged by the Company with ASX since the date of lodgement of the Company's latest annual financial report and before the lodgement of this Prospectus with the ASIC are set out in the table below.

Date	ASX Announcement
3 October 2022	Corporate Governance Statement
3 October 2022	Date of AGM and Closing Date for Director Nominations
5 October 2022	400m Traverse of Thick Gold Mineralisation Open
17 October 2022	Pause in Trading

17 October 2022	Trading Halt
18 October 2022	Significant Expansion of NW Array Gold Zone
18 October 2022	Investor Presentation
27 October 2022	Notice of Annual General Meeting
31 October 2022	Quarterly Activities and Cashflow Reports
1 November 2022	Further New Gold Zone Identified at Treasure Creek
29 November 2022	Results of Meeting
1 December 2022	Near-Surface Gold Zones Extended to Northern Treasure Creek
9 December 2022	Scrafford Shear Potential & High-Grade Antimony Initiatives
16 January 2023	Managing Director and CEO Appointment
19 January 2023	New Gold Zones Identified in Reconnaissance Drilling
31 January 2023	Quarterly Activities and Cashflow Reports
3 February 2023	Deeper Gold and Prospective Feeder Zones Discovered
3 February 2023	Initial Director's Interest Notice
8 February 2023	Change of Director's Interest Notice
14 March 2023	Exploration Target for NW Array
15 March 2023	Investor Presentation
16 March 2023	Half Yearly Report and Accounts
11 April 2023	Trading Halt
13 April 2023	Suspension from Official Quotation
17 April 2023	Strongly Supported Placement Raises \$2.8m
17 April 2023	Reinstatement to Official Quotation
17 April 2023	Proposed issue of securities – FXG
24 April 2023	Application for quotation of securities – FXG
24 April 2023	Completion of Placement
26 April 2023	Quarterly Activities and Cashflow Reports
11 May 2023	Notice of General Meeting/Proxy Form
30 May 2023	Drilling Commenced at NW Array

13 June 2023	Results of General Meeting
16 June 2023	Investor Webinar Presentation
20 June 2023	Application for quotation of securities – FXG
20 June 2023	Notification regarding unquoted securities – FXG
20 June 2023	Completion of Share and Option issue
20 June 2023	Change of Director's Interest Notice – Reilly
20 June 2023	Change of Director's Interest Notice – Browne
20 June 2023	Change of Director's Interest Notice – Beevor
3 July 2023	NW Array Drilling Returns Broad Gold Intercepts
4 July 2023	NW Array Drilling Announcements
12 July 2023	Investor Presentation
17 July 2023	High-Grade Critical Mineral Discovery at NW Array
24 July 2023	Continuation of Broad Zones of Gold and High-Grade Stibnite
28 July 2023	Quarterly Activities and Cashflow Report

ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal office hours.

6.3 Market price of Shares

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX.

The highest, lowest and last market sale prices of the Shares on ASX during the three months immediately preceding the date of lodgement of this Prospectus with the ASIC and the respective dates of those sales were:

	(\$)	Date
Highest	0.12	26 July 2023
Lowest	0.062	13 June 2023
Last	0.11	1 August 2023

6.4 Interests of Directors

Other than as set out in this Prospectus, no Director or proposed director holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;

- (b) any property acquired or proposed to be acquired by the Company in connection with:
 - (i) its formation or promotion; or
 - (ii) the Offer; or
- (c) the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to a Director or proposed director:
- (d) as an inducement to become, or to qualify as, a Director; or
- (e) for services provided in connection with:
 - (i) the formation or promotion of the Company; or
 - (ii) the Offer.

Director's Security holdings

The relevant interest of each of the Directors in the Company's securities as at the date of this Prospectus, together with their respective New Options, is:

Director/Shareholder (and/or associate(s))	Shares	Options	Performance Rights
Ronnie Beevor	1,760,000	1,800,000	-
Joe Webb	4,662,222	2,500,000	-
Andrew Browne	8,387,816	1,300,000	-
Anthony Reilly	550,000	150,000	6,500,000

Remuneration

The remuneration of an executive Director is decided by the Board, without the affected executive Director participating in that decision-making process. The total maximum remuneration of non-executive Directors is initially set by the Constitution and subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director. The current amount has been set at an amount not to exceed \$300,000 per annum.

A Director may be paid fees or other amounts (i.e. non-cash performance incentives such as Options, subject to any necessary Shareholder approval) as the other Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. In addition, Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors.

Director	FY ended 30 June 2022 (A\$)
Ronnie Beevor	163,750
Joe Webb	375,319
Andrew Browne	112,833
Anthony Reilly	N/A ¹

Note: 1. Mr Reilly was appointed as managing director and chief executive officer on 16 January 2023. The annual base salary is \$300,000 per annum exclusive of superannuation.

6.5 Interests of experts and advisers

Other than as set out below or elsewhere in this Prospectus, no:

- (a) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;
- (b) promoter of the Company; or
- (c) underwriter (but not a sub-underwriter) to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue,

holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (d) the formation or promotion of the Company;
- (e) any property acquired or proposed to be acquired by the Company in connection with:
 - (i) its formation or promotion; or
 - (ii) the Offer; or
- (f) the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of these persons for services provided in connection with:

- (g) the formation or promotion of the Company; or
- (h) the Offer.

GRT Lawyers has acted as the solicitors to the Company in relation to the Offer. The Company estimates it will pay GRT Lawyers \$10,000 (excluding GST and disbursements) for these services.

6.6 Consents

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of the securities), the Directors, the persons named in the Prospectus with their consent as Proposed Directors, any underwriters, persons named in the Prospectus with their consent having made a statement in the Prospectus and persons involved in a contravention in relation to

the Prospectus, with regard to misleading and deceptive statements made in the Prospectus. Although the Company bears primary responsibility for the Prospectus, the other parties involved in the preparation of the Prospectus can also be responsible for certain statements made in it.

Each of the parties referred to in this Section:

- (a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this Section;
- (b) in light of the above, only to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section; and
- (c) has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

GRT Lawyers has given its written consent to being named as the solicitors to the Company in this Prospectus.

Each of the Directors has given their written consent to being named in this Prospectus in the context in which they are named. Each of the Directors has not withdrawn their consent before the lodgement of this Prospectus with ASIC.

6.7 CHESS

The Company participates in the Clearing House Electronic Subregister System, known as CHESS. ASX Settlement Pty Limited, a wholly owned subsidiary of ASX, operates CHESS in accordance with the Listing Rules and the ASX Settlement Operating Rules.

The Company will not issue certificates to security holders. Rather, holding statements (similar to bank statements) will be dispatched to security holders as soon as practicable after issue.

Holding statements will be sent either by CHESS (for security holders who elect to hold Securities on the CHESS sub-register) or by the Company's share registry (for security holders who elect to hold their Securities on the issuer sponsored sub-register). The statements will set out the number of Securities issued under this Prospectus and the Holder Identification Number (for security holders who elect to hold Securities on the CHESS sub register) or Shareholder Reference Number (for security holders who elect to hold their Securities on the issuer sponsored sub-register). Updated holding statements will also be sent to each security holder following the month in which the balance of their security holding changes, and also as required by the Listing Rules and the Corporations Act.

6.8 Directors' Authorisation

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with the ASIC.


Anthony Reilly

**Managing Director and CEO for and
on behalf of Felix Gold Limited**

\$ means the lawful currency of the Commonwealth of Australia.

AEDT means Australian Eastern Daylight Time.

Application Form means a New Options Application Form.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by it as the context requires.

ASX Listing Rules means the listing rules of the ASX.

ASX Settlement Operating Rules means the settlement rules of the securities clearing house which operates CHESS.

Board means the board of Directors unless the context indicates otherwise.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day and any other day that ASX declares is not a business day.

Closing Date means the date specified in the timetable set out at Section 1 (unless extended).

Company means Felix Gold Limited (ACN 645 790 281).

Constitution means the constitution of the Company as at the date of this Prospectus.

Convertible Securities has the meaning given to it in Section 3.4.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the directors of the Company as at the date of this Prospectus.

Existing Option has the meaning given to it in Section 2.6.

Exercise Price means the exercise price of the New Options being \$0.15.

New Option means an Option issued on the terms set out in Section 4.1.

Offer means the offer to issue the New Options as set out in Section 2 of this Prospectus.

Official Quotation means official quotation on ASX.

Option means an option to acquire a Share, and includes New Options and Existing Options.

Option Holder means a holder of an Option.

Prospectus means this prospectus.

quotation means quotation of the class of securities in accordance with Chapter 2 of the ASX Listing Rules.

Related Party has the meaning given to the term under the Corporations Act.

Securities means Shares and/or Options as the context requires.

Section means a numbered section of this Prospectus.

Share has the meaning given to it in Section 1.2.

Shareholder means a holder of a Share.