

	<h1>RIGHTS ISSUE OFFER BOOKLET</h1> <h2>RIGHTS ISSUE</h2>
	<h1>Polymetals Resources Ltd</h1> <h2>ACN 644 736 247</h2>
	<p>This Offer Booklet contains details of the Company's recently announced 1 for 6 non-renounceable rights issue offer of New Shares to raise gross proceeds of up to approximately \$8.12 million</p>
	<p>The Issue Price per New Share under the Rights Issue is \$0.32</p>
	<p>The Rights Issue closes at 5pm (Sydney time) on 19 December 2023</p>
	<p>NOT FOR DISTRIBUTION TO US WIRE SERVICES OR RELEASE IN THE UNITED STATES</p>
	<p>This Offer Booklet is an important document and requires your immediate attention</p> <p>This Offer Booklet and the accompanying Entitlement and Acceptance Form should be read carefully and in their entirety. If you are in any doubt about what to do, you should consult your independent professional adviser without delay</p>

Enquiries

Before deciding to participate in the Rights Issue, Eligible Shareholders should seek advice from their stockbroker, accountant, financial adviser, solicitor, taxation adviser or other independent professional adviser to determine the extent to which an investment in the Company is suitable for you.

If you have any questions on how to:

- (a) complete the entitlement and acceptance form accompanying this Offer Booklet (**Entitlement and Acceptance Form**);
- (b) exercise your pro rata “entitlement” to participate in the Rights Issue (your **Entitlement**¹), either in full or in part; or
- (c) exercise your Entitlement in full and subscribe for New Shares in excess of your Entitlement (**Additional New Shares**²),

please see Sections 2.1 to 2.4 or call the Share Registry on 1300 554 474 during business hours (Sydney time) Monday to Friday.

Website

For further information in relation to the Company, please visit the Company’s website at www.polymetals.com or peruse the Company’s continuous and periodic disclosures given to and released on ASX (which are available at www.asx.com.au).

Definitions

Unless defined in the body of this Offer Booklet, (otherwise undefined) capitalised words and terms used in this Offer Booklet have the meanings given to them in the Glossary.

¹ Your Entitlement to New Shares under the Rights Issue is shown on your personalised Entitlement and Acceptance Form.

² A reference in this Offer Booklet to “**New Shares**” includes, as the context requires, a reference to “**Additional New Shares**”.

IMPORTANT INFORMATION

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

This Offer Booklet is dated 30 November 2023 and the contracts which arise on the acceptance of applications received under it are governed by the laws applicable in New South Wales, Australia and, accordingly, each applicant submits to the non-exclusive jurisdiction of the courts of NSW in this regard. Neither ASX nor ASIC take any responsibility for the contents of this Offer Booklet. Cooling-off rights do not apply to an investment in New Shares. This means that applicants cannot withdraw their application for New Shares once it has been received by the Company.

The Rights Issue is not being conducted under an Australian prospectus or product disclosure statement (**PDS**). Instead, the Company is relying on certain provisions in Chapter 6D of the *Corporations Act 2001* (Cth) (**Corporations Act**) that allow the Company to conduct the Rights Issue in Australia without a prospectus or PDS following the provision by the Company of certain confirmations to the market. As a result, it is important for Eligible Shareholders to read and understand the information on the Company (and in relation to the Rights Issue) made publicly available by the Company prior to accepting some or all of their Entitlement (or accepting all of their Entitlement and applying for Additional New Shares). In particular, Eligible Shareholders should refer to and consider the information in this Offer Booklet and in the Company's continuous and periodic disclosures made available on its website at www.polymetals.com or on ASX at www.asx.com.au (ASX: POL).

This Offer Booklet contains "forward-looking statements". Forward-looking statements include those statements that contain words such as: "anticipate", "believe", "expect", "forecast", "likely", "intend", "should", "could", "may", "plan", "aim", "will" and other similarly "forward-looking" words. Any forward-looking statement, opinion and/or estimate included in this Offer Booklet is based on assumptions and contingencies which are subject to change without notice and which involve (or are dependent upon the non-occurrence of) various known risks and uncertainties (such as those described in Schedule 1) and any number of unknown risks and uncertainties. Many of these risks and uncertainties are beyond the control of the Company.

Forward-looking statements are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. Actual results, performance or achievements may differ materially from those expressed or implied in any forward-looking statement. Readers are cautioned therefore not to place undue reliance on any forward-looking statement and, except as required by law or regulation, the Company assumes no obligation to (and will not) update any forward-looking statement. Furthermore, and to the maximum extent permitted by law, the Company and its Directors, officers, employees, agents, associates and advisers (i) expressly disclaim all responsibility and any liability (including in negligence) for any forward-looking statement and (ii) make no representation or warranty, whether express or implied, as to the accuracy or reliability (including the likelihood of fulfilment) of any forward-looking statement.

The information in this Offer Booklet does not include or constitute an offer in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer. Furthermore, this Offer Booklet must not be distributed or released in the United States. This Offer Booklet (and any material accompanying it) does not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States. The New Shares have not been, and will not be, registered under the US Securities Act of 1933 (**US Securities Act**) or the securities laws of any State or other jurisdiction of the United States. Entitlements must not be acquired and/or taken up by persons in the United States and the New Shares must not be offered or sold in the United States except in transactions exempt from, or not subject to the registration requirements of the US Securities Act and the securities laws of any applicable US State or other jurisdiction.

INDICATIVE RIGHTS ISSUE TIMETABLE

Announcement of Rights Issue	30 November 2023
“Ex” date	4 December 2023
Record Date	7pm on 5 December 2023
Offer Booklet sent to Eligible Shareholders	7 December 2023
Opening Date	9am on 8 December 2023
Last day to extend the Closing Date	14 December 2023
Closing Date³	5pm on 19 December 2023
Issue Date⁴	28 December 2023
Trading of New Shares begins⁵	29 December 2023

The above referred times and dates for the Rights Issue are indicative only. The Company reserves the right, subject to the Corporations Act and the Listing Rules to change the times and dates of the Rights Issue and to accept late applications (either generally, or in particular cases) without notice. Any extension of the Closing Date will have a consequential impact on the subsequent indicative dates (including the Issue Date) for the Rights Issue.

³ It is expected that the New Shares will begin trading (on a deferred settlement basis) on ASX from market open on the trading day immediately after the Closing Date.

⁴ It is expected that the New Shares will continue to trade (on a deferred settlement basis) on ASX until market close on the Issue Date.

⁵ It is expected that the New Shares will begin trading (on a normal (i.e. “T+2”) settlement basis) on ASX from market open on the trading day immediately after the Issue Date.

CHAIRMAN'S LETTER

The directors (**Directors**) of Polymetals Resources Ltd ACN 644 736 247 (ASX: POL) (**Company**) are pleased to offer Eligible Shareholders the opportunity to participate in the Company's recently announced non-renounceable rights issue offer of New Shares to raise up to approximately \$8.12 million (**Rights Issue**) as set out in this offer booklet (**Offer Booklet**).

The Rights Issue is available to all Shareholders who are recorded on the Company's Share register as at 7pm (Sydney time) on 5 December 2023 (**Record Date**) and who can make (and by submitting their Entitlement and Acceptance Form will be deemed by the Company to have made) the representations set out in Section 2.7 (each, an **Eligible Shareholder**).

Key details

Under the Rights Issue, Eligible Shareholders are entitled to subscribe for 1 new fully paid ordinary share in the Company (each, a **New Share**) for every 6 existing shares in the Company (each, a **Share**) held on the Record Date.

The issue price under the Rights Issue is \$0.32 per New Share (**Issue Price**).

Under the Rights Issue, the Company's Executive Chairman (and Substantial Shareholder⁶), Mr David Sproule has committed to take up \$1 million worth of his Entitlement.

Use of funds

The purpose of the Rights Issue⁷ is to raise gross proceeds of up to approximately \$8.12 million to be utilised by the Company:

- (a) to fund near-mine exploration drilling at the Company's silver-zinc-lead Endeavor Project;
- (b) to fund a regional drilling exploration programme;
- (c) for Endeavor Mine-restart pre-development and pre-production works;
- (d) to fund budgeted care and maintenance costs at the Endeavor Project; and
- (e) for general working capital (including to pay the costs of the Rights Issue).

⁶ Mr Sproule's Substantial (i.e. 5% or more) holding arises as a result of his personal holdings as well as his control of various entities which also hold Shares. Please see the Company's FY23 annual report for further details.

⁷ Eligible Shareholders should note that the proposed use of funds is subject to change depending on a number of factors (including if the actual amount raised under the Rights Issue is less than the full approximately \$8.12 million sought by the Company). Please see Section 1.3 and Schedule 3.

Additional New Shares

An Eligible Shareholder (other than one who is a Substantial Shareholder or a Related Party (or an Associate of a Related Party) of the Company, none of whom are entitled to apply for Additional New Shares) may apply for “**Additional New Shares**” (i.e. New Shares in excess of their Entitlement) under the Rights Issue⁸.

In the event the Rights Issue is oversubscribed, the Company intends, subject to the requirements of the Corporations Act and Listing Rules, to scale-back applications for Additional New Shares received from Eligible Shareholders in proportion to their proportionate interest in Shares as at the Record Date.

Shortfall

New Shares that correspond to the number of Entitlements not taken up under the Rights Issue will form part of the “shortfall” (**Shortfall**)⁹. In accordance with Exception 3 of Listing Rule 7.2, the Directors reserve the right to place any such Shortfall at their discretion within 3 months of the Closing Date at an issue price not less than the Issue Price to persons who are not Related Parties (or their Associates) of the Company

No Entitlements trading

Since the Rights Issue is “non-renounceable”, Entitlements are not tradeable on ASX or otherwise transferable by or between Eligible Shareholders. This means that you will not receive any value for any Entitlements that you do not take up.

Risks

The Directors encourage Eligible Shareholders to consider the risks¹⁰ associated with an investment in the Company some of which are set out in Schedule 1.

Concluding remarks

Further information in relation to the Rights Issue and its expected impact on the Company is detailed in this Offer Booklet.

⁸ The allocation of Additional New Shares will be subject to the availability of Additional New Shares and the Company’s discretion.

⁹ Said differently, the “Shortfall” (if any) will be equal to the total number of Entitlements to be issued under the Rights Issue less the sum of the total number of Entitlements that are exercised and the total number of Additional New Shares that are applied for by (and issued to) Eligible Shareholders. Please see Section 3.4 for further information.

¹⁰ In particular, Eligible Shareholders should note that there is a risk that Cobar Metals will be unable to complete the acquisition of the Endeavor Project even though the Company has already spent (and will continue to spend) considerable funds progressing it. Please see the Company’s announcement dated 28 March 2023 for further information.

On behalf of the Directors, I invite Eligible Shareholders to consider this investment opportunity carefully and, once again, thank Shareholders for their ongoing support.

Yours sincerely

A handwritten signature in black ink, appearing to read 'D. Sproule', with a stylized, cursive flourish at the end.

David Sproule
Executive Chairman

1. DETAILS OF THE RIGHTS ISSUE

1.1 The Rights Issue

Under the Rights Issue, Eligible Shareholders are entitled to subscribe for 1 New Share (at the Issue Price of \$0.32 per New Share) for every 6 Shares held at 7pm (Sydney time) on the Record Date. Fractional entitlements to New Shares will be rounded down to the nearest whole New Share.

Details on how to accept your Entitlement (or part of it) and how to accept all of your Entitlement and apply for Additional New Shares are set out in Section 2. This Offer Booklet will be sent to Eligible Shareholders together with an Entitlement and Acceptance Form.

1.2 Impact on capital structure

The table below sets out the expected impact of the Rights Issue (subject to the effects of rounding) on the Company's capital structure under various scenarios.

	New Shares to be issued	Shares on issue on completion
New Shares to be issued assuming all Eligible Shareholders apply for their Entitlement in full	25,361,372	177,529,595
New Shares to be issued assuming all Eligible Shareholders ¹¹ apply for half of their Entitlement	9,992,556	162,160,779
New Shares to be issued based on the Director Commitment ¹² of \$1 million alone	3,125,000	155,293,223

¹¹ This scenario assumes that Eligible Shareholders (i.e. other than Mr Sproule who has committed to subscribe for \$1 million worth of his Entitlement) exercise half of their Entitlement only.

¹² This scenario assumes that no Eligible Shareholder (i.e. other than Mr Sproule who has committed to subscribe for \$1 million worth of his Entitlement) exercises any of their Entitlement.

1.3 Use of funds

The purpose of the Rights Issue is to raise gross proceeds of approximately \$8.12 million to be utilised by the Company for the following purposes¹³:

Use of funds raised	Amount	Percentage
Near-mine exploration drilling	\$2.29 million	28.2%
Regional exploration	\$0.57 million	7.0%
Endeavor pre-development and pre-production works	\$2.86 million	35.2%
Endeavor care and maintenance	\$1.60 million	19.7%
Working capital & corporate	\$0.80 million	9.9%
<u>Total</u>	<u>\$8.12 million</u>	<u>100%</u>

Eligible Shareholders should note that the table above assumes that the Company is able to raise the full amount sought under the Rights Issue. In the event that the Rights Issue is not fully subscribed (and therefore the Company raises less than approximately \$8.12 million), the funds allocated to each specific purpose will be reduced (most likely) in the manner described in Schedule 3¹⁴.

1.4 Pro forma balance sheet

The pro forma balance sheet set out in Schedule 2 shows the expected impact of the Rights Issue on the Company to give Eligible Shareholders information on the Company's pro forma assets and liabilities. The pro forma balance sheet is presented in an abbreviated form, insofar as it does not include all the disclosures required by Australian Accounting Standards applicable to annual financial statements. The pro forma balance sheet is based on the Company's full year financial statements for the period ended 30 June 2023 and has been prepared on the basis of the Company's normal accounting policies. The pro forma balance sheet is not intended to represent the Company's actual financial position on completion of the Rights Issue and should be read together with the Company's periodic and continuous disclosures.

¹³ Eligible Shareholders should note that the estimated expenditures referred to in the table in Section 1.3 are subject to modification by the Company depending on a number of factors. Please see Schedule 3 for further information.

¹⁴ Eligible Shareholders should note that Company expects that it will be required to spend approximately \$1.6 million on Endeavor Project-related care and maintenance costs by 31 March 2024 regardless of the results of the Rights Issue.

1.5 No Entitlements trading

Since the Rights Issue is “non-renounceable”, Entitlements are not tradeable on ASX or otherwise transferable by or between Eligible Shareholders. This means that Eligible Shareholders will not receive any value for any Entitlements that they do not take up.

1.6 Firm commitments

The Company has received a firm commitment from the Company’s Executive Chairman (and Substantial Shareholder) Mr David Sproule to subscribe for a total of \$1 million worth of his Entitlement (equivalent to 3,125,000 New Shares) under the Rights Issue (**Director Commitment**).

1.7 Potential effect on the control of the Company

Given the terms and structure of the Rights Issue, the Company does not expect the Rights Issue to have a material impact on the “control” (as that word is defined in section 50AA of the Corporations Act) of the Company.

The table below shows the impact on the Company’s ownership structure if no Eligible Shareholder (i.e. other than Mr David Sproule pursuant to the Director Commitment) participates in the Rights Issue.

Name of Shareholder	Relevant Interest (as at date of Offer Booklet)	Relevant Interest (as a % of existing Shares)	Maximum New Shares that may be acquired	Relevant Interest (on completion of Rights Issue)	Relevant Interest (as a % of Shares on completion)
D. Sproule ¹⁵	69,757,554	45.84%	3,125,000	72,882,554	46.93%
S. Jackson ¹⁶	16,698,715	10.97%	-	16,698,715	10.75%
P&D Super	13,991,446	9.19%	-	13,991,446	9.01%
All other holders	51,720,508	33.99%	-	51,720,508	33.31%
Total	152,168,223	100%	3,125,000	155,293,223	100%

Note: The Company considers the occurrence of the above “worst-case” scenario/Rights Issue outcome to be unlikely. Eligible Shareholders should further note that even under this scenario, Mr Sproule’s Relevant Interest would only increase by approximately 1.09%.

¹⁵ For the purpose of this Offer Booklet, Mr David Sproule’s “Relevant Interest” includes the Shares which Mr Linden Sproule and certain other members of the Sproule Family have a Relevant Interest.

¹⁶ For the purposes of this Offer Booklet, Mr Stephen Jackson’s “Relevant Interest” includes the Shares which members of Mr Jackson’s family have a Relevant Interest.

The table below shows the impact on the Company's ownership structure if the Company only raises approximately \$3.20 million (which will occur if all Shareholders other than Mr Sproule only exercise half of their Entitlement¹⁷).

Name of Shareholder	Relevant Interest (as at date of Offer Booklet)	Relevant Interest (as a % of existing Shares)	Maximum New Shares that may be acquired	Relevant Interest (on completion of Rights Issue)	Relevant Interest (as a % of Shares on completion)
D. Sproule	69,757,554	45.84%	3,125,000	72,882,554	44.94%
S. Jackson	16,698,715	10.97%	1,391,560	18,090,275	11.16%
P&D Super	13,991,446	9.19%	1,165,954	15,157,400	9.35%
All other holders	51,720,508	33.99%	4,310,043	56,030,551	34.55%
Total	152,168,223	100%	9,992,556	162,160,779	100%

Note: The Company considers the occurrence of the above scenario/Rights Issue outcome to be a possibility.

1.8 Rights Issue pursuant to section 708AA of the Corporations Act

The Rights Issue is being conducted by the Company in accordance with section 708AA of the Corporations Act which allows the Company to conduct the Rights Issue in Australia without a prospectus provided certain statutory conditions are satisfied.

This Offer Booklet is not a prospectus under the Corporations Act (or under any other Australian or foreign law) and has not been (and will not be) lodged with the Australian Securities and Investments Commission (**ASIC**) (or with any other Australian or foreign regulatory authority).

The Company is a "disclosing entity" for the purpose of section 111AC of the Corporations Act and as such it is subject to financial reporting and continuous disclosure obligations under Chapter 2M and Chapter 6CA of the Corporations Act, respectively and under the listing rules of ASX (**Listing Rules**).

The financial reporting and continuous disclosure obligations referred to in the preceding paragraph require the Company to lodge financial statements and other reports periodically and to release on ASX (in the form of an announcement) information about specified events and matters as they arise.

In particular, the Company has an obligation under the Listing Rules (subject to certain limited exceptions) to notify ASX immediately once it becomes aware of any information concerning the Company which a "reasonable person" would expect to have a material effect on the price or value of its securities.

¹⁷ Mr Sproule's commitment of \$1 million is less than half of his (full, pro rata) Entitlement.

For the Company to rely on the disclosure exemption in section 708AA of the Corporations Act, the Company is required to lodge a “cleansing notice” under section 708AA(2)(f) of the Corporations Act with ASX. The cleansing notice is required, amongst other things, to:

- (a) set out any information that has been excluded from disclosure under the Listing Rules that investors and their professional advisers would reasonably require, and would reasonably expect to find in a disclosure document, for the purpose of making an informed assessment of:
 - (i) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; or
 - (ii) the rights and liabilities attaching to the New Shares;
- (b) certify to the market that the Company has complied with the financial reporting and continuous disclosure provisions of the Corporations Act; and
- (c) state the potential effect the issue of the New Shares the subject of the Rights Issue will have on the control of the Company and the consequences of that effect.

The Company lodged a cleansing notice in relation to the Rights Issue with ASX on 30 November 2023.

1.9 Issue and quotation of New Shares

It is expected that the Company will issue (and will apply for quotation on ASX of) the New Shares the subject of the Rights Issue on 28 December 2023. Accordingly, it is expected that trading of the New Shares will, subject to ASX approval, begin from market open on 29 December 2023.

The fact that ASX may quote the New Shares the subject of the Rights Issue should not be taken in any way as an indication of the merits of the Company or of the investment opportunity to which the New Shares relate.

If the Company’s application for quotation of the New Shares is not approved by ASX, the Company will not issue any New Shares under the Rights Issue and all application monies received will be refunded (without interest).

The Company and the Share Registry and each of their respective related bodies corporate, affiliates, directors, officers, employees, agents, consultants and advisers will have no responsibility and disclaim all liability to the maximum extent permitted by law to persons who trade New Shares (and, if applicable, Additional New Shares) they believe have been issued to them before they receive an updated holding statement, whether on the basis of a confirmation provided by the Company or the Share Registry or otherwise or who trade or purport to trade New Shares (and, if applicable, Additional New Shares) in error or which they do not hold or are not entitled to hold. If you are in any doubt in relation to these matters, you should seek professional advice.

1.10 Eligible Shareholders

The offer set out in this Offer Booklet is available to all Shareholders who are recorded on the Company's Share register as at 7pm (Sydney time) on 5 December 2023 (**Record Date**) and who can make (and by submitting their Entitlement and Acceptance Form will be deemed by the Company to have made) the representations set out in Section 2.7.

This Offer Booklet and an Entitlement and Acceptance Form will be sent to all Eligible Shareholders.

Australia

The Rights Issue is being conducted by the Company in Australia in accordance with section 708AA of the Corporations Act.

New Zealand

The New Shares the subject of the Rights Issue are not being offered to the public within New Zealand other than to existing Shareholders with a registered address in New Zealand to whom the offer for issue of these securities is being made in reliance on the Financial Markets Conduct (Incidental Offers) Exemption Notice 2021.

This Offer Booklet has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013. This document is not a product disclosure statement under New Zealand law and is not required to, and therefore may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

United Kingdom

The Rights Issue is being made to the Company's only Shareholder with a registered address in the United Kingdom on the basis that the relevant Shareholder (or any person for whom the Shareholder is acquiring the New Shares) is:

- (a) a "qualified investor" within the meaning of Article 2(e) of the United Kingdom Prospectus Regulation; and
- (b) within the categories of persons referred to in Article 19(5) (investment professionals) or Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc) of the United Kingdom Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended; and
- (c) if the New Shares are being marketed in the United Kingdom in compliance with the National Private Placement Regime (within the meaning of the Alternative Investment Fund Managers Regulations 2013), a "professional investor" (within the meaning of the Alternative Investment Fund Managers Regulations 2013).

Germany

The Rights Issue is being made to the Company's only Shareholder with a registered address in Germany on the basis that the relevant Shareholder (or any person for whom the Shareholder is acquiring the New Shares) is a "qualified investor" (as defined in Article 2(e) of Regulation (EU) 2017/1129 of the European Parliament and the Council of the European Union).

Malaysia

The Rights Issue is being made to each of the Company's Shareholders with a registered address in Malaysia on the basis that each of the relevant Shareholders (or any person for whom any of those Shareholders are acquiring the New Shares) is a person prescribed under Schedule 6 and Schedule 7 of the Malaysian Capital Markets and Services Act 2007.

Guinea

The Rights Issue is being made to the Company's only Shareholder with a registered address in Guinea on the basis that the relevant Shareholder (or any person for whom the Shareholder is acquiring the New Shares) is permitted to apply for New Shares without any filing, lodgement or other legal formality under the laws of Guinea.

1.11 Overseas Shareholders

This Offer Booklet does not constitute an offer in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer. This Offer Booklet (and any material accompanying it) must not be distributed or released in the United States.

This Offer Booklet does not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States. The Entitlements and the New Shares have not been, and will not be, registered under the US Securities Act or the securities laws of any State or other jurisdiction of the United States.

The Entitlements may not be acquired and/or taken up by persons in the United States and the New Shares may not be offered or sold in the United States except in transactions exempt from, or not subject to the registration requirements of the US Securities Act.

1.12 Nominee holders

Shareholders who are nominees, trustees or custodians are advised to seek advice as to whether they may participate in the Rights Issue on behalf of their beneficial holders. It is the responsibility of any such Shareholder to ensure compliance with any laws of a country relevant to the particular application. Nominees and custodians may not distribute this Offer Booklet, and may not permit any beneficial Shareholder to participate in the Rights Issue, in any country outside of Australia and New Zealand except with the consent of the Company.

1.13 Rights and liability attaching to New Shares

The New Shares will, from issue, rank equally with existing Shares. Details of the rights and liabilities attaching to Shares are set out in the Company's constitution a copy of which is available by contacting the Company.

1.14 Privacy Act

If you complete an application for New Shares, you will be providing personal information to the Company (directly or via the Share Registry). The Company collects, holds and uses that information to assess your application, service your needs as a Shareholder and to send corporate communications to you as a Shareholder and carry out administration.

Please contact the Share Registry on 1800 502 355 during business hours (Sydney time) Monday to Friday if you wish to access, correct, and update the personal information that the Company holds about you. Collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act 1988* (Cth), the Corporations Act and certain rules such as the Listing Rules.

You should note that if you do not provide the information required on the application for New Shares, the Company may not be able to process your application.

2. APPLYING FOR NEW SHARES

2.1 Your choices

If you are an Eligible Shareholder, you may:

- (a) exercise part of your Entitlement (see Section 2.2);
- (b) exercise your Entitlement in full (see Section 2.3);
- (c) exercise your Entitlement in full and apply for Additional New Shares (see Section 2.4); or
- (d) do nothing (see Section 2.5).

A link to the online version of the Entitlement and Acceptance Form will be included in (or will accompany) the version of the Offer Booklet that is sent to Eligible Shareholders.

2.2 Exercise part of your Entitlement

If you wish to exercise part of your Entitlement (and therefore to allow the unexercised balance of your Entitlement to lapse¹⁸) complete the online version of your personalised Entitlement and Acceptance Form in accordance with the instructions detailed on that form (including by specifying the number of New Shares that you wish to subscribe for) and pay the corresponding application monies electronically (i.e. either by BPAY® or by Electronic Funds Transfer (**EFT**)) such that the online Entitlement and Acceptance Form is submitted and the requisite application monies are received by the Share Registry by 5pm (Sydney time) on the Closing Date.

2.3 Exercise your Entitlement in full

If you wish to exercise your Entitlement in full complete the online version of your personalised Entitlement and Acceptance Form in accordance with the instructions detailed on that form and pay the application monies for the full amount shown on your form electronically (i.e. either by BPAY® or by Electronic Funds Transfer (**EFT**)) such that the online Entitlement and Acceptance Form is submitted and the requisite application monies are received by the Share Registry by 5pm (Sydney time) on the Closing Date.

¹⁸ Your interest in the Company will be diluted in proportion with the extent of your Entitlement that you allow to lapse. You will not receive any value for any lapsed Entitlements.

2.4 Exercise your Entitlement in full and apply for Additional New Shares

If you wish to exercise your Entitlement in full and apply for Additional New Shares complete the online version of your personalised Entitlement and Acceptance Form in accordance with the instructions detailed on that form (including by specifying the number of Additional New Shares that you also wish to subscribe for) and pay the corresponding application monies electronically (i.e. either by BPAY® or by Electronic Funds Transfer (**EFT**)) such that the online Entitlement and Acceptance Form is submitted and the requisite application monies are received by the Share Registry by 5pm (Sydney time) on the Closing Date.

2.5 Not take up any of your Entitlement

If you do not wish to accept any part of your Entitlement, you do not need to take any further action¹⁹.

2.6 Payment for New Shares

The Issue Price for each New Share subscribed for is payable on application. Application monies received will be held on trust for applicants until the issue of the New Shares.

Any application monies received for more than your final allocation of New Shares will be refunded (except where the amount is less than \$5.00, in which case it will be retained) by the Company on or about 28 December 2023.

No interest will be paid by the Company on any application monies received or refunded. Interest earned on application monies will be for the benefit of the Company.

Paying your application monies electronically

Please follow the payment instructions on (or, if applicable, generated on electronic submission of) the Entitlement and Acceptance Form carefully. Following submission of the online Entitlement and Acceptance Form, a unique reference number will be generated to facilitate the payment of your application monies and to process your application for New Shares (and, if applicable Additional New Shares).

Applicants using BPAY® (i.e. provided that they hold an account with a financial institution that supports BPAY® payments) or who pay their application monies by EFT should be aware of their financial institution's cut-off time (i.e. the time before which payment must be made to enable it to be process overnight) and ensure that the application monies are received by 5pm (Sydney time) on the Closing Date.

¹⁹ Your proportionate interest in the Company will be diluted in proportion with the extent of your lapsed Entitlement. You will not receive any value for any lapsed Entitlements.

Applicants outside of Australia (or applicants who do not have an account with a financial institution that supports BPAY® payments) may need to contact their domestic financial institution and/or the Share Registry to arrange for payment of their application monies by EFT or via the Share Registry's RTGS facility.

Regardless of the number of New Shares (and, if applicable Additional New Shares) specified on your Entitlement and Acceptance Form, you will be deemed to have subscribed for such number of New Shares (and, if applicable Additional New Shares) as your application monies will pay for in full.

2.7 Entitlement and Acceptance Form is binding

A submitted Entitlement and Acceptance Form will constitute a binding commitment to subscribe for New Shares (and, if applicable Additional New Shares) under the Rights Issue²⁰. By submitting an Entitlement and Acceptance Form you will be deemed to have represented that you (and any person on whose behalf you are acting):

- (a) have full legal capacity and power to perform all of your obligations under the Entitlement and Acceptance Form;
- (b) agree to provide (or direct your nominee or custodian to provide) any requested substantiation of your holding of Shares as at the Record Date;
- (c) have read and understood this Offer Booklet and agree to be bound by the terms of the Rights Issue, the Entitlement and Acceptance Form and the Company's constitution;
- (d) authorise the Company to register you as the holder of the number of New Shares actually issued to you on completion of the Rights Issue;
- (e) acknowledge that once the Company receives your Entitlement and Acceptance Form or any application monies, you may not withdraw your application or funds provided except as allowed by law;
- (f) agree to apply for and be issued with up to the number of New Shares specified by you in the Entitlement and Acceptance Form or for which you have submitted payment of any application monies;
- (g) authorise the Company, the Share Registry and any of their respective officers or agents to do anything on your behalf necessary to allow the New Shares to be issued to you;
- (h) declare that you were the registered holder of the number of Shares indicated on your Entitlement and Acceptance Form as being held by you on the Record Date;

²⁰ If the Entitlement and Acceptance Form is not completed correctly, it may still be treated by the Company as a valid application.

- (i) acknowledge that the information contained in this Offer Booklet and your Entitlement and Acceptance Form is not investment advice nor a recommendation that New Shares are suitable for you, given your investment objectives, financial situation or particular needs;
- (j) acknowledge that an investment in the Company is speculative and involves many risks (many of which are outside of the control of the Company and the Directors) and that any such investment may result in the loss of some or all of your invested capital;
- (k) acknowledge that neither the Company nor any of its related bodies corporate, affiliates, directors, officers, employees, agents, consultants or advisers guarantees the performance of the Company (or of the New Shares) or the repayment of capital;
- (l) authorise the Company (or any person acting on its behalf) to correct any error in your Entitlement and Acceptance Form and, furthermore, you acknowledge that the Company's corrections, amendments, decisions and/or discretions in this regard are final and binding on you;
- (m) acknowledge that the Company reserves the right to reject any Entitlement and Acceptance Form that is not correctly completed, is not accompanied by the correct application monies or that is received after the Closing Date;
- (n) are not in the United States and/or are not otherwise a person (such as a "US person") to whom it would be illegal to make an issue offer of or to issue New Shares (and, if applicable Additional New Shares) under any applicable laws and regulations;
- (o) are eligible to participate in the Rights Issue and, if you have a registered address in the United Kingdom, Germany, Malaysia or Guinea that you (or any person on whose behalf you are acting) satisfy the eligibility criteria applicable to you (or any person on whose behalf you are acting) set out in Section 1.10;
- (p) acknowledge that none of the Entitlements and/or New Shares have been, nor will be, registered under the US Securities Act (or the securities laws of any State or other jurisdiction in the US) and accordingly, the Entitlements and/or New Shares may not be offered, sold or otherwise transferred, except in accordance with an available exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and any other applicable securities laws; and
- (q) undertake that if in the future you decide to sell your New Shares on ASX that you will only do so in regular way transactions where neither you nor any person acting on your behalf know, or have reason to know, that the sale has been pre-arranged with, or that the purchaser is, a person in the United States.

3. GENERAL INFORMATION

3.1 Risks

An investment in the New Shares the subject of the Rights Issue should be regarded as a speculative investment. Accordingly, Eligible Shareholders who are considering whether to participate in the Rights Issue should (i) carefully consider all of the disclosures made by the Company (which are available at www.asx.com.au) and the risks associated with any investment in the Company (some of which are described in Schedule 1), (ii) carefully consider the merits of such an investment in the context of their individual risk profile, investment objectives and financial circumstances and (iii) consult their stockbroker, accountant, financial adviser, solicitor, taxation adviser or other independent professional adviser (and do so before deciding whether to participate in the Rights Issue).

Eligible Shareholders should also be aware that there are many risks associated with investment in the securities of companies listed on a stock exchange. In almost all cases, the value of listed securities can be expected to fluctuate (meaning, in the Company's case, that the prevailing price of Shares on ASX may be higher or lower than the Issue Price) depending on various factors including the general condition of the local economy, general worldwide economic and political (including geopolitical) conditions, changes in government policies, taxation and regulatory changes, investor sentiment, movements in interest rates, industrial disruption, environmental incidents and natural disasters and many other factors any of which may affect the listed company's financial performance and condition and/or the price or value of its securities²¹.

In deciding whether to participate in the Rights Issue, the Directors recommend that Eligible Shareholders carefully consider the risk factors set out in Schedule 1.

3.2 Tax consideration for investors

The Directors do not consider it appropriate to give advice regarding the taxation consequences of subscribing for (or acquiring) any of the securities the subject of the Rights Issue. Furthermore, none of the Company, its Directors or its advisers accept any responsibility or liability for any taxation consequences applicable to an investment in the New Shares (and, if applicable, an investment in Additional New Shares) and as such the Directors recommend that all prospective investors consult their own tax advisers before participating in the Rights Issue.

²¹ In the case of the Company, most (if not all) of these variables are beyond the control of the Company and the Directors.

3.3 Commitment fees

There is no commitment fee payable by the Company to Mr Sproule (or to any other person) in connection with the Director Commitment.

3.4 Right in relation to post-Rights Issue Shortfall

In accordance with Exception 3 of Listing Rule 7.2, the Directors reserve the right, subject to the Corporations Act and the Listing Rules, to place any Shortfall at their discretion within 3 months of the Closing Date at an issue price not less than the Issue Price and to persons who are not Related Parties (or Associates of Related Parties) of the Company²².

3.5 Responsibility for this Offer Booklet

No party other than the Company has authorised or caused the issue of this Offer Booklet or takes any responsibility for, or makes or gives any statements, representations, warranties or undertakings in, this Offer Booklet. No person is authorised to give any information, or to make any representation in connection with the Rights Issue that is not contained in the Offer Booklet. Any information that is not in this Offer Booklet may not be relied on as having been authorised by the Company or by any of its related bodies corporate, affiliates, directors, officers, employees, agents, consultants or advisers. Except as required by law, and only to the extent so required, none of the Company or any of its related bodies corporate, affiliates, directors, officers, employees, agents, consultants and advisers warrants or guarantees the future performance of the Company or any return on any investment made pursuant to this Offer Booklet.

3.6 No cooling-off rights

Cooling-off rights do not apply to an investment in New Shares (or, if applicable, to an investment in Additional New Shares). This means that applicants cannot withdraw their application for New Shares (and, if applicable, for Additional New Shares) once it has been received by the Company.

3.7 No brokerage or stamp duty

No brokerage or stamp duty is payable by Eligible Shareholders who participate in the Rights Issue.

²² The recipients of any placement to make up the Shortfall have not yet been identified. However, the recipients could consist of current Shareholders or new investors (or both), none of whom will be Related Parties of the Company. In determining the allocation of New Shares under any such placement, the Company will have regard to various factors including the identity and nature of the investor, the effect of the issue on the control of the Company and prevailing market conditions.

3.8 Timetable

For detail in relation to the key indicative times and dates applicable to the Rights Issue, please see the corporate action timetable for the Rights Issue set out in this Offer Booklet under the heading “Indicative Rights Issue Timetable”.

3.9 Date of this Offer Booklet

This Offer Booklet is dated 30 November 2023.

Statements in this Offer Booklet are made only as of the date of this Offer Booklet unless otherwise stated, and the information in this Offer Booklet remains subject to change without notice. Unless required by law, the Company will not update this Offer Booklet.

3.10 Not a recommendation

The information in this Offer Booklet does not constitute a financial advice or a recommendation to subscribe for New Shares and nor does this Offer Booklet purport to contain all of the information that an Eligible Shareholder may require to evaluate the merits of making an investment in the New Shares (and, if applicable, Additional New Shares). Prospective investors should note that neither the New Shares nor any Additional New Shares carry any guarantee with respect to the payment of dividends, the return of capital or their post-issue market price or liquidity profile.

3.11 Withdrawal of Rights Issue

The Company reserves the right, subject to all applicable legal requirements, to withdraw the Rights Issue and the information in this Offer Booklet at any time, subject to applicable laws, in which case the Company will refund all application monies received in relation to any New Shares not already issued in accordance with the Corporations Act and without interest.

3.12 Further information

Further information in relation to the Rights Issue can be obtained by calling either the Company’s CFO & Company Secretary, Mr John Haley on 0414 018 831 or the Company’s Corporate Development Officer, Mr Linden Sproule on 0439 134 408 during business hours (Sydney time) Monday to Friday.

3.13 Authorisation

This Offer Booklet has been authorised for release by the Board.

A handwritten signature in black ink, appearing to read 'David Sproule', is written over a faint, circular stamp or watermark.

David Sproule
Executive Chairman

GLOSSARY

Unless defined in the body of this Offer Booklet, undefined capitalised words and terms used in the body of this Offer Booklet have the meanings given to them below.

Term	Meaning
Associate	has the meaning given in sections 11 to 17 of the Corporations Act
ASX	means ASX Limited, or as the context requires, the financial market operated by it
CBH	means CBH Resources Limited ACN 009 423 858
Closing Date	the date on which the Rights Issue closes
Cobar Metals	means Cobar Metals Pty Ltd ACN 662 737 242
Endeavor Entities	means the entities being acquired under the Endeavor SSA
Endeavor Project	means the historic Endeavor Lead, Zinc and Silver Mine (and associated assets) located near Cobar, NSW
Endeavor SSA	means the agreement of the same name between Cobar Metals and CBH dated 23 December 2022
Issue Date	the date on which the New Shares the subject of the Rights Issue are expected to be issued to successful applicants
Orana Minerals	means Orana Minerals Pty Ltd ACN 663 277 030
Related Party	has the meaning given in section 228 of the Corporations Act
Relevant Interest	has the meaning given in section 608 of the Corporations Act
Shareholder	a holder of 1 or more Shares

SCHEDULE 1 (RISK FACTORS)

This Schedule describes some of the potential risks associated with the Company's business and with an investment in the New Shares. It does not purport to list every risk that may be associated with the Company and/or an investment in the New Shares (either now or in the future). The occurrence and/or consequence of some of the risks described in this Schedule are partially or completely outside of the control of the Company and the Directors.

The selection of risks set out in this Schedule is based on an assessment of a combination of the probability of the risk occurring, the Company's ability to mitigate that risk and the impact on the Company of the risk if it were to occur. That assessment is based on the knowledge of the Company and the Directors as at the date of this Offer Booklet. Please note however that there is no guarantee or assurance that the importance of different risks will not change or that other risks will not emerge.

Before applying for New Shares under this Offer Booklet, Eligible Shareholders should satisfy themselves that they have sufficient understanding of the risks to which the Company and the New Shares are subject and should consider whether the New Shares being offered under the Rights Issue are a suitable investment for them having regard to their own personal circumstances, investment objectives, financial situation and tax position.

If Eligible Shareholders are uncertain as to whether the New Shares represent a suitable investment for them, they should seek professional advice from their stockbroker, lawyer, accountant or other independent and appropriately qualified professional adviser before deciding whether to invest. Investors should also note that past performance and historical results are not an indication of future expected performance or future expected results.

Company-specific risks

Capital and operating costs

The Company's operational and financial condition may vary with fluctuations in the Company's operating and capital costs. A sustained increase in the Company's operating and/or capital costs could have a material adverse impact on the Company's financial condition (with a corresponding negative impact the price or value of the Company's securities). The Company's main operating expenses include but are not limited to mine care and maintenance costs, mine refurbishment costs, contractor costs, drilling costs, raw material input costs and energy costs. Eligible Shareholders should note that the Company (like most of its peers in the mining and exploration industry) is currently experiencing rising operating costs. Material changes in the Company's operating cost (as well as its cost of capital) could also occur as a result of unforeseen events, the occurrence of which may also adversely affect the Company's operational and financial condition (which in turn would also likely have a negative impact on the price or value of the Company's securities).

Additional requirements for capital

The Company will require further capital in addition to the amount raised under the Rights Issue to allow a full Endeavor Mine-restart to occur. Any additional equity financing will dilute shareholdings, and any new or additional debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and scale-back the extent of its project development (and/or exploration) activities. There is however no guarantee that the Company will be able to secure any additional funding (whether debt or equity) or be able to secure funding on terms acceptable to the Company.

Uncertainty of development of projects

The development of the Endeavor Project (including the Company's Mine-restart strategy) is subject to numerous risks, including risks that relate to the anticipated timing and cost of development, the availability of funding to support development, the ability to recruit and retain appropriately qualified executives and employees, risks associated with supply chains relevant to the Company (including its ability to procure major mobile equipment) and the receipt of any additional licences, permits and/or approvals to allow for that development and the Endeavor Mine-restart. The eventuality of any of these risks may adversely affect the Company's ability to execute its strategy.

The Company's short-term plans in relation to the Endeavor Project are dependent upon the Company being able to arrange for/procure the release and replacement of the approximately \$28 million Environmental Rehabilitation Bond on or before 30 April 2024. In this regard, Eligible Shareholders should note that there is no certainty that the Company will be able to arrange for/procure the release and replacement of the Environmental Rehabilitation Bond on terms acceptable to the Company or at all. In such circumstances, the Company (through its subsidiary, Cobar Metals) will be unable to complete the acquisition of the Endeavor Entities under the Endeavor SSA even though the Company has already expended considerable funds progressing the Endeavor Project.

The Company's medium and long-term plans in relation to the Endeavor Project are dependent upon the Company being able to restart production in a timely and cost-effective manner and upon the Company being able to convert known mineralisation into mineable reserves and then being able to extract these mineable reserves in a safe and profitable manner.

Mineral resources and reserves uncertainty

Estimating the quantity and quality of mineral resources and reserves is an inherently uncertain process. Any mineral resources and reserves (as applicable) that the Company has stated are and will be estimates and may not prove to be an accurate indication of the quantity or quality of the metals the Company may ultimately be able to extract from the Endeavor Project. Furthermore, the Company's potential future earnings, profitability and financial condition will also likely be dependent on the successful discovery of additional resources and reserves and either the commercialisation (or monetisation by sale) of these discoveries.

Commodity prices

The Company's ability to explore, develop and ultimately generate revenue from the sale of metals from the Endeavor Project is highly dependent on the market price for lead, zinc and silver (amongst other metals). If prices for these metals decline precipitously, the Company may be unable to raise further capital to explore or develop the Endeavor Project.

Licences, permits and/or approvals

The Company requires certain licences, permits and/or approvals to develop and explore its various projects. Such licences, permits and/or approvals (if obtained) may expire periodically and will be subject to renewal. Obtaining the numerous licences and permits issued by the various government agencies and regulatory bodies that impose strict regulations in connection with minerals exploration, project development and mining may take longer than planned or may never be received (or if they are received, they may not be able to be renewed). The inability to procure or renew a material licence or permit or any material delay in any aspect of the foregoing could be expected to adversely impact the Company's ability to execute its strategy which in turn would also likely have a negative impact on the price or value of the Company's securities.

There are also a number of conditions and regulatory requirements that the Company must satisfy with respect to its tenements to maintain its interest in those tenements in good standing, including meeting specified expenditure and reporting commitments, as well as other conditions requiring ongoing compliance. Consequently, the Company could lose title to, or its interest in, these tenements if the imposed conditions are not met or if insufficient funds are available to meet regulatory requirements. If any of these risks materialise, the Company's operational and financial condition (as well as the price or value of its securities) may be adversely affected.

Environmental risks

Environmental risks are inherent in exploration and mining operations. The Company seeks to conduct its operations in a manner that meets or exceeds its minimum environmental obligations. While the Company seeks to adopt practices which the Company believes are appropriate to minimise the potential of causing environmental damage in all the Company's operations, no assurance can be made that the Company will not be affected by material environmental claims or related issues in the future. The Company is unable to predict the effect on its operations of any additional or amended environmental laws and regulations that may be adopted in the future, including whether any such laws or regulations would materially increase the Company's cost of doing business or affect its operations on any of its tenements.

Force majeure

Force majeure is a term used to refer to an event beyond the control of a party claiming that the event has occurred. Significant events – such as war, acts of terrorism, loss of power, cyber security breaches or natural disasters (such as earthquakes, fire or floods or the outbreak of epidemic disease) could all materially disrupt the Company's operations or otherwise harm its business.

General risks

Changes in or the occurrence of any of the following general risks may also significantly (and adversely) impact the Company, its performance and the value or market price of the New Shares being offered under the Rights Issue:

- economic conditions in Australia and internationally;
- changes in fiscal and monetary policy by governments and monetary authorities;
- changes in tax and other laws (and changes in the manner in which those taxes and other laws are administered);
- natural disasters;
- COVID-19 virus;
- war or terrorist attacks;
- opposition of environmental or community groups to the Company's activities; and
- the inability of the Company to obtain or maintain any necessary regulatory approvals.

Equity market fluctuations

Investors are strongly advised to regard an investment in the New Shares as a long-term proposition and to be aware that, as with any equity investment, substantial fluctuations in the value of their investment may occur. This means that the market price of the New Shares may decrease or increase from time to time.

Concluding remarks on risk

An investment in the New Shares must be regarded as a highly speculative investment. The above noted risk factors, along with others not mentioned in this Offer Booklet, may in the future materially (and adversely) affect the Company's financial and operational condition and the value of the New Shares. The New Shares being offered under the Rights Issue carry no guarantee with respect to the payment of dividends, the return of capital, the Company's performance (including in relation to its exploration results or its ability to execute its Endeavor Mine-restart strategy) or the market price or value of the New Shares.

SCHEDULE 2 (PRO FORMA BALANCE SHEET)

100% Take-Up

Consolidated statement of financial position

	30 June 2023	Adjustments	Pro forma 30 June 2023
Assets			
Current assets			
Cash and cash equivalents ¹	2,624,195	1,000,000	3,624,195
Trade and other receivables	257,470		257,470
Total current assets	2,881,665	1,000,000	3,881,665
Non-current assets			
Property, plant and equipment	21,187		21,187
Intangibles	18,636,657	1,600,000	20,236,657
Other assets	1,900		1,900
Total non-current assets	18,659,744	1,600,000	20,259,744
Total assets	21,541,409	2,600,000	24,141,409
Liabilities			
Current liabilities			
Trade and other payables	1,769,818		1,769,818
Borrowings	1,350,000		1,350,000
Total current liabilities	3,119,818		3,119,818
Total liabilities	3,119,818		3,119,818
Net assets	18,421,591	2,600,000	22,021,591
Equity			
Issued capital	25,488,064	10,715,124	36,203,188
Prepaid capital ²	2,599,485	(2,599,485)	0
Reserves	451,145		451,145
Accumulated losses	(10,117,103)	(5,515,639)	(15,632,742)
Total equity	18,421,591	2,600,000	22,021,591

1. Cash at 28 November 2023 was approximately \$478,000

2. Prepaid capital at 30 June was converted to issued capital in July 2023

SCHEDULE 2 (PRO FORMA BALANCE SHEET)

50% Take-Up

Consolidated statement of financial position

	30 June 2023	Adjustments	Pro forma 30 June 2023
Assets			
Current assets			
Cash and cash equivalents ¹	2,624,195	1,000,000	3,624,195
Trade and other receivables	257,470		257,470
Total current assets	2,881,665	1,000,000	3,881,665
Non-current assets			
Property, plant and equipment	21,187		21,187
Intangibles	18,636,657	1,600,000	20,236,657
Other assets	1,900		1,900
Total non-current assets	18,659,744	1,600,000	20,259,744
Total assets	21,541,409	2,600,000	24,141,409
Liabilities			
Current liabilities			
Trade and other payables	1,769,818		1,769,818
Borrowings	1,350,000		1,350,000
Total current liabilities	3,119,818		3,119,818
Total liabilities	3,119,818		3,119,818
Net assets	18,421,591	2,600,000	21,021,591
Equity			
Issued capital	25,488,064	6,657,304	32,145,368
Prepaid capital ²	2,599,485	(2,599,485)	0
Reserves	451,145		451,145
Accumulated losses	(10,117,103)	(1,457,809)	(11,574,922)
Total equity	18,421,591	2,600,000	21,021,591

1. Cash at 28 November 2023 was approximately \$478,000
2. Prepaid capital at 30 June was converted to issued capital in July 2023

SCHEDULE 3 (USE OF FUNDS RAISED)

100% Take-Up

Use of funds raised	Amount	Percentage
Near-mine exploration drilling	\$2,286,255	28.2%
Regional exploration	\$571,564	7.0%
Endeavor pre-development and pre-production works	\$2,857,819	35.2%
Endeavor Care and maintenance	\$1,600,000	19.7%
Working capital & corporate	\$800,000	9.9%
<u>Total</u>	<u>\$8,115,639</u>	<u>100%</u>

50% Take-Up

Use of funds raised	Amount	Percentage
Near-mine exploration drilling	\$663,128	16.3%
Regional exploration	\$100,000	2.5%
Endeavor pre-development and pre-production works	\$894,692	22.0%
Endeavor Care and maintenance	\$1,600,000	39.4%
Working capital & corporate	\$800,000	19.7%
<u>Total</u>	<u>\$4,057,819</u>	<u>100%</u>