

AUSTCHINA HOLDINGS LIMITED
ACN 075 877 075

PROSPECTUS – OPTIONS PLACEMENT

For a priority offer of up to 90,869,852 New Options at an issue price of \$0.0005 per New Option to raise up to approximately \$45,435 (**Offer**). The New Options will be exercisable at \$0.014 each on or before 7 June 2026.

IMPORTANT NOTICE

This document is important and should be read in its entirety. If after reading this Prospectus you have any questions about the Options being offered under this Prospectus or any other matter, then you should consult your stockbroker, accountant or other professional adviser.

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

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IMPORTANT NOTICE

This Prospectus is dated 7 June 2024 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.

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

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.

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

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

This Prospectus is a transaction specific prospectus for an offer of 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 information in relation to the effect of the issue of securities on a company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

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 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 Options 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.

Overseas Eligible Participants

The Offer does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus.

The Offer is not being extended and New Options will not be issued to

Eligible Participants with a registered address which is outside Australia.

For further information on overseas Eligible Participants please refer to Section 2.8.

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.

Target Market Determination

In accordance with the design and distribution obligations under the Corporations Act, the Company has determined the target market for the offer of Options issued under this Prospectus. The Company will only distribute this Prospectus to those investors who fall within the target market determination (TMD) as set out on the Company's website (www.austchinaholdings.com). By making an application under the Offer, you warrant that you have read and understood the TMD and

that you fall within the target market set out in the TMD.

Electronic Prospectus

A copy of this Prospectus can be downloaded from the website of the Company at www.austchinaholdings.com. 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 resident and must only access this Prospectus from within Australia.

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. You may obtain a hard copy of this Prospectus free of charge by contacting the Company by phone on +61 7 3329 6606 during office hours or by emailing the Company at info@austchinaholdings.com.

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.

Financial forecasts

The Directors have considered the matters set out in ASIC Regulatory Guide 170 and believe that they do not have a reasonable basis to forecast future earnings on the basis that the operations of the Company are inherently uncertain. Accordingly, any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection.

Clearing House Electronic Sub-Register System (CHES) and Issuer Sponsorship

The Company will apply to participate in CHES, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate

through CHES will be issuer sponsored by the Company.

Electronic sub-registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with statements (similar to a bank account statement) that set out the number of Options issued to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHES and issuer sponsorship.

Electronic sub-registers also mean ownership of securities can be transferred without having to rely upon paper documentation. Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

Photographs and Diagrams

Photographs used in this Prospectus which do not have descriptions are for illustration only and should not be interpreted to mean that any person shown endorses the Prospectus or its contents or that the assets shown in them are owned by the Company. Diagrams used in this Prospectus are illustrative only and may not be drawn to scale.

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 8.

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 to 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 (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 New Options, 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 Offer or how to accept the Offer please call the Company Secretary on +61 439 310 818.

CORPORATE DIRECTORY

Directors

Anthony Chan
Non-Executive Chair

Daniel Chan
Non-Executive Director

Andrew MacIntosh
Non-Executive Director

Mena Habib
Non-Executive Director

George Lam
Non-Executive Director

Peter Tsang
Non-Executive Director

Company Secretary

Suzanne Yeates

ASX Code

AUH

Share Registry*

Link Market Services Limited
Level 21
10 Eagle Street
BRISBANE QLD 4000

Telephone: +61 1300 554 474

Registered Office

c/- Piper Alderman
Level 26
Riparian Plaza
71 Eagle Street
BRISBANE QLD 4000

Telephone: +61 7 3329 6606
Website: www.austchinaholdings.com

Lawyers

Steinepreis Paganin
Lawyers and Consultants
Level 4
The Read Buildings
16 Milligan Street
PERTH WA 6000

Auditor

Nexia Brisbane Audit Pty Ltd
Level 28
10 Eagle Street
BRISBANE QLD 4000

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

1. KEY OFFER INFORMATION

This Section is not intended to provide full information for investors intending to apply for New Options pursuant to this Prospectus. Prospective investors should read this Prospectus in full before deciding whether to invest in New Options.

1.1 Summary of the Offer

On 16 March 2024, 90,869,852 AUHO Options expired without being exercised. The Company is undertaking the Offer for the primary purpose of providing eligible holders of the AUHO Options the opportunity to continue to participate in the ongoing development of the Company.

This Prospectus invites Eligible Participants to participate in the placement of up to 90,869,852 New Options exercisable at \$0.014 on or before 7 June 2026 at an issue price of \$0.0005 per New Option.

The Offer is being made to Eligible Participants on the basis of one New Option for every one AUHO Option held by an Eligible Participant on the Record Date. Entitlement and Acceptance Forms will only be provided by the Company to Eligible Participants.

1.2 Timetable

Record Date for determining Eligible Participants in the Offer	16 March 2024
General Meeting of Shareholders	10:00am (AEST) 7 June 2024
Lodgement of Prospectus with the ASIC	7 June 2024
Lodgement of Prospectus and Appendix 3B with ASX	7 June 2024
Opening Date of the Offer	10 June 2024
Closing Date of the Offer	21 June 2024
Issue date of the New Options	24 June 2024
Lodgement of Appendix 3G with ASX	24 June 2024

** The above dates are indicative only and may change without notice. The Directors reserve the right to bring forward or extend the Closing Date of the Offer at any time after the Opening Date of the Offer without notice. The Company also reserves the right not to proceed with the Offer at any time before the issue of New Options to applicants.*

1.3 Key statistics of the Offer

	Full Subscription ¹
Shares²	
Shares currently on issue	2,100,383,635
Shares to be issued under the Offer	-
Shares on issue Post-Offer	2,100,383,635
Options	
Offer Price per New Option	\$0.0005

	Full Subscription ¹
Options currently on issue	-
Remuneration Options to be issued ⁴	120,000,000
New Options to be issued under the Offer ³	90,869,852
Gross proceeds of the issue of Options	\$45,435
Options on issue Post-Offer⁴	210,869,852

Notes:

1. Assuming the full subscription of \$45,435 is achieved under the Offer.
2. Refer to Section 4.2 for the terms of the Shares.
3. Refer to Section 4.1 for the terms of the New Options.
4. As announced on 7 June 2024, the Company has received Shareholder approval at the General Meeting to issue 120,000,000 Options exercisable at \$0.005 each on or before the date that is three years from the date of issue to some Directors and key management personnel (**Remuneration Options**). Further information is set out in the notice of meeting released on 8 May 2024.

1.4 Underwriting

The Offer is not underwritten.

1.5 Key Risk Factors

Prospective investors should be aware that subscribing for Options 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 the 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 OFFERS

2.1 The Offer

The Offer invites Eligible Participants to participate in the placement of up to 90,869,852 New Options exercisable at \$0.014 each expiring on or before 7 June 2026 at an issue price of \$0.0005 per New Option.

The Offer is being made available to Eligible Participants on the basis of one New Option for every one AUHO Option held by an Eligible Participant on the Record Date.

All New Options offered under this Prospectus will be issued on the terms and conditions set out in Section 4.1 of this Prospectus. All Shares issued upon the future exercise of the New Options offered under this Prospectus will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 4.2 for further information regarding the rights and liabilities attaching to Shares.

The purpose of the Offer and the intended use of funds raised are set out in Section 3.1 of this Prospectus.

2.2 What Eligible Participants may do to participate in the Offer

The number of New Options to which Eligible Participants are entitled is shown on the personalised Entitlement and Acceptance Form which accompanies this Prospectus. Eligible Participants may choose any of the options set out in the table below.

Option	Key Considerations	For more information
Take up all of your Entitlement	<ul style="list-style-type: none">Should you wish to accept all of your Entitlement, then your application for New Options under this Prospectus must be made by following the instructions on your personalised Entitlement and Acceptance Form which accompanies this Prospectus. Please read the instructions carefully.Payment can be made by the method set out in Section 2.3.	Sections 2.3 and 2.4
Take up all of your Entitlement and also apply for Shortfall Options	<ul style="list-style-type: none">Should you wish to accept all of your Entitlement and apply for Shortfall Options, then your application for your Entitlement and additional Shortfall Options under this Prospectus must be made by following the instructions on your personalised Entitlement and Acceptance Form which accompanies this Prospectus. Please read the instructions carefully.Payment can be made by the method set out in Section 2.3. Payment should be made for your Entitlement and the amount of the Shortfall Options for which you are applying.	Sections 2.3, 2.4 and 2.6

Option	Key Considerations	For more information
	<ul style="list-style-type: none"> If you apply for Shortfall Options beyond your Entitlement you are deemed to have accepted your Entitlement in full. You should note that the allocation of Shortfall Options is at the Company's absolute discretion as per the allocation policy set out in Section 2.6. Accordingly, your application for additional Shortfall Options may be scaled-back. The Company's decision on the number of Shortfall Options to be allocated to you will be final. 	
<p>Take up a proportion of your Entitlement and allow the balance to lapse</p>	<ul style="list-style-type: none"> If you wish to take up only part of your Entitlement and allow the balance to lapse, your application must be made by completing your personalised Entitlement and Acceptance Form which accompanies this Prospectus for the number of Options you wish to take up. Payment can be made by the method set out in Section 2.3. Payment should be made for for the number of Options you wish to take up. 	<p>Sections 2.3 and 2.4</p>
<p>Allow all or part of your Entitlement to lapse</p>	<ul style="list-style-type: none"> If you do not wish to accept any part of your Entitlement, you are not obliged to do anything. If you do not take up your Entitlement by the Closing Date, the Offer to you will lapse. 	<p>N/A</p>

2.3 Payment by direct debit

If you are an Eligible Participant and you wish to accept all or part of your Entitlement, please follow the instructions on your Entitlement and Acceptance Form to make a direct deposit into the Company's account.

To make a direct deposit, you should:

- (a) complete the personalised Entitlement and Acceptance Form accompanying this Prospectus in accordance with the instructions set out on that form, and indicate the number of New Options you wish to subscribe for;
- (b) return the Entitlement and Acceptance Form to the Company (the address is below); and

- (c) transfer the amount of funds equal to your application (calculated by multiplying the number of New Options for which you are subscribing by \$0.0005) to the bank account details below:

Bank Account Name: AUSTCHINA HOLDINGS LIMITED SHARE OFFER ACCOUNT
BSB: 034-002
Account Number: 660 921
Ref*: {quote the entitlement number as it appears on your Entitlement and Acceptance Form}

*Failure to use your entitlement number as it appears on your personalised Entitlement and Acceptance Form may result in your application monies not being matched to your Entitlement and Acceptance Form and your application not being processed.

Please note that you are deemed to have taken up your Entitlement in respect of such whole number of Options which is covered in full by your application monies (the amount of your payment received will be divided by the Offer price). It is the responsibility of Shareholders to ensure that sufficient information is provided to enable the Company to identify the Shareholder to which the deposit relates.

Receipts for payment will not be issued.

You need to ensure that your completed Entitlement and Acceptance Form and direct deposit are received by the Company and into the Company' nominated bank account set out above by no later than 5:00pm (AEST) on the Closing Date (subject to variation). The completed Entitlement and Acceptance Form should be mailed to:

By post to: AustChina Holdings Limited
GPO Box 762
BRISBANE QLD 4001

Entitlement and Acceptance Forms (and application funds into the nominated bank account set out above) may be accepted if received after the Closing Date at the absolute discretion of the Company.

Shareholders must ensure that they return the Entitlement and Acceptance Form as well as make payment for their Entitlement using the direct deposit facility.

By taking up all or part of your Entitlement you will be deemed to have represented that you have agreed to all the terms and conditions of the Offer as set out in this Prospectus.

It is your responsibility to ensure that your payment is received by the Company by no later than 5:00pm (AEST) on the Closing Date. You should be aware that your financial institution may implement earlier cut-off times with regards to electronic payment and you should therefore take this into consideration when making payment. The Company shall not be responsible for any delays in the receipt of the payment.

2.4 Implications on acceptance

Returning a completed Application Form or paying any application monies by direct deposit, you will be taken to constitute a representation by you that:

- (a) you have received a copy of this Prospectus and the accompanying Application Form, and read them both in their entirety; and
- (b) you acknowledge that once the Application Form is returned, or payment is made in relation to any application monies, the application may not be varied or withdrawn except as required by law.

2.5 Minimum subscription

There is no minimum subscription.

2.6 Shortfall Offer

Any Entitlement not taken up pursuant to the Offer will form the Shortfall Offer. (**Shortfall Options**). The Shortfall Offer is a separate offer made pursuant to this Prospectus and will remain open for up to three months following the date of this Prospectus. The subscription price for each New Option to be issued under the Shortfall Offer shall be \$0.0005 being the price at which New Options have been offered under the Offer.

If you do not wish to take up any part of your Entitlement you are not required to take any action. That part of your Entitlement not taken up will form part of the Shortfall Offer and potentially be allocated to other Eligible Participants or other third parties as part of the Shortfall Offer. The Shortfall Offer will only be available where there is a Shortfall between applications received from Eligible Participants and the number of New Options proposed to be issued under the Offer.

Eligible Participants who wish to subscribe for Options above their Entitlement are invited to apply for Shortfall Options under the Shortfall Offer by completing the appropriate section on their Entitlement and Acceptance Form or by making payment for such Shortfall Options in accordance with Section 2.3.

Allocation of the Shortfall Options will be at the discretion of the Board with any Shortfall Options to be issued to investors identified by the Board that are not related parties of the Company.

2.7 Issue of New Options

The Options issued pursuant to the Offer will be issued in accordance with the ASX Listing Rules and timetable set out in Section 1.2.

New Options issued pursuant to the Shortfall Offer will be issued on a progressive basis. Where the number of New Options issued is less than the number applied for, or where no issue is made surplus application monies will be refunded without any interest to the Applicant as soon as practicable after the Closing Date of the Shortfall Offer.

Pending the issue of the New Options or payment of refunds pursuant to this Prospectus, all application monies will be held by the Company in trust for the Applicants in a separate bank account as required by the Corporations Act. The Company, however, will be entitled to retain all interest that accrues on the bank account and each Applicant waives the right to claim interest.

Holding statements for the Options issued under the Offer will be mailed as soon as practicable after the issue of Options and for Shortfall Options issued under the Shortfall Offer as soon as practicable after their issue.

2.8 Overseas shareholders

The Offer does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus.

It is not practicable for the Company to comply with the securities laws of overseas jurisdictions having regard to the number of overseas Eligible Participants, the number and value of New Options these Eligible Participants would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction. Accordingly, the Offer is not being extended and New Options will not be issued to Eligible Participants with a registered address which is outside Australia.

3. PURPOSE AND EFFECT OF THE OFFER

3.1 Purpose of the Offer

As set out at Section 2.1, the Company is undertaking the Offer for the primary purpose of providing all previous holders of the AUHO Options with the opportunity to continue to participate in the ongoing development of the Company. The Company will raise up to \$45,435 under the Offer, before expenses of \$25,341 (excluding GST). Funds raised under the Offer, after deducting the expenses of the Offer, will be allocated to general working capital.

3.2 Effect of the Offer

The principal effect of the Offer, assuming all Options offered under the Prospectus are subscribed for and issued, will be to:

- (a) increase the cash reserves by \$20,094 (after deducting the estimated expenses of the Offer) immediately after completion of the Offer;
- (b) increase the total number of Options on issue from nil as at the date of this Prospectus to 210,869,852 Options; and
- (c) remove any trading restrictions attaching to the New Options and to enable the on-sale of any Shares issued on exercise of the New Options issued under this Prospectus.

3.3 Effect on capital structure

The effect of the Offer on the capital structure of the Company, assuming all Entitlements are accepted and no other Securities are issued is set out below.

Shares	Number
Shares currently on issue	2,100,383,635
Shares offered pursuant to the Offer	Nil
Total Shares on issue after completion of the Offer	2,100,383,635

Options	Number
Options currently on issue:	Nil
New Options offered pursuant to the Offer	90,869,852
Remuneration Options ¹	120,000,000
Total Options on issue after completion of the Offer¹	210,869,852

Notes

1. As announced on 7 June 2024, the Company has sought Shareholder approval at the General Meeting to issue the Remuneration Options to some Directors and KMP.

The capital structure of the Company on a fully diluted basis as at the date of this Prospectus would be 2,100,383,635 Shares and on completion of the Offer (assuming all Entitlements are accepted, the Company issues the maximum number of Remuneration Options and no other Securities are issued) would be 2,311,253,487 Shares.

3.4 Details of substantial holders

Based on publicly available information as at the date of this Prospectus, those persons which (together with their associates) have a relevant interest in 5% or more of the Shares on issue are set out below:

Shareholder	Shares	%
Treasure Wheel Global Limited ¹	927,114,671	44.14%
Blackcro Investments Pty Ltd	283,137,138	13.48%
Kam's Brother Holdings Limited	128,093,700	6.10%

Notes

1. Anthony Chan (Non-Executive Chair) is the sole shareholder and director of Loyal Strategic Investment Limited, the holding company of Treasure Wheel Global Limited.

There will be no change to any Shareholder's voting power as a result of the issue of the New Options. Where New Options are exercised into Shares, the voting power of the Shareholders who exercise the New Options will increase. The likelihood of New Options being exercised is dependent on the price of Shares from time to time until the New Options expire.

3.5 Pro-forma balance sheet

The audit-reviewed balance sheet as at 31 December 2023 and the unaudited pro-forma balance sheet as at 31 December 2023 shown below have been prepared on the basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position.

The pro-forma balance sheet has been prepared because of the notes set out under the table below.

The pro-forma balance sheet has been prepared to provide investors with information on the assets and liabilities of the Company and pro-forma assets and liabilities of the Company as noted below. The historical and pro-forma financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements.

	UNAUDITED 31 December 2023	PROFORMA 31 December 2023
Current assets		
Cash ¹	1,531,367	78,890
Other current assets	49,549	49,549
Total current assets	1,580,916	128,439
Non-current assets		
Exploration and evaluation assets ¹	16,150,636	17,685,636
Investments at fair value through profit or loss	247,500	247,500
Other assets	8,200	8,200
Total non-current assets	16,406,336	17,941,336

	UNAUDITED 31 December 2023	PROFORMA 31 December 2023
Total assets	17,987,252	18,069,775
Current liabilities		
Trade and other payables	136,442	136,442
Total current liabilities	136,442	136,442
Non-current liabilities		
Other financial liabilities	1,500,000	1,500,000
Total non-current liabilities	1,500,000	1,500,000
Total liabilities	1,636,442	1,636,442
Net assets (liabilities)	16,350,810	16,433,333
Equity		
Issued capital	70,618,567	70,701,090
Reserves	3,766,043	4,054,043
Accumulated losses	(58,033,800)	(58,321,800)
Total equity	16,350,810	16,433,333

Notes

1. Cash movement consists of proceeds of the Offer of \$45,435, costs of the Offer of \$25,341, Chenene Lithium Project exploration expenditure and acquisition consideration payments of \$1,400,000, and adviser fee associated with the Chenene Lithium Project of \$67,500.
2. The pro-forma balance sheet assumes the Company issues the maximum number of Options under this Prospectus.

4. RIGHTS AND LIABILITIES ATTACHING TO SECURITIES

4.1 Terms and conditions of New Options

(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each New Option will be \$0.014 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on or before 7 June 2026 (**Expiry Date**). Any Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and 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.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Within five Business Days after the Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and

- (iii) 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 Options.

If a notice delivered under Section 4.1(g)(iii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(i) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(j) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(k) **Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(l) **Transferability**

The New Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

4.2 Terms and conditions of Shares

The following is a summary of the more significant rights and liabilities attaching to Shares. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

Full details of the rights and liabilities attaching to Shares are set out in the Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours:

(a) **General meetings**

Shareholders are entitled to be present in person, or by proxy, attorney or

representative to attend and vote at general meetings of the Company. The Company's constitution permits the use of technology at general meetings of shareholders (including wholly virtual meetings). to the extent permitted under the Corporations Act, Listing Rules and applicable law.

Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the Constitution of the Company.

(b) **Voting rights**

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at general meetings of shareholders or classes of shareholders:

- (i) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (ii) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- (iii) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for each Share held, but in respect of partly paid shares shall have such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

(c) **Dividend rights**

Subject to the rights of any preference Shareholders and to the rights of the holders of any shares created or raised under any special arrangement as to dividend, the Directors may from time to time declare a dividend to be paid to the Shareholders entitled to the dividend which shall be payable on all Shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such Shares.

The Directors may from time to time pay to the Shareholders any interim dividends as they may determine. No dividend shall carry interest as against the Company. The Directors may set aside out of the profits of the Company any amounts that they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.

Subject to the ASX Listing Rules and the Corporations Act, the Company may, by resolution of the Directors, implement a dividend reinvestment whereby Shareholders may elect to reinvest cash dividends paid by the Company subscribing for Shares.

(d) **Winding-up**

If the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

The liquidator may, with the authority of a special resolution, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any shares or other securities in respect of which there is any liability.

(e) **Shareholder liability**

As the Shares issued will be fully paid shares, they will not be subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

(f) **Transfer of shares**

Generally, shares in the Company are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act and the ASX Listing Rules.

(g) **Future increase in capital**

The issue of any new Shares is under the control of the Directors of the Company. Subject to restrictions on the issue or grant of securities contained in the ASX Listing Rules, the Constitution and the Corporations Act (and without affecting any special right previously conferred on the holder of an existing share or class of shares), the Directors may issue Shares as they shall, in their absolute discretion, determine.

(h) **Variation of rights**

Under section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders vary or abrogate the rights attaching to Shares.

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

(i) **Alteration of constitution**

In accordance with the Corporations Act, the Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting. In addition, at

least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

5. RISK FACTORS

5.1 Introduction

The Options offered under this Prospectus should be considered as highly speculative and an investment in the Company is not risk free.

The Directors strongly recommend that prospective investors consider the risk factors set out in this Section 5, together with all other information contained in this Prospectus.

The future performance of the Company and the value of the Securities 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 described below.

The risks factors set out in this Section 5, or other risk factors not specifically referred to, may have a materially adverse impact on the performance of the Company and the value of the Options. This Section 5 is not intended to provide an exhaustive list of the risk factors to which the Company is exposed.

Before determining whether to invest in the Company you should ensure that you have a sufficient understanding of the risks described in this Section 5 and all of the other information set out in this Prospectus and consider whether an investment in the Company is suitable for you, taking into account your objectives, financial situation and needs.

If you do not understand any matters contained in this Prospectus or have any queries about whether to invest in the Company, you should consult your accountant, financial adviser, stockbroker, lawyer or other professional adviser.

5.2 Company specific

Risk Category	Risk
Option to Acquire Chene Lithium Project	<p>As announced on 7 March 2024, the Company has entered into a binding agreement with Cassius Mining Limited (ASX:CMD) (Acquisition Agreement) and its wholly owned subsidiary Cassius Mining (T) Limited (CMT) pursuant to which it has been granted an exclusive and binding option to acquire 100% of the issued capital in CMT, the holder of four prospecting licences which comprise the Chenene Lithium Project (Acquisition).</p> <p>The Company is currently conducting due diligence investigations at the Chenene Lithium Project to evaluate the potential for and location of lithium within the licences. Following completion of these due diligence enquiries, the Company will decide whether to proceed to exercise the option and complete the Acquisition.</p> <p>There is a risk that the Company will not proceed to exercise the option and complete the Acquisition. If the Acquisition is not completed, the Company will incur costs relating to its due diligence exercises, adviser costs and other costs without any material benefit being achieved.</p>
Potential for dilution	<p>No immediate dilution will occur as a result of the issue of New Options under this Prospectus. However subsequent exercise of any or all of the New Options will result in dilution. Assuming all</p>

Risk Category	Risk
	<p>New Options offered pursuant to this Prospectus are issued and exercised into Shares, Shareholders who do not participate in the Offer, are likely to be diluted by an aggregate of approximately 4.15% (as compared to their holdings and number of Shares on issue as at the date of the Prospectus).</p> <p>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.</p> <p>The last trading price of Shares on ASX prior to the Prospectus being lodged of \$0.0025 is not a reliable indicator as to the potential trading price of Shares after implementation of the Offer.</p>
Control risk	<p>Based on publicly available information as at the date of this Prospectus, Treasure Wheel Global Limited is currently the largest Shareholder of the Company and has a relevant interest in approximately 44.14% of the Shares in the Company. Anthony Chan (Non-Executive Chair) is the sole shareholder and director of Loyal Strategic Investment Limited, the holding company of Treasure Wheel Global Limited.</p> <p>Treasure Wheel Global Limited's significant interest in the capital of the Company means that it is in a position to potentially influence the financial decisions of the Company, and its interests may not align with those of all other Shareholders.</p> <p>Treasure Wheel Global Limited holds a relevant interest in more than 25% of the Company which means that it has the potential to prevent a special resolution from being passed by the Company (such resolution requiring at least 75% of the votes cast by members entitled to vote on the resolution). Special resolutions are required in relation to approve certain Company matters including potentially seeking the delisting of the Company, amending the Constitution, approving the voluntary winding up of the Company and, if at any time the share capital of the Company is divided into different classes of Shares, approving the variation of the rights attached to any such class.</p>
Additional requirements for capital	<p>The Company's capital requirements depend on numerous factors. Depending on the Company's ability to generate income from its operations, the Company may require further financing in addition to amounts raised under the Offer.</p> <p>In particular, if the Company elects to proceed with the Acquisition, the Company will be required to pay a cash payment of A\$500,000 on completion of the Acquisition and milestone payments of up to A\$550,000 within 90 days after completion of the Acquisition.</p> <p>Any additional equity financing will dilute shareholdings, and 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 its exploration programmes as the case may be. There is however no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company.</p>
Going Concern	<p>The Company's interim financial report for the half-year reporting period ended 31 December 2023 (Financial Report) includes a note on the financial condition of the Company and the possible</p>

Risk Category	Risk
	<p>existence of a material uncertainty about the Company's ability to continue as a going concern.</p> <p>Notwithstanding the 'going concern' included in the Financial Report, the Directors believe that upon the successful completion of the Offer, the Company will have sufficient funds to adequately meet the Company's current exploration commitments and short term working capital requirements. However, it is highly likely that further funding will be required to meet the medium to long term working capital costs of the Company.</p>
<p>Acquisition and divestment of projects</p>	<p>The Company has, to date, and will continue to actively pursue and assess other new business opportunities. This may involve the divestment of non-core assets, the acquisition of other projects or assets or other new business opportunities such as joint ventures, farm-ins, or direct equity participation.</p> <p>The acquisition of projects or other assets (whether completed or not) may require the payment of monies (as a deposit and/or exclusivity fee) after only limited due diligence and prior to the completion of comprehensive due diligence. There can be no guarantee that any proposed acquisition will be completed or successful. If the proposed acquisition is not completed, monies already advanced may not be recoverable, which may have a material adverse effect on the Company.</p> <p>If a non-core asset is divested or an acquisition is completed, the Directors will need to reassess, at that time, the funding allocated to its current project and new projects or assets, which may result in the Company reallocating funds from other projects and/or the raising of additional capital (if available). Furthermore, notwithstanding that an acquisition may proceed upon the completion of due diligence, the usual risks associated with the new project/business activities will remain.</p> <p>Furthermore, if a new investment or acquisition by the Company is completed, ASX may require the Company to seek Shareholder approval and to meet the admission requirements under Chapters 1 and 2 of the ASX Listing Rules as if the Company were a new listing. There would be costs associated in re-complying with the admission requirements. The Company may be required to incur these costs in any event, were it to proceed to seek to acquire a new project which is considered to result in a significant change to the nature or scale of its existing operations.</p> <p>If a new investment or acquisition is not completed, then the Company may not be in a position to comply with the ongoing ASX Listing Rules, which includes but is not limited to, maintaining a sufficient level of operations and financial position. Given the nature of resource exploration, this may also occur if the Company abandons and/or relinquishes a project which is no longer considered viable. Any divestment of non-core assets or new project or business acquisition may change the risk profile of the Company, particularly if any new project acquired is located in another jurisdiction, involving a new commodity and/or changes to the Company's capital/funding requirements. Should the Company propose or complete a divestment of non-core assets or the acquisition of a new project or business activity, investors should re-assess their investment in the Company in light of the Company's changed circumstances.</p>

Risk Category	Risk
Joint venture risk	<p>The Company is currently and may in the future become a party to joint venture agreements governing the exploration and development of its projects. There is a risk that one of the Company's joint venture partners may default in their joint venture obligations or not act in the best interests of the joint venture. This may have an adverse effect on the interests and prospects of the Company.</p> <p>There can be no certainty that the parties will be able to settle the formal documentation in respect thereof. Failure to settle the terms of the formal documentation may result in termination of the joint venture and/or a potential dispute resolution process.</p>
Energy policy	<p>The Company's aim to operate in the clean energy sector is reliant on stable policy settings by State and Federal Governments. The Australian renewable energy market is currently in its infancy stage of development. Due to the current low cost of producing electricity via traditional coal fired generation, the commercialisation of renewable energy projects relies heavily and is dependent upon obtaining Government subsidies and grants sufficient to achieve a competitive cost per watt of renewable energy produced. The government policies for Australia's renewable energy industry are uncertain. This may reduce new investment in the renewable energy industry in Australia which could reduce the number of available new business prospects for the Company. Business performance may be impacted by changes in the design and rules of the existing energy market and the uncertainty that arises from debate in relation to the energy market's future design and rules. These changes may result from orderly rules change processes or in response to political imperatives of the government or agencies of government from time to time.</p>
Regulatory risk	<p>The Company's activities are subject to extensive laws and regulations relating to numerous matters including licences and approvals, environmental compliance and rehabilitation, taxation, health and worker safety, waste disposal, protection of the environment, native title and heritage matters and other matters. Whilst the Company believes that it is in substantial compliance with all material current laws and regulations, changes in how laws and regulations are enforced or regulatory interpretation could result in changes in legal requirements or in the terms of existing licences, approvals and agreements applicable to the Company or its future projects. This could have a material adverse impact on the Company's future and planned operations.</p>
Sovereign risk	<p>The Company's key project is currently located in Australia. If the Company proceeds to exercise the option and complete the Acquisition, the Company will also own an asset located in Tanzania. Adverse changes in Tanzanian government policies or legislation may affect ownership of mineral interests, taxation, royalties, land access, labour relations, and mining and exploration activities of the Company. It is possible that the current system of exploration and mine permitting in Tanzania may change, resulting in impairment of rights and possibly expropriation of the Company's properties without adequate compensation. Any of these factors may, in the future, adversely affect the financial performance of the Company and the market price of its Shares.</p> <p>It may also be difficult to enforce judgments obtained in Australian courts against the Chenene Lithium Project. In</p>

Risk Category	Risk
	addition, there is uncertainty as to whether the courts of Tanzania or any other jurisdiction in which the Company may operate in the future would recognise or enforce judgments of Australian courts based on provisions of the laws of Australia.

5.3 Industry specific

Risk Category	Risk
Exploration and development risk	<p>Mineral exploration and development is a speculative and high-risk undertaking that may be impeded by circumstances and factors beyond the control of the Company. Success in this process involves, among other things:</p> <ul style="list-style-type: none"> (a) discovery and proving-up, or acquiring, an economically recoverable resource or reserve; (b) access to adequate capital throughout the acquisition/discovery and project development phases; (c) securing and maintaining title to mineral exploration projects; (d) obtaining required development consents and approvals necessary for the acquisition, mineral exploration, development and production phases; and (e) accessing the necessary experienced operational staff, the appropriate financial management and recruiting skilled contractors, consultants and employees. <p>There can be no assurance that exploration of the Company's project, or any other projects that may be acquired in the future, will result in the discovery of an economic mineral resource. Even if an apparently viable mineral resource is identified, there is no guarantee that it can be economically exploited.</p>
Operational risk	<p>The Company's operational assets are subject to risks that may result in the assets failing to perform in line with expectations. For example, there is a risk that the Company's assets may be damaged or destroyed by hail, wind, flood, cyclone, hurricane, earthquake, fire, war, explosion, terrorism or some other natural or man-made disaster. These risks may impact generation, lead to failure or deterioration of equipment, adversely impact performance and business stability of the Company's suppliers and contractors, and lead to transmission system congestion, curtailment or failure of the plant, labour issues and strikes, and other operational issues.</p>
Occupational health and safety risk	<p>There is a risk that an incident could lead to a fatality or serious harm to an employee, a contractor, a joint venture/third party employee or a member of the public. Employees may be exposed to hazards and risks when working on operating assets. If such an incident were to occur, this may affect the Company's reputation. The Company is committed to providing a healthy and safe environment for its personnel, contractors and visitors.</p>
Environmental risk	<p>The operations and proposed activities of the Company are subject to laws and regulations concerning the environment. The Company's activities are expected to have an impact on the environment. It is the intention of the Company to adhere to its environmental obligations, including compliance with environmental laws. Further, events such as unpredictable</p>

Risk Category	Risk
	rainfall or bushfires may impact on the Company's ongoing compliance with environmental legislation, regulations and licences. Significant liabilities could be imposed on the Company for damages, clean-up costs or penalties in the event of certain discharges to the environment, or non-compliance with environmental laws or regulations.
Resource estimates	As announced on 27 February 2024, the Company has released a Mineral Resource estimate for the Blackall Project. Resource estimates are expressions of judgement based on knowledge, experience and industry practice. Estimates which were valid when initially calculated may alter significantly when new information or techniques become available. In addition, by their very nature resource and reserve estimates are imprecise and depend to some extent on interpretations which may prove to be inaccurate.
Results of studies	<p>Subject to the results of exploration and testing programs to be undertaken, the Company may progressively undertake a number of studies in relation to its current or future projects. These studies may include scoping, pre-feasibility, definitive feasibility and bankable feasibility studies.</p> <p>These studies will be completed within parameters designed to determine the economic feasibility of the subject projects within certain limits. There can be no guarantee that any of these studies will confirm the economic viability of the subject projects or the results of other studies undertaken by the Company (e.g., the results of a feasibility study may materially differ from the results of a scoping study).</p> <p>Even if a study confirms the economic viability of a project, there can be no guarantee that the project will be successfully brought into production as assumed or within the estimated parameters in the feasibility study (e.g., operational costs and commodity prices) once production commences. Further, the ability of the Company to complete a study may be dependent on the Company's ability to raise further funds to complete the study if required.</p>
Rehabilitation of Tenements	In relation to the Company's proposed operations, issues could arise from time to time with respect to abandonment costs, consequential clean-up costs, environmental concerns and other liabilities. In these instances, the Company may become subject to liability if, for example, there is environmental pollution or damage from the Company's exploration activities and there are consequential clean-up costs at a later point in time.
Tenement conditions	The Company's projects will be subject to various tenement conditions (including, without limitation, minimum work requirements). Failure to comply with such conditions may lead to forfeiture. The tenements will also be subject to renewal. If any of the tenements are not renewed for any reason the Company could suffer damage through loss of opportunity to explore and develop those tenements. The Directors are not aware of any reason why renewal of the tenements will not occur.
Title and tenure	The Company's project only currently permits exploration activities. If the Company successfully delineates an economic resource on any of these exploration permits or implements a technology aimed at extraction of resources, it will need to apply for a mining permit to undertake development and mining. There is no guarantee that the Company will be granted a mining permit if one is applied for, as such grants are discretionary.

Risk Category	Risk
	<p>Exploration permits are subject to annual review and periodic renewal. The renewal of the term of a granted exploration permit is also subject to the discretion of the relevant Minister. Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the permits comprising the Company's current or future projects. While it is the Company's intention to satisfy the conditions that apply to its projects, there can be no guarantees that, in the future, the tenements that are subject to renewal will be renewed or that minimum expenditure and other conditions that apply to the tenements will be satisfied. Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the tenements comprising the projects that adversely impact the Company.</p> <p>If a tenement holder fails to comply with the terms and conditions of a tenement, the Minister may impose a fine or order that the tenement be forfeited. In most cases, an order for forfeiture can only be made where the breach is of sufficient gravity to justify forfeiture of the tenement.</p>
<p>Native title and Aboriginal heritage</p>	<p>Where Native Title does or may exist over any of the Company's tenements, the ability of the Company to convert such tenements or part thereof into a valid mining lease (for example in the event of the Company making a discovery) will be subject to the Company reaching a commercial agreement with the holders of or applicants for Native Title or on the Company obtaining a determination from the National Native Title Tribunal that the mining lease be granted in the absence of such an agreement. The negotiation of such a commercial agreement or proceedings in the courts could materially delay the grant of such a mining lease and substantially add to the Company's costs. Failure to reach such an agreement could result in the Company being unable to obtain a mining lease.</p> <p>Irrespective of whether Native Title exists in the relevant areas, in order to conduct exploration activities on the tenements, the Company will usually need to undertake clearance activities in conjunction with the appropriate Aboriginal parties, anthropologists and archaeologists to ascertain whether any sites of significance to Aboriginal parties exist in the relevant areas. Undertaking and completing such site clearance procedures can cause delays to the implementation of exploration activities. Delays in completing such clearance activities can impede or prevent the Company from satisfying the minimum expenditure conditions on the relevant tenements, with the result that the Company may in some instances need to seek whole or partial exemptions from expenditure under the relevant mining legislation in order to keep the relevant tenements in good standing. There is no certainty that such exemptions will be granted in all instances.</p> <p>Where such significant sites do exist, the Company's ability to conduct exploration on those areas may be subject to obtaining relevant consents under the Aboriginal heritage laws.</p>
<p>Land access and compensation</p>	<p>There is a substantial level of regulation and restriction on the ability of exploration and mining companies to gain access to land in Australia. Negotiations with both Native Title parties and land-owners/occupiers are generally required before the Company can access land for exploration or mining activities. The Company will experience delays and cost overruns if it is unable to access the land required for its operations. This may be</p>

Risk Category	Risk
	<p>as a result of weather, environmental restraints, harvesting, government legislation, landholder or community activities or other factors.</p> <p>Access to land often depends on the Company being successful in negotiating with landholders or other stakeholders. There is no assurance that the Company will obtain all the permissions required as and when required or that new conditions will not be imposed in connection therewith. To the extent such permissions are not obtained, the Company's current and future exploration and development activities may be curtailed or their continuation prohibited.</p>
Approvals risk	<p>The Company's projects may require further approvals from third parties before they can be developed. These are likely to include construction, environmental and Aboriginal heritage approvals. There can be no assurance that these approvals will be obtained. Obtaining the necessary permits and approvals can be a time consuming process and there is a risk that the Company will not be able to obtain these permits on acceptable terms, in a timely manner or at all. The costs and delays associated with obtaining necessary permits and complying with these permits and applicable laws and regulations could materially delay or restrict the Company from proceeding with the development or operation of a project. Any failure to comply with applicable laws and licences, could result in fines, penalties or other liabilities.</p>

5.4 General risks

Risk Category	Risk
Market conditions	<p>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:</p> <ul style="list-style-type: none"> (a) general economic outlook; (b) introduction of tax reform or other new legislation; (c) interest rates and inflation rates; (d) changes in investor sentiment toward particular market sectors; (e) the demand for, and supply of, capital; and (f) terrorism or other hostilities. <p>The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resource exploration stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.</p>
Commodity price and exchange rate risks	<p>The value of the Company's assets and potential earnings may be affected by fluctuations in commodity prices and exchange rates.</p> <p>These prices can significantly fluctuate and are exposed to numerous factors beyond the control of the Company, such as world demand for energy, forward selling by producers and production cost levels in major coal and gas producing regions. Other factors include expectations regarding inflation, the</p>

Risk Category	Risk
	<p>financial impact of movements in interest rates, global economic trends and domestic and international fiscal, monetary and regulatory policy settings.</p> <p>At this time, the Company has not put any hedging arrangements in place but may do so in future when the Directors consider it appropriate.</p>
Insurance	<p>Insured or uninsured catastrophic events such as acts of God, fires, floods, earthquakes, widespread health emergencies, pandemics, epidemics, wars and strikes, could affect the value or the availability of the company's assets and the ability of the Company to sustain operations, provide essential products and services or recover operating costs. Should damage be sustained as a result of these risks, the Company's business and financial performance may be adversely affected. The Company intends to insure its operations in accordance with industry practice. However, it is not always possible to obtain insurance against all such risks and, where it is available, the cost may be high. 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</p>
Information systems and cyber risk	<p>The Company is reliant on information technology systems. Despite the Company's security measures, it is possible that these systems may be breached. Unauthorised third party access to the Company's information technology systems and the resulting potential theft, loss or misuse of the Company's information could adversely impact the operations and performance of the Company and the price of its securities.</p>
Intellectual property risk	<p>Should the Company acquire technology for use in the development of its projects, there may be circumstances where the Company's intellectual property cannot be protected or is subject to unauthorised disclosure, infringement or challenge by a third party. The Company may incur significant costs in asserting its rights in such circumstances. Even a registered patent can be invalidated in certain circumstances.</p> <p>There can be no assurance that any technology the Company may acquire will afford the Company a competitive advantage, commercially significant protection of the intellectual property, or that the intellectual property will have successful commercial application.</p> <p>There is always a risk of third parties claiming involvement in technological discoveries. Further, competition in retaining and sustaining protection of intellectual property and the complex nature of intellectual property can lead to expensive and lengthy patents disputes, for which there can be no guaranteed outcome. Some parties may be able to utilise their greater financial resources to better sustain the costs of litigation or proceedings.</p>
Litigation risks	<p>The Company is exposed to possible litigation risks including intellectual property claims, contractual disputes, occupational health and safety claims and employee claims. Further, the Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Company's operations, financial performance and financial position. The Company is not currently engaged in any litigation.</p>

Risk Category	Risk
Dividends	Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend on the financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Directors. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.
Taxation	<p>The acquisition and disposal of Options may have tax consequences, which will differ depending on the individual financial affairs of each investor. All prospective investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Options from a taxation viewpoint and generally.</p> <p>To the maximum 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 Options under this Prospectus.</p>
Reliance on key personnel	The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment.
Economic conditions and other global or national issues	<p>General economic conditions, laws relating to taxation, new legislation, trade barriers, movements in interest and inflation rates, currency exchange controls and rates, national and international political circumstances (including outbreaks in international hostilities, wars, terrorist acts, sabotage, subversive activities, security operations, labour strikes, civil disorder, and states of emergency), natural disasters (including fires, earthquakes and floods), outbreaks of disease, quarantine restrictions, epidemics and pandemics, and other man-made or natural events or occurrences, may have an adverse effect on the Company's operations and financial performance, including the Company's exploration, development and production activities, as well as on its ability to fund those activities.</p> <p>General economic conditions may also affect the value of the Company and its market valuation regardless of its actual performance.</p>
Climate Risk	<p>There are a number of climate-related factors that may affect the operations and proposed activities of the Company. The climate change risks particularly attributable to the Company include:</p> <p>(a) the emergence of new or expanded regulations associated with the transitioning to a lower-carbon economy and market changes related to climate change mitigation. The Company may be impacted by changes to local or international compliance regulations related to climate change mitigation efforts, or by specific taxation or penalties for carbon emissions or environmental damage. These examples sit amongst an array of possible restraints on industry that may further impact the Company and its profitability. While the Company will endeavour to manage these risks and limit any consequential impacts, there can be no guarantee that the</p>

Risk Category	Risk
	<p>Company will not be impacted by these occurrences; and</p> <p>(b) climate change may cause certain physical and environmental risks that cannot be predicted by the Company, including events such as increased severity of weather patterns and incidence of extreme weather events and longer-term physical risks such as shifting climate patterns. All these risks associated with climate change may significantly change the industry in which the Company operates.</p>

5.5 Speculative investment

The risk factors described above, and other risk factors not specifically referred to, may have a materially adverse impact on the performance of the Company and the value of the Options.

Prospective investors should consider that an investment in the Company is highly speculative.

There is no guarantee that the Options offered under this Prospectus will provide a return on capital, payment of dividends or increases in the market value of those Options.

Before deciding whether to subscribe for Options under this Prospectus you should read this Prospectus in its entirety and consider all factors, taking into account your objectives, financial situation and needs.

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 Notes Section 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;
 - (ii) any half-year financial report lodged by the Company with the ASIC after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC; and
 - (iii) 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	Description of Announcement
7 June 2024	Results of Meeting
4 June 2024	Change in substantial holding
3 June 2024	AUH Mobilises for Maiden Drilling at Chenene Lithium Project
27 May 2024	Change in substantial holding

Date	Description of Announcement
27 May 2024	Ceasing to be a substantial holder
8 May 2024	Proposed issue of securities - AUH
8 May 2024	Proposed issue of securities - AUH
8 May 2024	Notice of General Meeting/Proxy Form
30 April 2024	Quarterly Activities/Appendix 5B Cash Flow Report
29 April 2024	Drilling to commence at Chenene Lithium Project
8 April 2024	Notification of cessation of securities – AUH
28 March 2024	Section 708A Notice
28 March 2024	Application for quotation of securities – AUH
14 March 2024	Half Yearly Report and Accounts
7 March 2024	Option to acquire Chenene Lithium Project
5 March 2024	Trading Halt
5 March 2024	Pause in Trading
27 February 2024	Coal resource upgrade for the Blackall coal project
31 January 2024	Quarterly Activities/Appendix 5B Cash Flow Report
12 January 2024	Initial Director's Interest Notice
28 December 2023	Initial Director's Interest Notice
22 December 2023	Change of Director's Interest Notice
22 December 2023	Change of Director's Interest Notice
22 December 2023	Change of Director's Interest Notice
22 December 2023	Notification of cessation of securities - AUH
22 December 2023	Final Director's Interest Notice
22 December 2023	Board Changes
27 November 2023	Final Director's Interest Notice
27 November 2023	Results of Meeting
27 November 2023	Chair's Address to Shareholders
21 November 2023	Blackall Coal Project Exploration Progress
31 October 2023	Quarterly Activities/Appendix 5B Cash Flow Report
27 October 2023	Notice of Annual General Meeting/Proxy Form
16 October 2023	Change of Director's Interest Notice
4 October 2023	Initial Director's Interest Notice
4 October 2023	Final Director's Interest Notice
4 October 2023	Board Changes
28 September 2023	Corporate Governance Statement and Appendix 4G
28 September 2023	Annual Report to shareholders

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.

The announcements are also available through the Company's website www.austchinaholdings.com.

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	\$0.005	7 March 2024
Lowest	\$0.002	27 May 2024
Last	\$0.0025	6 June 2024

6.4 Interests of Directors

Other than as set out in this Prospectus, no Director or proposed Director holds, or has held within the two 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.
- (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.

Security holdings

The relevant interest of each of the Directors in the Securities of the Company as at the date of this Prospectus and following completion of the Offer (assuming all Remuneration Options are issued) is set out in the table below.

Directors	Current		Following completion of the Offer	
	Shares ¹	Options	Shares ¹	Options
Anthony Chan ¹	927,114,671	-	927,114,671	-
Daniel Chan	-	-	-	-
Andrew MacIntosh	-	-	-	20,000,000
Mena Habib	2,000,000	-	2,000,000	20,000,000
George Lam	-	-	-	20,000,000
Peter Tsang	-	-	-	20,000,000

Notes

1. Anthony Chan (Non-Executive Chair) is the sole shareholder and director of Loyal Strategic Investment Limited, the holding company of Treasure Wheel Global Limited.

The Directors are not Eligible Participants under the Offer.

The Board recommends all Eligible Participants take up their Entitlements.

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 \$400,000 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.

The following table shows the total annual remuneration paid to both executive and non-executive Directors as disclosed in the Company's Annual Report for the financial year ended 30 June 2023, the proposed remuneration payable to both executive and non-executive Directors for the financial year ending 30 June 2024 and the proposed annual remuneration payable to both executive and non-executive Directors.

Directors	Annual Remuneration ⁴	Current Financial Year Ending 30 June 2024	Previous Financial Year Ended 30 June 2023
Anthony Chan ¹	\$24,000	\$12,593	Nil
Daniel Chan	\$16,000	\$19,802	\$24,000

Directors	Annual Remuneration ⁴	Current Financial Year Ending 30 June 2024	Previous Financial Year Ended 30 June 2023
Andrew MacIntosh	\$16,000	\$17,760	\$17,720 ³
Mena Habib ²	\$16,000	\$11,868	Nil
George Lam	\$16,000	\$16,000	\$16,000
Peter Tsang ¹	\$16,000	\$9,619	Nil

Notes:

1. Appointed to the Board on 22 December 2023.
2. Appointed to the Board on 4 October 2023.
3. Comprising independent Non-Executive Directors fees of \$16,000 and a superannuation payment of \$1,720.
4. Excluding statutory superannuation contributions paid by the Company.

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 two 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.
- (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.

Steinepreis Paganin has acted as the solicitors to the Company in relation to the Offer. The Company estimates it will pay Steinepreis Paganin \$12,500 (excluding GST and disbursements) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Steinepreis Paganin has been paid fees totalling \$31,859 (excluding GST and disbursements) for legal services provided to the Company.

Nexia Brisbane Audit Pty Ltd (**Nexia**) is the auditor of the Company. The 31 December 2023 audit reviewed balance sheet forms the basis for the pro-forma balance sheet included in Section 3.5 that has been prepared by the Company. Nexia has not reviewed or provided any advice or guidance in relation to the pr-forma balance sheet in Section 3.5. During the 24 months preceding lodgement of this Prospectus with the ASIC, Nexia has received \$84,521 (excluding GST) for audit services provided to Company.

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.

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

Nexia has given its written consent to being named as the auditor of the Company and to the inclusion of the audit reviewed accounts as at 31 December 2023 in Section 3.5.

6.7 Expenses of the Offer

If all Entitlements are accepted, the total expenses of the Offer are estimated to be approximately \$25,341 (excluding GST) and are expected to be applied towards the items set out in the table below:

	\$
ASIC fees	3,206
ASX fees	6,635

	\$
Legal fees	12,500
Printing and distribution	3,000
Total	25,341

7. 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.

8. GLOSSARY

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

Acquisition means the acquisition of 100% of the issued capital in Cassius Mining (T) Limited, the holder of four prospecting licences which comprise the Chenene Lithium Project, as set out in Section 5.2.

Applicant means an Eligible Participant who applies for New Options pursuant to the Offer.

Application Form means an Entitlement and Acceptance Form or Shortfall Application Form as the context requires.

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 CHESSE.

AUHO Options means the 90,869,852 previously listed Options on issue in the Company, which expired on 16 March 2024 and formerly traded under ASX Code: AUHO.

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 the commencement of this Prospectus, unless extended by the Directors.

Company means AustChina Holdings Limited (ACN 075 877 075).

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

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

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

Eligible Participant means a holder of a AUHO Option on the Record Date who is eligible to participate in the Offer.

Entitlement means the entitlement of an Eligible Participant who is eligible to participate in the Offer.

Entitlement and Acceptance Form means the entitlement and acceptance form either attached to or accompanying this Prospectus.

General Meeting means the general meeting of the Company held on 7 June 2024 at 10:00am (AEST).

Key Management Personnel or **KMP** means Andrew Fogg and Raymond Bruce Patrick.

New Options means an Option to be issued pursuant to the Offer on the terms and conditions set out in Section 4.1.

Offer means the offer of New Options to Eligible Participants.

Official Quotation means official quotation on ASX.

Option means an option to acquire a Share, including the New Options.

Optionholder means a holder of an Option.

Prospectus means this prospectus.

Record Date means the date specified in the timetable set out at the commencement of this Prospectus.

Remuneration Options has the meaning set out in Section 1.3.

Securities means a Share or an Option or both, as the context requires.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of a Share.

Shortfall means the New Options not applied for under the Offer (if any).

Shortfall Application Form means the Shortfall Offer application form either attached to or accompanying this Prospectus.

Shortfall Offer means the offer of the Shortfall on the terms and conditions set out in Section 2.6 of this Prospectus.

Shortfall Options means those New Options issued pursuant to the Shortfall.