

# LINCOLN MINERALS LIMITED

## ACN 050 117 023

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## OPTIONS PROSPECTUS

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For the offers of:

- (a) up to 107,142,849 Options, on the basis of one (1) free attaching Option for every two (2) Shares issued to Eligible Shareholders under the Company's share purchase plan (**SPP**), exercisable at \$0.014 each on or before the date that is two (2) years from the date of issue (**SPP Options**) (**SPP Options Offer**);
- (b) up to 71,428,572 Options to participants in a Top-Up Placement, on the basis of one (1) free attaching Option for every two (2) Shares subscribed for and issued under the Top-Up Placement, on the same terms as the SPP Options (**Placement Options**) (**Placement Options Offer**); and
- (c) 30,000,000 Options to the Underwriter, on the same terms as the SPP Options (**Broker Options**) (**Broker Options Offer**),

(together, the **Offers**).

No funds will be raised under the Offers.

### 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 under this Prospectus should be considered as speculative.**

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## CORPORATE DIRECTORY

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### Directors

Ruiyu (Yoyo) Zhang  
*Non-Executive Chairperson*

Ryan Smith  
*Non-Executive Director (Independent)*

John C. Lam  
*Non-Executive Director (Independent)*

Julian Babarczy  
*Non-Executive Director*

### Company Secretary

Andrew Metcalfe

### Registered Office

Level 14, 333 Collins Street  
Melbourne VIC 3000

Telephone: +61 (0)3 9191 4007

Email: [investors@lincolnminerals.com.au](mailto:investors@lincolnminerals.com.au)

Website:

<http://www.lincolnminerals.com.au>

### ASX Code

LML

### Auditors\*

Grant Thornton Audit Pty Ltd  
Grant Thornton House  
Level 3, 170 Frome Street  
Adelaide SA 5000

### Share Registry\*

Computershare Investor Services Pty  
Limited  
Level 5, 115 Grendell Street  
Adelaide SA 5000

Telephone:

1300 850 505 (within Australia)  
+61 (0)3 9415 4000 (international)

Website:

<https://www.computershare.com.au>

### Lawyers

Steinepreis Paganin  
Level 4, 16 Milligan Street  
Perth WA 6000

*\* These entities have not been involved in the preparation of this Prospectus and have not consented to being named in this Prospectus. Their names are included for information purposes only.*

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## 1. TIMETABLE AND IMPORTANT NOTES

### 1.1 Timetable

Action	Date*
Record date for SPP	7.00pm (AEST) 24 April 2024
Opening date of SPP	3 May 2024
Closing date of SPP	5.00pm (AEST) 31 May 2024
Announcement of results of SPP	4 June 2024
Issue of Shares under SPP	7 June 2024 (before noon AEST)
Prospectus lodged with ASIC and ASX	18 June 2024
Opening date of the Offer	18 June 2024
Shareholder Meeting to approve issue of Options	20 June 2024
Closing date of the Offer	24 June 2024
Issue of Options under the Offers	27 June 2024
Holding statements dispatch to Applicants pursuant to the Offers	28 June 2024

*\* The above dates are indicative only and subject to change. Subject to the Corporations Act and the Listing Rules, the Directors reserve the right to vary these dates, including the Closing Date, without prior notice.*

*\*\* Applicants under the Offers should ensure that they have lodged their Application Form by this date.*

### 1.2 Important Notes

This Prospectus is dated 18 June 2024 and was lodged with the ASIC on that date. The ASIC, the 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 the 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 the subject of this Prospectus should be considered highly speculative.

Applications for Options offered pursuant to this Prospectus can only be submitted on an original 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. In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.

### **1.3 Investment Advice**

This Prospectus does not provide investment advice and has been prepared without taking account of your financial objectives, financial situation or particular needs (including financial or taxation issues). You should seek professional investment advice before subscribing for Options under this Prospectus.

### **1.4 Risk factors**

Potential investors should be aware that subscribing for Options in the Company involves a number of risks. The key risk factors of which investors should be aware are set out in Section 5 of this Prospectus. These risks together with other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of the Options and any Shares issued on the exercise of the Options in the future. Accordingly, an investment in the Company should be considered highly speculative. Investors should consider consulting their professional advisers before deciding whether to apply for Options pursuant to this Prospectus.

### **1.5 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 Placement Options and SPP 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 (<https://lincolnminerals.com.au/>).

By making an application under the Placement Options Offer and SPP Options Offer, you warrant that you have read and understood the TMD and that you fall within the target market set out in the TMD.

### **1.6 Taxation implications**

The Directors do not consider it appropriate to give Shareholders advice regarding the taxation consequences of applying for Options under this Prospectus.

The Company, its advisers and its officers do not accept any responsibility or liability for any such taxation consequences to Shareholders. As a result, Shareholders should consult their professional tax adviser in connection with applying for Options under this Prospectus.

### **1.7 Applicants outside Australia**

The distribution of this Prospectus in jurisdictions outside of Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any of these restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. This

Prospectus does not constitute an offer of Options in any jurisdiction where, or to any person to whom, it would be unlawful to issue in this Prospectus.

## **1.8 Disclaimer**

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

## **1.9 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 our 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 our actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 5 of this Prospectus.

## **1.10 Website – Electronic Prospectus**

A copy of this Prospectus can be downloaded from the website of the Company at <https://lincolnminerals.com.au/>. If you are accessing the electronic version of this Prospectus for the purpose of making an investment in the Company, you must be an Australian or New Zealand resident and must only access this Prospectus from within Australia or New Zealand.

The Corporations Act prohibits any person passing onto another person an Application Form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered version of this Prospectus. Any person may obtain a hard copy of this Prospectus free of charge by contacting the Company.

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.

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## 2. DETAILS OF THE OFFERS

### 2.1 SPP

On 26 April 2024, the Company announced its intention to undertake a Share Purchase Plan (**SPP**) to Eligible Shareholders (as detailed below).

Under the SPP, Eligible Shareholders were entitled to apply for Shares up to the value of \$30,000 at \$0.007 per Share (**SPP Share**), together with, subject to Shareholder approval, one (1) free-attaching unlisted option exercisable at \$0.014 and expiring two (2) years after the date of issue (**SPP Option**) for every two (2) SPP Shares subscribed for and issued under the SPP. Fractional entitlements will be rounded to the nearest whole number.

The issue of the SPP Options is subject to Shareholder approval at an extraordinary general meeting, which will take place on 20 June 2024 (**General Meeting**).

Further details of the SPP are set out in the Company's ASX announcements released on 3 and 6 May 2024.

### 2.2 Top-Up Placement

Additionally, the Company agreed to grant Canaccord (also defined below) the right to facilitate an offer of Shares to raise up to an additional \$1,500,000 through a placement (**Top-Up Placement**). The issue price for the Shares under the Top-Up Placement was the same as the SPP Shares. The Shares under the Top-Up Placement were issued utilising the Company's available capacity under ASX Listing Rule 7.1A.

On 14 June 2024, the Company issued 132,857,143 Shares to the Placement Participants (defined below) to raise approximately \$930,000 (before costs). The Company utilised its existing ASX Listing Rule 7.1A capacity to issue the Shares under the Top-Up Placement and proposes to issue a further 10,000,000 Shares to Director, Julian Babarczy, pursuant to ASX Listing Rule 10.11 and subject to Shareholder approval at a future general meeting of Shareholders.

Subject to Shareholder approval at the General Meeting, the Top-Up Placement will also include the issue of one (1) free-attaching Option (**Placement Option**) for every two (2) Shares subscribed for on the same terms as the SPP Options.

### 2.3 Underwriting

The Company entered into an underwriting agreement with Canaccord Genuity (Australia) Limited (ACN 075 071 466) (**Canaccord** or the **Underwriter**) on 22 April 2024, whereby Canaccord agreed to underwrite the SPP up to a maximum amount of \$1,500,000 (**Underwritten Amount**) (the **Underwriting Agreement**). In the event that Eligible Shareholders subscribe for an amount less than the Underwritten Amount (**Subscription Amount**), Shares to the value of the difference between the Subscription Amount and the Underwritten Amount will be placed to nominees or sub-underwriters of Canaccord (**Shortfall Shares**).

Pursuant to the Underwriting Agreement, the Company agreed to issue/pay Canaccord the fees set out in the Appendix 3B lodged by the Company on 26 April 2024 including the issue of 30,000,000 Options on the same terms as the SPP Options and the Placement Options (**Broker Options**). The Company will seek Shareholder approval for the issue of the Broker Options at the General Meeting.



## 2.4 Shareholder approvals

The issue of the Placement Options and the SPP Options is subject to Shareholder approval at the General Meeting.

If Shareholder approval is not obtained for the Placement Options and SPP Options, the Company will be unable to proceed with the Offers and issue the Options. If Shareholder approval is not obtained for the Broker Options, the Company will issue the Options pursuant to the Company's ASX Listing Rule placement capacity.

Further information is set out in the Notice of General Meeting announced on 17 May 2024.

## 2.5 The Offers

### 2.5.1 SPP Options Offer

The SPP Options Offer is an offer of one (1) SPP Option for every two (2) SPP Shares subscribed for and issued to Eligible Shareholders that participated in the SPP (**SPP Participants**).

Based on the number of Shares subscribed for under the SPP, 107,142,849 SPP Options will be issued under the SPP Options Offer, subject to Shareholder approval at the General Meeting.

The terms and conditions of the SPP Options are set out in Section 4.1. All of the Shares issued upon exercise of the SPP Options will rank equally with the Shares on issue at the date of this Prospectus. Refer to Section 4.2 for further information regarding the rights and liabilities attaching to the Shares.

No funds will be raised from the issue of SPP Options as the SPP Options are free attaching to SPP Shares issued under the SPP on a one (1) for two (2) basis.

### 2.5.2 Placement Options Offer

The Placement Options Offer is an offer of one (1) Placement Option for every two (2) Shares subscribed for and issued to the institutional, sophisticated and professional investors, who are clients of Canaccord that participated in the Top-Up Placement (**Placement Participants**), subject to Shareholder approval at the General Meeting. Based on the number of Shares issued under the Top-Up Placement, 71,428,572 Placement Options will be issued under the Placement Options Offer.

The terms and conditions of the Placement Options are set out in Section 4.1. All of the Shares issued upon exercise of the Placement Options will rank equally with the Shares on issue at the date of this Prospectus. Refer to Section 4.2 for further information regarding the rights and liabilities attaching to the Shares.

No funds will be raised from the issue of Placement Options as the Placement Options are free attaching to Shares that were issued under the Top-Up Placement on a one (1) for two (2) basis.

### 2.5.3 Broker Options Offer

The Broker Options Offer is an offer of 30,000,000 Broker Options to Canaccord.

The terms and conditions of the Broker Options are set out in Section 4.1. All of the Shares issued upon exercise of the Broker Options will rank equally with the Shares on issue at the date of this Prospectus. Refer to Section 4.2 for further information regarding the rights and liabilities attaching to the Shares.

No funds will be raised from the issue of Broker Options as they are issued in consideration for underwriting and lead manager services provided by Canaccord pursuant to the SPP and the Top-Up Placement (if any).

## **2.6 Minimum subscription**

There is no minimum subscription for the Offers.

## **2.7 ASX listing**

The Company will not apply for official quotation on ASX of the Options offered pursuant to this Prospectus.

## **2.8 Applications**

By completing an Application Form, applicants will be taken to have declared that all details and statements made by them are complete and accurate and that they have personally received the Application Form together with a complete and unaltered copy of the Prospectus.

### Placement Options Offer

The Placement Options Offer will only be extended to the Placement Participants (or their nominee/s). Application Forms will only be provided to these parties on invitation by the Directors.

No subscription monies are payable for the Placement Options offered pursuant to this Prospectus under the Placement Options Offer as the Options are being issued on the basis of one (1) Placement Option for every two (2) Shares subscribed for and issued under the Placement.

Completed Application Forms must be returned to the address set out on the Application Form, with sufficient time to be received by or on behalf of the Company by **no later than 5.00pm (AEST) on the Closing Date.**

### SPP Options Offer

The SPP Options Offer will only be extended to the SPP Participants (or their nominee/s). Application Forms will only be provided to these parties on invitation by the Directors.

No subscription monies are payable for the SPP Options offered pursuant to this Prospectus under the SPP Options Offer as the SPP Options are being issued on the basis of one (1) SPP Option for every two (2) SPP Shares subscribed for and issued under the SPP.

Completed Application Forms must be returned to the address set out on the Application Form, with sufficient time to be received by or on behalf of the Company by **no later than 5.00pm (WST) on the Closing Date.**

## Broker Options Offer

The Broker Options Offer will only be extended to Canaccord (or its nominee/s). Application Forms will only be provided to these parties on invitation by the Directors.

No subscription monies are payable for the Broker Options offered pursuant to this Prospectus under the Broker Options Offer as the Broker Options are being issued in consideration for lead manager and underwriting services in relation to the SPP and the Top-Up Placement.

Completed Application Forms must be returned to the address set out on the Application Form, with sufficient time to be received by or on behalf of the Company by **no later than 5.00pm (WST) on the Closing Date**.

### **2.9 Issue**

Options issued pursuant to the Offers will be issued in accordance with the ASX Listing Rules and timetable set out at the commencement of this Prospectus.

Holding statements for Options issued under the Offers will be mailed in accordance with the timetable set out at the commencement of this Prospectus.

### **2.10 Restrictions on the distribution of the Prospectus**

The Offers do not, and are 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 Offers are not being extended and Options will not be issued to applicants with a registered address which is outside Australia or New Zealand.

#### ***New Zealand***

The Offers to New Zealand investors are regulated offers made under Australian and New Zealand law. In Australia, this is Chapter 8 of the Corporations Act and regulations made under that Act. In New Zealand, this is subpart 6 of Part 9 of the Financial Markets Conduct Act 2013 and Part 9 of the Financial Markets Conduct Regulations 2014.

These Offers and the content of the offer document are principally governed by Australian rather than New Zealand law. In the main, the Corporations Act and the regulations made under that Act set out how the offer must be made.

There are differences in how financial products are regulated under Australian law. For example, the disclosure of fees for managed investment schemes is different under the Australian regime.

The rights, remedies, and compensation arrangements available to New Zealand investors in Australian financial products may differ from the rights, remedies, and compensation arrangements for New Zealand financial products.

Both the Australian and New Zealand financial markets regulators have enforcement responsibilities in relation to this offer. If you need to make a complaint about this offer, please contact the Financial Markets Authority, New Zealand (<http://www.fma.govt.nz>). The Australian and New Zealand regulators will work together to settle your complaint.

The taxation treatment of Australian financial products is not the same as for New Zealand financial products.

If you are uncertain about whether this investment is appropriate for you, you should seek the advice of an appropriately qualified financial adviser.

The Offers may involve a currency exchange risk. The currency for the financial products is not New Zealand dollars. The value of the financial products will go up or down according to changes in the exchange rate between that currency and New Zealand dollars. These changes may be significant.

If you expect the financial products to pay any amounts in a currency that is not New Zealand dollars, you may incur significant fees in having the funds credited to a bank account in New Zealand in New Zealand dollars.

If the financial products are able to be traded on a financial product market and you wish to trade the financial products through that market, you will have to make arrangements for a participant in that market to sell the financial products on your behalf. If the financial product market does not operate in New Zealand, the way in which the market operates, the regulation of participants in that market, and the information available to you about the financial products and trading may differ from financial product markets that operate in New Zealand.

## **2.11 Enquiries**

Any questions concerning the Offers should be directed to Andrew Metcalfe, Company Secretary on +61 3 9867 7199 or email [investors@lincolnminerals.com.au](mailto:investors@lincolnminerals.com.au)

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### 3. PURPOSE AND EFFECT OF THE OFFERS

#### 3.1 Purpose of the Offers

The purpose of the Offers is to make an offer of Options to the SPP Participants, Placement Participants and the Underwriter.

Additionally, the Offers are being made such that the relief provided under *ASIC Corporations (Sale Offers That Do Not Need Disclosure) Instrument 2016/80* with respect to the on-sale provisions of section 707 of the Corporations Act is available. Specifically, if the Options are issued with disclosure under this Prospectus, then the Shares issued upon the exercise of any of the Options can be on-sold within 12 months of their issue, without a disclosure document for the on-sale offer.

No funds will be raised from the issue of the Options as they are being issued free-attaching to Shares issued to SPP Participants and Placement Participants and to the Underwriter in consideration for lead manager and underwriting services provided.

#### 3.2 Effect of the Offers

The principal effect of the Offers will be to increase the number of Options on issue from nil as at the date of this Prospectus to 208,571,421.

#### 3.3 Effect of the Offers on capital structure

The effect of the Offers on the Company's capital structure is set out below.

Options	Number
Options currently on issue	0
SPP Options	107,142,849
Placement Options	71,428,572
Broker Options	30,000,000
<b>Total Options on issue on completion of the Offers</b>	<b>208,571,421</b>

**Notes:**

1. The rights and liabilities attaching to the Options are summarised in Section 4.1 of this Prospectus.
2. Shareholder approval is being sought for the issue of all Options pursuant to this Prospectus at the General Meeting. Refer to Section 2.4 of this Prospectus for further details.

The Company currently has 2,056,188,092 Shares on issue. There will be no resulting change to the number of Shares on issue by virtue of the Offers.

#### 3.4 Financial effect of the Offers and pro-forma balance sheet

As stated above, there will be no proceeds from the Offers. The expenses of the Offers (approximately \$200,000) will be met from the Company's existing cash reserves. A total of \$2.5 million was raised from the SPP and the Top-Up Placement, before costs.

The Company's reviewed balance sheet as at 31 December 2023 and the unaudited pro forma balance sheet as at 30 April 2024, 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 assuming completion of the SPP and Top-Up Placement and that no Options or convertible securities are exercised prior to the closing date of the Offers.

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.

	31 December 2023 (REVIEWED)	Subsequent Events from 1 January to 30 April 2024 (UNAUDITED)	Pro forma Adjustments - Effect of SPP and Offers (UNAUDITED)	Pro-forma after SPP and Offers 30 April 2024 (UNAUDITED)
	\$	\$	\$	\$
<b>CURRENT ASSETS</b>				
Cash and cash equivalents	1,601,174	(731,331)	2,780,350	3,150,193
Trade and other receivables	75,331	(13,203)	15,650	77,778
<b>TOTAL CURRENT ASSETS</b>	<b>1,676,505</b>	<b>(744,534)</b>	<b>2,796,000</b>	<b>3,227,971</b>
<b>NON-CURRENT ASSETS</b>				
Other financial assets	30,000	-	-	30,000
Property, plant and equipment	279,064	-	-	279,064
Exploration and evaluation expenditure	5,561,127	-	-	5,561,127
<b>TOTAL NON-CURRENT ASSETS</b>	<b>5,870,191</b>	<b>-</b>	<b>-</b>	<b>5,870,191</b>
<b>TOTAL ASSETS</b>	<b>7,546,696</b>	<b>(744,534)</b>	<b>2,796,000</b>	<b>9,098,162</b>
<b>CURRENT LIABILITIES</b>				
Trade and other payables	81,370	(19,634)	-	61,736
Employee entitlements	59,977	-	-	59,977
<b>TOTAL CURRENT LIABILITIES</b>	<b>141,347</b>	<b>(19,634)</b>	<b>-</b>	<b>121,713</b>

	31 December 2023 (REVIEWED)	Subsequent Events from 1 January to 30 April 2024 (UNAUDITED)	Pro forma Adjustments - Effect of SPP and Offers (UNAUDITED)	Pro-forma after SPP and Offers 30 April 2024 (UNAUDITED)
	\$	\$	\$	\$
<b>TOTAL LIABILITIES</b>	<b>141,347</b>	<b>(19,634)</b>	<b>-</b>	<b>121,713</b>
<b>NET ASSETS</b>	<b>7,405,349</b>	<b>(724,900)</b>	<b>2,796,000</b>	<b>8,976,449</b>
<b>EQUITY</b>				
Contributed Equity	44,194,240	-	2,821,200	46,515,440
Reserve	35,000	-	-	35,000
Accumulated Losses	(36,823,891)	(724,900)	(25,200)	(37,573,991)
<b>TOTAL EQUITY</b>	<b>7,405,349</b>	<b>(724,900)</b>	<b>2,796,000</b>	<b>8,976,449</b>

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## 4. RIGHTS AND LIABILITIES ATTACHING TO SECURITIES

### 4.1 Terms and Conditions of Options

The terms and conditions of the Options are as follows:

(a) **Entitlement**

Each Option entitles the holder to subscribe for one (1) Share upon exercise of the Option.

(b) **Exercise Price**

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

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on the date which is two (2) years from the date of issue (**Expiry Date**). An 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 5 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 (ii) 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 Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

## **4.2 Rights and liabilities attaching to Shares**

The following is a summary of the more significant rights and liabilities attaching to the Shares to be issued upon the exercise of the Options offered pursuant to this Prospectus. 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.

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 plan on such terms and conditions as the Directors think fit and which provides for any dividend which the Directors may declare from time to time payable on Shares which are participating Shares in the dividend reinvestment plan, less any amount which the Company shall either pursuant to the Constitution or any law be entitled or obliged to retain, be applied by the Company to the payment of the subscription price of 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 on exercise of the Options 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.

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## 5. RISK FACTORS

### 5.1 Introduction

The Options offered under this Prospectus are considered highly speculative. An investment in the Company is not risk free and the Directors strongly recommend potential investors to consider the risk factors described below, together with information contained elsewhere in this Prospectus and to consult their professional advisers before deciding whether to apply for Options pursuant to this Prospectus.

There are specific risks which relate directly to the Company's business. In addition, there are other general risks, many of which are largely beyond the control of the Company and the Directors. The risks identified in this section, or other risk factors, may have a material impact on the financial performance of the Company and the market price of the Options.

The following is not intended to be an exhaustive list of the risk factors to which the Company is exposed.

### 5.2 Company specific

Risk Category	Risk
<b>Potential for dilution</b>	<p>Assuming all Options under the Offers are exercised prior to the Expiry Date, the number of Shares in the Company will increase from 2,056,188,092 Shares on issue at the date of this Prospectus to 2,264,759,513 Shares. This means that each Share will represent a lower proportion of the ownership of the Company.</p> <p>It is not possible to predict what the value of the Company or a Share will be following the completion of the Offers being implemented and the Directors do not make any representation as to such matters.</p>
<b>Going concern risk</b>	<p>The Company's half year financial report for the six months ended 31 December 2023 (<b>Half Year Report</b>) includes a note on the financial condition of the Company and the possible existence of a material uncertainty about the Company's ability to continue as a going concern.</p> <p>Notwithstanding the 'going concern' paragraph included in the Half Year Report, the Directors believe that the Company will have sufficient funds to adequately meet the Company's current expenditure commitments and short-term working capital requirements upon completion of the SPP. 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>
<b>Additional requirements for capital</b>	<p>The Company's capital requirements depend on numerous factors, including the successful take up of the Offers. 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 Offers. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If</p>

Risk Category	Risk
	<p>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 technology development and exploration programs 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>
<b>Contractual risk</b>	<p>The Company has contracted with, or will in the future need to contract with, various parties to enable the implementation of its exploration and mining plans on its projects. Such counterparties include service contractors, consultants, suppliers, landowners and native title holders. There is a risk that counterparties may fail to fulfil their obligations under existing or future agreements. This could lead to delays, increase in costs, disputes and even litigation. All these factors could negatively affect the Company's operations and there can be no assurance the Company would be successful in seeking remedies or enforcement of its rights through legal actions. In addition, the Company may look to divest interests which it holds in various mineral rights it holds in respect of certain licences. Any such arrangement, should it arise, may take the form of an asset sale, farm-out arrangement or similar contractual arrangement for the divestment of those rights to third parties. The terms of the arrangement cannot be guaranteed. Any such arrangement carries contract and counterparty risks and the risks that disputes may arise in connection with the contract arrangements.</p>
<b>Exploration and operating</b>	<p>The mineral exploration licences and mining lease comprising the Company's projects, are at various stages of exploration, and potential investors should understand that mineral exploration and development are high-risk undertakings.</p> <p>There can be no assurance that future exploration of these licences, or any other mineral licences that may be acquired in the future, will result in the discovery of an economic resource. Even if an apparently viable resource is identified, there is no guarantee that it can be economically exploited.</p> <p>The future exploration activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns or adverse weather conditions, unanticipated operational and technical difficulties, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, industrial and environmental accidents, industrial disputes, unexpected shortages and increases in the costs of consumables, spare parts, plant, equipment and staff, native title process, changing government regulations and many other factors beyond the control of the Company.</p>

Risk Category	Risk
	<p>The success of the Company will also depend upon the Company being able to maintain title to the mineral exploration licences comprising the projects and obtaining all required approvals for their contemplated activities. In the event that exploration programmes prove to be unsuccessful this could lead to a diminution in the value of the Company's projects, a reduction in the cash reserves of the Company and possible relinquishment of one or more of the mineral exploration licences comprising the Company's projects.</p>
<p><b>Tenure, access and grant applications</b></p>	<p><b>Tenure and Renewal</b></p> <p>Mining and exploration tenements are subject to periodic renewal. The renewal of the term of granted tenements is subject to compliance with the applicable mining legislation and regulations and the discretion of the relevant mining authority. Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the tenements. The imposition of new conditions or the inability to meet those conditions may adversely affect the operations, financial position and/or performance of the Company. The consequence of forfeiture or involuntary surrender or non-renewal of a granted tenement for reasons beyond the control of the Company could be significant. The Company has exploration licences which will shortly be under application for renewal. While there are risks associated with the renewal of tenements generally, the Company is not aware as at the date of this Prospectus of any reason why any of its exploration licences will not be renewed.</p> <p>In relation to expenditure obligations, the Company has previously agreed to an Amalgamated Expenditure Agreement (<b>AEA</b>) which commenced 1 July 2021 through to 31 December 2022 pursuant to which it was to meet a total expenditure of circa \$1.6m (including prior shortfalls) in relation to EL5922, EL5971, EL6024, EL6441, EL6448 and EL6638. The effect of the AEA was to aggregate prior shortfalls in expenditure with additional required expenditure and provide the Company with an extended period of time to meet those amalgamated expenditure requirements. The Department of Energy and Mines of South Australia (<b>Department</b>) has agreed to extend the AEA for a further two-year period (i.e. to 31 December 2024) subject to conditions which include lodgement of expenditure returns when due and the carrying forward of unmet expenditure requirements for a revised AEA. While the Company has established a renewed working relationship with the Department and the Board is of the view the Company has the ability to meet the short-medium term expenditure requirements in relation to its tenements, there is a risk that a failure to comply with expenditure obligations (including the AEA) may result in</p>

Risk Category	Risk
	<p>cancellation of one or more of its exploration licences or mining leases.</p> <p>While the Company previously filed a draft Program for Environmental Protection and Rehabilitation (<b>PEPR</b>) in respect of the Kookaburra Gully Project (ML6460) in 2017, this draft was later withdrawn on the advice of the Department. The Company has been in communication with the Department in relation to the status of both its exploration licences and the mining lease in relation to the Kookaburra Gully Project, however due to the Company not yet having a PEPR approved by the Department, it is currently non-compliant with the conditions of ML6460. While the Company intends to file a further draft PEPR as soon as practicable, there is a risk that any delays in the process may be viewed adversely by the Department and affect the status of the mining lease or potential for the approval of the PEPR and/or be adversely considered on a question of renewal in the future. As at the date of this Prospectus, there has been no indication from the Department that it intends to take any imminent further action in relation to the above and the Company has met with and established, what it considers to be, a good and renewed working relationship with the Department.</p> <p><b>Access</b></p> <p>Exploration and mining licences may include various restrictions excluding, limiting or imposing conditions upon the ability of the Company to conduct exploration or mining activities, including but not limited to in respect of exclusions from pursuing exploration or mining on certain areas of Commonwealth land, requirements arising from Native Title legislation and claims and/or state legislation relating to Aboriginal heritage, culture and objects, environmental based conditions and restrictions and access procedures in relation to privately held land. While the Company will formulate its exploration and mining plans to accommodate and work within any such access restrictions, there is no guarantee the Company will be able to satisfy such conditions on commercially viable terms, if at all. In addition, such restrictions may be complex and/or require approvals, consents or negotiations involving governmental entities or third parties. As such, there is a risk that access issues may prevent the Company from implementing its intended exploration and mining plans in a timely manner or at all, which may adversely impact upon the financial position, operations and prospects of the Company. Further, any future changes in legislation and regulations may impose significant obligations or restrictions on the Company which cannot be predicted.</p>
<p><b>Reliance on key personnel</b></p>	<p>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</p>



Risk Category	Risk
	<p>personnel, in particular its Chief Executive Officer. 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.</p> <p>The Company's future depends, in part, on its ability to attract and retain key personnel. It may not be able to hire and retain such personnel at compensation levels consistent with its existing compensation and salary structure. Its future also depends on the continued contributions of its executive management team and other key management and technical personnel, the loss of whose services would be difficult to replace. In addition, the inability to continue to attract appropriately qualified personnel could have a material adverse effect on the Company's business.</p>
<b>Climate risk</b>	<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 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>

### 5.3 Industry specific

Risk Category	Risk
<b>Native title and Aboriginal Heritage</b>	<p>In relation to tenements which the Company has an interest in or will in the future acquire such an interest, there may be areas over which legitimate common law native title rights of Aboriginal Australians exist. If native title rights do exist, the ability of the Company to gain access to tenements (through obtaining consent of any relevant</p>

Risk Category	Risk
	<p>landowner), or to progress from the exploration phase to the development and mining phases of operations may be adversely affected.</p> <p>The Company's tenements comprising the Kookaburra Graphite Project are within the external boundaries of the Barnarla Native Title Claim. The Directors will closely monitor the potential effect of native title claims or Aboriginal heritage matters involving tenements in which the Company has or may have an interest.</p>
<b>Exploration costs</b>	<p>The exploration costs of the Company are based on certain assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainty, and accordingly, the actual costs may materially differ from the processes and assumptions. Accordingly, no assurance can be given that the cost estimates and the underlying assumptions will be realised in practice, which may materially and adversely impact the Company's viability.</p>
<b>Resource reserves and exploration</b>	<p>The Company has identified a number of exploration opportunities based on geological interpretations and limited geophysical data, geochemical sampling and historical drilling. As announced to ASX on 16 April 2024, the Company has a Mineral Resource Estimate at the Kookaburra Graphite Project. Further work is required to provide confidence over the extent of the mineralisation classified as 'Inferred'. Whilst the Company intends to undertake additional exploratory work with the aim of defining a larger resource, no assurances can be given that additional exploration will result in the determination of an improved resource on any of the exploration opportunities identified. Even if a resource is identified no assurance can be provided that this can be economically extracted.</p> <p>Reserve and 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.</p>
<b>Grant of future authorisations to explore and mine</b>	<p>If the Company discovers an economically viable mineral deposit that it then intends to develop, it will, among other things, require various approvals, licence and permits before it will be able to mine the deposit. There is no guarantee that the Company will be able to obtain all required approvals, licenses and permits. To the extent that required authorisations are not obtained or are delayed, the Company's operational and financial performance may be materially adversely affected.</p>
<b>Mine development</b>	<p>Possible future development of mining operations at the</p>

Risk Category	Risk
	<p>Company's projects are dependent on a number of factors including, but not limited to, the delineation of economically recoverable mineralisation, favourable geological conditions, receiving the necessary approvals from all relevant authorities and parties, seasonal weather patterns, unanticipated technical and operational difficulties encountered in extraction and production activities, mechanical failure of operating plant and equipment, shortages or increases in the price of consumables, spare parts and plant and equipment, cost overruns, access to the required level of funding and contracting risk from third parties providing essential services.</p> <p>If the Company commences production on one of the projects' deposits, its operations may be disrupted by a variety of risks and hazards which are beyond the control of the Company. No assurance can be given that the Company will achieve commercial viability through the development of that/those projects.</p> <p>The risks associated with the development of a mine will be considered in full should the one or more of the Company's projects reach that stage and will be managed with ongoing consideration of stakeholder interests.</p>
<b>Environmental</b>	<p>The operations and proposed activities of the Company are subject to State and Federal laws and regulations concerning the environment. As with most exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. It is the Company's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws.</p> <p>Mining operations have inherent risks and liabilities associated with safety and damage to the environment and the disposal of waste products occurring as a result of mineral exploration and production. The occurrence of any such safety or environmental incident could delay production or increase production costs. Events, such as unpredictable 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 into the environment, environmental damage caused by previous operations or non-compliance with environmental laws or regulations.</p> <p>The disposal of mining and process waste and mine water discharge are under constant legislative scrutiny and regulation. There is a risk that environmental laws and regulations become more onerous making the Company's operations more expensive.</p>

Risk Category	Risk
	<p>Approvals are required for land clearing and for ground disturbing activities. Delays in obtaining such approvals can result in the delay to anticipated exploration programmes or mining activities.</p>
<p><b>Regulatory Compliance</b></p>	<p>The Company's operating activities are subject to extensive laws and regulations relating to numerous matters including resource licence consent, environmental compliance and rehabilitation, taxation, employee relations, health and worker safety, waste disposal, protection of the environment, native title and heritage matters, protection of endangered and protected species and other matters. The Company requires permits from regulatory authorities to authorise the Company's operations. These permits relate to exploration, development, production and rehabilitation activities.</p> <p>While the Company believes that it is in substantial compliance with all material current laws and regulations, agreements or changes in their enforcement or regulatory interpretation could result in changes in legal requirements or in the terms of existing permits and agreements applicable to the Company or its properties, which could have a material adverse impact on the Company's current operations or planned development projects.</p> <p>Obtaining necessary permits can be a time-consuming process and there is a risk that the Company will not 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 of a project or the operation or development of a mine. Any failure to comply with applicable laws and regulations or permits, even if inadvertent, could result in material fines, penalties or other liabilities. In extreme cases, failure could result in suspension of the Company's activities or forfeiture of one or more of the Company's tenements.</p>
<p><b>Production Risk</b></p>	<p>The Company intends to construct production facilities to produce its materials. The facilities are likely to be unique in process and design. There is no guarantee that a facility will operate as expected or that construction and/or operating costs do not exceed budgeted costs potentially making production unprofitable.</p>
<p><b>Marketing Risk</b></p>	<p>The Company must locate buyers for its production. There is a risk that the Company may not be able to enter into arrangements with sufficient buyers to enable production to become profitable.</p> <p>The nature of the materials that are the focus of the Company may require them to meet buyer specific specification. There is a risk that any production by the Company does not meet the required specifications and</p>

Risk Category	Risk
	may not be accepted by the intended buyer.

#### 5.4 General risks

Risk Category	Risk
<b>Economic</b>	General economic conditions, introduction of tax reform, new legislation, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities. If activities cannot be funded, there is a risk that the Company's tenements may have to be surrendered or not proceeded with. General economic conditions may also affect the value of the Company and its valuation regardless of its actual performance.
<b>Competition risk</b>	The industry in which the Company will be involved is subject to domestic and global competition. Although the Company will undertake all reasonable due diligence in its business decisions and operations, the Company will have no influence or control over the activities or actions of its competitors, which activities or actions may, positively or negatively, affect the operating and financial performance of the Company's projects and business.
<b>Market conditions</b>	<p>Share market conditions may affect the value of the Company's Shares regardless of the Company's operating performance. Share market conditions are affected by many factors such as:</p> <ul style="list-style-type: none"> <li>(a) general economic outlook;</li> <li>(b) introduction of tax reform or other new legislation;</li> <li>(c) interest rates and inflation rates;</li> <li>(d) changes in investor sentiment toward particular market sectors;</li> <li>(e) the demand for, and supply of, capital; and</li> <li>(f) terrorism or other hostilities.</li> </ul> <p>The market price of Shares 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 and mining 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. Applicants should be aware that there are risks associated with any securities investment. Securities listed on the stock market, and in particular securities of small cap companies experience extreme price and volume fluctuations that have often been unrelated to the operating performance of such companies. These factors may materially affect the market price of the shares regardless of the Company's performance. Additionally, there can be no assurance that there will be, or continue to be, an active market for the Shares.</p>

Risk Category	Risk
	<p>Further, after the end of the relevant escrow periods affecting Shares in the Company, a significant sale of then tradeable Shares (or the market perception that such a sale might occur) could have an adverse effect on the Company's Share price.</p>
<p><b>Commodity price volatility and exchange rate risks</b></p>	<p>If the Company achieves exploration and/or research and development success leading to production, the revenue it will derive through the sale of product exposes the potential income of the Company to commodity price and exchange rate risks. Commodity prices fluctuate and are impacted by many factors beyond the control of the Company. Such factors include supply and demand fluctuations for precious and base metals, technological advancements, forward selling activities and other macro-economic factors.</p> <p>Furthermore, international prices of various commodities are denominated in United States dollars, whereas the income and expenditure of the Company will be taken into account in Australian currency, exposing the Company to the fluctuations and volatility of the rate of exchange between the United States dollar and the Australian dollar as determined in international markets.</p> <p>The Company may also develop production facilities in other countries. If this were to happen, the Company would be potentially exposed to currencies and the resultant risk of changes relative to the Australian dollar.</p>
<p><b>Government policy changes</b></p>	<p>Adverse changes in 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 South Australia may change, resulting in impairment of rights and possibly expropriation of the Company's properties without adequate compensation.</p> <p>The Company is also planning to sell into foreign markets. Changes to laws relating to market access, tariffs and other taxes, process and procedures required to access these markets may impact the viability of the Company.</p>
<p><b>Insurance</b></p>	<p>The Company intends to insure its operations in accordance with industry practice. However, in certain circumstances the Company's insurance may not be of a nature or level to provide adequate insurance cover. 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.</p> <p>Insurance of all risks associated with mineral exploration and production is not always available and where available the costs can be prohibitive.</p>
<p><b>Force Majeure</b></p>	<p>The Company's projects now or in the future may be adversely affected by risks outside the control of the Company including labour unrest, civil disorder, war,</p>

Risk Category	Risk
	subversive activities or sabotage, fires, floods, explosions or other catastrophes, epidemics or quarantine restrictions.
<b>Taxation</b>	<p>The acquisition and disposal of Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Shares 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 Shares under this Prospectus.</p>
<b>Litigation Risks</b>	<p>The Company is exposed to possible litigation risks including native title claims, tenure disputes, environmental claims, occupational health and safety claims, intellectual property disputes 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, reputation, financial performance and financial position. The Company is not currently engaged in any material litigation.</p>
<b>Economic conditions and other global or national issues</b>	<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 unrest, civil disorder, and states of emergency), natural disasters (including fires, earthquakes and floods), and quarantine restrictions, epidemics and pandemics, 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>Specifically, it should be noted that the current evolving conflict between Ukraine and Russia and in the Middle East is impacting global macroeconomics and markets generally. The nature and extent of the effect of this conflict on the performance of the Company and the value of its Securities remains unknown. The Company's Share price may be adversely affected in the short to medium term by the economic uncertainty caused by the conflict between Ukraine and Russia and the Middle East and overall impacts on global macroeconomics. Given the situation is continually evolving, the outcomes and consequences are inevitably uncertain.</p>

## **5.5 Speculative investment**

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

Therefore, the Options to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Options.

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



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## **6. ADDITIONAL INFORMATION**

### **6.1 Litigation**

As at the date of this Prospectus, the Company is not involved in any legal proceedings of a material nature. The Directors are aware of pending legal proceedings against the Company from a former contractor that are not considered material due to their nature and scale.

### **6.2 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 Company’s securities.

This Prospectus is a “transaction specific prospectus”. In general terms a “transaction specific prospectus” is only required to contain information in relation to the effect of the issue of securities on the 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.

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 3 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.

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 or an ASIC office during normal office hours.

Details of documents lodged 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
14 June 2024	s708 cleansing notice
14 June 2024	Application for quotation of securities – LML
14 June 2024	Change in substantial holding – Vaucluse
14 June 2024	Application for quotation of securities – LML
7 June 2024	Update – Proposed issue of securities – LML
7 June 2024	Application for quotation of securities – LML
7 June 2024	Completion of top-up placement
5 June 2024	Trading Halt
4 June 2024	Completion of underwritten SPP
3 June 2024	Corporate Presentation – EU Critical Minerals Delegation
29 May 2024	Share Purchase Plan closing date
29 May 2024	LML launch integrated Battery Anode Material Scoping Study
27 May 2024	Update – Proposed issue of securities – LML
27 May 2024	Proposed issue of securities – LML
27 May 2024	Comprehensive Metallurgy and Test Work Review for KG Project
23 May 2024	Extension of Share Purchase Plan
21 May 2024	Closing Date for Lincoln Underwritten Share Purchase Plan
20 May 2024	Escrow release
17 May 2024	Notice of General Meeting/Proxy Form
16 May 2024	Uranium drilling campaign accelerated at Jungle Dam prospect
14 May 2024	LML participate in EU Trade Mission as graphite demand grows
8 May 2024	Study Manager appointed to spearhead KGP development

Date	Description of Announcement
6 May 2024	Share Purchase Plan letter to shareholders
3 May 2024	SPP Booklet
3 May 2024	Cleansing Notice pursuant to SPP
1 May 2024	Paydirt Battery Minerals Conference Presentation
30 April 2024	Quarterly Activities/Appendix 5B Cash Flow Report
26 April 2024	Proposed issue of securities - LML
26 April 2024	Launches underwritten \$1.5m SPP to advance SA Projects
23 April 2024	Trading Halt
16 April 2024	Update to Doubling the Kookaburra Gully Graphite Resource
16 April 2024	Paydirt Conference Presentation
15 April 2024	Target achieved of doubling the Kookaburra Graphite Project
10 April 2024	Update to release 'MULTIPLE URANIUM TARGETS IDENTIFIED'
9 April 2024	Multiple uranium targets identified- intercepts up to 570ppm
3 April 2024	Escrow release
27 March 2024	High-grade graphite intercepts up to 30.5% TGC at KG Project
21 March 2024	1.2Bt Green Iron Project & Commencement of partner process
21 March 2024	1.2Bt Magnetite Resource (signed off by Competent Persons)
7 March 2024	Half Yearly Report and Accounts
6 March 2024	New Graphite exploration targets increase size of KG Proj
8 February 2024	Release of shares from escrow
7 February 2024	Lincoln Minerals presentation High Grade Australian Graphite
6 February 2024	Feasibility Study accelerated for KG Graphite project
29 January 2024	LML Dec 2023 QR CORRECTION
25 January 2024	Quarterly Activities/Appendix 5B Cash Flow Report
16 January 2024	Release of securities from escrow
18 December 2023	Drilling commences at Kookaburra Gully Graphite Project
12 December 2023	Change of Director's Interest Notice RS
12 December 2023	Change of Director's Interest Notice RZ
8 December 2023	Investor webinar presentation
8 December 2023	Investor Presentation - uplift in graphite resource
8 December 2023	Kookaburra Gully Graphite Project increases Resource by 87%
6 December 2023	Application for quotation of securities - LML
6 December 2023	Disclosure Document - cleansing prospectus
4 December 2023	LML included in 2023 Critical Minerals Prospectus
1 December 2023	Initial Director's Interest Notice JB
1 December 2023	Non-Exec Director Appointment JB
27 November 2023	Results of Meeting

Date	Description of Announcement
27 November 2023	Chair's Address to Shareholders
15 November 2023	Noosa Mining Conference presentation
13 November 2023	Placement completion
10 November 2023	Alteration to Notice of Meeting
10 November 2023	Application for quotation of securities - LML
7 November 2023	Application for quotation of securities - LML
6 November 2023	Disclosure Document - Cleansing Prospectus
6 November 2023	Placement update
1 November 2023	Update - Proposed issue of securities - LML
31 October 2023	Quarterly Activities/Appendix 5B Cash Flow Report
30 October 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 <https://lincolnminerals.com.au/>.

### 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 closing market sale prices of the Shares on ASX during the three months immediately preceding the date of lodgement of this Prospectus with the ASIC were:

	Price	Date
Highest	\$0.009	22 April 2024
Lowest	\$0.005	22 February 2024
Last	\$0.006	17 June 2024

### 6.4 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	%
Bai Fu Xin Inheritance Group Pty Ltd	457,182,944	22.23
HSBC Custody Nominees (Australia) Limited	340,235,560	16.55

There will be no material change to the substantial holders on completion of the Offers.

## 6.5 Directors' Interests

Other than as set out below or elsewhere in this Prospectus, no Director nor any firm in which such a Director is a partner, has or had within 2 years before the lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offers pursuant to this Prospectus; or
- (c) the Offers,

and no amounts have been paid or agreed to be paid (in cash or Shares or otherwise) to any Director or to any firm in which any such Director is a partner or director, either to induce them to become, or to qualify them as, a Director or otherwise for services rendered by them or by the firm in connection with the formation or promotion of the Company or the Offers.

### 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 Offers are set out in the table below.

Director	Shares	Options	Performance Rights
Ruiyu Zhang	12,333,333	Nil	Nil
Ryan Smith	1,000,000	Nil	Nil
John Lam	Nil	Nil	Nil
Julian Babarczy	320,000,000 <sup>1</sup>	Nil	Nil

#### Notes:

1. Julian Babarczy holds these Shares indirectly through Vaucluse Investments Holdings Pty Limited <ATF Jigsaw Investments Trust>.

### 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 \$450,000 per annum.

A Director may be paid fees or other amounts (ie 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 (and proposed) annual remuneration paid to both executive and non-executive directors.

Director	Current Financial Year Ending 30 June 2024 <sup>1</sup>			Financial Year Ended 30 June 2023		
	Directors' Fees/Salaries	Share-based Payments	Other	Directors' Fees/Salaries	Share-based Payments	Other
Ruiyu Zhang	\$80,000	-	-	\$55,833	\$110,000	-
Ryan Smith <sup>1</sup>	\$50,000	-	\$23,333	-	-	-
John Lam <sup>1</sup>	\$50,000	-	-	-	-	-
Julian Babarczy <sup>1</sup>	\$50,000	-	\$35,000	-	-	-

**Notes:**

1. Mr Smith, Mr Lam and Mr Babarczy were each elected in FY24.

## 6.6 Interests of experts and advisers

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

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

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

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

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 Offers.

Steinepreis Paganin has acted as the solicitors to the Company in relation to the Offers. The Company estimates it will pay Steinepreis Paganin \$17,500 (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 \$12,441 (excluding GST and disbursements) for legal services provided to the Company.

## 6.7 Consents

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of the Options), 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; and
- (b) in light of the above, only to the maximum extent permitted by law, expressly disclaims and takes 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.

Steinepreis Paganin has given its written consent to being named as the solicitors to the Company in this Prospectus. Steinepreis Paganin has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

## 6.8 Estimated expenses of Offers

The total expenses of the Offers are estimated to be approximately \$200,000 as follows:

Expense	(\$)
Underwriting and Corporate Fees	146,000
ASIC Fees	3,206
Legal Fees	17,500
Miscellaneous, printing and other expenses	33,294
<b>Total</b>	<b>200,000</b>

## 6.9 Electronic Prospectus

ASIC has exempted compliance with certain provisions of the Corporations Act to allow distribution of an electronic prospectus and electronic application form on the basis of a paper prospectus lodged with the ASIC, and the publication of notices referring to an electronic prospectus or electronic application form, subject to compliance with certain conditions.

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Application Form. If you have not, please phone the Company <https://lincolnminerals.com.au/> or email [investors@lincolnminerals.com.au](mailto:investors@lincolnminerals.com.au) and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus, or both.

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 Prospectus or any of those documents were incomplete or altered.

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

The Company will not be issuing certificates to investors. The Company is a participant 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. Because the sub-registers are electronic, ownership of securities can be transferred without having to rely upon paper documentation.

Electronic registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with a statement (similar to a bank account statement) that sets 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.

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.

#### **6.11 Privacy Act**

If you complete an application for Options, 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, facilitate distribution payments and corporate communications to you as a Shareholder and carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the register, 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 Company's Share Registry.

You can access, correct and update the personal information that we hold about you. Please contact the Company if you wish to do so at the relevant contact numbers set out in this Prospectus.

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



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**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.

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## 8. DEFINITIONS

**\$** means Australian dollars.

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

**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.

**Broker Options** has the meaning given to that term on the cover page of this Prospectus.

**Broker Options Offer** has the meaning given to that term on the cover page of this Prospectus.

**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 in Section 1.1 of this Prospectus (unless extended or brought forward).

**Company** means Lincoln Minerals Limited (ACN 050 117 023).

**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 Shareholders** means, in relation to the SPP, Shareholders of the Company who are registered as holders of Shares at 7.00pm (AEST) on 24 April 2024 and whose registered address is in Australia or New Zealand.

**Meeting** has the meaning given to it in Section 2.2.

**Offers** means the Broker Options Offer, Placement Options Offer and SPP Options Offer.

**Opening Date** means the opening date of the Offers as specified in the timetable set out in Section 1.1 of this Prospectus (unless varied).

**Option** means an option to acquire a Share.

**Optionholder** means a holder of an Option.

**Placement Options** has the meaning given to that term on the cover page of this Prospectus.

**Placement Options Offer** has the meaning given to that term on the cover page of this Prospectus.

**Placement Participants** has the meaning given to it in Section 2.5.2.

**Prospectus** means this prospectus.

**Section** means a section of this Prospectus.

**Securities** include a Share, Option and/or a convertible security (as the context requires).

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

**Shareholder** means a shareholder of the Company.

**Share Registry** means Computershare Investor Services Pty Limited (ACN 078 279 277).

**SPP** has the meaning given to that term on the cover page of this Prospectus.

**SPP Options** has the meaning given to that term on the cover page of this Prospectus.

**SPP Options Offer** has the meaning given to that term on the cover page of this Prospectus.

**SPP Participants** has the meaning given to it in Section 2.5.1.

**SPP Share** has the meaning given in Section 2.1.

**SPP Shortfall** has the meaning given in Section 2.2.

**Top-Up Placement** has the meaning given to it in Section 2.2.

**Underwriter** means Canaccord Genuity (Australia) Limited (ACN 075 071 466).

**WST** means western standard time as observed in Perth, Western Australia.