



## Pre-Quotation Disclosure Announcement

Octava Minerals Limited [ACN 644 358 403] (ASX:OCT) (**Company**) is pleased to announce that it has raised \$6 million through the issue of 30,000,000 fully paid ordinary shares (**Shares**) under the Equity Offer made in its prospectus dated 17 June 2022 and its supplementary prospectus dated 26 July 2022 (each as lodged with ASIC on those same dates) (collectively the **Prospectus**).

The following information is given for release to the market in connection with the quotation of the ordinary shares of the Company on the Australian Securities Exchange (**ASX**).

Unless defined in this announcement, capitalised terms have the meanings defined in the Prospectus.

### Close of the Offers and issue of securities

The Company confirms all Offers made under the Prospectus have closed and that the Company has issued 30,000,000 Shares at \$0.20 (20 cents) per Share under the Equity Offer.

The Company has also issued the following securities under the other Offers:

- 5,250,000 Shares as part consideration for the acquisition of some of the projects as described in the Prospectus under the Vendor Offer; and
- 2,000,000 Adviser Options to unrelated third-party advisers of the Company as described in the Prospectus under the Adviser Option Offer.

### Statement of commitments

Below is a use of funds table reflecting the anticipated use of funds following completion of the maximum \$6 million raising under the IPO as set out in the Prospectus:

Activity	Maximum Subscription (\$6m)
Exploration expenditure <i>(The next 3 rows break down expenditure by Project. Refer Section 1 for more details)</i>	\$3,470,000
<i>East Pilbara</i>	<i>\$1,850,000</i>
<i>East Kimberley</i>	<i>\$915,000</i>
<i>Yallalong</i>	<i>\$705,000</i>

Administration costs <i>(The next 3 rows break down costs)</i>	\$1,920,000
<i>Director fees</i>	<i>\$847,000</i>
<i>General administration</i>	<i>\$963,000</i>
<i>Exploration administration</i>	<i>\$110,000</i>
Vendor payments (reimbursement) <i>(The next 2 rows break down costs)</i>	\$190,000
<i>Talga</i>	<i>\$180,000</i>
<i>Eginbah</i>	<i>\$10,000</i>
Expenses of the Offers	\$530,000

Notes to table:

1. The above intended use of funds is indicative only and is subject to change.
2. Exploration expenditure reflects the existing plans of the Company. As is common for entities engaged in mineral exploration, depending on the results of its exploration activities the Company may choose to allocate funds other than as set out above, including to accelerate development of a Project.
3. Expenses of the Offers represent the estimated costs which are unpaid at the date of this Prospectus. Details of the full expenses of the Offers (including of the costs which have already been paid as at the date of this Prospectus) are set out in section 9.9.

A pro-forma statement of financial position based on the \$6 million raised under the Equity Offer is set out in Annexure C. The notes to the pro-forma are as set out in Section 3.6 of the Prospectus (refer notes relating to the Maximum Subscription under the Equity Offer).

## Capital Structure

The capital structure of the Company following completion of the Offers is set out below:

Securities	Number
Fully Paid Ordinary Shares	46,145,681
Class A Options (\$0.60 exercise price, expire 8 October 2025)	3,650,007
Class B Options (\$0.90 exercise price, expire 16 September 2024)	481,260
Adviser Options (\$0.30 exercise price, expire 13 September 2024)	2,000,000
Performance Rights (refer Annexures A and B)	3,250,000

The Company confirms that any unquoted securities that had not been issued prior to the lodgement of the application for admission of the Company to ASX have been issued.

### Restricted Securities

The Company advises that the following securities are classified as restricted securities on the basis of mandatory disposal restrictions (escrow) imposed by ASX:

Securities	Number	Restriction Period
Fully Paid Ordinary Shares	2,583,170	24 months from quotation
Fully Paid Ordinary Shares	6,400,000	12 months from issue
Adviser Options	4,566,670	24 months from quotation
Performance Rights	3,250,000	24 months from quotation

### Completion of acquisitions

The Company provides the following confirmations with respect to the acquisitions of interests:

- (a) The Company confirms the satisfaction of conditions precedent and completion of the farm-in and joint venture agreement dated 5 January 2021 between the Company and First Au Limited, under which the Company can earn up to an 80% interest in the exploration licences forming the Talga Gold and Base Metals Project, including the initial payment of \$180,000 as reimbursement of expenditure incurred by First Au Limited.
- (b) The Company confirms the satisfaction of the conditions precedent and completion of the share purchase agreement dated 4 January 2021 between the Company and Rich Well Resources Pty Ltd (**Rich Well**) to acquire 100% of the issued capital of Rich Well from the former shareholders of Rich Well (**Rich Well Vendors**), including the issue of an aggregate of 5,000,000 fully paid ordinary shares and payment of \$10,000 as reimbursement of expenditure.
- (c) The Company confirms the satisfaction of the conditions precedent and completion of the mining property sale and purchase agreement dated 19 November 2020 between the Company and Great Sandy Pty Ltd (**Great Sandy**) to acquire EL 45/5022, including the issue of 250,000 fully paid ordinary shares and payment of \$10,000 as reimbursement of expenditure.

### Access confirmation

The Company confirms there are no legal, regulatory, statutory or contractual impediments to the Company entering the tenements associated with the East Pilbara Project, East Kimberley Project and Yallalong Project and carrying out exploration activities such that the Company will be able to spend its cash in accordance with its commitments for the purposes of Listing Rule 1.3.2(b).

### **Status update**

The Company responded rejecting the allegations of Malik Mohammad Easah prior to lodgement of the IPO prospectus on 17 June 2022. No response has been received from Mr Easah. The Company notes that First Au Limited set out its position refuting the claims of Mr Easah in an announcement released to ASX on 20 June 2022 (refer ASX announcements under ASX code "FAU"). The Company understands that First Au Limited has also not received further correspondence from Mr Easah.

No formal action has been initiated by Mr Easah against either the Company or First Au Limited.

### **Statements with respect to performance rights**

The Company obtained confirmation from ASX that the terms of the performance rights are appropriate and equitable for the purposes of ASX Listing Rule 6.1. A statement disclosing:

- (a) The conditions of the confirmation provided in respect of ASX Listing Rule 6.1 in respect of the performance rights; and
- (b) All of the information required by Guidance Note 19 in respect of the performance rights,

is set out in Annexure A. The Company also obtained a waiver of ASX Listing Rule 1.1 Condition 12 to permit the Company to have on issue 3,250,000 performance rights with an exercise price of less than \$0.20. A statement disclosing the terms and confirmation of the waiver is also set out in Annexure A.

This announcement has been approved by the Board of Octava Minerals Limited.

**David McBain**  
**Company Secretary**  
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**ANNEXURE A**  
**STATEMENT WITH RESPECT TO PERFORMANCE RIGHTS**

Confirmation of terms of performance rights – ASX Listing Rule 6.1

ASX confirmed to the Company that the terms of the 3,250,000 performance rights issued to directors of the Company are appropriate and equitable pursuant to ASX Listing Rule 6.1. The confirmation was provided to the Company on the following conditions:

- (a) The Company provides full disclosure of the dilutionary effect of the performance rights, their terms and conditions and all information required to be disclosed under Guidance Note 19.
- (b) The Company makes an announcement immediately upon satisfaction of any milestones, the conversion of any of the performance rights and the expiry of any of the performance rights.
- (c) The terms and conditions of the performance rights, including without limitation the relevant milestones that have to be satisfied before each performance right converts into an ordinary share, are not changed without the prior approval of ASX and the Company's shareholders.
- (d) Upon conversion of the performance rights, the Company will apply to the ASX for quotation of the shares within the requisition time period.
- (e) The Company discloses the following in each annual report and annual audited financial accounts, half yearly report issued by the Company in respect of any period during which any of the performance rights remain on issue or were converted or cancelled:
  - The number of performance rights on issue during the relevant period.
  - A summary of the terms and conditions of the performance rights, including without limitation the number of ordinary shares into which they are convertible and the relevant milestone.
  - Whether any of the performance rights were converted or cancelled during that period.
  - Whether any milestones were met during the period.

ASX has considered Listing Rule 6.1 only and makes no statement as to the Company's compliance with other ASX Listing Rules.

Further details as required by condition (a) above are set out below:

- The dilutionary effect of the conversion of 33.33%, 66.67% and 100% of the performance rights into fully paid ordinary shares is set out in tables 1 to 3 below:

*Table 1 – dilutionary effect if 33.33% of performance rights convert*

	<b>Number</b>	<b>Percentage</b>
Existing fully paid ordinary shares	46,145,681	97.71%
Conversion of 33.33% of performance rights	1,083,333	2.29%
<b>Total</b>	<b>47,229,014</b>	<b>100%</b>

*Table 2 – dilutionary effect if 66.67% of performance rights convert*

	<b>Number</b>	<b>Percentage</b>
Existing fully paid ordinary shares	46,145,681	95.52%
Conversion of 33.33% of performance rights	2,166,667	4.48%
<b>Total</b>	<b>48,312,348</b>	<b>100%</b>

*Table 3 – dilutionary effect if 100% of performance rights convert*

	<b>Number</b>	<b>Percentage</b>
Existing fully paid ordinary shares	46,145,681	93.42%
Conversion of 33.33% of performance rights	3,250,000	6.58%
<b>Total</b>	<b>49,395,681</b>	<b>100%</b>

*Notes to table: (a) all percentages are subject to rounding; (b) assumes no other convertible securities convert to fully paid ordinary shares.*

- The terms and conditions of the performance rights are set out in Annexure B.
- The performance rights were all issued to Directors of the Company or their associates.

- The number of performance rights issued to each respective recipient and the conversion condition and expiry date are set out in the table below:

Recipient and number of performance rights			Vesting condition	Expiry date
Bevan Wakelam	Clayton Dodd	Damon O'Meara		
500,000	333,334	250,000	The Company's Shares achieving a volume weighted average market price (as that term is defined in the Listing Rules) ( <b>VWAP</b> ) of at least \$0.30 calculated over 30 consecutive trading days (as that term is defined in the Listing Rules) ( <b>Trading Days</b> ) on which trades in Shares were recorded.	23 February 2027
500,000	333,333	250,000	The Company's Shares achieving a VWAP of at least \$0.50 calculated over 30 consecutive Trading Days on which trades in Shares were recorded.	23 February 2027
500,000	333,333	250,000	The Company's Shares achieving a VWAP of at least \$0.70 calculated over 30 consecutive Trading Days on which trades in Shares were recorded.	23 February 2027
1,500,000	1,000,000	750,000		

- The performance rights were issued as reasonable remuneration to incentivise Directors.
- The Directors will seek to create shareholder value by implementing the exploration plans as set out in the Prospectus which may increase the share price. The Directors do not, however, have a direct role in and impact upon the share price of the Company.
- The remuneration of the Directors as set out in the Prospectus is set out below. The remuneration set out below comes into effect upon the Company listing:

Director name	Director fees (per annum)
Clayton Dodd	\$100,000
Bevan Wakelam	\$250,000
Damon O'Meara	\$60,000

- Details of the securities held by the Directors and their associates are set out below:

Director name	Securities held	Consideration
Clayton Dodd	1,000,000 performance rights	Performance rights issued as incentive securities
Bevan Wakelam	<ul style="list-style-type: none"> <li>• 100,000 ordinary shares</li> <li>• 1,500,000 performance rights</li> </ul>	<ul style="list-style-type: none"> <li>• \$0.10 per share</li> <li>• Performance rights issued as incentive securities</li> </ul>
Damon O'Meara	<ul style="list-style-type: none"> <li>• 383,334 ordinary shares</li> <li>• 300,001 Class A Options</li> <li>• 750,000 performance rights</li> </ul>	<ul style="list-style-type: none"> <li>• 133,334 shares issued at \$0.15 per share</li> <li>• 250,000 shares as consideration for acquisition of EL 45/5022</li> <li>• Options issued as free-attaching to shares</li> <li>• Performance rights issued as incentive securities</li> </ul>

- It is considered appropriate to incentivise the Directors to achieve the applicable milestones by aligning the interests of Directors further with those of shareholders and also preserving the cash reserves of the Company to be utilised on exploration activities.
- The number of performance rights was set having regard to the issued capital of the Company at listing (being less than 10% of the issued capital) and also to reflect the respective positions of each of the recipients as it relates to the management of the Company.
- Performance rights each convert into one fully paid ordinary share on achievement of the relevant milestone applicable to that performance right. The potential impact of the conversion of performance rights is set out in Tables 1 to 3 above.
- The terms of performance rights are consistent with Guidance Note 19.

The Company will make an announcement to ASX immediately upon satisfaction of any milestones, the conversion of any of the performance rights and the expiry of any of the performance rights

#### Waiver of ASX Listing Rule 1.1 Condition 12

ASX has granted a waiver of Listing Rule 1.1 Condition 12 to the extent necessary to permit the Company to have on issue the 3,250,000 performance rights held by Directors with an exercise price of less than \$0.20. ASX considered ASX Listing Rule 1.1 Condition 12 only and makes no statement as to the Company's compliance with other ASX Listing Rules.



## ANNEXURE B

### TERMS OF PERFORMANCE RIGHTS

The terms of the performance rights held by Directors and/or their associates are set out below:

**(a) Entitlement**

The Performance Rights entitle the holder (**Holder**) to receive one fully paid ordinary share in the capital of the Company (**Share**) upon the conversion of each Performance Right (once vested).

**(b) Consideration**

The Performance Rights will be granted for nil cash consideration.

**(c) Conversion**

Each Performance Right is a right to receive one Share upon and subject to the satisfaction of the applicable Vesting Condition (refer to clause 4 of these terms and conditions). The conversion price of each Performance Right is nil.

**(d) Vesting Conditions**

Subject to the terms and conditions set out below, the Performance Rights will have the vesting conditions (**Vesting Condition**) specified below:

Recipient and number of performance rights			Vesting condition	Expiry date
Bevan Wakelam	Clayton Dodd	Damon O'Meara		
500,000	333,334	250,000	The Company's Shares achieving a volume weighted average market price (as that term is defined in the Listing Rules) ( <b>VWAP</b> ) of at least \$0.30 calculated over 30 consecutive trading days (as that term is defined in the Listing Rules) ( <b>Trading Days</b> ) on which trades in Shares were recorded.	5 years from issue
500,000	333,333	250,000	The Company's Shares achieving a VWAP of at least \$0.50 calculated over 30 consecutive Trading Days on which trades in Shares were recorded.	5 years from issue
500,000	333,333	250,000	The Company's Shares achieving a VWAP of at least \$0.70 calculated over 30 consecutive Trading Days on which trades in Shares were recorded.	5 years from issue
1,500,000	1,000,000	750,000		

**(e) Expiry Date**

Any Performance Rights that have not vested in accordance with these terms on or before the expiry date will expire and automatically lapse and become incapable of vesting into Shares. Any Performance Rights that have vested in accordance with these terms but have not been exercised on or before the date that is the earlier of the expiry date or one year from the vesting date, will expire and automatically lapse and become incapable of converting into Shares.

**(f) Timing of issue of Shares and quotation of Shares on achievement of Vesting Condition**

Within 5 Business Days of the Board confirming a Vesting Condition has been achieved and receipt of a signed notice of exercise in accordance with the terms of the Company's employee securities incentive plan, the Company will:

- (a) issue, allocate or cause to be transferred to the Holder (or its nominee) the number of Shares to which the Holder is entitled;
- (b) if required, and subject to paragraph 7 below, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act; and
- (c) do all such acts, matters and things to obtain the grant of quotation of the Shares by ASX in accordance with the Listing Rules.

All Shares issued upon the conversion of Performance Rights will upon issue rank equally in all respects with the then issued Shares.

**(g) Restrictions on transfer of Shares**

If the Company is unable to give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, Shares issued on conversion of a Performance Right may not be traded until 12 months after their issue unless the Company, at its sole discretion, elects to issue a prospectus pursuant to section 708A(11) of the Corporations Act.

**(h) Change in Control**

- (a) If prior to the earlier of the conversion of the Performance Rights or the Expiry Date a Change of Control Event occurs, then each Performance Right will automatically vest and immediately convert to a Share.
- (b) A Change of Control Event means:
  - (i) a takeover bid (as defined under the Corporations Act): upon the occurrence of the offeror under a takeover offer in respect of all the Shares announcing that it has achieved acceptances in respect of more than 50.1% of the Shares and that takeover bid has become unconditional (except any condition in relation to the cancellation or conversion of the Performance Rights); or
  - (ii) a court approval of a merger by way of scheme of arrangement (but shall not include a merger by way of scheme of arrangement for the purposes of a corporate restructure (including change of domicile, consolidation, sub-division, reduction or return of the issued capital of the Company)) provided such merger results in a change of control of more than 50% of the ordinary voting securities in the Company.

**(i) Leaver**

Where the Holder (or the person who is entitled to be registered as the holder) of the Performance Rights is no longer employed, or their engagement is discontinued (for whatever reason), with the Company, any unconverted and unvested Performance Rights will automatically lapse and be forfeited by the Holder, unless the Board otherwise determines in its discretion.

**(j) Participation in new issues**

There are no participation rights or entitlements inherent in the Performance Rights and a holder will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Performance Rights. However, the Company will give the holder notice of the proposed issue prior to the date for determining entitlements to participate in any such issue.

**(k) Adjustment for bonus issues of Shares**

If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction, of dividends or by way of dividend reinvestment), the number of Shares which must be issued on the vesting of a Performance Right will be increased by the number of Shares which the holder would have received if the Performance Right had vested before the record date for the bonus issue.

**(l) Adjustments for reorganisation**

If there is a reorganisation (including, without limitation, consolidation, sub-division, reduction or return) of the issued capital of the Company, the rights of a holder will be varied, as appropriate, in accordance with the ASX Listing Rules which apply to reorganisation of capital at the time of the reorganisation.

**(m) Quotation of Performance Rights**

The Performance Rights will be unquoted Performance Rights.

**(n) Transfer**

The Performance Rights are not transferable.

**(o) Dividend and voting rights**

A Performance Right does not entitle the Holder to vote or receive any dividends.

**(p) Return of capital rights**

The Performance Rights do not confer any right to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.

**(q) Rights on winding up**

A Performance Right does not entitle the holder to participate in the surplus profits or assets of the Company upon winding up of the Company.

**(r) No other rights**

- (a) A Performance Right does not give a Holder any rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.
- (b) A Performance Right does not confer the right to a change in the number of underlying Shares over which the Performance Right can vest into.

**(s) ASX**

The Performance Rights shall otherwise have such terms as required by ASX.

**ANNEXURE C**  
**PRO-FORMA STATEMENT OF FINANCIAL POSITION**

	Note	Octava Minerals Limited 31/12/2021 Audited \$	Rich Well Resources Pty Ltd 31/12/2021 Audited \$	Pro Forma Subsequent Events \$	Pro Forma Adjustments \$	Pro Forma Balance \$
<b>ASSETS</b>						
<b>CURRENT ASSETS</b>						
Cash & cash equivalents	3	31,936	4	202,546	5,280,354	5,514,840
Other receivables	4	102,378	45,511	(139,488)	-	8,401
<b>TOTAL CURRENT ASSETS</b>		<b>134,314</b>	<b>45,515</b>	<b>63,058</b>	<b>5,280,354</b>	<b>5,523,241</b>
<b>NON-CURRENT ASSETS</b>						
Exploration and evaluation	5	-	-	-	1,259,996	1,259,996
Financial Asset	6	20,000	-	-	(20,000)	-
<b>TOTAL NON-CURRENT ASSETS</b>		<b>20,000</b>	<b>-</b>	<b>-</b>	<b>1,239,996</b>	<b>1,259,996</b>
<b>TOTAL ASSETS</b>		<b>154,314</b>	<b>45,515</b>	<b>63,058</b>	<b>6,520,350</b>	<b>6,783,237</b>
<b>CURRENT LIABILITIES</b>						
Trade and other payables	7	228,587	44,511	(63,044)	-	210,054
Employee Entitlements		1,287	-	-	-	1,287
Borrowings	8	-	1,000	(1,000)	-	-
<b>TOTAL CURRENT LIABILITIES</b>		<b>229,874</b>	<b>45,511</b>	<b>(64,044)</b>	<b>-</b>	<b>211,341</b>
<b>TOTAL LIABILITIES</b>		<b>229,874</b>	<b>45,511</b>	<b>(64,044)</b>	<b>-</b>	<b>211,341</b>
<b>NET ASSETS</b>		<b>(75,560)</b>	<b>4</b>	<b>127,102</b>	<b>6,520,350</b>	<b>6,571,896</b>
<b>EQUITY</b>						
Issued capital	9	1,449,630	4	348,000	6,520,564	8,318,198
Reserve	10	66,000	-	(66,000)	169,432	169,432
Accumulated Losses	11	(1,591,190)	-	(154,898)	(169,646)	(1,915,734)
<b>TOTAL EQUITY</b>		<b>(75,560)</b>	<b>4</b>	<b>127,102</b>	<b>6,520,350</b>	<b>6,571,896</b>