



**AKORA RESOURCES LIMITED**  
(ACN 139 847 555) (ASX:AKO)

**ENTITLEMENT ISSUE OFFER DOCUMENT**

For a non-renounceable, pro-rata entitlement issue by AKORA Resources Limited to Eligible Shareholders of one (1) New Share for every five (5) Shares held on the Record Date at an issue price of \$0.15 per New Share, to raise up to approximately \$3,009,684 before costs.

The Offer closes at **5:00 pm (AEST) on Friday, 17 May 2024.**

**Important Notice**

This document is not for release or distribution in the United States or elsewhere outside Australia or New Zealand.

This is an important document and requires your immediate attention. If you are in any doubt about how to deal with this document (**Offer Document**), you should consult your stockbroker, accountant, lawyer or other professional advisor.

You are encouraged to carefully read this Offer Document in its entirety before making any investment decision in relation to the Entitlement Issue. If you apply for New Shares under the Entitlement Issue you will be agreeing to be bound by the terms of the Offer Document, and you will confirm that you have read, understood and agreed to the terms of the Offer Document.

This Offer Document is not a prospectus or other form of disclosure document. It does not contain all of the information that an investor may require to make an informed investment decision regarding, or about the rights attaching to, the New Shares offered under this Offer Document.

This Offer Document does not provide financial advice and has been prepared without taking into account your particular objectives, financial situation or needs.

Participation in the Entitlement Issue is only open to holders of fully paid ordinary shares in AKORA at **5:00pm (AEST) on Friday, 26 April 2024 and whose address on the share register is in Australia or New Zealand.**

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## IMPORTANT INFORMATION

This Entitlement Issue Offer Document (the **Offer Document**) has been prepared by AKORA Resources Limited (ACN 139 847 555) (ASX: AKO) and is dated 30 April 2024.

The Company has appointed Harbury Advisors (ABN 89 625 265 965) and PAC Partners Securities Pty Limited (ABN 68 623 653 912) to act as joint lead managers in respect of the Offer.

This Offer Document is not a prospectus or other disclosure document under the Corporations Act and has not been lodged with ASIC.

The Offer contained in this Offer Document is being made without disclosure in accordance with section 708AA of the Corporations Act, as modified by ASIC Corporations (Non-Traditional Rights Issue) Instrument 2016/84.

In general terms, section 708AA permits certain companies to undertake entitlement issues without being required to use or provide to shareholders a prospectus or other disclosure document. Accordingly, the level of disclosure in this Offer Document is significantly less than the level of disclosure required in, and what you would expect in, a prospectus. Eligible Shareholders should rely on their own knowledge of the Company, refer to disclosures made by the Company to ASX, and consult their professional advisors before deciding to accept the Offer.

The Offer Document does not constitute financial product advice and has been prepared without taking into account an Eligible Shareholder's investment objectives or financial circumstances. The Offer Document does not purport to contain all the information that Eligible Shareholders may require to make an informed investment decision regarding, or about the entitlement attaching to, the New Shares offered under this Offer Document.

Securities will only be issued on the basis of this Offer Document in accordance with the terms set out in this Offer Document.

As at the date of this Offer Document, the Company has complied with:

- (a) the provisions of Chapter 2M of the *Corporations Act 2001* (Cth) (**Corporations Act**), as they apply to the Company; and
- (b) sections 674 and 674A of the *Corporations Act*.

The Offer is made only to those Shareholders on the Record Date and who meet the requirements set out in section 2.4 (**Eligible Shareholders**).

Before deciding whether to apply for New Shares, each Eligible Shareholder should consider whether AKORA is a suitable investment for them in light of their own investment objectives and financial circumstances and should seek professional advice from their accountant, stockbroker, lawyer or other professional adviser before deciding whether to invest.

### **This is an important document**

It is important that you carefully read this Offer Document in its entirety before deciding to invest in AKORA and, in particular, that you consider the risk factors that could affect the financial performance of AKORA. In addition to the general risks applicable to all investments in listed companies, there are specific risks associated with an investment in AKORA. You should carefully consider these factors in light of your personal circumstances (including financial and taxation issues) and seek professional advice from your accountant, stockbroker, lawyer or other professional adviser before deciding whether to invest.

## **Disclaimer**

No person is authorised to give any information or to make any representation in connection with the Offer contained in this Offer Document. Any information or representation not contained in this Offer Document may not be relied on as having been authorised by AKORA in connection with the Offer. Neither AKORA nor any other person warrants the future performance of AKORA or any return on any investment made under this Offer Document, except as required by law and then only to the extent so required.

## **Future performance and forward looking statements**

Applicants should note that the past share price performance of AKORA provides no guidance as to its future share price performance. Any financial information provided in this Offer Document is for illustrative purposes only and is not represented as being indicative of AKORA's future financial performance.

This document contains forward-looking statements. Forward-looking statements can generally be identified by use of words such as "may", "should", "could", "foresee", "plan", "aim", "will", "expect", "intend", "project", "estimate", "anticipate", "believe", "forecast", "target", "outlook", "guidance" or "continue" or similar expressions. Forward-looking statements other than those of historical facts may also include statements relating to the future financial condition, results of operations, projects and business of AKORA and certain plans and objectives of the management of AKORA. The forward-looking statements contained in this document are not based solely on historical facts but are based on current expectations about future events and results. These forward-looking statements are subject to inherent known and unknown risks and uncertainties, certain of which are summarised under Section 2 Risk Factors herein, and other factors which are beyond the control of AKORA. Such risks and uncertainties include factors and risks specific to the operations of AKORA, as well as general economic conditions, prevailing interest rates, commodity prices, conditions in the financial markets, government policies and regulations and competitive pressures. As a consequence, forward-looking statements are provided as a general guide only and actual events or results may differ materially from the expectations expressed or implied in such forward-looking statements.

Forward-looking statements in this Offer Document speak only at the date of this Offer Document. Subject to any continuing obligations under applicable law or the ASX Listing Rules, AKORA does not, in providing this information, undertake any obligation to publicly update or revise any of the forward-looking statements for any change in events, conditions or circumstances on which any such statement is based. Accordingly, you are cautioned not to place undue reliance on forward-looking statements contained in this document. Neither AKORA, nor any other person, gives any representation, warranty, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statement will actually occur.

## **Excluded Information**

As at the date of this Offer Document, the Company is not aware of any excluded information of the kind that would require disclosure in this Offer Document pursuant to sections 708AA(8) and (9) of the Corporations Act.

## **Ineligible shareholders**

The Offer contained in this Offer Document is only an offer to persons (including individuals and corporate entities) with registered addresses in Australia or New Zealand. The Offer is not extended to, and no New Shares are offered or will be issued to, persons who do not meet the requirements set out in section 2.4 (**Ineligible Shareholders**).

AKORA has determined, pursuant to ASX Listing Rule 7.7.1 that it would be unreasonable on this occasion to extend the Offer to Ineligible Shareholders having regard to the number of Ineligible Shareholders, the number and value of securities held by Ineligible Shareholders and the costs of complying with the legal and regulatory requirements which would apply to an offer of securities to Ineligible Shareholders in those jurisdictions.

## **Foreign jurisdictions and restrictions on the distribution of this Offer Document**

This Offer Document and accompanying Entitlement and Acceptance Form do not, and are not intended to, constitute an offer of New Shares in any place outside Australia or New Zealand. The distribution of this Offer Document and the accompanying Entitlement and Acceptance Form outside of Australia or New Zealand may be restricted by law and persons who come into possession of this Offer Document and the accompanying Entitlement and Acceptance Form should seek advice on and observe those restrictions. Any failure to comply with those restrictions may constitute a violation of applicable securities laws. Neither this Offer Document nor the accompanying Entitlement and Acceptance Form may be sent or passed to persons outside Australia or New Zealand or otherwise distributed outside Australia or New Zealand.

In particular, the Offer has not been, and will not be, registered under the *Securities Act of 1933* (US) or the securities laws of any state of the United States and is not being made in the United States or generally to persons resident in the United States. Neither this Offer Document nor the accompanying Entitlement and Acceptance Form may be sent to investors in the United States or otherwise distributed in the United States.

The New Shares being offered to residents of New Zealand under this Offer Document are offered in reliance on the *Financial Markets Conduct (Incidental Offers) Exemption Notice 2021* (NZ). This Offer Document and the Entitlement and Acceptance Form have not been registered, filed or approved by any New Zealand regulatory authority under the *Financial Markets Conduct Act 2013* (NZ). This Offer Document is not an investment statement or prospectus under New Zealand law and may not contain all the information that an investment statement or prospectus under New Zealand law is required to contain.

In any event, the Offer is only made to and may only be accepted by Eligible Shareholders. No offer is made pursuant to this Offer Document in any place in which, or to any person to whom, it would be unlawful to make such an offer.

## **Notice to nominees and custodians**

The Offer is being made to all Eligible Shareholders. AKORA is not required to determine whether or not any Eligible Shareholder is acting as a nominee or the identity or residence of any beneficial owners of Shares. Where any registered holder that qualifies as an Eligible Shareholder is acting as a nominee for a foreign person, that registered holder, in dealing with its beneficiary, will need to assess whether indirect participation by the beneficiary in the Offer is compatible with applicable foreign laws. Return of a duly completed Entitlement and Acceptance Form will be taken by the Company to constitute a representation that there has been no breach of those laws.

## **Privacy Act**

If you complete an Entitlement and Acceptance Form, you will be providing personal information to the Company (directly, or to the Company's share registry). The Company collects, holds, and uses 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 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 or its share registry if you wish to do so, at the relevant contact numbers set out in this Offer Document.

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 Entitlement and Acceptance Form, the Company may not be able to accept or process your application.

## **Competent Persons Statement**

The information in this Offer Document that relates to Exploration Targets and Exploration Results is based on information compiled by Mr Jannie Leeuwner – BSc (Hons) Pr.Sci.Nat. MGSSA and is a full-time employee of Vato Consulting LLC. Mr. Leeuwner is a registered Professional Natural Scientist (Pr.Sci.Nat. - 400155/13) with the South African Council for Natural Scientific Professions (SACNASP). Mr. Leeuwner has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and the activity being undertaken to qualify as a Competent Person as defined in the Note for Mining Oil & Gas Companies, June 2009, of the London Stock Exchange and the 2012 Edition of the 'Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (JORC Code). Mr. Leeuwner consents to the inclusion of the information in this document in the form and context in which it appears.

The information in this Offer Document that relates to Mineral Resources for the South Bekisopa Iron Project is based on information prepared by Mr Richard Ellis BSc, MSc, MCSM, FGS, CGeol, EurGeol and is a full-time employee of Wardell Armstrong International. Mr Ellis is a Chartered Geologist of the Geological Society of London and has sufficient experience relevant to the style of mineralisation, the type of deposit under consideration and to the activity undertaken to qualify as a Competent Person as defined in the 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Ellis consents to the inclusion of the information in this document in the form and context in which they appear.

## **Defined terms and abbreviations**

Terms and abbreviations used in this Offer Document are defined in section 5 of this Offer Document.

## **Governing law**

This Offer Document, the Offer and the contracts formed on acceptance of the Applications are governed by the laws of Victoria. Each Applicant submits to the non-exclusive jurisdiction of the courts of Victoria.

## **Queries**

If you have not received a personalised Entitlement and Acceptance Form or have any queries on how to complete the Entitlement and Acceptance Form, please contact AKORA's share registry, Link Market Services Ltd, on 1300 975 518 between 8.30am and 5:30pm (Sydney time), Monday to Friday.

## CHAIRMAN'S LETTER

30 April 2024

Dear Investor,

On behalf of the Directors of AKORA Resources Limited (ACN 139 847 555) (ASX: AKO) (**AKORA** or the **Company**) I am pleased to offer you the opportunity to acquire New Shares in the Company.

This Offer Document contains an offer to existing Eligible Shareholders of the Company to subscribe for one (1) New Share for every five (5) Shares you hold as at the Record Date at an Issue Price of \$0.15 per New Share. This is the **Offer**.

The Company is also pleased to announce that it has completed a private placement to institutional, professional and sophisticated investors (**Placement**) of 5,339,999 Shares at \$0.15 per Share, that raised up to \$801,000. The Shares under the Placement were issued prior to the Record Date under the Offer, meaning investors under the Placement will be entitled to participate in the Offer on the basis of their total shareholdings as at the Record Date, which includes those shares issued pursuant to the Placement.

The funds raised under the Placement and this Offer Document (net of expenses) will be used by the Company for the following:

- (a) Bekisopa Pre Feasibility Study and early Development Works;
- (b) Satrokala Exploratory Drilling; and
- (c) Working capital and costs of the capital raise.

Pleasingly, the Company's largest shareholder, Futureworld Management Pty Ltd, has made a conditional binding commitment to take up any Shortfall in the Offer for up to 8,169,637 Shortfall Shares (subscription amount of up to \$1.23 million) as well as taking up its Entitlement (refer to Section 4.2 for further details).

This Offer Document contains detailed information about the Offer and the Company's business, as well as the risks of investing in the Company. I encourage you to read it carefully.

Yours sincerely,



**Graeme Hunt**  
Non-Executive Chairman  
AKORA Resources Limited

## KEY OFFER DETAILS

| Key data relating to the Offer   |              |
|--|--------------|
| Issue Price per New Share  | \$0.15       |
| Last traded Shares on ASX ended 12 April 2024  | \$0.15       |
| Discount of the Issue Price to the 15-day VWAP of Shares on ASX for the period ended 12 April 2024 | 7.4%         |
| Maximum number of New Shares to be offered under the Offer   | 20,064,563   |
| Proceeds from the Offer (excluding costs associated with the Offer)                                | \$3,009,684* |
| Total number of Shares on issue following the Placement and Offer (assuming full subscription)     | 120,387,376* |

\* These figures are approximate only and are subject to rounding.

## KEY DATES

| Event   | Proposed Date                 |
|---|-------------------------------|
| <b>Announcement Date</b>  | Wednesday, 17 April 2024      |
| <b>Placement Settlement Date</b>  | Tuesday 23 April 2024         |
| <b>Placement Issue Date</b><br>Issue Placement shares and lodgement of Appendix 2A and<br>Cleansing Notice (Placement) with ASX | Wednesday 24 April 2024       |
| <b>“Ex” Date for Entitlement Offer</b>  | Wednesday 24 April 2024       |
| <b>Record Date for Entitlement Offer</b>  | Friday, 26 April 2024         |
| <b>Entitlement Offer Opening Date</b><br>Offer Document lodged with ASX   | Tuesday, 30 April 2024        |
| <b>Entitlement Offer Closing Date</b>   | 5.00 pm on Friday 17 May 2024 |
| <b>Results Announcement Date</b><br>Company announces results of Entitlement Offer  | Wednesday, 22 May 2024        |
| <b>Issue Date</b><br>Issue of New Shares taken up under the Entitlement Offer   | Wednesday, 22 May 2024        |
| <b>Trading Date</b><br>Normal trading of Entitlement Offer Shares and dispatch of<br>holding statements                         | Thursday, 23 May 2024         |

The timetable above is indicative only and may be subject to change. AKORA reserves the right to amend any or all of these dates and times, subject to the *Corporations Act*, the ASX Listing Rules, and any other applicable laws. In particular, AKORA reserves the right, to extend or otherwise vary the Closing Date or to withdraw the Offer without prior notice. Any extension or variation of the Closing Date will have a consequential effect on the date for the allotment of New Shares.

The commencement of quotation of New Shares is subject to confirmation from ASX.

## ANSWERS TO KEY QUESTIONS

| Question   | Answer  |
|--|---|
| What is the Offer?                                     | One (1) New Share for every five (5) Shares held on the Record Date at an Issue Price of \$0.15 per New Share.                                |
| Who can participate in the Offer?                      | Only Eligible Shareholders can participate in the Offer. Eligible Shareholders are persons who meets the requirements set out in section 2.4. |
| How much do I have to pay to participate in the Offer? | The Issue Price for each New Share is \$0.15. You may subscribe for all, or part, of your Entitlement.  |
| What are the terms of the New Shares?                  | The New Shares issued under the Offer will rank equally with all existing Shares.   |

| Question  | Answer   |
|---|--|
| What is the purpose of the Offer?   | <p>Proceeds from the Offer (net of expenses) will be used by the Company for the following:</p> <ul style="list-style-type: none"> <li>(a) Bekisopa Pre Feasibility Study and early Development Works - \$1,850,000;</li> <li>(b) Satrokala Exploratory Drilling - \$1,000,000; and</li> <li>(c) working capital and costs of capital raise – \$960,684.</li> </ul>  |
| Is the Offer underwritten?  | No.  |
| Can I apply for shares in excess of my Entitlement?                         | <p>Yes. Eligible Shareholders who take up their full Entitlement under the Offer may apply for more New Shares than the number shown on their Entitlement and Acceptance Form.</p> <p>Applications for Additional Shares may be considered if a Shortfall under the Offer exists. Additional Shares will be issued to Eligible Shareholders at the discretion of the Directors. There is no guarantee that you will receive Additional Shares.</p>   |
| What are the risks associated with applying for New Shares under the Offer? | <p>An investment in AKORA involves general risks associated with any investment in shares, including that the price of the New Shares may rise or fall.</p> <p>There are also a number of risk factors, both specific to AKORA and of a general nature, which may affect the future operating and financial performance of AKORA and the value of an investment in AKORA. These specific risks include, but are not limited to, exploration and development risks, environmental risks, business risks, additional funding, loss of key management, acquisitions and other strategic investments as well as the risk of future financings.</p> <p>See section 2.12 for further information regarding the risks associated with investing in the Company.</p> |
| What are my options?  | <p>You may:</p> <ul style="list-style-type: none"> <li>(a) take up all, or part, of your Entitlement;</li> <li>(b) take up all of your Entitlement and apply for Additional Shares; or</li> <li>(c) do nothing and allow all of your Entitlement to lapse</li> </ul>   |
| How do I accept my Entitlement?   | <p>If you are an Eligible Shareholder, and you wish to subscribe for all or some of the New Shares making up your Entitlement, you must complete the Entitlement and Acceptance Form and lodge it together with a cheque or payment through BPAY® for the Application Money.</p> <p>Please refer to section 3 for further details on how to accept your Entitlement.</p> <p>If you have not received an Entitlement and Acceptance Form, please call Link Market Services Ltd, on 1300 975 518 between 8.30am to 5.30pm (Sydney time).</p>   |

| <b>Question</b>                        | <b>Answer</b>  |
|--|--|
| Can I sell or transfer my Entitlement? | No. The Offer is non-renounceable and, accordingly, you cannot sell or transfer any of your Entitlement.       |
| How can I obtain further information?  | AKORA encourages you to seek advice from your financial or other professional adviser in respect of the Offer. |

## **1 OVERVIEW OF THE COMPANY**

### **1.1 Overview**

AKORA Resources Limited (ASX: AKO) was incorporated on 6 October 2009 and conducted exploration activities as an unlisted entity until its listing on the Australian Securities Exchange on 16 December 2020.

The Company is focused on the development of four high-grade iron ore projects in Madagascar.

The Company's flagship Bekisopa Iron Ore Project has a 194.7 million tonne (mt) Inferred JORC Resource with very low impurities able to produce a premium-priced +68% Fe concentrate\*. Direct Reduced Iron-Electric Arc Furnace (DRI-EAF) technology which is used to make steel without coal and considerably less carbon emissions, requires iron ore grades of at least 67%.

To generate cash in the near-term, AKORA is advancing plans at Bekisopa to produce up to 2Mt per annum over the first five years of a 61% Fe average grade direct shipping ore (DSO) for shipping to Blast Furnace-Basic Oxygen Furnace (BF-BOF) steelmakers\*.

Please refer to the Company's Investor Presentation released to the ASX on 17 April 2024 for further information regarding the Company and its operations.

\*Please refer ASX announcements dated 2 March 2022 and 11 April 2022.

## **2 THE OFFER AND ELIGIBILITY**

### **2.1 The Offer**

AKORA is offering Eligible Shareholders the opportunity to subscribe for one (1) New Share in AKORA for every five (5) Shares held at 5:00PM (AEST) on the Record Date at an Issue Price of \$0.15 per New Share, to raise approximately \$3,009,684 (before costs).

Based on the number of Shares on issue as at the date of this Offer, a maximum of approximately 20,064,563 New Shares may be issued pursuant to this Offer.

### **2.2 Your Entitlement**

The number of New Shares to which you are entitled to subscribe is shown on the accompanying Entitlement and Acceptance Form. Fractional entitlements have been rounded up to the nearest whole Share, except where the rounding up of a fractional Entitlement would result in the Eligible Shareholder increasing their voting power in the Company from 20% or below to more than 20% in which case the fractional Entitlement has been rounded down. Holdings on different registers or sub-registers will not be aggregated to calculate entitlements.

You may also wish to apply for additional New Shares under the Shortfall Facility set out in Section 2.8.

All of the New Shares offered under this Offer Document will rank equally with the Shares on issue at the date of this Offer Document.

### **2.3 Issue Price**

The Issue Price payable for each New Share is \$0.15, being a 7.4% discount to the 15-day volume weighted average market price (VWAP) of Shares on the ASX for the period ended 12 April 2024.

Eligible Shareholders will not be obliged to pay brokerage fees in respect of New Shares acquired under the Offer, although the Company will pay certain professional, joint lead manager, legal and other fees to third parties.

Eligible Shareholders should note that the market price of Shares may rise and fall between the date of this Offer and the date when New Shares are allotted under the Offer. Accordingly, the price you pay per New Share pursuant to this Offer may be either higher or lower than the market price of Shares at the time of this Offer or at the time the New Shares are allotted under this Offer.

AKORA recommends that you monitor the price of the Shares, which can be found in the financial pages of major Australian metropolitan newspapers, or on the Australia Securities Exchange website at [www.asx.com.au](http://www.asx.com.au) (ASX Code: AKO).

#### **2.4 Eligibility to participate in the Offer**

A person will be eligible to participate in the Offer (**Eligible Shareholders**) if:

- (a) the person was a registered holder of Shares at 5:00pm (AEST) on the Record Date;
- (b) the person's registered address is in Australia or New Zealand;
- (c) the person does not already hold a relevant interest exceeding 20% of the issued share capital of the Company; and
- (d) the allotment of Shares under the Offer will not result in that person acquiring a relevant interest exceeding 20% of the issued share capital of the Company on a post issue basis.

#### **2.5 Shareholders outside Australia and New Zealand**

All shareholders who are not Eligible Shareholders are ineligible shareholders (**Ineligible Shareholders**). AKORA has determined, pursuant to ASX Listing Rule 7.7.1 that it would be unreasonable on this occasion to extend the Offer to Ineligible Shareholders having regard to the number of securities held by Ineligible Shareholders and the costs of complying with the legal and regulatory requirements which would apply to an offer of securities to Ineligible Shareholders in those jurisdictions.

Shareholders resident in Australia or New Zealand holding shares on behalf of persons who are resident overseas are responsible for ensuring that taking up an Entitlement under the Offer does not breach regulations in the relevant overseas jurisdiction.

Ineligible Shareholders will not be entitled to participate in the Offer.

#### **2.6 Closing Date**

The Offer is scheduled to close on **5:00pm (AEST) on Friday, 17 May 2024**. Please refer to section 3 below for details on how to accept your Entitlement.

Please note that AKORA reserves the right, subject to the Corporations Act and the ASX Listing Rules, to amend the Closing Date of the Offer. Any extension or other variation of the Closing Date will have a consequential effect on the date for the allotment of New Shares.

#### **2.7 Trading of Entitlements**

The rights to New Shares under the Offer are non-renounceable. Accordingly, there will be no trading of rights on the ASX, and you may not dispose of your rights to subscribe for New Shares under the Offer to any other party. If you do not take up your Entitlement to New Shares under the Offer by the Closing Date, the Offer to you will lapse.

## 2.8 Shortfall

Subject to the Corporations Act and the requirements of the ASX Listing Rules, Eligible Shareholders who subscribe for their full Entitlement may apply for more New Shares than the number shown on their Entitlement and Acceptance Form. That is, those Shareholders may apply for Additional Shares.

The issue price of each Shortfall Share will be \$0.15, being the same price for New Shares under the Offer.

To the extent that it is commercially practicable, and taking into account AKORA's requirement for funds, the Directors will endeavour to allot the Shortfall Shares to a spread of investors, in order to mitigate any control effects which may arise from issuing Shares to a single or small number of investors. In any event, no investor will be permitted to acquire Shortfall Shares to the extent that such acquisition would result in that investor having a voting power in AKORA in excess of 20% (on a post issue basis).

Shortfall Shares may be issued by the Directors, in accordance with the following policy:

- (a) No investor will be allotted Shortfall Shares to the extent that:
  - (i) such allotment would result in that person acquiring a relevant interest exceeding 20% of the issued share capital of the Company on a post issue basis; or
  - (ii) where that person already holds a relevant interest exceeding 20% of the issued share capital of the Company and such allotment would result in that person increasing their relevant interest.
- (b) The Company will not allocate or issue Shortfall Shares, where it is aware that to do so would result in a breach of the *Corporations Act*, the ASX Listing Rules, or any other relevant legislation.
- (c) The Directors of the Company, in allocating Shortfall Shares, will do all things reasonably necessary to allocate Shortfall Shares on a basis that mitigates any control implications on the Company to the extent possible and noting the binding shortfall commitment provided by Futureworld Management Pty Ltd to subscribe for Shortfall Shares (refer Section 4.2 for further details).
- (d) The Directors reserve the right, subject to the Listing Rules and the *Corporations Act*, to place any Shortfall Shares at their discretion within 3 months after the Closing Date.

There is no guarantee that you will receive Shortfall Shares. In particular, the Directors may allocate to an Eligible Shareholder a lesser number of Shortfall Shares than the Eligible Shareholder applied for or reject any Application for Shortfall Shares. If the number of Shortfall Shares allotted to an Eligible Shareholder is less than the number applied for by that Eligible Shareholder, surplus Application Monies will be refunded in full. Interest will not be paid on monies refunded.

If the Directors decide to issue Shortfall Shares, the Company will endeavour to issue the Shortfall Shares at the same time as the New Shares under the Offer are allotted and in any event within 3 months of the Closing Date.

## 2.9 Allotment of New Shares and Additional Shares

The Company will proceed to allocate New Shares as soon as possible after the Closing Date, subject to receiving ASX permission for official quotation of the New Shares. Allotment of the New Shares is expected to take place on Wednesday, 22 May 2024.

No issue of New Shares will be made unless permission is granted for quotation of the New Shares and any Additional Shares on ASX.

Applications Monies will be held in trust for applicants until New Shares and any Shortfall Shares are allotted. Interest earned on Applications Monies will be for the benefit of AKORA and will be retained by AKORA irrespective of whether New Shares or any Shortfall Shares are issued.

Trading of New Shares will, subject to ASX approval, occur on or about the date specified in the timetable.

Successful Applicants will be notified in writing of the number of New Shares allotted to them as soon as possible following the allotment being made.

#### **2.10 ASX listing**

AKORA has applied for the listing and official quotation of the New Shares on ASX. If granted, official quotation of the New Shares will commence as soon as practicable after allotment of the New Shares to Applicants. It is the responsibility of Applicants to determine their allocation of New Shares prior to trading. The sale by an Applicant of New Shares prior to receiving their Holding Statement is at the Applicant's own risk.

If the New Shares are not granted official quotation on the ASX within 3 months after the date of this Offer Document, none of the New Shares under this Offer Document will be issued and all Application monies will be refunded without interest to Applicants within the time prescribed by the Corporations Act.

#### **2.11 Rights attaching to New Shares**

New Shares will rank equally with existing Shares and will carry the same voting rights, dividend rights and other entitlements at the date they are issued.

#### **2.12 Risks**

An investment in the Company carries risks, including those specific to the Company's projects, those broader risks which affect the mining industry and those more general risks associated with investing in the share market.

This section identifies some of the major risks associated with an investment in the Company. Intending Applicants should consider the risk factors described below, together with information contained elsewhere in this Offer Document, before any decision is made to subscribe for New Shares.

There are numerous risks which could materially and adversely affect the financial and operating performance of the Company, which in turn could impact the value of the Shares. The Directors and management have implemented internal controls and processes to mitigate some of these risks. There are however risks over which the Company, the Directors and management will be unable to exert significant influence.

Any potential investor should be aware that subscribing for New Shares involves various risks. The New Shares to be issued pursuant to the Offer Document carry no guarantee with respect to the payment of dividends, return of capital or the market value of those Shares.

An investment in Shares of the Company should therefore be considered speculative. The following risk factors in this Section 2 are not intended to be an exhaustive list of the risk factors to which the Company is exposed. In addition, this section has been prepared without taking into account Applicants' individual financial objectives, financial situation and particular needs. Applicants should seek professional investment advice if they have any queries in relation to making an investment in the Company.

## 2.13 Specific risks

### (a) **Financing Risks**

The Company currently has no operating revenue and it is unlikely to generate any revenue from its existing projects in the short term. The Company may not raise sufficient funds from the capital raising to advance its projects. There is no guarantee that the Entitlement Offer will be fully subscribed. The Company may need to raise additional funds in the future to advance its Bekisopa and Satrokala projects, to fund further exploration and development at the Company's other projects and there is no assurance that the Company will be able to secure additional funding, whether debt, equity or otherwise, on acceptable terms, or at all. If the Company is unable to raise sufficient funds from this capital raising or any further capital raising, it may consider other funding alternatives. These alternatives could include additional equity funding, debt funding, joint venture or farm-in arrangements, streaming finance, convertible loans or asset sales. None of these alternatives have been determined at present, and any need to implement a funding alternative would be considered if the need arises having regard to the circumstances at that time. There is no assurance that AKORA will be able to implement any specific alternative. Any additional equity funding may have a dilutionary impact on a shareholder's holding in AKORA, or a negative impact on AKORA's share price.

If the Company is unable to obtain additional funding as needed, it may be required to reduce the scope or suspend its proposed work program for the Bekisopa and Satrokala Projects.

### (b) **Exploration and Development**

The business of exploration, project development and mining contains risks by its very nature. To prosper, a mining exploration and development company needs to have successful exploration operations and the economic conversion of resources to reserves within the meaning of the 2012 JORC Code; it must be competent in the design and construction of efficient production/processing facilities and must be competent in its operations and managerial performance and must be proficient in the marketing of product. The future value of the Company will depend on its ability to find and develop resources that are economically recoverable. The Company is entirely dependent on the Projects which is the sole potential source of revenue, and any adverse developments affecting these projects would have a material adverse effect on the Company, its business, prospects, results of operations and financial condition.

Notwithstanding the experience, knowledge and careful evaluation a company brings to an exploration project, there is no assurance that recoverable mineral resources will be identified. Even if identified, other factors such as technical difficulties, geological conditions, adverse changes in government policy or legislation or lack of access to sufficient funding may mean that the resource is not economically recoverable or may otherwise preclude a company from successfully exploiting the resource.

Accordingly, there is no assurance that future exploration expenditure will result in discoveries or upgrade existing mineralisation to the stage where such can be successfully commercially exploited.

### (c) **Mineral Resources**

Exploration involves a significant degree of risk and exploration operations can be hampered by force majeure circumstances and cost overruns for unforeseen events,

including unexpected variations in geology, labour availability, COVID-19 restrictions and equipment malfunction.

Mineral Resources which are not Ore Reserves do not have demonstrated economic viability. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, operational cost, metal price, mining control, dilution or other relevant issues.

The category of reported Inferred Mineral Resources is the lowest level of confidence under the JORC Code. The evaluation of these resources with the intention of upgrading resource categories and converting them to reserves is impacted by a number of issues, including mining dilution, metallurgical recovery and grade variability. There can be no guarantee that the resources will be developed to the point of production.

(d) **Upgrading Resource Categories and Conversion of Resources to Reserves**

Reserve and resource estimates are expressions of judgment based on knowledge, experience and industry practice. Estimates which were valid when originally calculated may alter significantly when new information or techniques become available. In addition, by their very nature, resource estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate.

As further information becomes available through additional fieldwork and analysis, the estimates are likely to change. This may result in alterations to development plans which may, in turn, adversely affect the Company's operations. The variables on which estimates of resources and reserves are made include a number of factors and assumptions such as historical production, assumed effects of regulation by government agencies, assumptions regarding future prices and future capital and operating costs, all of which may vary considerably from those initially planned or used in determining any such resources or reserves. Changes in any underlying assumptions that affect either the cost of recovery or the viability of recovery of any resource will affect any calculation of Reserves.

(e) **Bekisopa Project Risk**

The Company's Bekisopa Scoping Study (SS) is insufficient to provide assurance of an economic DSO Stage 1 development case at this stage and there is no certainty that the conclusions of the SS will be realised. The material assumptions relating to the SS are estimates and are subject to change, which may affect the viability of the Bekisopa DSO Start-Up project. There is also no guarantee that the Company will complete a PFS, DFS or EIS or if completed that the Company will be able to obtain necessary approvals or raise sufficient funds for the development of the project. Potential delays in completion of the PFS, or failure to obtain necessary approvals or to raise sufficient funds could have a material adverse effect on the Company's financial performance or a negative impact on the Company's share price. Mineral development is a high risk undertaking and successful development cannot be guaranteed.

(f) **Operations**

The operations of the Company may be affected by various factors including failures in internal controls and financial fraud. To the extent that such matters may be within the control of the Company, the risks will be addressed through management and supervision controls.

The exploration programs of the Company and project development and mining operations may be affected by numerous factors beyond the control of the Company. These may include adverse weather conditions, industrial and environmental accidents, industrial disputes and unexpected shortages or increases in the costs of consumables, plant and

equipment, and events involving fire or explosions and the occurrence of other incidents beyond the control of the Company.

(g) **Legal System**

Madagascar has a less developed legal system than more established economies which could result in risks such as:

- (i) effective legal redress in the Malagasy courts being more difficult to obtain;
- (ii) higher degree of discretion on the part of governmental authorities who may be susceptible to corruption;
- (iii) lack of judicial or administrative guidance on interpreting applicable rules and regulations; and
- (iv) inexperience of the judicial system in such matters.

(h) **Occupational Health and Safety**

The mining industry has become subject to increasing occupational health and safety responsibility and liability. The potential for liability is a constant risk. If the Company fails to comply with necessary OH&S legislative requirements, it could result in fines, penalties and compensation for damages as well as reputational damage.

(i) **Environmental**

The mineral exploration sector operates under Australian Federal and State environmental laws, and the Company's projects will also be subject to the laws of Madagascar. As with most exploration and development projects, 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, in order to minimise damage to the environment and risk of liability. Nevertheless, there are certain risks inherent in AKORA's activities which could subject the Company to extensive liability.

The Company's operations may require it to use hazardous materials and produce hazardous waste which may be alleged to have an adverse impact on the environment or cause exposure to hazardous materials. Despite efforts on the part of the Company to conduct its activities in an environmentally responsible manner and in accordance with all applicable laws, the Company may be subject to litigation as a consequence. This may extend to being the subject of investigation by environmental authorities and incurring clean up obligations. This exposure could delay the timetable of a project and may subject the Company to restrictions and substantial penalties, including fines, damages, clean-up costs and other penalties.

Mining companies operating in Madagascar are subject to environmental laws and regulations with respect to matters such as:

- (i) limitations on land use;
- (ii) prospecting and mining rights requirements;
- (iii) reclamation and restoration of sites after completion;
- (iv) protection of human health, plant life and wildlife; and
- (v) remediation of contaminated soil.

While it may be reasonably expected that all requisite approvals will be forthcoming, and whilst obligations for expenditure may be predicated on any requisite approvals being obtained, it cannot be guaranteed that any or all requisite approvals will be obtained.

A failure to obtain any approval would mean that the ability to amend existing plans, undertake proposed development plans or infrastructure upgrades, participate in or develop any project, or possibly acquire any project, may be limited or restricted either in part or absolutely, which may have a material adverse effect on the Company.

(j) **Mineralisation**

Mining exploration operations are high risk. Each mineralised system is unique and the nature of mineralisation, the occurrence and grade of any material, and its behaviour during mining, cannot be wholly predicted. Estimates of a mineral deposit are not precise calculations, but are based on interpretation and on samples from drilling, which may represent a very small sample of the entire ore body.

(k) **Tenements**

The Company's interest in Tenements and the Projects in Madagascar are governed by legislation and are evidenced by the granting of leases and licences by the relevant bodies. The Company will have an obligation to meet conditions that apply to the tenements under the above legislation, including the payment of rent and prescribed annual expenditure commitments.

Despite the Company's intention to be in full compliance with all obligations applicable to the tenements, there can be no guarantee that tenements that are subject to renewal will be renewed, or that expenditure commitments and other conditions that apply to the tenements will be satisfied.

Renewal conditions may be more onerous by requiring, for example, increased expenditure and work commitments or compulsory relinquishment of areas of the tenements.

(l) **Approvals**

The Company is reliant on environmental and other approvals in Madagascar to enable it to proceed with the exploration and any development of the Tenements. There is no guarantee that the required approvals will be granted and failure by the Company to obtain the relevant approvals, or any delay in the award or transfer of the approvals, may materially and adversely affect the ability of the Company to proceed with the proposed exploration and development operations.

(m) **Access**

There is a substantial level of regulation and restriction on the ability of exploration and mining companies to have access to land in Madagascar.

Negotiations with landowners/occupiers are generally required before gaining access to land for exploration and mining activities. Inability or delays in gaining access may adversely impact on the Company's activities.

The Company may need to enter into compensation and access agreements before gaining access to land.

(n) **Regulatory, political, economic and social risks**

Currently, all the Company's exploration activities occur in Madagascar which has from time-to-time experienced political instability. The Company may be affected by possible

instability and the risks, including, among other things, security concerns, labour disputes, government policy, and issues with citizens and native peoples.

The mining industry in Madagascar is the subject of cross border relations. Many of the areas the subject of the Company's Projects are subject in whole or in part to local determinations, or claims made by local title parties and may contain indigenous heritage sites. The ability of the Company to undertake exploration or development operations on that tenement may be delayed or prohibited in the event that applicable consents cannot be obtained from the relevant native title parties or native groups.

(o) **Approvals to Develop Mineral Deposits**

If the Company discovers an economically viable mineral deposit that it then intends to develop, it will require various approvals, licences and permits before it will be able to mine the deposit. There can be no guarantee that the Company will be able to obtain all required approvals, licences and permits promptly or at all. 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) **Contractual Risk**

All companies operate through a series of contractual relationships with operators, technical experts, project managers, suppliers, customers and contractors generally. All contracts carry risks associated with the performance by the parties of their obligations as to time and quality of work performed. To the extent that third parties default in their obligations under such documents, it may be necessary for the Company to take legal action which may be costly and no guarantee can be given that a legal remedy will ultimately be granted on appropriate terms. In the event that the Company wishes to vary, terminate or amend contractual relationships due to the Company's circumstances or requirements of the operations, it may incur penalties and liabilities or such action may lead to legal action with the consequences as mentioned previously.

(q) **Failure of Studies**

Subject to the results of exploration and testing programs to be carried out, the Company may progressively undertake a number of studies in respect of a project. These studies may include scoping, pre-feasibility, definitive feasibility and bankable feasibility studies. These studies will be undertaken within parameters designed to determine the economic feasibility of the project. There can be no guarantee that any of the studies will confirm the economic viability of the Projects or the results of other studies undertaken by the Company (e.g. the results of a feasibility study may materially differ from the results of a scoping study).

Even if a study confirms the economic viability of a project, there can be no guarantee that the project will be successfully brought into production as assumed or within the estimated parameters in the feasibility study once production commences.

(r) **Developing Countries**

Investors in the securities of issuers who are conducting business in developing countries like Madagascar should be aware that these investments are generally subject to greater risk than investments in more developed countries and carry risks not typically associated in more mature markets. Investors should note Madagascar's economy, like those of other developing countries are subject to rapid change and that the information set out in the Offer Booklet may become outdated relatively quickly. Accordingly, prospective investors

should exercise particular care in evaluating risks involved and must decide for themselves whether their investment is appropriate.

(s) **Sovereign and Political Risks**

The mining industry in Madagascar is in its early stages and is not as developed as other more established jurisdictions in which the Company's competitors operate. As such, Madagascar currently has limited resources, infrastructure and experience to support mining. However, these have been growing with the development and operation of two significant projects involving Rio Tinto and Sumitomo. Further there is no material history of mining operations in Madagascar meaning that there is limited "in-country" experience available to the Company. The legislative and regulatory framework under which the Company operates is largely untested.

(t) **Additional Expenditure**

From time to time there may be a need to undertake expenditure that has not been taken into account in this Offer Document. Although the Company is not presently aware of any additional expenditure requirements, if such expenditure is subsequently incurred, this may have an adverse effect of the current expenditure proposals of the Company and negatively impact the business plan of the Company.

(u) **Additional Funding**

Although the funds to be raised under the Offers are considered sufficient to meet the immediate objectives of the Company (see the Use of Funds Table in Section 2.15 by the Company in the event that costs exceed estimates or revenues do not match expectations. For example, additional funding may be required in order to undertake further exploration operations, more in-depth studies or to acquire complementary assets.

Accordingly, the Company may need to engage in equity or debt financings to secure additional funds. Any additional funding may be dilutive to Shareholders, may be undertaken at lower prices than the Offer Price or may involve restrictive covenants that limit the Company's operations.

There can be no assurance that such funding will be available on satisfactory terms or at all and any inability to obtain sufficient funding for the Company's activities and current or future projects may result in the delay or cancellation of those activities or projects.

(v) **Competition**

The mining exploration and development sectors are subject to domestic and global competition. Although the Company will exercise reasonable due diligence in its business decision making and operations, the Company will have no influence or control over the activities or actions of its competitors, which actions may positively or negatively affect the operating and financial performance of the Company.

(w) **Commodity Price and Exchange Rate**

The price for minerals will depend on available markets.

To the extent the Company is involved in mineral production the revenue derived through the sale of commodities may expose the potential income of the Company to commodity price and exchange rate risks. The prices of minerals fluctuate widely and are affected by numerous factors beyond the control of the Company, such as industrial and retail supply and demand, exchange rates, inflation rates, changes in global economies, confidence in the global monetary system, forward sales of minerals by producers and speculators as well as other global or regional political, social or economic events. Future serious price declines

in the market values of minerals could cause the development of, and eventually the commercial production from, the Company's Tenements to be rendered uneconomic. Depending on the prices of commodities, the Company could be forced to discontinue production or development or studies and may lose its interest in some of its Tenements. There is no assurance that a profitable market of minerals will exist from time to time.

Furthermore, the international price of various commodities is typically denominated in United States dollars, whereas the income and expenditure of the Company are and will be taken into account in Australian dollars, thereby 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 currency markets.

In addition to adversely affecting the Company and its financial condition, declining commodity prices can impact operations by requiring a reassessment of the feasibility of a particular project. Such a reassessment may be the result of a management decision or may be required under financing arrangements related to a particular project. Even if a project is ultimately determined to be economically viable, the need to conduct such a reassessment may cause substantial delays or may interrupt operations until the reassessment can be completed.

(x) **Acquisitions**

From time to time the Company may undertake acquisitions of additional interests in mining tenements and other assets. The successful implementation of such acquisitions will depend on a range of factors including funding arrangements, geographical issues, staff continuity and compatibility of equipment or infrastructure. If acquisitions are not successfully integrated within the Company's operations, the financial performance of the Company could be adversely affected. At the time of any of such acquisitions the Company may decide that it is in the best interests of the Company and its Shareholders to fund the acquisition through the issue of further Shares. If this were to occur, it may result in the dilution of the ownership interests of Shareholders.

(y) **Changes in Laws and Government Policy**

The availability of rights to explore and mine, as well as industry profitability generally, can be adversely affected by changes in government policy and laws. The impact of actions by government may affect the Company's activities, including its access to land and infrastructure, compliance with environmental regulations, and exposure to taxation and royalties.

Changing attitudes to environmental land care, cultural heritage and indigenous land rights issues, together with the nature of the political process, provide the possibility of future policy changes. There is a risk that such changes may affect the Company's exploration plans or its rights and/ or obligations with respect to its tenements.

(z) **No Production Revenues**

At present the Company is not generating any revenues from its operations nor has it commenced commercial production on any of its Tenements. There can be no assurance that significant additional losses will not occur in the near future or that the Company will be profitable in the future. The Company's operating expenses and capital expenditures may increase in subsequent years as additional consultants, personnel and equipment associated with advancing exploration, development and commercial production of the Company's Tenements are added. The amounts and timing of expenditures will depend on the progress of ongoing exploration, associated studies and development, the results of consultants' analyses and recommendations, the rate at which are beyond the Company's control.

The Company expects to continue to incur losses unless and until such time as its Tenements enter into commercial production and generate sufficient revenues to fund its continuing operations. The development of the Company's projects will require the commitment of substantial resources to conduct the time-consuming exploration, studies and development activities. There can be no assurance that the Company will generate any revenues or achieve profitability. There can be no assurance that the underlying assumed levels of expenses will prove to be accurate.

Failure to obtain sufficient financing for the Company's activities and future projects may result in delay and indefinite postponement of its activities and potential development programmes. There can be no assurance that additional finance will be available when needed or, if available, the terms of the financing might not be favourable to the Company and might involve substantial dilution to Shareholders. The Company is exposed to risks associated with its financial instruments, cash, receivables, accounts payable and accrued liabilities due to third parties from time to time. This includes the risk that a third party to a financial instrument fails to meet its contractual obligations, the risk that the Company will not be able to meet its financial obligations as they fall due and the risk that market prices may vary which will affect the Company's financial position and prospects.

Additional funding will be required in the event costs exceed the Company's estimates and also to effectively implement business and operations plans in the future, to take advantage of opportunities for acquisitions, joint ventures or other business opportunities, and to meet any unanticipated liabilities or expenses which the Company may incur. If such events occur, additional financing will be required. The Company may seek to raise further funds through equity or debt financing, joint ventures, licensing arrangements or other means. Failure to obtain sufficient financing for the Company's activities and future projects may result in delay and indefinite postponement of activities and potential development programmes. There can be no assurance that additional finance will be available when needed or, if available, the terms of the financing might not be favourable to the Company and might involve substantial dilution to Shareholders.

(aa) **Terrorism**

Terrorism or other sustained armed conflict involving Australia or Madagascar, or in the regional area and their economies could cause political instability and societal disruption which could reduce overall demand for minerals potentially putting downward pressure on prevailing prices and adversely affect the Company's activities.

## **2.14 General risks**

(a) **Forecasts**

The Directors consider that it is not possible to accurately predict the future revenues or profitability of the Company or whether any revenues or profitability will eventuate. The business of the Company is dependent upon a number of factors and many of these factors are outside the control of the Company. Consequently, the Company and the Directors do not make any forecast or representation in relation to the Company's future financial position or performance.

(b) **Economic**

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 business activities and potential development programmes, as well as on the ability to fund those activities.

(c) **Force majeure**

The Company's business may be adversely affected by risks outside the control of the Company, including (but not limited to) labour unrest, civil disorder, subversive activities or sabotage, fires, floods, explosions or other catastrophes, epidemics or quarantine restrictions.

(d) **COVID-19 and other Pandemics**

The outbreak of the coronavirus disease (COVID-19) has impacted global economic markets. The nature and extent of the effect of the outbreak on the performance of the Company remains a risk. The Company's share price may be adversely affected in the short to medium term by any future economic uncertainty caused by COVID-19 or other pandemics. Further, any governmental or industry measures taken in response to COVID-19 may adversely impact operations and are likely to be beyond the control of the Company.

COVID-19 safe work practices have and will continue to be adopted in relation to the Company's operations if required. However, COVID-19 restrictions on movement and activities may adversely affect their operations in the future.

(e) **Uninsured loss and liability**

Exploration for and development of minerals involves hazards and risks that could result in the Company incurring losses and liabilities to third parties. There is a risk that the Company may not be insured against all or any potential losses or liabilities that could arise from its activities. If the Company incurs losses or liabilities that are not covered by its insurance policies, the funds available for its business and activities will be reduced and could create risk for the value of the Company's assets.

(f) **Dependence upon outside parties**

The Company may pursue a strategy that forms strategic business relationships with other organisations in relation to potential products and services. There can be no assurance that the Company will be able to attract such prospective organisations and to negotiate appropriate terms and conditions with these organisations or that any potential agreements with such organisations will be complied with.

(g) **Market conditions**

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

- (i) general economic outlook
- (ii) introduction of tax reform or other new legislation;
- (iii) interest rates and inflation rates;
- (iv) changes in investor sentiment toward particular market sectors;
- (v) the demand for, and supply of, capital; and
- (vi) terrorism or other hostilities.

The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and mining stocks in particular. Neither the Company nor the directors warrant the future performance of the

Company or any return to Shareholders arising from the Offer or any other event or occurrence.

(h) **Reliance on key personnel**

The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially upon senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment or if one or more of the Directors leaves the Board.

(i) **Government regulation risk**

The Company's tenements and activities may be subject to extensive regulation by local, state and federal governments in relation to exploration, development, production, exports, taxes and royalties, labour standards, occupational health, waste disposal, protection and rehabilitation of the environment, mine reclamation, mine safety, toxic and radioactive substances, native title and other matters. Compliance with such laws and regulations will increase the costs of exploring, drilling, developing, constructing, operating and closing mines and other production facilities. There is a risk that approvals required for exploration and development programs and mining operations may not be forthcoming, either at all or in a timely manner, or that they may not be able to be obtained on acceptable terms. A failure to obtain any approval would mean that the ability to participate in or develop any project, or possibly acquire any project, may be limited or restricted either in part or absolutely. There can be no assurance that future government policy will not change, and this may adversely affect the long-term prospects of the Company. In addition, future changes in governments, regulations and policies may have an adverse impact on the Company.

(j) **Investment speculative**

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 New Shares offered under this Offer Document.

Therefore, the New Shares to be issued pursuant to this Offer Booklet carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those New Shares.

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 New Shares pursuant to this Offer Document.

## **2.15 Proposed use of funds**

Completion of the Placement and Offer will result in an increase in cash at hand of up to approximately \$3,810,684 (before the payment of costs associated with the Offer).

The Company intends to apply the net funds raised from the Offer as follows:

| Use of Funds   | Amount (A\$)     |
|--|------------------|
| Bekisopa Pre Feasibility Study and early Development Works | 1,850,000        |
| Satrokala Exploratory Drilling                             | 1,000,000        |
| Working Capital & Costs of the Offer                       | 960,684          |
| <b>Total</b>   | <b>3,810,684</b> |

The above is a statement of the Board's current intentions as at the date of this Offer Document. However, Shareholders should note that, as with any budget, the allocation of funds set out above may change depending on a number of factors, including the outcomes of operational and development activities, regulatory developments, market and general economic conditions. The Board therefore reserves the right to alter the way the funds are applied.

## 2.16 Effect of the Offer on the control of AKORA

### *Present position*

At the date of this Offer Document, the top 20 Shareholders of the Company are as follows:

| Rank | Name                             | Number             | %             |
|------|----------------------------------|--------------------|---------------|
| 1    | Futureworld Management Pty Ltd   | 9,151,817          | 9.64          |
| 2    | Citicorp Nominees Pty Limited    | 6,327,709          | 6.31          |
| 3    | Mr Nicholas John Axam            | 4,616,459          | 4.86          |
| 4    | Bnp Paribas Noms Pty Ltd         | 4,337,610          | 4.57          |
| 5    | Salaris Fleet Pty Ltd            | 3,780,570          | 3.98          |
| 6    | Mr Wayne Anthony Hose            | 3,392,887          | 3.38          |
| 7    | John Charles Tumazos             | 2,777,486          | 2.92          |
| 8    | Travis Anderson                  | 2,511,855          | 2.64          |
| 9    | Mr Alex Jordan                   | 2,440,281          | 2.57          |
| 10   | Evanachan Limited                | 1,811,628          | 1.91          |
| 11   | P & J Bibby Pension Fund Pty Ltd | 1,810,477          | 1.91          |
| 12   | Alafaci Nominees Pty Ltd         | 1,800,000          | 1.90          |
| 13   | Mr David Yonan                   | 1,334,639          | 1.33          |
| 14   | Mr Simon Russell Francis         | 1,222,019          | 1.29          |
| 15   | Jmjw Super Pty Ltd               | 1,217,618          | 1.28          |
| 16   | Mrs Sonia Sharma                 | 1,107,069          | 1.17          |
| 17   | Warbont Nominees Pty Ltd         | 1,000,000          | 1.00          |
| 18   | Cline Mining Corporation         | 981,492            | 1.03          |
| 19   | Mr Travis Anderson               | 962,000            | 1.01          |
| 20   | Rock Cod Investments Pty Ltd     | 953,795            | 1.00          |
|      | <b>Top 20 Shareholders</b>       | <b>53,537,411</b>  | <b>53.37</b>  |
|      | <b>Remaining shareholders</b>    | <b>46,785,402</b>  | <b>46.63</b>  |
|      | <b>Total shares</b>              | <b>100,322,813</b> | <b>100.00</b> |

### **Capital structure**

Subject to rounding up of fractional Entitlements, the capital structure of AKORA following the issue of New Shares under the Offer (assuming full subscription under the Offer) is expected to be as follows:

| <b>Key Data</b>   | <b>No.</b>    |
|---|---------------|
| Shares on issue as at the date of this Offer Document   | 100,322,813*  |
| Maximum number of New Shares to be issued under the Offer   | 20,064,563**  |
| Total number of Shares on issue following the close of the Placement and the Offer (assuming full subscription) | 120,387,376** |

\*inclusive of Shares issued under the Placement

\*\* These figures are approximate only and are subject to rounding.

### **Potential effects of the Offer on control of AKORA**

Under section 606 of the *Corporations Act*, a person cannot acquire a relevant interest in the issued voting shares of a company if, because of the transaction, a person's voting power in the company increases from 20% or below to more than 20% (or from a starting point that is above 20% and below 90%).

Section 611(10) of the *Corporations Act* provides, subject to certain conditions, an exception to the prohibition under section 606 of the *Corporations Act*. However, as:

- (a) the Offer is not being made to Shareholders who do not have a registered address (as shown on the Company's share register) in either Australia or New Zealand; and
- (b) the Company does not intend to appoint a Nominee for the purpose of section 615 of the *Corporations Act* (see section 2.16 below),

an increase in voting power that occurs as a result of taking up the Offer will not fall within the exception in section 611(10) of the *Corporations Act*.

Accordingly, if you want to apply for New Shares, it is your responsibility to ensure that if you are issued with New Shares in accordance with your Entitlement, or Shortfall Shares, as the case may be, you will not be in breach of section 606(1) of the *Corporations Act* (whether or not that is because you may rely on one of the exceptions in section 611 of the *Corporations Act*). If you are in any doubt as to the consequences of applying for New Shares you should seek independent legal advice

The potential effect that the issue of New Shares under the Offer will have on control of the Company is as follows:

- (a) if all Eligible Shareholders take up their Entitlements under the Offer, the issue of New Shares under the Offer will have no effect on the control of the Company and all shareholders will hold the same percentage interest in the Company, subject only to changes resulting from Ineligible Shareholders being unable to participate in the Offer;
- (b) if there is a Shortfall, Eligible Shareholders who do not subscribe for their full Entitlement of New Shares under the Offer, and Ineligible Shareholders unable to participate in the Offer, will be diluted relative to those shareholders who subscribe for some or all of their

Entitlement;

- (c) if Eligible Shareholders do not take up their full Entitlements under the Offer giving rise to a Shortfall, the Company will issue up to 8,169,637 Shortfall Shares to Futureworld Management Pty Ltd and may issue the balance of the Shortfall under the Offer to other or new investors and this may potentially result in a new investor having a substantial interest and Futureworld Management Pty Ltd increasing its substantial interest in the Company.

#### **Potential Control Scenarios following the Entitlement Issue**

As at the date of this Offer Document, the substantial shareholders of the Company (and their related entities) are as follows:

| <b>Substantial Shareholder</b> | <b>No. of Shares as at date of Offer Document</b> | <b>% of Quoted Shares as at date of Offer Document</b> | <b>% if Eligible Shareholders do not take up Entitlements &amp; Futureworld takes up all their Entitlement &amp; Shortfall Allocation</b> |
|--------------------------------|---|--|---|
| Futureworld Management Pty Ltd | 9,151,817   | 9.12%  | 15.91%  |
| Citicorp Nominees Pty Ltd      | 6,327,709   | 6.31%  | 5.26%   |

#### **2.17 Rights issue exception not available**

No nominee has been appointed for Ineligible Shareholders under section 615 of the *Corporations Act* and, as such, Eligible Shareholders will not be able to rely on the exception for entitlement issues in item 10 of Section 611 of the *Corporations Act*. Accordingly, when an Eligible Shareholder applies for some or all of their Entitlement, they must have regard to section 606 of the *Corporations Act*. Eligible Shareholders who may be at risk of exceeding the 20% voting power threshold in Section 606 as a result of acceptance of the Entitlement Offer should seek professional advice before completing and returning the Entitlement and Acceptance Form.

### **3 HOW TO APPLY FOR NEW SHARES**

#### **3.1 What Eligible Shareholders may do**

The number of New Shares to which you are entitled is shown on the accompanying Entitlement and Acceptance Form.

You may:

- (a) take up all of your Entitlement (refer to section 3.2 below);
- (b) in addition to applying for all of your Entitlement, apply for Additional Shares under the Shortfall Facility described in section 2.8 ;
- (c) take up part of your Entitlement and allow the balance of your Entitlement to lapse (refer to section 3.2 below); or
- (d) allow all of your Entitlement to lapse (refer to section 3.6 below).

#### **3.2 Applying for New Shares**

An Eligible Shareholder may take up all or part of their Entitlement by completing the Entitlement and Acceptance Form which accompanies this Offer Document and returning it to:

*AKORA Resources Limited  
Link Market Services Ltd  
Locked Bag A14,  
Sydney South NSW 1235*

by no later than 5:00 pm (AEST) on the Closing Date.

The Company may, but is not obliged to, accept an Application received after the Closing Date. If the Company does not accept an Application for any reason, the Company will refund any excess Application Monies to the Eligible Shareholder, without interest, not later than 10 Business Days after the New Shares are allotted.

Please note that if you have more than one holding of Shares, you will be sent more than one personalised Entitlement and Acceptance Form and you will have separate Entitlements for each separate holding. A separate Entitlement and Acceptance Form and payment of Application Monies must be completed for each separate Entitlement you hold.

If you allow part of your Entitlement to lapse, your shareholding in AKORA will be diluted.

### **3.3 Applying for Additional Shares**

Eligible Shareholders who subscribe for their full Entitlement may apply for Additional Shares under the Shortfall Facility described in section 2.8. In order to apply for Additional Shares you must be an Eligible Shareholder and must have first taken up your Entitlement in full.

To do this, complete the “*Additional Shares*” section provided on the Entitlement and Acceptance Form.

Additional Shares will be issued to Eligible Shareholders who have indicated they wish to take up Additional Shares at the discretion of the Directors, in accordance with the following policy:

- (a) Any Shortfall Shares will be placed to a spread of investors to the extent possible and no Shortfall Shares will be issued or allotted to any Eligible Shareholder which would result in that Eligible Shareholder having a voting power in the Company in excess of 20% on a post Offer basis (including, without limitation, to any Additional Shares issued to Futureworld Management Pty Ltd).
- (b) The Company will not allocate or issue Additional Shares under the Shortfall Facility, where it is aware that to do so would result in a breach of the Corporations Act, the ASX Listing Rules, or any other relevant legislation. Eligible Shareholders wishing to apply for Additional Shares must consider whether or not the issue of the Additional Shares applied for would breach the Corporations Act, or the ASX Listing Rules having regard to their own circumstances.
- (c) The Directors of the Company, in allocating Additional Shares under the Shortfall Offer, will do all things reasonably necessary to allocate Additional Shares on a basis that mitigates any control implications on the Company to the extent possible and noting the shortfall commitment provided by Futureworld Management Pty Ltd to subscribe for Shortfall Shares (refer Section 4.2 for further details).

- (d) There is no guarantee that Eligible Shareholders will be successful in being allocated any of the Additional Shares that they apply for. The Company may reject any application for Additional Shares or allocate fewer Additional Shares than applied for any Applicant at the discretion of the Directors and in accordance with the terms of the Underwriting Agreement.

### 3.4 Form of payment

Payment of Application Monies will only be accepted in Australian currency and as follows:

- (a) by BPAY®

Eligible Shareholders can make their payment by BPAY® in accordance with the instructions set out in accompanied personalised Entitlement and Acceptance Form.

**It is the responsibility of the Eligible Shareholder to ensure that their BPAY® payment is received by no later than 5:00pm (AEST) on the Closing Date** using the reference number on the Entitlement and Acceptance Form. You should be aware that your financial institution may implement earlier cut-off times with regards to electronic payment and you should therefore take this into consideration when making payment.

The reference number is used to identify your holding. If you have multiple holdings you will have multiple reference numbers. You must use the reference number on each Entitlement and Acceptance Form to pay for each holding separately.

Eligible Shareholders making a payment by BPAY® are not required to return their Entitlement and Acceptance Form; or

- (b) by electronic funds transfer (EFT).

Eligible Retail Shareholders who are resident in New Zealand and are unable to pay in accordance with the processes set out above, may pay via EFT in accordance with the instructions set out in accompanied personalised Entitlement and Acceptance Form.

Eligible Shareholders paying via EFT must use their SRN/HIN as the reference number for their deposit. If you do not use your SRN/HIN, your application will not be able to be processed.

The SRN/HIN is used to identify your holding. If you have multiple holdings you will have SRN/HINs. You must use the SRN/HIN for each holding and pay for each holding separately.

**It is the responsibility of the Eligible Shareholder to ensure that their EFT payment is received by no later than 5:00pm (AEST) on the Closing Date** using the BSB and account number on the Entitlement and Acceptance Form. You should be aware that your financial institution may implement earlier cut-off times with regards to electronic payment and you should therefore take this into consideration when making payment. You will also need to ensure that you are aware of any transfer fees with your Financial Institution as we are only able to process the AUD funds received.

Eligible Shareholders making a payment via EFT are not required to return their Entitlement and Acceptance Form.

If the amount of Application Monies is insufficient to pay in full for the number of New Shares or is more than the number of New Shares you applied for, you will be taken to have applied for such whole number of New Shares (rounded down to the nearest whole New Share) which is covered in full by your Application Monies. Alternatively, the Company may in its discretion reject your

Application, in which case any Application Monies will be refunded to you (without interest) by cheque to your registered address unless your nominated bank account has been provided to the Share Registry, in which case the refund will be paid by direct credit. Payments will be made in Australian dollars.

### **3.5 Effect of Application**

By applying for New Shares under an Offer (including by way of a payment through BPAY®), an Eligible Shareholder is taken to:

- (a) represent that they are an Eligible Shareholder, and are not in the United States and are not a person (including nominees or custodians) acting for the account or benefit of a person in the United States and are not otherwise a person to whom it would be illegal to make an offer or issue New Shares under the Offer;
- (b) agree to be bound by the terms and conditions set out in this Offer Document and the Entitlement and Acceptance Form;
- (c) represent on behalf of each person on whose account you are acting that you acknowledge that the New Shares have not been, and will not be, registered in any jurisdiction outside Australia or New Zealand, and accordingly the New Shares may not be offered, sold or otherwise transferred except in accordance with an available exemption from, or in a transaction not subject to, any other applicable securities laws;
- (d) authorise the Company to place the Eligible Shareholder's name on the Company's shareholder register in respect of those New Shares; and
- (e) agree to be bound by the Company's constitution.

### **3.6 Allowing your Entitlement to lapse**

If you do nothing, all of your Entitlement will lapse, in which case the New Shares comprising your Entitlement will form part of the Shortfall and will be dealt with in accordance with the terms of this Offer (refer to section 2.8 above).

If you allow part of your Entitlement to lapse, your shareholding in the Company will be diluted.

### **3.7 Enquiries concerning Entitlement and Acceptance Form**

If you have any questions on how to complete the Entitlement and Acceptance Form or take part or all of your Entitlement, please contact AKORA's share registry, Link Market Services Ltd, on 1300 975 518 between 8.30am and 5:30pm (Sydney time), Monday to Friday.

## **4 ADDITIONAL INFORMATION**

### **4.1 Reliance on Offer Document**

This Offer Document has been prepared pursuant to section 708AA of the *Corporations Act*, as modified by ASIC Corporations (Non-Traditional Rights Issue) Instrument 2016/84, for the offer of New Shares without disclosure to investors under Part 6D.2 of the *Corporations Act*.

This Offer Document was lodged with ASX on 30 April 2024.

Section 708AA of the *Corporations Act* requires an entity who seeks to rely on the disclosure exemption in section 708AA to lodge a "cleansing notice" with ASX which:

- (a) sets out any information that had been excluded from a continuous disclosure notice in

accordance with the ASX Listing Rules and that investors and their professional advisers would reasonably require, and would reasonably expect to find in a disclosure document, for the purpose of making an informed assessment of:

- (i) the assets and liabilities, financial position and performance, profits and losses and prospects of AKORA; or
  - (ii) the rights and liabilities attaching to the New Shares; and
- (b) states the potential effect of the issue of the New Shares on control of AKORA and the consequences of that effect.

AKORA lodged a cleansing notice in respect of the Offer with ASX on Monday, 17 April 2024.

In deciding whether or not to apply for New Shares under the Offer, you should rely on your own knowledge of AKORA, refer to the documents lodged and the disclosures made by the Company on ASX (which are available on the ASX website at [www.asx.com.au](http://www.asx.com.au) (AKORA ASX Code: AKO)) and seek advice from your financial or professional adviser.

#### 4.2 Shortfall Commitment

The Company has entered into a binding firm commitment letter with existing substantial shareholder, Futureworld Management Pty Ltd (**Futureworld**), whereby Futureworld has agreed to apply for up to 8,169,637 Shortfall Shares (subscription amount of up to \$1,225,446) subject to:

- (a) Futureworld subscribing for its full entitlement under the Entitlement Offer; and
- (b) there being a Shortfall available following the completion of the Entitlement Offer.

#### 4.3 Interest of the Directors

The interest of the Directors and their related parties of the Company at the date of this Offer Document are as follows:

| Director         | Number of Shares held in AKORA |
|------------------|--------------------------------|
| Mr Graeme Hunt*  | Nil                            |
| Mr Paul Bibby**  | 2,485,918                      |
| Mr Matthew Gill* | Nil                            |

\* Graeme Hunt (Chairman) and Matthew Gill (non-executive Director), both recent additions to the AKORA Board, will seek Shareholder approval to acquire shares at the upcoming Annual General Meeting of the Company, scheduled for 30 May 2024 (refer Notice of AGM dated 22 April 2024 for further details).

\*\* Paul Bibby, Managing Director, intends to participate in the Entitlement Offer up to his full entitlement.

#### 4.4 Taxation

The Directors do not consider it appropriate to give shareholders taxation advice regarding the taxation consequences of subscribing for New Shares under this Offer Document. The Company, its advisers and its officers do not accept any responsibility or liability for any such taxation

consequences to shareholders.

Shareholders should be aware that there may be taxation implications of participating in the Offer. Shareholders should consult their own professional taxation advisers to obtain advice in relation to the taxation laws and regulations applicable to their personal circumstances.

#### **4.5 Alteration of terms**

The Company reserves the right, at its discretion, to vary, suspend or cancel the Offer at any time, subject to the *Corporations Act*, the ASX Listing Rules and any other law or regulation to which the Company is subject.

Any variation, suspension or cancellation does not give rise to any liability on the part of or any action against, the Company or any Director and will be binding on all Eligible Shareholders.

If the Directors determine to suspend or cancel the Offer during the currency of the Offer, any Application Monies received by the Company will be refunded to Eligible Shareholders, without interest, as soon as reasonably practical after the suspension or cancellation and in any event within 10 Business Days after the Closing Date.

#### **4.6 Enquiries**

If you have any questions in respect of the Offer, please contact the AKORA's share registry, Link Market Services Ltd, on 1300 975 518 between 9:00am and 5:00pm (AEDT), Monday to Friday.

#### **4.7 Directors' statement**

This Offer Document is issued by AKORA Resources Limited. Each Director has consented to the lodgement of the Offer Document with ASX.

Signed on the date of this Offer Document on behalf of AKORA Resources Limited by:



**Graeme Hunt**  
Non-Executive Chairman  
AKORA Resources Limited

## 5 DEFINITIONS

|  |  |
|--|--|
| <b>Additional Shares or Shortfall Shares</b> | New Shares applied for by Eligible Shareholders, in excess of their Entitlement, under the Shortfall Offer.  |
| <b>AEST</b>                                  | Australian Eastern Standard Time.  |
| <b>Applicant</b>                             | An Eligible Shareholder who has applied to subscribe for New Shares by submitting an Entitlement and Acceptance Form or arranging for payment through BPAY® in accordance with the instructions on the Entitlement and Acceptance Form.                                |
| <b>Application</b>                           | A valid application by way of an Entitlement and Acceptance Form accompanied by the relevant Application Monies, or arranging for payment of the relevant Application Monies through BPAY® in accordance with the instructions on the Entitlement and Acceptance Form. |
| <b>Application Monies</b>                    | The aggregate amount payable for the New Shares applied for in a duly completed Entitlement and Acceptance Form or through BPAY®, calculated as the Issue Price multiplied by the number of New Shares applied for.  |
| <b>ASIC</b>                                  | Australian Securities and Investments Commission.  |
| <b>ASX</b>                                   | Australian Securities Exchange or ASX Limited (ABN 98 008 624 691) as the context requires.  |
| <b>Business Day</b>                          | Has the same meaning as in the ASX Listing Rules.  |
| <b>AKORA or the Company</b>                  | AKORA Resources Limited (ACN 139 847 555) (ASX: AKO).  |
| <b>Closing Date</b>                          | 5:00pm (AEST) on Friday, 17 May 2024 (unless extended).  |
| <b>Corporations Act</b>                      | <i>Corporations Act 2001</i> (Cth).  |
| <b>Directors</b>                             | The board of directors of the Company.   |
| <b>Eligible Shareholder</b>                  | A person who meets the requirements set out in section 2.4.  |
| <b>Entitlement</b>                           | The entitlement of an Eligible Shareholder to apply for one (1) New Shares for every five (5) Shares held on the Record Date.  |
| <b>Entitlement and Acceptance Form</b>       | The entitlement and acceptance form which accompanies this Offer Document.   |
| <b>Group</b>                                 | The Company and each entity controlled by the Company.   |

|   |   |
|---|---|
| <b>Issue Price</b>                        | \$0.15 per New Share.   |
| <b>Listing Rules or ASX Listing Rules</b> | The Listing Rules of ASX.   |
| <b>New Share</b>                          | A Share to be issued pursuant to the Offer.   |
| <b>Offer or Entitlement Issue</b>         | The non-renounceable pro rata offer to Eligible Shareholders to subscribe for one (1) New Shares for every five (5) Shares at an Issue Price of \$0.15 per New Share pursuant to this Offer Document.   |
| <b>Offer Document</b>                     | This document dated Tuesday, 30 April 2024, including the Entitlement & Acceptance Form.  |
| <b>Placement</b>                          | The placement of 5,339,999 (subject to rounding) Shares at an issue price of \$0.15 per Share to institutional, professional and sophisticated investors raising approximately \$801,000 as announced to the ASX on Wednesday, 17 April 2024. |
| <b>Record Date</b>                        | 5:00pm (AEST) on Friday, 26 April 2024.   |
| <b>Share</b>                              | A fully paid ordinary share in the Company.   |
| <b>Shortfall or Shortfall Shares</b>      | Those New Shares not subscribed for by way of an Entitlement and Acceptance Form pursuant to this Offer Document by the Closing Date.   |
| <b>Shortfall Facility</b>                 | The facility described in section 2.8 under which Eligible Shareholders may apply for Additional Shares and oversubscriptions in excess of their Entitlement.   |
| <b>Shortfall Offer</b>                    | The offer to Eligible Shareholders to subscribe for any Shortfall Shares not taken up under the Offer, pursuant to the terms set out in this Offer Document.  |
| <b>Voting Power</b>                       | Has the meaning given to that term in the <i>Corporations Act</i> .   |

## 6 CORPORATE DIRECTORY

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### Directors

Graeme Hunt - Non-Executive Chairman

Paul Bibby - Managing Director

Matthew Gill - Non-executive Director

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**ASX Code:** AKO

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### Company Secretary

Shane Turner

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### Registered Office

12 Anderson Street West,  
Ballarat,  
Victoria, 3350  
Australia

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### Legal Advisers to the Offer

CBW Partners  
Level 6, 67 Palmerston Crescent  
South Melbourne VIC 3205  
Phone: +61 (0)3 8646 3833  
[www.cbwpartners.com](http://www.cbwpartners.com)

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### Share Registry

Link Market Services Ltd  
Level 10, Tower 4  
727 Collins Street  
Melbourne VIC 3008  
1300 975 518

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**ID:**

**SRN/HIN:**

**Entitlement Number:**

**Number of Eligible Shares held as at the Record Date, 7:00pm (Melbourne time) on Friday, 26 April 2024:**

**Entitlement to New Shares (on a 1 New Share for 5 basis):**

**Amount payable on full acceptance at A\$0.15 per New Share:**

**Offer Closes 5:00pm (Melbourne time):  
Friday, 17 May 2024**

## ENTITLEMENT AND ACCEPTANCE FORM

As an Eligible Retail Shareholder you are entitled to acquire 1 New Share for every 5 existing Shares that you hold on the Record Date, at an Issue Price of A\$0.15 per New Share. You may also apply for Additional Shares under the Additional Share Facility at the Issue Price. This is an important document and requires your immediate attention. If you do not understand it or you are in doubt as how to deal with it, you should contact your accountant, stockbroker, solicitor or other professional adviser.

**IMPORTANT:** The Offer is being made under the Offer Booklet dated 30 April 2024. The Offer Booklet contains information about investing in the New Shares. Before applying for New Shares, you should carefully read the Offer Booklet. This Entitlement and Acceptance Form should be read in conjunction with the Offer Booklet in its entirety. Unless otherwise defined in this document, capitalised terms used in this document have the meaning given to them in the Offer Booklet.

## PAYMENT OPTION

### OPTION 1: PAYING BY BPAY®

If paying by BPAY®, refer to the instructions overleaf. **You do NOT need to return this acceptance form if you elect to make payment by BPAY®.** Payment must be received via BPAY® before 5:00pm (Melbourne time) on Friday, 17 May 2024. You should check the processing cut off-time for BPAY® transactions with your bank, credit union or building society to ensure your payment will be received by the Registry in time. By paying by BPAY® you will be deemed to have completed an Entitlement and Acceptance Form for the number of New Shares subject of your application payment.



**Billers Code:** 412528

**Ref:**

### Telephone & Internet Banking – BPAY®

Contact your bank or financial institution to make this payment from your cheque, savings, debit or transaction account. More info: [www.bpay.com.au](http://www.bpay.com.au)

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|   |   |   |   |   |
|---|---|---|---|---|
| <p><b>A</b> Number of New Shares applied for and accepted (being not more than your Entitlement shown above)</p> <div style="border: 1px solid gray; height: 30px; width: 100%;"></div> | + | <p><b>B</b> Number of Additional Shares applied for above your Entitlement</p> <div style="border: 1px solid gray; height: 30px; width: 100%;"></div> | = | <p><b>C</b> Total number of New Shares applied for (add Boxes A and B)</p> <div style="border: 1px solid gray; height: 30px; width: 100%;"></div> |
|---|---|---|---|---|



# AKORA RESOURCES LIMITED

The Offer to which this Entitlement and Acceptance Form relates is not being made to investors located or resident outside of Australia, New Zealand, Hong Kong and the United Kingdom. In particular the Offer is not being made to any person in the U.S. or to a U.S. person. The Offer Booklet and Entitlement and Acceptance Form do not constitute an offer or invitation to acquire Shares in any place in which, or to any person to whom, it would be unlawful to make such an offer or invitation.

## ACCEPTANCE OF OFFER

By returning the Entitlement and Acceptance Form with payment to the Registry, or making payment received by BPAY®:

- you represent and warrant, for the benefit of the Company and the Registry, that you have read and understood the Offer Booklet and that you acknowledge the matters, and make the warranties and representations set out in the Offer Booklet;
- you provide authorisation for the Company and the Registry to do anything on your behalf necessary for New Shares to be allotted to you; and
- you provide authorisation to be registered as the holder of New Shares acquired by you and agree to be bound by the Constitution of Akora Resources Limited.

## 1. HOW TO APPLY FOR NEW SHARES

### PAYING BY BPAY® (AVAILABLE TO SHAREHOLDERS WITH AN AUSTRALIAN BANK ACCOUNT ONLY)

If you elect to make payment using BPAY® you must contact your bank or financial institution to make this payment from your cheque, savings, debit or transaction account. For more information on paying by BPAY®: [www.bpay.com.au](http://www.bpay.com.au)

Work out the total amount payable by you. To calculate the total amount, multiply the number of New Shares you wish to apply for by A\$0.15.

Refer overleaf for the Biller Code and Reference Number. The Reference Number is used to identify your holding. If you have multiple holdings you will have multiple Reference Numbers. You must use the Reference Number shown on each personalised Entitlement and Acceptance Form when paying for any New Shares that you wish to apply for in respect of that holding.

#### A. Acceptance of New Shares

Enter into section A the number of New Shares you wish to apply for. The number of New Shares must be equal to or less than your Entitlement, which is set out overleaf.

#### B. Application for Additional Shares

You can apply for Additional Shares over and above your Entitlement. Please enter the number of Additional Shares you wish to apply into Box B. Your Application for Additional Shares may not be successful (wholly or partially). The decision of Akora Resources Limited on the number of New Shares to be allocated to you will be final. No interest will be paid on any Application Monies received or returned.

#### C. Total Number of New Shares Subscribed for

To calculate total number of New Shares subscribed for, add Box A and Box B and enter this in Box C.

## 2. HOW TO LODGE YOUR ENTITLEMENT AND ACCEPTANCE FORM

**When paying by BPAY® you do not need to complete or return the Entitlement and Acceptance Form.** You should check the processing cut off-time for BPAY® transactions with your bank, credit union or building society to ensure your payment will be received by the Registry by the close of the offer no later than 5:00pm (Melbourne time) on Friday, 17 May 2024.

**If you require further information on how to complete this Entitlement and Acceptance Form, please contact the Akora Resources Limited Offer Information Line on 1300 553 551 (within Australia) or +61 1300 553 551 (from outside Australia) between 8:30am and 5:30pm (Melbourne time) Monday to Friday (other than public holidays).**

**IID:**

**SRN/HIN:**

**Entitlement Number:**

**Number of Eligible Shares held as at the Record Date, 7:00pm (Melbourne time) on Friday, 26 April 2024:**

**Entitlement to New Shares (on a 1 New Share for 5 basis):**

**Amount payable on full acceptance at A\$0.15 per New Share:**

**Offer Closes 5:00pm (Melbourne time):  
Friday, 17 May 2024**

## ENTITLEMENT AND ACCEPTANCE FORM

As an Eligible Retail Shareholder you are entitled to acquire 1 New Share for every 5 existing Shares that you hold on the Record Date, at an Issue Price of A\$0.15 per New Share. You may also apply for Additional Shares under the Additional Share Facility at the Issue Price. This is an important document and requires your immediate attention. If you do not understand it or you are in doubt as how to deal with it, you should contact your accountant, stockbroker, solicitor or other professional adviser.

**IMPORTANT:** The Offer is being made under the Offer Booklet dated 30 April 2024. The Offer Booklet contains information about investing in the New Shares. Before applying for New Shares, you should carefully read the Offer Booklet. This Entitlement and Acceptance Form should be read in conjunction with the Offer Booklet in its entirety. Unless otherwise defined in this document, capitalised terms used in this document have the meaning given to them in the Offer Booklet.

### PAYMENT OPTION – If you wish to take up all or part of your Entitlement, you have the following payment options.

#### Option 1: Paying by BPAY®

If paying by BPAY®, refer to the instructions overleaf. **You do NOT need to return this acceptance form if you elect to make payment by BPAY®.** Payment must be received via BPAY® before 5:00pm (Melbourne time) on Friday, 17 May 2024. You should check the processing cut off-time for BPAY® transactions with your bank, credit union or building society to ensure your payment will be received by the Registry in time. By paying by BPAY® you will be deemed to have completed an Entitlement and Acceptance Form for the number of New Shares subject of your application payment.



**Billers Code:** 412528

**Ref:**

#### Telephone & Internet Banking – BPAY®

Contact your bank or financial institution to make this payment from your cheque, savings, debit or transaction account. More info: [www.bpay.com.au](http://www.bpay.com.au)

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#### Option 2: Paying by EFT Payment

As an investor in New Zealand, you may pay via EFT. You are not required to return this Entitlement and Acceptance Form.

1. Enter the number of New Shares accepted (being not more than your Entitlement shown above).
2. Work out your payment amount. To calculate the total amount, multiply the number of New Shares you wish to apply for by A\$0.15.
3. Payment must be received in cleared funds before 5:00pm (Melbourne time) on Friday, 17 May 2024. **You must use your SRN/HIN as the reference number for your deposit.** If you do not use your SRN/HIN, your application will not be able to be processed. You will also need to ensure that you are aware of any transfer fees with your Financial Institution as we are only able to process the AUD funds received.

See overleaf for details and further instructions on how to complete and lodge this Entitlement and Acceptance form.

**Account Name:** PACIFIC CUSTODIANS PTY LIMITED -  
ITF AKORA RESOURCES LTD

**BSB:** 062-028

**Account No:** 12277916

**Swift Code for Inbound Deposits from Overseas:** CTBAAU2SXXX

**A** Number of New Shares applied for and accepted (being not more than your Entitlement shown above)

**B** Number of Additional Shares applied for above your Entitlement

**C** Total number of New Shares applied for (add Boxes A and B)

**D** Payment amount (Multiply the number in section A by A\$0.15)

**A\$**

# AKORA RESOURCES LIMITED

The Offer to which this Entitlement and Acceptance Form relates is not being made to investors located or resident outside of Australia, New Zealand, Hong Kong and the United Kingdom. In particular the Offer is not being made to any person in the U.S. or to a U.S. person. The Entitlement Offer Booklet and Entitlement and Acceptance Form do not constitute an offer or invitation to acquire Shares in any place in which, or to any person to whom, it would be unlawful to make such an offer or invitation.

## ACCEPTANCE OF OFFER

By returning the Entitlement and Acceptance Form with payment to the Registry, or making payment received by BPAY®:

- you represent and warrant, for the benefit of the Company and the Registry, that you have read and understood the Entitlement Offer Booklet and that you acknowledge the matters, and make the warranties and representations set out in the Entitlement Offer Booklet;
- you provide authorisation for the Company and the Registry to do anything on your behalf necessary for New Shares to be allotted to you; and
- you provide authorisation to be registered as the holder of New Shares acquired by you and agree to be bound by the Constitution of Akora Resources Limited.

## 1. HOW TO APPLY FOR NEW SHARES

### PAYING BY BPAY® (AVAILABLE TO SHAREHOLDERS WITH AN AUSTRALIAN BANK ACCOUNT ONLY)

If you elect to make payment using BPAY® you must contact your bank or financial institution to make this payment from your cheque, savings, debit or transaction account. For more information on paying by BPAY®: [www.bpay.com.au](http://www.bpay.com.au).

Work out the total amount payable by you. To calculate the total amount, multiply the number of New Shares you wish to apply for by A\$0.15.

Refer overleaf for the Biller Code and Reference Number. The Reference Number is used to identify your holding. If you have multiple holdings you will have multiple Reference Numbers. You must use the Reference Number shown on each personalised Entitlement and Acceptance Form when paying for any New Shares that you wish to apply for in respect of that holding.

#### A. Acceptance of New Shares

Enter into section A the number of New Shares you wish to apply for. The number of New Shares must be equal to or less than your Entitlement, which is set out overleaf.

#### B. Application for Additional Shares

You can apply for Additional Shares over and above your Entitlement. Please enter the number of Additional Shares you wish to apply into Box B. Your Application for Additional Shares may not be successful (wholly or partially). The decision of Akora Resources Limited on the number of New Shares to be allocated to you will be final. No interest will be paid on any Application Monies received or returned.

#### C. Total Number of New Shares Subscribed for

To calculate total number of New Shares subscribed for, add Box A and Box B and enter this in Box C.

## PAYING BY EFT PAYMENT

Complete all relevant sections of the Entitlement and Acceptance Form USING BLOCK LETTERS. These instructions are cross referenced to each section of the Entitlement and Acceptance Form.

#### A. Acceptance of New Shares

Enter into section A the number of New Shares you wish to apply for. The number of New Shares must be equal to or less than your Entitlement, which is set out overleaf.

#### B. Application for Additional Shares

You can apply for Additional Shares over and above your Entitlement. Please enter the number of Additional Shares you wish to apply into Box B. Your Application for Additional Shares may not be successful (wholly or partially). The decision of Akora Resources Limited on the number of New Shares to be allocated to you will be final. No interest will be paid on any Application Monies received or returned.

#### C. Total number of New Shares

Total number of New Shares applied for (add Boxes A and B)

#### D. Payment amount

Work out your payment amount. To calculate the total amount, multiply the number of New Shares you wish to apply for by A\$0.15 and enter this into section D. The decision of Akora Resources Limited on the number of New Shares to be allocated to you will be final. No interest will be paid on any Application Monies received or returned.

## 2. HOW TO LODGE YOUR ENTITLEMENT AND ACCEPTANCE FORM

**When paying by BPAY® or EFT you do not need to complete or return the Entitlement and Acceptance Form.** You should check the processing cut off-time for transactions with your bank, credit union or building society to ensure your payment will be received by the Registry by the close of the offer no later than 5:00pm (Melbourne time) on Friday, 17 May 2024.

**If you require further information on how to complete this Entitlement and Acceptance Form, please contact the Akora Resources Limited Offer Information Line on 1300 553 551 (within Australia) or +61 1300 553 551 (from outside Australia) between 8:30am and 5:30pm (Melbourne time) Monday to Friday (other than public holidays).**