

24 February 2025

PLACEMENT AND FULLY UNDERWRITTEN ENTITLEMENT OFFER

Patagonia Lithium Ltd (ASX:PL3, Patagonia or Company) is pleased to advise that it has received firm commitments to issue up to 12,500,000 fully paid ordinary shares in the capital of Patagonia (**Shares**) at an issue price of A\$0.08 per Share, under a private placement to Magnus Capital S.A., to raise up to A\$1,000,000 (before expenses) (**Placement**).

Magnus Capital S.A. (**Magnus**) will be issued the Placement shares at the same time as the issue of Shares under the Entitlement Offer and will hold 10.5% of the Company's Shares following the Entitlement Offer.

Magnus Capital S.A. has been investing and advising entities on VC and PE projects in emerging markets for several years. Additionally, during these years, Magnus obtained mandates from Governments to advise them in the restructuring of their Foreign Debt, as well as, in the placement of new issues in the Global Capital Markets. Finally, Magnus has advised multiple companies in Latin America, Europe, Eastern Europe, Africa and Asia, in the restructuring of their liabilities, as well as, on obtaining strategic partners for their activities.

Over the years, Magnus has invested on different industry sectors, and in the last few years it has focused its investment strategy in growing its investment portfolio in energy, energy transition projects and mining in publicly and privately owned companies.

Magnus is controlled by Ricardo Alejandro Beroiza Contreras, a Chilean international banker with vast experience on the international capital markets. He has been a Managing Director of the Emerging Markets Group of Bank of America, in New York, USA.

The Placement will be made in accordance with the Company's available placement capacity pursuant to ASX Listing Rule 7.1 (5,050,000 Shares) and Listing Rule 7.1A (7,450,000 Shares).

Each new Share issued under the Placement will rank equally with existing Shares on issue. Settlement and allotment of the new Shares under the Placement is expected to occur by 21 March 2025, being after the Record Date for the Entitlement Offer set out below.

Capital structure

74.8m - PL3 shares

14.6m - PL3O quoted options

13.2m - unquoted options

2.0m - unquoted performance rights

Patagonia Lithium Ltd
Level 6, 505 Little Collins Street
Melbourne VIC 3000
<https://patagonialithium.com.au/>

Board

Phil Thomas - Exec Chair

Rick Anthon - NED

Pablo Tarantini - NED

Jarek Kopias - Co Sec

In parallel with the Placement, Patagonia intends to undertake a fully underwritten pro-rata non-renounceable entitlement offer to raise approximately A\$2.56 million (before expenses) on the same terms as the Placement (**Entitlement Offer**). A copy of the prospectus in relation to the Entitlement Offer was lodged with ASIC and ASX today and is attached to this announcement.

Under the Entitlement Offer, eligible shareholders will be entitled to subscribe for three (3) new Shares (**New Shares**) for every seven (7) Shares held by each eligible shareholder at the Record Date at an issue price of A\$0.08 per New Share.

The Entitlement Offer is fully underwritten by existing substantial shareholder, Dr Jose Manzano, a prominent Argentinian businessman and former Argentinian politician, who has investments across multiple industries. As part of the underwriting arrangements, Dr Manzano will be entitled to nominate a second director to be appointed to the Patagonia board with details to be provided in coming weeks.

In addition to the above, Patagonia advises that the commitment to issue 18,500,000 Shares, at an issue price of A\$0.10 per Share, under a private placement to raise up to A\$1,850,000 as announced on 18 December 2024 has been terminated, so as to facilitate the Placement being announced today.

On 2 July 2024 Southeast Mingqing Supply Chain (Fuyang) Co Ltd signed a binding Commitment Deed to underwrite any shortfall on the entitlement issue for \$1.65m which, at closing, had a shortfall of \$1.64m. The main reason for the inability to transfer the funds was time taken to received Overseas Funds transfer approval. The Company has been advised that Fuyang continues to have difficulty in securing the required approvals and has terminated the agreement with Fuyang.

Dr Manzano will nominate a second director to be appointed to the board of the Company with details to be provided in coming weeks.

The proceeds of the Placement and the Entitlement Offer will be used to complete the current drilling program in Argentina, prepare an updated Mineral Resource estimate and general working capital purposes.

Entitlements are non-renounceable and will not be tradeable on the ASX or otherwise transferable. Eligible shareholders who do not take up their entitlements will not receive any value for those entitlements that they do not take up. Shareholders who are not eligible to receive entitlements will not receive any value for the entitlements they would have received had they been eligible.

Patagonia will notify shareholders as to whether they are eligible to participate in the Entitlement Offer and eligible shareholders will receive a prospectus, including a

personalised entitlement and acceptance form, which will provide further details of how to participate in the Entitlement Offer. Those shareholders who Patagonia determines to be ineligible shareholders will also be notified.

The Entitlement Offer is subject to the *Corporations Act 2001* (Cth), ASX Listing Rules and other applicable laws.

Proposed Timetable

Patagonia expects that the Entitlement Offer will be conducted according to the following timetable:

| Event | Date |
|--|----------------------|
| Lodge prospectus with ASIC and ASX | 24 February 2025 |
| Shares quoted on an 'ex basis' | 26 February 2025 |
| Record date for Entitlement Offer (7.00pm (Sydney time)) (Record Date) | 27 February 2025 |
| Prospectus and personalised Application Forms despatched to Eligible Shareholders and ineligible Shareholder Letters despatched and announcement of despatch | 28 February 2025 |
| Entitlement Offer opens | 28 February 2025 |
| Last day to extend the Closing Date for the Entitlement Offer (before noon) | 12 March 2025 |
| Closing Date for the Entitlement Offer (5:00pm (Sydney time)) | 17 March 2025 |
| Expected commencement of trading on a deferred settlement basis on the ASX | 18 March 2025 |
| Announcement of results of Entitlement Offer (before noon) | 21 March 2025 |
| Issue of Shares issued under the Placement (before noon) | 21 March 2025 |
| Issue of New Shares issued under the Entitlement Offer | 21 March 2025 |
| Quotation of New Shares issued under the Placement and Entitlement Offer | 24 March 2025 |

The above dates (other than the date of lodgement) are indicative only and may change without notice. Subject to the *Corporations Act 2001* (Cth), ASX Listing Rules and other applicable laws, Patagonia reserves the right to alter any or all of these dates, including to extend the Closing Date or close the Entitlement Offer without further notice. A change to the Closing Date may cause other dates to change.

Patagonia's directors also reserve the right not to proceed with the whole or part of the Entitlement Offer at any time prior to the allotment, in which case, the relevant application monies will be returned without interest.

Authorised for release by the Board of the Company.

For further information please contact:

Phillip Thomas

Executive Chairman

Patagonia Lithium Ltd

M: +61 433 747 380

E: phil@patagonialithium.com.au

Our socials - LinkedIn, twitter X @patalithium, Instagram, facebook, pinterest and youtube
www.patagonialithium.com.au

Important Notices

This announcement has been prepared for publication in Australia and may not be released or distributed in the United States. This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or any other jurisdiction. Any securities described in this announcement have not been, and will not be, registered under the US Securities Act of 1933 and may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration of the US Securities Act and applicable US state securities laws.

This announcement is not financial product or investment advice, a recommendation to acquire New Shares or accounting, legal or tax advice. It has been prepared without taking into account the objectives, financial or tax situation or needs of individuals. Before making an investment decision, prospective investors should consider the appropriateness of the information having regard to their own objectives, financial and tax situation and needs and seek appropriate legal and taxation advice.

Patagonia Lithium Ltd

ACN 654 004 403

Prospectus

For a non-renounceable entitlement offer of three (3) New Shares for every seven (7) Shares registered as being held by Eligible Shareholders, as at the Record Date, at an issue price of \$0.08 per New Share to raise approximately \$2.56 million (before expenses), with no minimum subscription (**Entitlement Offer**).

The Entitlement Offer is fully underwritten by Dr Jose Manzano (**Underwriter**). Please refer to section 4.5 for details regarding this underwriting arrangement.

NOT FOR RELEASE TO U.S. WIRE SERVICES

IMPORTANT NOTICE

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

Neither ASIC nor the ASX, nor any of their respective officers or employees, take any responsibility for this Prospectus or the merits of the investment to which this Prospectus relates.

The New Shares offered in accordance with this Prospectus should be considered as a speculative investment.

Important notices

This Prospectus is dated 24 February 2025 and was lodged with ASIC on that date. ASIC and its officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

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

It is important that investors read this Prospectus in its entirety and seek professional advice where necessary. The New Shares the subject of this Prospectus should be considered speculative.

This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus. In making the representations contained in this Prospectus, regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and that certain matters can reasonably be expected to be known to investors and professional advisers whom they may consult.

No exposure period applies to this Prospectus by operation of the Corporations Act (in respect of the New Shares).

No New Shares will be issued pursuant to this Prospectus after the date that is 13 months after the date of this Prospectus.

Electronic prospectus

Shareholders can obtain a copy of this Prospectus from www.patagonialithium.com.au. The electronic version of this Prospectus on the Company website will not include an Application Form. Eligible Shareholders will only be entitled to subscribe for New Shares under the Entitlement Offer and Top-Up Offer in accordance with the instructions in the personalised Application Form which accompanies a paper copy of this Prospectus.

Financial forecasts

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

Privacy

By submitting an Application, you will be providing personal information to the Company (directly or via the Company's Share Registry). The Company collects, holds and will use that information to assess your Application, service your needs as a holder of Shares and facilitate the distribution of payments and corporate communications to you as a Shareholder.

The information may also be used and disclosed to persons inspecting the Company's register, bidders for your Shares 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 Prospectus.

Forward looking statements

Some of the statements appearing in this Prospectus may be in the nature of forward looking statements, including statements of current intention, statements of opinion and predictions as to possible future events. These may be identified by words such as 'may', 'could', 'believes', 'estimates', 'expects', or 'intends' and other similar such words that involve risks or uncertainties.

You should be aware that such statements are not statements of fact or guarantees and there can be no certainty of outcome in relation to the matters to which the statements relate. Forward looking statements are subject to many inherent risks and uncertainties before actual outcomes are achieved. To the maximum extent permitted by law, none of the Company or any person named in this Prospectus or any person involved in the preparation of this Prospectus makes any representation or warranty (express or implied) as to the accuracy or likelihood of fulfilment of any forward looking statement, or any intentions or outcomes expressed or implied in any forward looking statement and disclaim all responsibility and liability for such forward looking statements (including, without limitation, liability for negligence). The Company has no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus, except where required by law. You are cautioned not to place undue reliance on any forward looking statement having regard to the fact that the outcome may not be achieved. For further information, please see the Company's past announcements released to ASX.

Except as required by law, and only then to the extent so required, neither the Company nor any other person warrants or guarantees the future performance of the Company or any return on any investment made pursuant to this Prospectus.

Overseas Shareholders

The offer of New Shares pursuant to this Prospectus does not, and is not intended to, constitute an offer, invitation or issue in any place in which, or to any person to whom, it would be unlawful to make such an offer, invitation or issue. This Prospectus has not been, nor will it be, lodged, filed or registered with any regulatory authority in the securities laws of any country.

No action has been taken to register or qualify the offer of the New Shares or otherwise to permit an offering of the New Shares in any jurisdiction outside Australia.

The distribution of this Prospectus and the accompanying Application Form outside of Australia,

Argentina, New Zealand or the PRC may be restricted by law and persons who come into possession of the Prospectus and the accompanying Application Form should seek advice on and observe those restrictions.

Any failure to comply with those restrictions may constitute a violation of applicable securities laws. The Company reserves the right to treat as invalid any Application which does not comply with the requirements of this Prospectus or the Application Form or which the Company believes has been sent for, or on the account of, a person located in a jurisdiction to whom it would be illegal to make the offer of New Shares pursuant to this Prospectus.

Foreign exchange control restrictions or restrictions on remitting funds from your country to Australia may apply. Your application for New Shares is subject to all requisite authorities and clearances being obtained for the Company to lawfully receive your application monies.

New Zealand

The New Shares are not being offered to the public within New Zealand other than to Eligible Shareholders with registered addresses in New Zealand to whom the offer of New Shares is being made in reliance on the *Financial Markets Conduct (Incidental Offers) Exemption Notice 2021* (New Zealand).

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

Argentina

The New Shares will not be marketed in Argentina by means of a public offer of securities (as such term is defined under Articles 2 and 83 of the *Argentine Capital Markets Law No. 26,831*, as amended). No application has been, or will be, made with the *Argentine Comisión Nacional de Valores* (Argentine securities commission) to offer the New Shares in Argentina. This Prospectus does not constitute an offer to sell any New Shares to any prospective purchaser in Argentina under circumstances in which such offer would be unlawful.

This Prospectus may be distributed, and the New Shares issued, only to Eligible Shareholders.

China

This Prospectus has not been approved by, nor registered with any competent regulations authority of the PRC (excluding for the purposes of this paragraph, Hong Kong Special Administration Region, Macau Special Administration Region and Taiwan). Accordingly, the New Shares may not be offered or sold, nor may any invitation, advertisement of solicitation for the New Shares be made from within the PRC. This Prospectus does not constitute an offer of securities within the PRC. For further information on Eligible Shareholders in the PRC please refer to section 4.13.

United States

None of the information in this Prospectus, or the Application Form that will accompany this Prospectus when it is despatched to Eligible Shareholders, constitutes an offer to sell, or the solicitation of an offer to buy, any securities in the United States. Neither this Prospectus (or any part of it), nor the Application Form when that is to be made available, may be released or distributed directly or indirectly, to persons in the United States.

The New Shares have not been, and will not be, registered pursuant to the *United States Securities Act of 1933* (as amended) or the securities laws of any state or other jurisdiction of the United States and may not be offered or sold, directly or indirectly, in the United States.

Notice to nominees and custodians

Eligible Shareholders that are recorded in the Company's Share Register as having an address in Australia, Argentina, New Zealand or the PRC that hold Shares on behalf of persons who are resident in jurisdictions outside of Australia, Argentina, New Zealand, or the PRC are responsible for ensuring that subscribing for that Entitlement in accordance with the Entitlement Offer does not breach regulations in the relevant overseas jurisdiction. The return of a duly completed Application will be taken by the Company to constitute a representation that there has been no breach of those regulations.

Capitalised terms

Capitalised terms used in this Prospectus have the same meaning as those given in the Glossary contained in section 9 of this Prospectus.

1. Contents

| | | |
|------------|---|-----------|
| 1. | Contents | 3 |
| 2. | Indicative Timetable | 4 |
| 3. | Chair's Letter | 5 |
| 4. | Investment Overview | 6 |
| 5. | Acceptance of Entitlement Offer and Top-Up Offer | 15 |
| 6. | Rights and liabilities attaching to Shares | 19 |
| 7. | Risks | 21 |
| 8. | Additional information | 32 |
| 9. | Glossary | 41 |
| 10. | Corporate Directory | 44 |

2. Indicative Timetable

| Event | Date |
|--|----------------------|
| Lodge prospectus with ASIC and ASX | 24 February 2025 |
| Shares quoted on an 'ex basis' | 26 February 2025 |
| Record date for Entitlement Offer (7.00pm (Sydney time)) (Record Date) | 27 February 2025 |
| Prospectus and personalised Application Forms despatched to Eligible Shareholders and ineligible Shareholder letters despatched and announcement of despatch | 28 February 2025 |
| Entitlement Offer opens | 28 February 2025 |
| Last day to extend the Closing Date for the Entitlement Offer (before noon) | 12 March 2025 |
| Closing Date for the Entitlement Offer (5.00pm (Sydney time)) | 17 March 2025 |
| Expected commencement of trading on a deferred settlement basis on the ASX | 18 March 2025 |
| Announcement of results of Entitlement Offer (before noon) | 21 March 2025 |
| Issue of New Shares under the Entitlement Offer | 21 March 2025 |
| Issue of Shares under the Placement | 21 March 2025 |
| Quotation of New Shares issued under the Placement and Entitlement Offer | 24 March 2025 |

The above timetable is subject to the ASX Listing Rules and the Corporations Act and the Directors reserve the right to vary these dates. You cannot withdraw an Application once it has been accepted. No cooling-off rights apply to the offers made pursuant to this Prospectus.

3. Chair's Letter

Dear Shareholder,

As valued Shareholders, the Board is pleased to offer all Eligible Shareholders the opportunity to acquire three (3) New Shares for every seven (7) existing Shares held by Eligible Shareholders as at the Record Date, being 7:00pm (Sydney time) on 27 February 2025, at an issue price of \$0.08 per New Share (**Entitlement Offer**), to raise approximately \$2.56 million (before expenses).

The Entitlement Offer is fully underwritten by existing substantial Shareholder, Dr Jose Manzano, a prominent Argentinian businessman and former Argentinian politician, who has investments across multiple industries.

Eligible Shareholders are also entitled to subscribe for any New Shares not subscribed for by other Eligible Shareholders in accordance with the Entitlement Offer (**Top-Up Offer**).

In parallel with the Entitlement Offer, the Company has announced a private placement to sophisticated, and professional investors to raise approximately \$1,000,000 (before expenses) (**Placement**). 12,500,000 Shares will be issued in accordance with the Placement, at an issue price of \$0.08 per Share, being the same issue price as the New Shares offered pursuant to the Entitlement Offer.

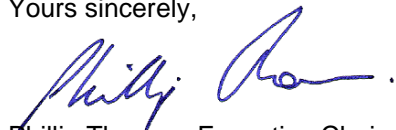
The funds raised pursuant to the Entitlement Offer and the Placement (after expenses) are planned to complete the current drill program in Argentina and expand the Mineral Resource Estimate and for general working capital purposes.

As the Entitlement Offer is non-renounceable, your Entitlements will not be tradeable on the ASX or otherwise transferable. Eligible Shareholders who do not take up their Entitlements in full will not receive any value for those Entitlements that they do not take up.

Applicants for New Shares pursuant to this Prospectus should be aware that there are various risks associated with an investment in New Shares and the Company, including those risks summarised in section 7 of this Prospectus. Accordingly, any potential investors should consult with their professional advisers before deciding whether to apply for any New Shares pursuant to this Prospectus.

The Board thanks all Shareholders for their continuing support for the Company and recommends the Entitlement Offer.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Phillip Thomas', with a stylized flourish at the end.

Phillip Thomas, Executive Chairman
Patagonia Lithium Ltd

4. Investment Overview

4.1 Entitlement Offer

The Entitlement Offer is being undertaken as a non-renounceable entitlement offer of three (3) New Shares for every seven (7) existing Shares held by Eligible Shareholders registered as at the Record Date, being 7.00pm (Sydney time) on 27 February 2025, at an issue price of \$0.08 per New Share. New Shares issued under the Entitlement Offer are to be issued at the same price as the Shares issued under the Placement.

Eligible Shareholders who wish to accept the Entitlement Offer can do so in accordance with the instructions contained in section 5.1 of this Prospectus.

Eligible Shareholders will receive a personalised Application Form setting out their Entitlement which will accompany a copy of this Prospectus.

Fractional Entitlements to New Shares will be rounded up to the nearest whole number.

The Entitlement Offer is non-renounceable. Accordingly, Entitlements do not trade on the ASX nor can they be sold, transferred or otherwise disposed of.

All New Shares issued pursuant to this Prospectus will rank equally with the existing Shares on issue as at the date of allotment. The rights and liabilities attaching to the New Shares are contained in section 6 of this Prospectus.

Based on the capital structure of the Company as at the date of this Prospectus, approximately 32,073,108 New Shares will be issued pursuant to this Prospectus to raise approximately \$2.56 million (before expenses).

Eligible Shareholders may subscribe for all or part of their Entitlement.

There is no minimum subscription for the Entitlement Offer as the Entitlement Offer is fully underwritten by Dr Jose Manzano.

In the event that the Binding Commitment and Underwriting Deed is terminated for any reason, the Company will not proceed with the Entitlement Offer. If the Company does not proceed with the Entitlement Offer, any application money received by the Company will be refunded to Applicants (without interest).

4.2 Top-Up Offer

In addition to the Entitlement Offer, Eligible Shareholders may apply to receive any New Shares not taken up in accordance with the Entitlement Offer (**Top-Up Shares**) by participating in the Top-Up Offer.

The issue price of Top-Up Shares offered in accordance with the Top-Up Offer is the same as the Entitlement Offer, being \$0.08 per New Share.

Eligible Shareholders who wish to apply for Top-Up Shares can do so in accordance with the instructions contained in section 5.2 of this Prospectus.

Top-Up Shares will only be offered in accordance with the Top-Up Offer if the Entitlement Offer is undersubscribed and will only be issued to the extent necessary to make up any shortfall in subscriptions received in accordance with the Entitlement Offer.

It is possible that, depending on the extent to which Eligible Shareholders participate in the Entitlement Offer or Top-Up Offer, one or more Eligible Shareholders could increase their Shareholding significantly by participating in the Entitlement Offer or Top-Up Offer.

The control effect of the Entitlement Offer and Top-Up Offer is set out in section 4.10 of this Prospectus.

4.3 Initial Placement

The Entitlement Offer has been supplemented by the Placement that was announced to the ASX on 24 February 2025, which is intended to raise approximately \$1,000,000 (before expenses), at an issue price of \$0.08 per Share, being the same issue price as the New Shares offered pursuant to the Entitlement Offer.

The Shares issued in accordance with the Placement will rank equally with existing Shares, and participants under the Placement will not be eligible to participate in the Entitlement Offer, unless they were already a Shareholder at the Record Date.

4.4 Purpose of the Entitlement Offer

The purpose of the Entitlement Offer is to raise approximately \$2.56 million (before expenses). This has been supplemented by the Placement, which is expected to raise approximately \$1,000,000 (before expenses).

As noted in section 3 of this Prospectus, the funds raised pursuant to the Placement, the Entitlement Offer and the Top-Up Offer are planned to be used to fund completion of the current drill program in Argentina, expand the Mineral Resource Estimate and general working capital purposes.

Please refer to section 4.12 for further details relating to the estimated expenses of the Entitlement Offer.

4.5 Underwriting Arrangement

The Company has entered into a binding commitment and underwriting deed with Dr Jose Manzano (**Underwriter**), pursuant to which the Underwriter has agreed to:

- (a) subscribe for his full Entitlement under the Entitlement Offer, being an entitlement to 6,399,622 New Shares; and
- (b) subscribe, or procure subscriptions, for any New Shares offered under the Entitlement Offer not subscribed for by other Eligible Shareholders for under the Entitlement Offer or the Top-Up Offer,

(Binding Commitment and Underwriting Deed).

The Underwriter is an existing substantial Shareholder and is a prominent Argentinian businessman and former Argentinian politician, with investments across multiple industries.

As part of the underwriting arrangements, the Company has provided various warranties and representations that are common for an arrangement of this sort, including as to title to the Tenements and its capacity to undertake the Entitlement Offer.

The Company has also agreed to grant the Underwriter the right to nominate a person to the board of directors of both the Company and its subsidiary, Patagonia Lithium Argentina S.A., which is in addition to the Underwriter's existing nominee on the Board.

The Underwriter has advised the Company that, as at the date of the Binding Commitment and Underwriting Deed, he:

- (a) intends to support the Company on its continued exploration activity in Argentina and Brazil; and
- (b) does not have any intention to redeploy the Company's assets or, otherwise, change the Company's current business.

No fees are payable to the Underwriter in consideration for providing his binding commitment and agreeing to underwrite the Entitlement Offer. The Underwriter's obligations to subscribe for his Entitlement and to underwrite the Entitlement Offer will cease and the Binding Commitment and Underwriting Deed will terminate automatically in the event that the Company does not dispatch offers under the Entitlement Offer to Eligible Shareholders by the 20th business day after the date of this Prospectus.

As at the date of this Prospectus, the Underwriter has Voting Power in the Company of 19.95% and section 4.10 of this Prospectus outlines the potential effect of the Entitlement Offer on the Underwriter's Voting Power.

4.6 Key Risks

There are various risk factors associated with an investment in the New Shares and the Company. Some, but not all, of these risks are summarised in section 7 of this Prospectus. These risks, and others not specifically referred to in section 7, have the potential to materially affect the financial performance and prospects of the Company and the value of the New Shares offered under this Prospectus.

Accordingly, potential investors should consider that an investment in the Company is speculative and should consult with their professional advisers before deciding whether to apply for any New Shares pursuant to this Prospectus.

(a) Funding risk

Exploration and development involve significant financial risk and capital development. The Company may require further capital to achieve its objective of transitioning from explorer to producer. In addition, if the Company acquires any new project, it may need to raise further capital to fund the acquisition or exploration at the project once acquired.

For the foreseeable future, it is expected that this funding will be obtained from equity financing. Any equity financing undertaken will dilute existing Shareholders. There is no guarantee that the Company will be able to secure any additional funding or will be able to secure funding on terms that are favourable or acceptable to the Company.

See section 7.2(a) for more information.

(b) Outstanding approvals of the Cilon Project

Approvals for the grant of drilling permits remain outstanding from local government authorities in the Jujuy Province of Argentina, where the Cilon Project is entirely based. The Company has been engaging with the Mining Directorate of the Jujuy Province to obtain the only outstanding required drilling permit approvals for its Cilon Project.

See section 7.2(b) for more information.

(c) **Sovereign**

The business of holding interests in Projects that are located outside of Australia, by its nature, involves significant risks. Sovereign risks associated with operating in Argentina, and investors should understand that no assurance can be given regarding future stability in this jurisdiction or any other country in which the Company may, in the future, have an interest.

See section 7.2(c) for more information.

4.7 Principal effect of the Placement and Entitlement Offer

The principal effect of the Placement Entitlement Offer, assuming that the Entitlement Offer is fully subscribed and that no Options are exercised prior to the Record Date, will be to:

- (a) increase the Company's cash position by \$3.56 million (before expenses) immediately after Completion of the Placement and the Entitlement Offer; and
- (b) increase the number of Shares on issue from 74,837,252 at the date of this Prospectus to 119,410,360 Shares (with no Options exercised).

4.8 Effect on capital structure

The effect of the Entitlement Offer on the Company's capital structure, assuming that all Entitlements are accepted and that no Options are exercised prior to the Record Date, is set out below:

Shares

| Description | Number |
|---|--------------------|
| Shares on issue before the date of this Prospectus: | |
| (a) PL3: Quoted Shares | 65,400,752 |
| (b) PL3AB: Restricted Shares | 9,436,500 |
| Shares issued pursuant to the Placement: | 12,500,000 |
| New Shares offered pursuant to the Entitlement Offer: | 32,073,108 |
| Total Shares on issue after completion of the Entitlement Offer and Placement: | 119,410,360 |

Options

| Description | Number |
|---|------------|
| Options on issue before the date of this Prospectus: | |
| (a) PL3O: \$0.30 exercise price and 15 December 2025 expiry | 14,641,250 |
| (b) PLAC: \$0.27 exercise price and 5 October 2025 expiry (restricted) | 1,500,000 |
| (c) PLAD: \$0.27 exercise price and 10 October 2025 expiry (restricted) | 2,000,000 |
| (d) PLAE: \$0.27 exercise price and 24 March 2026 expiry (restricted) | 2,000,000 |
| (e) PL3AG: \$0.207 exercise price and 10 October 2025 expiry | 1,000,000 |
| (f) PL3AJ: \$0.15 exercise price and 31 August 2025 expiry | 3,669,904 |
| (g) PL3AL: \$0.18 exercise price and 31 August 2026 expiry | 3,000,000 |
| Options offered pursuant to the Placement | Nil |

| Description | Number |
|--|-------------------|
| Options offered pursuant to the Entitlement Offer | Nil |
| Total Options on completion of the Entitlement Offer and Placement: | 27,811,154 |

Performance rights

| Description | Number |
|---|------------------|
| PL3AK performance rights on issue before the date of this Prospectus: | 2,000,000 |
| Performance rights offered pursuant to the Placement | Nil |
| Performance rights offered pursuant to the Entitlement Offer | Nil |
| Total performance rights on completion of the Entitlement Offer and Placement: | 2,000,000 |

4.9 Dilution of Eligible Shareholders that do not accept their Entitlement

As the Entitlement Offer is an offer of three (3) New Shares for every seven (7) Shares held by Eligible Shareholders, the maximum dilution that will be experienced by any Eligible Shareholder that fails to subscribe for any Entitlement is approximately 30% of its existing Shareholding.

Eligible Shareholders should note that if they do not accept their Entitlements in full, their Shareholdings are likely to be diluted as follows:

| Example Shareholder | Total Shareholding as at the date of this Prospectus | % as at the date of this Prospectus | Entitlement | Holding if Entitlement not taken up | % following allotment of New Shares |
|----------------------|--|-------------------------------------|-------------|-------------------------------------|-------------------------------------|
| Shareholder 1 | 1,000,000 | 1.34% | 428,572 | 1,000,000 | 0.94% |
| Shareholder 2 | 2,500,000 | 3.34% | 1,071,429 | 2,500,000 | 2.34% |
| Shareholder 3 | 5,000,000 | 6.68% | 2,142,858 | 5,000,000 | 6.68% |
| Shareholder 4 | 10,000,000 | 13.36% | 4,285,715 | 10,000,000 | 9.35% |

4.10 Effect on Underwriter's Voting Power

As at the date of this Prospectus, the Underwriter has a Voting Power of 19.95%.

The Underwriter may increase his Voting Power in the Company depending on the extent to which other Shareholders accept their Entitlements under the Entitlement Offer and the extent of any applications received under the Top-Up Offer.

The table below sets out the potential number of Shares and Voting Power that the Underwriter may have after the completion of the Entitlement Offer and Top-Up Offer under several scenarios:¹

| Acceptances | Shares held | Voting Power |
|--|-------------|--------------|
| 0% acceptance of all Entitlements under Entitlement Offer (excluding Dr Manzano) | 47,005,558 | 43.97% |
| 25% acceptance of all Entitlements under Entitlement Offer (excluding Dr Manzano) | 40,587,186 | 37.96% |
| 50% acceptance of all Entitlements under Entitlement Offer (excluding Dr Manzano) | 34,168,815 | 31.96% |
| 75% acceptance of all Entitlements under Entitlement Offer (excluding Dr Manzano) | 27,750,443 | 25.96% |
| 100% acceptance of all Entitlements under Entitlement Offer (excluding Dr Manzano) | 21,332,072 | 19.95% |

The table set out in this section 4.10 assumes that the Underwriter does not increase his Voting Power between the date of this Prospectus and the Record Date. If the Underwriter increases his Voting Power by, either directly or indirectly via one of his associates, buying additional Shares on market or otherwise, his Voting Power in the Company may be greater than that set out above.

It is noted that the Underwriter's Voting Power may be less than the above amounts in the event that the Placement completes before or simultaneously with the Entitlement Offers.

4.11 Effect on relevant interest of substantial security holders

As at 14 February 2025, the following persons were believed to have a Relevant Interest of 5% or more of the Company's Shares:

| Substantial Holder | Shares | Relevant Interest |
|--|-------------------|-------------------|
| HSBC Custody Nominees (Australia) Limited and Dr Jose Manzano (Dr Manzano) | 14,932,450 | 19.95% |
| 10 Bolivianos Pty Ltd, Freedom Trader Pty Ltd and Niv Dagan (together, the Bolivianos Investors) | 14,067,863 | 18.80% |
| Fuyang Mingjin New Energy Development Co Ltd (Fuyang) | 10,000,000 | 13.36% |
| Southeast Mingqing Supply Chain (Fuyang) Co Ltd (Southeast) | 3,750,000 | 5.01% |
| TOTAL | 42,750,313 | 57.12% |

As noted elsewhere in this Prospectus, Dr Manzano has committed to subscribe for his full Entitlement under the Entitlement Offer and to fully underwrite the Entitlement Offer.

¹ This example is provided on the assumption that Dr Jose Manzano accept his Entitlement under the Entitlement Offer in full, which, as at the date of this Prospectus, he intends to do.

As at the date of this Prospectus, the Company has not received any commitment from any of the above persons as to whether they intend to subscribe for their Entitlements under the Entitlement Offer or participate in the Top-Up Offer other than from Dr Manzano.

If the Entitlement Offer is fully subscribed and each of the above Shareholders subscribe for their full Entitlement, there will be no change to their relevant interests in the Company's Shares.

If the Entitlement Offer is not fully subscribed, the above parties may increase their relevant interest in the Company's Shares.

The extent to which each of the above may increase their respective relevant interest in the Company's Shares is dependent upon the extent of applications received under the Top-Up Offer by both those and other Shareholders.

4.12 Expenses of the Entitlement Offer

The total expenses of the Entitlement Offer and Top-Up Offer are estimated to be approximately \$55,171 (excluding GST), which are expected to be applied towards the items set out in the table below:

| Expense | Amount (\$) |
|-------------------------------------|--------------------|
| ASIC fees | \$3,206 |
| ASX fees | \$11,965 |
| Legal fees | \$20,000 |
| Printing, registry and distribution | \$20,000 |
| TOTAL | \$55,171 |

There are no expenses or fees to be paid to the Underwriter.

4.13 Overseas shareholders

The offer of New Shares pursuant to this Prospectus does not, and is not intended to, constitute an offer or invitation in any place or jurisdiction in which, or to any person to whom, it would be unlawful to make such an offer or to issue this Prospectus.

It is not reasonable for the Company to comply with the securities laws of all overseas jurisdictions in which Shareholders are resident having regard to the number of overseas Shareholders and the number and value of Shares these Shareholders would be offered and the cost of complying with the regulatory requirements in each relevant jurisdiction.

The Entitlement Offer and Top-Up Offer is not being extended to Shareholders that are recorded in the Company's share register as having an address that is outside Australia, New Zealand, Argentina or the PRC.

New Zealand

This Prospectus is prepared under Australian law and is not a product disclosure statement prepared under New Zealand law. New Zealand law normally requires people who offer financial products to give information to investors before they invest. This requires those offering financial products to have disclosed information that is important for investors to make an informed decision.

No New Zealand product disclosure statement is being prepared and the offer of New Shares is being extended to Eligible Shareholders that were recorded in the Company's share register as having an address in New Zealand in reliance on the *Financial Markets Conduct (Incidental Offers) Exemption Notice 2021* (New Zealand).

As a result, Eligible Shareholders that were recorded in the Company's share register as having an address in New Zealand may not be given all the information usually required under New Zealand law and will also have fewer other legal protections for this investment. The taxation treatment of Australian financial products is not the same as for New Zealand financial products.

If you are uncertain about whether this investment is appropriate for you, you should seek the advice of an appropriately qualified financial adviser. The Entitlement Offer may involve a currency exchange risk. The currency for the financial products is not New Zealand dollars. The value of the financial products will go up or down according to changes in the exchange rate between that currency and New Zealand dollars. These changes may be significant.

Any amounts paid on the financial products will be in Australian dollars and not New Zealand dollars. You may incur significant fees in having any such Australian dollar funds credited to a bank account in New Zealand in New Zealand dollars.

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

Eligible Shareholders that are resident in Australia or New Zealand that hold Shares on behalf of persons who are resident in jurisdictions other than Australia and New Zealand are responsible for ensuring that taking up any Entitlement pursuant to the Entitlement Offer does not breach regulations in the relevant overseas jurisdiction. The return of a duly completed Application will be taken by the Company to constitute a representation that there has been no breach of those regulations.

Argentina

The New Shares will not be marketed in Argentina by means of a public offer of securities (as such term is defined under Articles 2 and 83 of the *Argentine Capital Markets Law* No. 26,831, as amended). No application has been, or will be, made with the *Argentine Comisión Nacional de Valores* (Argentine securities commission) to offer the New Shares in Argentina. This Prospectus does not constitute an offer to sell any New Shares to any prospective purchaser in Argentina under circumstances in which such offer would be unlawful. This Prospectus may be distributed, and the New Shares issued, only to Eligible Shareholders.

People's Republic of China

This Prospectus has not been approved by, nor registered with, any competent regulations authority of the PRC (excluding for the purposes of this paragraph, Hong Kong Special Administration Region, Macau Special Administration Region and Taiwan). Accordingly, the New Shares may not be offered or sold, nor may any invitation, advertisement of solicitation for the New Shares be made from within the PRC. This Prospectus does not constitute an offer of securities within the PRC.

The New Shares may not be offered to legal or natural persons in the PRC other than to:

- (a) a “qualified domestic institutional investor” as approved by the relevant PRC regulatory authorities to invest in overseas capital markets;
- (b) a sovereign wealth fund or quasi-government investment fund that has the authorisation to make overseas investment; or
- (c) another type of qualified investor that has obtained all necessary PRC governmental approvals, registrations and/or filings (whether statutory or otherwise).

5. Acceptance of Entitlement Offer and Top-Up Offer

5.1 Acceptance of Entitlement Offer

Your acceptance of the Entitlement Offer must be made in accordance with the instructions contained in your personalised Application Form accompanying this Prospectus. Your acceptance must not exceed your Entitlement as shown on that form. If it does, your acceptance will be deemed to be for your maximum Entitlement.

You may participate in the Entitlement Offer as follows:

- (a) if you wish to accept your full Entitlement, you must either
 - (1) pay your application monies via BPAY® in accordance with the instructions, and for the amount indicated, on the Application Form. Please refer to section 5.4 for further information regarding payment via BPAY®; or
 - (2) if you are unable to pay via BPAY® (for example, because you are a New Zealand shareholder who does not have an Australian bank account) you can make a payment by Electronic Funds Transfer (**EFT**). To do this, you must use the unique EFT Reference Number shown on your personalised Application Form. **If you make your payment via BPAY or EFT you do not need to return your Application Form,**

in each case, by no later than 5.00pm (Sydney time) on the Closing Date;

- (b) if you only wish to accept part of your Entitlement, you must either:
 - (1) pay the appropriate application monies for the relevant part via BPAY® or EFT in accordance with the instructions on Application Form. Please refer to section 5.4 for further information regarding payment via BPAY® and EFT; or
 - (2) if you are unable to pay via BPAY® (for example, because you are a New Zealand Shareholder who does not have an Australian bank account), you can make a payment by Electronic Funds Transfer (EFT). To do this, you must use the unique EFT Reference Number shown on your personalised Application Form. **If you make your payment via BPAY or EFT you do not need to return your Application Form,**

in each case, by no later than 5.00pm (Sydney time) on the Closing Date; or

- (c) if you do not wish to accept any part of your Entitlement, you are not obliged to do anything.

Eligible Shareholders who do not take up their Entitlement in full will not receive any payment or value for any part of their Entitlement that they do not take up and their Shareholding in the Company will be diluted.

The Directors retain the discretion to refuse to accept applications for New Shares (in whole or in part) where the effect of issuing New Shares to the Applicant will result in the Applicant's, or another person's, Voting Power in the Company increasing from 20% or below to more than 20%, or from a starting point above 20% to below 90%.

5.2 Application for Top-Up Shares

If you wish to apply for Top-Up Shares in excess of your Entitlement under the Top-Up Offer, you may do so in accordance with the instructions referred to in the Application Form. Please read the instructions carefully. Any Top-Up Shares applied for in excess of your Entitlement will be issued from the excess of any New Shares not applied for in accordance with the Entitlement Offer (if any) and there is no guarantee that you will receive all, or any, of the amount of the Top-Up Shares applied for pursuant to the Top-Up Offer.

Application monies received by the Company in excess of the amount in respect of your Entitlement will be treated as an application to apply for as many New Shares as that excess amount will pay for, in full, at the issue price of \$0.08 per New Share (up to the maximum number of New Shares available as per the discretion in 5.1 above).

For payment methods, please refer to section 5.4.

5.3 Allocation of Top-Up Shares

Subject to the Directors retaining discretion to refuse to accept applications (in whole or in part) for Top-Up Shares under the Top-Up Offer where the effect of issuing Top-Up Shares to the Applicant will result in the Company breaching the ASX Listing Rules or the Applicant's, or another person's, Voting Power in the Company increasing from 20% or below to more than 20%, or from a starting point above 20% to below 90%, applicants under the Top-Up Offer will be allocated the lesser of:

- (a) the number of Top-Up Shares applied for by the Applicant; and
- (b) if the number of Top-Up Shares available for subscription is less than the aggregate number of Top-Up Shares applied for by all unsatisfied Applicants, the number of Top-Up Shares applied for, scaled on a pro rata basis according to all unsatisfied Applicants' respective Shareholdings in the Company as at the Closing Date for the Entitlement Offer.

If, following the allocation process referred to in paragraphs (a) and (b) immediately above, there are any remaining Top-Up Shares, that allocation process will be repeated continuously until all applications for Top-Up Shares have been satisfied in full or there are no further Top-Up Shares.

Any Top-Up Shares remaining after completion of the steps outlined above will be issued to the Underwriter.

5.4 Payment Methods

Eligible Shareholders may make payment of your application monies in the following ways:

- (a) by BPAY® and EFT; or
- (b) if you are unable to pay via BPAY® (for example, because you are a New Zealand Shareholder who does not have an Australian bank account), you can make a payment by Electronic Funds Transfer (EFT). To do this, you must use the unique EFT Reference Number shown on your personalised Application Form.

Cash and cheque payments will not be accepted. Receipts for payment will not be issued. Any application monies received for more than your final allocation of New Shares (only where the

amount is \$1.00 or greater) will be refunded as soon as practicable. No interest will be paid on any application monies received or refunded.

By making payment by BPAY® or EFT:

- (a) you are taken to have made the declarations on that Application Form; and
- (b) if you do not pay for your Entitlement in full, you are deemed to have taken up your Entitlement in respect of such whole number of New Shares which is covered in full by your application monies.

It is your responsibility to ensure that your BPAY® or EFT payment is received by the Share Registry by no later than 5.00pm (Sydney time) on the Closing Date. You should be aware that your financial institution may implement cut-off times with regards to electronic payment and you should therefore take this into consideration when making payment.

Any application monies received for more than your final allocation of New Shares (only where the amount is \$1.00 or greater) will be refunded. No interest will be paid on any application monies received or refunded.

5.5 Representations you will be taken to make by acceptance

A payment of application monies made through BPAY® and EFT or otherwise constitutes a binding offer to acquire New Shares on the terms and conditions set out in this Prospectus and, once paid, cannot be withdrawn. The Company's decision whether to treat an Application as valid is final.

By making a payment of application monies by BPAY® and EFT or otherwise, you will be deemed to have:

- (a) acknowledged that you have fully read and understood this Prospectus and the Application Form in their entirety and you acknowledge the matters and make the warranties and representations and agreements contained in this Prospectus and the Application Form;
- (b) agreed to be bound by the terms of the Entitlement Offer and the Top-Up Offer (as applicable), the provisions of this Prospectus and the Company's Constitution;
- (c) authorised the Company to register you as the holder of the New Shares allotted to you;
- (d) declared you are over 18 years of age and have full legal capacity and power to perform all of your rights and obligations pursuant to the personalised Application Form;
- (e) warranted that you are an Eligible Shareholder (in respect of the Entitlement Offer and the Top-Up Offer) and that you are not a resident in the United States and are not a person (including nominees or custodians) acting for the account or benefit of a person resident in the United States and are not otherwise a person to whom it would be illegal to make an offer or issue of New Shares pursuant to this Prospectus;
- (f) in respect of the Entitlement Offer or the Top-Up Offer (as applicable), declared that you were the registered holder as at the Record Date of the Shares indicated in the Application Form as being held by you on the Record Date;

- (g) agreed to apply for and be issued up to the number of New Shares specified in the Application Form, or for which you have submitted payment of any application monies via BPAY® or EFT or otherwise at the issue price of \$0.08 per New Share;
- (h) authorised the Company, the Share Registry and their respective officers, employees or agents to do anything on your behalf necessary for New Shares to be issued to you;
- (i) acknowledged and agreed that:
 - (1) determination of eligibility of investors for the purpose of the Entitlement Offer is determined by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of the Company; and
 - (2) the Company, and each of its Affiliates, disclaim any duty or liability (including for negligence) in respect of that determination and the exercise or otherwise of that discretion, to the maximum extent permitted by law;
- (j) acknowledged that the information contained in this Prospectus and your Application Form is not investment advice nor a recommendation that the New Shares are suitable for you given your investment objectives, financial situation or particular needs;
- (k) acknowledged that this Prospectus does not contain all of the information that you may require in order to assess an investment in the Company and is given in the context of the Company's past and ongoing continuous disclosure announcements to the ASX;
- (l) acknowledged the statement of risks in the 'Risks' section of this Prospectus, contained in section 7, and that investments in the Company are subject to risk;
- (m) acknowledged that none of the Company or its Related Bodies Corporate and Affiliates and none of its or their respective directors, officers, partners, employees, representatives, agents, consultants or advisers, guarantees the performance of the Company, nor do they guarantee the repayment of capital; and
- (n) authorised the Company to correct any errors in your Application Form.

The Directors' (or their delegates') decision as to whether to treat an Application as valid and how to construe, amend or complete the Application is final and binding.

5.6 Enquiries concerning your Entitlement

If you have any queries concerning your Entitlement please contact the Company's Share Registry on 1300 288 664 (within Australia) or +61 2 9698 5414 (outside Australia).

5.7 No Cooling-Off Rights

Cooling-off rights do not apply to an investment in New Shares. You cannot, in most circumstances, withdraw your application once it has been accepted.

6. Rights and liabilities attaching to Shares

Shares issued pursuant to this Prospectus will have the same rights and liabilities as the Company's existing Shares on issue as at the date of this Prospectus. The full details of the rights attaching to Shares are set out in the Constitution, a copy of which is available on the Company's website www.patagonialithium.com.au and may also be inspected at the Company's registered office. A summary of the rights and liabilities attaching to the Shares is set out below. This summary is not exhaustive, nor does it constitute a definitive statement of a Shareholder's rights and obligations.

6.1 General meetings

- (a) Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.
- (b) Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the Constitution.

6.2 Voting rights

Subject to any rights or restrictions for the time being attached to any class or classes of Shares, at general meetings of Shareholders or classes of Shareholders, each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;

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

6.3 Dividend Rights

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

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

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

6.4 Winding-up

- (a) **Distribution of assets:** If the Company is wound up, the liquidator may, with the authority of a special resolution of the Company, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.
- (b) **Powers of liquidator to vest property:** The liquidator may, with the authority of a special resolution of the Company, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any Shares or other securities in respect of which there is any liability.

6.5 Shareholder liability

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

6.6 Transfer of Shares

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

6.7 Future Increase in Capital

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

6.8 Variation of rights

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

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

6.9 Alteration of Constitution

The Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting. In addition, at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

7. Risks

7.1 Introduction

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

In addition to the specific risks that relate directly to the Company, there are also other general risks, many of which are largely beyond the control of the Company and the Directors, that investors should consider. The risks identified in this section, or other risk factors, may have a material impact on the financial performance of the Company and the market price of any New Shares issued pursuant to this Prospectus.

7.2 Business specific and industry risks

(a) Funding risk

The Company's capital requirements depend on numerous factors, including the success of its planned exploration programs, the future exploration programs for its Projects, the Company's ability to generate income from its operations and possible acquisitions or other corporate opportunities. The Company may require further capital to achieve its objective of transitioning from explorer to producer. If the Company acquires any new Project it may need to raise further capital to fund the acquisition or the project once acquired.

For the foreseeable future, it is expected that this funding will be obtained from equity financing. Any equity financing undertaken will dilute existing Shareholders.

There is no guarantee that the Company will be able to secure any additional funding or will be able to secure funding on terms that are favourable or acceptable to the Company.

This may require that the Company reduce the scope of its operations or, if necessary, surrender or dispose of some of its interest in one or more of its Projects to a third party.

There is a risk that the Company will not be able to meet the work commitments or satisfy the required licence fees, which may result in one or more of its Tenements being forfeited.

Similarly, while debt financing is unlikely to be available to the Company for the foreseeable future, any debt financing, if available, may involve restrictions on financing and operating activities.

(b) Outstanding approvals of the Cilon Project

The grant of the drilling permit approvals for the Cilon Project have not yet been granted by the local government authority.

In Argentina, each province is the owner of the natural resources located in their respective territories and permitting is managed by both the mining and environmental departments of each province. The Cilon Project is entirely located in the Jujuy Province of Argentina.

The Company has been engaging with the Mining Directorate of the Jujuy Province to obtain the required drilling permit approvals for its Cilon Project.

As at the date of this Prospectus, the Company has been advised that the only outstanding approval that is required to be for the Company to commence drilling at the Cilon Project is the approval of a drilling program and environmental impact assessment at the Cilon Project. The grant of these approvals is out of the control of the Company and there is no guarantee that it will occur.

(c) **Sovereign**

The Company currently holds interests in Projects that are located in Argentina and Brazil.

Possible sovereign risks associated with operating in this jurisdiction include, without limitation, changes in the terms of mining legislation, changes to royalty arrangements, changes to taxation rates and concessions and changes in the ability to enforce legal rights. Any of these factors may, in the future, adversely affect the financial performance of the Company and the market price of its shares.

No assurance can be given regarding future stability in this jurisdiction or any other country in which the Company may, in the future, have an interest.

Specifically, it is possible that the current system of exploration and mine permitting may change, resulting in impairment of rights and possibly expropriation of the Company's properties without adequate compensation.

(d) **Exchange rate volatility and inflation**

The Company's revenue and expenditure will be taken into account in Australian dollars. The Company's operating and exploration expenses may be incurred in United States Dollars, Argentinian Peso and Brazilian Real.

Furthermore, international prices of various commodities are denominated in United States dollars and, if the Company achieves success leading to mineral production, the revenue it will derive through the sale of commodities exposes the potential income of the Company to United States.

Therefore, the Company is exposed to fluctuations and volatility in the United States dollar, the Australian dollar and the Argentinian Peso and Brazilian Real exchange rates.

Furthermore, the Argentinian Peso is subject to strict foreign export control laws which often mean that the official rate of exchange is not reflective of the actual rate of exchange and the Argentinian Peso is exposed to a high rate of inflation.

Movements in these exchange rates, inflation and the actual rates at which the Company is able to convert USD to Argentinian Peso and/ or Brazilian Real may adversely or beneficially affect the Company's results or operations and cash flows.

(e) **Operational and exploration risk**

The Tenements comprising the Projects are at various stages of exploration, and potential investors should understand that mineral exploration and development are high-risk undertakings.

There can be no assurance that exploration of the Tenements, or any other Tenements that may be acquired in the future, will result in the discovery of an economic ore deposit. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited.

The future exploration activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns or adverse weather conditions, unanticipated operational and technical difficulties, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, industrial and environmental accidents, industrial disputes, unexpected shortages and increases in the costs of consumables, spare parts, plant, equipment and staff, native title process and Indigenous heritage factors, changing government regulations and many other factors beyond the control of the Company.

The success of the Company will also depend upon the Company being able to maintain title to the mineral exploration Tenements forming its Projects and obtaining all required approvals for their contemplated activities. In the event that exploration programs prove to be unsuccessful this could lead to a diminution in the value of its Projects, a reduction in the cash reserves of the Company and possible relinquishment of one or more of the mineral exploration Tenements forming its Projects.

(f) **Access and infrastructure**

Access on and to Tenements may be subject to the availability of appropriate infrastructure or the consent of third parties.

There is no guarantee that agreement can be reached with interested third parties or that the necessary infrastructure required to access or develop the Tenements will be available or viable.

The Company's Projects are and may be further affected by legitimate native title rights of Indigenous peoples as discussed in the native title section below.

(g) **Native title**

In relation to Tenements which the Company has an interest in or will in the future acquire such an interest, there may be areas of indigenous owned land that exist. Where such rights exist, the ability of the Company to gain access to Tenements (through obtaining consent of any relevant landowner), or to progress from the exploration phase to the development and mining phases of operations may be adversely affected.

The Company understands the importance of establishing and maintaining positive relationships with all affected by any future exploration activities, particularly with the Indigenous peoples whose lands we may operate on.

The Directors will closely monitor the potential effect of native title processes, determinations and claims and Indigenous heritage matters involving Tenements in which the Company has or may have an interest and will undertake such heritage surveys and seek such consents as are required to comply with these obligations.

(h) **Tenure and title risk**

Mining and exploration Tenements are subject to periodic renewal. There is no guarantee that current or future Tenements or future applications for production Tenements will be approved. Tenements are subject to the applicable mining acts and regulations of the relevant jurisdiction. The renewal of the term of a granted tenement is also subject to the discretion of the relevant minister. Renewal or conversion conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the Tenements comprising the Company's Projects. The imposition of new conditions or the inability to meet those conditions may adversely affect the operations, financial position and/or performance of the Company.

Irrespective of the Company's compliance with the conditions of the Tenements, and applicable mining acts and regulations, there is no guarantee that applications for forfeiture or cancellation will not be made against the Tenements. If any application for forfeiture or objection to the grant of an exemption is lodged, the Company may be required to defend such applications or objections and incur significant costs.

(i) **Grant and renewal of permits**

The Company's mineral exploration activities are dependent upon the granting and maintenance (including renewal) of the Tenements or other Tenements in which the Company acquires an interest.

Maintenance of the Company's Tenements is dependent on, among other things, its ability to meet the licence conditions imposed by relevant authorities including minimum annual expenditure requirements which, in turn, is dependent on it being sufficiently funded to meet those expenditure requirements. The extent of work performed on each Tenement may vary depending upon the results of the exploration programme which will determine the prospectivity of the relevant area of interest. There is a risk that if the Company fails to satisfy these minimum expenditure requirements at the time of expiry of the granted Tenements, the Company may be required to relinquish part or all its interests in these granted Tenements. As at the date of this Prospectus, the Company is not in breach of its minimum expenditure commitments.

7.3 Industry Specific Risks

There are a number of industry specific risks associated with the Company which have a reasonable likelihood of occurring, are difficult to mitigate, and if they do eventuate, would have a significant effect on the Company's financial position, prospects or the price of its Shares and are, therefore, key risks. These risks include:

(a) **Commodity price fluctuations**

It is anticipated that any future revenues derived from mining will primarily be derived from the sale of minerals. Consequently, any future earnings are likely to be closely related to the price of lithium and other mined commodities. Similarly, prior to

production, the Company's Share price will also be affected by these prices and investor outlook and sentiment in respect of these prices.

The prices of minerals are influenced by numerous variable factors beyond the control of the Company, including laws and regulations, economic conditions and trading demand and supply. Fluctuations in mineral prices may, positively or negatively, influence the operating and financial performance of projects and businesses in which the Company has an interest or proposes to have an interest.

Even if this is not the case, general sentiment towards one or more minerals may have a significant adverse affect on the price of Shares.

(b) Land access

The Company will be required to negotiate access arrangements and pay compensation to land owners, local authorities, traditional land users and others who may have an interest in the area covered by the Tenements. The Company's ability to resolve access and compensation issues will have an impact on the future success and financial performance of the Company's operations.

In addition, where the relevant part of the Tenements is not accessible without crossing land which is not owned by the Company, the Company may be required to obtain the consent of owners and occupiers of land within the Tenements to carry out its planned activities on such land or otherwise pass through such land.

Compensation may be required to be paid to the owners and occupiers of land in order for exploration and development activities to be carried out.

Negotiations with land owners, local authorities, traditional land users and others may therefore be required before the Company can access land for exploration or mining activities. Inability to access, or delays experienced in accessing, the land may impact on the Company's activities. Special conditions may also attach to exploration (if permitted) in special locations within the Tenements, including those of environmental or heritage significance. There may be delays experienced in negotiating these conditions, and there is a risk that the parties cannot reach agreement and the matter could result in the Company not being able to conduct the exploration or production activities on terms acceptable to the Company (or at all).

Access is critical for exploration and development to succeed and the ability to be able to negotiate satisfactory commercial arrangements with land owners, local authorities, traditional land users and occupiers is often essential.

(c) Exploration costs

The exploration costs of the Company are based on certain assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainties and, accordingly, the actual costs may materially differ from these estimates and assumptions. Accordingly, no assurance can be given that the cost estimates and the underlying assumptions will be realised in practice, which may materially and adversely affect the Company's viability.

(d) Potential acquisitions and investments

The Company may pursue and assess other new business opportunities in the resource sector in order to realise benefits including complementary revenue streams and future platforms for growth. The identification, evaluation and negotiation of these

opportunities may require significant time and effort from key management and employees, and may result in disruptions to the business.

These new business opportunities may take the form of direct project acquisitions, investments, joint ventures, farm-ins, acquisition of Tenements and permits, and/or direct equity participation. Such transactions (whether completed or not) may require the payment of monies (as a deposit and/or exclusivity fee) after only limited due diligence or prior to the completion of comprehensive due diligence. There can be no guarantee that any proposed acquisition will be completed or be successful. If the proposed acquisition is not completed, monies advanced may not be recoverable, which may have a material adverse effect on the Company.

If an acquisition is undertaken, the Directors will need to reassess at that time, the funding allocated to current projects and new projects, which may result in the Company reallocating funds from other projects and/or raising additional capital (if available). There is also a risk that the Company is unsuccessful in integrating new businesses or assets into its existing operations in a timely manner, or that the new businesses or assets do not result in the benefits anticipated. The Company cannot guarantee that every acquisition or partnership that it makes or enters into will result in favourable outcomes for the business. In addition, the process of integrating new businesses or assets may require significantly more financial and management resources, or time to complete, than originally planned.

(e) **Mineral Resource estimates**

Mineral resource estimates are expressions of judgement and are estimates based on knowledge, experience and industry practice. While these estimates may be appropriate when made, they may change significantly when new information or techniques become available.

Estimates are a necessary practice and may change significantly or cease to be accurate when new information or techniques become available through additional fieldwork and analysis. Mineral Resource estimates are, by their nature, imprecise and, to an extent, depend on interpretation, which may result in inaccuracies. Should the Company encounter mineralisation or formations different from those predicted by past drilling, sampling and similar examinations, resource estimates may have to be adjusted and mining plans may have to be altered in a way which could adversely affect the Company's operations. New information, practices or techniques may result in the Company revising any initial estimates of its Mineral Resources or Ore Reserves, which may could adversely affect the Company's operations.

(f) **Native Title risk**

In relation to Tenements which the Company has an interest in or will in the future acquire such an interest, there may be areas of indigenous owned land exist. Where such rights exist, the ability of the Company to gain access to Tenements (through obtaining consent of any relevant landowner), or to progress from the exploration phase to the development and mining phases of operations may be adversely affected.

The Company understands the importance of establishing and maintaining positive relationships with all affected by any future exploration activities, particularly with the Indigenous peoples whose lands we may operate on.

The Directors will closely monitor the potential effect of native title processes, determinations and claims and Indigenous heritage matters involving Tenements in which the Company has or may have an interest and will undertake such heritage surveys and seek such consents as are required to comply with these obligations.

(g) **Joint venture parties, agents and contractors**

There is a risk of financial failure or default by a participant in any joint venture to which the Company is, or may in the future become, a party, or the insolvency or managerial failure by any service provider used by the Company for any activity.

Any failure by any of the Company's existing or future joint venture partners could result in the Company being required to expend significant time and monetary resources, for which it may not have made provision, requiring it to raise additional funds and direct its energies and/ or reallocate budgeted expenditure.

(h) **Environmental**

The operations and proposed activities of the Company are subject to laws and regulations concerning the environment. As with most exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds.

Mining operations have inherent risks and liabilities associated with safety and damage to the environment and the disposal of waste products occurring as a result of mineral exploration and production. The occurrence of any such safety or environmental incident could delay production or increase production costs. Events, such as unpredictable rainfall or bushfires may impact on the Company's ongoing compliance with environmental legislation, regulations and licences. Significant liabilities could be imposed on the Company for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by current, future or previous operations or non-compliance with environmental laws or regulations.

It is the Company's intention to conduct its activities to the highest standard of its environmental obligations, including by complying with all environmental laws and regulations.

(i) **Metallurgy**

Metal and/or mineral recoveries are dependent upon metallurgical processes and, by their nature, contain elements of significant risk such as:

- (1) identifying a metallurgical process through test work to produce a saleable metal and/or concentrate;
- (2) developing an economic process route to produce a metal and/or concentrate; and
- (3) changes in the mineralogy of the ore deposit can result in inconsistent metal recovery, affecting the economic viability of the Company's Projects.

(j) **Competition risk**

The industry in which the Company will be involved is subject to domestic and global competition. Although the Company will undertake all reasonable due diligence in its business decisions and operations, the Company will have no influence or control over the activities or actions of its competitors, which activities or actions may, positively or negatively, affect the operating and financial performance of the Company's Projects and business.

In particular, the Company's ability to undertake exploration and mining activities is dependent upon its ability to source and acquire appropriate mining equipment and personnel. Equipment and personnel are not always readily available and the market for mining equipment and personnel experiences fluctuations in supply and demand. Increases in worldwide mining activities may create cost pressures for services and skilled personnel in the resources industry, which may affect the ability to purchase or hire equipment, supplies, and services and to recruit skilled personnel in relation to the Projects. In addition, the availability of drilling rigs and other equipment and services is affected by the level and location of drilling activity around the world. An increase in drilling activity in Australia may reduce the availability of equipment and services to the Company. In addition, an increased demand for mineral commodities may significantly increase the demand for many mining and processing inputs, which has resulted in shortages, as well as longer lead times for delivery and increases in pricing, of mining equipment and metallurgical plant, strategic spares and critical consumables. The reduced availability of equipment, services and skilled personnel may delay the planned exploration, development, and production activities at the Projects. A shortage of skilled labour in the Australian mining industry could result in the Company having insufficient employees or contractors to operate its business, which could adversely affect the Company's business, results of operations and financial condition.

7.4 General Investment Risks

(a) **Regulatory risks and Government Policy changes**

The Company's exploration and development activities are subject to extensive laws and regulations relating to numerous matters including resource licence consents, conditions including environmental compliance and rehabilitation, taxation, employee relations, health and worker safety, waste disposal, protection of the environment, native title and heritage matters, protection of endangered and protected species and other matters. Changes in government policies or legislation may affect ownership of mineral interests, taxation, royalties, land access, labour relations, and mining and exploration activities of the Company.

The Company requires permits from regulatory authorities to authorise the Company's operations. These permits relate to exploration, development, production, and rehabilitation activities. Obtaining necessary permits can be a time consuming process and there is a risk that the Company may not obtain these permits on acceptable terms, in a timely manner, or at all. Any costs or delays associated with obtaining necessary permits and complying with these permits and applicable laws and regulations could materially delay or restrict the Company from proceeding with the development of a Project or the operation or development of a mine. Any failure to comply with applicable laws and regulations or permits, even if inadvertent, could result in material fines, penalties or other liabilities. In extreme cases, failure could result in suspension of the Company's activities or forfeiture of one or more of the Company's Tenements.

(b) Economic and market conditions

General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's ability to fund its operations. Share market conditions may affect the value of the Company's Equity Securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:

- (1) general economic outlook;
- (2) commodity prices;
- (3) interest rates and inflation rates;
- (4) changes in investor sentiment toward particular market sectors and commodity types;
- (5) the demand for, and supply of, capital; and
- (6) terrorism or other hostilities.

The market price of Equity Securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for securities in general. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

(c) Taxation

The acquisition and disposal of Equity Securities will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Equity Securities from a taxation viewpoint and generally.

To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability and responsibility with respect to the taxation consequences of subscribing for Equity Securities in accordance with this Prospectus.

(d) Liquidity risk

An application will be made to ASX for Quotation of the New Shares offered pursuant to this Prospectus within 7 days of the date of this Prospectus.

However, no assurance can be given of the price at which New Shares will trade or that they will trade at all. Potential Applicants should, therefore, be prepared to hold their New Shares for extended periods pending the development of the Company's Projects and potential opportunities emerging in the future. The market price of Equity Securities can fall, as well as rise, and may be subject to varied and unpredictable influences on the market for equities and, in particular, resources entities. Neither the Company nor the Directors provide any warranty as to the future performance of the Company or any return on an investment in the Company.

This may affect the liquidity of trading in the Company's Shares, which may result in a lower volume of Shares being traded than would otherwise have been the case, potentially making it difficult to realise any return on your investment.

(e) **Reliance on key personnel**

The Directors are primarily responsible for overseeing the operations and the strategic management of the Company. The day-to-day operations of the Company are the responsibility of the Executive Chairman. There can be no assurance that there will be no detrimental impact on the Company if one or more of the Directors, particularly the Executive Chairman, no longer act as Directors.

(f) **Information technology/privacy**

The Company relies heavily on its own computer systems and those of third party service providers to store and manage private and confidential information. A malicious attack on the Company's systems, processes or people from external or internal sources could put the integrity and privacy of the Company's data at risk. If the Company's efforts to combat any malicious attack are unsuccessful or the Company has actual or perceived vulnerabilities, the Company's business reputation and brand name may be harmed, potentially having a material adverse effect on the Company's operations and financial position.

(g) **Insurance**

The Company insures its operations in accordance with industry practice. However, in certain circumstances the Company's insurance may not be of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company.

Insurance of all risks associated with mineral exploration and production is not always available and where available the costs can be prohibitive.

(h) **Climate change**

There are a number of climate-related factors that may affect the operations and proposed activities of the Company.

Climate change may be said to cause certain physical and environmental risks that cannot be predicted by the Company, including events such as increased severity of weather patterns and incidence of extreme weather events and longer-term physical risks such as shifting climate patterns. These risks said to be associated with climate change may have a direct impact on Company's ability to perform its mining operations, and may significantly change the industry in which the Company operates.

In addition, changing investor sentiment towards climate change, including a view that all mining should be avoided due to its contribution to greenhouse gas emissions (despite the reliance on the various metals by the renewables sector) and, thus, cause investors to cease investing in mining and exploration entities, may have a significant adverse effect on the Company's ability to secure additional funding and other ancillary products and services (including, for example, appropriate insurance at affordable prices).

(i) **Occupational health and safety**

There is an inherent risk of workplace accidents occurring during the conduct of mining activity. Hazardous activities are avoided wherever possible, but when necessary, all employees and contractors are required to conduct themselves in accordance with all applicable laws and policies in force from time to time in respect of occupational health and safety.

7.5 Speculative investment

The above 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 effect the financial performance of the Company and the value of the New Shares offered under this Prospectus.

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

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

8. Additional information

8.1 Director interests

Other than as set out below or elsewhere in this Prospectus, no Director or proposed Director holds, or has held within the two years preceding lodgement of this Prospectus with ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) any property acquired or proposed to be acquired by the Company in connection with:
 - (1) its formation or promotion; or
 - (2) the offer of New Shares pursuant to this Prospectus; or
- (c) the offer of New Shares pursuant to this Prospectus,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to a Director or proposed Director:

- (d) as an inducement to become, or to qualify as, a Director; or
- (e) for services provided in connection with:
 - (1) the formation or promotion of the Company; or
 - (2) the offer of New Shares pursuant to this Prospectus.

The relevant interest of each of the Directors in the Company's Shares as at the date of this Prospectus, together with their respective Entitlements in accordance with the Entitlement Offer, is set out in the table below:

| Director | Existing Shares | Entitlement to New Shares under the Entitlement Offer |
|-----------------|-----------------|---|
| Phillip Thomas | 2,254,001 | 966,001 |
| Richard Anthon | Nil | Nil |
| Pablo Tarantini | Nil | Nil |

The remuneration of an executive Director is decided by the Board, without the affected executive Director participating in that decision-making process. The total maximum remuneration of non-executive Directors is initially set by the Constitution and subsequent variation with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The total aggregate amount of remuneration for non-executive directors approved by Shareholders as at the date of this Prospectus is \$500,000 per annum. The determination of non-executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director.

A Director may be paid fees or other amounts (i.e. non-cash performance incentives such as Options, subject to any necessary Shareholder approval) as the other Directors determine where a Director performs special duties or otherwise performs services outside the scope of

the ordinary duties of a Director. In addition, Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors.

Details of the remuneration paid and payable to each Director of the Company are set out in the Company's annual report for the financial year ending 31 December 2024. A copy of this report can be accessed on the Company's website www.patagonialithium.com.au or on ASX webpage for the Company (ASX Code: PL3).

The following table details the total compensation each Director received for the financial years ending 31 December 2023 and 31 December 2024 (including allowances and share based payments):

| Director | Directors' fees (including superannuation) | |
|---|--|-----------|
| | 2023 | 2024 |
| | \$ | \$ |
| Phillip Thomas – Executive Chairman | \$96,999 | \$121,068 |
| Richard Anthon – Non-Executive Director ² | - | \$51,250 |
| Pablo Tarantini – Non-Executive Director ³ | - | \$6,444 |

8.2 Market price of Shares

The Shares are Quoted on the ASX (ASX Code: PL3). In the three (3) months prior to 14 February 2025 the highest and lowest market sale prices of Shares on the ASX and the respective dates of those sales were:

| | Date | Price |
|----------------------|-----------------|--------|
| Lowest Price | 30 January 2025 | \$0.07 |
| Highest Price | 22 January 2025 | \$0.16 |

8.3 Continuous disclosure obligations

The Company is a “disclosing entity” (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all ASX listed companies, the Company is required to immediately disclose to the market any information that a reasonable person would expect to have a material effect on the price or the value of the Company's securities.

The Company ensures compliance with these obligations through the establishment of a formal ‘Continuous Disclosure Policy’, which establishes formal protocols for the notification and disclosure of information by the Company's Directors, employees, consultants and contractors that may potentially be material. This Prospectus is a “transaction specific prospectus”. In general terms a “transaction specific prospectus” is only required to contain information in relation to the effect of the issue of securities on a company and the rights attaching to the securities. It is not necessary to include general information in relation to all of

² Appointed 20 February 2024. Mr Anthon is entitled to receive a non-executive director fee of \$60,000 plus statutory superannuation per annum.

³ Appointed 12 November 2024. Mr Tarantini is entitled to receive a non-executive director fee of \$48,000 inclusive of statutory superannuation per annum.

the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

As such, this Prospectus should be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus prepared in accordance with the Corporations Act for the initial public offering of securities in an entity that is not already listed on a securities exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision as to whether or not to invest.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act, advises that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:
 - (1) the annual financial report most recently lodged by the Company with ASIC;
 - (2) any half-year financial report lodged by the Company with ASIC after the lodgement of the annual financial report referred to in (1) and before the lodgement of this Prospectus with ASIC; and
 - (3) any documents lodged by the Company with ASX under the continuous disclosure reporting requirements from 26 March 2024 to the day prior to the date of this Prospectus.

Copies of all documents lodged with ASIC in relation to the Company can be inspected at the registered office of the Company during normal office hours.

Details of documents lodged by the Company with ASX since the date of the lodgement of the Company's latest annual financial report and before the date of the lodgement of this Prospectus with ASIC are set out in the table below.

| Date | Description of announcement |
|-------------|--|
| 26 Mar 2024 | Appendix 4G and Corporate Governance Statement |
| 5 Apr 2024 | Completion of First Hole at Formentera Lithium Project |
| 8 Apr 2024 | Exploration Application Granted for REE Project in Brazil |
| 9 Apr 2024 | Exploration Application Granted for REE Project Updated |
| 10 Apr 2024 | Significant Geophysics REE Anomaly in Brazilian Application |
| 16 Apr 2024 | Completion of First Hole at the Formentera Lithium Project |
| 22 Apr 2024 | High Priority REE and Pegmatite Targets Identified in Brazil |
| 22 Apr 2024 | Notice of 2024 AGM and Proxy Form |
| 24 Apr 2024 | Quarterly Activities and Cashflow Report 31 March 2024 |

| Date | Description of announcement |
|-------------|---|
| 24 Apr 2024 | Successful Pump Test at Maiden Formentera Project Well |
| 26 Apr 2024 | High Priority REE Concessions Granted in Brazil |
| 3 May 2024 | Outstanding Assay Results from First Drilling in Argentina |
| 3 May 2024 | Notice of change of interests of substantial holder |
| 13 May 2024 | Initial Exploration Completed in Brazil |
| 15 May 2024 | Assay Results from Drilling in Argentina |
| 17 May 2024 | High Priority REE and Lithium Concessions Granted in Brazil |
| 24 May 2024 | 2024 AGM Chairman's Address |
| 24 May 2024 | Results of 2024 Annual General Meeting |
| 24 May 2024 | Notification regarding unquoted securities - PL3 |
| 24 May 2024 | Change of Director's Interest Notice - R Anthon |
| 27 May 2024 | Significant Pegmatite Swarms Sampled in Brazil |
| 29 May 2024 | Second Well at Formentera Completed |
| 18 Jun 2024 | Exceptional Results Achieved from Well Two at Formentera |
| 19 Jun 2024 | Patagonia Lithium Investor Presentation |
| 5 Jul 2024 | Pause in Trading |
| 5 Jul 2024 | Trading Halt |
| 9 Jul 2024 | Capital Raising for Exploration in Brazil and Argentina MRE |
| 9 Jul 2024 | Proposed issue of securities - PL3 |
| 12 Jul 2024 | Entitlement Offer Prospectus |
| 12 Jul 2024 | Proposed issue of securities - PL3 |
| 12 Jul 2024 | Entitlement Offer - Letter to Optionholders |
| 16 Jul 2024 | REE Clay System Identified in Metasediments in Brazil |
| 17 Jul 2024 | Cilon Drill Permit Approved opens new window |
| 23 Jul 2024 | Entitlement Offer Opens and Despatch of Prospectus |
| 23 Jul 2024 | Entitlement Offer - Letter to Ineligible Shareholders |
| 24 Jul 2024 | Notice of 2024 Shareholder Meeting and Proxy Form |
| 25 Jul 2024 | Quarterly Activities and Cashflow Report 30 June 2024 |
| 2 Aug 2024 | Well Three Commence at Formentera Lithium Project |
| 2 Aug 2024 | Notification regarding unquoted securities – PL3 |
| 13 Aug 2024 | Extension of Entitlement Offer |
| 13 Aug 2024 | Update – Proposed issue of securities – PL3 |
| 14 Aug 2024 | Strong Brine Flow – Well Three Formentera Lithium Project |
| 23 Aug 2024 | Results of 2024 Shareholder Meeting |
| 4 Sep 2024 | Notification regarding unquoted securities – PL3 |
| 4 Sep 2024 | Change of Director's Interest Notice – P Thomas |
| 9 Sep 2024 | Notice of change of interests of substantial holder |
| 11 Sep 2024 | Strong Results Achieved from Well Three at Formentera |
| 12 Sep 2024 | Patagonia Lithium Half Year Financial Report |
| 16 Sep 2024 | High Porosity Results Achieve from Well Two at Formentera |
| 18 Sep 2024 | Outstanding Result Achieved from Well Three Pump Test |
| 19 Sep 2024 | Well 3 Cores Sent for Porosity Testing |
| 20 Sep 2024 | Entitlement Offer Results |
| 20 Sep 2024 | Application for quotation of securities – PL3 |
| 20 Sep 2024 | Notification regarding unquoted securities – PL3 |

| Date | Description of announcement |
|-------------|--|
| 20 Sep 2024 | Application for quotation of securities – PL3 |
| 20 Sep 2024 | Cleansing Notice – Share Issue |
| 20 Sep 2024 | Notification regarding unquoted securities – PL3 |
| 20 Sep 2024 | Change of Director's Interest Notice – P Thomas |
| 20 Sep 2024 | Security Class Suspension from Quotation – PL3OA |
| 23 Sep 2024 | Update – Application for quotation of securities – PL3 |
| 26 Sep 2024 | Well Four Commences at Formentera Lithium Project |
| 9 Oct 2024 | High Priority REE and Lithium Concession Granted in Brazil |
| 17 Oct 2024 | Well Four Completed at Formentera |
| 21 Oct 2024 | Trading Halt |
| 23 Oct 2024 | Placement to Progress Lithium Exploration in Argentina |
| 23 Oct 2024 | Proposed issue of securities – PL3 |
| 23 Oct 2024 | Patagonia Lithium Investor Briefing |
| 25 Oct 2024 | Quarterly Activities and Cashflow Report 30 September 2024 |
| 6 Nov 2024 | Application for quotation of securities – PL3 |
| 6 Nov 2024 | Cleansing Notice – Share Issue |
| 6 Nov 2024 | Application for quotation of securities – PL3 |
| 6 Nov 2024 | Notification regarding unquoted securities – PL3 |
| 6 Nov 2024 | Notice of initial substantial holder |
| 6 Nov 2024 | Notice of change of interests of substantial holder |
| 6 Nov 2024 | Notice of change of interests of substantial holder |
| 6 Nov 2024 | Notice of change of interests of substantial holder |
| 13 Nov 2024 | Non-executive Director Appointment |
| 13 Nov 2024 | Initial Director's Interest Notice – P Tarantini |
| 15 Nov 2024 | Notice of 2024 Shareholder Meeting and Proxy Form |
| 18 Nov 2024 | Outstanding Result from Well 4 Pump Test |
| 3 Dec 2024 | Excellent Result achieved from Well Three Porosity Core Test |
| 4 Dec 2024 | Two Concessions Prospective for REE granted in Goias Brazil |
| 5 Dec 2024 | Outstanding Borehole Porosity Test Results at Formentera |
| 17 Dec 2024 | Result of 2024 Shareholder Meeting |
| 17 Dec 2024 | Notification regarding unquoted securities – PL3 |
| 17 Dec 2024 | Notification regarding unquoted securities – PL3 |
| 17 Dec 2024 | Change of Director's Interest Notice – P Thomas |
| 18 Dec 2024 | Outstanding Porosity Result from Well 4 Pump Test |
| 18 Dec 2024 | Placement to Progress Lithium Exploration in Argentina |
| 18 Dec 2024 | Proposed issue of securities – PL3 |
| 13 Jan 2025 | Notification of cessation of securities PL3 |
| 13 Jan 2025 | Change of Director's Interest Notice – P Thomas |
| 20 Jan 2025 | Trading Halt |
| 22 Jan 2025 | Significant Maiden Lithium Mineral Resource |
| 22 Jan 2025 | Maiden Lithium Mineral Resource Presentation |
| 24 Jan 2025 | Production Target Retraction |
| 28 Jan 2025 | Patagonia Lithium Investor Briefing |
| 30 Jan 2025 | Quarterly Activities and Cashflow Report 31 December 2024 |
| 24 Feb 2025 | Resignation of Non-Executive Director |

| Date | Description of announcement |
|-------------|---|
| 24 Feb 2025 | Final Director's Interest Notice - F Qi |

ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal office hours.

The Company's announcements are also available through the Company's website located at www.patagonialithium.com.au.

8.4 Not financial product or investment advice

This Prospectus and the accompanying Application Form is for information purposes only and is not financial product or investment advice or a recommendation to acquire New Shares and has been prepared without taking into account your objectives, financial circumstances or particular needs. This Prospectus should not be considered to be comprehensive and does not purport to contain all the information that you may require to make a decision about whether to apply for any New Shares. This Prospectus should be read in conjunction with the Company's other periodic statements and continuous disclosure announcements lodged with ASX and available through the Company's website located at www.patagonialithium.com.au.

Before making an investment decision, you should consider the appropriateness of the information in this Prospectus having regard to your own objectives, financial situation and needs and seek legal and taxation advice appropriate to your jurisdiction. If you have any questions about whether you should participate in any of the offers under this Prospectus, you should seek professional advice before making any investment decision. The Company is not licensed to provide financial product advice in respect of the New Shares.

8.5 Allotment

New Shares issued pursuant to the Entitlement Offer and Top-Up Offer will be allotted in accordance with ASX Listing Rules and the timetable set out in this Prospectus.

Where the number of New Shares issued is less than the number applied for, or where no allotment is made, any surplus application money received by the Company will be refunded to the Applicant in full as soon as practicable after the Closing Date of the Entitlement Offer. No interest will be paid on any application money refunded to Applicants.

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

Holding statements for New Shares issued pursuant to the Entitlement Offer and Top-Up Offer will be mailed to Applicants in accordance with the ASX Listing Rules and timetable set out at the commencement of this Prospectus as soon as practicable after their issue.

8.6 Brokerage and Stamp Duty

No brokerage fee is payable by Eligible Shareholders who accept their Entitlement. No stamp duty is payable for applying for New Shares pursuant to the Entitlement Offer.

8.7 ASX listing

An application will be made for Quotation of the New Shares offered pursuant to this Prospectus within 7 days of the date of this Prospectus. If ASX does not grant Quotation of the New Shares offered pursuant to this Prospectus, before the expiration of three months after the date of this Prospectus (or such period as varied by ASIC), the Company will not issue any New Shares and will repay all application money for the Shares within the time prescribed under the Corporations Act, without interest.

The fact that ASX may grant Quotation of the Shares offered pursuant to this Prospectus is not to be taken in any way as an indication of the merits of the Company or the New Shares offered for subscription.

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

The Company will not be issuing share certificates. The Company is a participant in CHES, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHES will be issuer sponsored by the Company. Because the sub registers are electronic, ownership of securities can be transferred without having to rely upon paper documentation.

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

Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

8.9 Information Availability

Eligible Shareholders can obtain a copy of this Prospectus during the period of the Entitlement Offer on the Company's website at www.patagonialithium.com.au or by calling the Share Registry on 1300 228 664 (within Australia) or +61 2 9698 5414 (outside Australia) at any time from 9.00am to 5.00pm (Sydney time) Monday to Friday during the offer period for the Entitlement Offer. Persons who access the electronic version of this Prospectus should ensure that they download and read the entire Prospectus.

The electronic version of this Prospectus on the Company's website will not include an Application Form. Applicants will only be entitled to apply for New Shares pursuant to the Entitlement Offer in accordance with the instructions in the personalised Application Form which accompanies a complete and unaltered copy of this Prospectus. A replacement Application Form can be requested by calling the Share Registry on 1300 228 664 (within Australia) or +61 2 9698 5414 (outside Australia) at any time from 9.00am to 5.00pm (Sydney Time).

8.10 Taxation

The taxation consequences arising from an investment in any New Shares will depend on the particular circumstances of each Applicant and it is the responsibility of all Applicants to satisfy themselves of the taxation treatment that applies to them by consulting their own professional tax advisers.

8.11 Disclaimer of representations

No person is authorised to give any information, or to make any representation, in connection with this Prospectus, that is not contained in this Prospectus.

Any information or representation that is not in this Prospectus may not be relied on as having been authorised by the Company, or its Related Bodies Corporate, in connection with this Prospectus. Except as required by law, and only to the extent so required, none of the Company, nor any other person, warrants or guarantees the future performance of the Company or any return on any investment made pursuant to this Prospectus or its contents.

8.12 Withdrawal of Entitlement Offer

The Company reserves the right to withdraw all or part of the Entitlement Offer at any time, subject to applicable laws, in which case the Company will refund application monies in relation to New Shares not already issued in accordance with the Corporations Act and without payment of interest.

To the fullest extent permitted by law, you agree that any application monies paid by you to the Company will not entitle you to receive any interest and that any interest earned in respect of application monies will belong to the Company.

8.13 Interests of experts and advisers

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

- (a) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;
- (b) promoter of the Company; or
- (c) underwriter to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue,

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

- (a) the formation or promotion of the Company;
- (b) any property acquired or proposed to be acquired by the Company in connection with:
 - (1) its formation or promotion; or
 - (2) the offer of New Shares pursuant to this Prospectus,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of these persons for services provided in connection with:

- (a) the formation or promotion of the Company; or
- (b) the offer of New Shares pursuant to this Prospectus.

Dr Jose Manzano has acted as the Underwriter to the Entitlement Offer. He will not receive any fees or payments for his expenses in relation to the Entitlement Offer.

8.14 Consents

Each of the persons referred to in this section:

- (a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this section; and
- (b) to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this section.

Automic Pty Ltd ACN 152 260 814 has given its written consent to being named as the Share Registry in this Prospectus. Automic Pty Ltd has not withdrawn its consent prior to the lodgement of this Prospectus with ASIC.

Dr Jose Manzano (**Manzano**) has given his written consent to being named in this Prospectus and the inclusion in this Prospectus of the statements regarding its intentions in respect of its participation as underwriter of the Entitlement Offer in the form and context in which those statements are included. Manzano has not withdrawn his consent prior to the lodgement of this Prospectus with ASIC.

8.15 Governing Law

This Prospectus and the contracts formed on acceptance of an Application are governed by the laws of Victoria, Australia. Each Applicant submits to the non-exclusive jurisdiction of the courts of Victoria, Australia.

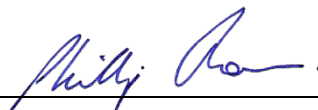
8.16 Enquiries

Any questions concerning the Entitlement Offer should be directed to the Share Registry on 1300 288 664 (within Australia) or +61 2 9698 5414 (outside Australia).

8.17 Authorisation

This Prospectus is issued by the Company.

The lodgement of this Prospectus with ASIC was consented to by every Director of the Company.



 Phillip Thomas
 Executive Chairman

9. Glossary

| | |
|---|--|
| \$ | means the lawful currency of the Commonwealth of Australia. |
| Affiliates | has the meaning given in the Corporations Act. |
| Applicant | means a person who applies for Shares pursuant to this Prospectus. |
| Application | means an application for New Shares pursuant to this Prospectus in accordance with the instructions in this Prospectus and any applicable Application Form. |
| Application Form | means an application form in the form accompanying this Prospectus, pursuant to which Eligible Shareholders may apply for New Shares pursuant to the Entitlement Offer or the Top-Up Offer. |
| ASIC | means the Australian Securities and Investments Commission. |
| ASX | means ASX Limited ACN 008 624 691 or the financial market operated by it (as the context requires). |
| ASX Listing Rules | means the listing rules of ASX. |
| ASX Settlement Operating Rules | means the settlement rules of the securities clearing house which operates CHES. |
| Automic Pty Ltd | means Automic Pty Ltd ACN 152 260 814. |
| Binding Commitment and Underwriting Deed | means the binding commitment and underwriting deed between the Company and the Underwriter dated 21 February 2025. |
| Board | means the board of Directors unless the context indicates otherwise. |
| Business Day | means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day and any other day that ASX declares is not a business day. |
| Capital Raising | means the Entitlement Offer. |
| CHES | means the ASX's clearing house electronic subregister system. |
| Cilon Project | means the tenement known as "Cilon" (in which the Company holds a 100% interest) (File No. 121-I-1983 in the Administrative Court of Mines of Jujuy) covering approximately 199 hectares of land located in the Province of Jujuy, Argentina. |
| Closing Date | means the date specified in the timetable set out at the commencement of this Prospectus (unless extended). |
| Company | means Patagonia Lithium Ltd Limited ABN 37 654 004 403 |
| Completion | means the completion of the issue of New Shares pursuant to the Entitlement Offer. |
| Constitution | means the constitution of the Company. |
| Corporations Act | means the <i>Corporations Act 2001</i> (Cth). |
| Directors | means the directors of the Company as at the date of this Prospectus. |
| Eligible Shareholder | means a Shareholder, as at the Record Date, who: <ul style="list-style-type: none"> (a) is recorded in the Company's register of members as having a registered address in Australia, New Zealand, Argentina and, subject to the Company being satisfied that certain qualified |

| | |
|---------------------------------|---|
| | investors for whom it would not be unlawful to offer and issue New Shares pursuant to this Prospectus, the PRC; |
| | (b) as far as the Company is aware, is not located in the United States and are not a person (including a nominee or custodian) acting for the account or benefit of a person in the United States; and |
| | (c) is not otherwise ineligible under all applicable securities laws to receive an offer under the Entitlement Offer. |
| Entitlement | means the entitlement of an Eligible Shareholder pursuant to the Entitlement Offer. |
| Entitlement Offer | means the non-renounceable entitlement offer to Eligible Shareholders in accordance with this Prospectus, including the Top-Up Offer. |
| Equity Securities | means the same as defined by the ASX Listing Rules. |
| Executive Chairman | means Phillip Thomas. |
| Formentera Project | means the tenement known as “Formentera” (in which the Company holds a 100% interest) (File Nos. 815/9/2006 and 857/P/2007 in the Administrative Court of Mines of Jujuy) covering approximately 1,752.52 hectares of land located in the Province of Jujuy, Argentina. |
| New Share | means any Shares to be issued pursuant to this Prospectus. |
| Option | means an option to acquire a Share. |
| Placement | means the private placement of 12,500,000 Shares, as announced to the ASX on 24 February 2025. |
| Projects | means the Cilon Project, the Formentera Project and the Tomas III Project. |
| Prospectus | means this prospectus, as supplemented or amended from time to time in accordance with the Corporations Act. |
| PRC | means People's Republic of China. |
| Quotation | means official quotation of Equity Securities on the ASX. The term Quoted has a corresponding meaning. |
| Record Date | means 7.00pm (Sydney time) on the date specified in the timetable set out at the commencement of this Prospectus. |
| Related Bodies Corporate | has the meaning given in the Corporations Act. |
| Relevant Interest | has the meaning given in the Corporations Act. |
| Share | means a fully paid ordinary share in the capital of the Company. |
| Shareholder | means a holder of a Share. |
| Share Registry | means Automic Pty Ltd ABN 27 152 260 814 of Level 5, 126 Phillip Street Sydney NSW 2000. |
| Tenements | means the mineral exploration tenements where the Company has a legal or beneficial interest, and mineral exploration tenements that the Company may, in future, have a legal or beneficial interest. |
| Tomas III Project | means the tenement known as “Tomas III” (in which the Company holds a 100% interest) (File No. 24,142 in the Mining Court of Salta) covering |

approximately 571,54 hectares of land located in the Province of Salta, Argentina

Top-Up Offer

means the offer to Eligible Shareholders acquire any New Shares not applied for in accordance with the Entitlement Offer on the terms and conditions set out in section 4.2 of this Prospectus.

Top-Up Shares

means the New Shares offered pursuant to the Top-Up Offer.

Voting Power

has the meaning given to that term in the Corporations Act.

United States

means the United States of America.

Underwriter

means Dr Jose Manzano

10. Corporate Directory

Directors

| | |
|--------------------|------------------------|
| Mr Phillip Thomas | Executive Chairman |
| Mr Richard Anthon | Non-Executive Director |
| Mr Pablo Tarantini | Non-Executive Director |

Registered office

Level 6
505 Little Collins Street
Melbourne VIC 3000
Telephone: +61 7 433 747 380

Company secretary

Mr Jarek Kopias

Email: phil@patagonialithium.com.au

Website: www.patagonialithium.com.au

Share Registry

Automic Pty Ltd
Level 5, 126 Phillip Street
Sydney NSW 2000

Telephone: 1300 288 664 (within Australia) or +61
2 9698 5414 (outside Australia)

Website: www.automicgroup.com.au