



**Mt Monger Resources Limited**  
**ACN 645 885 463**

**OPTIONS PROSPECTUS**

This Prospectus is being issued for a non-renounceable pro-rata issue of up to 14,316,666 Quoted Options on the basis of one (1) Quoted Option for every three (3) Shares held on the Record Date at an issue price of \$0.005 to raise up to approximately \$71,583 (**Loyalty Options Offer**).

The Loyalty Options Offer closes at 5:00pm (WST) on 17 November 2021.\*

This is an important document and requires your immediate attention. It should be read in its entirety. If you are in doubt about what to do, you should consult your professional adviser without delay.

**An investment in the Quoted Options offered in connection with this Prospectus should be considered of a speculative nature.**

\* The Company reserves the right, subject to the Corporations Act, Listing Rules and other applicable laws to extend the Offer Closing Date without prior notice.

## IMPORTANT INFORMATION

This Prospectus is dated 26 October 2021 and was lodged with the ASIC on that date with the consent of all Directors. Neither ASIC nor ASX nor their respective officers take any responsibility for the contents of this Prospectus.

No Quoted Options will be issued on the basis of this Prospectus any later than 13 months after the date of this Prospectus (being the expiry date of this Prospectus).

A copy of this Prospectus is available for inspection at the registered office of the Company at Suite 2, 38 Colin Street, West Perth WA 6005, during normal business hours.

The Prospectus will be made available in electronic form on the Company's website at [mtmongerresources.com.au](http://mtmongerresources.com.au) and the ASX markets platform. Persons having received a copy of this Prospectus in its electronic form may obtain an additional paper copy of this Prospectus (free of charge) from the Company's registered office by contacting the Company.

The Company will apply for official quotation by ASX of the Quoted Options offered by this Prospectus within 7 days of the date of this Prospectus.

The Quoted Options offered by this Prospectus should be considered speculative. Please refer to Section 4 for details relating to investment risks.

Applications for Quoted Options will only be accepted on an Entitlement and Acceptance Form attached to or provided by the Company with a copy of this Prospectus either in paper or electronic form. The Corporations Act prohibits any person from passing on to another person an Entitlement and Acceptance Form unless it is accompanied by a complete and unaltered copy of this Prospectus.

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

No action has been taken to permit the offer of Quoted Options under this Prospectus in any jurisdiction other than Australia and New Zealand.

The distribution of this Prospectus in jurisdictions outside Australia and New Zealand may be restricted by law and therefore persons into whose possession this document comes should seek advice on and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of those laws. This Prospectus does not constitute an offer of Quoted Options in any jurisdiction where, or to any person to whom, it would be unlawful to issue this Prospectus.

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

This document is important and should be read in its entirety before deciding to participate in the Offers. This does not take into account the investment objectives, financial or taxation, or particular needs of any Applicant. Before making any investment in the Company, each Applicant should consider whether such an investment is appropriate to his/her particular needs, and considering their individual risk profile for speculative investments, investment objectives and individual financial circumstances. Each Applicant should consult his/her stockbroker, solicitor, accountant or other professional adviser without delay. Some of the risk factors that should be

considered by potential investors are outlined in Section 4. Definitions of certain terms used in this Prospectus are contained in Section 7. All references to currency are to Australian dollars and all references to time are to WST unless otherwise indicated.

## CORPORATE DIRECTORY

### Directors

John Hannaford	Non-Executive Chairman
Lachlan Reynolds	Managing Director
David Izzard	Non-Executive Director

### Company Secretary

Simon Adams

### Registered and Principal Office

Suite 2, 38 Colin Street,  
West Perth WA 6005

Telephone: +61 8 6444 1788

Email: [info@mtmongerresources.com.au](mailto:info@mtmongerresources.com.au)

Website: [www.mtmongerresources.com.au](http://www.mtmongerresources.com.au)

### Share Registry\*

Automic Pty Ltd  
Level 2, 267 St Georges Terrace  
Perth WA 6000  
Telephone:  
1300 288 664 (within Australia)  
+61 2 9698 5414 (outside Australia)

### Auditor\*

Hall Chadwick WA Audit Pty Ltd  
283 Rokeby Road  
Subiaco WA 6008

### Solicitors

HWL Ebsworth Lawyers  
Level 20, 240 St Georges Terrace  
Perth WA 6000

**ASX Code:** MTM

\* These entities are included for information purposes only. They have not been involved in the preparation of this Prospectus.

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## INDICATIVE TIMETABLE

Event	Date
Announcement of Loyalty Options Offer	26 October 2021
Lodgement of Prospectus with the ASIC	26 October 2021
Lodgement of Prospectus and Appendix 3B with ASX	26 October 2021
Dispatch and announce notice to ineligible foreign Shareholders (Listing Rule 7.7.1(b)) and notice to Option holders	26 October 2021
Securities quoted on an "ex" basis	29 October 2021
Record Date for determining Entitlements	1 November 2021
Loyalty Options Offer opens (Dispatch of this Prospectus and personalised entitlement and acceptance application forms to Eligible Shareholders and announcement that this Prospectus has been sent out to Shareholders)	4 November 2021
Last day to extend the Offer Closing Date (prior to noon AEDT)	12 November 2021
Offer Closing Date for applications in accordance with the Offer as at 5:00pm (WST)*	17 November 2021
Securities quoted on a deferred settlement basis	18 November 2021
Notification of Shortfall	24 November 2021
ASX notified of results of Loyalty Options Offer	24 November 2021
Issue of Quoted Options (prior to noon AEDT)	24 November 2021
Deferred settlement trading ends	24 November 2021
Lodge Appendix 2A	24 November 2021

### Note

\* The Directors may extend the Offer Closing Date by giving at least three (3) Business Days' notice to ASX. As such the date the Quoted Options issued under the Offers are expected to commence trading on ASX may vary.

## TABLE OF CONTENTS

Section	Page No.
1. Details of the Offer .....	1
2. Action required by Eligible Shareholders.....	8
3. Effect of the Loyalty Options Offer .....	11
4. Risk factors.....	14
5. Additional information .....	25
6. Directors' Statement and Consent .....	34
7. Definitions.....	35

## LETTER FROM THE BOARD

Dear Shareholder

On behalf of the Directors, I am pleased to offer you the opportunity to participate in this Loyalty Options Offer for Quoted Options.

Eligible Shareholders who hold Shares on the Record Date are offered the opportunity to subscribe for 1 Quoted Option for every 3 Shares held on the Record Date.

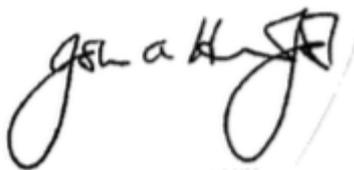
The Quoted Options are offered at a nominal issue price of \$0.005 each, and will be exercisable at \$0.25 each and expire 3 years from the date of issue. The full terms and conditions of the Quoted Options are in Section 5.1 of this Prospectus.

Please read in full the details on how to submit your application for Quoted Options, which are set out in Section 2 of this Prospectus.

Enquiries relating to this Prospectus should be directed to the Company Secretary by telephone on +61 8 6444 1788. For general enquiries, please contact the Share Registry on 1300 288 664 (within Australia) or +61 2 9698 5414 (outside Australia). You should also consult your stockbroker, solicitor, accountant or other professional adviser to evaluate whether or not to participate in the Loyalty Options Offer.

On behalf of the Board, I look forward to your continued support and on updating you on the Company's progress.

Yours faithfully

A handwritten signature in black ink, appearing to read 'John Hannaford', written in a cursive style.

**John Hannaford**  
Non-Executive Chairman

## INVESTMENT OVERVIEW

This Section is intended to highlight key information for potential investors. It is an overview only, and is not intended to replace the Prospectus. Potential investors should read the Prospectus in full before deciding to invest in Quoted Options.

Key Information	Further Information
<p><b>Transaction specific prospectus</b></p> <p>This Prospectus is a transaction specific prospectus for an offer of options to acquire continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus. In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.</p>	Section 5.4
<p><b>Risk factors</b></p> <p>Potential investors should be aware that subscribing for Loyalty Options in the Company involves a number of risks. The key risk factors of which investors should be aware are set out in Section 4, including (but not limited to) risks in respect of:</p> <ul style="list-style-type: none"> <li>• <b>Future capital requirements:</b> The Company has no operating revenue and is unlikely to generate any operating revenue unless and until the Projects are successfully developed and production commences. The future capital requirements of the Company will depend on many factors including its business development activities.</li> </ul> <p>In order to successfully develop the Projects and for production to commence, the Company will require further financing in the future, in addition to amounts raised pursuant to the Loyalty Options Offer. Any additional equity financing may be dilutive to Shareholders, may be undertaken at lower prices than the then market price or may involve restrictive covenants which limit the Company's operations and business strategy. Debt financing, if available, may involve restrictions on financing and operating activities or the registering of security interests over the Company's assets.</p> <ul style="list-style-type: none"> <li>• <b>Resource estimation risks:</b> Whilst the Company intends to undertake exploration activities with the aim of defining a resource, no assurances can be given that the exploration will result in the determination of a resource. Even if a resource is identified, no assurance can be provided that this can be economically extracted.</li> <li>• <b>Exploration and development risks:</b> Mineral exploration and development is a high-risk undertaking. There can be no assurance that exploration of the Projects or any other exploration properties that may be acquired in the future will result in the discovery of an economic resource.</li> </ul>	Section 4

Key Information	Further Information
<p>Exploration in terrains with existing mineralisation endowments and known occurrences may slightly mitigate this risk. Even if an apparently viable resource is identified, there is no guarantee that it can be economically exploited due to various issues including lack of ongoing funding, adverse government policy, geological conditions, commodity prices or other technical difficulties.</p> <ul style="list-style-type: none"> <li>• <b>Tenure and land access:</b> Land access is critical for exploration and/or exploitation to succeed. It requires both access to the mineral rights and access to the surface rights. Minerals rights may be negotiated and acquired. In all cases the acquisition of prospective exploration and mining licences is a competitive business, in which proprietary knowledge or information is critical and the ability to negotiate satisfactory commercial arrangements with other parties is often essential. The Company may not be successful in acquiring or obtaining the necessary licences to conduct exploration or evaluation activities outside of the mineral tenements. As the Company's rights in the Tenements may be obtained by grant by regulatory authorities or be subject to contracts with third parties, any third party may terminate or rescind the relevant agreement whether lawfully or not and, accordingly, the Company may lose its rights to exclusive use of, and access to any, or all, of the Tenements.</li> <li>• <b>Market conditions:</b> The market price of the Shares can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resource exploration stocks in particular.</li> </ul> <p>Further, share market conditions may affect the value of the Company's quoted Shares regardless of the Company's operating performance. Share market conditions are affected by many factors such as:</p> <ul style="list-style-type: none"> <li>(i) general economic outlook;</li> <li>(ii) interest rates and inflation rates;</li> <li>(iii) currency fluctuations;</li> <li>(iv) changes in investor sentiment;</li> <li>(v) the demand for, and supply of, capital; and</li> <li>(vi) terrorism or other hostilities.</li> </ul> <ul style="list-style-type: none"> <li>• <b>Infectious diseases:</b> The outbreak of the coronavirus disease (COVID-19) is having a material effect on global economic markets. The global economic outlook is facing uncertainty due to the pandemic, which has had and may continue to have a significant impact on capital markets.</li> </ul>	

Key Information	Further Information
<p>The Company's Share price may be adversely affected by the economic uncertainty caused by COVID-19. Further measures to limit the transmission of the virus implemented by governments around the world (such as travel bans and quarantining) may adversely impact the Company's operations and may interrupt the Company carrying out its contractual obligations or cause disruptions to supply chains.</p>	
<p><b>Loyalty Options Offer</b></p> <p>This Prospectus is for a non-renounceable loyalty offer of 1 Quoted Option for every 3 Shares held on the Record Date, at an issue price of \$0.005 per Quoted Option. The Quoted Options will have an exercise price of \$0.25 each and will expire 3 years from the date of issue.</p> <p>The Loyalty Options Offer will raise up to approximately \$71,583 (before costs).</p>	Section 1.1
<p><b>Shortfall Offer</b></p> <p>Any Entitlement not taken up pursuant to the Loyalty Options Offer (if any) (<b>Shortfall</b>) will form the Shortfall Offer. Eligible Shareholders will be entitled to apply for Quoted Options under the Shortfall Offer.</p> <p>The Shortfall Offer is a separate offer made pursuant to this Prospectus and will remain open for up to three (3) months following the Offer Closing Date (or such shorter period as determined by the Directors). All Shortfall Options issued under the Shortfall Offer shall be issued on the same terms as the Quoted Options being offered under the Loyalty Options Offer (including the issue price).</p>	Section 1.2
<p><b>Eligible Shareholders</b></p> <p>The Loyalty Options Offer is made to Eligible Shareholders only. Eligible Shareholders are those holders of Shares who:</p> <ul style="list-style-type: none"> <li>• are the registered holder of the Shares as at 5.00pm (WST) on the Record Date; and</li> <li>• have a registered address in Australia or New Zealand or, subject to the offer restrictions in Section 1.15, a jurisdiction where it would be lawful to participate in the Loyalty Options Offer.</li> </ul>	Sections 1.15 and 1.16
<p><b>Use of funds</b></p> <p>Funds raised under the Loyalty Options Offer are intended to be used for costs of the Loyalty Options Offer, continued development of the Company's existing projects and working capital.</p>	Section 3.2
<p><b>Effect on control of the Company</b></p> <p>No investor or existing Shareholder is anticipated to hold a voting power of 20% or more as a result of the Offers.</p>	Section 1.7

Key Information	Further Information																
<p><b>Indicative capital structure and pro-forma balance sheet</b></p> <p>The indicative capital structure upon completion of the Loyalty Options Offer is set out below:</p> <table border="1" data-bbox="102 436 1106 889"> <thead> <tr> <th></th> <th>Shares</th> <th>Quoted Options</th> <th>Unquoted Options</th> </tr> </thead> <tbody> <tr> <td>Balance at the date of this Prospectus</td> <td>42,950,000</td> <td>Nil</td> <td>10,250,000</td> </tr> <tr> <td>Maximum to be issued pursuant to the Loyalty Options Offer</td> <td>Nil</td> <td>14,316,666</td> <td>Nil</td> </tr> <tr> <td><b>Total</b></td> <td><b>42,950,000</b></td> <td><b>14,316,666</b></td> <td><b>10,250,000</b></td> </tr> </tbody> </table> <p>The indicative pro-forma balance sheet showing the effect of the Offers is in Section 3.3.</p>		Shares	Quoted Options	Unquoted Options	Balance at the date of this Prospectus	42,950,000	Nil	10,250,000	Maximum to be issued pursuant to the Loyalty Options Offer	Nil	14,316,666	Nil	<b>Total</b>	<b>42,950,000</b>	<b>14,316,666</b>	<b>10,250,000</b>	<p>Sections 3.1 and 3.3</p>
	Shares	Quoted Options	Unquoted Options														
Balance at the date of this Prospectus	42,950,000	Nil	10,250,000														
Maximum to be issued pursuant to the Loyalty Options Offer	Nil	14,316,666	Nil														
<b>Total</b>	<b>42,950,000</b>	<b>14,316,666</b>	<b>10,250,000</b>														
<p><b>Directors' participation</b></p> <p>As at the date of this Prospectus, Directors eligible to participate have indicated that they (or their respective nominees) intend to take up all of their Entitlement under the Loyalty Options Offer.</p>	<p>Section 5.9(b)</p>																
<p><b>Forward looking statements</b></p> <p>This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.</p> <p>These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are considered reasonable.</p> <p>Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and the management.</p> <p>The Directors cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.</p> <p>The Directors have 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.</p>	<p>Important Information and Section 4</p>																

<b>Key Information</b>	<b>Further Information</b>
These forward looking statements are subject to various risk factors that could cause the Company's actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 4.	

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# 1. Details of the Offers

## 1.1 Loyalty Options Offer

The Company is making a non-renounceable pro rata offer of Quoted Options at an issue price of \$0.005 each to Eligible Shareholders on the basis of 1 Quoted Option for every 3 Shares held at 5:00pm (WST) on the Record Date. Each Quoted Option will have an exercise price of \$0.25 each and expire 3 years from the date of issue.

As at the date of this Prospectus, the Company has on issue 42,950,000 Shares (of which 15,200,000 are escrowed) and 10,250,000 Options.

Assuming no Options are exercised into Shares prior to the Record Date, the Loyalty Options Offer is for a maximum of approximately 14,316,666 Quoted Options to raise up to approximately \$71,583 (before costs).

Up to 17,733,333 Quoted Options could be issued under the Loyalty Options Offer to raise up to approximately \$88,667 if all the existing unquoted Options are exercised and converted into Shares between the date of the Prospectus and the Record Date.

Where the determination of the entitlement of any Eligible Shareholder results in a fraction of a Quoted Option, such fraction will be rounded down to the nearest whole Quoted Option.

Refer to Section 5.1 for a summary of the terms and conditions of the Quoted Options under the Loyalty Options Offer. Shares issued upon exercise of the Quoted Options will be fully paid and will rank equally with the Company's existing Shares on issue at the date of this Prospectus. A summary of the rights and liabilities attaching to Shares is in Section 5.2.

Please refer to Section 2 for details on how to apply for Quoted Options under the Loyalty Options Offer.

## 1.2 Shortfall Offer

Any Entitlement not taken up pursuant to the Loyalty Options Offer (if any) will form the Shortfall Offer.

The Shortfall Offer is a separate offer made pursuant to this Prospectus and will remain open for up to three (3) months following the Offer Closing Date (or such shorter period as determined by the Directors). All Shortfall Options shall be issued on the same terms as the Quoted Options being offered under the Loyalty Options Offer (including the issue price).

Eligible Shareholders may apply for Quoted Options under the Shortfall Offer by completing the prescribed section on the Entitlement and Acceptance Form designated to the Shortfall Offer and paying the appropriate Application Monies in accordance with the instructions set out on the Entitlement and Acceptance Form.

Separate application forms will be provided, together with a copy of this Prospectus, to other investors who are not currently Shareholders who are invited to participate in the Shortfall Offer (**Shortfall Application Form**).

The Directors reserve the right to issue Shortfall Options at their absolute discretion, subject to any restrictions imposed by the Corporations Act and the Listing Rules. As such there is no guarantee that Applicants under the Shortfall Offer will receive any Shortfall Options applied for under the Shortfall Offer. The Directors reserve the right to issue to an Applicant a lesser number of Shortfall Options than the number for which the Applicant applies, or to reject an Application for Shortfall Options, or to not proceed with placing the Shortfall Options. In that event, Application Monies will be refunded by the Company (without interest) in accordance with the provisions of the Corporations Act.

Acceptance of a completed Application for Shortfall Options by the Company creates a legally binding contract between the relevant Applicant and the Company for the number of Shortfall Options accepted by the Company. The Application for Shortfall Options does not need to be signed to be a binding acceptance of Quoted Options.

If the Application for Shortfall Options is not completed correctly it may still be treated as valid. The Directors' decision as to whether to treat an Application for Shortfall Options as valid and how to construe, amend or complete the Application, is final.

### **1.3 Opening and Closing Dates**

In terms of the Loyalty Options Offer, the Company will accept Entitlement and Acceptance Forms from the Record Date until 5:00pm (WST) on 17 November 2021 or such other date as the Directors in their absolute discretion shall determine, subject to the requirements of the Listing Rules (**Offer Closing Date**).

The Shortfall Offer will remain open for up to three (3) months following the Offer Closing Date unless closed earlier at the Directors' discretion.

### **1.4 Holders of escrowed Shares**

Holders of escrowed Shares will receive an Entitlement in respect of the escrowed Shares. Quoted Options issued in respect of such an Entitlement will be issued on the same terms as the other Quoted Options issued under the Offers and will not be subject to escrow requirements.

### **1.5 Minimum subscription**

There is no minimum subscription for the Offers.

### **1.6 Withdrawal of Offers**

The Company reserves the right not to proceed with the Offers at any time before the issue of Quoted Options. If the Offers do not proceed, the Company will return all Application Monies, without interest, as soon as practical after giving notice of its withdrawal.

### **1.7 Effect on control of the Company**

The Company is of the view that the Offers will not affect the control (as defined by section 50AA of the Corporations Act) of the Company. No investor or existing Shareholder will have a voting power greater than 20% as a result of the completion of the Offers.

## 1.8 Substantial shareholders

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

Substantial Shareholder	Number of Shares	Voting power
John Hannaford <sup>1</sup>	3,420,537	7.96%
David Izzard <sup>2</sup>	4,655,000	10.84%

The eligible substantial shareholders have informed the Company that they do intend to take up their Entitlement under the Loyalty Options Offer.

### Notes:

1. John Hannaford is considered a substantial shareholder by virtue of section 608(1) of the *Corporations Act 2001* (Cth), being a relevant interest held in 2,700,000 Shares held by JAEK Holdings Pty Ltd ATF The Hannaford Family Trust, 222,500 Shares held by Riverview Corporation Pty Ltd, 198,037 Shares held by John & Emma Hannaford Superannuation Pty Ltd ATF The Hannaford Super Fund A/C and 300,000 Shares held by Rockford Partners Pty Ltd, entities of which John Hannaford is a director and shareholder.
2. David Izzard is considered a substantial shareholder by virtue of section 608(1) of the *Corporations Act 2001* (Cth), being a relevant interest held in 3,155,000 Shares held by Bowman Gate Pty Ltd ATF The Discovery Trust, 800,000 Shares held by Golden Wheelbarrow Pty Ltd, 400,000 Shares held by Tigers Paw Pty Ltd and 300,000 Shares held by Rockford Partners Pty Ltd, entities of which David Izzard is a director and shareholder.

## 1.9 Potential dilution

Shareholders should note that if they do not participate in the Loyalty Options Offer, their holdings are likely to be diluted if the Quoted Options are issued and subsequently exercised (as compared to their holdings and number of Shares on issue as at the date of the Prospectus). Examples of how the dilution from the Loyalty Options Offer, may impact Shareholders are set out in the table below:

Holder	Holding as at Record Date	% at Record Date	Entitlement under the Loyalty Options Offer	% holdings if Entitlement taken up <sup>(1)</sup>	% holding if Entitlement not taken up <sup>(2)</sup>
Shareholder 1	7,000,000	16.30%	2,333,333	16.30%	12.22%
Shareholder 2	2,500,000	5.82%	833,333	5.82%	4.37%
Shareholder 3	1,000,000	2.33%	333,333	2.33%	1.75%
Shareholder 4	500,000	1.16%	166,666	1.16%	0.87%

Holder	Holding as at Record Date	% at Record Date	Entitlement under the Loyalty Options Offer	% holdings if Entitlement taken up <sup>(1)</sup>	% holding if Entitlement not taken up <sup>(2)</sup>
Shareholder 5	100,000	0.23%	33,333	0.23%	0.17%

**Notes:**

1. The table assumes that all Quoted Options are issued and exercised and that no other Shares are issued or Options exercised.
2. The dilutionary effect shown in the table is the maximum percentage on the assumption that those Entitlements not accepted are placed under the Shortfall Offer. In the event all Entitlements are not accepted and some or all of the resulting Shortfall was not subsequently placed, the dilution effect for each Shareholder not accepting their Entitlement would be a lesser percentage.

### 1.10 No rights trading

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

### 1.11 Issue date

The Quoted Options will be issued only after all Application Monies have been received and the ASX has granted permission for the Quoted Options to be quoted. It is expected that Quoted Options will be issued on 24 November 2021 and trading of the Quoted Options on the ASX is expected to commence on 25 November 2021.

Security holder statements will be dispatched at the end of the calendar month following the issue of the Quoted Options under the Loyalty Options Offer.

It is the responsibility of Applicants to determine their allocation prior to trading in the Quoted Options. Applicants who sell Quoted Options before they receive their holding statements do so at their own risk.

### 1.12 Application Monies held on trust

All Application Monies received for the Quoted Options will be held on trust in a bank account maintained solely for the purpose of depositing Application Monies received pursuant to this Prospectus until the Quoted Options are issued. All Application Monies will be returned (without interest) if the Quoted Options are not issued.

### 1.13 ASX quotation

Application has been made to ASX for Official Quotation of the Quoted Options.

The Quoted Options will only be admitted to Official Quotation by ASX if the conditions for quotation of a new class of securities are satisfied (which include, amongst other things, there being a minimum of 100,000 Quoted Options on issue, with at least 50 holders with a marketable parcel (within the meaning of the Listing Rules)).

The fact that ASX may agree to grant official quotation of the Quoted Options is not to be taken in any way as an indication of the merits of the Company or the Quoted Options. ASX takes no responsibility for the contents of this Prospectus.

If official quotation of the Quoted Options is not granted by ASX within three months of the date of this Prospectus, any issue or transfer of the Quoted Options (or Shares issued on exercise of the Quoted Options) will be void and the Application Monies will be refunded in full (without interest) in accordance with the Corporations Act.

#### **1.14 CHES**

The Company participates in the Clearing House Electronic Sub-register System, known as CHES. ASX Settlement Pty Limited, a wholly owned subsidiary of ASX, operates CHES in accordance with the Listing Rules and the ASX Settlement Operating Rules.

Under CHES, Applicants will not receive a certificate but will receive a statement of their holding of Quoted Options.

If you are broker sponsored, ASX Settlement Pty Limited will send you a CHES statement.

The CHES statement will specify the number of Quoted Options issued under this Prospectus, provide details of your holder identification number, the participant identification number of the sponsor and the terms and conditions applicable to the Quoted Options, including a notice to exercise the Quoted Options.

If you are registered on the Issuer Sponsored sub-register, your statement will be despatched by the Share Registry and will contain the number of Quoted Options issued to you under this Prospectus and your security holder reference number.

A CHES statement or Issuer Sponsored statement will routinely be sent to Shareholders at the end of any calendar month during which the balance of their Shareholding changes. Shareholders may request a statement at any other time; however, a charge may be made for additional statements.

#### **1.15 International Offer Restrictions**

This Prospectus, and any accompanying Entitlement and Acceptance Form (including any Shortfall Application Form), do not, and is not intended to, constitute an offer of Quoted Options in any jurisdiction in which it would be unlawful. In particular, this Prospectus, and any accompanying Entitlement and Acceptance Form (including any Shortfall Application Form), may not be distributed to any person, and the Quoted Options may not be offered or sold, in any country outside Australia where it would be unlawful to do so.

#### **1.16 Ineligible Foreign Shareholders**

The Company believes that it is unreasonable to extend the Loyalty Options Offer to Ineligible Foreign Shareholders. The Company has formed this view having considered:

- (a) the number and value of the Quoted Options that would be offered to those Ineligible Foreign Shareholders; and

- (b) the cost of complying with the legal requirements and the requirements of regulatory authorities in the overseas jurisdictions.

### **1.17 New Zealand Offer Restrictions**

The Quoted Options are not being offered or sold to the public within New Zealand other than to existing Shareholders of the Company with registered addresses in New Zealand at the Record Date.

This Prospectus has not been registered, filed with or approved by any New Zealand regulatory authority. This Prospectus is not an investment statement or prospectus under New Zealand law and is not required to, and may not, contain all the information that an investment statement or prospectus under New Zealand law is required to contain.

### **1.18 Notice to nominees and custodians**

Nominees and custodians that hold Shares should note that the Loyalty Options Offer is available only to Eligible Shareholders. The Company is not required to determine whether or not any registered holder is acting as a nominee or the identity or residence of any beneficial owners of Shares. If any nominee or custodian is acting on behalf of a foreign person, that holder, in dealing with its beneficiary, will need to assess whether indirect participation by the beneficiary in the Loyalty Options Offer is compatible with applicable foreign laws.

### **1.19 Risk factors**

An investment in Securities should be regarded as speculative. In addition to the general risks applicable to all investments in listed securities, there are certain specific risks associated with an investment in the Company which are detailed in Section 4.

### **1.20 Taxation implications**

The Directors do not consider it appropriate to give Applicants advice regarding the taxation consequences of subscribing for Quoted Options.

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

### **1.21 Major activities and financial information**

A summary of the major activities and financial information relating to the Company, for the half year ended 31 December 2020 and the year ended 30 June 2021, can be found in the Company's financial reports announced on ASX on 13 July 2021 and 30 September 2021 respectively. The Company's continuous disclosure notices (i.e. ASX announcements) since 13 July 2021 are listed in Section 5.5. Copies of these documents are available free of charge from the Company. The Directors strongly recommend that Applicants review these and all other announcements prior to deciding whether or not to participate in the Offers.

## **1.22 Underwriting and minimum subscription**

There is no minimum subscription for the Offers and the Offers are not underwritten.

## **1.23 Privacy**

If you complete an application for Quoted Options, you will be providing personal information to the Company (directly or by the Share Registry). The Company collects, holds and will use that information to assess the Application, service your needs as a Security holder, facilitate distribution payments and corporate communications to you as a Security holder, and carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your Securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Share Registry.

By submitting an Entitlement and Acceptance Form (including any Shortfall Application Form), each Applicant agrees that the Company may use the information provided by an Applicant on the Entitlement and Acceptance Form (including any Shortfall Application Form) for the purposes set out in this privacy disclosure statement and may disclose it for those purposes to the Share Registry, the Company's related bodies corporate, agents, contractors and third party service providers, including mailing houses and professional advisers, and to ASX and regulatory authorities.

If you do not provide the information required on the Entitlement and Acceptance Form (including any Shortfall Application Form), the Company may not be able to accept or process your application.

An Applicant has an entitlement to gain access to the information that the Company holds about that person subject to certain exemptions under law. A fee may be charged for access. Access requests must be made in writing to the Company's registered office.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act 1988* (Cth) (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules.

## **1.24 Enquiries concerning Prospectus**

Enquiries relating to this Prospectus should be directed to the Company Secretary by telephone on +61 8 6444 1788.

For general enquiries, please contact the Share Registry on 1300 288 664 (within Australia) and +61 2 9698 5414 (outside Australia).

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## **2. Action required by Eligible Shareholders**

### **2.1 Action in relation to the Loyalty Options Offer**

Should you wish to acquire Quoted Options as part of the Loyalty Options Offer, you may either take up all of your Entitlement (refer to Section 2.2) or part of your Entitlement (refer to Section 2.3) as shown on the accompanying Entitlement and Acceptance Form.

If you do not wish to take up any of your Entitlement, you may allow your Entitlement to lapse (refer to Section 2.4).

### **2.2 Acceptance of all of your Entitlement (and application for Shortfall Offer)**

Your entitlement to participate in the Loyalty Options Offer will be determined on the Record Date.

The number of Quoted Options to which you are entitled is shown on the accompanying Entitlement and Acceptance Form. If you wish to apply for Quoted Options under the Loyalty Options Offer, you must apply online using an online application form and pay the Application Monies electronically.

To apply online, you must use the unique application number that is provided in the Entitlement and Acceptance Form which accompanies this Prospectus, in accordance with the instructions referred to in this Prospectus and on the Entitlement and Acceptance Form. Please read the instructions carefully. Payment for your Entitlement must be by BPAY or Electronic Funds Transfer (**EFT**) as per instructions contained in the Entitlement and Acceptance Form. The Entitlement and Acceptance Form does not have to be returned to the Company or Share Registry and should be retained for your records.

Eligible Shareholders may apply for Quoted Options under the Shortfall Offer by completing the prescribed section on the Entitlement and Acceptance Form designated to the Shortfall Offer and paying the appropriate Application Monies in accordance with the instructions set out on the Entitlement and Acceptance Form.

Applications will be deemed not to have been received until the Company is in receipt of cleared funds.

Applicants should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment and it is the responsibility of the Applicant to ensure that funds are submitted through BPAY or EFT by the Offer Closing Date. You must follow the instructions for BPAY or EFT set out in the Entitlement and Acceptance Form.

### **2.3 If you wish to take up only part of your Entitlement**

Should you wish to only take up part of your Entitlement under the Loyalty Options Offer, you must apply online using an online application form and pay the Application Monies electronically.

Please complete the online Entitlement and Acceptance Form, including the number of Quoted Options you wish to accept and the amount payable calculated at \$0.005 per Quoted Option accepted under the Loyalty Options Offer.

Completed Entitlement and Acceptance Forms must be lodged at any time after the issue of this Prospectus and on or before the Offer Closing Date at the Share Registry (via online application) as per instructions referred to in this Prospectus and on the Entitlement and Acceptance Form.

Applications will be deemed not to have been received until the Company is in receipt of cleared funds.

Applicants should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment and it is the responsibility of the Applicant to ensure that funds are submitted through BPAY or EFT by the Offer Closing Date. You must follow the instructions for BPAY or EFT set out in the Entitlement and Acceptance Form and you will not need to return the Entitlement and Acceptance Form.

## **2.4 Entitlements not taken up**

If you do not wish to accept any of your Entitlement, you are not obliged to do anything. The number of Securities you hold and the rights attached to those Securities will not be affected should you choose not to accept any of your Entitlement.

## **2.5 Entitlement and Acceptance Form**

Completion of an online Entitlement and Acceptance Form and payment by BPAY or EFT creates a legally binding contract between the Applicant and the Company for the number of Quoted Options accepted by the Company. The Entitlement and Acceptance Form does not need to be returned to the Company for there to be a binding acceptance of Quoted Options.

The Company will send this Prospectus, together with an Entitlement and Acceptance Form, to all Eligible Shareholders.

By completing the online Entitlement and Acceptance Form and payment via BPAY or EFT, you will be deemed to have represented that you are an Eligible Shareholder. In addition, you will also be deemed to have represented and warranted on behalf of yourself or each person on whose account you are acting that the law in your place of residence and/or where you have been given the Prospectus, does not prohibit you from being given the Prospectus and that you:

- (a) agree to be bound by the terms of the Loyalty Options Offer (and Shortfall Offer, if applicable);
- (b) declare that all details and statements in the Entitlement and Acceptance Form are complete and accurate;
- (c) declare that you are over 18 years of age and have full legal capacity and power to perform all your rights and obligations under the Entitlement and Acceptance Form;
- (d) authorise the Company and its respective officers or agents, to do anything on your behalf necessary for the Quoted Options to be issued to you, including to act on instructions of the Share Registry upon using the contact details set out in the Entitlement and Acceptance Form;

- (e) declare that you are the current registered holder of Shares as at the Record Date and have a registered address in Australia or New Zealand, or another country which permits the Company to make the Offers to you without the requirement to lodge any documents with your local regulatory authority;
- (f) acknowledge that the information contained in, or accompanying, the Prospectus is not investment or financial product advice or a recommendation that Quoted Options are suitable for you given your investment objectives, financial situation or particular needs; and
- (g) acknowledge that the Quoted Options have not, and will not be, registered under the securities laws in any other jurisdictions outside Australia.

## **2.6 Enquiries concerning your Entitlement**

For enquiries concerning the Entitlement and Acceptance Form, your Entitlement or general enquiries, please contact the Share Registry on 1300 288 664 (within Australia) and +61 2 9698 5414 (outside Australia) or consult your professional advisor.

Enquiries relating to this Prospectus should be directed to the Company Secretary by telephone on +61 8 6444 1788.

### 3. Effect of the Loyalty Options Offer

#### 3.1 Capital structure on completion of the Loyalty Options Offer

Assuming that no existing Options are exercised before the Record Date, the effect of the Loyalty Options Offer on the Company's issued capital as at the date of this Prospectus is as shown in the following table.

	Shares	Quoted Options	Unquoted Options
Balance at the date of this Prospectus	42,950,000	Nil	10,250,000
Maximum to be issued pursuant to the Loyalty Options Offer	Nil	14,316,666	Nil
<b>Total</b>	<b>42,950,000</b>	<b>14,316,666</b> (1)	<b>10,250,000</b> (2)

**Notes:**

1. Assumes the Loyalty Options Offer is fully subscribed.
2. 10,250,000 Options, comprising:
  - (a) 8,000,000 unquoted Options exercisable at \$0.30 each and expiring on 16 December 2024;
  - (b) 750,000 unquoted Options exercisable at \$0.30 each and expiring on 9 May 2024;
  - (c) 750,000 unquoted Options exercisable at \$0.35 each on or before 9 November 2024; and
  - (d) 750,000 unquoted Options exercisable at \$0.40 each on or before 9 May 2025.

#### 3.2 Use of funds

Up to approximately \$71,583 will be raised as a result of the Loyalty Options Offer.

The Company will receive \$0.25 for each Quoted Option exercised. If all Quoted Options are issued and exercised, the Company will receive approximately \$3,579,167. There is no certainty that any Quoted Options will be exercised and the proportion exercised will depend on the Share price relative to the exercise price during the exercise period. It is currently intended that any funds raised by the exercise of the Quoted Options will be used towards the expenses of the offer and continued development on the Company's existing projects and for working capital. Working capital includes but is not limited to corporate administration and operating costs and may be applied to additional directors' fees or executive fees, ASX and Share Registry fees, legal, tax and audit fees, insurance and travel costs.

The Company notes there are extra costs associated with the Quoted Options. Upon each exercise of Quoted Options, the Company must lodge an Appendix 3B with the ASX and will, accordingly, incur further costs in this regard. The Company intends to use a portion of the funds raised from the Loyalty Options Offer towards any payments associated with the exercise of Quoted Options issued under the Loyalty Options Offer.

The application of funds will depend on when Quoted Options are exercised and the status of the Company's projects and requirements at the relevant time.

The above is a statement of current intentions at the date of this Prospectus. Intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way the funds are applied on this basis.

### 3.3 Pro forma consolidated statement of financial position

	Notes	Mt Monger Resources Limited Audited 30 June 2021 \$	IPO Pro forma Adjustments Unaudited 30 June 2021 \$	Loyalty Option Pro Adjustments Unaudited 30 June 2021 \$	Pro forma balance Unaudited 30 June 2021 \$
<b>Current assets</b>					
Cash & cash equivalents	1	85,684	3,706,508	44,483	3,836,675
Trade & other receivables		72,677		-	72,677
Other assets		125,725		-	-
<b>Total current assets</b>		<b>284,086</b>	<b>3,706,508</b>	<b>44,483</b>	<b>4,035,077</b>
<b>Non-Current assets</b>					
Exploration & development		1,314,474	665,000	-	1,979,474
Plant and equipment		6,546		-	6,546
<b>Total non-current assets</b>		<b>1,321,020</b>	<b>665,000</b>	<b>-</b>	<b>1,986,020</b>
<b>TOTAL ASSETS</b>		<b>1,605,107</b>	<b>4,371,508</b>	<b>44,483</b>	<b>6,021,097</b>
<b>Current liabilities</b>					
Trade & other payables		538,949	-	-	538,949
Borrowings		373,870	(355,637)	-	18,233
<b>Total current liabilities</b>		<b>912,820</b>	<b>(355,637)</b>	<b>-</b>	<b>557,182</b>
<b>TOTAL LIABILITIES</b>		<b>912,820</b>	<b>(355,637)</b>	<b>-</b>	<b>557,182</b>
<b>NET ASSETS</b>		<b>692,287</b>	<b>4,727,145</b>	<b>44,483</b>	<b>5,463,915</b>
<b>EQUITY</b>					
Issued capital		1,268,518	5,250,000	-	6,518,518
Reserves	2	272,055	-	71,583	343,638
Accumulated losses		(881,619)	(522,855)	(27,100)	(1,431,574)
<b>Total equity attributable to shareholders of the Company</b>		<b>658,954</b>	<b>4,727,145</b>	<b>44,483</b>	<b>5,430,582</b>
<b>Outside equity interest</b>		<b>33,333</b>	<b>-</b>	<b>-</b>	<b>33,333</b>
<b>TOTAL EQUITY</b>		<b>692,287</b>	<b>4,727,145</b>	<b>44,483</b>	<b>5,463,915</b>

Notes:

1. Funds raised of \$71,583 less expenses of the Offers of \$27,100.
2. Quoted Options issued under the Loyalty Options Offer priced at \$0.005 per option to raise \$71,583.

## **Basis of Preparation**

The unaudited pro forma statement of financial position has been prepared in accordance with the Corporations Act and Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and settlement of liabilities in the normal course of business.

The unaudited pro forma statement of financial position is based on the audited financial position as at 30 June 2021, adjustment for transactions associated with the completion of the IPO and settlement of the acquisition of exploration assets (refer to the IPO Prospectus dated 21 May 2021) and assumes that the Loyalty Options Offer is fully subscribed. Other than in the ordinary course of business, there have been no other material transactions between that date and the date of this Prospectus that have affected the Company's financial position.

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## 4. Risk Factors

As with any investment in Securities, there are risks involved. This Section identifies the major areas of risk associated with an investment in the Company but should not be taken as an exhaustive list of the potential risk factors to which the Company and its security holders are exposed. Potential investors should read the entire Prospectus and consult their professional advisers before deciding whether to apply for Quoted Options.

The Directors consider that the following summary represents some of the major risk factors which Shareholders need to be aware of in evaluating the Company's business and risks of increasing your investment in the Company. Investors should carefully consider the following factors in addition to the other information presented in this Prospectus.

The principal risks include, but are not limited to, the following:

### 4.1 Risks specific to the Company

(a) **Limited history**

The Company was incorporated on 13 November 2020 and therefore has limited operational and financial history on which to evaluate its business and prospects. The prospects of the Company must be considered in light of the risks, expenses and difficulties frequently encountered by companies in the early stages of their development, particularly in the mineral exploration sector, which has a high level of inherent risk and uncertainty. No assurance can be given that the Company will achieve commercial viability through the successful exploration on, or mining development of, the Projects. Until the Company is able to realise value from the Projects, it is likely to incur operational losses.

(b) **Future capital requirements**

The Company has no operating revenue and is unlikely to generate any operating revenue unless and until the Projects are successfully developed and production commences. The future capital requirements of the Company will depend on many factors including its business development activities.

In order to successfully develop the Projects and for production to commence, the Company will require further financing in the future, in addition to amounts raised pursuant to the Loyalty Options Offer. Any additional equity financing may be dilutive to Shareholders, may be undertaken at lower prices than the then market price or may involve restrictive covenants which limit the Company's operations and business strategy. Debt financing, if available, may involve restrictions on financing and operating activities or the registering of security interests over the Company's assets.

Although the Directors believe that additional capital can be obtained, no assurances can be made that appropriate capital or funding, if and when needed, will be available on terms favourable to the Company or at all. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its activities and this could have a material adverse effect on the Company's activities including resulting in its Tenements being subject

to forfeiture, and could affect the Company's ability to continue as a going concern.

The Company may undertake additional offerings of Securities in the future. The increase in the number of Shares issued and outstanding and the possibility of sales of such Shares may have a depressive effect on the price of Shares. In addition, as a result of such additional Shares, the voting power of the Company's existing Shareholders will be diluted.

(c) **Contractual risk**

The ability of the Company to achieve its stated objectives may be materially affected by the performance by the parties of its obligations under certain agreements. If any party defaults in the performance of its obligations, it may be necessary for the Company to approach a court to seek a legal remedy, which can be costly.

If the Company enters into agreements with third parties for the acquisition or divestment of equity interests in mineral exploration and mining projects there are no guarantees that any such contractual obligations will be satisfied in part or in full.

(d) **Potential for dilution**

On completion of the Loyalty Options Offer and the subsequent issue of Quoted Options pursuant to the Loyalty Options Offer, the number of Options in the Company will increase from 10,250,000 to 24,566,666. Assuming all Quoted Options issued under the Loyalty Options Offer are exercised, the number of Shares in the Company will increase from 42,950,000 to 57,266,666. This means the number of Shares would increase by approximately 33.33%. On this basis, existing Shareholders should note that if they do not participate in the Loyalty Options Offer (and even if they do), their holdings may be considerably diluted (as compared to their holdings and number of Shares on issue as at the date of this Prospectus).

(e) **New projects and acquisitions**

The Company will actively pursue and assess other new business opportunities in the resources sector. These new business opportunities may take the form of direct project acquisitions, joint ventures, farm-ins, acquisition of tenements/permits, and/or direct equity participation.

Some but not all Projects are currently the subject of negotiation to acquire with third parties and there is no guarantee that the negotiations with the third parties will be successful nor that the Company will enter into and/or acquire interests in the Projects.

The acquisition of projects (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 completed, 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 the Projects and/or raising additional capital (if available). Furthermore, notwithstanding that an acquisition may proceed upon the completion of due diligence, the usual risks associated with the new project/business activities will remain.

## **4.2 Mining Industry Risks**

### **(a) Title and grant risk**

There can be no guarantee that the Company's tenement applications will be granted, or if they are granted, that they will be granted in their entirety. If the tenement applications are not granted, the Company will not acquire an interest in these tenements. The tenement applications therefore should not be considered as assets or projects of the Company. Unless and until these tenements are granted and transferred to the Company, the Company has limited rights and can undertake only preliminary exploration work on those tenements.

Interests in all tenements in Western Australia are governed by state legislation and are evidenced by the granting of licenses or leases. Each license or lease is for a specific term and carries with it annual expenditure and reporting commitments, as well as other conditions requiring compliance. Consequently, the Company could be exposed to additional costs, have its ability to explore or mine the Tenements reduced or lose title to or its interest in the Tenements if license conditions are not met or if insufficient funds are available to meet expenditure commitments.

### **(b) Exploration and development risks**

Mineral exploration and development is a high-risk undertaking. There can be no assurance that exploration of the Projects or any other exploration properties that may be acquired in the future will result in the discovery of an economic resource.

Exploration in terrains with existing mineralisation endowments and known occurrences may slightly mitigate this risk.

Even if an apparently viable resource is identified, there is no guarantee that it can be economically exploited due to various issues including lack of ongoing funding, adverse government policy, geological conditions, commodity prices or other technical difficulties.

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, unanticipated operational and technical difficulties, industrial and environmental accidents, native title process, changing government regulations and many other factors beyond the control of the Company.

The success of the Company will also depend upon the Company having access to sufficient development capital, being able to maintain title to its Projects and obtaining all required approvals for its activities. In the event that exploration programs are 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 part or all of its Projects.

(c) **Operating risk**

There are significant risks in developing a mine and there is no guarantee that the Company will be able to achieve economic production from any of the Tenements. In addition, the operations of the Company may be affected by various factors, including failure to locate or identify mineral deposits, failure to achieve predicted grades in exploration and mining, operational and technical difficulties encountered in mining, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, adverse weather conditions, industrial and environmental accidents, industrial disputes and unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment.

No assurances can be given that the Company will achieve commercial viability through the successful exploration and/or mining of its Projects. Unless and until the Company is able to realise value from its Projects, it is likely to incur ongoing operating losses.

(d) **Metallurgy**

Metal and/or mineral recoveries are dependent upon the metallurgical process that is required to liberate economic minerals and produce a saleable product and by nature contain elements of significant risk such as:

- (i) identifying a metallurgical process through test work to produce a saleable metal and/or concentrate;
- (ii) developing an economic process route to produce a metal and/or concentrate; and
- (iii) changes in mineralogy in the ore deposit can result in inconsistent metal recovery, affecting the economic viability of the project.

(e) **Resource estimation risks**

Whilst the Company intends to undertake exploration activities with the aim of defining a resource, no assurances can be given that the exploration will result in the determination of a resource. Even if a resource is identified, no assurance can be provided that this can be economically extracted.

(f) **Payment obligations**

Pursuant to the licences comprising the Company's Projects, the Company will become subject to payment and other obligations. In particular, holders are required to expend the funds necessary to meet the minimum work commitments attaching to the Tenements. Failure to meet these work commitments may render the Tenements subject to forfeiture or result in the holders being liable for fees. Further, if any contractual obligations are not complied with when due, in addition to any other remedies that may be available to other parties, this could result in dilution or forfeiture of the Company's interest in the Projects.

(g) **Metals and currency price volatility**

The Company's ability to proceed with the development of its Projects and benefit from any future mining operations will depend on market factors, some of which may be beyond its control. It is anticipated that any revenues derived from mining will primarily be derived from the sale of gold and other metals. Consequently, any future earnings are likely to be closely related to the price of gold and other mined commodities and the terms of any off-take agreements that the Company enters into.

The world market for minerals is subject to many variables and may fluctuate markedly. These variables include world demand for metals that may be mined commercially in the future from the Company's project areas, technological advancements, forward selling activities and production cost levels in major mineral-producing regions. Mineral prices are also affected by macroeconomic factors such as general global economic conditions and expectations regarding inflation and interest rates. These factors may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities.

Furthermore, international prices of various commodities are denominated in United States dollars, whereas the income and expenditure of the Company are and will be taken into account in Australian currency. As a result, the Company is exposed to the fluctuations and volatility of the rate of exchange between the United States dollar and the Australian dollar as determined in international markets, which could have a material effect on the Company's operations, financial position (including revenue and profitability) and performance. The Company may undertake measures, where deemed necessary by the Board to mitigate such risks.

(h) **Competition risk**

The industry in which the Company is involved is subject to domestic and global competition, including major mineral exploration and production companies. 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.

Some of the Company's competitors have greater financial and other resources than the Company and, as a result, may be in a better position to compete for future business opportunities or technical staff. Many of the Company's competitors not only explore for and produce minerals, but also carry out refining operations and other products on a worldwide basis. There can be no assurance that the Company can compete effectively with these companies.

(i) **Tenure and land access risk**

Land access is critical for exploration and/or exploitation to succeed. It requires both access to the mineral rights and access to the surface rights. Minerals rights may be negotiated and acquired. In all cases the acquisition of prospective exploration and mining licences is a competitive business, in which proprietary knowledge or information is critical and the ability to negotiate satisfactory commercial arrangements with other parties is often essential. The

Company may not be successful in acquiring or obtaining the necessary licences to conduct exploration or evaluation activities outside of the mineral tenements.

As the Company's rights in the Tenements may be obtained by grant by regulatory authorities or be subject to contracts with third parties, any third party may terminate or rescind the relevant agreement whether lawfully or not and, accordingly, the Company may lose its rights to exclusive use of, and access to any, or all, of the Tenements. Third parties may also default on their obligations under the contracts which may lead to termination of the contracts. Additionally, the Company may not be able to access the Tenements due to natural disasters or adverse weather conditions, political unrest, hostilities or failure to obtain the relevant approvals and consents.

(j) **Farm-in or joint venture risk**

The Company operates certain projects with third parties through farm-ins or joint ventures and the Company may be adversely affected by the financial failure, withdrawal or default of a farm-in or joint venture party. This may have an adverse effect on the operations and performance of the Company.

(k) **Native title risks**

The Company is aware that there are four registered native title claims (in the names of Kakarra Part A, Tjalkadjara, Nyalpa Pirniku and Nangaanya-ku) and two registered native title determinations (in the names of Yilka and Yilka #2 and Sullivan Family and Ngadju) within the area covered by the Tenements.

Accordingly, there is a risk that, if negotiations with the relevant native title parties are not progressed in a timely manner, or are unsuccessful, the grant of the pending Tenements may be delayed or they may be refused.

There remains a risk that in the future, native title and/or registered native title claims may affect the land the subject of the Tenements or in the vicinity of the Tenements.

The existence of native title claims over the area covered by the Tenements, or a subsequent determination of native title over the area, will not impact the rights or interests of the holder under the Tenements provided the Tenements have been validly granted in accordance with the *Native Title Act 1993* (Cth) (**Native Title Act**).

However, if any Tenement was not validly granted in compliance with the Native Title Act, this may have an adverse impact on the Company's activities.

The grant of any future tenure to the Company over areas that are covered by registered claims or determinations will likely require engagement with the relevant claimants or native title holders (as relevant) in accordance with the Native Title Act.

(l) **Aboriginal Heritage Risk**

The Company is aware that there are four Aboriginal sites, six applications for 'other heritage places' and three 'stored data places' which are either registered

or have been lodged within Tenements ELA38/3511, E38/3462, E38/3466, E25/562, ELA38/3506, ELA38/3507, ELA38/3462 and E38/3466.

Accordingly, there is a risk that the existence of such sites may preclude or limit mining activities in certain areas of the Tenements. However, the location of these sites do not interfere with the Company's proposed exploration activities.

There remains a risk that additional Aboriginal sites may exist on the land the subject of the Tenements. The existence of such sites may further preclude or limit mining activities in certain areas of the Tenements.

(m) **Third party risks**

Several of the Tenements overlap various pastoral leases and some of the Tenements overlap a petroleum exploration permit. ELA25/597 and ELA25/603 overlap mining tenure (including miscellaneous licences) held by third parties.

Under Western Australian and Commonwealth legislation, the Company may be required to obtain the consent of and/or pay compensation to the holders of third-party interests which overlay areas within the Tenements, including pastoral leases, petroleum tenure and other mining tenure in respect of exploration or mining activities on the Tenements.

Whilst the Company does not presently consider this to be a material risk to its planned exploration, there is a risk that any delays in respect of conflicting third-party rights, obtaining necessary consents, or compensation obligations, may adversely impact the Company's ability to carry out exploration or mining activities within the affected areas.

(n) **Environmental risk**

The operations and proposed activities of the Company are subject to State and Federal laws and regulations concerning the environment. As with most exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or field development proceeds. It is the Company's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws.

The cost and complexity of complying with the applicable environmental laws and regulations may prevent the Company from being able to develop potentially economically viable mineral deposits.

Although the Company believes that it is in compliance in all material respects with all applicable environmental laws and regulations, there are certain risks inherent to its activities, such as accidental spills, leakages or other unforeseen circumstances, which could subject the Company to extensive liability.

Government authorities may, from time to time, review the environmental bonds that are placed on permits. The Directors are not in a position to state whether a review is imminent or whether the outcome of such a review would be detrimental to the funding needs of the Company.

(o) **Licences, permits and approvals**

Many of the mineral rights and interests to be held by the Company are subject to the need for ongoing or new government approvals, licences and permits. These requirements, including work permits and environmental approvals, will change as the Company's operations develop. Delays in obtaining, or the inability to obtain, required authorisations may significantly impact on the Company's operations.

(p) **Heritage and sociological risk**

Some of the Tenements which the Company proposes to mine may be of significance from a heritage or sociological perspective, including Native Title issues. Some sites of significance may be identified within the Tenements and the Company may be hindered by legal and cultural restrictions on mining those Tenements. The Native Title Act recognises and protects the rights and interests in Australia of Aboriginal and Torres Strait Islander people in land and waters, according to their traditional laws and customs. There is significant uncertainty associated with Native Title in Australia and this may impact on the Company's operations and future plans.

(q) **Reliance on key personnel**

The Company is reliant on a number of key personnel and consultants, including members of the Board. The loss of one or more of these key contributors could have an adverse impact on the business of the Company.

It may be particularly difficult for the Company to attract and retain suitably qualified and experienced people given the current high demand in the industry and relatively small size of the Company, compared with other industry participants.

(r) **Conflicts of interest**

Certain Directors are also directors and officers of other companies engaged in mineral exploration and development and mineral property acquisitions. Accordingly, mineral exploration opportunities or prospects of which these Directors become aware may not necessarily be made available to the Company in the first instance. Although these Directors have been advised of their fiduciary duties to the situations that could arise in which their obligations to, or interests in, the Company, there exists actual and potential conflicts of interest among these persons.

### **4.3 General Risks**

(a) **Economic risks**

General economic conditions, movements in interest and inflation rates, the prevailing global commodity prices and currency exchange rates may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities.

As with any exploration or mining project, the economics are sensitive to metal and commodity prices. Commodity prices fluctuate and are affected by many factors beyond the control of the Company. Such factors include supply and

demand fluctuations for minerals, technological advances, forward selling activities and other macro-economic factors. These prices may fluctuate to a level where the proposed mining operations are not profitable. Should the Company achieve success leading to mineral production, the revenue it will derive through the sale of commodities also exposes potential income of the Company to commodity price and exchange rate risks.

(b) **Market conditions**

The market price of the Shares can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resource exploration stocks in particular.

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

- (i) general economic outlook;
- (ii) interest rates and inflation rates;
- (iii) currency fluctuations;
- (iv) changes in investor sentiment;
- (v) the demand for, and supply of, capital; and
- (vi) terrorism or other hostilities.

Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

(c) **Force majeure**

The Company's Projects now or in the future may be adversely affected by risks outside the control of the Company including labour unrest, subversive activities or sabotage, fires, floods, explosions or other catastrophes.

(d) **Government and legal risk**

Changes in government, monetary policies, taxation and other laws can have a significant impact on the Company's assets, operations and ultimately the financial performance of the Company and its Shares. Such changes are likely to be beyond the control of the Company and may affect industry profitability as well as the Company's capacity to explore and mine.

The Company is not aware of any reviews or changes that would affect the Projects. However, changes in community attitudes on matters such as taxation, competition policy and environmental issues may bring about reviews and possibly changes in government policies. There is a risk that such changes may affect the Company's development plans or its rights and obligations in respect of its Projects. Any such government action may also require increased capital or operating expenditures and could prevent or delay certain operations by the Company.

(e) **Litigation risks**

The Company is exposed to possible litigation risks including native title claims, tenure disputes, environmental claims, occupational health and safety claims and employee claims. Further, the Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Company's operations, financial performance and financial position. The Company is not currently engaged in any litigation.

(f) **Insurance risks**

The Company intends to insure its operations in accordance with industry practice. However, in certain circumstances, the Company's insurance may not be of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company. Insurance against all risks associated with mining exploration and production is not always available and where available the costs can be prohibitive.

(g) **Taxation**

The acquisition and disposal of 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 Securities from a taxation point of view and generally.

To the maximum extent permitted by law, the Company, its officers and each of their respective advisers accept no liability and responsibility with respect to the taxation consequences of applying for Shares under this Prospectus.

(h) **Unforeseen expenditure risk**

Expenditure may need to be incurred that has not been taken into account by the Company. Although the Company is not aware of any such additional expenditure requirements, if such expenditure is subsequently incurred, this may adversely affect the expenditure proposals of the Company.

(i) **Climate change risks**

Climate change is a risk the Company has considered, particularly related to its operations in the mining industry. The climate change risks particularly attributable to the Company include:

- (i) the emergence of new or expanded regulations associated with the transitioning to a lower-carbon economy and market changes related to climate change mitigation. The Company may be impacted by changes to local or international compliance regulations related to climate change mitigation efforts, or by specific taxation or penalties for carbon emissions or environmental damage. These examples sit amongst an array of possible restraints on industry that may further impact the Company and its profitability. While the Company will endeavour to manage these risks and limit any consequential impacts, there can be

no guarantee that the Company will not be impacted by these occurrences; and

- (ii) climate change may cause certain physical and environmental risks that cannot be predicted by the Company, including events such as increased severity of weather patterns and incidence of extreme weather events and longer term physical risks such as shifting climate patterns. All these risks associated with climate change may significantly change the industry in which the Company operates.

(j) **Infectious diseases**

The outbreak of the coronavirus disease (COVID-19) is having a material effect on global economic markets. The global economic outlook is facing uncertainty due to the pandemic, which has had and may continue to have a significant impact on capital markets.

The Company's Share price may be adversely affected by the economic uncertainty caused by COVID-19. Further measures to limit the transmission of the virus implemented by governments around the world (such as travel bans and quarantining) may adversely impact the Company's operations and may interrupt the Company carrying out its contractual obligations or cause disruptions to supply chains.

#### **4.4 Speculative investment**

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

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

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

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## 5. Additional information

### 5.1 Terms and conditions of Quoted Options

The terms and conditions of the Quoted Options are as follows:

- (a) **(Entitlement):** Each Quoted Option gives the holder the right to subscribe for one Share.
- (b) **(Expiry Date):** The Quoted Options will expire 3 years from the date of issue at 5.00pm (WST). A Quoted Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (c) **(Exercise Price):** Subject to paragraph 5.1(j), the amount payable upon exercise of each Quoted Option is \$0.25 per Option.
- (d) **(Exercise):** A holder may exercise their Quoted Options by lodging with the Company, before the Expiry Date:
  - (i) a written notice of exercise of Quoted Options specifying the number of Quoted Options being exercised; and
  - (ii) an electronic funds transfer for the Exercise Price for the number of Quoted Options being exercised,
- (e) **(Exercise Notice).** An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds. The Quoted Options held by each holder may be exercised in whole or in part, and if exercised in part, at least 10,000 must be exercised on each occasion.
- (f) **(Timing of issue of Shares on exercise):** Within 5 Business Days of receipt of the Exercise Notice accompanied by the Exercise Price, the Company will issue the number of Shares required under these terms and conditions in respect of the number of Quoted Options specified in the Exercise Notice.
- (g) **(Transferability):** The Quoted Options are freely transferable from the date of issue, subject to any restriction or escrow arrangements imposed by ASX or under Australian securities laws.
- (h) **(Ranking of Shares):** All Shares allotted upon the exercise of Quoted Options will upon allotment be fully paid and rank *pari passu* in all respects with other Shares.
- (i) **(Quotation):** The Company will apply for quotation of the Quoted Options on ASX. The Company will apply for quotation of all Shares allotted pursuant to the exercise of Quoted Options on ASX within 5 Business Days after the date of allotment of those Shares.
- (j) **(Reconstruction):** If at any time the issued capital of the Company is reconstructed, all rights of a holder of Quoted Options are to be changed in a manner consistent with the Corporations Act and the Listing Rules at the time of the reconstruction.
- (k) **(Participating rights):** There are no participating rights or entitlements inherent in the Quoted Options and holders will not be entitled to participate

in new issues of capital offered to Shareholders during the currency of the Quoted Options without exercising the Quoted Options.

- (l) **(Amendments):** A Quoted Option does not confer the right to a change in the Exercise Price or a change in the number of underlying securities over which the Quoted Option can be exercised.

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

A summary of the rights attaching to Shares in the Company is below. This summary is qualified by the full terms of the Constitution (copies of which are available from the Company on request free of charge) and does not purport to be exhaustive or to constitute a definitive statement of the rights and liabilities of Shareholders. These rights and liabilities can involve complex questions of law arising from an interaction of the Constitution with statutory and common law requirements. For a Shareholder to obtain a definitive assessment of the rights and liabilities which attach to Shares in any specific circumstances, the Shareholder should seek legal advice.

### **(a) General meeting and notices**

Each Member is entitled to receive notice of, and to attend and vote at, general meetings of the Company and to receive all notices, accounts and other documents required to be sent to Members under the Constitution, the Corporations Act or the Listing Rules.

### **(b) Voting rights**

Subject to any rights or restrictions for the time being attached to any class or classes of Shares, at a general meeting of the Company every holder of fully paid Shares present in person or by an attorney, representative or proxy has one vote on a show of hands (unless a Member has appointed 2 proxies) and one vote per Share on a poll.

A person who holds a Share which is not fully paid is entitled, on a poll, to a fraction of a vote equal to the proportion which the amount paid bears to the total issue price of the Share.

### **(c) Issues of further Shares**

Subject to the Corporations Act and the Constitution, the Board may, on behalf of the Company, issue, grant options over or otherwise dispose of unissued shares to any person on the terms, with the rights, and at the times that the Board decides. The Company must not issue shares or grant options if the issue or grant would result in a breach of the Listing Rules.

### **(d) Variation of rights**

Unless otherwise provided by the Constitution or by the terms of issue of a class of Shares, the rights attached to the Shares in any class may be varied or cancelled only with the written consent of the holders of at least three-quarters of the issued Shares of the affected class, or by special resolution passed at a separate meeting of the holders of the issued Shares of the affected class.

(e) **Transfer of Shares**

Subject to the Constitution, a Member may transfer a Share by any means permitted by the Corporations Act or by law.

(f) **Dividends**

Subject to the Corporations Act, the Listing Rules, the Constitution and the rights attaching to Shares issued on special conditions, the Directors may from time to time declare that a dividend is payable to the holders of ordinary Shares and fix the time for payment.

(g) **Winding up**

Subject to the Constitution, the Corporations Act and the rights of holders of Shares with special rights, on a winding up of the Company, the liquidator may, with the sanction of a special resolution of the Company, divide among the Members in kind the whole or any part of the property of the Company and may for that purpose set such value as the liquidator considers fair on any property to be so divided and may determine how the division is to be carried out as between the Members or different classes of Members.

(h) **Dividend reinvestment and share plans**

The Directors may establish a dividend reinvestment plan on any terms, under which participants may elect in respect of all or part of their Shares to apply the whole or any part of a dividend from the Company in subscribing for Securities of the Company.

(i) **Directors**

The Company must have not less than 3 Directors.

(j) **Powers of the Board**

Except as otherwise required by the Corporations Act, any other law, the Listing Rules or the Constitution, the Directors may exercise all the powers of the Company except any powers that the Corporations Act or the Constitution requires the Company to exercise in general meeting.

(k) **Capitalisation of profits**

The Directors may capitalise any profits of the Company and distribute that capital to the Members, in the same proportions as the Members are entitled to a distribution by dividend.

### **5.3 Dividend Policy**

The Directors are not able to say when and if dividends will be paid in the future, as the payment of any dividends will depend on the future profitability, financial position and cash requirements of the Company.

## 5.4 Company is a disclosing entity

The Company is a disclosing entity under the Corporations Act. It is subject to regular reporting and disclosure obligations under both the Corporations Act and the Listing Rules. These obligations require the Company to notify ASX of information about specific events and matters as they arise for the purpose of ASX making the information available to the securities market conducted by ASX. In particular, the Company has an obligation under the Listing Rules (subject to certain limited exceptions), to notify ASX once it is, or becomes aware of information concerning the Company which a reasonable person would expect to have a material effect on the price or value of the Shares.

The Company is also required to prepare and lodge with ASIC yearly and half-yearly financial statements accompanied by a Directors' statement and report, and an audit review or report. Copies of documents lodged with the ASIC in relation to the Company may be obtained from, or inspected at, an ASIC office (see Section 5.5 below). Copies of all documents announced to the ASX can be found at <https://mtmongerresources.com.au/investor-centre#asx-announcements>.

## 5.5 Copies of documents

Copies of documents lodged by the Company in connection with its reporting and disclosure obligations may be obtained from, or inspected at, an office of ASIC. The Company will provide free of charge to any person who requests it during the period of the Offers a copy of:

- (a) the financial statements of the Company for the financial year ended 30 June 2021, being the last financial statements for a financial year of the Company lodged with ASIC before the issue of this Prospectus; and
- (b) the following notices given by the Company to notify ASX of information relating to the Company during the period from the date of lodgement of the financial statements referred to in Section 5.5(a) above until the date of this Prospectus:

Date lodged	Subject of Announcement
26/10/2021	Change of Director's Interest Notice (Izzard)
22/10/2021	Re-Assay of Mt Monger Samples Confirms Gold Intersections
19/10/2021	Notice of Annual General Meeting/Proxy Form
13/10/2021	Change of Director's Interest Notice (Reynolds)
11/10/2021	Soil sampling at Mt Monger Complete
08/10/2021	Change of Director's Interest Notice (Hannaford)
08/10/2021	Notice of Annual General Meeting Date
01/10/2021	Appendix 4G 2021

The following documents are available for inspection throughout the period of the Offers during normal business hours at the registered office of the Company:

- (a) this Prospectus;
- (b) the Constitution; and
- (c) the consents referred to in Section 5.13 and the consents provided by the Directors to the issue of this Prospectus.

## **5.6 Information excluded from continuous disclosure notices**

As at the date of this Prospectus, the Company is in preliminary discussions with respect to a potential option agreement to acquire tenements. No binding terms have been agreed between the parties and the Company is currently undertaking due diligence. The Company does not consider the proposed option to be a material acquisition for the Company, however, the Company will keep the market informed in accordance with its continuous disclosure obligations.

Other than as set out above and in this Prospectus, there is no information which has been excluded from a continuous disclosure notice in accordance with the Listing Rules.

## **5.7 Determination by ASIC**

ASIC has not made a determination which would prevent the Company from relying on section 713 of the Corporations Act in issuing the Shares under this Prospectus.

## **5.8 Market price of Shares**

The highest and lowest closing market sale prices of the Shares on ASX during the three months immediately preceding the date of lodgement of this Prospectus with the ASIC and the respective dates of those sales were:

Lowest: \$0.145 on 11 and 12 October 2021.

Highest: \$0.245 on 13 August 2021.

The latest available market sale price of the Shares on ASX prior to the date of lodgement of this Prospectus with the ASIC was \$0.175 on 25 October 2021.

## **5.9 Interests of Directors**

### **(a) Information disclosed in this Prospectus**

Other than as set out in this Prospectus, no Director (or entity in which they are a partner or director) holds or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

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

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

- (i) as an inducement to become, or to qualify as, a Director; or
- (ii) for services provided in connection with the formation or promotion of the Company, or the Offers.

(b) **Security holdings**

The relevant interests of each of the Directors in Securities as at the date of this Prospectus, together with their respective Entitlement (assuming no Shares are issued and no Options are converted into Shares), is set out below.

<b>Director</b>	<b>Shares</b>	<b>Options</b>	<b>Entitlement<sup>(1)</sup></b>
Lachlan Reynolds <sup>(2)</sup>	301,000	3,250,000	100,333
John Hannaford <sup>(3)</sup>	3,420,537	2,800,000	1,140,179
David Izzard <sup>(4)</sup>	4,655,000	2,800,000	1,551,666

**Notes:**

1. As at the date of this Prospectus, the Directors have indicated that they (or their respective nominees) intend to take up all of their Entitlement under the Loyalty Options Offer.
2. Securities are held as follows:
  - (a) 301,000 Shares held directly by Lachlan Reynolds; and
  - (b) 1,500,000 unquoted Options granted in the following three tranches and held directly by Lachlan Reynolds:
    - (i) 500,000 unquoted Options exercisable at \$0.30 each and expiring on 9 May 2024, vesting 1 January 2022;
    - (ii) 500,000 unquoted Options exercisable at \$0.35 each and expiring on 9 November 2024, vesting 1 July 2022; and
    - (iii) 500,000 unquoted Options exercisable at \$0.40 each and expiring on 9 May 2025, vesting 1 January 2023; and
  - (c) 1,750,000 unquoted Options exercisable at \$0.30 each and expiring on 16 December 2024, held directly by Lachlan Reynolds.
3. Securities are held as follows:
  - (a) JAEK Holdings Pty Ltd ATF The Hannaford Family Trust, an entity of which John Hannaford is a director, shareholder and beneficiary, holds:
    - (i) 2,700,000 Shares; and
    - (ii) 2,500,000 unquoted Options exercisable at \$0.30 each and expiring on 16 December 2024;
  - (b) Riverview Corporation Pty Ltd, an entity of which John Hannaford is a director and shareholder, holds 222,500 Shares;
  - (c) John & Emma Hannaford Superannuation Pty Ltd ATF The Hannaford Super Fund A/C, an entity of which John is a director, shareholder and beneficiary, holds 198,037 Shares;
  - (d) Rockford Partners Pty Ltd, an entity of which John Hannaford is a director and shareholder, holds:

- (i) 300,000 Shares; and
  - (ii) 300,000 unquoted Options exercisable at \$0.30 each and expiring on 16 December 2024.
4. Securities are held as follows:
- (a) Bowman Gate Pty Ltd ATF the Discovery Trust, and entity of which David Izzard is a director, shareholder and beneficiary, holds:
    - (i) 3,155,000 Shares; and
    - (ii) 2,500,000 unquoted Options exercisable at \$0.30 each and expiring on 16 December 2024;
  - (b) Golden Wheelbarrow Pty Ltd, an entity of which David Izzard is a director and shareholder, holds 800,000 Shares;
  - (c) Tigers Paw Pty Ltd, an entity of which David Izzard is a director and shareholder, holds 400,000 Shares; and
  - (d) Rockford Partners Pty Ltd, an entity of which David Izzard is a director and shareholder, holds:
    - (i) 300,000 Shares; and
    - (ii) 300,000 unquoted Options exercisable at \$0.30 each and expiring on 16 December 2024.

**(c) Remuneration of Directors**

The Constitution of the Company provides that the non-executive directors are entitled to be paid an amount of fees which does not in any year exceed in aggregate the amount last fixed by ordinary resolution. The aggregate amount fixed is \$300,000. This aggregate amount is to be allocated among the non-executive directors equally, having regard to the proportion of the relevant year for which each director held office, or as otherwise decided by the Board. The amount may also be provided in a manner the Board decides, which may include provision of non-cash benefits, in which case, the Board must also decide the manner in which the value of those benefits is to be calculated.

The Constitution also provides that:

- (i) the Directors shall be entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors; and
- (ii) if any of the Directors being willing are called upon to perform extra services or make any special exertions on behalf of the Company or its business, the Directors may remunerate this Director in accordance with such services or exertions, and this remuneration may be either in addition to or in substitution for his or her share in the fee-pool described above.

The remuneration of executive directors is to be fixed by the Board.

The table below sets out the remuneration provided to the Directors of the Company and their associated companies from incorporation on 13 November 2020 to 30 June 2021, inclusive of directors fees, consultancy fees, superannuation benefits and share-based payments.

Director	FY ended 30 June 2021 (\$)
Lachlan Reynolds	\$171,668
John Hannaford	\$125,652
David Izzard	\$121,652

## 5.10 Related party transactions

Except as disclosed in this Prospectus, there are no related party transactions involved in the Offers.

The Company's policy in respect of related party arrangements is:

- (a) a Director with a material personal interest in a matter is required to give notice to the other Directors before such a matter is considered by the Board; and
- (b) for the Board to consider such a matter, the Director who has a material personal interest is not present while the matter is being considered at the meeting, unless it is resolved by the Board of Directors that the Director can be present at the meeting but does not vote on the matter.

## 5.11 Interests of other persons

Except as disclosed in this Prospectus, no expert, promoter or other person named in this Prospectus as performing a function in a professional, advisory or other capacity:

- (a) has any interest nor has had any interest in the last two years prior to the date of this Prospectus in the formation or promotion of the Company, the Quoted Options offered under this Prospectus or property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Quoted Options offered under this Prospectus; or
- (b) has been paid or given or will be paid or given any amount or benefit in connection with the formation or promotion of the Company or the Quoted Options offered under this Prospectus.

HWL Ebsworth Lawyers will be paid approximately \$10,000 (plus GST) in fees for legal services in connection with the Offers. Over the past 24 months HWL Ebsworth Lawyers has provided various legal services to the Company and its subsidiaries and has been paid approximately \$132,632.

Automic Pty Ltd has been appointed to conduct the Company's share registry functions and to provide administrative services in respect to the processing of Applications received pursuant to this Prospectus, and will be paid for these services on standard industry terms and conditions.

## 5.12 Expenses of Offers

The estimated expenses of the Offers are as follows:

<b>Estimated expenses of the Offers</b>	<b>\$</b>
ASIC lodgement fee	3,206
ASX quotation fee	1,250
Legal and preparation expenses	10,000
Share Registry expenses	7,100
Printing, mailing and other expenses	5,544
<b>Total</b>	<b>27,100</b>

### **5.13 Consents**

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of Shares under this Prospectus), the Directors, any persons named in the Prospectus with their consent having made a statement in the Prospectus and persons involved in a contravention in relation to the Prospectus, with regard to misleading and deceptive statements made in the Prospectus. Although the Company bears primary responsibility for the Prospectus, the other parties involved in the preparation of the Prospectus can also be responsible for certain statements made in it.

Each of the parties referred to in this Section:

- (a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this Section; and
- (b) in light of the above, only to the maximum extent permitted by law, expressly 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.

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

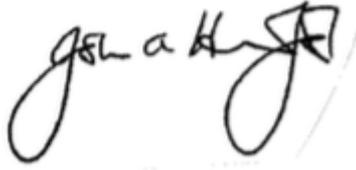
Automic Pty Ltd has given its written consent to being named as the Share Registry to the Company in this Prospectus. Automic Pty Ltd has not withdrawn its consent prior to lodgement of this Prospectus with ASIC.

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## 6. Directors' Statement and Consent

This Prospectus is authorised by each of the Directors of the Company.

This Prospectus is signed for and on behalf of Company by:

A handwritten signature in black ink, appearing to read 'John Hannaford', written in a cursive style.

**John Hannaford**  
Non-Executive Chairman

Dated: 26 October 2021

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## 7. Definitions

These definitions are provided to assist persons in understanding some of the expressions used in this Prospectus.

**\$** means Australian dollars.

**AEDT** means Australian Eastern Daylight Time.

**Applicant** means a person who submits an Entitlement and Acceptance Form or a Shortfall Application Form, as the context requires.

**Application** means a valid application for Quoted Options made on an Entitlement and Acceptance Form or a Shortfall Application Form, as the context requires.

**Application Monies** means application monies for Quoted Options received by the Company.

**ASIC** means Australian Securities and Investments Commission.

**ASX** means ASX Limited ACN 008 624 691 and where the context permits the Australian Securities Exchange operated by ASX Limited.

**ASX Settlement** means ASX Settlement Pty Limited ACN 008 504 532.

**ASX Settlement Operating Rules** means ASX Settlement Operating Rules of ASX Settlement.

**Board** means the Directors meeting as a board.

**Business Day** means Monday to Friday inclusive, other than a day that ASX declares is not a business day.

**CHES** means ASX Clearing House Electronic Subregistry System.

**Company** means Mt Monger Resources Limited (ACN 645 885 463).

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

**Corporations Act** means *Corporations Act 2001* (Cth), as amended.

**Directors** mean the directors of the Company as at the date of this Prospectus.

**Eligible Shareholder** means a person registered as the holder of Shares on the Record Date whose registered address is in Australia or subject to the offer restrictions in Section 1.15, a jurisdiction where it would be lawful to participate in the Offers.

**Entitlement** means the number of Quoted Options for which an Eligible Shareholder is entitled to subscribe under the Loyalty Options Offer, being 1 Quoted Option for every 3 Shares held on the Record Date.

**Entitlement and Acceptance Form** means the entitlement and acceptance form provided by the Company with a copy of this Prospectus that describes the

entitlement of Eligible Shareholders to subscribe for Quoted Options pursuant to the Loyalty Options Offer.

**IPO** means the Initial Public Offer which was completed in July 2021.

**IPO Prospectus** means the prospectus dated 21 May 2021 in respect to the initial public offering to acquire Shares.

**Ineligible Foreign Shareholder** means a person registered as the holder of Shares on the Record Date whose registered address is not in Australia or subject to the offer restrictions in Section 1.15, a jurisdiction where it would be lawful to participate in the Offers.

**Issuer Sponsored** means Shares issued by an issuer that are held in uncertified form without the holder entering into a sponsorship agreement with a broker or without the holder being admitted as an institutional participant in CHESSE.

**Listing Rules** means the listing rules of ASX.

**Loyalty Options Offer** means an offer under this Prospectus to subscribe for Quoted Options on the basis of 1 Quoted Option for every 3 Shares held on the Record Date.

**Native Title Act** means the *Native Title Act 1993* (Cth).

**Offer Closing Date** has the meaning given to it in Section 1.3.

**Offers** means the Loyalty Options Offer and the Shortfall Offer.

**Official List** means the official list of ASX.

**Official Quotation** means quotation of Securities on the Official List.

**Option** means an option, giving the holder the right, but not an obligation, to acquire a Share at a predetermined price and at a specified time in the future.

**Projects** means the Mt Monger Gold Project and the East Laverton Gold and Rare Earths Project.

**Prospectus** means this prospectus dated 26 October 2021.

**Quoted Option** means a quoted Option to be issued under this Prospectus on the terms and conditions in Section 5.1.

**Record Date** means 5:00pm (WST) on the date identified in the proposed timetable.

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

**Securities** mean any securities including Shares, Options or Performance Rights issued or granted by the Company.

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

**Share Registry** means Automic Pty Ltd ACN 152 260 814.

**Shareholder or Member** means a holder of Shares.

**Shortfall** means the Quoted Options to be issued pursuant to the Shortfall, and otherwise in accordance with the terms of the Underwriting Agreements.

**Shortfall Application Form** has the meaning given in Section 1.2.

**Shortfall Offer** means the offer of Quoted Options under this Prospectus which are not subscribed for by Eligible Shareholders under the Loyalty Options Offer.

**Shortfall Options** means Quoted Options offered under the Shortfall Offer.

**TMD** means the target market determination as set out on the Company's website ([mtmongerresources.com.au](http://mtmongerresources.com.au)).

**Tenements** means the 10 granted exploration licences, 3 granted prospecting licences and 11 pending applications for explorations licenses in Western Australia that the Company has acquired, or agreed to acquire a legal and beneficial interest since incorporation.

**WST** means Western Standard Time.