



A.C.N. 119 057 457

NON-RENOUCEABLE RIGHTS ISSUE TRANSACTION-SPECIFIC PROSPECTUS

For a non-renounceable pro-rata Rights Issue of approximately 191,707,851 Shares on the basis of one (1) new Share for every six (6) Shares held by Qualifying Shareholders as at 5:00pm WST on the Record Date, at an issue price of \$0.013 per Share together with one (1) Option for every two (2) Shares acquired free of charge (each to acquire one (1) Share at an exercise price of \$0.026 per Share, exercisable at any time up to and including 31 December 2026). This Rights Issue, if fully subscribed, will raise approximately \$2,492,202 (before the expenses of the Entitlement Offer).

This Prospectus also includes an offer by the Company of the Shortfall, the New Placement Options, the New Additional Placement Options and the New Underwriter Options, to those persons referred to in sections 2.15, 2.8, 2.9 and 2.10 of this Prospectus respectively.

IMPORTANT INFORMATION

This Prospectus is a transaction-specific prospectus issued under section 713 of the Corporations Act. This Prospectus is not required to, and does not, contain all of the information that is generally required to be set out in a prospectus, including general information in relation to the assets and liabilities, financial position, profits and losses or prospects of the Company. This Prospectus generally only contains information in relation to the effect of the Offers on the Company and the rights and liabilities attaching to the New Shares and New Options offered under this Prospectus.

This is an important document that should be read in its entirety. If you do not understand it you should consult your professional advisers.

The Rights Issue is fully underwritten.

THE SHARES AND OPTIONS OFFERED UNDER THIS PROSPECTUS ARE OF A SPECULATIVE NATURE.

IMPORTANT STATEMENT

This Prospectus is dated 19 April 2022.

A copy of this Prospectus was lodged with ASIC on 19 April 2022. Neither ASIC nor ASX take any responsibility for the contents of this Prospectus.

This Prospectus contains an offer to Qualifying Shareholders whose registered addresses are in Australia and New Zealand of the Rights, and an offer of the Shortfall, the Placement Options, the Additional Placement Options and the Underwriting Options to those persons referred to in sections 2.15, 2.8, 2.9 and 2.10 respectively, and has been prepared to comply with the requirements of the securities laws of Australia and New Zealand. Distribution of this Prospectus in jurisdictions outside Australia and New Zealand may be restricted by law and persons who come into possession of this Prospectus should seek advice and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. This Prospectus does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make an offer. No action has been taken to register this Prospectus, the New Shares or New Options or the Rights, or otherwise permit an offering of the New Shares or New Options or the Rights, in any jurisdiction outside of Australia or New Zealand.

No New Shares or New Options will be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

Application will be, or has been, made within 7 days of the date of this Prospectus for permission for the New Shares and New Options offered by this Prospectus to be admitted to Quotation on the ASX.

RISK FACTORS

The New Shares and New Options offered under this Prospectus are of a speculative nature. Qualifying Shareholders and other Applicants should read this Prospectus in its entirety and, if in any doubt, consult with their professional advisors before deciding whether to apply for New Shares and New Options. **In particular, it is important that Qualifying Shareholders and other Applicants consider the risk factors set out in section 5 of this Prospectus.** The New Shares and New Options offered under this Prospectus carry no guarantee in respect of return of capital, return on capital investment, payment of dividends or the future value of the Shares or Options.

DISCLAIMER

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 contained in this Prospectus may not be relied on as having been authorised by Conico (or its Directors or advisers) in connection with the Offers.

PROSPECTUS AVAILABILITY

This Prospectus is available in both a paper and electronic version. Qualifying Shareholders with registered addresses in Australia and New Zealand will be sent a paper copy of this Prospectus on 29 April 2022. An electronic version of this Prospectus will also be emailed to Qualifying Shareholders who have provided Advanced Share Registry Services with their email address and may also be viewed by Qualifying Shareholders by accessing their secure electronic account with Advanced Share Registry Services. In addition, Qualifying Shareholders can obtain a copy of this Prospectus during the Rights Issue on the Conico website at www.conico.com.au or by calling the Company by telephone on (+618) 9282 5889. Qualifying Shareholders who access the electronic version of this Prospectus should ensure that they download and read the entire prospectus. A personalised Acceptance Form will accompany the paper copy of the Prospectus which will be mailed to Qualifying Shareholders on 29 April 2022. Personalised Acceptance Forms can also be accessed by Qualifying Shareholders from their secure electronic account with Advanced Share Registry Ltd.

Placement Subscribers, Additional Placement Subscribers and the Underwriter (and its nominees) will be emailed a copy of this Prospectus if (and as soon practicable after) Shareholders approve the issue of the New Placement Options, New Additional Placement Options and New Underwriter Options at the Company Meeting, and it will be accompanied by a personalised acceptance form.

Neither this Prospectus nor the accompanying Acceptance Form may be sent to Qualifying Shareholders or other Applicants outside of Australia and New Zealand or otherwise distributed outside of Australia and New Zealand.

FORWARD LOOKING STATEMENTS

This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are anticipated to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and its management.

The Company cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur and Applicants are cautioned not to place undue reliance on these forward-looking statements.

The Company has no intention of updating or revising forward-looking statements regardless of whether new information, future events or any other factors affect the information contained in this Prospectus, except where required by law.

These forward-looking statements are subject to various risk factors that could cause 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 5.

NO INVESTMENT ADVICE

The information contained in this Prospectus is not financial product advice or investment advice and does not take into account your financial or investment objectives, financial situation or particular needs (including financial or taxation issues). You should seek professional advice from your accountant, financial advisor, stockbroker, lawyer or other professional adviser before deciding to subscribe for New Shares and New Options under this Prospectus to determine whether it meets your objectives, financial situation and needs.

TRANSACTION-SPECIFIC PROSPECTUS

This Prospectus is a transaction-specific prospectus issued in accordance with section 713 of the Corporations Act. This Prospectus is not required to, and does not, contain all the information that is generally required to be set out in a prospectus, including general information in relation to the assets and liabilities, financial position, profits and losses or prospects of the Company. This Prospectus generally only contains information in relation to the effect of the Offers on the Company and the rights and liabilities attaching to the New Shares and New Options offered under this Prospectus.

Section 7 of this Prospectus sets out further information in relation to the nature and contents of this Prospectus.

DEFINITIONS AND ABBREVIATIONS

Throughout this Prospectus abbreviations and defined terms are used. Defined terms are generally identified by the use of an uppercase first letter. Details of the definitions and abbreviations used are set out in section 8 of this Prospectus.

SUMMARY OF OFFER

This information is intended as a summary only and should be read in conjunction with the more detailed information appearing elsewhere in this Prospectus. Applicants should read this entire Prospectus, including the risks in section 5, in order to make an informed decision about acquiring New Shares and New Options.

1. KEYPOINTS OF ENTITLEMENT OFFER

New Share Issue Price	\$0.013 per New Share
Qualifying Shareholder Entitlement	1 New Share for every 6 Existing Shares held on the Record Date (together with 1 free accompanying New Option for every 2 New Shares acquired under this Prospectus)
Approximate number of New Shares to be issued under this Rights Issue	191,707,851
Approximate number of New Options to be issued under this Rights Issue	95,853,296
Approximate amount to be raised under this Rights Issue (assuming the Rights Issue is fully subscribed and before the expenses of the Entitlement Offer)	\$2,492,202

These figures assume that none of the existing Options on issue in the Company are converted to Shares prior to the Record Date. If this occurs, the number of New Shares and New Options, and the amount raised under this Rights Issue, may increase.

2. SUMMARY OF IMPORTANT DATES

Offer announcement & Appendix 3B lodged with ASX	31 March 2022
Lodgement of Prospectus with ASIC (after the market closes)	19 April 2022
Lodgement of Prospectus with ASX (before the market opens)	20 April 2022
Ex date	22 April 2022
Record Date for determining Entitlements	26 April 2022
Prospectus despatched to Qualifying Shareholders	29 April 2022
Closing date of the Entitlement Offer*	18 May 2022
Securities quoted on a deferred settlement basis	19 May 2022
Company notifies ASX of under subscriptions	25 May 2022
Issue Date and Appendix 2A lodged with ASX (end of any deferred settlement trading), dispatch of holding statements	25 May 2022

This timetable is indicative only and subject to change. The Company reserves the right, subject to the Corporations Act and the Listing Rules, to vary the above dates (including, without limitation, to extend the Closing Date or to close this Rights Issue early), or to withdraw this Rights Issue and Prospectus at any time, without prior notice. Any extension of the Closing Date will have a consequential effect on subsequent milestones set out above.

*See section 2.15 in relation to the Shortfall Offers and sections 2.8, 2.9 and 2.10 respectively in relation to the Placement Options Offer, the Additional Placement Options Offer and the Underwriter Options Offer.

CONTENTS

Page

IMPORTANT STATEMENT 1

SUMMARY OF OFFER..... 3

1. CHAIRMAN’S LETTER..... 5

2. DETAILS OF THE OFFER..... 6

3. ACTION REQUIRED BY QUALIFYING SHAREHOLDERS..... 14

4. COMPANY OVERVIEW..... 16

5. RISK FACTORS..... 17

6. EFFECT OF THE ISSUE..... 21

7. ADDITIONAL INFORMATION 26

8. GLOSSARY NAMES AND TERMS 39

9. CONSENT BY DIRECTORS..... 41

10. CORPORATE DIRECTORY 42

1. EXECUTIVE DIRECTOR'S LETTER

Dear Shareholders

The purpose of this fully underwritten Rights Issue is to augment the funds raised from the recently completed Placement and, subject to Shareholder approval first being obtained at the Company Meeting, the funds that will be raised from the Additional Placement, to fund the following:

1. the 2022 East Greenland Exploration Program at Longland's Greenland licences, that include the Ryberg (Ni Cu Co PGE Au) and Mestersvig (Pb Zn) projects in East Greenland (Conico 100%);
2. further assessment of the Mt Thirsty Co-Ni Project (Conico 50%, Greenstone Resources Ltd 50%);
3. administrative costs and expenses and ongoing working capital to cover operating expenses of the Company, assuming this Rights Issue is fully subscribed, for approximately 12 months; and
4. the costs of the Offers.

Longland is a 100% owned subsidiary of Conico.

Tasman Resources Ltd, which holds an 8.633% interest in the Company and is the Company's largest Shareholder (excluding nominees or custodians), as well as all of the Directors, have indicated that they each intend to support this Rights Issue and to take up all or a significant percentage of their respective Entitlements (whether personally and/or through their associated companies or trusts).

East Greenland presents an exciting opportunity for the Company with renewed interest in battery metals and security of supply for raw materials. This underexplored part of Greenland has already seen the operation of a high-grade Pb-Zn Mine (which ceased operations in 1962) at Blyklippen (within the Mestersvig license) and reconnaissance exploration and geophysical surveys by Conico over the previous two field seasons. This, together with the maiden 2021 drill program, has highlighted the potential for magmatic nickel and copper sulphides, strata-form copper, vein hosted Zn-Pb-Cu-Ag mineralisation and layered intrusions that are known to host Platinum group metals.

The 2022 field season will comprise further drilling at Ryberg (commencing at the Miki, Sortekap and Pyramid Prospects) together with the Company's first drill program at Mestersvig following up down dip and along strike extensions at the old Blyklippen mine (past production of 545,000 tonnes at 9.3% Pb and 9.9% Zn between 1956-1962), high-grade zinc mineralisation from previous drilling at Sortebjerg and high-grade Pb-Cu-Ag surface mineralisation identified by Conico at the Nuldal Prospect in 2020.

I urge Shareholders to read this Prospectus carefully, and I commend this Rights Issue to you.

Yours sincerely



Guy T Le Page
Executive Director

2. DETAILS OF THE OFFER

2.1 Shares and Options offered for subscription

By this Prospectus, the Company makes the following offers:

- 2.1.1 a non-renounceable pro rata rights issue to Qualifying Shareholders of approximately 191,707,851 New Shares and 95,853,926 New Options (assuming that none of the existing Options issued in the Company are converted to Shares prior to the Record Date) on the basis of 1 New Share for every 6 Existing Shares held as at the Record Date at an issue price of \$0.013 each, together with 1 New Option free of charge for every 2 New Shares acquired (each New Option to acquire 1 Share at an exercise price of \$0.026 exercisable at any time up to and including 31 December 2026), to raise approximately \$2,492,202 before expenses of the Offer (“**Entitlement Offer**”); and
- 2.1.2 if the Entitlement Offer is not fully subscribed, an offer of the Shortfall to:
 - 2.1.2.1 Qualifying Shareholders who wish to apply for additional New Shares (and accompanying New Options) in excess of their Entitlement under the Entitlement Offer (“**the QS Shortfall Offer**”);
 - 2.1.2.2 the Underwriter under the Underwriting Agreement, and any sub-underwriters; and
 - 2.1.2.3 if the Underwriting Agreement is terminated for any reason, any investor to whom the Directors elect, in their discretion, to place the balance of the Shortfall remaining after the offer in section 2.1.2.1 has been completed in accordance with section 2.15.3, on the terms set out in section 2.15 (the “**Shortfall Offers**”); and
- 2.1.3 subject to Shareholders first approving the issue at the Company Meeting, an offer of 75,016,116 New Options to the Placement Subscribers (“**New Placement Options**”), on the basis of 1 New Option free of charge for every 2 Placement Shares acquired by them under the Placement (each New Option to acquire 1 Share at an exercise price of \$0.026 exercisable at any time up to and including 31 December 2026) on the terms set out in section 2.8 (“**Placement Options Offer**”);
- 2.1.4 subject to Shareholders first approving the issue at the Company Meeting, an offer of 8,156,962 New Options to the Additional Placement Subscribers (“**New Additional Placement Options**”), on the basis of 1 New Option free of charge for every 2 Additional Placement Shares acquired by them under the Additional Placement (each New Option to acquire 1 Share at an exercise price of \$0.026 exercisable at any time up to and including 31 December 2026) on the terms set out in section 2.9 (“**Additional Placement Options Offer**”); and
- 2.1.5 subject to Shareholders first approving the issue at the Company Meeting, 30,000,000 New Options to the Underwriter and its nominees (“**New Underwriter Options**”) free of charge pursuant to the Underwriter Agreement (each New Option to acquire 1 Share at an exercise price of \$0.026 exercisable at any time up to and including 31 December 2026) on the terms set out in section 2.10 (“**Underwriter Options Offer**”).

The Rights Issue is fully underwritten.

All New Shares issued pursuant to this Prospectus will be issued as fully paid ordinary shares and will rank equally in all respects with the Existing Shares (see section 7.4 of this Prospectus).

The New Options to be issued under this Prospectus will be issued on the terms and conditions set out in section 7.5 of this Prospectus.

2.2 Entitlement Offer

As the Entitlement Offer is non-renounceable, Qualifying Shareholders who do not wish to exercise their Rights to subscribe for some or all of the New Shares (and accompanying New Options) being offered to them under this Prospectus may not sell or otherwise transfer those Rights, and those Rights will lapse upon the expiry of the Offer

Period.

2.3 Entitlement to participate in the Entitlement Offer

Shareholders who are registered on the Company's Share Register and whose registered addresses are in Australia or New Zealand (Qualifying Shareholders) at the close of business on the Record Date, being 5.00 pm WST on 26 April 2022, are eligible to participate in the Entitlement Offer. An Acceptance Form setting out Qualifying Shareholders' Entitlements to New Shares and New Options accompanies this Prospectus.

Fractional Entitlements will be rounded up to the nearest whole number of New Shares and accompanying New Options.

2.4 Applications

The Entitlement Offer may be accepted by Qualifying Shareholders in whole or in part prior to the Closing Date, subject to the right of the Company to extend the Offer Period or close the Entitlement Offer early.

Instructions for accepting an Entitlement are set out in section 3 of this Prospectus and on the Acceptance Form which accompanies this Prospectus.

2.5 Application money

All Qualifying Shareholders who accept the Entitlement Offer made to them in its entirety will receive their Entitlement in full.

New Shares and accompanying New Options will be issued to a Qualifying Shareholder only after all of their Application Money has been received and ASX has granted permission for the New Shares and New Options to be quoted.

All Application Money received before the New Shares and accompanying New Options are issued will be held in a special purpose bank account. After the New Shares and New Options are issued to Qualifying Shareholders, the funds in the account, plus accrued interest, will be received by the Company. All Application Moneys will be returned (without interest) if this Rights Issue is withdrawn or otherwise does not proceed.

If the New Shares and New Options are not admitted to Quotation by ASX within 3 months after the date of this Prospectus (or any longer period permitted by ASIC), the Company will refund all Application Money in full.

2.6 Issue outside Australia and New Zealand

This Prospectus does not constitute an offer of Securities in any place outside Australia and New Zealand in which, or to any person to whom, it would not be lawful to make such an offer or to issue the Prospectus. The distribution of this Prospectus and the accompanying Acceptance Form in jurisdictions outside Australia and New Zealand may be restricted by law and persons who come into possession of this Prospectus and the accompanying Acceptance Form (including nominees, trustees or custodians) should seek advice on and observe those restrictions. Any failure to comply with those restrictions may constitute a violation of applicable securities laws.

No action has been taken to register the Rights, the New Shares or New Options or this Prospectus or otherwise permit an offering of the New Shares or New Options or the Rights in any jurisdiction outside of Australia or New Zealand. Without limitation, the Rights and the New Shares and New Options have not been, and will not be, registered under the *US Securities Act of 1933* (as amended) or the securities laws of any State of the United States of America and may not be offered in the United States of America or to, or for the account of or benefit of, US persons.

2.7 Treatment of Non-Qualifying Foreign Shareholders

The Entitlement Offer and the QS Shortfall Offer in this Prospectus are not being extended to any Shareholder, as at the Record Date, whose registered address is not situated in Australia or New Zealand (Non-Qualifying Foreign Shareholders). This is because the Company is of the view that it is unreasonable to extend the Entitlement Offer and the QS Shortfall Offer to Non-Qualifying Foreign Shareholders having regard to the small number of such Non-Qualifying Foreign Shareholders, the small number and value of the Securities which would be offered to them, and the cost of complying with the applicable legal requirements, and requirements of regulatory authorities, of the applicable jurisdictions outside of Australia and New Zealand.

Recipients (including any nominee, trustee or custodian who receives this Prospectus) may not send or otherwise distribute this Prospectus or the accompanying Acceptance Form to any person outside Australia or New Zealand (other than to Qualifying Shareholders).

2.8 Placement Options Offer

This Prospectus includes the Placement Options Offer, being (subject to the Company first receiving Shareholder approval at the Company Meeting to issue the New Placement Options) an offer of 75,016,116 New Options to the Placement Subscribers, on the basis of 1 New Option free of charge for every 2 Placement Shares acquired by them under the Placement (each New Option to acquire 1 Share at an exercise price of \$0.026 exercisable at any time up to and including 31 December 2026). The New Placement Options issued pursuant to this Prospectus will be issued on the terms and conditions in section 7.5 of this Prospectus.

The Placement Options Offer is a separate offer under this Prospectus and shall remain open under this Prospectus (and may be accepted by the Placement Subscribers once the above condition is satisfied) until the date that is 3 months after the Closing Date.

Only Placement Subscribers may accept the Placement Options Offer. The Placement Subscribers may accept the Placement Options Offer by completing the separate personalised application form which will be sent to them by the Company together with this Prospectus after Shareholder approval of the Placement Options Offer has been obtained at the Company Meeting. Only the Placement Subscribers will receive a personalised application form to accept the Placement Options Offer.

No funds will be raised from the Placement Options Offer (the New Placement Options are being offered to Placement Subscribers so that the entitlements of the Placement Subscribers, and of Qualifying Shareholders under the Entitlement Offer, to free accompanying New Options, are the same).

2.9 Additional Placement Options Offer

This Prospectus includes the Additional Placement Options Offer, being (subject to the Company first receiving Shareholder approval at the Company Meeting to issue the New Additional Placement Options) an offer of 8,156,962 New Options to the Additional Placement Subscribers, on the basis of 1 New Option free of charge for every 2 Additional Placement Shares acquired by them under the Additional Placement (each New Option to acquire 1 Share at an exercise price of \$0.026 exercisable at any time up to and including 31 December 2026). The New Additional Placement Options issued pursuant to this Prospectus will be issued on the terms and conditions in section 7.5 of this Prospectus.

The Additional Placement Options Offer is a separate offer under this Prospectus and shall remain open under this Prospectus (and may be accepted by the Additional Placement Subscribers once the above condition is satisfied) until the date that is 3 months after the Closing Date.

Only Additional Placement Subscribers may accept the Additional Placement Options Offer. The Additional Placement Subscribers may accept the Additional Placement Options Offer by completing the separate personalised application form which will be sent to them by the Company together with this Prospectus after Shareholder approval of the Additional Placement Options Offer has been obtained at the Company Meeting. Only the Additional Placement Subscribers will receive a personalised application form to accept the Additional Placement Options Offer.

No funds will be raised from the Additional Placement Options Offer (the New Additional Placement Options are being offered to Additional Placement Subscribers so that the entitlements of the Additional Placement Subscribers, and of Qualifying Shareholders under the Entitlement Offer, to free accompanying New Options, are the same).

2.10 Underwriter Options Offer

This Prospectus includes the Underwriter Options Offer, being (subject to the Company first receiving Shareholder approval at the Company Meeting to issue the New Underwriter Options) an offer of 30,000,000 New Options to the Underwriter and its nominees pursuant to the terms of the Underwriting Agreement (each New Option to acquire 1 Share at an exercise price of \$0.026 exercisable at any time up to and including 31 December 2026). The New Underwriter Options issued pursuant to this Prospectus will be issued on the terms and conditions in section 7.5 of this Prospectus.

The Underwriter Options Offer is a separate offer under this Prospectus and shall remain open under this Prospectus (and may be accepted by the Underwriter and its nominees once the above condition is satisfied) until the date that is 3 months after the Closing Date.

Only the Underwriter and its nominees may accept the Underwriter Options Offer. The Underwriter and its

nominees may accept the Underwriter Options Offer by completing the separate personalised application form which will be sent to the Underwriter and its nominees by the Company together with this Prospectus after Shareholder approval of the Underwriter Options Offer has been obtained at the Company Meeting. Only the Underwriter and its nominees will receive a personalised application form to accept the Underwriting Options Offer.

No funds will be raised from the Underwriting Options Offer (the New Underwriting Options are being offered to the Underwriter as part of the consideration which is payable to the Underwriter under the Underwriting Agreement).

2.11 ASX Quotation of New Shares and New Options

The Company has already, or will, apply to the ASX for the New Shares and New Options offered under this Prospectus to be granted Quotation within 7 days of the date of this Prospectus.

If approval for Quotation of the New Shares and New Options the subject of an Offer under this Prospectus is not granted within 3 months after the date of this Prospectus (or any longer period permitted by ASIC), the Company will not allot or issue any New Shares or New Options pursuant to that Offer and will repay all Application Moneys without interest as soon as practicable.

Subject to approval being granted by ASX, it is expected that the New Shares and New Options under the Entitlement Offer will be issued on 25 May 2022 and that Quotation of the New Shares and New Options under the Entitlement Offer will commence on ASX on a normal basis on 26 May 2022. It is the responsibility of all Applicants to determine their allocation prior to trading in New Shares and New Options. Applicants who trade or otherwise deal with New Shares and New Options before they receive holding statements will do so at their own risk. The Company disclaims all liability in tort (including negligence), statute or otherwise to persons who trade or otherwise deal with New Shares and New Options before receiving holding statements.

ASX takes no responsibility for the contents of this Prospectus. The fact that the ASX may approve Quotation of the New Shares and New Options is not to be taken in any way as an indication of the merits of the Company or the New Shares or New Options offered under this Prospectus.

2.12 Allotment of New Shares and New Options

Subject to ASX granting approval for Quotation of the New Shares and New Options, the allotment of the New Shares and New Options to Applicants will occur as soon as possible after the relevant Offer has closed, following which holding statements setting out the number of New Shares and New Options allotted to Applicants under this Prospectus will be despatched.

2.13 Minimum subscriptions and oversubscriptions

There is no minimum subscription to this Rights Issue, and no oversubscriptions will be accepted.

2.14 Underwriting

The Entitlement Offer is fully underwritten by the Underwriter. The Underwriter has, or intends to, enter into sub-underwriting agreements with a number of persons to sub-underwrite a portion of the Underwritten Shortfall. RMCF, an entity of which two directors of the Company are directors and beneficial shareholders, has agreed to sub-underwrite a third of the Underwritten Shortfall. A summary of the terms and conditions of the Underwriting Agreement and RMCF's sub-underwriting agreement are set out in section 7.7 of this Prospectus.

The Entitlement Offer in this Prospectus is not conditional upon it being underwritten. If for any reason the Underwriting Agreement is terminated (see section 7.7.1 of this Prospectus which summarises the events which will entitle the Underwriter to terminate the Underwriting Agreement), then unless the Directors otherwise determine, all of the Offers will proceed.

2.15 Shortfall

The Shortfall Offers are separate offers pursuant to this Prospectus.

2.15.1 QS Shortfall Offer to Qualifying Shareholders

Qualifying Shareholders may, in addition to their Entitlement, apply for additional New Shares (and accompanying New Options) forming part of the Shortfall, regardless of the size of their present holding. However, in assessing any applications by Qualifying Shareholders to take up a portion of the Shortfall, the number of Existing Shares held by that Qualifying Shareholder will be taken into account by the Directors

and it is not intended that Qualifying Shareholders with a small shareholding in the Company will be allocated or issued a large portion of the Shortfall (if any).

Qualifying Shareholders who wish to participate in the QS Shortfall Offer by applying for New Shares (and accompanying New Options) above their Entitlement, should insert the number of additional New Shares they wish to apply for in that section of the table in the Acceptance Form headed "Number of Shortfall Shares (if any) applied for (in excess of the Entitlement shown above)". The issue price of any New Shares comprising part of the Shortfall shall be \$0.013, being the price at which the New Shares under the Entitlement Offer have been offered to Qualifying Shareholders pursuant to this Prospectus. Any additional New Shares applied for must be paid for in the same manner as the New Shares under the Entitlement Offer are paid for. A single payment should be made for the Application Moneys for any New Shares you have applied for as part of your Entitlement and any additional New Shares applied for as part of the Shortfall. It is an express term of the QS Shortfall Offer that applicants for New Shares comprised in the Shortfall will be bound to accept a lesser number of additional New Shares (and accompanying New Options) than the number applied for.

The Shortfall will be placed at the discretion of the Company. The Company reserves the right to reject (either in whole or in part) any applications for the Shortfall. The Company also reserves the right to allot to an Applicant a lesser number of the New Shares (and accompanying New Options) comprising the Shortfall than the number for which the Applicant applies, or to allot none of the additional New Shares (and accompanying New Options) applied for by the Applicant. As mentioned above, in assessing any applications by Qualifying Shareholders to take up a portion of the Shortfall, the number of Existing Shares held by that Qualifying Shareholder will be taken into account by the Directors and it is not intended that Qualifying Shareholders with a small shareholding in the Company will be allocated or issued a large portion of the Shortfall (if any). As a result, Qualifying Shareholders who apply for additional New Shares in excess of their Entitlement receive no guarantee that they shall receive all or any of those additional New Shares (and accompanying New Options) for which they apply. If a Qualifying Shareholder does not receive all or any of the additional New Shares (and accompanying New Options) they apply for under the QS Shortfall Offer, any excess Application Moneys will be returned to them (without interest).

2.15.2 Underwriter and sub-underwriters

If not all of the New Shares (and accompanying New Options) are subscribed for by Qualifying Shareholders under the Entitlement Offer and the QS Shortfall Offer the balance of the Shortfall (the "**Underwritten Shortfall**") will be taken up by the Underwriter (and any sub-underwriters) pursuant to the Underwriting Agreement (and any sub-underwriting agreements). The issue price of any New Shares comprising the Underwritten Shortfall will be \$0.013, being the same price at which the New Shares have been offered to Qualifying Shareholders pursuant to the Entitlement Offer. These New Shares will be issued with one free attaching New Option for every two (2) New Shares issued. The offer of the Underwritten Shortfall under this section 2.15.2 shall remain open under this Prospectus (and may be accepted by the Underwriter or the sub-underwriters) until the date that is ten (10) Business Days after the Closing Date.

2.15.3 Investors

If for any reason the Underwriting Agreement referred to in section 7.7.1 is terminated, the Directors reserve the right, subject to the requirements of the ASX Listing Rules and the Corporations Act, to place any remaining Shortfall not subscribed for by Qualifying Shareholders under the QS Shortfall Offer referred to in section 2.15.1 above, within 3 months of the Closing Date, at an issue price of not less than the issue price under the Entitlement Offer, being \$0.013 per Share (together with one free attaching New Option for every two (2) New Shares issued). The offer of the remaining Shortfall under this section 2.15.3 shall remain open under this Prospectus (and may be accepted by any investor who has been offered any portion of the Shortfall by the Directors in their discretion) until the date which is 3 months after the Closing Date. The Directors in placing any remaining Shortfall (if any) intend to allocate it under this section 2.15.3 to sophisticated and professional investors.

The Directors, whether personally or through their associated companies or trusts, will not apply for any additional New Shares (and accompanying New Options) forming part of the Shortfall under any of the Shortfall Offers in this section 2.15.

2.16 Purpose of the Issue

The purpose of this Rights Issue is to raise approximately \$2,492,202 (before the expenses of the Entitlement Offer). The funds raised under this Rights Issue will be utilised in the manner set out in section 6.5 of this Prospectus.

2.17 Market prices of Existing Shares on ASX

The highest and lowest market sale price of the Existing Shares during the 3 months immediately preceding the lodgement of this Prospectus with ASIC, and the last market sale price on the business day immediately preceding the lodgement date of this Prospectus, are set out below.

	3-Month High 21 January 2022	3-Month Low (16 March 2022)	Last Market Price (Close of trade on 14 April 2022)
Existing Shares	\$0.043	\$0.010	\$0.013

The approximate volume weighted average price of the Existing Shares for the three-month period prior to the date of lodgement of this Prospectus at ASIC was \$0.016584.

None of the existing Options are quoted on the ASX.

2.18 Opening and Closing Dates

Subscription lists for the Entitlement Offer will open on 29 April 2022 and will remain open until 5.00pm WST on 18 May 2022. Subject to the requirements of the Corporations Act and the Listing Rules, the Company may either close the Entitlement Offer at an earlier time and date or extend the closing time and date without prior notice. Qualifying Shareholders are encouraged to submit their Applications as early as possible.

As stated in sections 2.8, 2.9 and 2.10 above, the Placement Options Offer, the Additional Placement Options Offer and the Underwriter Options Offer shall remain open under this Prospectus (and may be accepted by the Placement Subscribers, Additional Placement Subscribers and the Underwriter (and its nominees) respectively after Shareholders have approved the issue of them at the Company Meeting) until the date that is three months after the Closing Date. No New Shares or New Options will be issued under this Prospectus later than 13 months after the date of this Prospectus.

2.19 Indicative timetable

Refer to the "Summary of Offer" at the beginning of this Prospectus for an indicative timetable of the Entitlement Offer.

2.20 Existing Shares

There are currently 1,150,247,105 Shares on issue in the Company. Assuming the Entitlement Offer is fully subscribed, and assuming none of the existing Options issued in the Company are converted to Shares before the Record Date, approximately 1,341,954,956 Shares will be on issue in the Company at the conclusion of this Rights Issue.

In addition, subject to Shareholder approval being obtained at the Company Meeting, a further 16,313,923 Shares will be issued to the Additional Placement Subscribers under the Additional Placement.

2.21 Existing Options

There are currently 115,796,307 unlisted Options on issue in the Company, each of which entitles the Optionholder to subscribe for 1 Share. A summary of the exercise price and issue date of these unlisted Options is set out in section 7.6 of this Prospectus.

There are currently no listed Options on issue in the Company.

Assuming this Rights Issue is fully subscribed, and assuming that none of the existing Options issued in the Company are converted into Shares before the Record Date, approximately 95,853,926 further Options will be on issue in the Company at the conclusion of this Rights Issue.

In addition, subject to Shareholder approval being obtained at the Company Meeting, a further 75,016,116 Options will be issued to the Placement Subscribers under the Placement Options Offer, a further 8,156,962 Options will be issued to Additional Placement Subscribers under the Additional Placement Options Offer, and a further 30,000,000 Options will be issued to the Underwriter (and its nominees) in accordance with the terms of the Underwriting Agreement (see section 7.7.1).

2.22 Existing Optionholders

Holders of the existing Options whose registered addresses are in Australia and New Zealand may participate in this Rights Issue by exercising any or all of their Options at least two (2) Business Days prior to the Record Date (in order to provide the Company with sufficient time to issue the Shares the subject of the exercised Options before the Record Date).

All of the existing Options on issue in the Company are capable of being exercised. If all of the Options were exercised before the Record Date, an additional 115,796,307 Shares would then be issued. In addition, in the event that all of the Rights in respect of these additional Shares were subscribed for, an additional 19,299,385 New Shares (together with 9,649,693 accompanying New Options) would be issued under this Rights Issue, and a further \$250,892 would be raised under this Rights Issue.

2.23 Effect on existing Shareholders and Optionholders

For the effect this Rights Issue will have on Shareholders' and Optionholders' existing interests, please see section 6.3 of this Prospectus.

2.24 No commission payable on New Shares and New Options

Except for the fees payable under the Underwriting Agreement referred to in sections 2.14 and 7.7.1 of this Prospectus, no commission will be payable by the Company in connection with any New Shares and New Options which are issued pursuant to the Entitlement Offer.

Please see section 7.7 of this Prospectus for details of the fees payable under the Underwriting Agreement.

The Company has paid or will pay a 1% lead manager fee and a 5% placement fee on the Placement and (subject to Shareholder approval at the Company Meeting), the Additional Placement. These costs have been included in the table in section 6.5.

2.25 No valuation

No formal valuation has been completed of any of the assets, or the New Shares or New Options, of the Company.

2.26 Risk factors

In addition to the general risks applicable to all investments in listed companies, there are specific risks associated with an investment in the Company. Please see section 5 of this Prospectus for further information.

2.27 Acknowledgment and Privacy Statement

By making an Application, each Applicant acknowledges that they have received and read this Prospectus.

As Qualifying Shareholders are already shareholders of the Company, the Company and its share registry (Advanced Share Registry Services) have already collected certain personal information from Qualifying Shareholders. However, if Qualifying Shareholders apply for New Shares and New Options pursuant to this Prospectus, they may be supplying new, additional, or updated personal information (by its inclusion on the Acceptance Form) to the Company and Advanced Share Registry Services. Applicants who apply under the Shortfall Offers which are referred to in sections 2.15.2 and 2.15.3, the Placement Options Offer, the Additional Placement Options Offer or the Underwriter Options Offer and who are not currently Shareholders of the Company will also be supplying personal information to the Company.

The provided information is used for the purposes of processing the Applications and to administer the Applicant's holding of Shares and Options. By submitting an Application, each Applicant agrees that the Company may use the information provided by the Applicant on the Application for the purposes set out in this privacy statement and may disclose it for those purposes to Advanced Share Registry Services and the Company's related bodies corporate, agents and contractors and third party service providers, including mailing houses, professional advisers (eg auditors, lawyers and accountants), technology support providers and to ASX and other regulatory authorities.

The Corporations Act requires the Company to include information about each Shareholder (including name, address and details of the Shares and Options held) in its public register. The information contained in the Company's public register must remain there even if that person ceases to be a Shareholder. Information contained in the Company's register is also used to facilitate payments and corporate communications (including the Company's financial results, annual reports and other information that the Company wishes to communicate to its Shareholders) and compliance by the Company with legal and regulatory requirements.

Under the *Privacy Act 1998* (Cth), Shareholders have a right to gain access to personal 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.

If you are paying by cheque or money order and you do not provide the information required on the Acceptance Form, the Company may not be able to accept or process your Acceptance Form.

2.28 Enquiries in Relation to this Issue

This Prospectus provides information for Applicants and should be read in its entirety. Enquiries concerning the Acceptance Form or about subscribing for New Shares and accompanying New Options under the Offers should be directed to the Company (attention Aaron Gates) by telephone on (+618) 9282 5889 or by email to mailroom@conico.com.au.

If after reading this Prospectus or contacting the Company you have any questions about any aspect of an investment in the Company, please consult your stockbroker, accountant or independent financial advisor.

3. ACTION REQUIRED BY QUALIFYING SHAREHOLDERS UNDER THE ENTITLEMENT OFFER

3.1 What you may do – choices available

If you are a Qualifying Shareholder, you may take any of the following actions:

- take up all of your Rights (refer to section 3.2);
- take up part of your Rights and allow the balance to lapse (refer to section 3.2);
- do nothing (refer to section 3.3).

3.2 Taking up all or part of your Rights

If you are a Qualifying Shareholder and you wish to take up all or part of your Rights, you should:

- read this Prospectus in full and decide whether to participate;
- consider the risks associated with this Entitlement Offer, as summarised in section 5, in light of your personal circumstances;
- either:
 - (1) pay the Application Moneys for the Rights you are taking up by Bpay® by no later than 5.00 pm WST on 18 May 2022. Qualifying Shareholders who pay electronically (by Bpay®), do not need to return the Acceptance Form, and they will be taken to have accepted the Offer upon making payment by Bpay®. This acceptance cannot be withdrawn. Instructions on how to make a payment by B-Pay® are set out on the Acceptance Form. Qualifying Shareholders should be aware that their own financial institution may implement earlier cut-off times with regard to electronic payment, and they should therefore take this into consideration when making payment. It is the responsibility of Qualifying Shareholders to ensure that funds submitted through B-Pay® are received by 5:00pm WST on the Closing Date.

OR

- (2) complete the personalised Acceptance Form accompanying this Prospectus in accordance with the instructions set out on that form and forward it, together with your cheque or money order for the Application Moneys for the Rights you are taking up, to reach one of the following addresses by no later than 5.00 pm WST on the Closing Date:

**By mail: Conico Limited
c/- Advanced Share Registry
PO Box 1156
NEDLANDS WA 6909**

**By delivery: Conico Limited
c/- Advanced Share Registry
110 Stirling Highway
NEDLANDS WA 6009**

Cheques (drawn on and payable at any Australian bank) should be made payable to “Conico Limited – Rights Issue” and crossed “Not Negotiable”.

If you are paying by cheque or money order, New Shares and accompanying New Options will only be issued to Qualifying Shareholders on receipt of an Acceptance Form which was issued together with this Prospectus. A completed and lodged Acceptance Form, together with payment for the number of New Shares accepted, cannot be withdrawn and constitutes a binding application for, and acceptance of, the number of New Shares specified in the Acceptance Form on the terms set out in this Prospectus. The Acceptance Form does not need to be signed to be binding.

Acceptance Forms which do not specify an Australian or New Zealand address for service (or which are accompanied by payment drawn on a foreign bank account) will be rejected and returned unless Qualifying Shareholders provide evidence which satisfies the Company that the issue of the New Shares and accompanying New Options will not contravene the laws of any other jurisdiction.

If the Acceptance Form is not completed correctly the Company may reject it or treat it as valid. The Company’s decision as to whether to reject the Acceptance Form or treat it as valid and how to construe,

amend or complete it is final.

If the amount a Qualifying Shareholder pays is insufficient to pay for their full Entitlement, they will be taken to have applied for such lower number of New Shares as that amount will pay for. If Qualifying Shareholders pay for more New Shares than their Entitlement, they will be deemed to have applied for their full Entitlement and for additional New Shares (and accompanying New Options) under the QS Shortfall Offer in section 2.15.1 to the extent of the excess.

No brokerage or duty is payable by Qualifying Shareholders on the issue of New Shares (or the accompanying New Options).

If you are a Qualifying Shareholder and you take up part of your Rights only the balance of your Rights will lapse.

3.3 Consequences of doing nothing – Rights not taken up

Qualifying Shareholders who do not wish to take up any of their Entitlement do not need to take any action. Any Rights not taken up by Qualifying Shareholders will lapse at the expiration of the Offer Period.

3.4 Overseas Shareholders

Shareholders with registered addresses outside Australia and New Zealand should refer to sections 2.6 and 2.7 of this Prospectus.

3.5 Effect on Shareholders

For the effect this Rights Issue will have on Shareholders' existing interests, please see sections 6.3 and 6.4 of this Prospectus.

4. COMPANY OVERVIEW

4.1 Background

Conico Ltd (“Conico”) (ASX Code: CNJ) is based in Perth, Western Australia.

A brief overview of the Company’s projects is contained in section 4.3 of this Prospectus.

4.2 Directors

The current Directors of the Company are:

- Gregory Solomon, LLB (Non-Executive Chairman)
- Douglas Solomon, B. Juris (Hons), LLB (Non-Executive Director)
- Guy Le Page, B.A., B.Sc. (Hons), M.B.A., M.Fin.Plan., GradDipAppFin&Inv, FFIN, MAusIMM (Executive Director)
- James Richardson, Dip, Fin Plan (Non-Executive Director)

4.3 Projects

Conico (through its wholly owned subsidiary, Longland Resources Ltd) holds two, 100% owned, mineral exploration projects in Greenland, and a 50% interest in the Mt Thirsty Cobalt Joint Venture near Norseman in Western Australia.

GREENLAND

RYBERG PROJECT (100% Conico Ltd – MEL 2017/06 & MEL-S 2019/38)

The Ryberg Project is located on the east coast of Greenland, approximately 345km NW of Iceland. It is a large licence area covering an area of 4,521km² prospective for precious and base metals. The project contains abundant occurrences of magmatic sulphide mineralisation (Cu-Ni-Co-Pd-Au) with the most advanced referred to as the Miki Prospect. Also, within the Ryberg Project area are the Sortekap Prospect which contains Archean greenstone rocks with associated gold mineralisation and the Cascata prospect, a newly identified prospect with diamond drilling identifying both layered intrusions and volcanogenic massive sulphides that are prospective for precious and base metals. The 2022 field season is due to commence at Ryberg in May 2022 and will comprise further reconnaissance exploration activities at a number of newly identified prospects including Cascata, Quest, Pyramid and Qiterpiaaneq and will follow up with drilling at Miki, Pyramid and Sortekap. Other drill targets are likely to be identified following further geophysical analysis and results from the reconnaissance program in May-June 2022.

MESTERSVIG PROJECT (100% Conico Ltd – MEL 2020/64 & MEL-S 2021/24)

The Mestersvig Project is located north of the Ryberg project on the east coast of Greenland and is 600km northwest of Iceland. It contains base and precious metal bearing sulphides, rare earth element (REE) mineralisation and the historic Blyklippen Mine (past production of 545,000 tons of ore at 9.3% Pb and 9.9% Zn between 1956-1962). The licence area of this project is 1,447km². Drilling over 2022 is likely to focus on down dip and strike extensions to the vein hosted old Blyklippen Mine (Pb-Zn), the newly identified high-grade mineralisation at Nuldal (Pb, Cu, Ag) and high-grade drill Pb-Zn intercepts from previous drilling at the Sortebjerg Prospect which represents a 15km southerly strike extension from Blyklippen.

WESTERN AUSTRALIA

MOUNT THIRSTY COBALT PROJECT (50% Conico Ltd (operator): 50% Greenstone Resources Ltd – Joint Venture)

The Mt Thirsty Cobalt Project is located 16km north-northwest of Norseman, Western Australia. The Project contains the Mt Thirsty Cobalt-Nickel (Co-Ni) Oxide Deposit that has the potential to emerge as a significant cobalt producer. In addition to the Co-Ni Oxide Deposit, the Project also hosts nickel sulphide (Ni-S) mineralisation.

5. RISK FACTORS

There are a number of risk factors, both specific to the Company and of a general nature, which may affect the financial position, financial performance, cash flows, ability to pay dividends and growth prospects of the Company and the outcome of an investment in the Company. These risks are both specific to the Company and generally relate to an investment in the stock market. There can be no guarantee that the Company will achieve its stated objectives, or that forward looking statements will be realised.

5.1 Exploration Risk

Mineral exploration and mining are speculative operations that may be hampered by circumstances beyond the control of the Company. Exploration activity may be impacted or delayed due to inclement weather (particularly noting that the tenements of Longland Resources are located in Greenland) and delays in obtaining required regulatory approvals and delays in securing appropriate contractors (e.g. drillers). The profitability of the Company depends on successful exploration and/or acquisition of reserves. Exploration is a speculative endeavour and the Company may not be successful in locating or identifying any commercial mineral deposits.

5.2 Title Risk

Interests in exploration and mining tenements are governed by the legislation in force at the place where they are located, and are evidenced by the granting of leases or licences. Each lease or licence is for a specific term and carries with it annual expenditure and reporting conditions as well as other conditions requiring compliance. These conditions may include the requirement, particularly for exploration licences, for compulsory reduction in the area held under licence from time to time. Consequently, the Company (or its wholly owned subsidiary, Longland Resources) could lose title to or its interest in its exploration licences if licence conditions are not met or if insufficient funds are available to meet minimum annual expenditure commitments.

5.3 Mineral Resources Risk

Resources estimates are expressions of judgement based on knowledge, experience and resource modelling. As such, resource estimates are inherently imprecise and rely to some extent on interpretations made. Despite employing qualified professionals to prepare resource estimates, such estimates may nevertheless prove to be inaccurate. Furthermore, resource estimates may change over time as new information becomes available. Should the Company encounter mineralisation or geological formations different from those predicted by any past drilling, sampling and interpretations, resource estimates may need to be altered in a way that could adversely affect the Company's operations.

5.4 Project Financing

Even assuming a successful exploration outcome on any of its projects, the Company may not be able to raise the required funds to progress any of its projects to a mining operation.

5.5 Operating Risks

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 exploration and mining, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, inadequate water supplies, unanticipated technical or metallurgical problems which may affect extraction rates and costs, shortages of skilled contractors, inability to obtain satisfactory joint venture partners, difficulties in obtaining requisite planning approvals, adverse weather conditions, industrial and environmental accidents, industrial disputes and unexpected shortages and increases in the cost 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 operation of its tenements or its tenement interests. Until the Company is able to realise value from its projects, it will incur ongoing operating losses.

5.6 Production Risks

Even assuming the Company's projects are viable and able to be commercially developed, the quality and rate of extraction of minerals will be variable (depending, for example, on the size of the deposits, timing and/or success of development work and mineral quality). Production may be impacted or shut down for considerable periods of time due to any of the following factors:

- government regulation;
- processing interruptions;
- equipment failure;
- equipment or manpower shortages;
- force majeure;
- pandemics;
- well blowouts;
- explosions;
- fires;
- pollution;
- releases of toxic gas; or
- other environmental hazards and risks.

5.7 **COVID-19**

The Company's operations and activities may be adversely affected by the ongoing impacts of COVID-19 (or other new epidemics which may occur in the future), including those arising from government or industry measures taken to reduce the transmission of COVID-19 or other epidemics, including shutdowns, stay at home orders, travel bans and quarantine restrictions. The COVID-19 situation is continually evolving and the ongoing impacts of it are therefore inevitably uncertain and outside of the control of the Company. Forced closures or cessation of work orders applicable to the Company's employees and contractors could adversely impact on the Company's exploration activities.

5.8 **Commodity Price Volatility & Exchange Rate Risks**

If the Company achieves success which results in mineral production (of which there is no guarantee), the revenue it will derive through the sale of commodities exposes the potential income of the Company to commodity price and exchange rate risks. Commodity prices fluctuate and are affected by many factors beyond the control of the Company, including the present Russian/Ukraine conflict, supply and demand fluctuations for commodities, forward selling activities and other micro and macro-economic factors. International prices of various commodities are largely denominated in United States dollars, whereas the income and expenditure of the Company, whilst operating on Australian projects, will be in Australian currency and whilst operating in Greenland will be in numerous currencies, exposing the Company to the fluctuations and volatility of the rate of exchange between the United States dollar and the Australian dollar and other currencies including the Danish and Iceland krone.

5.9 **Environmental Risks**

The operations and proposed activities of the Company are subject to State and Federal laws and regulation (both in Australia and Greenland) concerning the environment. As with most exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. The Company attempts to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws.

Although the Company is not aware of any endangered species of fauna or flora within the tenement areas, no definitive study has been carried out over the area, and if any were discovered this could prevent mining occurring.

5.10 **Joint Venture Parties, Agents and Contractors**

The Directors are unable to predict the risk of financial failure or default by a participant in any joint venture to which the Company is or may become a party or the insolvency or managerial failure by any of the contractors used by the Company in any of its activities or the insolvency or other managerial failure by any of the other service providers used by the Company for any activity.

5.11 **Share Market Conditions**

The price of the New Shares and New Options when quoted on ASX will be influenced by international and domestic factors affecting market conditions in equity, financial and commodity markets. These factors may affect the share price for all listed companies, and the price of the Company's Shares and Options may fall or rise, and the price of the New Shares may trade below or above the issue price of the New Shares and the price

of the New Shares may trade below or above their prevailing market price as at the date of this Prospectus. The price of the Shares and Options may be subject to varied and unpredictable influences on the market for equities and in particular, resources stocks. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

Although application will be (or has been) made for the New Options to be listed on the ASX, there may not be a liquid market for trading of the New Options. Also, if the prevailing trading price of the Company's Shares during the option exercise period for the New Options is lower than the option exercise price, of \$0.026, then it is unlikely that the New Options will be exercised. In this scenario, the unexercised New Options will not have any value and will lapse at the end of the option exercise period (on 31 December 2026).

5.12 Underwriting Agreement

As stated in sections 2.14, 2.15.2 and 7.7, the Entitlement Offer is underwritten by the Underwriter. Whilst the Entitlement Offer is not conditional upon it being (and remaining) underwritten, if the Underwriting Agreement was terminated (see section 7.7.1 for a summary of those events and circumstances which would allow termination of the Underwriting Agreement), the amount raised under the Entitlement Offer may be less than anticipated in this Prospectus (ie, less than approximately \$2,492,202). In these circumstances, the Company would likely have to raise further capital before the expiration of the 12-month period referred to in section 6.5. The Company's failure to raise capital if and when needed could delay or suspend the Company's business strategy and could have a material adverse effect on the Company's activities.

5.13 Working Capital

Until the Company is able to realise value from its projects, it is likely to incur ongoing operating losses. Assuming this Rights Issue is fully subscribed, the Company is only raising sufficient funds pursuant to this Rights Issue (when augmented with the funds which were raised under the Placement and, subject to Shareholder approval at the Company Meeting, will be raised under the Additional Placement), to cover approximately 12 months' working capital requirements and, subject only to the terms of any joint venture or other commercial arrangement which may be entered into, the Company is likely to have to raise further capital or borrow funds at the expiration of that period. There is no guarantee that such additional funds will be available to the Company. Further, any additional equity financing which is available may be dilutive to Shareholders.

The Company's failure to raise capital if and when needed could delay or suspend the Company's business strategy and could have a material adverse effect on the Company's activities.

5.14 No formal valuation of Shares, Options or tenements

No formal valuations of any of the Shares or Options, or any of the assets in which the Company has an interest, have been carried out.

5.15 General investment risks

In addition, there is a risk that the price of the Shares and returns to Shareholders may be affected by changes in many general factors including local and world economic conditions and outlook, general movements in local and international stock markets, investor sentiment, interest rates, the rate of inflation, exchange rates, levels of tax, taxation law and accounting practice, government legislation or intervention, inflation or inflationary expectations, natural disasters, social disorder, military conflicts or war in Australia or overseas (including the present Russian/Ukraine conflict), international hostilities and acts of terrorism, as well as many other factors which are beyond the control of the Company.

5.16 Other risks

The above list of risk factors is not exhaustive of the risks faced by the Company and its Shareholders and investors. The above risks, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the New Shares and New Options offered under this Prospectus. Therefore, no assurances or guarantees of future profitability, distributions, payment of dividends, return of capital or performance of the Company or its Securities can be, or is, provided by the Company.

Before deciding to invest in the Company, potential investors should read this Prospectus in its entirety and, in particular, should consider the risk factors that could affect the financial performance of the Company. Applicants should carefully consider these factors in light of their personal circumstances and should consult

their professional advisers (for example, their accountant, stockbroker, lawyer or other professional adviser) before deciding whether to invest.

Neither the Company nor its officers, employees, agents and advisers guarantee that any specific objectives of the Company will be achieved or that any particular performance of the Shares and Options, including the New Shares and New Options offered under this Prospectus, will be achieved.

6. EFFECT OF THE ISSUE

6.1 Introduction

Assuming this Rights Issue is fully subscribed, the gross proceeds that will be raised by the Company under this Rights Issue (before expenses of the Entitlement Offer) will amount to approximately \$2,492,202 (on the assumption that none of the existing Options are converted to Shares prior to the Record Date). No funds will be raised by the issue of the New Options, which are being issued free of charge.

6.2 Pro-forma capital structure on completion of the Rights Issue

The pro-forma capital structure of the Company is set out below and reflects the issued and paid up capital structure of the Company assuming this Rights Issue is fully subscribed (and assuming that none of the existing Options are converted to Shares prior to the Record Date or before completion of this Rights Issue).

Capital Structure

	Shares	Percentage	Options	Percentage
Existing Shares and Options	1,150,247,105	85.71%	115,796,307	54.71%
Maximum number of New Shares and New Options under the Entitlement Offer (estimated)	191,707,851*	14.29%	95,853,926*	45.29*%
Total Shares and Options upon completion of the Entitlement Offer (estimated)	1,341,954,956	100.00%	211,650,233*	100.00%

*In addition, subject to Shareholder approval being obtained at the Company Meeting, a further 75,016,116 Options will be issued to the Placement Subscribers under the Placement Options Offer (see section 2.8), a further 16,313,923 Shares and 8,156,962 Options will be issued to the Additional Placement Subscribers under the Additional Placement, and a further 30,000,000 Options will be issued to the Underwriter (and its nominees) in accordance with the terms of the Underwriting Agreement (see sections 2.10 and 7.7.1).

On the assumptions set out above, approximately 191,707,851 New Shares and approximately 95,853,926 New Options will be issued by the Company upon the successful completion of this Rights Issue. The maximum number of New Shares and New Options which may be issued under this Rights Issue cannot be calculated precisely until Rights have been determined following the Record Date because of the possibility some of the existing Options will be exercised before the Record Date and the rounding up of fractional Entitlements.

The terms and conditions of the New Options, and the exercise price and issue date of the Options currently on issue in the Company, are detailed in sections 7.5 and 7.6 of this Prospectus.

6.3 Effect on Existing Shareholders and Optionholders

Qualifying Shareholders who take up their Rights in full will not have their proportionate interest in the Company diluted by this Rights Issue. The proportionate interest of a Qualifying Shareholder who takes up their Entitlement in full and applies for (and is issued) additional New Shares (and accompanying New Options) forming part of the Shortfall will increase as a result of this Rights Issue (subject to the dilutionary impacts of the Additional Placement, if Shareholder approval to it is obtained at the Company Meeting).

Qualifying Shareholders who do not exercise their Rights in full will have their interest in the Company diluted.

Non-Qualifying Foreign Shareholders will have their interest in the Company diluted.

Existing Optionholders who do not exercise all or any of their Options in sufficient time before the Record Date will not be entitled to participate in this Rights Issue with respect to those Options (and, if the Options are subsequently exercised, the interest which the Shares issued consequent upon the exercise of the Options will confer in the Company will have been diluted by this Rights Issue).

6.4 Impact on Control

The New Shares will represent approximately 14.29% of the expanded issued share capital of the Company upon completion of the Rights Issue (assuming the Rights Issue is fully subscribed). In the event that Shareholder approval is received to issue the Additional Placement Shares under the Additional Placement, the New Shares will represent approximately 14.11% of the expanded issued share capital of the Company upon

completion of the Additional Placement and the Rights Issue (assuming the Rights issue is fully subscribed), with the Additional Placement Shares representing 1.20% of the expanded issued share capital of the Company.

The Entitlement Offer is fully underwritten by the Underwriter. The Underwriter (either personally or through related entities and trusts) currently holds no Existing Shares in the Company. However, the Underwriter does hold 10,000,000 existing Options, representing 8.64% of the Company's existing Options. As the number of New Shares to be issued under this Prospectus only represents approximately 14.29% of the expanded issued share capital of the Company upon completion of the Entitlement Offer (or approximately 14.11% upon completion of the Additional Placement), the underwriting by the Underwriter, and any sub-underwriting, will not have any impact on the control of the Company. Two directors of the Company, Guy Le Page and James Richardson, are directors of, and beneficial shareholders in, RMCF, which entity has agreed to sub-underwrite a third of the Underwritten Shortfall (see section 7.7.2 of this Prospectus). However, as RMCF only holds 5,100,000 Existing Shares (being a 0.4434% shareholding interest in the Company) and no existing Options, it is not anticipated that any increase in the proportion of RMCF's shareholding in the Company that results from the Rights Issue and its sub-underwriting will have any impact on the control of the Company (whether through Guy Le Page, James Richardson, or otherwise). RMCF will not receive any of the New Underwriter Options from the Underwriter as part of its sub-underwriting fee.

Tasman, the Company's largest Shareholder (excluding nominees and custodians) has indicated to the Company it intends to take up all or a significant percentage of its Entitlements, but does not intend to apply for any of the Shortfall. As Tasman only holds an 8.633% shareholding interest in the Company, it is not anticipated that any increase in the proportion of Tasman's shareholding in the Company that results from the Rights Issue will have any impact on the control of the Company.

The following table summarises the potential increase in the shareholding of Tasman in the Company:

	Tasman	% of total (current and maximum)
Existing Shares held	99,302,539	8.633%
Maximum Shares held on completion of Entitlement Offer (estimated)(1)	115,852,963	8.633%(2)(3)
Existing Options held	12,500,000	10.795%
Maximum Options held on completion of the Entitlement Offer (estimated)(1)	20,775,212	9.816%(2)(4)

(1) On the assumption that Tasman takes up all of its Entitlements and does not exercise any of its existing Options prior to the Record Date.

(2) On the assumption referred to in Note (1) and on the assumption the Rights Issue is fully subscribed.

(3) This does not take into account the Additional Placement Shares (the issue of which is subject to Shareholder approval being obtained at the Company Meeting). If the Additional Placement Shares are issued, Tasman's shareholding interest in the Company would decrease from 8.633% to 8.530%.

(4) This does not take into account the New Placement Options, the New Additional Placement Options or the New Underwriter Options (the issue of all of which is subject to Shareholder approval being obtained at the Company Meeting). If the New Placement Options, New Additional Placement Options and New Underwriter Options are issued, Tasman's optionholder interest in the Company would decrease from 9.816% to 6.396%.

If the Underwriting Agreement was terminated for any reason, and Tasman and the Directors (and their related entities) were the only Qualifying Shareholders to take up their Entitlements (and they did so in full), Tasman's shareholding interest in the Company would increase from 8.633% to 9.724% (or 9.593% if the Additional Placement Shares are issued).

In any event, Tasman has indicated to the Company that it does not have any present intention to try to change the Company's main activities, business or directors.

6.5 Purpose of the Offers and use of funds raised under the Offers

The gross proceeds to be raised by the Company under the Entitlement Offer (i.e. before expenses of the Entitlement Offer) will be approximately \$2,492,202 (on the assumption that none of the existing Options are converted to Shares prior to the Record Date and the Rights Issue is fully subscribed).

While there is no minimum subscription to the Entitlement Offer, the Entitlement Offer is fully underwritten

(see section 7.7.1 of this Prospectus) (although this is not a condition of the Entitlement Offer). As noted in section 7.8.1, all of the Directors have indicated to the Company that they intend to take up (and to procure that companies which are associated with them take up) all or a significant percentage of their Entitlements. The Company's largest shareholder (excluding nominees and custodians), Tasman, has also indicated that it intends to take up all or a significant percentage of its Entitlement.

The funds raised under this Rights Issue are to augment the funds raised under the Placement, the Additional Placement (subject to Shareholder approval first being obtained to undertake the Additional Placement at the Company Meeting) and existing funds held by the Company, and are intended to be used to fund:

- (a) the 2022 East Greenland Exploration Program at Longland's Greenland licences, that include the Ryberg (Ni Cu Co PGE Au) and Mestersvig (Pb Zn) projects in East Greenland (Conico 100%);
- (b) further assessment of the Mt Thirsty Co-Ni Project (Conico 50%, Greenstone Resources Ltd 50%);
- (c) to pay administrative costs and expenses and for ongoing working capital to cover operating expenses of the Company, assuming this Rights Issue is fully subscribed, for approximately 12 months; and
- (d) to pay the costs of the Offers.

Set out below is a table summarising approximately how the Directors intend to apply the proceeds of this Rights Issue, the Placement and the Additional Placement (subject to Shareholder approval first being obtained to undertake the Additional Placement at the Company Meeting) against the above use categories, in each of the following scenarios:

- (a) this Rights Issue raises approximately \$747,660 (on the assumption that the Underwriting Agreement is terminated and the Entitlement Offer is 30% subscribed);
- (b) this Rights Issue raises \$1,619,931 (on the assumption that the Underwriting Agreement is terminated and the Entitlement Offer is 65% subscribed, being the mid-point between scenario (a) & (c));
- (c) this Rights Issue raises \$2,492,202 (on the assumption that it is fully subscribed).

	30% (paragraph (a) above)	65% (paragraph (b) above)	Maximum (paragraph (c) above)
Funds raised under this Rights Issue	\$747,660	\$1,619,931	\$2,492,202
Funds raised under the Placement	\$1,950,419	\$1,950,419	\$1,950,419
Funds raised under the Additional Placement***	\$212,081	\$212,081	\$212,081
Intended Allocation of Funds:			
Costs of the Placement****	\$133,411	\$133,411	\$133,411
Costs of the Additional Placement****	\$16,486	\$16,486	\$16,486
ASX Quotation Fees for the New Underwriter Options*****	\$0	\$0	\$4,407
Costs of the Entitlement Offer*	\$49,810	\$55,454	\$240,630
2022 East Greenland Exploration Program (Conico 100%);	\$1,910,453	\$2,777,080	\$3,434,768
Further assessment of the Mt Thirsty Co-Ni Project (Conico 50%, Greenstone Resources Ltd 50%);	\$0	\$0	\$25,000
General working capital**	\$800,000	\$800,000	\$800,000

*The changing costs of the Entitlement Offer reflect the change in the ASX quotation fee for the New Shares and the New Options (which will increase as the level of subscription increases) and the fact that, for the scenarios described in sections (a) and (b), there would be no underwriting fee payable to the Underwriter.

**The working capital funds will be used to meet all the normal ongoing operating costs and expenses of the Company.

*** Subject to the Company obtaining Shareholder approval to issue the Additional Placement Shares and New Additional Placement Options at the Company Meeting. If shareholder approval to the Additional Placement was not obtained, the \$212081 would be deducted first from the amount to be spent by the Company on further assessment of the Mt Thirsty Co-Ni Project, and secondly from the amount to be spent by the Company on the 2022 East Greenland Exploration Program.

**** These fees include the lead manager's fee of 1%, the placement fee of 5% and the ASX Listing Fees on the Placement Shares or Additional Placement Shares (as applicable) and the New Placement Options or New Additional Placement Options (as applicable).

***** Subject to the Company obtaining Shareholder approval to issue the New Underwriter Options at the Company Meeting.

Given the speculative nature of the Company's business, the intended allocation of funds as set out above may change depending upon market conditions.

Based on the information available to it, and its current plans and budgets (and subject to any changes thereto), and provided this Rights Issue is fully subscribed, the Directors believe that the Company will be able to pay its debts as and when they fall due, and fund ongoing working capital requirements for approximately 12 months after completion of this Rights Issue.

6.6 Effect on the Company's financial position

Upon the successful completion of this Rights Issue, and assuming it is fully subscribed the Company's cash reserves will increase by approximately \$2,492,202, minus the expenses of the Entitlement Offer.

Set out below for illustrative purposes is a historical unaudited consolidated balance sheet as at 31 December 2021 and an unaudited pro forma consolidated balance sheet as at 31 December 2021 after the Rights Issue. The undated pro forma consolidated balance sheet has been prepared on the basis of the accounting policies normally adopted by the Company and having regard to the basis and assumptions set out below.

	Consolidated Group 31 December 2021 \$	Unaudited Proforma Consolidated Group 31 December 2021 \$
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	2,636,204	6,812,003
Trade and other receivables	353,458	353,458
TOTAL CURRENT ASSETS	<u>2,989,662</u>	<u>7,165,461</u>
NON-CURRENT ASSETS		
Exploration and Evaluation expenditure	27,345,005	27,345,005
Property, plant and equipment	61,801	61,801
TOTAL NON-CURRENT ASSETS	<u>27,406,806</u>	<u>27,406,806</u>
TOTAL ASSETS	<u>30,396,468</u>	<u>34,572,267</u>
CURRENT LIABILITIES		
Trade and other payables	231,160	471,790
TOTAL CURRENT LIABILITIES	<u>231,160</u>	<u>471,790</u>
NON-CURRENT LIABILITIES		
Provisions	262,500	262,500
TOTAL NON-CURRENT LIABILITIES	<u>262,500</u>	<u>262,500</u>
TOTAL LIABILITIES	<u>493,660</u>	<u>734,290</u>
NET ASSETS	<u>29,902,808</u>	<u>33,837,977</u>
EQUITY		
Issued capital	35,881,492	39,816,661
Reserves	1,418,039	1,418,039
Accumulated losses	(7,396,723)	(7,396,723)
TOTAL EQUITY	<u>29,902,808</u>	<u>33,837,977</u>

The unaudited pro forma consolidated balance sheet set out above has been prepared on the basis and assumption that there has been and will be no material movements in the assets and liabilities of the consolidated entity between 1 January 2022 and the Closing Date other than:

- the issue of approximately 191,707,851 New Shares and 95,853,926 New Options under the Entitlement Offer raising \$2,492,202 before expenses of the Entitlement Offer, and on the assumption that this Rights Issue is fully subscribed;
- the issue of 150,032,231 Shares as part of the Placement raising \$1,950,419 before the expenses of the Placement (being \$133,411);
- the payment of the expenses of the Placement of \$133,411 is made from Cash and cash equivalents; and
- the accrual of the estimated expenses of the Entitlement Offer of \$240,630 (assuming the Entitlement Offer is fully subscribed) is included in "Trade and Other Payables".

The above pro-forma balance sheet does not include the effect of the issue of 75,016,116 New Options pursuant to the Placement, the issue of 16,313,923 New Shares and 8,156,962 New Options pursuant to the Additional Placement (raising a further \$212,081) or the issue of 30,000,000 New Options to the Underwriter pursuant to the Underwriter Agreement, all of which are subject to shareholder approval at the Company Meeting and are likely to occur subsequent to the Closing Date.

The unaudited pro-forma consolidated balance sheet as at 31 December 2021 above is intended to be illustrative only. It does not take into account activities occurring between 1 January 2022 and the date of this Prospectus (or the Closing Date) other than those noted above and as such it does not accurately reflect what the actual balance sheet will be as at the date of this Prospectus or at the completion of this Rights Issue (by way of example, the cash and cash equivalent assets will not be as set out in the unaudited pro-forma consolidated balance sheet because, amongst other things, no allowance has been made in the unaudited pro-forma consolidated balance sheet for expenditure incurred in the normal course of business of the consolidated group after 1 January 2022).

7. ADDITIONAL INFORMATION

7.1 Nature of this Prospectus

This Prospectus, is issued under the special prospectus content rules for continuously quoted securities in section 713 of the Corporations Act. That section enables listed disclosing entities to issue a prospectus with less rigorous disclosure requirements if:

- the securities offered by the prospectus are in a class of securities that have been quoted enhanced disclosure securities at all times in the 3 months before the date of the prospectus or are options to acquire such securities; and
- the company is not subject to certain exemptions or declarations prescribed by the Corporations Act during the period during which the securities have been quoted or the 12 months before the date of the prospectus (whichever is the shorter period).

Securities are quoted enhanced disclosure securities if:

- the company is included in the official list of ASX; and
- the Listing Rules apply to those securities.

The information in this Prospectus principally concerns the terms and conditions of the Offers and the information necessary to make an informed assessment of:

- the effect of the Offers on the Company; and
- the rights and liabilities attaching to the New Shares and New Options offered under this Prospectus.

The Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX. This Prospectus does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that was not already listed on a stock exchange. Applicants should therefore also have regard to the other publicly available information in relation to the Company before making a decision whether or not to subscribe for New Shares and New Options.

7.2 Regular reporting and disclosure obligations

The Company is a disclosing entity under the Corporations Act. It is subject to regular reporting and disclosure obligations under the Corporations Act and the Listing Rules.

These obligations require the Company to notify ASX of information about specified events and matters as they arise for the purposes of ASX making that information available to the stock market conducted by ASX. In particular, the Company has an obligation under the Listing Rules (subject to certain limited exceptions) to notify ASX immediately of any information of which it becomes aware concerning the Company which a reasonable person would expect to have a material effect on the price or value of securities in the Company.

As the Company has been listed on ASX since June 2007, a large amount of information concerning the Company has previously been notified to ASX and is therefore publicly available. All announcements made by the Company are available from ASX.

The Company is required to prepare and lodge with ASX both yearly and half yearly financial statements accompanied by a Directors' statement and report and an auditors report. The Company is also required to lodge with ASX quarterly cash flow reports which include details about its cash flows.

A summary of the Company's current and recent activities, transactions and projects and the financial performance and position of the Company is set out in the quarterly activities statement lodged with ASX on 31 January 2022 and subsequent ASX releases.

Copies of documents lodged with ASX in relation to the Company may be obtained from the ASX website. Copies of all documents lodged with ASIC in relation to the Company may be obtained from, or inspected at, the offices of ASIC. These documents can also be inspected at the registered office of the Company during normal office hours.

7.3 Right to obtain copies of Company documents

Under section 713(4) of the Corporations Act, any person has the right to obtain from the Company, free of charge, a copy of any of the following documents during the Offer Period:

- the Company's annual financial report for the year ended 30 June 2021 as lodged with ASIC on 24 September 2021;
- the Company's half-year financial report for the period ending 31 December 2021 as lodged with ASIC on 15 March 2022; and
- any continuous disclosure notices given by the Company after lodgement of the annual financial report for the year ended 30 June 2021 (i.e. on 24 September 2021) and before lodgement of this Prospectus with ASIC (i.e. on 19 April 2022). Headlines for such notices are as follows:

Date	Headline
12/11/22	Pro-Rata Non-Renounceable Rights Issue – Sub-Underwriting
11/04/22	Pro-Rata Non-Renounceable Rights Issue – Sub-Underwriting
11/04/22	Cleansing Notice
11/04/22	Application for quotation of securities - CNJ
1/04/22	Notification regarding unquoted securities
31/03/22	Letter to Optionholders
31/03/22	Proposed issue of securities - CNJ
31/03/22	Proposed issue of securities - CNJ
31/03/22	Proposed issue of securities - CNJ
31/03/22	Proposed issue of securities - CNJ
31/03/22	Proposed issue of securities - CNJ
31/03/22	2.6 cent Options – Terms and Conditions
31/03/22	Placement and Pro-Rata Non-Renounceable Rights Issue
29/03/22	Trading Halt
22/03/22	Mt Thirsty Cobalt-Nickel Operational Update
15/03/22	Half Yearly Report and Accounts
1/02/22	Ryberg 2021 Drilling and Geophysical Results
31/01/22	Quarterly Activities/Appendix 5B Cash Flow Report
14/01/22	Market Update – Further Delay in Assay Results
14/12/21	Market Update – Delay in Assay Results
25/11/21	Results of Meeting
25/11/21	AGM Presentation
2/11/21	Notice of Release of Voluntary Escrow Shares
29/10/21	Quarterly Activities/Appendix 5B Cash Flow Report
25/10/21	Corporate Presentation
20/10/21	Notice of Annual General Meeting/Proxy Form
18/10/21	Market Update
30/09/21	Appendix 4G and Corporate Governance Statement
28/09/21	Withdrawal of Pro-Rata Non-Renounceable Rights Issue
24/09/21	Annual Report to Shareholders

These documents can also be viewed and downloaded from ASX's website www.asx.com.au under ASX Code: CNJ.

The Company will give a copy of any of the above documents, free of charge, to any Applicant who asks for them during the Offer Period.

7.4 Constitution and rights and liabilities attaching to Shares

Full details of the rights and liabilities attaching to Shares are set out in the Company's constitution, a copy of which can be inspected, free of charge, at the Company's registered office during normal business hours.

The following is a broad summary of the rights, privileges and restrictions attaching to all Shares. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders.

All Shares issued pursuant to this Prospectus will, from the time they are issued, rank equally with all of the Company's Existing Shares.

Voting rights

Subject to any rights or restrictions for the time being attached to any class or classes of shares (at present there are none), at meetings of Shareholders of the Company:

- (a) each Shareholder entitled to attend and vote may vote in person or by proxy, attorney or representative;
- (b) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote (save that if a Shareholder is present at any meeting of the Company and any one or more proxy, attorney or representative is also present, or if more than one proxy, attorney or representative for a Shareholder is present at any meeting of the Company, then no such proxy, attorney or representative is entitled to vote on a show of hands); and
- (c) on a poll, every person present who is a Shareholder or who is a proxy, attorney or representative of a Shareholder shall, in respect of each Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for the Share, but in respect of partly paid shares, shall have a fraction of a vote for each partly paid Share. The fraction must be equivalent to the proportion which the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited). Amounts paid in advance of a call are ignored when calculating the proportion. If a Shareholder is present at any meeting of the Company and any one or more proxy, attorney or representative is also present, or if more than one proxy, attorney or representative for a Shareholder is present at any meeting of the Company, then on a poll, the vote of each one is of no effect unless each such person is appointed to represent a specified proportion of the Shareholder's voting rights, not exceeding in the aggregate 100%).

Rights on winding up

Subject to the rights of holders of shares with special rights in a winding up (at present there are none) and the constitution of the Company, on a winding up of the Company all assets that may be legally distributed among members will be distributed in proportion to the number of shares in the Company held by them, irrespective of the amount paid-up or credited as paid up on the shares.

Transfer of shares

Subject to the constitution of the Company, the Corporations Act, the Listing Rules and any other laws, Shares are freely transferable.

Future increases in capital

The allotment and issue of any Shares is under the control of the Board. Subject to the requirements of the Listing Rules, the constitution of the Company and the Corporations Act, the Directors may allot or otherwise dispose of Shares on such terms and conditions as they see fit.

Variation of rights

Under the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders, vary or abrogate the rights attaching to shares. If at any time the share capital of the Company is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of the issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the sanction of a special resolution of the Company and with the consent in writing of the

holders of three quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

Dividend rights

Subject to the rights of holders of shares issued with special, preferential or qualified rights (at present there are none), the profits of the Company that the Directors determine to distribute by way of dividend are divisible among the holders of Shares and is payable on each Share on the basis of the proportion which the amount paid is of the total amounts paid, agreed to be considered to be paid or payable on the Share. A dividend may be declared at a rate per annum in respect of a specified period but no amount paid on a Share in advance of calls is to be treated as paid on that Share.

7.5 Rights and liabilities attaching to New Options

The New Options will be issued on the following terms and conditions.

- (1) The Options are exercisable at any time prior to 5.00pm WST 31 December 2026 ("the Time of Expiry"). Options not exercised on or before the Time of Expiry will automatically lapse.
- (2) The Options entitle the holder to subscribe (in respect of each Option held) for one Share at an exercise price per Option of \$0.026 ("Price").
- (3) The Options may be exercised wholly or in part by both completing and serving a notice of exercise of options ("Notice of Exercise") substantially in the form attached to the option certificate ("Certificate") on the Company, and by causing payment to be received by the Company (in cleared fund and in Australian currency) of the Price for all Options being exercised, in the manner specified in the Notice of Exercise, prior to the Time of Expiry. A Notice of Exercise cannot be withdrawn by the holder after service of it on the Company.
- (4) Upon the exercise of the Options and receipt of all relevant documents and payment, Shares will be issued ranking equally with the then issued Shares. If at the date of exercise of the Options the Shares of the Company are quoted on the ASX, the Company will apply to ASX to have the Shares so issued granted Quotation.
- (5) A summary of the terms and conditions of the Options including the Notice of Exercise will be sent to all holders of Options when they are issued.
- (6) Any Notice of Exercise received by the Company prior to the Time of Expiry will, unless otherwise determined by the Company, be deemed effective as at the earlier of the last Business Day of the month in which such notice is received by the Company and the Time of Expiry.
- (7) There are no participating entitlements inherent in the Options to participate in new issues of capital, which may be offered to Shareholders during the currency of the Options. Prior to any new pro rata issue of securities to Shareholders, holders of Options will be notified by the Company and will be afforded 10 business days before the Record Date (as defined in the Listing Rules) (to determine entitlements to the issue), to exercise Options.
- (8) In the event of any reconstruction (including consolidation, sub-division, reduction or return) of the issued capital of the Company prior to the Time of Expiry, the number of Options or the exercise price of the Options or both shall be reconstructed (as appropriate) in a manner which will not result in any benefits being conferred on holders of Options which are not being conferred on Shareholders and (subject to the provisions with respect to rounding of entitlements as sanctioned by the meeting of Shareholders approving the reconstruction of capital), in all respects, the terms for the exercise of Options shall remain unchanged. For these purposes the rights of the Option holder may be changed from time to time to comply with the Listing Rules applying to a reorganisation of capital at the time of reorganisation.
- (9) The Options may be transferred at any time prior to the Time of Expiry.
- (10) Shares issued pursuant to the exercise of an Option will be issued not more than 5 Business Days after the Notice of Exercise.

- (11) A Notice of Exercise may be served by the holder on the Company by delivery or post to the Company's registered office or in such other manner as specified in the form of Notice of Exercise attached to the Certificate.
- (12) Any notice which is required to be given by the Company to the holder under these conditions or otherwise concerning the Options may be served on the holder by email (if the holder has provided the Company, or its share registry, with the holder's email address) or by post. If a notice is sent by email it will be deemed to have been served on the date of transmission of the email and if sent by post it will be deemed to have been served on the third business day after the date of its posting.
- (13) These terms and conditions are governed by the laws of Western Australia.

7.6 Existing Options

There are currently 115,796,307 unlisted Options on issue in the Company. A summary of the exercise prices and expiry dates of the existing Options is as follows:

Number	Exercise Price per Option	Expiry Date
33,500,000	\$0.10	30 November 2024
1,000,000	\$0.022	21 September 2023
8,500,000	\$0.04	24 November 2023
2,300,000	\$0.04	15 January 2024
60,496,307	\$0.07	20 January 2024
10,000,000	\$0.04	30 September 2024

7.7 Underwriting

7.7.1 Underwriting Agreement

The Company entered into an underwriting agreement with Peloton Capital Pty Ltd on 30 March 2022 ("**the Underwriting Agreement**"). Pursuant to the Underwriting Agreement, Peloton Capital Pty Ltd (**the "Underwriter"**) will underwrite 100% of the Underwritten Shortfall (if any), remaining after completion of the QS Shortfall Offer, giving a maximum underwritten amount of \$2,492,202 (if there were no Applications under the Entitlement Offer). The Underwriter will be required to subscribe for the Underwritten Shortfall at an issue price of \$0.013 per Share.

In consideration of its obligations under the Underwriting Agreement, the Underwriter will be paid a lead manager fee of \$30,000 and an underwriting fee which is equal to 6% of the maximum underwritten amount (being \$149,532 exclusive of GST), being a combined total of \$179,532.

In addition, the Company has agreed, subject to obtaining Shareholder approval at the Company Meeting, to issue 30,000,000 New Options to the Underwriter (and its nominee/s), exercisable at \$0.026 at any time on or before 31 December 2026 (referred to elsewhere in this Prospectus as the "**New Underwriter Options**").

The Underwriter shall not be entitled to be paid the lead manager fee, underwriting fee or be issued with the New Underwriter Options if the Underwriter terminates the Underwriting Agreement.

The Underwriter may enter into sub-underwriting agreements to sub-underwrite all of the Underwritten Shortfall. The Underwriter will pay any commissions it has agreed to pay to its sub-underwriters out of the fees payable to it under the Underwriting Agreement.

If the Company has complied with its obligations under the Underwriting Agreement and has not breached any of the representations, warranties and undertakings made by it therein and the Underwriting Agreement has not been terminated, the Underwriter must lodge or cause to be lodged with the Company applications for all of Underwritten Shortfall.

The Underwriter may terminate its obligations under the Underwriting Agreement at any time until the Underwriter has lodged all of the Applications and Application Money for the Underwritten Shortfall as required by the Underwriter under the Underwriting Agreement if any of the following events ("**Events of Termination**") occur:

- (a) save and except where there is no Underwritten Shortfall, the Company does not provide a Certificate in the form attached to the Underwriting Agreement when it gives the Underwriter notice of the Underwritten Shortfall it is required to subscribe for under the Underwriting Agreement (which notice and Certificate must be given within 5 Business Days after the Closing Date (or such later date as the Underwriter may in its absolute discretion allow);
- (b) any of the following occurs which does or is likely to prohibit, restrict or regulate the exercise of the Rights or reduce the likely level of valid Acceptance Forms or materially affects the financial position of the Company:
 - (1) the introduction of legislation into the Parliament of the Commonwealth of Australia or of any State or Territory of Australia;
 - (2) the public announcement of prospective legislation or policy by the Federal Government or the Government of any State or Territory; or
 - (3) the adoption by the ASX or ASIC or their respective delegates of any regulations or policy;
- (c) the Company or any related body corporate (as that term is defined in the Corporations Act) of the Company ("Related Corporation") fails to comply in any material respect with any of the following:
 - (1) a provision of its constitution;
 - (2) any statute;
 - (3) the Listing Rules;
 - (4) a requirement, order or request made by or on behalf of ASIC, ASX or any government body; or
 - (5) any agreement entered into by it;
- (d) any material contract to which the Company is a party is terminated or amended without the prior written consent of the Underwriter (which consent must not be unreasonably withheld);
- (e) the constitution of the Company or a Related Corporation is amended without the prior written consent of the Underwriter (which consent must not be unreasonably withheld);
- (f) the Company or any Related Corporation alters its capital structure (expressly excluding certain permitted security issues) without the prior written consent of the Underwriter (which consent must not be unreasonably withheld);
- (g) a judgment in an amount exceeding \$100,000 is obtained against the Company or a Related Corporation and is not set aside or satisfied within seven days;
- (h) any distress, attachment, execution or other process of a government body in an amount exceeding \$100,000 is issued against, levied or enforced on any of the assets of the Company or a Related Corporation and is not set aside or satisfied within seven days;
- (i) a receiver, receiver and manager, trustee, administrator or similar official is appointed, or steps are taken for such appointment, over any of the assets or undertaking of the Company or a Related Corporation;
- (j) the Company or a Related Corporation passes or takes any steps to pass a resolution under either section 254N of the Corporations Act, without the prior written consent of the Underwriter;
- (k) the Company or a Related Corporation passes or takes any steps to pass a resolution under section 260B of the Corporations Act, without the prior written consent of the Underwriter;
- (l) the Company or a Related Corporation suspends payment of its debts generally;
- (m) the Company or a Related Corporation is or becomes unable to pay its debts when they are due or is or becomes unable to pay its debts within the meaning of the Corporations Act or is presumed to be insolvent under the Corporations Act;

- (n) the Company or a Related Corporation enters into or resolves to enter into any arrangement, composition or compromise with, or assignment for the benefit of, its creditors or any class of them;
- (o) the Company or a Related Corporation ceases or threatens to cease to carry on business;
- (p) a person is appointed under any legislation in respect of companies to investigate the affairs of the Company or a Related Corporation;
- (q) steps are taken by anyone entitled to do so, to appoint an administrator to the Company or a Related Corporation;
- (r) an application or order is made for the winding up or dissolution of the Company or a Related Corporation or a resolution is passed or any steps are taken to pass a resolution for the winding up or dissolution of the Company or a Related Corporation and the application is not dismissed or the winding up is not set aside within fourteen days, otherwise than for the purpose of an amalgamation or reconstruction which has the prior written consent of the Underwriter;
- (s) there is an outbreak of hostilities (whether or not war has been declared) not presently existing, or a major escalation in existing hostilities occurs, involving any of the Commonwealth of Australia, Japan, the United Kingdom, the United States of America, the People's Republic of China or the Middle East region;
- (t) the Company is in default of any of the material terms and conditions of the Underwriting Agreement or breaches any material warranty or covenant given or made by it under the Underwriting Agreement;
- (u) any shares that have been issued by the Company which at the date of the Underwriting Agreement are officially quoted on the ASX:
 - (1) are suspended from quotation whether temporarily or otherwise; or
 - (2) are the subject of an ASX statement to the effect that the shares will be suspended or cease to be quoted;
- (v) the ASX 300 Index of the ASX is, at any time for two consecutive Business Days after the date of the Underwriting Agreement, 10% or more below its opening level as published in the Australian Financial Review on the last Business Day immediately before the date of the Underwriting Agreement;
- (w) the Dow Jones Industrial Average is, at any time for two consecutive Business Days after the date of the Underwriting Agreement, 10% or more below its opening level as published in the Australian Financial Review on the last Business Day immediately before the date of the Underwriting Agreement;
- (x) the Resources Index of the ASX is, at any time for two consecutive Business Days after the date of the Underwriting Agreement 10% or more below its opening level as published in the Australian Financial Review on the last Business Day immediately before the date of the Underwriting Agreement;
- (y) any warranty, representation or material statement by the Company in the Underwriting Agreement is or becomes false, misleading or incorrect in any material respect when made or regarded as made;
- (z) any change occurs in the financial position of the Company or a Related Corporation which, in the reasonable opinion of the Underwriter, may have an effect which, in the reasonable opinion of the Underwriter could result in a material adverse change in the financial position or prospects of the Company from that which exists at the date of the Underwriting Agreement; or the Underwriter's obligations under the Underwriting Agreement becoming materially more onerous than those which exist at the date of the Underwriting Agreement ("**Material Adverse Effect**");
- (aa) except for the allotment and issue of Shares on exercise of the Rights or the allotment or issue of certain securities which are permitted by the Underwriting Agreement, any of the matters set forth

in section 652C of the Corporations Act occurs in respect of the Company or any Related Corporation;

- (bb) any information supplied by the Company or on its behalf to the Underwriter in respect of the Offer is or becomes false or misleading in any material respect;
- (cc) there is a material omission from the results of the due diligence investigation performed in respect of the Company or the verification material or the results of the due diligence investigation or the verification material are false or misleading; or
- (dd) a director of the Company or any Related Corporation is charged with an indictable offence relating to a financial or corporate matter.

The Underwriter may not terminate the Underwriting Agreement if an Event of Termination set out in paragraphs (b), (c), (d), (f), (g), (h), (s), (t), (u), (v), (w), (x) and (y) occurs unless the Underwriter determines in good faith that the event of termination has had or could have a Material Adverse Effect.

The Underwriting Agreement contains all representations, warranties, undertakings and indemnities on the part of the Company as are usually contained in agreements of this type.

7.7.2 Sub-Underwriting Agreements (including with RMCF)

The Underwriter has, or intends to, enter into numerous sub-underwriting agreements, including a sub-underwriting agreement with RMCF. Pursuant to the sub-underwriting agreements, each sub-underwriter has agreed, or will agree, to sub-underwrite the Entitlement Offer for a portion of the New Shares (and accompanying New Options) making up the Underwritten Shortfall (which the Underwriter has agreed to underwrite under the Underwriting Agreement).

The following is a summary of the material terms of the sub-underwriting agreement which the Underwriter has entered into with RMCF:

- (a) RMCF has agreed to sub-underwrite a third (approximately 33.33%) of the Underwritten Shortfall;
- (b) RMCF is entitled to be paid by the Underwriter a sub-underwriting fee of \$41,536 (plus GST), but will not receive any of the New Underwriter Options as part of its sub-underwriting fee;
- (c) in the event that the Underwriting Agreement is terminated for any reason, RMCF's sub-underwriting agreement will automatically terminate; and
- (d) RMCF may terminate the sub-underwriting agreement by notice in writing to the Underwriter given on or at any time before the issue of the New Shares and New Options being underwritten by the Underwriter, without cost or liability to itself, upon the occurrence of any of the Events of Termination set out in the Underwriting Agreement (set out in section 7.7.1 above), provided the said Event of Termination satisfies the requirement of clause 9.1 of the Underwriting Agreement (and would give rise to a right of the Underwriter to terminate the Underwriting Agreement).

7.8 Interests of Directors

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

- (a) the promotion or formation of the Company;
- (b) property acquired or proposed to be acquired by the Company in connection with its promotion or formation or the offer of New Shares and New Options under this Prospectus; or
- (c) the offer of New Shares and New Options under this Prospectus,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any Director other than as set out below:

- (a) to induce them to become, or to qualify them, as a Director; or
- (b) for services rendered by them in connection with the formation or promotion of the Company or the offer of New Shares and New Options under this Prospectus.

7.8.1

Shareholdings of Directors

As at the date of this Prospectus all of the directors (either personally, or through associated companies or trusts) hold Shares in the Company. The Directors are all Qualifying Shareholders and will therefore receive Rights to subscribe for New Shares (and accompanying New Options) pursuant to this Rights Issue.

The relevant interest of each of the Directors in the Shares and Options of the Company as at the date of this Prospectus, and assuming they take up their Rights in full by applying for all of the New Shares (and accompanying New Options) to which they are entitled under this the Entitlement Offer (but do not apply for any Shortfall), is as follows:

	Gregory Solomon and Arkenstone Pty Ltd (and associated companies and trusts) ("GS Entities")	Douglas Solomon and March Bells Pty Ltd (and associated companies and trusts) ("DS Entities")	Guy Le Page, Guy t Le Page & Associates Pty Ltd (and associated companies and trusts) ("GLP Entities")*	James Richardson and Tadea Pty Ltd (and associated companies and trusts) ("JR Entities")*
Shares held	38,469,448	38,738,548	28,650,661	41,500,000
New Shares offered under the Entitlement Offer (estimated)	6,411,575	6,456,425	4,775,111	6,916,667
Maximum Shares held on completion of the Entitlement Offer (estimated)	44,881,023	45,194,973	33,425,772	48,416,667
Existing Options held	Nil.	Nil.	Nil.	Nil.
New Options offered under the Entitlement Offer (estimated)	3,205,788	3,228,213	2,387,556	3,458,334
Maximum Options held on completion of the Entitlement Offer (estimated)	3,205,788	3,228,213	2,387,556	3,458,334

*Both Guy Le Page and James Richardson hold an interest in the 5,100,000 Existing Shares issued to and held by RMCF (an entity of which both Guy Le Page and James Richardson are directors and beneficial shareholders).

All of the directors of the Company have indicated to the Company that they intend to take up (and to procure that companies associated with them take up) all or a significant percentage of their Entitlements. The percentage increase in the Directors' relevant interest in the Company as a result of the Entitlement Offer will be as follows:

	GS Entities	% of total (current and maximum)	DS Entities	% of total (current and maximum)	GLP Entities***	% of total (current and maximum) ***	JR Entities***	% of total (current and maximum) ***
Existing Shares held	38,469,448	3.3445%	38,738,548	3.3678%	28,650,661	2.4908%	41,500,000	3.6079%
Maximum Shares held on completion of the Entitlement Offer (estimated)*	44,881,023	3.7672%**	45,194,973	3.7936%**	33,425,771	2.8057%**	48,416,667	4.0640%**
Existing Options held	Nil.	0%	Nil.	0%	Nil.	0%	Nil.	0%
Maximum Options held on completion of the Entitlement Offer (estimated)*	3,205,788	2.3511%**	3,228,213	2.3676%**	2,387,556	1.7510%**	3,458,334	2.5363%**

*On the assumption that the Directors (and their associated entities) take up all of the Entitlements.

**On the assumption that the Underwriting Agreement is terminated and Tasman and the Directors (and their associated entities) are the only Qualifying Shareholders to take up their Rights under this Rights Issue (and they do so in full) and none of the existing Options are exercised prior to the Record Date. These percentages also do not take into account the Additional Placement Shares, the New Placement Options, the New Additional Placement Options or the New Underwriter Options (the issue of all of which require Shareholder approval at the Company Meeting).

***Both Guy Le Page and James Richardson hold an interest in the 5,100,000 Existing Shares issued to and held by RMCF (an entity of which both Guy Le Page and James Richardson are directors and beneficial shareholders).

In addition, RMCF, who has entered into a sub-underwriting agreement with the Underwriter to sub-underwrite a third of the Underwritten Shortfall (more details of which are in section 7.7.2 of this Prospectus). RMCF currently holds 5,100,000 Existing Shares in the Company, representing 0.4434% of the Company's current issued share capital. RMCF does not currently hold any Options. The number of New Shares to be issued under this Prospectus (assuming it is fully subscribed) will represent approximately 14.29% of the expanded share capital of the Company upon completion of the Entitlement Offer. As a result, even assuming Qualifying Shareholders take up none of their Entitlements, the maximum possible increase in RMCF's shareholding as a result of the sub-underwriting would be 4.762% (with RMCF ultimately having a 5.142% shareholding interest in the expanded share capital of the Company).

Further, some of the Directors (either personally, or through associated companies or trusts) also hold a relevant interest in shares of Tasman Resources (which, as at the date of this Prospectus, holds 99,302,539 (8.633%) of the Shares of the Company), as follows:

Director	Shares Held
GS Entities	114,165,258
DS Entities	117,744,018
GLP Entities	1,874,062
JR Entities	Nil

As stated elsewhere in this Prospectus, Tasman Resources has indicated to the Company that it intends to take up all or a significant percentage of its Entitlement in full.

Nothing in this Prospectus will be taken to preclude any of the Directors, officers or employees of the Company from applying for New Shares and accompanying New Options on the terms which are offered pursuant to this Prospectus.

It is not anticipated that the Entitlement Offer will have any effect on the control or future direction of the Company. In any event, neither the current Directors of the Company (nor, to the knowledge of the Directors, their associated companies) have any present intention to change the Company's main activities, business or direction.

7.8.2 **Directors' remuneration**

Directors' fees not exceeding an aggregate of \$500,000 per annum were approved by the Directors prior to the Company listing in 2007. Levels of these fees may be varied by the Company in general meeting according to its constitution at any time. The Company is currently paying \$36,000 per annum plus superannuation for Douglas Solomon and James Richardson, \$48,000 per annum plus superannuation for Guy Le Page and \$60,000 per annum plus superannuation for Gregory Solomon (the Company's chairman).

7.8.3 **Directors' and officers' indemnity**

In accordance with the Company's constitution and to the extent permitted by law, the Company must indemnify each Director and other officers of the Company out of the assets of the Company against any liability incurred by them in their capacity as Director, officer or agent of the Company or any related corporation (as the case may be) in respect or any act or omission whatsoever and howsoever occurring or in defending any proceedings, whether civil or criminal.

7.8.4 **Other Interests of Directors**

Gregory Solomon and Douglas Solomon are partners in the legal firm Solomon Brothers that will receive legal fees of approximately \$21,000 (plus disbursements, plus GST) for services performed in relation to the preparation of this Prospectus, the due diligence undertaken in connection with this Prospectus and in connection with the Company Meeting to be convened to approve the Placement Options Offer, the Additional Placement Options Offer and the Underwriting Options Offer. Please see section 7.9 of this Prospectus for further details of the legal fees which have been paid to Solomon Brothers in the 2 year period prior to the date of this Prospectus.

Further, the Company has engaged the services of Princebrook Pty Ltd, a company of which Gregory Solomon and Douglas Solomon are shareholders and directors, to provide all office, accommodation, use of office equipment, accounting, secretarial and management services to the Company at a current cost of \$12,000 per month plus GST. The term of this contract commenced on 1 June 2007 and continues until terminated by either party giving three months' notice of termination to the other, which notice may be given at any time (or until terminated consequent upon the other party's default).

Guy Le Page and James Richardson are directors of and beneficial shareholders in RMCF, an Australian Financial Services Licensee. For details of the fees and other consideration which has been paid to RMCF in the two year period prior to the date of this Prospectus, see section 7.9 of this Prospectus

7.9 **Interests of named persons**

Other than as set out below or elsewhere in this Prospectus, no person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus, promoter or stockbroker to the Company has, or had within two years before lodgement of this Prospectus with ASIC, any interest in:

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

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of those persons for services rendered by them in connection with the formation or promotion of the Company or the offer of New Shares and New Options under this Prospectus.

Solomon Brothers, a legal firm of which Gregory Solomon and Douglas Solomon are partners, will receive professional fees of approximately \$21,000 (plus disbursements, plus GST) for legal work undertaken by them in connection with this Prospectus, the due diligence undertaken in connection with this Prospectus and in connection with the shareholder meeting to be convened to approve the Placement Options Offer, the Additional Placement and the Underwriting Options Offer. In addition, Solomon Brothers have rendered legal fees on account of professional services provided to the Company and its subsidiaries (including Longland Resources) of approximately \$71,225.94 (excluding disbursements and GST) for the two-year period ending 19 April 2022 (excluding disbursements and GST).

RMCF, a company in which Guy Le Page and James Richardson are directors and beneficial shareholders, receives professional fees of \$4,195 plus GST per month for corporate advisory and data and website management services (“**RMCF Services**”) provided to the Company. In the two year period ending on 19 April 2022, RMCF has been paid fees in connection with the Placement, earlier placements it has arranged for the Company and the RMCF Services of approximately \$472,740 (excluding GST). Subject to shareholder approval being granted for the Additional Placement, it will receive a further fee of \$4,812 (plus GST) in connection with the Additional Placement. RMCF will also receive a sub-underwriting fee of \$41,536 (plus GST) from the Underwriter in connection with the sub-underwriting agreement referred to in section 7.7.2. It was also issued with 20,000,000 unlisted Options in this 2-year period (approved at a Shareholder meeting) (which Options are no longer held by RMCF). RMCF is currently the holder of 5,100,000 Existing Shares.

7.10 Consents

The following persons have consented to being named in the Prospectus in the form and context in which they have been named, but have not made any statements that are included in the Prospectus or statements identified in this Prospectus as being based on any statements made by those persons and take no responsibility for any part of the Prospectus other than their consent to be named in the Prospectus in the form and context in which they have been named, and have not withdrawn their consent before the lodgement of this Prospectus with ASIC:

- (1) Solomon Brothers as solicitors to the Company;
- (2) Advanced Share Registry Services as Share Registry;
- (3) Pelton as underwriter; and
- (4) RMCF as sub-underwriter.

7.11 Expenses of the Issue

It is estimated that approximately \$240,630 will be payable by the Company in respect of underwriter fees, ASX quotation fees, legal, printing, postage and other costs arising from this Prospectus and this Rights Issue if the Entitlement Offer is fully subscribed (excluding GST), as follows:

ASIC prospectus lodgement fee	\$3,206
ASX quotation fees on Rights Issue Shares and Options	\$19,892
Legal fees and expenses	\$21,000
Underwriting fees*	\$179,532
Other expenses (including printing)	<u>\$17,000</u>
Total	<u>\$240,630</u>

*In addition, subject to receipt of Shareholder approval at the Company Meeting, the Underwriter will receive 30,000,000 New Options.

This calculation does not include any costs payable by the Company for the Placement (including the New Placement Options Offer) or the Additional Placement (including the New Additional Placement Options Offer), or the ASX Quotation fees payable for the New Underwriter Options, the estimated costs of which are all set out in the table in section 6.5.

7.12 **Dividends**

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

7.13 **Australian and New Zealand taxation implications**

The acquisition and disposal of New Shares and New Options in the Company will have tax consequences in both Australia and New Zealand that will differ depending upon the individual financial affairs of each Applicant. The Directors consider that it is not appropriate to give Qualifying Shareholders and other Applicants advice regarding the taxation consequences of subscribing for New Shares and New Options under this Prospectus. All Applicants applying for New Shares and New Options are therefore first urged to obtain independent financial advice about the consequences of acquiring the New Shares and New Options from a taxation viewpoint and generally. Qualifying Shareholders and other Applicants should consult their own professional tax advisers in connection with subscribing for New Shares and New Options under this Prospectus.

7.14 **Litigation**

The Company is not currently engaged in any litigation or arbitration proceedings, nor, so far as the Directors are aware, are any such proceedings pending or threatened against the Company.

8. GLOSSARY NAMES AND TERMS

Additional Placement means the issue by the Company, subject to Shareholder approval at the Company Meeting, of 16,313,923 Shares at a price of \$0.013 per Share (together with the right to acquire one free attaching New Option for every 2 Additional Placement Shares acquired) to investors to whom a disclosure document is not required under the Corporations Act, as detailed in the Company's announcement to ASX on 31 March 2022 and more details of which appear in section 2.9;

Additional Placement Options Offer has the meaning given to that term in section 2.1.4;

Additional Placement Shares means 16,313,923 Shares to be issued to the Additional Placement Subscribers under the Additional Placement;

Additional Placement Subscribers means the investors to whom the Additional Placement Shares will be issued under the Additional Placement;

Applicant means a Qualifying Shareholder who takes up all or part of their Entitlement or applies for a portion of the Shortfall under the QS Shortfall Offer, a Placement Subscriber who applies for New Placement Options under the Placement Options Offer, an Additional Placement Subscriber who applies for New Additional Placement Options under the Additional Placement Options Offer, or the Underwriter (and its nominees) who applies for New Underwriter Options under the New Underwriter Options Offer;

Application means a valid application made by an Applicant to subscribe for New Shares and accompanying New Options, New Placement Options, New Additional Placement Options or New Underwriting Options under one or more of the Offers pursuant to this Prospectus;

Acceptance Form means the personalised entitlement and acceptance form for the Entitlement Offer;

Application Money(s) means the sum of \$0.013 per New Share payable on submission of an Application pursuant to the Entitlement Offer or the Shortfall Offers contained in this Prospectus;

ASIC means Australian Securities and Investments Commission;

ASX means ASX Limited (A.C.N 008 624 691) or the Australian Securities Exchange, as the context requires;

Board means the board of Directors unless the context indicates otherwise;

Business Day means a day other than a Saturday or Sunday on which banks are open for business in Perth, Western Australia;

Closing Date means 5:00pm WST on 18 May 2022;

Company means Conico;

Company Meeting means a general meeting of the Company's Shareholders, to be convened by the Company and held prior to 30 June 2022, at which the Company will seek Shareholder approval, amongst other things, to issue the New Placement Options, the Additional Placement Shares, the New Additional Placement Options and the New Underwriter Options;

Conico means Conico Limited A.C.N. 119 057 457;

Corporations Act and **Act** means the *Corporations Act 2001* (Cth);

Directors means the directors of the Company from time to time;

Dollars or **\$** means Australian dollars unless otherwise stated;

Entitlement means a Qualifying Shareholder's entitlement to subscribe for New Shares (and accompanying New Options) under the Entitlement Offer;

Entitlement Offer has the meaning given to that term in section 2.1.1 and means the offer contained in this Prospectus to each Qualifying Shareholder of 1 New Share for every 6 Existing Shares held by that Qualifying Shareholder at the Record Date at an issue price of \$0.013 per New Share, together with 1 free attaching New Option for every 2 New Shares issued under this Prospectus.

Existing Shares means Shares on issue in the Company as at the Record Date;

Glossary means this glossary;

Issue means the issue of New Shares and New Options pursuant to this Prospectus;

Listing Rules means the Listing Rules of ASX;

Longland and Longland Resources means Longland Resources Ltd, a wholly owned subsidiary of the Company;

New Option means an Option to be issued under an Offer contained in this Prospectus to subscribe for 1 Share in the Company at \$0.026 on or before 31 December 2026 and otherwise on the terms and conditions set out in section 7.5 of this Prospectus;

New Additional Placement Options means 8,156,962 New Options, being offered to the Additional Placement Subscribers (on the basis of 1 free attaching New Option for every 2 Shares acquired by them under the Additional Placement);

New Placement Options means 75,016,116 New Options, being offered to the Placement Subscribers (on the basis of 1 free attaching New Option for every 2 Shares acquired by them under the Placement);

New Underwriter Options means 30,000,000 New Options, being offered to the Underwriter (and its nominees) pursuant to the Underwriting Agreement;

New Share means a Share to be issued under this Prospectus;

Non-Qualifying Foreign Shareholder means a Shareholder whose registered address at the Record Date is not in Australia or New Zealand;

Offers means the Entitlement Offer, the Shortfall Offers, the Placement Options Offer, the Additional Placement Options Offer and the Underwriting Options Offer;

Offer Period means the period commencing on the Opening Date and ending on the Closing Date;

Official List means the Official List of the ASX;

Opening Date means the date on which the Offers open;

Option means a right to acquire a Share in the Company and includes (where the context permits) the existing Options and the New Options;

Optionholder means a holder of Options;

Peloton means Peloton Capital Pty Ltd A.C.N. 149 540 018;

Placement means the issue by the Company of 150,032,231 Shares at a price of \$0.013 per Share (together with the right to acquire one free attaching New Option for every 2 Placement Shares acquired) to investors to whom a disclosure document is not required under the Corporations Act, as detailed in the Company's announcement to ASX on 31 March 2022 and more details of which appear in section 2.8;

Placement Options Offer has the meaning given to that term in section 2.1.3;

Placement Shares means the 150,032,231 Shares issued to Placement Subscribers under the Placement;

Placement Subscribers means the investors to whom the Placement Shares were issued under the Placement;

Prospectus means this Prospectus dated 19 April 2022;

QS Shortfall Offer has the meaning given to that term in section 2.1.2.1, more details of which appear in section 2.15;

Qualifying Shareholder means a holder of Shares registered at 5:00pm WST on the Record Date and whose registered address is in Australia or New Zealand;

Quotation means quotation of the New Shares or quotation of the New Options on ASX (as the case may be);

Record Date means 5.00pm WST on 26 April 2022;

Rights means the right to subscribe for New Shares (with accompanying New Options) under the Entitlement Offer contained in this Prospectus;

RMCF means RM Corporate Finance Pty Ltd A.C.N. 108 084 386;

Rights Issue has the same meaning as Entitlement Offer;

Securities means the New Shares and New Options to be issued under this Prospectus;

Share means one fully paid ordinary share in the Company;

Shareholder means the holder of Shares;

Shortfall means, if the Entitlement Offer is not fully subscribed, those New Shares (and accompanying New Options) which are not taken up under the Entitlement Offer by the Closing Date;

Shortfall Offers has the meaning given to that term in section 2.1.2, more details of which appear in section 2.15.

Tasman and **Tasman Resources** means Tasman Resources Limited A.C.N 009 253 187;

Underwriter means Peloton Capital Pty Ltd A.C.N. 149 540 018;

Underwriter Options Offer has the meaning given in section 2.1.5;

Underwritten Shortfall means, if the Entitlement Offer is not fully subscribed, those New Shares (and accompanying New Options) which are not taken up under the Entitlement Offer or the QS Shortfall Offer by Qualifying Shareholders by the Closing Date (as set out in section 2.15.2);

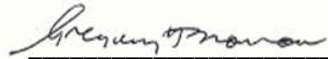
Underwriting Agreement has the meaning given in section 7.7;

WST means Western Standard Time, Perth, Western Australia.

9. CONSENT BY DIRECTORS

Each of the Directors of Conico Limited has consented to the lodgement of this Prospectus in accordance with section 720 of the Corporations Act.

Dated: 19 April 2022

A handwritten signature in black ink, appearing to read "Gregory Howard Solomon", is written over a light yellow rectangular background. The signature is cursive and somewhat stylized.

Signed for and on behalf of
Conico Ltd

By Gregory Howard Solomon (Director)

10. CORPORATE DIRECTORY

- Directors:** Gregory H. Solomon, LLB (Non-executive Chairman)
Douglas H. Solomon, B.Juris LLB (Hons) (Non-executive)
Guy T. LePage, B.A., B.Sc. (Hons), M.B.A., M.Fin.Plan., GradDipAppFin&Inv,
FFIN, MAusIMM (Executive Director)
James B. Richardson Dip, Fin Plan (Non-executive)
- Company Secretary:** Aaron P. Gates B.Com CA AGIA
- Registered Office:** Level 15
197 St Georges Terrace
Perth
Western Australia
Tel: (+618) 9282 5889
e-mail: mailroom@conico.com.au
website: www.conico.com.au
- Share Registry:** Advanced Share Registry Ltd
110 Stirling Highway
Nedlands
Western Australia

Tel: (+618) 9389 8033
Fax: (+618) 9389 7871
- Solicitors to the Company:** Solomon Brothers
Level 15
197 St Georges Terrace
Perth
Western Australia

Tel: (+618) 9282 5888
Fax: (+618) 9282 5855