

RED MOUNTAIN MINING LTD
ACN 119 568 106

OPTIONS PROSPECTUS

For the offer of up to 64,605,968 New Unlisted Options to subscribe for Shares in the Company on the terms and conditions set out in this Prospectus.

IMPORTANT NOTICE

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

The New Unlisted Options offered by this Prospectus should be considered as speculative.

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1. CORPORATE DIRECTORY

Board of Directors

Troy Flannery
Non-Executive Chairman

Lincoln Ho
Non-Executive Director

Robert Parton
Non-Executive Director

Company Secretary

Mauro Piccini

ASX Code

RMX

Registered Office

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23 Railway Road
SUBIACO WA 6008

Telephone: +61 8 6381 0054

Email: mp@miradorcorporate.com
Website:
www.redmountainmining.com.au

Auditor*

RSM Australia Partners
Level 32, Exchange Tower
2 The Esplanade
PERTH WA 6000

Solicitors

Steinepreis Paganin
Lawyers and Consultants
Level 4, The Read Buildings
16 Milligan Street
PERTH WA 6000

Share Registry*

Computershare Investor Services Pty
Limited
Level 11
172 St Georges Terrace
PERTH WA 6000

Telephone
1300 850 505 (Local)
+61 (0)3 9415 4000 (International)

Website: www.computershare.com/au

**This entity is included for information purposes only. It has not been involved in the preparation of this Prospectus and has not consented to being named in this Prospectus.*

2. TIMETABLE

Action	Date*
Announcement of Offer	23 September 2022
Record date for determining eligibility for New Unlisted Options	2 October 2022
Lodgement of the Prospectus with ASIC and ASX	3 November 2022
Opening Date	4 November 2022
Closing Date	24 November 2022
Expected date of Issuing New Unlisted Options	1 December 2022

** The Directors reserve the right to extend the Closing Date at any time after the Opening Date without notice.*

3. IMPORTANT NOTES

3.1 Introduction

This Prospectus is dated 3 November 2022 and was lodged with the ASIC on that date. The ASIC, the ASX and their officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

The New Unlisted Options offered pursuant to this Prospectus will be issued on the terms and conditions set out in this Prospectus. No New Unlisted Options may be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

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

The Offer is only available to those who are eligible to accept the Offer.

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

Applications for New Unlisted Options offered pursuant to this Prospectus can only be submitted on an original Application Form.

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

3.2 Target Market Determination

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

3.3 Risk factors

Potential investors should be aware that subscribing for New Unlisted Options in the Company involves a number of risks. The key risk factors of which investors should be aware are set out in Section 7. These risks together with other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of the New Unlisted Options in the future. Accordingly, an investment in the Company should be considered highly speculative. Investors should consider consulting their professional advisers before deciding whether to apply for New Unlisted Options pursuant to this Prospectus.

3.4 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 expected 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 our management.

We cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

We have no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this prospectus, except where required by law.

These forward looking statements are subject to various risk factors that could cause our actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 7 of this Prospectus.

4. DETAILS OF THE OFFER

4.1 Background

As announced on 2 September 2022, the Company had one class of Options (RMXOJ) on issue, being 129,211,936 listed Options exercisable at \$0.011 with an expiry date of 2 October 2022 (**Expired Options**).

The Expired Options expired on 2 October 2022 and as at the date of this Prospectus, have not been exercised.

Company Directors, Lincoln Ho and Troy Flannery are two of the holders of the Expired Options. Resolutions to enable them to participate in the Offer are outlined in the Company's Notice of Annual General Meeting announced to ASX on 5 October 2022. In the event those resolutions are passed, each of Messrs Ho and Flannery will be entitled to participate in the Offer up to their respective entitlements.

In the event that Shareholder approval is not obtained, then the number of New Unlisted Options issuable under the Offer will be reduced by 7,666,666 New Unlisted Options.

4.2 The Offer

This Prospectus invites registered holders of Expired Options at 2 October 2022 (**Expired OptionsHolders**) to participate in the offer of up to 64,605,968 New Unlisted Options at an issue price of \$0.0001 each, with each New Unlisted Option exercisable at \$0.011 each and expiring at 5.00pm (WST) on 2 December 2025.

Expired OptionsHolders are eligible to apply for one (1) New Unlisted Option for every two (2) Expired Option held by those holders.

The Company will issue the New Unlisted Options from its placement capacity pursuant to Listing Rule 7.1. The New Unlisted Options will be issued within three months of the Company obtaining that approval.

The Company does not intend to apply for quotation of the New Unlisted Options.

All of the New Unlisted Options offered under this Prospectus will be issued on the terms and conditions set out in Section 6.1.

All of the Shares issued upon the future exercise of the New Unlisted Options offered under this Prospectus will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 6.2 for further information regarding the rights and liabilities attaching to Shares.

4.3 Minimum Subscription

There is no minimum subscription under the Offer and there is no provision for oversubscriptions.

4.4 Opening and Closing Dates

The Offer will open on 4 November 2022 and close at 5.00pm (WST) on 24 November 2022 or such later date as the Directors, in their absolute discretion and subject to compliance with the ASX Listing Rules and the Corporations Act, may determine.

4.5 Application Forms

Applications for New Unlisted Options must be made by investors using the Application Form accompanying this Prospectus. By completing an Application Form, Applicants will be taken to have declared that all details and statements made by them are complete and accurate and that they have personally received the Application Form together with a complete and unaltered copy of the Prospectus.

Completed Application Forms must be mailed or delivered to the address set out on the Application Form, with sufficient time to be received by or on behalf of the Company by **no later than 5.00pm (WST) on the Closing Date**, which is currently scheduled to occur on 24 November 2022.

Applications under the Offer must be accompanied by payment in full at the issue price of \$0.0001 per New Unlisted Option in Australian currency by direct debit in accordance with the instructions set out in the Application Form.

The Offer is not an entitlement offer and accordingly there can be no guarantee that all New Unlisted Options which are applied for by Applicants are issued to those persons in respect of that application.

If you require assistance in completing an Application Form, please contact the Company Secretary on +61 8 6381 0054.

4.6 Payment by BPAY®

For payment by BPAY®, please follow the instructions on the Application Form. You can only make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions. Please note that should you choose to pay by BPAY®:

- (a) you do not need to submit the Application Form but are taken to have made the declarations on that Application Form; and
- (b) you will be deemed to have applied for that whole number of New Unlisted Options which is covered in full by your application monies.

It is your responsibility to ensure that your BPAY® payment is received by the share registry by no later than 4:00 pm (WST) on the Closing Date. You should be aware that your financial institution may implement earlier cut-off times with regards to electronic payment and you should therefore take this into consideration when making payment. Any application monies received for more than your final allocation of New Unlisted Options (only where the amount is \$1.00 or greater) will be refunded. No interest will be paid on any application monies received or refunded.

4.7 Payment by Electronic Funds Transfer (EFT)

For payment by Electronic Funds Transfer (EFT) for overseas Eligible Optionsholders, please follow the instructions on the Application Form. You can only make a payment via EFT if you are the holder of an account that supports EFT transactions to an Australian bank account. Please note that should you choose to pay by EFT:

- (a) you do not need to submit the Acceptance Form but are taken to have made the declarations on that Acceptance Form; and

- (b) if you do not pay for your entitlement in full, you are deemed to have taken up your entitlement in respect of such whole number of New Unlisted Options which is covered in full by your application monies.

4.8 Implications on acceptance

Returning a completed Application Form will be taken to constitute a representation by you that:

- (a) you have received a copy of this Prospectus and the accompanying Application Form, and read them both in their entirety;
- (b) you acknowledge that once the Application Form is returned the application may not be varied or withdrawn except as required by law.

4.9 Underwriting

The Offer is not underwritten.

4.10 ASX listing

The Company will not apply for Official Quotation of the New Unlisted Options offered pursuant to this Prospectus.

4.11 Shortfall Offer

There will be no shortfall offer.

Any New Unlisted Options which are not allocated to Applicants pursuant to the Offer by the Closing Date will not be issued by the Company.

4.12 Issue

New Unlisted Options issued pursuant to the Offer will be issued in accordance with the ASX Listing Rules and timetable set out at the commencement of this Prospectus.

Holding statements for the New Unlisted Options issued under the Offer will be mailed in accordance with the ASX Listing Rules and timetable set out at the commencement of this Prospectus.

4.13 Overseas shareholders

This Prospectus does not, and is not intended to, constitute an offer in any place or jurisdiction, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus.

It is not practicable for the Company to comply with the securities laws of overseas jurisdictions having regard to the number of overseas Shareholders, the number and value of securities these Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction. Accordingly, the Offer is not being extended and the New Unlisted Options will not be issued to Shareholders with a registered address which is outside Australia or New Zealand.

Applicants resident outside of Australia are responsible for ensuring that taking up the Offer does not breach regulations in the relevant overseas jurisdiction. Return of a duly completed Application Form will be taken by the Company to constitute a representation that there has been no breach of those regulations.

New Zealand

This offer to New Zealand investors is a regulated offer made under Australian and New Zealand law. In Australia, this is Chapter 8 of the Corporations Act 2001 (Cth) and regulations made under that Act. In New Zealand, this is subpart 6 of Part 9 of the Financial Markets Conduct Act 2013 and Part 9 of the Financial Markets Conduct Regulations 2014.

This Offer and the content of the offer document are principally governed by Australian rather than New Zealand law. In the main, the Corporations Act 2001 (Cth) and the regulations made under that Act set out how the offer must be made.

There are differences in how financial products are regulated under Australian law. For example, the disclosure of fees for managed investment schemes is different under the Australian regime.

The rights, remedies, and compensation arrangements available to New Zealand investors in Australian financial products may differ from the rights, remedies, and compensation arrangements for New Zealand financial products.

Both the Australian and New Zealand financial markets regulators have enforcement responsibilities in relation to this offer. If you need to make a complaint about this offer, please contact the Financial Markets Authority, New Zealand (<http://www.fma.govt.nz>). The Australian and New Zealand regulators will work together to settle your complaint.

The taxation treatment of Australian financial products is not the same as for New Zealand financial products.

If you are uncertain about whether this investment is appropriate for you, you should seek the advice of an appropriately qualified financial adviser.

The offer may involve a currency exchange risk. The currency for the financial products is not New Zealand dollars. The value of the financial products will go up or down according to changes in the exchange rate between that currency and New Zealand dollars. These changes may be significant.

If you expect the financial products to pay any amounts in a currency that is not New Zealand dollars, you may incur significant fees in having the funds credited to a bank account in New Zealand in New Zealand dollars.

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

Nominees and custodians

Nominees and custodians may not submit an Application Form on behalf of any Shareholder resident outside Australia and New Zealand without the prior consent of the Company, taking into account relevant securities law restrictions. Return of a duly completed Acceptance Form will be taken by the Company to constitute a representation that there has been no breach of those regulations.

4.14 Brokerage and Commissions

No brokerage or commission will be payable by Applicants pursuant to the Offer.

4.15 Enquiries

Any questions concerning the Offer should be directed to Mr Mauro Piccini, Company Secretary, on +61 8 6381 0054.

5. PURPOSE AND EFFECT OF THE OFFER

5.1 Purpose and Effect of the Offer

The primary purpose of the Offer is to reward Expired Optionsholders for their ongoing commitment and loyalty to the Company.

The principal effect of the Offer, assuming all New Unlisted Options offered under the Prospectus are issued, will be to:

- (a) increase the number of Options on issue by up to 64,605,968 Options; and
- (b) decrease cash reserves by \$17,539 after deducting the expenses of the Offer.

If all New Unlisted Options issued under the Offer are exercised in the future, the Company will receive an additional \$710,666.

All of the Shares issued upon the future exercise of the New Unlisted Options offered under this Prospectus will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 6.2 for further information regarding the rights and liabilities attaching to the Shares.

5.2 Financial Effect

The New Unlisted Options to be issued pursuant to this Prospectus will be issued for \$0.0001 each (i.e. the New Unlisted Options will be issued for nominal cash consideration). Accordingly, the issue of the New Unlisted Options pursuant to this Prospectus will raise \$6,461 less expenses of the Offer. The expenses of the Offer (exceeding any amount raised under the Offer) will be met from the Company's existing cash reserves. Accordingly, the Offer will have an effect on the Company's financial position, being the decrease in the Company's existing cash reserves.

All proceeds raised under the Offer will be applied to the expenses of the Offer as set out in Section 8.7.

5.3 Effect on capital structure

The principal effect of the Offer on the capital structure of the Company, assuming all New Unlisted Options offered under the Prospectus are issued, is set out below.

Shares

	Number
Shares on issue as at the date of this Prospectus ¹	1,642,363,858
Shares issued under the Offer	Nil
Total Shares on completion of the Offer	1,642,363,858

Notes:

- 1. The rights and liabilities attaching to the Shares are summarised in Section 6.2.
- 2. Assumes no existing Options on issue are exercised.

Options

	Number
Options currently on issue	
Unquoted Options exercisable at \$0.015 each expiring on or before 4 February 2025	60,000,000
Unquoted Options exercisable at \$0.02 each expiring on or before 28 June 2023	35,000,000
Unquoted Options exercisable at \$0.009 each expiring on or before 11 February 2023	555,000
Total Options currently on issue	95,555,000
Options to be issued pursuant to the Offer	
New Unlisted Options issued under the Offer	64,605,968
Total Options on issue after completion of the Offer¹	160,160,968

Notes:

1. The rights and liabilities attaching to the Shares are summarised in Section 6.2.
2. This assumes the Offer is fully subscribed and no existing Options on issue are exercised.

The capital structure on a fully diluted basis as at the date of this Prospectus would be 1,737,918,858 Shares and on completion of the Offer would be 1,802,524,826 Shares.

5.4 Details of substantial holders

Based on publicly available information as at the date of this Prospectus, there are no persons which (together with their associates) have a relevant interest in 5% or more of the Shares on issue.

6. RIGHTS AND LIABILITIES ATTACHING TO SECURITIES

6.1 New Unlisted Options

The following are the terms and conditions of the New Unlisted Options:

(a) **Entitlement**

Each New Unlisted Option entitles the holder to subscribe for one Share upon exercise of the New Unlisted Option.

(b) **Exercise Price**

Subject to paragraph (j), the amount payable upon exercise of each New Unlisted Option will be \$0.011 (**Exercise Price**).

(c) **Expiry Date**

Each New Unlisted Option will expire at 5.00pm (WST) on 2 December 2025 (**Expiry Date**). A New Unlisted Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The New Unlisted Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The New Unlisted Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the New Unlisted Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each New Unlisted Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each New Unlisted Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Within 15 Business Days after the Exercise Date, the Company will:

- (i) allot and issue the number of Shares required under these terms and conditions in respect of the number of New Unlisted Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to

ensure that an offer for sale of the Shares does not require disclosure to investors; and

- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the New Unlisted Options.

If a notice delivered under (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

Shares issued on exercise of the New Unlisted Options will rank equally with the then issued shares of the Company.

(i) **Quotation of Shares issued on exercise**

If admitted to the official list of ASX at the time, application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the New Unlisted Options.

(j) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(k) **Participation in new issues**

There are no participation rights or entitlements inherent in the New Unlisted Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the New Unlisted Options without exercising the New Unlisted Options.

(l) **Change in exercise price**

A New Unlisted Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the New Unlisted Option can be exercised.

(m) **Transferability**

The New Unlisted Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

6.2 Shares

The following is a summary of the more significant rights and liabilities attaching to Shares being the underlying securities of the New Unlisted Options to be issued pursuant to this Prospectus. This summary is not exhaustive and does not constitute

a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

Full details of the rights and liabilities attaching to Shares are set out in the Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

(a) **General meetings**

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the Constitution of the Company.

(b) **Voting rights**

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at general meetings of shareholders or classes of shareholders:

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

(c) **Dividend rights**

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

The Directors may from time to time pay to the Shareholders any interim dividends as they may determine. No dividend shall carry interest as against the Company.

Subject to the ASX Listing Rules and the Corporations Act, the Company may, by resolution of the Directors, implement a dividend reinvestment plan on such terms and conditions as the Directors think fit and which provides for any dividend which the Directors may declare from time to time payable on Shares which are participating Shares in the dividend reinvestment plan, less any amount which the Company shall either

pursuant to the Constitution or any law be entitled or obliged to retain, be applied by the Company to the payment of the subscription price of Shares.

(d) **Winding-up**

If the Company is wound up, the liquidator may, with the sanction of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

The liquidator may, with the sanction of a special resolution, vest the whole or any part of any such property in trustees on such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any Shares or other securities in respect of which there is any liability.

(e) **Shareholder liability**

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

(f) **Transfer of shares**

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

(g) **Future increase in capital**

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

(h) **Variation of rights**

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

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

(i) **Alteration of constitution**

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

7. RISK FACTORS

7.1 Introduction

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

There are specific risks which relate directly to the Company's business. In addition, there are other general risks, many of which are largely beyond the control of the Company and the Directors. The risks identified in this section, or other risk factors, may have a material impact on the financial performance of the Company and the market price of the Shares.

The following is not intended to be an exhaustive list of the risk factors to which the Company is exposed.

7.2 Company specific

(a) Exploration risk

Mineral exploration by its nature is a high risk activity and there can be no guarantee of exploration success on the Company's projects. There can be no assurance that exploration of the tenements, or any other tenements that may be acquired in the future, will result in the discovery of an economic deposit. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited.

Further, exploration involves certain operating hazards, such as failure and or breakdown of equipment, adverse geological, seismic and geotechnical conditions, industrial accidents, labour disputes, adverse weather conditions, pollution and other environmental hazards and risks.

(b) Budget risk

The exploration costs of the Company are based on certain assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions are subject to uncertainties and, accordingly, the actual costs may materially differ from these estimates and assumptions.

(c) Additional requirements for capital

The future capital requirements of the Company will depend on many factors including the results of future exploration and business development activities. The Company believes its available cash and resources should be adequate to fund its obligations in respect of its exploration work program, business development activities and other objectives for the next 12 months. Should the Company's exploration program be successful or the Company identify additional projects it may wish to pursue, additional funds will be required to advance the Company's projects.

Additional funding may be raised by the Company via the issues of equity, debt or a combination of debt and equity or asset sales. Any

additional equity financing will dilute Shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities.

If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and scale back its programs or enter into joint venture arrangements to reduce expenditure and this could have a material adverse effect on the Company's activities. Unfavourable market conditions may adversely affect the Company's ability to raise additional funding regardless of the Company's operating performance.

(d) New projects and acquisitions and joint ventures

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

If an acquisition is completed, the Directors will need to reassess, at that time, the funding allocated to current projects and new projects, which may result in the Company reallocating funds from other projects and/or the raising of additional capital (if available).

Furthermore, any new project or business acquisition may change the risk profile of the Company, particularly if the new project is located in another jurisdiction, involves a new commodity and/or changes the Company's capital/funding requirements.

Should the Company propose or complete the acquisition of a new project or business activity, investors should re-assess their investment in the Company in light of the new project/business activity.

(e) Resources estimates

Resource estimates are expressions of judgement based on knowledge, experience and industry practice. Estimates that were valid when originally made may alter significantly when new information or techniques become available.

In addition, by their very nature, resource estimates are imprecise and depend on interpretations which may prove to be inaccurate, and whilst the Company will employ industry-standard techniques including compliance with the JORC Code to reduce the resource estimation risk, there is no assurance that this approach will alter the risk. As further information becomes available through additional fieldwork and analysis, resource estimates may change. This may result in alterations to mining and development plans which may in turn adversely affect the Company.

(f) Risk of not obtaining required permits

The future operations of the Company, including in respect of the Mt Mansbridge HREE & Ni-Cu-Co-PGE, Mt. Mansbridge and Koonenberry Gold Projects, may require permits from various governmental authorities and will be governed by laws and regulations governing prospecting, development, mining, production, export, taxes, labour standards, occupational health, waste disposal, land use, environmental

protections, mine safety and other matters. There is no assurance that the Company will be able to obtain all necessary permits and approvals that may be required to undertake exploration activity or commence construction or operation of metals extraction facilities on its projects or any other projects the Company may acquire in the future. To the extent such approvals are required and not obtained, the Company may be curtailed or prohibited from commencing or continuing with mining operations, or proceeding with any future exploration or development of its projects or other projects the Company may acquire in the future.

(g) **Joint venture risk**

The Company is currently and may in the future become a party to joint venture agreements governing the exploration and development of its projects. There is a risk that one of the Company's joint venture partners may default in their joint venture obligations or not act in the best interests of the joint venture. This may have an adverse effect on the interests and prospects of the Company.

There can be no certainty that the parties will be able to settle the formal documentation in respect thereof. Failure to settle the terms of the formal documentation may result in termination of the joint venture and/or a potential dispute resolution process.

(h) **Commodity price volatility**

If the Company achieves success leading to mineral production, the revenue it will derive through the sale of commodities exposes the potential income of the Company to price and exchange rate risks. Commodity prices fluctuate and are affected by many factors beyond the control of the Company including the international supply and demand for commodities, the quality of the minerals produced, actions taken by governments, forward selling activities and other macroeconomic factors.

(i) **Environmental risk**

The Company's projects are subject to rules and regulations regarding environmental matters and the discharge of hazardous wastes and materials. As with all mineral projects, the Company's projects are expected to have a variety of environmental impacts should development proceed. Development of any of the Company's projects will be dependent on the Company satisfying environmental guidelines and, where required, being approved by government authorities.

The Company intends to conduct its activities in an environmentally responsible manner and in accordance with all applicable laws, but may still be subject to accidents or other unforeseen events which may compromise its environmental performance and which may have adverse financial implications.

7.3 Legal and Tax Risks

(a) **Litigation**

The Company is subject to litigation risks. All industries, including the mining industry, are subject to legal claims, with and without merit. Defence and settlement costs of legal claims can be substantial, even

with respect to claims that have no merit. Due to the inherent uncertainty of the litigation process, the resolution of any particular legal proceeding to which the Company is or may become subject to, could have a material effect on the Company's operations, financial position, and the value of the Company's securities.

(b) **Environmental Regulation**

The Company's operations are subject to national and international laws and regulations due to those operations involving environmentally hazardous activities. These laws and regulations set various standards regulating certain aspects of health and environmental quality and provide for penalties and other liabilities for the violation of such standards and establish, in certain circumstances, obligations to remediate current and former facilities and locations where operations are or were conducted.

Significant liability could be imposed on the Company for environmental damage caused by the Company or previous owners of the projects' tenements, including damages, clean-up costs and penalties for non-compliance with environmental laws or regulations. The Company proposes to minimise these risks by conducting its activities in an environmentally responsible manner, in accordance with applicable laws and regulations and where possible, by carrying appropriate insurance coverage. No assurance can however be given that environmental damage will not occur from time to time through the Company's operations.

(c) **Taxation risks**

The Company is subject to Australian tax legislation, practice and interpretation. Any change in the Company's tax status or the tax applicable to the Company's securities through taxation legislation or its interpretation, could affect the value of the investments held by the Company, its ability to provide returns to Shareholders, or alter the post-tax returns to Shareholders.

Information relating to the taxation of the Company and its investors is based upon current tax law and practice which is subject to legislative change. Furthermore, the taxation of an investment in the Company depends on the individual circumstances of investors. Changes in the tax laws of Australia could have a material adverse effect on the Company.

There can be no assurance that the Company will be able to make returns for Shareholders in a tax-efficient manner.

The Company has made certain assumptions regarding taxation in establishing its corporate structure, the ongoing management of its taxation affairs and compliance with taxation legislation within the jurisdictions in which the Company operates. If these assumptions are not correct, taxes may be imposed with respect to the Company's assets, or the Company may be subject to tax on its income, profits, gains or distributions (including on a liquidation and dissolution or otherwise) in a particular jurisdiction or jurisdictions in excess of taxes that were anticipated.

This could alter the level of returns and/or adversely affect the quantum of post-tax returns for Shareholders (or Shareholders in certain

jurisdictions). Any change in laws or tax authority practices could also adversely affect any post-tax returns of capital to Shareholders or payments of dividends. In addition, the Company may incur costs in taking steps to mitigate any such adverse effects on the returns for Shareholders.

(d) **Insurance**

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

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

7.4 Industry specific

(a) **Commodity Price Volatility**

Should the Company enter production, substantially all of the Company's revenues and cash flows will be derived from the sale of heavy rare earth elements and copper and gold concentrates. Therefore, the financial performance of the Company would be exposed to fluctuations in the price of these commodities. Historically, the price of these commodities has fluctuated widely and has experienced periods of significant decline. The price of these commodities is affected by numerous factors and events that are beyond the control of the Company. These factors and events include general economic activity, world demand, forward selling activity as well as general global economic conditions and political trends.

(b) **Mining Risks**

Mining is subject to inherent risks and is dependent upon a number of conditions beyond the control of the Company that can affect the costs and production schedules at particular mines. These risks and conditions include, but are not limited to:

- (i) variations in geological conditions, such as the grade and thickness of the mineralisation and variations in rock and other natural materials overlying the mineral deposit;
- (ii) mining, process and equipment or mechanical failures and unexpected maintenance problems;
- (iii) adverse weather and natural disasters, such as heavy rains, flooding and other natural events affecting the operations, transportation or customers;
- (iv) environmental hazards, such as subsidence and excess water ingress;
- (v) delays and difficulties in acquiring, maintaining or renewing necessary permits or mining rights;

- (vi) availability of adequate skilled employees and other labor relations matters;
- (vii) unexpected mine accidents, including rock-falls and explosions caused by natural gas or other explosive sources at our mine sites or fires caused by similar mining accidents; and
- (viii) competition and/or conflicts with other natural resource extraction activities and production within our operating areas.

These risks and conditions could result in damage to or the destruction of the Company mineral properties or production facilities, personal injury or death, environmental damage, delays in mining, monetary losses and legal liability. The Company's insurance coverage may not be available or sufficient to fully cover claims that may arise from these risks and conditions.

7.5 General risks

(a) **Market conditions and other economic risks**

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

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

(b) **Changes in government policies and legislation**

Any material adverse changes in government policies or legislation of Australia or any other country that the Company may acquire economic interests in may affect the viability and profitability of the Company.

(c) **Unforeseen expenditure risk**

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

(d) **Insurance**

The Company will, where possible and economically practicable, endeavour to mitigate some project and business risks by procuring relevant insurance cover. However, such insurance cover may not always be available or economically justifiable and the policy provisions and exclusions may render a particular claim by the Company outside the scope of the insurance cover.

(e) **Speculative investment**

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

Therefore, the underlying Shares carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Shares.

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

(f) **Economic conditions and other global or national issues**

General economic conditions, laws relating to taxation, new legislation, trade barriers, movements in interest and inflation rates, currency exchange controls and rates, national and international political circumstances (including outbreaks in international hostilities, wars, terrorist acts, sabotage, subversive activities, security operations, labour unrest, civil disorder, and states of emergency), natural disasters (including fires, earthquakes and floods), and quarantine restrictions, epidemics and pandemics, may have an adverse effect on the Company's operations and financial performance, including the Company's exploration, development and production activities, as well as on its ability to fund those activities.

General economic conditions may also affect the value of the Company and its market valuation regardless of its actual performance.

Specifically, it should be noted that the current evolving conflict between Ukraine and Russia is impacting global macroeconomics and markets generally. The nature and extent of the effect of this conflict on the performance of the Company and the value of Company's Shares remains unknown. The Company's Share price may be adversely affected in the short to medium term by the economic uncertainty caused by the conflict between Ukraine and Russia and overall impacts on global macroeconomics. Given the situation is continually evolving, the outcomes and consequences are inevitably uncertain.

(g) **COVID-19**

Coronavirus disease (SARS-CoV-2 (severe acute respiratory syndrome coronavirus 2), coronavirus disease 2019 or COVID 19, including any future resurgence or evolutions or mutations thereof or any related or associated epidemic, pandemic or disease outbreak) (COVID-19) is continuing to impact global economic markets. The nature and extent of the effect of COVID-19 on the performance of the Company remains unknown. The market price of Shares may be adversely affected in the short to medium term by the economic uncertainty caused by COVID-19. Further, any governmental or industry measures

taken in response to COVID-19 may adversely impact the Company's operations and are likely to be beyond the control of the Company.

In addition, the effects of COVID-19 on the market price of the Shares and global financial markets generally may also affect the Company's ability to raise equity or debt if and when required or require the Company to issue capital at a discount, which may result in dilution for some or all Shareholders.

8. ADDITIONAL INFORMATION

8.1 Litigation

As at the date of this Prospectus, the Company is not involved in any legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against the Company.

8.2 Interest of Directors

Other than as set out below and elsewhere in this Prospectus, no Director or proposed director holds, or has held within the two years preceding lodgement of this Prospectus with the 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:
 - (i) its formation or promotion; or
 - (ii) the Offer; or
- (c) the Offer,

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

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

Interest in Securities as at the date of this Prospectus

The relevant interest of each of the Directors in the securities of the Company as at the date of this Prospectus is set out in the table below.

Director	Shares	Options
Troy Flannery ¹	Nil	15,000,000 ²
Lincoln Ho	5,000,000 ³	12,000,000 ⁴
Robert Parton	Nil	3,000,000 ⁵

Notes:

- 1. Indirect holdings through Jack Rory Pty Ltd.
- 2. 15,000,000 unquoted Options (exercisable at \$0.015, expiring 4 February 2025).
- 3. Comprising:
 - (a) 4,000,000 Ordinary Shares held indirectly by Saltus Corporate Pty Ltd as trustee for the LLPMH Investment Trust; and
 - (b) 1,000,000 Fully Paid Ordinary Shares held directly.

4. Comprising 12,000,000 unquoted options (exercisable at \$0.015, expiring 4 February 2025) held directly.
5. 3,000,000 unquoted options (exercisable at \$0.015, expiring 4 February 2025) held indirectly by TPG Australasia Pty Ltd.

Interest in Securities following Annual General Meeting (assuming shareholder approval is obtained)

The relevant interest of each of the Directors in the securities of the Company following the Company's upcoming annual general meeting to be held on 10 November 2022 (**Annual General Meeting**), assuming shareholder approval is obtained for the issue of New Unlisted Options to the directors, is set out in the table below.

Director	Shares	Options
Troy Flannery	Nil	17,500,000 ¹
Lincoln Ho	5,000,000 ³	17,166,666 ²
Robert Parton	Nil	3,000,000 ⁵

Notes:

1. Mr Flannery has advised the Company of his intention to subscribe for 2,500,000 New Unlisted Options under the Offer, for which shareholder approval will be sought at the General Meeting. Refer to Resolution 5 of the Company's Notice of Annual General Meeting, announced on the Company's ASX platform on 5 October 2022 (**Notice of Meeting**).
2. Mr Ho has advised the Company of his intention to subscribe for 5,166,666 New Unlisted Options under the Offer, for which shareholder approval will be sought at the General Meeting. Refer to Resolution 6 of the Notice of Meeting.

Remuneration

Details of the Directors' remuneration for the previous completed and the current financial year (on an annualised basis) are set out in the table below.

Director	Remuneration for year ended 30 June 2021 (Actual)	Remuneration for year ended 30 June 2022 (Actual)	Remuneration for the current financial year (Proposed)
Troy Flannery ¹	Nil	\$156,553 ²	\$96,000
Lincoln Ho	\$139,790 ³	\$122,490 ⁴	\$60,000
Robert Parton	\$29,000 ⁵	\$36,810 ⁶	\$24,000

Notes:

1. Appointed 15 November 2021.
2. Comprising Directors' fees of \$92,503 and share-based payments of \$64,050.
3. Comprising Directors' salary and fees of \$60,000, a superannuation payment of \$5,700 and share-based payments of \$74,090.
4. Comprising Directors' salary and fees of \$65,250, a superannuation payment of \$6,000 and share-based payments of \$51,240.
5. Comprising Directors' salary and fees of \$24,000 and \$5,000 share-based payments.
6. Comprising Directors' salary and fees of \$24,000 and share-based payments of \$12,810.

8.3 Continuous disclosure obligations

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

This Prospectus is a “transaction specific prospectus”. In general terms a “transaction specific prospectus” is only required to contain information in relation to the effect of the issue of securities on a company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

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

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the three months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

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

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

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

- (iii) any continuous disclosure documents given by the Company to ASX in accordance with the ASX Listing Rules as referred to in section 674(1) of the Corporations Act after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC.

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

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

Date	Description of Announcement
31 October 2022	Red Mountain Secures Footprint in Bynoe Lithium Province NT
25 October 2022	Additional Heavy Rare Earth Intercepts At Mt Mansbridge
24 October 2022	Quarterly Activities/Appendix 5B Cash Flow Report
5 October 2022	Letter to Shareholders
5 October 2022	Notice of Annual General Meeting/Proxy Form
3 October 2022	Quoted Options Expire
30 September 2022	Appendix 4G & Corporate Governance Statement

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

The announcements are also available through the Company's website www.redmountainmining.com.au.

8.4 Market price of shares

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX.

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

	Share Price	Date
Highest	\$0.008	22 August 2022
Lowest	\$0.004	28 October 2022
Last	\$0.005	3 November 2022

8.5 Interests of experts and advisers

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

- (a) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;
- (b) promoter of the Company; or
- (c) underwriter (but not a sub-underwriter) to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue,

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

- (d) the formation or promotion of the Company;
- (e) any property acquired or proposed to be acquired by the Company in connection with:
 - (i) its formation or promotion; or
 - (ii) the Offer; or
- (f) the Offer,

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

- (g) the formation or promotion of the Company; or
- (h) the Offer.

Steinepreis Paganin has acted as the solicitors to the Company in relation to the Offer. The Company estimates it will pay Steinepreis Paganin \$15,000 (excluding GST and disbursements) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Steinepreis Paganin has been paid fees totalling \$58,689 (excluding GST and disbursements) for legal services provided to the Company.

8.6 Consents

Each of the parties referred to in this Section:

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

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

8.7 Expenses of the Offer

The total expenses of the Offer are estimated to be approximately \$24,000 (excluding GST) and are expected to be applied towards the items set out in the table below.

	\$
ASIC fees	3,206
Legal fees	20,000
Printing and distribution	794
Total	24,000

8.8 Electronic prospectus

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Application Form. If you have not, please contact the Company and the Company will send you, for free, either a hard copy or a further electronic copy of this Prospectus or both. Alternatively, you may obtain a copy of this Prospectus from the website of the Company at www.redmountainmining.com.au.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

8.9 Financial forecasts

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

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

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

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

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

8.11 Privacy Act

If you complete an Application Form for the New Unlisted Options, you will be providing personal information to the Company (directly or by the Company's share registry). The Company collects, holds and will use that information to assess your application, service your needs as a holder of equity securities in the Company, facilitate distribution payments and corporate communications to you as a Shareholder and carry out administration.

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

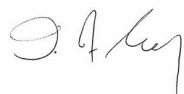
You can access, correct and update the personal information that we hold about you. Please contact the Company or its share registry if you wish to do so at the relevant contact numbers set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act 1988* (Cth) (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required on the application for the New Unlisted Options, the Company may not be able to accept or process your application.

9. DIRECTORS' AUTHORISATION

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with the ASIC.



Troy Flannery
Non-Executive Chairman
For and on behalf of
Red Mountain Mining Ltd

10. GLOSSARY

\$ means the lawful currency of the Commonwealth of Australia.

Applicant means, in relation to the Offer, a person who submits an Application Form.

Application Form means the Application Form either attached to or accompanying this Prospectus under which Applicants must apply for the Offer made under this Prospectus.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by it as the context requires.

ASX Listing Rules means the listing rules of the ASX.

ASX Settlement Operating Rules means the settlement rules of the securities clearing house which operates CHESS.

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

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day and any other day that ASX declares is not a business day.

Closing Date means the date specified in the timetable set out at Section 2 (unless extended).

Company means Red Mountain Mining Ltd (ACN 119 568 106).

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

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the directors of the Company as at the date of this Prospectus.

Eligible Optionsholders means an Expired Optionsholder whose details appear on the Register as at the Record Date with a registered address in Australia and New Zealand who are eligible under all applicable securities laws to receive an offer under the Offer.

Expired Option has the meaning given to it in Section 4.1.

Expired Optionsholder means the registered holder of an Expired Option as at 2 October 2022.

New Unlisted Option means an Option issued under this Prospectus on the terms and conditions set out in Section 6.1.

Offer means the offer made under this Prospectus of up to 64,605,968 New Unlisted Options.

Official Quotation means official quotation on ASX.

Opening Date means the date specified in the timetable set out at the commencement of this Prospectus.

Option means an option to subscribe for a Share.

Optionholder means the holder of an Option.

Prospectus means this prospectus.

Record Date means the date specified in the timetable set out at Section 2.

Register means the register of Shareholders and Optionholders.

Section means a section of this Prospectus.

Securities means Shares or Options as the context requires.

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

Shareholder means a holder of a Share.

WST means Western Standard Time as observed in Perth, Western Australia.