

ALMA METALS LIMITED
ARBN 123 316 781

PROSPECTUS

For the Offer of 87,264,265 Placement Options to Placement Investors

Only Placement Investors who subscribed for and were issued Shares on 21 September 2022 and 10 November 2022 should apply for Placement Options under this Prospectus.

The purpose of the Offer is to issue the Placement Options to the Placement Investors with prospectus disclosure so as to remove any secondary sales restrictions on the sale of the Placement Options including upon Shares issued in the event of the exercise of the Placement Options.

This Prospectus is a transaction-specific prospectus issued in accordance with section 713 of the Corporations Act. This Prospectus contains important information about the Offer. The securities offered under this Prospectus should be considered highly speculative.

IMPORTANT NOTICE

This Prospectus is dated 18 November 2022 and was lodged with ASIC on that date. Neither ASIC, ASX nor any of their respective officers take any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No securities will be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus. The Placement Options are not intended to be quoted.

This is a Prospectus for an offer of options to acquire continuously quoted securities (as defined in the Corporations Act) of the Company and has been prepared in accordance with s713 of the Corporations Act. Accordingly, this Prospectus does not contain the same level of disclosure as an initial public offering prospectus.

The Company is listed on ASX and our Shares are granted official quotation by ASX. In preparing this Prospectus, we have had regard to the fact that we are 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 who investors may consult. Before applying for securities, you should consider whether they are a suitable investment for you in light of your own investment objectives and financial circumstances and having regard to the merits and risks involved.

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

Restrictions on the distribution of this Prospectus

This Prospectus does not constitute an offer in any place in which, or to any person to whom, it would be not be lawful to do so. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and any person into whose possession this Prospectus comes should seek advice on, and observe, those restrictions.

Defined terms

Terms used in this Prospectus are defined in the Glossary. All financial amounts shown in this Prospectus are expressed in Australian dollars (\$) unless otherwise stated.

CORPORATE DIRECTORY

DIRECTORS

Mr Alasdair Cooke (Executive Chairman)
Dr Charles (Frazer) Tabcart (Managing Director)
Mr Valentine Chitalu (Non-Executive Director)
Mr Vincent Masterton-Hume (Non-Executive Director)
Mr John Dean (Non-Executive Director)

COMPANY SECRETARY

Mr Daniel Davis

SOLICITORS

Fairweather Corporate Lawyers
Suite 2, 589 Stirling Highway
Cottesloe, Western Australia, 6011

SHARE REGISTRY *

Link Market Services Limited
Level 4, Central Park,
152 St George's Terrace
Perth, Western Australia, 6000

BUSINESS OFFICE IN AUSTRALIA

Suite 1, 245 Churchill Avenue
Subiaco, Western Australia, 6008

Tel: +61 8 6465 5500

www.almametals.com.au

* The name of the Share Registry is included for information purposes only. It has not been involved in the preparation of any part of this Prospectus and has not consented to being named in the Prospectus.

TABLE OF CONTENTS

| | | |
|----|---|----|
| 1. | INVESTMENT OVERVIEW | 5 |
| 2. | PURPOSE AND EFFECT OF THE OFFER | 8 |
| 3. | RISK FACTORS | 10 |
| 4. | DETAILS OF THE OFFER..... | 15 |
| 5. | RIGHTS ATTACHING TO SECURITIES..... | 17 |
| 6. | ADDITIONAL INFORMATION | 22 |
| 7. | DIRECTORS' AUTHORISATION AND CONSENT..... | 27 |
| 8. | GLOSSARY | 28 |

1. INVESTMENT OVERVIEW

| Question | Response | Where to find more information |
|--|---|--------------------------------|
| What is the Offer? | The Company is offering to issue for nil issue price 87,264,265 Placement Options to Placement Investors. | Sections 2.1 and 4.1 |
| Who are the Placement Investors? | The Placement Investors are sophisticated, professional and other investors who are exempt from the disclosure requirements under Chapter 6D of the Corporations Act. The Placement Investors together subscribed for 174,528,530 Shares at 1 cent per Share to raise \$1,745,285 (see ASX announcement of 13 September 2022). These Shares were issued in 2 tranches on 21 September 2022 and 10 November 2022. As part of the placement of these Shares, the Company agreed to issue the Placement Options on the basis of 1 free Placement Option for every 2 Shares subscribed for. | Section 2.1 |
| What is the purpose of the Offer? | <p>The purpose of the Offer is to issue the Placement Options to the Placement Investors with prospectus disclosure so as to remove any secondary sales restrictions on the sale of the Placement Options including upon Shares issued in the event of the exercise of the Placement Options.</p> <p>The Corporations Act restricts the trading of securities that are issued without a prospectus or otherwise where section 708A of the Corporations Act is not complied with. The Company cannot currently utilise a section 708A provision to ensure there are no restrictions on the trading of the Placement Options.</p> | Section 2.1 |
| Who should apply? | Only Placement Investors should apply for Placement Options under this Prospectus. | Sections 2.1 and 4.1 |
| What are the terms of the Placement Options to be issued under this Offer? | The Placement Options have an exercise price of 4 cents and an expiry date of 19 September 2024. The full terms of the Options are set out in Section 5.1. | Section 5.1 |
| What is the effect of the Offer? | <p>The effect of the Offer is to remove the secondary trading sale restrictions on the Placement Options to be issued under this Prospectus.</p> <p>The Offer will further increase the number of securities on issue by 87,264,265 Placement Options.</p> | Section 2.2 |
| Will application be made for quotation of the Placement Options? | Application will not be made for quotation of the Placement Shares. | Section 4.5 |

| Question | Response | Where to find more information | | | | |
|--|--|---------------------------------------|--|-----------------------------|---|--|
| What are the risks associated with an investment in the Company? | <p>The Company is a resource exploration company with Australian copper and copper-gold Projects. Some of the key risks associated with an investment in the Company are set out below. The Applicants for the securities should consider these risks and the risks set out in Section 3 when considering whether to apply for the securities being offered. Some of the key specific risks are:</p> | Section 3 | | | | |
| | <table border="0"> <tr> <td data-bbox="446 560 670 784">Risk Area</td> <td data-bbox="670 560 1292 784">Risks</td> </tr> <tr> <td data-bbox="446 627 670 784">Exploration and development</td> <td data-bbox="670 627 1292 784"> <p>Mineral exploration and development is a speculative and high-risk undertaking that may be impeded by circumstances and factors beyond the control of the Company.</p> <p>There can be no assurance that exploration on the Projects will result in the discovery of an economic mineral resource. Even if an apparently viable mineral resource is identified, there is no guarantee that it can be economically exploited.</p> </td> </tr> </table> | Risk Area | Risks | Exploration and development | <p>Mineral exploration and development is a speculative and high-risk undertaking that may be impeded by circumstances and factors beyond the control of the Company.</p> <p>There can be no assurance that exploration on the Projects will result in the discovery of an economic mineral resource. Even if an apparently viable mineral resource is identified, there is no guarantee that it can be economically exploited.</p> | |
| Risk Area | Risks | | | | | |
| Exploration and development | <p>Mineral exploration and development is a speculative and high-risk undertaking that may be impeded by circumstances and factors beyond the control of the Company.</p> <p>There can be no assurance that exploration on the Projects will result in the discovery of an economic mineral resource. Even if an apparently viable mineral resource is identified, there is no guarantee that it can be economically exploited.</p> | | | | | |
| | <table border="0"> <tr> <td data-bbox="446 784 670 1008">Future funding</td> <td data-bbox="670 784 1292 1008"> <p>No assurance can be given that future investor funds as required will be made available on acceptable terms (if at all). If the Company is unable to obtain additional financing (whether equity or debt) as is needed, it may be required to reduce the scope of its operations and scale back its programs.</p> </td> </tr> </table> | Future funding | <p>No assurance can be given that future investor funds as required will be made available on acceptable terms (if at all). If the Company is unable to obtain additional financing (whether equity or debt) as is needed, it may be required to reduce the scope of its operations and scale back its programs.</p> | | | |
| Future funding | <p>No assurance can be given that future investor funds as required will be made available on acceptable terms (if at all). If the Company is unable to obtain additional financing (whether equity or debt) as is needed, it may be required to reduce the scope of its operations and scale back its programs.</p> | | | | | |
| | <table border="0"> <tr> <td data-bbox="446 1008 670 1232">Copper and Commodity Price volatility</td> <td data-bbox="670 1008 1292 1232"> <p>The Company Projects are prospective for copper and copper-gold. Copper and gold and other commodity prices can fluctuate significantly and the gold price is exposed to numerous factors beyond the control of the Company. A significant decrease in the copper and/or gold price is likely to adversely affect sentiment and market support towards a copper and copper-gold exploration company. If the Company achieves mining production, the Company's financial performance will be dependent in part on the copper and or gold prices.</p> </td> </tr> </table> | Copper and Commodity Price volatility | <p>The Company Projects are prospective for copper and copper-gold. Copper and gold and other commodity prices can fluctuate significantly and the gold price is exposed to numerous factors beyond the control of the Company. A significant decrease in the copper and/or gold price is likely to adversely affect sentiment and market support towards a copper and copper-gold exploration company. If the Company achieves mining production, the Company's financial performance will be dependent in part on the copper and or gold prices.</p> | | | |
| Copper and Commodity Price volatility | <p>The Company Projects are prospective for copper and copper-gold. Copper and gold and other commodity prices can fluctuate significantly and the gold price is exposed to numerous factors beyond the control of the Company. A significant decrease in the copper and/or gold price is likely to adversely affect sentiment and market support towards a copper and copper-gold exploration company. If the Company achieves mining production, the Company's financial performance will be dependent in part on the copper and or gold prices.</p> | | | | | |
| | <table border="0"> <tr> <td data-bbox="446 1232 670 1456">Dependence on key personnel</td> <td data-bbox="670 1232 1292 1456"> <p>The Company's success depends in part on the core competencies of the Directors and management and the ability of the Company to retain these key executives. Loss of key personnel (such as the Managing Director) may have an adverse impact on the Company's performance.</p> </td> </tr> </table> | Dependence on key personnel | <p>The Company's success depends in part on the core competencies of the Directors and management and the ability of the Company to retain these key executives. Loss of key personnel (such as the Managing Director) may have an adverse impact on the Company's performance.</p> | | | |
| Dependence on key personnel | <p>The Company's success depends in part on the core competencies of the Directors and management and the ability of the Company to retain these key executives. Loss of key personnel (such as the Managing Director) may have an adverse impact on the Company's performance.</p> | | | | | |

| Question | Response | Where to find more information |
|--------------------------------------|--|--------------------------------|
| What are the key dates of the Offer? | Prospectus lodged with ASIC. | 18 November 2022 |
| | Opening Date | 21 November 2022 |
| | Closing Date | 25 November 2022 |
| | Despatch of holding statements | 28 November 2022 |
| | Please note that these dates are subject to change. The Company reserves the right, subject to the Corporations Act and the Listing Rules to amend the timetable at any time, and in particular, to extend the Closing Date. | |

2. PURPOSE AND EFFECT OF THE OFFER

2.1 Purpose of Offer

By this Prospectus the Company offers 87,264,265 Placement Options to Placement Investors.

The Placement Investors are sophisticated, professional and other investors who are exempt from the disclosure requirements under Chapter 6D of the Corporations Act. The Placement Investors together subscribed for 174,528,530 Shares at 1 cent per Share to raise \$1,745,285 (see ASX announcement of 13 September 2022). These Shares were issued in 2 tranches on 21 September 2022 and 10 November 2022. As part of the placement of these Shares, the Company agreed to issue the Placement Options on the basis of 1 free Placement Option for every 2 Shares subscribed for.

The Placement Options are offered for nil issue price and therefore no funds will be raised by this Prospectus.

The purpose of the Offer is to issue the Placement Options to the Placement Investors with prospectus disclosure so as to remove any secondary sales restrictions on the sale of the Placement Options including upon Shares issued in the event of the exercise of the Placement Options. The Placement Investors include 3 Directors, Alasdair Cooke, Frazer Tabcart and Valentine Chitalu. These related parties participated on the same terms as unrelated parties.

The Corporations Act restricts the trading of securities that are issued without a prospectus or otherwise where section 708A of the Corporations Act is not complied with. The Placement Options are not in a current class of quoted securities. The Company cannot currently utilise a section 708A provision to ensure there are no restrictions on the trading of the Placement Options.

2.2 Effect of the Offer

The effect of the Offer will be to remove the secondary trading sale restrictions on the Placement Options issued under this Prospectus.

The Offer will further:

- (a) increase the number of securities on issue by 87,264,265 Placement Options; and
- (b) decrease the cash reserves of the Company by approximately \$8,500, being the estimated costs of the Offer.

2.3 Capital Structure

The issued capital of the Company after the issue of the Placement Options under this Prospectus is set out below.

| Shares | Number |
|------------------------------|--------------------------|
| Existing Shares | 914,000,787 ¹ |
| Total Shares on issue | 914,000,787 |
| Options | |

| | |
|---|--------------------|
| Existing unlisted Options (exercise price of 4.3 cents and expiry date of 31 December 2022) | 10,000,000 |
| Existing unlisted Options (exercise price of 4.3 cents and expiry date of 18 August 2023) | 7,000,000 |
| Existing unlisted Options (exercise price of 4.3 cents and expiry date of 31 July 2024) | 20,000,000 |
| Existing unlisted Options (exercise price of 4.3 cents and expiry date of 18 August 2024) | 3,000,000 |
| Existing unlisted Options (exercise price of 4 cents and expiry date of 31 July 2024) | 8,000,000 |
| Placement Options (exercise price of 4 cents and expiry date of 30 September 2024) | 87,264,265 |
| Total Options on issue after completion of the Offer | 135,264,265 |

1. The Existing Shares include 174,528,530 Shares issued on 21 September 2022 and 10 November 2022 to Placement Investors.

2.4 **Effect on Financial Position**

The issue of the securities under this Prospectus with no raising of funds will not have a material impact on the Company's financial position. For this reason a pro-forma statement of financial position of the Company showing the financial effect of the Offer has not been included in this Prospectus.

2.5 **No material effect on Control**

The issue of the securities under this Offer will have no material effect on control of the Company.

3. RISK FACTORS

3.1 Introduction

An investment in the securities the subject of this Prospectus is highly speculative. The Company is a resource exploration company with Australian copper and copper-gold Projects. The Briggs, Mannersley and Fig Tree Hill joint venture Project has an inferred mineral resource.

The resource exploration and development activities of the Company are subject to various risks that may impact on the future performance of the Company. The following is a non-exhaustive list of the risks that may have a material effect on the financial position and performance of the Company and the value of its securities, as well as the Company's exploration, development and any mining activities and an ability to fund those activities.

The specific risks below are some of the risks to the Company of a specific nature by reason of its proposed involvement in the resources industry. The general investment risks below are some of the risks to the Company of a general economic nature.

3.2 Specific risks

Exploration and Development

Mineral exploration and development is a speculative and high-risk undertaking that may be impeded by circumstances and factors beyond the control of the Company. Success in this process involves, among other things:

- discovery and proving-up, or acquiring, an economically recoverable resource or reserve;
- access to adequate capital throughout the acquisition/discovery and project development phases;
- securing and maintaining title to mineral exploration projects;
- obtaining required development consents and approvals necessary for the acquisition, mineral exploration, development and production phases; and
- accessing the necessary experienced operational staff, the applicable financial management and recruiting skilled contractors, consultants and employees.

The Company is a resource exploration company. There can be no assurance that exploration on the Projects will result in the discovery of an economic mineral resource. Even if an apparently viable mineral resource is identified, there is no guarantee that it can be economically exploited.

The future exploration and development activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns, unanticipated operational and technical difficulties, industrial and environmental accidents, changing government regulations and other factors beyond the control of the Company.

Future capital needs and additional funding

The Company's ability to raise capital (equity or debt) within an acceptable time, of a sufficient amount and on terms acceptable to the Company will vary according to a number of factors, including the success of the exploration and development programs, feasibility studies, stock market and industry conditions and the price of relevant commodities and exchange rates.

No assurance can be given that future funding will be available to the Company on favourable terms (or at all). If adequate funds are not available on acceptable terms the Company may not be able to further develop its Projects and it may impact on the Company's ability to continue as a going concern.

Copper and commodity price volatility

The Company's Projects are prospective for copper and copper-gold.

The prices of copper and gold are affected by numerous factors beyond the control of the Company. These factors include worldwide and regional supply and demand, forward selling by producers and production cost levels, general world economic conditions and the outlook for interest rates, inflation and other economic factors on both a regional and global basis. These factors may have a positive or negative effect on the Company's development and production plans and activities, together with the ability to fund those plans and activities.

Reliance on key personnel

The Company's success largely depends on the core competencies of its Directors and any management and their familiarisation with, and ability to operate in, the resource and development industries.

Title

All of the tenements or licences in which the Company has, or may earn an interest in, will be subject to applications for renewal or grant (as the case may be). The renewal or grant of the terms of each tenement or licence is usually at the discretion of the relevant government authority.

Additionally, tenements or licences are subject to a number of State and Territory specific legislative conditions including payment of rent and meeting minimum annual expenditure commitments. The inability to meet these conditions could affect the standing of a tenement or restrict its ability to be renewed.

If a tenement or licence expires, is not renewed or granted, the Company may suffer significant damage through loss of the opportunity to develop and discover any mineral resources on that tenement.

COVID-19 pandemic risk

The COVID-19 pandemic has had a significant adverse impact on world economic conditions. Companies in Australia have not been isolated from this impact and these unstable economic conditions may continue for the foreseeable future.

Various national and state governments have imposed restrictions on the movement of people and goods in an attempt to slow down and contain the spread of the COVID-19 virus. Social distancing measures have been implemented in many places. Various other restrictions (such as lockdowns) have been and could continue to be implemented.

The Company's activities may be delayed or curtailed as a result of the COVID-19 pandemic or measures taken to contain it.

Resource and Reserve estimates

Mineral Resource and Ore Reserve estimates are expressions of judgment based on knowledge, experience and resource modelling. As such, Resource and Reserve estimates are inherently imprecise and rely to some extent on interpretations made.

Additionally, Resource and Reserve estimates may change over time as new information becomes available. If the Company encounters mineralisation or geological formations different from those predicted by past drilling, sampling and interpretations, Resource and Reserve estimates may need to be altered in a way that could adversely affect the Company's operations.

Native title and land access

The Native Title Act 1993 (Cth) recognises and protects the rights and interests in Australia of Aboriginal and Torres Strait Islander people in land and waters, according to their traditional laws and customs. There is a significant uncertainty associated with native title in Australia and this may impact upon the Company's operations and future plans.

It is important to note that the existence of a native title claim is not an indication that native title in fact exists to the land covered by the claim, as this is a matter ultimately determined by the Federal Court. If native title rights do exist, the ability of the Company to gain access to tenements (through obtaining consent of any relevant landowner) or to progress from the exploration phase to the development and mining phases of operations may be adversely affected.

The Company must also comply with Aboriginal heritage legislation requirements which require heritage survey work to be undertaken ahead of the commencement of mining operations.

Results of Studies

Subject to the results of exploration and testing programs to be undertaken, the Company may progressively undertake a number of studies in respect to the Projects. These studies may include scoping, prefeasibility and definitive bankable feasibility studies.

Such studies need to be completed within parameters designed to determine the economic feasibility of the Projects within certain limits. There can be no guarantee that any of the studies will confirm the economic viability of the Projects or the results of other studies undertaken by the Company (eg the results of a feasibility study may materially differ to the results of a scoping study).

Even if a study confirms the economic viability of a Project, there can be no guarantee that the Project will be successfully brought into production as assumed or within the estimated parameters in the feasibility study (eg operational costs and commodity prices) once production commences. Further, the ability of the Company to complete a study may be dependent on the Company's ability to raise further funds.

Joint Venture risk

Currently the Company's primary focus is on earning-in to the Briggs, Mannersley and Fig Tree Hill Project where it can earn up to 70% by expenditure totalling \$15,250,000 over 9 years (see ASX announcement of 18 August 2021). The success of the joint venture

arrangement is reliant upon the Company complying with its obligations and on maintaining an effective relationship with Canterbury Resources Limited (ASX:CBY).

Investments in other resource companies

The Company has subscribed for shares in each of the ASX listed resource companies, Caravel Minerals Limited (ASX:CVV) and Canterbury Resources Limited (ASX:CBY). Each of these companies are copper focused exploration and development companies. These investments are highly speculative and exposed to a number of the risks faced by the Company on its own Projects.

Acquisitions

The Company may make acquisitions of, or investments in, companies or assets that are complementary to its business. Any such future transactions are accompanied by the risks commonly encountered in making acquisition of companies or assets, such as integrating cultures and systems of operation, relocation of operations, short term strain on working capital requirements, achieving mineral exploration success and retaining key staff.

Environmental risk

The Company's Projects are subject to laws and regulations regarding environmental matters. The Governments and other authorities that administer and enforce environmental laws and regulations determine these requirements. As with all exploration projects and any subsequent mining operations, the Company's activities are expected to have an impact on the environment. The Company intends to conduct its activities in an environmentally responsible manner and in accordance with applicable laws.

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

Further, the Company may require additional approvals from the relevant authorities before it can undertake activities that are likely to impact the environment. Failure to obtain such approvals will prevent the Company from undertaking its desired activities. The Company is unable to predict the effect of additional environmental laws and regulations which may be adopted in the future, including whether any such laws or regulations would materially increase the Company's cost of doing business or affect its operations in any area.

Insurance

The Company may maintain insurance within ranges of coverage that it believes to be consistent with industry practice and having regard to the nature of activities being conducted. However, it is not always possible to cost-effectively insure against all risks associated with such activities. The Company may decide not to take out insurance against certain risks as a result of high premiums or for other reasons. Should liabilities arise on uninsured risks, the Company's business, financial condition and results of operations and the market price of the Shares may be materially adversely affected.

Legal Proceedings

Legal proceedings may arise from time to time in the course of the business of the Company. As at the date of this Prospectus, there are no material legal proceedings affecting the Company and the Directors are not aware of any legal proceedings pending or threatened against or affecting the Company.

Climate Change Regulation

Exploration and any mining of mineral resources is relatively energy intensive and is dependent on the consumption of fossil fuels. Increased regulation and government policy designed to mitigate climate change may adversely affect the Company's cost of operations and adversely impact the financial performance of the Company.

3.3 General investment risks

Securities investments and share market conditions

There are risks associated with any securities investment. The trading prices of securities trade fluctuate in response to a number of factors.

Furthermore, the stock market, and in particular the market for exploration companies may experience extreme price and volume fluctuations that may be unrelated or disproportionate to the operating performance of such companies. These factors may materially adversely affect the market price of the securities of the Company regardless of the Company's operational performance. Neither the Company nor the Directors warrant the future performance of the Company, or any return of an investment in the Company.

Liquidity risk

There is no guarantee that the Shares will trade at a particular price or a particular volume after the Company's listing on the ASX. There is no guarantee that there will be an ongoing liquid market for Shares. Accordingly, there is a risk that, should the market for Shares become illiquid, Shareholders will be unable to realise their investment in the Company.

Economic risk

Changes in both Australia and world economic conditions may adversely affect the financial performance of the Company. Factors such as inflation, currency fluctuations, interest rates, industrial disruption and economic growth may impact on future operations and earnings.

Legislative

Changes in relevant taxes, legal and administration regimes, accounting practice and government policies in Guernsey or Australia may adversely affect the financial performance of the Company.

4. DETAILS OF THE OFFER

4.1 The Offer

By this Prospectus the Company offers 87,264,265 Placement Options to Placement Investors.

The Placement Options have an exercise price of 4 cents and an expiry date of 19 September 2022. The full terms of the Placement Options are set out in Section 5.1.

No funds will be raised by this Offer. The Offer is not underwritten and there is no sponsoring broker. No broker or financial services licensee will be paid any fee in relation to this Offer.

Only Placement Investors should apply for the Placement Options under this Prospectus. The details of how to apply for the securities are set out below.

4.2 Application for Securities

An application for the securities may only be made at the direction of the Company and must be made using the Application Form.

A completed Application Form must be returned to the Company at Suite 1, 245 Churchill Avenue, Subiaco, Western Australia.

A completed Application Form must reach the Company by no later than the Closing Date.

4.3 No Minimum Subscription

There is no minimum subscription under the Offer.

4.4 Opening Date and Closing Date of the Offer

The Opening Date is 21 November 2022 and the Closing Date is estimated to be 25 November 2022. The Directors reserve the right to extend the Closing Date and the Offer or close the Offer early without notice.

4.5 No application for quotation of Placement Options

No application will be made for quotation of the Placement Options.

4.6 ASX Listed Company

The Company is included in the official list of ASX and the Listing Rules apply to the Company.

4.7 Applicants outside Australia

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 to issue this Prospectus. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities law. No action has been taken to register or qualify the securities or otherwise permit a public offering of the securities the subject of this Prospectus in any jurisdiction outside Australia.

It is the responsibility of any Applicant outside Australia to obtain all necessary approvals for the allotment and issue of the securities under this Prospectus. The return of a completed Application Form will be taken by the Company to constitute a representation and warranty by the Applicant that all relevant approvals have been obtained.

4.8 Rights Attaching to Placement Options and Shares

A summary of the rights attaching to the Placement Options and Shares is set out in Section 5.

5. RIGHTS ATTACHING TO SECURITIES

5.1 Terms of Placement Options to be issued under this Prospectus

The terms of the Placement Options are:

- (a) Each Option entitles the holder to one Share (fully paid ordinary share) upon exercise of the Option.
- (b) The exercise price of the Options is 4.3 cents.
- (c) The Options are exercisable at any time prior to 5.00 pm WST on 19 September 2024 (Expiry Date).
- (d) The Options are only transferable with Board approval. The Options are not intended to be quoted.
- (e) The Company will provide to each Option holder a notice that is to be completed when exercising the Options (Notice of Exercise). The Options may be exercised wholly or in part by completing the Notice of Exercise and delivering it together with payment to the secretary of the Company to be received any time prior to the Expiry Date. The Company will process all relevant documents received at the end of every calendar month.
- (f) Upon the exercise of an Option and receipt of all relevant documents and payment, the holder will be issued a Share ranking equally with the then issued Shares. The Company will apply to ASX in accordance with the Listing Rules for all Shares pursuant to the exercise of Options to be admitted to quotation.
- (g) There will be no participating rights or entitlements inherent in the Options and the holders will not be entitled to participate in new issues of capital which may be offered to Shareholders during the currency of the Options. Thereby, the Option holder has no rights to a change in the exercise price of the Option or a change to the number of underlying securities over which the Option can be exercised except in the event of a bonus issue. However, the Company will ensure that the Option holder will be notified of a proposed issue after the issue is announced. This will give an Option holder the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.
- (h) If there is a bonus issue (Bonus Issue) to Shareholders, the number of Shares over which an Option is exercisable will be increased by the number of Shares which the holder would have received if the Option had been exercised before the record date for the Bonus Issue (Bonus Shares). The Bonus Shares must be paid up by the Company out of profits or reserves (as the case may be) in the same manner as was applied in the Bonus Issue, and upon issue will rank equally in all respects with the other Shares on issue as at the date of issue of the Bonus Shares.
- (i) In the event of any reconstruction (including consolidation, sub-division, reduction or return) of the issued capital of the Company prior to the Expiry Date, all rights of an Option holder are to be changed in a manner consistent with the Listing Rules.

5.2 Rights attaching to Shares

The Company is incorporated in Guernsey with Articles and is registered as a foreign company under the Corporations Act with an ARBN. The Company is further included in the official list of the ASX and the Listing Rules apply to the Company including the securities issued by the Company.

The rights attaching to Shares are:

- (a) detailed in the Articles; and
- (b) in certain circumstances, regulated by the Companies Law (of Guernsey), the Listing Rules and the general law.

The following is a summary of the more significant rights attaching to Shares. 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.

Voting Rights

Subject to any provision of the Company's Memorandum and Articles and without prejudice to any special rights, privileges or restrictions as to voting attached to any Shares:

- (i) on a show of hands, every Shareholder present in person or being a duly authorised representative of a corporation which is a Shareholder, shall have one vote;
- (ii) on a poll, every Shareholder present in person or by proxy or being a duly authorised representative of a corporation which is a Shareholder, shall have one vote for each fully paid Share held by him.

Where there are joint registered holders of any Share, such persons shall not have the right of voting individually in respect of such Share but shall elect one of their number to represent them and to vote whether in person or by proxy in their name.

No Shareholder shall be entitled to be present or take part in any proceedings or vote either personally or by proxy at any meeting unless all calls on unpaid shares due by him have been paid.

A Shareholder may appoint any person (whether a member or not) his proxy and may appoint more than one proxy to attend and vote on the same occasion.

Any corporation which is a member may by resolution of its directors or other governing body authorise such person as it thinks fit (whether a member or not) to act as its representative at any meeting of the Company.

General Meetings

Shareholders are entitled to be present in person or by proxy or a duly authorised representative of a corporation which is a Shareholder to attend and speak and vote at general meetings of the Company.

No business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business. The quorum for a general meeting shall be two Shareholders present in person or by proxy or a duly authorised representative of a corporation which is a Shareholder.

At any meeting a resolution put to the vote shall be decided by a show of hands or by a poll at the option of the chairman. Nevertheless, before or on the declaration of the result, a poll may be demanded:

- (i) by the Chairman of the meeting;
- (ii) in writing by at least five Shareholders present in person or by proxy or being a duly authorised representative of a corporation which is a Shareholder; or

- (iii) in writing by any Shareholder present in person or by proxy or being a duly authorised representative of a corporation which is a Shareholder and representing not less than one-tenth of the total voting rights of all the Shareholders having the right to vote at the meeting.

Dividend Rights

The Company in general meeting may, by ordinary resolution, declare dividends out of the profits of the Company. No dividend shall exceed the amount recommended by the Board.

All dividends shall be declared and paid according to the amounts paid up on the Shares in respect whereof the dividend is paid.

The Board may at any time declare and pay such interim dividends as appear to be justified by the position of the Company. The Board may also declare and pay any fixed dividend which is payable on any Shares of the Company half-yearly or otherwise on fixed dates whenever the position, in the opinion of the Board, so justifies.

The Board may deduct from any dividend payable to any Shareholder on or in respect of a Share all sums of money (if any) presently payable by him to the Company on account of calls or otherwise.

No dividend on or in respect of a Share shall bear interest against the Company.

With the prior approval of an ordinary resolution of the Company passed at any general meeting, the Board may, in respect of any dividend specified by the ordinary resolution, offer any holders of the Shares the right to elect to receive in lieu of that dividend (or part of any of that dividend) an allotment of Shares credited as fully paid. The value of the additional Shares each holder of Shares who elects to receive the same shall be allotted in lieu of any amount of dividend shall equal as nearly as possible the net cash amount of the dividend that such holder elects to forgo and may exceed that amount. The additional Shares so allotted shall rank *pari passu* in all respects with the fully paid Shares then in issue.

Dividends and other distributions to be made by the Company are subject to a solvency test pursuant to the Companies Law.

Future Increases in Capital

In default of any ordinary resolution by the Company and subject to the provisions of the Companies Law and the Company's Articles, the unissued Shares of the Company are at the disposal of the Board, which may allot, grant options over or otherwise dispose of them to such persons on such terms and conditions at such times as the Board determines.

The Company may, by ordinary resolution, increase its Share capital and prescribe any preference or priority as regards dividends or in the distribution of assets or as to voting.

The Company may by ordinary resolution:

- (i) consolidate and divide all or any of its Share capital into Shares of larger amount than its existing Shares;
- (ii) subdivide all or any of its Shares into Shares of smaller amount; and
- (iii) cancel any unissued Shares.

Subject to the Companies Law, the Company may, by special resolution, reduce its Share capital.

Transfer of Shares

All transfers of Shares may be effected in writing in any usual or common form or in any other form acceptable to the Board or by any other manner as the Board may accept. Any instrument of transfer shall be signed by or on behalf of the transferor who shall be deemed to remain the holder until the name of the transferee is entered into the register.

The Board may in its absolute discretion refuse to register the transfer of a Share which is not fully paid or on which the Company has a lien. The Board may also refuse to register a transfer of any Share in favour of more than four persons jointly or a transfer of an uncertificated Share.

Amendment of Articles

The Company's Articles may be amended by special resolution passed by at least three quarters of the votes cast by holders of Shares entitled to vote on the resolution, at a general meeting for which notice has been given in accordance with the Company's Articles, including notice to propose the resolution as a special resolution.

Takeover Protection

On 24 November 2009 Shareholders approved the amendment of the Articles to incorporate takeover protection provisions. The takeover protection provisions are broadly modelled on the relevant parts of Chapter 6 of the Australian Corporations Act regulating events where a person seeks to acquire a substantial interest in, or control of, the Company.

Subject to certain exceptions (modelled on the Australian Corporations Act exceptions), a person is prohibited from acquiring a relevant interest if, because of the acquisition, the person's or someone else's voting power in the Company increases from 20% or below to more than 20% or from a starting point that is above 20% and below 90%.

One of the exceptions to the prohibition is where the holding of a relevant interest results from an issue under a prospectus to a person as underwriter or sub-underwriter to the issue where the prospectus disclosed the effect or range of possible effects that the issue would have on the number of Shares in which that person would have a relevant interest or on the voting power of that person.

One of the further exceptions to the prohibition is where the holding or acquisition of a relevant interest results from an issue where the Company offers to issue Shares to a particular class, offers are made to every person who holds Shares in that class to issue them with the percentage of Shares to be issued that is the same as the percentage of the Shares in that class that they hold before the issue, all of those persons have a reasonable opportunity to accept the offers made to them, agreements to issue are not entered into until a specified time for acceptance of offers has closed and the terms of all the offers are the same. The exception will apply even if the conditions are not satisfied in respect of Shareholders who are registered outside Australia if the Company appoints a financial services licensee for such foreign holders to sell Shares on their behalf and distribute proceeds (net of expenses) to the foreign holders.

A person is required to notify the Company and ASX of beginning or ceasing to have a substantial holding or a movement of at least one percent in the person's substantial holding. A substantial holding is where a person or their associates have a relevant interest in 5% or more of the total votes attaching to Shares.

Takeover bids will be conducted in accordance with Australian Corporations Act principles

incorporated into the Articles.

Predominance of Listing Rules

While the Company is admitted to trading on the Official List, then despite anything in the Articles, if the Listing Rules prohibit an act being done, the act must not be done. Nothing in the Articles prevents an act being done that the Listing Rules require to be done. If the Listing Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be). If the Listing Rules require the Articles to contain a provision and it does not contain such a provision, the Articles is deemed to contain that provision. If the Listing Rules require the Articles not to contain a provision and it contains such a provision, the Articles is deemed not to contain that provision. If a provision of the Articles is inconsistent with the Listing Rules, the Articles is deemed not to contain that provision to the extent of the inconsistency.

6. ADDITIONAL INFORMATION

6.1 Transaction Specific Prospectus and Continuous Disclosure Obligations

We are a disclosing entity under the Corporations Act and therefore are subject to regular reporting and disclosure obligations. Under those obligations, we are required to comply with all applicable continuous disclosure and reporting requirements in the Corporations Act and the Listing Rules. In particular, we must comply with the requirement to disclose to ASX any information held by us which a reasonable person would expect to have a material effect on the price or the value of the Company's securities.

As this Prospectus is a transaction specific prospectus issued under section 713 of the Corporations Act, it is only required to contain information in relation to the effect of the Offer on the Company and the rights and liabilities attaching to the securities offered. This Prospectus is not required to provide information regarding our assets and liabilities, financial position and performance, profits and losses or prospects on the basis that, as at the date of this Prospectus, the Company has not withheld from its continuous disclosure reporting any information about such matters that investors and their professional advisers would reasonably require to make an informed assessment of such matters and expect to find in this Prospectus.

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 ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request:
 - (i) the annual financial report most recently lodged by the Company with ASIC;
 - (ii) any half-year financial report lodged with ASIC after lodgement of the annual financial report and before lodgement of this Prospectus with ASIC; and
 - (iii) any continuous disclosure notices given by the Company after lodgement of the annual financial report and before lodgement of this Prospectus with ASIC.

We lodged our latest annual report with ASX on 3 October 2022. Since then, the following announcements have been made on our ASX platform, shown in the table below.

| Date | Description of Announcement |
|------------|---|
| 3/10/2022 | Appendix 4G and Corporate Governance Statement |
| 5/10/2022 | Notice of Annual General Meeting/Proxy Form |
| 14/10/2022 | Resource Extension Drilling Underway at Briggs |
| 26/10/2022 | Quarterly Activities/Appendix 5B Cash Flow Report |

| Date | Description of Announcement |
|-------------|--|
| 3/11/2022 | AGM Presentation |
| 3/11/2022 | Results of AGM |
| 10/11/2022 | Application for quotation of securities - ALM |
| 10/11/2022 | Notification regarding unquoted securities - ALM |
| 10/11/2022 | Completion of Share Placement and Cleansing Notice |
| 10/11/2022 | Change of Director's Interest Notice x3 |

6.2 Share Trading History

Information about the highest and lowest market price of the Company's quoted Shares on ASX during the 3 months immediately preceding the date of lodgement of this Prospectus with ASIC and the respective dates of those sales and the last sale on the day prior to lodgement of this Prospectus with ASIC were :

| | Price | Date |
|---------|--------------|-------------------|
| Highest | 1.6 cents | 19 September 2022 |
| Lowest | 0.9 cents | 26 August 2022 |
| Latest | 1.1 cents | 17 November 2022 |

6.3 Directors' Interests

(a) Interests of Directors

Other than as disclosed in this Prospectus, no Director or proposed Director holds, or has held at any time during the last two years, any interest in:

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

and no amounts have been paid or agreed to be paid by any person and no benefits have been given or agreed to be given by any person to a Director or proposed Director to induce him or her to become, or to qualify as, a Director or for services provided by a Director or proposed Director in connection with the formation or promotion of the Company or the Offer.

(b) **Interests in securities as at the date of this Prospectus**

As at the date of this Prospectus, the Directors (and their respective associates) have relevant interests in the Shares and Options of the Company as at the date of this Prospectus as set out in the table below. Interests include those held directly and indirectly:

| Director | Shares | Options |
|------------------------|-------------------------|---------------------------------|
| Alasdair Cooke | 65,003,683 ¹ | 8,000,000 ^{2 and 3} |
| Frazer Tabcart | 9,524,100 ¹ | 16,000,000 ^{2,3 and 4} |
| Valentine Chitalu | 2,251,425 ¹ | 0 ³ |
| Vincent Masterton-Hume | 4,157,606 | 0 |
| John Dean | 0 | 0 |

Notes:

1. Each of Alasdair Cooke (10,000,000 Shares), Frazer Tabcart (3,500,000 Shares) and Valentine Chitalu (2,500,000 Shares) subscribed for Shares under the placement, which were issued on 10 November 2022. These Shares are included in the table above.
2. Each of Alasdair Cooke (5,000,000 Placement Options), Frazer Tabcart (1,750,000 Placement Options) and Valentine Chitalu (1,250,000 Placement Options) will apply and be issued with Placement Options under this Prospectus. These Placement Options are not included in the table above.
3. These Options have an exercise price of 4.3 cents and an expiry date of 19 September 2024.
4. These Options have an exercise price of 4 cents and an expiry date of 30 September 2024.

(c) **Remuneration of Directors**

Mr Alasdair Cooke is paid \$85,000 per annum as executive chairman for one day per week time commitment plus a consultancy fee of \$2,000 per day for work in excess of one day per week. In the two years prior to the date of this Prospectus Mr Cooke has received a total remuneration of \$181,732.

Mr Frazer Tabcart is paid \$300,000 per annum inclusive of superannuation as managing director. In the two years prior to the date of this Prospectus Mr Tabcart has received a total remuneration of \$375,000.

Mr Valentine Chitalu is paid \$25,000 per annum as a fee for a non-executive director. In the two years prior to the date of this Prospectus Mr Chitalu has received a total remuneration of \$50,000.

Mr Vincent Masterton-Hume is paid \$25,000 per annum as a fee for a non-executive director. In the two years prior to the date of this Prospectus Mr Masterton-Hume has received a total remuneration of \$50,000.

Mr John Dean is paid \$25,000 per annum as a fee for a non-executive director. In the two years prior to the date of this Prospectus Mr Dean has received a total remuneration of \$50,000.

6.4 Interests of Experts and Advisors

Except as disclosed in this Prospectus, no expert, promoter or any other person named in this Prospectus as performing a function in a professional advisory or other capacity in connection with the preparation or distribution of the Prospectus, nor any firm in which any of those persons is or was a partner nor any company in which any of those persons is or was associated with, has now, or has had, in the two year period ending on the date of this Prospectus, any interest in:

- (a) the formation or promotion of the Company; or
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer; or
- (c) the Offer.

Except as disclosed in this Prospectus, no amounts of any kind (whether in cash, securities or otherwise) have been paid or agreed to be paid to any expert, promoter or any other person named in this Prospectus as performing a function in a professional advisory or other capacity in connection with the preparation or distribution of the Prospectus, or to any firm in which any of those persons is or was a partner or to any company in which any of those persons is or was associated with, for services rendered by that person in connection with the formation or promotion of the Company or the Offer.

Fairweather Corporate Lawyers has acted as solicitors to the Company in relation to the Offer. In respect of this work, the Company will pay approximately \$5,000 exclusive of GST and disbursements. Subsequently fees will be paid in accordance with normal hourly rates. Fairweather Corporate Lawyers has been paid fees of approximately \$57,000 exclusive of GST in the 2 years prior to the date of this Prospectus.

6.5 Expenses of the Offer

The total expenses connected with the Offer including legal fees, ASX and ASIC fees and other miscellaneous expenses will be approximately \$8,500.

6.6 Consents

The following party has given its written consent to be named in this Prospectus and for the inclusion of statements made by that party (as described below in the form and context in which they are included), and has not withdrawn such consent before lodgement of this Prospectus with ASIC.

FW Legal Pty Ltd trading as Fairweather Corporate Lawyers has consented to being named as the Solicitors to the Offer.

The party referred to above in this Section:

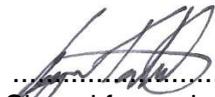
- does not make, or purport to make any statement in this Prospectus, or on which a statement made in this Prospectus is based other than as specified in this Section;
- to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Prospectus or any omissions from this Prospectus other than a reference to its name and a statement included in the Prospectus with the consent of that party as specified in this Section; and
- has not caused or authorised the issue of this Prospectus.

7. DIRECTORS' AUTHORISATION AND CONSENT

This Prospectus is authorised by the Company and lodged with the ASIC pursuant to section 718 of the Corporations Act.

Each Director has consented to lodgement of this Prospectus with ASIC in accordance with the terms of section 720 of the Corporations Act and has not withdrawn that consent.

Dated: 18 November 2022



.....

Signed for and on behalf of Alma Metals Limited
By Mr Charles (Frazer) Tabcart
Managing Director

8. GLOSSARY

Where the following terms are used in this Prospectus they have the following meanings:

| | |
|---|--|
| Applicant | a person(s) who submits a valid Application Form pursuant to this Prospectus. |
| Application | a valid application made on an Application Form to subscribe for securities pursuant to this Prospectus. |
| Application Form | the application form attached to or accompanying this Prospectus. |
| Articles | the Articles of Association of the Company as amended from time to time. |
| ASIC | the Australian Securities & Investments Commission. |
| ASX | the ASX Limited (ACN 008 624 691). |
| ASX Listing Rules or Listing Rules | the official listing rules of the ASX. |
| Board | the Board of Directors. |
| CDI | a CHESS Depository Interest representing a unit of beneficial ownership in the Shares registered in the name of CHESS Depository Nominees Pty Ltd. |
| Closing Date | the closing date for receipt of Application Forms under this Prospectus, estimated to be 25 November 2022 or an amended time as set by the Board. |
| Company or ALM | Alma Metals Limited (ARBN 123 316 781) |
| Companies Law | the Companies (Guernsey) Law 2008. |
| Corporations Act | the Corporations Act 2001 (Cth). |
| Director | a director of the Company. |
| Offer | the offer of Options pursuant to this Prospectus. |
| Official List | the official list of ASX. |
| Opening Date | 21 November 2022. |
| Option | an option to subscribe for a Share. |
| Placement Investor | an investor who subscribed for Shares issued on 21 September 2022 and 10 November 2022 under the placement. |

| | |
|--------------------------|--|
| Placement Options | Options with an exercise price of 4 cents and an expiry date of 19 September 2024, the full terms of which are set out in Section 5.1. |
| Project | a project of the Company. |
| Prospectus | this Prospectus. |
| Share | a fully paid ordinary share in the Company and, where the context requires, means a CDI. |
| Shareholder | a person who holds one or more Shares. |
| WST | Western Standard Time, Perth, Western Australia. |
| \$ or Dollars | Australian dollars unless otherwise stated. |